



## Ohio Retirement Study Council

30 East Broad Street, 2nd Floor  
Columbus, Ohio 43215  
PHONE: 614-228-1346  
FAX: 614-228-0118

To: Members of the Ohio Retirement Study Council  
From: Jeffery A. Bernard, Senior Research Associate, ORSC  
Date: March 14, 2019  
Subject: ORSC 2019 Anticipated Activities

### Voting Members

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Jay Hottinger  
Kirk Schuring

#### Representatives

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#### Director/General Counsel

Bethany Rhodes

Find below a list of some major projects that ORSC staff anticipate beginning, completing, or continuing in 2019. If you need further information on any particular item, please contact me at 228-4644.

**Report standardization project:** At its November and December 2014 meetings, the ORSC approved an action plan for the standardization of a number of reports provided by the retirement systems to the Council. After comments from the Council, staff began with the more simple reports and moved forward with reports of increasing complexity. The schedule for review is:

- 1) Iran/Sudan Divestment Report (*completed*)
- 2) ~~Ohio Managers Report~~ (*eliminated by Am. Sub. H.B. 64*)
- 3) Annual Internal Audit Activities Report (*completed*)
- 4) Annual Budget Report (*completed*)
- 5) Annual Health Care Report (2018) (*completed*)
- 6) Annual Disability Report (2019 (non-uniform) and 2020 (uniform))

**Adequacy of contribution rates in OP&F:** Pursuant to R.C. 742.311 and a contract with PTA/KMS, a review of the adequacy of OP&F contribution rates to finance the benefits provided by OP&F for calendar year 2018 will be conducted. The 2017 report is pending ORSC review.

**Actuarial audit of OP&F:** Pursuant to R.C. 171.04, the ORSC is to complete an actuarial audit of the assumptions in each retirement system once each 10-year period. PTA/KMS was selected to provide the audit at the February 2016 ORSC meeting. The completed OP&F audit was reviewed at the October 12, 2017, meeting. The audit will be completed once PTA/KMS presents the review to the OP&F Board.

**Fiduciary audit of PERS:** Pursuant to R.C. 171.04, the ORSC is required to complete a 10-year fiduciary audit of each system. Aon Hewitt was selected to conduct this review at the November 9, 2017, meeting. The audit is in the ORSC staff review process and we anticipate ORSC review in the first half of 2019.

**Fiduciary audit of OP&F:** Pursuant to R.C. 171.04, the ORSC is required to complete a 10-year fiduciary audit of each system. According to a preliminary schedule discussed at the March 8, 2018, meeting, a ten-year rotation would begin in 2019, beginning with the fiduciary audit of OP&F. ORSC staff will provide a draft RFP to ORSC once the PERS fiduciary audit is completed and the OP&F actuarial audit is complete (see above, pending presentation to the OP&F Board by PTA/KMS). According to this schedule, in 2020 an actuarial review of HPRS would be anticipated.

**Investment performance:** As required by statute, ORSC receives two investment performance reports. These are typically reviewed at the April/May and October meetings.

**2018 ORSC Annual Report:** Pursuant to R.C. 171.04, ORSC staff provide an annual report to the Governor and General Assembly covering evaluations and recommendations regarding the retirement systems.