

# PERSPECTIVES

For Tier One/Tier Two members (hired before August 29, 2003)

December 2018 Edition



## Member Satisfaction Survey: Thank you for your feedback

Thank you to the over 2,000 non-retired PERS members who took our annual member satisfaction survey in August. Combined with over 5,000 retired member responses, we once again broke our record for the most responses ever received since the survey began in 2006. You can find full survey results in the [October 5, 2018 PERS Board packet](#) under item C.3.

One key goal of our [2018-2023 Strategic Plan](#) is to engage members throughout their careers, not just before retirement. The more active member feedback we receive, the better we can provide you with the retirement education, planning resources, and communications that meet your needs.

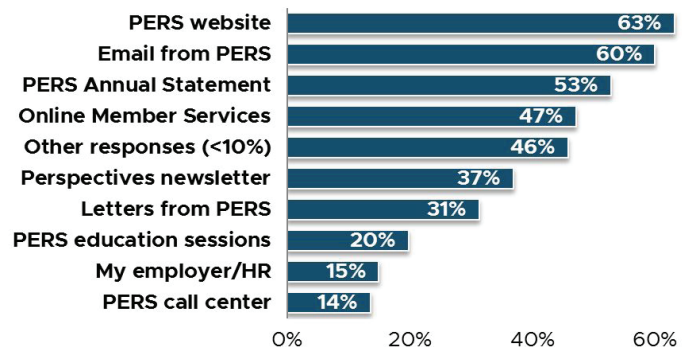
Based on your feedback, we will continue to enhance the PERS website and PERS emails ([learn about one new feature on page 6](#)), and will seek input from the pool of 1,800+ members that left contact information for future feedback. We have long-term plans to modernize Online Member Services (OMS) to give members better access to self-service tools and actionable retirement planning information, and hope to create tutorial videos and/or educational webinars in the future.

After launching GovDelivery in August 2017, we are especially pleased to see PERS emails listed as a top communications channel for active members (see chart on the upper right). **Are you among the 31,000 people signed up to receive email or text updates?** [Sign up now](#) to get notified about the topics that interest you.

While satisfaction ratings all increased since 2017, PERS' timeliness of service, availability of information, and online resources continue to show a need for further improvement.

Call wait time was the top issue shared by members. Between August 2017 and July 2018,

### What is your preferred method to get information from PERS?



the Member Information Center had a nearly 18-minute average call wait time.

Other responses	# of responses
Tutorial videos (online)	209
Educational webinars	194
My union	180
Online chat	117
PERS HQ (in-person)	109
Online forum/discussion board	54
Social media	39
News media	19

We are pleased to report that, as

more recently hired call agents have finished the on-boarding process, the average call wait time in October 2018 was down to five minutes.

We also heard feedback around the timeliness for written benefit estimates. PERS needs to communicate more effectively with members to both set expectations and share updates, when possible, about the status of estimate processing. The [Benefit Estimates webpage](#) now notes average processing time and current processing status, which we will continue to update.

Thank you for your feedback and suggestions. We look forward to making further improvements to better serve our PERS members.

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## Expo '18 helps members explore their financial future



Expo staff spent the day answering questions and helping members understand their future retirement benefits.

On Thursday, October 11, thousands of public employees filled the Salem Convention Center for **PERS/OSGP Expo '18: Explore Your Financial Future**.

The Expo gave members an opportunity to learn about PERS, the Oregon Savings Growth Plan (OSGP), PERS Health Insurance Program (PHIP), and other career-long retirement planning and financial resources. After attending the Expo, 76 percent of survey respondents said they were more confident about planning for retirement.

***“After the Expo, I realize there is so much more I need to know before I consider retiring.”***  
**- PERS member**



One lucky public employee won an Oregon Savings Growth Plan-branded kayak at the Expo raffle.



PERS staff members welcome public employees to Expo '18.



**See you in 2019!**

**Salem Convention Center | Wednesday, October 9, 2019**



**Better TOGETHER.**

### Looking for more educational resources?

PERS, OSGP, and PHIP hold education sessions year-round, throughout the state. If you need more comprehensive information, have additional questions, or need a refresher in the future, we provide these sessions to meet your needs:

[PERS Education Sessions](#)

[OSGP Workshops](#)

[PHIP New Enrollment Presentations](#)

### Want to serve on the OSGP Advisory Committee?

OSGP is looking for new advisory committee members. [Learn more.](#)

# Important information: 2018 Member Annual Statements

## When will I receive my 2018 statement?

In May 2019. Sign up for [GovDelivery](#) member news notifications to be alerted.

The PERS Board will adopt December 31, 2018 annual earnings crediting at the **April 1, 2019 Board meeting**. This allows us to finalize 2018 statements. The Board will approve final 2018 earnings (or losses) for Tier One/Tier Two regular accounts, variable accounts, and IAP Target-Date Funds. *Please read about IAP investment changes on page 4.* PERS works with employers to ensure member contributions are accurate and complete **before** allocating earnings on a year-end balance basis so members are not adversely affected by posting delays or corrections.

## How do I confirm my address is correct so I receive my statement this spring?

If you are currently employed in a PERS-covered position, **your annual statement will be mailed to the address your employer has provided to PERS.** You can confirm your address on file with PERS in [Online Member Services](#) (OMS). After you log in, click the “Member” link under Account Type (not “IAP Account Access”), which will bring up your personal details.

If your address is incorrect, you must **ask your employer** to update it through the PERS reporting system **before Friday, March 8.** Your payroll or human resources department is usually responsible for this. Because your employer is responsible for your PERS-related data, PERS Member Services cannot update mailing addresses for active members, as new data from employers (your salary, service credit details, etc.) are continuously updated.

If you are **not employed** by a PERS-covered employer, you can directly update your address using [OMS](#).

## What’s new with this year’s statements?

2018 statements will be the first time you will see investment returns for your new, age-based IAP Target-Date Fund. The Oregon Investment Council (OIC) changed the IAP

investment strategy from a one-size-fits-all approach to an age-based Target-Date Fund approach in 2018. Each PERS member has their IAP invested in a single Target-Date Fund based on their birth year. The investment mix for each fund is different, so if you don’t share the same birth year range with your co-worker, neighbor, or spouse, your investment earnings will probably be different.

Because of this change, it is critically important for you to **review your statement and make sure your date of birth is correct.**

## Why should I care about my PERS Member Annual Statement?

Your Member Annual Statement is an important document to review as part of career-long retirement planning, as it gives you an opportunity to make sure your personal information and employment data are correct and provides you a snapshot of your future retirement benefits.

## What’s next?

Make sure you’re signed up for [GovDelivery](#) to stay informed. Some key dates to keep in mind:

- **Friday, March 8, 2019:** Last day for employers to update addresses.
- **Monday, April 1, 2019:** PERS Board adopts final earnings crediting for 2018.
- **May 2019:** PERS mails 2018 Member Annual Statements.

### Account Home

[Tell Me More about the Account Home page](#)

You have successfully logged into PERS Online Member Services website. Please check below for important messages from PERS.

#### Personal Information

Name  
Email address

#### Account Selection

If you would like to access your IAP account information, please click on the following link: [IAP Account Access](#)  
If you would like to access your account information, please select an account below.

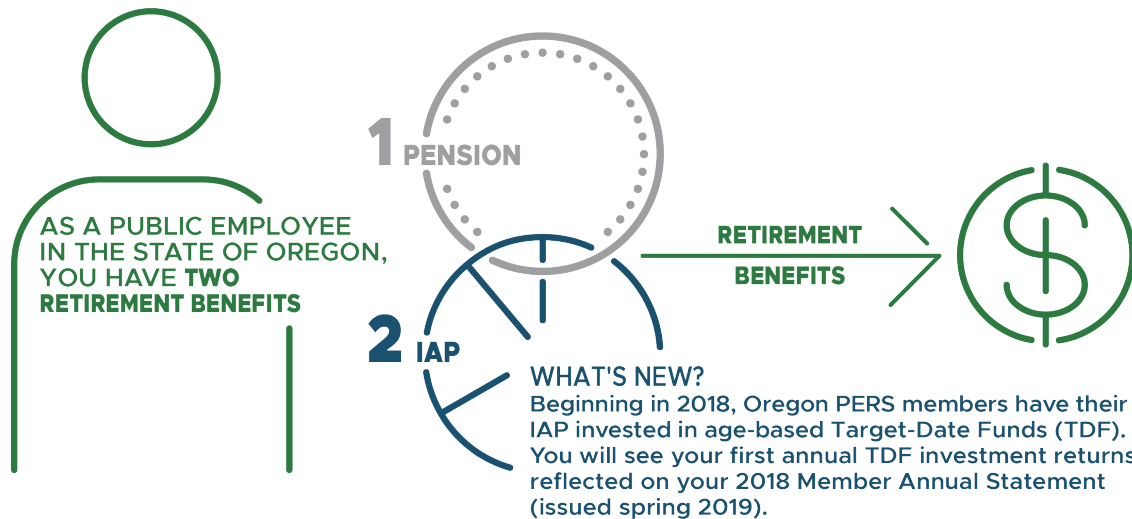
Account Plan	Account Type
Public Employees Retirement System	<a href="#">Member</a>

#### Messages From PERS

Actively employed PERS members must update their home address through their employer.

You can confirm your address and employment details through OMS. Make sure you click the “Member” link.

# Reminder: Your IAP is now invested in Target-Date Funds



The Individual Account Program (IAP) is the second part of your retirement benefit, separate from your pension. You or your employer contribute 6 percent of your salary into your IAP, and the IAP is then credited with earnings or losses annually, based on investment returns. You'll see new IAP information on the 2018 Member Annual Statement you will receive in spring 2019.

Oregon PERS investments are managed by the Oregon State Treasury under the direction of the Oregon Investment Council (OIC), which voted in September 2017 to change the investment strategy of the IAP to target-date funds. The change is intended to reduce investment risk and volatility as members age.

Your 2018 Member Annual Statement will reflect the IAP Target-Date Fund you are

invested in, with returns based on that fund's investment mix.

In your early working years, funds will be invested to emphasize growth in order to build your retirement account balance. As you get closer to retirement, the investments in your target-date fund gradually shift, becoming more conservative to reduce investment risk and volatility, hopefully lowering the impact of market fluctuations.

Oregon Revised Statute 238A.050(3) gives the OIC discretion to invest IAP assets differently from PERS pension benefit assets. Full information, including FAQs, quarterly performance information, and fact sheets, can be found through the Oregon State Treasury at [www.oregon.gov/IAP](http://www.oregon.gov/IAP).

Questions about IAP investments can be sent to: [iap.comments@ost.state.or.us](mailto:iap.comments@ost.state.or.us).

BIRTH YEAR	TARGET-DATE FUND (TDF)
In 1952 or before	Retirement Allocation Fund
Between 1953 and 1957	IAP 2020 Target-Date Fund
Between 1958 and 1962	IAP 2025 Target-Date Fund
Between 1963 and 1967	IAP 2030 Target-Date Fund
Between 1968 and 1972	IAP 2035 Target-Date Fund
Between 1973 and 1977	IAP 2040 Target-Date Fund
Between 1978 and 1982	IAP 2045 Target-Date Fund
Between 1983 and 1987	IAP 2050 Target-Date Fund
Between 1988 and 1992	IAP 2055 Target-Date Fund
In 1993 or after	IAP 2060 Target-Date Fund

*Each PERS member with an IAP account is now invested in a single IAP Target-Date Fund based on a five-year range of birth years and an assumed retirement age of 65.*

*The "target date" in no way dictates when you have to or will be eligible to retire. This change to your IAP does not impact the pension part of your retirement benefits.*

*Please make sure your date of birth is correct on your Member Annual Statement.*

# PERS education: Two parts to your retirement plan

All Tier One and Tier Two members who have worked in a qualifying position after January 1, 2004, have **both** a Tier One/Tier Two **monthly pension benefit** and an **account-based benefit**, the Individual Account Program (IAP). Understanding each part, particularly the pension calculation, will help you be better prepared for retirement in the future, especially if you want to save more on your own, such as through the [Oregon Savings Growth Plan](#) (for those who are eligible).

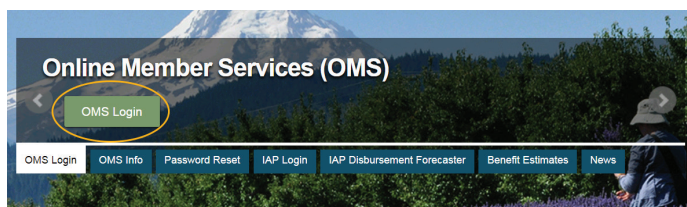
## Tier One/Tier Two pension

Your **pension benefit** can be paid for your lifetime (and for a beneficiary's life, if you choose). PERS uses three methods to calculate a Tier One monthly benefit and two methods to calculate a Tier Two monthly benefit. **You will receive the highest monthly benefit that results from these calculations.** For Tier One and Tier Two members, the [calculation methods](#) are:

- **Full Formula Method** [1.67 percent (2 percent for police and fire) × years of service credit × final average salary]
- **Formula Plus Annuity Method** (Tier One only, and only if you made contributions before August 21, 1981)
- **Money Match** (Your employer matches your member account balance by an equal amount. From that total, a monthly payment amount is then calculated based on life expectancy for people of your age.)

Most Tier One/Tier Two members retire under the Full Formula Method. You can find 2017 calculation figures in [PERS by the Numbers](#).

You can create pension benefit estimates through your [Online Member Services \(OMS\)](#) account. This could help you determine if you are on track to meet your retirement goals. When you are within two years of your earliest retirement [eligibility date](#), you can also request a [written estimate](#). Your written estimate will provide information on service time [purchases](#) available to you at retirement, which could increase your benefit or provide extra service time to allow you to retire sooner.



You can reach OMS from the PERS home page by clicking the green OMS Login button.

## Individual Account Program (IAP)

The IAP is the second part of your retirement benefit. Six percent of your salary goes into your IAP. These are your contributions (whether deducted from your salary or “picked up” by your employer), so you vest in them immediately.

Your IAP is credited with earnings or losses annually based on [IAP Target-Date Fund investment returns](#) (*read about 2018 IAP investment changes on page 4*).

In April the PERS Board will [credit earnings](#) to member accounts for the previous year. You will then receive your Member Annual Statement by mail, usually in May of each year. It will list your IAP balance as of December 31 of the prior year. 2018 will be the first year with age-based IAP Target-Date Fund investment returns.

The benefit you will receive from your IAP at retirement will be based on your account balance and the distribution option you select. You can review your IAP balance and other information at [IAP.Voya.com](#).

**Notice:** If you have never logged in to [IAP.Voya.com](#) before or never received an initial login PIN, you **must** contact PERS Member Services **before** accessing IAP.Voya.com. [Read more here.](#)



Online access to IAP information is hosted on a separate website at [IAP.Voya.com](#). From the PERS home page, navigate through the top bars to IAP Login, and click the green IAP Login button.

## New: PERS forms email confirmations

PERS recently upgraded its form receipt email technology. Now, when you turn in a [form](#) to PERS via fax or mail (PERS cannot accept forms via email), we will send you a confirmation email with helpful information about the form you sent in, as long as you have an email address on file with PERS through [Online Member Services](#) (OMS).



Previously, our form receipt confirmation emails only mentioned that we had received your form(s). Had you submitted, for example, a retirement application with tax forms and direct deposit information, you'd potentially receive five of the exact same email. We've now developed over 30 different emails to share relevant information and (where applicable) next steps.

To ensure you get PERS form receipt email confirmations:

1. Make sure you have created an [OMS](#) account with an email address you have access to.
2. **(Recommended)** Confirm your email address in OMS is correct and is an email address you can access **after you retire**. You may want to use a personal email address rather than your work email address.
3. Email messages will come from "PERS.Forms@pers.state.or.us." Make sure to add this address to your spam filter.

Note that the "PERS Forms" email box is not always monitored. If you need assistance, contact PERS Member Services at [PERS.Member.Services@state.or.us](mailto:PERS.Member.Services@state.or.us).

Please also remember that your contact information in the PERS system through OMS is **completely separate** from notification emails you've signed up for through [GovDelivery](#).

**Haven't created an OMS account yet?**

[Review the steps in this flyer](#)

**Get notifications about PERS news!**

[Sign up for GovDelivery email or text updates](#)

## Education Sessions

PERS offers education presentations for Tier One/Tier Two members at any stage of their career. Whether you are close to, or years from, retirement, these sessions provide a broad range of PERS information to equip you with career-long retirement planning information.

**Sessions are held throughout the state.** You can view the schedule for the rest of 2018 [online](#). 2019 sessions will be added soon. You can attend:

### Retirement Readiness

This presentation is ideal for Tier One/Tier Two members who are within three years of PERS retirement. Topics include a step-by-step review of a PERS estimate of retirement benefits, retirement options, and retirement timelines; guidelines on completing the retirement application; an explanation of working-after-retirement rules; detailed information regarding the Individual Account Program (IAP); and a list of available resources.

### Introduction to PERS Retirement

This presentation is ideal for Tier One/Tier Two members who are more than three years from PERS retirement. Topics include available resources, information about Online Member Services estimates, a review of retirement timelines, an explanation of working-after-retirement rules, detailed information regarding the Individual Account Program (IAP), and other information you may find useful as you move toward retirement.

Some education sessions add financial planning information supplied by our education partner, VALIC. Additional topics covered at these sessions include Social Security and Medicare, coordinating PERS benefits with other income sources, and planning for changing income and expense needs.

All presentations are free, including the financial planning sessions. Your spouse or a guest can attend with you, but registration is required for all attendees, as space is limited.

Register through the PERS website in the [Education Sessions](#) section.

### Retirement Application Assistance Sessions (RAAS)

These are one-hour, one-on-one appointments with a PERS staff member to review PERS retirement application forms for accuracy and completeness. The appointment should be within the 90 days before your PERS retirement date.

**Please note:** A RAAS is not a counseling session to assist you in making a decision to retire, nor to review your account or obtain an estimate. It is for [retirement application](#) review.

During the RAAS, PERS staff will:

1. conduct a comprehensive review of your retirement application, forms, and supporting documents for accuracy and completeness;
2. notarize your retirement application at no cost; and
3. explain the retirement application process.

As a courtesy to others, please do not schedule more than one RAAS. One hour is sufficient for a comprehensive review of your retirement forms. Sign up for [2018 sessions](#) on the PERS website. 2019 sessions will be added soon.

*Perspectives* is published by the Oregon Public Employees Retirement System for the benefit of members and employers.

Address correspondence to: **PERS, PO Box 23700, Tigard, OR 97281-3700.** PERS' headquarters is located at: **11410 SW 68th Parkway, Tigard, Oregon, 97223.**

**Phone: 888-320-7377, TTY: 503-603-7766.** Telephone hours are 8:30 a.m. to 5 p.m., Monday through Friday, except holidays.

**Online:** <https://oregon.gov/PERS>. Email PERS Member Services at: [PERS.Member.Services@state.or.us](mailto:PERS.Member.Services@state.or.us).

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