

SERS Retirement Board Agenda

March 18, 2021 8:30am

Click the Zoom Link to Join the Meeting:

<https://ohsers.zoom.us/j/99667671318?pwd=cmxFQmtkREJWlVpYm9QNnduK1FqUT09>

Meeting ID: 996 6767 1318 **Password:** 856488

To join by phone, dial: 301-715-8592 **Meeting ID:** 996 6767 1318 **Password:** 856488

PLEDGE OF ALLEGIANCE

1. Roll Call
2. Approval of Minutes (R)

INVESTMENT REPORT

3. Annual Portfolio Review – Opportunistic and Tactical
4. Monthly Investment Report
5. Renewal of Investment Consultant Contract Discussion
6. Summary of Investment Transactions (R)

EXECUTIVE DIRECTOR'S REPORT

7. Executive Director's Update
 - Administrative Expenses
8. Superannuation and Survivor Benefits (R)
9. Special Cases (R)
10. Executive Director's Update
 - Mosaic Board Self-Assessment Presentation - Amy McDuffee (CEO – Mosaic) (R)

RETIREMENT REPORT

11. Executive Session pursuant to R.C. 121.22 (G)(5) to review applications for Disability Retirement Benefits (R)
12. Approval of Disability Benefits (R)
13. Disapproval of Disability Benefits (R)
14. Approval of Appeal on Personal Appearance (R)

AUDIT REPORT

15. Internal Audit Update

BOARD COMMUNICATION AND POLICY ISSUES

16. Calendar Dates for Future Board Meetings
17. Continued or New Business
 - Board Information Requests and Follow-up Items

ADJOURNMENT (R)

March 19, 2021 8:30am

EXECUTIVE DIRECTOR'S REPORT (cont.)

1. Pension Sustainability Discussion

Click to Zoom Link to Join the Meeting:

<https://ohsers.zoom.us/j/92021040082?pwd=anN1eEZlaWZUb2JmS0hlOHd3eVJIUT09>

Meeting ID: 920 2104 0082 **Password:** 143832

To join by phone, dial: 301-715-8592 **Meeting ID:** 920 2104 0082 **Password:** 143832

Roll Call

**Retirement Board Meeting
March 18, 2021**

_____ **A.M.**

Roll Call:

Hugh Garside	_____
Jeffrey T. DeLeone	_____
James Haller	_____
Matthew King	_____
Catherine Moss	_____
James Rossler	_____
Frank Weglarz	_____
Daniel Wilson	_____
Barbra Phillips	_____

Opportunistic and Tactical Investments Portfolio Review

March 2021

Serving the People Who Serve Our Schools



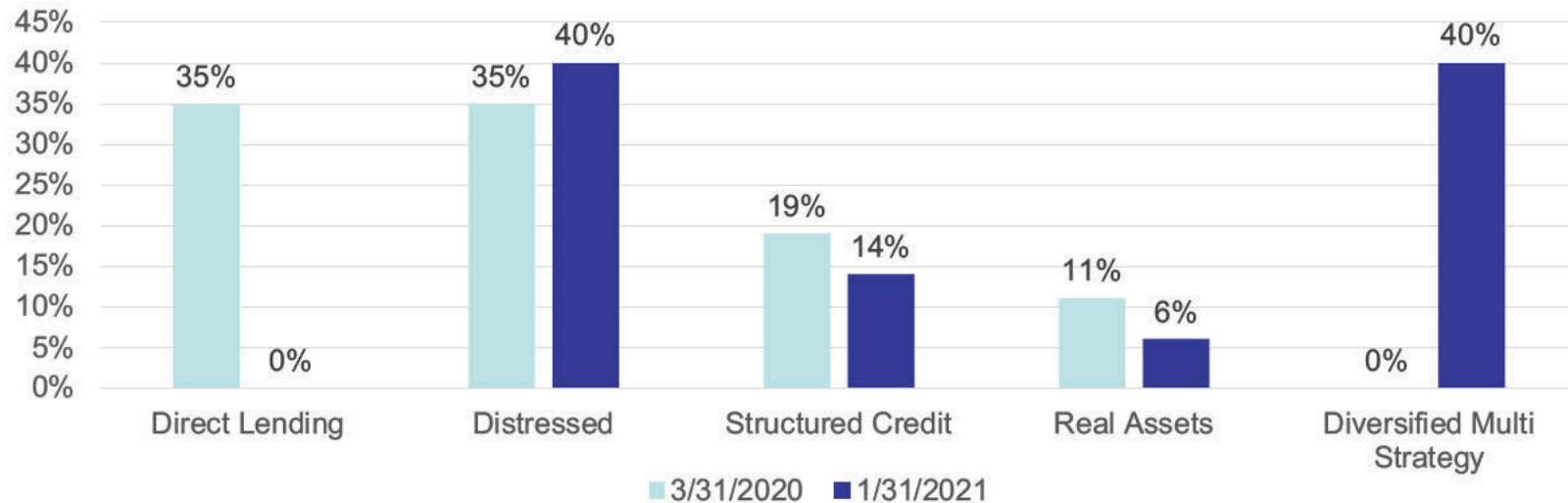
Overview

- **Role:** SERS invests in opportunistic investments for the purpose of earning returns greater than the Bloomberg Barclays US Aggregate Bond Index + 2% for investments that do not fit within the existing asset classes. The investments are defined as tactical or non-traditional investment opportunities. Such investments may involve capitalizing on short-term market dislocations or other unique situations or innovative strategies including tactical allocation.
- **Performance Objective:** The performance objective is to earn a net of fee return in excess of the Bloomberg Barclays US Aggregate Bond Index + 2%.

Portfolio Snapshot as of January 31, 2021
6 managers / 12 investments
\$410 million market value
2.5% Total Fund allocation
1.8% 1-year return
8.8% 5-year annualized net return
\$204 million unfunded commitments
Five ranked as B or higher Four ranked as A



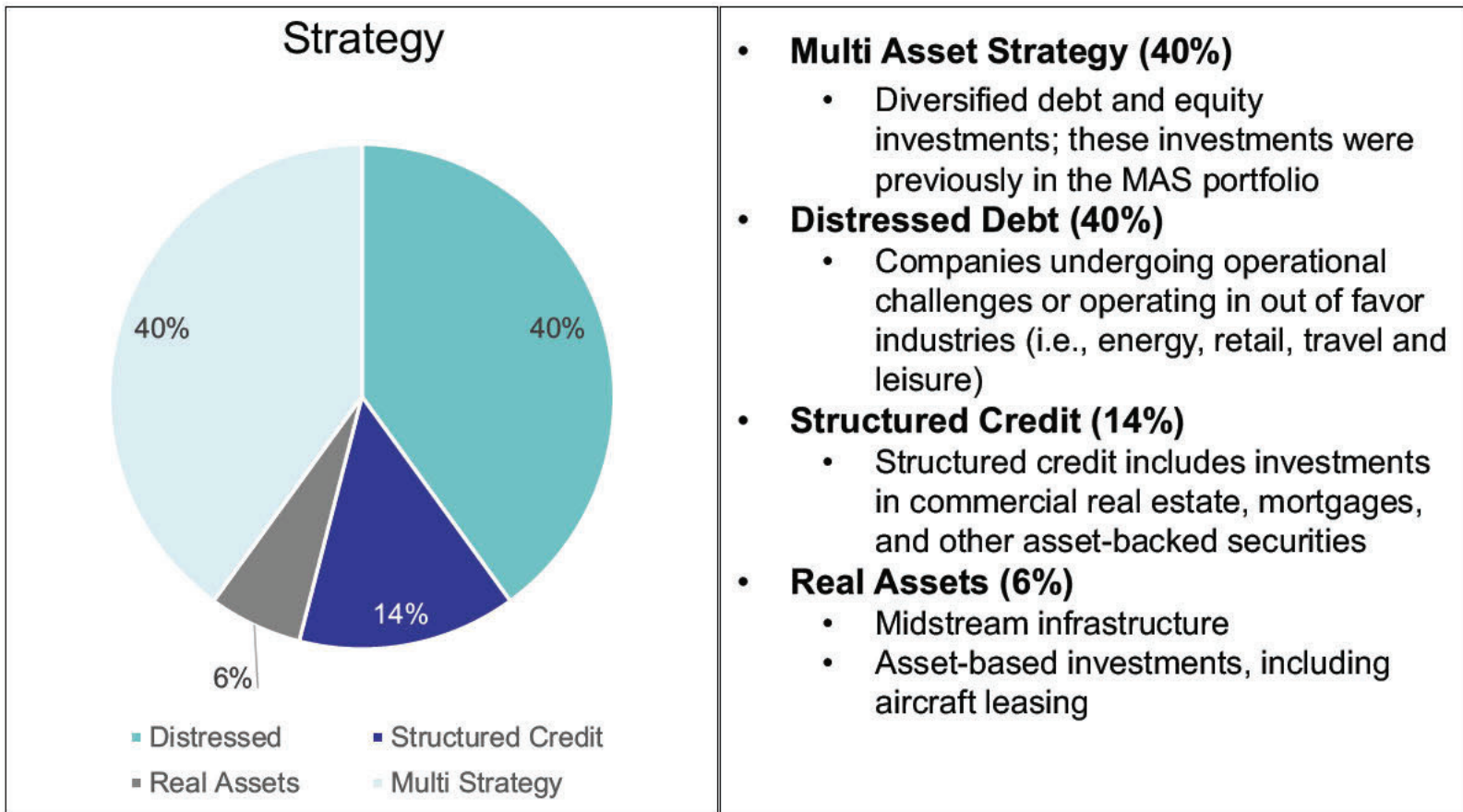
Portfolio Updates



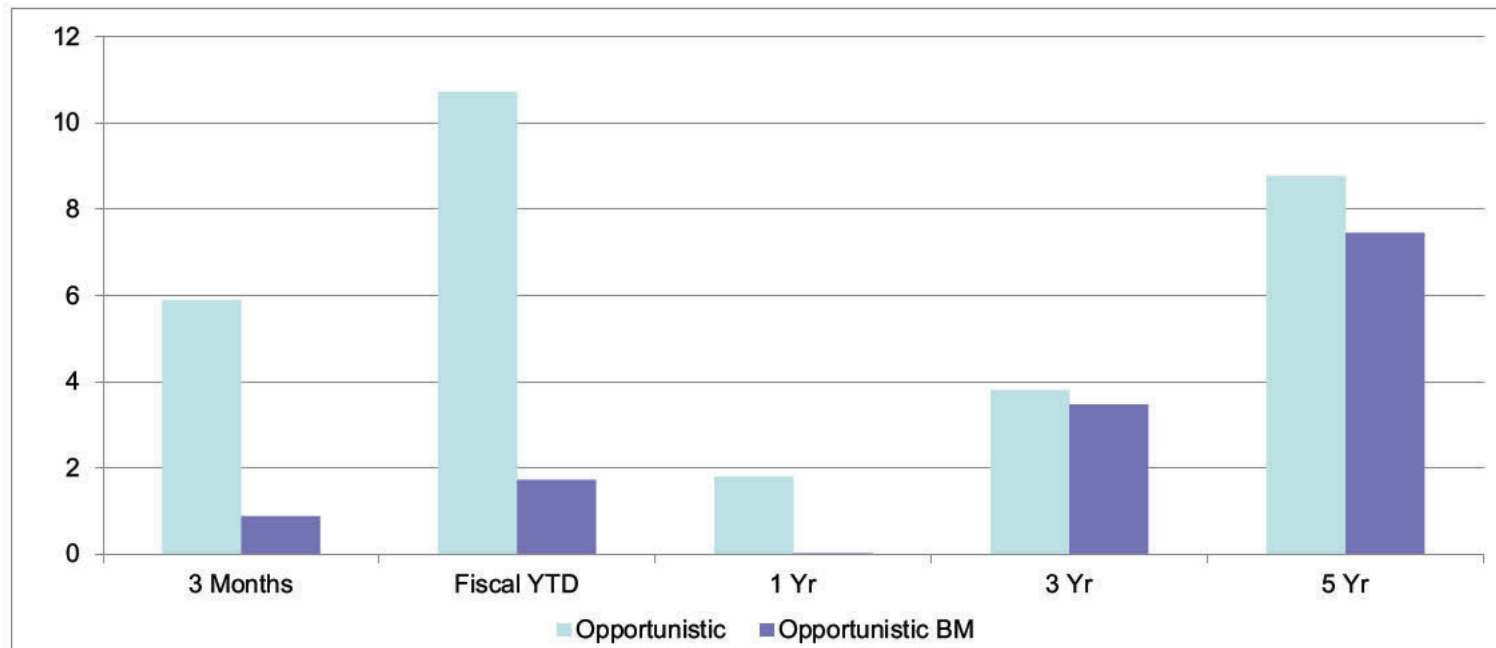
- The asset allocation approved in 2020 has resulted in changes to the Opportunistic portfolio**
 - The Direct Lending funds moved to the Private Credit portfolio
 - Two MAS funds moved to the Opportunistic and Tactical Portfolio
 - A real assets investment was liquidated
 - The Opportunistic portfolio consists of Distressed Debt, Structured Credit, Real Assets and Diversified Multi Strategy funds



Portfolio Construction



Portfolio Performance



As of 1/31/2021 (net of fees)	3 Months	Fiscal YTD	1 Year	3 Year	5 Year
Opportunistic	5.89	10.71	1.81	3.81	8.77
Opportunistic Policy Benchmark	0.89	1.73	0.03	3.47	7.45
<i>Excess Return</i>	<i>5.00</i>	<i>8.98</i>	<i>1.78</i>	<i>0.34</i>	<i>1.32</i>



Portfolio Performance

As of 1/31/2021 (all returns net of fees)	Quarter	1 Yr	3 Yr	5 Yr
SERS Opportunistic	5.89%	1.81%	3.81%	8.77%
Multi Asset Strategy (40%)	8.84%	14.55%	9.82%	9.40%
Distressed Debt (40%)	5.71%	-0.43%	5.95%	8.79%
Structured Credit (14%)	3.39%	-7.76%	1.40%	4.77%
Real Assets (6%)	-4.52%	-18.33%	-26.90%	2.52%
Opportunistic Benchmark	0.89%	0.03%	3.47%	7.45%
Excess Return	5.00%	1.78%	0.34%	1.32%

- The Multi Asset Strategy and Distressed investments are generating excess returns over the trailing 5 years
- The Multi Asset Strategy Funds are generating a 5-year annualized net return of 9%
- Distressed Debt investments are generating a 5-year annualized net return of 8.8%
- Structured Credit and Real Asset returns have been adversely impacted by COVID-19



Market Opportunity

- **Opportunistic credit markets have grown significantly**
 - AUM has increased 10x since 2004
 - Banks have retrenched from the opportunistic debt lending markets
- **Corporate balance sheets were highly leveraged going into the crisis**
 - Leverage as a multiple of cash flow is higher than the 2008 Global Financial Crisis
 - The amount of high-risk debt outstanding is 2.6x higher than 2008
- **The market opportunity is robust**
 - Although public markets rebounded in the second half of 2020, attractive opportunities remain in the private markets
- **Opportunistic commitments of \$140 million have been made in the last year** to fund new investments as managers seek to take advantage of attractive opportunities



New Investments / Pipeline

Recent Commitments

•PIMCO DISCO

- \$50 million commitment
- Flexible mandate to take advantage of dislocations in the credit markets
- Returns will be generated through capital appreciation and current income
- Fund is targeting a return of 10% to 14%

•GoldenTree Distressed Fund III Extension

- \$40 million commitment
- Fund will invest in stressed and distressed corporate assets
- Target net return of 15% to 20%

•GoldenTree Structured Products VII

- \$50 million commitment
- Fund will invest in structured products, including mortgage-backed securities, commercial-backed securities, and student loans
- GoldenTree has invested in structured products since 2007.
- SERS invested in the firm's prior fund (SP 2013), which is generating a net IRR of 11% as of 9/30/2020

Current Pipeline

- The team is actively pursuing new investments through ongoing dialogue with many prospective managers. The current pipeline consists of more than 30 potential opportunities.
- The COVID-19 pandemic has created an abundance of investment opportunities as risk premiums increase and liquidity decreases, particularly in the private markets.

Ohio SERS Investment Report

Monthly Report to the Board

For the period ending:
January 31, 2021

Prepared by Investment and IAD Staff

Farouki Majeed, Chief Investment Officer

Meeting Date: March 2021

Serving the People Who Serve Our Schools®





Ohio SERS Investment Report

Month Ending: 01/31/2021

Investment Agenda

Annual Portfolio Review – Opportunistic and Tactical
Investment Report (January 30, 2021)
Renewal of Investment Consultant contract



Ohio SERS Investment Report

Month Ending: 01/31/2021

Economic and Financial Market Outlook



Ohio SERS Investment Report

Month Ending: 01/31/2021

- The US economy continued to recover in Q4 2020, although significantly slowing down from Q3 amid a resurgence of the coronavirus cases and business curtailments in Q4. The growth rate was 4.1% in Q4 and -3.5% for the year 2020. The Blue Chip consensus projected a 4.9% growth for 2021 enabled by the nationwide vaccination and supportive fiscal and monetary policy. (*Source: Bureau of Economic Analysis and February Blue Chip Indicators*)
- The US unemployment rate decreased to 6.3% and non-farm employment gained 49,000 jobs in January. (*Sources: Bureau of Labor Statistics and Department of Labor*)
- The US headline inflation was 1.4% in January. Over the last 12 months, the energy index declined 3.6% while the food index increased 3.8%. The core inflation, excluding food and energy, was 1.4%. (*Source: Bureau of Labor Statistics*).
- The 10-year Treasury nominal yield rose to 1.51% in January and continued to rise in February. The yield curve has steepened significantly since mid 2020. The 10-year real yield rose to 0.11% in January after several months being in the negative territory.
- The housing market continued to strengthen. The S&P Case-Shiller 20-City home price index posted an annual gain of 10.1% for 2020.
- The Consumer Sentiment Index released by Thomson Reuters and University of Michigan was 79, below the historical average level. The US Economic Surprise index was at a healthy level of 65.3. The Leading Economic Index (LEI) issued by the Conference Board continued its recovery, reaching 110.3 in January.
- The US manufacturing PMI was at a strong level of 58.7, although declined slightly from December. The JPMorgan Global Manufacturing PMI was 53.5 in January. (*Source: Institute for Supply Management, Markit*).
- Equity markets were mixed in January. The emerging markets were up 3.07% while the US and Non-US developed markets were down 0.44% and 1.07%, respectively.
- The US fixed income market, Bloomberg Barclay's US Aggregate Bond Index, was down 0.72% for January.

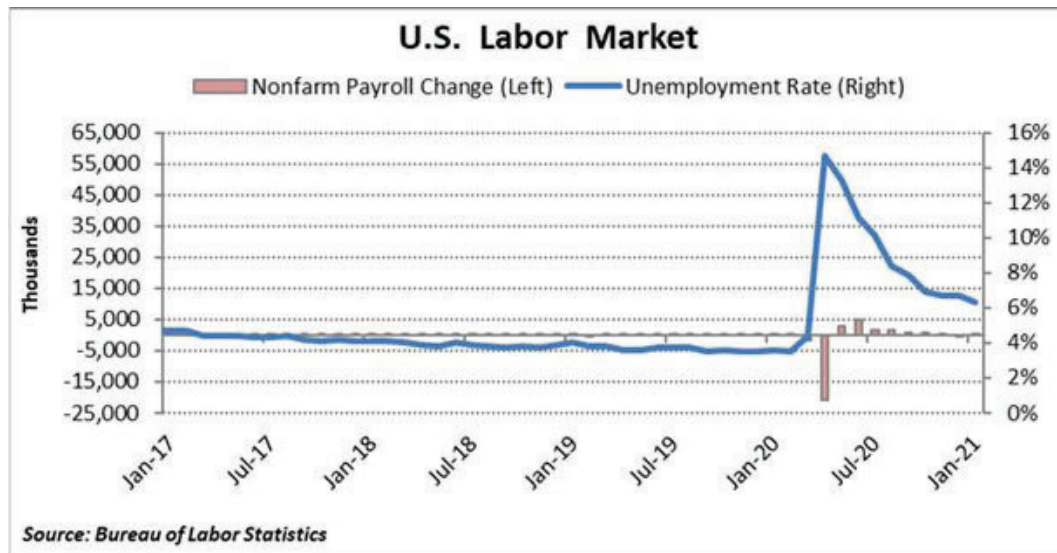
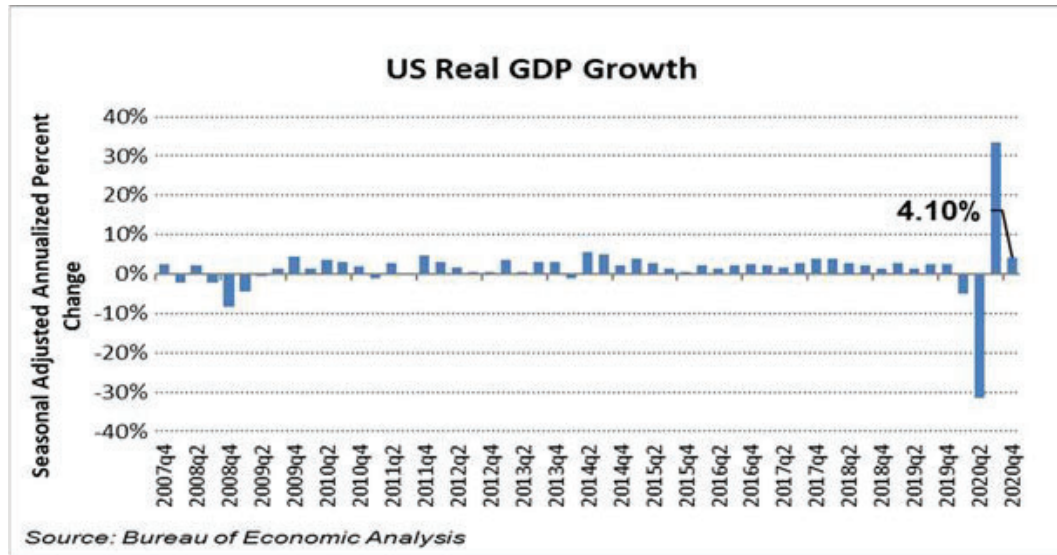
Notes: Acronym – PMI – Purchasing-Managers' Index



Ohio SERS Investment Report

Month Ending: 01/31/2021

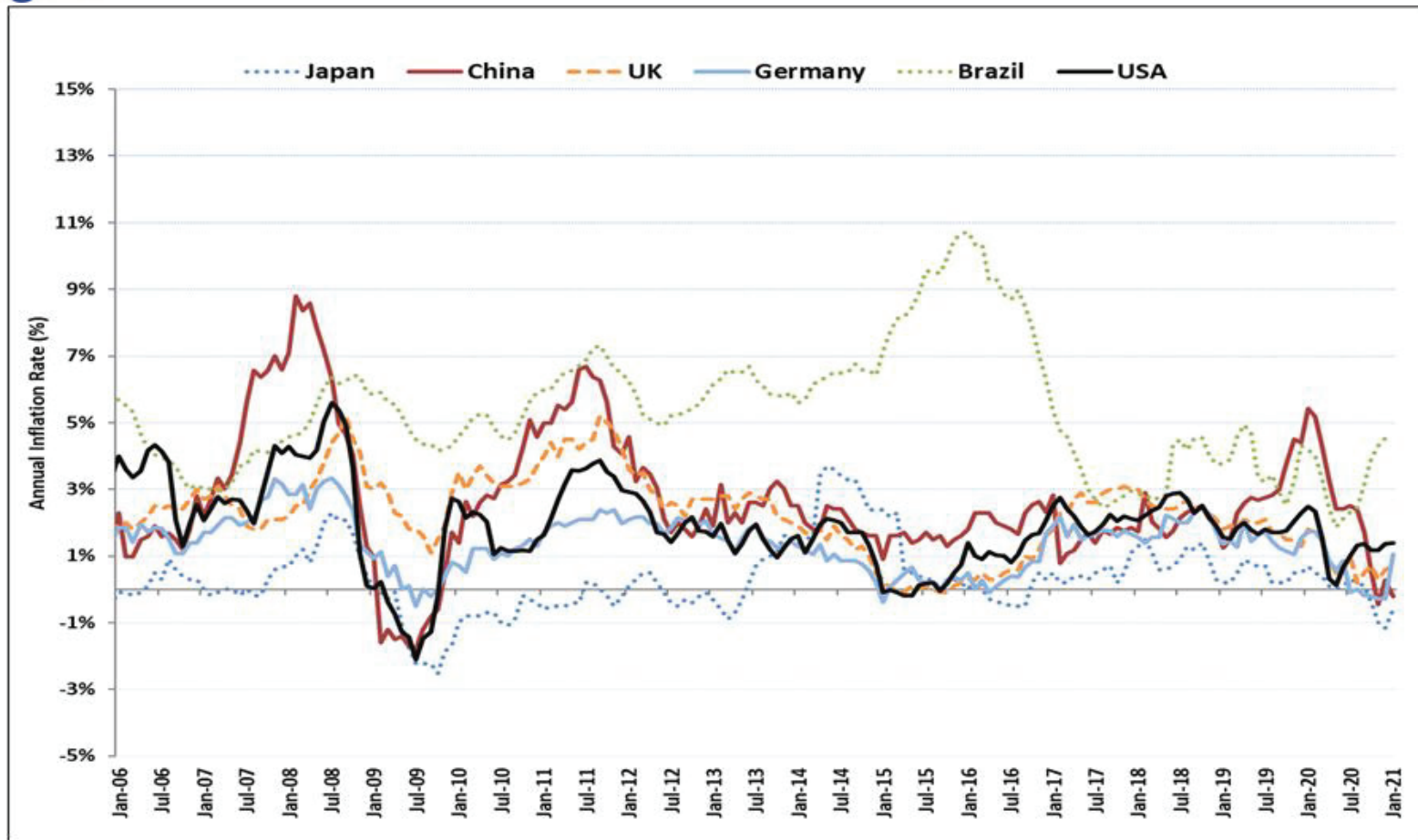
ECONOMY US Real GDP Growth and Labor Market





Ohio SERS Investment Report
ECONOMY Headline Inflation

Month Ending: 01/31/2021



	Japan	China	UK	Germany	Brazil	USA
Jan-21	-0.6	-0.2	0.7	1.1	4.6	1.4

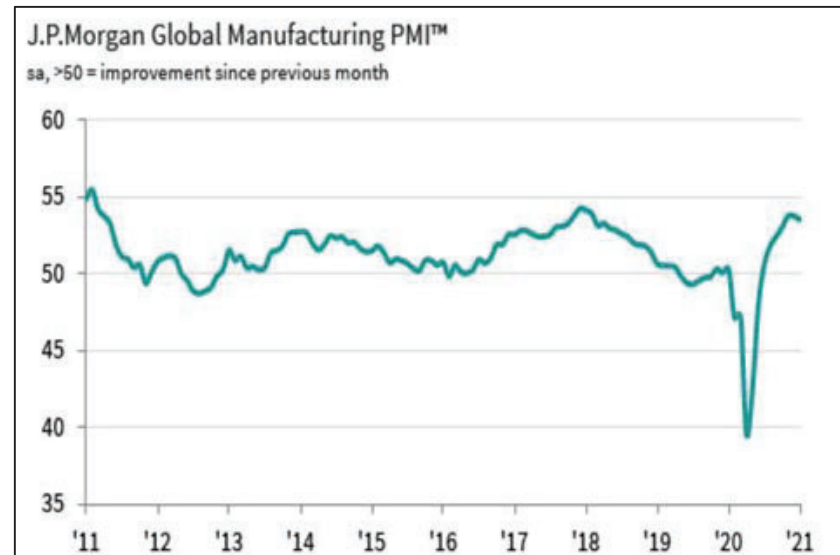
Sources: www.ons.gov.uk, www.oecd.org, www.inflation.eu, and www.tradingeconomics.com



Ohio SERS Investment Report

ECONOMY US & Global Manufacturing Activities

Month Ending: 01/31/2021

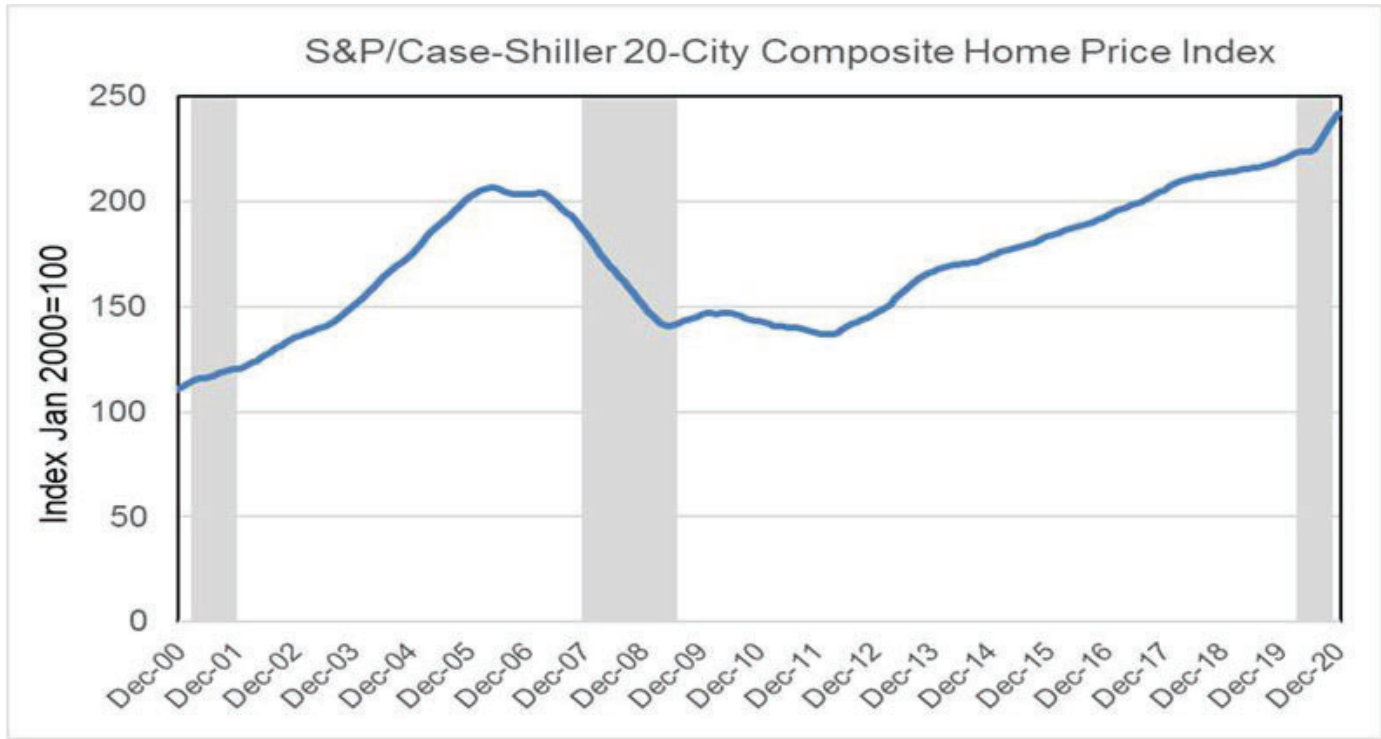


Source: Manufacturing ISM Report On Business & JPMorgan Global Manufacturing PMI™
Notes: Acronym – ISM – Institute of Supply Management; PMI – Purchasing Managers Index



Ohio SERS Investment Report
ECONOMY US Housing Market

Month Ending: 01/31/2021



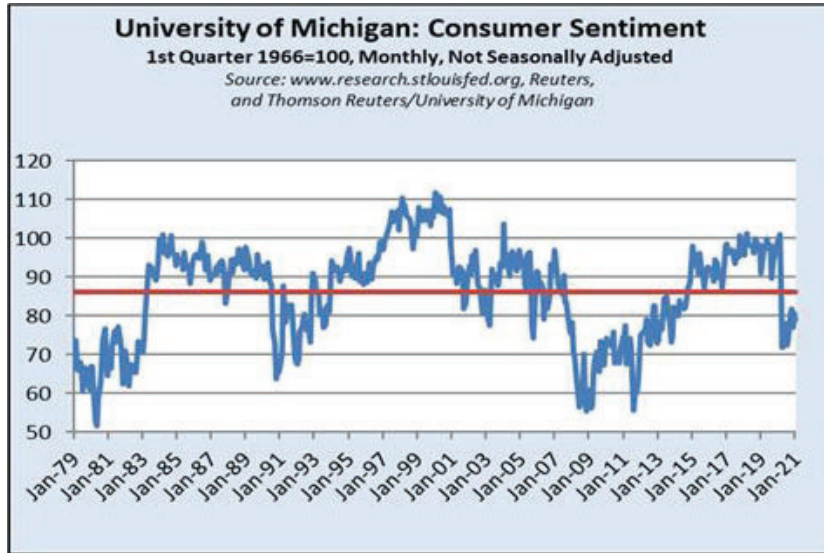
Date	S&P Case-Shiller 20-City Home Price Index January 2000 = 100, Seasonally Adjusted
Jul-16	188.73
Jul-17	199.95
Jul-18	211.87
Jul-19	216.09
Jul-20	225.34
Dec-20	242.16

Source: www.research.stlouisfed.org



Ohio SERS Investment Report **ECONOMY**

Consumer Sentiment

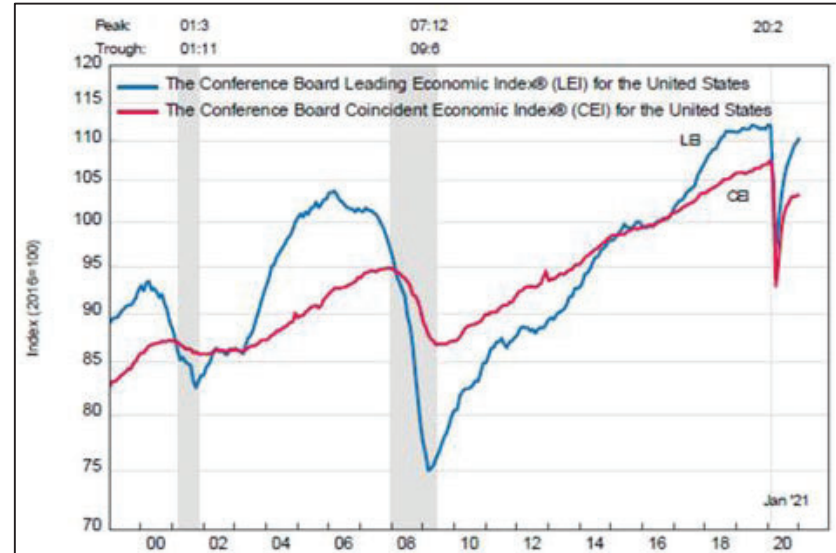


Index of Consumer Sentiment				
Dec-20	Jan-21	Jan-20	M-M Change	Y-Y Change
80.7	79.0	99.8	-2.1%	-20.8%

Sources: Thomson Reuters / University of Michigan;

Month Ending: 01/31/2021

The Leading Economic Index (LEI) and Coincident Economic Index (CEI) for the United States



Index	Nov-20	Dec-20	Jan-21	Month -Month Percent Change	6-Month Percent Change
LEI	109.3	109.7	110.3 p	0.5	5.1
CEI	103	103.1	103.3 p	0.2	2.5

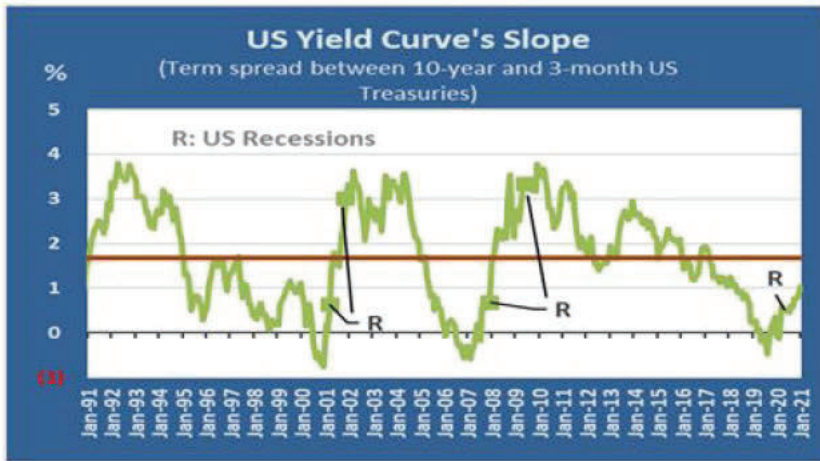
p Preliminary; r Revised; Indexes equal 100 in 2016

Sources: The Conference Board and advisorperspectives.com



Ohio SERS Investment Report **ECONOMY**

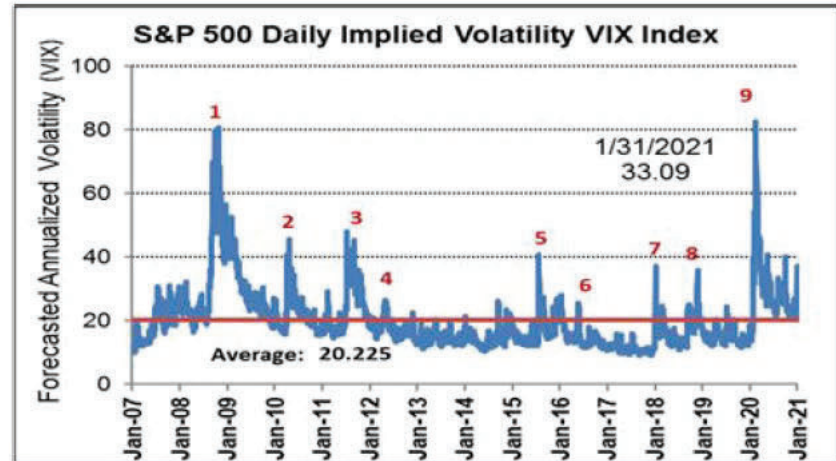
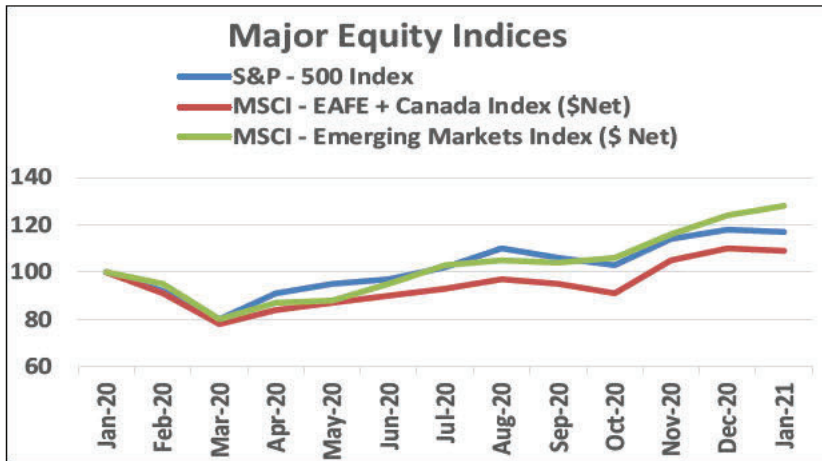
Month Ending: 01/31/2021





Ohio SERS Investment Report
MARKETS Equity

Month Ending: 01/31/2021



	Return as of 1/31/2021	
	1 Year	FYTD
S&P 500	17.25	20.93
MSCI - EAFE + Canada Index (\$Net)	8.54	20.25
MSCI - Emerging Markets Index (\$Net)	27.89	35.16

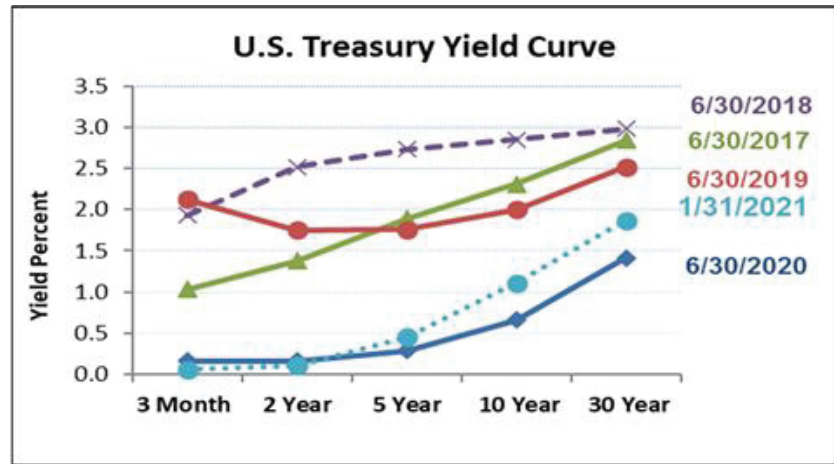
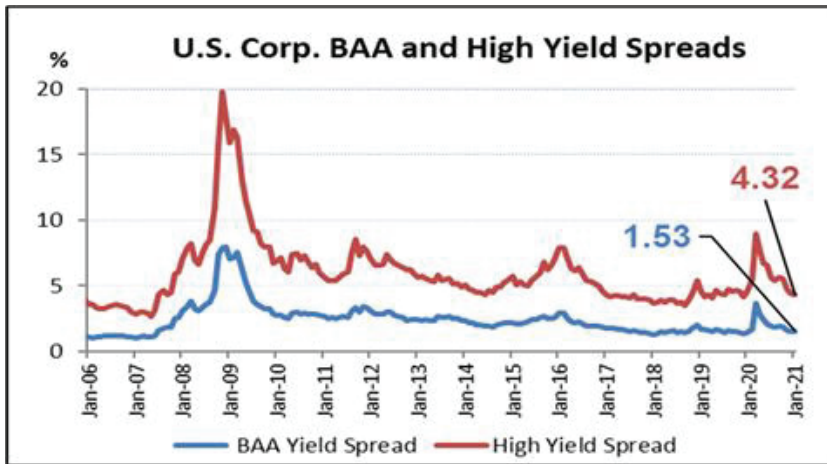
- 1 2008 (Nov.) Financial Crisis S&P 500: -48.8%
- 2 2010 (May) Flash crash; Europe/ Greece debt S&P 500: -16%
- 3 2011 (Aug.) US downgrade, Europe periphery S&P 500: -19.4%
- 4 2012 (June) Eurozone double dip S&P 500: -9.9%
- 5 2015 (Aug.) Global slowdown, China, Fed S&P 500: -12.4%
- 6 2016 (Feb.) Oil crash, US recession fear, China S&P 500: -10.5%
- 7 2018 (Feb.) Inflation, trade, tech S&P 500: -10.2%
- 8 2018 (Dec.) Interest rate hike, trade tension, global slowdown S&P 500: -10.5%
- 9 2020 (Mar.) Coronavirus, S&P 500: -23.7%

Sources: www.research.stlouisfed.org, and Wilshire Compass



Ohio SERS Investment Report
MARKETS Fixed Income

Month Ending: 01/31/2021

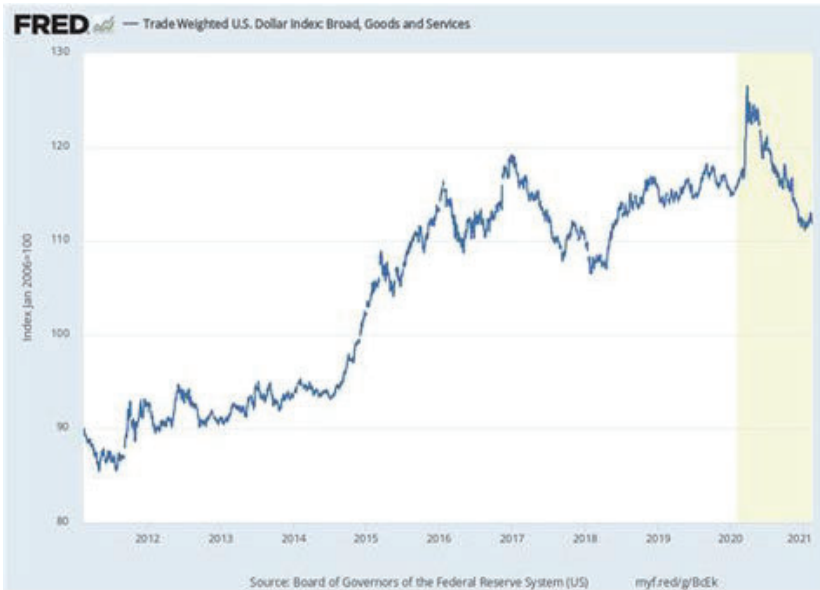


Sources: Wilshire Compass, ThomsonReuters, and Bloomberg



Ohio SERS Investment Report
MARKETS Foreign Exchange

Month Ending: 01/31/2021



Date	Trade Weighted Broad U.S. Dollar Index January 1997=100
June-16	112.15
June-17	111.97
June-18	113.27
June-19	114.56
June-20	120.86
January-21	112.24

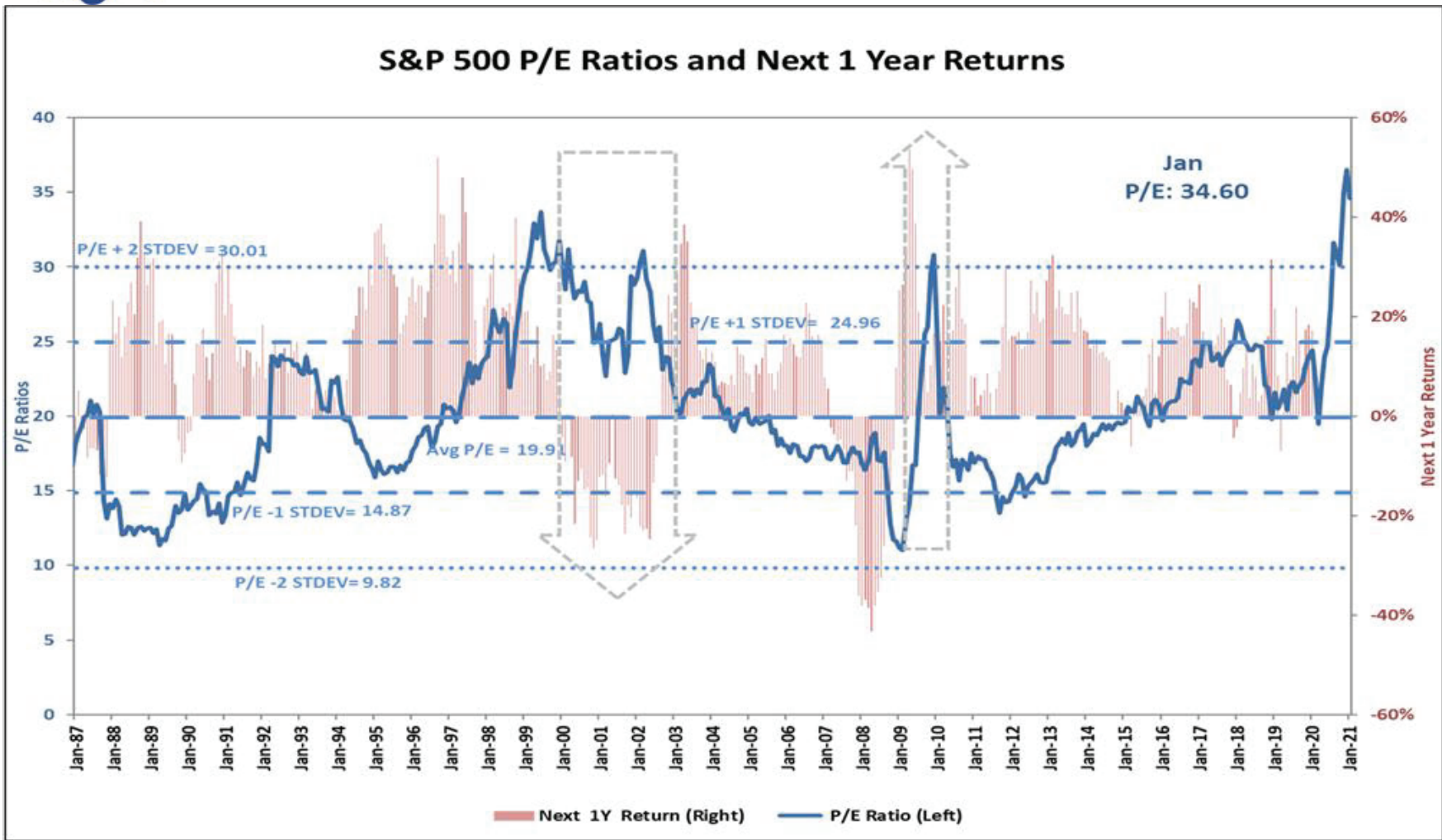
Date	U.S. / Euro Foreign Exchange Rate U.S. Dollars to One Euro
June 16	1.10
June 17	1.14
June 18	1.17
June 19	1.14
June 20	1.12
January 21	1.21

Source: www.research.stlouisfed.org



Ohio SERS Investment Report
VALUATION US Equity

Month Ending: 01/31/2021



Source: Wilshire Compass

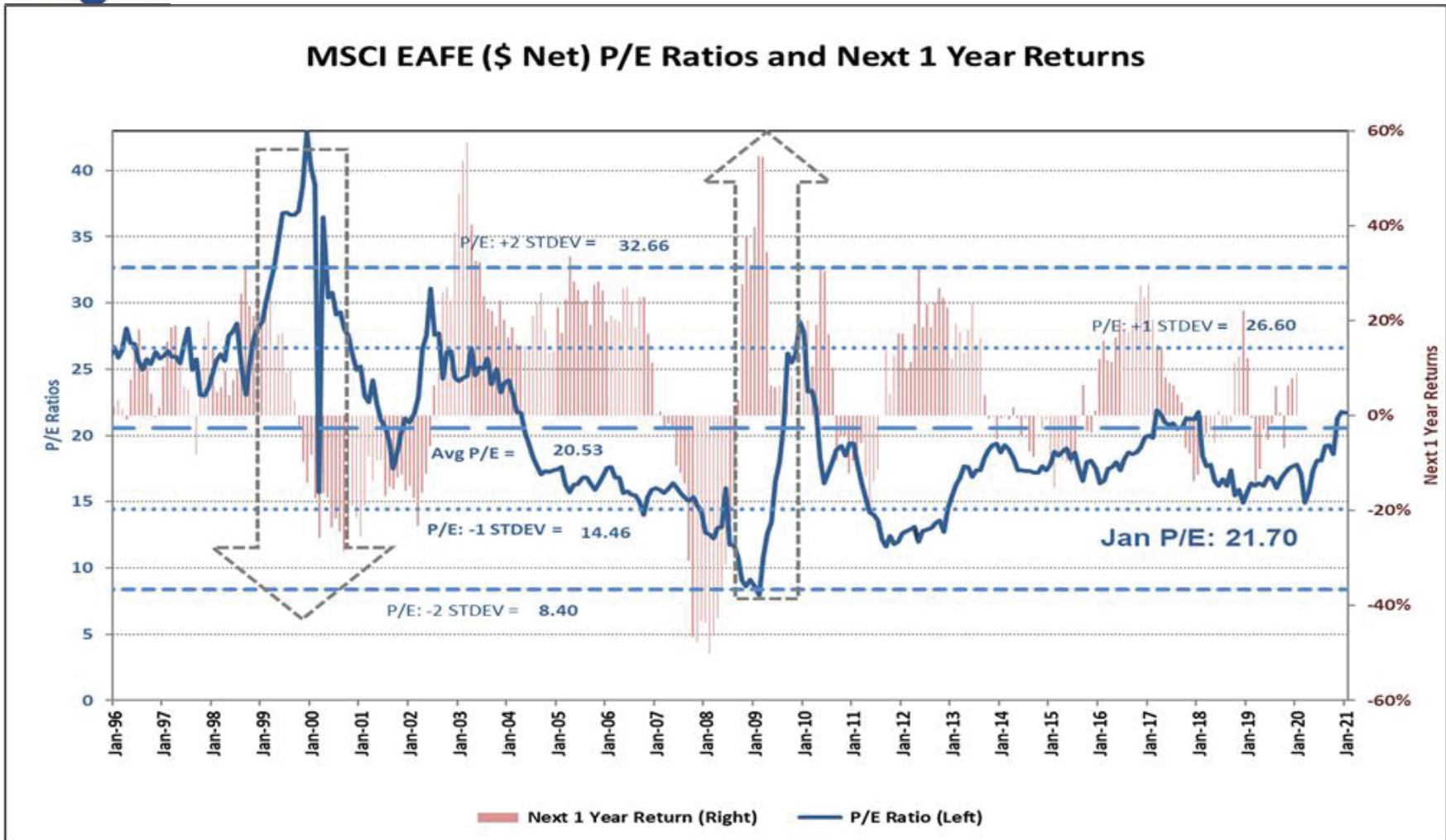


Ohio SERS Investment Report

VALUATION

Non US Developed Market Equity

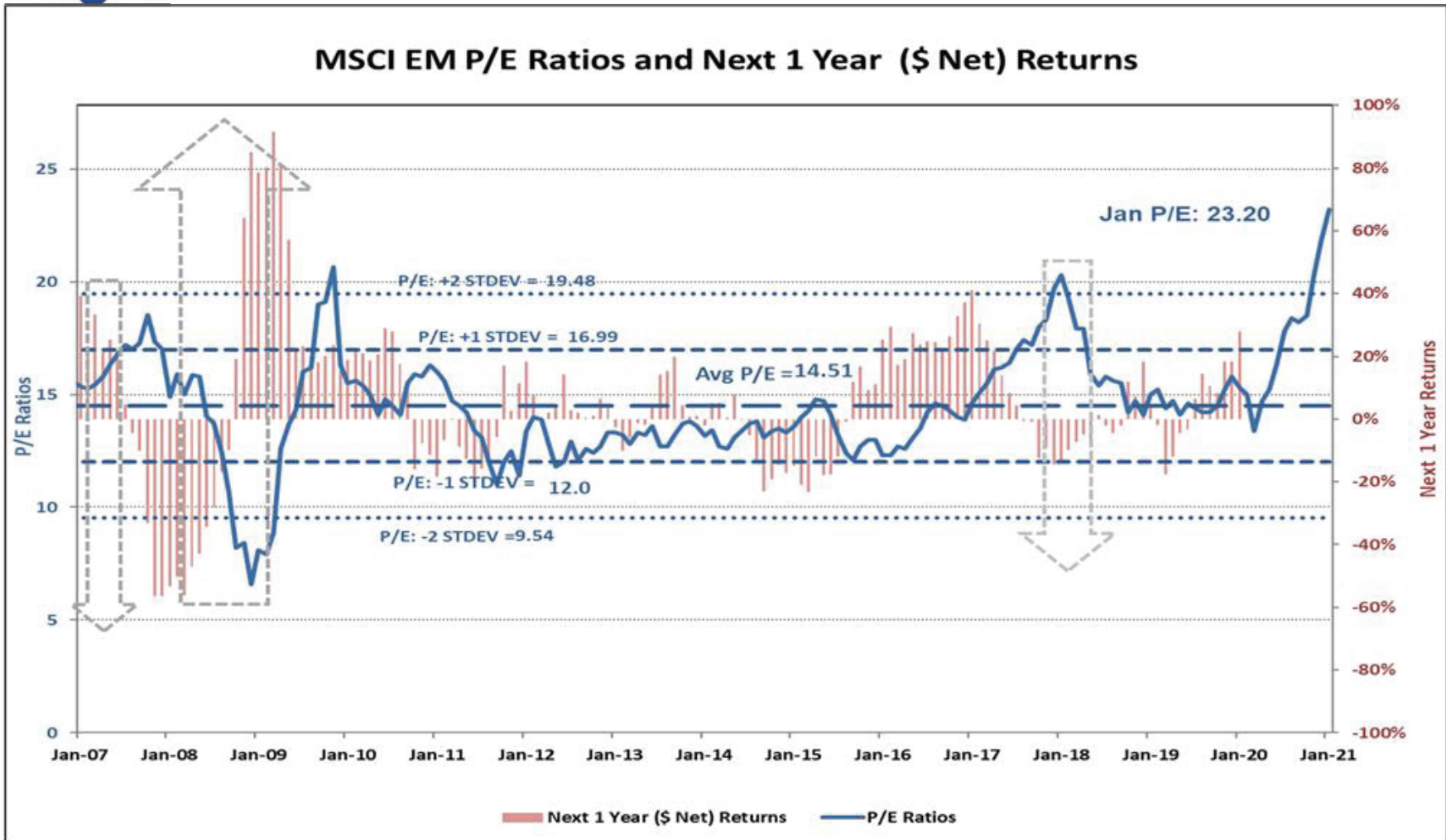
Month Ending: 01/31/2021





Ohio SERS Investment Report
VALUATION Emerging Market Equity

Month Ending: 01/31/2021

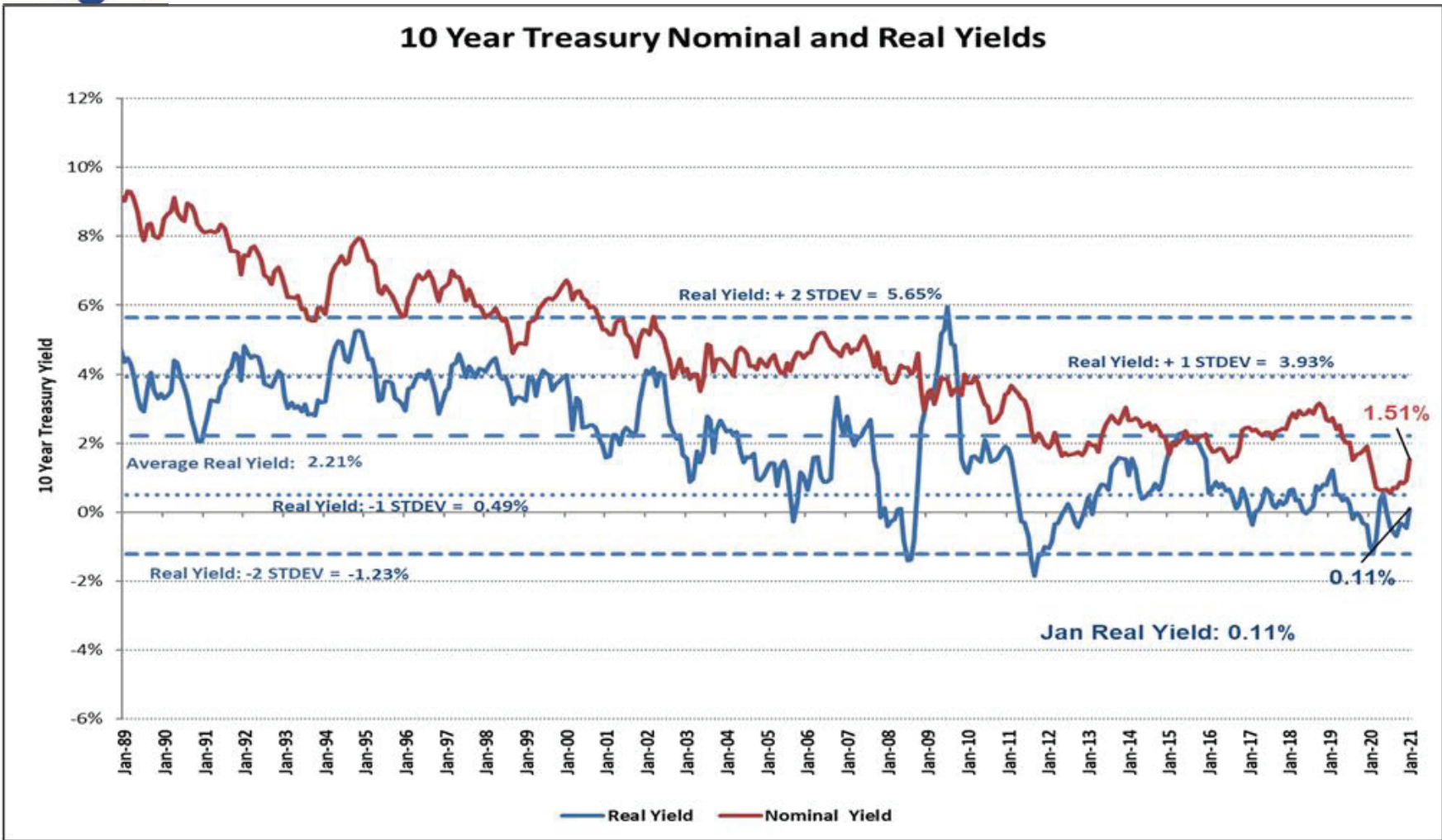


Source: Wilshire Compass



Ohio SERS Investment Report
VALUATION US Treasury Bonds

Month Ending: 01/31/2021



Sources: Wilshire Compass and U.S. Bureau of Labor Statistics



Ohio SERS Investment Report

Month Ending: 01/31/2021

SERS' Investment Portfolios Review



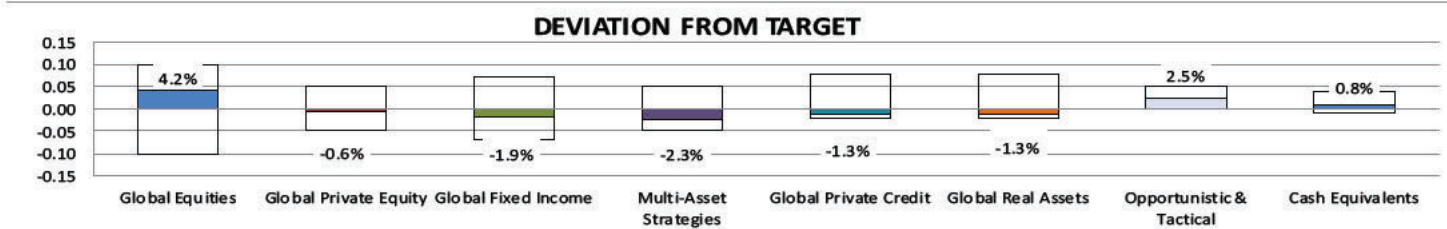
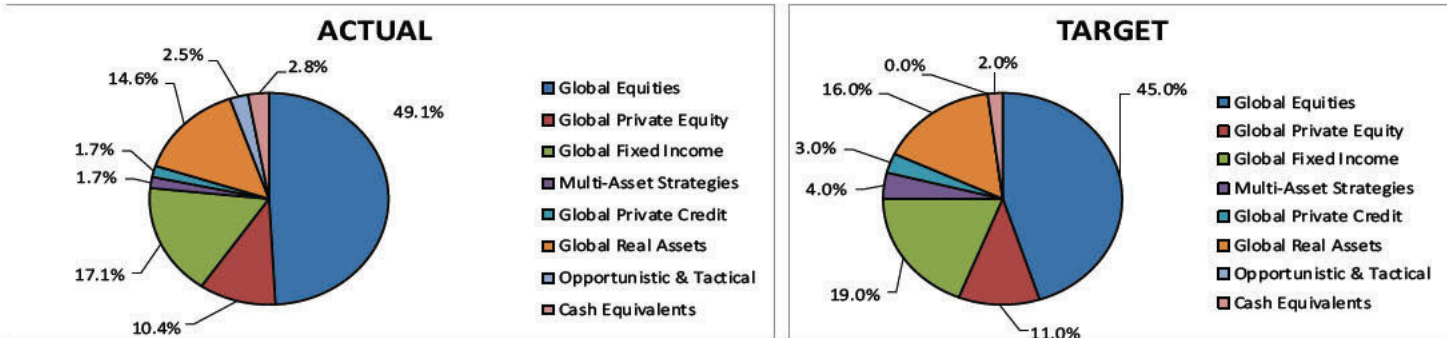
Ohio SERS Investment Report

Month Ending: 01/31/2021

® Total Fund: Asset Allocation & Valuation

Asset Class	Market Value \$	Actual	Target	Range
Global Equities	8,078,738,040	49.2%	45.0%	35% 55%
US Equity	4,173,419,455	25.4%	24.8%	19.25% 30.25%
Non US Equity Developed Market	2,908,524,447	17.7%	13.5%	10.50% 16.50%
Non US Equity Emerging Market	996,794,138	6.1%	6.8%	5.25% 8.25%
Global Private Equity	1,714,098,901	10.4%	11.0%	8% 16%
Global Fixed Income	2,806,282,600	17.1%	19.0%	12% 26%
Multi Asset Strategies	277,767,213	1.7%	4.0%	0% 4%
Global Private Credit	281,586,978	1.7%	3.0%	3% 7%
Global Real Assets	2,407,252,627	14.7%	16.0%	14% 20%
Opportunistic & Tactical	410,332,390	2.5%	0.0%	0% 5%
Cash Equivalents	463,138,414	2.8%	2.0%	0% 5%
Short Term	442,772,760	2.7%	2.0%	
Russell EA Overlay	0	0.0%	0.0%	
Direct Rebalance Overlay	0	0.0%	0.0%	
Currency Overlay	0	0.0%	0.0%	
Total Fund	16,418,831,509	100.1%	100.0%	

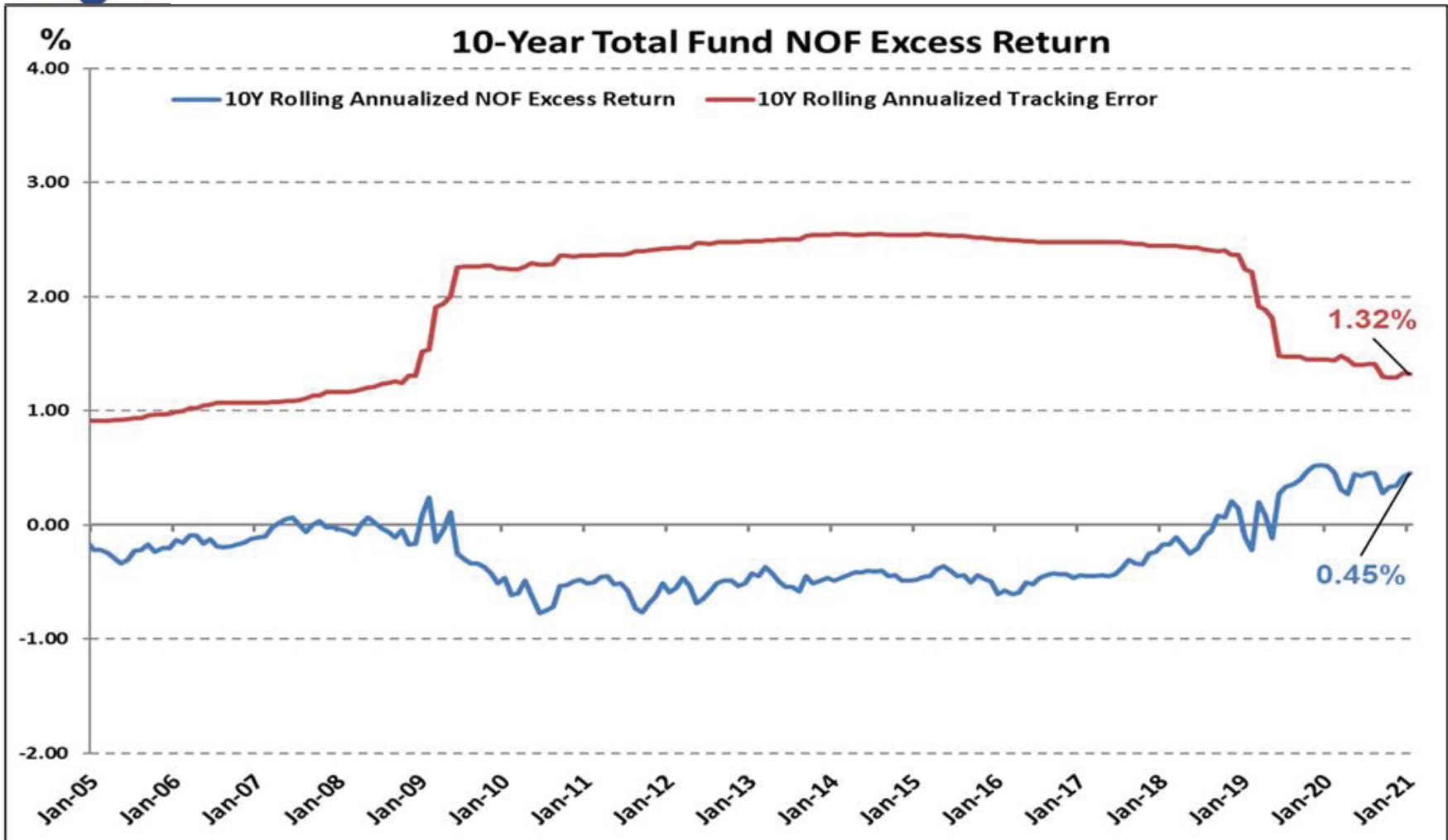
Source: BNY Mellon GRS





Ohio SERS Investment Report

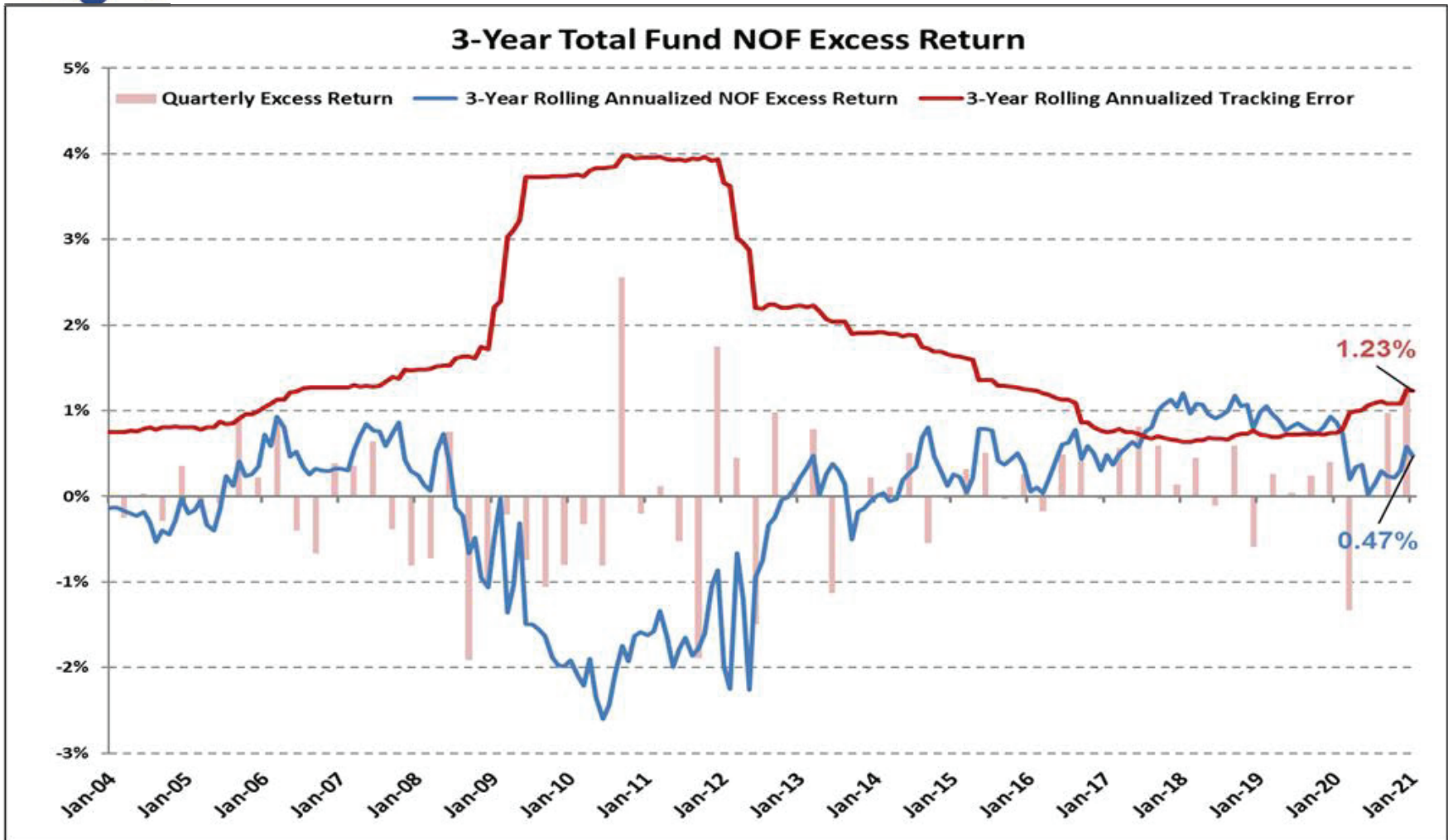
Month Ending: 01/31/2021





Ohio SERS Investment Report

Month Ending: 01/31/2021





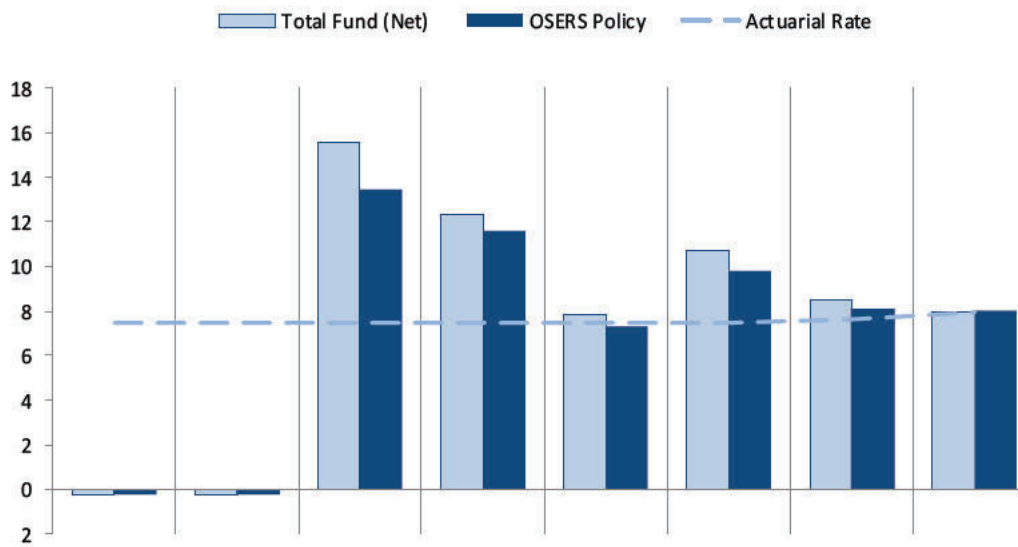
Ohio SERS Investment Report

Month Ending: 01/31/2021

Total Fund Performance

Current Benchmark:

- 24.75% Russell 3000
- 13.50% MSCI World Ex US Index (net dividends)
- 6.75% MSCI Emerging Markets Index (net dividends)
- 11.00% Burgiss All Private Equity benchmark (1q lag) (BAPE)
- 19.00% Bloomberg Barclays Aggregate Bond
- 16.00% NCREIF Property (1q lag)
- 4.00% HFRI Fund of Funds Composite plus 1%
- 3.00% LIBOR + 4.5%
- 2.00% Citigroup 30 Day US T Bill



Actuarial Rate

(7.5% adopted 4/21/16)

	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD*
Total Fund (Gross)	(0.21)	(0.21)	15.89	12.90	8.43	11.40	9.24	8.43
Total Fund (Net)	(0.23)	(0.23)	15.60	12.36	7.78	10.71	8.54	7.91
OSERS Policy	(0.20)	(0.20)	13.48	11.59	7.31	9.82	8.09	8.01
Value Added (Net of Fee)	(0.03)	(0.03)	2.12	0.77	0.47	0.89	0.45	(0.10)

Source: BNY Mellon GRS

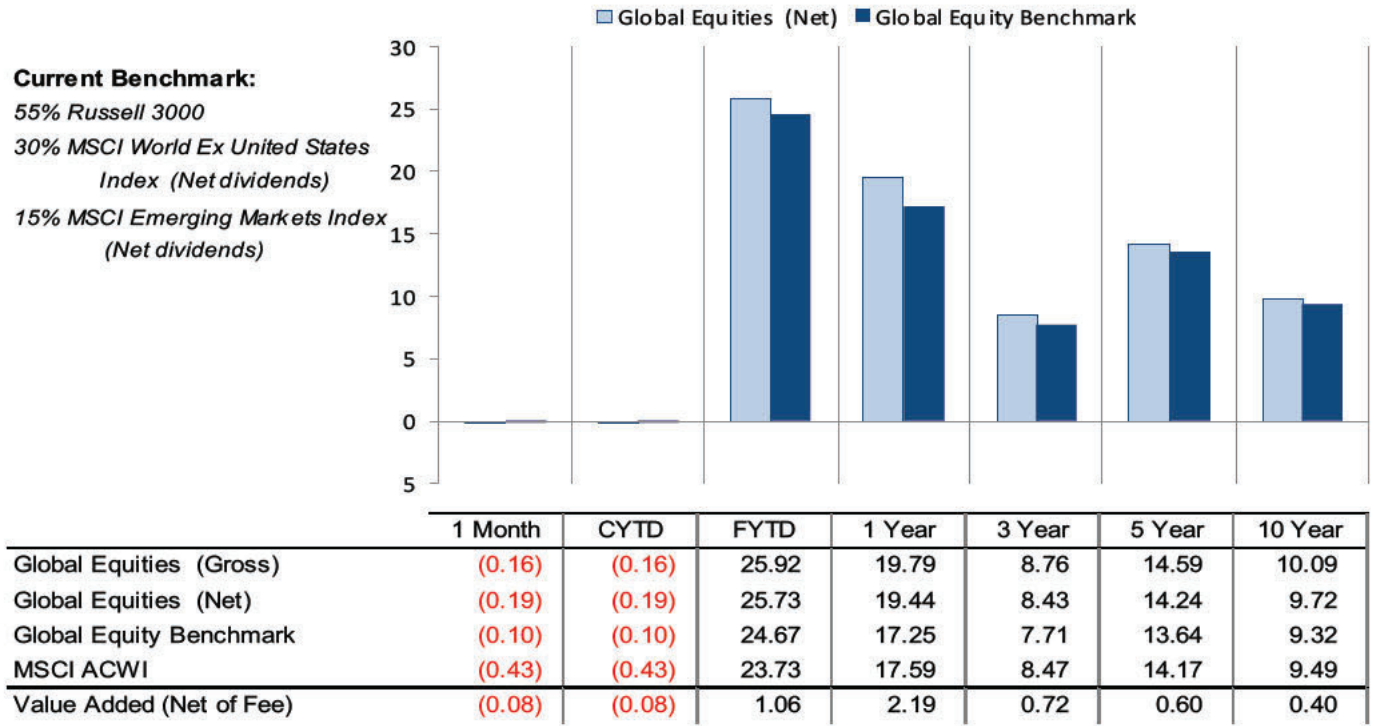
*ITD is Inception date 10/1/1994 (26 years and 4 months)



Ohio SERS Investment Report

Month Ending: 01/31/2021

Global Equities Performance



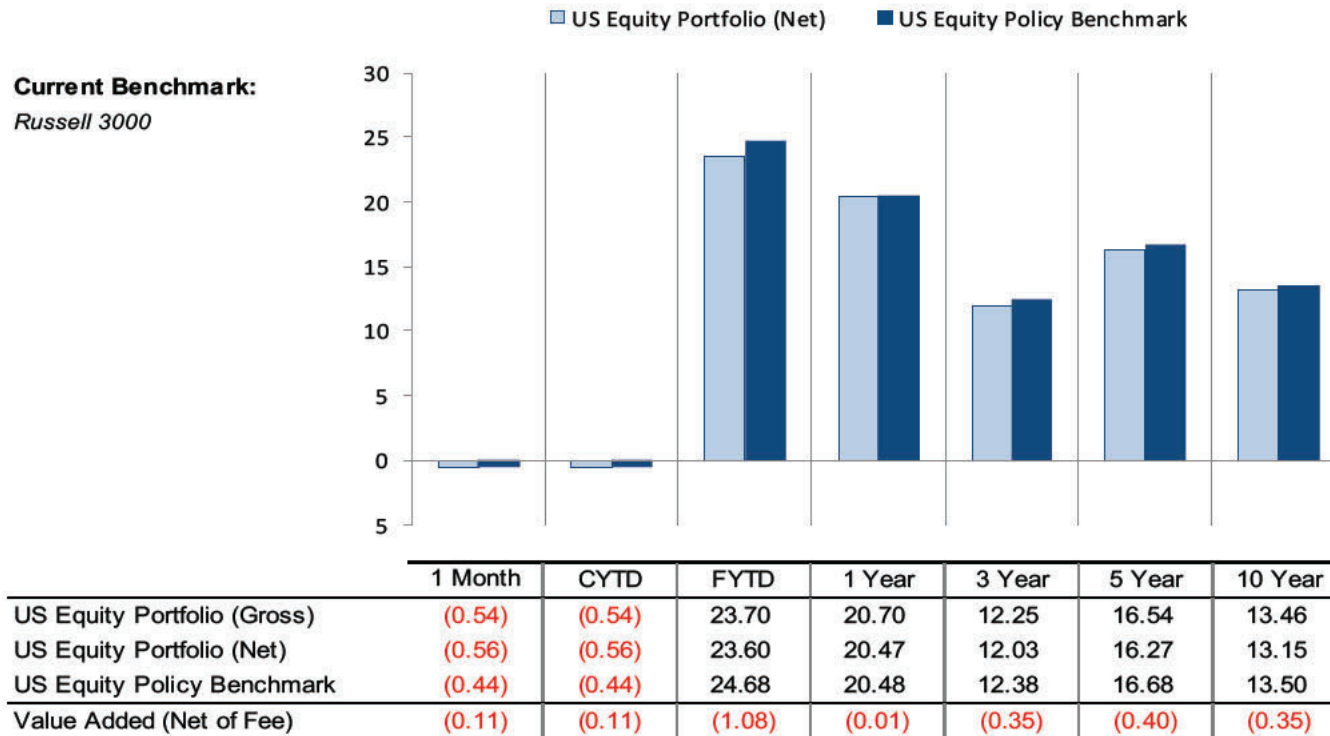
Source: BNY Mellon GRS



Ohio SERS Investment Report

Month Ending: 01/31/2021

US Equity Performance



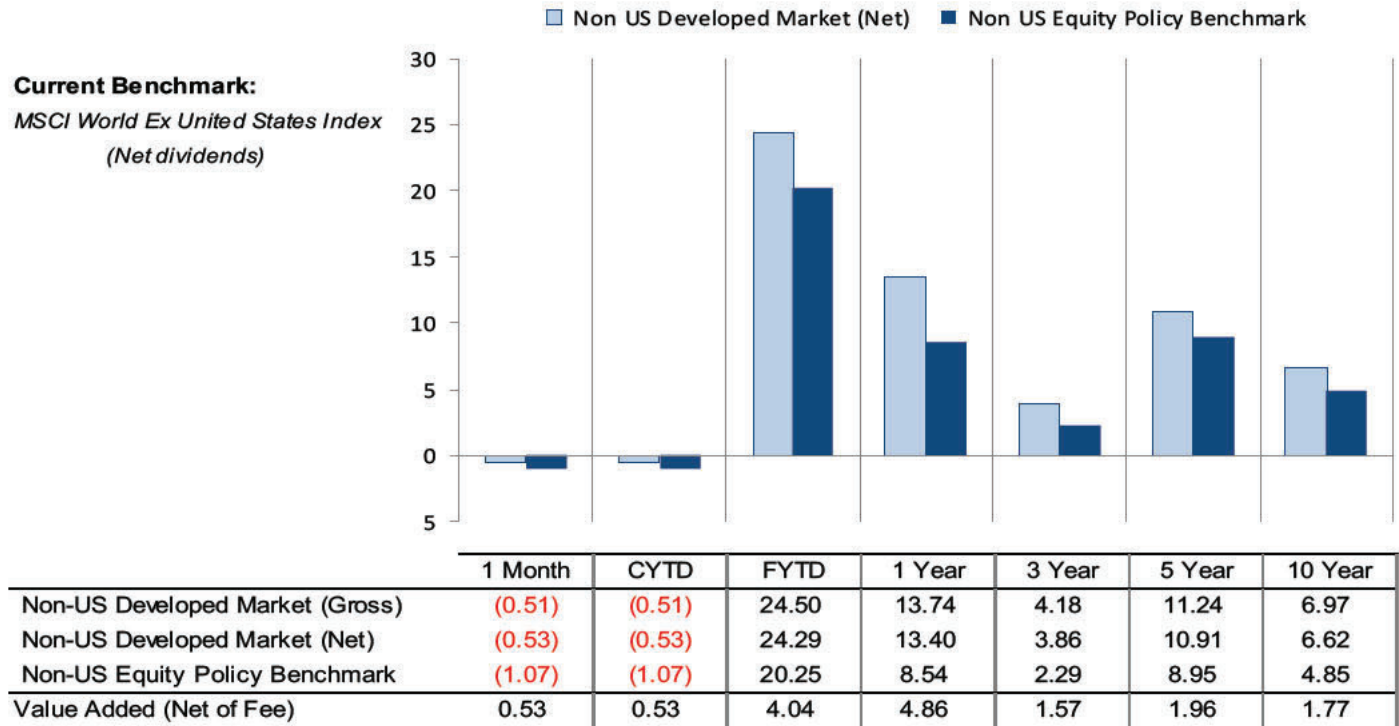
Source: BNY Mellon GRS



Ohio SERS Investment Report

Month Ending: 01/31/2021

Non-US Equity Developed Market Performance



Source: BNY Mellon GRS

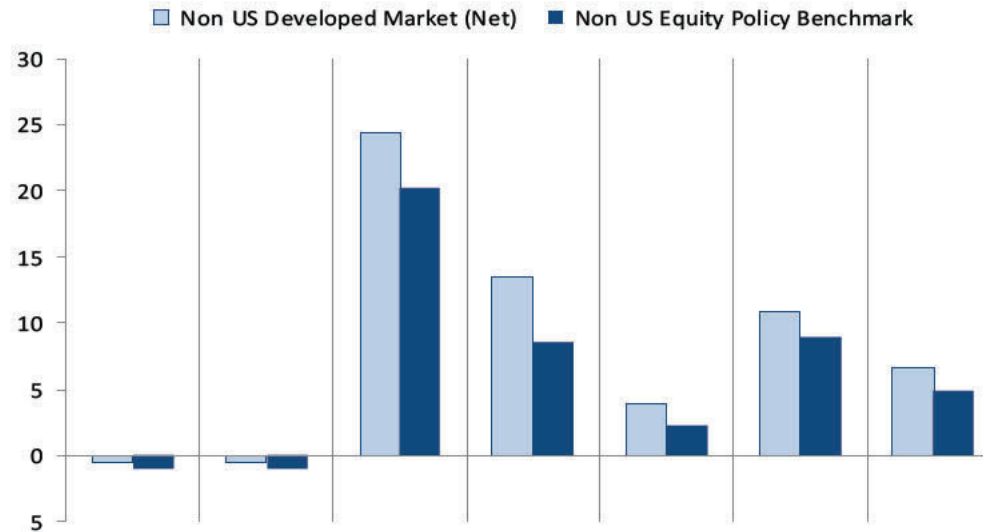


Ohio SERS Investment Report

Month Ending: 01/31/2021

Non-US Equity Emerging Market Performance

Current Benchmark:
 MSCI Emerging Markets Index
 (Net dividends)



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Non-US Emerging Market (Gross)	2.54	2.54	41.72	36.92	9.06	18.10	5.83
Non-US Emerging Market (Net)	2.48	2.48	41.13	35.88	8.21	17.18	5.07
Non-US Equity Policy Benchmark	3.07	3.07	35.16	27.90	4.42	15.03	4.23
Value Added (Net of Fee)	(0.59)	(0.59)	5.98	7.99	3.79	2.15	0.84

Source: BNY Mellon GRS



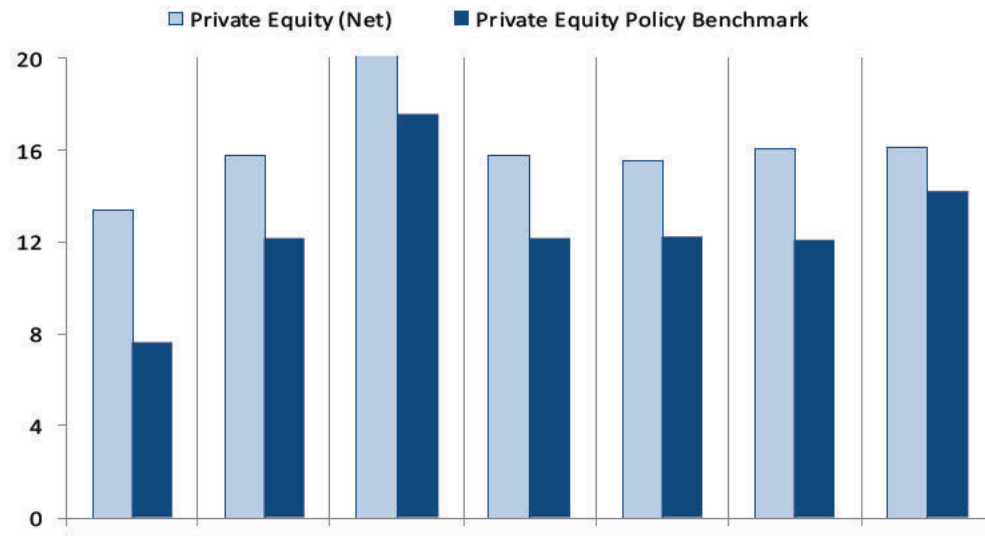
Ohio SERS Investment Report

Month Ending: 01/31/2021

Global Private Equity Performance

Results as of: 12/31/2020

Current Benchmark:
Burgiss All Private Equity Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Private Equity (Gross)	13.56	17.14	21.62	17.14	17.14	17.65	17.80
Private Equity (Net)	13.38	15.77	20.84	15.77	15.58	16.10	16.13
Private Equity Policy Benchmark	7.66	12.16	17.59	12.16	12.28	12.11	14.20
Value Added (Net of Fee)	5.72	3.61	3.26	3.61	3.30	3.98	1.93

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Private Equity performance is reported one quarter in arrears.

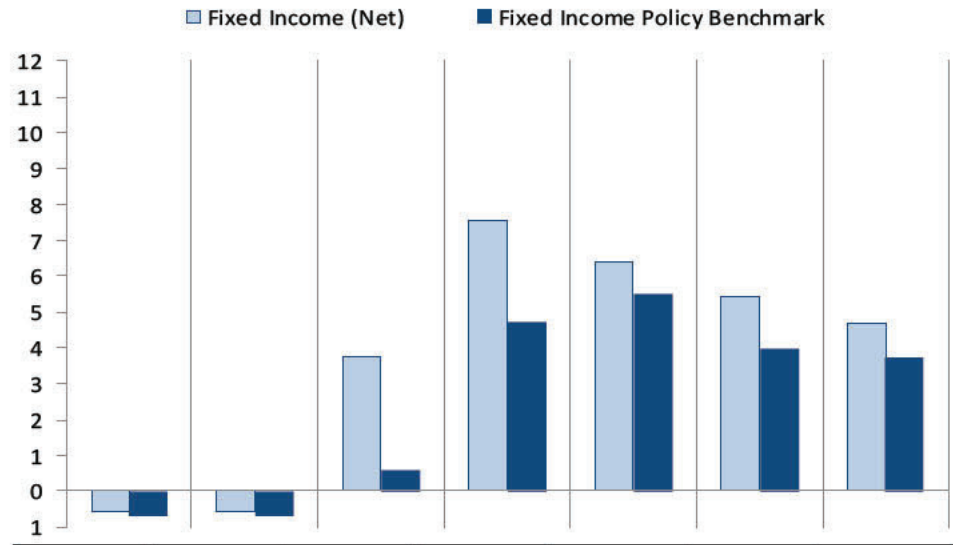


Ohio SERS Investment Report

Month Ending: 01/31/2021

Global Fixed Income Performance

Current Benchmark:
*Bloomberg Barclays Aggregate
 Bond Index*



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Fixed Income (Gross)	(0.58)	(0.58)	3.89	7.77	6.63	5.65	4.93
Fixed Income (Net)	(0.59)	(0.59)	3.75	7.54	6.41	5.43	4.70
Fixed Income Policy Benchmark	(0.72)	(0.72)	0.57	4.72	5.49	4.00	3.75
Value Added (Net of Fee)	0.12	0.12	3.19	2.82	0.91	1.43	0.95

Source: BNY Mellon GRS

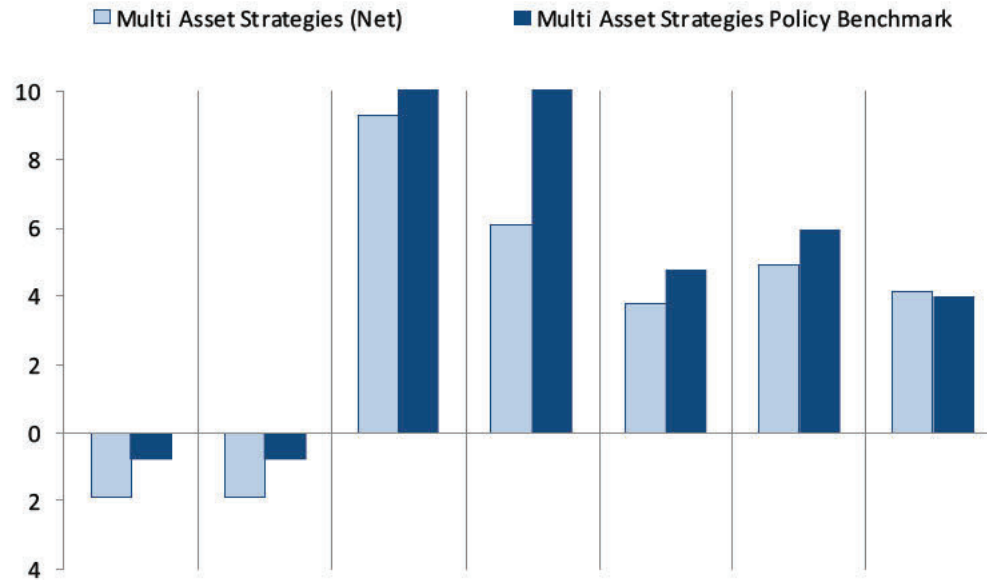


Ohio SERS Investment Report

Month Ending: 01/31/2021

Multi-Asset Strategies Performance

Current Benchmark:
 HFRI Fund of Funds Composite
 plus 1%



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Multi-Asset Strategies (Gross)	(1.82)	(1.82)	9.73	7.03	4.98	6.22	5.60
Multi-Asset Strategies (Net)	(1.88)	(1.88)	9.31	6.07	3.77	4.89	4.13
Multi-Asset Strategies Policy Benchmark	(0.80)	(0.80)	12.24	10.58	4.76	5.93	3.97
Value Added (Net of Fee)	(1.09)	(1.09)	(2.93)	(4.51)	(0.99)	(1.04)	0.16

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

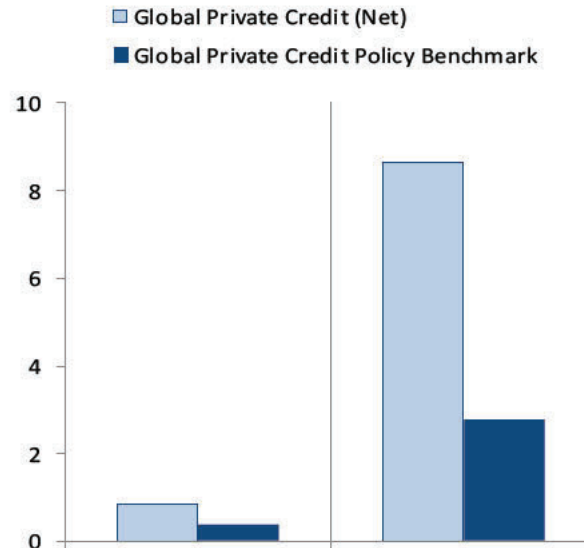


Ohio SERS Investment Report

Month Ending: 01/31/2021

Global Private Credit

Current Benchmark:
3 Month LIBOR plus 4.5%



	1 Month	FYTD
Global Private Credit (Gross)	0.84	9.27
Global Private Credit (Net)	0.84	8.66
Global Private Credit Policy Benchmark	0.39	2.77
Value Added (Net of Fee)	0.45	5.89

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.



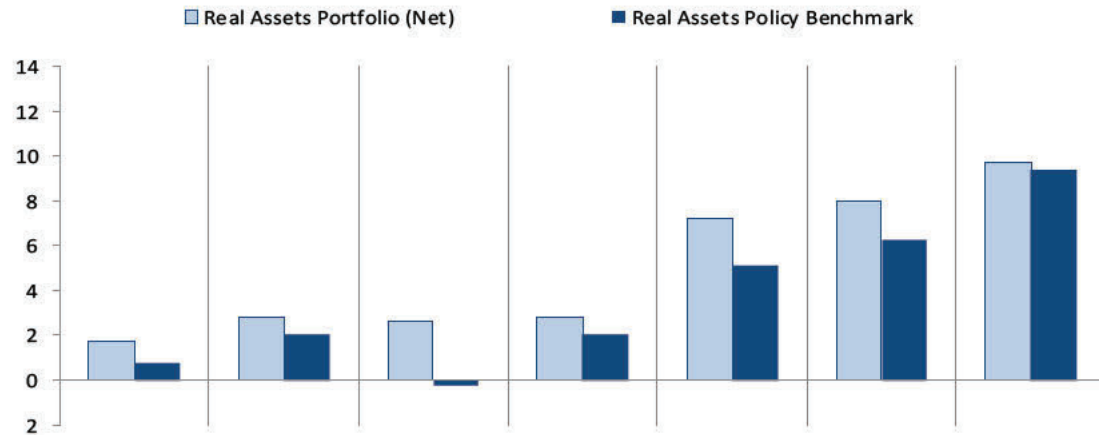
Ohio SERS Investment Report

Month Ending: 01/31/2021

Global Real Assets Performance

Results as of: 12/31/2020

Current Benchmark:
NCREIF Property Index (1q lag)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Real Assets Portfolio (Gross)	1.75	3.30	2.90	3.30	8.13	8.97	10.86
Real Assets Portfolio (Net)	1.74	2.76	2.66	2.76	7.18	7.96	9.73
Real Assets Policy Benchmark	0.74	2.00	(0.26)	2.00	5.11	6.28	9.37
Real Assets Value Added (NOF)	1.00	0.75	2.92	0.75	2.07	1.68	0.36
Real Assets Core (Net)	0.94	2.51	(0.29)	2.51	6.37	7.40	10.24
Real Assets Policy Benchmark	0.74	2.00	(0.26)	2.00	5.11	6.28	9.37
Real Assets Core Value Added (NOF)	0.20	0.51	(0.03)	0.51	1.26	1.12	0.87
Real Assets Non Core (Net)	0.05	(0.70)	0.10	(0.70)	6.11	7.58	9.21
Real Assets Policy Benchmark	0.74	2.00	(0.26)	2.00	5.11	6.28	9.37
Real Assets Non Core Value Added (NOF)	(0.69)	(2.70)	0.36	(2.70)	1.00	1.30	(0.16)
Real Assets Infrastructure (Net)	3.54	6.51	11.46	6.51	11.77	n/a	n/a
Real Assets Policy Benchmark	0.74	2.00	(0.26)	2.00	5.11	n/a	n/a
Real Assets Infrastructure Value Added (NOF)	2.80	4.51	11.72	4.51	6.66	n/a	n/a

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

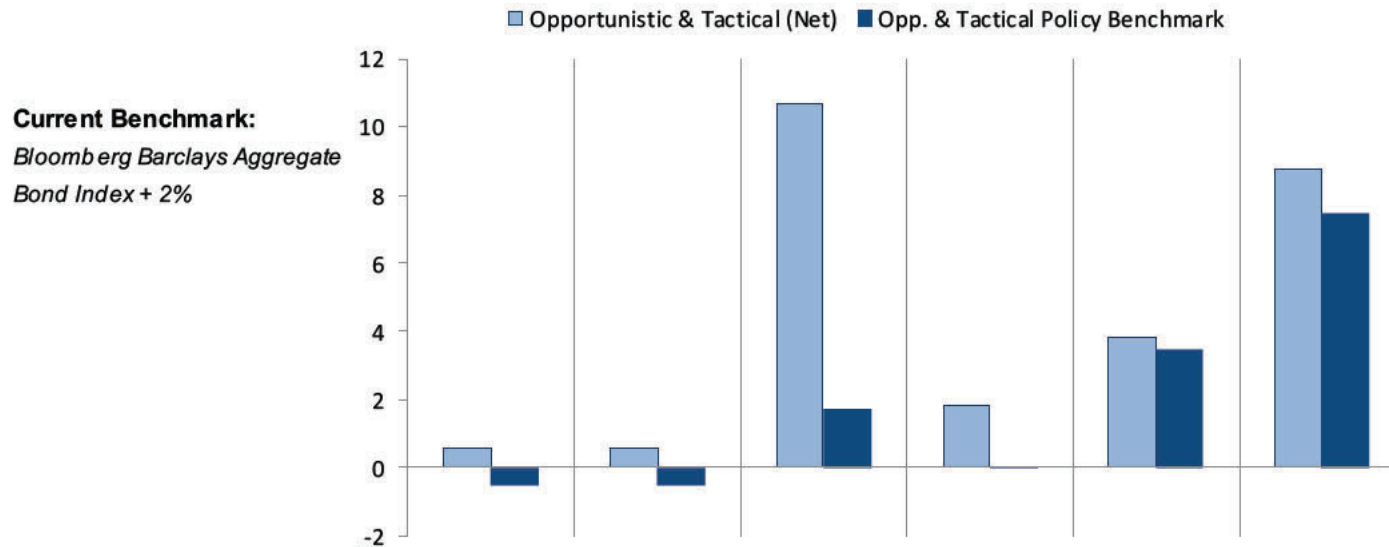
Global Real Assets performance is reported one quarter in arrears.



Ohio SERS Investment Report

Month Ending: 01/31/2021

Opportunistic & Tactical Performance



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year
Opportunistic & Tactical (Gross)	0.59	0.59	11.19	3.00	5.31	10.18
Opportunistic & Tactical (Net)	0.59	0.59	10.71	1.81	3.81	8.77
Opp. & Tactical Policy Benchmark	(0.55)	(0.55)	1.73	0.03	3.47	7.45
Value Added (Net of Fee)	1.14	1.14	8.98	1.78	0.34	1.33

Source: BNY Mellon GRS



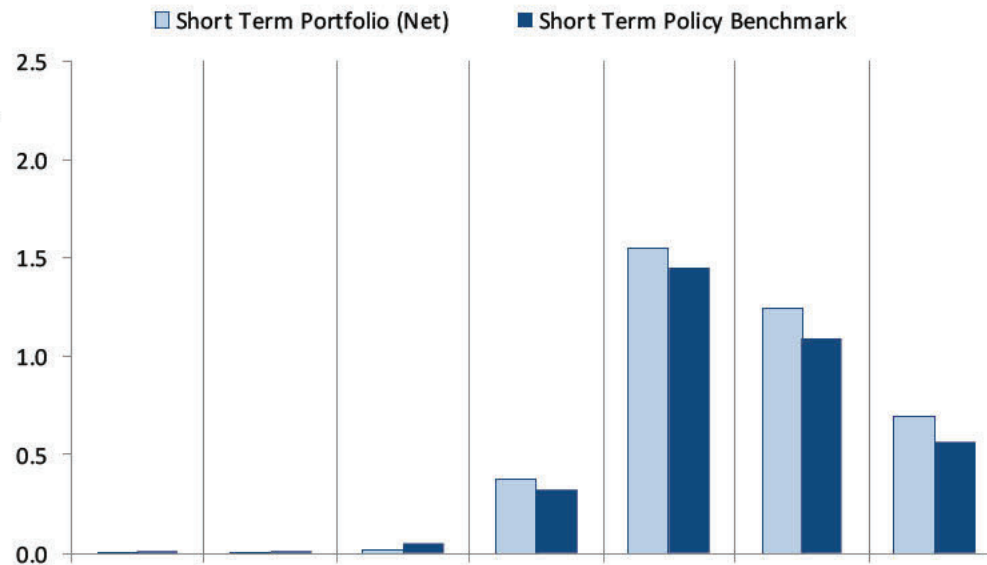
Ohio SERS Investment Report

Month Ending: 01/31/2021

Short-Term Performance

Current Benchmark:

Citigroup 30 Day Treasury Bill Index



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Short-Term Portfolio (Gross)	0.00	0.00	0.02	0.37	1.55	1.24	0.70
Short-Term Portfolio (Net)	0.00	0.00	0.02	0.37	1.55	1.24	0.70
Short-Term Policy Benchmark	0.00	0.00	0.05	0.33	1.45	1.09	0.56
Value Added (Net of Fee)	0.00	0.00	(0.03)	0.05	0.10	0.15	0.14

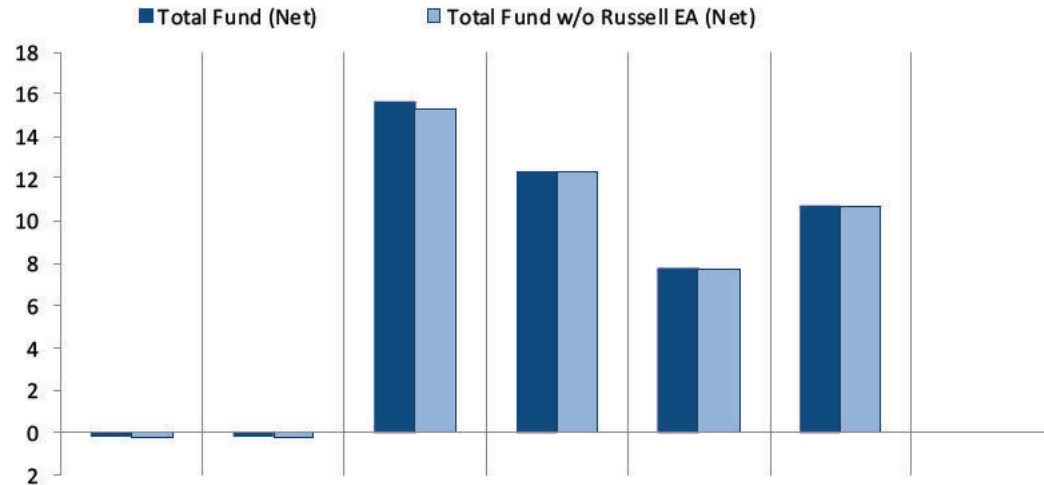
Source: BNY Mellon GRS



Ohio SERS Investment Report

Month Ending: 01/31/2021

Russell EA Overlay Performance



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year
Total Fund (Gross)	(0.21)	(0.21)	15.89	12.90	8.43	11.40
Total Fund w/o Russell EA (Gross)	(0.21)	(0.21)	15.55	12.80	8.35	11.34
Total Fund (Net)	(0.23)	(0.23)	15.60	12.36	7.78	10.71
Total Fund w/o Russell EA (Net)	(0.23)	(0.23)	15.29	12.28	7.73	10.67
Russell EA Overlay Impact (Net of Fee)	0.00	0.00	0.32	0.08	0.06	0.05

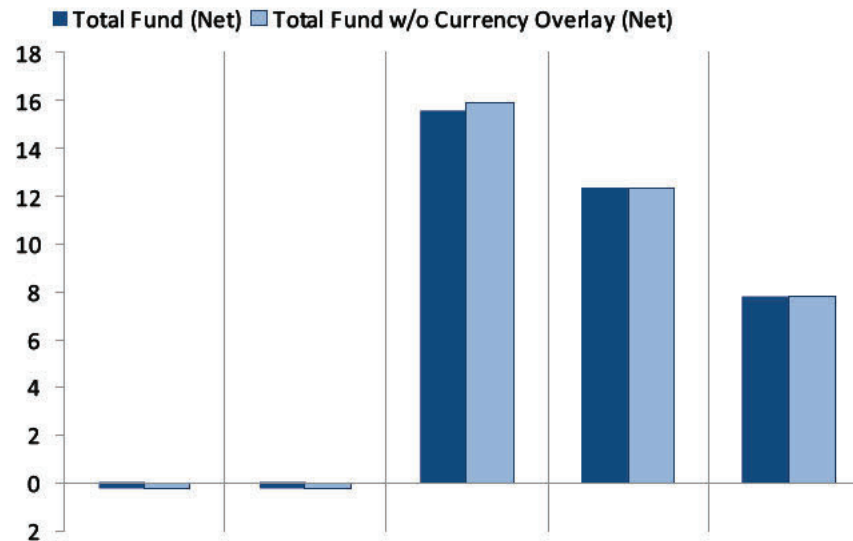
Source: BNY Mellon GRS



Ohio SERS Investment Report

Month Ending: 01/31/2021

Currency Overlay Performance



	1 Month	CYTD	FYTD	1 Year	3 Year
Total Fund (Gross)	(0.21)	(0.21)	15.89	12.90	8.43
Total Fund w/o Currency Overlay (Gross)	(0.22)	(0.22)	16.23	13.22	8.47
Total Fund (Net)	(0.23)	(0.23)	15.60	12.36	7.78
Total Fund w/o Currency Overlay (Net)	(0.24)	(0.24)	15.93	12.36	7.85
Currency Overlay Impact (Net of Fee)	0.01	0.01	(0.33)	0.00	(0.07)

Source: BNY Mellon GRS



Ohio SERS Investment Report

Month Ending: 01/31/2021

Proposed Investment Agenda – Next Meeting

Annual Portfolio Review – Private Credit
Investment Report (February 28, 2021)

SUMMARY OF INVESTMENT TRANSACTIONS

_____ moved and _____ seconded that the following summary of investment transactions made in compliance with the Ohio Revised Code Section 3309.15 during the period of January 1, 2021 through January 31, 2021 hereby be approved. A detailed list of these transactions can be found in the Board Agenda mailed prior to the March 2021 Retirement Board Meeting.

A. PURCHASES

Asset Class	Approximate Cost (in millions)
Global Equities	\$ 182.3
Fixed Income	455.1
Multi-Asset Strategies	2.8
Private Equity Capital Calls	32.7
Real Asset Capital Calls	n/a
Opportunistic	n/a
Global Private Credit	10.9
Cash Equivalents	452.9

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	\$341.8	\$ 107.0
Fixed Income	416.9	5.2
Multi-Asset Strategies	87.6	7.9
Private Equity distributions	31.9	n/a
Real Asset distributions	12.7	n/a
Opportunistic	n/a	n/a
Global Private Credit	n/a	n/a
Cash Equivalents	237.0	n/a

Upon roll call, the vote was as follows:

ROLL CALL:	YEA	NAY	ABSTAIN
Barbra Phillips	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Hugh Garside	_____	_____	_____

Administrative Expenses

School Employees Retirement System of Ohio

Summary of administrative operation expenses during the period **February 1, 2021 - February 28, 2021.**

Account	Amount
Salaries & Wages	1,056,253.91
Salaries & Wages Overtime	2,560.66
Vacation Leave Expense	92,613.36
Sick Leave Expense	(1,618.32)
Employer Contributions PERS	153,860.14
Group Life	8,129.74
Long Term Disability	2,282.74
Short Term Disability	2,407.50
Group Health Claims	282,612.16
Group Health Admin Fees	7,237.82
Prescription Claims	73,080.47
Group Health Stop Loss	13,231.41
Vision Claims	3,152.85
Vision Admin Fees	169.29
Group Health Employee Cost	(27,058.19)
Group Health Wellness Incentive	2,685.00
Group Health Tobacco Premiums	(840.00)
Medicare Premium Employer	15,495.12
Tuition	7,500.00
Deferred Compensation Match	4,695.00
Actuarial Services	19,182.50
Audit	33,856.00
Custodial Fees Investment Accounting	75,000.00
Custodial Banking	17,488.44
Master Recordkeeper Fees	78,333.33
Investment Advisory Fees	54,166.67

Administrative Expenses

Performance/Analytics Fee	37,401.66
Bloomberg Terminal Rentals	13,455.00
Medical Consultant	3,750.00
Special Counsel	31,810.80
Technical	58,462.06
Other Professional Services	20,707.81
Postage	3,246.23
Telecommunications Services	20,526.65
Communications & Publications	3,738.55
Software Maintenance	35,000.00
Software Subscriptions	68,382.05
Hardware <\$5,000	4,380.31
Equipment Repairs & Maintenance	3,088.22
Office Supplies & Expenses	45.20
Records Storage	1,567.94
Seminars & Conferences	2,913.00
Travel & Transportation	877.54
Subscriptions	5,079.49
Memberships	6,273.50
Operations Maintenance	2,955.28
Staff Support	5,107.07
Recruiting Expenses	1,705.80
Interior Landscaping	1,356.37
Vehicle Expense	14.00
Ohio Retirement Study Council	1,026.93
Reimbursement of Leased Svcs	(25,416.67)
Total Administrative Expenses	2,283,932.39

Administrative Expenses

School Employees Retirement System of Ohio REVIEW OF ADMINISTRATIVE EXPENSES February 2021

The following are preliminary administrative operation expenses of the School Employees Retirement System of Ohio during the period **February 1, 2021 - February 28, 2021**

Account	Vendor	Amount
Salaries & Wages	ADP, LLC	531,319.93
	ADP, LLC	524,933.98
	Account Totals:	1,056,253.91
Salaries & Wages Overtime	ADP, LLC	1,157.86
	ADP, LLC	1,402.80
	Account Totals:	2,560.66
Vacation Leave Expense	ADP, LLC	92,613.36
	Account Totals:	92,613.36
Sick Leave Expense	ADP, LLC	(1,618.32)
	Account Totals:	(1,618.32)
Employer Contributions PERS	Ohio Public Emp. Retirement System	76,816.43
	Ohio Public Emp. Retirement System	77,043.71
	Account Totals:	153,860.14
Group Life	American United Life Insurance Company	8,129.74
	Account Totals:	8,129.74
Long Term Disability	American United Life Insurance Company	2,282.74
	Account Totals:	2,282.74
Short Term Disability	American United Life Insurance Company	1,201.35
	American United Life Insurance Company	1,206.15
	Account Totals:	2,407.50
Group Health Claims	Aetna Daily Wires ESERS	279,211.16
	SaveonSP, LLC	3,401.00
	Account Totals:	282,612.16
Group Health Admin Fees	Aetna Admin ESERS	7,237.82
	Account Totals:	7,237.82

Administrative Expenses

Prescription Claims	Express Scripts ESERS	594.29
	Express Scripts ESERS	7,002.15
	Express Scripts ESERS	11,583.14
	Express Scripts ESERS	27,447.77
	Express Scripts ESERS	60,599.64
	Express Scripts ESERS	(34,146.52)
	Account Totals:	73,080.47
Group Health Stop Loss	Sunlife Financial	13,231.41
	Account Totals:	13,231.41
Vision Claims	VSP (OH)	3,152.85
	Account Totals:	3,152.85
Vision Admin Fees	VSP (OH)	169.29
	Account Totals:	169.29
Group Health Employee Cost	Employee Premiums	(13,587.83)
	Employee Premiums	(13,416.04)
	Aetna Admin ESERS	(54.32)
	Account Totals:	(27,058.19)
Group Health Wellness Incentive	ADP, LLC	2,775.00
	ADP, LLC	(90.00)
	Account Totals:	2,685.00
Group Health Tobacco Premiums	ADP, LLC	(420.00)
	ADP, LLC	(420.00)
	Account Totals:	(840.00)
Medicare Premium Employer	ADP, LLC	7,758.98
	ADP, LLC	7,736.14
	Account Totals:	15,495.12
Tuition	Trivette, Courtney	7,500.00
	Account Totals:	7,500.00
Deferred Compensation Match	ADP, LLC	2,355.00
	ADP, LLC	2,340.00
	Account Totals:	4,695.00
Actuarial Services	Cavanaugh MacDonald Consulting, LLC	12,000.00
	Cavanaugh MacDonald Consulting, LLC	7,182.50
	Account Totals:	19,182.50

Administrative Expenses

Audit	RSM, LLC	5,696.00
	RSM, LLC	28,160.00
	Account Totals:	33,856.00
Custodial Fees Investment Accounting	BNY Mellon Asset Servicing	75,000.00
	Account Totals:	75,000.00
Custodial Banking	Huntington National Bank	17,045.20
	Treasurer of State Warrants	443.24
	Account Totals:	17,488.44
Master Recordkeeper Fees	BNY Mellon Asset Servicing	78,333.33
	Account Totals:	78,333.33
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
	Wilshire Associates Incorporated	3,000.00
	Account Totals:	37,401.66
Bloomberg Terminal Rentals	Bloomberg Finance LP	13,455.00
	Account Totals:	13,455.00
Medical Consultant	Borchers, M.D., Glen G.	3,750.00
	Account Totals:	3,750.00
Special Counsel	Frost Brown Todd, LLC	2,610.30
	Ice Miller LLP	118.00
	Morgan, Lewis & Blockius	28,832.50
	Standley LawGroup LLP	250.00
	Account Totals:	31,810.80
Technical	CGI, Inc.	2,145.00
	ComResource	3,565.00
	HMB, Inc.	13,200.00
	Sagitec Solutions, LLC	34,677.06
	Velosio	4,875.00
	Account Totals:	58,462.06

Administrative Expenses

Other Professional Services	Contoural, Inc.	15,480.75
	Drake, Carol N.	3,333.33
	LexisNexis Risk Data Management, Inc	1,519.73
	Wickert, Kimberly	374.00
	Account Totals:	20,707.81
Postage	Columbus Courier & Freight LLC	190.18
	Columbus Courier & Freight LLC	193.40
	Pitney Bowes Inc.	250.79
	Pitney Bowes Inc.	99.33
	Pitney Bowes Inc.	71.82
	Pitney Bowes Inc.	2,032.88
	Quadient	213.01
	Unishippers Association	95.82
	Unishippers Association	33.00
	Unishippers Association	33.00
	Unishippers Association	33.00
	Account Totals:	3,246.23
Telecommunications Services	AT&T	50.09
	LUMEN	5,033.19
	TBG Conferencing	654.09
	Time Warner Cable	10,269.30
	Verizon Wireless	2,701.81
	XO Communications	1,818.17
	Account Totals:	20,526.65
Communications & Publications	Baise Quality Printing	3,738.55
	Account Totals:	3,738.55
Software Maintenance	Sagitec Solutions, LLC	35,000.00
	Account Totals:	35,000.00
Software Subscriptions	ADP, LLC	1,696.45
	ADP, LLC	3,243.12
	DigiCert, Inc	1,166.00
	Diligent	19,750.00
	KLDiscovery	1,275.00
	Liquid Web Inc	264.50
	LogMeIn	768.00
	PDFForge.org	1,021.26
	Wellable LLC	462.80
	Workiva Inc.	38,284.35
	Zoom	450.57
	Account Totals:	68,382.05

Administrative Expenses

Hardware < \$5,000	Amazon.com	4,030.31
	ServerWorlds	350.00
	Account Totals:	4,380.31
Equipment Repairs & Maintenance	Canon Financial Services, Inc	1,647.27
	Digital Print Solutions	518.61
	LD Products Inc.	19.99
	Ricoh USA, Inc	69.98
	Ricoh USA, Inc	389.58
	Ricoh USA, Inc	442.79
	Account Totals:	3,088.22
Office Supplies & Expenses	Millcraft Paper Co.	45.20
	Account Totals:	45.20
Records Storage	Vital Records Holdings, LLC	1,567.94
	Account Totals:	1,567.94
Seminars & Conferences	Applied Network Defense	1,294.00
	Careworks Comp	50.00
	NASRA	1,050.00
	Ohio State University	450.00
	Professional Development Resources	69.00
	Account Totals:	2,913.00
Travel & Transportation	Phillips, Barbra	220.64
	Weglarz, Frank	656.90
	Account Totals:	877.54
Subscriptions	Constant Contact	125.00
	DLT Solutions	1,737.00
	Gongwer News Service, Inc	3,000.00
	Modern Healthcare	169.00
	Shutterstock, Inc.	29.00
	Wall Street Journal	19.49
	Account Totals:	5,079.49
Memberships	Accountancy Board of Ohio	183.50
	Information Systems Security Association	115.00
	Institutional Limited Partners Association	4,000.00
	NCTR	1,060.00
	Pension Real Estate Association	330.00
	Public Relations Society of America	260.00
	Stensrud, Richard	325.00
	Account Totals:	6,273.50

Administrative Expenses

Operations Maintenance	Amtrec, LLC	1,666.00
	AT&T	279.18
	South Central Power Company	794.10
	Stanley Convergent Security Solutions, Inc.	216.00
	Account Totals:	2,955.28
Staff Support	Amazon.com	35.91
	Certif A Gift Company	60.00
	Franklin Services	895.06
	Home Depot	25.00
	Matrix Integrated Psychological Services	590.70
	ThrivePass	533.00
	Unisan, LLC	107.40
	Employee Reimbursement	1,415.00
	Employee Reimbursement	1,445.00
	Account Totals:	5,107.07
Recruiting Expenses	Indeed	1,288.03
	LinkedIn Corporation	417.77
	Account Totals:	1,705.80
Interior Landscaping	Ambius Inc. (05)	1,356.37
	Account Totals:	1,356.37
Vehicle Expense	Moo Moo Car Wash	14.00
	Account Totals:	14.00
Board Member School Board Reimb.	Ashland City School District	1,026.93
	Account Totals:	1,026.93
Reimbursement of Leased Svcs	OSERS Broad St. LLC	(25,416.67)
	Account Totals:	(25,416.67)
Total Administrative Expenses		2,283,932.39

MEMORANDUM

To: Chris Collins, SERS Government Relations Officer

From: Carol Nolan Drake, Federal Liaison

Date: March 3, 2021

Re: Federal Legislative and Regulatory Report

OVERVIEW

Highlights for February: the Senate voted to acquit former President Donald Trump of one count, “incitement of insurrection,” charged against him after the House’s impeachment amid lingering questions how to further investigate the January 6 disturbance at the U.S. Capitol; more confirmation hearings in the Senate for Cabinet-level and senior officials in the Biden administration; President Biden’s effort to pass the “American Rescue Plan” in the Senate after its passage in the House; continued discussion on COVID-19 relief for schools to reopen, businesses, and state/local government; and discussions on legislation or new regulations to provide affordable health care for retirees, address the rebate rule for EGWPs and address the high cost of prescription drugs.

On Saturday, February 13, the Senate concluded the trial of former President Trump. After almost a week of presentations, first by the Democratic House attorneys and then former President Trump’s defense team, the Senate voted to acquit the former President. The Senate voted 57 to 43, which was ten votes short of the required two-thirds majority for a guilty verdict. Senator Rob Portman (R-OH) voted against a conviction, deferring to questions on the constitutionality of impeaching a former President. Senator Sherrod Brown (D-OH) voted in favor of conviction.

On Tuesday, March 2, FBI Director Christopher Wray testified before the Senate Committee on the Judiciary to discuss the Bureau’s continued investigation into the events leading up to and on January 6 and the status of other investigations. The oversight hearing was held to “examine the Federal Bureau of Investigation, focusing on the January 6 insurrection, domestic terrorism, and other threats.” This hearing was followed by a joint hearing on March 3 in the Senate Committees on Homeland Security and Governmental Affairs to “examine the January 6 attack on the Capitol.”

The House, too, is considering how to address what happened at the Capitol and ensure that the Capitol (and other federal buildings) are secure. Speaker Nancy Pelosi (D-CA) has called for the creation of a bipartisan commission, made up of appointed members, to investigate the January 6 disturbance and make recommendations. While the commission would be made up of Republican and Democratic members, the House and Senate leadership, and President, would be able to appoint the members, meaning that more Democrats could be appointed. The media reported that Acting Capitol Police Chief Yogananda Pittman testified before the House Committee on Appropriations on March 3 and noted that there has been a 93.5 percent increase in threats to members of Congress during January and February 2021 compared to the same months last year.

The Senate is scheduled to be in session in March until it adjourns for its state work period from Monday, March 29 through Friday, April 9. Hearings of interest:

- Committee on Finance
March 3, 2021 at 10:00 AM
Open Executive Session to Consider Favorably Reporting the Nominations of the Honorable Xavier Becerra, Katherine Tai and Adewale Adeyemo. (Attorney General of CA Becerra has been nominated to be the Secretary of Health and Human Services.)

During its executive session, the Senate Committee on Finance voted 14-14 along party lines whether to support Mr. Becerra’s nomination. Majority Leader Charles Schumer (D-NY) will have to report the nomination to the Senate since the Committee did not have a majority to advance the nomination out of Committee. All Democratic Senators will need to support the nomination for him to

garner 50 votes. Vice President Harris would break any tie if there are no Republican Senators that support the nomination.

- Virtual Hearing- Committee on Banking, Housing and Urban Affairs
March 4, 2021 at 10:15 AM
Wall Street vs. Workers: How the Financial System Hurts Workers & Widens the Racial Wealth Gap
- Virtual Hearing- Committee on Health, Education, Labor and Pensions
March 9, 2021 at 10:00 AM
Hearing to examine the COVID-19 response, focusing on an update from the frontlines.

The House of Representatives is in session, with a district work period scheduled from Monday, March 29 through Friday, April 9. Hearings of interest include:

- Virtual Hearing – Committee on Financial Services
March 10, 2021 at 10:00 AM
Justice for All: Achieving Racial Equity Through Fair Access to Housing and Financial Services
- Virtual Hearing- Committee on Financial Services
March 17, 2021 at 12:00 PM
Game Stopped? Who Wins and Loses When Short Sellers, Social Media, and Retail Investors Collide, Part II
- Virtual Hearing- Committee on Financial Services, Subcommittee on Diversity and Inclusion
March 18, 2021 at 12:00 PM
By the Numbers: How Diversity Data Can Measure Commitment to Diversity, Equity and Inclusion

On February 25, the House passed H.R. 5, the “Equality Act,” which expanded “protections in education, housing, employment and more to LGBTQ people.” The bill would prohibit discrimination based on sexual orientation or gender identity in credit, jury service and public accommodations. The bill was endorsed by many national civil rights groups. Ohio Republican House members voted against the bill and Democratic Reps. Beatty, Ryan and Kaptur voted in favor of the bill. Rep. Marcia Fudge did not vote. The bill was sent to the Senate for consideration.

The House voted on March 3 on H.R. 1, the “For the People Act,” an 800 page bill, with a vote of 220-210. The bill expands voter registration (automatic and same-day registration) and voting access (vote-by-mail and early voting). It limits removing voters from voter rolls. The bill requires states to establish independent redistricting commissions to carry out congressional redistricting. The bill sets forth provisions related to election security, including sharing intelligence information with state election officials, supporting states in securing their election systems, developing a national strategy to protect U.S. democratic institutions, establishing in the legislative branch a “National Commission to Protect United States Democratic Institutions,” and provisions to improve the cybersecurity of election systems. The bill includes campaign finance reform, lobbying and ethics changes in all three branches of government and requires the President, Vice President, and candidates for those offices disclose 10 years of tax returns. The Ohio delegation voted along party lines.

SENATE CONFIRMATION HEARINGS

The Senate Committee on Banking advanced the nomination of Rep. Marcia Fudge (D-OH) to run the Department of Housing and Urban Development (HUD) in early February, however, the full Senate has not confirmed her nomination. Rep. Fudge is still serving as an Ohio member of Congress. Upon her confirmation (which is expected), the seat will be open in District 11 until an election later this year. Due to the anticipated timing of the confirmation vote, a special election will have to be set after the May 4 primary election in Ohio.

President Biden is still pursuing the appointments of members of his Cabinet. The Senate has confirmed 13 of the nominations out of 23 thus far. Neera Tanden, nominated for OMB Director, removed her name from consideration. On Monday, March 1, the Senate confirmed the nomination of Miguel

Cardona, to be the Secretary of Education. Mr. Cardona was sworn in on Tuesday, March 2. News media reported that Mr. Cardona began his career as a teacher, then became a principal and, in 2019, was named Connecticut's Commissioner of Education. On March 2, [USA Today](#) printed an Op-Ed written by Secretary Cardona, who explained his five-point plan to "get students back in school full time," he said:

Some schools will need to reduce class sizes to maintain physical distancing — which could mean hiring more staff to teach more classes or providing broadband access and technology for students to learn from home in a hybrid learning model. Some schools will have to provide more transportation and bus routes or adjust food service plans to keep physically distanced. All schools should make sure their students and staff wear masks.

The full Op-Ed may be accessed here: [COVID in schools: How Education Secretary Cardona would get kids back \(usatoday.com\)](#)

CORONAVIRUS LEGISLATION

On February 27, the House passed H.R. 1319, the "American Rescue Plan Act of 2021," the capstone stimulus package that President Biden made one of his first orders of business. The bill was voted out almost along party lines, in a 219-212 vote. All Ohio House Democrats supported the bill; all Ohio Republicans voted against the bill. The bill advanced to the Senate.

The American Rescue Plan Act was 630 pages in length after amendments. Provisions included:

- Giving working families an additional direct payment of \$1,400 per person, bringing their total relief to \$2,000 per person.
- Reduces health care premiums for low- and middle-income families by increasing the Affordable Care Act's (ACA) premium tax credits for 2021 and 2022.
- Allows state and local governments as well as Federal governmental instrumentalities that are tax-exempt 501(c)(1) organizations to access the paid sick time and paid family leave credits.
- Provides \$7.5 billion in funding for the Centers for Disease Control and Prevention (CDC) to prepare, promote, administer, monitor, and track the coronavirus disease of 2019 vaccines.
- Provides \$46 billion to HHS to detect, diagnose, trace, and monitor COVID-19 infections, and for other activities necessary to mitigate the spread of COVID-19.
- Invests \$130 billion to help schools comply with CDC guidelines for safely reopening schools, including repairing ventilation systems, reducing class sizes so that students can be spread out and implementing social distancing guidelines, purchasing personal protective equipment, and hiring staff to care for students' health and well-being. School districts will also be required to set aside 20 percent of the funding they receive to address lost time in the classroom.
- Stabilizes the pensions for more than 1 million Americans, often frontline workers, who participate in multiemployer plans that are approaching insolvency. It would create a special financial assistance program under which cash payments would be made by the PBGC to financially troubled multiemployer pension plans to ensure that such plans can continue paying retirees' benefits. The PBGC would be provided with the amounts necessary to provide such payments through a general Treasury transfer.
- Provides relief to workers and their families by protecting access to affordable health care during the pandemic. It subsidizes COBRA premiums for workers who have been laid-off or subject to reduced hours.
- Increases the federal minimum wage for employees from \$7.25 per hour to \$15 per hour by 2025 (\$9.50 in 2021; \$11.00 in 2022; \$12.50 in 2023; \$14.00 in 2024; and \$15.00 in 2025).
- Includes \$25 billion to provide assistance to renters, including assistance targeted to specific populations to ensure vulnerable families are able to access the relief they need.
- Provides \$9.961 billion to states, territories, and tribes to address the ongoing needs of homeowners struggling to afford their housing due directly or indirectly to the impacts of the coronavirus pandemic by providing direct assistance with mortgage payments, property taxes, property insurance, utilities, and other housing related costs.
- Provides \$30 billion to support essential transit and rural intercity bus service. It also provides dedicated resources for paratransit providers, tribal transit, and intercity buses.
- Provides \$8 billion to help airports address their increasing challenges due to COVID-19.

The bill made its way to the Senate. Some Senators expressed concerns with provisions increasing the federal minimum wage that much, stimulus payments to higher income earners, the \$1.9 trillion price tag, and if restrictions should be included for state and local funding that could impact pensions.

The Senate Parliamentarian, a non-partisan appointee of the Senate, ruled that the language increasing the federal minimum wage did not fit within the instructions for a budget reconciliation process, due to the "Byrd Rule." By using the reconciliation process, the Senate would need only 51 votes to pass the bill. The Parliamentarian also ruled that the language to provide additional funding for multi-employer and single employer pension plans was within the reconciliation rules, as well as the language to provide subsidies for health insurance for unemployed workers.

Senators Mitt Romney (R-UT) and Tom Cotton (R-AK) offered a different version of language for the federal minimum wage. They proposed raising pay to \$10 per hour, from the current \$7.25 per hour (which has been in place since 2009), and restricting the hiring of undocumented immigrants. Senator Ron Wyden (D-OR), the Chairman of the Senate Committee on Finance, and Senator Bernie Sanders (I-VT), the Chairman of the Senate Committee on the Budget, responded with an idea to tax large corporations or limit their deductions if they did not pay employees at least \$15 per hour.

The urgency to pass the bill in the Senate as soon as possible and send it back to the House for concurrence is real. The enhanced emergency unemployment benefits, which are \$300 weekly, have been approved in previous bills and will expire on March 14. The American Rescue Plan would increase unemployment benefits to \$400 per week until the fall.

Senate Majority Leader Schumer has continued to say that the Senate will pass the bill this week. The debate on the bill, which was limited to 20 hours, commenced on March 3. After the debate, Senators will offer amendments during a session that has been coined, "vote-a-rama," which could see a large number of amendments offered. Senator Sanders indicated that he would introduce an amendment to raise the federal minimum wage to \$15 per hour and some Democratic Senators may join him. Senator Sherrod Brown (D-OH), the new Chairman of the Senate Committee on Banking, Housing and Urban Affairs, expressed his support to find a way to increase the minimum wage.

Another COVID-19 relief effort was announced on February 16 by President Biden. In a statement, the Department of Housing and Urban Development (HUD), Department of Veterans Affairs, and Department of Agriculture announced an extension and expansion of previous forbearance and foreclosure relief programs which would have expired in March. The agencies have extended the foreclosure moratorium for homeowners through June 30, 2021 and the mortgage payment forbearance enrollment window until June 30, 2021 for borrowers who wish to request forbearance. The full announcement is here: <https://www.whitehouse.gov/briefing-room/statements-releases/2021/02/16/fact-sheet-biden-administration-announces-extension-of-covid-19-forbearance-and-foreclosure-protections-for-homeowners/>

EDUCATION

Rep. Steve Stivers (R-OH) and Rep. Kathleen Rice (D-NY) re-introduced H.R. 902, the "Decreasing Employees Burdensome Taxes from Student Loans or DEBT Act of 2021," to amend the Internal Revenue Code of 1986 to expand the exclusion for employer-provided educational assistance and to expand the availability of the student loan interest deduction. The DEBT Act would allow employers to temporarily make direct, non-taxable payments up to \$5,250 toward employees' student loans encourage employers to contribute up to \$10,000 per year to their employees' student loans as a non-taxable benefit. There are no other cosponsors at this time.

FINANCIAL SERVICES

The bill introduced by Rep. Peter DeFazio (D-OR), H.R. 328, the "Wall Street Tax Act," has 27 cosponsors, including Rep. Tim Ryan (D-OH). The legislation would create a financial transaction tax on the sale of stocks, bonds, and derivatives at 0.1 percent (10 basis points), which could raise approximately \$777 billion over ten (10) years. A Senate companion bill has not been introduced yet.

Rep. Patrick McHenry (R-NC) has not reintroduced the “Protecting Retirement Savers and Everyday Investors Act.” The bill would have imposed a limitation on taxation and fees on transactions by certain securities industry participants.

SERS ADVOCACY ON THE LIMITED WRAPAROUND PLAN AND PDPRA

Three members of the Ohio delegation, Reps. Marcy Kaptur (D-OH), David Joyce (R-OH) and Tim Ryan (D-OH) serve on the House Committee on Appropriations. The forms requesting appropriation funding for each of their offices are due before the end of March. In the past two years, SERS has submitted requests for authority, not funding, to extend the Limited Wraparound Plan program. This year, SERS may wish to revise the request, given that the Biden Administration has proposed ways to support the Affordable Care Act, which could be beneficial to plan sponsors and retirees. During our discussions with the Health Care Legislative Assistant in Rep. Kaptur’s office, we agreed to see if the bill needs to be introduced again for Limited Wraparound Plan authority, or a separate vehicle might be introduced for a more widely adopted plan. Rep. Kaptur sponsored the bipartisan bill in the last session.

On Monday, February 15, on behalf of SERS, I contacted each of the Ohio delegation offices (House and Senate) to share possible legislative and/or regulatory actions for consideration for the under-65 retiree population. SERS also provided information on the concerns with the rule finalized by the Trump administration relating to rebates offered by pharmacy “middlemen.” We will continue to engage the offices to help shape legislation as it is introduced or regulations that are promulgated in these areas. The rebate rule concerns relate to the impact of the rule changes on EGWPs.

SERS is part of a working group of plan sponsors, industry organizations and providers to collaborate on ways to address the high cost of prescription drugs. The Public Sector HealthCare Roundtable is one of the stakeholders in the working group. Another call will be held in March.

WINDFALL ELIMINATION PROVISION (WEP)

On Friday, February 26, I received a notice from a staff member of the Committee on Ways and Means, Subcommittee on Social Security that Rep. Richard Neal (D-MA), Chairman of the House Committee on Ways and Means, would be introducing “The Public Servants Protection and Fairness Act of 2021.” In the message, she said:

First, it provides relief payments of \$150 a month to current WEP retirees. Second, it establishes a new, fairer formula – the Public Servant Protection (PSP) formula – that will apply to future retirees, paying Social Security benefits in proportion to the share of a worker’s earnings on which they paid Social Security contributions. Third, the bill includes a permanent benefit guarantee, which ensures that no one will receive lower benefits as a result of the legislation, relative to current law. This guarantee is important, as it protects all current and future retirees. The bill itself is unchanged from last year’s bill, H.R. 4540 (except for rolling the effective dates forward and a very minor technical fix).

As I mentioned in the last report, President Biden, as a former Senator, called for the repeal of GPO and WEP. Rep. Kevin Brady (R-TX) has not introduced a WEP bill as of this date.

LIFE EXPECTANCY

In new report that was released in mid-February, during the first six months of 2020, life expectancy in the United States dropped by a full year, primarily due to deaths caused by COVID-19, as well as overdose deaths. The full report may be read here: [Vital Statistics Rapid Release, Number 010 \(February 2021\) \(cdc.gov\)](#)

SOCIAL SECURITY ADMINISTRATION (SSA)

There are now 86 cosponsors for H.R. 82, the “Social Security Fairness Act of 2021,” including Rep. Joyce Beatty (D-OH), Tim Ryan (D-OH), David Joyce (R-OH) and Bob Gibbs (R-OH). The bill repeals provisions that reduce Social Security benefits for individuals who receive other benefits, such as a pension from a state or local government, eliminates the government pension offset and the windfall elimination provision. These changes would be effective for benefits payable after December 2021.

HHS/ MEDICARE AND MEDICAID

President Biden nominated Chiquita Brooks-LaSure to become the Administrator of the Centers for Medicare and Medicaid Services (CMS). Ms. Brooks-LaSure served in the Obama administration as a senior CMS official who helped implement the Affordable Care Act's coverage expansion and insurance-market reforms. Ms. Brooks-LaSure has not been confirmed by the Senate.

HEALTH CARE

The Special Enrollment Period (SEP) for individuals and families for Marketplace coverage in response to the COVID-19 Public Health Emergency began on February 15 and runs through May 15. SERS has communicated information to retirees on the SEP and encouraged enrollment.

Senators Tim Kaine (D-VA) and Michael Bennet (D-CO) introduced S. 386, the "Medicare-X Choice Act" for a public option health insurance plan that would also allow Medicare to negotiate lower drug prices. The proposal would create a government-run health care plan on the Affordable Care Act (ACA) exchanges to compete with plans offered by private insurers. Senator Kaine indicated that he hoped their bill could be incorporated into another reconciliation package this year. The press release is here: [Bennet, Kaine Announce Introduction of Medicare-X Choice Act to Achieve Universal Health Care | U.S. Senator Tim Kaine of Virginia \(senate.gov\)](#)

PRESCRIPTION DRUGS

According to a new study, released on March 2 by the Johns Hopkins Bloomberg School of Public Health, the Medicare Part D program would have saved \$977 million in a single year if all branded prescription drugs requested by prescribing clinicians had been substituted by a generic option. If Medicare patients had requested generic drugs instead of brand name drugs, the Medicare Part D program would have saved an additional \$673 million in one year, for a total savings of \$1.7 billion. The study may be read here: [Factors Associated With Prescriptions for Branded Medications in the Medicare Part D Program | Health Care Economics, Insurance, Payment | JAMA Network Open | JAMA Network](#)

INFRASTRUCTURE

Once the stimulus bill has passed both chambers, President Biden has indicated that his next effort will center on a major infrastructure package. As the details emerge, the question will be whether there will be enough support in the Senate to receive 60 votes for cloture, or the administration will need to pursue another reconciliation bill.

On February 28, Rep. David Joyce (R-OH) was interviewed, stating, "[A]ccess to broadband, or lack thereof, has become a critical issue affecting Americans across the country, and one that I've consistently and increasingly heard about when meeting with constituents. The COVID-19 pandemic has made it crystal clear that broadband is no longer a luxury, it's an essential service:"

While Ohio ranks in the top 20 states for broadband connectivity, more than 300,000 Buckeye households lack access to high-speed internet. If that's not enough to convey how dire the situation is, a 2019 study across eight Ohio counties found in rural areas with 20 or fewer households per square mile, 80-90% of households have no access to broadband whatsoever. And, while three to four million students across the country have been provided at-home internet access since the pandemic started, studies indicate more than 12 million children in rural or low-income households still lack broadband access.

SECURITIES AND EXCHANGE COMMISSION (SEC)

Acting Chair of the SEC, Allison Herren Lee, directed the Division of Corporation Finance to "enhance its focus on climate-related disclosure in public company filings. As part of its enhanced focus in this area, the staff will review the extent to which public companies address the topics identified in the 2010 guidance, assess compliance with disclosure obligations under the federal securities laws, engage with public companies on these issues, and absorb critical lessons on how the market is currently managing climate-related risks." The Statement may be read here: [SEC.gov | Statement on the Review of Climate-Related Disclosure](#)

The Republican members of the Senate Committee on Banking, Housing and Urban Affairs signed a letter to the SEC, asking it to dismiss Nasdaq's proposal for promoting diversity on boards even with the "comply-or-explain" approach. Senator Portman is not on the Committee. The letter may be read here: [Toomey, GOP Banking Members Urge SEC to Block NASDAQ's Proposed Diversity Quota | United States Committee on Banking, Housing, and Urban Affairs \(senate.gov\)](#)

U.S. CENSUS

On February 25, Ohio Attorney General Dave Yost said he would file a lawsuit against the U.S. Census Bureau, to require the Bureau to meet the March 31 deadline to provide the 2020 census data needed for redistricting purposes. The suit was filed shortly thereafter. The Census Bureau has pushed back its report now to September 30, partly due to the pandemic. More details may be read here: [Ohio Attorney General Dave Yost sues Biden Administration over U.S. Census delays - cleveland.com](#)

U.S. SUPREME COURT

The U.S. Supreme Court heard oral arguments on March 2 on voting restrictions passed by the Arizona Legislature, which were alleged by the plaintiff to be racially discriminatory. The New York Times reported that the case will determine "the future of the Voting Rights Act, and whether states will be allowed to restrict voting access unimpeded." The full article may be read here: [Supreme Court Case Could Limit Options to Fight Republican Voting Restrictions - The New York Times \(nytimes.com\)](#)

REPORTS

On February 18, the National Institute on Retirement Security (NIRS), released a new report that finds "Americans across party lines share concerns about their financial security in retirement. The vast majority of Democrats (70 percent), Independents (70 percent) and Republicans (62 percent) agree that the nation faces a retirement crisis. More than half of Americans (51 percent) say that the COVID-19 pandemic has increased concerns about achieving financial security in retirement. And the COVID-19 concern is high across party lines: 57 percent among Democrats; 50 percent for Independents; and at 44 percent for Republicans." The report may be read here: [Retirement Insecurity 2021 | Americans' Views of Retirement, Retirement Insecurity 2021 | Americans' Views of Retirement – National Institute on Retirement Security \(nirsonline.org\)](#)

In a press release issued on February 25, the Center for State and Local Government (SLGE) announced a nationwide poll determined that K-12 employees are increasingly worried about retirement and feel high levels of stress. The findings included:

Of those surveyed, the vast majority reported feeling stressed (63%), high levels of burnout/fatigue (54%), and substantial anxiety (47%) at work due to the pandemic. These worries come as K-12 employees were significantly more likely than other government employees to perceive themselves to be at risk of exposure to COVID-19 at work (60% vs. 38%).

Of state and local education staff, 48% are concerned about their ability to save enough to be financially secure throughout retirement. This level of concern is at 39% for other public employees. In October 2020, 45% of K-12 employees agreed that people who retire from jobs in K-12 education are able to live comfortably in retirement-- a decrease of six percentage points from March. Even fewer felt that their employer does a good job of preparing them for retirement (37% in March and 34% in October).

The full summary may be viewed here: <https://www.slge.org/>

The latest brief from the Boston College, Center for Retirement Research, is entitled, "COVID-19 Is Not a Retirement Story." The report was authored by Alicia H. Munnell and Anqi Chen, who said:

Surprisingly, the COVID-induced recession appears to have had little impact on retirement because: Social Security checks still go out and its finances are little changed; 401(k) contributions and balances seem relatively unaffected; and unemployment has not disproportionately hurt older workers. But the pre-COVID weaknesses remain: Social Security has a long-term deficit; 401(k) balances are inadequate; and older workers have trouble finding

new jobs. In addition, the continued drop in real interest rates makes it harder to save, and the increased stress on states and localities makes it harder to fund their pensions.

The full brief may be read here: [COVID-19 Is Not a Retirement Story \(bc.edu\)](#)

CORPORATE CONTRIBUTIONS

On March 2, Senator Robert Menendez (D-NJ) introduced S. 530, a bill that would amend the Securities Exchange Act of 1934 to require shareholder authorization before a public company may make certain political expenditures, and for other purposes. The bill has 15 cosponsors, however, neither Ohio Senators Brown nor Portman have cosponsored it.

There are no Ohio cosponsors to the bill which Rep. Andy Levin (D-MI) introduced, H.R. 403, the “Transparency in Corporate Political Spending Act,” which would “repeal a restriction on the use of funds by the SEC to ensure shareholders of corporations have knowledge of corporate political activity.”

According to Ohio news media, Ohio-based FirstEnergy Corp. has agreed to publicly disclose all of its spending on political candidates, political parties, and ballot measures through 2024, under an agreement reached with the New York State Common Fund, a large public pension fund.

OTHER NEWS

According to the nonprofit, Joint Center for Political and Economic Studies, “only 14 percent of high-ranking positions in House members’ offices were held by people of color in 2018,” when the Center last counted chiefs of staff, legislative directors and communications directors. Only 11 percent of those positions in the Senate. This year’s new lawmakers, who are mostly Republicans, have filled 23 percent of their top staff positions with people of color. (Some positions remain unfilled.)

https://www.rollcall.com/2021/02/25/where-am-i-black-staffers-describe-capitol-hill/?utm_source=&utm_medium=email&utm_campaign=newsletters&utm_content=02/28/2021

In another bid to increase diversity, Senator Bob Menendez (D-NJ) introduced S. 374, “The Improving Corporate Governance Through Diversity Act of 2021,” which would require public companies to disclose the racial, ethnic, gender and veteran composition of their corporate boards and senior management. <https://www.menendez.senate.gov/newsroom/press/menendez-introduces-bill-to-promote-corporate-diversity>

Rep. Bill Pascrell, Jr. (D-NJ), Chairman of the House Committee on Ways and Means, Subcommittee on Oversight, introduced H.R. 1068, the “Carried Interest Fairness Act of 2021,” to amend the Internal Revenue Code of 1986 to provide for the proper tax treatment of personal service income earned in pass-thru entities. The bill was introduced to close the carried interest loophole.

ACTIVITIES:

1. Reviewed Executive Orders, statements and memoranda related to education, schools, retirement and health care. Provided a Memorandum on the contents of the 500 plus page House stimulus bill.
2. Participated in calls with SERS, Ohio delegation staffers, GR Network and the Public Sector HealthCare Roundtable. Attended the virtual NASRA/NCTR spring legislative conference.
3. 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, education and schools, Social Security and kept informed of relevant House and Senate Committee hearings and witnesses.
4. Monitored the U.S. Supreme Court for important retirement, health care and investment cases.
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.

FEDERAL LEGISLATION BOARD REPORT
117th United States Congress
(Prepared by Chris Collins as of March 5, 2021)

H.R. 82

SPONSOR: Rep. Rodney Davis (R-IL)

LAST ACTIONS: House - 01/04/2021 Referred to the House Committee on Ways and Means.

CAPTION: Social Security Fairness Act of 2021

COMMENT: Repeals the GPO and WEP. 86 co-sponsors; four Ohioans

H.R.328

SPONSOR: Rep. Peter DeFazio (D-OR)

LAST ACTION: House - 01/15/2021 Referred to the House Committee on Ways and Means.

CAPTION: To amend the Internal Revenue Code of 1986 to impose a tax on certain trading transactions.

COMMENT: 27 co-sponsors; one Ohioan

H.R. 1319

SPONSOR: Rep. John Yarmuth (D-KY)

LAST ACTIONS: Senate – 03/04/2021 S. Amdt 891 proposed by Senator Schumer. To improve the bill.

CAPTION: American Rescue Plan Act of 2021

COMMENT: Provides additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses.

STATE LEGISLATION BOARD REPORT
(Prepared by Chris Collins as of March 5, 2021)

133rd General Assembly

HB308 POST-TRAUMATIC STRESS FUND Tom Patton (R-Strongsville) To provide compensation and benefits to first responders with post-traumatic stress disorder and to study the financial and administrative requirements for that fund.

Current Status: 01/09/2021 SIGNED BY GOVERNOR; eff. 90 days

HB442 OCCUPATIONAL REGULATIONS Bill Roemer (R-Richfield) and Thomas West (D-Canton) Requires pupil services personnel to register with the Department of Education, rather than hold a separate license from the State Board of Education as under prior law. The change applies to school speech language pathologists, audiologists, school nurses, physical therapists, occupational therapists, and social workers, who are licensed by their respective professional boards.

Current Status: 01/07/2021 SIGNED BY GOVERNOR; eff. 90 days

134th General Assembly

HB110 OPERATING BUDGET Scott Oelslager (R- North Canton) To make operating appropriations for the biennium beginning July 1, 2021, and ending June 30, 2023, to levy taxes, and to provide authorization and conditions for the operation of state programs.

Current Status: 03/03/2021 House Finance Higher Education Subcommittee, (Seventh Hearing)
All Testimony

Outreach -- February 2021

Legislative/Stakeholder			
Date	Type	Contact	Subject
2/1	MS Teams meeting	State Senator Kirk Schuring (R Canton)	SERS health care surcharge update
2/2	Conference call	State Senator Jay Hottinger (R Newark)	SERS health care surcharge update
2/3	Call	Bethany Rhodes ORSC staff	ORSC meeting scheduling
2/4	Hearing	Ohio House Finance committee	State Operating Budget introduction
2/5	Zoom meeting	GR Network monthly call	WEP/GPO repeal legislation
2/8	Zoom meeting	Dr. Tony Podojil ORSC member	SERS health care surcharge update
2/8	Zoom meeting	Moriah Lieberman Ohio House Democratic Caucus staff	SERS health care surcharge update
2/9	E mail	Deidra Reese AFSCME Retirees	Information request
2/9	Call	Katie Johnson OASBO	OASBO/SERS meeting planning
2/10	E mail	Barbara Catalano OEA Retirees	Board meeting information
2/11	Call	Angel Mumma ORSC member	SERS health care surcharge update
2/11	Call	Lora Miller ORSC member	SERS health care surcharge update
2/11	Call	Terese Herhold Ohio Senate Democratic Caucus staff	SERS health care surcharge update
2/11	Call	Allen Bruce State Senator Craig's (D Columbus) staff	SERS health care surcharge update
2/15	E mail	SERS stakedholder group representatives	Board meeting reminder
2/16	E mail	Jeff Bernard ORSC staff	Information request
2/16	Zoom meeting	Rick Lewis, Jennifer Hogue OSBA	SERS health care surcharge update
2/19	MS Teams meeting	Ohio retirement system Govt. Relations staff	bi weekly legislative update call
2/22	MS Teams meeting	Travis Butchello Ohio House Republican Caucus staff	SERS health care surcharge update
2/22 2/24	Virtual Conference	Public employee retirement staff from various states	NASRA/NCTR winter meeting
2/24	Call	Marla Bump STRS	State legislative issue
2/25	Hearing	Ohio Retirement Study Council	Monthly meeting
2/26	Call	State Rep. Brian Baldrige (R Winchester)	WEP reform
2/26	Call	Valerie Rodgers SERO	Stakeholder outreach
2/1 2/28	Multiple phone calls/e mails	Ohio congressional delagation staff	Health care, WEP, and COVID relief legislation

Mailings/Email				
Date Sent	Type	Title	Audience	Number of Recipients
2/1	Email	Counseling Webinar Invite	Members within five years of retirement	3,065
2/1	Email	SERS Recruiting Virtual Infrastructure Engineer	People who have subscribed to SERS' job listing emails	528

Outreach -- February 2021

Mailings/Email				
Date Sent	Type	Title	Audience	Number of Recipients
2/2	Email	SERS Recruiting IT Technical Project Manager	People who have subscribed to SERS' job listing emails	528
2/2	Mailing	IRA Compliance Letter due to 1095 B mailing	Non Medicare retirees whose SERS address or name does not match IRS list	18
2/3	Email	Counseling Webinar Invite	Members within five years of retirement	3,070
2/5	Email	Counseling Webinar Invite	Members within five years of retirement	3,069
2/9	Email	Employer Special Notice FY2020 Surcharge Recalculation	Employers	2,565
2/10	Email	Ready to Retire Webinar Follow up	Member who attended the webinar on 2/10	83
2/10	Email	SERS Educational Opportunities	Members that registered for the webinar but did not attend on 2/10	42
2/13	Mailing	New Member Welcome	New SERS Members	1,422
2/15	Email	Employer Special Notice Surcharge Recalculation available in eSERS	Employers	2,403
2/15	Email	Counseling Webinar Invite	Members within five years of retirement	3,074
2/17	Mailing	Auto Enrollment in SERS Premium Discount Program	Lower income benefit recipients based on enrollment in Medicare's Extra Help	40
2/17	Email	Counseling Webinar Invite	Members within five years of retirement	3,038
2/19	Email	Counseling Webinar Invite	Members within five years of retirement	3,072
2/19	Mailing	Inactive Statement with Refund Packets	Inactive Members	3,254
2/23	Email	eSERS Training Webinar Follow up	Employers who attended the eSERS webinar on 2/23	22
2/23	Email	Employer Webinar No Shows	Employers that registered for the webinar but did not attend on 2/23	13
2/23	Email	Ready to Retire Webinar Follow up	Member who attended the webinar on 2/23	177
2/23	Email	SERS Educational Opportunities	Members that registered for the webinar but did not attend on 2/23	121
2/22	Mailing	Medicare Education Approaching 65	Benefit Recipients	211
2/24	Mailing	Medicare Education Approaching 64	Benefit Recipients	196
2/25	Email	SERS Recruiting Member Support Specialist	People who have subscribed to SERS' job listing emails	524
2/26	Mailing	Benefit Payment Checks with Focus Newsletter	Benefit Recipients	1,735
2/26	Mailing	Health Care Invoices with Focus Newsletter	Benefit Recipients	613
2/26	Mailing	Benefit Payment EFT Vouchers with Focus Newsletter	Benefit Recipients	79,524

Outreach -- February 2021

Meetings/Seminars/Conferences/Workshops				
Date	Type	Location	Audience	Number of Attendees
2/10	Webinar Retiring with SERS	Online	Members eligible now or will be within 5 years	83
2/23	Webinar Employer Education eSERS Training	Online	Employers	22
2/23	Webinar Retiring with SERS	Online	Members eligible now or will be within 5 years	177

Social Media Content Calendar		
Publish Date	Publishing Channels	Topic
2/1	Facebook, Twitter, LinkedIn	Job opening Virtual Infrastructure Engineer
2/2	Facebook, Twitter, LinkedIn	Job opening Technical Project Manager
2/4	Facebook	Share AARP post and article "Don't Flaunt Your COVID 19 Vaccine Card on Facebook"
2/5	Twitter	Retweet @CNNBUSINESS article "Don't fall for these 4 money myths"
2/8	Facebook	Share Today.com "32 books bestselling authors recommend to honor and celebrate Black
2/8	Twitter	Retweet @NIRSONLINE Capitol Weekly article "Defined benefit pensions crucial for
2/10	Facebook, Twitter	Share and Retweet Kiplinger article "5 Things You Need to Decide Before You Can Retire"
2/12	Facebook, Twitter	Share and Retweet Money.com post and article "Tax Scammers Are Getting Sneakier."
2/15	Facebook, Twitter	Presidents Day SERS is open
2/16	Facebook	Link to SERS news post "Health Insurance Marketplace Offers Special Enrollment Period in
2/16	Twitter	February Board retreat and monthly meeting
2/17	Facebook, Twitter, LinkedIn	Random Acts of Kindness Day
2/19	Facebook	Share Gahanna Jefferson Schools' post appreciation for staff clearing school grounds of
2/19	Twitter	Retweet @AmericaSaves "Jumpstart Your Savings with Your Tax Refund" virtual town hall
2/22	Twitter	Retweet @OhioSaves America Saves Week virtual presentation lineup
2/22	Facebook, Twitter	America Saves Week Save Automatically The Balance article "How to Create an
2/23	Twitter	Retweet @WISERWOMEN "Emergency Savings Account a WISE Investment America
2/23	Facebook, Twitter	America Saves Week Save for the Unexpected article "Saving on a Tight Budget"
2/24	Facebook, Twitter	America Saves Week Save to Retire
2/25	Facebook, Twitter, LinkedIn	Job opening Member Support Specialist
2/25	Twitter	Retweet @NCPERS NCPERS 2020 Public Retirement Systems Study
2/25	Facebook, Twitter	America Saves Week Save by Reducing Debt
2/26	Facebook, Twitter	America Saves Week Save as a Family
2/26	Facebook, Twitter	March monthly payments

Outreach -- February 2021

Social Media Analytics		
Facebook Post Total Reach	number of people who saw any content from our Page or	7,792
Facebook Post Total Impressions	the number of times any content from our Page or	8,045
Twitter Total Impressions	number of people who saw any content from our Page or about	3,119

SERS Website Visits	
Users	Page Views
22,582	56,944

**School Employees
Retirement System**

Memo

TO: SERS' Compensation Committee
FROM: Richard Stensrud
DATE: March 11, 2021
RE: Mosaic – Board Self-Assessment Recommendation

Attached is the PowerPoint presentation prepared by Mosaic Governance Advisors for the discussion regarding potential engagement of Mosaic to assist the Board in developing a Board self-evaluation program.

Amy McDuffee, Chief Executive Officer of Mosaic will make the presentation and answer any questions you might have.



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Designing a Board Self-Evaluation Program

*A Presentation to and Discussion with the
Ohio SERS Board of Trustees*

Amy McDuffee, CEBS

March 18, 2021





Topics to Address

- I. Creating Common Context
- II. Customizing the SERS Board Self-Evaluation Program
- III. Closing Remarks and Additional Board Discussion
- IV. Appendix



I. Creating Common Context

Our Understanding of This Initiative



Intended Objectives

- Assist the Board in developing a program for self-evaluation that is right for it, and
- Provide the Board with a means for identifying potential areas of governance improvement.

What is Not Intended

- A comprehensive, external review of the Board's governance structure, policies or practices with best practices and specific written recommendations for improving governance.

Common Reasons to Engage in Self-Evaluation



Problem Resolution –An active issue is disrupting our board proceedings; it needs to be addressed.

Compliance – It has been recommended to us by an oversight entity, or we need to comply with our own policy, or we would like to be viewed as embracing a governance best practice.

Value-Seeking - Self-evaluation offers value to our board and our fund. Our goal is to always be seeking to improve the collective performance of the board.

Some combination of the above.

Self-evaluation lifts all boards higher. Even those boards that consider themselves to be highly functioning can benefit.



Principles to Consider When Adopting a Board Self-Evaluation Practice

- Make it an enjoyable experience for the Board.
- Use a simple but meaningful approach that is repeatable.
- Thread through the existing governance framework, where appropriate.
- Draw upon the Board's own experiences and insights.
- Provide practical suggestions to elevate governance as appropriate.
- Make the process one that the Board feels comfortable "owning."

Discussion Questions:

1. What does the Board see as the consensus reason(s) for developing and engaging in a self-evaluation program?
2. What other principles are important to keep in mind?



Examples of Assessment Areas

The Board's People and Culture	The Board's Business Responsibilities	The Board's Working Relationships
<ul style="list-style-type: none">• Overall Board performance as a sum of its parts• Board dynamics• Board culture• Education and training practices relative to Board competencies	<ul style="list-style-type: none">• Balancing strategy versus oversight• Agenda construction• Board committees	<ul style="list-style-type: none">• Information quality• Line between governance and management• Board lifestage• Clarity in providing direction to those who report to it

Discussion Question:

What areas of focus should take priority in this first self-evaluation discussion?

Reference: Example of a Board's Plate of Responsibilities*

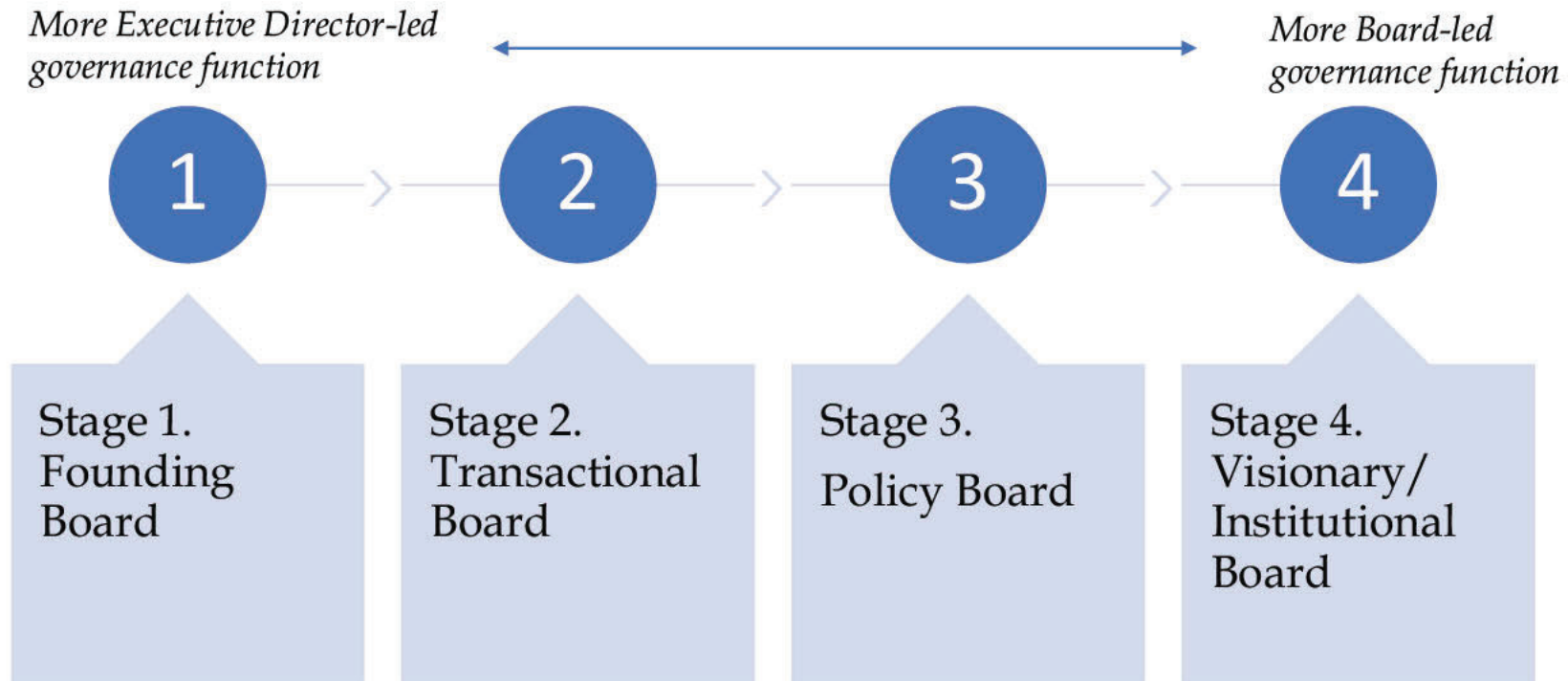


Dimensions/Areas	Board Governance	Organization Governance	Governance of Plans, Programs, and Services
Strategy	Board workplan; committees; competencies/education.	Strategic planning; administrative budget.	Investment Policy Statement (incl. asset allocation and risk tolerance); actuarial assumptions; plan design and benefits for retiree healthcare.
Risk	Board policies; operating norms.	Risk definition, compliance; internal controls; audits.	Plan funding and sustainability.
Performance	Board self-evaluation.	Executive Director performance evaluation.	Investment portfolio and expenses; administrative operations and expenses.
People	Board culture; board officers, individual trustee responsibilities, succession	Executive Director selection; organizational culture; succession planning.	Administrative appeals.

*Not intended as an exhaustive listing.



Reference: Common Stages in Public Pension Fund Board Lifecycle*



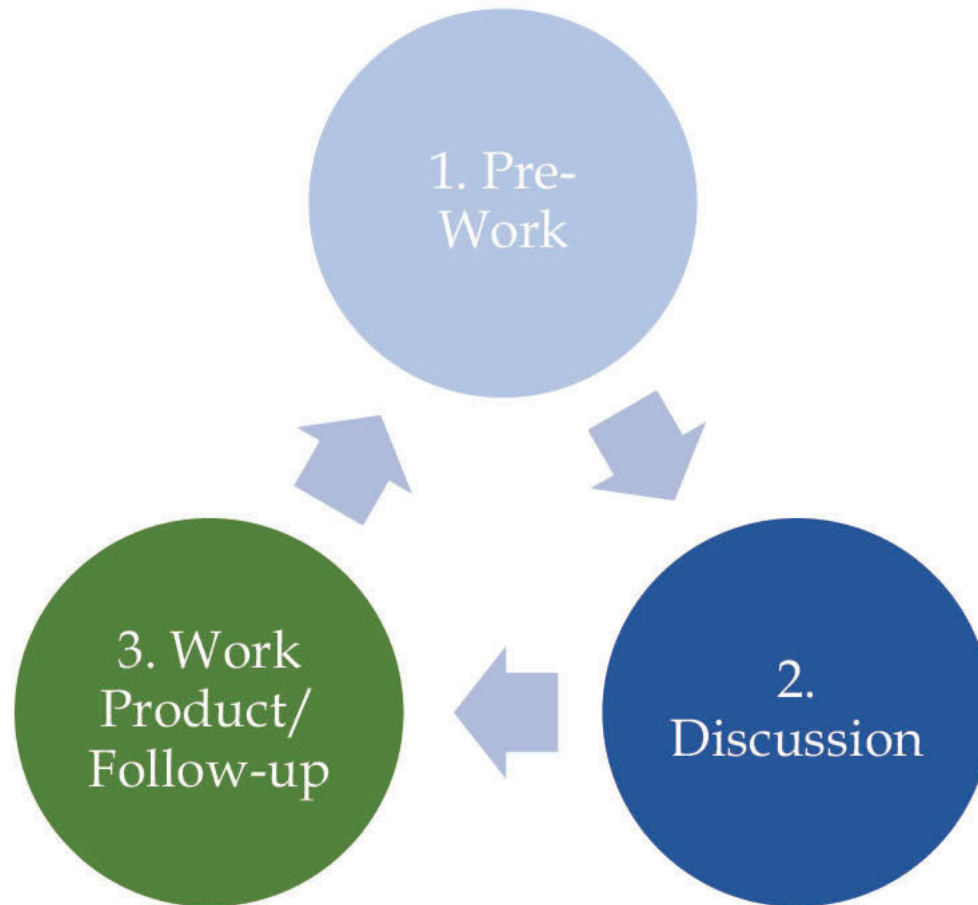
*Not every board will advance to the more advanced stages of the lifecycle. Pension funds develop and grow differently and given their long-term horizon, may spend years at one stage or straddle two or more stages at the same time. New responsibilities are added and some existing responsibilities are delegated and monitored, where appropriate, as the board moves to the right side of the continuum.



II. Customizing the SERS Board Self-Evaluation Program



Essential Steps to Board Self-Evaluation

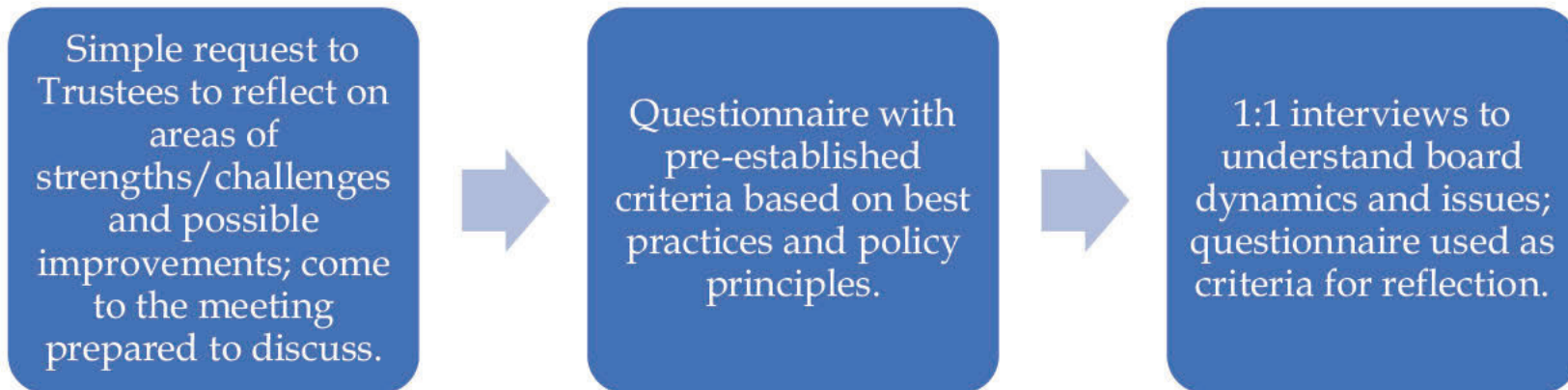




Step 1. Range of Pre-Work Practices

Pre-work can be simple or more involved.

Minimal Trustee time commitment ← → *Greater Trustee time commitment*



Discussion Question:

What level of pre-work seems best suited for the Board's first self-evaluation discussion and why?



Step 2. Self-Evaluation Discussion

Consider coupling on the same agenda with, and just prior to, the Executive Director evaluation.

Allocate 60 - 90 minutes of time.

All Board members participate.

Summary of documented pre-work offered as a pre-read, as appropriate.

Based on Board discussion and consultant suggestions, identify areas that could benefit from the Board's attention.

Discuss and attain consensus on the priorities, next steps, and follow up responsibilities.

Discussion Question:

When is the appropriate timing and format for this discussion?



Step 3. Work Product/Follow-up

- Mosaic documents the consensus outcomes and next steps.
- The Board confirms responsibility for follow up.
- Follow-up items can be agendized during regular Board or committee meetings as appropriate; others may be able to be resolved outside of the meeting cycle.
- The work product serves as a reference point for the next Board self-evaluation cycle.

Discussion Question:

Who is in the best position to “own” the follow-up (e.g., the Board Chair, a Board Committee, Executive Director, some combination)?



Examples: Board Self-Evaluation Discussion Outcomes

Developing or refining board values.

Creating and adopting an organization-specific education and training curriculum.

Creating a board/trustee development plan for the next 12 months.

Enhancing the new member onboarding and continuing education curriculum.

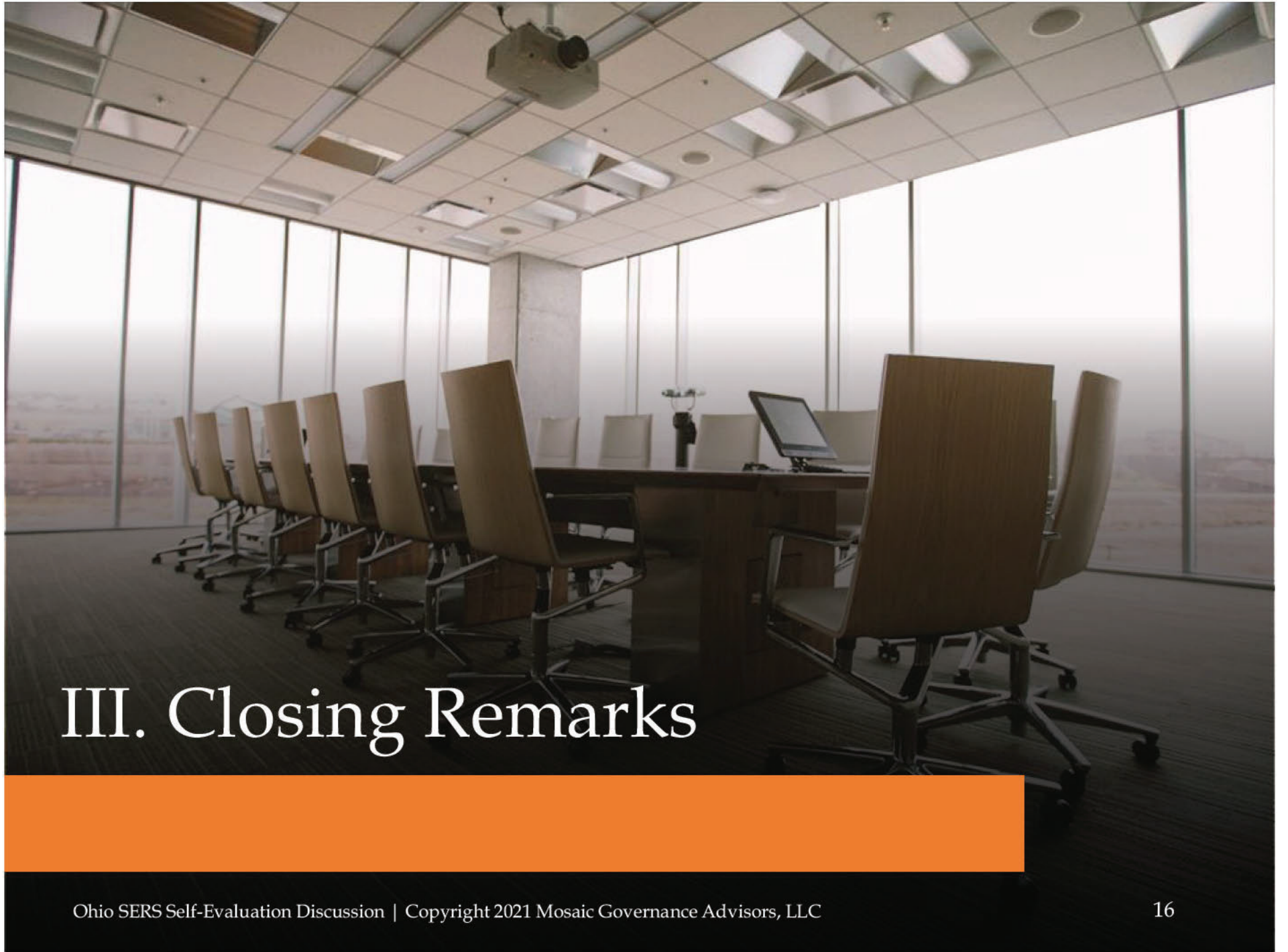
Developing a skills matrix to inventory trustee skills and experiences.

Evaluating committees to enhance functioning – types of committees, scope, membership, etc.

Revisiting and aligning the board's responsibilities or board leadership responsibilities.

Updating or creating policies, including changes to delegated authority.

Identifying informal practices to enhance board relationships.



III. Closing Remarks



Self-Evaluations are Successful When...

- A board takes ownership of the process.
- Involvement is viewed by all trustees as an opportunity to contribute to the development of the board and as a learning opportunity for themselves.
- The working method selected aligns with the consensus reason for engaging in the practice.
- Adequate agenda time is allocated for meaningful discussion.
- The discussion format and setting is conducive to inviting candid conversation of board practices and key relationships.
- The consensus next steps are followed up on and threaded through other governance practices, as appropriate.
- The practice itself evolves over time and continues to produce value.



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Questions/Open Discussion

Thank you for your time.

Mosaic Governance Advisors, LLC

Denver | Toronto

www.MosaicGovernance.com





Appendix

About Mosaic



Independent firm with a sole focus on and expertise in public pension fund governance.

A trusted governance advisor to progressive pension funds.

Clients range from \$2B to over \$400B in assets.

Experience across numerous pension funds in different markets.

Firm Approach: Tailor good governance to each client's unique set of circumstances.

Services

- Board Facilitation, including self-evaluation and executive evaluation
- Strategic Planning
- Succession Planning
- ESG and Sustainable Finance
- Policy Review and Development
- Board Education and Development
- Governance Evaluation



Mosaic Team



Amy McDuffee, Founder and CEO, Lead Consultant

Career Highlights: 20+ years pension industry and financial services experience in US and internationally; recognized pension governance expert, former statewide public pension fund executive and private sector financial services senior management



Catherine Jackson, Thought Partnership/Peer Review

Career Highlights: 20+ years pension experience in Canada and internationally, former pension fund senior management and instructor, frequent speaker and author on pension governance, internationally renown expert: ESG and strategy



Saba Hashmi, Project Research & Analysis

Career Highlights: 10+ years US and international public pension industry experience; expertise in research and benchmarking design, implementation and analysis; policy evaluation and development



What is Board Self-Evaluation?

A consistent process, either organized or ad hoc, by which the board regularly assesses its collective and individual trustee performance and identifies plans for improvement.

The Many Benefits of Self-Evaluation



1. Helps the board fulfill its role in setting the tone at the top by modeling a spirit of continuous improvement.
2. Serves as a preventative signal light by addressing issues before they turn into problems.
3. Promotes accountability to the board itself, the staff, and the members and beneficiaries.
4. Allows for reflection by board members on the board's culture, behavior, and performance.
5. Opens communication channels.
6. Promotes an understanding of shared beliefs and goals.
7. Enables new trustees with an opportunity to understand board operations and engage as a part of the team.
8. Identifies strengths and weaknesses of the overall board and challenges assumptions.
9. Supports applicable continuing education requirements and provides for proper alignment of continuing education.

BOARD GOVERNANCE CONSULTANT

It was moved by _____ and seconded by _____ to retain Mosaic Governance Advisors, LLC for Board governance services. The Board Chair is authorized to execute a contract following legal review.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Barbra Phillips	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Hugh Garside	_____	_____	_____

EXECUTIVE SESSION

_____ moved and _____ 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.

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

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Barbra Phillips	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Hugh Garside	_____	_____	_____

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

APPROVAL OF DISABILITY BENEFITS

_____ moved and _____ 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:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Barbra Phillips	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Hugh Garside	_____	_____	_____

DISAPPROVAL OF DISABILITY BENEFITS

_____ moved and _____ seconded that the following report, as recommended by the Medical Advisory Committee and prepared by staff be approved, and further, that the disability benefit for the persons discussed in executive session be disapproved.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Barbra Phillips	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Hugh Garside	_____	_____	_____

APPROVAL OF APPEAL ON PERSONAL APPEARANCE

_____ moved and _____ 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:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Barbra Phillips	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Hugh Garside	_____	_____	_____

CALENDAR DATES FOR FUTURE BOARD MEETINGS

CALENDAR DATES FOR 2021

AUDIT COMMITTEE MEETINGS

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

COMPENSATION COMMITTEE MEETINGS

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

BOARD MEETINGS

April 15 and 16 (Thurs. and Fri.)

CALENDAR DATES FOR 2021

AUDIT COMMITTEE MEETINGS

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

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

COMPENSATION COMMITTEE MEETINGS

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

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

BOARD MEETINGS

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

Board Information Requested

BOARD INFORMATION REQUESTS AND FOLLOW-UP ITEMS

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

9. _____

10. _____

(R) Adjournment

ADJOURNMENT(R)

_____ moved that the Board adjourn to meet on Thursday, March 18, 2021 for their regularly scheduled meeting.

The meeting adjourned at _____ p.m.

Hugh Garside, Jr.

Richard Stensrud, Secretary