



**SERS Retirement Board
Compensation Committee
Meeting Agenda
February 17, 2022
7:30 A.M**

To Join Zoom Meeting:

<https://ohsers.zoom.us/j/91713774262?pwd=b2dyRGVjb1FRTEhVZy9rcjVRV2s5Zz09>

Meeting ID: 917 1377 4262 **Password:** 548686

To join by phone, dial: (929) 205-6099 and enter the meeting ID: **917 1377 4262** and password: **548686** when prompted.

1. Roll Call
2. Approval of **February 2, 2022**, Compensation Committee Minutes (R)
3. Executive session pursuant to R.C. 121.22 (G)(1) to discuss the compensation and employment of a public employee (R)
4. Adjournment (R)

SCHOOL EMPLOYEES RETIREMENT SYSTEM

COMPENSATION COMMITTEE

March 17, 2022

_____ A.M.

Roll Call:

Daniel Wilson	_____
Jeffrey DeLeone	_____
Hugh Garside	_____
James Haller	_____
Barbra Phillips	_____

Guests in Attendance:

School Employees Retirement System		COMPENSATION COMMITTEE MINUTES	
Preparer	Vatina Gray	Meeting Date:	February 2, 2022
Committee Chair	Daniel Wilson	<p>Committee roll call was as follows: Daniel Wilson, Jeffrey DeLeone, and James Haller. Absent: Hugh Garside and Barbra Phillips</p> <p>Also in Attendance: Joe Rice from CBIZ, SERS Board members Matthew King and Frank Weglarz. SERS Staff: Richard Stensrud, Joe Marotta, Michelle Miller, and Vatina Gray</p>	
Agenda	<ol style="list-style-type: none"> 1. Roll Call 2. Approval of December 16, 2021 Compensation Committee Minutes (R) 3. Compensation Study Presentation and Discussion - CBIZ 4. Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the compensation and employment of a public employee (R) 5. Adjournment 		
Discussion	<p>The special SERS Compensation Committee meeting began in open session at 1:09 p.m.</p> <p><u>ROLL CALL</u> The SERS Compensation Committee roll call was as follows: Daniel Wilson, Jeffrey DeLeone, and James Haller. Absent: Hugh Garside and Barbra Phillips. Also in attendance was Joe Rice from CBIZ, Lisa Reid from the Ohio Attorney General's Office, SERS Staff Joe Marotta, Michelle Miller, Vatina Gray, and other members of the public via Zoom.</p> <p><u>APPROVAL OF MINUTES</u> James Haller moved and Jeffrey DeLeone seconded the motion to approve the minutes of the Compensation Committee meeting held on December 16, 2021. Upon rollcall the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, and James Haller. Absent: Hugh Garside and Barbra Phillips. The motion carried.</p> <p><u>CBIZ COMPENSATION STUDY PRESENTATION & DISCUSSION</u> Joe Rice of CBIZ provided a summary of the SERS Compensation study and offered several recommendations to the SERS Compensation Committee. Mr. Rice provided an explanation of how the recommendations were created and what data was used to make the recommendation. Mr. Rice reported three SERS groups were identified that have different compensation standards. Investments (national recruitment), Executive (national recruitment), and Staff was the last consideration (local). Mr. Rice reported the compensation studie used a peer group for comparison and that peer groups will likely change over time. The group will change because the compensation survey is sent out annually but there is no requirement to provide their salary information around common pension system jobs. Mr. Rice stated five years from now, new pension funds may participate, and others may drop out which would change the peer group.</p> <p>Mr. Rice also reported compensation data should be reviewed at least every five years and it's suggested to review sooner not later as things are changing quickly.</p> <p>Following Mr. Rice's presentation, the committee members asked about the SERS review process. Mr. Stensrud explained that SERS has a very robust merit based compensation adjustment process that is approved by the board</p>		

each year. The manager or supervisor determines the level of increase for each employee each year. Performance is also reviewed throughout the year. A merit adjustment is recommended by supervisors and goes up the chain of command before anything is approved. The hope is that adjusting current salaries will help decrease turnover and help retain quality employees. The new salary structure will also help attract quality new hires when vacancies occur.

After further discussion, it was noted that the recommendations, if approved, would be effective for FY2023 budget year. SERS tends to underspend the budget and other variables make the salary increases affordable.

It was moved by Jeffrey DeLeone and seconded by James Haller that:

Whereas, SERS is committed to maintaining a high performance culture focused on providing excellent service to SERS' active members, retirees and participating employers; and

Whereas, in order to continue to be successful at its mission, SERS must be able to attract and retain qualified, skilled and motivated staff; and

Whereas, the SERS Board recognizes that to meet this goal, it is a best practice to conduct periodic compensation studies to assure the compensation for SERS staff positions both enables SERS to be competitive in the labor markets where SERS sources staff and is at an appropriate level relative to those markets; and

Whereas, the SERS Board recognizes that to secure the necessary and correct information for determining proper staff compensation, the best practice is to engage an independent consultant with experience in evaluating compensation at public retirement systems and who can identify the appropriate organizations, industries and geographic parameters for establishing reasonable compensation benchmarks; and

Whereas, the SERS Board further recognizes that in the current challenging labor market environment it is important to have comprehensive data to support compensation determinations;

NOW THEREFORE, BE IT RESOLVED the Compensation Committee has determined that: (1) The approach, analysis and findings of the engaged independent consultant – CBIZ Compensation Consulting – correctly identified the appropriate labor markets for SERS staff positions and the appropriate labor market benchmark compensation levels for SERS positions.; (2) The resulting salary grade and salary range adjustments recommended by CBIZ are reasonable and necessary for maintaining SERS' ability to attract and retain a high performing workforce; (3) The recommendations by CBIZ that the compensation levels be brought to at least the minimum of the new salary ranges and that adjustments be made to address pay compression within pay grades to keep salaries in line with experience are reasonable and necessary for maintaining internal pay equity; (4) The cost to make the compensation structure adjustments recommended by CBIZ is reasonable and reflective of prudent and responsible management of the compensation structure since the last compensation study; and (5) The 3.2% merit-based salary adjustment recommended by CBIZ for FY 22-23 is reasonable, supported by the economic data, and necessary to preserve the impact of the compensation structure adjustments.

	<p>Accordingly, the Compensation Committee recommends that the SERS Board adopt the foregoing determinations.</p> <p>Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, James, Haller, and Dan Wilson. Absent: Hugh Garside and Barbra Phillips. The motion carried.</p> <p>Mr. DeLeone thanked the committee and SERS leadership for their diligent hard work as we set out to put colleagues first. Mr. DeLeone stated he feels very good about the compensation study process.</p> <p>Dan Wilson added the Compensation Committee represents SERS and continues a legacy of being thoughtful and proactive to the benefit of the SERS members. Mr. Wilson stated he is proud to be part of the compensation review process.</p> <p><u>ADJOURN</u> Daniel Wilson moved that the Compensation Committee adjourn at 2:32 p.m.</p>
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	Action Items	Assigned Person	Due Date
Action Items			
Agenda for Next Meeting			

DRAFT

EXECUTIVE SESSION

_____ moved and _____ seconded the motion that the Committee convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the compensation and employment of a public employee.

IN EXECUTIVE SESSION AT _____ A.M./P.M.

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Daniel Wilson	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
Hugh Garside	_____	_____	_____
James Haller	_____	_____	_____
Barbra Phillips	_____	_____	_____

RETURN TO OPEN SESSION AT _____ A.M. / P.M.

ADJOURNMENT

_____ moved that the Compensation Committee adjourn to meet on _____
or the next compensation committee meeting.

The meeting adjourned at _____ a.m.

Daniel Wilson, Compensation Committee Chair