
Rules of Retirement Systems

Division 50—The County Employees’ Retirement Fund

Chapter 3—Creditable Service

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Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees’
Retirement Fund
Chapter 3—Creditable Service

16 CSR 50-3.010 Calculation of Creditable Service

PURPOSE: This rule clarifies the process for calculating creditable service of a member.

(1) In calculating creditable service for purposes of buying back prior years of service, one (1) calendar month equals one-twelfth (1/12) of a year and any remaining days shall be converted into months on the basis that each thirty (30) calendar days equals one (1) month and any remainder will be credited as an additional month.

(2) Credit will be computed using the date of employment to the earlier of the date of termination or August 27, 1994. Credit will be granted for up to twelve (12) months of authorized sick leave without pay due to an employee’s sickness or injury or authorized family leave. Credit will not be granted for any other periods of leave without pay, including, but not limited to, temporary layoffs.

AUTHORITY: section 50.1032, RSMo 1994. * Original rule filed Oct. 11, 1995, effective May 30, 1996.

*Original authority 1995.

16 CSR 50-3.020 Purchase of Prior Creditable Service

PURPOSE: This rule clarifies situations in which a member is entitled to purchase prior service as prior creditable service.

(1) A member may be entitled to purchase past service as prior creditable service if it has accrued in one (1) of the following manners:

(A) The employee has opted out of membership in the County Employees’ Retirement Fund for a period of time and then later elects to become a member of the County Employees’ Retirement Fund in accordance with applicable laws and regulations;

(B) The employee was employed by the county on or after August 28, 1994, and had been employed as a county employee prior to August 28, 1994; or

(C) The employee qualifies as a special consultant as outlined in 16 CSR 50-3.060.

AUTHORITY: section 50.1032, RSMo 1994. * Original rule filed Oct. 11, 1995, effective May 30, 1996.

*Original authority 1995.

16 CSR 50-3.030 Buyback of Prior Creditable Service Following Opt-Out by Member

PURPOSE: This rule clarifies the procedures for buying back prior creditable service when a member has opted out of membership in the County Employees’ Retirement Fund for a period of time.

(1) Any member of the County Employees’ Retirement Fund who elects to opt-out of membership in the fund and then later elects to reinstate membership in the fund in accordance with applicable laws and regulations, may buy back his/her prior creditable service by notifying the board, in writing, of his/her election to buy back prior creditable service at the time the employee elects to reinstate membership in the system. The written election shall include a statement indicating the portion of prior service s/he elects to purchase.

(2) The board, or its designee, will calculate the cost of buying back the prior service, including interest and penalties provided by statute. The member will be notified of the cost to buy back the prior service.

(3) Members who are buying back prior service accrued during a period that the member had opted out of membership in the County Employees’ Retirement Fund shall buy back their prior service either through a lump-sum payment at time of reinstatement or through a payroll deduction beginning with the first pay period after reinstatement. The member may request that the payroll deduction be made in equal monthly installments over a period not to exceed the period of prior service being purchased or four (4) years, whichever is shorter. Any plan for installment payments is subject to approval by the board.

(4) If the member elects to buy-back prior service through an installment plan of payroll deductions and dies prior to completing the installment plan, the member shall not receive credit towards his/her retirement benefits for any portion of the prior service which is the subject of the installment plan.

AUTHORITY: section 50.1032, RSMo 1994. * Original rule filed Oct. 11, 1995, effective May 30, 1996.

*Original authority 1995.

16 CSR 50-3.040 Buyback of Prior Creditable Service Earned Before Creation of Retirement System

PURPOSE: This rule clarifies the procedure by which county employees can purchase prior service accrued before August 28, 1994, as prior creditable service.

(1) Any member employed on or after August 28, 1994, who had served as a county employee prior to August 28, 1994, may elect, upon retirement or termination as a county employee, to buy back all or part of the prior service accrued before August 28, 1994, as prior creditable service.

AUTHORITY: section 50.1032, RSMo 1994. * Original rule filed Oct. 11, 1995, effective May 30, 1996.

*Original authority 1995.

16 CSR 50-3.050 Buyback of Prior Creditable Service Following Forfeiture of Creditable Service

PURPOSE: This rule clarifies procedures for buying back prior service following forfeiture of creditable service.

(1) A member with less than eight (8) years of creditable service who terminates employment after August 28, 1994, other than by death, shall forfeit all rights in the fund, including accrued creditable service.

(2) A former member who forfeited creditable service may restore the service by—

- (A) Again becoming a county employee;
- (B) Completing a total of eight (8) years of continuous membership service; and
- (C) Purchasing forfeited service through a buyback subject to applicable statutory penalties.

(3) Members who are buying back forfeited service shall buy back their prior service either through a lump-sum payment or through a payroll deduction. The member may request that the payroll deduction be made in equal monthly installments over a period not to exceed the period of prior service being purchased or four (4) years whichever is shorter. Any plan for installment payments is subject to approval by the board.



(4) If the member elects to buy back forfeited service through an installment plan of payroll deductions and dies prior to completing the installment plan, the member shall not receive credit towards his/her retirement benefits for the forfeited service subject to the installment plan.

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 50-3.060 Buyback by a Special Consultant to the Board

PURPOSE: This rule clarifies the process by which certain former county employees may purchase prior service as prior creditable service.

(1) Former county employees who were employed between January 1, 1990 and August 27, 1994, and who worked for the county for at least eight (8) years may apply to the board to serve as a special consultant on the problems of retirement. Calculation of the amount required to purchase the prior service shall be in accordance with applicable statutes. The former employee must submit at least fifty percent (50%) of the purchase price with his/her application to serve as a special consultant. If the former employee submits less than one hundred percent (100%) of the purchase price with his/her application, then the remainder of the purchase price shall be deducted from the consultant's retirement benefits in equal monthly installments as agreed by the board and the consultant. Such payments shall not extend over more than four (4) years.

(2) 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.

AUTHORITY: section 50.1032, RSMo Supp. 1998. Original rule filed Oct. 11, 1995, effective May 30, 1996. Amended: Filed Nov. 26, 1996, effective June 30, 1997. Amended: Filed Sept. 17, 1998, effective March 30, 1999.*

**Original authority 1995.*

16 CSR 50-3.070 Refund of Buybacks

PURPOSE: This rule clarifies the process by which certain former county employees may obtain a refund of their buyback payment.

(1) Individuals who have tendered their fifty percent (50%) buyback to the County Employees' Retirement Fund, but have not received a benefit, may request a refund of their buyback. To receive a refund, the individual must submit a written request to the plan administrator. Upon executing the refund request, the individual will forfeit the spousal survivorship benefit.

(2) Any individual who receives a refund of his or her buyback may reapply to serve as a special consultant in the future.

AUTHORITY: section 50.1032, RSMo Supp. 1997. Original rule filed Nov 26, 1996, effective June 30, 1997. Amended: Filed Sept. 17, 1998, effective March 30, 1999.*

**Original authority 1995.*

16 CSR 50-3.080 Changes in Buyback When a Retiree Returns to Employment with the County

PURPOSE: This rule clarifies benefit payments when a retired person returns to employment.

(1) If a retiree or special consultant returns to county employment, the individual's status as a retiree or special consultant will be terminated and benefit payments to the individual will be suspended, pending termination of employment and completion of a new retirement application, except that, if the retiree or consultant is working less than one thousand (1,000) hours per year, his or her status and benefit payments will not be affected. All elections made in the original retirement application will be revoked upon completion of an enrollment form indicating a return to county employment.

(2) While employed, the individual will accrue service credit as provided by law, which, upon termination of employment and submission of a new retirement application, will be used to recalculate the benefit and buyback due. If the individual had started a buyback of prior service during the first benefit payment period, the total paid toward the buyback will be subtracted from the new buyback figure. Benefits less any remaining buyback will recommence upon termination of employment. The buyback will extend for a maximum of forty-eight (48) months less the

total number of months during which the individual had already made a buyback.

AUTHORITY: section 50.1032, RSMo Supp. 1997. Original rule filed July 29, 1997, effective Jan. 30, 1998. Amended: Filed Sept. 17, 1998, effective March 30, 1999.*

**Original authority 1995.*

16 CSR 50-3.090 Early Buyback of Prior Creditable Service

PURPOSE: This rule explains the process for handling early buyback of prior service.

(1) An active member or a terminated member with at least eight (8) years of available service of the County Employees' Retirement Fund may elect to purchase prior creditable service. In order to purchase prior creditable service while employed, the member must complete Form #10—Early Buyback and submit the form to the plan administrator. Provisions of the Early Buyback Program are as follows:

(A) A member may elect to buy back the total prior creditable service available to them or any portion thereof;

(B) The early buyback amount will be calculated on the member's current highest two (2) years' salaries at the time of application;

(C) If the member dies while participating in the Early Buyback Program, the surviving spouse will be required to satisfy the debt in accordance with section 50.1090, RSMo;

(D) The buyback time shall not extend longer than the period of prior service being purchased or forty-eight (48) months, whichever is less;

(E) Participants may complete the buyback with a lump sum payment, monthly coupon payments, or automatic withdrawal;

(F) The first payment will be due approximately thirty (30) days after Form #10 is received by the plan administrator;

(G) If a participant defaults on monthly payments or debits by missing more than two (2) payments or debits without hardship approval, his/her participation in the program will be terminated. The amount paid in to the Early Buyback Program will be retained by the County Employees' Retirement Fund and will be applied toward the buyback of prior creditable service at time of retirement; and

(H) If a hardship arises that causes the participant to miss one (1) or two (2) payments, the participant may request an extension of payment by notifying the plan administrator

in writing immediately. The executive director will determine the reasonableness of the request and either grant or deny an extension.

AUTHORITY: section 50.1032, RSMo Supp. 1997. Original rule filed Sept. 17, 1998, effective March 30, 1999.

**Original authority 1995.*