



## Ohio Retirement Study Council

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To: Members of the Ohio Retirement Study Council  
From: Jeffery A. Bernard, Senior Research Associate, ORSC  
Date: April 13, 2017  
Subject: ORSC 2016 activities

### Voting Members

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Rick Carfagna  
Dan Ramos

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Edna Brown  
Jay Hottinger  
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#### Governor's Appointees

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John Gallagher, *OP&F*  
Helen Ninos, *SERS*  
Mike Nehf, *STRS*

#### Director/General Counsel

Bethany Rhodes

Find below a list of some major projects that ORSC staff completed in 2016 along with continuing projects for 2017. If you need further information on any particular item, please contact me at 228-4644.

**Relocation to Rhodes Tower: (completed)** At its December 2015 meeting, the ORSC approved a relocation from its current location, in the Key Bank Building, to the Rhodes Tower, a state building. The ORSC offices will be moving to the following address on February 24, 2016:

Ohio Retirement Study Council  
30 East Broad St.  
2<sup>nd</sup> Floor  
Columbus, OH 43215

**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 (~~2016~~) (2017)
- 6) Annual Disability Report (2017)

**Adequacy of contribution rates in OP&F:** Pursuant to R.C. 742.311 and a contract with PTA/KMS, the ORSC actuary completed an annual review of the adequacy of OP&F contribution rates to finance the benefits provided by OP&F.

**Actuarial audit of PERS:** Pursuant to R.C. 171.04, the ORSC conducted an actuarial audit of the assumptions in PERS. This audit was completed by PTA/KMS. Once PTA/KMS presents their findings to the PERS Board, the audit will be officially completed.

**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 ORSC meeting.* The OP&F audit will be completed in 2016 late December or early January.

**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 ORSC meeting. An initial draft will be provided to ORSC staff in mid-December and a final version is anticipated to be complete in January or February of 2017.*

**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. After the OP&F audit is completed, the next system to be reviewed is SHPRS. The SHPRS audit will complete this 10-year cycle for all systems. *ORSC staff will prepare a draft of the audit RFP after the OP&F audit is completed.* 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. After the PERS fiduciary audit is completed, the next system to be reviewed is OP&F in 2018. *ORSC staff will prepare a draft of the audit RFP after the SERS audit is completed.*

**Investment performance:** As required by statute, ORSC received two investment performance reports this year.

**2015 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 of 2016.*

**Scanning project:** In preparation for its move of the ORSC offices and to preserve older documents, ORSC staff has, since mid-2013, been digitizing documents held by ORSC. The digitizing project is largely completed. *Appropriate files are now being uploaded to the new ORSC website in 5-year blocks. This will likely continue throughout 2017.*