

Title 27: Personnel

Part 210: PERS, Regulations for Retirement Plans Administered by the Board of Trustees

Chapter 58: Payment of Additional Benefit (COLA) to Retirees of the Mississippi Highway Safety Patrol Retirement System

100 Purpose

The purpose of this regulation is to provide for the payment of the additional benefit authorized by Miss. Code Ann. § 25-13-12 (1972, as amended) to retirees of the Mississippi Highway Safety Patrol Retirement System.

101 Eligibility for an additional benefit.

Any member who is receiving a retirement allowance for service or disability retirement, or any beneficiary thereof, who has received a monthly benefit for at least one (1) full fiscal year, shall be eligible to receive an additional benefit, on December 1 or July 1 of the year as provided in Section 104 of this regulation.

102 Calculation of the additional benefit for a retiree

Effective July 1, 2002, the additional benefit shall be equal to the sum of:

1. An amount equal to three percent (3%) of the annual retirement allowance multiplied by the number of full fiscal years in retirement before the end of the fiscal year in which the member reaches age sixty (60) or the age established in the latest phase that has been implemented under subsection (3) of this section, plus
2. An additional amount equal to three percent (3%) compounded by the number of full fiscal years in retirement beginning with the fiscal year in which the member reaches age sixty (60) or the age established in the latest phase that has been implemented under subsection (3) of this section, multiplied by the amount of the annual retirement allowance.
3. The amount of the additional benefit provided is calculated using the following formula:

$[(1.03)^n - 1] \times [\text{annual retirement allowance}]$, where n is the number of full fiscal years in retirement beginning with the fiscal year in which the member reaches age sixty (60).

4. In the calculation of the additional benefit payment, the age at which the compounding begins may be lowered in accordance with § 25-13-12 (3), when, and only when, the mathematical calculations performed by the actuary using the assumptions adopted by the board reflect that compounding the portion of the additional benefit provided in paragraph 2 above at an age lower than 60 will not

cause the unfunded accrued actuarial liability amortization period to exceed twenty (20) years.

5. Effective July 1, 2002, the age at which compounding begins is age sixty (60).

103 Calculation of the additional benefit for a beneficiary

The calculation of the beneficiary's additional benefit provided in § 25-13-12 shall be based on the member's age and full fiscal years in retirement as if the member had lived.

104 Payment of unpaid additional benefits upon death of retiree or beneficiary

1. If a retiree who is receiving a retirement allowance that will terminate upon the retiree's death is receiving the additional benefit in one (1) payment and dies on or before July 1 but before December 1, the beneficiary designated on the retirement application, if any, shall receive in a single payment a fractional part of the additional benefit based on the number of months in which a retirement allowance was received during the fiscal year. If there is no surviving beneficiary, payment shall be made in accordance with § 25-13-21.1 (1). Likewise, if a retiree is receiving a retirement allowance that will terminate upon the retiree's death in two (2) to six (6) monthly installments, any remaining payments of the additional benefit will be paid in a lump sum to the beneficiary designated on the application, or if none, in accordance with § 25-13-21.1(1).
2. Any similar remaining payments of the additional benefit payable to a deceased beneficiary who was receiving a monthly benefit shall be payable in accordance with the provisions of § 25-13-21.1(2). If the additional benefit is being received in one (1) payment each year, the additional benefit shall be prorated based on the number of months in which a retirement allowance was received during the fiscal year when (i) the monthly benefit payable to a beneficiary terminates due to the expiration of an option, remarriage or cessation of dependent status or due to the retiree's return to covered employment, and (ii) the monthly benefit terminates on or after July 1 and before December 1.

105 Methods of Payment of the additional benefit

1. The additional benefit shall be paid in one (1) payment in December of each year to those persons who are receiving a retirement allowance on December 1 of that year, unless an election is made as noted below. However, the board, in its discretion, may allow a retired member or a beneficiary thereof who is receiving the additional benefit in one (1) payment each year to have the additional benefit paid in monthly installments if the retired member or beneficiary submits satisfactory documentation that the continued receipt of the additional benefit in one (1) payment each year will cause a financial hardship to the retired member or beneficiary.
2. Retired members or beneficiaries thereof who are receiving a retirement allowance may elect by an irrevocable agreement in writing filed in the Office of the Public Employees' Retirement System no less than thirty (30) days before July 1 of any year, to begin receiving the additional benefit provided in this section in twelve (12) equal monthly installments beginning on July 1 of the year. This irrevocable agreement shall be binding on the member and subsequent

beneficiaries. Payment of the monthly installments shall not extend beyond the month in which a retirement allowance is due and payable. The board, in its discretion, may allow a retired member or a beneficiary thereof who is receiving the additional benefit in monthly installments to have the additional benefit paid in one (1) payment in December of each year if the retired member or beneficiary submits satisfactory documentation that the continued receipt of the additional benefit in monthly installments will cause financial hardship to the retired member or beneficiary.

3. The additional benefit or benefits provided in this section are for the fiscal year in which they are paid.
4. In the event of death of a retired member or a beneficiary thereof who is receiving the additional annual payment in two (2) to six (6) monthly installments under an election made before July 1, 2002, and who would otherwise be eligible to receive the additional benefit provided in this section in one (1) payment in December of the current fiscal year, any remaining amounts shall be paid in a lump sum to the designated beneficiary.

106 Resumption of additional benefit upon subsequent retirement

When a member retires after July 1 and has previously received a retirement allowance for one or more full fiscal years, the retired member shall be eligible immediately for the additional benefit. The additional benefit shall be based on the current retirement allowance and the number of full fiscal years in retirement and shall be prorated and paid in monthly installments based on the number of months a retirement allowance is paid during the fiscal year.

(History: Adopted effective January 19, 2009)