

## Active and Retiree Summer 2010

### 2010 Legislative Summary

The 2010 Session of the Oklahoma Legislature has adjourned and the URSJJ was impacted by a small number of bills that were passed and signed into law by Governor Henry.

**Senate Bill 1889** was a general “clean up” bill to help streamline various provisions for the URSJJ, including, among others:

- **Amending the retirement filing for judicial members.** The statute no longer provides for the Governor to “approve” retirements, but provides a notification by the Court Administrator to the Governor to aid in the judicial appointment process.
- **Amending the provisions for judicial members to return to positions covered by the URSJJ while he or she is receiving a pension benefit from the System.** The legislation states if any retired member of the System should be elected or appointed to any judicial or other office covered by the URSJJ, the retirement compensation of the retired member shall be suspended for the period that the member holds such office and be reinstated upon leaving such office. The suspension of judicial retirement benefits no longer applies to elected or appointed positions not covered by the URSJJ.

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### Susan Reed named CFO at URSJJ

Long-time State Treasury staffer Susan Reed is the new Director of Finance and Chief Financial Officer for URSJJ.

Reed had been with the State Treasurer’s office since 1991, serving as the Comptroller of that office for nearly five years. She served as the Securities Operation Manager for many years and was in the accounting department before that.

“Susan Reed is one of the most experienced accounting and public finance professionals working for the State,” said URSJJ Executive Director, Tom Spencer. “I had the pleasure of working with Susan for nearly eight years at the Treasurer’s office and I’m excited that she will be bringing her talent and experience to URSJJ.”

Susan is a Certified Public Accountant and holds an MBA from the University of Central Oklahoma. She has vast experience with the State’s financial systems, investment accounting, and managing a public financial institution.

#### *The Director’s Corner*

#### **The “VOBO” Brain Drain**

**Tom Spencer, Executive Director**

One of the side benefits of my job is getting to shake the hands of old friends when they arrive on our doorstep to retire. It’s a good feeling to help carry them over the finish line at the end of their careers of public service. But one of the downsides to my job is seeing some of my friends and public servants leaving way too early, taking with them vast stores of institutional knowledge that cannot be replaced.

Desperate times call for desperate measures and I do not criticize our state leaders one bit for using every tool at their disposal to cut state expenditures to make the state budget fit in an ever-shrinking container. One of those tools is the “Voluntary Buyout” (VOBO) to help trim state agency payrolls to balance the budget. House Bill 2363 specifically targeted state employees who are eligible to retire to accept an incentive check and leave the state payroll. I’m just concerned with a strategy that may be encouraging some of our best and most knowledgeable public servants to leave at a time

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# RETIREMENT 101

## Five Emotional Stages of Retirement

A well-planned retirement means looking at more than just the money you need to survive once you leave the workplace. Retirement preparation requires a more thorough examination of your health needs and social engagement in addition to your financial planning. You know what you are retiring **from**, but do you know what you are retiring **to**?

What should you expect as you move to life after work? How can you prepare emotionally and financially to make each year of retirement rewarding? A 2005 study entitled *New Retirement Mindscape* by Ameriprise and Ken Dychtwald/Age Wave explored people's attitudes, worries, behaviors, ambitions and needs before and after retirement.

A key part of this study was highlighting that many people go through distinct emotional stages leading up to and into retirement. The following stages may affect people differently and at different times, but serve as a cautionary observation on the emotional changes you may feel when going through this dramatic life change.

### **Stage 1: Imagination (6 – 15 years before retirement)**

During this stage, retirement is not necessarily at the top of your list of priorities. Many are juggling several other pressing needs, such as putting children through college, paying bills or pursuing their careers. However, as retirement draws closer, people in this stage increasingly turn their attention, purpose and energy to their retirement goals and preparation needs. In the study, people who were 6-15 years before retirement had very positive views about retirement, though only 44% felt "on track" in terms of preparation, and had high expectations of adventure and empowerment for their retirement.

### **Stage 2: Anticipation (Up to 5 years before retirement)**

This stage is a time of great excitement and hope. Financial resources are almost in place and people begin to spend additional time planning for recreation, new hobbies, family and even post-retirement careers. However, in the year or two just before Retirement Day, there are some feelings of worry and doubt. Most people less than 5 years from retirement are optimistic, with 80% saying they will be able to achieve their dreams in retirement, but develop more anxiety as they stand on the brink of retirement.

### **Stage 3: Liberation (Retirement Day and the year following)**

Liberation is a time of great enjoyment and enthusiasm. This is the "honeymoon" phase of retirement. Yet surprisingly, this stage lasts only about a year. On Retirement Day, people feel both excited and relieved. Though they admit they miss their friends and social connections from work, people in this stage are fully engaged in everything their new freedom has to offer: reconnecting with spouses and family, hobbies, traveling, even starting new businesses. Most people in the first year of retirement are very busy, confident that their retirement preparation has paid off.

### **Stage 4: Reorientation (2 – 15 years after retirement)**

During this time, many experience a letdown with retirement. The newness has worn off and they discover that retirement is often more challenging or just different from what they expected. Some complain of depression, worry and boredom.

### **Stage 5: Reconciliation (16 or more years after retirement)**

As retirement progresses, many retirees enter a phase of increased contentment and personal reflection. People are more hopeful and have come to terms with all that retirement has to offer. Those in this stage:

- Feel more positive about retirement,
- Enjoy relaxing, time with family, and maintaining healthy lifestyle.
- Suffer depression in small numbers (only 5%), sadness is more prevalent as they confront end-of-life issues with family and friends,

Remember, these stages are unique to each person. However, if you're feeling uncertain about retirement, take some time to review your expectations. Develop a clear vision of your retirement goals. Consider how you will stay active and engaged throughout retirement. And, seek advice from professionals when you feeling unsure of your plans.

## The Stages of Retirement



New Retirement Mindscape study 2005. By Ameriprise Financial in conjunction with Age Wage and Ken Dychtwald, PhD, and Harris Interactive. Based on a national telephone survey of 2,000 people between the ages of 40 - 75.

<http://retirement.ameriprise.com/planning-for-retirement/retirement-ideas/emotional-stages.asp>

## MYMONEY.GOV

Your friends at the URSJ are always on the hunt for useful resources on retirement planning and financial literacy to assist in your planning efforts. The latest treasure we have unearthed is [www.mymoney.gov](http://www.mymoney.gov) – a partnership of 20 federal agencies and bureaus with the aim of providing “a central place for unbiased, reliable information and materials on financial topics of interest to you.”

All 20 agencies represented on this website work together on issues as part of the Financial Literacy and Education Commission (FLEC) that was created by Congress in 2003. The site is designed around the financial issues at various life events such as:

- Birth / Adoption of a child
- Going to college
- Marriage / Divorce
- Home ownership
- Starting / Buying a business
- Planning for retirement
- Death of a family member

Congress designated the U.S. Department of Treasury's Office of Financial Education to lend its expertise and provide primary support to offer free financial information to the American public through the MyMoney.gov Website, and the toll-free 1-888-MyMoney hotline.

- Board of Governors of the Federal Reserve System
- Commodity Futures Trading Commission
- Department of Agriculture
- Department of Defense
- Department of Education
- Department of Health and Human Services
- Department of Housing and Urban Development
- Department of Labor
- Department of the Treasury
- Department of Veterans Affairs
- Federal Deposit Insurance Corporation
- Federal Trade Commission
- General Services Administration
- National Credit Union Administration
- Office of Personnel Management
- Office of the Comptroller of the Currency
- Office of Thrift Supervision
- Securities and Exchange Commission
- Small Business Administration
- Social Security Administration

## Identifying and Managing Stress in Your Life

Retirement is a life-altering process for most of us, just like moving, losing a job, or death of a family member. All of these changes can cause stress and negatively impact our daily life.

Retirement can also be a stressful time for those not retiring. Having a spouse around the house full time can be a significant adjustment. Having a valuable coworker retire will likely increase the workload of those still working and cause those left behind to pick up the slack.

Stress is a normal psychological and physical reaction to the demands of life. Your brain comes hard-wired with an alarm system for your protection. When your brain perceives a threat, your body releases a burst of hormones to fuel your “fight-or-flight” response. When the threat is gone, your body returns to normal. Unfortunately, the non-stop stress of modern life means that your alarm system rarely shuts off.

Stress can have physical, emotional and behavioral manifestations and you may not even realize stress is the underlying cause. If you recognize the effects of stress listed in the table, it is important for your overall health to get your stress under control.

If you do have stress symptoms, taking steps to manage your stress can have numerous health benefits. Stress management could include:

- Addressing the issues that are causing your stress
- Making time for yourself and the things you enjoy doing
- Physical activity
- Relaxation techniques
- Meditation
- Yoga

Of course, other potentially serious health problems can also cause some of the same symptoms as stress. If you're not sure if stress is the cause or if you've taken steps to control your stress but symptoms continue, see your doctor.

Whether you are retiring or not, you probably know someone is or who soon will be. Our hectic lives provide many “opportunities” for pulling our hair out. Identifying the signs of stress and the underlying cause can greatly improve your overall health.

For more information about stress management, see the Mayo Clinic's website at [www.mayoclinic.com](http://www.mayoclinic.com).

*Stress is a normal psychological and physical reaction to the demands of life.*

### EFFECTS OF STRESS...

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#### ...On your body

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- Headache
- Back pain
- Chest pain
- Heart disease
- Heart palpitations
- High blood pressure
- Decreased immunity
- Stomach upset
- Sleep problems

#### ...On your thoughts and feelings

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- Anxiety
- Restlessness
- Worrying
- Irritability
- Depression
- Sadness
- Anger
- Feeling insecure
- Lack of focus
- Burnout
- Forgetfulness

#### ...On your behavior

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- Over-eating
- Under-eating
- Angry outbursts
- Drug or alcohol abuse
- Increased smoking
- Social withdrawal
- Crying spells
- Relationship conflicts

## 2010 Legislative Summary

(Continued from page 1)

- **Providing additional information on funding.** The legislation maintains the existing employer contribution rates and removes the authority of the Board of Trustees to establish annual employer contribution rates. The Board is required to provide a detailed annual actuarial report and letter setting forth the amount of the actuarially required contributions for the System to the Governor, the Chief Justice of the Supreme Court, the Legislative Services Bureau, the Speaker of the House and the President Pro Tempore of the Senate.

### *The Director's Corner*

## The "VOBO" Brain Drain

(Continued from page 1)

When our state government can ill afford to lose employees who know state government history and why things are the way they are. Because without that historical knowledge and context, we are most certainly doomed to repeat many mistakes of the past.

The increased workload to process this mini-tsunami of retirees is, and will continue to be, a great challenge. But I'm not shedding any tears because my staff will work harder than ever before. They are up to the challenge. My sorrow is for the potential loss to the State with the exit of some of those steady hands that have developed a wealth of knowledge about the mission and work of their agencies. I value my graying and wise staff members who are here to teach and mentor the next generation of public servants. Personally, I'll try to hold onto that treasure of experience and knowledge as long as I can.

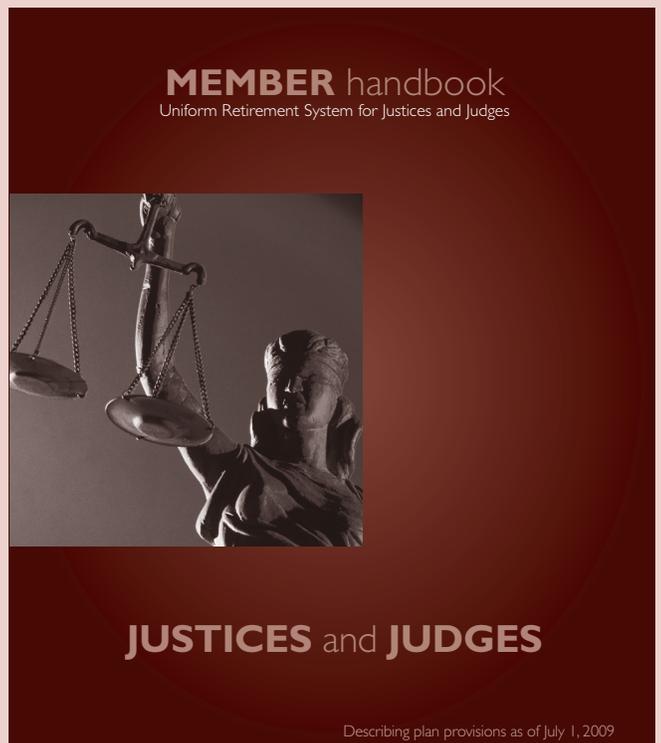
## Important Reminder

### Keep Addresses and Beneficiaries Current

Fiscal Year 2010 has come and gone and annual statements will be going out in the mail in the coming weeks to our active members. Annual statements provide individual information about your retirement contributions, beneficiaries, and plan details for both the URSJJ and SoonerSave plans. Statements will be mailed to the address listed in our current records.

Please notify us of any changes to your mailing address or designation of beneficiary so your statement reaches you in a timely and accurate manner.

URSJJ Handbooks available online  
[www.opers.ok.gov/publications](http://www.opers.ok.gov/publications)



## Contact URSJJ

**Mailing Address:**

Uniform Retirement System for Justices & Judges  
Post Office Box 53007  
Oklahoma City, Oklahoma 73152-3007

**Local Phone:**

(405) 858-6737

**Outside Local Calling Area:**

(800) 733-9008

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*This summary is for informational purposes only. Individual requirements and benefits may differ, depending on circumstances. Consult the plan provisions or URSJJ for detailed information.*

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