#### **Notes from the OSURA Benefits Committee Meeting of January 5, 2021**

**Personals —**Carol reported on the recent passing of Dave Cole an emeritus faculty from Fisher College of Business

**Update from Chair Newcomb-Alutto —**with the recent resignation of Debra Henrichs and Beverly Maselli we should consider adding other members to the Benefits Committee. It was also mentioned that the Culture Committee needs a chair and co-chair. It was announced that the Social Committee event in Dec. went well with 50-60 attendees and good responses. Jerry Dare mentioned at the Board Meeting that he thinks we will be zooming for another year.

**Reports**

**FCBC – Hal Moellering** reviewed his written report that summarized two FCBC meetings from December. The primary topic from the December 8 meetings was reviewing a report provided by Mercer consultants who were hired to analyze OSU faculty compensation.

Also discussed was the IPEDS report from 2019 which revealed that OSU had a lower ratio of faculty to non-instructional personnel among its peer institutions and this has been seen as a problem. Gender equity continues to be an issue as well as salary equity. In the discussion among Benefits Committee members, it was reported that OSU President Johnson has budgeted $1M to help resolve the gender discrepancy issue. At the December 16 meeting of FCBC, the committee was introduced to Paul Patton who is the Senior Advisor to President Johnson and interim Senior Vice President of Human Resources stepping into the HR position vacated recently by the departure of Susan Bass. Patton had worked with President Johnson at SUNY and had experience in the medical school and entrepreneurship. Hal also mentioned that FCBC has submitted a set of Retirement Enhancement recommendations to OSU HR and that they are similar in content to that which was submitted earlier to HR by the OSURA SRA subcommittee. Hal reported the OSU HR website answers many questions about the SRA changes.

**OPERS –Meg** submitted a report from the brief Board meeting of December 16, 2020 that included results from the RFP from firms interested in serving as external investment consultants. After reviewing 6 proposals the decision was made to continue with NEPC, their current investment consultant.

**STRS/HPA- Jerry Newsom** indicated that the financial report, as of Sept 30, 2020, shows that investment returns vary by asset class and although they have been really good they are not nearly enough for the resumption of COLA’s. After a negative return in October, November was strong, returning +7.75%, the best monthly return in over 20 years. See his report for full details.

**Legislative Update –Jerry Newsom** reported that Biden is expected to **propose** many changes to retirement plans and some of them would have a major effect on those nearing retirement or already retired. See his full report.

**Elder Care – Meg Teaford** was previously asked to investigate if there was any evidence that the high rate of deaths in nursing homes this year following the shut-downs to prevent the spread of COVID 19 also was responsible for an increase in deaths due to social isolation. Although Meg found nothing published yet on this specific question, she did find a 2012 study in *Social Science and Medicine* that examined a large sample of Japanese over 65. Conclusion was that found those who were socially isolated were 2 times more likely to die than would otherwise be expected. Also, a paper published by the British Journal of Cardiac Nursing concluded that “**isolation** has now been identified as a risk factor equivalent in effect to traditional risk factors such as smoking, hypertension and obesity” among cardiac patients. They also showed a relationship between premature death, social isolation, and type 2 diabetes. The discussion emphasized the importance of keeping up contact with older family and friends who live independently as they are at higher risk. Also helpful would be to assist such individuals in taking advantage of social services such as Meals on Wheels.

**Financial Matters – Doug Jones** —Among the *Facts and S*tats in Doug’s report was a note about President-elect Biden favoring a change the annual CPI adjustment used to determine Social Security COLA, to a “Consumer Price Index for the Elderly”, which would more heavily weight senior citizens’ biggest expenses—health care and housing. Since both are projected to rise in 2021, if the CPI for Elderly becomes law, it might provide an increase in the COLA for Social Security (which stood at 1.3% in 2021). Also, ID theft is down by a whopping 60% compared to 2019, and publicly reported data breaches were down 30%.  Remembering that the calculation of RMDs from IRAs depends on life expectancies there will be two years longer added to current tables.  This means that IRA owners can withdraw smaller amounts keeping more money in the account for a longer period. On the continuing erosion of the prevalence of Defined Benefit Plans we find that the number fell from 103,000 in 1975 to under 47,000 plans in 2017.

Under the *Findings* section was a report from Pew Research this past summer which found that more than half of young adults between the ages of 18 and 29 were living with one or both parents, the highest percentage since the Great Depression. Also a poll of how credit scores have been affected by the pandemic and economic downturn found that 73% of respondents said their score hadn’t changed; 21% reported an increase; and 6% a decline.

           On the *Policy Front* the Federal Reserve has resolved to keep interest rates low.  With incoming Treasury Secretary Yellen a recent chairwoman at the Fed one can expect particularly effective working relations between those agencies.  The Biden administration will likely reenergize the important Consumer Financial Protection Bureau, a legacy of the Obama regime diminished by the Trump administration. This could also be the case for other regulatory financial agencies like the Securities and Exchange Commission and the Federal Trade Commission.  Estimates of GDP growth for 2021 abound, of course, but 4.5% to 5% seems quite attainable in a vaccinated economy, a low base, and ample investable funds currently sidelined.

**Tax Seminar – Hal Noltimier** indicated this will be a one hour zoom session on January 29th from 1-2 pm. Registration is on-line – see the OSURA website.

**Fall Conference –Sally Dellinger** reported that the next planning meeting for the 2021 Conference (scheduled for September 22) will be on January 18. They are still looking for a few new members who can bring new ideas.

**SRA Working Group – Hal Moellering** said that he understands that OSU/HR is considering the recommendations regarding the 2021 Retirement Enhancements that were submitted in November by the OSURA SRA group.

**Continuing or New Business—**there are a couple of ideas for another health and wellness presentation currently under discussion. Carol and Marie asked the committee to consider the Benefit Committee mission and what other things we could be doing for members. Some topics discussed include security, cybersecurity, covid (what we should know or do that is different); technology (how to get service or help), new tech tools like wearable technology etc. that might be beneficial to members.

Report prepared by Carol Newcomb-Alutto and Marie Taris