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Maine State Retirement News for Members Retirees and Employers, April 2000

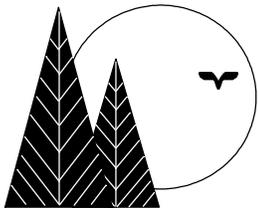
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Maine State

Retirement News

for Members, Retirees and Employers

The newsletter of the Maine State Retirement System

April 2000

THINKING OF BUYING BACK SERVICE CREDIT?

◆MAY IS THE TIME!

MSRS members who meet specific eligibility requirements and furnish appropriate verification may “buy back” or “purchase” service credit towards their retirement.

You may be entitled to purchase service credit for service earned working for a state, territory or possession other than Maine, or a political subdivision of a state, territory or possession other than Maine; certain military service; refunded MSRS service; or service in MSRS-covered employment from which no MSRS contributions were deducted from the earnings.

If eligible, you may purchase this service credit at any time during the year by making a single, lump sum payment of all principal and interest owed. However, if you choose to make partial payments for such service, you can only make one payment each year and it must be during the month of May.

If we have quoted you a cost for the purchase of service within the past three years, and you have not made a complete payment, we will soon be updating the amount due should you wish to purchase all or a portion of the unpaid balance.

Each April we recalculate the amount due by applying interest charges through April 30. We then send you a letter informing you of the
(see Service Credit page 3)

On the Front Line

When calling the MSRS, your first contact will be to talk with one of our operators in the Mail/Message Center.

Sarah Marks, Debi Gay and Kathy Chaisson are the MSRS’ telephone “front line.” They will assist you by directing your call to the appropriate unit. If you know exactly who, or which unit, you need to speak with, they can quickly connect you.

However, if you are unsure about who you need to speak with, they may require a little more information from you in order to get you to the appropriate area. Answering the phones and assisting our members, retirees and employers is the priority for the Mail/Message Center operators. Together they represent 60 years of telephone and customer service experience.

In addition to their telephone responsibilities, this hardworking trio also sorts and distributes mail, orders supplies, fills requests for forms and brochures, and takes on special projects from time to time.

Meet the MSRS Mail/Message Center operators:

Sarah Marks

Sarah has been with MSRS for over five years. She enjoys assisting members and retirees by directing their calls to the appropriate area. She says, “The aspect of my job that I enjoy the most is

the variety of tasks at MSRS.”

Before coming to MSRS, Sarah was an operator for a major telephone com-



From left to right: K. Chaisson, S. Marks and D. Gay

pany and a receptionist for a pharmaceutical company.

She enjoys spending time with her family, swimming and tracking down new restaurants to try their “haute cuisine.”

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Notes from the Executive Director

This issue of our newsletter probably looks both familiar and different to you. Among the “differents” are the *Employers Corner*, introductions to staff members, and these *Notes*. All will also be in future issues.

Note for state employee and teacher retirees and active members. In 1993, the law that limits (“caps”) the amount by which increases in compensation could result in increased retirement benefits was enacted. The System’s Board recently put in place a rule that changes the way the “cap” is applied, which lessens its impact on benefits for some retirees. New retirements will be calculated according to the new rule. The System will review all state employee and teacher retirements since July 1993 and benefits that would be increased by application of the new rule will be recalculated. There are over 4000 such retirements; review will take some time. We will send more information to those affected as we establish the review/recalculation process.

Note for active members. As state and teacher active members know, last year the Legislature changed the law to reduce from ten years to five years the minimum amount of creditable service needed to be eligible to receive retirement benefits. The System has recommended to this session of the Legislature that the change to five years be extended to

members covered under the PLD, judicial and legislative plans. The Legislature has not yet had the opportunity to act on this recommendation. We believe that a uniform minimum is essential to members’ interests and to our operations.

Note for retirees and other benefit recipients. Recent newspaper articles have stated that the Consumer Price Index (CPI) increase for 1999 was 2.7%. You know that the CPI-based COLA applied to your benefit in September 1999 was 1.9%. Why the difference? The 2.7% was the CPI increase as of December 31, 1999. Maine law requires that the COLA for MSRS retirees and other benefit recipients be based on the CPI change as of June 30 each year. As of June 30, 1999, the CPI increase was 1.9%.

Note for all readers. Starting in September, the newsletter will appear in September, January and May of each year. We will also provide a separate publication when we need to communicate more formally with you. The new publication will be designed to command your attention and convey the importance of its information.

Are there issues or topics you think we should include in the newsletter? Do you have questions? As always, we want to hear from you so please write and let us know.

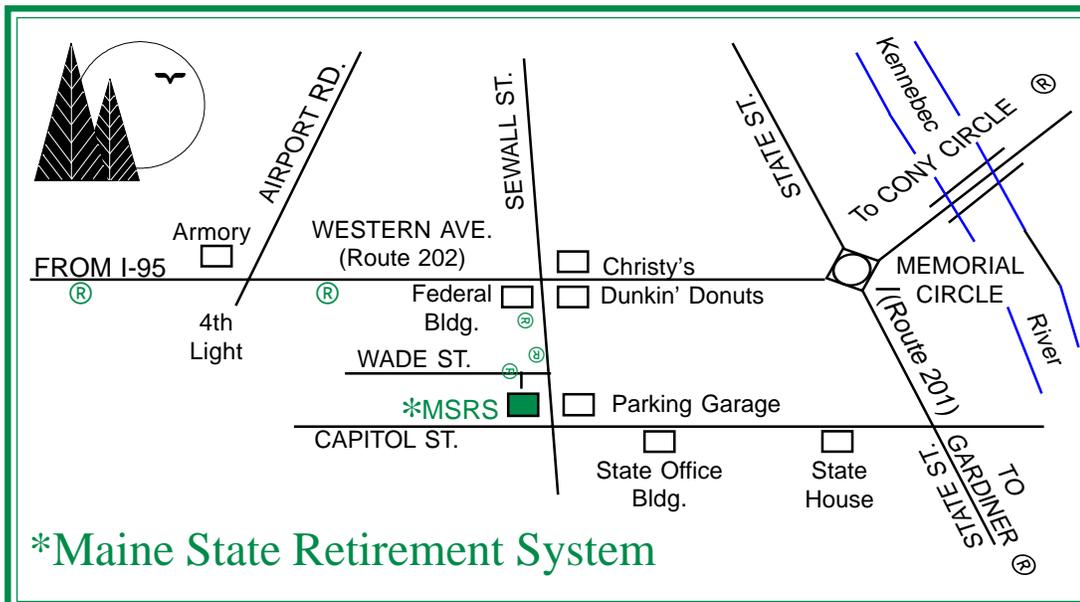
KAY EVANS
Executive Director

Planning to visit the MSRS?

We welcome visits from our members, retirees and employers. If you need to speak to someone about your retirement plans, you should call and make an appointment first so that you can be sure the person you need to talk with is available. If you need general information, forms or have a question, you are welcome to either call us or visit our offices. Below

is a map of the area where we are located, along with written directions. When you visit with us, you will need to sign in at our front reception desk and, if you have an appointment with someone in the building, you will be issued a temporary visitor tag.

We are located in Augusta on the corner of Sewall and Capitol Streets. If traveling North on I-95, take Exit 30; if traveling South, take Exit 30-A; onto Western Ave. Continue 1.1 miles and turn right at the Federal Building onto Sewall St. (this is the 6th light from the exit). If you are coming off Memorial Circle onto Western Ave., turn left at the first light onto Sewall St. Proceed 1/10th of a mile, turn right onto Wade St. across from the parking garage, and immediately left into the MSRS parking lot.



(Continued from page one)

Deborah Gay

Debi came to MSRS in the spring of 1998. She, too, loves the diversity of the position and noted, “I love the people at MSRS; they’re dynamic. MSRS feels like a family.”

Prior to joining MSRS, Debi was a Certified Nursing Assistant for five years at a nursing and rehabilitation facility in the Brunswick area.

Debi enjoys spending time with her two children and painting, reading and driving her 4-wheeler.

Kathleen Chaisson

Kathy is the newest member of the MSRS team, joining us in July of 1999. She came to MSRS after nineteen years in the banking industry.

In reflecting on the favorite aspects of her position she noted, “I love it all! MSRS is a wonderful place to work.”

When she’s not hard at work, Kathy enjoys reading and spending time at home with her dogs.

Judy Little, Front Desk Receptionist

Judy Little, our front desk receptionist, is here to greet you when you visit the MSRS.

Judy assists members and retirees who have appointments, who need to fill out paperwork, and who need signatures wit-

nessed. She can also put you in touch with the appropriate MSRS staff person who can answer your specific questions.

Judy has been with MSRS for close to thirteen years and has worked in a variety of positions including clerk in the Teacher Unit, group life insurance, payroll processing (processing member applications) and most recently as the front desk receptionist. Judy is a real “people person” and admits that she enjoys the front desk the most. She stated, “I’ve seen a lot of improvements at MSRS to assist the members and retirees, and I’m glad to be a part of it.”



Judy Little, Front Desk Receptionist

Away from MSRS, Judy spends time with her two sons and two grandchildren. Judy enjoys painting, drawing and needlework. During the winter months she finds pleasure in getting outdoors to cross country ski; in the summer she enjoys spending time at the ocean and cycling.

MSRS Holiday Schedule

The Retirement System offices will be closed on the following dates for the remainder of 2000:

Monday, April 17	Patriot’s Day
Monday, May 29	Memorial Day
Tuesday, July 4	Independence Day
Monday, September 4	Labor Day
Monday, October 9	Columbus Day
Friday, November 10	Veteran’s Day
Thursday, November 23	Thanksgiving holiday
Friday, November 24	Thanksgiving holiday
Monday, December 25	Christmas

Mailing Dates for Benefit Checks and Advices of Deposit in 2000

As a general rule, the MSRS delivers benefit checks and advices of deposit to the U. S. Post Office in Augusta on the next to the last day of the month. When the next to the last day is either a Saturday or Sunday, they will be delivered on the Friday preceding. For the remainder of 2000, checks and advices of deposit will be delivered to the U.S. Post Office on the following dates:

March 30	August 30
April 28	September 29
May 30	October 30
June 29	November 29
July 28	December 28

Service Credit (continued from page one)

amount of service available for that purchase, along with your cost for that purchase. This updating of balances is calculated and provided on an annual basis for three years.

After the third annual update, if you have not acted to purchase service credit, or if your last partial payment was more than three years ago, you will receive no further automatic updates. This information is provided in April so that you can decide whether or not to make a complete or partial payment in May.

Please contact the MSRS Retirement Services Unit if you have questions or if are interested in finding out if you are eligible to purchase service credit and the cost of that service.

EMPLOYERS CORNER

MSRS MEMBERSHIP SERVICES

DEPARTMENT: HERE TO HELP YOU

The MSRS Membership Services Department is comprised of three units: Eligibility, Employer Payroll and Payroll Processing, and is the focal point for processing information received by employers. Types of processing include monthly payrolls, membership applications, and member update forms. The information received is keyed into a central database, reviewed for validity and stored in the members' accounts.

Membership Services is in the process of preparing educational packets such as instructions for completing forms, updating the payroll manual, and educating members and employers about who is and is not eligible for MSRS membership. They are committed to providing members and employers accurate, consistent, friendly service by reviewing, monitoring, tracking and validating the applications, events and payroll reports. This effort requires ongoing communication between MSRS and employers. The Membership Services staff is pleased to support and assist employers in preparing payroll reports, applications or change forms and encourages employers to contact them whenever they have questions.

Payroll Processing Unit: The Payroll Processing Unit (PPU) maintains and updates all information relating to member accounts. The documents used to update member information include member application forms, name and address change forms, personnel status change forms, beneficiary forms, and employer monthly payroll reports. The MSRS receives 740 payroll reports each month from State agencies, teacher units and participating local districts. Approximately 650 of the payrolls received each month are currently keyed manually. A payroll may contain anywhere from one member to 1300 members.

The PPU takes all of the information provided on the Monthly Payroll Detail Report and keys each item into a computer processing system. The processing system converts the raw data into a file that eventually is posted to the member's history file. The six Data Entry Clerks work diligently keying payroll information in order to keep member and employer records updated in a timely manner. It is important to them that the information contained on the Monthly Payroll Detail Report be easily readable and free from markings or alterations.

Eligibility Unit: The Eligibility Unit is comprised of an Eligibility Specialist, a Membership Services Technician and a Membership Services Clerk. They review all incoming membership applications and designation of beneficiary pre-retirement death benefits forms to ensure that the information is correct and complete before it becomes part of the member's permanent record. In the past six months, the MSRS has received an average of 765 applications per month. When there is missing or incorrect information given on an application,

an Eligibility staff member contacts the employer's payroll department and/or the member to obtain the necessary information. The unit also researches discrepancies between information given on the Membership Application and that being reported on the payroll report.

The Eligibility Unit is instrumental in determining eligibility for MSRS membership in the State and Teacher plans. It is the unit's job to know and consistently interpret the laws governing MSRS State and teacher membership. Working closely with the Department of Education and the employer's payroll personnel, the unit's goal is to make certain that all members are eligible under the law to receive the retirement benefit to which they are contributing.

Employer Unit: The Employer Unit monitors the accuracy and the timeliness of the monthly payroll reports that are submitted by all reporting entities. Payroll reports are due by the fifteenth day following the end of the month that the payroll covers. When received, the payroll goes to the Payroll Processing Unit to be keyed into the MSRS payroll system. After being keyed, the payroll goes through electronic edit checks to verify the validity of the position, personnel status and plan codes being reported. This also ensures that the employee contributions being reported are in agreement with the amount calculated to be due, based on the earnable compensation being reported.

After the payroll has been through the edit testing, a report is submitted to the unit's technicians. The 3 technicians review the edits and resolve any discrepancies with appropriate payroll personnel. Thanks to the cooperation of the payroll personnel, the payroll reports are, for the most part, in compliance with the current payroll reporting standards.

Payroll personnel are encouraged to contact the MSRS Employer Unit staff when any questions arise concerning a payroll report.



Retirement News

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Retirement News is intended to provide timely information about the MSRS to members, employers and retirees. For the most complete and up-to-date information, please contact an MSRS representative. The contents should not be considered the basis of any contractual rights between the MSRS and its members. The official wording of the laws of Maine will govern.

Retirement News can be made available in alternative formats. If you have such a request, please contact the Communications Unit.

**You can reach the MSRS at 207-287-3461 or
800-451-9800 or (TDD only) 207-287-8446**