

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



2021 Preliminary Earnings Crediting

Joint Committee on
Ways and Means
Subcommittee on
General Government

February 15, 2022

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CFO



PERS: 2021 Preliminary Earnings Crediting

2021 Preliminary Earnings Crediting

- ORS 238.670(5) directs the PERS Board to submit a preliminary earnings crediting report to the legislature at least 30 days prior to making any final allocation.
- HB 4304 (2020) clarified this reporting to specifically identify gross earnings, investments expenses, and administrative expenses by fund or account.
- January 31, 2022 the PERS Board approved and submitted its 2021 preliminary earnings crediting report to the Joint Committee on Ways and Means.

PERS: 2021 Preliminary Earnings Crediting (cont.)

- Report highlights:
 - Preliminary earnings crediting allocates approximately \$16.3 Billion in 2021 (*net of expenses and other adjustments*) to member, employer, and reserve accounts
 - Final crediting will take place at the March 28, 2022 PERS Board meeting
 - Accounts are credited base upon the PERS Board's Annual Earning Crediting rule (OAR 459-007-0005)
 - Preliminary crediting rates are between 7.20% - 20.44%

PERS: 2021 Preliminary Earnings Crediting (cont.)

Oregon Public Employees Retirement System Preliminary 2021 Crediting and Reserving (All dollar amounts in millions)								
Account	Reserves Before Crediting	Gross Investment income	Investment Expenses	Admin. Exp.	Other Adj.	2021 Crediting	Reserves After Crediting	2021 Rates
Tier One Member Regular Accounts	\$2,644.8	\$709.7	\$(46.9)	\$(3.7)	\$(468.7)	\$190.4	\$2,835.2	7.20%
Tier One Rate Guarantee Reserve	526.8	-	-	-	450.1	450.1	976.9	N/A
Tier Two Member Regular Accounts	953.5	213.4	(14.1)	(1.1)	(5.6)	192.6	1,146.1	20.19%
Benefits in Force Reserve	17,942.9	4,015.0	(265.4)	(20.8)	(105.3)	3,623.5	21,556.4	20.19%
Employer Reserves	35,445.8	7,931.6	(524.2)	(41.1)	(208.1)	7,158.2	42,604.0	20.19%
Tier One/Two EPSA	127.9	16.5	(1.2)	-	11.0	26.3	154.2	20.19%
OPSRP Pension	8,417.4	1,721.1	(109.8)	(11.5)	121.5	1,721.3	10,138.7	20.44%
OPSRP EPSA	88.7	10.8	(0.8)	-	8.2	18.2	106.9	20.44%
*IAP Accounts, as a whole	11,273.6	2,008.4	(116.5)	(15.3)	(43.2)	1,833.4	13,107.0	16.26%
*UAL Lump-Sum Pmt. Side Accounts	5,581.5	1,087.8	(30.5)	(0.2)	-	1,057.1	6,638.6	Var.**
Contingency Reserve	32.0	-	-	-	18.0	18.0	50.0	N/A
Total	\$83,034.9	\$17,714.3	\$(1,109.4)	\$(93.7)	\$(222.1)	\$16,289.1	\$99,324.0	

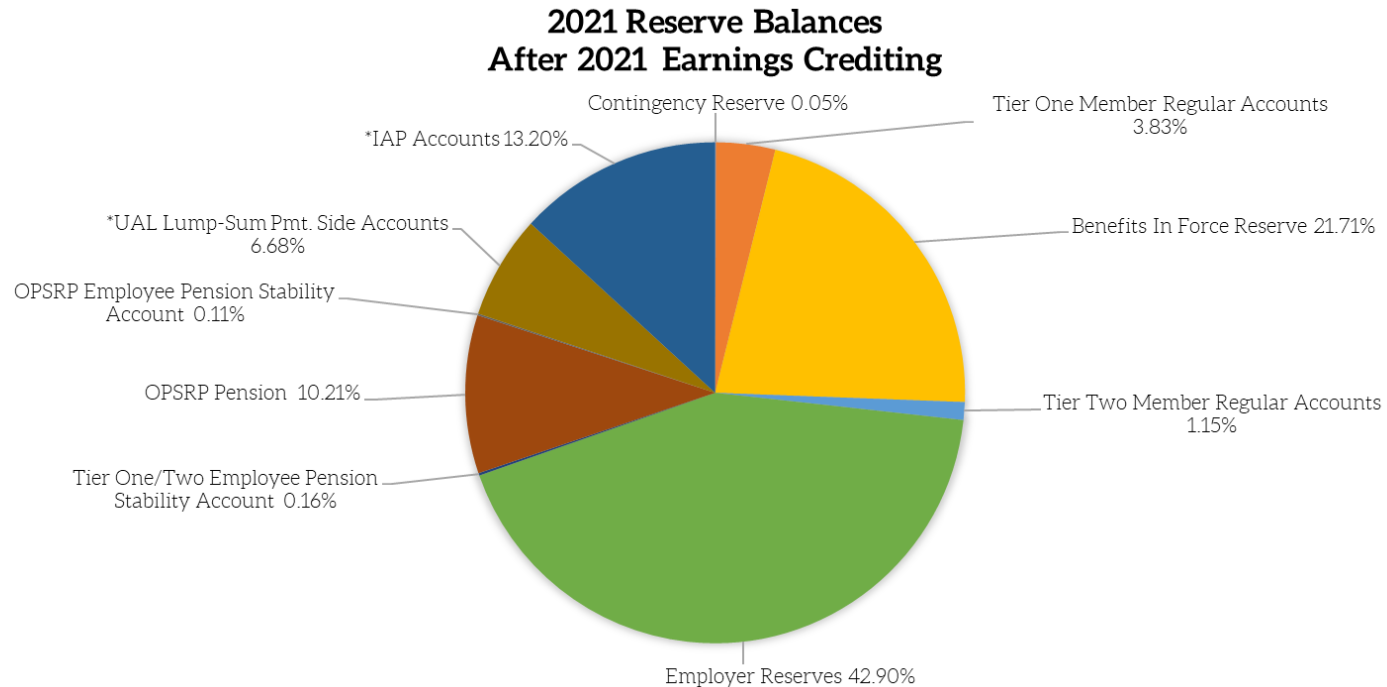
* Information only. Not affected by Board reserving or crediting decisions.

** The average of the various preliminary earnings rates is 20.77%

PERS: 2021 Preliminary Earnings Crediting (cont.)

Oregon Public Employees Retirement System Preliminary IAP TDF Earnings (All dollar amounts in thousands)				
Target Date Fund	Reserves Before Crediting	2021 Crediting	Reserves After Crediting	2021 Rates
RAF Fund	\$786,377.3	\$110,482.5	\$896,859.8	14.04%
2025 Fund	1,458,544.4	208,179.9	1,666,724.3	14.27%
2030 Fund	1,937,387.7	318,321.9	2,255,709.6	16.43%
2035 Fund	2,184,951.0	399,088.0	2,584,039.0	18.26%
2040 Fund	1,876,578.7	346,346.4	2,222,925.1	18.45%
2045 Fund	1,436,085.8	257,456.6	1,693,542.4	17.92%
2050 Fund	777,043.7	131,176.3	908,220.0	16.88%
2055 Fund	320,916.7	48,339.2	369,255.9	15.06%
2060 Fund	86,982.3	10,064.9	97,047.2	11.57%
2065 Fund	17,458.3	2,597.3	20,055.6	14.87%
Total	\$10,882,325.9	\$1,832,053.0	\$12,714,378.9	

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Thank You

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