

# OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM BOARD MEETING

<b>Friday</b> <b>September 26, 2014</b> <b>10:00 AM</b>	<b>PERS</b> <b>11410 SW 68<sup>th</sup> Parkway</b> <b>Tigard, OR</b>	
<b>10:00 AM to 1:00 PM</b>		
<b>Executive Session</b>		
<b>1. PERS Board meets in Executive Session pursuant to ORS 192.660(2)(a)</b>		
<b>Regular Board Meeting Agenda</b>		
<b>1:00 PM</b>	<b>ITEM</b>	<b>PRESENTER</b>
<b>A. Administration</b>		
1.	July 25, 2014 and August 14, 2014 Board Meeting Minutes Director's Report <ul style="list-style-type: none"> <li>a. Forward-Looking Calendar</li> <li>b. OIC Investment Report</li> <li>c. Budget Execution Report</li> <li>d. Customer Service Survey Results</li> <li>e. Board Best Practices Assessment</li> <li>f. Retiree Health Insurance Premium Rebate Update</li> </ul>	CLEARY
<b>B. Administrative Rulemaking</b>		
1. 2. 3.	Notice of OSGP Rules Adoption of Membership Eligibility Rules Adoption of Employer Remittance of Contributions Rule	RODEMAN
<b>C. Action and Discussion Items</b>		
1.  2.	2015-17 Employer Rate Adoption  Executive Director Recruitment and Appointment	HEMBREE & MILLIMAN  THOMAS
<b>D. Executive Session Pursuant to ORS 192.660(2)(f), (h), and/or ORS 40.225</b>		
1.	Litigation Update	LEGAL COUNSEL

*Please note: PERS Board will meet in Executive Session from 10:00 AM – 1:00 PM to consider the employment of a new Executive Director.  
The regular Board Meeting agenda will begin at 1:00 PM.*

<http://www.oregon.gov/PERS/>

**Remaining 2014 Meetings: November 21**

**In compliance with the Americans with Disabilities Act, PERS will provide this document in an alternate format upon request. To request this, contact PERS at 888-320-7377 or TTY 503-603-7766.**

# **OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM**

## **BOARD MEETING MINUTES**

August 14, 2014

### **Board Members:**

John Thomas, Chair  
Krystal Gema  
Michael Jordan  
Pat West  
Rhoni Wiswall

### **Staff:**

Donna Allen  
Paul Cleary  
David Crosley  
Jason Stanley  
Joli Whitney

### **Others:**

Keith Kutler  
Matt Larrabee  
Enrique Sama

Chair John Thomas called the meeting to order at 10:00 A.M.

Chair Thomas and Board Members Michael Jordan and Pat West attended by phone.

### **ACTION AND DISCUSSION ITEMS**

This special Board meeting has been convened to approve a process and timeline and adopt standards, criteria and policy directives for recruitment of the PERS Executive Director position. This position will be available with Executive Director Paul Cleary's announcement of his retirement planned for December 1, 2014.

Cleary gave an overview of the need for this meeting and introduced Enrique Sama, Executive Recruiter at Department of Administrative Service (DAS), Human Resources.

Sama reviewed the proposed recruitment timeline and explained the reasons for the various steps in the process. Once the Board approves the timeline, standards, criteria and policy directives at this meeting, his next step will be to open the position and begin the recruitment process. He briefly outlined the recruitment process and answered the Board's questions on sourcing and salary range. He will review the applicant pool for qualified applicants and bring those applications to a screening panel. The screening panel will review the candidates and provide input to Chair Thomas which should be brought forward for an interview. The Board will interview those forwarded candidates and may vote to offer the position at the September 26, 2014 Board meeting.

Thomas asked if there was any public present in the Boardroom or on the phone who would like to comment on the proposed recruitment. There were no comments from the public.

Thomas asked Vice Chair Pat West and Milliman Actuary Matt Larrabee to assist him on the screening panel. West and Larrabee agreed and indicated that they are available on the proposed date.

The Board discussed the recruitment timeline and agreed that it can be flexible if needed.

West moved and Jordan seconded to approve the process and timeline as presented. Motion passed unanimously.

The Board reviewed the brochure and job posting as drafted by Sama. The Board reviewed the position duties and responsibilities and discussed the desired qualifications and skills, which together serve as the standards, criteria, and policy directives for the recruitment. They also discussed possible supplemental questions and agreed that this was best used as part of the interview process.

Gema moved and Wiswall seconded to adopt the standards, criteria and policy directives for recruitment of Executive Director as presented. Motion passed unanimously.

Jordan thanked Sama for his responsiveness and efforts to pull this recruitment together in a short timeframe.

AAG Keith Kutler advised that if any Board members get any questions about the open position they should forward them to Sama.

On a separate topic, Cleary advised that a request from LFO was recently received. They have asked for a report to the September E-Board on the transfer of funds from the Contingency Reserve to the Benefits in Force Reserve to resolve the Final Average Salary (FAS) Overpayment Recovery audit finding. Cleary said staff were preparing the report and would share it with the Board once finalized.

Thomas adjourned the Board meeting at 11:04 AM.

Respectfully submitted,



Paul R. Cleary  
Executive Director

**OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**BOARD MEETING MINUTES**

July 25, 2014

**Board Members:**

**Staff:**

John Thomas, Chair	Donna Allen	Greg Gabriel	Beth Porter	Ann Marie Vu
Krystal Gema	Linda Barnett	Brian Harrington	Daniel Rivas	Dale Wakabayashi
Michael Jordan	Gay Lynn Bath	Debra Hembree	Steve Rodeman	Joli Whitney
Pat West	Paul Brown	Jessica Johnson	Jason Stanley	Yong Yang
Rhoni Wiswall	Paul Cleary	Andy Kicza	Marjorie Taylor	
	David Crosley	Mini Kobbervig	Nancy Van Dyke	
	Yvette Elledge	Jordan Masanga	Stephanie Vaughn	

**Others:**

Alison Chan	David Lacy	Scott Preppernau	Ryan Zink
C Lance Colley	Matt Larrabee	Deborah Tremblay	
Greg Hartman	Laura Munson	Trudy Vidal	
Keith Kutler	Megan Phelan	Scott Winkles	

Chair John Thomas called the meeting to order at 1:00 P.M.

**ADMINISTRATION**

**A.1. BOARD MEETING MINUTES OF MAY 30, 2014**

Board members Rhoni Wiswall moved and Krystal Gema seconded approval of the minutes submitted from the May 30, 2014 Board meeting. The Board unanimously approved the minutes.

**A.2. DIRECTOR'S REPORT**

Executive Director Paul Cleary reviewed the 2014 Forward Looking Calendar. Cleary presented the OIC Investment Reports for the periods ending May 30 and June 30, 2014. The June data came in after the Board's materials had been mailed, but was included as a walk-in. The regular account year-to-date returns were up about 6.3%, and the variable account returns were up 6.4%. There has been an uptick in all asset classes from the May 31 report. Of note, the net asset value of the total PERS fund exceeded \$70 billion, its highest level ever.

Cleary also presented the July 2014 Budget Execution Report. There continues to be a positive variance. PERS has programmed some of the budget savings for data clean up and IT system enhancements. A positive variance of 2% of the total biennial operating budget will be maintained in the second half of the biennium for emergencies and other unforeseen expenditures.

Cleary provided a report on potential Retiree Health Insurance Premium Rebates. Medicare has implemented a minimum loss ratio requirement for Medicare Advantage and Part D plans. This new requirement is that at least 85% of premium dollars must be spent on claims reimbursements and any administrative costs intended to improve health care quality. It is projected that these requirements will not be met in 2014 which could trigger a need to refund

revenue to the Center for Medicare and Medicaid Services (CMS). Based on current information, PHIP intends to provide a premium rebate for the qualifying members. These rebates must be made by the end of the calendar year to avoid the potential CMS refund requirement. Carriers and PHIP consultants are still reviewing details for final determination. Staff will keep the Board posted of the analysis as it advances. No Board action was required.

## **ADMINISTRATIVE RULEMAKING**

### **B.1. NOTICE OF MEMBERSHIP ELIGIBILITY RULES**

Deputy Director Steve Rodeman presented the notice of rulemaking for the Membership Eligibility Rules (OAR 459-005-0001; -010-0003, -0035; -070-0001; -075-0010). These rules must be amended to clarify current practice and administration of membership eligibility standards. Rodeman said that a rulemaking hearing will be held on August 19 and public comment period ends on September 5. The Notice of Membership Eligibility Rules will be presented for adoption at the September meeting. No Board action was required.

### **B.2. NOTICE OF EMPLOYER REMITTANCE OF CONTRIBUTIONS RULE**

Rodeman presented the notice of rulemaking for the Employer Remittance of Contributions Rule (OAR 459-070-0110) that eliminates the allocation of partial employer payments based on receivable due date or a pre-set priority list so that RHIA and RHIPA employer contributions and IAP employee contributions are not commingled with the contributions for other programs. Rodeman said that a rulemaking hearing will be held on August 19 and the public comment period ends on September 5. The Employer Remittance of Contributions Rule will be presented for adoption at the September meeting. No Board action was required.

### **B.3. ADOPTION OF GAAP COST ALLOCATION RULE**

Rodeman presented the Generally Accepted Accounting Principles (GAAP) Cost Allocation Rule (OAR 459-008-0009) for adoption. This is a new rule for allocating costs for employers to comply with GAAP and related Governmental Accounting Standards Board (GASB) financial reporting standards. In the 2014 session, the Legislature gave PERS the statutory authority (HB 4155) to establish, by rule, procedures for recovering the additional actuarial and auditing costs associated with helping employers comply with GAAP from investment earnings on employer contributions.

Board member Michael Jordan asked whether staff had confirmed that the statute allows for a broad application to GASB standards and it is not limited to pensions. Rodeman confirmed that the statute broadly applies to costs associated with GAAP compliance. Chair Thomas noted that the rule has no fiscal impact on PERS administration, the PERS Fund, or PERS members. There will be a fiscal impact to PERS employers via a reduction in annual earnings crediting, in the amount necessary to cover the agency's actual costs of providing audited financial information needed to comply with GASB standards and generally accepted accounting principles.

The City of Roseburg submitted a letter on behalf of a broad array of Oregon public employers thanking the Board for helping public employers comply with the GASB standards in a practical and cost-effective manner.

Board members Pat West moved and Rhoni Wiswall seconded to approve adopting the new GAAP cost allocation rule as presented. Motion passed unanimously.

#### B.4. ADOPTION OF FEDERAL TAX RECONNECT RULE

Rodemán presented the Federal Tax Reconnect Rule (OAR 459-080-0250), IAP Account Installments for adoption. This will update the OAR connection date to federal Internal Revenue Code and other provisions of federal tax law accommodating the provisions of HB 4003. Board members Jordan moved and Wiswall seconded to approve adopting the modifications to Federal Tax Reconnect rule as presented. Motion passed unanimously.

#### B.5. ADOPTION OF OREGON SAVINGS GROWTH PLAN (OSGP) RULES

Rodemán presented the Oregon Savings Growth Plan Rules for adoption. (OAR 459-050-0025, -0037, -0075, -0077). This updates current rules to reflect proposed improvements in the program. West moved and Gema seconded to approve adopting modifications to the OSGP rules as presented. Motion passed unanimously.

Thomas shared his thoughts on how complicated deferred compensation program administration can be and noted that PERS rules must be regularly updated to stay current with federal lawmaking.

#### B.6. ADOPTION OF DISABILITY HOUSEKEEPING RULES

Rodemán presented the Disability Housekeeping Rules (OAR 459-015-0010 and -076-0010) for adoption. The housekeeping updates will clean up errors in the original drafting and improve the rules' utility. Gema moved and Wiswall seconded adopting the Disability Housekeeping rules as presented. Motion passed unanimously.

#### B.7. ADOPTION OF DISABILITY BENEFIT OPTION RULE

Rodemán presented the Disability Benefit Option Rule (OAR 459-015-0055) for adoption. This rule change will simplify the preliminary benefit options available upon the member's filing of a preliminary disability application. Thomas noted the complicated process to adjudicate disability claims and that this rulemaking would simplify the decisions an applicant must make, and West shared a real life example of those challenges. Wiswall moved and West seconded adopting the modifications to Selection of Preliminary Disability Benefit Option rule as presented. Motion passed unanimously.

### ACTION AND DISCUSSION ITEMS

#### C.1. FINAL AVERAGE SALARY OVERPAYMENT RECOVERY OPTIONS

Rodemán and Benefit Payments Division Administrator Brian Harrington presented options for recovering certain Tier Two and OPSRP benefit overpayments which may have occurred from the misapplication of 2005 statutory provisions governing "final average salary"(FAS). These potential overpayments were discovered during an internal audit and reported to the Audit Committee at its July 26, 2013 meeting. Calculation methods were changed for retirements effective November 1, 2013 and after to conform to the 2005 statutory provisions.

About 4,800 potentially affected members have retired with a monthly benefit and about 3,100 retired with a one-time payment over the time period in question. It is estimated that about 50% of those member benefits may have been mis-calculated, but staff can't be certain without reviewing each benefit calculation in detail and researching any questionable pay period data with the member's employer(s). The average monthly benefit overpayment is about \$15 per month. Based on projections and assumptions, the PERS actuary, Milliman, has estimated that

the net present value of these overpayments paid to date and projected into the future totals \$6.7 million.

Because this was a system level error that was not related to any individual member or employer, staff recommended the Board resolve it at the system level and authorize a \$6.7 million transfer from the Contingency Reserve to the Benefits in Force Reserve to cover the actual and projected benefit overpayment costs from the misapplication of the 2005 FAS statutory change.

Cleary, Rodeman and Harrington answered the Board's questions on the source of the error, the corrective actions taken for retirements effective November 1, 2013, and whether there was any precedent for similar use of the Contingency Reserve. Cleary noted this was an unfortunate situation and difficult issue to ask the Board to resolve, and measures are in place to prevent similar occurrences in the future.

West moved and Wiswall seconded the approval to authorize a \$6.7 million transfer from the Contingency Reserve to the Benefits in Force Reserve to cover the actual and projected benefit overpayment costs from the misapplication of the 2005 amendments to the FAS statutes. Motion passed 4-1 with Jordan voting no.

### C.2. 2015-17 AGENCY REQUEST BUDGET- APPROVAL TO SUBMIT

Rodeman presented the 2015-17 Agency Request Budget for the Board's approval for submission to the Department of Administrative Services/Chief Financial Office and the Legislative Fiscal Office.

Jordan commented that he really appreciates the way the agency is approaching the proposed 2015-17 "policy options package" enhancements to its budget, noting that it is rare in state government that there is this close of connection between service delivery and performance metrics and budget development. Thomas echoed his appreciation.

Jordan discussed the metrics provided and also noted the percentage of the fund and the resources that are being used to operate the business is constant or lower than historical levels, which is impressive given the growing workload that the agency deals with while continuing to improve service levels. Jordan recognized the level of effort that staff has been put into implementing the agency's outcome-based management system.

Cleary reminded the Board that this is just the first step in the budget process. It still needs to go through multiple layers of review: BAM and Governor's office review, LFO review, and finally to the legislature. This request is probably the largest percentage increase in the years he has been here. But about two thirds of this spending would be in service and supplies and capital outlays. Many of these expenditures are one-time costs for technology investments which will result in future savings. West noted that if this request is approved, these investments will truly benefit the members.

Jordan moved and Wiswall seconded approval of the 2015-17 Agency Request Budget as presented for submission to the Department of Administrative Services/Chief Financial Office and the Legislative Fiscal Office. Motion passed unanimously.

### C.3. 2013 SYSTEM WIDE VALUATION RESULTS

Milliman actuaries Matt Larrabee and Scott Preppernau presented an overview of system-wide results of the forthcoming December 31, 2013 Actuarial Valuation. This will be the basis for adoption of 2015-17 employer contribution rates. Individual employer contribution rates will be



considered by the Board at the September 26<sup>th</sup> Board meeting. Once those rates are reviewed and adopted, they will be distributed to employers.

Changes since the last rate setting valuation include 2013 legislative changes (SB 822 and 861) which lowered projected benefits; new actuarial assumptions adopted by the Board, including reducing the investment return assumption to 7.75%; change to the entry age normal actuarial cost allocation method; and re-amortizing all existing Tier One/Tier Two Unfunded Accrued Liability (UAL) as of December 31, 2013 over a 20-year period. Also, 2012 and 2013 asset returns were greater than assumed, creating an approximately \$6.4 billion actuarial gain over the biennium.

The valuation results show funded status was 86% (excluding side accounts) as of December 31, 2013, and the UAL as of that date was \$8.5 billion. This was a significant improvement since December 2011 when the funded status (excluding side accounts) was 73% and the UAL was \$16.3 billion.

Larrabee and Preppernau answered questions from the Board regarding the various valuation-related changes and the projected employer rates.

Cleary recognized Larrabee and Preppernau's significant efforts to reflect all the changes that had occurred since the last rate-setting valuation. Thomas thanked them for their presentation.

#### **OTHER BUSINESS**

Cleary asked the Board to review the forward looking calendar one more time. He noted an additional item to add to the November 21<sup>st</sup> meeting – that it will be his last meeting as the Executive Director as he plans to retire effective December 1, 2014.

Thomas asked Jordan to join him in evaluating options for recruiting a new Executive Director. If there is a need for a full Board discussion in advance of the September meeting, a phone meeting will be scheduled.

Thomas adjourned the Board meeting at 2:43 PM.

Respectfully submitted,



Paul R. Cleary  
Executive Director



## **PERS Board Meeting Forward-Looking Calendar**

### **Friday, November 21, 2014**

Adoption of OSGP Rules  
Board Scorecard Report on Agency Performance Measures  
Approval to File 2015 Final Legislative Concepts  
Audit Committee Meeting

### **Proposed 2015 Board Meeting Dates**

### **Friday, January 30, 2015**

### **Monday, March 30, 2015**

### **Friday, May 29, 2015**

### **Friday, July 31, 2015**

### **Friday, September 25, 2015**

### **Friday, November 20, 2015**



Returns for periods ending 7/31/14

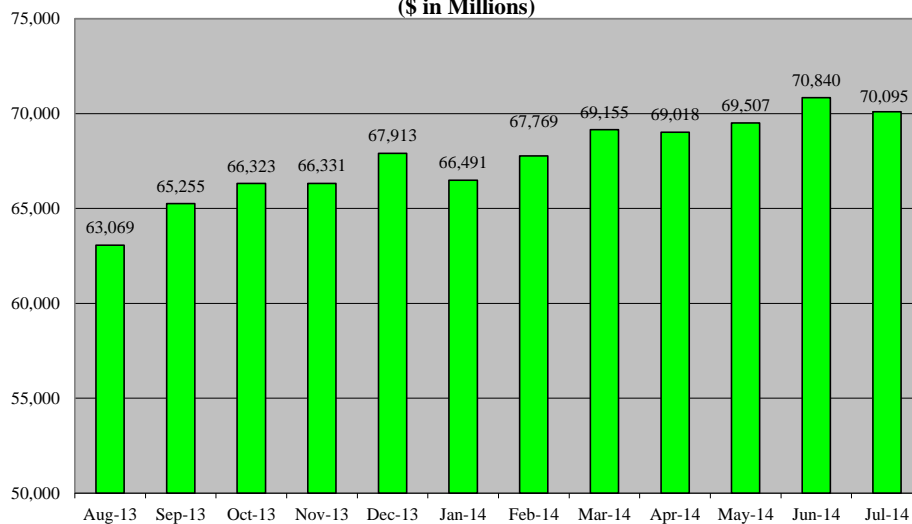
Oregon Public Employees Retirement Fund

OPERF	Regular Account				Historical Performance (Annual Percentage)							
	Policy <sup>1</sup>	Target <sup>1</sup>	\$ Thousands <sup>2</sup>	Actual	Year-To-Date <sup>3</sup>	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS	7 YEARS	10 YEARS
Public Equity	32.5-42.5%	37.5%	\$ 28,024,163	40.4%	3.57	15.64	19.84	11.04	13.36	13.28	3.94	7.98
Private Equity	16-24%	20%	14,904,045	21.5%	10.24	18.75	15.71	12.61	14.75	17.35	8.56	14.54
<b>Total Equity</b>	<b>52.5-62.5%</b>	<b>57.5%</b>	<b>42,928,208</b>	<b>61.9%</b>								
Opportunity Portfolio			935,921	1.4%	7.00	12.33	15.11	10.40	12.23	15.43	7.69	
<b>Total Fixed</b>	<b>15-25%</b>	<b>20%</b>	<b>16,550,608</b>	<b>23.9%</b>	<b>2.93</b>	<b>4.72</b>	<b>3.50</b>	<b>5.01</b>	<b>5.80</b>	<b>7.72</b>	<b>6.77</b>	<b>6.29</b>
Real Estate	9.5-15.5%	12.5%	7,641,286	11.0%	7.24	12.64	13.29	11.88	13.60	10.63	3.11	9.77
Alternative Investments	0-10%	10%	1,224,650	1.8%	2.17	5.55	2.69	2.97				
Cash	0-3%	0%	18,239	0.0%	0.37	0.69	0.73	0.75	0.77	0.83	1.36	2.15
<b>TOTAL OPERF Regular Account</b>		<b>100%</b>	<b>\$ 69,298,912</b>	<b>100.0%</b>	<b>5.29</b>	<b>13.08</b>	<b>13.58</b>	<b>9.87</b>	<b>11.71</b>	<b>12.47</b>	<b>5.33</b>	<b>8.39</b>
<b>OPERF Policy Benchmark</b>					<b>6.20</b>	<b>14.14</b>	<b>14.01</b>	<b>10.61</b>	<b>11.74</b>	<b>12.39</b>	<b>5.87</b>	<b>8.15</b>
Value Added					<b>(0.91)</b>	<b>(1.06)</b>	<b>(0.43)</b>	<b>(0.74)</b>	<b>(0.03)</b>	<b>0.08</b>	<b>(0.54)</b>	<b>0.24</b>
<b>TOTAL OPERF Variable Account</b>			<b>\$ 820,626</b>		<b>4.78</b>	<b>16.02</b>	<b>18.84</b>	<b>10.79</b>	<b>12.87</b>	<b>12.80</b>	<b>3.39</b>	<b>6.06</b>

Asset Class Benchmarks:

Russell 3000 Index	4.83	16.37	21.50	16.58	17.66	17.08	6.70	8.43
MSCI ACWI Ex US IMI Net	4.60	15.77	16.60	5.91	8.84	9.22	1.55	8.38
MSCI ACWI IMI Net	4.59	15.76	18.55	10.41	12.55	12.49	3.56	8.01
Russell 3000 Index + 300 bps--Quarter Lagged	13.92	26.23	22.03	18.01	18.73	25.41	10.40	11.63
Oregon Custom FI Benchmark	2.25	3.53	2.56	4.14	4.17	5.20	5.52	5.18
NCREIF Property Index--Quarter Lagged	5.34	11.18	10.85	11.69	12.76	7.89	5.10	8.65
91 Day T-Bill	0.02	0.05	0.08	0.08	0.09	0.11	0.67	1.64

**TOTAL OPERF NAV**  
(includes variable fund assets)  
One year ending July 2014  
(\$ in Millions)



<sup>1</sup>OIC Policy 4.01.18, as revised October 2013.

<sup>2</sup>Includes impact of cash overlay management.

<sup>3</sup>For mandates beginning after January 1 (or with lagged performance), YTD numbers are "N/A". Performance is reflected in Total OPERF. YTD is not annualized.

Returns for periods ending 8/31/14

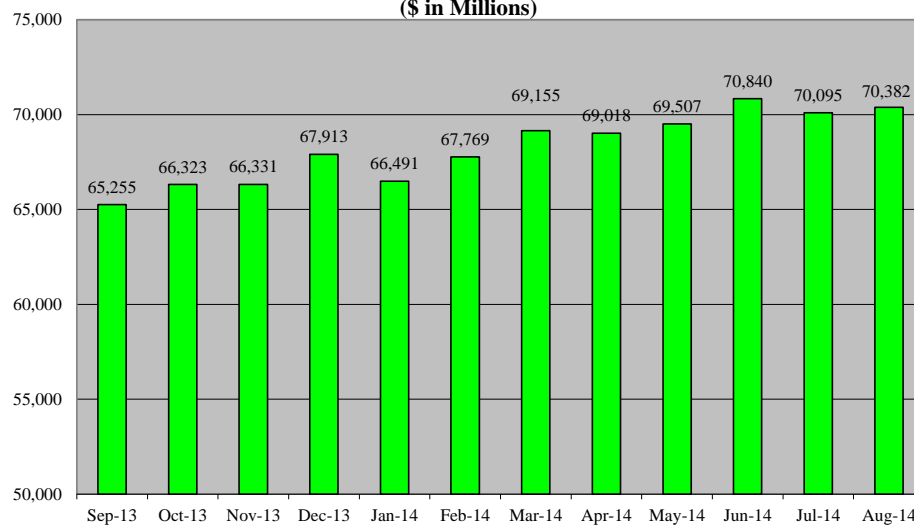
Oregon Public Employees Retirement Fund

OPERF	Regular Account				Historical Performance (Annual Percentage)							
	Policy <sup>1</sup>	Target <sup>1</sup>	\$ Thousands <sup>2</sup>	Actual	Year-To-Date <sup>3</sup>	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS	7 YEARS	10 YEARS
Public Equity	32.5-42.5%	37.5%	\$ 28,563,858	41.1%	5.90	20.72	19.70	15.09	15.06	12.94	4.32	8.19
Private Equity	16-24%	20%	14,623,924	21.0%	10.24	18.75	15.71	12.61	14.75	17.35	8.56	14.54
<b>Total Equity</b>	<b>52.5-62.5%</b>	<b>57.5%</b>	<b>43,187,782</b>	<b>62.1%</b>								
Opportunity Portfolio			930,436	1.3%	7.28	12.99	14.21	10.99	12.01	14.58	7.73	
<b>Total Fixed</b>	<b>15-25%</b>	<b>20%</b>	<b>16,530,865</b>	<b>23.8%</b>	<b>3.52</b>	<b>5.88</b>	<b>3.51</b>	<b>5.40</b>	<b>5.65</b>	<b>7.46</b>	<b>6.75</b>	<b>6.14</b>
Real Estate	9.5-15.5%	12.5%	7,602,594	10.9%	7.72	14.36	13.50	12.51	13.72	10.28	3.06	9.57
Alternative Investments	0-10%	10%	1,293,457	1.9%	7.55	8.81	7.06	2.99				
Cash	0-3%	0%	32,862	0.0%	0.44	0.75	0.71	0.87	0.77	0.81	1.31	2.14
<b>TOTAL OPERF Regular Account</b>		<b>100%</b>	<b>\$ 69,577,996</b>	<b>100.0%</b>	<b>6.57</b>	<b>15.66</b>	<b>13.68</b>	<b>11.60</b>	<b>12.38</b>	<b>12.19</b>	<b>5.49</b>	<b>8.43</b>
<b>OPERF Policy Benchmark</b>					<b>7.33</b>	<b>16.69</b>	<b>13.95</b>	<b>12.34</b>	<b>12.39</b>	<b>12.19</b>	<b>5.96</b>	<b>8.18</b>
Value Added					<b>(0.76)</b>	<b>(1.03)</b>	<b>(0.27)</b>	<b>(0.74)</b>	<b>(0.01)</b>	<b>0.00</b>	<b>(0.47)</b>	<b>0.25</b>
<b>TOTAL OPERF Variable Account</b>			<b>\$ 803,934</b>		<b>7.21</b>	<b>21.16</b>	<b>18.84</b>	<b>14.54</b>	<b>14.54</b>	<b>12.47</b>	<b>3.61</b>	<b>6.26</b>

Asset Class Benchmarks:

Russell 3000 Index	9.23	24.74	22.51	20.65	20.31	17.22	7.11	8.83
MSCI ACWI Ex US IMI Net	5.90	20.72	19.70	15.09	15.06	12.94	4.32	8.19
MSCI ACWI IMI Net	7.02	20.96	18.56	14.18	14.22	12.17	3.97	8.20
Russell 3000 Index + 300 bps--Quarter Lagged	13.92	26.23	22.03	18.01	18.73	25.41	10.40	11.63
Oregon Custom FI Benchmark	2.88	4.87	2.57	4.57	3.99	5.09	5.43	5.04
NCREIF Property Index--Quarter Lagged	5.34	11.18	10.85	11.69	12.76	7.89	5.10	8.65
91 Day T-Bill	0.03	0.05	0.08	0.07	0.09	0.10	0.59	1.62

**TOTAL OPERF NAV**  
(includes variable fund assets)  
One year ending August 2014  
(\$ in Millions)



<sup>1</sup>OIC Policy 4.01.18, as revised October 2013.

<sup>2</sup>Includes impact of cash overlay management.

<sup>3</sup>For mandates beginning after January 1 (or with lagged performance), YTD numbers are "N/A". Performance is reflected in Total OPERF. YTD is not annualized.



# Oregon

John A. Kitzhaber, M.D., Governor

## Public Employees Retirement System

Headquarters:  
11410 S.W. 68<sup>th</sup> Parkway, Tigard, OR  
Mailing Address:  
P.O. Box 23700  
Tigard, OR 97281-3700  
(503) 598-7377  
TTY (503) 603-7766  
[www.oregon.gov/pers](http://www.oregon.gov/pers)

September 26, 2014

TO: Members of the PERS Board  
FROM: Kyle J. Knoll, Financial & Administrative Services Division Administrator  
SUBJECT: Sept 2014 Board Report

### 2013-15 OPERATIONS BUDGET

Operating expenditures for July 2014 and preliminary expenditures for August 2014 were \$3,085,433 and \$2,980,565 respectively. Final expenditures for August will close in the Statewide Financial Management System on September 19, 2014, and will be included in the November 2014 report to the Board.

- To date, through the first fourteen months (58.3%) of the 2013-15 biennium, the Agency has expended a total of \$43,844,010, or 51.9% of PERS' legislatively approved operations budget of \$84,427,392.
- On or before December 1, 2014, PERS will request the remaining \$392,642 expenditure limitation be rescheduled to complete Phase II of project to transfer administration of the Individual Account Program (IAP) from a third party administrator to PERS.
- The current projected positive variance is \$2,164,167 or approximately 2.56% of the operations budget. The Agency's goal is to maintain a positive variance of at least \$1.8 million (2%).

### SENATE BILL (SB) 822 and SB 861 BUDGETS

These separate budget limitations were approved by the Legislature in 2013 and 2014 for the administrative costs to implement the COLA modifications for 2013 and beyond; remove tax remedy benefits for recipients who do not pay Oregon income taxes because they do not reside in Oregon; implement the six-year supplementary payments program; and recalculate employer contribution rates effective July 1, 2013. Funding was also provided for the necessary technology enhancements, additional call center agents, and Attorney General expenses.

- Expenditures to date are \$710,112, or 34.96% of the cumulative SB 822 and SB 861 legislatively approved budget of \$2,031,096.
- The current projected variance is \$496,013, or 24.42% of the SB 822 and SB 861 budgets of \$2,031,096.



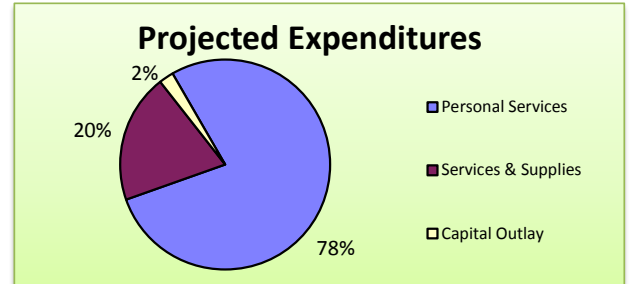
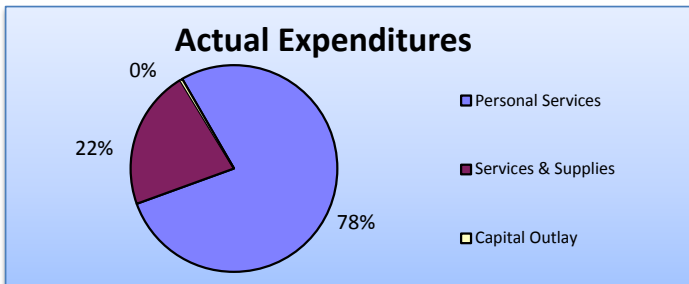


**2013-15 Agency-wide Budget Execution  
Summary Budget Analysis  
Preliminary For the Month of: August 2014  
Projected Approved Positive Variance Projects**

**Limited - Operating Budget**

**2013-15 Biennial Summary**

Category	Actual Exp. To Date	Projected Expenditures	Total Est. Expenditures	2013-15 LAB	Variance
Personal Services	34,207,075	27,240,105	61,447,180	63,535,242	2,088,063
Services & Supplies	8,872,243	10,600,175	19,472,418	19,638,697	166,279
Capital Outlay	764,692	578,935	1,343,627	1,253,453	(90,174)
<b>Total</b>	<b>43,844,010</b>	<b>38,419,215</b>	<b>82,263,225</b>	<b>84,427,392</b>	<b>2,164,167</b>



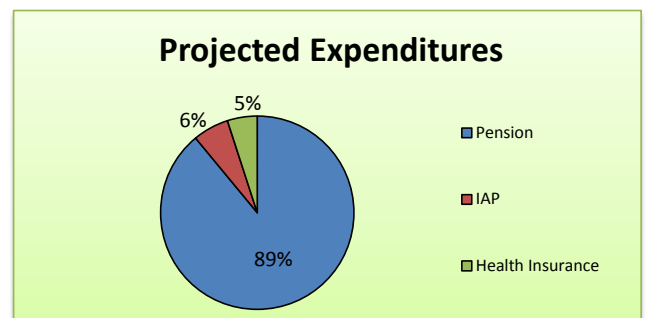
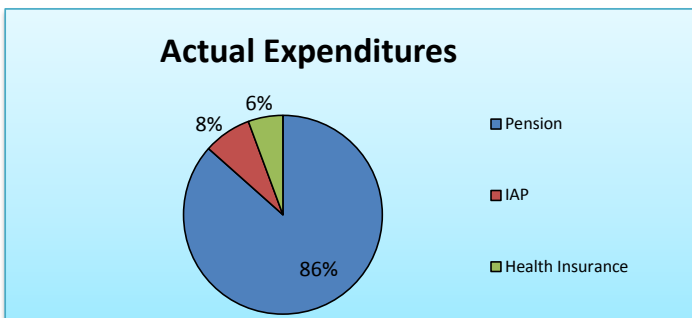
**Monthly Summary**

Category	Actual Exp.	Projections	Variance	Avg. Monthly Actual Exp.	Avg. Monthly Projected Exp.
Personal Services	2,442,950	2,652,847	209,897	2,443,363	2,724,010
Services & Supplies	526,592	723,889	197,297	633,732	1,033,369
Capital Outlay	11,023	11,023	0	54,621	57,894
<b>Total</b>	<b>2,980,565</b>	<b>3,387,759</b>	<b>407,194</b>	<b>3,131,716</b>	<b>3,815,273</b>

**Non-Limited Budget**

**2013-15 Biennial Summary**

Programs	Actual Exp To Date	Projected Expenditures	Total Est. Expenditures	Non-Limited LAB	Variance
Pension	4,231,635,064	3,630,035,432	7,861,670,496	8,148,014,000	286,343,504
IAP	380,694,524	244,328,299	625,022,823	721,200,000	96,177,177
Health Insurance	276,077,680	203,651,033	479,728,713	408,661,000	(71,067,713)
<b>Total</b>	<b>4,888,407,268</b>	<b>4,078,014,764</b>	<b>8,966,422,032</b>	<b>9,277,875,000</b>	<b>311,452,968</b>



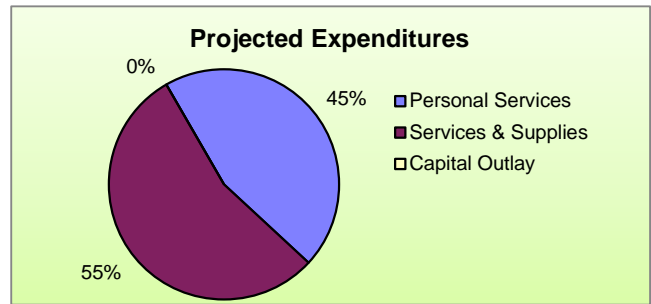
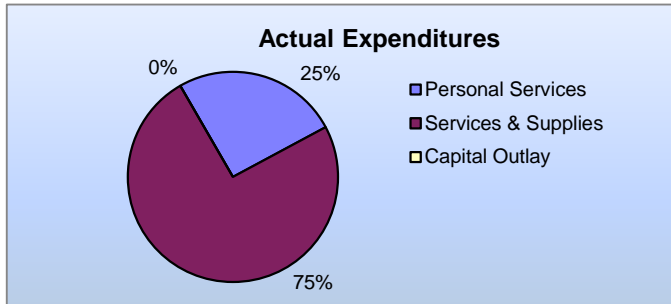
**2013-15 SB822 & SB861 Projects - Budget Execution**

**Summary Budget Analysis**

Preliminary For the Month of: August 2014

**Biennial Summary - SB822 & SB861**

Category	Actual Exp. To Date	Projected Expenditures	Total Est. Expend.	2013-15 LAB	Variance
Personal Services	180,998	373,150	554,148	827,446	273,298
Services & Supplies	529,114	451,821	980,935	1,203,650	222,715
Capital Outlay					
<b>Total</b>	<b>710,112</b>	<b>824,971</b>	<b>1,535,083</b>	<b>2,031,096</b>	<b>496,013</b>



**SB822 Project**

**Biennial Summary**

Category	Actual Exp. To Date	Projected Expenditures	Total Est. Expend.	2013-15 LAB	Variance
Personal Services	81,707	185,628	267,334	435,018	167,684
Services & Supplies	425,487	53,231	478,718	573,133	94,415
Capital Outlay					
<b>Total</b>	<b>507,194</b>	<b>238,859</b>	<b>746,053</b>	<b>1,008,151</b>	<b>262,098</b>

**Monthly Summary**

Category	Actual Exp.	Projections	Variance	Avg. Monthly Actual Exp.	Avg. Monthly Projected Exp.
Personal Services	11,565	17,819	6,255	5,836	18,563
Services & Supplies				30,392	5,323
Capital Outlay					
<b>Total</b>	<b>11,565</b>	<b>17,819</b>	<b>6,255</b>	<b>36,229</b>	<b>23,886</b>

**SB861 Project**

**Biennial Summary**

Category	Actual Exp. To Date	Projected Expenditures	Total Est. Expend.	2013-15 LAB	Variance
Personal Services	99,291	187,522	286,814	392,428	105,614
Services & Supplies	103,627	398,590	502,217	630,517	128,300
Capital Outlay					
<b>Total</b>	<b>202,918</b>	<b>586,112</b>	<b>789,031</b>	<b>1,022,945</b>	<b>233,914</b>

**Monthly Summary**

Category	Actual Exp.	Projections	Variance	Avg. Monthly Actual Exp.	Avg. Monthly Projected Exp.
Personal Services	17,529	18,071	542	7,092	18,752
Services & Supplies	69,139	151,449	82,310	7,402	39,864
Capital Outlay					
<b>Total</b>	<b>86,667</b>	<b>169,520</b>	<b>82,853</b>	<b>14,494</b>	<b>58,617</b>



# Oregon

John A. Kitzhaber, MD, Governor

## Public Employees Retirement System

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[www.oregon.gov/pers](http://www.oregon.gov/pers)

September 26, 2014

TO: Members of the PERS Board  
FROM: David Crosley, Communications Director  
SUBJECT: 2014 Customer Service Survey Results

PERS conducted customer satisfaction surveys for members (including retirees) and employers in August 2014. This was the ninth year of our survey program.

The 2005 Legislature adopted standardized customer service performance measures and survey questions for all state agencies. The measures require agencies to survey customers and report results in their budget presentations.

Our 2014 surveys continue to show good overall ratings from both members and employers. We will continue to conduct yearly surveys to measure and trend improvement in our customer service.

### MEMBER CUSTOMER SATISFACTION SURVEY

#### BACKGROUND

PERS posted a customer service survey on its website in the member and retiree sections during August 2014. We also placed a hard copy of the survey in the August 1 retiree newsletter, *Perspectives*, that retirees could complete and mail to PERS. Retirees also had the option of completing the survey online. The August 1 *Perspectives* newsletter for active members noted that the survey was available online. In total, we received approximately 1,450 responses, a number of which included individual comments. In comparison, we received approximately 1,300 responses in 2013.

We identified two key issues and suggestions from the comments received as detailed below. We also describe our strategies to address those items and the methodologies used in the survey. The following graphs and charts display the survey results and provide a comparison of responses for the 2010 through 2014 survey years.

In addition to the core questions, we also asked for input regarding the PERS website:

- Was the PERS website easy to navigate?
- Did you find the information you wanted?
- Are there any changes you would make to the PERS website?

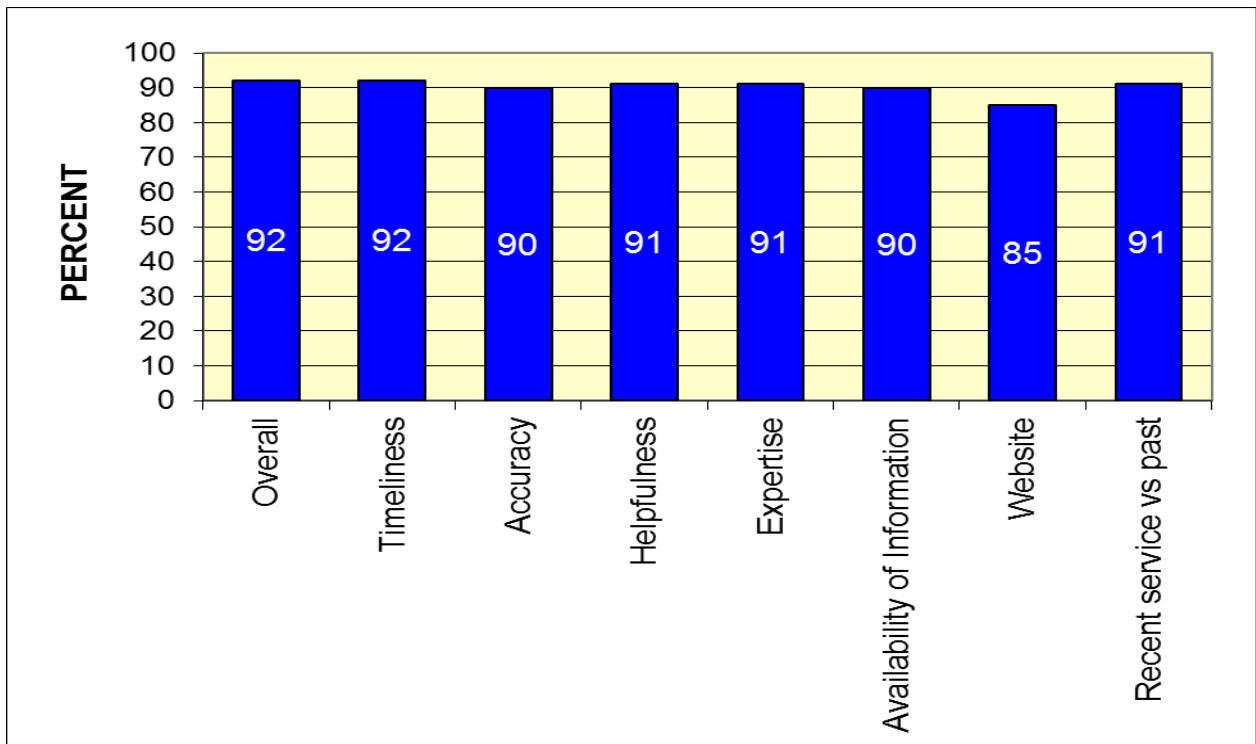
Approximately 84% of member and retiree respondents said the website was easy to navigate and approximately 84% found the information they were seeking.

Another question asked: "If you rated PERS 'Fair' or 'Poor' in any part of question 3, please tell us why you did not rate us 'Excellent' or 'Good.'" Many noted their dissatisfaction with enacted legislative changes to PERS benefits.

Again this year we asked: “Are PERS forms easy to understand and use?” Approximately 75% of respondents answered “yes,” with approximately 5% answering “no.” The remainder had “not used” PERS forms.

A new question was added this year: “What type of device do you prefer to access websites?” Approximately 78% of respondents preferred a computer, while the preference for a tablet or phone was 11% for each device.

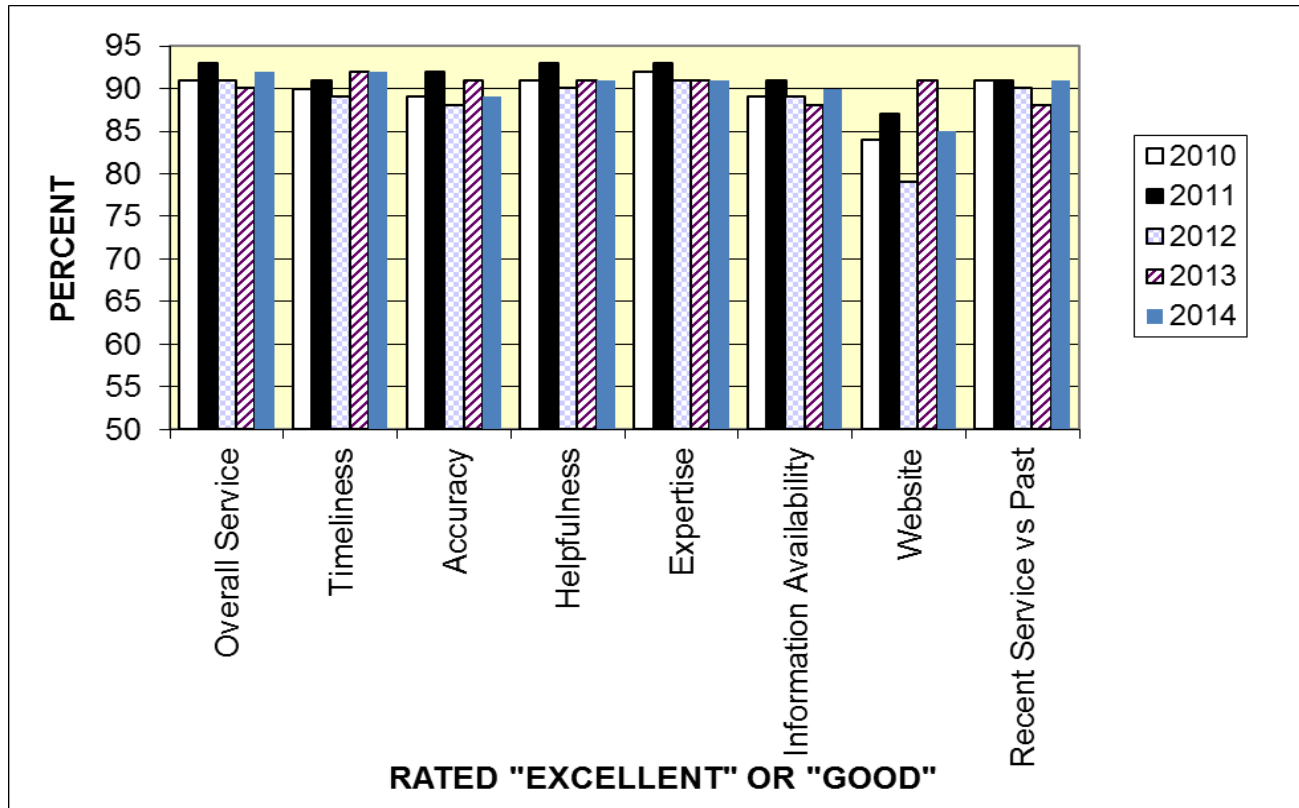
**Percent of member respondents rating “excellent” or “good” (the state’s Key Performance Measures do not include the “Don’t Know” responses; the numbers in the graph have been rebaselined to exclude those responses).**



**Numerical member results (numbers rounded; may not equal 100%)**

How do you rate...	Percent				
	Excellent	Good	Fair	Poor	Don’t Know
The overall quality of service?	59	28	4	4	5
The timeliness of services PERS provides?	59	28	4	4	5
PERS’ ability to provide services accurately the first time?	58	25	5	5	7
PERS’ helpfulness?	59	26	4	4	7
The knowledge and expertise of PERS employees?	54	26	4	4	12
The availability of information at PERS?	55	27	5	4	9
The PERS website?	23	23	5	3	46
Our service in the past year compared to previous years?	45	26	3	4	22

**Comparison of 2010-2014 Member Results**



**KEY MEMBER ISSUES AND SUGGESTIONS (in order of number of responses)**

**1. Members and retirees noted long wait times when telephoning PERS Customer Service.**

Improvements have been made that address this issue.

**Resolution:** More than 50% of respondents noted that their last interaction with PERS was “within the last year” or “more than a year.” From August 2013 and continuing into February of 2014, our call volume increased, as did our telephone call abandonment percentage and wait times. In February 2014, nine new call center agents joined PERS (five replaced retiring staff or those who took promotions in the agency, and four were new limited-duration positions). The table below compares service levels for August 2013 and August 2014.

Parameter	August 2013	August 2014
Incoming calls	14,635	11,465
Call handled	10,988	10,886
Abandon percentage	24.9%	5.0%
Average wait time	6:53 minutes	0:47 seconds
% of calls answered in 2 minutes or less	22%	83%
Average number of calls per day	665	546
Average number of calls handled per day	499	518

## **2. Respondents noted the length of time to receive a Data Verification from PERS.**

Members feel that Data Verifications take too long for PERS to produce. Members can request a Data Verification before retiring. Verifications include the member's accrued creditable service or retirement credit and the member's "final average salary." For Tier One or Tier Two members, the verification also includes the member's regular and variable account balances and unused sick leave information. If PERS produces a Data Verification, a member's retirement benefit will be calculated using data that is not less than the amounts provided in the verification, except in certain circumstances. For example, account balances will be adjusted for earnings or losses credited up to the member's effective retirement date and accumulated unused sick leave will be adjusted for leave accrued and used after the date specified in the verification.

### **Resolution:**

PERS proposes to expand the Data Verification Unit staffing from the current five staff with an additional seven permanent staff and eight limited-duration staff. The permanent staff would allow us to keep up with new Data Verification requests as they are received, and the limited-duration staff would clear the accumulated backlog. This "policy option package" is part of the agency's 2015-2017 budget request, and is subject to further modification and approval through the budget process.

## **SURVEY METHODOLOGIES**

To maximize member response, PERS created this survey online and posted it in a prominent position on our home page. We also published the location of the survey in our member and retiree newsletters, inviting members and retirees to participate. The online survey ran throughout August 2013.

Further, we placed a hard copy of the survey in the newsletter that goes to retired members and they had several weeks to complete and mail the survey to PERS.

We used surveymonkey.com to create the survey, using the six key questions the state requires all state agencies to use for the Customer Satisfaction Performance Measure survey.

The survey included a comments section. The most common comments are summarized and addressed in the respective Key Issues and Suggestions section of this report.

The survey report combines the online and hard copy responses, even though only retired members received hard copies.

## **EMPLOYER CUSTOMER SATISFACTION SURVEY**

### **BACKGROUND**

PERS surveyed employers online for the ninth consecutive year. The 2014 results are discussed below.

The employer satisfaction survey was posted online throughout August 2014. Employers received an e-mail inviting them to take the survey; 184 responses were received, a number of which included individual comments. In comparison, we received 200 responses in 2013.

We identified two key issues and suggestions from the comments received as detailed below. We also describe our strategies to address those items and the methodologies used in the survey.

The following graphs and charts display the survey results and provide a comparison of responses for the 2010 through 2014 survey years.

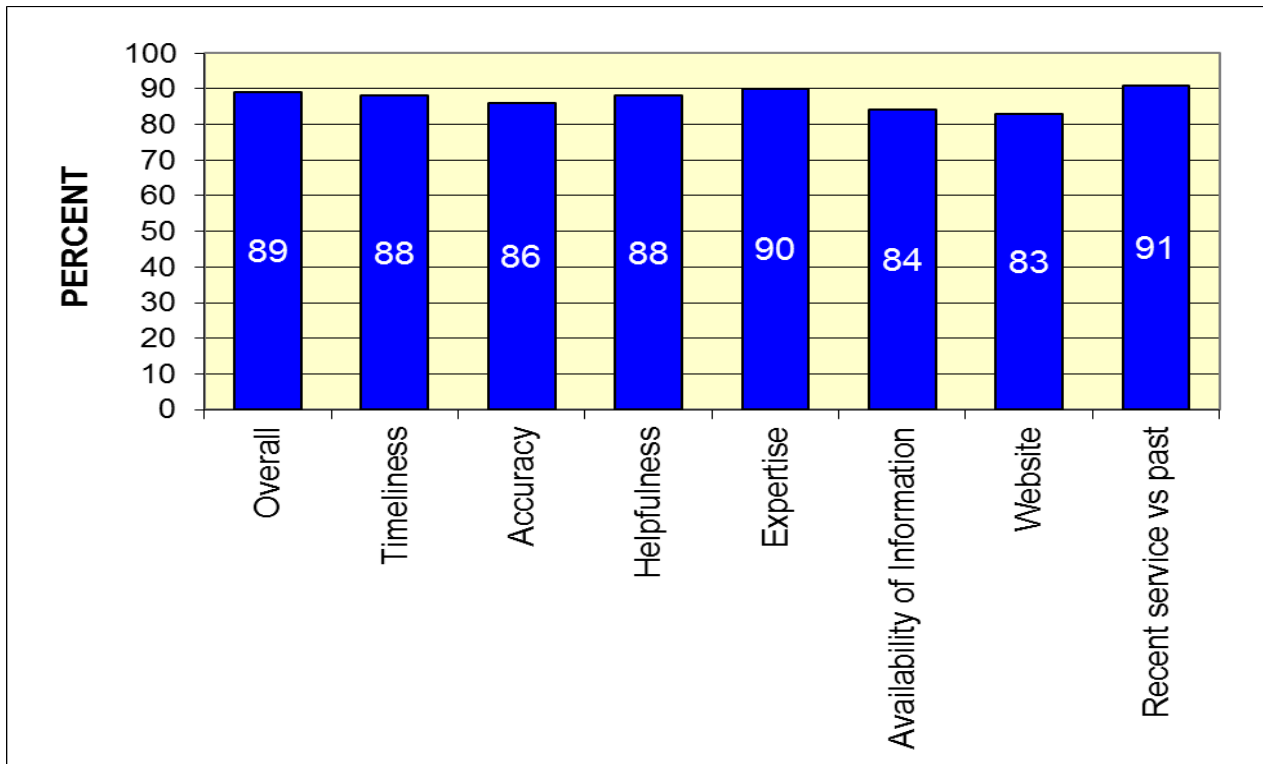
Again this year, we used three supplemental questions regarding the PERS employer website:

- Was the PERS employer website easy to navigate?
- Did you find the information you wanted?
- Are there any changes you would make to the PERS website?

More than 90% of employer respondents said the employer website is “easy” or “somewhat easy” to navigate and nearly 85% of employer respondents said information they were seeking was “easy” or “somewhat easy” to find.

Another questions asked: “If you rated PERS ‘Fair’ or ‘Poor’ in any part of question 6, please tell us why you did not rate us ‘Excellent’ or ‘Good.’ ” Some employers noted the complexity of the electronic data reporting system.

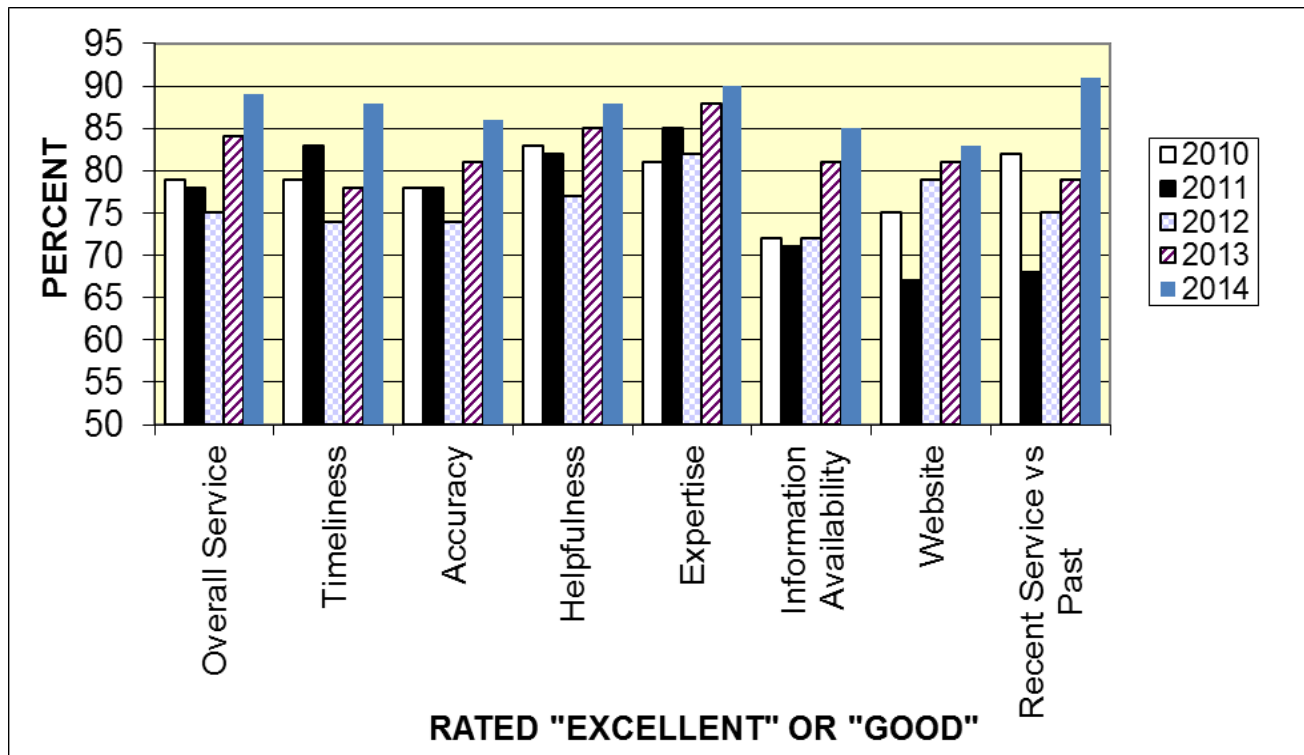
**Percent of employer respondents rating “excellent” or “good” (the state’s Key Performance Measures do not include the “Don’t Know” responses; the numbers in the graph have been rebaselined to exclude those responses).**



**Numerical employer results (numbers rounded; may not equal 100%)**

How do you rate...	Percent				
	Excellent	Good	Fair	Poor	Don't Know
The overall quality of service?	40	48	7	4	1
The timeliness of services PERS provides?	40	47	9	3	1
PERS' ability to provide services accurately the first time?	36	49	11	3	1
PERS' helpfulness?	53	34	9	3	1
The knowledge and expertise of PERS employees?	53	35	10	1	1
The availability of information at PERS?	35	48	9	7	1
The PERS employer website?	28	49	11	4	8
Our service in the past year compared to previous years?	42	44	5	3	6

**Comparison of 2010-2014 Employer Results**



**KEY EMPLOYER ISSUES AND SUGGESTIONS (in order of number of responses)**

**1. Employers want access to their individual Employer Service Center (ESC) representative after 12 p.m.**

Employers noted the need to be able to contact their assigned, individual ESC representative after noon.



**Resolution:** All employers can call their individual ESC representative from 8:30 a.m. to 5 p.m., Monday through Friday. It is the general call center line that is available from 8:30 a.m. to noon, Monday through Friday. We will do an outreach to employers to clarify that they can contact their assigned, individual representative throughout the day. We will also add “front-end” messaging to the phone system that explains to employers that they can directly contact their assigned representative at any time during the day.

**2. Employers noted the need for additional improvements in the employer reporting system.**

Employers requested additional functionality in the employer reporting system.

**Resolution:** We have identified enhancements to make the employer reporting system more user friendly. These enhancements are being prioritized, along with other system maintenance and enhancement needs, and will be made as resources become available.

## **SURVEY METHODOLOGIES**

To maximize employer response, we created this survey online and sent an email to all employers inviting them to participate. A follow-up email was sent to employers approximately 10 days before the survey deadline. The survey ran throughout August 2014. We set the survey so more than one employee per employer could respond since we often interact with more than one employer contact.

We used surveymonkey.com to create the survey, using the six key questions the state requires all state agencies to use for the Customer Satisfaction Performance Measure survey. Again this year we included two additional key questions:

1. “How do you rate the PERS website?”
2. “How do your rate our service in the past year compared to our service in previous years?”

The survey included a comments section. The most common comments are summarized and addressed in the respective Key Issues and Suggestions section of this report.





# Oregon

John A. Kitzhaber, M.D., Governor

## Public Employees Retirement System

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September 26, 2014

TO: Members of the PERS Board

FROM: Paul R. Cleary, PERS Executive Director

SUBJECT: Board Best Practices Key Performance Measure Review

### BACKGROUND

The 2005 Legislature directed the Department of Administrative Services (DAS) and the Legislative Fiscal Office (LFO) to develop a key performance measure (KPM) and specific criteria for certain boards and commissions to use in evaluating their practices and performance. The measure and criteria were later adopted by the Legislature and incorporated in applicable agency budget reports during the 2007 session. The Legislature requested that the key performance measure and evaluation criteria (“best practices”) be applied to all boards and commissions that have governance oversight with budgeting and hiring authority, such as the PERS Board.

Starting in 2008, the PERS Board began conducting its’ self-assessment against fifteen “Best Practices Criteria” for boards and commissions as prescribed by the Legislature. The PERS Board added three additional criteria that are rated in the PERS survey but not incorporated in the overall KPM calculation, along with a mid-range scoring option of “meets but needs improvement”.

### DISCUSSION

The 2014 best practices assessment was distributed to Board members as an electronic survey which incorporates a description of the Board’s current activities and approaches for each of the eighteen best practices (see Attachment 1).

Staff will compile the results of the respective Board member assessments as a walk-in item for further discussion at the September 26, 2014 Board meeting. Following that discussion, staff will complete the DAS key performance measure scorecard which will only cover the 15 standard best practices and be limited to a “yes” or “no” scoring. Staff propose to follow past practice and roll the Board’s “fully meets” and “meets but needs improvement” responses into the “yes” column for the DAS scorecard.

Attachment 1 PERS Board Best Practices Worksheet



## PERS BOARD BEST PRACTICES WORKSHEET

Best Practices Criteria	System for Achieving Success
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### Best Practice: Executive Director Performance

<p>1. Executive Director's performance expectations are current.</p>	<p>The Board establishes clear performance expectations for the Director not less than biennially. This includes overall expectations in the Director's position description, as well as any specific expectations contained in the Board's policy agenda and other meeting-specific directives. The Executive Director apprises the Board of divisional appointments and organizational changes and provides open access to executive team members. Regular interactions by the executive team with the Board are encouraged.</p>
<p><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

<p>2. Executive Director's performance is evaluated each biennium.</p>	<p>The Board reviews the Director's performance on at least a biennial basis. In addition, regular informal feedback is provided to the Executive Director as needed.</p>
<p><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

### Best Practice: Strategic Management

<p>3. The Agency's mission and high-level goals are current and applicable.</p>	<p>The Board reviews and approves the agency mission statement, core values, and operating principles. The Board reviews agency progress on key strategic initiatives and objectives using the semi-annual Board scorecard report on agency performance measures and the biennial budget development process.</p>
<p><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

<p>4. The Board reviews the <i>Annual Performance Progress Report</i>.</p>	<p>The Board has the opportunity to review the annual report and provide comments to the Executive Director.</p>
<p><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

### Best Practice: Strategic Policy Development

<p>5. The Board is appropriately involved in review of the Agency's key communications.</p>	<p>The Board, both directly and through participation on committees (Audit, Legislative, Health Insurance), is involved in the agency's public process and key communications. The Executive Director coordinates regularly with the Governor's Office and reports to the Board on communications. During legislative sessions, the Executive Director and staff regularly report and review legislative concepts and positions with Board members. The Board approves the agency mission statement, core values, and operating principles.</p>
<p><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

6. The Board is appropriately involved in policy-making activities.	The Board reviews and approves all agency rulemaking proposals and legislative concepts and participates in key legislative discussions and hearings as appropriate. The Board is regularly updated on legislative implementation and other agency projects with policy implications (e.g., court decision implementation). The Board chair confers with the Executive Director to plan Board meetings and ensure the agenda and supporting materials cover all key policy issues.
<p align="center"><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

7. The Agency's policy option packages are aligned with mission/goals.	The Board has early involvement and regular updates on proposed budget policy option packages and legislative concepts. The Board reviews the Agency Request Budget and supporting materials (including the strategic outlook and key performance measures) in public meetings.
<p align="center"><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

**Best Practice: Fiscal Oversight**

8. The Board reviews all proposed budgets and supplemental requests.	The Board reviews and approves proposed biennial budget requests and all supplementary budget or Emergency Board funding requests.
<p align="center"><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

9. The Board periodically reviews key financial information and audit findings.	The Board receives agency operating budget reports and PERS fund investment updates at each regularly scheduled board meeting and receives regular presentations from its actuaries. The Audit Committee convenes 3-4 times each year to meet with internal and external auditors (contract or Audits Division) to review internal and external audit reports (including the Comprehensive Annual Financial Report (CAFR)), management letters and internal control reports, as well as management responses and corrective measures implemented to improve internal controls and operations. The Board regularly reviews experience studies, system valuations, and financial modeling reports with its actuary.
<p align="center"><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

10. The Board appropriately accounts for resources.	The Board and Audit Committee regularly review budgetary and other key financial and audit reports to ensure that the agency is appropriately accounting for resources. The Chief Audit Executive has direct access to the Board and Audit Committee members.
<p align="center"><b>Fully Meets</b> <input type="checkbox"/>    <b>Meets But Needs Improvement</b> <input type="checkbox"/>    <b>Does Not Meet</b> <input type="checkbox"/></p>	

11. The Agency adheres to accounting rules and other relevant financial controls.	The Audit Committee and the Board review budgetary and financial updates (OIC, actuary, auditor, etc.) at each regularly scheduled meeting, and special financial reports or updates as warranted. Annual risk assessments and periodic updates are reviewed with the Audit Committee. Agency staff prepare all financial transactions in accordance with Oregon Statute, Oregon Administrative Rules, Oregon Accounting Manual requirements and generally accepted accounting principles. Annually, the Audit Committee and Board review the financial summary of the Executive Director’s financial transactions and document said review in the minutes.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	

**Best Practice: Board Management**

12. Board members act in accordance with their roles as fiduciaries and public representatives.	The Board uses practices that support effective meetings. The Board works with executive management to obtain information necessary to make well-informed and principled decisions (including opportunities for public comment at each Board meeting and opportunities for new business discussion during meetings as necessary). The Board follows public meetings and public records laws requirements, acts in compliance with State of Oregon ethics laws and conflict-of-interest requirements, and seeks advice from its DOJ general counsel on fiduciary and Board governance issues. The Board adheres to its guiding principles by working in a transparent, direct, and open manner.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	

13. The Board coordinates with others where responsibilities and interests overlap.	The Board reviews the monthly performance reports of the Oregon Investment Council (OIC) at regularly scheduled meetings, and several Board members regularly attend OIC meetings. Board members coordinate with and may participate in stakeholder meetings. The Board meets jointly with the OIC to conduct asset/liability studies. The Board and its subcommittees coordinate with its stakeholders. Examples include: Legislative Advisory Committee meetings with interested stakeholders in preparation for and during legislative sessions; Audit Committee meetings with Audits Division staff regarding financial, performance, and information technology engagements; and Health Insurance Advisory Committee meetings with insurance carriers and plan administrators.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	

14. Board members identify and attend appropriate training sessions.	The Board receives notice of training supporting its governance and fiduciary efforts. Examples: New board member training, agency orientation, ethics training, and OIC workshops. If desired, Board members are provided support to attend conferences and other networking opportunities. Board members receive electronic copies of NASRA New Clips to keep abreast of the nations’ public retirement system’s issues and concerns.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	

15. The Board reviews its management practices to ensure best practices are utilized.	The PERS Board reviews its best practices on at least a biennial basis and provides regular feedback to PERS staff on successes and opportunities for improvement.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	

**Best Practice: Other Practices identified by the PERS Board**

16. The Board has identified all key stakeholders and continues to strengthen relationships in those areas as appropriate.	The Board utilizes key stakeholders on all it’s advisory committees (e.g., legislative, health insurance, rulemaking). Stakeholder input is actively solicited and facilitated through Board rulemaking and policy adoption processes. Board members are available for both formal and informal stakeholder meetings.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	

17. The Board works with the management team to identify the highest priority initiatives and allocates resources accordingly.	The Board receives regular status reports on major agency projects (e.g., Strunk / Eugene, IT system conversions, legislative implementation). The Board reviews and approves biennial and supplementary budget requests, and reviews agency operating budget, workload progress reports, and key performance measures.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	

18. The Board has processes in place to ensure ethical behavior by management and compliance with laws and regulations.	Internal audit staff report directly to the Board Audit Committee and are charged with investigating and reporting any instances of waste, fraud, abuse or other unethical behavior by PERS management or staff. PERS management receives training in Oregon’s laws and regulations regarding ethical behavior and conflict-of-interest standards.
<b>Fully Meets</b> <input type="checkbox"/> <b>Meets But Needs Improvement</b> <input type="checkbox"/> <b>Does Not Meet</b> <input type="checkbox"/>	



**PERS Board Best Practices Assessment Score Card**

<b>Best Practices Criteria</b>	<b>Fully Meets</b>	<b>Meets But Needs Improvement</b>	<b>Does Not Meet</b>
1. Executive Director's performance expectations are current.	<b>4</b>	<b>0</b>	<b>0</b>
2. Executive Director's performance is evaluated each biennium.	<b>5</b>	<b>0</b>	<b>0</b>
3. The Agency's mission and high-level goals are current and applicable.	<b>5</b>	<b>0</b>	<b>0</b>
4. The Board reviews the <i>Annual Performance Progress Report</i> .	<b>5</b>	<b>0</b>	<b>0</b>
5. The Board is appropriately involved in review of the Agency's key communications.	<b>5</b>	<b>0</b>	<b>0</b>
6. The Board is appropriately involved in policy-making activities	<b>5</b>	<b>0</b>	<b>0</b>
7. The Agency's policy option packages are aligned with it's mission and goals.	<b>5</b>	<b>0</b>	<b>0</b>
8. The Board reviews all proposed budgets and supplemental requests.	<b>5</b>	<b>0</b>	<b>0</b>
9. The Board periodically reviews key financial information and audit findings.	<b>5</b>	<b>0</b>	<b>0</b>
10. The Board appropriately accounts for resources.	<b>5</b>	<b>0</b>	<b>0</b>
11. The Agency adheres to accounting rules and other relevant financial controls.	<b>5</b>	<b>0</b>	<b>0</b>
12. Board members act in accordance with their roles as fiduciaries and public representatives.	<b>5</b>	<b>0</b>	<b>0</b>
13. The Board coordinates with others where responsibilities and interests overlap.	<b>5</b>	<b>0</b>	<b>0</b>
14. Board members identify and attend appropriate training sessions.	<b>4</b>	<b>1</b>	<b>0</b>
15. The Board reviews its management practices to ensure best practices are utilized.	<b>5</b>	<b>0</b>	<b>0</b>
16. Other (may be added at the Board's discretion).			
a. The Board has identified all key stakeholders and continues to strengthen relationships in those areas as appropriate.	<b>5</b>	<b>0</b>	<b>0</b>
b. The Board works with the management team to identify the highest priority initiatives and allocates resources accordingly.	<b>5</b>	<b>0</b>	<b>0</b>
c. The Board has processes in place to ensure ethical behavior by management and compliance with laws and regulations.	<b>5</b>	<b>0</b>	<b>0</b>





September 26, 2014

TO: Members of the PERS Board

FROM: Mini Kobbervig, PERS Health Insurance Program Manager

SUBJECT: PERS Health Insurance Program (PHIP) Premium Rebate

## BACKGROUND

At the July 25, 2014 Board meeting, we notified you of PHIP's intent to provide a premium rebate to the Moda Rx Medicare Part D and Moda Advantage membership barring any additional information that would impact that proposal. The intent of the original proposal was to rebate excess dollars to members rather than sending monies back to the Centers for Medicare and Medicaid Services (CMS), in order to meet the newly initiated Minimum Loss Ratio (MLR) for Medicare insurance plans.

## PREMIUM REBATE ANALYSIS

Since the July Board meeting, further analysis has been completed along two separate fronts.

First, additional research has been completed regarding what premium level CMS will require be used in the MLR calculation. From guidance received to date it is unclear whether a) the PHIP reserve-based premium subsidies applied to member rates and b) any premium rebates resulting from our initial proposal would be allowed in the MLR calculation. The inclusion of either of these factors would result in an increase to the calculated loss ratio. If these premium adjustments were deemed to be disallowed, refunds may still be due CMS in addition to the proposed rebates.

The intent of the original proposal was to eliminate or lessen the amounts due CMS and rebate funds directly to the members who paid the premium. The current guidance received does not clearly address these issues. The minimum premium arrangement that PHIP has with Moda is a rarity and may actually be unique in the Medicare Part D world. Due to this uniqueness and the fact that the actual CY 2014 calculation is not due until the 4<sup>th</sup> quarter of 2015, we do not believe we will receive clear guidance on this issue in time to provide member premium rebates by the end of 2014.

Secondly, the initial MLR calculation was based on a review of CY 2013 member claims and CMS revenue experience. PHIP has been able to review actual experience from the first half of 2014 provided by Moda Health. The actual first six months of CMS and other revenues appear to be developing at \$74.65 per member per month (pmpm) which is \$8.78 pmpm lower than CY 2013. Although a reduction in CMS revenue was anticipated, the actual estimated results are \$5 pmpm lower than recently expected. Moreover, the claims in the first six months of 2014 have been higher than expected. Assuming claims continue to increase at a rate seen over the past 6 months, actual claims will exceed expected by \$5 pmpm and will be \$14 pmpm higher than CY 2013. The combination of both of these items (reduced CMS revenue and higher claims), will increase the estimated loss ratio to 82-89% compared to the previous CY 2013 experience-based estimate of 74%.

While still expecting an estimated \$12 million CMS reimbursement in October of this year from the reinsurance program results for CY 2013; the higher than expected claims expense in addition to the lower revenue will offset much of these revenues. Furthermore, these higher costs and lower revenue will likely impact CY 2015 resulting in higher than anticipated use of reserves.

NEXT STEPS

Based on this updated information, PHIP will not be issuing 2014 premium rebates as previously anticipated. The lower than expected CMS revenues and higher than expected member claims in the first half of 2014, combined with the uncertainty of how CMS would treat the existing PHIP reserve-based premium subsidies and potential rebates, dictate a more conservative approach. PHIP staff and consultants will continue to monitor these trends in preparation for the 2016 plan renewal cycle, which will begin in earnest in February 2015.



# Oregon

John A. Kitzhaber, M.D., Governor

## Public Employees Retirement System

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September 26, 2014

TO: Members of the PERS Board  
FROM: Steven Patrick Rodeman, Deputy Director  
SUBJECT: Notice of Oregon Savings Growth Plan (OSGP) rules:  
OAR 459-050-0076, *In-Plan Roth Conversion*  
OAR 459-050-0120, *Self-Directed Brokerage Option*

### OVERVIEW

- Action: None. This is notice that staff has begun rulemaking.
- Reason: Revision to rules within the Oregon Savings Growth Plan (OSGP).
- Policy Issue: No policy issues have been identified.

Modifications to the administrative rules regarding the Oregon Savings Growth Plan (OSGP) are being proposed to update the rules to reflect changes to federal law or proposed improvements in the program. The modifications are summarized below.

### PROPOSED RULE MODIFICATIONS

OAR 459-050-0076, *In-Plan Roth Conversion* allows plan participants to convert their pre-tax dollars in OSGP to after-tax and move their money to the Roth 457 account. Initially, the Internal Revenue Code only allowed this option after plan participants had a severance from employment. However, with the passage of the American Taxpayer Relief Act of 2012, plan participants are now eligible to convert any pre-tax money in their OSGP account to the Roth 457 account while still employed.

Paragraph (1)(a)(A) has been modified and paragraph (B) has been deleted because plan participants no longer need a severance of employment to be eligible for an In-Plan Roth Conversion. Paragraph (1)(a)(E) has been deleted because the IRS has not provided guidance that non-spouse beneficiaries are eligible for In-Plan Roth Conversion.

Finally, subsection (3)(a) has been modified because only plan participants who are making a Roth conversion after a severance from employment are required to receive a written explanation on the rollover eligibility of their Roth conversion amount.

OAR 459-050-0120, *Self-Directed Brokerage Option* was adopted in 2011 to implement the new option added to the OSGP. Previously, the Oregon State Treasury believed there should be some restrictions on the amount that plan participants could transfer into the Self-Directed Brokerage Option. Therefore, it was required that a participant have at least \$20,000 in their OSGP account before they could participate, and they could transfer up to half of that amount. Treasury now believes it is appropriate to lower the option participation restriction to a \$10,000 account

balance. This change was approved by the Oregon Investment Council at its July 30, 2014 meeting. Subsection (2)(a) of the rule was modified to reflect the new dollar amount.

#### PUBLIC COMMENT AND HEARING TESTIMONY

A rulemaking hearing will be held on October 21, 2014 at 2:00 p.m. at PERS headquarters in Tigard. The public comment period ends on October 30, 2014 at 5:00 p.m.

#### LEGAL REVIEW

The attached rules were submitted to the Department of Justice for legal review and any comments or changes will be incorporated before the rules are presented for adoption.

#### IMPACT

Mandatory: Yes, to comply with IRS Code and OIC policy changes.

Impact: Edits to improve administration of the OSGP for members and staff.

Cost: There are no discrete costs attributable to the rule changes.

#### RULEMAKING TIMELINE

September 15, 2014	Staff began the rulemaking process by filing Notice of Rulemaking with the Secretary of State.
September 26, 2014	PERS Board notified that staff began the rulemaking process.
October 1, 2014	<i>Oregon Bulletin</i> publishes the Notice. Notice is sent to employers, legislators, and interested parties. Public comment period begins.
October 21, 2014	Rulemaking hearing to be held at 2:00 p.m. at PERS in Tigard.
October 30, 2014	Public comment period ends at 5:00 p.m.
November 21, 2014	Staff will propose adopting the rule modifications, including any changes resulting from public comment or reviews by staff or legal counsel.

#### NEXT STEPS

A rulemaking hearing will be held on October 21, 2014 at 2:00 p.m. at PERS headquarters in Tigard. The rules are scheduled to be brought before the PERS Board for adoption at the November 21, 2014 Board meeting.

B.1. Attachment 1 - OAR 459-050-0076, *In-Plan Roth Conversion*

B.1. Attachment 2 - OAR 459-050-0120, *Self-Directed Brokerage Option*

**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 050 – DEFERRED COMPENSATION**

1 **459-050-0076**

2 **In-Plan Roth Conversion**

3 (1) Definitions. For purposes of this rule:

4 (a) “Distributee” means:

5 (A) A Deferred Compensation Plan participant; *[who has a severance of*  
6 *employment;]*

7 *[(B) A Deferred Compensation Plan participant who is approved for a de minimis*  
8 *distribution under OAR 459-050-0075(1);]*

9 *[(C)](B)* The surviving spouse of a deceased participant; or

10 *[(D)](C)* The spouse or former spouse who is the alternate payee under a domestic  
11 relations order that satisfies the requirements of ORS 243.507.

12 *[(E) The non-spouse beneficiary of a deceased participant who is a designated*  
13 *beneficiary under Code Section 402(c)(11).]*

14 (b) “In-Plan Roth Conversion” means the payment of an eligible rollover distribution  
15 by the Deferred Compensation Program directly from the Deferred Compensation  
16 Account to the Designated Roth Account as instructed by the Distributee and in  
17 compliance with *[Code]* [IRC](#) Section 402A(c)(4) and meets the otherwise applicable  
18 rollover requirements of *[Code]* [IRC](#) Section 457(e)(16).

19 (2) Limitations.

20 (a) If a Distributee elects an In-Plan Roth Conversion, the Distributee may not roll  
21 the money back to the Deferred Compensation Account at a later date.

1 (b) Once completed, all balances from any In-Plan Roth Conversion shall be  
2 accounted for individually and separately within the Designated Roth Account.

3 (3) 402(f) Notice and Election Procedure.

4 (a) For a Distributee making an In-Plan Roth Conversion after severance of  
5 employment, the Deferred Compensation Program staff shall provide *[each]* such  
6 Distributee with a written explanation of the direct rollover rules for any eligible  
7 distribution, as required by *[Code]* IRC Section 402(f).

8 (b) An In-Plan Roth Conversion election shall be in writing and must be signed by  
9 the Distributee or by his or her authorized representative pursuant to a valid power of  
10 attorney. The election must be on forms furnished by the Deferred Compensation  
11 Program.

12 Stat. Auth.: ORS 243.470

13 Stats. Implemented: ORS 243.462



**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 050 – DEFERRED COMPENSATION**

1 **459-050-0120**

2 **Self-Directed Brokerage Option**

3 (1) For purposes of this rule:

4 (a) “Core Investment Option” means an investment alternative made available under  
5 ORS 243.421, but does not include the Self-Directed Brokerage Option.

6 (b) “Self-Directed Brokerage Option” means an investment alternative made  
7 available under ORS 243.421 that permits a participant to establish a brokerage account  
8 and participate in investment products other than core investment options.

9 (c) “Trade” has the same meaning as in OAR 459-050-0037.

10 (2) A participant may initiate participation in the Self-Directed Brokerage Option  
11 only by a trade from core investment options.

12 (a) The participant’s combined Deferred Compensation and Designated Roth  
13 Accounts balance must be at least [~~\$20,000~~] \$10,000 on the date of the trade.

14 (b) The amount of the trade may not exceed 50 percent of the participant’s combined  
15 Deferred Compensation and Designated Roth Accounts balance on the date of the trade.

16 (3) A participant in the Self-Directed Brokerage Option may not:

17 (a) Contribute to the Self-Directed Brokerage Option by any means other than a  
18 trade from a core investment option.

19 (b) Make a trade from a core investment option to the Self-Directed Brokerage  
20 Option if:

21 (A) The participant’s balance in the Self-Directed Brokerage Option exceeds the  
22 balance in the participant’s core investment options on the date of the trade; or

1 (B) The trade would cause the participant’s balance in the Self-Directed Brokerage  
2 Option to exceed the participant’s balance in the core investment options on the date of  
3 the trade.

4 (4) The Self-Directed Brokerage Option may not be included in any automatic  
5 account rebalancing function offered by the Program.

6 (5) Notwithstanding OAR 459-050-0080, funds in the Self-Directed Brokerage  
7 Option are not available for distribution.

8 (a) Funds in the Self-Directed Brokerage Option must be traded to a core investment  
9 option to be available for distribution under OAR 459-050-0080.

10 (b) A participant, beneficiary, or alternate payee subject to Required Minimum  
11 Distributions, as described in OAR 459-050-0300, must maintain a balance in the core  
12 investment options that will accommodate the timely distribution of the required amount.

13 (c) A participant, beneficiary, or alternate payee who fails to comply with subsection  
14 (b) of this section is solely responsible for any tax, penalty, or cost imposed by reason of  
15 a delayed or partial required minimum distribution.

16 (6) The Deferred Compensation Manager, if necessary to comply with restrictions  
17 imposed by a participating mutual fund, a contracted broker, or the Securities and  
18 Exchange Commission, may establish additional temporary restrictions for the Self-  
19 Directed Brokerage Option.

20 (7) Any action taken by the Deferred Compensation Manager under section (6) of  
21 this rule must be presented to the Board at its next scheduled meeting. The Board may  
22 take action as authorized by ORS 243.401 to 243.507. If the Board does not act, the

1    action(s) taken by the Deferred Compensation Manager shall expire on the first business  
2    day following the date of the meeting.

3            (8) The restrictions provided in this rule are not exclusive. The Board may establish  
4    additional restrictions or sanctions as authorized by ORS 243.401 to 243.507.

5            Stat. Auth.: ORS 243.470

6            Stats. Implemented: ORS 243.401 - 243.507





# Oregon

John A. Kitzhaber, M.D., Governor

## Public Employees Retirement System

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September 26, 2014

TO: Members of the PERS Board

FROM: Steven Patrick Rodeman, Deputy Director

SUBJECT: Adoption of PERS Membership Eligibility Rules:  
OAR 459-005-0001, *Definitions, Generally*  
OAR 459-010-0003, *Eligibility and Membership for the PERS Tier One/Tier Two Program*  
OAR 459-010-0010, *Leave of Absence Without Pay*  
OAR 459-010-0035, *Six-Month Waiting Period*  
OAR 459-070-0001, *Definitions*  
OAR 459-075-0010, *Eligibility and Membership*

### OVERVIEW

- Action: Adopt modifications to the PERS Membership Eligibility rules.
- Reason: The rules need to be amended to clarify current practice and administration of membership eligibility standards.
- Policy Issues: No policy issues were identified.

### BACKGROUND

Eligibility for the PERS Tier One, Tier Two, and OPSRP Programs are predicated on the employee being in a “qualifying position,” which is generally defined as one where an employee is normally required to perform 600 or more hours of service in a full calendar year. Applying this standard is complicated when the employee is not employed over the full calendar year, or what we refer to as a partial year of employment (e.g., the employee is hired after the first of the year or separates from employment before the calendar year ends).

In those circumstances, PERS relies on the employer to designate whether the position is one where 600 or more hours of service are normally required in a calendar year. In reporting to PERS, the employer designates if the employee is in a qualifying or non-qualifying (“Q/NQ”) position during a partial year of employment. OAR 459-010-0003 currently recognizes this presumptive designation, but also defines circumstances where the presumption may be overridden (e.g., when an employer reports a position is non-qualifying, but the employee does in fact work more than 600 hours in a calendar year).

The current rule addresses what happens when the employee separates before the end of the calendar year (“partial year of separation”). These proposed rule modifications also cover further scenarios for partial years when the member is hired after the first of the year (“partial year of hire”) and for partial years due to a hire and separation in the same calendar year (“short segment”). These modifications will clarify the administration of qualifying position determinations.

Other proposed rule modifications clarify the terms “working days” and “business days.” Certain membership eligibility determinations depend on these terms. A “working day” is a day the employer is open for business, and a “business day” is “a day Monday through Friday when PERS is open for business.” Employers do not regularly report “working days” to PERS, and instances have occurred where the delay in obtaining “working day” information has deterred timely eligibility determinations. To address this concern, the rule amendments allow staff to use “business day” where “working day” information is not available to allow for more expeditious processing of eligibility and membership determinations, thereby improving PERS’ overall administration.

#### SUMMARY OF MODIFICATIONS TO RULES SINCE NOTICE

No modifications were made to the rules since they were last distributed at the July 25, 2014 PERS Board meeting. As a reminder, those proposed rule modifications are detailed below:

OAR 459-005-0001: The following proposed definitions are incorporated or modified: Section (4) defines “Business day”; Section (5) clarifies “Calendar month”; Section (6) defines “Calendar year”; Section (27) clarifies “Qualifying position”; and Section (39) defines “Working Day.” Other housekeeping edits are made to update and clarify statutory references.

OAR 459-010-0003: The following proposed definitions are incorporated or modified: Subsection (1)(b) of the rule defines “Partial year of hire”; Subsection (1)(d) clarifies “Qualifying position”; Subsection (1)(f) defines “Short segment.” Previous Subsection (1)(e), defining “working day” has been moved to OAR 459-005-0001(39), as a more appropriate placement for that term because it is used throughout OAR Chapter 459.

OAR 459-010-0010: Removes the “business day” definition as that would be in OAR 459-005-0001 as modified above.

OAR 459-010-0035: Remove the “working day” and “business day” definitions, which would be found in OAR 459-005-0001 as modified above.

OAR 459-070-0001: The following proposed definitions are incorporated or modified: Section (2) defines “Business day”; Section (14) defines “Partial year of hire”; Section (16) clarifies “Qualifying position”; Section (20) defines “Short segment”; Section (21) defines “Volunteer”; and Section (22) defines “Working Day.” Other housekeeping edits are made to update and clarify statutory references.

OAR 459-075-0010: Remove the “working day” and “business day” definitions, which would be found in OAR 459-005-0001 as modified above.

#### PUBLIC COMMENT AND HEARING TESTIMONY

A rulemaking hearing was held on August 19, 2014 at 2:00 p.m. at PERS headquarters in Tigard. No members of the public attended. The public comment period ended on September 5, 2014 at 5:00 p.m. No public comment was received.

#### LEGAL REVIEW

The attached rules were submitted to the Department of Justice for legal review and any comments or changes are incorporated in the rules as presented for adoption.

### IMPACT

Mandatory: No.

Impact: Provides clarification of standards utilized in eligibility and membership determinations, thereby enhancing understanding and efficient administration by employers and staff.

Cost: There are no discrete costs attributable to the rule changes.

### RULEMAKING TIMELINE

June 13, 2014	Staff began the rulemaking process by filing Notice of Rulemaking with the Secretary of State.
July 1, 2014	<i>Oregon Bulletin</i> published the Notice. Notice was sent to employers, legislators, and interested parties. Public comment period began.
July 25, 2014	PERS Board notified that staff began the rulemaking process.
August 19, 2014	Rulemaking hearing held at 2:00 p.m. at PERS in Tigard.
September 5, 2014	Public comment period ended at 5:00 p.m.
September 26, 2014	Board may adopt the permanent rule modifications.

### BOARD OPTIONS

The Board may:

1. Pass a motion to “adopt modifications to the Membership Eligibility rules, as presented.”
2. Direct staff to make other changes to the rules or explore other options.

### STAFF RECOMMENDATION

Staff recommends the Board choose Option #1.

- Reason: The rules need to be amended to clarify current practice and administration of membership eligibility standards.

If the Board does not adopt: Staff would return with rule modifications that more closely fit the Board’s policy direction if the Board determines that a change is warranted.

B.2. Attachment 1 - 459-005-0001, *Definitions, Generally*

B.2. Attachment 2 - 459-010-0003, *Eligibility and Membership for the PERS Tier One/Tier Two Program*

B.2. Attachment 3 - 459-010-0010, *Leave of Absence Without Pay*

B.2. Attachment 4 - 459-010-0035, *Six-Month Waiting Period*

B.2. Attachment 5 - 459-070-0001, *Definitions*

B.2. Attachment 6 - 459-075-0010, *Eligibility and Membership*





**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 5 – ADMINISTRATION**

1 **459-005-0001**

2 **Definitions, Generally**

3 The words and phrases used in OAR Chapter 459[, *Oregon Administrative Rules,*]  
4 have the same meaning given them in ORS [238.005 to 238.750] chapters 237, 238,  
5 238A, and 243 unless otherwise indicated. Specific and additional terms used in OAR  
6 Chapter 459 generally are defined as follows unless context [*of a particular division or*  
7 *rule within this chapter*] requires otherwise:

8 (1) “Ad hoc” means one-time for a specific purpose, case, or situation without  
9 consideration of a broader application.

10 (2) “After-tax” contributions means:

11 (a) Member contributions required or permitted by ORS 238.200 or 238.515, which a  
12 participating employer has not elected to “pick up,” assume or pay in accordance with  
13 ORS 238.205 and 238.515(b). “After-tax” contributions are included in the member’s  
14 taxable income for purposes of state or federal income taxation at the time paid to PERS.  
15 “After-tax” contributions are included in computing FAS and in computing the employer’s  
16 contributions paid to PERS.

17 (b) Payments made by a member to PERS for the purchase of additional benefits.

18 (3) “Before-tax” contributions means member contributions required or permitted by  
19 ORS 238.200 or 238.515, which a participating employer has elected to “pick up,” assume  
20 or pay in accordance with ORS 238.205 and 238.515(b). “Before-tax” contributions are not  
21 included in the member’s taxable income for purposes of state or federal income taxation  
22 at the time paid to PERS. “Before-tax” contributions are included in:

1 (a) Computing final average salary; and

2 (b) Computing the employer’s contributions paid to PERS if the employer has elected  
3 to “pick up” the member contributions.

4 (4) “Business day” means a day Monday through Friday when PERS is open for  
5 business.

6 (5) “Calendar month” means *[the Julian Calendar]* a full month beginning with the  
7 first calendar day of a month *[through]* and ending on the last calendar day of that month.

8 (6) “Calendar year” means 12 consecutive calendar months beginning on  
9 January 1 and ending on December 31.

10 ~~[(5)]~~(7) “Casual worker” means an individual engaged for incidental, occasional,  
11 irregular, or unscheduled intervals or for a period of less than six consecutive calendar  
12 months.

13 ~~[(6)]~~(8) “Contributions” means any contributions required or permitted pursuant to  
14 ORS 238.200 or 238.515.

15 ~~[(7)]~~(9) “Differential wage payment” means a payment made on or after January 1,  
16 2009:

17 (a) By an employer to a member with respect to any period during which the member  
18 is performing service in the uniformed services, as defined in USERRA, while on active  
19 duty for a period of more than 30 consecutive days; and

20 (b) That represents all or a portion of the wages the member would have received  
21 from the employer if the member were performing service for the employer.

22 ~~[(8)]~~(10) “Effective date of withdrawal” means the later of:

1 (a) The first day of the calendar month in which PERS receives the last completed  
2 document required from a member who requested a withdrawal; or

3 (b) The first day of the second calendar month following the calendar month in which  
4 the member terminated employment with all participating employers and all employers in  
5 a controlled group with a participating employer.

6 ~~[(9)]~~(11) “Effective retirement date” means:

7 (a) For service retirements, the date described in OAR 459-013-0260; or

8 (b) For disability retirements, the date described in OAR 459-015-0001.

9 ~~[(10)]~~(12) “Elected official” means an individual who is a public official holding an  
10 elective office or an appointive office with a fixed term for the state or for a political  
11 subdivision of the state who has elected to participate in PERS pursuant to ORS  
12 238.015(5).

13 ~~[(11)]~~(13) “Emergency worker” means an individual engaged in case of emergency,  
14 including fire, storm, earthquake, or flood.

15 ~~[(12)]~~(14) “Employee” has the same meaning as provided in ORS 238.005 and shall  
16 be determined in accordance with OAR 459-010-0030.

17 (a) For the purposes of ORS 238.005 to 238.750 the term “employee” includes public  
18 officers whether elected or appointed for a fixed term.

19 (b) The term “employee” does not include:

20 (A) A member of the governing board of a political subdivision unless the individual  
21 qualifies for membership under ORS 238.015.

1 (B) An individual who performs services for a public employer as a contractor in an  
2 independently established business or as an employee of that contractor as determined in  
3 accordance with OAR 459-010-0032[0].

4 [(c)](C) An individual providing volunteer service to a public employer without  
5 compensation for hours of service as a volunteer, except for volunteer firefighters who  
6 establish membership in accordance with ORS 238.015(6).

7 [(13)](15) “Employer contribution account” means a record of employer contributions  
8 to the Fund, as required by ORS 238.225(1), and investment earnings attributable to those  
9 contributions, that the Board has credited to the account after deducting amounts required  
10 or permitted by ORS Chapter 238.

11 [(14)](16) “Employment” is compensated service to a participating employer as an  
12 employee whose:

13 (a) Period or periods of employment includes only the actual hours of compensated  
14 service with a participating employer as an employee; and

15 (b) Compensated service includes, but is not limited to, paid vacation, paid sick leave,  
16 or other paid leave.

17 [(15)](17) “Estimate” means a projection of benefits prepared by staff of a service or  
18 disability retirement allowance, a death or a refund payment. An estimate is not a  
19 guarantee or promise of actual benefits that eventually may become due and payable, and  
20 PERS is not bound by any estimates it provides. [(ORS 238.455(6))]

21 [(16)](18) “FAS” and “final average salary” have the same meaning as provided in:

22 (a) ORS 238.005 for all PERS Tier One members;



1 ~~[(24)]~~(26) “PERS” and “system” have the same meaning as the Public Employees  
2 Retirement System in ORS 238.600.

3 ~~[(25)]~~(27) “Qualifying position” has the same meaning as provided in ORS 238.005  
4 and OAR 459-010-0003.

5 ~~[(26)]~~(28) “Regular account” means the account established under ORS 238.250 for  
6 each active and inactive member who has made contributions to the Fund or the account of  
7 an alternate payee of such a member.

8 ~~[(27)]~~(29) “Salary” has the same meaning as provided in ORS 238.005.

9 (a) “Salary” includes a differential wage payment, as defined in this rule.

10 (b) For a Tier One member, a lump sum payment for accrued vacation pay is  
11 considered salary:

12 (A) In determining employee and employer contributions.

13 (B) In determining final average salary for the purpose of calculating PERS benefits.

14 (c) For a Tier Two member, a lump sum payment for accrued vacation pay:

15 (A) Is considered salary in determining employee and employer contributions.

16 (B) Is not considered salary in determining final average salary for the purpose of  
17 calculating PERS benefits.

18 ~~[(28)]~~(30) “Seasonal worker” means an individual whose engagement is characterized  
19 as recurring for defined periods that are natural divisions of the employer’s business cycle  
20 or services.

21 ~~[(29)]~~(31) “Staff” means the employees of the Public Employees Retirement System  
22 as provided for in ORS 238.645.

1        ~~[(30)]~~(32) “Tier One member” means a member who established membership in the  
2 system before January 1, 1996, as defined in ORS 238.430(2).

3        ~~[(31)]~~(33) “Tier Two member” means a member who established membership in the  
4 system on or after January 1, 1996, in accordance with ORS 238.430.

5        ~~[(32)]~~(34) “USERRA” means the federal Uniformed Services Employment and  
6 Reemployment Rights Act of 1994, 38 U.S.C. 4301-4334, as in effect on the effective date  
7 of this rule.

8        ~~[(33)]~~(35) “Vacation pay” means a lump sum payment for accrued leave in a Vacation  
9 Leave Program provided by a public employer which grants a period of exemption from  
10 work for rest and relaxation with pay, and does not include:

11        (a) Sick leave programs;

12        (b) Programs allowing the accumulation of compensatory time, holiday pay or other  
13 special leaves unless the public employer’s governing body indicates by resolution,  
14 ordinance, or other legislative process, that such leave is intended to serve as additional  
15 vacation leave; and

16        (c) Other programs, such as a Personal Time Off (PTO) plan, which are a combination  
17 of vacation, sick, bereavement, personal and other leaves of pay as defined and described  
18 by a public employer unless the employer has a written policy that clearly indicates the  
19 percentage of the plan that represents vacation leave. If the employer’s PTO has a cash  
20 option, the employer must report to PERS the amount of any lump sum pay-off for the  
21 percentage that represents vacation leave.

22        ~~[(34)]~~(36) “Variable account” and “member variable account” mean the account in  
23 the Variable Annuity Account established under ORS 238.260(2) for each active and

1 inactive member who has elected to have amounts paid or transferred into the Variable  
2 Annuity Account.

3 ~~[(35)]~~(37) “Variable Annuity Account” means the account established in ORS  
4 238.260(2).

5 ~~[(36)]~~(38)~~[(a)]~~ “Volunteer” means an individual who performs a service for a public  
6 employer, and who receives no compensation for the service performed.

7 ~~[(b)]~~ The term “volunteer” does not include an individual whose compensation  
8 received from the same public employer for similar service within the same calendar year  
9 exceeds the reasonable market value for such service.

10 **(39) “Working day” means a day that the employer is open for business. Unless**  
11 **the employer communicates this information to PERS, PERS will presume an**  
12 **employer’s “working day” is the same as a “business day,” as defined in section (4) of**  
13 **this rule.**

14 ~~[(37)]~~(40) “Year” means any period of 12 consecutive calendar months.

15 Stat. Auth.: ORS 238.650

16 Stats. Implemented: ORS **chapters 237, 238, 238A & 243**



**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 010 – MEMBERSHIP**

1   **459-010-0003**

2   **Eligibility and Membership for the PERS Tier One/Tier Two Program**

3       (1) For the purpose of this rule:

4       (a) “Concurrent positions” means employment with two or more participating  
5 employers in the same calendar year.

6       (b) “Partial year of hire” means a period in the calendar year the employee  
7 begins employment after the first working day of the year, and continues  
8 employment through December 31.

9       (c) “Partial year of separation” means a period in the calendar year the employee  
10 separates from employment that begins on January 1 of the year and ends before the last  
11 working day of the year.

12       ~~(c)~~(d) “Qualifying position” means a position designated by the employer as  
13 qualifying, including a position in a partial year of hire, partial year of separation, or  
14 short segment, except:

15       (A) A position or concurrent positions in which an employee performs at least 600  
16 hours of service in a calendar year is qualifying regardless of employer designation.

17       (B) A position in a partial year of separation is qualifying regardless of employer  
18 designation if the position is continued from an immediately preceding calendar year in  
19 which the employee performed at least 600 hours of service in the position or concurrent  
20 positions.

21       (C) A position with one employer in which the employee is employed for the entire  
22 calendar year and fails to perform at least 600 hours of service in that position or

1 concurrent positions in the calendar year is non-qualifying regardless of employer  
2 designation.

3 ~~[(d)]~~(e) “Service” means a period in which an employee:

4 (A) Is in an employer/employee relationship, as defined in OAR 459-010-0030; and

5 (B) Receives a payment of “salary,” as defined in ORS 238.005 or similar payment  
6 from workers compensation or disability.

7 **(f) “Short segment” means a period in the calendar year during which the**  
8 **employee is hired after the first working day of the year, and separated from**  
9 **employment before the last working day of the same calendar year.**

10 *[(e) “Working day” means a day that the employer is open for business.]*

11 (2) At the time an employee is hired, an employer must designate the employee’s  
12 position as qualifying or non-qualifying. An employer must designate a position as  
13 qualifying if the position is one in which an employee would normally perform at least  
14 600 hours of service in a calendar year.

15 (3) Employer designation of a position as qualifying or non-qualifying must be  
16 determined by PERS from information communicated to PERS by the employer. An  
17 employer designation that is contrary to the provisions of subsection (1)~~[(c)]~~(d) of this  
18 rule in any calendar year will be reversed for that calendar year.

19 (4) Eligibility. An employee who was employed in a qualifying position before  
20 August 29, 2003 by an employer participating in the PERS Chapter 238 Program was  
21 eligible to become a member of that program if the employee:

22 (a) Began the six-month waiting period described in OAR 459-010-0035 before  
23 August 29, 2003;

1 (b) Did not elect to participate in an optional or alternative retirement plan as  
2 provided in ORS Chapters 243, 341, or 353; and

3 (c) Was not otherwise ineligible for membership.

4 (5) Membership. An employee who meets the requirements of section (4) of this rule  
5 becomes a member of the PERS Chapter 238 Program on the first day of the calendar  
6 month following the completion of the six-month waiting period described in OAR 459-  
7 010-0035 provided that the employee is employed on that date by the same employer that  
8 employed the employee throughout the waiting period.

9 Stat. Auth.: ORS 238.650

10 Stats. Implemented: ORS 238.005, 238.015, & 238A.025



**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 010 – MEMBERSHIP**

1 **459-010-0010**

2 **Leave of Absence Without Pay**

3 (1) For purposes of this rule[:]:

4 *[(a) “Business day” means a day Monday through Friday when PERS is open for*  
5 *business.]*

6 *[(b)] “[M]major fraction of a month” means a minimum of 11 business days in a*  
7 *calendar month.*

8 (2) Employer/Employee Agreement. An official leave of absence without pay for  
9 any purpose must have the following in order to be considered bona fide:

- 10 (a) An agreement in writing;
- 11 (b) Accordance with the applicable law, rules and regulations;
- 12 (c) The duration specifically stated at the time of granting; and
- 13 (d) Certification to PERS by the employer granting such leave.

14 (3) Creditable Service and Retirement Credit.

15 (a) A leave of absence without pay occurring on or after July 1, 1987, which  
16 constitutes the major fraction of a month:

- 17 (A) May not be used to calculate “years of membership” under ORS 238.300; and
- 18 (B) May not be used to determine “creditable service” or “retirement credit” under  
19 ORS 238.005.

20 (b) A leave of absence without pay occurring before July 1, 1987, which constitutes  
21 the major fraction of a month:

22 (A) Must be used to calculate “years of membership” under ORS 238.300; and

1            (B) Must be used to determine “creditable service” and “retirement credit” under  
2            ORS 238.005.

3            (c) A leave of absence without pay occurring on or after January 1, 2004, which  
4            constitutes the major fraction of a month may not be used to determine “retirement  
5            credit” under ORS 238A.140 for any period of employment after the date membership is  
6            established under ORS 238A.100.

7            (4) Reporting Requirement. Unless otherwise agreed upon by PERS, the employer  
8            shall report the following in a format acceptable to PERS:

9            (a) Any period of leave of absence without pay, which constitutes the major fraction  
10           of a month, for each member at the time the leave begins. The reported period of leave of  
11           absence without pay must include an end date.

12           (b) Any amendment or extension to a previously reported period of leave of absence  
13           without pay.

14           (5) A PERS member on an official leave of absence without pay is not considered  
15           terminated from service with a participating employer.

16           (6) An employee on an official leave of absence without pay on the date the  
17           employer begins to participate in PERS, shall be considered to be an employee on such  
18           date for the purpose of determining eligibility for participation in PERS.

19           (7) A layoff from employment does not constitute a leave of absence without pay.

20           Stat. Auth.: ORS 238.650 & 238A.450

21           Stats. Implemented: ORS 238.300 & 238A.140

**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 010 – MEMBERSHIP**

1    **459-010-0035**

2    **Six-Month Waiting Period**

3           (1) The six-month waiting period required for establishing membership under ORS  
4    238.015 is six full calendar months of service with the same employer. The service must  
5    be in a “qualifying position,” as defined in OAR 459-010-0003. The six full calendar  
6    months of service may not be interrupted by more than 30 consecutive working days.

7    *[For the purposes of this rule, a working day is defined as a day that the employer is*  
8    *open for business.]*

9           (2) The waiting period begins **on**:

10          (a) *[On]* The date the employee is hired, and includes the month of hire as a full  
11    calendar month, if the date of hire is the first business day of the month*[. For the*  
12    *purposes of this rule, a business day is defined as Monday through Friday when PERS is*  
13    *open for business];*

14          (b) *[On]* The first day of the month following the date of hire; or

15          (c) *[On]* The first day of the month following the end date of an interruption of  
16    service of more than 30 consecutive working days.

17           (3) In the event an employee is on an official leave of absence under OAR 459-010-  
18    0010, the period of absence shall not constitute an interruption of the waiting period  
19    under section (1) of this rule. The waiting period shall be extended by the length of the  
20    leave of absence.

21           (4) Absence from service by an educational employee during periods that the  
22    employing educational institution is not in session does not constitute an interruption of

1 the waiting period under section (1) of this rule. The waiting period shall be extended by  
2 the length of the period the educational institution is not in session.

3 Stat. Auth.: ORS 238.650

4 Stats. Implemented: ORS 238.015



**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459**

**DIVISION 070 – OREGON PUBLIC SERVICE RETIREMENT PLAN, GENERALLY**

1 **459-070-0001**

2 **Definitions**

3 The words and phrases used in divisions 070, 075, 076, and 080 of OAR Chapter  
4 459 have the same meaning given them in ORS 238A.005 to 238A.475, unless otherwise  
5 indicated. Specific and additional terms for purposes of divisions 070, 075, 076 and 080  
6 are defined as follows unless context requires otherwise:

7 (1) “Academic employee of a community college” means an instructor who teaches  
8 classes offered for college-approved credit or on a non-credit basis.

9 (a) Librarians, counselors, and aides in non-teaching positions, tutors, or other non-  
10 teaching faculty, and classified, professional or nonprofessional support staff are not  
11 academic employees for the purposes of *[section 20 of OL 2005 Ch. 332]* ORS 238A.142,  
12 but are subject to the membership requirements under ORS 238A.100 and OAR 459-075-  
13 0010.

14 (b) The governing body of a community college must determine who is an academic  
15 employee in its employ under this rule. In making that determination, a community  
16 college must consider all disciplines (academic activity) collectively when an employee’s  
17 assignment includes multiple disciplines.

18 (2) “Business day” means a day Monday through Friday when PERS is open  
19 for business.

20 *[2]*(3) “Calendar month” means a full month beginning on the first calendar day of a  
21 month and ending on the last calendar day of the same month.

1 ~~[(3)]~~(4) “Calendar year” means 12 consecutive calendar months beginning on  
 2 January 1 and ending on December 31 ~~[following]~~.

3 ~~[4]~~(5) “Employee” has the same meaning as “eligible employee” in ORS 238A.005  
 4 and shall be determined in accordance with OAR 459-010-0030.

5 (a) For the purposes of ORS 238A.005 to 238A.475, the term “employee”  
 6 includes public officers whether elected or appointed for a fixed term.

7 (b) The term “employee” does not include:

8 (A) An individual who performs services for a public employer as a contractor  
 9 in an independently established business or as an employee of that contractor in  
 10 accordance with OAR 459-010-0032; or

11 (B) An individual providing volunteer service to a public employer without  
 12 compensation for hours of service as a volunteer.

13 ~~[5]~~(6) “Employee class” means a group of similarly situated employees whose  
 14 positions have been designated by their employer in a policy or collective bargaining  
 15 agreement as having common characteristics.

16 ~~[6]~~(7) “Employee contributions” means contributions made to the individual account  
 17 program by an eligible employee under ORS 238A.330, or on behalf of the employee  
 18 under ORS 238A.335.

19 ~~[7]~~(8) “Final Average Salary” (FAS) has the same meaning given the term in:

20 (a) ORS 238A.130(1) for OPSRP Pension Program members who are not employed  
 21 by a local government as defined in ORS 174.116; or

22 (b) ORS 238A.130(3) for OPSRP Pension Program members who are employed by a  
 23 local government as defined in ORS 174.116.

1 ~~[(8)]~~(9) “Member” has the same meaning given the term in ORS 238A.005.

2 ~~[(9)]~~(10) “Member account” means the account of a member of the individual  
3 account program.

4 ~~[(10)]~~(11) “Member of PERS” has the same meaning as “member” in ORS 238.005,  
5 but does not include retired members.

6 ~~[(11)]~~(12) “OPSRP” means the Oregon Public Service Retirement Plan.

7 ~~[(12)]~~(13) “Overtime” means the salary or hours, as applicable, that an employer has  
8 designated as overtime.

9 **(14) “Partial year of hire” means a period in the calendar year the employee**  
10 **begins employment after the first working day of the year, and continues**  
11 **employment through December 31.**

12 ~~[(13)]~~(15) “Partial year of separation” means a period in the calendar year the  
13 employee separates from employment that begins on January 1 of the year, and ends  
14 before the last working day of the year.

15 ~~[(14)]~~(16) “Qualifying position” **has the same meaning as provided in ORS**  
16 **238A.005 and** means a position designated by the employer as qualifying, **including a**  
17 **position in a partial year of hire, partial year of separation, or short segment,** except:

18 (a) A position or concurrent positions in which an employee performs at least 600  
19 hours of service in a calendar year is qualifying regardless of employer designation.

20 (b) A position in a partial year of separation is qualifying regardless of employer  
21 designation if the position is continued from an immediately preceding calendar year in  
22 which the employee performed at least 600 hours of service in the position or concurrent  
23 positions.

1 (c) A position with one employer in which the employee is employed for the entire  
2 calendar year and fails perform at least 600 hours of service in that position or concurrent  
3 positions in the calendar year is non-qualifying regardless of employer designation.

4 ~~[(15)]~~(17) “Salary” has the same meaning given the term in ORS 238A.005 and  
5 includes a differential wage payment, as defined in OAR 459-005-0001.

6 ~~[(16)]~~(18) “School employee” has the meaning given the term in ORS 238A.140(7).

7 ~~[(17)]~~(19) “Service” means a period in which an employee:

8 (a) Is in an employer/employee relationship, as ~~[defined]~~ determined in accordance  
9 with OAR 459-010-0030; and

10 (b) Receives a payment of “salary,” as defined in ORS 238A.005 or similar payment  
11 from workers’ compensation or disability.

12 (20) “Short segment” means a period in the calendar year during which the  
13 employee is hired after the first working day of the year, and separated from  
14 employment before the last working day of the same calendar year.

15 (21) “Volunteer” means an individual who performs a service for a public  
16 employer, and who receives no compensation for the service performed. The term  
17 “volunteer” does not include an individual whose compensation received from the  
18 same public employer for similar service within the same calendar year exceeds the  
19 reasonable market value for such service.

20 (22) “Working day” means a day that the employer is open for business. Unless  
21 the employer communicates this information to PERS, PERS will presume an  
22 employer’s “working day” is the same as a “business day,” as defined in section (2)  
23 of this rule.

1 *[(18) The effective date of this rule is January 1, 2009.]*

2 Stat. Auth.: ORS 238A.450

3 Stats. Implemented: ORS Chapter 238A



**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 075 – OPSRP PENSION PROGRAM**

1 **459-075-0010**

2 **Eligibility and Membership**

3 (1) Eligibility. An employee who is employed in a qualifying position on or after  
4 August 29, 2003 by an employer participating in the OPSRP Pension Program is eligible  
5 to become a member of that program unless the employee:

6 (a) Has established membership in the PERS Chapter 238 Program before August  
7 29, 2003 under the terms of ORS 238A.025 and has not terminated membership in that  
8 program under ORS 238.095;

9 (b) Is a judge member as defined in ORS 238.500;

10 (c) Elects to participate in an optional or alternative retirement plan as provided in  
11 ORS Chapters 243, 341, or 353; or

12 (d) Is otherwise ineligible for membership.

13 (2) Membership:

14 (a) An employee who meets the requirements in section (1) of this rule becomes a  
15 member of the OPSRP Pension Program on the first day of the calendar month following  
16 the employee's completion of a waiting period of six full calendar months of service in a  
17 qualifying position with the same participating public employer. The six full calendar  
18 months of service may not be interrupted by more than 30 consecutive working days.

19 *[For the purposes of this rule, a working day is defined as a day that the employer is*  
20 *open for business.]*

21 (b) The waiting period begins on:

1 (A) *[On]* The date the employee is hired, and includes the month of hire as a full  
2 calendar month, if the date of hire is the first business day of the month*[. For the*  
3 *purposes of this rule, a business day is defined as Monday through Friday when PERS is*  
4 *open for business];*

5 (B) *[On]* The first day of the month following the date of hire; or

6 (C) *[On]* The first day of the month following the end date of an interruption of  
7 service of more than 30 consecutive working days.

8 (c) In the event an employee is on an official leave of absence as described in OAR  
9 459-010-0010, the period of absence shall not constitute an interruption of the waiting  
10 period under subsection (a) of this section. The waiting period shall be extended by the  
11 length of the leave of absence.

12 (d) Absence from service by an educational employee during periods that the  
13 employing educational institution is not in session shall not constitute an interruption of  
14 the waiting period under subsection (a) of this section.

15 (3) The provisions of this rule are retroactive to November 23, 2007.

16 Stat. Auth.: ORS 238A.450

17 Stats. Implemented: ORS 238A.025, 238A.100 & OL 2007 Ch. 769





# Oregon

John A. Kitzhaber, M.D., Governor

## Public Employees Retirement System

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September 26, 2014

TO: Members of the PERS Board  
FROM: Steven Patrick Rodeman, Deputy Director  
SUBJECT: Adoption of Employer Remittance of Contributions Rule:  
OAR 459-070-0110, *Employer Remittance of Contributions*

### OVERVIEW

- Action: Adopt modifications to the Employer Remittance of Contributions rule.
- Reason: Eliminate the allocation of partial employer payments based on receivable due date or a pre-set priority list so that RHIA and RHIP A employer contributions and IAP employee contributions are not commingled with the contributions for other programs.
- Policy Issue: No policy issues were identified.

### BACKGROUND

PERS administers both a qualified pension plan under IRC 401(a) and a health insurance program under IRC 401(h). When electronic reporting and payment methods were instituted, OAR 459-070-0110 was adopted to allocate these employer contributions by the order of receivables' due dates, oldest first. In addition, the rule also established a priority order to the various "buckets" to which funds would be allocated if an employer made a partial payment of their employer contribution invoice and there were multiple receivables having the same due date. Internal Audit Reports in August 2009 and January 2013 raised concerns about whether this allocation structure was consistent with PERS' general responsibilities as a fiduciary and the IRS requirements that contributions be reasonable and ascertainable, and that those made for specific trusts or other purposes not be used for, or diverted to, any other purpose. Suggested process improvements and other recommendations were also made in the Audit reports.

Consequently, the employer payment remittance process was revised. Programming for the new employer contribution allocation procedure was implemented in August 2014 to require that all employer contributions be designated and assigned to specific programs (i.e. employer contributions to their reserve accounts, to the PERS Health Insurance Program, or member contributions to the IAP). The rule's priority allocation structure, therefore, is now obsolete.

### SUMMARY OF MODIFICATIONS TO RULES SINCE NOTICE

No modifications were made to the rules. As a reminder, the proposed rule modifications remove Sections (4) and (5) of the rule because contributions made by the employers under the new programming will be clearly designated or identified as to specific programs and allocated as such. PERS will no longer commingle employer contributions and allocate them to receivables in the order of receivables' due dates or a pre-set priority list.

### PUBLIC COMMENT AND HEARING TESTIMONY

A rulemaking hearing was held on August 19, 2014 at 2:00 p.m. at PERS headquarters in Tigard. No members of the public attended. The public comment period ended on September 5, 2014 at 5:00 p.m. No public comment was received.

### LEGAL REVIEW

The attached rule was submitted to the Department of Justice for legal review and any comments or changes are incorporated in the rule as presented for adoption.

### IMPACT

Mandatory: No, the Board need not adopt the rule modifications.

Impact: Separate each program into a different invoice and essentially eliminate the allocation.

Cost: There are no discrete costs attributable to the rule.

### RULEMAKING TIMELINE

July 15, 2014	Staff began the rulemaking process by filing Notice of Rulemaking with the Secretary of State.
July 25, 2014	PERS Board notified that staff began the rulemaking process.
August 1, 2014	<i>Oregon Bulletin</i> published the Notice. Notice sent to employers, legislators, and interested parties. Public comment period began.
August 19, 2014	Rulemaking hearing held at 2:00 p.m. at PERS in Tigard.
September 5, 2014	Public comment period ended at 5:00 p.m.
September 26, 2014	Board may adopt the permanent rule modifications.

### BOARD OPTIONS

The Board may:

1. Pass a motion to “adopt modifications to the Employer Contributions rule, as presented.”
2. Direct staff to make other changes to the rule or explore other options.

### STAFF RECOMMENDATION

Staff recommends the Board choose Option #1.

- Reason: Eliminate the allocation of partial employer payments based on receivable due date or a pre-set priority list so that RHIA and RHIPA employer contributions and IAP employee contributions are not commingled with the contributions for other programs.

If the Board does not adopt: Staff would return with rule modifications that more closely fit the Board’s policy direction if the Board determines that a change is warranted.

B.3. Attachment 1 – OAR 459-070-0110, *Employer Remittance of Contributions*

**OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459**

**DIVISION 070 – OREGON PUBLIC SERVICE RETIREMENT PLAN, GENERALLY**

1 **459-070-0110**

2 **Employer Remittance of Contributions**

3 (1) Definition. “Statement date” means the date a statement of contributions or  
4 penalty due is generated by PERS.

5 (2) When PERS issues a statement of contributions due and, if applicable, any  
6 penalty due, unless otherwise agreed upon by the PERS Executive Director and the  
7 employer, an employer must pay to PERS the total amount of contributions and penalty  
8 due no later than five business days from the statement date. Payment must be made  
9 pursuant to OAR 459-005-0225.

10 (3) An employer that fails to pay the total amount due on a statement within the time  
11 specified in section (2) of this rule must pay a penalty equal to one percent of the total  
12 amount of contributions due on that statement for each month the employer is delinquent.

13 *[(4) If an employer transmits an amount less than the amount required by section (2)*  
14 *of this rule, PERS will allocate the amount to receivables by due date, oldest first. If*  
15 *multiple receivables have the same due date, PERS will allocate the amount to the*  
16 *receivables in the following order:*

17 *(a) The Individual Account Program;*

18 *(b) The OPSRP Pension Program;*

19 *(c) The Retiree Health Insurance Account and the Retiree Health Insurance*  
20 *Premium Account;*

21 *(d) Police Officer and Firefighter Unit Accounts;*

22 *(e) Judge member accounts;*

- 1 *(f) The PERS Chapter 238 Program;*
- 2 *(g) Penalties;*
- 3 *(h) Benefit Equalization Fund invoices;*
- 4 *(i) Social Security; and*
- 5 *(j) Other receivables due from the employer.*

6 *(5) By agreement with an employer, PERS may allocate amounts paid by the*  
7 *employer to specific receivables.]*

8 ~~[(6)]~~**(4)** The PERS Executive Director or a person designated by the Director may  
9 waive the penalty described in section (3) of this rule for contributions due on or after  
10 January 1, 2011 and before January 1, 2012. For contributions due on or after January 1,  
11 2012, penalties may be waived by the Director or the Director’s designee only upon  
12 written petition from the employer.

13 Stat. Auth.: ORS 238A.450, 238.650

14 Stats. Implemented: ORS 238A.050 & 238.705



# Oregon

John A. Kitzhaber, M.D., Governor

## Public Employees Retirement System

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September 26, 2014

TO: Members of the PERS Board

FROM: Debra Hembree, Actuarial Services Coordinator

SUBJECT: 2015-17 Individual Employer Rate Adoption

### OVERVIEW

On September 26, 2014, Milliman actuaries Matt Larrabee and Scott Preppernau will present recommended 2015-17 individual employer rates for Board approval. A summary of the recommended employer contribution rates will be provided to the Board before the meeting and will be available to interested parties as a walk-in item.

These recommended rates are based on the December 31, 2013 Valuation and, if approved, will be in effect for all PERS-covered payrolls dated July 1, 2015 through June 30, 2017. Milliman presented system-wide 2013 valuation results at the July 25, 2014 Board meeting.

### BACKGROUND

State statute directs the PERS Board to set employer contribution rates so that they will adequately fund system liabilities (ORS 238.225). The Board has adopted a rate-collaring methodology that provides some rate stability while still meeting system funding requirements. The collar spreads large rate increases or decreases over two or more biennia.

Due to a combination of legislation enacted in the 2013 regular and special legislative sessions, administrative actions by the PERS Board in 2014, and investment earnings significantly above assumption in 2012 and 2013, system-wide average employer contribution net rates for 2015-17 will be slightly lower than 2013-15 net rates. Rates for individual employers may be higher or lower than current rates based on the specific demographics of the employer, the rate pool in which the employer participates, and the relative amount of any employer-specific side account offsets.

### STAFF RECOMMENDATION

Staff recommends that the Board approve the 2015-17 individual employer contribution rates as recommended by the PERS actuary. Adoption of the proposed rates complies with the Board's rate-setting principles and fulfills its statutory obligation to set employer rates for the 2015-17 biennium.



# Summary of PERS Employer Contribution Rates

C.1.

Rates shown reflect the effect of side account rate offsets and retiree healthcare contributions, and exclude contributions to the IAP and debt service for pension obligation bonds.

Employer Number	Employer Name	Net Employer Contribution Rate 7/1/13 - 6/30/15			Net Employer Contribution Rate 7/1/15 - 6/30/17				
		Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll	Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll
		<b>Independent Employers</b>							
	<b>City</b>								
2167	City of Athena		6.15%	4.87%	7.60%		7.52%	4.31%	8.42%
2106	City of Beaverton		11.36%	6.64%	9.37%		14.76%	7.82%	11.93%
2107	City of Bend		13.04%	7.11%	9.84%		15.78%	8.79%	12.90%
2149	City of Canyonville		10.88%	6.29%	9.02%		14.28%	8.08%	12.19%
2186	City of Chiloquin		7.56%	0.49%	2.89%		10.96%	5.22%	9.33%
2162	City of Clatskanie		12.40%	7.86%	10.59%		15.80%	9.40%	13.51%
2152	City of Coos Bay		13.71%	6.51%	9.24%		17.11%	8.81%	12.92%
2165	City of Cornelius		9.39%	5.91%	8.64%		12.79%	7.42%	11.53%
2127	City of Cottage Grove		14.24%	11.95%	14.68%		17.64%	9.15%	13.26%
2257	City of Culver		10.75%	12.84%	15.57%		14.15%	7.83%	11.94%
2262	City of Dufur		15.48%	9.81%	12.54%		16.49%	10.75%	14.86%
2282	City of Eagle Point		11.67%	3.55%	6.28%		15.07%	8.31%	12.42%
2111	City of Eugene		14.10%	9.26%	11.99%		17.50%	10.05%	14.16%
2248	City of Fossil		6.15%	6.60%	9.33%		9.55%	5.51%	9.62%
2309	City of Gearhart		9.45%	0.49%	2.38%		12.85%	5.03%	9.14%
2264	City of Gervais		10.79%	4.71%	7.44%		11.51%	8.39%	12.50%
2250	City of Gold Beach		15.52%	9.00%	11.73%		14.12%	8.14%	12.25%
2114	City of Gresham		8.92%	3.02%	5.75%		11.67%	3.55%	7.66%
2210	City of Helix		7.89%	2.86%	5.59%		9.49%	5.51%	9.62%
2115	City of Hillsboro		12.61%	7.82%	10.55%		16.01%	9.84%	13.95%
2222	City of Jacksonville		11.82%	6.72%	9.45%		15.10%	8.21%	12.32%
2232	City of Joseph		13.99%	10.52%	13.25%		17.39%	13.00%	17.11%
2279	City of Keizer		10.69%	2.19%	4.92%		14.09%	6.19%	10.30%
2283	City of Maupin		6.20%	4.99%	7.72%		9.60%	2.43%	6.54%
2246	City of Merrill		6.15%	2.33%	5.06%		6.61%	0.45%	0.45%
2195	City of Metolius		6.15%	1.15%	3.88%		6.61%	0.45%	0.45%
2290	City of Molalla		8.64%	4.23%	6.96%		11.56%	4.42%	8.53%
2174	City of Mt Angel		8.35%	5.64%	8.37%		10.68%	5.20%	9.31%
2118	City of Ontario		18.70%	14.04%	16.77%		22.69%	14.89%	19.00%
2215	City of Powers		6.56%	1.91%	4.64%		6.61%	0.45%	0.45%
2218	City of Prairie City		9.45%	6.46%	9.19%		9.26%	6.22%	10.33%
2146	City of Prineville		11.17%	5.33%	8.06%		14.57%	7.36%	11.47%
2297	City of Rainier		9.45%	3.62%	6.35%		12.85%	4.27%	8.38%
2101	City of Salem		14.66%	10.28%	13.01%		15.82%	8.62%	12.73%
2219	City of Sheridan		8.13%	4.16%	6.89%		11.53%	5.39%	9.50%
2213	City of Stanfield		6.15%	0.49%	0.72%		6.61%	0.45%	0.45%
2129	City of Sweet Home		6.15%	0.49%	0.49%		6.61%	0.45%	0.81%
2261	City of Waldport		7.59%	2.84%	5.57%		8.83%	3.03%	7.14%
2206	City of Weston		6.15%	0.49%	1.76%		8.63%	4.69%	8.80%

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		Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll	Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll
<b>Independent Employers</b>								
<b>City</b>								
2189	City of Willamina		6.15%	0.49%	2.88%	6.61%	0.45%	3.28%
2253	Town of Butte Falls		6.15%	6.70%	9.43%	9.55%	0.45%	0.45%
<b>County</b>								
2001	Clackamas County		15.49%	11.37%	14.10%	18.89%	12.23%	16.34%
2002	Curry County		14.79%	11.66%	14.39%	18.19%	7.56%	11.67%
2003	Douglas County		22.36%	19.96%	22.69%	26.48%	17.25%	21.36%
2006	Jefferson County		12.81%	8.03%	10.76%	16.21%	8.98%	13.09%
2008	Lane County		11.71%	8.56%	11.29%	15.11%	8.51%	12.62%
2014	Linn County		15.56%	13.73%	16.46%	18.96%	11.60%	15.71%
2039	Malheur County		11.64%	7.32%	10.05%	14.30%	6.94%	11.05%
2037	Polk County		13.73%	8.54%	11.27%	17.13%	10.12%	14.23%
2050	Wallowa County		9.22%	4.84%	7.57%	7.66%	1.17%	5.28%
2015	Yamhill County		9.45%	3.05%	5.78%	12.85%	7.19%	11.30%
<b>Special Districts</b>								
2664	Applegate Valley Rural Fire Protection District #9		11.73%	4.04%	6.77%	14.13%	7.15%	11.26%
2702	Banks Fire District #13		14.88%	6.85%	9.58%	18.28%	12.40%	16.51%
2596	Bend Parks & Recreation		9.05%	6.38%	9.11%	12.45%	7.52%	11.63%
2648	Black Butte Ranch Rural Fire Protection District		9.45%	0.49%	0.49%	12.85%	3.41%	7.52%
2833	Boardman Rural Fire Protection District		16.17%	4.85%	7.58%	18.25%	8.23%	12.34%
2779	Brownsville Rural Fire Protection District		13.78%	4.42%	7.15%	12.74%	3.65%	7.76%
2569	Central Oregon Intergovernmental Council		10.44%	6.63%	9.36%	13.84%	8.47%	12.58%
2678	Central Oregon Regional Housing Authority		6.15%	5.22%	7.95%	9.12%	6.50%	10.61%
2645	Chiloquin Agency Lake Rural Fire Protection District		11.25%	9.20%	11.93%	14.65%	2.97%	7.08%
2518	Clackamas County Housing Authority		14.24%	11.59%	14.32%	17.64%	10.83%	14.94%
2870	Clackamas River Water Providers		6.15%	4.71%	7.44%	8.91%	9.02%	13.13%
2679	Columbia River Public Utility District		10.28%	8.49%	11.22%	13.68%	9.60%	13.71%
2828	Deschutes Public Library District		9.62%	6.02%	8.75%	13.02%	9.13%	13.24%
2527	Deschutes Valley Water District		15.93%	15.88%	18.61%	19.37%	13.24%	17.35%
2729	Douglas County Fire District #2		19.15%	8.99%	11.72%	23.23%	13.95%	18.06%
2743	Douglas Soil & Water Conservation District		6.15%	6.51%	9.24%	9.17%	0.45%	4.41%
2529	East Fork Irrigation District		8.48%	6.93%	9.66%	10.43%	1.91%	6.02%
2618	Estacada Cemetery District		6.15%	1.66%	4.39%	6.61%	0.45%	0.45%
2132	Eugene Water & Electric Board		23.55%	21.73%	24.46%	21.99%	16.94%	21.05%
2623	Evans Valley Fire District #6		6.15%	0.49%	0.49%	6.61%	0.45%	0.45%
2785	Fern Ridge Community Library		10.63%	0.49%	2.82%	10.16%	2.31%	6.42%
2608	Gaston Rural Fire Protection District		11.65%	4.87%	7.60%	15.05%	9.38%	13.49%
2698	Halsey Shedd Rural Fire Protection District		6.15%	0.49%	1.67%	9.52%	0.45%	3.79%
2771	Harbor Water PUD		6.31%	2.32%	5.05%	10.18%	2.98%	7.09%
2815	Hermiston Rural Fire Protection District		13.30%	6.56%	9.29%	16.70%	8.88%	12.99%



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and exclude contributions to the IAP and debt service for pension obligation bonds.

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		Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll	Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll
----- <b>Independent Employers</b> -----									
<b>Special Districts</b>									
2717	Ice Fountain Water District		9.45%	5.08%	7.81%		12.85%	7.55%	11.66%
2556	Jackson County Fire District #5		16.37%	7.64%	10.37%		19.90%	9.38%	13.49%
2575	Jefferson County Rural Fire Protection District #1		10.80%	9.95%	12.68%		14.20%	9.16%	13.27%
2841	Jefferson County Soil & Water Conservation District		6.15%	5.45%	8.18%		9.55%	7.83%	11.94%
2646	Keno Rural Fire Protection District		18.64%	7.24%	9.97%		15.46%	6.34%	10.45%
2515	Klamath County Fire District #1		18.49%	8.28%	11.01%		22.44%	12.52%	16.63%
2760	Knappa Svensen Burnside Rural Fire Protection District		9.10%	2.81%	5.54%		12.50%	2.44%	6.55%
2644	Lakeside Water District		14.05%	10.31%	13.04%		13.35%	10.58%	14.69%
2521	League of Oregon Cities		11.33%	7.66%	10.39%		14.73%	11.35%	15.46%
2597	Mapleton Water District		13.22%	7.36%	10.09%		13.16%	7.00%	11.11%
2877	Mid-Columbia Fire And Rescue V1-801		N/A	N/A	N/A		15.12%	8.57%	12.68%
2782	Millington Rural Fire Protection District		6.15%	0.49%	0.49%		6.61%	0.45%	0.45%
2873	Mosier Fire District		9.19%	4.54%	7.27%		12.59%	5.60%	9.71%
2861	Mt Angel Fire District		6.88%	2.23%	4.96%		13.28%	5.07%	9.18%
2724	Nehalem Bay Wastewater Agency		6.15%	12.21%	14.94%		9.55%	2.39%	6.50%
2740	Neskowin Regional Sanitary Authority		8.14%	1.86%	4.59%		9.80%	5.78%	9.89%
2835	North Clackamas County Water Commission		7.67%	6.82%	9.55%		11.07%	2.23%	6.34%
2637	Northeast Oregon Housing Authority		7.31%	5.99%	8.72%		10.71%	2.75%	6.86%
2550	Nyssa Road Assessment District #2		42.39%	44.26%	46.99%		34.46%	26.52%	30.63%
2524	Oak Lodge Sanitary District		10.02%	8.65%	11.38%		13.42%	9.60%	13.71%
2723	Oregon Coastal Zone Management Association		6.15%	4.88%	7.61%		6.61%	0.45%	0.45%
2685	Oregon Community College Association		6.15%	4.15%	6.88%		6.61%	0.64%	4.75%
2876	Oregon Municipal Electric Utilities Association		N/A	N/A	N/A		10.95%	8.23%	12.34%
2533	Owyhee Irrigation District		24.51%	24.96%	27.69%		23.23%	17.05%	21.16%
2688	Polk County Fire District #1		15.04%	7.59%	10.32%		18.44%	10.54%	14.65%
2613	Polk Soil & Water Conservation District		11.25%	7.98%	10.71%		14.65%	8.02%	12.13%
2507	Port of Astoria		11.02%	9.84%	12.57%		11.38%	8.81%	12.92%
2633	Port of Cascade Locks		9.49%	3.03%	5.76%		6.89%	2.50%	6.61%
2788	Port of Hood River		9.45%	5.39%	8.12%		12.76%	8.95%	13.06%
2570	Port of St Helens		8.60%	5.39%	8.12%		11.10%	6.45%	10.56%
2581	Port of Umatilla		14.70%	7.34%	10.07%		18.10%	10.35%	14.46%
2689	Redmond Area Park & Recreation District		6.70%	3.24%	5.97%		10.10%	5.76%	9.87%
2672	Rockwood Water PUD		12.36%	8.51%	11.24%		15.76%	10.64%	14.75%
2747	Salem Housing Authority		15.39%	13.06%	15.79%		16.64%	11.69%	15.80%
2675	Salmon Harbor-Douglas County		6.15%	6.24%	8.97%		9.55%	3.84%	7.95%
2701	Sisters-Camp Sherman Rural Fire Protection District		17.13%	8.94%	11.67%		20.81%	12.32%	16.43%
2859	South Lane County Fire and Rescue		17.20%	6.59%	9.32%		24.18%	14.40%	18.51%
2803	Southwestern Polk County Rural Fire Protection District		6.86%	2.21%	4.94%		11.75%	4.76%	8.87%
2767	Springfield Utility Board		6.15%	9.03%	11.76%		9.55%	3.29%	7.40%

## Summary of PERS Employer Contribution Rates

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		Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll	Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll
----- Independent Employers -----									
Special Districts									
2845	Sunrise Water Authority		12.65%	11.21%	13.94%		15.80%	13.98%	18.09%
2643	Sweet Home Cemetery		17.01%	23.18%	25.91%		18.23%	11.52%	15.63%
2722	Tillamook 9-1-1		6.15%	4.60%	7.33%		6.61%	0.45%	4.12%
2821	Tillamook County Soil And Water Conservation District		14.43%	9.94%	12.67%		13.42%	8.83%	12.94%
2783	Tillamook Fire District		10.58%	1.37%	4.10%		13.98%	5.12%	9.23%
2865	Tri-County Cooperative Weed Management Area		9.21%	4.56%	7.29%		12.61%	5.62%	9.73%
2610	Turner Fire District		20.13%	6.67%	9.40%		15.61%	3.65%	7.76%
2874	Umatilla-Morrow Radio and Data District		6.15%	5.23%	7.96%		8.86%	7.74%	11.85%
2536	Valley View Cemetery		6.15%	6.86%	9.59%		6.61%	0.45%	0.45%
2797	Vernonia Fire		6.15%	6.34%	9.07%		6.61%	4.16%	8.27%
2796	West Side Rural Fire Protection District		14.28%	0.66%	3.39%		15.90%	1.72%	5.83%
2725	West Valley Fire District		12.86%	4.26%	6.99%		15.10%	8.10%	12.21%
2686	Weston Cemetery		9.45%	2.33%	5.06%		12.85%	0.45%	4.30%
2714	Winchester Bay Sanitary District		14.52%	8.12%	10.85%		15.05%	10.41%	14.52%
2878	Yamhill Fire Protection District		N/A	N/A	N/A		15.53%	8.54%	12.65%

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Employer Number    Employer Name		Net Employer Contribution Rate 7/1/13 - 6/30/15			Net Employer Contribution Rate 7/1/15 - 6/30/17		
		Tier 1/ Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll	Tier 1/ Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll
Judiciary							
2099	State Judiciary	18.44%	N/A	N/A	15.03%	N/A	N/A

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		Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll	Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll
School Districts								
-----								
School								
4306	Amity School District		3.69%	1.69%	4.42%	0.53%	0.45%	0.45%
3003	Baker School District #5J		12.67%	10.67%	13.40%	10.19%	5.50%	9.61%
4035	Banks School District		17.39%	15.39%	18.12%	16.27%	11.58%	15.69%
4062	Beaverton School District		15.94%	13.94%	16.67%	13.97%	9.28%	13.39%
3291	Bend-La Pine Public Schools		13.65%	11.65%	14.38%	12.37%	7.68%	11.79%
3283	Brookings-Harbor School District #17C		7.26%	5.26%	7.99%	4.64%	0.45%	4.06%
4333	Canby School District		9.38%	7.38%	10.11%	2.49%	0.45%	1.91%
4334	Cascade School District #5		8.47%	6.47%	9.20%	3.81%	0.45%	3.23%
3859	Central School District #13J		8.07%	6.07%	8.80%	5.48%	0.79%	4.90%
3414	City of Phoenix School District		13.23%	11.23%	13.96%	10.06%	5.37%	9.48%
4259	Clackamas Education Service District		12.88%	10.88%	13.61%	11.42%	6.73%	10.84%
3179	Clatsop County School District #1C		2.07%	0.49%	2.80%	0.53%	0.45%	0.45%
3242	Coos Bay School District #9		17.34%	15.34%	18.07%	15.30%	10.61%	14.72%
3039	Corvallis School District #509J		12.41%	10.41%	13.14%	9.43%	4.74%	8.85%
3502	Creswell School District #40		18.31%	16.31%	19.04%	17.33%	12.64%	16.75%
3274	Crook County School District		4.29%	2.29%	5.02%	1.57%	0.45%	0.99%
3843	David Douglas School District		19.12%	17.12%	19.85%	18.47%	13.78%	17.89%
4291	Dayton Public Schools		8.85%	6.85%	9.58%	4.47%	0.45%	3.89%
4237	Douglas Education Service District		18.16%	16.16%	18.89%	17.10%	12.41%	16.52%
3927	Echo School District		12.21%	10.21%	12.94%	9.42%	4.73%	8.84%
4323	Estacada School District #108		13.82%	11.82%	14.55%	9.62%	4.93%	9.04%
3473	Eugene School District 4J		17.74%	15.74%	18.47%	16.35%	11.66%	15.77%
3887	Falls City School District		3.00%	1.00%	3.73%	0.53%	0.45%	0.45%
3494	Fern Ridge School District		11.85%	9.85%	12.58%	8.28%	3.59%	7.70%
4313	Forest Grove School District		15.40%	13.40%	16.13%	13.05%	8.36%	12.47%
4034	Gaston Public Schools		5.23%	3.23%	5.96%	0.68%	0.45%	0.45%
4329	Gervais School District #1		6.89%	4.89%	7.62%	2.59%	0.45%	2.01%
3160	Gladstone School District #115		1.79%	0.49%	2.52%	0.53%	0.45%	0.45%
3316	Glide School District #12		13.92%	11.92%	14.65%	10.69%	6.00%	10.11%
4260	Greater Albany School District #8J		14.44%	12.44%	15.17%	12.68%	7.99%	12.10%
4332	Gresham-Barlow School District #10		11.73%	9.73%	12.46%	9.18%	4.49%	8.60%
4326	Harney County School District #3		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%
4258	Hermiston School District #8R		13.14%	11.14%	13.87%	11.99%	7.30%	11.41%
4252	High Desert Education Service District		15.52%	13.52%	16.25%	12.05%	7.36%	11.47%
4341	Hillsboro School District #1J		15.33%	13.33%	16.06%	13.76%	9.07%	13.18%
3409	Hood River County School District		13.79%	11.79%	14.52%	11.26%	6.57%	10.68%
4223	InterMountain Education Service District		14.08%	12.08%	14.81%	10.47%	5.78%	9.89%
3729	Jefferson School District #14Cj		7.91%	5.91%	8.64%	4.43%	0.45%	3.85%
4315	John Day School District		13.17%	11.17%	13.90%	8.77%	4.08%	8.19%

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		<b>School Districts</b>							
<b>School</b>									
3965	La Grande Public Schools		12.39%	10.39%	13.12%	9.52%	4.83%	8.94%	
4268	Lake Oswego School District		10.64%	8.64%	11.37%	7.84%	3.15%	7.26%	
4276	Lane County Education Service District		18.15%	16.15%	18.88%	13.93%	9.24%	13.35%	
3579	Lincoln County School District		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%	
3447	Madras School District		15.50%	13.50%	16.23%	13.99%	9.30%	13.41%	
4142	McMinnville Schools		15.00%	13.00%	15.73%	13.28%	8.59%	12.70%	
4288	Medford School District #549C		17.66%	15.66%	18.39%	17.01%	12.32%	16.43%	
4335	Milton-Freewater Unified School District #7		8.46%	6.46%	9.19%	2.78%	0.45%	2.20%	
4331	Molalla River School District		0.68%	0.49%	1.41%	0.53%	0.45%	0.45%	
4340	Monroe School District #1J		15.97%	13.97%	16.70%	13.74%	9.05%	13.16%	
3809	Morrow County Schools		15.44%	13.44%	16.17%	13.34%	8.65%	12.76%	
4238	Multnomah Education Service District		13.85%	11.85%	14.58%	5.55%	0.86%	4.97%	
4336	Nestucca Valley School District #101		15.67%	13.67%	16.40%	14.84%	10.15%	14.26%	
4135	Newberg School District #29Jt		8.61%	6.61%	9.34%	5.64%	0.95%	5.06%	
3245	North Bend Public Schools		12.95%	10.95%	13.68%	11.84%	7.15%	11.26%	
4321	North Clackamas School District #12		8.68%	6.68%	9.41%	5.32%	0.63%	4.74%	
3730	North Marion School District #15		10.23%	8.23%	10.96%	7.61%	2.92%	7.03%	
4342	North Santiam School District #29J		8.15%	6.15%	8.88%	4.78%	0.45%	4.20%	
4381	North Wasco County School District #21		12.91%	10.91%	13.64%	9.60%	4.91%	9.02%	
3684	Ontario School District #8C		15.16%	13.16%	15.89%	13.09%	8.40%	12.51%	
3122	Oregon City School District #62		12.92%	10.92%	13.65%	11.33%	6.64%	10.75%	
3931	Pendleton School District #16R		4.07%	2.07%	4.80%	1.01%	0.45%	0.45%	
3043	Philomath School District #17J		13.39%	11.39%	14.12%	10.78%	6.09%	10.20%	
3958	Pilot Rock School District #2R		11.67%	9.67%	12.40%	8.93%	4.24%	8.35%	
3818	Portland Public Schools		3.30%	1.30%	4.03%	0.53%	0.45%	0.45%	
4320	Rainier School District #13		10.94%	8.94%	11.67%	7.76%	3.07%	7.18%	
4311	Redmond School District #2J		14.56%	12.56%	15.29%	12.75%	8.06%	12.17%	
4312	Reedsport School District		11.81%	9.81%	12.54%	6.08%	1.39%	5.50%	
3824	Reynolds School District		9.71%	7.71%	10.44%	6.51%	1.82%	5.93%	
3847	Riverdale School		11.76%	9.76%	12.49%	8.86%	4.17%	8.28%	
3310	Roseburg Public Schools		10.74%	8.74%	11.47%	7.58%	2.89%	7.00%	
3735	Salem-Keizer Public Schools		14.28%	12.28%	15.01%	12.36%	7.67%	11.78%	
3665	Santiam Canyon School District		9.83%	7.83%	10.56%	0.76%	0.45%	0.45%	
3000	School Districts		22.29%	20.29%	23.02%	22.33%	17.64%	21.75%	
3187	Seaside Schools		14.23%	12.23%	14.96%	11.76%	7.07%	11.18%	
4317	Sherwood School District #88J		18.16%	16.16%	18.89%	17.21%	12.52%	16.63%	
4270	Silver Falls School District		13.22%	11.22%	13.95%	11.47%	6.78%	10.89%	
3296	Sisters School District		9.19%	7.19%	9.92%	4.19%	0.45%	3.61%	
3537	Siuslaw School District #97J		10.79%	8.79%	11.52%	8.29%	3.60%	7.71%	

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----- School Districts -----									
School									
3506	South Lane School District		6.38%	4.38%	7.11%		4.37%	0.45%	3.79%
3319	South Umpqua School District		0.59%	0.49%	1.14%		0.53%	0.45%	0.45%
3487	Springfield School District #19		13.76%	11.76%	14.49%		11.40%	6.71%	10.82%
4279	St Helens School District #502		6.28%	4.28%	7.01%		0.53%	0.45%	0.45%
3942	Stanfield School District		9.72%	7.72%	10.45%		4.82%	0.45%	4.24%
3353	Sutherlin School District #130		6.07%	4.07%	6.80%		2.42%	0.45%	1.84%
3618	Sweet Home School District #55		6.17%	4.17%	6.90%		0.53%	0.45%	0.45%
4338	Three Rivers U J School District		13.28%	11.28%	14.01%		10.85%	6.16%	10.27%
4316	Tigard-Tualatin School District #23J		18.59%	16.59%	19.32%		17.62%	12.93%	17.04%
3902	Tillamook Public Schools		4.74%	2.74%	5.47%		0.53%	0.45%	0.45%
3928	Umatilla School District #6R		16.72%	14.72%	17.45%		15.59%	10.90%	15.01%
3966	Union County School District		13.30%	11.30%	14.03%		7.62%	2.93%	7.04%
3195	Warrenton-Hammond School District		14.90%	12.90%	15.63%		13.54%	8.85%	12.96%
3075	West Linn School District		14.21%	12.21%	14.94%		12.72%	8.03%	12.14%
4254	Willamette Education Service District		10.78%	8.78%	11.51%		3.44%	0.45%	2.86%
4314	Willamina School District #30J		18.44%	16.44%	19.17%		17.26%	12.57%	16.68%
3349	Winston-Dillard Schools		0.95%	0.49%	1.68%		0.53%	0.45%	0.45%
4166	Yamhill-Carlton School District #1		2.67%	0.67%	3.40%		0.53%	0.45%	0.45%

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SLGRP (Default Tier 1/Tier 2 Rates)									
CC									
2901	Blue Mountain Community College		9.48%	7.58%	10.31%		11.04%	5.49%	9.60%
2999	Central Oregon Community College		11.52%	9.62%	12.35%		15.08%	9.53%	13.64%
2919	Chemeketa Community College		6.99%	5.09%	7.82%		8.89%	3.34%	7.45%
2908	Clackamas Community College		9.24%	7.34%	10.07%		10.16%	4.61%	8.72%
2900	Clatsop Community College		8.37%	6.47%	9.20%		9.27%	3.72%	7.83%
2996	Columbia Gorge Community College		11.02%	9.12%	11.85%		13.93%	8.38%	12.49%
2906	Klamath Community College		15.77%	13.87%	16.60%		19.49%	13.94%	18.05%
2904	Lane Community College		7.80%	5.90%	8.63%		9.67%	4.12%	8.23%
2910	Linn-Benton Community College		8.56%	6.66%	9.39%		10.36%	4.81%	8.92%
2905	Mt Hood Community College		4.86%	2.96%	5.69%		5.38%	0.45%	3.94%
2995	Oregon Coast Community College		10.26%	8.36%	11.09%		11.91%	6.36%	10.47%
2918	Portland Community College		8.32%	6.42%	9.15%		11.23%	5.68%	9.79%
2922	Rogue Community College		9.32%	7.42%	10.15%		11.33%	5.78%	9.89%
2998	Southwestern Community College		7.14%	5.24%	7.97%		9.31%	3.76%	7.87%
2997	Tillamook Bay Community College		9.32%	7.42%	10.15%		10.13%	4.58%	8.69%
2902	Treasure Valley Community College		6.17%	4.27%	7.00%		8.39%	2.84%	6.95%
2903	Umpqua Community College		10.09%	8.19%	10.92%		12.03%	6.48%	10.59%
City									
2258	City of Adair Village		13.68%	13.48%	16.21%		19.78%	11.64%	15.75%
2103	City of Albany		15.38%	10.07%	12.80%		17.20%	9.93%	14.04%
2235	City of Amity		11.67%	8.39%	11.12%		11.04%	6.67%	10.78%
2104	City of Ashland		15.49%	11.63%	14.36%		18.54%	11.55%	15.66%
2105	City of Astoria		17.84%	13.48%	16.21%		20.27%	13.07%	17.18%
2234	City of Aumsville		9.62%	5.93%	8.66%		9.67%	3.30%	7.41%
2272	City of Aurora		7.76%	6.64%	9.37%		0.53%	0.45%	0.45%
2159	City of Baker City		16.16%	10.74%	13.47%		18.00%	10.69%	14.80%
2150	City of Bandon		13.94%	10.88%	13.61%		16.85%	10.84%	14.95%
2231	City of Banks		7.83%	3.58%	6.31%		6.95%	3.63%	7.74%
2241	City of Bay City		11.38%	7.13%	9.86%		10.29%	6.97%	11.08%
2178	City of Boardman		14.66%	11.12%	13.85%		16.86%	10.57%	14.68%
2216	City of Brookings		15.05%	10.15%	12.88%		16.96%	10.19%	14.30%
2204	City of Burns		8.83%	6.87%	9.60%		13.30%	6.10%	10.21%
2109	City of Canby		11.96%	7.61%	10.34%		14.33%	7.08%	11.19%
2223	City of Cannon Beach		12.38%	9.37%	12.10%		15.07%	8.60%	12.71%
2198	City of Carlton		0.59%	0.49%	0.49%		6.04%	0.45%	4.41%
2182	City of Cascade Locks		18.67%	18.22%	20.95%		28.64%	20.50%	24.61%
2194	City of Cave Junction		11.15%	9.98%	12.71%		16.53%	10.00%	14.11%
2181	City of Central Point		15.08%	10.25%	12.98%		16.43%	10.24%	14.35%
2201	City of Coburg		9.56%	4.59%	7.32%		8.30%	2.70%	6.81%

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SLGRP (Default Tier 1/Tier 2 Rates)								
City								
2271	City of Columbia City		12.80%	11.03%	13.76%	19.21%	11.02%	15.13%
2177	City of Condon		26.47%	21.04%	23.77%	27.08%	23.54%	27.65%
2110	City of Coquille		17.45%	12.28%	15.01%	19.45%	12.23%	16.34%
2155	City of Corvallis		10.56%	6.49%	9.22%	12.75%	5.54%	9.65%
2236	City of Creswell		13.28%	10.40%	13.13%	13.58%	9.56%	13.67%
2202	City of Dallas		16.79%	10.88%	13.61%	17.46%	10.79%	14.90%
2252	City of Dayton		4.92%	3.28%	6.01%	8.47%	3.20%	7.31%
2294	City of Depoe Bay		13.10%	11.04%	13.77%	16.16%	11.01%	15.12%
2131	City of Drain		13.43%	11.11%	13.84%	16.43%	11.08%	15.19%
2245	City of Dundee		13.08%	9.47%	12.20%	15.50%	9.29%	13.40%
2299	City of Dunes City		17.54%	14.56%	17.29%	23.55%	17.14%	21.25%
2269	City of Durham		8.45%	8.84%	11.57%	13.55%	5.41%	9.52%
2225	City of Echo		17.39%	17.78%	20.51%	24.96%	17.34%	21.45%
2205	City of Elgin		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%
2305	City of Elkton		15.40%	11.15%	13.88%	14.44%	11.12%	15.23%
2180	City of Enterprise		16.55%	12.90%	15.63%	19.75%	12.83%	16.94%
2179	City of Estacada		13.63%	12.05%	14.78%	18.19%	12.05%	16.16%
2208	City of Fairview		14.34%	9.17%	11.90%	15.37%	9.01%	13.12%
2224	City of Falls City		10.90%	7.99%	10.72%	13.22%	8.44%	12.55%
2291	City of Florence		9.49%	5.32%	8.05%	10.52%	3.67%	7.78%
2220	City of Garibaldi		17.96%	15.34%	18.07%	19.82%	14.81%	18.92%
2242	City of Gaston		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%
2304	City of Gladstone		12.61%	8.16%	10.89%	14.47%	7.14%	11.25%
2274	City of Gold Hill		6.20%	3.94%	6.67%	3.12%	0.45%	3.91%
2113	City of Grants Pass		17.65%	11.43%	14.16%	18.98%	11.65%	15.76%
2284	City of Halsey		11.02%	6.77%	9.50%	3.53%	0.45%	4.32%
2296	City of Happy Valley		15.07%	11.11%	13.84%	14.40%	11.08%	15.19%
2268	City of Harrisburg		12.27%	10.26%	12.99%	15.33%	10.19%	14.30%
2193	City of Heppner		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%
2160	City of Hermiston		16.27%	11.33%	14.06%	17.75%	11.53%	15.64%
2226	City of Hines		11.77%	10.44%	13.17%	15.65%	10.07%	14.18%
2138	City of Hood River		16.54%	10.01%	12.74%	18.21%	9.93%	14.04%
2196	City of Hubbard		17.48%	13.42%	16.15%	21.07%	12.74%	16.85%
2191	City of Huntington		51.47%	48.49%	51.22%	51.03%	44.62%	48.73%
2267	City of Independence		12.76%	8.54%	11.27%	16.11%	8.20%	12.31%
2266	City of Irrigon		11.23%	9.71%	12.44%	14.53%	9.60%	13.71%
2211	City of Jefferson		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%
2229	City of John Day		8.91%	4.76%	7.49%	9.90%	3.45%	7.56%
2256	City of Jordan Valley		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%



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SLGRP (Default Tier 1/Tier 2 Rates)								
City								
2199	City of Junction City		15.61%	10.44%	13.17%	16.43%	10.42%	14.53%
2287	City of King City		15.84%	6.89%	9.62%	16.07%	7.69%	11.80%
2148	City of Klamath Falls		9.04%	4.68%	7.41%	11.45%	4.37%	8.48%
2263	City of La Grande		15.92%	7.00%	9.73%	15.65%	6.27%	10.38%
2233	City of Lafayette		11.91%	8.91%	11.64%	14.05%	8.43%	12.54%
2120	City of Lake Oswego		16.56%	11.88%	14.61%	19.45%	11.87%	15.98%
2244	City of Lakeside		8.25%	5.92%	8.65%	7.03%	3.71%	7.82%
2140	City of Lebanon		11.21%	7.27%	10.00%	14.57%	7.26%	11.37%
2298	City of Lincoln City		10.72%	7.12%	9.85%	13.62%	7.10%	11.21%
2293	City of Lowell		11.80%	10.23%	12.96%	14.59%	9.38%	13.49%
2270	City of Lyons		13.45%	10.94%	13.67%	16.06%	11.13%	15.24%
2170	City of Madras		14.31%	9.97%	12.70%	17.66%	9.91%	14.02%
2247	City of Malin		9.64%	7.51%	10.24%	13.61%	7.68%	11.79%
2281	City of Manzanita		14.04%	10.06%	12.79%	18.31%	10.05%	14.16%
2117	City of McMinnville		18.28%	14.03%	16.76%	21.24%	14.02%	18.13%
2102	City of Medford		12.27%	6.90%	9.63%	13.49%	5.92%	10.03%
2207	City of Mill City		13.33%	11.56%	14.29%	17.19%	11.25%	15.36%
2286	City of Millersburg		13.33%	11.57%	14.30%	17.35%	11.36%	15.47%
2158	City of Milton-Freewater		15.07%	12.90%	15.63%	19.43%	12.68%	16.79%
2163	City of Milwaukie		12.28%	7.22%	9.95%	13.69%	6.25%	10.36%
2157	City of Monmouth		11.72%	8.42%	11.15%	14.81%	7.90%	12.01%
2209	City of Monroe		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%
2301	City of Moro		3.32%	3.71%	6.44%	11.70%	3.56%	7.67%
2302	City of Mt. Vernon		6.52%	5.42%	8.15%	13.21%	5.36%	9.47%
2197	City of Myrtle Creek		11.36%	8.09%	10.82%	14.02%	7.08%	11.19%
2183	City of Myrtle Point		7.43%	3.48%	6.21%	11.31%	4.10%	8.21%
2777	City of Newberg		14.91%	7.73%	10.46%	15.09%	7.11%	11.22%
2276	City of Newport		13.07%	4.15%	6.88%	14.57%	4.99%	9.10%
2292	City of North Bend		13.94%	8.55%	11.28%	15.57%	8.36%	12.47%
2192	City of North Plains		14.60%	8.41%	11.14%	14.88%	8.98%	13.09%
2308	City of North Powder		13.16%	8.91%	11.64%	12.84%	9.52%	13.63%
2166	City of Nyssa		15.49%	10.74%	13.47%	18.43%	10.58%	14.69%
2143	City of Oakland		21.78%	18.80%	21.53%	26.39%	19.98%	24.09%
2168	City of Oakridge		20.08%	15.31%	18.04%	24.26%	16.85%	20.96%
2119	City of Oregon City		12.51%	8.04%	10.77%	13.38%	7.44%	11.55%
2154	City of Pendleton		13.03%	7.70%	10.43%	14.59%	6.89%	11.00%
2187	City of Philomath		12.57%	8.50%	11.23%	14.51%	7.73%	11.84%
2249	City of Phoenix		8.52%	2.76%	5.49%	7.73%	1.49%	5.60%
2161	City of Pilot Rock		19.47%	15.33%	18.06%	22.00%	14.89%	19.00%

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SLGRP (Default Tier 1/Tier 2 Rates)								
City								
2184	City of Port Orford		12.53%	10.20%	12.93%	16.05%	10.14%	14.25%
2121	City of Portland		9.34%	7.52%	10.25%	13.34%	7.53%	11.64%
2122	City of Redmond		13.13%	8.57%	11.30%	13.37%	7.04%	11.15%
2139	City of Reedsport		5.12%	0.52%	3.25%	5.80%	0.45%	3.42%
2260	City of Riddle		9.12%	8.60%	11.33%	15.80%	8.63%	12.74%
2203	City of Rockaway Beach		11.97%	8.49%	11.22%	12.75%	8.62%	12.73%
2251	City of Rogue River		18.76%	14.43%	17.16%	21.56%	14.62%	18.73%
2100	City of Roseburg		21.59%	15.37%	18.10%	19.06%	11.08%	15.19%
2172	City of Sandy		13.75%	10.15%	12.88%	16.91%	10.23%	14.34%
2176	City of Scappoose		15.87%	11.80%	14.53%	17.95%	11.26%	15.37%
2254	City of Shady Cove		1.93%	0.49%	0.49%	0.53%	0.45%	0.45%
2142	City of Sherwood		16.01%	10.81%	13.54%	17.15%	10.81%	14.92%
2273	City of Silverton		13.43%	9.11%	11.84%	15.39%	8.68%	12.79%
2221	City of Sisters		10.96%	7.36%	10.09%	11.25%	6.95%	11.06%
2278	City of Springfield		11.28%	5.21%	7.94%	12.13%	5.33%	9.44%
2123	City of St Helens		19.31%	14.66%	17.39%	21.39%	14.99%	19.10%
2757	City of Stayton		19.14%	10.19%	12.92%	18.45%	10.07%	14.18%
2217	City of Sutherlin		8.81%	4.79%	7.52%	10.43%	3.21%	7.32%
2188	City of Talent		9.12%	6.05%	8.78%	13.65%	6.09%	10.20%
2295	City of Tigard		15.37%	6.44%	9.17%	15.07%	5.88%	9.99%
2128	City of Tillamook		13.07%	8.87%	11.60%	15.47%	9.43%	13.54%
2275	City of Toledo		6.63%	3.14%	5.87%	9.38%	2.13%	6.24%
2237	City of Troutdale		11.40%	7.35%	10.08%	14.10%	7.09%	11.20%
2288	City of Tualatin		17.51%	12.60%	15.33%	19.31%	12.50%	16.61%
2228	City of Turner		17.91%	12.21%	14.94%	17.47%	12.12%	16.23%
2175	City of Umatilla		5.87%	1.73%	4.46%	8.69%	2.33%	6.44%
2145	City of Vale		19.06%	17.86%	20.59%	24.47%	18.32%	22.43%
2285	City of Veneta		9.69%	8.16%	10.89%	15.06%	8.53%	12.64%
2125	City of Vernonia		8.07%	5.10%	7.83%	9.82%	4.58%	8.69%
2200	City of Wallowa		7.56%	4.27%	7.00%	9.72%	5.47%	9.58%
2238	City of Warrenton		14.63%	9.93%	12.66%	17.56%	10.36%	14.47%
2126	City of West Linn		12.95%	9.02%	11.75%	15.64%	8.61%	12.72%
2265	City of Westfir		6.15%	1.19%	3.92%	8.68%	2.27%	6.38%
2147	City of Wheeler		11.50%	8.52%	11.25%	18.87%	12.46%	16.57%
2240	City of Wilsonville		12.24%	10.56%	13.29%	16.59%	10.55%	14.66%
2280	City of Winston		8.28%	2.48%	5.21%	10.74%	2.77%	6.88%
2185	City of Wood Village		10.56%	9.60%	12.33%	15.41%	9.33%	13.44%
2303	City of Woodburn		13.42%	9.38%	12.11%	16.29%	9.24%	13.35%
2300	City of Yachats		9.64%	7.38%	10.11%	13.86%	7.56%	11.67%

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<b>SLGRP (Default Tier 1/Tier 2 Rates)</b>								
<b>City</b>								
2214	City of Yamhill		12.56%	6.62%	9.35%	11.68%	5.64%	9.75%
2307	City of Yoncalla		14.99%	10.74%	13.47%	14.02%	10.70%	14.81%
2255	Town of Canyon City		12.98%	13.37%	16.10%	20.91%	14.50%	18.61%
2212	Town of Lakeview		5.71%	0.49%	2.98%	8.24%	1.36%	5.47%
<b>County</b>								
2021	Baker County		13.39%	8.93%	11.66%	14.60%	8.59%	12.70%
2040	Benton County		9.86%	6.27%	9.00%	11.45%	5.51%	9.62%
2036	Clatsop County		10.06%	6.17%	8.90%	12.13%	4.95%	9.06%
2017	Columbia County		10.68%	6.60%	9.33%	11.50%	4.68%	8.79%
2018	Coos County		18.01%	13.79%	16.52%	20.88%	13.90%	18.01%
2044	Crook County		12.02%	3.09%	5.82%	11.80%	2.60%	6.71%
2027	Deschutes County		10.84%	6.70%	9.43%	13.26%	6.67%	10.78%
2022	Gilliam County		13.24%	10.30%	13.03%	16.38%	10.30%	14.41%
2012	Grant County		0.59%	0.49%	0.49%	1.21%	0.45%	0.45%
2004	Harney County		11.81%	8.56%	11.29%	15.08%	8.76%	12.87%
2035	Hood River County		6.23%	2.89%	5.62%	6.79%	0.91%	5.02%
2005	Jackson County		13.59%	9.78%	12.51%	16.10%	9.42%	13.53%
2042	Josephine County		15.36%	11.45%	14.18%	17.59%	11.31%	15.42%
2007	Klamath County		4.69%	0.49%	0.49%	5.99%	0.45%	1.02%
2000	Lake County		12.75%	8.63%	11.36%	14.92%	8.33%	12.44%
2043	Lincoln County		11.44%	2.53%	5.26%	11.95%	2.40%	6.51%
2009	Marion County		10.41%	6.53%	9.26%	12.44%	5.76%	9.87%
2038	Multnomah County		11.86%	8.15%	10.88%	14.79%	8.07%	12.18%
2016	Sherman County		16.46%	12.81%	15.54%	18.89%	12.78%	16.89%
2013	Umatilla County		9.60%	5.64%	8.37%	10.93%	4.21%	8.32%
2020	Wasco County		12.64%	9.80%	12.53%	15.87%	8.86%	12.97%
2011	Washington County		15.23%	11.15%	13.88%	17.75%	11.11%	15.22%
<b>Special Districts</b>								
2742	Amity Fire District		15.63%	6.74%	9.47%	16.02%	5.65%	9.76%
2631	Arch Cape Water-Sanitary District		9.14%	7.59%	10.32%	13.69%	7.55%	11.66%
2602	Aumsville Rural Fire Protection District		16.82%	8.90%	11.63%	14.43%	6.85%	10.96%
2804	Aurora Rural Fire Protection District		11.52%	2.57%	5.30%	11.45%	3.07%	7.18%
2728	Baker County Library District		13.20%	10.44%	13.17%	15.64%	10.69%	14.80%
2601	Baker Valley Irrigation District		0.59%	0.49%	0.49%	1.74%	0.45%	0.45%
2749	Black Butte Ranch Police		13.43%	5.10%	7.83%	13.87%	5.15%	9.26%
2558	Boring Fire Department		16.22%	7.93%	10.66%	17.12%	7.50%	11.61%
2595	Canby Fire District		20.07%	11.31%	14.04%	19.32%	10.41%	14.52%
2731	Canby Utility Board		12.82%	11.28%	14.01%	17.04%	11.23%	15.34%
2840	Cannon Beach Rural Fire Protection District		19.99%	11.04%	13.77%	19.41%	11.03%	15.14%

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SLGRP (Default Tier 1/Tier 2 Rates)									
Special Districts									
2820	Central Oregon Coast Fire & Rescue District		13.74%	4.79%	7.52%		13.02%	4.64%	8.75%
2563	Central Oregon Irrigation District		16.45%	14.12%	16.85%		19.10%	14.03%	18.14%
2567	Charleston Rural Fire Protection District		17.21%	8.30%	11.03%		17.03%	7.23%	11.34%
2699	Chetco Library Board		11.46%	10.72%	13.45%		17.31%	10.64%	14.75%
2745	Clackamas County Fire District		17.82%	9.43%	12.16%		17.55%	8.34%	12.45%
2761	Clackamas River Water		16.37%	13.76%	16.49%		18.71%	13.86%	17.97%
2538	Clackamas Vector Control		17.32%	17.71%	20.44%		23.00%	14.86%	18.97%
2707	Clatskanie Library		12.50%	11.69%	14.42%		18.44%	11.58%	15.69%
2526	Clatskanie PUD		18.22%	16.21%	18.94%		23.28%	17.02%	21.13%
2588	Clatskanie Rural Fire Protection District		13.30%	4.39%	7.12%		14.58%	4.90%	9.01%
2617	Clean Water Services		8.01%	6.87%	9.60%		12.29%	5.96%	10.07%
2681	Cloverdale Rural Fire Protection District		27.76%	18.87%	21.60%		25.27%	15.01%	19.12%
2801	Coburg Rural Fire Protection District		15.21%	6.26%	8.99%		14.26%	5.88%	9.99%
2649	Colton Fire Department		14.97%	6.08%	8.81%		16.92%	6.55%	10.66%
2671	Columbia 911 Communications District		12.80%	10.31%	13.04%		15.13%	10.24%	14.35%
2687	Columbia Drainage Vector Control District		26.57%	24.88%	27.61%		27.00%	21.02%	25.13%
2528	Columbia River Fire & Rescue		14.16%	5.37%	8.10%		13.67%	4.66%	8.77%
2612	Community Services Consortium		12.39%	9.96%	12.69%		14.64%	9.63%	13.74%
2860	Coos County Airport District		10.44%	6.19%	8.92%		10.38%	7.06%	11.17%
2603	Corbett Water District		14.09%	11.11%	13.84%		17.49%	11.08%	15.19%
2545	Council of Governments		13.06%	11.10%	13.83%		16.57%	11.07%	15.18%
2834	Crescent Rural Fire Protection District		20.71%	11.82%	14.55%		21.97%	11.60%	15.71%
2844	Crook County Rural Fire Protection District #1		18.99%	10.72%	13.45%		18.22%	10.73%	14.84%
2647	Crooked River Ranch Rural Fire Protection District		13.62%	10.64%	13.37%		16.13%	9.72%	13.83%
2571	Crystal Springs Water District		12.08%	10.72%	13.45%		13.39%	10.07%	14.18%
2718	Curry Library		0.59%	0.49%	0.49%		0.53%	0.45%	0.45%
2576	Depoe Bay Rural Fire Protection District		12.46%	9.48%	12.21%		17.89%	9.75%	13.86%
2822	Deschutes County Rural Fire Protection District #2		14.95%	10.70%	13.43%		13.98%	10.66%	14.77%
2642	Dexter Rural Fire Protection District		17.63%	8.74%	11.47%		18.43%	8.06%	12.17%
2851	East Umatilla County Rural Fire Protection District		15.47%	6.52%	9.25%		15.60%	7.22%	11.33%
2784	Eisenschmidt Pool		12.70%	8.45%	11.18%		12.68%	9.36%	13.47%
2557	Estacada Fire Department		2.55%	0.49%	0.49%		5.43%	0.45%	0.45%
2798	Fairview Water District		11.26%	11.65%	14.38%		18.34%	10.20%	14.31%
2789	Farmers Irrigation District		4.94%	4.56%	7.29%		10.33%	2.99%	7.10%
2824	Glide Fire Department		7.84%	8.23%	10.96%		15.83%	7.69%	11.80%
2573	Goshen Fire District		32.10%	23.21%	25.94%		35.84%	29.43%	33.54%
2511	Grants Pass Irrigation District		11.77%	12.16%	14.89%		20.24%	12.10%	16.21%
2765	Green Sanitary		11.38%	9.51%	12.24%		15.31%	9.54%	13.65%
2855	Harney Hospital		8.43%	5.73%	8.46%		13.10%	8.05%	12.16%

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SLGRP (Default Tier 1/Tier 2 Rates)								
Special Districts								
2819	Harrisburg Fire/Rescue		19.50%	10.61%	13.34%	18.76%	10.38%	14.49%
2838	High Desert Parks & Recreation District		15.75%	11.50%	14.23%	14.79%	11.47%	15.58%
2607	Hoodland Fire District #74		17.59%	9.13%	11.86%	18.45%	9.33%	13.44%
2510	Horsefly Irrigation District		24.76%	21.78%	24.51%	52.13%	45.72%	49.83%
2773	Housing Authority of Jackson County		15.87%	12.94%	15.67%	17.24%	12.76%	16.87%
2829	Hubbard Rural Fire Protection District		2.73%	0.49%	2.48%	7.52%	1.11%	5.22%
2564	Illinois Valley Fire District		6.59%	0.49%	0.49%	10.73%	2.35%	6.46%
2651	Imbler Rural Fire Protection District		22.32%	13.45%	16.18%	22.10%	11.73%	15.84%
2715	Jackson County Fire District #3		13.15%	4.50%	7.23%	14.17%	5.26%	9.37%
2620	Jackson County Fire District #4		22.62%	13.73%	16.46%	23.26%	12.89%	17.00%
2541	Jackson County Vector Control District		9.82%	10.21%	12.94%	17.88%	9.74%	13.85%
2712	Jefferson County EMS		14.28%	11.56%	14.29%	15.11%	11.71%	15.82%
2846	Jefferson County Library District		16.30%	12.36%	15.09%	16.05%	12.27%	16.38%
2561	Jefferson Rural Fire Protection District		7.48%	0.49%	2.96%	10.87%	2.65%	6.76%
2763	Junction City Fire Department		17.73%	9.61%	12.34%	17.71%	9.29%	13.40%
2559	Keizer Fire Department		15.73%	7.18%	9.91%	16.34%	7.32%	11.43%
2710	Klamath County Emergency Communications District		14.14%	12.83%	15.56%	18.35%	12.79%	16.90%
2721	Klamath Housing Authority		11.18%	9.43%	12.16%	14.95%	9.15%	13.26%
2624	Klamath Vector Control		14.61%	15.00%	17.73%	21.12%	12.98%	17.09%
2579	La Pine Rural Fire Protection District		16.38%	7.74%	10.47%	16.24%	7.59%	11.70%
2850	Lake County 4-H & Extension Service		2.72%	3.11%	5.84%	12.82%	6.41%	10.52%
2768	Lake County Library District		11.85%	12.24%	14.97%	19.95%	11.81%	15.92%
2522	Lane Council of Governments		12.63%	11.35%	14.08%	17.12%	10.94%	15.05%
2883	Lane Fire Authority		N/A	N/A	N/A	20.05%	10.64%	14.75%
2849	Lebanon Aquatic District		6.68%	6.98%	9.71%	15.07%	10.75%	14.86%
2705	Lebanon Fire District		18.45%	9.75%	12.48%	19.23%	9.25%	13.36%
2753	Linn-Benton Housing Authority		7.35%	4.47%	7.20%	8.91%	4.41%	8.52%
2572	Local Government Personnel Institute		14.71%	13.55%	16.28%	17.09%	11.44%	15.55%
2700	Lowell Rural Fire Protection District		0.59%	0.49%	0.49%	0.53%	0.45%	0.45%
2823	Lyons Fire District		16.77%	13.79%	16.52%	20.22%	13.81%	17.92%
2580	Marion County Fire District #1		23.16%	14.97%	17.70%	23.45%	14.63%	18.74%
2598	Marion County Housing Authority		0.59%	0.49%	0.67%	0.53%	0.45%	0.45%
2628	McKenzie Fire And Rescue		10.22%	4.58%	7.31%	12.96%	4.65%	8.76%
2592	Medford Irrigation District		10.50%	10.19%	12.92%	16.74%	9.70%	13.81%
2594	Metro		8.94%	7.03%	9.76%	11.82%	6.29%	10.40%
2663	Metropolitan Area Communications Commission		8.28%	7.92%	10.65%	17.10%	9.73%	13.84%
2811	Mid-Columbia Center For Living		13.69%	11.35%	14.08%	16.66%	11.34%	15.45%
2657	Mid-Willamette Valley Senior Service Agency		9.83%	7.90%	10.63%	12.76%	7.19%	11.30%
2853	Mill City Rural Fire Protection District		11.77%	2.82%	5.55%	11.22%	2.84%	6.95%

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		Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll	Tier 1/ Payroll	Tier 2 Payroll	OPSRP General Service Payroll	OPSRP Police and Fire Payroll
		<b>SLGRP (Default Tier 1/Tier 2 Rates)</b>							
<b>Special Districts</b>									
2752	Mist-Birkenfeld Rural Fire Protection District	13.64%	5.35%	8.08%	0.53%	0.45%	0.45%		
2758	Mohawk Valley Rural Fire District	13.22%	4.33%	7.06%	7.60%	1.19%	5.30%		
2568	Molalla Rural Fire Protection District #73	25.25%	16.32%	19.05%	25.90%	17.19%	21.30%		
2555	Monroe Fire Department	12.91%	3.96%	6.69%	12.26%	3.88%	7.99%		
2778	Mulino Water District #23	15.52%	11.27%	14.00%	14.59%	11.27%	15.38%		
2806	Multnomah County Rural Fire Protection District #14	15.25%	11.00%	13.73%	14.29%	10.97%	15.08%		
2508	Multnomah Drainage	16.99%	15.05%	17.78%	18.62%	13.91%	18.02%		
2869	Nehalem Bay Fire & Rescue	22.32%	13.40%	16.13%	23.26%	12.89%	17.00%		
2780	Nehalem Bay Health District	13.42%	10.44%	13.17%	13.69%	7.28%	11.39%		
2858	Nesika Beach-Ophir Water District	11.57%	8.59%	11.32%	16.74%	8.73%	12.84%		
2716	Neskowin Water District	10.86%	11.25%	13.98%	19.20%	11.06%	15.17%		
2674	Nestucca Rural Fire District	13.05%	4.10%	6.83%	11.86%	3.48%	7.59%		
2818	Netarts Water District	13.33%	9.08%	11.81%	12.60%	9.28%	13.39%		
2830	Netarts-Oceanside Rural Fire Protection District	19.69%	10.74%	13.47%	18.91%	10.53%	14.64%		
2604	Netarts-Oceanside Sanitary District	6.53%	3.69%	6.42%	8.68%	3.88%	7.99%		
2837	NORCOM	8.39%	6.14%	8.87%	12.67%	7.38%	11.49%		
2781	North Bend/Coos-Curry Housing Authority	27.64%	26.42%	29.15%	40.26%	33.72%	37.83%		
2638	North Douglas County Fire and EMS	18.03%	9.10%	11.83%	15.58%	7.01%	11.12%		
2793	North Lincoln Fire & Rescue District #1	16.53%	8.12%	10.85%	17.97%	8.94%	13.05%		
2839	North Morrow Vector Control District	15.50%	11.25%	13.98%	14.53%	11.21%	15.32%		
2792	North Wasco County Parks And Recreation District	10.88%	11.27%	14.00%	19.22%	11.08%	15.19%		
2825	Northern Oregon Corrections	9.08%	2.96%	5.69%	11.07%	4.38%	8.49%		
2504	Oak Lodge Water District	16.29%	14.89%	17.62%	21.20%	14.94%	19.05%		
2852	Ochoco Irrigation District	9.89%	5.64%	8.37%	8.30%	4.98%	9.09%		
2562	Odell Rural Fire Protection District	16.60%	13.62%	16.35%	21.18%	12.80%	16.91%		
2816	Odell Sanitary District	15.53%	11.28%	14.01%	15.39%	12.07%	16.18%		
2880	Oregon Health & Science University	9.47%	7.79%	10.52%	12.69%	6.76%	10.87%		
2531	Oregon School Boards Association	14.09%	12.97%	15.70%	19.93%	13.00%	17.11%		
2774	Oregon Trail Library District	10.70%	11.09%	13.82%	18.14%	10.00%	14.11%		
2684	Parkdale Fire District	22.55%	13.60%	16.33%	21.86%	13.48%	17.59%		
2694	Philomath Fire Department	18.91%	10.00%	12.73%	19.03%	9.54%	13.65%		
2650	Pleasant Hill Fire Department	11.93%	8.95%	11.68%	14.54%	8.13%	12.24%		
2513	Port of Coos Bay	12.61%	11.14%	13.87%	16.75%	11.16%	15.27%		
2741	Port of Garibaldi	9.97%	8.78%	11.51%	14.14%	8.54%	12.65%		
2625	Port of Newport	4.06%	4.01%	6.74%	6.68%	0.45%	3.65%		
2512	Port of Portland	9.80%	6.51%	9.24%	11.61%	5.54%	9.65%		
2501	Port of The Dalles	0.59%	0.49%	0.49%	3.79%	0.45%	3.31%		
2713	Port of Tillamook Bay	10.90%	9.19%	11.92%	13.06%	8.54%	12.65%		
2673	Port Orford Library	2.41%	0.49%	0.89%	0.53%	0.45%	0.45%		

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SLGRP (Default Tier 1/Tier 2 Rates)									
Special Districts									
2519	Portland Housing Authority		10.70%	8.41%	11.14%		13.06%	7.87%	11.98%
2542	Rainbow Water District		12.99%	13.38%	16.11%		21.22%	13.08%	17.19%
2776	Rainier Cemetery District		0.59%	0.49%	0.49%		7.67%	1.26%	5.37%
2590	Redmond Fire & Rescue		15.80%	7.17%	9.90%		16.71%	7.66%	11.77%
2549	Rogue River Fire District		14.89%	6.96%	9.69%		14.61%	5.81%	9.92%
2585	Rogue River Valley Irrigation District		24.60%	21.59%	24.32%		26.08%	22.76%	26.87%
2669	Roseburg Urban Sanitary Authority		9.01%	8.02%	10.75%		14.63%	8.10%	12.21%
2802	Rural Road Assessment District #3		15.53%	11.28%	14.01%		14.55%	11.23%	15.34%
2551	Sandy Fire Department		15.53%	7.12%	9.85%		13.94%	5.08%	9.19%
2544	Santa Clara Rural Fire Protection District		19.34%	10.45%	13.18%		21.81%	11.44%	15.55%
2709	Scappoose Public Library		0.59%	0.49%	2.95%		11.68%	3.54%	7.65%
2739	Scappoose Rural Fire Protection District		19.69%	10.76%	13.49%		19.55%	10.48%	14.59%
2605	Scio Fire District		0.59%	0.49%	0.49%		0.53%	0.45%	0.45%
2786	Seal Rock Rural Fire Protection District		6.46%	0.49%	0.49%		10.45%	2.07%	6.18%
2734	Seal Rock Water District		7.03%	4.68%	7.41%		11.85%	7.07%	11.18%
2630	Sheridan Fire District		16.64%	7.75%	10.48%		18.31%	7.94%	12.05%
2790	Silver Falls Library District		13.07%	10.19%	12.92%		15.25%	10.59%	14.70%
2659	Silverton Fire District		16.31%	8.73%	11.46%		17.92%	8.60%	12.71%
2692	Siuslaw Public Library		12.27%	9.13%	11.86%		13.36%	8.52%	12.63%
2794	Siuslaw Rural Fire Protection District #1		18.75%	11.50%	14.23%		22.41%	12.08%	16.19%
2599	South Suburban Sanitary District		11.76%	10.65%	13.38%		17.17%	10.88%	14.99%
2766	Southwest Lincoln County Water District		13.10%	9.86%	12.59%		13.98%	9.48%	13.59%
2706	Stanfield Fire District		16.07%	7.18%	9.91%		15.85%	5.48%	9.59%
2696	Stayton Fire District		19.40%	11.29%	14.02%		19.21%	11.34%	15.45%
2799	Sublimity Fire District		14.11%	6.65%	9.38%		14.43%	7.47%	11.58%
2641	Suburban East Salem Water District		11.83%	10.77%	13.50%		16.76%	10.65%	14.76%
2857	Sunriver Service District		15.03%	6.42%	9.15%		13.66%	5.54%	9.65%
2810	Sutherlin Water Control District		12.45%	9.47%	12.20%		15.88%	9.47%	13.58%
2847	Sweet Home Fire and Ambulance District		18.82%	10.86%	13.59%		19.62%	10.02%	14.13%
2582	Talent Irrigation District		13.33%	12.84%	15.57%		19.47%	12.25%	16.36%
2553	Tangent Rural Fire Protection District		32.96%	39.09%	41.82%		36.26%	25.89%	30.00%
2814	The Job Council		34.21%	31.89%	34.62%		38.57%	33.68%	37.79%
2652	The Oregon Consortium		16.30%	15.18%	17.91%		24.25%	16.11%	20.22%
2626	Tillamook Peoples Utility District		12.31%	10.91%	13.64%		17.11%	10.85%	14.96%
2864	Tri-City Water and Sanitary Authority		10.99%	9.15%	11.88%		12.36%	9.04%	13.15%
2660	Tualatin Valley Fire & Rescue		15.92%	7.75%	10.48%		16.03%	7.17%	11.28%
2587	Tualatin Valley Irrigation District		9.32%	8.40%	11.13%		13.81%	7.98%	12.09%
2842	Tualatin Valley Water District		10.09%	8.02%	10.75%		13.66%	8.22%	12.33%
2772	Umatilla County Soil & Water District		9.55%	6.57%	9.30%		13.32%	6.91%	11.02%

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SLGRP (Default Tier 1/Tier 2 Rates)										
Special Districts										
2732	Umatilla County Special Library District		3.77%	4.16%	6.89%			10.69%	2.55%	6.66%
2653	Umatilla Fire Department		14.98%	6.09%	8.82%			18.07%	7.70%	11.81%
2826	Wasco County Soil-Water Conservation District		12.14%	7.89%	10.62%			10.84%	7.52%	11.63%
2695	Washington County Consolidated Communications Agency		14.10%	11.78%	14.51%			17.53%	11.79%	15.90%
2578	Washington County Fire District #2		22.59%	13.65%	16.38%			22.24%	13.61%	17.72%
2540	West Extension Irrigation District		10.66%	6.41%	9.14%			9.28%	5.96%	10.07%
2867	West Multnomah Soil And Water Conservation District		14.14%	12.97%	15.70%			19.35%	12.89%	17.00%
2589	West Slope Water District		19.75%	16.62%	19.35%			21.59%	16.86%	20.97%
2606	West Valley Housing Authority		11.14%	9.74%	12.47%			15.22%	9.29%	13.40%
2754	Western Lane Ambulance District		12.85%	10.83%	13.56%			15.43%	10.81%	14.92%
2817	Wickiup Water District		14.79%	11.81%	14.54%			17.36%	10.95%	15.06%
2552	Winston-Dillard Fire District		28.46%	19.84%	22.57%			29.58%	20.07%	24.18%
2600	Winston-Dillard Water District		12.74%	10.01%	12.74%			14.88%	10.09%	14.20%
2676	Woodburn Fire District		27.45%	18.52%	21.25%			27.08%	18.19%	22.30%
2843	Yachats Rural Fire Protection District		17.45%	8.60%	11.33%			18.18%	9.67%	13.78%
2726	Yamhill Communications Agency		13.30%	11.02%	13.75%			16.72%	10.97%	15.08%
State										
1000	State Agencies		10.96%	8.14%	10.87%			13.81%	7.31%	11.42%





# Oregon

John A. Kitzhaber, M.D., Governor

## Public Employees Retirement System

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11410 S.W. 68<sup>th</sup> Parkway, Tigard, OR  
Mailing Address:  
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September 26, 2014

TO: Members of the PERS Board

SUBJECT: Executive Director Recruitment and Appointment

Per ORS 238.630(3)(b), PERS Board...shall employ a director. Current Executive Director Paul R Cleary announced his retirement effective December 1, 2014. At the August 14, 2014 Board Meeting, the Board approved a process and timeline and adopted standards, criteria and policy directives for recruitment of the PERS Executive Director position. The Board received no public comments at this meeting. The recruitment process was coordinated by Enrique Sama, Executive Recruiter at Department of Administrative Services (DAS), Human Resources.

Earlier today, PERS Board met in Executive Session to consider the employment of a new Executive Director.

### BOARD OPTIONS

The Board may:

1. Pass a motion to appoint an Executive Director from the candidates reviewed.
2. Direct staff to work with Mr. Sama to continue recruiting for new applicants for the position and consider those applicants at a future Board Meeting.