

Stakeholder Forum

Oct. 20, 2010



External Affairs Overriding Goal And Objectives For 2010

Goal

To pass legislation that will implement OPERS recommended changes to the current benefit plan.

Objectives

- Create a supportive environment among legislators and leadership to introduce and pass the pension bill
- Mobilize support from stakeholders, members and retirees
- Distinguish actions by the OPERS Board of Trustees
- Educate legislators, stakeholders, members and retirees, the news media and other key audiences of the timeliness and importance of the legislation
- Promote retirement security for all Ohioans

Dominant Message

The OPERS Board of Trustees has recommended to the legislature a series of changes to the current benefit plan that are designed to maintain the strength of the pension system and allow continued contributions to the health care trust fund. When approved, the recommended changes will build on previous actions by the Board to maintain secure retirement benefits, prepare for the longer life expectancies of retirees and preserve access to health care coverage.

What Is Driving The Consideration Of Benefit Changes Now?

- **Retirees living longer in retirement and we need to adjust our benefits to recognize that**
- **Eliminate unfair subsidization of benefits of subsets of members**
- **Encourage member engagement in their retirement planning**
- **Economic environment**

Current Challenges

Challenges

- **Election year politics dictate the timing of any legislative effort (pressure against any change in the status quo)**
- **Changing political landscape (term limits, key elections)**
- **Anti-public employee sentiment**
- **Requested contribution rate increases**
- **Media consortia – themes of articles**
- **Stakeholder issues**
- **Health care**



Current Challenges

- **Public records requests – up 40 percent in 2010**
 - Requests for documents and files, emails, travel and other records
- **News media calls – up 60 percent in 2010**
 - Average 10-15 per week
- **Pension bill has not been introduced**
- **Headlines about looming state budget crisis in 2011**
- **Mandatory participation in Social Security – President’s Debt Commission**
- **Privatization**



What They're Saying About Us

- **“If public employees weren't allowed to retire so much earlier than everyone else, they wouldn't need pension-provided health care.”**
– *The Columbus Dispatch*
- **“[Taxpayers] aren't in any mood to pay taxes to assure that especially generous public pensions can remain so generous.”**
– *Dayton Daily News*
- **“Salaries raked in by public employees give new meaning to the word obscene.”** – *Youngstown Vindicator*
- **“Ohio's state and local-government pension benefits are anything but skimpy.”** – *Cleveland Plain Dealer*
- **“How can you tell a retired public employee from a private sector retiree? The man laughing all the way to the bank is from the ranks of the bloodsuckers.”** – *Youngstown Vindicator*

Their Headline

“Taxpayer uprising the only answer”

– *Youngstown Vindicator*

“Public Pension benefits still plenty generous”

– *Dayton Daily News*

“Needed radical rewrite of Ohio’s public pensions unlikely when lawmakers draw those pensions”

– *Cleveland Plain Dealer*

“Financially and politically, public retirement systems have become unsustainable”

– *Columbus Dispatch*

“Curb pension costs”

– *Toledo Blade*

After Our Response

“Workers earned pensions”

– *Youngstown Vindicator*

“Public pension plans cheaper than 401(k) model”

– *Dayton Daily News*

“Ohio’s PERS is designed to ensure secure pension, health benefits well into the future”

– *Cleveland Plain Dealer*

“Pension plan was built to ensure security”

– *Columbus Dispatch*

“OPERS backs pension changes”

– *Toledo Blade*

Results To Date: How Have We Changed The Headlines?

- **Editorial Board visits across the state by CEO**
- **Calls to editors and reporters**
- **Comments from stakeholders, members and retirees to articles and editorials**
- **Letters to the editor**
- **Common messages from NASRA, NIRS, and public pension funds**



Plan Going Forward: Target Audiences

Government – Key elected and appointed officials, legislative staff, leadership, Ohio Retirement Study Council members

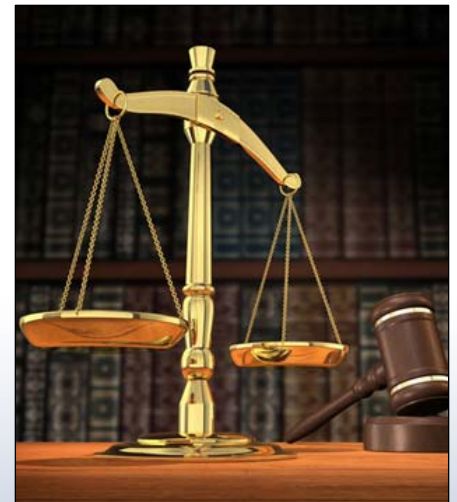
Membership – Stakeholders, members, retirees, employee and employer groups, associations, key influencers, our associates and the general public

Media – Editorial boards, public affairs reporters



Plan Going Forward: Government

- **Work with ORSC to release the bill**
- **Identify alternate plans, if necessary**
- **Coordinate with Ohio peers**
- **Provide regular updates to members and retirees of the bill's progress**
- **Continue engagement with Ohio General Assembly and Administration**
- **New legislator orientation**
- **“Family and Friends Plan”– Encourage members, retirees and stakeholders to contact their elected officials**



Plan Going Forward: Membership

- **Engage members and retirees**
- **Meet with stakeholder groups**
 - Reach their membership through articles, emails, websites
- **Provide regular updates to members and retirees of the bill's progress**
- **Town Hall and stakeholder group presentations**
 - In 2010, conducted 42 presentations for over 3,000 members and retirees, using audience feedback to continuously improve content and delivery
 - Posted the “Why and What” PowerPoint presentation on the OPERS website for those who could not attend

Plan Going Forward: Media

- **Editorial Board Outreach**
 - Re-visit newspapers in major Ohio cities
 - Visit small-to-midsized newspapers
 - Regular updates to editorial board editors
- **Opinion/Editorials (Op-ed)**
 - Board chair or CEO bylined op-eds offered by Toledo, Dayton and Akron; key stakeholders, national representatives
- **Hold news media accountable**
 - Ex: Swift reaction, printed correction re: contribution increase error in June 20 series, calls to reporters
- **Letters to the Editor from CEO – write as needed**
- **All letters written have been printed**

Plan Going Forward: Key Components to Our Plan

- **Common messages:**

- Pensions are major economic engines
- DB continues as affordable, proven, viable approach
- Pensions deliver secure retirement efficiently
- Agree that changes are needed
- Everyone deserves a secure retirement
- Race to the bottom not the answer
- HC could be in jeopardy
- Social Security
- Immediate action necessary

- **OPERS specific messages:**

- OPERS is fiscally sound; funded status in compliance, not asking for contribution increases...
- ...but change is needed to maintain solvency and HC
- Board history of proactive decisions
- Input from members, stakeholders
- One size doesn't fit all
- OPERS is good for Ohio

Other Issues

- **Reemployed retirees**
- **Transparency of records**



Open Discussion