Correthers, Stein and Fichtenbaum Elected to STRS Board

Two out of three of OEA’s endorsed candidates were re-elected to the STRS Board. In the election of one board member representing active educators, Carol Correthers (OEA endorsed) was re-elected to the Board. In the election of two retiree representatives, Robert Stein (OEA endorsed) was re-elected, and Rudy Fichtenbaum was elected for the first time. Rita Walters, OEA’s other endorsed candidate, finished third in the retiree election.

The results of the active member election were as follows:
Carol Correthers 7,470 (elected)
Benjamin Pfeiffer 5,357
Matt Sheridan 2,877

The results of the retired member election were as follows:
Rudy Fichtenbaum 21,339 (elected)
Robert Stein 19,592 (elected)
Rita Walters 17,114
Elizabeth Jones 15,926

OEA would like to congratulate the elected members on their victories and thank all members who worked on this election effort and took the time to vote. The new four-year terms on the Board officially begin on September 1, 2021.

SERS Board Discusses Contribution Based Benefit Cap

During the May SERS Board meeting, the Board continued its ongoing discussion of plan sustainability. A large topic of conversation was the notion of a contribution-based benefit cap (CBBC) aimed at addressing spiking concerns. Such a cap would potentially limit a member’s calculated formula benefit if their contribution histories do not adequately support that benefit level. Several examples were given of situations where hypothetical members contribute small amounts over most of their career but have much larger contributions in a few years resulting in an inflated benefit. Utilizing a CBBC would place an upper limit of annual benefit based annuitizing accumulated contributions and interest and multiplying by a factor to set a benefit cap. The examples presented to the Board illustrated factors of 5 or 6 times the annuitized contributions.

The use of a CBBC is still in the exploration phase but Board members expressed some interest in preventing spiking to keep the majority of members from subsidizing others. There was also discussion of a tiered benefit formula that would have a lower multiplier in the early years of a member’s career and a higher multiplier later. This was discussed as a potential way to reward career service.