
PROBATE JUDGES AND EMPLOYEES RETIREMENT SYSTEM

I. INTRODUCTION

A. The Probate Judges and Employees Retirement System (“**PJERS**” or the “**Plan**”) is a defined benefit plan that provides lifetime retirement income to eligible Judges of Probate, to employees of Connecticut Probate Courts, and to the eligible spouses of such judges and employees. The terms of the system are set forth in Sections 45a-34 through 45a-57 of the Connecticut General Statutes.

B. PJERS is administered by the State Employees Retirement Commission (“**Commission**”). The day-to-day operations of the Plan are managed by the Retirement Services Division of the Office of the State Comptroller (“**Division**”). The assets of the Plan are held in the Connecticut Probate Judges and Employees Retirement (“**Fund**”). The State Treasurer is the custodian of the Fund and is responsible for investing and reinvesting its assets.

C. PJERS is intended to meet the requirements for qualified retirement plans under Section 401(a) of the Internal Revenue Code of 1986, as amended (“**Code**”), and to be a governmental retirement plan, as defined in Section 414(d) of the Code. Please note, however, that your contributions to the plan are *not* designated as “picked up” by the State of Connecticut. That is, the amount of your contributions to the plan are *not* deducted from the amount of gross taxable income you must report for purposes of calculating your federal income tax liability. In other words, your contributions to PJERS are made on a post-tax basis.

D. Some members of PJERS are not covered under the Social Security Agreement between the State of Connecticut and the United States Department of Health and Human

Services. These members do not have Social Security deductions taken from their pay and do not receive Social Security credit for the salary they earn for the Probate Courts.

II. MEMBERSHIP IN THE SYSTEM

A. In general. Membership in and contributions to PJERS are mandatory for *certain* Judges of Probate and *certain* employees of Connecticut Probate Courts.

B. Required hours of work. The membership requirements for a Judge of Probate may depend on when the judge was first elected and how many hours the judge works in a given calendar year. The membership requirements for an employee of a Probate Court may depend on when the employee was first hired and how many hours he or she works in a given calendar year:

- Membership and contributions are mandatory for all **Judges of Probate** (i) who were first elected for a term as a Judge of Probate on or after January 5, 2011, *and* (ii) who work in the capacity as a Judge of Probate for at least one thousand (1,000) hours in a calendar year. –
- Membership and contributions are mandatory for all **Judges of Probate** who were first elected for at term as a Judge of Probate on or before January 4, 2011.
- Membership and contributions are mandatory for all **employees** of any Connecticut Probate Court (i) who first served on or after January 1, 2011; and (ii) who either (A) are employed by such court for at least one thousand (1,000) hours in a calendar year or (B) serve at least one thousand (1,000) hours per year under an employment contract with a Probate Court.
- Membership and contributions are mandatory for all **employees** of any Connecticut Probate Court (i) who first served on or before December 31, 2010; (ii) who either (A) are employed by such court for at least four hundred and thirty (430) hours in a calendar year or (B) serve at least four hundred and thirty (430) hours per year under an employment contract with a Probate Court.

C. Employment for less than a calendar year. Notwithstanding the foregoing, if an employee or Judge of Probate, because of his or her date of hire or appointment, is unable to work the number of hours required for membership under subsection II(b) above; and if the employee or judge nevertheless works an average of not fewer than 35 hours per week during his

or her first calendar year of employment; then the employee or judge shall be a member of PJERS in that first calendar year.

D. Calculating judges' hours. The number of hours worked by a Judge of Probate shall be determined on the basis of information that such judge files with the Probate Court Administrator, pursuant to Section 5-259(h) of the Connecticut General Statutes and Section 18A.5 of the Probate Court Regulations. Services that constitute work in the capacity as a Judge of Probate include, but are not limited to:

- presence at the Probate Court on court business;
- legal research and preparation of decrees;
- conduct of hearings outside of the Probate Court;
- performance of management and administrative functions for the Probate Court;
- service as an acting judge at another Probate Court;
- service as a judge or administrative judge at a regional children's probate court;
- service on a three-judge panel;
- service as a special assignment Probate Judge;
- attendance at meetings of the Connecticut Probate Assembly;
- attendance at programs that qualify for continuing education credit;
- service as a committee member or administrator for the Connecticut Probate Assembly;
- participation in activities of bar associations or other professional organizations concerning the probate court system or legal matters related to probate courts;
- presentations to community groups or professional organizations concerning the probate court system or legal matters related to probate courts;
- preparation and travel time related to any of the foregoing;
- up to eighty hours per calendar year for vacation;
- four hours for each of the holidays that the judge of a court has designated as official holidays for the court; and
- four hours for each sick day taken in a calendar year.

E. Calculating employees' hours. The number of hours of service performed by an employee of, or under a contract with, a Probate Court, shall be determined by the Probate Court Administrator.

III. CONTRIBUTIONS TO THE PLAN

(a) **Deducting Employee Contributions.** Each Judge of Probate who is a member of PJERS and each employee of a Probate Court who is a member of PJERS must make

contributions to the Plan. Except as provided in subsection (b) below, these contributions (“**Employee Contributions**”) are deducted by the Probate Court Administrator from each member’s compensation. The amount of each member’s Employee Contribution is a percentage of his or her salary.

(b) **Exemptions from deduction of Employee Contributions.** If the Probate Court Administrator determines, for any calendar year, that a Probate Court employee or a Judge of Probate first elected on or after January 5, 2011, will not perform the minimum hours of service set forth in Section II(b) above, then the Administrator shall report that determination to the Commission, and the Administrator shall either make no deductions of Employee Contributions from the judge’s or employee’s compensation or shall stop making such deductions. If the Probate Court Administrator subsequently determines that the judge or employee is, in fact, eligible for membership in the relevant calendar year, then the judge or employee shall pay to the Commission his or her unpaid Employee Contributions. The amount to be paid shall be determined by the Commission.

(c) **Employment for less than a calendar year.** Notwithstanding the foregoing, if an employee, because of his or her date of hire, is unable to work the number of hours required for membership under subsection II(b) above; and if the employee nevertheless works, or is expected to work, an average of not fewer than 35 hours per week during his or her first calendar year of employment; then the employee shall be required to make Employee Contributions for that first calendar year.

(d) **Two types of income.** For purposes of calculating the amount of Employee Contributions, PJERS distinguishes between (i) that portion of a judge’s or employee’s compensation for which contributions are made to the federal government’s Social Security system (“**Social Security Income**”) and (ii) that portion of a judge’s or employee’s

compensation for which no contributions to Social Security are made (“**Non-Social Security Income**”).

(e) **Amount of Employee Contributions.** The Employee Contributions of a member of PJERS equal one percent (.01) of the member’s Social Security Income and three-and-three-quarters percent (.0375) of the member’s Non-Social Security Income.

(f) **Refund of certain contribution at year end.** If the Probate Court Administrator has deducted Employee Contributions from the compensation of a Judge of Probate or a Probate Court employee; and if the Administrator subsequently determines that the judge or employee was not eligible for membership in PJERS during the relevant calendar year; then the Administrator shall report that determination to the Commission and apply for a refund of the judge’s or employee’s contributions for that year.

(g) **Certain compensation for judges included.** For purposes of calculating the amount of a judge’s Employee Contributions, a judge’s compensation includes any compensation he or she receives as an administrative judge for a regional children's probate court.

IV. FORMS OF SERVICE THAT AFFECT RETIREMENT

(a) **Credited Service.** Members of PJERS become eligible to receive retirement benefits upon the satisfaction of certain age and service requirements that are discussed below. Certain types of service determine both a member’s eligibility to receive retirement benefits and what the amount of those benefits will be. These types of service are referred to collectively as “**Credited Service.**” There are three basic types of Credited Service:

- Service to a Probate Court, either as a Judge of Probate or as an employee, subject to the terms of subsection IV(b) below;
- Certain forms of military service performed before the judge or employee became a member of PJERS, subject to the terms of subsection IV(c) below; and

- Certain service as a member of the Connecticut General Assembly performed before the judge or employee became a member of PJERS, subject to the terms of subsection IV(d) below.

(b) **Service to a Probate Court.** Credited Service includes the following forms of service to a Probate Court:

- All periods during which a person (i) holds the office of Judge of Probate *and* (ii) satisfies any applicable minimum service requirement set forth in subsection II(b) and II(c) above;
- All periods during which a person (i) serves as an employee of a Connecticut Probate Court *and* (ii) satisfies any applicable minimum service requirement set forth in subsections II(b) and II(c) above;
- All periods during which a person who has stopped serving as a Judge of Probate serves as an administrative judge for a regional children's probate court, *provided* that such service as an administrative judge is performed for more than one thousand (1,000) hours in each calendar year; and
- If a Judge of Probate who was in office on or after October 1, 1997, served in a probate district that was merged with another district on or before January 5, 2011; and if such Judge of Probate was not elected to a term that began either at the time of or after such merger; such Judge of Probate could elect to receive up to four years of additional Credited Service. Additional details about this election are provided in Section V.A.5 below.

(c) **Prior military service.** Credited Service may include the prior military service of a Judge of Probate or a Probate Court employee. For such prior military service to be included in a member's Credited Service, *all* of the following conditions must be satisfied:

- The member must apply to have his or her prior military service included in his or her Credited Service not later than one year after the date on which the Judge of Probate or Probate Court employee first became a member of PJERS.
- The prior military service must qualify as "service in time of war" under Section 27-103 of the Connecticut General Statutes.
- The member may not have received nor be eligible to receive a pension from any source other than PJERS as a result of such military service.
- The member must make Employee Contributions sufficient to pay the actuarial cost of the additional Credited Service, as such cost is determined by the

Commission. Such Employee Contributions must be paid during the twelve months following the member's application.

- A member's total Credited Service may include **no more than a total of three years of any of the following**: (i) prior military service, (ii) service in the Connecticut General Assembly, or (iii) a combination of both forms of service.

(d) **Prior service in the Connecticut General Assembly.** Credited Service may include the prior service of a Judge of Probate or Probate Court employee as a member of the Connecticut General Assembly. For such service to be included in a member's Credited Service, *all* of the following conditions must be satisfied:

- The member must apply to have his or her prior service in the General Assembly included in his or her Credited Service not later than one year after the date on which the Judge of Probate or Probate Court employee first became a member of PJERS.
- The member may not have received nor be eligible to receive a pension from any source other than PJERS as a result of such service in the General Assembly.
- The member must make Employee Contributions sufficient to pay the actuarial cost of the additional Credited Service, as such cost is determined by the Commission. Such Employee Contributions must be paid during the twelve months following the member's application.
- A member's total Credited Service may include **no more than a total of three years of any of the following**: (i) prior military service, (ii) service in the Connecticut General Assembly, or (iii) a combination of both forms of service.

(e) **Calculation of Credited Service.** If, in a given calendar year, a member satisfies the applicable service requirement set forth in subsections II(b) and II(c) above, the member's Credited Service shall include the period beginning on the first day of the member's service during that year and ending on the last day of the member's service during that year.

(f) **Service as a probate magistrate excluded.** Service as a Probate Magistrate may not be included in a member's Credited Service.

V. TYPES OF RETIREMENT

A retired member of PJERS is eligible to receive a lifetime retirement income. There are several different types of retirement; each type involves a different combination of age and service requirements.

A. Normal Retirement

A “Normal Retirement” is the voluntary retirement of a Judge of Probate or an employee of a Probate Court (i) that is not based on the individual’s having become disabled, and (ii) which provides a retirement income immediately upon the termination of the individual’s service as a Probate Judge or employee of a Probate Court.

The age and service requirements for a Normal Retirement have changed over time.

1. Normal Retirement on or After October 1, 1986

If a Judge of Probate was in office on or after October 1, 1986, or an employee of a Probate Court served on or after October 1, 1986; and if such Judge or employee has completed at least ten (10) years of Credited Service; then the Judge or employee is eligible to begin receiving normal retirement benefits on the first day of the month after the individual reaches the age of sixty-two.

2. Normal Retirement before October 1, 1986

A Judge of Probate or an employee of a Probate Court (i) who was in office, or who served, on or after December 31, 1966, but not after September 30, 1986; and (ii) who completed at least ten (10) years of Credited Service; was eligible to begin receiving normal retirement benefits on the later of either (a) the first day of the month after the individual reached the age of sixty-five or (b) the first day of the month after the termination of the individual’s service, subject to the following additional terms:

- If the individual had completed between ten and twelve years of service as a Judge of Probate, and if his or her Credited Service terminated before July 1, 1979, the individual could retire and receive retirement benefits retroactive to January 1, 1979.
- If the individual had completed between ten and fifteen years of service as an employee of a Probate Court, and if his or her Credited Service terminated before July 1, 1979, the individual could retire and receive retirement benefits retroactive to January 1, 1979.

3. Normal Retirement at Age 70

(a) If a Judge of Probate begins to perform Credited Service after the age of sixty, he or she will be eligible to begin receiving normal retirement benefits on the first day of the month after reaching the age of seventy, provided that he or she shall have served at least one full term as a Judge of Probate.

(b) If an employee of a Probate Court begins to perform Credited Service after the age of sixty, he or she will be eligible to begin receiving normal retirement benefits on the first day of the month after reaching the age of seventy.

(c) Employees who attained the age of seventy before January 1, 1968, became eligible to begin receiving normal retirement benefits on that date.

4. Commencement of Normal Retirement for Employees

An employee of a Probate Court shall be retired on the recommendation of the judge of the court by which he or she is employed on the first day of any month after he or she has become eligible for retirement under the terms of Sections V.A.1 or V.A.2 above.

An employee of a Probate Court who has attained the age of seventy shall be retired on the first day of the month following his or her seventieth birthday; *except* that at the employee's request, and with the approval of the judge of the court by which he or she is employed, the employee may continue to be employed, but without making additional contributions to PJERS,

and without earning additional Credited Service in PJERS. The employee shall not receive pension payments during the period in which he or she is so employed after the age of seventy.

5. Certain Judges of Merged Probate Districts

If a Judge of Probate was in office on or after October 1, 1997; if such judge's probate district was merged with another district on or before January 5, 2011; and if such judge was not elected to a term that began at the time of, or subsequent to, such merger; then the judge could elect either (i) to receive an additional four years of Credited Service; (ii) to reduce his or her minimum age for Normal Retirement by not more than four years; or (iii) any combination of such additional Credited Service or reduction of minimum age, provided that the combination shall affect no more than a total of four years of service and retirement age.

B. Early Retirement and Vested Rights Retirement

An "Early Retirement" is the voluntary retirement of a Judge of Probate or an employee of a Probate Court (i) that is not based on the individual's having become disabled, and (ii) which provides a retirement income *without* the judge's or employee's having satisfied all of the requirements set forth in Sections V.A.1, V.A.2, or V.A.3 above. A judge or employee becomes eligible for an Early Retirement after having completed ten years of Credited Service.

A judge or employee who has completed ten years of Credited Service may elect to begin receiving retirement income at any time beginning on the first day of any month following his or her separation from service. If the individual elects to begin receiving retirement income at some time after the earliest date following his or her separation from service, the retirement is known as a "Vested Rights Retirement."

A judge or employee who elects an Early Retirement or a Vested Rights Retirement will receive a retirement income that is less than the income that would have been payable to him or her under a Normal Retirement. The amount of the reduction will be based on (i) the date of the

individual's separation from service and (ii) the individual's age at the time he or she begins to receive retirement income.

C. Disability Retirement

A "Disability Retirement" is the retirement of a Judge of Probate or an employee of a Probate Court who (i) has completed at least ten years of Credited Service and (ii) has become permanently and totally disabled from engaging in any gainful employment in the service of the Court of Probate or in the office of judge.

VI. Retirement Income

A. Average Final Compensation

The calculation of retirement income under PJERS begins with the calculation of the member's "Average Final Compensation."

The Average Final Compensation of a Judge of Probate is an amount equal to the average annual compensation for his or her three highest paid years of service, whether in the Probate Court to which the judge was elected or in any other court in which he or she served by citation.

- For purposes of calculating such Average Final Service, the judge's highest paid years of service may include service performed on or after June 1, 2004, as an administrative judge for a regional children's probate court and/or service performed on or after July 1, 2007, a special assignment probate judge.
- A judge's highest paid years of service may not exceed the maximum net income currently allowed by law.

The Average Final Compensation of an employee of Probate Court is an amount equal to the average annual compensation for his or her three highest paid years of employment by any such court.

B. Income Under Normal Retirement or Disability Retirement

1. Members Covered by Social Security

The annual retirement income of a Judge of Probate or employee of a Probate Court who either elects a Normal Retirement or is approved for a Disability Retirement, and who is covered by Social Security, is determined by adding two amounts. The first amount is determined by (i) subtracting \$4,800 from the judge's Average Final Compensation, multiplying the result by the number of years of Credited Service that the judge has completed at the time retirement, and multiplying the total by two percent. The second amount is determined by multiplying the judge's years of credited service by \$48.00.

$((\text{Average Final Compensation} - \$4,800) \times \text{Credited Service} \times .02)$

PLUS

$(\$48.00 \times \text{Credited Service})$

EQUALS

Retirement Income

2. Members Not Covered by Social Security

The annual retirement income of a Judge of Probate or employee of a Probate Court who either elects a Normal Retirement or is approved for a Disability Retirement, and who is *not* covered by Social Security, is determined by multiplying the judge's Average Final Compensation by the number of years of Credited Service that he or she completed before retirement, then multiplying the total by two percent:

$\text{Average Final Compensation} \times \text{Credited Service} \times .02 = \text{Retirement Income}$

C. Income Under Early Retirement or Vested Rights Retirement

The calculation of the annual retirement income payable under an Early Retirement or a Vested Rights Retirement begins with the income that would have been payable to the member under a Normal Retirement. That amount is then *reduced* by an amount that may depend on the

date on which the member separated from service and the member's age at the time of separation.

1. Judges Separating After 1986 and Beginning Benefits After Age 59

The annual retirement income of a Judge of Probate who:

- elects an Early Retirement or a Vested Rights Retirement;
- separates or separated from service after October 1, 1986; and
- either (i) attains or attained the age of sixty before such separation or (ii) elects to begin receiving retirement income after reaching the age of sixty;

shall be calculated in the following way:

- The income is calculated under the applicable formula from Section VI.B.1 or Section VI.B.2 above, and then
- That amount is reduced by an amount equal to one quarter of one percent (.0025) for each month by which the date on which income payments begin precedes the judge's sixty-second birthday.

2. Other Judges Separating After January 1, 1972

The annual retirement income of a Judge of Probate who (i) elects an Early Retirement or a Vested Rights Retirement, (ii) separates or separated from service after October 1, 1986, and (iii) does not satisfy the criteria set forth in Section VI.C.1 above shall equal an amount that is determined by the State Employees Retirement Commission to be the actuarial equivalent, based on the judge's age on the date that retirement income begins, of the income the judge would have received under the applicable formula from Section VI.B.1 or Section VI.B.2 above.

3. Vested Rights Retirees Beginning Benefits at Age 62

If an employee of a Probate Court separates from service (i) after having completed ten years of Credited Service, but (ii) before reaching age 62; and if such employee elects to begin receiving retirement income on or after the first day of the month after reaching age 62; then the

employee's annual retirement income will be calculated under the applicable formula from Section VI.B.1 or Section VI.B.2 above.

4. Employees Separating After 1994 and Beginning Benefits After Age 59

The annual retirement income of an employee of a Probate Court who:

- elects an Early Retirement or a Vested Rights Retirement;
- separates or separated from service after October 1, 1994; and
- either (i) attains or attained the age of sixty before such separation or (ii) elects to begin receiving retirement income after reaching the age of sixty;

shall be calculated in the following way:

- The income is calculated under the applicable formula from Section VI.B.1 or Section VI.B.2 above, and then
- That amount is reduced by an amount equal to one quarter of one percent (.0025) for each month by which the date on which income payments begin precedes the judge's sixty-second birthday.

5. Other Employees Separating After January 1, 1972

For any employee of a Probate Court (i) who separates or separated from service on or after January 1, 1972, (ii) who elects or elected an Early Retirement or a Vested Rights Retirement, and (ii) who does not or did not satisfy the criteria set forth in either Section VI.C.3 or VI.C.4 above, the employee's annual retirement income shall equal an amount that is determined by the State Employees Retirement Commission to be the actuarial equivalent, based on the employee's age on the date that retirement income begins, of the income the employee would have received under the applicable formula from Section VI.B.1 or Section VI.B.2 above.

D. Suspension of Income for Reemployed Retirees

If an employee of a Probate Court who has retired under the terms of PJERS subsequently accepts employment by a Probate Court for more than ninety working days in any year, then the employee may not receive retirement income while so employed.

VII. Optional Forms of Retirement Income and Benefits to Survivors

At the time of retirement, PJERS members must choose from among five benefit payment "options." Under some of the available options, a monthly retirement benefit will be paid after the member's death to a person or persons whom the member has named. The person so selected is known as a "Contingent Annuitant" or "Optionee."

If a member selects an option that pays benefits after his or her death, then the benefit the member will receive during retirement will be smaller than it would be if the member made no provision for an Optionee. The amount of this reduction to the member's benefit will be based on several factors, including the member's age and the age of the Optionee.

Please Note: At the time of retirement, members may also designate a "Beneficiary." A Beneficiary has different rights from the rights of a Contingent Annuitant or Optionee.

A. Benefit Options

The optional forms of payment are:

1. **Option A - 50% Spouse.** This option provides a reduced monthly benefit to the PJERS member for life. If the member is married at the time of retirement, and if the spouse is alive at the time of the member's death, 50% of that reduced benefit will continue to be paid to the spouse for the balance of his or her life.
2. **Option B - 50% or 100% Survivor.** This option provides a reduced monthly benefit to the PJERS member for life. The option also allows the member to name any one person as a "Contingent Annuitant." If the Contingent Annuitant is alive at the time of the member's death, then either 50% or 100% of that reduced benefit (whichever amount the member selected at retirement) will continue to be paid for the remaining

lifetime of the Contingent Annuitant. The Contingent Annuitant may be any one person, including the member's spouse.¹

3. **Option C - 10-Year or 20-Year Period Certain.** This option provides a reduced monthly benefit to the PJERS member for life, along with a guarantee that payments will continue for the full period of 10 or 20 years (whichever the member selected at retirement) following the member's retirement date. Option C is the only option that allows a member to name more than one Contingent Annuitant(s), each of whom would share each remaining monthly payment equally. If the member should die within either 10 years (120 payments) or 20 years (240 payments) from his or her date of retirement (whichever the member has chosen), the remaining payments will be made to the Contingent Annuitant(s). If the Contingent Annuitant(s) should die before the end of the 10- or 20-year period that the member selected, and if the member also dies within that period, without having named a new Contingent Annuitant, then the remaining payments will be made to the member's estate.

4. **Option D - Straight Life Annuity.** This option provides the PJERS member with the highest monthly benefit for his or her lifetime. The member's benefit is calculated under the formulas that appear in Sections VI.B and VI.C above, without any reduction for survivor benefits. However, all payments stop upon the member's death.

5. **Option E – Option for Judges with Merged Probate Districts.**

If a Judge of Probate was in office on or after October 1, 1997; if such judge's probate district was merged with another district on or before January 5, 2011; if such judge was not elected to a term that began at the time of, or subsequent to, such merger; and if the judge became eligible to retire as a result of the election concerning Credited Service and retirement age described in Section V.A.5 above; the judge could elect to receive an *unreduced* retirement income during his or her lifetime. If the member was married at the time of retirement, and if the spouse was alive at the time of the member's death, 50% of that *unreduced* benefit would continue to be paid to the spouse for the balance of his or her life.

B. Selection of Options by Married Members

If a PJERS member is married at the time of retirement, then the member will be presumed to have elected the 50% Spouse option that is explained in Section VII.A.1 above.

The member may elect a different option only (i) if his or her spouse consents to that election in

¹ **Please note:** If a member chooses the 100% Contingent Annuitant option, if the member names a Contingent Annuitant who is not his or her spouse, and if the Contingent Annuitant is ten or more years younger than the member, then federal law requires an additional reduction to the Contingent Annuitant's income.

a signed and notarized written statement acknowledging the election's effect, or (ii) if the State Employees Retirement Commission determines that such a statement cannot be obtained, either because there is no spouse, because the spouse cannot be located, or for any other reason that the Commission might prescribe.

C. Pre-Retirement Death Benefit

If a PJERS member who has completed the applicable age and service requirements for Normal Retirement or Early Retirement should die before retiring; and if the member has been married for at least one year at the time of his or her death; then the member's spouse shall receive a lifetime retirement income from and after the date of the member's death. The amount of the income shall be the average of:

- Fifty percent of the income that would have been payable to the member if he or she had retired on the date of his or her death and elected the Straight-Life Annuity option from Section VII.A.4 above; and
- Fifty percent of the income that would have been payable to the member if he or she had retired on the date of his or her death and elected the 50% Spouse option from Section VII.A.1 above.

VIII. Cost-of-Living Adjustments

PJERS members and their contingent annuitants become eligible to receive a cost-of-living adjustment (COLA) to their current retirement income on the first July 1 that occurs after at least one year has passed since the member began receiving such income. That is, a COLA will be calculated on July 1 for every PJERS member who received retirement income on the preceding July 1, and for every contingent annuitant who either (i) received retirement income on the preceding July 1 or (ii) is the contingent annuitant of a member who received retirement income on that date.

The amount of the COLA shall be based on the increase, if any, in the national Consumer Price Index, as compiled and published by the federal government, for the most recent fiscal year.

- If the rate of increase is one percent or less, no COLA will be awarded.
- If the rate of increase is three percent or more, then each person's retirement income will be increased by three percent.
- If the rate of increase is between one percent and three percent, then each person's retirement income will be increased by a percentage equal to that of the rate of increase in the Consumer Price Index.

IX. Refund of Contributions

A. Separation from Service

If a Judge of Probate leaves office before satisfying the age and service requirements for a Normal, Early, or Vested Rights retirement; or if an employee of a Probate Court leaves the court's employment before satisfying those requirements; then the judge or employee may apply for a refund of the total amount of his or her contributions to PJERS.

The contributions will be refunded without interest. If the judge or employee fails to apply for such refund within ten years of having left office or employment, then the individual's contributions will revert to the Fund.

If the judge or employee is thereafter elected, appointed, or reemployed to or in a position covered by PJERS, the individual may return the refunded contributions, plus interest, to the Fund, and his or her prior service will thereupon be included in his or her Credited Service.

B. Death of Judge or Employee

Subject to the terms set forth below, the contributions of a PJERS member may be paid upon the death of certain members and/or their contingent annuitants, either to the member's designated beneficiary or to the member's estate:

- If a member dies before having satisfied the age and service requirements for a Normal, Early, or Vested Rights Retirement, and without having been approved for a Disability Retirement, then the member's contributions will be paid, without interest, to the member's beneficiary or, in the absence of a beneficiary, to the member's estate.
- If, regardless of age and service, a member dies before retirement; and if the member has not elected one of the options set forth in Section VII.A.1 through VII.A.5 above, or if the member has made an election that has not become effective; then the member's contributions will be paid, without interest, to the member's beneficiary or, in the absence of a beneficiary, to the member's estate.
- If a member dies after having retired; and if the member elected the Straight-Life Annuity option of Section VII.A.4 above; then the amount of the member's contributions to PJERS, *less the total amount that has been paid to the member as retirement income*, will be paid, without interest, to the member's beneficiary or, in the absence of a beneficiary, to the member's estate.
- If a member has retired after having elected one of the survivor options set forth in Sections VII.A.1 through VII.A.5 above; and if, after the member's death, the member's contingent annuitant (or annuitants) either dies or ceases to be eligible for retirement income; then the amount of the member's contributions to PJERS, *less the total amount that has been paid to the member and/or to any contingent annuitant as retirement income*, will be paid, without interest, to the member's beneficiary or, in the absence of a beneficiary, to the member's estate.

X. Payment of Retirement Income

One-twelfth of the annual retirement income of each PJERS member and/or each contingent annuitant will be paid each month.