PERS of MISSISSIPPI

Retiree Handbook

Public Employees' Retirement System of Mississippi

Providing Benefits for Life

PERS
of MISSISSIPPI

Our Mission

Providing secure benefits to our members and consistently delivering quality service by meeting our customers' needs; operating efficiently and transparently; investing and managing assets prudently; and acting in the best interest of all members.

Center Cover Photo Credit: Anissa Thompson

Welcome

Whether you worked your career as an educator, physician, county supervisor, engineer, clerk, accountant, or as one of the myriad of other public employees serving the state of Mississippi, one of the most valuable benefits of your employment was knowing you had a secure retirement future with the Public Employees' Retirement System of Mississippi (PERS).

PERS is Mississippi's retirement system for state agencies, public schools, community colleges, and universities, as well as counties, cities, and other participating political subdivisions. We believe that Mississippi's public employees deserve a strong retirement system.

Since established by the Mississippi Legislature in 1952, PERS has worked to accomplish its mission of providing secure retirement benefits by closely monitoring investments, studying possibilities for plan adjustments, recommending changes to the Legislature, and following a strong chain of checks and balances that starts with the Mississippi Constitution and ends with the people we serve.

Providing secure retirement benefits is only one part of our agency's mission. We also strive to provide quality service.

Moreover, we want you to know about your retirement system. This handbook is one of several valuable tools we provide for retirees to learn about PERS. Along with our website, newsletters, annual reports, and educational opportunities, we have a team of dedicated and trained staff who can respond to you personally via phone and in person. We listen carefully to your questions and seek to understand your needs. We strive to treat each person—from new hires to long-time retirees—with dignity, respect, and compassion.

We hope this handbook will be helpful to you, and we encourage you to share any suggestions toward improving this handbook or any of our services. PERS is your retirement system and your future.

Photo Credit: Charlie Godbold, Godbold & Company Photography

Pat Robertson
Executive Director

Providing Benefits for Life

Public Employees' Retirement System of Mississippi

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Jackson, Mississippi 39201-1005

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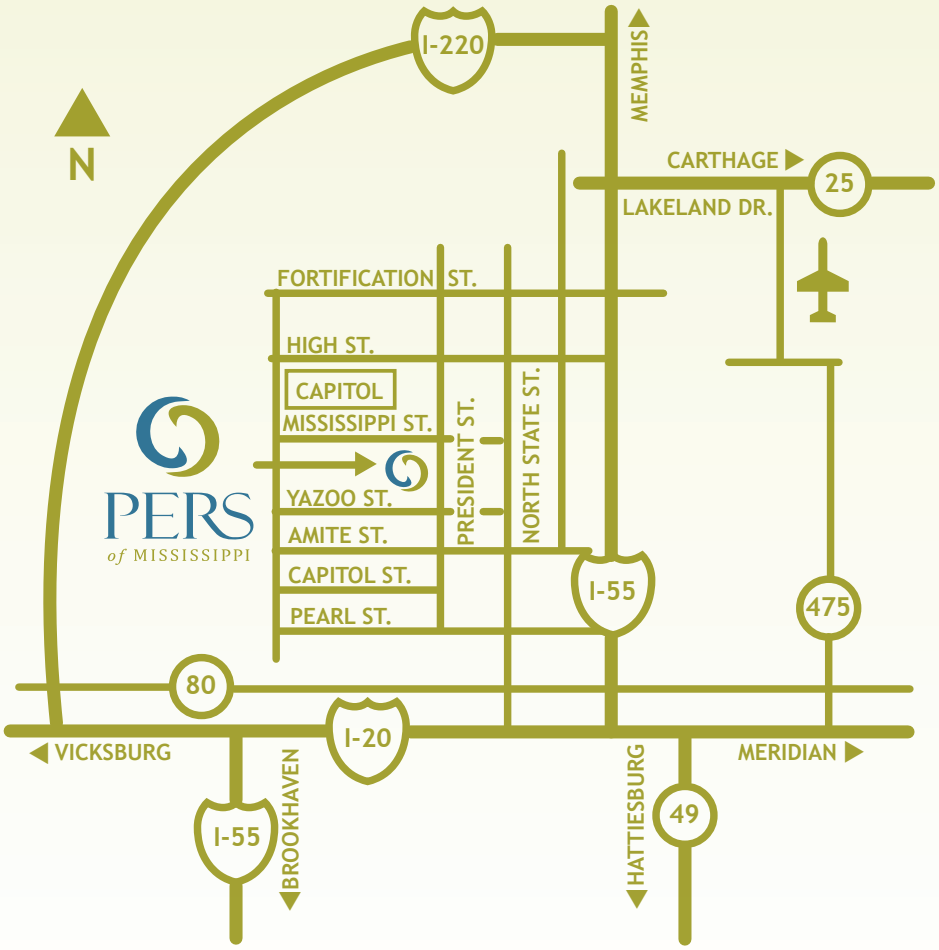
601.359.3589

customerservice@pers.ms.gov
www.pers.ms.gov

8:00 a.m. to 5:00 p.m., Monday - Friday

Visitor parking is available in the parking garage behind the PERS Building at 429 Mississippi Street. Entrance to the parking garage is from President Street, between Yazoo Street and Mississippi Street.



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Discover More Online

Along with this handbook, PERS provides online resources for retirees. Look for the pointing finger symbol (at left) throughout this handbook to guide you to resources found at www.pers.ms.gov.

Photo Credit: Charlie Godbold, Godbold & Company Photography

Your Retirement System: A Brief Overview

The Public Employees' Retirement System of Mississippi (PERS) is a governmental defined benefit plan qualified under Section 401(a) of the Internal Revenue Code. PERS was established by the state Legislature in 1952 to provide benefits to eligible Mississippi public employees working for state agencies, universities, community colleges, and public schools, as well as counties, cities, and other participating political subdivisions.

Unlike a defined contribution plan (e.g., a 401(k)-type plan) where a participant's retirement benefit is based on contributions and any investment earnings accumulated in that participant's account, a defined benefit plan determines a member's retirement benefit using a formula based on the member's average compensation, years of creditable service, and the benefit payment option selected at retirement. PERS is a trust fund operating on a fiscal year calendar from July 1 through June 30. All funds are held in trust for the exclusive benefit of the members.

Funding for PERS comes from member and employer contributions and investment earnings on those contributions that accumulate over time. As a defined benefit plan, PERS has access to professional investment management, which eliminates the need for members to manage their contributions in the markets. Defined benefit plans are designed based on strength in numbers, automatic participation, and pooled risk so that members are guaranteed to receive lifetime benefit payouts at retirement, regardless of market downturns. In addition, PERS provides disability and survivor protection.

PERS is administered by its 10-member Board of Trustees, which includes the state treasurer, one gubernatorial appointee who must be a member of PERS, two state employees, two PERS retirees, one representative of public schools and community colleges, one representative of the state's institutions of higher learning, one representative of municipalities, and one representative of counties. Under the guidance of a consulting actuary, the PERS Board monitors funding to ensure the financial soundness of the plans administered and compliance with the guidelines established by the Governmental Accounting Standards Board. The PERS Board also appoints the executive director to serve as the agency's chief executive officer.

Along with PERS, the Board administers:

- Mississippi Highway Safety Patrol Retirement System (MHSPRS), *established in 1958*;
- Mississippi Government Employees' Deferred Compensation Plan & Trust (MDC), *established in 1973 with administration transferred to PERS in 1974*;
- Municipal Retirement Systems (MRS) —17 fire and police and two municipal employee plans, *closed plans with administration transferred to PERS in 1987*;
- PERS-sponsored Retiree Medical and Life Insurance Plans, *authorized in 1988*;
- Supplemental Legislative Retirement Plan (SLRP), *established in 1989*; and
- Optional Retirement Plan for the Institutions of Higher Learning (ORP), *established in 1990*.

Read more about all PERS Plans
Details on all the plans administered by PERS can be found at www.pers.ms.gov.

Staying Informed

PERS is here to serve you, whether you are a member, retiree, or beneficiary. We encourage you to contact us and to use our printed and online resources. Our Customer Service Center, website, newsletters, and other communication materials are reliable sources for information and answers to questions.

Customer Service Center

PERS' Customer Service Center analysts assist callers with questions and concerns. The center is open from 8 a.m. to 5 p.m. weekdays (except state holidays). Call 800-444-7377 or 601-359-3589.

Newsletters

Our member newsletter, *Looking Forward*, and retiree newsletter, *Forward*, provide helpful information. Electronic versions of the newsletters are available on the PERS website, and audio versions of the newsletters are available through the National Federation of the Blind of Mississippi.

News Releases

PERS news releases keep you up to date on what is happening with the agency. All news releases are posted online for the public to view.

Publications and Reports

Our Comprehensive Annual Financial Report and actuarial reports are posted on our website and provide detailed information about PERS.

Handbooks

Along with this handbook, PERS provides handbooks to members, employers, and members of the Supplemental Legislative Retirement Plan and the Mississippi Highway Safety Patrol Retirement System. All handbooks are online.

Guides

PERS has created a library of various guides that address the needs of members from all stages of employment. From the guide for PERS newcomers to the guide for retirees who want to return to employment with a PERS-covered employer, these guides are quick reference tools for answering commonly asked questions. All guides are online.

Regulations

In addition to retirement law, PERS Board regulations provide guidance on the way PERS operates on a day-to-day basis. All current regulations are posted on the PERS website.

Safeguarding Your Identity

We take precautions to protect your identity and keep your information safe. Though your Social Security number may be used over the phone to verify your identity when you call us, we will never share that number or any of your personal information with anyone but you. In the case that a Social Security number is not sufficient verification, we may ask you to provide additional identifying information that only you would know.

Find all PERS Resources Online

Newsletters, news releases, publications and reports, handbooks, and regulations can all be found at www.pers.ms.gov.

Website

Our website, www.pers.ms.gov, is a valuable resource for employers, members, retirees, and the public.

The latest news can be found in the PERS Updates section of the home page.

Our Forms Library provides quick access to most forms, including many listed in this handbook.

Along with news and forms, our website includes information about the leadership of your retirement system, with biographical information about our Board of Trustees and Executive Staff.

Moreover, we have links on our site to take you directly to pertinent information you may need as a retiree of PERS. Our retiree resources page links directly to policy providers and, from our home page, you can link directly to Mississippi Government Employees' Deferred Compensation Plan & Trust, Social Security, the Internal Revenue Service, and Medicare.

We are continually working to improve our website, and we welcome feedback from our members and retirees to let us know how we can better serve them online.

Your Monthly Benefit Allocation

No matter your benefit option, you receive a monthly benefit plus an annual Cost-of-Living Adjustment (COLA) for life once you retire.

PERS issues retirement payments for each month on the first day of that month that is not a weekend or bank holiday. Service and disability retirement benefits are payable to eligible members effective the first of the month after receipt of a completed retirement application or after termination of covered employment, whichever is later. A yearly listing of benefit payment dates is available on the PERS website or by contacting PERS.

Mandatory Direct Deposit

Direct deposit of your monthly benefit payment is mandatory. Prior to retirement, you should have signed up for direct deposit then received a written confirmation of your first deposit. Your bank statement serves as a confirmation of all subsequent deposits.

To revise direct deposit information, you must complete and submit Form 21, *Direct Deposit Authorization*, which may be obtained from the PERS website or by contacting PERS. You will receive a written confirmation any time the amount of your deposit changes. Your bank statement will serve as a confirmation of all subsequent deposits.

Your initial direct deposit, as well as direct deposit changes, will be effective within two months after PERS receives the completed request. Benefit payments will be issued as checks by mail until direct deposit takes effect.

Missed Check Payments

Though direct deposit is mandatory, special circumstances may allow you to have benefits issued by check. These are mailed on the last working day of the previous month. Should you not receive your check, you must contact PERS in writing (providing your name, last four digits of your Social Security number, current mailing address, and signature) to stop payment and have another check issued. Once PERS receives notice, PERS will place a stop payment order on the check and issue a replacement check, but only if your check has not cleared the bank and if 10 mailing days have elapsed from the date the check was mailed. If you receive your check after you have sent your written notification, inform PERS immediately. If you receive your check after receiving the replacement, return the extra check to PERS.

Cost-of-Living Adjustment

The Cost-of-Living Adjustment (COLA) helps maintain your purchasing power as a retiree no matter how long you live after retirement and despite the effects of inflation.

Retirees and beneficiaries who have been receiving benefits for at least one full fiscal year receive a COLA. See pages 12 and 13 to read more about how this benefit is calculated and to work your own calculation.

You may have elected to receive your COLA monthly. If you did not, your COLA is paid in an annual lump sum on or about December 15. If you want to switch to monthly payments, you must complete and submit Form 20, *Election of Monthly*

View Benefit Payment Dates and Download Form 21

You may visit PERS online to view the payment schedule for both direct deposit and check issuance. You also may go online to download Form 21, *Direct Deposit Authorization*.

Cost-of-Living Adjustment, which can be found online. Choosing monthly payments is irrevocable.

State Taxes

Retirement benefits are not subject to Mississippi State Income Tax; however, benefits paid by PERS to you as a resident of another state may be subject to taxation in that state.

Federal Taxes and Withholding

Each January, PERS issues an annual Internal Revenue Service (IRS) Form 1099-R to each retiree who received benefits during the prior calendar year. These income tax statements provide information on benefits paid and amounts withheld for federal income tax. A copy of the form should be included with federal income tax filings, if any federal tax is withheld.

Retirees living in states where pension income is taxed may also be required to file the appropriate 1099-R copy with state income tax returns.

Member contributions paid prior to July 1, 1982, were taxed before being posted to accounts and are exempt from federal taxation when issued as benefits. Calculation of the non-taxable portion of the benefit is based on the age of the retiree at retirement using factors provided by the IRS.

A portion of a refund payback or other service credit purchase cost paid by a member is also posted to a member's account in the form of non-taxable contributions when paid with after-tax dollars. Refund payback or service credit purchase paid through a rollover is classified as a taxable contribution.

You may elect to have no federal income taxes withheld, to withhold income tax based upon marital status and exemptions, and/or to have additional federal income tax withheld.

To make changes to your tax withholding status after retirement, complete and submit Form 17, *Certificate of Withholding Preference*, which may be obtained from the PERS website or by contacting PERS.

In the absence of submitted tax withholding information, PERS automatically withholds taxes based on a status of "married with three withholding exemptions."

Payer's Federal Identification Number

The specific nine-digit number for each retirement plan PERS administers is listed below and should be used when filing taxes.

Public Employees' Retirement System of Mississippi: 64-6001557

Municipal Retirement Systems: 64-0746030

Mississippi Highway Safety Patrol Retirement System: 64-6176426

Supplemental Legislative Retirement Plan: 64-6190947

Download Forms 17 and 20

You may download Form 17, *Certificate of Withholding Preference*, and Form 20, *Election for Monthly Cost-of-Living Adjustment,* from the PERS website.

Cost-of-Living Adjustment Estimate Calculator

PERS retirees and beneficiaries who have been receiving benefit payments for at least one full fiscal year are eligible to receive an annual Cost-of-Living Adjustment (COLA). If you retired effective July 1, you would be eligible for the COLA during the fiscal year beginning 12 months later on July 1. If you retired effective August 1, you would be eligible for the COLA during the fiscal year beginning July 1, 23 months after the effective date of retirement.

The COLA is equal to 3 percent of your annual base benefit for each full fiscal year of retirement prior to the year in which you reach age 55 (Retirement Tiers 1 through 3, see table below) or 60 (Retirement Tier 4), plus 3 percent compounded for each fiscal year thereafter, beginning with the fiscal year in which you turn age 55 (Retirement Tiers 1 through 3) or 60 (Retirement Tier 4). (See the Appendix for simple and compounded COLA interest rates for years in retirement.)

Use the table at right to calculate your current fiscal year COLA based on your monthly base benefit. The Example Figures shown at right illustrate how this formula works for a member who retired at age 52, has been retired for 16 full fiscal years, and is receiving a gross monthly base benefit of $750 under each Retirement Tier.

PERS Retirement Tiers

As outlined in the chart below, your date of hire and entry into PERS dictate your Retirement Tier.

Retirement Tier	Hire/Entry Date
Tier 1	June 30, 1992, or earlier
Tier 2	July 1, 1992, through June 30, 2007
Tier 3	July 1, 2007, through June 30, 2011
Tier 4	July 1, 2011, or later

Calculation	Your Figures			Example Figures Tiers 1-3	Example Figures Tier 4
				See page 25 to determine Retirement Tier	
Multiply Monthly Base Benefit by 12			Monthly Base Benefit	$ 750.00	$ 750.00
	x	12	Multiply by 12	x 12	x 12
			Annual Base Benefit	$ 9,000.00	$ 9,000.00
▼					
Multiply Fiscal years retired prior to age 55 (Tiers 1-3) or 60 (Tier 4) by 3.00%			Years in Retirement prior to 55 or 60	3.00	8.00
	x	3.00%	Multiply by 3.00%	x 3.00%	3.00%
			Simple Rate	9.00%	24.00%
▼					
Multiply Simple Rate by Annual Base Benefit for Simple Interest			Simple Rate	9.00%	24.00%
	x		Annual Base Benefit	x $ 9,000.00	x $ 9,000.00
			Factor 1	$ 810.00	$ 2,160.00
▼					
Look Up Compounded Rate (Appendix)			Years in Retirement since 55 or 60	13.00	8.00
			Compounded Rate	46.85%	26.68%
▼					
Multiply Compounded Rate by Annual Base Benefit			Compounded Rate	46.85%	26.68%
	x		Annual Base Benefit	x $ 9,000.00	x $ 9,000.00
			Factor 2	$ 4,216.50	$ 2,401.20
▼					
Add Factor 1 to Factor 2			Factor 1	$ 810.00	$ 2160.00
	+		Factor 2	+ $ 4,216.50	+ $ 2401.20
			Est. Current FY COLA	$ 5,026.50	$ 4,561.20

Base Options Quick Comparison Chart

PERS Base Option	How Benefits Are Paid to You and to Beneficiaries	Number of Allowed Beneficiaries	Restrictions on Naming Beneficiaries
Maximum Retirement Allowance Option *Single Life Annuity*	Maximum benefit for life for you, any remaining balance refunded to beneficiaries after your death	Multiple	None
Option 1 *100 percent Joint/Survivor Annuity*	Reduced benefit for life for you, any remaining balance refunded to beneficiaries after your death	Multiple	None
Option 2 *100 percent Joint/Survivor Annuity*	Reduced benefit for life for you, beneficiary receives your same monthly amount for life after your death, unless limited by IRC Section 401(a)(9)	One	Must be a person
Option 3 *100 percent Joint/Survivor Annuity*	Reduced benefit for life for you, beneficiaries each receive 50 percent of your monthly amount for life after your death, unless limited by IRC Section 401(a)(9)	Two	Each must be a person
Option 4 *75 percent Joint/Survivor Annuity*	Reduced benefit for life for you, beneficiary receives 75 percent of your monthly amount for life after your death	One	Must be a person
Option 4A *50 percent Joint/Survivor Annuity*	Reduced benefit for life for you, beneficiary receives 50 percent of your monthly amount for life after your death	One	Must be a person
Option 4B *10-, 15-, and 20-Year Certain*	Reduced benefit for life for you, after your death beneficiaries receive your same monthly amount for up to 10, 15, or 20 years from your effective date of retirement	Multiple	None

Provisions to Change Beneficiaries	Provisions to Change Base Option*	Internal Revenue Limitations	Partial Lump Sum Availability
You may change beneficiaries at any time	Pop-Down if you marry after retirement while receiving the Maximum Retirement Allowance**	None	Yes, if eligible
You may change beneficiaries at any time	Pop-Down if you marry after retirement while receiving benefits under Option 1**	None	No
You may not change your beneficiary except when Popping Up	Pop-Up if your Option 2 beneficiary dies or if you divorce your Option 2 beneficiary	Possible limit on beneficiary benefit if your beneficiary is not your spouse	Yes, if eligible
You may not change your beneficiaries	You may not change your option	Possible limit on beneficiary benefits	Yes, if eligible
You may not change your beneficiary except when Popping Up	Pop-Up if your Option 4 beneficiary dies or if you divorce your Option 4 beneficiary	None	Yes, if eligible
You may not change your beneficiary except when Popping Up	Pop-Up if your Option 4A beneficiary dies or if you divorce your Option 4A beneficiary	None	Yes, if eligible
You may change beneficiaries at any time	You may not change your option	Possible based on your age at retirement	Yes, if eligible

** For explanation of Pop-Up and Pop-Down provisions, see page 16.*

*** Must apply for the Pop-Down within one year of the date of the marriage.*

Changing Options after Retirement

If you selected Option 3 or Option 4B at retirement, you cannot change your option after retirement; however, the other retirement options contain Pop-Up and Pop-Down provisions that allow retirees to change options and beneficiary designations under certain limited circumstances.

Pop-Up Provision

The Pop-Up Provision allows a retiree who selected Option 2, Option 4, or Option 4A to change to the Maximum Retirement Allowance if the designated beneficiary predeceases the retiree or if the retiree divorces the designated beneficiary.

Pop-Down Provision

The Pop-Down Provision allows a retiree who selected the Maximum Retirement Allowance or Option 1 to change to Option 2, Option 4, or Option 4A to provide beneficiary protection to a new spouse married after the retiree selected the Maximum Retirement Allowance or Option 1. The retiree must apply for this provision within one year of the date of the marriage.

Disability Retirement Benefits

Disability retirement benefits provide you with a secure income if you become permanently sick or injured while employed and can no longer perform the essential duties of your job. Disability retirement benefit options are the same as service retirement benefit options, except that disability retirees are not eligible for the Partial Lump Sum Option (PLSO). For more information, you may download the PERS Disability Retirement Guide.

Income Restrictions

As a disability benefit recipient, you may work and earn no more than the difference between your average compensation before retirement and the benefit amount paid after retirement, excluding Cost-of-Living Adjustments. This limitation applies to earned income only, not passive income such as interest income or Social Security income. You are required annually to submit copies of your income tax returns, Internal Revenue Service Form(s) 1040, and other supporting income earnings documents.

Continuing Qualification

If you are a disability retiree, you may be required to submit to medical reexaminations (or reevaluations) on a regular basis. If the Medical Board determines that you are no longer qualified for disability benefits through either a medical evaluation or documented earnings ability, your disability benefits will be subject to termination by the PERS Board of Trustees.

Download PERS Disability Retirement Guide

You may visit PERS online to download the PERS Disability Retirement Guide.

Photo Credit: Anissa Thompson

Insurance Options

For the convenience of retirees, PERS withholds premiums from benefit payments for insurance plans sponsored by the agency or by the state.

State-Sponsored Insurance

The State and School Employees' Life and Health Plan is administered by the Mississippi Department of Finance and Administration (DFA). DFA should be contacted regarding participation.

For more information, contact DFA's Office of Insurance at 866-586-2781 or 601-359-3411 or visit knowyourbenefits.dfa.ms.gov.

PERS-Sponsored Insurance

The PERS-sponsored Retiree Medical Insurance Plan is a supplement available only to retirees covered under Medicare Part A and Part B. If eligible, you may apply for this plan within 60 days of retirement. After retirement, you may apply within 60 days of eligibility or during annual open enrollment.

The PERS-sponsored Retiree Group Term Life Insurance Plan is available to benefit recipients age 45 to age 90 with age-based premiums. You may apply during annual open enrollment.

The Retiree Medical Insurance Plan and Retiree Group Term Life Insurance Plan are underwritten and administered by Transamerica Premier Life Insurance Company of Cedar Rapids, IA. For more information, call 800-634-0168.

Tax Exclusion for Public Safety Officers

The Federal Pension Protection Act of 2006 provides for a special tax exclusion of up to $3,000 annually for health insurance premiums paid directly from PERS or any other retirement plan to the insurance provider of an eligible retired public safety officer. For details, visit www.irs.gov.

Photo Credit: Charlie Godbold
Godbold & Company Photography

Planning for Physical/Mental Incapacity

In the event you become physically or mentally incapacitated, you may need someone you trust to have legal authority to act on your behalf regarding your retirement account.

Durable Power of Attorney

By executing a durable power of attorney, you may give someone broad or limited legal authority over your personal, legal, and financial affairs, including the power to apply for retirement or disability benefits on your behalf. You may wish to consult a legal professional to decide whether this is right for you.

Representative Payee

Should you become physically or mentally incapacitated before a durable power of attorney can be filed, a Form RPR, *Representative Payee Request,* may be filed on your behalf. Contact PERS for more information.

Keeping Your Account Up to Date

Though you are retired, you have a responsibility to keep your PERS account information current. Having your correct address on file means PERS can easily reach you if the need arises, and keeping other information up to date makes transitions and processing smoother for you and your loved ones down the road.

For your convenience, several forms are available on the PERS website to help you update your information. You also may contact PERS directly to have these forms mailed to you.

Form 1C, *Change of Information*, is available to change your name, address, phone number, e-mail address, marital status, and/or family information.

Form 1B, *Beneficiary Designation,* is available to amend your beneficiary listing, if applicable.

Form R, *Application for Recalculation of Benefits*, is available to change your benefit option selection, if eligible.

Form 17, *Certificate of Withholding Preference*, is available to change the tax withholding status of your benefit.

Form 21, *Direct Deposit Authorization*, is available to change information on the bank account to which your monthly benefit payment is deposited.

Download Forms 1C, 1B, R, 17, 21, and RPR

You may download from the PERS website Form 1C, *Change of Information*; Form 1B, *Beneficiary Designation*; Form R, *Application for Recalculation of Benefits*; Form 17, *Certificate of Withholding Preference*; Form 21, *Direct Deposit Authorization,* and Form RPR, *Representative Payee Request*.

Returning to Work

No PERS retiree (whether service or disability) may return to covered employment for at least 90 consecutive calendar days from his or her effective date of retirement without terminating retirement (see page 21 for rules that apply to local elected officials).

If you decide to return to employment with a covered employer after you retire, you and the employer must notify PERS in writing within five days of the reemployment and provide the conditions under which you are being reemployed. Notification must be repeated each new fiscal year of post-retirement employment.

Once you choose to return to work with a covered employer, you must either:

- come out of retirement and become, once again, a contributing member of PERS (benefits will be recalculated, if applicable, upon subsequent retirement) or
- return to employment with a covered employer under limited reemployment conditions, as explained in this section. You must file Form 4B, *Reemployment of PERS Service Retiree Certification/Acknowledgement*, or Form 9C, *County/Municipal Elected Official Reemployment Acknowledgement/Election*, as applicable. Both forms are on the PERS website.

For more details about returning to covered employment (including employment through a third-party), visit PERS online to view Board Regulation 34, *Re-employment after Retirement,* and PERS' Thinking of Returning to Work? guide.

Withdrawal from Service

The mandatory 90-day break in service required by retirees before returning to employment with a PERS-covered employer must begin with a complete withdrawal from service, which is defined by statute as the complete severance of employment in state service of any member by resignation (including retirement), dismissal, or discharge. The member and employer should not make any pre-arranged agreements regarding post-retirement employment.

The Internal Revenue Service (IRS) requires an employee who participates in a governmental pension plan to have a break in service. The IRS defines "retire" to mean "stop working." Employees who retire with the explicit understanding with their employer that they will return to work are not legitimately retired because they have not had a true separation from service. These retirements violate IRS Code 401(a) and can result in the disqualification of the plan.

A member has not withdrawn from service if he or she is reemployed with a covered employer in any capacity, including that of an independent contractor as well as a service-without-pay employee (volunteer), within 90 days from the effective date of retirement, or if he or she was promised or guaranteed reemployment before the effective date of retirement. If a retiree is reemployed in a covered position without a full withdrawal of service, he or she would be deemed an employee who should be reported to PERS as a member and would be required to repay any benefit payments received.

Educators' Withdrawal from Service

Members who retire from a covered educational institution at the end of a school year after working on a less-than-12-month basis and then decide to return to work with a covered educational institution would not be considered withdrawn from service until 90 consecutive calendar days after the beginning of the next school year.

Limited Reemployment Conditions

An eligible service retiree may be employed with a covered employer and continue to receive service

retirement benefits only if one of the following limited reemployment conditions is met:

- the retiree works for a period of time not to exceed one half of the normal working days or hours for the position in any fiscal year during which the retiree will receive no more than one half of the salary in effect for the position at the time of employment or
- the retiree works long enough in any fiscal year to earn no more than 25 percent of his or her average compensation that was used in the calculation of his or her benefit amount.

These limited reemployment conditions also apply to any service retiree who returns to work with a state agency as a contract worker (i.e., employee). Contract workers' earnings are subject to Social Security and federal and state tax withholding reported to the Internal Revenue Service (IRS) on an IRS Form W-2. Furthermore, contract workers perform work that is an integral part of the organization's work and that is typically performed by regular employees of the organization. Moreover, an individual is classified as an employee if the employer has the right to:

- control the work being performed (regardless of whether the employer exercises that right);
- give the worker instructions about when, where, and how to do the work;
- set the hours worked;
- require the work to be done on the employer's premises; and
- hire or fire the worker.

No service retiree receiving a PERS benefit payment may be reemployed by a covered employer outside the noted limited reemployment conditions unless he or she meets the criteria of a true independent contractor as determined by PERS through the completion and submission by the employer of an *Employee vs. Independent Contractor Determination Questionnaire*, which is available from the PERS website.

Employers who hire retirees are required to submit contributions on the applicable compensation.

Independent Contractor

Independent contractors are not, by definition, employees or contract workers. They work independently of the employer and are not subject to the direct control of the employer. They normally supply their own materials, tools, or equipment for the job and may choose when and where they will work. These individuals are only responsible for the end result of the work and are free to perform their work in any manner and at any place and time they choose. As independent contractors, these individuals have compensation reported to the Internal Revenue Service (IRS) on IRS Form 1099.

Municipal or County Elected Positions

A retiree who chooses to serve in local PERS-covered elected office and continue in retirement must file annually Form 9C, *County/Municipal Elected Official*

Read Board Regulation 34 and Download Forms 4B, 9C, Independent Contractor Determination Questionnaire, and PERS Thinking of Returning to Work? guide

Visit PERS online to read Board Regulation 34, *Re-employment after Retirement*, for details about returning to covered employment. You may also download from the PERS website Form 4B, *Reemployment of PERS Service Retiree Certification/Acknowledgement*; Form 9C, *County/Municipal Elected Official Reemployment Acknowledgement/Election*; *Employee vs. Independent Contractor Determination Questionnaire; and PERS' Thinking of Returning to Work? guide.*

Reemployment Acknowledgement/Election. This form is available from the PERS website.

A member who is at least age 62 and serving in a municipal or county elected office may retire from covered service and continue in office without a break in service. However, he or she must choose to either waive the salary for the position or receive compensation not to exceed 25 percent of his or her average compensation at retirement.

A member who is under the age of 62 and serving in a municipal or county elected office may not retire and continue in office without a break in service. Such member must resign from office to qualify for his or her retirement allowance.

For purposes of the reemployment limitations, county elected positions include: supervisor, chancery clerk, circuit clerk, tax assessor, tax collector (if separate from tax assessor), sheriff, county surveyor, justice court judge, county/youth court judge, constable, county coroner or medical examiner, elected county prosecutor/elected county attorney, and elected superintendent of education. Municipal elected positions include: mayor, alderman (councilman or selectman), police chief or marshal, municipal judge, tax collector, tax assessor, and city or town clerk.

Simultaneous Reemployment in Elected and a Non-Elected Positions

If during the fiscal year you are reemployed in both a local elected position (and thus considered a full-time employee) and on a limited basis in a non-elected position, you must either:

- begin or continue under the 25 percent of average compensation limitation, and apply what has already been earned during the state fiscal year to that limitation; or
- stay under an existing election to work no more than one half of the normal working days and earn no more than one half of the salary for a non-elected position and waive the salary for the local elected position.

Generally, a reemployed retiree may make only one election for reemployment each fiscal year that applies to all employment with covered employers during that fiscal year.

Full-Time Reemployment

The monthly benefits of a retiree will be stopped upon a return to full-time covered employment. Upon subsequent retirement, benefits will be recalculated to include this additional service if the reemployment in covered service exceeds six months. Additionally, a different option and/or a new beneficiary may be selected. The laws, policies, and procedures in effect at the time of subsequent retirement will be applied in the recalculation of benefits.

The Cost-of-Living Adjustment (COLA) for a reemployed retiree is calculated taking into consideration all full fiscal years in retirement—not just fiscal years since the last retirement—and is payable immediately upon the next retirement. You will receive a prorated COLA amount monthly if your re-retirement date is later than July 1. The selected COLA option will go into effect when the new fiscal year begins.

Where a member selected the PLSO at initial retirement, the Maximum Retirement Allowance upon any subsequent retirement will be reduced by the same dollar amount as the original reduction plus 1 percent of that original reduction for each month that the benefit was terminated when he or she returned to covered employment.

Download Form 9C

You can download from the PERS website Form 9C, *County/Municipal Elected Official Reemployment Acknowledgement/Election*.

Staying Involved with PERS and Others

PERS encourages you to stay involved with your retirement system, as well as with other retirees, after you leave covered service. This section lists opportunities to keep you informed and involved.

PERS Board of Trustees

The PERS Board of Trustees has six regularly scheduled meetings a year, all open to the public. Any PERS retiree is eligible to campaign for one of the two retiree representative positions on the Board when a vacancy arises. Visit PERS online for more information.

PERS Retiree Insurance Advisory Committee

Comprised of seven retirees, the PERS Retiree Insurance Advisory Committee meets at least four times a year and advises the Board of Trustees concerning the PERS-sponsored health and life insurance plans. Contact PERS if you are interested in serving on this committee when a vacancy arises.

Statewide Retiree Organizations

Mississippi has three statewide retiree organizations comprised of individuals who have retired from a plan administered by PERS.

Mississippi Retired Public Employees' Association (MRPEA) supports PERS and promotes the interests of retired public employees. For information, call 601-919-0670 or visit mrpea.org or facebook.com/MississippiRPEA.

Retired Education Personnel of Mississippi (REPM) supports PERS and promotes the interests of public education and retired Mississippi school employees. For information, visit www.msrep.org or facebook.com/RetiredEducationPersonnelOfMississippi.

Mississippi Highway Safety Patrol Retired Troopers Association (MHSPRTA) is open to all retired sworn Mississippi Highway Patrol troopers. For information, call Highway Patrol headquarters, 601-987-1212.

After Your Death or a Beneficiary's Death

As a retiree of PERS, you should let your survivors know to contact PERS and your insurance provider immediately should you or a beneficiary die. A copy of the death certificate will be required by PERS and should be provided as soon as possible. Any payment issued to the deceased after the date of death must be returned to PERS. When appropriate, the payment will be reissued to the eligible beneficiary. For more information, see PERS Survivor Retirement Guide, which can be found on the PERS website.

A prorated portion of the Cost-of-Living Adjustment (COLA) will be paid to the beneficiary of any benefit recipient who receives the COLA in a lump sum where death occurs between July 1 and December 1 and monthly benefit payments have terminated to all eligible beneficiaries. This prorated portion is equal to the amount the deceased benefit recipient would have received had he or she elected to receive the COLA on a monthly basis.

Download PERS Survivor Retirement Guide
You can download from the PERS website the PERS Survivor Retirement Guide.

Appendix

Appendix

Cost-of-Living Adjustment (COLA) Table (See page 12.)
The value of 3 percent simple and 3 percent compounded COLA rates are as follows:

Full Fiscal Years in Retirement	3% Simple	3% Compounded	Full Fiscal Years in Retirement	3% Simple	3% Compounded
1	0.0300	0.0300	**26**	0.7800	1.1566
2	0.0600	0.0609	**27**	0.8100	1.2213
3	0.0900	0.0927	**28**	0.8400	1.2879
4	0.1200	0.1255	**29**	0.8700	1.3566
5	0.1500	0.1593	**30**	0.9000	1.4273
6	0.1800	0.1941	**31**	0.9300	1.5001
7	0.2100	0.2299	**32**	0.9600	1.5751
8	0.2400	0.2668	**33**	0.9900	1.6523
9	0.2700	0.3048	**34**	1.0200	1.7319
10	0.3000	0.3439	**35**	1.0500	1.8139
11	0.3300	0.3842	**36**	1.0800	1.8983
12	0.3600	0.4258	**37**	1.1100	1.9852
13	0.3900	0.4685	**38**	1.1400	2.0748
14	0.4200	0.5126	**39**	1.1700	2.1670
15	0.4500	0.5580	**40**	1.2000	2.2620
16	0.4800	0.6047	**41**	1.2300	2.3599
17	0.5100	0.6528	**42**	1.2600	2.4607
18	0.5400	0.7024	**43**	1.2900	2.5645
19	0.5700	0.7535	**44**	1.3200	2.6714
20	0.6000	0.8061	**45**	1.3500	2.7816
21	0.6300	0.8603	**46**	1.3800	2.8950
22	0.6600	0.9161	**47**	1.4100	3.0119
23	0.6900	0.9736	**48**	1.4400	3.1323
24	0.7200	1.0328	**49**	1.4700	3.2562
25	0.7500	1.0938	**50**	1.5000	3.3839

PERS
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Disclaimer: This handbook is published for retirees of the Public Employees' Retirement System of Mississippi (PERS) to provide general information regarding PERS laws, policies, and regulations and is subject to periodic revision as laws, policies, and regulations change. See all current PERS Board of Trustees Regulations at www.pers.ms.gov/Content/Pages/Board-Regulations.aspx.

PERS administers the benefits described in this handbook on behalf of participating employers. This handbook is meant to serve as a general reference to our retirees and should not be used as a legal reference or a complete statement of the laws or administrative rules related to retirement. If any conflict exists between the information in this handbook and the applicable laws or administrative rules, the laws and administrative rules shall prevail.

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