

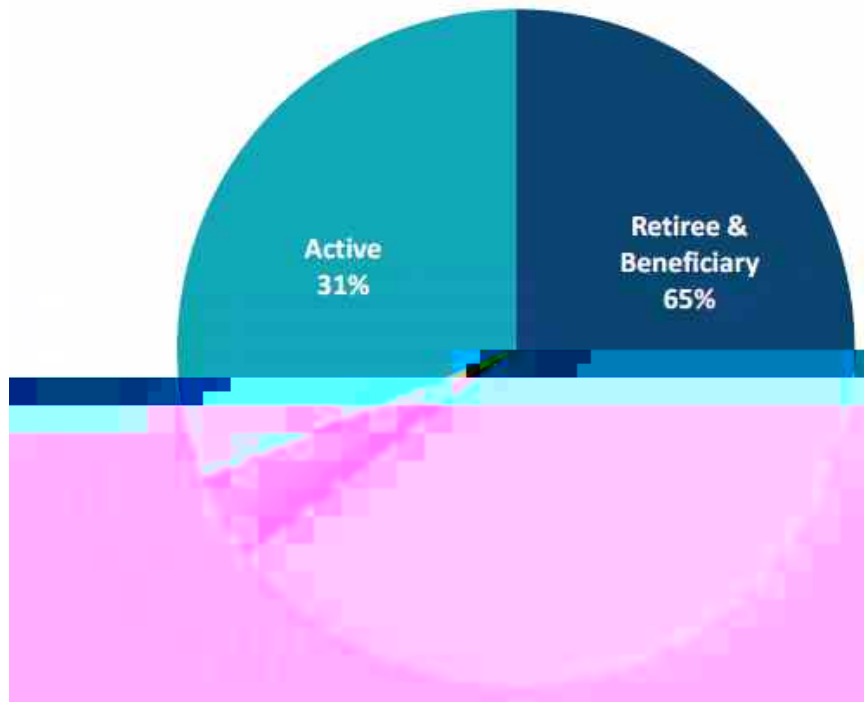
STRS report for OCHER, November 2023. Jerry Newsom

The major recent news story about STRS is the special report of Nevada as Governor, based on a memo from staff members.) call it "one of two reasons why the Nevada system has become a horrible mess (and, as a result, someone else's mess). There are, in fact, many people who find the second possibility. As Governor, he said that the "root cause of the system. The STRS "root cause" is the "majority vote" that the board is to say they have "confidence" in the "leadership, which failed" it was a 232 vote. Nevada is the head of the staff that "not" (with the "STRS assets" to 4E&, as some would tell them to do. More recently, those who want to keep the STRS "payer care center" (have been "furious" that Nevada "decide" to close that (that's what the STRS "root cause" has been "for". /prepare the "teacher pay" has approved a "vest" (rather than "eternity" the "vest" of the "act" so we are well served "the" vest" (rather than "prompt") would not be at all "representative" of the "character" of the "merit".

Therefore, the actuary for people's health care values, note at the October board meeting (that 8.9% of assets are used each year to pay people's other expenses. Since "vestments" return "less" to be ; - are also "not" as a percentage of assets, or "percentage" of the "return" as pay" (8.9% of assets to cover costs and the rest to pay "own" the "effect". = hence the "f" "e" "ability" (oes to >ero, the "much" more would be available to pay for "such" (as CO?/s a "re" "ce" "co" "trib" "to" s from active teachers. More than most "public" people's "f" 's, STRS "re"es more on "vestments" "return" s to make payments "this" "res" "its" from "Ohio" have" (lower "comb" "e" "co" "trib" "to" rates from employers and employees than "most" states, sometimes "rather" "ca" "s" "y" "lower" "sc" "s" "e" "f" "r" "ther" "o" "pa" "e" "3-. Therefore reported that at the end of

2023, the "f" " " (per"o' show \$o ("t "ta"es for assets to e<! a\$ "ab" "t" "es" "f" a\$ "ass" "mpt" "o" s are met- 'roppe' from , , .2 to , , .2 years. Have a\$ "ass" "mpt" "o" s been met " 2023, "t wo!" have 'roppe' by one year, to , 0.2 years, so a' ' " (" the , : "o e3t" "me CO?/ for 2028 he\$pe' ' e\$ay the t"me whe we w"\$ (et a perma e t CO?/. / brea* "ow of the \$ "ab" "t" "es" s show " the (raph at r" (ht. /ct"ves have a smaller part of the "e" because, on average, act"ves are ro! (h\$y ha\$ "f" way thro! (h acc! m! \$at" (the "r pe s"o ob\$ (at"o s.

Actuarial Liability = \$107.8B



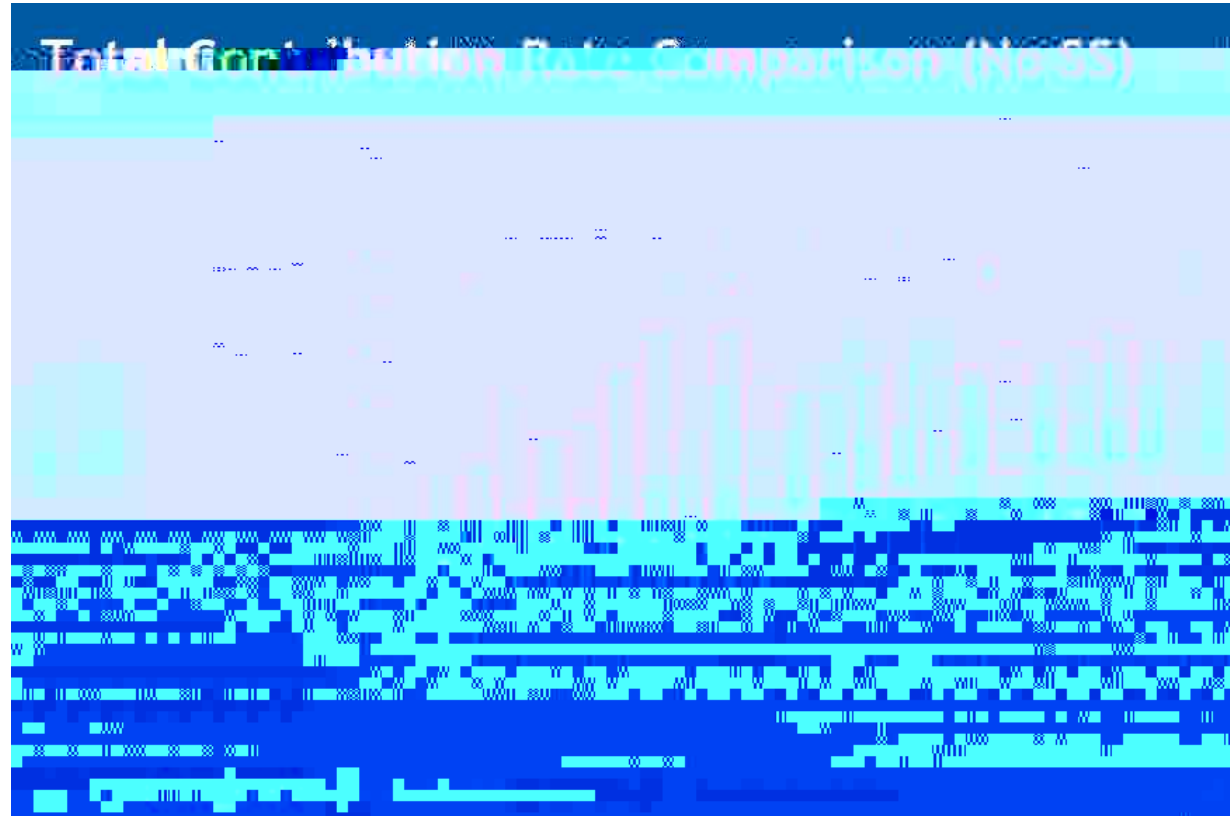
The graph below shows how the pension reform was, despite the fact that it has caused... that the pension reform, the first ratio of assets to liabilities have been 8A.9: 100% of B.A. at the end of 2022. The changes in pension reform are

between 2020 and 2022, creating employee contributions, CO2/s re' ! ce' from 3: to 2: , a 100% for the first 2 years of retirement

between 2020 and 2022, smaller than pension for those with more than 30 years of service plus more

September saw a net loss of STRS investments of 2.2A: 13, .; 2: return for the fiscal year-, so the first quarter of 2028 has not been (too) for investments. STRS invests more in publicly traded companies than private companies, a fact was noted that there are less than 1,000 companies listed on the New

The plan shows the percentage increase employer contribution to the cost of salary for OFERS and STRS (annual) (momentum, as far as reported to the board that a budget is expected to be increased in the percentage. No one expects a cut, however. The graph below then provides support for the increase (employer contribution) shows the rate of employer plus employee contribution to pension plans for states that do not participate in Social Security. For the first few years of this century,



the STRS contribution rate was at the median. But that rate stands where most other plans increase theirs, but STRS was above the 22nd percentile from the bottom by 2012. STRS ramps up the employee contribution rate from 2013 through 2019, keeping it near the 22nd percentile, but starting in 2022, we fell below even that value. It's now off the chart, well above with how often of step Ohio's with a employer rate that has doubled since AB8.

Notices are being sent out in November to employers to inform active teachers of the effect on their salary (for someone to take a leave of absence seat. There's been a question whether a leave of absence seat for re-employment (a benefit if he leaves the board), which is a real mess for the state's memory. Should he retire from teaching, he would have to resign his active teacher's seat on the board. The chance for the seat is reported to be 50% (a member of OE/ or ORT/ most chances have been 00%, not OE/-).

When the Ohio State Advisory Services' financial analysis of STRS for the Ohio Retirement System's 2022 report, they recommended some changes to the effective contribution rate, as STRS reported in September responses to the Ohio State report. Note the STRS & C plan does not include the active Retirement Fund (RF), which is a separate part of STRS. Nearly 2B,000 are currently enrolled in the & C plan, with an average balance of \$223,223. Of all members in STRS, 2.8% are the effective

be ef"ts 1&#- p\$a , 8.; : " the &C p\$a , a ' 2.A: " the comb" e' p\$a , w"th mo ey" both &# a ' &C p\$a s. STRS e%pects s"("f"ca t cha (es to the &C p\$a e%t year, b! t there was o" ' "cat"o what these cha (es m"(ht be. The m"t"(at" (rate, the part of emp\$oye co tr"b! t"o s that (o to STRS for part"c"pa ts" a &C p\$a , has bee re' ! ce' to 2.A, : of sa\$ary. Fart"c"pa ts" the /RF a ' &C p\$a ofte comp\$a" abo! t the m"t"(at" (rate, b! t "t.s ow co s" erab\$y \$ower tha "t ! se' to be.

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the purpose of section 10 (a) motion is to show that more than one person was entitled to the seat, but if the seat starts with the section, a section would be a perfect solution to the problem.

there should not be a motion to accept the minutes of a previous meeting (if the chair asks if there are any corrections, if so, the reporter agrees to the corrections, follow (which the chair announces the minutes are accepted).

if a member casts the least vote, that means that member is ready to vote. They do not retract that vote before the vote. It takes a majority vote to call off the vote.

Every year STRS earns several million dollars by rent (not necessarily they own to companies that may need to cover a short term, vote a proxy, settle trades, show they have held a liability contract, etc. The number of New York has the estate, keeps, 0: of the rent, a liability (liability STRS with (let's see) rent back. The program has raised \$382 million for STRS since it started in 2000, AA2.

Over years a chief complaint about STRS by the state has been the claim that, compare to what an active teacher contributes to the system, the payback percentage is the lowest the company try. That is not a valid criterion, as described in the follow (my public comments at the October board meeting (+

By James Newsom.) returned in 2008 after 32 years of the faculty of The Ohio State University. I am here representing (on myself. =e.ve as hear the famous accusation, that STRS is the worst public pension system in the state, based on the belief that what a teacher receives as a percentage compare to what they pay into the system is the lowest the company try sometimes it's claimed that the teacher (retirement) gets 8 cents for each dollar paid in. =h the accuracy of this belief is high (highly) important, its relevance is even less appropriate. Suppose the law was changed, so instead of having (employees and employers each pay STRS, 8% of a teacher's salary, the salary was reduced by 8% and the employer covered the entire amount that employee and employer contribute together. Teachers (at the same tax rate) pay the most salary's maintenance for by not contributing (to STRS. School board's have more tax costs to what they have now. STRS receives the same total contribution as it pays out the same percentage. Nothing is changed, except how what a teacher receives as a percentage compare to what they pay into the system becomes "fair" if you believe that ratio of what you pay into to what you receive is how you measure the value of a pension,

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News from around the country

