OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Pre-Retirement Seminar

Don’t Be Puzzled By Retirement

Table of Contents - Pre-Retirement

About This Seminar 2

About OPERS 2

When May I Retire? 3

- Normal Retirement 3
- Early Retirement 3
- Disability Retirement 4
- Elected Officials 4
- Hazardous Duty Employees 5

How to Calculate My Retirement Benefit? 6

- Unused Sick Leave 7

Benefit Options 8

- Maximum: Single-Life Annuity 8
- Option A: One-Half Joint and Survivor Annuity 8
- Option B: 100% Joint and Survivor Annuity 8
- Option C: Single Life Annuity with a 10 Year Certain Period 8
- Joint Annuitant vs. Beneficiary 8

Retirement Notice and Application 9

What Happens After I Submit My Notice? 13

Taxation of Retirement Benefits 15

Returning to Work After Retirement 16

Medicare Gap Benefit Option 18

Excess Accumulated Contributions 18

Death Benefits 19

SoonerSave 20

Reduction Factors 23

Required Minimum Distribution Worksheet 29

Important Points to Review 30

This booklet is intended only as a summary of the main features of the Oklahoma Public Employees Retirement System (OPERS) defined benefit plan and is prepared only for Pre-Retirement Seminar participants. The official text governing the operation of OPERS is found at 74 O.S.2001 §901 et. seq., as amended, and Title 590 of the Oklahoma Administrative Code. OPERS reserves the right to correct any errors contained herein to comply with federal or state statutes, rules, and regulations governing the Plan. Any information contained in this booklet referring to federal or state tax regulations is not intended to be tax advice. All readers of this material are encouraged to consult a professional tax advisor before receiving any distribution from the plans mentioned in this booklet.

About This Seminar

This seminar is designed to provide helpful information to members of the Oklahoma Public Employees Retirement System (OPERS) who are about to retire. Seminar participants have the opportunity to receive important information about the following topics:

- Eligibility for retirement benefits
- Insurance*
- Benefit types
- Taxes
- Returning to work after retirement
- Death benefits
- SoonerSave/Deferred Compensation
- Medicare Gap Benefit Option

*All insurance information is provided courtesy of the Employees Group Insurance Division (EGID). Insurance information and/or personnel may not be available at all OPERS seminars, but EGID provides their own insurance seminars. For more information, please call EGID at 1-800-752-9475 or visit www.ok.gov/sib.

If your employer uses a health plan apart from EGID, see your insurance coordinator.

About OPERS

Defined Benefit Plan
The Oklahoma Public Employees Retirement System (OPERS) administers retirement plans for several different types of state and local government employees. In the OPERS defined benefit plan, members include state and local government employees, state and county elected officials, and state hazardous duty employees. OPERS provides a lifetime retirement benefit when you meet certain eligibility requirements.

Except for elected officials, membership is a mandatory condition of employment. You participate by contributing a certain percentage of your salary to OPERS each month. Likewise, your employer also contributes on your behalf. The benefit you will receive is determined by a formula consisting of your salary and years of credited service. The contributions paid by both you and your employer are invested by OPERS, under the direction of the Board of Trustees, to make the benefit promise a reality for all present and future members.

Defined Contribution Plan
OPERS also administers a defined contribution retirement plan — known as SoonerSave. SoonerSave is comprised of two plans, the Deferred Compensation Plan and the Deferred Savings Incentive Plan. These plans allow participants to invest additional money to supplement the income they will receive from the Defined Benefit Plan during retirement. In a defined contribution plan, no specific benefit is promised to a plan participant. The participant is primarily responsible for making contributions and managing those assets to produce a source of income available at retirement. Only state employees are eligible to participate in SoonerSave. See page 20 for more information about SoonerSave.

Financial Information
An OPERS Comprehensive Annual Financial Report (CAFR) is published each year and available to those who would like more detailed financial information about the retirement system. Visit our website at www.opers.ok.gov/publications to view the CAFR online.

When May I Retire?

The requirements most OPERS members must meet to be eligible for normal or early retirement are described below. Please note in all situations, termination of employment is required to receive any benefit. If you are an elected official or hazardous duty member other requirements or provisions will apply (see pages 4-5).

Note: Full-time-equivalent employment refers to a member's employment and participation with a participating employer of OPERS. A member obtains full-time-equivalent employment in two ways: working for a participating employer, and/or making certain types of purchases of OPERS service credit for past work with a participating employer.

Normal Retirement
If you became a member of OPERS **before November 1, 2011**, you can begin receiving unreduced retirement benefits:

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

- Age 65 – When you are at least age 65 with six full years of full-time-equivalent employment; or,
- 90 Points – When you are at least 60 years of age and the sum of your age and years of service equals 90.

Early Retirement
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. See Reduction Factors, beginning on page 23.

Disability Retirement
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 full years of full-time-equivalent employment).

To apply for disability retirement, you will need to send OPERS a complete (all pages) copy of the Notice of Award Letter. Upon receipt and determination of probable eligibility, OPERS will send you an *Application for Disability Benefits* to complete and return.

Elected Officials
Elected officials employed on or after January 1, 1983, must have six or more years of full-time equivalent employment with a participating employer to be eligible to retire under any of the eligibility requirements for normal or early retirement.

Normal Retirement – Elected Officials

If you were first elected **before November 1, 2011**, you can begin receiving unreduced retirement benefits:

- Age 60 – When you are at least age 60 with six years of full-time-equivalent participation as an elected official; or

- 80 points – When the sum of your age and years of service equals 80.

If you were first elected **on or after November 1, 2011**, you can begin receiving unreduced retirement benefits:

- Age 62 – When you are at least age 62 with 10 years of full-time-equivalent participation as an elected official; or

- Age 65 –When you are at least age 65 with eight years of full-time-equivalent participation as an elected official.

Early Retirement – Elected Officials

If you were first elected **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 were first elected **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. The early retirement reduction factors are available in the Elected Official handbook on the OPERS website at www.opers.ok.gov/publications.

Hazardous Duty Employees

Certain employees of the Department of Corrections, the Oklahoma Military Department and the Grand River Dam Authority have different eligibility requirements. In addition to the retirement eligibility provisions listed on page 3, you may begin receiving full, unreduced retirement benefits with 20 full years of full-time-equivalent employment in the hazardous duty plan.

The 20-Year Rule applies to the following 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 Agent	117A, 117B, 117C
Oklahoma Military Department Firefighter	
Grand River Dam Authority Lake Patrol Officer	Q50

The job classifications listed above are subject to change. Contact your employer for the most current job classifications.

Note: DOC employees with at least five years of service as a hazardous duty employee who change to another position in DOC after June 30, 2004, are required by law to continue participating as a hazardous duty member.

How to Calculate My Retirement Benefit?

Your gross annual retirement benefit is calculated by multiplying your:

Final Average Compensation X Years of Service X 0.02 (2.0% Computation Factor)

- **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).
- **Total Service Credit** – The years and full months you have participated in OPERS, including any purchased service, prior service, bonus years, military service, and months of unused sick leave (6 months maximum). Participation begins the 1st of the month following a member's hire date.
  - If you became a member before November 1, 2012, your total service is rounded up or down to the nearest full year.
  - If you became a member on or after November 1, 2012, your service credit is determined by the number of years and months, without the benefit of rounding.
- **Computation Factor** – 2 percent is the computation factor for most members. It is different for elected officials and hazardous duty employees. Also, if a member has elected to participate in the 2.5% Step-Up Program, he or she will have applicable full years calculated at 2.5 percent instead of 2 percent. For more information about the 2.5% Step-Up, see the example below, ask your Retirement Coordinator or contact OPERS for a brochure.

Example: Sally is retiring with a final average compensation of $30,000. She has 15 years of service credit and has the standard computation factor of 2 percent.

$30,000 x 15 x 0.02 = $9,000 (or $750 per month)

By looking at the table to the right, you can see each year of service equals 2 percent of the final average compensation. With Sally's 15 years of service, her retirement benefit will replace approximately 30 percent of her final average compensation in retirement.

Step-Up Example: Sally is retiring with a final average compensation of $30,000. She has 15 years of service credit, but she contributed at the Step-Up rate for the last five years. The standard computation factor of 2 percent will apply to the first 10 years, while the remaining five full-years will be calculated using the Step-Up computation factor of 2.5 percent. (Example continued on next page.)

Total Service	Benefit as a % of Average Compensation
10 years	20%
15 years	30%
20 years	40%
25 years	50%
30 years	60%
35 years	70%
40 years	80%
45 years	90%
50 years	100%

Non-Step-Up Years: $30,000 x 10 x 0.02 = $6,000 (or $500 per month)

Step-Up Years: $30,000 x 5 x .025 = $3,750 (or $312.50 per month)

Total: Non-Step-Up Years ($500 per month) + Step-Up Years ($312.50 per month) = $812.50 per month

Unused Sick Leave

Unused sick leave can be added to a member's service credit at retirement. OPERS cannot accept more than 960 hours of unused sick leave. If the addition causes the total credited service to equal or exceed a fractional year of six months, service is rounded up to the next higher year and the member gains one year of service credit.

Examples of how unused sick leave may affect your service credit are provided below.

Hours of Unused Sick Leave	Months of OPERS Service Credit
0-159	0
160-319	1
320-479	2
480-639	3
640-799	4
800-959	5
960 (maximum)	6

When it adds a year:

21 Years	0 Months	Service Credit
+	6 Months	Unused Sick Leave
21 Years	6 Months	Total Service
22 Years		Total Service Credit

When it does not add a year:

21 Years	9 Months	Service Credit
+	6 Months	Unused Sick Leave
22 Years	3 Months	Total Service
22 Years		Total Service Credit

Note: OPERS rounds up only total accumulated service credit for those who became members before November 1, 2012.

Elected Officials & Hazardous Duty Members

The computation factor and benefit formula for elected officials and hazardous duty employees is different than for regular state and local government employees. For additional information about retirement and benefit calculation for elected officials and hazardous duty employees, consult the unique versions of the Member Handbook, available at www.opers.ok.gov/publications.

Benefit Options

You may choose between one of four retirement benefit options described below. No changes in the type of benefit or the joint annuitant may be made on or after the effective retirement date. However, if your joint annuitant under Options A or B dies before you do, you must contact OPERS and provide a certified death certificate. After OPERS receives the certified death certificate, you will begin receiving benefits under the Maximum Benefit option.

Maximum: Single-Life Annuity
If you are married, your spouse must consent to your choice of the Maximum Benefit. Under this option, you will receive the largest possible benefit based upon the benefit formula. The benefit is paid monthly for your lifetime and ceases the last day of the month in which you pass away. No further monthly benefits are paid. This is different for elected officials. For more information, see the Elected Officials Member Handbook at www.opers.ok.gov/publications.

Option A: One-Half Joint and Survivor Annuity
Under this option, you will receive a reduced retirement benefit for life (see reduction factor chart on page 26). After your death, one-half of the reduced retirement benefit will be paid to your surviving joint annuitant for his or her lifetime. Your joint annuitant must be a specific person (not a trust, charity, etc.).

Married Members
You must retire under Option A if you are married at retirement, unless your spouse consents to you choosing a different option. Your spouse's consent is also required if you choose someone other than your spouse as your annuitant.

Option B: 100% Joint and Survivor Annuity
If you are married, your spouse must consent to your choice of Option B. Under this option, you will receive a reduced retirement benefit for life (see reduction factor chart on page 27). After your death, the same reduced retirement benefit will be paid to your surviving joint annuitant for his or her lifetime. Your joint annuitant must be a specific person (not a trust, charity, etc.) and can be no more than 10 years younger than the member, unless he/she is the member's spouse.

Option C: Single Life Annuity with a 10 Year Certain Period
Under this option, you will receive a reduced retirement benefit for life (see reduction factor chart on page 28). If you die within the first 10 years of benefit payments, payments will then be made to your beneficiary for the balance of the 10 year period. Your beneficiary does not have to be a specific person, and may be changed at any time during the 10 year period.

Joint Annuitant vs. Beneficiary

- **Joint Annuitant:** Person designated to receive a lifetime benefit under Option A or B after a member's death. The joint annuitant must be a specific person, and cannot be changed after retirement.
- **Beneficiary:** Designated to receive accumulated contributions, death benefit, and/or retirement benefit under Option C. The beneficiary is not required to be a specific person and can be changed at any time.
- **Specific Person**: An individual human being. This term does not include a corporation, partnership, trust, charity, organization, or any other non-living entity.

Retirement Notice and Application

Your completed *Retirement Notice & Application* must be received by OPERS at least 60 days prior to your effective retirement date. You can obtain a *Retirement Notice & Application* from the Retirement Coordinator in your organization. OPERS recommends you meet with your Retirement Coordinator at least 90 days prior to your retirement date. You can find a listing of each agency's main retirement coordinator at www.opers.ok.gov/coordinator-listing or by calling OPERS at (800) 733-9008.

There are different versions of the *Retirement Notice and Application* for different types of members. Please be sure to obtain and complete the correct form.

- State and Local Government Employees
- Hazardous Duty Employees
- Elected Officials
- Disability Retirement

The following is a step-by-step explanation of the form. An example of a form completed by a member choosing the Maximum Benefit is provided for your reference on pages 11-12.

Part 1 – Retirement Date
Each form requires the member to choose the month and year of their desired retirement date. Write your requested retirement month and year (for example, July 2018) in the boxes provided. (Note: All retirement dates are as of the first day of a month.)

Part 2 – Member Information

1. Print your complete name.
2. Provide your Social Security number.
3. Print your mailing address.
4. Provide your home telephone number.
5. Provide your daytime telephone number.
6. Provide your complete date of birth. If you have not previously furnished proof of birth date, it will be necessary to do so.
7. Indicate your current marital status (married, married but separated, never married, divorced, or widowed). Check one.

Part 3 – Type of Retirement
Indicate how you are eligible to receive retirement benefits. Your selection (Normal or Early) cannot be changed on or after your effective retirement date. However, under certain conditions you may change from Early to Disability retirement after your retirement date. See pages 3-5 for eligibility requirements.

Part 4 – Type of Benefit
Please mark your choice of retirement benefit type and mark the same selection in Part 5. If choosing Option A, B or C, provide the information for the joint annuitant or beneficiary.

Part 5 – Spouse Consent
You can skip Part 5 if:

- You are not married at retirement; or,
- You are married at retirement and you are designating your spouse as your joint annuitant under Option A.

Complete Part 5 under all other circumstances.

Please indicate your selection of the type of retirement benefit in the box. Mark the same selection in Part 4.

Your spouse must sign and date Part 5.

Part 6 – Insurance Authorization
Sign and date Part 6 to allow OPERS to deduct the premium for insurance coverage retained with the Employees Group Insurance Division (EGID). **However, signing Part 6 does not enroll you for insurance coverage.** Contact EGID or your insurance company for more information regarding the retention of insurance.

Part 7 – Member Verification
You must sign and date Part 7 indicating the application has been completed in accordance with your wishes.

Part 8 – Retirement Coordinator Verification
Your Retirement Coordinator must complete Part 8 and indicate your last date physically on the job, your last date on the regular payroll, and your estimated amount of unused sick leave. Do not send the form to OPERS without this signature.

You can find a listing of each agency's main retirement coordinator by visiting us at www.opers.ok.gov/coordinator-listing or by calling OPERS at (800) 733-9008.

Important

OPERS requires you submit your *Retirement Notice and Application* (Form 515-117) at least 60 days prior to your retirement date. In a few rare instances, the Executive Director of OPERS may grant a waiver "for good cause shown" as defined by the OPERS Board of Trustees. "Good Cause" is generally shown in cases of:

- Unforeseen hardship;
- Reduction-in-force/lay-off; or,
- Error or delay on the part of the employer.

EGID

3545 N.W. 58th St., Suite 110
Oklahoma City, OK 73112
(405) 717-8747 or (800) 752-9475
www.ok.gov/sib

Deadlines for *Retirement Notice and Application*

All retirement dates are as of the first day of the month

Retirement Date:	Notice Deadline:	Payment Date:
January 1, 2017	November 2, 2016	February 28, 2017
February 1, 2017	December 5, 2016	March 31, 2017
March 1, 2017	January 3, 2017	April 28, 2017
April 1, 2017	January 31, 2017	May 31, 2017
May 1, 2017	March 2, 2017	June 30, 2017
June 1, 2017	April 3, 2017	July 31, 2017
July 1, 2017	May 2, 2017	August 31, 2017
August 1, 2017	June 2, 2017	September 29, 2017
September 1, 2017	July 3, 2017	October 31, 2017
October 1, 2017	August 2, 2017	November 30, 2017
November 1, 2017	September 5, 2017	December 29, 2017
December 1, 2017	October 2, 2017	January 31, 2018

You may also view these dates at www.opers.ok.gov/dates-and-deadlines

515-117-10
15

Oklahoma Public Employees Retirement System
P.O. Box 53007 • Oklahoma City, OK 73152-3007 • 1-800-733-9008 or (405) 858-6737
www.opers.ok.gov

Retirement Notice & Application for State & Local Government Employees

Part 1 – Retirement Date

I want my retirement to start: → First day of: July (Month) 2018 (Year)

Part 2 – Member Information

Mr. / Ms. Sue B Smith
Name (First) (Middle) (Last)

1 2 3 4 5 6 7 8 9
Social Security number

300 Clubhouse Dr. Edmond, OK 73000-1749
Mailing address (Street or P.O. Box, City, State, Zip+4)

(Check one)
- [ ] Married, but separated
- [x] Married
- [ ] Never married
- [ ] Divorced
- [ ] Widowed

405-555-1212 — Home telephone number
405-555-1313 — Daytime telephone number
9/6/1950 — Date of birth

Part 3 – Type of Retirement (Select only one.)

- [x] **Normal Retirement**
- [ ] **Early Retirement (Reduced Benefits)**

Part 4 – Type of Benefit (Select only one. Mark the same selection in Part 5.)

- [x] **Maximum Benefit** (No Survivor Benefit) (If you select the Maximum benefit you can go directly to Part 5.)

I select the Maximum type of benefit. I understand that I will receive full monthly lifetime benefits and at my death no other monthly benefits will be paid to anyone else. I understand that I cannot change this selection on or after my retirement date.

- [ ] **Option A** (Reduced Benefit + ½ Survivor Annuity)

I select the Option A type of benefit. I understand that I will receive reduced monthly lifetime benefits and at my death one-half of the amount I was receiving will be paid to my joint annuitant for the remainder of his or her lifetime. I understand that I cannot change this selection on or after my retirement date.

- [ ] **Option B** (Reduced benefit + 100% Survivor Annuity)

I select the Option B type of benefit. I understand that I will receive reduced monthly lifetime benefits and at my death the same amount I was receiving will be paid to my joint annuitant for the remainder of his or her lifetime. I understand that I cannot change this selection on or after my retirement date.

I hereby designate the following person as my joint annuitant for the option selected above. I understand that this designation cannot be changed on or after my retirement date. I understand that my reduced benefit amount will increase to the maximum benefit amount if my joint annuitant dies before I do and I give OPERS written notice within six months of the date of death. I understand that in the absence of such notice OPERS is not required to pay more than six months of the benefits increase retroactively.

Joint annuitant's name (First, Middle, Last) Mr. / Ms. N/A			Date of birth	Social Security number
Mailing address	City	State	Zip code	Relationship to member

- [ ] **Option C** (Reduced Benefit with a 10-year Term Certain)

I select the Option C type of benefit. I understand that I will receive reduced monthly lifetime benefits. I understand that if I die within 10 years after my retirement date, my beneficiary (named below) is entitled to be paid the same benefit amount I was receiving until 10 years after my retirement date. I understand that if I live longer than 10 years after my retirement date, my beneficiary is not entitled to monthly benefits. I understand that I cannot change this selection on or after my retirement date.

I hereby designate the following beneficiary for Option C. I understand that I can change my beneficiary at any time by submitting a change form.

Beneficiary's name N/A		Date of birth	Social Security number
Mailing address	City	State	Zip code

515-117-10
15B

Please provide member's name and Social Security number below.

Member name (First, Middle, Last)	Social Security number
Sue B. Smith	123-45-6789

Part 5 – Spouse Consent (Select only one. Mark the same selection in Part 4.)

I am the spouse of the member identified in Part 2 of this form. I understand that I have the statutory right to survivor's benefits in the form of Option A. I consent to the selection of the type of benefit checked in the box at the right. I understand that this type of benefit cannot be changed on or after the member's effective retirement date. I understand that a person named as joint annuitant or beneficiary in Part 4 will be eligible to receive a monthly benefit in the event of my spouse's death. I further understand that if I am not named as joint annuitant or beneficiary in Part 4, I am waiving my right to receive a monthly survivor benefit. I am signing this agreement voluntarily.

- [x] Maximum
- [ ] Option A
- [ ] Option B
- [ ] Option C

Spouse's name (First, Middle, Last)	Daytime phone	Social Security number
Mr. / Ms. Mike E. Smith	405-555-1313	987-65-4321

Mailing address	City	State	Zip code+4
300 Clubhouse Drive	Edmond	OK	73000-1749

Signature of member's spouse	Date
Mike E. Smith	4/17/2018

Part 6 – Insurance Authorization

I authorize the Oklahoma Public Employees Retirement System to deduct from my retirement benefits the premium for the insurance I have retained with the Oklahoma State & Education Employees Group Insurance Board. (Signing does NOT enroll you – contact OSEEGIB to enroll.)

Member's signature	Date
Sue B. Smith	4/17/2018

Part 7 – Signatures

I certify that all information provided on this application is true and correct to the best of my knowledge. I understand that the type of retirement I selected in Part 3 and the type of benefit I selected in Part 4 cannot be changed on or after my effective retirement date.

Member's signature	Date
Sue B. Smith	4/17/2018

Part 8 – Retirement Coordinator Verification

If you previously completed and submitted an *Application for Vested Benefits* with OPERS, this section will not need to be completed.

I certify that the above member is an employee of a participating OPERS employer. I also certify that the information at right is true and correct to the best of my knowledge.

Mark D. Williams	4/17/2018
Retirement Coordinator	Date
Department of Health	0340
Agency	Agency #

Member's last date physically on the job: 6/30/2018
Member's last date on payroll: 6/30/2018
Estimated sick leave hours as of the last day on payroll: 960 Hours
Retirement Coordinator telephone number: 405-555-5555

OPERS use only:

_____

_____

_____

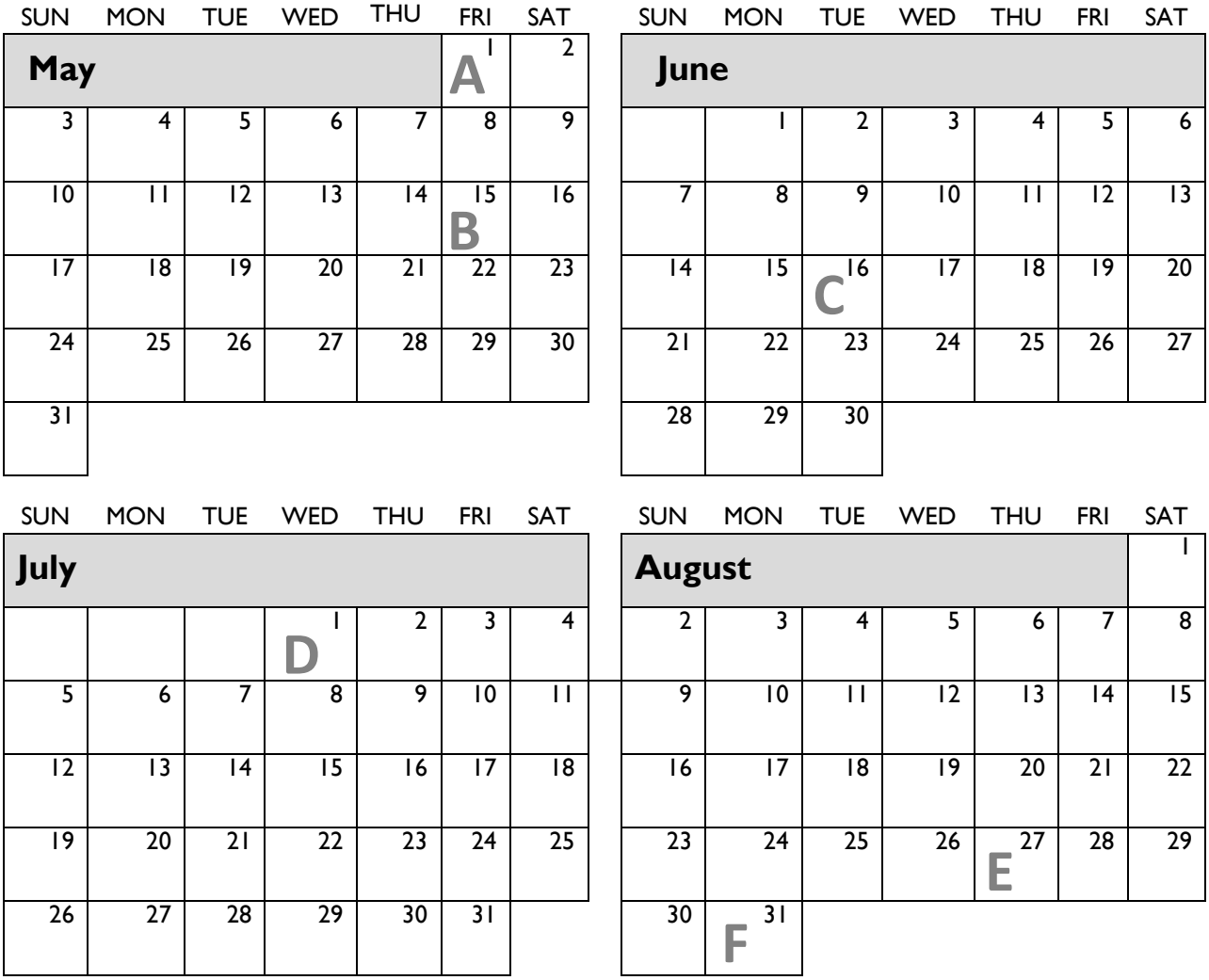
_____

What Happens After I Submit My Notice?

Retirement Timeline	
At least 60 days Before (A)	Submit your *Retirement Notice and Application* to OPERS. Submitting your *Retirement Notice and Application* begins the retirement process.
45 days before (B)	Approximately **45 days** before your retirement date, OPERS will send you a *Direct Deposit Authorization* form and a *Beneficiary Designation* form for the $5,000 Death Benefit. You will also receive an Acknowledgment Letter requesting the documents required to complete your retirement. The following is a list of the primary documents OPERS may need to complete your application: • Birth Certificate* (you and your joint annuitant) • Marriage License • Divorce Decree • Spouse Death Certificate If you do not provide these documents by the specified due date, the payment of your retirement benefits will be delayed until the end of the following month. Legible copies of these documents are acceptable. NOTE: Documents will not be returned. **Other acceptable documents may be used to prove birth. Please contact OPERS for more information.*
15 days before (C)	Approximately **15 days** before your retirement date, OPERS will send you a *Preliminary Benefit Statement,* which will provide the following information: 1. An accounting of your service credit; 2. An estimate of your gross monthly benefit; and, 3. The date your first ***two*** benefit payments will be issued. You also will receive information about the Medicare Gap Benefit option, returning to work after retirement, a *Benefit Recipient's Withholding Preference Certificate* form to authorize federal and state income taxes to be withheld, and tax tables.
Retirement Date (D)	OPERS will process your retirement benefit according to your wishes. If more information is needed, you will be notified.

55 days after (E)	Approximately **55 days** after your chosen retirement date, OPERS will send you a final letter just before your first two months of benefit payments are issued stating the following: 1. A final statement of your benefits (gross amount, withholding for insurance, federal and state income tax and net amount); and, 2. A statement showing the total contributions (both after tax and pre-tax) you have paid into OPERS.
60 days after (F)	OPERS will direct deposit your first ***two*** retirement payments to your financial institution.

Retirement Timeline Example - July 1st Retirement Date



For more information regarding the retirement process, please see Important Points to Review on page 30.

Taxation of Retirement Benefits

Retirement benefits from OPERS are considered income for Oklahoma and federal income tax purposes. Under current tax provisions, $10,000 of your OPERS retirement benefits may be excluded from your Oklahoma state income tax each year if you are an Oklahoma resident.

OPERS will send you the *Benefit Recipient's Withholding Preference Certificate*, which is used to withhold state and federal taxes from each monthly benefit payment. You may change your tax withholding amounts at any time.

Get Tax Advice

The tax information provided here is a general description of tax liability for OPERS retirees. Your tax liability may differ. OPERS encourages you to consult a competent tax advisor about your tax liability.

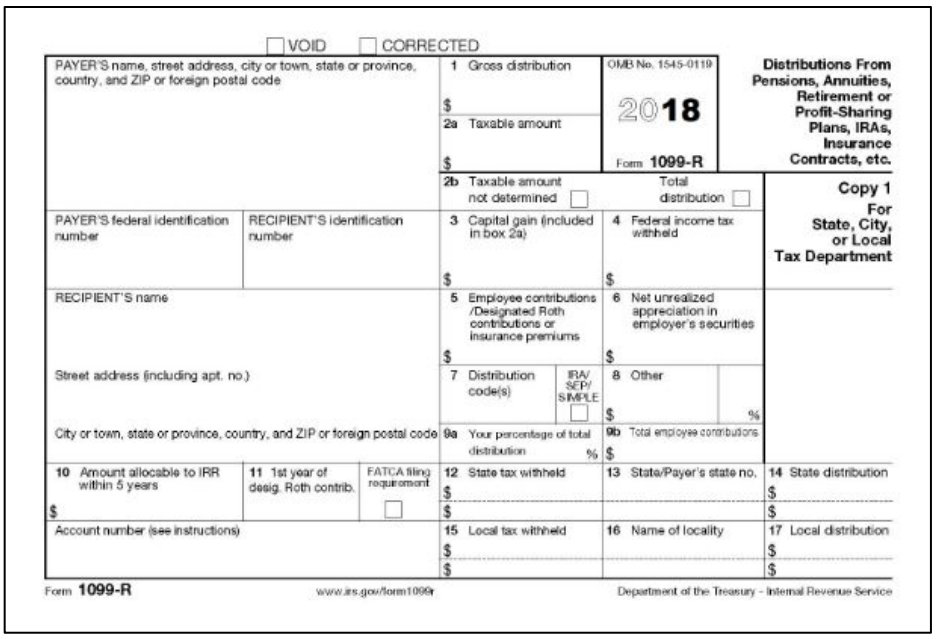
Safe Harbor

If you have any accumulated nontaxable contributions (post-tax contributions) as of your retirement date, you will be able to reduce the taxable portion of your benefit to the extent of your nontaxable contributions in accordance with the Internal Revenue Service's Safe Harbor provision. Generally, this method allows OPERS to spread your accumulated nontaxable contributions over your life expectancy or the joint life expectancies of you and your joint-annuitant. OPERS will calculate this exclusion for you, and the resulting taxable portion will appear on your Form 1099-R. However, you may consult IRS Publication 575 for more information about the Safe Harbor method.

Form 1099-R

You will receive a Form 1099-R in January of each year. The information contained in the 1099-R should be used in completing your state and federal income tax return. The 1099-R will show:

1. Gross amount of your retirement benefits for the previous calendar year;
2. Amount of state and federal income tax withheld from your retirement benefits; and,
3. The federal taxable amount of your retirement benefits for the year.[1]



☐ VOID ☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code		1 Gross distribution $	OMB No. 1545-0119 2018 Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
		2a Taxable amount $		
		2b Taxable amount not determined ☐	Total distribution ☐	Copy 1 For State, City, or Local Tax Department
PAYER'S federal identification number	RECIPIENT'S identification number	3 Capital gain (included in box 2a) $	4 Federal income tax withheld $	
RECIPIENT'S name		5 Employee contributions /Designated Roth contributions or insurance premiums $	6 Net unrealized appreciation in employer's securities $	
Street address (including apt. no.)		7 Distribution code(s) IRA/ SEP/ SIMPLE ☐	8 Other $ %	
City or town, state or province, country, and ZIP or foreign postal code		9a Your percentage of total distribution %	9b Total employee contributions $	
10 Amount allocable to IRR within 5 years $	11 1st year of desig. Roth contrib.	FATCA filing requirement ☐	12 State tax withheld $ $	13 State/Payer's state no.	14 State distribution $ $
Account number (see instructions)		15 Local tax withheld $ $	16 Name of locality	17 Local distribution $ $

Form 1099-R www.irs.gov/form1099r Department of the Treasury - Internal Revenue Service

[1] After-tax employee contributions can reduce the federal taxable amount. Contact OPERS for more information.

Returning to Work After Retirement

Some retirees with the Oklahoma Public Employees Retirement System (OPERS) choose to go back to work after retirement. If you return to work **with an employer who participates in OPERS**, you should be aware of certain rules and guidelines, including:

1. Effective July 1, 2008, state law prohibits you, as an OPERS retiree, from returning to work with the **same employer from which you retired** for a period of one year, unless you waive receipt of your OPERS retirement benefits (see page 17).

2. You may return to work with a **different OPERS participating employer** and continue to receive your OPERS benefits after your first full month of retirement**.**

3. Retiring members and participating OPERS employers may not enter into **pre-retirement employment arrangements** permitting the member to retire and subsequently be rehired on any basis by that same employer. Such an action is a direct violation of the Internal Revenue Service Code and does not constitute an actual retirement.

4. You will be required to complete the *Post-Retirement Employment* form, and you and your employer will commence paying retirement contributions on your earnings, regardless of the status of the employment or hours worked.

5. To draw full retirement benefits while working for a participating employer, your benefits are subject to the earnings limits established by the Social Security Administration for each calendar year (This applies only to persons who are younger than the Social Security full retirement age. See page 17.).

6. A retiree continues to accrue service credit while working for a participating employer, which may increase his or her retirement benefits.

Social Security Full Eligibility*

Birth Year	Full Eligibility Age
1941	65+8 months
1942	65+10 months
1943-54	66
1955	66+2 months
1956	66+4 months
1957	66+6 months
1958	66+8 months
1959	66+10 months
1960-later	67

**Information is from the Social Security Administration's web site at www.ssa.gov*

Independent contractors do not participate in OPERS, but before a participating employer hires an OPERS retiree as an independent contractor, they must submit a copy of the contract to OPERS for review. The determination of whether or not an employee is an independent contractor for the purpose of participation in OPERS will be made solely by the Oklahoma Public Employees Retirement System.

If you return to work with a participating OPERS employer, you must choose to either:

A. Continue receiving benefits, subject to earnings limits; or,
B. Waive the receipt of benefits while employed.

Continuation of Retirement Benefits While Working for an OPERS Employer

You may continue to receive benefits while you are working. However, unless you are eligible for full Social Security retirement (see table on page 16), your OPERS benefits will cease when your salary reaches the allowed earnings limit during that calendar year. Once your salary reaches the allowed earnings limit, your OPERS benefits will not be paid for the rest of that calendar year. Your benefits will resume at the beginning of the next calendar year until your salary reaches the allowed earnings limit for that calendar year or your employment terminates.

Each month you work for a participating OPERS employer and contribute to OPERS, you earn service credit. Every additional year of full-time equivalent service earned will increase your benefits. The increase will occur in January of each year if you have earned an additional year as of the end of the previous fiscal year (June 30th). Benefit increases are based upon the compensation earned during the additional year of service. The compensation is inserted in the benefit formula with one year of service.

Example

If you earn $25,000 during the additional year of service, your monthly benefit would increase:

	$25,000
	.02
X	1 (year)
	$500.00
÷	12 months
=	**$41.67**

2017 Earnings Limits

You will NOT reach your SSA Full Retirement Age in 2017:
$16,920

Up to the point you reach your SSA Full Retirement Age in 2017:
$44,880

Once you reach your SSA Full Retirement Age:
No limit

These limits apply for the calendar year 2017 only. The full retirement age will increase each year (see table on page 16)

By state law, the earnings limits for retirees who have returned to work with an OPERS participating employer are linked to the amounts allowable as wages or earnings by the Social Security Administration in any calendar year. The information above is based upon the amounts established by the Social Security Administration for 2017.

Waiver of Retirement Benefits While Working for an OPERS Employer

You may also stop receiving your OPERS retirement benefits completely while employed with a participating OPERS employer. In such a case, no earnings limits apply and you may retire for a second time, but only after earning the equivalent of 36 consecutive months of full-time service credit. All of your service credit (before and after retirement) will be recomputed based upon the law governing this System at the time of your second retirement. When you retire the second time, you may also re-select a retirement option.

Note: The retirement provisions for elected officials do not apply to former elected officials who return to work as regular state or local government members.

If you waive your benefits, but your post retirement employment ends before you earn 36 consecutive months of service credit, you will not receive the waived benefit payments. However, you may apply for your payments to resume and you will receive a benefit increase based on an additional year of service credit earned (as with those who do not waive their benefits). You may cancel your waiver of benefits at any time by giving OPERS written notice, but your receipt of benefits will be subject to the annual earnings limit if your employment continues.

IMPORTANT: If you elected the Medicare Gap Benefit Option upon your initial retirement and return to work for an OPERS participating employer, you may not waive benefits and retire a second time.

Medicare Gap Benefit Option

The Medicare Gap Benefit Option is an irrevocable election you may make at retirement to **temporarily** increase the amount of your monthly retirement benefit from OPERS if you are under the age of 65. This increase is intended to help pay health insurance premiums until you become eligible for Medicare. However, there will be a permanent decrease in your monthly benefit amount to repay this pre-Medicare increase***. In some cases, the permanent decrease in the benefit amount will be greater than the temporary initial increase.*** In essence, you are taking a loan against future benefits to fund this temporary increase, and you will pay it back in the form of a permanent decrease in benefits upon reaching Medicare eligibility.

During the retirement process each eligible member will receive a customized letter informing them of the Medicare Gap Benefit Option. The letter will list what the Medicare Gap Benefit amount will be for the year you are retiring, what your inflated benefit will be before age 65 and what your lifetime decreased benefit will be after age 65. If you wish to elect the Medicare Gap Benefit Option, you will sign this letter and return it to OPERS before your retirement date.

For more information, view the Medicare Gap Benefit Option brochure on the OPERS website at www.opers.ok.gov/medicare-gap-benefits-option.

Excess Accumulated Contributions

Occasionally, at the death of a retiree, the amount of contributions paid into OPERS is more than the total benefits received in retirement. In such a case, OPERS will provide your designated beneficiary or estate with the excess contributions. A form entitled *Application for Payment of Accumulated Contributions in Excess of Retirement Benefits Paid* will be sent to your beneficiary. This application will show the balance remaining between the total amount of contributions you paid to OPERS and the total amount of retirement benefits you received prior to your death. The signature of your beneficiary must be notarized on the application.

Excess accumulated contributions will not be paid to your beneficiary if you elect Option A, B or C. Joint annuitants under Option A or B will receive a lifetime monthly benefit instead. Option C beneficiary(ies) will receive benefits for the balance of the first 10 years of the member's retirement.

Death Benefits

OPERS will pay $5,000 to your named beneficiaries or to your estate if there is no living beneficiary. This death benefit will be paid in addition to:

1. Any excess employee contributions provided to your beneficiary;
2. Option A or B payments to your joint annuitant, or Option C payments to your beneficiaries (if within the first 10 years of retirement);
3. Final retiree benefit payment; and/or
4. Insurance.

OPERS will supply the *Beneficiary's Application for $5,000 Death Benefit* form to be used in claiming the $5,000 benefit when OPERS is notified of your death. You must be receiving a retirement benefit during the month of your death for your beneficiary to be eligible to receive the $5,000 benefit.

The death benefit is subject to taxation. There are a number of distribution options available to the named beneficiary and vary somewhat between spouse and non-spouse beneficiaries. Your beneficiaries will receive more detailed rules before any distribution is paid.

As with all tax matters, OPERS encourages you and your beneficiaries to seek advice from a competent tax advisor regarding your particular tax liability.

Beneficiary Information

Please remember to keep your beneficiary designation current. Particularly if you get married, divorced, or suffer a death in your family. To update your beneficiary, call OPERS and request a *Beneficiary Designation - Retired Member Death Benefits.* You may also download the form from the OPERS website at www.opers.ok.gov/forms.

For each beneficiary, you will need:

- Name
- Address
- Date of birth
- Telephone number
- Social Security number

SoonerSave

For state employees, another source of retirement income may come from your SoonerSave plan. Participants have two accounts, one for their contributions (Deferred Compensation plan) and one for the State's contribution (Deferred Savings Incentive plan). After a 60 day break in state employment, SoonerSave participants may withdraw funds from either plan. To receive distribution of these funds, you will need to contact the SoonerSave office and request distribution forms or download the forms from the SoonerSave website. Distribution request forms must be received no later than the month prior to the month qualified for payment. All distributions are scheduled to be received by the 27th of the month selected. You may withdraw funds from these plans in a variety of arrangements, including:

- Delay distribution until future date (money remains invested)
- Installment payment (monthly, quarterly, annually, etc.)
- Lump-sum payment
- Rollover (limitations and conditions exist)

SoonerSave
Local (405) 858-6737 Toll-Free (800) 733-9008 Keytalk (877) 538-3457 www.soonersave.com

Distributions from your SoonerSave accounts are considered ordinary income for state and federal taxes, unless directly rolled over into another plan. Unless a payout of 10 or more years is selected, there is a mandatory withholding requirement of 20 percent federal and for Oklahoma residents there is 5 percent state tax withholding requirement. You may be subject to an additional 10 percent tax penalty if money is distributed to you from your Deferred Savings Incentive Plan (401a) before the age of 59 ½. See IRS form 5329 or IRS Publication 575 for more details. The 10 percent penalty does not apply to distributions from the Deferred Compensation Plan (457).

Required Minimum Distribution

Required Minimum Distribution (RMD) refers to the amount of qualified pre-tax retirement savings that retired plan participants must begin taking as a distribution from their retirement accounts before April 1st following the year they reach age 70½. If you are still working for the State you are not required to begin your RMD until you end employment. RMD amounts must then be distributed each subsequent year. SoonerSave will notify you in writing of the amount and date by which this distribution needs to occur. Make sure to stay vigilant of the RMD deadlines, as to avoid the 50 percent penalty accessed to those who fail to take the required disbursement.

You do not have to withdraw funds from your SoonerSave accounts at retirement if you are younger than age 70 ½. You can choose to leave your money in the SoonerSave plans, where it will remain invested under your direction. If you have additional questions about your SoonerSave accounts, please contact a SoonerSave representative. The *Required Minimum Distribution Worksheet* is available on page 29.

SoonerSave Distribution Options
Below is a brief description of the different distribution options available for distribution payments:

- **Deferral of Distribution and Selection of Payment Option**
  A participant may elect to defer distribution until a future date, up to the calendar year in which he or she attains age 70½. If payment is deferred until a future date, the participant does not need to complete any forms.

- **Lump Sum Payment**
  A participant can receive one payment for the total amount. This amount will be taxed entirely in the year received.

- **Periodic Payments—Selected Payment Amount**
  Monthly, quarterly, semi-annual, or annual payments are available. A participant can specify the amount of the payment, and payments will continue until the account is depleted.

- **Periodic Payments—Selected Payout Period**
  A participant can have payments calculated to last a selected period of time such as 5, 10, 15, 20 years, etc. The amount of the payment will be calculated every year using the previous year's balance and the number of years left in the payout period.

- **Partial Lump Sum Payment Plus Periodic Payments**
  A participant may elect to take a large payment at the start of or any time during distributions and have the balance distributed over a selected time period (i.e., a $10,000 partial lump sum and the balance paid out over a five-year period).

- **Rollover to IRA/Qualified Plan**
  A participant may elect to roll over his/her accounts to another qualified retirement plan or IRA.

All distributions paid out in less than 10 years will have a mandatory withholding of 20 percent for federal taxes and an applicable state withholding. A W-4P form may be completed for distributions of 10 years or more.

For distributions to begin in any given month, forms must be received in the SoonerSave office by the last business day of the preceding month. If the form is received on or after the first day of the month, the participant will not be eligible for a distribution until the following month.

	Oklahoma State Employees Deferred Compensation Plan (employee contribution)	**Oklahoma State Employees Deferred Savings Incentive Plan (State contribution)**
	457	401(a)
When am I eligible to withdraw from my accounts?	You may withdraw when you: • Retire (regular, early, or disability) • Terminate employment with the State • Die (benefit is paid to the beneficiary)	Same as 457
Is there a waiting period before I can withdraw funds?	Funds are available no sooner than sixty days after the qualifying event and the month following receipt of the forms.	Same as 457
What are my distribution options? (You are not required to take a distribution until age 70-1/2)	• Delay distribution until future date • Full distribution • Partial distribution • Periodic payment (monthly, annual, quarterly, etc.) • Roll over to another qualified plan (401a, 401K, 403b or IRA)	Same as 457
What are my rollover options?	You may only roll over to another qualified plan or IRA.	Same as 457
How is my distribution taxed?	SoonerSave distributions are taxed as regular income. There is a mandatory 20 percent Federal and applicable state withholding withheld from most distributions.	Same as 457
Is there a tax penalty for early withdrawal?	No.	Yes. 10 percent tax penalty may apply. See 401(a) Special Tax Notice.
What forms do I need to complete to begin distributions from my account?	Please complete the SoonerSave 457 Distribution/Direct Rollover Request Form	Please complete SoonerSave 401(a) Distribution/Direct Rollover Request Form
If I do not wish to begin a distribution at this time, do I still need to complete the forms?	No. You are not required to begin distribution until the calendar year you are 70½ years of age.	Same as 457
Once I have selected a distribution date, may I change it?	Yes. Once your distribution has started you may change the method and amount.	Same as 457
Will my money still be invested after I terminate employment?	Yes. Your investments will remain invested until you have depleted the account. You may redirect your investments at any time.	Same as 457

(Additional distribution information on previous page)

Reduction Factors

The following pages include reduction factors for the following:

- Early Reduction Factors – For members who began participation in OPERS before November 1, 2011
- Early Reduction Factors – For members who began participation in OPERS on or after November 1, 2011
- Option A – Retirement Benefit Option
- Option B – Retirement Benefit Option
- Option C – Retirement Benefit Option

Note: All reduction factor tables are based upon the analysis and experience of the Oklahoma Public Employees Retirement System and prepared by an actuary.

Reduction Factor Example: Sally is retiring with a final average compensation of $30,000. She has 15 years of service credit and has the standard computation factor of 2 percent.

$30,000 x 15 x 0.02 = $9,000 (or $750 per month). This represents Sally's maximum monthly benefit.

If Sally were 62 at retirement and choosing Option A with a joint annuitant 2 years younger, her reduction factor would be 92.72 percent (See reduction factors below. Complete Option A table on page 26.). This reduction factor will be applied to Sally's maximum monthly benefit.

Member's age at retirement	Years Younger						Years older				
	5	4	3	2	1	0	1	2	3	4	5
50	96.14%	96.26%	96.38%	96.50%	96.62%	96.74%	96.87%	96.99%	97.11%	97.23%	97.34%
55	94.70%	94.87%	95.04%	95.21%	95.38%	95.55%	95.72%	95.89%	96.06%	96.23%	96.39%
60	92.81%	93.04%	93.28%	93.52%	93.75%	93.99%	94.22%	94.46%	94.69%	94.92%	95.14%
61	92.37%	92.62%	92.87%	93.12%	93.38%	93.63%	93.88%	94.13%	94.37%	94.62%	94.86%
62	91.92%	92.18%	92.45%	**92.72%**	92.99%	93.26%	93.52%	93.79%	94.05%	94.31%	94.56%
63	91.45%	91.73%	92.02%	92.30%	92.59%	92.88%	93.16%	93.44%	93.72%	93.99%	94.27%
64	90.97%	91.27%	91.57%	91.88%	92.18%	92.49%	92.79%	93.09%	93.39%	93.68%	93.97%
65	90.47%	90.79%	91.11%	91.44%	91.76%	92.09%	92.41%	92.73%	93.04%	93.35%	93.66%

Maximum Monthly Benefit x Option A Reduction Factor = Sally's Option A Monthly Benefit Amount.

$750 x .9272 (92.72%) = $695.40 Sally's Monthly Benefit Amount

Upon Sally's death, her joint annuitant will begin receiving ½ the amount Sally had received ($347.70 per month).

Early Reduction Factors – *For members who began participation in OPERS before November 1, 2011*
Expressed as a percentage of the total Maximum Benefit

Age	%
62 – 00 mo.	100
61 – 11 mo.	99.444
61 – 10 mo.	98.888
61 – 09 mo.	98.333
61 – 08 mo.	97.777
61 – 07 mo.	97.222
61 – 06 mo.	96.666
61 – 05 mo.	96.111
61 – 04 mo.	95.555
61 – 03 mo.	95.000
61 – 02 mo.	94.444
61 – 01 mo.	93.888
61 – 00 mo.	93.333
60 – 11 mo.	92.777
60 – 10 mo.	92.222
60 – 09 mo.	91.666
60 – 08 mo.	91.111
60 – 07 mo.	90.555
60 – 06 mo.	90.000
60 – 05 mo.	89.444
60 – 04 mo.	88.889
60 – 03 mo.	88.333
60 – 02 mo.	87.779
60 – 01 mo.	87.223
60 – 00 mo.	86.667
59 – 11 mo.	86.111
59 – 10 mo.	85.555
59 – 09 mo.	85.000
59 – 08 mo.	84.444
59 – 07 mo.	83.889

Age	%
59 – 06 mo.	83.333
59 – 05 mo.	82.778
59 – 04 mo.	82.222
59 – 03 mo.	81.667
59 – 02 mo.	81.111
59 – 01 mo.	80.555
59 – 00 mo.	80.000
58 – 11 mo.	79.444
58 – 10 mo.	78.889
58 – 09 mo.	78.333
58 – 08 mo.	77.778
58 – 07 mo.	77.222
58 – 06 mo.	76.666
58 – 05 mo.	76.111
58 – 04 mo.	75.555
58 – 03 mo.	75.000
58 – 02 mo.	74.444
58 – 01 mo.	73.889
58 – 00 mo.	73.333
57 – 11 mo.	72.778
57 – 10 mo.	72.222
57 – 09 mo.	71.667
57 – 08 mo.	71.111
57 – 07 mo.	70.555
57 – 06 mo.	70.000
57 – 05 mo.	69.444
57 – 04 mo.	68.889
57 – 03 mo.	68.333
57 – 02 mo.	67.778
57 – 01 mo.	67.222

Age	%
57 – 00 mo.	66.667
56 – 11 mo.	66.389
56 – 10 mo.	66.111
56 – 09 mo.	65.834
56 – 08 mo.	65.556
56 – 07 mo.	65.278
56 – 06 mo.	65.000
56 – 05 mo.	64.723
56 – 04 mo.	64.445
56 – 03 mo.	64.167
56 – 02 mo.	63.889
56 – 01 mo.	63.611
56 – 00 mo.	63.333
55 – 11 mo.	63.055
55 – 10 mo.	62.777
55 – 09 mo.	62.500
55 – 08 mo.	62.222
55 – 07 mo.	61.944
55 – 06 mo.	61.666
55 – 05 mo.	61.389
55 – 04 mo.	61.111
55 – 03 mo.	60.833
55 – 02 mo.	60.555
55 – 01 mo.	60.277
55 – 00 mo.	60.000

Early Reduction Factors – *For members who began participation in OPERS on or after November 1, 2011*
Expressed as a percentage of the total Maximum Benefit

Age	%
65 – 00 mo.	100
64 – 11 mo.	99.444
64 – 10 mo.	98.888
64 – 09 mo.	98.333
64 – 08 mo.	97.777
64 – 07 mo.	97.222
64 – 06 mo.	96.666
64 – 05 mo.	96.111
64 – 04 mo.	95.555
64 – 03 mo.	95.000
64 – 02 mo.	94.444
64 – 01 mo.	93.888
64 – 00 mo.	93.333
63 – 11 mo.	92.777
63 – 10 mo.	92.222
63 – 09 mo.	91.666
63 – 08 mo.	91.111
63 – 07 mo.	90.555
63 – 06 mo.	90.000
63 – 05 mo.	89.444
63 – 04 mo.	88.889

Age	%
63 – 03 mo.	88.333
63 – 02 mo.	87.779
63 – 01 mo.	87.223
63 – 00 mo.	86.667
62 – 11 mo.	86.111
62 – 10 mo.	85.555
62 – 09 mo.	85.000
62 – 08 mo.	84.444
62 – 07 mo.	83.889
62 – 06 mo.	83.333
62 – 05 mo.	82.778
62 – 04 mo.	82.222
62 – 03 mo.	81.667
62 – 02 mo.	81.111
62 – 01 mo.	80.555
62 – 00 mo.	80.000
61 – 11 mo.	79.444
61 – 10 mo.	78.889
61 – 09 mo.	78.333
61 – 08 mo.	77.778
61 – 07 mo.	77.222

Age	%
61 – 06 mo.	76.666
61 – 05 mo.	76.111
61 – 04 mo.	75.555
61 – 03 mo.	75.000
61 – 02 mo.	74.444
61 – 01 mo.	73.889
61 – 00 mo.	73.333
60 – 11 mo.	72.778
60 – 10 mo.	72.222
60 – 09 mo.	71.667
60 – 08 mo.	71.111
60 – 07 mo.	70.555
60 – 06 mo.	70.000
60 – 05 mo.	69.444
60 – 04 mo.	68.889
60 – 03 mo.	68.333
60 – 02 mo.	67.778
60 – 01 mo.	67.222
60 – 00 mo.	66.667

Normal Retirement Reduction Factors
Retirement Option A[2]
Expressed as a percentage of the total Maximum Benefit

Member's age at retirement	The number of years younger the joint-annuitant is than the member at the date of the member's retirement.										Same age	The number of years older the joint-annuitant is than the member at the date of the member's retirement.									
	10	9	8	7	6	5	4	3	2	1	0	1	2	3	4	5	6	7	8	9	10
50	95.56%	95.67%	95.79%	95.90%	96.02%	96.14%	96.26%	96.38%	96.50%	96.62%	96.74%	96.87%	96.99%	97.11%	97.23%	97.34%	97.46%	97.57%	97.68%	97.79%	97.90%
51	95.27%	95.39%	95.51%	95.63%	95.76%	95.88%	96.01%	96.14%	96.27%	96.40%	96.54%	96.67%	96.80%	96.92%	97.05%	97.18%	97.30%	97.42%	97.54%	97.66%	97.77%
52	94.96%	95.08%	95.21%	95.35%	95.48%	95.62%	95.76%	95.89%	96.03%	96.17%	96.31%	96.45%	96.59%	96.73%	96.87%	97.00%	97.13%	97.26%	97.39%	97.51%	97.63%
53	94.62%	94.76%	94.90%	95.04%	95.19%	95.33%	95.48%	95.63%	95.78%	95.93%	96.08%	96.23%	96.37%	96.52%	96.67%	96.81%	96.95%	97.09%	97.22%	97.36%	97.48%
54	94.27%	94.42%	94.56%	94.72%	94.87%	95.03%	95.18%	95.34%	95.50%	95.66%	95.82%	95.98%	96.14%	96.30%	96.45%	96.61%	96.76%	96.90%	97.05%	97.19%	97.33%
55	93.89%	94.05%	94.21%	94.37%	94.53%	94.70%	94.87%	95.04%	95.21%	95.38%	95.55%	95.72%	95.89%	96.06%	96.23%	96.39%	96.55%	96.71%	96.86%	97.01%	97.16%
56	93.49%	93.66%	93.83%	94.00%	94.18%	94.36%	94.54%	94.72%	94.90%	95.09%	95.27%	95.45%	95.63%	95.81%	95.99%	96.16%	96.33%	96.50%	96.66%	96.82%	96.98%
57	93.07%	93.25%	93.43%	93.62%	93.81%	94.00%	94.19%	94.39%	94.58%	94.78%	94.97%	95.17%	95.36%	95.55%	95.74%	95.92%	96.11%	96.28%	96.46%	96.63%	96.80%
58	92.63%	92.82%	93.02%	93.22%	93.42%	93.62%	93.83%	94.04%	94.24%	94.45%	94.66%	94.87%	95.07%	95.28%	95.48%	95.67%	95.87%	96.06%	96.25%	96.43%	96.61%
59	92.17%	92.37%	92.58%	92.79%	93.01%	93.23%	93.45%	93.67%	93.89%	94.11%	94.33%	94.55%	94.77%	94.99%	95.20%	95.41%	95.62%	95.82%	96.02%	96.22%	96.41%
60	91.68%	91.90%	92.12%	92.35%	92.58%	92.81%	93.04%	93.28%	93.52%	93.75%	93.99%	94.22%	94.46%	94.69%	94.92%	95.14%	95.36%	95.58%	95.79%	96.00%	96.20%
61	91.17%	91.40%	91.64%	91.88%	92.12%	92.37%	92.62%	92.87%	93.12%	93.38%	93.63%	93.88%	94.13%	94.37%	94.62%	94.86%	95.09%	95.32%	95.55%	95.77%	95.98%
62	90.63%	90.88%	91.13%	91.39%	91.65%	91.92%	92.18%	92.45%	92.72%	92.99%	93.26%	93.52%	93.79%	94.05%	94.31%	94.56%	94.81%	95.06%	95.30%	95.53%	95.76%
63	90.08%	90.34%	90.61%	90.89%	91.17%	91.45%	91.73%	92.02%	92.30%	92.59%	92.88%	93.16%	93.44%	93.72%	93.99%	94.27%	94.53%	94.79%	95.05%	95.30%	95.54%
64	89.51%	89.79%	90.08%	90.37%	90.67%	90.97%	91.27%	91.57%	91.88%	92.18%	92.49%	92.79%	93.09%	93.39%	93.68%	93.97%	94.25%	94.53%	94.80%	95.06%	95.32%
65	88.92%	89.22%	89.52%	89.83%	90.15%	90.47%	90.79%	91.11%	91.44%	91.76%	92.09%	92.41%	92.73%	93.04%	93.35%	93.66%	93.96%	94.26%	94.55%	94.83%	95.10%
66	88.30%	88.62%	88.95%	89.28%	89.62%	89.96%	90.30%	90.64%	90.99%	91.33%	91.67%	92.02%	92.36%	92.69%	93.02%	93.35%	93.67%	93.98%	94.29%	94.59%	94.88%
67	87.67%	88.01%	88.36%	88.71%	89.07%	89.43%	89.80%	90.16%	90.53%	90.89%	91.26%	91.62%	91.99%	92.34%	92.70%	93.04%	93.38%	93.71%	94.04%	94.35%	94.66%
68	87.02%	87.38%	87.75%	88.12%	88.50%	88.89%	89.27%	89.66%	90.05%	90.44%	90.83%	91.22%	91.61%	91.99%	92.36%	92.73%	93.09%	93.44%	93.78%	94.12%	94.44%
69	86.33%	86.72%	87.11%	87.51%	87.91%	88.32%	88.73%	89.14%	89.56%	89.97%	90.39%	90.80%	91.21%	91.61%	92.01%	92.40%	92.78%	93.15%	93.52%	93.87%	94.21%
70	85.61%	86.02%	86.44%	86.86%	87.29%	87.72%	88.16%	88.60%	89.04%	88.59%	89.92%	90.36%	90.80%	91.22%	91.65%	92.06%	92.46%	92.86%	93.24%	93.61%	93.97%

[2] The member's and joint-annuitant's ages on the chosen date of retirement are rounded to the nearest year to determine the appropriate reduction factor.

Normal Retirement Reduction Factors
Retirement Option B[3]
Expressed as a percentage of the total Maximum Benefit

Member's age at retirement	The number of years younger the joint-annuitant is than the member at the date of the member's retirement.										Same age	The number of years older the joint-annuitant is than the member at the date of the member's retirement.									
	10	9	8	7	6	5	4	3	2	1	0	1	2	3	4	5	6	7	8	9	10
50	91.50%	91.70%	91.91%	92.12%	92.34%	92.56%	92.78%	93.01%	93.24%	93.47%	93.69%	93.92%	94.15%	94.38%	94.60%	94.83%	95.05%	95.26%	95.47%	95.68%	95.88%
51	90.97%	91.18%	91.40%	91.63%	91.86%	92.09%	92.33%	92.57%	92.82%	93.06%	93.30%	93.55%	93.79%	94.03%	94.27%	94.51%	94.74%	94.97%	95.20%	95.42%	95.64%
52	90.40%	90.63%	90.87%	91.11%	91.35%	91.60%	91.86%	92.11%	92.37%	92.63%	92.89%	93.15%	93.41%	93.67%	93.92%	94.17%	94.42%	94.67%	94.91%	95.14%	95.37%
53	89.80%	90.04%	90.29%	90.55%	90.81%	91.08%	91.35%	91.62%	91.90%	92.17%	92.45%	92.73%	93.00%	93.28%	93.55%	93.82%	94.08%	94.34%	94.60%	94.85%	95.09%
54	89.16%	89.42%	89.69%	89.96%	90.24%	90.52%	90.81%	91.10%	91.39%	91.69%	91.98%	92.28%	92.57%	92.86%	93.15%	93.44%	93.72%	93.99%	94.27%	94.53%	94.79%
55	88.48%	88.76%	89.05%	89.34%	89.63%	89.93%	90.24%	90.55%	90.86%	91.17%	91.48%	91.80%	92.11%	92.42%	92.73%	93.03%	93.33%	93.62%	93.91%	94.19%	94.47%
56	87.78%	88.07%	88.37%	88.68%	89.00%	89.32%	89.64%	89.97%	90.30%	90.63%	90.96%	91.30%	91.63%	91.96%	92.28%	92.60%	92.92%	93.23%	93.54%	93.84%	94.14%
57	87.04%	87.36%	87.68%	88.01%	88.34%	88.68%	89.02%	89.37%	89.72%	90.07%	90.43%	90.78%	91.13%	91.48%	91.82%	92.17%	92.50%	92.84%	93.16%	93.48%	93.79%
58	86.28%	86.61%	86.95%	87.30%	87.65%	88.01%	88.37%	88.74%	89.12%	89.49%	89.86%	90.24%	90.61%	90.98%	91.35%	91.71%	92.07%	92.42%	92.76%	93.10%	93.44%
59	85.47%	85.83%	86.19%	86.55%	86.93%	87.31%	87.70%	88.09%	88.48%	88.88%	89.27%	89.67%	90.06%	90.46%	90.85%	91.23%	91.61%	91.98%	92.35%	92.71%	93.07%
60	84.63%	85.01%	85.39%	85.78%	86.18%	86.58%	86.99%	87.40%	87.82%	88.24%	88.66%	89.08%	89.50%	89.91%	90.32%	90.73%	91.13%	91.53%	91.92%	92.30%	92.68%
61	83.76%	84.16%	84.56%	84.98%	85.40%	85.82%	86.26%	86.69%	87.13%	87.58%	88.02%	88.46%	88.91%	89.35%	89.78%	90.21%	90.64%	91.06%	91.47%	91.88%	92.28%
62	82.87%	83.29%	83.71%	84.15%	84.59%	85.04%	85.50%	85.96%	86.43%	86.90%	87.37%	87.84%	88.30%	88.77%	89.23%	89.69%	90.14%	90.59%	91.02%	91.45%	91.87%
63	81.95%	82.39%	82.84%	83.30%	83.77%	84.24%	84.73%	85.22%	85.71%	86.20%	86.70%	87.19%	87.69%	88.18%	88.67%	89.15%	89.63%	90.10%	90.57%	91.02%	91.46%
64	81.01%	81.47%	81.95%	82.43%	82.93%	83.43%	83.94%	84.46%	84.98%	85.50%	86.02%	86.55%	87.07%	87.59%	88.11%	88.62%	89.13%	89.62%	90.11%	90.59%	91.06%
65	80.04%	80.53%	81.03%	81.55%	82.07%	82.60%	83.14%	83.68%	84.23%	84.78%	85.33%	85.89%	86.44%	86.99%	87.54%	88.08%	88.61%	89.14%	89.66%	90.16%	90.66%
66	79.05%	79.57%	80.10%	80.64%	81.19%	81.74%	82.31%	82.88%	83.46%	84.04%	84.63%	85.21%	85.80%	86.38%	86.96%	87.53%	88.09%	88.65%	89.19%	89.73%	90.25%
67	78.05%	78.59%	79.15%	79.72%	80.30%	80.88%	81.48%	82.08%	82.69%	83.31%	83.93%	84.54%	85.16%	85.78%	86.38%	86.99%	87.58%	88.17%	88.75%	89.31%	89.86%
68	77.02%	77.59%	78.17%	78.77%	79.38%	80.00%	80.63%	81.26%	81.91%	82.56%	83.21%	83.86%	84.51%	85.16%	85.80%	86.44%	87.07%	87.69%	88.29%	88.89%	89.46%
69	75.95%	76.55%	77.16%	77.79%	78.43%	79.08%	79.74%	80.41%	81.09%	81.77%	82.46%	83.15%	83.84%	84.52%	85.20%	85.87%	86.53%	87.19%	87.82%	88.44%	89.05%
70	74.84%	75.47%	76.12%	76.77%	77.45%	78.13%	78.83%	79.54%	80.25%	80.97%	81.69%	82.42%	83.14%	83.86%	84.58%	85.29%	85.98%	86.67%	87.34%	87.99%	88.63%

[3] The member's and joint-annuitant's ages on the chosen date of retirement are rounded to the nearest year to determine the appropriate reduction factor.

Normal Retirement Reduction Factors
Retirement Option C[4]
Expressed as a percentage of the total Maximum Benefit

Age	%
47	99.62
48	99.58
49	99.53
50	99.47
51	99.39
52	99.31
53	99.21
54	99.09
55	98.94
56	98.78
57	98.60
58	98.38
59	98.14
60	97.86
61	97.55
62	97.20
63	96.81
64	96.39
65	95.92
66	95.40
67	94.84
68	94.21
69	93.49
70	92.68
71	91.79
72	90.77
73	89.64
74	88.36
75	86.94
76	85.36

[4] The member's age on the chosen date of retirement is rounded to the nearest year to determine the appropriate reduction factor

Required Minimum Distribution Worksheet

This worksheet may be used to calculate this year's required withdrawal from SoonerSave. SoonerSave is comprised of a 457 plan and a 401(a) plan. Both are subject to the IRS required minimum distribution (RMD).[5]

Deadline for receiving required minimum distribution:

- The year you turn 70 ½[6] – by April 1 of the following year
- All subsequent years – by December 31 of that year

Deferred Compensation Plan [457]

1. Plan balance as of December 31 of previous year. $_____
2. Distribution period from the table below for your age on your birthday this year. _____
3. Line 1 divided by number entered on line 2. $_____*

Savings Incentive Plan [401(a)]

1. Plan balance as of December 31 of previous year. $_____
2. Distribution period from the table below for your age on your birthday this year. _____
3. Line 1 divided by number entered on line 2. $_____*

*This is your required minimum distribution for this year.

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
70	27.4	82	17.1	94	9.1	106	4.2
71	26.5	83	16.3	95	8.6	107	3.9
72	25.6	84	15.5	96	8.1	108	3.7
73	24.7	85	14.8	97	7.6	109	3.4
74	23.8	86	14.1	98	7.1	110	3.1
75	22.9	87	13.4	99	6.7	111	2.9
76	22.0	88	12.7	100	6.3	112	2.6
77	21.2	89	12.0	101	5.9	113	2.4
78	20.3	90	11.4	102	5.5	114	2.1
79	19.5	91	10.8	103	5.2	115 and over	1.9
80	18.7	92	10.2	104	4.9		
81	17.9	93	9.6	105	4.5		

[5] If your spouse is the sole beneficiary and he or she is more than 10 years younger, you will need to use the Joint Life and Last Survivor Expectancy Table found at www.irs.gov.

[6] If you are 70 ½ or older and still employed for a SoonerSave-participating employer, the required minimum distribution will not go into effect until the year in which you retire or terminate from the SoonerSave-participating employer.

Important Points to Review

1. The Retirement Coordinator in your agency will need to complete Part 8 of your *Retirement Notice & Application* before it is sent to OPERS.

   You can find a listing of each agency's main retirement coordinator at www.opers.ok.gov/coordinator-listing or by calling OPERS at (800) 733-9008.

2. Your completed *Retirement Notice & Application* (original copy) must be received by OPERS at least 60 calendar days before your effective retirement date.

   You can find retirement deadline schedule on the OPERS website at www.opers.ok.gov/dates-and-deadlines.

3. Retirement dates are always the first day of the month.

4. After you submit your *Retirement Notice & Application*, OPERS will send you information about your retirement benefits, including:

   - An estimate of your gross monthly benefit, including an accounting of your service credit;
   - The date your first two benefit payments will be issued;
   - The legal requirements regarding returning to work after retirement; and,
   - Tax withholding charts and a *Benefit Recipient's Withholding Preference Certificate* form to authorize federal and state income taxes to be withheld.

5. Your first two retirement benefit payments will be issued on the last working day of the **second** month of retirement. **No benefit payment will be issued during the first month of retirement.**

6. Your benefit payment will be electronically deposited to your bank account. You must complete a *Direct Deposit Authorization* form and submit it to OPERS.

7. You should seek the advice of a competent tax advisor about your federal and state tax liability.

As our members draw close to their retirement date, we often are asked, "What can I do now to make the retirement process easier then?" After you submit your *Retirement Notice & Application*, OPERS will request necessary documents not already in your file.

Examples include copies of:

- Birth Certificate(s)*
  (you and your joint annuitant)
- Marriage License
- Divorce Decree
- Spouse Death Certificate

NOTE: Documents will not be returned.

Submitting copies of these documents early can save time and eliminate stress once you have started the process of retiring. Some members submit their *Retirement Notice & Application* and then find themselves tracking down documents from various state or county offices while the clock is ticking. If the documents are already in your file, OPERS will not have to ask for them – this means less stress for you as you make the transition into retirement. It's one task you can do ahead of time. You'll be glad you did!

*Other acceptable documents may be used to prove birth. Please contact OPERS for more information.

Include the member's name and Social Security Number on all submitted documents.

Notes

Notes

This publication, printed by OMES, DCAM-Central Printing, is issued by the Oklahoma Public Employees Retirement System (OPERS) as authorized by the Executive Director. One thousand (1,000) copies have been prepared at a cost of $3,190.00. An electronic copy has been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

Printed January 2017