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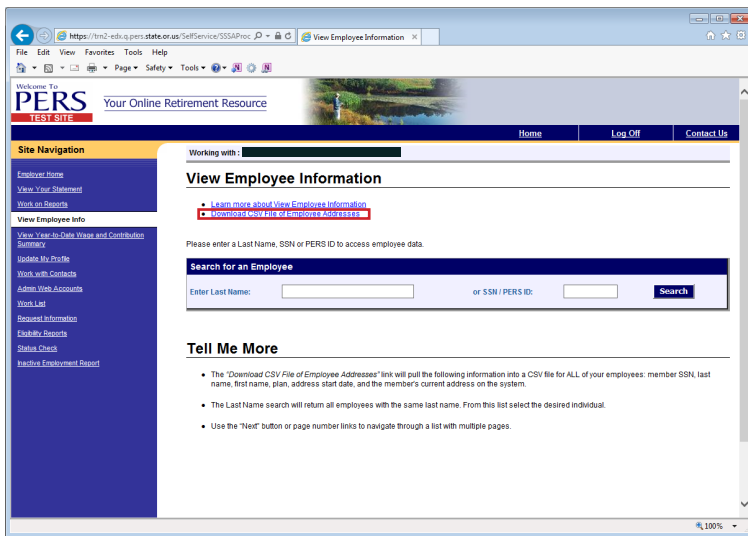
## 2018 Member Annual Statements

2018 Member Annual Statements are scheduled to be mailed by the end of May 2019.

Annual statements will be mailed to the member's address that employers have provided to PERS. Please review your records to make sure that you have updated all employee address changes with PERS.

PERS will use the addresses on file as of **Friday, March 8, 2019**, to mail 2018 annual statements. If a correction is needed, please submit a DTL1 record with a 00-no change status code no later than **Thursday, March 7**.

You can view your employees' addresses on file with PERS by going to "View Employee Info" in the Site Navigation of any EDX page. The "Download CSV File of Employee Addresses" link will generate a CSV file which will allow you to view all of your employees. Alternately, you can enter a last name, SSN, or PERS ID to access individual employee data.



## 2018 year-end reconciliation continues

We are now midway through the second and final phase of 2018 reconciliation. We ask employers to continue efforts to resolve remaining 2018 eligibility issues and post related records and reports. Phase two of 2018 reconciliation closes February 28, 2019, but employers have until the March 5, 2019 statement to resolve errors and post records for the 2018 calendar year. Contributions invoiced through March 5, 2019, and paid when due, will be credited with earnings from the PERS trust for calendar year 2018. If contributions are not paid when due, PERS will invoice employers for 2018 earnings.

Please consult your ESC account representative if you have questions about remaining calendar year 2018 records and reports.

## Update: Employer Rate Relief Programs

### School Districts Unfunded Liability Fund

The School Districts Unfunded Liability Fund, established by Senate Bill 1566 (2018), went into effect January 1, 2019. The first transfer of revenue to the School Districts Unfunded Liability Fund will be in the amount of \$11,539,471 from interest on unclaimed property, through the Department of State Lands. Additionally, the Governor's Recommended Budget includes a \$100 million General Fund appropriation for this fund. When they are available, according to law, there are five revenue sources for the School Districts Unfunded Liability Fund:

- Interest on Unclaimed Property - transferred annually.
- Proceeds from Debt Collection - first transfer expected 2020.
- Proceeds from Capital Gains taxes - transferred biennially.
- Proceeds from Estate taxes - transferred biennially.
- Repatriated foreign earnings - one-time transfer expected in 2021.

# PERS EMPLOYER NEWSLETTER FEBRUARY 2019

Currently, in order to apply a 1 percent rate offset to the School Districts Pool's contribution rates, the School Districts Unfunded Liability Fund will need at least \$435 million.

## Employer Incentive Fund

Senate Bill 1566 requires the Employer Incentive Fund be fully funded prior to PERS accepting applications. However, revenues are not expected to flow into the fund until 2021 and the bill, as originally drafted, requires the application period to end by December 31, 2019. PERS has requested Senate Bill 75 (2019) to, among other things, fix this timing conflict for the Employer Incentive Fund. If adopted, PERS will be able to immediately begin accepting applications (which will be posted on the PERS Employer website) and accept employers into the Employer Incentive Fund based on projected moneys. Once the Employer Incentive Fund is capitalized in 2021, matching funds will be transferred to the qualifying employers' side accounts.

The [Employer Rate Projection Tool](#), which can help employers estimate their own potential employer contribution rates and amounts for planning purposes, has also been updated with data and assumptions from the December 31, 2017 actuarial valuation.

If you have any questions, comments or concerns, please contact Actuarial Services at [side.account.legislation@pers.state.or.us](mailto:side.account.legislation@pers.state.or.us).

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## OPSRP Loss-of-Membership (LOM)

OPSRP Pension Program members who are not vested and who have had five consecutive calendar years with less than 600 hours of service may go into OPSRP Pension Program LOM status. This means the member forfeits all retirement credit accrued prior to the LOM date, and also terminates their OPSRP Pension Program membership. If the former member is employed by a participating public employer after that date, a new waiting time must be served in order to reestablish membership in the OPSRP Pension Program.

Each year, PERS runs the OPSRP LOM batch on the third Friday of January during the PERS nightly batch schedule. The OPSRP LOM batch updates member accounts to apply LOM status to those who meet the LOM criteria described above as of December 31, 2018.

Here is what happened to an impacted employee's PERS records:

1. A LOM status date of December 31, 2018, was added.
2. If EDX records indicated that the employee was still working on and after January 1, 2019, an employment end date (termination) of December 31, 2018, was added in order to allow the LOM status change on EDX.
3. The employee lost retirement credit prior to the LOM effective date.
4. If the employee continues working, or returns to work, for a PERS-covered employer, the employee must serve a new six-month waiting period in a qualifying position, performing 600 or more hours of service in a calendar year.
5. Individual Account Program (IAP) accounts are not impacted by OPSRP Pension Program LOM status.

If you have an impacted employee who is still working for you in 2019, please contact your account representative or submit a Demographic Corrections Request (DCR).

Upon your request, PERS will manually add a January 1, 2019 employment start date to continue the employment with the same qualifying or non-qualifying hire intent originally posted on the pre-2019 employment segment. You do not need to request removal of the termination or report a New Hire record in EDX.

If the employee is employed in a qualifying position for 2019, a new contribution start date (CSD) will also be added. You may continue to report salary information for this employee in 2019, but contributions will not be due until a new six-month waiting time has been met.

Please contact your ESC account representative with any questions.

<https://www.oregon.gov/pers/EMP/Pages/ESC-Representatives.aspx>

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## Member education and retirement planning sessions

PERS offers a number of opportunities to help PERS-covered employees understand their PERS retirement benefits, including free education sessions throughout the state for members in all stages of their careers. PERS also offers help reviewing retirement forms when it is time to retire.

Please share the following information about our education and retirement planning sessions with your staff.

We offer sessions on the following topics:

### Retirement Readiness

This session is for Tier One and Tier Two members within three years of retirement.

### Introduction to PERS Retirement

This session is for Tier One and Tier Two members more than three years from retirement.

### All About OPSRP (Oregon Public Service Retirement Plan)

This session is for OPSRP members (hired after August 28, 2003) at any stage of their career.

Each of these sessions provide valuable retirement planning information. We hope staff will register and take advantage of one of these educational opportunities.

Staff can register for a session by going to the following link:

<https://www.oregon.gov/pers/MEM/Pages/index.aspx>.

Once there, click on "Education Sessions" under either the [Tier One/Tier Two](#) or the [OPSRP](#) headings. Class size is limited, so registration is required.

### Retirement Application Assistance Sessions (RAAS)

PERS also offers individual appointments with a PERS staff member where retiring members can have their PERS retirement paperwork reviewed for accuracy and completeness within the 90 days before their PERS retirement date. Members can also have their paperwork notarized during the session at no cost. These appointments are called Retirement Application Assistance Sessions (RAAS).

Registration can be found through this link:

<https://www.oregon.gov/pers/MEM/Pages/RAAS/Retirement-Application-Assistance-Sessions.aspx>.

PERS will be conducting retirement education sessions and RAAS in the following cities in February, March, and April:

- Albany
- Ashland
- Astoria
- Bend
- Central Point
- Coos Bay
- Corvallis
- Eugene
- Grants Pass
- Gresham
- Hillsboro
- Hood River
- Klamath Falls
- Medford
- Oregon City
- Redmond
- Roseburg
- Salem
- Springfield
- St. Helens
- The Dalles
- Tigard
- Tillamook