April 19, 2018

The nine hundredth and nine meeting of the Retirement Board of the School Employees Retirement System was held in the boardroom at 300 E. Broad Street, Columbus, Ohio, on Thursday, April 19, 2018. The meeting convened in open session at 8:30 a.m. and continued with the Pledge of Allegiance. Following the Pledge of Allegiance, the roll call was as follows: Daniel Wilson, Chairperson, Jeffrey DeLeone, Hugh Garside, James Haller, Christine Holland, Catherine Moss, Barbra Phillips and James Rossler. Also in attendance was John Danish, representative of the Attorney General, various members of the SERS staff, and members of the public.

APPROVAL OF MINUTES OF THE RETIREMENT BOARD MEETING HELD ON March 15, 2018

Christine Holland moved and James Haller seconded the motion to approve the minutes of the Retirement Board meeting held on Thursday, March 15, 2018. Upon roll call, the vote was as follows: Yea: James Rossler, Jeffrey DeLeone, Hugh Garside, James Haller, Christine Holland, Barbra Phillips and Daniel Wilson. Abstain: Catherine Moss. The motion carried.

Board member Beverly Woolridge arrived at 8:32 a.m.

APPROVAL OF OUT-OF-STATE BOARD TRAVEL

Catherine Moss moved and Hugh Garside seconded the motion that requests by Board Members to attend and receive reimbursement for the following out-of-state conferences and meetings be approved: Upon roll call, the vote was as follows: Yea: James Rossler, Jeffrey DeLeone, Hugh Garside, Christine Holland, Catherine Moss, Barbra Phillips, Beverly Woolridge and Daniel Wilson. Abstain: James Haller. The motion carried.

Conference	**Attendee**	**Conference Dates**	**Conference Location**	**Estimate of Expenses**
IFEBP Public Employee Benefits Conference	James Haller	June 25-27, 2018	Las Vegas, NV	$ 2,605.40
IFEBP Annual Employee Benefits Conference	Beverly Woolridge	October 13-17, 2018	New Orleans, LA	$ 5,269.63

Chairman Daniel Wilson asked Chief Investment Officer Farouki Majeed to present the Investment Report.

INVESTMENT REPORT

Annual Portfolio Review – Opportunistic & Tactical Investments

Phil Sisson presented the annual review of the Opportunistic and Tactical Investments portfolio. Opportunistic investments are defined as tactical or non-traditional investment opportunities that do not fit within traditional asset classes. Mr. Sisson discussed characteristics, performance, and income returns for the Opportunistic portfolio. Performance for the portfolio is lagging its benchmark (Total Fund return) as most of the investments are in early stage. The portfolio currently consists of 13 investments including four new investments in FY18. The opportunistic team continues to pursue additional funds to add value to the portfolio. Following questions the Board thanked Mr. Sisson for his presentation.

Monthly Investment Report

Farouki Majeed provided an economic update and discussed the Investment report for the month ending February 28, 2018. The preliminary performance report as of March 31, 2018 was provided to the Board for their information. Mr. Majeed informed the Board the Fund is currently $14.28 billion with a FYTD return of 8.37%. Following questions and answers, the Board thanked Mr. Majeed for the presentation.

SUMMARY OF INVESTMENT TRANSACTIONS

Barbra Phillips moved and Catherine Moss seconded that the following summary of investment transactions made in compliance with the Ohio Revised Code Section 3309.15 during the period of **February 1, 2018** through **February 28, 2018** hereby be approved. Upon roll call, the vote was as follows: Yea: James Rossler, Jeffrey DeLeone, Hugh Garside, James Haller, Christine Holland, Catherine Moss, Barbra Phillips, Beverly Woolridge and Daniel Wilson. The motion carried.

A. PURCHASES

Asset Class	Approximate Cost (in millions)
US Equities	$ 55.7
Non-US Equities	138.7
Fixed Income	401.7
Multi-Asset Strategies	n/a
Private Equity Capital Calls	18.0
Real Asset Capital Calls	n/a
Opportunistic	4.3
Cash Equivalents	516.7

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
US Equities	$ 57.5	$ 13.0
Non-US Equities	239.2	37.3
Fixed Income	348.1	(3.3)
Multi-Asset Strategies	67.5	17.2
Private Equity distributions	24.4	n/a
Real Asset distributions	27.4	n/a
Opportunistic	1.1	n/a
Cash Equivalents	397.2	n/a

EXECUTIVE DIRECTOR'S UPDATE

Ohio Retirement Study Council
Executive Director Richard Stensrud noted that the April ORSC meeting was cancelled. It is anticipated that SERS' FY2019 draft budget will be presented during the May ORSC meeting, as well as the five-system investment performance report for the last half of 2017.

Stakeholder Meetings
Mr. Stensrud stated that staff is busy preparing for two large advocacy group meetings in May: The OASBO Legislative and School Finance Committees Meeting on May 4, and the SERO Annual Conference on May 8.

Marketplace Wraparound Plan
Mr. Stensrud reported that HHS has provided a second opportunity to comment on the Marketplace Wraparound Plan, this time on the required form. Staff will be using this as another opportunity to get supportive letters from our Ohio delegation, as well as other interested parties.

NCPERS Listening Tour in June with Ohio Executive Directors
Mr. Stensrud informed Board members that NCPERS is conducting a 'listening tour' the end of June with all five systems. Mr. Stensrud stated this meeting will take place with the five executive directors and NCPERS Director Hank Kim and a NCPERS consultant. Mr. Stensrud invited Board to share any thoughts or messages to convey on behalf of SERS.

Monthly Breakfast Meetings Scheduled with Ohio Executive Directors
Mr. Stensrud stated that the five executive directors have begun meeting on a monthly basis to discuss pension system issues.

Culture Survey
Mr. Stensrud reported that staff is in the process of taking a Denison Consulting culture survey. Mr. Stensrud noted that this survey had been utilized with staff in the past and found to be a valuable exercise for evaluating the internal working environment at SERS. Mr. Stensrud stated that the survey would provide a good opportunity to re-benchmark the environment of the organization.

Pension Bridge
Mr. Stensrud noted that he attended a pension fund conference earlier in the May, moderating a panel discussion of executive directors from retirement systems around the country. Mr. Stensrud noted that the program provided for good discussions and a good opportunity to compare notes on issues that were common to public employee retirement systems. Mr. Stensrud stated that many systems are going to be in a very challenging position with respect to the costs being borne by employers. Mr. Stensrud noted that SERS and the other Ohio systems operate under a legal structure that helps mitigate against increasing cost on employers.

LEGISLATIVE REPORT

STATE LEGISLATION BOARD REPORT
132nd General Assembly
(Prepared by Laurel Johnson as of April 6, 2018)

HB49 OPERATING BUDGET Ryan Smith (H93-R-Gallipolis) Creates FY 2018-2019 main operating budget.

Current Status: SERS COLA provisions effective 09/29/2017

SB8 SCHOOL INFRASTRUCTURE AND TECHNOLOGY Randy Gardner (S2-R-Bowling Green), Louis Terhar (S8-R-Cincinnati) To require the Ohio School Facilities Commission to establish a program assisting school districts in purchasing technology and making physical alterations to improve technology infrastructure and school safety and security. Contained SERS' COLA delay amendment

Current Status: Eff. 3/23/2018

FEDERAL LEGISLATION BOARD REPORT
115th United States Congress
(Prepared by Laurel Johnson as of April 6, 2018)

S. 915
SPONSOR: Sen. Sherrod Brown (D-OH)
LAST ACTIONS: 04/24/2017 - Referred to the Committee on Finance
CAPTION: Amends title II of the Social Security Act to repeal the Government Pension Offset and Windfall Elimination Provisions. Companion bill to H.R. 1205.

COMMENT: The Social Security Fairness Act of 2017. Repeals the GPO and WEP. S.915 has 22 co-sponsors.

H.R. 1205
SPONSOR: Rep. Rodney Davis (R-IL)
LAST ACTIONS: 03/06/2017 - Referred to the Subcommittee on Social Security
CAPTION: To amend title II of the Social Security Act to repeal the Government Pension Offset and Windfall Elimination Provisions. Companion bill to S. 915.

COMMENT: H.R. 1205 has 176 co-sponsors including seven Ohioans: Beatty, Fudge, Joyce, Kaptur, Ryan, Stivers and Turner.

MEMORANDUM

To: Laurel Johnson, Senior Government Relations Officer

From: Carol Nolan Drake, Federal Liaison

Date: April 4, 2018

Re: Federal Legislative and Regulatory Report for April

OVERVIEW

Highlights for March 2018 included: the passage of the Omnibus bill by the House and Senate to fund federal programs until September 30; changes to the Cabinet for the positions of Secretary of State and Veterans Affairs; proposals for "school hardening" to provide greater security to students and school employees; a trade dispute over tariffs enacted by President Trump against China, and then China's retaliation impacting U.S. markets; and continued discussions in Congress on ways to address the high cost of health care and prescription drugs.

The Congress was in session during March until the Easter recess. The House has twelve days scheduled for session in April. The district work period began on April 2 and continues until Friday, April 6. The Senate returns to session on Monday, April 9 after the Easter recess, and will be meeting until the scheduled work period from April 30 through May 4.

President Trump visited Richfield, Ohio on March 29. He spoke before a crowd at the Local 18 Richfield Training Facility about infrastructure investment; the need for the renegotiation of trade deals; the renewed U.S. economy; and immigration policies that need to be changed.

The President once again called upon the Senate to change the filibuster rule, which would end the need to gain 60 votes to open debate for the passage of legislation. Thus far, Senate President Mitch McConnell (R-KY) has declined to pursue an end to the filibuster. Modifications made in the past to the filibuster requirements are called the "**Nuclear Option**" because of the potential for the other party to utilize it in the future. It could backfire if and when the Democrats gain control of the Senate.

OMNIBUS FUNDING BILL

On late Wednesday, March 21, 2018, the House of Representatives introduced the long-awaited Omnibus bill to fund the federal government after the last Continuing Resolution was set to run out on Friday, March 23. The bill was actually a House Amendment to the Senate Amendment to H.R.1625. As introduced, the bill contained language to provide funding for federal programs until September 30, 2018, and some later dates for specific programs as detailed in the bill.

There were 25 House Republicans who voted against the measure to advance the bill on a procedural vote, including Reps. Jim Jordan (R-OH) and Warren Davidson (R-OH). **The House then voted in support of the bill by a final vote of 256-167.** Ohio delegation members who voted against the bill were Republicans Jim Jordan, Warren Davidson, Jim Renacci, and Bob Latta. The Senate voted early on Friday morning and passed the bill with a 65-32 vote. **Both Senators Sherrod Brown and Rob Portman voted in favor of the omnibus spending package.**

The final bill, all 2,232 pages, was sent to President Trump on Friday. Initially, the President threatened to veto the bill because it did not contain enough funding for the border wall, or provide a solution to DACA recipients. **Later that day, the President agreed to sign the bill. He said that he would never sign another bill like it again.** "No one read it," he said, and blamed the $1.3 trillion price tag for funding domestic and military programs on Democrats, who demanded further spending to gain their necessary votes. The President was pleased that the bill provided substantial increases for the military.

One of the largest areas of new spending is to help address the opioid crisis. There are several funding measures in different agencies, including $60 million for states to develop an infant plan of safe care to help newborns exposed to opioids and their families. This provision is one that Senator Portman asked for in CARA 2, his recently introduced bill. In total, over $3 billion in new funding was appropriated to help combat the opioid crisis.

The Omnibus bill contained several provisions that relate to important programs for Ohio, schools, and national issues, including:

- **Funds for the National School Lunch Act and Child Nutrition Act of 1966**, including $30 million for competitive grants to state agencies for sub grants to local educational agencies and schools to purchase equipment needed to serve healthier meals, improve food safety, and support the school breakfast program.
- **An appropriation of $2 million for allied professional associations to develop a training program for school nutrition personnel** that focus on school food service meal preparation and workforce development.
- **A restriction that none of the funds appropriated may be used to procure raw or processed poultry from the People's Republic of China** for the school lunch or breakfast program.
- **Funds appropriated to begin preparing for the 2020 Census**. (This is important because the Census is used every ten years to determine the number of Congressional seats per state, and the level of federal dollars flowing to states.)
- **Funding for the Appalachian Regional Commission**, up to $155 million. (Ohio has 30 counties that are considered part of Appalachia.)
- **Full funding of $300 million for the Great Lakes Restoration Initiative**. The President's budget proposed a 90% funding cut for this program. Many of Ohio's delegation members, on a bipartisan basis, supported increased funding to protect and restore the Great Lakes.
- **Funding for salaries and expenses for enhanced cybersecurity for systems operated by the Department of Treasury**, up to $24 million. (This funding is important to help address cyber threats throughout our monetary system.)
- **Funding for election reform activities and the Federal Elections Commission**. (This is particularly important with the upcoming November elections.)
- **Funding up to $1.652 billion for the Securities and Exchange Commission, with increased dollars for information technology**. There is a restriction that none of the funds may be used to finalize, issue, or implement any rule, regulation, or order regarding the disclosure of political contributions, contributions to tax-exempt organizations, or dues paid to trade associations.
- There is a restriction that **none of the funds appropriated may be used to provide a Federal employee's home address to any labor organization** except when the employee has authorized such disclosure, or when such disclosure has been authorized by a court of competent jurisdiction.
- **Grants to the States for Medicaid are funded at $284,798,384,000, and remain available until expended.**
- **Funding in the amount of $500,368,000 for the Medicare Integrity Program to conduct oversight activities for Medicare Advantage** under Part C, and the Medicare Prescription Drug Program under Part D of the Social Security Act.
- **Funding for Health Information Technology** in the amount of $60,367,000 for grants, contracts, and cooperative agreements.
- **Funding for the Project SERV program, Project School Emergency Response to Violence**, in the amount of $5 million.
- **A restriction was included in the General Provisions, Section 301, for the Department of Education that none of the funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system**, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

- **A restriction was included in the General Provisions, Section 302, for the Department of Education, that none of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964**. The prohibition does not include magnet schools.
- **Funding for administrative expenses for Social Security and SSDI were provided.** There are concerns that funds for SSDI and Supplemental Security Income (SSI) programs are not sufficient for the 13 million disabled adults or those with severe illnesses. SSI serves 1.2 million children.
- **Funding for infrastructure investment,** for capital investments in surface transportation, in the amount of $1.5 billion through September 30, 2020.
- **In Title V—the "STOP School Violence Act," provisions were added**, which stands for Student, Teachers, and Officers Preventing School Violence Act of 2018.
- **The bill included provisions that related to the Pass-Through Period and Payment Rules for certain new drugs and biologicals.**
- **Several tax technical corrections were included,** some stemming from previous tax changes and the Tax Cuts and Jobs Act.

PRIVATE MULTI-EMPLOYER PENSION PLANS

The Joint Select Committee is expected to report its findings before the last week of November. Both Senators Portman and Brown have been named to the Committee. Ms. Laurel Johnson and I continue to engage with congressional staff on the difference between private sector multi-employer plans and Ohio's public pension plans.

SCHOOL SAFETY ISSUES

On Sunday, March 11, 2018, President Trump announced a series of suggestions for "school hardening" in four areas:

- Hardening security at schools;
- Improving background checks for people purchasing firearms;
- Improving the mental health system; and
- Establishing a Commission, to be chaired by Secretary of Education, Betsy DeVos, to develop recommendations for policy and funding proposals for school violence prevention.

In the news release, Secretary DeVos said, "Today we are announcing meaningful actions, steps that can be taken right away to help protect students. Far too often the focus has been only on the most contentious fights — the things that have divided people and sent them into their entrenched corners. But the plan that we're going to advance and talk about is a pragmatic plan to dramatically increase school safety and to take steps to do so right away."

Funding for the "STOP School Violence Act" which stands for Student, Teachers, and Officers Preventing School Violence Act of 2018, was included in the Omnibus bill.

OWNERSHIP OF GUNS STOCKS

Continued scrutiny has occurred this past month as public pension funds across the country have been asked whether they own stock in gun manufacturers and companies that sell or engage in the distribution of guns and ammunition. Some pension funds have been contacted by media outlets and shareholders, asking whether the Boards of Trustees will be taking any action to divest from these companies.

On March 26, Rep. Joyce Beatty (D-OH) introduced H.R.5410, the Safer NOW Act, to improve public safety through sensible reforms to firearms regulations. There are no co-sponsors yet.

Another bill, H.R. 5087, was introduced to ban assault weapons. It has 175 co-sponsors including all Ohio Democratic delegation members: Kaptur, Fudge, Ryan, and Beatty.

FINANCIAL REGULATORY REFORM

The Economic Growth, Regulatory Relief, and Consumer Protection Act passed in the Senate on March 22. The bill passed with a vote of 67-32, with Senator Sherrod Brown (D-OH) voting "No," and Senator Rob Portman (R-OH) voting "Yes." It moved forward after a motion to proceed passed with several Democratic votes. The discussion, which began last year, centered on whether some of the Dodd-Frank Act provisions had become too onerous and costly for community banks, credit unions, and smaller financial institutions. Almost eight years after the passage of Dodd-Frank in 2010, which was enacted after the Great Recession in 2008, most of the provisions that required banks to reduce leverage, report on material risks and end proprietary trading practices, were implemented. In a similar fashion after the passage of the Sarbanes-Oxley Act of 2002, smaller companies asked for additional time to implement or be exempted from those provisions. Both Republicans and Democrats agreed that a roll back of some of the measures under the Dodd-Frank bill would be acceptable.

During the Senate Banking Committee hearing in March, **Senator Sherrod Brown (D-OH), who is the Committee's Ranking Member, said, "This legislation threatens to undo important rules protecting us from risk, and again puts taxpayers on the hook for bailouts."**

The Senate bill amended the law to allow smaller financial institutions to waive several requirements for residential-mortgage loans. Changes to mortgage-lending provisions for appraisals, mortgage data, licensing of loan originators, and escrow requirements were changed. There were changes made to the requirements for stress testing and the use of municipal bonds for purposes of meeting liquidity requirements.

The bill would exempt all banks with less than $250 billion in assets from tighter Federal Reserve oversight by raising the threshold at which a bank or firm is considered "systemically important." With the increased threshold, it was reported that only about a dozen U.S. banks, including JPMorgan Chase, Bank of America, and Wells Fargo would continue to be subject to the heightened restrictions. Fifth-Third, an Ohio-based bank, is below the $250 billion threshold.

The bill also exempted smaller financial institutions from the "Volcker Rule," which prohibits banks from engaging in proprietary trading. The Senate gave direction to the Treasury Department and related federal agencies to promulgate new rules.

The legislation will now move back to the House, where the Senate version will need to be compared with the passed House bill that contained even more favorable changes for community banks, credit unions, and small financial institutions. Rep. Jeb Hensarling (R-TX), the outgoing Chairman of the House Financial Services Committee, said that he has a list of 29 conditions that must be met before the House will finalize the bill.

As the debate ensued, Rep. Hensarling was able to include two provisions in the Omnibus bill, namely a provision to amend the Securities and Exchange Commission's regulation of business development companies (BDC), which buy equity in firms and sell publicly traded shares to retail investors. Rep. Steve Stivers (R-OH) has been a proponent of this change, and introduced a bill to accomplish this action. Some Democrats expressed concerns because the BDCs could expose investors to more risks. The other change included language to help small businesses that have been impacted by natural disasters.

Another bill, H.R.4607, was passed in the House on March 6. The "Comprehensive Regulatory Review Act," will require the more frequent review of all financial regulations. Rep. Steve Stivers (R-OH) was one of nine co-sponsors. The bill passed with a vote of 264-143. All Republican delegation members supported the bill, with the exception of Rep. Stivers who did not vote. All Democratic Ohio delegation members voted against the bill.

INFRASTRUCTURE

President Trump continues to advance the need for more infrastructure funding. While the Omnibus bill provided funding for some development, he believes there are opportunities for more public-private partnerships. On March 6, the House Committee on Transportation and Infrastructure held a hearing on "Examining the Administration's Infrastructure Proposal." The Honorable Elaine Chao, Secretary of Transportation, U.S. Department of Transportation, testified before the Committee chaired by Rep. Bill Shuster (R-PA). The Committee has held three additional hearings on the topic. Rep. Bob Gibbs (R-OH) is the only member of the Ohio delegation who serves on the Committee.

The National Council on Teacher Retirement (NCTR) hosted a webinar on March 13 to discuss Infrastructure and Public Plans. Panelists included Jill Eicher, Senior Advisor, Bipartisan Policy Center; Andrew Palmer, Chief Investment Officer, Maryland State Retirement and Pension System; and Paul Shantic, Director of the Inflation Sensitive asset class, CalSTRS. The webinar was recorded and is available here: http://www.nctr.org/federal-government-relations/federal-webinar/

U.S. SUPREME COURT

On March 28, the Supreme Court heard oral arguments in the Maryland redistricting case, filed by Republicans against the alleged gerrymandered congressional district maps drawn by Democrats. The case is a flip from the one filed in Pennsylvania by Democrats, alleging that Republicans had drawn congressional districts that favored Republicans. In that case, the Supreme Court declined to intervene on an emergency request to block action, meaning that the Pennsylvania Supreme Court's decision to invalidate the drawn congressional districts and replace them with a court-drawn plan would stand if the parties could not come to agreement.

The Supreme Court heard arguments earlier in the term on the Wisconsin redistricting plan. Both cases should be decided before the end of the term.

In Ohio, the efforts by the General Assembly and interested stakeholders ended without an agreement. Citizens were able to garner enough signatures to place Issue 1 on the May 8 ballot. Issue 1 creates a bipartisan, public process for drawing legislative districts.

In March, former Governors Bob Taft and Ted Strickland authored an op-ed piece that was published in the Columbus Dispatch that "urged Ohioans to stand with us and vote YES on Issue 1 on May 8."

HEALTH CARE

The Omnibus bill did not contain a legislative solution which Senators Susan Collins (R-ME), Patty Murray (D-WA), and Lamar Alexander (R-TN) hoped would be included to address the funding of federal subsidies to help stabilize the ACA market. Each Senator expressed deep disappointment that the House did not include their proposed language. By the time the bill arrived in the Senate, there was no interest in modifying it to include this language or funding. The final bill did not include health savings account improvements or retroactive relief from the Affordable Care Act employer mandate penalties or ACA reporting requirements that the benefits and employer community wanted. The American Benefits Council and other organizations that represent employers were advocating for these changes.

PhRMA and several drug makers had lobbied Congress to place language in the Omnibus bill to change the requirement that will make them responsible for 70 percent of the prescription costs for seniors who reach the "donut hole" in 2019. The "donut hole" is a gap in Medicare drug coverage that develops in which beneficiaries are responsible for prescription costs, up to a certain dollar amount. Insurers claimed a win because PhRMA was not able to transfer the costs to them.

H.R.2212, the "Creating and Restoring Equal Access to Equivalent Samples Act of 2017," known as the "CREATES Act," was introduced last April 2017. The bill received bipartisan support, with one

Ohio co-sponsor, Rep. Marcy Kaptur (D-OH). The bill would promote competition in the market for drugs and biological products by facilitating the timely entry of lower-cost generic and biosimilar versions of those drugs and biological products. The bill was an attempt to address the anti-competitive actions that some brand-name manufacturers employ to delay the development and distribution of generic drugs. The bill was favorably scored by CBO, meaning that the implementation could save the federal government more than $3 billion over 10 years.

Earlier in March, the House failed to pass the "Right to Try" bill that was introduced to help terminally ill patients access experimental medications. President Trump mentioned "Right to Try" during his State of the Union speech at the beginning of the year. According to news reports, at least thirty-eight states, including Ohio, have already enacted "Right to Try" legislation. The Senate passed S.204, the "Trickett Wendler, Frank Mongiello, Jordan McLinn, and Matt Bellina Right to Try Act of 2017," by unanimous consent in August 2017. On March 21, the House ultimately passed the legislation, sending it to the Senate for final confirmation. All four Ohio Democratic delegation members voted against the bill. All Ohio Republican delegation members voted for the bill.

On March 25, the Columbus Dispatch ran an article that some independent Ohio pharmacies claimed they were forced to overcharge for certain prescriptions and could not disclose information to patients to help them save money. They also said that the practice was "driving out retail competition by paying lower rates to pharmacists who fill prescriptions for Medicaid patients — rates that are sometimes less than the cost of the drugs — and keeping the savings."

On April 4, the Ohio Department of Insurance issued a bulletin requiring "heightened protections for Ohio consumers related to prescription drug prices. As consumers face rising health care costs, the bulletin provides Ohioans with better information that could help them save money on prescription drugs." The Department of Insurance also prohibited charging consumers more for their prescription medication than it would cost if they paid without insurance, or out of pocket. "Needlessly charging Ohioans more for their prescriptions by keeping them in the dark is not defensible," said Department of Insurance Director Jillian Froment. A copy of the news release can be viewed here: http://insurance.ohio.gov/Newsroom/Pages/04042018PrescriptionDrugTransparency.aspx

On March 6, Health and Human Services Secretary Alex Azar said that the Trump administration will take steps to make it easier for patients to access their health records, encourage health providers to be more transparent about costs of procedures and services, and remove regulations that "impede" innovation. He indicated that the agency will begin experimenting with HHS with payment models in Medicare and Medicaid to "drive value and quality. If we don't change those, nothing will change," he said. "Only Medicare and Medicaid have the heft, the market concentration, to drive this kind of change, to be a first mover."

SOCIAL SECURITY

The month of April has been designated "National Social Security Month." The Social Security Administration (SSA) is encouraging participants to view their Social Security statements online for accuracy. In the announcement, the SSA said, "In April, we celebrate National Social Security Month, a month dedicated to educating the public about who we are, why we exist, and the programs and services available to help them Secure Today and Tomorrow."

Beginning in April, the SSA will begin mailing new Medicare cards without Social Security numbers in an effort to help tamp down identify theft. The cards will be mailed out over the course of several months to participants at their last addresses on file with Social Security. On the official website, SSA has provided more information about the new Medicare cards at https://go.medicare.gov/newcard.

H.R.1205, the "Social Security Fairness Act of 2017," which would repeal GPO and WEP, still has 176 co-sponsors as of April 4. Seven representatives from Ohio are co-sponsors, including Representatives Michael Turner (R-OH), David Joyce (R-OH), Tim Ryan (D-OH), Joyce Beatty (D-OH), Marcia Fudge (D-OH), Steve Stivers (R-OH), and Marcy Kaptur (D-OH). The bill was referred to the

House Ways and Means Subcommittee on Social Security on March 6, 2017, and has not moved forward.

Senator Sherrod Brown (D-OH) introduced S.915 on April 24, 2017, the Senate version of the "Social Security Fairness Act of 2017," a bill to amend Title II of the Social Security Act and repeal GPO and WEP. Thus far, there are 22 cosponsors on the bill, including four Senate Republicans: Susan Collins (ME), Lisa Murkowski (AK), Dean Heller (NV), and John Kennedy (LA). Senator Rob Portman (R-OH) is not one of them. The bill has been referred to the Committee on Finance, however, it has not advanced out of Committee.

On March 26, the Senate passed the "Strengthening Protections for Social Security Beneficiaries Act of 2018. The House previously passed a similar bill, H.R.4547, with a vote of 396-0 and therefore, the bill is on the way to the President to sign. AARP issued a press release, praising Congress for strengthening the monitoring of representative payees who are named to assist recipients who are unable to handle their own Social Security accounts.

<u>RETIREMENT SECURITY</u>

Senator Orrin Hatch (R-UT) introduced S.2526, the "Retirement Enhancement and Savings Act of 2018," also called "RESA." Senator Ron Wyden (D-OR) is the co-sponsor, indicating that the bill is a bipartisan piece of legislation to amend the "Internal Revenue Code of 1986 to encourage retirement savings, and for other purposes." When we met with Senator Portman's staff in late February, we were told that the Senator was interested in the bill's provisions and was working with NAGDCA on it. H.R.5282 is the companion bill in the House.

<u>OTHER MATTERS OF INTEREST</u>

Rep. Marcy Kaptur (D-OH), whose given name is Marcia Carolyn Kaptur, was recognized in the House of Representatives for becoming the longest serving female member in the House. Rep. Kaptur began serving Ohio's 9th Congressional District in 1983. She is in her 18th term in the House and has served during the terms of six presidents.

Governor of Puerto Rico, Riccardo Rosello, issued his response to criticism from Rep. Rob Bishop (R-UT), chair of the House Committee on Natural Resources that the administration and the Oversight Committee are not moving fast enough to address Puerto Rico's deepening debt. Recently, the Oversight Board recommended that Puerto Rico take steps to move to a defined contribution plan, implement pension cuts to its retirees, and address other debt reduction strategies for its bondholders.

The Trump Administration announced that the 2020 Census would contain a question on citizenship, with the intended goal to assist the federal government in aligning services for its citizens.

In a surprise move, the Kentucky General Assembly passed sweeping pension changes last week, leading to a rally by teachers and school personnel on Monday, April 2 at the Capitol. Republican legislators attached a set of pension changes to an unrelated bill to address public sewage issues. Both the House and Senate approved the measures on party-line votes, sending the bill to Governor Matt Bevin.

On March 8, Cigna announced that it agreed to buy Express Scripts, the nation's largest pharmacy benefit manager, in a $52 billion deal that is another acquisition that will consolidate health care companies.

On March 6, Bloomberg reported that Senators Elizabeth Warren (D-MA) and Steve Daines (R-MT) reintroduced the "Retirement Savings Lost and Found Act of 2018." The bill would create an Office of Retirement Savings Lost and Found to serve as a clearinghouse for retirement plan information and to require that employers provide data into a national searchable database. Plan participants could utilize the database to locate missing 401k money or benefits as they moved between jobs.

The Department of Labor's fiduciary rule was vacated by a federal court on March 16. The rule requires that financial advisors and retirement planners act as fiduciaries and consider what is in the best interests of their clients. The rule was met with strong opposition since the Obama Administration promulgated it at the end of President Obama's last term. While the Trump Administration has not voiced strong support for the rule, it did push the enforcement out until July 2019.

ACTIVITIES:

1. Reviewed the House and Senate versions of the Omnibus bill for items of interest.
2. Reviewed the proposals for school hardening solutions and prepared a memorandum to SERS.
3. Registered and listened to the NCTR webinar on March 15 on the IPERS account takeover cyber-attack.
4. Registered and listened to the NAGDCA webinar on Benchmarking: Measuring Success, with a federal update from their federal liaison on the Tax Cuts and Jobs Act. NAGDCA is seeking a few changes to support defined contribution plans as additional savings opportunities for public employees.
5. Made phone calls and sent emails to clarify multi-employer public pension plans from private-sector plans.
6. Continued to request letters of support for the SERS Wraparound Program from Ohio delegation members. Rep. Tim Ryan (D-OH) has already provided a letter.
7. Attended the spring conference of the Council of Institutional Investors (CII), in Washington, D.C.
8. Participated on the monthly call with the public pension systems' Government Relations Network to discuss action in Congress and pension-related legislative activity in other states.
9. Monitored bills relating to public pensions, health care, the federal budget, tax reform, opioid issues and Social Security.
10. Reviewed bills that were introduced by members of the Ohio delegation or other House/Senate members on issues that could impact SERS, retirement security, and/or health care.
11. Made calls and sent/responded to emails with representatives from SERS.
12. Monitored relevant House and Senate Committee hearings and testimony offered.
13. Reviewed public notices or proposed rules from the SEC and HHS/CMS.
14. Monitored news organizations and websites, such as the Social Security Administration, ABC, AARP, and other organizations for pension, investment, and health-related issues.
15. Reviewed reports and newsletters from interested party representatives from organizations such as CII, NASRA, NCTR, NCPERS, the Public Sector Healthcare Roundtable, and similar organizations.
16. Prepared the monthly Federal Update.

FY2018 SERS ADMINISTRATIVE BUDGET AMENDMENT

Catherine Moss moved and James Haller seconded that the FY2018 Administrative Capital budget be modified as presented today effective April 19, 2018. The modification reallocates $165,000 earmarked for the purchase of software to support SERS' electronic records retention process, to the following two items: (1) Employer Services training environment; and (2) Virtual Data Center ESC server replacement. Upon roll call, the vote was as follows: Yea: James Rossler, Jeffrey DeLeone, Hugh Garside, James Haller, Christine Holland, Catherine Moss, Barbra Phillips, Beverly Woolridge and Daniel Wilson. The motion carried.

REVIEW DRAFT ADMINISTRATIVE BUDGET FOR THE ORSC

Executive Director Richard Stensrud presented the FY2019 Draft Administrative Budget in the standard format required by the Ohio Retirement Study Council (ORSC). The ORSC required documents include FY2018 and FY2019 operating, capital, staff training and travel budget comparisons, investment expenses obtained from the CAFR, a ten-year categorization of Board expenses and membership statistics. Mr. Stensrud noted that staff are in the process of finalizing the budget for FY2019, therefore, the expanded budget document will be presented and discussed in greater detail during the May Board meeting.

FINAL FILING OF PROPOSED AMENDED ADMINISTRATIVE RULES

Legal Counsel discussed with the Retirement Board the following proposed amended administrative rules: 3309-1-03, Staff authority and appeals; 3309-1-09 Federal taxation; 3309-1-21 Estimated retirement allowances; and 3309-1-38, Interest rate, that have been reviewed by JCARR and are ready for final adoption by the Board.

Hugh Garside moved and Barbra Phillips seconded that the proposed amended rules 3309-1-03, 3309-1-09, 3309-1-21, and 3309-1-38 be adopted. Upon roll call, the vote was as follows: Yea: James Rossler, Jeffrey DeLeone, Hugh Garside, James Haller, Christine Holland, Catherine Moss, Barbra Phillips, Beverly Woolridge and Daniel Wilson. The motion carried.

3309-1-03 Staff authority and appeals.

(A) The school employees retirement board authorizes its administrative staff to make determinations on member and benefit matters in accordance with Chapter 3309. of the Revised Code, this chapter, and policies of the retirement board. This authority includes, but is not limited to, membership, compensation, benefits, and employer reporting matters. Final determinations by the staff may be appealed to the retirement board pursuant to this rule.

(B) Except as provided in rules 3309-1-40 and 3309-1-41 of the Administrative Code, any affected person may appeal a final determination of the staff of the school employees retirement system as provided in this rule.

(C)

(1) A notice of appeal shall be submitted to the executive director in writing, and must be received by the retirement system no more than thirty days after the date of the final staff determination is issued. It shall state the determination to be reviewed, the basis for the review, and whether a personal appearance before the retirement board is requested.

(2) The retirement system shall notify the person of the time and place of the personal appearance, if one was requested, and the deadline for submitting any documentation the person wants the retirement board to consider on appeal.

(D)

(1) The retirement board shall review each appeal and determine whether to uphold the staff determination based upon information in the files of the retirement system.

(2) The affected persons and their representatives shall be notified of the retirement board's determination which shall be final.

(E) Any notice required or permitted to be given by the retirement system under this rule shall be sent by regular U.S. mail by the administrative staff of the retirement system addressed to the last address on file in the records of the retirement system.

3309-1-09 Federal taxation.

(A) For purposes of this rule, “benefit” refers to a payment from the accumulated contributions of the member or the employer, or both, under Chapter 3309. of the Revised Code and includes an account refund, pension, annuity, disability benefit, or survivor benefit.

(B) Notwithstanding any provision in rules of school employees retirement system ("SERS") or Chapter 3309. of the Revised Code to the contrary, distributions to members and beneficiaries shall be made in accordance with section 401(a)(9) of the Internal Revenue Code of 1986, 26 U.S.C. 401(a)(9), and the following:

(1) The entire interest of a member shall be distributed to the member:

(a) Not later than the required beginning date; or

(b) Beginning not later than the required beginning date over the life of the member and a designated beneficiary within the meaning of section 401(a)(9) of the Internal Revenue Code.

(2) The required beginning date means April first of the calendar year following the later of:

(a) The calendar year in which the member attains age seventy and one half years of age; or

(b) The calendar year in which the member retires.

(3) If distribution of a member's benefit has begun in accordance with section 401(a)(9) of the Internal Revenue Code, and the member dies, any survivor benefits will be distributed at least as rapidly as under the plan of payment selected and effective as of the date of the member's death.

(4) If a member dies before the distribution of the member's interest has begun in accordance with section 401(a)(9) of the Internal Revenue Code, the entire interest of the member will be distributed within five years after the death of such member. However, if a benefit is payable to or for the benefit of a designated beneficiary within the meaning of section 401(a)(9) of the Internal Revenue Code, the benefit may be distributed, in accordance with applicable regulations, over the life of such beneficiary, or over a period not extending beyond the life expectancy of the beneficiary, provided that such distributions begin not later than one year after the date of the member's death. If the beneficiary is the surviving spouse of the member, distributions shall not be required to begin, pursuant to this section, until the end of the calendar year in which the member would have attained age seventy and one-half. When the beneficiary is the surviving spouse and the surviving spouse dies before distributions commence, then the surviving spouse shall be treated as the member for purposes of this rule.

(5) Any death benefit amount payable under Chapter 3309. of the Revised Code must comply with the incidental death benefit requirements of section 401(a)(9)(G) of the Internal Revenue Code.

(C) When the retirement system is required to make a distribution in accordance with section 401(a)(9) of the Internal Revenue Code, and a member or retirant does not respond after notification of such event, the following shall apply notwithstanding any provision in SERS rules or Chapter 3309. of the Revised Code to the contrary.

(1) If the member is not eligible for a retirement allowance pursuant to section 3309.34 or

3309.35of the Revised Code, the retirement system shall refund the member's account as authorized in section 3309.42 of the Revised Code.

(2) If the member is eligible for a retirement allowance pursuant to section 3309.34 or 3309.35 of the Revised Code, the retirement system shall calculate and pay a benefit as authorized in section 3309.36 or 3309.343 of the Revised Code, as a plan B, effective on the required beginning date as provided in paragraph (A)(2) of this rule.

(a) The member cannot purchase or receive any service credit after the effective date of the retirement allowance.

(b) A member who commences receipt of a retirement allowance under this rule, and who is married, may, not later than one year after the payment commenced, elect a plan of payment under division (B)(1), (B)(3)(b), or (B)(3)(c) of section 3309.46 of the Revised Code provided the spouse is named as the beneficiary. The election shall be made on a form provided by the retirement system and shall be effective on the later of the effective date of the retirement allowance or the marriage. Any overpayment may be recovered as provided in section 3309.70 of the Revised Code.

(c) If the member also was eligible for health care coverage pursuant to SERS rules and Chapter 3309. of the Revised Code, the member may, not later than sixty days after the commencement of payment of the retirement allowance, enroll for such health care coverage on a form provided by the retirement system. The effective date shall be no earlier than the first of the month after the retirement system receives the member's enrollment form.

(3) If the retirant is eligible for a benefit pursuant to section 3309.344 of the Revised Code, the retirement system shall calculate and pay a single lump sum benefit as authorized in section 3309.344 of the Revised Code. If such retirant also is eligible for an annuity, the retirant may return the lump sum payment within sixty days of the receipt of the payment and request an annuity on a form provided by the retirement system.

(4) If the benefit payment of a deceased member's spouse is subject to section 401(a)(9) of the Internal Revenue Code, then the retirement system shall treat the spouse as if the spouse was the member for the purposes of this rule.

(D)

(1) Effective for the limitation year beginning on January 1, 2012, the final regulations promulgated April 5, 2007 with respect to section 415 of the Internal Revenue Code, 26 U.S.C. 415 are incorporated herein by reference. The 5.5 per cent interest rate assumption established by the Pension Funding Equity Act of 2004, which is applicable to any actuarial adjustments required because the member or retirant elects a form of payment to which section 415(b)(2)(E) of the Internal Revenue Code and section 417(e)(3) of the Internal Revenue Code, 26 U.S.C. 417(e)(3) apply based on the form of benefit and not the status of the plan, shall be effective as of that same date.

(2) "Limitation year" is the year used in determining whether the limits set forth in section 415 of the Internal Revenue Code have been exceeded with respect to a member or retirant in the plan describe in sections 3309.18 to 3309.70 of the Revised Code. The limitation year for the plan is the calendar year.

(E) Effective January 1, 2007, to the extent required by section 401(a)(37) of the Internal Revenue Code, 26 U.S.C. 401(a)(37) and notwithstanding any provision in Chapter 3309. of the Revised Code to the contrary, the survivor of a member on a leave of absence to perform military service with reemployment rights described in section 414(u) of the Internal Revenue Code, 26 U.S.C. 414(u), where the member cannot return to employment on account of his or her death, shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would be provided under Chapter 3309. of the Revised Code had the member resumed employment and then terminated employment on account of death.

(F) If there is a termination of the plan described in Chapter 3309. of the Revised Code or a complete discontinuance of contributions to the plan, the rights of each affected member, retirant, and beneficiary to the pension, annuity, or benefits accrued at the date of termination or discontinuance of contributions, to the extent then funded, are non-forfeitable.**3309-1-21 Estimated retirement allowances.**

(A) For purposes of this rule:

(1) "Final retirement allowance" means a monthly retirement allowance paid pursuant to section 3309.35, 3309.36 or 3309.46 of the Revised Code that the retirement system calculates after the employer certifies the final contributions and service credit made on behalf of the member.

(2) "Estimated retirement allowance" means a monthly retirement allowance paid pursuant to section 3309.35, 3309.36 or 3309.46 of the Revised Code prior to the certification of a member’s final contributions and service credit and the calculation of the final retirement allowance.

(B) A member retiring on or after March 1, 2014 under section 3309.35, 3309.36 or 3309.46 of the Revised Code who meets the following requirements shall receive an estimated retirement allowance:

(1) The retirement system has received the member’s application for age and service retirement and all required forms and documents necessary to process the retirement application at least thirty days prior to the effective date of retirement.

(2) The member has sufficient service credit in this system to retire under section 3309.34 of the Revised Code, not including the following:

(a) Any additional service that may be credited following receipt of the certification of final deposits from the employer; and

(b) Service credit purchases not completed at least thirty days prior to the benefit effective date.

(C) Notwithstanding paragraph (B) of this rule, an estimated retirement allowance will not be issued if:

(1) The member elects to receive health care coverage and the amount of the benefit recipient’s health care premium will exceed the amount of the estimated retirement allowance; or

(2) The member’s retirement allowance is subject to any court order.

(D) An estimated retirement allowance shall be calculated using the accumulated contributions and service credit available in the account of the member at the time the retirement application is received. The retirement system shall calculate the final retirement allowance following the receipt of the employer’s certification of final deposits and all contributions on behalf of the member.

(1) If no additional contributions are received by the retirement system, the estimated retirement allowance shall be the final retirement allowance.

(2) If the final retirement allowance is greater than the estimated retirement allowance the retirement system shall begin paying the greater amount on the first of the month next following receipt of the additional contributions. The retirement system shall issue a

retroactive payment for the difference between the total amount paid as estimated retirement allowances and the amount that would have been paid had the member received payments in the amount of the final retirement allowance.

(3) If the final retirement allowance is less than the estimated retirement allowance, the retirement system shall begin issuing the final retirement allowance on the first of the month next following receipt of the certification of the member’s final contributions and the retirant shall repay any overpayment to the retirement system pursuant to section 3309.70 of the Revised Code.

(E) In order to change a retirement plan selection, including an election to take or change a partial lump sum option payment, a member must withdraw their retirement application in accordance with rule 3309-1-33 of the Administrative Code and file a new application.

(F) If the member elects to receive a partial lump sum option payment pursuant to division (B)(4) of section 3309.46 of the Revised Code, the retirement system shall make such payment following the calculation of the final retirement allowance under paragraph (D) of this rule.

3309-1-38 Interest rate.

(A) Except as otherwise provided in Chapter 3309. of the Revised Code or SERS rules, the rate of compound interest for the purchase or restoration of service credit under Chapter 3309. of the Revised Code or SERS rules shall be the rate guaranteed by the retirement board at time of purchase, as recommended by the actuary, and such rate of compound interest shall be applied to the entire period purchased or restored.

Effective: 04/01/2013
Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.01(I), 3309.021, 3309.022, 3309.26, 3309.31, 3309.451, 3309.473, 3309.474, ~~3309.58~~ 3309.73, 3309.75
Prior Effective Dates: 12/24/76, 2/1/92, 1/2/93, 11/1/96, 11/9/98, 5/2/01, 2/11/02, 5/9/03

Following, Executive Director Richard Stensrud acknowledged Health Care Director Anne Jewel and stated that she would be retiring within the next couple of months. Mr. Stensrud thanked Ms. Jewel for her commitment and service to SERS' members and retirees. Mr. Stensrud then acknowledged Assistant Health Care Director Christi Pepe, who will assume the role of Health Care Director upon Ms. Jewel's retirement. Thereafter, Mr. Stensrud acknowledged Program Coordinator Penny Baker, who will assume the role of Assistant Health Care Director.

HEALTH CARE 2019 PLANNING

Anne Jewel, Director of Health Care Services and Christi Pepe, Assistant Director, addressed the Board on the 2017 experience in the health care program and potential 2019 benefit changes.

Experience Review: Health Care expects FY2018 to be a positive year for the Health Care Fund for a number of reasons. Changes to federal law mean no health insurer fee for 2018, a good investment climate and resumed employer contribution into the fund.

In addition, 2017 saw a very modest increase in health care expenses in the Aetna Medicare program and a sharp decrease in expenses in the non-Medicare Aetna plan. Much of the decrease can be attributed to the two initiatives undertaken by staff during 2017, the effects of the Early Medicare program began to be noticed and the Marketplace Wraparound plan.

At the end of 2017, enrollment in the SERS Marketplace Wraparound Coverage reached a total of 492 retirees. The per member per month cost for those in the Wraparound Plan is $57, significantly less than the cost in the group plan.

Potential 2019 Changes: The consulting firm of Willis, Towers, Watson was engaged last fall to review the current health care program. Willis recommended that SERS:

- Re-contract with Aetna. The consultants' review of the Aetna Medicare Advantage Plan found that it is performing well financially, and that the Aetna non-Medicare plan administrative fees are well within the industry standard.

- Re-bid the prescription drug contract, which is underway. Since the contract was last bid, there have been market changes that may result in more favorable terms and pricing. Ms. Jewel noted later in the presentation that potential outcomes of a re-bid might result in a new vendor, a narrower network, formulary changes, or new programs.

- Regional medical plan reviews. SERS offers a regional Paramount Medicare plan in the Toledo area, and AultCare/PrimeTime plans in the Canton/Akron areas. Staff will be reviewing forthcoming rates from these vendors to see if they are still competitive and bring value to the program.

Staff is suggesting a change in the way SERS administer the Premium Discount Program. The program provides a 25% reduction in monthly SERS health care premiums to qualifying low-income households. Because the Discount Program has similar qualifying levels to the Medicare Extra Help assistance program, staff proposes automatically enrolling health care participants approved for Extra Help into the Discount Program. Also, this group would not be required to re-apply each year. Staff will encourage any Discount Program enrollees not enrolled in Extra Help, to apply.

Ms. Jewel discussed proposed benefit changes to the Medicare and non-Medicare plans for 2019 and Ms. Pepe closed by speaking on how SERS is working with Aetna on plan cost and quality improvements for the non-Medicare plan. This collaboration includes discussions on how to improve the overall health outcomes for plan enrollees and ways to encourage enrollees to seek out high performing providers who have proven better health outcomes.

Concluding the Health Report, the Board took a break at 10:39 a.m., and reconvened at 11:00 a.m.

MEMBERSHIP APPEAL

SERS member Timothy Hale, along with attorney, Matthew John Markling, presented oral arguments to the SERS Board of Trustees to appeal the Final Staff Determination that no service credit may be granted for Mr. Hale’s volunteer football coaching position with the Springboro Community City Schools during the 1985-1986 school year.

Following discussions, the Board requested that the minutes reflect the decision made below is with regret, based upon information submitted.

TIMOTHY HALE APPEAL - AFFIRM FINAL STAFF DETERMINATION

James Rossler moved and Beverly Woolridge seconded to affirm the Final Staff Determination that no service credit may be granted for Timothy Hale’s volunteer football coaching position with the Springboro Community City Schools during the 1985-1986 school year. Upon roll call, the vote was as follows: Yea: James Rossler, Jeffrey DeLeone, Hugh Garside, James Haller, Christine Holland, Catherine Moss, Barbra Phillips and Beverly Woolridge. Nay: Daniel Wilson. The motion carried.

SUSTAINABILITY DISCUSSION

Chairman Daniel Wilson opened the floor for discussion on the approach to be taken for developing strategies to further pension sustainability. Mr. Wilson stated he believed the collective wisdom of the Board should be utilized in analyzing possible measures to ensure that SERS remains sustainable well into the future. Mr. Wilson recommended utilizing a consultant to help facilitate the development of a roadmap to further discussions.

The Board discussed several possible options, including bringing in a facilitator to drive the early stages of discussion. The Board also expressed the importance of including SERS’ advocacy groups in the discussion. Mr. Stensrud recommended that if a facilitator is utilized that it be someone who understands the nature of the retirement system business and the environment in which SERS operates.

At the Board’s request, Mr. Stensrud stated that he would develop a list of proposed facilitators for the Board to consider at the May meeting.

Following, the Board recessed at 12:50 p.m., and reconvened at 1:35 p.m.

EXECUTIVE SESSION

At 1:35 p.m., James Haller moved and Catherine Moss seconded the motion that the Board go into Executive Session pursuant to section 121.22 (G)(5) of the Ohio Revised Code to review applications for Disability Retirement Benefits. Upon roll call, the vote was as follows: Yea: James Rossler, Jeffrey

DeLeone, Hugh Garside, James Haller, Christine Holland, Catherine Moss, Barbra Phillips, Beverly Woolridge and Daniel Wilson. The motion carried.

The Board returned to open session at 2:20 p.m.

The Board continued with the review of calendar dates and future Board meetings. Board member Barbra Phillips stated that she would not be in attendance for the June 2018 Board meeting.

CALENDAR DATES FOR FUTURE BOARD MEETINGS

2018

May 24 and 25 (Thurs. and Fri.)
June 21 and 22 (Thurs. and Fri.)
July 19 and 20 (Thurs. and Fri.)
September 20 and 21 (Thurs. and Fri.)
October 18 and 19 (Thurs. and Fri.)
November 15 and 16 (Thurs. and Fri.)
December 20 and 21 (Thurs. and Fri.)

NOTE: The above dates are **tentative.

BOARD INFORMATION REQUESTS AND FOLLOW-UP ITEMS

Executive Director Richard Stensrud continued by reviewing new, open and closed information items.

ADJOURNMENT

Daniel Wilson moved that the Board adjourn to meet on Thursday, May 24, 2018 for their regularly scheduled meeting. The meeting adjourned at 2:23 p.m.

____
Daniel Wilson, Board Chair

____
Richard Stensrud, Secretary