



**JUDICIAL RETIREMENT
SYSTEM OF NEVADA**

**SUMMARY PLAN
DESCRIPTION**

This document has been prepared for members of the Judicial Retirement System of Nevada to provide general information.

It is based on retirement law effective from the 75th session of the Nevada Legislature, 2009. This is not a legal document, nor is it intended to serve as a basis for legal interpretation. Official legal reference may be found in the Nevada Revised Statutes.

INTRODUCTION

This document has been prepared for members of the Judicial Retirement System (JRS) to provide general information concerning the System.

Participants in the JRS may include supreme court justices and district court judges. Justices of the peace and municipal judges may also participate in the JRS, if the board of county commissioners elects to allow the justices of the peace or the city council elects to allow the municipal judges of the city to participate in the Plan and the justice of the peace or the municipal judge elects to participate in the Plan.

Depending upon the circumstances in place when elected or appointed, some judges participate in the Public Employees' Retirement System (PERS). If you are a member of PERS, please refer to the Summary Plan Description for regular members of PERS for your retirement planning.

CONTRIBUTION PLAN

Your compensation subject to retirement contribution includes your base pay excluding all fringe benefits. Also included is additional payment for longevity and extra duty assignments provided they are part of your contract or job description. Contributions are paid into the JRS on your behalf by your employer.

SERVICE

Service begins on the day your term of office begins and terminates on the day your term of office expires, unless sooner terminated as a result of death, resignation or removal from office.

Purchase of Service

If you have five years of service in the JRS, you may purchase up to five years of additional service credit. You must pay the full actuarial cost associated with your age and average compensation at the time of purchase. The cost to purchase service averages about one third of your annual salary. Payment can be made in a lump sum or through an installment agreement. Purchase of service is not available under the old judicial plan at NRS 2.060 to 2.083 and NRS 3.090 to 3.099.

Purchase of service may also be accomplished by rolling over funds from certain types of retirement savings accounts such as IRC 401(a), 401(k) qualified pension trusts, 403(b) and 457 retirement savings plans and IRAs.

BENEFITS

Service Retirement

Vesting–New Plan JRS

You earn the right to receive a retirement allowance after five years of service. Eligibility to receive an unreduced retirement allowance is established with 5 years of service at age 65, 10 years of service at age 60, or at any age with 30 years of service.

Eligibility for Unreduced Benefits New Judicial Plan

Years of Service	Age
5 Years	65
10 Years	60
30 Years	Any Age

Vesting–Old Plan JRS

If you are eligible and elect to receive benefits as a member of the JRS under the old judicial plan, vesting is established with 5 years of service at age 60.

Eligibility for Unreduced Benefits Old Judicial Plan

Years of Service	Age
5 Years	60

Benefit Calculation Factors

The monthly benefit you receive will be based on the following:

- **Service Credit** – your years, months and days in the JRS. For new JRS plan members,

this will include past PERS credit transferred to the JRS. For example, if you had 2 years of prior PERS credit transferred to the JRS and 18 years of current JRS service, your total would be 20 years for benefit eligibility purposes.

- **Service Credit Multiplier** – for each year of service in the new JRS plan you receive 3.4091% of your average compensation. For members with transferred PERS service, you receive 2.5% for each year of service prior to July 1, 2001, and 2.67% for each year completed after July 1, 2001. Old JRS plan members receive 4.1666% for the first 5 years of service credit and an additional 4.1666% for each year thereafter. The maximum accrual for both the new and old JRS plans is 75%.
- **Average Compensation** – for new JRS plan members, the average compensation is the average of your highest 36 consecutive months of earnings. For old JRS plan members, the average compensation is based on the monthly average of your final year’s salary (12 months).
- **Selection of a Retirement Option** – the beneficiary coverage you may provide at the time of retirement is based on the JRS plan in which you retire. The old JRS plan provides a flat rate benefit to the spouse at the time of retirement and the new JRS provides a choice between 7 optional plans that require an actuarial reduction in your benefit.

Benefit Calculation Formula–Old JRS Plan

If you are eligible and elect to receive benefits under the old JRS plan, you receive

4.1666% after 5 years of service, multiplied by the monthly average of your final year's salary. You will receive an additional 4.1666% for each year of service credit thereafter up to 22 years for a maximum of 75%.

Retirees in the old JRS plan receive an unmodified benefit for life. Upon the retiree's death, your spouse or registered domestic partner is entitled to \$450.00 per month if under age 60 and \$2,500.00 per month beginning at age 60 or if already age 60 or older.

**Old JRS Plan
Benefit Calculation Formula
Unreduced Service Retirement**

This calculation assumes that you are age 60 with 20 years of JRS service credit and an average compensation of \$8,000.

5 years = 4.1666%

15 years = 62.499%

\$8,000 x 66.666% =

\$5,333.28 Unreduced Retiree Benefit

Flat Rate Spouse Benefit

\$2,500 if age 60 at retiree death

\$450.00 if under age 60 at retiree death

Benefit Calculation Formula—New JRS Plan

If you elect to receive benefits under the new JRS plan, you receive 3.4091% for each year of service credit earned in the JRS up to a maximum of 75%, multiplied by the average of your 36 highest consecutive months of salary.

Retirement Options

Benefits are paid to you for life and, after your death, to the one person named as beneficiary on your retirement application. It is not mandatory to name a beneficiary. New plan JRS retirees

may elect one of the seven retirement options described below.

Option 1 – The Unmodified Allowance pays you the full monthly allowance you have earned but provides no income protection for your beneficiary after your death.

Option 2 – provides an actuarially reduced allowance for your lifetime. After your death, the same allowance continues for the lifetime of your beneficiary.

Option 3 – provides an actuarially reduced allowance for your lifetime. After your death, 50 percent of the allowance continues for the lifetime of your beneficiary.

Options 4 and 5 are calculated the same as 2 and 3 but are not payable to a beneficiary before age 60. In **Options 6 and 7**, a retiree may designate the beneficiary amount.

The reduction from the unmodified allowance is determined by an actuarial percentage based on the ages of the member and beneficiary at the time of retirement. After retirement, the named beneficiary cannot be changed; however, you may under certain conditions choose to revert to the Unmodified Option. If your beneficiary predeceases you, the law provides that your benefit will revert to the Unmodified Option.

**New JRS Plan Benefit Calculation
Formula - Unreduced Service Retirement**

This calculation assumes that you are age 60 with a 58-year-old beneficiary and you have 20 years of JRS service credit and an average compensation of \$8,000.

$$\begin{aligned} 20 \text{ years} \times 3.4091\% &= 68.182\% \\ \$8,000 \times 68.182\% &= \\ \$5,454.56 &\text{ Unreduced Retiree Benefit} \end{aligned}$$

	Retiree Benefit	Beneficiary Benefit
Option 1 (unmodified)	\$5,454.56	\$ 0.00
Option 2	\$4,641.83	\$4,641.83
Option 3	\$5,012.74	\$2,506.37
Option 4	\$4,647.29	\$4,647.29
Option 5	\$5,018.20	\$4,509.10

Additional options 6-7 can be calculated upon request.

Options 2-7 are based on you and your beneficiary's age at the time of retirement.

Past PERS service credit transferred to JRS is not credited at 3.4091%.

Early Retirement Reduction

In the event you earn the years of service necessary to receive a retirement benefit but have not reached the age for an unreduced benefit, you may retire at any age with your benefit reduced by 4% for each full year that you retire early. An example of how this reduction would work is provided below for a 58-year-old retiree who is retiring 2 years early with an unreduced monthly benefit of \$5,454.56.

Early Retirement Reduction

Retiree age 58 (Full retirement age = 60)

Unreduced retiree benefit at age 60 = \$5,454.56

2 years early x 4% = 8%

8% X \$5,454.56 = \$436.36 reduction amount

\$5,454.56 – \$436.36 = \$5,018.20 reduced
monthly amount

This method of reduction for early retirement applies to retirees from both the old and new JRS plans.

Service Retirement

How to Apply

Between three and six months before your retirement, request an estimate of your retirement benefit and an application for retirement. The request should include:

- 1. Your anticipated retirement date*
- 2. Your name and the last four numbers of your Social Security number.*
- 3. Your beneficiary's name, birth date, and the last four digits of his or her Social Security number.*

Your completed application for retirement must be received in our office on or before the date of your retirement. Applications can be submitted anytime within 6 months prior to your retirement date. We recommend that you contact our office prior to your retirement for assistance.

Disability Retirement

If you have five or more years of service and become totally unable to perform your current or any comparable job because of an injury or mental or physical illness of a permanent nature, you are eligible to apply for disability retirement. Your application must be filed with PERS prior to your termination of employment.

How to Apply

- 1. Disability Retirement Application – Your retirement plan selection*
- 2. Part I – Employee Report – Completed by you*
- 3. Part II – Employer's Report – Completed by your personnel or human resources representative*
- 4. Part III – Supervisor's Report – Completed by your supervisor*

5. Part IV – Physician’s Report – Completed by your physician and submitted with copies of your recent medical records

The completed application is submitted to the Retirement Board for consideration at its regular monthly meetings. Disability retirement benefits are calculated in the same manner as service retirement benefits described previously, but without reduction for age. To apply for disability benefits, members are urged to contact our office for assistance or the retirement liaison officer where you work.

If you are eligible and elect to receive disability benefits under the old JRS plan, benefits are calculated in the same manner as referenced previously without reduction for retirement prior to the full retirement age.

Survivor Benefits

Eligibility

If you were to die prior to retirement, your eligible survivors would be eligible for a survivor benefit if:

- 1. You had two years of service in the two and one half years immediately preceding your death; or*
- 2. You had more than 10 years of accredited service; or*
- 3. Your death was caused by an occupational disease or an accident arising out of or in the course of your employment, regardless of service credit*

Eligible Survivors

Your eligible survivors include:

- 1. Your spouse or registered domestic partner*
- 2. Your survivor beneficiaries and additional payees, if designated*

- 3. Your dependent children under age 18*
- 4. Your dependent parents, provided there are no other eligible survivors at the time of your death*

Your spouse or registered domestic partner is first in line to receive any benefit available from your member account, along with eligible dependent children.

All members of the System should list one person as the survivor beneficiary (not a spouse, registered domestic partner, trust or charitable organization) to receive a lifetime benefit in the event of your death as an unmarried member, or you and your spouse or registered domestic partner's simultaneous death prior to retirement.

Additional payees may also be designated to split the payment with the survivor beneficiary by a percentage you provide. Monthly payments to additional payees cease upon the death of the designated survivor beneficiary.

If a monthly payment is not available and no spouse, registered domestic partner or dependent children exist, then the survivor beneficiary and additional payees may be eligible to split, by percentage provided, a one-time, lump-sum payment of refundable employee contributions, if any.

Survivor Benefits

Benefits are payable to a surviving spouse or registered domestic partner, survivor beneficiary and/or dependent children if your death occurs prior to retirement.

Service Credit	Spouse/Survivor		Each Child*
	Reg.	Domestic Part.	
2+		\$450	\$400
10+ (if under 60)		Option 3	\$400
5+ (if age 65)		Option 2	\$400
15+		Option 2	\$400

*Benefits payable until age 18 or age 23 if a full-time, unmarried student. Incapacitated adult children may be eligible. Other restrictions may apply.

Your JRS benefit and Social Security

Your benefit will not be affected by a Social Security Benefit. However, a Social Security benefit may be affected because you receive a JRS pension. The Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP) are the two federal government regulations that may reduce your Social Security benefit. We suggest you contact the Social Security Administration at 800-772-1213 or visit their website at www.ssa.gov for more information.

Counseling Services

Representatives are available to assist you Monday through Friday, 8:00 a.m. to 5:00 p.m. over the phone or in one of our three office locations. Counselors also travel to the rural areas in the Spring and Fall of each year. Rural counseling notices are sent through your public employer with a listing of dates, times and locations.

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