



EMPLOYER NOTICE

OPERS Service Credit Re-calculation July 2018

Effective Jan. 7, 2013, as the result of law changes in Substitute S.B. 343, OPERS increased the cost of service credit purchases to better represent the actuarial cost of the benefit, while eliminating subsidization of the program.

On March 7, 2018, a letter will be sent to members with a service credit purchase balance who either began making payments on a purchase, or made a payment on a previously established purchase, between Jan. 7, 2013 and July 7, 2013. **At that time, members were informed in writing that they would have until July 7, 2018 to complete the purchase before the cost would be re-calculated at the full, actuarial value.**

The letter provides members with the following information.

MEMBER ACTION REQUIRED

By July 7, 2018 the member must complete the service purchase they either began or made a payment on between Jan. 7, 2013 and July 7, 2013. **July 7, 2018 is a Saturday, so payment must be received by OPERS no later than 4:30 p.m. on July 6, 2018.**

If the member does NOT complete this purchase by July 7, 2018:

1. Any remaining service credit to be purchased will be re-calculated at the full actuarial cost calculation; and
2. The member will have ONE opportunity to pay off the remainder of the purchase (full or partial balance) at the re-calculated cost, in a single lump sum payment. Payment plans are not permitted. Any service remaining after the lump sum payment will not be eligible for future purchase.

POST-TAX PAYROLL DEDUCTIONS

If a member is currently making payments on a purchase through post-tax payroll deduction, their payments are withheld and remitted to OPERS based upon reporting due dates. You are receiving this notice because an individual(s) on your post-tax service purchase report is receiving the letter mentioned above. Post-tax payroll deductions will be barred for these individuals after close of business July 6, 2018. Funds are required to be received by OPERS by 4:30 p.m. on July 6, 2018 in order to be applied to the non-liability cost.

ROLL-OVERS

Members can choose to roll over funds from a qualified plan to complete this purchase. However, these roll-overs from qualified plans take time. The window to pay off the remaining balance will not be extended after July 7, 2018.

MORE INFORMATION

Members can request a current payoff balance, due July 7, 2018, under the Tools and Resources tab within their OPERS online account or by contacting us at 1-800-222-7377. Estimated payoff balances change on a daily basis due to many factors.

If you need more information about how this will impact post-tax service purchase payroll deductions please contact OPERS Employer Outreach at (888) 400-0965, or by email 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.