

Thomas E. Cummins Consulting Actuary, Inc.

2512 E. 71st Street, Suite D
Tulsa, OK 74136

(918)492.9658 Fax (918)492.9659

February 12, 2013

Representative Randy McDaniel
Room 438

Re: Proposed Committee Substitute for House Bill No. 2078
RBS 6858

Proposed Committee Substitute for House Bill No. 2078 requires a participant in the Oklahoma Firefighters Pension and Retirement System who joins on or after November 1, 2013 to complete 22 years of service and be at least age 50 to receive an unreduced benefit. To be vested in their retirement benefit these participants must complete at least 11 years of service.

For those participants joining the system after October 31, 2013 and elect to participate in the DROP plan, the interest credited to their balance each year will be the actual rate of return of the system's assets less 1%.

The employee contribution rate will be increased to 9% of compensation and the municipality's contribution rate will be increased to 14% of compensation, effective 11/01/2013.

The allocation of the premium tax for the Oklahoma Firefighter Retirement and Pension System will be increased to 36%.

Proposed Committee Substitute for House Bill No. 2078 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

Thomas E. Cummins

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