

SERS BOARD REPORT
March 20, 2014

Absent – Phillips and Faragher

Investment reports were made. The fund value is 11.9 Billion

Summary of Investment Transactions

PURCHASES

	Approx. Cost in millions
US Equities	\$ 93.6
Non-US Equities	96.0
Fixed Income	207.9
REITS	3.0
Multi-Asset Strategies	7.5
Private Equity Cap. Calls	16.1
Real Estate Cap. Calls	1.6
Opportunistic	.5
Short-term	126.2

SALES

	Net Proceeds	Approx. Gain/Loss in millions
US Equities	\$ 76.8	\$ 16.7
Non-US Equities	97.2	7.1
Fixed Income	166.1	(1.0)
REITS	2.3	N/A
Multi-Asset Strategies	53.0	8.7
Private Equity distributions	20.7	N/A
Real Estate distributions	7.0	N/A
Opportunistic	N/A	
Short term	62.7	N/A

Review of Actuarial Audit

Ohio Revised Code requires that the Ohio Retirement Study Council (ORSC) select an independent actuary to perform an actuarial audit of each retirement system's annual valuations and five year experience study at least every 10 years. The time frame selected for audits of the pension and health care valuations was fiscal year 2013; the audit was conducted August 2013 through February 2014.

The audit showed no significant issues. Some recommendations were presented for our actuary, Cavanaugh Macdonald, to review.

SERS Information Security Update

Aaron Thompson presented the security update to the Board. Significant improvements from last year include access control, identification and authentication, and incident response.

LEED

Matt Sanders reported on upgrades and projects to qualify for certification in the Leadership in Energy and Environmental Design for Existing Buildings. SERS was awarded the LEED Silver certification for our facility.

Health Care Funding Policy Discussion

Anne Jewel along with Carla Marshal from the finance department led a discussion of health care funding. They reviewed the past twenty years of Board funding targets and various policies the Board has employed in the past. Current funding was explained and plans to continue in this pay- as- you- go basis. The health care staff began an Outreach to contact retirees who were eligible for the expanded Medicaid or the Marketplace.

Executive Report

Lisa Morris reported that SERS is doing a media outreach to inform the citizens of Ohio that they are not responsible for costs of the Ohio pension systems. This is in preparation of the new GASB reporting requirements. So far newspapers in Sandusky and Delaware, Ohio have responded.

I have attached a page from Jim Miller's Federal Update concerning Social Security, Pension Transparency and GASB. You may like to read it.

Submitted with respect,
Adele Matias
OEA-R Advisory Committee