



PSPRS FY2022 Fourth Quarter Newsletter

PSPRS OPEN FOR WALK-IN BENEFIT & SERVICE CONSULTATIONS

PSPRS has expanded its consultations to include walk-in visits from members, retirees, survivors, and their families.

Appointments are encouraged but not required for all member and retiree services, including retirement consultations, service purchases and transfers, health/dental insurance enrollment and other benefits.

“Our team is fully staffed and ready to assist our members and their families with their retirement needs,” said Larry Lopez, Retirement Specialist Supervisor.

To make in-person or online consultation appointments please call PSPRS at (602) 255-5575 or email our callcenterteam@psprs.com.



REMINDER: TIER 3 DC-ONLY HEALTH INSURANCE SUBSIDIES



Public safety and corrections employers and Tier 3 DC-only members were recently reminded that the 90-day enrollment period for Tier 3 Defined Contribution-only plan members to contribute towards health insurance subsidies will close on September 28 for those hired prior to July 1, 2022.

Health insurance subsidies are not available to elected officials and members of the judiciary who are in the Elected Officials Retirement Plan or the Elected Officials Defined Contribution Retirement System. The subsidies are already made available to public safety and corrections retirees and members who receive or elected to receive pension benefits.

Members can review their election through the [PSPRS Members Only portal](#). New hires have 90 days from their date of hire to opt-in. The decision to opt-in or decline this subsidy benefit, which becomes available upon retirement, is irrevocable under IRS rules and contributions are non-refundable. Members must reach the same eligibility requirements as [Tier 3 DB](#) to receive the benefit.

Employers whose members have enrolled in this benefit will receive a notification by email from the PSPRS Call Center Team. Employers will see code “DCHS” is now on contribution reports for use with this subsidy. Employers with no enrolled members will not receive an email. Reports sent to employers on a new hire’s 91st day will now include this code going forward.

Under [SB1045 \(Laws 2021, Chapter 330\)](#) the costs for the plan are split equally between Tier 3 DC-only members and employers, with an actuarially determined contribution rate of 0.17% (less than 1 percent).

'FORFEITED' DC-PLAN CONTRIBUTION CREDITS COMING SOON



Roughly 90 public safety and corrections employers will soon get a break on making payments to the 401a DC plan managed by PSPRS.

The agency is working on logistics and communications with Nationwide Retirement Solutions to offer contribution credits to employers who have had members terminate employment prior to becoming fully vested in the “matching” contributions provided by employers under state law. These employer contributions not yet vested are considered to be “forfeited” by the employee and are not credited to the employee’s account when they terminate.

As of June 30, 2022, approximately \$3.2 million of forfeited account money has accumulated. This prompted the PSPRS Defined Contribution Committee and Board of Trustees to approve redirecting the funds back to employers in the form of contribution credits against future employer contributions. Forfeited funds for tax-advantaged defined contribution plans can be used for very limited purposes established by the IRS.

PSPRS will soon begin contacting impacted employers, specifically finance and payroll personnel, to provide forfeiture balance information and instructions for using the credits in place of contributions.

FIREFIGHTER, PSPRS FOUNDER BENNY ASHLEY TURNS 105

Arizona’s oldest living retired firefighter, Benny Ashley, celebrated his 105th birthday last month with help from the PSPRS Board of Trustees, employees of the retirement system, his daughter Anita Lanphier, son-in-law Walter, and the local media.

Ashley, born on August 25, 1917, stopped by the PSPRS offices for a slice of cake and a chorus of “Happy Birthday” along with a Lifetime Achievement Award presented to him by Trustee Brian Moore.

A veteran of World War II and the Korean War, Ashley joined the Phoenix Fire Department in 1942, rising to the rank of captain before his retirement in 1974. As President of the United Phoenix Fire Fighters Association in the 1960s, Ashley played a key role lobbying lawmakers for the creation of PSPRS, which was formed in 1968. Ashley was on hand at the Capitol when Gov. Jack Williams signed into law the two bills that created what is now a multi-billion dollar retirement system that serves 60,000 members and retirees.



Trustee Moore, also a Phoenix Fire Captain, told AZFamily reporter Whitney Clark that Ashley is beloved within the department as a keeper of Arizona firefighting history, for his storytelling skills and for the courage he displayed in the line of duty.

As President of Local 493, Benny started the annual “Fill the Boot” charity fundraising campaign to combat muscular dystrophy. He was joined on the job by two brothers: Joe Ashley, Jr., who worked in the alarm room, and PFD Capt. Frank Ashley, who worked at Station Five.

Ashley remains close to the Phoenix firefighting community and members of UPPFA Local 493, who look in on him frequently.

You can see the full AZFamily story [here](#).

EMPLOYER E-BILLING: BECAUSE ENVELOPES TASTE FUNNY

Writing employer and member contribution checks is time-consuming and prone to error so PSPRS advises all employers who write monthly checks to adopt electronic billing.

The sign-up process to pay directly into the PSPRS account with Wells Fargo E-Bill Express, which employers already use to access contribution invoices, is easy and simply involves updating employer bank account information. The banking program also allows employers to assign different access privileges for staff for internal controls and audit compliance.

Benefits include the ability to make one combined payment across member tiers and plans. The electronic payment process eliminates the chance of typos, payment amount errors and the need for manual corrections or end-of-year adjustments. It also helps employers avoid the 10 percent interest charged to employers for late payments under state law.

Authorized employer payroll personnel can [sign in](#) to E-Billing Express to add employer bank account and routing information to simplify their contribution payments. Those requesting assistance can contact Wells Fargo customer service at billexpress@wellsfargo.com or reach out to the PSPRS Finance Department at finance@psprs.com or call (602) 255-5575.



INTEGRITY HOTLINE FOR FRAUD, WASTE, ABUSE REPORTING

A reminder: the PSPRS auditing and compliance departments launched the [PSPRS Integrity Hotline](#) in February 2022, for stakeholders to report real and potential compromises to the administration of PSPRS-managed retirement plans.

The hotline allows all stakeholders – employers, local boards, members, retirees and members of the public – to report and initiate PSPRS investigations of suspected occurrences fraud, waste, abuse, and unethical behavior that can deprive membership of resources and rights under state law.

Stakeholders can visit the PSPRS webpage for more information and instructions for filing submissions through email. For anonymous reporting, call the Integrity Hotline phone number or use the web submission form from the PSPRS website. PSPRS requests that reporting about personnel matters, including disputes, discrimination, harassment, and retaliation be reported to appropriate employer contacts, state and/or federal authorities.