*Essential*OPERS

Hazardous Duty Employees

OPERS OKLAHOMA

The Oklahoma Public Employees Retirement System (OPERS) is a defined benefit retirement plan qualified under Section 401(a) of the Internal Revenue Code. Participation in OPERS is mandatory for eligible hazardous duty employees. OPERS provides you a lifetime retirement benefit when you meet the eligibility requirements described below.

You participate in OPERS by contributing a portion of your salary each pay period. Your employer also contributes on your behalf. The amount of your contributions does not determine the amount of the benefit OPERS promises you. Your benefits are determined by a formula which includes your salary and years of credited service. The paid contributions are invested, under the direction of the OPERS Board of Trustees, to provide retirement benefits to eligible members.

This handout is an overview describing OPERS plan provisions as of July 1, 2013. It is not a plan document and does not create any type of binding obligation, contract, or promise to pay benefits. OPERS reserves the right to correct any errors contained herein to comply with federal or state statutes. For more information, refer to the Member Handbook available online at **www.opers.ok.gov**, or you may request a copy from your Retirement Coordinator or by calling OPERS.

Membership and Participation

Participation in OPERS begins on the first day of the month immediately following the beginning date of your employment, provided that all of the following apply:

1. Your position is permanent, not seasonal, or temporary; and,
2. Your position requires at least 1,000 hours of work per year; and,
3. Your salary is equal to or greater than the minimum wage.

Contributions

Current contribution rates are 8.0% for employees and 16.5% for employer contributions.

The employee contribution rate is required for a maximum of 20 years of hazardous duty participating service. After you have contributed at the higher rate for 20 years, you will contribute at the non-hazardous duty rate (excluding Oklahoma Military Department firefighters[1]).

Vesting

Vesting means you have accumulated enough service credit to entitle you to a lifetime monthly retirement benefit in the future. At OPERS, you must have eight years of credited service (including six full years of full-time-equivalent employment[2]) to be eligible to vest.

Eligibility for Normal Retirement Benefits

If you have 20 Years of Service:

- You can begin receiving full, unreduced retirement benefits with 20 full years of full-time-equivalent employment in the hazardous duty plan.

If you became a member of OPERS before November 1, 2011:

- **Age 62** – You can begin receiving full, unreduced retirement benefits when you are at least age 62 with six full years of full-time-equivalent employment[3]; or
- **80 Points** – You can begin receiving full, unreduced retirement benefits when the sum of your age and years of service equals 80 if you became a member before July 1, 1992; or
- **90 Points** – You can begin receiving full, unreduced retirement benefits when the sum of your age and years of service equals 90 if you became a member on or after July 1, 1992.

If you became a member of OPERS on or after November 1, 2011:

- **Age 65** – You can begin receiving full, unreduced retirement benefits when you are at least age 65 with six full years of full-time-equivalent employment[3]; or
- **90 Points** – You can begin receiving full, unreduced retirement benefits when you are at least 60 years of age and the sum of your age and years of service equals 90.

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Eligibility for Early Retirement Benefits

If you became a member of OPERS before November 1, 2011:

- You can begin receiving reduced retirement benefits once you have reached age 55 and have at least 10 years of participating service.

If you became a member of OPERS on or after November 1, 2011:

- You can begin receiving reduced retirement benefits once you have reached age 60 and have at least 10 years of participating service.

If you choose early retirement, you will receive a **permanent** actuarial reduction in your benefit based on your age at retirement.

Eligibility for Disability Benefits

If you must terminate participation in OPERS due to significant health problems resulting in permanent disability, you may be entitled to disability benefits if:

1. You qualify for payment of disability from the Social Security Administration or the Railroad Retirement Board, the disability onset date falls within one year of your last date physically on the job, and you were an active employee with a participating OPERS employer at the time of disability onset; and,
2. You have at least eight years of credited service (including six years of full-time-equivalent employment).

Calculating Your Retirement Benefits

Your gross annual retirement benefit is calculated using a formula[4] multiplying your:

- **Final Average Compensation** – If you became a member **before July 1, 2013**, this is the average of your compensation during your highest three years out of the last 10 years of participating service prior to retirement (including highest three longevity payments). If you became a member **on or after July 1, 2013**, this is the average of your highest five years out of the last 10 years of participating service prior to retirement (including highest five longevity payments).[5]
- **Total Service Credit** – The years and full months you have participated in OPERS, including any purchased service, prior service, bonus years, and months of unused sick leave (six months maximum). Total service is rounded up or down to the nearest full year.
- **Computation Factor of 0.025 (or 2.5%)** for up to 20 years of Hazardous Duty service.

Hazardous Duty Job Classifications

Job Title Codes	Classification
Correctional Security Officer	110A, 110B, 110C, 110D
Correctional Security Manager	111A, 111B
Correctional Chief of Security	112A, 112B, 112C
Probation and Parole Officer	140A, 140B, 140C, 140D
Fugitive Apprehension Agents	117A
Oklahoma Military Department Firefighters	

1 Oklahoma Military Department Firefighters continue to pay the hazardous duty contribution rate and earn additional service credit at the 2.5% computation factor for service in excess of 20 years.

2 *Full-time equivalent employment* refers to a member's actual employment with a participating OPERS employer and is credited on service where the member is making contributions or purchasing service that constitutes full-time employment with a participating employer.

3 In this scenario, a member only needs six full years of full-time-equivalent employment **and** must be actively employed with a participating OPERS employer at the applicable age to become eligible for normal retirement.

4 If you have non-hazardous duty service in OPERS, your benefit formula includes separate calculations for your hazardous duty and non-hazardous duty service, which are added together to create one single benefit. Non-hazardous duty service is calculated using a 2.0% computation factor.

5 In the past, certain salary caps applied. Therefore, if any of the highest years of annual compensation out of the last 10 years of compensation prior to retirement was earned before July 1, 1999, compensation for that year is subject to a cap. Contact OPERS for more information.

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