

## Some Exceptions

Any former member who was or is approved for disability by the Social Security Administration but whose onset date does not meet the provision that requires credited service for 18 of the 24 months immediately before the disability, may be retired by the APERS Board of Trustees upon written application to the Board, if the onset date determined by the SSA is within 24 months of the date the member terminated from covered employment.

If you are within 10 years of your normal retirement age (for most that is at least 55 years of age) you may receive reduced benefits pending approval of your disability. If approved for disability, your full benefits will be paid retroactive to the effective date.

## Returning to Work Details

If you return to work, you do run the risk of jeopardizing your disability benefit. Much like Social Security, APERS has monthly limitations on earnings by retirees. If you are considering returning to work, please contact the Benefits Unit for more information before you make your decision.

If you have any additional questions on disability or early retirement, contact APERS at: 501-682-7830 or 1-800-682-7377.

For more information contact  
**Arkansas Public Employees  
Retirement System**

124 W. Capitol Ave., Suite 400  
Little Rock, AR 72201

(501-682-7830 or 1-800-682-7377)

Or visit our website at

**[WWW.APERS.ORG](http://WWW.APERS.ORG)**

“As much as possible, this brochure has been written in non-technical terms, avoiding the formal language of the retirement laws, rules and regulations. Any conflict between the information contained in this brochure and those retirement laws, rules and regulations must be resolved pursuant to the governing statutes, rules and regulations.

If questions about interpretation arise as a result of the attempt to make the retirement provisions easy to understand, Chapters 2, 4, and parts of 7 of Title 24 of the Arkansas Code Annotated (1987), as amended, must remain the final authority.

The information provided in this brochure is based on the Arkansas Retirement System laws and rules in existence at the time this brochure was published and is subject to future modification based on changes in the law.”

# Understanding EARLY RETIREMENT & DISABILITY RETIREMENT

## Early Retirement

The Arkansas Public Employees Retirement System does have options available for active members who wish to retire early. Early retirement can be defined as wishing to retire **BEFORE** either:

- Reaching the age of 65 or
- Earning 28 years of Actual Service

An active member can retire before the age of 65 or before they have earned 28 years of actual service, with a reduction in the benefit amount if they have:

1. At least 5 years of service on or after July 1, 1997 or 10 years of service before July 1, 1997 and
2. Attained the age of 55.\*

\* Note: A person with at least 25 years of actual service may retire with reduced benefits at any age.

**NOTE: The temporary benefit (*an annuity that is available to non-contributory members who retire before age 62, except due to disability*) is not reduced.**

## The Reduction

In the case of an early retirement, APERS determines what the monthly annuity will be and then applies the appropriate reduction to that amount. To determine the amount of reduction an active or deferred member will have, APERS looks at the amount of actual service that person has at the time of retirement. If the member has less than 25 years of actual service the reduction is ½ of 1% for each month before 65.

### Less Than 25 years of actual service:

½ of 1% for each month before 65

An example of a reduction with less than 25 years of actual service would be if a member retires at age 62 with 5 years of service.

At age 62 you have 36 months until age 65. ½ of 1% for 36 months is 18. The reduction is 18%.

If the member has at least 25 but less than 28 years of actual service the reduction is the lesser of :

- ½ of 1% for each month before 65 or
- 1% for each month before 28 years of service.

### 25 to 28 years of actual service:

#### The lesser of:

From Age 65	From 28 Years of Service
½ of 1% for each month before 65	1% for each month under 28 years

Here is an example of a reduced benefit due to early retirement. An APERS member who is 60 years old with 25 years of service decides to retire. How will his benefit reduction be determined?

**From Age 65** - At age 60 you have 60 months till 65. ½ of 1% for 60 months is 30. The reduction based on age is 30%.

**From 28 Years of Service** - At 25 years of service you have 36 months until 28 years of service. 1% for 36 months is 36. The reduction based on service would be 36%.

In the above example the reduction that would be applied to the monthly annuity would be the 30% based on age, as it is less than the 36% based on service.

## Disability Retirement

Although no one wants to face this personal situation, some APERS members have suffered total and permanent disabilities that force them to retire. An APERS member with a disability may retire if they meet certain eligibility requirements.

### Requirements

Any APERS member can retire with a disability if they:

1. Have at least 5 years credited service.
2. Have credited service for 18 of the 24 months immediately preceding the disability occurrence.
3. Must be ruled eligible for Federal Social Security Disability Benefits due to a total and permanent disability.

## Filing and Appeals

While Social Security often has at least a five-month waiting period, you should file immediately for disability with APERS. If you are approved for disability benefits by the SSA, APERS will start your disability benefit retroactive to the month following your termination date OR your disability onset date, whichever occurred latest.

If your disability claim is initially denied by Social Security, you must appeal the ruling through the Administrative Law Judge of the Social Security Administration before a separate appeal to the Board of Trustees of the Retirement System will be accepted. You should contact APERS for specific instructions after appealing through the Administrative Law Judge of the Social Security Administration.