



# SERS Membership Rules for Local Officials

Washington State Department of Retirement Systems

The following rules apply to elected officials who choose to be covered by either SERS Plan 2 or SERS Plan 3 while in office. Additional rules governing all SERS Plan 2 or SERS Plan 3 members are summarized in the Member Handbooks for each respective plan.

## **You are eligible to participate in SERS while in office if:**

- You have been elected or appointed to a vacant elective office at a school district or educational service district.

If you are a current or former SERS member who is elected or appointed to a local government position for an employer other than a school district or educational service district, you may be eligible for membership in PERS Plan 2. See PERS Plan 2 Local Official information sheet.

If you will hold multiple SERS positions concurrently while in office, you can either continue your SERS membership or choose not to participate in a retirement system pursuant to your elected official's position while continuing membership through your non-elected position.

You are not required to be a member of a retirement system while in office pursuant to your elected position.

If you would like to be a SERS member while in office, you must apply in writing to the Department of Retirement Systems.

## **When can I apply for membership?**

**During your first term:** You may apply for membership at any time during your current term of office. If you enter membership after your current term of office has begun, you must retroactively pay employee contributions (SERS Plan 2 members must also pay interest) dating back to the first day of your current term.

**During a following term:** If you did not apply for membership during your first term in office, you may apply for membership during a following term. Membership will be granted retroactively to the first day of the term in which you apply for membership. You will have the option of purchasing service credit for earlier terms. See "Can I Receive Credit for Past Elected Service?" on page 2.

## **Your membership decision is final:**

Once you have established retirement system membership, you must remain a member until you separate from all eligible public employment.

# SERS Membership Rules for Local Elected Officials (continued)

## Washington State Department of Retirement Systems

### **You may retire and retain your elected position if:**

- In that position, you earn less than \$15,000 adjusted annually for inflation, and
- You abandon claims for credit for future periods of elected service.

If you serve an additional term of office with the same employer without a break in service, you will remain a retirement system member.

If you resign from your position and are later reappointed to the same position during the same term you will not be considered separated from service.

### **How much service credit will I earn?**

The amount of your retirement benefit is determined in part by the amount of service credit you accumulate. You will earn service credit as follows:

For each month that you earn more than 90 times the state minimum wage in effect at the time you render the service, you receive service credit as follows:

- 90 or more hours = 1 service credit month
- At least 70 but fewer than 90 hours = .5 service credit month
- Less than 70 hours = .25 service credit month

### **Can I receive credit for past elected service?**

After you have established membership for your current term of elected office, you are entitled to establish membership and service credit retroactive to the first day of any previous elected term or terms of office.

To receive service credit you must pay the required employee and employer contributions for the previous term or terms of elected service (SERS Plan 2 members must also pay interest), as determined by DRS. Your employer can elect to pay the employer contributions (plus interest if you are a SERS Plan 2 member) for you. You must purchase all consecutive service with a single employer. If you held multiple terms of office with different employers, you may purchase credit for service with either of the employers.

If you do not choose to become a member while holding elected office, and later become an active SERS Plan 2 or SERS Plan 3 member in a non-elected position, you may then purchase credit for your elected service.

### **What will my retirement benefit be?**

The portion of your benefit that is based on Plan 2 service credit will be based on the following formula:

$$2 \text{ percent} \times \text{service credit years} \times \text{Average Final Compensation} = \text{Monthly benefit}$$

If you are a SERS Plan 3 member you will receive a split benefit. The defined contribution portion of your benefit will be determined by the amount of your contributions and their investment earnings. The defined benefit portion of your plan will be determined by the formula:

$$1 \text{ percent} \times \text{Service Credit Years} \times \text{Average Final Compensation} = \text{Monthly benefit}$$

# SERS Membership Rules for Local Elected Officials (continued)

## Washington State Department of Retirement Systems

**Average Final Compensation (AFC)** is the monthly average of your 60 consecutive highest-paid service credit months. Not included are payments for any type of severance pay, such as lump-sum payments for deferred sick leave, vacation or annual leave.

### **How much will I contribute to my retirement fund?**

Plan 2 contribution rates are variable and may be changed as necessary to reflect the cost of the plan.

If you are a SERS Plan 3 member, you select your contribution rate from options offered by the Employee Retirement Benefits Board.

### **What if I am a retired SERS member when elected?**

If you are a retired Plan 2 or Plan 3 member who is elected to office, you can choose to either remain retired and continue receiving your retirement allowance while serving in office, or become an active PERS Plan 2 or Plan 3 member while serving in office.

If you choose to remain retired while holding elected office, you can work up to 867 hours in a calendar year and continue to receive your benefit. Your benefits will be suspended if you work beyond 867 hours in a calendar year and will remain suspended until you leave office, or until the end of the calendar year, whichever comes first.

If you choose to enter active member status, you will enter PERS (either Plan 2 or Plan 3); you will stop receiving a monthly retirement benefit; and you will begin making contributions to PERS and accumulating PERS service credit. Any retirement benefit received during the term in office in which you enter active PERS membership must be returned to DRS.

### **How do I enroll?**

To continue or reestablish SERS membership, contact DRS and provide the following information:

- Name
- Social Security Number
- Address and phone number
- Position title and employer
- Beginning and ending dates of all elected official service

DRS will verify your service and previous elected official terms of office, and send you an enrollment letter and application. You may also request an estimate of the cost of purchasing credit for previous service.

### **You can write DRS at:**

Department of Retirement Systems  
PO Box 48380  
Olympia, WA 98504-8380

## **SERS Membership Rules for Local Elected Officials (continued)**

### **Washington State Department of Retirement Systems**

#### **Questions?**

To discuss the application of these rules to your specific case, call the DRS Central Reception Desk and ask to speak to the retirement services analyst specializing in elected official cases.

DRS' central telephone number is toll free 1-800-547-6657 or in Olympia (360) 664-7000.

Office hours are 8 a.m. to 5 p.m., Monday through Friday, except legal holidays.

#### **THIS PUBLICATION IS A SUMMARY**

This brochure does not contain a complete description of the law. If there are conflicts between the information contained in this brochure and retirement law, the applicable law will govern.

This publication is available in alternate formats. For information contact DRS Member Communications at (360) 664-7278.