2015 WILL BE A BUSY ELECTION SEASON FOR OP&F TRUSTEES

OP&F members will elect four members to the Board of Trustees during elections this spring: two active firefighters, one active police officer and a retired firefighter. The term of Board chair Scott Huff (Cleveland police) will be expiring in 2015, as will the term of William Deighton (Cleveland fire, retired).

Additionally, both current active firefighter positions will be on the ballot. Currently, Daniel Desmond (Toledo fire) and Jeffrey Moore (West Chester fire) hold these positions. Each current trustee is eligible for re-election.

Both active firefighter positions are up for election due to the retirement of Lawrence Petrick and David Witner in 2014. OP&F rules require those who are appointed to fill the unexpired terms of trustees who leave the Board will only serve until the next regularly scheduled election.

A notice of election will be mailed to employers and retired firefighters on Feb. 2. Election materials, including nominating petitions, certificates of eligibility and election rules will also be posted to the OP&F website on Feb. 2.

Eligible members who intend to run for a position on the Board of Trustees must submit all required forms and information to OP&F no later than 4 p.m. on April 6. Ballots will be mailed in early May and the election results announced on May 26.

Members are encouraged to update address information with OP&F so that they receive election information and can cast their ballot.

WEST CHESTER’S MOORE APPOINTED TO VACANT TRUSTEE POSITION

Jeffrey Moore, a West Chester Township firefighter and paramedic since 2000, was appointed to the OP&F Board of Trustees on Oct. 28, 2014. Moore fills the active fire representative position vacated when David Witner resigned from the Board after retiring from active fire service. Moore will serve until the spring of 2015, when he will be eligible to run for a full four-year term on the Board of Trustees.

In addition to his full time position with the West Chester Township Fire Department, Moore has served as president of the West Chester Professional Fire Fighters Local 3518 of the International Association of Fire Fighters since 2004, and previously served as its secretary and treasurer. He has served as a member of the West Chester Township Health Care Committee since 2006.

Jeffrey Moore is sworn in Oct. 28
WEP ELIMINATION BILL INTRODUCED IN WASHINGTON

Dear Members,

OP&F members enjoy the security of a lifetime pension because they have served their communities for the required years and reached a minimum retirement age. Some of you also worked in positions covered by Social Security. However, although you may have fulfilled the requirements to receive Social Security benefits, a federal law severely restricts the amount of these benefits.

In November, legislation was introduced in Washington that would do away with the Windfall Elimination Provision (WEP) and calculate Social Security benefits just as any other worker, based on their real-life contributions and work history.

Two senior members of the U.S. House Ways & Means Committee, Republican Kevin Brady of Texas and Democrat Richard Neal of Massachusetts, introduced H.R. 5697 that provides equal treatment of Social Security benefits for police officers, firefighters and other public servants who earn two pensions - one in Social Security and another in a system such as OP&F.

While similar legislation has been introduced many times, it appears that this new bill may have more support and a more realistic chance to become law. According to information from Rep. Brady, the bill would not only allow public employees to receive benefits they have earned, but will not impact the Social Security trust fund.

Public pension systems like OP&F have long supported the elimination of the WEP so that public servants receive the benefits they earned while paying into Social Security. We ask our members to become familiar with H.R. 5697 and decide for yourself. If you agree that this legislation creates a formula that will treat all workers equitably, then please contact your senators and representatives in Washington and voice your support.

To find out more about H.R. 5697 or to find out how to contact your senator or representative, go to: govtrack.us, or opencongress.org

Happy New Year, and as always, be safe and thank you for helping to make Ohio a better place to live.

Sincerely,

John J. Gallagher, Jr.

MESSAGE from the EXECUTIVE DIRECTOR

2015 BOARD OF TRUSTEE MEETINGS:

Regular OP&F Board of Trustees meetings are held monthly, except for July at OP&F headquarters, 140 E. Town Street in downtown Columbus. The annual Board of Trustees retreat is held at a site to be determined.

Jan. 27-28
Feb. 24-25
March 5-6 (Board retreat)
March 24-25
April 28-29
May 19-20
June 23-24

No meeting in July
Aug. 25-26
Sept. 29-30
Oct. 27-28
Nov. 17-18
Dec. 15-16

Portfolio Update

OP&F’s investment portfolio value 2014:
Value as of Dec. 26: $14.36 billion
End of November value: $14.52 billion
End of October value: $14.42 billion
OP&F NAMES NEW DIRECTOR OF INFORMATION SERVICES

Maureen Gatewood joined OP&F on Oct. 13, as the Director of Information Services. Gatewood manages the development and maintenance of information technology systems, operations, hardware and software for the organization.

Gatewood comes to OP&F after serving as the assistant director of information technology with the School Employees Retirement System (SERS). She has worked at SERS since 2001, previously serving as the information technology project lead and as the quality assurance coordinator. Along with her position at SERS, she serves as the Central District Director of Public Retirement Information Systems Management (PRISM).

Keith Byrd served as OP&F’s Director of Information Services and Deputy Executive Director before retiring on Nov. 1.

MOST RECENT ACTUARIAL STUDY SHOWS CONTINUED IMPROVEMENT IN PENSION FUNDING

OP&F’s most recent annual actuarial valuation shows that pension reform and additional changes put in place by the Board of Trustees is working as intended to strengthen long term funding. In just three short years, OP&F’s funding period has gone from an immeasurable “infinity” to being on the brink of the state’s requirement.

The results of the most recent valuation puts OP&F’s funding period at 33 years, just outside the state’s 30-year requirement. The funding period improved 14 years from the 2013 valuation (47 years). The funding ratio for OP&F jumped 2.5 percent, from 64.2 percent in last year’s study to 66.7 percent as of Jan. 1, 2014. With additional investment performance still to be included in future valuations, OP&F expects to meet or exceed the state’s funding requirement when the next actuarial report is completed.

Senate Bill 340 (passed in 2012) included changes to the retirement system’s benefits and member contributions and have been significant in improving the funding period. Additionally, the OP&F Board of Trustees shifted more funding from its retiree health care reserves to pension liabilities beginning Jan. 1, 2014.

It is noteworthy that the improvement in funding has been made with no additional taxpayer dollars. In fact, the last change to the amount OP&F employers contribute to their employees’ pensions was nearly 30 years ago, in 1986.

The valuation study was presented by OP&F’s independent actuary, Buck Associates, at the Oct. 29 Board meeting and included assets and liabilities through Jan. 1, 2014.
WHAT IS A QUALIFYING EVENT?

Opportunities to enroll in the OP&F-sponsored health care coverage explained

OP&F and UnitedHealthcare (UHC), its health care administrator, often receive questions about eligibility for the plan. Eligibility requirements are spelled out in the Member’s Guide to Health Care Coverage, which is available at op-f.org and was also mailed to eligible retirees during the Annual Change Period in October.

There are limited opportunities for members and their eligible dependents to enroll in the health care plan. These opportunities, or qualifying events, are also the subject of several questions. It is important to realize that members must notify UHC and submit the required paperwork within 60 days of the qualifying event in order to become eligible for enrollment. If the required paperwork is not received within this 60-day window, UHC cannot enroll you or your dependents.

Enrollment for the OP&F-sponsored health care coverage is coordinated through UHC.

Members and their eligible dependents may participate in the OP&F-sponsored health care plan, prescription drug, dental and vision coverage under the following circumstances:

- At the time of your OP&F retirement;
- Three years after your OP&F retirement or commencement of OP&F statutory survivor benefits;
- With proof of change in family status (i.e. marriage, death, divorce);
- With proof of involuntary loss of group coverage;
- At the time you become eligible for Medicare;
- With proof of a determination of your or a dependent child’s eligibility for premium assistance with respect to OP&F-sponsored health care coverage under a Medicaid plan (under Title XIX of the Social Security Act) or a state children’s health plan (under Title XXI of the Social Security Act, also known as CHIP/Children’s Medicaid); or
- With proof of loss of your or a dependent child’s Medicaid plan coverage or state children’s health plan coverage due to a loss of eligibility for such coverage.

Enrollment Requirements

- Members must submit a completed Health Care Eligibility and Enrollment Form and any other necessary paperwork to UHC within 60 days of the qualifying event;
- If UHC receives the form on time, coverage will be effective either the date following your qualifying event or the first of the month following as selected on the enrollment form. If a date is not designated, UnitedHealthcare will use the date following the qualifying event as the enrollment date.
- Contributions will be deducted from the member’s OP&F monthly pension benefit.

If you have any questions concerning enrollment or eligibility, contact UHC at 888-832-0964.
UnitedHealthcare has a hearing aid discount program that may save members money. Members and their dependents enrolled in either the UnitedHealthcare medical or vision plans are eligible for this hearing aid discount program.

This discount is through hi HealthInnovations and is not a network based program. Members choose where to get their hearing test and if hearing aids are needed, can enjoy preferred pricing through hi HealthInnovations.

**Take three simple steps to better hearing**

1. Get your hearing tested. Call hi HealthInnovations toll-free at 1-855-523-9355 to schedule an appointment with a hearing professional, search for a provider online at hihealthinnovations.com, or ask your doctor for a hearing test.

2. Select a hearing aid from the list offered by hi HealthInnovations by visiting www.hiHealthInnovations.com or by calling 855-523-9355.

3. Place your order. Choose any of these convenient options that best suit your needs.

4. In Person – If your appointment is with a hi HealthInnovations hearing professional, hearing aids may be dispensed at the time of your appointment. If your appointment is with a contracted hearing professional, they will fax your hearing test results to hi HealthInnovations, who will call the member to complete the order.

**BY PHONE** – Members can mail or fax the hearing test results taken within the past year. hi HealthInnovations will call the member within three days of receiving the hearing test results with recommended hearing aid options, or members may call toll-free at 855-523-9355 to order. The custom-programmed hearing aids will be sent directly to the member.

**ONLINE** – Members can mail or fax the hearing test results taken within the past year. hi HealthInnovations will call the member within three days of receiving the hearing test results with recommended hearing aid options. Go online at hihealthinnovations.com to order the recommended hearing aids. The custom-programmed hearing aids will be sent directly to you.

**When sending us your hearing test results, please include:**

- Your first name, last name and telephone number
- Your UHC member ID
- Indicate if you’ve worn hearing aids before, and if yes, what type, and if you have used ear molds

Mail to: P.O. Box 356, Minneapolis, MN 55440, or fax to: 1-877-955-4336.

*Hi HealthInnovations is a UnitedHealth Group company, whose mission is to help people live healthier lives.*
2015 MEDICARE PART B REIMBURSEMENT APPROVED

The 2015 Medicare Part B reimbursement rate for OP&F benefit recipients has been approved by the Board at the rate of $104.90. If you are a benefit recipient that is currently receiving a Medicare B reimbursement in your OP&F pension check, this amount will continue as a reimbursement in 2015 and you are not required to send in any additional paperwork.

OP&F’s Medicare reimbursement benefit may not fully reimburse the Part B premium you are required to pay to Medicare. Your premium can vary based on your income. For information on this increase please call Medicare at 1-800-633-4227. By law, the Medicare Part B premium is published annually by the Center for Medicare and Medicaid Services.

For those benefit recipients that do not currently receive the Medicare Part B reimbursement and think you are eligible, please send UnitedHealthcare (UHC) a copy of your Medicare card or letter of enrollment and a completed Medicare Part B Reimbursement Statement. There are no retroactive reimbursements. After application, please verify that your OP&F benefit statement reflects the reimbursement.

As a service to you, UnitedHealthcare will send you information on Medicare Part B reimbursement approximately three months before you turn 65. If you are eligible to receive the Medicare Part B reimbursement from another source, you are not eligible for this reimbursement from OP&F. Benefit Recipients that are eligible for early Medicare fall under the same Medicare reimbursement guidelines as a member turning 65. For questions or to request the Medicare Part B Reimbursement Statement please call UnitedHealthcare at 1-888-832-0964.

Facts & Figures

TAXPAYER CONTRIBUTION FACTOR*

Benefits paid by state and local pension plans support a significant amount of economic activity in the state of Ohio. Pension benefits received by retirees are spent in the local community. This spending ripples through the economy, as one person’s spending becomes another person’s income, creating a multiplier effect.

In 2012, expenditures stemming from state and local pensions supported:

- 144,785 jobs that paid $6.3 billion in wages and salaries
- $19.7 billion in total economic output
- $3.0 billion in federal, state, and local tax revenues

Each $1 in taxpayer contributions to Ohio’s state and local pension plans supported $5.71 in total output in the state. This reflects the fact that taxpayer contributions are a minor source of financing for retirement benefits—investment earnings and employee contributions finance the lion’s share.

Each $1 in state and local pension benefits paid to Ohio residents ultimately supported $1.63 in total output in the state. This “multiplier” incorporates the direct, indirect, and induced impacts of retiree spending, as it ripples through the state economy.

* In the state of Ohio (source: Pensionomics 2014 from the National Institute on Retirement Security).
TAX TIME IS APPROACHING

Remember that even non-taxable income needs to be reported

OP&F is required by the IRS to file a Form 1099-R for each person to whom a distribution of $10 or more has been made for the tax year. OP&F reports all distributions to the IRS as reportable income, regardless of the taxable or non-taxable nature of the benefits. This includes those who receive an on-duty disability benefit that may be non-taxable. OP&F recommends that every recipient of Form 1099-R file a 1040 tax return with the IRS. Please contact the IRS directly for information on filing requirements.

If the distribution from OP&F is non-taxable, then Box 2a is completed with $0.00. If a benefit recipient does not file an annual tax filing to reflect this non-taxable distribution they will probably receive a notice because the IRS was unable to match the income reported by OP&F to the benefit recipient’s filing of reportable income.

OP&F benefit recipients should contact OP&F if they receive this notice. OP&F can then mail a letter to the benefit recipient outlining how any IRS ruling applies to a member’s specific benefits. Member’s can forward this letter to the IRS. OP&F is not able to provide information directly to the IRS on a member’s behalf.

OP&F members can access and print 1099-R forms online

Ohio Police & Fire Pension Fund members who are registered for the Member Self-Service Web can retrieve and print 2014 tax forms online.

This feature helps members get a head start on filling out taxes rather than waiting for OP&F to mail the form (the forms will also be mailed to all members no later than Jan. 31). The 1099-R form can be read and printed if you have an online account.

Members can access the Form 1099-R by going to op-f.org and logging on to the OP&F Member Self-Service Web.

To register, go to op-f.org and click the link for Member Self-Service Web in the upper left corner. Next, look for the register link and follow the instructions on the screen.

Additional tax information from OP&F is also available at op-f.org.

2015 DIRECT DEPOSIT DATES FOR BENEFIT CHECKS

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SUSPECT DISABILITY FRAUD?
CALL 844-FRAUD HL
(844-372-8345)

A toll free number is available for members or the general public to report suspected disability benefit fraud. Substantiated allegations may result in the termination of benefits and referral to the proper authorities for prosecution. Receiving a disability benefit from OP&F does not mean an individual is prohibited from other employment; however they are prohibited from working in a police or firefighting position.
Toll Free: 888–864–8363
General Information: (614) 228–2975
Fax: (614) 628–1777
TTY: (614) 221–3846
E-mail: questions@op–f.org
Business Hours: Monday–Friday, 8 a.m.–4:30 p.m. EST

OP&F Board of Trustees
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Daniel Desmond, Toledo Fire
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Maureen Gatewood, Information Services Director
Mark Jordan, Internal Auditor

Prudence • Integrity • Empathy
Securing the future for Ohio’s Police and Firefighters
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Important Dates:

Jan. 19
OP&F offices closed in observance of Martin Luther King, Jr. Day

Jan. 27-28
Board of Trustees meetings

Feb. 2
Nominating petitions for trustee elections available

Feb. 24-25
Board of Trustees meetings

March 24-25
Board of Trustees meetings

April 6
Deadline for returning nominating petitions for trustee elections

April 28-29
Board of Trustees meetings

Notify OP&F of any address changes

Members can update their information online from the secure Member Self Serve, or with the Change of Address form available at op–f.org. Members may also email questions@op–f.org with new address and contact information or call Customer Service at 888–864–8363.