

Greetings!

This edition of the MPERA Fiscal Year End newsletter has some very important information, like finalizing your payroll schedule, year-end cut-off and the upcoming contribution rate increase for PERS and the ongoing JRS employer contribution holiday. Also included is a reminder to check your ERIC reports for 457(b) enrollments and deferrals, as well as making sure all your employees’ addresses are up to date and OKTA.

Payroll Schedules

Remember, you are now able to finalize your payroll schedule for Fiscal Year 2023. Please have that done by June 15th. If you require assistance, check our website for the training video, or contact our employer call center at 1-844-304-5452 or in Helena, 444-3994.

Fiscal Year End Cut-Offs

All June 2022 payroll reports and contributions are due to our office **no later than July 8, 2022** (five working days after June 30). **Please note the following regarding your payroll:**

- Report all employees - All employees should be reported on your payroll.
- Report according to your regular payroll schedule - Your payroll report needs to be submitted according to your regular payroll schedule. If you run additional payrolls in June, please combine them with your regular June payroll report.
- Payouts without termination - Do not withhold retirement contributions from lump sum payouts of vacation, sick and compensatory leave paid if the employee has **not terminated employment**.
- Reporting employees who have no hours for the summer – If you have employees that do not work through the summer, you can either:
 - report these employees on your payroll report with no earnings; *or*
 - when you report their last earnings of the fiscal year, you can set the employee on a “Seasonal Leave” status. **When you set the employee out on a leave status, the ERIC system will not expect payroll detail for the employee.**

Contributions Rate Change

Effective July 1, 2022, the PERS employer contribution rate for PERS members and working retirees, increases 0.1% for all employers. This additional employer contribution rate increases 0.1% every year from fiscal year 2014 through fiscal year 2024. Member contributions will not change.

Central Payroll and Montana University System (MUS)		
	FY 2022	FY 2023
State and MUS Contribution Rate	6.90%	6.90%
Employer additional contribution rate	2.07%	2.17%
TOTAL	8.97%	9.07%
City, County and Other Agency		
	FY 2022	FY 2023
Local Govt Contribution Rate	6.80%	6.80%
ER additional contribution rate (paid by employer)	2.07%	2.17%
Total Contribution for Local Governments Employers	8.87%	8.97%
State Contribution for Local Governments	0.10%	0.10%

TOTAL	8.97%	9.07%
School Districts and High Schools		
	FY 2022	FY 2023
School District Contribution Rate	6.80%	6.80%
Employer additional contribution rate (paid by employer)	1.80%	1.90%
Total Contribution for School District Employers	8.60%	8.70%
Employer additional contribution rate (paid by the state)	0.27%	0.27%
State Contribution for School Districts	0.10%	0.10%
TOTAL	8.97%	9.07%

JRS will continue an **Employer Holiday** in fiscal year 2023.

Judges' Retirement System (JRS)	
Employer	0.00%
Member	7.00%

457(b) Online Enrollment

457(b) enrollment and the deferral process are available online at Empower™. As a result, it is vital to use an ERIC report to update your payroll software with new enrollments, deferral changes and stops. Paper enrollment and deferral forms will still be available to new members, but you will need to check your ERIC reports for member deferral updates.

You can find that report in ERIC on the left Navigation panel, under employer reporting. Just click on 457 SDA File and if there are any new deferrals or changes, they will show up there.

Updating Employee Addresses

Be sure all your employee addresses are up to date. MPERA will be sending Annual Statements later this summer and we rely on you to send us accurate information.

Epass to Okta Transition

The state of Montana is transitioning away from **Epass** at or near the end of June. Security of login, authentication and registration services will transition to a new software called **Okta**. This transition will impact all employers who utilize the ERIC reporting system, as well as member's who access their information through the member portal. The state is working hard to ensure the transition will be as seamless as possible for everyone. We will continue to provide updated information as the transition moves forward.