

**Meeting Minutes:**  
Highland County Retired Teachers Association  
05-01-2023

**Opening:**

The May 1, 2023, General Meeting of the HCRTA was held at the Hillsboro Church of Christ. The meeting was attended by 29 members and 3 guests.

President Faust called the meeting to order at 12:00 P.M. and opened with recitation of the “Pledge of Allegiance,” the singing of “God Bless America,” an invocation and a moment of silence in remembrance of members and friends who have passed. After welcoming guests, President Faust directed members to the buffet line with a meal provided by Donita Everetts and Darlene Mihalik of the Hillsboro Church of Christ. The meal included lasagna, salad, garlic bread, beverages, and desserts.

**Program:**

Following the meal, President Faust introduced guest speaker Rudy Fichtenbaum. Dr. Fichtenbaum was a Professor of Economics at Wright State University for 35 years and currently serves as a retiree elected board member of the Ohio State Teachers Retirement System.

Dr. Fichtenbaum explained that the STRS Board consist of 11 people, 4 of which are appointed “investment experts,” and 7 that are elected by members (5 by active members and 2 by retirees.) There are approximately 160,000 active members and 150,000 retirees. The board is responsible for looking after all members’ interests. Among the boards tasks are the approval of the investment asset mix (i.e., the percent of investments that are in stocks, bonds, alternative investments, and liquid cash assets.) Likewise, the board is to set the level of risk that STRS investors should take with their investments. (As a side note, Dr. Fichtenbaum mentioned that in general we have a good idea of the value and risk of publicly traded stocks, however, for alternative investments such as private stocks, real-estate and the like, the value is much less clear and inherently riskier.) Dr. Fichtenbaum explained that most likely at its inception STRS mainly invested in publicly traded bonds, but over time as interest rates declined, bonds became a much smaller portion of the investment portfolio, and stocks and riskier alternative investments have become a larger portion of the portfolio. Among other responsibilities of the STRS board are investment performance monitoring, determining Performance Based Incentives (PBI or “bonuses”), voting on investment benchmarks, organizing board committees (some of which NEVER meet,) setting rules regarding participation at meetings, decisions regarding COLAs, and hiring the Executive Director.

Noting the importance of the ongoing active member election, scheduled to end today (May 1<sup>st</sup>.) Dr. Fichtenbaum stated that the current STRS board is a mix of 6 members who are pro “status quo” and 5 who are in favor of system reform. The way meetings are currently run, the majority members can basically dominate meetings and never acknowledge the opinions of the minority. If a pro-reform candidate were to be elected, the balance would shift to a pro-reform majority board.

Regarding the hot topic of COLA restoration, Dr. Fichtenbaum stated that there are significant barriers to COLA restoration. It is estimated that it would cost nearly \$13.96 billion to restore a permanent 2% COLA (the cost of current retiree COLAs plus the future cost of active teachers). Cash flow is a major problem. With employee contribution being one of the highest in the country, but employer contributions being fixed by the legislature at one of the lowest rates in the country (employer contribution percentages have not raised in over 30 years,) cash outflows and inflows are not close to one another, which makes it increasingly difficult to recover from losses (an approximately \$10.6 million deficit per day which must be made up with investments.) It would take an increase in employer contribution to nearly 28% to make up the cost of a permanent COLA. It was noted that the one-time COLA would only benefit people who are currently retired, but not future retirees.

**Business Meeting:**

**Reports:**

Following the presentation, Mr. Faust opened the business meeting with the approval of the February Meeting Minutes and the April Treasurer’s Report. Both were unanimously approved.

Other reports were as follows:

- Scholarship: Mary Black reported that school counselors have been contacted regarding scholarship applications and are distributing forms to potential recipients.
- Legislative: Dr. Lawrence Dukes reported that he has been in contact with local offices and will have a report at the next meeting.

- Calling Tree: Donna Armstrong and Doris Pulse reported that the phone tree worked well and that most members received a call. Feedback was positive.
- Necrology: Leone Bihl, standing-in for Joan Winner, reported on the passing of the following individuals:
  - Lt. Col. James C. Patrick, professor of economics, U.K.,
  - Shirley Main, Cook, Marshall School, Hillsboro,
  - Edward “Gip” Fehring, III, coach @ Catholic Schools in KY,
  - Lonette P. Hamilton, Business Teacher, HHS, Hillsboro,
  - George “Bud” Phillips, Ohio Dept. of Education, and Commissioner of Southern Buckeye Athletic Academic Conference, Hillsboro resident and father of Cathy Savage (HCS)
  - Phyllis G. Huff, food service, Fairborn City Schools,
  - Roberta Jo “Bertie” Riley, Educator, GEVS, mother of Lori Riley (HCS)
  - Betty Lou Williams, Secretary, HHS, HCS
  - Kay C. Kenily McMullen, Ohio Dept. of Treasury, Highland County Library Board member, wife of late Judge Robert McMullen
- Historical Society: Joyce Baker reminded members that the Highland County Historical Society Christmas Trees will be decorated in October. The theme will be “Stars.” If you have “Stars” related decorations that you would like to contribute to the cause, please bring them to Joyce at the August meeting. If anyone is interested in assisting Joyce with this fun project, you may call her at 937-509-8569.

**New Business:**

The next executive meeting will be held at 9:30 AM on July 3, 2023, at the Hillsboro Frisch’s.

Suggestions for future service projects included donations for foster children and donations for the Ohio Mission Bible Training Center at Rocky Fork Lake.

The next HCRTA General Meeting will be August 7, 2023, at 11:00 A.M., Hillsboro Church of Christ. Tim Koehl will speak on the ancient native American history of southern Ohio.

Reminder, we will move the November General Meeting from November 6<sup>th</sup> to November 13<sup>th</sup> at the Hillsboro Church of Christ.

Kathy Levo informed the group that she is researching information about one room schoolhouses in Highland County. She encouraged individuals to contact her to offer information or to find out more.

President Faust moved that we authorize the destruction of financial records older than 7 years. The matter was discussed and approved unanimously.

Meeting adjourned, 2:10 P.M.

Respectfully submitted,  
Kevin E. Black