

Retired Peace Officers Association of California

RPOAC



Newsletter

January 2015

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RPOAC Newsletter Introduction

This is the first edition of the electronic RPOAC Newsletter. I hope you will find it informative. We will give you the latest news about RPOAC. We will have articles that are pertinent to retirees. Pensions and retiree healthcare issues will be covered. Pacific Financial Designs will have an article in each edition covering insurance needs. We will be fine tuning the newsletter as we go along; it is a work in progress. At present, we plan the newsletter to be quarterly, but that may change if the need arises.

Please make sure that RPOAC has your correct email address. As our newsletter is delivered by email, it is important that we have your correct address. If you know other RPOAC members, please ask them if they

have given RPOAC their correct email address. Using email to deliver the newsletter is one way your Board of Directors is saving dues money for the betterment of the organization.

The editor of the newsletter is Randy Blayney, the Los Angeles Chapter Director. Randy has a lot of experience in doing this type of work when he was an active cop. I would like to personally thank him for all of his hard work.

The Board of Directors hopes you had a joyous holiday season and wishes you and you family a prosperous New Year.

Alex Bernard, RPOAC President

Vacant Chapter Director Positions Filled

RPOAC President Alex Bernard has made appointments to fill the vacancies in two Chapter Director positions.

Randall Blayney, a retired Sergeant from the Los Angeles Airport Police, has been appointed to fill the position of Los Angeles Chapter Director. Randall retired in

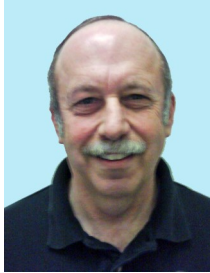
2013 after 31-years with the Airport Police.

The Orange Chapter Director position has been filled by Diane Vasquez. Diane spent 10 -years with the Seal Beach PD before retiring in 1979. She has a BS & MA in psychology, earned her law degree in 1989 and has worked

as a police defense attorney. She had previously served as the RPOAC Secretary and Vice President prior to taking a leave of absence and now returns as the Orange Chapter Director.

The Board welcomes both to their new positions.

2014 PRESIDENTS ANNUAL REPORT



2014 has been a challenging year for RPOAC. The financial impact of the lawsuit, the decrease in dues revenue, and a couple of other factors has caused a financial crunch for RPOAC. With the decrease in dues revenue, it is hard to cover all of our expenses. Consequently, your Board of Directors reluctantly had to increase the dues after 10 years. This dues increase is effective for the 2015 membership renewal. The increase equates to a \$1.00 per month over the current dues. We firmly believe membership offers you value for your money. Again this year, we are making membership in Lodge 55 optional. For an additional \$20 a year, you can remain a member of Lodge 55. We are hoping in the future that we will be financially able to include FOP membership in our dues. The true answer to the financial problem is increasing the membership.

Recruitment has been a big focus of RPOAC over the last few years. RPOAC has benefit programs designed with the retiree in mind. We have asked our leadership to go out and personally recruit new members. Many of them have attended retiree meetings and active association meetings to get the word out on what we have to offer retirees. We are reaching out to potential members through links on various Websites and in ads in various publications. We are also working with other organizations to promote recruitment for RPOAC. Through these

efforts, we believe that our membership will grow in the next year.

Benefits for members have always been a focus for RPOAC. In past few years, many different insurance programs have been added for our members. Just recently, we added Hearing In America hearing aid program for our members. We are constantly exploring what new benefits we can make available to our members. A number of additional programs are on the horizon for the near future. Some of the insurance programs we currently have include group dental insurance, group vision insurance, group AD & D, term life insurance, long term care insurance, and supplemental insurance programs. RPOAC has opened up our insurance programs to all California FOP members. For more information on these programs, go to www.rpoac.org.

Shortly, RPOAC will start to publish an e-newsletter. It will be sent to the email address we have on record for you. Please make sure RPOAC has your correct email address. It will contain information on what RPOAC is doing, pension news, available insurance products, and etc. RPOAC wants to pass on information that is important to the membership.

Let's all work together to move RPOAC forward in the coming year.

Respectfully submitted,

Alex Bernard

What is RPOAC?

RPOAC is politically active at the state and national levels, providing a "watchdog" group that represents you! Standing alone or in small groups, retirees do not have the resources. Affiliation with F.O.P. gives you the ability and resources to be provided quality representation at the state and congressional levels.

RPOAC Launches New Website!

Your Board of Directors is excited to announce the debut of the newly redesigned RPOAC Website which can be found at: www.rpoac.org

The site boasts a cleaner look with clearly defined links to all the resources available on the site.

Members can access copies of Association documents, links to current news articles of interest, view job offerings, connect with other organizations and government offices and learn more about the many benefits being offered to RPOAC members. Our Newsletters (like this one) are also able to be viewed on the website.

Members are encouraged to visit the site regularly as its contents will be updated periodically.

2014 EXECUTIVE DIRECTORS ANNUAL REPORT



Recruitment is still the most challenging aspect of our continued quest to remain a viable organization. This year we have created a new recruitment brochure and converted it to be sent over the internet. We have also put adds in the Police Magazine for several months. It is still a little

early to declare success but we are getting some new members from these efforts.

I know that some of you have been actively recruiting new members. Having said that, we still will always need to be very active in the recruitment area. So keep up the good work! Remember, we still hold the distinction of being the only organization that elects its leadership and actively represents retirees. We have been doing this for over 30 years. As you know we had to raise the dues to insure our continued commitment to our obligations. It was not an easy decision all things considered

but it has been 10 years since our last increase.

Our membership count is static at approximately two thousand plus members. Between November 2013 and October 1st, 2014 we lost 178 members (below the normal amount). We have picked up 30 plus new members from a e-mailing effort and our new brochures being sent out by some of our directors.

Our insurance programs are going strong with more members taking advantage of the excellent programs available through Pacific Financial Designs. We have two new programs that were just added (check our web site).

So, until the next meeting, stay well and enjoy your retirement.

Fraternally,

Dennis Wright
Executive Director RPOAC

Understanding Required Minimum Distributions

The rules surrounding required minimum distributions (RMDs) can be confusing. Taking the time to understand those rules, together with the impact that RMDs may have on your IRA or retirement account – as well as on your financial plan and tax situation – may be well worth your while.

RMDs defined

A required minimum distribution is the amount the federal government requires you to withdraw each year – usually after you reach age 70½ – from retirement accounts, including traditional IRAs, simplified employee pension (SEP) IRAs and SIMPLE IRAs, as well as many employer-sponsored retirement plans.

The RMD is designed to ensure that you withdraw at least a portion of the funds in your account over your lifetime – and that you pay taxes on those funds. Failure to withdraw less than the required minimum will result in a potentially hefty penalty: The amount not withdrawn is taxed at 50%.

In Other Words: If the RMD on your traditional IRA is determined to be \$8,000 in 2014, but you withdraw only \$3,000 during calendar 2014, you will be subject to an excise tax of \$2,500, or 50% of the amount by which your RMD exceeds your actual distribution.

Income tax implications

RMDs are generally subject to federal income tax – taxed at ordinary rates – and, in some cases, may also be subject to state taxes. However, distributions that reflect after-tax contributions may not be taxable. Consult your tax advisor to determine the specifics of your situation with regard to possible implications of income and other taxes.

When to take your RMD

Unless you are 1) still working, 2) still participating in your employer's retirement plan and 3) own no more than 5% of the company, you must make your initial required distribution no later than April 1 following the year in which you turn 70½.

If you meet all the above conditions, you can generally delay taking distributions until April 1 following the calendar year in which you retire.

In either case, however, subsequent distributions must be taken by December 31 of each calendar year for the rest of your life or until your account balance is reduced to zero.

Calculating RMD

The amount you are required to withdraw from a retirement plan subject to RMD requirements is usually based on your account balance as of December 31 of the year prior to the calendar year during which the distribution must be made.

Frequently asked questions

Which plans are subject to RMD rules?

Many retirement plans, including most IRAs (such as traditional IRAs, SEP IRAs and SIMPLE IRAs), pension, stock bonus and profit-sharing plans such as 401(k), Section 457(b) and Section 403(b) plans, are subject to the RMD requirement. Consult your plan administrator or tax professional if you are uncertain whether your account is subject to RMD. In addition, in some cases, accounts can be aggregated and the distribution, if desired, can be taken from a selected account. Talk to your plan administrator and/or tax professional for more information.

Are all IRAs subject to RMD?

No. Roth IRAs are exempt.

What is the “younger spouse” rule?

Under this rule, if your spouse is your sole designated beneficiary and is also more than 10 years younger than you, your RMD may be determined by using the joint life expectancy of you and your spouse. That means you will be able to take your RMDs using the divisors published by the IRS as the Joint Life and Last Survivor Expectancy Table. Those figures will give you a longer payout period than that indicated in the Uniform Lifetime Table.



What happens if I have more than one plan subject to RMD?

Your RMD is calculated separately for each IRA that is subject to a required minimum distribution. However, the total amount can be withdrawn from a single account or from a combination of accounts in a balance you select. You may wish to discuss with your tax and financial advisors the best strategy for taking your distributions.

Keep in mind that, if you have multiple employer retirement plans, your RMD is calculated separately for each plan and must be withdrawn from that plan. However, like plans may be aggregated and the distribution taken from one account. Consult your tax advisor for more information.

How is my designated beneficiary affected by RMD?

Your designated beneficiary or beneficiaries will typically be required to take minimum distributions from the account. However, if your spouse is the beneficiary and has not yet reached 70½, he or she generally may delay taking distributions by rolling over an inherited IRA or employee plan into an IRA under his or her own name.

In addition, non-spouse beneficiaries could take distributions over a period longer than their own life expectancies, and a trust beneficiary may be able to take distributions based on the age of the oldest trust beneficiary.

Again, you and your spouse and/or other heirs should consult a tax-planning professional with regard to your specific situation.

For additional questions regarding RMDs or their impact on investments that you have, please contact Pacific Financial Designs, Inc. at (800) 733-4487 x 305.

Know Your RPOAC Benefits

Members are reminded and encouraged to visit the web site of our benefits provider, Pacific Financial Designs, Inc. at:

<http://www.thepfdgroup.com/group/associations/rpoac.php>

(You can also link to the PFD site through our own RPOAC website at www.rpoac.org)

Benefit Options available to members include:

- **Long Term Care Insurance**
- **Vision Plan - The plan is open to all members of your family**
- **Accidental Death and Dismemberment - All members receive \$2,500 coverage at no cost**
- **Deferred Compensation**
- **Life Insurance**
- **Dental Insurance - Several different plans to choose from**
- **Term Life Insurance**
- **Legal Shield, Pre-Paid Legal and Identity Theft Plan**
- **And MORE!**

ARTICLE LINKS

[Deal reached to allow pension plans to cut benefits](#)

[Firefighters lose bid to sue bankrupt San Bernardino in state court](#)

[Conservatives, Police Unions, and the Future of Law Enforcement](#)

[Labor Unions Accuse Congress of Sneak Attack on Pensions](#)

[Bay Area officer unions decry anti-police rhetoric](#)