



Greater Cleveland School Superintendents Association

March 12, 2026



— Ohio Public Educators —

**THANK
YOU!**



BUILDING A **STRONGER** FOUNDATION



WHERE
is STRS Ohio
today?

HOW
did we
get here?

WHERE
are we
going?

FUTURE
of STRS Ohio



WHERE IS STRS OHIO **TODAY?**



Covering Membership First



TOTAL MEMBERS

549,348

*Terminated members, reemployed retirees, DC Plan members, inactive DC Plan members

Long-Term Planning



Ohio educators
rely on STRS Ohio's
comprehensive benefits
for decades

22-YEAR-OLD
NEW TEACHER

108-YEAR-OLD
BENEFIT RECIPIENT

Member Services



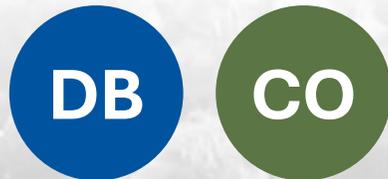
Pension Benefits



Survivor Benefits



Disability Benefits



Health Care Coverage



A Solid Foundation



**Your pension is secure but STRS Ohio
must continue to be prudent**



HOW DID STRS OHIO **GET HERE?**



CHANGES OVER 30 YEARS

FUNDED RATIO (market value of assets)

1995		2025
80.6%		84.1%

CHANGES OVER 30 YEARS

SHIFTING DEMOGRAPHICS

	1995	2025	
Active Members	166,623	172,506	
Retired Members	83,136	158,399	
Ratio	2.0:1	1.1:1	

CHANGES OVER 30 YEARS

CASH FLOWS

1995	2025
+ \$4.4 million	– \$4.14 billion
Contributions* = \$1.43 billion Benefit Payments & Expenses = \$1.42 billion	Contributions* = \$4.17 billion Benefit Payments & Expenses = \$8.31 billion



*Fixed employer contribution rate means STRS Ohio must focus on investments to reduce negative cash flow

INVESTMENT RETURNS AND CASH FLOWS MATTER

DATE	DESCRIPTION	AMOUNT
1999*	STRS Ohio Pension Assets	+ \$50.6 billion
2000–2025	Benefit Payments and Expenses	- (\$147.4 billion)
2000–2025	Contributions	+ \$71.7 billion
2000–2025	Investment Returns	+ \$121.5 billion
2025*	STRS Ohio Pension Assets	= \$96.3 billion

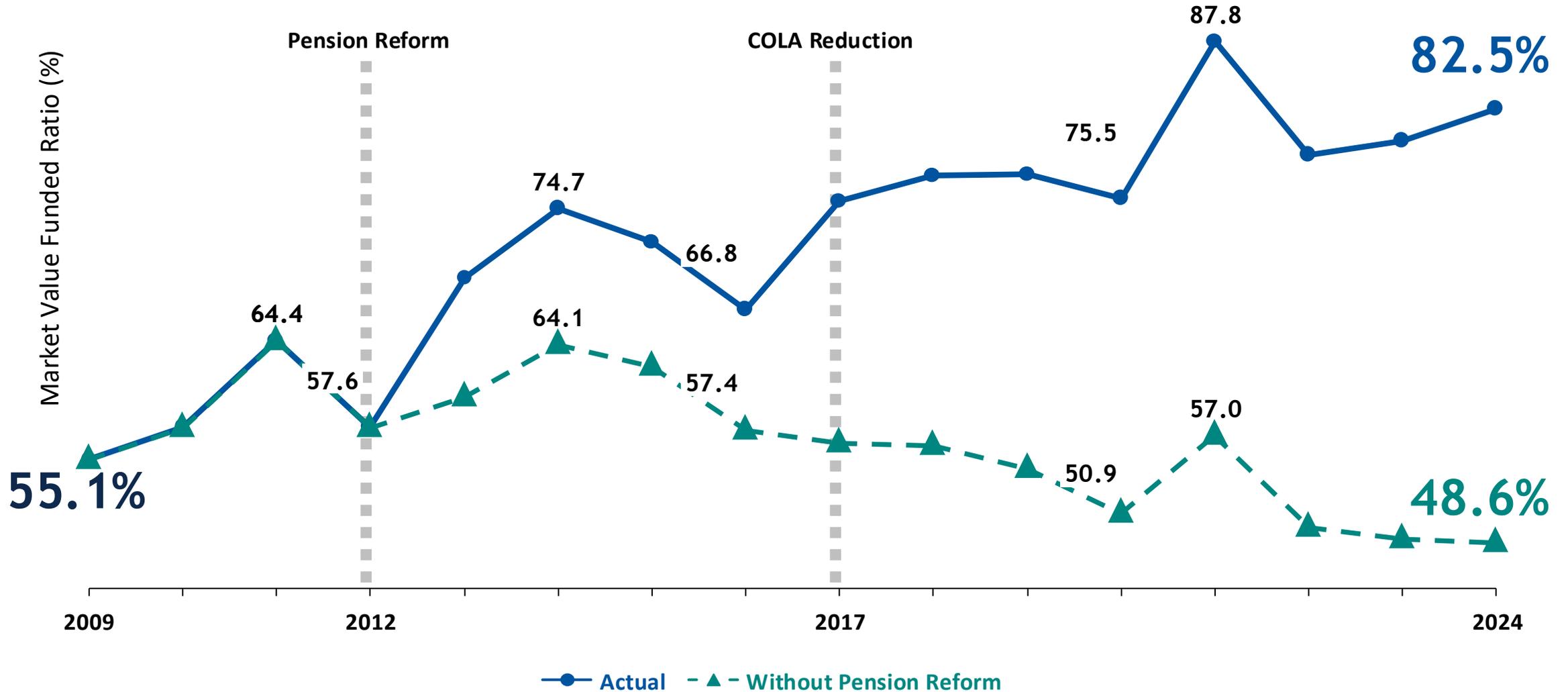
2.06x



Benefit Payments and Expenses are 2.06 times More Than Contributions

*fiscal year end, includes DB and DC and excludes HC

INVESTMENT RETURNS ALONE **WOULD NOT** HAVE BEEN ENOUGH



Performance-Based Incentive (PBI) Compensation



GENERATES
75%
OF ASSETS
THROUGH
INVESTING



AS OF JUNE 30, 2025

10.4%
investment returns

\$100.6 Billion
in assets

5-YEAR PERIOD

10.3%
net return

TOP 11%
in pension funds



**AT-RISK TOTAL
COMPENSATION**



**STAFF MUST
MEET GOALS**



**TO EARN
PBI**

PBI COMPENSATION IS:

- Board approved
- Consistent with market levels
- 53x return on investment — \$2 billion net value added

WHERE IS STRS OHIO **GOING?**

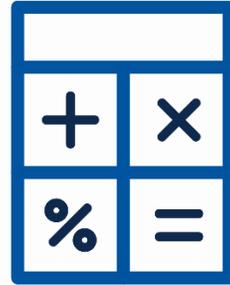


Looking Forward — Sustainable Benefit Plan (SBP)



STEP ONE:

The board determines topics for discussion



STEP TWO:

A limit* is determined by the actuaries

* Could be \$0



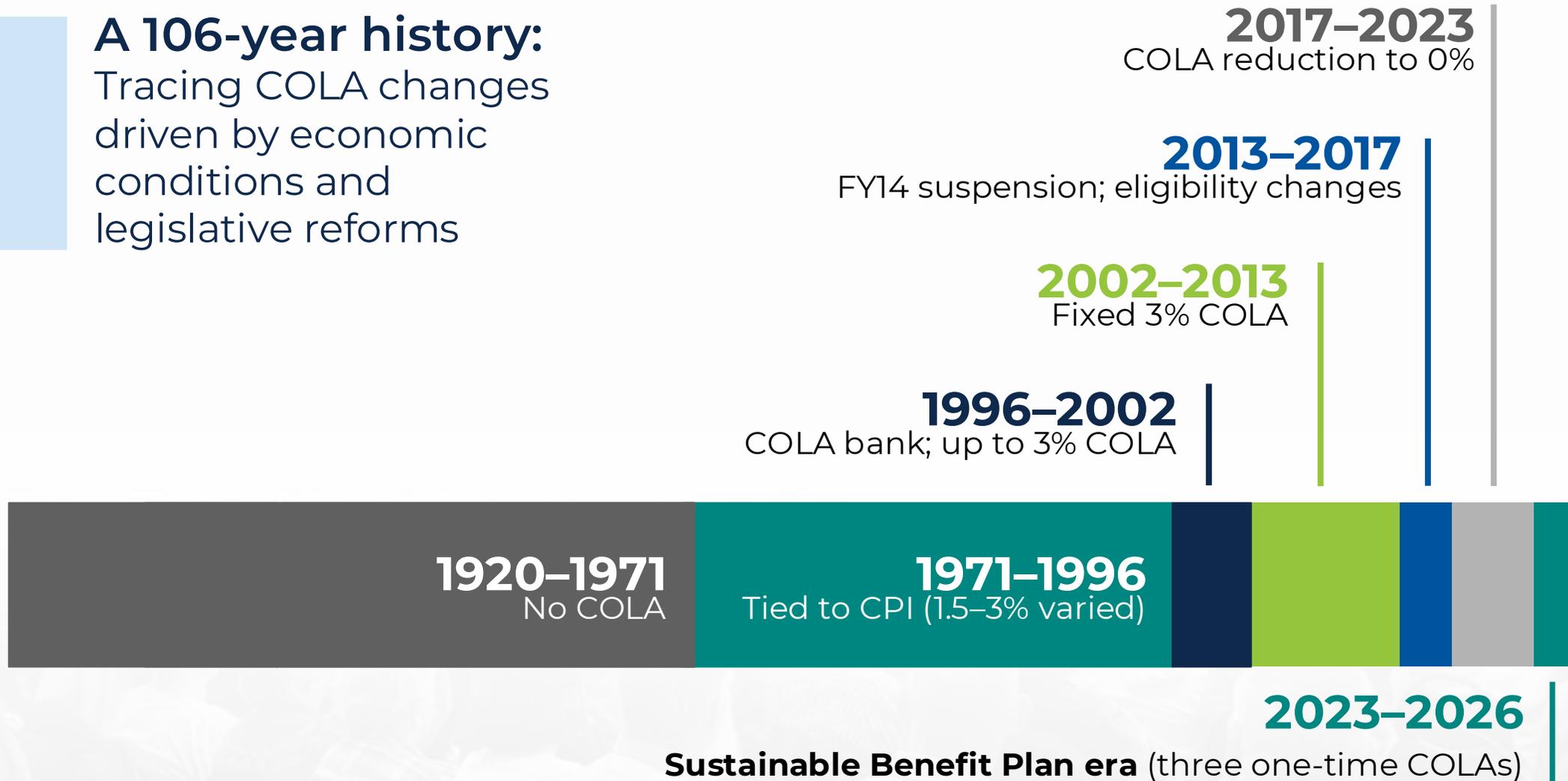
STEP THREE:

The board prioritizes between benefit changes and strengthening the fund

Annual process to evaluate sustainable benefit changes

Evolution of STRS Ohio COLA Policies (1920–2026)

A 106-year history:
Tracing COLA changes
driven by economic
conditions and
legislative reforms



Nearly \$6.0 Billion in Benefit Changes Over Three Years

March 2022	May 2023	March 2024	Nov. 2024	Dec. 2024	April 2025
<ul style="list-style-type: none">• 3% one-time permanent COLA (effective 7/1/2022)• Age 60 requirement eliminated	<ul style="list-style-type: none">• 1% one-time permanent COLA (effective 7/1/2023)• Eligibility rule of 34 years extended	<ul style="list-style-type: none">• Eligibility rule of 34 years permanent• Reduced retirement eligibility lowered to 29 years	<ul style="list-style-type: none">• Unreduced retirement eligibility lowered to 33 years*• Reduced retirement eligibility lowered to 28 years*	<ul style="list-style-type: none">• Supplemental benefit payment to provide some inflation relief for benefit recipients	<ul style="list-style-type: none">• 1.5% one-time permanent COLA (effective 7/1/2025)• Unreduced retirement eligibility lowered to 32 years**• Reduced retirement eligibility lowered to 27 years**
\$2.2 billion	\$0.8 billion	\$0.8 billion	\$0.3 billion	\$0.3 billion	\$1.5 billion

*For retirements between June 1, 2025–July 31, 2027

**Temporary until May 1, 2030. Return to 33 years unreduced/28 reduced from June 1, 2030–May 1, 2032; then 34 unreduced/29 reduced beginning June 1, 2032

Legislative Update — S.B. 69 Recommendations



Funding Limits

Future benefit adjustments will not be permitted if funding period exceeds 20 years or if the funded ratio is less than 75%



Employer Contribution Rate

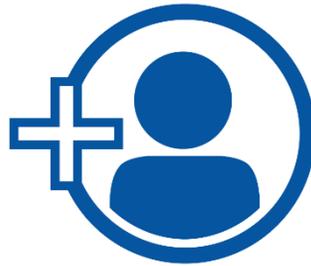
Collaborate with legislators on possible increase



Purchasing Power

Equalize purchasing power across all retirement years

Legislative Update — H.B. 96 Updates



State **budget bill**
included changes to
STRS Ohio board
composition

Legislature intended
to **increase** number
of appointed board
members

Preliminary
injunction
in place to halt
changes

Potential Headwinds



Fragility

a shock to investment returns delays progress



Employer contributions

second-lowest in the nation



Net cash flows

one of the lowest in the nation



Retiree health care

eligibility changes add stress to the health care plan

THE **FUTURE** OF STRS OHIO



A Foundation for the Future



Smart investment implementation

- *Diversification of assets*
- *Maximize net fund return*
- *Saved **\$145 million** by using internal management in fiscal 2025*



Upholding fiduciary duties

- *Oversight and audits*
- *Balancing benefit needs between all members*
- *Keeping members informed*

WHAT DOES THIS MEAN FOR **YOU?**



Resources for Every Step of Your Journey



Robust Member Site

- *Online Personal Account*
- *Calculators*



Member Education

- *Discover where you are on your retirement journey*
- *Staff has traveled over **22,000 miles** around Ohio in fiscal 2025*



Questions? Reach out!

- *Call the Member Services Center*
- *Schedule a counseling appointment*

WE'RE HERE FOR YOU



13,477
COUNSELED



215,216
CALLS



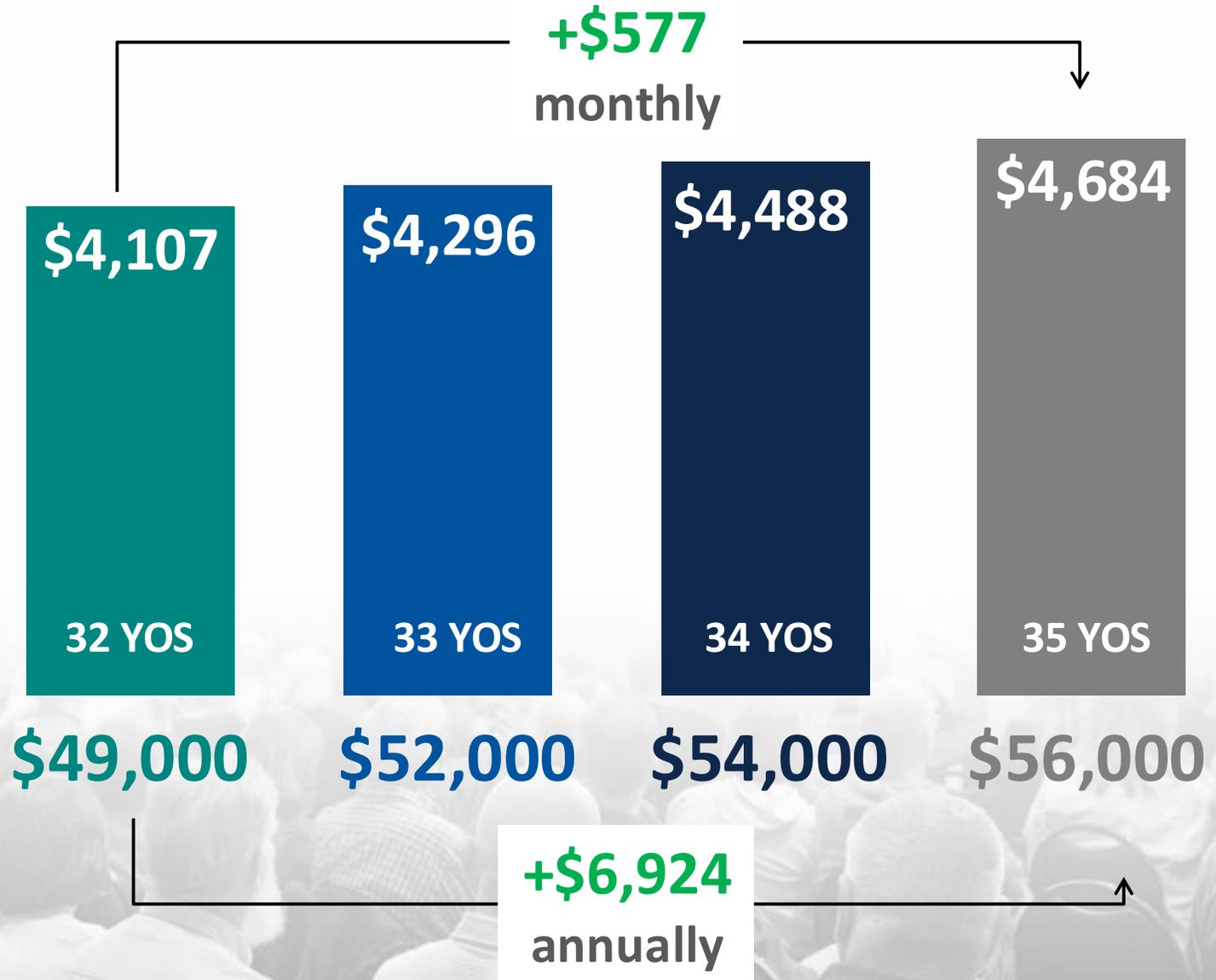
39,560
EMAILS

Deciding When to Retire



\$70,000

Final Average Salary (FAS)*



*Assumes \$1,000 annual FAS increase
For illustrative purposes only

Building Financial Security With Supplemental Savings

BUILD

PROTECT

CONTROL

STRATEGIZE



**Bridge
the Income
Gap**



**Financial
Stability**



**Protect
Against
Uncertainty**



**Take
Control
of Your
COLA**



**Maximize
Contributions**



**Low Plan
Fees**



QUESTIONS? CONTACT STRS OHIO FIRST



PHONE

888-227-7877



WEBSITE

www.strsoh.org



Thank you for your service.

STRS Ohio's Mission: Provide Ohio's public educators a foundation for their financial security.

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