

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



EMPLOYER NEWS

JUNE
2021

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QUICK LINKS

COVID-19 and paid leave
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PERS employer website

NEW ON THE WEBSITE

“Guide to Understanding Pooling”: This new UALRP guide explains how pooling works for the SDP and the SLGRP.

Overview of PERS for Your Employees: We added links for retirement and the member journey.



New rates effective July 1, 2021

The new employer contribution rate reported in your 2019 actuarial valuation goes into effect this July 1.

This means that for pay dates on or after July 1, 2021, you will be charged the rate reported in your latest actuarial valuation. If you have not yet downloaded your valuation, go to [Actuarial Valuations](#).

About new rates

Every odd year, PERS’ consulting actuary calculates the rate that your agency needs to pay to keep your employees’ current and future retirement benefits funded. The actuary uses the data you provide along with economic and demographic assumptions approved by the PERS Board.

Your valuation provides a detailed breakdown of your net contribution rate, which includes or is affected by:

Normal cost	Unfunded actuarial liability (UAL)
Employer pool	Retiree healthcare
Side accounts (if applicable)	Transition liabilities/surpluses (if applicable)
Tier One/Tier Two payroll	Total payroll

Member redirect offset

A new rate factor this year is the “member redirect offset,” which is a result of the [Senate Bill 1049 Member \(IAP\) Redirect](#) that began in 2020. The member redirect offset reduces your normal cost.

View your new rate

Remember that you can see what rate is applying along with the salary pay date in your statement. To find your rate in EDX, click through these screens:

1. View Your Statement.
2. Your Current Contribution Rates (example shown on next page).

Continued

Employer satisfaction survey is now closed Thank you!

Thank you to everyone who filled out the survey.

We are collecting and analyzing the results to determine how to serve you better.

Your Current Contribution Rates

Rate Category	Normal Cost Rate Percentage	Combined UAL Rate Percentage	Net Rate Percentage
PERS General Service	13.85%	9.01%	22.86%
PERS Police & Fire	13.85%		22.86%
OPSRP General Service	8.40%		17.41%
OPSRP Police & Fire	13.03%		22.04%

3. Current Employer Statement.
4. Remittance Statement: Invoice Details (fourth section).
5. Contributions Pension invoice (choose one).
6. Select OPSRP Pension or PERS.
7. Note the rate in the ER Rate column.

Salary Pay Date	MPAT MPPT	EPPT Unit	Opt ER IAP Employer	ER Rate	Total Contributions
\$ 2,381.74 03/19/2021	\$ 0.00 \$ 0.00	\$ 0.00 \$ 0.00	\$ 0.00 \$ 329.87	13.85%	\$ 329.87
\$ 2,495.62 03/19/2021	\$ 0.00 \$ 0.00	\$ 0.00 \$ 0.00	\$ 0.00 \$ 345.65	13.85%	\$ 345.65
\$ 5,414.50 03/19/2021	\$ 0.00 \$ 0.00	\$ 0.00 \$ 0.00	\$ 0.00 \$ 749.91	13.85%	\$ 749.91

For assistance

If you have any questions or concerns about your statements please contact your [Employer Service Center representative](#).

If you have questions or concerns about your contribution rate, please contact Actuarial.Services@pers.state.or.us.

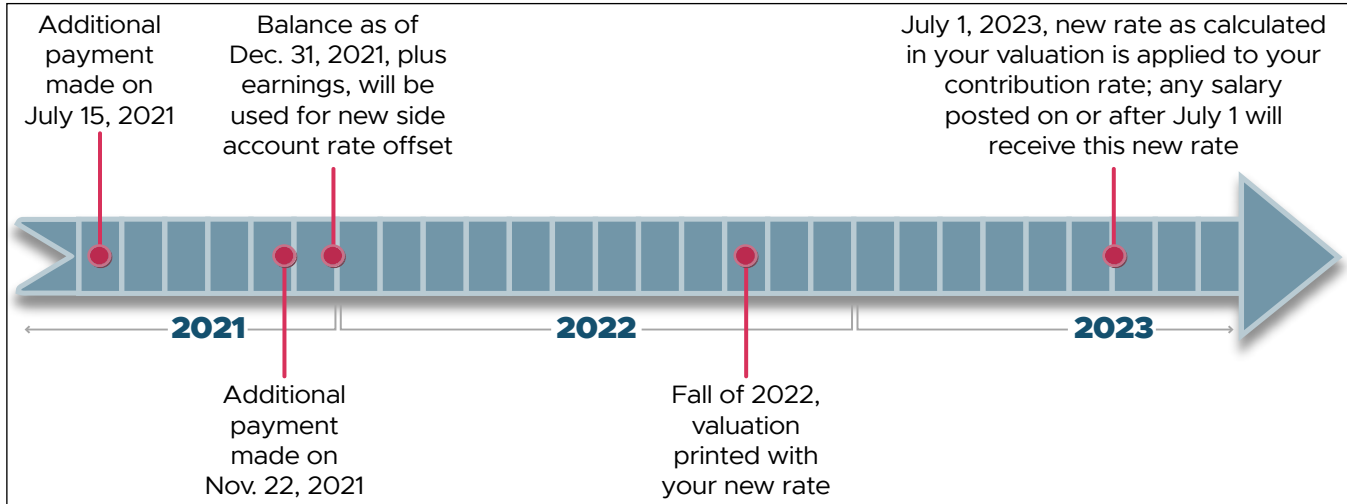
FYI: Making side account deposits

If you have an existing side account, you can make up to two additional payments per year per side account with no minimum or maximum payment requirements or fees.

Rate offset When you make a payment into an existing side account, you do not receive an immediate rate offset. Your payment will be calculated in that year's valuation and the rate offset will be effective with the rates from that valuation. In the meantime, your payment is subject to the same earnings (or losses) as the PERS Trust. The total amount of your side account on 12/31 of the year you make your payment will be used to calculate your new rate offset.

Continued

For example If you make two payments in 2021, as illustrated in the example below, those payments would be accounted for in the 12/31/2021 valuation, and the rates would be effective on July 1, 2023. As a reminder, additional payments will be factored into your existing side account amortization schedule.



Calculation Additional payment into a side account calculation, shown on this sample valuation:

	New	Continuing	Total
1. Side account as of December 31, 2018	N/A	\$1,681,057	\$1,681,057
2. Deposits made during 2019		1,500,000	1,500,000
3. Administrative expenses		(500)	(500)
4. Amount transferred to employer reserves during 2019		(84,174)	(84,174)
5. Side account earnings during 2019		264,475	264,475
6. Side account as of December 31, 2019 (1. + 2. + 3. + 4. + 5.)		\$3,360,859	\$3,360,859

December 31, 2019		
Combined valuation payroll	\$7,131,723	
Side account balance	Amortization factor	Side account rate
\$3,360,859	12.066	(3.91%)

To learn more

Read an in-depth explanation of side accounts on the [Employer Side Accounts web page](#).

If you would like to make an additional payment to an existing side account, email PERS Actuarial Services at Actuarial.Services@pers.state.or.us.

EDX tip: Important steps to complete when someone stops working for you

STEP 1 Remember to post an employee's **termination** when they are no longer working for you — including when they retire. This is important because:

- We cannot process a benefit or retirement until the termination has posted.
- It ensures an accurate status check.

To find out whom you need to terminate at any time, run an “inactive employment report” in EDX (as shown in the Site Navigation screen at right).

STEP 2 Remember to check your employee's **partial-year salary limit** when posting final wages.

If their final wages put them over the partial-year salary limit, the amount of salary over the limit needs to be reported as non-subject salary in their final DTL2 record. Go to the [Partial Salary Limits webpage](#) to learn more.

For assistance

If you have questions or need help with either of these steps, contact your [Employer Service Center representative](#).

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