

Ohio PERS NEWS

YOUR BENEFIT CONNECTION

News and information for active members of the Ohio Public Employees Retirement System

Combined Plan



The benefits of membership

2008 will bring more audience-specific OPERS publications

OPERS serves more than half a million active and retired members. Can we assume that each of these members is at the same point in their career and has the same needs and concerns? Of course not. We have long made a distinction between the needs and interests of active and retired members in our communication materials. In 2007, we changed our "one-size-fits-all" active member communication philosophy by introducing newsletters and other

The communication will address subjects members ought to keep in mind during their last years of employment. Also included will be a description of the OPERS retirement process and an overview of the seminars and one-on-one counseling we provide to assist members leading up to and during the retirement application process.

publications tailored to those active members participating in each of OPERS' three distinct retirement plans. In 2008, we'll expand on this concept by introducing communications that provide specific information for members in different stages of their careers. Our goal is to help members start early and consider their plans for retirement throughout their career.

18 months in – Also in 2008, we plan to introduce another specialized communication directed at those members who have achieved 18 months of service in an OPERS-covered position. This is a crucial time to let members know what benefits they have already earned and describe those they can look forward to earning as their career in public employment progresses. This communication also provides an excellent opportunity to stress the advantages of beginning a supplemental retirement savings program early in a career.

Five years and counting – During 2008, we will begin

sending a special publication to those members who are within five years of eligibility for retirement.

We plan to tailor these new publications to address the specific needs of members participating in each of our three retirement plans as well. Our intent is to be your partner as you plan for retirement — whether retirement is right around the corner or on down the road.

The benefits of membership

○ ○ ○ 1

2007 Personal Statement of Estimated Benefits

○ ○ ○ 2

Annual meeting for Ohio-Midwest Fund

○ ○ ○ 3

Legislative update

○ ○ ○ 4

Ready to retire? OPERS offers one-on-one counseling

○ ○ ○ 4

Changes affect when some members can receive their first benefit payment

○ ○ ○ 5

2008 educational seminars

○ ○ ○ 6



2007 Personal Statement of Estimated Benefits will arrive online or by mail

OPERS will begin mailing *2007 Personal Statements of Estimated Benefits* in March 2008. Members who are registered to use the Member Benefits System (MBS) can choose to view their *2007 Personal Statement of Estimated Benefits* online rather than receiving a copy by mail. Members who select this option will receive an e-mail notification when their statement is available to view online. They can continue to view their statement online throughout the year and print full color copies at their convenience. Members who signed up to receive their statement online last year will receive it online again this year and going forward unless they change this preference via MBS.

Statements will be mailed throughout the months of March and April. Don't be concerned if a co-worker receives their statement before you receive yours. Approximately 80,000 statements are mailed per week in batches based on zip codes to allow us to get the best postal rates. Contact OPERS if you have not received your 2007 statement by April 30, 2008.

While reviewing your statement, you may notice that your total contributions in 2007 (shown on page 5) may not be the same as the amount found on your W-2 form. There are two potential reasons for this difference. First, your statement reflects the salary amount earned in 2007, while the W-2 reflects the amount paid in a given year. Second, your W-2 may include pay that is not subject to OPERS contributions.

These statements are full of valuable, personalized information. Please keep it with your important financial records so you can refer to it as needed. If you misplace your statement or require a duplicate for any reason throughout the year, you can view and print a copy of your 2007 statement through our Member Benefits System (MBS) at www.opers.org. You will need to register for MBS. Registration is a simple process and instructions can be found by clicking on the MBS log-in button on our Web site home page.

Ohio PERS NEWS – Your Benefit Connection is a quarterly newsletter providing news and information to more than 381,000 active members of the Ohio Public Employees Retirement System. An active member is anyone currently contributing toward an Ohio PERS retirement benefit. This publication allows us to communicate vital information concerning retirement benefits to our active members and also educate them on the services we provide.

CONTACT INFORMATION:

www.opers.org
 1-800-222-7377
newsfeedback@opers.org

This newsletter is written in plain language for use by members of 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.

OPERS and Credit Suisse hold annual meeting for Ohio-Midwest Fund

Established in 2005, the Ohio PERS/Credit Suisse Ohio-Midwest Fund seeks to earn superior investment returns, foster the creation and growth of young and maturing companies in Ohio and the Midwest, encourage the development and growth of a vibrant Ohio-based private equity community and facilitate public and private partnerships within the State of Ohio. Throughout 2006 and into early 2007, Credit Suisse's Customized Fund Investment Group (CFIG), which manages the Ohio-Midwest Fund, selected eight private equity funds in which to invest \$51 million. Each of the eight funds is based in Ohio, is highly committed to building the

overall investment community and has agreed to spend substantial time considering Ohio investments. Since then OPERS and Credit Suisse have added another \$51 million to the fund for future investments.

Credit Suisse's CFGI held an annual meeting for the Ohio-Midwest Fund on Dec. 4, 2007 at the OPERS office in Columbus. The group was pleased to report the funds comprising the Ohio-Midwest Fund have:

- Invested \$84.1 million in Ohio companies, representing an increase of \$55 million since one year ago.

- Impacted 2,010 jobs in Ohio, an increase of 850 positions.
- Grown the number of platform investments in Ohio from 7 to 18.
- Attracted \$34.8 million in capital from additional investors.

For more information regarding the Ohio PERS/Credit Suisse Ohio-Midwest Fund, please visit www.ohioinvestmentfund.com.

Be sure vital OPERS information finds you – Keep your personal data current

Have you moved recently or had a change in your family status? If so, it is your responsibility to let OPERS know of any changes in your personal data including your address or beneficiary designation. Also, if you have chosen to view annual statements and newsletters online instead of receiving paper copies, be certain that OPERS always has your current e-mail address. By keeping your personal information current, you will receive accurate information from us in a timely manner.

The easiest way to make changes to your personal data is through the Member Benefits System (MBS) at www.opers.org. If you are not yet an MBS user, registering is simple. Just follow these steps:

1. Go to www.opers.org and choose 'Register Now' from the pull-down menu in the MBS log in section (top right corner of page).
2. Follow the on-screen prompts to complete your registration.

Upon completing your registration, you will see a confirmation screen, letting you know that your registration was successful. You will receive a letter with your six-digit Personal Identification Number (PIN) in the mail. Once you've received your PIN, return to www.opers.org and enter your user ID and PIN. You're ready to start using MBS!

Legislative update

OPERS continues work outlined in Iran and Sudan divestment policy

As reported in the last issue of *Ohio PERS News*, the Ohio PERS Board of Trustees adopted an Iran and Sudan Divestment Policy at its September meeting. OPERS continues to screen our affected investment portfolios to identify companies that may be doing business in Iran or Sudan. We have also begun the process of engaging these companies in a written dialogue advising them of our new policy and requesting a written explanation of their business activities in Iran and Sudan.

Once the list of scrutinized companies has been finalized, OPERS will notify our external managers and investment staff regarding our list of scrutinized companies and encourage them to divest from holdings in these companies provided that comparable investments offering similar quality, return and safety are available.

We believe that the new Iran and Sudan Divestment Policy will allow us to pursue voluntary divestment from companies doing business in these countries while maintaining our duty of loyalty to our members. This policy addresses concerns raised regarding OPERS' investments in companies having actual ties to Iran and/or Sudan, without necessity of mandated divestment as currently provided in House Bill 151.

House Bill 151 is currently pending in the House Rules and Reference Committee. We will continue to post developments on this important issue at www.opers.org.

Senate committee holds hearing on GPO and WEP

The Senate Finance Subcommittee on Social Security, Pensions and Family Policy held a hearing on Nov. 6, 2007 on the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP).

A retired teacher from Massachusetts and a CalPERS Board member provided witness testimony urging repeal of the GPO and WEP.

The General Accounting Office and the Urban Institute also appeared on the panel and presented testimony. Ohio PERS supports the repeal of the GPO and WEP on the basis that it unfairly penalizes many OPERS retirees.

In the past, mandatory Social Security coverage has been suggested as a way to cover the costs of repealing the GPO and WEP. However, we remain opposed to mandatory Social Security coverage for public sector employees because it would undermine our ability to provide current benefits and impose an additional financial burden on our employers.

Interested parties should contact the Chairman of the subcommittee, Senator John Kerry (D-MA) and urge the committee members to support S. 206, which would repeal both the GPO and WEP.

Ready to retire? OPERS offers one-on-one counseling

OPERS offers one-on-one counseling sessions to help members participating in the Combined Plan complete their retirement paperwork and answer questions about the retirement process.

OPERS counselors will conduct retirement counseling sessions on a "walk in" basis if necessary. However, we strongly recommend that you make an appointment with a counselor in order to get the most from a retirement planning session. Scheduling the appointment at least two

weeks in advance allows us to send you an estimate of your benefits and a retirement application packet. This information will help you identify questions and gather required documentation prior to your appointment.

You can schedule a one-on-one counseling appointment by calling us at 1-800-222-7377. We schedule retirement planning sessions on weekdays between 7:30 a.m. and 3:30 p.m.

Changes affect when some members can receive their first benefit payment

OPERS recently made Administrative Rule changes that affect when members can receive their first retirement or disability benefit payment if they are purchasing or wish to purchase service at retirement or upon applying for a disability benefit. Members affected by the new rules are those who are planning to retire effective Jan. 1, 2008 or later AND who intend to purchase service or are currently purchasing service via payroll deduction. The rule change provides that all service purchases shall be completed before OPERS issues your initial benefit check.

If you plan to retire effective Jan. 1, 2008 or after, and you wish to make a service purchase or complete an existing purchase, please contact us for assistance. OPERS will provide you with a cost statement and advise you of the methods in which you can submit payment. If you file your retirement application prior to the completion of the service purchase, your application will remain pending until you complete the purchase. Once the purchase is complete, OPERS will proceed with processing your benefit application and issuing your retirement benefit check.

If you are purchasing service using a pre-tax payroll deduction and you are not be able to complete your service purchase before you terminate employment, you may request a payoff balance of any remaining service up to three months prior to termination of employment. The payoff balance will assume OPERS is continuing to receive payroll deductions through your termination date. You may make a lump sum payment to complete the purchase if your retirement application has been received by OPERS.

When submitting a disability benefit application to be effective Jan. 1, 2008 or after, if you wish to have your purchased service credit used in your initial disability benefit, you must complete the purchase before the issuance of your first benefit payment.

In addition to completing service purchases, becoming familiar with all the forms and documentation necessary for OPERS to process your retirement or disability benefit application will also help avoid unnecessary delays in processing your first benefit payment. OPERS offers the following ways for you to learn about what is required to apply for a retirement or disability benefit:

- You can contact us to order a service retirement or disability benefit application packet that explains the process in detail and includes all necessary forms.
- You can contact us to schedule an appointment with an OPERS benefit counselor. Benefit counselors will explain the process and supply you with necessary forms.
- You can attend a Retirement Readiness seminar where OPERS education representatives will discuss the retirement process in detail.
- You can find a detailed description of the forms and documents necessary to apply for a benefit at www.opers.org.

Retiring in 2008?

If you are planning to retire in 2008, please consider the following as you make your preparations:

OPERS will change pharmacy benefit managers effective April 1, 2008

OPERS will change the pharmacy benefit manager (PBM) for the OPERS health care plan from Medco to Express Scripts effective April 1, 2008. Express Scripts will open toll-free, customer service phone lines and an OPERS-specific Web site in late January. OPERS will offer educational seminars throughout Ohio during the first quarter of 2008 aimed at providing information and helping retirees make a smooth transition to Express Scripts.

More detailed information and a seminar schedule are available at www.opers.org. Please check the Web site periodically. We will be updating it as more information on the transition becomes available.

Copies accepted – and preferred

When preparing to submit your retirement application paperwork, please keep in mind that photocopies of documents such as birth certificates and marriage records are acceptable for establishing proof of date of birth, name changes and marriage. In fact, we prefer to receive copies as opposed to the original documents. These documents are now electronically imaged as soon as they are received. Providing a photocopy eliminates the process interruption and cost involved with returning the documents.

2008 calendar of educational seminars

We offer a wide variety of educational seminars.

Contact us at 1-800-222-7377 to register.

Providing Long-term Awareness Now

(PLAN) – a seminar for members who have at least five years of service credit and are generally mid-career public employees. Topics discussed include Ohio PERS benefits, Social Security, financial and estate planning and other issues. A total cost of \$5 covers the one-day seminar, a non-member guest, lunch and reference materials.

Health care plan seminar – a seminar for active and retired Traditional Pension and Combined Plan members who are planning for retirement and want to know more about the OPERS health care plan. All seminars begin at 11 a.m. and are free of charge.

Retirement Awareness Program (RAP) – a seminar for members who are within five years of retirement and have at least five years of service credit. Topics discussed include Ohio PERS benefits, financial planning, deferred compensation, Social Security, estate planning, and more. A total cost of \$5 covers the one-day seminar, one non-member guest, lunch and reference materials.

Retirement Readiness – a seminar for members who are within 12 to 18 months of retirement. Your Ohio PERS benefits are discussed, along with the various documentation and paperwork needed for processing your pension benefits. This seminar lasts three and one-half hours and there is no charge.

Counseling sessions – personalized retirement counseling is available at the OPERS office in Columbus, over the phone or in the cities listed here. Call 1-800-222-7377 to make an appointment.

Combined Plan participants:

As a member participating in the Combined Plan, we invite and encourage you to attend any of the educational seminars listed here. Although the information will be beneficial, we want you to be aware the current focus of these seminars is on the defined benefit portion of your individual account. We plan to add information about the defined contribution portion for Combined Plan members as time progresses and more members begin to retire under the Combined Plan.

To help us provide you with the most relevant information possible, please indicate that you are a member participating in the Combined Plan when registering for a seminar. Knowing this will allow us to have materials and staff available to address your specific needs and concerns. We also recommend scheduling a one-on-one appointment with an OPERS benefits counselor prior to applying for retirement under the Combined Plan.

2008 PROVIDING LONG-TERM AWARENESS NOW

Columbus (OPERS) July 1	Cincinnati (East) June 4	Strongsville June 18
Independence April 17	Perrysburg October 16	

2008 OPERS HEALTH CARE PLAN SEMINARS

Akron August 22	Columbus May 16 August 18 November 7	Mentor December 5
Canton February 22	Dayton January 18	New Philadelphia March 14
Chillicothe December 12	Elyria April 11	Portsmouth May 8
Cincinnati February 8 September 19	Huron June 20	Steubenville July 11
Cleveland March 28 September 12 November 21	Lima September 26	Toledo March 6 November 12
	Mansfield July 25	Youngstown April 18
	Marietta June 13	

2008 calendar of educational seminars

2008 RETIREMENT AWARENESS PROGRAM

Athens May 1	Columbus (OPERS) October 14 November 12 December 10	Mansfield August 28
Boardman July 17	Cuyahoga Falls July 9	Perrysburg July 30 October 15
Canton May 15	Eastlake August 13	Sharonville December 3
Cincinnati (East) February 20 June 5 August 27	Independence October 22	Strongsville June 19 September 25

2008 RETIREMENT READINESS

Athens May 2	Cincinnati (North) April 10 December 4	Mansfield September 3
Boardman July 18	Cuyahoga Falls July 10	Perrysburg July 31 October 17
Canton May 16	Dayton May 29	Sharonville December 4
Columbus (OPERS) July 3 August 29 November 13	Eastlake August 14	Strongsville June 20
Cincinnati (East) February 21 August 28	Independence October 23	

2008 REMOTE COUNSELING SESSIONS

Cincinnati Eastgate June 16-19	Miamisburg April 14-17	Strongsville Jan 28-31 May 19-22
Cuyahoga Falls January 7-10 May 5-8	Perrysburg February 4-7 June 9-12	Youngstown March 17-20
Lima February 25-28	Sidney March 3-6	

Ohio PERS retirement board

The 11-member Ohio PERS Retirement Board is responsible for the administration and management of Ohio PERS. Seven of the 11 members are elected by the groups that they represent (i.e., college and university non-teaching employees, state, county, municipal, and miscellaneous employees, and retired members); the Director of the Department of Administrative Services for the state of Ohio is a statutory member, and three members are investment experts appointed by the Governor, the Treasurer of State, and jointly by the Speaker of the Ohio House of Representatives and the President of the Ohio Senate.

Elected Board Members

Vacant
State Employees

Sharon M. Downs
Retired members

John W. Maurer
Retired members

Kimberly Russell
State College and University Employees

Cynthia Sledz
Vice Chair
Miscellaneous Employees

Ken Thomas
Chair
Municipal Employees

Helen Youngblood
County Employees

Statutory Board Member

Hugh Quill
Director, Department of Administrative Services

Appointed Board Members

Vacant
Investment Expert Governor Appointee

Warren W. Tyler
Investment Expert Treasurer of State Appointee

James R. Tilling
Investment Expert General Assembly Appointee

Chris DeRose
Chief Executive Officer



Ohio Public Employees
Retirement System


277 East Town Street Columbus, OH 43215-4642

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YOUR BENEFIT CONNECTION

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 Printed in Ohio on paper with a 10% post-consumer content

You can choose from two ways to participate in the *Managing Your Individual OPERS Account* Workshop

In-Person Workshop

OPERS staff provide investment education and discuss the tools and resources available to help Member-Directed and Combined Plan participants manage their OPERS account. During the one-hour workshop participants will learn different ways to help manage risk in their individual account. Participants will also complete and evaluate their specific Investor Profile and receive additional information regarding the nine OPERS Investment Options.

Columbus — Wednesday, May 21, 2008, 4:30 p.m.
OPERS, 277 East Town Street, Columbus

Call the OPERS Member Services Center at 1-800-222-7377 and ask for extension 8-3993 to reserve your spot at this informative workshop.

Web Workshop — Wednesday, March 19, 2008, noon
You will receive the same information as those attending the live event, but you can do it through the convenience of your own computer at lunchtime. You will need high-speed Internet access and a phone. The web workshop is interactive, so you can ask questions and learn from what others ask.

Log on to
<https://www.opers.org/seminars/members/manage.shtml> to register to participate in this workshop.