

PMRS UNDER REMOTE OPERATIONS PLAN

March 16, 2020 PMRS UNDER REMOTE OPERATIONS PLAN In an effort to mitigate the spread of COVID-19 in Pennsylvania, Governor Tom Wolf has directed all Commonwealth employees who work in Dauphin County and the Capitol Complex to follow an emergency plan for maintaining operations. Among other things, this plan includes remote operations, and in certain circumstances, potentially reduced workhours. Currently, the plan will be in effect until April 3, 2020. 10385771045

It is the goal of PMRS to continue the highest level of service possible during this period. Essential PMRS staff have been given the ability to work from remote locations to maintain operations with the primary goal of uninterrupted pension payments. Staff will also be capable of performing most other functions as well.

During this time PMRS will be focusing our efforts on continuing uninterrupted current benefit payments and the processing of new retirement benefits as well as lump sum payments related to retirement, death benefits, and employment termination. We do understand that there will be other needs during this time such as benefit estimates which PMRS will process as soon as possible. However, during this period, you may experience delays.

Preferred Methods of Communication

During this period of emergency operations, we would like to offer some guidance and instructions regarding preferred methods of communication.

Employers

- General updates: Employers can monitor the home page of the PMRS website for current updates www.pmrs.state.pa.us
- Forms submission: Completed forms can be sent to the following email address ra-rscompletedforms@pa.gov or sent via FAX to 717-783-8363
- Inquiries can be submitted via email to ra-staff@pa.gov
- Telephone inquiries can be made to 717-787-2065 or 1-800-622-7968. During this time there may be limited availability for telephone calls to be answered. Please leave a voice message and PMRS will try to respond within 24 to 48 hours.
- Postal Mail: Electronic communications are preferred. However, if that is not feasible, mail can be sent to: PA Municipal Retirement System, P.O. Box 1165, Harrisburg, PA 17108-1165

Active and Retired Members

- General updates: Members can monitor the home page of the PMRS website for current updates www.pmrs.state.pa.us

- Forms submission: Completed forms can be sent to the following email address ra-completedforms@pa.gov or sent via FAX to 717-783-8363
- Inquiries can be submitted via email to ra-staff@pa.gov
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1Q20 Quarterly Report of Contributions Form

- Enclosed is the Quarterly Report of Contributions Form (PMRB-21) for the First Quarter of 2020. Please complete, date, sign, and return this form to our office **by April 30, 2020**.
- Fourth quarter contributions to be credited to a member's account are **due by March 31**. Interest will be charged on fourth quarter contributions received after March 31.
- A Revenue Transmittal Form (PMRB-20) must be completed and included with all checks submitted to PMRS. This form is available under the "Forms" section of our website and can be completed online but will need to be printed, signed and mailed with the checks.

2019 Act 205 Actuarial Valuation Report (Non-County Plans)

- Despite the shutdown due to the COVID-19 pandemic, we are continuing to process the 2019 Act 205 Actuarial Valuation Reports and anticipate delays beyond the upcoming submission deadline of March 31, 2020 due to the following items.
 1. The functionality to upload bulk data for all PMRS plans to the PA Department of the Auditor General's Municipal Pension Reporting Program (MPRP) through DCED's Municipal Statistics website was anticipated to be available in February 2020 and ended up being delayed until March 2020.
 2. The Act 205 Plan Declaration to select PMRS as your 3rd party administrator was required to be submitted online by your municipality to the PA Department of the Auditor General's MPRP through DCED's Municipal Statistics website by October 15, 2019. If you have not submitted the Act 205 Plan Declaration to select PMRS as 3rd party administrator, please call the PA Department of the Auditor General's MPRP at 1-833-852-4335 or 717-787-3637 or email at MPRP@PAAuditor.gov.
 3. The PA Department of the Auditor General's MPRP now requires active members to be broken down between full-time and part-time members for cash balance plans beginning with the 2019 Act 205 filing period. Part-time members are defined as having worked on average less than 35 hours per week or less than 6 consecutive

months of employment. If you have not submitted the information for active members in your cash balance plan as of 12/31/18, please provide this information via email at charosenbe@pa.gov.

- After you submit items 2 and 3 for your plan, the 2019 Act 205 Actuarial Valuation Report for your plan will be completed by PMRS and you will receive an email instructing you to log back in to DCED's Municipal Statistics website and review, certify and submit the form to MPRP.
- PMRS will begin completing reports this week and anticipates reports for all plans will be completed for your review by April 30, 2020. PMRS has been in discussions with the PA Department of the Auditor General's MPRP and has been assured that municipalities will not be penalized due to late submissions of the Act 205 form this year as long as the forms are submitted in a timely fashion once available online.

2019 Year-End Financial Activity Reports and Annual Member Statements

- PMRS will continue to use the “**first come, first served**” policy for preparing and distributing these reports and statements.
- The placement of your plan can be found by checking the municipal ranking under the “Municipalities/Year-End Financial Activity Reports” section of our website.
- The 2019 Year-End Financial Activity Reports will be distributed via email and the Annual Membership Statements will be distributed via mail as in the prior year.

Plan Document Upgrade Project

- PMRS is in the process of updating and restating the pension plan documents for all of the municipalities it serves. PMRS has migrated roughly 600 plans onto the new documents and still has roughly 400 plans to go. The restatement is required by the IRS once every 6 years.
- Employers that have had a discussion with a PMRS representative regarding the details of your plan document upgrade and have received an updated draft, it is important that your governing body review and approve these documents as soon as possible. After that step is complete, return the approved documents to PMRS so they can be reviewed and approved by the PMRS Board.

Systems Upgrade

Since the end of 2019, many changes have occurred and will continue to occur at PMRS over the next year:

The biggest change is that we went through a substantial upgrade to our plan administration software. While there are many new features, it fundamentally did two things: (1) the system became a cloud based software allowing us to have greater flexibility with enhanced secure remote capabilities that we did not previously have; and (2) we separated our PMRS accounting and our Plan level accounting functions into a new, also web based accounting software system, Microsoft Dynamics.

The biggest and most exciting feature that will be released later this year are portals for both the plan sponsors and the plan members.

For the plan sponsors, they will be able to directly upload their salary and contributions into the new system along with uploading new employee information and employment event changes of existing employees such as employment terminations and leave of absences.

For plan members, they will be able to do benefit estimates in real time and have “what if” capabilities related to alternative retirement dates, salary increase projections and spousal benefit options.

PMRS went live with the new enhancement for plan administration purposes the first of the year. The transition has caused some bottlenecks and some late 2019 retirements and early 2020 retirement were six to eight weeks behind our normal schedules. We have reduced the backlog but have not eliminated it entirely. Our top priority is to get caught up on these new payments. We have reduced the backlog two to three weeks and anticipate getting caught up by the end of April. We sincerely apologize for these delays.

We anticipate beginning webinars for plan sponsors on the new salary and contribution upload process. PMRS staff have begun processing the 4Q19 quarterly reports in the same manner that our plan sponsors will be starting this later this year. This has helped find any bugs that will be corrected prior to the rollout to our plan sponsors. Look for the first webinar in second quarter 2020 to introduce the new system.