

MEMBER'S REPORT

The quarterly newsletter for active and retired OP&F members and their survivors

Ohio
Police
& Fire Pension Fund

Volume 44 / Number 3 / SUMMER 2025

MESSAGE FROM THE EXECUTIVE DIRECTOR

Health care stipend continues to work as intended



Mary Beth Foley, Esq.

Dear OP&F members,

It has been six years since OP&F implemented a stipend-based retiree health care program. Through your sacrifice and patience, OP&F has preserved \$1.2 billion for the retiree health care trust, saving more than \$200 million per year. The stipend

model has proven to be beneficial to our Medicare-age members, who on average save about \$1,200 per year compared with the plan we sponsored prior to 2019.

The stipend gives our retirees valuable dollars to spend on health care plans of their choosing while also preserving the funding for retiree health care. Each year the Board and our colleagues at Alight Retiree Health Solutions examine the plan to see if the stipend amount is sufficient. That was the case again in 2025.

A couple of reminders that we always emphasize:

- Retirees who are 65 or older must be enrolled in Medicare and also must become enrolled and maintain enrollment in a plan through the Alight Retiree Health Exchange to keep their stipend.
- To become eligible for the stipend, a Qualifying Life Event, or QLE, must first occur. A common QLE is the involuntary loss of group health care coverage, which usually happens when a member or spouse retires or becomes unemployed and their employer's plan is no longer available.
- There is a 60-day window to apply for the OP&F health care stipend after a QLE occurs.

The efforts to correct our long-term funding inequities continue. Ohio House Bill 280 was introduced in the spring, and we now have sponsors for a companion bill in the Ohio Senate. We appreciate your continued support for these important acts to strengthen our future. This version of the bill would use an actuarially determined employer contribution formula. This approach is favored by organizations such as the Reason Foundation and Americans for Prosperity, which is important to some members of the General Assembly.

We remain diligent and busy at OP&F working on behalf of members to make this the best pension fund in the nation. We recently created an employer working group to increase understanding and communication between the cities and towns across Ohio and OP&F. Also, we continue to build a new pension administration system that will eventually provide better efficiency and service to our members. This is a multi-year project taking place behind the scenes at OP&F and should be a seamless transition for members when implemented.

Finally, it is with a heavy heart that we learned of the passing of trustee Clay R. Cozart on June 23. Clay represented active police members on our Board as a detective with the Akron Police Department. He will be missed greatly at OP&F. Please see our story on Page 4 for more information.

As always, thank you for protecting our homes and families and serving everyone in our state.

Best regards,

Mary Beth Foley

Mary Beth Foley, Esq.

Executive Director

OP&F INVESTMENT PERFORMANCE CONTINUES TO SHINE, DESPITE VOLATILE FIRST QUARTER IN 2025

The Ohio Police & Fire Pension Fund's (OP&F) investment performance for the quarter ending March 31, 2025, ranked in the top one percent of 544 public pension plans throughout the U.S. as measured by Investment Metrics, an industry leading provider of performance analytics.

The quarter, which saw the S&P 500 index decline by more than 4.0 percent, marked a difficult period for many pension plans where the median gross of fee return among the 544 plans was 0.17 percent. According to Wilshire Associates, OP&F's independent investment consultant, OP&F's gross of fee return of 3.37 percent for the quarter outperformed this median return by more than 3.0 percent.

OP&F's strong performance was not only notable during the quarter but also over longer periods, ranking in the top one percent for the trailing one-year, top nine percent over five years,

and top seven percent over ten years where 447 funds were measured. Over the trailing 10 years, OP&F outperformed 93 percent of the other funds in the universe while experiencing less volatility in its returns than 76 percent of those same funds.

"OP&F's exceptional performance can be attributed to excellent stewardship by our Board of Trustees, and also to our investment strategy in which investment risk is intentionally allocated in a more balanced manner than what is typical among public pension systems," said Mary Beth Foley, OP&F Executive Director.

OP&F's long term asset allocation strategy provides for drivers of risk to be uniquely spread across not only growth-oriented assets, but also inflation-oriented assets and defensive assets. This balance has helped to mitigate OP&F's absolute risk and enabled it to be less reliant on traditional growth-oriented investments without sacrificing returns.

ALIGHT TO SPONSOR HEALTH CARE WEBINARS IN SEPTEMBER

OP&F's health care partner, Alight Retiree Health Solutions, will host webinars in September to explain health care options for eligible OP&F members.

Dates and times are listed below. Members are asked to choose the date and time most convenient, then register and get instructions online at MyExchangeConnection.com/OP-F or call Alight at 844-290-3674. Once you register for a webinar, you will be emailed a link, phone number and access code to attend.

In order to better explain the options available to retirees, separate meetings are scheduled for Medicare-eligible retirees and pre-Medicare retirees. Alight and OP&F personnel will be available to answer questions. When registering, please be aware of the specific meeting topic.

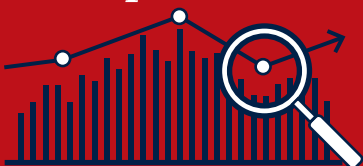
Wednesday, Sept. 17:

Medicare: 10:30 a.m.-12:30 p.m.
Pre-Medicare: 1:30-3:30 p.m.

Thursday, Sept. 18:

Pre-Medicare: 10:30 a.m.-12:30 p.m.
Medicare: 1:30-3:30 p.m.

PORTFOLIO -update-



OP&F's Investment Portfolio Value

As of June 30 value:
\$19.9 billion
(represents an all-time high)

End of May value:
\$19.5 billion

End of April value:
\$19.2 billion

** values may be internally estimated*

PRE-RETIREMENT SEMINARS, WEBINAR SCHEDULED FOR AUGUST

OP&F will be providing information to members approaching retirement by hosting three in-person seminars in August and an online webinar in September. OP&F invites active members who are within five years of retirement eligibility to participate in one of the Pre-Retirement meetings. Spouses are encouraged to attend.

The meetings are designed to assist members who are approaching retirement eligibility or considering enrolling in the Deferred Retirement Option Plan (DROP). During the meeting, OP&F Member Education representatives will provide in-depth information about service retirement, DROP, annuity options, and survivor benefits. In addition to information on benefits and the retirement process, a presentation from Alight, OP&F's health care partner, will be shown. Participants will not only view informational videos and presentations, but also have the ability to ask questions.

Invitations have been mailed to members within five years of retirement eligibility. Members can also register by calling OP&F Customer Service at 1-888-864-8363, Monday through Friday, 8 a.m. – 4:30 p.m. EST, or online at op-f.org.



2025 PRE-RETIREMENT SCHEDULE

SEMINARS

CINCINNATI/DAYTON AUGUST 12

Tuesday, 6:30 p.m.
Courtyard Hamilton
1 Riverfront Plaza
Hamilton, OH 45011

COLUMBUS AUGUST 14

Thursday, 6:30 p.m.
James G. Jackson
Training Academy
1000 N. Hague Ave.
Columbus, OH 43204

CLEVELAND AUGUST 21

Thursday, 6:30 p.m.
Holiday Inn
Cleveland South
6001 Rockside Rd.
Independence, OH 44131

WEBINAR

SEPTEMBER 10

Wednesday, 6:30 p.m.

DEAL ELECTED BOARD CHAIR, STEEL TO SERVE AS VICE CHAIR



*John R. Deal- Chair
Cincinnati Fire*



*Brian A. Steel- Vice Chair
Columbus Police*

John R. Deal (Cincinnati Fire) will serve as chair of the OP&F Board of Trustees after being nominated and elected at the June meeting. Deal is serving his second term as an OP&F trustee. Mark E. Drum (retired, Delaware Police) has served as chair for the past year and remains on the Board as a trustee. Also at the June meeting, Brian A. Steel (Columbus Police) was elected to serve as vice-chair of the Board.

VETERAN AKRON DETECTIVE, OP&F TRUSTEE CLAY R. COZART DIES UNEXPECTEDLY



Clayton R. Cozart, OP&F trustee and longtime member of the Akron Police Department, died unexpectedly on June 23. Cozart was elected to represent active police officers on the OP&F Board of Trustees in 2024.

Cozart is a native of Akron and a graduate of North High School. He had been with the Akron Police Department for 29 years, most recently serving as a detective. He served with distinction as the President of the Fraternal Order of Police (FOP), Akron Lodge #7. He also contributed his time and expertise as part of the Executive Board of FOP Akron Lodge #7 for 20 years.

OP&F will be donating \$2,500 in Mr. Cozart's name to the Akron FOP Lodge from our employee Charity Champions fund.

ANNUAL STATEMENTS AVAILABLE ONLINE FOR ACTIVE MEMBERS

For active members who are not in DROP, the 2024 Member Statements are available on the Member Self-Serve area of the OP&F website. These statements show an active member's accumulated service time and progress toward retirement eligibility through Dec. 31, 2024.

The statement contains information about the member's account with OP&F, including accumulated service time. The statement provides an overview of the member's work history with OP&F-covered employers and the amount of member contributions paid.

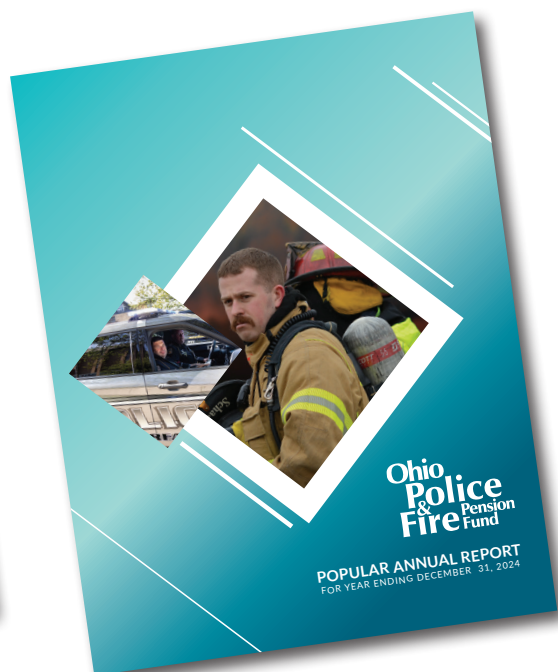
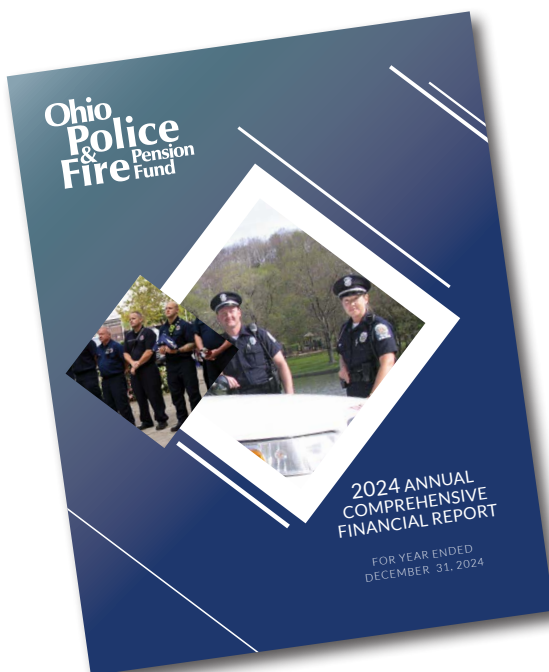
Members can access their Member Statement by logging into their OP&F Member Self-Serve account. The statement can be viewed and printed from the Member Documents link. Only OP&F members who have a Member Self-Serve account can access the statement online. To register, go to www.op-f.org and click the link for Log In, in the upper right corner. Look for the Members link to register and follow the instructions on the screen.

INDEPENDENT AUDITOR GIVES OP&F A CLEAN OPINION

In addition to the investment performance, the annual independent financial audit of OP&F resulted in an unmodified opinion of OP&F's financial statements for 2024. An unmodified opinion means that the financial statements provided to the auditing firm present fairly the financial position of the pension fund. The independent firm conducting the audit, Crowe, reported the results to the OP&F Board of Trustees on June 17.

2024 FINANCIAL REPORTS NOW AVAILABLE

Both the Annual Comprehensive Financial Report and the Popular Annual Report for OP&F's 2024 fiscal year are online at op-f.org/reports. The Annual Comprehensive Financial Report offers a detailed look at OP&F's financial and investment statements as well as member demographics. The Popular Annual Report is an overview of OP&F's financial statements and a review of pension fund activities from the past year.



NEW ALIGHT APP AND WEBSITE PROVIDES NEW, BETTER FEATURES FOR OP&F RETIREES

Alight has introduced an updated mobile app and website for retirees receiving the OP&F health care stipend. The new app, Alight Work Life, or AWL, is replacing the previous Reimburse Me app. The new app and website went live on June 16. When opening the previous version, app users should see a notification and link to download the new app.



The AWL app and website will continue to provide features familiar to users, plus additional features, including:

- A Health Reimbursement Arrangement (HRA) account overview page including a balance for the HRA, recent claims and upcoming scheduled auto-reimbursements.
- An overview of the OP&F HRA and a searchable eligible expense list.
- The ability to submit new claims, view the status of claims and check on reimbursements.

The Alight Mobile app will be able to upload documents and has photo capture capabilities. Other new features include the ability to monitor account updates in real time and take prompt action. The new app can provide AI personalized guidance, such as how much to contribute. Users can also set up direct deposit with the app to receive payments electronically.

The new platforms provide enhanced security and will have a modern user interface.

The One Financial Number You Shouldn't Ignore: Your Net Worth

A budget doesn't have to be constraining—it can actually be liberating

By Kristina Byas, Fact checked by Vikki Velasquez

(Reprinted with permission of Investopedia. For more articles, go to [Investopedia.com](https://www.investopedia.com). [The One Financial Number You Shouldn't Ignore: Your Net Worth](#))

When managing personal finances, most people focus on income, expenses, and credit scores. But one financial metric is often overlooked: net worth.

Whether you're just starting or have been building wealth for decades, understanding your net worth can offer key insights into your financial health. Since it gives a clear picture of what you're doing right, what you're doing wrong, and the changes you need to make to achieve your financial goals, it is an additional metric you can consult as you're on your wealth-building journey.

What Is Net Worth?

Net worth is essentially the difference between what you own and what you owe. To calculate it, you simply subtract your debts, or liabilities (what you owe), from your assets (what you own).

Assets might include your home, vehicles, bank accounts, investments, and retirement funds. Debts include such items as your mortgage, student loans, car loans, and credit cards.

Analyzing Your Net Worth

Consider your net worth an indicator of your financial habits, decision making, and overall money management. Ultimately, understanding what this number says about you can help you analyze your finances and identify areas for improvement.

"Net worth is a reflection of the financial decisions that you have made. You can see if you are investing if your assets are growing, or if your net worth is declining because you're spending too much," said Alissa Todd, personal chief financial officer, and wealth advisor at The Wealth Consulting Group.

If your net worth is negative, it means you owe more than you own, while a positive net worth shows that your assets exceed your liabilities.

$$\text{Assets} - \text{Debts} = \text{Net Worth}$$

continues on page 7

For example, if your assets total \$150,000 and your debts total \$75,000, your net worth is \$75,000. But if your debts total \$175,000, your net worth would be -\$25,000.

A positive net worth is generally a good thing and a negative net worth may indicate you have some things to work on. But, like a low credit score, a negative net worth doesn't necessarily mean financial irresponsibility, and you don't have to view it as such. It simply means you have more liabilities than assets at the moment and need to take a closer look at how you manage your finances.

"Don't beat yourself up if you have a negative net worth. It doesn't mean that you've made poor financial decisions or that you're necessarily in a bad financial spot," Todd said. But tracking your net worth over time can give you a clear picture of whether you're moving closer to your goals or not. If you have no idea how to start tracking that, start by determining your ideal, or target, net worth. Here's a formula to help as a starting point. Keep in mind your ideal amount may vary:

$$\text{Target Net Worth} = [\text{Your Age} - 25] * [1/5\text{th} * \text{Gross Annual Income}]$$

How to Increase Your Net Worth

Viewing your net worth as a snapshot of your current financial position can help you develop a plan to improve it and build long-term financial stability. Here are a few steps you can take to improve your financial standing.

Pay Down Debt

An Experian study revealed that the average consumer's debt is \$105,056, which encompasses a mix of debts, including student loans, auto loans, credit cards, and mortgages. However, not all debt is created equal, and some might be part of a healthy financial strategy.

"It can seem like all debts are negative because they reduce your net worth, but debts like student loans and mortgages aren't really bad debts to have," Todd said.

You want to pay off all of your debt, prioritizing high-interest debts like credit cards. Also, avoid taking on additional debt, which can decrease your net worth.

"Have a good understanding of your liabilities. It doesn't mean that you need to go and pay off your low-interest-rate debt like your mortgage or student loans. It's more about high-interest-rate debt and managing that and paying those kinds of debts off," Todd said.

Save and Invest

Consistently saving a portion of your income and investing it wisely in things like stocks, real estate, or retirement accounts can significantly increase your assets over time. Many Americans believe to retire comfortably, they need \$1.46 million. However, this depends on several factors, including lifestyle and expenses. Regardless of what you think you need for retirement, you have to be strategic to achieve that goal.

"Negotiate for higher pay raises and increase your income. If you're making more money, you contribute more to your 401(k), and your employer match dollar-wise is higher when you earn more," Todd said.

Track Your Progress

It's important to know where you stand when it comes to your net worth, especially if you want to see any changes or progress, and a review of your net worth at least once or twice per year is a great place to start.

"Focus on the trend of your net worth. Are you noticing over time that your assets are increasing and your debts decreasing? That means you're headed in the right direction," Todd told Investopedia. "If you see other trends like your assets are declining and your liabilities are increasing, then that's the signal to dive a little deeper to see what's going on in your overall finances."

After you review your net worth, if necessary, you can adjust your plan accordingly to stay on track.

"It takes time to see an actual change in net worth. The important thing is to understand the why behind the change," Todd said. "Do I need to investigate this further? Do I need to change any of my financial habits so that we can correct any financial behaviors? Or does it show what you're doing well and you're on track?"

The Bottom Line

Net worth is an important financial metric everyone should pay attention to. Whether the goal is homeownership, early retirement, or financial independence, knowing your net worth gives you insight into your situation. When you use your net worth to measure your progress, you can ensure you are consistently building wealth and securing long-term financial stability.

"Net worth is such a personal journey. It's really just a comparison of yourself to your past self. Don't compare your net worth to your neighbor, to your friend," Todd said.



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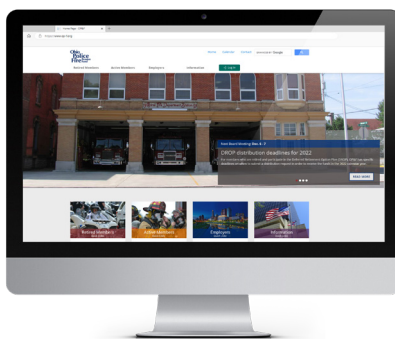
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IMPORTANT DATES

Aug. 12, 14, 21...Pre-retirement seminars
Aug. 26-27Board of Trustees meetings
Sept. 1.....OP&F closed in observance of Labor Day
Sept. 10.....Pre-retirement webinar
Sept. 17-18.Alight Health Care Webinars
Sept. 23-24Board of Trustees meetings
Oct. 21-22Board of Trustees meetings

DO WE HAVE YOUR EMAIL ADDRESS?



If your email address is not on file, please add or update it securely on the Member Self-Serve area of the OP&F website. You may also complete a Change of Address form and email or send it to OP&F at 140 E. Town Street, Columbus, OH 43215.

SUSPECT DISABILITY FRAUD? CALL 844-FRAUD HOTLINE (844-372-8345)