

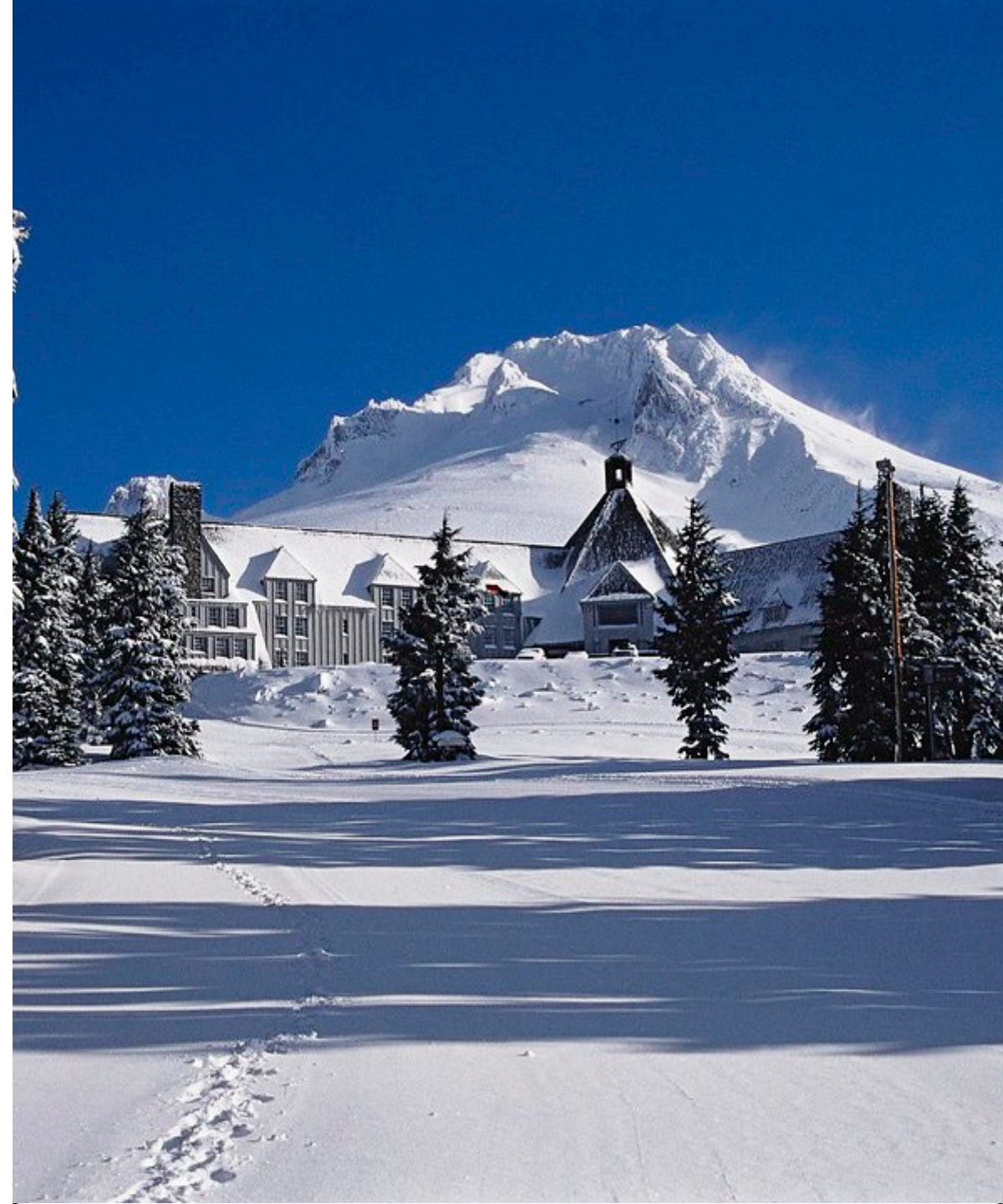
OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



Employer Advisory Group

January 2024



Agenda

- Director's Office update
- Legislative update
- SB 1049 update
- Actuarial update
- Employer Service Center update
- Communications update
- Open discussion

Director's Office update

Kevin Olineck, PERS Director

Director's Office update

Upcoming

- February 2 PERS Board meeting
- 2025-27 budget planning
- New annual reports



Legislative update

Heather Case, PERS Senior Policy Advisor

Legislative update

Preview

2024 Legislative Session preview



- 2024 Legislative Session will begin February 5 and end by March 10.
- Agencies cannot introduce legislative concepts. Legislators are limited in number of bills they can introduce.
- PERS will present on required reporting: Senate Bill (SB) 1049 Implementation, PERS Health Insurance Program, PERS Modernization Program, SB 1566/Preliminary Earnings Crediting.
- We will likely see some bills impacting PERS, including the Public Safety Workforce Stabilization Act.

Legislative update

Preview

2025 Legislative Concepts

- PERS is developing its 2025 Legislative Concepts.
- Currently, we are working with the Governor's Office on a new timeline for introducing agency legislative concepts that aligns with budget development.
- Discussion with Governor's Office through January, meeting with stakeholders in February, PERS Board votes on legislative concepts on April 1.

Senate Bill 1049 update

Yvette Elledge-Rhodes, PERS Deputy Director
Latifa Salinez, PERS SB 1049 Product Owner

Senate Bill 1049 update

Road map



Senate Bill (SB) 1049 Implementation Road Map

2023-2025 Biennium

PROJECTS	2023						2024												2025						
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
Member Redirect						Dec 22		• 2/15/24 - WP8.1 EPSA Death						• 8/15/24 - WP11.1A EPSA Retirement Cancellation and Adjustment											
														• 8/15/24 - WP11.2B Death Excess EPSA											5/9/25 - Project Close → •
														2/6/25 - WP11.1B Withdrawal Cancellation and Adjustment → •											
														2/6/25 - WP11.1C EPSA Death Cancellation and Adjustments → •											
Technical Debt														• 2/15/24 - WP5 Side Account Reversals											
PROGRAM INITIATIVE																									
Cross Project Effort														• 6/6/24 - WP6 IAP Balance Comparison Tool											
																									4/17/25 - WP7.3 Payouts Actuarial Extract → •

Senate Bill 1049 update

Employer statement download

Employer statement download functionality is coming

- Deploys to production February 15, 2024.
- Employers were able to preview in early January.

WAGE AND CONTRIBUTION INVOICE SUMMARY

INVOICE SUMMARY

Employer [REDACTED]

Date Posted 12/11/2023

Invoice Number 1650167

Invoice Description Contributions Pension

Invoice Amount \$21,032.75

[Download Full Invoice Detail](#)

IAP

Type	Pay Date	Subject Salary	MPAT
IAP	01/03/2023	\$122.45	\$0.00
	03/31/2023	\$25.84	\$0.00

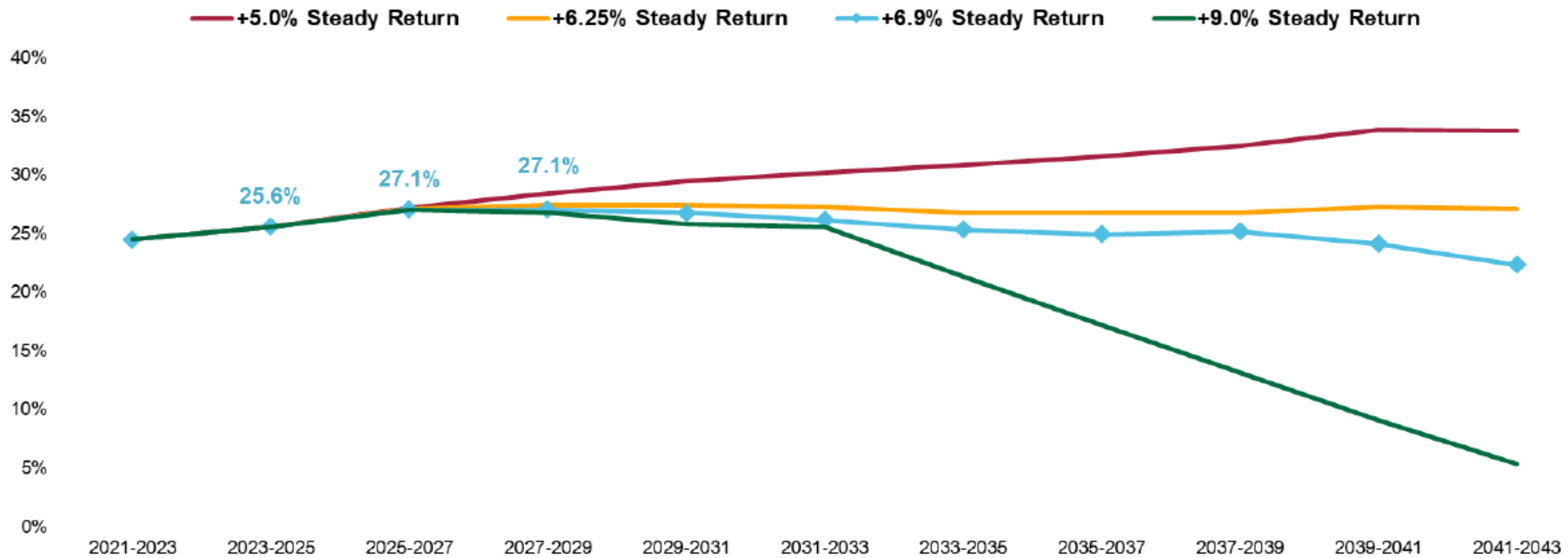
Actuarial update

Troy Phillips, PERS Actuarial Business Specialist

Actuarial update

Steady return model

Employer Collared Base Pension Rates (System Average)

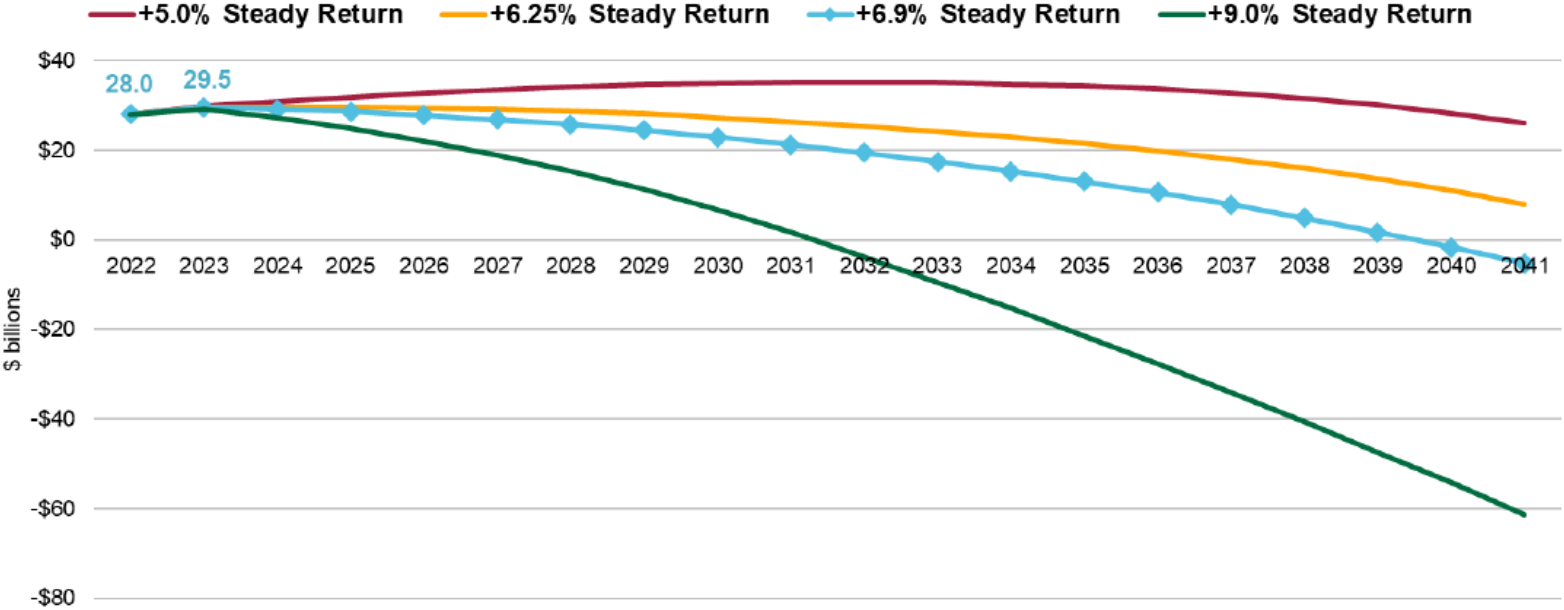


- System average employer collared base pension rates in 2025-27 are projected to increase from 2023-25 rates due to asset underperformance in 2022 and so far in 2023, along with updated salary assumptions
- Blue line: rates decrease as new OPSRP members replace exiting Tier One / Tier Two members
- Final 2025-27 rates will be based on asset returns through December 31, 2023

Actuarial update

Steady return model

UAL (Unfunded Actuarial Liability) Excluding Side Accounts



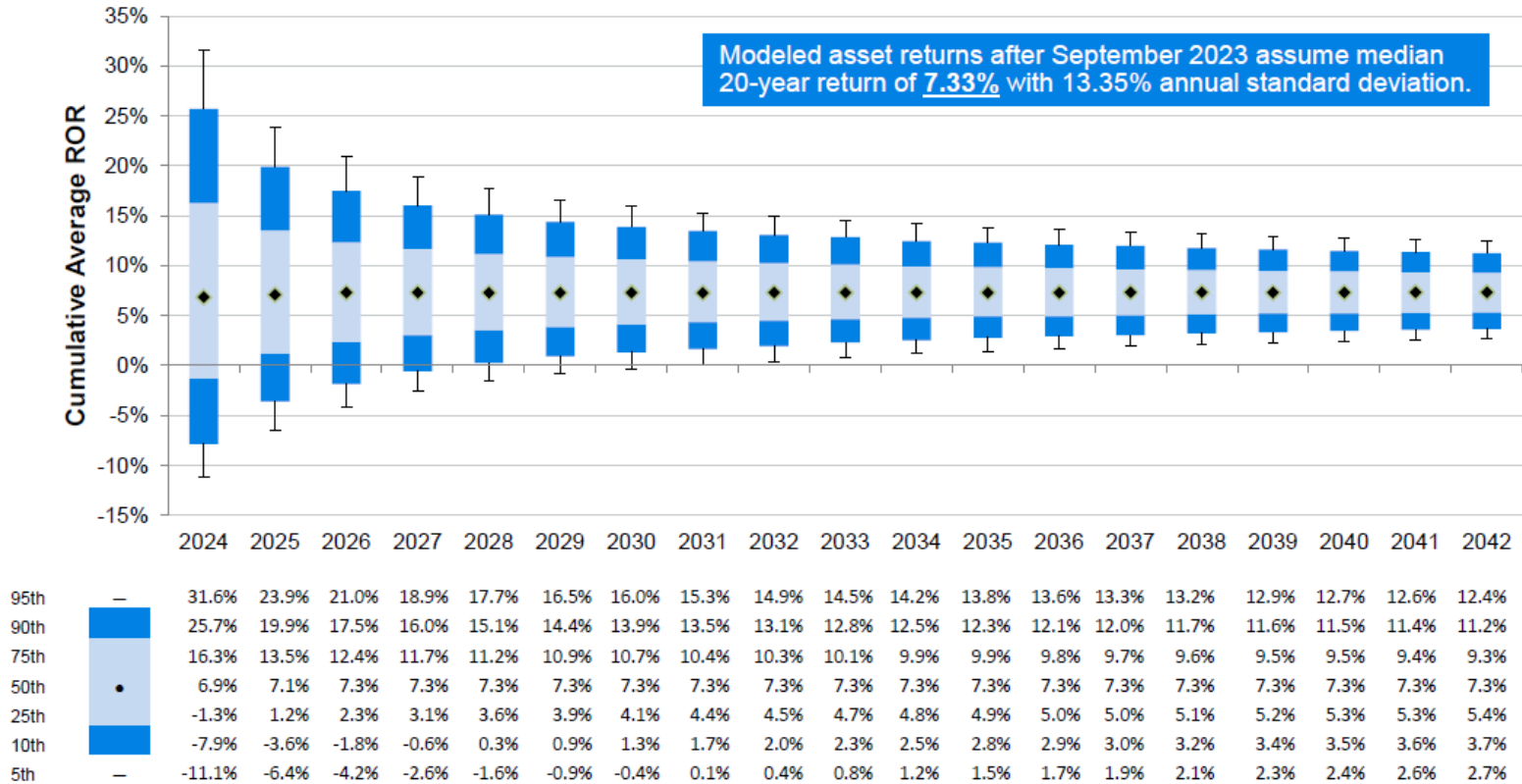
- 2023 UAL increases due to estimated year-end 2023 investment returns
- At steady +6.9% returns, UAL remains relatively level for a couple years before declining to below \$0 at year-end 2040

Actuarial update

Variable return model

Average Annualized Rate of Investment Return

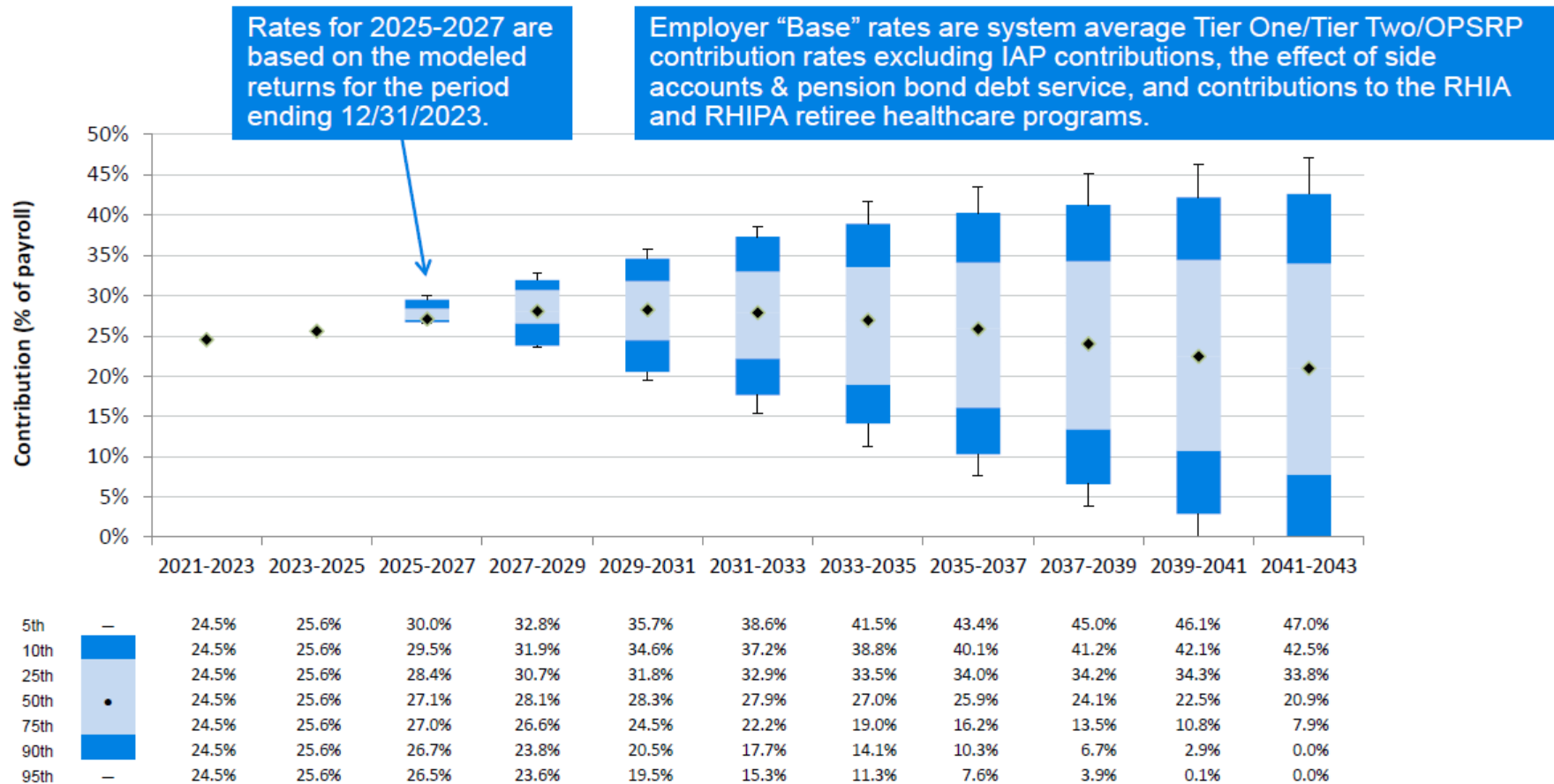
Post-2023 Modeled Returns (Geometric Average)



Actuarial update

Variable return model

Employer Collared Base Pension Rates (System Average)

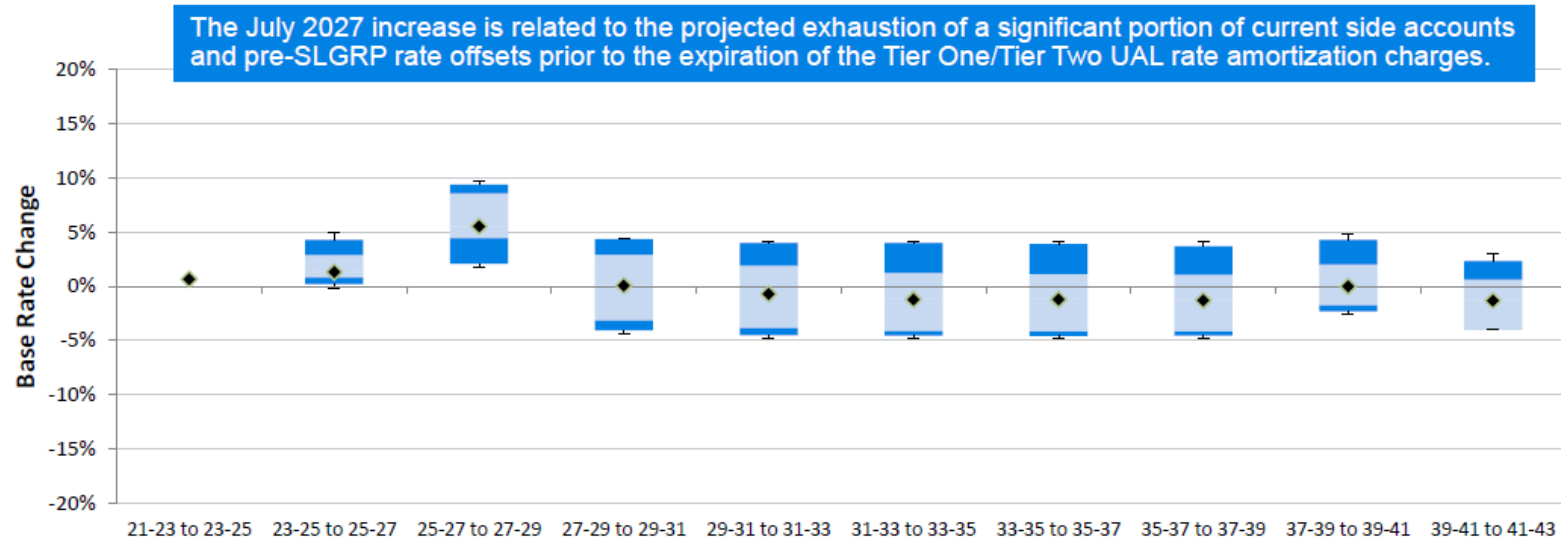


Actuarial update

Variable return model

Biennial Change in Employer Collared Net Pension Rate

System Average Rates



Actuarial update

Employer valuation reports


2022 advisory valuation reports

The latest employer advisory valuation reports are now available on our website.

- To download your report, go to the [PERS Actuarial Valuations webpage](#).
- Please email any questions to Actuarial.Services@pers.oregon.gov.

Actuarial valuations

2022 actuarial valuation reports

Independent employers* 

School districts** 

SLGRP ER # 1000-2249 

SLGRP ER # 2251-2699 

SLGRP ER # 2700-2999 

System-Wide 2022 Actuarial Valuation Report 

*Employers who are not part of the SLGRP.

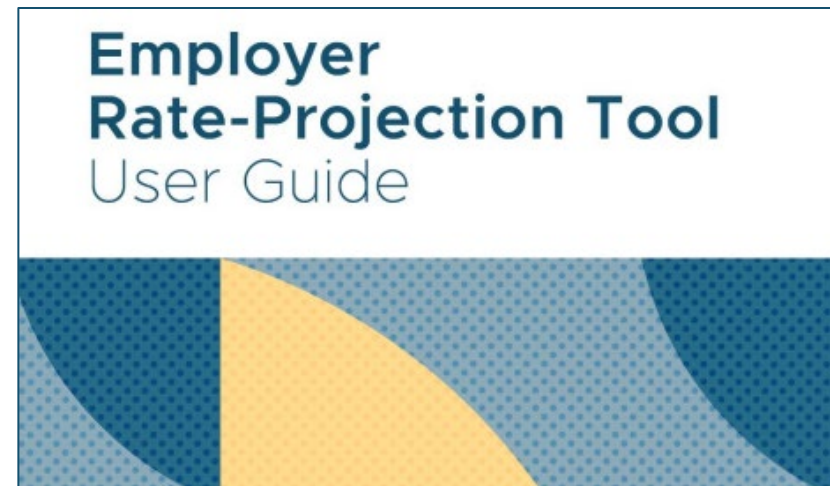
**School districts without side accounts should reference the valuation for ER # 3000, under "School Districts."

Actuarial update

Employer Rate-Projection Tool

Annual update

- The Employer Rate-Projection tool is scheduled to be updated with the 2022 valuation data on January 26, 2024.
- You can access the tool and its user guide on the [ERPT webpage](#).



Employer Service Center update

Laurel Galego, PERS Employer Service Center Manager

ESC update

Preparing for year-end

Remind employer reporters to submit all reports by **March 5**.

Here are the **top 8 benefits** for your employer reporting team and your bottom line.

Benefits of Submitting All Reports by Year-End



ESC update

Preparing for year-end

Part-time employees who work for more than one employer need **all** their employers to submit on time.

It can make the difference between earning PERS benefits or not.



Employer 1 + Employer 2 + Employer 3 = 600+ hours

BENEFITS EARNED

ESC update

Reporting tip

Remind employer reporters that when an employee is leaving their job, the reporter must report the termination in this order:

1. Submit all final wages.
2. Ensure wage record(s) posted.
3. Submit termination record.

Once the termination record is submitted, EDX will not allow the reporter to report wages. A manual adjustment is required, delaying the termination process.

Communications update

Jonathan Yost, PERS Senior Marketing and
Communications Specialist

Communications update

New employer materials

Legislative updates

House Bill 2054 and Senate Bill 951	Updated quick reference guide “EDX Job Class Codes.”	Police and Fire job classification expanded to include: <ul style="list-style-type: none"> ▪ Deputy district attorneys. ▪ Certified parole and probation officers employed by the State Board of Parole and Post-Prison Supervision.
House Bill 2740	New employer announcement 103, “Reporting Hours for Community College and University Academic Staff.”	Explains new method of reporting hours for academic staff.
	Updated FAQ, “How do I report hours for a community college or public university employee?”	Question rewritten to explain new method for reporting academic hours.

Communications update

New employer materials

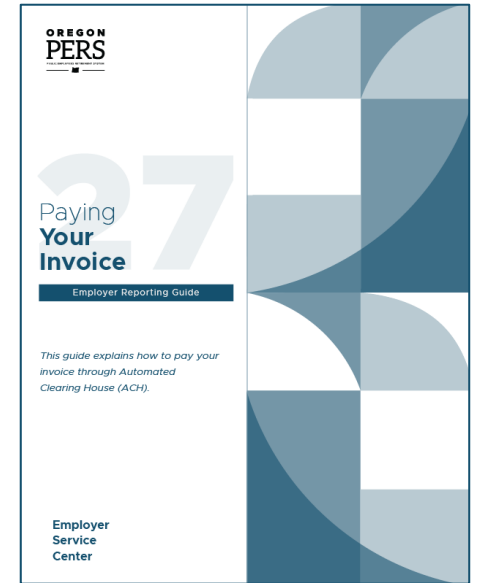
Materials for new employer reporters

NEW [Guide 27, *Paying Your Invoice*](#). Instructions for paying your invoice through Automated Clearing House (ACH).

[Guide 3, *Employer Roles and EDX Access*](#). Updated to more clearly delineate the roles of employer reporter and web administrator.

[Guide 7, *Reporting a New Employee*](#). Updated to include instructions for assigning nonbinary gender.

NEW [Video, “The Role of the Employer Reporter.”](#) Shows what an employer reporter does and explains how to learn the role.



Communications update

New employer materials

Reporting leave without pay FAQs

Leave without pay (LWOP) questions and answers

Using paid time off during a leave

Q: What if my employee is out on a leave without pay (LWOP) but is using sick leave or vacation a few hours a day?

A: That is considered a paid leave, even if it's just a few hours of pay a day. Therefore, do not report them as on a leave. Report those few hours a day on a Detail 2 wage record as you normally would.

Q: What if my employee takes some paid leave followed by unpaid leave? Do I report the whole time as LWOP?

A: No. Report the unpaid days as a leave only if they equal at least 11 business days in a calendar month. The first day of the leave would be the first unpaid business day.

Q: What if my employee is only using a couple of hours of vacation pay a day? Is that considered a paid leave?

A: Yes. Any number of hours and wages, no matter how small, is considered a leave with pay. When your employee is not receiving any pay from the employer for 11 business days or more in a calendar month, that is when you report an unpaid leave.

Paid Leave Oregon and PERS reporting FAQ

Reporting Paid Leave Oregon

Q1: Employees who work under 600 hours per year can qualify for Paid Leave Oregon. Do we need to report those non-qualifying employees as on unpaid leave?

Yes. If a non-qualifying employee is on leave and receiving no pay from the employer for 11 working days, report them as on leave.

Q2: Does Paid Leave Oregon include working retirees?

Yes. Anyone employed in Oregon who qualifies for Paid Leave Oregon can apply to take the leave. If a working retiree takes a Paid Leave Oregon leave, and they are receiving pay directly from the employer during the leave, report that pay to PERS and do not place the employee on leave. If a working retiree is not receiving pay directly from the employer and is away from work for at least 11 business days in a calendar month, then do place the employee on leave.

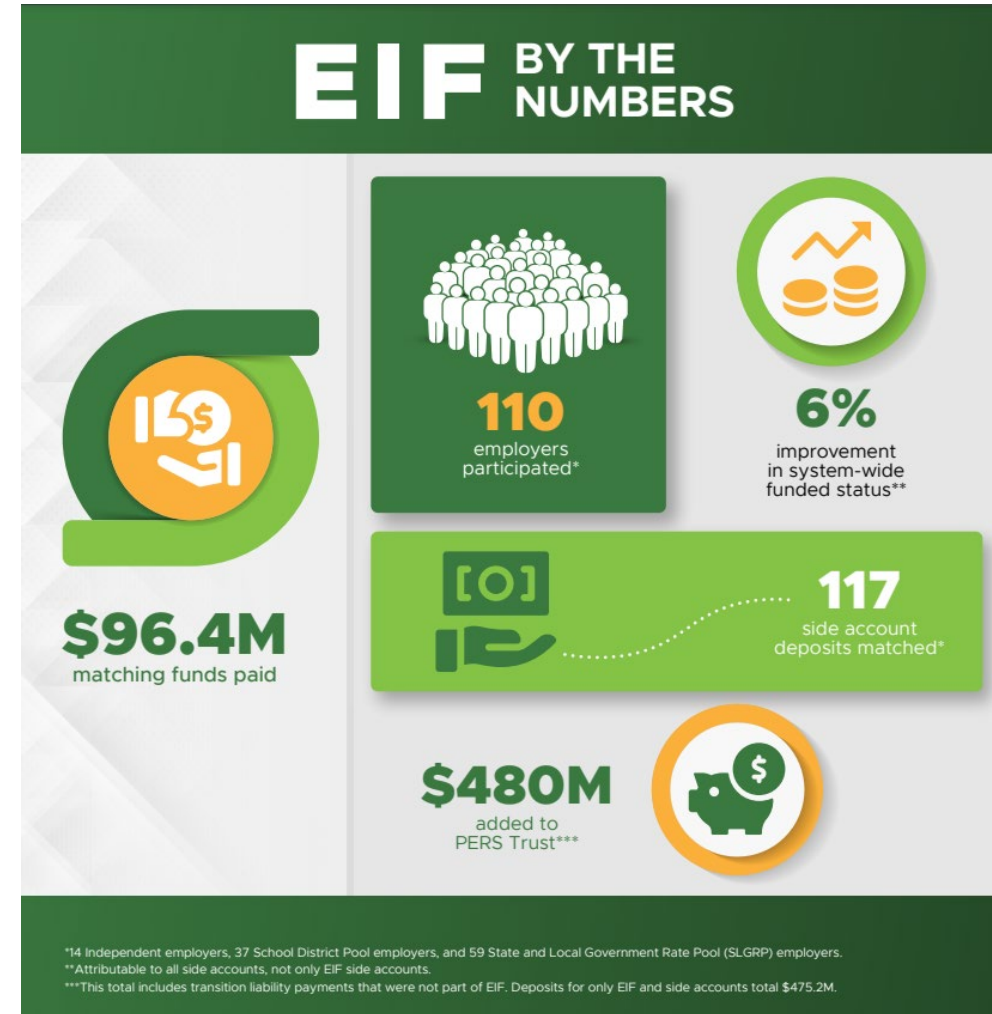
Q3: If employee is on leave and not receiving any pay, do we report the leave without pay (LWOP)?

Communications update

New employer materials

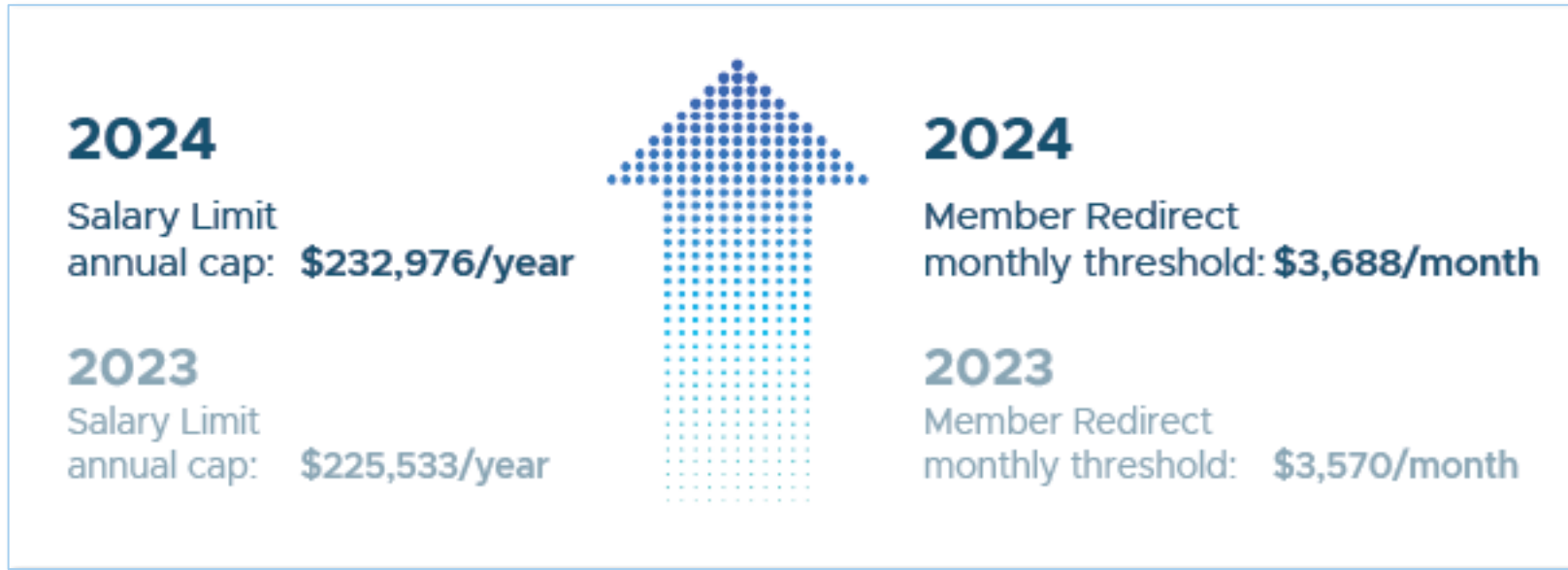
Webpages updated with new data

- [Employer Invoicing](#). New screen shots.
- [Employer Incentive Fund \(EIF\)](#). Updated data.
- [Salary Limit](#). 2024 limit.
- [Member Redirect](#). 2024 salary threshold.
- [Actuarial Valuations](#). New advisory valuations.
- [Actuarial Presentations and Reports](#). Additions and corrections.



Communications update

Salary Limit and Member Redirect update



[Partial-year salary limits.](#)

[Member Redirect.](#)

[Managing voluntary contributions.](#)

Open discussion

Open discussion

Any questions or comments for PERS?

Questions for each other?



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Thank you!

