JUDICIAL RETIREMENT FUND

JUSTICES AND JUDGES

MEMBER HANDBOOK

Taking office prior to November 8, 2016

JUDICIAL RETIREMENT FUND

PHONE **877.517.0020** or **334.517.7000**

FAX **877.517.0021** or **334.517.7001**

EMAIL **jrfinfo@rsa-al.gov**
Because email submissions are unsecured, do not include confidential information like your Social Security number. Please include your full name, employer, home mailing address, and daytime phone number.

MAIL The Judicial Retirement Fund
P.O. Box 302150
Montgomery, AL 36130-2150

WEBSITE **www.rsa-al.gov**

MEMBER ONLINE SERVICES (MOS LOGIN)
Change your address and view your account statement online
https://**mso.rsa-al.gov**

BUILDING LOCATION
201 South Union Street
Montgomery, Alabama

BUSINESS HOURS
8:00 a.m.-5:00 p.m.
Monday-Friday

Please provide your full name and Social Security number on all faxes and letters.

Introduction

The Retirement Systems of Alabama (RSA) is pleased to provide you with the Judicial Retirement Fund (JRF) Member Handbook. This handbook is an important part of our commitment to provide our members with valuable information about their benefits and retirement. Please read this handbook thoroughly and keep it with your other benefit materials. Your member handbook is a very useful tool when you have questions about your benefits and retirement. It will help you make informed decisions about your future.

The JRF was established and created by Act No. 1163, *Acts of Alabama*, 1973 Regular Session. This act provided for the eligibility and membership for Circuit and Appellate Court Judges of the state. Act No. 1205, *Acts of Alabama*, 1975 Regular Session (the Judicial Article Implementation Act), supplemented the provisions of Act No. 1163 and extended coverage of the JRF to District Judges and Probate Judges. The initial Act has been amended several other times.

The JRF is administered by the Secretary-Treasurer of the Employees' Retirement System of Alabama (ERS) under the supervision of the Board of Control of the ERS. The Board of Control is the trustee of the JRF and is charged with administering the JRF according to the rules and regulations that apply to the ERS. Any Justice, Judge, spouse, and/or child of a Justice or Judge who is aggrieved by a decision of the Board of Control has the right to appeal to the Supreme Court of Alabama, where the appeal will be heard de novo.

The information in this handbook is based on the Acts of Alabama. This handbook is not intended as a substitute for the laws of Alabama governing the JRF nor will its interpretation prevail should a conflict arise between its contents and the Acts of Alabama. Furthermore, the laws summarized here are subject to change by the Alabama Legislature. Do not rely solely upon the information provided in this handbook to make any decision regarding your retirement, but contact the JRF with any questions you may have about your benefits and retirement.

Contents

About JRF 3
Our Mission 3
ERS Board of Control 3
Visit the RSA Website(www.rsa-al.gov) 3
Map and Directions 3

Membership 5
Defined Benefit Program 5
Mandatory Participation 5
Beneficiary Information 5
Annual Statement of Account 5
Change of Address 5

Types of Creditable Service 6

Tax-Sheltered Contributions 7

Termination of Service 7
Refund of Contributions 7
Table of Refunds (District Court Judge or Probate Judge Only) 7

Application for Retirement Benefits 8

Recall to Service 8

Supreme Court Justices, Appellate Court Judges, & Circuit Court Judges - Prior to July 30, 1979 9
Service Retirement Requirements 9
Service Retirement Benefits 9
Disability Retirement Requirements 10
Disability Retirement Benefits 10

Supreme Court Justices, Appellate Court Judges, & Circuit Court Judges - On or After July 30, 1979 12
Service Retirement Requirements 12
Service Retirement Benefits 12
Disability Retirement Requirements 13
Disability Retirement Benefits 13

Supreme Court Justices, Appellate Court Judges, & Circuit Court Judges - Before/After July 30, 1979 15

District Court Judges 16
Service Retirement Requirements 16
Service Retirement Benefits 16
Disability Retirement Requirements 17
Disability Retirement Benefits 17
Surviving Spouse Benefits 18

Probate Judges 20
Service Retirement Requirements 20
Service Retirement Benefits 20
Disability Retirement Requirements 21
Disability Retirement Benefits 21
Surviving Spouse Benefits 22

RSA-1 Deferred Compensation Plan 24
Employee Eligibility 24
Employee Enrollment 24
Easy to Make Deferrals 24
Rollovers 24
Tax Savings 25
Retirement Savings 25
Contact RSA-1 25

RSA Publications and Notifications 26

About JRF

Our Mission

The mission of the Retirement Systems of Alabama is to serve the interests of our members by preserving the excellent benefits and soundness of the Systems at the least expense to the state of Alabama and all Alabama taxpayers.

ERS Board of Control

Responsibility for the management and administration of the JRF is vested in the 13-member Employees' Retirement System (ERS) Board of Control. The Board consists of the following members:

- Governor, Ex Officio
- State Treasurer, Ex Officio
- State Personnel Director, Ex Officio
- Director of Finance, Ex Officio
- Three members of the ERS, appointed by the governor
- Two vested state members elected by full-time state employees participating in the ERS
- Retired state employee elected by retired state members of the ERS
- Retired city, county, or public agency elected by retired city, county and public agency members of the ERS
- Two active employees of a city, town, public or quasi-public agency elected by full-time employees of a city, town, public or quasi-public agency

The ERS Board of Control has full power to invest and reinvest the retirement funds through the Secretary-Treasurer. The Board elects the Secretary-Treasurer who will serve as the Chief Executive Officer of the RSA and is responsible for the day-to-day management of the RSA.

Visit the RSA Website (www.rsa-al.gov)

The ERS strongly encourages its members and member agencies to browse this user-friendly site because of the tremendous amount of useful information and interactive tools available.

What you can find for JRF:

- View account online
- Change address online
- The best ways of contacting the RSA
- Rates of return for RSA-1
- Investment performance
- Publications and forms
- Legislation affecting the RSA
- Retirement planning information
- Retiree Information

Map and Directions

From the West

Follow Highway 80 to I-65. Follow I-65 North to Montgomery. Approaching Montgomery, stay in the right-hand lane and exit onto I-85 North to Atlanta. Continue in the right-hand lane; then take the first exit, which is Court Street. Stay on the service road until you reach Union Street. Turn left on Union Street. Continue on Union Street through two traffic lights. The RSA Headquarters is on the right before Adams Avenue. Members may park for free in the Member Services parking lot in front of the parking deck.

From the East

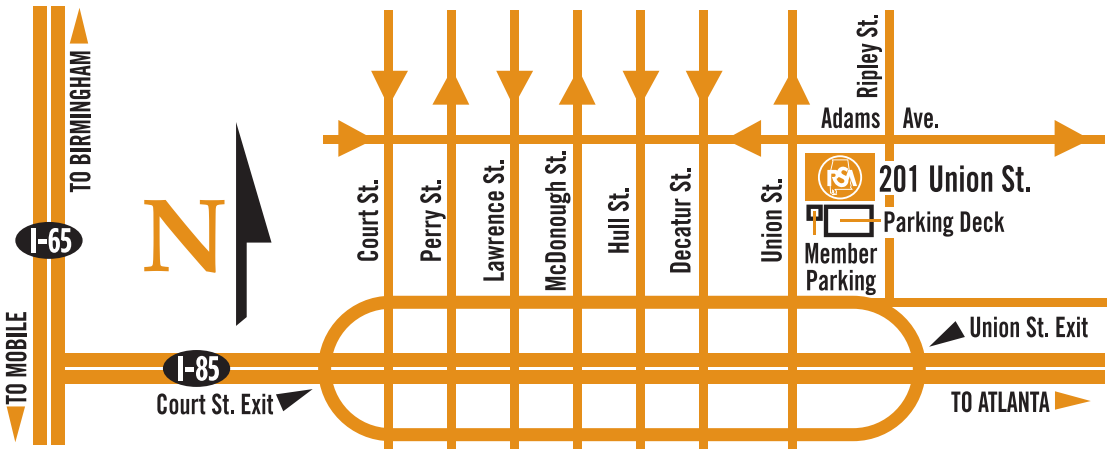
Follow I-85 South to downtown Montgomery and take the Union Street exit on the right. Take the first right on the service road onto Union Street. Continue on Union Street through one traffic light. The RSA Headquarters is on the right before Adams Avenue. Members may park for free in the Member Services parking lot in front of the parking deck.

From the South

Follow I-65 North to Montgomery. Approaching Montgomery, stay in the right-hand lane and exit onto I-85 North to Atlanta. Continue in the right-hand lane; then take the first exit, which is Court Street. Stay on the service road until you reach Union Street. Turn left on Union Street. Continue on Union Street through two traffic lights. The RSA Headquarters is on the right before Adams Avenue. Members may park for free in the Member Services parking lot in front of the parking deck.

From the North

Follow I-65 South into Montgomery. Take the I-85 North exit to the right to Atlanta. Stay in the right-hand lane and take the first exit on I-85, which is the Court Street exit. Stay on the service road until you reach Union Street. Turn left on Union Street. Continue on Union Street through two traffic lights. The RSA Headquarters is on the right before Adams Avenue. Members may park for free in the Member Services parking lot in front of the parking deck.



Membership

Defined Benefit Program

The JRF is a defined benefit plan qualified under Section 401(a) of the Internal Revenue Code. The plan provides disability and service retirement benefits to Justices and Judges and survivor benefits to qualified beneficiaries since its inception in 1973.

A defined benefit plan provides the employee with a specific benefit at retirement. This plan calculates a benefit based on a formula. Benefits are payable monthly for the lifetime of the member, with a lesser benefit continuing for the lifetime of his or her spouse or until remarriage.

Mandatory Participation

Supreme Court Justices, Civil or Criminal Appellate Court Judges, and Circuit Court Judges elected or appointed after September 18, 1973; District Court Judges elected or appointed after October 1, 1975; and Probate Judges elected or appointed after October 1, 1976, **must** become a member of the JRF.

Beneficiary Information

A Justice or Judge cannot designate a beneficiary for his or her retirement account. Depending upon the length of service and status at time of death, a benefit may be payable to a surviving spouse or the deceased Justice or Judge's estate. See **Surviving Spouse Benefits**.

Annual Statement of Account

Your personal Annual Statement of Account is mailed to your home address in early December. The purpose of the annual statement is to provide you with information pertaining to member contributions, accumulated interest, and creditable service. This also provides you with the opportunity to verify your records and use the information for retirement planning.

The statement includes your date of birth, account number, previously-taxed contributions, non-taxed member contributions, total interest, and the balance as of the end of the fiscal year, which is September 30. The Creditable Service by Category section breaks out the member's service credit by membership and prior service. **All statement information is subject to later audit and correction.**

Change of Address

Having your current home mailing address on file with the JRF is very important. Many important documents are mailed to each member such as your *Advisor*, your Annual Statement of Account, and RSA-1 Statement.

Please report any change of address by using Member Online Services on our website at **https://mos.rsa-al.gov**. You may also write to the ERS with signature, either by letter or Address Change Notification form. The change of address form can be obtained from your payroll officer or downloaded from our website. Address changes cannot be made through email or over the phone.

Types of Creditable Service

Membership Service

Each Supreme Court Justice, Appellate Court Judge, Circuit Court Judge, and District Court Judge must contribute in equal monthly installments 8.5 percent of his or her annual earnable compensation paid from the State Treasurer.

Each Probate Judge must contribute in equal monthly installments 8.5 percent of his or her base sum or earnable compensation, whichever is applicable. Probate Judges compensated by fee contribute on a base sum equal to 90 percent of the compensation paid by the state to a Circuit Court Judge. The contributions are credited to the Justice's or Judge's account with the JRF.

Military Service

Any Justice or Judge who enters military service and then returns to service as a Justice or Judge is entitled to credit for that military service, subject to certain conditions. Any Justice or Judge wishing to claim military service should contact the JRF immediately upon his or her release from the military and resumption of active judicial service as a Justice or Judge.

Any Appellate Court Judge who has ten years creditable service under the JRF and active, honorable, full-time military service in the U.S. Armed Forces, exclusive of any summer or weekend service in a reserve or national guard component, may purchase and receive creditable service in the JRF for up to four years of active duty military service, subject to certain conditions. Any Appellate Court Judge wishing to claim military service should contact the JRF. The eligibility to purchase the service expires upon the Judge's retirement.

Transferred Service

Any Justice or Judge who has creditable service with the Teachers' or Employees' Retirement System of Alabama (TRS or ERS) may elect to transfer to the JRF his or her creditable service and accumulated contributions, provided notification of the intent to make such a transfer is made to the Board of Control of the ERS within one year after he or she becomes a member of the JRF.

In the event a Justice or Judge elects to make such a transfer, this service will count as judicial service in determining eligibility for benefits but not in calculating retirement benefits. Transferred service will count as ERS or TRS service in calculating retirement benefits. For additional information, refer to **ERS or TRS Transfer Service**.

Tax-Sheltered Contributions

Under the provisions of Section 12-18-5(c), Code of Alabama 1975, and upon Order of the Supreme Court of Alabama on June 16, 1982, federal tax-sheltering of contributions to the JRF began June 1, 1982. Contributions are not tax-sheltered for state of Alabama income tax purposes.

Termination of Service

If service is terminated before the Justice or Judge becomes entitled to receive retirement benefits, he or she has the right to elect either:

- Withdrawal from the JRF with the contributions plus accrued interest refunded less mandatory federal withholding (withdrawal cancels service credit),

Or

- Leave the contributions in your account and receive a certificate of service showing the time of service accumulated toward retirement, which may be presented when the Justice or Judge becomes eligible for benefits.

Refund of Contributions

The amount of accrued interest and contributions refundable to a **Supreme Court Justice**, **Appellate Court Judge**, and a **Circuit Court Judge** is 100 percent.

The amount of accrued interest refundable to a **District Court Judge** or **Probate Judge** is based upon the same rules, regulations, and rates applicable to similar refunds under the ERS. Interest on the account is only refunded if the member has at least three years of service. A District Court Judge or Probate Judge is not entitled to the total interest credited to the account. Contributions are refunded at 100 percent.

Table of Refunds

(District Court Judge or Probate Judge Only)

Years of Membership Service	Amount of Interest Refunded	Contributions Refunded
Less than 3 years	None	All
3 years, but less than 16 years	50%	All
16 years, but less than 21 years	60%	All
21 years, but less than 26 years	70%	All
26 years or more	80%	All

By law, interest is credited on the previous year's average balance at the rate of four percent per annum. Refunds may be subject to a federal tax penalty.

Application for Retirement Benefits

A Justice or Judge who desires to retire must file a written declaration relative to his or her intention to elect retirement with the Chief Justice of the Alabama Supreme Court. The JRF must receive the application for retirement before the effective date of retirement.

Recall to Service

Retired Justices and Judges become extra or additional Judges of the state and are subject to recall to service by the Chief Justice, the Presiding Judge of one of the Courts of Appeal, or the Governor.

Supreme Court Justices, Appellate Court Judges, and Circuit Court Judges Assuming Office Prior to July 30, 1979

(Includes District Court Judges who served prior to July 30, 1979)

Service Retirement Requirements

A Supreme Court Justice, Civil or Criminal Appellate Court Judge, or Circuit Court Judge (Justice or Judge) who assumed office **prior to July 30, 1979**, or served as a District Court Judge prior to July 30, 1979, may retire on service if he or she satisfies any of the following service and age criteria:

Judicial Service Plus Transfer Service (Years)	Attained An Age Not Less Than
10	70
12	65
15	62
16	61
17	60
18 or more	Any Age

Service Retirement Benefits

The service retirement benefit is payable in equal monthly installments over the life of the retired Justice or Judge and will change automatically when the salary of active Justices and Judges changes.

Judicial Service Only

A Justice or Judge with judicial service only will receive a service retirement benefit equal to 75 percent of the salary payable by the state for the judicial position on the date the Justice or Judge retires.

ERS or TRS Transfer Service

A Justice or Judge with ERS or TRS transfer service will have his or her service retirement benefit calculated based on the following formula:

Service Retirement Formula
(Assuming office prior to July 30, 1979)

75% x Judicial Salary at Retirement x Years of Judicial Service ÷ Years Required at Retirement Age

Plus

2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This retirement benefit **cannot** exceed 75 percent of the salary payable by the state for the judicial position he or she is retiring from.

Disability Retirement Requirements

Active Justices and Judges who have served **five or more years** may be eligible to retire on disability. Previous service as a District Court Judge and/or ERS or TRS transfer service is included in the service requirement of five or more years. The Justice or Judge must be unable to perform his or her duties on a full-time basis due to becoming permanently disabled, either physically or mentally.

Disability Retirement Benefits

The disability benefit is payable in equal monthly installments over the life of the retired Justice or Judge and will change automatically when the salary of active Justices and Judges changes.

Judicial Service Only

The disability benefit for Justices or Judges with judicial service only is equal to a percentage of the salary payable by the state for the judicial position on the date the Justice or Judge retires.

Percentages used to calculate the disability benefit are provided in the following table:

Judicial Service (Years)	Percentage of Salary at Retirement
5	30
6	35
7	45
8	55
9	65
10 or more	75

This disability benefit **cannot** exceed 75 percent of the salary payable by the state for the judicial position the Justice or Judge is retiring from.

ERS or TRS Transfer Service

The disability benefit for Justices or Judges with ERS or TRS transfer service is equal to a percentage of the salary payable by the state for the judicial position on the date the Justice or Judge retires, plus a benefit based on transfer service.

Percentages used to calculate the disability benefit are provided in the following table:

Disability Retirement Formula

Judicial Service (Years)	Percentage of Salary at Retirement
1	5
2	10
3	15
4	20
5	30
6	35
7	45
8	55
9	65
10 or more	75

Plus

2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This disability benefit **cannot** exceed 75 percent of the salary payable by the state for the judicial position the Justice or Judge is retiring from.

Supreme Court Justices, Appellate Court Judges, and Circuit Court Judges Assuming Office On or After July 30, 1979

Service Retirement Requirements

A Supreme Court Justice, Civil or Criminal Appellate Court Judge, or Circuit Court Judge (Justice or Judge) who assumed office **on or after July 30, 1979**, may retire on service if he or she satisfies any of the following service and age criteria. Service shall include previous service as a District Judge, Probate Judge, and/or ERS or TRS transfer service.

Judicial Service Plus Transfer Service (Years)	Attained An Age Not Less Than
10	70
12	65
15	62
16	61
17	60
24*	Any Age
25 or more	Any Age

** Provided the Justice or Judge purchases up to one additional year to obtain a total of 25 years creditable service. The cost is equal to the annual contribution of the Justice or Judge and the state at the time of purchase **multiplied** by the year or fraction thereof of service credit needed to obtain 25 years service credit.*

Service Retirement Benefits

In order to receive a service retirement benefit authorized for the judicial office in which he or she is serving at the time of retirement, the Justice or Judge must have served in that office for **one full term or a time equal to one full term**. The service retirement benefit is payable in equal monthly installments over the life of the retired Justice or Judge. The Alabama State Legislature may grant cost-of-living increases equal to those received by state retirees of the ERS on an ad hoc basis.

Judicial Service Only

A Justice or Judge with judicial service only will receive a service retirement benefit equal to **75 percent** of the salary payable by the state for the judicial position on the date the Justice or Judge terminates active service (**Final Judicial Salary**).

ERS or TRS Transfer Service

A Justice or Judge with ERS or TRS transfer service will have his or her retirement benefit calculated based on the following formula:

Service Retirement Formula
(Assuming office on or after July 30, 1979)

75% x Final Judicial Salary x Years of Judicial Service ÷ Years Required at Retirement Age

Plus

2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This retirement benefit **cannot** exceed 75 percent of the final judicial salary.

Disability Retirement Requirements

Active Justices and Judges who have served **five or more years** may be eligible to retire on disability. Previous service as a District Judge, Probate Judge, and/or ERS or TRS transfer service is included in the service requirement of five or more years. The Justice or Judge must be unable to perform his or her duties on a full-time basis due to becoming permanently disabled, either physically or mentally.

Disability Retirement Benefits

The disability benefit is payable in equal monthly installments over the life of the retired Justice or Judge. The Alabama State Legislature may grant cost-of-living increases equal to those received by state retirees of the ERS on an ad hoc basis.

Judicial Service Only

The disability benefit for Justices or Judges with judicial service only is equal to a certain percentage of the Justice's or Judge's final judicial salary.

Percentages used to calculate the disability allowance are provided in the following table:

Judicial Service (Years)	Percentage of Final Judicial Salary
5	30
6	35
7	45
8	55
9	65
10 or more	75

This disability benefit **cannot** exceed 75 percent of the Justice's or Judge's final judicial salary.

ERS or TRS Transfer Service

The disability benefit for Justices or Judges with ERS or TRS transfer service is equal to a percentage of the Justice's or Judge's final judicial salary plus a benefit based on transfer service.

Percentages used to calculate the disability benefit are provided in the following table:

Disability Retirement Formula

Judicial Service (Years)	Percentage of Final Judicial Salary
1	5
2	10
3	15
4	20
5	30
6	35
7	45
8	55
9	65
10 or more	75

Plus

2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This disability benefit **cannot** exceed 75 percent of the Justice's or Judge's final judicial salary.

Supreme Court Justices, Appellate Court Judges, and Circuit Court Judges Assuming Office Before or After July 30, 1979

Surviving Spouse Benefits

No benefits or return of contributions are payable to the deceased Justice's or Judge's estate if a **retired** Justice or Judge dies with no surviving spouse. If a Justice or Judge dies **prior to retirement** with no surviving spouse or with a surviving spouse and the Justice or Judge has less than five years of creditable service, the estate of the Justice or Judge is entitled to the accumulated contributions in the Justice's or Judge's retirement account.

Survivor benefits are paid in equal monthly installments for the remainder of the spouse's life or until remarriage of the surviving spouse and will change automatically when the salary of active Justices and Judges changes.

Judicial Service Only

A surviving spouse of any Justice or Judge with **five or more years** of creditable service (judicial service only) is entitled to receive a benefit equal to three percent of the salary payable by the state for the judicial position at the time of death **multiplied** by the number of years of service, not to exceed 10 years. This benefit **cannot** exceed 30 percent of the salary payable by the state for the deceased Justice's or Judge's former position.

ERS or TRS Transfer Service

A surviving spouse of any Justice or Judge who has **five or more years** of creditable service, including ERS or TRS transfer service, is entitled to receive a benefit as follows:

Surviving Spouse Formula
(ERS or TRS Transfer Service)

3% x Current Judicial Salary x Years of Judicial Service

Plus

40% x 2.0125% x Average Final Salary x Years of Transfer Service

This benefit **cannot** exceed 30 percent of the current salary paid by the state for the judicial position from which the member retired or was serving at the time of death.

District Court Judges

Service Retirement Requirements

Any District Court Judge may retire on service if he or she satisfies any of the following service and age criteria. Service shall include previous service as a Probate Judge and/or ERS or TRS transfer service.

Judicial Service Plus Transfer Service (Years)	Attained An Age Not Less Than
10	70
12	65
15	62
16	61
17	60
24*	Any Age
25 or more	Any Age

** Provided the Judge purchases up to one additional year to obtain a total of 25 years creditable service. The cost is equal to the annual contribution of the Judge and the state at the time of purchase **multiplied** by the year or fraction thereof of service credit needed to obtain 25 years of service credit.*

Service Retirement Benefits

The service retirement benefit is payable in equal monthly installments over the life of the retired District Court Judge. The Alabama State Legislature may grant cost-of-living increases equal to those received by state retirees of the ERS on an ad hoc basis.

Judicial Service Only

A District Court Judge with judicial service only will receive a service retirement benefit equal to **75 percent** of the salary payable by the state to a District Court Judge on the date the District Court Judge retires. The service retirement benefit is payable in equal monthly installments over the life of the retired District Court Judge.

ERS or TRS Transfer Service

A District Court Judge with ERS or TRS transfer service will have his or her service retirement benefit calculated based on the following formula:

Service Retirement Formula
(ERS or TRS Transfer Service)

90% x 75% x Circuit Court Judge Salary at Date of Retirement x Years of Judicial Service
÷ Years Required at Retirement Age

Plus

2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This benefit **cannot** exceed 90 percent of the retirement benefits payable to a Circuit Court Judge on the date the District Court Judge retires.

Disability Retirement Requirements

Any active District Court Judge who has served **five or more years** as a District Court Judge or as a County Court Judge may be eligible to retire on disability. Probate Judge service and/or ERS or TRS transfer service is included in the service requirement of five or more years. The Judge must be unable to perform his or her duties on a full-time basis due to becoming permanently disabled, either physically or mentally.

Disability Retirement Benefits

The disability benefit is payable in equal monthly installments over the life of the District Court Judge. The Alabama State Legislature may grant cost-of-living increases equal to those received by state retirees of the ERS on an ad hoc basis.

Judicial Service Only

The disability benefit for a District Court Judge with judicial service only is equal to a percentage of the salary payable by the state to a District Court Judge on the date the District Court Judge retires.

Percentages used to calculate the disability benefit are provided in the following table:

Judicial Service (Years)	Percentage of Salary at Retirement
5	30
6	35
7	45
8	55
9	65
10 or more	75

This benefit **cannot** exceed 75 percent of a District Court Judge's salary on the date the District Court Judge retires.

ERS or TRS Transfer Service

The disability benefit for a District Court Judge with ERS or TRS transfer service is equal to a percentage of the salary payable by the state to a District Court Judge on the date the District Court Judge retires plus a benefit based on transfer service.

Percentages used to calculate the disability benefit are provided in the following table:

Disability Retirement Formula

Judicial Service (Years)	Percentage of Salary at Retirement
1	5
2	10
3	15
4	20
5	30
6	35
7	45
8	55
9	65
10 or more	75

Plus

2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This benefit **cannot** exceed 75 percent of the District Court Judge's salary on the date the District Court Judge retires.

Surviving Spouse Benefits

No benefits or return of contributions are payable to the deceased District Court Judge's estate if a **retired** District Court Judge dies with no surviving spouse. If a District Court Judge dies **prior to retirement** with no surviving spouse or with a surviving spouse and the District Court Judge has less than five years of creditable service, the estate of the District Court Judge is entitled to the accumulated contributions in the District Court Judge's retirement account.

Survivor benefits are paid in equal monthly installments for the remainder of the spouse's life or until remarriage of the surviving spouse. However, the survivor benefit **does not** change when the current judicial position salary changes after the District Court Judge's death.

Judicial Service Only

A surviving spouse of any District Court Judge with **five or more years** of creditable service (judicial service only) is entitled to receive a benefit equal to three percent of the salary payable by the state to a District Court Judge at the time of death **multiplied** by the number of years of service, not to exceed 10 years. This benefit cannot exceed 30 percent of the salary payable by the state for the deceased District Court Judge's former judicial position.

ERS or TRS Transfer Service

A surviving spouse of any District Court Judge who has **five or more years** of creditable service, including ERS or TRS transfer service, is entitled to receive the following:

Surviving Spouse
(ERS or TRS Transfer Service)

$550 x Years of Judicial Service (not to exceed 10 years)

Plus

40% x 2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This benefit **cannot** exceed 30 percent of the salary payable by the state for the deceased District Court Judge's former judicial position.

Probate Judges

Service Retirement Requirements

Any Probate Judge may elect service retirement if he or she satisfies any of the following service and age criteria:

Judicial Service Plus Transfer Service (Years)	Attained An Age Not Less Than
10	70
12	65
15	62
16	61
17	60
24*	Any Age
25 or more	Any Age

** Provided the Probate Judge purchases one additional year to obtain at least 25 years creditable service. The cost is equal to the annual contribution of the Probate Judge and the state at the time of purchase.*

Service Retirement Benefits

The service retirement benefit is payable in equal monthly installments over the life of the retired Probate Judge. The Alabama State Legislature may grant cost-of-living increases equal to those received by state retirees of the ERS on an ad hoc basis.

Judicial Service Only

A Probate Judge with judicial service only will receive a service retirement benefit equal to **75 percent of the base sum or final judicial salary** payable by the state to a Probate Judge on the date the Probate Judge retires. Base sum is 90 percent of the annual state salary paid to a Circuit Court Judge on the date the Probate Judge retires.

ERS or TRS Transfer Service

A Probate Judge with ERS or TRS transfer service will have his or her service retirement benefit calculated based on the following formula:

Service Retirement Formula
(ERS or TRS Transfer Service)

75% x Base Sum or Final Judicial Salary x Years of Judicial Service ÷ Years Required at Retirement Age

Plus

2.0125% x Average Final Salary of Transfer Service x Years of Transfer Service

This benefit **cannot** exceed 75 percent of the Probate Judge's base sum or final judicial salary on the date the Probate Judge retires.

Disability Retirement Requirements

Any active Probate Judge who has served **five or more years** as a Probate Judge may be eligible to retire on disability. ERS or TRS transfer service is included in the service requirement of five or more years. The Judge must be unable to perform his or her duties on a full-time basis due to becoming permanently disabled, either physically or mentally.

Disability Retirement Benefits

The disability benefit is payable in equal monthly installments over the life of the Probate Judge. The Alabama State Legislature may grant cost-of-living increases equal to those received by state retirees of the ERS on an ad hoc basis.

Judicial Service Only

The disability benefit for a Probate Judge with judicial service only is equal to a percentage of either the **base sum or final judicial salary** payable by the state to a Probate Judge on the date the Probate Judge retires.

Percentages used to calculate the disability benefit are provided in the following table:

Judicial Service (Years)	Percentage of Salary at Retirement
5	30
6	35
7	45
8	55
9	65
10 or more	75

This benefit **cannot** exceed 75 percent of the Probate Judge's base sum or final judicial salary on the date the Probate Judge retires.

ERS or TRS Transfer Service

The disability benefit for a Probate Judge with ERS or TRS transfer service is equal to a percentage of either the **base sum or final judicial salary** payable by the state to a Probate Judge on the date the Probate Judge retires plus a benefit based on transfer service.

Percentages used to calculate the disability benefit are provided in the following table:

Disability Retirement Formula

Judicial Service (Years)	Percentage of Salary at Retirement
1	5
2	10
3	15
4	20
5	30
6	35
7	45
8	55
9	65
10 or more	75

Plus

2.0125% x Average Final Compensation of Transfer Service x Years of Transfer Service

This benefit **cannot** exceed 75 percent of the Probate Judge's base sum or final judicial salary on the date the Probate Judge retires.

Surviving Spouse Benefits

No benefits or return of contributions are payable to the deceased Probate Judge's estate if a **retired** Probate Judge dies with no surviving spouse. If a Probate Judge dies **prior to retirement** with no surviving spouse or with a surviving spouse and the Probate Judge has less than five years of creditable service, the estate of the Probate Judge is entitled to the accumulated contributions in the Probate Judge's retirement account. Survivor benefits are payable in equal monthly installments for the remainder of the spouse's life or until remarriage.

Judicial Service Only

A surviving spouse of any Probate Judge with **five or more years** of creditable service is entitled to receive a benefit equal to the greater of $480 per year **multiplied** by the deceased Probate Judge's number of years of service, not to exceed 10 years; or 3 percent of the Judge's base sum or final judicial salary for each year of service, not to exceed 10 years. The benefit **cannot** exceed the greater of $4,800 per year **or** 30 percent of the Probate Judge's base sum or final judicial salary at the time of death.

ERS or TRS Transfer Service

A surviving spouse of any Probate Judge with **five or more years** of creditable service, including ERS or TRS transfer service, is entitled to receive a benefit as follows:

Surviving Spouse
(ERS or TRS Transfer Service)

3% x Base Sum or Final Judicial Salary (for each year of Judicial service, not to exceed 10 years)

Plus

40% x 2.0125% x Average Final Salary of the Transfer Service x Years of Transfer Service

This benefit **cannot** exceed 30 percent of the Probate Judge's base sum or final judicial salary at the time of death.

RSA-1 Deferred Compensation Plan

The RSA-1 Deferred Compensation Plan was established to allow public employees to defer receipt of a portion of their salary until a later determined date, usually at retirement or termination of service. Because receipt of the income is deferred, the deferred income is not included in the employee's federal or state of Alabama gross taxable income.

The majority of people working today expect their retirement income to come from three sources: their pension plan, Social Security, and personal savings. With experts estimating that a person will require between 70 and 80 percent of his or her preretirement income, increasing your personal savings is a good retirement strategy to help supplement your retirement income.

One way for public employees in Alabama to increase their personal savings and add to their financial security is by investing in an Internal Revenue Code Section 457 Deferred Compensation Plan like RSA-1. RSA-1 offers an easy and flexible way to save for retirement through payroll deduction while providing tax relief today.

Employee Eligibility

Any public official or employee of the state of Alabama or any political subdivision thereof is eligible to participate in the RSA-1 Deferred Compensation Plan, regardless of age or participation in the RSA. Participation in RSA-1 is strictly voluntary.

Employee Enrollment

You can enroll in RSA-1 at any time. There are no administrative, membership, investment transaction, sales or commission fees for participating in RSA-1. All the money you defer and all investment earnings are placed into your account.

To participate in RSA-1:

1. An employee must complete the RSA-1 Enrollment form , Beneficiary Designation form, and the Investment Option Election for New Accounts form and submit the completed forms to the RSA-1 Deferred Compensation Plan office at the RSA to establish an account.

2. Initiate salary deferrals by filing an Authorization to Defer Compensation form with your payroll officer. Do not send the Authorization to Defer Compensation form to RSA-1 or the RSA. This form simply authorizes your payroll officer to defer money from your salary.

Easy to Make Deferrals

1. Deferrals may be in any amount desired by the participant as long as the participant does not exceed the maximum deferral allowable.

2. The amount of the participant's deferral may be increased, decreased or suspended as often as the participant wishes, subject only to employer payroll requirements.

3. You can only defer contributions to RSA-1 through payroll deductions.

Rollovers

Members may defer taxes on their sick and annual leave pay by rolling over these payments to RSA-1 at termination of employment. RSA members may also rollover their RSA DROP account funds to RSA-1 at termination of employment. Rollover of RSA DROP account funds and sick and/or annual leave results in a direct tax savings to you.

RSA-1 accepts trustee-to-trustee transfers from other Section 457 plans. RSA members must establish an RSA-1 account prior to the transfer. Funds transferred from other Section 457 accounts must never have been from any source other than 457(b).

Tax Savings

The following is an example of how participation in RSA-1 can help you reduce current taxes:
Assume:

- An employee earning $5,000 semimonthly
- Deferring $500 into RSA-1 semimonthly
- Filing as single with one withholding allowance

Contributing to RSA-1		Not Contributing to RSA-1	
Semimonthly pay	$5,000.00	Semimonthly pay	$5,000.00
RSA-1 Deferral	$500.00	RSA-1 Deferral	$0.00
8.5% Retirement Contribution	$425.00	8.5% Retirement Contribution	$425.00
Federal Tax*	**$753.35**	Federal Tax*	**$890.96**
State Tax**	**$168.00**	State Tax**	**$186.00**
FICA	$382.50	FICA	$382.50
Take-Home Pay	*$2,771.15*	*Take-Home Pay*	*$3,115.54*

In this example, deferring $500 only decreases your take-home pay by $344.39 while saving $155.61 on taxes.

**Based on the 2016 tax tables*

***Based on the 2015 tax tables*

Retirement Savings

Effect of Saving Over a 25 Year Period*			
Monthly Deferral Amount	*Assumed Earnings Rate*		
	6%	*7%*	*8%*
$100	69,299.40	81,007.17	95,102.64
$200	138,598.80	162,014.34	190,205.28
$400	277,197.60	324,028.68	380,410.56
$500	346,497.00	405,035.85	475,513.20

Effect of Saving Over a 30 Year Period*			
Monthly Deferral Amount	*Assumed Earnings Rate*		
	6%	*7%*	*8%*
$100	100,451.50	121,997.10	149,035.94
$200	200,903.00	243,994.20	298,071.88
$400	401,806.00	487,988.40	596,143.76
$500	502,257.50	609,985.50	745,179.70

**These examples are provided for illustration purposes only and do not guarantee that the fund will perform at this level in the future.*

Contact RSA-1

For more information about RSA-1 and the forms necessary to enroll, contact RSA-1 at 877.517.0020; email RSA-1 at rsa1info@rsa-al.gov; or download the information from our website.

RSA Publications and Notifications

Member Handbooks

(ERS, TRS, State Police, and JRF)

Each Member Handbook presents an overview of mandatory participation, creditable service, vesting, disability and service retirement, preretirement death benefits and postretirement employment. Each agency is sent a supply of the handbooks. Each new member is mailed a handbook upon receipt of an enrollment form from the employing agency. A handbook can be requested at any time.

RSA-1 Deferred Compensation Plan Member Handbook

RSA-1 is a voluntary deferred compensation plan governed by Section 457 of the Internal Revenue Service Code. The RSA will provide an RSA-1 Enrollment Packet at the request of the member or agency.

Individual Appointments

JRF members are always welcome to come to the RSA Executive Building on the corner of Union and Adams in Montgomery. Please make an appointment with Member Services at 877.517.0020.

RSA Annual Report

In February of each year, the RSA publishes the Annual Report. The report provides information about assets, investments, membership, the RSA Boards of Control, RSA departments, and financial statements.

Comprehensive Annual Financial Report (CAFR)

The CAFR, which is published annually, provides more detailed financial and actuarial information about the RSA.

RSA Newsletter

The monthly *Advisor* is mailed to each RSA active member, RSA retired member, and any other persons or organizations interested in the RSA. The *Advisor* informs recipients of important topics regarding the TRS, ERS, JRF, RSA-1, PEIRAF, PEEHIP, legislation, investments and counseling schedules. Comparisons of insurance and retirement benefits provided by other states and current information regarding Social Security, taxes and Alabama's economic and political climate are also featured.

RSA Website (www.rsa-al.gov)

The RSA website publishes RSA member handbooks, the *Advisor*, Annual Reports and information about the ERS, JRF, PEIRAF, and RSA-1 benefits. News from RSA features updates on policies, procedures, new legislation, federal laws and other late-breaking events. The website also offers links to other state and federal agencies, as well as RSA's investments, such as the Robert Trent Jones Golf Trail and the Grand Hotel.

Legislative Updates keep members informed about legislative news, current legislation and archive legislation. Information about Retirement Preparation Seminars, Agency Seminars and Individual Counseling Sessions is listed under Retirement Planning.

Annual Statement of Account

The ERS provides each member a Statement of Account for the year ending September 30. The statements are mailed directly to the member's home mailing address in early December.

The Statement of Account verifies current year contributions and accumulated interest. The total service credit, interest, service purchases, previously taxed contributions, non-taxed contributions, and balance are also provided. The member's designated beneficiary, mailing address, and change of address are as of September 30 are listed.

RSA-1 Statement

For those electing to participate in the RSA-1 Deferred Compensation Plan, a statement is sent to the member's mailing address quarterly in January, April, July, and October. The member's designated beneficiary is also listed.

THE
RETIREMENT SYSTEMS
OF
ALABAMA
201 SOUTH UNION STREET

MAIL The Judicial Retirement Fund
P.O. Box 302150
Montgomery, AL 36130-2150

WEBSITE **www.rsa-al.gov**