

The General Retirement
System for Employees
of Jefferson County

MEMBER HANDBOOK



(205) 784-4530
www.grsal.net

716 Richard Arrington Jr. Blvd. N.
Suite 430 Courthouse
Birmingham, Alabama 35203

ACKNOWLEDGEMENT OF RECEIPT

I hereby acknowledge my receipt of the Member Handbook (Revised October 1, 2025). I understand that this Member Handbook may be revised from time to time and that I can obtain the most current version of this handbook on GRS' website, www.grsal.net.

I further understand that the information provided in this Member Handbook is based upon Acts 1965, No. 497, 1965 Regular Session (Acts 1965, p. 717), now codified at Ala. Code § 45-37-123.01, *et seq.*, which may be amended from time to time. I understand that this Handbook is not a substitute for the Act or any other law which governs GRS. In the event the information contained in this Member Handbook conflicts with the Act or any other law governing GRS, the law controls.

Print Member Name

Signature of Member

Date

Department Name

Social Security Number

Introduction

This Member Handbook is intended to provide you with helpful information about The General Retirement System for Employees of Jefferson County ("GRS") and benefits which may be available to you under the Plan. Please read this Handbook carefully and retain it with your other benefit materials.

The Plan is governed by Acts 1965, No. 497, 1965 Regular Session (Acts 1965, p. 717), as amended and restated, which is now codified at Ala. Code § 45-37-123, *et seq.* ("the Act"). The information contained in this Handbook is based on the Act, which may be amended from time to time. This Handbook is not a substitute for the Act or any other law which governs GRS. In the event the information contained in this Handbook conflicts with the Act or any other law governing GRS, the law controls.

Accordingly, you should not rely solely upon this Handbook in making any decisions regarding your pension benefit or any other benefit which may be available to you under the Plan. Decisions regarding benefits should be made in consultation with GRS staff, which welcome the opportunity to answer your questions and discuss options which may be available to you.

This Handbook may be revised from time to time. A current version of the Member Handbook is maintained on GRS' website, www.grsal.net.

How to Reach Us



205.784.4530



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Birmingham, Alabama 35203



www.grsal.net

<https://members.grsal.net/Login>



Monday - Friday
8:00 a.m. - 4:30 p.m.

MemberDirect

MemberDirect is an easy-to-use self-service portal that allows you to securely access and manage information concerning your benefits. Through MemberDirect you can review your service credit, create benefit estimates and obtain forms.

You can access MemberDirect online at
<https://members.grsal.net>.

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About GRS

The General Retirement System for Employees of Jefferson County, or GRS, is a defined benefit pension plan qualified under Section 401(a) of the Internal Revenue Code. Since 1965, GRS has provided retirement and other benefits to eligible members. The Plan is governed by Acts 1965, No. 497, 1965 Regular Session (Acts 1965, p. 717), as amended and restated, which is now codified at Ala. Code § 45-37-123, *et seq.*

As a defined benefit plan, GRS provides eligible employees with a pension benefit at retirement, the amount of which is determined based upon the member's service record. Pension benefits are paid monthly for the lifetime of the member and, if the member so elects, for the lifetime of his or her joint survivor. GRS also provides disability benefits to eligible members who have experienced a permanent disability.

Though GRS administers the Plan for the benefit of employees of Jefferson County, it is not a department, agency, or instrumentality of Jefferson County. GRS staff are not employed by Jefferson County, GRS records are not public records, and the System's assets are not public funds.



The Plan

The Plan is a qualified defined benefit pension plan and governmental plan within the meaning of Section 414(d) of the Internal Revenue Code and Section 3(32) of the Employee Retirement Income Security Act of 1974 ("ERISA"). As such, the Plan is exempt from the provisions of Title I of ERISA and benefits provided by the Plan are not insured by Pension Benefit Guaranty Corporation.

The Pension Board

Responsibility for the general administration and operation of the Plan is vested in the Pension Board, which is comprised of the following members:

- ◆ **Member Number One** (Chairman), who must have at least 10 years' experience in an executive capacity in insurance, investment management, or actuarial work. Member Number One is appointed by the Jefferson County Commission.
- ◆ **Member Number Two**, who must have at least 10 years' experience in an executive capacity in investing or banking. Member Number Two is appointed by the Judge of Probate of Jefferson County.
- ◆ **Member Number Three**, who must have at least 10 years' experience as a certified public accountant. Member Number Three is appointed by the Personnel Board of Jefferson County.
- ◆ **Member Number Four**, who must be a retired member of the System. Member Number Four is elected by the members of the System.
- ◆ **Member Number Five**, who must be a member of the System. Member Number Five is elected by members of the System.

Members of the Pension Board are fiduciaries responsible for administering the Plan for the sole benefit of its members and their beneficiaries. As such, Pension Board members are subject to background checks and GRS' Conflict of Interest Policy, which requires disclosure of any actual or potential financial interest in proposed transactions which come before the Pension Board for consideration.

Administration of the Plan

The Pension Board is authorized by law to invest and reinvest the funds of the System and to employ, appoint or contract with others to assist in the day-to-day administration and management of the Plan. The Pension Board appoints investment managers to assist in the exercise of its discretion to accomplish specific objectives related to the Plan's long-term and short-term liquidity needs. The Pension Board also appoints an Executive Director, who is responsible for overseeing the day-to-day administration of the Plan.

The Pension Board is further authorized by law to interpret and apply the provisions of the Plan and any determination made by the Pension Board is conclusive and binding. Pursuant to that authority, the Pension Board resolves questions related to the eligibility of employees to participate or remain a member, develops rules and regulations, establishes an investment policy, and provides for the day-to-day administration of the Plan.

The Pension Board conducts 11 regular meetings each year as well as an annual meeting of the members each May.

Investment of Plan Assets

The investment of Plan assets is guided by an investment policy, which may be amended from time to time.

The Plan's investment managers, who are fiduciaries qualified under the Investment Company Act of 1940, assist the Pension Board by providing advice and recommendations for the investment of Plan assets. The investment managers work closely with the Pension Board to ensure that the Plan's investments continue to generate sufficient earnings to meet the Plan's long-term liquidity needs.

Did you know...

that the Pension Board performs an annual audit of all System assets as of September 30 each year together with an actuarial valuation, which is performed as of October 1 each year?

You can access those reports online at www.grsal.net.

Membership

Mandatory Membership

Effective October 1, 2025, participation in the plan is mandatory if you are employed in a full-time position of Jefferson County, the Personnel Board of Jefferson County or GRS. Mandatory Membership begins on the first day of your employment and continues throughout your employment even if your civil service status changes during the course of your employment.

Optional Membership

Effective October 1, 2025, participation in the Plan is optional only for individuals who are elected or appointed to a full-time county office in Jefferson County that is created by an act of the Legislature or pursuant to the Constitution of Alabama of 2022 and part-time employees of Jefferson County, the Personnel Board of Jefferson County, or GRS. Individuals with the option to participate in the Plan must act to exercise the option in writing by completing an application for membership, which can be found online at www.grsal.net. Once exercised, the option to become a member is irrevocable.

Failure to exercise the option in writing by completing an application for membership constitutes a waiver of the right to participate in the Plan and to receive any benefit from GRS.



Contributions

Employee Contributions

As a condition of your employment and accruing benefits under the Plan, all members contribute 6% of their regular, gross, before-tax compensation. Your regular gross compensation includes:

- Your regular salary or hourly wages
- Any accumulated vacation time paid to you

Bonuses, overtime, longevity pay, termination sick pay, uniform allowances, expense allowances and other forms of non-regular compensation are excluded from regular gross compensation.

Employee contributions will be withheld from each paycheck beginning with your first paycheck after becoming a member of the System. Employee contributions will continue to be withheld throughout your employment.

The 6% employee contribution rate is set by law and you cannot contribute more, or less, than 6%.

Employer Contributions

Jefferson County also contributes an amount to the System equal to 6% of all members' regular, gross, before-tax compensation each payroll period.

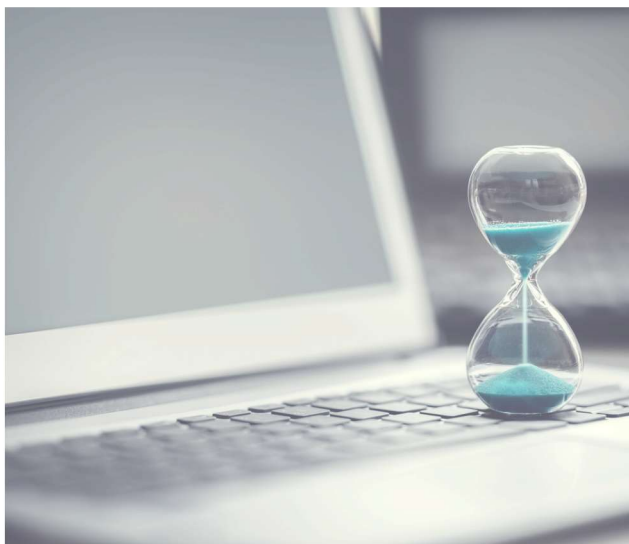
Terminating Employee Contributions

You reach your maximum pension benefit upon attaining 30 years of paid membership time. Upon attaining 30 years of paid membership time, you may elect to terminate your employee contributions. If you elect to terminate employee contributions, employer contributions will also cease.

The election to terminate employee contributions is irrevocable.

If you elect to terminate employee contributions, any contributions made by you after reaching 30 years of paid membership time will be refunded to you without interest and your monthly pension benefit will be calculated based on the date you earned 30 years of paid membership time. If you remain employed after electing to terminate employee contributions, the calculation of your monthly pension benefit will not include any increases in your compensation, including cost of living increases and lump sum vacation pay, which may occur after you reach 30 years of paid membership time.

Service Credit



Your employer is responsible for reporting your employment and compensation information to GRS, which is used by GRS to create your service record. If you are eligible to receive a pension benefit from GRS, your benefit will be calculated based on your service record.

Paid Membership Time

Your service record is comprised of your paid membership time. Years of paid membership time are used in computing benefits under the Plan as are months of paid membership time.

You will receive one month of service credit for each month in which you are paid for working over one-half of the calendar month. You do not receive service credit for unpaid leaves of absence.

Vesting

Your right to receive a pension benefit from GRS becomes partially vested upon accruing 10 years (120 months) of paid membership time and fully vested upon accruing 15 years (180 months) of paid membership time. Once vested, your right to receive those benefits to which you are entitled cannot be forfeited, diminished or impaired.

Unpaid Membership Time

If you joined the System prior to August 16, 1996, you may also receive service credit for unpaid membership time, including:

- Time that you were employed in an elected, appointed, classified or unclassified position without making employee contributions
- Time that you were employed by a jurisdiction subject to the Personnel Board of Jefferson County, and
- Time for which you received a refund of your employee contributions

Members who joined the System after August 16, 1996 are not eligible to receive service credit for unpaid membership time.

Qualified Military Service

Paid membership time also includes a member's absence due to qualified military service if the member returns to the service of your employer within 90 days of separation from such qualified military service.

Employee contributions during any period of uniformed service leave are paid in full by your employer. Upon return to the service of your employer, your employer will remit all employee and employer contributions owing to the System on your behalf. Thereafter, your service record will be updated.

Maximum Benefit

You earn your maximum pension benefit when you have earned 30 years, or 360 months, of paid membership time. Upon reaching 30 years of paid membership time, you may elect to terminate your employee contributions.

If you elect to terminate your employee contributions, your monthly retirement benefit will be calculated as of the date of the election and your final monthly benefit will not include any compensation increases that occur after terminating employee contributions or any lump sum vacation leave pay to which you may be entitled. The election to terminate employee contributions upon reaching your maximum pension benefit is irrevocable.

Reemployment After Separation

If you separate from employment but later return to the service of your employer, you may be eligible to have your service credit aggregated. For more information on how reemployment may affect your service credit, see page 33.

Retirement Benefits

Vested members who are not receiving a disability benefit from GRS are eligible to receive a retirement benefit. The type of retirement benefit for which you qualify is determined based upon your years of paid membership time and/or age.

The Amount of the Benefit is Based on:

Your Basic Average Salary

The Benefit Formula in Effect at the Time of Your Retirement

Your Years of Paid Membership Time

Superannuation Retirement Benefit

Regardless of age, if you have 30 or more years of paid membership time, you are eligible to receive a Superannuation Retirement Benefit.

Basic Average Salary

Your basic average salary is your monthly compensation averaged over your highest consecutive thirty-six (36) months of compensation during which you were making employee contributions. Compensation includes your regular salary or hourly wages, and any differential wage payment. Basic average salary does not include bonuses, overtime, longevity pay, termination sick pay, uniform allowance, expense allowance or other form of nonregular compensation.

For most members, your highest consecutive thirty-six (36) months of earnings is going to be the 36-months preceding your date of retirement. For example, if you terminated employment on June 20, 2010 and your highest consecutive 36-months of compensation ended on the date of your termination of employment, then the measuring period for determining basic average salary would be from June 21, 2007 through June 20, 2010.

Benefit Formula

If you are eligible to receive a Superannuation Retirement Benefit, your benefit will be calculated using the following formula:

$$\begin{array}{ccccc} \boxed{2.5\%} & \times & \boxed{\text{Your Basic Average Salary}} & \times & \boxed{\text{Your Years of Paid Membership Time}} \\ & & & & \\ & & + & & \\ \boxed{5/8\%} & \times & \boxed{\text{Your Basic Average Salary}} & \times & \boxed{\text{Your Years of Unpaid Membership Time (If Applicable)}} \\ \boxed{(.00625)} & & & & \\ & & = & & \\ & & \boxed{\text{Your Superannuation Retirement Benefit}} & & \end{array}$$

Did you know...

that MemberDirect can assist you in calculating your estimated Superannuation Retirement Benefit? You can access MemberDirect online at <https://members.grsal.net>.

Years of Paid Membership Time

Years of paid membership time are used in calculating your benefit, as are months of paid membership time. Months of membership time are converted into a fraction of a year as follows:

1 month	.0833
2 months	.1667
3 months	.2500
4 months	.3333
5 months	.4167
6 months	.5000
7 months	.5833
8 months	.6667
9 months	.7500
10 months	.8333
11 months	.9167
12 months	1.0000

Seventy-Five Percent Limitation

Your retirement benefit cannot exceed 75% of your basic average salary. If the benefit formula used to calculate your Superannuation Retirement Benefit results in an amount exceeding 75% of your basic average salary, the amount of your benefit will be reduced to 75% of your basic average salary.



Example

John Doe is 60 years old. He has 20 years of paid membership time. His basic average salary is \$2,400.00.

His monthly maximum benefit is calculated as follows:

Basic Average Salary		75% Limitation		Maximum Monthly Benefit
\$2,400.00	x	0.75	=	\$1,800.00

The amount of his Superannation Retirement Benefit is calculated as follows:

2.5%		Basic Average Salary		Paid Membership Time		Monthly Benefit
.025	x	\$2,400.00	x	20	=	\$1,200.00

Elections Available with a Superannuation Retirement Benefit

Members who are eligible to receive a Superannuation Retirement Benefit may instead elect to receive a Postretirement Joint Survivorship Pension Benefit, which allows your joint survivor to receive some, or all, of your monthly pension benefit upon your death. For more information on Postretirement Joint Survivorship Pension Benefits, please see page 21.

Death

If you die while receiving payment of a Superannuation Retirement Benefit, no further payment of the benefit will be made upon your death if you have received payments in an amount at least equal to your employee contributions. If you have not yet received payments at least equal to the amount of your employee contributions at the time of your death, the remaining portion of your employee contributions may be refunded. For more information on refunds, see page 31.

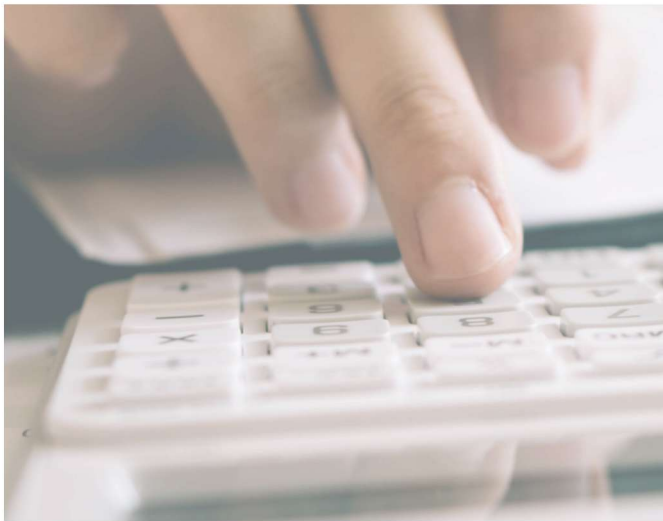
Early Retirement Benefits

The Plan offers two forms of early retirement benefits—a Regular Early Retirement Benefit and a 25-Year Early Retirement Benefit. If you elect to receive an early retirement benefit, the amount of your monthly benefit is the amount of the Superannuation Retirement Benefit that would be payable to you had you not elected to retire early with an actuarial equivalent reduction to account for the fact that your benefit payments commenced early.

Regular Early Retirement Benefit

If you have completed 30 or more years of service, at least 10 of which are paid membership time, you may elect to retire prior to age 60. If you meet these eligibility requirements and elect to retire prior to age 60, your retirement benefit will be reduced for each year less than 60 years of age as follows:

Your Age on Last Birthday Preceding Retirement	Benefit Percentage Reduction Applied to Calculation Based on Your Age
59	93%
58	87%
57	82%
56	77%
55	72%
54	68%
53	64%
52	60%
51	57%
50	54%
49	51%
48	48%



Example

Donna Smith is 53 years old. She has 20 years of paid membership time and 10 years of unpaid membership time. Her basic average salary is \$2,000.00.

Her maximum monthly benefit is calculated as follows:

Basic Average Salary		75% Limitation		Maximum Monthly Benefit
\$2,000.00	×	0.75	=	\$1,500.00

The amount of the Superannuation Retirement Benefit that would be payable had she not elected to retire early is calculated as follows:

2.5%		Basic Average Salary		Paid Membership Time		
.025	×	\$2,000.00	×	20	=	\$1,000.00
						+
5/8%		Basic Average Salary		Unpaid Membership Time		
.00625	×	\$2,000.00	×	10	=	\$125.00
Superannuation Retirement Benefit She Would Have Received						\$1,125.00

The actuarial equivalent reduction for each year less than age 60 would be applied as follows to reach the amount of her Regular Early Retirement Benefit:

Superannuation Retirement Benefit She Would Have Received		Percentage Reduction Based on Age		Amount of Monthly Early Retirement Benefit
\$1,125.00	×	0.64	=	\$720.00

25-Year Early Retirement Benefit

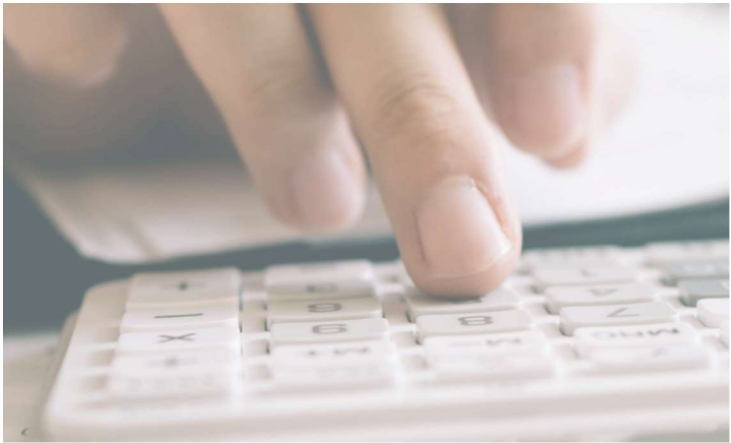
If you have at least 25 years of paid membership time, but less than 30 years of paid membership time, you may elect to retire early. If you meet these eligibility requirements and elect to retire before reaching age 60, your retirement benefit will be reduced by 7% for each whole year less than 30 years of paid membership time as follows:

Years of Paid Membership Time	Percentage Reduction Applied
29	7%
28	14%
27	21%
26	28%
25	35%

Example

Tim Jones is 53 years old. He has 27 years of paid membership time. His basic average salary is \$4,000.00.

His maximum monthly benefit is calculated as follows:



Basic Average Salary		75% Limitation		Maximum Monthly Benefit
\$4,000.00	×	0.75	=	\$3,000.00

The amount of the Superannuation Retirement Benefit that would have been payable had he not elected to retire early is calculated as follows:

2.5%		Basic Average Salary		Paid Membership Time		Benefit He Would Have Received
.025	×	\$4,000.00	×	27	=	\$2,700.00

The actuarially equivalent reduction for each year less than 30 years of paid membership time would be calculated as follows:

Superannuation Retirement Benefit He Would Have Received		Percentage Reduction for Each Year Less than 60		Amount of Reduction
\$2,700.00	x	.21	=	\$567.00

The actuarial equivalent reduction for each year less than 30 years of paid membership time would be applied as follows to reach the amount of the 25-Year Early Retirement Benefit:

Superannuation Retirement Benefit He Would Have Received		Reduction for Each Year Less than 60		Amount of 25-Year Early Retirement Benefit
\$2,700.00	—	\$567.00	=	\$2,133.00

Elections Available with an Early Retirement Benefit

Members who are eligible to receive an Early Retirement Benefit may instead elect to receive a Postretirement Joint Survivorship Pension Benefit, which allows your joint survivor to receive some, or all, of your monthly pension benefit upon your death. For more information on Postretirement Joint Survivorship Pension Benefits, please see page 21.

Death

If you die while receiving payment of an Early Retirement Benefit, no further payment of the benefit will be made upon your death if you have received payments in an amount at least equal to your employee contributions. If you have not yet received payments at least equal to the amount of your employee contributions at the time of your death, the remaining portion of your employee contributions may be refunded. For more information on refunds, see page 31.

Did you know...

that GRS provides all active members with an annual statement of their estimated benefits?

You can access your annual benefit statement in MemberDirect at <https://members.grsal.net>.

**You are Eligible to
Receive a Deferred
Retirement Benefit if:**

You separate from
employment with at least 10
years of paid membership
time

You did not receive a refund
of your employee
contributions upon your
separation from employment
but instead elect to receive a
Deferred Retirement Benefit

Deferred Retirement Benefit

If you are a vested member with at least 10 years of paid membership time, you may elect to receive a Deferred Retirement Benefit, which will be paid to you beginning at age 60 if:

- You separate from employment
- You are not eligible to receive a Superannuation Retirement Benefit, and
- You did not receive a refund of your employee contributions upon your separation from employment

If you meet these eligibility requirements and wish to receive a Deferred Retirement Benefit, you should timely notify GRS of your election in writing on a form provided by GRS before your 60th birthday. A Deferred Retirement Benefit is not automatic.

Benefit Formula

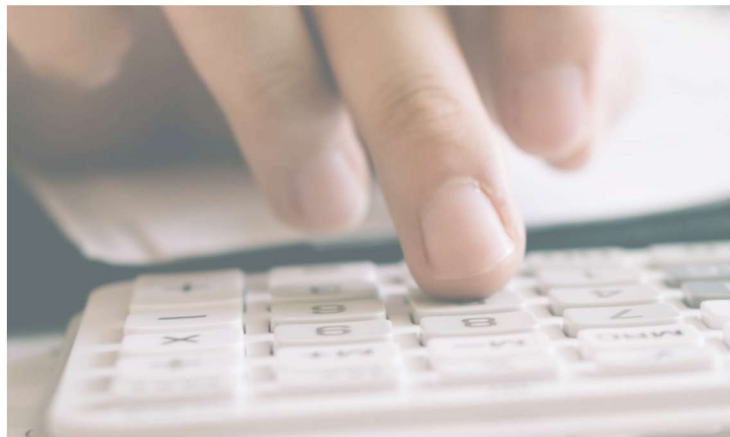
Deferred Retirement Benefits are calculated by multiplying the Superannuation Retirement Benefit you would have been entitled to if you had been 60 years of age when you terminated employment times a percentage based upon your paid membership time:

10 Years of Paid Membership Time	50%
11 Years of Paid Membership Time	60%
12 Years of Paid Membership Time	70%
13 Years of Paid Membership Time	80%
14 Years of Paid Membership Time	90%
15 Years or More of Paid Membership Time	100%

Example

Sally Jones is age 48. She has 14 years of paid membership time. Her basic average salary is \$1,500.00.

Her maximum monthly benefit is calculated as follows:



Basic Average Salary		75% Limitation		Maximum Monthly Benefit
\$1,500.00	×	0.75	=	\$1,125.00

The amount of the Superannuation Retirement Benefit that would have been payable if she had been 60 years old when she terminated employment is calculated as follows:

2.5%		Basic Average Salary		Paid Membership Time		Monthly Benefit that Would Have Been Payable if She had Terminated Employment at Age 60
.025	×	\$1,500.00	×	14	=	\$525.00

The percent by which she is vested would be applied as follows:

Monthly Benefit that Would Have Been Payable if She had Terminated Employment at Age 60		Percent Vested		Amount of Deferred Retirement Benefit
\$525.00		.90		\$472.50

Commencement of Payment

A Deferred Retirement Benefit will not be paid until you reach the age of 60. Payments will commence on the date you reach age 60 and will continue for the remainder of your life, regardless of whether you are employed with another employer at the time payments commence.

If you have elected to receive a Deferred Retirement Benefit, you will be contacted by GRS at your last address of record approximately 30 days before your 60th birthday with additional forms that will need to be completed before payment can commence. Should your address or contact information change after the date of your separation from employment, you should notify GRS as soon as possible.

Refund of Employee Contributions

Members who have elected to receive a Deferred Retirement Benefit may elect to receive a refund of their employee contributions, without interest, at any time before payment of the Deferred Retirement Benefit commences. If you elect to receive a refund of your employee contributions, you will no longer be eligible to receive payment of a Deferred Retirement Benefit.

Elections Available with a Deferred Retirement Benefit

Members who are eligible to receive a Deferred Retirement Benefit may instead elect to receive a Postretirement Joint Survivorship Pension Benefit. For more information on Postretirement Joint Survivorship Pension Benefits, see page 21.

Reemployment Before Age 60

If you return to employment in a position subject to mandatory membership before payment of your Deferred Retirement Benefit commences at age 60, your election to receive a Deferred Retirement Benefit will be automatically rescinded and your paid membership time will continue to accrue.

Death

If you die while receiving payment of a Deferred Retirement Benefit, no further payment of the benefit will be made upon your death if you have received payments in an amount at least equal to your employee contributions. If you have not yet received payments at least equal to the amount of your employee contributions at the time of your death, the remaining portion of your employee contributions may be refunded. For more information on refunds, see page 31.

Postretirement Joint Survivorship Pension Benefit

Members who are eligible to receive a Superannuation Retirement Benefit, an Early Retirement Benefit or a Deferred Retirement Benefit may elect to instead receive a Postretirement Joint Survivorship Pension Benefit. A Postretirement Joint Survivorship Pension Benefit allows your joint survivor to receive some or all of your monthly pension benefit upon your death. Your joint survivor is entitled to continue receiving payment of the monthly pension benefit for the remainder of his or her life.



Timing of Election

If you are eligible to receive a Superannuation Retirement Benefit or Early Retirement Benefit and you wish to instead receive a Joint Survivorship Pension Benefit, you must make that election in writing **before** your last day of employment. Failure to complete the election before your last day of employment will result in the forfeiture of your right to receive a Postretirement Joint Survivorship Pension Benefit.

Members who have previously elected to receive a Deferred Retirement Benefit may instead elect to receive a Postretirement Joint Survivorship Pension Benefit, provided that the election is made in writing no later than the day **before** the member's 60th birthday. Failure to complete the election by the day before your 60th birthday will result in a forfeiture of your right to receive a Postretirement Joint Survivorship Pension Benefit.

The Plan offers two forms of Post-Retirement Joint Survivorship Pension Benefit:

Pop-Up Form

Under the pop-up form, if your joint survivor predeceases you, then in the month following your joint survivor's death, your monthly pension benefit will return ("Pop-Up") to the benefit that would have been payable to you if you had not elected to receive a Postretirement Joint Survivorship Pension Benefit. The cost of the pop-up form is more than the cost of a regular form.

Regular Form

Under the regular form, if your joint survivor predeceases you, then your monthly pension benefit will continue to be paid in the same amount you were receiving prior to your joint survivor's death.

Additional Elections

When you elect to receive a Postretirement Joint Survivorship Pension Benefit, you will also need to elect what percentage of your benefit you want your joint survivor to receive upon your death. You may elect for your joint survivor to receive:

50% of your monthly benefit

66 2/3% of your monthly benefit

75% of your monthly benefit, or

100% of your monthly benefit

Cost of Benefit

The higher the percentage you elect for your joint survivor to receive, the greater the actuarial reduction will be to the amount of the monthly pension benefit you will receive during your lifetime.

Separation from Employment

Members who have separated from employment may not revoke an election to receive a Postretirement Joint Survivorship Pension Benefit unless a valid divorce decree waiving your spouse's claim to the benefit is received, and approved, by GRS.

GRS cannot remove a non-spouse joint survivor or add a joint survivor after separation from employment.

Members who have not yet separated from employment may cancel their election to receive a Postretirement Joint Survivorship Pension Benefit at any time before termination of employment by completing a form provided by GRS.

Disability Benefits

In addition to retirement benefits, the Plan also provides disability benefits to eligible members.

Eligibility

To be eligible to apply for a Disability Benefit, you must:

- Not be eligible to receive a Superannuation Retirement Benefit.
- Suffer a permanent disability on or before your separation from employment.

GRS will not pay a Disability Benefit for any disability voluntarily and willfully caused by a member or any disability caused, or substantially contributed to, by the use of intoxicating liquor, narcotic drugs or willful misconduct.

Termination of Eligibility

Disability Benefits may only be paid while the disability remains permanent.

In order to remain eligible to continue receiving a Disability Benefit from GRS, you must continue to certify all information requested by the Pension Board, submit to any medical reexamination required by the Pension Board, and comply with your duty to notify the Pension Board of your acceptance of any full-time or part-time employment. Failure to comply with these requirements will terminate your eligibility to continue receiving a Disability Benefit.

The Plan offers Two Types of Disability Benefits:

Service-connected Disability Benefits

Non-service Connected Disability Benefits

Reemployment also terminates your right to receive a Disability Benefit. Disabled members who return to the service of their employer resume employee contributions as a new member of the System with no paid membership time. In the event a disabled member returns to the service of their employer in a position subject to optional membership, the disabled member does not become a new member of the System unless he or she exercises the option to become a member. For more information on exercising the option to become a new member of the System, see page 8.

Death

A Disability Benefit is not a retirement benefit. As a result, members who elect to receive a Disability Benefit may not elect to instead receive a Postretirement Joint Survivorship Pension Benefit and may not designate a joint survivor to continue receiving payment of the Disability Benefit upon their death.

Designated beneficiaries of disabled members who die while receiving a Disability Benefit may be entitled to a refund of any remaining portion of the disabled member's employee contributions if the employee contributions exceed the amount of disability benefits paid to the member during his or her lifetime. However, if the amount of disability benefits paid to the disabled member exceed the amount of his or her employee contributions, then no further payments will be made upon the member's death.

After payment of a Disability Benefit commences, disabled members must...

- Periodically recertify information concerning their disability
- Submit to reexamination as may be required by the Pension Board, and
- Inform the Pension Board in writing of new employment within 30 days of accepting any full-time or part-time employment

Service Connected Disability Benefit

If you are permanently injured on the job and the GRS medical advisor determines that you can no longer perform your job duties, you will be eligible to receive a Service Connected Disability Benefit.

The amount of your Service Connected Disability Benefit is based on the medical advisor's determination of whether the disability constitutes a total or partial disability.

If the medical advisor determines that you are 100% permanently and totally disabled, your monthly Service Connected Disability Benefit will be equal to 60% of the monthly compensation you were earning at the time you became totally and permanently disabled.

If the medical advisor determines that you are less than 100% disabled as a result of an on-the-job injury, your monthly Service Connected Disability Benefit will be calculated based on the percentage of disability assigned by the medical advisor and the amount of your monthly Disability Benefit will be the proportion of the amount which would have been payable if the disability had been a total and permanent disability.

Non-Service Connected Disability Benefit

If you are a vested member who has accumulated at least 10 years of paid membership time, you may also be eligible to receive a Disability Benefit for non-service connected disabilities.

The amount of the monthly Non-Service Connected Disability Benefit is calculated as though you were entitled to a Superannuation Retirement Benefit with a percentage reduction of the benefit to reflect early commencement of the payment.

Number of Whole Years Until Eligible for a Superannuation Retirement Benefit	Percentage of Superannuation Retirement Benefit
1	93%
2	87%
3	82%
4	77%
5	72%
6	68%
7	64%
8	60%
9	57%
10	54%
11 or more	50%

If the medical advisor determines that you are partially, and permanently, disabled, the amount of your monthly Disability Benefit will be the proportion of the amount which would have been payable if the disability had been a total and permanent disability.

Applying for a Disability Benefit

Application for a Disability Benefit must be made in writing on a form provided by GRS. You may complete a disability application in MemberDirect or request an application by contacting GRS. Please note that GRS cannot process your application until it has been fully completed.

Before Applying for a Disability Benefit

Before applying for a disability, you must:

- Seek reasonable accommodations to allow you to successfully perform your job tasks, and
- Obtain a letter from your physician stating your disability and that you are, in his or her opinion, permanently disabled.

Examination

Members seeking a Disability Benefit must also submit to examination by GRS' medical advisor. GRS will schedule this appointment for you, and you will be notified of the date and time. While there is no cost to members for this evaluation, you will be charged a "no show" fee if you fail to attend.

Once the medical advisor's examination is complete, he or she will prepare a report, which is then submitted to the Pension Board. The Pension Board is responsible for approving or denying all disability benefit applications.

Decision of the Pension Board

The Pension Board considers applications for disability benefits at its regular monthly meeting, and you will be notified, in writing, of the Pension Board's decision.

If your application is approved, you will be provided with an estimate of your monthly benefit and a form you must complete to accept the Disability Benefit. You can also complete the form required to accept a Disability Benefit on MemberDirect, which can be accessed at <https://members.grsal.net>.

If your application is denied, you may submit a written request for a hearing before the Pension Board. Requests for hearing must be submitted within 60 days of denial. Absent extenuating circumstances, you will not be eligible to reapply for a Disability Benefit based on the same disability for a period of 6 months from the date of denial.

Commencement of Payment

Once the Pension Board determines that you are eligible and upon your acceptance of the Disability Benefit, payment will commence upon your separation from employment.

Death Benefits

The Plan provides death benefits to vested members in the form of a Preretirement Joint Survivorship Pension Benefit.

Preretirement Joint Survivorship Pension Benefit

If you are a vested member who has not yet retired, your spouse is entitled to payment of a Preretirement Joint Survivorship Pension Benefit upon your death. That means that your surviving spouse may elect:

- To receive a 100% Preretirement Joint Survivorship Pension Benefit. This Preretirement Joint Survivorship Pension Benefit is a monthly annuity equal to the actuarially reduced amount of the benefit you would have been entitled to receive at the time of your death, which will be paid to your spouse for the remainder of his or her life, or
- To receive a refund of your employee contributions

If your surviving spouse elects to receive a Preretirement Joint Survivorship Pension Benefit, the cost of the benefit will be borne by the System. The benefit terminates upon your spouse's death.

Preretirement Joint Survivorship Pension Benefits terminate upon retirement or separation from employment.

The Plan also allows eligible members nearing retirement to elect to receive a Postretirement Joint Survivorship Pension Benefit. This benefit allows your joint survivor to continue receiving some, or all, of your benefit upon your death.

For more information on Postretirement Joint Survivorship Pension Benefits, see page 21.

For more information on death benefits available to vested members who are unmarried at the time their death or non-spouse joint survivors, please contact GRS.

Nonvested Members

The Plan does not provide death benefits to nonvested members or their designated beneficiaries.

However, nonvested members who die while still employed are entitled to a refund of employee contributions, which will be paid, without interest, to the designated beneficiary on file for the nonvested member at the time of his or her death. For more information on refunds, see page 31.

Designated Beneficiaries

For married members, your spouse will be treated as your designated beneficiary by default. But it is still important that you maintain a designated beneficiary form on file at all times.

The Plan will rely on the designated beneficiary form on file at the time of your death. Accordingly, you are responsible for ensuring that GRS has a beneficiary designation on file for you at all times, that it is complete and that it accurately identifies the person(s) who you wish to receive any death benefit to which you may be entitled at the time of your death. You may access beneficiary designation forms online at www.grsal.net or through MemberDirect at <https://members.grsal.net>. In addition, you may contact GRS to request a beneficiary designation form.

You can change your designated beneficiary at any time by filing an updated designated beneficiary form with GRS. You may also designate more than one designated beneficiary. In the event you elect to designate more than one designated beneficiary, any death benefit which may be payable will be paid in accordance with the percentage listed on your designated beneficiary form. You may also designate a trust or estate as your beneficiary.

If GRS has no valid beneficiary designation on file at the time of your death, any death benefit or refund which may be payable will be paid to your surviving spouse. If you have no surviving spouse, any death benefit which may be payable will be paid to your estate.

Withdrawal and Refund of Employee Contributions

If your employment is terminated for reasons other than retirement or disability, you or your designated beneficiary may apply for a refund of your employee contributions. Refunds can only be made to members whose employment has ceased.

Refunds upon Separation from Employment

Nonvested members who separate from employment may apply for a refund of their employee contributions, which will be refunded, in full, without interest.

Vested members who separate from employment may, in lieu of electing to receive a Deferred Retirement Benefit, apply for a refund of employee contributions, which will be refunded, in full, with interest.

Vested members who have elected to receive a Deferred Retirement Benefit may elect to instead withdraw their employee contributions in full, without interest, at any time before payment of the Deferred Retirement Benefit commences.

Refunds upon Death

Nonvested members who die while still employed are entitled to a refund of their employee contributions, which will be paid to the nonvested member's designated beneficiary without interest.

The spouse of vested members who die while still employed may elect to receive either a Preretirement Joint Survivorship Pension Benefit or a refund of the vested member's employee contributions. If your spouse elects to receive a refund of your employee contributions, your employee contributions will be refunded to your spouse, in full, with interest.

Did you know...

that refunds are not automatic?

To submit an application for refund, please visit MemberDirect at <https://members.grsal.net> or contact GRS to obtain an election form.

Employer Contributions

Employer contributions cannot be refunded to members or their designated beneficiaries, including contributions paid by an employer for military conversion.

Loans

The Plan does not allow members to receive a loan of their employee contributions.

Diversion of Funds

As a member of the Plan, your contributions cannot be used for, or diverted to, third parties.

Your interest in the Plan, and any benefit you may be eligible to receive from the Plan, cannot be sold, assigned, or transferred to any third party. In addition, your creditors may not attach, garnish or otherwise interfere with your benefits.

The Plan will not recognize any domestic relations order attempting to assign your benefits, or any portion of your benefits, to an alternate payee.



Reemployment

Although employment with a new employer after retirement generally does not affect the payment of your monthly retirement benefit, reemployment with your employer after retirement may affect the payment of your monthly retirement benefit.

Retired Members Receiving a Pension Benefit

If you become reemployed by your employer while receiving payment of a retirement benefit, your monthly retirement benefit will be stopped or reduced by the amount payable to you as a result of your employment if you are reemployed within 2 years of the effective date of your retirement. Payment of your monthly retirement benefit will resume 2 years after the effective date of your retirement.

Reemployment After Electing Deferred Retirement Benefit

If you have previously elected to receive a Deferred Retirement Benefit but are reemployed by your employer before age 60, your election to receive a Deferred Retirement Benefit will be rescinded and you will begin to accrue benefits again upon the date of your reemployment.

Upon retirement, your monthly benefit will be calculated by aggregating your service during all periods of membership in the System.

Reemployment After Electing to Receive a Refund of Employee Contributions

If you have previously elected to receive refund of your employee contributions and are reemployed by your employer, you will resume membership in the System unless you are reemployed in a position subject to optional membership. If you become reemployed in a position subject to optional membership, you must exercise the option to become a member of the System before you may begin to accrue benefits.

Upon retirement, you will only receive credit for service rendered after reemployment.

Preparing for Your Retirement

When you are ready to retire, there are a number of things you will need to do before leaving employment. The checklist below will assist you in preparing for your retirement.

60 Days Before Retirement

- ☐ Call GRS to verify the date on which you are eligible to retire.
- ☐ Call HR to check your eligibility for health, dental and vision insurance and apply for any health, dental or vision benefits for which you may be eligible.
- ☐ Notify your Department Head of your retirement date.
- ☐ Schedule a retirement appointment with GRS to complete your retirement paperwork or complete the *Intent to Retire* form located on MemberDirect.

Preparing for Your Retirement Appointment

You will need to bring the following documents or information to your retirement appointment. Your retirement appointment cannot be completed without the following:

- ☐ One form of government-issued identification, which may be either your original or certified, state-issued birth certificate or your unexpired United States Passport. Please note that GRS cannot accept uncertified or hospital-issued birth records.
- ☐ For each person you intend to designate as a beneficiary, their:
 - ☐ Name
 - ☐ Address
 - ☐ Social Security number
 - ☐ Date of Birth
- ☐ If you intend to elect a Postretirement Joint Survivorship Pension Benefit, one form of government-issued identification for your joint survivor, which may be either their original or certified, state-issued birth certificate or their unexpired United States Passport. Please note that GRS cannot accept uncertified or hospital-issued birth records.
- ☐ A voided, blank check or letter from your bank containing routing information so that your monthly retirement benefit can be direct deposited.

Retirement

GRS is proud to continue serving its members throughout their retirement. Monthly retirement benefits are typically deposited on the 22nd day of each month. Below you will find helpful information on what to expect as you transition into retirement.

Retirement and Taxes

Your retirement benefit will be subject to federal income tax. The total amount of tax can depend on several factors, such as your age and when you begin taking payment of the benefit.

If you live in Alabama, your retirement benefit is not subject to state income tax.

If you live outside of Alabama, your retirement benefit may be subject to state income tax.

Please remember: GRS staff cannot give tax advice. If you have questions concerning the taxation of your retirement benefits, you should consult with an accounting or tax professional.



Withholdings

Certain deductions (withholdings) may be taken out of your payment before it is deposited. These can include:

- Federal income tax;
- State income tax (if it applies in your state of residence);
- Health insurance premiums;
- Dental insurance premiums; and/or
- Vision insurance premiums.

You should review your direct deposit statement each month to ensure that the withholdings are correct.

Federal Income Tax

At retirement, you will need to fill out a tax form called the W-4P. This form tells GRS how much federal income tax to withhold from your monthly payment.

You can change your federal tax withholding at anytime. The W-4P form is available on GRS' website, by mail upon request, or through your MemberDirect account.

State Income Tax

If your retirement benefits do constitute taxable income subject to state income tax in your state of residence, state income tax will also be withheld from your monthly benefit payment.

Insurance Premiums

The Jefferson County Human Resources Department manages retiree health, dental, and vision insurance. It sends GRS your insurance elections, and those deductions will show up on your monthly direct deposit statement. GRS sends the withheld insurance money directly to the Jefferson County Human Resources Department.