

PERA Reporting Potpourri

Luis Argueta, Stakeholder Communications
Amy Streng, Policy Coordinator



PUBLIC EMPLOYEES
RETIREMENT ASSOCIATION



Today's Program

- PERA Benefits Overview
- PERA Legislative Update
- Employer Topics
 - Exclusions, Retirees, Leaves/layoffs





PERA Benefits Overview



- Lifetime pension
- Replaces a portion of your income
- Governed by law
- Professionally managed





General
Plan

Established

Member
Contributions

1968

6.50%



Police & Fire
Plan

1959

11.30%



Correctional
Plan

1999

5.83%



2/3 of revenue comes from professional investing over a long horizon.

1



Employees and employers pay percent of salary

2



Contributions are professionally invested and managed

3



PERA provides monthly lifetime pension



Single life –

- Highest payment to member
- Upon death, remaining contributions, if any, paid to beneficiary
- Irrevocable

Survivor option –

- Member payment reduced based on age of survivor
- One survivor
- Bounceback
- Irrevocable





Three Factors

- Average Monthly Salary
- Years of Service
- Age





60 - 90 days

*When you notify
employer*



Retirement
Application



Member &
Survivor ID



Verification of
Termination





PERA Update





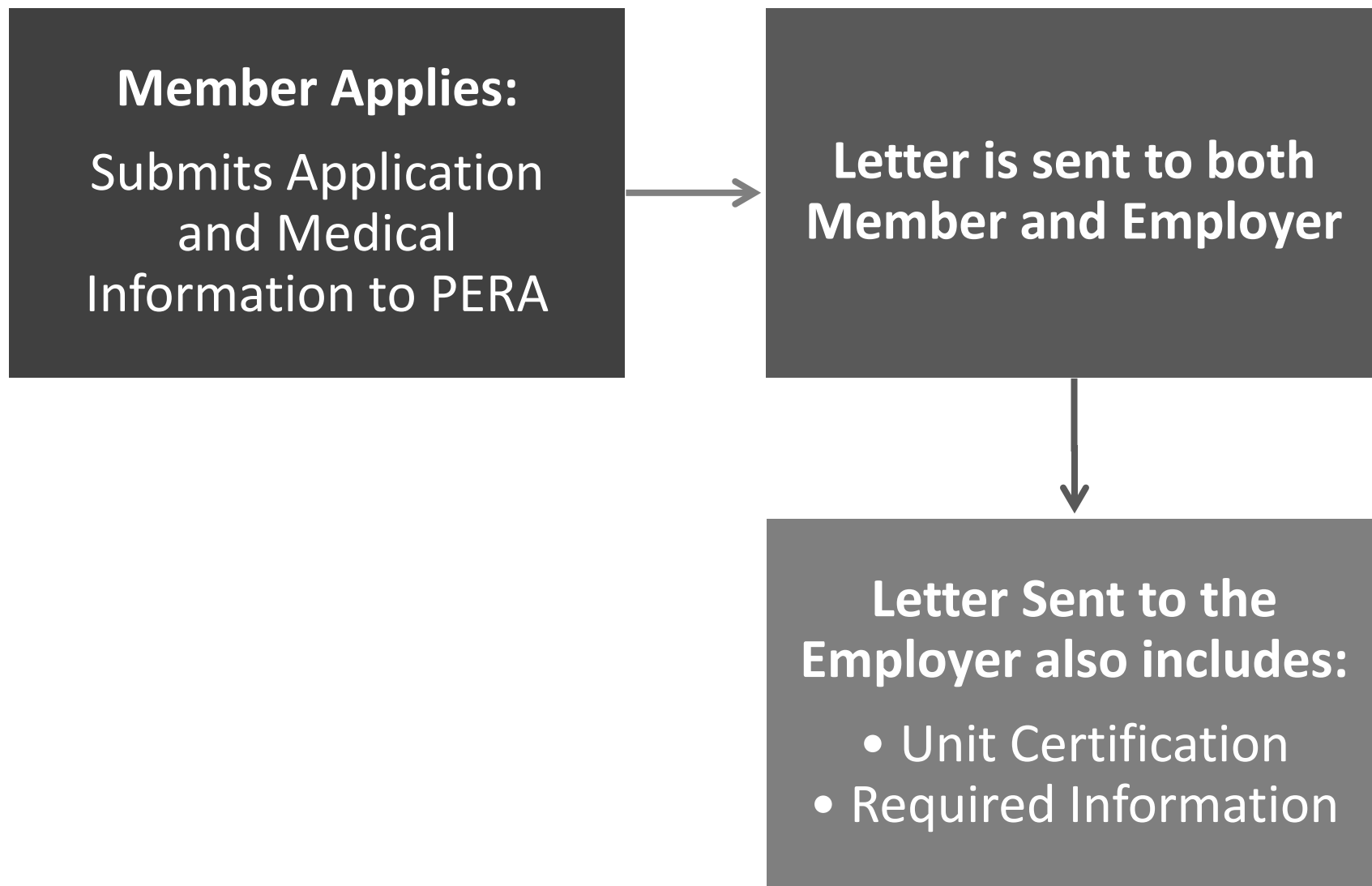
Phased Retirement Option Extension

- With employer's agreement, members can begin a PRO as early as 62.
- Employees must have worked at least 1,044 hours in each of the past 5 years.
- An employee must reduce their schedule by 25% in each pay period and may not exceed 1,044 hours in a year.
- Employers are required to report the number of hours worked within 14 days of each pay period.
- A PRO agreement has a 5 year maximum.

Military Service Credit

- Military service members may purchase up to 5 years of cumulative service occurring before becoming a public employee or if the individual missed the original purchase timeframe under Minn. Stat. §353.014.







Unit Certification

- Form: Certification By Governmental Unit Regarding Disability



PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
60 Empire Dr., Suite 200; St. Paul, MN 55103-2088
Telephone: 651-296-7460; or toll free 1-800-652-9026

CERTIFICATION BY GOVERNMENTAL UNIT REGARDING DISABILITY

IMPORTANT NOTE: Applicant is required by law to exhaust all accrued sick leave, which is subject to PERA deductions. If applicant elects to take a lump-sum payment for all accrued vacation time, no PERA deductions will be due on the lump-sum vacation pay. The fact that an employee is placed on a leave of absence without compensation because of disability shall not bar the employee from receiving a PERA disability benefit.

1	Employee Name	Employee PERA ID	Employer Name
	Employee Position/Title		
	Employee has been continuously employed since:		Last day physically on the job:
2	Final day on the payroll (the last day the employee was paid for using and exhausted their vacation, sick, donated time, and/or paid medical leave). This date must fall between the pay period begin and end date of the last payroll submitted for this employee.		
3	Has the employee terminated employment? (Termination is not required to be eligible for disability benefits) Yes____ If yes, indicate date____ No ____		
4	Was the employee disabled as a direct result of employment? Yes____ If yes, include a copy of the injury report No ____		
5	Has the employee made claim for Worker's Compensation Payments? Yes____ No____		
6	Is the employee receiving Worker's Compensation Payments? Yes____ No____ Denied____ If yes, name of Insurance Carrier Contact Name Phone _____ Amount Paid Weekly \$_____		
7	What was the salary of the employee at the time of disability? Base Hourly \$_____ Base Weekly \$_____ Base Monthly \$_____ Annual Hours Worked _____ If the employee were still employed, what would their salary be today \$_____ per_____		
Certification I hereby certify that, to the best of my knowledge and belief, the information given here is true and correct according to the official records of this governmental subdivision.			
Printed Name and Title		Email Address	Phone Number
Signature		Date	
		Fax Number	



Required Information

- Form: Required Employer Information

**REQUIRED EMPLOYER INFORMATION**

Police & Fire and Correctional Plans

PERA ID No.:

Instructions to Employers: Minn. Stat. §§ 353.656 and 353.031, subd. 4, require the employer of an applicant for disability benefits to provide information to PERA. Authorizations for release of information signed by the applicant on their disability application allow you to share relevant information, including protected health information, with PERA. Complete this form in black ink and return it to PERA, 60 Empire Dr., Suite 200, St. Paul, MN, 55103, within 14 days. Questions? Call 651-296-7460 or 1-800-652-9026.

To Be completed by PERA:Applicant name: _____
Last, First, Middle InitialThe Applicant applied for the following disability benefit on _____;
Month, Date, Year

- | | |
|--|---|
| <input type="checkbox"/> Duty Disability | <input type="checkbox"/> Regular Disability |
| <input type="checkbox"/> Total and Permanent Duty Disability | <input type="checkbox"/> Total and Permanent Regular Disability |

To be completed by the Employer:

Employer: _____

Employer address: _____

Employer contact: _____

Contact telephone: _____ Contact E-mail: _____

1. Date of the onset of the illness/injury causing the Applicant's disability _____
Month, Date, Year2. When did the Employer learn of the illness/injury? _____
Month, Date, Year

3. Did the illness/injury occur while the Applicant was performing a job duty?

- ☐
- Yes
- ☐
- No

If yes, describe the job duty: _____

Was this job duty specific to ☐ Police or ☐ Fire or ☐ Correctional work?

- ☐
- Yes
- ☐
- No

- Authorization for PERA and MMRO to release information
- HIPAA Authorization for care providers and consultants to release information to PERA and MMRO

PART G —NOTICE, INFORMED CONSENT AND AUTHORIZATIONS**Notice to Member.**

Your PERA ID number, social security number, address, birth date, marital status, designated survivor option information, spouse information, and medical information are classified as private data. PERA will not share your private data with any person or agency except pursuant to your Authorization, below, or an order from a court or Administrative Law Judge. If you do not provide the information requested by PERA or MMRO, the processing of your application for disability benefits may be impaired.

A photocopy or facsimile of this Informed Consent and Authorizations shall be as valid as the original.

Authorization for PERA and MMRO to release information.

I give my informed consent and authorize PERA and its disability case manager, Managed Medical Review Organization (MMRO), to provide the information in my PERA Police & Fire Plan disability application file, including medical records, to any independent medical examiners and consultants retained by PERA or MMRO to assist in evaluation of my application for disability benefits, my PERA covered employer or former employer, an Administrative Law Judge or district court judge, and the PERA Board of Trustees for the purpose of evaluating my disability application and appeals. If the evaluation of my disability application and appeals are not complete after one year, I may renew this consent. I understand that I may request a copy of this authorization. This authorization shall become effective on the date appearing next to my signature below. I understand I have the right to revoke this Authorization at any time by notifying PERA. I understand that revoking this Authorization may impair the processing of my application for disability benefits.

Member signature: _____ Date: _____

HIPAA Authorization for care providers and consultants to release information to PERA and MMRO.

I hereby authorize the use and disclosure of protected health information about me as described below.

- The following specific person/class of person/facility is authorized to disclose information about me to PERA and MMRO: any health care provider, hospital, medical facility, rehabilitation consultant, employer, or agency, or other organization.
- The following person, class of persons, or entity may receive disclosure of protected health information about me: PERA, MMRO and any independent medical examiners and consultants retained by PERA or MMRO to assist in evaluation of my application for disability benefits.
- The following information may be disclosed: all information with respect to any physical or mental condition and/or treatment of me, including information regarding AIDS/HIV infection, communicable diseases, alcohol and substance abuse and mental health.
- I understand that the information used or disclosed may be subject to re-disclosure by PERA and MMRO as necessary to evaluate my application for disability benefits and to conduct a fact finding conference, PERA Board Hearing, or appeal, and would then no longer be protected by federal privacy regulations. Re-disclosure by PERA and MMRO is also governed by the Minnesota Government Data Practices Act, Minn. Stat. ch. 13.
- I may revoke this authorization by notifying PERA in writing of my desire to revoke it. I understand that any action already taken in reliance on this authorization cannot be reversed, and my revocation will not affect those actions.
- My purpose/use of the information is for my application for PERA Police & Fire Plan disability benefits.
- This authorization expires one year from the date of my signature or upon the final determination of my eligibility for PERA Police & Fire Plan disability benefits, whichever is later.

Member signature: _____ Date: _____



- Unit Certification
- Required Employer Information
- Pre-employment Physical
- Position Description
- First Reports of Injury





**Consulting Disability
Case Manage
Reviews Medical
Records**

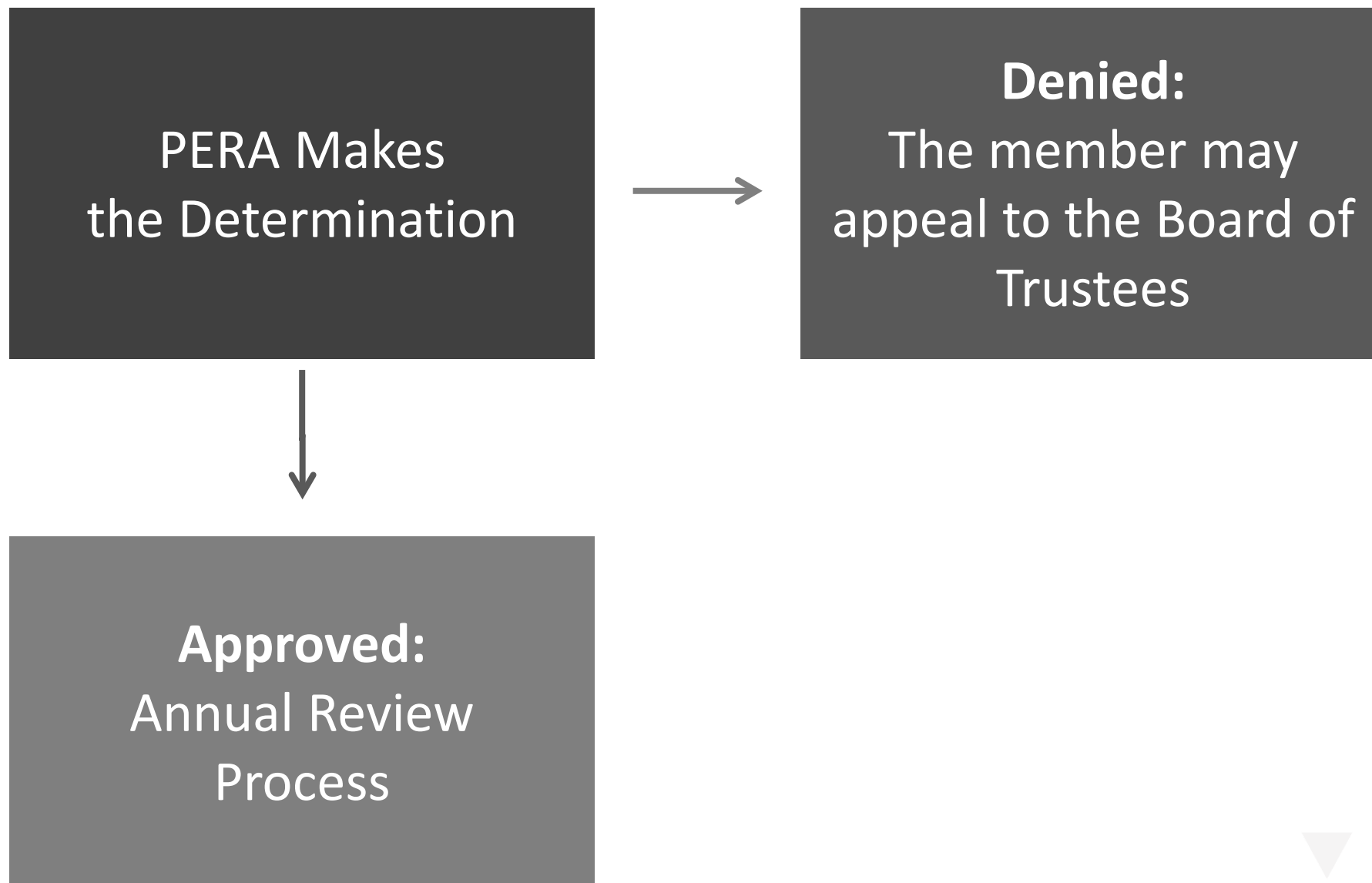


**May request more
information, perform
independent
evaluations. Makes
Recommendation to
PERA**



**PERA Review:
Applies duty test**







Employer Reporting Topics



Rehiring Annuitant

Does the employer have to do anything with PERA when re-hiring a retiree who is already collecting PERA into a full-time position?

It would be a savings to the employer, and a bigger paycheck for the employee. Does doing so “hurt” PERA at all?





- 30 day break
- Re-hire
 - Enroll in exempt plan
 - Exclude under 003
 - Permanent exclusion
- Does this hurt the plan?



Unsure if Seasonal will earn \$5,100

Our summer seasonals can only show up for work 67 days in a year. Their job is to help out where needed, generally outdoor maintenance work. Weather can be a factor whether they work a full day or not, and even a partial day worked still “counts” as one of the 67 days. They earn close to minimum wage and might not earn \$5,100. What should we do regarding PERA deductions and contributions, and when?

Excluded regardless of level of earnings:



Sole job



**185 consecutive
calendar days or less**

- Length of employment determined at hire – cannot be unknown
- If position extended, **review for eligibility**
- Second position without 30 day break - **review for eligibility**





Position: Golf Course Attendant – 106
Season: 5/1/19 to 10/15/20 + \$9K | 165 D

Scenario: Hired as Temp Clerk – 101??
Temp Job: 11/01/19 to 3/5/20 + \$8K

**Golf Course
Attendant**

5/1/19



**Temp
Clerk**

3/5/20




**10
Months**

30 day break between exclusions

Form SSA-1945

My Payroll person said that all or some new hires are supposed to sign a Social Security Form SSA-1945 then I have to give it to PERA. I don't think we've been doing that because I don't think I've heard of such a form.

What is it? Who is it for? When do I use it? What do I do with it once the new hire fills it out? Who gets copies? What happens if I haven't been using it?



Employer Forms

[Employee Eligibility or Exclusion](#)[Enrollment Forms](#)[Member Status](#)[Employer Status](#)[Tax and Contribution Reporting](#)[Volunteer Firefighter Forms](#)[Sample Resolutions](#)

**Statement Concerning Your Employment in a Job Not Covered
by Social Security (SSA-1945)**

(Link will direct you to the Social Security Administration
website)



Social Security Administration

Statement Concerning Your Employment in a Job Not Covered by Social Security

Employee Name

Employee ID#

Employer Name

Employer ID#

Your earnings from this job are not covered under Social Security. When you retire, or if you become disabled, you may receive a pension based on earnings from this job. If you do, and you are also entitled to a benefit from Social Security based on either your own work or the work of your husband or wife, or former husband or wife, your pension may affect the amount of the Social Security benefit you receive. Your Medicare benefits, however, will not be affected. Under the Social Security law, there are two ways your Social Security benefit amount may be affected.

Signature of Employee

Date

Begin Social Security Withholdings

How about a retired Sheriff's Deputy (PERA Police & Fire Fund Annuitant) who decides to return to work in a sworn/licensed position. Does the re-hired Sheriff's Deputy still fall under the Windfall Elimination Policy? Since they are not contributing to PERA, does that mean they would start contributing to Social Security?





Defined Benefit Plan –
Formula based
Mandatory for
Public Employees



Defined Contribution Plan –
Performance based
Optional participation
for elected officials



Recoup PERA Contributions on Former Employee

I've just discovered that we've mistakenly continued to pay someone who had already quit. What about the additional PERA contributions both the employee and employer made? How does that work? Does PERA keep it all?



- Paid in error –
call us immediately





- Deductions in error – Chapter 7-25
 - Erroneous membership
 - Ineligible salary
 - Plan coverage error



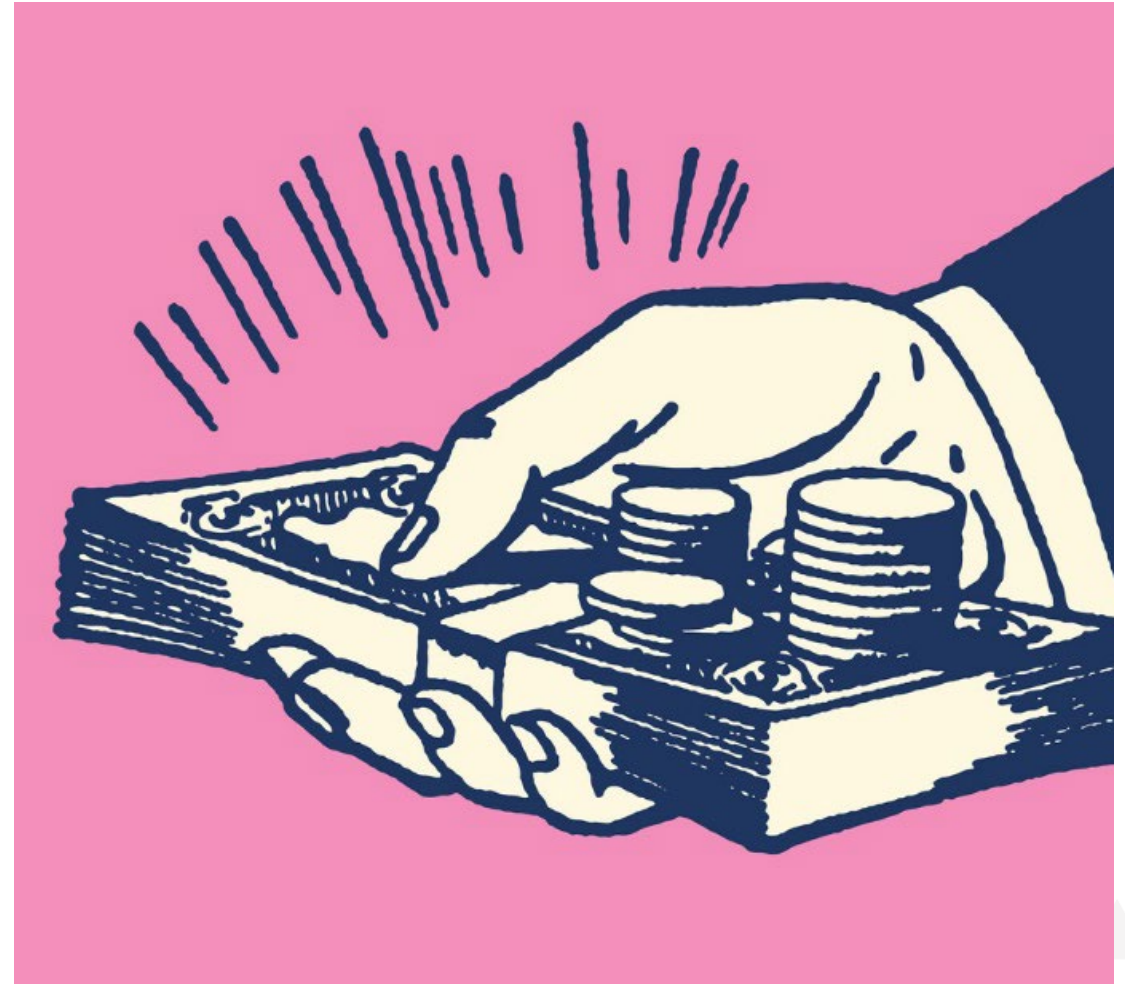
PERA on Monetary Incentives

If we offer a monetary incentive for employees who give us extra-long notice of resignation/retirement, are PERA contributions made on that incentive?





- Retirement Incentives
- Severance pay
- Unused sick/vac payouts
- Per Diems/Allowance
- Donated VAC/Sick hours
- Chapter 5-5



- Time worked
- Typically, attached to earnings period
- Merit/performance bonus
- Retro pay
- Chapter 5-3



Time is money



Reduction in Normal Schedule/Earnings

Can you remind me how the reduced schedule/intermittent leave thing works? Something about if the employee is out for a certain amount of time, for certain reasons, then there is special reporting to PERA and no PERA deductions/contributions are made?



Report all leaves and returns to PERA.



Employee

- Report annually, i.e.
 - Reported June 2019,
 - Reported active December 31, 2016
- Report leave Jan 1, 2020



- Members have an option to voluntarily purchase missed service
- PERA notifies of members via an automated process



Unpaid Leave of Absence

Employee is on 12 weeks unpaid FMLA leave. There's no paycheck, so there are no PERA deductions. Can the employee purchase the service credits as they go along on/during the unpaid leave of absence, and not have to wait until they return to work? Wouldn't they avoid having to pay interest if they paid-as-they-went-along?





General Forms

If your military leave was before becoming a public employee, or you missed the original purchase timeframe for a leave during public employment, please contact a PERA Service Representative for the Actuarial Military Purchase leave form.

Change Form

Change your name, address, remove or add beneficiaries.

Release of information:

Use this form to release your personal information to another individual, agency, or firm. PERA will not release information without your consent.

Leave Verification

Use these forms to receive an estimate of the cost of purchasing service credit or maintaining your high-five salary for a leave of absence. Use this form for a non-military leave such as a personal, medical, or parental leave.

Leave Verification – Military

Use this form for a military leave that occurred during public employment and you are within the original purchase timeframe. The military purchase must be made within three times the length of the leave (minimum of one year, maximum five years) or within 30 days after the termination of public service, whichever is earlier.





Part B—Employer

Is this a Workers' Compensation Leave?

☐ Yes ☐ No

Type of Leave

No.	Leave Begin Date MM-DD-YY	Leave End Date MM-DD-YY	Average Hourly Rate of Pay During Leave Period	Average Hours Worked per Week
1				
2				
3				
4				

Employer Name

Employer Email Address

Employer Unit No.

Employer Signature and Title

Employer Phone Number

Date

Layoffs

Explain what happens with PERA when a layoff occurs





- Employers need to report the layoff to PERA
- Up to 3 months credit during layoff



Gap in service

Explain the years of service calculation or gaps in public services. Can an individual buy back any service between gaps they were not working public service?



- How does a member gain service credit?
- Generally, members automatically receive service credit (s/c) when on:
 - Worker's compensation but also contributing to PERA
 - Paid authorized leave of absence where contributions made to PERA
 - A temporary, authorized layoff
 - Wrongful discharge with back pay award settlement



Sometimes members have months that are missing salary and the records do not indicate the reason for missing salary.

We call these “missing months” and cannot give service credit to these months without supporting documentation.





Wrap-up and questions





PERA is governed by Minnesota Statutes; especially chapters 11A, 353, 353A, 353D, 353E, 353F, 353G, 356 and 356A.

Changes to PERA's plans, including benefit provisions and contribution rates, are made through the introduction and passage of legislation by the Minnesota Legislature.

