



OPERSource

Your OPERS source for legislative facts

WELCOME

Congratulations and welcome to the members of the 130th Ohio General Assembly and the 113th Congress! This is the *OPERSource* – a monthly publication that we use to communicate important issues about the Ohio Public Employees Retirement System to our legislators and stakeholders. The *OPERSource* covers a variety of topics, and we encourage you and your staff to use all or part of these publications in your own newsletters and your communications with constituents. In this issue we want to review who we are and what we do for our members (who include elected officials like you).

Retirement Security for Public Workers

Ohio's public employees do not contribute to Social Security. Our Retirement System was established prior to Social Security and since that time, we have developed into a secure, sustainable and nationally-recognized public retirement system. OPERS means retirement security and peace of mind for hundreds of thousands of Ohio's retired public workers and their families. Without OPERS, many of Ohio's career public employees would have no retirement income or access to health care coverage in retirement. This takes a substantial burden off of Ohio's social welfare system.

Supporting Nearly One Million Ohioans and their Families

OPERS is actively engaged with more than 985,000 past and present Ohio workers. Our membership includes the employees of almost 3700 public employers. These include the state, counties, townships, municipal corporations and villages, as well as state colleges and universities.



Choice of Retirement Plans

OPERS offers a choice of three retirement plans: Traditional Pension, Member-Directed and Combined Plans. Two of these three plans (Traditional and Combined) provide survivor and disability benefits as well as health care coverage. *Health care is not a guaranteed benefit.* However, the OPERS Board of Trustees has made a commitment to provide access to health care coverage as long as funds are available.

Traditional Pension: A defined benefit plan in which benefits are determined by a formula based on years of service and Final Average Salary.

Member-Directed: A defined contribution plan in which employer and employee contributions are put in an individual account and invested as directed by the member. Benefits are based on the gains/losses of the member's investments.

Combined: Includes elements of both a defined benefit and defined contribution plan in which the member retains separate accounts with the characteristics of a defined contribution and a defined benefit plan.



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OPERS IS GOOD FOR OHIO

OPERS plays a critical role in supporting and sustaining Ohio's economy. OPERS is an economic engine for the state, infusing billions of dollars in the form of benefit payments. For every dollar OPERS receives from Ohio's taxpayers, we pay out nearly three dollars in benefits. And because the vast majority of our members remain in Ohio following retirement, much of this money flows back into the State and local economies, helping to support small businesses and promote job retention. To thousands of employers, OPERS provides fundamental incentives attracting quality employees. For workers, for employers, for Ohioans... OPERS is good for Ohio.

Value and Savings for Ohio Taxpayers

OPERS receives money from three main sources:

- Employee contributions
- Employer contributions
- Return on investments

Historically, more than two-thirds of the income is from investments while employee and employer contributions make up the remainder. The average annual investment return over the last 30 years is 8.97 percent.

Key Issues for 2013

The passage of pension redesign legislation (Sub. S.B. 343) in 2012 was a major achievement. In 2013 we will be focused on the implementation of the pension legislation. Along with the legislative changes to our pension plan, we have begun to make necessary changes to our retiree health care coverage starting in 2014. We are in the process of communicating these changes to our membership.

In addition, we continue to monitor federal activity related to public pensions and engage with our congressional delegation to educate members about OPERS' issues and priorities.

We look forward to working with state legislators on continuing issues of concern that have been discussed over the last year and to attempt to find appropriate solutions during the legislative session.

Your Legislative Liaisons for OPERS-related Constituent Issues

The OPERS Government Relations team serves as your

liaison when your office is contacted by public employees who have questions or concerns about retirement system related issues.

Please let us know whenever you may need assistance in responding to your constituents about OPERS.



OPERS Government Relations Team

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The Ohio Public Employees Retirement System (OPERS) is the largest public pension fund in Ohio and the 11th largest public pension fund in the U.S. In operation since 1935, OPERS serves nearly 954,000 members, including more than 176,000 retirees and beneficiaries.