

Judges Retirement Plan

Minnesota State Retirement System



Judges Retirement Plan Handbook

MSRS Mission

To administer financially secure retirement plans, a tax-free health care savings plan, and a low-cost deferred compensation plan; ensure timely benefit payments; be proactive in public pension policies; and provide exemplary customer service.



This member handbook is a general summary of the benefit provisions administered by the Minnesota State Retirement System (MSRS). The purpose of this handbook is to give you a general idea of your benefits and acquaint you with the Judges Retirement Plan.

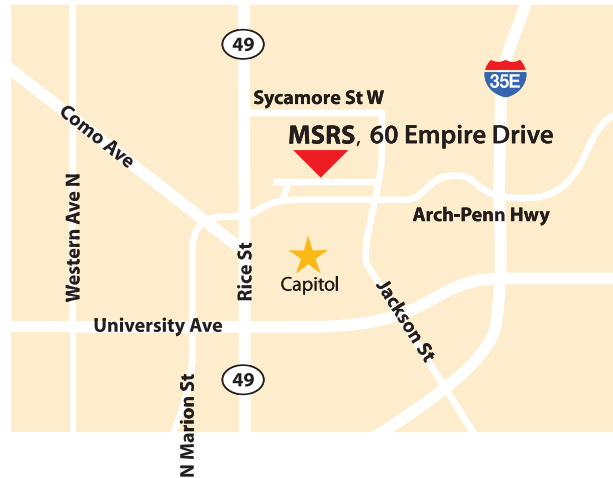
The benefits described apply to active judges at the date this handbook is issued, unless otherwise stated. If there is any difference between the information this handbook provides and the law or policies which govern MSRS, the law and policies will prevail. The provisions may be subject to law changes.

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How to contact MSRS

MSRS retirement counselors are a valuable resource for information and assistance regarding your benefits. They can explain plan provisions, provide you with a benefit estimate, and counsel you regarding your benefit rights and options.



St. Paul office:

Main Office Building

60 Empire Drive, Suite 300

St. Paul, MN 55103

Telephone: 651-296-2761

1-800-657-5757

Fax: 651-297-5238

Minnesota Relay: 1-800-627-3529

Website: www.msrs.state.mn.us

Email: info@msrs.us

Business Hours & Days:

Monday-Friday 8 a.m.-4:30 p.m.

Appointments preferred

Greater Minnesota offices:

Detroit Lakes Office

714 Lake Avenue, Suite 102

Detroit Lakes, MN 56501

Telephone: 1-800-657-5757

Business Hours & Days:

Tuesday-Friday 8 a.m.-4:30 p.m.

Appointments preferred

Duluth Office

Medical Arts Building, Suite 530

324 West Superior Street

Duluth, MN 55802

Telephone: 1-800-657-5757

Business Hours & Days:

Tuesday-Friday 8 a.m.-4:30 p.m.

Appointments preferred

Mankato Office

11 Civic Center Plaza, Suite 150

Mankato, MN 56001

Telephone: 1-800-657-5757

Business Hours & Days:

Tuesday-Friday 8 a.m.-4:30 p.m.

Appointments preferred

MSRS was established by the Legislature in 1929 to provide retirement benefits to state employees. The Judges Retirement Plan was created in 1973. MSRS administers 10 different retirement plans which provide retirement, survivor, and disability benefit coverage for Minnesota state employees as well as employees of the Metropolitan Council and many non-faculty employees at the University of Minnesota and Minnesota State Colleges and Universities (MNSCU). MSRS covers over 50,000 active employees and currently pays monthly benefits to over 38,000 retirees, survivors, and disabled employees. In addition, we administer the Minnesota Deferred Compensation Plan (MNDCP) and the Health Care Savings Plan (HCSP).

Judges Plan

The Judges Plan covers a judge or justice in courts established by the Minnesota Constitution.

The Judges Plan provides retirement, survivor, and disability coverage.

Sources of benefit information:

- Website – www.msrs.state.mn.us
- Handbooks and brochures
- Educational seminars
- MSRS *Messenger* newsletter
- Benefit statements
- Retirement counselors



How your retirement plan works

You contribute 9 percent (7 percent if elected/appointed on or after July 1, 2013) of your gross salary to your retirement plan and the courts contribute 22.5 percent. The court's contribution is higher because the Judges Plan was pay-as-you-go funded until 1991. The larger employer contribution is to bring the Plan toward full funding.

Once you retire, you receive a monthly retirement benefit for life with potential post-retirement increases.

Depending on the option you select at retirement, your survivors may be eligible to receive a lifetime survivor benefit upon your death.

The Plan also provides disability benefits and survivor benefits for your spouse or dependent children if you die before you retire.

Example of how your benefit adds up

Let's take a look at the big picture. What is the value of your retirement benefit? This example provides an estimate of a retirement benefit paid over a 17-year period. The following assumptions are made for illustrative purposes.

The assumptions:

Age at retirement:	65
Allowable service:	20 years
Final high-five annual salary:	\$120,000
Annual post-retirement increase:	1.75%
Benefit payment option:	Single-Life
Length of retirement:	17 years (to age 82)
Elected or appointed prior to July 1, 2013	

The calculations:

20 years x 3.2% = 64% (if elected or appointed prior to July 1, 2013)	
\$120,000 (your annual high-five salary)	
x 64%	
<hr/>	
\$76,800 per year or \$6,400 per month	
Monthly retirement benefit:	
\$6,400 per month	

Year	Monthly Benefit	Annual Benefit	Age
1	\$6,400	\$76,800	66
2	6,512	78,144	67
3	6,626	79,512	68
4	6,742	80,903	69
5	6,860	82,319	70
6	6,980	83,759	71
7	7,102	85,225	72
8	7,226	86,717	73
9	7,353	88,234	74
10	7,482	89,778	75
11	7,612	91,349	76
12	7,746	92,948	77
13	7,881	94,575	78
14	8,019	96,230	79
15	8,159	97,914	80
16	8,302	99,627	81
17	8,448	101,371	82
TOTAL		\$1,505,403	

The value of your benefit

What is your retirement benefit worth?

Your retirement benefit can add up to a substantial amount of money. But it doesn't end there. MSRS may also provide disability coverage for you and survivor benefits for your family.

After you retire, you may receive post-retirement increases over your lifetime. Survivor benefits are also eligible for increases.

Benefits received at age 82: \$1,505,403*

Amount you contributed: \$160,000 – \$200,000

If you live beyond age 82, the value of your benefit will be even greater.

* **FOR ILLUSTRATIVE PURPOSES ONLY.** Intended to illustrate the effects of a 1.75% annual post-retirement increase. Assumes beginning monthly single-life benefit of \$6,400 and retirement at age 66. Annual increase is defined in Minnesota Statute and may be subject to change.

How we determine your retirement benefit

Putting the puzzle pieces together

For simplicity, view your retirement benefit as pieces of a puzzle. The first piece we consider is your length of service. Then we calculate your high-five average salary, using your highest five years of salary in the last ten years of service as a judge. Your salary is set by Minnesota law. We take these two pieces and apply it to a benefit formula to determine your retirement benefit. Other factors that determine your monthly benefit are the age when you plan to retire and the survivor benefit option you select.

Let's take a look at each piece of the puzzle and see how they all fit together to give you a better picture of your retirement benefit.



Divorce and your retirement benefit

For more information on how divorce may affect your retirement benefit, contact us or visit our website. We have information about how state divorce law applies to your retirement benefit and sample language for use in a divorce decree.

Calculating your retirement benefit

Remember

Contributions to a deferred compensation plan, Social Security, or health care premiums do not lower your high-five salary.

Mandatory Retirement Age

By law, you must retire no later than the last day of the month in which you reach age 70.

1. Length of service

Service credit or allowable service

Service credit or allowable service is the credit you earn each month retirement deductions are withheld from your salary. We use the amount of service credit you have in a formula to determine your retirement benefit.

One of the advantages of your continued employment is to increase the value of your retirement benefit for each additional year and month of service. The more service you have and the higher your annual pay, the higher your monthly retirement benefit.

There are a number of factors that impact your length of service, such as if you take a leave of absence or if you work for another governmental unit. For more details on factors that impact your length of service, see page 25.

2. High-five salary

Part of how we determine your retirement benefit is to use your highest five years of salary in the last ten years of service as a judge. For most employees, the highest five years of salary are the last five years of your employment. However, this isn't always the case.

How we determine your retirement benefit

How to calculate your high-five salary

When calculating your high-five salary, we use the highest five years of salary in the last ten years of service as a judge (5 years x 12 months = 60 months). The Court Administration reports your salary along with your retirement deductions each pay period to MSRS. This allows us to accurately calculate your high-five salary.



For example

A high-five salary calculation to determine your average monthly salary:

The assumptions:	
Year	Earnings
1	\$118,000
2	119,000
3	120,000
4	121,000
5	122,000
Total	\$600,000

The calculations:	
\$600,000 (total high-five salary)	
÷ 5 (years)	
\$120,000 average annual salary	
÷ 12 (months)	
\$10,000 average monthly salary	

If elected or appointed **BEFORE** July 1, 2013
See page 12-13

If elected or appointed **AFTER** June 30, 2013
See page 14-15

For those elected or appointed before July 1, 2013

When you are eligible for retirement

You are eligible for monthly benefits, or what we call vested, after five or more years of service.

You can start collecting full retirement benefits when you are age 65.

Judges can begin collecting reduced monthly benefits at age 60 or later.

Benefit formula

Part of how we determine your monthly retirement benefit is to use a benefit formula. We take your years and months of service and convert these to a percentage through a retirement formula.

Retirement formula

If appointed or elected prior to July 1, 2013, you receive 3.2 percent for each year of service. For example, if you have 20 years of service, you would receive 64 percent of your high-five salary.

$$20 \times 3.2 = 64\%$$

The formula is capped at 76.8 percent, which is reached after 24 years of service. After you reach the formula cap, you will be covered by the Unclassified Retirement Plan.

Remember that full retirement age is 65. This means if you retire at age 65—or full retirement age—there is no reduction in your monthly benefit. We call this an unreduced benefit, since you receive your full retirement monthly amount.

However, if you retire before full retirement age, your monthly benefit is reduced because you will be collecting the benefit for a longer period of time. The reduction is 6 percent per year before full retirement age. We call this a reduced benefit.

Full retirement benefit

To show how we calculate your full retirement benefit, we'll use the previous example.

The assumptions:

Age at retirement:	65
Allowable service:	20 years
Average monthly salary:	\$10,000
Benefit payment option:	Single-Life

The calculations:

$$20 \text{ years} \times 3.2\% = 64\%$$

$$\begin{array}{r} \$10,000 \text{ (your average monthly salary)} \\ \times 64\% \\ \hline \$6,400 \text{ per month} \end{array}$$

Early retirement reduction

Using the same example from page 12, we will show the calculation if you retired early.

If you retired at age 62, using the same information as the example from page 12, we would reduce your monthly benefit using an early retirement factor. See the chart for the early retirement factors.

The calculations

Retire at age 62:

$$\begin{array}{r} \$6,400 \text{ (your monthly benefit)} \\ \times \underline{18\% \text{ (reduction) (6\% x 3 years)}} \\ \$1,152 \text{ per month} \end{array}$$

$$\begin{array}{r} \$6,400 \text{ (monthly benefit)} \\ - \underline{\$1,152 \text{ (reduction for early retirement)}} \\ \$5,248 \text{ per month} \end{array}$$

Early retirement factor chart

Age at Retirement	Early Retirement Reduction
60	30%
61	24%
62	18%
63	12%
64	6%
65	0%

For those elected or appointed after June 30, 2013

When you are eligible for retirement

You are eligible for monthly benefits, or what we call vested, after five or more years of service.

You can retire with full retirement benefits at age 66.

Judges can begin collecting reduced monthly benefits at age 60 or later.

Benefit formula

Part of how we determine your monthly retirement benefit is to use a benefit formula. We take your years and months of service and convert these to a percentage through a retirement formula.

Retirement formula

If appointed or elected on or after June 30, 2013, you receive 2.5 percent for each year of service.

There is no formula cap applied to this benefit.

Remember that full retirement age is 66. This means if you retire at age 66—or full retirement age—there is no reduction in your monthly benefit. We call this an unreduced benefit, since you receive your full retirement monthly amount.

However, if you retire before full retirement age, your monthly benefit is reduced because you will be collecting the benefit for a longer period of time. The reduction is 6 percent per year and designed to generate the same value of retirement benefits you receive, regardless of your age at retirement. We call this a reduced benefit.

Full retirement benefit

To show how we calculate your full retirement benefit, we'll use the previous example.

The assumptions:

Age at retirement:	66
Allowable service:	20 years
Average monthly salary:	\$10,000
Benefit payment option:	Single-Life

The calculations:

$$20 \text{ years} \times 2.5\% = 50\%$$

$$\begin{array}{r} \$10,000 \text{ (your average monthly salary)} \\ \times 50\% \\ \hline \$5,000 \text{ per month} \end{array}$$

Early retirement reduction

Using the same example from page 14, we will show the calculation if you retired early.

If you retired at age 62, using the same information as the example from page 14, we would reduce your monthly benefit using an early retirement factor. See the chart for the early retirement factors.

The calculations	
Retire at age 62:	
\$6,400 (your monthly benefit)	
x <u>24%</u> (reduction)	
\$1,536 per month	
<hr/>	
\$6,400 (monthly benefit)	
– <u>\$1,536</u> (reduction for early retirement)	
\$4,864 per month	

Early retirement factor chart

Age at Retirement	Early Retirement Reduction
60	36%
61	30%
62	24%
63	18%
64	12%
65	6%
66	0%

Early retirement factors are subject to change.

How we determine your retirement benefit

Calculations made easy, really

We can simplify the process by using the chart on the next page. In this chart, you'll see the age at retirement listed across the top. The first column on the left displays the years of service. Using the example from page 12, with retirement at age 65 with 20 years of service, we would use 64 percent as part of the formula to determine your retirement benefit (this example assumes you were elected or appointed before July 1, 2013).

This chart factors in the early retirement reduction if you retire early.

- * If you are more than five years from retirement, use your current salary. If you are five years or closer to retirement, go to Step 1A to calculate your high-five salary.

1. Your turn—Your assumptions:

Your projected age at retirement: _____

Allowable service: _____

* High-five salary: _____

If elected or appointed **BEFORE** July 1, 2013
See page 17

If elected or appointed **AFTER** June 30, 2013
See page 18

1A. Your high-five salary—Your assumptions:

Year	Earnings
1	\$ _____
2	\$ _____
3	\$ _____
4	\$ _____
5	\$ _____
Total	\$ _____
$\div 60 =$ _____ High-five salary	

2. Your calculations:

High-five salary: _____

Factor from chart: X

Monthly benefit: _____

Years of Service	Age at Retirement					
	60	61	62	63	64	65
5	11.20	12.16	13.12	14.08	15.04	16.00
6	13.44	14.59	15.74	16.90	18.05	19.20
7	15.68	17.02	18.37	19.71	21.06	22.40
8	17.92	19.46	20.99	22.53	24.06	25.60
9	20.16	21.89	23.62	25.34	27.07	28.80
10	22.40	24.32	26.24	28.16	30.08	32.00
11	24.64	26.75	28.86	30.98	33.09	35.20
12	26.88	29.18	31.49	33.79	36.10	38.40
13	29.12	31.62	34.11	36.61	39.10	41.60
14	31.36	34.05	36.74	39.42	42.11	44.80
15	33.60	36.48	39.36	42.24	45.12	48.00
16	35.84	38.91	41.98	45.06	48.13	51.20
17	38.08	41.34	44.61	47.87	51.14	54.40
18	40.32	43.78	47.23	50.69	54.14	57.60
19	42.56	46.21	49.86	53.50	57.15	60.80
20	44.80	48.64	52.48	56.32	60.16	64.00
21	47.04	51.07	55.10	59.14	63.17	67.20
22	49.28	53.50	57.73	61.95	66.18	70.40
23	51.52	55.94	60.35	64.77	69.18	73.60
24	53.76	58.37	62.98	67.58	72.19	76.80

For those elected or appointed after June 30, 2013

Years of Service	Age at Retirement						
	60	61	62	63	64	65	66 or older
5	8.00	8.75	9.50	10.25	11.00	11.75	12.50
6	9.60	10.50	11.40	12.30	13.20	14.10	15.00
7	11.20	12.25	13.30	14.35	15.40	16.45	17.50
8	12.80	14.00	15.20	16.40	17.60	18.80	20.00
9	14.40	15.75	17.10	18.45	19.80	21.15	22.50
10	16.00	17.50	19.00	20.50	22.00	23.50	25.00
11	17.60	19.25	20.90	22.55	24.20	25.85	27.50
12	19.20	21.00	22.80	24.60	26.40	28.20	30.00
13	20.80	22.75	24.70	26.65	28.60	30.55	32.50
14	22.40	24.50	26.60	28.70	30.80	32.90	35.00
15	24.00	26.25	28.50	30.75	33.00	35.25	37.50
16	25.60	28.00	30.40	32.80	35.20	37.60	40.00
17	27.20	29.75	32.30	34.85	37.40	39.95	42.50
18	28.80	31.50	34.20	36.90	39.60	42.30	45.00
19	30.40	33.25	36.10	38.95	41.80	44.65	47.50
20	32.00	35.00	38.00	41.00	44.00	47.00	50.00
21	33.60	36.75	39.90	43.05	46.20	49.35	52.50
22	35.20	38.50	41.80	45.10	48.40	51.70	55.00
23	36.80	40.25	43.70	47.15	50.60	54.05	57.50
24	38.40	42.00	45.60	49.20	52.80	56.40	60.00

You have the following benefit choices:

- Single-Life
- 100 Percent Joint-and-Survivor
 - with bounce-back feature
 - without bounce-back feature
- 75 Percent Joint-and-Survivor
 - with bounce-back feature
 - without bounce-back feature
- 50 Percent Joint-and-Survivor
 - with bounce-back feature
 - without bounce-back feature
- Life Income 15-Year Certain

When you apply to receive monthly retirement or disability benefits, you will have to decide whether you want to provide monthly benefits to your survivor when you die. If you wish to choose survivor coverage, you will receive a lower monthly benefit in order to provide this additional coverage. If you are married, you must provide at least a 50 percent survivor option for your spouse unless your spouse waives survivor coverage.

You can name anyone you choose to receive survivor benefits. You can also name multiple survivors. The reduction in your monthly benefit is based on the age difference between you and your survivor. The younger the survivor is, the greater the reduction in your monthly benefit. The age difference may also limit survivor options available to you.

Single-Life benefit

Single-Life benefit is just that—it is a benefit for your life only. So, if you do not select survivor coverage, you will receive a monthly benefit for your lifetime. When you die, the monthly benefit stops.

If you die after you retire, your beneficiary would receive a refund of any remaining balance of your account. This is just one reason to keep your beneficiary designation current.

Once payments begin, you cannot change your choice of survivor coverage or the person(s) you elect to cover. Because it cannot be changed, this decision is important. If you have questions, contact us.



Benefit choices

100 Percent Joint-and-Survivor with bounce-back feature

- Provides maximum survivor coverage

If you select the 100 Percent Joint-and-Survivor option, you will receive a monthly benefit for your life, and when you die, your named survivor will continue to receive the same amount you were receiving. This survivor benefit will be payable for the lifetime of your named survivor. This option provides maximum survivor coverage, but results in lower monthly payments during your lifetime.

If your named survivor dies before you, your monthly benefit will increase—or “bounce back”—to the Single-Life benefit amount the first of the month following the survivor’s death.

If a non-spouse survivor is more than 10 years younger than you, you may not select the 100 percent option.

		100 Percent Option With Bounce-back Feature				
		Benefit amount per \$100 of Single-Life benefit				
		Survivor's Age				
		59	61	63	65	67
Employee's Retirement Age	60	89.56	87.56	85.24	82.63	79.73
	61	89.97	88.02	85.75	83.18	80.31
	62	90.38	88.48	86.26	83.74	80.91
	63	90.78	88.94	86.77	84.30	81.52
	64	91.18	89.40	87.28	84.87	82.14
	65	91.57	89.85	87.80	85.44	82.76
	66	91.96	90.29	88.30	86.01	83.39
	67	92.33	90.73	88.81	86.58	84.03
	68	92.70	91.16	89.31	87.14	84.66
	69	93.06	91.58	89.80	87.71	85.30
	70	93.41	91.99	90.28	88.26	85.93

100 Percent Joint-and-Survivor without bounce-back feature

- Provides maximum survivor coverage

If you select the 100 Percent Joint-and-Survivor option, you will receive a monthly benefit for your life, and when you die, your named survivor will continue to receive the same amount you were receiving. This survivor benefit will be payable for the lifetime of your named survivor. This option provides maximum survivor coverage, but results in lower monthly payments during your lifetime.

If your survivor dies first, your benefit will not change.

If a non-spouse survivor is more than 10 years younger than you, you may not select the 100 percent option.

		100 Percent Option Without Bounce-back Feature				
		Benefit amount per \$100 of Single-Life benefit				
		Survivor's Age				
		59	61	63	65	67
Employee's Retirement Age	60	90.51	88.58	86.32	83.75	80.87
	61	90.97	89.10	86.89	84.38	81.54
	62	91.42	89.61	87.47	85.01	82.23
	63	91.88	90.13	88.05	85.66	82.93
	64	92.32	90.65	88.64	86.31	83.64
	65	92.76	91.15	89.22	86.96	84.36
	66	93.19	91.66	89.80	87.61	85.09
	67	93.61	92.15	90.37	88.27	85.82
	68	94.02	92.63	90.93	88.92	86.55
	69	94.41	93.10	91.49	89.56	87.29
	70	94.79	93.56	92.03	90.19	88.01

75 Percent Joint-and-Survivor with bounce-back feature

- Provides some survivor coverage

If you select the 75 Percent Joint-and-Survivor option, you will receive a monthly benefit for your life, and when you die, your named survivor will receive 75 percent of the amount you were receiving.

If your named survivor dies before you, your monthly benefit will increase—or “bounce back”—to the Single-Life benefit amount the first of the month following the survivor’s death.

If a non-spouse survivor is more than 19 years younger than you, you may not select the 75 percent option.

		75 Percent Option With Bounce-back Feature				
		Benefit amount per \$100 of Single-Life benefit				
		Survivor's Age				
		59	61	63	65	67
Employee's Retirement Age	60	91.96	90.37	88.51	86.38	83.98
	61	92.28	90.74	88.92	86.83	84.47
	62	92.61	91.10	89.33	87.29	84.97
	63	92.92	91.47	89.74	87.74	85.47
	64	93.24	91.83	90.15	88.20	85.98
	65	93.54	92.19	90.56	88.67	86.49
	66	93.84	92.54	90.96	89.13	87.01
	67	94.14	92.88	91.36	89.58	87.52
	68	94.42	93.22	91.76	90.04	88.04
	69	94.70	93.55	92.15	90.49	88.55
	70	94.97	93.87	92.53	90.93	89.06

75 Percent Joint-and-Survivor without bounce-back feature

- Provides some survivor coverage

If you select the 75 Percent Joint-and-Survivor option, you will receive a monthly benefit for your life, and when you die, your named survivor will receive 75 percent of the amount you were receiving.

If your survivor dies first, your benefit will not change.

If a non-spouse survivor is more than 19 years younger than you, you may not select the 75 percent option.

		75 Percent Option Without Bounce-back Feature				
		Benefit amount per \$100 of Single-Life benefit				
		Survivor's Age				
		59	61	63	65	67
Employee's Retirement Age	60	92.71	91.18	89.38	87.30	84.93
	61	93.07	91.59	89.84	87.81	85.49
	62	93.43	92.00	90.30	88.32	86.05
	63	93.78	92.41	90.76	88.84	86.62
	64	94.13	92.82	91.23	89.37	87.21
	65	94.47	93.22	91.69	89.89	87.79
	66	94.80	93.61	92.15	90.41	88.38
	67	95.13	93.99	92.60	90.93	88.98
	68	95.44	94.37	93.04	91.45	89.57
	69	95.75	94.73	93.48	91.96	90.15
	70	96.04	95.09	93.90	92.46	90.73

Benefit choices

50 Percent Joint-and-Survivor with bounce-back feature

- Provides some survivor coverage

If you select the 50 Percent Joint-and-Survivor option, you will receive monthly benefits for your life, and when you die, your named survivor will receive 50 percent of the amount you were receiving. This survivor benefit will be payable for the lifetime of your named survivor.

If your named survivor dies before you, your monthly benefit will increase—or “bounce back”—to the Single-Life benefit amount the first of the month following your survivor’s death.

There is no age restriction for this option even if your survivor is not your spouse.

		50 Percent Option With Bounce-back Feature				
		Benefit amount per \$100 of Single-Life benefit				
		Survivor's Age				
		59	61	63	65	67
Employee's Retirement Age	60	94.49	93.37	92.03	90.49	88.72
	61	94.72	93.63	92.33	90.82	89.08
	62	94.95	93.89	92.62	91.15	89.45
	63	95.17	94.15	92.92	91.48	89.82
	64	95.39	94.40	93.21	91.81	90.19
	65	95.60	94.65	93.50	92.15	90.57
	66	95.81	94.90	93.79	92.48	90.95
	67	96.01	95.14	94.07	92.81	91.32
	68	96.21	95.38	94.35	93.13	91.70
	69	96.41	95.61	94.62	93.45	92.07
	70	96.59	95.83	94.89	93.77	92.43

50 Percent Joint-and-Survivor without bounce-back feature

- Provides some survivor coverage

If you select the 50 Percent Joint-and-Survivor option, you will receive monthly benefits for your life, and when you die, your named survivor will receive 50 percent of the amount you were receiving. This survivor benefit will be payable for the lifetime of your named survivor.

If your survivor dies first, your benefit will not change.

There is no age restriction for this option even if your survivor is not your spouse.

		50 Percent Option Without Bounce-back Feature				
		Benefit amount per \$100 of Single-Life benefit				
		Survivor's Age				
		59	61	63	65	67
Employee's Retirement Age	60	95.02	93.94	92.66	91.16	89.43
	61	95.27	94.23	92.99	91.53	89.83
	62	95.52	94.52	93.32	91.90	90.25
	63	95.77	94.81	93.65	92.27	90.67
	64	96.01	95.09	93.98	92.65	91.09
	65	96.24	95.37	94.30	93.02	91.52
	66	96.47	95.65	94.62	93.40	91.94
	67	96.70	95.91	94.94	93.77	92.37
	68	96.92	96.17	95.25	94.13	92.79
	69	97.12	96.43	95.55	94.49	93.21
	70	97.33	96.67	95.85	94.84	93.62

Life Income, 15-Year Certain

- This benefit option provides you a lifetime monthly benefit

If you die before you have collected a monthly benefit for 15 years, your survivor(s) would continue to receive the benefit for the balance of the 15 years. For example, if you die after collecting benefits for 10 years, your named survivor may collect monthly benefits for the remaining five years.

If you live longer than 15 years, your monthly benefit continues for your lifetime; however, when you die, your survivor will receive no benefit.

You may name more than one survivor. If you die before collecting monthly benefits for 15 years, your survivor(s) may choose either to receive monthly payments or a lump sum payment of the remaining value. Each survivor may choose a different option.

If both you and your survivor die before the 15 years, the balance would be paid to your estate.

How we determine the amount

For this option, you would receive a percentage of the Single-Life benefit amount. For example, at age 62, you would receive 91.96 percent of the Single-Life Benefit amount. See the chart to the right. We use only your age to calculate the Life Income, 15-Year Certain amount you would receive.

This option is most commonly used for someone who wants to preserve assets for their children and does not have a spouse. Remember, by selecting this option, your monthly benefit amount is permanently reduced and there is no bounce-back as the Joint-and-Survivor options offer.

Life Income 15-Year Certain		
Benefit amount per \$100 of Single-Life benefit		
Employee's Retirement Age	60	96.68
	61	96.27
	62	95.81
	63	95.29
	64	94.71
	65	94.07
	66	93.36
	67	92.55
	68	91.66
	69	90.66
	70	89.51

If you have questions, our retirement counselors are available to review your specific situation with you.

Comparing benefit choices

Benefit Type	Your Benefit	Survivor Benefit	Bounce Back
Single-Life	\$6,400	N/A	N/A
Joint-and-Survivor With Bounce-back Feature			
100% option	\$5,468	\$5,468	\$6,400
75% option	\$5,675	\$4,256	\$6,400
50% option	\$5,898	\$2,949	\$6,400
Joint-and-Survivor Without Bounce-back Feature			
100% option	\$5,565	\$5,565	\$5,565
75% option	\$5,753	\$4,315	\$5,753
50% option	\$5,953	\$2,977	\$5,953
Life Income, 15-Year Certain			
	\$6,020	\$6,020	N/A

This example assumes:

- A \$6,400 Single-Life monthly pension
- Retiree, elected or appointed before July 1, 2013
- Survivor is age 65

We can help

For an estimate of your various survivor options, please provide MSRS with your survivor's date of birth.

Remember in the beginning of this handbook, we discussed the meaning of service credit or allowable service. It is the credit you earn each month retirement deductions are withheld from your salary. It's important since we use your service credit in a formula to determine your monthly retirement benefit. The more service you have and the higher your annual pay, the higher your monthly benefit.

In this section, we will look at the factors that can impact your service credit.

Service credit while on leave of absence

To receive service credit for a leave of absence, a member would pay the amount equal to the normal cost of the plan on the date the member returns from the leave of absence, multiplied by their salary they would have earned during the leave, plus annual compound interest from the end of the leave to the time payment is made. The interest rate would be 8.5 percent until July 1, 2015, and 8 percent thereafter.

The payment must be made within one year of the date you return from the leave.



Service credit

Military service during state employment

If you leave state service to serve in the military and return to state employment within 90 days of discharge, you may buy your service credit for that time. There is a limited amount of time to purchase this service credit, so it is important to contact us as soon as you return.

Military service prior to state employment

If you have military service before working for the state, you cannot buy this back.

Military leave after June 30, 2004

To receive service credit for military leave, you would pay into the retirement fund the retirement salary deductions you would have contributed had you been employed by the state during your time of military service. Your employer will pay the employer share of the retirement contribution plus interest. You must make payment within a time period that equals three times the length of the leave up to five years. For example, if your leave was for one year, you must make payment for this time within three years.



Ways to acquire additional service credit

Combined Service Annuity

Many state employees have worked, or will someday work, for a Minnesota city, county, or school district. If you are covered by another Minnesota public retirement plan, this may combine with your service as a state employee. We call this a Combined Service Annuity (CSA).

Under CSA law, the various public retirement plans work together so you get credit for all of your service.

Minnesota plans covered

- Minnesota State Retirement System (MSRS)
- Public Employees Retirement Association (PERA)
- Teachers Retirement Association (TRA)
- St. Paul Teachers Retirement Fund Association (SPTRFA)
- Duluth Teachers Retirement Fund Association (DTRFA)

How Combined Service works

Your service with the other plans counts for eligibility of benefits. You need five years of service to qualify for monthly retirement, survivor, or disability benefits. If you have two years covered by PERA, and three

years under MSRS, you would be eligible for monthly benefits.

In addition to having the service credit work together, we would use the same high-five salary to calculate monthly benefits. For example, if you have 20 years covered by MSRS, and 12 years of previous employment covered by PERA, it is likely that your current salary is higher than when you contributed to PERA. In this example, MSRS would tell PERA what your current high-five salary is, and they would use that salary to calculate benefits based on the 12 years of PERA service. If your high-five salary was higher using the PERA service, then MSRS would use PERA's high-five salary.

You can use combined service with two or more covered pension plans. For example, if you contributed to PERA, TRA, and MSRS, all three could be used together to calculate your monthly benefits under combined service. If you have service with another pension plan, make sure to notify MSRS so we can contact the other fund to provide accurate benefit information.

When you switch public employers in Minnesota, your contributions and service credit are not rolled into the new plan. The service credit earned will remain with the fund that the service was earned.

When you retire, you will receive a check from each public retirement association.

Example

This example shows a person who is age 65 and wants to retire. This person worked for a city (covered by PERA) for 12 years, then worked for the state (covered by MSRS) for 20 years.

The calculations:

PERA Plan:

$$12 \text{ years} \times 1.7\% = 20.4\%$$

MSRS Judges Plan:

$$20 \text{ years} \times 3.2\% = 64.0\%$$

Total: 84.4%

To calculate your retirement benefit, we would apply the 64 percent to your high-five salary to calculate your MSRS monthly benefit. PERA's benefit would be 20.4 percent of your high-five salary. See page 9 for how to calculate your monthly retirement benefit.

If you were elected or appointed before July 1, 2013, your benefit has a cap of 76.8 percent of your high-five salary. However, the service covered by PERA does not count toward reaching that cap.

Reinstating service

Reinstating service with another public retirement plan

Many state employees who had prior service with another Minnesota public retirement plan forfeited that service by taking a refund of the contributions with the other plan. If you are currently working for a Minnesota public employer, you may be able to reinstate this time by repaying the refund to the other public retirement plan. By repaying the refund, your service with the other plan would be reinstated and will be used to calculate your monthly benefits. To repay a refund, contact the plan from which you received the refund.



Contact MSRS one to two months before you plan to retire.

Applying for retirement is easy, but your retirement decisions can be complex. We want to make sure you fully understand your retirement benefits and options before you submit your application. Retirement counselors are available for one-on-one sessions at any of our offices, which are located in St. Paul, Duluth, Mankato and Detroit Lakes. If you prefer, we can help you by phone, email, or mail, or you can download *Your Guide to Retirement* from our website under *Forms & Documents > Pension*.

Forms and documents to provide

You will need to complete a retirement application when you are ready to retire and begin collecting monthly benefits. For the retirement application, visit our website at www.msrs.state.mn.us. Go to the Forms and Documents page to download this application or contact MSRS, and we will mail the form to you. (University of Minnesota employees should call the University of Minnesota Employee Benefits Office at 612-624-9090.)

We will need the following documents in addition to your retirement application:

- A copy of your birth record
- A copy of your survivor's birth record if you elect survivor coverage
- Your marriage certificate
- Divorce decree and/or domestic relations order (DRO). If you are currently divorced or have been divorced, you must provide this document, even if the assets will not be divided between the parties.
- A tax withholding form (*IRS Form W-4P*)
- A *Direct Deposit Agreement* form

Important decision...

It is important when applying for a benefit to carefully consider the survivor options available. Your spouse must sign the retirement application in the presence of a notary. If your spouse does not sign the application and no survivor option is selected, we are required to pay the 50 percent joint-and-survivor option.



Federal income tax on monthly benefit

Your monthly benefit is taxable income. Exception: A portion of your benefit may not be taxable if you: a) already paid federal income tax on retirement deductions taken before January 1983; or b) made voluntary payments to obtain retirement credit, such as for a leave of absence, using after-tax monies. Federal law allows you to exclude a portion of your benefit from taxable income until the excluded amount equals the tax already paid. MSRS computes the exclusion. It is reported on the Form 1099-R. Benefit recipients will receive this document each January.

Minnesota income tax on monthly payment

The portion of your monthly benefit that is taxable income for federal income tax is also taxable income for Minnesota income tax. Minnesota income tax applies to residents of Minnesota and residents of other states who spend more than one-half of the year in Minnesota.

Withholding federal and state income tax

Federal and Minnesota income tax withholding can be started, changed or cancelled online at www.msrs.state.mn.us or contact MSRS at 651-296-2761 or 1-800-657-5757.

If MSRS receives no federal tax withholding instructions from you, the IRS directs MSRS to assume you are married and claim three allowances. If MSRS receives no state tax withholding instructions, no tax is withheld.

MSRS may withhold state taxes for only Minnesota.

For further information about tax withholding, call your tax advisor.

Tax reporting

Each January, MSRS sends benefit recipients a Form 1099-R. The form shows the total benefit payments you received during the previous year, the amount that is taxable income, and the amount withheld for federal or state, if any.

Federal minimum distribution rule

Federal law requires that any person who reaches age 70½ must begin receiving monthly payments or take a refund of their retirement account. The penalty for not withdrawing your retirement account or starting monthly payments once you reach age 70½ is severe. It may be subject to a tax equal to 50 percent of the money you should have received.

You are not required to draw from your retirement account if you are:

- Working in Minnesota public employment; or
- Collecting a workers' compensation disability benefit

If you do not qualify for one of these two exceptions, law requires that you begin to collect monthly retirement benefits or take a refund of your account by April 1 of the calendar year after you reach age 70½.

Premium withholding

A Judge who retires at full retirement age or is collecting a disability benefit may qualify for the Public Safety Officer Health Insurance Premium Withholding Program. The program allows you to reduce your taxable income by up to \$3,000 annually to pay qualified insurance premiums. Qualified insurance premiums include health, dental or long-term care insurance coverage for you, your spouse and your dependents. Premiums must be deducted from your monthly benefit and paid directly by MSRS to the insurance provider. For more information regarding this program, please contact us.



Retirement checklist

It's never too early to start planning for retirement. It is important to map out a retirement income strategy well in advance of your retirement date, but it's never too late to start planning or saving. Advanced planning can help preserve your personal assets. This, supplemented by your Social Security and other sources of retirement income, may be sufficient for your lifetime.

MSRS retirement counselors are available to assist you along the way. This checklist provides a general timetable for retirement preparation.

Throughout your career	Early to mid-career	3 to 5 years from retirement
<ul style="list-style-type: none"> <input type="checkbox"/> Review your MSRS benefit statements. Report any discrepancies to MSRS as soon as possible. <input type="checkbox"/> Evaluate your personal finances periodically as they relate to meeting your financial needs at retirement. <input type="checkbox"/> Research purchasing any eligible prior service credit as soon as possible. This includes any active military service or time worked in other covered retirement plans. See page 25 for more information about service credit. <input type="checkbox"/> Read the handbooks and correspondence regarding your benefits. Contact an MSRS retirement counselor with any questions regarding your retirement benefits. <input type="checkbox"/> Visit our website at www.msrs.state.mn.us. <input type="checkbox"/> Take advantage of the Minnesota Deferred Compensation Plan (MNDCP). It's a great way to start investing in your retirement future. For more information, call MSRS or visit our website. 	<ul style="list-style-type: none"> <input type="checkbox"/> Continue to pursue prior service credit possibilities. <input type="checkbox"/> Set a goal as to how much income you want to have when you retire. <input type="checkbox"/> Review your savings rate more often to determine if you're still on track to retire within your desired time frame. <input type="checkbox"/> Review your MNDCP account. Are you saving enough? Could you afford to save more? If you are age 50 or older, consider maximizing your contribution amount. The IRS permits you to contribute more than the standard contribution amount. <input type="checkbox"/> Re-evaluate your MNDCP investment allocation to make sure you carry the right amount of risk. 	<ul style="list-style-type: none"> <input type="checkbox"/> Attend a free MSRS seminar. Watch for schedules in our MSRS newsletter, <i>The Messenger</i>, and online at www.msrs.state.mn.us. <input type="checkbox"/> Review your MNDCP account. Determine Catch-Up eligibility. The Catch-Up Provision allows you to contribute up to double the standard maximum contribution limit for three consecutive calendar years prior to reaching your normal retirement age (the age you are eligible for an unreduced pension benefit). Contact an MSRS Representative to see if you are eligible.

12 months from retirement	6 months from retirement	3 months from retirement
<ul style="list-style-type: none"> <input type="checkbox"/> Retirement is in sight. You'll have a more realistic understanding of your retirement income needs and expenses, which can help you plan more effectively. <input type="checkbox"/> Contact MSRS for an estimate of your retirement benefits. Include your account ID, date of birth, and, if married, your spouse's name and date of birth. If you want to provide survivor coverage to a person other than your spouse, include that person's date of birth. <input type="checkbox"/> Read about the MNDCP distribution options at retirement. <input type="checkbox"/> Start thinking about your retirement budget. <input type="checkbox"/> Calculate your expected Social Security income (visit www.ssa.gov for more information). <input type="checkbox"/> Review your retirement handbook and <i>Your Guide to Retirement</i>. <input type="checkbox"/> Review your MSRS benefit statement and call MSRS if you find any discrepancies. <input type="checkbox"/> Attend an MSRS retirement seminar. Watch for seminar schedules in the MSRS newsletter, <i>The Messenger</i>, and online at www.msrs.state.mn.us <input type="checkbox"/> Dream. What would your perfect retirement look like? Does your dream include starting your own business or volunteering for your favorite cause? 	<ul style="list-style-type: none"> <input type="checkbox"/> Discuss your benefit estimate and payment options with your family and financial advisor. <input type="checkbox"/> Prepare a retirement budget. Compare your retirement expenses against your MSRS benefit, Social Security, MNDCP, and any other retirement income such as savings that will be available to you. <input type="checkbox"/> Contact your employer about health insurance options available after you retire, life insurance options, and if you are eligible for severance pay. Ask if your severance pay will go to a Health Care Saving Plan account. 	<ul style="list-style-type: none"> <input type="checkbox"/> Ensure that purchases/transfers of prior service (active military service, public employment, etc.) are done. <input type="checkbox"/> Notify your department personnel office regarding your intention to retire. Find out when you should submit a letter of resignation. <input type="checkbox"/> Contact your local Social Security office to file for benefits (if age 62 or older and are eligible for benefits). <input type="checkbox"/> Contact MSRS regarding your MNDCP distribution options at retirement.

Retirement checklist

1 month from retirement	After retirement
<ul style="list-style-type: none"> <input type="checkbox"/> Complete the <i>Retirement Application</i>. You can download this form from www.msrs.state.mn.us or contact us for a form. Sign the application in the presence of a notary public. If you are married, the application requires your spouse's notarized signature acknowledging your benefit selection. <input type="checkbox"/> Complete a <i>Direct Deposit</i> form. We strongly recommend using direct deposit to reduce the possibility of identity theft. It's simple. Just complete the form and we'll take care of the rest. <input type="checkbox"/> Complete a <i>W-4P</i> form. This authorizes MSRS to withhold federal and/or Minnesota state taxes from your monthly benefit. If you do not file a <i>W-4P</i> form: <ul style="list-style-type: none"> • IRS regulations require MSRS to withhold federal taxes based on a filing status of married with three allowances. • No state taxes will be withheld. <p>You can always change your withholding amount online at www.msrs.state.mn.us, or by writing or calling MSRS.</p> 	<ul style="list-style-type: none"> <input type="checkbox"/> You will receive your first monthly benefit four to six weeks after your retirement date. <input type="checkbox"/> You will receive an HCSP informational packet four to six weeks after you end employment. <div style="background-color: #0056b3; color: white; padding: 10px; margin-top: 10px;"> <p>You can receive your benefit via direct deposit on the first business day each month. Be sure to sign up for direct deposit. It's simple. Download the <i>Direct Deposit</i> form from our website at www.msrs.state.mn.us. Return the form to us and we'll take care of the rest. If you do not want direct deposit, a paper check will be mailed to you, however it can take up to five days to receive the check.</p> <p>Direct deposit is the safest, fastest, and most convenient way to receive your monthly benefit.</p> </div>

If you end your state employment and leave your money in the retirement fund, this is called deferring your benefit. You qualify for a deferred benefit if you have five or more years of service.

Here's how it works

If you end your state employment and leave your money in the retirement fund, you can apply for your monthly retirement benefit to begin at age 60 or later. If you receive the deferred benefit before normal retirement age, it is reduced for each year and month you are under your normal retirement age when you begin receiving your benefit.

To calculate your estimated monthly benefit, we use the same factors to determine the monthly retirement benefit amount. For a complete explanation of how we calculate your benefit amount, see page 6.

When you apply for the deferred benefit, you can choose from the survivor options available. For a complete explanation of these, see page 19.

You can apply for your benefit 60 days prior to the date you are eligible to receive the monthly benefit. See page 29 for the forms you need to complete.

Refund after you leave employment

If you end employment with the state, you can request a refund of your retirement deductions. To apply for a refund, call MSRS for the *Refund Application* form. The refund includes 4 percent interest, 6 percent prior to June 30, 2011. The interest you receive is compounded daily, but does not include the court's contributions to your retirement account. Remember, by taking a refund of your retirement deductions, you forfeit all of your service credit and rights to a monthly retirement benefit with the Judges Plan. You can purchase the service credit if you return to a position covered by MSRS or another public retirement plan (see page 27 for more information on combined service). There are also tax implications when you take a refund of your retirement deductions. You will receive detailed tax information with your refund application. Please review carefully and contact our retirement counselors with any questions.



Monthly benefit

You will receive your first benefit check about four to six weeks after your last day at work. Around the time your first benefit is paid, you will receive a benefit authorization letter. This letter:

- Confirms the amount of your first benefit payment check and ongoing monthly benefit amount.
- States if you selected an optional benefit such as Joint-and-Survivor. See page 19 for explanations of these optional benefit choices.
- Verifies when you will receive your monthly benefit.
- Provides important tax information.

It is important when applying for a benefit to carefully consider the survivor options available. Your spouse must sign the retirement application in the presence of a notary. If your spouse does not sign the application and no survivor option is selected, we are required to pay the 50 Percent Joint-and-Survivor option.

To ensure safe, efficient deposit of your monthly benefit, use direct deposit. Simply fill out the *Direct Deposit* form available on our website and return it to us. It's important to let us know of any address change so all of our mailings reach you. Call our office to make address changes.

Increases in benefits

Every January you will receive an adjustment to your benefit amount. Currently, the post-retirement increase is 1.75 percent. There may be a waiting period for your first increase, and the first increase may be prorated.

Re-employment after you retire

If you return to state service as a judge after retirement, that service has no effect on your benefit payments.

Disability benefits

As a member of the Judges Plan, you have disability protection. This is an important protection since it will pay you disability benefits for your lifetime, or until you are no longer disabled. Your age at the time of your disability is not a factor.

Eligibility

To qualify for disability benefits, you need five years of service and must meet the definition of disability.

The governor determines whether you are disabled. If the governor determines, based on medical reports, that you are no longer able to perform your judicial duties, the governor may grant you a disability.

How we calculate the disability benefit

We calculate your disability benefit the same way we calculate your retirement benefit. We base your disability benefit on your length of service and your high-five average salary. The minimum benefit is no less than 25 percent of your high-five average salary. The one difference in how we calculate your disability benefit is that we do not apply a reduction in your benefit if you are under normal retirement age.

As a disabled judge, you are entitled to full salary for one year after the disability date, but not beyond age 70. During the one-year period, retirement deductions continue. You earn service credit and increase your high-five average salary. MSRS disability benefits start after the year of paid salary.

If you have ended your employment, the disability must have occurred while employed in an MSRS covered position.



Survivor coverage with a disability benefit

When you apply for a disability benefit just before the end of your one year of full salary, you can choose the Single-Life benefit, the Joint-and-Survivor benefit with one of its six options (100, 75, or 50 percent with or without the bounce-back feature) or the Life Income, 15-Year Certain. For more details of what these options provide, see page 19.

If you did not select a Joint-and-Survivor option and die, any balance in your retirement account is refunded, in the following order, to: your beneficiary, spouse, children, parents, estate. Generally, your account balance is depleted in approximately two to three years of receiving benefits.

If you die while receiving full salary for the one-year period, your surviving spouse is eligible for a monthly benefit equal to 60 percent of the full retirement benefit earned at date of death, but not less than 25 percent of your high-five salary. If there is no spouse but there is a dependent child or children, then payment continues until age 18, or until age 22 if your child is a full-time student.

For more information about a disability benefit, contact MSRS.



Beneficiary and survivor benefits

Surviving spouse coverage

If you die while serving, or leave the bench but maintain a deferred benefit, your surviving spouse is eligible for a benefit. This monthly payment is equal to 60 percent of the full retirement benefit you earned as of the date of death, or equal to 25 percent of your high-five salary, whichever is larger. Your spouse is automatically the beneficiary for this survivor benefit.

If you are at least 60 and have five or more years of service as a judge and die, your spouse is eligible for the Joint-and-Survivor 100 percent benefit.

Dependent child(ren)

If you have no spouse, but do have a dependent child or children, then payment of the survivor benefit is paid to the child(ren)'s guardian, or the child(ren).

Payment continues to your dependent child until age 18, or age 22 if the child is a full-time student.

No surviving spouse or child(ren) benefit payable

If there is neither a spouse nor dependent child(ren), then your beneficiary, or if none, your estate receives a lump-sum refund of your deductions plus 6 percent interest compounded annually to June 30, 2011 and 4 percent after that. For the *Beneficiary Designation* form, visit our website at www.msrs.state.mn.us or contact us.





Management

MSRS is governed by an eleven-member Board of Directors. Three are appointed by the Governor, five are elected by the membership at large, and the remaining three members represent the State Patrol Plan, Correctional Plan, and the Metropolitan Transit Council.

The MSRS Board members have a fiduciary responsibility to act in the exclusive interest of the members and beneficiaries of all MSRS plans. While MSRS is ultimately controlled by the laws and statutes of Minnesota state government, the MSRS Board is responsible for setting policies, hearing disability and benefit appeals, and overseeing the administration of all MSRS pension plans, including the Health Care Savings Plan and the Minnesota Deferred Compensation Plan. MSRS Board members do not receive a salary for serving in their capacity.

Fund Investment

The State Board of Investment (SBI) has the responsibility for investment of MSRS funds. Actual investing is done by money management firms on contract with SBI. The Board continually evaluates these firms' investment performance.

Minnesota Deferred Compensation Plan (MNDCP)

MNDCP is a savings plan intended for long-term investing for retirement. Authorized under Section 457 of the Internal Revenue Code, MNDCP is a smart and easy way to supplement retirement income from your Minnesota public pension and Social Security benefits.

MNDCP offers information, planning tools, and investment options that may help you take positive steps toward achieving your desired retirement lifestyle.

Health Care Savings Plan (HCSP)

HCSP is an employer-sponsored program that allows employees to save money, tax free, to use when they terminate employment to reimburse for eligible health care expenses.

Employees can choose among investment options provided by the State Board of Investment (SBI). Assets in the account will accumulate tax-free, and since reimbursements are used for approved health care expenses, they will remain tax-free.

For more information about MSRS plans, call 1-800-657-5757 or 651-296-2761. Or visit www.msrs.state.mn.us.

Confidentiality of your records

We have policies and procedures we follow to ensure the confidentiality of your personal information. We will not release any private information, unless we have written authorization from you to do so.

If you call us with questions regarding your account, we ask you security questions to verify information to safeguard your privacy.

MSRS account ID

Account IDs are our way of helping protect you against identity theft. The ID will help us quickly identify you in our computer system in order to efficiently maintain our records and internal processes.

- MSRS will use your account ID on all correspondence (except tax documents) instead of your Social Security number. We are required to include a partial Social Security number on any tax-related forms used to complete your income tax return (such as a form 1099-R).
- You may use your account ID when you call or write to MSRS; however, we do not require that you do so. We can identify you in our system by either account ID or Social Security number.
- Your account ID is only available on correspondence from MSRS.
- Unlike passwords or a PIN, your account ID cannot be changed.
- Your account ID should only be used in conjunction with MSRS-related correspondence.

Online access

To access your accounts online, go to www.msrs.state.mn.us. Login using either your account ID or your Social Security number. Once you are in your MSRS account online, you can access your Minnesota Deferred Compensation Plan (MNDCP) or your Health Care Savings Plan (HCSP) by clicking the link. And, if you login to your MNDCP or HCSP account, you can access your MSRS account information by selecting the *Pension Plan* link on the horizontal bar at the top of the screen.

50 Percent**Joint-and-Survivor benefit**

If you select this option, you will receive monthly benefits for your life, and when you die, your named survivor will receive 50 percent of the amount you were receiving. This survivor benefit will be payable for the lifetime of your named survivor. If your named survivor dies before you, your monthly benefit will increase or “bounce back” to the Single-Life benefit amount the first of the month following your survivor’s death only if you select the bounce-back feature.

75 Percent**Joint-and-Survivor benefit**

If you select this option, you will receive monthly benefits for life, and when you die, your named survivor will receive 75 percent of the amount you were receiving. This survivor benefit will be payable for the lifetime of your named survivor. If your named survivor dies before you, your monthly benefit will increase or “bounce back” to the Single-Life benefit amount the first of the month following your survivor’s death only if you select the bounce-back feature. If a non-spouse survivor is more than 19 years younger than you, you may not select the 75 percent option.

100 Percent**Joint-and-Survivor benefit**

If you select this option, you will receive monthly benefits for your life, and when you die, your named survivor will continue to receive the same amount you were receiving. This survivor benefit will be payable for the lifetime of your named survivor. This option provides maximum

survivor coverage, but results in lower monthly payments during your lifetime. If your named survivor dies before you, your monthly benefit will increase or “bounce back” to the Single-Life benefit amount the first of the month following your survivor’s death only if you select the bounce-back feature. If a non-spouse survivor is more than 10 years younger than you, you may not select the 100 percent option.

Allowable service

See service credit.

Bounce-back feature

If you select a Joint-and-Survivor benefit with the bounce-back feature and your named survivor dies before you, your monthly benefit will increase or “bounce-back” to the Single-Life benefit amount the first month following your survivor’s death.

Combined Service Annuity (CSA)

If you are covered by another Minnesota public retirement plan, this may combine with your service as a state employee. Under a CSA, various public retirement plans work together so you get credit for all your service.

Deferred benefit

When you end your state employment and leave your money in the retirement fund. You can apply for your monthly retirement benefit to begin at age 60 or later, if vested.

High-five salary

Part of how we determine your retirement benefit is to use your highest five years of salary in the last ten years of service as a judge.

**Life Income,
15-Year Certain**

This benefit option provides you a lifetime monthly benefit. If you die before you have collected for 15 years, your survivor would continue to receive the benefit for the balance of the 15 years.

MSRS account ID

This ID is our way of helping protect you against identity theft. The ID will help us quickly identify you in our computer system in order to efficiently maintain our records and internal processes.

Retirement formula

The formula we use to determine your monthly retirement benefit. If appointed or elected on or after June 30, 2013, you receive 2.5 percent for each year of service. If appointed or elected before July 1, 2013, you receive 3.2 percent for each year of service.

Service credit

Service credit or allowable service is the credit you earn each month retirement deductions are withheld from your salary. We use the amount of service credit you have in a formula to determine your retirement benefit.

Single-Life benefit

This is a benefit for your life only. If you do not select survivor coverage, you will receive a monthly benefit for your lifetime. When you die, the monthly benefit stops.

This member handbook is a general summary of the benefit provisions administered by the Minnesota State Retirement System (MSRS). The purpose of this handbook is to give you a general idea of your benefits and acquaint you with the Judges Retirement Plan. The benefits described apply to active judges covered by the Judges Retirement Plan at the date this handbook is published, unless otherwise stated. If there is any difference between the information this handbook provides and the law or policies which govern MSRS, the law and policies will prevail. The provisions may be subject to law changes.

The Minnesota State Retirement System (MSRS) administers the Minnesota Deferred Compensation Plan (MNDCP) – a voluntary retirement savings plan, and the Health Care Savings Plan (HCSP) – a tax-free medical expenses and premiums savings plan. MSRS also administers various retirement, survivor, and disability benefit plans for state employees.

