

# PERSPECTIVES

Active  
Member  
Edition

## Benefit estimates using Online Member Services

If you are thinking about retiring, a benefit estimate is a useful planning tool. You can create retirement benefit estimates online in a secure environment using information supplied to PERS by your employer(s). Members with a divorce that impacts their PERS account must contact the PERS Divorce Unit for a benefit estimate.

After creating a personal account and logging on to Online Member Services (OMS) from the PERS home page, you can also see your employment history, view your current Tier One or Tier Two account balance, and view information used in your member annual statement.

Inactive members can submit a withdrawal application or change their address via OMS.

Frequently asked questions and answers are posted on the PERS website (<http://oregon.gov/PERS>) for each activity and tool.

## Steps to a PERS retirement

Please note: only steps 1, 5, and 7 are required, but all the other steps are recommended.

1. Make sure you are age or service-time eligible to retire.
2. Get a benefit estimate. You can use Online Member Services or request a written benefit estimate.
3. Register for and attend a one-year group counseling session.
4. Read the *Pre-Retirement Guide* for step-by-step information about retiring. The guide (available on the PERS website at <http://oregon.gov/PERS>) will help you complete your Retirement Application.
5. Complete the Tier One/Tier Two and Individual Account Program (IAP) Retirement Application or the OPSRP and IAP Retirement Application (available on the PERS website). You will receive your first benefit payment within 92 days of your effective retirement date. Please note that your effective retirement date must be the first day of a month, and your application must be received by PERS before that date.
6. Schedule and attend a Retirement Application Assistance Session if you are retiring within 90 days.
7. Notify your employer that you are retiring. Your employer must report your termination of employment to PERS so we can process your retirement.

## PERS does not charge for retirement services

It can be difficult to distinguish between services offered by PERS itself and companies who use the name “PERS” in their name or advertising.

Some companies use the PERS logo and PERS documents in their presentation materials or advertising. This could include the template PERS uses for written benefit estimates.

PERS provides counseling and retirement services without a fee. Companies who use the name “PERS” may charge for their services.

PERS counseling sessions, including our Retirement Application Assistance Sessions, are listed on the PERS website (<http://oregon.gov/PERS>). Some education sessions are conducted with PERS’ financial education partner, Valic.

If you have questions whether a service is being offered by PERS, call us at 888-320-7377.

## PERS office closures in 2015

PERS will be closed the following days in 2015.

- Thursday, January 1: New Year’s Day
- Monday, January 19: Martin Luther King Jr. Day
- Monday February 16: Presidents Day
- Monday, May 25: Memorial Day
- Friday, July 3: Independence Day
- Monday, September 7: Labor Day
- Wednesday, November 11: Veterans Day
- Thursday, November 26: Thanksgiving Day
- Friday, December 25: Christmas Day

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# PERS benefit component comparisons

The primary components and differences among the PERS Tier One and Tier Two programs, the Oregon Public Service Retirement Plan (OPSRP) Pension Program, and the Individual Account Program (IAP) are shown below. Tier One covers members hired before January 1, 1996; Tier Two covers members hired between January 1, 1996 and August 28, 2003; and OPSRP covers members hired on or after August 29, 2003. The IAP contains all member contributions (6% of covered salary) made on and after January 1, 2004.

	<b>Tier One</b>	<b>Tier Two</b>	<b>OPSRP Pension</b>	<b>IAP</b>
Normal retirement age	58 (or 30 yrs) P&F: age 55 or 50 w/25 yrs	60 (or 30 yrs) P&F: age 55 or 50 w/25 yrs	65 (58 w/30 yrs) P&F: age 60 or 53 w/25 yrs	Members retire from IAP when they retire from Tier One, Tier Two, or OPSRP
Early retirement	55 (50 for P&F)	55 (50 for P&F)	55, if vested (50 w/ 5 years of continuous service in a P&F position immediately preceding effective retirement date)	Members retire from IAP when they retire from Tier One, Tier Two, or OPSRP
Regular account earnings	Guaranteed assumed rate annually (currently 7.75%)	No guarantee; market returns	N/A; no member account	No guarantee; market returns
Variable account earnings	Market returns on 100% global equity portfolio	Market returns on 100% global equity portfolio	N/A; no member account	N/A
Retirement calculation methods	Money Match, Full Formula, or Formula + Annuity (if eligible)	Money Match or Full Formula	Formula	Various account payouts or rollover
Full Formula benefit factor	1.67% general; 2.00% P&F	1.67% general; 2.00% P&F	1.50% general; 1.80% P&F	N/A
Oregon state income tax remedy	If eligible, higher of 9.89% on service time before Oct. 1, 1991 or 4% or less based on total service time. Not payable to benefit recipients that do not pay Oregon state income tax because they do not reside in Oregon	No tax remedy provided	No tax remedy provided	No tax remedy provided
Lump-sum vacation payout				
Included in covered salary (6%)	Yes	Yes	No	N/A
Included in FAS	Yes	No	No	N/A
Unused sick leave included in FAS	Yes, if employer participates in the sick leave program	Yes, if employer participates in the sick leave program	No	N/A
6% "pickup" included in FAS	Yes	Yes	No	N/A
COLA (after retirement)	1.25% on the first \$60,000 of an annual benefit with 0.15% on all portions over \$60,000			N/A, no COLA provided

P&F = police and firefighters; FAS = final average salary; COLA = cost-of-living adjustment; N/A = not applicable

Note: PERS uses three methods to calculate Tier One retirement benefits: Full Formula, Formula + Annuity (for members who made contributions before August 21, 1981), and Money Match. Tier Two members are only eligible for the Full Formula and Money Match methods. PERS uses the method (for which a member is eligible) that produces the highest benefit amount. OPSRP Pension Program benefits are based only on a formula method.

# 2014 customer service satisfaction survey results

PERS conducted its 2014 customer service satisfaction survey during August. Our thanks to the approximately 1,450 people who responded online and via hard copy. PERS has conducted annual surveys since 2006.

Participants rated PERS in eight areas: timeliness of services; ability to provide services correctly the first time; helpfulness; knowledge and expertise of PERS' employees; availability of information; the overall quality of service PERS provides; the PERS website; and how our service in the past year compared to previous years.

We also asked three questions 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 respondents said the website was easy to navigate and approximately 84% found the information they were seeking. In many cases where information was not found, respondents were looking for the potential impacts of PERS-related legislation.

Another question 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.

The following are key issues and suggestions from the comments we received, along with PERS' strategies to resolve these concerns:

## Ratings for the eight survey questions

How do you rate...	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 correctly 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%	4%	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%

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

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.

**Resolution:** Improvements have been made that address this issue. 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 average wait time was reduced to 0:47 seconds from 6:53 minutes and the percent of telephone calls answered in two minutes or less went from 22 percent to 83 percent.

## 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."

**Resolution:** PERS has proposed 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 2015-17 budget request, and is subject to further modification and approval through the budget process.

# PERS Presentations: December 2014 - April 2015

Registration required. Register via the PERS website (<http://oregon.gov/PERS>) in the Education Sessions section. All presentations are free, including the financial planning sessions. Space is limited. Dates are subject to change.

## One-Year Tier One/Tier Two Presentations

For members within *one* year of retirement

Albany	Feb. 18
Ashland/Med.	Dec. 1; Mar. 17, 26*; Apr. 13, 30*
Astoria	Mar. 18*, 31
Bend	Dec. 3*, Mar. 23; Apr. 6, 21*
Corvallis	Dec. 15, Feb. 12*; Mar. 4; Apr. 8*, 27
Eugene/Spgfld	Dec. 2, 10*; Jan. 20; Feb. 5*, 24, 28*; Mar. 17; Apr. 7*, 21
Gresham	Dec. 2; Jan. 6; Feb. 12*; Mar. 4, 31
Hillsboro	Dec. 9*; Jan. 13; Feb. 25*; Mar. 10; Apr. 14
Hood River	Mar. 3
Klamath Falls	Apr. 8
La Grande	Mar. 30
Oregon City	Jan. 13*, 14; Apr. 2, 9*
Pendleton	Mar. 23
Portland/Tigard	Dec. 1, 6*, 8, 15, 20*; Jan. 12, 24*; Feb. 9, 21*, 23; Mar. 2, 7*, 23, 30; Apr. 4*, 13, 25*, 27
Redmond	Mar. 27
Roseburg	Feb. 23; Apr. 4
Salem	Dec. 10, 11*; Jan. 7, 22*; Feb. 14*; Mar. 7*, 11, 25; Apr. 4*, 14*, 22
St. Helens	Mar. 24*
The Dalles	Apr. 20
Tillamook	Mar. 12*

### The one- and five-year sessions cover:

- Individual Account Program (IAP)
- Retirement eligibility and retirement benefit calculations
- Benefit estimate review
- Retirement options
- Variable account after retirement
- Work after retirement provisions
- Health insurance
- Cost-of-living adjustments
- Taxes
- Retirement application forms review

Dates followed by an asterisk (\*) add financial planning information presented by PERS' education partner, Valic. Additional topics covered at these sessions include:

- Social Security and Medicare,
- Coordinating PERS benefits with other income sources, and
- Planning for changing income and expense needs.

## Five-Year Tier One/Tier Two Presentations

For members within *five* years of retirement

Ashland/Med.	Mar. 20
Bend	Feb. 25*
Eugene/Spgfld	Jan. 14*; Mar. 17
Gresham	Jan. 9*; Feb. 3; Apr. 24*
Hillsboro	Feb. 10
Oregon City	Feb. 5
Portland/Tigard	Jan. 10*; Mar. 21*
Roseburg	Dec. 8; Feb. 27
Salem	Jan. 6*; Feb. 11, 26*

## OPSRP Presentations (OPSRP members only)

Astoria	Mar. 31
Eugene/Spgfld	Feb. 24
Hillsboro	Mar. 10
Hood River	Mar. 6
Medford	Apr. 30*
Portland/Tigard	Jan 26; Feb. 28*; Mar. 9; Apr. 20
Roseburg	Mar. 20*
Salem	Jan. 21

### The OPSRP sessions cover:

- Individual Account Program (IAP)
- Review of website features
- Retirement benefit information

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

Address all correspondence to **PERS, P.O. Box 23700, Tigard, OR 97281-3700**. PERS headquarters office is at **11410 SW 68th Parkway, Tigard, Oregon. Phone: 888-320-7377; TTY: 503-603-7766**. Telephone hours are 8:30 a.m. to 5:00 p.m., Monday through Friday, except holidays. PERS' Internet address is <http://oregon.gov/PERS>.

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