

How to read your Annual Statement

Member Name: This is your name on record with PERS as reported by your employer. Please notify your employer if the name on the statement is incorrect.

Date of Birth: This is your date of birth as reported by your employer. Please notify your employer if the date of birth on the statement is incorrect.

Member Address: This is your mailing address on file with PERS as reported by your employer. Please notify your employer if the address on the statement is incorrect.

Member Employment Information: This section shows your employer(s) in 2005. Employers are listed in order of the number of hours you worked for each employer last year. The "Total for 2005" shows the total for all employers you worked for, even if you worked for more than 10 employers in 2005.

The **Employer Code** shows the PERS-assigned employer number.

A "Y" appears in the **Police & Fire** column if you are classified as a Police & Fire member for that position. "N" appears if you are non-Police & Fire.

Regular Hours shows the number of hours you worked for each employer in 2005.

Overtime Hours shows the number of overtime hours reported by each employer for 2005.

Total Subject Salary Regular shows your base salary paid by each employer in 2005.

Total Subject Salary Overtime shows your overtime salary paid by each employer in 2005.

Member Status: This shows if you are active or inactive.

Current Retirement Credit: This shows the retirement credit earned for 2005. A full year of retirement credit is earned by working 2,000 hours or more per calendar year (unless the member is a school employee). Working 600 to 1,999 hours per year provides a prorated share of a year's retirement credit (i.e., hours worked divided by 2,000).

One year of retirement credit = 1.0000; a partial year is shown as a decimal (e.g., 0.7500).

If you had both Police & Fire and non-Police & Fire service in 2005, your retirement credit is combined on this statement.

Special provision for school employees

A special provision for all school employees provides prorated retirement credit for years where the employee works between 600 hours and whatever number of hours the employer declares to be a full-time equivalent for that position. School employees earn a full year of retirement credit after

working the full-time equivalent for a position as declared by the employer.

Vested status: You become vested in the OPSRP Pension Program on the earlier of: 1) The date you complete at least 600 hours of service in five calendar years. The five years need not be consecutive. If you became an OPSRP member after a "Break in Service," creditable service earned under the PERS Chapter 238 (Tier One and Tier Two) programs is counted as service for the purpose of vesting in the OPSRP Pension Program. However, if you are not vested and you perform fewer than 600 hours of service in five consecutive calendar years, service performed before the first year of the five consecutive calendar year period cannot be used for vesting. 2) The date you reach normal retirement age (see Benefit calculations below).

Cumulative Retirement Credit: This is the total retirement credit you have earned in the OPSRP Pension Program. If you had both Police & Fire and non-Police & Fire service in 2005, your retirement credit is combined on this statement.

Background

The Oregon Public Service Retirement Plan (OPSRP) was created for public employees hired on or after August 29, 2003. PERS Tier One/Tier Two members who incur a "Break-in-Service" become OPSRP Pension Program members under some circumstances (see the PERS website at <http://oregon.gov/PERS> for "Break-in-Service" rules).

The Pension Program is the defined benefit portion of OPSRP and provides a life pension funded by employer contributions. There is no account balance as with a defined contribution plan. Your retirement benefit is calculated at retirement (see below).

Benefit calculations: Annual retirement benefits are calculated with the following formulas for members who attain normal retirement age:

Police & Fire: 1.8 percent x final average salary x retirement credit. Normal retirement age for Police & Fire members is age 60 or age 53 with 25 years or more of retirement credit. To retire as a Police & Fire member, you must have been employed continuously in a Police & Fire position for at least five years immediately preceding retirement.

Non-Police & Fire: 1.5 percent x final average salary x retirement credit. Normal retirement age for non-Police & Fire members is age 65 or age 58 with 30 years of retirement credit.

Note: Your Individual Account Program (IAP) 2005 Annual Statement will be sent separately later this year.

**Your employer(s) supplied the information shown on your annual statement.
Please contact your employer(s) if you believe there is an error.**