

## TRTA'S LEGISLATIVE LINK—April 9, 2024

On March 26, 2024, Wade Steen and his attorney appeared in the 10<sup>th</sup> District Court of Appeals in Franklin County before a three-judge panel (Kristen Boggs, Carly Edelstein, and David Leland), presenting Steen's case for reinstatement to the STRS Retirement Board. The judges asked questions related to the findings of Magistrate Thomas Scholl who recommended Steen's reinstatement to the Retirement Board. They also asked questions regarding information provided by Mr. Steen's attorney. It takes a majority of the three judges to agree. They can accept, reject, or modify the Magistrate's recommendation. Potentially there could be a ruling soon which could reinstate Steen for the April meeting OR even if a ruling is in his favor, it could be appealed, further delaying his participation. The courtroom was filled with interested persons.

At this time Brian Perera, who replaced Brent Bishop and then Wade Steen, is a member of the Retirement Board and attended the March board meeting.

Bill Neville is scheduled for reinstatement as STRS Executive Director on May 17 following a paid leave of absence and has been offered performance coaching. Two experienced employment law attorneys interviewed 23 STRS employees who have regular contact with Mr. Neville as well as two former pension fund employees. Attorneys David Kessler and Stephen Postalakis concluded that the anonymous letter purported to be from STRS staff accused Neville of violence, harassment, and other misconduct and contained multiple untrue allegations. They found that some employees think Neville has a tendency to raise his voice when he's angry. Some employees reported that Neville likes to retell old stories that reference past girlfriends, but the stories didn't rise to the level of creating a hostile work environment. Neville's attorney, Rex Elliott, said that ". . . the investigation found no evidence of unlawful behavior by Neville." Lynn Hoover, Chief Financial Officer, has temporarily assumed Neville's responsibilities in his absence and is being compensated for both jobs since she holds two positions.

There is a contested STRS Board race for a **contributing member seat** which will take place in April. The candidates are Michelle Flanagan (ORTA endorsed) from Brunswick and Sandy Smith-Fischer (OEA recommended) from Streetsboro. **Retirees DO NOT vote** in this race, but the outcome will impact all STRS contributors.

A yearly COLA was **considered** by the board but **was not granted**. A one percent COLA costs our pension fund **\$453 million**. **Over the past three years, the board has provided benefit improvements for active and retired members totaling more than \$3.8 billion.**

In March the current retirement eligibility rule requiring **34 years of service for an unreduced retirement has been made permanent**. The minimum requirement for unreduced benefits was previously scheduled to increase to 35 years of service in August 2028.

Eligibility for a **reduced retirement benefit** has been lowered from 30 years of service to **29 years of service**. The current eligibility for reduced retirement at age 60 with 5 years of service remains the same. Both of these changes were reviewed by the board's actuarial consultant, Cheiron, which is required by law to determine whether proposed benefit changes will materially impair the fiscal integrity of the system. **Approved changes take effect June 1, 2024.**

STRS Ohio currently subsidizes a portion of the monthly costs for eligible service retirement and disability benefit recipients who participate in the Defined Benefit Plan or Combined Plan. The amount of the premium subsidy is based on total years of service credit. At the March meeting, the Retirement Board approved changes to eligibility for the maximum health care subsidy reimbursement. The changes are as follows: Members who retire with 30 years of service between Aug. 1, 2023, and July 31, 2032, are eligible for the maximum health care subsidy reimbursement. This will go into effect with the January 2025 benefit payment. For members who retire August 1, 2032, or later, eligibility for the maximum subsidy will align with the eligibility for unreduced pensions (currently 34 years of service).

M. Stanton, S. Datish, and D. Deltondo attended the March Retirement Board meeting in Columbus, and Marilyn and Denise addressed the board during public participation, speaking on behalf of themselves, not TRTA.