



SERS Retirement Board Agenda
April 17, 2025

Click Link to Join Zoom Meeting:

<https://ohsers.zoom.us/j/92072308858?pwd=is0b5qPOJsCSluzYcc3WThv9jY1ySh.1>

Meeting ID: 920 7230 8858

Password: 12345

To join by phone, dial: (301) 715-8592 and enter the meeting ID: **920 7230 8858** and password: **12345** when prompted.

PLEDGE OF ALLEGIANCE

1. Roll Call

CONSENT AGENDA (R)

2. Minutes of the **March 20, 2025**, Retirement Board meeting
3. Summary of Investment Transactions
 - **February 1, 2025, to February 28, 2025**
4. Retirement Report
 - Superannuations, Survivor Benefits & Transfers
 - Special Cases
5. Disability Report
 - Approval of Disability Benefits
 - Approval of Appeal of Termination on Personal Appearance – Any Occupation
 - Disapproval of Disability Benefits
 - Termination of Disability Benefits – Any Occupation

INVESTMENT REPORT

6. Annual Portfolio Review – Real Assets
7. Monthly Investment Report & Economic Update – As of February 28, 2025

EXECUTIVE DIRECTOR'S REPORT

8. Executive Director's Update
9. Review of Administrative Expenses
10. Review FY2026 Draft Administrative Budget – ORSC Submission
11. Member Counseling Overview
12. Filing of Proposed Amended Administrative Rule (R)
13. Filing of Proposed Refiled Amended Administrative Rule (R)
14. Ballot Certification – Employee Members (R)

COMPENSATION COMMITTEE UPDATE

15. Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee.

HEALTHCARE UPDATE

16. Healthcare Fund Sustainability and Retiree Participation Discussion

RETIREMENT REPORT

17. Executive Session pursuant to R.C. 121.22 (G)(5) to review applications for Disability Retirement Benefits (R) *if needed*

BOARD COMMUNICATION AND POLICY ISSUES

18. Calendar Dates for Future Board Meetings
19. Continued or New Business
 - Board Information Requests and Follow-up Items

ADJOURNMENT (R)

FY2025 SERS Board Roll Call

Matthew King	<hr/>
Catherine Moss	<hr/>
Jeanine Alexander	<hr/>
Jeffrey DeLeone	<hr/>
James Haller	<hr/>
James Rossler	<hr/>
Aimee Russell	<hr/>
Frank Weglarz	<hr/>
Daniel Wilson	<hr/>

APRIL 17, 2025 CONSENT AGENDA

- 1. Minutes of the:**
 - a. March 20, 2025, Retirement Board meeting
- 2. Summary of Investment Transactions**
 - a. February 1, 2025, to February 28, 2025
- 3. Retirement Report**
 - a. Superannuations and Survivor Benefits and Transfers
 - b. Special Cases
- 4. Disability Report**
 - a. Approval of Disability Benefits
 - b. Disapproval of Disability Benefits
 - c. Termination of Disability Benefits – Any Occupation
 - d. Disapproval of Appeal of Termination on Personal Appearance – Any Occupation

APPROVAL OF CONSENT AGENDA

_____ moved and _____ seconded the motion to approve the Consent Agenda for **April 17, 2025**, which includes the following items:

1. **Minutes of the:**
 - a. March 20, 2025, Retirement Board meeting
2. **Summary of Investment Transactions**
 - a. February 1, 2025, to February 28, 2025
3. **Retirement Report**
 - a. Superannuations and Survivor Benefits and Transfers
 - b. Special Cases
4. **Disability Report**
 - a. Approval of Disability Benefits
 - b. Disapproval of Disability Benefits
 - c. Termination of Disability Benefits – Any Occupation
 - d. Disapproval of Appeal of Termination on Personal Appearance – Any Occupation

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Catherine Moss	_____	_____	_____
Jeanine Alexander	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Matthew King	_____	_____	_____

SERS Retirement Board Meeting Minutes

March 20, 2025

The nine hundredth and seventy-seventh meeting of the Retirement Board of the School Employees Retirement System was held in the boardroom at 300 E. Broad Street, Columbus, Ohio, and streamed via Zoom videoconferencing on Thursday, March 20, 2025.

Pledge of Allegiance

The SERS Retirement Board meeting convened at 8:34 a.m. with the Pledge of Allegiance.

Roll Call

The roll call was as follows: Matthew King, Catherine Moss, Jeanine Alexander, James Haller, James Rossler, Aimee Russell, Frank Weglarz, and Daniel Wilson. Absent: Jeffrey DeLeone (excused). Also attending was Lisa Reid, representative of the Ohio Attorney General's Office. Various members of the SERS staff attended in person while other SERS staff members and members of the public attended virtually.

Consent Agenda

The consent agenda for **March 20, 2025**, included:

- **Minutes** of the February 19, 2025 Annual Board Workshop.
- **Minutes** of the February 20, 2025, Retirement Board meeting.
- **Summary of Investment Transactions** for the period of January 1, 2025, to January 31, 2025.
- **Retirement Report** – Superannuations, Survivor Benefits, and Transfers.
- **Disability Report** – Approval of Disability Benefits, Termination of Disability Benefits, Termination of Disability Benefits – Any Occupation, Approval of Appeal of Termination – Any Occupation

James Haller moved and Jeanine Alexander seconded the motion to approve the Consent Agenda of the Retirement Board meeting held on Thursday, March 20, 2025. Upon roll call, the vote was as follows: Yea: Catherine Moss, Jeanine Alexander, James Haller, James Rossler, Aimee Russell, Frank Weglarz, Daniel Wilson, and Matthew King. The motion carried.

Investment Report

Annual Portfolio Review – Private Credit

SERS Chief Investment Officer, Farouki Majeed, introduced Adam Messerschmitt and Brad Carr, SERS Investment staff members, who provided the Board with an overview of SERS' Private Credit investment portfolio.

Mr. Messerschmitt reported the private credit portfolio has a current market value of \$1.2B with 12 managers, 24 funds, and 1 co-investment. The Global Private Credit allocation is currently 6.1% of the total SERS retirement fund.

Mr. Messerschmitt continued, stating the private credit has a net return of 11.3% for the one-year period ending February 28, 2025, which outperformed the policy benchmark by 120 basis points or 1.2%. SERS invests in private credit to provide risk adjusted returns in excess of those provided by publicly traded fixed income securities and to generate a consistent cash yield. The performance objective is to provide returns in excess of the 90-day Treasury bill rate + 4.5%, net of fees. The Global Private Credit allocation is set at 5% with a permissible range of 3% to 7%.

Mr. Carr reported that the objectives for the private credit portfolio for 2025 are to:

- Manage the private credit allocation within the target allocation range while considering the pace of drawdowns for new investments and re-evaluate existing manager performance as new capital is raised.
- Build the private credit allocation in line with the implementation guidelines and ensure appropriate risk and return characteristics are present within the target allocation.
- Evaluate new investments with a cautious approach given the economic outlook and the rising interest rate environment, while focusing on increasing the cash yield of the portfolio and income distribution to the total fund.

SERS Retirement Board Meeting Minutes

March 20, 2025

- Evaluate new investment ideas within Asset Based Lending/Other to build the sub-asset class towards the target allocation.
- Review the appropriateness of the benchmark and recommend changes if necessary.

Following several questions, the Board thanked Mr. Messerschmitt and Mr. Carr for their presentation.

Quarterly Risk Report – As of December 31, 2024

SERS Chief Investment Officer, Farouki Majeed, introduced Investments team member Christopher Hyland, who joined Mr. Majeed in providing an update on the SERS Risk Report. Mr. Majeed and Mr. Hyland described the ways that risk is assessed and reported, including the use of standard deviation as the risk metric for individual asset classes and the total portfolio. They also described how different parts of the portfolio contribute different levels of risk and how asset classes taken together can produce lower risk through diversification. Mr. Hyland and Mr. Majeed noted that Public Equity and Private Equity are the largest providers of risk in the total portfolio. They also noted that the Public and Private Equity portfolios are expected to deliver higher returns compared to other asset classes. Mr. Hyland stated that the Total Fund's forecast risk was 10.09% at the end of the fourth quarter.

Mr. Hyland continued, reporting that the composition of the Fund's forecast risk by asset class changed slightly over the quarter. Global Equities' contribution to the Fund's forecast risk declined from 58.6% to 57.1%, mostly due to a 0.9% reduction in Global Equities' allocation from 43.7% to 42.8%. Global Equities and Private Equity together contributed 77.6% of the Fund's forecast risk as of December 31. Fixed Income contributed 2.7% of the Fund's forecast risk, despite making up 13.0% of Fund assets, demonstrating its risk-diversifying effect. The Overlay program reduced the Fund's risk by 4.3% due to its negative correlation with the rest of the Fund. Mr. Hyland also reported that the composition of the Fund's forecast risk by factor changed slightly over the quarter. Equity factors, arising principally in the Global Equities and Private Equity portfolios, contributed 73.3% of the Fund's forecast risk, down from 74.1% on September 30 and up from 72.5% in December 2023. Equity factors remain the largest source of the Fund's total risk.

Mr. Hyland stated that the Fund's active risk was 1.36% as of December 31, well below the policy limit of 3%, up slightly from 1.35% on September 30 and down from 1.47% in December 2023. Mr. Hyland continued, stating that forecast correlations show the expected co-movement of asset market values in the same (positive) or opposite (negative) direction.

Following a few questions, the Board thanked Mr. Hyland for his report.

Monthly Investment Report – As of December 31, 2024

Chief Investment Officer, Farouki Majeed, provided a brief update on the investment fund status for the month ending January 31, 2025. Mr. Majeed reported that the US economy growth was 2.3% in Q4, decelerating from 3.1% in Q3. Mr. Majeed continued, stating that the US labor market weakened, adding 143,000 jobs in January, significantly lower than the revised number of 307,000 in December 2024. Inflation continued to tick up to 3.0% in January, 0.1% higher than in December.

Mr. Majeed stated that Equity markets were mixed, and the US Fixed Income market was up to 2.07% in February. After several questions, the board thanked Mr. Majeed for his report.

Executive Director's Report

ORSC Update

SERS Executive Director Richard Stensrud reported that the ORSC met in March and Representative Adam Bird was appointed as Chair. SERS provided several ORSC-required reports, including the audit activity report, the pension fund valuation report, the health care program and valuation report, and the Iran/Sudan report.

SERS Retirement Board Meeting Minutes

March 20, 2025

Advocacy Partners

Mr. Stensrud reported that two stakeholder events are upcoming, the SERO annual meeting is scheduled to take place on May 5, 2025 and the annual meeting with OASBO will take place on May 23, 2025. Mr. Stensrud noted that a 'state of the union' report on SERS will be provided at those meetings. Mr. Stensrud stated that such meetings are an important way for SERS to provide transparency and assure accountability with SERS' stakeholders.

Ohio General Assembly

Mr. Stensrud reported that the state legislature reconstituted committees recently and there is no longer a House Pensions Committee. Instead, moving forward, consideration of pensions-related legislation will be done by the House Public Insurance and Pension Committee. Mr. Stensrud reported that meetings are being held with Committee Members to provide a status report on SERS and to discuss the things that differentiate SERS from the other systems.

Federal Legislative Activity

Mr. Stensrud reported that healthcare is expected to be an area of interest in the new Congress, including pharmacy benefit regulations and potential changes to Medicare and Medicaid. SERS staff will continue to monitor this situation and will keep the Board updated on any developments.

Mr. Stensrud continued noting that the Social Security Administration has been moving more quickly than originally expected to implement the recent legislation repealing the WEP/GPO. Mr. Stensrud noted that Social Security is updating their website with new information as it becomes available. Mr. Stensrud further noted that SERS is updating its retirement preparation presentations and counseling materials to help members understand how the changes might impact members.

Member and Employer Engagement

Mr. Stensrud reported on various programs through which SERS was engaging with SERS members and employers. Mr. Stensrud noted that there have been several webinars focused on preparing members for retirement and educational programs for employers.

Review of Administrative Expenses

Chief Financial Officer, Marni Hall, provided a brief update on SERS administrative expenses. Ms. Hall reported that a draft version of the FY2026 SERS budget will be sent to the ORSC. Ms. Hall noted the Finance team is forecasting the rest of the budget for FY2025 based on the last 9 months of actuals and meetings with each department. Actuals to date are on schedule, but medical and prescription claims are running higher than expected. Ms. Hall also stated that she will be providing expenses by vendor at future meetings. Following several questions, the Board thanked Ms. Hall for her report.

Discussion of Salary Growth Information for Preliminary FY2026 Budget

Mr. Stensrud provided the Board with information to assist in the Board in providing guidance on the level of salary budget growth to be incorporated in the upcoming budget.

He noted that annually, CBIZ, a compensation consultant, provides the Board with labor market salary data for the markets against which SERS' positions are benchmarked along with labor market-based recommendations on the annual salary structure adjustment (i.e., the salary ranges for all positions) and total salary budget adjustment. Making these adjustments annually is considered a best practice for maintaining the compensation structure and objectives established in the most recent compensation study.

SERS Retirement Board Meeting Minutes

March 20, 2025

Mr. Stensrud noted that SERS' employees do not receive automatic step increases or cost of living adjustments and that an annual merit increase was the primary source of salary growth. While CBiZ did not recommend a specific level of merit increase as part of their salary budget adjustment recommendation, they did recommend that the merit growth be approximately 1.2% more than the structure adjustment.

Mr. Stensrud explained that based on the CBiZ recommendations, scenarios were modeled to illustrate the fiscal impact of various combinations of structure, merit and total salary budget growth levels. Mr. Stensrud reviewed the scenarios with the Board and answered several questions. After a robust discussion, it was consensus of the Board that the elements of the third scenario (2.7% structure adjustment, 3.9% merit component, and 4.71% salary budget growth (with a new FTE)) would be used for purposes of developing a draft budget which will then be submitted to the ORSC. Mr. Stensrud advised that the Board would be provided with a copy of the draft budget to be submitted to the ORSC at the next meeting and then presented with a proposed budget for Board consideration in May.

The Board took a break at 9:52 a.m.

The Board reconvened at 10:03 a.m.

Age Reduction Factor Table Discussion

Mr. Stensrud reported on the identification, analysis and proposed remediation of a benefit administration issue that has recently been discovered, as well as the steps that are being implemented to assure that similar situations do not occur in the future.

Mr. Stensrud explained that the issue centers on the actuarial-based reduction that is made to a retiree's service retirement benefit when the person retires earlier than reaching eligibility for an unreduced benefit. This actuarial 'age factor' reduction is made pursuant to a table prepared by SERS' actuary, which is built into SERS' pension calculation and administration system. That table is supposed to be reviewed and revised as appropriate by the actuary every five years as part of the quinquennial experience study.

Mr. Stensrud explained that in the case at hand the updated table was not properly submitted and installed in the pension administration system (first in MARS, then in SMART) following the five year experience studies in 2016 and 2021. As a result, from August 1, 2017 to the present, retirees who were subject to the age factor reduction have received a larger reduction to their benefit than they should have.

Mr. Stensrud explained that extensive analysis has been undertaken to identify the retirees who experienced this over-reduction, the level of the over-reduction in each case, and how long the over-reduction has gone on. Through this analysis, the amount necessary to correct for the over-reduction has been identified and will be paid to each impacted benefit recipient. Pursuant to federal tax law requirements, interest will be added to the corrective payment.

Mr. Stensrud reported that the difference between the correct reduction and incorrect reduction was small and the problem was not something that was easily identifiable. As evidence, Mr. Stensrud noted that benefit calculations undergo annual internal and external audit review and had also been subject to an actuarial audit review. That said, the issue was very disappointing and regrettable. Mr. Stensrud noted that a number of measures will be implemented to help assure that a similar situation does not occur in the future.

Mr. Stensrud stated that with the Board's approval of certain elements of the remediation plan, corrective payments will go out in April and May. Most of the recalculated payments are standard but some are more complicated and require manual recalculation. Mr. Stensrud said that payment of all corrections is targeted to be complete by the end of the fiscal year.

Questions and a robust discussion followed including whether some portion of the internal cost incurred by SERS to address the problem, or the interest added to the corrective payments, should be reimbursed by the actuary who failed to provide the updated age reduction tables. Mr. Stensrud advised that the Board will be provided with the number of hours worked to correct this issue and that discussions can follow on what amount SERS

SERS Retirement Board Meeting Minutes March 20, 2025

might seek to recover. Mr. Stensrud also advised the Board that they will be provided with a copy of the communication that will go out to affected members regarding this issue.

Age Reduction Factor Tables – Implementation of Tables and Adjustment of Benefits

It was moved by James Rossler and seconded by Frank Weglarz that SERS will fully correct operational oversights pursuant to the IRS's Self Correction Program under the Employee Plans Compliance Resolution System (EPCRS) as follows:

1. Implement the age reduction factor table approved by the Board in March 2017, with an effective date of August 1, 2017;
2. Adopt effective April 1, 2022, the age reduction factor table recommended by SERS' actuary CavMac and presented at the March 2025 Board meeting, and implement the table;
3. Make retirees who are affected by the change in age reduction factor tables whole as required by EPCRS by adjusting their current monthly benefit and remitting retroactive payment for underpaid benefits; and
4. Include simple interest at a rate of 3%, a rate recommended by SERS' actuary CavMac, on retroactive payments for retirees with a benefit effective date before July 1, 2024.

Upon roll call, the vote was as follows: Yea: Catherine Moss, Jeanine Alexander, James Haller, James Rossler, Aimee Russell, Frank Weglarz, Daniel Wilson, and Matthew King. The motion carried.

Filing of Proposed Amended Administrative Rule

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rule: 3309-1-29 Purchase of Service Credit; out-of-state and other. James Haller moved and Catherine Moss seconded that proposed amended rule 3309-1-29 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Catherine Moss, Jeanine Alexander, James Haller, James Rossler, Aimee Russell, Frank Weglarz, Daniel Wilson, and Matthew King. The motion carried.

Final Filing of Proposed New and Amended Administrative Rules

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed new and amended rules: 3309-1-07 Application for payment of accumulated contributions; 3309-1-09 Federal Taxation; 3309-1-11 Membership determinations; 3309-1-20 Validity of marriage; 3309-1-61 Reemployment covered by section 3309.345; and 3309-1-70 Contribution based benefit cap; that have been reviewed by JCARR and are ready for final adoption by the Board.

Daniel Wilson moved and Jeanine Alexander seconded that proposed new and amended rules 3309-1-07, 3309-1-09, 3309-1-11, 3309-1-20, 3309-1-61 and 3309-1-70 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Catherine Moss, Jeanine Alexander, James Haller, James Rossler, Aimee Russell, Frank Weglarz, Daniel Wilson, and Matthew King. The motion carried.

Remote Board Meeting Attendance Policy

Mr. Stensrud reported as discussed at the February Board meeting, recently enacted House Bill 257 (HB 257) authorizes Ohio pension system Board members to remotely attend a limited number of Board meetings every year. HB 257 also directs that to take advantage of this authority the Board must adopt a policy that comports with certain attendance and participation requirements. Mr. Stensrud stated that a proposed Remote Board Meeting Attendance Policy is being presented for consideration that tracks the new statute (R.C. 3309.091) created by HB 257.

Mr. Stensrud stated should the Board wish to adopt the Policy, a resolution to do so is included. HB 257 is effective April 9, 2025, so the resolution has that date as the effective date of the Policy. The Policy would then be in effect for the April Board meeting.

SERS Retirement Board Meeting Minutes

March 20, 2025

It was moved by Catherine Moss and seconded by James Rossler to adopt a Remote Board Meeting Attendance Policy. The Policy shall be effective April 9, 2025. Upon roll call, the vote was as follows: Yea: Catherine Moss, Jeanine Alexander, James Haller, James Rossler, Aimee Russell, Frank Weglarz, Daniel Wilson, and Matthew King. The motion carried.

Retirement Report

There was no executive session for the retirement report.

Audit Report

SERS Chief Audit Officer, Jeff Davis, provided an update on the work being done in the Audit Committee. Several audit projects have been completed and several are in progress. Mr. Davis also reported that there are new audit standards that will be implemented. Those changes have been added to the Audit Charter and that charter is available for review.

SERS Audit Committee Charter Amendments

It was moved by Catherine Moss and seconded by Jeanine Alexander to accept the recommendation of the SERS Audit Committee and amend the SERS Audit Committee Charter effective March 20, 2025. Upon roll call, the vote was as follows: Yea: Catherine Moss, Jeanine Alexander, James Haller, James Rossler, Aimee Russell, Frank Weglarz, Daniel Wilson, and Matthew King. The motion carried.

Board Communication and Policy Issues

Board Information Request & Follow Up Items

The board also requested that CavMac be contacted regarding reimbursement of work hours and interest cost incurred by SERS due to the Age Factor Reduction Table issue.

Calendar Dates for Future Board Meetings

The Board members reviewed the 2025 meeting calendar with no further comment.

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2025 **

AUDIT COMMITTEE MEETINGS

June 17, 2025 – 2:30 p.m. (Tues.) **** Moved due to Juneteenth Holiday ****
September 17, 2025 - 2:30 p.m. (Weds.)
December 17, 2025 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

June 18, 2025 – 7:30 a.m. (Weds.) **** Moved due to Juneteenth Holiday ****
July 17, 2025 – 7:30 a.m. (Thurs.) **** Special Meeting ****
September 18, 2025 – 7:30 a.m. (Thurs.)
December 18, 2025 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

J
June 18, 2025 – 12:30 p.m. (Weds.) **** Moved due to Juneteenth Holiday ****
September 19, 2025 – 12:30 p.m. (Thurs.)

SERS Retirement Board Meeting Minutes

March 20, 2025

December 19, 2025 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

April 17 – 18, 2025 - 8:30 a.m. (Thurs. and Fri.)
May 15 – 16, 2025 – 8:30 a.m. (Thurs. and Fri.)
June 18, 2025 – 8:30 a.m. (Weds.) **** Moved due to Juneteenth Holiday ****
July 17 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.)
September 18 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.) **** Board Picture Day ****
October 16 – 17, 2025 – 8:30 a.m. (Thurs. and Fri.)
November 20 – 21, 2025 – 8:30 a.m. (Thurs. and Fri.)
December 18 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.)

*** Please note that these dates and times are tentative.**

Adjournment

Board Chair, Matthew King, moved to adjourn to meet on Thursday, April 17, 2025, at 8:30 a.m. for the next SERS regularly scheduled Retirement Board meeting.

The SERS board meeting adjourned at 11:16 a.m.

Matthew King, Board Chair

Richard Stensrud, Secretary

SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

Summary of Investment Transactions to be
Reported to the Retirement Board for
Ratification in April

The following is a summary of the investment transactions made during the period of February 1, 2025, through February 28, 2025. A detailed list of these transactions can be found in the Board Agenda mailed prior to the Retirement Board Meeting.

A. PURCHASES

Asset Class	Approximate Cost (in millions)
Global Equities	\$174.7
Fixed Income	508.9
Private Equity Capital Calls	17.3
Real Estate Capital Calls	0.3
Infrastructure Capital Calls	9.9
Opportunistic & Tactical	0.1
Global Private Credit	19.9
Cash Equivalents	413.4

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	\$173.2	27.7
Fixed Income	461.7	(12.2)
Private Equity Distributions	15.1	n/a
Real Estate Distributions	n/a	n/a
Infrastructure Distributions	5.4	n/a
Opportunistic & Tactical	6.8	3.2
Global Private Credit	n/a	n/a
Cash Equivalents	418.6	n/a



Global Real Assets Portfolio Review

As of February 28, 2025

Presented by Investment Staff

Meeting Date: April 2025

Paul Cheng and Michael Browning



Role

- Asset Classes: Real Estate, Infrastructure
- Role: 1) Diversification; 2) Inflation protection; 3) Yield (Income Return)

Objective

- Outperform benchmarks on a net of fees basis
 - Real Estate: NCREIF Property Index (NPI)
 - Infrastructure: Quarterly (4) smoothed CPI + 1.20% per quarter

Allocation

- Real Estate target allocation is 13% with a range of 10-15%
- Infrastructure target allocation is 7% with a range of 5-10%

Risk Management

- Focus on (1) Operating and stabilized assets; 2) Moderate leverage; 3) Institutional quality managers and assets



Real Estate Portfolio Summary

\$2.17 Billion in Market Value

- Real Estate: 11.0% of Total Fund
- Unfunded commitments: \$153 million
- New commitments: \$54 million in 2024
- Redemptions submitted: \$428 million over past 4 years
- 14 general partners, 23 funds*, 2 co-investments, 3 listed funds:
 - 2 ranked A
 - 4 ranked B
 - 5 ranked C
 - 3 not ranked – Less than 3-year track record

Performance

- (2.82)% net return for 1-year period ending February 28, 2025, which outperformed the policy benchmark (NPI) by 7 basis points (bps)
- 2024 Real Estate Income return increased to 4.31%, up from 2.57% in 2023

Portfolio Changes in 2024

- Redeeming from open-end real estate funds
- New deployments in real estate debt to capitalize on market downturn

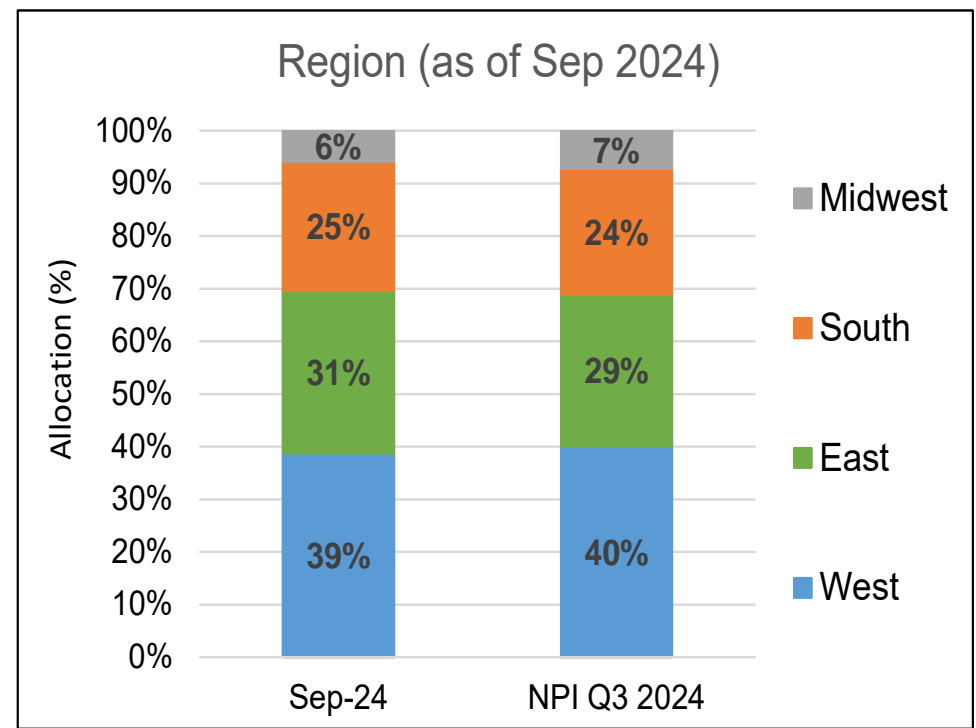
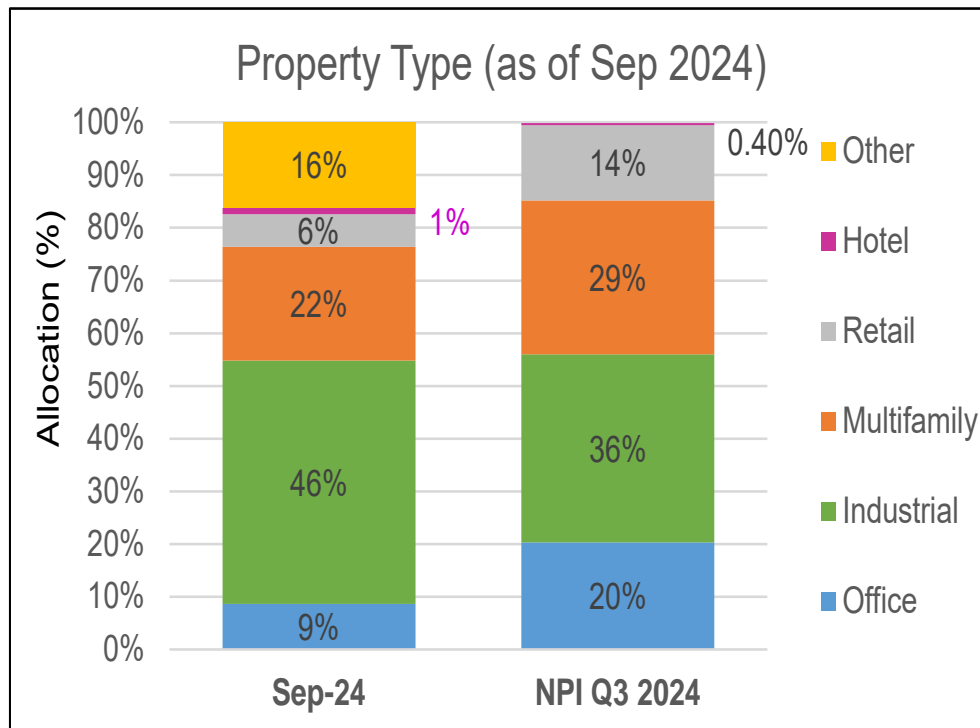
As of September 30, 2024

Real Estate

Property Type and Geography



- Fundamentals across most property types have improved over the past 12 months.
- Overweight Industrial and Other (Niche)
 - Underweight Office, Retail, and Multifamily
- Region: SERS' US real estate geographic exposure is relatively inline with the benchmark



As of February 28, 2025

Real Estate

Real Estate Performance

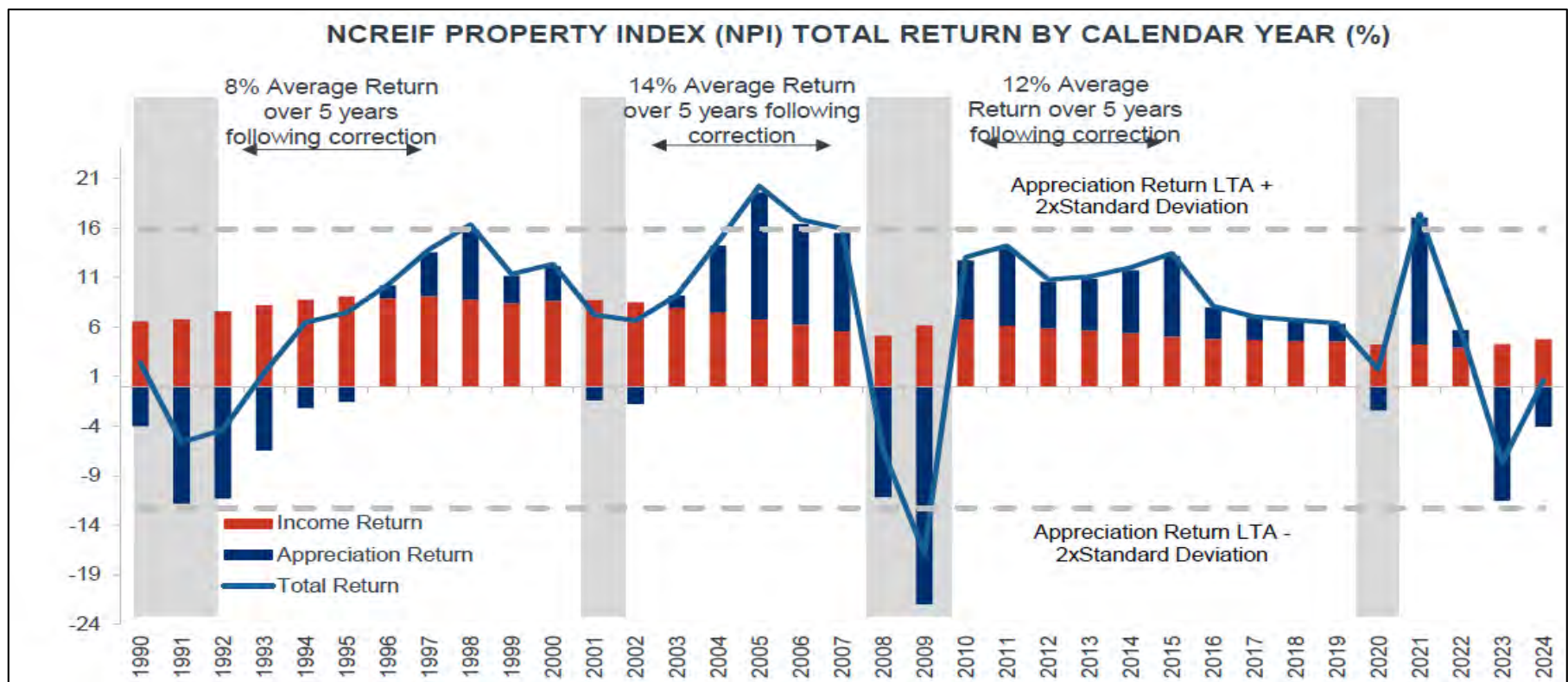


- Challenging 2023-24 period but recovery under way. Outperformance over longer periods
- Total Real Estate: Outperformed policy benchmark (NPI) in 1, 5 and 10-year periods by 7, 110 and 98 bps
- Private Real Estate Core: Outperformed in all periods
- Private Real Estate Non-Core: Outperformed in 10-year period
- Public Real Estate: Outperformed in 1, 3, 5-year periods, but much more volatile

Asset Class / Strategy	Allocation	1 Year	3 Year	5 Year	10 Year
Private Real Estate Core	83.4%	(2.38%)	1.83%	5.16%	7.21%
Private Real Estate Non-Core	13.2%	(7.57%)	(2.65%)	0.98%	5.96%
Public Real Estate	2.2%	15.87%	3.08%	6.96%	5.94%
Farmland and Legacy	1.2%	NA	NA	NA	NA
Total Real Estate*	100.0%	(2.82%)	1.04%	4.48%	6.92%
Policy Benchmark (NPI)	NA	(2.90%)	1.07%	3.39%	5.95%
Excess Return	NA	0.07%	(0.03%)	1.10%	0.98%

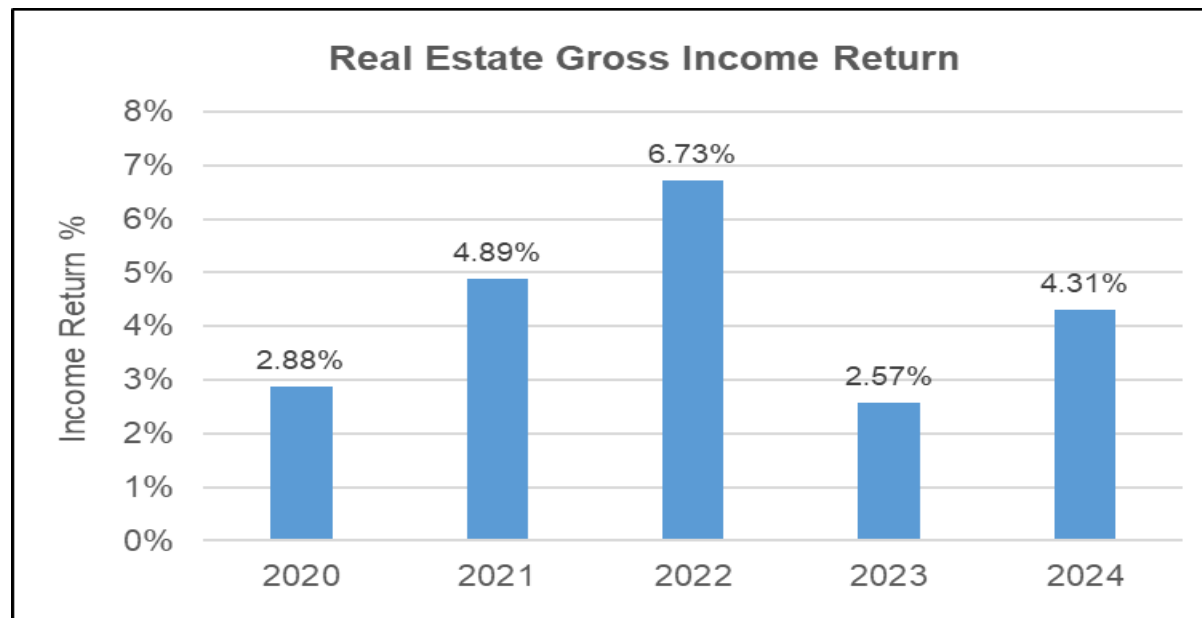
- Real asset returns are one quarter in arrears

- Strong recovery followed prior market downturns:
 - 1990s: 8% returns for 5 years after early 1990s correction
 - 2000s: 13% returns for 5 years after early 2000s correction
 - 2010s: 12% returns for 5 years after GFC
- PREA NPI forecasts (Q1-2025): Gains of 5.5% in 2025 and 7.3% in 2026



Gross Income Return

- Real Estate gross income return rebounded to 4.31% in 2024
 - More favorable macro tailwinds and managers' refocus on income
 - Portfolio maturation
- Medium and long-term income target of 4.0 - 4.5% is sustainable due to improved market conditions and focus on investments that can generate cash yield



Real Estate Benchmark Update



- NCREIF created a new real estate benchmark to better reflect the investable universe
 - NPI Classic: Apartment, Industrial, Office, Retail, and Hotel
 - SERS' current policy benchmark
 - Limited details beginning in Q1-2026
 - NPI Expanded: Apartment, Hotel, Industrial, Office, Retail, *Self-Storage, Data Center, Student Housing, Senior Housing, and Other*
- Evaluate suitability of new benchmark NPI Expanded in Spring 2025

Performance Comparison: NPI Classic vs NPI Expanded

As of December 2024		1Y	3Y	5Y	10Y	15Y
NPI Classic	Income	4.79%	4.32%	4.28%	4.49%	4.97%
	Appreciation	-4.21%	-4.98%	-1.12%	1.13%	2.71%
	Total	0.43%	-0.82%	3.13%	5.66%	7.78%
NPI Expanded	Income	4.77%	4.33%	4.30%	4.53%	5.01%
	Appreciation	-4.04%	-4.76%	-1.00%	1.20%	2.78%
	Total	0.59%	-0.58%	3.27%	5.77%	7.88%

As of February 28, 2025

Infrastructure

Portfolio Summary



\$1.34 Billion in Market Value

- Infrastructure: 6.8% of Total Fund
- Unfunded commitments: \$664 million
- New commitments: \$515 million in 2024
- 7 general partners, 9 funds, 7 co-investments & continuation funds, 1 ETF portfolio:
 - 4 ranked as A
 - 2 ranked as B
 - 1 not ranked – Less than 3-year track record

Performance

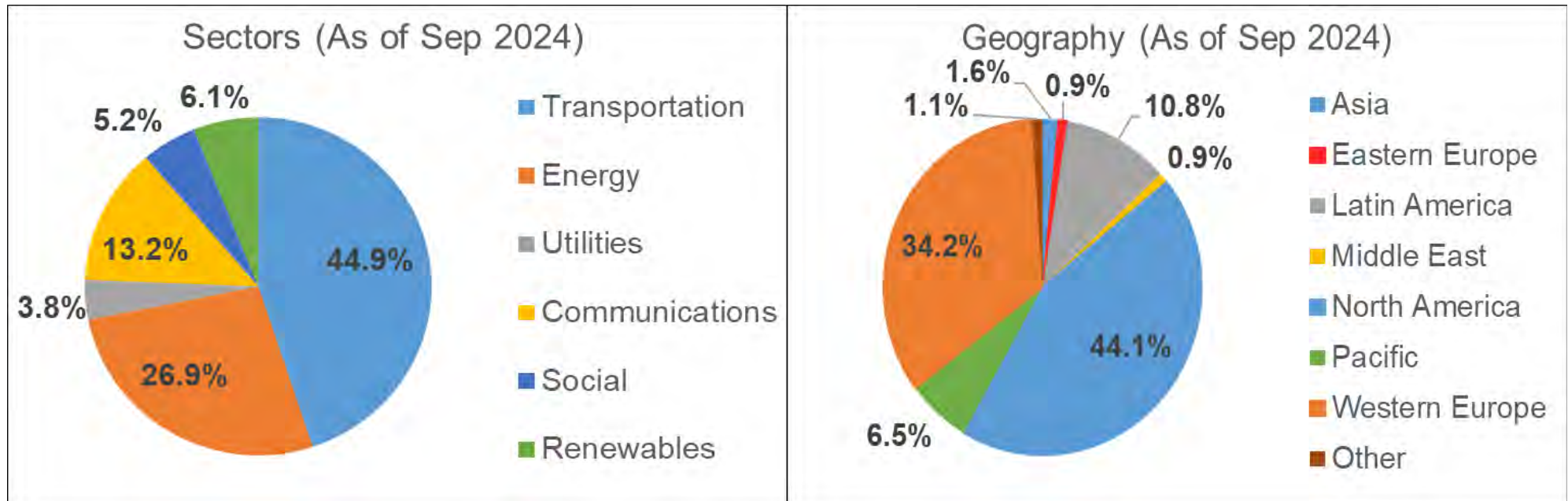
- 9.44% net return for the one-year period ending February 28, 2025, which outperformed the policy benchmark (CPI+) by 121 basis points
- 3 and 5-year net returns were 8.27% and 8.69%, beating benchmark by 486 and 325 bps

Portfolio Changes in 2024

- Increased deployment pacing to reach near-term 7% target
- Diversified portfolio strategies and managers
- Grew co-investments for improved fee economics



- Sector Allocation: Large exposure to transportation and energy sectors. Communications and renewables allocations have doubled in past 4 years. Diversification is key goal
- Geographical Allocation: Primarily North America (44%) and Western Europe (34%)
- Co-investments / Continuation funds:
 - 2024: 3 new co-investments / continuation funds, and 2 co-investment sidecars
 - Total: 5 co-investments, 2 continuation funds, and 4 co-investment sidecars



As of February 28, 2025



Infrastructure

Infrastructure Performance

- Total Infrastructure: Outperformed the policy benchmark in all time periods
- Co-Investment & Continuation Funds: Growing part of portfolio
- Public Infrastructure: New addition to portfolio; provides liquidity

	Allocation	1 Year	3 Year	5 Year	Since Inception
Private Infrastructure Core & Non-Core	92.2%	9.51%	8.32%	8.72%	10.06%
Private Infrastructure Co-Invest & CF	5.9%	6.17%	5.64%	NA	5.19%
Public Infrastructure	2.0%	NA	NA	NA	12.56%
Total Infrastructure	100.0%	9.44%	8.27%	8.69%	10.05%
Policy Benchmark (CPI +)	NA	8.23%	3.41%	5.44%	6.47%
Excess Return	NA	1.21%	4.86%	3.25%	3.58%

Note:

CF: Continuation Fund

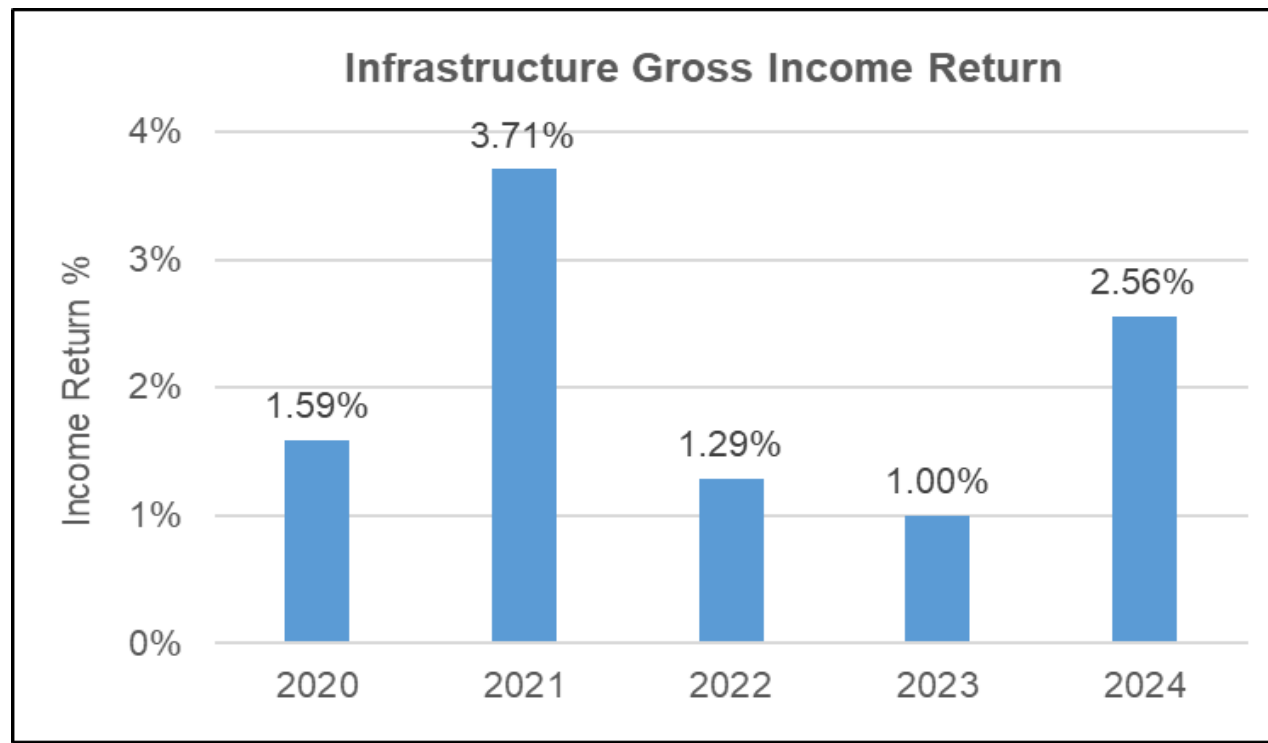
Real asset returns are one quarter in arrears.

Infrastructure policy benchmark prior to January 2024 was NPI

Since Inception date: 10-1-2015

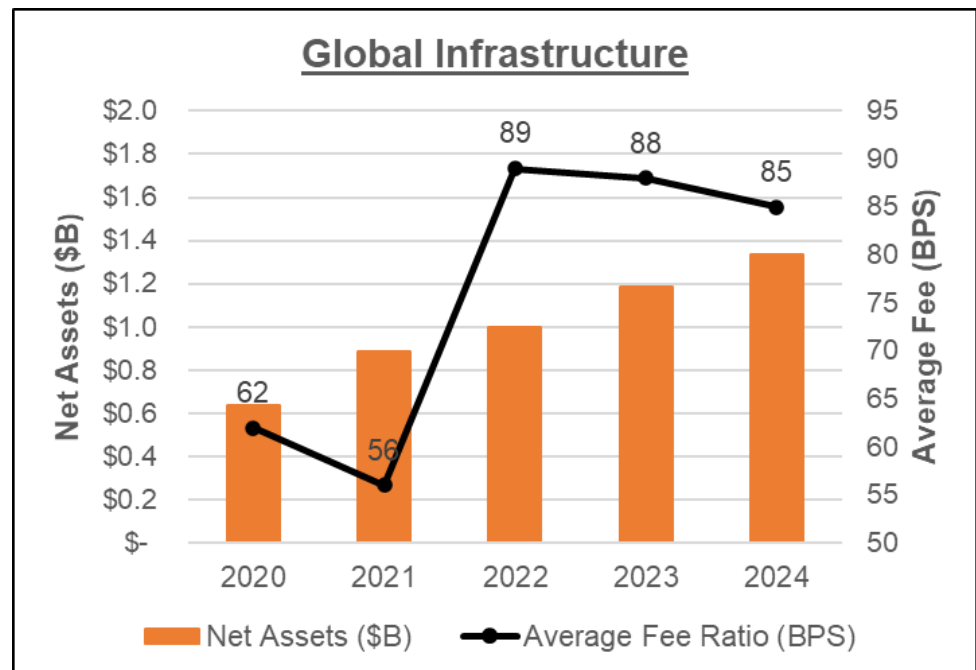
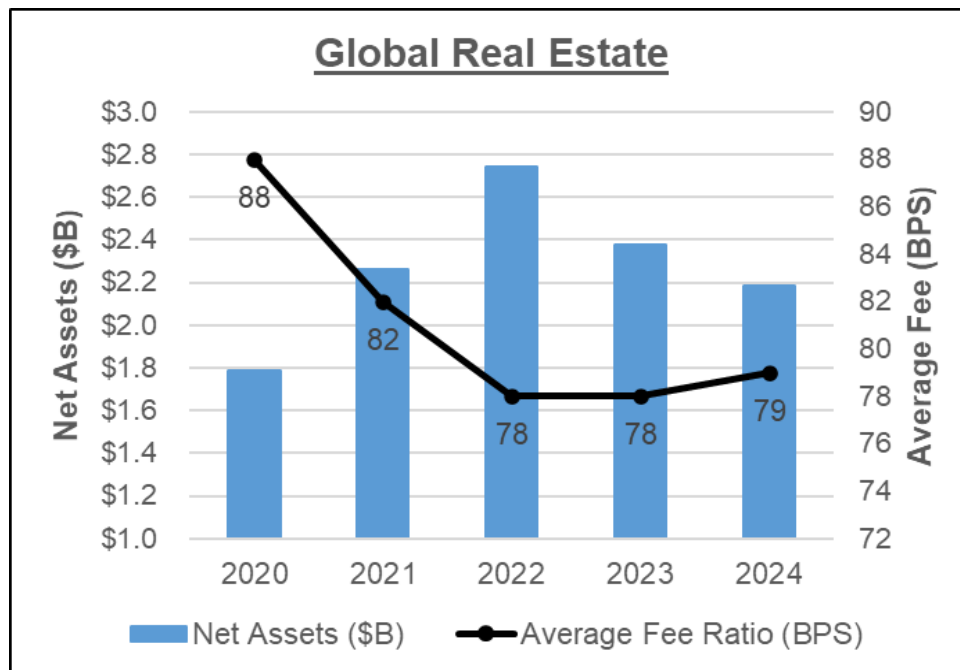
Gross Income Component Return

- Infrastructure gross income return was 2.56% in 2024
- Staff expects income return to grow over time from recent commitments that focus on cash yield
- Long term target of 3-5%



Fees in General Downtrend

- Overall fee load for Real Assets has declined as a percentage of net assets since 2020
 - Real Estate: Declining from 88 bps in 2020 to 79bps in 2024
 - Infrastructure: After increase in 2021-22, fees have trended down from 89bps in 2022 to 85bps in 2024. Anticipate more economies of scale over time





Real Estate

- Reduce Real Estate allocation to parity with Infrastructure
- Evaluate new strategies that can benefit from market correction
- Explore additional co-investment opportunities
- Evaluate a benchmark change from NPI Classic to NPI Expanded

Infrastructure

- Grow Infrastructure allocation to 7%, with a long-term goal of parity with Real Estate
- Enhance sector diversification
- Explore additional co-investment opportunities

Income and Inflation Protection

- Focus on income component of returns over the long run
- Focus on investments with economic resiliency but with inflation protection characteristics



Cap Rate – Net Operating Income divided by Purchase Price or Current Market Value

Continuation Fund – Usually a single asset fund that provides liquidity for specific assets.

Core – Substantially leased, institutional quality assets located in major metropolitan markets. Core strategies usually have a focus on income return and use low to moderate amounts of leverage.

Farmland – Private land used to grow permanent and annual crops throughout the United States. Core assets will be leased to farmers with scale and expertise on long-term contracts.

Infrastructure – The essential facilities and services upon which the economic productivity of society depends. Infrastructure involves the movement of goods, people, water, and energy.

NCREIF – The National Council of Real Estate Investment Fiduciaries is an industry association that provides the benchmarks industry participants use.

Niche – Also referred to as “Other” or “Alternatives”. Niche refers to non-traditional property types like data centers, life science (aka lab space), manufactured housing, medical office, senior housing, single family rental, storage, and student housing.

NPI (NCREIF Property Index) – An aggregate of United States investment manager members property data. NPI provides benchmark returns for the Real Asset portfolio.

Non-Core (Value-Add and Opportunistic) – Assets that require repositioning and optimization, and in the case of Opportunistic, may require significant re-development and ground-up construction. Compared to core strategies, non-core strategies generally use higher amounts of leverage, involve greater risk due to the uncertainty of cash flows, and have higher return expectations.

REITs – Publicly-traded real estate companies. REIT securities provide immediate access to real estate assets but exhibit greater volatility than privately-held properties.



Ohio SERS Investment Report

Monthly Report to the Board

For the period ending: February 28, 2025

Prepared by Investment and IAD Staff

Farouki Majeed, Chief Investment Officer

Meeting Date: April 2025



Investment Agenda

- Annual Portfolio Review – Real Assets
- Monthly Investment Report (February 28, 2025)



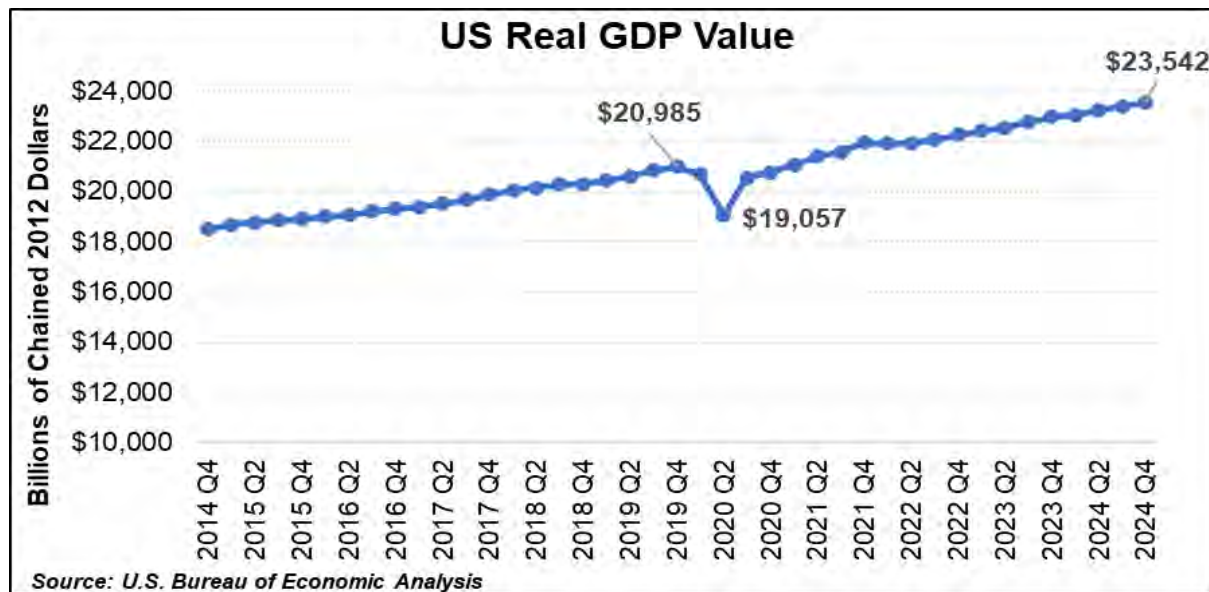
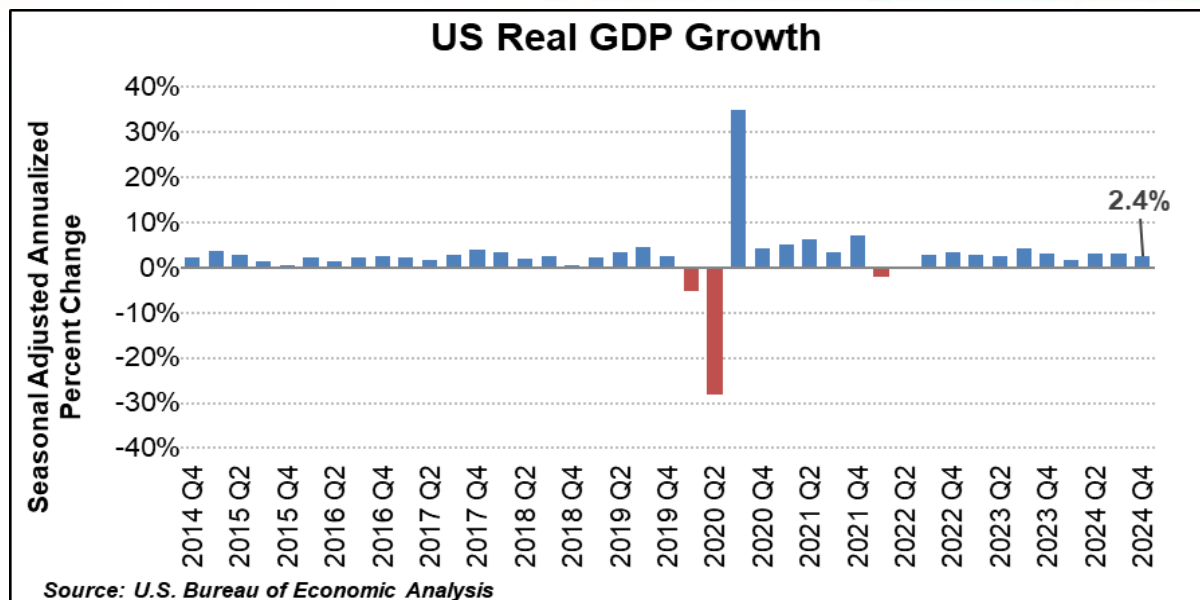
Economic and Financial Market Outlook

- The US GDP grew 2.4% in Q4 and 2.8% in CY2024. Personal consumption expenditures and government spending, which increased by 4.0% and 3.1% respectively, were the main contributors in Q4. The BCEI's January 2025 consensus projected the GDP growth to decelerate to 2.0% in 2025 amid tariff and sticky inflation concerns. (Source: *Bureau of Economic Analysis and Blue Chip Economic Indicators (BCEI)*).
- The US labor market added 151,000 jobs in February, slightly lower than expectations. In February, employment increased in health care, finance, transportation, and social assistance sectors while the federal government sector declined. The unemployment rate inched up to 4.1%. The labor force participation was 62.4%, slightly lower than 62.6% in the previous month. (Sources: *Bureau of Labor Statistics and Department of Labor*).
- US headline inflation was 2.8% in February, 0.2% lower than January, as the energy index declined 0.2% annually. The food index increased 2.6% in the last 12 months. Core inflation decreased by 0.2% to 3.1% and stayed in a tight range of 3.1-3.3% over the previous nine months. Transportation services and rent inflation remained elevated at 6.0% and 4.2%, respectively, for the last 12 months. (Source: *Bureau of Labor Statistics*).
- The 10-year Treasury nominal yield was 4.23% as of March, almost unchanged from the previous month. The January current 10-year real yield, estimated by the gap between the 10-year Treasury nominal yield and current headline inflation, was 1.44%, lower than the historical average by 0.35%. The Fed maintained interest rates in the range of 4.25-4.50%.
- S&P Case-Shiller 20-City home price index was up 0.07% for the month, gaining 4.67% for the last 12 months as of January 2025.
- The Consumer Sentiment Index released by Thomson Reuters and the University of Michigan was 57.0 in March, materially down from the previous month and a year ago by 11.9% and 28.2%, respectively. The US Economic Surprise index was a negative 4.4, while the Global reading improved to a positive 8.0 in March. The January Leading Economic Index (LEI) issued by the Conference Board was 101.1, down 0.3% for the month and 1.0% for the 6-month period.
- In February, US Manufacturing PMI dipped to a contraction level of 49.0 while Service PMI increased to a solid expansion level of 53.5. Global Manufacturing PMI decreased to 50.3 in March, indicating a slower expansion. (Source: *Institute for Supply Management and S&P Global*).
- Equity markets were mixed in March. The US market (Russell 3000) and Non-US Developed markets (MSCI World ex-USA) were down 5.83% and 0.58%, respectively, while Emerging markets (MSCI EM) were up 0.63%.
- The US fixed income market, Bloomberg US Universal Bond Index, was down 0.02% in March.



ECONOMY

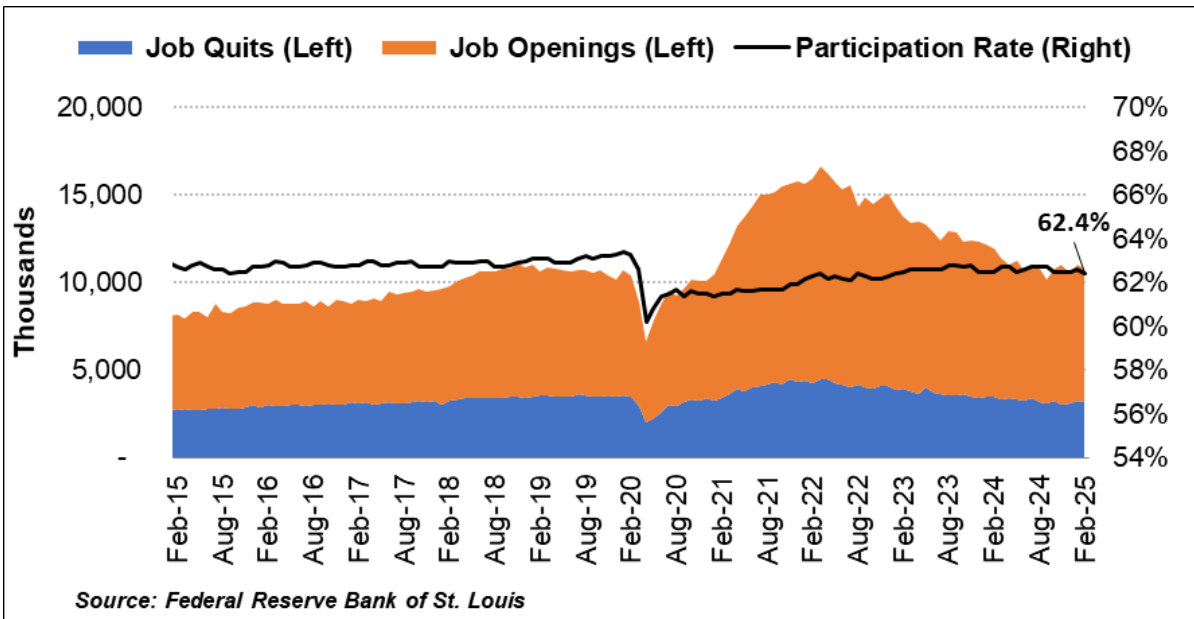
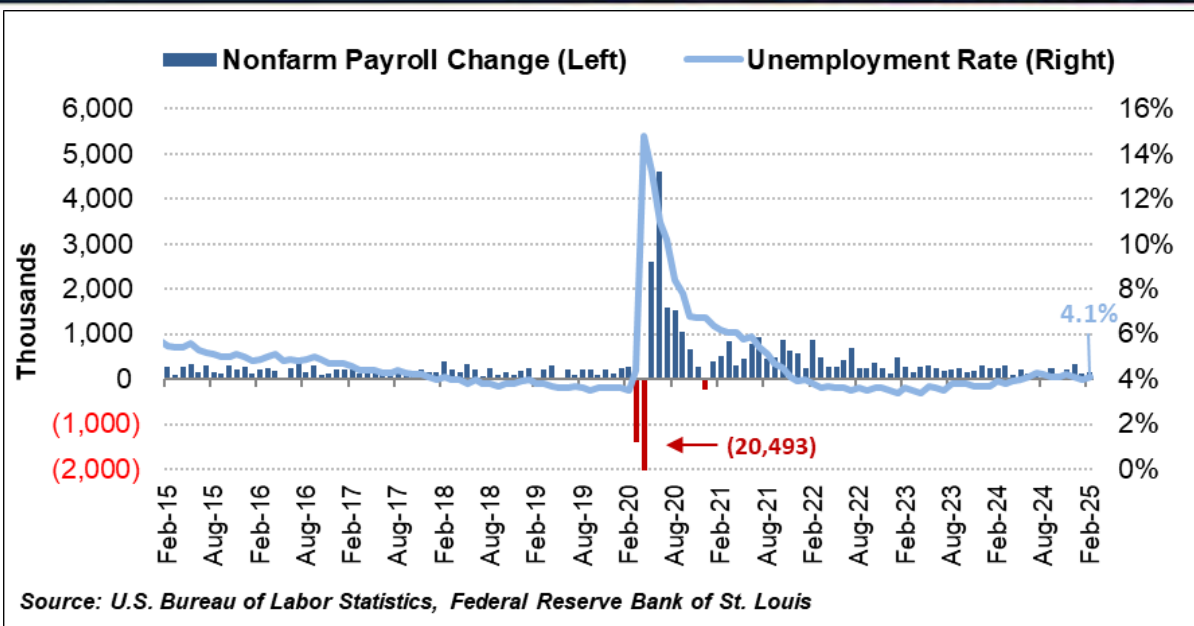
US Real Gross Domestic Product





ECONOMY

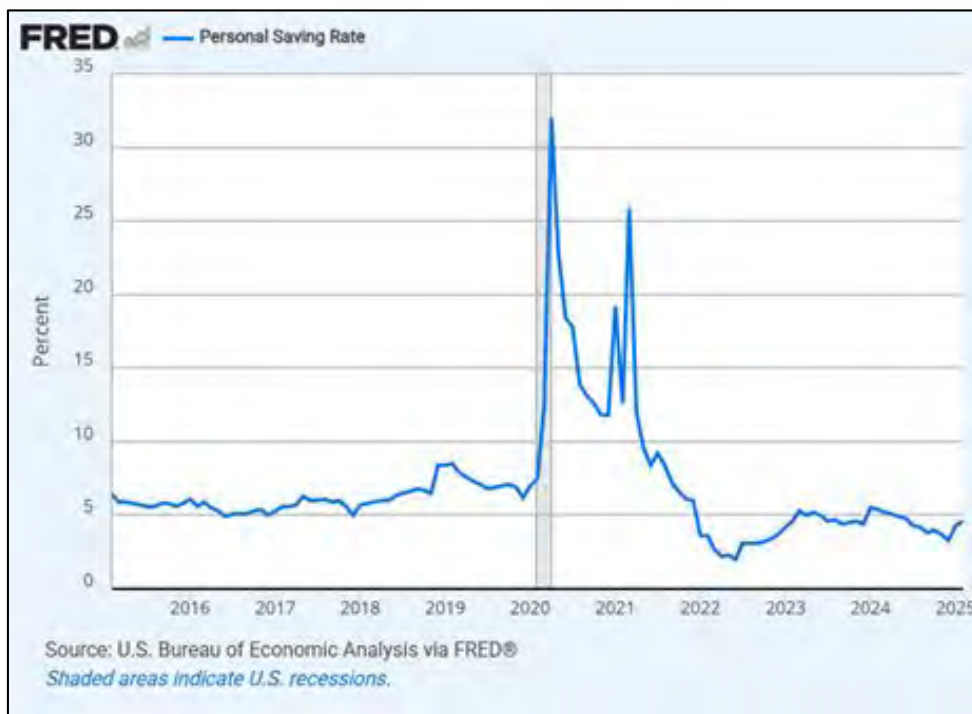
US Labor Market





ECONOMY

Personal Savings Rate & Personal Expenditures: Goods



Date	Annual Personal Savings Rate
Jun-21	8.4%
Jun-22	2.0%
Jun-23	5.0%
Jun-24	4.8%
Feb-25	4.6%

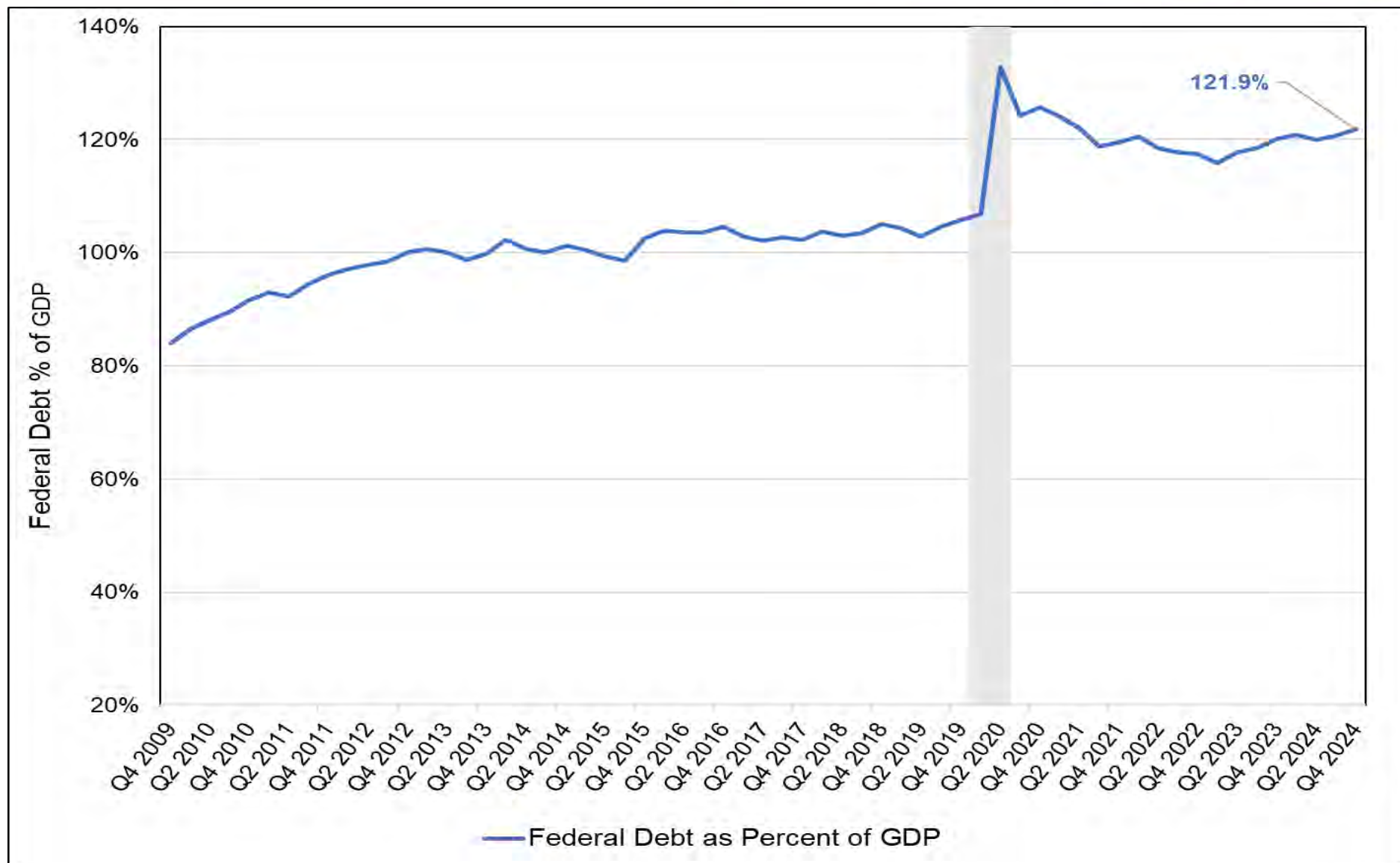


Date	Personal Consumption Expenditures: Goods Change from Prior Year
Jun-21	16.5%
Jun-22	8.3%
Jun-23	1.0%
Jun-24	2.1%
Feb-25	4.0%



ECONOMY

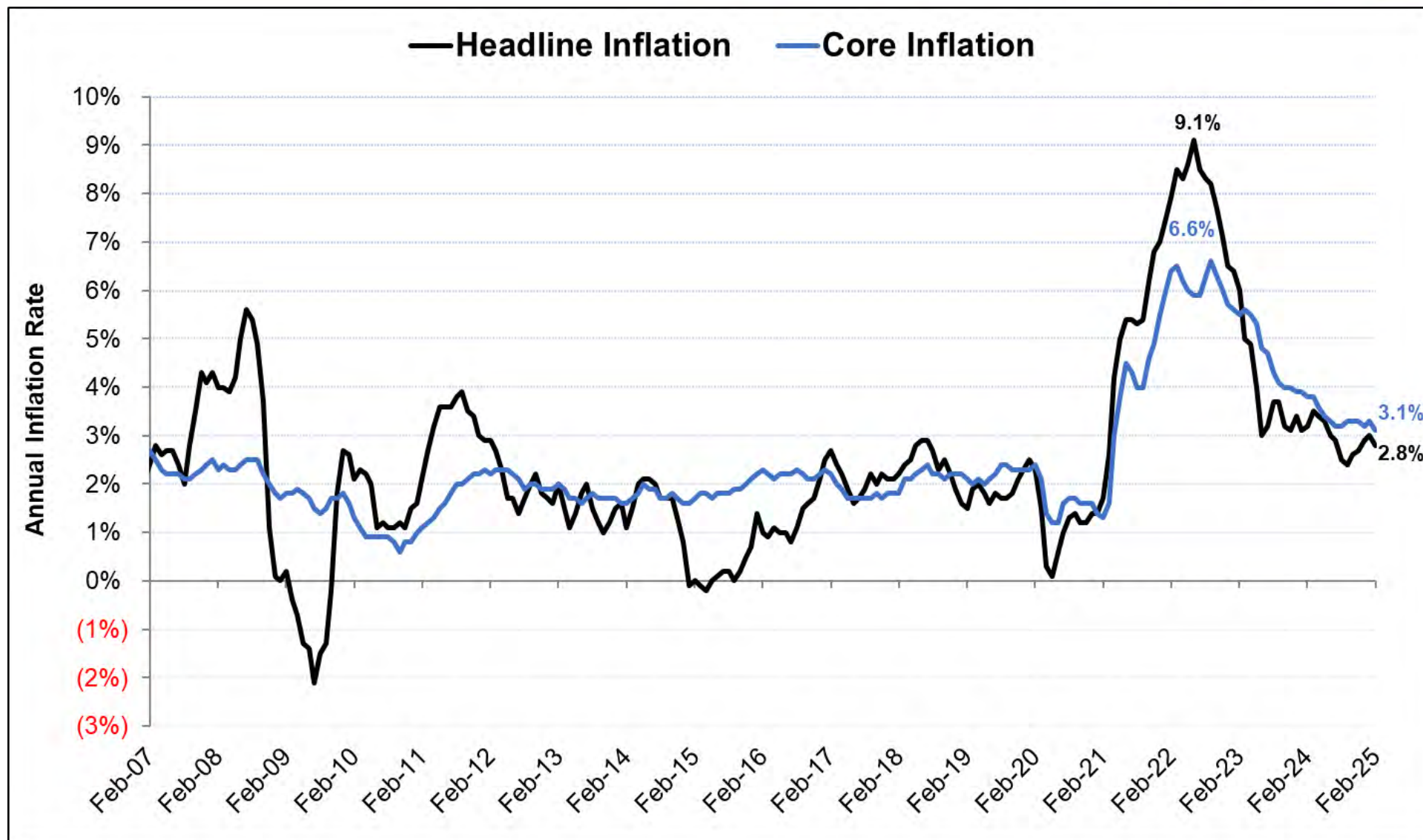
Federal Debt as Percent of GDP





ECONOMY

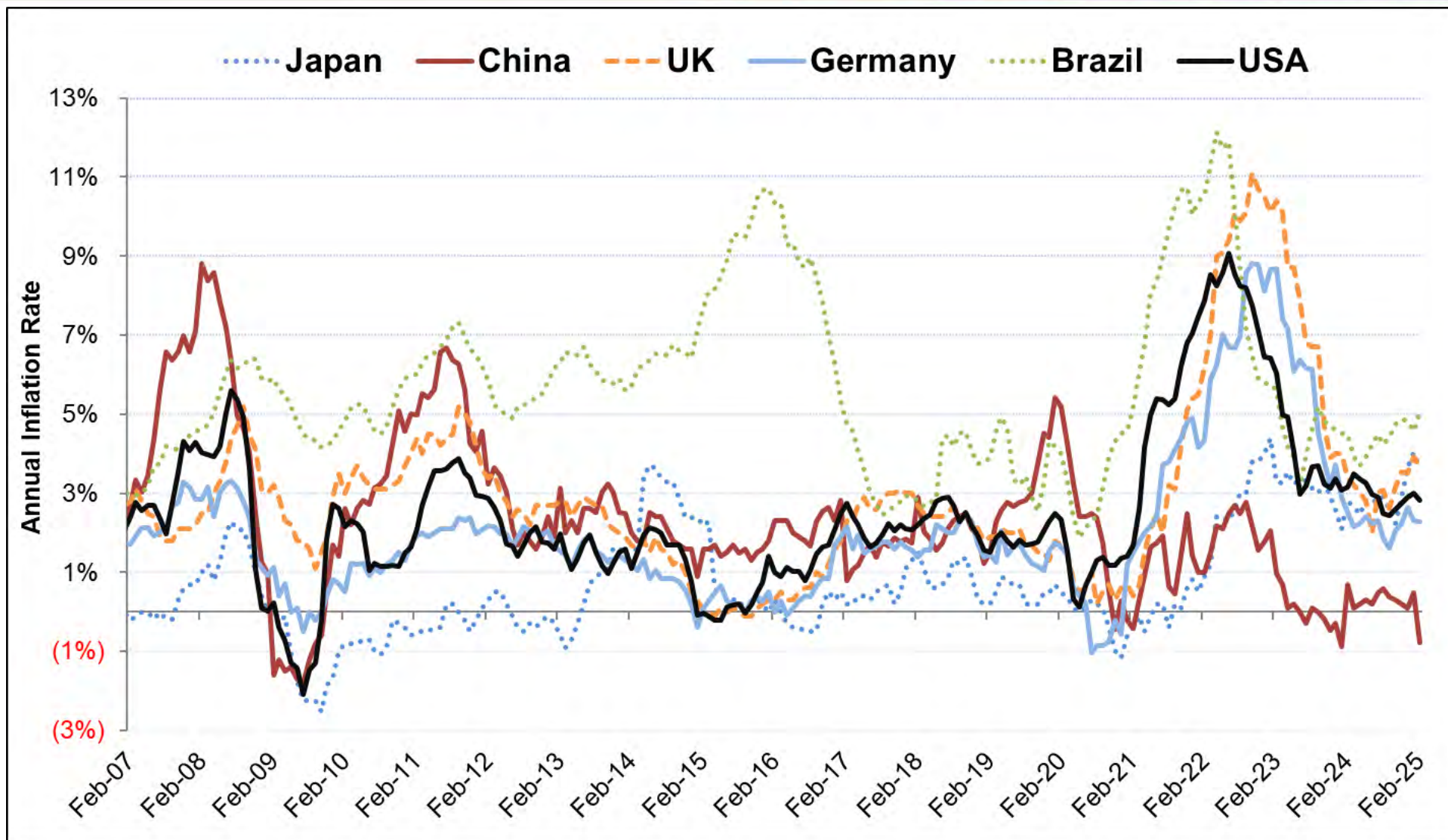
US Inflation





ECONOMY

Global Headline Inflation

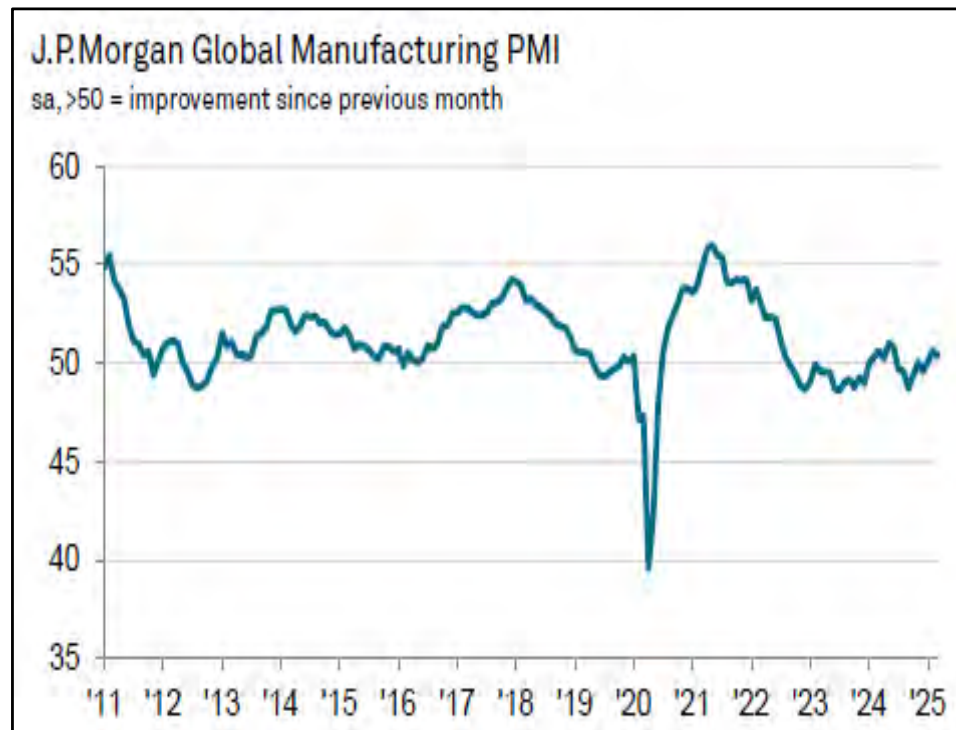


	Japan	China	UK	Germany	Brazil	USA
Feb-25	3.7	-0.8	3.7	2.3	5.1	2.8



ECONOMY

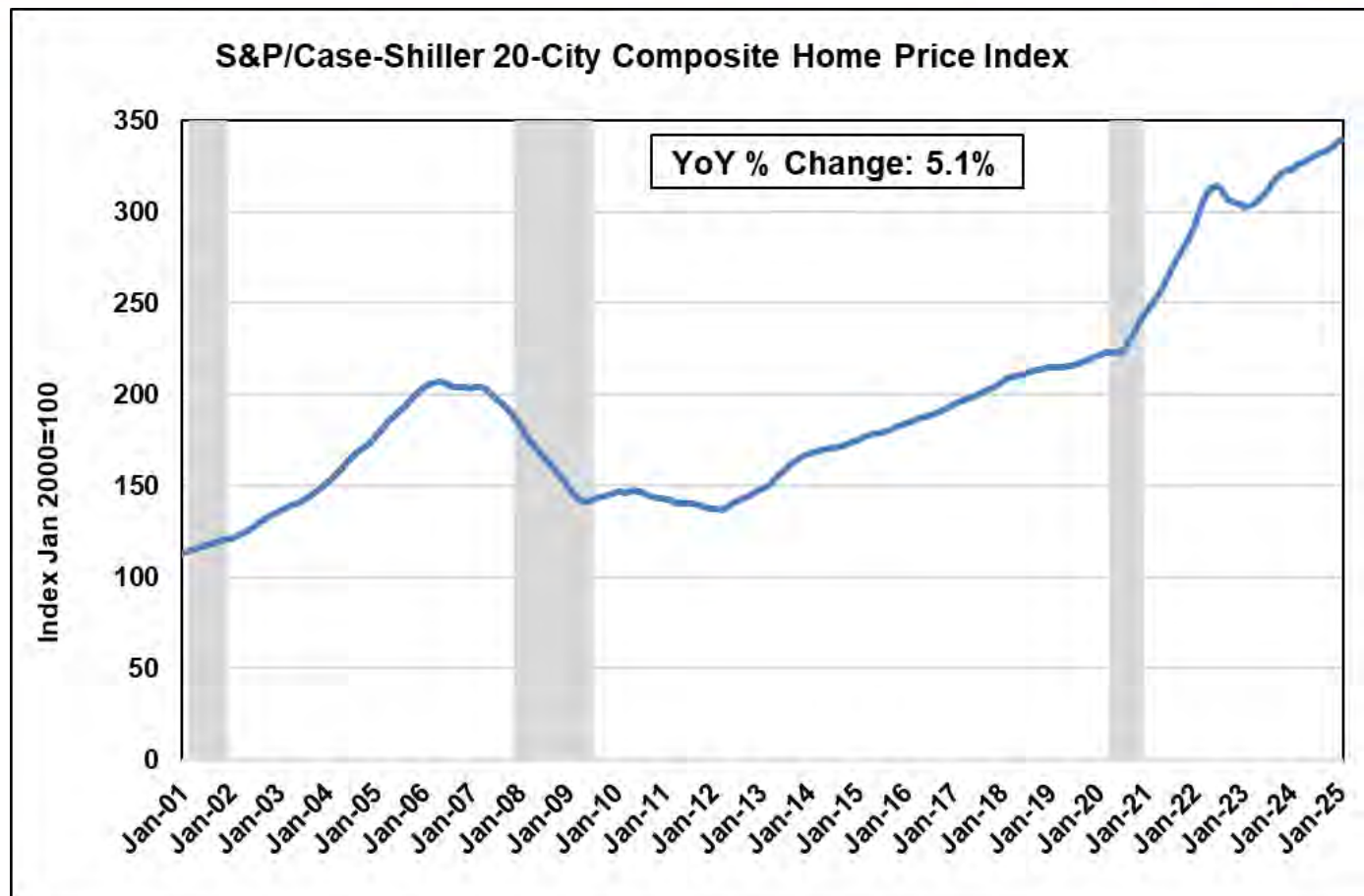
US & Global Manufacturing Activities





ECONOMY

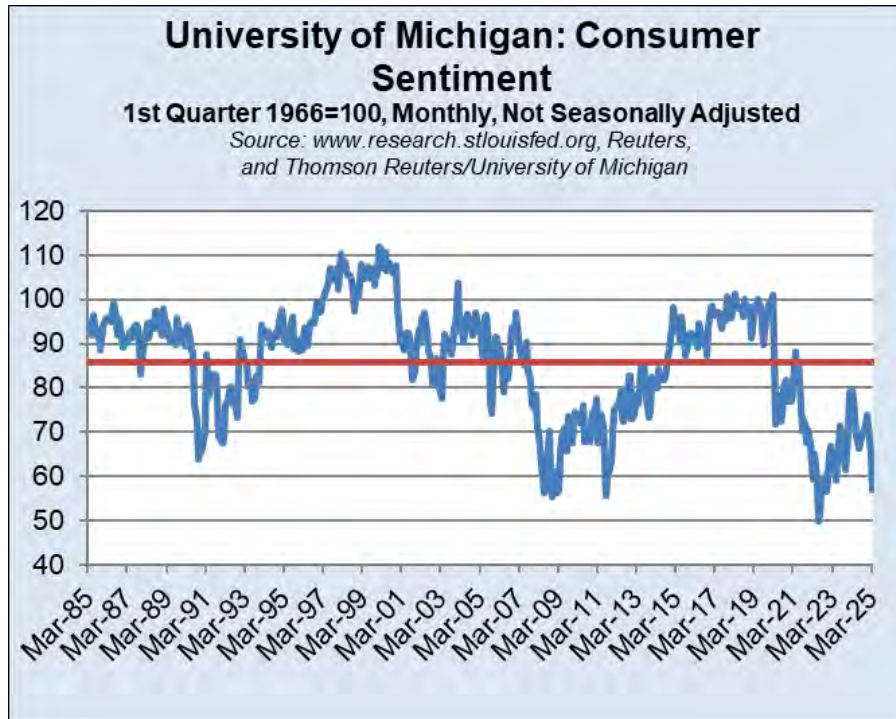
US Housing Market



Date	S&P Case-Shiller 20-City Home Price Index January 2000 = 100, Seasonally Adjusted
Jul-21	269.39
Jul-22	312.25
Jul-23	312.64
Jul-24	330.83
Jan-25	339.34

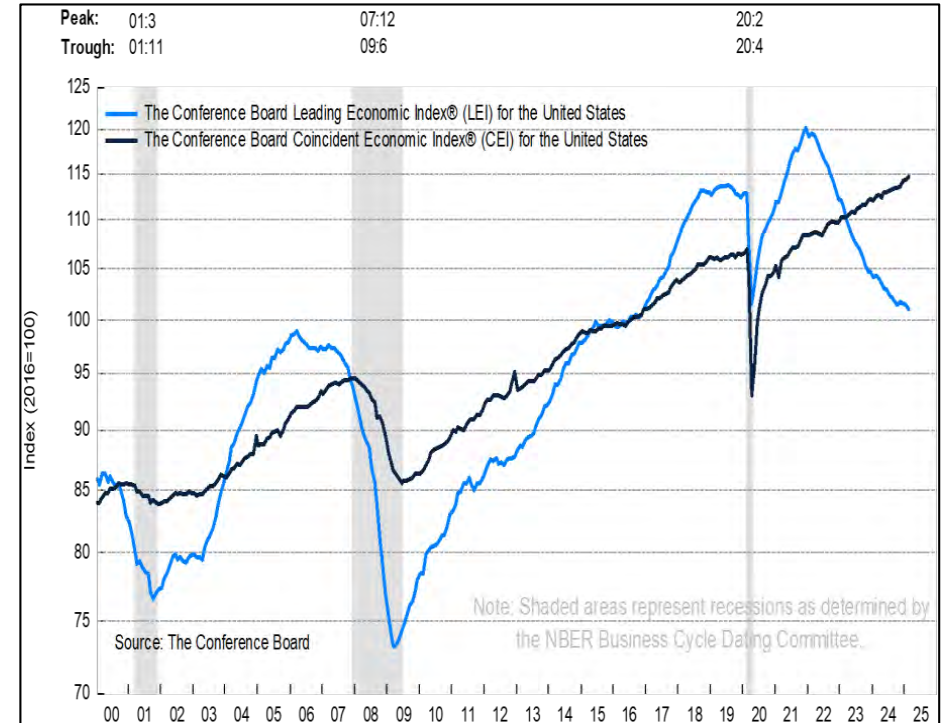
ECONOMY

Consumer Sentiment



Index of Consumer Sentiment				
Mar-24	Feb-25	Mar-25	M-M Change	Y-Y Change
79.4	64.7	57.0	-11.9%	-28.2%

The Leading Economic Index (LEI)



Shaded areas represent US recessions

Index	Jan-25	Feb-25	Month -Month Percent Change	6-Month Percent Change (Sep-Feb)
LEI	101.4 r	101.1 p	-0.3	-1.0



ECONOMY

FRED US Yield Curve Slope — (10Y Treasury Constant Maturity minus 3M Treasury Constant Maturity)



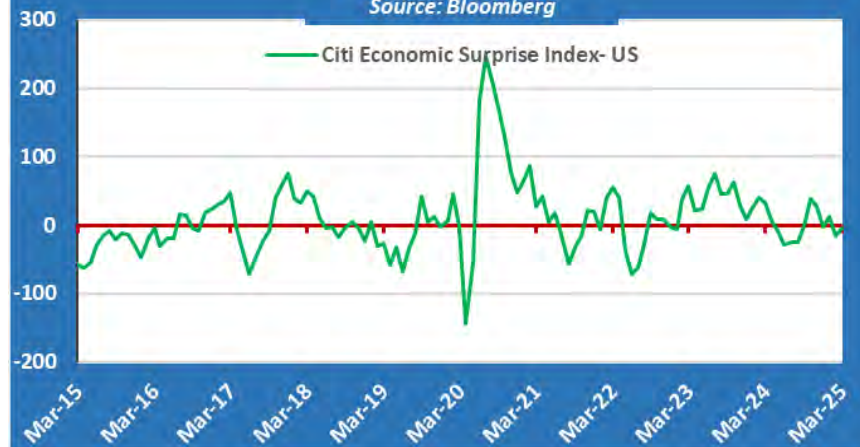
Source: Federal Reserve Bank of St. Louis via FRED®

Shaded areas indicate U.S. recessions.

myf.fred/g/1GYob

US Growth Surprise

Source: Bloomberg



Global Growth Surprise

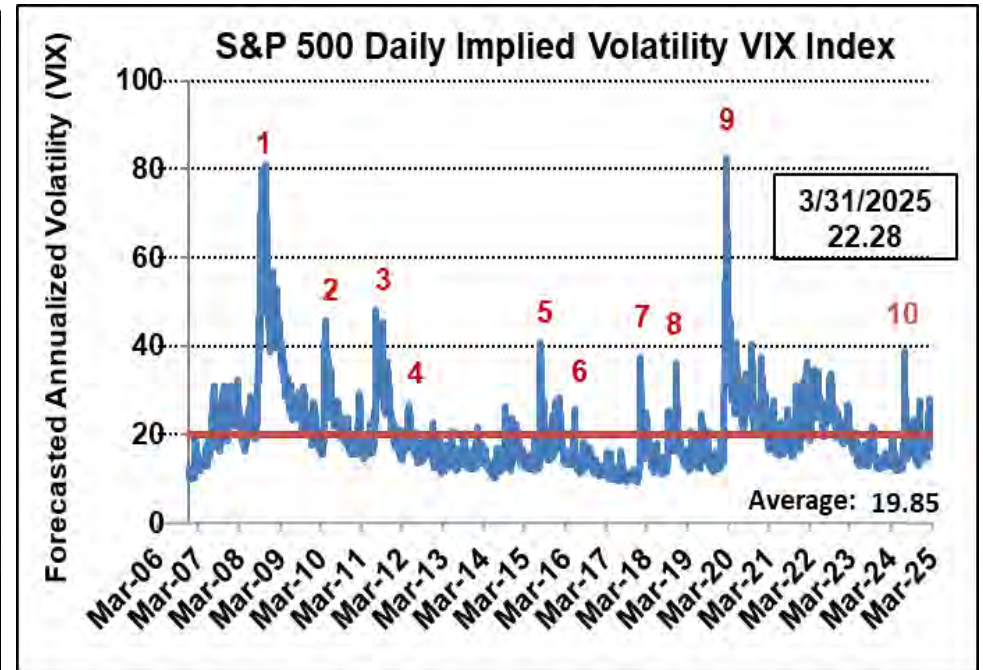
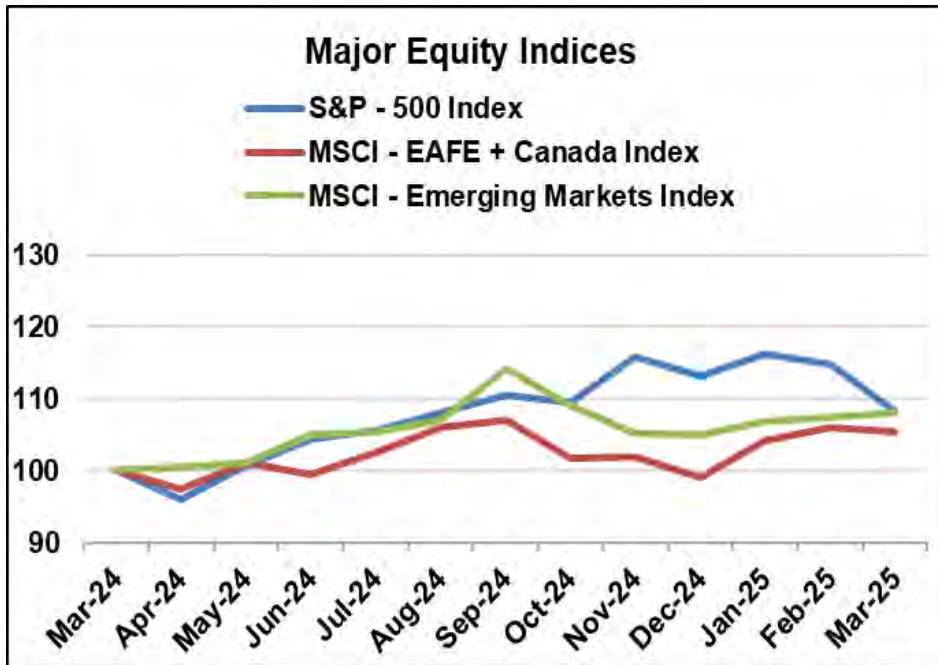
Source: Bloomberg





MARKETS

Equity



	Return as of 3/31/2025	
	1 Year	FYTD
S&P 500 Index	8.25	3.80
MSCI - EAFE + Canada Index	5.30	5.94
MSCI - Emerging Markets Index	8.09	2.94

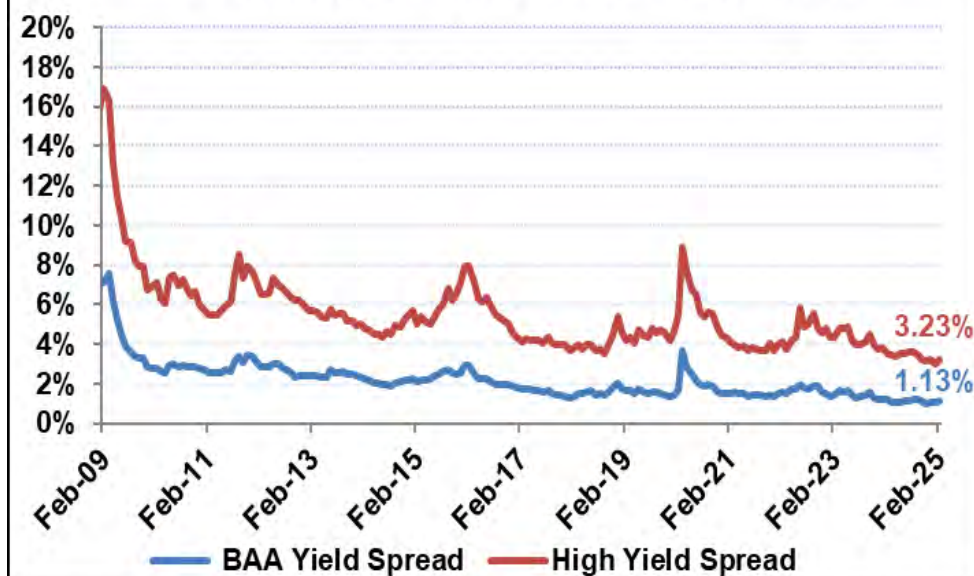
- 1 2008 (Nov.) Financial Crisis S&P 500: -48.8%
- 2 2010 (May) Flash crash; Europe/ Greece debt S&P 500: -16%
- 3 2011 (Aug.) US downgrade, Europe periphery S&P 500: -19.4%
- 4 2012 (June) Eurozone double dip S&P 500: -9.9%
- 5 2015 (Aug.) Global slowdown, China, Fed S&P 500: -12.4%
- 6 2016 (Feb.) Oil crash, US recession fear, China S&P 500: -10.5%
- 7 2018 (Feb.) Inflation, trade, tech S&P 500: -10.2%
- 8 2018 (Dec.) Interest rate hike, trade tension, global slowdown S&P 500: -10.5%
- 9 2020 (Mar.) Coronavirus, S&P 500: -23.7%
- 10 2024 (Aug.) Crowded FX (Japanese Yen) trade, recession fear S&P 500: -6.0%



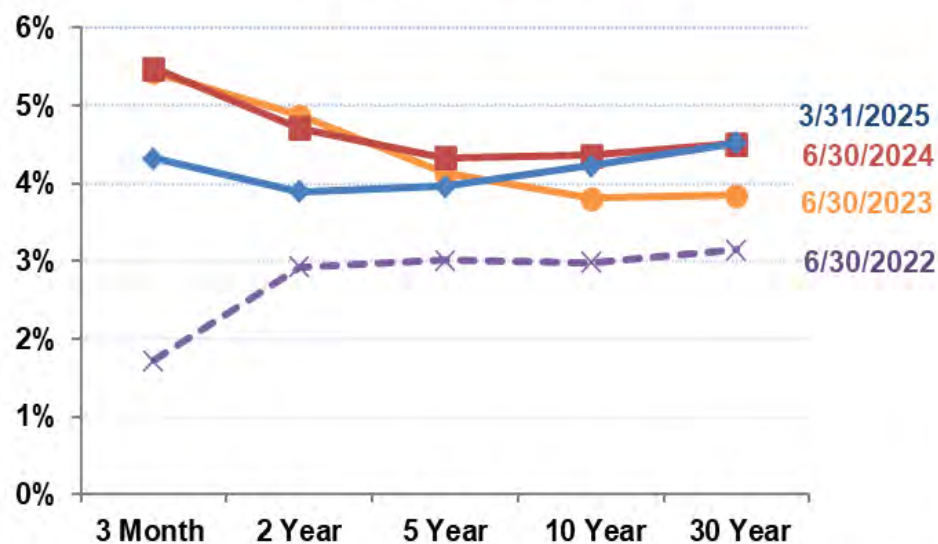
MARKETS

Fixed Income

U.S. Corp. BAA and High Yield Spreads



U.S. Treasury Yield Curve

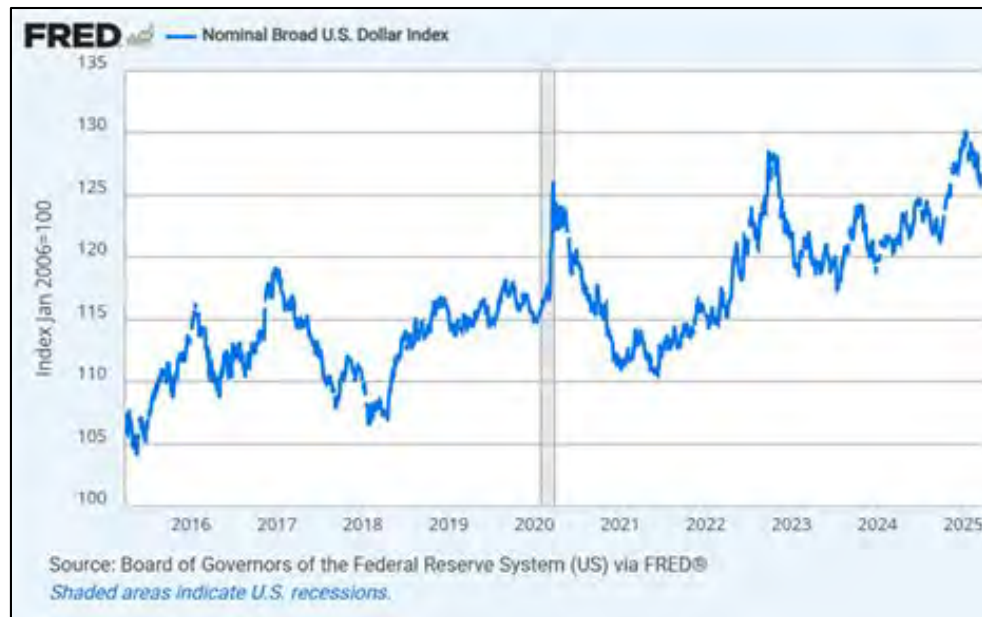




MARKETS Foreign Exchange



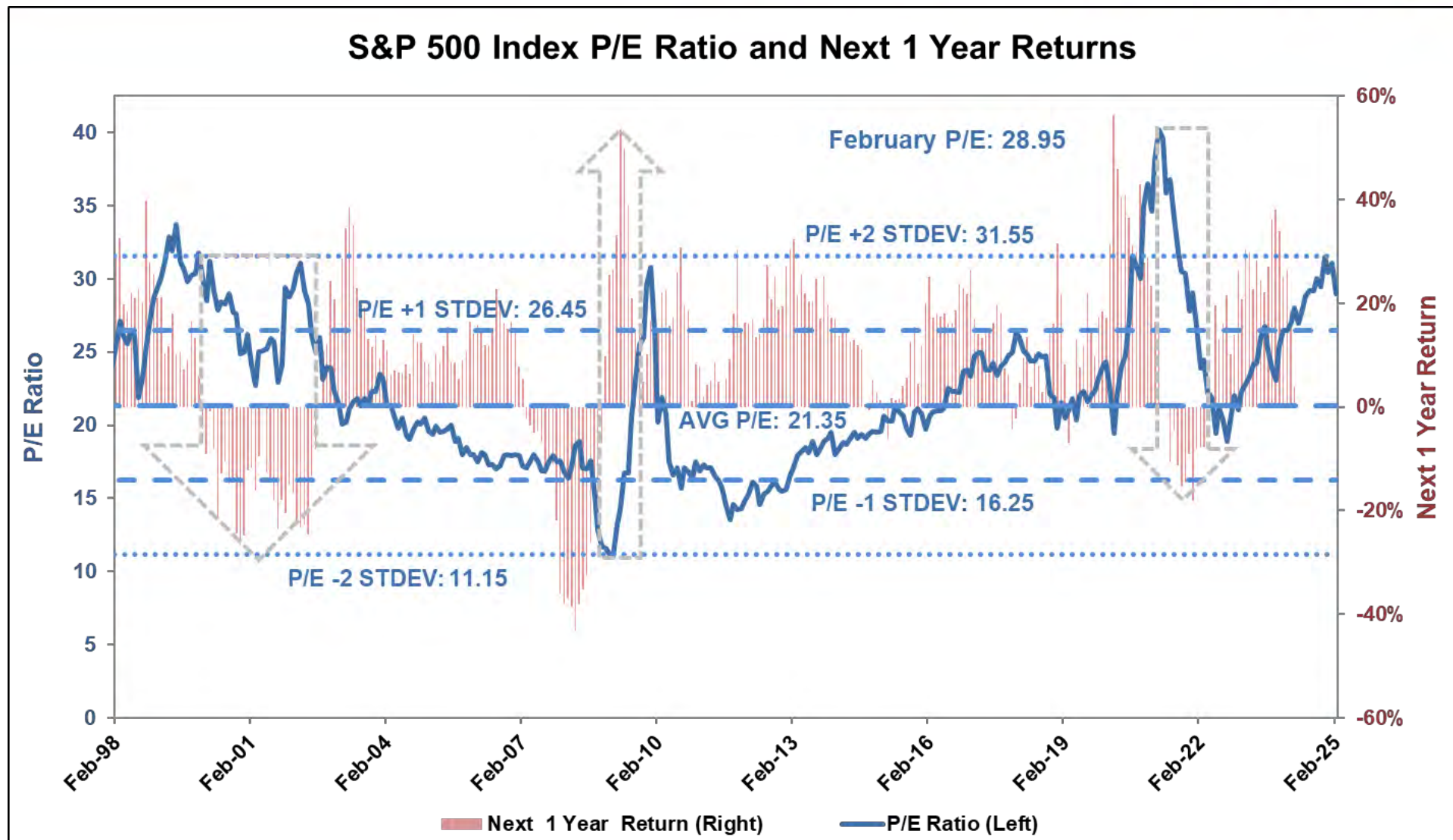
Date	U.S. / Euro Foreign Exchange Rate U.S. Dollars to One Euro
June-21	1.18
June-22	1.05
June-23	1.09
June-24	1.07
March 28, 2025	1.08



Date	Nominal Broad U.S. Dollar Index Index January 2006=100
June-21	112.85
June-22	121.05
June-23	119.89
June-24	124.52
March 28, 2025	126.66



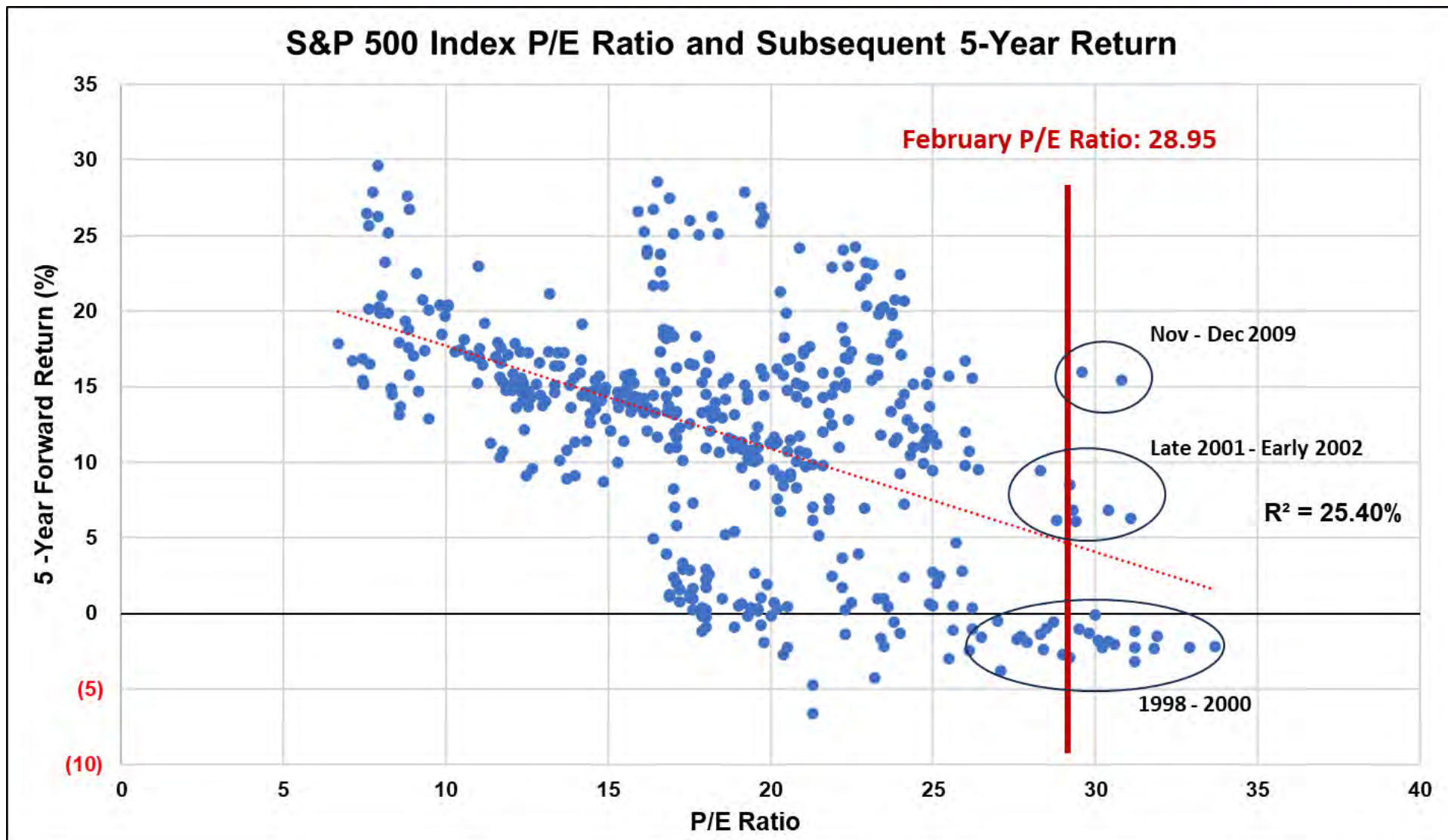
VALUATION US Equity





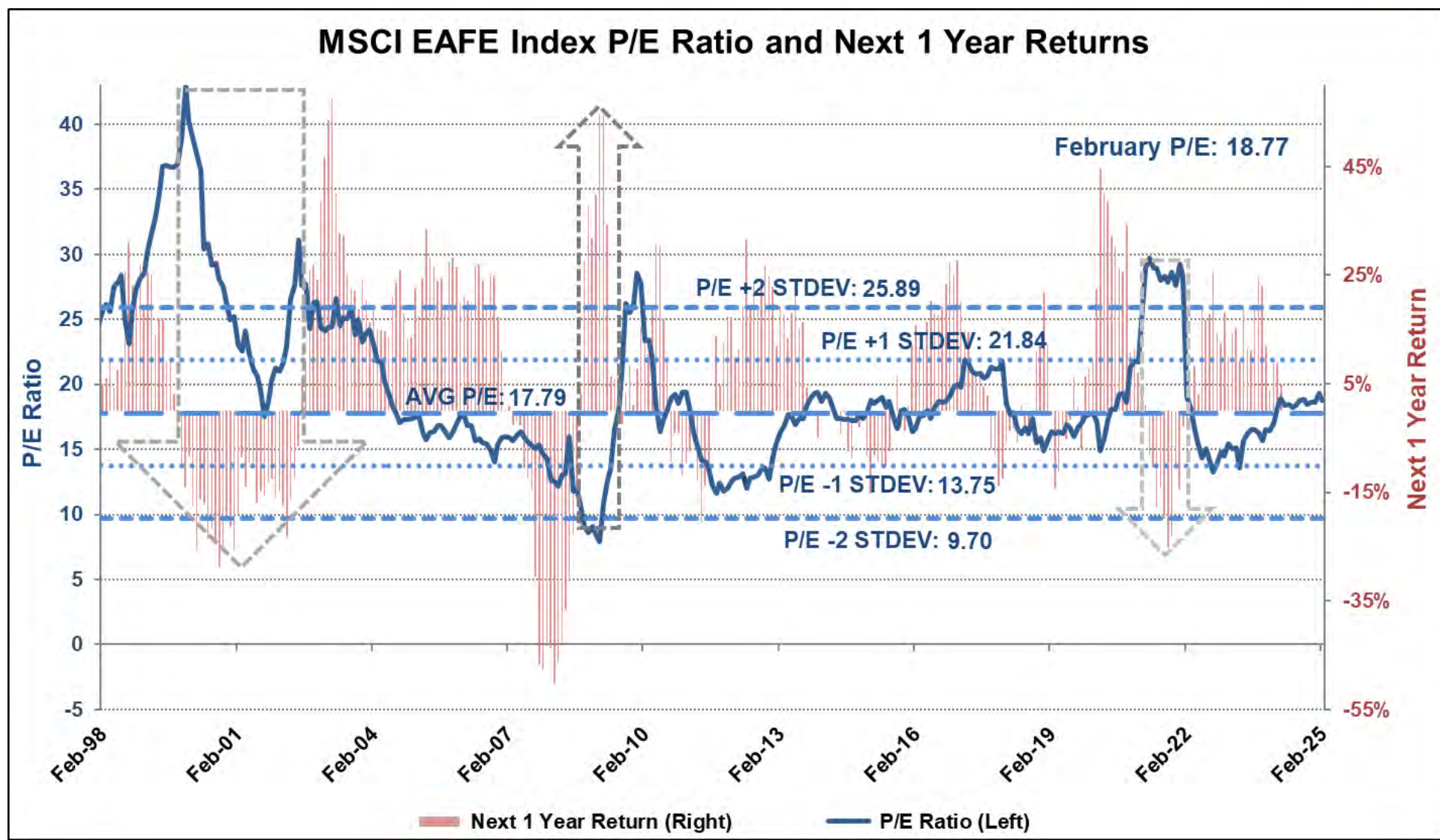
VALUATION

US Equity



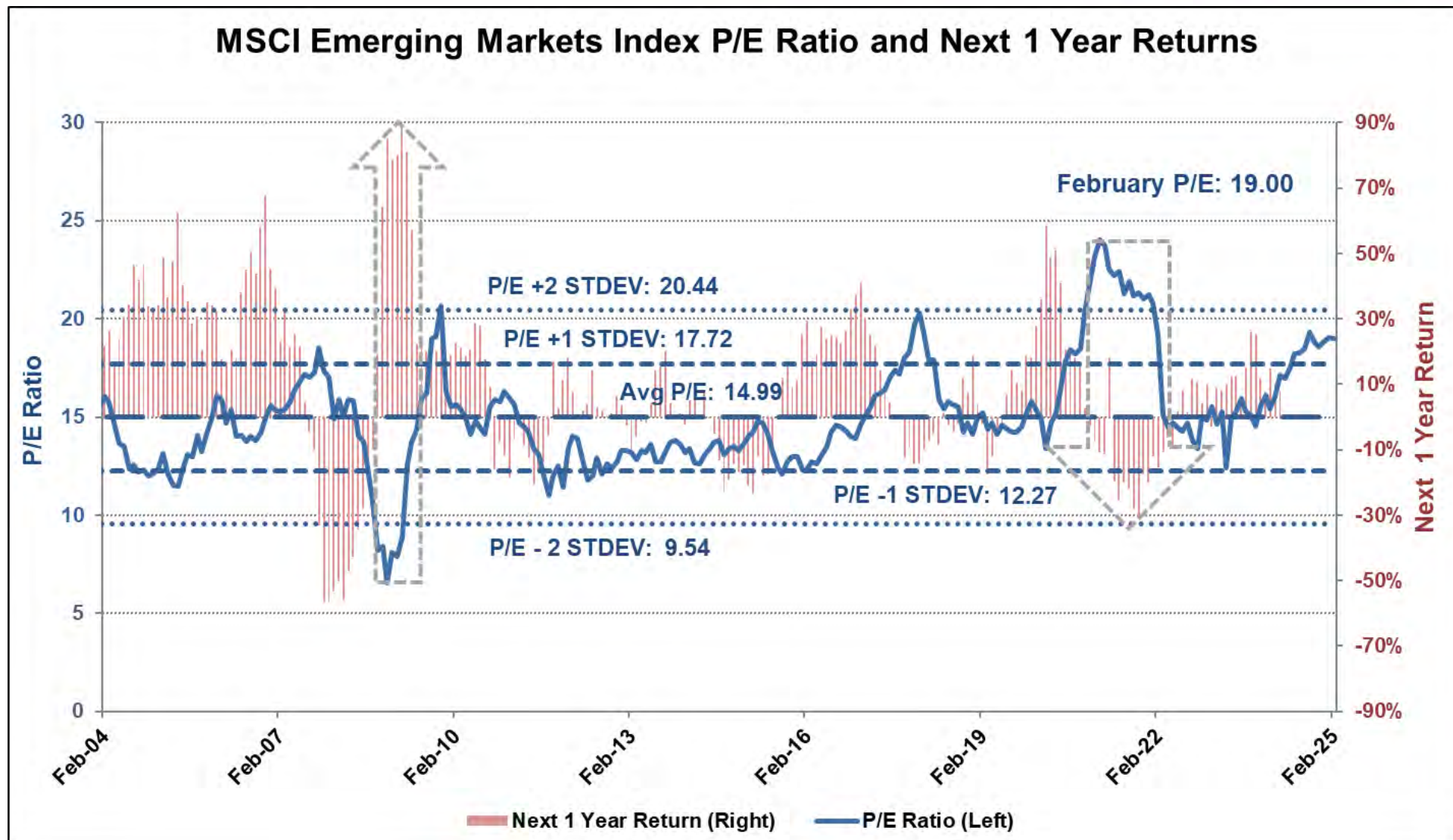


VALUATION Non US Developed Market Equity



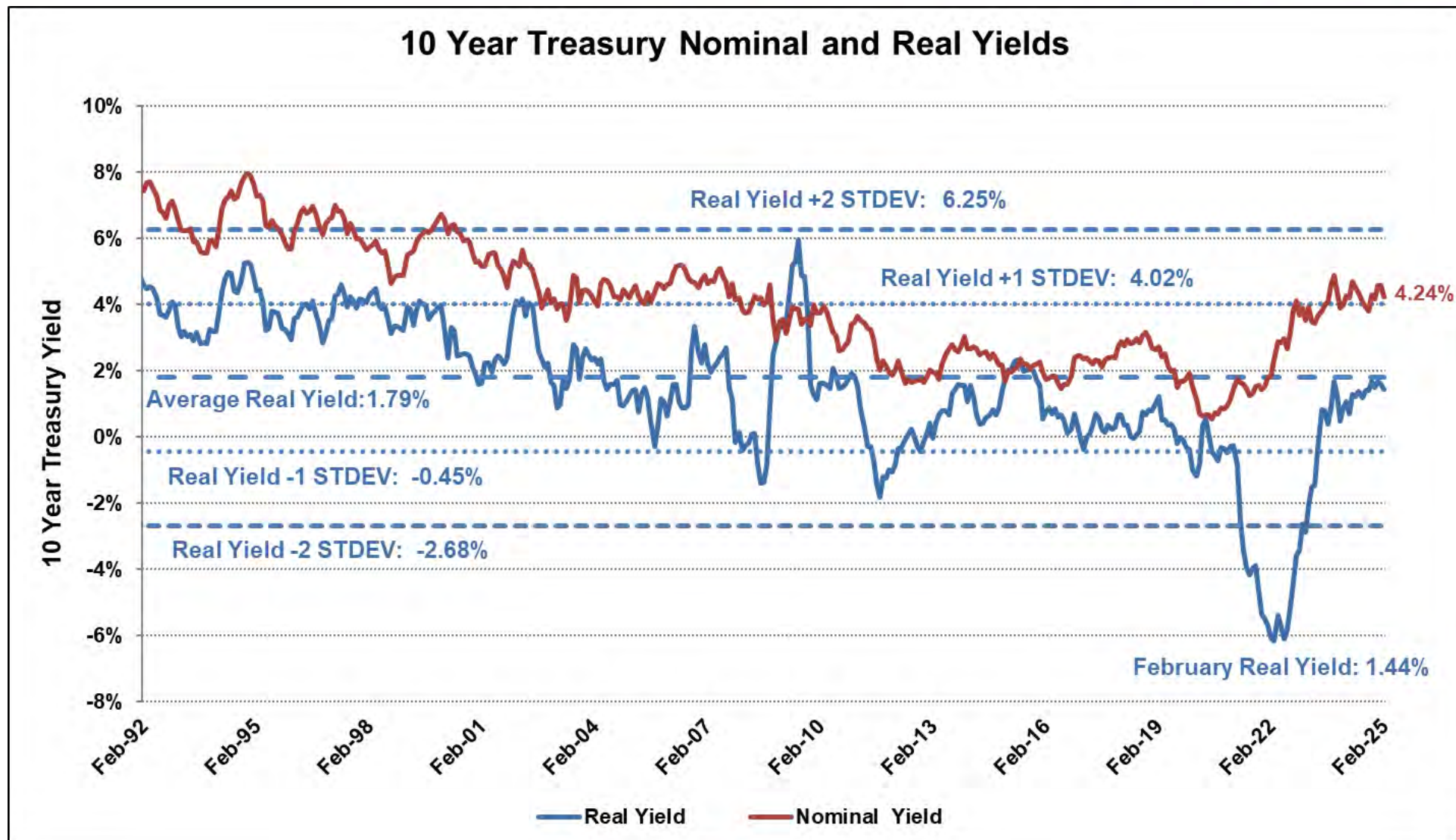


VALUATION Emerging Market Equity





VALUATION US Treasury Bonds





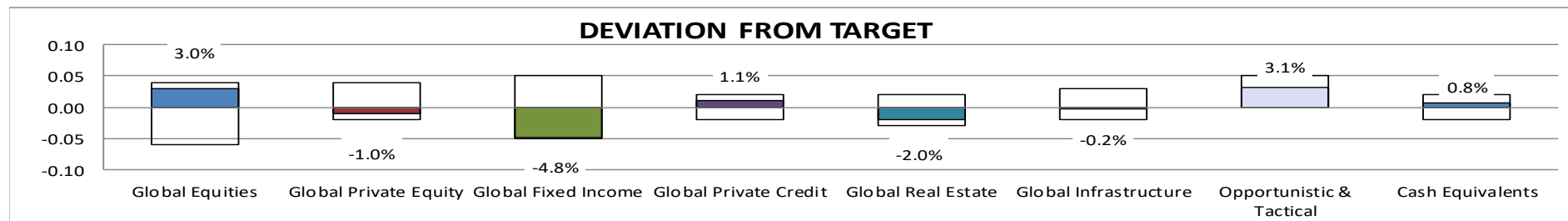
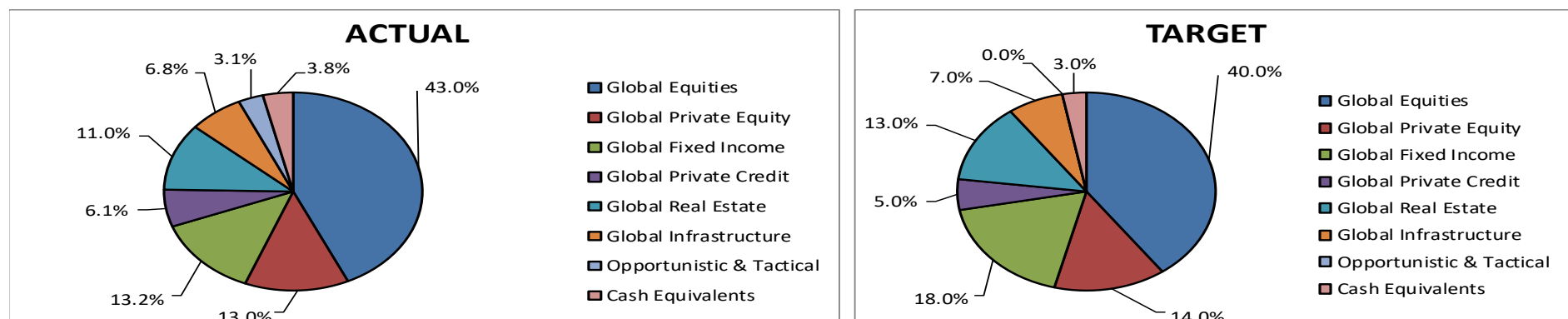
SERS' Investment Portfolios Review



Total Fund Asset Allocation

Asset Class	Market Value \$	Actual	Target	Range
Global Equities	8,529,226,865	43.0%	40.0%	35% - 45%
Global Private Equity	2,581,805,306	13.0%	14.0%	11% - 17%
Global Fixed Income	2,613,077,092	13.2%	18.0%	13% - 23%
Global Private Credit	1,201,056,004	6.1%	5.0%	3% - 7%
Global Real Estate	2,177,556,605	11.0%	13.0%	10% - 15%
Global Infrastructure	1,348,584,598	6.8%	7.0%	5% - 10%
Opportunistic & Tactical	620,165,454	3.1%	0.0%	0% - 5%
Cash Equivalents	748,383,942	3.8%	3.0%	1% - 5%
Short-Term	1,369,357	0.0%	2.0%	
Russell EA Overlay	19,890,330	0.1%	0.0%	
Direct Rebalance Overlay	6,247,702	0.0%	0.0%	
Transition / Operational Account	1,088,731	0.0%	0.0%	
Currency Overlay	32,839,570	0.2%	0.0%	
SERS Cash	686,948,252	3.5%	0.0%	
Total Fund	19,819,855,865	100.0%	100.0%	

Source: BNY Mellon GRS



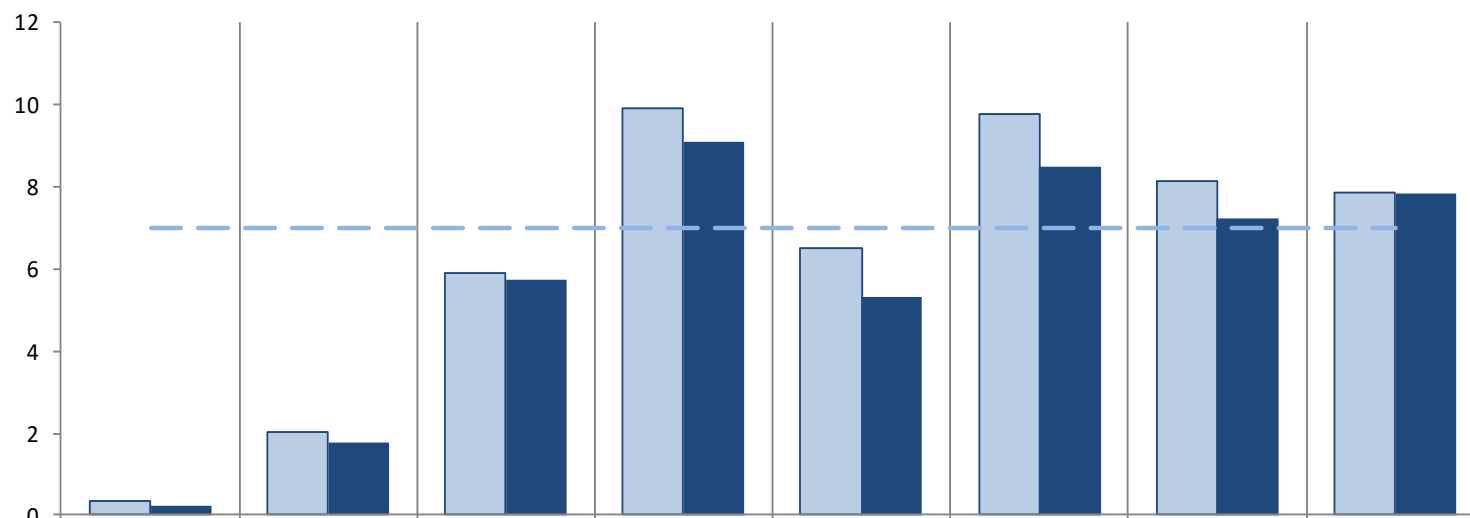


Total Fund Performance

Current Benchmark:

40% MSCI ACWI (Net Dividends)
 14.00% Burgiss All Private Equity
 benchmark (1q lag) (BAPE)
 18.00% Bloomberg US Universal Bond
 13.00% NCREIF Property
 (1Qtr in Arrears Monthized)
 7.00% Quarterly (4 qtrs.) smoothed CPI
 +1.20% per quarter
 5.00% 90 Day T-Bill (1q lag) + 4.5%
 3.00% FTSE 30 Day T-Bill

Total Fund (Net) OSERS Policy Actuarial Rate



Actuarial Rate

(7.0% effective 07/01/2021, adopted 04/15/2021)

	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD*
Total Fund (Gross)	0.37	2.05	6.34	10.63	7.27	10.45	8.84	8.45
Total Fund (Net)	0.35	2.02	5.90	9.88	6.50	9.74	8.14	7.90
OSERS Policy	0.22	1.76	5.73	9.11	5.32	8.49	7.21	7.83
Value Added (Net of Fee)	0.13	0.26	0.17	0.77	1.19	1.25	0.93	0.07
Estimated Cumulative Net Value Added (\$MM)**	\$26.1	\$49.6	\$31.4	\$142.0	\$695.8	\$1,202.4	\$1,904.1	

Source: BNY Mellon GRS

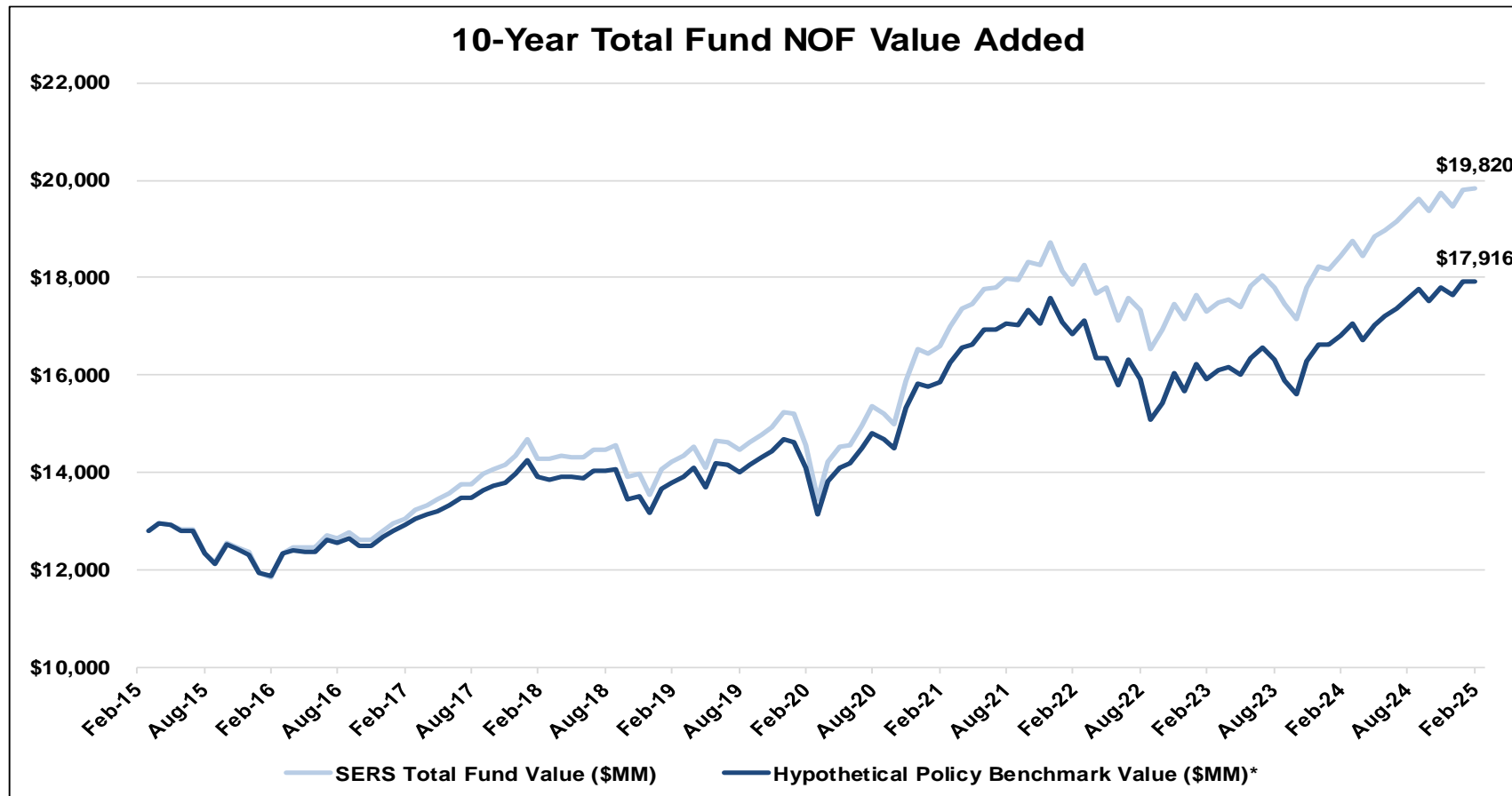
*ITD is Inception date 10/1/1994 (30 years and 5 months)

**For each period, calculated as the difference between the actual change in fund assets and the hypothetical change in fund assets under a benchmark-returns scenario.

**Assumes portfolio in benchmark-returns scenario is rebalanced monthly to target weights after deducting calculated net cash flow, with no allowance for fees.



Total Fund Performance



Source: BNY Mellon GRS

*Calculated as the hypothetical change in fund assets under a policy benchmark-returns scenario.

Fiscal Year Net Excess Return (%)									
FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
(0.22)	0.33	1.50	0.86	0.06	(0.64)	2.66	3.01	0.23	0.90

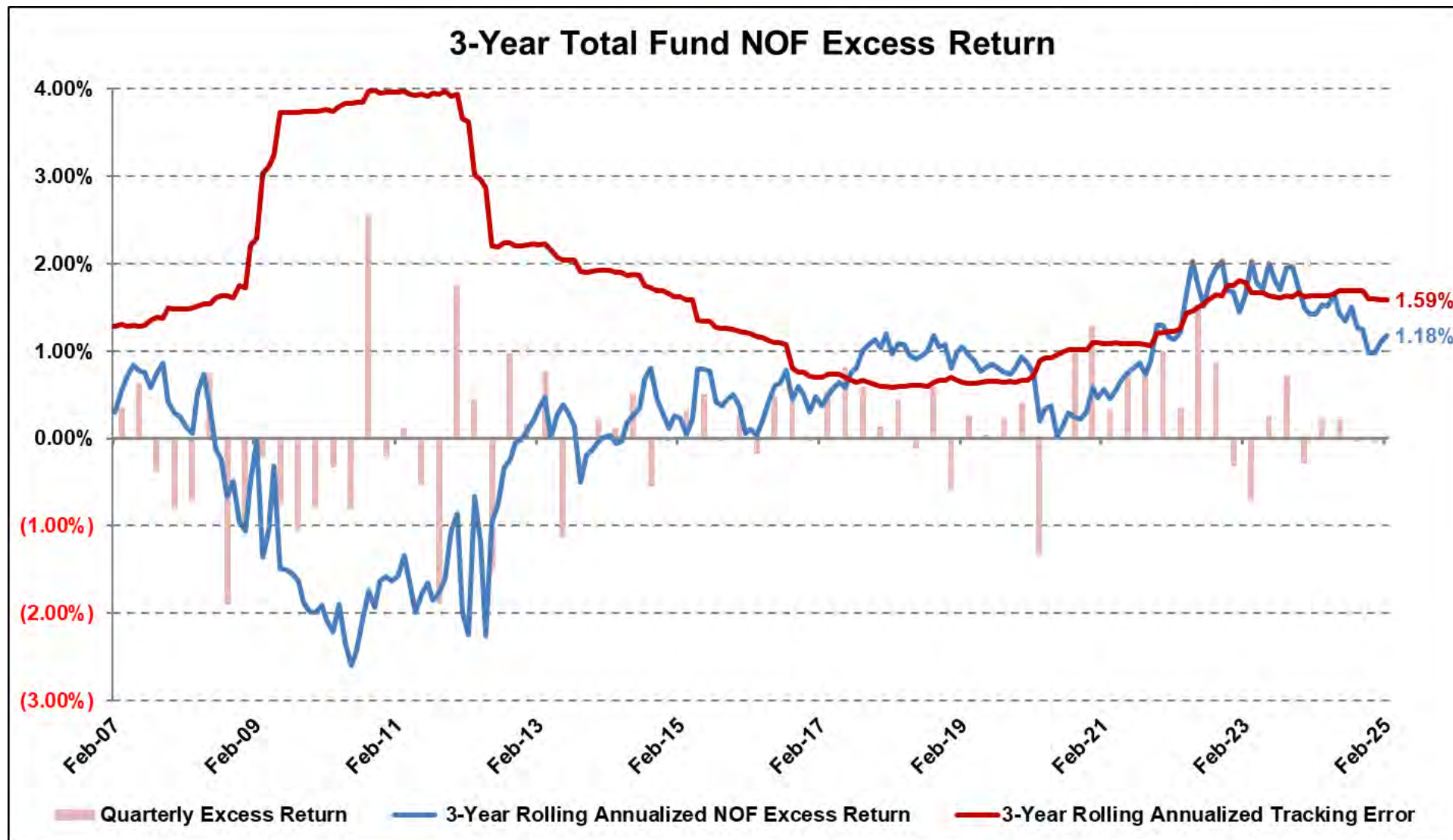
Source: BNY Mellon GRS

*Calculated as the hypothetical change in fund assets under a policy benchmark-returns scenario.

*Assumes portfolio in benchmark-returns scenario is rebalanced monthly to target weights after deducting calculated net cash flow, with no allowance for fees.

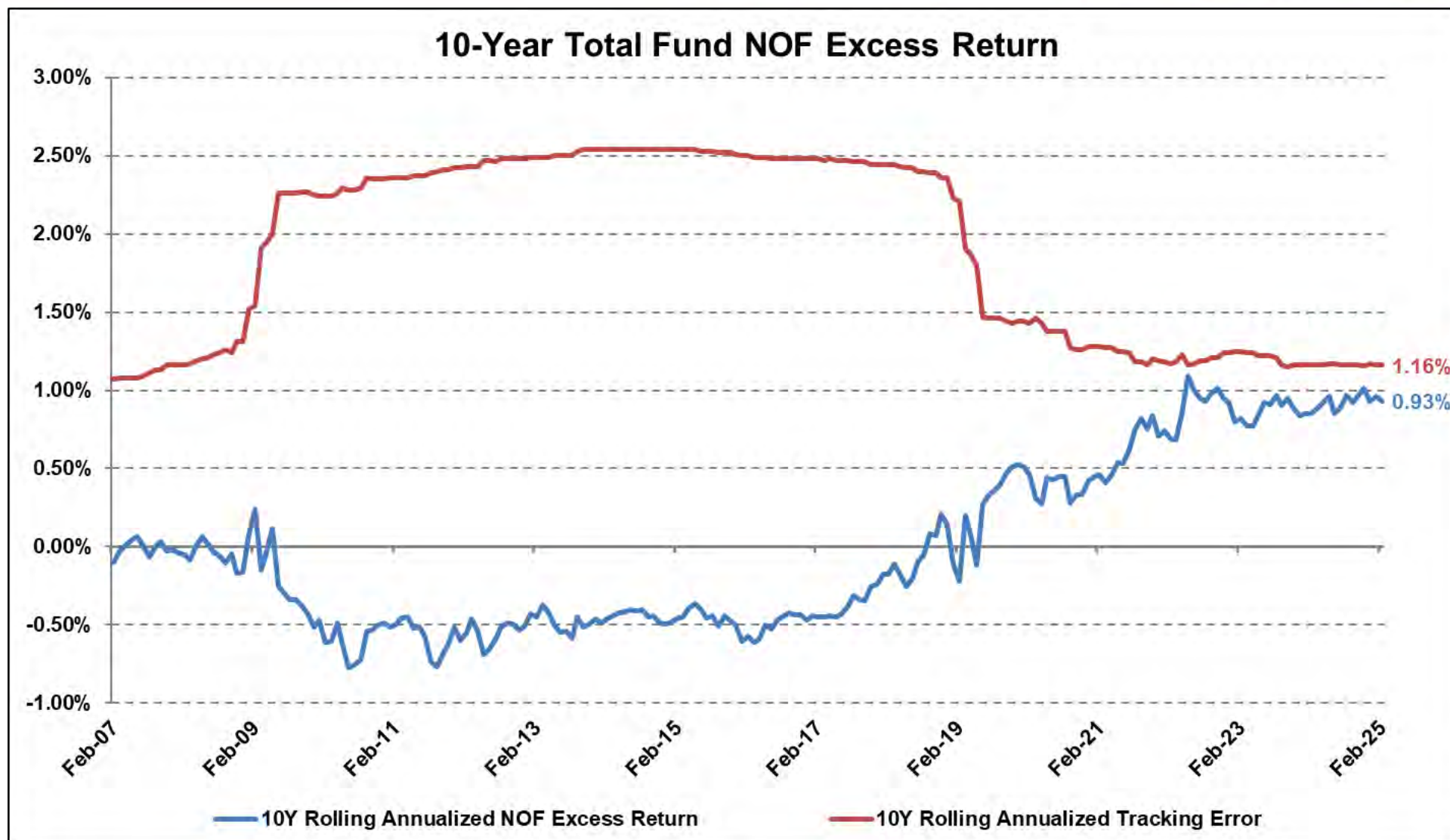


Total Fund Performance



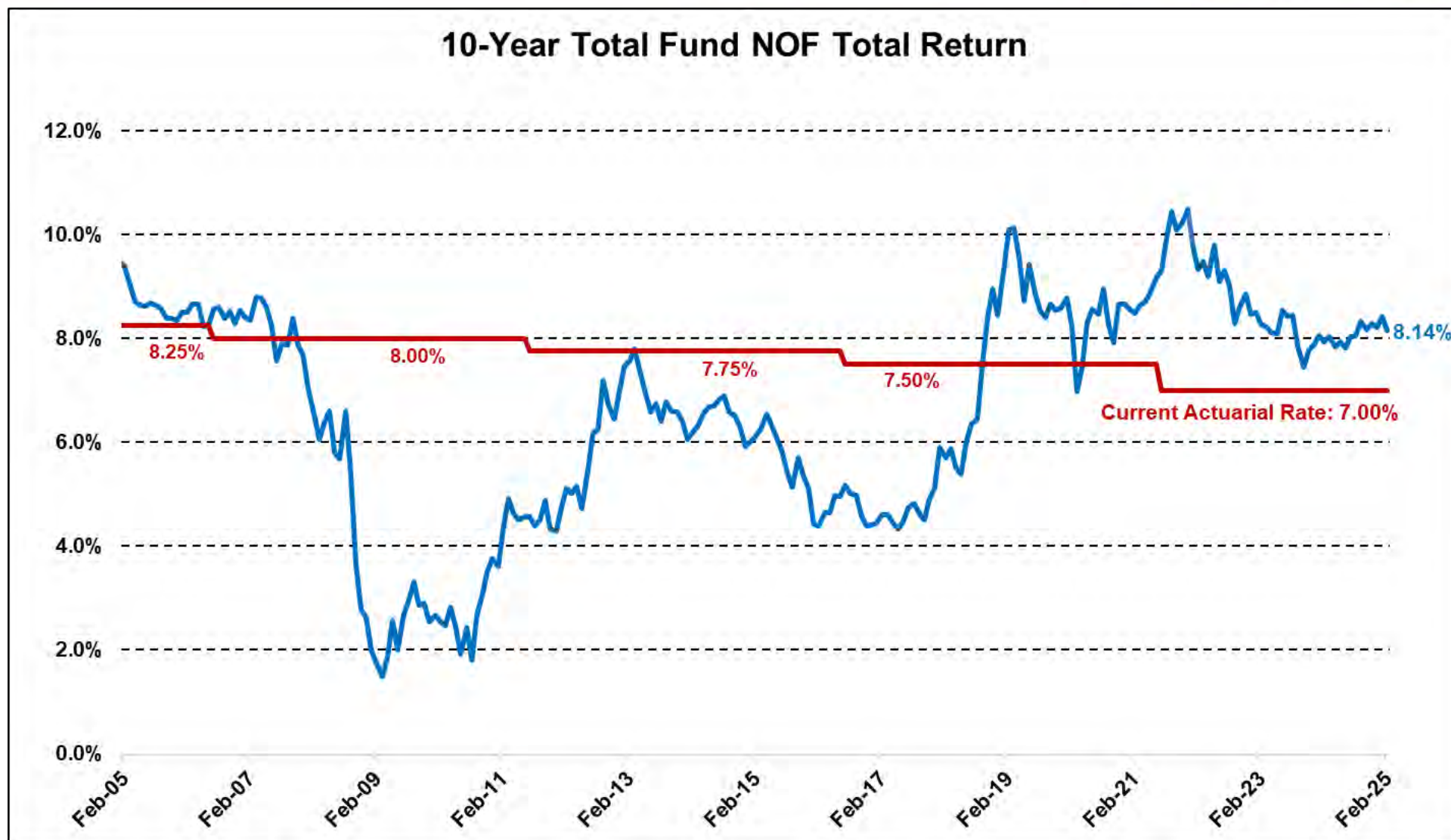


Total Fund Performance



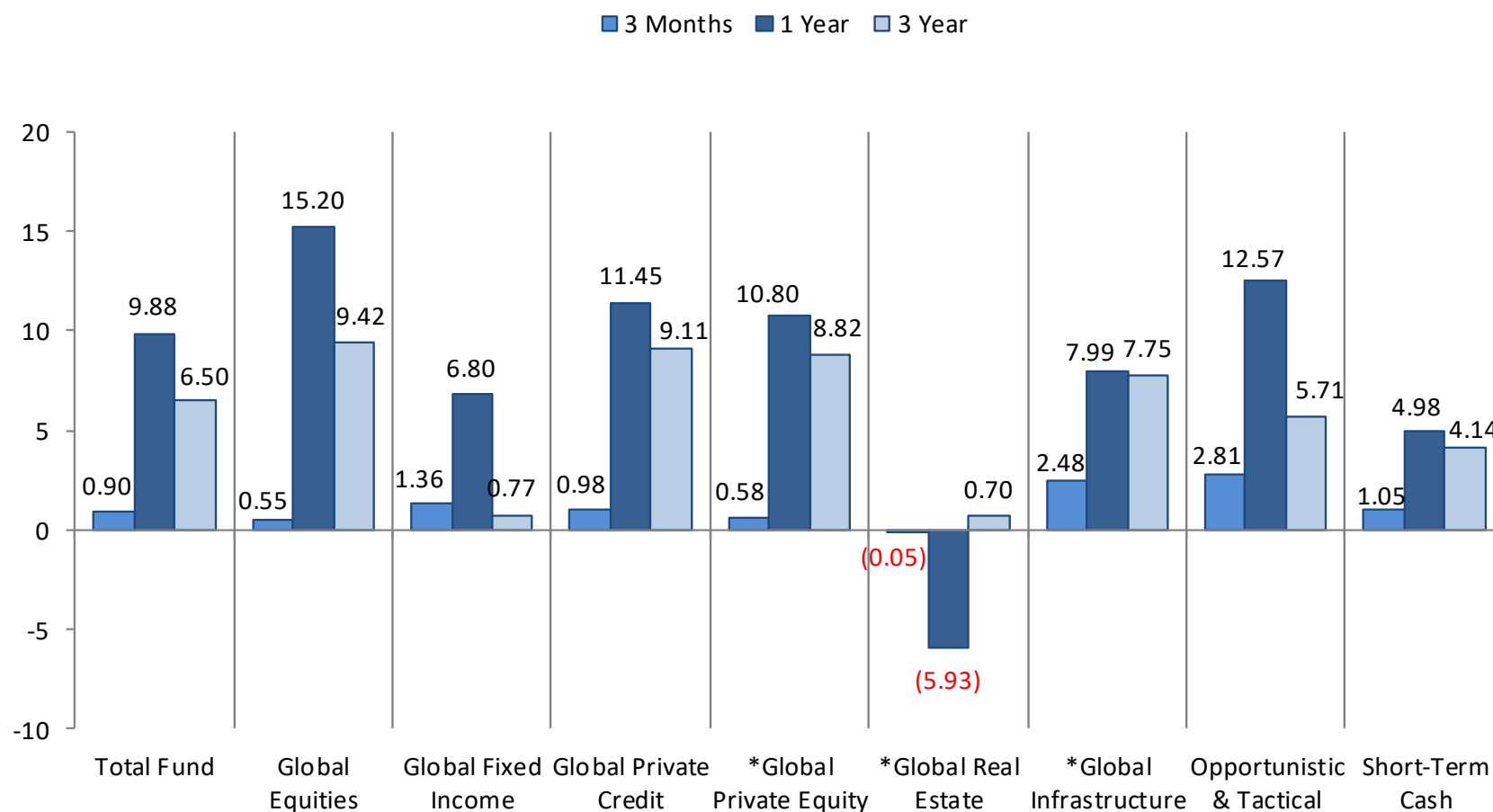


Total Fund Performance





Total Fund and Asset Class Performance (Net)



* Global Private Equity, Global Real Estate, and Global Infrastructure results are as of 12/31/2024

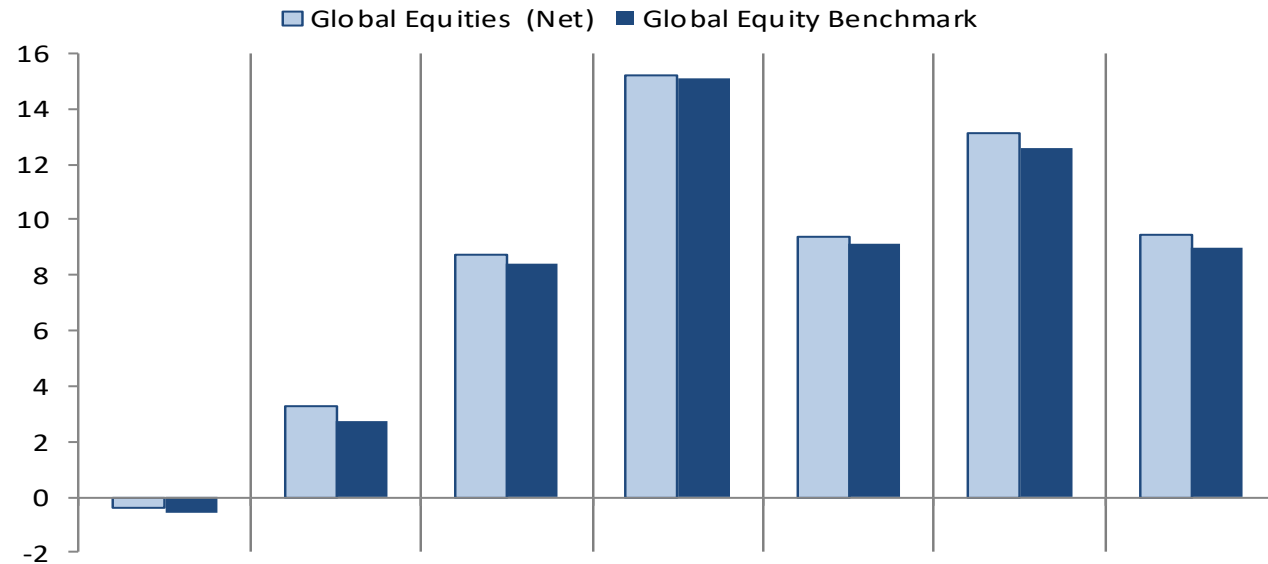
Source: BNY Mellon GRS



Global Equities Performance

Current Benchmark:

MSCI ACWI (Net Dividends)



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Global Equities (Gross)	(0.32)	3.27	8.87	15.49	9.74	13.47	9.78
Global Equities (Net)	(0.36)	3.24	8.71	15.20	9.42	13.14	9.45
Global Equity Benchmark	(0.60)	2.73	8.45	15.06	9.16	12.59	8.97
Value Added (Net of Fee)	0.24	0.51	0.26	0.14	0.26	0.55	0.47
Regional US Equity	(1.89)	1.25	9.94	16.93	10.87	15.40	11.84
Russell 3000 Index	(1.92)	1.18	10.31	17.53	11.59	16.12	12.36
Value Added (Net of Fee)	0.04	0.07	(0.37)	(0.61)	(0.72)	(0.72)	(0.53)
Regional Non-US Equity	0.99	5.34	4.91	9.16	4.79	8.71	6.02
Custom Non-US Equity BM	1.39	5.47	5.32	9.65	4.62	7.50	4.80
Value Added (Net of Fee)	(0.40)	(0.13)	(0.41)	(0.49)	0.16	1.21	1.23

Source: BNY Mellon GRS

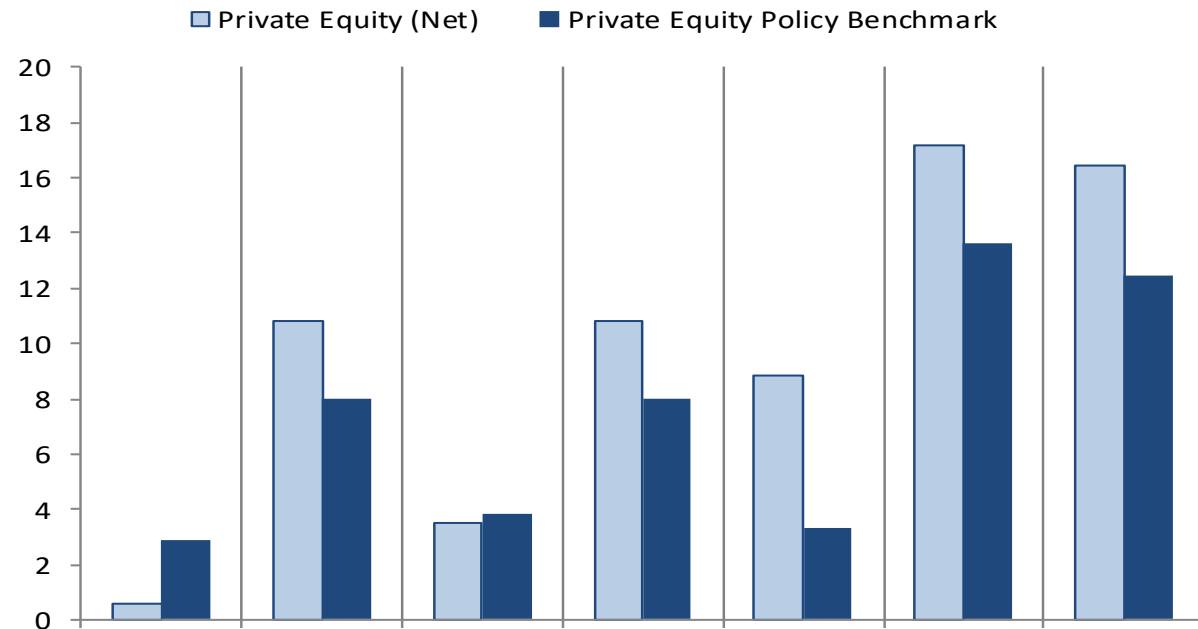


Global Private Equity Performance

Results as of: 12/31/2024

Current Benchmark:

Burgiss All Private Equity Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Private Equity (Gross)	1.32	12.79	4.72	12.79	10.73	19.10	18.17
Private Equity (Net)	0.58	10.80	3.48	10.80	8.82	17.18	16.44
Private Equity Policy Benchmark	2.90	8.01	3.81	8.01	3.35	13.60	12.47
Value Added (Net of Fee)	(2.32)	2.79	(0.32)	2.79	5.48	3.58	3.97

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

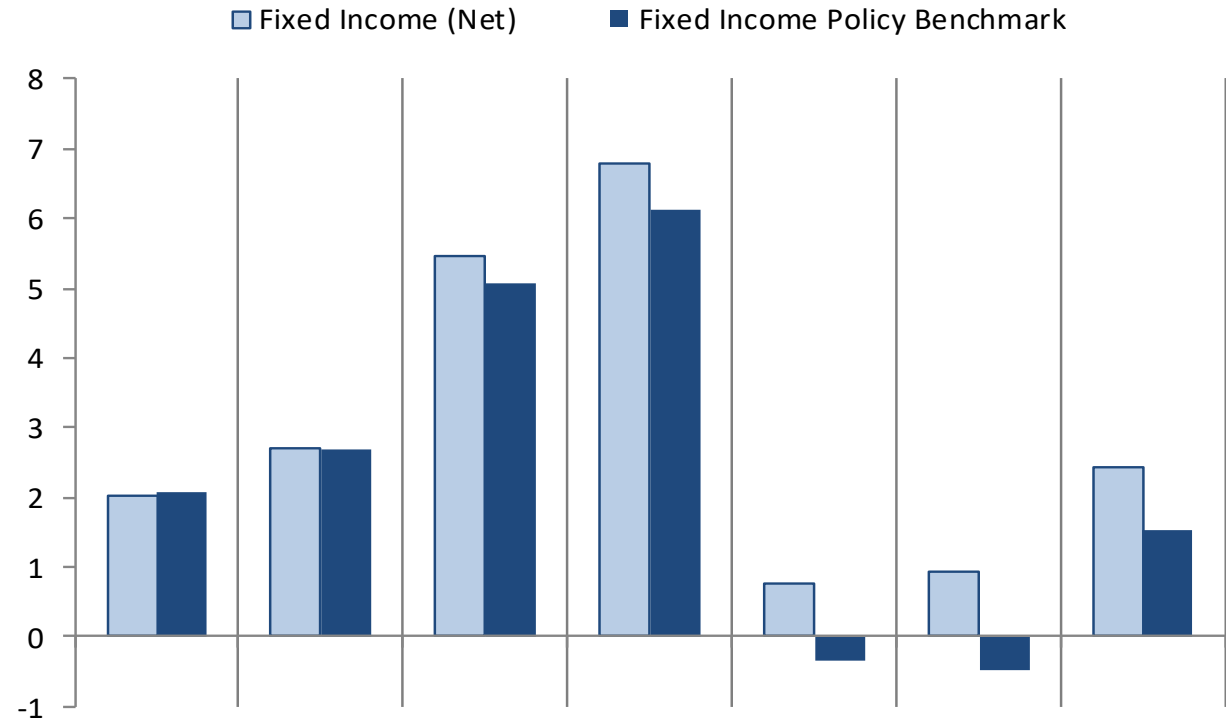
Global Private Equity performance is reported one quarter in arrears.



Global Fixed Income Performance

Current Benchmark:

Bloomberg US Universal Bond Index



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Fixed Income (Gross)	2.04	2.73	5.61	7.07	1.03	1.18	2.68
Fixed Income (Net)	2.03	2.71	5.44	6.80	0.77	0.92	2.44
Fixed Income Policy Benchmark	2.07	2.68	5.07	6.11	(0.34)	(0.47)	1.54
Value Added (Net of Fee)	(0.04)	0.02	0.37	0.69	1.10	1.38	0.90

Source: BNY Mellon GRS

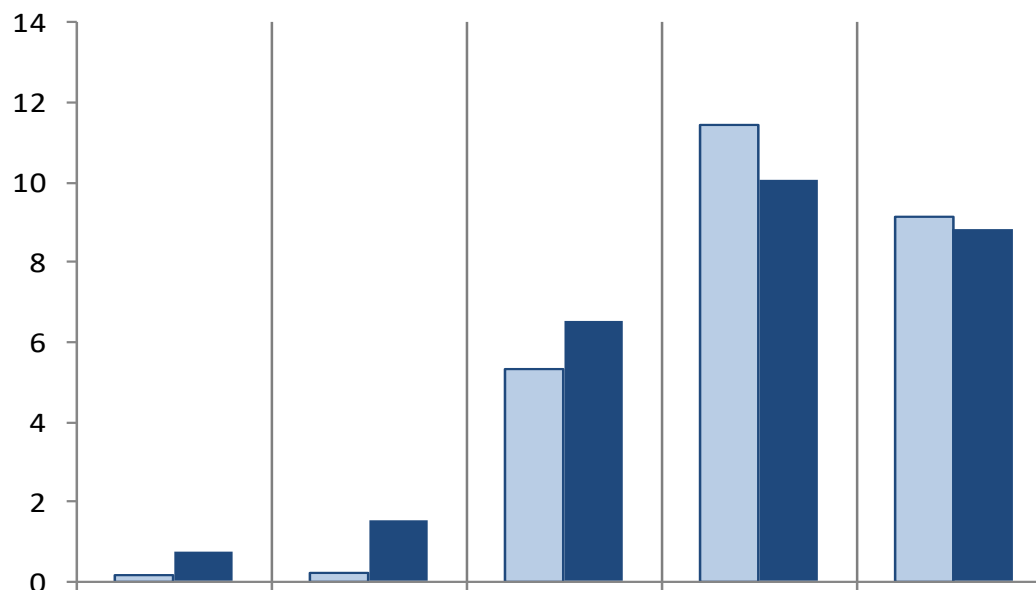


Global Private Credit Performance

■ Global Private Credit (Net) ■ Global Private Credit Policy Benchmark

Current Benchmark:

90 Day T-Bill (1q lag) + 4.5%



	1 Month	CYTD	FYTD	1 Year	3 Year
Global Private Credit (Gross)	0.18	0.23	6.06	13.00	10.63
Global Private Credit (Net)	0.16	0.22	5.33	11.45	9.11
Global Private Credit Policy Benchmark	0.75	1.53	6.54	10.03	8.85
Value Added (Net of Fee)	(0.59)	(1.32)	(1.21)	1.42	0.26

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.



Global Real Estate Performance

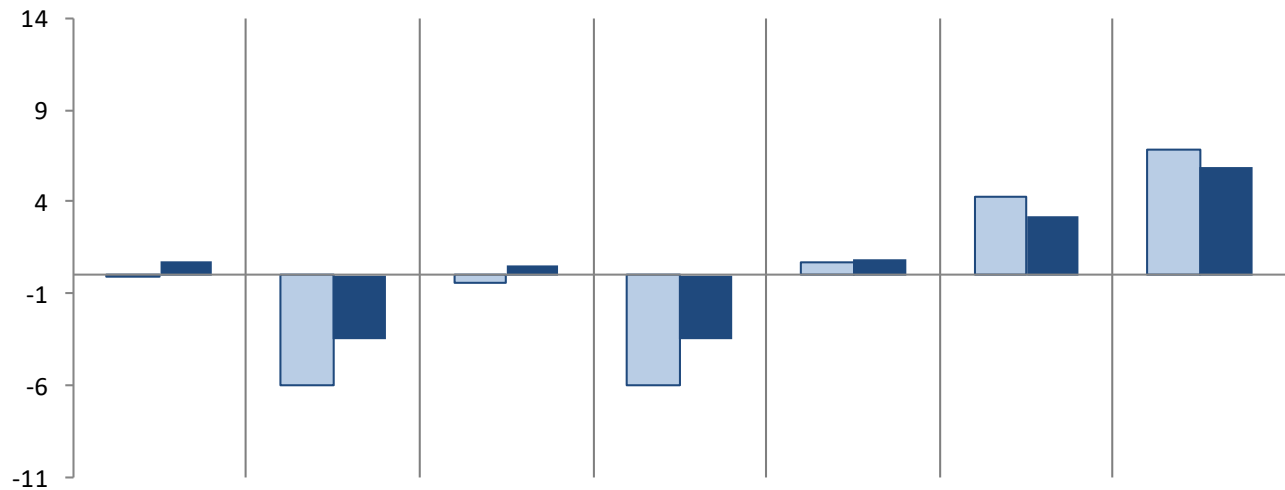
Results as of: 12/31/2024

Real Estate Portfolio (Net)

Real Estate Policy Benchmark

Current Benchmark:

NCREIF Property Index (1q lag)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Real Estate Portfolio (Gross)	0.14	(5.15)	0.02	(5.15)	1.53	5.15	7.87
Real Estate Portfolio (Net)	(0.05)	(5.93)	(0.40)	(5.93)	0.70	4.26	6.87
Real Estate Policy Benchmark	0.78	(3.47)	0.52	(3.47)	0.87	3.26	5.88
Real Estate Value Added (NOF)	(0.83)	(2.46)	(0.93)	(2.46)	(0.18)	1.00	0.99
Real Estate Core (Net)	0.34	(5.92)	(0.24)	(5.92)	1.64	4.99	7.14
Real Estate Policy Benchmark	0.78	(3.47)	0.52	(3.47)	0.87	3.26	5.88
Real Estate Core Value Added (NOF)	(0.44)	(2.45)	(0.77)	(2.45)	0.77	1.73	1.26
Real Estate Non-Core (Net)	(1.50)	(7.34)	(2.20)	(7.34)	(2.52)	0.93	5.89
Real Estate Policy Benchmark	0.78	(3.47)	0.52	(3.47)	0.87	3.26	5.88
Real Estate Non-Core Value Added (NOF)	(2.29)	(3.87)	(2.73)	(3.87)	(3.40)	(2.33)	0.01

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Real Estate performance is reported one quarter in arrears.

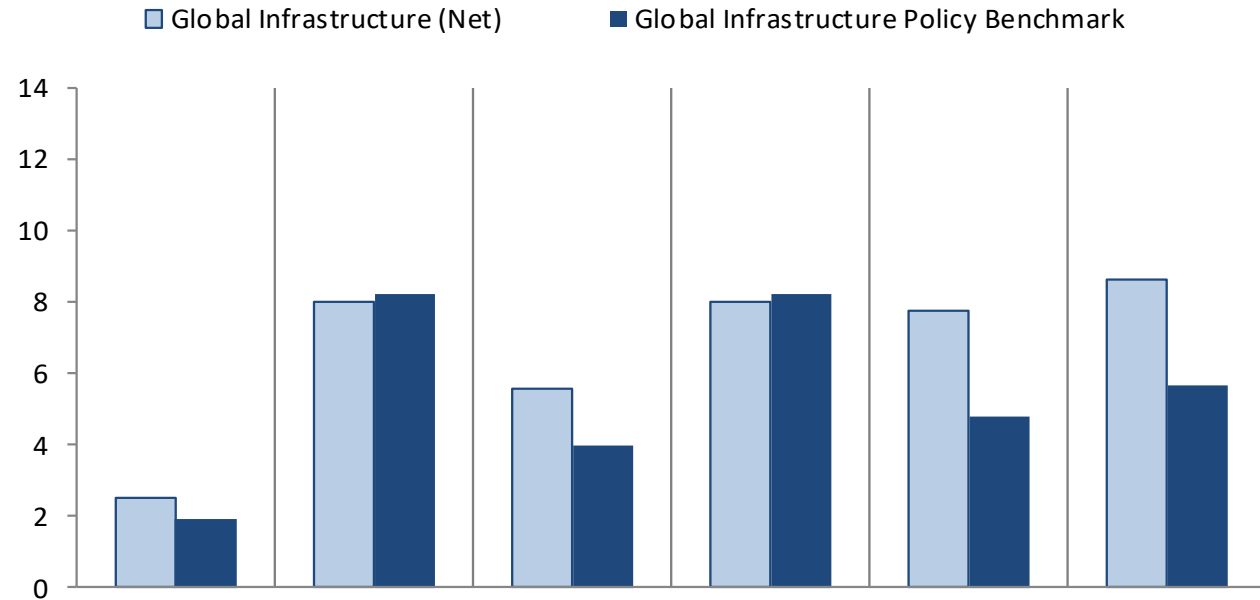


Global Infrastructure Performance

Results as of: 12/31/2024

Current Benchmark:

Quarterly (4 qtrs.) smoothed CPI
+1.20% per quarter



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year
Global Infrastructure (Gross)	2.76	9.19	6.25	9.19	8.79	9.43
Global Infrastructure (Net)	2.48	7.99	5.59	7.99	7.75	8.60
Global Infrastructure Policy Benchmark	1.94	8.23	3.94	8.23	4.79	5.65
Global Infrastructure Value Added (NOF)	0.54	(0.25)	1.65	(0.25)	2.96	2.94

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Infrastructure performance is reported one quarter in arrears.

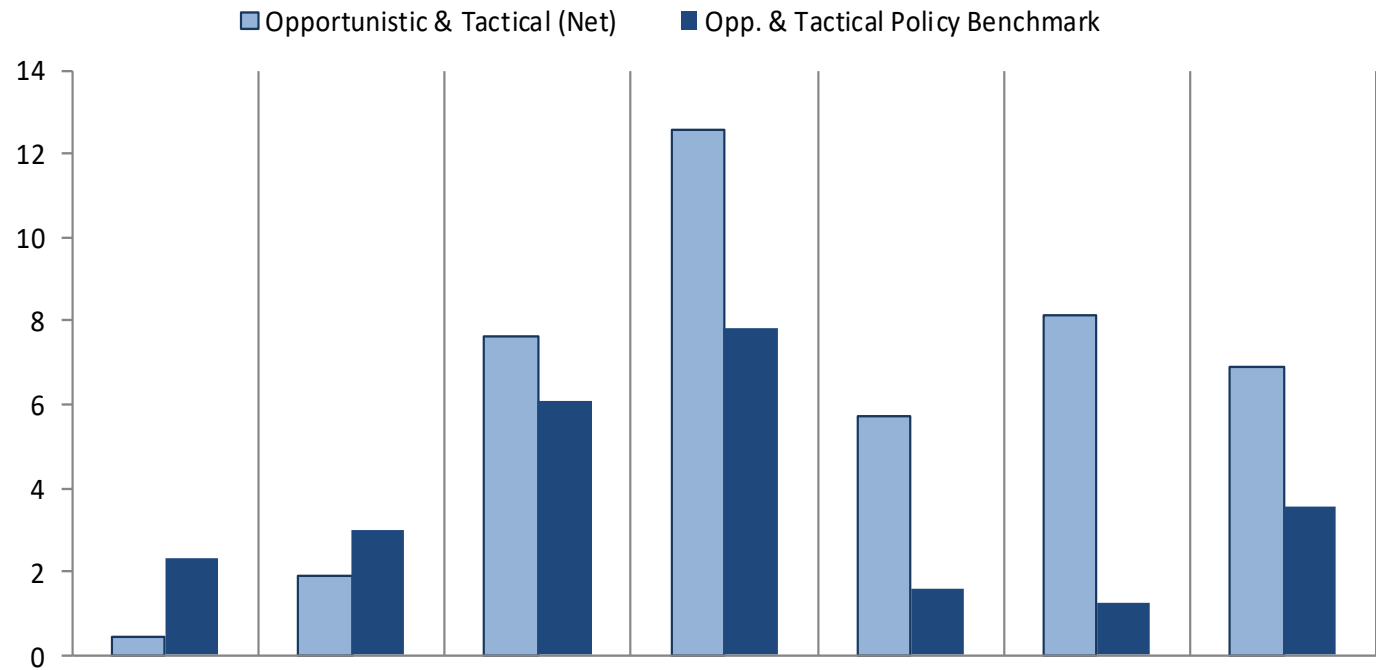


Opportunistic & Tactical Performance

Current Benchmark:

Bloomberg Aggregate

Bond Index + 2%



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Opportunistic & Tactical (Gross)	0.43	1.93	8.15	13.75	6.83	9.34	8.28
Opportunistic & Tactical (Net)	0.43	1.93	7.61	12.57	5.71	8.12	6.92
Opp. & Tactical Policy Benchmark	2.32	3.00	6.06	7.81	1.57	1.26	3.58
	(1.89)	(1.07)	1.55	4.77	4.14	6.86	3.33

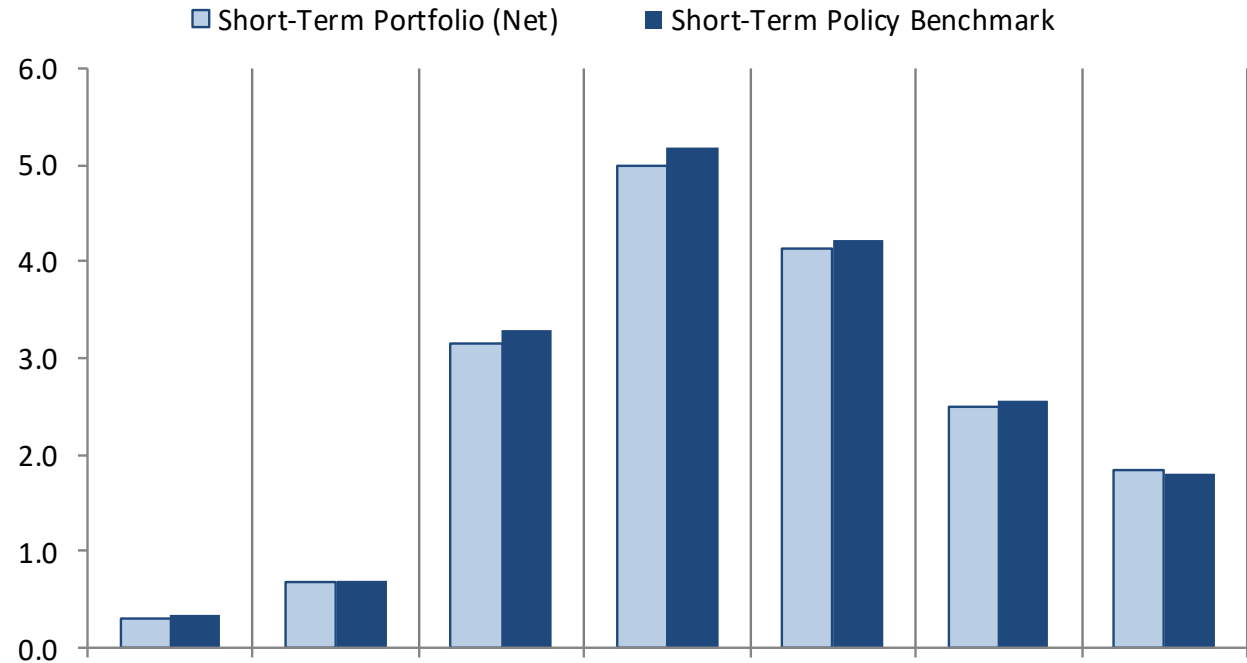
Source: BNY Mellon GRS



Short-Term Performance

Current Benchmark:

FTSE 30 Day Treasury Bill Index



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Short-Term Portfolio (Gross)	0.31	0.68	3.16	4.98	4.14	2.49	1.85
Short-Term Portfolio (Net)	0.31	0.68	3.16	4.98	4.14	2.49	1.85
Short-Term Policy Benchmark	0.33	0.70	3.30	5.18	4.22	2.56	1.81
Value Added (Net of Fee)	(0.02)	(0.02)	(0.14)	(0.20)	(0.08)	(0.07)	0.04

Source: BNY Mellon GRS



Overlay Performance

	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Overlay Cumulative Net Value Added (\$MM)	\$3.9	\$3.9	(\$27.6)	(\$47.9)	(\$76.8)	(\$29.8)	(\$12.5)
Overlay Cumulative Net Value Added (%)	0.01	0.01	(0.17)	(0.41)	(0.16)	(0.05)	(0.02)

Source: BNY Mellon GRS



Proposed Investment Agenda – Next Meeting

- Wilshire Quarterly Performance Report (March 31, 2025)
- Quarterly Investment Report (March 31, 2025)
- FY26 Annual Investment Plan - draft discussion
- FY26 Investment Department Incentive Program (possible vote)

Memo

To: Retirement Board
From: Chris Collins
cc: Richard Stensrud, Karen Roggenkamp
Date: April 4, 2025
Re: Federal Legislative Report

WINDFALL ELIMINATION PROVISION (WEP) AND GOVERNMENT PENSION OFFSET (GPO) UPDATE

Starting in February Social Security began to pay retroactive benefits and increasing monthly benefit payments to people whose benefits have been affected by the WEP and GPO due to the Social Security Fairness Act.

To date over 207,000 Ohioans have received retroactive Social Security payments in the amount of \$1.48 billion. That is the third most of any state behind only California and Texas. Social Security indicates that 75% of total expected benefit adjustments have been made.

The Social Security Administration continues to urge patience as they continue to process retroactive benefit payments. Callers to SSA's National 800 Number hear a message about the Act. This message is intended to help people avoid holding for a representative. However, SSA says more than 6,000 people each day still choose to wait to speak to a representative about the Act. They expect calls, as well as visitors and appointments in local offices, will continue to increase over the coming weeks and months. This uptick is occurring at the same time that the Trump administration is cutting SSA staff and closing local offices.

TRUMP ADMINISTRATION

On April 2nd, President Trump signed an Executive Order declared a national emergency on trade while also implementing "baseline tariffs" of 10 percent on goods from all countries and "reciprocal" import fees for items from countries deemed the "worst offenders" on trade practices. The latter category will be implemented on a country-by-country basis for about 60 countries. These included a new tariff of 34 percent on Chinese goods, on top of the 20 percent levy imposed in February as Trump accused Beijing of not doing enough to stop the flow of fentanyl and its precursors into the United States. It is also in addition to existing tariffs on goods including some appliances, machinery and clothing that were already as high as 45 percent after Trump's first round of tariffs.

White House Press Secretary Karoline Leavitt said that retirees worried that their 401(k) accounts could take massive hits had "legitimate concerns." The tariffs are part of Trump's push, she said, "to protect future generations of the senior citizens ... to ensure that there are jobs here in the United States of America for their children."

In response China has said that it will impose an additional 34 percent tariff on U.S. goods, matching the hike in levies targeting China by President Trump that Beijing called “inconsistent with international trade rules.”

The development signaled more pain on Wall Street, where the Dow Jones Industrial Average slumped more than 2 percent, roughly 1,000 points, at the opening bell on Friday, April 4th. The S&P 500 and tech-heavy Nasdaq also shed well over 2 percent.

China’s measures came as stock markets in Asia and Europe fell sharply as well, continuing the steep declines recorded in the United States, amid fears of a full-blown global trade war and an economic recession sparked by Trump’s tariff blitz.

DEBT LIMIT UPDATE

On March 26th, the Congressional Budget Office (CBO) released their estimate stating that if the debt limit remains unchanged, the U.S.’ ability to borrow will be exhausted around August or September of this year.

The CBO stated that if borrowing needs between March and July are “significantly greater” than 36 percent of total borrowing, it could exceed the combined \$820 billion in cash and extraordinary measures estimated to be available during this time. As a result, the Treasury would run out of resources before August 1st. If projected borrowing for the year totals 25 percent, or \$500 billion, through July, extraordinary measures “might last through the end of September.” The office expressed that if borrowing this year “diverged significantly” from historical patterns, it could result in the exhaustion date being earlier or later than its projection, but any remaining extraordinary measures would “probably” be exhausted after September 30th.

This is because in addition to monthly payments due, the Treasury will have to “issue more than \$150 billion in special-issue securities to the Military Retirement Fund”. An extension of the debt limit was included in the House-passed budget resolution to be acted upon later in a budget reconciliation package. The agreement between House and Senate Republicans on their budget approach suggests a debt limit increase will be included in a final joint budget resolution – meaning the debt limit timing could be an action-forcing event for the budget reconciliation, but that deadline may be August.

FEDERAL BUDGET

On March 25th, Senate Majority Leader John Thune (R-SD) and Speaker Mike Johnson (R-LA) met with Treasury Secretary Scott Bessent and Director of the National Economic Council Kevin Hassett. Following the meeting, both Majority Leader Thune and Speaker Johnson indicated that the party is moving closer to an agreement for “one big, beautiful bill” including how to increase the debt limit and that it should be included in the bill.

On April 2nd, Senate Republicans released a 70-page budget resolution including significant measure to permanently extend the 2017 tax cuts, increasing the debt ceiling by up to \$5 trillion, enhancing funding for border security and national defense, and implementing substantial spending reductions across various government sectors. Senate Republicans got over the first procedural hurdle April 3rd on their revised budget resolution needed to move forward with a filibuster-proof reconciliation bill. But it wasn’t a sure thing going in, raising questions about the simple majority needed for final adoption sometime this weekend. The 52-48 vote on the motion to proceed to the budget blueprint started the clock on up to 50 hours of debate.

While Republicans are getting closer to a compromise joint budget, many obstacles still remain including potential Medicaid cuts.

House Majority Leader Steve Scalise (R-LA) has said a final budget vote in the House is not assured before the April recess, even if the Senate passes a budget resolution due to any changes the Senate may make to the current version of the House bill. The joint budget resolution with reconciliation instructions will unlock the ability to act on a tax package later this spring or summer.

HEALTH CARE

Dr. Oz's Nomination Confirmed by Senate

The Senate confirmed Mehmet Oz to lead the Centers for Medicare and Medicaid Services in a party-line vote of 53-45 Thursday, April 3rd, placing him in charge of overseeing more than \$1 trillion in annual spending.

During his confirmation hearing before the Senate Finance committee last month, Democrats expressed concern that Dr. Oz would support cuts to Medicaid, particularly given Republican proposals to reduce federal funding, and his responses were noncommittal about defending Medicaid against budget cuts. Senators also raised concerns about potential conflicts of interest, given Dr. Oz's past financial holdings in a Medicare Advantage insurer and other investments in health care and pharmaceutical companies. However, despite some pushback from Democrats, his hearing was relatively uncontentious. The committee voted along party lines to advance Dr. Mehmet Oz's nomination as CMS Administrator to the full Senate.

HHS has restructuring plans, including layoffs

The U.S. Department of Health and Human Services (HHS) announced that it will be making structural changes, including cutting 10,000 full-time employees across health agencies. The layoffs will reduce the size of HHS from 82,000 to 62,000 full-time employees, saving taxpayers \$1.8 billion per year. Included in the layoffs are 3,500 cuts at the Food and Drug Administration (FDA), 2,400 at the Centers for Disease Control and Prevention (CDC), 1,200 at the National Institutes of Health (NIH), and 300 at the Centers for Medicare and Medicaid Services (CMS).

The announcement also includes plans to reduce the number of divisions from 28 to 15 and the number of regional divisions from 10 to five.

In the announcement, HHS shared there will be a new Assistant Secretary for Enforcement who will oversee the Departmental Appeals Board (DAB), Office of Medicare Hearings and Appeals (OMHA), and the Office of Civil Rights (OCR) to combat waste, fraud, and abuse.

The reorganization will also lead to HHS implementing its new priority of ending the chronic disease epidemic by focusing on "wholesome food, clean water, and the elimination of environmental toxins." In a statement, HHS Secretary Robert F. Kennedy, Jr. said, "Over time, bureaucracies like HHS become wasteful and inefficient even when most of their staff are dedicated and competent civil servants. This overhaul will be a win-win for taxpayers and for those that HHS serves. That's the entire American public, because our goal is to Make America Healthy Again."

FEDERAL LEGISLATION BOARD REPORT
119th United States Congress
(Prepared by Chris Collins as of April 4, 2025)

H.Con.Res.14

SPONSOR: Rep. Arrington, Jodey C. [R-TX-19]

LAST ACTIONS: Senate – 04/02/2025 Received in the Senate. Read twice. Placed on the Senate Legislative Calendar under General Orders. Calendar No. 38.

CAPTION: Establishing the congressional budget for the United States Government.

COMMENT: This concurrent resolution establishes the congressional budget for the federal government for FY2025, sets forth budgetary levels for FY2026-FY2034, and provides reconciliation instructions for legislation that increases or decreases the deficit and increases the statutory debt limit by specified amounts.

S.526

SPONSOR: Sen. Grassley, Chuck [R-IA]

LAST ACTIONS: Senate - 02/11/2025 Read twice and referred to the Committee on Commerce, Science, and Transportation.

CAPTION: Pharmacy Benefit Manager (PBM) Transparency Act:

COMMENT: A bill to prevent unfair and deceptive acts or practices and the dissemination of false information related to pharmacy benefit management services for prescription drugs, and for other purposes.

H.R.950

SPONSOR: Rep. Landsman, Greg [D-OH-1]

LAST ACTIONS: House - 02/04/2025 Referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

CAPTION: Saving Seniors Money on Prescriptions Act

COMMENT: To amend title XVIII of the Social Security Act to establish pharmacy benefit manager reporting requirements with respect to prescription drug plans and MA-PD plans under Medicare part D.

STATE LEGISLATION BOARD REPORT
(Prepared by Chris Collins as of April 4, 2025)

136th General Assembly

SB69 INTENTION TO REFORM-STATE PUBLIC RETIREMENT SYSTEMS (Romanchuk, M) - To declare the General Assembly's intent to enact legislation to reform the law governing the state's public retirement systems.

Current Status: 02/12/2025 Referred to Financial Institutions, Insurance and Technology Committee

HB96 OPERATING BUDGET (Stewart, B) - To make operating appropriations for the biennium beginning July 1, 2025, and ending June 30, 2027, to levy taxes, and to provide authorization and conditions for the operation of state programs.

Current Status: 04/02/2025 House Finance, (Eighth Hearing)

HB116 DIGITAL ASSET MINING, TAXATION, REGULATION (Demetriou, S) - To address mining, taxation, and regulation of digital assets and digital asset investments by the state retirement systems.

Current Status: 03/25/2025 House Technology and Innovation, (Second Hearing)

Finance Headline News – April 2025



- Budget Administration
 - FY25 SERS administrative expenses are tracking under budget through March 2025
 - Medical and Prescription claims continue to be a concern
 - Expect higher professional services in 4th quarter due to Clearwater implementation
 - FY26 detailed draft budget will be presented in May.
- The following detailed reports are attached for further analysis:
 - FY26 Draft Budget Report to ORSC
 - FY25 Budget Administrative expense reports
 - Administrative expense summary for March 2025
 - Administrative expense detail for March 2025
 - Parameters report for March 2025
 - Financial highlights
 - As of February 2025

School Employees Retirement System of Ohio

SERS Detail Admin Expenses

Mar 2025

Financial Row	Vendor Bill Name	Amount
Detail Admin Expenses		
Expense		
53100.0 - Staff Salaries Expense		
53100 - Salaries & Wages		
	0133 ADP, LLC	\$1,288,607.56
Total - 53100 - Salaries & Wages		\$1,288,607.56
53110 - Salaries & Wages - Overtime		
	0133 ADP, LLC	\$2,597.77
Total - 53110 - Salaries & Wages - Overtime		\$2,597.77
53111 - Vacation Leave Expense		
	0133 ADP, LLC	\$118,743.00
Total - 53111 - Vacation Leave Expense		\$118,743.00
53112 - Sick Leave Expense		
	0133 ADP, LLC	\$53,665.26
Total - 53112 - Sick Leave Expense		\$53,665.26
53113 - Voluntary Life Insurance Reimbursement		
	0133 ADP, LLC	\$119.58
Total - 53113 - Voluntary Life Insurance Reimbursement		\$119.58
Total - 53100.0 - Staff Salaries Expense		\$1,463,733.17
53200.0 - Staff Retirement Contribution Expense		
53200 - Employer Contributions - PERS		
	0133 ADP, LLC	\$192,082.71
Total - 53200 - Employer Contributions - PERS		\$192,082.71
Total - 53200.0 - Staff Retirement Contribution Expense		\$192,082.71
53300.0 - Staff Benefit Expenses		
53300 - Staff Group Life		
	0267 American United Life Insurance Company	\$10,110.17
Total - 53300 - Staff Group Life		\$10,110.17
53310 - Staff Long Term Disability		
	0267 American United Life Insurance Company	\$3,643.80
Total - 53310 - Staff Long Term Disability		\$3,643.80
53315 - Staff Short Term Disability		
	0267 American United Life Insurance Company	\$3,218.49
Total - 53315 - Staff Short Term Disability		\$3,218.49
53320 - Staff Group Health Claims		
	3555 Aetna Daily Wires - ESERS	\$391,711.97
Total - 53320 - Staff Group Health Claims		\$391,711.97
53321 - Staff Group Health - Admin Fees		
	3552 Aetna Admin - ESERS	\$7,986.79
Total - 53321 - Staff Group Health - Admin Fees		\$7,986.79
53322 - Staff Prescription Claims		
	2811 Express Scripts - ESERS	(\$7,094.09)
	5271 SaveonSP, LLC	\$2,898.16
Total - 53322 - Staff Prescription Claims		(\$4,195.93)
53324 - Staff Group Health - Stop Loss Admin		
	3552 Aetna Admin - ESERS	\$24,825.51
Total - 53324 - Staff Group Health - Stop Loss Admin		\$24,825.51
53326 - Staff Vision Claims		
	0266 VSP - (OH)	\$2,344.63
Total - 53326 - Staff Vision Claims		\$2,344.63
53327 - Staff Vision Admin Fees		
	0266 VSP - (OH)	\$126.72
Total - 53327 - Staff Vision Admin Fees		\$126.72
53330 - Staff Group Health - Employee Cost		
	Employee Premiums	(\$38,078.38)
Total - 53330 - Staff Group Health - Employee Cost		(\$38,078.38)
53331 - Staff Group Health - Wellness Incentive		
	0133 ADP, LLC	\$3,630.00
Total - 53331 - Staff Group Health - Wellness Incentive		\$3,630.00

53332 - Staff Group Health - Tobacco Premiums	0133 ADP, LLC	(\$560.00)
Total - 53332 - Staff Group Health - Tobacco Premiums		(\$560.00)
53340 - Staff Medicare Premium - Employer	0133 ADP, LLC	\$19,135.59
Total - 53340 - Staff Medicare Premium - Employer		\$19,135.59
53380 - Staff Deferred Compensation Match	0133 ADP, LLC	\$5,025.00
Total - 53380 - Staff Deferred Compensation Match		\$5,025.00
Total - 53300.0 - Staff Benefit Expenses		\$428,924.36
54100 - Actuarial Services	3241 CavMac	\$34,349.50
Total - 54100 - Actuarial Services		\$34,349.50
54300.0 - Banking Fee Expenses		
54310 - Custodial Fees	5482 Fifth Third - Investments	\$21,870.63
	0273 BNY Mellon Asset Servicing	\$29,744.73
Total - 54310 - Custodial Fees		\$51,615.36
54320 - Custodial Banking	0125 Treasurer of State - Warrants	\$34.86
	0386 Huntington National Bank	\$10,986.70
Total - 54320 - Custodial Banking		\$11,021.56
Total - 54300.0 - Banking Fee Expenses		\$62,636.92
54400.0 - Investment Related Expenses		
54410 - Master Recordkeeper Fees	0273 BNY Mellon Asset Servicing	\$95,413.43
Total - 54410 - Master Recordkeeper Fees		\$95,413.43
54420 - Investment Advisory Admin Fees	0484 Wilshire Advisors, LLC	\$112,500.00
Total - 54420 - Investment Advisory Admin Fees		\$112,500.00
54430 - Performance/Analytics Fee	0484 Wilshire Advisors, LLC	\$4,000.00
	0273 BNY Mellon Asset Servicing	\$34,667.66
Total - 54430 - Performance/Analytics Fee		\$38,667.66
54460 - Bloomberg Terminal Rentals	2700 Bloomberg Finance LP	\$6,645.00
Total - 54460 - Bloomberg Terminal Rentals		\$6,645.00
Total - 54400.0 - Investment Related Expenses		\$253,226.09
54520 - Medical Consultant	1021 Glen G Borchers, M.D.	\$3,750.00
Total - 54520 - Medical Consultant		\$3,750.00
54600.0 - Technical Expenses		
54610 - Special Counsel	1921 Porter, Wright, Morris,	\$27.90
	0276 Ice Miller LLP	\$16,253.74
	3361 Seyfarth Shaw LLP	\$43,890.00
Total - 54610 - Special Counsel		\$60,171.64
54620 - Technical	5345 Sigital, LLC	\$4,347.50
	5215 ComResource	\$8,453.75
	5613 Revelwood Incorporated	\$1,322.50
	5648 Oracle America, Inc.	\$6,000.00
	2263 Dell Marketing LP	\$237.68
	3296 LexisNexis Risk Data Management, Inc	\$3,576.93
	5208 ForeFront Web	\$3,150.00
	0354 Merative US L.P.	\$31,000.00
Total - 54620 - Technical		\$58,088.36
54630 - Other Professional Services	4925 Cristo Rey Columbus High School	\$5,000.00
	5031 Vorys Advisors LLC	\$3,666.66
	5877 Nossaman LLP	\$4,363.07
	5060 Kimberly Wickert	\$576.00
	5907 EFileMyForms.Com	\$343.20
	5906 Sovos	\$10.73
	5874 Tax Me, LLC	\$75.00
	5532 CBIZ Talent and Compensation Solutions	\$3,000.00
Total - 54630 - Other Professional Services		\$17,034.66
Total - 54600.0 - Technical Expenses		\$135,294.66

55100 - Postage

0031 Postmaster	\$350.00
0254 Unishippers Association	\$512.00
0060 Pitney Bowes Inc.	\$2,457.05
2489 FedEx	\$33.28
4906 Quadient	\$35.00

Total - 55100 - Postage **\$3,387.33**

55200 - Telecommunications Services

5555 Everstream Solutions LLC	\$1,376.00
0277 XO Verizon	\$3,658.66
5543 Spectrum AWS	\$1,230.00
1605 AT&T - 7258	\$40.10
0087 Spectrum	\$252.31
5665 Total Communication Solutions	\$817.95
0253 T-Mobile	\$59.38
4732 Verizon Wireless	\$161.70

Total - 55200 - Telecommunications Services **\$7,596.10**

55300 - Member/Employer Education

4116 Cameron Vaughan	\$74.97
4834 Event brite	(\$210.00)

Total - 55300 - Member/Employer Education **(\$135.03)**

55400.0 - Printing & Publication Expenses**55400 - Printing Paper**

0407 Sterling Paper Company	\$1,522.00
-----------------------------	------------

Total - 55400 - Printing Paper **\$1,522.00**

55420 - Communications & Publications

5304 Tension Envelope Corporation	\$2,159.14
0407 Sterling Paper Company	\$2,218.50
0112 Millcraft Paper Co.	\$9,866.00

Total - 55420 - Communications & Publications **\$14,243.64**

Total - 55400.0 - Printing & Publication Expenses

\$15,765.64

56000.0 - Computer Support Service Expenses**56020 - Hardware Maintenance**

5910 Service Express, LLC	\$23,141.60
---------------------------	-------------

Total - 56020 - Hardware Maintenance **\$23,141.60**

56030 - Software Maintenance

4615 Open Text, Inc	\$3,225.00
5601 RoadMunk.com - reclassification	(\$632.10)
2263 Dell Marketing LP	\$483.43

Total - 56030 - Software Maintenance **\$3,076.33**

56035 - Software Subscriptions

5473 Wellable LLC	\$481.00
5501 Expedient	\$12,275.58
5422 WordFence	\$149.00
5601 RoadMunk.com	\$632.10
4615 Open Text, Inc - reclassification	(\$3,225.00)
0133 ADP, LLC	\$3,585.41
5208 ForeFront Web	\$4,000.00
5409 Amazon Web Services	\$55.80

Total - 56035 - Software Subscriptions **\$17,953.89**

56040 - Hardware < \$5,000

0411 Amazon.com	\$2,390.02
2263 Dell Marketing LP	\$2,064.19

Total - 56040 - Hardware < \$5,000 **\$4,454.21**

Total - 56000.0 - Computer Support Service Expenses

\$48,626.03

56100.0 - Office Equipment & Supply Expenses**56110 - Equipment Repairs & Maintenance**

5332 Canon Financial Services, Inc	\$544.00
4620 Ricoh USA, Inc	\$930.72
4849 US Bank Equipment Finance	\$2,457.85
5340 Digital Print Solutions	\$1,021.24

Total - 56110 - Equipment Repairs & Maintenance **\$4,953.81**

56130 - Office Supplies & Expenses

0411 Amazon.com	\$31.11
-----------------	---------

Total - 56130 - Office Supplies & Expenses **\$31.11**

Total - 56100.0 - Office Equipment & Supply Expenses

\$4,984.92

56200.0 - Staff Training Expenses
53370 - Staff Tuition

5647 Darin Hartsell \$3,212.00
5905 Ericka Tribune \$6,362.77

Total - 53370 - Staff Tuition \$9,574.77

56210 - Seminars & Conferences

0303 NASRA \$1,730.00
5908 INR Seminars \$84.00
0397 Project Management Institute \$425.00
5362 1105 Media Inc. \$3,875.00
1535 Ohio State University \$250.00

Total - 56210 - Seminars & Conferences \$6,364.00

56220 - In House Training

5892 BookShop.org \$343.39
0411 Amazon.com \$43.86
0133 ADP, LLC \$592.00
1535 Ohio State University \$4,150.00
5611 Steven R Edwards \$600.00

Total - 56220 - In House Training \$5,729.25

Total - 56200.0 - Staff Training Expenses \$21,668.02

56300.0 - Transportation & Travel Expenses

56310 - Travel & Transportation

5100 James Haller \$757.54
5199 Richard Stensrud \$268.97
4283 Potbelly Sandwich Works \$182.06
4891 Tim Horton's \$43.06
4736 Hills Market \$3.29
5418 Matt King \$323.35
5380 Chris Collins \$1,086.94
4246 Sam's Club \$72.52
5639 Aimee Russell \$341.89
0564 Kroger \$103.93
5538 Corporate Caterers \$592.10
0024 James Rossler \$292.75
5419 David McGary \$1,438.04
0017 Daniel L Wilson \$131.00
0009 Catherine Moss \$277.62
5889 Jeanine Alexander \$262.00
4824 Frank Weglarz \$167.66

Total - 56310 - Travel & Transportation \$6,344.72

56311 - Mileage

5100 James Haller \$271.04
5380 Chris Collins \$25.27
5889 Jeanine Alexander \$275.80
0009 Catherine Moss \$242.20
5639 Aimee Russell \$114.94
5418 Matt King \$168.00
0024 James Rossler \$198.80
0017 Daniel L Wilson \$208.60
4824 Frank Weglarz \$228.20

Total - 56311 - Mileage \$1,732.85

Total - 56300.0 - Transportation & Travel Expenses \$8,077.57

56400.0 - Membership & Subscription Expenses

56410 - Subscriptions

4547 Constant Contact \$545.00
0305 Columbus Dispatch \$35.00
0304 Wall Street Journal \$125.73
5865 Cleveland.Com \$10.00
5511 Toledo Blade \$12.99
4810 Shutterstock, Inc. \$29.00
5873 Ned Davis Research \$3,125.00
0571 Thomson Reuters credit (\$287.77)

Total - 56410 - Subscriptions \$3,594.95

56420 - Memberships		
	0302 Coalition to Preserve Retirement Security	\$10,600.00
	0381 Public Relations Society of America	\$267.00
	5029 Capital Square Review and Advisory Board	\$25.00
	5810 Dun & Bradstreet	\$150.49
	0473 Public Pension Financial Forum	\$1,200.00
	0825 Ohio Ethics Commission	\$1,380.00
	Total - 56420 - Memberships	\$13,622.49
Total - 56400.0 - Membership & Subscription Expenses		
56600.0 - Maintenance Expenses		
56630 - Interior Landscaping		
	3039 Ambius Inc. (05)	\$1,396.37
	Total - 56630 - Interior Landscaping	\$1,396.37
56640 - Vehicle Expense		
	5069 Moo Moo Car Wash	\$36.00
	Total - 56640 - Vehicle Expense	\$36.00
Total - 56600.0 - Maintenance Expenses		
56650.0 - Staff Support Expenses		
56620 - Staff Support		
	5574 Aetna Behavioral Health, LLC	\$282.60
	0133 ADP, LLC	\$2,215.00
	0411 Amazon.com	\$808.25
	1683 Premier ProduceOne	\$181.10
	4637 Buckeye Donuts	\$101.45
	0259 Cuyahoga Franklin Group	\$1,470.33
	4750 Inspira Financial	\$346.50
	5303 Culligan Bottled Water of Columbus	\$60.93
	1683 Premier ProduceOne	\$98.10
	3990 Acorn Distributors Inc.	\$663.29
	Total - 56620 - Staff Support	\$6,227.55
56621 - Recruiting Expenses		
	5430 ADP Screening & Selection Services	\$299.10
	5460 Indeed	\$497.11
	Total - 56621 - Recruiting Expenses	\$796.21
Total - 56650.0 - Staff Support Expenses		
56700.0 - School District Board Member Reimbursement Expense		
56710 - Board Member - School Reimb.		
	1049 Ashland City School District	\$1,384.50
	Total - 56710 - Board Member - School Reimb.	\$1,384.50
Total - 56700.0 - School District Board Member Reimbursement Expense		
56900 - Reimbursement of Leased Svcs from OSERS Broad St		
	Reimbursement of leased services	(\$25,416.67)
	Total - 56900 - Reimbursement of Leased Svcs from OSERS Broad St	(\$25,416.67)
Total - Expense		
Total Admin Expenses		
		\$2,685,609.39

School Employees Retirement System of Ohio

SERS Summary Admin Expenses

Mar 2025

Financial Row	Amount
Summary Admin Expenses	
Expense	
53100.0 - Staff Salaries Expense	
53100 - Salaries & Wages	\$1,288,607.56
53110 - Salaries & Wages - Overtime	\$2,597.77
53111 - Vacation Leave Expense	\$118,743.00
53112 - Sick Leave Expense	\$53,665.26
53113 - Voluntary Life Insurance Reimbursement	\$119.58
Total - 53100.0 - Staff Salaries Expense	\$1,463,733.17
53200.0 - Staff Retirement Contribution Expense	
53200 - Employer Contributions - PERS	\$192,082.71
Total - 53200.0 - Staff Retirement Contribution Expense	\$192,082.71
53300.0 - Staff Benefit Expenses	
53300 - Staff Group Life	\$10,110.17
53310 - Staff Long Term Disability	\$3,643.80
53315 - Staff Short Term Disability	\$3,218.49
53320 - Staff Group Health Claims	\$391,711.97
53321 - Staff Group Health - Admin Fees	\$7,986.79
53322 - Staff Prescription Claims	(\$4,195.93)
53324 - Staff Group Health - Stop Loss Admin	\$24,825.51
53326 - Staff Vision Claims	\$2,344.63
53327 - Staff Vision Admin Fees	\$126.72
53330 - Staff Group Health - Employee Cost	(\$38,078.38)
53331 - Staff Group Health - Wellness Incentive	\$3,630.00
53332 - Staff Group Health - Tobacco Premiums	(\$560.00)
53340 - Staff Medicare Premium - Employer	\$19,135.59
53380 - Staff Deferred Compensation Match	\$5,025.00
Total - 53300.0 - Staff Benefit Expenses	\$428,924.36
54100 - Actuarial Services	\$34,349.50
54300.0 - Banking Fee Expenses	
54310 - Custodial Fees	\$51,615.36
54320 - Custodial Banking	\$11,021.56
Total - 54300.0 - Banking Fee Expenses	\$62,636.92
54400.0 - Investment Related Expenses	
54410 - Master Recordkeeper Fees	\$95,413.43
54420 - Investment Advisory Admin Fees	\$112,500.00
54430 - Performance/Analytics Fee	\$38,667.66
54460 - Bloomberg Terminal Rentals	\$6,645.00
Total - 54400.0 - Investment Related Expenses	\$253,226.09
54520 - Medical Consultant	\$3,750.00
54600.0 - Technical Expenses	
54610 - Special Counsel	\$60,171.64
54620 - Technical	\$58,088.36
54630 - Other Professional Services	\$17,034.66
Total - 54600.0 - Technical Expenses	\$135,294.66
55100 - Postage	\$3,387.33
55200 - Telecommunications Services	\$7,596.10
55300 - Member/Employer Education	(\$135.03)
55400.0 - Printing & Publication Expenses	
55400 - Printing Paper	\$1,522.00
55420 - Communications & Publications	\$14,243.64
Total - 55400.0 - Printing & Publication Expenses	\$15,765.64

56000.0 - Computer Support Service Expenses	
56020 - Hardware Maintenance	\$23,141.60
56030 - Software Maintenance	\$3,076.33
56035 - Software Subscriptions	\$17,953.89
56040 - Hardware < \$5,000	\$4,454.21
Total - 56000.0 - Computer Support Service Expenses	\$48,626.03
56100.0 - Office Equipment & Supply Expenses	
56110 - Equipment Repairs & Maintenance	\$4,953.81
56130 - Office Supplies & Expenses	\$31.11
Total - 56100.0 - Office Equipment & Supply Expenses	\$4,984.92
56200.0 - Staff Training Expenses	
53370 - Staff Tuition	\$9,574.77
56210 - Seminars & Conferences	\$6,364.00
56220 - In House Training	\$5,729.25
Total - 56200.0 - Staff Training Expenses	\$21,668.02
56300.0 - Transportation & Travel Expenses	
56310 - Travel & Transportation	\$6,344.72
56311 - Mileage	\$1,732.85
Total - 56300.0 - Transportation & Travel Expenses	\$8,077.57
56400.0 - Membership & Subscription Expenses	
56410 - Subscriptions	\$3,594.95
56420 - Memberships	\$13,622.49
Total - 56400.0 - Membership & Subscription Expenses	\$17,217.44
56600.0 - Maintenance Expenses	
56630 - Interior Landscaping	\$1,396.37
56640 - Vehicle Expense	\$36.00
Total - 56600.0 - Maintenance Expenses	\$1,432.37
56650.0 - Staff Support Expenses	
56620 - Staff Support	\$6,227.55
56621 - Recruiting Expenses	\$796.21
Total - 56650.0 - Staff Support Expenses	\$7,023.76
56700.0 - School District Board Member Reimbursement Expense	
56710 - Board Member - School Reimb.	\$1,384.50
Total - 56700.0 - School District Board Member Reimbursement Expense	\$1,384.50
56900 - Reimbursement of Leased Svcs from OSERS Broad St	(\$25,416.67)
Total - Expense	\$2,685,609.39
Total Admin Expenses	\$2,685,609.39

School Employees Retirement System of Ohio
Broad Street Detail Admin Expenses
Mar 2025

Financial Row	Vendor Bill Name	Amount
Ordinary Income/Expense		
Income		
41010 - Suite Income - OSERS Broad St		\$38,126.92
41205.0 - Parking Income		\$1,725.00
41210 - Parking Income - Other - OSERS Broad St		\$22,000.00
Total - 41205.0 - Parking Income		\$23,725.00
41600 - Miscellaneous Income - OSERS Broad St		\$150.00
Total - Income		\$62,001.92
Gross Profit		\$62,001.92
Expense		
50110.0 - Property Management & Labor		
50110 - Admin. Service Contracts - OSERS Broad St		
	0041 SERS	\$25,416.67
Total - 50110 - Admin. Service Contracts - OSERS Broad St		\$25,416.67
Total - 50110.0 - Property Management & Labor		\$25,416.67
50200.0 - Administrative Expenses		
50241 - Bank Fees - OSERS Broad St		
	Park National Bank	\$103.65
Total - 50241 - Bank Fees - OSERS Broad St		\$103.65
Total - 50200.0 - Administrative Expenses		\$103.65
50300.0 - Building Operations		
50301 - Floor Mats - OSERS Broad St		
	5043 Cintas Corporation	\$2,111.72
Total - 50301 - Floor Mats - OSERS Broad St		\$2,111.72
50305 - HVAC Repairs & Maintenance - OSERS Broad St		
	5698 Metro Group, Inc.	\$533.07
	3545 eBay	\$1,329.98
	5769 DeBra-Kuempel	\$725.60
Total - 50305 - HVAC Repairs & Maintenance - OSERS Broad St		\$2,588.65
50306 - Electrical Repairs & Maintenance - OSERS Broad St		
	0391 Grainger	\$212.50
Total - 50306 - Electrical Repairs & Maintenance - OSERS Broad St		\$212.50
50307 - Plumbing Repairs & Maintenance - OSERS Broad St		
	0391 Grainger	\$51.64
Total - 50307 - Plumbing Repairs & Maintenance - OSERS Broad St		\$51.64
50308 - Paint, Wallcovering, Refinish - OSERS Broad St		
	5775 Midwest Floor Restore	\$8,093.00
Total - 50308 - Paint, Wallcovering, Refinish - OSERS Broad St		\$8,093.00
50312 - Equip & Tools < \$5,000 - OSERS Broad St		
	0391 Grainger	\$22.56
Total - 50312 - Equip & Tools < \$5,000 - OSERS Broad St		\$22.56
50317 - Janitorial Services - OSERS Broad St		
	3990 Acorn Distributors Inc.	\$3,019.66
	0411 Amazon.com	\$256.13
	5811 Harvard Maintenance, Inc	\$15,636.55
Total - 50317 - Janitorial Services - OSERS Broad St		\$18,912.34
50321 - Generator Repairs & Maintenance - OSERS Broad St		
	5699 Ohio CAT	\$1,343.91
Total - 50321 - Generator Repairs & Maintenance - OSERS Broad St		\$1,343.91
50325 - Security - OSERS Broad St		
	5778 Joshua Milstead	\$1,620.00
	5754 Stephen Galentine Jr.	\$3,037.50
	5749 Remus Borcila	\$1,890.00
	5751 Kyle Kincade	\$1,215.00
	5879 Joel George	\$1,620.00
	5677 Allied Universal Security Services	\$33,867.69
	5748 Oliver George	\$202.50
	5883 Trenton Kincade	\$202.50
	5856 Shayne McAndrew	\$675.00
Total - 50325 - Security - OSERS Broad St		\$44,330.19

50327 - Elevator Repairs & Maintenance - OSERS Broad St		
	5690 Fujitec America, Inc.	\$6,320.57
Total - 50327 - Elevator Repairs & Maintenance - OSERS Broad St		\$6,320.57
50328 - Pest Control - OSERS Broad St		
	5689 Terminix International Company, LP	\$143.10
Total - 50328 - Pest Control - OSERS Broad St		\$143.10
50329 - Life Safety - OSERS Broad St		
	5771 The Door Company	\$3,086.00
	5693 T. P. Mechanical Contractors	\$195.00
	5723 Securitas Technology	\$171.72
Total - 50329 - Life Safety - OSERS Broad St		\$3,452.72
50330 - Trash & Refuse - OSERS Broad St		
	5770 Rumpke of Ohio Inc	\$564.44
	5241 Royal Document Destruction	\$256.12
Total - 50330 - Trash & Refuse - OSERS Broad St		\$820.56
50350 - Landscaping & Grounds - OSERS Broad St		
	0411 Amazon.com	\$55.56
Total - 50350 - Landscaping & Grounds - OSERS Broad St		\$55.56
50370 - Licenses & Permits - OSERS Broad St		
	5687 CT Corporation System	\$527.00
Total - 50370 - Licenses & Permits - OSERS Broad St		\$527.00
Total - 50300.0 - Building Operations		\$88,986.02
50400.0 - Utilities		
50400 - Telephone - OSERS Broad St		
	5715 AT&T - 8836	\$384.01
Total - 50400 - Telephone - OSERS Broad St		\$384.01
50405 - Heat & Gas - OSERS Broad St		
	5686 Columbia Gas	\$9,307.01
Total - 50405 - Heat & Gas - OSERS Broad St		\$9,307.01
50410 - Electricity - OSERS Broad St		
	5794 American Electric Power - 87617	\$180.01
	5795 American Electric Power - 16108	\$259.96
	5678 American Electric Power - 23018	\$20,726.51
Total - 50410 - Electricity - OSERS Broad St		\$21,166.48
50415 - Water & Sewer - OSERS Broad St		
	5681 Columbus City Treasurer	\$3,479.31
Total - 50415 - Water & Sewer - OSERS Broad St		\$3,479.31
Total - 50400.0 - Utilities		\$34,336.81
51000 - Lease Commission Fees - OSERS Broad St		
	5707 CBRE, Inc	\$3,415.50
Total - 51000 - Lease Commission Fees - OSERS Broad St		\$3,415.50
51010.0 - Other Fees		
51010 - Special Counsel - OSERS Broad St		
	3514 Bailey Cavalieri, LLC	\$1,937.50
Total - 51010 - Special Counsel - OSERS Broad St		\$1,937.50
51013 - Building Remodeling - OSERS Broad St		
	5704 Genesis Planning & Design	\$22,207.70
Total - 51013 - Building Remodeling - OSERS Broad St		\$22,207.70
Total - 51010.0 - Other Fees		\$24,145.20
Total - Expense		\$176,403.85
Net Budgeted Expenses		\$114,401.93
Net Building Occupancy		\$88,985.26

FY2025 Administrative Budget
Board Expense to Budget Reporting
Year-to-Date Through March 31, 2025

Major Category/Sub-Major Category	Line Item	Vendor	FY2025 Budget Approved	Year to Date Expense	Additional Information
PROFESSIONAL SERVICES			\$ 6,493,858.00	\$ 4,718,055.03	
ACTUARIAL ADVISORS			\$ 425,500.00	\$ 244,529.75	
	Actuarial	Cavanaugh Macdonald	\$ 325,500.00	\$ 234,573.50	Actuarial Consultant
	Actuarial	Audit PTA/KMS/Bolton	100,000.00	9,956.25	Actuarial Audit
AUDITING			\$ 220,000.00	\$ 152,888.00	
	Auditing	Plante Moran	180,000.00	151,880.00	External Auditor
BANKING FEES			\$ 1,213,380.00	\$ 906,975.21	
	Custodial Banking		1,020,000.00	813,284.06	
		Fifth Third	360,000.00	267,344.04	Domestic Custodian
		BNYM	660,000.00	545,940.02	International Custodian
	Administrative Banking	Huntington National Bank/ TOS	193,380.00	93,691.15	Banking Services
INVESTMENT RELATED			\$ 2,530,364.00	\$ 1,768,408.57	
	Master Recordkeeper	BNYM	1,056,000.00	831,573.78	
	Investment Consulting & Advisory Services		525,000.00	337,500.05	
		Wilshire	450,000.00	337,500.05	Investment Consulting
	Performance Analytics Services		704,765.00	431,746.69	
		Barra-One Risk Mgmt Sys	238,445.00	178,833.75	Investment Risk Analytics
		BNY Mellon GRS	412,820.00	309,614.94	Investment Performance Analytics
TECHNICAL			\$ 2,059,614.00	\$ 1,611,503.50	
	Special Counsel		301,000.00	470,463.55	
	Technical		1,285,720.00	770,586.74	
		Merative	124,000.00	93,000.00	Data Warehouse
		Sagitec	573,440.00	361,247.00	SMART Development Resources
		Board Initiative	100,000.00	-	Board Initiatives
	Other Professional Services		472,894.00	370,453.21	
		Gartner	109,230.00	101,359.00	Management Consulting
OTHER OPERATING EXPENSE			\$ 4,350,782.00	\$ 2,988,415.39	
COMPUTER SUPPORT SERVICES			\$ 3,003,345.00	\$ 2,011,102.33	
	Software Maintenance		1,013,621.00	757,559.25	
		Dell	300,000.00	248,976.58	Microsoft Enterprise Agreement/ True Up
		Sagitec	420,000.00	315,000.00	SMART Silver Support
		Hyland	119,061.00	121,454.36	ImageNow
	Software Subscriptions		1,732,520.00	1,176,670.76	
		DRaaS	163,332.00	117,906.92	Expedient
		Dynamo	207,686.00	224,477.76	Dynamo Software, INC
		Carahsoft	163,830.00	135,266.32	ServiceNow System
		Zoom	100,000.00	101,553.59	Telecommunication Services
PROPERTY MANAGEMENT LIABILITY INSURANCE			\$ 566,375.00	\$ 512,467.00	
	Management Liability Insurance		566,375.00	512,467.00	
		Cyber Liability Insurance	166,805.00	152,374.75	ARC Excess & Surplus, LLC
		Crime Fiduciary D&O Insurance	372,182.00	360,092.25	ARC Excess & Surplus, LLC

PROJECT ITEMS					
Major Category/Sub-Major Category	Line Item	Project	FY2025 Budget	YTD Expense	Additional Information
PROFESSIONAL SERVICES					
	TECHNICAL				

SERS					
UNBUDGETED PROJECT ITEMS					
Major Category/Sub-Major Category	Line Item	Project	FY2025 Budget	YTD Expense	Additional Information
Professional Services	Other Professional Services	Chief Risk Officer recruiting	\$ -	\$ 35,450.00	Hudepohl & Associates Inc.
Professional Services	Other Professional Services	Member Account Fraud Assessment	\$ -	\$ 20,000.00	Linea Solutions, Inc.

OSERS BROAD STREET, LLC					
UNBUDGETED PROJECT ITEMS					
Major Category	Line Item	Project	FY2025 Budget	YTD Expense	

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

FINANCIAL HIGHLIGHTS

As of February 28, 2025 and February 29, 2024

(unaudited)

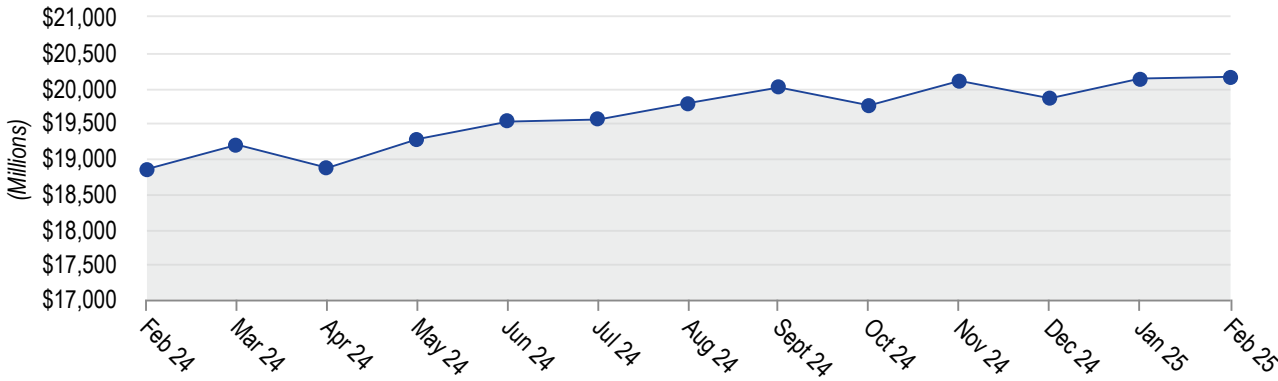
SERS (All Funds)	2/28/25 YTD	2/29/24 YTD	Comparative Difference	% Difference
<u>ADDITIONS</u>				
Employer Contributions	\$445,858,683	\$423,361,462	\$22,497,221	5%
Member Contributions	290,484,257	276,465,314	14,018,943	5
Other Income	92,519,283	79,038,752	13,480,531	17
Total Investment Income, Net	990,734,789	935,295,681	55,439,108	6
TOTAL ADDITIONS	1,819,597,012	1,714,161,209	105,435,803	6
<u>DEDUCTIONS</u>				
Retirement, Disability, Survivor & Death Benefits	985,123,042	944,087,157	41,035,885	4
Health Care Expenses	117,572,565	104,063,069	13,509,496	13
Refunds & Transfers	60,146,408	63,562,634	(3,416,226)	(5)
Administrative Expenses (excluding Investments)	22,110,854	20,004,693	2,106,161	11
TOTAL DEDUCTIONS	1,184,952,869	1,131,717,553	53,235,316	5
Changes in Net Position	634,644,143	582,443,656	52,200,487	(9)
Net Position - Beginning	19,521,138,893	18,265,722,222	1,255,416,671	7
SERS Net Position - Ending	\$20,155,783,036	\$18,848,165,878	\$1,307,617,158	7%

HEALTH CARE FUND

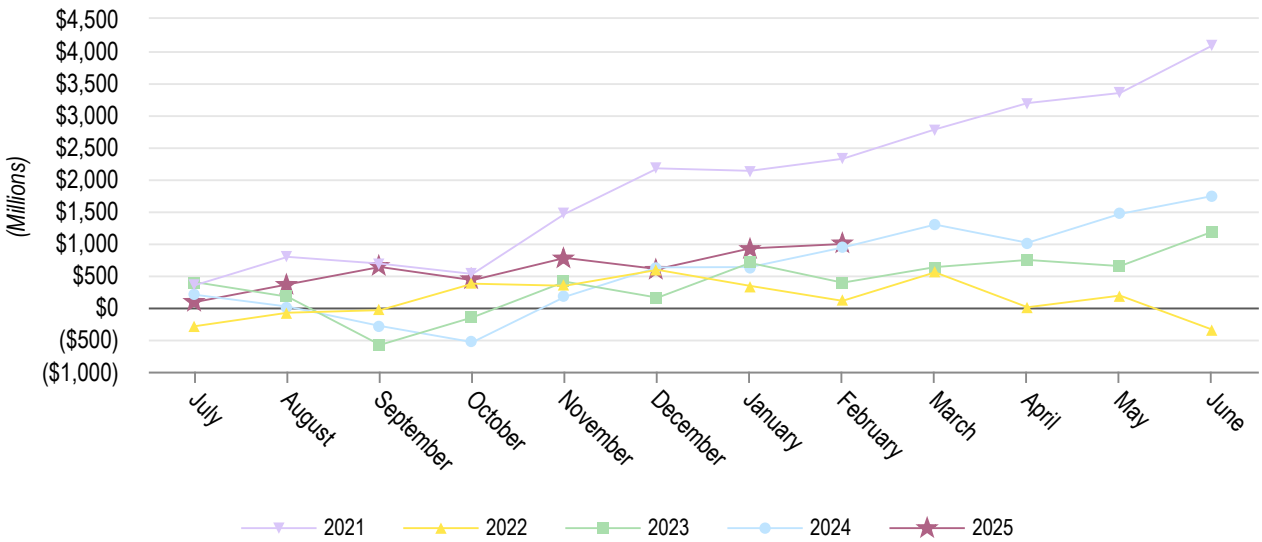
HEALTH CARE ADDITIONS

Employer Contributions	\$39,999,990	\$37,598,923	\$2,401,067	6%
Health Care Premiums	37,940,292	39,131,192	(1,190,900)	(3)
Federal Subsidies & Other Receipts	54,552,838	39,870,211	14,682,627	37
Total Investment Income, Net	35,376,229	31,457,026	3,919,203	12
TOTAL HEALTH CARE ADDITIONS	167,869,349	148,057,352	19,811,997	13
TOTAL HEALTH CARE DEDUCTIONS	119,696,818	105,982,277	13,714,541	13
Changes in Net Position	48,172,531	42,075,075	6,097,456	14
Net Position - Beginning	816,468,867	706,785,561	109,683,306	16
SERS Health Care Fund Net Position - Ending	\$864,641,398	\$748,860,636	\$115,780,762	15%

Total SERS Fund Balance for Previous 12 Months



Investment Income (includes realized and unrealized gains & losses)



Health Care Fund Balance Trend



School Employees Retirement System of Ohio
System Year-to-Date Budget Analysis
Through February 28, 2025

FYTD25

	FYTD24 Actual	Actual	Budget	Actual to Budget %	Budget to Actual Under/(Over)	Notes
PERSONNEL SERVICES	\$ 17,195,700	\$ 18,352,488	\$ 18,093,841	101.4%	\$ (258,647)	
Salaries & Wages	12,715,074	13,357,411	13,440,247	99.4%	82,836	
PERS Retirement Contributions	1,685,706	1,783,475	1,787,933	99.8%	4,458	
Benefits	2,794,920	3,211,602	2,865,661	112.1%	(345,941)	Note 1
PROFESSIONAL SERVICES	3,697,096	4,224,797	4,239,733	99.6%	14,936	
Actuarial Advisors	175,645	210,180	189,584	110.9%	(20,596)	Note 2
Audit Services	138,089	152,888	180,000	84.9%	27,112	
Banking Fees	731,879	844,338	808,920	104.4%	(35,418)	Note 3
Investment Related	1,675,241	1,515,182	1,556,935	97.3%	41,753	
Medical	30,000	30,000	30,000	100.0%	-	
Technical	946,242	1,472,209	1,474,294	99.9%	2,085	
COMMUNICATIONS EXPENSE	544,466	675,629	776,520	87.0%	100,891	
Postage	333,867	531,750	542,350	98.0%	10,600	
Telecommunications Services	127,178	46,484	88,920	52.3%	42,436	Note 4
Member/Employer Education	5,007	17,934	20,200	88.8%	2,266	
Printing & Publications	78,414	79,461	125,050	63.5%	45,589	Note 5
OTHER OPERATING EXPENSE	2,588,405	3,106,751	3,715,745	83.6%	608,994	
Computer Support Services	1,489,298	1,962,476	2,347,696	83.6%	385,220	Note 6
Office Equipment & Supplies	118,495	113,325	114,320	99.1%	995	
Training	81,510	100,993	184,137	54.8%	83,144	Note 7
Transportation & Travel	104,511	115,273	159,338	72.3%	44,065	
Memberships Subscriptions	137,707	167,490	173,670	96.4%	6,180	
Property & Mgmt. Liability Insurance	504,501	512,467	566,375	90.5%	53,908	
Maintenance	21,051	22,432	28,525	78.6%	6,093	
Staff Support	77,937	62,946	82,989	75.8%	20,043	
School District Reimbursement	5,776	3,515	7,695	45.7%	4,180	
Mandatory Costs- ORSC	47,619	45,834	51,000	89.9%	5,166	
TOTAL DEPARTMENT EXPENSES	24,025,667	26,359,665	26,825,839	98.3%	466,174	
TOTAL SERS ADMIN EXPENSES	24,025,667	26,359,665	26,825,839	98.3%	466,174	
NET BUILDING EXPENSE	656,385	1,096,637	1,423,539	77.0%	326,902	Note 8
TOTAL ADMINISTRATIVE EXPENSES	<u>\$ 24,682,052</u>	<u>\$ 27,456,302</u>	<u>\$ 28,249,378</u>	<u>97.2%</u>	<u>\$ 793,076</u>	

See notes on following page

FYTD = Fiscal Year To Date

Notes to System Year-to-Date Budget Analysis

Year to Date FY2025 February 28, 2025

- Note 1: **Benefits** continue to trend over budget in both Group Health Claims and Prescription Claims throughout the month of February. Stop Loss Claims have helped offset the overage slightly.
- Note 2: **Actuarial** is over budget due to timing. The risk report and actuarial audit are being billed incrementally, and both were budgeted in total in March and May respectively.
- Note 3: **Banking Fees** consist of investment and DDA custodial fees. Investment custodial fees are based on a combination of investment values and transaction volume, and they are trending higher this fiscal year than originally estimated. The domestic and global investment custodial fees increased this year after the completion of a recent RFP cycle completed by the Treasurer of State.
- Note 4: **Telecommunication Services** decreased due to timing and contract negotiations. The full year for Zoom phone carrier was budgeted for July but expenses are billed monthly. Additionally, building internet services were renegotiated and are less than budgeted.
- Note 5: **Printing & Publications** consists of printing paper, printing supplies, and other publication materials. The variance is due to timing. Some envelopes and other publication materials that were budgeted earlier in the fiscal year have not been purchased yet.
- Note 6: **Computer Support Services** are under due to timing and realized savings. There are several hardware maintenance, software maintenance, and software subscriptions that will not be renewed this fiscal year. Additionally, there were several software subscriptions budgeted for February that have not been expensed yet. The Microsoft enterprise agreement and true up and Zoom enterprise agreement and true up came in under budget.
- Note 7: **Training and Travel** are budgeted evenly throughout the fiscal year and the timing of staff training and travel can vary.
- Note 8: **Net Building Occupancy** is under budget year to date. Projects budgeted to date, such as the garage charging station refresh and building remodeling, have been delayed or are still in process. The tenant improvement and SERS consolidation projects won't be fully invoiced until after the projects are completed. Additionally, the fitness equipment that was budgeted has not yet been purchased. The timing of invoices for utilities and security has resulted in temporary budget savings.

OSERS Broad Street, LLC
Year-to-Date Budget Analysis
Through February 28, 2025

		FYTD 2025					
		FY2024 Actuals	FY2025 Budget	Budget	Actuals	Budget to Actual Under/(Over)	Notes
OPERATING INCOME							
Suite Income	\$	537,291	\$ 430,400	\$ 346,227	\$ 346,225	2	
Parking Income		236,265	228,480	155,520	185,175	(29,655)	Note 1
Miscellaneous Income		2,314	-	-	-	-	
		775,870	658,880	501,747	531,400	(29,653)	
OPERATING EXPENSES							
Property Management & Labor		305,000	305,000	203,333	203,333	-	
Administrative Services		7,062	6,900	950	704	246	
Building Maintenance		1,018,992	1,231,822	831,281	712,425	118,856	Note 2
Utilities		354,728	409,060	273,373	226,171	47,202	Note 3
Building & Equipment Insurance		75,496	78,000	78,000	73,057	4,943	
Real Estate Taxes		280,811	287,550	151,550	150,297	1,253	
		2,042,089	2,318,332	1,538,487	1,365,987	172,500	
NON-OPERATING EXPENSES							
Lease Commission Fees		2,657	125,131	60,131	62,137	(2,006)	
Special Counsel Fees		213	5,000	5,000	3,313	1,687	
Building Remodeling		14,718	750,000	525,000	399,933	125,067	Note 4
		17,588	880,131	590,131	465,383	124,748	
CAPITAL							
Leasehold Improvements		58,798	-	-	-	-	
		58,798	-	-	-	-	
TOTAL	\$	1,342,605	\$ 2,539,583	\$ 1,626,871	\$ 1,299,970	326,901	

FY - Fiscal Year

FYTD - Fiscal Year To Date

Notes to OSERS Broad Street, LLC Year-to-Date Budget Analysis Through February 28, 2025

Note 1: **Parking Income** is higher for FY2025 due to an increase in parking tenants.

Note 2: **Building Operations & Maintenance** are under budget mainly due to timing. The garage charging station refresh project is delayed. Fitness equipment was budgeted but has not been purchased yet. A floor refinishing project was budgeted for February but completed in March. The timing of security invoices has created a variance year to date. Additionally, janitorial and several other maintenance accounts have been under budget year to date.

Note 3: **Utilities** are below budget mainly due to timing. The electricity invoice for February was received and paid in March.

Note 4: **Building Remodeling** is under due to timing. The remodeling project has begun but will not be fully billed until the project is complete. The expense represents the cost of plans, permits, and completed work to date.

Memo

To: Retirement Board
From: Richard Stensrud
cc: Marni Hall
Date: April 7, 2025
Re: FY2026 Draft Budget Presentation- ORSC Format

At the April Board meeting, Marni Hall will present the FY2026 Draft Budget information in the standard format required by the Ohio Retirement Study Council (ORSC). We are currently in the process of finalizing the budget for FY2026, therefore, the expanded budget document will be presented and discussed in greater detail at the May Board meeting. We are not seeking approval for this draft presentation.

The ORSC required documents include FY2025 and FY2026 operating, capital, staff training and travel budget comparisons, investment expenses obtained from the ACFR, and a ten-year categorization of Board expenses and membership statistics.

I look forward to reviewing this document with you and answering any questions that may arise.



SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

300 E. BROAD ST., SUITE 100 • COLUMBUS, OHIO 43215-3746
614-222-5853 • Toll-Free 800-878-5853 • www.ohsers.org

RICHARD STENSURD
Executive Director

KAREN D. ROGGENKAMP
Deputy Executive Director

April 21, 2025

Bethany Rhodes, Director/General Counsel
Ohio Retirement Study Council
30 East Broad Street, 2nd Floor
Columbus, OH 43215

Dear Ms. Rhodes:

In accordance with Section 3309.041 of the Ohio Revised Code, enclosed please find SERS' proposed FY2026 operating budget presented in the ORSC's required format. SERS budgeting practices are aligned with our Mission, Vision, and Values, while continuously evaluating the long-range needs of our membership. For FY2026 SERS' total operating budget increased by 4.5% (\$41,233,165 to \$43,087,488). The significant drivers of this change are a budgeted 3.9% salary merit pool, and salary adjustments based on compensation consultant recommendations to align with current market conditions, a transition to a new Master Recordkeeper vendor, cyclical professional services, and additional security software.

Personnel increase of 5.5% is attributed to an additional full-time employee; salary adjustments and a performance-based merit pool of 3.9% as recommended by our compensation consultant. An increase is also expected in employee health care expenses based on actuarial rates derived from actual plan claims and health care cost trends provided by our actuary.

Professional Services category increase of 8.5% is a result of a change in master recordkeeper vendor which creates provisional transitory duplicate fees, an increase in investment related special counsel fees, cyclical technical resources for security testing and website enhancements, renewed consulting for federal government affairs, and placement fees associated with a new Chief Audit Officer search. Additional notable increases include consulting for an information governance project, leadership development, and an increase in medical prescription consulting.

Communications Expense category decreased by 13%, due to the absence of a board election this fiscal year. Additionally, recent contract negotiations led to savings on telecommunications services.

Other Operating Expense increase of 4.3% is a result of increased costs for software licenses and the expansion of cyber security tools to protect hardware, systems, and data on SERS networks. The expansion of tools will improve SERS posture against fraud, require additional authentication, improve threat monitoring, and manage vulnerabilities.

Capital Expenses include the replacement of an end-of-life digital scanner used for record retention.

SERS will be in the fourth year of the Technology Enhancement Project Budget. The five-year plan will improve digital, mobile, and electronic service delivery for employers and members, add pension administration enhancements, and expand business tools. Projects planned for FY2026 include

RETIREMENT BOARD

MATTHEW A. KING
Chair, Employee-Member
JAMES H. HALLER
Employee-Member
JAMES A. ROSSLER, JR.
Appointed Member

CATHERINE P. MOSS
Vice-Chair, Retiree-Member
AIMEE RUSSELL
Employee-Member

JEANINE ALEXANDER
Employee-Member
FRANK A. WEGLARZ
Retiree-Member

JEFFREY DELEONE
Appointed Member
DANIEL L. WILSON
Appointed Member

identity and fraud prevention enhancements, improved vendor self service capabilities, disaster recovery evaluation, and network and server infrastructure improvements.

Net Building Occupancy expense budget decreased by 11.8% due to the completion of several building remodeling projects designed to expand tenant income. Market conditions continue to be a challenge, but FY2025 investments in tenant space should result in future reductions in net building expenses. The budget for FY2026 includes the replacement of the chiller towers which are part of the HVAC system.

I look forward to reviewing the draft budget with you and answering any questions that you may have. Please feel free to contact me at 614-222-5801.

Sincerely,

Richard Stensrud
Executive Director

School Employees Retirement System
2026 Budget Presentation Before ORSC

FY2025 to FY2026 Operating Budget and Increase (Decrease)

Budget Category	2026 Budget	2025 Budget	2025 Estimated Actual	Increase/ (Decrease) as %	Average Annual % Change (FY22-FY26)
Personnel	\$ 28,396,413	\$ 26,904,494	\$ 27,299,875	5.5%	5.1%
Salaries and Wages	\$ 21,090,567	\$ 19,925,657	\$ 19,665,932	5.8%	5.8%
PERS Contributions	\$ 2,791,047	\$ 2,683,322	\$ 2,650,213	4.0%	5.3%
Health Insurance	\$ 4,514,799	\$ 4,295,515	\$ 4,983,730	5.1%	2.1%
Miscellaneous Expenses	\$ -	\$ -	\$ -	0.0%	0.0%
Professional Services	\$ 6,985,066	\$ 6,440,168	\$ 6,718,721	8.5%	0.9%
Actuarial	\$ 357,700	\$ 425,500	\$ 447,155	-15.9%	5.3%
Audit	\$ 220,000	\$ 220,000	\$ 207,528	0.0%	-0.4%
Custodial Banking Fees	\$ 1,188,000	\$ 1,020,000	\$ 1,090,784	16.5%	2.1%
Investment Consulting	\$ 2,694,215	\$ 2,530,364	\$ 2,715,592	6.5%	1.5%
Other Consulting	\$ 2,374,551	\$ 2,056,264	\$ 2,117,824	15.5%	1.4%
Banking Expenses	\$ 150,600	\$ 188,040	\$ 139,838	-19.9%	-5.4%
Communications Expense	\$ 821,240	\$ 944,448	\$ 867,816	-13.0%	-3.4%
Printing and Postage	\$ 718,610	\$ 801,150	\$ 772,676	-10.3%	-1.0%
Telecommunications	\$ 90,040	\$ 120,868	\$ 74,091	-25.5%	-12.2%
Member/Employer Education	\$ 12,590	\$ 22,430	\$ 21,049	-43.9%	-8.9%
Other Operating Expenses	\$ 4,913,145	\$ 4,709,472	\$ 4,191,542	4.3%	8.8%
Conferences and Education	\$ 266,409	\$ 257,030	\$ 144,536	3.6%	1.9%
Travel	\$ 231,120	\$ 240,360	\$ 165,130	-3.8%	8.8%
Computer Technology	\$ 3,195,613	\$ 3,003,345	\$ 2,765,014	6.4%	12.1%
Other Operating	\$ 1,091,603	\$ 1,087,047	\$ 983,941	0.4%	3.1%
Ohio Retirement Study Council	\$ 69,000	\$ 68,000	\$ 61,112	1.5%	8.8%
TOS Warrant Clearing Charges	\$ 4,400	\$ 5,340	\$ 2,113	-17.6%	-10.1%
Attorney General Charges	\$ 55,000	\$ 48,350	\$ 69,696	13.8%	7.8%
Net Building Expense	\$ 1,958,624	\$ 2,234,583	\$ 1,973,882	-12.3%	12.9%
Total Operating Budget	\$ 43,074,488	\$ 41,233,165	\$ 41,051,836	4.5%	4.7%
Full-Time Equivalent (FTE) Associates	185	184			

*Please note that SERS reports TOS Warrant Clearing Charges and Attorney General Fees under Professional Services for budget reporting. These have been reported under Other Operating Expenses in compliance with the OSRC approved budget form.

School Employees Retirement System
2026 Budget Presentation Before ORSC

FY2025 to FY2026 Capital Budget

	2026 Budget (does not include carryover from previous years)	2025 Budget	2025 Estimate
Total Capital Budget			
Computer Hardware > \$5,000	\$ 13,000	\$ -	\$ -
Computer Software > \$25,000	\$ -	\$ -	\$ -
Furniture and Equipment > \$5,000	\$ -	\$ -	\$ -

Technology Infrastructure Project

	FY23 to FY27	FY25 Budget	FY25 Estimate	FY26 Budget
Total Project Budget	\$ 8,283,054	\$ 2,298,417	\$ 1,367,210	\$ 1,896,250

School Employees Retirement System
2026 Budget Presentation Before ORSC

Investment Expenses			Net Fiduciary Position Change	
	FY 2024 Actual	FY 2023 Actual	Percent Change in Net Fiduciary Position (FY23-FY24) ¹	5-Year Percent Change in Net Fiduciary Position (FY20-FY24) ¹
Total Investment Assets	\$ 19,092,880,107	\$ 17,895,114,604	6.87%	30.99%
Total Internally Managed Assets	\$ 521,668,094	\$ 438,529,436		
Total Externally Managed Assets	\$ 18,571,212,013	\$ 17,456,585,168		

¹Net fiduciary position includes more than investment earnings or losses. This figure includes contributions made by employers and employees, investment earning or losses, and benefit payments, among other expenses or earnings. The figure provides a view of the overall change in fund assets across time.

			Percent Change (2023 to 2024)
Investment Expenses	\$ 115,519,494	\$ 115,906,614	-0.334%
Internal Investment Expenses	\$ 8,497,575	\$ 7,845,200	8.316%
External Investment Expenses	\$ 107,021,919	\$ 108,061,414	-0.962%

Total Investment Expenses as a % of Total Investment Assets	0.61%	0.65%	
Internal Investment Expenses as % of Internally Managed Assets	1.63%	1.79%	
External Investment Expenses as % of Externally Managed Assets	0.58%	0.62%	

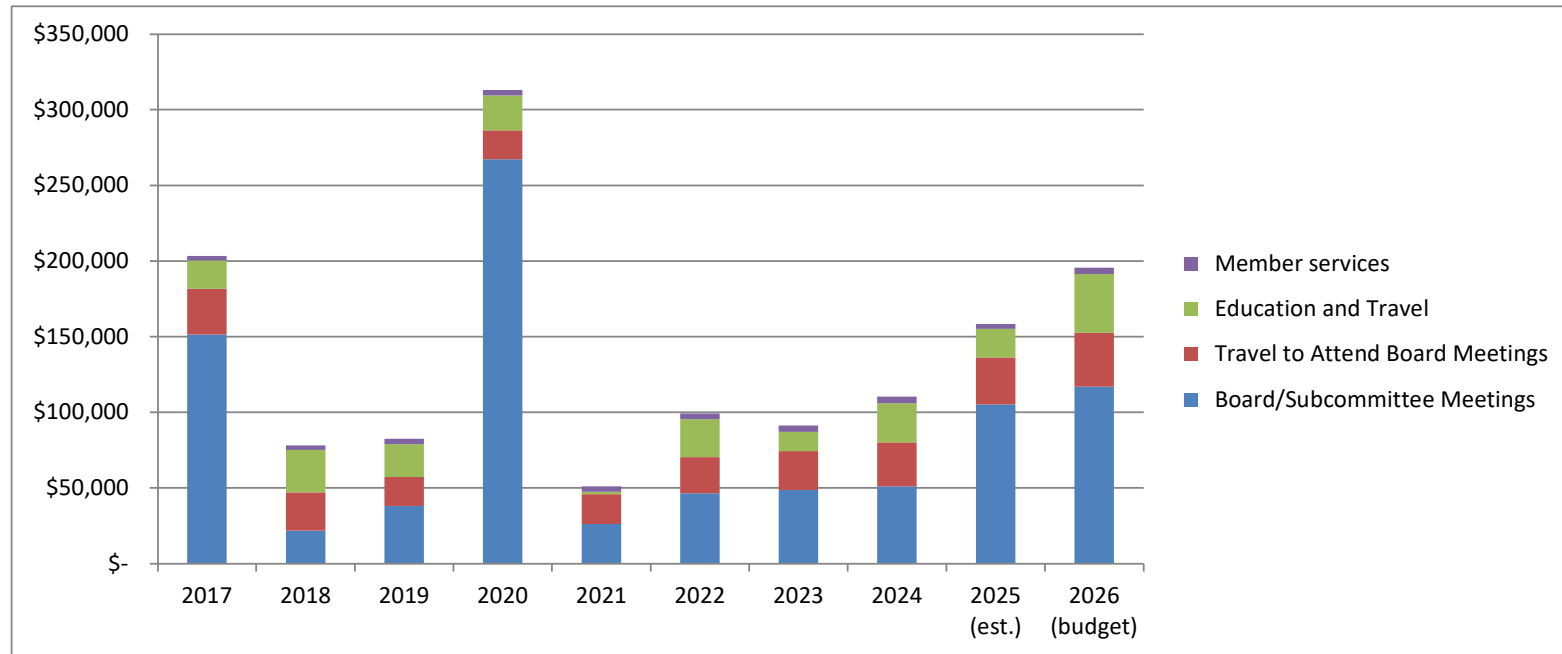
ORSC Requested Supplemental Information			
Investment Consulting ²	\$ 2,376,240.00	\$ 2,550,641.00	-6.838%
Custodian Fees ²	\$ 974,890.00	\$ 1,019,206.00	-4.348%
Brokerage/Commissions-Internal	\$ 8,565.00	\$ -	100%
Brokerage/Commissions-External	\$ 1,191,799.00	\$ 1,173,989.00	1.517%

²Included in "Internal Investment Expenses."

School Employees Retirement System
2026 Budget Presentation Before ORSC

Fiscal Year Board Member Expenses

	2017	2018	2019	2020	2021	2022	2023	2024	2025 (est.)	2026 (budget)
Total Board Expenses	\$ 203,406	\$ 78,112	\$ 82,534	\$ 313,113	\$ 50,974	\$ 99,198	\$ 91,311	\$ 110,368	\$ 158,399	\$ 195,660
Board/Subcommittee Meetings	\$ 151,328	\$ 21,861	\$ 38,065	\$ 267,297	\$ 26,168	\$ 46,437	\$ 48,742	\$ 51,026	\$ 105,133	\$ 117,050
Travel to Attend Board Meetings	\$ 30,363	\$ 25,183	\$ 19,244	\$ 19,021	\$ 19,784	\$ 23,893	\$ 25,617	\$ 29,023	\$ 31,202	\$ 35,580
Education and Travel	\$ 18,675	\$ 28,083	\$ 21,533	\$ 23,093	\$ 1,500	\$ 25,149	\$ 12,774	\$ 26,014	\$ 18,874	\$ 38,720
Member services	\$ 3,040	\$ 2,985	\$ 3,692	\$ 3,702	\$ 3,522	\$ 3,719	\$ 4,178	\$ 4,305	\$ 3,190	\$ 4,310



Board expenses include the cost of the Internal Auditor search in FY2020, as well as, and Executive Director search in FY2017.

FY2020 includes costs for a consultant to facilitate pension and health care plan design work.

Beginning in FY2023, Board expenses include software to support Board meetings.

The increase in FY2025 includes training for two new board members, as well as, renewal of Board Smart, a training tool for all board members.

The increase in FY2026 includes the cost of an Internal Auditor search and training for new board members.

School Employees Retirement System
2026 Budget Presentation Before ORSC

Staff Training and Travel (Budget to Budget)

Year (current+1) Year (current)

	2026	2025	Increase (Decrease)	% Increase (Decrease)
Administration				
Conferences, Seminars & Travel	\$ 50,070	\$ 51,720	\$ (1,650)	-3.2
In-House Training	\$ 24,040	\$ 27,920	\$ (3,880)	-13.9
#FTE	35	35		
Expense per FTE	\$ 2,117	\$ 2,275		

	2026	2025	Increase (Decrease)	% Increase (Decrease)
Finance and Benefits				
Conferences, Seminars & Travel	\$ 38,200	\$ 47,000	\$ (8,800)	-18.7
In-House Training	\$ -	\$ -	\$ -	0
#FTE	25.5	25.5		
Expense per FTE	\$ 1,498	\$ 1,843		

	2026	2025	Increase (Decrease)	% Increase (Decrease)
Investments				
Conferences, Seminars & Travel	\$ 85,000	\$ 85,000	\$ -	0
In-House Training	\$ -	\$ -	\$ -	0
#FTE	13	13		
Expense per FTE	\$ 6,538	\$ 6,538		

	2026	2025	Increase (Decrease)	% Increase (Decrease)
Information Technology/Information Services				
Conferences, Seminars & Travel	\$ 153,425	\$ 155,700	\$ (2,275)	-1.5
In-House Training	\$ -	\$ -	\$ -	0
#FTE	45	44		
Expense per FTE	\$ 3,409	\$ 3,539		

	2026	2025	Increase (Decrease)	% Increase (Decrease)
Member Services				
Conferences, Seminars & Travel	\$ 20,200	\$ 21,500	\$ (1,300)	-6.0
In-House Training	\$ -	\$ -	\$ -	0
#FTE	66.5	66.5		
Expense per FTE	\$ 304	\$ 323		

* Travel costs for Investment and Finance include costs attributed to due diligence visits

School Employees Retirement System
2026 Budget Presentation Before ORSC

Supplementary Statistical Information

	2021	2022	2023	2024	2025
Active Members	146,646	155,063	159,873	163,350	NA
Inactive Members	284,631	282,998	280,693	283,701	NA
Benefit Recipient (Age, Dis., Survivor)	68,518	68,481	68,923	69,319	NA
Re-employed Retirees	12,203	12,670	12,910	13,171	NA
Total Membership	511,998	519,212	522,399	529,541	NA

Members Per FTE	2,829	2,869	2,870	2,894	NA
------------------------	-------	-------	-------	-------	----

Memo

To: Retirement Board
From Richard Stensrud
cc: Karen Roggenkamp
Date: April 11, 2025
Re: Member Counseling Overview

Following up on Board interest, on the April Board agenda is a presentation from our Member Services team. The PowerPoint slide deck is attached.

Director of Member Services John Grumney and Stephanie Thompson, Supervisor of Counseling and Member Outreach will provide an overview of how we educate and counsel our members with their retirement decisions. They will also share a brief video of Cameron Vaughn 'in action' at a previous Lunch and Learn educational presentation.

I hope that you will find this information helpful particularly since we are experiencing elevated member retirement interest.

Staff will be ready to answer any questions you might have.



Counseling

John Grumney and Stephanie Thompson

April 2025

Background – Who is Counseling?



The Counseling team is responsible for providing retirement counseling and conducting member education events.

Their roles include serving members who have scheduled appointments, as well as walk-ins, and assisting with miscellaneous department tasks, such as income verification, updates to member records including beneficiary or power of attorney, and processing estimate requests. This team has six staff members, who report to Stephanie Thompson – Supervisor.



Personalized Counseling Sessions



Members may choose to be counseled in person, by phone, or by video conference.

Fiscal Year 2024		
Scheduled In Office	1,906	43.3%
Walk-In Office	692	15.7%
Phone	1,081	24.5%
Video	725	16.5%
Total:	4,404	

Each member, regardless of choice, is scheduled for a one-hour personalized session with a counselor.

Member Education Events



Benefit Fairs

Upon request of employers, a SERS representative travels to a school to meet with staff and answer general questions about SERS membership and benefits.

Member Meetings

Upon request of employers or employee representatives, a SERS representative provides a presentation to members regarding retirement. Topics covered include the basics of retirement, any current topics of interest (CBBC, Social Security, etc.). These may be presented in person or virtually.

Essentials for Retirement Success Webinar

Designed for members within three to five years of retirement, this webinar covers a variety of topics they should consider now, so that they can feel fully prepared when the time comes to apply for service retirement. These include plans of payment, health care options, post retirement, and re-employment considerations.

Virtual Retirement Conferences

Designed for members within two years of retirement, SERS conducts virtual Retirement Conferences in the spring and fall of each year. Members have the opportunity to ask questions of staff members in a live chat and learn the latest information on retirement issues.

Lunch Break Webinar

This short webinar series is designed to focus on a few select topics that are important for SERS members to know. The webinar runs for 30 minutes, providing a short educational session along with the opportunity to ask questions. The initial webinars have been targeted towards members who are new to SERS.

Member Education By the Numbers



Fiscal Year 2024	Events Held	Attendees
Benefit Fairs	10	589
Virtual Member Meetings	6	395
In-Person Member Meetings	30	1,770
Essentials for Retirement Success Webinar	9	637
Virtual Retirement Conference	6	988
Lunch Break Webinar	3	98
Totals	64	4,477

Satisfaction Survey



SERS conducts monthly Member Satisfaction Surveys following their counseling session.

February 2025 Results:

What type of appointment did you have?

In Person	35	39%
Phone Call	32	36%
Video Session	21	23%

How satisfied are you with your counseling appointment?

1 (Dissatisfied)	0	0%
2	0	0%
3	1	1.5%
4	1	1.5%
5 (Satisfied)	86	97%
Mean	4.97	
Median	5	

Satisfaction Survey



Do you feel the counselor adequately answered your questions and was helpful?

Yes	87	98%
No	1	2%

Did you register for a secure online account on Account Login (available from the SERS website)?

Yes	69	79%
No	18	21%

**SERS survey, February 2025*

Education in Action



LUNCH BREAK

LEARN WITH 

SERS MEMBERSHIP:
*What does that mean for
YOU?*

What is the Process?



- The member may schedule an appointment of their choice (in-person, virtual, or phone) by calling SERS or by using the member portal.
- A retirement packet is mailed 2-4 weeks in advance of the counseling appointment, which includes:
 - Estimate of Benefits
 - *Service Retirement Guide*
 - *Member Health Care Guide*
- The Retirement Counselor goes through a Retirement Checklist and addresses specific questions the member may have based upon their individual scenario.
- Member may file for retirement during this appointment if they wish.

Retirement Checklist



SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

10000 W. 12TH AVENUE, SUITE 1000, CLEVELAND, OH 44102
(216) 265-2000 • www.sers-ohio.org

MEMBER IN OFFICE COUNSELING CHECKLIST

Retirement

- ☐ Review estimate, plans of payment, pop-up and pop-down
- ☐ Review number of paid days required: _____
- ☐ Other Systems: OPERS, STRS, or P&F
- ☐ S.B. 42
- ☐ PLOP
- ☐ Death benefit
- ☐ Social Security penalties: Offset/Windfall if SERS pension is effective date is prior to 1/1/2024
- ☐ Taxes
- ☐ COLA: 0% for three years
- ☐ Reemployment
- ☐ 1st payment: 45-60 days or Estimated Monthly Payment on retirement date
- ☐ Partially completed application sent home with member to complete and return

Member ID: _____

Health Care Coverage

- ☐ Future retiree – discussed health care basics
- ☐ Waived health care and rescind waiver rules
- ☐ Health care eligibility
- ☐ Premiums
- ☐ Review plans of coverage: Medicare/Non-Medicare
- ☐ WRAP
- ☐ Timely receipt of Medicare information (15th of month prior to enrollment)
- ☐ Dental and vision plans
- ☐ Wellness
- ☐ Contact information for health, dental, vision, and prescription plans
- ☐ ID cards: mailed a few weeks prior to retirement date
- ☐ Open enrollment

Required Documents

- ☐ Birth certificate - member
- ☐ Birth certificate - spouse
- ☐ Birth certificate - other
- ☐ Marriage certificate
- ☐ Medicare card - member
- ☐ Medicare card - spouse
- ☐ Medicare card - other
- ☐ Direct deposit form

IMPORTANT THINGS TO REMEMBER

-
-
-

Member Name (please print) _____ Date _____

Member's Signature _____

Counselor's Signature _____

Counseling and SERS Strategic Plan



Strategic Goal #2 - Service Delivery & Operations

The Counseling team supports Strategic Goal #2 in the following ways:

1. Satisfaction Survey

Helps to manage service and address concerns as well as ways to innovate

2. Member Portal

Discussions around portal and importance of creating an account

3. Education

Contribution Based Benefit Cap (CBBC) and Frequently Asked Questions (FAQ) development

Questions?



Memo

To: Retirement Board
From: SERS Legal Department
CC: Richard Stensrud
Date: April 4, 2025
Re: Administrative Rules

Two categories of resolutions on Administrative Rules are on the April Board Agenda.

I. Approval to file with JCARR the following proposed amended rule:

- **3309-1- 46 Retirement-option section**

This rule explains the circumstances under which spousal consent is required or can be waived when a member, married at the time of applying for retirement, chooses a payment plan other than "Plan A." The proposed amendment waives the requirement for spousal consent when the member elects "Plan D" and designates the current spouse as beneficiary under the plan. "Plan D" provides a lower monthly payment to the retiree, which continues to be paid in the same amount to the surviving spouse after the retiree's death.

II. Approval to file with JCARR the following proposed refiled amended administrative rule:

- **3309-1-20 Validity of marriage**

This rule specifies the documents necessary to validate a marriage for a spouse to qualify for or receive a benefit. During the Board meeting last month, the Board approved an amended version for final filing. Amendments included a requirement that SERS be provided a certified copy of a marriage certificate or an abstract of marriage in order for a spouse to qualify for or receive a benefit, and removal of paragraph 3309-1-20(C). Before the amended rule was final filed with JCARR, additional changes were identified as necessary by staff.

Proposed amendments before the Board this month include a requirement that SERS receive a valid marriage certificate, abstract of marriage or marriage record in order for

a spouse to qualify for or receive a benefit, as well as clarification that SERS will no longer accept a marriage license as proof of marriage. The amendment removing 3309-1-20(C) has not changed. If approved, the refiled amended rule will be filed with JCARR and remain under its jurisdiction for 30 days. Once JCARR jurisdiction has ended, the refiled amended rule can be final filed following Board approval at a future Board meeting.

Please call Britani Galloway at 614-222-5924 if you have any questions before the meeting.

FILING OF PROPOSED AMENDED ADMINISTRATIVE RULE

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rule: 3309-1-46 Retirement – option selection.

_____ moved and _____ seconded that proposed amended rule 3309-1-46 be filed with JCARR as discussed.

3309-1-46 Retirement - option selection.

(A) If an applicant is married at the time of filing an application for retirement, the applicant shall receive a retirement allowance designated as "Plan A" under division (B)(1) of section 3309.46 of the Revised Code, unless:

(1) The spouse consents on a form provided by the school employees retirement system to the applicant's election to receive an annuity or payment pursuant to an optional plan under division (B)(3) or (B)(4) of section 3309.46 of the Revised Code; or

(2) The school employees retirement board waives the requirement of a spousal consent upon receipt of one of the following:

(a) The written statement of the spouse's physician certifying that the spouse is medically incapable of consenting to the plan of payment elected by the applicant; or

(b) A certified copy of a probate court order appointing a guardian for the spouse due to a finding of incompetence; or

(c) The affidavits of the applicant and at least two other persons, one of whom must be unrelated to the applicant, attesting that the whereabouts of the spouse is unknown; or-

(d) An application for retirement in which the applicant elects a plan of payment specified as "Plan D" and designates the applicant's current spouse as beneficiary under the plan.

(3) The applicant is required to elect a plan of payment providing a specified amount to a former spouse after the applicant's death pursuant to a court order issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property, and

(a) The applicant elects a plan of payment designated as "Plan F" under division (B)(3)(e) of section 3309.46 of the Revised Code that is in accordance with the court order and also designates the applicant's current spouse as a beneficiary under the plan; or

(b) The total amount required by court order, or orders, is equal to or greater than

one hundred per cent of the applicant's lesser allowance.

- (B) An applicant's current spouse must also consent to the election of a plan of payment described in division (B)(3)(e) of section 3309.46 of the Revised Code if the applicant is required to elect a plan of payment providing a specified amount to a former spouse after the applicant's death pursuant to a court order issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property and also designates a beneficiary under the plan other than the former spouse and current spouse.

HISTORY: 3/31/11, 5/4/07, 10/27/06, 1/2/03, 11/9/98, 9/20/90

Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.46
Review Date: 2/1/29

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Catherine Moss	_____	_____	_____
Jeanine Alexander	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Matthew King	_____	_____	_____

FILING OF PROPOSED REFILED AMENDED ADMINISTRATIVE RULE

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed refiled amended rule: 3309-1-20 Validity of marriage.

_____ moved and _____ seconded that the proposed refiled amended rule be filed with JCARR as discussed.

3309-1-20 Validity of marriage.

- (A) For purposes of this rule, "age and service retirant" and "disability benefit recipient" have the same meaning as defined in rule 3309-1-35 of the Administrative Code, and "retirant" has the same meaning as defined in division (G) of section 3309.01 of the Revised Code.
- (B) For the purpose of qualifying for, or receiving, any benefit as a spouse under Chapter 3309. of the Revised Code, the member's or retirant's marriage must be recognized by the state of Ohio. The school employees retirement board shall accept the following as proof of marriage:
 - (1) A valid marriage certificate, abstract of marriage or marriage record; or
 - (2) In the absence of a valid marriage certificate, abstract of marriage or marriage record, a decision rendered by a court, having jurisdiction in the state in which the member or retirant was domiciled at the time of death, that the relationship constituted a valid marriage at time of death, or the "spouse" would have the same status as a widow or widower for purposes of sharing in the distribution of the member's or retirant's intestate personal property if not otherwise prohibited by section 3105.12 of the Revised Code.
- (C) For purposes of this rule, the school employees retirement board shall not accept marriage licenses as proof of marriage.
- ~~(C) For any retirant or disability benefit recipient legally married in another state before June 26, 2015 whose marriage became recognized in the state of Ohio beginning on that date, the following rules apply:~~
 - ~~(1) If a retirant makes an election under division (E)(3) of section 3309.46 of the Revised Code, the election must be made before June 26, 2016;~~
 - ~~(2) An eligible age and service retirant or disability benefit recipient may enroll themselves and may enroll a spouse in the system's health care plan at any time between August 1, 2015 and November 30, 2015.~~
 - ~~(3) The surviving spouse of a deceased age and service retirant who is receiving a benefit pursuant to section 3309.46 of the Revised Code may enroll in the system's health care plan at any time between August 1, 2015 and November 30, 2015.~~

HISTORY: 10/4/15, 4/10/14,4/3/09, 8/14/04, 5/8/04, 12/24/76

Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.44, 3309.45
Review Date: 1/31/25

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Catherine Moss	<hr/>	<hr/>	<hr/>
Jeanine Alexander	<hr/>	<hr/>	<hr/>
Jeffrey DeLeone	<hr/>	<hr/>	<hr/>
James Haller	<hr/>	<hr/>	<hr/>
James Rossler	<hr/>	<hr/>	<hr/>
Aimee Russell	<hr/>	<hr/>	<hr/>
Frank Weglarz	<hr/>	<hr/>	<hr/>
Daniel Wilson	<hr/>	<hr/>	<hr/>
Matthew King	<hr/>	<hr/>	<hr/>

BALLOT CERTIFICATION – EMPLOYEE MEMBERS


The Executive Director submitted the following certification of the Judges on the canvass of the vote for the election of two employee members to the Retirement Board for terms beginning July 1, 2025:

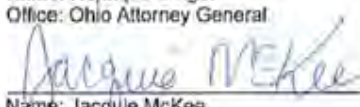
March 4, 2025

To the Retirement Board of the
School Employees Retirement System of Ohio:

This is to certify that we, as Judges, appointed by the Retirement Board of the School Employees Retirement System, met in the office of the Retirement System on March 4, 2025, for the election of two employee-member board members to the Retirement Board to serve for a term of four (4) years, beginning July 1, 2025.

Becky Roe	4,281
James Haller	2,760
Jeanine Alexander	3,825
Write-in	11
Blank/Invalid	25
Abstain	
Total	10,902


Name: Henrique Geigel
Office: Ohio Attorney General


Name: Jacquie McKee
Office: Ohio Auditor of State

_____ moved and _____ seconded that the certification be accepted and made a matter of record and that Jeanine Alexander and Becky Roe be declared elected employee members of the Retirement Board, each for a term of four years beginning July 1, 2025.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Catherine Moss	_____	_____	_____
Jeanine Alexander	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Matthew King	_____	_____	_____

EXECUTIVE SESSION

_____ moved and _____ seconded the motion that the Retirement Board convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Catherine Moss	_____	_____	_____
Jeanine Alexander	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Matthew King	_____	_____	_____

CONVENED IN EXECUTIVE SESSION AT _____A.M./P.M.

RETURNED TO OPEN SESSION AT _____A.M. / P.M.

Memo

To: Retirement Board
From Michael Steiner, PhD
cc: Richard Stensrud and Karen Roggenkamp
Date: April 11, 2025
Re: Healthcare Fund Sustainability and Retiree Participation Discussion

Following up on a recent Board request, Michael Steiner, PhD, will provide the board with a presentation on the Health Care Fund Sustainability and the Medicare Plan Premium Surcharge.

Dr. Steiner will update the board on the current strategies being utilized to maintain the health care fund as well as risks to the Health Care Fund.

Dr. Steiner will also update the board on the Health Care Premium Surcharge and the estimated impact of premium surcharge reduction and Dr. Steiner will be available to answer any questions you might have.



Strategic Plan Update

Goal 1 - Sustainability

April 17, 2025

Michael Steiner, PhD

Director – Health Care Services

Strategies



1. Continuously monitor and assess pension fund risks and identify measures to mitigate them.
- 2. Continuously monitor and assess health care fund risks and identify measures to mitigate them.**
3. Maintain an investment program that meets or exceeds investment objectives over the long term.
4. Maintain a governance model that reflects industry best practices.
5. Continuously engage with and educate stakeholders and policymakers regarding the SERS' financial status of and risks to sustainability.

Strategy 2: Continuously monitor and assess health care fund risks and identify measures to mitigate them.



Actions	Tactics
1.2.1: Maximize available health care resources to support a strong health care program	<ol style="list-style-type: none">1. Explore Medicare plan pricing and potential for increasing the enrollment rate for new retirees.
1.2.2: Continue to explore opportunities to improve affordability	<ol style="list-style-type: none">1. Increase engagement with national partners to help steer health care policy.2. Continue to assess whether our model for providing health care benefits is the best for our members and the most sustainable approach.
1.2.3: Advocate for and support health care policies that provide a sustainable, affordable, high-quality health care benefit	<ol style="list-style-type: none">1. Work with consultants to assess health plan / Pharmacy Benefit Manager (PBM) model and parties in those roles.2. Monitor potential state-level changes to PBM operations.

Risks to the Health Care Fund



Risks	Responses
Decline in Medicare revenue	<ol style="list-style-type: none"> 1. Federal revenue is considered in rate setting; losses will be mitigated by a higher base premium. 2. Pivot to other models of delivering a Medicare plan (e.g., switching from Retiree Drug Subsidy to Part D, Medicare Cost to MA) 3. Advocacy and education efforts
Increased claims expenses	<ol style="list-style-type: none"> 1. Unlike a commercial plan, Medicare revenue is based on expected costs and will increase in reaction to blockbuster drugs and rising hospital fees. 2. Claims increases will be mitigated by a higher base premium.
Prolonged economic downturn	<p>The Health Care Fund is better positioned to weather a downturn compared to 2008:</p> <ol style="list-style-type: none"> 1. Downturns and recoveries are expected as a component of Actuarial Assumed Rate of Return (AARR). 2. In FY 2022 HC income offset a negative investment return, fund grew year over year. 3. Investment return sensitivity analysis demonstrates that the Board has time to react to a downturn severe enough to impact AARR.



Medicare Plan Premium Surcharge

Agenda



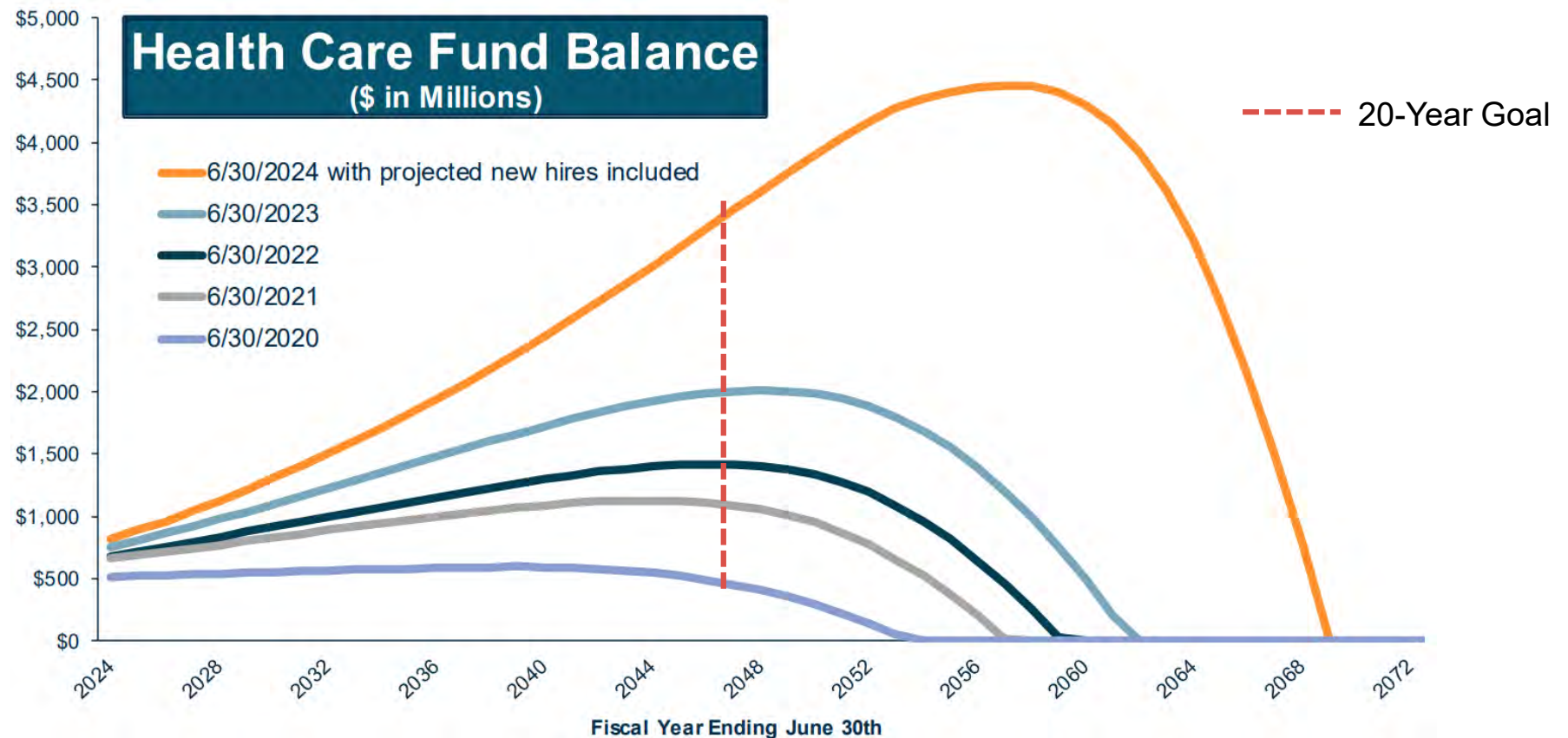
- Summarize February 2025 analysis on premium surcharge reduction or elimination
- Surcharge reduction and elimination scenarios with lower Actuarial Assumed Rate of Return (AARR)
- Assumed participation rates for new retirees
- Guidance for draft premiums in May 2025

HC Premium Surcharge



- \$35 premium surcharge added in 2011.
 - Replace employer pension contributions that were typically allocated to the Health Care Fund.
 - Two other fees were added and then removed by 2016.
- The fund has grown from a low of \$325 million (6/30/2010) to nearly \$864 million (2/28/2025).
- Projected solvency period is 45 years. The last five valuations project the solvency period to be beyond the 20-year goal.
- Total Medicare plan size and new retiree uptake are declining.
 - 2024 Member Survey suggests plan premium is the main reason retirees pick another option.

Solvency Chart: FY 2024



Estimated Impact of Premium Surcharge Reduction



2026 Premium Surcharge	Reduction from Current	Reduction to Solvency Period	Solvency Projection End Date (FY)	Projected Years of Solvency
\$35 (Current)	\$0	0	2069	45
\$25	\$10	1	2068	44
\$15	\$20	2	2067	43
\$10	\$25	3	2066	42
\$0	\$35	5	2064	40

Actuarial Assumed Rate of Return



- SERS' actuary uses a 7% AARR.
 - Economic cycles are assumed to average out to 7% annual return over time.
 - Using 6% ARR for estimating the solvency period is a stress test simulating a severe downturn, sluggish recovery, and/or chronic under performance.
- Health Care Fund returns are not smoothed; gains and losses are experienced as they happen.
 - In FY 2022, the negative investment returns were fully incorporated in the valuation. Even with negative returns the fund grew, and the solvency period increased.

Premium Surcharge



Premium Surcharge	Reduction from Current	Reduction to Solvency Period	Solvency Projection End Date (FY)	Projected Years of Solvency w/ 7% AARR	Projected Years of Solvency w/ 6% AARR
\$35 (Current)	\$0	0	2069	45	41
\$25	\$10	1	2068	44	--
\$15	\$20	2	2067	43	38
\$10	\$25	3	2066	42	--
\$0	\$35	5	2064	40	36

Fund Solvency and AARR:

Current Surcharge, Reduced Surcharge, Eliminated Surcharge



- Full elimination of surcharge paired with lower assumed rate of return shortens the solvency period from 45 to 36 years.
 - This scenario exceeds the Board's 20-year goal by 16 years.
- Lower AARR decreases the solvency period by four to five years.
 - The Board will have time to consider alternative strategies if the fund begins to fall short of expectations.



Declining Participation Rate

- Participation rates below actuarial assumptions will extend the solvency period, rates above the assumptions shorten the solvency period.
 - SERS' Medicare plan assumed participation rate is higher than actual participation rate.
 - SERS' actual participation rate has declined over time.
 - Catching up to the assumed participation rate does not shorten the solvency period.
 - 2019 premium cut increased participation by 5%.

Enrollment Rate for Service Retirees 30 to 34 YOS, Age 65+

Actuarial Assumption (FY 20)	Actual 2020	Actuarial Assumption (FY 25)	Actual 2025
80%	74%	75%	68%

Premium Surcharge



Premium Surcharge	Solvency Projection End Date w/ Current Assumptions	Projected Years of Solvency			
		7% AARR	6% AARR	Higher Participation & 7% AARR	Higher Participation & 6% AARR
\$35 (Current)	2069	45	41	--	--
\$25	2068	44	--	--	--
\$15	2067	43	38	40	36
\$10	2066	42	--	--	--
\$0	2064	40	36	37	34

Higher Participation: 7.5% above current assumptions, capped at 95% assumed uptake.

Fund Solvency:

Current Surcharge, Reduced Surcharge, Eliminated Surcharge



- Full elimination of surcharge paired with lower AARR and a large increase in participation shortens the solvency period from 45 to 34 years.
 - This scenario exceeds the Board's 20-year goal by 14 years.
- Lower AARR decreases the solvency period by 4 to 5 years.
- Participation exceeding current assumptions by 7.5% could shorten the solvency by 2 to 3 years.
 - The sensitivity analysis uses a large increase, more than doubling the increase in 2019.
 - An increase like 2019 would keep the participation rate below the current assumption.

2025 Premiums with Surcharge Changes



Years of Service	\$35 Surcharge	\$25 Surcharge	\$15 Surcharge	\$10 Surcharge	No Surcharge
10 to 19.999	\$198	\$188	\$178	\$173	\$163
20 to 29.999	\$117	\$107	\$97	\$92	\$82
25 to 29.999	\$84	\$74	\$64	\$59	\$49
30 to 34.999	\$68	\$58	\$48	\$43	\$33
35 Years	\$60	\$50	\$40	\$35	\$25

% Premium Reduction	n/a	15%	29%	37%	51%
----------------------------	-----	-----	-----	-----	-----



\$45.50 Medicare Part B reimbursement.

- Most retirees will qualify for this reimbursement.
- Net deduction for a service retiree with 30 to 34.999 HC YOS and a \$15 surcharge:

$$\begin{aligned}
 & \$48.00 \text{ Premium Deduction} \\
 & - \$45.50 \text{ Medicare Part B Reimbursement} \\
 & = \textbf{\$2.50 total monthly benefit deduction}
 \end{aligned}$$



Reducing Medicare Plan Surcharge

- Lowering the premium is expected to increase participation rate of new retirees
- Improves the plan's value to members
- Consistent with strategic plan goals

Premium Surcharge	Solvency Projection End Date	Projected Years of Solvency
\$35 (Current)	2069	45
\$15	2067	43
\$0	2064	40

ONLY IF NEEDED

EXECUTIVE SESSION

_____ moved and _____seconded the motion that the Board go into Executive Session pursuant to R.C. 121.22 (G)(5) to review applications for Disability Retirement Benefits.

ROLL CALL:

YEA

NAY

ABSTAIN

Catherine Moss
Jeanine Alexander
Jeffrey DeLeone
James Haller
James Rossler
Aimee Russell
Frank Weglarz
Daniel Wilson
Matthew King

CONVENED IN EXECUTIVE SESSION AT _____A.M./P.M.

RETURNED TO OPEN SESSION AT _____A.M. / P.M.

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2025 **

AUDIT COMMITTEE MEETINGS

June 17, 2025 – 2:30 p.m. (Tues.) **** Moved due to Juneteenth Holiday ****
September 17, 2025 - 2:30 p.m. (Weds.)
December 17, 2025 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

June 18, 2025 – 7:30 a.m. (Weds.) **** Moved due to Juneteenth Holiday ****
July 17, 2025 – 7:30 a.m. (Thurs.) **** Special Meeting ****
September 18, 2025 – 7:30 a.m. (Thurs.)
December 18, 2025 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

June 18, 2025 – 12:30 p.m. (Weds.) **** Moved due to Juneteenth Holiday ****
September 19, 2025 – 12:30 p.m. (Thurs.)
December 19, 2025 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

May 15 – 16, 2025 – 8:30 a.m. (Thurs. and Fri.)
June 18, 2025 – 8:30 a.m. (Weds.) **** Moved due to Juneteenth Holiday ****
July 17 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.)
September 18 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.) **** Board Picture Day ****
October 16 – 17, 2025 – 8:30 a.m. (Thurs. and Fri.)
November 20 – 21, 2025 – 8:30 a.m. (Thurs. and Fri.)
December 18 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.)

**** Please note that these dates and times are tentative.**

CONTINUED OR NEW BUSINESS

Board Information Requested

BOARD INFORMATION REQUESTS AND FOLLOW-UP ITEMS

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

ADJOURNMENT(R)

_____ moved that the SERS Retirement board adjourn to meet on Thursday, May 15, 2025, for the next regularly scheduled meeting.

The meeting adjourned at _____ a.m./p.m.

Matthew King – Chair

Richard Stensrud, Secretary