

Ohio PERS NEWS

YOUR BENEFIT CONNECTION

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

Member-Directed
Plan

Our commitment to pension redesign legislation will continue in 2012

It has been two years since the Ohio Public Employees Retirement System Board of Trustees approved a plan that would ensure our continued financial stability by updating our plan design. However, the final picture of pension redesign legislation is still not as clear as we would like.

The six consultants included: The Hay Group, Milliman, Deloitte, Segal, Bolton Partners, and Pension Trustee Advisors/KMS Actuaries. Each of the six firms were invited to make presentations at the Nov. 16 ORSC meeting, after which the council chose Pension Trustee Advisors/KMS Actuaries.

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Executive Director

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Earlier this year the Ohio Retirement Study Council (ORSC) said it would take no action on pension redesign legislation pending an actuarial study of the public pension systems' redesign proposals by a third-party consultant. The council's role is to assist in the creation of pension policies.

Change is still to come. As we move into 2012, we will continue to offer our members and retirees several ways to follow the pension redesign process:

- Frequent updates in the Special Coverage section of www.opers.org
- Semiweekly posts to our *PERSpective* blog, which you can read at <http://perspective.opers.org>
- Information posted on our Facebook page: www.facebook.com/ohiopers
- Messages via Twitter: <http://twitter.com/ohiopers>
- eNewsNow e-mail news alerts

We encourage you to interact with us on all our social media sites, and to update your e-mail via secure account access on the OPERS website so you can receive e-mails containing the latest information.

ORSC Chairman, Senator Keith Faber appointed Representatives Kirk Schuring and Dan Ramos, as well as Mr. Seth Morgan to a subcommittee tasked with "preliminarily evaluating and scoring" proposals to carry out the actuarial study submitted by six bidders. Rep. Schuring was appointed chairman of the subcommittee, which submitted its findings to the full ORSC in mid-October, and the ORSC unanimously accepted scoring results of the six finalists.



OPERS Board of Trustees names Carraher Executive Director

Ohio PERS NEWS – Your Benefit Connection is a quarterly newsletter providing news and information to more than 374,000 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:

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It is your responsibility to be certain that OPERS has your current address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to your OPERS account.

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.

The OPERS Board of Trustees named Karen Carraher executive director during their August board meeting. The appointment took effect Aug. 18, 2011.



Karen Carraher

Following the departure of former OPERS executive director Chris DeRose, Carraher officially began Feb. 28 as interim director of OPERS. Previously she served as OPERS' director of finance.

Carraher plans to continue the OPERS mission of delivering retirement security to our members and retirees. "For more than 75 years, OPERS has delivered on its promise of retirement security for its members," Carraher said. "I will work hard to make sure that commitment continues."

Carraher joined OPERS in December 2002 after serving as the director of business services for the Ohio Education Association. She also was controller for both Mount Carmel Health and Riverside Methodist Hospitals after beginning her career as an audit manager with the accounting firm Ernst & Young.

Carraher earned her Bachelor of Science degree in business administration from The Ohio State University and her Master's degree in business administration from Capital University.

Mitigating rate to remain unchanged in 2012

After its annual review of the mitigating rate, the OPERS Board of Trustees has determined that there will be no change for 2012 to the employer contribution rate of 14 percent and the mitigating rate for employees of both state and local government agencies will remain 0.77 percent

Important change to account payout options

Changes effective April 2012

An important change is coming regarding how members retiring from the Member-Directed Plan will be able to use their OPERS account.

In July 2010, the OPERS Board of Trustees voted to restructure the payout options in order to eliminate redundancies and simplify the decisions made by members.

If you retire from the Member-Directed Plan with a retirement effective date on or after April 1, 2012 you must elect a payout option that disburses all your funds out of your OPERS account.

You may do so through one of the following three methods:

1. Annuitize 100 percent of your account. You will have your entire account balance sent back to OPERS in order to receive a lifetime monthly benefit.
2. Annuitize a partial amount and elect to have the remaining account balance rolled over to another company, or sent to you directly with taxes withheld.
3. Elect to have your entire account balance rolled over to another

company, or sent to you directly with taxes withheld.

If you elect to roll over or take a full distribution of your entire account balance, you should apply for a refund of your account through the OPERS secure online refund application rather than filling out a retirement application.

If you have any questions, please call the OPERS Help Line at 1-866-673-7748 (1-866-OPERS-4-U).

Your OPERS account - *On YOUR time!*

There is no need to wait until our phone lines are open or a representative is available to access your personal account information. You can do so securely from the comfort of your home, any time you like.

After registering for online account access, members can:

- View current account information including service credit, accumulated contributions and account value
- Update contact information and choose to receive electronic publications and e-mail news alerts
- View account statements
- Access RMA account

Registration is easy

1. Log on to www.opers.org
2. Click on the "Register for account" button in the Access Your Account section (top, right corner of the home page). You will need your Social Security number and an active e-mail account.

Stay connected to OPERS

Get the latest OPERS news, information and legislative updates on our Facebook page, Twitter feed, *PERSpective* blog and website, opers.org. Be sure to update your e-mail address to receive electronic publications such as, *eNewsNow* e-mail news alerts, and more from OPERS.

Investment education

OPERS staff provides investment education and discusses the tools and resources available to help Member-Directed and Combined Plan participants manage their OPERS account. A video seminar, "Managing Your Individual OPERS Account," can be viewed online at www.opers.org. A similar live seminar as well as an interactive web seminar will both be offered periodically and advertised via e-mail, based on demand.



Ohio Public Employees
Retirement System

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Ohio PERS

NEWS

YOUR BENEFIT CONNECTION

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Ohio PERS Board of Trustees

The 11-member OPERS Board of Trustees is responsible for the administration and management of OPERS. 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.

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Karen Carraher
Executive Director