

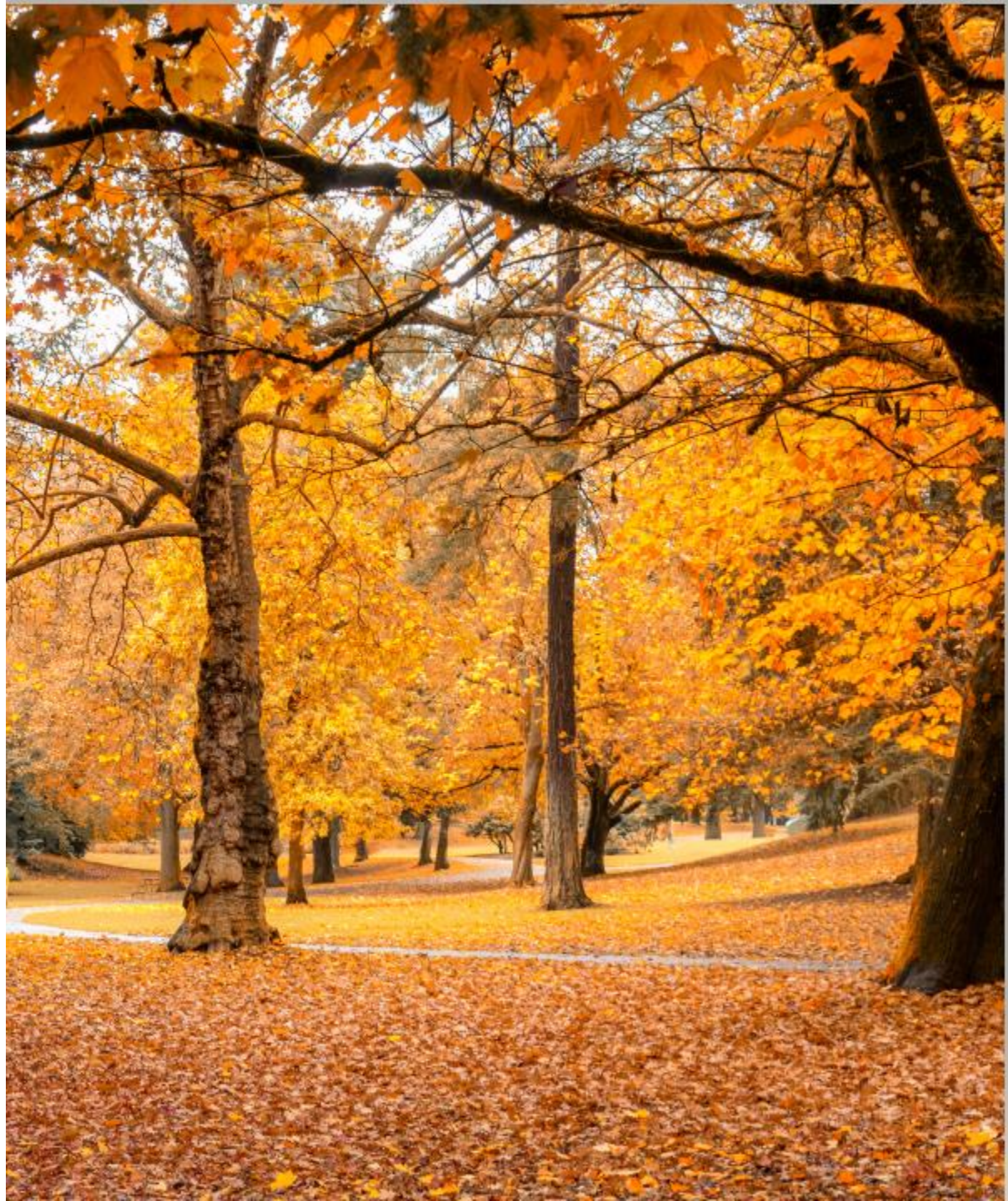
# OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



## Employer Advisory Group

October 16, 2020



# Agenda

Director's Office update

Legislative update

Senate Bill 1049 update

- Employer Programs
- Member Choice
- Member (IAP) Redirect
- Salary Limit
- Work After Retirement

Communications update

- Employer Satisfaction Survey results review and response
- PERS Expo 2020

Additional items

- OPSRP First Wage Clean-up Project
- 2021–2023 Valuation and Employer Contribution Rates
- 2021 EAG meeting dates

# Director's Office update

## Status of PERS amid COVID-19

- Building closed to the public until at least 12/31/2020
- Meetings continuing virtually
- Majority of staff continue to work remotely

## Agency budget update

## October 2, 2020, board meeting

- 2019 valuation results
- Adoption of employer rates

**Thank you for your continued participation!**

# Legislative update

## Legislative days

- Week of September 21, 2020
- No PERS-related items

## Legislative concepts

- Continued drafting
- Working with stakeholders re: their legislative concepts

## Second special session of 2020

- Employer Incentive Fund (EIF) / School Districts Unfunded Liability Fund (SDULF) update
- Governor's line-item vetoes
- Other budget reductions

# **Senate Bill 1049 update**

**Employer Programs**

**Member Choice**






**Member (IAP) Redirect**

**Salary Limit**

**Work After Retirement**






# Senate Bill (SB) 1049 Implementation Road Map

2019-2021 Biennium

	2019						2020						2021										
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
 <b>Employer Programs</b>	<ul style="list-style-type: none"> <li>7/1/19 – Effective Date</li> <li>9/3/19 – Employer Incentive Fund (EIF) Application #1 Opens</li> <li>11/27/19 – EIF Application #1 Closes</li> <li>12/2/19 – EIF Application #2 Opens</li> </ul>						<ul style="list-style-type: none"> <li>8/6/20 – Employer Rate Projection Tool (ERPT) Assessment Complete</li> <li>12/1/20 – EIF Application #2 Closes</li> <li>5/19/2021 – Work Package (WP) 1 (ERPT Conversion) – Tentative →</li> <li>6/10/2021 – WP2 (Unfunded Actuarial Liability Resolution Program (UALRP) Launch) – Tentative →</li> </ul>																
 <b>Salary Limit</b>							<ul style="list-style-type: none"> <li>12/24/19 – Work Package (WP) 1 Short Term</li> <li>1/1/20 – Effective Date</li> <li>1/24/20 – WP2 (Post 2020 Salary Limit) Long Term</li> </ul>						<ul style="list-style-type: none"> <li>10/22/20 – WP3 (User Screens to record annual salary limit) Long Term</li> <li>4/1/21 – WP4 (Proration reports and workflow) Long Term</li> <li>4/15/21 – Project Close</li> </ul>										
 <b>Work After Retirement</b>							<ul style="list-style-type: none"> <li>12/19/19 – Work Package (WP) 1 (Retiree Wages Suspended) Short Term</li> <li>1/1/20 – Effective Date</li> </ul>						<ul style="list-style-type: none"> <li>10/22/20 – WP2 (New Wage Codes with General Ledger (GL) Integration) Long Term</li> <li>4/22/21 – WP3 (OPSRP Return to Work Defect &amp; Retro Rate Changes) Long Term →</li> <li>6/11/21 – Project Close →</li> </ul>										
 <b>Member Redirect</b>	<ul style="list-style-type: none"> <li>6/18/20 – Work Package (WP) 1 Release (Employee Pension Stability Account Set Up/Batch/ General Ledger) – Short Term →</li> </ul>						<ul style="list-style-type: none"> <li>7/1/20 – Effective Date →</li> <li>1/26/2021 – WP2 (Voluntary Contribution Off-Line Tools) Long Term →</li> </ul>						<ul style="list-style-type: none"> <li>9/22/20 – Voluntary Contributions Initial Functionality – Long Term</li> <li>11/19/20 – Voluntary Contributions Final Functionality Release – Long Term</li> <li>3/23/2021 – WP3 (EPSA Earnings) Long Term</li> <li>6/24/2021 – WP4 (EPSA Maintenance) Long Term →</li> </ul>										
 <b>Member Choice</b>	<ul style="list-style-type: none"> <li>10/23/19 – Project Kick Off</li> <li>5/15/20 – Member Annual Statements (MAS) Flyer Communication →</li> </ul>						<ul style="list-style-type: none"> <li>8/19/20 – Member Choice Notification →</li> </ul>						<ul style="list-style-type: none"> <li>8/20/20 – Work Package (WP) 1 Online Member Services (OMS) Changes Deployed</li> <li>9/1-30/20 – Election Period</li> <li>1/1/21 – Effective Date</li> <li>3/4/21 – WP2 OMS &amp; jClarety Enhancements (Long Term) →</li> <li>5/1/21 – Member Choice reflected in MAS →</li> <li>6/30/21 – WP3 Earnings Rates and Validation Updates (Long Term) →</li> </ul>										






Revised: September 17, 2020

# 2021-2023 Biennium

PROJECTS	2021						2022						2023											
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
 <b>Employer Programs</b>	<ul style="list-style-type: none"> <li>7/13/2021 – Project Close – Tentative</li> </ul>																							
 <b>Salary Limit</b>																								
 <b>Work After Retirement</b>																								
 <b>Member Redirect</b>							<ul style="list-style-type: none"> <li>10/29/2021 – WP5 (Voluntary Contribution Maintenance) Long Term</li> <li>1/27/2022 – WP6 (EPSA Retirement) Long Term</li> <li>4/28/2022 – WP7 (EPSA Divorce) Long Term</li> </ul>						<ul style="list-style-type: none"> <li>11/17/2022 – WP9 (Withdrawals) Long Term</li> <li>3/31/2023 – WP10 (Post-Retirement Death) Long Term</li> <li>7/28/2022 – WP8 (Pre-Retirement Death) Long Term</li> </ul>											
 <b>Member Choice</b>	<ul style="list-style-type: none"> <li>8/4/21 – Project Close</li> </ul>																							

Revised: September 17, 2020

# 2023-2025 Biennium

PROJECTS	2023						2024											2025						
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
 <b>Employer Programs</b>																								
 <b>Salary Limit</b>																								
 <b>Work After Retirement</b>																								
 <b>Member Redirect</b>																								
 <b>Member Choice</b>																								

- 8/24/2023 - WP11 (Maintaining Benefits) Long Term
- 12/21/2023 - WP12 (Full EPSA Set up Screen) Long Term
- 3/29/2024 - Migration Finalization
- 4/24/24 - Project Close

Revised: September 17, 2020



# Senate Bill 1049 update

## Employer Programs

- Employer Incentive Fund (EIF) status update
- UAL Resolution Program update
  - Employer rate-projection tool
  - PERS Employer website updates
  - UALRP educational guides: series to help employers understand actuarial concepts

## Impacts to employers

- Potentially lower rates
- Better tool for forecasting
- Simpler and clearer explanations of how rates are calculated and what affects them

# Senate Bill 1049 update

## Member Choice for IAP Target-Date Funds (TDF)

- Online Member Services (OMS) programming deployed in August
  - Functionality granted members ability to elect Member Choice TDF
- Paper election form released for member use
- Election window for 2020 was September 1 – October 1
- 1,304 members made TDF elections

## Impact to employers

- None (share information with members as needed)

*continued*

# Senate Bill 1049 update

## Important considerations

- Election window for 2020 now closed
  - Elections received after will not be processed
  - Next opportunity after January 1, 2021
- Member Choice elections become effective January 1 of following calendar year
  - Elections not visible on [IAP.Voya.com](https://IAP.Voya.com) until mid-January of effective year
- Member will not see gains or losses associated with election until Member Annual Statements are distributed the year **following** effective year (2021 statements sent in spring 2022)

# Senate Bill 1049 update

## Member (IAP) Redirect

- Effective July 1, 2020
- Part of 6% member contribution goes to Employee Pension Stability Account rather than IAP
  - 2.5% for Tier One/Tier Two
  - 0.75% for OPSRP
- Contributions redirected only when combined monthly salary is more than \$2,500
- **New:** Member can elect after-tax voluntary contribution to make up for redirect

*continued*



# Senate Bill 1049 update

## Impacts to employers

- Voluntary contributions invoiced by PERS
- Deduct proper amount from individual employee's pay (post-tax) to cover voluntary contribution
- Retroactive deductions can add complications

# Senate Bill 1049 update

## Salary Limit

- Effective January 1, 2020
- Salary used in benefit calculations capped at \$195,000 (indexed annually)
- Members who terminate mid-year will have salary prorated

## Impacts to employers

- Deployment scheduled for October 22, 2020
- Will suspend records that exceed the limits
- After deployment, Tier One, Tier Two, and OPSRP wages that exceed \$195,000 with contributions will suspend

# Senate Bill 1049 update

## Work After Retirement

- New wage code for reporting working retirees' hours coming late October
- ESC updating all hours reported so far this year from old wage code (07) to new wage code (17)

## Impact to employers

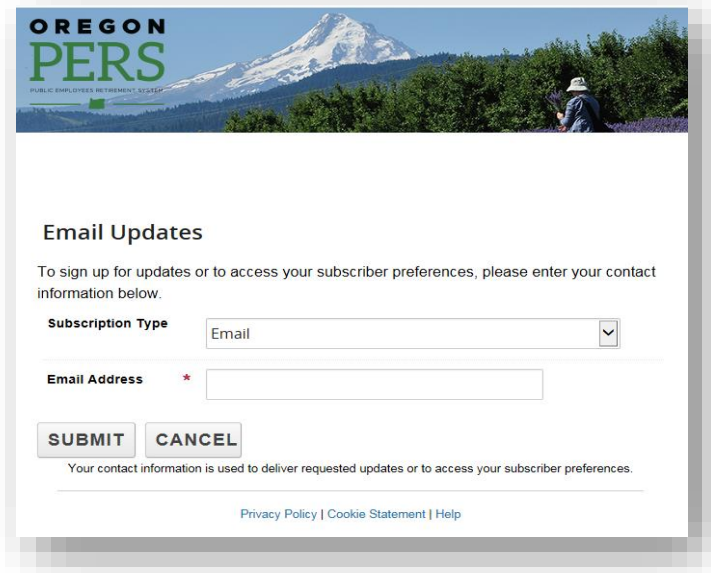
- Changing wage codes will generate an invoice for contributions on retiree wages back to January 1, 2020
- Employers will see the amount on their November invoice
- To pay a large invoice through ACH, employers may need to increase their debit limit with their bank
- PERS notified employers of invoice impact through *Employer Newsletters* and GovDelivery updates



# Senate Bill 1049 communications

## Stay up to date

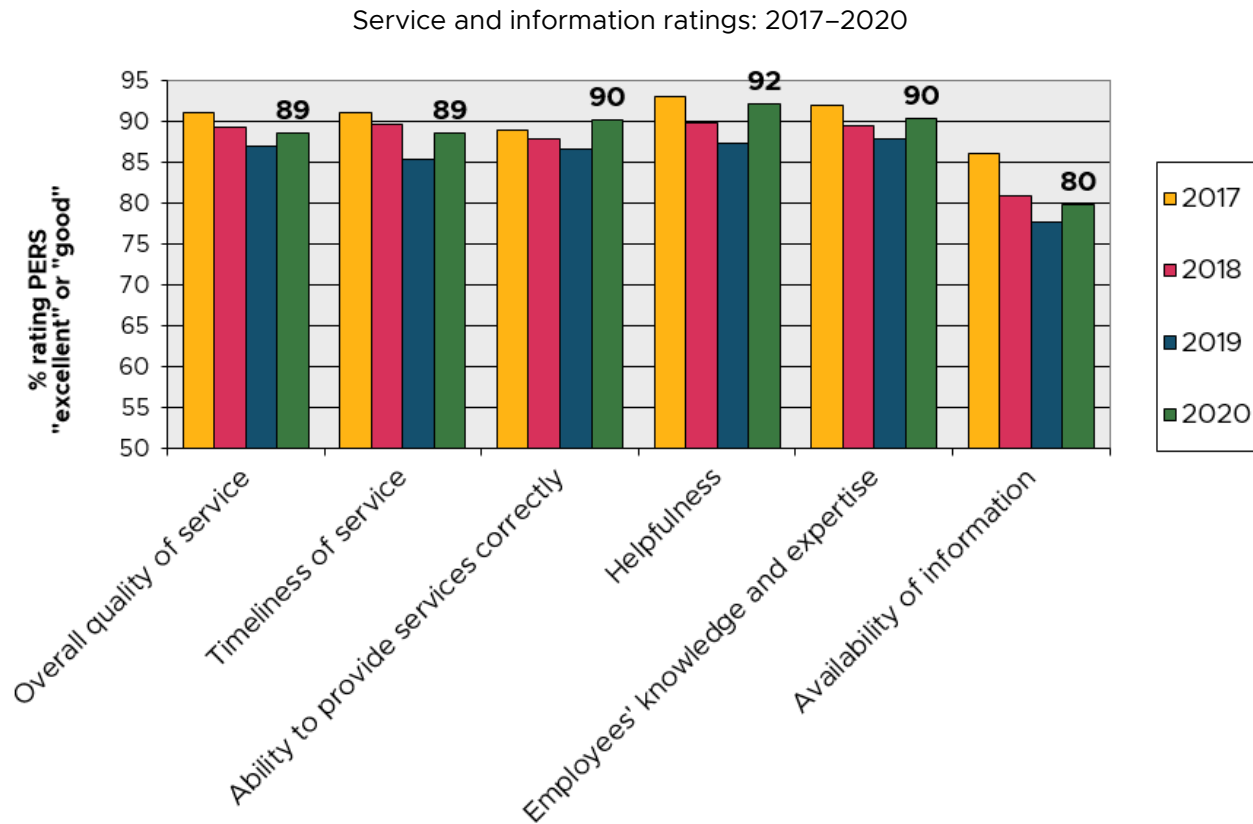
- Find the latest information on Employer SB1049 website  
<https://www.oregon.gov/pers/EMP/Pages/SB1049.aspx>
- Sign up for GovDelivery topic “Senate Bill 1049 Information”



The screenshot shows the Oregon PERS website header with the logo and a background image of a person in a field. Below the header is a form titled "Email Updates". The form includes a "Subscription Type" dropdown menu set to "Email", an "Email Address" input field with a red asterisk, and "SUBMIT" and "CANCEL" buttons. Below the buttons is a small disclaimer: "Your contact information is used to deliver requested updates or to access your subscriber preferences." At the bottom of the form are links for "Privacy Policy | Cookie Statement | Help".

# Communications update

## Employer satisfaction survey: review

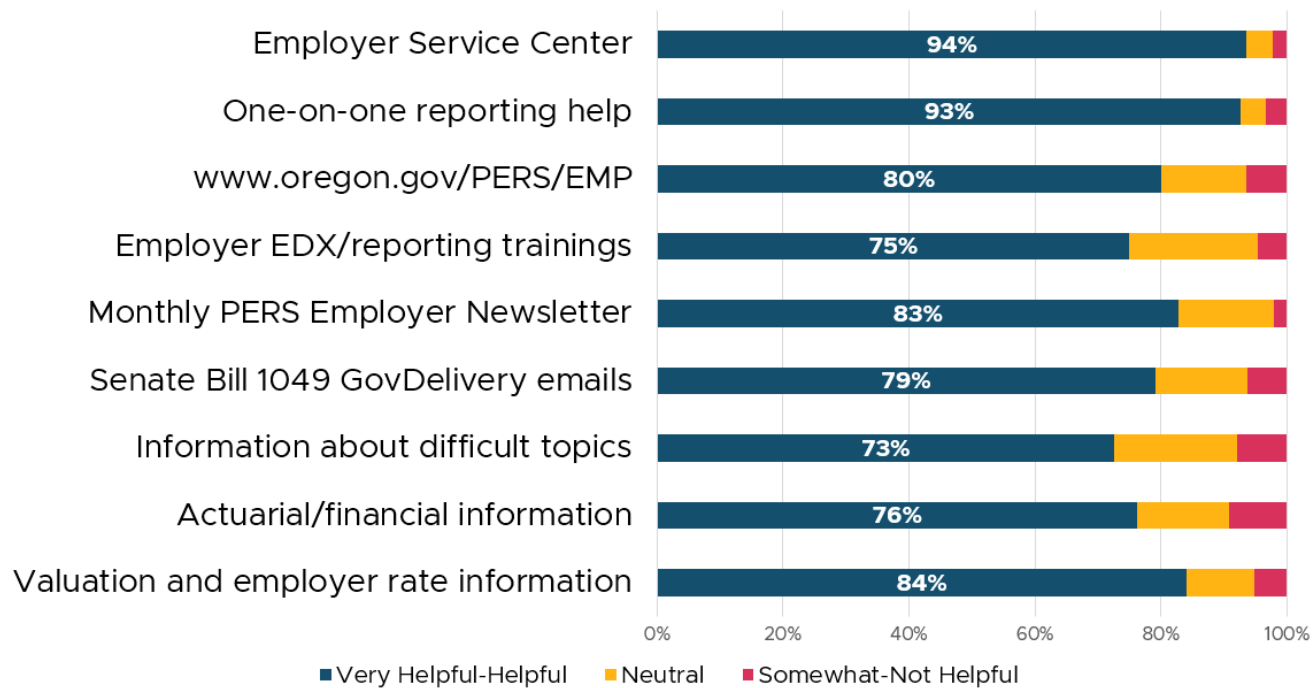


# Communications update

## Employer satisfaction survey: review

Resources ratings: 2020

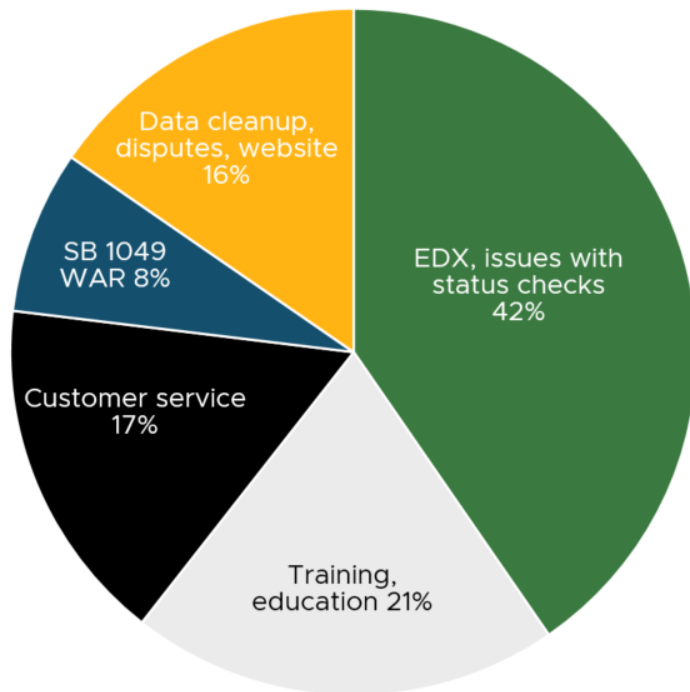
### How helpful are the following PERS employer resources?



# Communications update

## Employer satisfaction survey: review

Comments: common topics



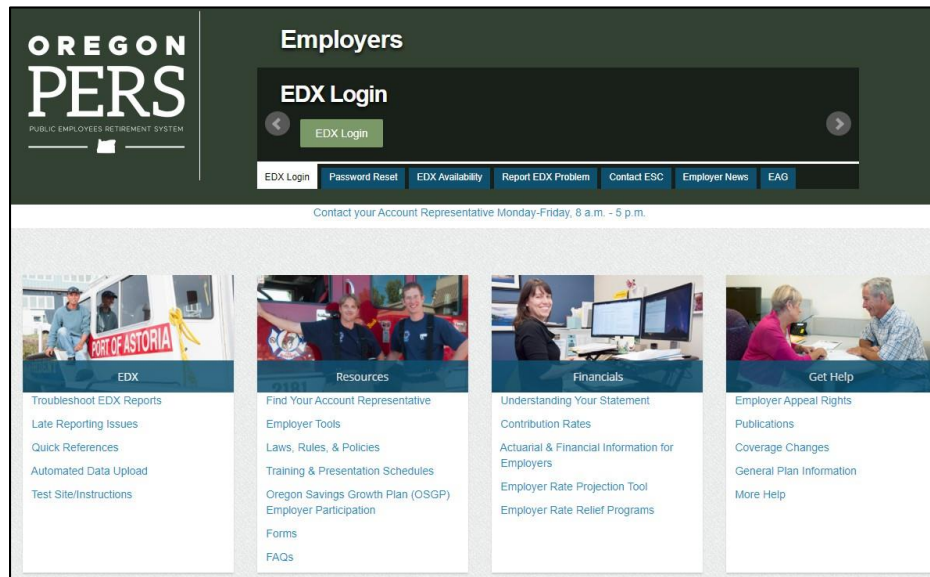
- Customer service comments were mostly positive
- Employers looking for more training, simpler information
- Challenges with known EDX issues, retiree reporting (SB 1049 Work After Retirement)

# Communications update

## Employer satisfaction survey: response

### Self-help information: website redesign in 2021

- Improved navigation, easier to find most-needed information
- Simplified information for HR reps and new PERS reporters
- Better-organized actuarial/financial information
- New guides through UAL Resolution Program



# Communications update

## Employer satisfaction survey: response

### Self-help information: EDX

- Explanations of EDX changes in Employer Newsletter
- Detailed instructions on website
- Monthly tips in *Employer Newsletter*
- New instructional guides

#### EDX tip of the month: How to do a status check

The Status Check Member Search screen allows you to view an employee's contribution status. This information helps you determine if PERS is expecting contributions for the employee or if you should contact PERS to discuss the employee's contribution status.

1. To access the screen, click on the Status Check link. (See *Figure 1* below.)
2. On the next screen, enter the member's name or Social Security number (SSN). (See *Figure 2* below.)
3. On the Status Check Member Search screen, check the Plan and Contribution Status columns to know if PERS is expecting contributions for that employee. (See *Figure 3* for examples of results.)

*Figure 1*



*Figure 2*

#### Status Check Member Search

A screenshot of a web form titled "Status Check Member Search". Below the title is the instruction "Search for a member to display their member contribution status." The form has a dark blue header with the text "Search for a Member". Below this, there are two input fields: "Enter Last Name:" followed by a text box, and "or SSN No:" followed by another text box. To the right of these fields is a blue "Search" button.

## EDX File Format and Development Guide

June 15, 2020

Version 2.4

# Communications update

## Employer satisfaction survey: response

### Training

- Virtual training sessions
- Increase communication about what trainings are available and for whom they are designed

PERS Employer Outreach,  
Communication and Education

**Welcome!**

EDX Basic Concepts

# Communications update

## PERS Expo launches October 19

**PERS EXPO 2020: Navigate Your Financial Future**

**Welcome to PERS Expo 2020**  
from Public Employees Retirement Sys

**Welcome to PERS Expo 2020**  
from PERS Director Kevin Olineck

**Welcome to PERS Expo 2020.** Whether you're new to public employment or approaching the end of your career, PERS and OSGP are here to help you along the journey. Each pathway below contains information, tools, and resources as you navigate your financial future and chart a course to a successful retirement.

Begin by selecting the pathway below based on where you are in your career.

Starting your journey	On your way	Approaching the destination
Members in their first five years of public service	Members in the middle of their public service careers	Members planning to retire within the next three years
<a href="#">START PATHWAY 1</a>	<a href="#">START PATHWAY 2</a>	<a href="#">START PATHWAY 3</a>



# Additional items

## OPSRP First Wage Clean-up Project

### Current status

- PERS Data Services Section staff reviewing and preparing data

### Future plans

- Finish review and prep
- Coordinate clean-up activities:
  - Staff support needed to make corrections
  - Communications needed to inform impacted parties

# Additional items

## 2021–2023 Valuation and Employer Contribution Rates

- Valuations available online
- Employers can download individual valuation
- Employer feedback
- Key changes to rates

# Additional Items

## 2021 Employer Advisory Group Meetings

- January 15
- April 16
- July 16
- October 15

# Questions?

# OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



# THANK YOU

