Ohio Police & Fire Pension Fund

Member's Guide to: PUBLIC RE-EMPLOYMENT



Returning to public employment under an Ohio retirement system

As a re–employed retired member of OP&F, you are required to contribute to OP&F a percentage of your gross earnings at the same contribution rate as active police officers or firefighters. In addition, state law requires your employer to make contributions to OP&F based on a percentage of reportable payroll. The current contribution rates are 19.5 percent for police officers and 24 percent for firefighters.

If you terminate your employment before age 60, Ohio law allows you to receive a lump sum payment of your post-retirement employee contributions made during the period of re-employment, plus interest. If you wait until age 60 to receive this benefit, you can choose to receive either a lump sum payment in an amount equal to twice your contributions, plus interest, or a lifetime annuity paid monthly. If, after calculation, your lifetime monthly annuity would be less than $25, you may only select the lump sum payment option. Spousal consent may be required before payment can occur.

If you are receiving a disability benefit and are interested in pursuing employment after accepting a disability award, you should mail the job description to OP&F and request a determination on the possible impact of this position on your benefits before accepting the position. For more information, refer to OP&F's *Member's Guide to Disability Benefits*.

Penalty for returning to public employment under an Ohio retirement system

Often referred to as the "revolving door penalty," if you are a police officer or firefighter and you return to public employment covered under any of the Ohio retirement systems (ORS), including OP&F, within two months of your retirement date from an OP&F employer, then up to two months of your pension payments and contributions for such period must be forfeited under law. A limited exception can be applied to you if you had been continuously employed in the other ORS–covered position, except for an OP&F position, two months before retirement and you submit the appropriate documentation to OP&F. Contributions that fall under this penalty are excluded from the calculation of your benefit and are refunded through your employer.

Benefit payment options

Upon termination of your re–employment, you can choose to receive either a lump sum payment or a lifetime annuity paid monthly, with limited exceptions. The lump sum payment or annuity payment, with matching benefit, cannot be made until the latest day of:

- the day your employment terminated;
- the day you attained age 60 (with amounts differing if paid upon termination of employment prior to age 60); or
- one year from the date you began receiving another OP&F defined contribution plan benefit.

No payment can be made until all of your employee contributions have been verified and posted to your account. This payment does not include employer contributions. These benefits may be subject to federal tax liens and court–ordered deductions.

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Lump sum payment option

If you terminate your post-retirement employment before age 60, Ohio law allows you to receive a lump sum payment of your employee contributions submitted during your employment, plus interest. If you wait until age 60 to receive this benefit, the lump sum payment will be an amount equal to twice your contributions, plus interest. If you are married at the time of application for this benefit, spousal consent is required before payment can be made.

Lifetime annuity option

The lifetime monthly cash payment is based on the value of the lump sum payment option if you terminate employment after age 60, or wait until age 60 to begin receiving the monthly annuity. If the monthly annuity would be less than $25, only the lump sum payment option is available. If you select the annuity option and are married, the selection must be at least a 50 percent Joint and Survivor Annuity (JSA) payable to your spouse, unless your spouse consents in writing to another plan.

Beneficiary benefits

If you should die before terminating employment or receiving an amount equal to the lump sum payment option, the difference is paid to your surviving spouse or, if no spouse, to your estate. The payment is made immediately to the surviving spouse upon proof of marriage or to the executor of your estate upon submission of proper court documentation.

Eligibility for OP&F's health care stipend program

As an OP&F member that has retired and is re-employed, you may be eligible for OP&F's health care stipend program. However, if you have access to health care coverage through your employer, you are not eligible for the OP&F stipend program. When you leave your re-employed position and no longer have access to health care, it can be considered a Qualifying Life Event and you may then be eligible for the OP&F stipend program.

Additional information is available at op-f.org.