

## For OPSRP members

### Know the OPSRP basics

It's never too early to make sure you fully understand and get updated information about your PERS retirement benefits.

At retirement, you will have two benefits: your OPSRP Pension Program and your Individual Account Program (IAP).

Your OPSRP Pension Program will provide you with monthly income for life and is funded by your employer. It is designed to pay you 45 percent of your final average salary after a 30-year career (25-year career for police and fire).

Your other retirement benefit is your IAP, an account-based benefit. A 6 percent payroll contribution, whether paid by you or your employer, is placed into your IAP. Your IAP can have earnings or losses that are credited annually. Your IAP would pay you about 15-20 percent of your final average salary at retirement if it earned roughly 8 percent over a 30-year career.

You can use PERS' [Online Member Services](#) to estimate your Pension Program benefit and PERS' [IAP Disbursement Forecaster](#) to estimate your IAP benefit at retirement.

At its April 3, 2017 meeting, the PERS Board approved final earnings crediting to IAP accounts for 2016 of 7.13 percent.

### Did you know...

PERS offers education sessions around the state for OPSRP members at any stage of their careers. See page 4.

### 2016 member annual statements

Member annual statements for 2016 are scheduled to be mailed by the end of May 2017.

If you are currently employed in a PERS-covered position, your annual statement will be mailed to the address your employer has provided to PERS.

As an OPSRP member, your statement will show your current and accrued retirement credit (service time) and the amount of earnings credited to your IAP account for the year ending December 31, 2016. Your Pension Program retirement benefit does not have an account balance, as it is a defined benefit [calculated](#) by multiplying a factor set in statute by your years of public service and your final average monthly salary.

The financial information needed for 2016 member annual statements was adopted by the PERS Board when it credited 2016 final earnings at its April 3, 2017 meeting.

Member account balances will be updated in [Online Member Services](#) shortly after final earnings are credited.

### PERS office closures in 2017

PERS offices in Tigard, Tualatin, and Salem will be closed on the dates below in 2017:

- May 29: Memorial Day
- July 4: Independence Day
- September 4: Labor Day
- November 10: Veteran's Day
- November 23 and 24: Thanksgiving
- December 25: Christmas

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## Have you saved enough to retire?

Your OPSRP Pension Program is a defined benefit plan. That means you or a beneficiary may receive a monthly benefit for life. Your Individual Account Program (IAP) is the second part of your retirement benefit.

You can use [PERS' Online Member Services](#) to estimate your benefit at retirement. You can also estimate your IAP payments using the [IAP Disbursement Forecaster](#). You can also estimate your [Social Security benefit](#) online.

When you add everything up, will you have enough money for a secure retirement? Financial planners suggest that people need 80 percent of their working income when they retire.

Another way to supplement your retirement is with the [Oregon Savings Growth Plan](#) (OSGP), a “457(b)” deferred compensation plan available to all state employees, and to local government and school district employees whose employers have adopted the plan.

OSGP lets participants save for retirement on a pre-tax or after-tax basis through payroll deductions. Savings on a pre-tax basis helps you lower your taxable income now, while contributing on an after-tax basis allows you to take money at retirement tax free. You can save up to \$18,000 per year (\$24,000 if age 50 or over). And 457(b) plans are unique in that they offer a Three-Year Catch-Up provision that allows you save up to \$36,000 per year for the last three years of employment if you did not take full advantage of the plan earlier.

Complete the Enrollment and Beneficiary Designation form on the [OSGP website](#) or have a hard copy mailed to you by calling 888-320-7377.

## OPSRP Pension Program frequently asked questions

### **How old do I have to be to retire with full benefits?**

*General service:* Age 65 or age 58 with 30 years or more of retirement credit.

*Police officer or firefighter:* Age 60 or age 53 with 25 or more years of retirement credit. You must have held the position of police officer or firefighter continuously for five or more years immediately before your effective retirement date.

### **Can I retire early?**

Yes, but your benefit will be reduced to the actuarial equivalent of your full retirement benefit.

*General service:* Age 55 or if you have 25 or more years of retirement credit as a telecommunicator (911 Operator), you can retire at any age; however, you are not eligible for a cost-of-living adjustment (COLA) until you reach age 55.

*Police officer or firefighter:* Age 50 if you have held the position of a police officer or firefighter continuously for a minimum of five years immediately preceding the effective retirement date.

### **What is vesting?**

Vesting means you are entitled to a pension at retirement even if you leave PERS-covered employment.

### **How do I know if am I vested?**

You will vest on the earliest of the following dates:

- a) The date on which you have completed at least 600 hours of service in each of five calendar years.
- b) The date on which as an active (working) member reach normal retirement age.
- c) The date at which you become a member if you are already at age.

### **Can I retire and return to work?**

If you return to employment with a private employer, your OPSRP Pension Program retirement benefits will continue unchanged. The law does not limit the hours you may be employed or the amount of money you can earn from a private employer or a non-PERS participating public employer.

If you return to employment with a PERS-covered public employer after retirement, Oregon statutes impose certain limitations on that employment. Your retirement will be canceled if you exceed 599 hours in a calendar year.

Refer to [Working After Retirement for OPSRP Members](#) for additional information. You can also call Member Services at 888-320-7377 to request a copy or get other questions answered about your OPSRP retirement benefit.

# OPSRP Pension Program and IAP death benefits before retirement

## **OPSRP Pension Program**

If you die before retirement and are vested, PERS will pay a death benefit to your spouse or to any other person who is constitutionally required to be treated in the same manner as a spouse for the purpose of retirement benefits. If you are single, there is no death benefit available.

No form is required to designate a beneficiary, since the only beneficiary available is your spouse.

The death benefit will be for the life of your spouse and will be the actuarial equivalent of 50 percent of the pension that would have been paid as a retirement benefit to you.

Payment of the death benefit will be as of:

- your date of death if you die after your earliest retirement date;
- the date you would have reached age 55 if you were not a police officer or a firefighter at the time of your death and you die before your earliest retirement date; or
- the date you would have reached age 50 if you were a police officer or a firefighter at the time of your death and you die before your earliest retirement date.

If you reach your earliest retirement date before your death, your surviving spouse must begin receiving death benefits before December 31 of the calendar year following the calendar year of your death.

Your spouse may delay payment as long as payment commences no later than December 31 of the calendar year in which you would have reached age 70 ½.

## **IAP: Pre-Retirement Designation of Beneficiary: Married or Single Applicant Form**

Married members must use the IAP: Pre-Retirement Designation of Beneficiary: Married Applicant form. The “Spousal Designation” on the form directs your death benefits to your surviving spouse. In the event of your death, benefits must be paid to your spouse unless he or she consents to an alternate beneficiary.

In this context, *spouse* includes anyone who is constitutionally required to be treated in the same manner as a spouse.

If you are married and want to designate someone other than your spouse as your IAP beneficiary, your spouse must consent.

The consent must be signed by the person who is your spouse at the time of your death to allow someone other than that spouse to receive your IAP account balance.

You need to complete the IAP: Revocation of Spousal Beneficiary Designation form if your spouse chooses to revoke his or her spousal consent.

If you are single, you must use the IAP: Pre-Retirement Designation of Beneficiary: Single Applicant form.

Should you select the statutory designation, you automatically provide for changes that occur in your family situation such as marriage, birth, divorce, or death.

To the extent you are vested in your IAP account at the time of your death, your IAP account will be paid to your beneficiary(ies) in a lump-sum payment.

# Education Presentations

PERS offers education sessions for OPSRP members at any stage of their careers. Education sessions are held around the state.

## All About OPSRP

This presentation is ideal for members at any stage of their careers who began their PERS-covered career after August 28, 2003. Topics include membership and vesting requirements, information regarding Online Member Services and estimates, retirement eligibility, detailed information about the Individual Account Program (IAP), and member resources.

## All About OPSRP with Financial Planning

Some education sessions add financial planning information supplied by our education partner, VALIC. Additional topics covered at these sessions include:

- Social Security and Medicare,
- Coordinating PERS benefits with other income sources, and
- Planning for changing income and expense needs.

Registration is required. Register through the PERS website in the [Education Sessions](#) section. All presentations are free, including the financial planning sessions. Space is limited and the schedule is subject to change. The PERS website has the most current information.

## Retirement Application Assistance Sessions (RAAS)

These are one-hour, one-on-one appointments with a PERS staff member to review PERS retirement application forms and are for members who have:

1. Decided on a PERS effective retirement date.
2. Have completed the service retirement application and are ready to have it reviewed. You can call and request a retirement application or you can [download the form\(s\)](#).

PERS will:

1. Conduct a comprehensive review of your retirement application, forms, and supporting documents for accuracy and completeness;
2. Notarize your retirement application at no cost; and
3. Explain the retirement application process.

Please note that RAAS are not counseling sessions to help you make a decision to retire. As a courtesy to others, please do not schedule more than one RAAS session. One hour is sufficient time for a comprehensive review of your retirement forms.

*Perspectives* is published by the Oregon Public Employees Retirement System for the benefit of members and employers. Address all correspondence to **PERS, P.O. Box 23700, Tigard, OR 97281-3700**. PERS headquarters is located at **11410 SW 68th Parkway, Tigard, OR**.

**Phone: 888-320-7377; TTY: 503-603-7766.** Telephone hours are 8:30 a.m. to 5 p.m., Monday through Friday, except holidays. PERS' website address is <http://oregon.gov/PERS>.

**Email PERS Member Services at:** [customer-service.pers@state.or.us](mailto:customer-service.pers@state.or.us)

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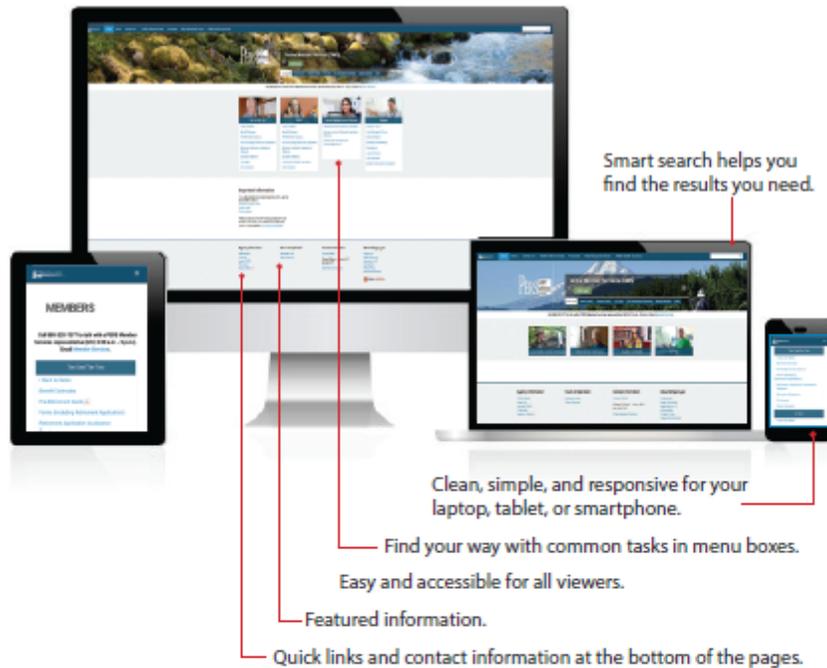
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# New PERS [website](#) open for business

PERS has updated its [website](#) to make it easier to navigate and find information. You will need to create new bookmarks for the new PERS [website](#).



## Easy navigation on inside pages.

Quickly find main categories.

Find your way back to previous pages.

Click on links in the left navigation panel to reveal more related pages.

