

Retirement Board

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Memorandum

To: Retirement Liaison Officers

From: Cheryl Price, Operations Officer

Date: December 18, 2018

Re: Implementation of Revised Public Employees' Retirement System
Official Policies

At their November 15, 2018, meeting, the Public Employees' Retirement Board approved policy revisions pursuant to NRS 286.200. This notice is to inform you of the revised policies that will become effective on January 1, 2019.

Attachment

- 286.293 2.4 a. Except as otherwise provided in subsection c of this Policy 2.4, persons employed in intermittent positions shall be enrolled from the first day worked in the fiscal year if the employment exceeds 1,039 hours in a fiscal year.
- b. Persons employed by a school district in intermittent positions, whose work is based on the school year, shall be enrolled from the first day worked in the school year if the employment exceeds 719 hours in a school year.
- c. Persons employed in intermittent positions by a public employer, other than a school district, that has certified a work schedule with a full-time work week of less than 40 hours per week, shall be enrolled from the first day worked in the fiscal year if the employment meets or exceeds the number of hours that is one-half of the work hours for that public employer in the fiscal year as determined by that public employer's certified work schedule.

286.200 3.29 For each person establishing eligibility to receive a distribution in accordance with Policy 3.26, prior to January 1, 1992, the System will pay simple interest at the actuarially determined rate per annum (presently 7.5%) on initial distributions of contributions to affected employees, from the time of termination of employment for which contribution is required until the distribution is paid, providing that period of time exceeds 1 month.

286.300 6.6 Members must pay the full actuarial cost of service as determined by an actuary of the System other than purchases pursuant to Policy 6.5. The cost to purchase service is calculated using the purchase percentage corresponding to the age and average compensation of the member at time of purchase. The actuarially developed purchase percentages for regular members are as follows:

Members Hired Prior to 1/1/2010:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	16.9	47	29.5	64	31.8
31	17.5	48	30.5	65	31.0
32	18.1	49	31.5	66	30.1
33	18.7	50	32.6	67	29.3
34	19.3	51	33.7	68	28.4
35	19.9	52	34.9	69	27.6
36	20.6	53	36.0	70	26.7
37	21.3	54	37.3	71	25.8
38	22.0	55	38.6	72	24.9
39	22.7	56	37.9	73	24.1
40	23.4	57	37.2	74	23.2
41	24.2	58	36.5	75	22.3
42	<u>25.0</u>	59	35.7	76	21.4
43	25.9	60	35.0	77	20.5
44	26.7	61	34.2	78	19.6

45	27.6	62	33.4	79	18.7
46	28.5	63	32.6	80	17.8

Effective until June 30, 2019.

Members Hired Prior to 1/1/2010:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	19.7	47	33.6	64	32.0
31	20.3	48	34.7	65	31.3
32	21.0	49	35.8	66	30.6
33	21.6	50	37.0	67	29.8
34	22.3	51	38.2	68	29.1
35	23.0	52	39.4	69	28.3
36	23.8	53	40.7	70	27.5
37	24.5	54	42.1	71	26.7
38	25.3	55	43.5	72	25.9
39	26.1	56	43.3	73	25.0
40	26.9	57	43.1	74	24.2
41	27.8	58	43.0	75	23.3
42	28.7	59	42.8	76	22.5
43	29.6	60	34.7	77	21.6
44	30.5	61	34.0	78	20.8
45	31.5	62	33.4	79	19.9
46	32.5	63	32.7	80	19.0

Effective July 1, 2019.

Members Hired On or After 1/1/2010:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	15.9	47	27.6	64	29.8
31	16.4	48	28.6	65	29.0
32	16.9	49	29.5	66	28.2
33	17.5	50	30.5	67	27.4
34	18.1	51	31.6	68	26.6
35	18.6	52	32.6	69	25.8
36	19.3	53	33.8	70	25.0
37	19.9	54	34.9	71	24.2
38	20.6	55	36.1	72	23.4
39	21.2	56	35.5	73	22.5
40	21.9	57	34.8	74	21.7
41	22.7	58	34.1	75	20.8
42	23.4	59	33.4	76	20.0
43	24.2	60	32.7	77	19.2
44	25.0	61	32.0	78	18.3
45	25.9	62	31.3	79	17.5
46	26.7	63	30.5	80	16.7

Effective until June 30, 2019.

Members Hired Between 1/1/2010 and 6/30/2015:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	18.4	47	31.5	64	30.0
31	19.0	48	32.5	65	29.3
32	19.7	49	33.5	66	28.7
33	20.2	50	34.6	67	27.9
34	20.9	51	35.8	68	27.2
35	21.5	52	36.9	69	26.5
36	22.3	53	38.1	70	25.7
37	22.9	54	39.4	71	25.0
38	23.7	55	40.7	72	24.3
39	24.4	56	40.5	73	23.4
40	25.2	57	40.4	74	22.7
41	26.0	58	40.3	75	21.8
42	26.9	59	40.1	76	21.1
43	27.7	60	32.5	77	20.2
44	28.6	61	31.8	78	19.5
45	29.5	62	31.3	79	18.6
46	30.4	63	30.6	80	17.8

Effective July 1, 2019.

Members Hired On or After 7/1/2015:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	14.4	47	24.4	64	27.0
31	14.8	48	25.2	65	26.4
32	15.3	49	26.1	66	25.8
33	15.8	50	26.9	67	25.1
34	16.3	51	27.8	68	24.5
35	16.8	52	28.7	69	23.8
36	17.3	53	29.7	70	23.2
37	17.9	54	30.6	71	22.5
38	18.4	55	31.7	72	21.8
39	19.0	56	31.2	73	21.1
40	19.6	57	30.7	74	20.4
41	20.2	58	30.2	75	19.7
42	20.9	59	29.7	76	19.0
43	21.5	60	29.2	77	18.2
44	22.2	61	28.7	78	17.5
45	22.9	62	28.1	79	16.8
46	23.7	63	27.6	80	16.0

Effective July 1, 2019.

These percentages apply even if service is purchased at time of retirement. Any and all service credit purchased after January 1, 2010, may only be credited to the tier in which it was purchased.

SB 173
(1973)
286.200

9.4 A surviving spouse or survivor beneficiary of an unmarried member whose benefits were canceled before July 1, 1977, because of restrictions on the amount of permissible earnings, which were removed in 1975, is entitled to the reinstatement of monthly benefits as of the date of application if the refund of unused employee contributions is repaid to the System including interest at the rate of 7.5% per annum from the date of the refund.

286.470(1)

10.10 (a) The unmodified allowance for a County Commissioner, Councilman, or Mayor shall be calculated upon the average compensation and service factor for that service. Except as authorized in NRS 286.470(3) and Policy 10.10(b), if there is also service in a regular position, that unmodified allowance shall be calculated separately and then combined with the County Commissioner, Councilman, or Mayor unmodified allowance.

(b) If a member who has service as a County Commissioner, Councilman or Mayor has an average salary for the entire period of elective service that is equal to or greater than the average salary of a member for regular service for the same period, the calculations required pursuant to NRS 286.470(3) and Policy 10.10(a) do not apply and the member must receive credit for regular service.

(c) To be eligible for the calculation in accordance with NRS 286.470(3) and Policy 10.10(b), the average salary of a member for regular service is as follows:

<u>Fiscal Year</u>	<u>Average Salary</u>
1971*	\$ 9,000
1972*	\$ 9,500
1973*	\$ 9,750
1974	\$10,241
1975	\$10,962
1976	\$11,001
1977*	\$11,587
1978	\$12,174
1979	\$13,118
1980	\$14,062
1981*	\$15,940
1982	\$17,819
1983	\$18,974
1984	\$20,129
1985*	\$21,084

1986	\$22,039
1987*	\$23,103
1988	\$24,168
1989	\$25,004
1990	\$26,186
1991	\$27,650
1992	\$28,931
1993	\$30,383
1994	\$30,511
1995	\$31,190
1996	\$31,420
1997	\$32,149
1998	\$32,714
1999	\$33,397
2000	\$35,185
2001	\$36,615
2002	\$38,106
2003	\$39,193
2004	\$40,069
2005	\$40,901
2006	\$41,929
2007	\$43,355
2008	\$46,159
2009	\$48,151
2010	\$49,407
2011	\$49,248
2012	\$48,808
2013	\$48,626
2014	\$48,057
2015	\$47,840
2016	\$47,922
2017	\$49,502

*Estimated actuarial valuations not performed in odd-numbered years prior to 1988.

- 286.541 10.17 Proof of birth date and continuity of name change may be established by any one of the documents listed in Group 1 or any two of the documents listed in Group 2 below:

GROUP 1

- a. Birth certificate.
- b. Infant baptism certificate, or certified copy.
- c. Delayed certificate of birth.

GROUP 2

- a. School age record, or certified copy.
- b. Military service record, or certified copy.

- c. Marriage record, if date of birth is shown, or certified copy.
- d. Naturalization certificate of individual, or of parents, providing participant's age is stated.
- e. Transcript of record from U.S. Bureau of Census.
- f. Certified copy of the family record in the family Bible stating:
 - 1. Name of person who entered date of birth in Bible.
 - 2. When date of birth was entered.
 - 3. Explanation of any corrections.
 - 4. Date of printing of Bible.
- g. Passport or passport card.
- h. Notarized statement of knowledge by a person who was an adult at time of member's birth.
- i. Motor vehicle records.
- j. Hospital record of birth.
- k. Social Security records.
- l. Voter registration records.
- m. Certified court order.
- n. Any other document over ten years old which lists the person's date of birth.
- o. Death certificate.
- p. Resident alien card.

286.525
286.551(2)

10.29 A retired employee who accepts employment in a position eligible for membership may enroll in the System. Contributions must be made on all compensation earned for the duration of that employment even though it may later exceed 36 years of service. Upon termination of employment, he is entitled to receive:

- a. If employed less than six months, a refund of all contributions made by him during the employment.
- b. If employed for at least six months, an additional benefit, which must be calculated separately from the original benefit, or refund of all contributions made by him during the employment.
- c. If employed for at least five years, the retired employee may select any option or designate any beneficiary, for the new benefit only, subject to spouse's concurrence, or the System will calculate a benefit, as provided in Policy 10.31.
- d. Benefits may not exceed 90 percent of average compensation for members enrolled prior to June 30, 1985, and 75 percent of average compensation for members enrolled on or after July 1, 1985.

286.523

10.34 1. A retired employee who accepts employment or an independent contract with a public employer under the System is exempt from the provisions of NRS 286.520, paragraphs 1 and 2, if:

- (a) He fills a position for which there is a critical labor shortage; and
- (b) At the time of his reemployment, he is receiving:
 - (1) A benefit that is not reduced for early retirement; or

- (2) A benefit that is reduced for early retirement but he has reached the required age at which he could have retired without a reduction for early retirement.
 - (c) In order for the exception to apply, the employment cannot be accepted prior to receipt of a service retirement allowance.
- 2. A retired employee who is reemployed under the circumstances set forth in paragraph 1, may reenroll in the System as provided in NRS 286.525.
- 3. Positions for which there are critical labor shortages must be determined by the State Board of Examiners for positions in state government; by the Supreme Court for positions in the judicial branch of state government; by the Board of Regents for positions in the University and Community College System of Nevada; by the Department of Education for positions with the various school districts; by the governing body of a local government for positions within that local government entity; and the Board for positions within the System.
- 4. In determining whether a position is a position for which there is a critical labor shortage, the designating authority shall give consideration to:
 - (a) The history of the rate of turnover for the position;
 - (b) The number of openings for the position and the number of qualified candidates for those openings;
 - (c) The length of time the position has been vacant; and
 - (d) The success of recruiting persons in other states to fill the position.
- 5. Effective July 1, 2003, the designating authority may not designate any position, not previously designated as a critical labor shortage position, for a period longer than 2 years. To be re-designated as a critical labor shortage position, the designating authority must consider whether the position continues to meet the criteria set forth in paragraph 4.

This Policy 10.34 applies to positions designated as a critical labor shortage position prior to July 1, 2009.

- 286.523 10.34
- 1. A retired employee who accepts employment or an independent contract with a public employer under the System is exempt from the provisions of NRS 286.520, paragraphs 1 and 2, if:
 - (a) He fills a position for which there is a critical labor shortage; and
 - (b) At the time of his reemployment, he is receiving:
 - (1) A benefit that is not reduced for early retirement; or
 - (2) A benefit that is reduced for early retirement but he has reached the required age at which he could have retired without a reduction for early retirement.

- (c) In order for the exception to apply, the employment cannot be accepted prior to receipt of a service retirement allowance.
2. A retired employee who is reemployed under the circumstances set forth in paragraph 1, may reenroll in the System as provided in NRS 286.525.
 3. Positions for which there are critical labor shortages must be determined in an open public meeting held by the designating authority as follows: by the State Board of Examiners for positions in state government; by the Supreme Court for positions in the judicial branch of state government; by the Board of Regents for positions in the University and Community College System of Nevada; by the boards of trustees of each school district for positions within the school district; the governing body of a charter school for positions within the charter school; by the governing body of a local government for positions within that local government entity; and the Board for positions within the System.
 4. In determining whether a position is a position for which there is a critical labor shortage, the designating authority shall make findings based upon the following criteria:
 - (a) The history of the rate of turnover for the position;
 - (b) The number of openings for the position and the number of qualified candidates for those openings after all other efforts of recruitment have been exhausted;
 - (c) The length of time the position has been vacant;
 - (d) The difficulty in filling the position due to special circumstances, including, without limitation, special educational or experience requirements for the position; and
 - (e) The history and success of the efforts to recruit for the position, including, without limitation, advertising, recruitment outside of this State and all other efforts made.
 5. A designating authority shall not designate a position as a position for which there is a critical labor shortage for a period longer than 2 years. To be redesignated as such a position, the designating authority must consider and make new findings in an open public meeting as to whether the position continues to meet the criteria set forth in paragraph 4.

This Policy 10.34 applies to positions designated as a critical labor shortage position on or after July 1, 2009.

286.300 11.23 The member must pay the full actuarial cost to purchase service as determined by an actuary of the System. The cost to purchase service is calculated using the purchase percentage corresponding to the age and average compensation of the member at time of purchase. The

actuarially developed purchase percentages for police/fire members are as follows:

Members Hired Prior to 1/1/2010:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	24.5	47	38.9	64	33.0
31	25.2	48	40.0	65	32.2
32	25.8	49	41.2	66	31.3
33	26.5	50	42.4	67	30.5
34	27.3	51	41.8	68	29.7
35	28.0	52	41.3	69	28.8
36	28.8	53	40.7	70	28.0
37	29.6	54	40.1	71	27.1
38	30.4	55	39.4	72	26.2
39	31.2	56	38.8	73	25.3
40	32.1	57	38.1	74	24.4
41	32.9	58	37.4	75	23.4
42	33.9	59	36.7	76	22.5
43	34.8	60	36.0	77	21.6
44	35.8	61	35.3	78	20.7
45	36.8	62	34.5	79	19.8
46	37.8	63	33.7	80	18.9

Effective until June 30, 2019.

Members Hired Prior to 1/1/2010:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	32.2	47	52.4	64	34.0
31	33.1	48	53.9	65	33.3
32	34.1	49	55.5	66	32.6
33	35.1	50	57.2	67	31.9
34	36.1	51	56.8	68	31.1
35	37.1	52	56.5	69	30.4
36	38.2	53	56.1	70	29.6
37	39.3	54	55.7	71	28.8
38	40.4	55	39.2	72	28.0
39	41.6	56	38.7	73	27.2
40	42.8	57	38.2	74	26.4
41	44.0	58	37.6	75	25.5
42	45.3	59	37.1	76	24.7
43	46.6	60	36.5	77	23.8
44	48.0	61	35.9	78	22.9
45	49.4	62	35.3	79	22.0
46	50.9	63	34.6	80	21.1

Effective July 1, 2019.

Members Hired On or After 1/1/2010:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	22.9	47	36.4	64	30.9
31	23.6	48	37.5	65	30.1
32	24.2	49	38.6	66	29.4
33	24.8	50	39.7	67	28.6
34	25.5	51	39.2	68	27.8
35	26.2	52	38.6	69	27.0
36	26.9	53	38.1	70	26.2
37	27.7	54	37.5	71	25.4
38	28.4	55	36.9	72	24.5
39	29.2	56	36.3	73	23.7
40	30.0	57	35.7	74	22.8
41	30.9	58	35.0	75	22.0
42	31.7	59	34.4	76	21.1
43	32.6	60	33.7	77	20.2
44	33.5	61	33.0	78	19.4
45	34.4	62	32.3	79	18.5
46	35.4	63	31.6	80	17.7

Effective until June 30, 2019.

Members Hired Between 1/1/2010 and 6/30/2015:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	30.1	47	49.1	64	31.8
31	31.0	48	50.5	65	31.2
32	31.9	49	52.0	66	30.5
33	32.9	50	53.6	67	29.9
34	33.8	51	53.2	68	29.1
35	34.7	52	52.9	69	28.5
36	35.8	53	52.5	70	27.7
37	36.8	54	52.2	71	27.0
38	37.8	55	36.7	72	26.2
39	39.0	56	36.2	73	25.5
40	40.1	57	35.8	74	24.7
41	41.2	58	35.2	75	23.9
42	42.4	59	34.7	76	23.1
43	43.6	60	34.2	77	22.3
44	44.9	61	33.6	78	21.4
45	46.3	62	33.1	79	20.6
46	47.7	63	32.4	80	19.8

Effective July 1, 2019.

Members Hired On or After 7/1/2015:

<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>	<u>Age</u>	<u>Percent</u>
30	21.9	47	35.6	64	31.8

31	22.5	48	36.7	65	31.2
32	23.2	49	37.8	66	30.5
33	23.9	50	38.9	67	29.9
34	24.5	51	38.5	68	29.1
35	25.3	52	38.1	69	28.5
36	26.0	53	37.6	70	27.7
37	26.7	54	37.2	71	27.0
38	27.5	55	36.7	72	26.2
39	28.3	56	36.2	73	25.5
40	29.1	57	35.8	74	24.7
41	30.0	58	35.2	75	23.9
42	30.8	59	34.7	76	23.1
43	31.7	60	34.2	77	22.3
44	32.7	61	33.6	78	21.4
45	33.6	62	33.1	79	20.6
46	34.6	63	32.4	80	19.8

Effective July 1, 2019.

These percentages apply even if service is purchased at time of retirement. Any and all service credit purchased after January 1, 2010, may only be credited to the tier in which it was purchased.

286.6703 13.8 Receipt of a judgment, decree, or order which does not comply with Chapter 286 of NRS, or the System's Policies, will serve as a temporary notice to the System of a forthcoming order regarding distribution of a member's benefit. Any attempts to obtain a refund of contributions from such member's account will not be allowed for a period of 90 days from receipt by the System of such judgment, decree, or order.