

**MINUTES OF  
STATE TEACHERS  
RETIREMENT BOARD  
MEETINGS**

**June 20-21, 2024**

**June 20 & 21, 2024**

**June 20, 2024**

The State Teachers Retirement Board met at the STRS Ohio offices in Columbus, Ohio, on Thursday, June 20, 2024, at approximately 1:00 p.m. Retirement Board Chair, Rudy Fichtenbaum called the meeting to order.

The following members were in attendance: Carol Correthers, Allison Falls, Rudy Fichtenbaum, Steven Foreman, Claudia Herrington, Scott Hunt, representing the Director of Education and Workforce, Elizabeth Jones, Julie Sellers and Wade Steen.

**APPROVAL OF MINUTES**

Dr. Fichtenbaum moved, seconded by Ms. Jones to approve the minutes of the May 2024 Retirement Board meeting.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Jones, yes; Ms. Correthers, yes; Ms. Falls, yes; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Sellers, yes; Mr. Steen, yes. The motion carried.

Dr. Fichtenbaum moved, seconded by Ms. Jones to approve the minutes of the Special Board meeting held on May 30, 2024.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Jones, yes; Ms. Correthers, abstain; Ms. Falls, yes; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Sellers, abstain; Mr. Steen, yes. The motion carried.

**EXECUTIVE SESSION**

Dr. Fichtenbaum moved, seconded by Ms. Correthers, to enter executive session under authority of Division (G)(1) of Section 121.22 of the Ohio Revised Code for the purpose of discussing appointment, employment or compensation of a public employee or official, Division (G)(3) of Section 121.22 of the Ohio Revised Code for the purpose of conferring with the board's attorney regarding pending or imminent court action and Division (G)(5) of Section 121.22 of the Ohio Revised Code for the purpose of discussing matters required to be kept confidential by federal law or state statutes.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Correthers, yes; Ms. Falls, yes; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes; Mr. Steen, yes.. The motion carried.

The Board entered executive session at 1:47 p.m.; the session adjourned at approximately 3:35 p.m.

Public session resumed at 3:45 p.m.

## **REPORT FROM THE INVESTMENT DEPARTMENT**

The Chair recognized Colin Bebee, managing principal consultant - Meketa and LaRoy Brantley managing principal consultant – Meketa for the Report from the Investment Department.

There were no matters requiring Board action.

The following highlights were presented as part of the Asset-Liability Study Survey:

- Meketa presented the asset-liability study timeline, with milestones for each month. The study is expected to be completed near the end of fiscal year 2025.
- Colin Bebee reviewed each question in the Risk and Implementation Survey – Overview of Questions presentation. The survey will be provided to the board in late June and completed surveys are due near the end of July.
- The survey results will be presented in August.

There were no requests from the Board.

## **FIDUCIARY COUNSEL SESSION**

The Chair recognized Stacey Wideman, chief legal officer to lead the fiduciary counsel session.

Ms. Wideman introduced George Vincent of Dinsmore Shohl, fiduciary counsel appointed by the Attorney General's office, who gave a brief introduction.

Ms. Wideman then discussed the status of the governance consultant RFP and the timeline associated with the RFP.

The next items discussed by Ms. Wideman were board policies which were last updated in November 2023. A number of draft policies are pending approval and will be discussed at the August Governance Committee meeting. She further discussed the verbal approval of a policy at the May board meeting which outlined the removal of the chair and vice chair from their position with a simple majority board vote and the Ohio Administrative Code effectuating the elimination of the Final Average Salary (FAS) committee, effective June 13, 2024.

Mr. Davidson led the discussion of the options he introduced at the May board meeting regarding the election of the chair and vice chair. He noted that of the options available, option #1 and #4 were favored by most Governance committee members. He stated option #1 allows the term of the current chair and vice chair to automatically extend through August 31, 2025, if a new policy is not in place by the end of the August 2024 Board meeting. If a new election policy is reached by the end of the August 2024 board meeting, the new policy guidelines will take effect. If the board has not adopted a new election policy by June 2025, the current board policy will remain in effect and a new chair and vice chair is to be elected in June 2025.

Mr. Davidson explained the minor differences between option #1 and #4. For further clarification, Ms. Wideman added the current board election policy would need to be suspended and if a decision wasn't made to adopt another policy, the current term would continue through June 2025.

Mr. Steen moved, seconded by Mr. Foreman, to suspend the June election of the vice chair until the August 2024 retirement board meeting.

Upon roll call the vote was as follows: Mr. Steen, yes; Mr. Foreman, yes; Ms. Correthers, no; Mr. Davidson, yes; Ms. Falls, yes; Dr. Fichtenbaum, yes; Ms. Herrington; no, Dr. Hunt, no; Ms. Jones, yes; Ms. Sellers; yes. The motion carried.

Mr. Davidson moved, seconded by Ms. Sellers, to consider adopting option #1 as the new board election policy as discussed on June 20, 2024.

Upon roll call the vote was as follows: Mr. Davidson, yes; Ms. Sellers, yes; Ms. Correthers, no; Ms. Falls, yes; Dr. Fichtenbaum, yes; Mr. Foreman, yes; Ms. Herrington; no, Dr. Hunt, no; Ms. Jones, yes; Mr. Steen, yes. The motion carried.

### **REPORT FROM THE FINANCE DEPARTMENT**

The Chair recognized Lynn Hoover, acting executive director and deputy executive director – Finance, for a Report from the Finance Department.

Ms. Hoover presented a follow-up review of the proposed fiscal 2025 operating and capital budgets that were first presented at the May retirement board meeting.

Dr. Fichtenbaum moved, seconded by Ms. Falls, that the proposed fiscal 2025 operating and capital budgets submitted to the Retirement Board on May 16, 2024, referred to as Proposed Fiscal 2025 Budget, to be adopted effective July 1, 2024. Staff provided copies of the Proposed Fiscal 2025 Budget to the Ohio Retirement Study Council (ORSC) on April 19, 2024. A final copy of the fiscal 2025 budget, as approved herein, will be provided to the ORSC.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Falls, yes; Ms. Correthers, yes; Mr. Davidson, yes; Mr. Foreman, no; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes; Mr. Steen, yes. The motion carried.

Discussion followed regarding the proposal for the chair to convene a special meeting should 5 members of the board notify him/her of the desire and availability for a special meeting. Fiduciary council and the Attorney General's office advised against pursuing as it could be a potential violation of the Open Meetings Act (OMA). The topic has been tabled for discussion at another meeting.

Dr. Fichtenbaum moved, seconded by Ms. Sellers, that the board waive attorney/client privilege with regard to the Attorney General Office's correspondence dated June 4, 2024.

Based on the advice from Attorney General representative, Bridgette Countz, the motion was withdrawn.

## **REPORT FROM THE INVESTMENT COMMITTEE**

The Chair recognized Ms. Falls, chair – investment committee for a report from the Investment Committee.

Ms. Falls reported that the committee heard from Meketa regarding the asset-liability study timeline.

That was followed by a review of the Fiscal 2025 Investment Plan. Ms. Falls reported that the investment committee approved the Fiscal 2025 Investment Plan and so moves that the plan be adopted by the Board.

Upon roll call the vote was as follows: Ms. Falls, yes; Ms. Correthers, yes; Mr. Davidson, yes; Dr. Fichtenbaum, yes; Mr. Foreman, absent; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes; Mr. Steen, yes. The motion carried.

Ms. Falls reported that the semiannual broker evaluation was reviewed. Ms. Falls noted that the investment committee approved the semiannual broker evaluation and so moved that the evaluation be approved by the Board.

Upon roll call the vote was as follows: Ms. Falls, yes; Ms. Correthers, yes; Mr. Davidson, yes; Dr. Fichtenbaum, yes; Mr. Foreman, absent; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes; Mr. Steen, yes. The motion carried.

Ms. Falls also informed the board that the committee heard a preliminary review of the performance-based incentive policy. The committee voted to approve the policy, but Ms. Falls would prefer the whole board see the presentation prior to a board vote.

The board recessed until 8:30 a.m. on Friday, June 21.

### **Friday, June 21, 2024**

Dr. Fichtenbaum called to order the resumption of the Retirement Board meeting on Friday, June 21, 2024, at approximately 8:30 a.m.

The following members were in attendance: Carol Correthers, Allison Falls, Rudy Fichtenbaum, Steven Foreman, Scott Hunt, representing the Director of Education and Workforce, Elizabeth Jones and Wade Steen.

Claudia Herrington joined the meeting remotely.

### **REPORT AND APPROVAL OF EXPENSES DURING MAY 2024**

Dr. Fichtenbaum moved, seconded by Ms. Correthers, that the expenses for the month ended May 31, 2024, in the total amount of \$13,824,298 be approved.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Correthers, yes; Mr. Davidson, absent; Ms. Falls, yes; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, absent; Mr. Steen, yes. The motion carried.

### **CONSENT MOTION**

Dr. Fichtenbaum moved, seconded by Ms. Jones, that the Retirement Board approve the Member Benefits-related motions, with the exception of the member #8, on the report located in the Routine Matters folder. (Records are not public per Ohio Revised Code 3307.20).

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Jones, yes; Ms. Correthers, yes; Mr. Davidson, absent; Ms. Falls, yes; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Sellers, absent; Mr. Steen, yes. The motion carried.

Dr. Fichtenbaum moved, seconded by Ms. Correthers, that the Retirement Board approve the Member Benefits-related motion for member #8, on the report located in the Routine Matters folder. (Records are not public per Ohio Revised Code 3307.20).

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Correthers, yes; Mr. Davidson, absent; Ms. Falls, yes; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, abstain; Ms. Sellers, absent; Mr. Steen, yes. The motion carried.

### **CHIEF OF STAFF CONTRACT**

Dr. Fichtenbaum moved, seconded by Ms. Jones, to approve the contract for Lynn Hoover to serve as Chief of Staff at her current salary through December 31, 2024 and further authorize the chair to sign said contract.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Jones, yes; Ms. Correthers, yes; Mr. Davidson, absent; Ms. Falls, yes; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Sellers, absent; Mr. Steen, yes. The motion carried.

### **EXTENSION OF MR. NEVILLE'S ADMINISTRATIVE LEAVE**

Dr. Fichtenbaum moved, seconded by Ms. Falls to extend the paid administrative leave of the executive director until the next STRS Ohio Retirement Board meeting.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Ms. Falls, yes; Ms. Correthers, yes; Mr. Davidson, absent; Mr. Foreman, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, absent; Mr. Steen, yes. The motion carried.

Ms. Sellers joined the meeting while in progress.

## **OLD BUSINESS / NEW BUSINESS**

Dr. Fichtenbaum moved, seconded by Mr. Foreman to approve the expense in connection with the educational opportunity at the AFT Trustee Council Committee meeting to be held in Houston, Texas for Ms. Jones.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Mr. Foreman, yes; Ms. Correthers, yes; Mr. Davidson, absent; Ms. Falls, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes; Mr. Steen, yes. The motion carried.

Dr. Fichtenbaum moved, seconded by Mr. Foreman to approve the expense in connection with the educational opportunity at the AFT Trustee Council Committee meeting to be held in Houston, Texas for Ms. Sellers.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Mr. Foreman, yes; Ms. Correthers, yes; Mr. Davidson, absent; Ms. Falls, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes; Mr. Steen, yes. The motion carried.

Ms. Falls requested the Fiduciary council restate his advice regarding the PBI vote taken earlier that day. Mr. Vincent indicated that, absent of an alternative, one could argue that there had been a breach of the duty of prudence by the Board in reducing the compensation of the 69 members of the staff. This matter would be addressed at the special board meeting in July.

Dr. Hunt requested that he present an idea to the board regarding improving communication efforts by creating a task force of stakeholders around Ohio to build a sustainable benefits package with input from active members, retired members, consultants, etc.

## **EXECUTIVE DIRECTOR'S REPORT**

Dr. Fichtenbaum recognized Lynn Hoover, acting executive director, for the Executive Director's Report. Ms. Hoover highlighted items from the June Executive Director's Report containing the topics listed below and offered to answer any questions.

- Demand for Benefits Counseling and Member Education Continues to Increase
- Timeline for Upcoming Actuarial-Related Matters
- Ohio Retirement Study Council Hears Board Governance and Fiduciary Duty Presentation
- U.S. Equities Settlement Cycle Shortened
- Fiscal Year 2025 Payroll Estimates Received From Employers
- Webinars, Workshops and Meetings Held for Employers Statewide

## **REVIEW OF THE PERFORMANCE-BASED INCENTIVE POLICY**

The Chair recognized Lynn Hoover, acting executive director and deputy executive director—Finance for an additional review of the Performance-Based Incentive policy.

Ms. Falls, chair-investment committee, stated that the committee recommends the board approve the 2025 Performance-Based Incentive Policy for eligible investment associates based on the presentation given to the Investment Committee on June 20, 2024 and to the full Board on June 21, 2024 and so moves.

Mr. Steen moved to table Ms. Falls' motion. After discussion, Mr. Steen withdrew his motion to table Ms. Falls' motion.

Upon roll call the vote on Ms. Falls' motion was as follows: Ms. Falls, yes; Ms. Correthers, yes; Mr. Davidson, absent, Dr. Fichtenbaum, no; Mr. Foreman, no; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, no; Ms. Sellers, no, Mr. Steen, no. The motion failed.

Next steps forward will be discussed at a special board meeting in July.

### **RECOGNITION OF PERSONS WISHING TO ADDRESS THE BOARD**

Dr. Fichtenbaum recognized the following to address the board:

Brian Grinnell, representing himself, addressed the board. Mr. Grinnell expressed concern about misinformation around STRS.

Joan Bellner, representing herself, addressed the board. Ms. Bellner expressed concern about STRS Ohio.

Gerald Newsom, representing himself and OSURA, addressed the board. Mr. Newsom expressed concern about the board following its fiduciary duty.

Cathy Steinhauser, representing herself, addressed the board. Ms. Steinhauser expressed concern about the board and their fiduciary duty.

Marvin Stotz, representing himself and WCRTA, addressed the board. Mr. Stotz expressed concern about the fees associated with STRS investments.

Robin Bebee, representing herself, addressed the board. Ms. Bebee expressed concern about STRS Ohio.

Robin Rayfield, representing himself and ORTA, expressed concern about reform at STRS Ohio.

Suzanne Laird, representing herself, addressed the board. Ms. Laird expressed concern about professionalism at STRS.

Nathan Stewart, representing himself, addressed the board. Mr. Stewart expressed concern about his pension and COLA.



## **DISABILITY OVERVIEW PRESENTATION**

The chair recognized Christina Elliott, deputy executive director – Member Benefits to provide the board with a presentation of the history of the disability program.

In addition to sharing the history of the program, a summary of the definition of teaching as used for disability benefit recipients was provided, along with information provided to new recipients regarding not performing teaching while receiving a disability benefit.

A review of the Funston audit recommendation of delegating the appeal process to staff and discussions on this topic with Aon were provided.

Some options were provided regarding board questions about the process in previous meetings. After some discussion, the board chose not to make changes to the disability appeal process and appeals would continue to be heard by three members of the board, the Disability Review Panel.

Mr. Steen moved, seconded by Mr. Foreman, that after consideration of the Funston recommendation to delegate DRP to staff, the board decided to continue the process as it is under current policy.

Upon roll call the vote was as follows: Mr. Steen, yes; Mr. Foreman, yes; Ms. Correthers, yes; Mr. Davidson, absent, Ms. Falls, yes; Dr. Fichtenbaum, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes. The motion carried.

## **EXECUTIVE SESSION**

Dr. Fichtenbaum moved, seconded by Mr. Foreman, to enter executive session under authority of Division (G)(1) of Section 121.22 of the Ohio Revised Code for the purpose of discussing appointment, employment or compensation of a public employee or official, Division (G)(3) of Section 121.22 of the Ohio Revised Code for the purpose of conferring with the board's attorney regarding pending or imminent court action and Division (G)(5) of Section 121.22 of the Ohio Revised Code for the purpose of discussing matters required to be kept confidential by federal law or state statutes and Division (G)(6) of Section 121.22 of the Ohio Revised Code for the purpose of discussing details relative to the security arrangements for a public office.

Upon roll call the vote was as follows: Dr. Fichtenbaum, yes; Mr. Foreman, yes; Ms. Correthers, yes; Mr. Davidson, absent; Ms. Falls, yes; Ms. Herrington, yes; Dr. Hunt, yes; Ms. Jones, yes; Ms. Sellers, yes, Mr. Steen, yes. The motion carried.

The Board entered executive session at 11:48 a.m.; the session adjourned at approximately 12:45 p.m.

Public session resumed at 12:54 p.m.

## **ADJOURNMENT**

The Chair announced the next Retirement Board and committee meetings would be held over August 14, 15 and 16 2024. With no further business to come before the board, the meeting adjourned at 12:56 p.m.

# **APPENDICES**

THE STATE TEACHERS RETIREMENT SYSTEM OF OHIO  
275 East Broad Street Columbus, OH 43215-3771

**(The following reports are not public information.  
Reference Section 3307.20, Ohio Revised Code)**

- **REPORT TO THE RETIREMENT BOARD ON REQUEST FOR CONTRIBUTIONS DURING LEAVE OF ABSENCE**
- **REPORT TO THE RETIREMENT BOARD ON SURVIVOR BENEFITS**
- **REPORT TO THE RETIREMENT BOARD ON RECOMMENDED DISABILITY BENEFITS**
- **REPORT TO THE RETIREMENT BOARD ON DENIAL OR TERMINATION OF DISABILITY BENEFITS**
- **REPORT TO THE RETIREMENT BOARD ON DISABILITY TRANSFERS TO OPERS/SERS**
- **REPORT TO THE RETIREMENT BOARD ON ACTION ON APPEAL HEARINGS**
- **REPORT TO THE RETIREMENT BOARD ON SERVICE RETIREMENTS AND REEMPLOYMENT BENEFITS**
- **REPORT TO THE RETIREMENT BOARD ON RESCIND ACTION OF DENIALS**
- **REPORT TO THE RETIREMENT BOARD ON FINAL AVERAGE SALARY**