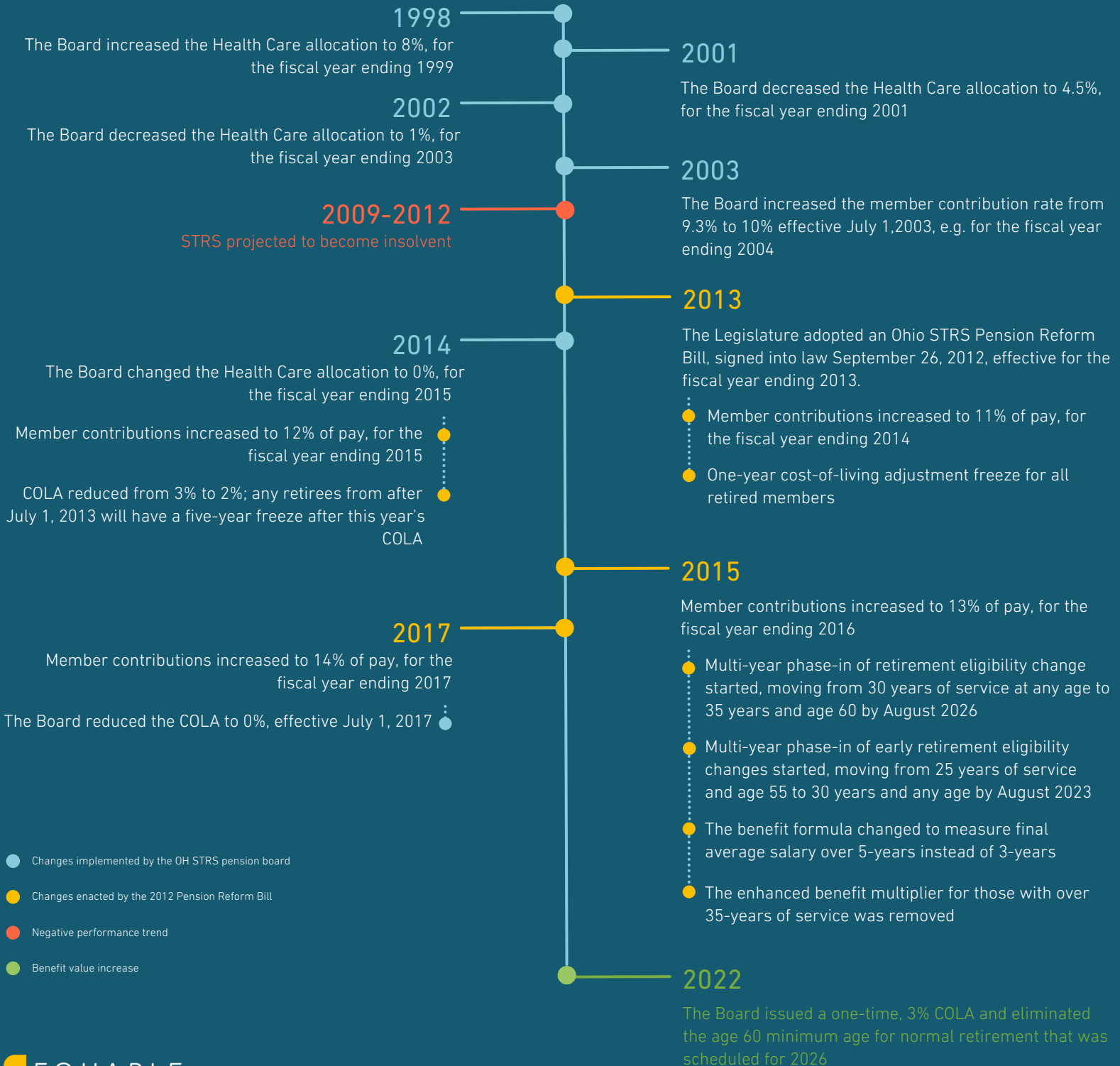




Timeline of Benefit Changes and Contribution Increases

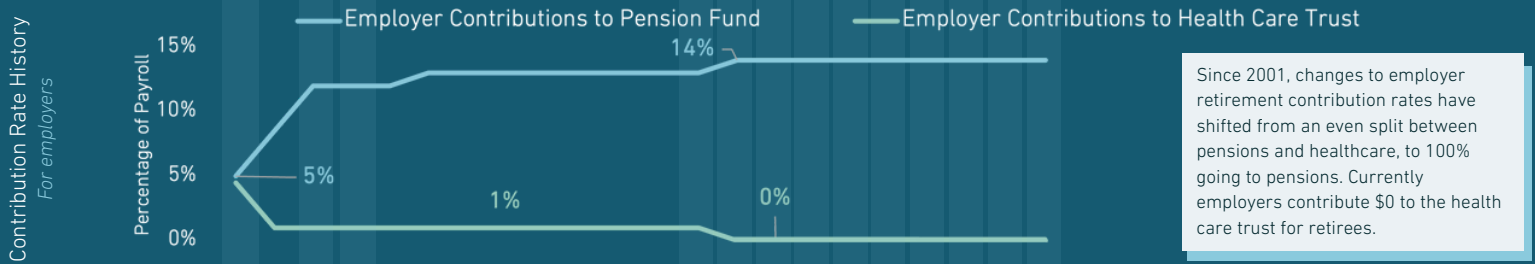
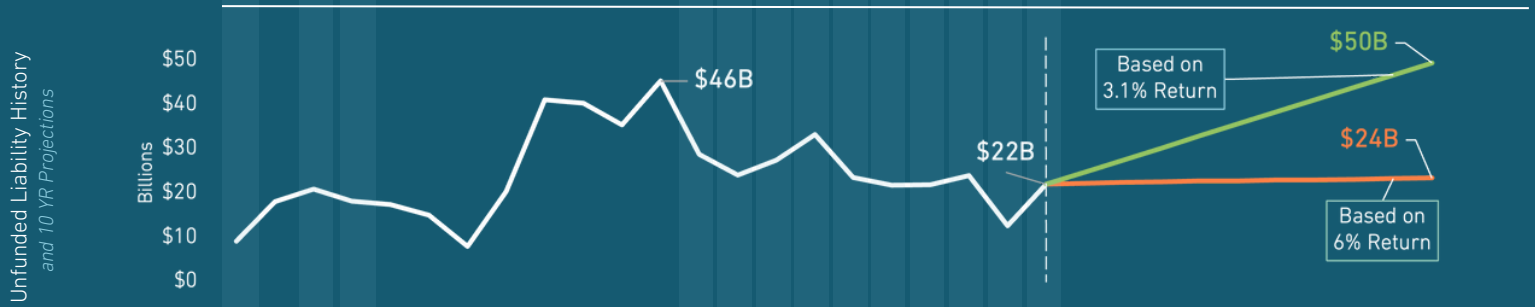
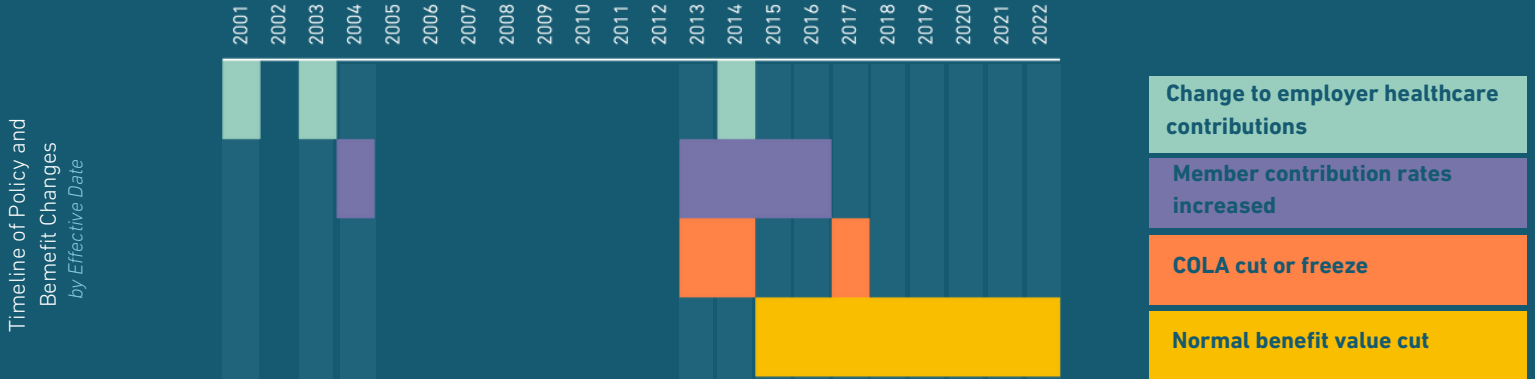
Over the past two decades, Ohio has implemented multiple changes to contribution rates and retirement benefits to address the teacher retirement system's funding shortfall.



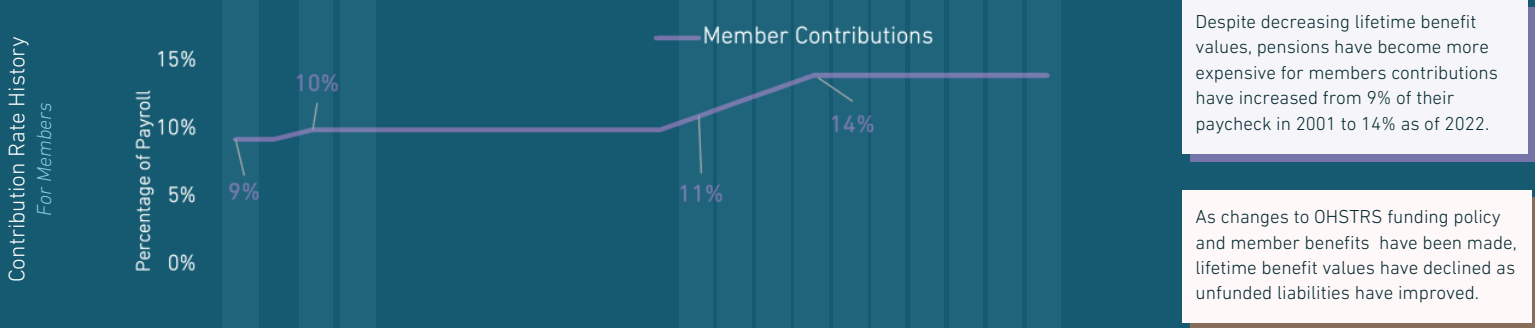
- Changes implemented by the OH STRS pension board
- Changes enacted by the 2012 Pension Reform Bill
- Negative performance trend
- Benefit value increase

Ohio STRS Timeline: The Impact of Two Decades of Policy Changes

Ohio has improved its pension funding shortfall in recent years, but it's come at a high cost to school districts and members in the form of rising contribution rates, underfunding healthcare, and lower pension benefit values. Yet, the system likely still isn't on a track to full funding. With employee already contributing 14% of their paychecks, the state has limited revenue options left to pull from to close the funding gap.



Since 2001, changes to employer retirement contribution rates have shifted from an even split between pensions and healthcare, to 100% going to pensions. Currently employers contribute \$0 to the health care trust for retirees.



Despite decreasing lifetime benefit values, pensions have become more expensive for members contributions have increased from 9% of their paycheck in 2001 to 14% as of 2022.

As changes to OHSTRS funding policy and member benefits have been made, lifetime benefit values have declined as unfunded liabilities have improved.

