



# **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
  - Effective 1<sup>st</sup> of month following board approval*
3. OPPRS Board 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 upon separation*
- 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 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 unaffected*



## *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 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*



## *Death Benefits*

### 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*



## *Death Benefits*

### 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*