



FPDR FUNDamentals

A newsletter for
Fire and Police retirees

December 2014
Volume 15, Issue 1

DIRECTOR'S MESSAGE

I am excited to introduce to you FPDR's new Mission Statement and Values.

We deliver peace of mind to our fire and police members and their survivors by providing disability and retirement benefits in a timely, compassionate and fiscally responsible manner.

The FPDR staff prides themselves on their caring service, their fairness and objectiveness and the positive relationships they have with our members and stakeholders. This new Mission Statement and Values, written by the FPDR staff, now reflects the pride they take in their job.

I also want to personally take a moment to thank those of you who completed the FPDR customer service questionnaire. The information and comments you provided are important to our process to improve FPDR's service to you and all active and retired members.

Using your feedback and comments from prior surveys and emails, FPDR has improved our service by:

- Upgrading our phone system so calls are once again *answered by a person rather than a recording*
- Refreshing the FPDR website and adding fillable forms
- Adding direct deposit as an option for medical reimbursements
- Changing the pension pay date from the first banking day of the month to the first of the month or the last banking day of the previous month if the first is not a banking day – except for January 1
- In response to feedback in this latest survey, discovering and correcting a problem with a voice mail box that was causing us to lose messages members had left

I am personally making the commitment to meet with active and retired members to listen to your concerns and learn how FPDR serves you.

If you want to talk with me about any issue, share a problem or compliment the FPDR staff, please give me a call at 503 823-5500 or send me an email at

sam.hutchison@portlandoregon.gov.

BENEFIT UPDATES

NEW! Fillable Forms on FPDR Website

We just completed three forms that are now available on our website as fillable forms. Select the form, type in your information online, print the form, sign it and send it to FPDR. The forms are:

- ☞ Notice of member changes (to update your personal data)
- ☞ Pension tax withholding instructions
- ☞ Direct deposit authorization

Additional Tax Offset Benefits

Last year Senate Bill 822 eliminated additional tax offset benefits for people who are not subject to Oregon personal income tax. FPDR's only authority for paying these benefits is in the Oregon Revised Statutes: ORS 237.635 and 237.637, and SB 822 changed both of those. In November we received a file from the Department of Revenue of FPDR participants who filed Oregon personal income tax returns. Your tax offset benefits will be discontinued after the January 1, 2014 payment if:

- You did not file an Oregon personal income tax form for 2013
- You filed as a non-resident for 2013 and did not include your FPDR pension amount in your Oregon-taxable income
- You filed as a part-year Oregon resident for 2013 because you moved out of Oregon
- You moved out of Oregon in 2014 and indicated you would no longer be subject to Oregon personal income tax

The tax offset benefit may also start (or restart) if your pension benefit became subject to Oregon personal income tax in 2014. Affected participants will receive letters in December explaining that their tax offset benefits will cease or start after the January 1, 2015 payment.

Tax Time Is Coming

Please save your December 1 deposit advice, as it shows the total amount of insurance premiums deducted from your pension payments in 2014. Refer your tax preparer to the Form 1040 instructions on lines 16a and 16b, where insurance premiums for retired public safety officers are discussed. Please note: neither FPDR nor its staff can provide tax advice. If you have any questions on your taxes, please consult your tax preparer or the IRS at 1.800.829.1040.

1099-Rs are coming in late January. If you would like your form sent to an address other than the one at which you receive your direct deposit statement, please contact us to set up an alternate 1099-R address. If you have previously arranged an alternate address, there is no need to call.

Some of you will see different amounts in Box 1, Gross Distribution, and Box 2a, Taxable Amount. Box 1 represents the total gross pension benefit you received in 2014. The amount in Box 2a is the Box 1 amount less the amount in Box 5, Employee Contributions. Prior to 1991, members made after-tax contributions to the FPDR plan from their paychecks. Box 5 shows the total amount you contributed during your career divided by an IRS-specified factor.

Box 7, the Distribution Code, should be 2 or 7; a few surviving spouses may have 2B or 7B in this box. Code 2 is for those who have not yet reached 59½ years of age. Code 7 is for those who have already attained age 59½. If you reached 59½ in 2014, you will receive two 1099-Rs: one with Code 2 and the other with Code 7.

Copy A to be filed with Tax Return when required		2014 OMB No. 1545-0119
1 Gross Distribution 46,088.01	2a Taxable amount 45,368.04	<input type="checkbox"/> CORRECTED (if checked)
2b Taxable amount not determined <input type="checkbox"/>	Total distribution <input type="checkbox"/>	3 Capital gain (included in box 2a)
PAYER'S Name, street address, city, state, and ZIP code Fire & Police Disability & Retirement Attn: Director 1800 SW First Ave, Suite 450 Portland OR 97201		
PAYER'S Federal identification number 93-0587208		RECIPIENT'S identification number 000000000
RECIPIENT'S name, address and ZIP code SAMPLE SAMPLE ADDRESS SAMPLE CITY OR 97201		
4 Federal income tax withheld 2,400.00	5 Employee contributions or insurance premiums 719.97	
6 Net unrealized appreciation in employer's securities	7 Distribution code 7	IRA/SEP
8 Other	%	9a Your percentage of total distribution
9b Total employee contributions		
10 Amount allocable to IRR Within 5 Years	11 1st year of desig. Roth contrib.	12 State tax withheld 1,200.00
13 State/Payer's no. OR 671663-6	14 State distribution	
Account number (optional) 0000		
15 Local tax withheld	16 Name of locality	17 Local distribution

Form 1099-R

Dept. of the Treasury -- IRS

Fire & Police Disability & Retirement

Our Mission:

We deliver peace of mind to our fire and police members and their survivors by providing disability and retirement benefits in a timely, compassionate and fiscally responsible manner.

Our Values:

- ◆ *We treat our members with respect, dignity and courtesy.*
- ◆ *We care about the health and welfare of fire and police members.*
- ◆ *We fairly and equitably evaluate all member requests for benefits and other services.*
- ◆ *We cultivate professional and productive relationships with everyone we work with including the Board of Trustees, the Bureaus of Police and Fire and City labor organizations.*
- ◆ *We enjoy a positive and supportive work environment with an atmosphere of mutual respect, openness, teamwork, humor and camaraderie.*
- ◆ *We are fiscally responsible and careful stewards of public resources.*
- ◆ *We are committed to diversity and equity in all areas of our operations.*