

RETIREMENT NEWS


NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS | AUGUST 2024

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Hi! Hello! Welcome!

We're glad to have you here.

As you may know from previous correspondence, we are the Nebraska Public Employees Retirement System (NPERS), and we are thrilled to welcome members of the Omaha School Employees' Retirement System (OSERS). Starting September 1, 2024, we will be administering your retirement plan.

While some contact points for your retirement may change, the dedication and responsiveness of those assisting you remain unchanged, ensuring a smooth and secure retirement experience.

In this issue, we will outline what you can expect from us as your new plan administrators, where to find important information, and tips to help you succeed in retirement.

WHAT TO EXPECT:

Changes Coming to OSERS with NPERS

Once NPERS assumes administration of the OSERS plan, you will begin to notice some changes. Our goal is to bring our retirement expertise to OSERS and help you navigate your retirement journey. This means tapping into resources and knowledge we've acquired from administrating six other retirement plans. Below are some of the exciting changes coming to OSERS.

- OSERS will have its own dedicated page on the NPERS website. Here you will find a number of resources as it relates to your retirement plan.
- OSERS will have a benefit estimator on our website. This will allow you to input your information and calculate your potential retirement benefit. This tool is a great resource for planning out your career and navigating the nuances of your retirement plan!
- An OSERS handbook will be published and updated on a yearly basis. This handbook will have a wealth of information and should be read by both new employees and employees who are nearing retirement.
- NPERS will be conducting retirement planning seminars for OSERS members! These seminars will include information related to OSERS, Social Security, Medicare, estate planning, and other pertinent topics related to retirement. Be sure to stay tuned in as we announce dates for these retirement seminars.
- The forms used for the OSERS plan will have a redesign to align them with the NPERS formatting. Some of these forms will be available on our website.
- Our website will also have an estimator tool for you to calculate the costs of purchasing refunded or out-of-state service! This can help you gauge the estimated costs of adding service credit to your account.
- NPERS will send out annual statements to members who have an account balance with us. The annual statements will include your years of service, earnings for the previous fiscal year, and your account balance. We ask you review this annual statement to ensure the accuracy of your account information.
- For retirees, you will be able to view your monthly pay advice online! You will also be able to update your tax withholding on our website.
- We will also publish newsletters just like this one to keep you up to date on your retirement plan. Be sure to check in to our Publications page on our website to find newsletters related to the OSERS plan.

FAQ

What is the transition timeline?

On September 1st, 2024, the day-to-day administration of OSERS will transition to NPERS. An external project manager contracted by the State of Nebraska will plan and execute the detailed transition process, bridging the technology and data to operate independently under one technology system.

Will the OSERS plan merge with the NPERS School plan?

While the day-to-day administration will transition to NPERS in September, OSERS will remain its own separate plan.

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FAQ: Continued

Will I continue to receive my pay advice, as I have in the past?

Yes, pay advices will remain going out as they are now. You will also be able to view those with your OSERS online account once it has been established through NPERS.

Will there be any blackout dates around the transition?

You may experience some blackout dates for certain requests. We will do our best to keep everything smooth for you as we transfer the plan to NPERS. We don't expect any blackout dates to go beyond August 30th.

When should I contact NPERS?

Beginning September 1, 2024, you should contact NPERS for any questions related to your retirement account. You should also contact us when requesting a distribution of your account, updating direct deposit or tax withholding information, updating your address, reporting a death, or requesting registration for a seminar. We have a dedicated Member Services team here to answer your questions either by phone or in-person in our office.

FLY into retirement!

Knowing the timing of your retirement can help you avoid the turbulence and have a smooth departure.

Book the Flight: Your Effective Date

This is a very important date, indeed. Your effective date is the first step in you starting to draw your monthly benefit. The application process is dependent upon the effective date. Effective dates are always the first of the month. We use your age as of the effective date when calculating your benefit. So, if your effective date is July 1st, we will calculate your benefit based on your age on this date. To establish your effective date, you must have completed all the necessary steps listed below! Now let's get on that plane!

Pack Your Bags: Contact the Retirement Office

You can contact NPERS to get the process started up to six months, but preferably no less than one month prior to retirement! Once the transfer is completed, you will be able to go to NPERS.NE.GOV and run your personal benefit estimates so you know what to expect for a monthly benefit amount. At this point, you can also immerse yourself in the wealth of educational resources available to you right now on the NPERS website. You can watch Pre-Retirement Videos that explain the nuances of your plan or learn about Social Security and Estate Planning, so you won't have to worry about entertainment on your flight. We've got you covered!

Stand in Line: Patience is a Virtue

Once we have your application, we will begin to review your work history to make sure your salaries are verified and your years of service are correct, to ensure you an accurate retirement benefit. Next, you complete and mail your Application for Retirement, supplemental documents like birth certificates, and additional forms from your packet, such as your W-4P/W-4N (for tax withholding) and Direct Deposit form to NPERS. Just like standing in line at the airport, this takes time, so please be patient with us as we process the paperwork!

Now Boarding: Last Call for Retirement Paradise!

Processing time for your first benefit may take three months following your effective date, depending on how soon we receive your application and any paperwork requested from your employer, particularly during the summer. Some retirements may take longer if there is a discrepancy, or we are waiting for information from you or your employer. If payment is delayed past the first benefit period (benefits are issued the 3rd day of the following month), then your first check will be retroactive and include all the months you were eligible.

Enjoy Your Flight: You Made It!

You retired and are living the good life! Wherever you land, make sure to keep an up-to-date address on file with NPERS because each year we will send you a notice detailing your COLA amount, if there is an adjustment, and an annual 1099R tax form.

Come with me, and you'll see, **a world of pure information!**

Not sure where to find things? Here's where to look for answers to your retirement questions:

NPERS has gathered everything you need for retirement in one place: [NPERS.NE.GOV!](https://npers.ne.gov) Our website provides all the resources you need, from the planning phases of your retirement to completing applications and contacting us for help.

For our OSERS members, we will have a dedicated page.

Curious about NPERS, your new plan administrator? Check out the Annual Legislative Report for a snapshot of how we administer the six other retirement plans. Our statistics demonstrate the safety and security we offer, ensuring you feel confident moving forward with us.

We can boast about our achievements all day, but it's more important for you to visit our website and see for yourself. Explore and take advantage of all the resources and information we provide.



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NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS

RETIREMENT NEWS

OMAHA SCHOOL EMPLOYEES | AUGUST 2024

LB 198 & YOU

There have been significant law changes this year for the School Plan as of March 19th, 2024, with the passing of LB 198. Changes not only include termination of employment rules, when the 180-day separation period begins and when it is needed, but also the process for determining eligibility based on an employee's immigration status.

The first question we need to ask is, "When did the employee terminate their regular employment?"

If the employee terminated their regular employment **on or before** March 18, 2024, their 180-day separation period begins on their termination date.

If the employee terminated **on or after** March 19, 2024, their 180-day separation period begins the later of: 1) The day they terminate regular employment **OR** 2) The day NPERS receives their distribution application.

For those that terminated **on or before** March 18, 2024, the 180-day separation period is needed to **both** 1) Stop

contributions **and** 2) take a distribution.

What does this mean? If you terminated on or before March 18, 2024, and you want to take a distribution **OR** if you change from a regular retirement eligible employee to a retirement ineligible employment classification (substitute or temporary employee), you can only provide up to 8 calendar days of substitute or volunteer service during a calendar month for 180 days following your termination of regular employment to allow for contributions to stop or to be eligible for a distribution.

For members that terminated **on or after** March 19, 2024, the 180-day separation period is only needed to take a distribution.

What does this mean? If you terminated on or after March 19, 2024, and you are taking a distribution, you need to incur the 180 day separation of service, only providing up to 8 calendar days of substitute/voluntary service during a calendar month. If you are not taking a

distribution, the 180 day separation period does not apply until you want to take a distribution. If you are terminating all retirement eligible regular service and changing employment to provide only ineligible service (temporary or substitute), the restrictions are removed. You can immediately provide unlimited substitute or volunteer service as well as true temporary service (documented as one year or less and not an extension of your regular service).

What happens when you terminate all regular service on January 1, 2024, and your 180-day separation period is not complete prior to March 19th, 2024? For members that terminate **on or before** March 18, 2024, and **do not** apply for a distribution, but the 180-day separation period extends past March 18th, the member would be able to start unlimited substitute service or temporary service as of March 19th. If the member does apply for a distribution, the 180-day separation will still start from the termination date unless a violation occurs.