



SUMMARY OF BENEFITS - GENERAL STATE EMPLOYEES

MSEP 2000
Vesting - <i>Eligible for a future retirement benefit</i>
<ul style="list-style-type: none"> • 5 years
Base Benefit Formula - <i>Payable for your lifetime</i>
<ul style="list-style-type: none"> • .017 x FAP x service <i>Future formula increases, if any, will not be passed along to retirees</i>
Temporary Benefit Formula - <i>Stops at age 62</i>
<ul style="list-style-type: none"> • .008 x FAP x service <i>Available to those who retire under the "Rule of 80"</i>
Benefit Payment Options - <i>Determines whether or not a benefit will be paid to anyone after your death</i>
<ul style="list-style-type: none"> • Life Income Annuity • Joint & 50% Survivor • Joint & 100% Survivor • Life Income With 120 Guaranteed Payments • Life Income With 180 Guaranteed Payments
Cost-of-Living Adjustment (COLA) - <i>Helps maintain your purchasing power as inflation increases the cost of various items you buy</i>
<ul style="list-style-type: none"> • Based on 80% of the percentage increase in the CPI (0-5%)
Normal Retirement Eligibility - <i>Age and service required to receive an unreduced retirement benefit</i>
<ul style="list-style-type: none"> • Age 62 with 5 years of service • "Rule of 80" - at least age 48 with age and service equaling 80 or more (Age 50 if first became eligible prior to Aug. 28, 2003)
Early Retirement Eligibility - <i>Age and service required to receive a REDUCED retirement benefit</i>
<ul style="list-style-type: none"> • Age 57 with 5 years of service; base benefit will be reduced 1/2 of 1% (.005) for each month your age is younger than normal retirement
In-Service COLA - <i>Service beyond age 65</i>
<ul style="list-style-type: none"> • Not available
Optional Life Insurance - <i>Coverage at retirement (if applicable); cannot exceed coverage amount while actively employed</i>
<ul style="list-style-type: none"> • Maximum of \$60,000 <i>If you retire under the "Rule of 80," you may retain coverage beyond \$60,000 until age 62. At age 62, your coverage will reduce to \$60,000</i>
BackDROP - <i>Partial lump sum payment option in exchange for a reduced ongoing monthly benefit</i>
<ul style="list-style-type: none"> • Must work at least two years beyond normal retirement eligibility to be eligible for BackDROP. If applicable, elect BackDROP at retirement
Service Purchases
<ul style="list-style-type: none"> • May purchase up to 4 years of active-duty military service or qualifying public sector service at subsidized rate. May also purchase public sector service at full actuarial cost
Service Transfers
<ul style="list-style-type: none"> • May transfer service under 104.1090 from other systems with written agreements to transfer required funds
Member Contributions
<ul style="list-style-type: none"> • None