



THANK YOU!

On behalf of the OPERS Board of Trustees and our over one million members, thank you for your support for the Joint Retirement, Medicare Part A equivalent coverage, and corrective changes passed as part of Amended Substitute Senate Bill 42 that we were seeking. OPERS' appreciates the bi-partisan support we received in the Ohio House of Representatives and Senate to make these changes to clarify and strengthen the changes made in the 2012 pension legislation (Amended Substitute Senate Bill 343 of the 129th General Assembly).

This legislation will help OPERS continue to provide a secure retirement and health care coverage for public employees, your members and constituents, well into the foreseeable future.

There is not enough space here to thank each person and group that helped to make these legislative fixes a reality, but we must recognize the efforts of House and Senate leadership and the members of the Ohio Retirement Study Council. We appreciate the willingness of each member of the legislature, their staff and our stakeholders to work with us on these legislative priorities.



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Some important facts to reflect on as we look forward to 2015:

- As of December, 31, 2013, OPERS had \$88.6 billion in net assets held in trust for pension and health-care benefits.
- At the end of last year, we had more than one million total members, including 347,727 active (working) members, 196,594 benefit recipients and 483,521 former public workers who maintain an account with the system.
- Over the past 30 years our annual investment returns have outpaced the 8% rate of return required to meet our funding obligations. Over the past three decades, the OPERS portfolio has returned an average gain of 8.71%.
- Our investments are well-diversified, which are reflected in a comprehensive investment plan of domestic equities, international equities and global bonds, and with lesser amounts in real estate, private equities and cash/short-term investments.
- Retiree pensions are 100% funded at the time the member retires...For those retiring in 2014, 80% of their lifetime pension benefit was funded by *employee contributions and investment income*.
- For every dollar received from Ohio's taxpayers, \$3.67 was returned to the state's economy through pension and health care payments made to retirees who remain in Ohio, spending those dollars on groceries, home expenses and goods and services in their local communities. OPERS contributed more than \$6.6 billion to Ohio's economy in 2013 alone.

OPERS WISHES FOR THE NEW YEAR

At OPERS, we continue working to provide a secure retirement to our members who have dedicated their careers to public service – not just the public employees of yesterday and today, but those of tomorrow as well. Our commitment to maximizing the longevity of the funds that have been entrusted to us has existed for nearly 80 years.

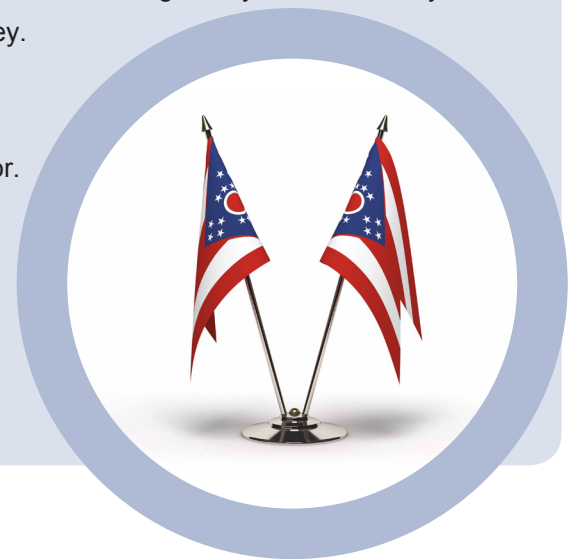
We will continue to work closely with Members of Congress, the Ohio General Assembly and legislative staff to respond to constituent needs, answer questions and maintain the excellent standard of accountability and transparency that you have counted on from OPERS. We also plan to continue to work together with our stakeholder groups and members to address issues facing the retirement system.

We will continue our outreach efforts to educate you about important policy issues in 2015, such as:

- The implications of new GASB standards for public pension systems' and public employers' accounting.
- OPERS' continued opposition to proposals requiring mandatory Social Security coverage for our members.
- OPERS' transition to a connector model for health care coverage for our Medicare-eligible retirees.
- Advocacy on health care issues, such as biosimilar pathways, lower exclusivity periods and ways to reduce the cost of prescription and specialty drugs.
- The multiple ways OPERS is good for Ohio's economy, as stated above, via benefit payments to retirees, ensuring those individuals have income in retirement that keeps them from having to rely on other safety net programs like Medicaid or SNAP that cost additional taxpayer money.
- OPERS' continued support for secure retirement options for all Ohioans in the workforce, both in the public and private sector.

We look forward to sharing these important priorities and other related ideas in the New Year with you. Thank you again.

Carol, Gordon, Chris, Tony and Debbie



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With \$88.6 billion in assets, OPERS is the largest public pension fund in Ohio and the 11th-largest public pension fund in the United States. OPERS provides retirement, disability and survivor benefits for more than 1 million public employees. OPERS can be found on the web at OPERS.org.