

OHIO COUNCIL OF HIGHER EDUCATION RETIREES, MARCH 21, 2017

President Roger Anderson (Bowling Green University)called the meeting to order at 9:30 am. The minutes of the previous meeting and the treasurer's report were accepted and placed on file.

-The OPERS update was given by Michele Hobbs from OSU who reported that assets were up to \$89.2 billion, a 3.65% quarterly return and a year to date return of 7.82%. She reiterated that OPERS is the largest pension fund in Ohio and the 11th largest in the country.

-Gerald Newsom reported for the Healthcare and Pension Advocates (HPA). Most of his comments related to how the health care subsidy can be changed to avoid depletion, in the wake of STRS to no longer subsidize STRS Health Care. In effect, should cuts come now or later. He also reported that the mitigating rate for the next five years was set at 4.47%, hardly changed from the 4.5%.

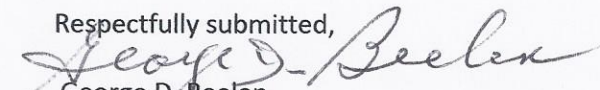
-Marla Bump, the STRS Legislative Report. She spoke of the slight change in the mitigating rate and offered that there is little relevant legislative activity currently. She also reported on STRS activity: reduced the expected investment return to 7.45% from 7.75%; recognized that STRS members are living longer thus costing more; reduced overall payroll growth to 3% from 3.5%; concluded that COLA is the most effective way to preserve the fiscal integrity of our pension fund, which means it is highly unlikely to be a regular part of our pensions.

- John McNay representing AAUP-Ohio said that the AAUP recently celebrated their 100th anniversary. He reported that AAUP has 27 Ohio chapters and several advocacy groups all of which are locally nearly autonomous. Among AAUP's major concerns: significant debt of universities, disproportionate monies spent on athletics and administration, growing use of limited-service and adjunct professors, continuing growth of "gimmicks" such as competency courses, A P courses, 3 year graduations, etc. He asserted that universities should stress the more scholastic aspects of college by strongly acknowledging their academic mission. They also encourage appointments of Boards of Trustees to more reflect their respective communities. We were sent via email a voluminous report that details McNay's remarks to us. (I also have a 22 page document from John McNay that offers considerable detail about the above paragraph).

-Greg Nickell reported on some of the slight increases in 2017 for medical and prescription drug coverage. A more serious change is that Medicare Part B will be phased out over a three period. Most of his report related to STRS pathways to solvency targeting 35 years, 50 years or perpetual solvency.

- Some selective news from Ohio campuses and retiree associations: presidential searches underway at Cincinnati, Wright State and Ohio Universities; Gregory Crawford is the new president at Miami. Enrollment is up at Cincinnati, Cleveland, Toledo and flat at Wright State.

Respectfully submitted,


George D. Beelen