

OHIO COUNCIL OF HIGHER EDUCATION RETIREES (OCHER), NOVEMBER 19, 2019

The meeting was called to order by President Steven Howe (University of Cincinnati) at 9:30 am after which minutes of the last meeting and the treasurer's report were accepted.

Marla Bump offered a brief STRS legislative report; she said not much is happening at state or national levels. There was some talk about changing laws regarding disability and some very general talk about health care and prescriptions. One matter that comes up occasionally is increasing employer contributions, but this does not gain much traction, despite the fact that Ohio is near the bottom of the list in amount of contribution.

Gordon Gatien of OPERS reported that no changes have been made since the last OCHER meeting. (Remember OPERS changes must come from the State Legislature). There are four components in this flux: health care, largest pension unfunded amount in history, defined contribution and cola changes. Gatien said that the yearly ratio change from 2 to 2.2 in 2,000 certainly contributed to the OPERS problems of today.

Greg Nickell of STRS had little to say this time other than to say the STRS Health Care Program is in pretty good shape right now. Among the changes in the next few years are the following:

- January 1, 2020-Increase of Non-Medicare Eligible retiree subsidy to 1.984% of premium per year of service, up to 30 years of service (up from 1.944%).
- January 1, 2021-\$ Amount of Non-Medicare Eligible retiree subsidy frozen at 2020 levels.
- January 1, 2021-Elimination of Medicare Part B Premium reimbursement (\$29.90 per month per eligible Medicare retiree).
- August 1, 2023-Eligibility for Retiree Medical coverage requires 20 years of service minimum (up from 15 years), subsidy percentage excludes first five years of service.

Jerry Newsom (OSU), who is the OCHER representative to the STRS, presented a report. Among the nuggets included:

- The Funded Ratio improved slightly from 77.0% to 77.6% over the last year and the Funding Period dropped from 17.8 years to 16.6, both good signs. Jerry writes, " even though the Funded Ratio now is much worse now than in 2017, much more is being used to increase assets, shortening the Funding Period."
- Teachers live longer than typical Social Security recipients.
- Over the last decade, assets in the pension fund have risen quite dramatically, from approximately \$56 billion to about \$75 billion, while liabilities have grown much less.
- He reported on the pension successes and failures of a number of states throughout the union.

CAMPUS REPORTS were to be given by Kent, Miami, NEOMED and Cincinnati:

-KENT:

- They have a large fiscal challenge of a \$12 million gap, resulting in a hiring freeze.

-Beverly Warren, outgoing president is succeeded by former provost Tod Diacon.

-Enrollment down slightly; largest out-of-state number of students; foreign students down.

-\$2 million need-based scholarships added.

-Many events commemorating 50th anniversary of May 7th, 1970.

-Retirees organization on temporary hiatus(no president or vice-president); no charge for membership; retirees include faculty and staff.

NEOMED: They continue to grow in terms of students and facilities. Their new president met with OCHER representative to ask her perspective on university matters.

MIAMI: Had no representative present.

Cincinnati: I need to get their report.

Respectfully submitted,

George D.Beelen