



A publication of the Oklahoma Police Pension and Retirement System

Letter from the Executive Director

Ginger Sigler

FRIENDSHIP

Kelsey Ballerini has a hit song called “If You Go Down, I’m Going Down Too”. The minute I heard this song, one person came to my mind. This friend has been my friend for over 35 years. She was in the delivery room when I had my first son. She has gone through the bad—divorce, the good—finding my husband and everything in between. We have a special bond that you can’t explain. I hope you have someone special in your life, besides your spouse, that you can share everything with. Friendship has such a big impact on all of our lives. There are 6 benefits from friendship:

1. Reduced Stress
2. Emotional Support
3. Personal Development
4. Less Loneliness
5. A Sense of Belonging
6. Support Through Challenges

Some people are lucky enough to have friends they made when they were a child. When we have children and they begin to participate in social activities and sports, we tend to make more friendships bonding over our children. We make friends at the church or the gym class we attend. But some of the most special friends are those we meet at our job. As police officers, you see some of the best and worst of people. You don’t only see them on a daily basis, you have experiences with the public that most of us can’t comprehend. You turn to your fellow officers to talk about these experiences because only they would understand. These discussions forge a bond between you that usually can’t be broken. Talking to retirees, they always

Continued

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OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM FALL 2023

have a great story to tell about one of their fellow officers. That is one of my favorite parts of this job. Someone sending me a story about someone who they respect. Making friends along the way is always an added benefit of having a career.

I hope you have fond memories of your time in your respective department. I hope the active police officers are forging new friendships along the way. If not, you are truly missing out on one of the greatest gifts of life.

Take Care and Be Safe!

Ginger Sigler

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2023 OKLAHOMA POLICE PENSION AND RETIREMENT BOARD MEETING DATES

January 18, 2023

May 17, 2023

September 20, 2023

February 15, 2023

June 21, 2023

October 18, 2023

March 22, 2023

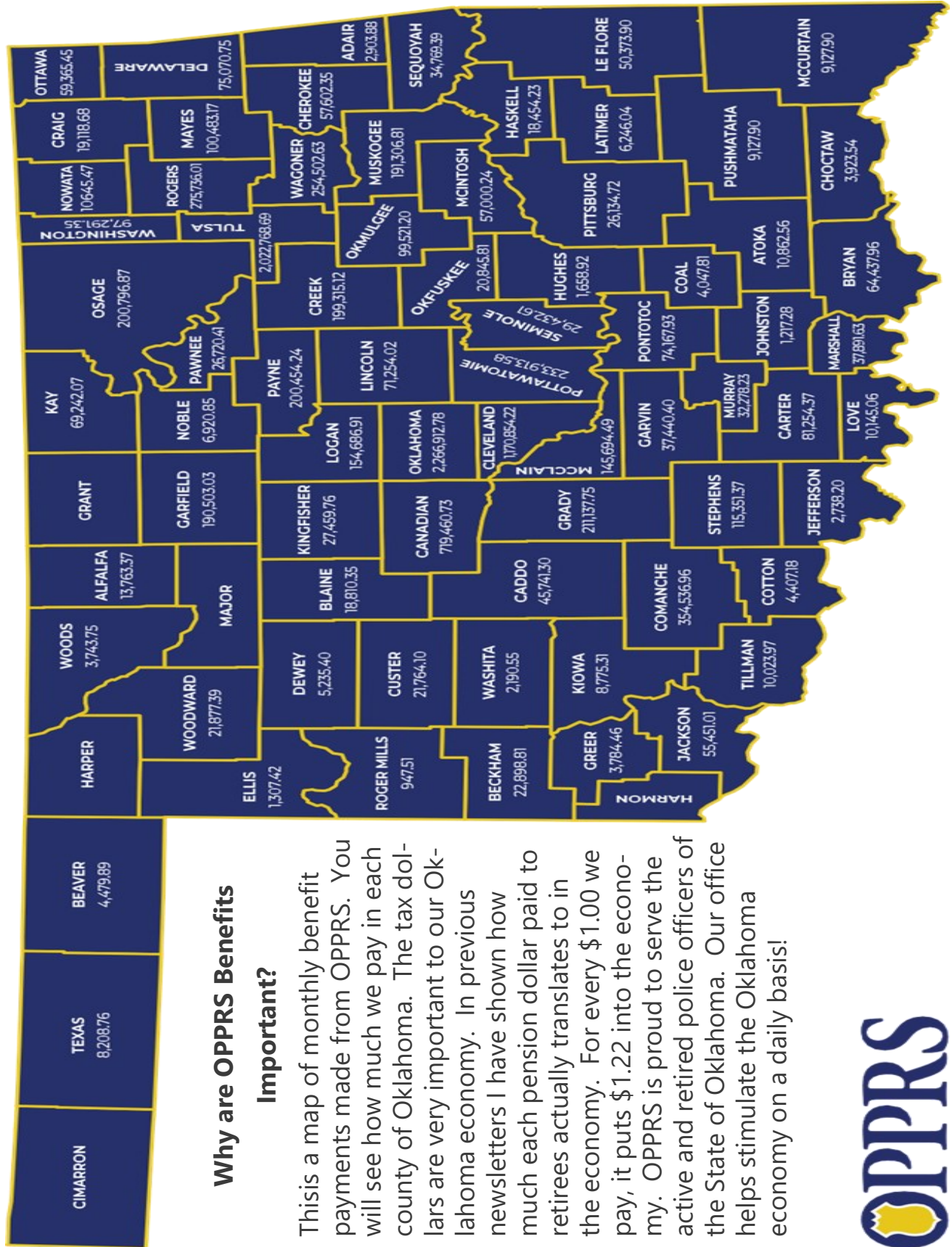
July 19, 2023

November 15, 2023

April 19, 2023

August 23, 2023

December 20, 2023



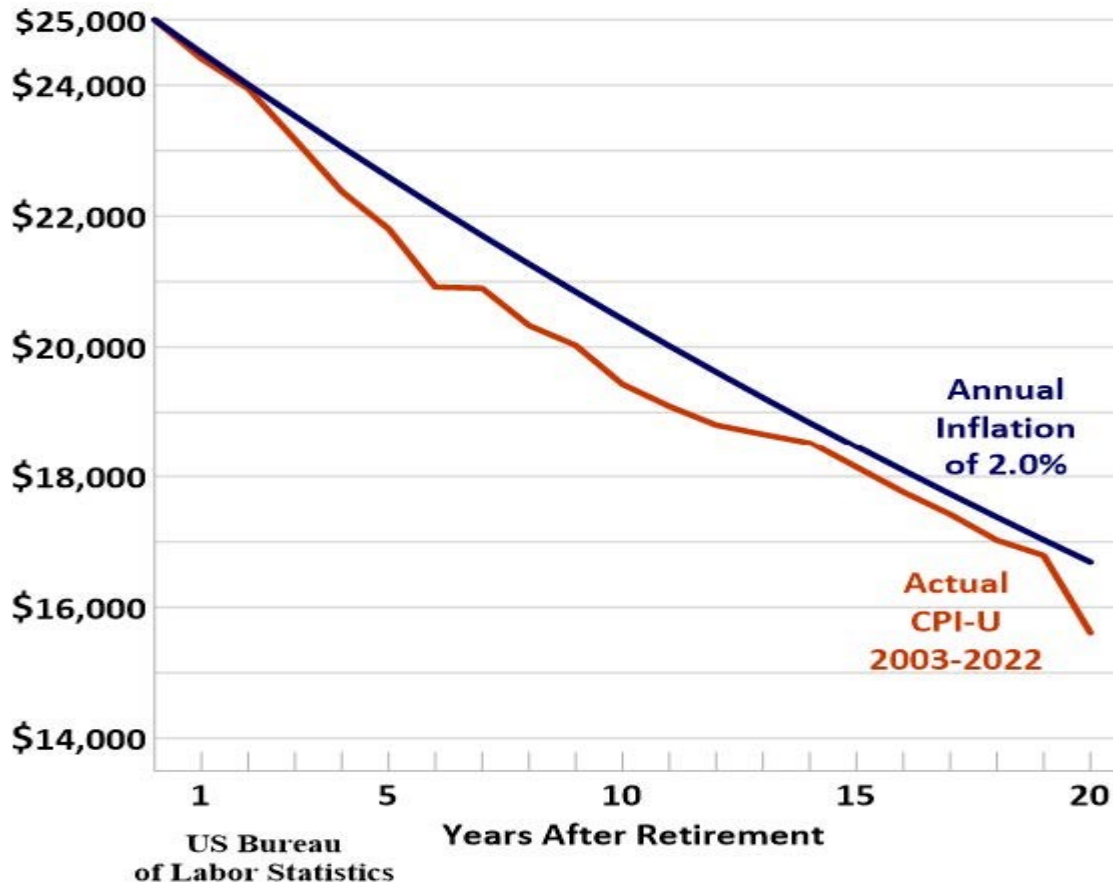
Highlights from this year's Actuary Report

FUNDED RATIO FOR OPPRS

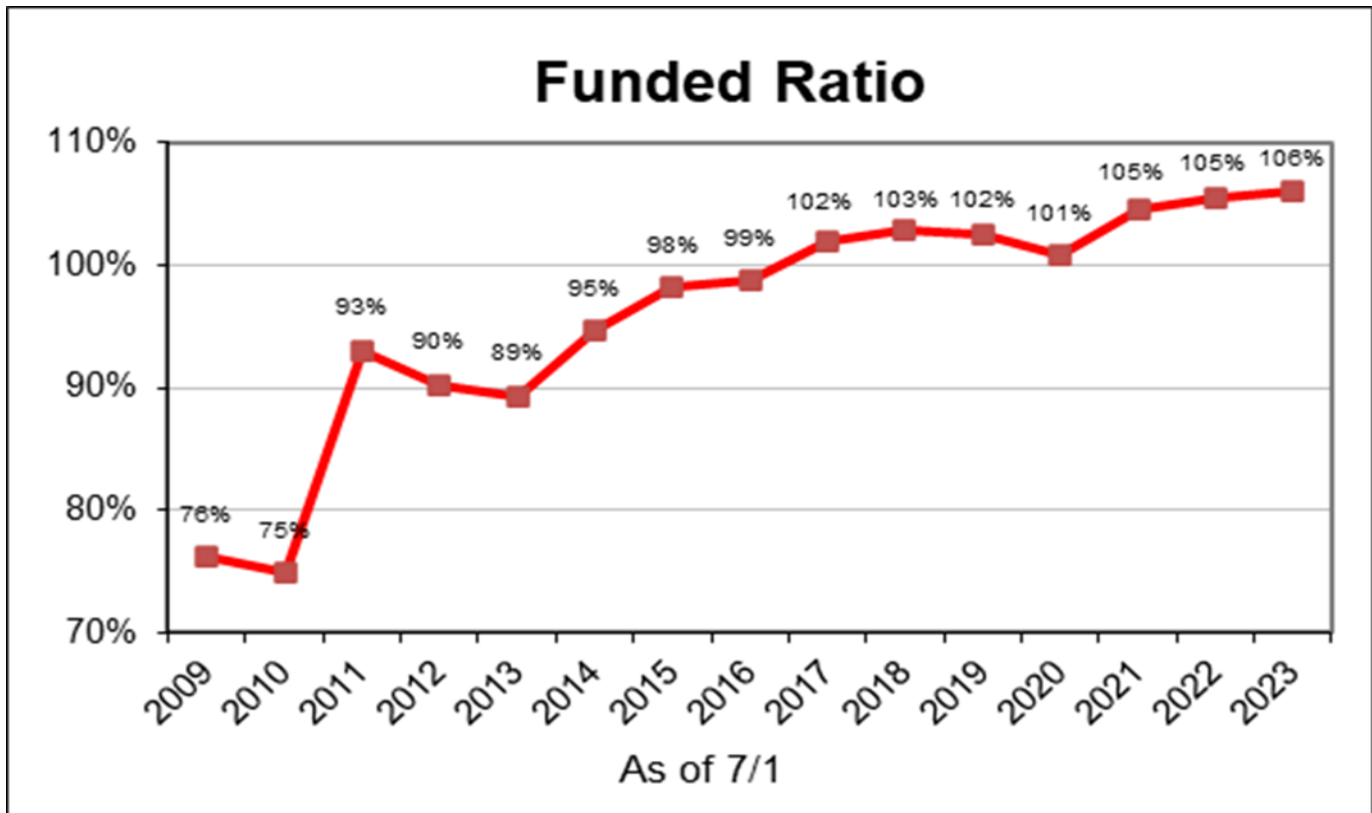
	July 1, 2023 \$ millions	July 1, 2022 \$ millions
Actuarial Accrued Liability	\$2,993	\$2,929
Actuarial Value of Assets	<u>\$3,175</u>	<u>\$3,087</u>
Unfunded Actuarial Accrued Liability	(\$182)	(\$159)
Funded Ratio	106.1%	105.4%
MEMBERSHIP INFORMATION		

	July 1, 2023	July 1, 2022
Number active	4,868	4,833
Number retired, disabled, beneficiaries	4,401	4,241
Number in DOP	1	1
Number inactive vested	182	171
Number inactive non-vested	<u>1,216</u>	<u>1,113</u>
<u>Total</u>	10,668	10,359

LOST PURCHASING POWER OF RETIREMENT BENEFITS



The graph above shows the lost purchasing power of a \$25,000 yearly retirement benefit over a 20-year time frame. We all know that inflation affects purchasing power but sometimes we don't realize how much of an impact it has until we see it in a graph. This is the reason we talk about Cost-of-Living Adjustments (COLAs) regularly since we recognize that retiree benefits can be significantly impacted over time. The blue line in the graph represents the impact of inflation at a normal assumed rate of 2% annually. However, in recent years, inflation has been well above 2%, further eroding the purchasing power of benefits (the orange CPI-U 2003-2022). System retirees have received 1 stipend and 1 COLA over the last 15 years. While state statutes require the pre-funding of pension increases by the legislature, we are hopeful that the large state surpluses over the last few years will encourage the funding of another COLA for retirees.







4 in 5



working
Americans
have **less than**
one year's
income saved
for retirement.

Retirement
Security
Month 2023

Source: NIRS

AREN'T YOU THANKFUL FOR THE OKLAHOMA POLICE PENSION SYSTEM!!!!

OPPRS ADVICE COLUMN

As I was contemplating what to put in the fall newsletter, I thought about how much knowledge I have at my fingertips from all of the retirees in OPPRS. Every gentleman and lady who has previously served and retired from a local police department has experienced the transition from being an active police officer to being a retired police officer. Regardless of how ready an individual may be for this big moment, there are always lessons learned when it actually happens. I asked the retirees for their pieces of advice to share with the active officers. I think the retirees did an outstanding job!!!

- First and foremost—Have a Financial Advisor. Don't wait until you retire to have a financial advisor. Today's financial advisors can show you a spreadsheet of how much money you will have in retirement with what you currently have. They can then give you a plan to increase your retirement income if you start early enough. Max out your deferred compensation if your city offers this program.
- Don't retire just to go back to work after 6 months. Now let me state that some people have to retire for a multitude of reasons. But if you like the job and enjoy it, why leave if you will have to find another job to help pay the bills?
- Many retirees stated—Pay off as many debts as you can. This is something that a financial advisor will also tell you. With inflation, the cost of things goes up each year. Getting rid of current debts frees up money to have available in retirement. Your Deferred Option Plan from OPPRS is not a slush fund, it is a security blanket.
- Know what your insurance premiums will be in retirement,. Also know what your insurance covers and doesn't cover. Especially if you are retiring before you are covered with Medicare.
- Learn to live on 1 paycheck a month. Unlike most active officers, retired officers only get paid once a month at the end of each month. So learn to budget for only getting paid once a month.
- Know whether or not the Windfall Elimination Plan will affect your social security income. Many retirees suggested working a second job while you are an active officer to pay into social security and secure more from your monthly social security benefits. If you have questions about this, please email me at ginger.sigler@opprs.ok.gov.
- Know when to convert your Individual Retirement Accounts to Roth IRA's. This helps ease the tax burden in retirement. This is something you should discuss with your financial adviser.
- Have a current will in place. If you wrote your will more than 3 years ago, review it and make sure it has your intentions in it.
- Have a yearly physical and stay on top of your health.
- Stay active! Start traveling now. It will give you an idea of how physically able you will be to travel in retirement.
- Start volunteering so it will be second nature for you in retirement. Also find a hobby to start now that will carry into retirement.
- LASTLY, ENJOY RETIREMENT. YOU HAVE EARNED IT!

Another Approach to ‘Windfall’ Reduction Offered

Published: [October 4, 2023](#) in FedWeek magazine



Recently offered legislation (HR-5342) in the House would reduce—but not eliminate—the “windfall elimination provision” that reduces the Social Security benefits of those who primarily worked under a retirement system that does not include Social Security, including the federal CSRS system.

The WEP reduces a Social Security benefit the person earned through other employment—typically before or after a federal career but in some cases during a career through work on the side—if the person had less than 30 years of earnings above a designated level. The maximum reduction works out to about \$500 a month and is not as severe for those with between 20 and 30 years of such earnings.

The bipartisan bill, with some two dozen cosponsors, would replace that formula with one that more closely reflects an individual’s actual work history, sponsors said. For those already retired—which is the case with the large majority of those covered by CSRS—there would be a partial restoration of the reduction, while for those not yet retired, the new formula would result in a lesser reduction than currently.

The “Equal Treatment of Public Servants Act” however would not address a separate provision, the “government pension offset” that reduces and in many cases eliminates a spousal or survivor Social Security benefit for those drawing a CSRS annuity.

Bills to totally repeal both the WEP and GPO have been introduced over many years and while they sometimes draw the support of a majority of the House—as has one (HR-82) introduced earlier this year—they never have been brought to a floor vote.

The NARFE organization said that while its “ultimate goal is for Congress to fully repeal the WEP and the GPO, reform efforts such as the Equal Treatment of Public Servants Act are a good first step toward correcting this discriminatory provision. What’s crucial now is for members of both parties to seek common ground and finally provide relief to WEP-affected retirees.”

Thanks to one of our own retirees for this article!

Important General Tidbits!!!

A police officer came to my house and asked me where I was between 5 and 6. He seemed irritated when I answered 'kindergarten!'



We would love to have pictures or stories from your organizations or monthly meetings. If you have a great story please let us know and share!

OPPRS OFFICE STAFF PROJECT

The OPPERs office staff has been working on a project to reduce the balances we currently have in our system that are no longer active. These are the police officers that have terminated employment and left their contributions in our system. The number of non-vested accounts has grown significantly over the last few years. Our office is vigorously trying to get in touch with these individuals. If you know of a former police officer who might have contributions with us, please tell them to get in contact with us and find out if we owe them money.

**OUR OFFICES WILL BE CLOSED NOVEMBER 23 AND 24TH FOR THANKSGIVING.
NOVEMBER CHECKS WILL BE PROCESSED LIKE NORMAL FOR THE MONTH.**

HAPPY THANKSGIVING

OKLAHOMA POLICE PENSION
1001 NW 63RD STREET, STE 305
OKLAHOMA CITY, OK 73116

PLEASE KEEP YOUR ADDRESS CURRENT WITH US, WE
ARE HAVING LOTS OF RETURNED MAIL! WE WANT TO
KEEP YOU UPDATED AND INFORMED.

CONTACT OPPRS

Mailing Address:

Oklahoma Police Pension & Retirement System
1001 NW 63rd Street, Suite 305
Oklahoma City, OK 73116-7335

Local Phone: (405) 840-3555

Toll Free Phone: (800) 347-6552

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.

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