



Missouri Sheriffs' Retirement System

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RETIREMENT PENSION DESCRIPTIONS

This document is designed to provide information regarding the various pension options which may be elected under the Sheriffs' Retirement System. There is a normal pension payment as well as five other pension options. At retirement, if one of the five pension options is not selected, the monthly benefit will automatically be calculated and paid based on the normal pension.

NORMAL PENSION - The normal pension is a monthly benefit payable for life. The benefit is payable at the beginning of the month for that month. As an example, for a January 1, 2015 retirement, the first retirement check will be paid on January 1, 2015 for the month of January 2015. This payment continues until a retiree's death. Upon a retiree's death, retirement benefits stop effective the first of the month following death. With this option, there is no benefit paid to the retiree's beneficiary/survivor after the death of the retiree.

PENSION OPTIONS – In lieu of the normal pension, at the time of retirement a retiree may select one of the following pension options which provide continuation of the retirement benefit payment to a beneficiary. However, once the selection is made and the first payment received, *the pension option cannot be changed.*

Joint and Survivor Options with Continuance – Married retirees may elect a joint and survivor option with contingent annuitant. With the joint and survivor options, the spouse at the date of retirement is the only possible contingent annuitant. The monthly benefit payable to the retiree is reduced for the lifetime of the retiree, but with these options a monthly pension benefit continues to the retiree's spouse for as long as the spouse lives. The smaller amount payable to the retiree is due to the fact the monthly pension benefit will be payable during two lifetimes rather than one. There are three (3) different continuances for the spouse which may be selected. However, once the selection is made and the first payment received, the pension option cannot be changed even if the spouse dies first. In the event of the spouse's death, benefit payments end upon the death of the retiree.

- ***100% Continuance:*** If 100% continuance is selected, the monthly pension benefit to the retiree is reduced and payable for life. Upon the death of the retiree, the spouse will receive the same monthly pension benefit for life that the retiree was receiving at the time of the retiree's death.
- ***75% Continuance:*** If 75% continuance is selected, the monthly pension benefit to the retiree is reduced, but the reduction is smaller than the 100% reduction. The payment continues to the retiree for life. Upon the death of the retiree, 75% of the monthly pension benefit that the retiree was receiving at the time of the retiree's death will be paid to the spouse for life. In comparison to the 100% continuance option, the benefit amount under the 75% continuance option results in a larger benefit to the retiree and a smaller benefit to the spouse.
- ***50% Continuance:*** If 50% continuance is selected, the monthly pension benefit to the retiree is reduced, but the reduction is less than the reduction of the 75% continuance option. The payment continues to the retiree for life. Upon the death of the retiree, 50% of the monthly pension benefit that the retiree was receiving at the time of the retiree's death will be paid to the spouse for life. In comparison to both the other continuance options, the benefit amount under the 50% continuance option results in the largest benefit to the retiree and the smallest benefit to the spouse.

Life Annuity with Guaranteed Payments – The life annuity with guaranteed payments allows the retiree to select any beneficiary or beneficiaries for the benefit amount being continued. One or more beneficiaries may be identified to share equally or proportionately. There are two (2) different continuance options as described below. But, once the 60 month or 120 month guaranteed period is chosen and the first payment is made, it cannot be changed. However, at any time during the guarantee period, the retiree may change the designated beneficiary(ies) by completing a Change of Beneficiary Form.

- ***60 Month Guarantee:*** If the option for 60 month (5 years) guarantee is selected, the monthly pension benefit to the retiree is reduced, but continues for the life of the retiree. If the retiree dies before receiving 60 monthly payments, the selected beneficiary will receive the remainder of the 60 guaranteed monthly payments. If the selected beneficiary is no longer living, the remainder of the 60 months of payments will be payable to the retiree's estate.
- ***120 Month Guarantee:*** If the option for 120 month (10 years) guarantee is selected, the monthly pension benefit to the retiree is reduced more than the 60 month reduction, but the payment continues for the life of the retiree. If the retiree dies before receiving 120 monthly payments, the selected beneficiary will receive the remainder of the 120 guaranteed monthly payments. If the selected beneficiary is no longer living, the remainder of the 120 months of payments will be payable to the retiree's estate.