

# RETIREMENT NEWS

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS | MARCH 2022

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## RETIREMENT NEWS

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## The More You Know

*The 2022 Retirement Planning seminar season has begun! Our season begins February 15th and runs thru June 2nd. This year, NPERS is excited to offer 3 convenient options to better meet the needs of our School Plan members.*

*Seminar brochures with enrollment forms for on-site seminars and webinar enrollment instructions have been mailed and are also available on our NPERS website.*

### Half Day Morning or Afternoon Webinars

1/2 Day Webinars- Morning	
2/15/2022	4/5/2022
2/17/2022	4/27/2022
2/22/2022	5/16/2022
2/23/2022	5/17/2022
2/24/2022	
1/2 Day Webinars- Afternoon	
3/3/2022	
3/10/2022	



New technology provides us the flexibility to meet, collaborate, and learn in a variety of different ways. This year NPERS will continue with our wildly successful ½ day morning webinars. To add convenience we will host several afternoon webinar sessions. We've also started our school seminar season earlier, with many webinars available in February.

Our ½ day webinar, when viewed in conjunction with our Social Security, Medicare and Estate Planning videos on the NPERS website, provides an experience equal to our on-site seminars. All of our ½ day morning or afternoon webinars are free of charge and you can attend in the comfort of your own home via Webex. You can register for a webinar by sending an email to [NPERS.seminars@nebraska.gov](mailto:NPERS.seminars@nebraska.gov) providing your name, email address, date of birth, and the date of the webinar you wish to attend. We will accept registration for webinars up until the day before the event.

### On-Site Seminars

[See the Enrollment Brochure on our website for dates!](#)

Members must enroll in advance if they wish to attend one of our on-site sessions. Due to a reduction in both the number of on-site seminars and the capacity limits of our facilities, we expect the on-site seminars to fill up rapidly. The completed enrollment form and seminar fee of \$25 per person/spouse, must be received and processed to secure a spot at an on-site seminar. Non-members or an additional guest may attend for \$50 per person.

A confirmation postcard will be mailed upon receipt of the registration form. Once a session is full, no additional enrollments will be accepted - no exceptions. NPERS recommends members

contact our office if they do not receive a confirmation postcard within two weeks of mailing their registration. Confirmation cards will not be mailed for registrations received within one week of the seminar - late enrollees should contact our office to confirm their registration was received and seats are still available.

### Evening Webinars

2 Hour Evening Webinar
2/16/2022
4/26/2022
6/1/2022

(cont'd. on p 2)

# The More You Know (cont'd.)

In our 2-hour evening webinars you will have a chance to hear our Retirement 101 presentation, outlining your school plan and be given the opportunity to ask questions of our presenters. These free events are conveniently scheduled after work hours. To register for one of these events, just send an email to [NPERS.seminars@nebraska.gov](mailto:NPERS.seminars@nebraska.gov) containing your name, date of birth, email address, and the date of the evening webinar you wish to attend.

It is our hope that all our members will find an educational experience that best fits their learning style and schedule given the wider array of opportunities we are offering. Be on the look-out for your seminar brochure or find it on our website.

Still don't have the time for a seminar? We've got you covered! Currently ALL of our day-long seminars are available online as videos on [NPERS.NE.GOV](http://NPERS.NE.GOV).

## 403(b) & 457 Contribution Limits

2022 maximum contribution limits have been announced by the IRS for 403(b) and 457 Deferred Compensation (DCP) retirement plans. For both plans, the standard yearly maximum contribution has been increased from \$19,500 to \$20,500. Individuals age 50 or older may contribute an additional \$6,500 using the Age 50 Catch-up provision, increasing their total limit to \$27,000.

School employees who have completed 15 or more years of service in the same school district and have contributed, on average, less than \$5,000 a year to their 403(b) may be able to contribute more under the Lifetime ("Long Service") Catch-up provision. This allows eligible 403(b) participants to contribute up to an additional \$3,000 per year up to a lifetime maximum of \$15,000.

### 2021 LIMITS FOR SCHOOL EMPLOYEES PARTICIPATING IN A 403(B)

Tax Year	Standard Maximum Contribution	If you Qualify for the \$3,000 Lifetime Catch-Up	If you Qualify for the Age 50 Catch-Up	If you Qualify for BOTH the Age 50 and Lifetime Catch-Up*
2022	\$20,500	\$23,500	\$27,000	\$30,000

\* The first \$3,000 of contributions in excess of the standard \$20,500 limit will apply to the Lifetime Catch-up and reduce the \$15,000 Lifetime Catch-up limit. For more information on 403(b) limits, please refer to IRS publication 571.

NPERS does not administer 403(b) plans. School employees who wish to participate in a 403(b) should contact their HR department for plan and enrollment information.

### 2022 LIMITS FOR STATE PATROL EMPLOYEES AND JUDGES PARTICIPATING IN DEFERRED COMPENSATION

Tax Year	If you are Under Age 50	If you Qualify for the Age 50 Catch-Up
2022	\$20,500	\$27,000

State Patrol and Judges who would like to participate in the State DCP can access the enrollment form on the NPERS website under "Forms." This form should be submitted to your agency payroll or HR rep so they can set up the payroll deduction.

## Get Caught Up On The Web

In December of 2021, the NPERS education services team was invited to conduct a webinar for members of our Judges Plan to outline how their benefit works. After the presentation, members were given time to ask questions of our retirement experts. If you weren't able to make it to this event, but you want to catch up on what was presented, we have great news! The event was recorded and can now be found on our website, on the Judges' plan page, at: <https://npers.ne.gov/SelfService/public/planInformation/judges/judgesPlanInfo.jsp>

# Too Cool for School...

A member must incur a bona fide termination of employment (termination) with all employers covered by the School Plan to be eligible for a distribution from retirement. To terminate, the member must not render any service to any employer covered by the School Plan for at least 180 days following the alleged termination date and must not prearrange a return to work. However, due to the schools' needs for substitutes, members may render up to 8 days in a calendar month of intermittent voluntary and/or substitute service during the 180-day period and still incur a bona fide termination.

To help protect this important exception, schools must track the intermittent voluntary and/or substitute service during the 180 days after the member's termination to ensure compliance, and should not report compensation, contributions, and service credit related to the intermittent voluntary and/or substitute service to NPERS after the member terminates unless the member violates the termination rules. A "true substitute" will not accrue hours or compensation related to the services they render.

NPERS' Internal Audit Team has found that **some of the schools tested have not complied with the new rules or have members who did not comply with the new rules.**

What can you, the member, do to make sure you and your school are not violating the new LB 147 Rules? If you are subbing or volunteering at the school where you were previously employed, after your termination from employment:

- know and understand the new rule regarding the service you are providing (no more than 8 "days of service" may be rendered),
- keep your own records that can be given to the school/NPERS for hours you worked,
- call NPERS if you have questions or want to make sure you are on the right track.

## Don't Panic!

*How to achieve a sense of calm and confidence about your retirement in three easy to follow steps.*

Let's face it, there are factors everywhere causing major stress headaches that even a nice cup of hot tea won't cure. However, there are things we can do now to help ease the knots in our necks and stop our hand-wringing over financial worries.

### **Step 1 - Have an emergency fund**

Nowadays, lots of things can cause worry about present and future finances. One of the best ways to alleviate some of the stress and worry is to have an emergency fund that contains between 3 and 6 months' worth of living expenses. Such a fund allows you to better adapt to life's crazy twists and turns, and keeps you from taking on debt, or dipping into retirement savings, should the unexpected happen.

Experts say putting your emergency funds in a separate account, or even a different bank, will help remind you it is for emergencies only. Your emergency fund buys peace of mind, which is priceless.

### **Step 2 - Make a plan**

Something else that can inspire confidence and enhance calm is to have a complete, and well thought out financial plan. Educate yourself about retirement investing. Learn the history and performance of available funds. Determine your personal investment strategy. Ask specific questions, such as:

- What do I know about my pension plan?
- What do I want to know?
- Where can I get this information?
- What investment opportunities do I have other than my pension plan (i.e., traditional or ROTH IRA accounts, 403(b) plans, 457 plans, etc.)?
- How much risk am I comfortable accepting?
- When do I want to retire?
- What is my debt-to-income ratio?

These questions clear up your current financial picture as it stands today. From there, you can decide where you want to be in the future, and better plan on how to get to your long-term destination.

### **Step 3 - Stick to it**

Unpredictable markets are always a concern. That being said, well-educated, long-term investing focused on long-term returns, growth, and general capital preservation (as we near retirement), helps you see where you can be in the future, and invokes a sense of calm and purpose that should stave off panic.

# Savings Superstars!

Over the last ten years, members of our Patrol Plan have increased their participation in the Deferred Compensation Plan significantly. The DCP is a voluntary 457 retirement plan that Judges and Patrol plan members can contribute to in addition to their mandatory retirement plan (School plan members can do this with a 403(b) through their employer). We would like to recognize the Patrol plan for their focus on a well-rounded retirement savings approach.

Patrol in DCP			
DATE	PATROL MEMBERS	DCP MEMBERS	PERCENT
Dec-21	391	165	42%
Dec-20	419	137	33%
Dec-19	413	114	28%
Dec-18	406	70	17%
Dec-17	405	59	15%
Dec-16	410	41	10%
Dec-15	407	39	10%
Dec-14	388	37	10%
Dec-13	397	34	9%
Dec-12	428	31	7%
Dec-11	431	36	8%



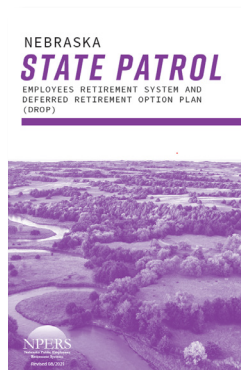
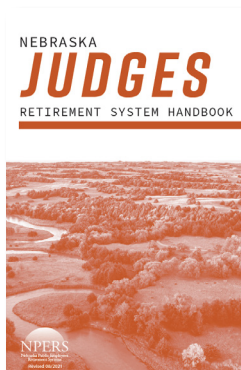
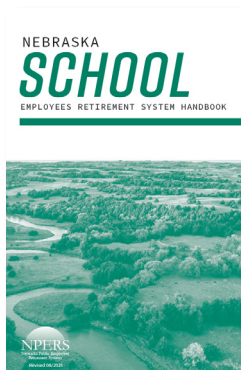
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## RETIREMENT NEWS

NEBRASKA SCHOOL, JUDGES & PATROL EMPLOYEES | MARCH 2022

## School Judges & Patrol Handbooks



[School](#), [Judges](#) and [Patrol](#) Plan Members can access their plan handbooks on the "Publications/Videos" page of the NPERS website.

Brand new exciting video content is also available at [NPERS.NE.GOV](https://www.npers.ne.gov)