

Rules and Regulations of the Franklin Regional Retirement System

January 1, 1993 through February 26, 1997

1. The Board considers that all full time employees, all part-time employees working 20 or more hours on a regular basis and all recipients of federal grant funding must belong to the Franklin County Retirement System. ~~Employers may offer all other employees receiving compensation the option of joining the Retirement System.~~ Retirement deductions will be taken from all compensation as defined in G.L. c 32, s. 1 but that regular compensation shall not include overtime payments and police off-duty detail work.

Treasurers are obligated to ensure that all employees participate in a qualified pension plan. The Treasurer must enroll the employee either in a deferred compensation plan, in the County Retirement plan, or in social security.

2. An employee, either full or part-time, receiving a salary or wage for prescribed periods of employment is to be given creditable full time service. Settlement of small allowances in one sum shall be regulated by MGL chapter 32 Section 13 which states:

- a) Any member otherwise entitled to receive a retirement allowance under the provisions of sections one to twenty-eight inclusive, the normal yearly amount of which would be less than three hundred sixty dollars, shall, in lieu of receiving such allowance, be paid the amount of his accumulated total deductions as of the date such allowance would otherwise become effective.
- b) Any member otherwise entitled to receive a retirement allowance under the provisions of sections one to twenty-eight inclusive, the normal yearly amount of which would be less than six hundred dollars but not less than three hundred and sixty dollars, shall, in lieu of receiving such allowance, be paid the amount of his accumulated total deductions as of the date such allowance would otherwise become effective if his written request, therefore, as provided for in subdivision (1) of section eleven is filed with the board on a prescribed form prior to the date the first payment of such allowance would otherwise become due.

3. RE: Chapter 32, Section 12 (2) (d)

“That the total annual allowance derived from and payable under the provisions of Chapter 32 of the General Laws, Section 12 (2)(d) together with any allowance payable under the provisions of Section 12B shall at no time be greater than the annual rate of regular compensation payable to such member on the date of death of such member.

4. An employee who becomes a member after January 1, 1978 must have ten (10) years of creditable service to be eligible for a retirement allowance and also provides that an employee who becomes a member after January 1, 1984 and has less than sixty (60) months of creditable service shall receive no interest on the return of their deductions. For employees hired after January 1, 1984, you will receive 100% interest after 10 years of creditable service. Employees whose membership commenced after January 1, 1984

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but whose withdrawal from service is not “voluntary” shall receive one hundred percent of the rate of interest payable.

5. Employees who became members prior to January 1, 1975 contribute 5 percent of their regular compensation. Employees whose membership commenced on or after January 1, 1975 but prior to January 1, 1984 must contribute 7 percent. Those employees whose membership begins on or after January 1, 1984 must contribute 8 percent.

6. Moved to accept Massachusetts General Laws Chapter 32 Section 90G (3/4) Election of members continuing services after age 70 to approve creditable service and receive regular compensation.

7. If an employee withdraws his/her monies, they must come back into the system at 8% and be treated as a new employee.

Notes:

PERA never approved the above regulations and found, in 1995, that the following phrase in section 1, regarding membership eligibility was not acceptable:

“Employers may offer all other employees receiving compensation the option of joining the Retirement System.”

PERA’s comment was:

“Membership eligibility must be determined by the Retirement Board and not at the discretion of individual employers. All members enrolled between 1993 and 1995 that did not meet the 20 hour per week rule were ‘kicked out’ of the system and their contributions were refunded. “

On November 9, 1994, the Advisory Council voted to add sections 6 and 7, effective January 1, 1995; They were approved on December 18, 1995 by PERA

6 Moved to accept Massachusetts General Laws Chapter 32 Section 90G (3/4) Election of members continuing services after age 70 to approve creditable service and receive regular compensation.

7 Accepted policy of the Board that if an employee withdraws his/her monies, they must come back into the system at 8% and be treated as a new employee.