

Public Employees' Retirement System of Mississippi
Mailing Address:
429 Mississippi Street
Jackson, Mississippi 39201-1005
(601) 359-3589 1-800-444-PERS (7377)
www.pers.state.ms.us



PERS REGULATIONS AMENDED

The PERS Board of Trustees has updated six regulations, in accordance with recent legislative action. The changes were submitted to the Secretary of State's Office for public comment and are effective July 1, 2002. The amended regulations are available on the PERS Web Site and are summarized below.

Regulation 34. Reemployment After Retirement.

Amendments involve locally elected officials and the cost-of-living adjustment (COLA) paid to members following a second retirement.

A retiree may be re-employed as an elected municipal or county official and elect to earn up to 25% of Average Compensation while continuing to draw his or her retirement allowance.

Members who previously qualified for a cost-of-living adjustment and retire a second time, following re-employment, will immediately have their COLA reinstated regardless of the date of retirement.

Regulation 36. Regulation clarifying covered position for membership purposes.

The amendment further defines public employees who qualify for participation in the Public Employees' Retirement System and therefore must have employee contributions deducted from their paychecks. The amendment states that in order to participate in the Public Employees' Retirement System, an individual must be an employee subject to the control of the covered public employer as defined in IRS guidelines and must satisfy the following requirements:

- a) Be properly classified as an employee;
- b) Have compensation properly reported on IRS Form W-2;
- c) Be paid regular periodic compensation;
- d) Be treated as an employee for all purposes, including but not limited to eligibility for fringe benefits, payment of employment related expenses, payroll tax withholding, etc., and
- e) Must personally perform services and receive compensation for not less than 20 hours per week or a total of 80 hours per month, or in the case of school personnel must perform services and receive compensation for half-time or more for the academic year. (Note that covered elected officials are deemed by law to be full-time employees.)

The law requires that, effective July 1, 2002, individuals performing professional services must meet all of the above criteria. However, any active member employed on July 1, 2002, by a covered governmental entity to perform professional services who participated in PERS based on the performance of those services will continue to be an active member as long as he or she is employed in that position.

Regulation 42. Rules of hearing practice and procedure before the Board of Trustees.

There were clarifications made in practices and procedures for matters before the PERS Board.

The person who files the appeal may request that attendance at the hearing be limited to essential individuals which would include, but not be limited to, the claimant, legal or other representatives, witnesses, employer representatives, hearing officers, court reporters and other necessary PERS administrative and support staff.

For disability appeals, the hearing officer has the authority to defer a decision in order to request a medical evaluation or for additional medical records not furnished by the claimant.

After the hearing concludes, the hearing officer will submit a statement of facts, conclusions of law and, where applicable, a recommendation to the PERS Board of Trustees. The Board has sole authority to issue a decision.

Regulation 45A. Administration of Disability Benefits.

One amendment allows a member who is eligible for service retirement benefits to receive service retirement benefits

while pursuing a claim for disability benefits. The application for disability benefits must be on file with the Retirement System before the member may begin receiving service retirement benefits. If the disability application is approved, the option selected and beneficiary designated on the retirement application will be used in determining the amount of disability benefits. If the application is not approved, or is withdrawn, service retirement benefits will continue in accordance with the option selected. However, no member may apply for disability benefits after the member begins receiving service retirement benefits. Also, a member receiving service retirement benefits while pursuing disability benefits may not select Option 4-C, the Social Security leveling provision, or Option 6, the Partial Lump Sum Option.

A second amendment to Regulation 45A relates to inactive members who return to covered employment. If an inactive member with at least four years of membership service returns to covered employment and applies for non-duty related disability benefits within six months, the applicant must show that he or she was physically capable of performing the job when the employment began.

Regulation 48. Partial Lump Sum Option.

Effective January 1, 2003, the actuarial equivalent factor based on the nearest age at the time of retirement will be used to compute the reduced maximum monthly retirement benefit.

Regulation 49. Conditions for Existing Military Service at No Cost and Qualified Military Service Due to Interruption of Employment Available Upon Payment of Required Employer and Employee Contributions.

Regulation 49 establishes conditions and limitations for receiving service credit for qualified military service, without cost, and for the purchase of additional credit under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) for military service that interrupts employment with a covered agency.

PERS members can receive up to four years of military service credit at no cost for active duty service in a branch of the U.S. Armed Forces (Army, Navy, Air Force, Marines or Coast Guard), the Commissioned Corps of the U.S. Public Health Service for service prior to 1972 (available only to members who retire on or after July 1, 2002), or in maritime service during World War II.

Members of the Mississippi Highway Safety Patrol Retirement System can receive up to four years of service credit at no cost for active duty service in a branch of the U.S. Armed Forces, or for maritime service during World War II.

Credit is not available, either free or by purchase, for anyone who received a dishonorable discharge from the Armed Forces, which includes a discharge for bad conduct, as a result of a court martial or discharge under other than honorable conditions. Credit is also not available if the service came after retirement.

Members who wish to purchase interrupted service under USERRA must do so within five years of return to public employment.

SCHEDULE ADOPTED FOR BOARD ELECTION

The Public Employees' Retirement System will conduct an election this year for the position on the Board of Trustees representing employees of municipalities. The election is for a six-year term, beginning January 1, 2003. The Board has adopted the following election schedule:

July 10, 2002	Mail petitions to agencies
August 9, 2002	Deadline for receipt of petitions (5 p.m.)
August 26, 2002	Mail ballots to agencies
September 27, 2002	Deadline for receipt of ballots (5 p.m.)
October 1, 2002	Ballots counted and approved by Board of Trustees
October 22, 2002	Board approves election at regularly scheduled meeting
Runoff Schedule (if necessary)	
October 23, 2002	Mail ballots for runoff
November 29, 2002	Deadline for receipt of ballots (5 p.m.)
December 3, 2002	Ballots counted and approved by Election Committee
December 17, 2002	Board approves election at regularly scheduled meeting

Any employee of a municipality covered by PERS who has been a Retirement System member for at least 10 years may qualify for the election by filing petitions signed by at least 25 Retirement System members employed by a covered municipality. Municipal Retirement System members are also eligible to participate in the election. Petitions and ballots must arrive at PERS by the appropriate deadline. Any petitions or ballots received after a deadline will be disallowed, even if postmarked prior to the deadline. Even though PERS has temporarily relocated while the PERS Building is renovated, the mailing address has not changed. Petitions and ballots should be mailed to 429 Mississippi Street, Jackson, Mississippi 39201-1005. There will be a runoff election among the top two votegetters if no candidate receives a majority of votes cast in the first election.

State employees have re-elected Jan Larsen to the Board for a six-year term, beginning July 1, 2002. Ms. Larsen, a senior staff member for the Division of Medicaid, received 8,921 votes in a runoff election to 8,313 for Barbara Hicks of Jackson.

BENEFIT MANAGEMENT TRAINING

Benefit Management Training Conferences are jointly sponsored by PERS and the Department of Finance and Administration's Office of Insurance. Conferences offer training for payroll and human resource personnel of member agencies. The schedule of conferences and the agenda for the sessions are on this and succeeding pages.

After reviewing the agenda, you will see that you have available to your staff knowledgeable presenters discussing very important and timely topics of interest to your agency. Such information is necessary to better equip your agency personnel, and your agency, to help assure compliance with applicable laws and regulations relating to the topics discussed.

Sessions are scheduled in different parts of the state to limit the amount of time and travel expense necessary for attendance. For the first time, registration for all sessions is available online through the PERS web site at www.pers.state.ms.us. For agencies that do not have access to the web site, registration may be completed by mail addressed to: Ms. Janie Wilson, Administrative Assistant, Public Employees' Retirement System, 429 Mississippi Street, Jackson, MS, 39201-1005. Registration is on a first-come, first-served basis, so do not delay! Confirmation of your registration will be mailed to you at your agency address.

Reservation information for some of the hotels is also available on the web site, but be aware that neither PERS nor the Department of Finance and Administration recommends any hotel and assumes no responsibility for the quality of accommodations, nor for the making of reservations.

DATE	AGENCIES	LOCATION
September 24 & 25	State Agencies	Jackson, Miss.
October 1 & 2	Public Schools, Community Colleges, Libraries & IHL	Biloxi, Miss.
October 3 & 4	Municipal and County Government & Other Member Agencies	Biloxi, Miss.
October 8 & 9	Public Schools, Community Colleges, Libraries & IHL	Tunica, Miss.
October 10 & 11	Municipal and County Government & Other Member Agencies	Tunica, Miss.

The Agendas for Benefit Management Training Sessions:

State Agencies

First Day

- 7:30-8:15 Registration
- 8:15-8:30 Welcome/Announcements/Introductions
- 8:30-8:45 *MPACT and MACS - Mississippi's Two Section 529 College Savings Plans* — Barry G. Simmons, C.P.A., Director, College Savings Plans, Mississippi Treasury Department
- 8:45-10:15 *Know Your Benefits - Plan Updates* — Sharon Kovarik, Special Projects Officer, Office of Insurance, Department of Finance and Administration

- 10:15-10:30 Break
- 10:30-11:30 *Understanding and Administering Workers' Compensation Benefits* — Commissioner Lydia Quarles, Workers' Compensation Commission
- 11:30-1:00 Lunch
- 1:00-2:15 *Fundamentals of Deferred Compensation and the Economic Growth and Tax Relief Reconciliation Act of 2001* — Bobby Fortenberry, Marketing Manager, Mississippi Deferred Compensation Plan and Trust
- 2:15-2:30 Break
- 2:30-3:30 *Ins and Outs of Monthly Billing Reconciliation* — Robin Pitts, Premium Reconciliation Manager, Office of Insurance, Department of Finance and Administration
- 3:30-4:30 *SPAHRs and You* — Gayle Chittom, Mainframe Functional Manager, SPAHRs and SAAS, and Dorothy Preston, CRM Manager for DFA/MMR Reporting System
This session is reserved for state agencies using the Statewide Payroll and Human Resources System (SPAHRs).

Second Day

- 8:00-8:30 Late Registration
- 8:30-8:45 Announcements/Introductions
- 8:45-10:00 *Keeping Expenditures Legal* — Rhuel Dickinson, Director of the Technical Assistance Division, Office of the State Auditor
- 10:00-10:15 Break
- 10:15-12:00 *PERS Benefits - What Your Employees Need to Know* — Jim Nettles, PERS Pre-Retirement Program Director

Public Schools, Institutions of Higher Learning, Libraries and Community Colleges

First Day

- 7:30-8:15 Registration
- 8:15-8:30 Welcome/Announcements/Introductions
- 8:30-8:45 *MPACT and MACS - Mississippi's Two Section 529 College Savings Plans* — Barry G. Simmons, C.P.A., Director, College Savings Plans, Mississippi Treasury Department
- 8:45-10:15 *Know Your Benefits - Plan Updates* — Sharon Kovarik, Special Projects Officer, Office of Insurance, Department of Finance and Administration
- 10:15-10:30 Break
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- 2:15-2:30 Break
- 2:30-4:00 *Understanding and Administering Workers' Compensation Benefits* — Commissioner Lydia Quarles, Workers' Compensation Commission
- 4:00-4:30 *Questions and Answers* — PERS Staff

Second Day

- 8:00-8:30 Late Registration
- 8:30-8:45 Announcements/Introductions
- 8:45-10:45 *Ins and Outs of Monthly Billing Reconciliation* — Robin Pitts, Premium Reconciliation Manager, Office of Insurance, Department of Finance and Administration
- 10:45-11:00 Break
- 11:00-12:00 *PERS Benefits - What Your Employees Need to Know* — Jim Nettles, PERS Pre-Retirement Program Director

Municipal and County Government and Other Member Agencies

First Day

7:30-8:15	Registration
8:15-8:30	Welcome/Announcements/Introductions
8:30-8:45	<i>MPACT and MACS - Mississippi's Two Section 529 College Savings Plans</i> — Barry G. Simmons, C.P.A., Director, College Savings Plans, Mississippi Treasury Department
8:45-10:15	<i>PERS Wage and Contribution Reporting</i> — PERS Staff
10:15-10:30	Break
10:30-11:30	<i>Keeping Expenditures Legal</i> — Rhuel Dickinson, Director of the Technical Assistance Division, Office of the State Auditor
11:30-1:00	Lunch
1:00-2:15	<i>Fundamentals of Deferred Compensation and the Economic Growth and Tax Relief Reconciliation Act of 2001</i> — Bobby Fortenberry, Marketing Manager, Mississippi Deferred Compensation Plan and Trust
2:15-2:30	Break
2:30-4:00	<i>Understanding and Administering Workers' Compensation Benefits</i> — Commissioner Lydia Quarles, Workers' Compensation Commission
4:00-4:30	<i>Questions and Answers</i> — PERS Staff

Second Day

8:00-8:30	Late Registration
8:30-8:45	Announcements/Introductions
8:45-10:45	<i>PERS Benefits - What Your Employees Need to Know</i> — Jim Nettles, PERS Pre-Retirement Program Director
10:45-11:00	Break
11:00-12:00	<i>PERS Issues and Answers</i> — PERS Staff

PRE-RETIREMENT EDUCATION OPPORTUNITIES

Following are schedules for Pre-Retirement Seminars and Mid-Career Seminars that PERS will offer through September 12, 2002. Members who wish to attend a seminar may register by visiting the PERS web site at www.pers.state.ms.us. Seminars begin at 8:30 a.m. Pre-Retirement Seminars scheduled for July 16 in Gulfport, July 30 in Hattiesburg and August 1 in Pearl have been filled. Space is currently available for all other seminars.

PRE-RETIREMENT SEMINARS

Offered for members within four years of retirement eligibility

SEMINAR DATE	LOCATION
July 9	Brookhaven
July 16	Gulfport (filled)
July 23	Meridian
July 30	Hattiesburg (filled)
August 1	Pearl (filled)
August 6	Tupelo
August 13	Gulfport
August 22	Cleveland
September 4	Grenada
September 10	Hattiesburg
September 12	Pearl

MID-CAREER SEMINARS

Offered to any PERS member

SEMINAR DATE	LOCATION
July 10	Brookhaven
July 17	Gulfport
July 24	Meridian
July 31	Hattiesburg
August 2	Pearl
August 7	Tupelo
August 14	Gulfport
August 23	Cleveland
September 5	Grenada
September 11	Hattiesburg
September 13	Pearl

FREQUENTLY ASKED QUESTIONS AND THEIR ANSWERS

Q. Does PERS have a projection of when HB 1386 (establishment of one health insurance program for all PERS retirees, with subsidized premiums) may become effective? Municipalities are beginning the budgetary process for the fiscal year ending September 30, 2003. Should we budget an increase in retirement contributions for July, August and September 2003?

A. We do not anticipate implementation of the new plan for another three to five years. Employers will be notified in the fall of the year in which the Board of Trustees determines, and the Board actuary certifies, that the employer contribution rate to PERS can be reduced by 1% of payroll without causing the unfunded liability amortization period to exceed 20 years. At that time, the total employer contribution rate for retirement will be 8.75% of retirement covered payroll, and the contribution rate for the insurance program will be 2.5%, for a total of 11.25%. But until that occurs, the employer contribution rate to PERS will remain at 9.75%.

Q. Who may file an Advanced Application (PERS Form 16)?

A. Any member eligible to retire from PERS, SLRP or MHSPRS who is not actually retired may file an Advanced Application with PERS to select an optional benefit payment plan and for designation of the beneficiary(ies). The Advanced Application will be processed in the event of the member's death before retirement. If a member eligible for retirement dies

without filing an Advanced Application, benefits are paid based on statutes relating to spouse and/or dependent child benefits.

Please note that the member must be eligible to retire based on his or her membership records on file with PERS at the time the Advanced Application is filed. Unused and uncompensated leave time that the member may have at the time of the future termination from employment may not be used to qualify for retirement for the filing of an Advanced Application.

Q. Can an employee of a Chancery or Circuit Clerk who terminates employment before the Clerk leaves office and is then employed by the same county as a regular employee have leave that was accumulated under the out-going Clerk's leave policy certified to PERS?

A. Employees of a Chancery or Circuit Clerk are considered the personal employees of the Clerk for the purposes of hiring and compensation. After discussion with PERS legal counsel, it was determined that a change of employment as noted above would constitute sufficient termination of service to allow for certification to PERS of unused leave accumulated under the out-going Clerk.

However, if an employee of a Chancery or Circuit Clerk continues service when one Clerk leaves office and another assumes the position, there would not be a termination of employment, as required by PERS law. Therefore, in this case, accumulated leave could not be certified to PERS.

Information Center Equipped to Respond to Your Calls

The PERS Information Center is currently staffed with 10 Benefit Analysts who can respond to most inquiries. You can reach a Benefit Analyst by calling 1-800-444-PERS (7377) between 8 a.m. and 5 p.m. Monday through Friday, except for state holidays. From the Jackson area, please call 359-3589. If the Benefit Analyst cannot provide the needed information, you will be put in contact with the person who can.

PERS OFFICE CLOSINGS

Thursday, July 4, 2002

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Friday, July 5, 2002

Independence Day

Monday, September 2, 2002

Labor Day

Public Employees' Retirement System of Mississippi

Temporary Location and Shipping Address

AmSouth Plaza Building
210 East Capitol Street, 6th Floor
Downtown Jackson

Permanent Mailing Address

429 Mississippi Street
Jackson, MS 39201-1005

Telephone Number
WATS Number
Fax Number
Web Site

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