



# Proposed Fiscal 2024 Budgets

(July 1, 2023-June 30, 2024)

June 15, 2023

- **Budget reflects what is necessary to:**
  - Accomplish STRS Ohio’s vision to serve Ohio’s public educators
  - Fulfill legal, regulatory and other requirements
  - Implement several fiduciary audit recommendations
- **Sound budgeting and financial management practices are applied**

- **Feb/March** – Departments develop proposed budgets and budget meetings are held
- **March/April** – Consolidated budgets presented to executive director and senior staff
- **April 20** – Proposed budgets presented to the board
- **April 21** – Proposed budgets submitted to Ohio Retirement Study Council (ORSC)
- **May 11** – Proposed budgets presented to ORSC
- **June 15** – Board action on fiscal 2024 budgets for adoption July 1, 2023

- Total proposed operating budget increase is \$3.1 million or 2.8%
- Two items account for an increase of \$3.7 million; all other items are a net decrease of \$600,000
- Compensation, excluding performance-based incentives, is decreasing
- Headcount reduction of 17 positions year over year
- Proposed budget includes implementation of several fiduciary audit recommendations

# Proposed Fiscal 2024 Operating Budget – Budget to Budget



	Total STRS Ohio Proposed Budget	\$ Change from FY 2023 Budget	% Change
Total compensation, excluding performance- based incentives	\$ 58,261,200	\$ (618,100)	-1.0%
Incentive compensation	11,100,000	2,600,000	30.6%
Fringe benefits	20,392,000	1,238,800	6.5%
Professional and technical services	13,106,500	503,300	4.0%
All other operating expenses	12,750,200	(623,800)	-4.7%
<b>Total Operating Budget</b>	<b>\$ 115,609,900</b>	<b>\$ 3,100,200</b>	<b>2.8%</b>

# Proposed Fiscal 2024 Operating Budget – Budget to Projected Actual



	Total STRS Ohio Proposed Budget	\$ Change from Projected FY 2023	% Change
Total compensation, excluding performance- based incentives	\$ 58,261,200	\$ 1,296,200	2.3%
Incentive compensation	11,100,000	1,444,300	15.0%
Fringe benefits	20,392,000	411,400	2.1%
Professional and technical services	13,106,500	997,800	8.2%
All other operating expenses	12,750,200	191,800	1.5%
<b>Total Operating Budget</b>	<b>\$ 115,609,900</b>	<b>\$ 4,341,500</b>	<b>3.9%</b>

- **Total proposed capital budget is increasing by \$482,000 or 6.1%**
- **Organization continues with virtualization of multi-year technology projects (cloud-based solutions)**
- **Few building projects/updates are planned in the future**

# Proposed Fiscal 2024 Capital Budget



	Total STRS Ohio Proposed Budget	\$ Change from FY 2023	% Change
Information processing and computer software	\$ 7,263,400	\$ 1,774,900	32.3%
Building improvements, maintenance and office	1,070,100	(1,292,900)	-54.7%
<b>Total Capital Budget</b>	<b>\$ 8,333,500</b>	<b>\$ 482,000</b>	<b>6.1%</b>





**Questions?**



This material is intended for use by the board of the State Teachers Retirement System of Ohio (STRS Ohio) and not by any other party. STRS Ohio makes no representations, guarantees, or warranties as to the accuracy, completeness, currency, or suitability of the information provided in this material. Nothing included herein is either a legal reference or a complete statement of the laws or administrative rules of STRS Ohio. In any conflict between the information provided herein and any applicable laws or administrative rules, the laws and administrative rules shall prevail. This material is not intended to provide tax, legal or investment advice. STRS Ohio disclaims any liability for any claims or damages that may result from reliance on this material or the information it contains, including any information obtained from third parties.