



Date: March 10, 2015

To: **OSURA Executive Board Members/Historian/Representatives**

Donald B. Cooper
Don M. Dell
Sally E. Dellinger
Howard L. Gauthier
Raimund E. Goerler
Michele B. Hobbs
Richard M. Hill

Fern E. Hunt
Daniel L. Jensen
Donald W. Larson
Shirley McCoy
Sally W. Morgan
Ivan I. Mueller
Gerald H. Newsom

Hallan C. Noltimier
Thomas L. Sweeney
Marie T. Taris
Gisela M. Vitt
Nancy S. Wardwell

From: Hallan C. Noltimier, President

**OSURA Executive Board Meeting
Tuesday, March 10, 2015 from 9:00 to 11:00 AM
Northwood and High Building, Room 100
2231 North High St.**

A G E N D A

9:00	Call to Order and Personals		
9:03	Meeting Minutes – Sweeney		
9:08	President’s Comments – Noltimier		
9:13	Treasurer’s Report - Jensen		
9:23	Office Report – Lantz		
9:28	Committee Reports		
	Benefits – Taris		
	Fall Conference – Taris (Turner)		
	Bylaws – Taris		
	Communications – Wardwell		
	Finance – Gauthier		
	Friendship – Dellinger		
	Membership – Vitt (Larson)	10:28	Old Business
	Special Interests Groups – McCoy		
	Vice President’s Report - Newsom	10:33	New Business
			Operating Manual – Taris (Newsom)
		11:00	Adjournment

Please contact Hallan Noltimier at Noltimier.2@osu.edu if you are not able to attend.

Next meeting: April 14, 2015

Cc: Tami Jones, Michele Bondurant, Pam Doseck, Bob Hessenauer

The Ohio State University Retirees Association
(OSURA)

EXECUTIVE BOARD MINUTES

Tuesday, February 10, 2015, 9:00 a.m. - 11:00 a.m.
Community Room, Northwood-High Building
2231 North High Street, Columbus, Ohio 43201

Members:	Donald B. Cooper	Don M. Dell	Sally E. Dellinger
	Howard L. Gauthier	Raimund E. Goerler	Richard M. Hill
	Fern E. Hunt*	Daniel L. Jensen	Donald W. Larson*
	Shirley F. McCoy	Sally W. Morgan*	Ivan I. Mueller
	Gerald H. Newsom	Hallan C. Noltimier	Thomas L. Sweeney*
	Marie T. Taris*	Gisela M. Vitt	Nancy S. Wardwell
Representatives & Other	Odette Blum*	Mary Anne Herbst*	Michele B. Hobbs
Committee Chairs:	Alabelle B. Zghoul*	Rachael Turner	
OSU-HR Office:	Michele R. Bondurant	Diana L. Lantz	
Guests:			

* not present

Chair: Hallan C. Noltimier, President

1. **Call to Order** – 9:00 a.m. **Personals** –Marty Macklin is back in the hospital.
2. **Minutes of January 12, 2014** (Thomas L. Sweeney) Minutes were approved as distributed.
3. **President's Comments** (Hallan C. Noltimier) Hal met with President Drake on 2-9-2015 alone for 30 minutes. There is another meeting that others can go to with Rachael Turner. He states that he was pleased with the meeting. President Drake told him he had a job for him, but said he will let him know what it will be in the future. He said that President Drake would be pleased to be our OSURA Fall Conference speaker but it will depend on his schedule at that time.

The Big Ten Conference for Retiree Associations will be August 14, 15, 16, 2015 at East Lansing./ Michigan State. Hal and Jerry will attend.

4. **Treasurer's Report** (Daniel L. Jensen) Financial Statements were sent by email yesterday. Dan stated he appreciated the work of Stephanie Gerlach who is making our statement much easier to read. Dan is concerned about the low cash balance due to the Travel Events investments up front. He was concerned about the substantial investment that is required before our members sign up and pay their fees. The \$13,000 negative number reflects the situation.

The redesign of the statement includes an item HR Commitment that includes the subsidy that is unused. The amount of \$40,000 appears as an income credit.

We have a number of CDs that will be due in September. The Finance Committee will need to determine what to do with those investments. Dan requests that the Finance Committee develop a policy on how to work with our quasi-Endowment Fund.

The Dinner Series shows a negative balance which is good. We get a good rate from them. Howard said it's a Win-Win because the Faculty Club had wanted a Lecture Series and thus he, Dick Hill and Gene Gilliom created the Dinner Series in 2011. They average about 60 people over the course of the year at each event. The result has been several who attend have decided to join OSURA.

See Dan's detailed written report for complete details.

5. **Office Report** (Michele R. Bondurant and Diana L. Lantz) 3 Events have occurred and Diana is working on reports. One in particular is a request from HR for a report called the Affiliated Entities Report of the university.

Rai asked about the Membership Committee request for IT Support to develop a Data Base. Diana said that it is on hold. HR IT said it would be about \$16,000 and wouldn't happen until 2016 or 2017 because of priorities of the HR IT Dept. They have to implement a new learning system that has been mandated. They recommend we go external to get it developed. Michele said if we developed it externally, there is a question of who would "host" it. Michele said their HR IT Staff has dwindled and needs to rebuild their teams.

Marie and Diane are going to research Membership Data bases. Diana requested that if anyone knows of a database that would work for OSURA let them know. Michele suggested we find something that we could manage on our own. Rai said that we might need to contract with an external vendor.

6. **Committee Reports**

Benefits (Marie T. Taris) Marie not present today. Hal had chaired the meeting. There is a House Rule from the legislature that dictates how many Retiree Plan Representatives can be on each campus. He believes the number is 4. In the past there was no limit as long as they met the requirements of the university. Hal asked if there will be information about the new changes in the 403B rules in the March Newsletter and Nancy said yes. One of the issues in the past was several of the companies had very high fees and limiting the choice of Retiree Plans should make them more competitive in their fees.

Rachael Turner reported on the OSURA Fall Conference that will be happening September 16, 2015 at the Fawcett Center. They have been meeting since November and are now at the point of finalizing speakers for the general audience and breakout sessions. We are planning on President Drake to be our Keynote if his schedule will allow. We are going to have the fee remain \$25. Rachael thanked Dan Jensen for meeting with her and Sally Morgan to plan out their budget. Tours in the afternoon of the event will again be offered and we will be asking people to prepay for their tour as part of the registration fee. Sally Morgan is recruiting sponsors again for the conference. Their fees help offset our costs for the event. Rachael shared that this conference has a great legacy and thanked those in the past who have set up the conference because it has made things easier to manage. The publicity plan is in place.

There will be a meeting with President Drake on March 25, 2015 with OSURA Representatives. The goal is to share the vision and goals of OSURA. The group that will be attending is going to have a preplanning meeting to make sure they are prepped before they meet which will be after the OSURA Conference Planning Committee Meeting.

Bylaws (Marie T. Taris) Marie is not present today. No Report. She is working on collecting comments on the operating manual.

Communications (Nancy S. Wardwell) Nancy thanked Diana for getting the Analytics for the OSURA Website. The average time of the views on the website is 90 seconds and there are a lot of people using it. Hal said that he gave a copy of the OSURA Newsletter to President Drake and said that he would appreciate a copy on a monthly basis. Diana said that a copy does go to his office. Nancy again asked for articles and stated appreciation for one from Meg Teaford, Rai Goerler is going to do one on the archives, and Nancy will be doing one on "Jeff" the Sloth in Orton Hall.

Finance (Howard L. Gauthier) Everyone received the FY 2016 Budget Request. The request is a continuation of the budget request of 2015. There are 3 strategic long term goals:

The narrative proposes how we will advance the goals based on the annual budgetary support from HR. We need to do more work on developing closer ties with the OSU Office of Advancement.

FY 2015 and comparison with proposed FY 2016 Budgets is in the packet. We are continuing to support the development of the SIGS. We want to broaden the activities that we need to provide based on the changing demographics of our new retirees. We want to address items that interest them.

Howard asked for approval of the budget. Ivan Mueller moved that budget be approved and Jerry Newsom seconded.

Friendship Committee (Sally E. Dellinger) Sally reported they have 4 new members. They continue to send cards. Barb Nelson is at Arlington Court because of a fall with fractures of the right arm and left leg.

Membership (Donald W. Larson) Don absent today. Gisela Vitt shared that Diane Selby will be acting as chair for Don as he is in Florida. They have been meeting electronically when something needs to be acted upon, such as the university brochure Guide to Retirement. We were not mentioned in it and will be in the future. So the Membership Committee has been working on the content to be in it. They are also updating OSURA Brochure content. They have a couple of new members on their committee as well. They are also working on the OSURA Mission Statement text for the operating manual.

Rai was impressed by the work of the Membership Committee and stated that there is an uptick in the Associate Members and hopes the Membership Committee is coming up with a strategy for continuing improvement of this number.

March 17, 2015 is the OSU Employee Fair at the RPAC from 11-1:30pm. The membership Committee will have a table there.

See further details, including current membership numbers, in Membership report in the Meeting Packet.

Special Interest Groups (SIG) Coordinating Committee (Shirley F. McCoy) Shirley was tasked with finding a "gift" to give speakers at OSURA Events. She is looking for a nice notebook about a 5x7" size with the OSURA Logo on it. It was suggested she look at ELK Promotions by Nancy Wardwell since OSURA has used them in the past and they

have our Logo. It was suggested to keep the cost below \$10 each and look at price breaks with a number around 100. Rachel Turner said they would be good for the conference as speaker gifts and Rai Goerler thought so as well for Dinner Series gifts.

Vice President's Report (Gerald H. Newsom) Jerry shared that Nominating Committee had their first meeting and have a list of nominees. They suggest that each committee have a chair and vice chair. He thanked Gisela Vitt for joining the OSURA Board.

Jerry shared about several Cultural Events that are coming such as the Stratford Festival, Cincinnati and Cleveland Museum tours. The OSU Planetarium Event is on March 4th. Planetarium

The Travel Committee has the trip to Italy coming up in March. Other trips to Amish Country, Stone Lab, Cuba and Scandinavia are being discussed.

Other events are the Hiking Group on February 21 at Audubon Center and the Million Hearts Health Assessment on March 7 at the Martha Morehouse Pavilion.

Ivan Mueller started discussion regarding acknowledging people who have done such "extraordinary" work for OSURA. It was suggested that we acknowledge past conference organizers at the 2015 conference and put a formal thank-you in the OSURA Newsletter to the organizers who have made this so successful over the years. Rai suggested that Thank-you notes are written by hand to each of them as well.

7. Representatives' Reports

Bucks for Charity (Don M. Dell). A total \$67,700 was given, 135% of the goal for Bucks for Charity. He would like to see an increase in the number of retirees who made contributions from 7% to 10%. Don was encouraged to write an article for the OSURA Newsletter that states our accomplishments and goals for the next Bucks for Charity campaign. This could be followed by reminders in subsequent newsletters to have an active campaign for the next Bucks for Charity to reach these goals. Howard Gauthier suggested that President Drake should be made aware of OSURA contributions

Campus Campaign (Thomas L. Sweeney) No report

FCBC (Ivan I. Mueller) No Report

Legislative Update (Richard M. Hill) Dick reported that defined benefit pension plans usually do better at a lower cost. Concern is if the state will pay their part of the plans.

What is your DB plan really worth? Cost is usually 12%, but there are other parts of the plan that have additional value which makes it up to a total value of 21%

Illinois, the Deadbeat State, that has unfunded liability of for their state pensions. Californian has the largest state debt. However, Federal Debt is largest.

See Dick's notes in the Meeting Packet for his written report.

OCHER /HPA (Nancy S. Wardwell, Howard L. Gauthier, and Richard M. Hill) OCHER will meet on March 17, 2015 at STRS and will have other organizations come. Joan Leitzell will be speaking. Everyone is invited.

Dick Hill: Alternative Retirement Plan mitigating Rate: Study the percentage of an electing employee's compensation contributed by public institutions of higher education

to mitigate any financial impact of an alternative retirement program [ARP] on the PERS, STRS and SERS. This rate, often referred to as the mitigating rate or supplemental contribution rate is required under RC 3305.06, HB 483 also mandated that the study research the historical impact of the mitigating rate and whether it's purpose is be served.

What landmark should be used in the future? They are looking at 4 ½% and putting a cap on the amount with a termination date. Also health care is not guaranteed through your retirement.

Howard G: HPA is considering the scenarios that STRS is proposing for a future funding policy to deal with its unfunded liability. To do this, it is evaluating its future liabilities based on best practices. An important consideration is the Actuarial Determined Employer Contribution. Before the pension reform, the employer contribution rate was 12.0% with an ADEC of 30.6%. Contributions were less than half the amount necessary to fund promised benefits. With employer contributions at 13% in 2013 the ADEC dropped to 14.64% and then to 13.69% with the increase in employee contributions in 2014. These changes have rebalanced STRS's pension obligations, as the underfunded liability is now appropriately funded for a 30 year open amortization. STRS is considering whether or not to reduce the 30 year open period to one of a 20 year closed period, targeting 7/1/2035.

OPERS (Michele B. Hobbs)

Discussion ensued about the joint retirement agreement with OPERS, STRS and SERS. See written report.

See the Meeting Packet for Michele's written report.

SCBS and USAC (Vacant) No report.

STRS (Richard M. Hill and Howard L. Gauthier). Dick shared that STRS members should be getting their Provider Directory and their Formulary.

3 Risks Identified [Handout]

7.75% is rate of return used for looking at funding our retirement system for 30 years.

Dashboard summarizes key metrics as:

Contribution rate sufficiency: Is the employer contributing enough?

Demographics: Active working members contribution vs those covered and not contributing anymore

Cash Flow: Checks written monthly, contribution members vs. payout to retirees shows a shortfall.

Funded Status: Probabability Models showing your best guess for the funding in the future. STRS is sitting at 69% Coverage of Debts in 10 years

Funding period in years using 30 years.

Howard G: Said they met yesterday and stated we could go on to meeting our liabilities by 100%, but politically this is not good, because employers would say they didn't need to pay into the system. HPA is opposed to meeting our liabilities at 100%. The national standard of meeting liabilities is about 85%.

See Dick's notes in the Meeting Packet for his written report.

8. Old Business - None

9. New Business / Add-on Items

Operating Manual Revisions (Marie T. Taris) Jerry said that Marie is collecting the comments. Hal suggested that should state that each committee chair is expected to provide an annual report. They should have a deadline, and he suggested June. So that it could be available at our Annual Meeting.

10. Next Regular Board Meeting

Tuesday, March 10, 2014, 9:00 a.m. - 11:00 a.m.
Community Room, Northwood-High Building
2231 North High Street, Columbus, Ohio 43201

11. Adjournment – The meeting was adjourned at 11:17 a.m.

Shirley F. McCoy, Acting Secretary
February 10, 2015

OSURA
Treasurer's Report as of February 28, 2015
Comparative Revenue, Expense & Budget

	2014-15	Actual Year-to-Date: 1-Jul to 28-Feb			Budget
	Consolidated				Minus
	Budget	OSURA	HR	Consolidated	YTD Actual
Revenue:					
Human Resources	40,000	0	40,000	40,000	0
Dues	17,000	17,280	0	17,280	(280)
Investment Income	1,500	2,296	0	2,296	(796)
Travel Transfer	4,500	2,850	0	2,850	1,650
Endowment	5,000	5,578	0	5,578	(578)
Annual Meeting & Fall Conference					0
Registration Fees	8,000	8,720	0	8,720	(720)
Advertising	9,000	14,045	0	14,045	(5,045)
Newsletter Advertising	6,000	3,500	0	3,500	2,500
Total Revenue	91,000	54,270	40,000	94,270	(3,270)
Expenditures:					
Communications					
Membership Directory	10,500	0	6,008	6,008	4,492
Monthly Newsletter	28,000	0	14,267	14,267	13,733
Special Communications	6,500	0	0	0	6,500
Transfer to HR Office	5,000	0	0	0	5,000
Total Communications	50,000	0	20,274	20,274	29,726
Administrative	6,800	3,138	1,160	4,298	2,502
Annual Meeting & Fall Conference	16,700	19,055	0	19,055	(2,355)
Special Events		1,287	3,154	4,441	(4,441)
Strategic Initiatives (Committee Projects, Special Interest Groups)	350	0	2,477	2,477	(2,127)
Total Expenditures	73,850	23,480	27,066	50,546	23,304
Revenue Over (Under) Expense	17,150	30,790	12,934	43,724	(26,574)
Addition to Strategic Initiatives Reserve	5,000				
Net Operating Balance	12,150				

Ohio State University Retirees Association Comparative Year-to-Date Actual Revenue & Expense

	Jul '14 - Feb 15	Jul '13 - Feb 14
Revenue		
4001 · Dues	17,280	16,225
4002 · HR Subsidy	40,000	40,000
4005 · Travel Transfer	2,850	14,991
4006 · Newsletter Advertising	3,500	4,200
4007 · Fall Conference Sponsors	14,045	10,610
4008 · Fall Conference Registration	8,720	10,140
4010 · Investment Income	2,296	1,500
4019 · Endowment	5,578	0
Total Revenue	94,270	97,666
Expense		
5200 · Administrative		
5205 · Faculty Club Dues	469	462
5220 · Big 10 Meeting Travel	1,069	125
5240 · Professional Fees - Accounting	1,500	0
5250 · OCHER Dues	100	100
5299 · Bank Charges & Other	0	566
Total 5200 · Administrative	3,138	1,253
5300 · Special Events		
5310 · Banquet Charges	0	4,372
5311 · Room Rental	250	714
5315 · Entertainment	0	250
Total 5300 · Special Events	250	5,336
5400 · Fall Conference		
5410 · Facility Charges	5,155	4,980
5411 · Meals	10,971	10,384
5414 · Tours	1,110	0
5415 · Supplies	1,818	715
Total 5400 · Fall Conference	19,055	16,078
5600 · Programs		
5601 · Holiday Programs	758	625
5654 · Dinner Series	49	290
5699 · Programs Other	133	225
Total 5600 · Programs	939	1,140
5700 · Friendship		
5702 · Other	98	0
Total 5700 · Friendship	98	0

Accrual Basis

Ohio State University Retirees Association Comparative Year-to-Date Actual Revenue & Expense

	Jul '14 - Feb 15	Jul '13 - Feb 14
6200 · Administrative - HR		
6201 · Postage - HR	43	155
6202 · Telephone - HR	387	254
6275 · Stationery & Supplies - HR	535	1,452
6299 · Administrative Other - HR	195	0
Total 6200 · Administrative - HR	1,160	1,861
 6300 · Special Events - HR		
6312 · Postage - HR	3,121	0
6399 · Annual Other - HR	33	665
Total 6300 · Special Events - HR	3,154	665
 6500 · Communications - HR		
6501 · Directory Printing	5,688	1,645
6506 · Directory Postage	320	1,057
6520 · Newsletter Other - HR	2,070	0
6530 · Newsletter Printing - HR	8,619	8,073
6531 · Newsletter Postage - HR	3,577	3,791
6531 · Newsletter Layout - HR	0	4,598
Total 6500 · Communications - HR	20,274	19,163
 6800 · Committees - HR		
6831 · Membership Postage - HR	1,724	334
6832 · Membership Printing - HR	753	165
Committees - Other	0	540
Total 6800 · Committees - HR	2,477	1,039
Total Expense	50,546	46,536
Revenue Over (Under) Expense	43,724	51,130

OSURA: Travel Activity
February 28, 2015

	RECEIPTS:		DISBURSEMENTS:		NET	
	2014	2015	2014	2015		
Cincinnati	5,636.00	(852.00)	3,768.60	141.18	874.22	*
Schedel Gardens	2,620.00	120.00	825.00	1,676.76	238.24	*
Waynesville	2,593.50	598.50	700.00	1,952.82	539.18	*
Maysville, KY	2,043.00	(2,043.00)	100.00	(100.00)	0.00	*
Canton Museum	540.00	2,220.00	100.00	2,344.31	315.69	*
Lebanon, OH	62.00	3,534.00	700.00	2,271.26	624.74	*
Wright- Pat Museum		2,350.00	100.00	2,032.24	217.76	*
Portsmouth		1,080.00		1,155.52	(75.52)	*
Innovations - Ballet Met		617.50		617.50	0.00	*
ProMusica		392.00		392.00	0.00	*
New York City		25,628.00		25,497.00	131.00	*
Vaud Villities		990.00		960.00	30.00	*
La Comedia		3,162.00	100.00	3,011.61	50.39	*
Ballet Met - Great Gatsby		416.00		496.00	(80.00)	*
ProMusica Micro Quartet		294.00		310.00	(16.00)	*
Cleveland Museum of Art				150.00	(150.00)	o
Cincinnati Museum of Art				175.57	(175.57)	o
Stratford ON, Canada				13,036.18	(13,036.18)	o
TOTALS	13,494.50	38,507.00	6,393.60	56,119.95	(10,512.05)	
Completed *	\$2,849.70			Travel Fund	(\$13,361.75)	

OSURA: Life Membership Activity
February 28, 2015

	1986-95*	1996-2004	2005-09	2010-12	2013-15	TOTALS
	\$5/\$8	\$90	\$135	\$170	\$230	
Number paid	425	385	365	127	113	1,415
Deceased/Removed	252	43	14	1	0	310
% Deceased/Removed	60.00%	11.17%	3.84%	0.79%	0.00%	21.91%
AMOUNT PAID	\$27,056	\$34,650	\$49,275	\$21,590	\$ 26,220	\$ 158,791
Transferred:						
Operating Fund	(30,426)	(2,272)				(32,698)
Interest earned	8,557	2,816			5,257	16,630
FUND BALANCE	\$5,187	\$35,194	\$49,275	\$21,590	\$ 31,477	\$ 142,723
* Life Membership Dues based on member's age.						
Deceased or Removed 6/30/2014	252	43	14	1	0	
Aug Newsletter>> 2014	1	0	0	0	0	
Sep Newsletter>>	1	0	0	0	0	
Oct Newsletter>>	0	0	0	0	0	
Nov Newsletter>>	0	0	0	0	0	
Dec Newsletter>>	0	0	0	0	0	
Jan Newsletter >> 2015	0	0	0	0	0	
Feb Newsletter >>	0	0	0	0	0	
Mar Newsletter >>	0	0	0	0	0	
Apr Newsletter >>	0	0	0	0	0	
May Newsletter >>	0	0	0	0	0	
Jun Newsletter >>	1	0	0	0	0	
Jul Newsletter>> 2014	0	0	0	0	0	
Total to date	255	43	14	1	0	
Percent deceased	60.00%	11.17%	3.84%	0.79%	0.00%	

**March 10, 2015
Office Report**

1. OFFICE STATS:

Since our January 13 meeting I have handled:

- 80 incoming OSURA calls
- 134 e-mails on the OSURA message boards
- 242 e-mails from OSURA members
- Processed 56 Checks
- Produced the Weekly Events and Program Report x 4
- Sent information for the Membership Report
- Sent information for the Finance/Treasurer Report
- Sent information for the Endowment Report and names and addresses for the Friendship Committee to write thank you notes

2. EVENTS RECAP:

Four events with registration, rosters and nametags

3. UNIVERSITY FYI:

Spring break is Next week March 16 – March 20

4. UPCOMING EVENTS

Hidden Benefit Fair is March 17th. Gisela Vitt and Diane Whalen will be at the OSURA Booth along with the display board, banner, brochures, newsletters and candy. It is at the RPAC this year and is from 11:00 – 1:30 p.m.

5. HUMAN RESOURCES FYI:

As of February 19, 2015 Anne Nagy, currently Associate Vice President for Talent & Organization Development (TOD) will assume responsibility for leading the transition and onboarding process for Dr. Retchin (new CEO for the Wexner Medical Center). She will transition most of her current TOD responsibilities, effective immediately. Anne has also shared her intention to retire following the completion of Dr. Retchin's transition.

Communications & Culture Integration will continue to be led by Tami Jones, Sr. Director. Tami will now report to AJ Douglass, SVP, Talent, Culture & Human Resources. Special Events and OSURA will become part of the Communications & Culture Integration team. Michele Bondurant, Program Manager, will report to Tami Jones.

OSURA Benefits Committee Report to the Executive Board March 2015

The following represent the highlights of the March 3, 2015 meeting of the Benefits Committee

Reports

FCBC – Ivan Mueller sent a report indicating that changes to the Family and Medical Leave Policy became effective February 1, 2015, which will make OSU policy consistent with federal regulations and eliminate manual FML tracking.

SCBS – Hal Noltmier led a discussion about our role with Staff Compensation and Benefits Subcommittee. He has invited Derek West to the next Board meeting, but has not heard if he is available. Jerry Newsom indicated that Sally Morgan has agreed to be the liaison to SCBS. We discussed the pros and cons of asking for a presidential appointment to SCBS or to USAC (University Staff Advisory Committee) if this is the more appropriate committee

OPERS - Michele Hobbs shared a report of the OPERS quarterly summary of investments. It will also be shared at the Board meeting so will not be detailed here. There was some discussion about the upcoming OPERS Medicare Connector.

STRS/HPA/Legislative Update – Dick Hill's reports will be shared at the Board meeting.

PERI – Sally Dellinger reported that the next meeting of Chapter 94 will be held at the Upper Arlington Library on Thursday, March 5, 2015.

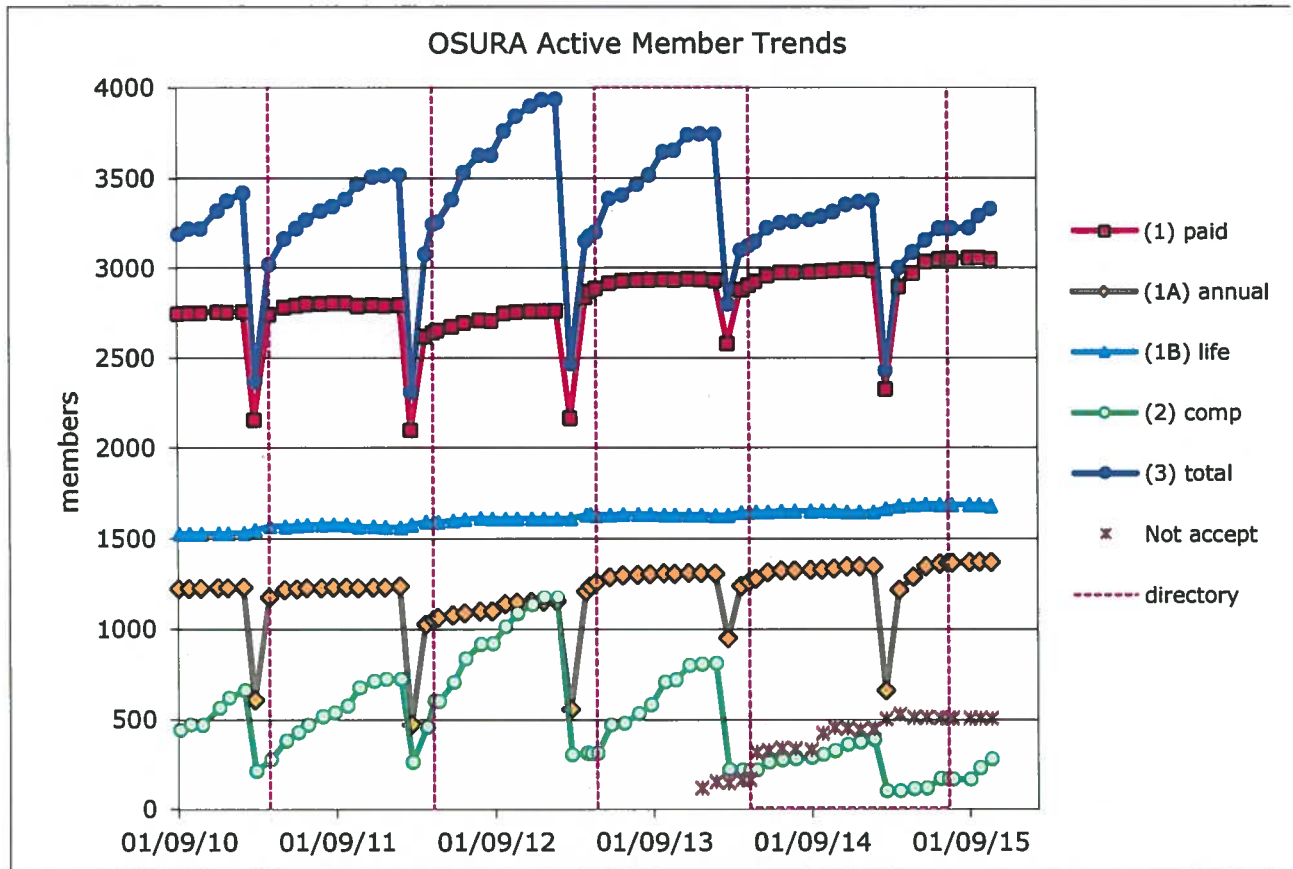
Elder Care – Meg Teaford noted that 3/1/15 Time Magazine has interesting articles on the research on life expectancies and on the impact of longevity on one's health mind and the Body. She also suggested a recent book by Chris Farrell called *Unretirement* that looks at economics of an aging workforce and expectations and plans of baby boomers. She suggested that our state budget needs more public funds for community based services.

OCHER – Nancy Wardwell reported the next meeting is March 17, 2015. Joan Leitzel will be speaking on the Emeritus Academy.

403(b)/457 - Hal Moellering reported that he received a reply from the office of Human Resources indicating that they are considering the legislation passed last summer permitting universities to limit the number of vendors who can offer supplemental retirement plans to current employees, but there is not much progress to share on how OSU will approach this change. We hope the factors that are taken into consideration in the decision-making process will include the attempt to select the lower-cost vendors.

OSURA Discounts Update – Nancy reported the March Newsletter lists information on having a BUCK ID which is good for discounts. The discounts are listed on the OSURA website.

Annual Meeting/Fall Conference – Rachael Turner submitted a report of the progress of the February 26 meeting of the Conference Planning Committee, including: The breakout session topics and speakers are in place; The plan is to offer two optional tours following the conference (Orton Hall and The OSU Planetarium); Jerry Newsom is scheduling a planning meeting to prepare for a small group to meet with President Drake to invite him to be the keynote speaker at our conference; Sally Morgan is recruiting our sponsors for the conference; and Rachael will schedule a meeting with Diana Lantz to review our time line for communication to OSURA members.



**Monthly Number of OSURA Members by Category
(through March 1, 2015)**

paid = annual + life
total = paid + comp

Number of Members at Significant Times:

	(1) paid	(1A) annual	(1B) life	(2) comp	(3) total	not accept	
06/06/11	2794	1236	1558	719	3513		annual maximum (2.9% increase)
08/22/11	2639	1051	1588	599	3238		directory
06/01/12	2763	1155	1608	1170	3933		annual maximum (12.0% increase)
08/31/12	2885	1258	1627	310	3195		directory
05/01/13	2937	1309	1628	802	3739		annual maximum (4.9% Decrease)
08/19/13	2904	1261	1643	214	3118		directory
06/02/14	2988	1343	1645	383	3371	443	annual maximum (9.8% decrease)
11/21/14	3051	1366	1685	166	3217	502	directory
03/01/15	3047	1369	1678	277	3324	501	current month
02/02/15	3057	1371	1686	228	3285	503	comparison with last month
	-10	-2	-8	49	39	-2	
03/03/14	2985	1334	1651	322	3307	453	comparison with last year
	62	35	27	-45	17	48	

Note: Membership categories are the same as those used in the "Analysis" at the back of the Membership Directory.

MEMBERSHIP REPORT**DATE: 2/28/2015**

Membership Category	# of Memberships***	# of Spouses/Partners of Retirees	Total # of Members in This Category
1. Paid Membership	1979	1068	3047
A. Annual	885	484	1369
B. Life	1094	584	1678
2. Complimentary Membership	182	95	277
3. Total (1 + 2)	2161	1163	3324
4. Associate Memberships*	23	9	32
A. Annual*	19	6	25
B. Life*	4	3	7
5. Dual Spouse Memberships*	116	116	232
A. Annual*	34	34	68
B. Life*	80	80	160
C. Complimentary Memberships**	2	2	4
6. Membership Not Accepted			
Membership	N/A	N/A	501

* Included in Paid Memberships.

** Included in Complimentary Memberships.

*** Some memberships are spouses/partners of deceased retirees.

Lantz, Diana

From: Mueller, Ivan
Sent: Thursday, March 05, 2015 5:33 PM
To: Lantz, Diana
Subject: FW: FCBC Report

Revised Family and Medical Leave Policy

Effective February 1, 2015, revisions to **Family and Medical Leave (FML)** will improve the consistency of our policy with federal regulations and eliminate manual FML tracking. As a reminder, the three primary changes to the FML policy include:

- Changing FML eligibility from 1,040 hours to 1,250 hours (50% FTE to approximately 60% FTE) worked in the 12 months preceding the commencement of leave.
- Adding student employees as covered employees. Students must work 1,250 hours or greater and have one year of service preceding the commencement of leave to meet the FML eligibility criteria.
- Modifying immediate family-member definitions to be consistent with federal regulations, specific to Family and Medical Leave requirements.

Helpful Resources and Contacts:

- ü Review the revised [policy](http://hr.osu.edu/public/documents/policy/policy605.pdf) (<http://hr.osu.edu/public/documents/policy/policy605.pdf>) and [resources](http://hr.osu.edu/public/documents/policy/resources/605resources.pdf) (<http://hr.osu.edu/public/documents/policy/resources/605resources.pdf>) online for more detail on key changes.
- ü Review the updated [FAQ](#) to prepare for anticipated questions and a [notification](#) for use in communicating the policy change.
- ü Share this information with colleagues who assist with questions and processes related to Family and Medical Leave.
- ü Contact Employee and Labor Relations at 292-2800 or the FML Administration team at hr-leaveadministrator@osu.edu with any questions. Wexner Medical Center employees should direct questions to Wexner Medical Center Employee and Labor Relations at (614) 293-4988.

1. Health Care Notes - National & Individual

Reuters Experts Say 2015 Could Be “Year Of The Healthcare Hack.”

(2/12, Humer, Finkle) reports that cybersecurity experts are warning that 2015 will be the “Year of the Healthcare Hack,” as hackers are increasingly attracted to the mountains of personal information stored by US health insurers and hospitals. Reuters notes that Anthem Inc, the second-largest US health insurer, last week disclosed a massive breach of its database containing nearly 80 million records.

The Boston Globe (1/24) reported that a report issued in December by the US Census Bureau “found that 39 percent of people over age 65 battle at least one disability, and the most common hurdle they face is serious difficulty walking or climbing stairs.” The report warned that as baby boomer age, “the ranks of older, disabled adults could swell rapidly.” Researchers across the US are now “redoubling efforts to pinpoint the elders most likely to become disabled, and craft simple exercise programs to stem the downward slide” which could well end in a nursing home admission.

2. Retirement Plan Participation - DB vs. DC Choices Among Ohio Universities

Employer	Defined Benefit	Combined	DC Plan	Total STRS Ohio	ARP	%ARP	Total Contributors
Ohio State University	4,043	145	673	4,861	2,230	31%	7,091
University of Cincinnati	2,470	72	292	2,834	956	25%	3,790
Kent State University	2,314	65	193	2,572	382	13%	2,954
University of Akron	1,780	58	151	1,989	321	14%	2,310
Ohio University	1,381	44	132	1,557	555	26%	2,112
University of Toledo	1,188	50	126	1,364	349	20%	1,713
Miami University	986	29	107	1,122	404	26%	1,526
Wright State University	963	33	92	1,088	371	25%	1,459
Bowling Green State University	852	24	54	930	422	31%	1,352
Cleveland State University	943	21	102	1,066	142	12%	1,208
Youngstown State University	857	27	67	951	92	9%	1,043
Shawnee State University	295	6	15	316	44	12%	360
Central State University	144	4	8	156	32	17%	188
Northeast Ohio Medical University	52	5	10	67	30	31%	97
Total	18,268	583	2,022	20,873	6,330	23%	27,203
Breakdown of STRS Ohio members	87.5%	2.8%	9.7%				
Breakdown of university faculty	67.2%	2.1%	7.4%		23.3%		
Grand Total with Community Colleges	30,147	952	3,115	34,214	6,659		40,873
Breakdown of STRS Ohio members	88.1%	2.8%	9.1%				
Breakdown of all higher ed faculty	73.8%	2.3%	7.6%		16.3%		

Key takeaway – About 2 out of 3 university faculty members participate in the Defined Benefit Plan

3. Measuring the Economic Impact of DB Pension Expenditures in OHIO

[OVER]

Dick Hill / Excerpted from the February 2015 *STRS Ohio Legislative Update*, and other sources. Bold print and italics have been added in some places for emphasis and reader convenience.

Pensionomics 2014:

Measuring the Economic Impact of DB Pension Expenditures

Key Findings

Benefits paid by state and local pension plans support a significant amount of economic activity in the state of Ohio.

Pension benefits received by retirees are spent in the local community. This spending ripples through the economy, as one person's spending becomes another person's income, creating a multiplier effect.

In 2012, expenditures stemming from state and local pensions supported...

- 144,785 jobs that paid \$6.3 billion in wages and salaries
- \$19.7 billion in total economic output
- \$3.0 billion in federal, state, and local tax revenues

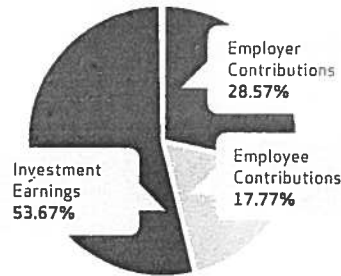
... in the state of Ohio.

Each dollar paid out in pension benefits supported \$1.63 in total economic activity in Ohio.

Each dollar "invested" by Ohio taxpayers in these plans supported \$5.71 in total economic activity in the state.

Overview

Expenditures made by retirees of state and local government provide a steady economic contribution to Ohio communities and the state economy. In 2012, 425,835 residents of Ohio received a total of \$12.1 billion in pension benefits from state and local pension plans.



The average pension benefit received was \$2,363 per month or \$28,351 per year. These modest benefits provide retired teachers, public safety personnel, and others who served the public during their working careers income to meet basic needs in retirement.

Between 1993 and 2012, 28.57% of Ohio's pension fund receipts came from employer contributions, 17.77% from employee contributions, and 53.67% from investment earnings. Earnings on investments and employee contributions—not taxpayer contributions—have historically made up the bulk of pension fund receipts.

Impact on Jobs and Incomes

Retiree expenditures stemming from state and local pension plan benefits supported 144,785 jobs in the state. The total income to state residents supported by pension expenditures was \$6.3 billion.

To put these employment impacts in perspective, in 2012 Ohio's unemployment rate was 7.4%. The fact that DB pension expenditures supported 144,785 jobs is significant, as it represents 2.5 percentage points in Ohio's labor force.

Economic Impact

State and local pension funds in Ohio and other states paid a total of \$12.1 billion in benefits to Ohio residents in 2012. Retirees' expenditures from these benefits supported a total of \$19.7 billion in total economic output in the state, and \$11.3 billion in value added in the state.

\$10.3 billion in direct economic impacts were supported by retirees' initial expenditures. An additional \$5.0 billion in indirect impact resulted when these businesses purchased additional goods and services. \$4.4 billion in induced impacts occurred when workers employed by businesses as a result of the direct and indirect impacts made expenditures.

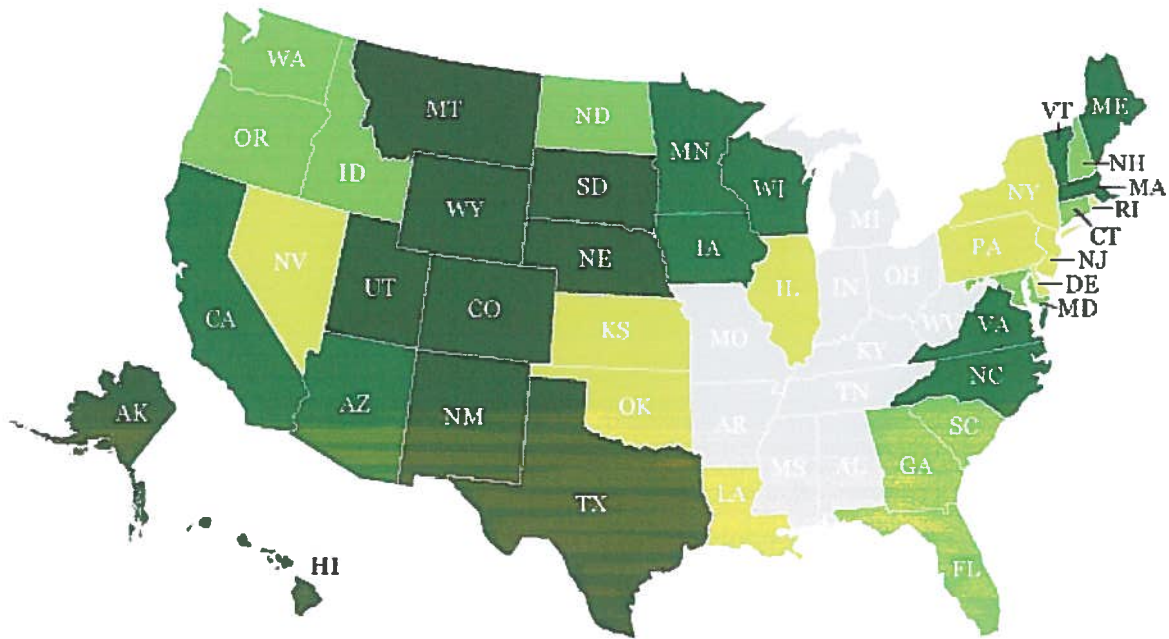
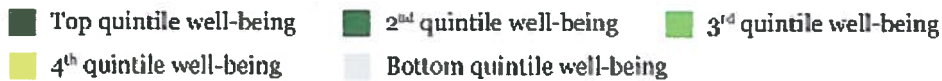
————— Total Economic Impact \$19.7 billion —————

**DIRECT
IMPACT**
\$10.3 billion

**INDIRECT
IMPACT**
\$5.0 billion

**INDUCED
IMPACT**
\$4.4 billion

Well-Being Index by State, 2014



States With Highest Well-Being in 2014

State	Well-Being Index score
Alaska	64.7
Hawaii	64.5
South Dakota	64.3
Wyoming	63.9
Montana	63.7
Colorado	63.2
Nebraska	63.1
Utah	62.9
New Mexico	62.8
Texas	62.8

Gallup-Healthways Well-Being Index

GALLUP

States With Lowest Well-Being in 2014

State	Well-Being Index score
West Virginia	59.0
Kentucky	59.8
Indiana	60.0
Ohio	60.1
Mississippi	60.2
Alabama	60.3
Tennessee	60.6
Arkansas	60.7
Michigan	60.7
Missouri	60.8

Gallup-Healthways Well-Being Index

GALLUP

Arkansas, Ohio, and Mississippi join West Virginia and Kentucky as the only states that have appeared among the lowest 10 well-being states in all seven years of tracking.

States With the Most Top 10 Finishes in Well-Being (2008-2014)

State	Top 10 finishes
Hawaii	7
Colorado	7
Montana	6
Utah	6
Minnesota	6
Nebraska	5
Alaska	4
North Dakota	4
Iowa	3
South Dakota	3
Vermont	3
Wyoming	3

Gallup-Healthways Well-Being Index

States With the Most Bottom 10 Finishes in Well-Being (2008-2014)

State	Bottom 10 finishes
West Virginia	7
Mississippi	7
Arkansas	7
Ohio	7
Kentucky	7
Tennessee	6
Alabama	6
Louisiana	5
Indiana	4
Missouri	3
Michigan	3
Nevada	3

Gallup-Healthways Well-Being Index

West Virginia (purpose and physical) is the only state to rank last for more than one element in 2014.

States With the Highest and Lowest Well-Being in Each Element, 2014

Element	Highest well-being state	Lowest well-being state
Purpose	Alaska	West Virginia
Social	South Dakota	Rhode Island
Financial	Hawaii	Mississippi
Community	South Dakota	Illinois
Physical	Hawaii	West Virginia

Gallup-Healthways Well-Being Index

GALLUP

OPERS Board Meeting

February 18, 2015

As of December 31, 2014 Total Assets were 89.8 Billion Dollars

Quarterly Summary of Investments

	<u>Health Care</u>	<u>Defined Benefit</u>
<u>US Equity Quarter Return (QR)</u>	-0.24%	4.81%
Year to Date (YTD)	6.08%	11.19%
<u>Non US Equity (QR)</u>	-3.09%	3.09%
YTD	1.9%	-1.9%
<u>Public Fixed Income QR</u>	0.49%	0.49%
YTD	3.94%	3.94%
<u>Hedge Funds QR</u>	1.0%	1.0%
YTD	3.93%	3.93%
<u>Commodities QR</u>	-27.12%	-27.12%
YTD	-32.12%	-32.12%
<u>Risk Parity QR</u>	-0.94%	-0.94%
YTD	9.73%	9.73%
<u>Global Tactical Asset Allocation QR</u>	1.80%	1.80%
YTD	4.44%	4.44%
<u>Reits QR</u>	15.01%	
YTD	31.79%	
<u>Private Equity QR</u>		2.32%
YTD		17.94%
<u>Real Estate QR</u>		5.34%
YTD		18.64%

On the OPERS You Tube Channel:

The video answers questions about the OPERS Medicare Connector. Topics include the Health Reimbursement Account, member eligibility and Connector allowances.

Statistics from the OperSource (2013)

Average plan entry age: 34 yrs

Average age at retirement: 59 yrs

Average service credit at retirement: 22

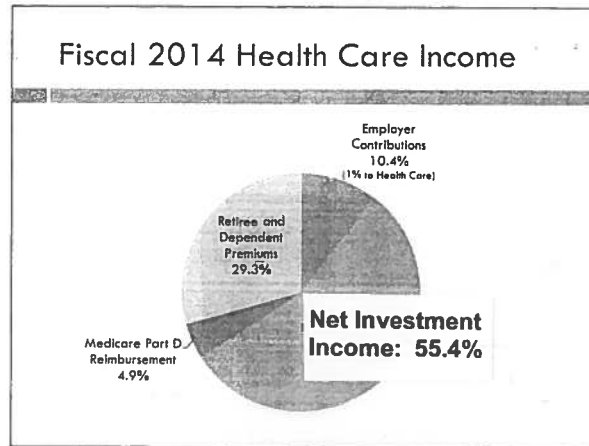
Average annual pension benefit: \$24,537 - Projected monthly pension benefit: \$2,045

Prepared by Michele Hobbs

Main Points Overview Relating to Retiree Members: *

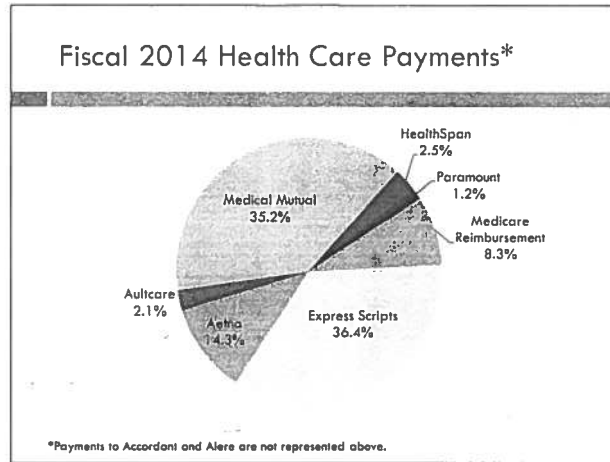
1. Investment (Overall Asset Mix) FY 2015 YTD: \$73.122 Billion, + 1.5% since June 30, 2014
 Investment Plan: 30 yr closed amortization
2. STRS Health Care Economics

Benefit recipient health care premiums increased by 5.9% during fiscal year 2014.



Health Care Fund:
 funding ratio = 74%
 (solvent to 2034)

Payments for claims and administrative fees totaled \$629.5 million in fiscal 2014, an increase of 4.9% from the previous fiscal year. A graph showing the distribution of health care payments is shown below.



3. Within STRS - What Retirement Plan Options Are Most / Least Chosen ? [OVER]

Next Regular Board Meeting: February 19, 2015. * From the STRS Executive Director's Report, and Other Sources (e.g., news-bounces@strsoh.org; Legislative News). Underline, bold, and/or italics have been added in some citations above.

Dick Hill / Member, OSURA Executive Board

Teacher Retirement Plan Elections State Retirement System

Table 6: Teacher Retirement Plan Elections for STRS Ohio Plans

Year Ending June 30	Defaulted to DB	Elected DB	Total DB	Elected DC	Elected Combined	Total Elections
2002	65%	16%	81%	12%	7%	12,777
2003	71%	15%	86%	9%	5%	22,105
2004	70%	15%	85%	11%	5%	18,976
2005	71%	15%	86%	11%	4%	19,164
2006	72%	13%	85%	11%	4%	17,105
2007	72%	13%	85%	11%	4%	17,098
2008	72%	14%	86%	11%	4%	16,960
2009	71%	15%	86%	10%	4%	16,943
2010	81%	10%	91%	7%	2%	16,173
2011	79%	10%	89%	8%	3%	15,017
2012	77%	11%	88%	9%	3%	14,046
2013	76%	12%	88%	9%	3%	15,362
FY 2014 YTD	75%	12%	87%	9%	4%	7,605
Total	152.662	27.692	180.354	20.506	8.471	209,331
	73%	13%	86%	10%	4%	

Source: Pension Funding Powerpoint Provided by STRS Ohio dated March 7, 2014