

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: June 4, 2004

TO: OPERS Retirement Board Members

FROM: Julie E. Becker, General Counsel

RE: **V. Discussion Items:**
B. Additional Retiree Election

Purpose – The purpose of this memo is to discuss the provisions of Sub. S.B. 133 and solicit the Board's input with respect to the timing of the additional retiree board member election.

Background – Sub. S.B. 133 provides for an additional retiree board member. As amended, R.C. 145.05(B) provides that the initial election for the second retiree member position shall be held at the first election that occurs later than 90 days after the effective date of the act, with subsequent elections for this position to be held each fourth year thereafter. The effective date of the act will be 90 days after the Governor signs the act into law.

The uncodified provision of the act provides that not later than 90 days after the effective date, the Governor shall appoint the initial additional retiree member of the OPERS Board and that member shall hold office until the next board election that occurs not less than 90 days after the appointment.

Issues – The issue for discussion is when should the election be held for the second retiree member. The amendment to R.C. 145.05(B) states that the election cannot take place until the next round of elections that occurs later than 90 days after the act takes effect. The next regular round of elections is scheduled for October 2005.

The uncodified provision seems to indicate that we could conduct a special election at least 90 days after the appointment by the Governor. We do not know the exact appointment date by the Governor. Discussions with LSC indicated

that the intent was that we would not need to hold a special election, but would wait until the next round of regularly scheduled elections.

The bill also requires us to work with the Secretary of State's Office to adopt or amend current rules addressing the new language in the bill relative to board member elections, hold public hearings on the rules, contract with the Secretary of State or an independent contractor to run the election, and send out notices and nominating petitions to our retiree group. Normally we begin the election process 6 months ahead of the election date. See attached election schedule from previous election years. The selection process for the vendor to conduct the election, assuming OPERS elects to use the independent vendor as opposed to the Secretary of State, begin approximately 6 weeks prior to the beginning of the 6 month election process.

We are asking for a discussion with the Board on how we can best address these issues. Options are as follows:

1. wait for the next election cycle which is already set for the miscellaneous and county employee representatives for calendar year 2005.

pros: This would be consistent with the amendment to R.C. 145.05(B) and would give staff and the Board adequate time to work with the SOS, hold public hearings on the rules, educate retiree candidates on the new campaign disclosure filing requirements, and give the retiree candidates sufficient time to gather nominating petitions. We are researching any cost savings from conducting multiple elections at the same time.

cons: Although retirees would likely be represented by a governor-appointed in the interim, retirees would have to wait over a year (until January 2006) to have its additional elected representative sit on the Board.

2. hold an election as soon as feasible; the earliest date we would be permitted to hold the election is 181 days after the Governor signs (estimated to be around December 2004), assuming we have completed the required process of working with the SOS and having rules in place

pros: The retirees could get its elected additional representative on the Board as soon as possible.

cons: Timing will be a challenge as the entire process would take 8 months assuming the rules were finalized. We are researching the additional cost associated with holding an independent election.

PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO
277 East Town Street Columbus, Ohio 43215-4642

2002 PERS Board Election Time Schedule
(Section 145.05, Ohio Revised Code and Rule 145-1-02)

Groups:

State Employees	approximately 74,000 employees
Municipal Employees	approximately 99,000 employees
College/University Employees	approximately 65,000 employees
Retirees	approximately 126,000 retirees

Items and dates:

May 1, 2002 (Wednesday)	Release articles about election to all employee and employer associations for publication.
May 8 (Wednesday)	Letters to employers describing procedures.
June 21 (Friday)	Mail formal notice of election posters and petition forms.
August 5 (4:30 p.m.) (Monday)	Last day to file (actual receipt, not postmark date) petitions and drafts of biographical statements.
August 21 (Wednesday)	At Board meeting, Board certification of slate of candidates and their biographical statements to appear on voting material; notify candidates.
September 10 (Tuesday)	Mail voting material to qualified voters at home address of record with PERS.
October 4 (Friday)	Last day to receive votes.
October 7 (Monday)	Election results count under supervision of the Secretary of State at PERS building.