

Public Employees' Retirement System of Mississippi
Mailing Address:
429 Mississippi Street
Jackson, Mississippi 39201-1005
(601) 359-3589 or 1-800-444-PERS (7377)
Employer Hotline: (601) 359-2090
Web Address: www.pers.state.ms.us

PERS

**Employer Update
September 2003**

Distribute to all Administrative, Payroll, and Human Resource Personnel

Email comments, questions, or suggestions to mspersmail@pers.state.ms.us

PERS Board Regulation 34 – Reemployment after Retirement

The full text of this Regulation is available at www.pers.state.ms.us.

The PERS Board of Trustees took initial action August 26, 2003, to adopt amendments to PERS Board Regulation 34 to clarify the statutory provision that allows retirees to be elected to municipal and county offices and to receive compensation in an amount not to exceed twenty-five percent (25%) of the retiree's average compensation prorated over a twelve month period. The first amendment clarifies that the twenty-five percent (25%) of average compensation is *exclusive* of any employer paid insurance premiums. The second amendment clarifies that for purposes of reemployment limitations under Miss. Code Ann. Section 25-11-127 (5) municipal or county elected positions shall include:

Municipal: Mayor, Board of Aldermen (Councilmen/Selectmen), Police Chief or Marshal, Municipal Judge, Tax Collector, Tax Assessor, City or Town Clerk (unless any such position is made appointive pursuant to Miss. Code Ann. Section 21-3-3) or any other salaried municipal official elected by popular vote and eligible for coverage under PERS.

County: County Supervisor, Chancery Clerk, Circuit Clerk, Tax Assessor, Tax Collector (if separate from Tax Assessor), Sheriff, County Surveyor, Justice Court Judge, County Judge/Family Court Judge, Constable, County Coroner or Medical Examiner, Elected County Prosecutor/Elected County Attorney, Elected Superintendent of Education or any other salaried county official elected by popular vote and eligible for coverage under PERS.

Municipal and county elected positions shall not include: Governor, Lieutenant Governor, Secretary of State, Attorney General, State Auditor, State Treasurer, Commissioner of Agriculture and Commerce, Commissioner of Insurance, Public Service Commissioner, Transportation Commissioner, State Senator, State Representative, Supreme Court Justice, Court of Appeals Judge, Chancery Court Judge, Circuit Court Judge, District Attorney, or any other office not included in the municipal or county elected offices.

Reminder: Due Date for Submission of Monthly Reports and Contributions

Monthly employee and employer state retirement contributions and the wage and contribution report are due from the employer by the **fifth working day of each month**. All delinquent payments will be assessed interest at the rate of 10% per annum, and all delinquent reports shall be assessed interest at the rate of 2% per annum during the period of delinquency on the amount reported. Contributions transferred before 02:00 p.m. on the fifth working day of the month and reports postmarked by the U.S. Post Office (including metered mail) by the fifth working day of the month shall be considered as received timely provided that the report was mailed with postage paid and was correctly addressed.

Enrolling New Members

PERS continues to receive the old Enrollment and Demographic Form (PERS Form 1) from some employers. The current form can be obtained by visiting the PERS web site at www.pers.state.ms.us and clicking on "Request for Info" or by calling the Records Department at 1-800-444-7377 or the PERS Employer Hotline at 601-359-2090, option 2. If visiting the web site, the employer must have Adobe Acrobat Reader 5.0 to access the forms. **Please ensure that all forms are complete and legible prior to submitting to PERS.**

Election of Board Representative for County Employees

An election is being conducted this year to fill the position of the County Employee Representative on the PERS Board of Trustees. The election is for a six-year term, beginning January 1, 2004. All PERS members employed by a county government are eligible to vote. The incumbent is Board Chairperson Jeanne Walker, Chancery Clerk for Bolivar County.

The deadline for county employees to submit petitions was September 2. **The remaining schedule is:**

September 16, 2003	Mail ballots to counties
October 17, 2003	Deadline for receipt of ballots (5:00 p.m.)
October 20, 2003	Ballots counted
October 28, 2003	Board certifies election results

Run-off Schedule (if no candidate receives a majority in the first election)

October 29, 2003	Mail run-off ballots
December 1, 2003	Deadline for receipt of runoff ballots (5:00 p.m.)
December 2, 2003	Ballots counted
December 16, 2003	Board certifies election results

Ballots will be mailed to the human resource or personnel offices at counties. It is the responsibility of human resource/personnel officials to distribute ballots in accordance with instructions, and return the ballots to PERS prior to the deadlines.

Retiring Elected Officials

An elected official is elected to fill a statutory term of office that usually runs from January to January (for example, January 6, 2000, through January 5, 2004). The official termination date for any outgoing elected official is the day on which the term of office expires (whether or not the elected official, by local practice, is actually compensated for any period of the month in which the term expires) unless there has been an actual resignation submitted to and approved by the governing authority prior to the end of the term.

Retirement benefits are always effective the first of the month following the later of a) receipt of the member's application for retirement benefits in our office or b) the member's termination date. If an elected official retires at the end of his or her term in January, benefits will be effective February 1. If the elected official wants to secure an effective date of retirement of January 1, he or she must resign his or her commission and terminate the elected position in December rather than completing the term. Documentation of the elected official's resignation must be submitted to PERS along with the application for retirement benefits.

Summary of Recent Opinions from the Office of the Attorney General

The full text of these Opinions is available at www.ago.state.ms.us.

March 14, 2003 (Moton 2003-0115) – The governing authority of a municipality may hire an attorney pursuant to Miss. Code Ann. (MCA) Section 21-15-25 or a firm of attorneys pursuant to MCA Section 21-15-27. The governing authorities must set forth in the minutes the scope of legal services that the municipal attorney will perform on a routine basis as well as authority for additional representation as the need arises. (Reminder: A “firm” is not eligible to participate in the Retirement System as only an individual may be a member of PERS, assuming that all other eligibility requirements are met.)

March 31, 2003 (Compton 2003-0024) – The annual salary for a county attorney is established by Miss. Code Ann. (MCA) Section 25-3-9, and this salary comprises the “earned compensation” addressed in MCA Section 25-11-103(k) for retirement purposes. As there is no statutory authority for extra compensation, the monthly secretarial allowance paid pursuant to MCA Section 19-23-19 to county prosecuting attorneys while in the discharge of the official duties of the office does not constitute “earned compensation” under Section 25-11-103(k).

April 10, 2003 (McLeod 2003-0071) House Bill 1148, which established a new limitation on total earned compensation (i.e. \$150,000 per state fiscal year), is applied prospectively; therefore, total earned compensation is prorated for the 2002 calendar year. Thus, to determine the earnings limitation for the 2002 calendar year, one would apply the annual fiscal year limitation of \$125,000 for the first six months of the year and the annual fiscal year limitation of \$150,000 for the second six months, giving a 2002 Calendar year limitation of \$62,500 + \$75,000 = \$137,500.

April 18, 2003 (Gipson 2003-0179) A city council member who is called to active military duty continues to hold his office and is entitled to receive his salary during the time that he is serving on active duty. (Consequently, if the elected official were covered under PERS, he/she would continue to be covered and reported to PERS while being paid his/her salary while on active military duty.)

PERS New Wage and Contributions Reporting System (RET 5.0)

PERS has successfully implemented its new Wage & Contribution Reporting System (RET 5.0). The new system is Windows-based and allows employers to submit their data files via the Internet. Currently, there are over 500 employers transmitting their file electronically to a secure file server located at PERS.

Employers that have not converted to RET 5.0 will be notified prior to their conversion and will be provided with a user identification to obtain the software and a security password. A user manual is available through the RET web site at www.pers.state.ms.us/ret.html. The current system, RET 3.1, will continue to be supported for the agencies that do not meet the minimum requirements to install RET 5.0. The minimum requirements to utilize RET 5.0 are as follows:

- Microsoft Windows 98 or later (operating system)
- PC with a Pentium-class processor
- 32 megabytes of RAM memory
- Hard disk with 20 megabytes of available space
- VGA or higher resolution monitor

Additional resources needed include an Internet connection, privileges of http (if behind a firewall), and an Internet browser for software downloads. For additional information, please contact PERS via email at the RET web site or call the Wage and Contribution Reporting Department at 1-800-444-7377 or the PERS Employer Hotline at 601-359-2090, option 1.

Answers to Important Questions

Q When is an employee considered “part-time” and not eligible for retirement coverage?

A For PERS Members, refer to PERS Board Regulation 36. Effective July 1, 1992, any employee of a PERS covered agency, employed in a position in which he or she receives compensation for less than 20 hours per week or a total of 80 hours per month or in which school personnel receives compensation for less than half-time for the academic year, shall not be or become a member of PERS, except that any active member employed in such position on July 1, 1992, may continue as an active member so long as he or she is employed in such position.

However, House Bill 795, effective July 1, 1999, amended PERS law to provide that where a member is in a covered position with one agency and is employed as a regular part-time employee for a second covered agency, additional wages earned for regular part-time employment with the second employer must be reported to PERS. However, where such extra services are simply sporadic, occasional, or intermittent, without a regular or guaranteed work schedule and without a regular number of hours and would not otherwise be covered at all, such additional services should not be reported.

Q If an employee retires, can he or she continue to work without interruption?

A No. Except as otherwise provided by law for local elected officials, a retiring member must terminate employment to retire and must remain separated from service for a minimum of forty-five (45) consecutive calendar days from the effective date of retirement (or from the start of the school year as applicable) before he or she may be reemployed on a limited basis. After the required separation period, a retiree may be reemployed by a PERS covered employer in accordance with Miss. Code Ann. Section 25-11-127 and PERS Board Regulation 34.

If reemployed under the limited reemployment provisions after the requisite separation period, a PERS Form 4B, Certification and Acknowledgement of Reemployment of Retiree, must be filed with PERS within five (5) days of reemployment. Except as otherwise provided by law for local elected officials, a retiree may not work full-time with a PERS covered agency while drawing a retirement allowance but must work within the limited employment guidelines set forth in the statute and as described on the Form 4B.

Annual Member Statements Will Be Mailed in September

PERS will mail annual member statements to active and inactive members in September 2003. Statements are for the state’s fiscal year that ended June 30, 2003. A Statement will be mailed to the home address of each member for whom PERS has a current mailing address. Each member will be provided with his or her member account balance as of June 30, 2003. The account balance is equal to a member’s contributions to the Retirement System, plus interest. Other information on all statements will include the member’s total years of service as of June 30, 2003, and up to four (4) designated beneficiaries on file as of July 31, 2003 (the cut-off date for generating the annual member statements).

For members within four (4) years of retirement eligibility, statements will also show average compensation and an estimate of future benefits under the Maximum Retirement Allowance. It is only an estimate; actual benefits will be determined at the time of retirement. PERS members are eligible to retire and draw monthly benefits at age 60 with at least four (4) years of membership service or at any age with at least 25 years of creditable service. All members are encouraged to examine their statements carefully. Statements will include instructions for correcting information, if necessary. Any member who does not receive a statement by October 15, 2003, may contact the Retirement System to request a balance letter.