

Rules of Retirement Systems

Division 50—The County Employees’ Retirement Fund Chapter 2—Membership

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Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees’
Retirement Fund
Chapter 2—Membership

16 CSR 50-2.010 Definitions

PURPOSE: This rule expands on definitions found in section 50.1000, RSMo.

(1) Active member. A full-time or part-time employee who has elected to participate in the County Employees’ Retirement Fund, who is employed by a county and who is not retired.

(2) Entry date. The entry date of a full-time employee will be the hire date unless the employee opts out of the plan. The entry date of a part-time employee will be the first semi-annual entry date (January 1 or July 1) after the part-time employee satisfies the one thousand (1,000)-hour requirement during the calendar year.

(3) Full-time employee. An elective or appointive county official or employee regularly employed by a county who is under the direct control and supervision of a county or an elected or appointed county official and who is subject to continued employment, promotion, salary review or termination by a county or an elected or appointed county official and who is compensated directly from county funds and whose position requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year, except county prosecuting attorneys covered under sections 56.800–56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Employees’ Retirement System and county sheriffs covered under sections 57.949 to 57.997, RSMo, and employees who receive some compensation from the county but who are subject to hiring, supervision, promotion or termination by an entity other than the county such as an extension council or the circuit court.

(4) Hire date. The date that an employee begins actual employment with the county.

(5) Member. Member includes active and retired members of the County Employees’ Retirement Fund.

(6) Membership year of service. A member shall be credited with a year of membership service upon completion of one thousand (1,000) hours of service within the twelve-(12) month period of the calendar year. In no case shall more than one (1) year of service

be credited to any member for service rendered in any calendar year. Elective or appointive county officials receive one (1) year of service for each year in office.

(7) Part-time employee. An employee regularly employed by a county or an elected or appointed county official who is under the direct control and supervision of a county or an elected or appointed county official and who is subject to continued employment, promotion, salary review or termination by a county or an elected or appointed county official and who is compensated directly from county funds and whose position is not anticipated to require the actual performance of duties during one thousand (1,000) hours or more per calendar year.

(8) Plan year. The plan year for the County Employees’ Retirement Fund shall be the calendar year.

(9) Retired member. Retired member includes any person who has retired from active employment and has otherwise fulfilled the requirements for membership in the County Employees’ Retirement Fund.

(10) Prime rate. The prime rate posted in the *Wall Street Journal* as listed under “Money Rates” on any given day.

AUTHORITY: section 50.1032, RSMo Supp. 1997. Original rule filed effective Oct. 11, 1995, effective May 30, 1996. Amended: Filed July 16, 1998, effective Jan. 30, 1999.*

**Original authority 1995.*

16 CSR 50-2.020 Payroll Contributions

PURPOSE: This rule clarifies the nature of payroll contributions required from employees both in counties which are members of the local government employees’ retirement system and those counties which are not members of the local government employees’ retirement system.

(1) Contributions Required in Counties Which Are Not Members of the Local Government Employees’ Retirement System (Non-LAGERS Counties). Eligible full-time employees in counties which do not participate in the local government employees’ retirement system, “LAGERS,” are subject to a two percent (2%) monthly payroll deduction beginning with the first payroll period after the employee’s entry date.

(2) Contributions Required from Part-Time Employees in Non-LAGERS Counties. Employees in non-LAGERS counties have two (2) options with regard to the prior service earned while they are still qualifying for entry into the plan. An employee must make his/her election to either forego or purchase this prior service as outlined in subsections (2)(A) and (B) upon their entry into the plan at the first available entry date. Such employees may either—

(A) Forego those months of prior service and accrue eight (8) years of service from their entry into the plan; or

(B) Purchase the prior service at rate of two percent (2%) times the total compensation earned during the prior service period. Employees selecting this option may purchase the prior service with a lump-sum contribution or through monthly payroll deductions in addition to the regular monthly payroll deduction. If the employee elects to purchase the prior service with an additional payroll deduction, then the deduction shall not extend longer than the period of prior service being purchased.

(3) Contributions Required from Members of the Local Government Employees’ Retirement System (LAGERS Counties). Eligible employees in LAGERS counties who qualify for membership in LAGERS are not subject to any payroll deductions in connection with their membership in the County Employees’ Retirement Fund.

(4) Contributions Required from Employees in LAGERS Counties Who Do Not Qualify for Membership in LAGERS.

(A) Employees in LAGERS counties who do not qualify for membership in LAGERS who do qualify for membership in the County Employees’ Retirement Fund shall be eligible for membership in the County Employees’ Retirement Fund upon the completion of one thousand (1,000) hours of work for the county. These employees will become members of the County Employees’ Retirement Fund by electing to enter the plan upon the first available semiannual entry date after completing one thousand (1,000) hours of service in a calendar year and will be subject to a two percent (2%) payroll contribution.

(B) With regard to the prior service earned while they are still qualifying for entry into the plan, an employee must make his/her election to either forego or purchase this prior service as outlined in paragraphs (4)(B)1. and 2. upon their entry into the plan at the first available entry date. Such employees may either—



1. Forego those months of prior service and accrue eight (8) years of service from their entry into the plan; or

2. Purchase the prior service at a rate of two percent (2%) times the total compensation earned during the prior service period. Employees selecting this option may purchase the prior service with a lump-sum contribution or through monthly payroll deductions in addition to the regular monthly payroll deduction. If the employee elects to purchase the prior service with an additional payroll deduction, then the deduction shall not extend longer than the period of prior service being purchased.

(C) When a member receives a refund of contributions from LAGERS, pursuant to section 70.690, RSMo, the county clerk will forward a copy of the LAGERS report of the refund to the Plan Administrator of CERF to notify CERF of the change in the member's LAGERS status. The member's service for the period refunded will become non-LAGERS service and will be calculated as such for purposes of the member's retirement annuity and any purchase of prior service related thereto. The member is responsible for notifying CERF of his or her intention to apply for a section 70.690 refund and for verifying that the information on any retirement information received from CERF is correct with respect to the member's LAGERS or non-LAGERS status. If the member fails to notify CERF of an incorrect LAGERS status on his/her retirement paperwork, the member will be subject to the provisions of 16 CSR 50-2.070.

(5) If, for any reason, the two percent (2%) payroll contribution is not withheld from an employee's paycheck beginning with his/her date of hire or date of eligibility, at the time that the employee enrolls in the County Employees' Retirement Fund and commences payroll contributions, the employee will be required to elect whether to purchase the service that would have accrued. The employee may elect to either—

(A) Purchase the service with a lump sum contribution;

(B) Make an additional payroll contribution of two percent (2%) based on salary during the period of missed contributions over the same number of months that are being purchased; or

(C) Forego the service. If the member elects to forego purchase of the service at the time of enrollment in the plan, the service will be treated as forfeited service and may only be repurchased in the future with penalties provided by law.

AUTHORITY: section 50.1032, RSMo Supp. 1998. Original rule filed Oct. 11, 1995, effective May 30, 1996. Amended: Filed July 29, 1997, effective Jan. 30, 1998. Amended: Filed June 1, 1999, effective Nov. 30, 1999.*

**Original authority: 50.1032, RSMo 1995.*

16 CSR 50-2.030 Eligibility for Benefits

PURPOSE: This rule clarifies who is eligible for membership in the County Employees' Retirement Fund.

(1) Criteria for Eligibility for Death Benefits. To be eligible to receive the statutory death benefit from the County Employees' Retirement Fund, an employee must meet the following criteria:

(A) Is an employee of the county or an elective or appointive county official. Employees who receive some pay from a county but who are subject to hiring, supervision, promotion or termination by an entity other than the county such as an extension council or the circuit court are not employees of the county for purposes of the County Employees' Retirement Fund;

(B) Is an active member of the County Employees' Retirement Fund;

(C) Has not waived membership in the County Employees' Retirement Fund;

(D) Has entered the plan on one (1) of the plan entry dates; and

(E) Has submitted an enrollment form and made all necessary payroll contributions.

(2) Criteria for Eligibility for Retirement Benefits. To be eligible to receive an annuity from the County Employees' Retirement Fund, an employee must meet the following criteria:

(A) Has attained the age of sixty-two (62);

(B) Has applied for retirement benefits as provided by applicable laws and regulations;

(C) Has either—

1. Worked eight (8) or more years as a county employee; or

2. Has prior service which may be purchased as prior creditable service which, when combined with membership service, will total at least eight (8) years of service; and

(D) Has submitted an enrollment form and made all necessary payroll contributions.

(3) Eligibility for Annual Cost-of-Living Adjustment. To be eligible to receive any cost-of-living adjustment (COLA), adopted by the board pursuant to section 50.1070,

RSMo, a retired member must meet the following criteria:

(A) Is presently drawing a retirement benefit; and

(B) Has not waived his/her right to receive the COLA increase.

(4) Payment of the COLA Increase. Any COLA approved by the board will be payable to eligible retirees monthly, commencing on March 1 of any given year, following the board's determination of the appropriate increase.

(5) Eligibility and Calculation of the Retirement Benefits of Elected or Appointive Surveyors.

(A) Elected or appointive surveyors who receive no salary from the county or counties, who perform work for the county, are eligible to receive retirement benefits if they receive compensation from the county either in the form of wages, fees or salary and make any payroll contributions required by law annually.

(B) Elected or appointive surveyors who receive compensation from the county as outlined in subsection (5)(A) are eligible for a retirement benefit based on their two (2) highest years of compensation received from the county for surveying services. Compensation received from sources other than the county and compensation received pursuant to independent contracting relationships shall not be included in calculating the retirement benefit.

(6) Neither a death benefit, a retirement benefit nor a survivor's benefit will be paid until all contributions and other payments required by law have been received on behalf of a member.

AUTHORITY: section 50.1032, RSMo Supp. 1997. Original rule filed Oct. 11, 1995, effective May 30, 1996. Amended: Filed Dec. 9, 1997, effective June 30, 1998.*

**Original authority 1995.*

16 CSR 50-2.035 Timing of Applications and Benefit Start Date

PURPOSE: This rule clarifies when a member's benefits will begin.

(1) A member must complete an application for benefits at least thirty (30), but not more than ninety (90), days prior to the date of retirement. The benefit will begin on the first of the month coincident with or following the date of termination specified by the member.

(2) Once a member has submitted an application, if supporting documentation has been requested but has not been obtained by the benefit start date and the application has not been completely processed, the member will not receive the first benefit payment until the additional documentation has been received and the application has been completely processed. The payments will, however, be retroactive to the benefit start date based on the date of the application.

(3) If the member does not submit an application at least thirty (30) days prior to termination, the payments will not be retroactive to the termination date. If a member has not submitted an application upon retirement or termination, the benefit will start the first of the month following a thirty (30)-day period from the date of the application.

(4) In the case of special consultants who do not return buyback invoices or requested supporting documentation, the benefit will begin on the first of the month following payment of the initial fifty percent (50%) buyback amount.

AUTHORITY: section 50.1032, RSMo Supp. 1996. Original rule filed July 29, 1997, effective Jan. 30, 1998.*

**Original authority 1995.*

16 CSR 50-2.040 Refund of Contributions

PURPOSE: This rule clarifies eligibility for a refund of employee payroll contributions upon cessation of membership in the County Employees' Retirement Fund.

(1) Except as provided in section (2), members who terminate membership, other than by death, prior to attaining eight (8) years of membership service will receive a refund of payroll contributions, unless the member elects upon termination to purchase prior service which when combined with membership service would total eight (8) years or more. Members who terminate membership, other than by death, after attaining eight (8) years of membership service shall not receive a refund of payroll contributions upon termination.

(2) Members who terminate employment and then resume employment with a county within thirty (30) days will not forfeit their prior service and will not be required to receive a refund of their payroll contributions.

AUTHORITY: section 50.1032, RSMo Supp. 1997. Original rule filed Oct. 11, 1995, effective May 30, 1996. Amended: Filed Sept. 17, 1998, effective March 30, 1999.*

**Original authority 1995.*

16 CSR 50-2.050 Certification of Employment and Salary

PURPOSE: This rule clarifies the process for certifying employment and salary figures upon termination of employment for purposes of calculating retirement benefits in the future.

(1) Upon terminating employment with the county, a member of the County Employees' Retirement Fund shall request that the county clerk complete a certification form on a form to be provided by the County Employees' Retirement Fund or its administrator which verifies the length of employment and the two (2) highest years of annual compensation received by the member. The member must provide documentation to support the compensation figures which must be attached to the certification including W-2 forms, 1099 forms, cancelled checks and other supporting documentation reflecting compensation received. In determining final average compensation, the County Employees' Retirement Fund will use the cash receipts and disbursements method as defined by the *Internal Revenue Code*. Lump sum payments of benefits or back pay will not be included in calculating average final compensation if the payments are attributable to a prior year(s) than the year being claimed as a high year.

(2) The member shall forward the completed certification to the County Employees' Retirement Fund where it shall be maintained until needed to calculate the member's retirement benefit.

(3) Any certification submitted without supporting documentation will be reviewed by the board.

(4) Public Administrators, Affidavit for Vesting Years, Contributions.

(A) The public administrator must provide a copy of the signed affidavit required in section 51.150(5), RSMo to be turned over to the county clerk on or before February 15 of each year for the preceding calendar year. A copy of the affidavit must be mailed to the office of the plan administrator by March 1 of that same year for each year of membership service claimed as a vesting year.

(B) Where the public administrator is paid a salaried amount on a monthly basis, the required contribution amount shall be withheld from such salary and shall be submitted to County Employees' Retirement Fund (CERF) on a monthly basis along with other statutory fees regularly submitted by the county.

(C) Where the public administrator is compensated by a fee or fee/salary basis periodically or on a less than monthly schedule, the required contribution shall be submitted no less than annually and no later than March 1 of each year for the preceding calendar year. These contributions shall be submitted by the treasurer along with the other statutory fees regularly submitted by the county.

(D) Net compensation as reflected on the affidavit required in section 50.150(5), RSMo and any other required document shall be used to determine the public administrator's compensation for benefit calculation and contribution purposes.

(E) Any unpaid balance of required fee or salary contributions must be paid in full prior to distribution of any retirement benefit, survivor's benefit or death benefit.

(5) Other fee-based or fee/salary-based officials.

(A) Any member whose compensation is collected partly or wholly from fees or a combination of fees and salary must submit no less than annually, proof of all fees and/or salary received less operating and other expenses.

(B) Two percent (2%) of the net amount of all fees and/or salary collected as compensation by such participants who are not members of the Missouri Local Government Employees' Retirement System (LAGERS) must be submitted to the treasurer no less than annually and no later than March 1 of each year for the preceding calendar year.

(C) Any unpaid balance of the required fee or salary contributions due to the fund must be paid in full prior to distribution of any retirement benefit amount or death benefit amount.

AUTHORITY: section 50.1032, RSMo Supp. 1998. Original rule filed Oct. 11, 1995, effective May 30, 1996. Amended: Filed Dec. 9, 1997, effective June 30, 1998. Amended: Filed July 16, 1998, effective Jan. 30, 1999. Amended: Filed Sept. 17, 1998, effective March 30, 1999. Amended: Filed April 16, 1999, effective Sept. 30, 1999.*

**Original authority 1995.*



16 CSR 50-2.060 Survivorship Rights and Service Requirements

**Original authority 1995.*

PURPOSE: This rule clarifies the process for certifying employment and salary figures upon termination of employment for purposes of calculating retirement benefits in the future.

(1) The County Employees' Retirement Fund will follow Missouri's common law which prohibits a spouse from receiving survivorship benefits if the spouse intentionally killed the member.

(2) Part-time employees may be enrolled and service will be calculated as follows:

(A) An employee must work one thousand (1000) hours to be enrolled in the system;

(B) An employee must have at least eight (8) years of service with at least one thousand (1000) hours worked per year to be vested;

(C) An employee must work one thousand (1000) hours to receive a year of membership credit;

(D) If an employee is enrolled in the system and works less than one thousand (1000) hours in any particular year, s/he will receive membership credit for that year calculated on twelfths of a year. Therefore, there will be no need to refund any contributions received for hours worked;

(E) The plan administrator will develop a system to track this information and to obtain additional information if an employee worked less than one thousand (1000) hours; and

(F) The death benefit will only be extended to part-time and seasonal employees in months for which they receive pay.

AUTHORITY: section 50.1032, RSMo Supp. 1997. Original rule filed Nov. 26, 1996, effective June 30, 1997. Amended: Filed Dec. 9, 1997, effective June 30, 1998. Amended: Filed March 2, 1998, effective Aug. 30, 1998.*

**Original authority 1995.*

16 CSR 50-2.070 Adjustment of Benefits

PURPOSE: This rule clarifies the remedy for a misrepresentation of fact.

(1) Any misrepresentation of fact will result in an adjustment of benefits and/or appropriate legal action.

AUTHORITY: section 50.1032, RSMo Supp. 1996. Original rule filed Nov. 26, 1996, effective June 30, 1997.*