

# Ohio PERS NEWS

YOUR BENEFIT CONNECTION

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

Combined Plan

## Annual Statements Mailing March and April

OPERS began mailing *2015 Personal Statements of Estimated Benefits* in mid-March and will continue mailing statements through April. Don't be concerned if a co-worker receives his statement before you receive yours. Statements will be batched by ZIP codes and mailed to home addresses on a staggered schedule.


Your annual statement includes your total contributions, account value, service credit totals and beneficiary designations through Dec. 31, 2015. Your statement also provides a basic estimate of your retirement benefits.

Want to see your annual statement sooner? Log into your online account and select the Documents tab to view your statement online.

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- Information on service credit
- Account information
- Personal information

This Personal Statement of Estimated Benefits was prepared especially for:



Ohio Public Employees Retirement System  
277 East Town Street  
Columbus, OH 43215-4642  
1-800-222-7377  
www.opers.org

John G Doe  
277 E Town St  
Columbus, OH 43215-4627  
[Barcode]

This statement contains important information about your account and the benefits available to you and your beneficiaries as a member of the Ohio Public Employees Retirement System. All information within this statement reflects our records as of December 31, 2015.

**Your OPERS Benefits at a Glance - The Defined Benefit Portion of the Combined Plan**

Account Value as of December 31, 2015 *Please see page 3*

<b>Service Credit</b>	
Service Credit earned and/or purchased during 2015	1,000 years
Total service credit as of December 31, 2015	13,000 years
<b>The Defined Contribution Portion of the Combined Plan</b>	
Contributions made during 2015	\$3,980.77
Total contributions as of December 31, 2015	\$45,816.67
Balance as of December 31, 2015	\$62,637

This balance will fluctuate based on the performance of the investment options you selected. Log into your online account for your current balance.

OPERS is pleased to present you with this personalized summary of your account and estimated retirement benefits. Plan benefits are subject to state and federal law changes. This statement simply provides an overview of your estimated benefits and is not a guarantee of the type or amount of your benefits.

Our records indicate you have service in another OPERS retirement plan. Please visit [www.opers.org](http://www.opers.org) and log into your OPERS account for more information.

As a result of changes to Ohio retirement law that went into effect in 2013, OPERS members now fall into one of three retirement groups listed below. For more information about these changes including retirement eligibility criteria, benefit formula, final average salary, cost-of-living-adjustment, and age reduction factors for early retirement, please visit [www.opers.org](http://www.opers.org).

**Group A** – Members eligible to retire on or before Jan. 7, 2018.

**Group B** – Members with 20 years of service credit on Jan. 7, 2013 or eligible to retire after Jan. 7, 2018, but on or before Jan. 7, 2023.

**Group C** – Members eligible to retire under current eligibility requirements after Jan. 7, 2023, or members hired on or after Jan. 7, 2013.

Please see page 2 to determine your retirement group.

EX-178829-008



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:**

www.opers.org

1-800-222-7377

Monday - Friday

8 a.m. to 4:30 p.m.

newsfeedback@opers.org

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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.*

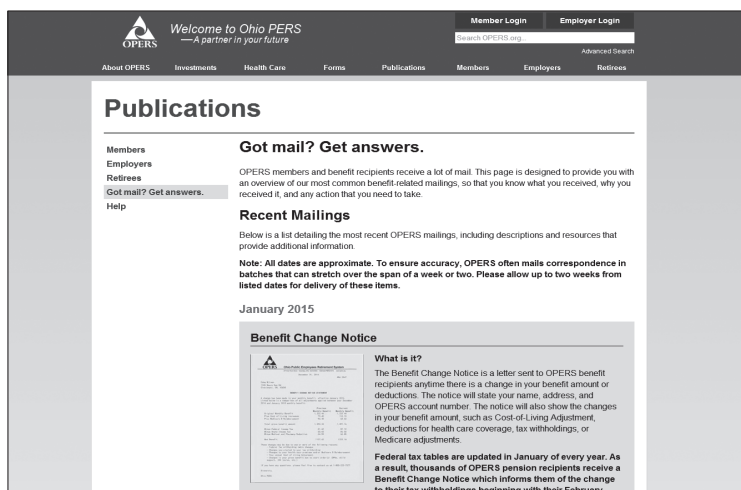
*OPERS is not required to provide health care coverage to retirees or their dependents and will only do so at the discretion of the Board of Trustees.*

## Got Mail? Get Answers.

As an OPERS member, we know you receive a lot of mail. That's why we offer a section of www.opers.org called **"Got Mail? Get Answers."**

This page provides an overview of our most common account-related mailings, so you know what you received, why you received it, and any action you need to take. You can view a detailed list of the most recent OPERS mailings, including descriptions and resources that provide additional information.

To access this page, simply click on the **"Got Mail? Get Answers"** quick link located on right side of the www.opers.org home page.



## Administrative Fee Changes Reflected in Quarterly Statements

OPERS staff conducted a review of the Member-Directed and Combined Plans in 2015, and as a result, changes were made to the administrative fee structure.

Beginning Jan. 1, 2016, the 0.1 percent administrative fee deducted from all incoming member contributions was eliminated and replaced with a monthly administrative fee of \$5.

Due to delays in employers reporting member contributions to OPERS, some members may see both administrative fees on their first quarter statements. If you see both charges on your first quarter statement, please know you are not being charged two administrative fees for the same pay period.

Member contributions with pay period ending dates on or before Dec. 31, 2015 will still be charged the 0.1 percent administrative fee, even if the contribution was received by OPERS after Dec. 31, 2015.

Member contributions with pay period ending dates on or after Jan. 1, 2016 will only be charged the new monthly administrative fee of \$5.

Members can see the "Payroll Period End Date" of each contribution in the Transaction History section of their online account. They can also see the deduction of the 0.1 percent administrative fee and the \$5 monthly administrative fee in their Transaction History.

**For complete information on the fee structure that went into effect Jan. 1, 2016, visit [www.opers.org](http://www.opers.org) to view a chart outlining the changes, or refer to your spring 2015 Ohio PERS News.**

## OPERS 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, 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

**Charles Latsa**  
State College and  
University Employees

**Sean Loftus**  
County Employees

**Christopher Mabe**  
State Employees

**John W. Maurer**  
Retired Members

**Cinthia Sledz**  
**Chair**  
Miscellaneous  
Employees

**Ken Thomas**  
**Vice Chair**  
Municipal Employees

**Steve Toth**  
Retired Members

### Statutory Board Member

**Robert Blair**  
Director, Department  
of Administrative  
Services

### Appointed Board Members

**Vacant**  
Investment Expert  
Governor Appointee

**Robert Smith**  
Investment Expert  
Treasurer of State  
Appointee

**James R. Tilling**  
Investment Expert  
General Assembly  
Appointee

**Karen Carraher**  
*Executive Director*

# Legislative Update

## Cadillac tax delayed, Windfall Elimination Provision

The OPERS Government Relations team continues to work with the Ohio congressional delegation, as well as the members of the Ohio General Assembly on a number of key issues.

### **Cadillac tax delayed**

Congress voted at the end of 2015 to delay the implementation of the Affordable Care Act's excise tax on high-cost health care plans, also known as the "Cadillac tax," until 2020. Though we appreciate this outcome, we believe the methodology behind the Cadillac tax remains flawed and will be harmful to our members, regardless of its effective date.

The Cadillac tax will impose a 40 percent excise tax on OPERS, and other plan sponsors, if the total premium cost of a health care plan exceeds certain thresholds. These threshold levels are unrealistically low and could lead some plan sponsors, including OPERS, to consider shifting costs to members to stay below the threshold amounts and avoid the tax. If our cost thresholds would trigger the tax, OPERS may have to further reduce health care coverage levels for retirees under the age of 65.

Given these concerns, we still believe the Cadillac tax should be repealed.

Further, because plan sponsors make decisions regarding plan design years in advance, we believe this issue should be addressed as soon as possible to avoid further disruption and cost-shifting to our health plan participants.

### **WEP reform legislation**

House Resolution 711 would reform the Social Security Windfall Elimination Provision so current retirees receiving a pension based on non-covered employment can receive more of the Social Security benefits they earned throughout their career.

This legislation, sponsored by Congressman Kevin Brady (R-TX), would subject future retirees to a new WEP formula that takes their non-covered employment into account when calculating their Social Security benefits - a concept that the current offset does not employ.

Congressman Brady's legislation is also the first bill to address the WEP that is revenue neutral. The OPERS Board of Trustees voted to support HR 711 last April and we are encouraging the members of the Ohio congressional delegation who are not already cosponsors of the bill to consider cosponsoring this effort.



### **Ohio legislative issues**

We continue to work toward the introduction of pension-related legislation that will include cleanup of several items OPERS and the other retirement systems have requested to help keep the systems running smoothly for the long term. We will be seeking passage of this "omnibus" legislation by the end of the year.

In addition, we have identified a list of bills introduced by the Ohio General Assembly to which we are paying particular attention, including health care-related legislation and mandates, public expenditure transparency legislation, and expansion of the forfeiture of a public pension for certain criminal acts.

**You can find a complete list of the state and federal bills OPERS is monitoring on the Government Relations page of [www.opers.org](http://www.opers.org).**

# Is a Self-Directed Brokerage Account Right for You?

## Actively manage your investment options

Because some plan participants prefer to actively manage their own investment options, OPERS offers members a mutual fund-only Self-Directed Brokerage Account through Charles Schwab's Personal Choice Retirement Account.

This account allows members, who desire additional investment alternatives and are willing to accept all risks and costs related to such alternatives, to make their own investment decisions by choosing from over 6,000 mutual funds outside the core OPERS investment options.

The term "core" refers to all the investment options currently offered by OPERS. OPERS does not select, manage or oversee the mutual funds offered through the Schwab PCRA.

To participate in the OPERS SDBA, you must meet the following requirements:

- You must be an OPERS Combined or Member-Directed Plan participant
- Your individual account balance must be at least \$5,000
- A maximum of 50 percent of your individual account balance can be invested in the SDBA

To learn more about the SDBA and other investment options, visit [www.opers.org](http://www.opers.org) and click on the Financial tab on the home page, then chose Defined Contribution Fund.

## Educational Opportunities

### View a recorded presentation tailored to your needs

Did you know OPERS offers educational recorded presentations tailored to Combined Plan participants? These presentations cover topics ranging from investment options and disability benefits to refunds and service credit.

You can view a recorded presentation any time at [www.opers.org](http://www.opers.org), under Members, Educational Opportunities. Registration is not required.

#### Recorded Presentations:

- 2016 Defined Contribution Changes
- Managing Your Individual OPERS Account
- Refunding from the Combined Plan
- Changing Your Investment Options
- Self-Directed Brokerage Account
- Retirement Checklist
- Viewing Your Online Account
- Options for Law Enforcement Members with Non-Law Enforcement Service Credit

# The Importance of Designating Beneficiaries

As a member of OPERS, you can designate one or more beneficiaries to receive a lump sum refund of your account. There are two ways you can make sure your money goes where you want it to: through automatic succession or a specific designation.

**Automatic Succession** - State law outlines the priority given to your relatives to receive a payout if you don't specifically designate a beneficiary. Known as automatic succession, the law gives this priority to beneficiaries upon your death:

1. Spouse
2. Children
3. Parents who depend on you for financial support
4. If none of the above, then parents share the refund equally
5. If all the options above are exhausted, the refund is paid to the estate.

**Specific Designation** - You can also name a specific person(s), trust, estate or an institution as your beneficiary. The beneficiary(ies) you name through a specific designation do not have to be relatives.

In some cases, the law overrides a specific designation. Marriage, divorce, dissolution of marriage, legal separation, or the birth or adoption of a child will void an existing specific designation(s). If you do not update your designations with OPERS after one of these events, the beneficiary will be determined by automatic succession.

Your account value may be refunded in a lump sum if the designation specifies a trust, estate or an institution or, if your named beneficiary is not eligible for monthly survivor benefits. If you designate two or more beneficiaries to receive a lump sum refund, you must specify the percentage each beneficiary receives. Otherwise, the money will be divided equally.

If you earned sufficient service credit and are survived by eligible children, they will receive monthly benefits regardless of a specific designation. You can learn more about the survivor benefits OPERS provides in the *Survivor Benefits* leaflet, available on the Member Publications page of [www.opers.org](http://www.opers.org).

You can make your beneficiary designation selection by logging into your online account. You can also complete a *Universal Beneficiary Designation form (A-3U)*, available on the Member Forms page of [www.opers.org](http://www.opers.org).

## Additional Considerations

- If you have contributions in more than one OPERS retirement plan, you are required to make one single beneficiary designation that will apply to all your plans. If you enroll in a different OPERS retirement plan during your career, your beneficiary designation will then carry over to your new retirement plan. You don't have to submit another Universal Beneficiary Designation form.
- If you refund your OPERS account, your beneficiary designation is automatically cancelled. If you rejoin OPERS later, automatic succession will apply unless you file a specific designation.
- If you are also a member of STRS or SERS, the last beneficiary designation filed with any of these systems will apply in all systems.

Please log into your OPERS online account and review and verify the beneficiary designation(s) you have on file. Your beneficiary designation(s) are also listed on your *2015 Personal Statements of Estimated Benefits*. You can designate a beneficiary(ies) through your online account, or by completing the appropriate form, available on the Member Forms page of [www.opers.org](http://www.opers.org).



# OPERS Website Redesign Complete

Have you visited [www.opers.org](http://www.opers.org) to check out the new, redesigned home page?

To provide you with a better user experience, the website now has an updated, modern design. Redesigning the OPERS website was also an opportunity to organize new and existing content on the home page and give it a cleaner, more appealing appearance. This will make it much easier to find what you're looking for, whether it's news, member publications or specific information about your retirement plan.

The focal point is a large section at the top of the home page with changing images; commonly referred to as an **image slider**. The slider displays current, significant information and directs you to other pages of the website for specific details.

To the right of the image slider are **Quick Links** which take you to other pages of the website, such as the Connector Readiness page, and "Got Mail? Get Answers."

There are also links to the OPERS **social media channels** including Facebook, the *PERSpective* blog, Twitter and YouTube. Directly below the slider you will find several **featured articles** covering topics that may have a large impact on OPERS members.

The new look also incorporates a **responsive design**, which automatically organizes information to fit the screens of multiple electronic devices. This will ensure viewable access to all our content - from your phone, tablet or laptop computer.

**The OPERS website has a wealth of information and resources. Be sure to visit [www.opers.org](http://www.opers.org) to view the redesigned home page, and visit the website often for the most up-to-date news and information from OPERS.**





Ohio Public Employees  
Retirement System

277 East Town Street Columbus, OH 43215-4642

# Ohio PERS NEWS

YOUR BENEFIT CONNECTION

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## Get connected to OPERS for the most up-to-date information

### **PERSpective**

*PERSpective* is the OPERS blog where we share our thoughts on important pension-related issues. Subscribe to *PERSpective* by clicking on the RSS feed logo on [www.opers.org](http://www.opers.org), or read it regularly at <http://perspective.opers.org>.



### **Twitter**

We also utilize a Twitter account under the name "ohiopers." Twitter messages are used to inform people of news, events and items of interest. Follow us on Twitter by searching @ohiopers.



### **Facebook**

More than 5,500 members and retirees "Like" our Facebook page, which uses the name "Ohio PERS." Be sure to "like" us on Facebook in order to receive updates from OPERS within your newsfeed.



### **YouTube**

The OPERS You Tube channel, "OhioPERS1," features videos covering hot topics such as OPERS health care, finance and investments.

