



Happy New Year!



Preparing for unexpected life experiences

Let us start 2022 with being prepared. Anybody you asked five years ago what their life would be like today would never have guessed the effects of COVID-19 and the financial impacts the pandemic would have caused. Unfortunately, unexpected life events are precisely what make life experiences difficult, especially if not prepared.

The first step for preparing for the unexpected life event is to have a solid emergency fund in place. Emergency funds should be easily liquidated. In other words, it should be relatively easy to access the funds and be converted into ready cash without affecting its market price. It should also cover three to six months of everyday living expenses. If you are a single-income household, consider building an emergency fund of up to a year. This is especially important if you should lose your job and have a hard time finding another one or suffer an unexpected illness where you cannot work for an extended period and will have a gap in your earnings.

The second step is to have Life Insurance to provide for your family. This will benefit your spouse and will provide for any children you have. Life insurance is critical when your family depends primarily on your income to pay debts. The policy's value should provide enough money for your beneficiary to pay off debts after you pass away. If you have children, you should get enough to help cover the cost of their education. If you are a current employee, contact Personnel and find out more.

The third Step is Health Insurance. Many people gamble with not having adequate health insurance coverage. They feel they are in good health, do not need coverage, and choose a low premium but high deductible policy. When accidents happen, medical bills can add up quickly. All it takes is one serious illness or accident, and you could find yourself deeply in debt. This can compound financial strain tremendously.

Even if these three steps are included in your financial planning, life can still be hard. However, you can lessen the blow by staying prepared. So keep these three steps in your financial planning and be sure to remember the famous words of Benjamin Franklin "by failing to prepare, you are preparing to fail."

Laugh a Little



Income at the end until the end

Tax Season Is Upon Us

Box 1: Gross distribution
This is the total amount paid by PERS during 2020, including the Cost-of-Living-Adjustment (COLA)

Box 2a: Taxable amount
This is the portion of the gross distribution amount considered taxable income and will always be equal to or less than the amount shown in Box 1.

Box 4: Federal Income Tax withheld
This is the total federal withholding for the year, including any amount withheld.

VOID CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Gross distribution	OMB No. 1545-0119		
		\$	2021		
		2a Taxable amount	Form 1099-R		
		\$			
PAYER'S TIN		2b Taxable amount not determined <input type="checkbox"/>	Total distribution <input type="checkbox"/>		
		RECIPIENT'S TIN		3 Capital gain (included in box 2a)	4 Federal income tax withheld
RECIPIENT'S name				\$	\$
		Street address (including apt. no.)		5 Employee contributions/ Designated Roth contributions or insurance premiums	6 Net unrealized appreciation in employer's securities
City or town, state or province, country, and ZIP or foreign postal code				\$	\$
		7 Distribution code(s)		8 Other	9b Total employee contributions
9a Your percentage of total distribution %				\$	
		10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	12 FATCA filing requirement <input type="checkbox"/>	14 State tax withheld
\$	\$	\$	\$	\$	\$
Account number (see instructions)		13 Date of payment	17 Local tax withheld	18 Name of locality	19 Local distribution
		\$	\$	\$	\$

Form **1099-R** www.irs.gov/Form1099R Department of the Treasury - Internal Revenue Service

Box 7: Distribution code(s)
Applicable codes identifying the type of benefit paid for retirees are as follows:

Code	Type of Benefit
2	Early distribution not subject 10 percent penalty
3	Disability retirement benefits paid to a retiree who has not met normal retirement age for the applicable plan
4	Death
7	Normal distribution for a retiree 59 1/2 or older at the end of 2021

January 31, 2022, is the deadline to receive your 1099-R and any other tax deduction or Salary forms. By that date, all documents should be in your possession. If you have not received your 1099 by the above deadline, don't hesitate to contact our office. Your 1099-R reports the distribution of retirement benefits such as pensions and annuities. You should receive a copy of Form 1099-R or some variation if you received a \$10 or more distribution from your retirement plan. April 18, 2022, is the tax deadline, or Tax Day, for 2021 Tax Returns. If you are late filing your 2020 tax forms, file as soon as possible to reduce or eliminate tax penalties! Did you know that you will not face any late penalties if you are owed a Tax refund? Not claiming your refund is a penalty in itself. The penalties for not filing are higher than not paying taxes on time. So don't miss a filing deadline if you owe taxes. Even if you can't pay your taxes on time, make payment arrangements and read more through the IRS website.

Enjoy Retirement John



John McCann was photographed with members of the pension boards

John McCann was present at the November meeting, pictured in his traditional Male Scottish attire, which includes a kilt. The kilt is a knee-length 'skirt' with pleats. It was first worn in the 16th century by men and boys in the Scottish Highlands. It is typically made from one piece of fabric wrapped around and fastened at the side. Since the 19th century, it has been associated with the broader culture of Scotland and has been seen as a versatile fashion piece on many catwalks. On this day, John strutted his kilt with style as he attended his final meeting before Retirement.

Thank you for your years of service

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