



**Deferred
Compensation**



Popular Annual Financial Report

2024

**For the fiscal year ended December 31, 2024
Ohio Public Employees Deferred Compensation Program**

TABLE OF CONTENTS

LETTER TO OUR PARTICIPANTS	3
OUR MISSION, VALUES AND GOALS	6
OUR OBJECTIVES	7
FINANCIAL SECTION	8
SUMMARY OF PLAN ASSETS	12
FACTS AND NUMBERS.....	13
RECOGNITION	16
CONTACT INFORMATION	17

GFOA AWARD FOR OUTSTANDING ACHIEVEMENT

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Ohio Public Employees Deferred Compensation Program (Ohio DC) for its Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2023. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Ohio DC has received a Popular Award for the last seven consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

Ohio Public Employees Deferred Compensation Program

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

LETTER TO OUR PARTICIPANTS

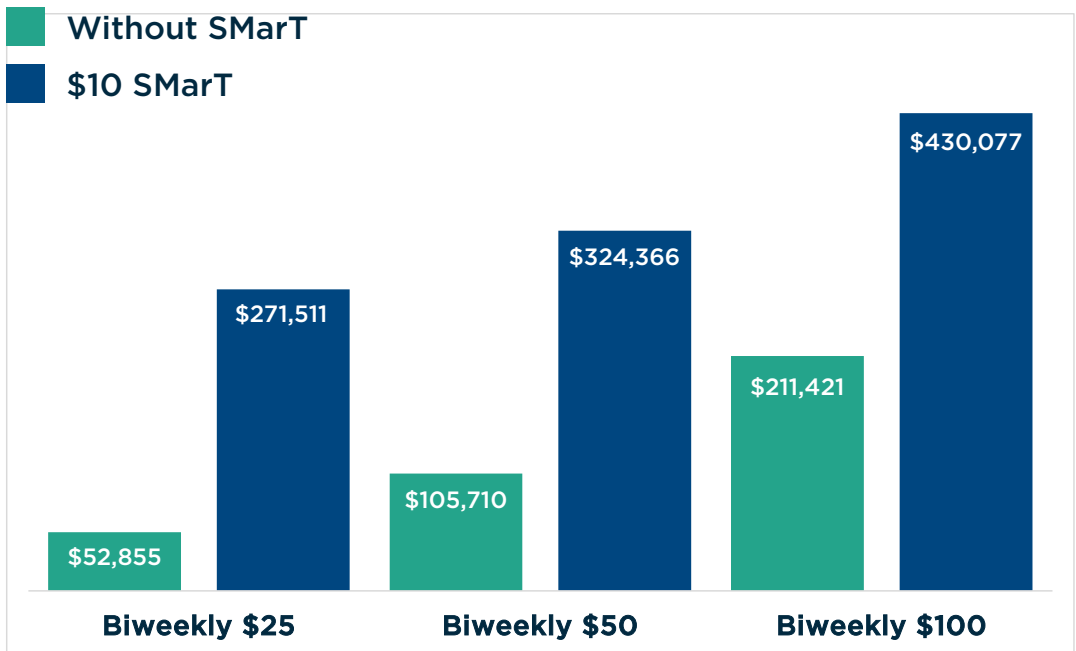
To Our Ohio DC Participants:

It is with great pleasure that the Ohio Public Employees Deferred Compensation Board of Trustees and staff present this 2024 Popular Annual Financial Report (PAFR). The PAFR is an easy-to-read summary of the Annual Comprehensive Financial Report (Annual Report) for the year ended December 31, 2024. Ohio DC is the third largest 457 plan in the U.S. with 277,444 participant accounts from 2,075 state and local government employers. This PAFR has been prepared to assist you in understanding how Ohio DC helps participants supplement their retirement income.

This PAFR will provide a variety of examples as to how we are fulfilling our mission of guiding our participants along the path to retirement income security. Members of Ohio’s statutory retirement systems can contribute to Ohio DC on a voluntary basis to supplement their retirement income. As a self-directed plan, participants are responsible for their own savings and investment decisions, but much of their success depends on the amount of their contributions and the overall direction of the financial markets.

Participants can take advantage of our Save More Tomorrow – SMarT Plan. The SMarT Plan is an automatic increase plan that increases contributions annually. About 52% of contributing participants have enrolled in this benefit.

No SMarT vs. \$10 SMarT on a current balance of \$0 with 6% compounding interest over 30 years.



These are hypothetical compounding examples and are not intended to predict or project the investment results of any specific investment. Investment return is not guaranteed and will vary depending on your investments and market experience.

LETTER TO OUR PARTICIPANTS

During 2024, the U.S. stock markets had an impressive year, with the S&P 500 index gaining 25%. These gains were comparable to previous increases of 31.5% in 2019, 18.4% in 2020, 28.7% in 2021, and 26.2% in 2023. The market has achieved positive performance in 8 of the last 10 years. The long positive market trend gave many participants the confidence to maintain or increase their payroll contributions and encouraged other public employees to enroll.

Ohio DC achieved these all-time highs in 2024:

- 2,075 contributing employers
- 277,444 participant accounts, including 14,003 Roth accounts
- 134,883 actively contributing participants
- 20,464 newly enrolled participants
- \$654 million total annual contributions
- Total year-end asset value over \$21.8 Billion

As a mature plan approaching our 50th anniversary, annual cash inflows (payroll contributions plus transfers from other plans) into Ohio DC are now exceeded by annual cash outflows (benefit distributions plus transfers to other plans) out of Ohio DC. Therefore, continued growth in overall plan assets is dependent on earning positive investment performance and gaining new participants.

Over the years, Ohio DC has focused on the important factors to successfully save for retirement—starting early, regularly increasing the contribution amount, and diversifying the investment portfolio. As the Plan matures with our participants, a new goal is to provide education to participants on how to strategically withdraw their account balances including: strategically using pre-tax and after-tax accounts, coordinating withdrawals across all retirement and savings accounts, and making their account balances last.

MAJOR INITIATIVES IN 2024 AND BEYOND

The relationship between Ohio DC and the Ohio Public Employees Retirement System (OPERS) has been long and fruitful for both organizations and its participants/members. With the majority of Ohio DC participants also being OPERS members, Ohio DC has partnered with OPERS for providing more impactful and widespread education about Ohio DC to its membership. OPERS has incorporated Ohio DC information into many of its educational presentations, invited Ohio DC Field Account Executives to benefits fairs and seminars, and opened the door for continued collaboration. In the coming years, Ohio DC will work to strengthen its relationships with all state retirement systems so that every public employee has the opportunity to affordably save for retirement with less administrative burden on public employers.

LETTER TO OUR PARTICIPANTS

Ohio DC has also entered an administrative shared services model with OPERS, which allows Ohio DC to purchase some administrative services, including but not limited to, human resources, printing and mailing, internet, and executive leadership. These purchased services provide Ohio DC with additional resources at income-neutral price points to both organizations.

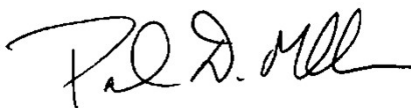
In September 2024, Ohio DC closed the LifePath 2025 Portfolio and introduced the LifePath 2065 Portfolio. Participants still investing in LifePath 2025 were automatically transitioned to LifePath Retirement, unless specified otherwise. The LifePath Retirement Portfolio now mirrors the asset mix that LifePath 2025 would have had.

Many of the key provisions of the SECURE 2.0 Act of 2022 affecting Ohio DC have been implemented. In 2024, Ohio DC updated its recordkeeping system, participant website, and communications materials to incorporate the new catch-up limit for participants aged 60, 61, 62, and 63, which becomes available in 2025. Staff continue to evaluate future SECURE 2.0 options, as well as enhance the participant web portal functionality and security for internal and external users. Ohio DC is proud of the savings it has helped participants attain. Strong retirement incomes are good for Ohio and its residents.

Respectfully submitted,



Lauren N. Gresh, JD
Executive Director



Paul D. Miller, CPA
Director of Finance

OUR MISSION

Guiding our participants along the path to retirement income security.



OUR VALUES

- Integrity and Ethics
- Professionalism
- Fiduciary Accountability
- Innovation
- Efficiency

OUR GOALS

Provide quality participant services and promote financial literacy through effective education and clear communications.

Establish plan features and tools that encourage supplemental savings to provide income through retirement.

Provide suitable, diverse, cost-effective investment options.

Accurately and fairly apply laws; when appropriate, advocate for regulatory and legislative changes.

Develop and implement prudent practices to effectively govern and administer the Plan.






OUR OBJECTIVES

HELPING YOU

Be ready for retirement

IT IS WHAT WE ARE HERE FOR

Ohio DC is dedicated to making sure our participants are well informed about what it means to save for retirement. As a self-directed plan, our participants are responsible for making their own savings and investment decisions. For them to succeed, they need to be educated about the need to invest early and regularly, and to be informed about the basics of investing. All assets of Ohio DC are held in trust on behalf of participating employers for the exclusive benefit of participants and their beneficiaries with the goal of providing them with retirement income security.

	2015	2024	10-Year Change
 Total Participant Accounts	216,892	277,444	27.9%
 Total Annual Contributions	\$444,027,787	\$653,946,856	47.3%
 Average Annual Contribution	\$3,992	\$4,848	21.4%
 Average Participant Account	\$51,445	\$78,777	53.1%
 Average Annual Distribution	\$8,821	\$11,451	29.8%

FINANCIAL SECTION

The statement below shows the various plan assets and liabilities for the years ended December 31, 2024 and 2023. The plan net position represents the funds accumulated thus far to pay retirement income benefits to participants. During 2024, there were fluctuations in Receivables and Payables, due to the last business day of 2023 being Friday, December 29th. Additionally, cash and investments experienced increases due to the strong market conditions of 2024.

	2024	2023	\$ Change	% Change
Assets:				
Investments	\$21,819,308,195	\$19,367,268,173	\$2,452,040,022	12.7%
Cash and cash equivalents	21,675,265	19,011,636	2,663,629	14.0
Cash held for investment	2,007,434	11,056,500	(9,049,066)	(81.8)
Contributions receivable	2,886,435	6,194,280	(3,307,845)	(53.4)
Other assets and deferred outflows	19,103,969	19,190,578	(86,609)	(0.5)
Total assets and deferred outflows	21,864,981,298	19,422,721,167	2,442,260,131	12.6
Liabilities:				
Accounts payable and accrued expenses	4,616,617	13,643,407	(9,026,790)	(66.2)
Lease liabilities	1,327,833	1,557,073	(229,240)	(14.7)
Other liabilities and deferred inflows	2,827,847	3,105,019	(277,172)	(8.9)
Total liabilities and deferred inflows	8,772,297	18,305,499	(9,533,202)	(52.1)
Plan net position available for benefits	\$21,856,209,001	\$19,404,415,668	\$2,451,793,333	12.6%

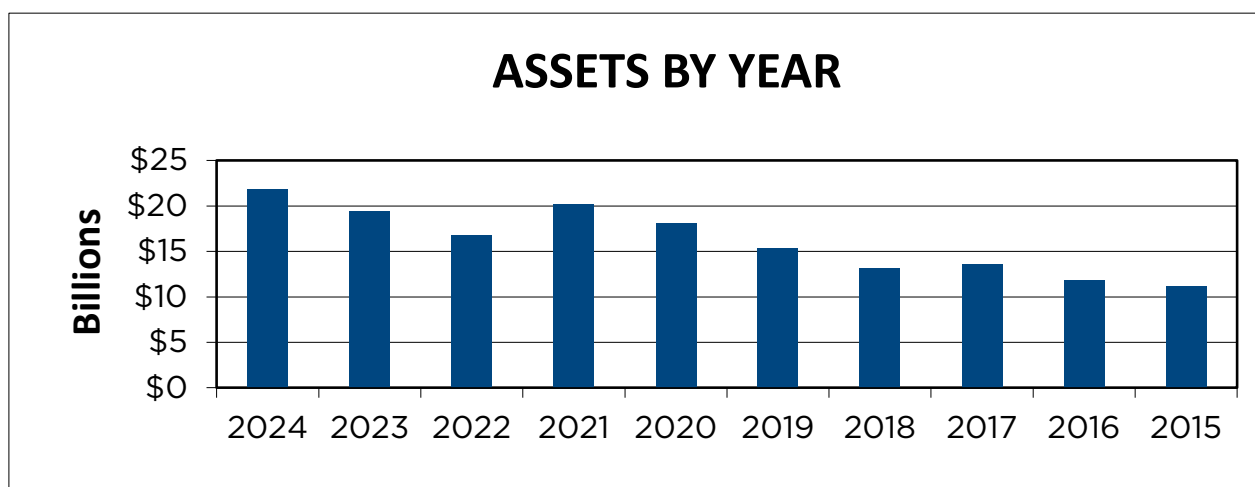
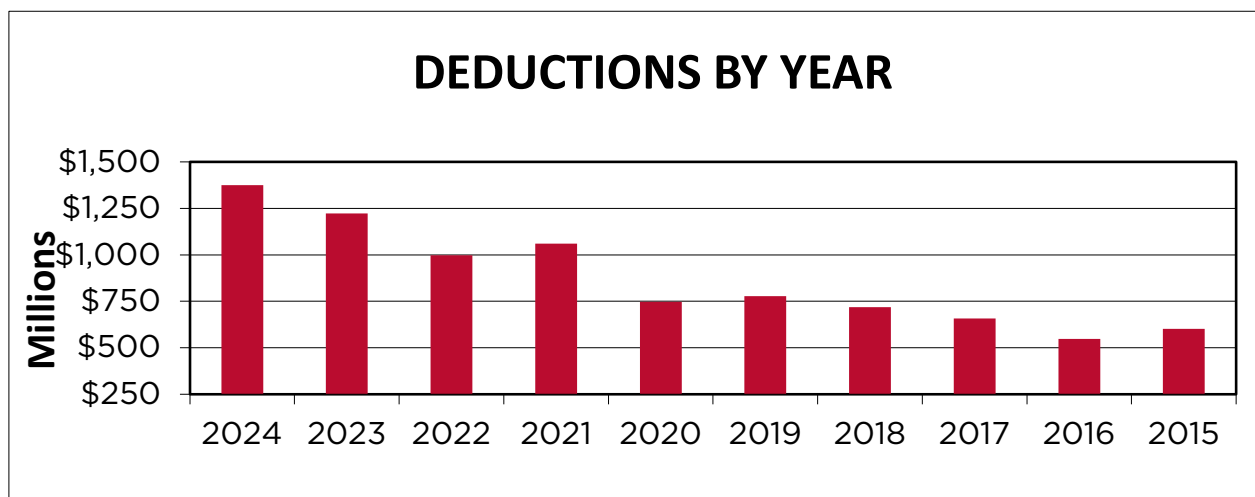
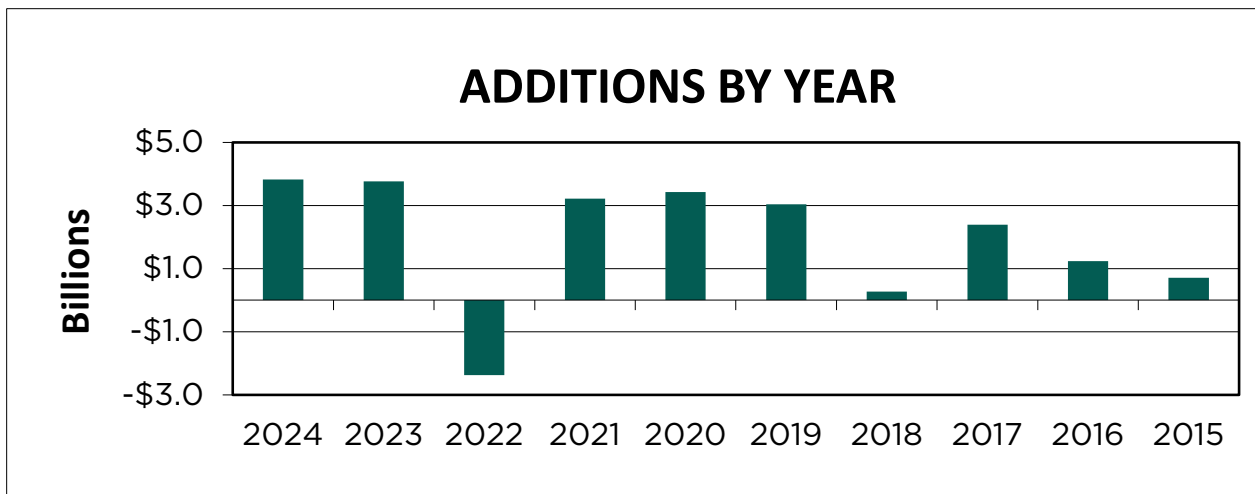
FINANCIAL SECTION

The statement below shows the annual additions and deductions for Ohio DC. Generally, a net increase represents more assets were accumulated to pay more retirement income benefits. During 2024, Ohio DC saw a strong decrease in transfers in compared to 2024, but not to the extent of transfers out, which is consistent with mature retirement plans. Also consistent with a mature plan, benefit distributions experienced a significant increase. Strong market conditions allowed Ohio DC to increase plan net position by 12.6%.

	2024	2023	\$ Change	% Change
Additions:				
Net investment income	\$3,069,611,589	\$3,067,484,994	\$2,125,595	0.1%
Participant contributions	653,946,856	615,366,054	38,580,802	6.3
Transfers from other plans	103,467,146	84,767,379	18,699,767	22.1
Other additions	102,780	21,775	81,005	372.0
Total additions	3,827,123,371	3,767,640,202	59,488,169	1.6
Deductions:				
Benefit distributions	602,590,421	515,261,678	87,328,743	16.9
Transfers to other plans	757,877,156	693,176,648	64,700,508	9.3
Administrative expenses	14,867,461	14,151,698	715,763	5.1
Total deductions	1,375,335,038	1,222,590,024	152,745,014	12.5
Net increase (decrease)	2,451,793,333	2,545,050,178	(93,256,845)	(3.7)
Plan net position, beginning of year	19,404,415,668	16,859,365,490	2,545,050,178	15.1
Plan net position, end of year	\$21,856,209,001	\$19,404,415,668	\$2,451,793,333	12.6%

FINANCIAL SECTION

The charts below summarize Ohio DC financial trends over the past 10 years.



FINANCIAL SECTION

The chart below summarizes the performance versus benchmark of Ohio DC's investment options as of December 31, 2024.

	1-Year	3-Year	5-Year	10-Year
Non-US Company Stock (inception 9/11/20)	8.2%	1.0%	n/a	n/a
Benchmark: MSCI All Country World ex-U.S. Index	5.5%	0.8%	4.1%	4.8%
Non-US Company Stock Index (inception 12/9/22)	5.2%	0.7%	4.3%	5.2%
Benchmark: MSCI All Country World ex-U.S. Index	5.2%	0.5%	4.1%	4.9%
US Small Growth Company Stock (inception 6/2/17)	7.9%	-0.4%	9.1%	n/a
Benchmark: Russell 2000 Growth Index	15.2%	0.2%	6.9%	8.1%
US Small Value Company Stock (inception 6/2/17)	5.2%	2.8%	7.3%	n/a
Benchmark: Russell 2000 Value Index	8.1%	1.9%	7.3%	7.1%
US Small/Mid Company Stock Index (inception 12/9/22)	17.1%	3.0%	10.3%	9.8%
Benchmark: Russell Small Cap Compl Index	17.1%	2.9%	10.3%	9.7%
Vanguard Capital Opportunity	14.3%	5.8%	12.0%	12.2%
Benchmark: Russell Mid Cap Growth Index	22.1%	4.0%	11.5%	11.5%
Fidelity Growth Company Commingled Pool	37.4%	10.5%	22.9%	19.5%
Benchmark: Russell 1000 Growth Index	33.4%	10.5%	19.0%	16.8%
US Large Growth Company Stock	31.5%	8.0%	16.8%	16.5%
Benchmark: Russell 1000 Growth Index	33.4%	10.5%	19.0%	16.8%
Fidelity Contrafund Commingled Pool	35.4%	10.7%	17.4%	15.4%
Benchmark: Russell 1000 Growth Index	33.4%	10.5%	19.0%	16.8%
US Large Value Company Stock (inception 12/9/22)	14.6%	7.8%	12.1%	10.9%
Benchmark: Russell 1000 Val Index	14.4%	5.6%	8.7%	8.5%
US Large Stock Index (inception date 12/9/22)	24.9%	8.9%	14.5%	13.1%
S&P 500 Index	25.0%	8.9%	14.5%	13.1%
BlackRock LifePath Retirement	7.1%	0.6%	4.0%	4.7%
Benchmark: BlackRock Custom	7.1%	0.6%	4.0%	4.6%
BlackRock LifePath 2030	9.1%	1.6%	5.7%	6.4%
Benchmark: BlackRock Custom	9.1%	1.6%	5.7%	6.3%
BlackRock LifePath 2035	10.9%	2.4%	6.8%	7.3%
Benchmark: BlackRock Custom	10.9%	2.4%	6.8%	7.1%
BlackRock LifePath 2040	12.6%	3.3%	7.8%	8.0%
Benchmark: BlackRock Custom	12.6%	3.3%	7.8%	7.8%
BlackRock LifePath 2045	14.3%	4.1%	8.8%	8.7%
Benchmark: BlackRock Custom	14.3%	4.1%	8.7%	8.5%
BlackRock LifePath 2050	15.6%	4.7%	9.4%	9.0%
Benchmark: BlackRock Custom	15.7%	4.6%	9.4%	8.8%
BlackRock LifePath 2055	16.2%	4.9%	9.6%	9.1%
Benchmark: BlackRock Custom	16.3%	4.9%	9.6%	8.9%
BlackRock LifePath 2060	16.3%	4.9%	9.6%	9.1%
Benchmark: BlackRock Custom	16.4%	4.9%	9.6%	9.1%
BlackRock LifePath 2065 (inception 9/20/24)	16.3%	4.9%	9.6%	n/a
Benchmark: BlackRock Custom	16.4%	4.9%	9.6%	n/a
US Bond (inception 1/30/2015)	0.9%	-2.9%	-0.2%	n/a
Benchmark: Bloomberg US Aggregate Bond Index	1.3%	-2.4%	-0.3%	1.4%
US Bond Index (inception 12/9/22)	1.4%	-2.4%	-0.3%	1.0%
Benchmark: Bloomberg US Aggregate Bond Index	1.3%	-2.4%	-0.3%	1.4%
Stable Value Option	3.1%	2.5%	2.3%	2.3%
Benchmark: Morningstar US CIT Stable Val Index	3.3%	2.1%	2.0%	2.3%

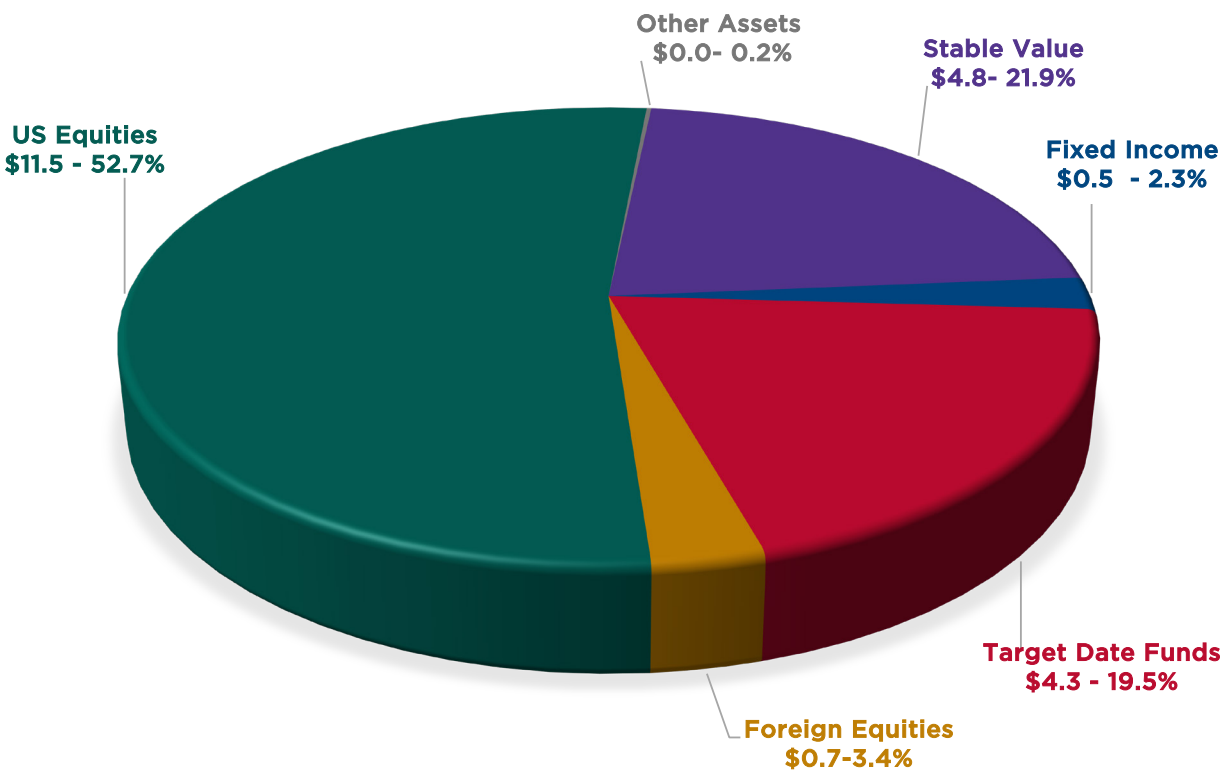
Investment returns are a time-weighted return based on the market rate of return. Returns are shown net of investment management fees. The 3-year, 5-year, and 10-year investment returns are annualized. Funds with inception date of 12/9/22 and 9/20/24 are reflective of returns established prior to becoming an option in Ohio DC's portfolio.

SUMMARY OF PLAN ASSETS

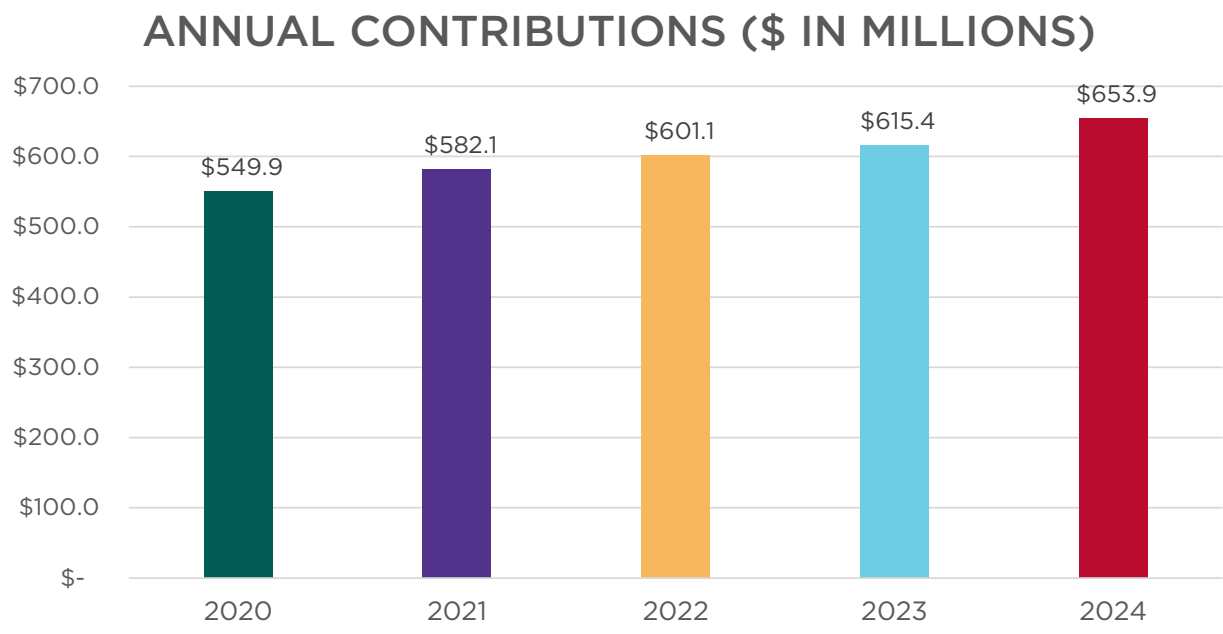
INVESTMENT ALLOCATION SUMMARY

Investment markets are extremely complex and market volatility is impossible to predict. For these reasons, Ohio DC, as well as all responsible retirement plans, stress the need for investors to take advantage of their ability to diversify their investments. Diversification reduces portfolio risk. In the chart below, you can see the total year-end asset value of \$21,856,209,001 and percentage, allocated out to various asset classes that Ohio DC participants were invested in as of December 31, 2024. Ohio DC is a self-directed plan, so participants choose the investment options for their contributions and balances. The Board has adopted an investment policy to ensure that a suitable number of diverse investment options are offered and regularly monitored.

INVESTMENT ALLOCATION (\$ IN BILLIONS)

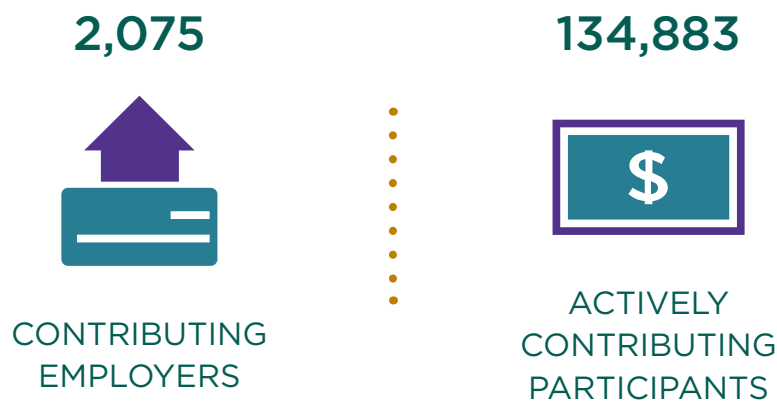


FACTS AND NUMBERS



PARTICIPANT CONTRIBUTIONS

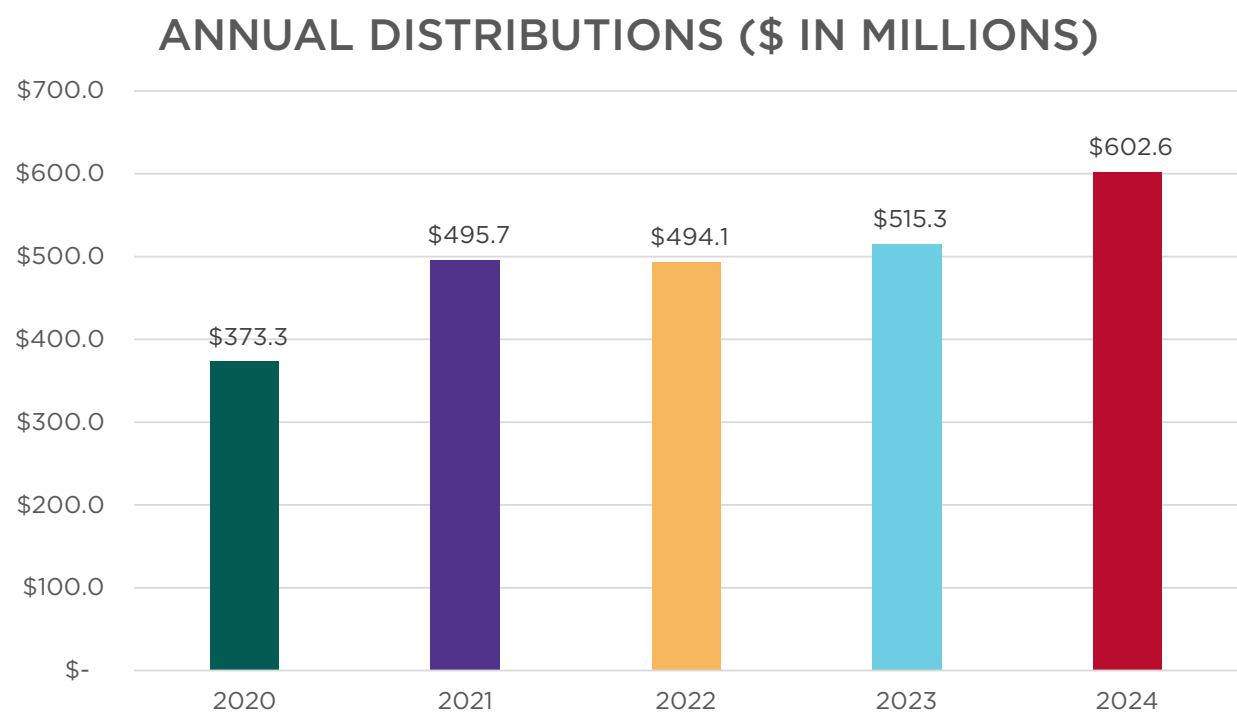
Retirement needs are different for everyone. Higher account balances will result in higher retirement incomes for our participants. Ohio DC can help participants meet their goal for what they would like to accumulate for retirement. A small increase to contributions each year can make a big difference. Ohio DC offers the SMarT Plan that will automatically increase a participant’s contributions annually by the amount they choose.



FACTS AND NUMBERS

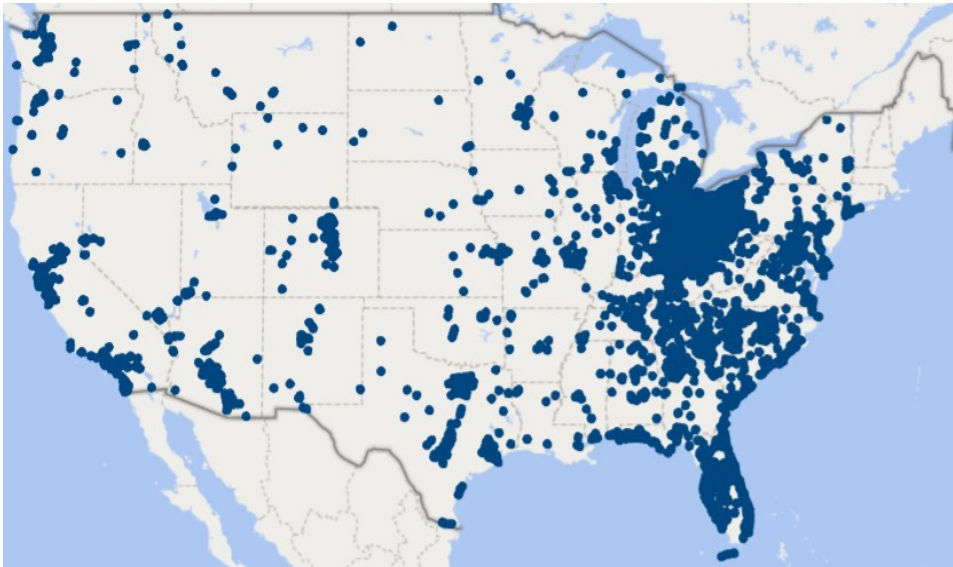
PARTICIPANT BENEFIT DISTRIBUTIONS

Ohio DC provided 52,625 participants with distributions in 2024, up from 49,154 in 2023. The average annual distribution in 2024 equaled \$11,451. In 2024, Ohio DC distributed over \$602 million in benefits to participants to provide them with additional retirement income and a more secure, comfortable retirement.



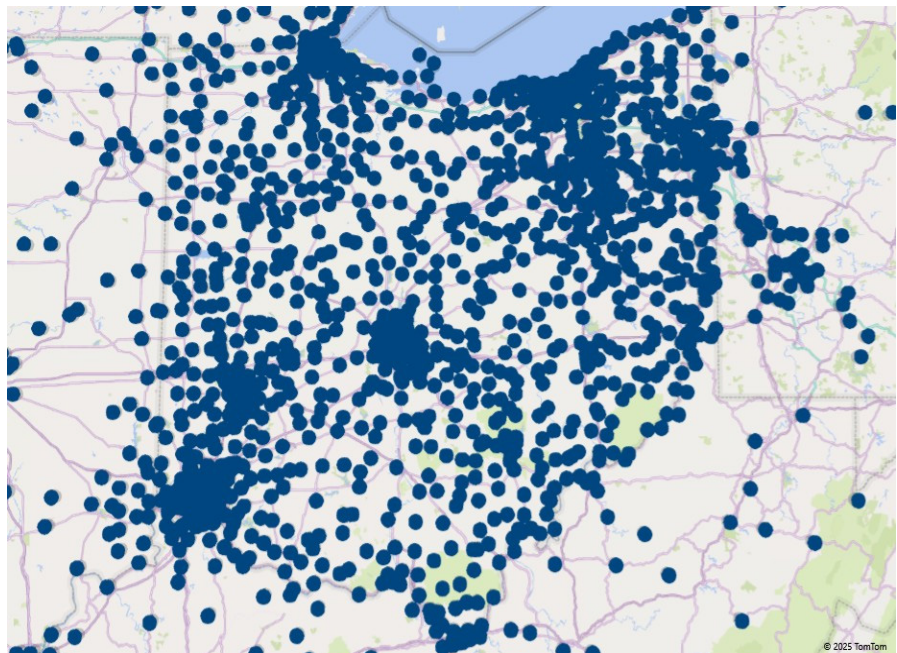
Ohio DC participants do not have to withdraw funds when they retire or leave employment. They can let their money continue to grow and enjoy the benefits of being a participant. If a participant is no longer working at age 73, they will need to take annual Required Minimum Distributions as defined by the IRS. Several payment options are available including full/partial lump sums or a systematic payment frequency. Pre-tax distributions are taxable income but there are no early withdrawal penalties. Qualified Roth distributions are not subject to income taxes.

FACTS AND NUMBERS



DISTRIBUTION
RECIPIENTS
ACROSS
THE U.S.

DISTRIBUTION
RECIPIENTS
IN OHIO



The maps above show the location of participant and beneficiary accounts receiving distributions. The general trend over the past ten years has been a steady increase in distributions, which was driven by an ever increasing number of participant retirements (baby boomers). Over \$533 million or 88% of all distributions in 2024 remained in Ohio to support our participants and the Ohio economy.

RECOGNITION



CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING FOR FISCAL YEAR 2023 FROM THE GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA (GFOA)

Ohio DC's 2024 Annual Comprehensive Financial Report is the source for the information on pages 3-15. Ohio DC's 2023 Annual Comprehensive Financial Report was awarded the Certificate of Achievement for Excellence in Financial Reporting by GFOA. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such an Annual Comprehensive Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another Certificate.

CONTACT INFORMATION







About this PAFR

This PAFR is derived from information contained in the [Ohio DC Annual Comprehensive Financial Report](#) for the year ended December 31, 2024, but does not contain detailed financial information



by plan, nor is it presented in a manner to conform to Generally Accepted Accounting Principles (GAAP). For a complete set of financial definitions included in this summary report please refer to the [Ohio DC Annual Report](#), which is prepared in conformity with GAAP and may be obtained by visiting our website at [Ohio457.org](#) or by contacting Ohio DC to request a copy.

WE ARE HERE TO HELP

 Service Center: 877-644-6457	 Ohio457.org
 Ohio457@Nationwide.com	 257 East Town Street, Suite 457 Columbus, Ohio 43215-4626
 In-person or virtual appointment with a Retirement Planning Specialist	 Financial Wellness Log in using your Ohio DC online account