An Overview of the Oklahoma Police Pension & Retirement System ("OPPRS")
How a City Joins the OPPRS

1. Governing body of city passes resolution
2. City submits approved resolution with formal request to join the OPPRS
3. OPPRB Approval
   *Effective 1\textsuperscript{st} of month following approval
   *Membership is irrevocable
Currently Employed Officer

• Has 6 months from city membership date to make one-time election to join the OPPRS
  -Eligibility requirements apply

• Has 90 days to elect purchase of prior service
  -5 year maximum purchase
  -Actuarial cost
Newly Hired Officer

- **Mandatory** participation for full-time officer hired on or after city membership date
  - *Full-time is working 25+ hours per week*

- **Membership Eligibility**
  - Ages 21-45 for *initial* membership
  - May continue membership at any age
Membership Exemptions

• Police Chief
  - Optional membership

• Cities with 2 or fewer full-time officers
  - May hire officer older than 45, but officer may not be member of OPPRS
Retirement Contributions

• Calculated on “paid base salary”
  -Includes base pay, longevity, holiday pay, educational allowances, and paid leave
  -Does not include overtime, uniform allowances, or payments for unused leave

• City contributes 13% of paid base salary

• Member contributes 8% of paid base salary
Submission of Contributions

- Payments submitted to the OPPRS within 10 days after each payroll
  - Applicable late fees
- Payments submitted with detailed report
  - Listing the payroll dates, name, SSN, salary, 13%, and 8% for each member
Service Credit Purchases

1. Prior OPPRS Service Credit
   - Amount of refund plus 10% annual interest
   - Counts toward vesting/retirement eligibility, and benefit calculation

2. Other OK Retirement System Service Credit
   - 5 year maximum purchase
   - Actuarial cost
   - Counts toward benefit calculation only
Service Credit Purchases

3. Prior Military Service

- 5 year maximum credit
- Counts toward benefit calculation only
- Hired prior to 7/1/2003, applicable service credit is free
- Hired on or after 7/1/2003, applicable service credit may be purchased at actuarial cost
Service Credit Purchases

4. USERRA Military Service

- Upon return, member may elect to pay 8% contributions missed due to qualified military service
- If elected, city also pays corresponding 13% contributions that were missed
- Counts toward benefit calculation*

*vesting/retirement eligibility intact
Service Credit Purchases

5. Dept. of Defense/State Dept. Service

- 1 year maximum purchase
- Pays 8% member and 13% city contributions missed due to private employment
- Must complete purchase within 1 year of return
- Counts toward vesting/retirement eligibility, and benefit calculation
Retirement

- Vesting requires 10 years of service
  - Accrued benefit begins at age 50, or normal 20 year retirement date, whichever is later
- Normal retirement requires 20 years of service
  - Monthly benefit is direct deposited on the last working day of each month, for the month.
Benefit Calculation

• Formula
  - Years of service X highest average salary X 2.5%
  - Highest average salary is highest consecutive 30 months of salary from the last 60 months of employment

• Example

  20 years X $3,000 X 2.5% = $1,500/month
Deferred Option Retirements

1. Forward D.O.P.

- Min. 20 years of service; max. participation of 5 years
- Member continues employment, but stops 8% contributions
- Deferred monthly benefit & 1/2 of city’s 13% contributions deposited into interest bearing account guaranteed 7.5% interest
Deferred Option Retirements

2. Back D.O.P.

- Min. 20 years of service; max. participation of 5 years; cannot drop below 20 years of service

- Member elects upon retirement; **effective retroactively**

- Deferred monthly benefit, member’s 8%, & ½ of city’s 13% contributions deposited into interest bearing account guaranteed 7.5% interest
Disability Benefits

1. Duty Disability Benefit
   - No min. service required
   - Receives 50%, 75%, or 100% of a normal 20 year retirement benefit based on impairment rating

2. Non-Duty Disability Benefit
   - Min. 10 years of service
   - Receives 25%, 50%, 75%, 90%, or 100% of accrued retirement benefit based on impairment rating
Beneficiary Information

• Beneficiary
  - Determined by statute: 11 O.S. § 50-101(13)
    1. Spouse (of 30 consecutive months*)
       * waived if duty related death
    2. Child (until age 18*)
       * continues 18-22 if full-time student
  - If no eligible beneficiary, final payments made to member’s estate
1. Duty Related Death (Active Member)

- No min. service required
- Beneficiary receives normal 20 year retirement benefit, and one-time $5,000 death benefit
- Additional retirement options may be available if member had 20+ years of service
2. Non-Duty Related Death (Active Member)

- Min. 10 years of service
- Beneficiary receives accrued retirement benefit, and one-time $5,000 death benefit
- Additional retirement options may be available if member had 20+ years of service
- If member had less than 10 years of service, beneficiary receives refund of member contributions, and one-time $5,000 death benefit
Death Benefits

3. Death of Retired Member
   - Beneficiary continues retirement benefit, and receives one-time $5,000 death benefit

4. Death of Beneficiary (After Member)
   - Estate of beneficiary receives final monthly benefit