

**October 15, 2020**

The nine hundredth and thirty three meeting of the Retirement Board of the School Employees Retirement System was held via Zoom videoconferencing on Thursday, October 15, 2020. The meeting convened in open session at 8:30 a.m. Roll call was as follows: Hugh Garside, Jr., Chair, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Barbra Phillips. Also in attendance was Samuel Peppers, 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  
September 17, 2020**

Barbra Phillips moved and Catherine Moss seconded the motion to approve the minutes of the Retirement Board meeting held on Thursday, September 17, 2020. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.

Board Chair Hugh Garside, Jr. asked Chief Investment Officer Farouki Majeed to present the Investment Report.

**INVESTMENT REPORT**

**Annual Portfolio Review – Private Equity**

Senior Investment Officers Steve Price and Phil Sisson presented the annual Private Equity portfolio review. The role of the portfolio is to provide risk adjusted returns in excess of publicly traded equities. As of June 30, 2020, the market value of the portfolio was \$1.42 billion with a one-year net return of 2.6% and 14.6% ten-year annualized return. Fees have stabilized at 1.5% down from 2% in 2014. SERS committed \$418 million to new investments in fiscal year 2020. Following questions, the Board thanked Mr. Price and Mr. Sisson for their presentation.

**Board Education – U.S. Equity vs. Non U.S. Equity**

Mr. Farouki Majeed began the education session discussing SERS' historical asset allocation in the US Equity and Non-US Equity portfolios. SERS' allocation to US Equity and Non-US Equity has remained at 22.5% each since 2010. Expected returns based on capital market assumptions have been higher for Non-US Equity compared to US Equity in the period since 2005, while actual returns have been higher for US Equity relative to Non-US Equity.

Continuing, Joanna Bewick of Wilshire Associates, LLC presented a session on US Equity vs. Non-US Equity. She discussed performance cycles, valuations, sector exposures, diversification benefits and risk reduction. As of August 31, 2020, US Equity performance dominated both developed and emerging market equities with the exception of the most recent quarter. The US Equity market is more concentrated in the technology sector and also has a high concentration in relatively few stocks with five companies making up 24% of the S&P 500 index market cap. Ms. Bewick also reviewed SERS' projected return and risk portfolio implications of various weightings within the Global Equity portfolio. Following comments and questions, the Board thanked Mr. Majeed and Ms. Bewick for their presentation.

**Wilshire Associates Organizational Change**

David Lindberg of Wilshire Associates, LLC announced that Wilshire has entered into an agreement with two long-term investment firms, CC Capital and Motive Partners, to acquire the equity ownership interest of Wilshire's founder. Mr. Lindberg stated that this ownership change will have no effect on Wilshire Consulting relationships and business. After discussion regarding the new partnership, the Board thanked Mr. Lindberg for the update.

### **Monthly Investment Report**

Mr. Majeed presented a summary of the Investment report for the period ending August 31, 2020. The Board went into an Executive session for a personal appearance at 10:33am. The Investments portion resumed at 11:17am

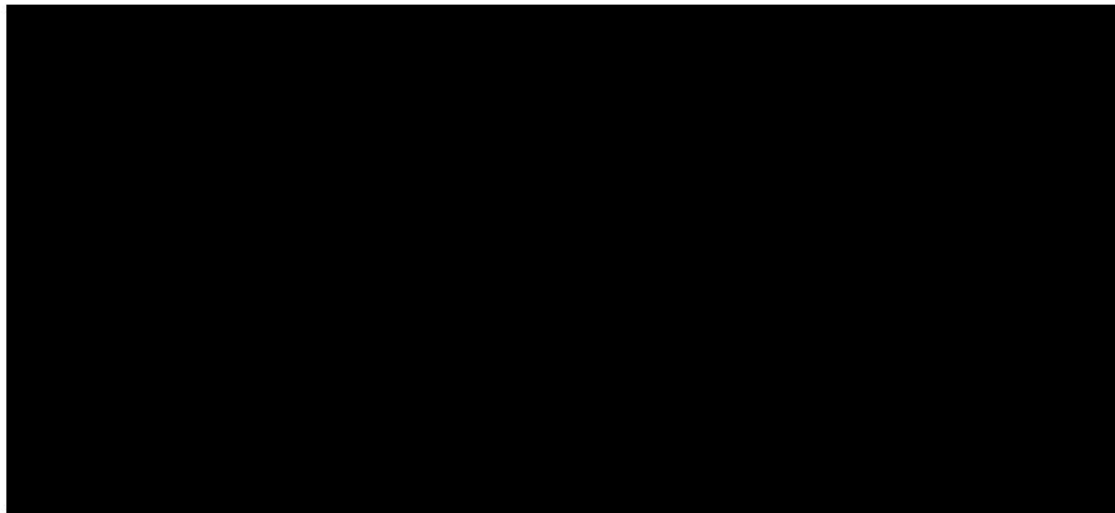
### **EXECUTIVE SESSION**

At 10:32 a.m., Frank Weglarz moved and Barbra Phillips seconded the motion that the Board go into Executive Session pursuant to R.C. 121.22 (G)(5) to review applications for Disability Retirement Benefits. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.

The Board returned to open session at 11:02 a.m.

### **APPROVAL OF DISABILITY BENEFITS**

Barbra Phillips moved and Catherine Moss seconded that the following report, as recommended by the Medical Advisory Committee and prepared by staff be approved, and that the persons named below be granted a disability benefit. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.



### **APPROVAL OF APPEAL ON PERSONAL APPEARANCE**

James Rossler moved and Barbra Phillips seconded that the following report, as recommended by the Medical Advisory Committee and prepared by staff be approved, and further, that the disability appeal on personal appearance of the persons named below be approved. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.

The Board took a break at 11:05 a.m., and reconvened at 11:18 a.m.

Following the Retirement Report, the Board continued with the Investment Report.

### INVESTMENT REPORT (continued)

#### Monthly Investment Report

Mr. Majeed discussed with the Board the Wilshire education presentation and the Monthly Investment Report. Mr. Majeed stated that as of September 30, 2020 the Fund was at \$15.1 billion with a FYTD return of 5.48%. 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 **August 1, 2020** through **August 31, 2020** hereby be approved. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.

#### A. PURCHASES

Asset Class	Approximate Cost (in millions)
US Equities	\$ 33.0
Non-US Equities	105.5
Fixed Income	425.9
Multi-Asset Strategies	20.9
Private Equity Capital Calls	18.0
Real Asset Capital Calls	n/a
Opportunistic	4.5
Global Private Credit	n/a
Cash Equivalents	341.2

#### B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
US Equities	\$141.1	\$ 50.7
Non-US Equities	106.2	7.4
Fixed Income	384.0	6.5
Multi-Asset Strategies	120.5	27.2
Private Equity distributions	15.2	n/a
Real Asset distributions	2.6	n/a
Opportunistic	n/a	n/a
Global Private Credit	n/a	n/a
Cash Equivalents	234.0	n/a

## **EXECUTIVE DIRECTOR'S UPDATE**

### **COVID-19 Impact on Retirees**

Executive Director Richard Stensrud provided an update on the impact of the COVID pandemic on retirees participating in SERS Medicare plan. Mr. Stensrud stated that there were 652 retirees treated to date, and 54 deaths.

### **Ohio Retirement Study Council**

Mr. Stensrud stated that the October ORSC meeting was cancelled, and that the next meeting of the ORSC is scheduled for November 12, 2020, subject to the call of the Chairman.

### **Ohio General Assembly**

Mr. Stensrud stated that the Ohio Legislature is not expected to be in session until after the November election.

### **Advocacy Groups**

Mr. Stensrud reported that staff continues to remain engaged with SERS' advocacy groups. Mr. Stensrud stated that in conversations with advocacy groups, they appreciate actions taken by the Board on the cost of living adjustment, and the efforts to keep Board meetings accessible during the pandemic.

Mr. Stensrud also stated that outreach also continues to engage with stakeholder groups to encourage participation in the sustainability conversation.

Mr. Stensrud noted that the Board had been provided with a full Outreach Report listing the legislative, stakeholder outreach, as well as mailings, seminars, social media posts, and website activities.

### **Pre-MEDICARE/MEDICAID**

Mr. Stensrud provided an update on efforts to shift Medicaid eligible participants in SERS' pre-Medicare health care plan to Medicaid. Mr. Stensrud noted that the change would result in similar coverage at lower cost for the participant and provide a cost savings for SERS.

### **Federal Advocacy**

Mr. Stensrud noted that Congress and the Trump Administration agreed to a Continuing Resolution to keep the federal government funded at current levels until December 11<sup>th</sup>, and that additional COVID relief legislation discussions are ongoing but have yet to reach agreement.

Mr. Stensrud stated that other SERS priorities, such as Wraparound program reauthorization, WEP reform and other issues have taken a back seat to the Supreme Court appointment debate and the election. Mr. Stensrud noted that SERS has yet to receive a response to our letter to HHS Director Azar expressing concerns about the President's executive order proposing Medicare Part D rebate changes.

### **Remote and In-Office Operations**

Mr. Stensrud reported that during the pandemic SERS has remained committed to the dual goals of providing high quality service to SERS members and retirees and protecting the safety and well-being of SERS staff. Mr. Stensrud noted that while the bulk of staff have been working remotely, the volume and timeliness of customer service has remained at pre-pandemic levels. Mr. Stensrud noted that efforts to improve the ability to provide services remotely continue, pointing to the implementation of Voice Over Internet Protocol (Voice Over IP), which has increased the number of calls being answered live and reduced the number of calls that need to be returned. Mr. Stensrud also noted that a small number of SERS staff have been working onsite throughout the crisis to maintain critical functions. Mr. Stensrud reported that SERS will continue to monitor the state's pandemic advisory information and will continue to evaluate SERS' business needs and that as necessary and appropriate, additional staff may return to the

office. Mr. Stensrud reaffirmed that those working in the office will continue to follow the appropriate safety protocols.

### **Employee Health/Charitable Initiatives**

Mr. Stensrud noted that despite the need to cancel certain traditional fall events, SERS staff continues to look for ways to encourage community spirit and help others through charitable giving. Mr. Stensrud stated that even during a difficult year, when the SERS' United Way campaign moved to a virtual platform, staff stepped up and provided a total of \$17,151 through payroll deductions and one-time pledges.

### **Potential Allocation of Employer Contributions**

Mr. Stensrud noted that SERS' actuaries present the annual actuarial valuation at the November Board Meeting. Mr. Stensrud further noted that under SERS' funding policy, the Board is allowed to allocate up to 0.50% of the 14% employer pension contribution rate toward health care if the funded ratio of the pension fund is at least 70%, but less than 80%. Mr. Stensrud reported the actuaries are projecting the funded ratio of the pension fund as of June 30<sup>th</sup>, 2020 will be approximately 71.49%.

Mr. Stensrud noted several factors the Board may consider in deciding whether to make the discretionary allocation to the health care fund, including the current status of the health care fund, investment experience and the ongoing sustainability discussions. In that regard, Mr. Stensrud noted that the status of the health care fund has improved materially over the last few years, reaching its highest level and funded status, and a 27 year solvency period. Mr. Stensrud also noted that investment performance in the last fiscal year had fallen short of the investment return assumption and would put downward pressure on the pension funds funded ratio over the next few years.

Following discussion, the Board collectively chose to allocate the entire employer contribution of 14% to the pension fund.

### **ALLOCATION OF EMPLOYER CONTRIBUTIONS – HEALTH CARE FUND**

Frank Weglarz moved and James Haller seconded that after discussion with Cavanaugh Macdonald regarding the preliminary results of the annual basic benefits valuation (to be prepared as of June 30, 2020) at the October 2020 Board meeting, the Board elects to allocate 0% of the 14% employer contribution to the Health Care Fund for fiscal year 2021 in accordance with the funding policy approved by the Board on June 18, 2015. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.

### **Sustainability Discussion**

After discussing the progress made to-date on various topics in the sustainability analysis, and the next areas to be addressed, the Board collectively decided to defer the next phase of pension sustainability discussions until early next year. The Board agreed that the focus of the next phase would be to move from concept to construction, including consideration of plan design options, and that preparation for those discussions would take place in the interim.

The Board took a break at 12:38 p.m., and resumed in open session at 1:31 p.m.

Continuing, Executive Director Richard Stensrud asked Chief Financial Officer Tracy Valentino to present the quarterly financials update and review administrative expenses.

### **Quarterly Financials Update**

Chief Financial Officer Tracy Valentino provided an update on quarterly financials.

- Contributions have increased slightly by 2% as a result of higher payroll from some school districts.
- Benefits continue to level off. This is a result of the COLA freeze. Ms. Valentino stated that she expects benefits to increase as a result of the increase in the COLA.
- Health Care (HC) continues to see a decrease at approximately 4%.
- Administrative expenses are within budget and on target; currently at approximately 93% of the annual budget. Ms. Valentino stated that travel and training has kept expenses under budget.

Ms. Valentino also provided an overview of the Administrative Expenses and the Board Expense to Budget Reporting.

### **RISK MANAGEMENT UPDATE**

Deputy Executive Director Karen Roggenkamp thanked the Board for the opportunity to be on today's agenda. Ms. Roggenkamp began by stating that as a \$15B financial entity, SERS recognized the importance of risk management several years ago, and that through staffing and organizational alignment, a good policy framework was established. Ms. Roggenkamp then asked Chief Risk Officer Joe Bell to provide an update.

Mr. Bell stated that risk management was an expanded department within SERS. Mr. Bell then presented an overview of the Enterprise Risk Management (ERM) Team's composition and strategies for FY2021, as well as focused on the integration of risk management initiatives, and reviewed the complementary roles of risk management and internal audit on risk and internal controls.

After explaining risk itself and the types of risk responses, including acceptance, avoidance, mitigation, and transference, Mr. Bell's discussion examined the risk management lifecycle, risk versus audit, and the responsibility of risk. He stated that among its objectives, the ERM Team will work to establish a framework and risk appetite by department before meeting periodically with department leads for risk review.

The ERM Team already has created a Risk Register with risk-based scoring to use as a tracking tool for documenting possible and actual risks. The register, which is still in the preliminary development phase, will eventually be comprehensive and cover organization-wide aspects of risk.

Additionally, the ERM Team will investigate and simplify current emergency preparedness plans and design playbooks based on different types of events.

Concluding, Mr. Stensrud stated that framework will provide an opportunity for ongoing dialogue with the Board. The Board thanked Mr. Bell for the presentation.

**LEGISLATIVE REPORT**

**STATE LEGISLATION BOARD REPORT  
133<sup>rd</sup> General Assembly  
(Prepared by Chris Collins as of October 2, 2020)**

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**HB326 PUBLIC EMPLOYEE RETIREMENT-DISABILITY BENEFIT** Adam Miller (D – Columbus) To allow a Public Employees Retirement System or School Employees Retirement System disability benefit recipient elected to certain offices to continue receiving a disability benefit during the term of office.

Current Status: 11/12/2019 House Insurance, (First Hearing)

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**HCR13 GENDER REPRESENTATION** Thomas West (D- Canton), Sara Carruthers (R-Hamilton) - To encourage equitable and diverse gender representation on the boards and in senior management of Ohio companies and institutions.

Current Status: 11/12/2019 House Civil Justice, (Second Hearing)

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**HB46 STATE GOVT EXPENDITURE DATABASE** Dave Greenspan (R- Westlake) - To require the Treasurer of State to establish the Ohio State Government Expenditure Database

Current Status: 01/22/2020 Substitute Bill Accepted

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**HB530 OPERS PROTECTION** Diane Grendell (R- Chesterland) - Regarding state retirement system fiduciary duties, Public Employees Retirement System management fees and employee pay, and creating the Committee on Pension Salaries and Fees

Current Status: 03/10/2020 Referred to Financial Institutions Committee

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**HB514 BROADCAST RETIREMENT BOARD MEETINGS** Brigid Kelly (D - Cincinnati) Haraz Ghanbari (R – Perrysburg) - To require the state retirement systems to publicly broadcast board meetings.

Current Status: 03/10/2020 Referred to Financial Institutions Committee

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**HB515 RETIREMENT SYSTEMS - FINANCIAL DISCLOSURES** Brigid Kelly (D - Cincinnati) Haraz Ghanbari (R – Perrysburg) - To require the boards of the state retirement systems to disclose certain financial information regarding alternative investments.

Current Status: 03/10/2020 Referred to Financial Institutions Committee

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**HB516** FORMER STATE RETIREMENT PERSONNEL Brigid Kelly (D - Cincinnati) Haraz Ghanbari (R – Perrysburg) Regarding the prohibition against the state retirement systems doing business with a former state retirement system employee, officer, or board member.

Current Status: 03/10/2020 Referred to Financial Institutions Committee

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**HB197** OMNIBUS MEASURES ON CORONAVIRUS Jena Powell (R-Arcanum) Derek Merrin (R-Monclova) To continue essential operations of state government and maintain the continuity of the state tax code in response to the declared pandemic and global health emergency related to COVID-19, to make appropriations, and to declare an emergency.

Current Status: 03/27/2020 SIGNED BY GOVERNOR; eff. 3/27/20

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**FEDERAL LEGISLATION BOARD REPORT**  
**116<sup>th</sup> United States Congress**  
**(Prepared by Chris Collins as of October 2, 2020)**

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**H.R. 141**

SPONSOR: Rep. Rodney Davis (R-IL)

LAST ACTIONS: House - 01/31/2019 Referred to the Subcommittee on Social Security

CAPTION: Social Security Fairness Act of 2019

COMMENT: Repeals the GPO and WEP. 258 co-sponsors; nine Ohioans

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**S. 521**

SPONSOR: Sen. Sherrod Brown (D-OH)

LAST ACTIONS: Senate - 02/14/2019 Referred to Committee on Finance

CAPTION: Social Security Fairness Act of 2019

COMMENT: Repeals the GPO and WEP. 38 co-sponsors.

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**H.R.3934**

SPONSOR: Rep. Kevin Brady (R-TX)

LAST ACTIONS: House - 07/24/2019 Referred to the House Committee on Ways and Means.

CAPTION: To amend title II of the Social Security Act to replace the windfall elimination provision with a formula equalizing benefits for certain individuals with non-covered employment, and for other purposes.

COMMENT: 48 co-sponsors; three Ohioans

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**H.R.4540**

SPONSOR: Rep. Richard Neal (D-MA)

LAST ACTIONS: House - 09/27/2019 Referred to the House Committee on Ways and Means.

CAPTION: To amend title II of the Social Security Act to provide an equitable Social Security formula for individuals with non-covered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision.

COMMENT: 144 co-sponsors; four Ohioans

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**H.R.4763**

SPONSOR: Rep. Kaptur, Marcy (D-OH)

LAST ACTIONS: House - 10/18/2019 Referred to the House Committee on Energy and Commerce.

CAPTION: To extend the limited wraparound coverage pilot program for an additional 5 years, and for other purposes.

COMMENT: Eight co-sponsors, all of whom are Ohioans.

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**H.R.748**

SPONSOR: Courtney, Joe (D-CT)

LAST ACTION: 03/27/2020 Became Public Law No: 116-136.

CAPTION: CARES Act (Coronavirus Aid, Relief, and Economic Security Act)

COMMENT: Initially introduced as a repeal of the health care "Cadillac Tax." 369 co-sponsors; 14 Ohioans. Ultimately became vehicle for COVID-19 relief legislation.

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**S. 2543**

SPONSOR: Grassley, Chuck (R-IA)

LAST ACTION: Senate - 09/25/2019 Placed on Senate Legislative Calendar under General Orders. Calendar No. 225.

CAPTION: The Prescription Drug Pricing Reduction Act (PDPRA)

COMMENT: This bill alters several programs and requirements relating to the prices of prescription drugs under Medicare and Medicaid. No co-sponsors.

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**H.R. 3 –**

SPONSOR: Pallone, Frank (D-NJ)

LAST ACTION: Senate - 09/08/2020 Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 521.

CAPTION: The Elijah E. Cummings Lower Drug Costs Now Act.

COMMENT: This bill establishes several programs and requirements relating to the prices of prescription drugs, health care coverage and costs, and public health. 106 co-sponsors.

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## MEMORANDUM

To: Chris Collins, SERS Government Relations Officer

From: Carol Nolan Drake, Federal Liaison

Date: September 30, 2020

Re: Federal Legislative and Regulatory Report

### OVERVIEW

**Highlights for September included:** the passing of Supreme Court Justice Ruth Bader Ginsburg and the expedited Senate confirmation process before the November election; an agreement to extend appropriations through a continuing resolution for the federal government until December 11; continued efforts between the House, Senate and Trump administration to find agreement on more stimulus dollars to help address COVID-19 issues for citizens and businesses; the issuance of another Executive Order by the President to address healthcare costs; recommendations from a special House Committee to recommend ways to modernize Congress; a final rule by the Securities and Exchange Commission on shareholder proposal thresholds; advocacy on Medicare Part D plans and the President's Executive Order relating to PBMs and rebates; and following the Appropriations process to include reporting on the viability of Limited Wraparound Plans.

**The House of Representatives has been in session during most of September and is considering adjournment, most likely on Friday, October 2.** The members running for reelection would then have the rest of October for final campaign events before the Tuesday, November 3 elections. The House will tentatively return on Monday, November 16. Several hearings of interest are scheduled, in virtual and hybrid (i.e., virtual and in person) formats as the House works through its priorities:

- House Committee on Oversight and Reform  
"Unsustainable Drug Prices: Testimony from the CEOs (Part I and Part II)."  
This is a two part hearing.  
Date: Wednesday, September 30, 2020 - 10:00am and October 1, 2020 - 10:00am
- House Committee on Energy and Commerce, Subcommittee on Oversight and Investigations  
"Pathway to a Vaccine: Ensuring a Safe and Effective Vaccine People will Trust."  
Date: Wednesday, September 30, 2020 - 11:30am
- House Select Committee on the Climate Crisis  
"Creating a Climate Resilient America: Strengthening the U.S. Financial System and Expanding Economic Opportunity."  
Date: Thursday, October 1, 2020 – 2:00pm
- House Committee on Rules  
Members' Day Hearing on Proposed Rules Changes for the 117th Congress.  
Date: Thursday, October 1, 2020 – 1:00pm

**The Senate has been in session in September but for two state work sessions and is expected to adjourn by the end of the week until October 13.** Hearings of interest include:

- Senate Committee on Commerce, Science and Transportation  
Executive Session to consider the "Authorization to subpoena the attendance of witnesses for purpose of a hearing"
  - Mr. Jack Dorsey, Chief Executive Officer, Twitter
  - Mr. Sundar Pichai, Chief Executive Officer, Alphabet Inc., Google
  - Mr. Mark Zuckerberg, Chief Executive Officer, FacebookDate: Thursday, October 1, 2020 – 10:00am

- Senate Committee on the Judiciary  
Hearings to be scheduled for the nomination to the U.S. Supreme Court  
Date: Chairman Lindsey Graham (R-SC) has tentatively scheduled the confirmation process to begin on October 12. Two days of Committee questioning will be scheduled. The Committee will review the recommendation starting on October 15 and the Committee is poised to vote on the nomination on Tuesday October 22.

**The House and Senate reached an agreement to extend the funding for the federal budget through a continuing resolution (CR) until Friday, December 11.** The Senate voted around 6:00 pm tonight, with less than six hours before the deadline. The agreement will fund the government at fiscal year 2020 spending levels. While the House has fully passed 10 of 12 appropriations bills, the Senate has not passed any spending bills out of the relevant committees. Both the House and Senate will need to address FY 2021 appropriations beyond December 11.

### **CORONAVIRUS LEGISLATION**

**Speaker Pelosi and House Democrats introduced a new coronavirus bill today, down to \$2.2 trillion from the earlier passed HEROES Act that the Senate refused to consider.** The vote tonight was delayed to reach a deal before Election Day. House Speaker Nancy Pelosi and Treasury Secretary Steven Mnuchin are about \$700 billion apart. The legislation is at least \$1 trillion less than the HEROES Act that the House previously passed in May. Speaker Pelosi explained that the smaller cost was achieved by shortening the duration of the bill. The Senate and White House have offered a much smaller amount, preferring to stay near the \$1.5 trillion mark, similar to the proposal from the Problem Solvers Caucus. (More on this proposal below)

**Continued hot topics include money for heightened unemployment benefits for those who lost their jobs or have been laid off;** state and local government assistance; education funding for schools; housing assistance to stave off foreclosures and evictions; testing, contact tracing resources and health care dollars for hospitals and providers; funding for critical government functions, such as the final month of Census count activity, the U.S. Postal Service, and elections; additional dollars for airlines that are struggling to maintain employment and payrolls due to reduced travel. Senate Republicans are demanding that any bill contain liability provisions to protect businesses, schools and universities that have reopened and could face lawsuits from employees, customers and families.

**While Republicans and Democrats in leadership could not find consensus on the terms of the next phase of legislation, on September 15, the Problem Solvers Caucus announced a bipartisan framework, the “March To Common Ground” to “break the gridlock on the latest COVID-19 relief package and encourage negotiators to get back to the table.”** The framework includes \$1.5 trillion for coronavirus relief. The Caucus is made up of 25 Republicans and 25 Democrats, who “built a proposal that could garner the necessary support to pass both chambers and be signed into law,” including provisions for unemployment insurance, worker and liability protection, small business and non-profit support, food security, schools and child care, housing, election support, and state and local aid. Ohio members include Reps. Anthony Gonzalez (R-OH), Bill Johnson (R-OH) and David Joyce (R-OH). The press release may be read here: <https://problemsolverscaucus-gottheimer.house.gov/media/press-releases/problem-solvers-caucus-unveil-march-common-ground-covid-stimulus-framework>

**The Hill reported today that 175 private and public sector groups called, The COVID RELIEF NOW Coalition, including the National League of Cities and National League of Counties, have written to House and Senate leadership, seeking additional federal assistance.** They are asking for federal assistance to make sure that local governments and tourism are not further impacted. Signatories from Ohio included the Ohio Hotel & Lodging Association and the Ohio Travel Association. In the letter, the Coalition said:

Our employees, businesses, and constituents cannot wait for additional federal aid to come in December 2020 or March 2021. If Congress fails to act, millions of employees will be furloughed or terminated; millions of unemployed Americans will lose their unemployment insurance pandemic benefits; hundreds of thousands of companies will be at risk of closing their doors

forever; and the vast majority of state and local governments will have to curtail critical services in order to balance budgets due to a decline in tax revenue.

The Coalition letter may be read here: <https://www.naco.org/resources/press/new-coalition-public-and-private-sector-leaders-call-congress-act-covid-relief-election>

**A “discharge petition,” House Resolution 1116, was introduced on September 16, signed by Reps. Steve Chabot (R-OH), Bill Johnson (R-OH), Brad Wenstrup (R-OH), Troy Balderson (R-OH), David Joyce (R-OH) and other Republican members. The petition was filed to force the House to vote on providing the remaining Paycheck Protection Program (PPP) funds (approximately \$138 billion) for small businesses impacted by the pandemic, pursuant to H.R. 7664.** A discharge petition, under House rules, can require expedited voting on a measure, if it gains enough support. As of today, the petition has 48 cosponsors. This action is another example of members trying to find common ground to help their constituents. While the PPP still had available funds, it closed to new applicants on August 8. Rep. Chabot also introduced H.R. 8265, a bill to “restart the Paycheck Protection Program and ensure that small businesses have the best opportunity to recover and rebuild.” It has six Ohio cosponsors, including Republican Representatives Balderson, Stivers, Wenstrup, Joyce and Latta.

**As reported, Reps. Anthony Gonzalez (R-OH) and Marcia Fudge (D-OH) introduced H.R. 7029, a bill to facilitate the re-opening of schools through study of children's role in transmitting SARS-CoV-2, and for other purposes.** The bill has 24 cosponsors, including Reps. Tim Ryan (D-OH), David Joyce (R-OH), Joyce Beatty (D-OH), and Steve Stivers (R-OH). The bill is aimed to help schools reopen safely in the fall by providing much needed research on the role children play in transmitting the COVID-19 virus.” The bill has not moved.

#### **HOUSE COMMITTEE ON MODERNIZATION**

**The Select Committee on the Modernization of Congress released its final set of recommendations on September 24.** None of the Ohio delegation members served on the Committee. In the press release, the Co-chairs said:

40 new recommendations were passed, which aim to help Congress reclaim its Article One responsibilities, improve the congressional schedule and calendar, boost congressional capacity and reform the budget and appropriations process. The Select Committee also voted in favor of its final committee report, which will be released to the public in the coming weeks. Today's final vote brings the total recommendations passed by the Select Committee to 97.

The full set of recommendations may be reviewed here:

<https://modernizecongress.house.gov/committee-activity/business-meetings/business-meeting-092420>

#### **IRS**

**The Internal Revenue Service is working to communicate the upcoming October 5 filing deadline to individuals who still have not received their stimulus checks.** An estimated 8.7 million people have not filed yet, according to the IRS, to receive the payments by the end of the year. The IRS has a form available at [www.irs.gov](http://www.irs.gov)

#### **EDUCATION**

**H.R. 8039, introduced by Rep. Marcia Fudge (D-OH), would require the Bureau of Consumer Financial Protection to conduct an assessment of the use of certain educational data in determining the creditworthiness of an applicant, and for other purposes.** Rep. Joyce Beatty (D-OH), Marcy Kaptur (D-OH) and Mike Turner (R-OH) are cosponsors. It has been referred to the Committee on Financial Services.

#### **SERS ADVOCACY ON PDPRA & WRAPAROUND PLAN**

**One year ago, S. 2543, the “Prescription Drug Pricing Reduction Act” (PDPRA), was reported out of the Senate Committee on Finance but has not been voted on by the full Senate.** The President issued an Executive Order on September 24, called “An America First-Healthcare Plan.” (Details on the plan are found in the Health Care section of this report.)

**The advocacy on the reauthorization of Limited Wraparound Plans has continued.** The Senate has not taken up any appropriations bills at this time and the language contained in the House appropriations bill may very well be included in the final Senate version like last year. SERS and I will continue to pursue legislative authority under the bipartisan bill, H.R. 4763, or identify other vehicles for Wraparound Plan reauthorization language.

#### **WINDFALL ELIMINATION PROVISION (WEP)**

**There has been no movement on either bill introduced by Chairman Richard Neal (D-MA) and Ranking Member Kevin Brady (R-TX).** Chairman Neal (D-MA), introduced his WEP reform bill, H.R. 4540, the "Public Servants Protection and Fairness Act" last September. The bill has 144 cosponsors, including Reps. Marcy Kaptur (D-OH), Tim Ryan (D-OH), Joyce Beatty (D-OH) and Marcia Fudge (D-OH). Rep. Lloyd Doggett (D-TX) is the latest cosponsor. Rep. Brady's bill, H.R. 3934, has 48 cosponsors, including Reps. Gonzalez (R-OH), Turner (R-OH) and Latta (R-OH).

**The Teachers Retired Teachers Association (TRTA) has been holding Town Hall meetings with Texas Congressional members.** In the recent Town Hall, on September 29, Senator John Cornyn (R-TX) said that he has been working with Senator Ted Cruz (R-TX) and Rep. Kevin Brady (R-TX) on the Brady WEP bill. He indicated that the bill would need to pass the House Committee on Ways and Means first, on which Rep. Brady is the ranking member. The bill would then need to pass the Senate Committee on Finance. Senator Cornyn said, "It would increase program costs by \$23 billion but have no significant effect on [the] long-range actuarial balance of Social Security." He also mentioned that the repeal of the Government Pension Offset (GPO) should occur at the same time if it was a priority for leadership.

**H.R. 141, the "Social Security Fairness Act of 2019," which addresses the full repeal of WEP and GPO, has not been passed, however, the bill now has 258 cosponsors,** made up of 199 Democrats and 59 Republicans, including nine Ohio members, Reps. Tim Ryan (D-OH), David Joyce (R-OH), Steve Stivers (R-OH), Bob Gibbs (R-OH), Marcy Kaptur (D-OH), Michael Turner (R-OH), Marcia Fudge (D-OH), Joyce Beatty (D-OH) and Troy Balderson (R-OH).

**Senator Sherrod Brown (D-OH) introduced the Senate companion bill, S. 521, the "Social Security Fairness Act," last February.** The bill would fully repeal the WEP and GPO. There are still 38 cosponsors, including 31 Democrats, 5 Republicans and 2 Independents. Senator Rob Portman (R-OH) is not one of the cosponsors and there has been no action in the Senate Committee on Finance.

#### **SOCIAL SECURITY ADMINISTRATION (SSA)**

**In a presentation in September, Chief Actuary Stephen Goss, provided an "illustrative scenario" on the financial sustainability of Social Security due to COVID-19:**

- If earnings and tax revenue are reduced by about 10 percent from the 2020 TR projection for 1 or 2 years, with full recovery thereafter, then OASDI TR reserve depletion might be just 1 year earlier (2034);
- But if tax revenue is reduced by 10-15 percent for much longer (9-10 years), then reserve depletion could be as early as 2029 (Bipartisan Policy Center);
- Up to this point, we are not seeing increases in benefit applications. But this could change, with a year or two lag as in the great recession. As with most recessions, the primary effect will likely be reduced revenue.

The full presentation may be viewed here: [https://www.ssa.gov/oact/presentations/scgoss\\_20200909.pdf](https://www.ssa.gov/oact/presentations/scgoss_20200909.pdf)

**H.R. 860, the "Social Security 2100 Act," has not advanced even with 208 cosponsors as of this date, all Democrats.** All the members of Ohio's Democratic delegation are cosponsors, Reps. Joyce Beatty, Marcia Fudge, Tim Ryan, and Marcy Kaptur. The identical Senate bill is S. 269, introduced by Senator Richard Blumenthal (D-CT). Senator Chris Van Hollen (D-MD) is still the only cosponsor. Neither bill has advanced.

**H.R. 2302, the “Protecting and Preserving Social Security Act,” introduced by Rep. Theodore Deutsch (D-FL) still has only eight cosponsors, including Rep. Marcy Kaptur (D-OH).** This bill, like H.R. 860, would make improvements in the old-age, survivors, and disability insurance program and provide for Social Security benefit protection. It has not moved forward either.

#### **HHS/ MEDICARE AND MEDICAID**

**SERS has not received a response to the letter that Executive Director Richard Stensrud sent to HHS Secretary Alex Azar on August 7.** The bill was in response to the President’s Executive Order entitled “Lowering Prices for Patients by Eliminating Kickbacks to Middlemen.” HHS has not implemented the Executive Order, however, it may be considering how the Order can be accomplished.

**On September 30, HHS) announced “five cooperative agreements to health information exchange organizations (HIEs) to help support state and local public health agencies in their efforts to respond to public health emergencies, including disasters and pandemics such as COVID-19.”** The press release may be viewed here: <https://www.hhs.gov/about/news/2020/09/30/hhs-announces-funding-for-health-information-exchanges-to-support-public-health-agencies.html>

**H.R. 1346, the “Medicare Buy-In and Health Care Stabilization Act of 2019,”** a bill to provide individuals who are ages 50 to 64 to buy into Medicare, and S. 470, the “Medicare at 50 Act,” the companion Senate bill which Senator Sherrod Brown (D-OH) co-sponsored, have not advanced.

#### **HEALTH CARE**

**On September 24, President Trump issued, “An America-First Healthcare Plan,” which was an Executive Order.** The Executive Order provided:

Sec. 3. Giving Americans More Choice in Healthcare- to maintain and build upon existing actions to expand access to and options for affordable healthcare.

Sec. 4. Lowering Healthcare Costs for Americans- to build upon existing actions to expand access to affordable medicines, including accelerating the approvals of new generic and biosimilar drugs and facilitating the safe importation of affordable prescription drugs from abroad; build upon existing actions to ensure consumers have access to meaningful price and quality information prior to the delivery of care; work with the Congress to reach a legislative solution by December 31, 2020. In the event a legislative solution is not reached by December 31, 2020, the Secretary of Health and Human Services shall take administrative action to prevent a patient from receiving a bill for out-of-pocket expenses that the patient could not have reasonably foreseen. Within 180 days of the date of this order, the Secretary of Health and Human Services shall update the Medicare.gov Hospital Compare website to inform beneficiaries of hospital billing quality.

The Executive Order may be read here: <https://www.whitehouse.gov/presidential-actions/executive-order-america-first-healthcare-plan/>

**The bill sponsored by Rep. Marcy Kaptur (D-OH) and Rep. Bob Gibbs (R-OH), H.R. 7292, to amend title XVIII of the Social Security Act to provide for forgiveness of certain accelerated and advance payments under parts A and B of the Medicare program, has not moved forward.** There are eight Ohio delegation cosponsors, including Reps. Balderson, Gonzalez, Ryan, Beatty, Fudge, Turner, Joyce, and Stivers.

#### **PRESCRIPTION DRUGS**

**On September 28, President Trump said that his administration would be mailing \$200 drug coupons to 33 million seniors on Medicare.** According to The Hill, the administration did not indicate where the money for the drug coupons would come from, given that Congress has not appropriated the funding. The cost would be nearly \$7 billion. The reporter said, “An administration official earlier said the money would come from the savings in Trump’s “most favored nation” drug pricing proposal— which has not been implemented.” Democrats also pushed back against what they called a “gimmick” aimed at

winning over seniors' votes, as it comes less than six weeks before the election. <https://www.msn.com/en-us/news/politics/trump-seeks-boost-from-seniors-with-dollar200-drug-discount-coupons/ar-BB19u0dL>

**The bill introduced by Rep. Dave Joyce (R-OH), H.R. 5239, the "Prescription Drug Price Reporting Act," cosponsored by Rep. Anthony Gonzalez (R-OH), would require reporting on prescription drug expenditures under group health plans and prescription drug price changes.** The companion bill in the Senate, S.1664, was introduced by Senator Rick Scott (R-FL). The bill would create a public, consumer-friendly federal database of drug pricing information and compels drug companies to explain any price increases. Neither bill has moved forward.

#### **DEPARTMENT OF LABOR (DOL)/ EMPLOYEE BENEFITS SECURITY ADMINISTRATION**

**The comment period for the proposed rule to address fiduciary duties regarding proxy voting and shareholder rights for ERISA plans ends on October 5.** As of September 30, there were 68 comment letters filed. The comment letters are not available at this time. The Council of Institutional Investors (CII) has commented on behalf of its membership. In the letter, Jeffrey Mahoney, General Counsel of CII, said:

CII believes the Proposed Rule demonstrates an unwarranted prejudice against fiduciaries' exercise of shareholder rights and would impose such burdensome obligations on fiduciaries that ERISA plans would be effectively disenfranchised. As that would negatively impact plan participants and beneficiaries, CII opposes the Proposed Rule and respectfully urges DOL to withdraw it.

The full CII letter may be read here:

[https://www.cii.org/files/issues\\_and\\_advocacy/correspondence/2020/September%2024%202020%20letter%20to%20DOL.pdf](https://www.cii.org/files/issues_and_advocacy/correspondence/2020/September%2024%202020%20letter%20to%20DOL.pdf)

The proposed rule may be reviewed here: <https://www.dol.gov/sites/dolgov/files/ebsa/temporary-postings/fiduciary-duties-regarding-proxy-voting-and-shareholder-rights.pdf>

#### **RETIREMENT SECURITY**

**On September 21, the Pension Benefit Guaranty Corporation (PBGC) announced in a press release that it "intends to provide new flexibility for variable-rate premium filers, a continuation of the Administration's efforts to help support economic recovery and mitigate the effects of the coronavirus pandemic (COVID-19)." The press release may be read here:**

<https://www.pbqc.gov/news/press/releases/pr20-04>

**The PBGC also reported that its overall financial condition has been impacted due to the pandemic, with low interest rates being one part of the problem.** Media reports have covered the Democrats' plan to provide \$60 billion to support the PBGC and shore up its finances. Republicans have suggested benefit cuts for retirees, raising insurance premiums and increasing company contributions.

**In its FY 2019 report, the PBGC estimated that its Multiemployer Program shows a "very high likelihood of insolvency during FY 2026 and that insolvency is a near certainty by the end of FY 2027."** The Teamsters' Central States Plan, with Michigan and Ohio as the top two states for pensioners, is one of the Multiemployer plans facing a significant shortfall. The full report may be read here:

<https://www.pbqc.gov/sites/default/files/fy-2019-projections-report.pdf>

**Congress has been trying to reach a more permanent agreement to enhance the solvency of Multiemployer plans, including the appointment in 2018 of a Joint Select Committee on Solvency of Multiemployer Plans, which both Ohio Senators Sherrod Brown (D-OH) and Rob Portman (R-OH) served.** The Joint Committee was not able to craft a bipartisan solution, however. Last year, Congress included a \$6 billion allocation for the United Mine Workers of America's plan, at the urgent request of both Ohio Senators, during the final December appropriations process. It is possible that during this December's lame-duck session, Congress could include additional dollars specifically for Multiemployer plans. The discussions between the House and Senate will continue.



## **SECURITIES AND EXCHANGE COMMISSION (SEC)**

**On September 23, the SEC voted 3-2 to adopt proposed amendments to “modernize and enhance the efficiency of the shareholder-proposal process.”** The amendments related to procedural requirements for the submission of shareholder proposals and the provision relating to resubmitted proposals under Rule 14a-8. Highlights of the final amendments:

1. Amending Rule 14a-8(b) by:
  - replacing the current ownership threshold, which requires holding at least \$2,000 or 1% of a company's securities for at least one year, with three alternative thresholds that will require a shareholder to demonstrate continuous ownership of at least:
    - \$2,000 of the company's securities for at least three years;
    - \$15,000 of the company's securities for at least two years; or
    - \$25,000 of the company's securities for at least one year.

The amendment prohibits the aggregation of holdings for purposes of satisfying the amended ownership thresholds and requires that each shareholder state that he or she is able to meet with the company, to discuss the proposal with the company.

2. Amending Rule 14a-8(c) by:
  - applying the one-proposal rule to “each person” rather than “each shareholder” who submits a proposal.
3. Amending Rule 14a-8(i)(12) by:
  - revising the levels of shareholder support a proposal must receive to be eligible for resubmission at the same company's future shareholder meetings from 3%, 6% and 10% for matters previously voted on once, twice or three or more times in the last five years, respectively, with thresholds of 5%, 15% and 25%, respectively.

**The amendments will be in effect for any proposals submitted for meetings to be held on or after January 1, 2022.** There is a transition period for the ownership thresholds to allow shareholders meeting to rely on the \$2,000/one-year ownership threshold for proposals submitted for meetings to be held prior to January 1, 2023. More information may be viewed on the SEC website:  
<https://www.sec.gov/news/press-release/2020-220>

**On September 23, the SEC also revised its whistleblower award program.** More details may be read here: <https://www.sec.gov/news/press-release/2020-219>

**It was reported in the news media that the SEC has opened an investigation in the case of First Energy and the bailout of two nuclear power plants.** The investigations are conducted privately and can take several months.

## **REPORTS**

**The Center for Retirement Research at Boston College released a report, “2020 Public Plan Investment Update and COVID-19 Market Volatility” on September 29.** The key findings are:

- Despite the market rebound, most public pension plans ended FY 2020 with investment returns that fell short of actuarial expectations.
- Moreover, the March crash raised concerns about the liquidity needs of public plans, which already must sell assets to pay benefits.
- In particular, alternatives are harder to value and more illiquid, which make them a poor option for selling in a downturn.
- However, plans do maintain a cache of Treasuries that could be easily liquidated, so most plans are equipped to weather a sharp downturn.

The full report may be accessed with this link: <https://crr.bc.edu/briefs/2020-public-plan-investment-update-and-covid-19-market-volatility/>

**On September 29, NASRA issued an update to its annual "Employee Contributions to Public Pension Plans" report.** In the Introduction, NASRA researchers, Keith Brainard and Alex Brown, said:

Unlike in the private sector, nearly all employees of state and local government are required to share in the cost of their retirement benefit. Employee contributions typically are set as a percentage of salary by statute or by the board that oversees the retirement system. Although investment earnings and employer contributions account for a larger portion of total public pension fund revenues, by providing a consistent and predictable stream of revenue to public pension funds, contributions from employees fill a vital role in financing pension benefits. Reforms made in the wake of the 2008-09 market decline included higher employee contribution rates for many public pension plans.

The report may be viewed here: <https://www.nasra.org/content.asp?contentid=122>

### **US SUPREME COURT**

**Justice Ruth Bader Ginsburg, a justice since 1993, passed away on Friday, September 18.**

President Trump has nominated Judge Amy Coney Barrett, a judge on the US Court of Appeals for the Seventh Circuit since 2017, for the seat. Senate Majority Leader Mitch McConnell (R-KY), in consultation with Senator Lindsey Graham, chair of the Senate Committee on the Judiciary, that the confirmation hearing will begin in mid-October, with the full Senate vote before the November election. Senate Democrats have little procedural moves to block the nomination. In 2017, the Senate changed its rules to allow a simple majority vote for both cloture to end debate and the final vote on a Supreme Court nomination.

**There are several pressing issues before the Supreme Court.** The case filed by the Trump administration is pending, which seeks to declare the remaining provisions under the Affordable Care Act (ACA) as unconstitutional. The Supreme Court will hear oral arguments on this matter on Tuesday, November 10, one week after the presidential election. The decision could take several months.

### **ACTIVITIES:**

1. Reviewed the proposed rule from DOL, discussed who would be commenting and reviewed letters from national and international organizations which oppose the rule.
2. Participated in calls with SERS representatives to discuss health care and pension fund issues.
3. Attended the Council of Institutional Investors (CII) virtual annual conference for federal legislative and regulatory updates. Registered for the NCPERS FALL conference, which was postponed.
4. Monitored bills from the Committees on Ways & Means, Energy and Commerce, Appropriations, Finance, and others related to public pensions, COVID-19, retirement security, health care, prescription drugs, Social Security and kept informed of relevant House and Senate Committee hearings and witnesses.
5. Reviewed bills that were introduced or cosponsored by members of the Ohio delegation or other House/Senate members on issues that could impact SERS, retirement security and/or health care.
6. Reviewed notices or proposed rules from the SEC, DOL, HHS/CMS, and regulatory agencies.
7. Monitored organizations, such as the Social Security Administration, American Benefits Council, AHIP, BMA, AARP and other entities on pension, investment, and/or health-care-related issues.
8. Reviewed reports and newsletters from CII, ICGN, NASRA, NCTR, NCPERS, Public Sector HealthCare Roundtable, Social Security, and prepared the Federal Legislative Report.

**ADMINISTRATIVE EXPENSES**

The following are administrative operation expenses of the School Employees Retirement System of Ohio during the period September 1 – September 30, 2020.

<b>Account</b>	<b>Vendor</b>	<b>Amount</b>
Salaries & Wages	ADP, LLC	532,871.78
	ADP, LLC	523,599.13
	Account Totals:	1,056,470.91
Salaries & Wages - Overtime	ADP, LLC	1,456.27
	ADP, LLC	5,345.65
	Account Totals:	6,801.92
Vacation Leave Expense	ADP, LLC	96,084.65
	Account Totals:	96,084.65
Sick Leave Expense	ADP, LLC	28,160.22
	Account Totals:	28,160.22
Incentive Pay	ADP, LLC	279,254.18
	Account Totals:	279,254.18
Employer Contributions - PERS	Ohio Public Emp. Retirement System	118,513.57
	Ohio Public Emp. Retirement System	78,160.97
	Account Totals:	196,674.48
Group Life	American United Life Insurance Company	8,223.87
	Account Totals:	8,223.87
Long Term Disability	American United Life Insurance Company	2,365.00
	Account Totals:	2,365.00
Short Term Disability	American United Life Insurance Company	1,258.48
	American United Life Insurance Company	1,258.48
	Account Totals:	2,516.96
Group Health Claims		

	Aetna Daily Wires - ESERS	229,906.44
	SaveonSP, LLC	927.25
	Account Totals:	230,833.69
Group Health - Admin Fees		
	Aetna Admin - ESERS	7,272.93
	Account Totals:	7,272.93
Prescription Claims		
	Express Scripts - ESERS	10,169.48
	Express Scripts - ESERS	10,299.74
	Express Scripts - ESERS	11,712.20
	Express Scripts - ESERS	17,905.91
	Express Scripts - ESERS	24,670.54
	Account Totals:	74,757.87
Group Health - Stop Loss		
	Sunlife Financial	13,356.81
	Account Totals:	13,356.81
Vision Claims		
	VSP - (OH)	2,349.20
	Account Totals:	2,349.20
Vision Admin Fees		
	VSP - (OH)	291.27
	Account Totals:	291.27
Group Health - Employee Cost		
	Employee Premiums	(1,550.80)
	Employee Premiums	(12,937.63)
	Employee Premiums	(12,983.08)
	Account Totals:	(27,471.51)
Group Health - Wellness Incentive		
	ADP, LLC	1,924.77
	ADP, LLC	1,936.30
	Account Totals:	3,861.07
Group Health - Tobacco Premiums		
	ADP, LLC	(420.00)
	ADP, LLC	(420.00)
	Account Totals:	(840.00)
Medicare Premium - Employer		
	ADP, LLC	11,985.19
	ADP, LLC	7,967.89
	Account Totals:	19,953.08

Deferred Compensation Match	ADP, LLC	2,370.00
	ADP, LLC	2,415.00
	Account Totals:	4,785.00
Actuarial Services	Cavanaugh MacDonald Consulting, LLC	12,000.00
	Account Totals:	12,000.00
Custodial Fees - Investment Accounting	Huntington National Bank	18,333.33
	BNY Mellon Asset Servicing	56,000.00
	Account Totals:	74,333.33
Custodial Banking	Huntington National Bank	14,186.22
	Treasurer of State - Warrants	513.94
	Account Totals:	14,700.16
Master Recordkeeper Fees	BNY Mellon Asset Servicing	83,333.33
	Account Totals:	83,333.33
Investment Advisory Fees	Aksia	16,666.67
	Wilshire	37,500.00
	Account Totals:	54,166.67
Performance/Analytics Fee	BNY Mellon Asset Servicing	34,401.66
	Frank Russell Company	250.00
	Wilshire Associates Incorporated	3,000.00
	Account Totals:	37,651.66
Other Prof. Inv. Related Consulting	Pension Fund Data Exchange, Ltd	1,250.00
	Account Totals:	1,250.00
Medical Consultant	Borchers, M.D., Glen G.	3,333.34
	Account Totals:	3,333.34
Special Counsel	Frost Brown Todd, LLC	50.00
	Ice Miller LLP	10,821.85
	Ice Miller LLP	40,031.50
	Standley LawGroup LLP	80.00

		Account Totals:	50,983.35
Technical			
	HMB, Inc.		10,560.00
	Sagitec Solutions, LLC		47,648.26
	Velosio		345.00
		Account Totals:	58,553.26
Other Professional Services			
	Contoural, Inc.		8,477.25
	LexisNexis Risk Data Management, Inc		1,280.77
	Wickert, Kimberly		314.50
		Account Totals:	10,072.52
Postage			
	Columbus Courier & Freight LLC		203.07
	Pitney Bowes Inc.		1,765.55
	Pitney Bowes Inc.		2,538.35
	Pitney Bowes Inc.		338.00
	Pitney Bowes Inc.		656.65
	Pitney Bowes Inc.		443.22
	Unishippers Association		31.00
	Unishippers Association		31.00
	Unishippers Association		48.19
	Unishippers Association		74.70
		Account Totals:	6,129.80
Telecommunications Services			
	AT&T		80.20
	CenturyLink		4,429.70
	Nextel Communications		108.20
	TBG Conferencing		1,110.74
	Time Warner Cable		12,117.31
	Verizon Wireless		2,025.15
	XO Communications		1,760.61
		Account Totals:	21,631.97
Printing Paper			
	Millcraft Paper Co.		2,416.25
		Account Totals:	2,416.25
Printing Supplies			
	Millcraft Paper Co.		124.20
		Account Totals:	124.20
Communications & Publications			
	Millcraft Paper Co.		1,945.35
	Tension Envelope Corporation		1,724.94

		Account Totals:	3,670.29
Software Maintenance			
	Dell Marketing LP		202,425.52
	Sagitec Solutions, LLC		35,000.00
		Account Totals:	237,425.52
Software Subscriptions			
	ADP, LLC		2,765.02
	Jet Brains		477.00
	KLDiscovery		1,275.00
	Liquid Web Inc		263.50
	PortSwigger		399.00
	Sharegate		6,791.50
	Wellness IQ		833.40
	Zoom		257.87
		Account Totals:	13,062.29
Software < \$25,000			
	CarahSoft Technology Corp		11,250.00
		Account Totals:	11,250.00
Equipment Repairs & Maintenance			
	Canon Financial Services, Inc		1,647.27
	Digital Print Solutions		403.78
	Ricoh USA, Inc		570.14
	Ricoh USA, Inc		6,899.33
		Account Totals:	9,520.52
Furniture & Equipment < \$5,000			
	Continental Office Environments		721.97
		Account Totals:	721.97
Records Storage			
	Vital Records Holdings, LLC		1,749.86
		Account Totals:	1,749.86
Seminars & Conferences			
	Council of Institutional Investors		945.00
	NASRA		790.00
		Account Totals:	1,735.00
Subscriptions			
	Constant Contact		125.00
	Financial Times		369.20
	Harvard Business Review		127.93
	Money-Media, Inc		3,310.00
	Shutterstock, Inc.		29.00

	Thomson Reuters - West Publishing Corp	215.34
	Wall Street Journal	19.46
	Account Totals:	4,195.96
Memberships		
	AICPA	285.00
	AICPA	995.00
	American Payroll Association	258.00
	Public Relations Society of America	260.00
	Account Totals:	1,798.00
Management Liability Insurance		
	ARC Excess & Surplus, LLC.	140,475.75
	Account Totals:	140,475.75
Operations Maintenance		
	Amtrec, LLC	1,666.00
	AT&T	228.66
	Northeast Ohio Natural Gas Corp.	65.78
	Account Totals:	1,960.44
Staff Support		
	4Imprint, Inc	1,358.51
	Amazon.com	60.00
	Amazon.com	152.61
	Matrix Integrated Psychological Services	590.70
	Mount Carmel Occupational Health	125.00
	OhioHealth/WorkHealth	75.00
	ThrivePass	594.00
	Unisan, LLC	297.20
	Wellness IQ	240.00
	Employee Reimbursement	1,545.00
	Employee Reimbursement	1,545.00
	Account Totals:	6,583.05
Recruiting Expenses		
	ADP Screening & Selection Services	51.00
	Indeed	228.00
	LinkedIn Corporation	418.37
	Account Totals:	697.40
Interior Landscaping		
	Ambius Inc. (05)	1,356.37
	Account Totals:	1,356.37
Vehicle Expense		
	Firestone Complete Auto Care	311.20
	Hugh White Honda	67.96



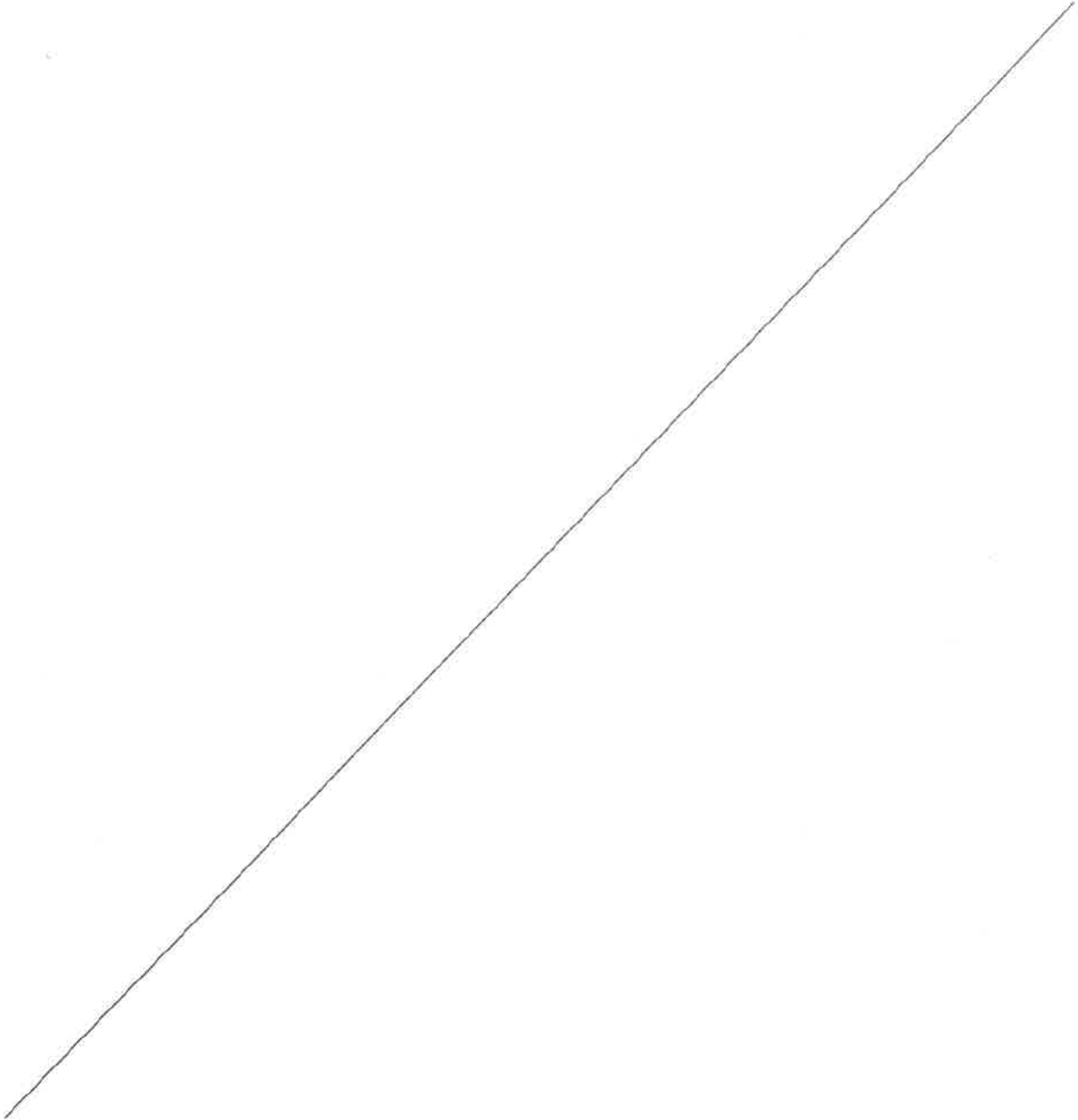
Moo Moo Car Wash	14.00
Sunoco	20.00
Account Totals:	413.19

Reimbursement of Leased Svcs

OSERS Broad St. LLC	(25,416.67)
Account Totals:	(25,416.67)

**Total Administrative Expenses**

**2,847,580.41**



Summary of preliminary administrative operation expenses during the period **September 1, 2020 – September 30, 2020.**

<b>Account</b>	<b>Amount</b>
Salaries & Wages	1,056,470.91
Salaries & Wages - Overtime	6,801.92
Vacation Leave Expense	96,084.65
Sick Leave Expense	28,160.22
Incentive Pay	279,254.18
Employer Contributions - PERS	196,674.48
Group Life	8,223.87
Long Term Disability	2,365.00
Short Term Disability	2,516.96
Group Health Claims	230,833.69
Group Health - Admin Fees	7,272.93
Prescription Claims	74,757.87
Group Health - Stop Loss	13,356.81
Vision Claims	2,349.20
Vision Admin Fees	291.27
Group Health - Employee Cost	(27,471.51)
Group Health - Wellness Incentive	3,861.07
Group Health - Tobacco Premiums	(840.00)
Medicare Premium - Employer	19,953.08
Deferred Compensation Match	4,785.00
Actuarial Services	12,000.00
Custodial Fees - Investment Accounting	74,333.33

Custodial Banking	14,700.16
Master Recordkeeper Fees	83,333.33
Investment Advisory Fees	54,166.67
Performance/Analytics Fee	37,651.66
Other Prof. Inv. Related Consulting	1,250.00
Medical Consultant	3,333.34
Special Counsel	50,983.35
Technical	58,553.26
Other Professional Services	10,072.52
Postage	6,129.80
Telecommunications Services	21,631.97
Printing Paper	2,416.25
Printing Supplies	124.23
Communications & Publications	3,670.29
Software Maintenance	237,425.52
Software Subscriptions	13,062.29
Software <\$25,000	11,250.00
Equipment Repairs & Maintenance	9,520.52
Furniture & Equipment < \$5,000	721.97
Records Storage	1,749.86
Seminars & Conferences	1,735.00
Subscriptions	4,195.96
Memberships	1,798.00
Management Liability Insurance	140,475.75

Operations Maintenance	1,960.44
Staff Support	6,583.05
Recruiting Expenses	697.40
Interior Landscaping	1,356.37
Vehicle Expense	413.19
Reimbursement of Leased Svcs	(25,416.67)
<b>Total Administrative Expenses</b>	<b>2,847,580.41</b>

The Board continued with the review of calendar dates.

**CALENDAR DATES FOR FUTURE BOARD MEETINGS**

**CALENDAR DATES FOR 2020**

**AUDIT COMMITTEE MEETINGS**

December 16 - 2:30 p.m. (Weds.)

**COMPENSATION COMMITTEE MEETINGS**

December 17 - 7:30 a.m. (Thurs.)

**BOARD MEETINGS**

November 19 and 20 (Thurs. and Fri.)

December 17 and 18 (Thurs. and Fri.)

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**CALENDAR DATES FOR 2021**

**AUDIT COMMITTEE MEETINGS**

March 17 - 2:30 p.m. (Weds.)

June 16 - 2:30 p.m. (Weds.)

September 15 - 2:30 p.m. (Weds.)

December 15 - 2:30 p.m. (Weds.)

**COMPENSATION COMMITTEE MEETINGS**

March 18 - 7:30 a.m. (Thurs.)

June 17 - 7:30 a.m. (Thurs.)

September 16 - 7:30 a.m. (Thurs.)

December 16 - 7:30 a.m. (Thurs.)

**BOARD MEETINGS**

February 18 and 19 (Thurs. and Fri.)

March 18 and 19 (Thurs. and Fri.)

April 15 and 16 (Thurs. and Fri.)

May 20 and 21 (Thurs. and Fri.)

June 17 and 18 (Thurs. and Fri.)

July 15 and 16 (Thurs. and Fri.)

September 16 and 17 (Thurs. and Fri.)

October 21 and 22 (Thurs. and Fri.)

November 18 and 19 (Thurs. and Fri.)

December 16 and 17 (Thurs. and Fri.)

**\*\*NOTE: The above dates are *tentative*.**

**CONTINUED OR NEW BUSINESS**

The Board continued with the review of continued or new business.

The Board thanked Sheila Thornton for her years of service and wished her well in her upcoming retirement.

**ADJOURNMENT**

Hugh Garside, Jr. moved that the Board adjourn to meet on Thursday, November 19, 2020 for their regularly scheduled meeting. The meeting adjourned at 2:26 p.m.

  
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Hugh Garside, Jr.

  
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Richard Stensrud, Secretary