

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



2019-2021 Budget
Presentation

Ways and Means
General Government
Subcommittee
Phase 1 – Day 2

Kevin Olineck
Director



PERS: Agency Presentation Schedule

Day One

System Overview

- Overview and Partnerships
- PERS Board
- Governance and Interdependencies
- Benefit Components
- Benefits and Funding
- Funded Status and Liabilities
- System-Wide Rates and Projections
- Additional Resources

Day Two

Agency Overview

- System Refresher
- Agency Budget vs. Non-Limited
- Mission, Vision, and Values
- Strategic Plan
- Performance and Outcome Measures
- CEM Benchmarking
- Agency Programs
- Agency Overview
- Wrap Up

Day Three

Budget Overview

- System Refresher
- 2017-19 Legislatively Approved Budget
- 2019-21 Major Budget Drivers
- Budget Risks and Environmental Factors
- Agency Changes
- System and Agency Funding
- Policy Option Packages
- Agency Divisions
- Legislatively Approved Budget Comparison
- Key 2019 Legislation
- 10% Budget Reductions

Appendix

- Audit Response Reports
- Recent Changes to Agency Budget and Management
- 2017-19 Long-term Vacancies
- Supervisory Span of Control
- Statewide Policy Packages
- 2019-21 Technology Projects
- Other Funds Ending Balance
- Additional Resources

Day Four

Statutory Reporting

- Preliminary Earnings Crediting Report for Calendar Year 2018
- Senate Bill 1566 (2018) Reports:
 - General Status Update
 - Distribution of SDULF

PERS: Day Two

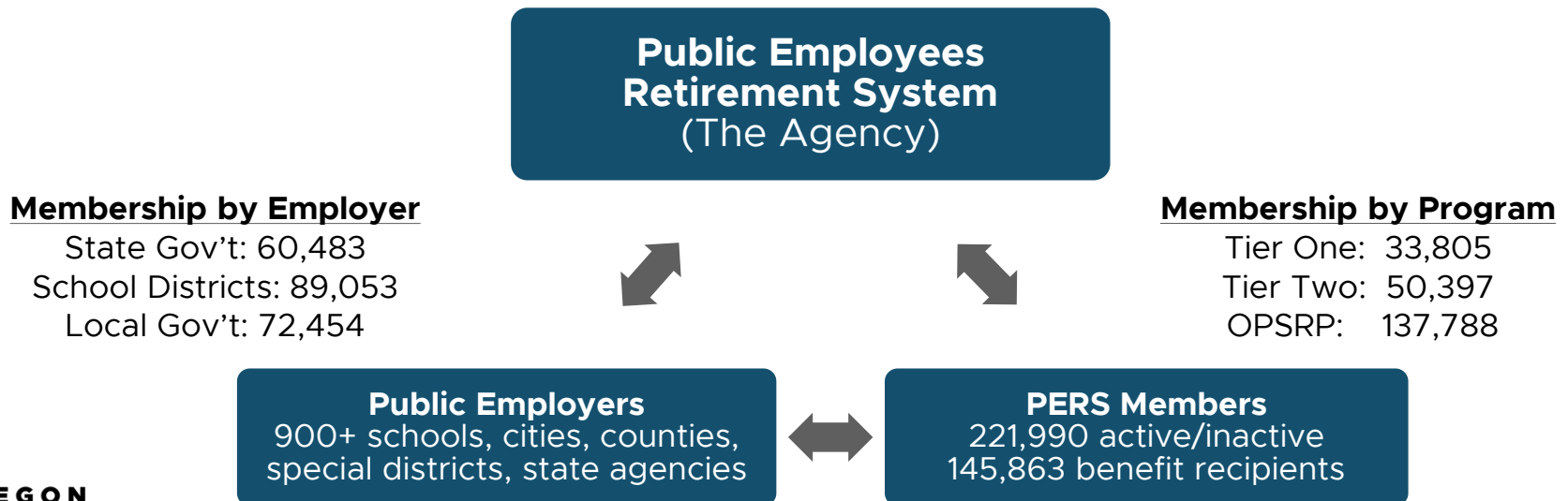
Agency Overview



PERS: System Refresher

The Oregon Legislative Assembly is the “Plan Sponsor” for the Oregon Public Employees Retirement System. The legislature determines the benefit structure for participating public employees. Those benefits have been modified over time, generally with benefit enhancements through 1995, but then reducing benefits since, including the creation of the Tier Two program for employees starting in 1996 and then the Oregon Public Service Retirement Program (OPSRP) for employees that started after August 28, 2003.

The legislature established PERS, the agency, to administer the retirement system in partnership with more than 900 public employers, including school districts, special districts, cities, counties, community colleges, universities, and state agencies. PERS collects records and maintains relationships with over 367,000 current and former public employees or their beneficiaries.



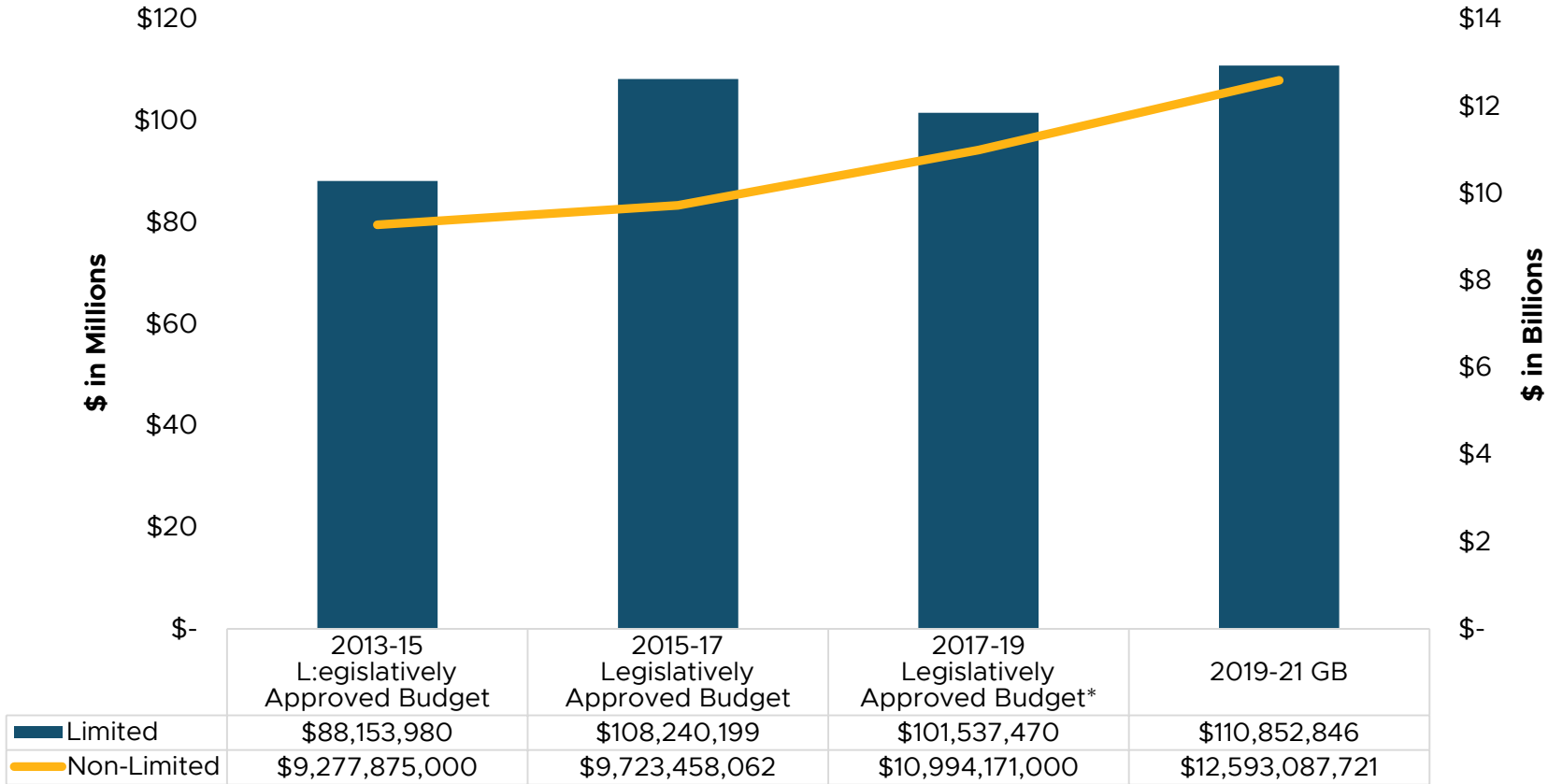
PERS: System Refresher

- The Oregon Public Employees Retirement System was created by the Oregon Legislative Assembly in 1945
- Operations commenced on July 1, 1946

Statutory References for the Agency	
Statute & Chapter	Program
ORS 237 & 238	Tier 1/Tier 2
ORS 238A	Oregon Public Service Retirement Program (OPSRP)
ORS 238A.300 to ORS 238A.457	Individual Account Program (IAP)
ORS 238.500 to 238.585	Judge Member Retirement Program
ORS 238.485 to 238.492	Public Employees Benefit Equalization Fund
ORS 243.410 to 238.420	Retiree Health Insurance Program
ORS 243.401 to 243.507	Deferred Compensation Program: Oregon Savings Growth Plan (OSGP)
ORS 237.414 and 237.470	Social Security Administration Program

Oregon Administrative Rules (Ch. 459) govern the implementation of PERS' statutory responsibilities.

PERS: Agency Limited vs. Non-Limited



PERS: Mission, Vision, Values and Operating Principles



Mission

**We serve the people of Oregon
by administering public employee benefit trusts
to pay the right person the right benefit at the right time.**

Shared Vision

Honoring your public service through secure retirement benefits.

Core Values

Service-Focus

We work together to meet the needs of others with dependability, professionalism, and respect.

Accountability

We take ownership for our decisions, actions, and outcomes.

Integrity

We inspire trust through transparency and ethical, sound judgment.

Operating Principles

Professional

We are responsive, respectful, and sensitive to the needs of our members, employers, and staff.

Accurate

We ensure data integrity and provide consistent, dependable information and benefits.

Judicious

We use sound judgment and prudent, principled decision-making in upholding our fiduciary responsibility.

Information Security

We are constantly vigilant to safeguard confidential information.

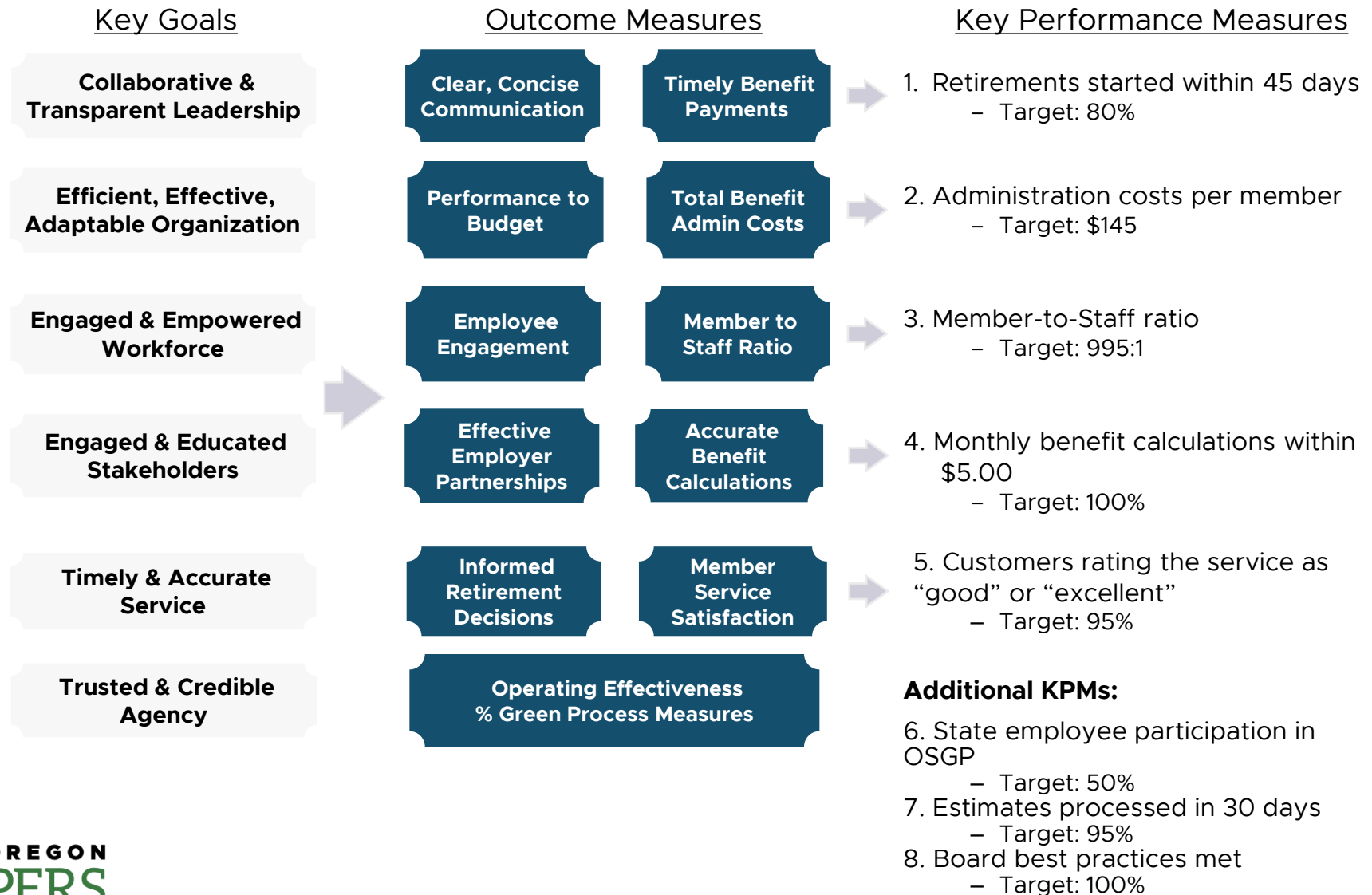
PERS: Strategic Plan

Themes					
	Organizational Management & Development	Member Services & Communication	Data Reliability	Information Governance & Technology	Financial Management
Focus Areas	Workforce Development	Member Relations	Member Accountability	Information Governance Practices	Technology Upgrades and System Integration
	Organizational Communication	Quality Delivery Methods	Data Constancy	ORION Business Modernization	Financial Management Resource Development
	PERS Outcome- Based Management System		Agency Data Warehouse	IT Digital Transformation	

PERS: Aligning the Agency for Success

- The Agency aligns the strategic plan with outcome based management system and key performance measures
- PERS Outcome-Based Management System (POBMS)
 - 82 internal processes and outcome-based measures
- Agency reviews and reports POBMS quarterly
 - Measures are shared semi-annually with the Board of Directors
- Eight legislatively mandated Key Performance Measures
- PERS participates in CEM Benchmarking

PERS: Performance and Outcome Measures



PERS: Key Performance Measures and Summary of Progress

Key Performance Measure	Metrics	Last Reported Result	Target 2018	Target 2019
1. Timely retirement payments	Percent of initial service retirements paid within 45 days of retirement date	60%	80%	80%
2. Total benefits administration cost	Total benefit administration cost per member	\$150	\$145	\$145
3. Member to staff ratio	Ratio of members to staff	977	977	977
4. Accurate benefit calculations	Percent of service retirement monthly benefits accurately calculated to within \$5 per month	95%	100%	100%
5. Level of participation	Percent of state employees participating in the deferred compensation program - Oregon Growth Savings Plan	39%	50%	50%
6. Customer service	Percent of member customers rating their satisfaction with the Agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information (overall)	92%	98%	98%
7. Timely benefit estimates	Percent of benefit estimates processed within 30 days of request	56%	95%	95%
8. Board of Directors best practices	Percent of total best practices criteria met by the PERS Board	100%	100%	100%

FOUNDATIONS

Shared Vision
Honoring your public service through secure retirement benefits

MISSION
We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

CORE VALUES & OPERATING PRINCIPLES
Service-Focus
Accountability
Integrity
Professional
Accurate
Judicious
Information Security

KEY GOALS

Collaborative & Transparent Leadership Efficient, Effective, Adaptable Organization Engaged & Empowered Workforce Engaged & Educated Stakeholders Timely & Accurate Service Trusted & Credible Agency

CORE PROCESSES

SUB PROCESSES

PROCESS MEASURES

PROCESS OWNER

OUTCOME MEASURES

OPERATING PROCESSES

SUPPORTING PROCESSES

OP1: Managing Client Data and Services	OP2: Collecting Contributions	OP3: Assessing Benefit Eligibility	OP4: Processing Benefit Applications	OP5: Calculating Benefits	OP6: Paying Benefits	SP1: Communicating Internally & Externally	SP2: Managing Compliance & Risk	SP3: Leveraging Technology	SP4: Managing Organizational Finances & Resources	SP5: Managing & Developing the Workforce	SP6: Strategic & Operational Planning
<ol style="list-style-type: none"> 1. Receiving member data 2. Reconciling member data 3. Correcting member data 4. Maintaining member data 5. Archiving and imaging member information 6. Analyzing data and generating reports 7. Generating and responding to correspondence 8. Generating and responding to phone calls 9. Creating and making presentations 	<ol style="list-style-type: none"> 1. Creating and maintaining employer accounts 2. Establishing an employer rate 3. Generating an employer invoice 4. Receiving employer contributions 5. Posting contributions to invoices 6. Crediting contributions to the general ledger 7. Reconciling contributions submitted to State Treasury 8. Collecting on delinquent employer invoices 9. Receiving member purchases 10. Accounting for supplemental member contributions 	<ol style="list-style-type: none"> 1. Determining beneficiaries for pre- and post-retirement death benefits 2. Requesting and reviewing divorce decrees 3. Determining eligibility for disability 4. Completing estimate requests 5. Completing data verification requests 6. Determining eligibility for PERS Health Insurance Program 	<ol style="list-style-type: none"> 1. Receiving benefit application 2. Reviewing benefit application 3. Entering application data 4. Corresponding with applicant and Employer 5. Reviewing Membership Account for Readiness 6. Initiating the benefit calculation process 	<ol style="list-style-type: none"> 1. Reviewing account 2. Calculating initial benefit (service, death, divorce, disability, withdrawals) 3. Recalculating benefit after an estimated benefit or when an adjusted or retro-active benefit is due 4. Validating benefit calculations 	<ol style="list-style-type: none"> 1. Ensuring cash is available to fund benefit payments. 2. Creating and transmitting payment files 3. Processing manual checks 4. Validating payment files 5. Processing returns/canceled 6. Maintaining payee information 7. Maintaining deductions 8. Ensuring tax reporting 	<ol style="list-style-type: none"> 1. Developing communications strategy 2. Creating and maintaining publications and forms 3. Maintaining electronic & social media 4. Communicating with Legislators and interest groups 5. Responding to media requests 6. Communicating with agency staff 7. Responding to public record and discovery requests 	<ol style="list-style-type: none"> 1. Providing policy advice 2. Implementing new legal mandates 3. Resolving disputes 4. Managing legal services 5. Maintaining tax qualified status 6. Managing strategic relationships 7. Conducting enterprise risk management efforts 8. Managing audit services 9. Managing information (record & document) programs 10. Ensuring reliable, consistent and auditable data reporting 	<ol style="list-style-type: none"> 1. Developing IT strategy and roadmap to meet agency technology needs 2. Ensuring system availability and performance 3. Delivering HelpDesk/desktop support 4. Maintaining applications and systems 5. Enhancing applications and systems 6. Implementing new applications and systems 7. Ensuring system security 8. Developing, delivering and managing Enterprise Content Management System 	<ol style="list-style-type: none"> 1. Administering accounting and payroll services 2. Managing funds and investments 3. Developing and administering budget and finance operations supporting agency strategic plan 4. Developing and managing contracts and agreements 5. Maintaining and managing facilities and equipment 6. Managing actuarial services 	<ol style="list-style-type: none"> 1. Managing the Workforce Plan 2. Acquiring Talent 3. On-Boarding 4. Managing Performance 5. Developing Employees 6. Retaining Employees 	<ol style="list-style-type: none"> 1. Nurturing the agency's mission, values and core operating principles 2. Developing/maintaining the agency's strategic plan and ensuring organizational alignment 3. Prioritizing and managing the completion of projects 4. Governing and Maintaining the PERS Outcome-Based Management System 5. Optimizing Business Processes
<p>OP1a: % reports received vs. expected</p> <p>OP1c: % of employer reports received posted at 100%</p> <p>OP1d: Average number of days to process member forms</p> <p>OP1e: % of employer reports received within three business days of reporting cycle</p> <p>OP1f: Average length of wait before caller reaches live person</p> <p>OP1g: % of correspondence responded to within 10 days of receipt</p>	<p>OP2a: % of Credit Employers IAP invoices not paid within 5 business days of employer statement</p> <p>OP2c: # of Employer invoices outstanding more than 90 days</p> <p>OP2e: % of member purchases posted within 14 days of receipt</p>	<p>OP3a: % of appeals that are upheld compared to total # of eligibility, disability, and divorce appeals filed</p> <p>OP3b: % of disability and divorce determinations completed within 180 and 90 days respectively</p> <p>OP3c: % of estimates completed within 30 days of receipt</p> <p>OP3d: % of data verification requests completed within 180 days from receipt</p>	<p>OP4a: % of eligibility analysis completed within 30 days of the effective retirement date</p> <p>OP4b: % of estimated payments per month are within plus or minus \$5</p> <p>OP4c: % of applications returned or rejected back to the applicant</p> <p>OP4e: % of non-canceled applications completed and ready for calculation within 30 days of the effective date</p> <p>OP4f: % of non-canceled applications completed and ready for calculation within 30 business days of all required documents received</p> <p>OP4g: % of non-canceled withdrawal applications completed and ready for calculation within 60 days of the received date</p>	<p>OP5a: # of pension calculations completed per day</p> <p>OP5b: % of sample calculations that are within plus or minus \$5</p> <p>OP5c: % of calculations completed within 15 calendar days from completed application date</p>	<p>OP6a: # of "line of business" manual checks processed</p> <p>OP6b: % of electronic payments over total payments</p> <p>OP6c: Average # of days to resolve returned payments</p> <p>OP6e: % of tax reports completed by Federal and State deadline</p>	<p>SP1a: # of emails to PERS Board email box with complaints</p> <p>SP1b: % who rate forms as easily understandable</p> <p>SP1c: % rating satisfaction as good or excellent</p> <p>SP1d: % of public records requests responded to within 14 days of receipt</p>	<p>SP2a: % of operating budget expended for attorney and administrative hearing fees and risk management premiums</p> <p>SP2b: # of Member and Employer appeals and contested case matters, employment disputes, litigation disputes, notices of dispute and risk management claims</p> <p>SP2c: % of staff determinations that are reversed on appeal</p> <p>SP2d: % of high risk audit findings resolved within committed time period</p>	<p>SP3a: # of business days in a month business systems are not available within the standard service window (mo. avg. by qtr.)</p> <p>SP3b: % of survey respondents indicating satisfaction with our technology</p> <p>SP3c: # of batch incidents/abends in a month</p> <p>SP3e: # of outstanding Critical and High Priority ORION Enhancement Requests (non-defect-type CRs)</p> <p>SP3f: # of outstanding Critical and High Severity ORION Defects (defect-type CRs and PPCRs)</p> <p>SP3g: % of HelpDesk Tickets resolved within the Service Level Agreement</p> <p>SP3h: % of time ORION systems available during the service window</p> <p>SP3i: % of time ORION systems are available during service window</p>	<p>SP4a: # of months with no cost/fee due to overdraft or borrowing</p> <p>SP4c: % of actuarial services milestones met (e.g., experience studies, valuations, CAFR data, employer rates updated in JClarity, economic impact report)</p> <p>SP4d: % of invoices paid within 30 calendar days of receipt by accounts payable</p>	<p>SP5a: % of employees' annual development plans created</p> <p>SP5b: % of employees receiving corrective action for violations</p> <p>SP5c: % of employees completing trial service</p> <p>SP5d: % of data fields entered correctly into the personnel database (PPDB)</p> <p>SP5e: % of employees evaluated overall performance rating "meets expectations"</p> <p>SP5f: % of performance evaluations completed by due date</p>	<p>SP6a: % of outcome and process measures with new or current data reported for that quarter</p> <p>SP6b: # of problem solving initiatives in process</p> <p>SP6c: % of employees that rate mission relevance as high</p> <p>SP6d: Net of measures that improve per each quarterly target review (QTR)</p> <p>SP6e: # of initiatives active during the quarter</p>
Yvette	Jessica	Yvette	Yvette	Yvette	Jessica	Kevin	Jason	Jordan	Jessica	Louise	Kevin

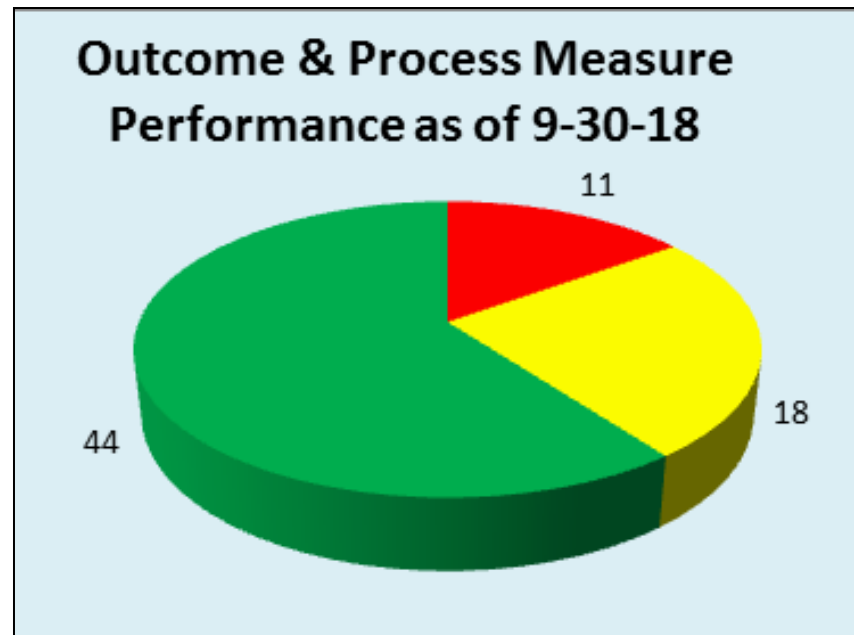
OM1: Clear, Concise Communication (Yvette/Kevin)
 OM2: Employee Engagement (Kevin)
 OM3: Operating Effectiveness - % Green Process Measures (Kevin)
 OM4: Member to Staff Ratio (Kevin)
 OM5: Total Benefit Admin Costs (Kevin)
 OM6: Performance to Budget (Jessica)
 OM7: Member Service Satisfaction (Yvette)
 OM8: Effective Employer Partnerships (Yvette)
 OM9: Timely Benefit Payments (Yvette)
 OM10: Informed Retirement Decisions (Yvette)
 OM11: Accurate Benefit Calculations (Yvette)

Revised: 1/2/19



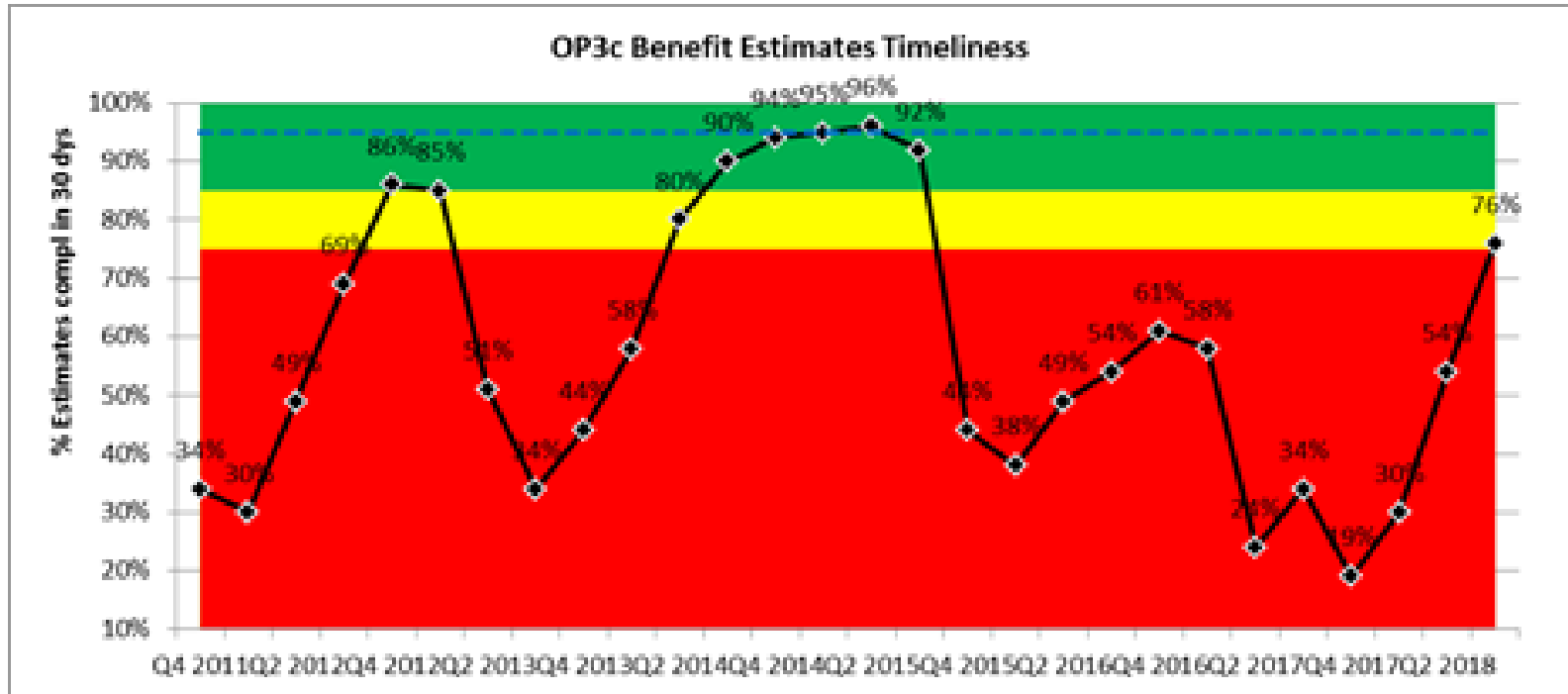
PERS: Outcome-Based Management System

- The Outcome-Based Management System fosters accountability and transparency
- Targeted performance ranges are in place for each measure:
 - “Green” – At or above acceptable levels
 - “Yellow” – Needs attention to advance into acceptable levels
 - “Red” – Problem area; manager reports on corrective action plan



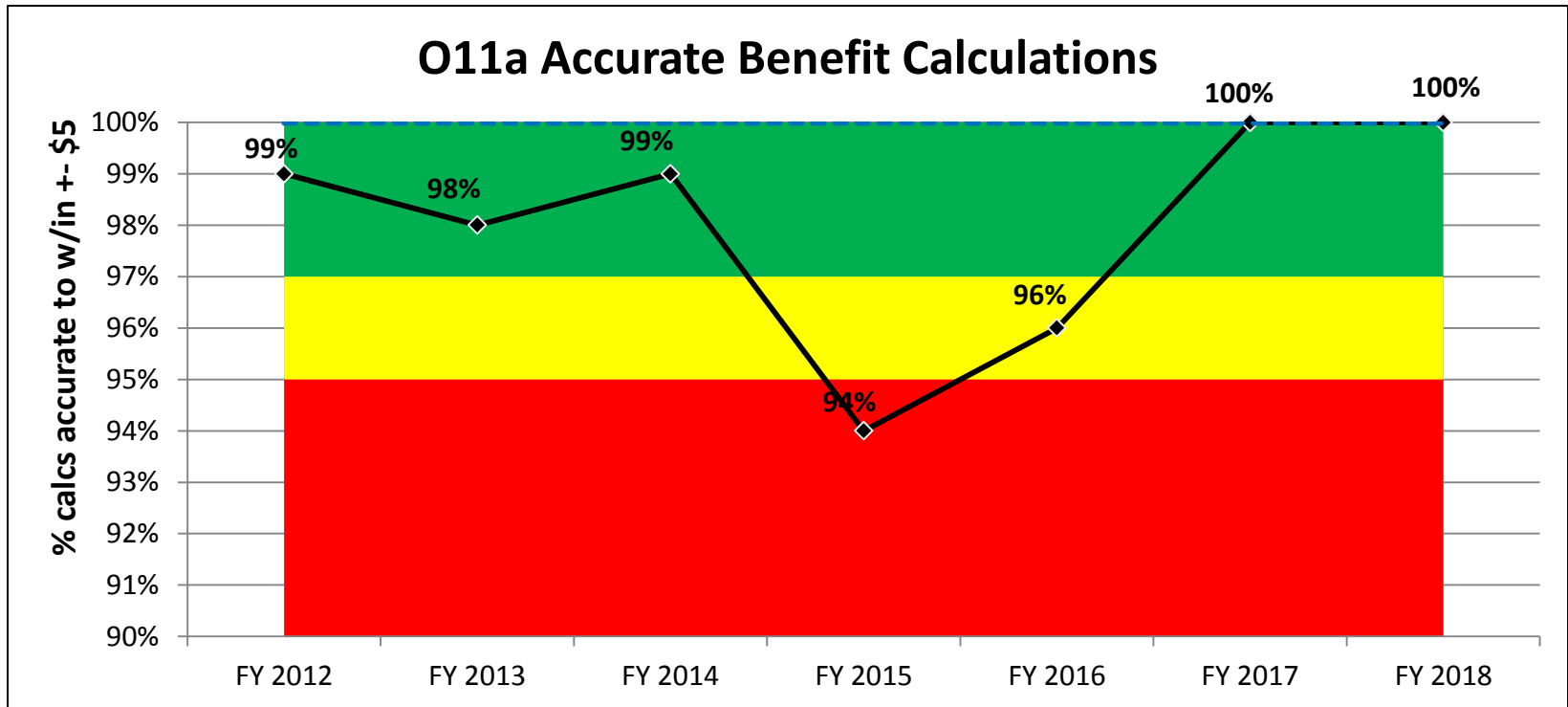
PERS: Outcome-Based Management System

“Red” Measures Drive Strategic Plan and Budget Priorities

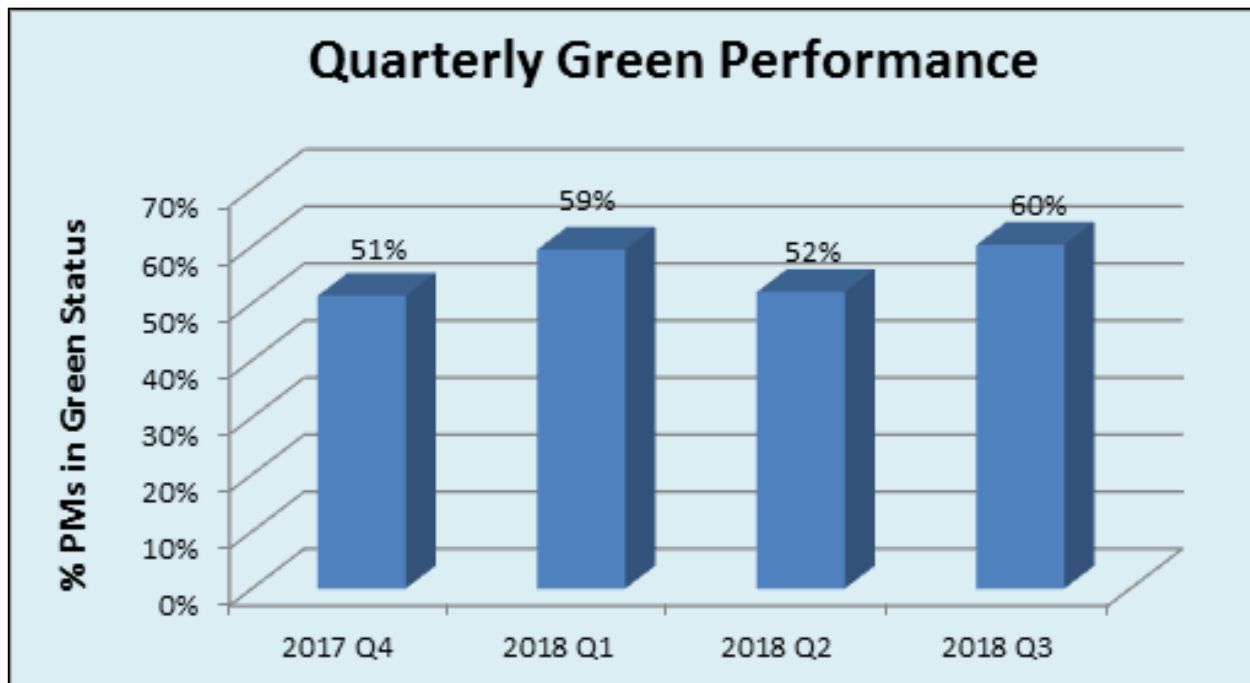


PERS: Outcome-Based Management System

“Green” Measures show successful change in processes

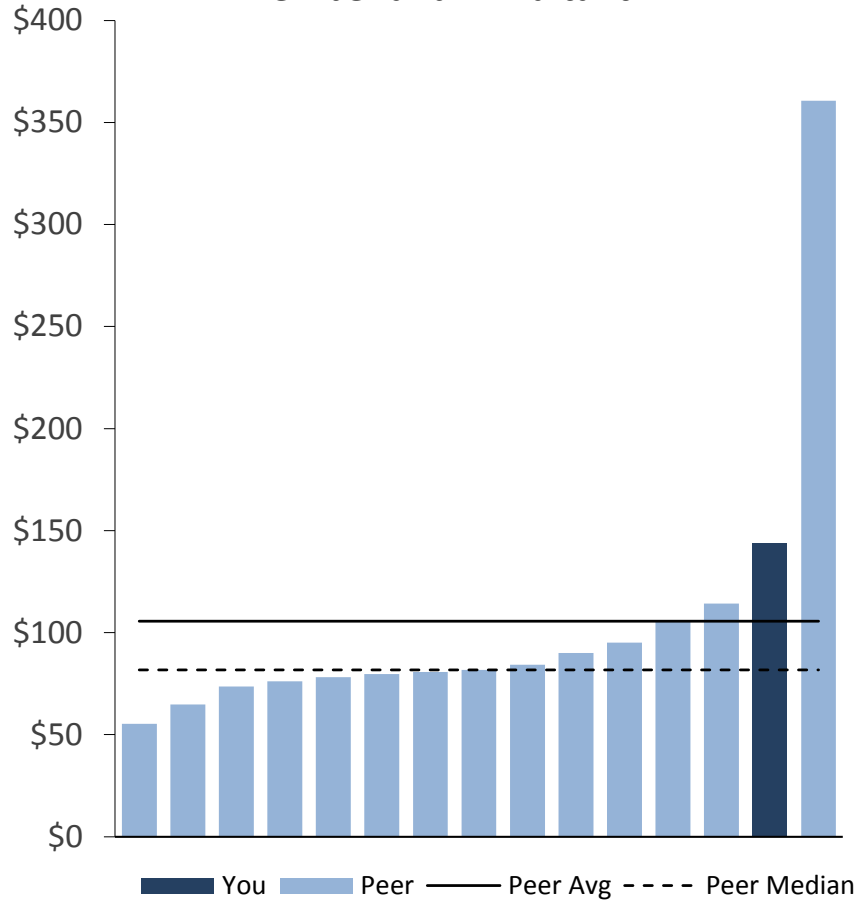


PERS: Outcome-Based Management System



CEM Benchmarking: PERS' Costs Relative to Peers

Pension Administration Cost Per Active Member and Annuitant



- Total pension administration cost was \$144 per active member and annuitant
- This was \$38 above the peer average of \$106
- Total pension administration cost was \$45.1 million. This excludes the fully-attributed cost of administering healthcare, and optional and third-party administered benefits of \$13.8 million
- Data as of FY 2017

CEM Benchmarking: Major Cost Drivers

How PERS Compares to Peers:

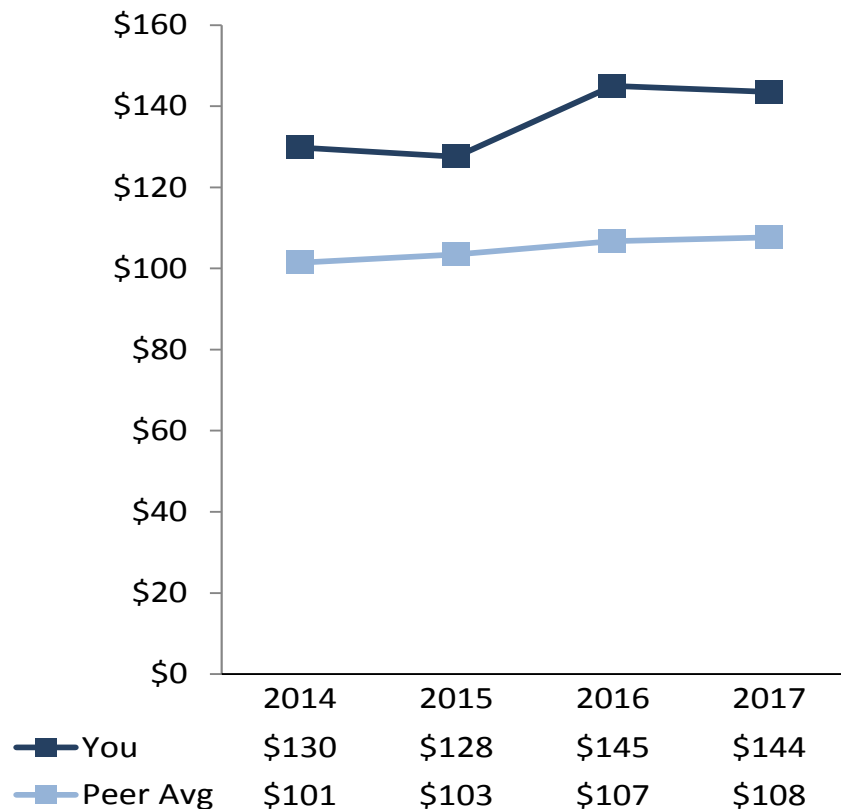
Reason	Impact
1. Economies of scale - minimal impact in this peer group	-\$0.35
2. Higher transactions per member (workloads) ⁽¹⁾	\$6.50
3. Lower transactions per FTE (productivity) ⁽¹⁾	\$18.31
4. Lower costs per FTE for: salaries and benefits, building and utilities, HR and IT desktop	-\$16.46
5. Lower third-party and other costs in front-office activities	-\$3.96
6. Paying more/-less for back-office activities:	
- Governance and Financial Control	\$2.33
- Major Projects	\$4.66
- IT Strategy, Database, Applications (excl. major projects)	\$7.96
- Actuarial, Legal, Audit, Other Support Services	\$19.02
Total	\$38.00

⁽¹⁾PERS administers four programs (Tier One, Tier Two, OPSRP Pension Program, IAP); we process two retirements per member and use up to three calculation methods to determine the benefit amount

Data from CEM, Inc. for FY 2017

CEM Benchmarking: Cost Trends

Trend in Total Pension Administration Costs



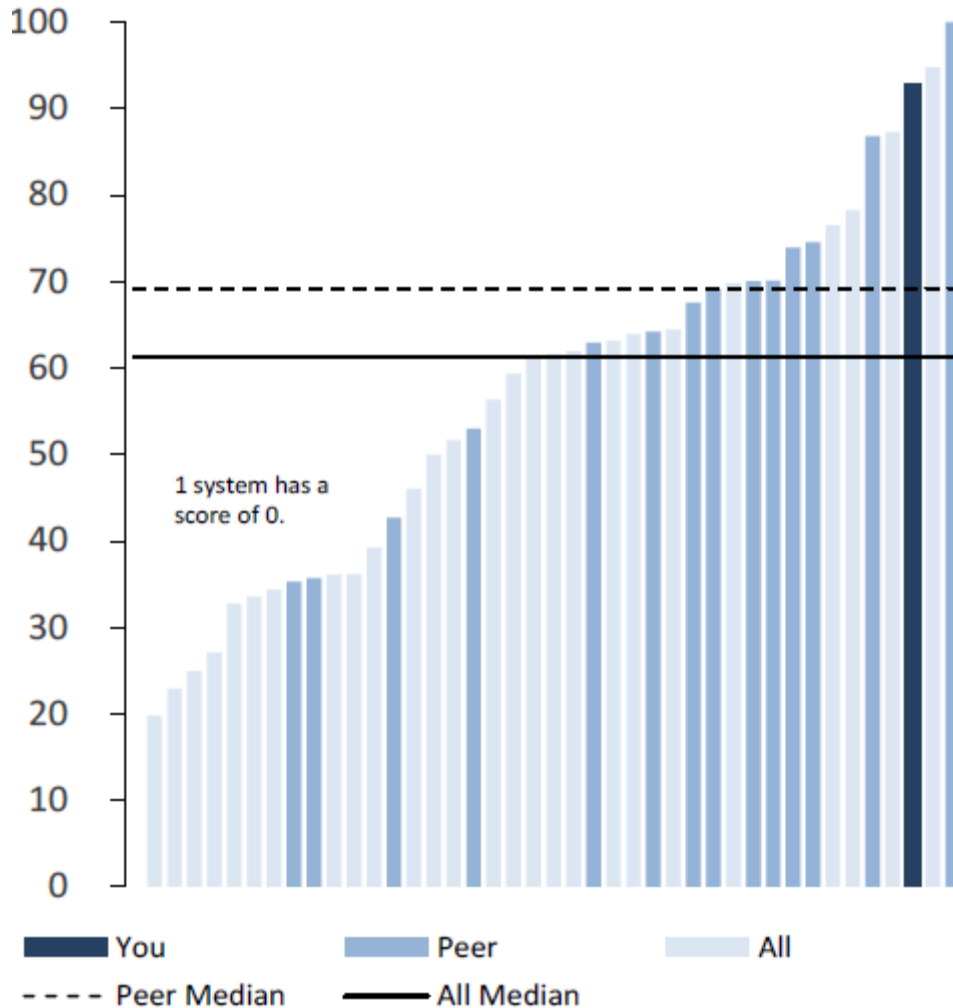
Between 2014 and 2017:

- Total pension administration cost per active member and annuitant increased by 3.4% per annum
- During this same period, the average cost of our peers with 4 years of consecutive data increased by 2.0% per annum

Trend analysis is based on systems that have provided 4 consecutive years of data (14 of your 15 peers).a

CEM Benchmarking: PERS' Total Relative Complexity

Total Relative Complexity



Parameter	Averages	
	PERS	Peers
Pension payment options	56	46
Customization choices	30	24
Multiple plan types & overlays	100	49
Multiple benefit formulas	54	38
External reciprocity	0	31
COLA rules	61	34
Contribution rates	72	55
Variable compensation	100	81
Service credit rules	60	58
Divorce rules	100	60
Purchase rules	80	66
Refund rules	31	50
Disability rules	93	75
Translation	20	13
Defined contribution plan rules	100	60
Total relative complexity	93	67

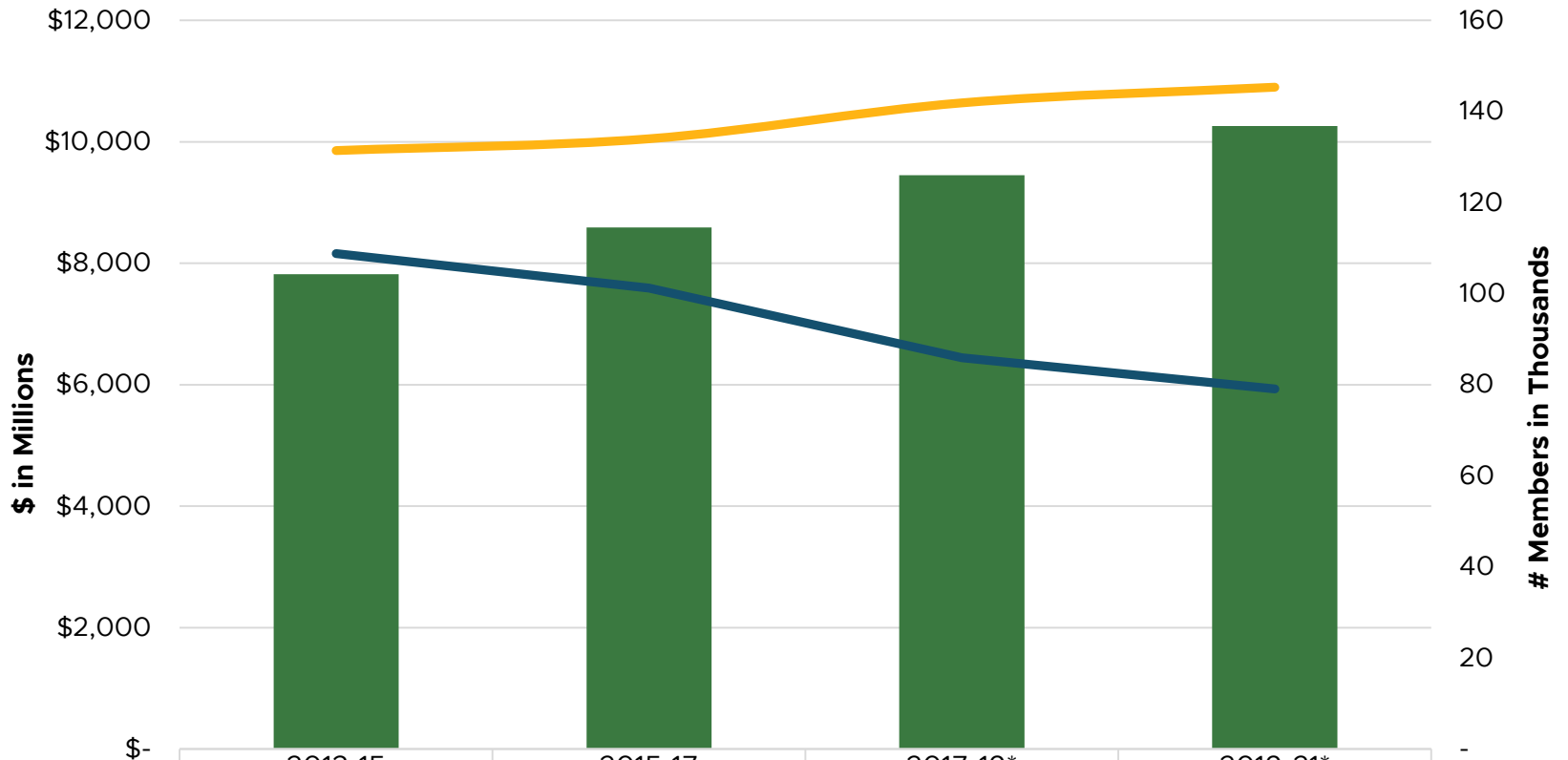
PERS: Summary of Agency Programs

Tier One and Tier Two Program (Non-Limited Budget)

- Defined in ORS Chapter 238
- Now closed to new members:
 - Tier One - December 31, 1995
 - Tier Two - August 28, 2003
- Benefit payments include:
 - Retirement allowances
 - Account withdrawals
 - Death and disability benefits
 - Health insurance premium (*pass-through*)
- Administration includes:
 - Receiving contributions on behalf of active Tier One and Tier Two members
 - Providing information and services to members
 - Processing retirements of Tier One and Tier Two members
- Funds are held in trust for the exclusive benefit of the plans' members

PERS: Tier One and Tier Two

Plan Membership and Expenditure (*future years*)



	2013-15	2015-17	2017-19*	2019-21*
Other Funds (NL)	7,821,628,643	8,590,606,787	9,448,141,046	10,261,052,242
T1/T2 Retired	131,417.00	134,004.00	141,884.00	145,329.00
T1/T2 Act./Inact.	108,800	101,209	85,912	79,066

PERS: Tier One and Tier Two

Performance Metrics

Fiscal Year	Total Active/Inactive Members (Calendar Year)	Total Retired Members (Calendar Year)	Tier One/Tier Two Program Expenditures (Non-Limited) Fiscal Year End (In Billions)	Fund Balance Fiscal Year End (In Billions)
2013	114,901	127,114	\$3.60	\$58.48
2014	108,800	131,417	\$3.89	\$65.40
2015	101,209	134,004	\$3.97	\$64.92
2016	96,988	135,775	\$4.24	\$62.08
2017	85,912	141,884	\$4.40	\$66.37
2018	84,202	145,863	\$4.69	\$69.33

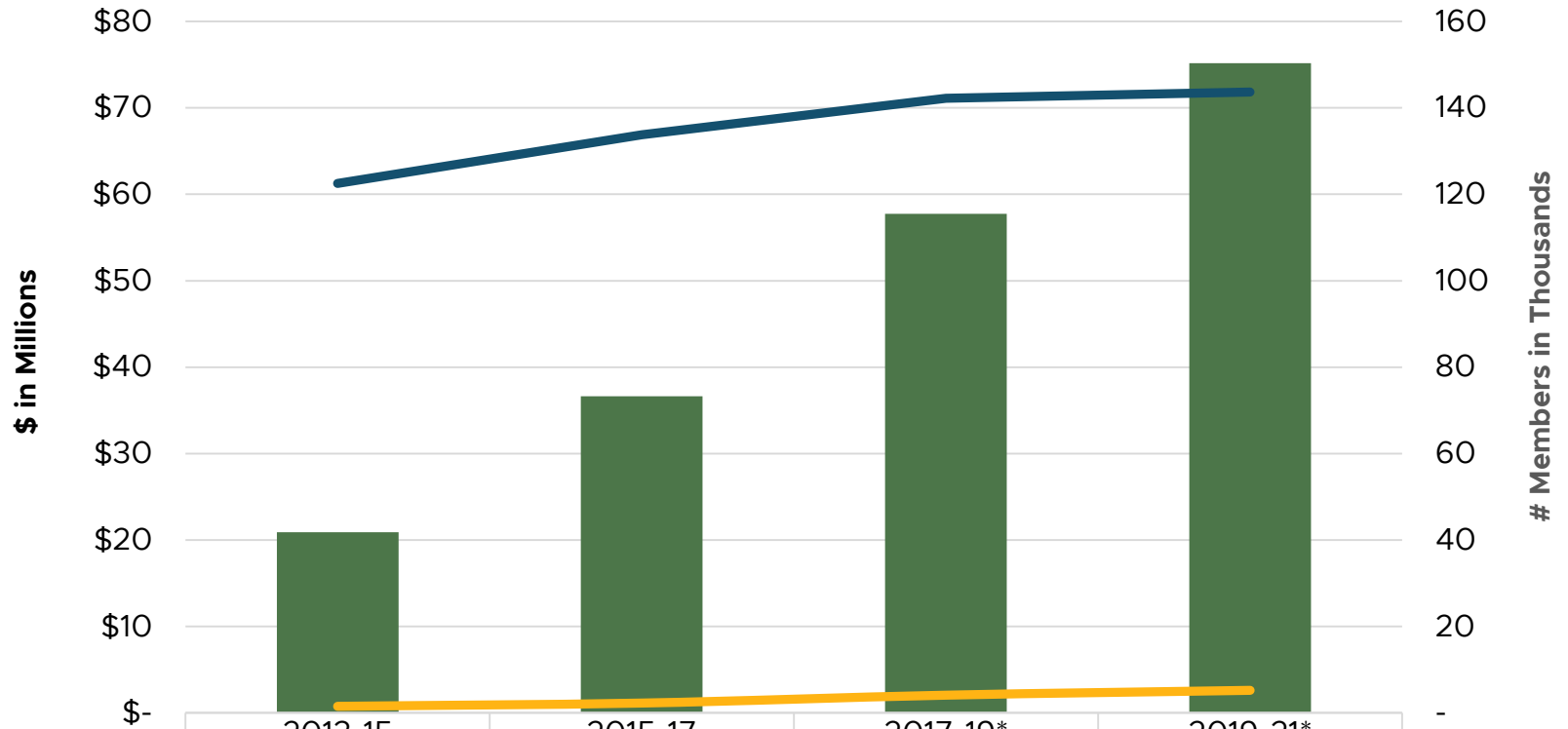
PERS: Summary of Agency Programs

Oregon Public Service Retirement Plan OPSRP (Non-Limited Budget)

- Serves public employees who began public employment after August 28, 2003
- Designed to provide a reduced pension benefit compared to the Tier One and Tier Two programs
- Added the “defined contribution” Individual Account Program (IAP) for all Tier One, Tier Two, and OPSRP members, which is a member contribution of 6% of salary
 - Tier One and Tier Two pensions are funded by employer contributions and pre-2004 member contributions
 - The OPSRP Pension Program is funded by employer contributions only
 - Individual Account Program (IAP) for Tier One, Tier Two, and OPSRP members is funded by member contributions

PERS: Oregon Public Service Retirement Plan

Plan Membership and Expenditure (est. future years)



	2013-15	2015-17	2017-19*	2019-21*
Other Funds (NL)	20,906,077	36,637,883	57,736,634	75,188,960
OPSRP Membership	122,539	133,809	142,242	143,664
OPSRP Retired	1,533	2,294	4,116	5,231

PERS: Oregon Public Service Retirement Plan

Performance Metrics

Fiscal Year	Total OPSRP Pension Members	Total Retired OPSRP Pension Members	Total OPSRP Retirements Processed	Total OPSRP Program Expenditures FY End (in Millions)	Plan Balance FY End (in Billions)
2013	111,484	1,003	720	\$10.89	\$1.37
2014	121,006	1,533	778	\$13.97	\$1.89
2015	131,515	2,294	852	\$16.92	\$2.26
2016	148,775	2,874	933	\$21.38	\$2.69
2017	156,782	4,116	1,378	\$27.33	\$3.51
2018	142,242	4,445	1,408	\$35.30	\$4.58

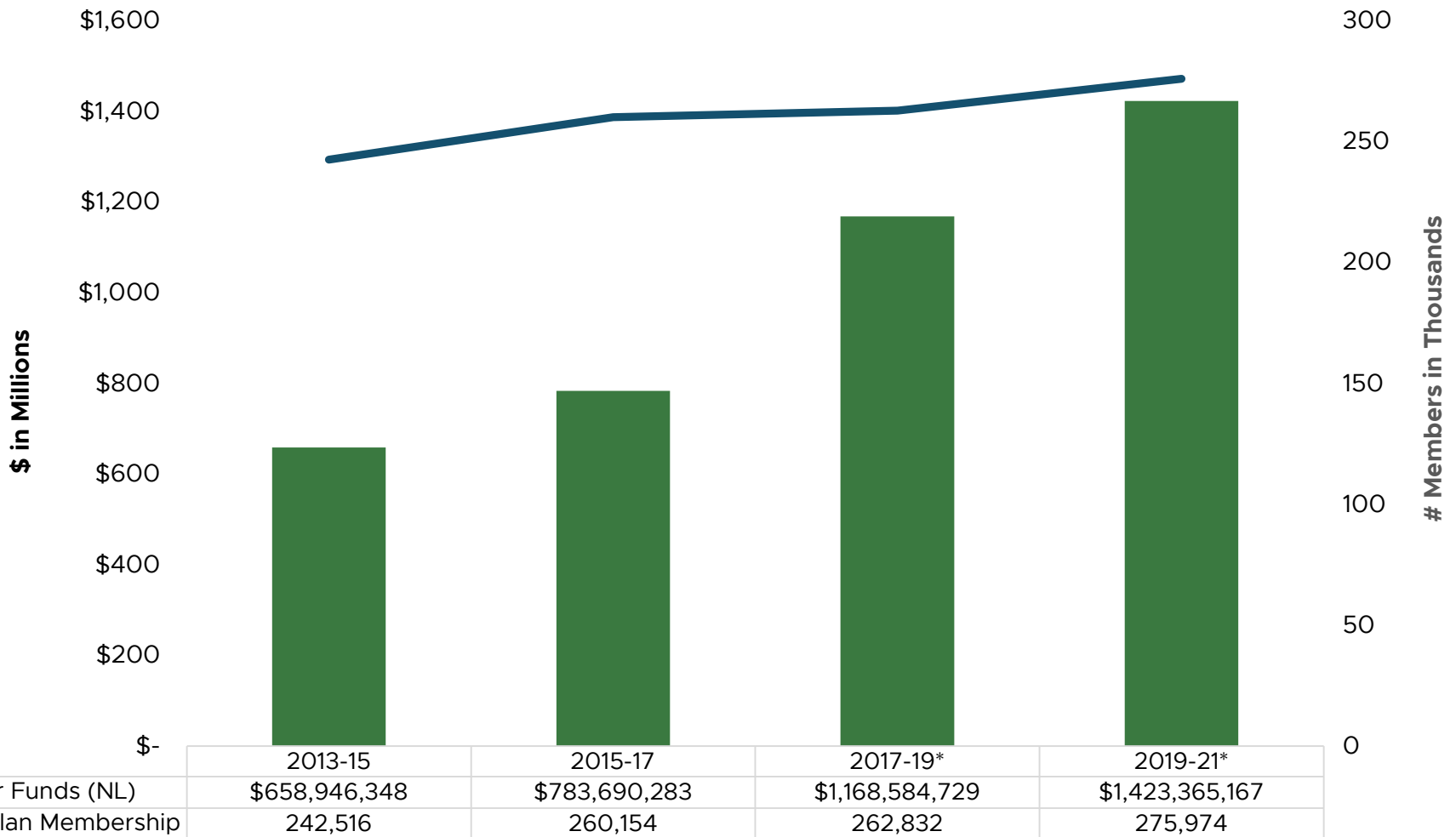
PERS: Summary of Agency Programs

Individual Account Program (Non-Limited Budget)

- Was created under the OPSRP plan
- Funded by member contributions (6% of salary)
- The Individual Account Program (IAP) consists of two components:
 - Members in the Oregon Public Service Retirement Plan (OPSRP) program
 - Members in the Tier One and Tier Two pension programs

PERS: Individual Account Program

Plan Membership and Expenditure *(est. future years)*



* Estimated Actual

PERS: Individual Account Program

Performance Metrics

Fiscal Year	Total IAP Membership	Total IAP Retirements Processed	Total IAP Expenditures (in Millions)	Fund Balance (in Billions)
2013	240,697	9,249	\$248.42	\$5.29
2014	244,256	9,021	\$337.47	\$6.46
2015	251,417	7,375	\$327.54	\$6.97
2016	260,164	7,163	\$373.02	\$7.24
2017	262,832	7,636	\$426.60	\$8.37
2018	269,812	8,251	\$559.17	\$9.20

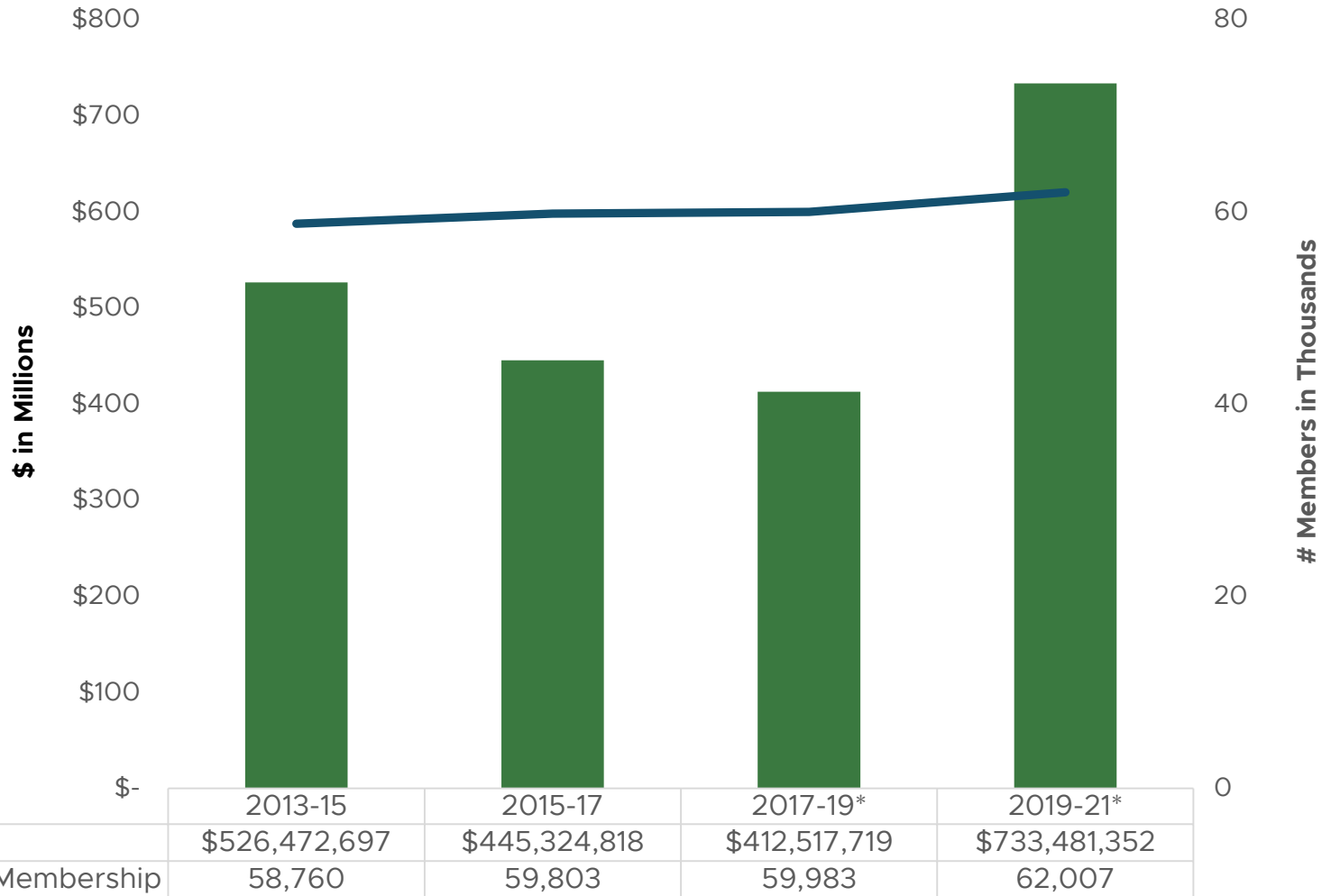
PERS: Summary of Agency Programs

Retirement Health Insurance Programs (Non-Limited Budget)

- The PERS Health Insurance Program (PHIP) offers health insurance coverage for all eligible Oregon PERS retirees and their eligible spouses and dependents
- 60,000 health plan members
- Provides PERS retirees with benefits that provide high quality, comprehensive coverage at the most cost-effective rates possible that will also meet retirees' benefit needs
- Core values of the program include maintaining the stability of premiums, coverage, and carriers

PERS: Retirement Health Insurance Programs

Plan Membership and Expenditure (*est. future years*)



PERS: Retirement Health Insurance Programs

Performance Metrics

Fiscal Year	SRHIA Members	RHIA Members Receiving Benefits	RHIPA Members Receiving Benefits	Fiscal Year Expenditures Total (in Millions)	Fiscal Year Fund Balance (in Millions)
2013	57,489	43,061	1,251	\$ 232.6	\$399.8
2014	58,760	44,087	1,264	\$ 240.4	\$465.3
2015	59,803	44,880	1,274	\$ 286.0	\$486.4
2016	59,983	45,060	1,238	\$ 254.5	\$499.2
2017	59,664	44,967	1,177	\$ 190.8	\$591.3
2018	59,190	46,033	1,228	\$ 197.7	\$684.5

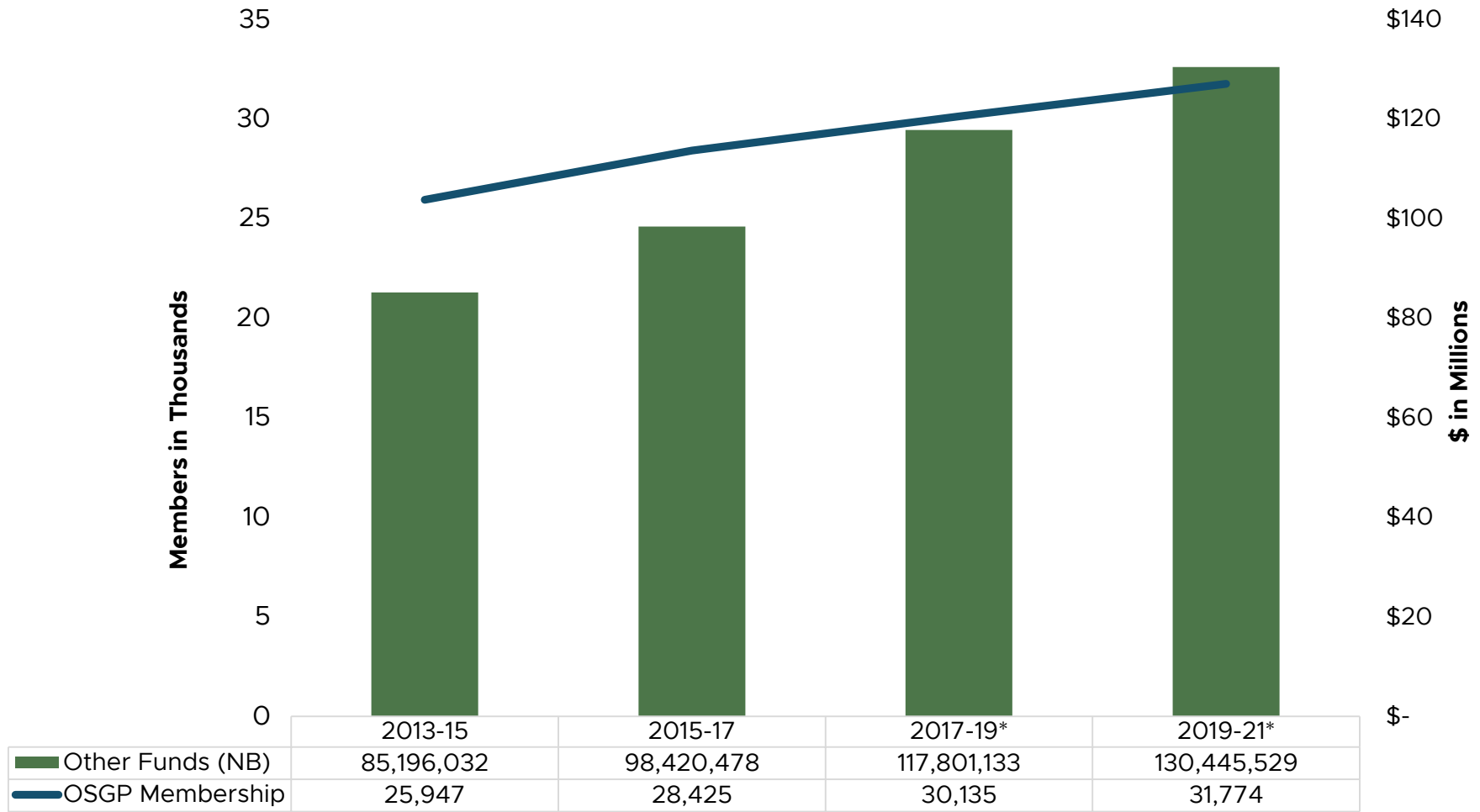
PERS: Summary of Agency Programs

Oregon Savings Growth Program (Non-Budgeted)

- The Oregon Savings Growth Plan (OSGP) is a deferred compensation program administered by PERS that provides the opportunity for public employees to voluntarily save additional funds to supplement their retirement benefits
- Is available to all state employees and those school districts and local government employers that choose to offer this plan
- Program allows participants to save additional funds for retirement while reducing their current taxable income
- Serves over 31,000 current and former state agency, school district, and local government employees
- Plan assets were valued at approximately \$1.96 billion as of June 2018

PERS: Oregon Savings Growth Plan

Plan Membership and Expenditure (*est. future years*)



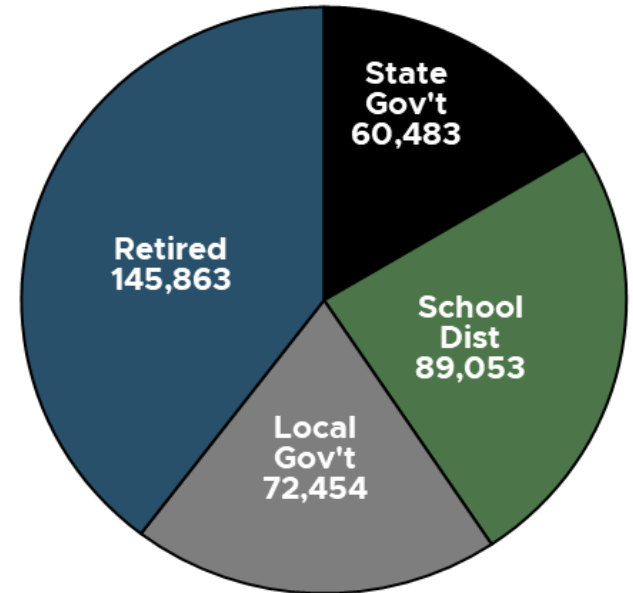
PERS: Oregon Savings Growth Plan

Performance Metrics

Fiscal Year	Members	Admin Expense	Annual Expenditures Total (in Millions)	Fund Balance (in Billions)
2013	24,515	\$874,584	\$71.42	\$1.27
2014	24,578	\$997,202	\$90.64	\$1.48
2015	25,947	\$1,018,468	\$85.19	\$1.54
2016	27,204	\$1,202,786	\$92.55	\$1.56
2017	28,425	\$1,330,947	\$98.42	\$1.78
2018	30,135	\$1,469,816	\$117.80	\$1.96

PERS: The Agency

- Under the oversight of the Board, and in alignment with statute, the Agency administers:
 1. Retirement, death, and disability benefits
 2. Other post-employment benefits
 3. Retiree health insurance programs
 4. The state-sponsored deferred compensation plan
 5. The federal Social Security program
- The Agency serves:
 - 900+ public employers
 - 367,853 active, retired and inactive members
 - 60,000 post employment health insurance plan members
 - 31,000 Oregon Group Savings Plan Members



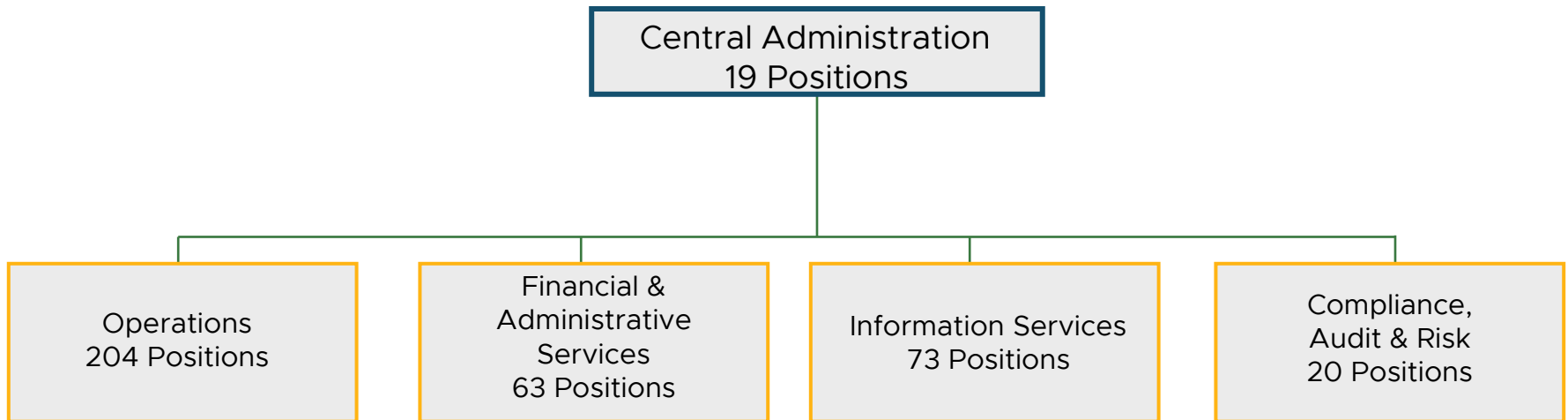
Biennium	Total Membership
2013-2015	311,905
2015-2017	345,882
2017-2019	355,449
2019-2021	367,853

PERS: How the Agency Works

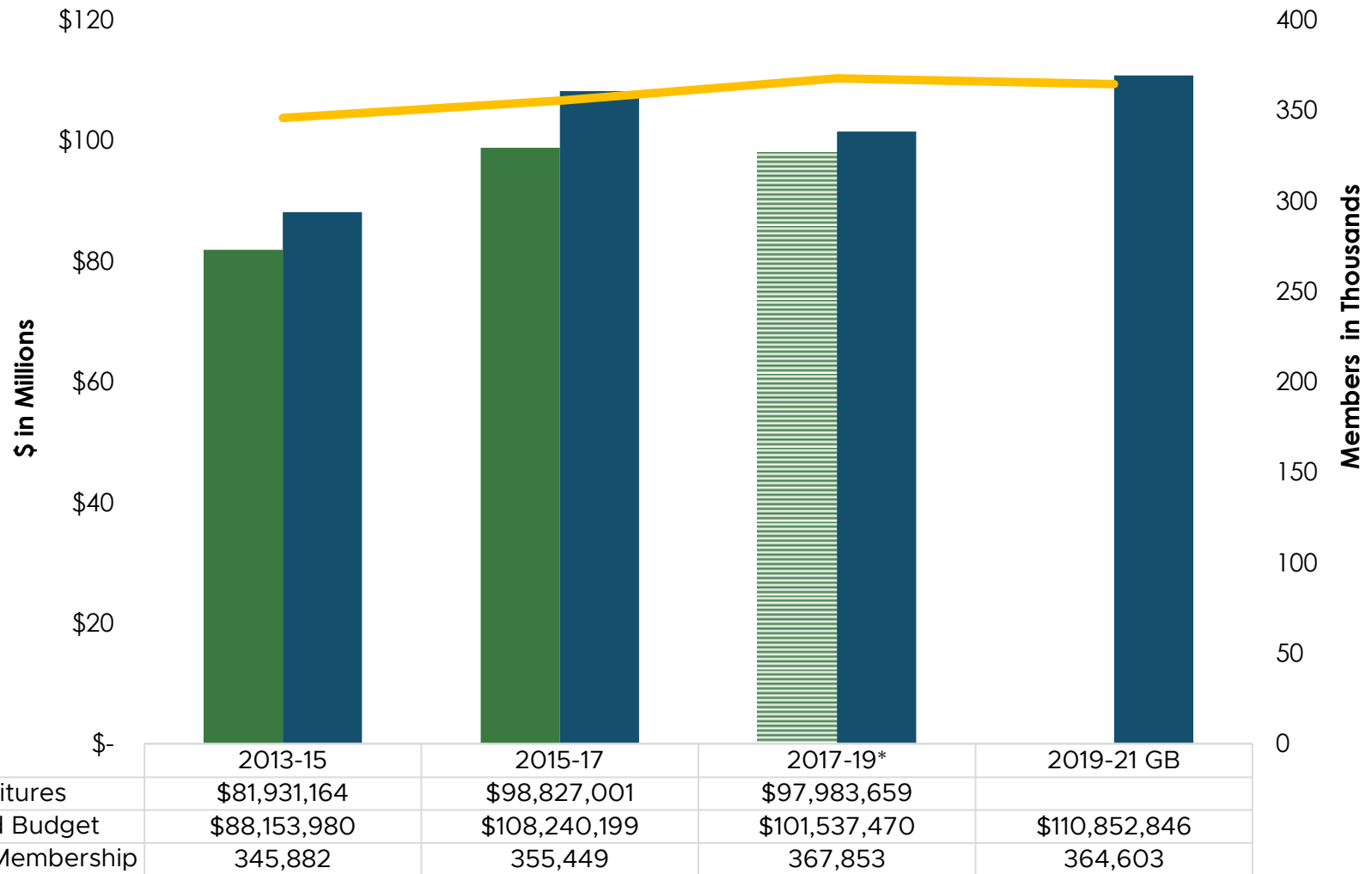
The Agency is divided into five separate divisions, each of which contribute to the success of the Agency's administrative duties.

The Divisions are:

1. Central Administration
2. Operations
3. Financial and Administrative Services
4. Compliance, Audit and Risk
5. Information Services

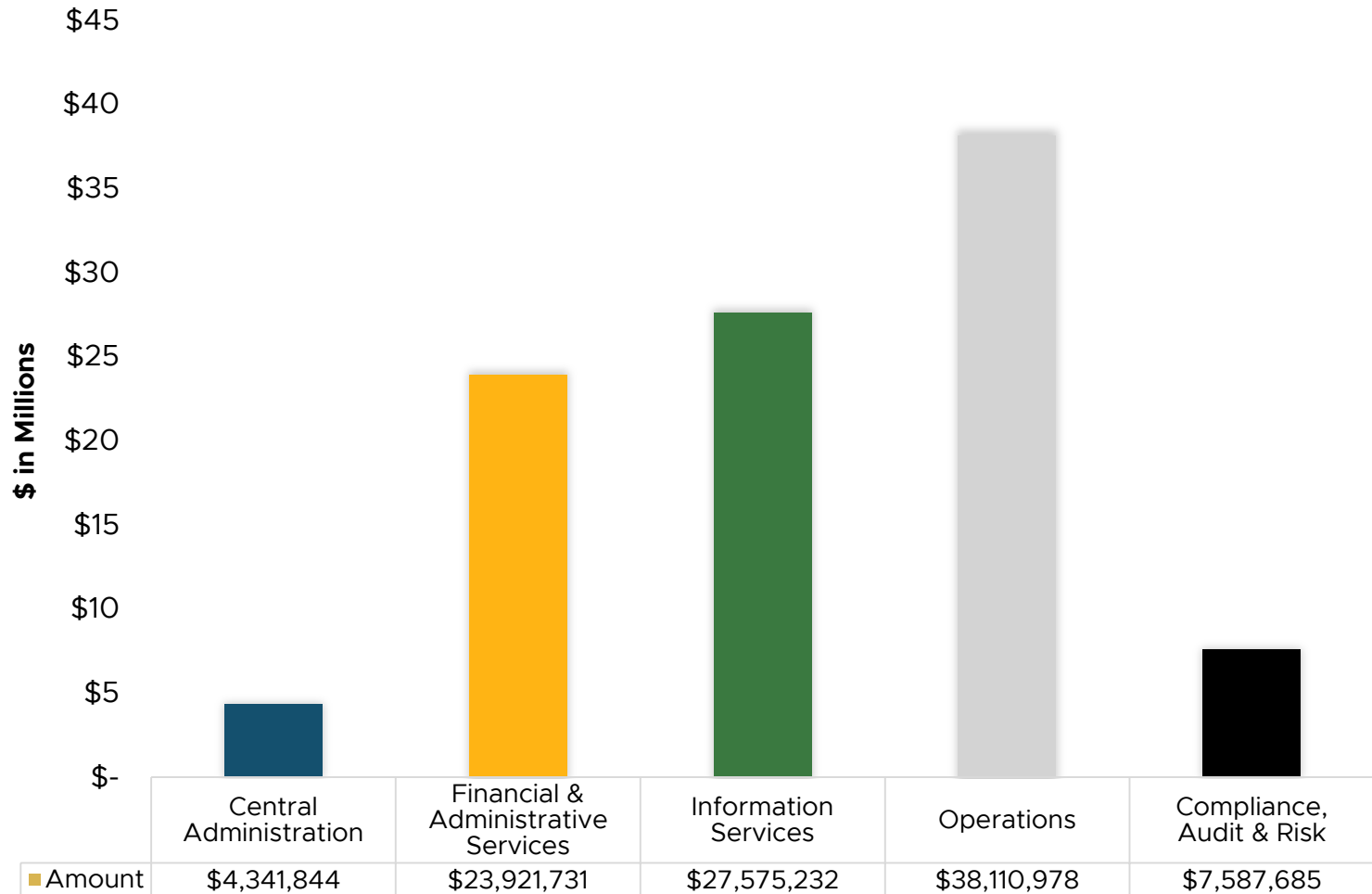


PERS: Agency Limited Operating Budget and Expenditures / Biennium

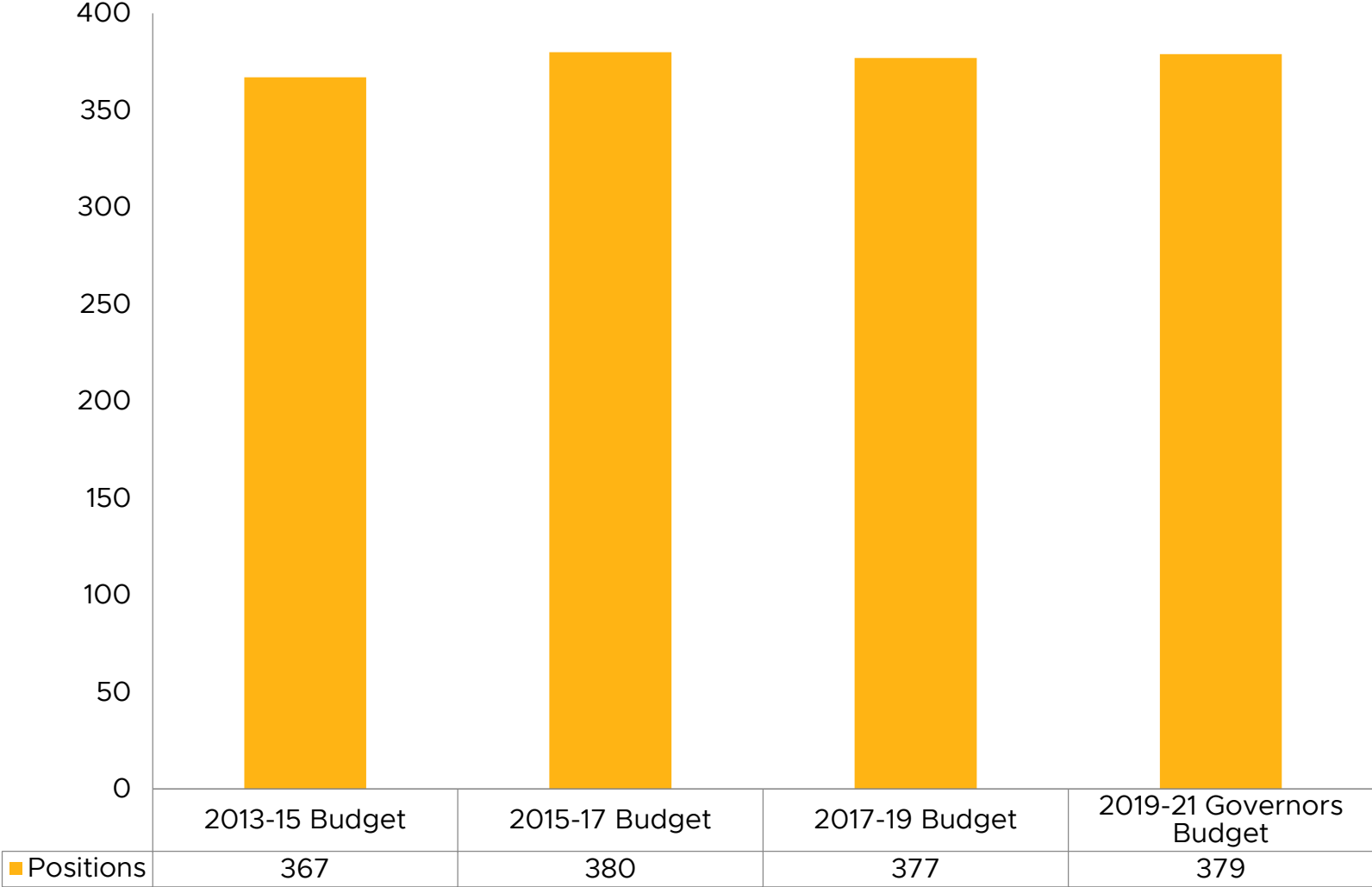


PERS: Operating Budget by Division

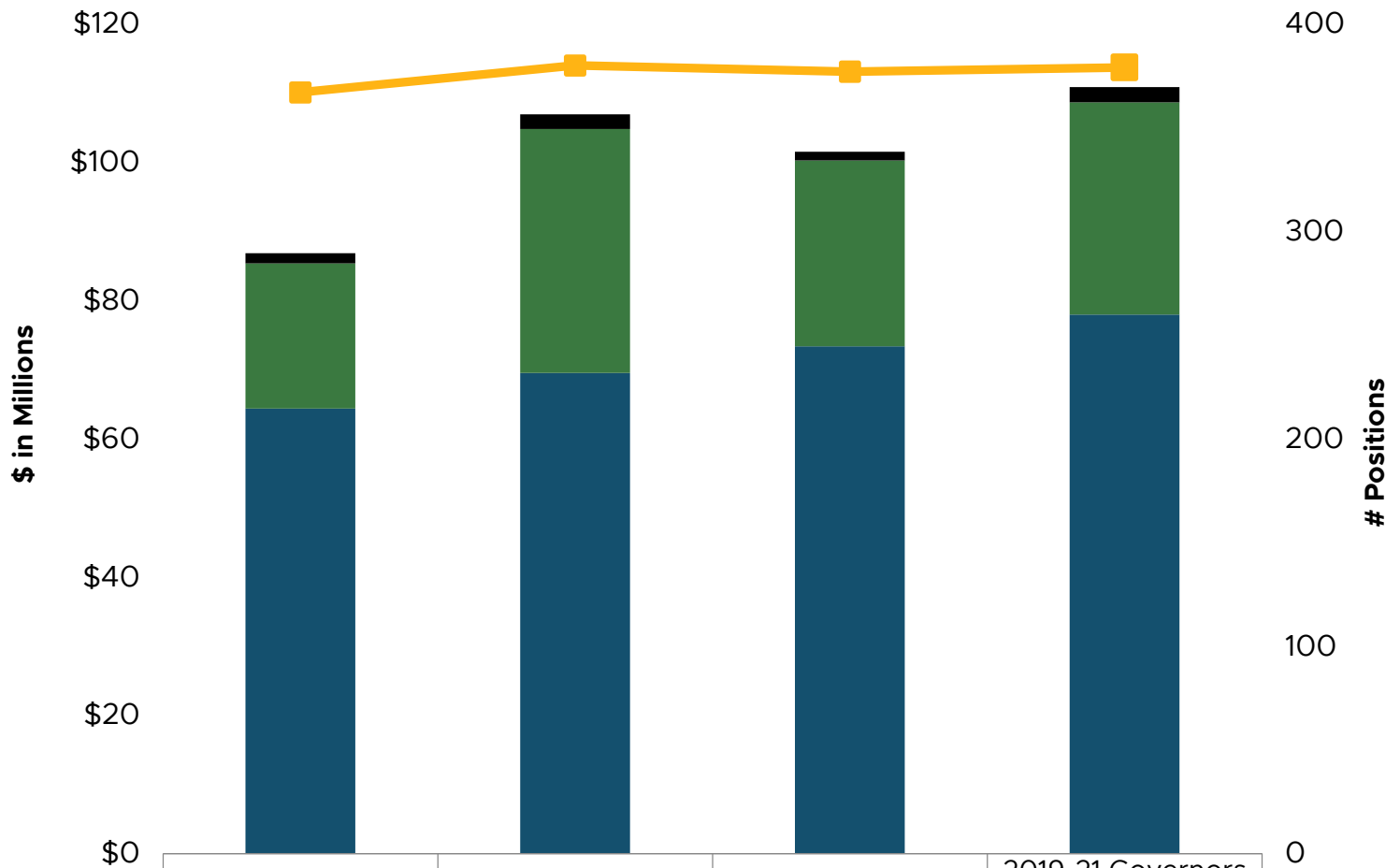
Agency 2017-19 Leg. Approved Budget: **\$101,537,470**



PERS: Agency Staffing



PERS: Expenditures and Position Count



	2013-15 Budget	2015-17 Budget	2017-19 Budget	2019-21 Governors Budget
■ Capital Outlay	\$1,478,453	\$2,121,807	\$1,294,352	\$2,173,331
■ Services & Supplies	\$21,009,989	\$35,302,823	\$26,851,571	\$30,729,335
■ Personal Services	\$64,362,688	\$69,524,819	\$73,391,547	\$77,950,180
— Number of Positions	367	380	377	379

PERS: Wrap Up

- History, Mission, Vision, Goals, and Values
- Operating Principles and Historical Perspective
- Performance and Outcome Measures; Outcome-Based Management; Goal Progress
- Summary of Programs: Who we serve and how
- Agency Organizational Structure: Functional Structure and Staffing - How we deliver services

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



Thank You

Kevin Olineck
PERS Director
2019

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