

EmployerUpdate

for Employers of Maine Public Employees Retirement System

June
2015

NEW FISCAL YEAR - NEW RATES

It's that time of year again when budgets are being finalized for the upcoming fiscal year. FY16 begins July 1, 2015 and ends on June 30, 2016.

MainePERS publishes employer contribution rate information on our website. Go to www.mainebers.org and click on the Employer tab at the top of the page and then Employer Home. Look to the left of this page for Quick Links and you will see Employer Contribution Rates for State, Teacher and Consolidated PLD Employers.

- Grant funded teacher rate information is included in the Teacher section. The grant funded teacher costs do not include the additional amount due for retiree health. This is established by, and paid directly to, State Employee Health and Benefits. You receive a separate notification from Employee Health and Benefits for the retiree health amount.
- If you are a PLD Consolidated Plan employer, both employee and employer contribution rates change effective July 1st.

All compensation reported to MainePERS on your July 2015 payroll file is subject to the new employee and employer contribution rates. This means the new rates apply to information reported on the July file even if the period for which you are paying your employee is in June. Please rely on your July Remittance Report to review and reconcile the calculated amounts. Employer Services is available to help answer your questions. We can be reached at 1-800-451-9800.

Employer Regional Trainings

August 14th - St. Joseph's College, Standish

August 20th - University of Maine Presque Isle

September 18th - Black Bear Inn, Orono

Details in the Next Employer Update.



Reporting Reminder:

*June's Payroll Filing
is Important*

It is valuation time once again. We need to receive your June payroll filing no later than **July 15th** in order to submit timely information for our actuarial valuation.

If you anticipate a delay in reporting your June payroll data, please contact Employer Services as soon as possible. *Thank you!*

Phone: 1-800-451-9800

E-mail: employer@mainepers.org

Group Life Insurance (GLI) - 3rd Party Designation Option

Recent legislation now allows an additional option for employees with MainePERS GLI. Employees may now designate a person, in addition to themselves, for MainePERS to contact when coverage is about to be cancelled because payment has not been made.

MainePERS is writing to State and Teacher Plan employees with GLI to make them aware of this option. The law does not include PLD Plan employees, but MainePERS will accept third party designation forms from these employees as well. The form will be available in the forms section of our website or by contacting MainePERS.

LEAVE ACCRUALS FOR RETIREES RETURNED TO WORK (RRTW)



Question: Is it permissible for an employer to allow a RRTW to carry leave accruals (vacation, sick and/or personal, etc.) from their pre-retirement position into their post-retirement position?

Answer: No. There are two primary reasons:

Bona Fide Termination: By law, an employer must pay any unused, accrued vacation leave to an employee upon termination. While the same is not true for other types of accruals (e.g., sick leave), transferring such credit to the RRTW position creates an inference that the termination was not bona fide. A bona fide termination is required under state and federal law in order for the individual to retire.

Double Credit/Use: Many retirees receive MainePERS service credit for unused and unpaid leave days when they retire (up to 90 days or 720 hours). To make those same days available to the RRTW employee would be to allow them to benefit from the same accruals twice.

The Retired, Returned to Work (RRTW) definition from your Employer Self-Service Payroll Filing Manual under Personnel Status Codes reads:

"53 - Retired, Returned to Work - An employee who continues to draw a MainePERS retirement benefit from an employer in the System, and returns to work for the same employer without accruing additional benefits. (The State and all Teacher units are considered the same employer.) (Questions regarding Retired PLD members returning to work should be directed to the MainePERS PLD Department.)"

TEACHER EMPLOYERS: Send Us Your Contracts



Please send copies of your school's current agreements to:

E-mail:

teacher@mainepers.org

OR

Mail:

MainePERS
PO Box 349

Augusta, ME 04332-0349

Comprehensive Contracts =
group salary agreements,
schedules of benefits and one-
time special agreements

Teacher Members =
teachers, superintendents,
administrators, education
technicians II and III, nurses and
some secretaries

This information allows MainePERS to accurately calculate benefits and answer members' questions about their benefits. This is especially important if you have employees who are retiring.

Questions?

Contact us any weekday between
8:00 a.m. and 5:00 p.m.
at 512-3100 or
1-800-451-9800.