



PERA PHRASE

[mnpera.org](http://mnpera.org)

Employer Newsletter of the Public Employees Retirement Association

Over 3,500 Employers  
166,000 Active Members

SUMMER 2022



# Annual Leave Report

The new Annual Leave Report is now available for schools to report all employees who had an authorized leave in fiscal year 2022 (July 1, 2021 through June 30, 2022) that resulted in any unpaid or unreported salary. School reports are due to PERA by July 31, 2022.

## Reminder for Calendar Year Reporting

Local government employers should have completed their calendar year 2021 report by January 31, 2022. Contact PERA immediately if you have not yet submitted your report. Delayed reporting increases the amount of interest a member must pay to purchase missed credit and can even cause them to lose the purchase option altogether. The opportunity to purchase 2021 leaves will expire on December 31, 2022.

Remember, a response is required from every employer even if no employees had a leave of absence during the reporting year. Simply navigate to the Leave Report in ERIS and confirm you have no data to report.

## New Feature: Amend Report Data

Missed an employee when you completed your report? Beginning in June, employers who have successfully submitted their Leave Report now see a new menu option named "Amend Report Data". This feature allows you to view the member data you provided and easily add any individuals who

were missed on your original submission. This link remains available throughout the year until it is time to complete next year's report.

## Reporting Terminated Employees

As discussed in our spring newsletter, we planned to develop a separate process for reporting terminated employees. We have realized, however, that it would be challenging for employers to maintain. To reduce the administrative effort, we changed our requirements so you can list both active and terminated members on your annual report at the end of the year. Employers who continue to report leaves in ERIS or via Demographic files will find these employees listed on the report by default. If you have already completed a report without including terminated members, please use the Amend Report Data option to add them now.

## Additional Resources

For more information on Leave Reports, visit the Employer Programs page of our website.

## Resources include:

- Pre-recorded webinar available to view on-demand
  - Updated Annual Leave Q&A
  - Employer Manual Chapter 9 Supplement - Annual Leave Reporting
- Should you have additional questions, please email [employer.reps@mnpera.org](mailto:employer.reps@mnpera.org)

*Administer and promote sustainable retirement plans and provide services that our members value.*

# 2022 Legislative Update

**No contribution rate changes enacted for any PERA plan**

On May 22, Governor Tim Walz signed into law the 2022 Omnibus Pension and Retirement Bill. The bill received strong bipartisan approval in both houses of the Legislature, with a unanimous vote in the Senate and a 124-6 tally in the House.

The 2022 legislative session began on January 31 and ended May 23 at midnight. Throughout the session, the Legislative Commission on Pensions and Retirement (LCPR) heard testimony from each of the statewide retirement funds on their proposed agendas.

Various other stakeholder groups also provided testimony and additional proposals for the Commission to review. These proposals included lowering the investment return to 7 percent, reducing employee contributions, modifying Police & Fire

benefit provisions, and providing lump sum payments to retirees.

The 2022 Omnibus Retirement bill did not include those additional proposals.

## Highlights Of The 2022 Omnibus Bill

- **Statewide Volunteer Firefighters (SVF).** New entities joining the SVF Plan can now choose from one of three vesting schedules. The alternative benefit calculation has been eliminated for departments in SVF less than five years.
- **Police Study.** The study is required to consider workers' compensation, disability, and pension benefits and the adequacy of these benefits for Minnesota police officers. The study will be conducted by Department of Labor

with PERA participation and be completed by January 15, 2023.

- **APRN.** Advanced Practice Registered Nurses (APRNs) are now able to sign medical reports for all statewide plans' disability process. APRNs are defined as a clinical nurse specialist, nurse anesthetist, nurse-midwife, or a nurse practitioner, practicing within the scope of their professional licensure.

## Phased Retirement Option (PRO) for Health Care Workers

Earlier in the session, a separate bill was signed into law on March 4, 2022, that pertains to certain health care workers who participate in a PRO agreement. These individuals continue to be exempt from regular PRO limitations on hours or percentage of time worked until December 31, 2023.

## Employer Education Opportunities

### Live Webinar: Welcome Employer—PERA Reporting Training

Free training program for employers or service providers who may be new to PERA reporting. This webinar is offered every quarter with the same content each time. Pre-registration is required.

#### The webinar covers:

- What is PERA?
- How to sign up for the Employer Reporting and Information System (ERIS).
- The step-by-step process for completing your contribution reports.
- Information on plan eligibility, enrollments, and updating employment status.

#### Upcoming Sessions:

- July 28 at 11:00 am
- October 27 at 11:00 am

### On Demand Webinar: New Reporting Leaves Process

This free training will walk you through the steps to report your leaves via our new pending report on ERIS or through an upload transmit method.

#### This webinar covers:

- Prior process and challenges
- New process and its benefits
- Step-by-step walkthrough

#### Upcoming Sessions:

- On-Demand, available 24/7 on our website

### New Videos

We are excited to announce three new videos have been added to our employer education library. The new videos focus

## WEBINAR REGISTRATION

Go to the Employer Education page of our website for more information and how to register.

[mnpera.org/education/employer-education](https://mnpera.org/education/employer-education)

on Salary Reporting. Accurate salary reporting and timely remitting of contributions are two of the most important tasks that our employers have as administrators of the PERA pension. Check out the videos:

- Salary Spotlight: Types of Salary Reporting
- Salary Spotlight: Higher-than-Normal Salary Reporting
- Salary Spotlight: Reporting Contributions after Terminated Employment

# Coming Soon: Board Election

Beginning in late summer 2022, we will start our Board election process to fill five open positions.

## Board Overview

PERA is governed by its Board of Trustees who approves the operating budget, decides legislative policy and priorities, establishes policies and procedures that govern operations at PERA, and directs the dissemination of information to PERA's members. In addition, the Trustees hear and rule on appeal matters of disabilitants, retirees, and members.

The Board consists of eleven members. The State Auditor is a member by statute,

five trustees are appointed by the Governor to represent cities, counties, school boards, retirees and the public, respectively, and the remaining five members are elected by the PERA membership at large.

## Open Board Positions

Five Board positions are up for election to serve for a four-year term. Three of the seats are filled by active, currently working members of PERA's three largest defined benefit plans. The fourth seat is designated to be occupied by an active member of the Police & Fire Plan. The fifth seat is designated to be filled by a former member of PERA who is receiving either a retirement or disability benefit.

## Application Process

Election information and forms will be made available to interested candidates and announced on PERA's website on August 26.

## Election Voting

The five open positions are elected at large by active members and benefit recipients of PERA's General Plan, Police & Fire Plan, and Correctional Plan. Defined Contribution Plan participants are not eligible to vote unless they also participate in a PERA defined benefit plan.

Voting materials will be sent to eligible members and benefit recipients at the beginning of January and voting will close January 31.

For more information, visit our Board of Trustees web page at [mnpera.org/about/board](http://mnpera.org/about/board) or contact Gladys Rodriguez at 651-201-2691 or [gladys.rodriguez@mnpera.org](mailto:gladys.rodriguez@mnpera.org).

## ELECTION WORKERS

*A refresher on the PERA, Social Security, and Medicare withholding requirements for local government entities that hire election workers.*

### Who is an election worker?

Election workers are individuals hired by government entities to perform services at polling places in connection with national, state and local elections. Alternate position titles include poll worker, ballot clerk, or voting official. Election workers are often paid a set fee per day or a stipend for the election period, which includes attendance at training or meetings both before and after the election.

### PERA Participation

PERA statutes exclude election workers from PERA membership, regardless of the amount of pay they receive.

### Social Security and Medicare

In Minnesota, election workers whose pay in a calendar year is less than \$2,000 are not subject to Social Security and Medicare (FICA) coverage. However, if an election worker is paid more than \$2,000, FICA taxes apply from the first dollar paid.

More information about Election Workers is available on the Election Workers page of the Internal Revenue Service website and PERA's Social Security page.

AUGUST

Candidate filling info available on website

26  
2022

OCTOBER

Candidate filing is accepted

1-7  
2022

OCTOBER

Last day for candidates to withdraw their name

15  
2022

JANUARY

Voting materials will arrive in mail

2-10  
2023

JANUARY

Election closes

31  
2023

FEBRUARY

Election results certified by the Board

16  
2023



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## Ask PERA!

Have a question for PERA? We'd love to hear from you!  
[employer.reps@mnpera.org](mailto:employer.reps@mnpera.org) | 651.296.3636 | 888.892.7372 | [mnpera.org](http://mnpera.org)

### **Our agency is issuing back pay to current and former employees following a recent union contract agreement. Should we withhold PERA from the payment?**

Yes. Retroactive pay or “back pay” that is paid to employees or former employees for services rendered prior to the current payroll period is always PERA-eligible salary. Retroactive pay is often the result of a salary increase negotiated through a collective bargaining agreement or personnel policy. Be sure to report retroactive pay with the correct coverage dates and separate from any of the employee’s regular salary.

### **What if the former employee received a refund or is already receiving a PERA benefit?**

If the former employee received a refund, an additional refund of the employee contributions will be generated. As with the initial refund, the employer share of contributions is not refundable.

If the member is already receiving a monthly benefit, PERA will adjust the monthly payment if the addition of the retro pay causes an increase of the member’s benefit.