

## SUMMARY OF PENSION BENEFIT PROVISIONS General State Employees

Benefit Provisions	MSEP 2011
Member Contributions	<ul style="list-style-type: none"> <li>• 4% of pay</li> </ul>
Vesting <i>Eligible for future pension</i>	<ul style="list-style-type: none"> <li>• 5 years</li> </ul>
Service Purchases	<ul style="list-style-type: none"> <li>• May purchase qualifying public sector service at full actuarial cost</li> </ul>
Service Transfers	<ul style="list-style-type: none"> <li>• Not available</li> </ul>
Early Retirement Eligibility <i>Age and service required to receive a reduced retirement benefit</i>	<ul style="list-style-type: none"> <li>• Age 62 + 5 years of service at time of termination</li> <li>• <i>Base benefit reduced ½ of 1% (.005) for each month age is younger than normal retirement</i></li> <li>• <i>Terminated-vested members ineligible</i></li> </ul>
Normal Retirement Eligibility <i>Age and service required to receive an unreduced pension benefit</i>	<ul style="list-style-type: none"> <li>• Age 67 + 5 years of service</li> <li>• “Rule of 90” – (at least age 55) Age + years of service = 90 or more at time of termination</li> <li>• <i>Terminated-vested members ineligible for “Rule of 90”</i></li> </ul>
Base Benefit Formula <i>Payable for life</i>	<ul style="list-style-type: none"> <li>• .017 x FAP x Service</li> <li>• <i>Future formula increases, if any, will not be passed along to retirees</i></li> </ul>
Temporary Benefit Formula <i>Stops at age 62</i>	<ul style="list-style-type: none"> <li>• .008 x FAP x Service</li> <li>• <i>Available members retiring under “Rule of 90”</i></li> </ul>
BackDROP Option <i>Lump-sum payment at retirement in addition to reduced monthly pension</i>	<ul style="list-style-type: none"> <li>• Not available</li> </ul>
Benefit Payment Options <i>Determines whether or not a benefit will be paid to anyone after member’s death</i>	<ul style="list-style-type: none"> <li>• Life Income Annuity</li> <li>• Joint &amp; 50% Survivor</li> <li>• Joint &amp; 100% Survivor</li> <li>• Life Income with 120 Guaranteed Payments</li> <li>• Life Income with 180 Guaranteed Payments</li> </ul>
Optional Life Insurance <i>Coverage at retirement (if eligible); cannot exceed coverage amount while actively employed</i>	<ul style="list-style-type: none"> <li>• Maximum of \$60,000</li> <li>• <i>Members retiring under “Rule of 90” may retain coverage beyond \$60,000 until age 62; at age 62, coverage will reduce to \$60,000</i></li> </ul>
Cost-of-Living Adjustment (COLA) <i>Helps offset effects of inflation increasing the cost of goods and services</i>	<ul style="list-style-type: none"> <li>• Based on 80% of the percentage increase in the average CPI (0-5%)</li> </ul>
In-Service COLA <i>Service beyond age 65</i>	<ul style="list-style-type: none"> <li>• Not available</li> </ul>

- First employed in a MOSERS benefit-eligible position on or after January 1, 2011