

Ohio public pension funds want employers to pay more toward retirement

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Ohio's three biggest public retirement systems are talking about asking lawmakers to require cities, counties, school districts and other government agencies to pay more toward the public employees' pensions – expenses that would eventually trickle down to taxpayers.

Most changes to public pension benefits require legislative approval in Ohio.

Trustees of the largest pension fund, Ohio Public Employees Retirement System, are scheduled to discuss Tuesday seeking an employer contribution rate hike. Ohio PERS did not provide details on how much it would pursue.

State Teachers Retirement System plans to ask for a law change to require school districts to contribute 18% of payroll to pensions, up from the current 14%. If approved, the change would cost districts an additional \$533 million a year.

And two Republican state representatives, Cindy Abrams and Thomas Hall, introduced a bill earlier this month to increase the Ohio Police & Fire Pension Fund employer contribution rate to 24% for all first responders. Currently, employers contribute 24% for firefighters and 19% for police. That change would cost public employers an extra \$56 million a year.

A similar bill introduced last legislative session to shore up the police and fire pension fund failed to pass.

Ohio Municipal League Director Kent Scarrett said cities and villages that employ public employees, including firefighters and police officers, shouldn't face an unfunded mandate to pay more toward pensions.

"The impacts will be real on the limited amount of revenues that municipalities have to work with," he said.

Ohio has five public pension systems that serve 2.28 million current and former government employees and retirees. Public employees in Ohio do not participate in Social Security so the state pension systems are their main retirement funds.

A decade ago, lawmakers approved sweeping changes to public pensions that required employees to work longer for fewer benefits.