



## Ohio Retirement Study Council

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To: Members of the Ohio Retirement Study Council  
From: Jeffery A. Bernard, Senior Research Associate, ORSC **JAB**  
Date: March 8, 2018  
Subject: ORSC 2017 Activities

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#### Director/General Counsel

Bethany Rhodes

Find below a list of some major projects that ORSC staff planned or completed in 2017. 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 (~~2017~~ 2018) (*comments on draft received from systems*)
- 6) Annual Disability Report (~~2018~~-2019)

**Adequacy of contribution rates in OP&F:** Pursuant to R.C. 742.311 and a contract with PTA/KMS, the ORSC actuary will conduct an annual review of the adequacy of OP&F contribution rates to finance the benefits provided by OP&F for calendar year 2017. The 2015 report was reviewed at the October 12, 2017, meeting.

**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 SERS:** Pursuant to R.C. 171.04, the ORSC is required to complete a 10-year fiduciary audit of each system. Funston was selected to provide the audit at the August 2016 ORSC meeting. The completed SERS audit was reviewed at the May 11, 2017, meeting.

**Bids on SHPRS actuarial audit:** Pursuant to R.C. 171.04, the ORSC is required to complete a 10-year fiduciary audit of each system. The next system to be reviewed is SHPRS. ORSC staff will prepare an RFP draft for ORSC review in spring 2017-2019. The SHPRS audit will complete this 10-year cycle for all systems. The next actuarial audit cycle will begin in 2019.

**Bids on PERS fiduciary audit:** 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 should be completed by summer of 2018.

**Investment performance:** As required by statute, ORSC received two investment performance reports at its May 11 and October 12 meetings.

**2016 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. The report was issued in March 2017.