

Meeting Minutes:
Highland County Retired Teachers Association
11-13-23

Opening:

The November 13, 2023 HCRTA General Meeting was called to order by President Jim Faust at 12:00 PM. In attendance were 28 members and 15 guests.

In his opening remarks, President Faust acknowledged guests from nearby ORTA chapters, as well as guest speakers Tamla Cole and Christina Elliott. The membership recited the "Pledge of Allegiance," then sang "God Bless America," offered a moment of silence in honor and memory of friends and family members who have served in the military and offered an invocation. Following Mr. Faust's opening remarks, Kevin Black explained the hand-outs available at the tables including: 1) STRS salaries and bonuses, 2) OPERS Staff Salaries and Bonuses, 3) OSERS Staff Salaries and Bonuses [all salary and bonus data was downloaded from <http://ohiocheckbook.gov> on 11/9/23,] and 4) a corrected HCRTA October Treasurer's Report. Next, Mr. Faust directed members to the buffet line for a meal provided by Donita Everetts, Darlene Mihalik and other members of the Hillsboro Church of Christ. The meal included roast beef, noodles, mashed potatoes, salad, rolls, beverages, and a choice of delicious desserts.

Program:

Following the meal President Faust introduced speakers Tamla Cole, Assistant Director of Group Member Education at STRS Ohio, and Christina Elliott, Deputy Executive Director of Member Benefits and Chief Benefits Officer, STRS Ohio.

In her portion of the program Ms. Cole went over the upcoming changes to the member healthcare benefits. These changes include Aetna becoming the sole provider for STRS healthcare coverage and CVS Caremark (administered by Silver Scripts) as the "part D prescription-drug coverage" provider beginning January, 2024. The new plan will include no co-pay for PCP visits and no deductible for in-network providers.

Current enrollees with STRS healthcare coverage will need to do nothing to continue with their coverage. Prescriptions will automatically be transferred to CVS Caremark. Certain specific medications may change coverage tiers, but individuals affected by tier changes will be notified in December. New ID cards will be issued in December and the detailed benefits booklet will be distributed in January. Members not currently enrolled in the STRS healthcare program will be eligible to enroll during the usual open enrollment period (November 1st-21st.) Individuals shopping for plan options are urged to make sure they are comparing apples to apples.

In addressing questions submitted by our membership, Ms. Cole explained that in 2023 STRS began deducting the "partial part B premium credit" from the healthcare premium monthly, rather than at the end of the year. She also explained why retirees pay both STRS and Medicare. Basically, your Medicare payment is for original Medicare. The portion paid to Aetna Medicare through STRS provides for part D Medicare and a Medicare supplement to help reduce individuals' costs.

Next, Christina Elliott, STRS Chief Benefits Officer and Deputy Director, answered several questions that our members had previously submitted. Before beginning, she conveyed her sincere intent to answer our questions in a straightforward and honest manner. Regarding content in the STRS Newsletter that seems irrelevant and perhaps even insulting to the members, Ms. Elliott stated that the various departments do occasionally meet with the communications department regarding what should be included in the newsletter, that she has heard comments similar to ours, agrees that there is need for a different focus in the newsletter, and says that she will be taking that message back to the communications department.

Regarding how STRS salaries compare to other public and private investment professionals, Ms. Elliott referred to the Ohio Checkbook web site (we had printouts available at the meeting from this web site) for specific salary information and did not address private investment professionals. She also stated that there are differences in these organizations in terms of their size, their structures, their employee qualification requirements, and the volume of "in-house investments" that they manage. All of these considerations factor into the generally higher salaries at STRS.

When addressing the issue of COLA's and PBI bonuses awarded despite having large losses, Ms. Elliott argued that in 1990's STRS was funded at between 90 and 100%. Therefore, given the strong financial status of the STRS system, significant reform was made in the early 2000's to enrich retiree's benefits. However, in that era the dot-com bubble burst, which created a situation where STRS was paying the richest benefits they had ever paid while at the same time investment returns had plummeted, eventually dropping the funded-ratios to 40 or 50%. Currently STRS brings in about \$3 billion in contributions while paying out approximately \$7 billion in benefits. She pointed out that different systems have managed this deficit differently. Because other systems such as OPERS had not

enhanced benefits at the time STRS did, OPERS was not as impacted by the market drop and thus may not have had to cut COLA's. In explaining PBI awards even in years when investors had negative returns, Ms. Elliott claimed that the STRS investments were less negative than the general market. She cited one recent year where if STRS had strictly invested in the S&P 500, there would have been \$1.5 billion less than what they ended up profiting. According to Ms. Elliott, even when STRS had negative returns, the STRS returns were not as negative as the market, therefore, bonuses were "earned." Ms. Elliott stated that each year the board meets with investment consultants who help determine benchmarks for the coming year. According to her the benchmarks outline the percentages by which STRS investments need to beat "the market," and ties bonus and/or reduction of bonuses (i.e. "haircuts") to these percentages.

Throughout the meeting Ms. Elliott listened to and acknowledged, with respect and empathy, concerns expressed by the membership regarding COLA's and STRS staff salaries and bonuses as compared to the meager earnings, insufficient COLA's, and waning purchasing power of retirees. (on a side note: both Ms. Cole and Ms. Elliott stayed more than 2 hours after the meeting answering one-on-one questions of individuals, including an extensive time with me.)

Business Meeting:

Committee Reports:

Secretary and Treasurer: The business meeting began with the secretary and treasurer reports. Secretary Kevin Black directed attention to the meeting minutes previously distributed with the newsletter. Treasurer Leone Bihl, in addition to the revised report distributed at the beginning of the meeting, announced that \$276 have been collected for Kamp Dovetail, including \$9 collected at the meeting, that \$144 dollars were donated to the scholarship fund, including \$8.00 collected at the meeting. She also announced that to-date 40 individuals have paid their local dues. Both reports were approved unanimously.

Pre-retirement: Pat Gall informed the membership that we had 17 active teachers attend the pre-retirement meeting on October 24th at the Hillsboro Elementary Library. Mrs. Gall was pleased with the attendance and Mr. Faust complimented the effectiveness of the presenter at the meeting.

Necrology: Joan Winner reported the passing of the following individuals:

- Lois Roads, Greenfield Elementary, Greenfield Exempted Village Schools, and Highland County MRDD.
- Howard Easter, bus driver, Fairfield Local Schools and Community Action
- Phyllis King, bus driver, Bright Local
- George Unverzagt, extensive music career, band director in Columbus, Ga, Indian Hill, OH, Bright Local, and Greenfield Schools.
- Leonard Oxley, cook, HCS
- Joanne Shrout, school bus driver/transportation supervisor for GEVS.

Legislative: Dr. Lawrence Dukes: no report

Scholarship: Mary Black reported she has no progress reports from the two scholarship recipients. She also remarked that there is still one scholarship available.

Calling Chain: No Report

Highland County Historical Society: Kathy Levo reminded members that the "Stars" trees are on display at the museum until Christmas. She distributed post cards with dates and times the museum can be visited.

Election of Officers: We had no new nominations for executive officers. The existing officers indicated a willingness to serve another year. Donna Armstrong moved that existing officers be reelected to serve for the 2024 year. (P. James Faust, President, J.C. Bihl, Vice-President, Leone Bihl, Treasurer, and Kevin Black Secretary.) Pat Gall seconded the motion. Passed unanimously.

The next Executive Meeting is scheduled for Tuesday, January 2nd at Frisch's in Hillsboro. The next HCRTA General Meeting will be February 5th at the Hillsboro Church of Christ.

Meeting adjourned, 2:10 P.M. Respectfully submitted, Kevin E. Black