



NEWSLINE

MISSION STATEMENT OEA-Retired is dedicated to meeting the needs of its members, providing member involvement within OEA and supporting public education.

2021-2022 Officers

Mary Binegar, Chairperson

Phil A. Long, Vice Chairperson

Judy Buschle, Secretary

Carol Kinsey, OEA Director

John Hoyes, Past Chairperson

OEA-R NEWSLINE is the official publication of OEA-Retired

Jackson Boyd, Editor

STRS REPORT

Audit Report. Ever since I have been a member of the STRS Board of Directors the outside auditing firm has been CliftonLarsonAllen. However this year the new firm that performed the audit was Crowe. Crowe reported that we had a clean audit and no issues of concern were reported. That is the goal for the system to have a clean audit.

At the beginning of the regular meeting members of the investment staff presented the Broker Evaluation and Associated Policies second half of Fiscal 2022. Our investment consulting firm, Callan, recommended that the Board approve the SemiAnnual Broker Evaluation and associated policies.

Matt Worley, Chief Investment Officer, reported that for Fiscal Year to Date return for 2022 is 3.91%. The benchmark is 3.46%

Michael Reid, from CEM Benchmarking, provided a presentation for STRS Ohio Investment Cost Effectiveness Analysis - Summary of Results. This covered a period of five years ending December 31, 2020.

Key Takeaways

Returns

- STRS Ohio's 5-year net total return was 10.2%, This was above both the U.S. Public Median of 9.5% and the peer median of 10.0%.
- STRS Ohio's policy return was 10.1%. This was above both the U.S. Public median of 9.7% and the peer median of 9.8%.

Value Added STRS Ohio's 5 year net value added was 0.1%. This was above the U.S. Public median of 0.0% and equal to the peer median of 0.1%.

Cost

- STRS Ohio's investment cost of 37.5 basis points was below our benchmark cost of 51.4% basis points. This suggests that STRS Ohio was low cost compared to our peers.
- Our fund was low cost because it paid less than peers for similar services and it had a lower cost implementation style.

The most valuable comparisons for cost performance are to our custom peer group because size impacts costs. The peer group for STRS Ohio contains 16 U.S. public sponsors from \$49.9 billion to \$259.2 billion. Median size of \$95.2 billion versus STRS Ohio's \$87 billion. Our 5-year policy return of 10.1% was above the peer median of 9.8%. STRS Ohio's investment costs were \$295.0 million or 34.9 basis point in 2020. Our total investment cost of 37.5 basis points was below the peer median of 46.6 basis points. Benchmark cost analysis suggests, after adjusting for fund size and asset mix, our fund was low cost by 14.0 basis points in 2020. Our fund was low cost because it paid less than peers for similar services and it had lower implementation style. If our internally managed assets were managed externally and we paid the peer median costs, our costs would have been higher by approximately \$117 million or 13.8 basis points.

Cheiron, our outside actuary, presented its Initial Experience Study Observations. In this experience study Cheiron reviews a total of 6 years of experience (7/1/2015 to 6/30/2021). They are reviewing subsets pre-COVID, COVID, and combined to determine if COVID years are skewing the experience. They are also taking into consideration the impact of changes that are materializing as pension reform changes phase into benefits.

Cheiron's Initial Impressions

- Retirements prior to age 65 have been lower than prior assumptions
- Mortality has been mostly higher than prior assumptions
- Termination rates have been higher than prior assumptions
- Salary Scale - Individual pay increases have been lower than expected for all years reviewed

Initial Impressions - Healthcare assumptions

- Retiree and spousal participation has been lower than expected and will likely result in revising the assumptions down from their current levels
- Experience study will include an analysis of whether retirees covered under a non-Medicare retiree plan offered by STRS are more susceptible to drop coverage when becoming Medicare eligible
- Participation level is driven by subsidy level

--As STRS updated its methodology for calculating retiree premium subsidy (resulting in lower retiree contributions), retiree participation experience will have to be adjusted for such change in methodology prior to setting up new assumptions

Cheiron performed a lever analysis. Levers are potential changes to the plan benefits or funding that may impact the future financial position of the System

---Not all options evaluated are within Board authority to change
---In October we reviewed 16 alternatives
*Six additional requests reviewed for this meeting
---Ad hoc COLA's
Only to those eligible for COLA
---Reduction in Employee Contribution Rate

Cheiron also performed a Mitigating Rate Study and how it will impact the system. Cheiron informed the Board that they have determined that the mitigating rate should decrease from 4.47% to 2.91%.

Cheiron's recommendation is to exercise due caution before enacting any change in plan benefits or contributions. While the Plan experienced strong returns in 2021 which resulted in an actuarial one-year gain on investments, Cheiron would not recommend that any such plan changes be enacted prior to the completion of the Five Year Actuarial Experience Review is completed which will probably be in March 2022.

The Board usually does not meet in January but because Callan had major computer issues prior to the December meeting they were unable to have numbers available that are necessary to proceed with the Five Year Study. Rather than delay the study we are going to meet on the last Thursday of January for a few hours to go over the Callan Report.

Submitted by: Rita Walters

Editor's Note: Check our web site for Rita's monthly reports.



SERS REPORT

Cavanaugh Macdonald Consulting, SERS' actuary, presented the results of the fiscal year 2021 actuarial valuation at the SERS Board's November meeting. The funded status of the pension plan improved from 71.5% to 74.5%. In the actuarial valuation, investment gains are recognized over a four-year period. The funded ratio based on the market value of assets is 82.9%. Strong investment returns also contributed to extended solvency for the SERS health care fund. The fund is projected to be solvent until 2058. The system's funding policy allows the Board to allocate up to 0.5% of the employer contribution toward the health care fund if the pension funded ratio is between 70-80%. However, the Board voted to dedicate the full 14% of employer contributions towards basic benefits.

Submitted by: Barb Catalano

STRS ENDORSEMENT

OEA has endorsed Rita Walters for the retired positions on the STRS board. Contact Rita or Phil Long to request a petition to sign or circulate. The deadline for the STRS petitions is the last Friday in February, but please sign and return them as soon as possible in order for the candidates to obtain the required number of signatures before the deadline.




CHAIRPERSON'S REPORT

Happy new year! As we start a new year, we are grateful for all of the activities and support of our members this past year and are planning for another year full of activities and ways to help our members grow and stay active.

In this issues several ways to get involved are mentioned in several articles below. We need members to run for several positions on OEA Committees that will be open and need to be filled. Postings for those committees will occur soon. We also have several advisory positions that will be up for election in April. Our newly formed Racial and Social Justice Committee will begin their work in Jan. Read Across America will be celebrated in March. We will again need our members to do video readings to add to the video library we started last year. Another way to stay involved is to participate in the NEA-R conference which will be held from March 16 to the 18th in Baltimore. Registration for the conference will open the beginning of February. Yet another opportunity for involvement will be our OEA-R spring conference May 17 in Dover, Ohio. We hope that you read about these opportunities in this issue and become more involved with OEA-R in 2022.

Additionally in the month of January we will be gathering signatures to get Rita Walters on the ballot as the STRS retired representative. Rita has served our members faithfully for years on STRS. She understands the fiscal responsibilities involved in making sure that our pension fund stays strong. Rita spoke out against a plan that would have put 2/3 of our pension revenue in possible jeopardy by using an unproven firm with no track record of financial management suggested by two current Board members and a former Board member. Rita supports the restoration of the COLA but also understands the need to keep the STRS fund stable for many years to come.

Submitted by: Mary Binegar, OEA-Retired Chairperson



OEA FUND FOR CHILDREN AND PUBLIC EDUCATION

Yes, the name has changed, but everything else is the same. The OEA Fund helps raise money to elect pro-senior, pro-union, pro-education candidates. It's quick and easy to donate electronically. Go to: <https://ohea.org> and click on the **DONATE** button at the top of the page.



2020 DECEMBER OEA-RETIRED DELEGATE ASSEMBLY AND OEA REPRESENTATIVE ASSEMBLY REPORTS

A Tale of Two Assemblies

OEA-Retired Assembly

The Retired delegates to the OEA Representative Assembly met via Zoom Friday December 3, 2021. Among the highlights were Scott DiMauro's announcement that OEA would begin celebrating the 175th Anniversary of the founding of OEA in 2022. Save the date June 4, 2022, when there will be apparently a special celebration! Scott announced that the OEA Board had voted to endorse the three incumbent candidates to the STRS Board of Directors: Rita Walters, Jeff Rhodes, and Rob McFee.

Speaking of STRS, Mark Hill, OEA Secretary-Treasurer, reported that STRS enjoyed its best year to date, a 29% return on investment. Further, STRS funding has improved to an 80% funding liability. There is talk of instituting a short-term 2% COLA – but doing so would add \$12 billion per year in unfunded liability. However, that's not the worst news coming out of STRS. Two present board members and a recently-resigned member offered a proposal to the Board that STRS hand over \$65 billion of the total STRS asset (currently @\$95 billion) to be invested in a new "firm" of two men with no prior investment experience, with no clients, no investment portfolio, and allow these otherwise untested men to use our retirement funds to market bonds and then resell them for a profit, which would presumably be returned to STRS. I wish I were making this up. When this proposal was met with a less than enthusiastic response from other board members, the proposers suggested STRS start with \$250 million and see how that works. I hope it is needless to say that STRS is not going to fork over any of our money for this investment project. Again, I am not making this up. The Columbus Dispatch published an article about this proposal, written by Laura Bischoff. Feel free to look it up. Meantime, ORTA (Ohio Retired Teachers Association) is working hard to

defeat all three of OEA's endorsed candidates. Rita Walters spoke to our assembly.

Judy Buschle reported that OEA-Retired received a NEA Grant of \$9827, to be used to help increase OEA-Retired membership and get more retirees involved in the work of the association. We'll be working with the ONE Program, Aspiring Educators, to establish a professional continuum from Aspiring Educator to New Educator to Active Professional Educator to Retired Educator.

The delegates heard speeches from two of the three candidates for the ESP at large on the Board of Directors; we endorsed the candidacies of Matthew Hickman (opposed candidate) and Kathy Abrahamson (unopposed). We also heard from Phyllis Carter Bell, Candidate for NEA Director #2, whom we also endorsed.

The delegates heard various proposals from John Hoyes, regarding changes in the OEA Membership Guidelines. Four of the five proposals were accepted. One was not.

Mary Binegar reported that membership loss in OEA-Retired is a real concern, and we'll continue to make efforts to get new members and retain present members. We'll be working to increase communication with members and potential members. We'll be active as retired members in the upcoming STRS elections. We'll also join in with OEA in the development of a new Social Justice Committee.

OEA-RA

The Retired delegates joined the active members in a Zoom meeting of the Fall Representative Assembly on Saturday December 4, 2021. We had heard much of what transpired at this meeting yesterday at our delegate briefing. One highlight was an extended interview conducted by President DiMauro and US Rep. Tim Ryan, a candidate for the Democratic nomination for US Senator.

Mark Hill reported a decline in OEA membership from 121,000 in 2020 to 119,486 for 2021. The average teacher's salary has decreased to \$63,709. Delegates heard video presentations from endorsed STRS Board candidates Rob McFee and Jeff Rhodes. Delegates saw a legislative panel featuring one GOP Rep, Gayle Manning, and one Democratic Rep, Phil Robinson, who spoke on various issues relevant to our members.

Jeff Wensing (OEA Vice President) reported that OEA-endorsed candidates won 85% of the races on school boards in the November elections. Voters supported candidates who support public education. BUT! We are facing two proposals, HB 327, and HB 322, about teaching "divisive" concepts! No further hearings on these bills until after the new year. Be aware of legislative watch and action alerts. There will be links to send letters to state reps, and how to prepare testimony. Nov 17: HB 99 passed out of the house, it's the gun law in schools! Yikes! 20 hours of initial training, 4 hours every year after that. Gerrymandering! 2018 Ohioans passed with

70% of the vote a bill to establish a commission. GOP ignores it! Hearing Dec 8.
HB 290: Backpack bill! Every kid gets a voucher. Could blow up the state budget!
Not much of a chance. HB 467 would ban for-profit charters in Ohio. Fair School
Funding Plan passed!

The Fall Assembly adjourned three hours and forty-seven minutes after it was
gaveled down!

Submitted by: Barry Alcock



MEMBERSHIP/GUIDELINES

Membership has dropped from 8921 when we started to 8301 now. The District Representatives and others have been busy attending to the monthly membership list updating as well as sending postcards to members 80 and older. Another of their activities has been contacting members who may have forgotten to notify either them or the Membership Department of a change in their contact information: address, email, and their phone when they either moved or retired. The Annual Reports from the 10 District Reps. were compiled and the Grant Committee used the information in writing the NEA-Retired grant evaluation and guided the Membership/Guidelines Committee in their various membership campaign works. In addition, the committee is adapting letters to assist the District Reps. in fulfilling their duties for the several membership campaigns.

The committee asked Marsh Buckley and Bill Lavezzi to review five (5) proposals before the Advisory Council endorsed them and sent them to the Fall Delegate Assembly for their acceptance. The Delegate Assembly accepted four (4) of the proposals and have been forwarded to the OEA President, Scott DiMauro, for the OEA Board of Directors action. The updated Guidelines have been posted on the OEA-Retired web site reflecting the changes made as of July 25, 2021. The committee encourages you to recruit a member and volunteer to help your district membership person with the various membership campaigns of belonging.

Submitted by: John Hoyes



OEA-Retired ELECTION INFORMATION

2022 ELECTIONS July 15, 2022 to July 14, 2025

ADVISORY COUNCIL POSITIONS

OEA-Retired OEA Director
NEOEA
SWOEA
WOE
ESP

Declarations of candidacy forms for these positions are due by
February 15, 2022 to OEA.

OEA COMMITTEE APPOINTMENTS

2022 APPOINTMENTS 2022 TO 2025

Human and Civil Rights
Convention Planning
Legislative
Resolutions

Anyone interested in these positions should respond to the posting of these positions in mid January. The postings will be sent in a special email to all members and will also be posted on the OEA-R website.



Remember to



Rita Walters for STRS



CELEBRATE DIVERSITY: READ 2022 Read Across America

Committee: Dorothy Wilson(Capital-R), Cindy Endres(ECOEA-R), Val Roldan(WOEA-R), Nancy DiBianca(NEOEA-R), Becky Brown(SWOEA-R), Barry Alcock(Central-R), Becky Mayer-Radal(NCOEA-R) Rita Walters(EOEA-R), Christine McVicar(SEOEA-R), Lisa Scott-Marshall(NWOEA-R) Judy Buschle, Mary Binegar, Phil A. Long, Chair.

The committee met in December and will plan for another virtual Read Across America for 2022. Each District representative is recruiting volunteers to video read.

Submitted by: Phil A. Long



GRANT COMMITTEE REPORT

We are very happy to announce that NEA-R has been very generous with our grant request of \$10,000 and have allotted us with \$9827, so we will have the funds to accomplish our goals for the year. The focus of our grant is on membership recruitment and retainment; strengthening our ten Districts; membership involvement and participation opportunities; providing support to Ohio's New Educators & Aspiring Educators.

The grant committee will be meeting in early January 2022, to finalize the grant calendar, materials and coordination of upcoming activities with OEA-R Advisory Council Committees, Program & Services and Membership. Your Advisory Council District Rep will receive this information and the work will begin starting in January with District Round Tables. The goal for OEA-R's grant each year is to help build and strengthen the state and national associations promoting and advocating for public education. Be ready to step up and be a participant when your District Advisory Council Rep calls!

Submitted: Judy Buschle



SAVE THE DATE:

Ohio Education Association-Retired Spring Conference 2022

WHEN: Tuesday, May 17, 2022

WHERE: The Ernest Warther Museum and Gardens, 331 Karl Ave, Dover, OH 44622

The **Ohio Education Association-Retired Spring Conference 2022** is being hosted by Region 2: East Central (Kathleen Purdy), South East (Jane Miller), and Eastern (Rita Walters) District Representatives invite you to slow your pace and relax in the Gateway to Amish Country.

Guest Speaker will be Frank Cilona from the Better Business Bureau on the topic of Senior Scams and Senior Safety.

Registration will begin at 8:45 a.m. with a complimentary continental breakfast. The Conference will begin at 9:15 a.m. and conclude at 4:00 p.m.

A limited number of double rooms (self reservations) are available at the Carlisle Inn Sugarcreek where they serve a complimentary hearty breakfast for their guests.

Registration is only \$25.00 to include a delicious boxed lunch, tour of the Warther Museum and Gardens, and more.

More info about registering will be provided later.

Save the date on your calendar, hope to see you in Dover!



UNIT REPORTS

EOEA:

The monthly luncheons at the Olde Falls Inn in Zanesville have resumed. They are held on the last Friday of each month at noon. The attendance has been drastically reduced but with the state of the pandemic that is understandable. As members become more comfortable returning to indoor dining perhaps the attendance will increase. We would love to see our friends again.

I am welcomed at the EOEA Board of Directors' meetings each month. I provide a report concerning what is happening with OEA-R. It is always good to keep apprised of what is happening with the active teachers in our district. The consensus among retirees is that they are glad they are not teaching during the pandemic and have great empathy for those that are currently keeping the schools open.

We have scheduled a pre-retirement conference for teachers who are close to retirement. That is scheduled for a ZOOM meeting on Wednesday, March 23, 2022 at 6:00 P.M. The presenter will be Tamla Cole from STRS Ohio.

We are also considering scheduling another pre-retirement conference for teachers who are still early in their careers. Guy Kendall-Frees offers a workshop that deals with student debt and other financial issues. Be looking for upcoming dates and times.

OEA-R is currently encouraging districts to organize and hold OEA-R member roundtables. Those roundtables are to be scheduled between Jan. 1, 2022 and February 21, 2022. Anyone who is interested in participating please contact Jack Boyd or Rita Walters. We really would like to know what members are thinking and what members would like to see the organization doing that it is not currently.

On a personal note I appreciate all those retirees who have signed petitions for me to qualify to run for the retiree seat that was vacated by Bob Stein. If you have not yet signed or circulated a petition but would like to do so, please contact Rita Walters at rjwalters@windstream.net or call or text 740-795-5771 (home) 740-213-1517 (cell).

The deadline for turning in petitions is Friday, February 25, 2022. In order to qualify for the ballot a candidate needs 500 signatures of STRS Ohio retirees. A candidate must also secure 20 or more signatures in 10 different counties. Currently I have met the 20 signatures in two counties, Cuyahoga and Hamilton. As of the printing of this news article I have 200 signatures. Your help is greatly appreciated.

Anyone who is interested in helping with Read Across America activities please contact Rita. Last year we recorded videos of members reading aloud a children's book that dealt with the topic of diversity. If you are interested in an activity such as that we would love to have your help. Hopefully 2022 will be a better year for everyone!

Submitted by: Rita Walters

NWEOEA:

NWEOEA-R had their meeting on November 15th via Zoom, where Lisa Marshall-Scott was elected Chair of the NWEOEA-R committee. It was decided that the Pre-Retirement workshop will be held on March 16th with a time and place to be determined later. This workshop is for active members to learn more about STRS retirement pensions and NEA Member Benefits. If you know an active teacher who is within 5-10 years of retiring, let them know of this learning opportunity.

NWEOEA-R is holding virtual Round Table Discussions in January. If you are interested in attending one in February or March, let the NWEOEA office at nwoea.center@gmail.com. The Round Table Discussions give NWEOEA-R members a chance to share their concerns and ways that OEA-R can strengthen its services to members.

Anyone interested in participating in Read Across America by recording a book on tape to be used in classrooms this Spring, let Lisa Marshall-Scott know at lisascott4850@gmail.com. Let's make sure Northwest Ohio is represented in this great program.

NWEOEA-R is looking to plan for ways for our members to get together for some fun this Spring. If you are interested in helping plan email Lisa Marshall-Scott or the NWEOEA office.

This year is NWEOEA'S RA 75th Anniversary celebration and plans are underway to celebrate which includes NWEOEA-R members, so look for info in the next couple of months.

I would like to thank Sue Cramer for her service on the Advisory Council and her continued work on the NWEOEA - Retired committee.

Submitted by: Lisa Marshall-Scott

SEOEAE:

SEOEAE is ready to put 2021 behind us and begin with new enthusiasm for 2022. We now have a new President elected at the Fall RA.

Norval Crandall is our new President along with Brenda Lemon as our new Vice President. Bill Van Pelt will continue on the SEOEA Executive Committee as Past President.

We have started to go back to in person meetings but still observing Covid protocols. Our Planning Committee met at Blennerhasett Hotel in West Virginia before the Christmas holiday. It put everyone in the Christmas spirit.

Our next meeting will be held in January in Jackson at La Rosa's. SEOEA wishes everyone a very happy New Year.

Submitted by: Jane Miller



From NEA Retired President, Sarah Borgman.

Gentle reminder: Registration for our spring conference in Baltimore will open sometime this month. The hotel name should be available by the time we register, of course. It will be so good to all be together again! We have some great workshops and speakers ready to go!

January Activities will again find our virtual committees in action. It is also the time when local and state elections heat up and heaven help us, sometimes major legislative issues arise. Keep tuned for requests for help.

2022 Dates---Be sure these are on your calendar:

- March 11, 12, 13 NEA Summit, Las Vegas. Presidents are not funded this year but you and your members are invited.
- March 16, 17, 18 NEA Retired Conference, Baltimore, MD Retired President, Membership Chair, and staff liaison funded as per previous letter (Hotel to be named.)
- June 29-30 NEA Retired Annual Meeting, Chicago---site to be declared followed by the NEA Representative Assembly, Chicago July 3, 4, 5, 6

Please remember I'm here to help and to answer questions. Feel free to call 574-849-5580 or write whadyapple@frontier.com.

