



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: December 12, 2019 (Update)
Subject: ORSC 2019 Anticipated Activities (*updates in italics*)

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Find below a list of some major projects that ORSC staff began or completed in 2019. If you need further information on any particular item, please contact me at (614) 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))
(*Non-uniform form pending ORSC review*)

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 was reviewed at the April 11, 2019, ORSC meeting. The 2018 report was reviewed at the September 12, 2019, ORSC 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, ORSC 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 a review of PERS at the November 9, 2017, meeting. *The audit was reviewed at the November 14, 2019 ORSC meeting.*

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. According to this schedule, in 2020 an actuarial review of HPRS would be anticipated. *The RFP subcommittees for both OP&F and HPRS were formed at the September 12, 2019 ORSC meeting.*

Investment performance: As required by statute, ORSC receives two investment performance reports. These are typically reviewed at the April/May and October meetings. *The period ending 12/31/2018 report was reviewed at the June 13, 2019, ORSC meeting. The period ending 6/30/2019 report was reviewed at the November 14, 2019, ORSC meeting.*

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. *The report was submitted March 2019.*