

# Ohio PERS NEWS

## Your Benefit Connection

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

### Cast Your Vote in the 2014 OPERS Board of Trustees Election

Elections for four seats on the OPERS and Ohio Deferred Compensation Boards of Trustees begin in August. Those elected will serve four-year terms beginning Jan. 1, 2015.

One of two seats representing approximately 166,379 age and service and disability retirees is up for election this year. The two retiree seats do not come up for election in the same year. The other retiree representative was elected to office in 2013.

Individuals elected to the OPERS Board also automatically serve on the Ohio Public Employees Deferred Compensation Program Board.

#### Your Choice - Every Vote Counts

It's important to realize every single OPERS member and retiree is represented by a Board member. Just as in national and local elections for public office, your vote—your voice—is vital. Members of the Board of Trustees serve four-year terms. That means that every four years you have the opportunity, and the responsibility, to select your Board representative.

**Voting materials will be mailed Aug. 26, and you will be able to vote until Oct. 3. The election count is scheduled for Monday, Oct. 6, and the final results will be certified by the Ohio Secretary of State's office.**

#### Your Voice

As an OPERS retiree, your vote is your voice in decisions and policies affecting your retirement benefits. Every retiree and member is part of a specific group and that group has a representative on the Board of Trustees.

The Board is responsible for all administration and management of OPERS including setting retirement system policies, approving the overall investment plan and asset allocation strategy, reviewing and approving budgets and acting as fiduciaries of the System.

**You will be able to cast your vote for your board representative by mail, phone or online Aug. 26 through Oct. 3.**

Please plan to cast your vote! Your retirement and your representation on the OPERS Board are too important not to participate in the election process.

Serve as the voice for your fellow retirees!

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## The benefits of your Online Account

Your OPERS online account offers many self-service features that make accessing and managing your account simple and easy.

From the moment you log in to your account, you have to the most up-to-date account information. On the Benefit Account page under the My Account tab, you can find your payment summary, banking and tax information, and your benefit calculation. This is your one-stop-shop for all your benefit-related information.

You can also update your federal and state tax withholdings and receive an estimate of the impact on your benefit from the Benefit Account page. This eliminates the need for additional paperwork; however, the option to submit a Federal Tax Withholding Request (W-4P) or State of Ohio Tax Withholding Request (IT-4P) via postal mail is still available. These forms can be downloaded easily through your online account.

If you have a mailing address, such as a P.O. Box or vacation home, that differs from your permanent address, you have the option of entering a mailing address as well as a permanent address in your online account. You can also set your correspondence preference to electronic mail or postal mail to receive the latest OPERS news and information.

To access your online account, visit [www.opers.org](http://www.opers.org).

## A message about your Retiree Medical Account

In an effort to streamline the reimbursement process for the Retiree Medical Account (RMA) and protect our retirees, OPERS will be implementing mandatory Electronic Funds Transfer (EFT) beginning in late September 2014. What this means is, when you submit a claim to Aetna for reimbursement from your available RMA funds, you will no longer receive a paper check, but will instead receive a direct deposit into the banking account you have on file with OPERS.

More information will be provided within your quarterly RMA statements.

*OPERS NEWS – Your Benefit Connection* is a quarterly newsletter providing news and information to more than 160,000 age and service retirees, disability benefit recipients and survivor benefit recipients of the Ohio Public Employees Retirement System. This publication allows us to communicate vital information concerning retirement benefits and health care coverage to our retirees and also educate them on the services we provide.

### CONTACT INFORMATION:

[www.opers.org](http://www.opers.org)

1-800-222-7377

Monday - Friday

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

[newsfeedback@opers.org](mailto:newsfeedback@opers.org)

*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.**

## Qualifying members have earned QEBA checks

In rare cases, members of the Ohio Public Employees Retirement System contribute more to their pensions than the IRS permits to be considered in determining pension benefits. In these situations, the IRS and the state of Ohio permit the creation of Qualified Excess Benefits Arrangements (QEBA) to distribute the difference.

The IRS has established limits on the amount of salary on which pension contributions can be made. At the same time, the IRS has established a lower limit on the level of pension benefits allowed. Therefore, some OPERS members contribute significantly more than they can receive based on federal tax rules. The QEBA is a trust account from which we pay this remaining benefit, to which the members have contributed during their working careers. OPERS has overseen this account for 14 years.

In March, the OPERS Board of Trustees modified the funding mechanism for the QEBA. This action was similar to other Board actions to modify the funding structure of the pension and health care trusts.

By law, the pension fund, health care fund and QEBA are separately maintained. While the QEBA has no effect on our pension or health care funds, it also is unrelated to recent changes to our health care coverage. Any future action to the QEBA will not eliminate the need for the QEBA for the current recipients.

Here's an example of how the QEBA works. A member who has worked for 30 years and retires at age 50 with a final average salary of \$145,000 would have earned an annual pension benefit of \$95,700.

However, the IRS caps the benefit we can pay to this member at \$95,027. In order to ensure that the member receives the pension that he or she has earned, we pay the \$673 difference from the QEBA trust. In this way, the member's pension benefits better match his or her pension contributions.

Fewer than 100 of our 196,594 retired members participate in the QEBA, and that number is expected to decline as the effects of the 2012 pension redesign take hold. The average annual QEBA benefit is about \$26,000, with many members receiving less than \$1,000.

## OPERS Educational Opportunities

**Seminars** - The OPERS education staff presents seminars on a regular basis throughout the state. These seminars address pension and health care content customized for the audience. Participants can access our health care vendor representatives and OPERS representatives to ask questions. You can register for Face-to-Face Seminars through your online account by selecting "Tools and Resources" then "Seminars and Counseling."

### **2014 Seminars**

**Rootstown** - Aug. 20

**Chillicothe** - Aug. 27

**Mentor** - Sept. 24

**Oberlin** - Oct. 1

**Columbus** - Oct. 8

**Akron** - Oct. 15

**Zanesville** - Oct. 22

**Tiffin** - Oct. 29

**Mason** - Nov. 5

**Perrysburg** - Nov. 19

**Worthington** - Dec. 10

### **Webinars and recorded presentations**

OPERS is currently conducting weekly, "live" webinars in an effort to provide our membership with an understanding of the upcoming changes to retiree health care coverage. Please visit [www.opers.org](http://www.opers.org) and click on "Seminar Options" under the heading of "Retirees" to register for webinars.

OPERS has also made available some recorded presentations. These are educational slide presentations with voice-over which reads and guides you through the information. These presentations cover a variety of topics and can be found by visiting [www.opers.org](http://www.opers.org) and clicking on "Seminar Options" under the heading of "Retirees" to view available recorded presentations.



Ohio Public Employees  
Retirement System

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# Ohio PERS NEWS

YOUR BENEFIT CONNECTION

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## OPERS Board of Trustees

### Elected Board Members

**Sharon M. Downs**  
Retired Members

**Heather Link**  
State College and  
University Employees

**Sean Loftus**  
County Employees

**John W. Maurer**  
Retired Members

**Matthew Schulz**  
State Employees

**Cynthia Sledz**  
Miscellaneous Employees

**Ken Thomas**  
Municipal Employees

### Statutory Board Member

**Bob 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

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**Karen Carraher**  
*Executive Director*

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.