

School Employees Retirement System		COMPENSATION COMMITTEE MINUTES	
Preparer	Vatina Gray		Meeting Date: February 15, 2024
Committee Chair	Daniel Wilson	Committee roll call was as follows: Present: Daniel Wilson, Jeffrey DeLeone, James Haller, Barbra Phillips, and Aimee Russell. Also in Attendance: Lisa Reid, representative from the Ohio Attorney General's Office and SERS Staff: Richard Stensrud, Joe Marotta, and Vatina Gray.	
Agenda	1. Roll Call 2. Approval of December 21, 2023 Compensation Committee Minutes (R) 3. Rehire of Retiree Policy Discussion 4. SERS Succession Plan Review 5. Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee (R) 6. Adjournment		
Discussion	The SERS Compensation Committee meeting began in open session at 7:30 a.m. <u>ROLL CALL</u> The SERS Compensation Committee roll call was as follows: Daniel Wilson, James Haller, Barbra Phillips, and Aimee Russell. Absent: Jeffrey DeLeone. <u>APPROVAL OF MINUTES</u> Barbra Phillips moved and James Haller seconded the motion to approve the minutes of the Compensation Committee meeting held on December 21, 2023. Upon roll call the vote was as follows: Yea: James Haller, Barbra Phillips, Aimee Russell, and Daniel Wilson. Absent: Jeffrey DeLeone. The motion carried. <u>RETIREE REHIRE (RE-EMPLOYMENT) POLICY DISCUSSION</u> SERS Executive Director Richard Stensrud opened the meeting introducing the concept of succession planning and replacement planning. Succession planning is long term, replacement planning is to address a more immediate staffing need. The proposed draft re-employment policy states that if a person is eligible and interested, they can retire and immediately return to their former position to maintain continuity and as a result of rehire, there would be no breaks in service. This policy would not be utilized frequently and would only be used when it is in the best interest of SERS to do so. Mr. Stensrud continued, stating re-employment after retirement is not an entitlement. However, in certain situations individuals may possess institutional knowledge or other unique skills and experience that would benefit SERS in terms of project completion, program development, and/or staffing replacement initiatives. Committee Chair Dan Wilson suggested another way to handle the issue of a knowledgeable employee retiring is to provide an incentive for the individual to delay retirement vs. allowing the person to become eligible, retire, then come back. Mr. Stensrud responded, advising that an incentive could give the impression that certain employees are being treated better than others and that employees are not being treated equally. Committee member Barbra Phillips chimed in, stating she has no desire to see SERS become a staff of rehired retirees. Ms. Phillips continued, stating that SERS has had vacancies in the past and was able to move forward successfully until a replacement was found. Mr. Wilson agreed and stated although it may not work, it would be worthwhile to look at other options, including incentives, to retain employees who are eligible for retirement. <u>SERS SUCCESSION PLAN REVIEW</u>		

	Following a robust discussion, committee Chair Daniel Wilson thanked SERS staff for a job well done creating and supplying the SERS Succession and Replacement Planning Guide to the committee for review. The SERS Succession and Replacement Planning Guide establishes a strategic and systematic process of identifying critical or key positions in the organization and preparing to fill those positions when they become vacant. The process is intended to create a pool of talent prepared to lead SERS when existing leaders and technical experts exit the organization or are away from their positions for a significant period of time. The preference is to fill a vacant position with an existing staff member when appropriate. The success of this program lies in the building and nurturing of a talent pool for future opportunities. Mr. Stensrud continued, stating the Succession Planning Guide identifies key positions that require a plan for replacement, if necessary. However, committee members questioned if the succession plan can be fairly implemented with current staff if the plan is to hire retirees instead of promoting from within. Ms. Phillips questioned if hiring retirees would take away opportunities for current employees to move up the ranks. However, Mr. Stensrud pointed out there aren't enough people on staff to fill the key positions currently identified and if those people existed, there would be no need for a succession plan. Mr. Stensrud continued, stating this plan is used as a part of the larger SERS strategic plan, and is in alignment with SERS mission, vision, values, and core beliefs. After a robust discussion, Mr. Wilson proposed that the committee reconvene next month to further discuss this topic. Mr. Wilson also requested that SERS poll other Ohio pension systems to see what their re-employment policies are, including how other systems handle employer and employee contributions after rehire. <u>EXECUTIVE SESSION</u> There was no executive session. <u>ADJOURNMENT</u> Daniel Wilson moved to adjourn the meeting at 8:22 a.m.
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	Action Items	Assigned Person	Due Date
Action Items	Poll other Ohio pension systems to find out more information about their re-employment policy and how it affects employee and employer contributions.	n/a	3/21/2024

Daniel Wilson, Committee Chair

Richard Stensrud, Secretary