



STATE OF OKLAHOMA  
FIREFIGHTERS PENSION AND RETIREMENT SYSTEM

November 19, 2021

UPDATE ON:

*Garrett et al. v. State of Oklahoma ex rel. Oklahoma Firefighters Pension and Retirement System and Oklahoma Firefighters Pension and Retirement Board (CV-2018-1327) (the “Garrett Case”)*

I am writing today to provide an update on the Garrett Case and how the Oklahoma Firefighters Pension and Retirement System (the “System”) is affected by recent developments in the Garrett Case.

**Please note that this update is only regarding the temporary injunction (the “Injunction”) put into place by the District Court of Oklahoma County (the “DCOC”) on August 10, 2018. There is no update on the disposition of the Garrett Case itself at this point.**

The Injunction prohibited the System from requiring mandatory distributions of interest (“MDIs”) and required the System to compute required minimum distributions (“RMDs”) using an assumed interest rate of 3.0% (instead of the 7.5% approved by the System’s Board) for members whose first RMD was in 2016 and beyond. The Injunction impacted persons who had elected Plan B or who were eligible to elect Plan B on September 11, 2017.

The Injunction was appealed to the Court of Civil Appeals (the “COCA”). On November 5, 2020, the COCA lifted the Injunction with respect to RMDs, but upheld the Injunction with respect to MDIs.

**On September 20, 2021, the Supreme Court of the State of Oklahoma denied the petitions for certiorari filed by both parties regarding the Injunction. The effect of the denial of certiorari is that the decision of the COCA stands.**

Accordingly, with respect to RMDs, the System will use an assumed interest rate of 7.5% for the purposes of calculating the actuarial gain under paragraph (d)(3) of A-14 of Treas. Reg. Section 1.401(a)(9)-6 for those members whose first RMD was in 2016 and beyond, which the System’s Board has determined is required for the calculation under the annuity distribution method of a period certain annuity without life contingencies (which is the method of calculating RMDs adopted by the Board).

**Going forward under the Injunction:**

1. MDIs

MDIs for persons who had elected Plan B or who were eligible to elect Plan B on September 11, 2017, will remain suspended while the Injunction remains in effect. This treatment may change based upon further developments in the Garrett Case.

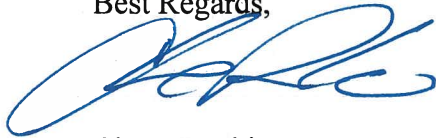
2. RMDs

In 2021, and subsequent years, RMDs for persons who commenced (or will become required to commence) receiving RMDs in 2016, or any later year, will be calculated using an assumed interest rate of 7.5%, unless the Board determines a different rate is appropriate. This treatment may also change based upon further developments in the Garrett Case.

Should you have any questions about which category you fall into now, or how your RMD is calculated, please contact this office.

A complete history of the proceedings of this case, including the Injunction, can be found at OSCN.net. Should you have any questions, please don't hesitate to contact this office.

Best Regards,



Chase Rankin  
Executive Director