



PROTECT AND SERVE

Fall 2018

A publication of the Oklahoma Police Pension and Retirement System

Letter from the Executive Director

Ginger Sigler

BRAND NEW ERA

Hello everyone. I am Ginger Sigler. I became the Executive Director of the Oklahoma Police Pension on September 4, 2018. I have worked with other State Retirement Systems for 29 years before joining the Police System. I have a passion for helping members know more about their retirement and how to plan for their futures. I also want those who have retired to feel like we are responsive to their needs and concerns as well. It takes all of us working hard to make everything work smoothly. Communication is a big part of that. I have a vision for this system and I want to share it with all of you:



First, I want to address all the retiree and beneficiaries who belong to our system. YOU ARE OUR MOST IMPORTANT MEMBERS. We are here to make sure that you get your monthly benefits on time and that they are correct. If we don't accomplish that one thing, I feel like we have failed. You have served our communities with such care and honor and it is our turn to take care of you. You need to be made aware of things that are happening that affect you and your benefit. I would like to start gathering emails from all of the retirees, so we can have a mass email chain to send out information on a regular basis. During the legislative session it is important that you know what bills are being heard and how they will affect you. With up to date information, you can call your legislators and tell them how you feel about a bill. The legislators respond when their constituents call! **Please take time to either send us an email or letter if you would like to be put on that list. You can email me at ginger.sigler@opprs.ok.gov or send a quick note to OPPRS, 1001 NW 63rd Street, Ste 305, Oklahoma City, OK 73116.**

Secondly, I want the active members to understand what a great retirement system they have. So many people join a police department at a very young age. At the age of 25 you are not thinking about retirement. You are busy starting life. You are getting married, buying houses, and having children which are all very expensive. The Police Pension System provides a great way to start your retirement planning. You are guaranteed a lifetime annuity based on your wages and length of service. Your spouse (if you have been married to them for at least 30 continuous months before death) is entitled to a lifetime annuity as well after your death. This is something many people don't have. You are very fortunate. But sometimes just your pension benefit doesn't provide enough for such things as insurance and medical bills. If you have access, start adding to a deferred compensation account (which many cities have) or to a 401-K, which can add a layer of financial protection. It doesn't have to be a lot, maybe even \$25 a month. I urge you to see a financial adviser early on to get a plan for your retirement. (CONTINUED ON NEXT PAGE)

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OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

FALL 2018 NEWSLETTER

(continued from page 1)

There normally isn't a charge for an introductory meeting to get ideas about what you can be doing to prepare for retirement. If you have 20 years on the job, it isn't too late, but please start preparing for retirement now.

Lastly, I want all the cities and Police Chiefs to feel like they can count on the Police Pension System to give them the help they might need when hiring new members. The Pension System is here to help in any way we can. Our office has statutes, rules and laws that we must follow in administering the System, but our goal is to help the cities and members. If a city or a Chief is having problems, pick up the phone and call us. We will work with you the best we can. We can't help with something we don't know about. I look forward to getting to know many of you. In the future, I would love to visit many of your cities and hear first-hand any questions you might have.

Respectfully , Ginger Sigler

STAFF

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2019 OKLAHOMA POLICE PENSION AND RETIREMENT BOARD MEETING DATES

January 16, 2019	May 15, 2019	September 18, 2019
February 20, 2019	June 19, 2019	October 16, 2019
March 13, 2019	July 17, 2019	November 20, 2019
April 17, 2019	August 21, 2019	December 18, 2019

AM I READY TO RETIRE??

As we get closer and closer to retirement age, we start thinking about all of the things we are going to have time to do when we retire. Many of us want to travel and see the world. Many want to spend more time with our children and grandchildren. Many of us want to take up a new hobby. But when that time comes, you need to have the financial stability to accomplish this. For most Americans, we wait too long to consider saving for retirement. We get caught up in the world of having everything right now and put retirement on the back burner. So I have put together some questions you should be asking and some steps you should be taking to plan for retirement:

What is my timeframe for retirement? Is there a specific age or number of years or work?

How old will I be when I reach that target?

How old will my kids be? Are they still in school? Am I still paying for college?

Is my spouse ready to retire? Do we have the same retirement goals?

Does my spouse have a separate retirement account?

What is my current financial situation? Mortgage, student loans, vehicles, toys?

What will my healthcare premiums be in retirement? Will I be eligible for Medicare?

What do I envision my lifestyle to be in retirement?

Where do I intend to live? Is it affordable?

Will I need to pursue a part time job to cover medical insurance?

Do I know where all my important papers are located?

Have I set up all my beneficiaries?

What happens to my family if something happens to me?

Did I get divorced? Could that reduce the amount of retirement I will receive?

Do I qualify for Social Security? Could my social security be reduced because of a government qualified defined benefit retirement such as the Oklahoma Police Pension? This is called the Windfall Elimination Provision.

These questions can be scary to answer. If you don't know the answers to these questions, please talk them over with your spouse before you take the step to retire. Here is a list of Do's to get you started:

Follow your investment plan closely. If you don't have one, find a financial adviser to help you write an investment plan to save for the future.

Prepare a budget now! Then adjust that budget using the income you will have in retirement.

Prepare for retirement by lowering your debt.

Consolidate small debts and work to pay them off.

Develop a plan to pay off vehicles and "toys" before retirement.

Reduce credit card use.

Build up an emergency savings.

Check your retirement accounts for beneficiaries.

Check into your insurance premiums for retirement.

EXPECT THE UNEXPECTED!!!



FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2018

	Year Ended June 30	<u>2018</u> (Amounts in Thousands)	<u>2017</u>
Net Assets		\$2,563,446	\$2,395,381
Net Investment (Loss) Income		205,439	242,415
Total Contributions		103,910	97,086
Total Revenues		309,349	339,501
Retirement and Other Benefits		139,563	144,092
Administrative Expenses		1,721	1,699
Total Expenses		141,284	145,791
Fund Balance (Decrease) Increase		168,065	193,710

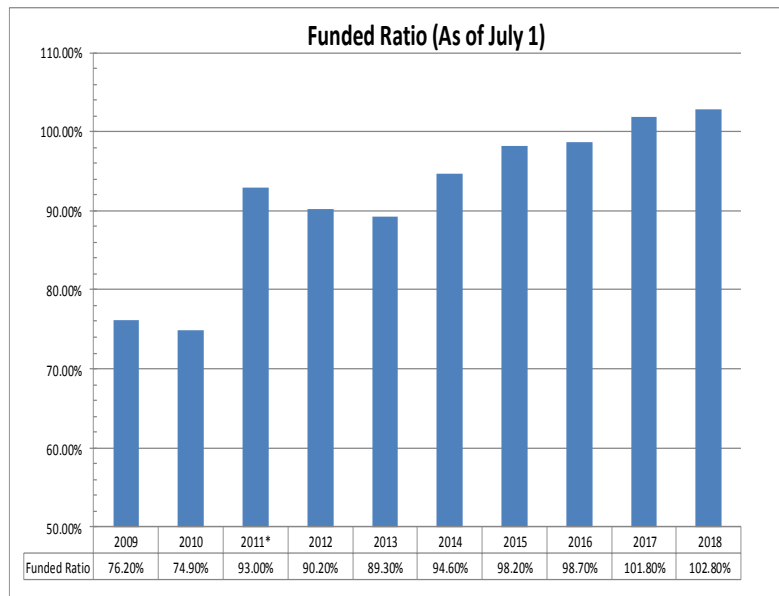
SELECTED ACTUARIAL INFORMATION

Actuarial Valuation as of June 30,
Funded Status – Actuarial Basis (in millions)

	<u>2018</u>	<u>2017</u>
Actuarial Accrued Liability	\$2,515.8	\$2,403.1
Actuarial Value of Asset	2,586.1	2,447.4
Unfunded Liability	(70.2)	(44.3)
Funded Ratio	102.8%	101.8%

MEMBERSHIP AS OF JUNE 30, 2018

Member Cities and Towns	144
Active Participants	4,791
Inactive, Non-vested Participants	779
Deferred Option Members	11
Members Receiving Benefits	3720
Vested Members Terminated	147
Total Membership	9448



LEGISLATIVE CHANGES IN 2018

House Bill 1340 authored by Representative Randy McDaniel legislated a two-percent (2%) one-time stipend for those receiving benefits from the Oklahoma Police Pension and Retirement System as of October 1, 2013. The stipend could not exceed \$1,400 and was to be no less than \$350 if you had completed 20 years of service. OP-PRS acknowledges that you, the retirees, have not seen an actual Cost of Living Adjustment in over 10 years. As the legislative session begins for 2019, one of the goals of OP-PRS is to see the Legislature grant an across the board Cost of Living Adjustment for all retirees.

House Bill 2515 authored by Representative Randy McDaniel was known as the Technical Corrections Bill. This bill made sure that the Oklahoma Police Pension and Retirement System remains in compliance with the Internal Revenue Service.



UNDERSTANDING YOUR TAX STATEMENT

Copy B -- Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.		Form 1099-R 2017 Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.		FATCA filing requirement
Account number (see instructions): 596994				CORRECTED (if checked)
PAYER'S name, address, ZIP/postal code & country Oklahoma Police Pension & Retirement System 1001 N.W. 63rd St., Suite 305 Oklahoma City, OK 73116-7335				
PAYER'S federal identification number 73-1039862		RECIPIENT'S identification number ***-**-6789		
RECIPIENT'S name, address, ZIP/postal code & country John Q. Doe 100 N. Main St. Oklahoma City, OK 73116				
1	2a	2b		
1 Gross distribution \$ 29591.80	2a Taxable amount \$ 29464.65	2b Taxable amount not determined Total distribution		
3 Capital gain (included in box 2a) \$	4 Fed. income tax withheld \$ 3490.45	5 Emp. contrib./Desig. Roth contrib./Ins. prem. \$ 127.15		
6 Net unrealized appreciation in employer's securities \$	7 Distrib. code(s) 2	8 Other \$		
9a Percentage total distrib. %	9b Total employee contributions \$	10 Amount allocable to IRAs within 5 years \$	11 1st yr. desig. Roth contrib. \$	
\$ 1060.00	OK-69-0730001	\$	\$	
12 State tax withheld \$	13 State/Payer's state no. OK	14 State distribution \$	\$	
15 Local tax withheld \$	16 Name of locality OK	17 Local distribution \$	\$	
OMB No. 1545-0119 Department of Treasury -- Internal Revenue Service This information is being furnished to the Internal Revenue Service.				

Copy C -- For Recipient's Records (Keep for your records) This information is being furnished to the Internal Revenue Service.		Form 1099-R 2017 Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.		FATCA filing requirement
Account number (see instructions): 596994				CORRECTED (if checked)
PAYER'S name, address, ZIP/postal code & country Oklahoma Police Pension & Retirement System 1001 N.W. 63rd St., Suite 305 Oklahoma City, OK 73116-7335				
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15 Local tax withheld \$	16 Name of locality OK	17 Local distribution \$	\$	
OMB No. 1545-0119 Department of Treasury -- Internal Revenue Service This information is being furnished to the Internal Revenue Service.				

For Informational Purposes Only This information IS NOT furnished to the IRS The following insurance premium information is provided for your convenience. This total reflects only the amount withheld from your OPPRS benefit (if applicable) and does not include any refunds or manual premium payments. Generally, eligible retired public safety officers can exclude up to \$3,000 of eligible premiums from their taxable income. See IRS publication 575.	
Qualified Insurance Premiums Withheld for 2017	2481.50
Note: This amount IS NOT the same as box 5 of form 1099-R. The above amount is not included on form 1099-R.	

7 LR9R4UP NTF 2581135
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Disclaimer: The Oklahoma Police Pension & Retirement System does not provide specific tax advice. This document provides further clarification regarding certain amounts and codes included on your 1099-R forms. Members are encouraged to consult with a competent tax advisor regarding specific tax questions.

TAX STATEMENT

This document is divided into 4 parts. The top two quadrants and the lower left quadrant are 1099-R tax forms that can be used to prepare income tax returns. The lower right quadrant provides insurance withholding information for members that participate in a qualifying health insurance program and have OPPRS withhold premiums on their behalf.

Box 1 - Gross distribution

This box shows the total gross amount you received from the Oklahoma Police Pension and Retirement System (OPPRS) for the calendar year. *(See Frequently Asked Questions below about receiving more than one form 1099-R for a calendar year)

Box 2a - Taxable amount

This box shows the amount of your distribution that is taxable. If part of your distribution is not taxable, the non-taxable amount will be displayed in Box 5. If box 2a is blank and there is no amount in Box 5, OPPRS may not have all the information necessary to determine your taxable amount. This will generally be the case if you retired prior to January 1, 1993. In this circumstance, "Taxable amount not determined" will be checked in Box 2b.

Box 2b – Taxable amount not determined -OR-

If "Taxable amount not determined" is checked, then OPPRS did not have the information necessary to determine the taxable amount, and Box 2a is left blank. In this case, you are responsible for determining your taxable amount. Additional guidance on how to calculate the non-taxable portion of your benefit can be found in IRS Publication 575 or in the IRS Form 1040 Instructions under the heading "Pensions and Annuities".

Box 2b – Total distribution

If the "Total distribution" in box 2b is checked, then all benefits owed were distributed by OPPRS during the year, and there will be no further distributions from OPPRS.

Box 3 – Capital gain

This box is not applicable to OPPRS retirees.

Box 4- Federal income tax withheld

This box shows the total amount of federal income tax withheld for the calendar year.

Box 5 - Employees contributions/Desig. Roth contribs./ins. premiums

This box shows after-tax contributions excluded from your gross distribution in Box 1 for the calendar year. It equals the difference between your Taxable amount in Box 2a and the Gross distribution in Box 1. Your insurance premium deductions are not included in box 5 of form 1099-R, however, they are presented in a separate box in the lower right quadrant of your year-end tax statement. As defined by the 2006 Pension Protection Act, you can deduct up to \$3,000.00 from your taxable income (see IRS Form 1040 instructions for further details).

Box 7 - Distribution code(s)

This IRS code identifies the type of distribution you received from OPPRS.

For A Regular (Monthly) Annuity:

Code number 1 – Early distribution, no known exception. Usually this code applies to distributions when a member is

apply to regular monthly benefit payments from OPPRS that are paid to fully vested, retired members.

Code number 2 – Early distribution, exception applies. This code will apply if you are younger than age 59½ this tax year.

Since OPPRS is a governmental defined benefit plan for public safety employees, you will not incur an early distribution penalty on regular monthly benefits under this code.

Code number 3 – Disability. This code indicates a distribution based on the disability of a member.

Code number 4 – Death. This code represents a distribution based on the death of a member or beneficiary. Death benefits distributed to beneficiaries will also have this code.

Code number 4G – Death, Direct rollover and rollover contribution. This code indicates that the distribution was made on account of death and that the proceeds were rolled over to another eligible qualified retirement plan.

Code number 7 – Normal distribution. This code indicates you are 59½ years old or older and that you received normal distributions for the year.

For A Lump Sum Payment (to Member) of Refunded Contributions or Deferred Option (DOP) Distributions:

Code number 1 – Early distribution, no known exception. Usually this code applies to distributions when a member is under the age of 50. When a member under age 50 receives a refund of contributions or a direct payment from one of the DOP plans, Box 7 will have this code. A 1099-R with this code may incur early distribution tax penalties.

Code number 2 – Early distribution, exception applies. This code will apply if you are younger than age 59½ this tax year, but older than 50. Since OPPRS is a governmental defined benefit plan for public safety employees, separating from service in or after the year you reach age 50 is a qualifying exception for Code 2. A 1099-R with this code is generally not subject to early distribution tax penalties.

Code number 7 – Normal distribution. This code indicates you are 59½ years old or older and that you received normal distributions for the year.

Code number G – Direct rollover and rollover contribution. This code represents amounts that were rolled over from OPPRS to another eligible qualified retirement plan. Refunds and DOP distributions that are made prior to age 50 may avoid early distribution tax penalties by being rolled over to another eligible qualified retirement plan.

Boxes 12 and 13 – State tax withheld and the State Tax ID

This box shows the amount of Oklahoma income tax withheld (box 12) and OPPRS's Oklahoma tax ID (OK-69-0730001) (box 13).

Item A – Insurance premiums withheld

This section is informational and presents amounts that are not included on form 1099-R. This section reports the eligible insurance premiums that were withheld and disbursed on behalf of members that make such an election. Generally, members can reduce their taxable income by \$3,000.00 (or less if premiums were less than \$3,000.00) for health insurance premiums that were withheld and paid by the plan.

Q. Why did I receive two (or more) 1099-R forms this year?

A. If you turned 59 ½ years old in 2018, one 1099-R you receive will be Coded 2 in Box 7 (this represents early distribution, with exceptions), identifying amounts that you received prior to turning 59 1/2. A second 1099-R will be Coded 7 (Normal Distribution) in box 7, identifying amounts that you received after turning age 59 ½. The IRS requires separate 1099-R forms to be issued when a recipient's status within the plan changes during the year. The year following the year you reach age 59 ½, you should once again begin receiving just one 1099-R from the system. RE-MEMBER, the amounts from both 1099-R's should be added together for tax purposes.

Do you need a 1099R? Do you want to see your monthly direct deposit advice? Do you need a member statement? You can get each of these using our Members Direct Secure Login that is found on our website. Go to www.opprs.ok.gov

Oklahoma's Official Web Site
OKLAHOMA
www.ok.gov

Oklahoma Police Pension & Retirement System

Search Site

OPPRS

Oklahoma Police Pension and Retirement System

1001 NW 63rd Street, Suite 305
Oklahoma City, OK 73116-7335

Phone : 405-840-3555
Toll Free: 800-347-6552

Facsimile: 405-840-8465

Office Hours: Monday-Friday 8:00 AM to 4:30 PM

Email: OPPRS@OPPRS.OK.GOV

We are happy to accept your comments and inquiries via email. Please be advised that email is not an entirely secure and private means of communication. We recommend that you not put your personal information in your messages, such as your **Social Security Number or exact date of birth**. OPPRS cannot ensure the security of any email that you send. If you want to ask us about something that requires giving us personal or confidential information, please call our office or submit your question in writing by mail or fax.

To access your online account, estimate retirement benefits, or view statements and tax documents, please click on the link below:

[MemberDirect Secure Login](#)


Announcements

- OPPRB Announces Hiring of New Executive Director. Select link below under Related Topics.
- Statement from OPPRB Regarding Investigation: please click on the link under Related Topics below.
- 2018 Board of Trustee Elections: click on "About OPPRS" in the menu above, or simply select "Trustee Elections" below under Related Topics.

Related Topics

- OPPRB Announces Hiring of New Executive Director
- Statement from OPPRB Regarding Investigation
- CAFR News Release
- Seminar Schedule

Once you are at the website home page, click on the Members Direct Secure Login blue button shown above:



Oklahoma Police Pension and Retirement System



1001 N.W. 63rd St., Suite 305
Oklahoma City, OK 73116-7335
(405) 840-3555

MemberDirect Enroll Now | Contact Information

Sign-in

Username

Password

 [Forgot Username?](#)  [Forgot Password?](#)

Why Register?

As a Member

- View your member information
- Estimate your benefit
- Download and complete forms
- [Enroll Now](#)

As a Retiree

- View your payment history and receipts
- View tax withholding and other deductions
- [Enroll Now](#)

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Version 10.0.137


You can enroll in Member Direct as either an Active Member or as a Retired Member. Complete the enrollment.

Enrollment Contact Information

Enter the following information to help us identify you

SSN:

Last Name:

Birth Date: 

Home Zip Code:

Country:

Enter your new account information

Username:

Email:

Confirm Email:

Your password must be at least 8 characters, include both upper and lower case, and be alphanumeric.

Password:

Confirm Password:

Define challenge questions for identity protection

Question #1:

Answer:

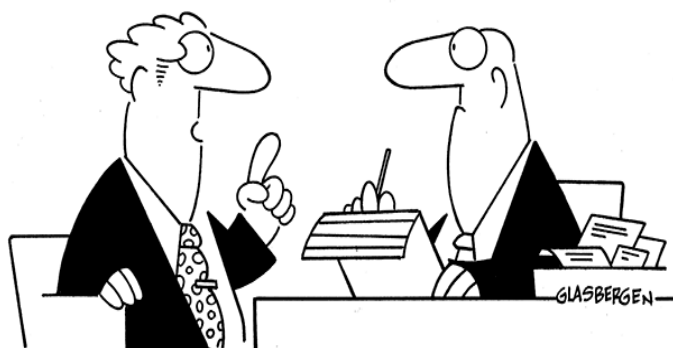
Once you have enrolled, it will direct you back to the Login Screen and you can access the information you need.

© Randy Glasbergen / glasbergen.com



"Retirement plan? why you're our retirement plan, son! That's why we blew all of our money years ago."

INVESTMENTS AND FINANCIAL PLANNING



"One more time — explain to me why enjoying life after I retire is more important than enjoying life now."

Important General Tidbits!!!

RETIREMENT ORGANIZATIONS

Does your local municipality or area have a Retired Association or Organization that plans meetings or events on a regular basis? The Oklahoma Police Pension and Retirement System would like to know. OPPRS would love to attend some of the meetings within our state. This would be an excellent opportunity for us to meet you face to face. Please send us information about upcoming meetings, we would love to post them on our new Facebook page.

Follow us on



@OPPRS.ok.gov



Instagram

@oklahoma_police_pension

UPDATING PERSONAL INFORMATION

Have you updated your personal information with OPPRS? Over a career with one or more Municipal Departments, you may have changes with your marital status, children and addresses. Many of you make the necessary changes with your Municipal Human Resources Departments. However, please remember to keep OPPRS up to date as well. As a retiree it is even more important to keep OPPRS updated so we can ensure we send special notices to the correct address.

Please note that the MemberDirect web address (url) recently changed. It is now <https://memberservices.opprs.org/WmsWebSite>, so please be sure and update your web browser favorites if you saved the prior web address. MemberDirect may also still be accessed by clicking on the link from our homepage: www.ok.gov/opprs.



Halloween 2018 at the OPPRS offices!!!



1001 NW 63rd Street, Suite 305
Oklahoma City, OK 73116-7335

CONTACT OPPRS

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1001 NW 63rd Street, Suite 305
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Fax: (405) 840-8465

Website: www.opprs.ok.gov

This newsletter is for informational purposes only. Individual requirements and benefits may differ, depending on circumstances. Consult the plan provisions or OPPRS for detailed information.

This publication, printed by the Department of Central Services, Central Printing, is issued by the Oklahoma Police Pension and Retirement System as authorized by its Executive Director. Nine thousand seven hundred copies have been printed at a cost of \$3,697.50. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.