Georgia Judicial Retirement System (GJRS)

Plan Guide

ERSGA
Employees' Retirement System of Georgia
Serving those who serve Georgia

08/2014

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About this Handbook

GJRS

This Handbook summarizes the main provisions of laws that provide benefits to certain State of Georgia employees under the Georgia Judicial Retirement System (GJRS), as contained in Title 47, Chapter 23, of the Official Code of Georgia. Unless otherwise specifically indicated, the Handbook describes these laws as in effect on July 1, 2014.

It is important to remember that this Handbook is only a summary of the law and, therefore, provides only general information. A summary cannot address every possible set of circumstances. Also, from time to time, the laws will be amended, and while we make every effort to update this Handbook in a timely fashion, there may be a period of time during which the Handbook does not reflect recent changes in the law. If something is not covered in detail in this summary, or if this summary can be read to be inconsistent with the governing laws, the law will control.

It is important that you read the entire Handbook. Reading only portions can be confusing and misleading.

About the Benefits Described in this Handbook

The Georgia Judicial Retirement System (GJRS) was established effective July 1, 1998, as provided by laws enacted through the Georgia General Assembly.

This System provides retirement benefits for Superior Court Judges, District Attorneys, State Court Judges, Solicitors–General of the State Courts, Juvenile Court Judges, and certain employees of the Attorney General's Office or Legislative Counsel of the Georgia Assembly.

As of the effective date, active, inactive, and retired members of the Superior Court Judges Retirement System, District Attorneys' Retirement System, and Trial Judges and Solicitors Retirement Fund (Predecessor Systems) were transferred to GJRS.

Laws governing GJRS provide for service retirements, death and disability benefits, or refunds of contributions and interest to members who leave state employment. Employee and Employer Contributions are paid into the retirement fund for the welfare of members and their beneficiaries. All benefits are paid from this fund.

An independent actuarial firm specializing in pension and retirement plans examines the fund every year. The actuarial firm prepares an annual valuation on the ability of the fund to meet future obligations, and every five years performs an actuarial experience study. The System is also examined annually by an independent accounting firm.

A Board of Trustees is responsible for the administration of GJRS. Daily operations are under the direct administration of the Employees' Retirement System of Georgia (ERSGA) Executive Director and staff. For more information about the Board of Trustees, please visit our website.

Contacting ERSGA

ERSGA maintains a website at http://www.ers.ga.gov. Through this website, you can:

- Access your personal account information
- Conduct transactions, such as designating a beneficiary and estimating your retirement benefits
- Download this Handbook, pamphlets, and various forms
- Review frequently asked questions
- Obtain information about legislation under consideration by the Georgia General Assembly
- Link to other websites

Inquiries related to retirement or general inquiries about GJRS can be emailed to: contact@ers.ga.gov.

Mailing Address:
Employees' Retirement System of Georgia
Two Northside 75, Suite 300
Atlanta, GA 30318

Phone:
General Number: (404) 350-6300
Toll free: 1-800-805-4609 (outside metro Atlanta area)
Fax: (404) 350-6310

To contact Peach State Reserves, call toll free:
1-866-694-2777

Hours of Operation: 8:00 am to 4:30 pm ET

Generally, membership in GJRS is a condition of employment for any person employed as a Superior Court Judge, District Attorney, State Court Judge, Juvenile Court Judge or Solicitor-General.

Employees become GJRS Members on the first day of their employment in an eligible position. This Handbook will refer to Employees who are Members as "Members."

Exceptions

- Anyone assuming the office of Superior Court Judge or District Attorney who is an active member of the Employees' Retirement System (ERS) at the time may elect to continue their ERS membership rather than join GJRS.
- Individuals employed by the Attorney General's Office or Legislative Counsel in a position requiring admission to the State Bar of Georgia as a condition of employment:
  - Employed on July 1, 1998 who made an irrevocable election to participate prior to December 31, 1998, became a Member of GJRS on July 1, 1998.
  - Employed after July 1, 1998 but prior to July 1, 2005 who made an irrevocable election to participate in the plan, became a Member of GJRS on their date of hire.
  - Individuals employed on or after July 1, 2005 by the Attorney General's Office or Legislative Counsel of the General Assembly are not eligible to elect GJRS membership.

Please note: *A final conviction of certain crimes can affect a person's GJRS status, as well as the claim to any benefits earned through GJRS. Please contact ERSGA directly with questions regarding the right to benefits under these circumstances.*

The benefits paid by the plan are funded through Employee Contributions and Employer Contributions. This section of the Handbook describes the contributions made on behalf of each participating Member.

Employee Contributions

The contributions made to GJRS by or on behalf of each Member are either deposited in the Member's Employee Contribution Account or go towards the Member's Group Term Life Insurance ("GTLI") premiums. The contributions are based on the Member's "Earnable Compensation". See the section of this Handbook titled "Earnable Compensation and Salary" to learn more about what types of pay are included and excluded in Earnable Compensation.

The following describes the Employee Contributions made to the plan:

Employee Contributions are made through payroll deductions in the amount of 7.5% of the Member's Earnable Compensation. For some members, the employer pays some or all of the Employee Contributions; such contributions are called **Pick Up Contributions**.

To find out if your employer makes Pick Up Contributions on your behalf, contact your employer or ERSGA.

The Employee Contributions deposited into the Member's Employee Contribution Account start earning 6% interest (compounded annually) after being in the account for one year. Earned interest is calculated and posted on June 30 of each year, based on the previous fiscal year's ending balance.

Group Term Life Insurance (GTLI) Contributions - Members covered under the Group Term Life Insurance (GTLI) plan pay an additional 0.25% of Earnable Compensation toward the GTLI benefit each month. These contributions are not deposited to the Member's Employee Contribution Account and are not refundable.

To learn more about GTLI benefits, see the Handbook section titled "Group Term Life Insurance".

Spousal Contributions - If applicable, contributions are 2.5% of the Member's Earnable Compensation and are contributed for a maximum of 16 years. Spousal Contributions are deposited into the Member's Employee Contribution Account. For more information on Spousal Contributions and Spousal Coverage, see the section of this Handbook titled "Spousal Coverage".

Employer Contributions

In addition to the Employee Contributions made to GJRS on a Member's behalf, the Member's Employer or governing council makes additional contributions in order to fund the benefits payable under GJRS. The Employer Contribution amount is an actuarially determined percentage of a Member's Earnable Compensation. It is not applied to the Member's Employee Contribution Account and is not refundable to the Member.

Earnable Compensation

Earnable Compensation generally means the full rate of regular monthly compensation from state funds payable to a Member for his or her full normal working time excluding any local supplements.

Salary

For all Members, Salary includes Earnable Compensation plus the monthly Employee Contribution made by the Employer on behalf of the Member (if any), referred to as the Pick Up Contribution.

Superior Court Judges: Salary means the earnable monthly compensation from state funds provided by law for Judges of the Superior Courts on the date the Member begins receiving a retirement benefit.

District Attorneys: Salary means the earnable monthly compensation from state funds provided by law for District Attorneys on the date the Member begins receiving a retirement benefit.

Judges and Solicitors-General of State Courts: Salary means the highest average earnable monthly compensation received as a Judge or Solicitor-General over a period of 24 consecutive months. For Members first becoming Members on or after July 1, 1998, Salary shall not exceed the Salary from state funds provided by law for Superior Court Judges plus Pick Up Contributions, if any.

Juvenile Court Judges: Salary means the highest average earnable monthly compensation received as a Juvenile Court Judge over a period of 24 consecutive months. For Members first becoming Members on or after July 1, 1998, Salary shall not exceed the Salary from state funds provided by law for Superior Court Judges plus Pick Up Contributions, if any.

Attorney General's Office or Legislative Counsel: Salary means the highest average earnable monthly compensation received over a period of 24 consecutive months. For Members first becoming Members on or after July 1, 1998, Salary shall not exceed the Salary from state funds provided by law for Superior Court Judges plus Pick Up Contributions, if any.

Creditable Service is used to determine:

- The amount of benefit payable upon your retirement

Creditable Service is made up of prior service (service earned under the Predecessor Systems prior to July 1, 1998) plus service for which you are credited while you are a Member. It can be earned, transferred into GJRS, or in some cases, purchased.

You earn Creditable Service for each month of your active GJRS membership for which Employee Contributions are deducted.

Vesting Service is used to determine:

- Whether you have earned a right to a retirement benefit ("vesting")
- Your eligibility for certain other Plan benefits

For more information about how a Member's rights to retirement benefits are determined, please see the Handbook section titled "Benefits Eligibility."

For more information about how retirement benefits are calculated, please see the Handbook section titled "Retirement Benefit Formula".

Your Vesting Service is equal to your Creditable Service, less any ERS service transferred to GJRS as non-vesting service and less any part-time service earned before transferring to a full-time position under GJRS.

Predecessor Systems

If you were a member of one of the following systems prior to becoming a GJRS Member, you will receive Creditable Service for your prior employment.

Trial Judges and Solicitors Retirement Fund – TJSRF
Superior Court Judges Retirement System – SCJRS
District Attorneys' Retirement System – DARS

If you have previously worked for the State of Georgia, please contact ERSGA to learn if you are eligible to receive Creditable Service for your prior employment.

Part-Time Service

If you became a Member on or after July 1, 1998 and you retire from a part-time position, you will receive full credit for all service. Members who transfer from a part-time to a full-time position receive Creditable Service of one month of service for each three months of part-time service, but do not receive any Vesting Service for their part-time service.

Service Transferrable from ERS

If you became a Member on or after July 1, 1998, are not a Juvenile Court Judge, and were previously a member of ERS, you may transfer service as described on the next page.

Creditable Service only
If you became a Member of GJRS on or after July 1, 1998 and were previously employed by the Prosecuting Attorneys Council or as a state-paid Assistant District Attorney, you may transfer your ERS service to GJRS. Such election must be made within 90 days of becoming a Member of GJRS. If your contributions have been withdrawn from ERS, you must repay the refund, plus 6% interest within six months of notification of the cost. Service credit will equal the amount of service under ERS. This service does not count toward Vesting and cannot be used to satisfy the requirements for retirement. [NOTE: In lieu of this non-vesting service transfer, this service may be transferred as Creditable and Vesting Service as described below.]

Creditable and Vesting Service
Superior Court Judges, State Court Judges, Solicitors-General, or District Attorneys who were previously members of ERS may elect to transfer their ERS service to GJRS. Such election must be made within 90 days of becoming a Member of GJRS. If your contributions have been withdrawn from ERS, you must repay the refund, plus 6% interest within six months of notification of the cost. GJRS will determine the amount of Creditable Service established by the ERS contributions and interest. This is normally less than the full service credited under ERS. GJRS will permit you to purchase the balance of your ERS service. You may only purchase service up to the total service you had under ERS. The cost to purchase service in this manner is determined by the Plan's actuaries and is based upon your age and other factors at the time of the purchase.

All elections to transfer service from ERS to GJRS must be made in writing within 90 days of becoming a Member of GJRS.

For additional information on transfer of ERS service, contact ERSGA.

Refund Buyback

A Member who terminates employment but has not yet retired (or is not eligible to retire) has the option to receive a refund of his or her Employee Contribution Account. If you receive such a refund, you forfeit all Creditable Service for the period of employment covered by the refund. However, if you return to active Membership, you can re-establish your Creditable Service via a "buyback". To do so, you must pay to GJRS a lump sum payment equal to the refund amount you originally received, plus 6% interest (compounded annually from the refund date to the buyback date).

For more information about how to receive a refund of your Employee Contribution Account, please see the Handbook section titled "Refund of Contributions and Interest".

Military Service

The Uniformed Services Employment and Reemployment Rights Act ("USERRA") provides you with certain rights regarding your employment and retirement benefits, if you perform qualified military service. If you return to employment after a military leave, you may receive Creditable Service for your period of leave provided:

If you left state employment to perform military service prior to October 13, 1994, please contact ERSGA for information about your rights to establish Creditable Service.

- You apply with GJRS in writing to establish the service
- You pay the applicable Employee Contributions for the period of service (these Contributions must be paid within a period up to the lesser of three times the length of your military service or five years)

If you are actively employed and are called to active duty in the National Guard or Reserves, you may make Employee Contributions during your active duty period. You must provide GJRS with a copy of your orders as soon as you receive them.

Benefits Eligibility

GJRS

The retirement benefits available to a Member under GJRS are based upon a benefit formula and are funded through both Employee Contributions and Employer Contributions. You will always have a non-forfeitable right to your Employee Contributions. However, you must earn a right to receive other benefits. This right is referred to as a "vested" right.

Once you earn 10 years of Vesting Service, you have a vested right to a service retirement at age 60, even if you terminate employment before reaching age 60.

At termination of employment, you may be eligible for one of the following types of benefits from the plan:

- **Regular Retirement Benefit** – Available upon the attainment of age 60 with at least 10 years of Vesting Service and at least 16 years of Creditable Service
- **Early Retirement Benefit** – Available upon the attainment of age 60 with at least 10 years of Vesting Service and Creditable Service between 10 and 16 years
- **Terminated Vested Retirement Benefit** - If you terminate employment after attaining 10 years of Vesting Service, but prior to age 60, you will be eligible to start drawing a retirement benefit once you reach age 60. You should contact ERSGA within 90 days prior to your 60th birthday.

Your Benefit may be forfeited under two situations:
- Conviction of certain state or federal crimes or
- A refund of your Employee Contribution Account

If you leave GJRS before you earn 10 years of Vesting Service, you will only be entitled to a refund of your Employee Contribution Account. See the Handbook section titled "Refund of Contributions and Interest" for more information.

If you take a refund of your Employee Contribution Account at any time, you will automatically forfeit the monthly benefit payable at age 60.

Retirement Benefit Formula

GJRS

The benefit formula used to calculate **Regular Retirement** benefits is:

66.66% of Salary	+	1% of Salary for each year of Creditable Service between 16 and 24 years	=	Regular Retirement Benefit

The benefit formula used to calculate **Early Retirement** benefits is:

66.66% of Salary	x	$\frac{\text{Years of Creditable Service}}{16}$	=	Early Retirement Benefit

Certain limitations on retirement benefits may apply. Refer to the "Limitation on Benefits" section of this Handbook for more information.

Retirement Calculation Examples:

Calculate the **Regular Retirement** *Benefit with* **16** *years of service*

Age at Commencement of Benefits	Years of Service	Salary
60	16	$10,722

Retirement Benefit:
66.66% of Salary = 66.66% x $10,722 = $7,147 per month.

Calculate the ***Regular Retirement*** *Benefit with* ***20*** *years of service*

Age at Commencement of Benefits	Years of Service	Salary
60	20	$10,722

66.66% of Salary = 66.66% x $10,722 = $7,147
+
4 Years x .01 x $10,722 = $429 (Years of Creditable Service between 16 and 24 x .01 x Salary)

Retirement Benefit:
$7,147 + $429 = $7,576 per month

*Calculate the **Early Retirement** Benefit with **10** years of service*

Age at Commencement of Benefits	Years of Service	Salary
60	10	$10,722

***Early Retirement** Benefit:*
66.66% of Salary x Creditable Service ÷ 16
66.66% x $10,722 x (10 / 16) = $4,467 per month.

Optional Forms of Payment

GJRS

In general, your retirement benefit is payable for your lifetime.

Membership Prior to July 1, 2012: If you elected Spousal Coverage and have made Spousal Contributions for at least 10 years prior to retirement, your retirement benefit is payable for your lifetime and at your death, your spouse or designated beneficiary will receive a monthly benefit for the balance of their life. Please see the Handbook section titled "Spousal Coverage" for more information. If you did not elect Spousal Coverage, have less than 10 years of Spousal Service at retirement, or if you elected to stop Spousal Contributions before contributing for 16 years, no further benefit is payable after your death.

Membership On or After July 1, 2012: If you became a Member on or after July 1, 2012, you will have the option at retirement to elect a benefit payable over your lifetime only, or a reduced benefit payable over your lifetime and the lifetime of your named beneficiary. The beneficiary pension will be either: 100% (Option 1), 66.66% (Option 2), or 50% (Option 3) of your reduced monthly benefit. Options 1 and 2 may not be available if you choose a beneficiary other than your spouse and the beneficiary is ten or more years younger than you.

Maximum Plan Benefit (Life Annuity)	*Payable to You:* The highest monthly benefit available to you, payable for your lifetime. *Payable to Your Beneficiary:* No monthly benefit is payable after your death. If you die before you receive total payments which at least equal your Employee Contribution Account, your beneficiary(ies) will receive the difference in a single payment. *Who may be a Beneficiary:* An estate, a charity, a trust, or a living person(s). *Changing a Beneficiary:* You may do this at any time.
Option 1 (100% Survivor Benefit)	*Payable to You:* A reduced monthly benefit, payable for your lifetime. *Payable to Your Beneficiary:* A monthly benefit equal to 100% of the monthly benefit you received during your lifetime, payable for the lifetime of the beneficiary(ies). *Who May Be a Beneficiary:* A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages. *Changing a Beneficiary:* Under this option, you may not change your beneficiary(ies) after you receive your first monthly benefit payment.
Option 2 (66.66% Survivor Benefit)	*Payable to You:* A reduced monthly benefit, payable for your lifetime. *Payable to Your Beneficiary:* A monthly benefit equal to 66.66% of the monthly benefit you received during your lifetime, payable for the lifetime of the beneficiary. *Who May Be a Beneficiary:* A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages. *Changing a Beneficiary:* Under this option, you may not change your beneficiary(ies) after you receive your first monthly benefit payment.

Option 3 (50% Survivor Benefit)	*Payable to You:* A reduced monthly benefit, payable for your lifetime. *Payable to Your Beneficiary:* A monthly benefit equal to 50% of the monthly benefit you received during your lifetime, payable for the lifetime of the beneficiary. *Who May Be a Beneficiary:* A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages. *Changing a Beneficiary:* Under this option, you may not change your beneficiary(ies) after you receive your first monthly benefit payment.

Limitations on Benefits

GJRS

There are federal tax law limits on the amount of benefits you can receive from GJRS.

Federal Tax Limit
Section 415 of the Internal Revenue Code limits the amount of benefits you can receive from GJRS. You will be notified if the benefit you would otherwise be eligible to receive under GJRS exceeds this limit.

Optional Forms Limit
If you became a Member on or after July 1, 2012, retirement benefit Options 1 (100% Survivor Benefit) & 2 (66.66% Survivor Benefit) may not be available if you designate a non-spouse beneficiary who is more than ten years younger than you.

Disability Retirement

GJRS

You may receive a Disability Retirement benefit if you:

- Are an active GJRS Member at the time you become disabled;
- Are unable to perform your job and
- Have attained at least four years of Creditable Service

If you are considering applying for disability retirement, you should first consult with GJRS and/or your personnel department.

The ERSGA Medical Board evaluates Disability Retirement applications to determine whether you are eligible for Disability Retirement based upon your inability to perform the duties of your original position. If the Medical Board determines that you are capable of performing your regular duties, the Disability Retirement application will be denied.

If you are approved for a Disability Retirement, your benefit will be determined as follows:

Four but less than ten years of Creditable Service	33.33% of Salary
Ten years of Creditable Service	49.77% of Salary

Medical Re-examination Information
If you retire under Disability Retirement, you are subject to medical re-examination annually for the first five years following retirement and every three years thereafter until you reach the age of 60. Refusal to submit to the medical re-examination may result in a discontinuation of benefits until the re-examination occurs. If the refusal continues for one year, all rights to a Disability Retirement benefit under GJRS may be revoked by the GJRS Board of Trustees.

Returning to Gainful Occupation
If you are receiving a Disability Retirement benefit, the amount of your Disability benefit may be limited or reduced if you work or are able to work in a gainful occupation.

The Disability benefit you receive, plus your wages, cannot be greater than your Salary used to calculate your Disability Benefit.

Membership Prior to July 1, 2012: If you elected Spousal Coverage and have made Spousal Contributions for at least 10 years prior to death, your spouse or designated beneficiary will receive a monthly benefit for life. Please see the Handbook section titled "Spousal Coverage" for more information.

Membership On or After July 1, 2012: If you became a Member on or after July 1, 2012 and have 10 or more years of Vesting Service at your death, your Spouse will receive a monthly benefit for life, calculated as if you had retired on the date of death and elected the 50% survivor benefit (Option 3).

If your spouse or designated beneficiary is not entitled to a monthly pension at your death, the plan provides for a refund of your Employee Contribution Account Balance.

In all cases, if you and/or your beneficiary have not received payments totaling at least the amount of your Employee Contribution Account at retirement, the balance of the account is refundable.

Spousal Coverage

GJRS

If you became a Member on or after July 1, 2012, you are not eligible for Spousal Coverage. Please see the Handbook sections titled "Death Benefits" and "Optional Forms of Payment" for more information.

Participation

If you became a Member before July 1, 2012, Spousal Coverage provides a benefit to your spouse, or in some instances, your designated beneficiary, after your death. Spousal Coverage is automatic unless you rejected it within 90 days of becoming a Member.

If you originally rejected or dropped Spousal Coverage due to the death or divorce of your Spouse and later marry or remarry, you may elect or resume Spousal Coverage by notifying GJRS in writing within 90 days of your marriage.

If you originally rejected Spousal Coverage, you may elect retroactive coverage by notifying GJRS and paying the appropriate retroactive cost for the coverage.

Contributions

Spousal Contributions are made through payroll deductions in the amount of 2.5% of your Earnable Compensation and are deposited to your Employee Contribution Account. Spousal Contributions stop after you have paid the contribution for a total of 16 years.

In the event of the death of your spouse or divorce, you can elect to stop Spousal Contributions by notifying GJRS within 90 days of your spouse's death or finalization of your divorce. If you cease to make Spousal Contributions under this section, there is no return of the Spousal Contributions previously made and any subsequent spouse or beneficiary will not be eligible for a monthly benefit upon your death unless you once again elect Spousal Coverage and resume Spousal Contributions upon a subsequent marriage.

You may continue making contributions after the death or divorce of a spouse and, at retirement, elect a non-spouse beneficiary. If you became a member before July 1, 2005, you can elect a non-spouse beneficiary at any time.

Spousal Benefit

If you are under age 60, have at least 10 years of Spousal Contributions, and were a member of a predecessor system prior to July 1, 1998, a lifetime benefit of 50% of the amount you would have received if you continued in service and retired at age 60 will be payable to your spouse.

If your membership date is on or after July 1, 1998 and death occurs after 10 years of Spousal Contributions but you are younger than 60, a lifetime benefit of 50% of your benefit calculated as though you were age 60 but based on the actual Creditable Service as of the date of death will be payable to your spouse.

At retirement, a person other than your spouse can be named as beneficiary. The benefit to a non-spouse beneficiary will be actuarially reduced based on your beneficiary's age.

If you became a member of GJRS before July 1, 2005, you can name a person other than your spouse to receive your spousal benefit at any time.

If your spouse or beneficiary predeceases you, you can name a new beneficiary to receive your spousal benefit.

If you fail to designate a beneficiary, a monthly benefit is not payable, and a refund of your Employee Contribution Account will be paid to your estate.

Members on July 1, 2002 had the option to elect to be covered under the Group Term Life Insurance (GTLI) benefit. Members joining GJRS between July 1, 2002 and June 30, 2009 are automatically covered under the GTLI. This coverage is not available if your GJRS membership commenced on or after July 1, 2009.

If you are actively employed and have GTLI coverage, premiums equal to ¼% of Earnable Compensation are deducted from your pay. Premiums for GTLI are not refundable at any time.

The base GTLI benefit is 18 times your monthly Earnable Compensation. However, as you get older, this base benefit is reduced. At age 60, your Earnable Compensation is frozen and your coverage begins reducing by ½% per month until you reach 65.

When you retire, your GTLI coverage continues; however, you will pay no premiums, and the amount of coverage regardless of age, is reduced to 70% of the benefit payable at age 60. Disability retirees retain full coverage until age 60, when coverage reduces to 70%.

Coverage While on Leave Without Pay (LWOP)

Coverage while on LWOP may be retained by Members with one year of service if a written request is made to ERSGA to continue this coverage. This coverage may be kept for a maximum of four years. **Coverage terminates if a written request to continue is not filed with ERSGA.** A copy of the GTLI Leave Without Pay Continuation Form can be found on our website: http://www.ers.ga.gov.

Anyone accepting employment outside of state government while on LWOP (other than military service) is not eligible to retain this coverage. Premiums in the amount of 1% of your final monthly salary accumulate each month while on LWOP and are due at the time of retirement, refund, or death.

GTLI after Termination

If you terminate employment prior to retirement with at least 18 years of Creditable Service, GTLI coverage is automatically retained. Premiums in the amount of 1% of the final monthly Salary accumulate each month while vested and are due at retirement, refund, or death. This coverage can be discontinued only by a written request to ERSGA, and premiums will continue to accrue until this request is received by our office.

If you receive a refund of your Employee Contribution Account, coverage in GTLI is terminated.

Refund of Contributions and Interest

GJRS

As a Member of GJRS, you are required to make Employee Contributions into the System. You are always 100% vested in your Employee Contributions and any interest earned in your Employee Contribution Account.

For more information about Employee Contributions, please see the Handbook section titled "Contributions".

Your Employee Contribution Account Balance includes your Employee Contributions, any Spousal Contributions, any Pick Up Contributions made by your employer, and interest.

When you terminate state employment, regardless of your age or years of Creditable Service, you are immediately entitled to receive a refund of your Employee Contribution Account Balance in a lump sum payment. Taking a refund, however, has several consequences:

- You waive all other benefit rights in the GJRS plan. No other benefits will be payable to you or to any beneficiary(ies).
- **If you have 10 or more years of Vesting Service, taking a refund cancels your right to receive a monthly benefit in the future.**
- Your plan membership ends. If you are later rehired, you will become a member again under the terms of the plan in effect at your rehire date. This is true even if you later buy back your refunded Creditable Service.
- **If you have GTLI coverage, you waive such coverage when you receive your refund.**

For more information about buying back Creditable Service after taking a refund, please see the Handbook section titled "Creditable Service", subsection "Refund Buyback".

Employer Contributions and contributions you make for GTLI premiums are not refundable to you.

Please see http://www.ers.ga.gov for information about how to apply for a refund of your Employee Contribution Account.

Cost of Living Adjustments

GJRS

Each year, the Board of Trustees may consider the grant of a Cost of Living Adjustment (COLA) of up to 3% for retirees. The decision will be based on the long term financial soundness of the pension system. *COLAs are* **not** *guaranteed and you should not base your financial decisions on the possibility of a COLA until a COLA has been announced*.

Employees who first or again become Members of GJRS on or after July 1, 2009 are not entitled to any COLA after retirement.

When a COLA is approved, it is granted to retirees and beneficiaries who have been receiving retirement benefits for at least seven months.

Protection of Benefits

Your benefits from GJRS are not subject to execution, garnishment, attachment, writ of sequestration, or any other process or claim, except with regard to an IRS levy, court-ordered child support, or court-ordered sanctions due to conviction of certain criminal acts. Your benefits are not assignable even with a Domestic Relations Order (DRO).

Benefit payments are made the last working day of each month. Before the payments can begin, you must complete the retirement process and leave state employment.

Correcting a Benefit Error

The Board of Trustees of GJRS is in charge of all records of the retirement system. If you receive more or less than the benefit to which you are entitled due to an error, the error will be corrected upon discovery and your benefit will be adjusted accordingly. With errors, there is a potential for underpayments or overpayments. Underpayments will be made to you as soon as possible. For any overpayments, your repayment is required and repayment options will be discussed with you.

Deductions

Your GJRS retirement benefit is generally not assignable. This means that only limited deductions may be made from your retirement check, such as:

- Federal income tax
- Georgia state income tax
- Health insurance premiums
- Dental insurance premiums
- GTLI premiums (if applicable)
- Some credit unions

Taxes

Employee Contributions made by a Member are generally contributed to GJRS on an after-tax basis, and the portion of the retirement benefits which are attributable to these Employee Contributions is determined on a pro-rated basis using tables found in the Internal Revenue Code to provide a partial tax exemption each calendar year.

However, Employee Contributions only provide a small portion of each monthly payment. The majority of the monthly payment is taxable to the retiree and/or beneficiary(ies). When the Employee Contributions are exhausted, the total benefit check is taxable. Each year a 1099-R is issued to every retiree and beneficiary receiving benefits to identify taxable retirement benefits when filing for income taxes.

Withholding forms (W-4P for federal and G-4P for Georgia state taxes) are included in the retirement packet. Retirees can change their tax withholding and direct deposit elections at any time on the secure retiree section of http://www.ers.ga.gov or by contacting ERSGA.

Re-employment after Commencement of Retirement Benefits

If you return to employment for the state, even as an independent contractor, while you are receiving benefits from GJRS, your benefits will be suspended if you work over 1,040 hours during any calendar year.

However, you may serve as a member of the General Assembly or serve as a Senior Judge after retiring with no suspension of benefits. Also, former Members of the Trial Judges and Solicitors Retirement Fund (TJSRF) or the Superior Court Judges Retirement System (SCJRS) are not subject to a suspension of their GJRS benefit.

Before you consider returning to work after retirement, we would advise you to discuss the matter with an ERSGA representative and/or a personnel manager.

Re-employment before Receiving a Refund of your Employee Contribution Account Balance

When you terminate employment and leave your Employee Contribution Account with GJRS, you have the opportunity to retain your membership rights under GJRS in the event you once again become a Member of GJRS.

Re-employment after Receiving a Refund of your Employee Contribution Account Balance

When you receive a refund of your Employee Contribution Account, you forfeit any Creditable Service attributable to that same period of employment.

If you once again become a Member of GJRS, you may re-establish any prior Creditable Service by making a lump sum payment to GJRS in an amount equal to the refund you originally received, plus 6% interest compounded annually from the date of your refund. Please see the Handbook section titled "Service" for more information about a Refund Buyback.

Actively Employed

All active GJRS Members are strongly encouraged to designate one or more beneficiaries to receive the GJRS benefit which may be payable at the Member's death. Eligible Members must also designate beneficiary(ies) to receive the Group Term Life Insurance (GTLI) benefit.

Failure to designate a beneficiary will result in any applicable death benefits for an active Member being paid to the Member's estate. In certain circumstances, the death benefit payable to a living person beneficiary is larger than the death benefit which may be paid to an estate. Please see the Handbook section titled "Death Benefits" for more information.

You will be asked to designate a primary beneficiary and a contingent (also known as a secondary) beneficiary for both the retirement plan and the GTLI benefit (if applicable). You may designate one or more primary and one or more contingent beneficiaries for each benefit. If you want your Estate to be your primary beneficiary, you do not need a contingent beneficiary.

A primary and a contingent beneficiary do not share benefits. A contingent beneficiary will only receive a benefit if there is no surviving primary beneficiary at the time the death benefit is to be paid, or if the primary beneficiary does not survive the Member by at least 32 days.

You may designate your retirement plan and GTLI (if applicable) beneficiary(ies) online at http://www.ers.ga.gov or by contacting ERSGA directly.

You do not have to designate the same beneficiary for all of your benefits (retirement plan, GTLI).

At Retirement

When you retire, you will be asked to designate the applicable beneficiary(ies) at that time.