

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



Employer Advisory Group

April 22, 2022

Updated version



Agenda

- Director's Office Update
- Legislative Update
- Senate Bill 1049 Update
- Communications Update
- Actuarial Update
- Additional Items

Director's Office Update

Reopening to the public May 2

- Public meetings

2023-25 budget planning

- Modernization
- SB 1049

March 28 board meeting

Legislative Update

2022 Legislative Session

Began on February 1 and adjourned March 4.

- SB 1522: Charter School salary definition fix — narrow.
- SB 1525: Federal Tax Connection bill — yearly.
- HB 5202: Budget Omnibus bill — PERS received more than \$17 million to fund waitlisted employers from Cycle One.

Legislative Update

Reporting

SB 1522 (Employer Programs Reporting),
Preliminary Earnings Crediting, SB 1049

- Reported to Ways and Means Subcommittee on General Government on February 15.
- Reported to full Ways and Means Committee on February 18.
- Reported SB 1049 progress in writing only to Joint Committee on Information Management and Technology on January 11, 2022.

Legislative Update

2023 Legislative Concepts

- Presented to stakeholders February 9.
- Received great feedback.
- Board voted to move concepts forward at March 28 meeting.

Senate Bill 1049 Updates

Work After Retirement project

- Closed on February 24, 2022.
- Fourth SB 1049 project to successfully close.

Remaining projects

- Two projects and one program initiative remain in process.
- 2023-25 budget planning.

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
Employer Programs	7/1/19 – Effective Date												8/6/20 – Employer Rate Projection Tool (ERPT) Assessment Complete										
	9/3/19 – Employer Incentive Fund (EIF) Application #1 Opens												12/1/20 – EIF Application #2 Closes										
							11/27/19 – EIF Application #1 Closes						3/30/21 – Work Package (WP) 1 Migrate and Adapt ERPT →										
							12/2/19 – EIF Application #2 Opens						6/30/21 – WP2 ERPT Stakeholder Acceptance and Deployment →										
Salary Limit							12/24/19 – Work Package (WP) 1 – Short Term						11/19/20 – WP3 User Screens to Record Annual Salary Limit – Long Term										
							1/1/20 – Effective Date						5/13/21 – WP4 Proration Reports and Workflow – Long Term →										
							1/24/20 – WP2 Post 2020 Salary Limit – Long Term						5/28/21 – Project Close →										
Work After Retirement							12/19/19 – Work Package (WP) 1 Retiree Wages Suspended – Short Term						11/19/20 – WP2 New Wage Codes with General Ledger (GL) Integration – Long Term										
							1/1/20 – Effective Date						5/13/21 – WP3 Retro Rate Change – Long Term →										
Member Redirect							6/18/20 – Work Package (WP) 1 Employee Pension Stability Account Set Up/Batch/General Ledger – Short Term						9/22/20 – Voluntary Contributions Initial Functionality – Long Term										
							7/1/20 – Effective Date						10/30/20 – WP2.2 IAP Forecaster Tool – non-jClarety – Long Term										
							1/21/21 – WP5.2 Online Member Services User Interface – Long Term →						11/19/20 – Voluntary Contributions Final Functionality Release – Long Term										
							1/26/21 – WP2 TIED SSIS – Non-jClarety – Long Term →						3/23/21 – WP3 EPSA Earnings – Long Term										
							6/24/21 – WP4.2 EPSA Display, and WP12 Full EPSA Set up Screen – Long Term →																
Member Choice							10/23/19 – Project Kick Off						8/20/20 – Work Package (WP) 1 Online Member Services (OMS) Changes Deployed										
							5/15/20 – Member Annual Statements (MAS) Flyer Communication						9/1-30/20 – Election Period										
													1/1/21 – Effective Date										
													3/23/21 – WP2 OMS & jClarety Enhancements – Long Term →										
													5/1/21 – Member Choice reflected in MAS →										
													6/24/21 – WP3 Online Member Services (OMS) Election and Bugs →										
PROGRAM INITIATIVE													1/26/21 – WP2.1 IAP Payment Recon (short-term) →										
Cross Project Effort													3/18/21 – WP1.2 IAP Validator Tool (long-term) →										
							9/17/20 – WP1.1 IAP Validator Tool (short-term) →						4/27/21 – WP2.2 IAP Payment Recon (long-term) →										
													5/13/21 – WP7.2 Employer Information Actuarial Extract →										
													6/18/21 – WP5.1 PYE Invoicing Tool →										
													6/24/21 – WP7.1 Non-Retired Census Actuarial Extract →										
													6/28/21 – WP4.1 IAP Adjustment Calculator →										

Revised: June 16, 2021

Senate Bill (SB) 1049 Implementation Road Map

2021-2023 Biennium

	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
Employer Programs	• 7/16/21 – Project Close																							
Work After Retirement							• 12/16/21 – WP4 Side Account Credit Allocation • 2/24/22 – Project Close																	
Member Redirect	• 10/14/21 – WP5 Voluntary Contribution Maintenance – Long Term						• 3/24/22 – WP4.3 EPSA Transaction Display – Long Term						• 7/21/22 – WP6.1 EPSA Retirement – Long Term 2/23/23 – WP9.1 EPSA Withdrawal – Long Term →• 2/23/23 – WP9.2 Alter OPSRP Withdrawal – Long Term →•											
Member Choice	• 8/4/21 – Project Close						March 18																	
Technical Debt	• 7/1/21 – Project Kickoff						• 3/31/22 – WP2 Benefit Account Transition Status – Functional Design Specification Completed • 4/30/22 – WP3 General Ledger Reversals, Including Side Accounts – Functional Design Specification Completed • 7/21/22 – WP1 Employer Statements																	
PROGRAM INITIATIVE																								
Cross Project Effort	• 5/20/22 – WP5.2 PYE Invoicing Tool • 6/1/22 – WP4.2 IAP Adjustment Calculator • 10/5/22 – WP6 IAP Balance Comparison Tool																							

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
Member Redirect	• 7/20/23 – WP8.1 EPSA Pre-Retirement Death – Long Term • 7/20/23 – WP10 Backlog Implementation – Long Term						• 12/21/23 – WP11.1 Reemployment – Long Term • 12/21/23 – WP11.2 Excess EPSA – Long Term						• 3/28/24 – Migration Finalization • 4/25/24 – Project Close • 3/28/24 – WP12.2 Final Backlog Implementation – Long Term											
PROGRAM INITIATIVE																								
Cross Project Effort	• 3/4/24 – WP3 IAP Divorce Tool • 3/28/24 – WP7.3 Tier One/Tier Two/OPSRP Payouts Actuarial Extract																							

Revised: March 17, 2022

SB 1049 Technical Debt Project

Work Package 1 — Employer Statements

- Goal to make the employer statement easier to read.
- User acceptance testing begins April 25.
- Small subset of employers will test between June 1 – June 17.
- Communication being developed for all employers to be distributed prior to the July 21, 2022, deployment.

Communications

- Updated Unfunded Actuarial Liability (UALRP) guides
- Satisfaction Surveys coming soon

Communications

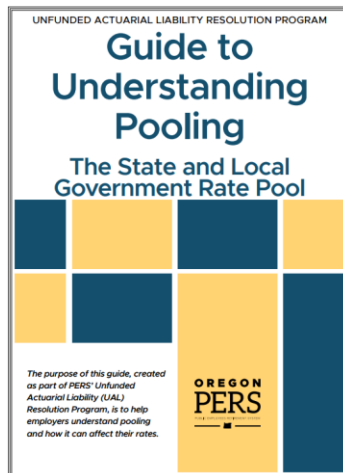
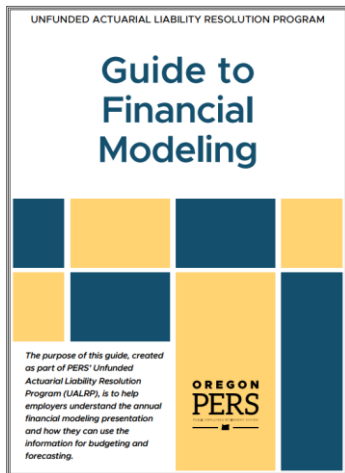
Updated UALRP guides

- ✓ Guide to Understanding Your Rate
 - Interactive online
 - Print
- ✓ Guide to Understanding Your Valuation
 - State and Local Government Rate Pool (SLGRP)
 - School Districts Pool
 - Independent employers
- ✓ Guide to Understanding Pooling
 - SLGRP
 - School Districts Pool

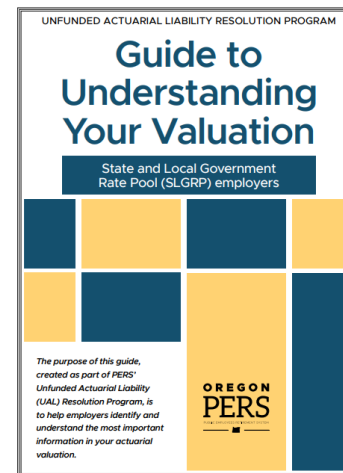
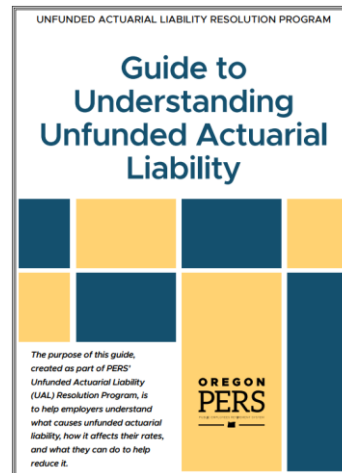
Communications

Still current

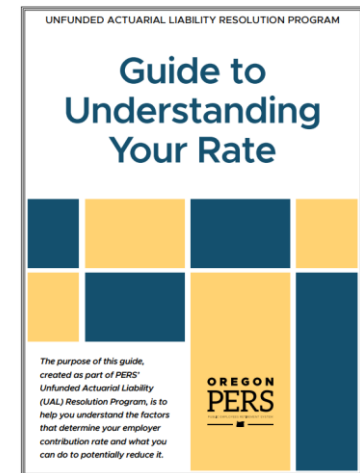
- Guide to Understanding Unfunded Actuarial Liability (UAL)
- Guide to Financial Modeling



NEW!



NEW!



NEW!

Communications

Satisfaction surveys

- Members and employers
- May 1 to 31
- **2022 goal:** Increase number of employers who fill out the survey
 - Get more than 2021 4.5% response rate
 - Why?

MAY 2022

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Communications

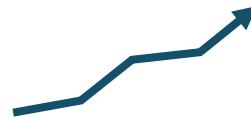
Survey → improvements

It's hard to find information on the website



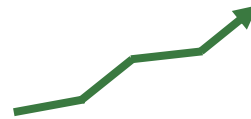
Input into new website

We need more access to one-on-one help



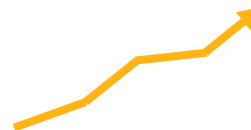
More ESC staff

My employer statement is too hard to understand



Input into new employer statement look*

I want to understand what goes into my rate



New guides about rates, UAL, pooling, more*

*Also brought about by SB 1049

Actuarial Update

Employer Incentive Fund (EIF) waitlist

- HB 5202 signed into law.
- Allocates an additional \$17,250,000 in General Funds to EIF.
- Along with Lottery Funds, ensures that all waitlisted matches will be processed.
- Deadline for deposit of waitlisted matches will be March 31, 2023.

Additional Items

Employer Service Center reporting tip

- OPSRP average overtime hours

EAG Survey results

Member annual statements

House Bill 2005 (2019)

- Reporting family medical leave benefits to PERS

Additional Items

OPSRP average overtime hours

Reporting average overtime hours

- Required information when reporting a new hire in EDX; cannot be left blank.
- Must be entered for all employees, but only affects OPSRP members.
- Puts a limit on overtime OPSRP employees can apply toward final average salary (prevents inflating salary).
- Does not affect how much overtime an OPSRP member can work or how much the person is paid for overtime.

Additional Items

OPSRP average overtime hours

Instructions

1. Predict average expected overtime hours for that position per calendar year.

Employees in the same classification (e.g., teacher, firefighter, receptionist, payroll specialist) have the same number of expected overtime hours.

For example

- Teacher = 0
- Payroll = 100
- Firefighter = 800

Additional Items

OPSRP average overtime hours

2. Complete a Demographics record.

Fill in:

1. Status code: 01
2. Status date: First day on job

1. Name
2. Address: in all caps
3. Date of birth
4. Gender
5. Job class code

Detail 1 - Member Demographics:

SSN:

Status Code:

Status Date: (MM/DD/YYYY)

Last Day Service (MM/DD/YYYY)

Old SSN:

First Name:

Last Name:

Middle Name:

Name Change Indicator:

Address - 1:

Address - 2:

Address - 3:

City:

State:

Zip - 1:

Zip - 2:

Province:

Country Code:

Postal Code:

Date Of Birth: (MM/DD/YYYY)

Gender:

PERS Job Class Code:

Average Overtime Hours:

Unused Sick Leave Hours:

Contract No. of Months:

Employer Site Distribution Code:

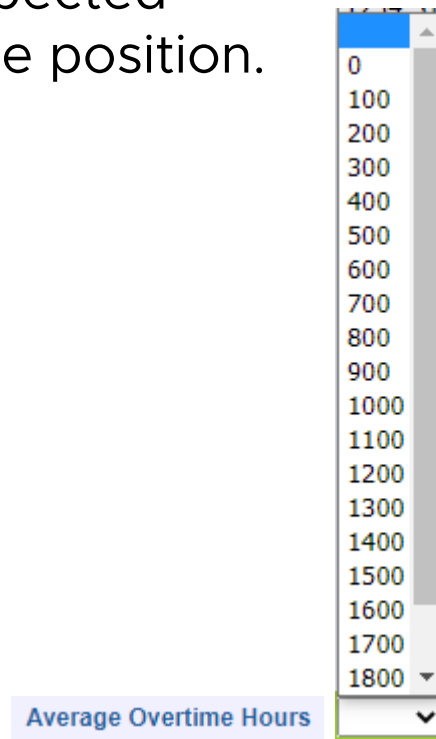
Non PERS Data Memo:

Additional Items

OPSRP average overtime hours

3. Click pull-down menu for Average Overtime Hours.

Choose the expected overtime for the position.



A screenshot of a web application interface showing a pull-down menu. The menu is open, displaying a list of numerical values from 0 to 1800 in increments of 100. The values are: 0, 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000, 1100, 1200, 1300, 1400, 1500, 1600, 1700, and 1800. The menu is positioned over a label that reads "Average Overtime Hours". The label and the menu are highlighted with a light blue background. The menu has a small upward-pointing arrow at the top and a downward-pointing arrow at the bottom.

Additional Items

OPSRP average overtime hours

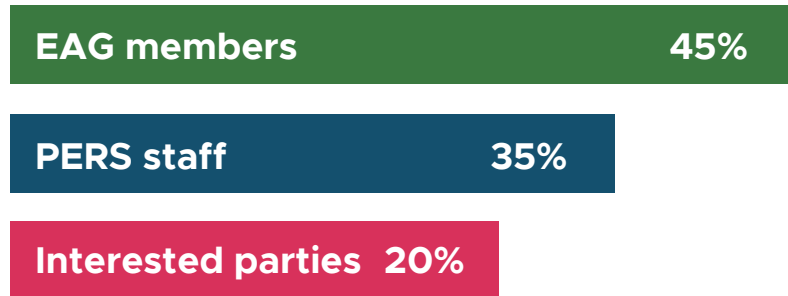
Questions

Additional Items

EAG Survey results

Survey respondents

- 29 survey responses
- Who responded:



Additional Items

EAG Survey results

Effectiveness

78% agree EAG meetings are valuable mechanism for collaborating with employers.

62% agree that (at least sometimes) EAG meetings provide insight into the development and implementation of PERS policies that affect employers.

Additional Items

EAG Survey results

Content

95% agree (either very much or somewhat) that PERS staff presentations help them to gain a better understanding of PERS policies and policy questions discussed at PERS board meetings.

Comment theme:

There is valuable information being shared; however, there seems to be little collaboration.

Additional Items

EAG Survey results

Content

High interest in four standard EAG agenda items:

- Legislative Update
- SB 1049 Update
- Special Project Update
- Actuarial Update

Comment theme:

There could be time given to employers at a round table.

Additional Items

EAG Survey results

Participation

68% agree that we can get better participation from all EAG members.

Some suggestions:

- *Actively collaborate and incorporate members' feedback.*
- *Use in-meeting questions/surveys.*
- *Offer a way to ask questions privately.*

80% agree they can ask questions at EAG meetings.

Comment themes:

Staff does a nice job of holding space for questions and staff response; however, there is little room for discussion among employers.

The meeting format seems more like a presentation.

Additional Items

EAG Survey results

Sharing information

69% believe they can represent their designated employer groups' interests and distribute relevant information when further input or education is necessary.

Comment theme:

EAG members share information through a variety of channels including email, internal networks, business meetings, and trainings.

Additional Items

EAG Survey results

Format

0 respondents wanted to change the meeting date and time.

After PERS reopens:

- **62%** of respondents would like a hybrid meeting format.
- **38%** would like a virtual only format.

Additional Items

EAG Survey results

Takeaways and highlights

- Most respondents feel they are getting the information they need from the EAG meetings, given the group's charter.
- Some respondents feel the group has strayed from the charter.
- Some respondents would like more collaboration between PERS and employers.

Additional Items

EAG Survey results

Open discussion and questions

Additional Items

Member annual statements

Current status

- Minor cosmetic updates being made this year; no data changes.
- Prepping for data extract and testing to ensure statements are accurate.
- Working with Publishing and Distribution and gliding toward a mid-May mailing date.

The image shows a mockup of a 2021 Member Annual Statement form. On the left is the Oregon PERS logo, which includes the text "OREGON PERS" and "PUBLIC EMPLOYEES RETIREMENT SYSTEM" with a small square icon below. To the right of the logo is a light blue box containing the text: "Annual statements are sent to members each spring, following the PERS Board's adoption of earnings crediting for the prior year." Further right is a large "2021" in a green-bordered box with a mouse cursor pointing at it. Below these elements is the title "Member Annual Statement". At the bottom, there are two fields: "PREPARED FOR" followed by a box containing "PERS ID: A00000", and "DATE OF BIRTH:" followed by a box containing "July 10, 1972".

Additional Items

Member annual statements

Impact to employers

- Efforts to update member addresses should continue to reduce the number of returned statements.
- Efforts include:
 - Several different notifications to members to update incorrect addresses.
 - Using the National Change of Address Database again.

Additional Items

Member annual statements

Fielding MAS questions

- The statements will again have a back page that provides high-level information.
- April *Perspectives* included an article highlighting several key aspects of the statements.
 - Tier One/Tier Two <https://content.govdelivery.com/accounts/ORPERS/bulletins/30f6802>
 - OPSRP <https://content.govdelivery.com/accounts/ORPERS/bulletins/30fe2d2>
- MAS FAQ on the PERS website:
<https://www.oregon.gov/pers/MEM/Pages/Member-Annual-Statement-FAQs.aspx>
 - Includes four interactive example statements.
- PERS Member Services can provide additional assistance.

Additional Items

Member annual statements

Questions

Additional Items

HB 2005 implementation

House Bill (HB) 2005

- Oregon Paid Family Medical Leave Insurance Act.
- Passed in 2019, effective January 1, 2023.
- Payments to employees begin September 2023.
- Are payments subject salary or not?

Additional Items

HB 2005 implementation

Three options for employer implementation

1. Participate in Employment Department program.
Payments = non-subject salary.
2. Establish own comparable program paid with employer funds.
Payments = subject salary.
3. Establish own comparable program through a third party (e.g., an insurance company).
Payments = non-subject salary.

Additional Items

HB 2005 implementation

Questions

Learn more at the Paid Family and Medical Leave webpage

<https://www.oregon.gov/employ/PFMLI/Pages/PFMLI-General-Information.aspx>

Email the Employment Department

paidleave@oregon.gov

Upcoming meetings

PERS Board

May 27

<https://www.oregon.gov/pers/Pages/Board/PERS-Board-Information.aspx>

Oregon Investment Council

June 1

<https://www.oregon.gov/treasury/invested-for-oregon/pages/oregon-investment-council.aspx#meetings>

Employer Advisory Group

July 15

<https://www.oregon.gov/pers/EMP/Pages/Employer-Advisory-Group.aspx>

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



THANK YOU

