

Employer *Notice*

GASB approves Statements Nos. 74 and 75 related to Other Postemployment Benefits (OPEB)

Who should read this notice

Those responsible for compiling the *Comprehensive Annual Financial Report (CAFR)*

Situation overview

In June 2015, the Governmental Accounting Standards Board voted to approve two new standards for reporting of other postemployment benefits (OPEB) by state and local governments. GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans," addresses financial reporting by plans that administer OPEB benefits such as OPERS. OPEB for OPERS is health care. GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," addresses accounting and financial reporting requirements for OPERS public employers. GASB Statement No. 75 will be effective for public employers for fiscal years beginning after June 15, 2017.

These standards are similar to the pension reporting changes in GASB 67 and 68. Accounting requirements for financial reporting of health care unfunded liabilities will be modified – not the funding of health care. The standards will lead to OPERS providing proportionate share information on the net OPEB liability to employers and require employers to include their share of the net OPEB liability, and related activity, on their financial statements.

What employers need to do

Please review the published standards and prepare to include the required information in your financial documents. Keep current with new information posted on the GASB website www.gasb.org and the GASB Standards section of www.opers.org. Look for additional notices regarding the impact to OPERS public employers as more information is available.

Changes to the *Employer Manual*

No revisions to the *Employer Manual* have been made as a result of this *Employer Notice*.

Whom to contact for more information

After reviewing this *Employer Notice*, contact Employer Outreach with questions at 1-888-400-0965, or by e-mail at employeroutreach@opers.org. 



For a current listing of OPERS Board members, please visit www.opers.org

It is your responsibility to be certain that OPERS has your current physical and e-mail address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to OPERS public employers. This Employer Notice is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact our office or seek legal advice from your attorney.

