

Ohio Police and Fire Employer Update- 2019



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OP&F at a Glance

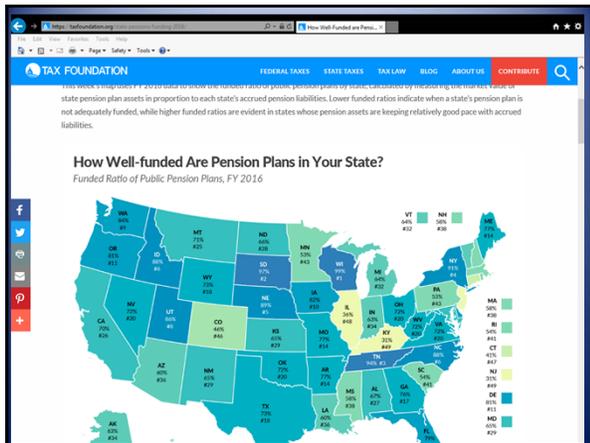
- We provide pension, disability, and survivor benefits to eligible **full-time** police officers and firefighters
- Under IRC Section 401(a), we administer a defined benefit plan
- OP&F was created in 1965 by the Ohio General Assembly-Opened our doors in 1967

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About OP&F

- We are governed by Ohio Revised and Administrative Code (Chapter 742) and a Board of Trustees
- As of 1/23/2019, OP&F's investment portfolio was valued at \$15 billion
- Funding ratio as of 1/1/18 was 69.9

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Who are our OP&F Employers?

- Municipalities (Both police and fire)
- Townships and Fire Districts (fire only)
- Villages (Both police and fire)

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Who are our OP&F Employers?

- As of Dec. 31, 2017, we had over **900** employer entities reporting to OP&F
- Top five largest employers:
 1. Columbus (3,623 members)- 12.1%
 2. Cleveland (2,326 members) – 7.8%
 3. Cincinnati (1,946 members) – 6.5%
 4. Toledo (1,244 members) – 4.2%
 5. Akron (827 members) – 2.8%

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Who are our OP&F Members?

- Must be hired/appointed on full-time basis
- Active members (including DROP)= 28,175
- Retirees (including disability) and beneficiaries = 29,113
- Total members = 57,288 (56% police; 44% fire)
- DROP members = 4,132 (90% of those eligible, participate)

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OP&F “Top Headlines” for 2019

- Major Change in Retiree Healthcare Implemented
- Enhanced Survivor Benefit
- OP&F goes on Face Book

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Self-Insured Health Care Plan for OP&F Retirees Replaced by New Model

- A fixed-cost monthly stipend model implemented
- HRA- Health Reimbursement Account
- Aon has assisted retirees (both pre-Medicare and Medicare eligible) in choosing the appropriate plan through the health care exchange market

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OP&F Implementing Benefit Increases to Survivors

- SB 296 Passed in December, 2018
- Extends coverage for survivors
- Increases “transitional benefit” from 50% to 75% of fallen member’s salary
- Impacts OP&F, SHPRS, and some OPERS survivors

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OP&F on Face Book



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Reporting to OP&F

What are my responsibilities as an Employer?

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Top Five “Tips” for OP&F Employers

- Don’t be afraid to ask questions!
- Report and pay on or before due date!
- Make sure pension reports match cash/online payments submitted.
- Use comments/description field on pension reports.
- Make sure to take responsibility for timely submission of new member documents.

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New Full-Time Police Officer or Firefighter? What to Do

- Complete and submit *Personal History Record*
- Have prospective member submit to pre-employment physical
- Have prospective member read, sign and date SSA-1945 Form (Social Security notice)
- Please remember: 60-day deadline to avoid penalties
- All forms on website (www.op-f.org)
- Can email scan or fax forms

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What Payroll-Reporting Options do I Have?

- Web-Self Service Manual (data entry online reporting)
- Web-Self Service Import (3 steps-upload, process, submit)
- Electronic Payroll File Upload (browse and submit)

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Which Reporting Option is Best for Me?

- Depends on size of payroll, whether you have payroll software and complexity of reporting
- Web manual data entry-requires no payroll software
- Web import does require payroll software but no data entry involved
- Electronic file upload is very quick but does not show "exceptions" as Web Self-Service does

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Can I Continue to Report Payroll Data on Paper?

- Yes. However, OP&F encourages employers to use one of our electronic options. Why?
- Same day receipt of reports-eliminates postal delays
- Quicker processing of report and update of member accounts
- Electronic reporting is security protected (encryption)

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What member information do I include on my OP&F pension report?

- Members' scheduled hours and paid hours (determines service credit)
- Earning dates (NOT pay dates)
- Members' gross pensionable wages per **earning code (see handout provided)**.
- Are all wages pensionable? No....

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Under ORC 742.01(L) **not** all wages are Pensionable

Pensionable

- Regular pay
- Shift pay
- Longevity
- Overtime (timely paid)
- Holiday pay
- Hazard Pay
- On call pay
- Performance Bonuses
- Educational Allowances
- Attendance Bonuses
- Officer-In-Charge-Pay

Not Pensionable

- Reimbursements
- Uniform Allowances
- Vacation, Sick Leave, Personal Day, and Comp. Time Cash outs
- Signing Bonuses
- Hazard, Holiday, and Longevity payments deferred more than one year
- Early Retirement Incentives

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What if I'm not sure whether something is pensionable or not?

- Please call your Employer Services Group (ESG) Rep. (**see handout provided**) if you have any doubts or questions
- Please keep OP&F updated with copies of your most current collective bargaining agreements, pay ordinances, and/or employee handbooks
- These documents can be emailed, faxed, or mailed to us

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Please also use work codes and descriptive comments as needed

- Work codes are indicative of member status; i.e., T=Terminated, S=suspended without pay, L= Leave without pay, N = New, and R = Retired
- On payroll reports, please use description/comments field often! For example, "all overtime current," "worked holiday," "officer in charge pay."

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What happens when a member retires?

- Member completes retirement application through OP&F
- OP&F then sends employer "Interim Certification"-employer provides us with member's last day on payroll
- OP&F also sends employer "Employer Accounting of Member Compensation" (see handout) – provides us with member's final pay, including pensionable pay outs such as unused holiday and longevity

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DROP versus Re-employed Retiree

- DROP (Deferred Retirement Option Plan)- Member must be eligible for retirement. DROP members are considered "active"-**no changes in employer payroll-reporting**
- Re-employed Retirees – Member retires, then becomes full-time with same or different OP&F employer. **No change in employer payroll-reporting.**

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Employer Web-Self Service Program

- Can create and submit pension reports.
- Can complete and submit summary of payment remittance information form (recap).
- Can make online payment(s).

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Making Payments to OP&F

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OP&F Payment Options

- Employers can pay by check
- Employers can pay by ACH (Automated Clearing House) Debit
- Employers can pay by wire
- Rates are 12.25% employee (both police and fire), plus;
- Rates are 19.5% employer police, and 24% employer fire

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How do I Sign up for Online Payments?

- Complete an ACH Authorization Agreement Form (**see handout provided**)
- Fax, email/scan, or mail form to OP&F
- You will receive an email, confirming setup

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What do I need to know about online payments?

- You can make any payment online-member contributions, employer contributions, prior service buy-backs, accrued liability, penalty payments
- You can establish multiple accounts if you wish to
- You can complete your pension report, summary of payment remittance, and payment, all in the same (web) program

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What else should I be aware of concerning payments?

- Online payments are **not** "same day" payments-can post as early as the next business day in most cases
- Cannot have payments post on weekends or federal holidays (see next slide)
- Payments must be entered by 4:30 pm on business day; otherwise payments cannot post earlier than 2 business days forward

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Home / About / Holiday Schedules

Holiday Schedules

The following is the standard holiday schedule for the Federal Reserve System. Please click on a holiday date to view service change announcements where applicable. See the International Holiday Schedules for the FedGlobal® Gateway Operator Holiday Schedules.

Standard Federal Reserve Bank Holidays

Information on holiday dates.

Holiday*	2019	2020	2021	2022	2023
New Year's Day	Jan 1	Jan 1	Jan 1	Jan 1*	Jan 1*
Martin Luther King Jr. Day	Jan 21	Jan 20	Jan 18	Jan 17	Jan 16
Presidents Day	Feb 18	Feb 17	Feb 15	Feb 21	Feb 20
Memorial Day	May 27	May 25	May 31	May 30	May 29
Independence Day	Jul 4	Jul 4*	Jul 4*	Jul 4	Jul 4
Labor Day	Sep 2	Sep 7	Sep 6	Sep 5	Sep 4
Columbus Day	Oct 14	Oct 12	Oct 11	Oct 10	Oct 9
Veterans Day	Nov 11	Nov 11	Nov 11	Nov 11	Nov 11*
Thanksgiving Day	Nov 28	Nov 26	Nov 25	Nov 24	Nov 23
Christmas Day	Dec 25	Dec 25	Dec 25*	Dec 25*	Dec 25

Reminder Regarding Employer Refund Policy

- OAC Section 742-9-18 deals with overpayment of either employee and/or employer contributions.
- **Member contribution overpayments** – Only if over \$100 may a refund be made. Otherwise a credit will apply.
- **Employer contribution overpayments** – No refunds-only credits.

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What else should I be aware of concerning payments?

- Payments and payroll reports must both be received on or before the due date
- For any payment made, please complete recap (Summary of Payment Remittance Information Form)

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Please avoid statutory penalties!

- For mailings, OP&F uses receipt date, NOT postmark date
- Online reporting and payments help you avoid mail delays
- **All pension payroll reports and payments are due no later than the last business day of following month (see next slide)**
- **Responses to 30-day letters must be complete and in writing**

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Pick-Up Plans

- An employer, by filing a resolution, can arrange to have OP&F member contributions reported as tax-deferred
- Can be “salary reduction” or “employer paid”
- Prior service credit can also purchased on a tax-deferred basis.
- See www.op-f.org/employers/documents for more information

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Employer Resources

- Employer Newsletter
- Employer Services Group
- Employer Manual
- Customized, directed mailings (*Constant Comment E-mail Blasts*)
- OP&F website-employer information, member information, calculation tools, and laws/rules

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Employer Services

- Employer Training-Onsite at employer offices
- Employer Training- Telephonic-GoToMeeting
- Automated monthly courtesy calls
- Earnings period calendar
- Forms and documents-on website

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Employer Outreach Sources

- Website: www.op-f.org
- Toll-free Number: 1-888-864-8363
- Email Questions to: questions@op-f.org
- Disability Fraud Hotline: 844-372-8345

Questions?
