



EMPLOYER NOTICE

Update on GASB Statement Nos. 68 and 75

WHO SHOULD READ THIS NOTICE

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

SITUATION OVERVIEW

Each year, employers request information regarding the pension system's benefits as required by the Governmental Accounting Standards Board (GASB) Statements 68 and 75 (Statement 75 recently amended Statement 45).

Statement 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27*, information is currently available as of Dec. 31, 2017 and was released on the Employer Contribution System (ECS) in June 2018. Unaudited updates to this information were posted through Sept. 30, 2018 on ECS. The Dec. 31, 2018 audited information will be released on ECS in June 2019.

Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, establishes standards for disclosure of information on post-employment benefits other than pension benefits (OPEB or health care) by all state and local government employers. Statement 75 information is currently available as of Dec. 31, 2017 and was released on ECS in June 2018. Unaudited updates to this information were posted through Sept. 30, 2018 on ECS. The Dec. 31, 2018 audited information will be released on ECS in June 2019.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0% during calendar year 2018. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning Jan. 1, 2019 is 0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited for Member-Directed Plan participants remained unchanged for 2018 at 4.0%.

ACTION REQUESTED

Please review the information and include, as appropriate, in your financial documents.

(Continued)

WHOM TO CONTACT FOR MORE INFORMATION

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

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