

Even though the June meeting was quite lengthy, it began at 8:30 A.M. and ended at 6:00 P.M. there is not nearly as much detail to report as usual. I know that will make many people happy since I have received several comments on how long the latest reports have been.

Jim McGreevy, Jeff Wensing and I were the OEA-R members in attendance and Robert Davis from OEA staff was also there. It was my understanding that the ORTA contingency was expecting several hundred attendees however there were only between 30 and 50 there, which was a far cry from what was anticipated. Immediately after Ms. Correthers called the meeting to order Ms. Sellers made a motion to go into executive session in order to discuss the legality of the meetings with Mr. Steen being replaced on the Board by Mr. Brent Bishop. That motion was tabled because an executive session was already scheduled for later in the meeting.

The first 2.5 hours of the meeting were covered by the Investment Department reviewing the proposed investment Plan for Fiscal 2024. Callan and Cliffwater acknowledged their support of the proposed plan. The Semiannual Broker Evaluation and Associated Policies were approved even though Fichtenbaum, Foreman, Jones, and Sellers all abstained from voting. The Amended Stock Proxy Voting Policy was adopted. Again the same voted to abstain except for Ms. Jones. She voted in favor of it. The various heads of each investment department reviewed the outlook for each over 2024. The investment staff is forecasting below economic growth; valuations reflect restrictive monetary policy and the range of economic forecasts; staff is projecting a positive total fund return at-to-below the board's policy return of 6.03% and staff will continue to address the board's strategic initiatives. The board adopted the Fiscal 2024 Investment Plan with Fichtenbaum, Foreman and Sellers abstaining. The ORTA attendees were extremely rude during Steve Nesbitt owner of Cliffwater's presentation. It was quite embarrassing.

Matt Worley provided the May returns. The preliminary total fund return for May was - 0.59%. The preliminary fiscal year 2023 total fund return is estimated: Gross Return +4.67% and Net Return +4.56%. The total investment assets ended May at \$87.8 billion, higher by \$200 million in fiscal 2023.

The Board approved the Fiscal 2024 Budgets. There was a review of Performance Based Incentive Policy (PBI) provided. McLagan found that the STRS Ohio incentive plan is generally aligned with competitive market practice. During the May board meeting, McLagan reviewed the following recommendations with the Board:

- \*Measure all investment performance net-of-fees. Currently, there is a mixed use of net and gross
- \*Increase the minimum weighting to total fund performance from 10% - 20%
- \*Simplify the plan by removing one-year measures from portfolio and asset class components (currently weighted at 2-10% of total incentive opportunity).
- \*Clean up" the plan document by ensuring plan provisions are clear and precise. Consider moving administrative policies into separate document
- \*Adjusting the absolute return provision to be a linear gradient

A new vice-chair was elected. The two individuals who were nominated were Carol Correthers and Rudy Fichtenbaum. Ms. Correthers will be the new Vice-Chair beginning in September when Mr. Price takes over as chair of the board.

No July meeting.