



Retirement Board Agenda November 20, 2025

Click Link to Join Zoom Meeting:

<https://ohsers.zoom.us/j/93797074166?pwd=uX6hr2spWFSSOuhHToeUELeI22WJQO.1>

Meeting ID: 937 9707 4166

Password: 12345

To join by phone, dial: (301) 715-8592 and enter the Meeting ID: **937 9707 4166** and Password: **12345** when prompted.

PLEDGE OF ALLEGIANCE

1. Roll Call

CONSENT AGENDA (R)

2. Approval of Minutes of **October 16, 2025**, Retirement Board Meeting
3. Summary of Investment Transactions - **September 1, 2025, to September 30, 2025**
4. Retirement Report
 - Superannuations, Survivor Benefits, and Transfers
 - Special Cases
5. Disability Report
 - Approval of Disability Benefits
 - Disapproval of Disability Benefits
 - Termination of Disability Benefits
 - Approval of Appeal of Termination
 - Approval of Appeal of Termination – Any Occupation

EXECUTIVE DIRECTOR'S REPORT

6. Pension and Health Care Annual Actuarial Valuations – CavMac
7. Allocation of Employer Contributions (R)
8. Health Care Surcharge (R)

INVESTMENT REPORT

9. Annual Portfolio Review – Fixed Income
10. Wilshire Quarterly Market and Economic Report as of September 30, 2025
11. Quarterly Investment Economic Update for the period ended September 30, 2025

EXECUTIVE DIRECTOR'S REPORT (cont.)

12. Executive Director's Update
13. Review of Administrative Expenses
14. New Employer Request - Miami Valley Technology and Communications Group Council of Governments (R)
15. Final Filing of Proposed Amended Administrative Rules (R)
16. Executive Session pursuant to R.C. 121.22 (G)(2) to discuss the sale of property (R)
17. OSERS Budget Modification (R)
18. Medical Advisory Committee Chairman Increase (R)

RETIREMENT REPORT

19. 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

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

ADJOURNMENT

FY2026 SERS Board Roll Call

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

NOVEMBER 2025 CONSENT AGENDA

1. Minutes of the
 - a. **October 16, 2025**, Retirement Board meeting
2. Summary of Investment Transactions – **September 1, 2025 to September 30, 2025.**
3. Retirement Report
 - a. Superannuations, 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
 - d. Approval of Appeal of Termination
 - e. Approval of Appeal of Termination – Any Occupation

APPROVAL OF CONSENT AGENDA

_____ moved and _____ seconded the motion to approve the Consent Agenda for **November 20, 2025**, which includes the following items:

1. Minutes of the
 - a. **October 16, 2025**, Retirement Board meeting
2. Summary of Investment Transactions – **September 1, 2025 to September 30, 2025.**
3. Retirement Report
 - a. Superannuations, 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
 - d. Approval of Appeal of Termination
 - e. Approval of Appeal of Termination – Any Occupation

Upon roll call, the vote was as follows:

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

SERS Retirement Board Meeting Minutes

October 16, 2025

The nine hundredth and eighty-fourth 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, October 16, 2025.

Pledge of Allegiance

The SERS Retirement Board meeting convened at 8:30 a.m. with the Pledge of Allegiance.

Roll Call

The roll call was as follows: James Rossler, Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz. Absent (excused): Jeanine Alexander. Also attending was Mary Therese Bridge, 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.

Approval of Board Out-of State Travel

Catherine Moss moved and Frank Weglarz seconded the motion that the travel requests by Board Members to travel and receive reimbursement for the following out-of-state conference and meeting expenses be approved. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Conference	Attendee	Conference Date(s)	Conference Location	Estimate of Expenses
Public Plan Trustee Institute	Jeanine Alexander	February 23 – February 24, 2026	Orlando, FL	3522.04

Consent Agenda

The Consent Agenda for October 16, 2025, included:

- **Minutes** of the September 18, 2025, Retirement Board meeting.
- **Summary of Investment Transactions** for the period of August 1, 2025, to August 31, 2025.
- **Retirement Report** - Superannuations, Survivor Benefits, and Transfers and Special Cases.
- **Disability Report** - Approval of Disability Benefits, Disapproval of Disability Benefits, Termination of Disability Benefits – Any Occupation, Approval of Appeal of Termination – Any Occupation.

Matthew King moved and Jeffrey DeLeone seconded the motion to approve the Consent Agenda of the Retirement Board meeting held on Thursday, September 18, 2025. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Investment Report

Annual Portfolio Review – Private Equity

SERS Investment staff Steve Price and Phil Sisson provided an update on the Private Equity portfolio. Mr. Price reported the Private Equity portfolio has a market value of \$2.63 billion with 28 general partners, 70 funds, and 18 co-investments. SERS maintains a diverse private equity portfolio to provide returns that can be adjusted based on risk. The target for Global Private Equity allocation is currently 14% of the SERS total fund, with a permissible range of 11% to 17%.

SERS Retirement Board Meeting Minutes October 16, 2025

FY 2025 had a net return of 9.99% versus the benchmark of 6.42%. It was also reported that the ten-year return exceeds the benchmark and the program remains cash-flow positive.

Mr. Sisson stated the objectives for FY2026 are to manage the Private Equity portfolio and fiscal year commitments to reflect the investment allocation of 14%, subject to identifying opportunities that meet SERS' investment criteria. Another goal is to review the private equity portfolio strategy and structure and develop a plan to improve risk and return characteristics of the portfolio, achieve fee reductions and optimize manager count as appropriate. Also, investment staff will actively seek co-investment opportunities where appropriate with current SERS' private equity general partners who meet co-investment criteria, as outlined in the private equity co-investment guidelines. The final goal is to research and identify new and innovative investment opportunities with managers who offer compelling return expectations. These new opportunities may be used for a combination of purposes to replace current managers who no longer meet SERS' investment criteria or to target strategies that are not currently a directly invested component of the private equity portfolio.

With no questions, the board thanked Mr. Price and Mr. Sisson for their report.

Monthly Investment Report – Period Ending: August 31, 2025

Mr. Majeed provided an update on the SERS Retirement fund for the period ending August 31, 2025. Mr. Majeed reported that the US labor market is weakening as there are currently more jobs being lost than are available. Inflation is also slightly higher and the trend indicates a possible downturn in the economy and a possible recession. Mr. Majeed stated that certain variables, such as AI data centers, are driving growth but not job growth.

Mr. Majeed closed his report stating that the SERS retirement fund was valued at \$21B as of August 31. Mr. Majeed reported that unemployment numbers continue to move in an upward direction as new jobs decrease. Mr. Majeed advised the Board that the current rate of investment return is not likely to continue and that the market will likely correct itself in the near future. Following a robust discussion and several questions, the Board thanked Mr. Majeed and his Investment Staff for their hard work.

Investment Consultant RFP Discussion

Mr. Majeed reported that SERS would be issuing a Request for Proposals (RFP) to select a qualified general investment consulting firm. The chosen consultant will work closely with the Board and Staff to develop and implement investment policies that ensure the system's assets are sufficient to meet both current and future benefit obligations. As of June 30, 2025, SERS manages \$20.6 billion in assets, diversified across global equities, private equity, fixed income, private credit, real estate, infrastructure, opportunistic investments, and cash equivalents.

Mr. Majeed continued, noting that the scope of services for the consultant includes providing independent, unbiased advice on strategic asset allocation, quarterly performance reporting, policy development, and investment manager due diligence.

Mr. Majeed noted that the RFP outlines a detailed selection process, including proposal submission deadlines, presentations, and due diligence visits, with finalists presenting to the Board for approval. Minimum criteria for selection include registration as an investment advisor, significant experience with public retirement systems, and a dedicated research team. Compliance with Ohio law and full disclosure of conflicts of interest are required. The process is designed to ensure transparency, robust oversight, and the continued financial health of SERS.

Mr. Majeed outlined the timeline for proposal review and evaluation, noting the RFP would be posted in November, with proposals due in December. An internal group of investment and executive staff will review the submissions and the top three finalists will present to the Board for final consideration. Mr. Majeed indicated that a final decision would be targeted for March or April 2026. Following several questions, the Board advised the Investments Team to begin the RFP process for a new Investment Consultant.

The Board took a break at 9:45 a.m.

SERS Retirement Board Meeting Minutes

October 16, 2025

The Board reconvened at 9:56 a.m.

Executive Director's Update

Ohio Retirement Study Council

SERS Executive Director Richard Stensrud reported that the ORSC met on September 9. The SERS Disability report was discussed. The FY2025 disability experience was similar to that in previous years. Mr. Stensrud also reported on the updates made to the SERS Travel Policy.

Mr. Stensrud noted there was a report on Chairman Bird's and Representative Brennan's recent visit to the STRS building. The visit was spurred by a newspaper editorial making allegations about subpar investment performance and claims about excessive expenditures in the STRS building. The Representatives reported that the allegations were incorrect, inaccurate and erroneous.

Mr. Stensrud reported that the ORSC is expected to meet as planned in November.

State Legislative Activity

Mr. Stensrud reported that sponsor testimony was heard in House Committee meetings last week on bills that SERS is tracking.

HB 413 would require mandatory participation by government entities, including the statewide retirement systems, in the Treasurer of State's online 'Checkbook' project. Mr. Stensrud advised the Board that SERS already participates in this program on a voluntary basis. The legislation would also add reporting of revenues to the expenditures currently being reported. Mr. Stensrud noted that the retirement systems were working with the legislative sponsors to get clarification regarding what revenues the retirement systems would be required to report.

HB 473 would prohibit public employers from paying ('picking up') the employee share of pension contributions to any of the five statewide retirement systems. Mr. Stensrud noted that the Governor had vetoed provisions in the Budget Bill that would have applied such a prohibition to school districts paying the employee contributions for school Superintendents and Treasurers. Mr. Stensrud noted that SERS was not taking a policy position on the bill but would advise policy makers that the prohibition could result in higher pension benefits and higher pension costs to employers. Mr. Stensrud explained that this was because an employer pick up does not increase pensionable compensation, which impacts final average salary and benefits, but if an employer were to provide an employee with other compensation to replace the pick up, that new compensation would be pensionable, and would require additional employer contributions.

Mr. Stensrud advised the Board that he will keep the Board apprised of developments on these legislative proposals.

Mr. Stensrud reported that most of the Ohio General Assembly's focus this fall has been on property tax relief proposals and on Congressional re-districting.

Federal Legislative Activity

Mr. Stensrud continued, reporting on the status of the federal government shutdown. Federal appropriations ended for most federal agencies October 1st. Congressional Republicans and Democrats have been blaming each other regarding who is responsible for the shutdown, and neither side is budging. Mr. Stensrud noted that at the heart of the stalemate are the higher ACA subsidies that are set to expire at the end of 2025. Mr. Stensrud noted that the outcome on the subsidies would have an impact on participation in SERS' marketplace/HRA wraparound program, with lower subsidies potentially making the SERS program less attractive to participants.

SERS Retirement Board Meeting Minutes

October 16, 2025

Board Member Rebekah Roe expressed her concern over how the loss of the higher subsidies would affect SERS members. Mr. Stensrud reassured the Board that SERS members will be kept up to date on developments and provided an opportunity to make changes in plan selection if the underlying circumstances made it necessary.

Joint Trustee Training

Mr. Stensrud reported that OPERS will host the Joint Trustee Training on November 12, 2025. All SERS Board members are invited to attend.

Member Services Outreach

Mr. Stensrud reported on the many ways that SERS staff continues to engage with SERS members, employers, and stakeholders. He noted several webinars, training sessions, and communications sent out to educate and bring awareness to issues affecting SERS members. Mr. Stensrud assured the Board that this engagement will continue.

Actuarial Audit Presentation

Mr. Stensrud introduced Linda Bournival of KMS Actuaries. Mr. Stensrud reported that every ten years the Ohio Retirement Study Council (ORSC) commissions an actuarial audit in which the auditing actuary fully replicates the most recent actuarial valuation conducted by the retirement system's retained actuary.

Mr. Stensrud noted that an actuarial audit includes the following elements:

1. Audit of actuarial methods, actuarial factors, and actuarial assumptions used in the actuarial valuations
2. Replicate the actuarial calculations
3. Audit of member data used in the valuations
4. Perform sample lives testing
5. Review valuation reports for compliance with Actuarial Standard of Practice (ASOP)

Mr. Stensrud stated after a competitive bidding process, the ORSC selected Pension Trustee Advisors, partnered with KMS Actuaries and Bolton Partners (PTA-KMS-Bolton), to perform the actuarial audit on the work performed for SERS by Cavanaugh MacDonald (CavMac).

Their audit included the following CavMac reports:

- SERS valuation report on the annual basic benefits as of June 30, 2024.
- SERS valuation report on the retiree health care fund as of June 30, 2024.
- Five-year pension fund experience review for the period ending June 30, 2020.

Mr. Stensrud noted that the PTA-KMS-Bolton report was provided for the Board for review. A response to the PTA-KMS-Bolton report by CavMac was also included.

Ms. Bournival reported on the overall findings for the actuarial audit. Ms. Bournival reported that the actuarial audit identified no critical concerns and found that the actuarial calculations were reasonable, consistent and accurate, and that the assumptions recommended by CavMac and adopted by the Board were reasonable, and consistently and accurately applied. The report highlights that the actuarial liabilities and normal costs calculated by CavMac were closely matched by PTA/KMS/Bolton.

Ms. Bournival continued, stating specifically that the actuarial audit:

- Confirmed the validity, completeness, and appropriateness of the demographic and financial information used by CavMac to meet SERS' funding objectives.
- Confirmed the reasonableness of CavMac's conclusions and the conformance of CavMac's work with generally accepted actuarial standards and practices.
- Determined that the auditor's calculations closely matched CavMac's calculations.

SERS Retirement Board Meeting Minutes October 16, 2025

- Confirmed that CavMac captured the complexity of SERS accurately and that SERS should have confidence in the actuarial calculations provided to us.
- Confirmed that CavMac's actuarial valuations of total actuarial liability, normal cost and present value of benefits was reliable.
- Confirmed that the actuarial funding method and asset valuation method used by CavMac are a 'Model Practice.'
- Confirmed that the Actuarially Determined Contribution (ADC) of 9.56% calculated by CavMac is less than the fixed rate employer contribution (14.00%) scheduled to be paid into the plan. This confirms CavMac's conclusion that the current employer contribution rate is sufficient to fund the plan within the amortization period requirement.

None of the minor recommendations/suggestions identified by PTA/KMS/Bolton resulted in necessary recalculations. The minor recommendations/suggestions include:

- Expand certain information in the valuation report.
- Expand disclosure of methodology and assumptions in the next actuarial experience study and valuation reports.
- Consider certain enhancements to the actuarial methods and assumptions:

Mr. Stensrud reported SERS staff was pleased with PTA-KMS-Bolton 's favorable conclusions on CavMac's work and believe that the results provide confirmation to SERS' stakeholders that SERS' actuarial condition is being accurately and correctly presented. SERS leadership has discussed the auditing actuary's recommendations with CavMac, and plan to incorporate many of them during the upcoming five-year experience study as of June 30, 2025. Following several questions, the Board thanked Ms. Bournival for her presentation.

Review of Administrative Expenses

SERS Chief Financial Officer, Marni Hall, provided an update on SERS administrative expenses. Ms. Hall provided the board with several FY2026 Administrative expense reports for further analysis. Ms. Hall stated that SERS FY26 SERS administrative expenses are tracking slightly over budget for the first quarter due to timing and should recover in the second quarter. Ms. Hall also provided the Board with a brief overview of SERS Broad Street expenses. Following several questions, the Board thanked Ms. Hall for her report.

Revised and Restated SERS Health Care Plan & Trust

SERS General Counsel, Joe Marotta, provided the Board with a Revised and Restated Health Care Plan and Trust for review. Mr. Marotta stated the proposed revised and restated SERS Health Care Plan and Trust ("HC Plan"), which would be effective October 16, 2025, is based on the current HC Plan that was revised and restated October 1, 2024. The purpose of the proposed revised and restated HC Plan is to add language to designate the HC Plan as a hybrid entity for purposes of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

HIPAA, a federal law intended to strengthen the privacy and security of individuals' health information, applies to "covered entities," as defined under the privacy, security, breach notification, and enforcement rules at 45 C.F.R. Part 160 and Part 164 ("HIPAA Rules"). A single legal entity that conducts both HIPAA-covered and non-covered functions may designate itself as a hybrid entity for HIPAA compliance purposes. SERS is a single legal entity that provides pension benefits (non-covered functions) and offers self-insured health insurance coverage to its retirees, beneficiaries, and their dependents (HIPAA-covered functions). By designating the HC Plan as a hybrid entity, only the parts of SERS that specifically administers the HC Plan will be subject to HIPAA instead of all of SERS.

SERS Legal Staff consulted with outside legal counsel to add the language to designate the HC Plan as the covered entity. Staff recommended that the Director – Health Care Services be designated responsible for the HC Plan for purposes of HIPAA.

Rebekah Roe moved and Frank Weglarz seconded the motion to adopt the revised and restated "SERS Health Care Plan and Trust" effective October 16, 2025, and designate the Director – Health Care Services as responsible for the SERS Health Care Plan and Trust for purposes of HIPAA. Upon roll call the vote was as

SERS Retirement Board Meeting Minutes October 16, 2025

follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Filing of Proposed Rescinded Administrative Rule 3309-1-64 Dental and Vision Coverage

Legal Counsel discussed with the Board filing with JCARR the following proposed rescinded rule: 3309-1-64 Dental and vision coverage. Rebekah Roe moved and Aimee Russell seconded that proposed rescinded rule 3309-1-64 be filed with JCARR as discussed. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Filing of Proposed New Administrative Rule 3309-1-64 Dental and Vision Coverage

Legal Counsel discussed with the Board filing with JCARR the following proposed new administrative rule: 3309-1-64 Dental and vision coverage. Catherine Moss moved and Frank Weglarz seconded that proposed new rule 3309-1-64 be filed with JCARR as discussed. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Filing of Proposed Amended Administrative Rule 3309-1-09 Federal Taxation

Legal Counsel discussed with the Board filing with JCARR the following proposed amended rule: 3309-1-09 Federal taxation. Matthew King moved and Frank Weglarz seconded that proposed amended rule 3309-1-09 be filed with JCARR as discussed. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Filing of Proposed Amended Administrative Rule 3309-1-10 Mandatory Direct Deposit

Legal Counsel discussed with the Board filing with JCARR the following proposed amended rule: 3309-1-10 Mandatory direct deposit. Frank Weglarz moved and Aimee Russell seconded that proposed amended rule 3309-1-10 be filed with JCARR as discussed. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Filing of Proposed Amended Administrative Rule 3309-1-35 Health Care

Legal Counsel discussed with the Board filing with JCARR the following proposed amended rule: 3309-1-35 Health care. Rebekah Roe moved and Aimee Russell seconded that proposed amended rule 3309-1-35 be filed with JCARR as discussed. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

Filing of Proposed Amended Administrative Rule 3309-1-65 Medicare Part B Reimbursement Account

Legal Counsel discussed with the Board filing with JCARR the following proposed amended rule: 3309-1-65 Medicare part B reimbursement account. Frank Weglarz moved and Catherine Moss seconded that proposed amended rule 3309-1-65 be filed with JCARR as discussed. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeanine Alexander. The motion carried.

SERS Retirement Board Meeting Minutes

October 16, 2025

Technology Committee Report

Technology Committee Update

SERS' Technology Committee Chair, Frank Weglarz provided the Board with an update on the work being done by the Technology Committee. Mr. Weglarz reported that SERS Chief Technology Officer Jay Patel provided the Committee with a Technology Roadmap progress update on the FY2026 Infrastructure and SMART projects. The Technology Roadmap is in its fourth year. Mr. Weglarz also reported that SERS successfully negotiated a three-year SMART Support Contract Renewal that became effective on July 1, 2025.

Mr. Weglarz also stated that Chief Risk Officer Colette Barricks, presented updates on fraud awareness, security projects, and compliance support, along with insights into the successful completion of audits and key projects for FY2026, elaborating on the successes of prior Cyber Incident Tabletop exercises, responsible use of CoPilot and Brand Indicators for Message Identification. The Technology Committee went into Executive Session to discuss cyber insurance. The Board thanked Mr. Weglarz for his report.

Retirement Report

There was no executive session for the retirement report.

Board Communication and Policy Issues

Board Information Request & Follow Up Items

No additional follow-up items were noted.

Calendar Dates for Future Board Meetings

The Board members reviewed the 2025 meeting calendar.

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

AUDIT COMMITTEE MEETINGS

December 17, 2025 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

December 18, 2025 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

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

BOARD MEETINGS

November 20 – 21, 2025 – 8:30 a.m. (Thurs. and Fri.)

December 18 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.)

SERS Retirement Board Meeting Minutes

October 16, 2025

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2026 **

AUDIT COMMITTEE MEETINGS

March 18, 2026 – 2:30 p.m. (Weds.)
June 17, 2026 – 2:30 p.m. (Weds.)
September 16, 2026 - 2:30 p.m. (Weds.)
December 16, 2026 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 19, 2026 – 7:30 a.m. (Thurs.)
June 18, 2026 – 7:30 a.m. (Thurs.)
July 16, 2026 – 7:30 a.m. (Thurs.) **** Special Meeting ****
September 17, 2026 – 7:30 a.m. (Thurs.)
December 17, 2026 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

March 19, 2026 – 12:30 p.m. (Thurs.)
June 18, 2026 – 12:30 p.m. (Thurs.)
September 17, 2026 – 12:30 p.m. (Thurs.)
December 17, 2026 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

February 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.)
March 19 – 20, 2026 - 8:30 a.m. (Thurs. and Fri.)
April 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)
May 21 – 22, 2026 – 8:30 a.m. (Thurs. and Fri.)
June 18, 2026 – 8:30 a.m. (Thurs.)
July 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)
September 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.) **** Board Picture Day ****
October 15 – 16, 2026 – 8:30 a.m. (Thurs. and Fri.)
November 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.)
December 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.)

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

Adjournment

Board Chair James Rossler moved to adjourn to meet on Thursday, November 16, 2025, at 8:30 a.m. for the next SERS regularly scheduled Retirement Board meeting.

The SERS Board Meeting adjourned at 11:02 a.m.

James Rossler, Board Chair

Richard Stensrud, Executive Director

SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

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

The following is a summary of the investment transactions made during the period of September 1, 2025, through September 30, 2025. A detailed list of these transactions can be found in the Board Agenda provided prior to the Retirement Board Meeting.

A. PURCHASES

Asset Class	Approximate Cost (in millions)
Global Equities	\$325.2
Fixed Income	511.7
Private Equity Capital Calls	27.1
Real Estate Capital Calls	15.5
Infrastructure Capital Calls	50.1
Opportunistic & Tactical	16.8
Global Private Credit	24.6
Cash Equivalents	189.7

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	370.7	127.0
Fixed Income	401.1	2.5
Private Equity Distributions	21.8	n/a
Real Estate Distributions	16.6	n/a
Infrastructure Distributions	1.5	n/a
Opportunistic & Tactical	3.9	n/a
Global Private Credit	42.3	n/a
Cash Equivalents	276.8	6.6

Memo

To: SERS Board

From: Richard Stensrud, Executive Director

cc: Karen Roggenkamp, Deputy Executive Director
Marni Hall, Chief Financial Officer

Date: November 7, 2025

Re: Presentation of Pension and Health Care Actuarial Valuations
as of June 30, 2025

The basic financial objective of SERS is to establish and receive contributions which, when expressed in terms of percentages of active member payroll, remain approximately level from generation to generation, and which, when combined with present assets and future investment returns, will be sufficient to meet the present and future financial obligations of SERS. An actuarial valuation is performed annually to measure progress toward this objective and to establish the allocation of the employer contribution to the Pension, Death Benefit and Medicare B Funds. To that end, the pension fund actuarial valuation (Pension Fund Valuation) as of June 30, 2025 prepared by SERS' actuary CavMac Actuarial Consulting Services (CavMac) is attached for your review and consideration.

As you will see, the June 30, 2025 valuation reports that the funded ratio of the Basic Benefits remained fairly consistent at 79.00% as compared to the 78.99% funded ratio reported in 2024, and the amortization period of the unfunded actuarial accrued liability decreased from 20 years to 19 years. The fiscal year investment earnings were above the assumed rate of return of 7.0%, and the market value of assets now exceeds the actuarial value assets after the gains from 2021 were fully amortized in the 2024 valuation. See the investment smoothing methodology described below.

Pension Fund Valuation Report

The following discussion addresses some key information in the Pension Fund Valuation.

Actuarial Funded Ratio vs. Market Value Funded Ratio

The most commonly referenced funded ratio in the Pension Valuation is based on the actuarial value of assets. The actuarial value of assets utilizes the value of the assets as

determined under a four-year asset smoothing process whereby each year the investment experience over or under the investment return assumption is divided into four equal parts, with one fourth of that experience recognized in the current year and the remaining three fourths recognized in the three subsequent years. This rolling recognition of deferred gains and losses means that the actuarial value of assets may be higher or lower than the market value of assets, which is the current non-smoothed value of the assets.

With the investment performance in FY 24-25 and FY 23-24 higher than the investment return assumption, coupled with the last year phase-in of the negative returns in FY21-22, the actuarial value of assets is less than the market value of assets by \$719.4 million as of June 30, 2025. As a result, the funded ratio based on the actuarial value of assets is 79.00%, which is less than the 81.93% funded ratio based on the market value of assets. Put another way, if all the deferred gains and losses currently in the smoothing process were recognized immediately, the pension fund would be 81.93% funded. See pages 3-5 and 13 of the Pension Fund Valuation.

As noted above, under the asset smoothing process the remaining portion of each year's gain or loss is deferred and recognized over the rest of the four-year smoothing period. FY 23-24 was the last year benefiting from the smoothing of the strong investment performance in FY 20-21. The expiration of these deferred gains, coupled with the final year of recognition of deferred losses from FY 21-22 and deferred losses from FY 22-23, placed downward pressure on the funded status in FY 24-25. Specifically, the FY 21-22 and FY 22-23 deferred losses exceeded the deferred gains from FY 23-24 and FY 24-25, yielding a net loss for FY 24-25 of (\$145,130,400). The individual layers were deferred losses of (\$411,136,059) from FY 21-22; deferred losses of (\$16,098,304) from FY 22-23; deferred gains of \$110,853,460 from FY 23-24; and deferred gains of \$171,250,503 from FY 24-25. See page 27 of the Pension Fund Valuation.

Unfunded Actuarial Accrued Liability

The unfunded actuarial accrued liability (UAAL) is the difference between the actuarial value of assets and the actuarial accrued liability (AAL). Changes in the UAAL occur for various reasons, including changes in actuarial assumptions, investment experience or liability experience that is above or below actuarial assumptions, and changes in the methodology used to perform the actuarial valuation.

Over the past twenty years, periods of investment experience below the investment return assumption along with changes in the investment return assumption itself have applied upward pressure on the UAAL. Over the same period, investment experience above the investment return assumption and positive experience relative to demographic actuarial assumptions have pushed downward on the UAAL. In addition, the UAAL has been positively impacted by various pension sustainability measures implemented by the SERS Board, such as changes in retirement eligibility and the retiree COLA. See pages 6 and 7 of the Pension Fund Valuation.

In FY 24-25, SERS experienced an increase of \$156.9 million in the UAAL largely due to these latter factors – i.e., net negative investment performance, negative demographic experience, and awarding a retiree COLA higher than the COLA assumption (2.50% COLA compared to the 2.00% COLA assumption). While FY 24-25 UAAL increased, the factors noted above have also led to steady improvement in the funded status of the pension fund since 2012 (e.g., the funded ratio has improved from 71.49% in FY 19-20 to the current 79.00% in FY 24-25). See pages 4-7, 15 and 17 of the Pension Fund Valuation.

Actuarial Gains and Losses

The Pension Fund Valuation provides an analysis of the gains and losses in the accrued liabilities and assets resulting from a difference between the actuarial assumptions used to project assets and liabilities and the actual experience for the year. That analysis shows that collectively, actuarial losses related to lower investment income than assumed, members with younger retirement ages than assumed, higher pre-retirement death benefit payments than assumed, lower withdrawal from employment levels than assumed, greater pay increases than assumed, more new members entering the plan than assumed, and granting a 2.5% COLA, were greater than actuarial gains attributable retirees not living as long as expected, and other miscellaneous gains. See page 17 of the Pension Fund Valuation.

Page 52 of the Pension Fund Valuation provides a breakdown of the annual actuarial gains and losses since 2016. That data illustrates that age and service retirement levels, disability retirement levels, pre-retirement death benefit payments, withdrawal from employment levels, and new members entering the plan, have consistently been a source of actuarial losses. Investment experience above the investment return assumption has been a steady source of actuarial gains, until FY 24-25 when the smoothing of FY 21-22 deferred losses produced an actuarial loss. Lower than assumed pay increases have also been a regular source of actuarial gains but higher than assumed pay increases have produced actuarial losses for the last four years. Retiree mortality has been a source of actuarial gains since 2020, with retirees not living as long as assumed.

Contribution Rates

One of the key purposes of the Pension Fund Valuation is to determine if the employer and member contribution rates remain sufficient to fund the pension plan. The member contribution rate is 10% and the employer contribution rate is 14%. CavMac has determined that the normal cost of the pension benefits requires a contribution rate of 10.75%. The normal cost is first addressed by the 10% member contribution and the remainder (0.75%) is provided by the employer contribution. CavMac has further determined that the contribution rate required to pay off the UAAL is 8.99%. The 13.25% remaining employer contribution is not only sufficient to address the required UAAL payment but also provides an additional 4.26% toward paying off the UAAL. For these reasons CavMac has concluded that the current contribution rates are reasonable and sufficient to fully fund the pension plan and to amortize the UAAL over the current 19 year amortization period. See pages 8, 14 and 18 of the Pension Fund Valuation.

ASOP 4 Requirements:

The Actuarial Standards Board adopted revisions to ASOP No. 4, *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*, effective for valuation reports issued after February 15, 2023. The two principal disclosures required by ASOP 4 addressed in the Pension Fund Valuation are:

- Actuarial Determined Employer Contribution (ADC) – Requires an annual determination by the actuary of whether the ADC is reasonable. CavMac has determined that the ADC for the pension fund is 9.74%, which is below the current employer contribution rate of 14%. CavMac therefore attests that the ADC is reasonable under ASOP 4. See pages 8 and 18 of the Pension Fund Valuation.
- Low-Default-Risk Obligation Measure (LDROM) – The LDROM is a required informational disclosure but is not appropriate for assessing the funding progress or health of the pension fund. It approximates the termination liability if the plan ended on June 30, 2025 and all of the accrued benefits had to be paid with cash flow-matched bonds. This measure is more relevant for corporate plans than for SERS since it is highly unlikely that SERS' plan will be completely terminated. Comparing the AAL using LDROM versus the assumed rate of return of 7%, highlights the savings SERS expects by investing in a well-diversified investment portfolio. See page 24 of the Pension Fund Valuation. Information regarding how LDROM should be understood is also available on the SERS website.

Cash Flow

Like virtually all mature retirement systems, SERS experiences negative cash flow due to benefit payment levels exceeding member and employer contributions. This negative cash flow must be addressed by income from the investment program which can result in fewer assets to invest to produce future income. CavMac advises that negative cash flow raises such a concern if it is more than 4% of the market value of assets for a protracted period.

The Pension Fund Valuation reports that for FY 24-25 SERS' negative cash flow was 2.77% of the market value of assets. Since FY 11-12, the average negative cash flow was 3.22% of the market value of assets. Accordingly, CavMac does not believe the negative cash flow level is of concern. See page 22 of the Pension Fund Valuation.

Active Member to Retiree Ratio

A positive active member to retiree ratio is helpful for maintaining reasonable cash flow. The Pension Fund Valuation reports that for FY 24-25 SERS had 1.98 active members for every retirement benefit recipient. Since FY 11-12, the active member to retiree ratio has averaged 1.85, but has been higher over the second half of the period. See page 24 of the Pension Fund Valuation.

Active Members

The Pension Fund Valuation reports that there are 165,280 active members as of June 30, 2025, which was approximately 1,900 higher compared to June 30, 2024. Of that number, 25.4% (42,040) are vested and 74.6% (123,240) are not vested. See pages 9 and 11 of the Pension Fund Valuation.

74.6% of current active members have less than 10 years of service. 59.2% have less than 5 years of service. The percentage of active members declines as service increases and drops to 5.8% when you get to 25 or more years of service. This shows that while many people are in SERS for a few years, the active members who stay and ultimately draw a benefit are longer career employees. See page 47 of the Pension Fund Valuation.

27.3% of current active members make less than \$10,000 annually. 44.9% of current active members make less than \$20,000 annually. 77.2% make less than \$40,000 annually. 22.8% make more than \$40,000 annually. See page 50 of the Pension Fund Valuation.

67.2% of active members are female and 32.8% are male.

Retirees and Beneficiaries

The total number of retirement benefit recipients increased from 82,490 as of June 30, 2024 to 83,327 as of June 30, 2025. Retirement allowances increased by 4.07% in FY 24-25, from \$1.384 million to \$1.440 million. See page 40 of the Pension Fund Valuation.

Of the 83,327 retirement benefit recipients, 89.4% are service retirees and beneficiaries, 6.8% are disability benefit recipients, and 4.8% are receiving a survivor benefit. See page 12 of the Pension Fund Valuation.

46.1% of current service retirees receive an annual benefit of \$12,000 or less. 64.2% of current service retirees receive an annual benefit of \$18,000 or less. 76.0% receive an annual benefit of \$24,000 or less. See page 42 of the Pension Fund Valuation.

92.7% of current service retirees are age 65 or older. 29.3% of current service retirees are age 80 or older. 15.2% of current service retirees are age 85 or older. 4,435 (6.0%) of current service retirees are age 90 or older. Seven current benefit recipients are 105 or older. See pages 43 and 45 of the Pension Fund Valuation.

74.4% of current benefit recipients are female, 25.6% are male. See page 45 of the Pension Fund Valuation.

74.8% of new service retirees in 2025 had 20 years or more of service. 56.7% of new service retirees in 2025 had 25 or more years of service. 30.3% had 30 or more years of service. Again, this reflects that a high percentage of SERS' retirees are career employees. See page 55 of the Pension Fund Valuation.

63.5% of new service retirees in 2025 were age 65 or older at retirement. See page 55 of the Pension Fund Valuation.

Health Care Fund Valuation Report

Although health care is not funded on an actuarial basis, an annual valuation of the Health Care Fund ('Health Care Fund Valuation') is performed to fulfill the requirements of GASB Statement 74 - Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans and Statement 75 - Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.

Health Care Fund Valuation Information of Note:

In 2008 the Board determined that the goal of the Health Care Fund is to maintain a solvency period of 20 years. For much of its history, however, the solvency period of the Health Care Fund was below that target. For example, as recently as 2017 to 2019, the solvency period was approximately 15-17 years, which itself was a marked improvement from earlier periods. As reflected in the table below, since that time, and in particular over the past few years, the solvency period and other fiscal metrics of the Health Care Fund have strengthened considerably.

	2022	2023	2024	2025
Fair Value of Assets	\$ 611,574,409	\$ 706,785,561	\$ 816,468,867	\$ 939,812,471
Actuarial Accrued Liabilities	1,348,254,070	1,531,676,376	1,325,702,000	1,723,587,498
Unfunded Actuarial Accrued Liabilities	736,679,661	824,890,815	509,233,133	783,775,027
Funded Ratio	45.36%	46.14%	61.59%	54.53%
Solvency	37	39	45	39

The balance of the Health Care Fund as of June 30, 2025 is \$939,812,471. This represents a new high in the balance in the Health Care Fund. See page 9, 14 and 20 of the Health Care Valuation.

However, the high cost of prescription drugs and the unpredictable claim costs have contributed to fluctuations in the funded ratio and solvency period.

The funded ratio of the Health Care Fund as of June 30, 2025 is 54.53%, down from 61.59% as of June 30, 2024 but up from 46.14% as of June 30, 2023. The decrease in 2025 is attributed to two main components. In June 2025, the Board approved the reduction of the premium surcharge from \$35 to \$15 for the Aetna Medicare Advantage Plan, which was designed to make the plan more affordable to members. This increased the AAL as expected. In addition, the AAL increased due to an estimated increase in Medicare plan costs. As a point of reference, the funded ratio in 2012 and 2013 was approximately 13%. See page 9 and 20 of the Health Care Valuation.

The solvency period of the Health Care Fund as of June 30, 2025 is 39 years, down from 45 years as of June 30, 2024 but consistent with June 30, 2023. The FY 24-25 solvency decrease was attributed to expected higher claims costs and the reduction in the premium surcharge. See page 23 of the Health Care Valuation.

Todd Green and Alisa Bennett from CavMac will present the results of the FY24-25 Pension and Health Care Actuarial Valuations to your Board on Thursday.

Please note there are two resolutions for your vote related to the valuation reports: (1) The actuary's recommended allocation of employer contributions to the Pension, Death Benefit, Medicare B and Health Care Funds for fiscal year 2026; and (2) The actuary's recommendation establishing the minimum compensation amount for purposes of the fiscal year 2027 Health Care employer surcharge.

I am happy to answer any questions.

ELEVATE

Your Financial Vision



School Employees Retirement System of Ohio 2025 Actuarial Valuation Results

Todd Green, ASA, EA, FCA, MAAA
Alisa Bennett, FSA, EA, FCA, MAAA



Why does my Plan need an Actuary?



Develop

- Develop a strategy to systematically fund the promised benefits of the system

Measure

- Measure assets and liabilities (future benefit payments)

Determine

- Determine actuarial contribution rates

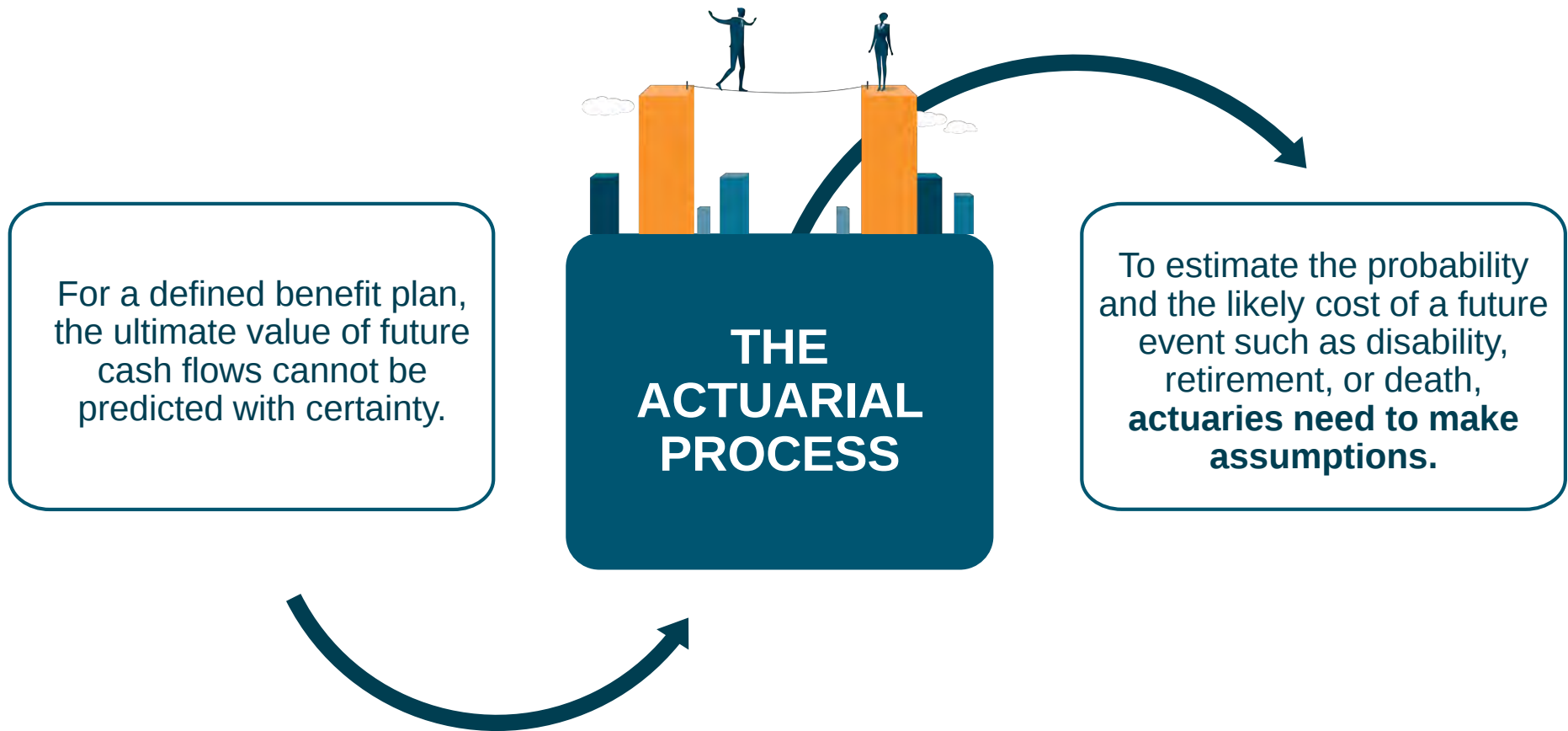
Analyze

- Analyze experience (actual vs. expected)

Report

- Report on trends, risks, accounting, etc.

Actuarial Valuations



Actuarial Assumptions

TURNOVER

Will an employee work long enough to vest and qualify for monthly benefits?

1

RETIREMENT

When will the employee retire and start collecting benefits?

2

MORTALITY

How long will monthly benefits be paid?

3



Actuarial Assumptions

SALARY INCREASES

How will salaries grow in future years for each employee?

4

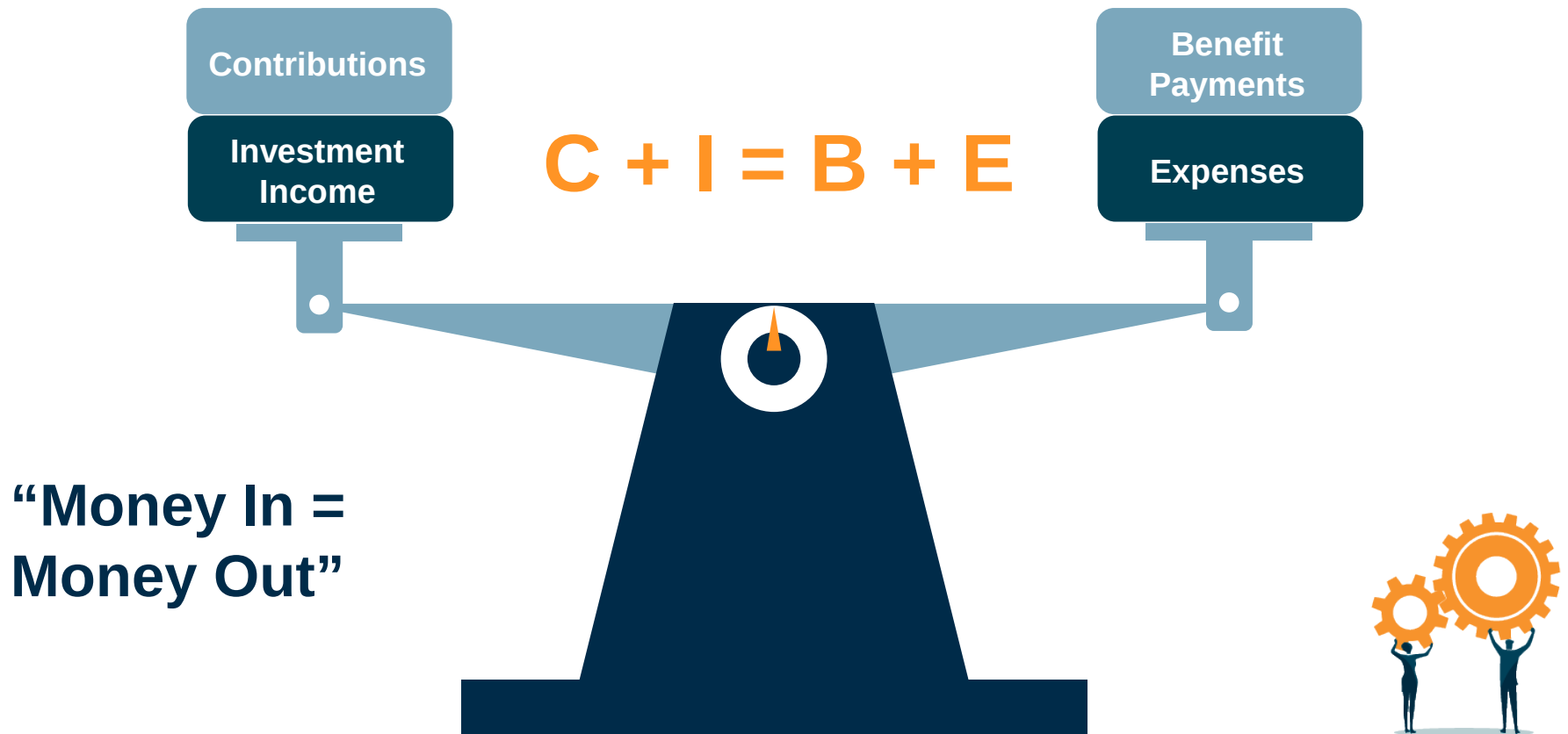
DISCOUNT RATE

What is the present value of all those future benefits in terms of today's dollars?

5

If we put money aside today, what rate of return can we expect to earn on it?

Basic Retirement Funding Formula



June 30, 2025 Valuation Results



Key Findings

FUNDED RATIO

- Funded Status for Basic Benefits increased from 78.99% to 79.00% on an actuarial value of assets basis and increased from 78.52% to 81.93% on a market value of assets basis.

ADEC

- Actuarially determined contribution rate increased from 9.56% to 9.74% for Basic Benefits.

COLA

- 2.50% COLA has been adopted for calendar year 2026.

FUNDING POLICY

- Board-adopted funding policy requires at least a 13.50% employer contribution rate for funding of Basic Benefits since funded ratio is greater than 70% but less than 80%.
- Board continues to allocate entire 14% employer contribution to Basic Benefits.
- Health Care Fund will receive the 1.50% employer surcharge with no additional contribution from employer.

Key Findings

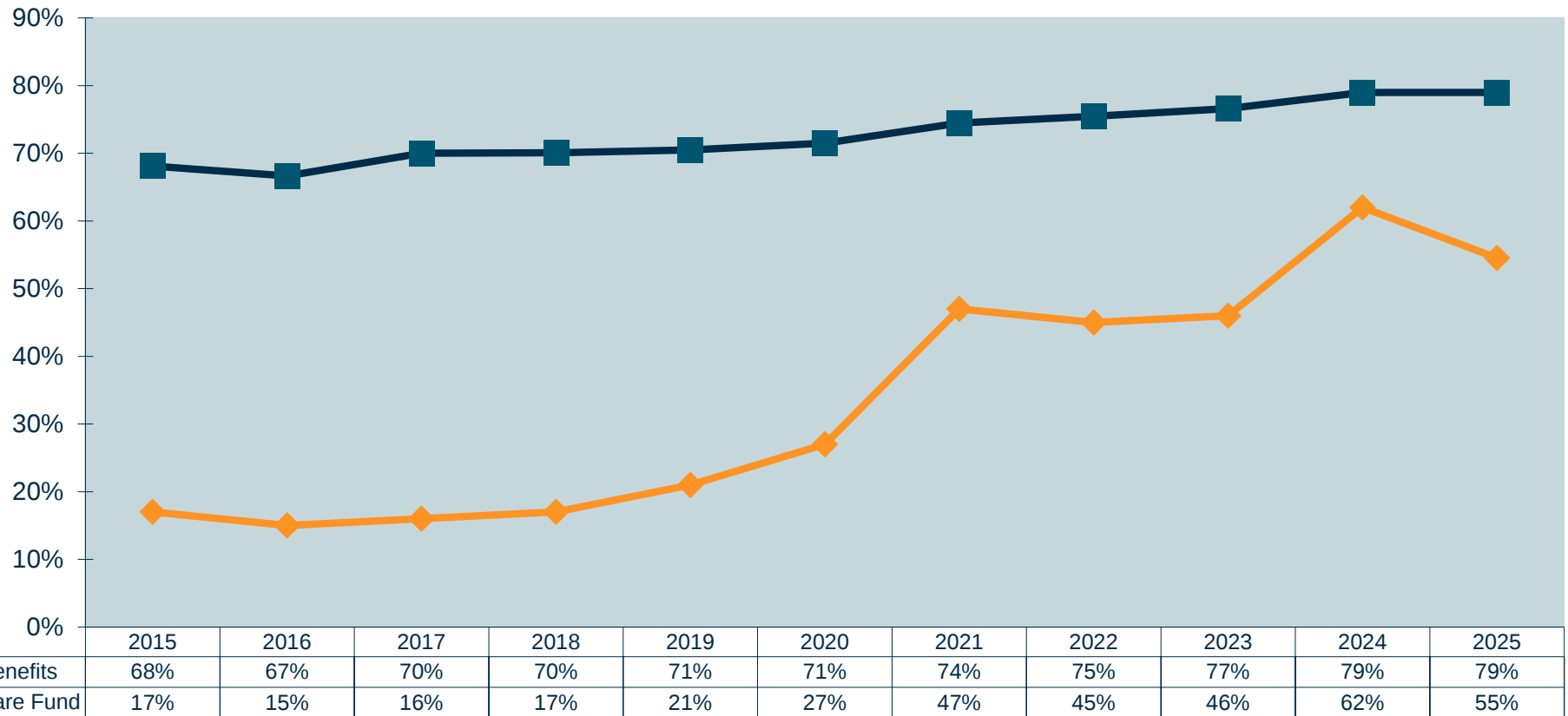
ACTUARIAL AUDIT

- Language additions/clarifications based on the actuarial audit.
- Will consider other suggestions as part of the experience study.

Funded Status

	JULY 1, 2024 RESULTS	JULY 1, 2025 RESULTS
PENSION BENEFITS	79.0%	78.9%
MEDICARE PART B	78.4%	85.2%
POST-RETIREMENT DEATH BENEFITS	80.0%	82.6%
HEALTH CARE	61.6%	54.5%

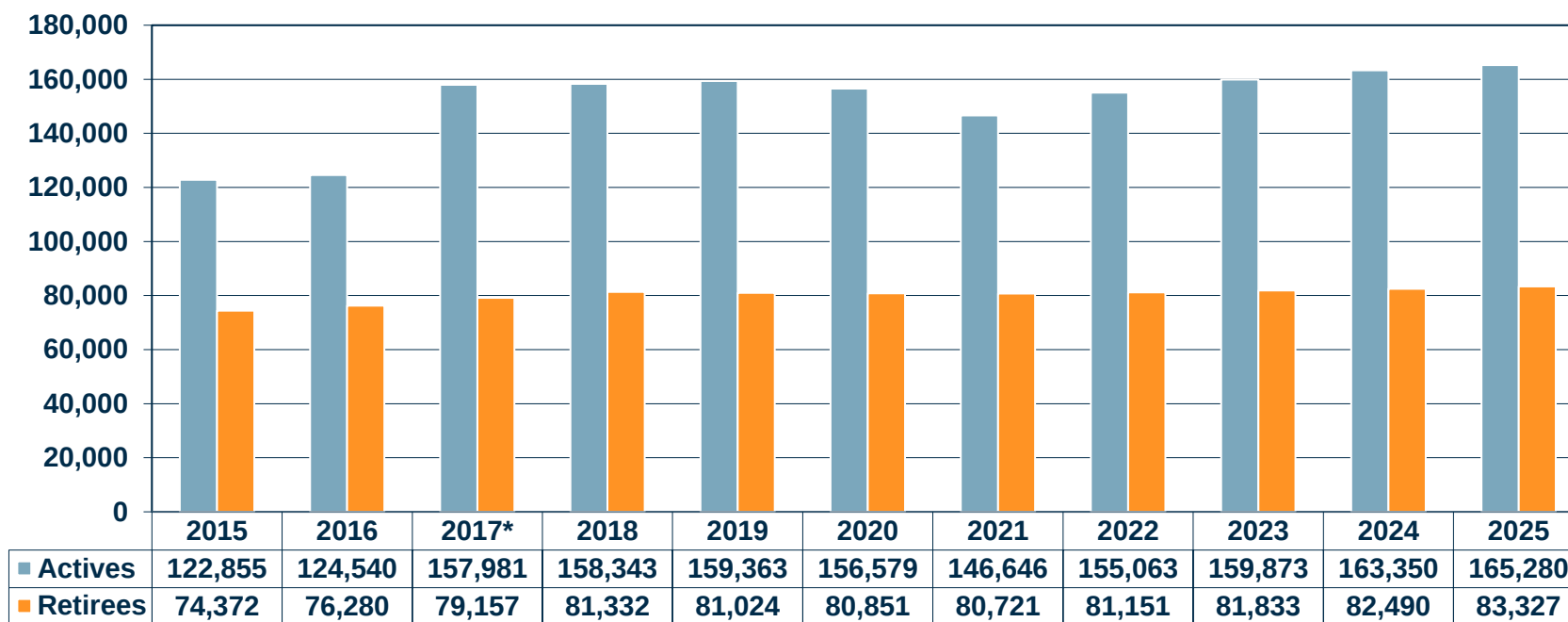
Funded Ratio



Pension Valuation Results

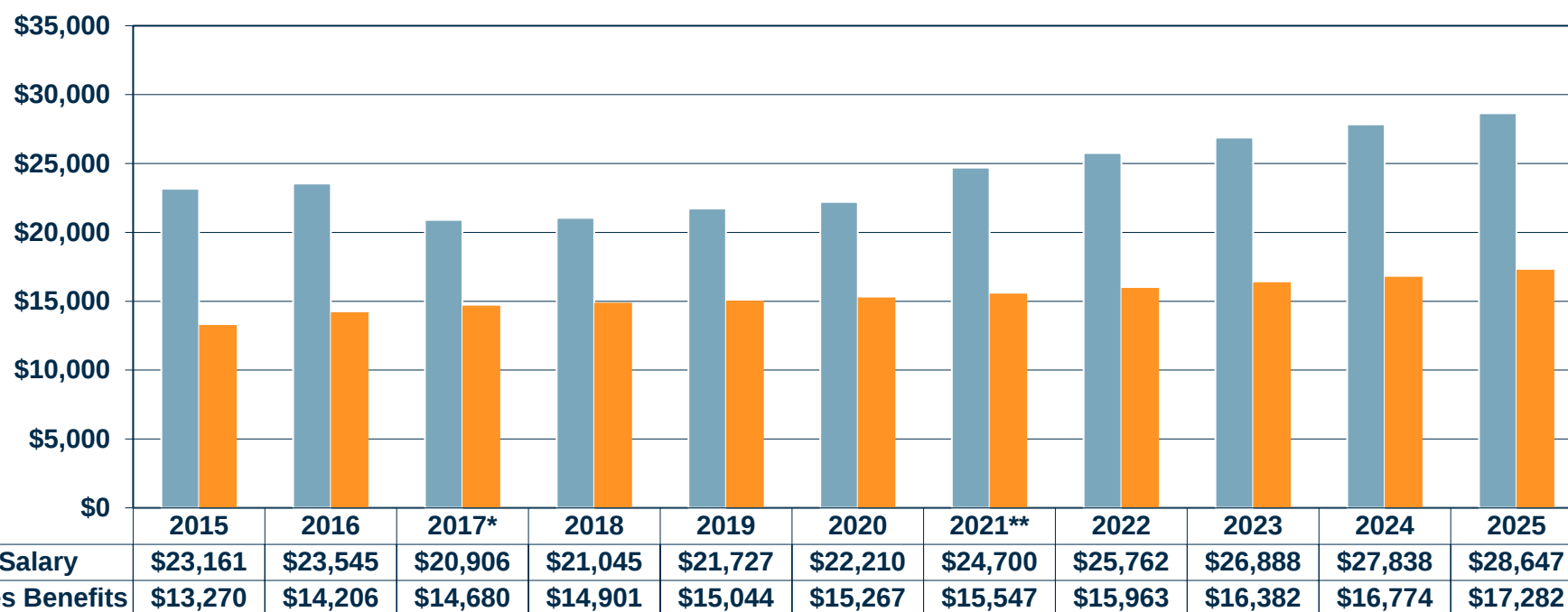


Active and Retired Membership



* 2017 active membership reflects an increase of 32,641 members with 0.25 or less years of service who have been re-categorized from inactive to active status.

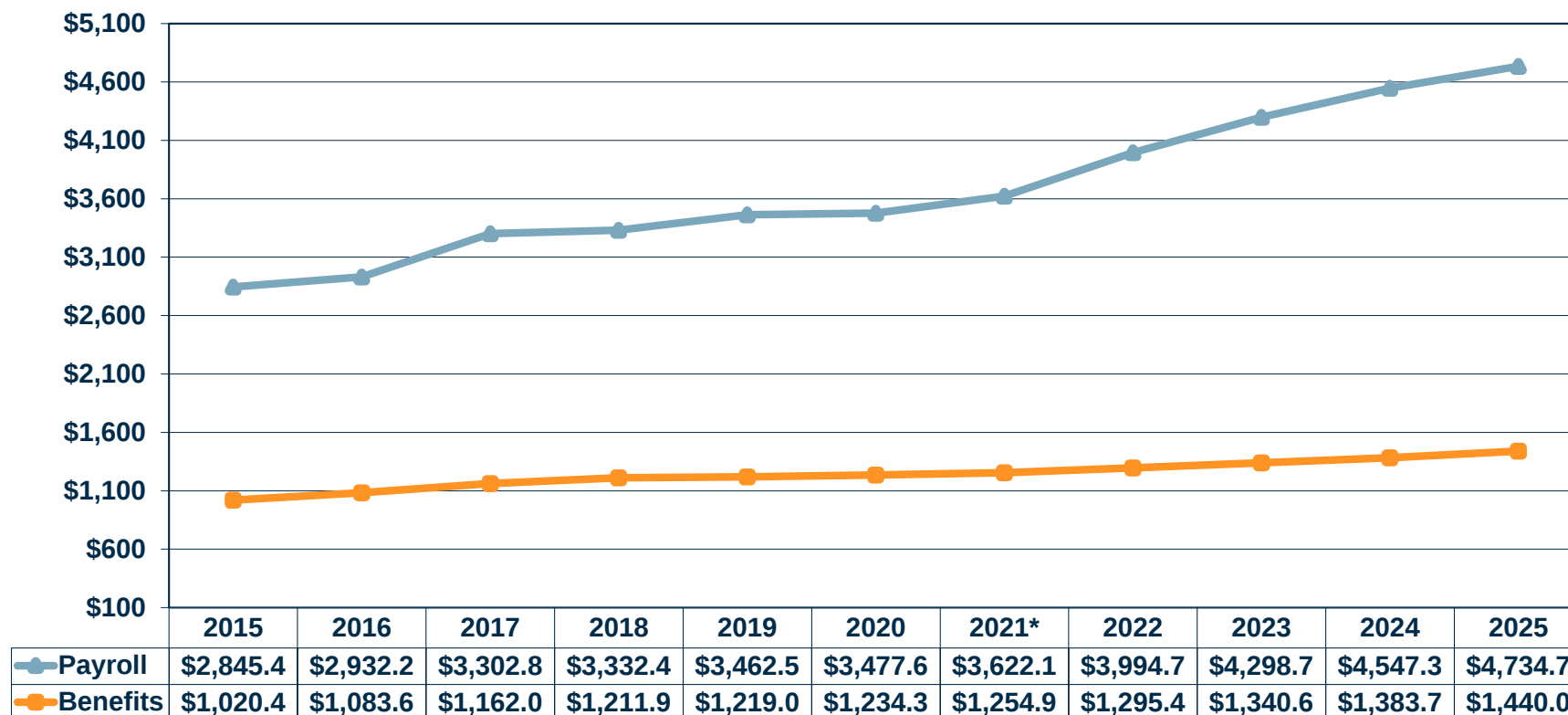
Average Salary and Benefits



* Beginning in 2017, average annual salary reflects the re-categorization of 32,641 members. The average annual salary for this group was \$7,518.

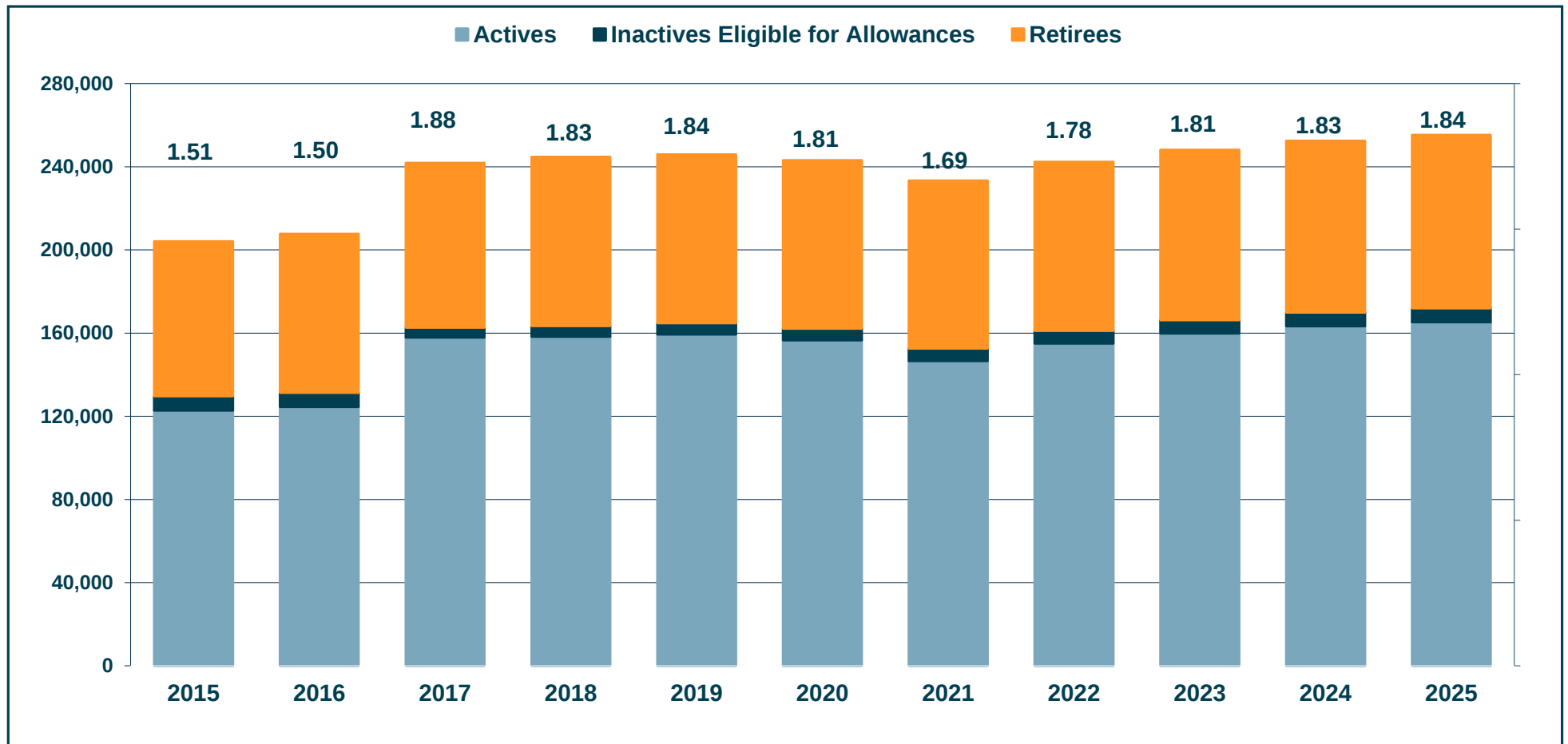
** Beginning in 2021, average annual salary reflects average salaries for valuation purposes.

Payroll & Benefits (Millions)



* Beginning in 2021, Payroll is projected with expected salary increases to align with the valuation year

Active to Inactive Ratio

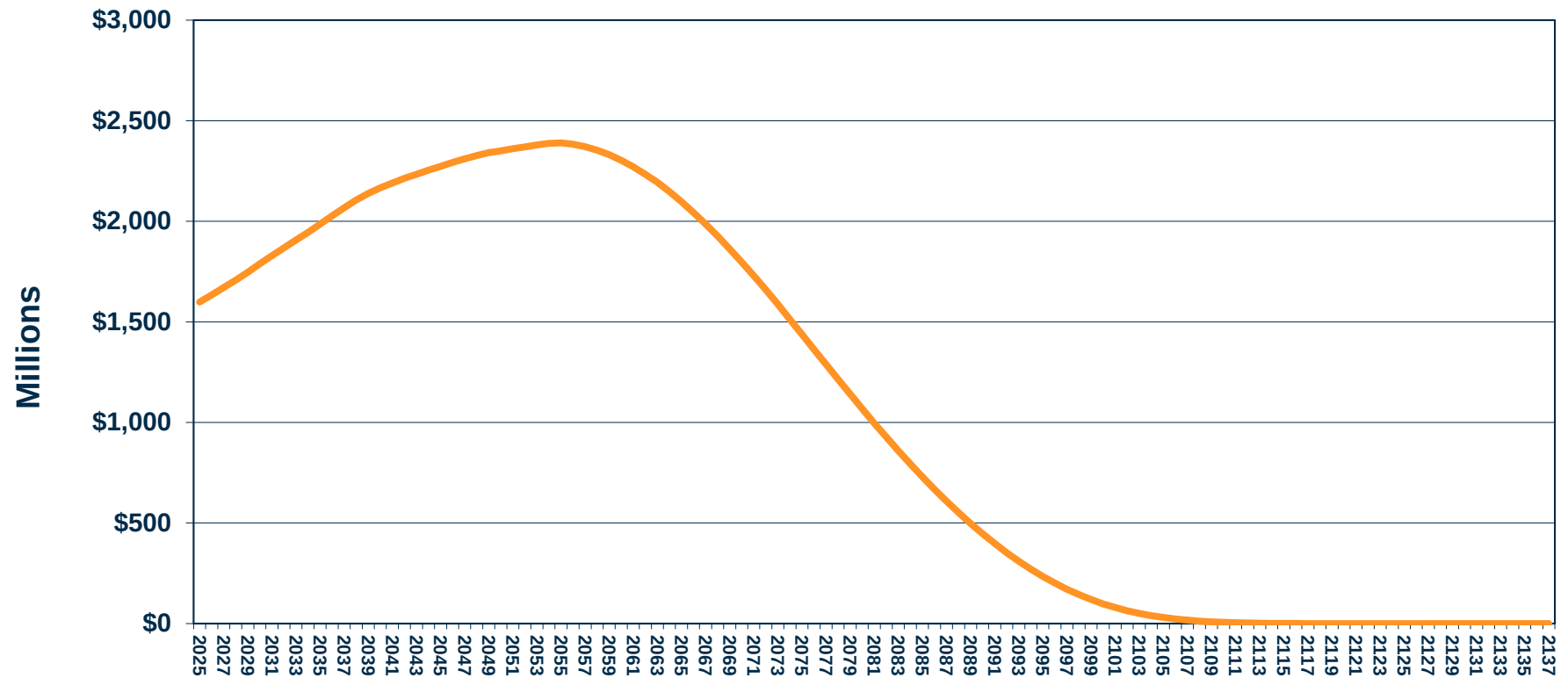


Average Age and Service

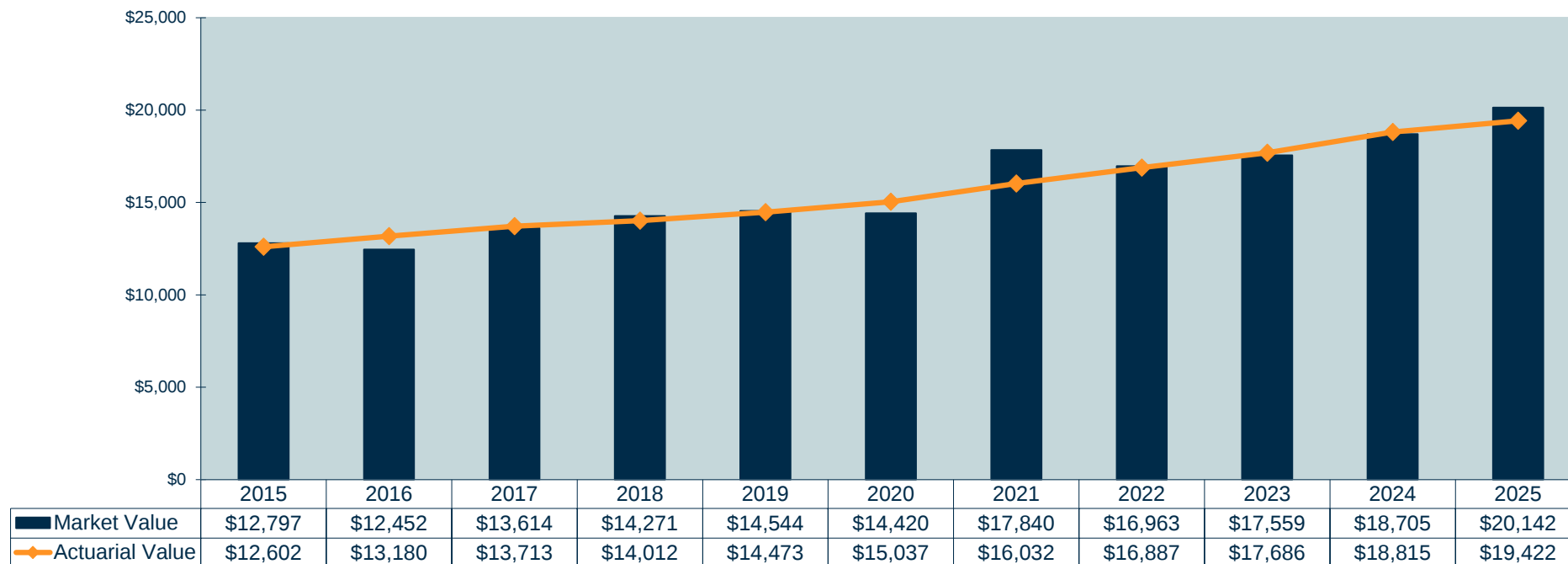


	JUNE 30, 2024	JUNE 30, 2025
Active Average Age	46.8	46.6
Active Average Service	7.0	6.9
Average Age Retirees and Beneficiaries	75.6	75.8
Average Age Disabilities	68.9	69.1
Average Age Survivors	73.0	73.3

Projected Benefits (\$ Millions)

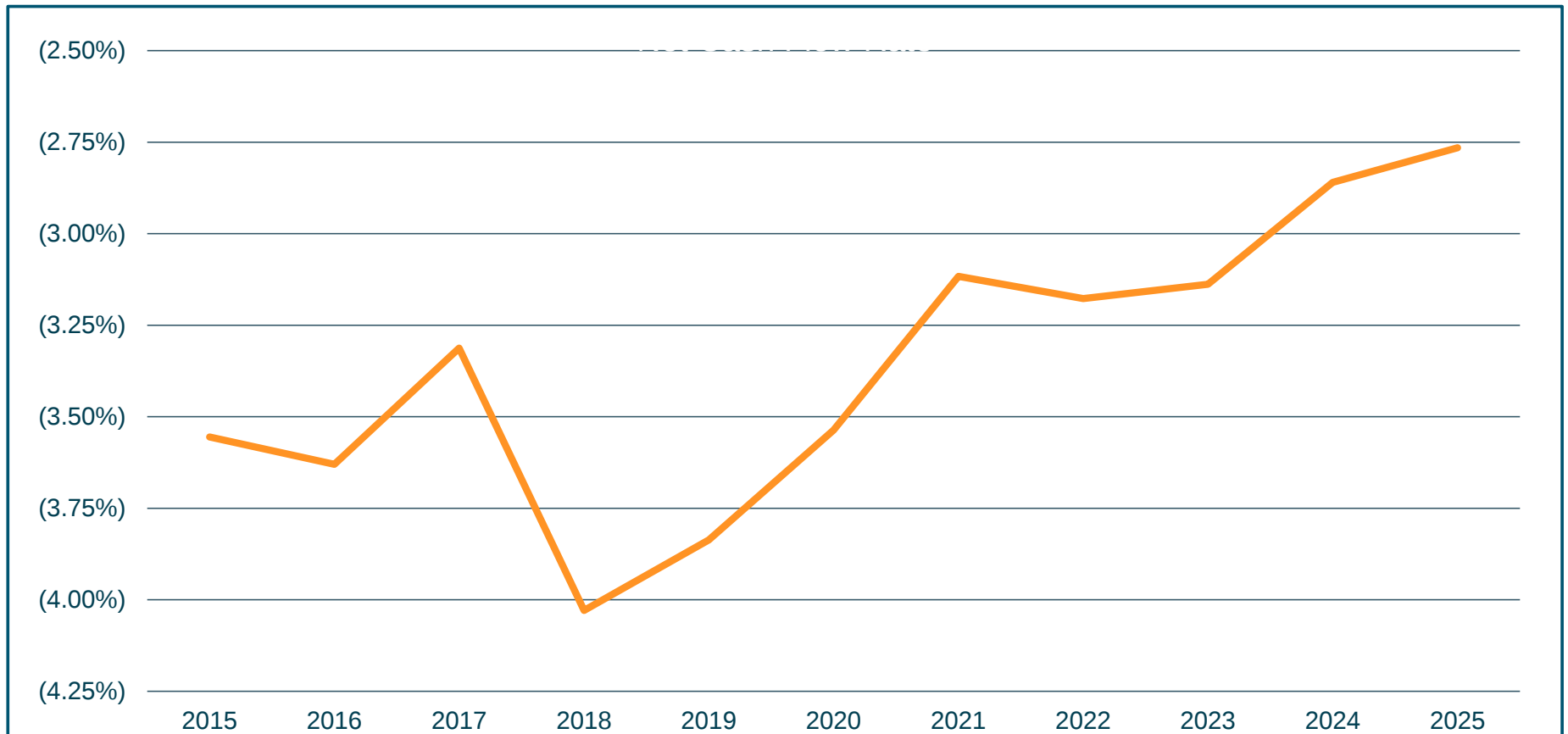


Assets (\$ Millions)

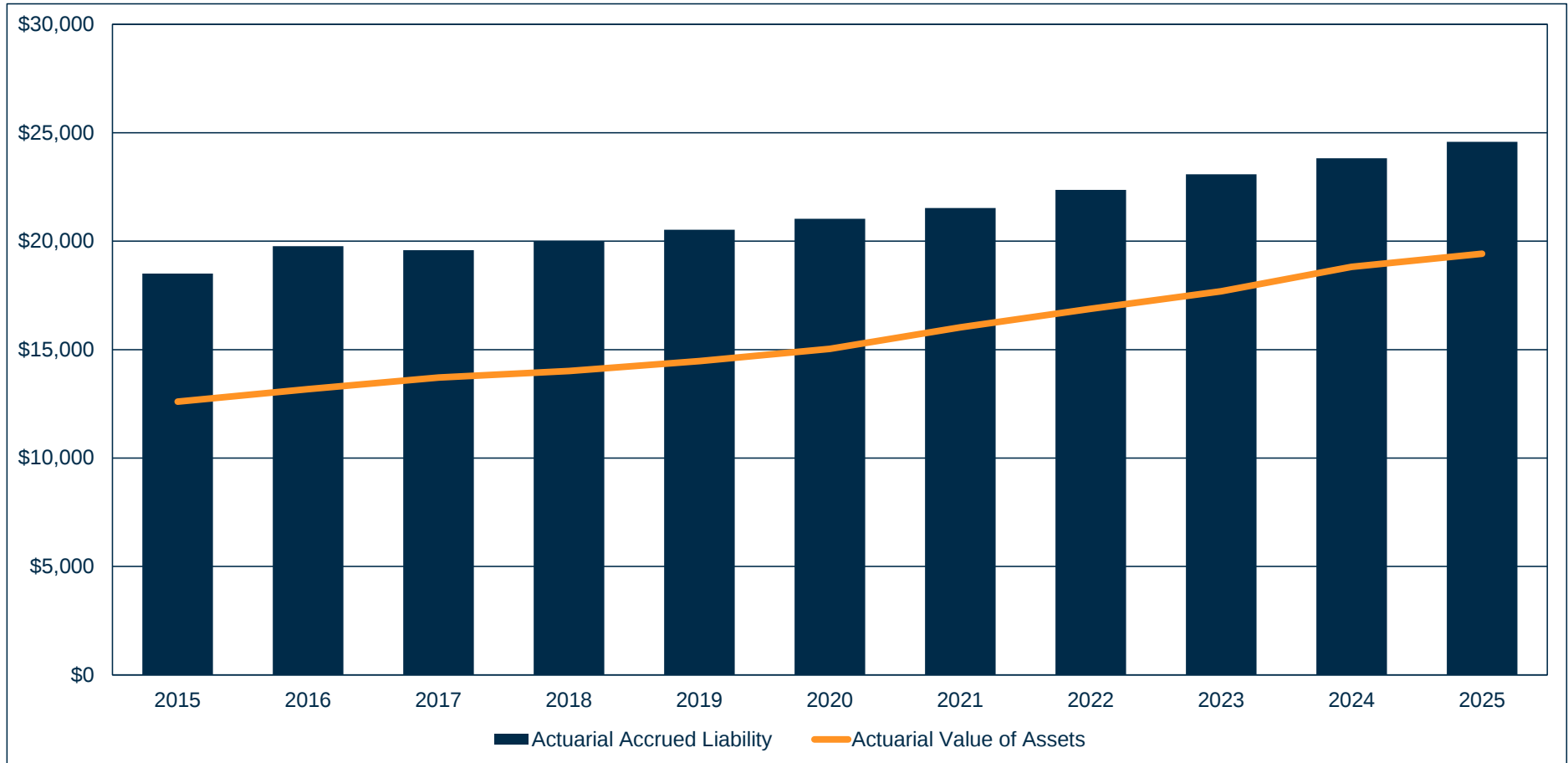


	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Market Return	3.2%	0.6%	12.9%	9.0%	5.7%	2.7%	28.0%	(2.04%)	6.63%	9.46%	10.55%
Actuarial Return	8.3%	7.9%	7.5%	6.3%	7.1%	7.6%	10.4%	8.31%	7.83%	9.30%	6.21%

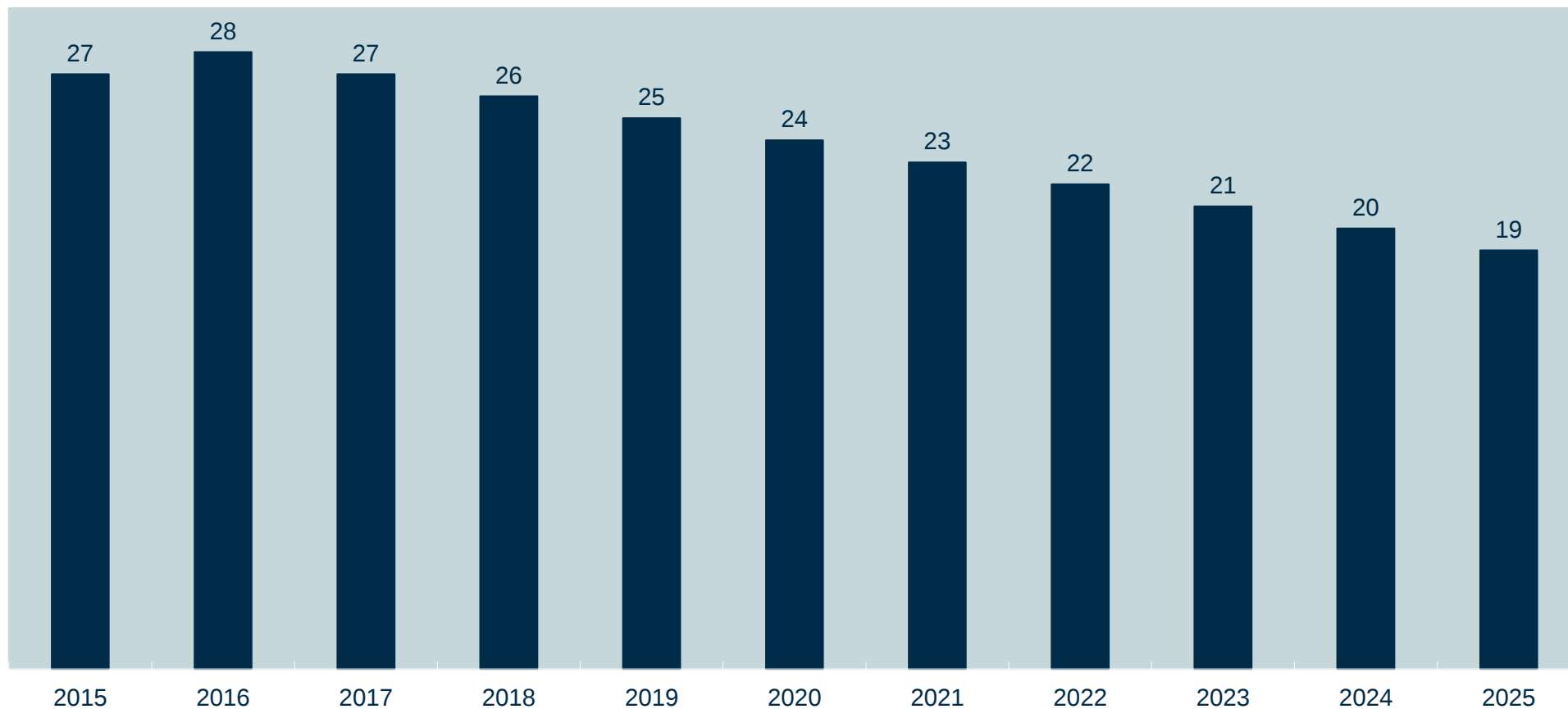
Net Cash Flow as a % of Market Value of Assets



Assets vs. Liabilities (\$ Millions)



Amortization Period



Pension Funding Results



June 30, 2025				
	Pension	Death Benefits	Medicare Part B	Total
Total Normal Cost Rate	10.49%	0.01%	0.25%	10.75%
Less Member Rate	<u>10.00%</u>			<u>10.00%</u>
Employer Normal Cost Rate	0.49%	0.01%	0.25%	0.75%
Rate to Amortize UAL	8.88%	0.01%	0.10%	8.99%
Actuarially Determined Contribution Rate	9.37%	0.02%	0.35%	9.74%
Funded Policy Contribution Rate				14.00%
Amortization Period	19	19	19	19
June 30, 2024				
Actuarially Determined Contribution Rate	9.13%	0.03%	0.40%	9.56%
Unfunded Accrued Liability (\$ millions)	\$4,914	\$9	\$83	\$5,006
Amortization Period	20	20	20	20

2025 Pension Gain/Loss

Pension System Experience

Demographics



Demographic
Losses are
0.26% of AAL

Salaries



Salary
Losses are
0.20% of the
AAL

New Entrants



New Entrant
Liability is
0.26% of AAL

2025 COLA



2.50% COLA
for 2025
Calendar
Year is
0.16% of the
AAL

Investments



\$167.1
Million loss

Accrued Liability as of June 30, 2025 is \$24.6 billion

Health Care Fund Results



Comments on OPEB Valuation



FUNDED RATIO

- Market value of assets used for valuation purposes. Investment return was 9.11% versus assumed rate of 7.00%.
- Funded ratio was 61.59% as of June 30, 2024, and funded ratio is 54.53% as of June 30, 2025.
- Decrease largely due to increase in Medicare plan costs and reduction in Surcharge portion of Medicare retiree contribution from \$35 to \$15. Partially offset by demographic changes and asset experience.

ADEC

- For funding valuation purposes, UAL amortization period remains 30 years.
- Actuarially Determined Employer Contribution (ADEC) was 2.00% as of June 30, 2024, ADEC is 2.60% as of June 30, 2025.

Comments on OPEB Valuation



FUNDING POLICY

- Funding policy requires at least 13.50% of 14.00% employer contribution rate to be allocated to Pension.
- Based on Board Resolution on September 18, 2025, the Health Care Fund will not receive any employer contribution other than 1.50% surcharge.

ASSUMPTION CHANGES

- None.

COST-SHARING CHANGES

- Surcharge portion of the Medicare retiree contributions for enrollees in the Aetna Medicare PPO Plan will be reduced from \$35 to \$15 a month starting in 2026.

Inflation Reduction Act

DRUG NEGOTIATIONS



Allows the Secretary of Health and Human Services to negotiate prices of certain Medicare drugs each year. Negotiations will take effect in 2026 for 10 drugs covered by Medicare, increasing to 20 drugs in 2029.

INSULIN COST CAPPED



Beginning 2023, insulin cost capped at \$35/month for people enrolled in Medicare. Anticipated changes to insulin cost for active and pre-Medicare retiree commercial market.

ADDITIONAL CHANGES



Beginning in 2026, out-of-pocket prescription drug costs will be capped at \$2,100 per year for Medicare beneficiaries.

Inflation Reduction Act

DIRECT SUBSIDIES AND PREMIUM STABILIZATION



Health plans will receive increased Direct Subsidy payments from CMS. Increased payments include a premium stabilization contribution of \$10 per member per month for stand-alone Part D prescription drug plan.

FEDERAL LANDSCAPE



Marketplace subsidies set to expire at the end of 2025. If extended, expected to be for a limited time. May cause Wraparound to be less attractive to certain pre-65 retirees.

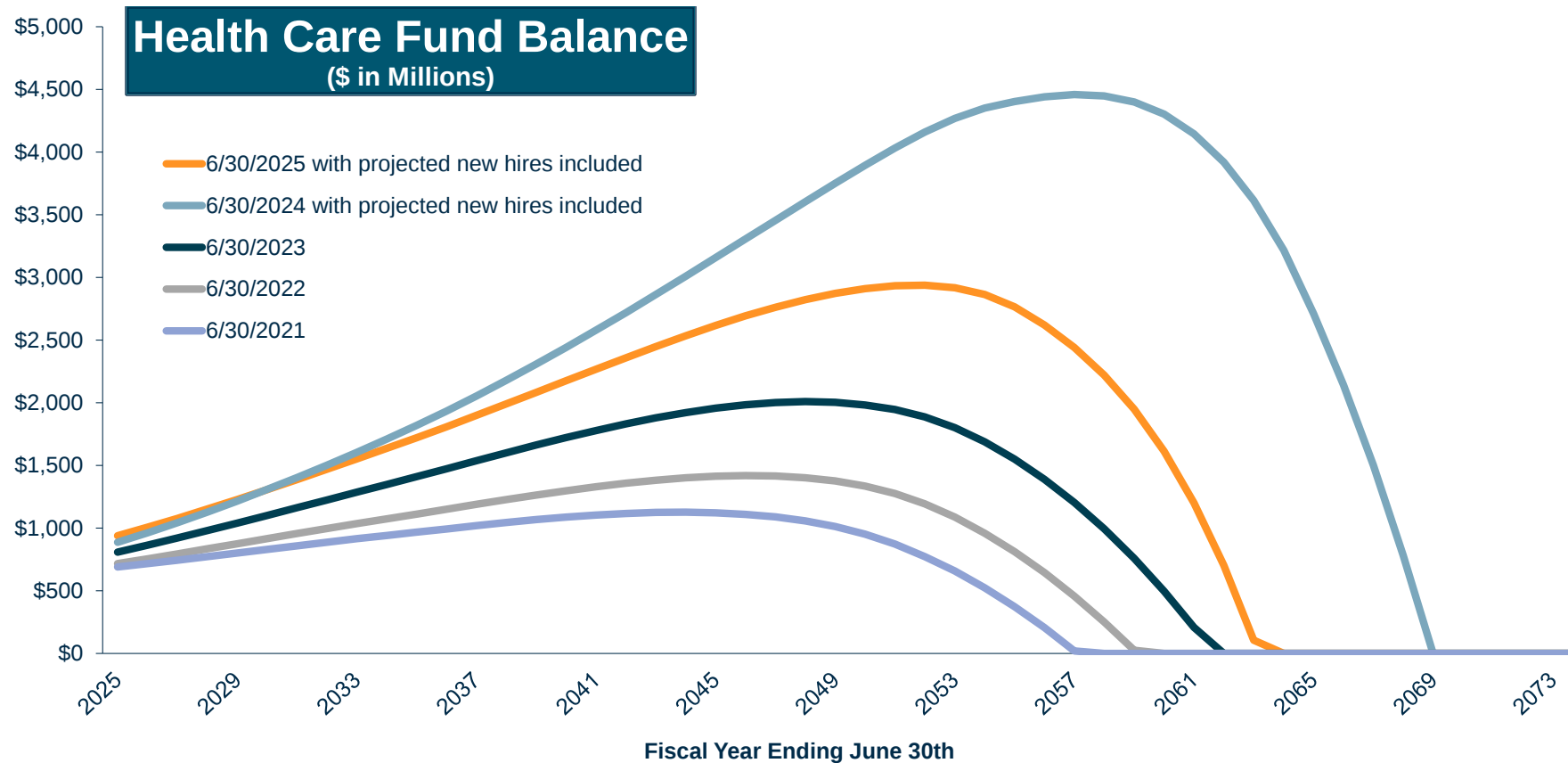
RISK ANALYSIS



Wraparound plan participation assumption remains at 20%, but we included sensitivities should participation assumption be reduced to 10%.

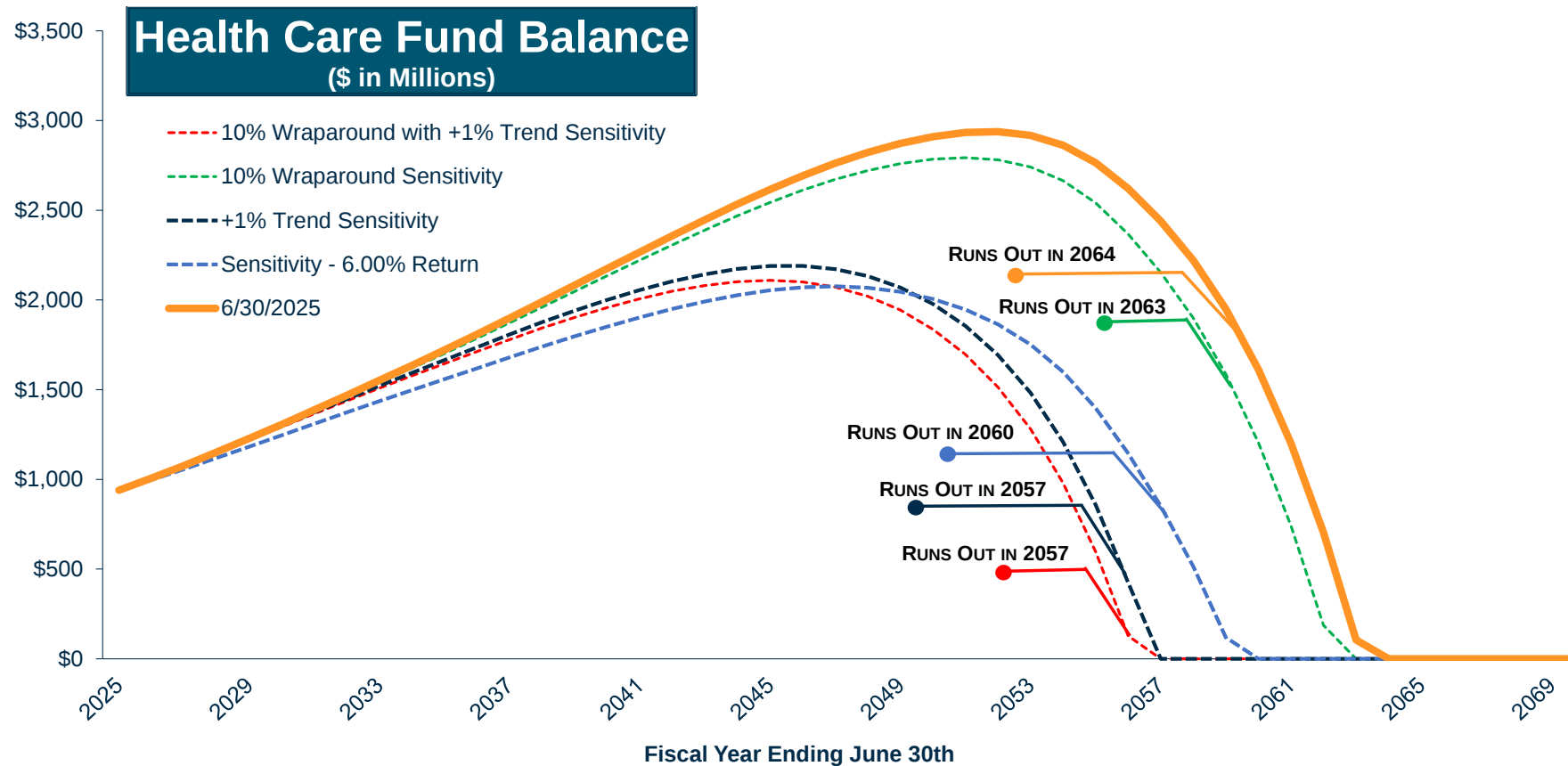
Health Care Fund Projections

VALUATION ASSUMPTIONS



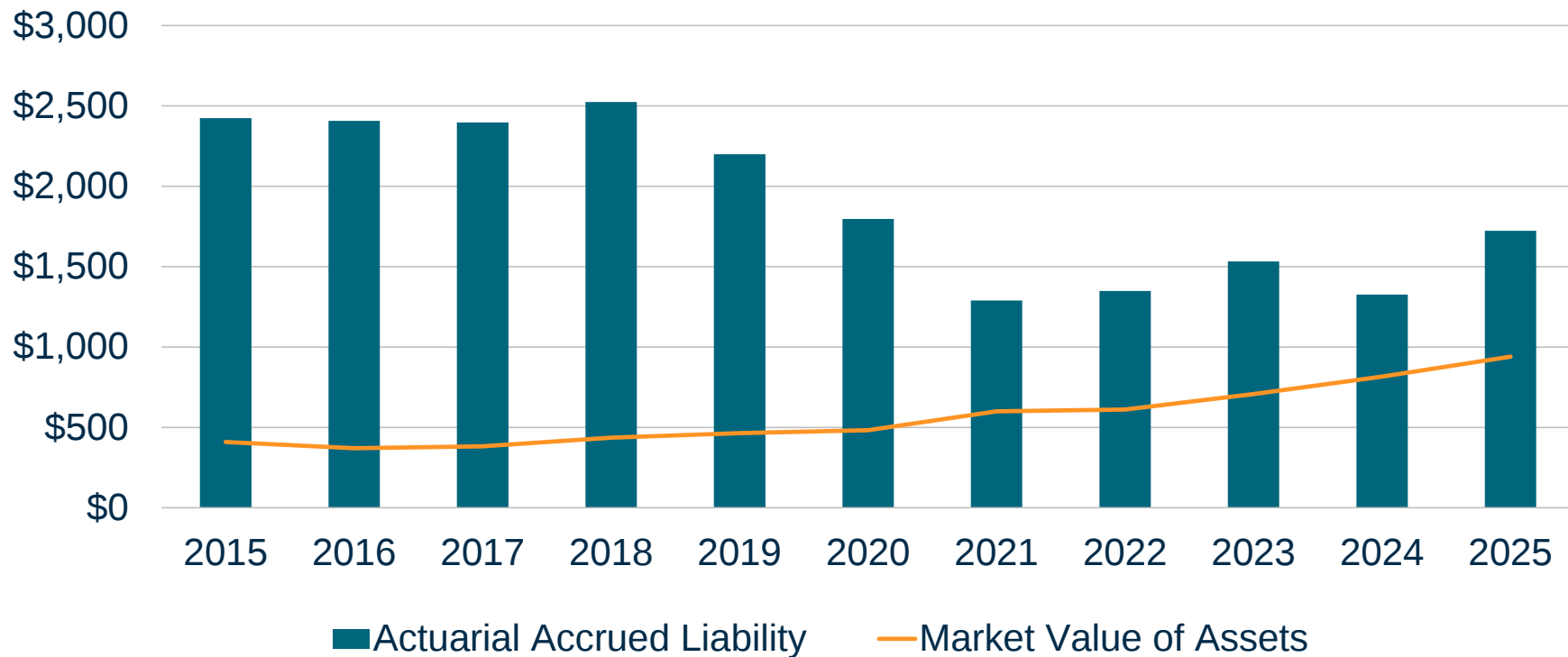
Health Care Fund Projections

SENSITIVITIES



Assets (\$ Millions)

Actuarial Accrued Liability vs. Market Value of Assets



Health Care Fund Results



	June 30, 2023 (\$ Millions)	June 30, 2024 (\$ Millions)	June 30, 2025 (\$ Millions)
Total Normal Cost Rate	1.40%	1.27%	1.52%
Less Member Rate	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Employer Normal Cost Rate	1.40%	1.27%	1.52%
Rate to Amortize UAL	<u>1.25%</u>	<u>0.73%</u>	<u>1.08%</u>
Total Recommended Employer Contribution Rate	2.65%	2.00%	2.60%
Actuarial Accrued Liability	\$1,532	\$1,325	\$1,724
Market Value of Assets	<u>\$707</u>	<u>\$816</u>	<u>\$940</u>
Unfunded Accrued Liability	\$825	\$509	\$784
Funded Ratio	46.14%	61.59%	54.53%
Employer Contribution Toward Health Care	1.50%	1.50%	1.50%
Amortization Period	30	30	30

2025 OPEB Gain/Loss

Health Care System Experience

Demographic



Demographic gains are (3.4%) of AAL

Claims Experience



Claims loss is 12.7% of AAL
Loss primarily due to increase in Medicare plan costs

Medicare Surcharge



Loss of 8.1% of AAL due to lowering \$35 surcharge portion of Medicare retiree contribution to \$15

Assumption



There were no assumption changes

Assets



\$24.6 Million Gain

Accrued Liability as of June 30, 2025 is \$1.7 billion

Surcharge

- The surcharge level is \$33,000 for the 2025-2026 fiscal year.
- For the 2026-2027 fiscal year, recommend a 6% increase to \$35,000 to meet funding policy goals.
- The surcharge level is limited to 2.00% of each individual employer's payroll and 1.50% of total System payroll.



Upcoming Experience Study

- Experience study to be performed in Spring 2026
 - Changes will be reflected in the June 30, 2026 valuations



Your CavMac team



Todd Green
ASA, EA, MAAA, FCA

*President,
Consulting Actuary*



Alisa Bennett
FSA, EA, MAAA, FCA

*President,
Consulting Actuary*

The actuaries who prepared these results, Todd B. Green, ASA, EA, MAAA, FCA, and Alisa Bennett, FSA, EA, MAAA, FCA are members of the American Academy of Actuaries and are qualified to render the actuarial opinions presented herein. We are happy to provide additional information and answer any questions, if necessary.



LOOKING FOR MORE?

Additional information regarding the assumptions and methods can be found in the July 1, 2025 actuarial valuation report.



THANK
YOU

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO



Report on the Annual Basic Benefits Valuation

Prepared as of June 30, 2025



November 5, 2025

Board of Trustees
School Employees Retirement System of Ohio
300 East Broad Street, Suite 100
Columbus, OH 43215-3746

Dear Members of the Board:

Presented in this report are the results of the annual actuarial valuation of the basic benefits provided under the School Employees Retirement System of Ohio (SERS) as of June 30, 2025. The purpose of the valuation was to measure the System's funding progress and to calculate the actuarially determined employer contribution rates for the fiscal year beginning July 1, 2025.

The valuation is based upon data, furnished by the SERS staff, concerning active, inactive and retiree members along with pertinent financial information. The complete cooperation of the SERS staff in furnishing materials requested is hereby acknowledged with appreciation.

The promised benefits of the System are included in the actuarially calculated contribution rates, which are developed using the Entry Age Normal Cost Method. Four-year market related value of assets is used for actuarial valuation purposes. Gains and losses are reflected in the unfunded accrued liability that is being amortized by regular annual contributions as a level percentage of payroll, on the assumption that payroll will increase by 1.75% annually. The assumptions recommended by the actuary and adopted by the Board are, in the aggregate, reasonably related to the experience under the Fund and reasonable expectations of anticipated experience under the Fund.

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.



This is to certify that the undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. This also certifies that the undersigned have experience in performing valuations for public retirement systems, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

Respectfully submitted,

Todd B. Green ASA, EA, FCA, MAAA
President

Beverly V. Bailey, ASA, EA, FCA, MAAA
Senior Actuary

TBG:dv



TABLE OF CONTENTS

	Executive Summary	1
Section 1	Summary of Principal Results	9
Section 2	Membership Data	11
Section 3	Assets	13
Section 4	Comments on Valuation	14
Section 5	Derivation of Experience Gains and Losses	15
Section 6	Actuarially Determined Contribution Rates	18
Section 7	Schedule of Funding Progress	19
Section 8	Risk Considerations	20
Schedule A	Valuation Balance Sheet and Solvency Test	25
Schedule B	Development of Actuarial Value of Assets	27
Schedule C	Statement of Actuarial Assumptions and Methods	28
Schedule D	Summary of Benefit and Contribution Provisions	31
Schedule E	Detailed Tabulations of the Data	40
Schedule F	Gain/Loss Analysis Details	51
Schedule G	Glossary	61
Appendix A	Actuarial Accrued Liabilities	63
Appendix B	Breakdown of Total and Accrued Liabilities	64
Appendix C	Comparative Schedule	65



EXECUTIVE SUMMARY

REPORT ON THE ANNUAL VALUATION OF THE SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

PREPARED AS OF JUNE 30, 2025

The School Employees Retirement System of Ohio (SERS or System) is a defined benefit public pension fund that provides pensions and access to health care coverage for retired school employees who are covered in nonteaching positions. This includes bus drivers, custodians, treasurers, business officials, administrative assistants, food service providers, and educational aides. This report presents the results of the June 30, 2025, actuarial funding valuation of the System. The primary purposes of performing the actuarial funding valuation are to:

- determine the sufficiency of the Statutory Contribution Rate as set forth in the Ohio statutes;
- determine the experience of the System since the last valuation date;
- disclose asset and liability measures as of the valuation date; and
- analyze and report on trends in System contributions, assets, and liabilities over the past several years.

The actuarial valuation results provide a “snapshot” view of the System’s financial condition on June 30, 2025. Actuarial gains and losses result when the actual experience of the plan (such as asset return, pay increases, turnover, deaths, etc.) is different from that expected by the actuarial assumptions. The System’s unfunded actuarial accrued liability (UAAL) was expected to be \$4,777.6 million as of June 30, 2025, taking into account contributions from the employers and members of \$1,061.2 million. The actual UAAL is \$5,161.8 million. The net increase of \$384.2 million is attributable to liability and investment gains and losses which are detailed in Section 5. The remaining amortization period of the UAAL is 19 years as of June 30, 2025.

The valuation is based on a set of actuarial assumptions which were adopted by the Board based on the five-year experience study for the period ending June 30, 2020. These assumptions are presented in Schedule C.





EXECUTIVE SUMMARY

A summary of the key results from the June 30, 2025 actuarial valuation is shown below. Further detail on the valuation results can be found in the following sections of this Executive Summary.

	June 30, 2025 Valuation Results	June 30, 2024 Valuation Results
Actuarially Determined Contribution Rate	9.74%	9.56%
Employer Contribution Rate	14.00%	14.00%
Sufficiency/(Deficiency)	4.26%	4.44%
Remaining Amortization Period	19	20
Unfunded Actuarial Accrued Liability (\$M)	\$5,161.8	\$5,004.8
Basic Benefit Funded Ratio (Actuarial Assets)	79.00%	78.99%

The funded ratio of the basic benefits is 79.00%. Since this is greater than 70%, per the Board-adopted funding policy, the basic benefits may receive an employer contribution between 13.50% and 14.00% of compensation for FY2026. The Health Care Fund may receive an employer contribution of up to 0.50%. Based on a Board Resolution dated September 18, 2025, the valuation allocates the entire 14.00% to the basic benefits and 0.00% allocated to health care consistent with SERS' funding policy. The funding policy requires at least 13.50% of the employers' contributions be allocated to SERS' basic benefits when the funded ratio is 70% but less than 80%, with the remainder (if any) allocated to health care.

Under Ohio Revised Code 3309.374(B), on September 18, 2025, the Board granted an annual cost-of-living-adjustment of 2.5% for eligible SERS members for the 2026 calendar year over the assumed adjustment of 2.0%. This has been included in the valuation for funding purposes.

EXPERIENCE FOR THE LAST PLAN YEAR

Numerous factors contributed to the change in the System's assets, liabilities, and actuarial contribution rate between June 30, 2024 and June 30, 2025. The components are examined in the following discussion. Since the most recent experience study was completed, we note that inflation has been significantly higher than assumed. Inflation is a component of several assumptions so the effects of higher inflation as a component of one assumption may be partially offset by the effect of higher inflation in another. We do not want to give too much credibility to recent experience, but we cannot ignore that current rates of inflation are the highest in the past 40 years. We will continue to monitor inflation in subsequent valuations to assess the reasonableness of the assumed inflation used in the valuation.





EXECUTIVE SUMMARY

ASSETS

As of June 30, 2025, SERS' basic benefits had net assets of \$20,141,753,886, when measured on a market value basis. This was an increase of \$1,437,233,552 from the previous year. The market value of assets is not used directly in the calculation of the unfunded actuarial accrued liability and the actuarially determined contribution. The asset valuation smoothing method, which recognizes the annual unexpected portion of market value investment returns over a four-year period, attempts to reduce the effect of market volatility. The resulting amount is called the "actuarial value of assets" and is utilized to determine the actuarial valuation results. In this year's valuation, the actuarial value of assets as of June 30, 2025, was \$19,422,393,762, an increase of \$607,101,141 from the value in the prior year. The components of change in the asset values are shown in the following table.

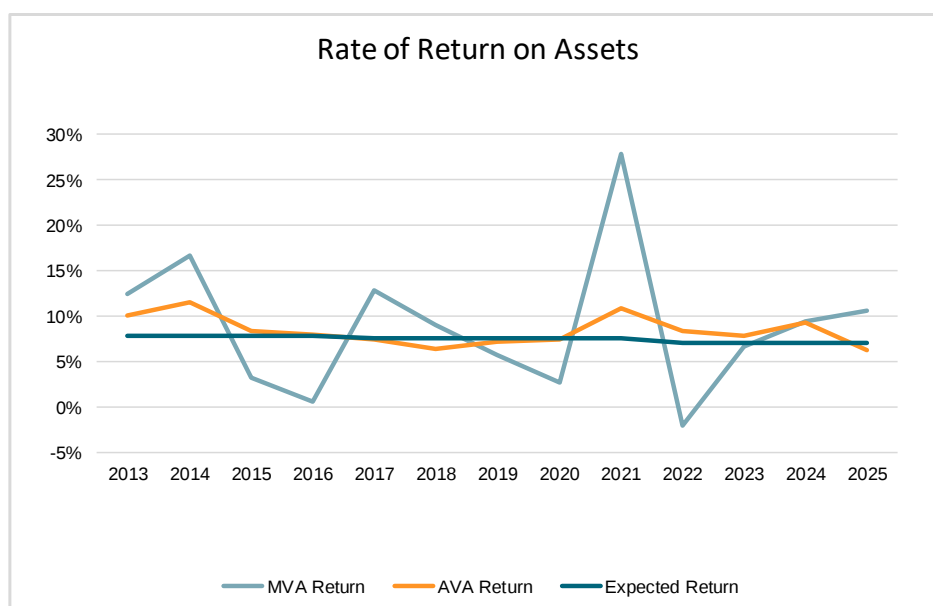
	Actuarial Value		Market Value	
Net Assets, June 30, 2024	\$	18,815,292,621	\$	18,704,520,334
- Employer and Member Contributions	+	1,061,204,453	+	1,061,204,453
- Benefit Payments	-	1,585,695,167	-	1,585,695,167
- Investment Gains	+	1,131,591,855	+	1,961,724,266
Net Assets, June 30, 2025		19,422,393,762		20,141,753,886





EXECUTIVE SUMMARY

The estimated investment return on the market value of assets for FY2025 was 10.55%. Due to the investment experience gain for FY2025, the resulting return on the smoothed actuarial value of assets was 6.21%. The return on the funds supporting Basic Benefits was 6.10%. As this rate of return was less than the assumed rate of 7.00%, there was an actuarial investment experience loss of \$167.1 million. The return on the Health Care Fund is 9.11%. Please see Section 3, Schedule B, and Schedule F of this report for more detailed information on the market and actuarial value of assets.



Market value returns have been very volatile. As can be seen in this graph, the return on actuarial assets is much smoother than the return on market value. The asset smoothing method impacts only the timing of when the actual market experience is recognized in the valuation process. The remaining deferred investment experience net gain of \$719 million will be absorbed in future years.

LIABILITIES

The actuarial accrued liability is the portion of the present value of future benefits allocated to service performed up to the valuation date. The difference between this liability and the actuarial value of assets is called the unfunded actuarial accrued liability (UAAL). The dollar amount of unfunded actuarial accrued liability is reduced if the contributions to the System exceed the normal cost for the year, plus interest on the prior year's UAAL.

The unfunded actuarial accrued liability is shown as of June 30, 2025 in the following table:





EXECUTIVE SUMMARY

	Actuarial Value of Assets	Market Value of Assets
Actuarial Accrued Liability	\$24,584,159,753	\$24,584,159,753
Value of Assets	\$19,422,393,762	\$20,141,753,886
Unfunded Actuarial Accrued Liability*	\$5,161,765,991	\$4,442,405,867
Funded Ratio	79.00%	81.93%

* See Appendix B of the report for the detailed development of the unfunded actuarial accrued liability.

Changes in the UAAL occur for various reasons. The net increase in the UAAL from June 30, 2024, to June 30, 2025, was \$157.0 million. The components of this net change are shown in the table below:

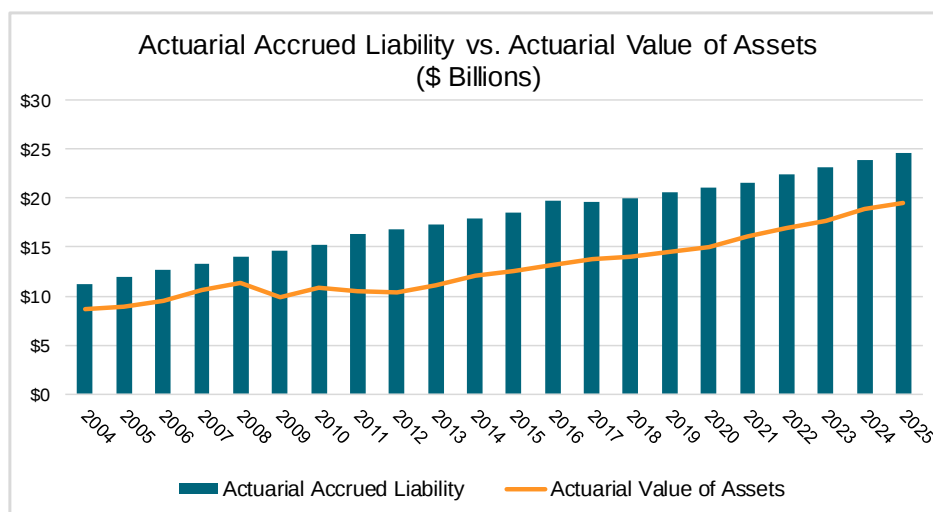
Unfunded Actuarial Accrued Liability, June 30, 2024		
(\$ Millions)		\$5,004.8
Expected increase/(decrease) due to		
amortization method	(\$227.2)	
Investment experience	\$167.1	
Liability experience	\$177.1	
Assumption Change to 2026 COLA Rate	\$40.0	
Total		\$157.0
Unfunded Actuarial Accrued Liability, June 30, 2025		\$5,161.8

As shown above, various components impacted the UAAL. Actuarial gains (losses) result from actual experience that is more (less) favorable than anticipated based on the actuarial assumptions. The amounts are measured as the difference between the expected unfunded actuarial accrued liability and the actual unfunded actuarial accrued liability net of any impact due to changes in actuarial assumptions and methods or benefit provisions. Overall, the System experienced a net increase to the UAAL of \$157.0 million. The net UAAL increase is comprised primarily of experience and investment losses; the largest sources of liability losses were due to retirement, termination, and new members entering the plan, which were offset by gains due to mortality and various data and method changes. Finally, there was an additional increase in the UAAL due to recognition of the 2.50% cost-of-living adjustment granted by the Board for all eligible SERS members for calendar year 2026.





EXECUTIVE SUMMARY



Since June 30, 2004, the actuarial accrued liability has been higher than the actuarial value of assets. Investment experience below the assumed rate of return was the primary source of the increased difference between the actuarial accrued liability and actuarial assets. SERS implemented pension reform to improve the System's funding progress. The Board's funding policy allocates a higher portion of the employer contribution toward the basic benefits until the fund achieves a funded status of 90%. An evaluation of the unfunded actuarial accrued liability on a pure dollar basis may not provide a complete analysis since only the difference between the assets and liabilities (which are both very large numbers) is reflected. Another way to evaluate the unfunded actuarial accrued liability and the progress made in its funding is to track the funded ratio, the ratio of the actuarial value of assets to the actuarial accrued liability.

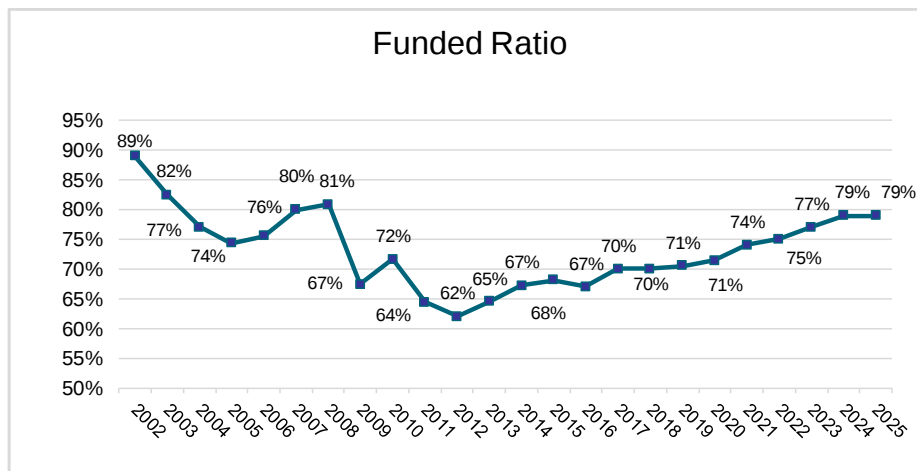
	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25
Funded Ratio	74.46%	75.48%	76.61%	78.99%	79.00%
Unfunded Actuarial Accrued Liability (\$M)	\$ 5,498.1	\$ 5,484.5	\$ 5,398.7	\$ 5,004.8	\$5,161.8





EXECUTIVE SUMMARY

The longer-term historical funded ratio information is shown in the chart below.



Investment returns are the primary source of decreases in the funded ratio as can be seen during the 2002-2003 “tech bubble” recession and the “great” recession of 2008-2009. Board actions which led to legislation to modify the Plan in combination with improved experience of the System are attributable to the improved funded ratio since 2016.

CONTRIBUTION RATE

Under the Entry Age Normal cost method, the actuarial contribution rate consists of two components:

- a “normal cost” for the portion of projected liabilities allocated by the actuarial cost method to service of members during the year following the valuation date which is funded by both member and employer contributions, and
- an “unfunded actuarial accrued liability contribution” for the excess of the portion of projected liabilities allocated to service-to-date over the actuarial value of assets.





EXECUTIVE SUMMARY

See Section 6 of the report for the detailed development of these contribution rates which are summarized in the following table:

Contribution Rates	June 30, 2025	June 30, 2024
1. Employer Portion of Normal Cost Rate	0.75%	0.75%
2. UAAL Contribution Rate	8.99%	8.81%
3. Total Actuarial Determined Contribution Rate (1) + (2)	9.74%	9.56%
4. Funded Ratio	79.00%	78.99%
5. Total Employer Contribution Rate	14.00%	14.00%
6. Amount Allocated to Basic Benefits	14.00%	14.00%

Contributions are developed with the intent of being level as a percentage of covered payroll, assuming the number of active members remains stable. Furthermore, the funding policy is expected to accumulate sufficient assets to make all future benefit payments as they become due, if all assumptions are met. Actuarial Standard of Practice Number 4 (ASOP 4) requires the disclosure of a reasonable Actuarial Determined Contribution (ADC). Based on the assumptions and methods used in this report, the ADC is reasonable with respect to ASOP 4.

As discussed earlier, SERS' basic benefits includes retirement, disability, and survivor benefits, along with Medicare Part B reimbursements and lump sum retiree death benefits. SERS also provides access to health care coverage for retiree members. The Health Care Fund is partially supported by employer contributions that are not required for actuarially funding basic benefits. The funding policy is expected to accelerate the pace at which SERS' basic benefits will achieve a funded ratio equal to 90%. The Board has allocated the entire employer contribution toward basic benefits.





SECTION 1 – SUMMARY OF PRINCIPAL RESULTS

REPORT ON THE ANNUAL VALUATION OF THE SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

PREPARED AS OF JUNE 30, 2025

1. This report, prepared as of June 30, 2025, presents the results of the annual actuarial valuation of the basic benefits provided under the System, including pension, Medicare Part B reimbursement, and post-retirement death benefits. For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized in the following table.

SUMMARY OF PRINCIPAL RESULTS

	June 30, 2025	June 30, 2024
Active members included in valuation		
Number	165,280	163,350
Annual Compensation*	\$4,734,707,838	\$4,547,315,949
Retirees		
Number	83,327	82,490
Annual allowances	\$1,440,022,695	\$1,383,749,267
Deferred Vesteds		
Number	6,682	6,607
Annual deferred allowances	\$51,776,949	\$47,759,766
Assets (net of Health Care Assets)		
Market related actuarial value	\$19,422,393,762	\$18,815,292,621
Market value	\$20,141,753,886	\$18,704,520,334
Unfunded Accrued Liability	\$5,161,765,991	\$5,004,824,349
Funded Ratio (AVA/AAL)		
All Basic Benefits	79.00%	78.99%
Pension Benefits	78.90%	79.00%
Medicare Part B	85.16%	78.37%
Post-retirement Death Benefits	82.59%	80.02%
Actuarially Determined Contribution Rate		
Normal	0.75%	0.75%
Accrued liability	8.99%	8.81%
Total	9.74%	9.56%
Funding Policy Contribution Rate	14.00%	14.00%
Accrued liability amortization period (years)	19	20

* The annual compensation reflects imputed salaries.





SECTION 1 – SUMMARY OF PRINCIPAL RESULTS

2. The statute sets a contribution cap of 24% of payroll: 14% from employers and 10% from employees. Employer contributions in excess of those required to support the basic benefits may be allocated to retiree health care funding. If the funded ratio is less than 70%, the entire 14% employers' contribution shall be allocated to SERS' basic benefits. If the funded ratio is 70% but less than 80%, at least 13.50% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 80% but less than 90%, at least 13.25% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 90% or greater, the Health Care Fund may receive any portion of the employers' contribution that is not needed to fund SERS' basic benefits.
3. The valuation balance sheet showing the results of the valuation is given in Schedule A.
4. Comments on the valuation results are given in Section 4, comments on the experience and the sources of actuarial gains and losses during the valuation year are given in Section 5, and the rates of contribution payable by employers are given in Section 6.
5. Schedule B of this report presents the development of the actuarial value of assets. Schedule C details the actuarial assumptions and methods employed. Schedule D gives a summary of the benefit and contribution provisions of the plan.





SECTION 2 – MEMBERSHIP DATA

Data regarding the membership of the System for use as a basis for the valuation was furnished by the System's staff. The following tables summarize the membership of the System as of June 30, 2025, upon which the valuation was based. Detailed tabulations of the data are given in Schedule E.

Active Members

Number	Payroll	Group Averages		
		Salary	Age	Service
165,280	\$4,734,707,838	\$28,647	46.6	6.9

The total number of active members includes 42,040 vested members and 123,240 non-vested members. Those who reached 25 years of service on or before August 1, 2017 were eligible to retire under the previous age and service credit eligibility requirements.

The following table shows a six-year schedule of active member valuation data.

SCHEDULE OF SERS ACTIVE MEMBER VALUATION DATA

Valuation Date	Number	Annual Payroll	Annual Average Pay	% Increase in Average Pay
6/30/2020	156,579	\$3,477,578,726	\$22,210	2.2%
6/30/2021	146,646	3,622,097,199 *	24,700	11.2
6/30/2022	155,063	3,994,657,693	25,762	4.3
6/30/2023	159,873	4,298,689,195	26,888	4.4
6/30/2024	163,350	4,547,315,949	27,838	3.5
6/30/2025	165,280	4,734,707,838	28,647	2.9

* Effective June 30, 2021, the annual compensation reflects imputed salaries.





SECTION 2 – MEMBERSHIP DATA

The following table shows the number and annual retirement allowances payable to retiree members and their beneficiaries on the roll of the Retirement System as of the valuation date as well as certain group averages.

Retiree Lives

Type of Benefit Payment	Number	Annual Benefits	Group Averages	
			Benefit	Age
Retirees and Beneficiaries	73,756	\$1,296,815,672	\$17,583	75.8
Disability	5,590	100,418,898	17,964	69.1
Survivors	3,981	42,788,125	10,748	73.3
Total in SERS	83,327	\$1,440,022,695	\$17,282	75.2

This valuation also includes 284,467 inactive members eligible for a contribution refund only (including 261,482 members reported separately, of which approximately 69,500 had completed one or more years of service before terminating). Their contributions totaled \$301,729,162 as of June 30, 2025. There were also 6,682 terminated vested members with annual deferred pension benefits of \$51,776,949. Included in the “Retiree” numbers in the above table are 13,094 reemployed retirees with account balances of \$156,270,219 (including employer contributions and interest), 984 reemployed retirees receiving only an annuity from their contributions and their employers’ matching contributions, and 1,249 reemployed retirees receiving such annuities in addition to their regular pension benefits. The sum of the annuity payments attributable to these reemployed retirees is \$10,286,611. Included in the “Disability” numbers in the above table are 1,515 retirees converted to a service retirement. The sum of the annuity payments attributable to these converted disabled retirees is \$19,157,189.





SECTION 3 – ASSETS

1. As of June 30, 2025, the total market value of assets amounted to \$21,081,566,357. All figures include the combined Pension Trust Fund, Medicare B Fund, Death Benefit Fund, and Health Care Fund, but exclude the QEBA Fund. The return on the combined funds including the Health Care Fund is 10.55%. The return on the funds supporting Basic Benefits is 10.64%. The return on the Health Care Fund is 9.11%.

Asset Summary Based on Market Value			
(1)	Assets at June 30, 2024	\$	19,520,989,201
(2)	Contributions and Misc. Revenue		1,276,386,934
(3)	Investment Gain (Loss)		2,034,870,972
(4)	Benefit Payments		(1,750,680,750)
(5)	Assets at June 30, 2025 (1) + (2) + (3) + (4)	\$	21,081,566,357
(6)	Annualized Rate of Return*		10.55 %

2. The four-year smoothed market related actuarial value of assets used for the current valuation was \$20,362,206,233. Schedule B shows the development of the actuarial value of assets as of June 30, 2025. Again all figures include the combined Pension Trust Fund, Medicare B Fund, Death Benefit Fund, and Health Care Fund, but exclude the QEBA Fund. The return on the combined funds including the Health Care Fund is 6.21%. The return on the funds supporting Basic Benefits is 6.10%. The return on the Health Care Fund is 9.11%.

Asset Summary Based on Actuarial Value			
(1)	Assets at June 30, 2024	\$	19,631,761,488
(2)	Contributions and Misc. Revenue		1,276,386,934
(3)	Investment Gain (Loss)		1,204,738,561
(4)	Benefit Payments		(1,750,680,750)
(5)	Assets at June 30, 2025 Before Application of Corridor (1) + (2) + (3) + (4)	\$	20,362,206,233
(6)	Annualized Rate of Return*		6.21 %

*Based on the approximation formula: $I / [0.5 \times (A + B - I)]$, where

- I = Investment Gain (Loss)
- A = Beginning of year asset value
- B = End of year asset value





SECTION 4 – COMMENTS ON VALUATION

Schedule A of this report contains the valuation balance sheet which shows the present and prospective assets and liabilities of the System as of June 30, 2025.

1. The total retirement benefit valuation balance sheet shows that the System has total future retirement benefit liabilities of \$29,002,720,463, of which \$14,405,681,212 is for the future benefits payable for present retiree members and beneficiaries of deceased members; \$950,820,030 is for the future benefits payable for present inactive members; and \$13,646,219,221 is for the future benefits payable for present active members. Against these retirement benefit liabilities, the System has a total present actuarial value of assets of \$19,422,393,762 as of June 30, 2025. The difference of \$9,580,326,701 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future for retirement benefits. Of this amount, \$4,174,946,266 is the present value of future contributions expected to be made by members, and the balance of \$5,405,380,435 represents the present value of future contributions payable by the employers.
2. The employers' contributions to the System on account of retirement benefits consist of normal contributions, accrued liability contributions and contributions for administrative expenses. The valuation indicates that employer normal contributions at the rate of 0.49% of payroll for basic pension benefits, 0.01% of payroll for post-retirement death benefits, and 0.25% of payroll for Medicare Part B benefits are required to provide the benefits of the System for the average member of SERS. Prospective employer normal contributions on account of retirement benefits at the above rates have a present value of \$243,614,444.
3. For pension benefits, it is recommended that the unfunded accrued liability contribution rate payable by the employers on account of retirement benefits be set at 8.88% of payroll. For post-retirement death benefits, it is recommended that the unfunded accrued liability contribution rate payable by the employers on account of retirement benefits be set at 0.01% of payroll. Finally, for Medicare Part B benefits, it is recommended that the unfunded accrued liability contribution rate payable by the employers on account of retirement benefits be set at 0.10% of payroll. These rates are sufficient to amortize the unfunded accrued liability of \$5,161,765,991 over 19 years based on the assumption that the aggregate payroll for SERS members will increase by 1.75% each year.
4. The present value of the total future contributions to be made by the employers for basic benefits is the sum of the future employer normal contributions and the unfunded accrued liability contributions and equals \$5,405,380,435.





SECTION 5 – DERIVATION OF EXPERIENCE GAINS AND LOSSES

Actual experience will never (except by coincidence) match exactly with assumed experience. It is assumed that gains and losses will be in balance over a period of years, but sizable year-to-year fluctuations are common. Detail on the derivation of the experience gain (loss) for the year ended June 30, 2025, is shown below in \$ millions.

Total Basic Benefits June 30:		2025	2024	2023	2022	2021	2020
(1)	UAAL from last valuation	\$ 5,004.8	5,398.7	5,484.5	5,498.1	5,997.1	6,054.2
(2)	Normal cost from last valuation	486.7	461.7	430.1	406.2	347.6	344.1
(3)	Contributions	1,061.2	1,009.1	955.5	900.1	830.6	843.9
(4)	Interest accrual: [(1) + (2) - (3)*.5] x .07	347.3	374.9	380.6	381.8	444.8	448.3
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)	\$ 4,777.6	5,226.2	5,339.7	5,386.0	5,958.9	6,002.7
(6)	Change due to plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
(7)	Change due to new actuarial assumption or methods	(40.0)	(38.9)	(37.1)	(37.0)	(126.5)	0.0
(8)	Expected UAAL after changes: (5) - (6) - (7)	\$ 4,817.6	5,265.1	5,376.8	5,423.0	6,085.4	6,002.7
(9)	Actual UAAL from this valuation	\$ 5,161.8	5,004.8	5,398.7	5,484.5	5,498.1	5,997.1
(10)	Total Gain/(Loss): (8) - (9)	\$ (344.2)	260.3	(21.9)	(61.5)	587.3	5.6
(11)	Investment Gain/(Loss):	\$ (167.1)	414.1	155.7	268.6	431.3	7.1
(12)	Non-Investment Gain/(Loss)	\$ (177.1)	(153.8)	(177.6)	(330.1)	155.8	(1.5)

Pension June 30:		2025	2024	2023	2022	2021	2020
(1)	UAAL from last valuation	\$ 4,913.7	5,271.8	5,329.7	5,316.4	5,789.8	5,822.7
(2)	Normal cost from last valuation	474.5	449.8	418.8	395.0	338.8	335.4
(3)	Contributions	1,032.9	981.0	926.9	871.7	803.0	814.0
(4)	Interest accrual: [(1) + (2) - (3)*.5] x .07	341.0	366.2	370.0	369.3	429.6	431.4
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)	\$ 4,696.3	5,106.8	5,191.6	5,209.0	5,755.2	5,775.5
(6)	Change due to plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
(7)	Change due to new actuarial assumption or methods	(40.0)	(38.9)	(37.1)	(37.0)	(120.9)	0.0
(8)	Expected UAAL after changes: (5) - (6) - (7)	\$ 4,736.3	5,145.7	5,228.7	5,246.0	5,876.1	5,775.5
(9)	Actual UAAL from this valuation	\$ 5,098.3	4,913.7	5,271.8	5,329.7	5,316.4	5,789.8
(10)	Total Gain/(Loss): (8) - (9)	\$ (362.0)	232.0	(43.1)	(83.7)	559.7	(14.3)
(11)	Investment Gain/(Loss):	\$ (162.4)	407.2	153.3	264.7	425.4	6.4
(12)	Non-Investment Gain/(Loss)	\$ (199.6)	(175.2)	(196.4)	(348.4)	134.3	(20.7)





SECTION 5 – DERIVATION OF EXPERIENCE GAINS AND LOSSES

(\$ Millions)

Medicare Part B June 30:		2025	2024	2023	2022	2021	2020
(1)	UAAL from last valuation	\$ 82.6	116.1	143.1	168.5	194.0	217.4
(2)	Normal cost from last valuation	11.5	11.2	10.6	10.5	8.3	8.2
(3)	Contributions	26.4	26.0	26.6	26.2	26.3	28.3
(4)	Interest accrual: [(1) + (2) - (3)*.5] x .07	5.7	8.0	9.8	11.6	14.1	15.8
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)	\$ 73.4	109.3	136.9	164.4	190.1	213.1
(6)	Change due to plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
(7)	Change due to new actuarial assumption or methods	0.0	0.0	0.0	0.0	(4.5)	0.0
(8)	Expected UAAL after changes: (5) - (6) - (7)	\$ 73.4	109.3	136.9	164.4	194.6	213.1
(9)	Actual UAAL from this valuation	\$ 56.0	82.6	116.1	143.1	168.5	194.0
(10)	Total Gain/(Loss): (8) - (9)	\$ 17.4	26.7	20.8	21.3	26.1	19.1
(11)	Investment Gain/(Loss):	\$ (4.3)	6.1	2.1	3.5	5.2	0.7
(12)	Non-Investment Gain/(Loss)	\$ 21.7	20.6	18.7	17.8	20.9	18.4

Post-Retirement Death Benefits June 30:		2025	2024	2023	2022	2021	2020
(1)	UAAL from last valuation	\$ 8.5	10.8	11.7	13.2	13.3	14.1
(2)	Normal cost from last valuation	0.7	0.7	0.7	0.7	0.5	0.5
(3)	Contributions	1.9	2.1	2.0	2.2	1.4	1.5
(4)	Interest accrual: [(1) + (2) - (3)*.5] x .07	0.6	0.7	0.8	0.9	1.0	1.0
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)	\$ 7.9	10.1	11.2	12.6	13.4	14.1
(6)	Change due to plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
(7)	Change due to new actuarial assumption or methods	0.0	0.0	0.0	0.0	(1.1)	0.0
(8)	Expected UAAL after changes: (5) - (6) - (7)	\$ 7.9	10.1	11.2	12.6	14.5	14.1
(9)	Actual UAAL from this valuation	\$ 7.5	8.5	10.8	11.7	13.2	13.3
(10)	Total Gain/(Loss): (8) - (9)	\$ 0.4	1.6	0.4	0.9	1.3	0.8
(11)	Investment Gain/(Loss):	\$ (0.4)	0.8	0.3	0.4	0.7	0.0
(12)	Non-Investment Gain/(Loss)	\$ 0.8	0.8	0.1	0.5	0.6	0.8





SECTION 5 – DERIVATION OF EXPERIENCE GAINS AND LOSSES

ANALYSIS OF FINANCIAL EXPERIENCE Gains and (Losses) in Accrued Liabilities Resulting from Difference Between Assumed Experience and Actual Experience (\$ Millions)

Type of Activity	Pension	Medicare Part B	Post-Retirement Death Benefit	Total Basic Benefits
Age & Service Retirements. If members retire at older ages, there is a gain. If younger ages, a loss.	\$ (77.0)	\$ 4.4	\$ 1.1	\$ (71.5)
Disability Retirements. If disability claims are less than assumed, there is a gain. If more claims, a loss.	0.0	0.0	0.0	0.0
Pre-Retirement Death Benefits. If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	(5.8)	(0.3)	0.0	(6.1)
Withdrawal From Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(55.9)	3.4	0.2	(52.3)
Pay Increases. If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	(50.1)	0.0	0.0	(50.1)
New Members. Additional accrued liability attributable to members who entered the plan since the last valuation.	(60.9)	(1.9)	(0.1)	(62.9)
Investment Income. If there is a greater investment income than assumed, there is a gain. If less income, a loss.	(162.4)	(4.3)	(0.4)	(167.1)
Death After Retirement. If retired members live longer than assumed, there is a loss. If not as long, a gain.	24.5	12.9	(0.5)	36.9
Other. Miscellaneous gains and losses resulting from changes in valuation software, data adjustments, timing of financial transactions, etc.	25.6	3.2	0.1	28.9
Gain (or Loss) During Year From Financial Experience	\$ (362.0)	\$ 17.4	\$ 0.4	\$ (344.2)
Non-Recurring Items. Adjustments for plan amendments, assumption changes and method changes	(40.0)	0.0	0.0	(40.0)
Composite Gain (or Loss) During Year	\$ (402.0)	\$ 17.4	\$ 0.4	\$ (384.2)

The fund experienced a loss of \$167.1 million due to investment performance. Additionally, there was a demographic-related experience loss of \$177.1 million. Additionally, a non-recurring item was attributed to the recognition of a 2.5% Cost of Living Adjustment for the 2026 calendar year.





SECTION 6 – ACTUARIALLY DETERMINED CONTRIBUTION RATES

The valuation balance sheet gives the basis for determining the percentage rates for contributions to be made by employers to the Retirement System. The following table shows the rates of contribution payable by employers.

Actuarially Determined Contribution Rates

Contribution for	Pension	Post-Retirement Death Benefit	Medicare Part B	Total Basic Benefits
A. Normal Cost:				
(1) Service retirement benefits	7.31%			
(2) Disability benefits	0.86			
(3) Survivor benefits	0.33			
(4) Refunds	1.99			
(5) Total	10.49%	0.01%	0.25%	10.75%
B. Member Contributions	10.00%	0.00%	0.00%	10.00%
C. Employer Normal Cost: [A(5) - B]	0.49%	0.01%	0.25%	0.75%
D. Unfunded Actuarial Accrued Liability Contributions	8.88%	0.01%	0.10%	8.99%
E. Total Recommended Employer Contribution Rate:[C+D]	9.37%	0.02%	0.35%	9.74%

The statute sets a contribution cap of 24% of payroll: 14% from employers and 10% from employees. Employer contributions in excess of those required to support the basic benefits may be allocated to retiree health care funding. If the funded ratio is less than 70%, all 14% of the employers' contribution shall be allocated to SERS' basic benefits. If the funded ratio is 70% but less than 80%, at least 13.50% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 80% but less than 90%, at least 13.25% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 90% or greater, the Health Care Fund may receive any portion of the employers' contribution that is not needed to fund SERS' basic benefits. Based on a Board Resolution dated September 18, 2025, the entire 14% of the employers' contribution will be allocated to SERS' basic benefits.





SECTION 7 – SCHEDULE OF FUNDING PROGRESS

(\$ Millions)

Actuarial Valuation Date	Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b - a) / (c)
Total Basic Benefits						
6/30/2015	\$ 12,602	\$ 18,503	\$ 5,901	68.1%	\$ 2,845	207.4%
6/30/2016	13,180	19,771	6,591	66.7	2,932	224.8
6/30/2017	13,713	19,588	5,875	70.0	3,303	177.9
6/30/2018	14,012	19,998	5,986	70.1	3,332	179.7
6/30/2019	14,473	20,527	6,054	70.5	3,463	174.8
6/30/2020	15,037	21,034	5,997	71.5	3,478	172.4
6/30/2021	16,032	21,530	5,498	74.5	3,622	151.8
6/30/2022	16,887	22,371	5,484	75.5	3,995	137.3
6/30/2023	17,686	23,084	5,398	76.6	4,299	125.6
6/30/2024	18,815	23,820	5,005	79.0	4,547	110.1
6/30/2025	19,422	24,584	5,162	79.0	4,735	109.0





SECTION 8 – RISK CONSIDERATIONS

A typical retirement plan faces many different risks, but the greatest risk is the inability to make benefit payments when due. If plan assets are depleted, benefits may not be paid which could create legal and litigation risk or the plan could become “pay as you go”. The term “risk” is most commonly associated with an outcome with undesirable results. However, in the actuarial world, risk can be translated as uncertainty. The actuarial valuation process uses many actuarial assumptions to project how future contributions and investment returns will meet the cash flow needs for future benefit payments. Of course, we know that actual experience will not unfold exactly as anticipated by the assumptions and that uncertainty, whether favorable or unfavorable, creates risk. ASOP 51 defines risk as the potential of actual future measurements to deviate from expected results due to actual experience that is different than the actuarial assumptions.

The various risk factors for a given plan can have a significant impact – positive or negative – on the actuarial projection of liability and contribution rates.

There are a number of risks inherent in the funding of a defined benefit plan. These include:

- economic risks, such as investment return and price inflation;
- demographic risks such as mortality, payroll growth, aging population including impact of baby boomers, and retirement ages;
- contribution risk, i.e., the potential for contribution rates to be too high for the plan sponsor/employer to pay and
- external risks such as the regulatory and political environment.

There is a direct correlation between healthy, well-funded retirement plans and consistent contributions equal to the full actuarial contribution rate each year. The System is primarily funded by member and employer contributions to the trust fund, together with the earnings on these accumulated contributions. These contributions fund benefit accruals for current active members and administrative expenses. The remainder of the contributions amortizes the unfunded actuarial accrued liability. The contribution rates are set by state statute and are intended to provide the needed amounts to fund the System over time. The purpose of the valuation is to determine if the fixed employer and member contributions remain sufficient to fund the Plan. Due to the fixed nature of the contributions actuarial gains and losses are reflected in the amortization period. Generally, the largest source of actuarial gains and losses are caused by investment volatility. In addition, the unfunded liability is amortized as a level percentage of pay assuming payroll will grow by 1.75% per year. A key risk factor to the System's funding is that over time, the Statutory Contribution Rates will be insufficient to accumulate enough funds, with investment income, to fund the promised benefits. The funding insufficiency can be caused by amortization periods that are too long or by payroll not growing at the assumed rate.

The other significant risk factor for the System is investment return because of the volatility of returns and the size of plan assets compared to payroll. A perusal of historical returns over 10-20 years reveals that the actual return each year is rarely close to the average return for the same period. This is to be expected, given the underlying capital market assumptions and the System's asset allocation. To the extent market rates of interest affect the expected return on assets, there is a risk of change to the discount rate which determines the present value of liabilities and actuarial valuation results.





SECTION 8 – RISK CONSIDERATIONS

A key demographic risk for the Retirement System is improvements in mortality (longevity) greater than anticipated. Mortality risk arises because there is unexpected mortality improvement, perhaps from a significant medical breakthrough that could quickly increase liabilities. While this is an exposure to risk, it represents a small probability.

The following exhibits summarize some historical information that helps indicate how certain key risk metrics have changed over time. Many are due to the maturing of the retirement system.

Historical Asset Volatility Ratios (in 1,000s)

As a system matures, the size of the market value of assets increases relative to the covered payroll of active members, on which the System is funded. The size of the plan assets relative to covered payroll, sometimes referred to as the asset volatility ratio, is an important indicator of the contribution risk for the System. The higher this ratio, the more sensitive a plan's contribution rate is to investment return volatility. In other words, it will be harder to recover from investment losses with increased contributions.

Fiscal Year End	Market Value of Assets (\$ Millions)	Covered Payroll (\$ Millions)	Asset Volatility Ratio
6/30/2012	\$10,332	\$2,788	3.71
6/30/2013	11,300	2,747	4.11
6/30/2014	12,821	2,759	4.65
6/30/2015	12,797	2,845	4.50
6/30/2016	12,452	2,932	4.25
6/30/2017	13,614	3,303	4.12
6/30/2018	14,271	3,332	4.28
6/30/2019	14,544	3,463	4.20
6/30/2020	14,420	3,478	4.15
6/30/2021	17,840	3,622	4.93
6/30/2022	16,963	3,995	4.25
6/30/2023	17,559	4,299	4.08
6/30/2024	18,705	4,547	4.11
6/30/2025	20,142	4,735	4.25

The assets at June 30, 2025 are 425% of payroll, so underperforming the investment return assumption by 1.00% (i.e., earn 6.00% for one year) is equivalent to 4.25% of payroll. While the actual impact in the first year is mitigated by the asset smoothing method and amortization of the UAL, this illustrates the risk associated with volatile investment returns.





SECTION 8 – RISK CONSIDERATIONS

Historical Cash Flows

Plans with negative cash flows will experience increased sensitivity to investment return volatility. Cash flows, for this purpose, are measured as contributions less benefit payments and administrative expenses. If the System has negative cash flows and then experiences returns below the assumed rate, there are fewer assets to be reinvested to earn the higher returns that typically follow. While any negative cash flow will produce such a result, it is typically a negative cash flow of more than 4% of MVA that may cause significant concerns. The System has negative cash flows which range from 2% to 4% for the prior five years, so there is no immediate concern.

Fiscal Year End	Market Value of Assets (\$ Millions)	Contributions (\$ Millions)	Benefit Payments & Expenses (\$ Millions)	Net Cash Flow (\$ Millions)	Net Cash Flow as % of Market Value
6/30/2012	\$10,332	\$697	\$946	(\$249)	(2.41%)
6/30/2013	11,300	695	1,020	(325)	(2.88)
6/30/2014	12,821	701	1,069	(368)	(2.87)
6/30/2015	12,797	702	1,156	(455)	(3.56)
6/30/2016	12,452	751	1,203	(452)	(3.63)
6/30/2017	13,614	804	1,256	(451)	(3.31)
6/30/2018	14,271	760	1,335	(575)	(4.03)
6/30/2019	14,544	810	1,368	(558)	(3.84)
6/30/2020	14,420	844	1,354	(510)	(3.54)
6/30/2021	17,840	831	1,387	(556)	(3.12)
6/30/2022	16,963	900	1,439	(539)	(3.18)
6/30/2023	17,559	956	1,507	(551)	(3.14)
6/30/2024	18,705	1,009	1,544	(535)	(2.86)
6/30/2025	20,142	1,061	1,618	(557)	(2.77)





SECTION 8 – RISK CONSIDERATIONS

Liability Maturity Measurement

Most public sector retirement systems have been in operation for many years. As a result, they have aging plan populations, and in some cases declining active populations, resulting in an increasing ratio of retirees to active members and a growing percentage of retiree liability. The retirement of the remaining baby boomers over the next decade is expected to further exacerbate the aging of the retirement system population. With more of the total liability residing with retirees, investment volatility has a greater impact on the funding of the system since it is more difficult to restore the system financially after losses occur when there is comparatively less payroll over which to spread costs. Below are two tables which demonstrate the ratio of the System's retiree liability compared to the total accrued liability and the ratio of the number of retirees and beneficiaries to the number of active members.

Fiscal Year End	Retiree Liability (\$ Millions)	Total Actuarial Liability (\$ Millions)	Retiree Percentage
6/30/2012	\$9,250	\$16,755	55%
6/30/2013	9,793	17,247	57%
6/30/2014	10,437	17,882	58%
6/30/2015	11,047	18,503	60%
6/30/2016	11,702	19,771	59%
6/30/2017	11,679	19,588	60%
6/30/2018	12,399	19,998	62%
6/30/2019	12,629	20,527	62%
6/30/2020	12,949	21,034	62%
6/30/2021	13,346	21,530	62%
6/30/2022	13,658	22,371	61%
6/30/2023	13,997	23,084	61%
6/30/2024	14,387	23,820	60%
6/30/2025	14,899	24,584	61%





SECTION 8 – RISK CONSIDERATIONS

Historical Member Statistics

Fiscal Year End	Active Count	Retiree Count	Active to Retiree Ratio
6/30/2012	121,811	69,038	1.76
6/30/2013	121,642	70,771	1.72
6/30/2014	121,251	72,605	1.67
6/30/2015	122,855	74,372	1.65
6/30/2016	124,540	76,280	1.63
6/30/2017*	157,981	79,157	2.00
6/30/2018	158,343	81,332	1.95
6/30/2019	159,363	81,024	1.97
6/30/2020	156,579	80,851	1.94
6/30/2021	146,646	80,721	1.82
6/30/2022	155,063	81,151	1.91
6/30/2023	159,873	81,833	1.95
6/30/2024	163,350	82,490	1.98
6/30/2025	165,280	83,327	1.98

*Beginning in FY2017, the active member headcount reflects an increase of members who have been re-categorized from inactive to active status.

Liquidation Risk

Under the revised Actuarial Standards of Practice (ASOP) No. 4 effective for valuations after February 15, 2023, we must now include a low-default-risk obligation measure of the System's liability in our funding valuation report. This is an informational disclosure as described below and would not be appropriate for assessing the funding progress or health of the plan.

This measure uses the unit credit cost method and reflects all the assumptions and provisions of the funding valuation except that the discount rate is derived from considering low-default-risk fixed income securities. We considered the FTSE Pension Discount Curve based on market bond rates published by the Society of Actuaries as of June 30, 2025 and with the 30-year spot rate used for all durations beyond 30. Using these assumptions, we calculate a liability of approximately \$25,901 million.

This amount approximates the termination liability if the plan (or all covered employment) ended on the valuation date and all of the accrued benefits had to be paid with cash-flow matched bonds. This assurance of funded status and benefit security is typically more relevant for corporate plans than for governmental plans since governments rarely have the need or option to completely terminate a plan.





SCHEDULE A – VALUATION BALANCE SHEET AND SOLVENCY TEST

The following valuation balance sheet shows the assets and liabilities of the System as of the current valuation date of June 30, 2025, and, for comparison purposes, as of the immediately preceding valuation date of June 30, 2024. The items shown in the balance sheet are present values actuarially determined as of the relevant valuation date.

VALUATION BALANCE SHEET SHOWING THE ASSETS AND LIABILITIES OF THE SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

	June 30, 2025	June 30, 2024
ASSETS		
Current actuarial value of assets	\$ 19,422,393,762	\$ 18,815,292,621
Prospective contributions		
Member contributions	\$ 4,174,946,266	\$ 3,989,397,444
Employer normal contributions	243,614,444	233,753,846
Unfunded accrued liability contributions	<u>5,161,765,991</u>	<u>5,004,824,349</u>
Total prospective contributions	<u>\$ 9,580,326,701</u>	<u>\$ 9,227,975,639</u>
Total assets	<u>\$ 29,002,720,463</u>	<u>\$ 28,043,268,260</u>
LIABILITIES		
Present value of benefits payable on account of present retired members and beneficiaries	\$ 14,405,681,212	\$ 13,933,220,087
Present value of benefits payable on account of active members	13,646,219,221	13,226,471,159
Present value of benefits payable on account of inactive and deferred vested members	<u>950,820,030</u>	<u>883,577,014</u>
Total liabilities	<u>\$ 29,002,720,463</u>	<u>\$ 28,043,268,260</u>





SCHEDULE A – VALUATION BALANCE SHEET AND SOLVENCY TEST

The following table provides the solvency test for SERS members. The table allocates the valuation assets of the System to its liabilities based on an order of precedence. The highest order of precedence is active member contributions. The second highest order of precedence are members in pay status, and vested and non-vested terminated members. The lowest order of precedence is the employer financed portion of active member accrued benefits. The liabilities are determined using the System's assumed rate of return.

Solvency Test (\$ Millions)

Valuation Date	Aggregate Accrued Liabilities For				Portion of Accrued Liabilities Covered by Reported Assets		
	(1) Active Member Contributions	(2) Retired Members & Beneficiaries	(3) Active Members (Employer Financed Portion)	Actuarial Value of Assets	(1)	(2)	(3)
Total Basic Benefits							
6/30/2015	\$ 2,979	\$ 11,326	\$ 4,198	\$ 12,602	100.0%	85.0%	0.0%
6/30/2016	2,914	11,970	4,887	13,180	100.0	85.8	0.0
6/30/2017	3,010	11,971	4,607	13,713	100.0	89.4	0.0
6/30/2018	2,733	12,709	4,556	14,012	100.0	88.7	0.0
6/30/2019	2,842	12,942	4,743	14,473	100.0	89.9	0.0
6/30/2020	2,934	13,277	4,823	15,037	100.0	91.2	0.0
6/30/2021	2,986	13,704	4,840	16,032	100.0	95.2	0.0
6/30/2022	3,040	14,037	5,294	16,887	100.0	98.6	0.0
6/30/2023	3,093	14,393	5,598	17,686	100.0	100.0	3.6
6/30/2024	3,595	14,817	5,408	18,815	100.0	100.0	7.5
6/30/2025	3,697	15,357	5,531	19,422	100.0	100.0	6.7





SCHEDULE B – DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

Valuation date June 30:		2024	2025	2026	2027	2028
A.	Actuarial Value Beginning of Year	\$ 18,392,437,738	\$ 19,631,761,488			
B.	Market Value End of Year	19,520,989,201	21,081,566,357			
C.	Market Value Beginning of Year	18,265,587,027	19,520,989,201			
D.	Cash Flow					
D1.	Contributions	\$ 1,070,015,866	\$ 1,123,808,519			
D2.	Other Revenue	133,179,513	152,578,415			
D3.	Benefit Payments	(1,651,565,296)	(1,741,436,261)			
D4.	Net Transfers	(2,454,005)	(9,244,489)			
D5.	Net	\$ (450,823,922)	\$ (474,293,816)			
E.	Investment Income					
E1.	Market Total: B.-C.-D5.	\$ 1,706,226,096	\$ 2,034,870,972			
E2.	Assumed Rate (Net of Expenses)	7.00%	7.00%			
E3.	Amount for Immediate Recognition	1,262,812,255	1,349,868,961			
E4.	Amount for Phased-In Recognition	443,413,841	685,002,011			
F.	Phased-In Recognition of Investment Income					
F1.	Current Year: 0.25 * E4.	\$ 110,853,460	\$ 171,250,503	\$ 0	\$ 0	\$ 0
F2.	First Prior Year	(16,098,304)	110,853,460	171,250,503	0	0
F3.	Second Prior Year	(411,136,059)	(16,098,304)	110,853,460	171,250,503	0
F4.	Third Prior Year	743,716,320	(411,136,059)	(16,098,304)	110,853,460	171,250,503
F5.	Total Recognized Investment Gain/(Loss)	\$ 427,335,417	\$ (145,130,400)	\$ 266,005,659	\$ 282,103,963	\$ 171,250,503
G.	Preliminary Actuarial Value End of Year:					
A.+D5.+E3.+F5.		\$ 19,631,761,488	\$ 20,362,206,233			
H.	Corridor					
H1.	80% of Market Value	\$ 15,616,791,361	\$ 16,865,253,086			
H2.	120% of Market Value	\$ 23,425,187,041	\$ 25,297,879,628			
I.	Actuarial Value End of Year:					
G. Not Less than H1. or Not Greater than H2.		\$ 19,631,761,488	\$ 20,362,206,233			
J.	Difference Between Market & Actuarial Values	\$ (110,772,287)	\$ 719,360,124	\$ 453,354,465	\$ 171,250,502	\$ 0
K.	Health Care Valuation Assets	\$ 816,468,867	\$ 939,812,471			
L.	Basic Benefits Valuation Assets (G. - K.)	\$ 18,815,292,621	\$ 19,422,393,762			

The Actuarial Valuation of Assets recognizes assumed investment income (line E3) fully each year. Differences between actual and assumed investment income (line E4) are phased in over a closed four-year period. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, Actuarial Value of Assets will tend to be greater than market value. If assumed rates are exactly realized for four consecutive years, actuarial value will become equal to market value.





SCHEDULE C – STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methods used in the valuation were based on the actuarial experience study for the five-year period ending June 30, 2020, adopted by the Board on April 15, 2021. The combined effect of the assumptions is expected to have no significant bias.

INTEREST RATE: 7.00% per annum, compounded annually (net after all System expenses).

SEPARATIONS FROM ACTIVE SERVICE: Representative values of the assumed rates of separation from active service are as follows:

Service	Annual Rates of Withdrawal
0	40.00%
1	19.00
2	11.00
3	9.00
4	8.00
5	6.50
10	3.50
15	2.25

Age	Annual Rates of			
	Death *		Disability	
	Male	Female	Male	Female
20	.041%	.013%	.020%	.010%
25	.041	.012	.039	.010
30	.052	.019	.071	.028
35	.068	.030	.127	.059
40	.096	.047	.214	.106
45	.143	.072	.313	.180
50	.218	.107	.414	.300
55	.320	.157	.530	.450
60	.466	.238	.590	.450
65	.682	.380	.533	.300
70	1.025	.627	.300	.200
74	1.461	.937	.300	.200

* Pre-retirement mortality is based on the PUB-2010 General Amount Weighted Below Median Employee Mortality Table with fully generational projection using the MP-2020 projection scale. The above rates represent the base rates used.





SCHEDULE C – STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

Age	Annual Rates of							
	Retirement Eligible prior to 8/1/17				Retirement Eligible after 8/1/17			
	Reduced	Reduced (55/25)	First Eligible Unreduced	Subsequent Unreduced	Reduced	Reduced (60/25)	First Eligible Unreduced	Subsequent Unreduced
50			21%	19%				
55		10%	27%	19%				
57		10%	27%	19%			30%	19%
60	43%	15%	27%	19%		6%	30%	19%
62	43%	15%	27%	19%	5%	6%	30%	19%
65			50%	33%	15%	17%	30%	19%
68			50%	33%			30%	18%
70			50%	33%			30%	18%
75			100%	100%			100%	100%

SALARY INCREASES: Representative values of the assumed annual rates of salary increases are as follows:

Service	Annual Rates of		
	Merit & Seniority (A)	Base (Economy) (B)	Increase Next Year $(1+(A))*(1+(B))$
0	10.00%	3.25%	13.58%
1	3.00	3.25	6.35
2	1.75	3.25	5.06
3	1.25	3.25	4.54
4	1.00	3.25	4.28
5-9	0.75	3.25	4.02
10-15	0.50	3.25	3.77
16-17	0.25	3.25	3.51
18 & over	0.00	3.25	3.25

PAYROLL GROWTH: 1.75% per annum, compounded annually.

PRICE INFLATION: 2.40% per annum, compounded annually.





SCHEDULE C – STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

ANNUAL COLA: Increase of 2.00% of initial retirement allowance on anniversary of retirement date. On and after April 1, 2018, COLAs for future retirees will be delayed until the fourth anniversary of benefit commencement.

DEATH AFTER RETIREMENT: These assumptions are used to measure the probabilities of each benefit payment being made after retirement.

SERVICE RETIREMENT: PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

DISABLED RETIREMENT: PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

CONTINGENT SURVIVOR: PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

MARRIAGE ASSUMPTION: 80% married with the husband three years older than his wife.

VALUATION METHOD: Entry age normal cost method. Entry age is established on an individual basis.

ASSET VALUATION METHOD: Actuarial value, as developed in Schedule B. The actuarial value of assets recognizes a portion of the difference between the market value of assets and the expected market value of assets, based on the assumed valuation rate of return. The amount recognized each year is 25% of the difference between market value and expected market value. The actuarial value of assets cannot be less than 80% or more than 120% of market value.

FUNDING POLICY: If the funded ratio is less than 70%, the entire 14% employers' contribution shall be allocated to SERS' basic benefits. If the funded ratio is 70% but less than 80%, at least 13.50% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 80% but less than 90%, at least 13.25% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 90% or greater, the Health Care Fund may receive any portion of the employers' contribution that is not needed to fund SERS' basic benefits.





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

Contributions for Basic Benefits

Members contribute 10% of pay and employers contribute 14% of pay. Employer contributions not required to finance basic benefits may be allocated to the Health Care Fund.

Final Average Salary

Average annual salary over the member's three highest years of service.

Normal Retirement

Condition for Retirement

*Retire before August 1, 2017
or have 25 years of service or
more on or before August 1,
2017*

Attainment of age 65 with at least 5 years of creditable service, or completion of 30 years of creditable service, regardless of age.

*Members attaining 25
years of service after
August 1, 2017*

Attainment of age 67 with at least 10 years of creditable service, or attainment of age 57 with at least 30 years of creditable service. Buy-up option was available.

Amount of Allowance

The annual retirement allowance payable shall not be greater than 100% of final average salary, and is the greater of:

1. Money Purchase - the greater of:
The sum of:
 - a. An annuity based on the value of the member's accumulated contributions at retirement
 - b. A pension equal to the annuity
 - c. For members who have 10 or more years of service credit prior to 10/1/1956, an annual benefit of \$180.
2. Defined Benefit - the greater of:
The sum of:
 - a. 2.2% of final average salary multiplied by the member's years of service up to 30,
 - b. 2.5% of final average salary multiplied by the member's years of service in excess of 30,or:
 - c. \$86 multiplied by the years of service.





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

Early Retirement

Condition for Early Retirement

*Retire before August 1, 2017
or have 25 years of service
or more on or before August
1, 2017*

Not eligible for unreduced service retirement but has attained age 55 with at least 25 years of service, or age 60 with 5 years of service.

*Members attaining 25
years of service after
August 1, 2017*

Attainment of age 62 with at least 10 years of creditable service, or attainment of age 60 with at least 25 years of creditable service.

Amount of Allowance

*Retire before August 1, 2017
or have 25 years of service
or more on or before August
1, 2017*

Normal retirement allowance accrued to the date of early retirement. The Defined Benefit amount determined above is adjusted by the following percentages based on attained age or years of service:

<u>Attained Age</u>	<u>Years of Ohio Service Credit</u>	<u>Percentage</u>
58	25	75%
59	26	80
60	27	85
61		88
	28	90
62		91
63		94
	29	95
64		97





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

Members attaining 25 years of service after August 1, 2017

Actuarial equivalent of the normal retirement allowance accrued to the date of early retirement. The Defined Benefit amount determined above is actuarially adjusted for the years before age 65 (age 67 if after August 1, 2017) or 30 years of service, whichever is shorter, but in no event is the adjusted benefit less than the following percentages of the Defined Benefit amount based on years of service:

Years of Ohio Service Credit	Percentage
25	75%
26	80
27	85
28	90
29	95

Disability Retirement

Condition for Retirement

An allowance is paid upon becoming permanently disabled after completion of at least 5 years of total service credit.

Amount of Allowance

1. For those who were active members prior to July 29, 1992 and did not elect the benefit structure outlined below, an allowance based on service to date of disablement, plus, if the age at disablement is less than 60, continuous service to age 60. The allowance is computed in the same manner as the defined benefit service retirement allowance, subject to a minimum of 30% of FAS and a maximum of 75% of FAS. It is payable for life, unless terminated.





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

2. For those who became active members after July 28, 1992, and for those who were active members prior to July 29, 1992 who so elected, an allowance equal to the greater of (i) 45% of FAS, or (ii) the lesser of 60% of FAS, or the allowance computed in the same manner as the defined benefit service retirement allowance. The allowance will continue until:
- a. The date the member is granted a service retirement benefit, or
 - b. The date the allowance is terminated, or
 - c. The later of the date the member attains age 65 or the date the disability allowance has been paid for the minimum duration in accordance with the following schedule:

<u>Age at Disability</u>	<u>Minimum Duration In Months</u>
60 and earlier	60
61	60
62	48
63	48
64	36
65	36
66	24
67	24
68	24
69 and older	12

Death Benefits Prior to Retirement

Death While Eligible to Retire

If a member dies in service after becoming eligible to retire with a service allowance and leaves a surviving spouse or other sole dependent beneficiary, the survivor may elect to receive the same amount that would have been paid had the member retired the last day of the month of death and elected the 100% joint and survivor form of payment.





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

Survivor (Death-in-Service) Allowances

Condition for Benefit

Upon the death of a member with at least 1.5 years of Ohio service credit and with at least 0.25 year of Ohio contributing service credit within 2.5 years prior to the date of death, the survivor allowances are payable as follows:

1. **Qualified Spouse:** A monthly allowance commencing at age 62, except that the benefit is payable immediately if: (1) the qualified deceased member had 10 or more years of Ohio service credit; or (2) is caring for a surviving child, or (3) is incompetent.
2. **Qualified Child:** For allowances that commenced before January 7, 2013, an allowance is payable to a deceased member's qualified child who is under age 18 and never been married, under age 22 and in school, or adjudged incompetent prior to the member's death and the child attaining age 18 or age 22 if attending school. For allowances that commence on or after January 7, 2013, an allowance is payable to a deceased member's qualified child who is under age 19 and never been married or adjudged incompetent prior to the member's death and the child attaining age 19.
3. **Qualified Parent's Allowance:** A monthly allowance is payable to a dependent parent age 65 or older.





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

Amount of Allowances

Except when survived by a qualified child(ren), upon the death of a member prior to retirement, the accumulated contributions of the member without interest is payable. Alternatively, the beneficiary may elect the following amounts, payable monthly while eligible:

<u>Number of Qualified Survivors</u>	<u>Annual Benefit as Percent of Member's FAS</u>	<u>Minimum Monthly Allowance</u>
1	25%	\$96
2	40	186
3	50	236
4	55	236
5 or more	60	236

If the deceased member had attained at least 20 years of service, the total benefits payable to all qualified survivors are not less than:

<u>Years of Service</u>	<u>Annual Benefit as Percent of Member's FAS</u>
20	29%
21	33
22	37
23	41
24	45
25	48
26	51
27	54
28	57
29 or more	60





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

Termination Benefits

Refund of Members' Accumulated Contributions

In the event a member leaves service before any monthly benefits are payable on his/her behalf, the member's accumulated contributions, without interest, may be refunded.

Deferred Benefits

Members who retire prior to August 1, 2017 must have at least 5 years of service credit and those members who retire on and after August 1, 2017 must have at least 10 years of service credit and are eligible to draw the benefit the first of the month following their 62nd birthday.

Normal Form of Benefit

Single Life Annuity

Optional Forms of Benefit

A member upon retirement may elect to receive an allowance in one of the following forms that are computed to be actuarially equivalent to the applicable retirement allowance:

Upon the death of a retiree, 50%, 100%, or some other percentage of his/her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.

A reduced retirement allowance shall be continued throughout the life of the pensioner, but with further payment to the pensioner, his/her beneficiary or estate for a specified number of years certain.

A member can select a partial lump sum option at retirement. Under this option, the partial lump sum shall not be less than 6 times and not more than 36 times the unreduced monthly benefit, and the monthly benefit will be actuarially reduced. In addition, the monthly benefit payable cannot be less than 50% of the unreduced amount.

Post-Retirement Death Benefit

Regardless of the form of benefit selected, a lump sum benefit of \$1,000 is paid at the death of the retiree.





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

Post-Retirement Increases

Pre 1/1/2018: On each anniversary of the initial date of retirement, the allowances of all retirees and survivors are increased by 3% of the base benefit.

On and after 1/1/2018: On each anniversary of the initial retirement, the allowance of all retirees and survivors may be increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0% nor greater than 2.5%. COLAs shall be suspended for calendar years 2018, 2019, and 2020.

On and after 4/1/2018: COLAs for future retirees will be delayed until the fourth anniversary of benefit commencement.

Medicare Part B

Each recipient of a service retirement benefit, a disability benefit, or a survivor benefit who was credited with at least 10 years of service and has paid Medicare Part B premiums and has chosen the health care option, is reimbursed \$45.50 per month for premiums. The reimbursement will continue to the spouse upon the death of the retiree in cases where the retiree elected a Joint and Survivor payment form.

Reemployed Retirants

Eligibility Effective

July 1, 1991, service retirees of SERS, or service or disability retirees of one of the other four Ohio retirement systems who are employed in a SERS-covered position are required to contribute to a money purchase annuity, a type of defined contribution plan.

Amount of Allowance

Upon termination of employment, a reemployed retirant who has attained age 65 is eligible to receive an annuity based on the amount of his/her accumulated contributions, and an equal amount of employer contributions, plus interest to the effective date of retirement. Effective July 1, 2006 the amount of employer contributions will be determined by the Board. Interest is granted on the reemployed retirant's prior fiscal year account balance, calculated using a rate determined by the SERS Board, compounded annually. The benefit is payable as a lump sum or as an annuity if the amount of such annuity is at least \$25. Upon termination of employment, a reemployed retirant who has not attained age 65 may request a lump sum refund of





SCHEDULE D – SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

	his/her own contributions; there is no payment of employer contributions or interest.
Benefits Payable Upon Death	If a reemployed retirant dies while employed, a lump sum payment of the monthly annuity, discounted to the present value using the current actuarial assumption rate of interest, will be paid to his/her beneficiary. If a reemployed retirant dies while receiving a monthly annuity, a lump sum payment will be made to a beneficiary in an amount equal to the excess, if any, of the lump sum payment the reemployed retirant would have received at the effective date of retirement over the sum of the annuity payments received by the reemployed retirant to the date of death.
Member Contributions	Each reemployed retirant is required to contribute 10% of his/her pay by payroll deductions.
Employer Contributions	Employer contributions are expressed as percents of member covered payroll. Employers are required to contribute 14% of payroll.
Other Benefits	Reemployed retirants of SERS are not eligible to receive any of the other benefits provided to SERS members.
Member Contributions	10% of salary.





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

Schedule of Retiree Members Added to and Removed From Rolls Last Six Fiscal Years

Year Ending June 30:	2020	2021	2022	2023	2024	2025
<u>Number of Retiree Members</u>						
Beginning of Year	81,024	80,851	80,721	81,151	81,833	82,490
Added	2,902	3,928	3,867	3,740	3,802	4,459
Removed	3,075	4,058	3,437	3,058	3,145	3,622
End of Year	80,851	80,721	81,151	81,833	82,490	83,327
<u>Annual Retirement Allowances</u>						
Beginning of Year	\$ 1,218,955,506	\$ 1,234,342,326	\$ 1,254,934,762	\$ 1,295,438,626	\$ 1,340,607,264	\$ 1,383,749,267
Added	52,895,232	70,415,860	67,062,445	63,623,157	68,298,152	89,852,333
Removed	37,508,412	49,823,424	26,558,581	18,454,519	25,156,149	33,578,905
End of Year	\$ 1,234,342,326	\$ 1,254,934,762	\$ 1,295,438,626	\$ 1,340,607,264	\$ 1,383,749,267	\$ 1,440,022,695
% Increase (Decrease) In Allowances	1.26%	1.67%	3.23%	3.49%	3.22%	4.07%
Average Annual Allowance	\$ 15,267	\$ 15,547	\$ 15,963	\$ 16,382	\$ 16,775	\$ 17,282





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

Schedule of Retiree Members Receiving a Medicare Part B Reimbursement Added to and Removed from Rolls Last Three Fiscal Years

Year Ending June 30:	2023	2024	2025
<u>Number of Retiree Members</u>			
Beginning of Year	40,591	39,790	39,273
Added	1,953	2,176	2,004
Removed	2,754	2,693	1,613
End of Year	39,790	39,273	39,664
<u>Annual Retirement Allowances</u>			
Beginning of Year	\$ 22,162,686	\$21,725,340	\$21,443,058
Added	1,066,338	1,188,096	1,094,184
Removed	1,503,684	1,470,378	880,698
End of Year	\$ 21,725,340	\$21,443,058	\$21,656,544
% Increase (Decrease) In Allowances	(1.97)%	(1.30)%	1.00%
Average Annual Allowance	\$ 546	\$ 546	546





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

**Annuity and Pension Reserve Fund
Retiree Information as of June 30, 2025
Tabulated by Type of Benefit**

Amount of Monthly Benefit		Total	Service	Disability	Survivor
\$	1 - \$ 250	7,991	7,415	33	543
	251 - 500	10,406	9,237	296	873
	501 - 750	10,308	8,903	645	760
	751 - 1,000	9,722	8,133	983	606
	1,001 - 1,500	15,082	13,000	1,472	610
	1,501 - 2,000	9,861	8,665	949	247
	Over 2,000	<u>19,957</u>	<u>18,403</u>	<u>1,212</u>	<u>342</u>
		83,327	73,756	5,590	3,981

Average Monthly Benefit

\$ 1,465

\$ 1,497

\$ 896

Average Age

75.8

69.1

73.3

The 73,756 service retirees shown in the table above are comprised of 68,069 service retirees and 5,687 beneficiaries of deceased retirees. Excluded from the 68,069 service retirees are 984 reemployed retirees who are receiving a pension-only benefit resulting from the annuitization of the contributions accumulated during active membership. Included in the "Disability" numbers in the above table are 1,515 retirees converted to a service retirement.





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

**Annuity and Pension Reserve Fund
Retiree Information as of June 30, 2025
Tabulated by Attained Ages**

Attained Age	Retirement		Disability Retirement		Total	
	Number	Annual Benefits	Number	Annual Benefits	Number	Annual Benefits
Under 45	43	\$ 320,967	44	\$ 665,448	87	\$ 986,415
45-49	24	\$ 245,522	69	\$ 1,098,559	93	\$ 1,344,081
50-54	119	\$ 3,182,831	209	\$ 3,634,578	328	\$ 6,817,409
55-59	710	\$ 28,367,081	496	\$ 9,077,079	1,206	\$ 37,444,160
60-64	4,491	\$ 115,272,255	1,045	\$ 20,199,907	5,536	\$ 135,472,162
65-69	14,636	\$ 279,305,840	1,334	\$ 25,277,655	15,970	\$ 304,583,494
70-74	17,304	\$ 305,436,611	969	\$ 18,600,805	18,273	\$ 324,037,416
75-79	14,849	\$ 254,865,570	655	\$ 11,586,658	15,504	\$ 266,452,228
80-84	10,379	\$ 161,473,390	412	\$ 6,361,778	10,791	\$ 167,835,167
85-89	6,766	\$ 96,567,761	243	\$ 2,907,956	7,009	\$ 99,475,717
90 & Over	4,435	\$ 51,777,844	114	\$ 1,008,478	4,549	\$ 52,786,322
Totals	73,756	\$ 1,296,815,672	5,590	\$ 100,418,898	79,346	\$ 1,397,234,570

The 73,756 service retirees shown in the table above are comprised of 72,772 unique service retirees, and 984 unique reemployed retirees. The reemployed retirees included in the tabulation above are those who are receiving a pension-only benefit resulting from the annuitization of the contributions accumulated during active membership. Included in the "Disability" numbers in the above table are 1,515 retirees converted to a service retirement. The sum of the annuity payments attributable to these converted disabled retirees is \$19,157,189.





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

**Annuity and Pension Reserve Fund
Survivors of Annuitants Information as of June 30, 2025
Tabulated by Attained Ages**

Attained Age	Life Annuities		Periods Certain		Total	
	Number	Annual Benefits	Number	Annual Benefits	Number	Annual Benefits
Under 45	43	\$ 320,967	0	\$ -	43	\$ 320,967
45-49	23	\$ 196,478	0	\$ -	23	\$ 196,478
50-54	52	\$ 528,570	0	\$ -	52	\$ 528,570
55-59	70	\$ 943,712	0	\$ -	70	\$ 943,712
60-64	171	\$ 2,447,141	1	\$ 61,476	172	\$ 2,508,617
65-69	391	\$ 5,922,187	3	\$ 54,537	394	\$ 5,976,724
70-74	740	\$ 10,613,504	2	\$ 22,124	742	\$ 10,635,628
75-79	1,059	\$ 13,760,219	10	\$ 121,202	1,069	\$ 13,881,421
80-84	1,213	\$ 13,544,212	5	\$ 58,661	1,218	\$ 13,602,873
85-89	1,032	\$ 10,089,976	0	\$ -	1,032	\$ 10,089,976
90 & Over	872	\$ 7,511,264	0	\$ -	872	\$ 7,511,264
Totals	5,666	\$ 65,878,230	21	\$ 318,000	5,687	\$ 66,196,230





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

All Benefit Recipients Male and Female Demographic Breakdown June 30, 2025

Attained Age	Number of		Total Number
	Males	Females	
Under 20	23	30	53
20-24	1	0	1
25-29	0	2	2
30-34	8	13	21
35-39	9	25	34
40-44	28	51	79
45-49	41	84	125
50-54	146	255	401
55-59	524	846	1,370
60-64	1,628	4,255	5,883
65-69	4,112	12,554	16,666
70-74	4,947	14,071	19,018
75-79	4,315	11,888	16,203
80-84	2,889	8,412	11,301
85-89	1,720	5,662	7,382
90-94	741	2,801	3,542
95-99	207	881	1,088
100	5	55	60
101	6	38	44
102	2	20	22
103	1	19	20
104	0	5	5
105 & Over	2	5	7
Total	21,355	61,972	83,327





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

Survivor Benefit Fund
Survivors of Deceased Active Members Information as of June 30, 2025
Tabulated by Attained Ages

Attained Age	Number	Annual Benefits
Under 45	103	\$ 1,219,515
45-49	32	\$ 545,678
50-54	73	\$ 1,077,851
55-59	164	\$ 2,349,586
60-64	347	\$ 4,388,023
65-69	696	\$ 7,733,009
70-74	745	\$ 7,990,634
75-79	699	\$ 7,867,836
80-84	510	\$ 4,526,444
85-89	373	\$ 3,431,134
90 & Over	239	\$ 1,658,415
Totals	3,981	\$ 42,788,125





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

Total Active Members as of June 30, 2025 Tabulated by Attained Ages and Years of Service

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	3,382							3,382
Avg Pay	\$13,403							\$13,403
20-24	11,421	86						11,507
Avg Pay	\$15,713	\$35,177						\$15,858
25-29	11,025	1,050	44					12,119
Avg Pay	\$19,319	\$38,383	\$49,433					\$21,080
30-34	10,445	2,020	518	26				13,009
Avg Pay	\$20,496	\$39,953	\$51,497	\$59,375				\$24,829
35-39	11,652	2,660	1,155	281	23			15,771
Avg Pay	\$20,499	\$36,932	\$51,413	\$60,374	\$61,690			\$26,305
40-44	12,137	3,804	1,634	675	285	51		18,586
Avg Pay	\$20,140	\$37,184	\$49,808	\$61,646	\$66,210	\$72,195		\$28,593
45-49	10,328	3,984	2,302	972	651	347	19	18,603
Avg Pay	\$19,334	\$35,342	\$43,772	\$55,533	\$65,462	\$67,240	\$78,296	\$30,246
50-54	8,346	3,728	2,836	1,712	1,213	770	229	18,834
Avg Pay	\$20,646	\$34,704	\$41,896	\$49,014	\$55,636	\$65,871	\$66,740	\$33,870
55-59	6,770	3,219	2,746	2,302	2,064	1,561	448	19,110
Avg Pay	\$20,972	\$36,167	\$40,897	\$42,953	\$48,056	\$54,435	\$65,483	\$35,745
60-64	5,359	2,512	2,119	2,111	2,701	2,492	910	18,204
Avg Pay	\$19,908	\$33,724	\$40,293	\$42,258	\$44,461	\$48,679	\$55,357	\$36,133
65-69	3,994	1,415	1,020	814	1,100	1,260	715	10,318
Avg Pay	\$14,809	\$28,509	\$37,688	\$41,762	\$44,684	\$46,648	\$47,874	\$30,440
70 & over	2,907	998	551	296	268	287	530	5,837
Avg Pay	\$11,624	\$20,893	\$28,643	\$34,236	\$37,391	\$42,458	\$45,042	\$21,696
Totals	97,766	25,476	14,925	9,189	8,305	6,768	2,851	165,280
Avg Pay	\$18,910	\$35,179	\$42,955	\$46,819	\$49,228	\$52,449	\$54,221	\$28,647

Averages:

Age: 46.6

Service: 6.9

Annual Pay: \$28,647





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

Male Active Members as of June 30, 2025 Tabulated by Attained Ages and Years of Service

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	1,780							1,780
Avg Pay	\$13,741							\$13,741
20-24	4,675	48						4,723
Avg Pay	\$16,441	\$37,848						\$15,785
25-29	4,598	472	29					5,099
Avg Pay	\$19,624	\$45,494	\$55,683					\$22,224
30-34	3,684	729	283	16				4,712
Avg Pay	\$20,867	\$46,165	\$58,935	\$66,684				\$27,223
35-39	3,367	750	444	155	21			4,737
Avg Pay	\$21,053	\$45,619	\$62,610	\$65,508	\$60,450			\$30,467
40-44	3,653	842	530	305	172	30		5,532
Avg Pay	\$19,752	\$49,778	\$65,042	\$73,243	\$73,347	\$81,605		\$33,612
45-49	3,714	899	494	288	254	159	10	5,818
Avg Pay	\$17,440	\$44,397	\$59,495	\$74,641	\$81,538	\$77,909	\$86,052	\$32,577
50-54	3,325	860	542	377	279	262	110	5,755
Avg Pay	\$18,968	\$39,785	\$56,461	\$69,164	\$79,479	\$80,388	\$76,614	\$35,729
55-59	2,713	891	630	384	335	316	170	5,439
Avg Pay	\$20,674	\$43,359	\$52,643	\$62,069	\$69,042	\$77,165	\$78,662	\$39,089
60-64	2,110	859	590	436	411	339	225	4,970
Avg Pay	\$21,354	\$38,641	\$51,613	\$58,285	\$64,491	\$70,093	\$73,179	\$40,412
65-69	1,659	581	357	242	222	172	121	3,354
Avg Pay	\$16,199	\$31,268	\$44,448	\$49,469	\$60,891	\$63,704	\$65,993	\$31,408
70 & over	1,190	467	271	123	72	49	72	2,244
Avg Pay	\$12,468	\$23,637	\$32,572	\$39,857	\$44,022	\$52,758	\$59,152	\$22,112
Totals	36,468	7,398	4,170	2,326	1,766	1,327	708	54,163
Avg Pay	\$18,706	\$41,678	\$54,885	\$63,307	\$69,701	\$73,538	\$72,556	\$30,254

Averages:

Age: 45.1

Service: 5.4

Annual Pay: \$30,254





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

Female Active Members as of June 30, 2025 Tabulated by Attained Ages and Years of Service

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	1,602							1,602
Avg Pay	\$13,028							\$13,028
20-24	6,746	38						6,784
Avg Pay	\$15,208	\$29,091						\$15,286
25-29	6,427	578	15					7,020
Avg Pay	\$19,101	\$32,576	\$37,350					\$20,249
30-34	6,761	1,291	235	10				8,297
Avg Pay	\$20,293	\$36,445	\$42,541	\$47,680				\$23,470
35-39	8,285	1,910	711	126	2			11,034
Avg Pay	\$20,274	\$33,521	\$44,420	\$54,060	\$74,717			\$24,519
40-44	8,484	2,962	1,104	370	113	21		13,054
Avg Pay	\$20,307	\$33,603	\$42,494	\$52,087	\$55,346	\$58,750		\$26,466
45-49	6,614	3,085	1,808	684	397	188	9	12,785
Avg Pay	\$20,398	\$32,703	\$39,476	\$47,487	\$55,177	\$58,217	\$69,678	\$29,185
50-54	5,021	2,868	2,294	1,335	934	508	119	13,079
Avg Pay	\$21,758	\$33,180	\$38,455	\$43,323	\$48,514	\$58,384	\$57,613	\$33,052
55-59	4,057	2,328	2,116	1,918	1,729	1,245	278	13,671
Avg Pay	\$21,171	\$33,415	\$37,400	\$39,126	\$43,990	\$48,666	\$57,425	\$34,414
60-64	3,249	1,653	1,529	1,675	2,290	2,153	685	13,234
Avg Pay	\$18,968	\$31,168	\$35,925	\$38,087	\$40,866	\$45,307	\$49,504	\$34,526
65-69	2,335	834	663	572	878	1,088	594	6,964
Avg Pay	\$13,821	\$26,586	\$34,047	\$38,501	\$40,586	\$43,952	\$44,183	\$29,974
70 & over	1,717	531	280	173	196	238	458	3,593
Avg Pay	\$11,040	\$18,480	\$24,840	\$30,240	\$34,956	\$40,337	\$42,824	\$21,436
Totals	61,298	18,078	10,755	6,863	6,539	5,441	2,143	111,117
Avg Pay	\$19,031	\$32,520	\$38,330	\$41,231	\$43,699	\$47,306	\$48,164	\$27,863

Averages:

Age: 47.4

Service: 7.6

Annual Pay: \$27,863





SCHEDULE E – DETAILED TABULATIONS OF THE DATA

Active Members as of June 30, 2025 Tabulated by Annual Pay

Annual Pay	Number of Active Members			Portion of Total Number	
	Men	Women	Totals	Group	Cumulative
Less than \$1,000	1,616	2,743	4,359	2.6%	2.6%
\$1,000 - 1,999	2,259	2,770	5,029	3.0%	5.7%
2,000 - 2,999	2,912	3,180	6,092	3.7%	9.4%
3,000 - 3,999	3,303	3,016	6,319	3.8%	13.2%
4,000 - 4,999	2,905	2,433	5,338	3.2%	16.4%
5,000 - 5,999	2,283	2,208	4,491	2.7%	19.1%
6,000 - 6,999	1,773	2,145	3,918	2.4%	21.5%
7,000 - 7,999	1,406	2,064	3,470	2.1%	23.6%
8,000 - 8,999	1,163	1,993	3,156	1.9%	25.5%
9,000 - 9,999	1,015	1,921	2,936	1.8%	27.3%
10,000 - 11,999	1,631	3,795	5,426	3.3%	30.6%
12,000 - 13,999	1,332	3,990	5,322	3.2%	33.8%
14,000 - 15,999	1,326	4,408	5,734	3.5%	37.3%
16,000 - 17,999	1,286	4,823	6,109	3.7%	41.0%
18,000 - 19,999	1,276	5,237	6,513	3.9%	44.9%
20,000 - 24,999	3,137	14,402	17,539	10.6%	55.5%
25,000 - 29,999	2,910	12,850	15,760	9.5%	65.0%
30,000 - 35,999	2,818	10,167	12,985	7.9%	72.9%
36,000 - 39,999	1,813	5,223	7,036	4.3%	77.2%
40,000 - 49,999	5,017	9,499	14,516	8.8%	85.9%
50,000 - 59,999	3,874	5,393	9,267	5.6%	91.6%
60,000 and over	7,108	6,857	13,965	8.4%	100.0%
Totals	54,163	111,117	165,280		





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Regular actuarial valuations measure the System's present financial position and contributions adequacy by calculating and financing the liabilities created by the present benefit program. This process involves discounting to present values the future benefit payments on behalf of present active and Retiree members and their survivors. However, valuations do not produce information regarding the amount of increases or decreases in unfunded actuarial accrued liabilities (UAAL) -- gain/loss analyses do.

The overall gain/loss to the System is the difference between the actual UAAL and the expected UAAL. A gain/loss analysis shows the breakdown of the overall system gain/loss by economic and non-economic risk areas. The economic risk areas are investment return and pay increases. The non-economic risk areas are service retirement, disability retirement, death in active service, termination (vested and non-vested), retiree mortality, and new members. Gains and losses resulting from data adjustments, timing of financial transactions, etc. are included separately as a miscellaneous item.

It is expected that actual experience will not coincide with assumed experience. It is assumed that gains and losses will be in balance over a period of years, but sizable year-to-year fluctuations are common. Changes in actuarial assumptions should be made for risk areas when the differences between actual and expected experience are consistently sizable over a period of years. Differences over a relatively short period of time may or may not be indicative of long-term trends, which are the basis of actuarial assumptions.

The actuarial assumptions used in this analysis were adopted by the Board in April 15, 2021.





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

**School Employees Retirement System of Ohio
Experience Gains and Losses By Risk Area
Comparative Schedule
(\$ Millions)**

	Gain (Loss) by Risk Area										
	Economic		Non-Economic								
Year Ending June 30	Pay Increases	Investment	Age & Service Retirement	Disability	Death In Service	Withdrawal	New Members	Retiree Mortality	Other ⁺	\$	% of AAL
2016	70.0	50.6	(140.9)	(50.6)	(28.5)	30.4	(44.0)	113.9	(0.6)	0.3	0.0
2017	(69.2)	(12.0)	(211.8)	(37.7)	(0.6)	21.9	(48.1)	97.3	(26.8)	(287.0)	(1.5)
2018	85.2	(161.1)	(209.7)	(14.7)	(6.6)	(124.5)	(35.7)	15.0	4.7	(447.4)	(2.2)
2019	20.3	(44.1)	7.8	(9.5)	(4.0)	(106.3)	(22.4)	(24.9)	78.4	(104.7)	(0.5)
2020	136.2	7.1	(94.0)	(3.1)	(5.4)	(104.2)	(22.2)	28.9	62.3	5.6	0.0
2021	136.7	431.3	(96.2)	(5.0)	(4.7)	(107.5)	(16.6)	59.8	189.3	587.1	2.7
2022	(212.3)	268.6	0.0	(6.4)	(7.0)	(43.5)	(52.6)	82.7	(25.2)	4.3	0.0
2023	(139.7)	155.7	(65.1)	(3.2)	(5.4)	(40.1)	(66.3)	54.5	87.7	(21.9)	(0.1)
2024	(105.3)	414.1	(53.1)	(1.2)	(7.4)	(46.2)	(63.7)	43.0	80.1	260.3	1.1
2025	(50.1)	(167.1)	(71.5)	0.0	(6.1)	(52.3)	(62.9)	36.9	28.9	(344.2)	(1.4)

⁺ Includes effect of changes in data, timing of financial transactions, etc.





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

The market related actuarial value of assets is based on a four-year average of adjusted market value returns. The difference between the actual returns at market value for the year and expected returns is determined. Twenty-five percent (25%) of that difference is added to the expected value along with corresponding amounts from each of the prior three years.

The actuarial value of assets for the basic benefits as of June 30, 2025, was \$19,422,393,762. The value for the previous year was \$18,815,292,621.

School Employees Retirement System of Ohio Development of Gain (Loss) for Basic Benefits From Investment Return For the Year Ended June 30, 2025 (\$ Millions)		
		<u>\$ Millions</u>
1.	Actuarial value of assets as of June 30, 2024	\$ 18,815.3
2.	Actuarial value of assets as of June 30, 2025	
	a. Actual	19,422.4
	b. If 7.00% assumed investment return were achieved for all phased-in years recognized in the asset method	19,589.5
3.	Gain (Loss): 2a minus 2b	<u>\$ (167.1)</u>





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Pay Increases During the FY2025 Valuation Year
To Members Active at Beginning and End of Year

Age Group Beginning of Year	Number	Pay Increases	
		Actual	Expected
Under 25	9,823	(13.43)%	10.87%
25-29	8,218	(0.20)	7.76
30-34	10,002	1.60	6.9
35-39	12,572	2.81	6.31
40-44	15,353	3.38	5.65
45-49	15,586	3.90	5.17
50-54	16,949	3.53	4.66
55-59	17,290	3.44	4.38
60-64	14,990	3.31	4.16
65 & Over	10,625	1.90	4.62
Total	131,408	2.32	5.44





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Members Who Became Age and Service Retirees During the FY2025 Valuation Year
(Retirement With Allowance Beginning Immediately)

Attained Age	Years of Service to Valuation Date							Total
	0-4	5-9	10-14	15-19	20-24	25-29	30 plus	
Under 50	0	0	0	0	0	0	0	0
50	0	0	0	0	0	0	0	0
51	0	0	0	0	0	0	0	0
52	0	0	0	0	0	0	2	2
53	0	0	0	0	0	0	3	3
54	0	0	0	0	0	0	4	4
55	0	0	0	0	0	0	9	9
56	0	0	0	0	0	0	5	5
57	0	0	0	0	0	0	43	43
58	0	0	0	0	0	0	28	28
59	0	0	0	0	0	0	48	48
60	0	0	0	0	1	84	46	131
61	0	0	0	0	0	43	42	85
62	0	0	53	54	84	53	57	301
63	0	0	27	23	35	68	73	226
64	0	0	30	23	47	62	65	227
65	0	0	65	67	125	176	124	557
66	0	0	45	38	59	73	61	276
67	0	0	61	49	87	111	58	366
68	0	0	26	20	24	43	46	159
69	0	0	22	17	26	23	40	128
70 & Over	0	0	76	72	63	68	167	446
Totals	0	0	405	363	551	804	921	3,044

	Years of Service to Valuation Date							Total
	0-4	5-9	10-14	15-19	20-24	25-29	30 plus	
Avg. Monthly Benefit	\$ 0	\$ 0	\$ 566	\$ 879	\$ 1,196	\$ 1,660	\$ 2,940	\$ 1,725
Avg. FAS	\$ 0	\$ 0	\$ 32,974	\$ 34,871	\$ 37,298	\$ 40,949	\$ 51,188	\$ 41,600
Number of Retirees	0	0	405	363	551	804	921	3,044

Average Age: 65.7
Average Service: 24.9





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Members Who Died in the FY2025 Valuation Year With a Death-in-Service Allowance Payable

Central Age Group Beginning of Year	Number
Under 25	0
25	0
30	0
35	1
40	1
45	5
50	2
55	8
60	15
65	8
70 & Over	13
Total	53

Average Age: 60.1
Average Service: 16.4





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Members Who Died in the FY2025 Valuation Year and Received a Refund of Contributions

Central Age Group Beginning of Year	Number
Under 25	0
25	0
30	0
35	1
40	1
45	3
50	0
55	3
60	2
65	4
70 & Over	6
Total	20

Average Age: 58.8
Average Service: 5.5





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Members Who Became Disability Retirees During the FY2025 Valuation Year

Central Age Group Beginning of Year	Number
Under 25	0
25	0
30	1
35	0
40	7
45	8
50	13
55	58
60	63
65	34
70 & Over	3
Total	187

Average Age: 57.2
Average Service: 17.5
Average FAS: \$39,968





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Members Who Received a Refund of Contributions
or Became Inactive Without a Refund in
the FY2025 Valuation Year
(Non-vested Terminations)

Central Age Group Beginning of Year	Number
Under 25	2,353
25	3,828
30	2,725
35	2,443
40	2,331
45	2,339
50	1,906
55	1,618
60	1,221
65	845
70 & Over	738
Total	22,347

Average Age: 39.2
Average Service: 1.3





SCHEDULE F – GAIN/LOSS ANALYSIS DETAILS

Members Who Became Inactive in the FY2025 Valuation Year with a Deferred Allowance (Vested Terminations)

Central Age Group Beginning of Year	Number
Under 25	0
25	0
30	2
35	25
40	50
45	95
50	133
55	211
60	216
65	85
70 & Over	30
Total	847

Average Age: 54.5

Average Service: 15.4





SCHEDULE G – GLOSSARY

Actuarial Accrued Liability. The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as "accrued liability" or "past service liability".

Accrued Service. The service credited under the plan which was rendered before the date of the actuarial valuation.

Actuarial Assumptions. Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future plan benefits" between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the "actuarial funding method".

Actuarial Equivalent. A series of payments is called an actuarial equivalent of another series of payments if the two series have the same actuarial present value.

Actuarial Present Value. The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

Amortization. Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

Experience Gain (Loss). A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.

Normal Cost. The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as "current service cost". Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

Plan Termination Liability. The actuarial present value of future plan benefits based on the assumption that there will be no further accruals for future service and salary. The termination liability will generally be less than the liabilities computed on a "going concern" basis and is not normally determined in a routine actuarial valuation.

Reserve Account. An account used to indicate that funds have been set aside for a specific purpose and are not generally available for other uses.





SCHEDULE G – GLOSSARY

Unfunded Actuarial Accrued Liability. The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as "unfunded accrued liability".

Valuation Assets. The value of current plan assets recognized for valuation purposes. Generally based on book value plus a portion of unrealized appreciation or depreciation.





APPENDIX A – ACTUARIAL ACCRUED LIABILITIES

AS OF JUNE 30, 2025

Present Value of:	Pension Benefits	Medicare Part B	Post-Retirement Death Benefit	Total Basic Benefits
Future benefits to present retirees and survivors	\$14,175,737,078	\$196,713,225	\$33,230,909	\$14,405,681,212
Benefits and refunds to present inactive members	925,196,417	24,344,664	1,278,949	950,820,030
Allowances to present active members				
Service	8,359,823,611	138,814,292	7,757,181	8,506,395,084
Disability	318,997,296	5,264,189	335,477	324,596,962
Survivor benefits	191,891,612	2,866,996	0	194,758,608
Withdrawal	<u>192,257,191</u>	<u>9,216,105</u>	<u>434,561</u>	<u>201,907,857</u>
Total Active AAL	9,062,969,710	156,161,582	8,527,219	9,227,658,511
Total AAL	<u>\$24,163,903,205</u>	<u>\$377,219,471</u>	<u>\$43,037,077</u>	<u>\$24,584,159,753</u>





APPENDIX B – BREAKDOWN OF TOTAL AND ACCRUED LIABILITIES

AS OF JUNE 30, 2025

	Total Liability	Accrued Liability
Active Members		
Retirement	\$11,348,754,001	\$8,359,823,611
Death	319,664,583	191,891,612
Disability	687,116,806	318,997,296
Termination	1,034,397,567	192,257,191
Medicare Part B	242,879,685	156,161,582
Death after Retirement	<u>13,406,579</u>	<u>8,527,219</u>
Total	\$13,646,219,221	\$9,227,658,511
Retirees		
Retirement/Survivor/Disability	\$14,175,737,078	\$14,175,737,078
Medicare Part B	196,713,225	196,713,225
Death after Retirement	<u>33,230,909</u>	<u>33,230,909</u>
Total	\$14,405,681,212	\$14,405,681,212
Deferred Vested Members	492,820,649	492,820,649
Inactive Members	<u>457,999,381</u>	<u>457,999,381</u>
Total Actuarial Values	\$29,002,720,463	\$24,584,159,753
Actuarial Value of Assets		<u>19,422,393,762</u>
Unfunded Actuarial Accrued Liability		\$5,161,765,991





APPENDIX C – COMPARATIVE SCHEDULE

Valuation Date June 30	Active Members				Retired Lives				Accrued Liability			Valuation Assets		UAAL
					Number		Annual Benefits							
		Payroll	Average Salary			Active / Retired								
							Number	\$ Millions	\$	% Increase	Retired	Retired	\$ Millions	
2016	124,540	2,932	23,545	1.7	76,280	1.6	1,083.6	37.0	19,771	13,180	6,591			
2017	157,981	3,303	20,906	(11.2)	79,157	2.0	1,162.0	35.2	19,588	13,713	5,875			
2018	158,343	3,332	21,045	0.7	81,332	1.9	1,211.9	36.4	19,998	14,012	5,986			
2019	159,363	3,463	21,727	3.2	81,024	2.0	1,219.0	35.2	20,527	14,473	6,054			
2020	156,579	3,478	22,210	2.2	80,851	1.9	1,234.3	35.5	21,034	15,037	5,997			
2021	146,646	3,622	24,700	11.2	80,721	1.8	1,254.9	34.6	21,530	16,032	5,498			
2022	155,063	3,995	25,762	4.3	81,151	1.9	1,295.4	32.4	22,371	16,887	5,484			
2023	159,873	4,299	26,888	4.4	81,833	2.0	1,340.6	31.2	23,084	17,686	5,399			
2024	163,350	4,547	27,838	3.5	82,490	2.0	1,383.7	30.4	23,820	18,815	5,005			
2025	165,280	4,735	28,647	2.9	83,327	2.0	1,440.0	30.4	24,584	19,422	5,162			



SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO



Report on the Retiree Health Care Valuation

Prepared as of June 30, 2025



November 5, 2025

Board of Trustees
School Employees Retirement System of Ohio
300 East Broad Street, Suite 100
Columbus, OH 43215-3746

Dear Members of the Board:

We have submitted the results of the annual actuarial valuation of the Retiree Health Care Fund of the School Employees Retirement System of Ohio (SERS) prepared as of June 30, 2025. While not verifying the data at the source, the actuary performed tests for consistency and reasonability. The valuation indicates that an actuarially determined contribution of 2.60% of active payroll payable for the fiscal year ending June 30, 2025 is required to fund the benefits.

Separate reports will be prepared to provide accounting information under Governmental Accounting Standards Board Statements No. 74 and 75, when applicable.

The medical and drug benefits of the Plan are included in the actuarially calculated contribution rates which are developed using the entry age normal cost method with the normal cost rate determined as a level percentage of payroll. GASB requires the discount rate used to value a plan be based on the likely return of the assets held in trust to pay benefits. The discount rate used in this valuation is 7.00%. Gains and losses are reflected in the unfunded accrued liability that is amortized by regular annual contributions as a level percentage of payroll within a 30-year period, on the assumption that payroll will increase by 1.75% annually. The assumptions recommended by the actuary are, in the aggregate, reasonably related to the experience under the Plan and to reasonable expectations of anticipated experience under the Plan.

The impacts of the Affordable Care Act (ACA) and the Inflation Reduction Act (IRA) were addressed in this valuation. Review of the information currently available did not identify any specific provisions of the legislation that are anticipated to directly impact results at this time other than plan design features and fees currently mandated by the ACA and incorporated in the plan designs, which are included in the current baseline claims costs, and the anticipation of potential changes to Medicare due to the IRA, which are included in our baseline costs and trend assumption. We note that the Marketplace subsidies put in place by the American Rescue Plan Act (ARPA) of 2021 are set to expire at the end of 2025. If they are extended, it is expected to be for a limited time. If these subsidies are discontinued, either now or in the future, the HRA Wraparound plan may become less attractive to certain groups of pre-65 retirees. We have made no changes to our HRA Wraparound plan participation assumptions at this time, but we have included exhibits showing the estimated increase in liabilities in the event some HRA Wraparound plan members revert back to the SERS group plans. Continued monitoring of the impact on the Plan's liability due to these and further legislation, if applicable, will be required.

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results.



The impact of the COVID-19 pandemic was considered in this valuation; however, no changes were incorporated at this time due to the level of uncertainty regarding the impact on both plan costs and contribution levels going forward. Given the uncertainty regarding COVID-19 (e.g., the impact of routine care being deferred, direct COVID-19 treatment and prevention costs, changes in contribution and budget projections), continued monitoring of the impact on the Plan's liability will be required.

To the best of our knowledge, this report is complete and accurate. The valuation was performed by, and under the supervision of, independent actuaries who are members of the American Academy of Actuaries with experience in performing valuations for public retirement systems. The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

The valuation was prepared in accordance with the principles of practice prescribed by the Actuarial Standards Board.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

The actuarial calculations were performed by qualified actuaries according to generally accepted actuarial procedures and methods. The calculations are based on the current provisions of the system, and on actuarial assumptions that are, in the aggregate, internally consistent and reasonably based on the actual experience of the system.

Respectfully submitted,

Alisa Bennett, FSA, FCA, EA, MAAA
President

Jessica Fain, EA, MAAA
Associate Actuary

AB/JF:jf

TABLE OF CONTENTS



Section		
	Executive Summary.....	1
I	Summary of Principal Results	9
II	Membership Data	12
III	Assets	14
IV	Comments on Valuation	15
V	Derivation of Experience Gains and Losses	16
VI	Required Contribution Rates	18
VII	Accounting Information.....	19
Schedule		
A	Valuation Balance Sheet.....	21
B	Actuarial Assumptions and Methods.....	24
C	Summary of Main Plan Provisions	32
D	Detailed Tabulations of the Data	45
E	Glossary	52





REPORT ON THE ANNUAL RETIREE HEALTH CARE VALUATION OF THE SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

PREPARED AS OF JUNE 30, 2025

The School Employees Retirement System of Ohio (SERS or System) is a defined benefit public pension fund that provides pensions and access to health care coverage for retired school employees who are covered in nonteaching positions. This includes bus drivers, custodians, treasurers, business officials, administrative assistants, food service providers, and educational aides. This report presents the results of the June 30, 2025, actuarial funding valuation of the Retiree Health Care Fund. The primary purposes of performing the actuarial funding valuation are to:

- determine the sufficiency of the Statutory Contribution Rate as set forth in the Ohio statutes;
- determine the experience of the Fund since the last valuation date;
- disclose asset and liability measures as of the valuation date;
- analyze and report on trends in Fund contributions, assets, and liabilities over the past several years; and
- project expected solvency of the Fund based on current and future estimations of health care costs, contributions and investment income.

The actuarial valuation results provide a “snapshot” view of the Fund’s financial condition on June 30, 2025. Actuarial gains and losses result when the actual experience of the plan (such as asset return, health care costs, premium increases, turnover, deaths, etc.) is different from that expected by the actuarial assumptions. The Fund’s unfunded actuarial accrued liability (UAAL) was expected to be \$508.5 million as of June 30, 2025, taking into account expected contributions from the employers of \$94.7 million. The actual UAAL is \$783.8 million. The net loss of \$275.3 million is mainly attributable to the increase in Medicare plan costs and the reduction in Medicare surcharge from \$35 to \$15.

The amortization period of the UAAL is 30 years as of June 30, 2025. The valuation is based on a set of actuarial assumptions which were adopted by the Board based on the five-year experience study for the period ending June 30, 2020. These assumptions are presented in Schedule B.

A summary of the key results from the June 30, 2025 actuarial valuation is shown below. Further detail on the valuation results can be found in the following sections of this Executive Summary.

	June 30, 2025 Valuation Results	June 30, 2024 Valuation Results
Actuarially Determined Contribution Rate	2.60%	2.00%
Amortization Period	30	30
Unfunded Actuarial Accrued Liability (\$M)	\$783.8	\$509.2
Funded Ratio (Market Assets)	54.53%	61.59%

The funding policy requires at least 13.50% of the employers’ 14.00% contributions be allocated to SERS’ basic benefits when the funded ratio is 70% but less than 80%, with the remainder (if any) allocated to health care. Based on a Board Resolution dated September 18, 2025, the valuation allocates the entire 14.00% to the basic benefits and 0.00% allocated to health care consistent with SERS’ funding policy.



EXECUTIVE SUMMARY



EXPERIENCE FOR THE LAST PLAN YEAR

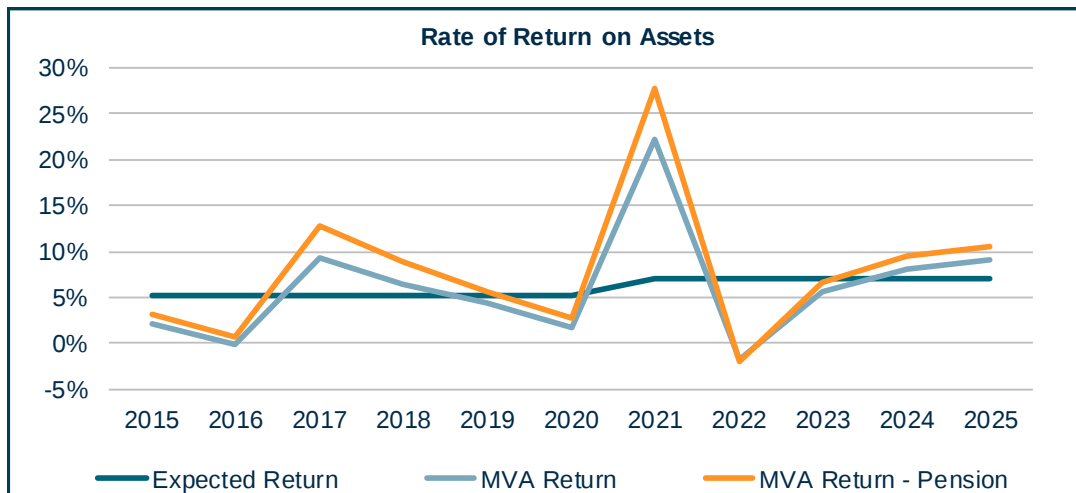
Numerous factors contributed to the change in the Fund's assets, liabilities, and actuarial contribution rate between June 30, 2024 and June 30, 2025. The components are examined in the following discussion.

ASSETS

As of June 30, 2025, SERS' Health Care Fund had net assets of \$939,812,471, when measured on a market value basis. This was an increase of \$123,343,604 from the previous year. The components of change in the asset values for June 30, 2024 and June 30, 2025 are shown in the following table.

	June 30, 2025		June 30, 2024	
	Valuation Results		Valuation Results	
Net Assets, June 30, 2024	\$	816,468,867	\$	706,785,561
Contributions and Misc. Revenue	+	161,383,147		176,474,542
Total Health Care Expenses	-	114,584,040		125,535,350
Investment Gain (Loss)	+	76,544,497		58,744,114
Net Assets, June 30, 2025	\$	939,812,471	\$	816,468,867

The estimated investment return on the market value of assets for FY2025 was 9.11%. As this rate of return was greater than the assumed rate of 7.00%, there was an actuarial investment experience gain of \$24.6 million. The chart below shows the actual return on the market value of assets of the Health Care Fund compared with expected return and with the market value return of the pension fund. As can be seen, the actual market return of the Health Care Fund has been less than the market value return of the pension fund. Therefore, in the Risk Section of this Executive Summary, we show the solvency of the Fund under the alternate scenario of earning investment return of 6% instead of 7%.



EXECUTIVE SUMMARY



LIABILITIES

The actuarial accrued liability is the portion of the present value of future benefits allocated to service performed up to the valuation date. The difference between this liability and the market value of assets is called the unfunded actuarial accrued liability (UAAL). The dollar amount of unfunded actuarial accrued liability is reduced if the contributions to the Fund exceed the normal cost for the year, plus interest on the prior year's UAAL.

The unfunded actuarial accrued liability is shown as of June 30, 2024 and June 30, 2025 in the following table:

	June 30, 2025 Valuation Results		June 30, 2024 Valuation Results	
Actuarial Accrued Liability	\$	1,723,587,498	\$	1,325,702,000
Market Value of Assets		939,812,471		816,468,867
Unfunded Actuarial Accrued Liability	\$	783,775,027	\$	509,233,133
Funded Ratio		54.53%		61.59%

Changes in the UAAL occur for various reasons. The net increase in the UAAL from June 30, 2024, to June 30, 2025, was \$274.6 million. The components of this net change are shown in the table below:

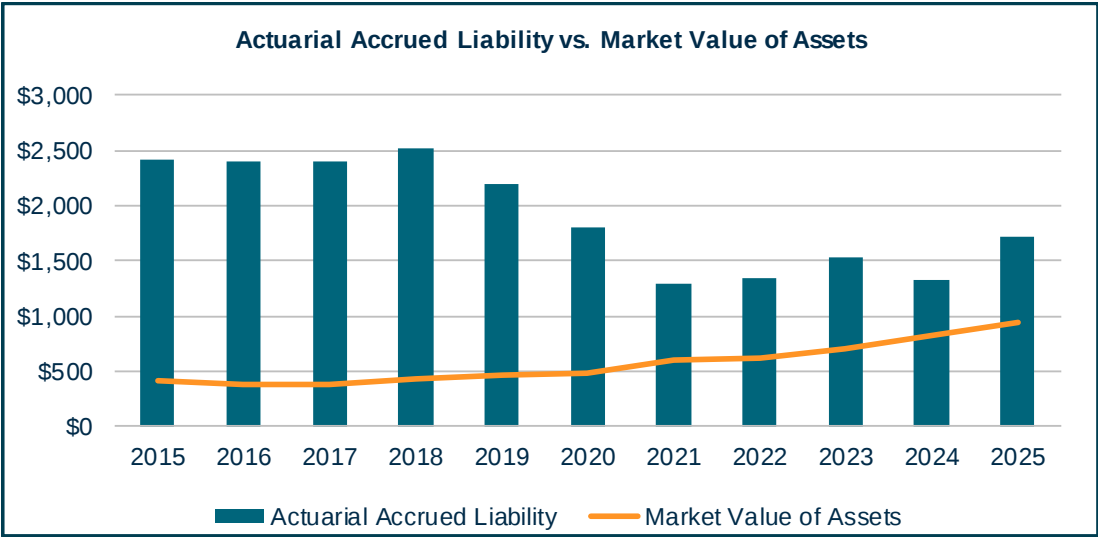
Changes in the Unfunded Actuarial Accrued Liability (\$ Millions)	
Unfunded Actuarial Accrued Liability, June 30, 2024	\$ 509.2
Expected change	(0.7)
Investment and contribution experience	(24.6)
Lowering surcharge for Medicare to \$15	140.2
Claims experience	218.2
Liability experience	(58.5)
Assumption changes (none)	0.0
Total	\$ 274.6
Unfunded Actuarial Accrued Liability, June 30, 2025	\$ 783.8



EXECUTIVE SUMMARY



As shown on the prior page, various components impacted the UAAL. Actuarial gains (losses) result from actual experience that is more (less) favorable than anticipated based on the actuarial assumptions. The amounts are measured as the difference between the expected unfunded actuarial accrued liability and the actual unfunded actuarial accrued liability net of any impact due to changes in actuarial assumptions and methods or benefit provisions. Overall, the Fund experienced a net increase to the UAAL of \$274.6 million. The net UAAL increase was primarily due to the increase in Medicare plan costs and the reduction in the surcharge portion of the Medicare retiree contributions from \$35 to \$15. This increase was partially offset by demographic gains and investment return on assets higher than expected.



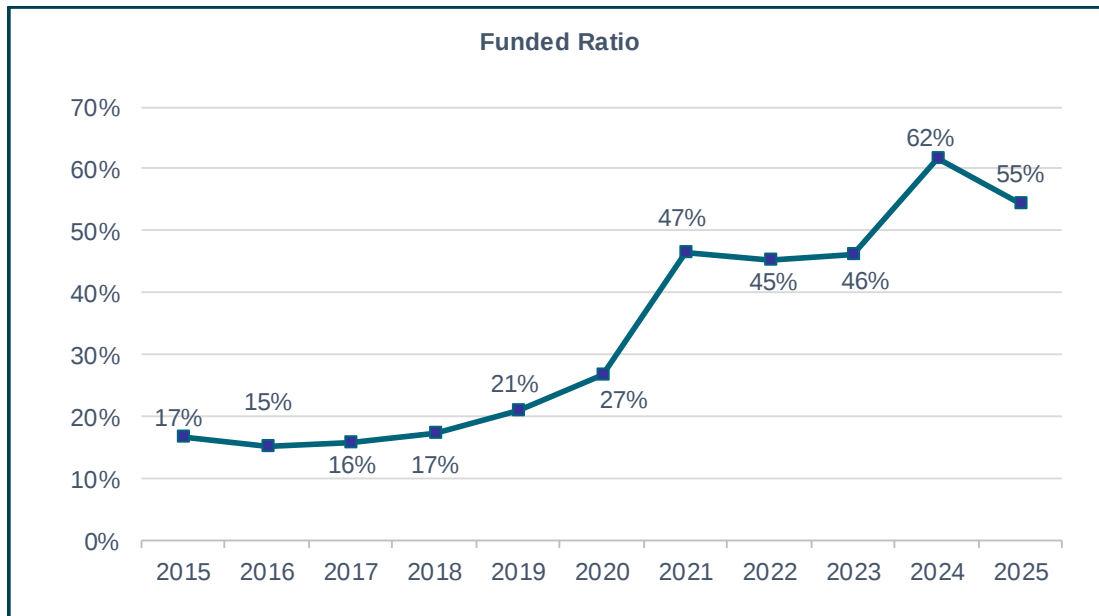
EXECUTIVE SUMMARY



Since June 30, 2014, the actuarial accrued liability has been higher than the market value of assets. Employer contributions less than the actuarially determined amount was the primary source of the difference between the actuarial accrued liability and market assets. Medicare costs have been less than expected since 2014, but have increased more than expected in this valuation from 2024 to 2025. In addition, the decrease in actual accrued liability starting in 2021 is due to the increase in the discount rate from 5.25% to 7.00% based on the experience study. An evaluation of the unfunded actuarial accrued liability on a pure dollar basis may not provide a complete analysis since only the difference between the assets and liabilities (which are both very large numbers) is reflected. Another way to evaluate the unfunded actuarial accrued liability and the progress made in its funding is to track the funded ratio, the ratio of the market value of assets to the actuarial accrued liability.

	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
Funded Ratio	26.86%	46.56%	45.36%	46.14%	61.59%	54.53%
Unfunded Actuarial Accrued Liability (\$M)	\$ 1,313.9	\$ 689.1	\$ 736.7	\$ 824.9	\$ 509.2	\$ 783.8

The longer-term historical funded ratio information is shown in the chart below.





ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION RATE

Under the Entry Age Normal cost method, the actuarial contribution rate consists of two components:

- a "normal cost" for the portion of projected liabilities allocated by the actuarial cost method to service of members during the year following the valuation date which is funded by employer contributions, and
- an "unfunded actuarial accrued liability contribution" for the excess of the portion of projected liabilities allocated to service-to-date over the market value of assets.

See Section VI of the report for the detailed development of these contribution rates which are summarized in the following table:

Contribution Rates	June 30, 2025	June 30, 2024
1. Normal Cost Rate	1.52%	1.27%
2. UAAL Contribution Rate	1.08%	0.73%
3. Total Actuarial Determined Contribution Rate (1) + (2)	2.60%	2.00%
4. Funded Ratio	54.53%	61.59%

Contributions are developed with the intent of being level as a percentage of covered payroll, assuming the number of active members remains stable. However, the funding policy is developed to accumulate sufficient assets in the pension fund to make all future benefit payments as they become due, if all assumptions are met. The funding policy requires at least 13.50% of the employers' contributions be allocated to SERS' basic benefits when the funded ratio is 70% but less than 80%, with the remainder (if any) allocated to the Health Care Fund. However, based on a Board Resolution in September, the entire 14.00% employer contribution will be allocated to SERS' basic benefits, therefore setting the health contribution rate at 0.00%, plus a health care surcharge of 1.50%.



EXECUTIVE SUMMARY



RISK ANALYSIS

Sensitivity Measures

Valuations are generally performed with a single set of assumptions that reflects the best estimate of future conditions, in the opinion of the actuary and typically the governing board. Note that under actuarial standards of practice, the set of economic assumptions used for funding must be consistent. To enhance the understanding of the importance of an assumption, a sensitivity test can be performed where the valuation results are recalculated using a different assumption or set of assumptions.

The following table contains the key measures for the Fund using the current health care trend rates and premium contribution increase rates disclosed in Schedule B, along with the results if the rates were 1% higher. Due to considerations like specialty drugs, emerging treatments, GLP-1s and changes to health care law and Medicare reimbursements, there exists a possibility for health care cost to increase more than expected. In this analysis, only the trends on health care and premium contribution rates are changed.

		Current Valuation		+1% Health Care Trends
Actuarial Accrued Liability	\$	1,723,587,498	\$	2,055,161,158
Unfunded Actuarial Accrued Liability		783,775,027		1,115,348,687
Funded Ratio		54.53%		45.73%
Actuarially Determined Contribution Rate		2.60%		3.67%

We note that the Marketplace subsidies put in place by the American Rescue Plan Act (ARPA) of 2021 are set to expire at the end of 2025. If they are extended, it is expected to be for a limited time. If these subsidies are discontinued, either now or in the future, the HRA Wraparound plan may become less attractive to certain groups of pre-65 retirees. The following table contains the key measures for the Fund using the current Pre-65 plan participation assumption (20% Wraparound/ 80% PPO), a lower Wraparound plan participation assumption (10% Wraparound/ 90% PPO) and the lower Wraparound plan participation assumption (10% Wraparound/ 90% PPO) coupled with a 1% increase in health care trend.

		Current Valuation		10% Wraparound Election Current Trends		+1% Health Care Trends
Actuarial Accrued Liability	\$	1,723,587,498	\$	1,750,202,107	\$	2,086,436,394
Unfunded Actuarial Accrued Liability		783,775,027		810,389,636		1,146,623,923
Funded Ratio		54.53%		53.70%		45.04%
Actuarially Determined Contribution Rate		2.60%		2.68%		3.77%

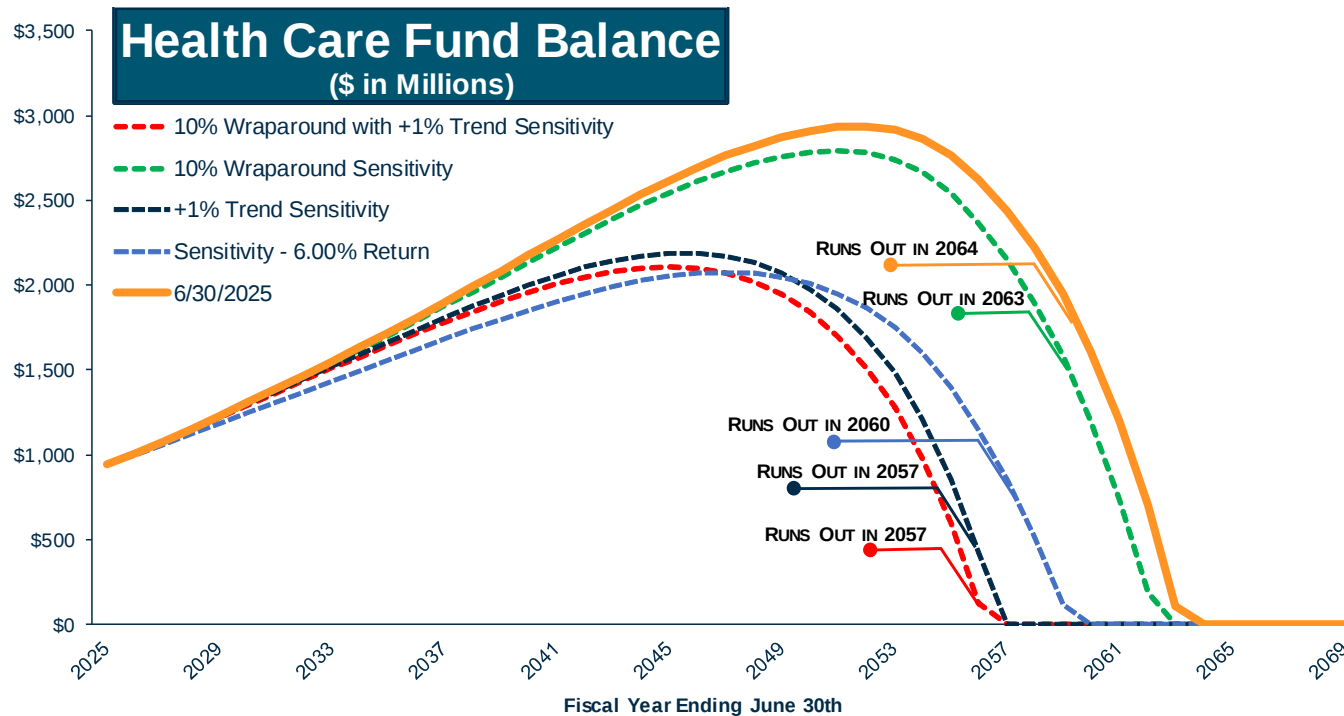




EXECUTIVE SUMMARY

Solvency Sensitivities with Projected New Hires Included

The chart on page 23 shows the projected Health Care Fund Balances from the five most recent valuations. The projections were based on the funding policy and assumptions in effect on the applicable valuation dates. The 2023 projections and prior include no new hires in the benefit payment projections. Since the 2024 and 2025 projections indicate solvency for a longer period, we included projected benefit payments for potential new hires in addition to a 7.00% future asset rate of return assumption, a payroll growth assumption of 1.75% per year, and the assumption that the health contribution rate will be 0.00%, plus a health care surcharge of 1.50%. These projections assume there will be no health care cost increases due to IRA and ACA law changes or reimbursements and/or COVID-19 impact other than current baseline costs and anticipated health care trend. The chart below shows the current year solvency based on the current year assumptions and methods detailed above, along with sensitivity solvency estimates assuming: 1) a 6.00% future asset rate of return assumption, 2) an increase in the future healthcare trend rates of 1%, 3) a decrease in the future retiree Wraparound Plan election assumption from 20% to 10%, and 4) a decrease in the future retiree Wraparound Plan election assumption from 20% to 10% with an increase in the future healthcare trend rates of 1%.



SECTION I – SUMMARY OF PRINCIPAL RESULTS



REPORT ON THE ANNUAL VALUATION OF THE SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO PREPARED AS OF JUNE 30, 2025

1. This report, prepared as of June 30, 2025, presents the results of the annual actuarial valuation of retiree health care offered to SERS members. For convenience of reference, the principal results of the valuation and a comparison with the preceding valuation results are summarized in the following table.

	June 30, 2025	June 30, 2024
Active members included in valuation		
Number	165,280	163,350
Annual Compensation	\$4,734,707,838	\$4,547,315,949
Service Retirees*		
Number	29,773	29,735
Disability Retirees*		
Number**	2,449	2,575
Spouses of Retirees		
Number	4,849	4,851
Spouses of Deceased Retirees		
Number	1,282	1,322
Survivor Benefit Recipients		
Number	464	489
Non-Spouse Dependents		
Number	193	220
Deferred Vested		
Number	6,682	6,607
Assets		
Market Value	\$939,812,471	\$816,468,867
Unfunded Accrued Liability	\$783,775,027	\$509,233,133
Actuarial Accrued Liability	\$1,723,587,498	\$1,325,702,000
Funded Ratio (MVA/AAL)	54.53%	61.59%
Employer Contribution Rate		
Normal	1.52%	1.27%
Accrued Liability	<u>1.08%</u>	<u>0.73%</u>
Total	2.60%	2.00%
Employer Contribution Toward Health Care***	1.50%	1.50%
Accrued liability amortization period	30	30

* In addition and not included in the counts above, there are 2,855 pre-Medicare eligible service retirees and 1,368 pre-Medicare eligible disabled retirees who are waiving coverage. It is assumed that 15% will elect coverage upon reaching Medicare eligibility.

** Of the 2,449 Disabled Retirees listed above, 552 converted to a Service Pension Benefit.

*** Includes 1.50% of payroll surcharge



SECTION I – SUMMARY OF PRINCIPAL RESULTS



2. The funding policy requires at least 13.50% of the employers' contributions be allocated to SERS' basic benefits when the funded ratio is 70% but less than 80%, with the remainder (if any) allocated to the Health Care Fund. However, based on a Board Resolution in September, the entire 14.00% employer contribution will be allocated to SERS' basic benefits, therefore setting the health contribution rate at 0.00%, plus a health care surcharge of 1.50%. This rate includes the anticipated revenue from the minimum surcharge level for FY2026 of \$33,000.
3. The valuation balance sheet showing the results of the valuation is given in Schedule A.
4. Comments on the valuation results are given in Section IV, comments on the experience and actuarial gains and losses during the valuation year are given in Section V, and the rates of contribution payable by the employer are given in Section VI. Since the previous valuation, there were no changes to the plan provisions, however changes were made to the assumed initial per capital health care costs and future cost increases. See Schedule B for more details on assumptions and methods used.
5. The impact of the COVID-19 pandemic was considered in this valuation; however, no changes were incorporated at this time due to the level of uncertainty regarding the impact on both plan costs and contribution levels going forward. Given the uncertainty regarding COVID-19 (e.g., the impact of routine care being deferred, direct COVID-19 treatment and prevention costs, changes in contribution and budget projections), continued monitoring of the impact on the Plan's liability will be required.
6. The impacts of the Affordable Care Act (ACA) and the Inflation Reduction Act (IRA) were addressed in this valuation. Review of the information currently available did not identify any specific provisions of the legislation that are anticipated to directly impact results at this time other than plan design features and fees currently mandated by the ACA and incorporated in the plan designs, which are included in the current baseline claims costs, and the anticipation of potential changes to Medicare due to the IRA, which are included in our baseline costs and trend assumption. We note that the Marketplace subsidies put in place by the American Rescue Plan Act (ARPA) of 2021 are set to expire at the end of 2025. If they are extended, it is expected to be for a limited time. If these subsidies are discontinued, either now or in the future, the HRA Wraparound plan may become less attractive to certain groups of pre-65 retirees. We have made no changes to our HRA Wraparound plan participation assumptions at this time, but we have included exhibits showing the estimated increase in liabilities in the event some HRA Wraparound plan members revert back to the SERS group plans. Continued monitoring of the impact on the Plan's liability due to these and further legislation, if applicable, will be required.
7. The following changes were reflected in this valuation:

Medicare Eligible

Premiums

Premiums will be reduced by \$20 a month in 2026 for enrollees in the Aetna Medicare PPO Plan. Plan benefits will remain the same.

Benefits

There are no pharmacy changes. However, a few prescription drugs may change to non-preferred.



SECTION I – SUMMARY OF PRINCIPAL RESULTS



Non-Medicare Eligible

Premiums

There will be a 3% base premium increase in 2026 for enrollees in the Aetna Choice POS II Plan.

There will be a 4% base premium increase in 2026 for enrollees in the AultCare PPO Plan.

Benefits

Aetna Choice POS II chiropractic benefit is changing to a \$10 co-pay from 20% coinsurance.

There are no pharmacy changes. However, a few prescription drugs may change to non-preferred.

SERS Wraparound HRA

The Health Reimbursement Arrangement (HRA) limit is increasing to \$2,200 from \$2,150 per family per calendar year. Enrollees seeking non-Medicare coverage are required to participate in a counseling session to explore the affordability of available SERS alternatives, including the SERS Marketplace Wraparound Plan.

8. Assumption changes since the prior valuation:
 - None.
9. The statute sets a contribution cap of 24.00% of payroll: 14.00% from employers and 10.00% from employees. The funding policy states that employer contributions in excess of those required to support the basic benefits may be allocated to retiree health care funding. If the funded ratio is less than 70%, the entire 14.00% employers' contribution shall be allocated to SERS' basic benefits. If the funded ratio is 70% but less than 80%, at least 13.50% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 80% but less than 90%, at least 13.25% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Health Care Fund. If the funded ratio is 90% or greater, the Health Care Fund may receive any portion of the employers' contribution that is not needed to fund SERS' basic benefits.
10. Contributions to the Health Care Fund will be 1.50% for fiscal year 2026, which is less than the actuarially determined employer contribution rate. As can be seen on page 23, the expected Health Care Fund solvency has decreased from 2069 in the prior valuation to 2064 based on current assumptions. This decrease is primarily due to the increase in Medicare plan costs and the reduction in the surcharge portion of the Medicare retiree contributions from \$35 to \$15. This increase was partially offset by demographic gains and investment return on assets higher than expected. Please note that the Executive Summary section of this report contains solvency sensitivity projections which illustrate plausible alternate scenarios that would lead to the Fund being insolvent at earlier points using different assumptions.



SECTION II – MEMBERSHIP DATA



Data regarding the membership of the System for use as a basis for the valuation were furnished by the System's office. The following tables summarize the membership of the System as of June 30, 2025 upon which the valuation was based. Detailed tabulations of the data are given in Schedule D.

Active Members

Number	Payroll	Group Averages		
		Salary	Age	Service
165,280	\$4,734,707,838	\$28,647	46.6	6.9

The following table shows a six-year schedule of active member valuation data.

Schedule of SERS Active Member Valuation Data				
Valuation Date	Number	Annual Payroll	Annual Average Pay	% Increase in Average Pay
6/30/2020	156,579	\$ 3,477,578,726	\$ 22,210	2.2%
6/30/2021	146,646	3,622,097,199*	24,700	11.2
6/30/2022	155,063	3,994,657,693	25,762	4.3
6/30/2023	159,873	4,298,689,195	26,888	4.4
6/30/2024	163,350	4,547,315,949	27,838	3.5
6/30/2025	165,280	4,734,707,838	28,647	2.9

* Effective June 30, 2021, the annual compensation reflects imputed salaries.



SECTION II – MEMBERSHIP DATA



The following table shows the number of retiree members and their beneficiaries receiving health care as of the valuation date as well as average ages.

Retiree Lives

AultCare PPO, Aetna Choice POS II, and SERS Marketplace Wraparound HRA	Number	Average Age
Service Retirees	2,297	62.5
Disability Retirees	285	60.8
Spouses	268	61.6
Non-Spouse Dependents	143	20.9
Total	2,993	60.3

Aetna Medicare Plan (PPO) and Aetna Traditional Choice	Number	Average Age
Service Retirees	27,476	77.3
Disability Retirees	2,164	73.5
Spouses	6,327	78.3
Non-Spouse Dependents	50	55.4
Total	36,017	77.2

Non-Medicare Waiving Type of Benefit Recipient	Number	Average Age
Service Retirees	2,855	62.6
Disability Retirees	1,368	58.7
Total	4,223	61.3

This valuation also includes 6,682 deferred vested members eligible for health care not included in the counts above.



SECTION III – ASSETS



1. As of June 30, 2025 the total market value of assets amounted to \$939,812,471.

Asset Summary Based on Market Value			
(1)	Assets at June 30, 2024	\$	816,468,867
(2)	Contributions and Misc. Revenue		161,383,147
(3)	Investment Gain (Loss)		76,544,497
(4)	Total Health Care Expenses		<u>(114,584,040)</u>
(5)	Assets at June 30, 2025	\$	939,812,471
	(1) + (2) + (3) + (4)		
(6)	Annualized Rate of Return*		9.11 %

*Based on the approximation formula: $I/[0.5 \times (A + B - I)]$, where

- I = Investment Gain (Loss)
- A = Beginning of year asset value
- B = End of year asset value



SECTION IV – COMMENTS ON VALUATION



Schedule A of this report contains the valuation balance sheet which shows the present and prospective assets and liabilities of the System as of June 30, 2025.

1. The total health care valuation balance sheet shows that the System has total future health care liabilities of \$2,423,613,824 of which \$677,803,612 is for the future benefits payable for present retiree members and beneficiaries of deceased members; \$32,913,918 is for the future benefits payable for current deferred vested members; and \$1,712,896,294 is for the future benefits payable for present active members. Against these health care liabilities, the System has a total market value of assets of \$939,812,471 as of June 30, 2025. The difference of \$1,483,801,353 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future for health care. Of this amount, no future contributions are expected to be made by members, and the balance of \$1,483,801,353 represents the present value of future contributions payable by SERS.
2. SERS' contributions on account of health care consists of normal contributions and accrued liability contributions. The valuation indicates that employer normal contributions at the rate of 1.52% of payroll are required to provide the benefits of the System for the average new member of SERS.
3. Prospective employer normal contributions on account of health care at the above rates have a present value of \$700,026,326. When this amount is subtracted from \$1,483,801,353 which is the present value of the total future contributions to be made by the employer, there remains \$783,775,027 as the amount of future accrued liability contributions.
4. It is recommended that the accrued liability contribution rate payable by SERS on account of health care be set at 1.08% of payroll. This rate is sufficient to liquidate the unfunded accrued liability of \$783,775,027 over 30 years on the assumption that the aggregate payroll for members will increase by 1.75% each year.



SECTION V – DERIVATION OF EXPERIENCE GAINS AND LOSSES



Actual experience will never (except by coincidence) coincide exactly with assumed experience. It is assumed that gains and losses will be in balance over a period of years, but sizable year-to-year fluctuations are common. Detail on the derivation of the experience gain (loss) for the year ended June 30, 2025 is shown below.

Experience Gain / (Loss) (\$ Thousands)		
(1)	UAAL* as of 6/30/24	\$ 509,233
(2)	Normal cost from last valuation	57,562
(3)	Expected employer contributions	94,694
(4)	Interest accrual: [(1) + (2)] x .070 - (3) x .070/2	<u>36,361</u>
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)	\$ 508,462
(6)	Change due to lowering surcharge for Medicare to \$15	(140,226)
(7)	Change due to claims experience	(218,176)
(8)	Change due to assumption changes**	<u>0</u>
(9)	Expected UAAL after changes: (5) - (6) - (7) - (8)	\$ 866,864
(10)	Actual UAAL* as of 6/30/25	<u>783,775</u>
(11)	Total gain/(loss): (9) - (10)	\$ 83,089
(a)	Asset Gain/(Loss)	<u>24,615</u>
(b)	Experience Gain/(Loss) (11) - (11a)	\$ 58,474
(12)	Accrued Liabilities as of 6/30/25	\$ 1,723,587
(13)	Experience Gain/(Loss) as percent of actuarial accrued liabilities at end of year (11b) / (12)	3.4%

* Unfunded actuarial accrued liability

** There were no assumption changes



SECTION V – DERIVATION OF EXPERIENCE GAINS AND LOSSES



ANALYSIS OF FINANCIAL EXPERIENCE Gains and Losses in Accrued Liabilities Resulting from Difference Between Assumed Experience and Actual Experience (\$ Millions)

Type of Activity	\$ Gain (or Loss) For Year Ending 6/30/25
Age & Service Retirements. If members retire at older ages or participate in lower numbers, there is a gain. If younger ages or higher participation, a loss.	\$ 9.5
Disability Retirements. If disability claims are less than assumed, there is a gain. If more claims, a loss.	0.0
Death-in Service Benefits. If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	(1.6)
Withdrawal From Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	21.3
Claims Increases (Including Wrap Plan). If smaller claims increases than assumed, there is a gain; if larger, a loss.	(358.4)
New Members. Additional accrued liability attributable to members who entered the plan since the last valuation.	(12.9)
Asset Experience. If there is a greater investment income than assumed, there is a gain. If less income, a loss. If there are more contributions than the ADC, there is a gain. If less contributions, a loss.	24.6
Death After Retirement. If retiree members live longer than assumed, there is a loss. If not as long, a gain.	9.4
Other. Miscellaneous gains and losses resulting from changes in valuation software, data adjustments, timing of financial transactions, etc.	32.8
Gain (or Loss) During Year From Financial Experience	\$ (275.3)
Non-Recurring Items. Adjustments for plan amendments, assumption changes and method changes	0.0
Composite Gain (or Loss) During Year	\$ (275.3)



SECTION VI – REQUIRED CONTRIBUTION RATES



The valuation balance sheet gives the basis for determining the percentage rates for contributions to be made by employers to the Retirement System. The following tables show the rates of contribution payable by employers as determined from the present valuation for FY2025.

Required Contribution Rates

Contribution for	Amount	% of Payroll
A. Normal Cost	\$ 73,996,366	1.52%
B. Member Contributions*	\$ 0	0.00%
C. Employer Normal Cost: [A - B]	\$ 73,996,366	1.52%
D. Unfunded Actuarial Accrued Liability**	\$ 51,098,230	1.08%
E. Total Recommended Employer Contribution Rate: [C + D]	\$ 125,094,596	2.60%
F. Employer Contribution Toward Health Care ⁺	\$ 71,900,771	1.50%

* The liabilities are net of retiree contributions towards their health care.

** Based on 30-year amortization of the UAAL from June 30, 2025.

+ Includes 1.50% payroll surcharge.

Fifteen-Year History of Employer Contribution Rates

Fiscal Year Ending June 30	Employer Health Care Contribution Rate	Surcharge Percentage	Total Health Care Contribution Rate
2011	1.43%	1.50%	2.93%
2012	0.55	1.50	2.05
2013	0.16	1.50	1.66
2014	0.14	1.50	1.64
2015	0.82	1.50	2.32
2016	0.00	1.50	1.50
2017	0.00	1.50	1.50
2018	0.50	1.50	2.00
2019	0.50	1.50	2.00
2020	0.00	1.50	1.50
2021	0.00	1.50	1.50
2022	0.00	1.50	1.50
2023	0.00	1.50	1.50
2024	0.00	1.50	1.50
2025	0.00	1.50	1.50



SECTION VII – ACCOUNTING INFORMATION



Governmental Accounting Standards Board Statements 74 and 75 set forth certain items of required supplementary information to be disclosed in the financial statements of the System and the employer. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at June 30, 2025. Additional information will be provided in separate reports.

Valuation date	6/30/2025
Actuarial cost method	Entry Age
Amortization	Level Percent Open
Remaining amortization period	30 years
Asset valuation method	Market Value
Actuarial assumptions	
Investment rate of return*	7.00%
* Includes price inflation at	2.40%
Wage increases	1.75%
Medical Trend Assumption	6.75% - 4.40%
Year of Ultimate Trend	2035





SECTION VII – ACCOUNTING INFORMATION

**Fourteen-Year Schedule of Funding Progress
(\$ Millions)**

Actuarial Valuation Date	Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / (c))
6/30/2012	\$355	\$2,691	\$2,336	13.2%	\$2,788	83.8%
6/30/2013	379	2,918	2,539	13.0	2,747	92.4
6/30/2014	414	2,476	2,062	16.7	2,759	74.7
6/30/2015	408	2,425	2,016	16.8	2,845	70.9
6/30/2016	370	2,407	2,037	15.4	2,932	69.5
6/30/2017	382	2,396	2,014	15.9	3,303	61.0
6/30/2018	436	2,525	2,089	17.3	3,332	62.7
6/30/2019	464	2,199	1,735	21.1	3,463	50.1
6/30/2020	483	1,797	1,314	26.9	3,478	37.8
6/30/2021	600	1,289	689	46.5	3,622	19.0
6/30/2022	612	1,348	736	45.4	3,995	18.4
6/30/2023	707	1,532	825	46.1	4,299	19.2
6/30/2024	816	1,325	509	61.6	4,547	11.2
6/30/2025	940	1,724	784	54.5	4,735	16.6



SCHEDULE A – VALUATION BALANCE SHEET



The following valuation balance sheet shows the assets and liabilities of the retirement system as of the current valuation date of June 30, 2025 and, for comparison purposes, as of the immediately preceding valuation date of June 30, 2024.

VALUATION BALANCE SHEET SHOWING THE ASSETS AND LIABILITIES OF THE SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

	June 30, 2025	June 30, 2024
ASSETS		
Current market value of assets	\$ 939,812,471	\$ 816,468,867
Prospective contributions		
Employer normal contributions	700,026,326	570,287,455
Unfunded accrued liability contributions	783,775,027	509,233,133
Total prospective contributions	<u>\$ 1,483,801,353</u>	<u>\$ 1,079,520,588</u>
Total assets	<u><u>\$ 2,423,613,824</u></u>	<u><u>\$ 1,895,989,455</u></u>
LIABILITIES		
Present value of benefits payable on account of present retiree members and beneficiaries	\$ 677,803,612	\$ 479,898,533
Present value of benefits payable on account of active members	1,712,896,294	1,395,665,613
Present value of benefits payable on account of deferred vested members	<u>32,913,918</u>	<u>20,425,309</u>
Total liabilities	<u><u>\$ 2,423,613,824</u></u>	<u><u>\$ 1,895,989,455</u></u>





SCHEDULE A – VALUATION BALANCE SHEET

The following fourteen-year table provides the solvency test for SERS members. The table allocates the valuation assets of the System to its liabilities based on an order of precedence. The highest order of precedence is active member contributions. The second highest order of precedence are members in pay status and vested and non-vested terminated members. The lowest order of precedence is the employer financed portion of active member accrued benefits. The liabilities are determined using the System's assumed rate of return.

Solvency Test (\$ Millions)

Valuation Date	Aggregate Accrued Liabilities For				Portion of Accrued Liabilities Covered by Reported Assets		
	(1) Active Member Contributions	(2) Retiree Members & Beneficiaries	(3) Active Members (Employer Financed Portion)	Actuarial Value of Assets	(1)	(2)	(3)
6/30/2012	\$0	\$1,074	\$1,617	\$355	100.0%	33.1%	0.0%
6/30/2013	0	1,157	1,761	379	100.0	32.8	0.0
6/30/2014	0	968	1,508	414	100.0	42.8	0.0
6/30/2015	0	979	1,507	408	100.0	41.7	0.0
6/30/2016	0	918	1,489	370	100.0	40.3	0.0
6/30/2017	0	916	1,480	382	100.0	41.7	0.0
6/30/2018	0	968	1,557	436	100.0	45.0	0.0
6/30/2019	0	813	1,386	464	100.0	57.0	0.0
6/30/2020	0	626	1,171	483	100.0	77.1	0.0
6/30/2021	0	544	745	600	100.0	100.0	7.5
6/30/2022	0	532	816	612	100.0	100.0	9.8
6/30/2023	0	630	902	707	100.0	100.0	8.5
6/30/2024	0	500	825	816	100.0	100.0	38.3
6/30/2025	0	711	1,013	940	100.0	100.0	22.6

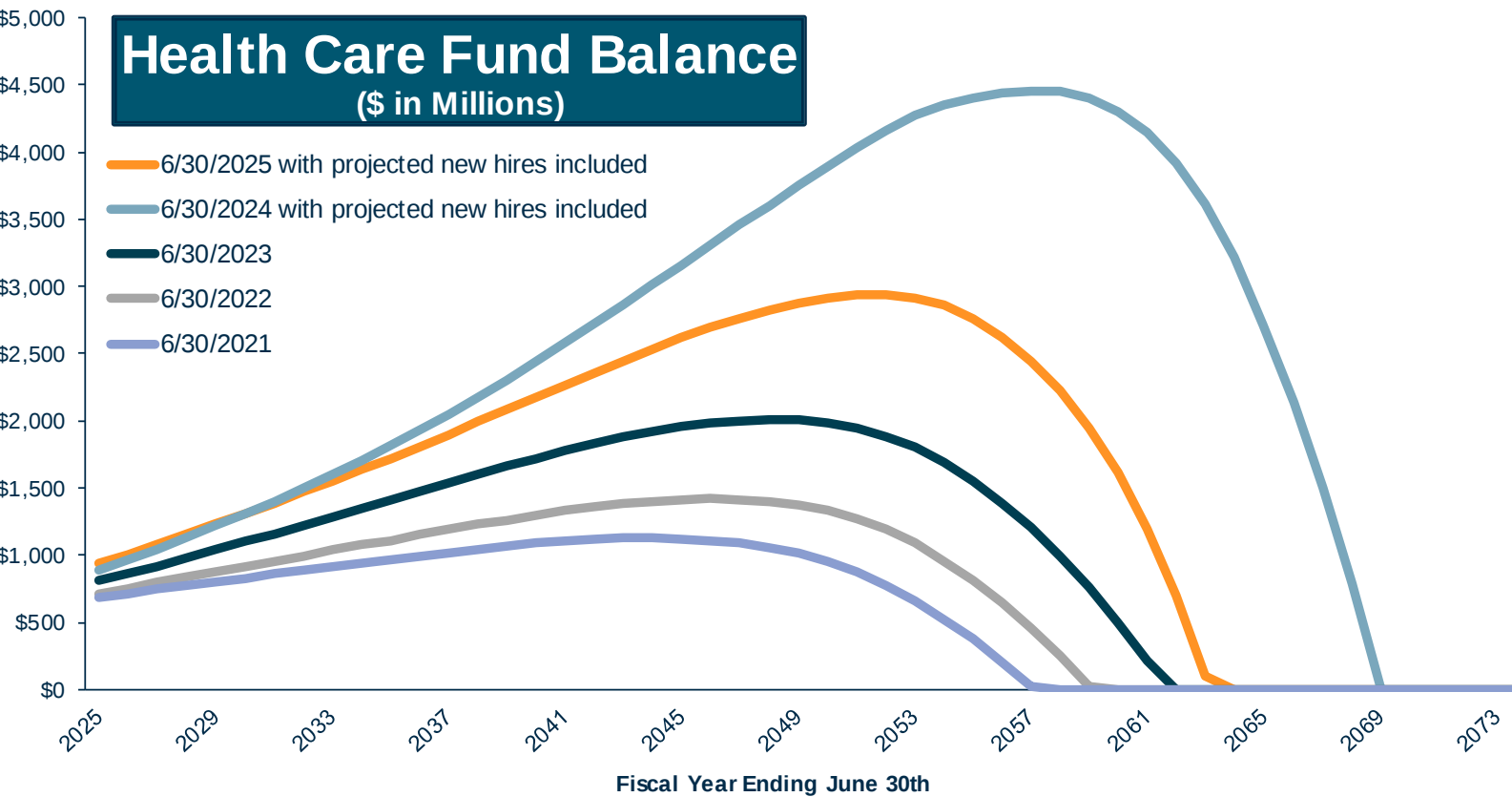




SCHEDULE A – VALUATION BALANCE SHEET

Solvency Chart

The following chart shows the projected Health Care Fund Balances from the five most recent valuations. The prior year projections were based on the funding policy and assumptions in effect on the prior year valuation dates and include no new hires in the benefit payment projections prior to 2024. Similar to 2024, since the current year projection indicates solvency for a longer period, we included projected benefit payments for potential new hires in addition to a 7.00% future asset rate of return assumption, a payroll growth assumption of 1.75% per year, and the assumption that the health contribution rate will be 0.00%, plus a health care surcharge of 1.50%. These projections assume there will be no health care cost increases due to IRA and ACA law changes or reimbursements and/or COVID-19 impact other than current baseline costs and anticipated health care trend.



SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS



The decremental assumptions used in the valuation were adopted by the Board on April 15, 2021.

INTEREST RATE: 7.00% per annum, compounded annually (net after all System expenses).

HEALTH CARE COST TREND RATES: Following is a chart detailing trend assumptions. Trend is applied to total health care costs and retiree service based premiums. No trend is applied to the surcharge. The initial trend rate includes the use of published annual health care inflation surveys in conjunction with actual plan experience, where credible. The assumed annual decrease in trend rates to an ultimate level of price inflation plus 2% reflects the belief that health care inflation cannot indefinitely outstrip the growth rate of employer budgets and the overall economy.

Calendar Year	
2025	6.75%
2026	6.50
2027	6.25
2028	6.00
2029	5.75
2030	5.50
2031	5.25
2032	5.00
2033	4.75
2034	4.50
2035 and beyond	4.40

ANTICIPATED PLAN PARTICIPATION: The assumed annual rates of retiree participation and spouse coverage are as follows:

Retiree Gender	Spouse Coverage	Dependent Child Coverage
Male	25.0%	0.0%
Female	25.0%	0.0%

Wives are assumed to be three years younger than husbands.



SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS



Pre-65 Participants:

Years of Service	Service Retiree Participation	Disabled Retiree Participation	Deferred Vested Retiree Participation	Death in Service Surviving Spouse Participation
1.5 – 4	N/A	N/A	N/A	100.0%
5 – 9	N/A	25.0%	N/A	100.0
10 – 14	25.0%	25.0	50.0%	100.0
15 – 19	25.0	45.0	50.0	100.0
20 – 24	45.0	50.0	50.0	100.0
25 – 29	50.0	75.0	50.0	100.0
30 – 34	75.0	75.0	50.0	100.0
35 and over	90.0	90.0	50.0	100.0

15% of eligible pre-65 retirees who are waiving coverage are assumed to elect coverage upon Medicare eligibility.

Post-65 Participants:

Years of Service	Service Retiree Participation	Disabled Retiree Participation	Deferred Vested Retiree Participation	Death in Service Surviving Spouse Participation
1.5 – 4	N/A	N/A	N/A	100.0%
5 – 9	N/A	70.0%	N/A	100.0
10 – 14	25.0%	70.0	50.0%	100.0
15 – 19	45.0	70.0	50.0	100.0
20 – 24	70.0	75.0	50.0	100.0
25 – 29	75.0	75.0	50.0	100.0
30 – 34	85.0	85.0	50.0	100.0
35 and over	90.0	90.0	50.0	100.0



SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS



ANTICIPATED PLAN ELECTIONS: The assumed annual rates of member plan elections are as follows:

Plan Type	Future Retirees	
	Non-Medicare	Medicare
PPO	80.0%	100.0%
Wraparound HRA	20.0%	N/A

Anticipated plan elections within the above plan types are further expanded below:

Plan Type	Future Retirees*	
	Non-Medicare	Medicare
<u>PPO</u>		
Aetna Choice POS II	96.0%	0.0%
Aetna Medicare SM Plan	0.0%	100.0%
AultCare PPO	4.0%	0.0%

* Future disabled retirees assumed 85% Non-Medicare coverage and 15% Medicare coverage before age 65.

ANTICIPATED MEDICARE COVERAGE AT AGE 65: The assumed annual rates of future retirees obtaining Medicare coverage at age 65 are as follows:

Medicare Coverage	Percent Covered
No Medicare at age 65	1.0%
Medicare Part A	98.0%
Medicare Part B Only	1.0%

Current service retirees, disabled benefit recipients, spouses, and dependent children under age 65 were assumed to have similar Medicare coverage at age 65 as their post-Medicare counterparts.

Effective September 30, 2021, an individual who fails to enroll in Medicare Part B during their Medicare initial or special enrollment period will lose eligibility for SERS' health care coverage. If an individual enrolls in Medicare Part B coverage but then fails to maintain the coverage, the individual must re-enroll during Medicare's first available general enrollment period.

HEALTH CARE PREMIUM DISCOUNT PROGRAM PARTICIPATION: Current Medicare-eligible service retirees, disabled benefit recipients, spouses and dependent children reported as qualifying for the Health Care Premium Discount Program were assumed to continue participating in the program for their lifetime. The Health Care Premium Discount Program is not available for non-Medicare participants.



SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS



MONTHLY EXPECTED MEDICAL/PRESCRIPTION DRUG CLAIMS COSTS (INCLUDES ADMINISTRATIVE EXPENSES): Following are charts detailing expected claims for the year following the valuation date.

Retiree Costs			
Medicare Status	Aetna Choice POS II and Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only	AultCare PPO
Non-Medicare	\$1,636	N/A	\$1,193
Medicare A & B	\$163	\$463	N/A
Medicare B Only	\$163	N/A	N/A

Spouse Costs			
Medicare Status	Aetna Choice POS II and Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only	AultCare PPO
Non-Medicare	\$1,473	N/A	\$953
Medicare A & B	\$163	\$463	N/A
Medicare B Only	\$163	N/A	N/A

Children Costs			
Medicare Status	Aetna Choice POS II and Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only	AultCare PPO
Non-Medicare	\$491	N/A	\$211
Medicare A & B	\$163	\$463	N/A

The above amounts are shown as average costs and represent blended premiums rates.



SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS



EXPECTED ANNUAL CLAIMS: Per capita costs are adjusted to reflect expected cost changes related to age. The relative value factors used were developed from the Society of Actuaries' June 2013 research report Health Care Costs—From Birth to Death by Dale Yamamoto and from the ASOP 6 practice note developed by the American Academy of Actuaries. Representative values of the expected annual claims based on expected service retiree plan elections are as follows:

Pre-Medicare

Age	Retiree		Spouse	
	Male	Female	Male	Female
40	\$ 5,163	\$ 8,424	\$ 4,752	\$ 7,755
45	6,399	8,919	5,890	8,210
50	8,356	10,391	7,692	9,565
55	10,965	12,106	10,093	11,143
60	14,124	14,119	13,002	12,997
64	17,250	16,530	15,879	15,216

Post-Medicare

Age	Retiree		Spouse	
	Male	Female	Male	Female
65	\$ 1,505	\$ 1,434	\$ 1,411	\$ 1,345
70	1,829	1,763	1,715	1,653
75	2,172	2,059	2,036	1,930
80	2,521	2,372	2,364	2,224
85	2,841	2,676	2,664	2,509
90	3,120	2,906	2,925	2,725



SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS



SEPARATIONS FROM ACTIVE SERVICE: Representative values of the assumed rates of separation from active service are as follows:

Service	Annual Rates of Withdrawal
0	40.00%
1	19.00
2	11.00
3	9.00
4	8.00
5	6.50
10	3.50
15	2.25

Age	Annual Rates of			
	Death *		Disability	
	Male	Female	Male	Female
20	.041%	.013%	.020%	.010%
25	.041	.012	.039	.010
30	.052	.019	.071	.028
35	.068	.030	.127	.059
40	.096	.047	.214	.106
45	.143	.072	.313	.180
50	.218	.107	.414	.300
55	.320	.157	.530	.450
60	.466	.238	.590	.450
65	.682	.380	.533	.300
70	1.025	.627	.300	.200
74	1.461	.937	.300	.200

* Pre-retirement mortality is based on the PUB-2010 General Amount Weighted Below Median Employee Mortality Table with fully generational projection using the MP-2020 projection scale. The above rates represent the base rates used.





SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS

Age	Annual Rates of							
	Retirement Eligible prior to 8/1/17				Retirement Eligible after 8/1/17			
	Reduced	Reduced (55/25)	First Eligible Unreduced	Subsequent Unreduced	Reduced	Reduced (60/25)	First Eligible Unreduced	Subsequent Unreduced
50			21%	19%				
55		10%	27%	19%				
57		10%	27%	19%			30%	19%
60	43%	15%	27%	19%		6%	30%	19%
62	43%	15%	27%	19%	5%	6%	30%	19%
65			50%	33%	15%	17%	30%	19%
68			50%	33%			30%	18%
70			50%	33%			30%	18%
75			100%	100%			100%	100%

SALARY INCREASES: Representative values of the assumed annual rates of salary increases are as follows:

Service	Annual Rates of		
	Merit & Seniority: (A)	Base (Economy): (B)	Increase Next Year: (1+(A))*(1+(B))
0	10.00%	3.25%	13.58%
1	3.00	3.25	6.35
2	1.75	3.25	5.06
3	1.25	3.25	4.54
4	1.00	3.25	4.28
5 – 9	0.75	3.25	4.02
10 – 15	0.50	3.25	3.77
16 – 17	0.25	3.25	3.51
18 & over	0.00	3.25	3.25

PAYROLL GROWTH: 1.75% per annum, compounded annually.

PRICE INFLATION: 2.40% per annum, compounded annually.



SCHEDULE B – ACTUARIAL ASSUMPTIONS AND METHODS



DEATH AFTER RETIREMENT: These assumptions are used to measure the probabilities of each benefit payment being made after retirement.

SERVICE RETIREMENT: PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

DISABLED RETIREMENT: PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

CONTINGENT SURVIVOR: PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

VALUATION METHOD: Entry age normal cost method. Entry age is established on an individual basis.

ASSET VALUATION METHOD: Market value.





SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS

ELIGIBILITY FOR ACCESS TO RETIREE HEALTH CARE:

Normal Retirement:

Retire before August 1, 2017 or have 25 years of service or more on or before August 1, 2017: Attainment of age 65 with at least 10 years of creditable service, or completion of 30 years of creditable service, regardless of age.

Members attaining 25 years of service after August 1, 2017: Attainment of age 67 with at least 10 years of creditable service, or attainment of age 57 with at least 30 years of creditable service. Buy-up option available.

Early Retirement:

Retire before August 1, 2017 or have 25 years of service or more on or before August 1, 2017: Not eligible for unreduced service retirement but has attained age 55 with at least 25 years of service, or age 60 with 10 years of service.

Members attaining 25 years of service after August 1, 2017: Attainment of age 62 with at least 10 years of creditable service, or attainment of age 60 with at least 25 years of creditable service.

Disability Retirement:

Permanently disabled after completion of at least 5 years of total service credit.

Survivor Allowances:

Beneficiary must be receiving monthly benefits due to the death of a member, age and service retiree or disability benefit recipient.

Termination:

Members that terminated with at least 10 years of creditable service and have attained age 60 (age 62 for those retiring after August 1, 2017).

PREMIUM PAYMENTS:

Retirees, spouses and dependent children pay either all or a portion of the cost of health care and prescription drug coverage as well as a \$35 monthly surcharge for the Aetna Choice POS II Plan, the Aetna Traditional Choice Plan, and the AultCare PPO Plan. The \$35 monthly surcharge is reduced to a \$15 monthly surcharge for the Aetna Medicare Plan. The remainder of the cost is paid by SERS.

Medicare-eligible retirees, spouses and dependent children may qualify for the health care Premium Discount Program if their household income falls at or below a specified level. Income limits are updated annually. Retirees, spouses and dependent children qualifying for the program will receive a 25% discount in their monthly health care premiums.



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



PREMIUM PAYMENTS (Continued):

The following schedule lists the percentage of the retiree premium paid by service retirees:

Years of Service	Retirement Date on or before July 1, 1989	Retirement Date August 1, 1989 through July 1, 2008	Retirement Date on or after August 1, 2008
	Service Retiree Premium Contribution Percentage		
5 – 9	50.0%	N/A	N/A
10 – 14	17.5	100.0%	100.0%
15 – 19	17.5	50.0	100.0
20 – 24	17.5	25.0	50.0
25 – 29	17.5	17.5	30.0
30 – 34	17.5	17.5	20.0
35 and over	17.5	17.5	15.0*

* Additional 1% reduction for each year over 35.

The following schedule lists the percentage of the retiree premium paid by disability benefit recipients:

Non-Medicare Plans Prior to January 1, 2024 and Medicare Plans

Years of Service	Disabled Benefit Recipient Premium Contribution Percentage
5 – 9	50.0%
10 – 24	33.0
25 and over	17.5



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



Non-Medicare Plans Effective January 1, 2024

Years of Service	Retirement Date on or before July 1, 1989	Retirement Date August 1, 1989 through July 1, 2008	Retirement Date on or after August 1, 2008
	Disabled Benefit Recipient Premium Contribution Percentage		
5 – 9	50.0%	100.0%	100.0%
10 – 14	17.5	100.0	100.0
15 – 19	17.5	50.0	100.0
20 – 24	17.5	25.0	50.0
25 – 29	17.5	17.5	30.0
30 – 34	17.5	17.5	20.0
35 and over	17.5	17.5	15.0*

* Additional 1% reduction for each year over 35.

The following schedule lists the percentage of the spouse premium paid by spouses of retirees:

Service Retiree, Disability Recipient, or Member's Qualified Years of Service	Spouse Premium Contribution Percentage
1.5 – 24	100.0%
25 – 29	90.0
30 and over	80.0

Dependent children pay 70.0% of the child premium.

In addition, SERS offered a new coverage option beginning in 2017, the Marketplace Wraparound HRA. This option is only available to health care participants who are not eligible for Medicare and who are not enrolled in Medicaid. Participants will be able to choose insurance from any insurer offering coverage in the federal Marketplace, and if eligible, receive a federal subsidy to lower the premium and cost-sharing amounts. The SERS Marketplace Wraparound HRA offers additional benefits to help pay for deductibles, co-pays, and other costs.

OTHER POST-EMPLOYMENT BENEFITS: Health care and prescription drug coverage is provided in all post-employment group health care plan options. Dental and vision coverage are made available to retirees, spouses, and dependent children at the full cost.



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



2026 RETIREE HEALTH CARE PLAN OPTIONS:

Options available to members without Medicare:

- ◇ Aetna Choice POS II with Express Scripts prescription drug coverage
- ◇ AultCare PPO with AultCare prescription drug coverage
- ◇ Wraparound HRA

Options available to members with Medicare:

- ◇ Aetna MedicareSM Plan (PPO) with Express Scripts Medicare Part D Prescription Drug Plan
- ◇ Aetna Traditional Choice with Express Scripts Medicare Part D Prescription Drug Plan (only available to members with special circumstances)

The following pages contain information that was provided by SERS in the 2026 *Open Enrollment Guide* and the 2026 *Member Health Care Guide*.



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



2026 Monthly Contribution Rates

Years of Service	Aetna Medicare SM	Aetna Traditional Choice
Service Retirement Date on or before July 1, 1989 Premiums		
5-9.999 years		
With Medicare A & B	\$97	\$287
With Medicare B Only	\$277	
10-24.999 years		
With Medicare A & B	\$44	\$123
With Medicare B Only	\$107	
25 years & over		
With Medicare A & B	\$44	\$123
With Medicare B Only	\$44	

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only	AultCare PPO
Service Retirement Date August 1, 1989 through July 1, 2008 Premiums			
10-14.999 years			
Without Medicare	\$1,671		\$1,228
With Medicare A & B	\$178	\$539	
With Medicare B Only	\$538		
15-19.999 years			
Without Medicare	\$853		\$632
With Medicare A & B	\$97	\$287	
With Medicare B Only	\$277		
20-24.999 years			
Without Medicare	\$444		\$333
With Medicare A & B	\$56	\$161	
With Medicare B Only	\$146		
25 years & over			
Without Medicare	\$321		\$244
With Medicare A & B	\$44	\$123	
With Medicare B Only	\$44		



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



2026 Monthly Contribution Rates (continued)

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only	AultCare PPO
Service Retirement Date on or after August 1, 2008 Premiums*			
10-19.999 years			
Without Medicare	\$1,671		\$1,228
With Medicare A & B	\$178	\$539	
With Medicare B Only	\$538		
20-24.999 years			
Without Medicare	\$853		\$632
With Medicare A & B	\$97	\$287	
With Medicare B Only	\$277		
25-29.999 years			
Without Medicare	\$526		\$393
With Medicare A & B	\$64	\$186	
With Medicare B Only	\$64		
30-34.999 years*			
Without Medicare	\$362		\$274
With Medicare A & B	\$48	\$136	
With Medicare B Only	\$48		

* Further reductions for each year over 35.

Years of Service	Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only
Disability Benefit Recipients Premiums**		
5-9.999 years		
With Medicare A & B	\$97	\$287
With Medicare B Only	\$277	
10-24.999 years		
With Medicare A & B	\$69	\$201
With Medicare B Only	\$188	
25 years & over		
With Medicare A & B	\$44	\$123
With Medicare B Only	\$44	

** Effective January 1, 2024, Disability Benefit Recipient Premiums will be the same as Service Retirement Premiums for all Non-Medicare plans. Rates above are applicable for Medicare plans.



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



2026 Monthly Contribution Rates (continued)

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only	AultCare PPO
Spouse Premiums (Service Retiree, Disability Recipient, or Member's Qualified Service)			
Up to 25 years			
Without Medicare	\$1,508		\$988
With Medicare A & B	\$178	\$539	
With Medicare B Only	\$538		
25-29.999 years			
Without Medicare	\$1,361		\$893
With Medicare A & B	\$162	\$489	
With Medicare B Only	\$162		
30 years & over			
Without Medicare	\$1,213		\$798
With Medicare A & B	\$146	\$438	
With Medicare B Only	\$146		

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Traditional Choice with Medicare A Only	AultCare PPO
Child Premiums			
Without Medicare	\$379		\$182
With Medicare A & B		\$388	



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



SERS' Non-Medicare Plans

Non-Medicare plans are available to benefit recipients and dependents under age 65 and not Medicare eligible. Beginning 1/1/2021, however, members who are under age 65 that are eligible for Medicaid are not eligible for the SERS Health Care Plan coverage. Beginning September 2021, plan enrollees eligible for Medicare B lose eligibility for SERS coverage if they do not enroll in Medicare B. Enrollees seeking non-Medicare coverage are required to participate in a counseling session to explore the affordability of available SERS alternatives, including the SERS Marketplace Wraparound Plan.

Aetna Choice POS II

This is a Preferred Provider Organization (PPO) plan with prescription drug coverage by Express Scripts. The plan is available throughout the United States.

To enroll in this plan, a member must:

- Be under age 65 and not eligible for Medicare

Use of out-of-network providers will increase out-of-pocket costs.

AultCare PPO

This is a Preferred Provider Organization (PPO) plan with prescription drug coverage by AultCare.

To enroll in this plan, a member must:

- Be under age 65 and not eligible for Medicare.
- Live in one of the Ohio counties listed on the map in the *2026 Open Enrollment Guide*.

Use of out-of-network providers will increase out-of-pocket costs.

2026 SERS Marketplace Wraparound HRA

The SERS Marketplace Wraparound HRA is available to participants who are not eligible for Medicare and who are not enrolled in Medicaid. Participants are able to choose insurance from any insurer offering coverage in the federal Marketplace. If eligible, participants receive a federal subsidy to lower the premium and cost-sharing amounts. The SERS Marketplace Wraparound HRA offers additional benefits to help pay for deductibles, co-pays, and other costs up to a federally established annual reimbursement limit.



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



SERS' Medicare Plans

Aetna Medicare Plan (PPO)

This is a Medicare Advantage plan with Medicare Part D prescription drug coverage administered by Express Scripts.

Ohio Residents: Aetna has a preferred provider network. Use of out-of-network providers will increase out-of-pocket costs.

Non-Ohio Residents: Can use any medical provider that accepts Medicare patients and agrees to file claims with Aetna.

This plan is available throughout the United States. To enroll, members must have:

- Medicare Part B
- Medicare Part A, if eligible

Aetna Traditional Choice Plan

This plan is NOT available for optional enrollment. It is only available in special circumstances. SERS determines when enrollment is appropriate. Medicare Part D prescription drug coverage is administered through Express Scripts.



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



Prescription Drug Coverage

Prescription drug coverage is included in SERS' health care coverage and does not require a separate premium. Express Scripts provides the prescription drug coverage for Aetna. AultCare provides their own prescription coverage. All prescription plans have a formulary of covered medications. These are referred to as preferred medications. Medications not on the formulary are referred to as non-preferred. The amount members are responsible for paying, known as the co-pay, is based on the medication's preferred status. Members pay the least for generic medications. Members pay the most for brand-name medications that are not preferred. Members can get prescriptions at retail pharmacies or through the mail. Members save money by having prescriptions for maintenance medications mailed to their homes.

The following is a partial list of situations or types of medications that are not covered.

- Prescriptions or medications dispensed in a hospital. These are typically covered under the medical plan.
- Prescriptions covered by Workers' Compensation.
- Prescriptions for fertility, erectile dysfunction, or cosmetic drugs.
- Over-the-counter drugs and herbal preparations, including homeopathic preparations.

With the exception of insulin, Express Scripts does not cover non-preferred medications. Members pay the full amount for non-preferred medications, and these costs do not count toward any out-of-pocket maximum or the Medicare coverage gap.

All prescription plans include these common coverage rules:

- Prior Authorization - For some medications, the doctor must contact the drug plan before certain prescriptions can be filled. The prescription is only covered if the doctor is able to confirm that the medication is necessary.
- Quantity Limits - Limits how much of a specific medication members can get at a time.
- Step Therapy - A process where certain medications that have proven to be safe and effective are tried as the first choice rather than starting with a more expensive prescribed medication.

Medicare Part D Prescription Drugs

SERS' health plan participants enrolled in a Medicare plan are automatically covered under a Medicare Part D prescription drug plan through SERS and should not enroll in a separate Medicare Part D plan. Enrolling in another Part D plan would cause cancellation of SERS coverage for both medical and prescription drug benefits per federal law.



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



Non-Medicare Plan Benefits

	Aetna Choice POS II (In-Network)	AultCare PPO (In Network)
Annual Combined Medical & Prescription Drug Out-of-Pocket Maximum	\$7,350/person \$14,700/family	\$7,350/person \$14,700/family
Deductible	\$2,000/person \$4,000/family	\$2,000/person \$4,000/family
Primary Care Office Visit	\$10 co-pay	\$20 co-pay
Specialist Office Visit	\$25 co-pay	\$40 co-pay
Outpatient Diagnostic X-Ray and Lab	20% coinsurance	20% coinsurance
Retail Walk-In Clinic	\$10 co-pay	\$20 co-pay
Urgent Care	\$40 co-pay	\$40 co-pay
Emergency Room	\$150 co-pay	\$150 co-pay
Ambulance	\$150 co-pay	\$150 co-pay
Inpatient Hospital	20% coinsurance after \$250 co-pay	20% coinsurance after \$250 co-pay
Outpatient Surgery	20% coinsurance	20% coinsurance
Skilled Nursing Facility (100-day max)	20% coinsurance	20% coinsurance
Home Health Care	20% coinsurance	20% coinsurance
Hospice Health Care	100% coverage	Inpatient: 100% coverage Outpatient: 20% coinsurance
Outpatient Short-Term Rehab For Cardiac, Pulmonary, Speech For Physical, Occupational	20% coinsurance \$10 co-pay	20% coinsurance 20% coinsurance
Chiropractic	\$10 co-pay	20% coinsurance
Durable Medical Equipment	20% coinsurance	20% coinsurance
Prescription Drugs	Express Scripts <u>Retail 34-day max:</u> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) No coverage for non-preferred brand name <u>Mail order 90-day max:</u> \$15 generic, 25% preferred brand (\$45 min, \$200 max) No coverage for non-preferred brand name <u>Insulin Retail:</u> 25% or \$25 max preferred brand, 25% or \$45 max non-preferred brand <u>Insulin Mail Order:</u> 25% preferred brand (\$45 min, \$60 max), 25% or \$115 max non-preferred brand <u>Specialty medications:</u> 25% of cost (\$25 min, \$100 max) <u>Specialty Mail order 90-day max:</u> 25% of cost (\$15 min, \$67 max per 30-day supply)	AultCare <u>Retail 30-day max:</u> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) Non-preferred at 100% <u>Mail order 90-day max:</u> \$15 generic, 25% preferred brand (\$45 min, \$200 max) Non-preferred at 100% <u>Insulin Retail:</u> \$30 preferred brand, \$45 non-preferred brand <u>Insulin Mail Order:</u> \$60 preferred brand, \$115 non-preferred brand <u>Specialty medications:</u> \$100 co-pay <u>Specialty Mail order:</u> \$100 co-pay; 30-day supply only



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



Non-Medicare Plan Benefits (continued)

SERS Marketplace Wraparound HRA	
Benefit	Maximum Reimbursement
Out-of-pocket expenses for Marketplace plan covered services. Examples include deductibles, co-pays, and coinsurance.	Reimbursements are limited to \$2,200 per family, per calendar year in accordance with federal limits*
* Reimbursement is limited to cost sharing after the Participant's Marketplace plan has adjudicated any claim(s). Actual reimbursement may vary according to the Participant's Marketplace plan's terms but will in no event exceed the Participant's actual out-of-pocket expenses under the applicable Marketplace plan.	
The SERS Marketplace Wraparound HRA eligible expenses noted above only apply to covered service under your Marketplace plan. Claims for non-covered services are not eligible for reimbursement.	



SCHEDULE C – SUMMARY OF MAIN PLAN PROVISIONS



Medicare Plan Benefits

Aetna Medicare SM Plan (PPO) (In-Network)	
Annual Out-of-Pocket Maximum	\$3,000 per person
Deductible	None
Primary Care Office Visit	100% coverage
Specialist Office Visit	\$20 co-pay
Outpatient Diagnostic X-Ray	\$25 co-pay
Outpatient Diagnostic Lab	100% coverage
Urgent Care	\$40 co-pay
Emergency Room	\$100 co-pay waived if admitted
Ambulance	\$80 co-pay
Inpatient Hospital	\$150 co-pay per day 1-5, then 100% coverage
Outpatient Surgery /Procedures	15% coinsurance up to \$200 max
Skilled Nursing Facility (100-day max)	Co-pay: \$0 per day 1-10, \$25 per day 11-20, \$50 per day 21-100
Home Health Care	100% coverage
Hospice	Covered by Medicare
Outpatient Short-Term Rehab	\$15 co-pay
Cardiac Rehabilitation Services	\$15 co-pay
Chiropractic	\$20 co-pay limited to Medicare-covered services
Durable Medical Equipment	20% coinsurance
Diabetic Supplies	100% coverage
Over-The-Counter Benefit	\$60 per quarter towards eligible health and wellness products from CVS pharmacy
Prescription Drugs	Express Scripts Medicare D PDP <u>Retail 30-day max:</u> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) No coverage for non-preferred brand name <u>Mail order 90-day max:</u> \$15 generic, 25% preferred brand (\$45 min, \$200 max) No coverage for non-preferred brand name <u>Insulin Retail:</u> 25% or \$25 max preferred brand 25% or \$35 max non-preferred brand <u>Insulin Mail Order:</u> 25% preferred brand (\$45 min, \$60 max), 25% or \$90 max non-preferred brand <u>Specialty medications:</u> 25% of cost (\$25 min, \$100 max) <u>Specialty Mail order 90-day max:</u> 25% of cost (\$15 min, \$67 max per 30-day supply)



SCHEDULE D – DETAILED TABULATIONS OF THE DATA



**All Retirees, Spouses and Dependents Receiving Health Care
Male and Female Demographic Breakdown
As of June 30, 2025
Tabulated by Attained Ages**

Attained Age	Number of		Total Number
	Males	Females	
Under 20	22	26	48
20-24	38	40	78
25-29	9	8	17
30-34	1	1	2
35-39	1	4	5
40-44	7	6	13
45-49	9	8	17
50-54	33	49	82
55-59	183	286	469
60-64	805	1,779	2,584
65-69	2,326	5,156	7,482
70-74	2,720	5,782	8,502
75-79	2,035	5,176	7,211
80-84	1,448	4,304	5,752
85-89	1,003	3,069	4,072
90-94	428	1,494	1,922
95-99	113	539	652
100	3	30	33
101	5	26	31
102	1	14	15
103	1	12	13
104	0	5	5
105 & Over	1	4	5
Total	11,192	27,818	39,010

Retirees currently waiving insurance are not included in the headcounts above.





SCHEDULE D – DETAILED TABULATIONS OF THE DATA

Schedule of Retiree Members Added to and Removed from Rolls Last Fourteen Fiscal Years

Year Ended	Added to Rolls		Removed from Rolls*		Rolls at Year-End		% Increase in Projected Benefits	Average Projected Benefits
	Number	Projected Benefits	Number	Projected Benefits	Number	Projected Benefits		
6/30/2013	2,110	8,977,566	3,217	4,370,993	45,332	100,514,730	10.81%	2,217
6/30/2014	2,251	8,658,731	2,873	4,834,922	44,710	87,007,272	(13.44)%	1,946
6/30/2015	2,329	8,897,861	2,932	4,682,901	44,107	90,855,858	4.42%	2,060
6/30/2016	2,820	10,209,470	2,650	4,258,016	44,277	90,484,518	(0.41)%	2,044
6/30/2017	2,355	10,099,985	2,774	4,834,866	43,858	91,554,056	1.18%	2,088
6/30/2018	2,383	7,833,624	2,820	5,004,204	43,421	90,696,175	(0.94)%	2,089
6/30/2019	1,791	6,375,244	2,665	4,496,857	42,547	82,778,168	(8.73)%	1,946
6/30/2020	2,058	6,645,569	2,749	4,275,713	41,856	69,600,381	(15.92)%	1,663
6/30/2021	2,213	7,152,506	3,172	4,050,170	40,897	69,028,349	(0.82)%	1,688
6/30/2022	2,245	6,676,697	3,011	4,299,770	40,131	63,016,244	(8.71)%	1,570
6/30/2023	2,155	5,780,866	2,630	3,716,184	39,656	59,374,856	(5.78)%	1,497
6/30/2024	2,156	5,852,358	2,620	4,216,620	39,192	49,618,746	(16.43)%	1,266
6/30/2025	2,314	6,550,861	2,496	3,106,146	39,010	64,146,121	29.28%	1,644

* The benefits removed from rolls do not include subsidies that were changed due to premium changes, plan election changes or reductions due to members obtaining Medicare eligibility.

Retirees currently waiving insurance are not included in the headcounts above.



SCHEDULE D – DETAILED TABULATIONS OF THE DATA



**Deferred Vested Members Eligible for Health Care
Male and Female Demographic Breakdown
As of June 30, 2025
Tabulated by Attained Ages**

Attained Age	Number of		Total Number
	Males	Females	
Under 35	8	6	14
35-39	64	69	133
40-44	148	198	346
45-49	199	429	628
50-54	264	883	1,147
55-59	323	1,399	1,722
60 & Over	498	2,194	2,692
Total	1,504	5,178	6,682



SCHEDULE D – DETAILED TABULATIONS OF THE DATA



Total Active Members as of June 30, 2025 Tabulated by Attained Ages and Years of Service

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	3,382							3,382
Avg Pay	\$13,403							\$13,403
20-24	11,421	86						11,507
Avg Pay	\$15,713	\$35,177						\$15,858
25-29	11,025	1,050	44					12,119
Avg Pay	\$19,319	\$38,383	\$49,433					\$21,080
30-34	10,445	2,020	518	26				13,009
Avg Pay	\$20,496	\$39,953	\$51,497	\$59,375				\$24,829
35-39	11,652	2,660	1,155	281	23			15,771
Avg Pay	\$20,499	\$36,932	\$51,413	\$60,374	\$61,690			\$26,305
40-44	12,137	3,804	1,634	675	285	51		18,586
Avg Pay	\$20,140	\$37,184	\$49,808	\$61,646	\$66,210	\$72,195		\$28,593
45-49	10,328	3,984	2,302	972	651	347	19	18,603
Avg Pay	\$19,334	\$35,342	\$43,772	\$55,533	\$65,462	\$67,240	\$78,296	\$30,246
50-54	8,346	3,728	2,836	1,712	1,213	770	229	18,834
Avg Pay	\$20,646	\$34,704	\$41,896	\$49,014	\$55,636	\$65,871	\$66,740	\$33,870
55-59	6,770	3,219	2,746	2,302	2,064	1,561	448	19,110
Avg Pay	\$20,972	\$36,167	\$40,897	\$42,953	\$48,056	\$54,435	\$65,483	\$35,745
60-64	5,359	2,512	2,119	2,111	2,701	2,492	910	18,204
Avg Pay	\$19,908	\$33,724	\$40,293	\$42,258	\$44,461	\$48,679	\$55,357	\$36,133
65-69	3,994	1,415	1,020	814	1,100	1,260	715	10,318
Avg Pay	\$14,809	\$28,509	\$37,688	\$41,762	\$44,684	\$46,648	\$47,874	\$30,440
70 & over	2,907	998	551	296	268	287	530	5,837
Avg Pay	\$11,624	\$20,893	\$28,643	\$34,236	\$37,391	\$42,458	\$45,042	\$21,696
Totals	97,766	25,476	14,925	9,189	8,305	6,768	2,851	165,280
Avg Pay	\$18,910	\$35,179	\$42,955	\$46,819	\$49,228	\$52,449	\$54,221	\$28,647

Averages:

Age: 46.6

Service: 6.9

Annual Pay: \$28,647



SCHEDULE D – DETAILED TABULATIONS OF THE DATA



Male Active Members as of June 30, 2025 Tabulated by Attained Ages and Years of Service

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	1,780							1,780
Avg Pay	\$13,741							\$13,741
20-24	4,675	48						4,723
Avg Pay	\$16,441	\$37,848						\$15,785
25-29	4,598	472	29					5,099
Avg Pay	\$19,624	\$45,494	\$55,683					\$22,224
30-34	3,684	729	283	16				4,712
Avg Pay	\$20,867	\$46,165	\$58,935	\$66,684				\$27,223
35-39	3,367	750	444	155	21			4,737
Avg Pay	\$21,053	\$45,619	\$62,610	\$65,508	\$60,450			\$30,467
40-44	3,653	842	530	305	172	30		5,532
Avg Pay	\$19,752	\$49,778	\$65,042	\$73,243	\$73,347	\$81,605		\$33,612
45-49	3,714	899	494	288	254	159	10	5,818
Avg Pay	\$17,440	\$44,397	\$59,495	\$74,641	\$81,538	\$77,909	\$86,052	\$32,577
50-54	3,325	860	542	377	279	262	110	5,755
Avg Pay	\$18,968	\$39,785	\$56,461	\$69,164	\$79,479	\$80,388	\$76,614	\$35,729
55-59	2,713	891	630	384	335	316	170	5,439
Avg Pay	\$20,674	\$43,359	\$52,643	\$62,069	\$69,042	\$77,165	\$78,662	\$39,089
60-64	2,110	859	590	436	411	339	225	4,970
Avg Pay	\$21,354	\$38,641	\$51,613	\$58,285	\$64,491	\$70,093	\$73,179	\$40,412
65-69	1,659	581	357	242	222	172	121	3,354
Avg Pay	\$16,199	\$31,268	\$44,448	\$49,469	\$60,891	\$63,704	\$65,993	\$31,408
70 & over	1,190	467	271	123	72	49	72	2,244
Avg Pay	\$12,468	\$23,637	\$32,572	\$39,857	\$44,022	\$52,758	\$59,152	\$22,112
Totals	36,468	7,398	4,170	2,326	1,766	1,327	708	54,163
Avg Pay	\$18,706	\$41,678	\$54,885	\$63,307	\$69,701	\$73,538	\$72,556	\$30,254

Averages:

Age: 45.1

Service: 5.4

Annual Pay: \$30,254



SCHEDULE D – DETAILED TABULATIONS OF THE DATA



Female Active Members as of June 30, 2025 Tabulated by Attained Ages and Years of Service

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	1,602							1,602
Avg Pay	\$13,028							\$13,028
20-24	6,746	38						6,784
Avg Pay	\$15,208	\$29,091						\$15,286
25-29	6,427	578	15					7,020
Avg Pay	\$19,101	\$32,576	\$37,350					\$20,249
30-34	6,761	1,291	235	10				8,297
Avg Pay	\$20,293	\$36,445	\$42,541	\$47,680				\$23,470
35-39	8,285	1,910	711	126	2			11,034
Avg Pay	\$20,274	\$33,521	\$44,420	\$54,060	\$74,717			\$24,519
40-44	8,484	2,962	1,104	370	113	21		13,054
Avg Pay	\$20,307	\$33,603	\$42,494	\$52,087	\$55,346	\$58,750		\$26,466
45-49	6,614	3,085	1,808	684	397	188	9	12,785
Avg Pay	\$20,398	\$32,703	\$39,476	\$47,487	\$55,177	\$58,217	\$69,678	\$29,185
50-54	5,021	2,868	2,294	1,335	934	508	119	13,079
Avg Pay	\$21,758	\$33,180	\$38,455	\$43,323	\$48,514	\$58,384	\$57,613	\$33,052
55-59	4,057	2,328	2,116	1,918	1,729	1,245	278	13,671
Avg Pay	\$21,171	\$33,415	\$37,400	\$39,126	\$43,990	\$48,666	\$57,425	\$34,414
60-64	3,249	1,653	1,529	1,675	2,290	2,153	685	13,234
Avg Pay	\$18,968	\$31,168	\$35,925	\$38,087	\$40,866	\$45,307	\$49,504	\$34,526
65-69	2,335	834	663	572	878	1,088	594	6,964
Avg Pay	\$13,821	\$26,586	\$34,047	\$38,501	\$40,586	\$43,952	\$44,183	\$29,974
70 & over	1,717	531	280	173	196	238	458	3,593
Avg Pay	\$11,040	\$18,480	\$24,840	\$30,240	\$34,956	\$40,337	\$42,824	\$21,436
Totals	61,298	18,078	10,755	6,863	6,539	5,441	2,143	111,117
Avg Pay	\$19,031	\$32,520	\$38,330	\$41,231	\$43,699	\$47,306	\$48,164	\$27,863

Averages:

Age: 47.4

Service: 7.6

Annual Pay: \$27,863



SCHEDULE D – DETAILED TABULATIONS OF THE DATA



Active Members as of June 30, 2025 Tabulated by Annual Pay

Annual Pay	Number of Active Members			Portion of Total Number	
	Men	Women	Totals	Group	Cumulative
Less than \$1,000	1,616	2,743	4,359	2.6%	2.6%
\$1,000 - 1,999	2,259	2,770	5,029	3.0%	5.7%
2,000 - 2,999	2,912	3,180	6,092	3.7%	9.4%
3,000 - 3,999	3,303	3,016	6,319	3.8%	13.2%
4,000 - 4,999	2,905	2,433	5,338	3.2%	16.4%
5,000 - 5,999	2,283	2,208	4,491	2.7%	19.1%
6,000 - 6,999	1,773	2,145	3,918	2.4%	21.5%
7,000 - 7,999	1,406	2,064	3,470	2.1%	23.6%
8,000 - 8,999	1,163	1,993	3,156	1.9%	25.5%
9,000 - 9,999	1,015	1,921	2,936	1.8%	27.3%
10,000 - 11,999	1,631	3,795	5,426	3.3%	30.6%
12,000 - 13,999	1,332	3,990	5,322	3.2%	33.8%
14,000 - 15,999	1,326	4,408	5,734	3.5%	37.3%
16,000 - 17,999	1,286	4,823	6,109	3.7%	41.0%
18,000 - 19,999	1,276	5,237	6,513	3.9%	44.9%
20,000 - 24,999	3,137	14,402	17,539	10.6%	55.5%
25,000 - 29,999	2,910	12,850	15,760	9.5%	65.0%
30,000 - 35,999	2,818	10,167	12,985	7.9%	72.9%
36,000 - 39,999	1,813	5,223	7,036	4.3%	77.2%
40,000 - 49,999	5,017	9,499	14,516	8.8%	85.9%
50,000 - 59,999	3,874	5,393	9,267	5.6%	91.6%
60,000 and over	7,108	6,857	13,965	8.4%	100.0%
Totals	54,163	111,117	165,280		



SCHEDULE E – GLOSSARY



Actuarial Accrued Liability. The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as "accrued liability" or "past service liability".

Accrued Service. The service credited under the plan which was rendered before the date of the actuarial valuation.

Actuarial Assumptions. Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future plan benefits" between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the "actuarial funding method".

Actuarial Equivalent. A series of payments is called an actuarial equivalent of another series of payments if the two series have the same actuarial present value.

Actuarial Present Value. The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

Age-Related Morbidity. Assumed increase to the net incurred claims related to increase in age.

Amortization. Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

Experience Gain (Loss). A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.

Health Care Cost Trend Rates. The annual assumed rate of increase for both claims and contributions.

Normal Cost. The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as "current service cost". Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

Plan Termination Liability. The actuarial present value of future plan benefits based on the assumption that there will be no further accruals for future service and salary. The termination liability will generally be less than the liabilities computed on a "going concern" basis and is not normally determined in a routine actuarial valuation.

Reserve Account. An account used to indicate that funds have been set aside for a specific purpose and are not generally available for other uses.



SCHEDULE E – GLOSSARY



Unfunded Actuarial Accrued Liability. The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as "unfunded accrued liability".

Valuation Assets. The value of current plan assets recognized for valuation purposes. Generally based on book value plus a portion of unrealized appreciation or depreciation.



ANNUAL ACTUARIAL VALUATION

ALLOCATION OF EMPLOYER CONTRIBUTIONS

_____ moved and _____ seconded that after review and discussion of the actuary's *Report on the Annual Basic Benefits Valuation of the School Employees Retirement System of Ohio* (prepared as of June 30, 2025) at the November 2025 Board meeting, the Board accept the actuary's recommended allocation of the 14% employer contribution for fiscal year 2026 as follows: Pension Fund (9.37%), Death Benefit Fund (0.02%), Medicare B Fund (0.35%) and Health Care Fund (0.00%). The Board decided at the September 2025 Board meeting that no allocation from the 14% employer contribution should be made to the Health Care Fund in fiscal year 2026, preferring instead to enhance the funding levels for Basic Benefits. The remainder (4.26%) of the 14% employer contribution will be allocated proportionately to the Pension Fund, Death Benefit Fund and Medicare B Fund in accordance with the funding policy approved by the Board on June 18, 2015.

Upon roll call, the vote was as follows:

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



November 11, 2025

Mr. Richard Stensrud
Executive Director
School Employees Retirement System of Ohio
300 East Broad Street, Suite 100
Columbus, OH 43215-3746

Dear Mr. Stensrud:

As you know, Section 3309.491 of the Ohio Revised Code requires the actuary to calculate a surcharge level (minimum compensation amount) that will help fund the retiree health care program provided by SERS. Although not specified in statute, the surcharge level has historically been set so as to help reach the Board of Trustees' funding policy goal with regard to retiree health care.

The current funding goal is the achievement of at least a 20-year solvency period in the Health Care Fund. We have interpreted that to mean that the surcharge should be set to ensure the Fund is not projected to be depleted before 20 years have elapsed but may reach zero at some point after that.

The current surcharge level is \$33,000 for the 2025-2026 fiscal year, which was estimated based on data available last year. After review of the fiscal year 2025 surcharge file provided by staff projected forward to 2026, we expect the 2025-2026 fiscal year surcharge at the required level of \$33,000 to be appropriate.

For the 2026-2027 fiscal year, we recommend a 6% increase to the fiscal year 2025-2026 level to \$35,000 in order meet the stated funding policy goal based on the same data used to review the 2025-2026 fiscal year surcharge required level and the assumptions as described on the following pages projected to 2027.

These calculated amounts are based on the assumption that the employer contributions to the Health Care Fund is 0.00%.



Since discussion of compensation increases have been presented in order for SERS to remain competitive in the current job market, we built in some additional consideration in our payroll projections. Based upon the limits as defined in Section 3309.491(B), the surcharge contributions made by each employer cannot exceed 2.00% of that employer's payroll, and, in the aggregate, the surcharge contributions cannot be more than 1.50% of the total System payroll. Even at our recommended level of \$35,000, it is expected that the actual surcharge contributions would once again be limited to 1.50% of total System payroll. Depending on the mix of members with earnings under the required surcharge as distributed by employer, the limit of 2.00% of each employer's payroll could potentially be applied to further limit the overall collected surcharge amount to less than 1.50% of overall payroll if the surcharge limit is set too low. Because of this we built some margin into the recommended level.

A description of our methodology used to calculate the surcharge level is as follows:

- o For all active employees as of the valuation date of June 30, 2025, we projected the reported 2024-2025 fiscal year earnings forward to fiscal year 2025-2026 and 2026-2027 using the salary scale assumption for each individual. To account for any across-the-board salary increases, we then applied an additional 4.00% increase.
- o We assumed that the employer contributions to the Health Care Fund would be 0.00%.
- o We rolled the June 30, 2024 Health Care Fund preliminary assets forward using the assumed investment return of 7.00% and projected benefit payments from the valuation. Assuming employer contributions to the Fund are 1.50% of payroll every year starting in 2027, we projected that the Fund would remain solvent for at least 20 years.
- o We assumed the surcharge would be prorated for members who were reported working less than 120 days for fiscal year 2024-2025. The contributions were not assumed to be collected on behalf of school board members. We calculated the amount that would be contributed on behalf of each member by taking 14% of the difference between the minimum compensation level and the amount of projected earnings and prorating the contribution based on fiscal year 2024-2025 service, if applicable.
- o Using the fiscal year 2025 surcharge file provided by staff which shows total payroll for each employer, we estimated the impact of the 2.00% per employer limit in the collected surcharge amounts for both fiscal year 2025-2026 and fiscal year 2026-2027.



- o After applying the 2.00% per employer limit in the collected surcharge amounts for fiscal year 2026-2027, our calculated estimates indicate that the \$33,000 threshold would cause the total surcharge dollar amount to meet the overall 1.50% overall payroll amount. However, small deviations in our assumptions could cause the total surcharge dollar amount to fall below the overall 1.50% overall payroll amount. **Therefore, we recommend a 6% increase to \$35,000 to account for adverse deviations.**

Limitations of our methodology:

- We are using active data at the snapshot date of June 30, 2025 and projecting forward. We did not include members who terminated during the 2024-2025 fiscal year or members who are hired after June 30, 2025.
- We assumed each active member's service amount would stay the same as in the June 30, 2025 data and the surcharge amount will be prorated similarly, if applicable.
- Depending on the mix of members with earnings under the required surcharge by employer, the limit of 2.00% of each employer's payroll could potentially be applied to limit the overall collected surcharge amount to less than 1.50% of overall payroll if the surcharge limit is set too low.
- Our health fund solvency projections are based on the healthcare trend assumptions used in the June 30, 2024 OPEB valuation and do not include the potential impact of significant increases in healthcare costs in the future due to such considerations as high cost specialty drugs and treatments, or significant legislative changes impacting Medicare plan designs and reimbursements.

Please feel free to call if you have any questions or wish to discuss our calculation methodology.

Sincerely,

Alisa Bennett, FSA, EA, FCA, MAAA
President

Jessica Fain, EA, ACA, MAAA
Associate Actuary

HEALTH CARE SURCHARGE LEVEL FOR FY2027

_____ moved and _____ seconded the motion to accept the recommendation of SERS's actuary, CavMac, and establish \$35,000 as the minimum compensation amount for purposes of the fiscal year 2027 Health Care surcharge.

Upon roll call, the vote was as follows:

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

Memo

To: SERS Board
From: Richard Stensrud, Executive Director
Date: January 13, 2025
Re: Master Record Keeping & Performance Vendor Change

On August 31, 2025 the current master record keeper and performance contracts with BNY expire. SERS completed an extensive RFP and due diligence process and selected Clearwater Analytics as the new vendor. BNY is the current master record keeper and performance provider for the SERS investment portfolio. BNY will continue as SERS' global custodian.

The change in vendor was based on the following benefits:

- Utilization of emerging technologies that align with the investment portfolio's allocation to alternative asset classes
- All in one solution including accounting, performance, document collection, alternative investment details
- Robust reporting, which supports SERS transparency of investment performance and fees
- Daily reconciliations versus weekly with the existing provider
- Increased efficiency due to the elimination of a significant amount of manual work required with the existing provider
- Reduced fees post implementation. SERS currently pays for additional services due to the system limitations of the current provider.

With any change SERS is managing the following risks:

- Doing nothing exposes SERS to a risk of failure. The existing provider utilizes a legacy system that is not scheduled for modernization.
- SERS will incur an estimated 9 months of duplicate fees during the 12-month implementation period. The first three months of fees have been waived, but the current budget cycle ending June 30, 2025, will include three months of duplicate fees. SERS estimates those additional three months will fall within the 10% variance allowed under the Executive Director's authority for the fiscal year 2025 budget.
 - The duplicate fees are recovered by cost savings in future years
 - The fiscal year 2026 budget will have a slight increase due to duplicate fees, and the fiscal year 2027 budget will see a reduction in expenses for this service
- System implementations place a strain on staff's capacity, which cannot impact the service delivery to the SERS Investment department. Therefore, the Finance department has reallocated job duties to ensure deadlines continue to be met with accuracy.



GLOBAL FIXED INCOME PORTFOLIO REVIEW

As of August 31, 2025

Presented by Investment Staff:

Jason Naber

Meeting Date: November 2025

As of August 31, 2025



FIXED INCOME

Portfolio Summary

\$2.8 Billion Market Value

- 13 External Mandates across 3 Strategies (Core, Core Plus and Tactical & Diversifying)
 - 9 Ranked as A
 - 2 Ranked as B
 - 2 New Managers

Fixed Income Performance

- Total Return for 1 Year ending August 2025 was 4.7%
- 1 Year Excess Net Return was 1.0%
- Net Excess Returns for 3, 5, & 10 Years Continue to be Positive

Portfolio Structure

- Target Allocation 18%; Actual Allocation 13.2%
- Benchmark is Bloomberg US Universal Index
- Portfolio Management Fee Average is 0.40%

Role: Provide Income, Diversification & Risk Reduction to Total Fund

- Contribution of Total Fund Risk is 2.0% relative to Portfolio Weight of 13.2%

As of August 31, 2025



FIXED INCOME

Portfolio Characteristics

Strategy	Average Quality Rating	Yield to Maturity	Effective Duration
Core	AA	4.62%	6.1 yrs
Core Plus	A+	5.15%	5.6 yrs
Core & Core Plus	AA-	4.86%	5.8 yrs
Tactical & Diversifying	BBB	6.12%	3.4 yrs
Portfolio	A+	5.03%	5.5 yrs
Bloomberg US Universal Index	AA-	4.63%	5.7 yrs

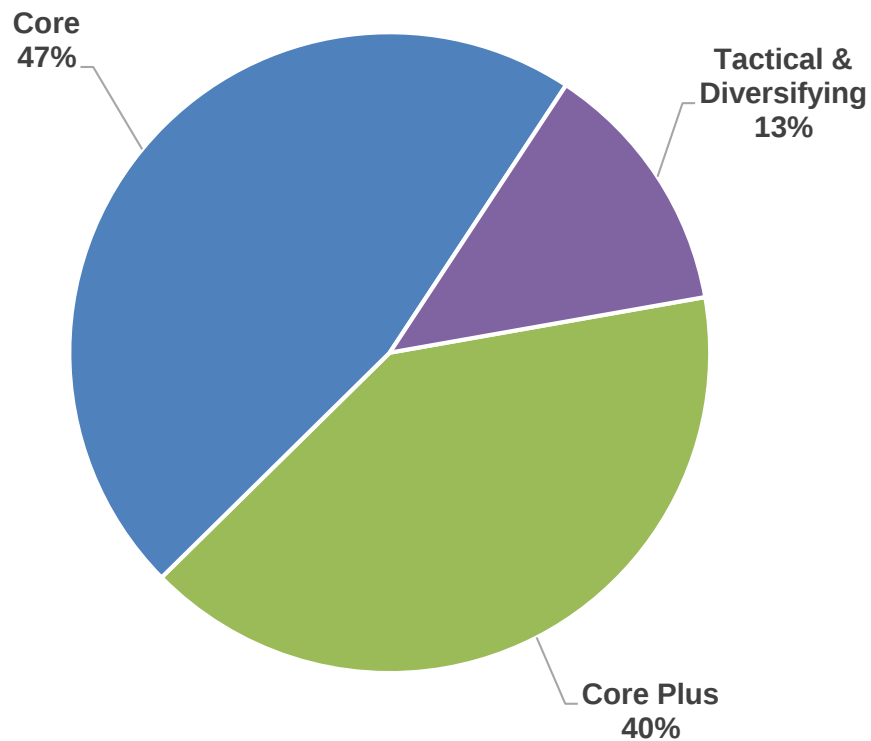
As of August 31, 2025



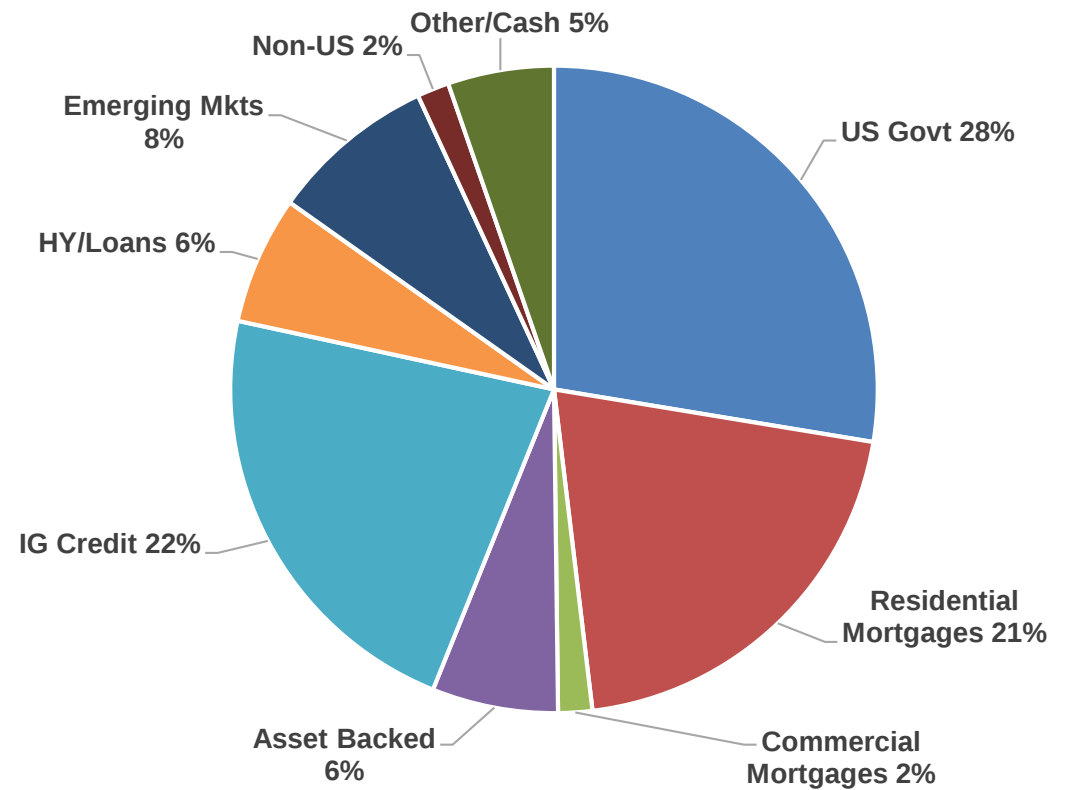
FIXED INCOME

Portfolio Construction

Portfolio Strategy



Portfolio Sector Exposures

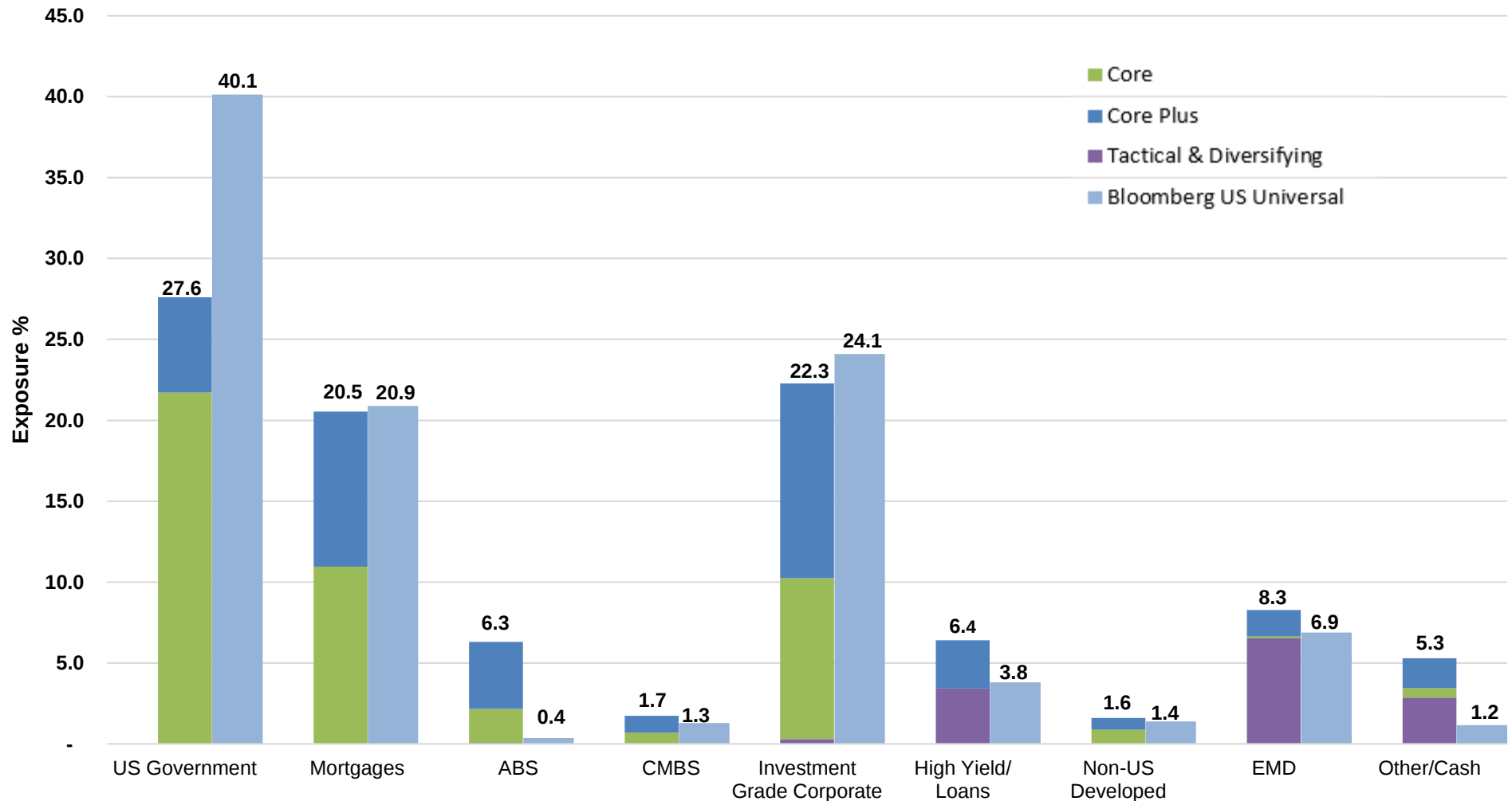


As of August 31, 2025



FIXED INCOME

Sector Exposure vs Benchmark

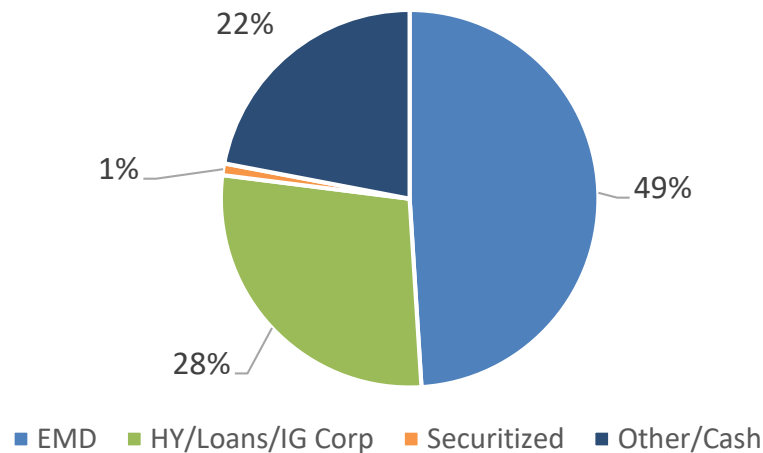


Tactical & Diversifying Strategy

Strategy Characteristics:

- Higher Yield
- Lower Interest Rate Risk
- Long & Short Exposure (Strategy-Specific)
- No US Treasury Exposure
- Low Correlation to Traditional Fixed Income
- Seeks Opportunities Outside the Benchmark

Sector Allocations



Annualized Performance

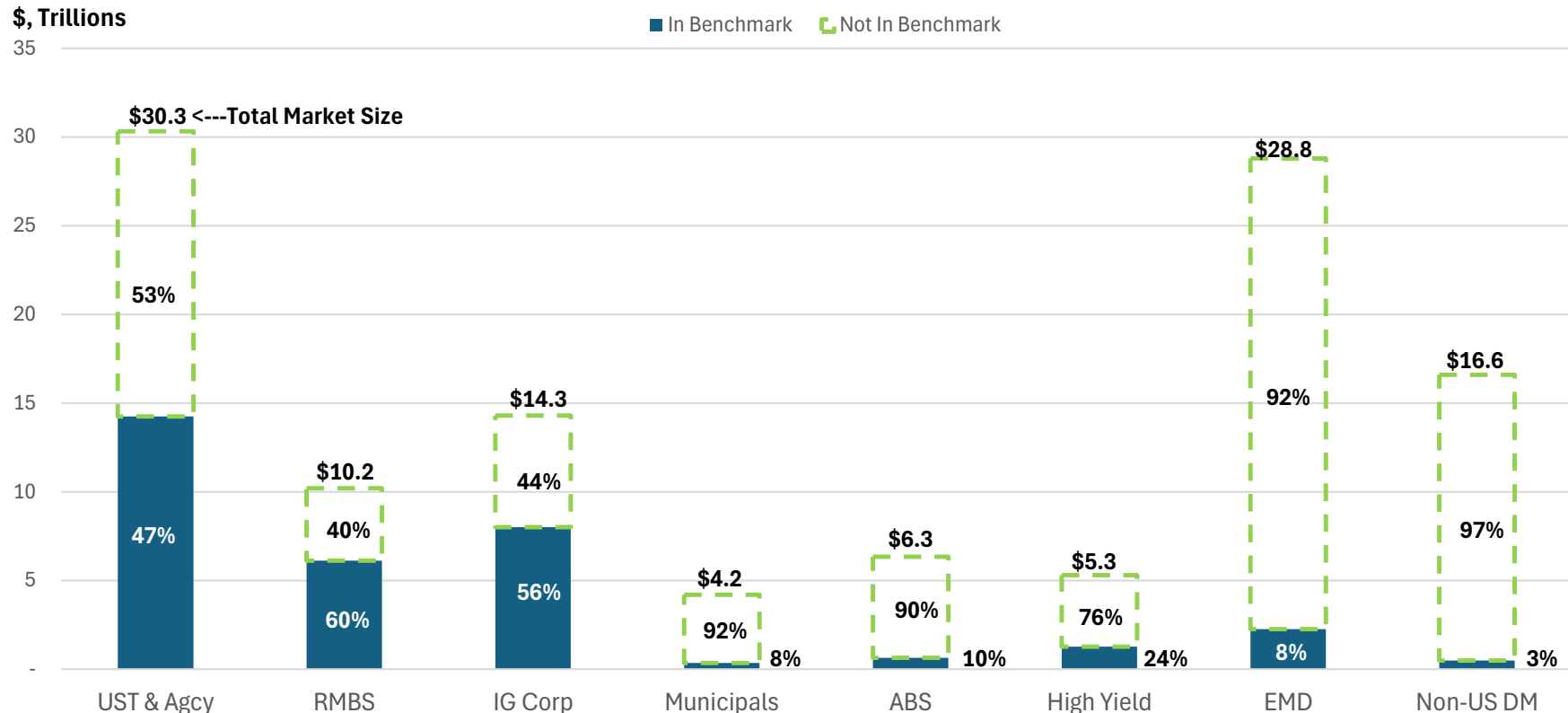


As of August 31, 2025



FIXED INCOME

Fixed Income Opportunity Set



Source: JP Morgan, SIFMA, Statista as of 12/31/2024

Key Insights

- Total Global Fixed Income Market Value of \$145 Trillion is Larger than Equities
- Bloomberg US Universal Index Represents 23% of the Total Investable Market
- Index is Constructed using Sampling Method since not All Securities can be Included

As of August 31, 2025



FIXED INCOME

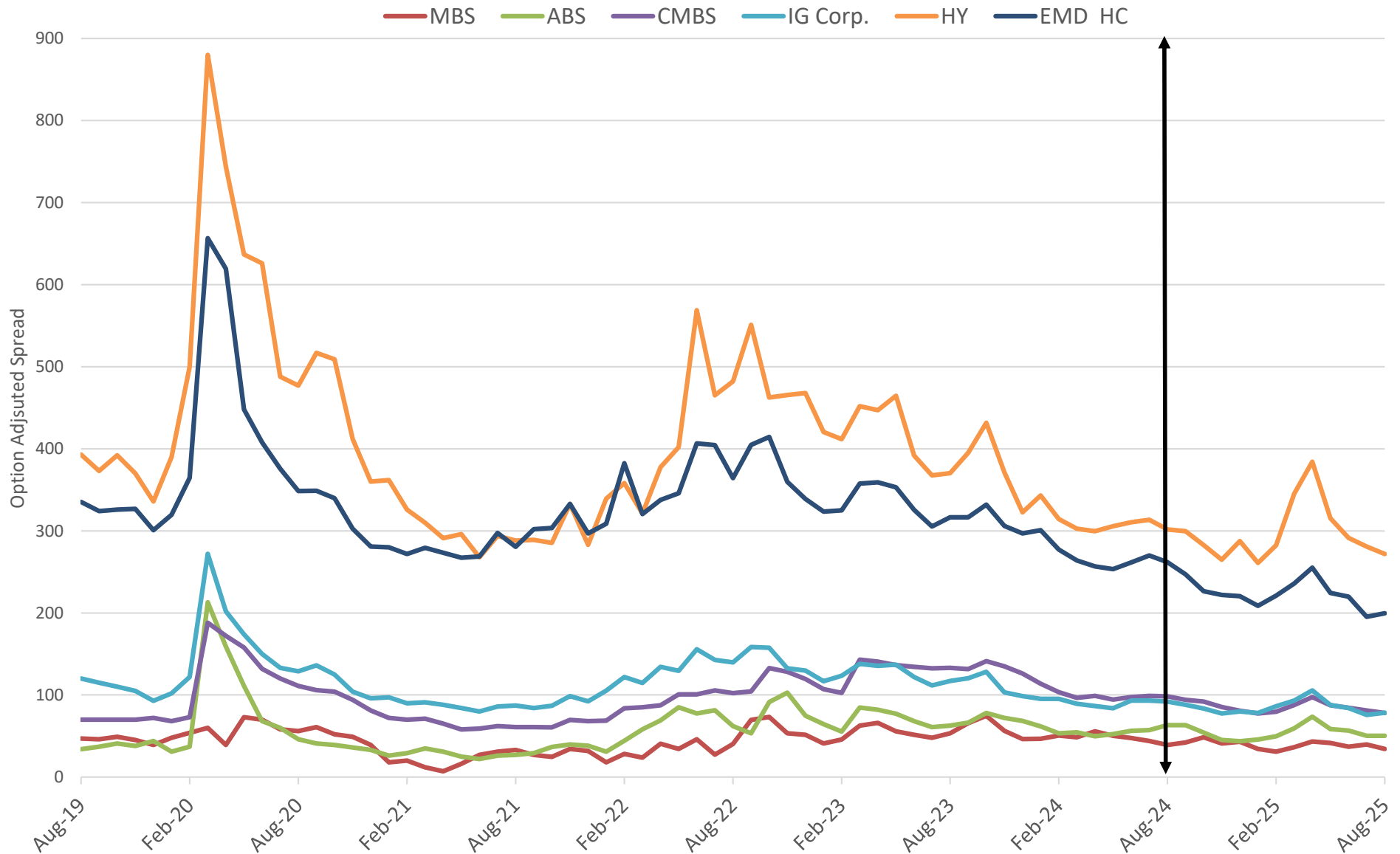
Market Performance

YTD	One Year	Three Years	Five Years	Ten Years
EMD Blend 11.27%	EMD Blend 9.08%	High Yield 9.29%	High Yield 5.15%	High Yield 5.80%
U.S. TIPS 6.41%	High Yield 8.26%	EMD Blend 9.10%	Asset-Backed 2.02%	EMD Blend 3.53%
High Yield 6.35%	Asset-Backed 5.01%	Asset-Backed 4.73%	EMD Blend 1.61%	Inv. Grade Corp. 3.04%
Agency MBS 5.48%	U.S. TIPS 4.89%	Inv. Grade Corp. 4.64%	U.S. TIPS 1.26%	U.S. TIPS 2.90%
Inv. Grade Corp. 5.30%	Inv. Grade Corp. 3.91%	U.S. Universal 3.69%	Inv. Grade Corp. -0.01%	Asset-Backed 2.38%
U.S. Universal 5.20%	U.S. Universal 3.72%	Agency MBS 2.83%	U.S. Universal -0.17%	U.S. Universal 2.19%
U.S. Treasury 4.48%	Agency MBS 3.36%	U.S. TIPS 2.37%	Agency MBS -0.41%	Agency MBS 1.34%
Asset-Backed 4.05%	U.S. Treasury 2.42%	U.S. Treasury 2.06%	U.S. Treasury -1.47%	U.S. Treasury 1.18%

As of August 31, 2025

FIXED INCOME

Sector Spreads



Source: Bloomberg

As of August 31, 2025



FIXED INCOME

Portfolio Performance

	One Year	Three Years	Five Years	Ten Years
Global Fixed Income	4.7%	4.4%	0.7%	2.9%
-Core (47%)	3.2	3.2	-0.3	2.1
-Core Plus (40%)	4.7	4.6	0.6	3.0
-Core & Core Plus (87%)	3.9%	3.8%	0.1%	2.6%
-Tactical & Diversifying (13%)	11.1	8.4	4.6	4.6
Fixed Income Benchmark*	3.7%	3.2%	-0.6%	1.9%
Excess Net of Fee Return	1.0%	1.2%	1.3%	1.0%

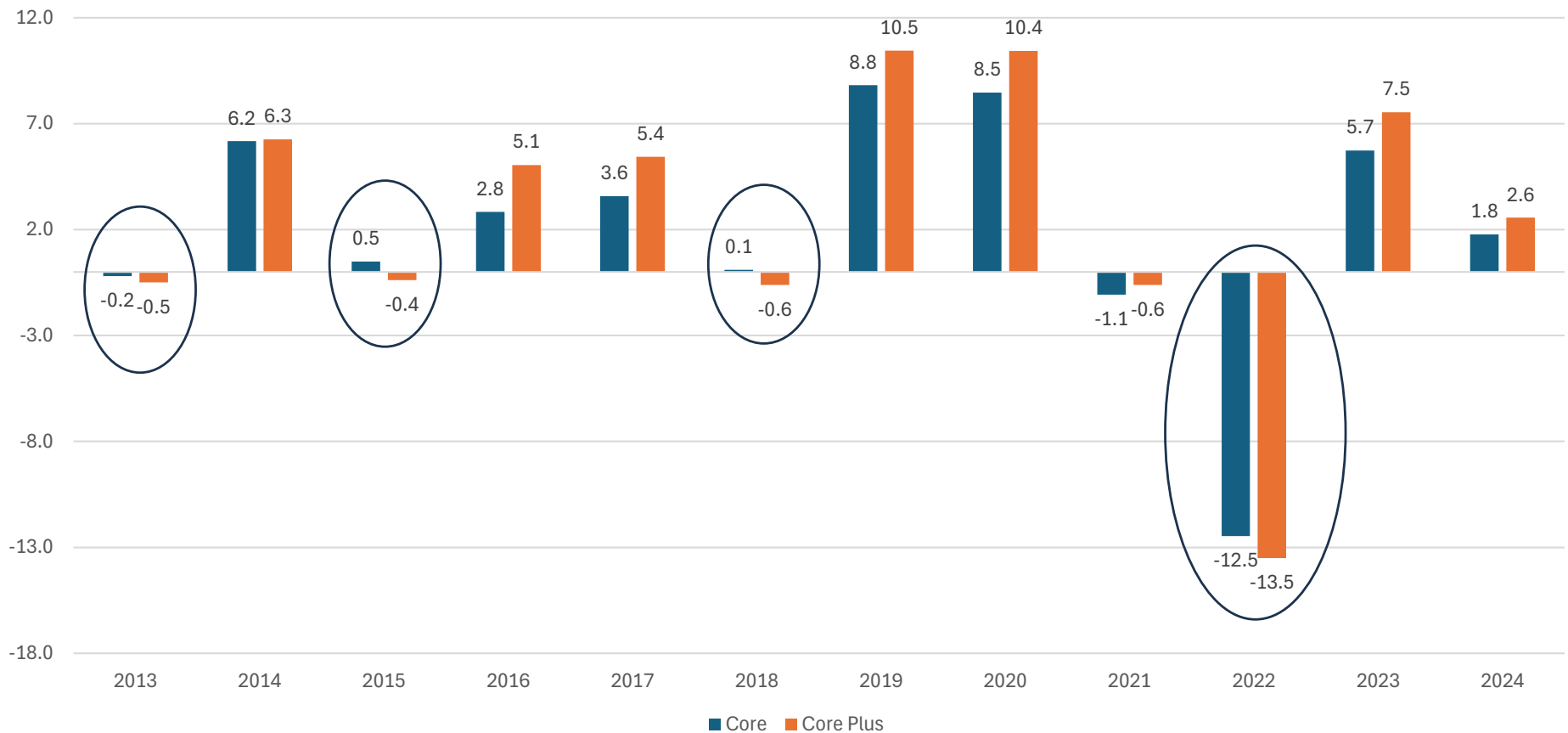
*Bloomberg US Universal Index since 7/1/2024, Bloomberg US Aggregate Index prior.

As of August 31, 2025



FIXED INCOME

Core vs Core Plus Performance



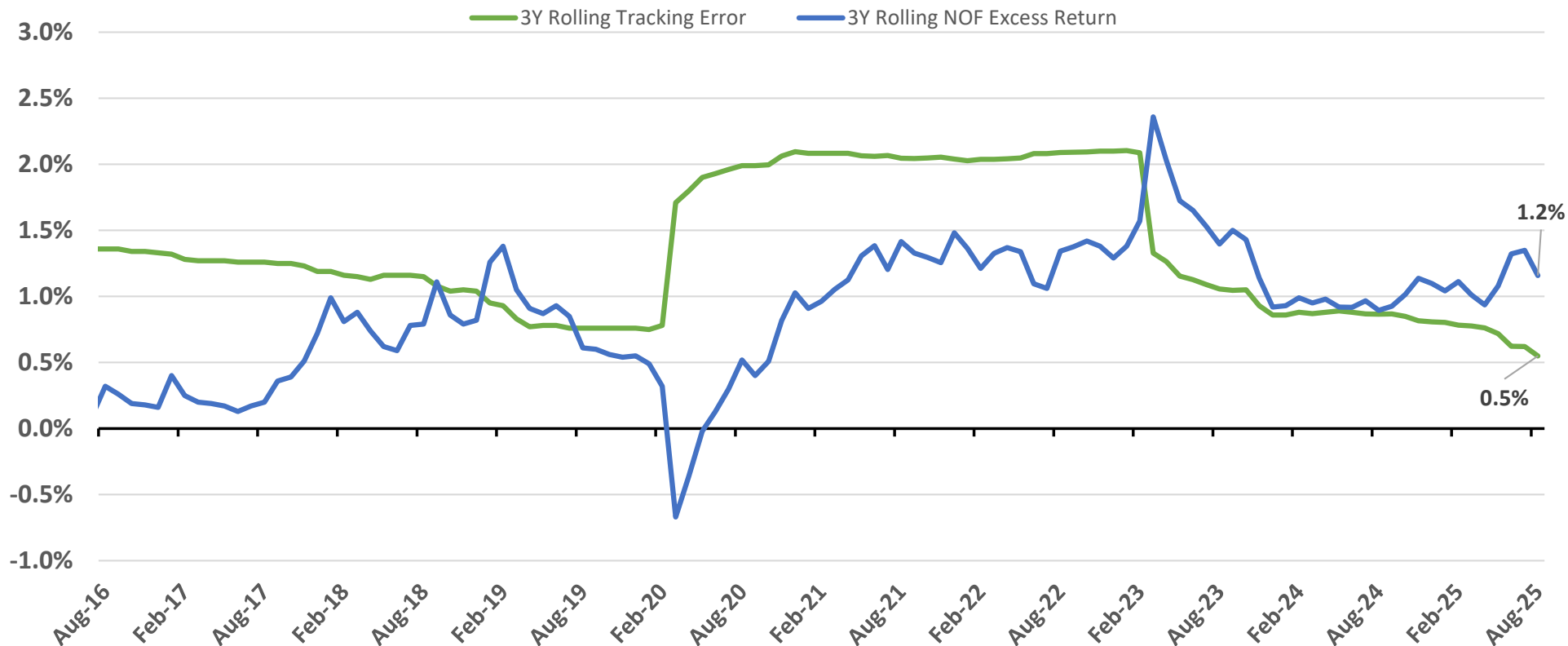
Key Insights

- Core Outperforms Core Plus During Periods of Market Stress Due to Higher Govt Exposure
- Treasuries Outperform Credit in Times of Market Stress

As of August 31, 2025

FIXED INCOME

Three Year Rolling Risk and Return



*Benchmark change to the Bloomberg US Universal Index on July 1, 2024.

Key Insights

- 3-Year Tracking Error moved lower due to HY and EMD inclusion in benchmark
- Tracking Error guideline maximum reduced from 5% to 4%
- 3-Year Excess Return continues to be close to 1%

As of August 31, 2025



FIXED INCOME

The Year in Review

Tactically Managed Strategy Allocations

- \$59 Million in Net Contributions to Core
- \$79 Million in Net Contributions to Core Plus
- \$63 Million in Net Contributions to Tactical & Diversifying

Portfolio Activity

- Contributions since November 2022 Total \$573 Million
- Funded a New Core Plus Mandate in February 2025
- Terminated an Underperforming Core Plus Mandate
- Credit Focused Dislocation Strategy funded \$25 Million in April 2025

Portfolio Management

- Portfolio Continues to be Underweight vs Strategic Allocation of 18% by 4.8%
- Strategy Positioning has a Higher Allocation to Core Assets
- Fully Renegotiated One Manager IMA



Fixed Income Outlook

Current Fixed Income Markets

- Credit is Richly Priced Relative to 30 Year History
- Late Credit Cycle with Continued Earnings Growth and Stable Corporate Fundamentals
- Yields in Credit Are Attractive Ranging from 4.7% to 6.7%
- Interest Rates are Priced to Decline by 1.0% Through 2026 with Expected Fed Cuts

Potential Portfolio Changes

- Monitor when to Increase the Fixed Income Allocation
- Alter the Mix Between Core, Core Plus and Tactical & Diversifying to Optimize Performance

Portfolio Return Expectations

- Falling Interest Rates Will Benefit Fixed Income Returns
- Long-Term Returns are Expected to be Close to Current Portfolio Yield of 5.0%



Core: Mandates holding securities similar to the US Aggregate Index.

Core Plus: Mandates that hold core securities plus higher yielding, riskier securities. Riskier securities include high yield, Non-US and emerging market debt.

Credit Spread: The incremental yield earned above a risk-free US Treasury bond for taking on the added risk of a bond or securitized asset including the possibility of default.

Effective Duration: Estimates a bond/portfolio's price sensitivity to changes in interest rates.

Tactical & Diversifying: Mandates with non-index holdings in emerging market debt and high yield as well as non-traditional strategies like long/short credit, dislocation opportunities, and emerging market macro.

Acronyms

ABS: Asset Backed Security

CMBS: Commercial Mortgage-Backed Securities

EMD: Emerging Market Debt

ETF: Exchange Traded Fund

HY: High Yield

IG Credit: Investment Grade Corporates

MBS: Mortgage-Backed Securities

NOF: Net of Fee

US TIPS: United States Treasury Inflation Protected Securities

Wilshire



Quarterly Market Review

September 30, 2025

Market Commentary

U.S. Equity

The U.S. stock market was up 8.2% for the third quarter and 14.4% for the past nine months. Sector performance was mostly positive for the quarter, with all but one sector producing a gain. The two best performing sectors were information technology (+13.1%) and communication services (+12.5%). Small-cap underperformed large-cap by 130 basis points while growth stocks generally outperformed value by a large margin.

There has been no shortage of discussion this year concerning tariffs, including their effect on the broadest measure of economic growth – real Gross Domestic Product (GDP). Many have argued that the on-again/off-again usage of tariffs distorted the official GDP reading both during the first and second quarters. Fortunately for both market analysts and economists, the combined results of the first six months of 2025 appear to provide an honest assessment of current conditions. When combined, the annualized real GDP growth equals 1.6%, with consumer spending contributing 1.0% and private/business investment equaling 0.5%. This modest economic growth rate (1.6% annualized) is supported by an array of other data that abated during the first half of the year.

Non-U.S. Equity

In the United Kingdom, the blue-chip FTSE 100 Index ended the quarter at an all-time high after government leaders reaffirmed their commitment to fiscal responsibility and official figures showed that the economy grew during the second quarter. Real economic growth in Germany was negative during the second quarter, continuing a general downward trend that started in late 2022. Economic conditions in China suggest a general slowdown as retail sales and industrial output are growing but at subdued rates.

Fixed Income

The U.S. Treasury yield curve was down across the maturity spectrum during the quarter with the 10-year Treasury yield finishing at 4.15%, down eight basis points from June. Credit spreads were also down with high-yield bond spreads down 23 basis points, to end the quarter at 2.67%. The FOMC dropped the overnight rate by 25 basis points at the September meeting, targeting a range of 4.00% to 4.25%. The Fed's "dot plot" is messaging that the current expectation is for a continued decrease in rates in 2025, by -0.50% as signaled following the meeting.

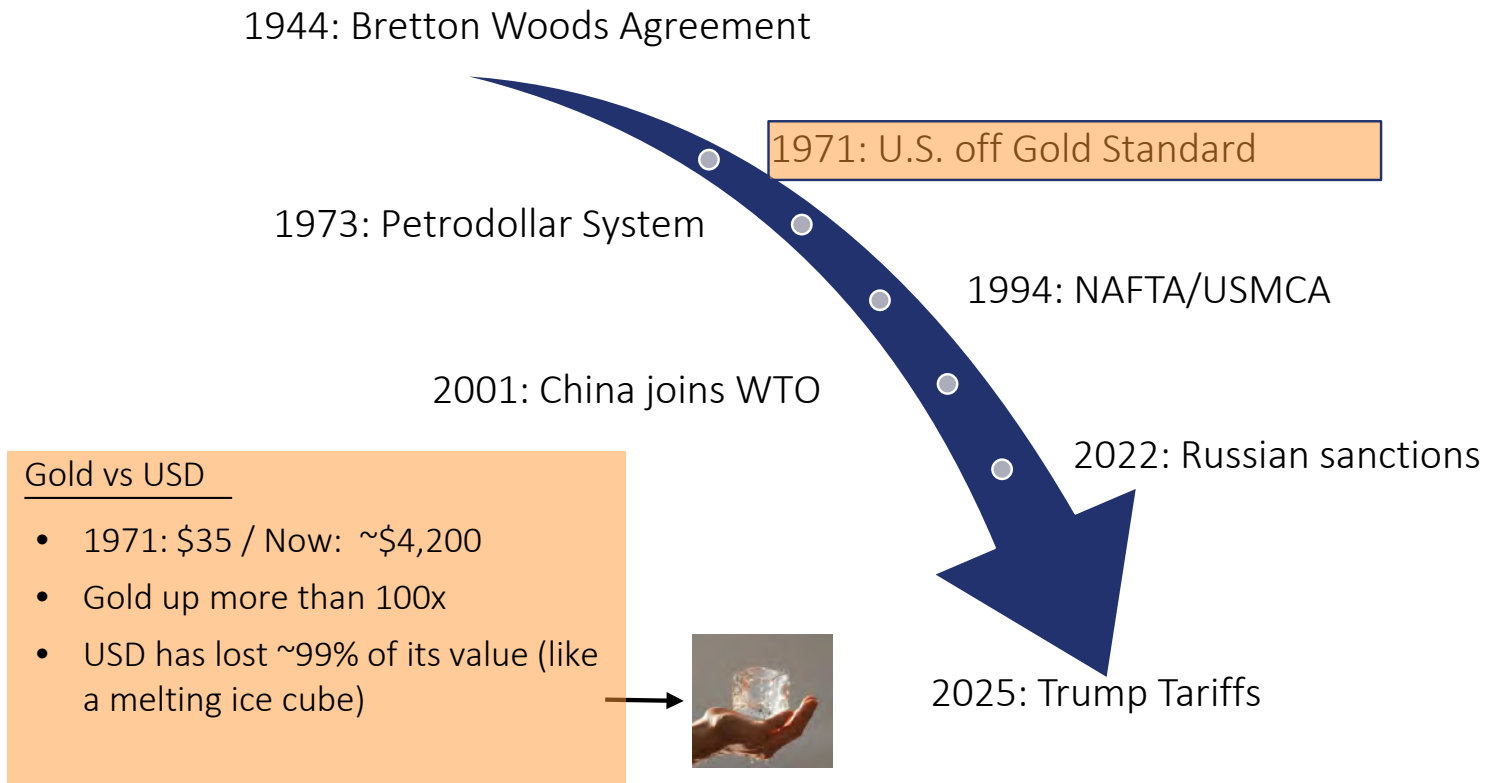
September 2025 Asset Class Assumptions

	Equity						Fixed Income							Real Assets					
	U.S. Stock	Dev ex-U.S. Stock	Emg Stock	Global ex-U.S. Stock	Global Stock	Private Equity	Cash	Core Bond	LT Core Bond	TIPS	High Yield	Private Credit	Dev ex-U.S. Bond (Hdg)	U.S. RES	Global RES	Private RE	Cmdty	Real Assets	U.S. CPI
Compound Return (%)	4.10	5.10	5.35	5.45	4.65	6.00	3.30	4.90	5.10	4.35	6.05	7.45	3.15	5.65	5.80	6.45	4.85	6.90	2.35
Arithmetic Return (%)	5.45	6.60	8.35	7.10	6.00	9.80	3.30	5.00	5.55	4.50	6.50	8.20	3.25	7.05	7.05	7.35	6.05	7.65	2.35
Risk (%)	17.00	18.00	26.00	19.05	17.00	29.65	0.75	4.75	9.90	6.00	10.00	12.75	4.00	17.50	16.55	13.95	16.00	12.60	1.75
Yield (%)	1.20	2.85	2.15	2.65	1.70	0.00	3.30	5.70	5.75	5.00	9.70	4.70	4.25	3.90	3.90	2.90	3.30	3.75	0.00
Growth Factor Exposure	8.00	8.00	8.00	8.00	8.00	14.00	0.00	-0.95	-2.55	-3.00	4.00	5.10	-1.00	6.00	6.00	3.70	0.00	2.85	0.00
Inflation Factor Exposure	-3.00	-1.00	3.00	0.15	-1.95	-4.25	0.00	-2.60	-6.95	2.50	-1.00	-1.50	-3.00	1.00	1.65	1.00	12.00	5.20	1.00

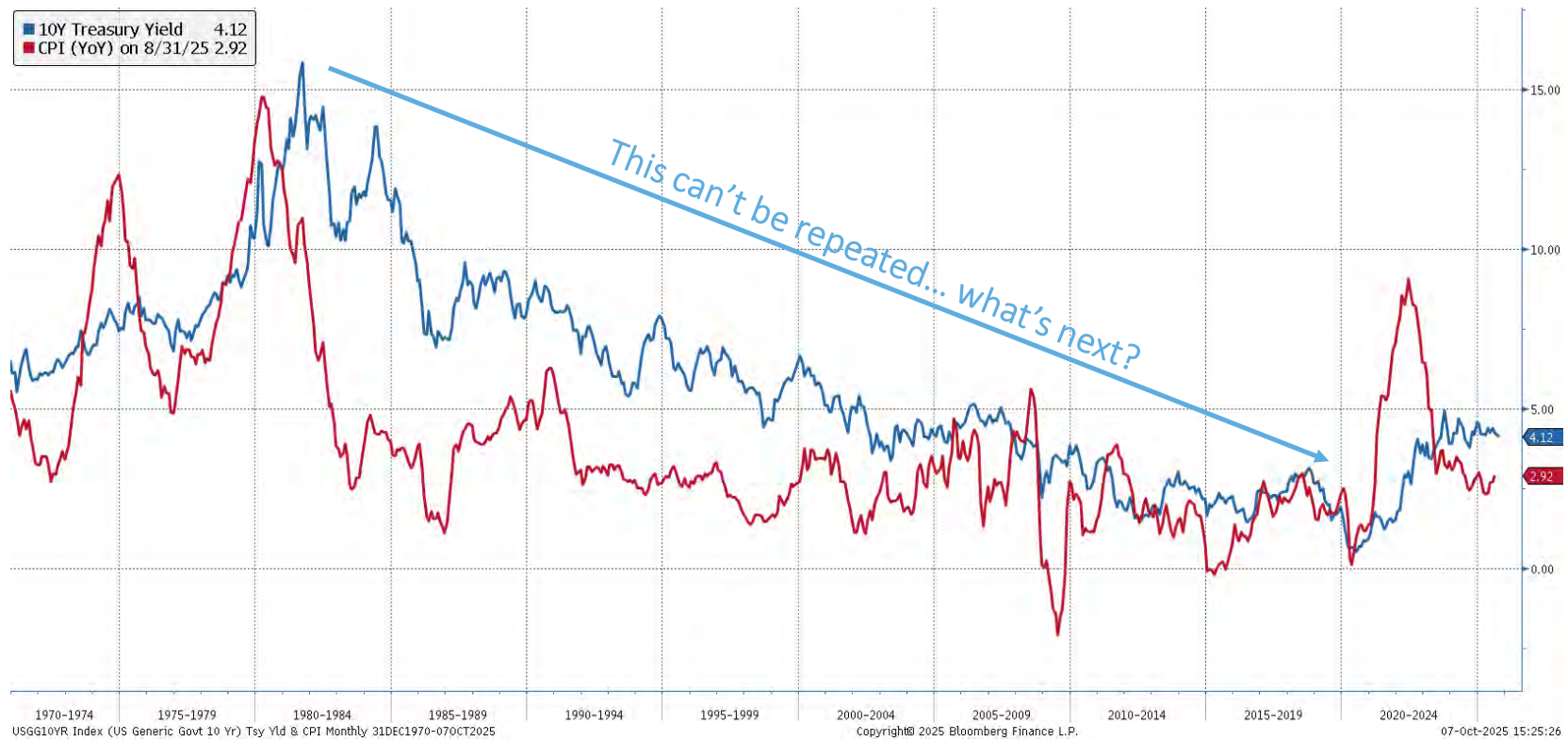
Correlations

U.S. Stock	1.00																		
Dev ex-U.S. Stock (USD)	0.81	1.00																	
Emerging Mkt Stock	0.74	0.74	1.00																
Global ex-U.S. Stock	0.84	0.96	0.89	1.00															
Global Stock	0.98	0.90	0.83	0.93	1.00														
Private Equity	0.72	0.63	0.61	0.66	0.73	1.00													
Cash Equivalents	-0.05	-0.09	-0.05	-0.08	-0.06	0.00	1.00												
Core Bond	0.27	0.13	0.00	0.08	0.21	0.30	0.18	1.00											
LT Core Bond	0.30	0.15	0.00	0.10	0.24	0.31	0.11	0.95	1.00										
TIPS	-0.05	0.00	0.15	0.06	-0.01	-0.03	0.20	0.60	0.47	1.00									
High Yield Bond	0.54	0.39	0.49	0.46	0.53	0.31	-0.10	0.24	0.32	0.05	1.00								
Private Credit	0.68	0.55	0.58	0.60	0.68	0.44	0.00	0.23	0.30	0.00	0.76	1.00							
Dev ex-U.S. Bond (Hdg)	0.16	0.25	-0.01	0.16	0.17	0.26	0.10	0.68	0.66	0.39	0.26	0.22	1.00						
U.S. RE Securities	0.57	0.47	0.44	0.49	0.56	0.49	-0.05	0.17	0.22	0.10	0.56	0.62	0.05	1.00					
Global RE Securities	0.62	0.55	0.52	0.58	0.63	0.54	-0.05	0.17	0.21	0.11	0.61	0.67	0.04	0.99	1.00				
Private Real Estate	0.55	0.45	0.45	0.48	0.55	0.50	-0.05	0.18	0.24	0.09	0.58	0.63	0.05	0.79	0.79	1.00			
Commodities	0.25	0.34	0.39	0.38	0.31	0.28	0.00	-0.03	-0.04	0.25	0.29	0.29	-0.10	0.25	0.28	0.25	1.00		
Real Assets	0.62	0.63	0.65	0.68	0.67	0.57	-0.03	0.24	0.25	0.32	0.64	0.69	0.06	0.79	0.83	0.77	0.63	1.00	
Inflation (CPI)	-0.10	-0.15	-0.13	-0.15	-0.12	-0.10	0.10	-0.12	-0.12	0.15	-0.08	0.00	-0.08	0.05	0.04	0.05	0.44	0.21	1.00

Trade/Currency Timeline: From Bretton Woods to “Liberation Day”

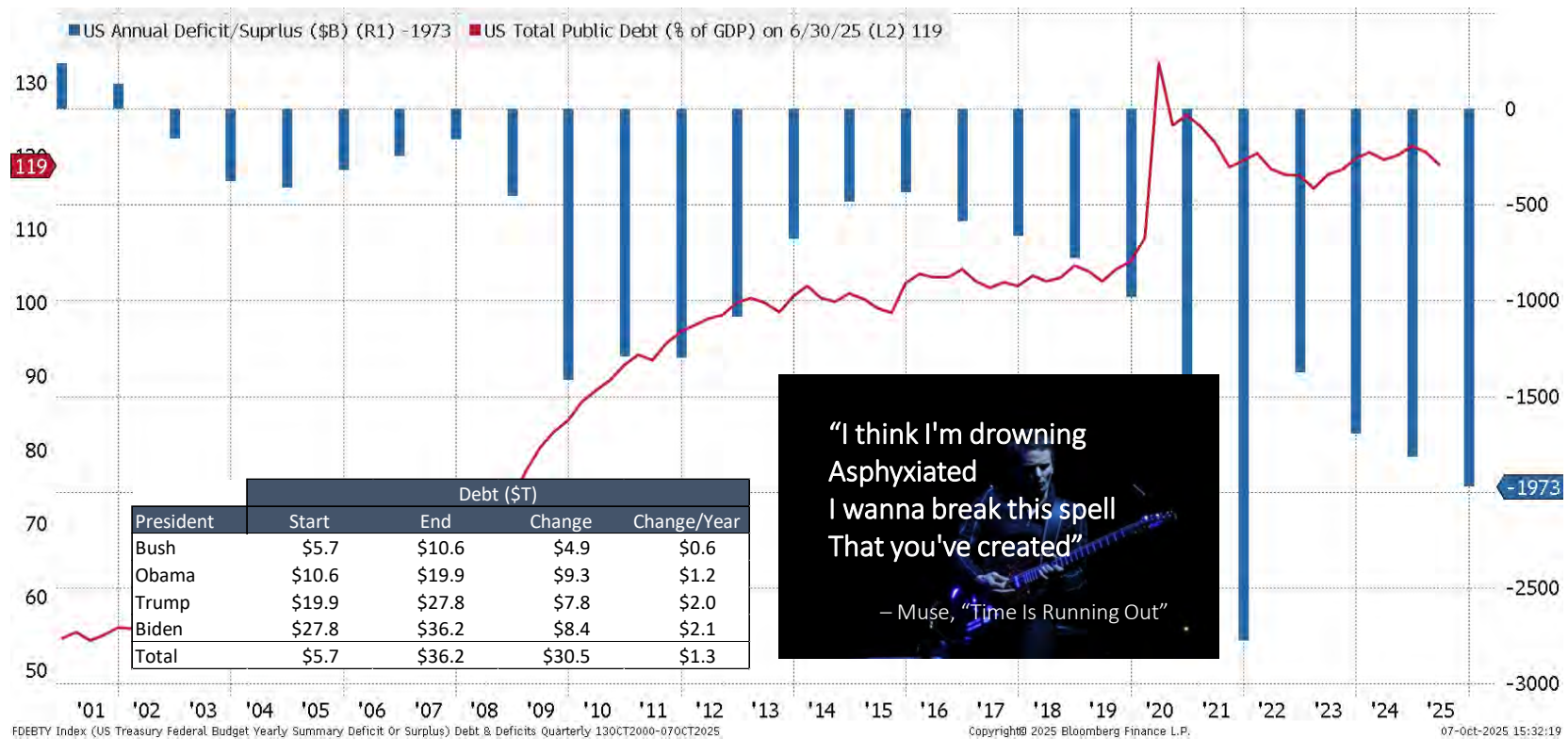


The Past: Falling Rates & Low/Disinflation



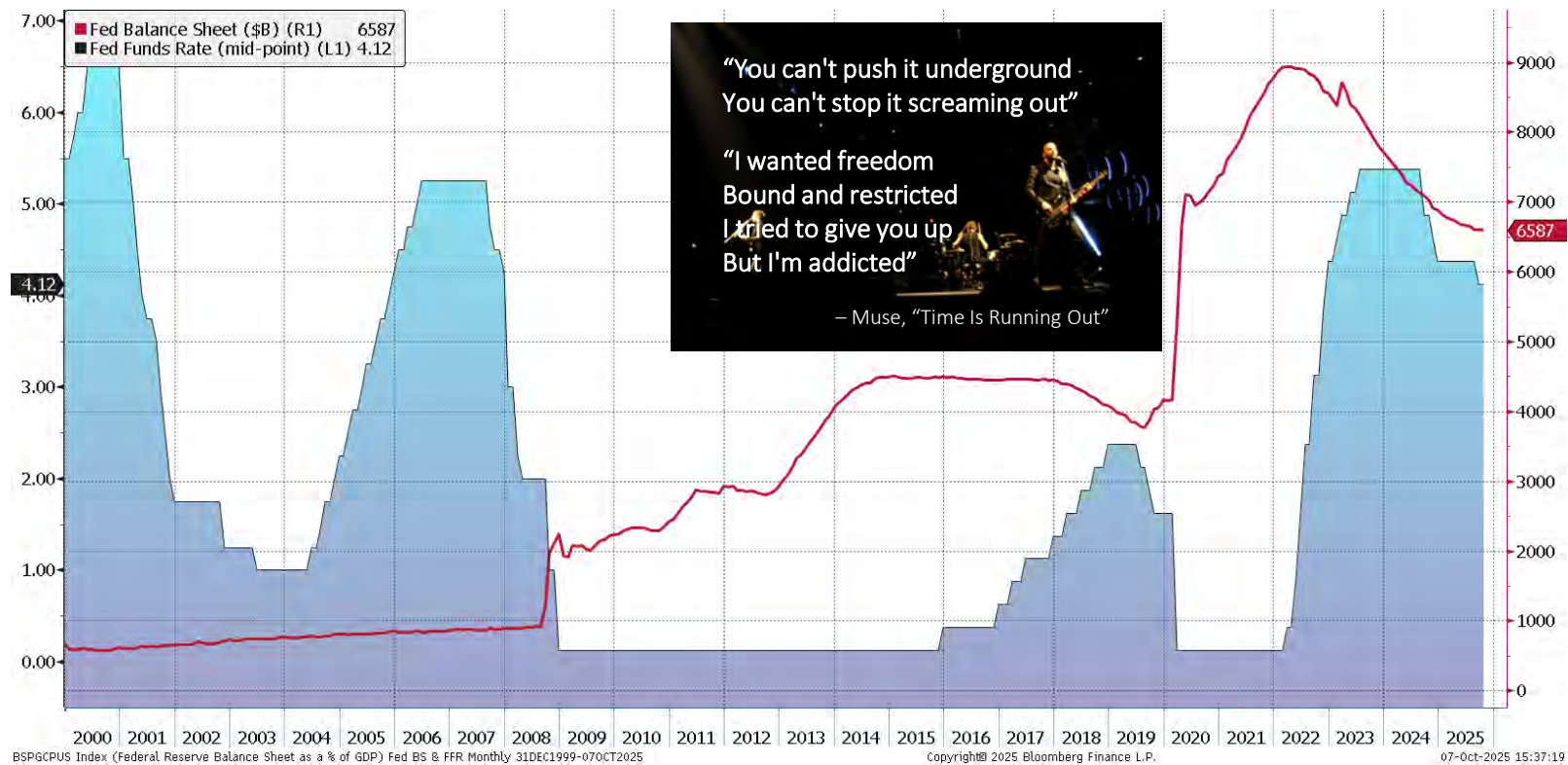
Data Source: Bloomberg

Fiscal Picture: How Sustainable are Deficit and/or Debt Levels?



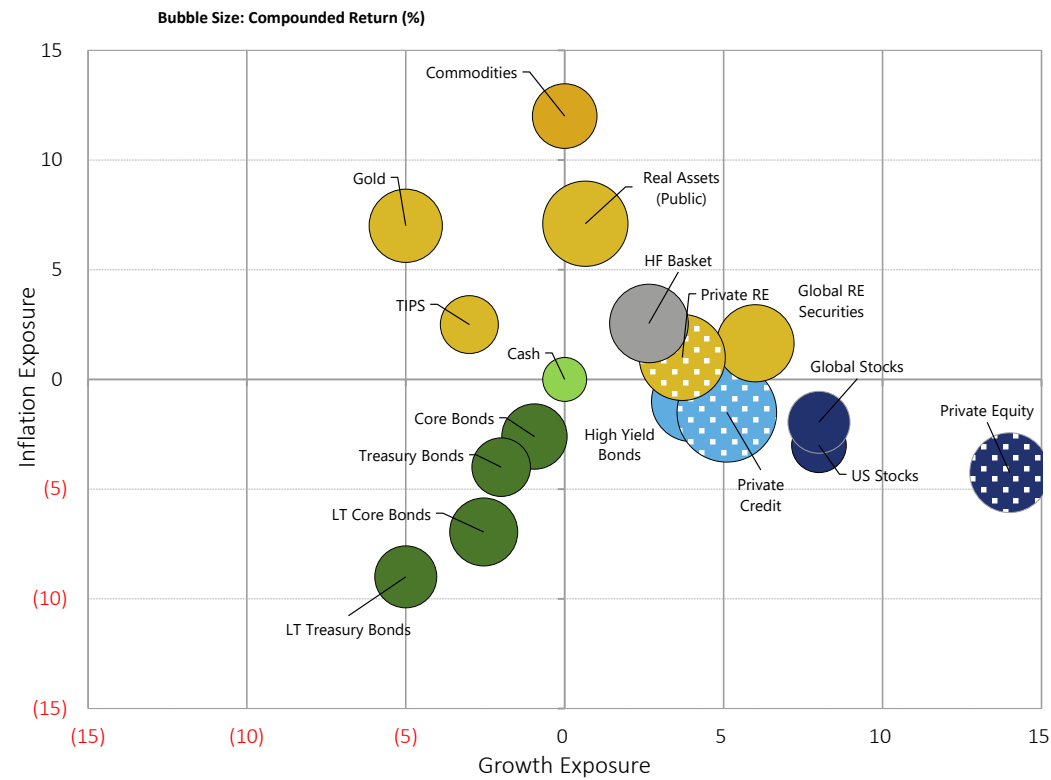
Data Source: Bloomberg

Monetary Picture: Unprecedented (i.e., Dr. Frankenstein) Levels of Support



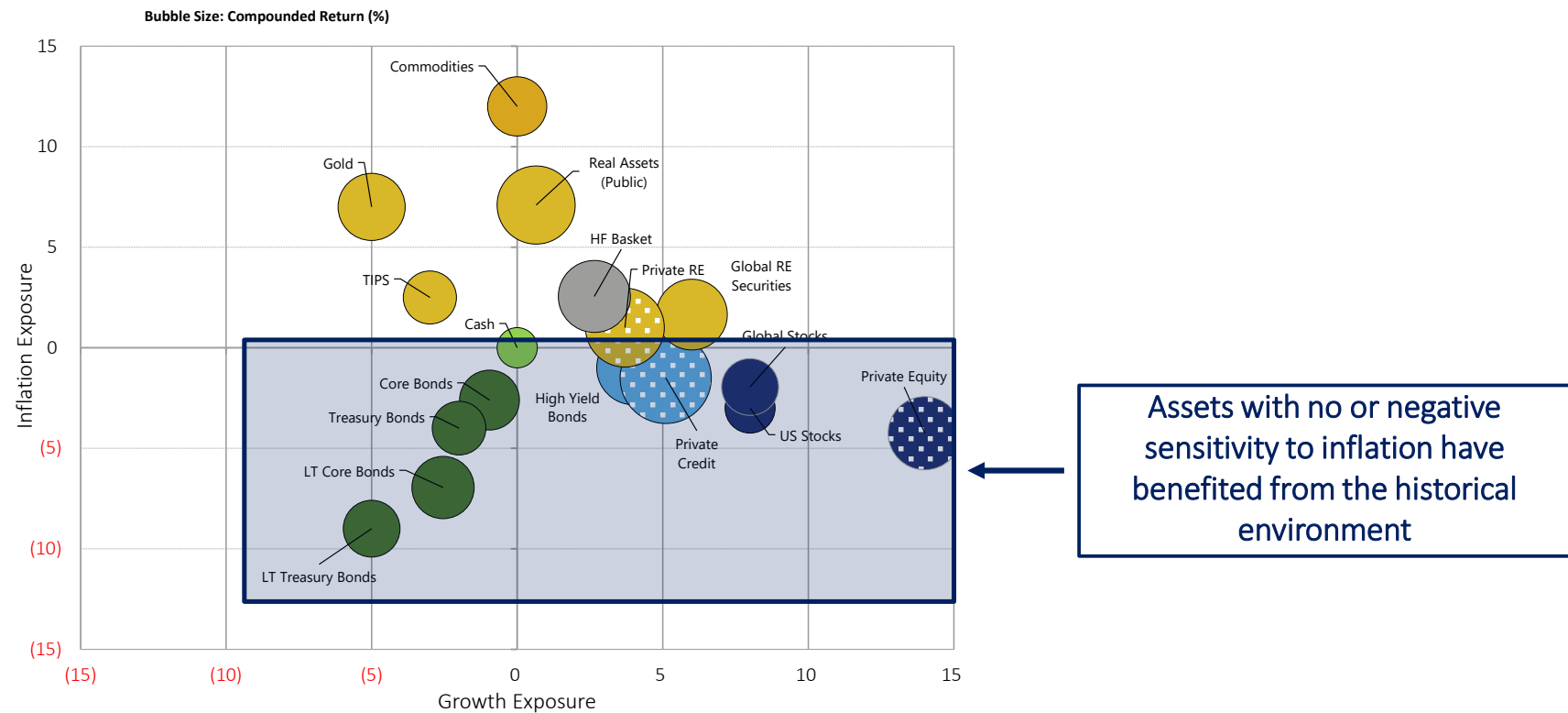
Data Source: Bloomberg

Asset Class Expected Economic Exposures



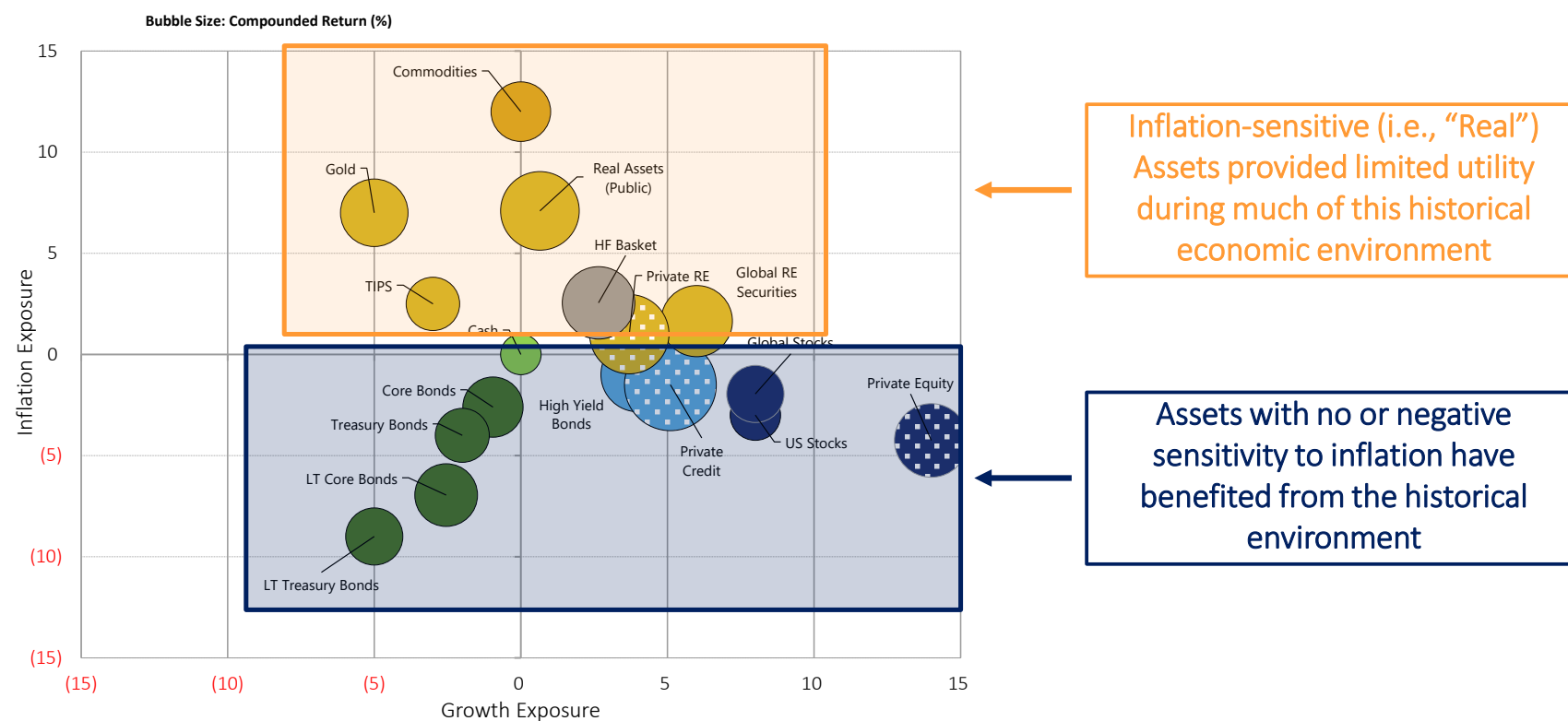
Data Source: Wilshire September 2025 Capital Market Assumptions

Asset Class Expected Economic Exposures



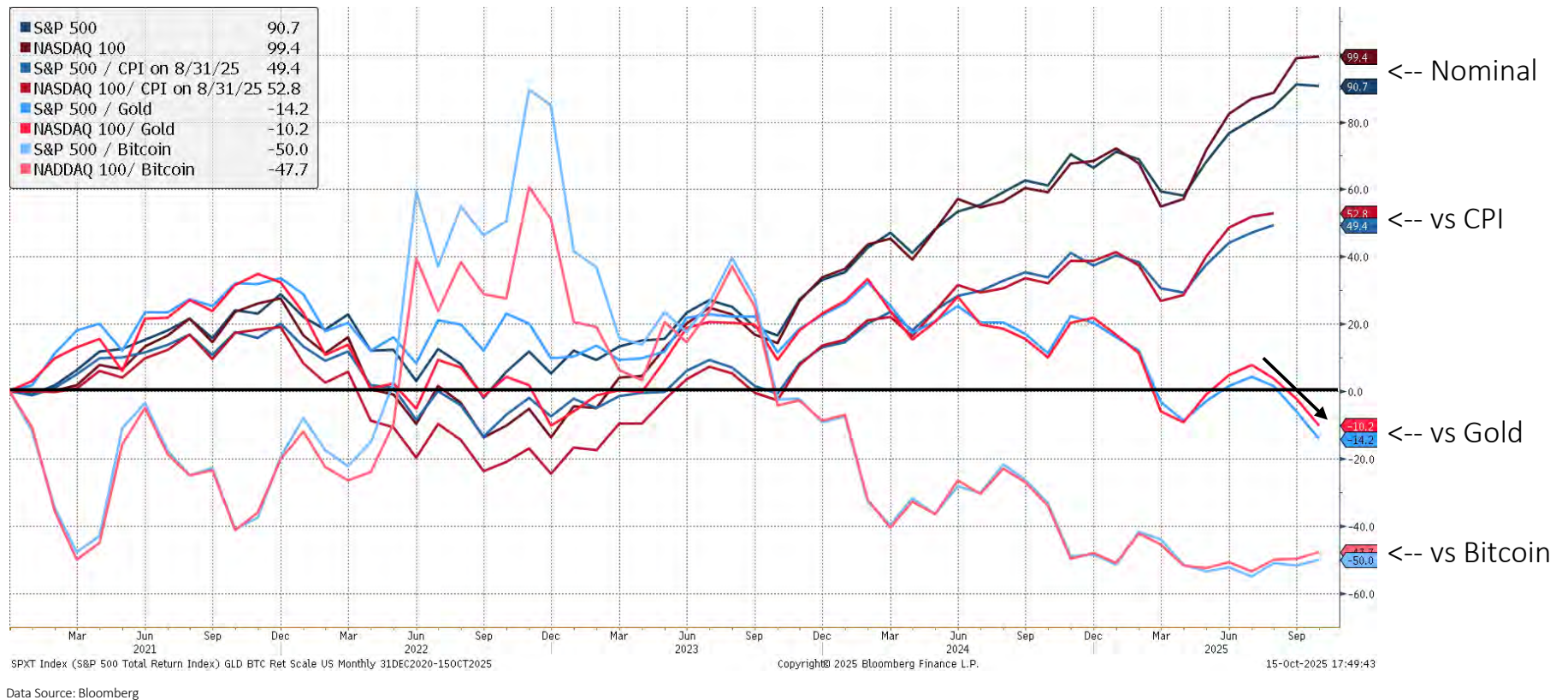
Data Source: Wilshire September 2025 Capital Market Assumptions

Asset Class Expected Economic Exposures



Data Source: Wilshire September 2025 Capital Market Assumptions

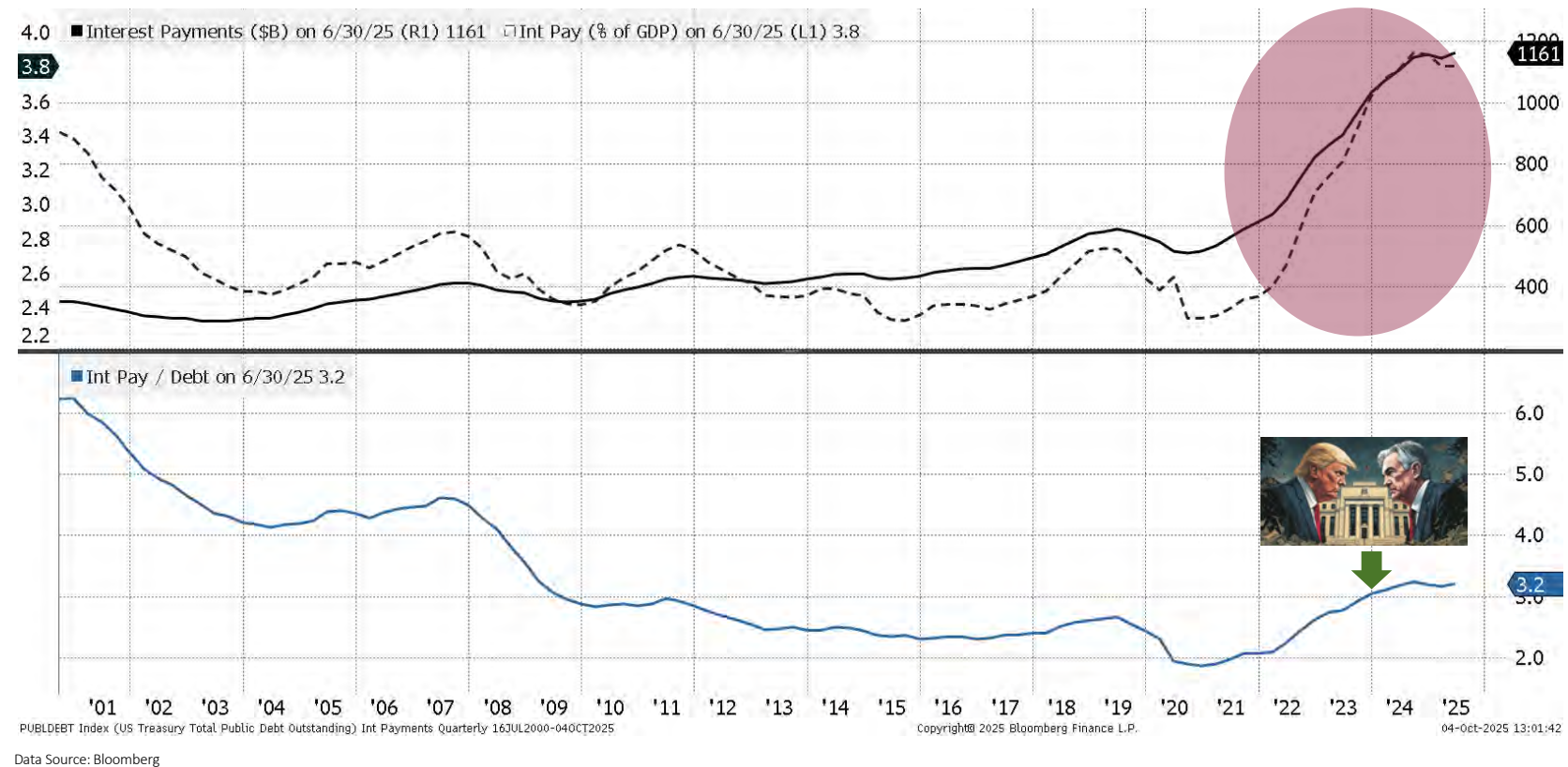
The Monetary Debasement "Trade" (4.75 years: 12/31/20 – 09/30/25)



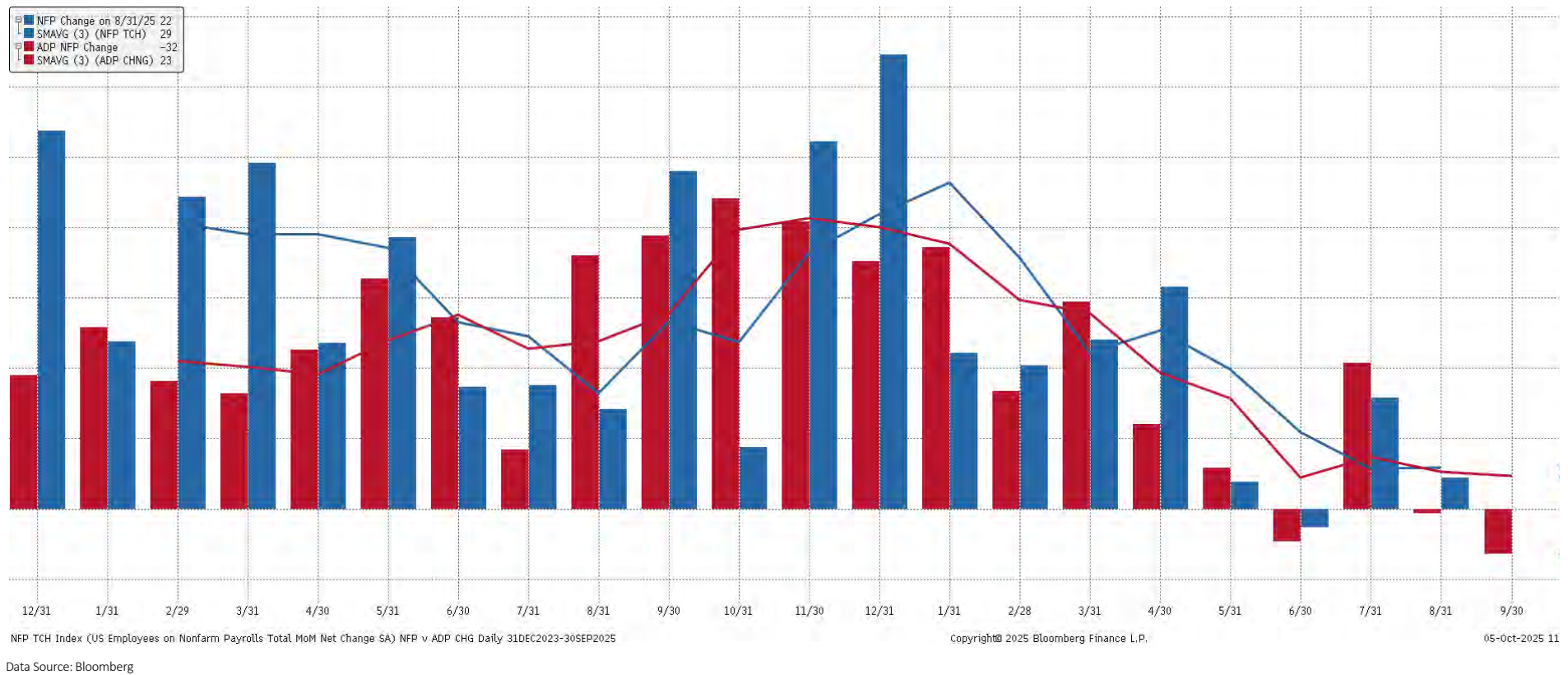
More Easing is Coming (Fed seems to be data independent): Priced In



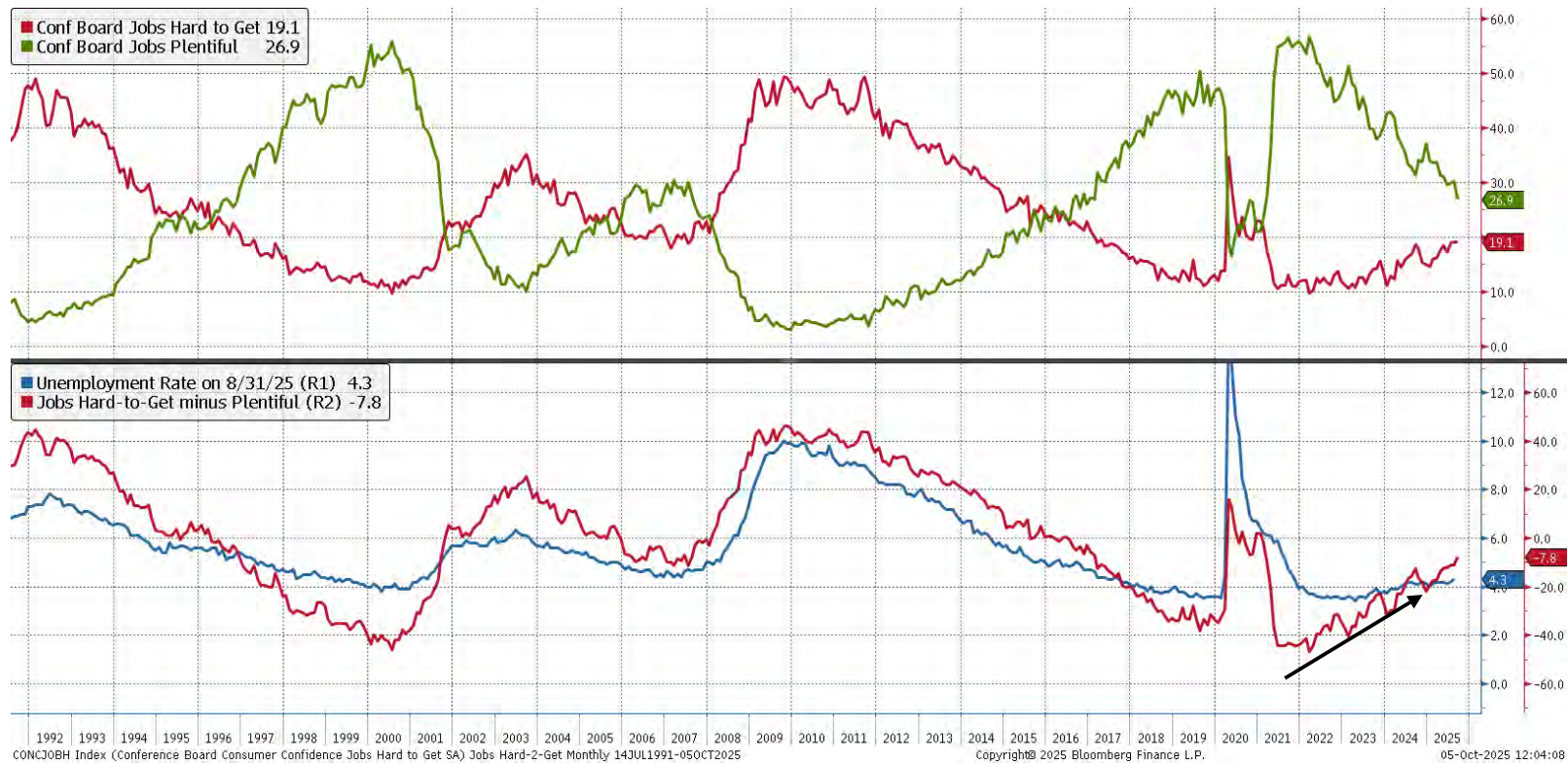
More Easing is Coming: U.S. Can't Afford Higher Rates (Yield Curve Control?)



Easing Seems to be Supported by Labor Picture

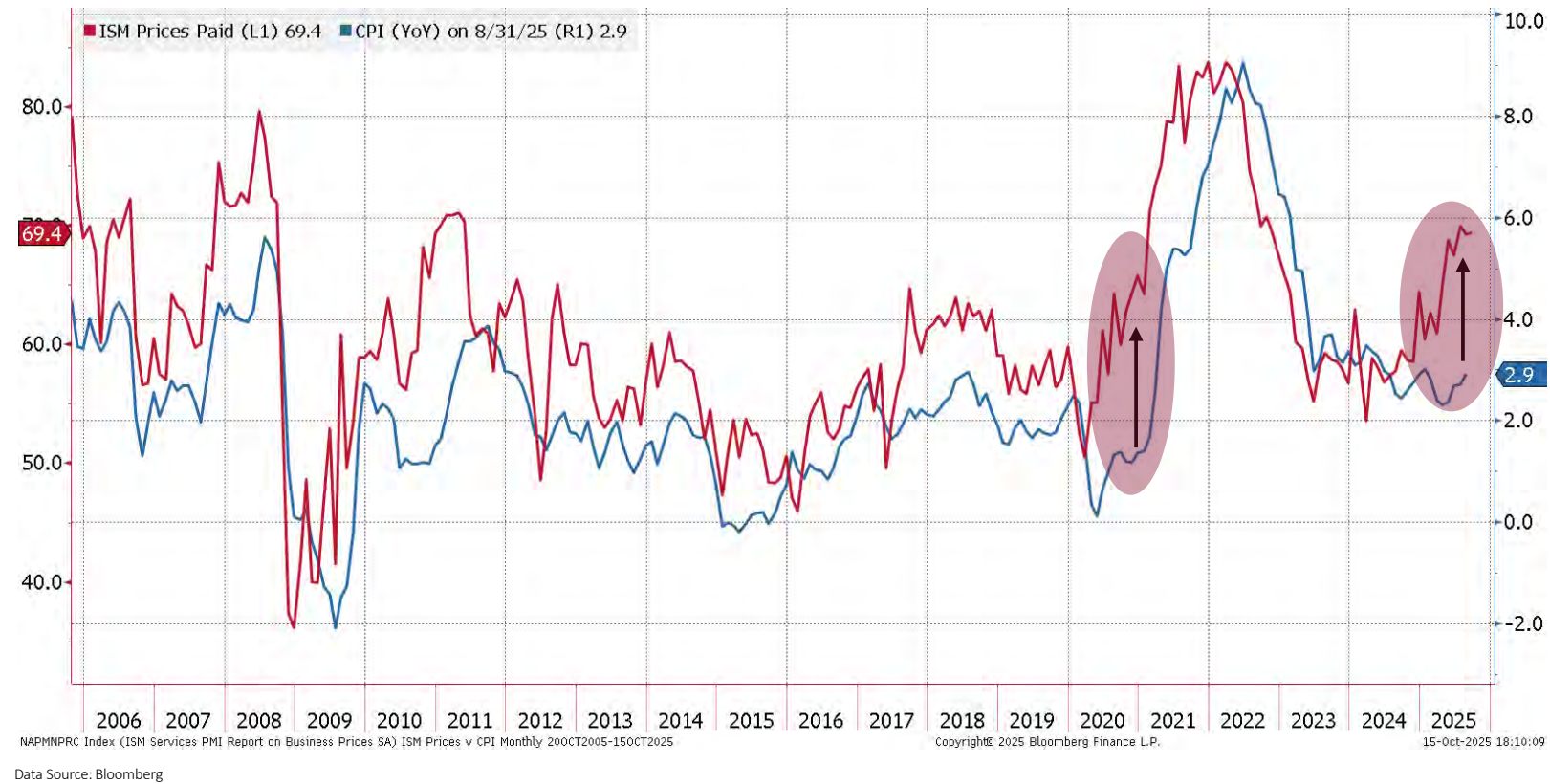


Easing Seems to be Supported by Labor Picture: Jobs Hard to Find



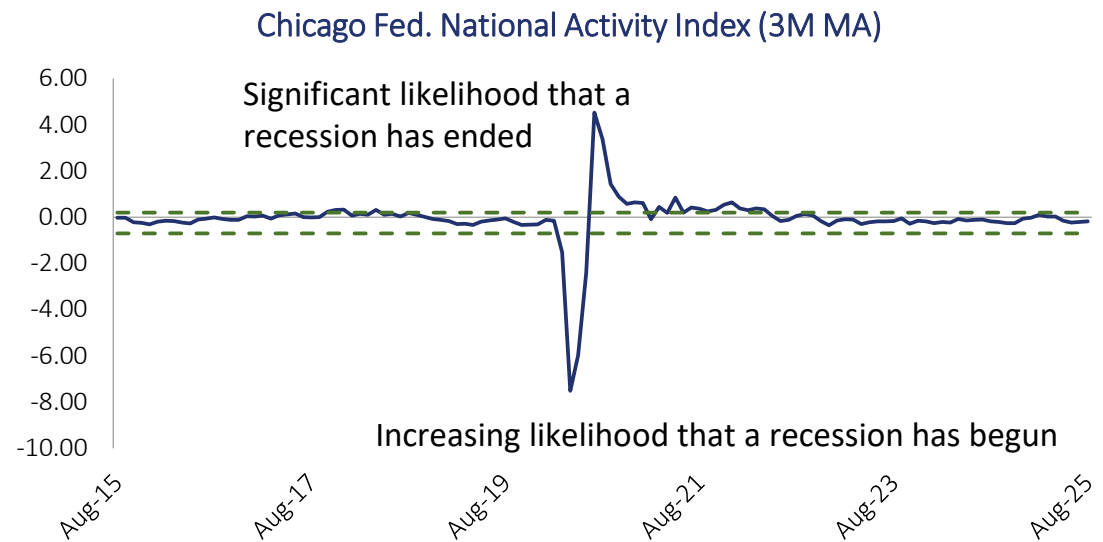
Data Source: Bloomberg

Easing into This Backdrop IS Not Without Risk



Economic/Market Activity

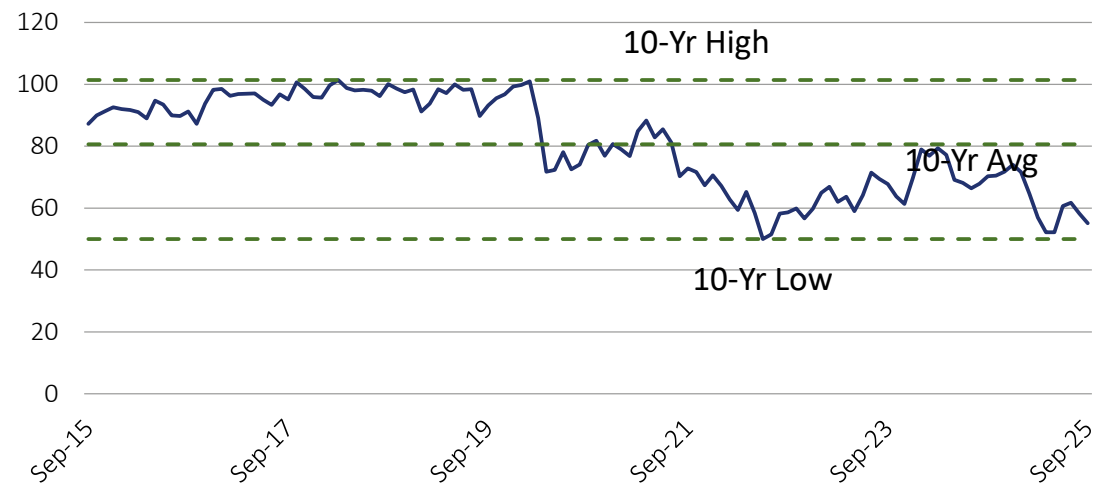
Economic Growth



Data Source: Bloomberg

Consumer Activity

University of Michigan: Consumer Sentiment

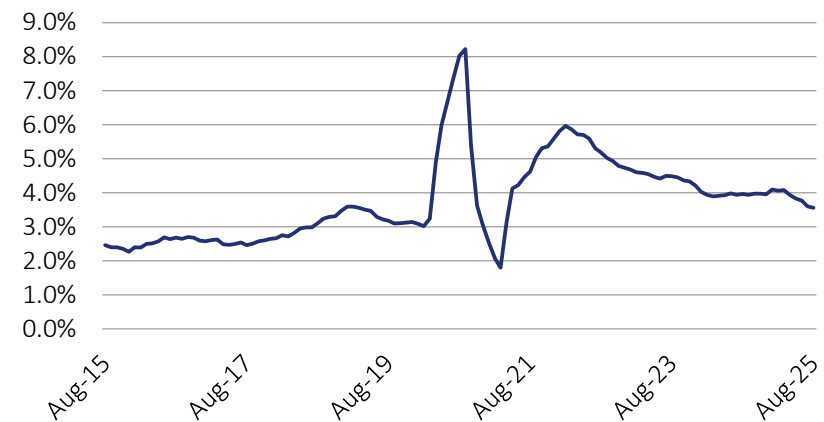


Real Personal Consumption Expenditures



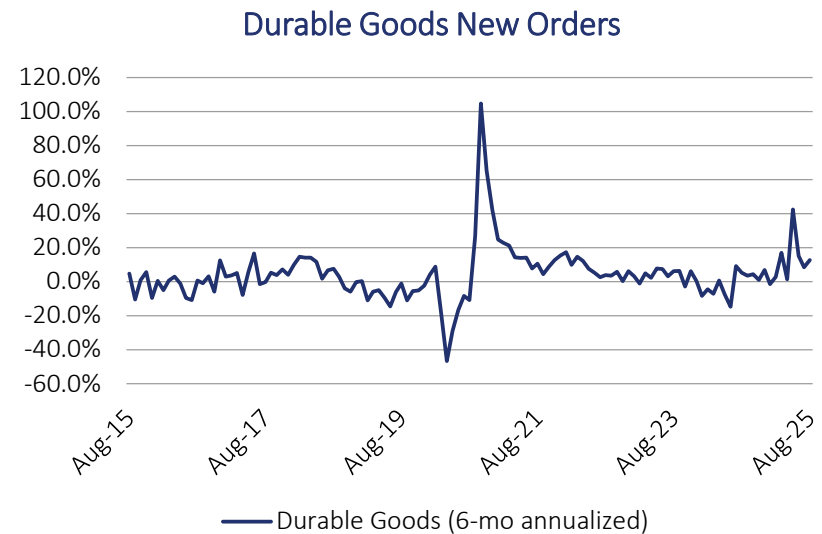
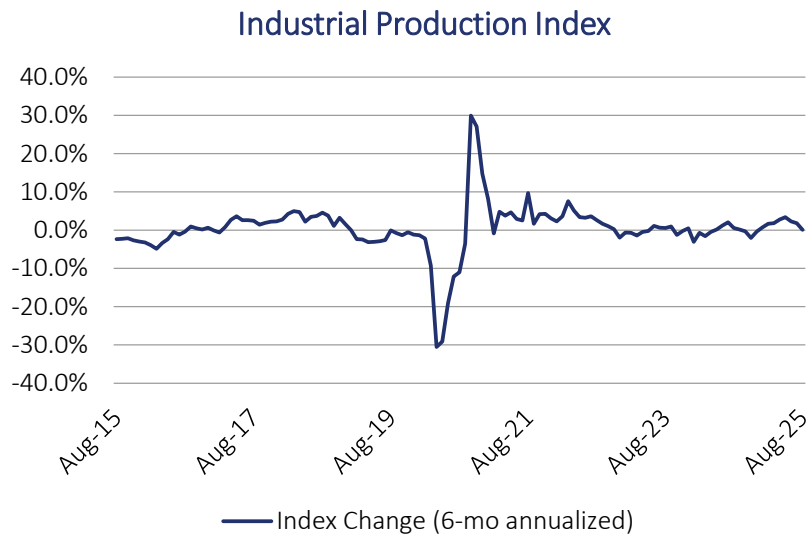
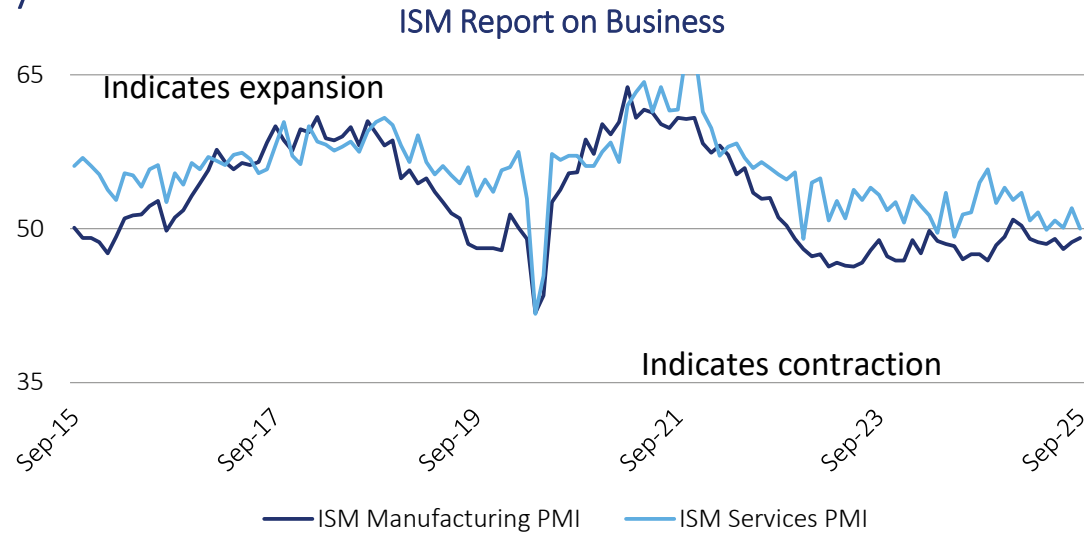
Data Source: Bloomberg — Real PCE (6-mo annualized)

Average Hourly Earnings



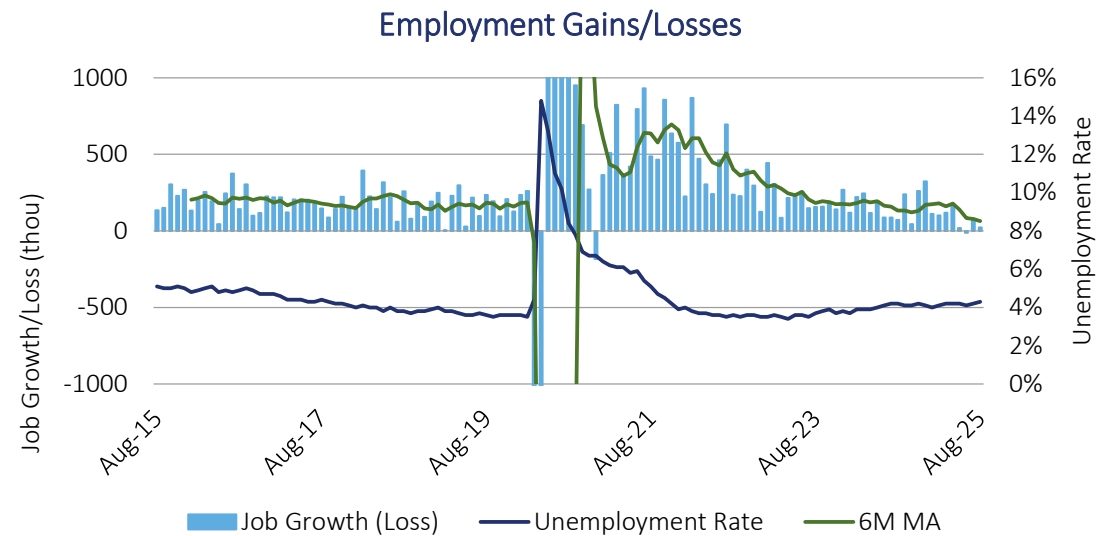
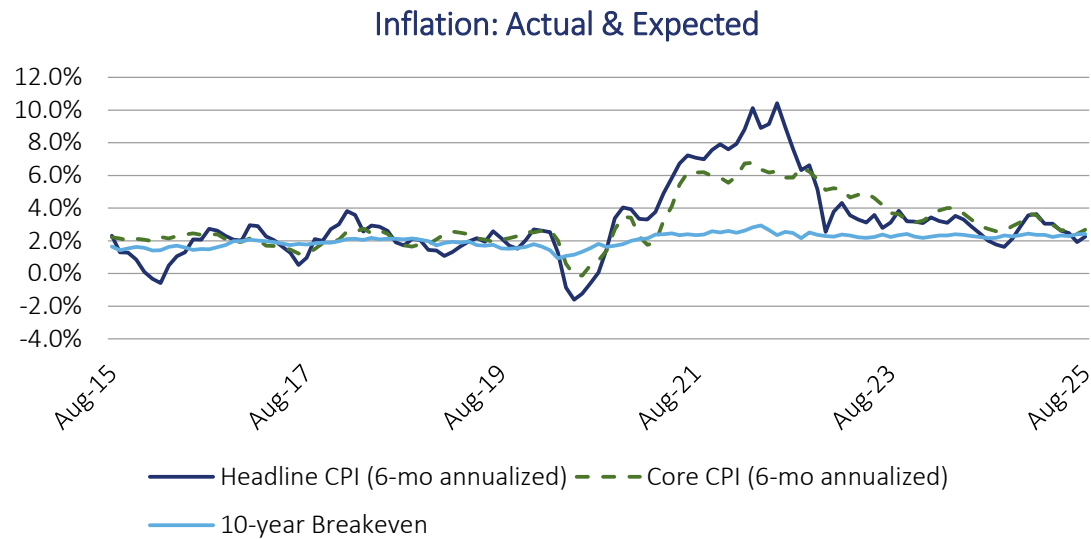
— Wage Growth (6-mo annualized)

Business Activity



Data Source: Bloomberg

Inflation and Employment

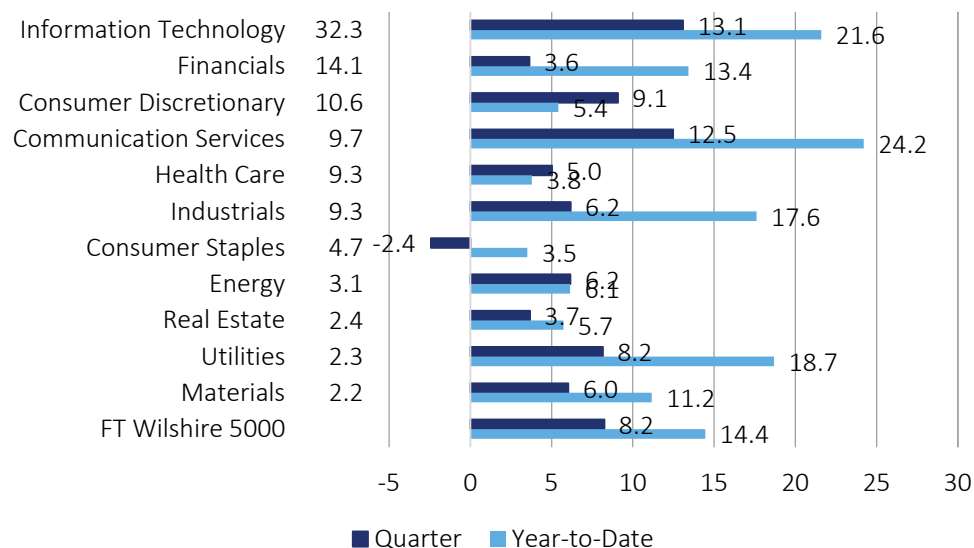


Data Source: Bloomberg

U.S. Equity Market

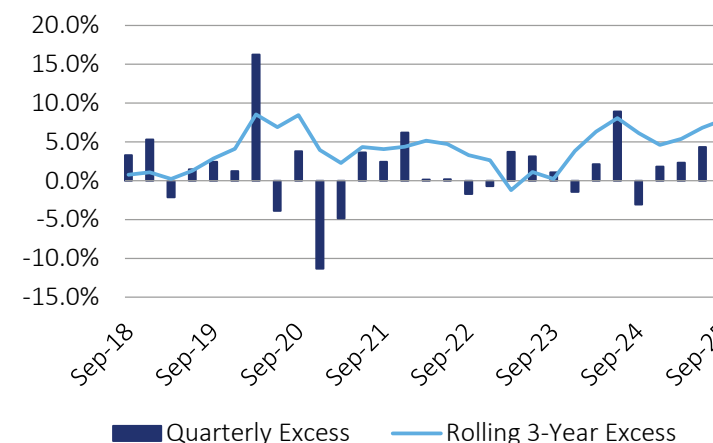
As of 9/30/2025	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
FT Wilshire 5000	8.2	14.4	17.5	24.1	16.0	14.9
FT Wilshire U.S. Large Cap	8.3	15.5	18.8	25.4	16.4	15.7
FT Wilshire U.S. Small Cap	6.9	6.8	7.9	16.2	12.7	11.0
FT Wilshire U.S. Large Growth	10.7	18.4	26.9	33.1	18.1	n/a
FT Wilshire U.S. Large Value	5.7	12.6	10.8	17.8	14.4	n/a
FT Wilshire U.S. Small Growth	7.0	6.7	9.3	16.6	9.2	n/a
FT Wilshire U.S. Small Value	7.0	7.1	6.6	15.8	16.1	n/a
Wilshire REIT Index	4.7	4.5	-0.8	11.3	9.4	6.5
MSCI USA Min. Vol. Index	1.8	8.4	5.9	14.9	10.2	11.3
FTSE RAFI U.S. 1000 Index	7.0	12.6	12.3	19.9	17.0	13.1

U.S. Sector Weight and Return (%)

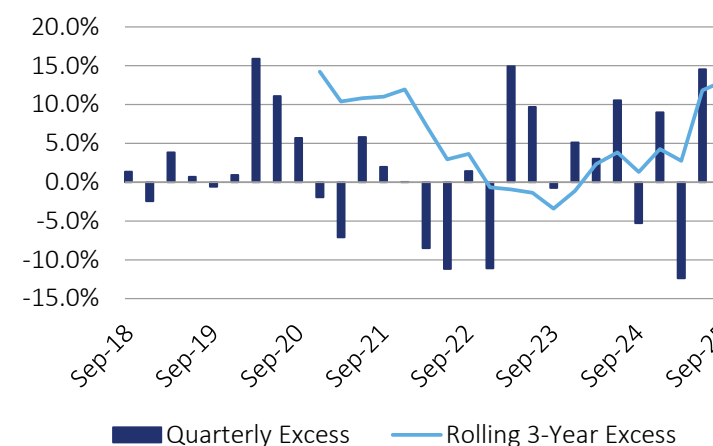


Data Sources: Bloomberg, Clearwater Wilshire Atlas

Large Cap vs. Small Cap



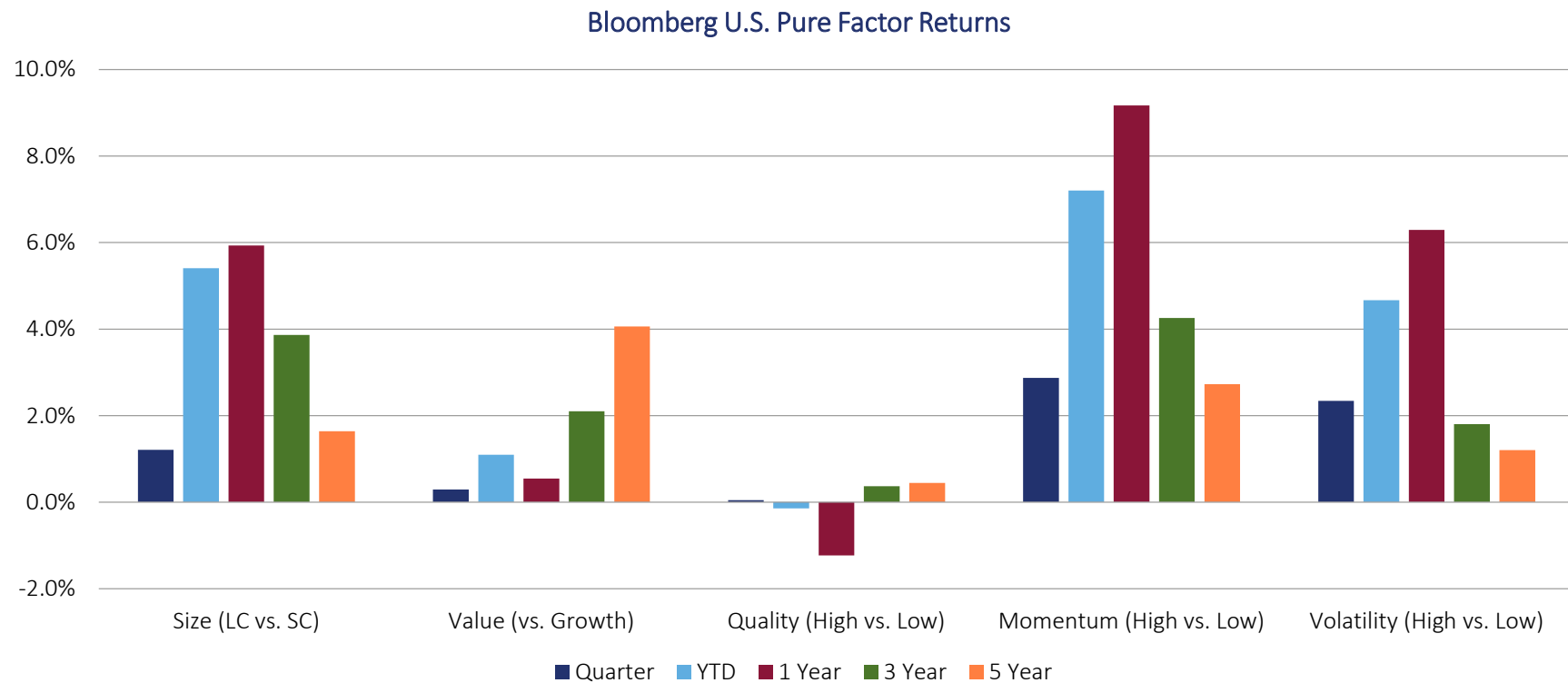
Large Growth vs Large Value



U.S. Factor Returns

Factor returns represent the contribution from large cap, value, etc. stocks within Bloomberg's Portfolio & Risk Analytics module

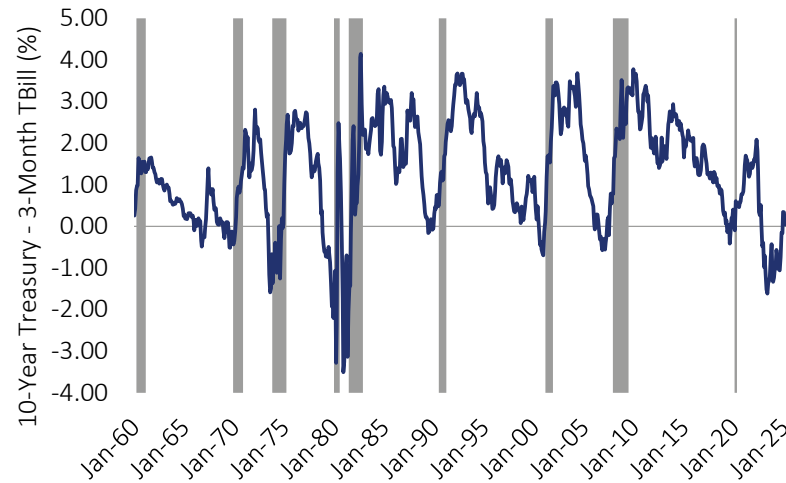
Momentum and volatility contributed positively for the quarter



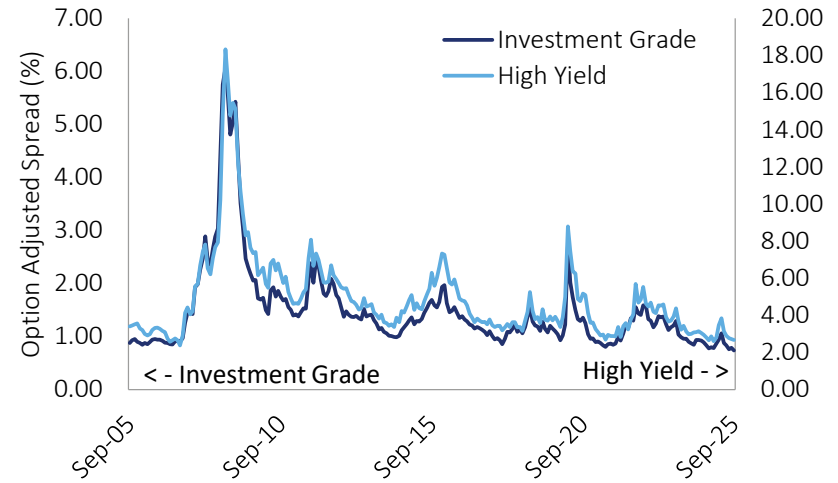
Data Source: Bloomberg

Risk Monitor

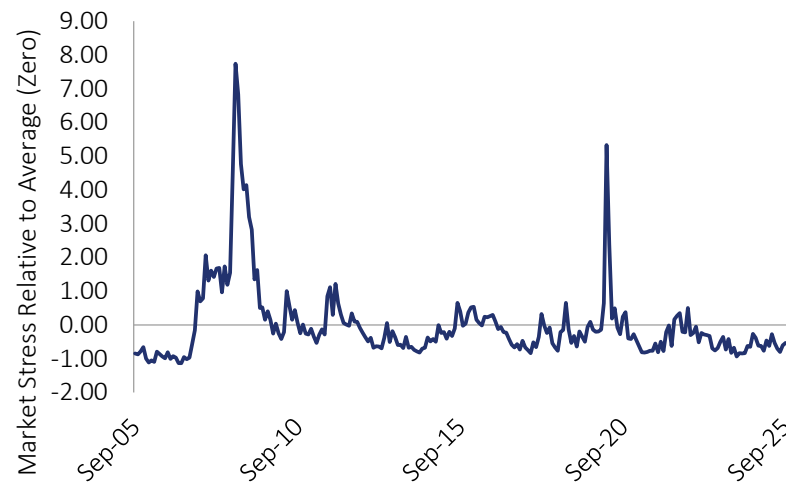
Yield Curve Slope vs Recessions (IN GRAY)



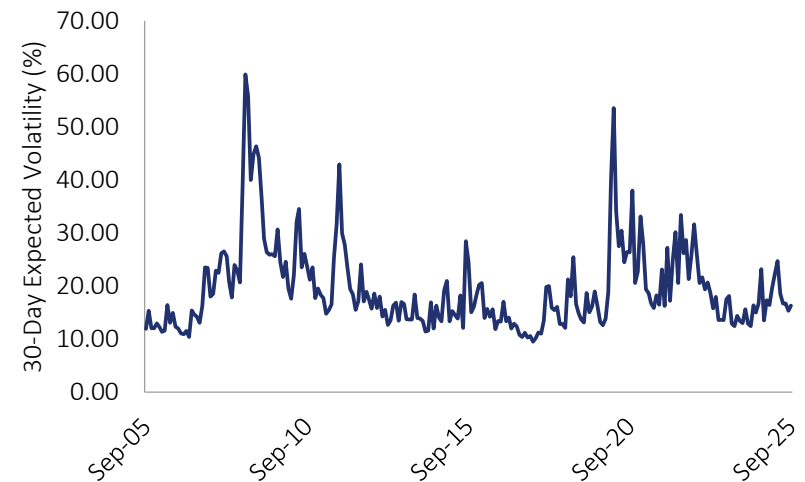
Bloomberg Credit Indexes



St. Louis Fed. Financial Stress Index



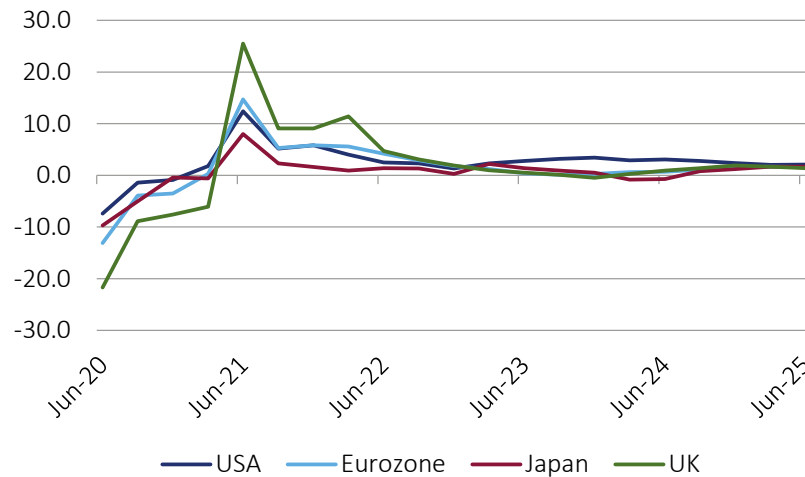
CBOE Volatility Index



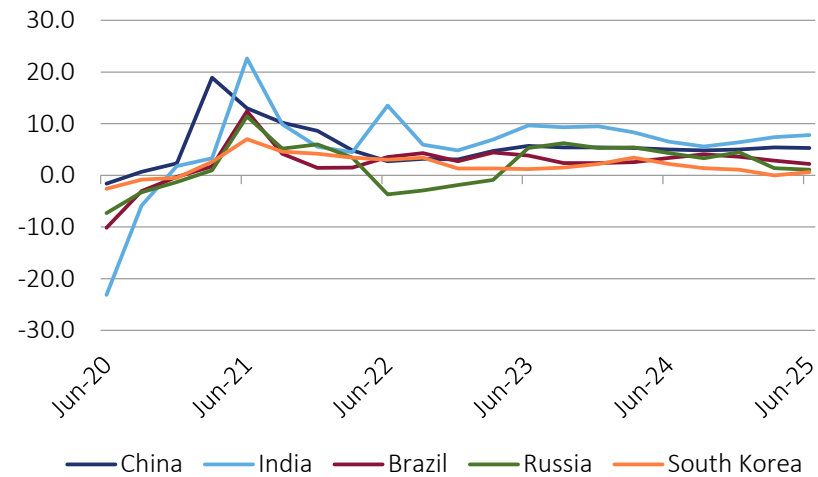
Data Source: Bloomberg

Non-U.S. Growth and Inflation

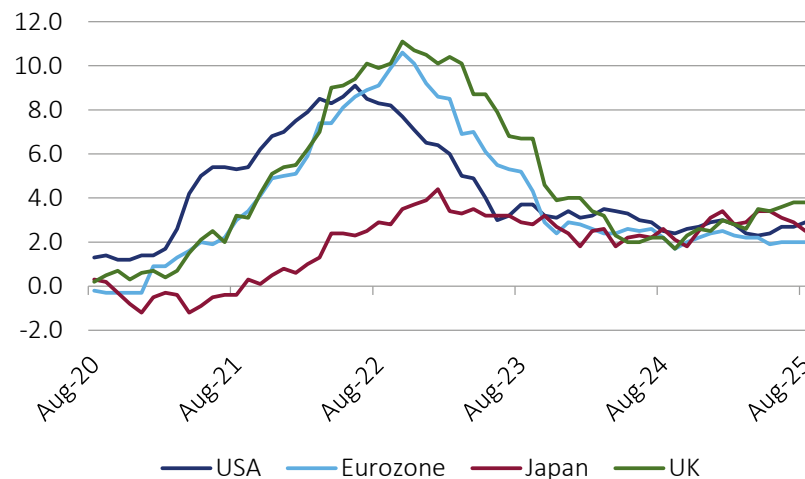
Developed Markets Real GDP Growth YoY (%)



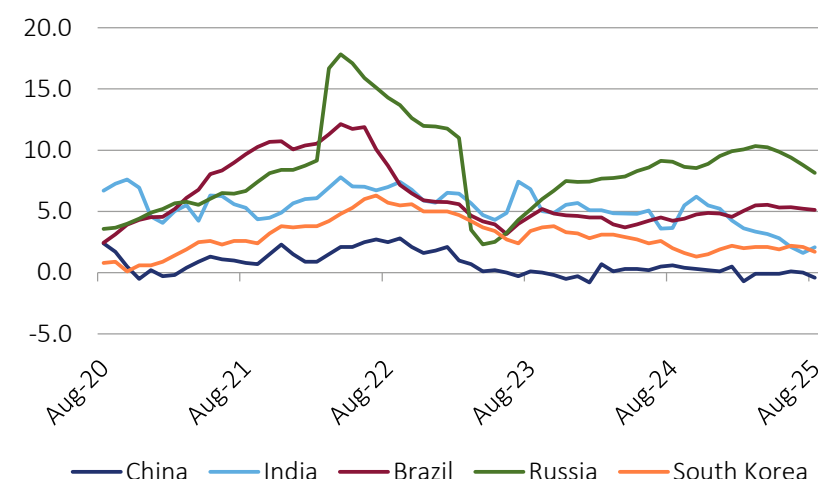
Emerging Markets Real GDP Growth YoY (%)



Developed Markets CPI Growth YoY (%)



Emerging Markets CPI Growth YoY (%)

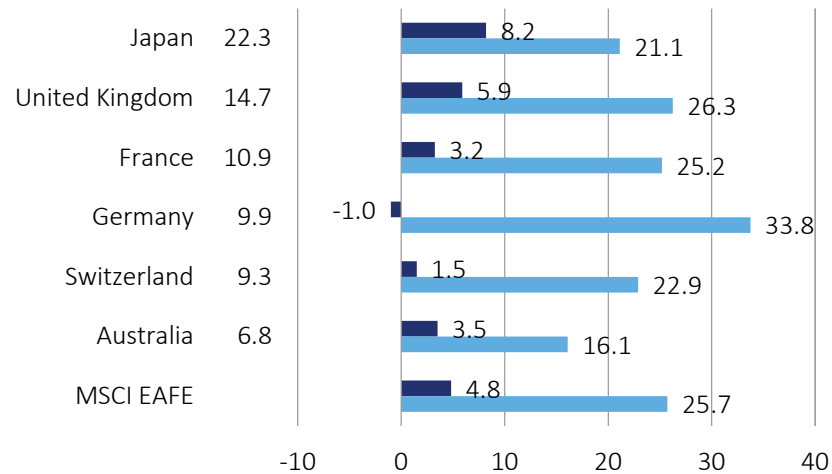


Data Source: Bloomberg

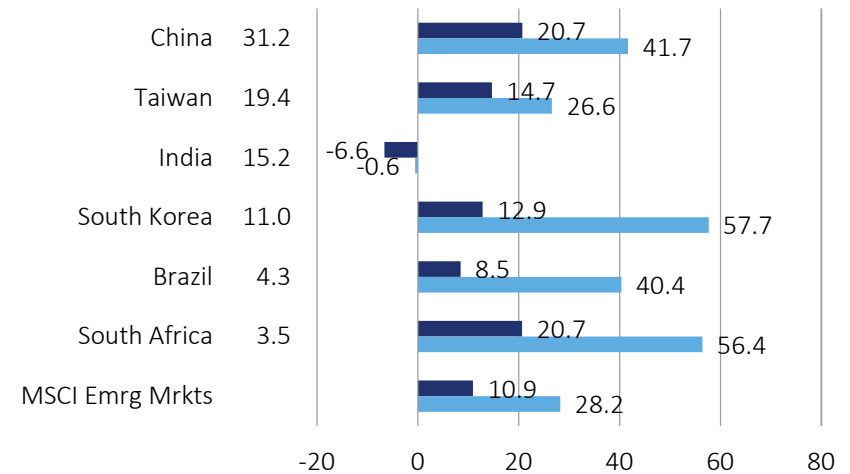
Non-U.S. Equity Market

As of 9/30/2025	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
MSCI ACWI ex-US (\$G)	7.0	26.6	17.1	21.3	10.8	8.8
MSCI EAFE (\$G)	4.8	25.7	15.6	22.3	11.7	8.7
MSCI Emerging Markets (\$G)	10.9	28.2	18.2	18.8	7.5	8.4
MSCI Frontier Markets (\$G)	12.4	33.4	26.7	20.5	10.1	5.6
MSCI ACWI ex-US Growth (\$G)	5.8	22.9	13.2	18.7	6.5	8.5
MSCI ACWI ex-US Value (\$G)	8.2	30.2	20.7	23.7	15.0	8.9
MSCI ACWI ex-US Small (\$G)	6.8	26.1	16.5	19.9	10.5	8.8
MSCI All Country World Index	7.7	18.9	17.8	23.7	14.1	12.5
MSCI ACWI Minimum Volatility	1.2	11.0	7.2	13.5	8.2	8.9
MSCI EAFE Minimum Volatility	1.3	22.6	14.3	18.0	7.7	6.7
FTSE RAFI Developed ex-US	7.2	30.8	21.3	24.4	15.7	9.3
MSCI EAFE LC (G)	5.4	14.2	13.5	17.5	13.1	9.2
MSCI Emerging Markets LC (G)	12.5	25.0	19.7	18.7	9.1	9.6

Developed Markets Weight and Return (%)



Emerging Markets Weight and Return (%)



Data Source: Bloomberg

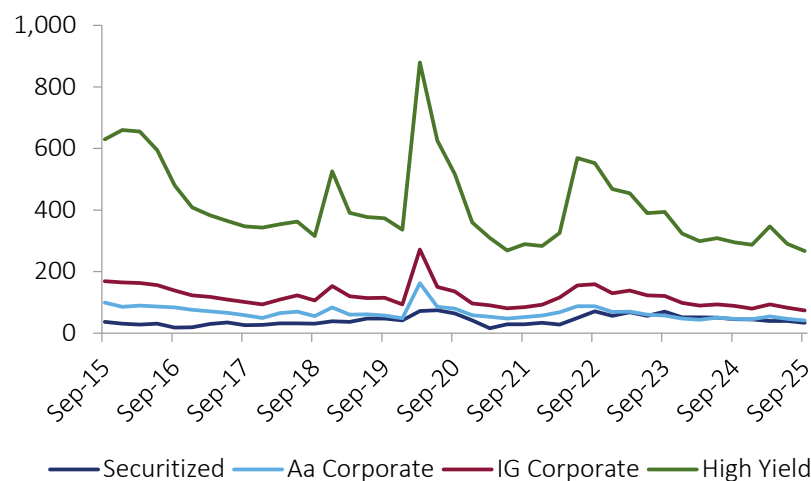
■ Quarter ■ Year-to-Date

■ Quarter ■ Year-to-Date

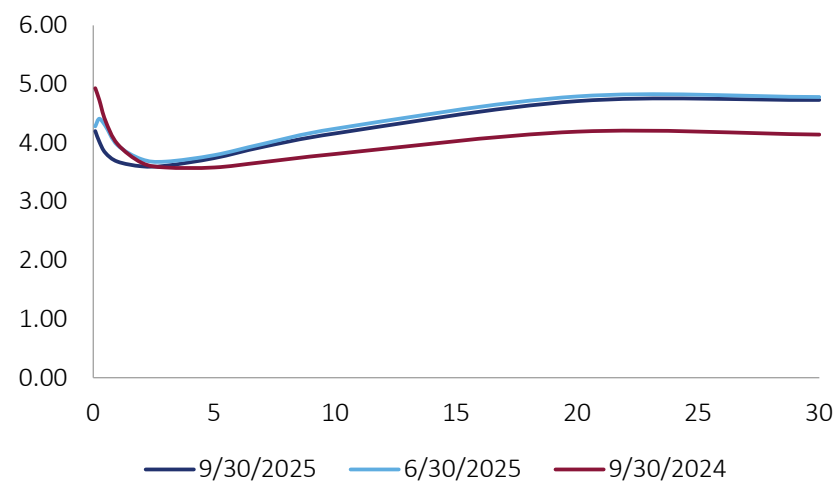
U.S. Fixed Income

As of 9/30/2025	YTW	Dur.	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg Aggregate	4.4	6.0	2.0	6.1	2.9	4.9	-0.4	1.8
Bloomberg Treasury	3.9	5.9	1.5	5.4	2.1	3.6	-1.3	1.2
Bloomberg Gov't-Rel.	4.3	5.4	2.2	6.7	3.8	5.4	0.3	2.2
Bloomberg Securitized	4.7	5.6	2.4	6.7	3.5	5.1	-0.1	1.5
Bloomberg Corporate	4.8	6.9	2.6	6.9	3.6	7.1	0.3	3.1
Bloomberg LT Gov't/Credit	5.1	13.7	3.2	6.6	-1.3	4.0	-4.6	1.9
Bloomberg LT Treasury	4.7	14.7	2.5	5.6	-3.5	0.4	-7.8	-0.1
Bloomberg LT Gov't-Rel.	5.5	11.7	4.6	9.5	2.1	6.6	-1.9	2.9
Bloomberg LT Corporate	5.5	12.8	3.8	7.6	0.9	7.2	-2.0	3.3
Bloomberg U.S. TIPS*	3.9	6.1	2.1	6.9	3.8	4.9	1.4	3.0
Bloomberg High Yield	6.7	2.8	2.5	7.2	7.4	11.1	5.5	6.2
S&P/LSTA Leveraged Loan	7.4	0.3	1.8	4.6	7.0	9.9	7.0	5.5
Treasury Bills	3.9	0.3	1.1	3.2	4.4	4.9	3.0	2.1

Fixed Income Option Adjusted Spread (bps)



Treasury Yield Curve (%)



*Yield and Duration statistics are for a proxy index based on similar maturity, the Bloomberg Barclays U.S. Treasury 5-10 Year Index.

Data Source: Bloomberg

Federal Reserve

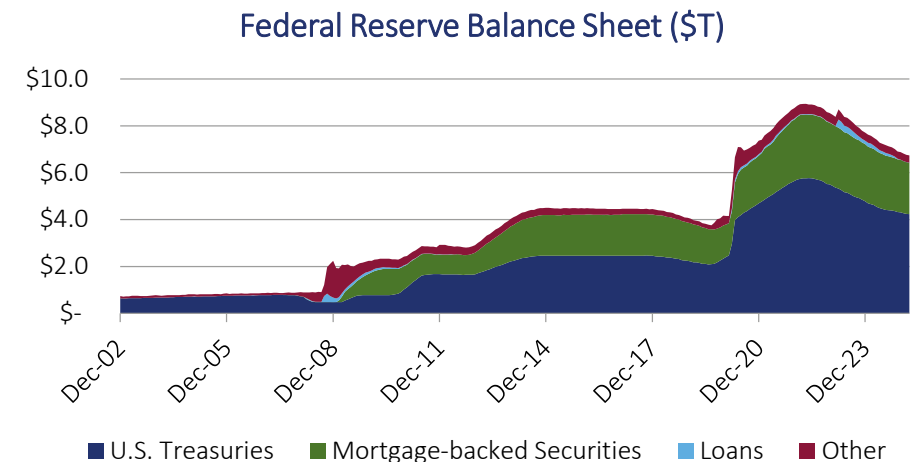
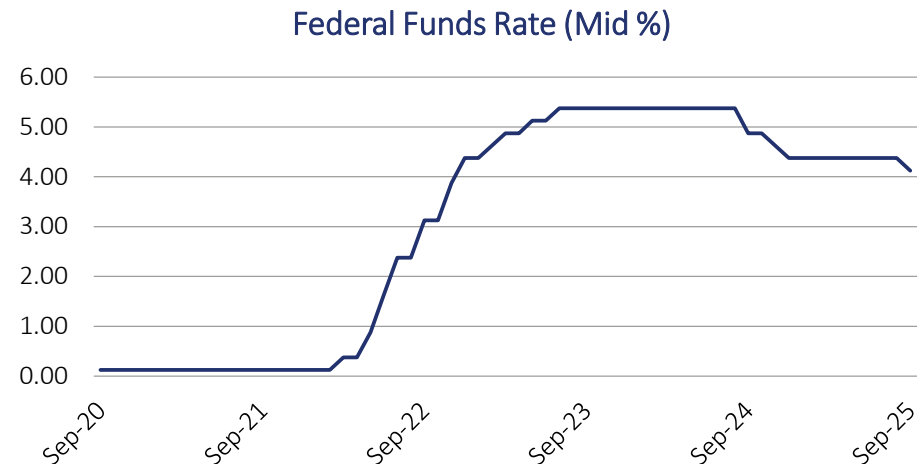
The Federal Open Market Committee decreased their overnight rate by 0.25% during Q3

QE4 was larger than the 3 phases of quantitative easing – combined – following the global financial crisis

The Fed's balance sheet is roughly equal to its level following the COVID spike

	Announced	Closed	Amount (bil)
QE1	11/25/2008	3/31/2010	\$1,403
QE2	11/3/2010	6/29/2012	\$568
QE3	9/13/2012	10/29/2014	\$1,674
QE4	3/23/2020	3/15/2022	\$4,779

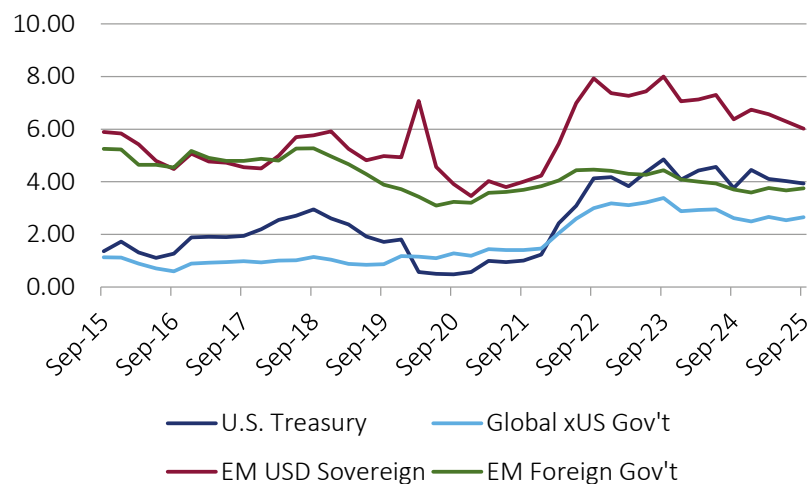
Data Source: Bloomberg



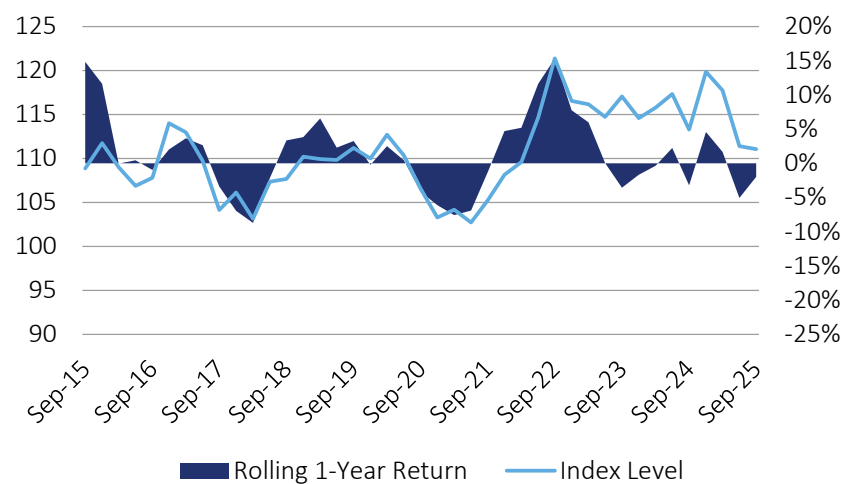
Non-U.S. Fixed Income

As of 9/30/2025	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Developed Markets						
Bloomberg Global Aggregate xUS	-0.6	9.4	1.9	5.8	-2.5	0.5
Bloomberg Global Aggregate xUS*	0.5	2.3	3.0	5.2	0.9	2.6
Bloomberg Global Inflation Linked xUS	-1.7	9.6	-1.2	4.5	-3.9	-0.1
Bloomberg Global Inflation Linked xUS*	-0.5	0.5	-2.1	0.5	-2.7	1.7
Emerging Markets (Hard Currency)						
Bloomberg EM USD Aggregate	3.4	8.5	6.9	10.4	1.9	4.0
Emerging Markets (Foreign Currency)						
Bloomberg EM Local Currency Gov't	0.4	7.5	3.4	7.4	2.4	3.7
Bloomberg EM Local Currency Gov't*	0.6	3.8	6.1	7.9	3.6	3.9
Euro vs. Dollar	-0.4	13.3	5.4	6.2	0.0	0.5
Yen vs. Dollar	-2.6	6.3	-2.9	-0.7	-6.5	-2.1
Pound vs. Dollar	-2.1	7.4	0.5	6.4	0.8	-1.2

Global Fixed Income Yield to Worst (%)



U.S. Dollar Index: Advanced Economies

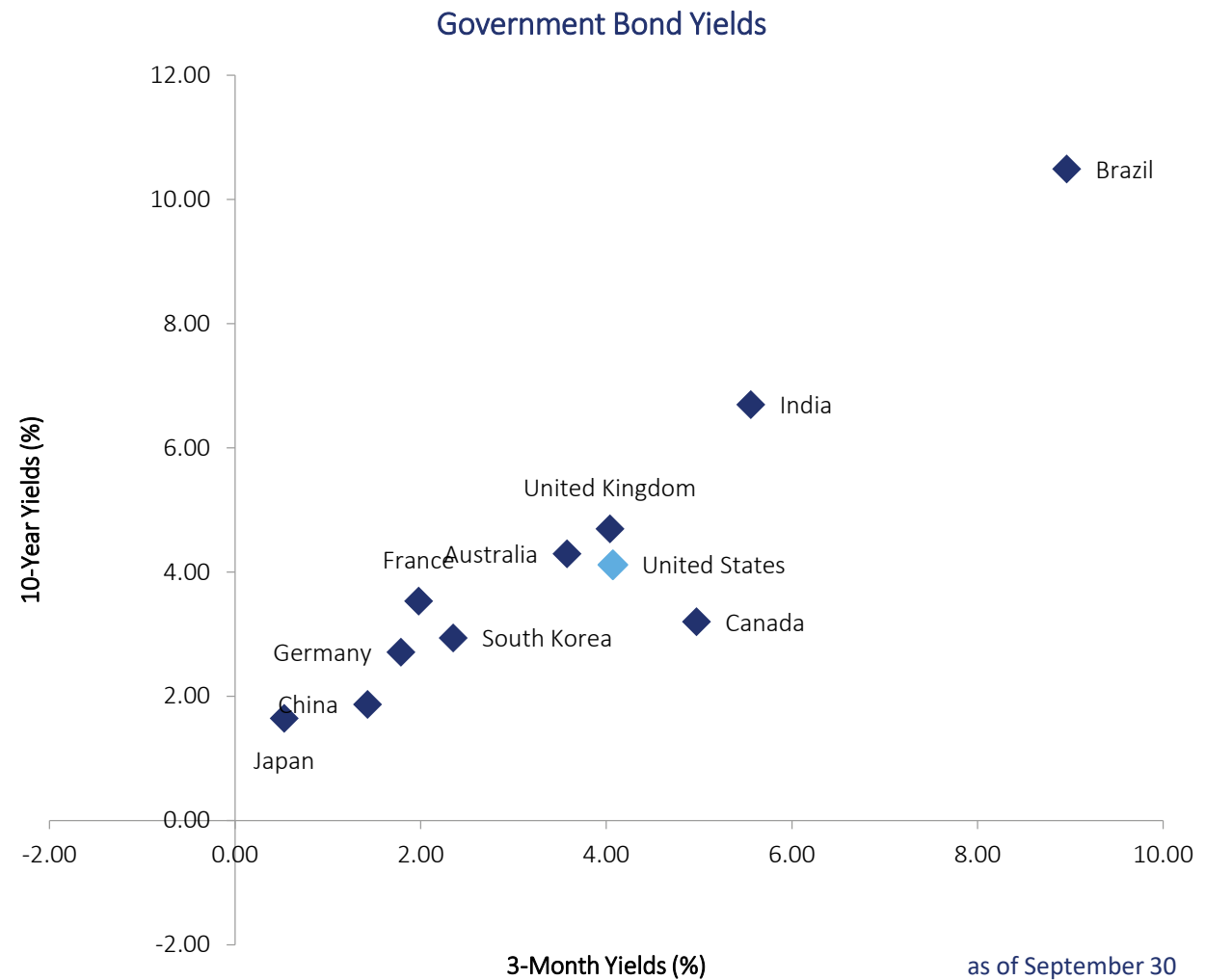


*Returns are reported in terms of local market investors, which removes currency effects.

Data Source: Bloomberg

Global Interest Rates

Short-term rates remain positive across the globe; longer-term rates above 4.0% in the U.S., U.K. and Australia

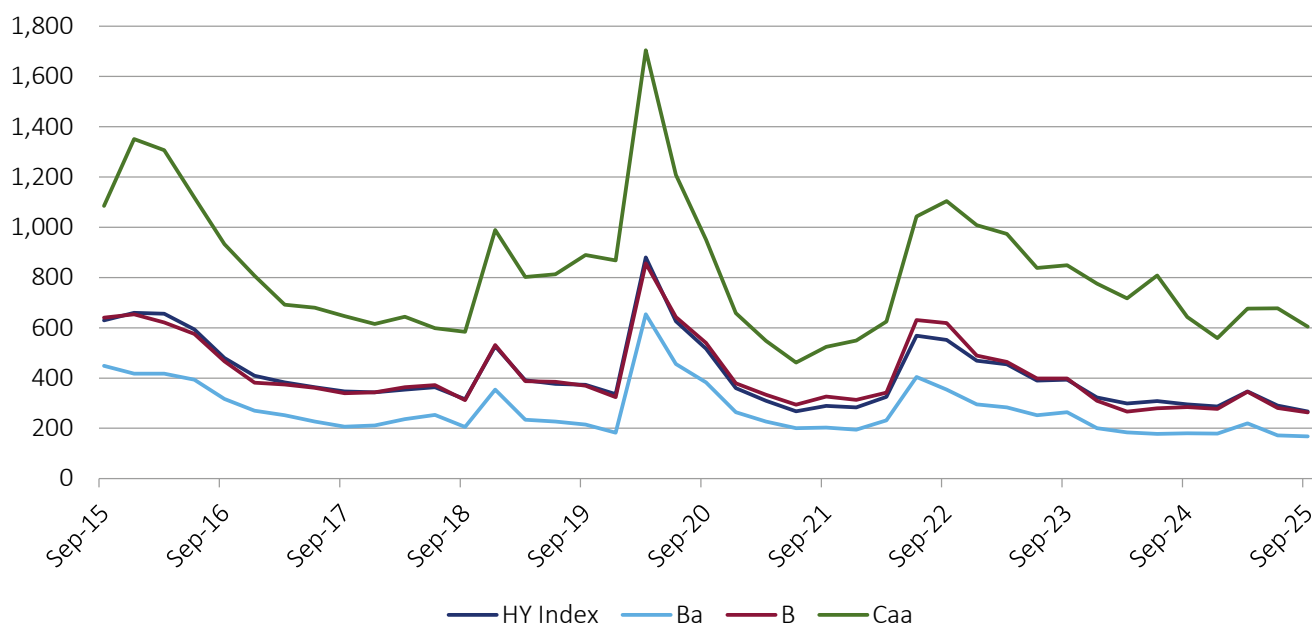


Data Source: Bloomberg

High Yield Bond Market

As of 9/30/2025	Weight	YTW	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg High Yield		6.7	2.5	7.2	7.4	11.1	5.5	6.2
S&P LSTA Leveraged Loan		7.4	2.0	5.3	7.9	10.4	6.6	5.4
High Yield Quality Distribution								
Ba U.S. High Yield	52.8%	5.7	2.3	7.4	6.9	9.9	4.7	6.0
B U.S. High Yield	34.8%	6.7	2.3	6.8	7.1	11.0	5.4	5.8
Caa U.S. High Yield	11.5%	10.0	4.4	8.1	10.5	14.4	8.3	7.0
Ca to D U.S. High Yield	1.0%	21.5	2.0	4.3	6.6	27.0	19.5	11.5

Fixed Income Option Adjusted Spread (bps)

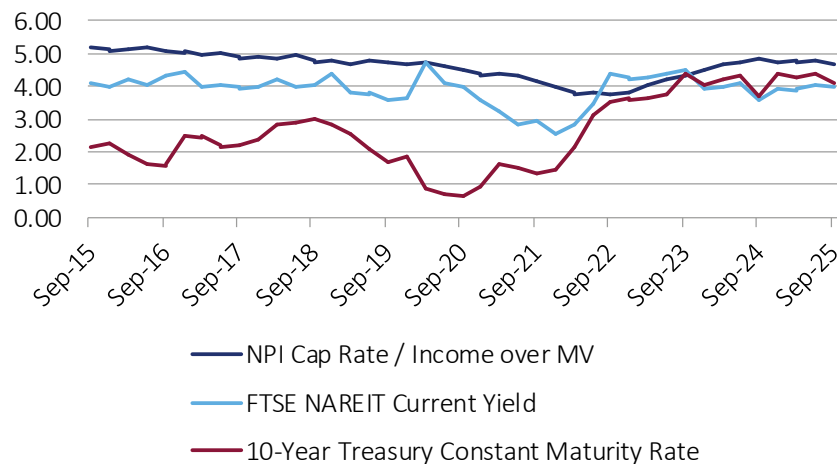


Data Source: Bloomberg

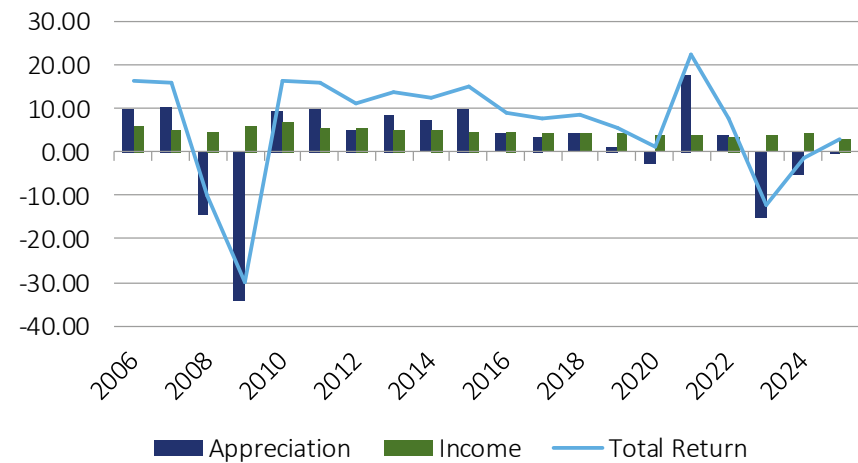
Real Assets

As of 9/30/2025	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg U.S. TIPS	2.1	6.9	3.8	4.9	1.4	3.0
Bloomberg Commodity Index	-3.1	5.1	5.8	0.1	12.7	2.0
Bloomberg Gold Index	16.4	44.8	44.1	31.3	14.4	12.2
Wilshire Global RESI Index	3.4	7.9	-0.2	11.6	8.3	5.6
NCREIF ODCE Fund Index	0.7	2.8	4.0	-5.4	3.5	5.0
NCREIF Timberland Index	0.7	2.9	4.4	8.1	8.4	5.4
FTSE Global Core Infrastructure 50/50	4.0	14.2	7.8	12.4	9.4	8.5
Alerian Midstream Energy	1.3	6.5	20.8	23.9	28.8	10.9
Bitcoin	6.5	22.3	79.7	80.7	60.7	85.5

Real Estate Valuation (%)



NCREIF ODCE Fund Index Return (%)



Data Sources: Bloomberg, National Council of Real Estate Investment Fiduciaries

Asset Class Performance

Asset Class Returns - Best to Worst

2020	2021	2022	2023	2024	2025 YTD
U.S. Equity 20.8%	REITs 46.2%	Commodities 16.1%	U.S. Equity 26.1%	U.S. Equity 23.8%	Emrg Mrkts 28.2%
Emrg Mrkts 18.7%	Commodities 27.1%	T-Bills 1.3%	Developed 18.9%	REITs 9.1%	Developed 25.7%
U.S. TIPS 11.0%	U.S. Equity 26.7%	High Yield -11.2%	REITs 16.1%	High Yield 8.2%	U.S. Equity 14.4%
Developed 8.3%	Developed 11.8%	U.S. TIPS -11.8%	High Yield 13.4%	Emrg Mrkts 8.1%	Commodities 9.4%
Core Bond 7.5%	U.S. TIPS 6.0%	Core Bond -13.0%	Emrg Mrkts 10.3%	Commodities 5.4%	High Yield 7.2%
High Yield 7.1%	High Yield 5.3%	Developed -14.0%	Core Bond 5.5%	T-Bills 5.3%	U.S. TIPS 6.9%
T-Bills 0.7%	T-Bills 0.0%	U.S. Equity -19.0%	T-Bills 5.1%	Developed 4.3%	Core Bond 6.1%
Commodities -3.1%	Core Bond -1.5%	Emrg Mrkts -19.7%	U.S. TIPS 3.9%	U.S. TIPS 1.8%	REITs 4.5%
REITs -7.9%	Emrg Mrkts -2.2%	REITs -26.8%	Commodities -1.3%	Core Bond 1.3%	T-Bills 3.2%

Annualized 5-Year as of 9/25

U.S. Equity 16.0%
Developed 11.7%
Commodities 11.5%
REITs 9.4%
Emrg Mrkts 7.5%
High Yield 5.5%
T-Bills 3.0%
U.S. TIPS 1.4%
Core Bond -0.4%

Data Sources: Bloomberg

Note: Developed asset class is developed equity markets ex-U.S., ex-Canada



Ohio SERS Investment Report

Quarterly Report to the Board

For the period ending: September 30, 2025

Prepared by Investment Staff

Meeting Date: November 2025

Farouki Majeed, Chief Investment Officer



Investment Agenda

- Portfolio Review – Fixed Income.
- Quarterly Market Review period ended September 30, 2025, presented by Wilshire Associates.
- Quarterly Economic update for the period ended September 30, 2025.

Economic and Financial Market Outlook

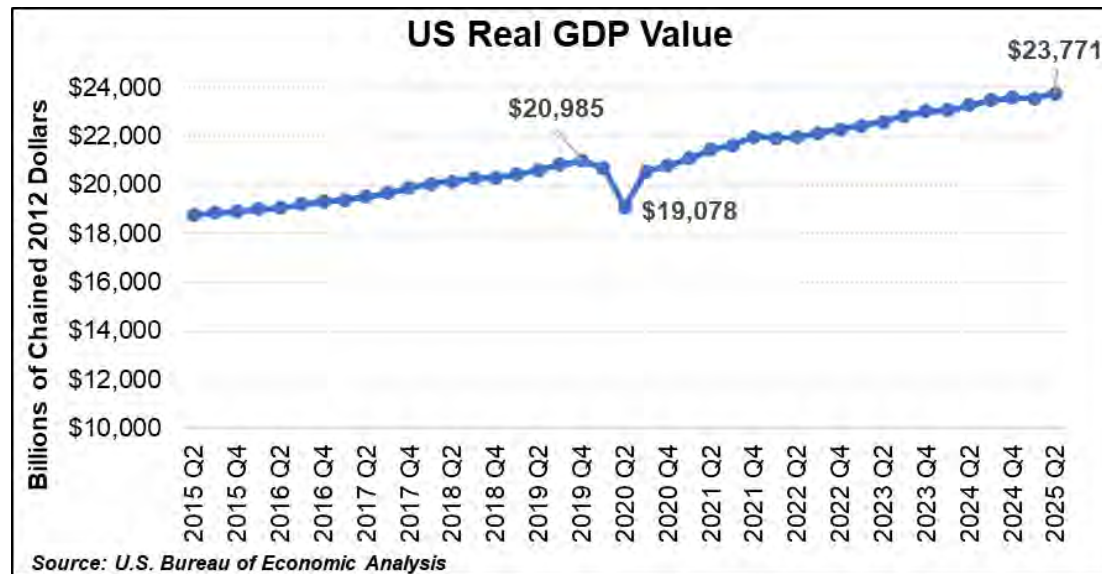
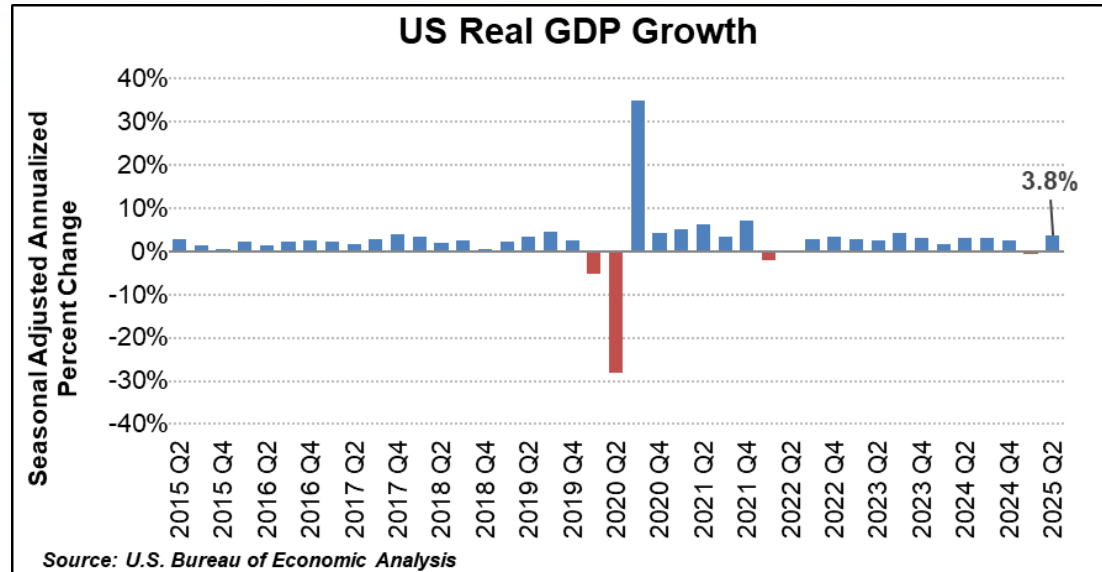


- GDP expanded 3.8% on an annual basis in Q2, 2025, reversing a 0.6% contraction in Q1. Growth was driven by a decrease in imports and an increase in consumer spending. The October Blue Chip Economic Indicators (BCEI) consensus expects a 2.5% GDP growth expectation for Q3, 2025 (*Source: Bureau of Economic Analysis and Blue Chip Economic Indicators*).
- The latest data from the US Bureau of Labor Statistics showed a 22,000 job gain and a 4.3% unemployment rate in August. Automatic Data Processing (ADP) reported the US private sector lost 32,000 jobs in September and gained 42,000 in October, showing labor market uncertainty. (*Sources: Bureau of Labor Statistics and Department of Labor; ADP*).
- US headline inflation (CPI) was 3.0% in September, up by 0.1% from August. Over the past 12 months, the food and energy indices increased by 3.1% and 2.8%, respectively. Core inflation, which excludes food and energy, was 3.0%, down by 0.1% versus August. (*Source: Bureau of Labor Statistics*).
- The 10-year Treasury nominal yield declined five basis points to 4.11% in October. Since January 1, 2025, the 10-year yield has decreased by 47 basis points. The current 10-year real yield, estimated by the gap between the 10-year Treasury nominal yield and the current headline inflation rate, declined to 1.31% in September, which is 0.48% below the historical average. The Fed cut interest rates by 25 bps in October to a range of 3.75-4.00% due to concerns of a deteriorating labor market. This is the second interest rate cut in 2025.
- S&P Case-Shiller 20-City home price index was down 0.57% for the month but gained 1.58% for the last 12 months as of August 2025. The annual rate has steadily declined in recent months.
- The Consumer Sentiment Index released by Thomson Reuters and the University of Michigan was 53.6 in October, down 2.7% from September and down 24% from a year ago. Both the US and Global Economic Surprise indices were positive in October, indicating that the actual data exceeded expectations, suggesting stronger economic conditions. The US reading was 13.8, down from 22.8 in the previous month, while the Global reading was 19.9, up from 9.8 in the previous month. The latest Leading Economic Index (LEI), issued by the Conference Board, was 98.4 for August. This composite of indicators forecasts economic activities several months ahead. The LEI was down 0.5% for the month and 2.8% for the 6-month period.
- US Manufacturing PMI was below 50 at 48.7, indicating a mild contraction in October. A sub-50 level indicates a decline in business activities. Global Manufacturing PMI maintained a soft expansion level of 50.7 in October. (*Source: Institute for Supply Management and S&P Global*).
- Equity markets experienced gains in October. Emerging markets (MSCI EM) led with a return of 4.18%, followed by the US market (Russell 3000) at 2.14% and Non-US Developed markets (MSCI World ex-USA) at 1.09%.
- The US fixed income market, Bloomberg US Universal Bond Index, gained by 0.66% in October.



ECONOMY

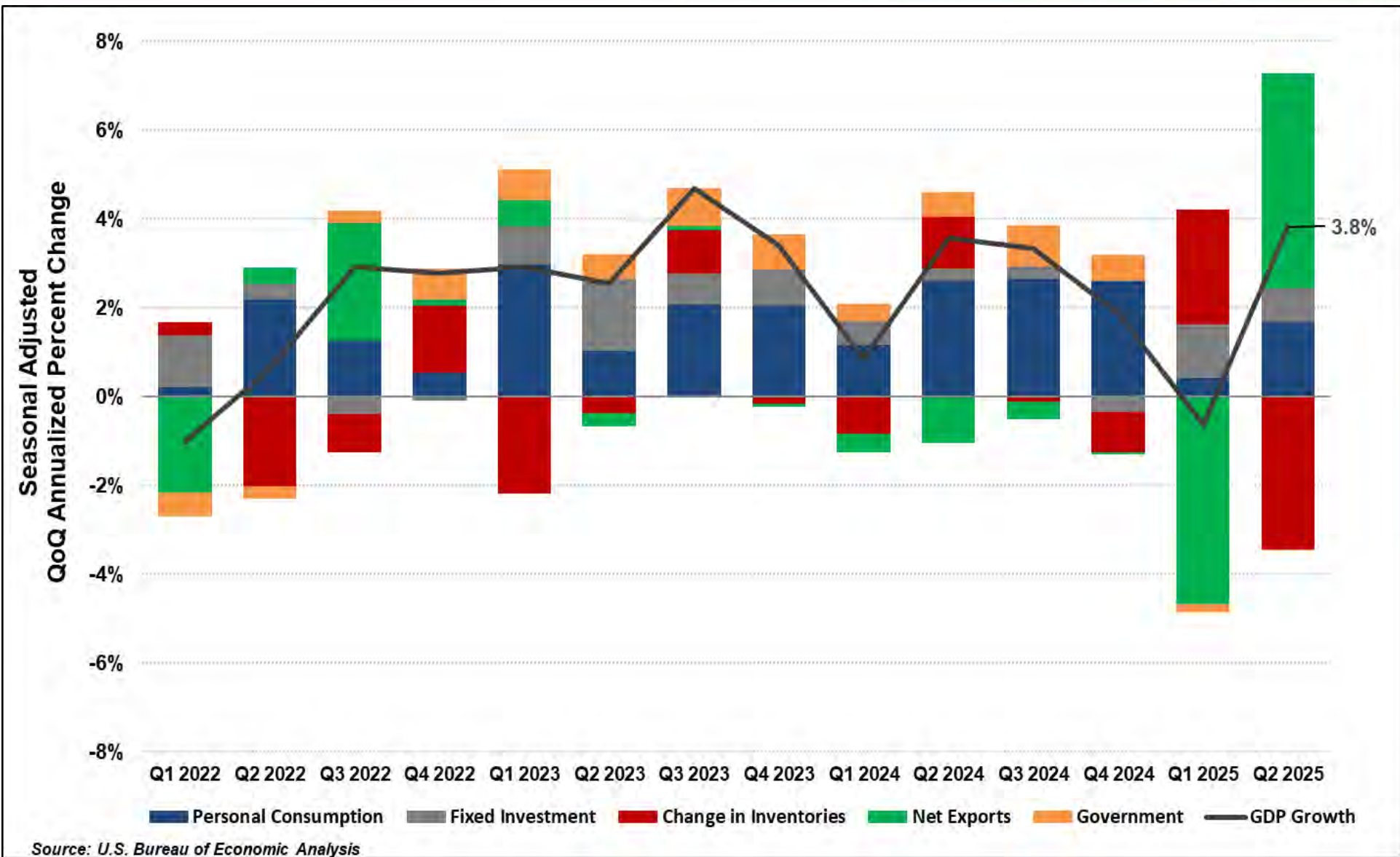
US Real Gross Domestic Product





ECONOMY

GDP Growth and its Component Contributions

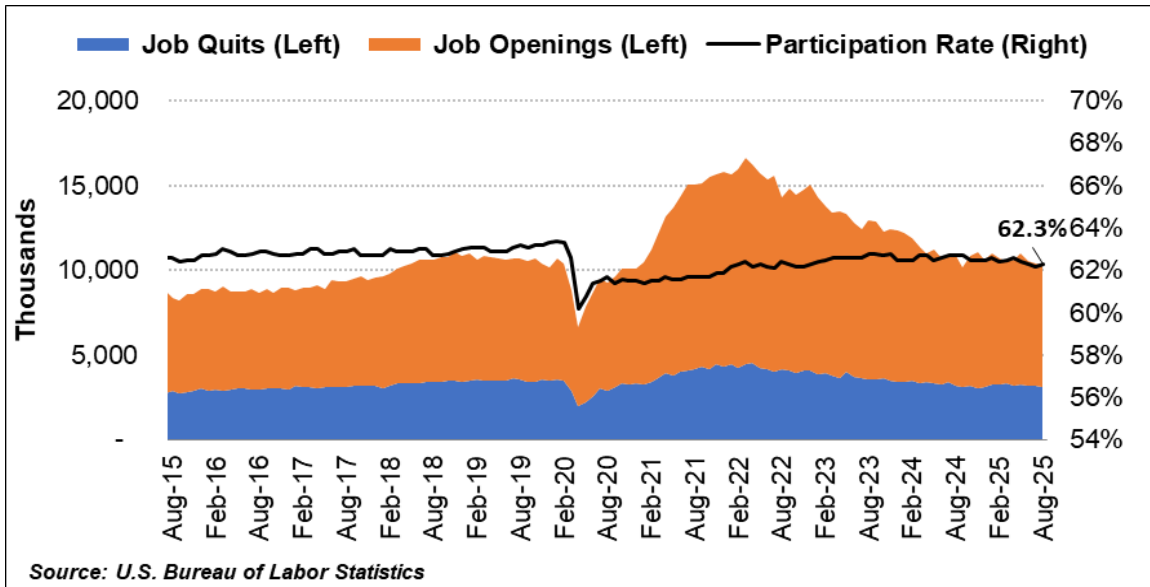
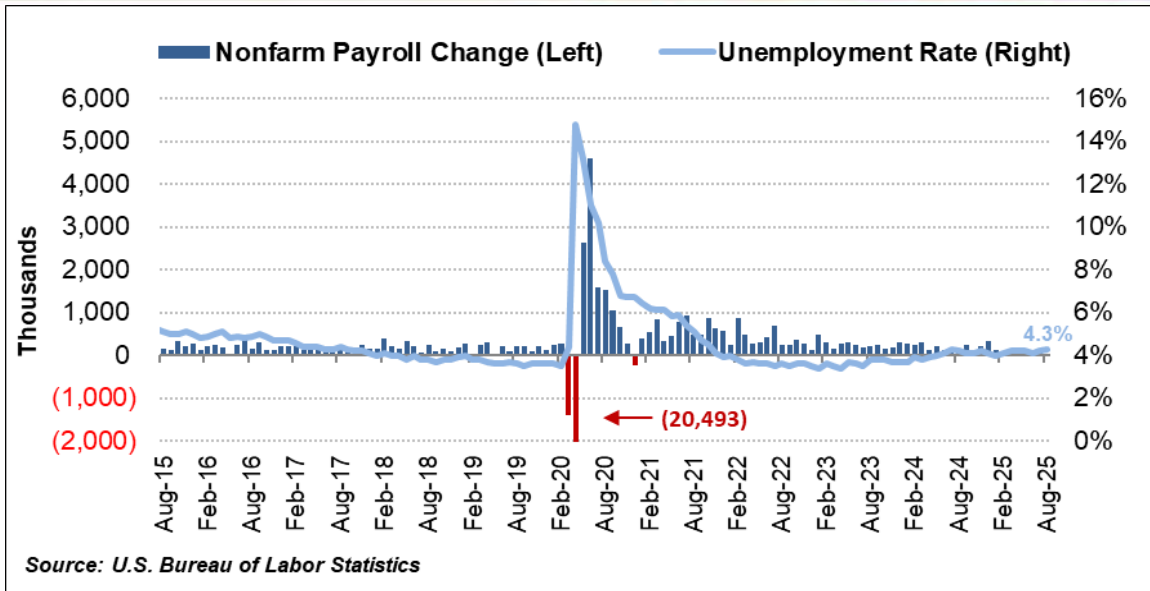


Note: No new data due to Government shutdown



ECONOMY

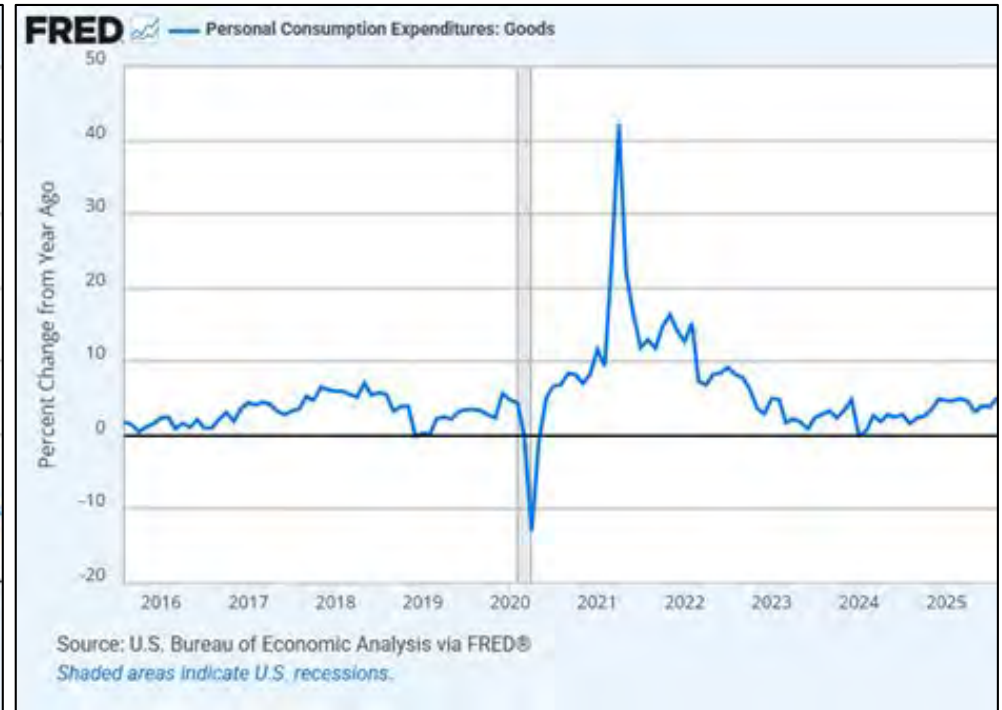
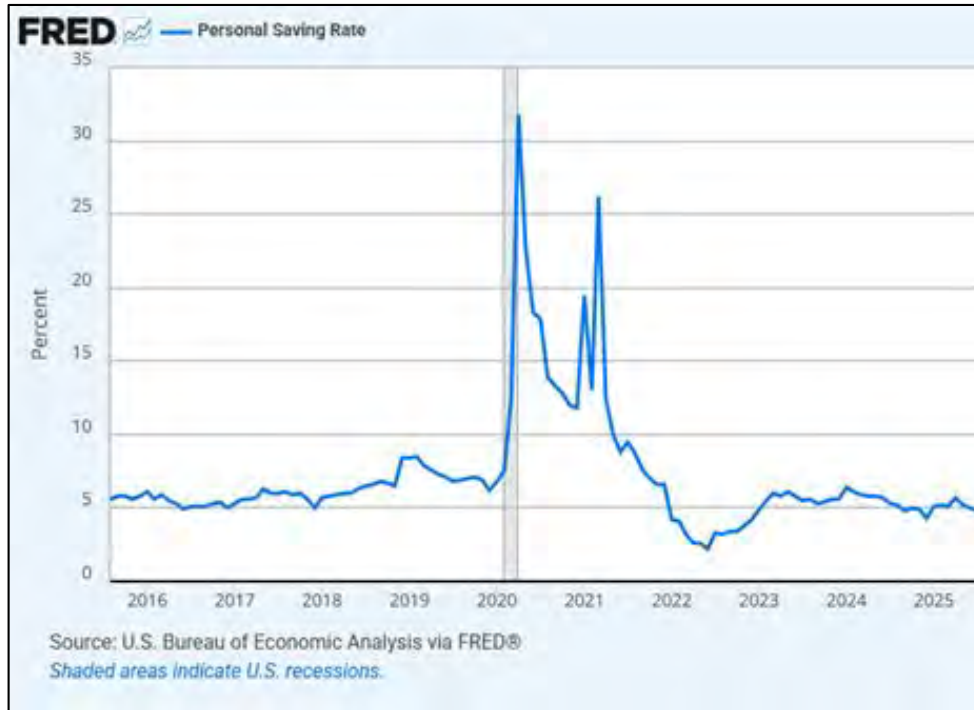
US Labor Market





ECONOMY

Personal Savings Rate & Personal Expenditures: Goods



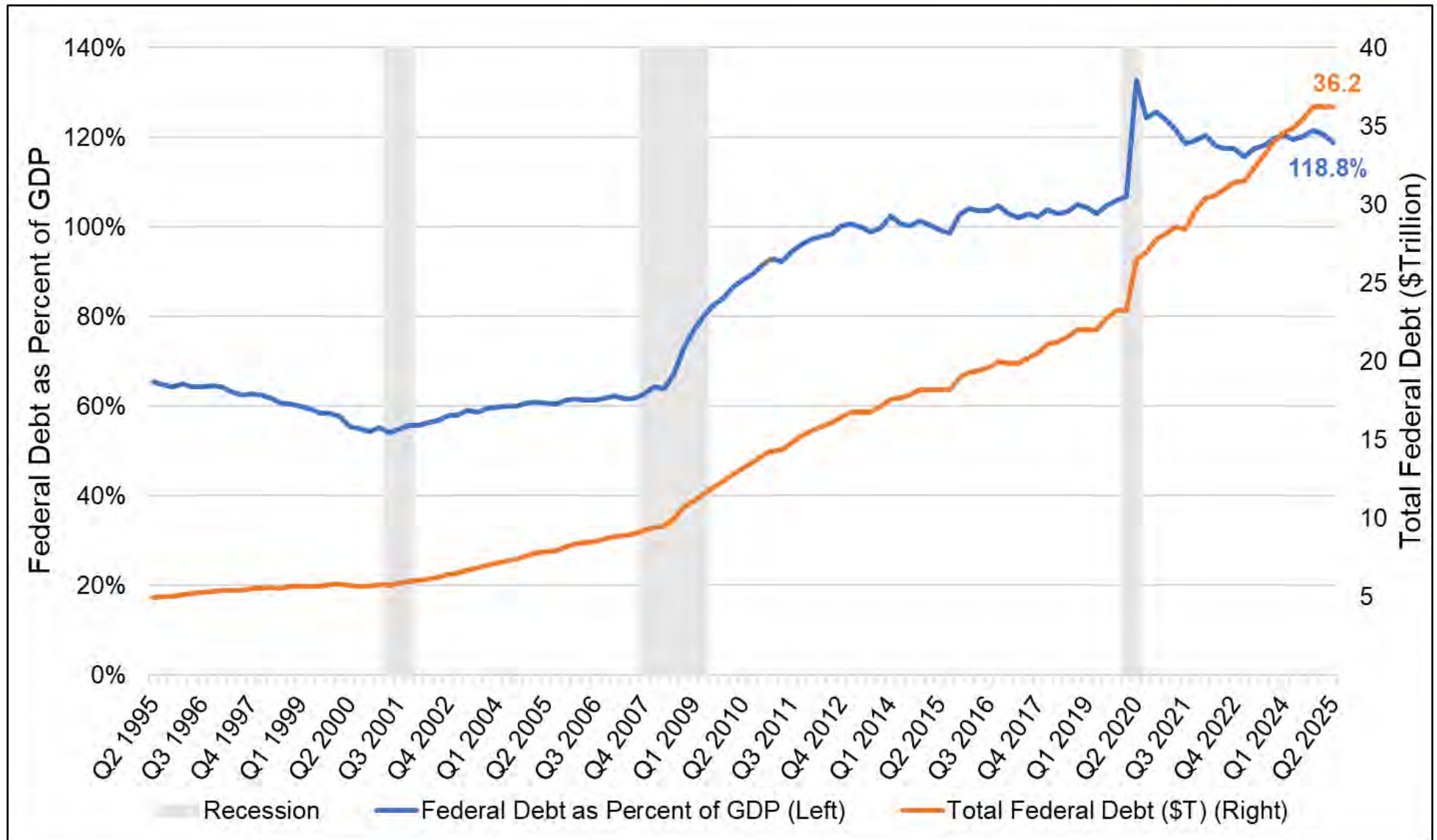
Date	Annual Personal Savings Rate
Jun-22	2.2%
Jun-23	5.8%
Jun-24	5.7%
Jun-25	5.0%
Aug-25	4.6%

Date	Personal Consumption Expenditures: Goods Change from Prior Year
Jun-22	8.5%
Jun-23	0.9%
Jun-24	2.5%
Jun-25	4.0%
Aug-25	5.1%



ECONOMY

Federal Debt in USD and Percentage of GDP



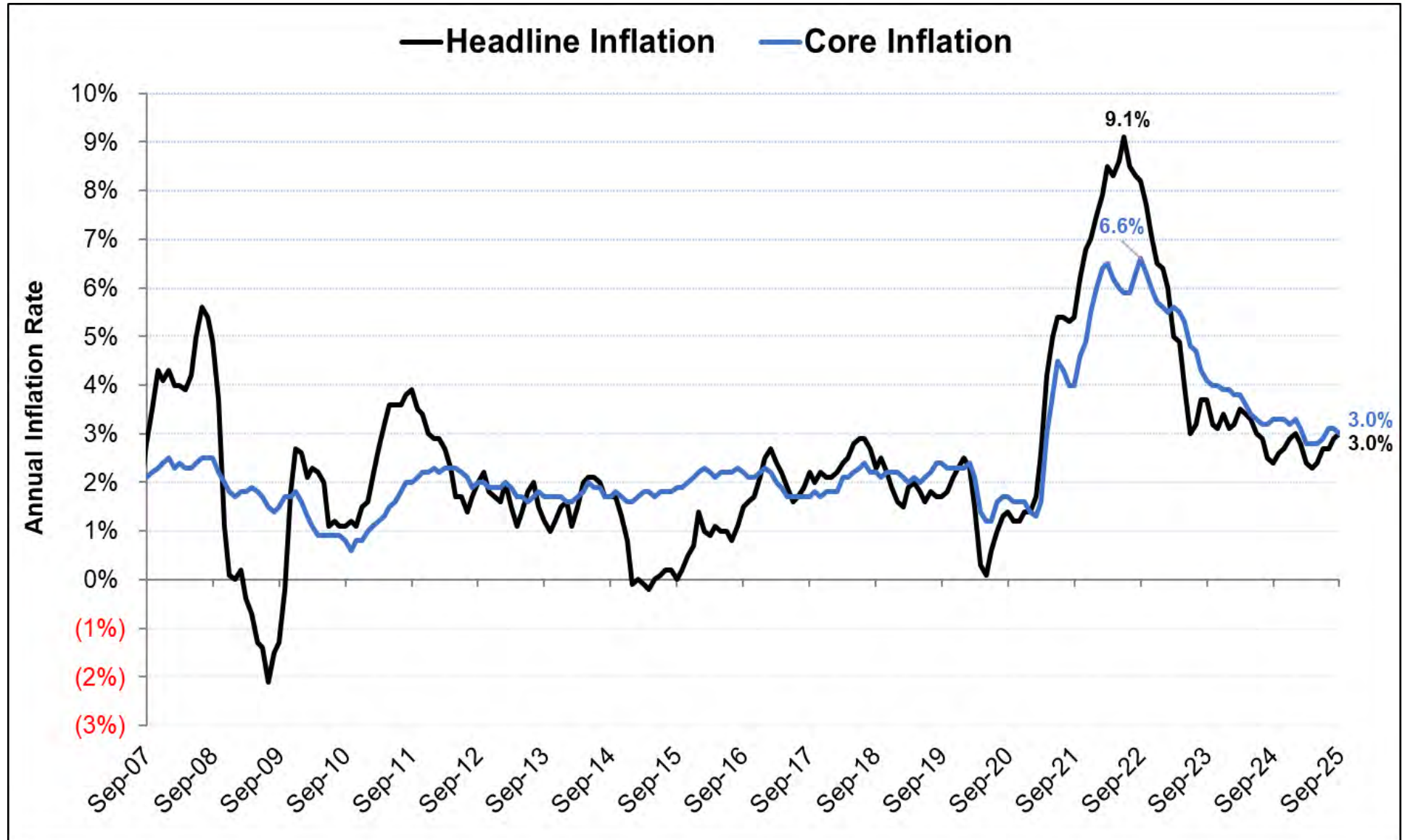
Note: No new data due to Government shutdown

Source: Federal Reserve Bank of St. Louis, U.S. Office of Management and Budget



ECONOMY

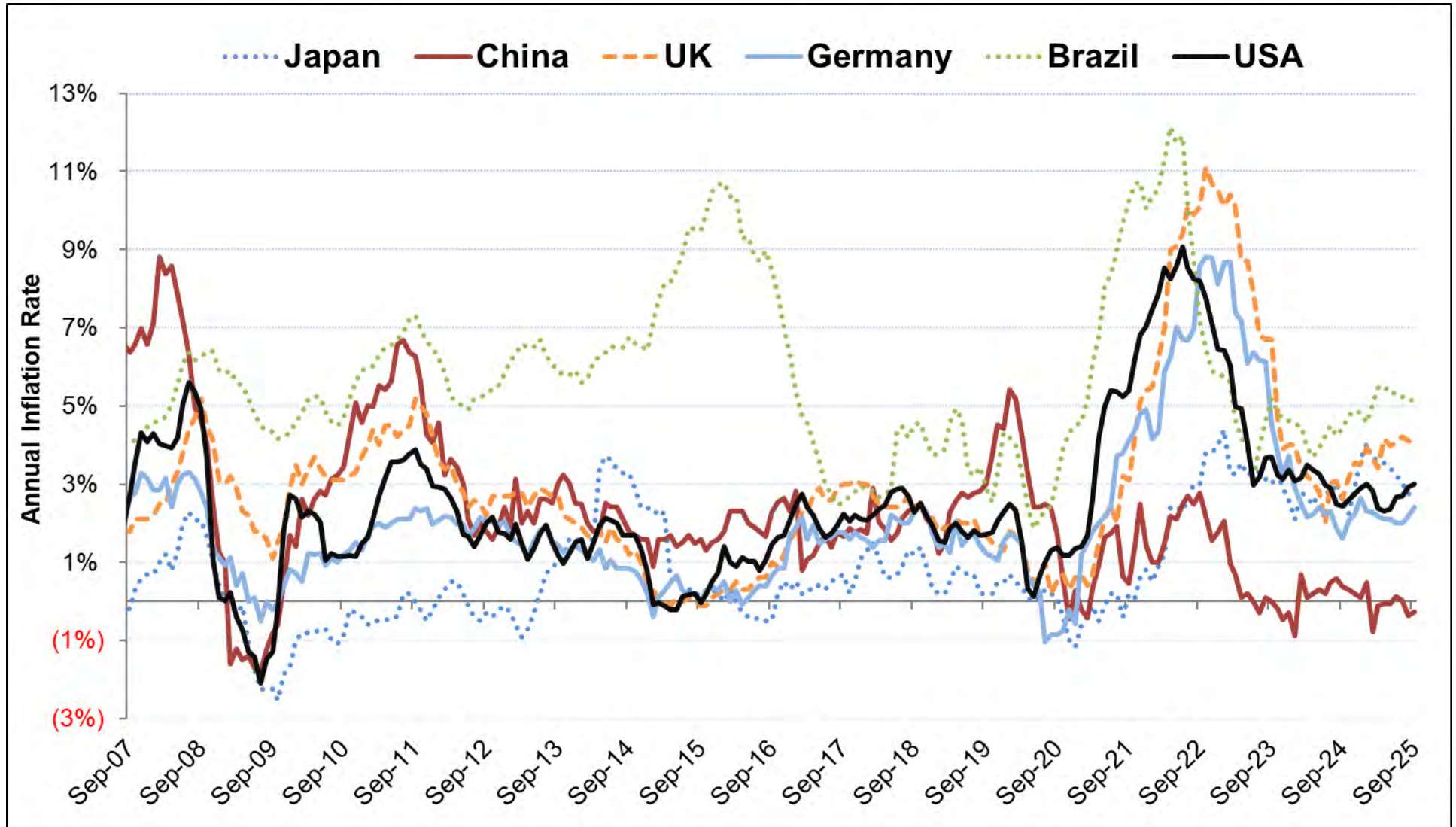
US Inflation





ECONOMY

Global Headline Inflation

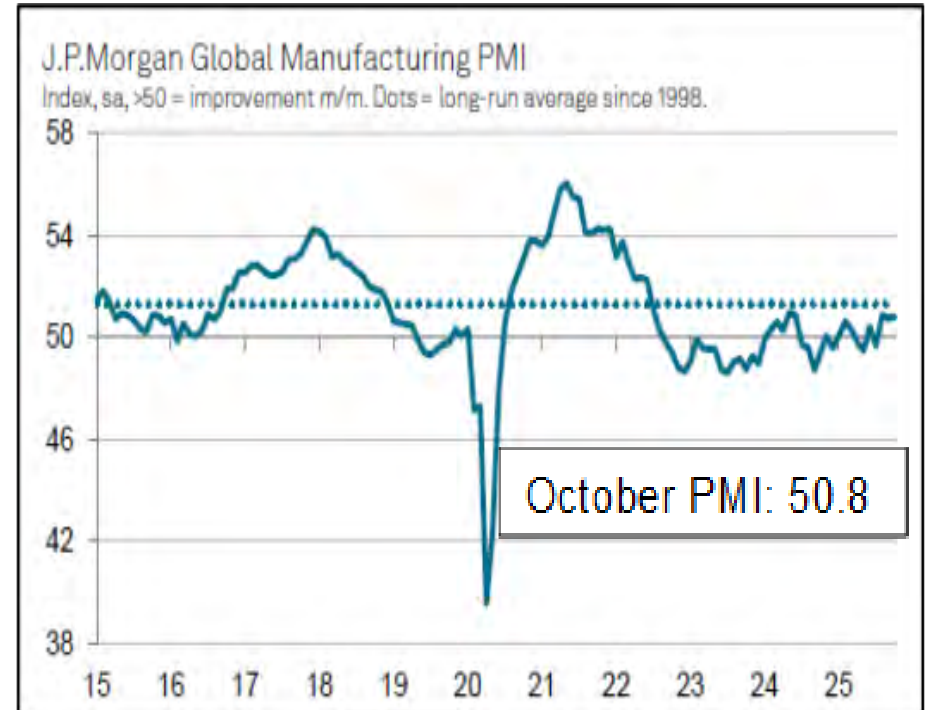


	Japan	China	UK	Germany	Brazil	USA
Sep-25	2.85	-0.27	4.04	2.42	5.17	3.01



ECONOMY

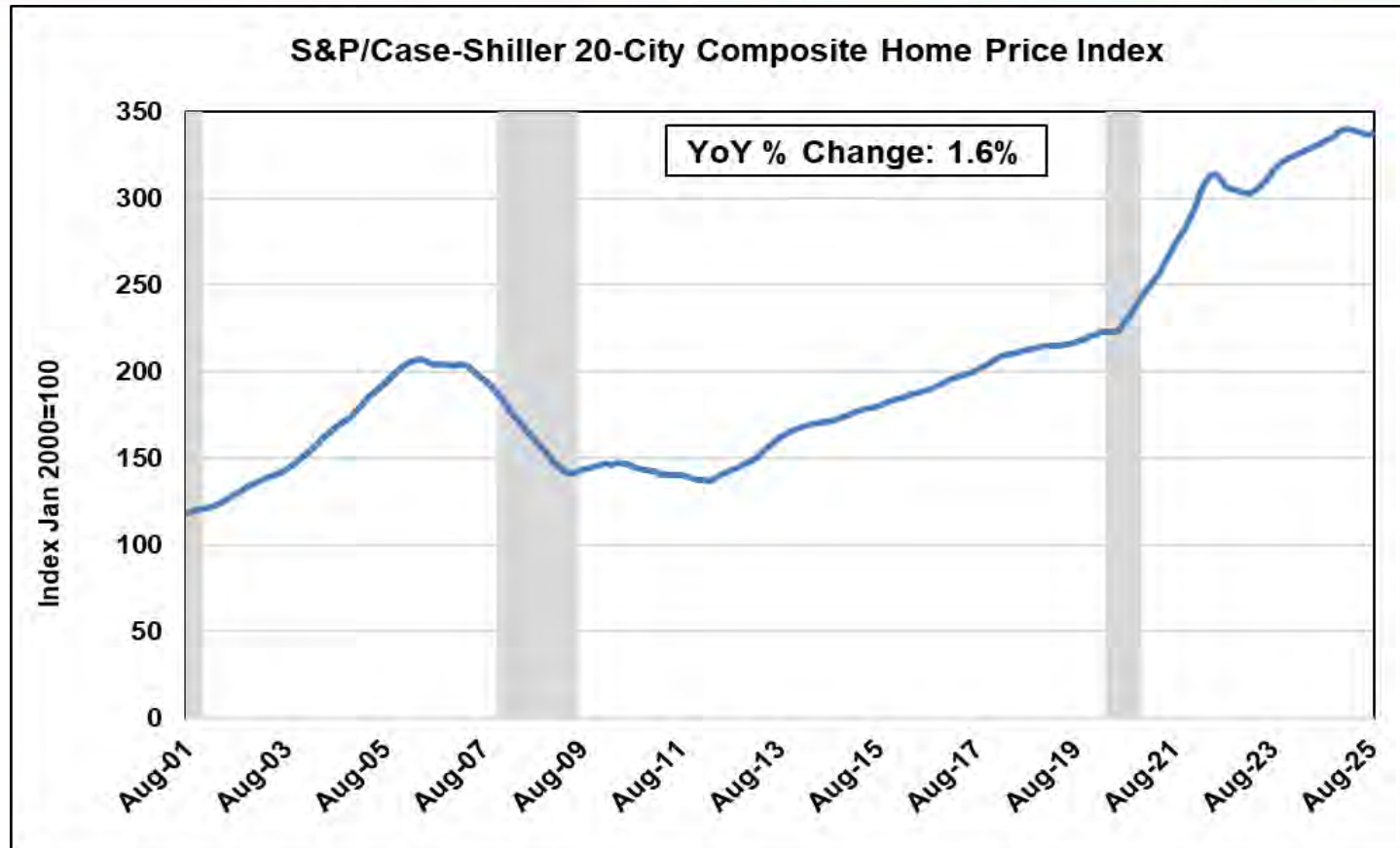
US & Global Manufacturing Activities





ECONOMY

US Housing Market

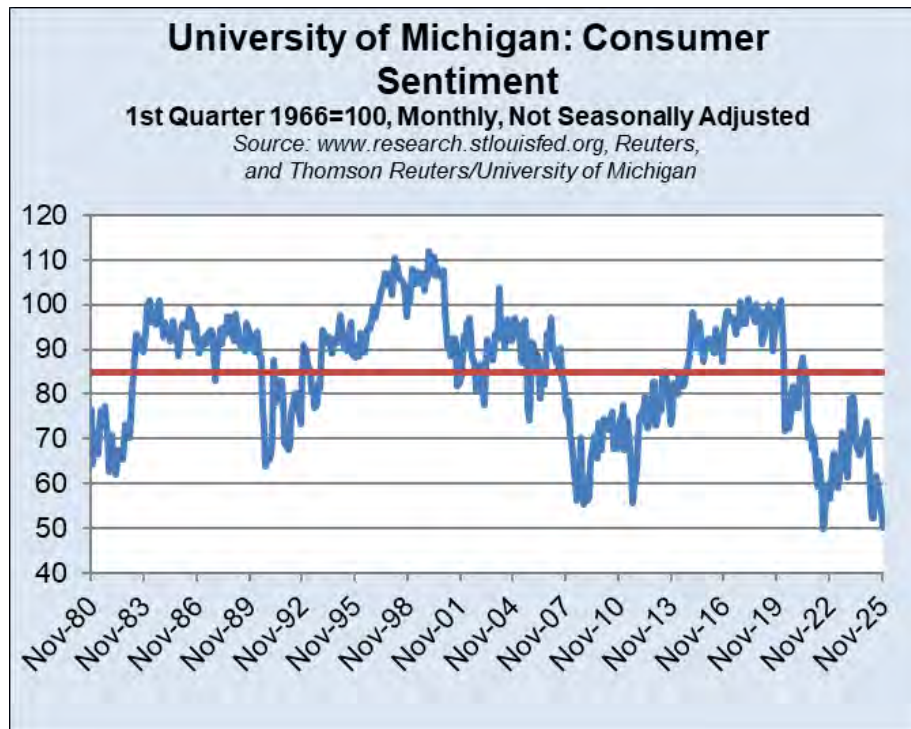


Date	S&P Case-Shiller 20-City Home Price Index January 2000 = 100, Seasonally Adjusted
Jul-21	269.29
Jul-22	312.08
Jul-23	312.39
Jul-24	330.71
Jul-25	336.65
Aug-25	337.30



ECONOMY

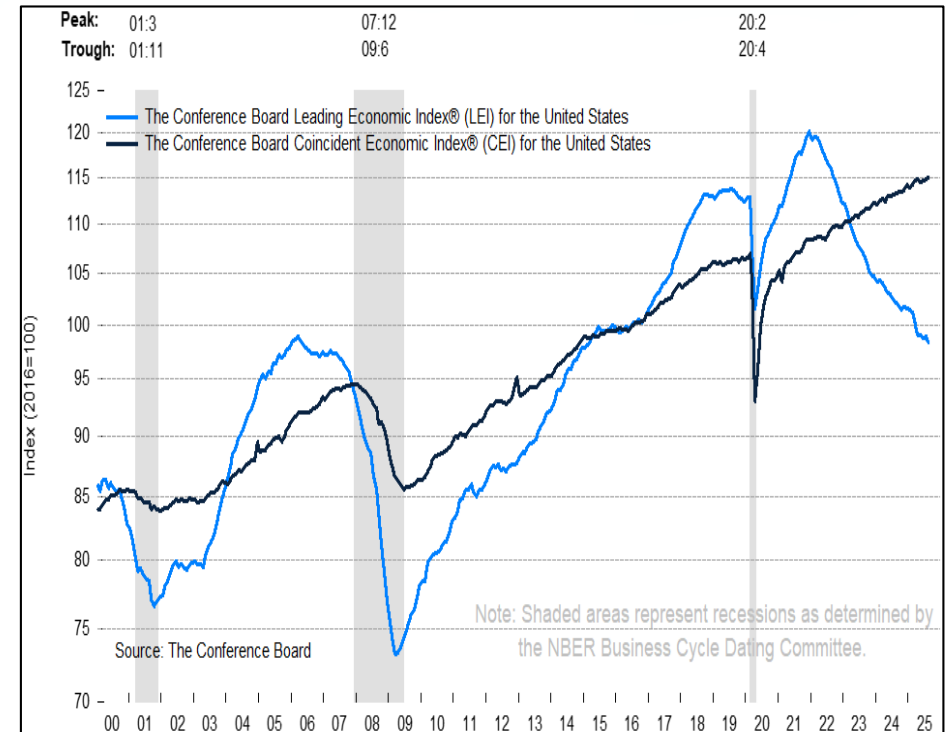
Consumer Sentiment



Index of Consumer Sentiment				
Nov-25	Oct-25	Nov-24	M-M Change	Y-Y Change
50.3	53.6	71.8	-6.2%	-29.9%

Sources: Thomson Reuters / University of Michigan

The Leading Economic Index (LEI)



Shaded areas represent US recessions

Index	Jul-25	Aug-25	Month -Month Percent Change	6-Month Percent Change (Feb-Aug)
LEI	98.9 r	98.4 p	-0.5	-2.8

p Preliminary; r Revised; Indexes equal 100 in 2016

Sources: The Conference Board and advisorperspectives.com



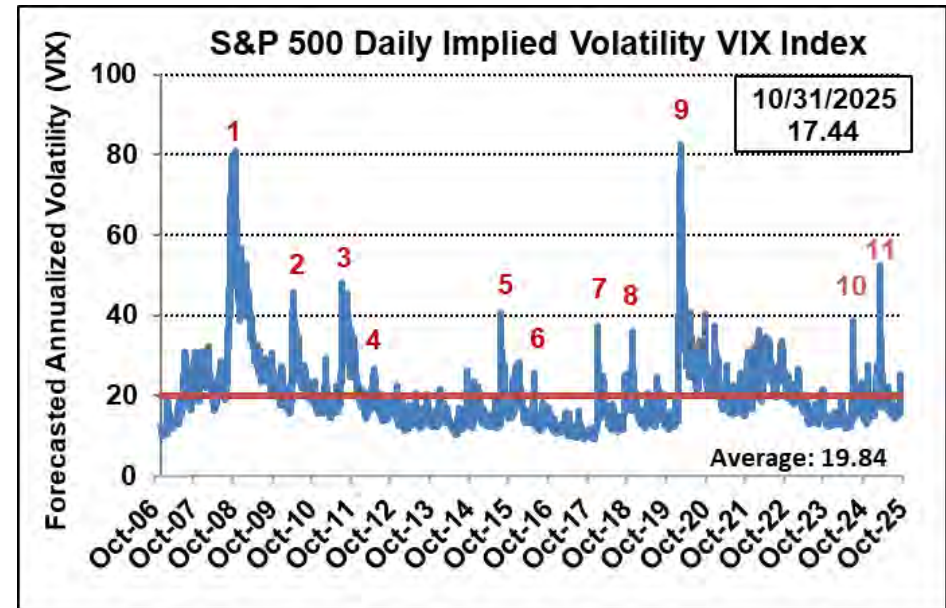
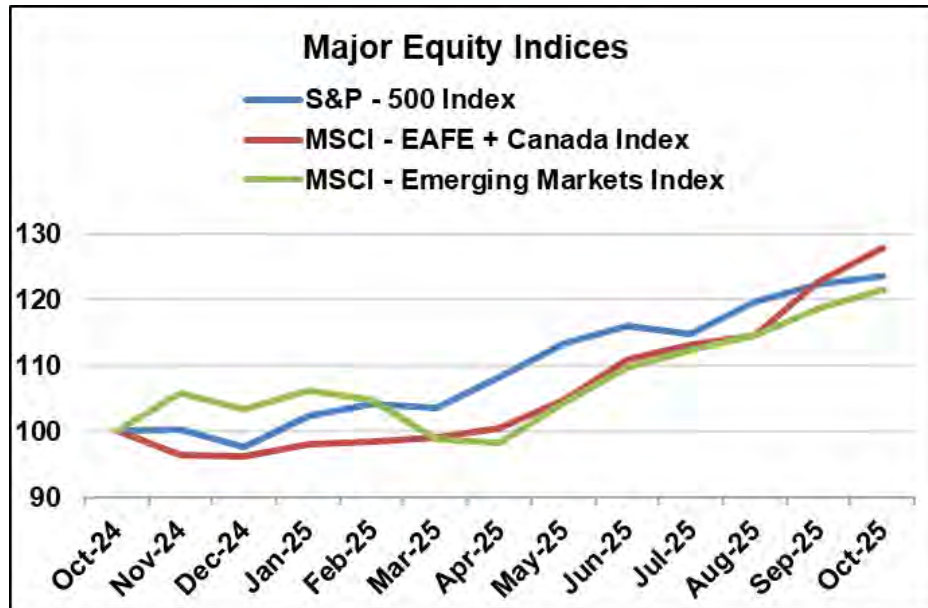
ECONOMY





MARKETS

Equity



	Return as of 10/31/2025	
	1 Year	FYTD
S&P 500 Index	21.45	10.66
MSCI - EAFE + Canada Index	23.59	6.47
MSCI - Emerging Markets Index	27.91	15.27

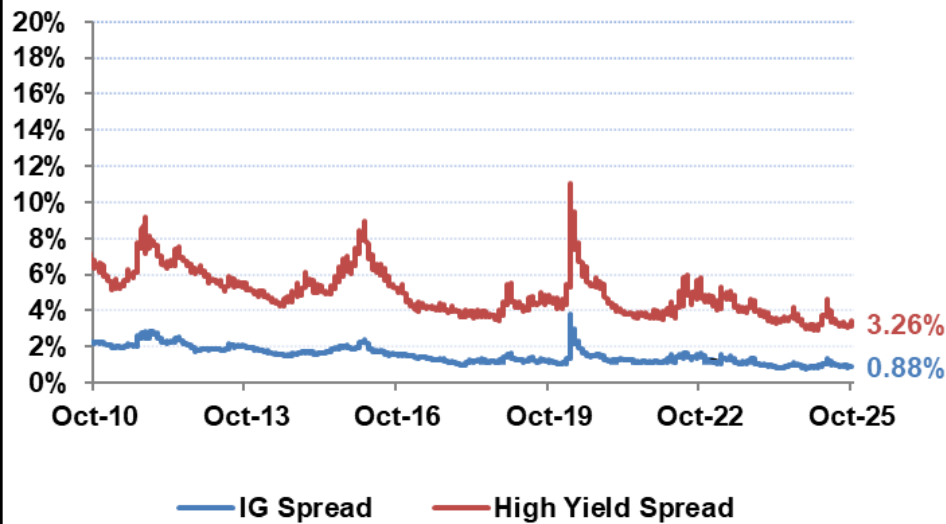
- 1 2008 (Nov.) Financial Crisis S&P 500: - 48.8%
- 2 2010 (May) Flash crash; Europe/ Greece debt S&P 500: -16%
- 3 2011 (Aug.) US down grade, Europe periphery S&P 500: -19.4%
- 4 2012 (June) Eurozone double dip S&P 500: -9.9%
- 5 2015 (Aug.) Global slow down, China, Fed S&P 500: -12.4%
- 6 2016 (Feb.) 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 slow down 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%
- 11 2025 (Apr.) Tariff tantrum, S&P 500: -11.5%



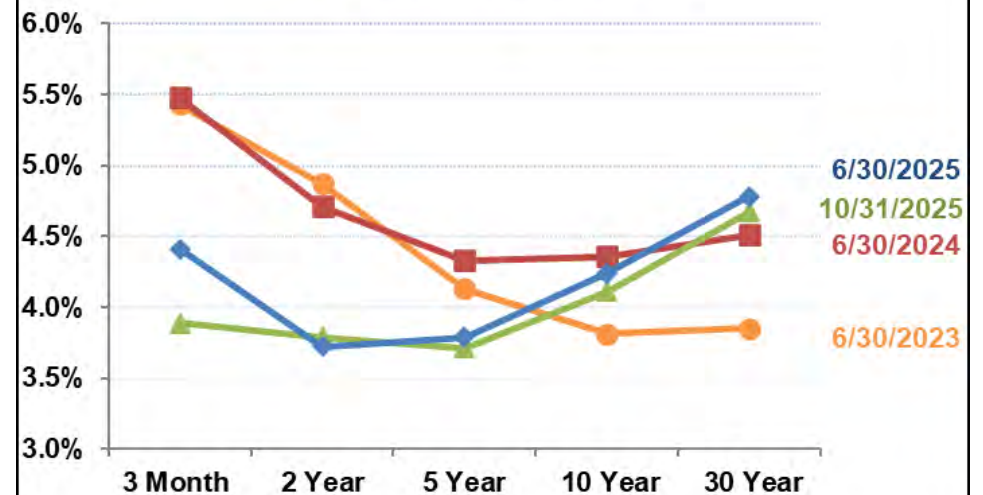
MARKETS

Fixed Income

U.S. Corp. IG and High Yield Spreads



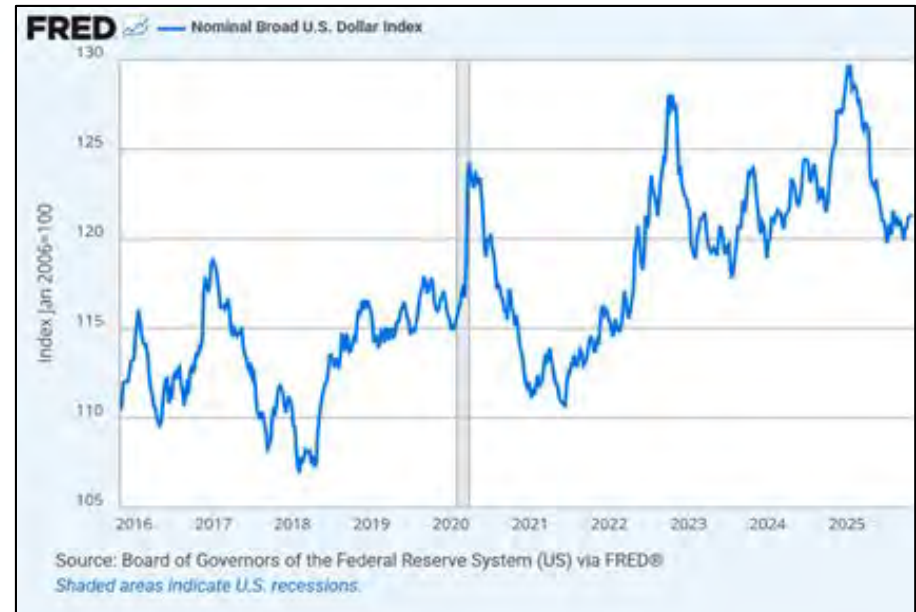
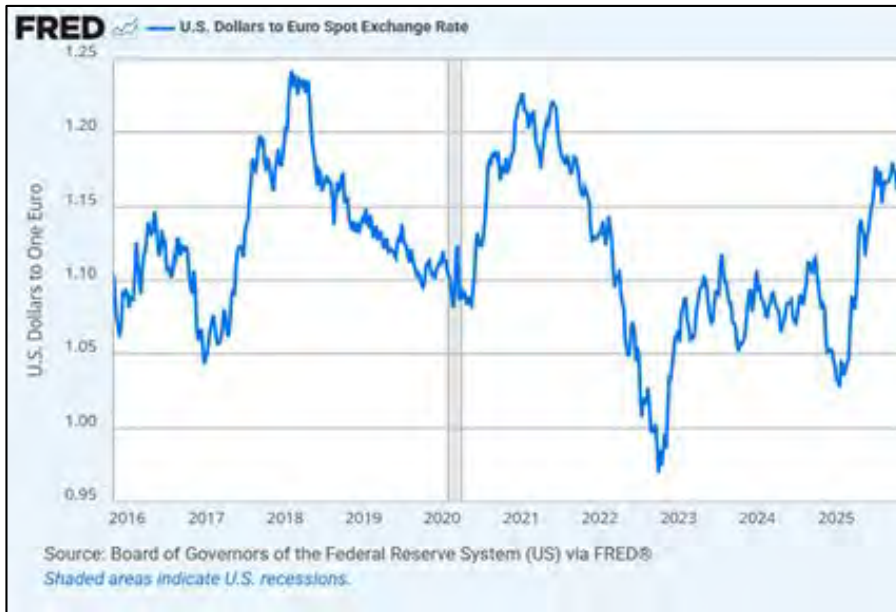
U.S. Treasury Yield Curve





MARKETS

Foreign Exchange



Date	U.S. / Euro Foreign Exchange Rate U.S. Dollars to One Euro
June-22	1.05
June-23	1.09
June-24	1.07
June-25	1.18
October 31, 2025	1.15

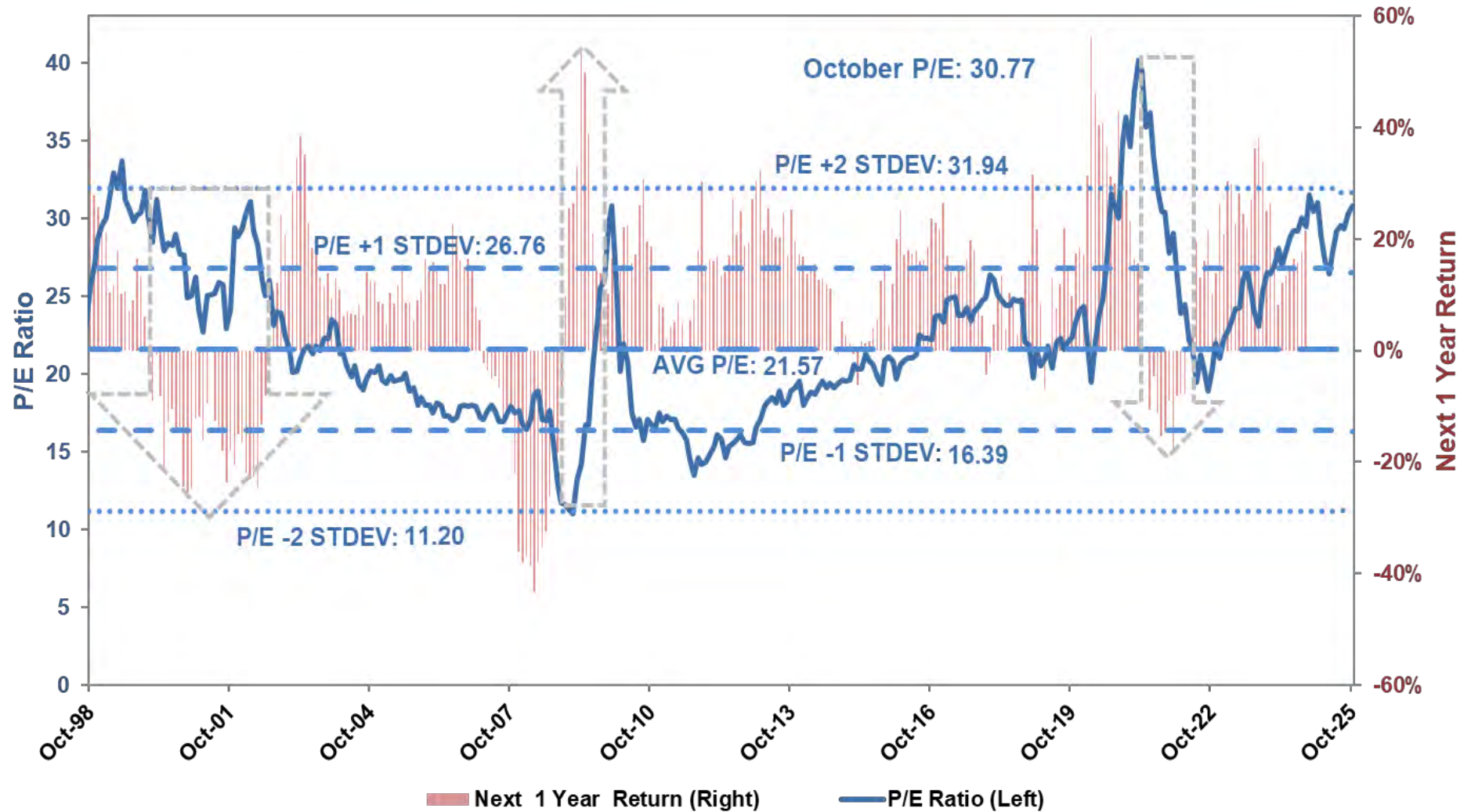
Date	Nominal Broad U.S. Dollar Index Index January 2006=100
June-22	121.05
June-23	119.89
June-24	124.52
June-25	119.83
October 31, 2025	121.77



VALUATION

US Equity

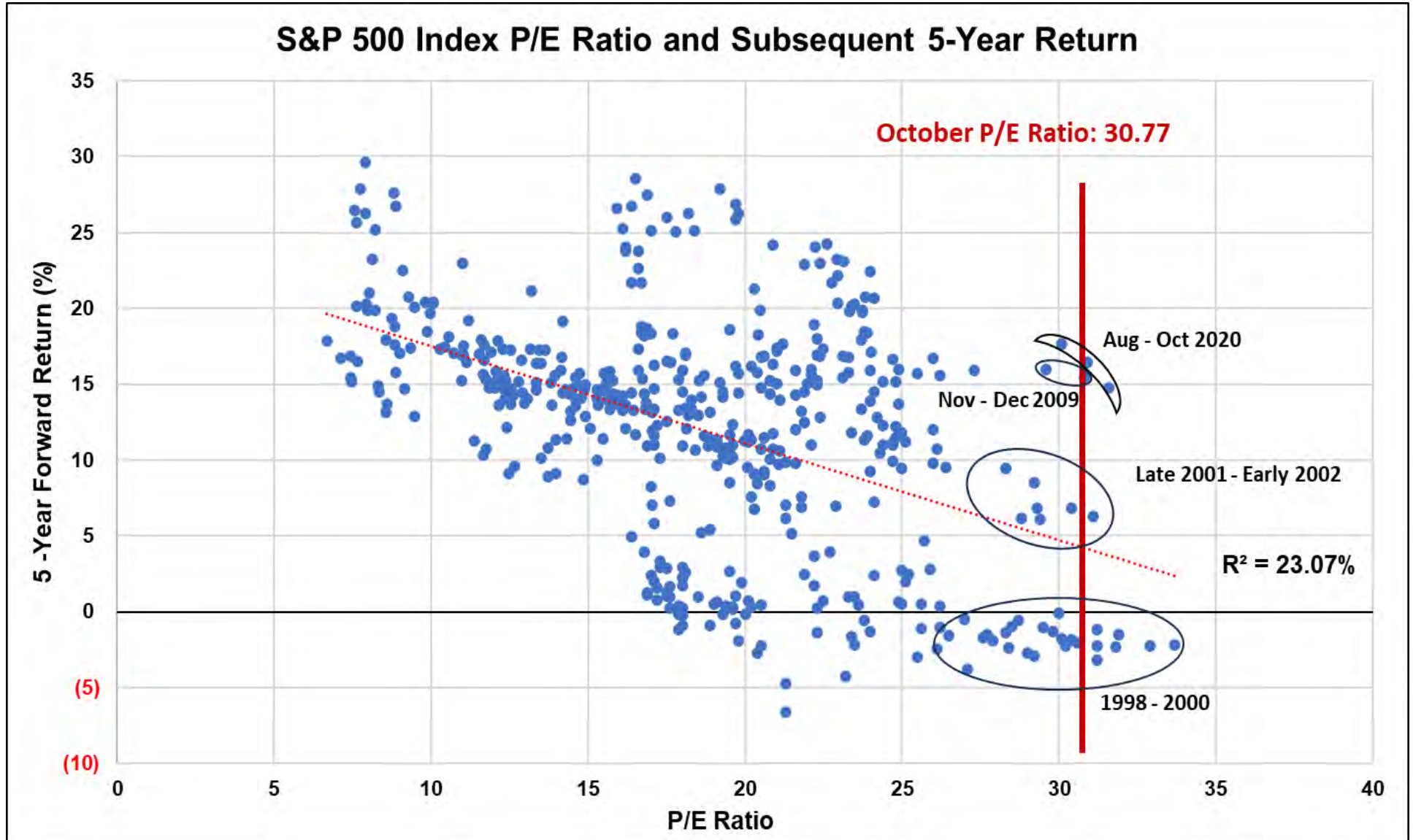
S&P 500 Index P/E Ratio and Next 1 Year Returns





VALUATION

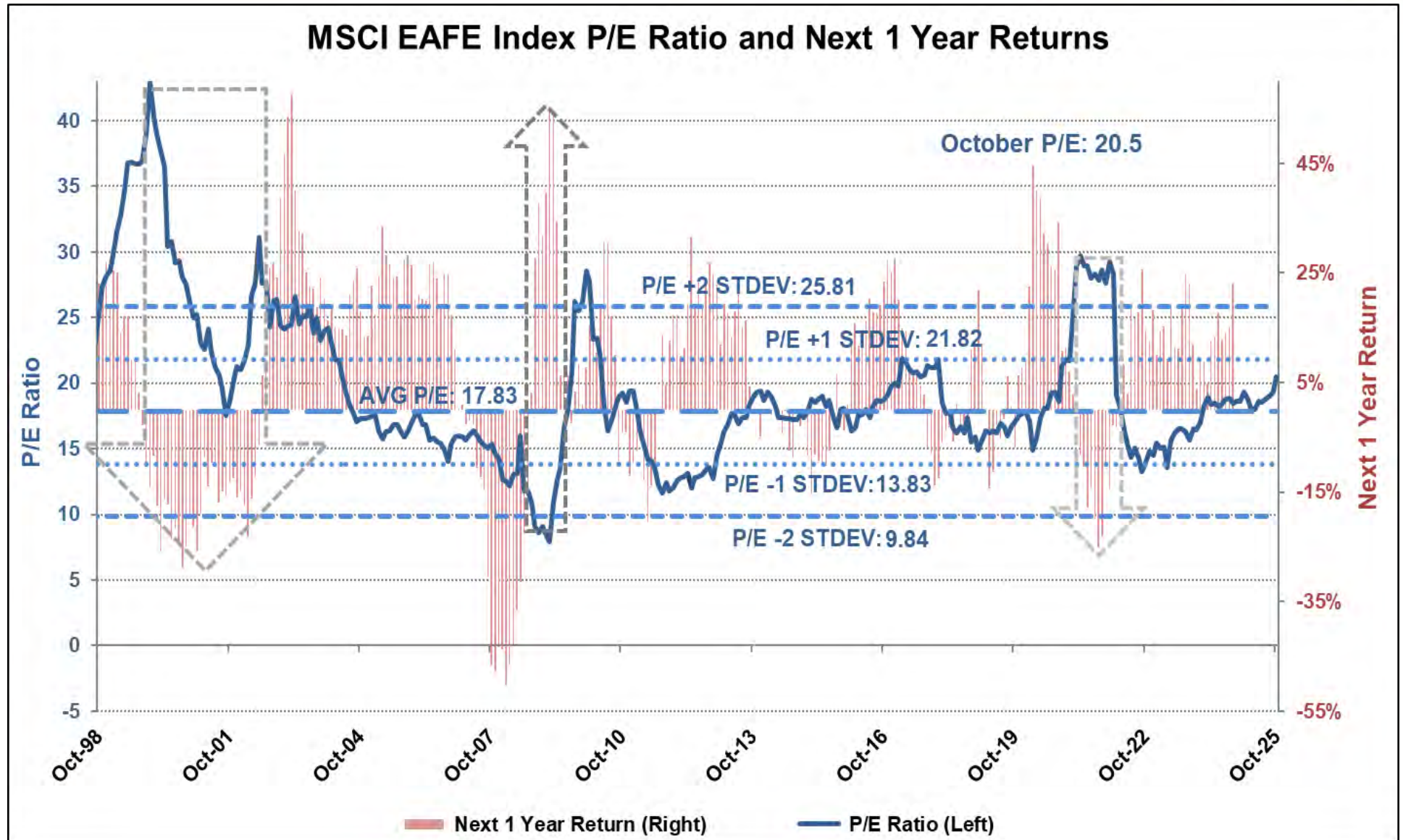
US Equity





VALUATION

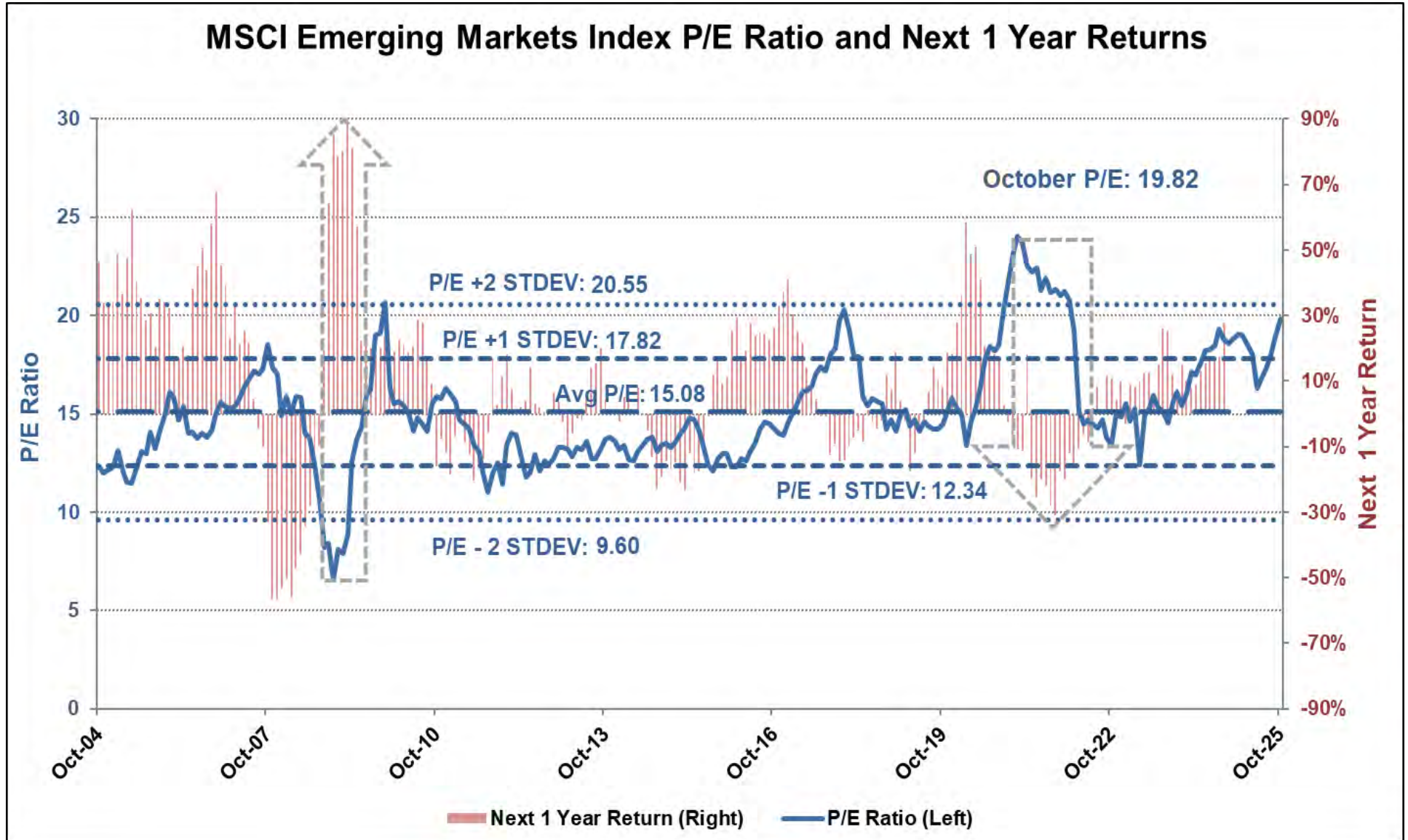
Non US Developed Market Equity





VALUATION

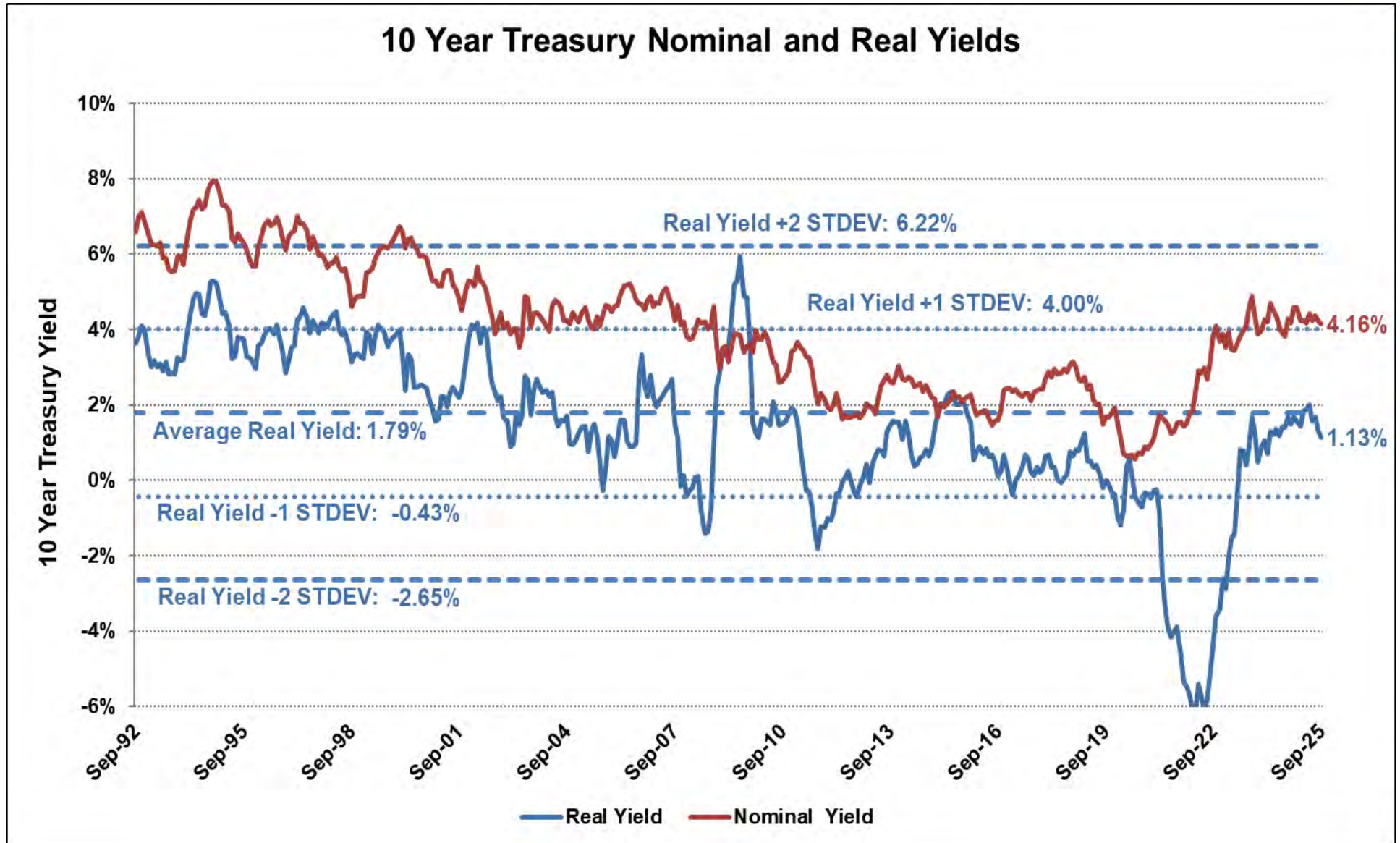
Emerging Market Equity





VALUATION

US Treasury Bonds





Proposed Investment Agenda – Next Meeting

- Board Education Session – Private Credit Market Overview.
- Portfolio Review – Private Credit.
- Investment report and economic update for the period ended September 30, 2025, and October 31, 2025.

Memo

To: Retirement Board
From: Richard Stensrud
cc: Karen Roggenkamp, Michelle Miller
Date: November 14, 2025
Re: **40 Year Service Anniversary Celebrations**

Recently we reported on some SERS members who had remarkable, long-tenured careers working in Ohio's schools, and thanked them for the commitment to service reflected by their careers.

At this meeting we want to recognize two SERS employees about whom the same can be said: This month SERS employees Andy Duvall and Elise Voutsaras reached their 40-year anniversary at SERS.

Andy is Team Lead in the Printing and Mailing department. He joined SERS as an Assistant Typesetter in the Print Shop on November 14, 1985, and has been a cornerstone of our printing and mailing operation ever since. In Andy's 40 years at SERS, he has mailed out more than one million documents to SERS members. His hard work, dedication and kindness have left a lasting impact on all of us.

Elise is a Senior Counselor in Member Services. She joined SERS as a Benefit Clerk trainee on November 25, 1985, and in June 1991 became a Counselor. In Elise's 40 years at SERS, she has counseled more than 40,000 members. Her tenure is a testament to her love of our members and retirees. She represents SERS with the utmost care and respect for those we serve.

Andy and Elise epitomize the commitment of SERS' employees to SERS' mission and those we serve.

Thank you, Andy and Elise, for all you have done and continue to do to serve SERS and our members.

Andy Duvall – 40th Anniversary



Andy Duvall Team Lead – Printing and Mailing

- November 4, 1985: Joined SERS - Assistant Typesetter in the Print Shop
- Andy is a cornerstone of our printing and mailing operation.
- His green thumb is evident in the planters and landscaping he maintains around our building.
- In his 40 years at SERS, he has mailed out more than one million correspondences to our members.
- Andy's hard work, dedication, and kindness have left a lasting impact on all of us.



Congratulations on a remarkable 40 years at SERS!

Elise Voutsaras – 40th Anniversary



Elise Voutsaras Senior Counselor

- November 25, 1985: Joined SERS as a Benefit Clerk - Trainee in Member Services
- In June of 1991, she became a Counselor.
- Elise has counseled more than 40,000 members during her tenure at SERS.
- Elise's tenure is a testament to her love of our members and retirees. She represents SERS with the utmost care for those we serve.



Congratulations on a remarkable 40 years at SERS!

SERS Wall of Service



Memo

To: Retirement Board
From Chris Collins
cc: Richard Stensrud, Karen Roggenkamp
Date: November 11, 2025
Re: **Federal Legislative Report**

OVERVIEW

Federal Shutdown Coming to an End?

On Day 40 of the funding impasse, enough Senate Democrats decided to vote for cloture on the newly introduced spending package unveiled Sunday, November 9th to get over the 60-vote hurdle and finally break the logjam.

An initial test vote Sunday night on the revised, beefed-up legislation got over that threshold, just barely, with exactly 60 votes, though final passage is unlikely until later this week.

New Hampshire centrists Senators Jeanne Shaheen (D-NH) and Maggie Hassan (D-NH), as well as independent Angus King (I-ME), former governors of their New England states, led talks with the White House and Senate GOP leaders to find a way out of the health insurance impasse that's kept the government closed for weeks.

The Affordable Care Act (ACA) open enrollment period began on November 1st and ACA marketplace plan premiums are projected to see their largest increase since the law's passage more than a decade ago, driven in part by the expiration of enhanced tax credits. These subsidies have been a central sticking point for Democrats in the ongoing government funding fight.

Senate Majority Leader John Thune (R-SD) said the compromise arrangement includes a commitment to vote on a Democratic-drafted extension of health insurance subsidies by mid-December, ahead of their December 31st expiration.

The details of the new continuing resolution are extension of current funding levels through January 30th, along with three full-year appropriations bills covering the Departments of Agriculture and Veterans Affairs as well as legislative operations. It also carries a host of "extender" provisions for authorizing committees that haven't completed work on other bills, mostly through January, though there is a one-year farm bill extension.

Compromise versions of the Agriculture, Military Construction-VA, and Legislative Branch bills were released Sunday afternoon, reflecting the results of numerous late-stage wheeling and dealing.

The measures generally hew closer to higher, Senate-backed spending levels, while dropping a number of contentious riders sought by House Republicans.

However, Senate GOP leaders' commitment to schedule votes on as-yet-unspecified legislation to renew the expanded tax credits before their December 31st expiration date is not good enough for many Democrats in both chambers, who wanted to tie legislative language to the emerging stopgap funding package. Both Senate minority leader Charles Schumer (D-NY), and House minority leader Hakeem Jefferies (D-NY) are opposed to the current CR with only a vote commitment for the ACA subsidies.

And while the December vote would be on a Democratic-written health care bill, GOP conservatives still have their own ideas about how to revise "Obamacare." They've pitched taking insurance subsidies and converting them into government-funded health savings accounts, for example.

Assuming the proposed CR package can pass the Senate, House lawmakers will have 36 hours' notice before a vote in that chamber is called, according to a notice sent to members late Sunday.

The House dynamics were far from certain, however as House Democrats are expected to broadly oppose the measure. And when exactly the Senate will send the measure to the House may depend on the eagerness of senators to leave town after being in session on both Saturday and Sunday, with Tuesday being Veterans Day.

Lastly, it remains to be seen if President Trump will ultimately sign-off on the final agreement. Although it is expected the current deal wouldn't have gotten this far without his blessing. So, several hurdles remain before the longest federal government shutdown in history will officially end.

Congressional redistricting update

The Ohio Redistricting Commission unanimously passed a congressional map on Friday, October 31st, likely increasing Republican advantage in the state 12-3 and blocking a referendum effort. Democrats expressed optimism they could hold their five seats.

Republicans currently hold 10 out of 15 Ohio U.S. Congressional districts.

The map gives Republicans the advantage in 12 of the 15 districts in the state, with Republican U.S. Rep. Jim Jordan's 4th district seeing the biggest GOP advantage at 72%.

Democrats on the commission voted to adopt the map because they said they were in an "impossible" situation in which they were provided worse options and felt they needed to take the opportunity to get the best map available. The bi-partisan approval by the commission means the map will remain in place through the 2030 congressional election.

Democratic U.S. Reps. Marcy Kaptur, Greg Landsman, and Emilia Sykes would all see significant impacts to their district.

- Landsman's 1st district would lean Republican with a 54% to 47% breakdown.
- Sykes' 13th district would lean Democratic, 52% to 48% Republican, according to data provided by the commission.
- Kaptur's 9th district would lean Republican with a 54.5% to 45.5% Republican to Democratic ratio.

The previous map, adopted in March 2022, had a breakdown of 10 Republican districts and five Democratic districts.

In September, Democrats proposed a map that would have had eight Republican and seven Democratic districts. That map heard hours of supportive testimony in the Joint Committee on Congressional Redistricting but never received a vote.

The approved map has the potential to be legally challenged, which would be done at the Ohio Supreme Court.

Previous map challenges in the redistricting process, including the 10-5 redistricting map used for the most recent elections, have been struck down as unduly partisan. The makeup of the Ohio Supreme Court has changed since then, however.

Current Chief Justice Sharon Kennedy stood in the minority in previous votes on redistricting maps, saying she would have kept the maps in place. The current Ohio Supreme Court is made up of six Republican justices and one Democratic justice.

SOCIAL SECURITY

Social Security and Supplemental Security Income (SSI) benefits for 75 million Americans will increase 2.8 percent in 2026.

The 2.8 percent cost-of-living adjustment (COLA) will begin with benefits payable to nearly 71 million Social Security beneficiaries in January 2026. Increased payments to nearly 7.5 million SSI recipients will begin on December 31, 2025. (Note: Some people receive both Social Security and SSI benefits.)

The maximum amount of earnings subject to the Social Security tax (taxable maximum) will increase to \$184,500.

HEALTH CARE

GLP-1 Deal

The Trump administration announced its newest pharmaceutical agreement under its Most Favored Nation policy Thursday, November 6th striking deals with Novo Nordisk and Eli Lilly to sell their GLP-1 products at discounted prices.

The deals include significant price reductions for drugs sold through TrumpRx, the Administration's direct-to-consumer drug sales platform expected to launch early next year. The lower prices apply to Novo Nordisk's GLP-1 semaglutide drugs – Ozempic (FDA-approved for Type 2 diabetes and other indications) and Wegovy (FDA-approved as an anti-obesity medicine) – as well as Eli Lilly's GLP-1 tirzepatide drugs – Mounjaro (FDA-approved for Type 2 diabetes and other indications) and Zepbound (FDA-approved as an anti-obesity medicine).

New TrumpRx prices are as follows:

- Ozempic: reduced from \$1,000 to \$350 per month
- Wegovy: reduced from \$1,350 to \$350 per month
- Zepbound: reduced from \$1,086 to \$346 per month
- Oforlipron (oral tirzepatide, pending FDA approval) and Oral Wegovy: \$346 per month

Currently, Medicare does not cover anti-obesity medicines (AOMs) and Medicaid coverage varies by state. Under the newly negotiated prices, Medicare will, for the first time, cover AOMs, with prices for Ozempic, Wegovy, Mounjaro, and Zepbound set at \$245 per month and a \$50 monthly copay for beneficiaries.

Oral GLP-1s will also be sold through the same avenues at a starting price of \$149 per month. A senior administration official said, however, that this price will only apply to GLP-1 tablets that are “currently under review that will be approved for obesity” and will not apply to Rybelsus, which is currently the only oral GLP-1 approved by the Food and Drug Administration (FDA).

An administration official estimated about 10 percent of Medicare beneficiaries will be eligible for expanded access to GLP-1 drugs.

The announced price cuts vary and will come into effect no later than January for cash payers, by mid-2026 for Medicare patients and on an ongoing basis for Medicaid enrollees depending on when states sign up, the White House said.

Administration officials specified that these prices are separate from the Medicare Drug Price Negotiation Program. Novo Nordisk’s well-known GLP-1 Ozempic was chosen for Medicare negotiation at the start of this year.

Possible end of year health care legislation

House Majority Leader Steve Scalise shared that Republicans are discussing several health care proposals that could shape a year-end package once the government reopens.

Scalise said recent conversations with Speaker Mike Johnson and House committee chairs have focused on funding cost-sharing reduction (CSR) payments, which are intended to lower ACA premiums. Republicans argue that CSR funding could reduce premiums and save the government money, but many Democrats oppose it, noting that it could simultaneously reduce federal subsidies and raise out-of-pocket costs for some patients.

Other GOP priorities include reforming pharmacy benefit managers (PBMs) to curb drug costs and expanding health reimbursement arrangements, which allow employers to provide tax-free reimbursements for employees’ health expenses. PBM reform legislation passed the House last Congress but stalled in the Senate, and Republicans say they plan to revisit it. The bill increased PBM transparency and accountability by requiring regular reporting to health plan sponsors, allowing audits of drug cost data, and banning spread pricing under Medicaid. It also mandated pass-through pricing models and aligned Medicare payments for certain drug administration services across care settings.

Scalise emphasized that formal negotiations with Democrats cannot resume until the government reopens, though discussions within House committees have continued for months. While some proposals, such as PBM reforms, enjoy bipartisan support, Republican resistance to extending enhanced ACA subsidies could complicate efforts to reach a comprehensive health care deal.

SERS staff attend Annual Public Sector HealthCare Roundtable Conference

SERS staff joined other Roundtable members and guests the first week of November in Washington, D.C., for the 21st Annual Public Sector HealthCare Roundtable Conference and Business Meeting. In addition to those who attended in person, members joined virtually to engage in discussions on the evolving health policy landscape and its impact on public sector purchasers.

Roundtable President Gary Harbin, Administrator Tom Lussier, and Senior Policy Advisor Andrew MacPherson opened the conference with reflections on the Roundtable's advocacy efforts, accomplishments, and future priorities. Keynote Speaker Catherine Rampell, award-winning economic journalist and policy commentator, shared her insights on the shifting political environment and what's next for U.S. health care policy.

Over three days, attendees participated in sessions covering a wide range of timely topics, from GLP-1 therapies and Medicare Advantage to PBM contracting, pharmacogenomics, and behavioral health. Highlights included a fireside chat with Brian Blase, President of the Paragon Health Institute; a Capitol Hill perspective on federal health policy; and the presentation of emerging research from the National Institute for Public Employee Health Care Policy.

FEDERAL LEGISLATION BOARD REPORT
119th United States Congress
(Prepared by Chris Collins as of November 7, 2025)

H.R.1

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

LAST ACTIONS: 07/04/2025 Became Public Law No: 119-21.CAPTION: One Big Beautiful Bill Act

COMMENT: This bill reduces taxes, reduces or increases spending for various federal programs, increases the statutory debt limit, and otherwise addresses agencies and programs throughout the federal government. It is known as a reconciliation bill and includes legislation submitted by 11 House committees pursuant to provisions in the FY2025 congressional budget resolution (H Con. Res. 14) that directed the committees to submit legislation to the House Budget Committee that will increase or decrease the deficit and increase the statutory debt limit by specified amounts. (Reconciliation bills are considered by Congress using expedited legislative procedures that prevent a filibuster and restrict amendments in the Senate.)

H.Con.Res.14

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

LAST ACTIONS: House - 05/20/2025 Star Print ordered on the reported concurrent resolution. (All Actions)

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 November 7, 2025)

136th General Assembly

HB18 DIGITAL ASSET INVESTMENT, CRYPTOCURRENCY RESERVE (Demetriou, S) - To address investments in exchange-traded products by the state retirement systems, to create a Ohio Strategic Reserve Fund, to permit the Treasurer of State to invest interest earnings from certain state funds in digital assets, and to name this act the Ohio Strategic Reserve Act.

Current Status: 0/14/2025 House Technology and Innovation, (Fifth Hearing)

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: 10/01/2025 Consideration of Governor's Veto; Senate Overrides Veto on Item 66, Vote 21-11

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: 06/25/2025 Referred to Financial Institutions, Insurance and Technology Committee

HB413 CREATE LOCAL GOVERNMENT EXPENDITURE DATABASE (Young, Peterson) - To create the Ohio Local Government Expenditure Database and require political subdivision participation, to require the state retirement systems to participate in the Ohio State Government Expenditure Database, and to make an appropriation.

Current Status: 10/28/2025 House Technology and Innovation, (Second Hearing)

HB473 PROHIBIT PUBLIC EMPLOYER CONTRIBUTION PAYMENTS (Thomas, D) - To prohibit a public employer from paying employee contributions to a state retirement system.

Current Status: 10/29/2025 House Public Insurance and Pensions, (Third Hearing)

Finance Headline News – Nov 2025



- Budget Administration
 - FY26 SERS administrative expenses are tracking slightly over budget for the first quarter, but mainly due to timing
- The following detailed reports are attached for further analysis:
 - FY26 Budget Administrative expense reports
 - Budget to Actual through 1st Qtr FY26
 - SERS & OSERS Broad St.
 - Administrative expense summary for October 2025
 - Administrative expense detail for October 2025
 - Parameters report for October 2025
 - Financial highlights
 - June 30, 2025 audited financial statement will be presented in December 2025

School Employees Retirement System of Ohio
System Year-to-Date Budget Analysis
Through September 30, 2025

FYTD26

	FYTD25 Actual	Actual	Budget	Actual to Budget %	Budget to Actual Under/(Over)	Notes
PERSONNEL SERVICES	\$ 6,042,531	\$ 7,871,114	\$ 7,464,259	105.5%	\$ (406,855)	
Salaries & Wages	4,358,735	5,855,716	5,591,623	104.7%	(264,093)	Note 1
PERS Retirement Contributions	575,526	734,032	730,453	100.5%	(3,579)	
Benefits	1,108,270	1,281,366	1,142,183	112.2%	(139,183)	Note 2
PROFESSIONAL SERVICES	1,612,552	2,289,788	2,233,561	102.5%	(56,227)	
Actuarial Advisors	55,996	110,409	57,425	192.3%	(52,984)	Note 3
Audit Services	60,000	70,000	40,000	175.0%	(30,000)	Note 4
Banking Fees	304,462	317,166	335,750	94.5%	18,584	
Investment Related	592,847	1,226,022	960,232	127.7%	(265,790)	Note 5
Medical	11,250	11,250	11,250	100.0%	-	
Technical	587,997	554,941	828,904	66.9%	273,963	Note 6
COMMUNICATIONS EXPENSE	358,531	206,010	283,175	72.8%	77,165	
Postage	302,811	172,914	186,065	92.9%	13,151	
Telecommunications Services	18,518	15,304	41,260	37.1%	25,956	Note 7
Member/Employer Education	7,141	296	1,650	17.9%	1,354	
Printing & Publications	30,061	17,496	54,200	32.3%	36,704	Note 8
OTHER OPERATING EXPENSE	1,543,455	1,758,089	1,900,816	92.5%	142,727	
Computer Support Services	796,600	1,068,242	1,093,080	97.7%	24,838	
Office Equipment & Supplies	69,999	28,042	24,492	114.5%	(3,550)	
Training	36,680	44,186	80,607	54.8%	36,421	Note 9
Transportation & Travel	34,816	38,834	60,405	64.3%	21,571	Note 10
Memberships Subscriptions	48,344	55,862	62,199	89.8%	6,337	
Property & Mgmt. Liability Insurance	512,467	483,838	518,428	93.3%	34,590	
Maintenance	12,445	6,399	15,625	41.0%	9,226	
Staff Support	16,293	15,936	26,355	60.5%	10,419	
School District Reimbursement	533	548	2,375	23.1%	1,827	
Mandatory Costs- ORSC	15,278	16,202	17,250	93.9%	1,048	
TOTAL DEPARTMENT EXPENSES	9,557,069	12,125,001	11,881,811	102.0%	(243,190)	
ADMINISTRATIVE CAPITAL	-	7,457	13,000	57.4%	5,543	
Computer Hardware > \$5,000	-	7,457	13,000	57.4%	5,543	Note 11
Computer Software > \$25,000	-	-	-	0.0%	-	
TOTAL SERS ADMIN EXPENSES	9,557,069	12,132,458	11,894,811	102.0%	(237,647)	
NET BUILDING EXPENSE	237,361	305,880	384,935	79.5%	79,055	Note 12
TOTAL ADMINISTRATIVE EXPENSES	<u>\$ 9,794,430</u>	<u>\$ 12,438,338</u>	<u>\$ 12,279,746</u>	<u>101.3%</u>	<u>\$ (158,592)</u>	

See notes on following page

FYTD = Fiscal Year To Date

Notes to System – Budget Analysis

Year to Date Through September 30, 2025

Note 1: **Salaries & Wages** are over due to timing and incentive pay exceeding plan. In July, the sick leave liability and associated expenses were increased for the additional employees meeting eligibility requirements of being able to retire within five years. Budget assumptions account for this, but they are spread over the full 12-month period. Incentive payments were more than anticipated and are based on FY2025 portfolio performance.

Note 2: **Benefits** are over due to more than anticipated group health claims and high prescription claims. This has been offset slightly by stop loss reimbursements.

Note 3: **Actuarial Advisors** are over budget due to the actuarial audit crossing over into FY2026. This was anticipated to be completed prior to the beginning of FY26. Additionally, the expense for SERS self-funded rate analysis was more than expected due to the additional scenarios SERS requested CavMac to model.

Note 4: **Audit Services** are over due to timing. The financial audit is a fixed fee contract and is billed incrementally. The first two installments were invoiced earlier than SERS had estimated.

Note 5: **Investment Related** is over due to timing and higher than expected costs for Burgiss, a service used for alternative investment reporting. Under the old Master Record Keeping contract with BNY, the Burgiss service was bundled in the BNY contract. Under Clearwater, the service is purchased separately. The actual Burgiss contract came in about \$80,000 higher than originally estimated. In addition, the Burgiss expense was budgeted as a monthly charge, while the full annual contract was expensed when paid in July 2025. In addition, the invoices for Barra and the S&P Indices were received and expensed earlier than budgeted.

Note 6: **Technical** is under due to timing. The penetration test was budgeted for July but is rescheduled for November. Security validation and testing was planned for August, but a vendor has not been selected yet. Consulting for annual information security projects was budgeted for July but will be used throughout the year. The quarterly Attorney General services invoice was expected in July but has not been received. Security consulting and agile training were budgeted for September but have not been completed yet. Additionally, the MSSP renewal was 50k under budget.

Note 7: **Telecommunications Services** is under due to timing. The Zoom overage charges are billed monthly, but the anticipated expense for the year was budgeted in July.

Note 8: **Printing & Publications** are under budget due to timing. Materials are ordered throughout the year. There were materials that were budgeted for July and August that have not been purchased yet.

Note 9: **Training** is budgeted throughout the year, and the submission of expense reports can be delayed. Year to date, less training has been used than budgeted.

Note 10: **Transportation & Travel** – Similar to Training, Travel is budgeted throughout the year. Less travel has been used year to date than budgeted.

Note 11: **Computer Hardware < \$5,000** – is under budget for the year. The cost of the new digital scanner was less than anticipated.

Note 12: **Net Building Expense** is under due to timing. Insurance policies are renewed in September, but in the first quarter of the fiscal year coverage is expensed in July. All insurance expenses were budgeted in August, causing a variance. Discovery SID contributions are usually due in July; however, the organization is being turned over to Downtown Columbus Inc. so only contributions through the end of the calendar year were paid in September. It is unclear if this will be permanent savings for the fiscal year or not. Additionally, the timing of utilities has also caused a variance. The monthly bills are received the following month. Security expenses are under budget year to date. This is largely due to special duty understaffing. Finally, the building and equipment insurance was budgeted to be renewed in September, but invoicing is pending.

OSERS Broad Street, LLC
Year-to-Date Budget Analysis
Through September 30, 2025

FYTD 2026						
	FY2025	FY2026			Budget to	
	Actuals	Budget	Budget	Actuals	Actual	Notes
					Under/(Over)	
OPERATING INCOME						
Suite Income	\$ 460,757	\$ 463,683	\$ 76,405	\$ 82,596	(6,191)	Note 1
Parking Income	280,225	275,175	69,000	68,331	669	
Miscellaneous Income	1,848	-	-	450	(450)	
	<u>742,830</u>	<u>738,858</u>	<u>145,405</u>	<u>151,377</u>	<u>(5,972)</u>	
OPERATING EXPENSES						
Property Management & Labor	305,000	305,000	76,250	76,250	-	
Administrative Services	7,389	8,350	350	147	203	
Building Maintenance	1,018,992	1,247,542	312,725	292,828	19,897	Note 2
Utilities	354,728	414,060	106,765	76,994	29,771	Note 3
Building & Equipment Insurance	73,057	78,000	78,000	17,947	60,053	Note 4
Real Estate Taxes	285,075	287,500	15,500	7,760	7,740	Note 5
	<u>2,044,241</u>	<u>2,340,452</u>	<u>589,590</u>	<u>471,926</u>	<u>117,664</u>	
NON-OPERATING EXPENSES						
Lease Commission Fees	173,951	56,000	-	-	-	
Special Counsel Fees	8,338	5,000	5,000	1,263	3,737	
Building Remodeling	638,083	437,000	12,000	60,318	(48,318)	Note 6
	<u>820,372</u>	<u>498,000</u>	<u>17,000</u>	<u>61,581</u>	<u>(44,581)</u>	
CAPITAL						
Leasehold Improvements	-	125,000	-	-	-	
	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	
TOTAL	\$ 2,121,783	\$ 2,224,594	\$ 461,185	\$ 382,130	79,055	

FY - Fiscal Year

FYTD - Fiscal Year To Date

Notes to OSERS Broad Street, LLC Year-to-Date Budget Analysis Through September 30, 2025

- Note 1: **Suite Income** is over due to receiving income from our new tenant while they occupy a temporary space prior to completion of renovations on their permanent space.
- Note 2: **Building Operations & Maintenance** are under budget for various reasons. The security costs are under YTD due to less than anticipated staffing; The Life Safety contract was less than budgeted; Items budgeted such as replacement bulbs and garage maintenance have not been needed so far.
- Note 3: **Utilities** are under budget due to timing. The electricity bill is on a month lag and heat and gas are budgeted evenly throughout the year. Heat and gas needs are minimal this time of year.
- Note 4: **Building Insurance** expenses for the first quarter were posted in August. The policies renewed in September, but the invoices are pending.
- Note 5: **Real Estate Taxes** consists mainly of real estate taxes, but it also includes an agreement with the Discovery Special Improvement District (SID) to provide safety and cleaning services to businesses operating within the district. Discovery SID has significantly scaled back its operations, and the services are being transferred to Downtown Columbus Inc. Services were paid through the end of the calendar year. We are not certain what the expectations of Downtown Columbus Inc. are regarding contributions. They will be reaching out after the transition is complete in November.
- Note 6: **Building Remodeling** is over due to timing. Some of the projects have been partially billed as renovations progress.

School Employees Retirement System of Ohio

SERS Summary Admin Expenses

Oct 2025

Financial Row	Amount
Summary Admin Expenses	
Expense	
53100.0 - Staff Salaries Expense	
53100 - Salaries & Wages	\$1,912,690.22
53110 - Salaries & Wages - Overtime	\$6,047.32
53111 - Staff Vacation Leave Expense	\$185,495.23
53112 - Staff Sick Leave Expense	\$96,280.35
53113 - Staff Voluntary Life Insurance Reimbursement	\$239.16
Total - 53100.0 - Staff Salaries Expense	\$2,200,752.28
53200.0 - Staff Retirement Contribution Expense	
53200 - Staff Employer Contributions - PERS	\$294,527.50
53205 - Staff Employer Paid Member Contributions	\$3,980.76
Total - 53200.0 - Staff Retirement Contribution Expense	\$298,508.26
53300.0 - Staff Benefit Expenses	
53300 - Staff Group Life	\$10,396.90
53310 - Staff Long Term Disability	\$3,749.26
53315 - Staff Short Term Disability	\$3,333.13
53320 - Staff Group Health Claims	\$262,288.13
53321 - Staff Group Health - Admin Fees	\$7,938.80
53322 - Staff Prescription Claims	\$30,685.41
53323 - Staff Prescription Admin fees	\$1,078.40
53324 - Staff Group Health - Stop Loss Admin	\$24,686.82
53325 - Staff Group Health - Stop Loss Claims	(\$38,992.63)
53326 - Staff Vision Claims	\$1,104.70
53327 - Staff Vision Admin Fees	\$126.00
53330 - Staff Group Health - Employee Cost	(\$55,491.21)
53331 - Staff Group Health - Wellness Incentive	\$4,180.00
53332 - Staff Group Health - Tobacco Premiums	(\$840.00)
53340 - Staff Medicare Premium - Employer	\$30,127.17
53350 - Staff Workers Compensation	\$5,810.50
53380 - Staff Deferred Compensation Match	\$7,365.00
Total - 53300.0 - Staff Benefit Expenses	\$297,546.38
54100 - Actuarial Services	\$40,917.50
54300.0 - Banking Fee Expenses	
54310 - Custodial Fees	\$72,869.13
54320 - Custodial Banking	\$15,409.09
Total - 54300.0 - Banking Fee Expenses	\$88,278.22
54400.0 - Investment Related Expenses	
54410 - Master Recordkeeper Fees	\$71,589.04
Total - 54400.0 - Investment Related Expenses	\$71,589.04
54520 - Medical Consultant	\$3,750.00
54600.0 - Technical Expenses	
54610 - Special Counsel	\$16,974.40
54620 - Technical	\$98,974.18
54630 - Other Professional Services	\$34,181.85
Total - 54600.0 - Technical Expenses	\$150,130.43
55100 - Postage	\$105,631.26
55200 - Telecommunications Services	\$5,563.99
55300 - Member/Employer Education	\$309.99
55400.0 - Printing & Publication Expenses	
55400 - Printing Paper	\$3,409.20
55420 - Communications & Publications	\$5,290.00
Total - 55400.0 - Printing & Publication Expenses	\$8,699.20

56000.0 - Computer Support Service Expenses	
56020 - Hardware Maintenance	\$18,236.54
56030 - Software Maintenance	\$35,568.40
56035 - Software Subscriptions	\$37,236.31
56040 - Hardware < \$5,000	\$266.56
56050 - Software < \$25,000	\$3,961.92
Total - 56000.0 - Computer Support Service Expenses	\$95,269.73
56100.0 - Office Equipment & Supply Expenses	
56110 - Equipment Repairs & Maintenance	\$6,145.96
56120 - Equipment Rental	\$12,869.61
56130 - Office Supplies & Expenses	\$162.84
56140 - Miscellaneous Office Supplies	\$29.58
56160 - Records Storage	\$125.00
Total - 56100.0 - Office Equipment & Supply Expenses	\$19,332.99
56200.0 - Staff Training Expenses	
56210 - Seminars & Conferences	\$7,127.90
56220 - In House Training	\$588.80
Total - 56200.0 - Staff Training Expenses	\$7,716.70
56300.0 - Transportation & Travel Expenses	
56310 - Travel & Transportation	\$11,393.72
56311 - Mileage	\$1,830.64
Total - 56300.0 - Transportation & Travel Expenses	\$13,224.36
56400.0 - Membership & Subscription Expenses	
56410 - Subscriptions	\$2,655.99
56420 - Memberships	\$3,464.00
Total - 56400.0 - Membership & Subscription Expenses	\$6,119.99
56600.0 - Maintenance Expenses	
56630 - Interior Landscaping	\$1,396.37
56640 - Vehicle Expense	\$7,579.17
Total - 56600.0 - Maintenance Expenses	\$8,975.54
56650.0 - Staff Support Expenses	
56620 - Staff Support	\$6,690.57
56621 - Recruiting Expenses	\$285.19
Total - 56650.0 - Staff Support Expenses	\$6,975.76
56700.0 - School District Board Member Reimbursement Expense	
56710 - Board Member - School Reimb.	\$1,941.91
Total - 56700.0 - School District Board Member Reimbursement Expense	\$1,941.91
56800.0 - Mandatory Costs	
56820 - Ohio Retirement Study Council	\$16,202.21
Total - 56800.0 - Mandatory Costs	\$16,202.21
56900 - Reimbursement of Leased Svcs from OSERS Broad St	(\$25,416.67)
Total - Expense	\$3,422,019.07
Total Admin Expenses	\$3,422,019.07

School Employees Retirement System of Ohio

SERS Detail Admin Expenses

Oct 2025

Financial Row	Vendor Bill Name	Amount
Detail Admin Expenses		
Expense		
53100.0 - Staff Salaries Expense		
53100 - Salaries & Wages		
	0133 ADP, LLC	\$1,912,690.22
Total - 53100 - Salaries & Wages		\$1,912,690.22
53110 - Salaries & Wages - Overtime		
	0133 ADP, LLC	\$6,047.32
Total - 53110 - Salaries & Wages - Overtime		\$6,047.32
53111 - Staff Vacation Leave Expense		
	0133 ADP, LLC	\$185,495.23
Total - 53111 - Staff Vacation Leave Expense		\$185,495.23
53112 - Staff Sick Leave Expense		
	0133 ADP, LLC	\$96,280.35
Total - 53112 - Staff Sick Leave Expense		\$96,280.35
53113 - Staff Voluntary Life Insurance Reimbursement		
	0133 ADP, LLC	\$239.16
Total - 53113 - Staff Voluntary Life Insurance Reimbursement		\$239.16
Total - 53100.0 - Staff Salaries Expense		\$2,200,752.28
53200.0 - Staff Retirement Contribution Expense		
53200 - Staff Employer Contributions - PERS		
	0133 ADP, LLC	\$294,527.50
Total - 53200 - Staff Employer Contributions - PERS		\$294,527.50
53205 - Staff Employer Paid Member Contributions		
	0133 ADP, LLC	\$3,980.76
Total - 53205 - Staff Employer Paid Member Contributions		\$3,980.76
Total - 53200.0 - Staff Retirement Contribution Expense		\$298,508.26
53300.0 - Staff Benefit Expenses		
53300 - Staff Group Life		
	0267 American United Life Insurance Company	\$10,396.90
Total - 53300 - Staff Group Life		\$10,396.90
53310 - Staff Long Term Disability		
	0267 American United Life Insurance Company	\$3,749.26
Total - 53310 - Staff Long Term Disability		\$3,749.26
53315 - Staff Short Term Disability		
	0267 American United Life Insurance Company	\$3,333.13
Total - 53315 - Staff Short Term Disability		\$3,333.13
53320 - Staff Group Health Claims		
	3555 Aetna Daily Wires - ESERS	\$262,288.13
Total - 53320 - Staff Group Health Claims		\$262,288.13
53321 - Staff Group Health - Admin Fees		
	3552 Aetna Admin - ESERS	\$7,938.80
Total - 53321 - Staff Group Health - Admin Fees		\$7,938.80
53322 - Staff Prescription Claims		
	2811 Express Scripts - ESERS	\$28,085.49
	5271 SaveonSP, LLC	\$2,599.92
Total - 53322 - Staff Prescription Claims		\$30,685.41
53323 - Staff Prescription Admin fees		
	5448 Beyond Blue Corporation	\$1,078.40
Total - 53323 - Staff Prescription Admin fees		\$1,078.40
53324 - Staff Group Health - Stop Loss Admin		
	3552 Aetna Admin - ESERS	\$24,686.82
Total - 53324 - Staff Group Health - Stop Loss Admin		\$24,686.82
53325 - Staff Group Health - Stop Loss Claims		
	3555 Aetna Daily Wires - ESERS	(\$38,992.63)
Total - 53325 - Staff Group Health - Stop Loss Claims		(\$38,992.63)
53326 - Staff Vision Claims		
	0266 VSP - (OH)	\$1,104.70
Total - 53326 - Staff Vision Claims		\$1,104.70
53327 - Staff Vision Admin Fees		
	0266 VSP - (OH)	\$126.00
Total - 53327 - Staff Vision Admin Fees		\$126.00
53330 - Staff Group Health - Employee Cost		
	Employee Premiums	(\$55,491.21)
Total - 53330 - Staff Group Health - Employee Cost		(\$55,491.21)

53331 - Staff Group Health - Wellness Incentive		
	0133 ADP, LLC	\$4,180.00
Total - 53331 - Staff Group Health - Wellness Incentive		\$4,180.00
53332 - Staff Group Health - Tobacco Premiums		
	0133 ADP, LLC	(\$840.00)
Total - 53332 - Staff Group Health - Tobacco Premiums		(\$840.00)
53340 - Staff Medicare Premium - Employer		
	0133 ADP, LLC	\$30,127.17
Total - 53340 - Staff Medicare Premium - Employer		\$30,127.17
53350 - Staff Workers Compensation		
	1123 Ohio Bureau Of Workers Compensation	\$5,810.50
Total - 53350 - Staff Workers Compensation		\$5,810.50
53380 - Staff Deferred Compensation Match		
	0133 ADP, LLC	\$7,365.00
Total - 53380 - Staff Deferred Compensation Match		\$7,365.00
Total - 53300.0 - Staff Benefit Expenses		\$297,546.38
54100 - Actuarial Services		
	0040 Ohio Retirement Study Council	\$28,917.50
	3241 CavMac	\$12,000.00
Total - 54100 - Actuarial Services		\$40,917.50
54300.0 - Banking Fee Expenses		
54310 - Custodial Fees		
	5482 Fifth Third Investments	\$26,046.35
	0273 BNY Mellon Asset Servicing	\$46,822.78
Total - 54310 - Custodial Fees		\$72,869.13
54320 - Custodial Banking		
	0125 Treasurer of State - Warrants	\$56.00
	0386 Huntington National Bank	\$15,353.09
Total - 54320 - Custodial Banking		\$15,409.09
Total - 54300.0 - Banking Fee Expenses		\$88,278.22
54400.0 - Investment Related Expenses		
54410 - Master Recordkeeper Fees		
	5897 Clearwater Analytics, LLC	\$71,589.04
Total - 54410 - Master Recordkeeper Fees		\$71,589.04
Total - 54400.0 - Investment Related Expenses		\$71,589.04
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		
	3361 Seyfarth Shaw LLP	\$13,015.00
	1921 Porter, Wright, Morris,	\$77.00
	0276 Ice Miller LLP	\$2,914.90
	4550 Calfee Halter & Griswold LLP	\$967.50
Total - 54610 - Special Counsel		\$16,974.40
54620 - Technical		
	3296 LexisNexis Risk Data Management, Inc	\$8,302.93
	5215 ComResource	\$5,031.25
	4518 Sagitec Solutions, LLC	\$80,640.00
	5516 Buck Global, LLC	\$5,000.00
Total - 54620 - Technical		\$98,974.18
54630 - Other Professional Services		
	5877 Nossaman LLP	\$3,300.00
	5031 Vorys Advisors LLC	\$4,000.00
	0476 Attorney General	\$22,664.25
	5957 Dawson	\$3,603.60
	5423 Contoural, Inc.	\$614.00
Total - 54630 - Other Professional Services		\$34,181.85
Total - 54600.0 - Technical Expenses		\$150,130.43
55100 - Postage		
	0251 United States Postal Service	\$100,000.00
	2489 FedEx	\$33.08
	4906 Quadient	\$387.60
	0060 Pitney Bowes Inc.	\$5,000.09
	0254 Unishippers Association	\$210.49
Total - 55100 - Postage		\$105,631.26

55200 - Telecommunications Services		
	5555 Everstream Solutions LLC	\$1,255.00
	0277 XO Verizon	\$1,839.66
	5543 Spectrum AWS	\$1,230.00
	5665 Total Communication Solutions	\$717.36
	1605 AT&T - 7258	\$40.10
	0253 T-Mobile	\$60.16
	4732 Verizon Wireless	\$169.40
	0087 Spectrum	\$252.31
Total - 55200 - Telecommunications Services		\$5,563.99
55300 - Member/Employer Education		
	5570 Michelle Richards	\$37.13
	0020 Carlisa Holman	\$12.22
	4116 Cameron Vaughan	\$241.02
	4395 Katie Talbert	\$19.62
Total - 55300 - Member/Employer Education		\$309.99
55400.0 - Printing & Publication Expenses		
55400 - Printing Paper		
	0407 Sterling Paper Company	\$3,409.20
Total - 55400 - Printing Paper		\$3,409.20
55420 - Communications & Publications		
	0127 Bindery and Specialties, Inc.	\$5,290.00
Total - 55420 - Communications & Publications		\$5,290.00
Total - 55400.0 - Printing & Publication Expenses		\$8,699.20
56000.0 - Computer Support Service Expenses		
56020 - Hardware Maintenance		
	5591 Presidio	\$18,236.54
Total - 56020 - Hardware Maintenance		\$18,236.54
56030 - Software Maintenance		
	2263 Dell Marketing LP	\$568.40
	4518 Sagitec Solutions, LLC	\$35,000.00
Total - 56030 - Software Maintenance		\$35,568.40
56035 - Software Subscriptions		
	5501 Expedient	\$12,235.58
	5473 Wellable LLC	\$478.40
	3827 Melissa Data Corporation	\$5,450.00
	1751 SurveyMonkey.com	\$505.44
	0133 ADP, LLC	\$3,140.75
	5403 Zoho Corporation	\$1,306.00
	5465 Mailgun Technologies, Inc	\$1,236.12
	5648 Oracle America, Inc.	\$12,202.49
	5938 Telesign	\$628.59
	5409 Amazon Web Services	\$52.94
Total - 56035 - Software Subscriptions		\$37,236.31
56040 - Hardware < \$5,000		
	2263 Dell Marketing LP	\$266.56
Total - 56040 - Hardware < \$5,000		\$266.56
56050 - Software < \$25,000		
	2263 Dell Marketing LP	\$3,160.00
	4430 DigiCert, Inc	\$801.92
Total - 56050 - Software < \$25,000		\$3,961.92
Total - 56000.0 - Computer Support Service Expenses		\$95,269.73
56100.0 - Office Equipment & Supply Expenses		
56110 - Equipment Repairs & Maintenance		
	5332 Canon Financial Services, Inc	\$544.00
	5499 Woodhull	\$391.98
	4620 Ricoh USA, Inc	\$3,194.05
	5340 Digital Print Solutions	\$673.49
	4906 Quadient	\$1,342.44
Total - 56110 - Equipment Repairs & Maintenance		\$6,145.96
56120 - Equipment Rental		
	4906 Quadient	\$12,869.61
Total - 56120 - Equipment Rental		\$12,869.61
56130 - Office Supplies & Expenses		
	0407 Sterling Paper Company	\$162.84
Total - 56130 - Office Supplies & Expenses		\$162.84
56140 - Miscellaneous Office Supplies		
	0411 Amazon.com	\$29.58
Total - 56140 - Miscellaneous Office Supplies		\$29.58
56160 - Records Storage		
	0007 Vital Records Holdings, LLC	\$125.00
Total - 56160 - Records Storage		\$125.00
Total - 56100.0 - Office Equipment & Supply Expenses		\$19,332.99

56200.0 - Staff Training Expenses
56210 - Seminars & Conferences

0690 International Foundation of Employee Benefit Plans	\$130.00
2098 Institute of Internal Auditors	\$150.00
5372 Workday Inc.	\$299.00
0730 Public Sector Healthcare Roundtable	\$700.00
0306 Association of Certified Fraud Examiners	\$330.33
5439 Mike Steiner	\$314.57
0843 NCPERS	\$850.00
0311 Government Finance Officers Association	\$330.00
0473 Public Pension Financial Forum	\$800.00
5909 Infopro Digital	\$499.00
5405 Global Arc	\$225.00
1535 Ohio State University	\$2,500.00

Total - 56210 - Seminars & Conferences \$7,127.90

56220 - In House Training

0133 ADP, LLC	\$588.80
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Total - 56220 - In House Training \$588.80

Total - 56200.0 - Staff Training Expenses
56300.0 - Transportation & Travel Expenses
56310 - Travel & Transportation

5467 Susan Bradley -Credit RIMS conference	(\$11.01)
5318 Michael Browning	\$881.13
3675 City Barbeque, Inc.	\$702.51
3776 Stacy Easterday	\$526.96
0564 Kroger	\$86.90
2632 Hai Yen Le	\$486.96
5889 Jeanine Alexander	\$24.20
0009 Catherine Moss	\$1,117.58
4588 Farouki Majeed	\$512.37
5639 Aimee Russell	\$154.53
4246 Sam's Club	\$58.36
0730 Public Sector Healthcare Roundtable	\$700.00
0024 James Rossler	\$144.26
5380 Chris Collins	\$285.97
5658 Carlyle Investment Management, LLC	\$270.00
3015 David Greer	\$1,166.29
4824 Frank Weglarz	\$161.46
5967 J.P. Morgan Investment Management, Inc.	\$107.00
0017 Daniel L Wilson	\$131.00
5418 Matt King	\$131.00
5437 Adam Messerschmitt	\$845.93
1261 Trisha Rider	\$1,135.86
5970 Brookfield GCG US LLC	\$19.03
5585 Marni Hall	\$1,392.47
5931 Fonn Xie	\$362.96

Total - 56310 - Travel & Transportation \$11,393.72

56311 - Mileage

5639 Aimee Russell	\$114.94
3015 David Greer	\$11.69
4824 Frank Weglarz	\$228.20
0017 Daniel L Wilson	\$208.60
5418 Matt King	\$168.00
5946 Rebekah Roe	\$35.42
2402 Pam Burton	\$27.93
0024 James Rossler	\$198.80
0009 Catherine Moss	\$242.20
5972 Stephanie Thompson	\$575.40
5318 Michael Browning	\$5.60
5585 Marni Hall	\$13.86

Total - 56311 - Mileage \$1,830.64

Total - 56300.0 - Transportation & Travel Expenses

\$13,224.36

56400.0 - Membership & Subscription Expenses
56410 - Subscriptions

5511 Toledo Blade	\$12.99
5865 Cleveland.Com	\$12.50
4547 Constant Contact	\$674.00
4810 Shutterstock, Inc.	\$29.00
0304 Wall Street Journal	\$90.70
0305 Columbus Dispatch	\$35.00
5571 Currency Research Associates LLC	\$1,250.00
0385 Thomson Reuters - West Publishing Corp	\$551.80

Total - 56410 - Subscriptions \$2,655.99

56420 - Memberships		
	0843 NCPERS	\$3,165.00
	0841 Society for Human Resource Management	\$299.00
Total - 56420 - Memberships		\$3,464.00
Total - 56400.0 - Membership & Subscription Expenses		\$6,119.99
56600.0 - Maintenance Expenses		
56630 - Interior Landscaping		
	3039 Ambius Inc. (05)	\$1,396.37
Total - 56630 - Interior Landscaping		\$1,396.37
56640 - Vehicle Expense		
	4363 Firestone Complete Auto Care	\$222.82
	0070 BP Oil Company	\$34.10
	5487 Turkey Hill	\$44.00
	5069 Moo Moo Car Wash	\$37.00
	5824 Alliant Insurance Services, Inc.	\$7,241.25
Total - 56640 - Vehicle Expense		\$7,579.17
Total - 56600.0 - Maintenance Expenses		\$8,975.54
56650.0 - Staff Support Expenses		
56620 - Staff Support		
	5574 Aetna Behavioral Health, LLC	\$282.60
	1683 Premier ProduceOne	\$415.05
	0411 Amazon.com	\$418.96
	1950 Best Buy	(\$113.38)
	0757 Giant Eagle	\$69.99
	5956 Charmy's Market	\$83.52
	5966 Micro Center	\$323.99
	5303 Culligan Bottled Water of Columbus	\$61.94
	4750 Inspira Financial	\$343.00
	0133 ADP, LLC	\$3,326.00
	0243 Scott Murta	\$43.92
	3990 Acorn Distributors Inc.	\$85.22
	5043 Cintas Corporation	\$449.76
	4413 Life Insurance Company of North America	\$900.00
Total - 56620 - Staff Support		\$6,690.57
56621 - Recruiting Expenses		
	5460 Indeed	\$171.13
	5430 ADP Screening & Selection Services	\$114.06
Total - 56621 - Recruiting Expenses		\$285.19
Total - 56650.0 - Staff Support Expenses		\$6,975.76
56700.0 - School District Board Member Reimbursement Expense		
56710 - Board Member - School Reimb.		
	5968 Columbus City Schools	\$1,941.91
Total - 56710 - Board Member - School Reimb.		\$1,941.91
Total - 56700.0 - School District Board Member Reimbursement Expense		\$1,941.91
56800.0 - Mandatory Costs		
56820 - Ohio Retirement Study Council		
	0040 Ohio Retirement Study Council	\$16,202.21
Total - 56820 - Ohio Retirement Study Council		\$16,202.21
Total - 56800.0 - Mandatory Costs		\$16,202.21
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		\$3,422,019.07
Total Admin Expenses		\$3,422,019.07

School Employees Retirement System of Ohio

Broad Street Detail Admin Expenses

Oct 2025

Financial Row	Vendor Bill Name	Amount
Ordinary Income/Expense		
Income		
41010 - Suite Income - OSERS Broad St		
		\$43,182.92
Total - 41010 - Suite Income - OSERS Broad St		\$43,182.92
41205.0 - Parking Income		
41206 - Parking Income - OSERS Broad St		
		\$2,124.19
Total - 41206 - Parking Income - OSERS Broad St		\$2,124.19
41210 - Parking Income - Other - OSERS Broad St		
		\$19,875.00
Total - 41210 - Parking Income - Other - OSERS Broad St		\$19,875.00
Total - 41205.0 - Parking Income		\$21,999.19
41600 - Miscellaneous Income - OSERS Broad St		
		\$150.00
Total - 41600 - Miscellaneous Income - OSERS Broad St		\$150.00
Total - Income		\$65,332.11
Gross Profit		\$65,332.11
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		
	5801 Part National Bank	\$77.29
Total - 50241 - Bank Fees - OSERS Broad St		\$77.29
Total - 50200.0 - Administrative Expenses		\$77.29
50300.0 - Building Operations		
50305 - HVAC Repairs & Maintenance - OSERS Broad St		
	5698 Metro Group, Inc.	\$559.80
	5740 Ketchum Walton	\$8,218.42
	1031 Trane	\$2,329.00
Total - 50305 - HVAC Repairs & Maintenance - OSERS Broad St		\$11,107.22
50306 - Electrical Repairs & Maintenance - OSERS Broad St		
	1137 Home Depot	\$515.83
Total - 50306 - Electrical Repairs & Maintenance - OSERS Broad St		\$515.83
50307 - Plumbing Repairs & Maintenance - OSERS Broad St		
	0374 Lowes	\$23.34
	1137 Home Depot	\$51.00
	5720 Rescue Rooter	\$918.00
Total - 50307 - Plumbing Repairs & Maintenance - OSERS Broad St		\$992.34
50308 - Paint, Wallcovering, Refinish - OSERS Broad St		
	0374 Lowes	\$31.32
	1137 Home Depot	\$102.77
Total - 50308 - Paint, Wallcovering, Refinish - OSERS Broad St		\$134.09
50317 - Janitorial Services - OSERS Broad St		
	0411 Amazon.com	\$20.94
	3990 Acorn Distributors Inc.	\$1,263.71
	5811 Harvard Maintenance, Inc	\$19,672.35
Total - 50317 - Janitorial Services - OSERS Broad St		\$20,957.00
50318 - Lighting - Bulbs, Fixtures - OSERS Broad St		
	5724 Batteries Plus	\$2,745.00
Total - 50318 - Lighting - Bulbs, Fixtures - OSERS Broad St		\$2,745.00
50321 - Generator Repairs & Maintenance - OSERS Broad St		
	5699 Ohio CAT	\$6,058.91
Total - 50321 - Generator Repairs & Maintenance - OSERS Broad St		\$6,058.91

50325 - Security - OSERS Broad St		
	5751 Kyle Kincade	\$3,240.00
	5856 Shayne McAndrew	\$2,058.76
	5883 Trenton Kincade	\$2,092.52
	5955 Ryan Beardsley	\$1,501.89
	5857 Cassandra Eschweiler	\$1,164.38
	5879 Joel George	\$1,620.00
	5677 Allied Universal Security Services	\$33,899.35
	5748 Oliver George	\$405.00
	5749 Remus Borcila	\$540.00
	5800 Cheston Jones	\$810.00
Total - 50325 - Security - OSERS Broad St		\$47,331.90
50327 - Elevator Repairs & Maintenance - OSERS Broad St		
	5690 Fujitec America, Inc.	\$6,653.24
Total - 50327 - Elevator Repairs & Maintenance - OSERS Broad St		\$6,653.24
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		
	5682 Johnson Controls Fire Protection LP	\$2,293.02
	5723 Securitas Technology	\$171.72
Total - 50329 - Life Safety - OSERS Broad St		\$2,464.74
50330 - Trash & Refuse - OSERS Broad St		
	5770 Rumpke of Ohio Inc	\$626.80
Total - 50330 - Trash & Refuse - OSERS Broad St		\$626.80
50350 - Landscaping & Grounds - OSERS Broad St		
	5761 SiteOne Landscape Supply	\$1,242.74
Total - 50350 - Landscaping & Grounds - OSERS Broad St		\$1,242.74
50370 - Licenses & Permits - OSERS Broad St		
	5679 Treasurer, State of Ohio	\$3,210.00
Total - 50370 - Licenses & Permits - OSERS Broad St		\$3,210.00
Total - 50300.0 - Building Operations		\$104,182.91
50400.0 - Utilities		
50400 - Telephone - OSERS Broad St		
	5715 AT&T - 8836	\$796.02
Total - 50400 - Telephone - OSERS Broad St		\$796.02
50405 - Heat & Gas - OSERS Broad St		
	5686 Columbia Gas	\$301.69
Total - 50405 - Heat & Gas - OSERS Broad St		\$301.69
50410 - Electricity - OSERS Broad St		
	5794 American Electric Power - 87617	\$172.87
	5795 American Electric Power - 16108	\$173.10
	5678 American Electric Power - 23018	\$28,275.01
Total - 50410 - Electricity - OSERS Broad St		\$28,620.98
50415 - Water & Sewer - OSERS Broad St		
	5681 Columbus City Treasurer	\$2,200.48
Total - 50415 - Water & Sewer - OSERS Broad St		\$2,200.48
Total - 50400.0 - Utilities		\$31,919.17
50500 - Building & Equip. Insurance - OSERS Broad St		
	5824 Alliant Insurance Services, Inc.	\$53,972.25
Total - 50500 - Building & Equip. Insurance - OSERS Broad St		\$53,972.25
51010.0 - Other Fees		
51013 - Building Remodeling - OSERS Broad St		
	1137 Home Depot	\$808.88
	5881 ACCI Design Build	\$181,215.50
Total - 51013 - Building Remodeling - OSERS Broad St		\$182,024.38
Total - 51010.0 - Other Fees		\$182,024.38
Total - Expense		\$397,592.67
Net Budgeted Expense		\$332,260.56
Net Building Occupancy		\$306,843.89

FY2026 Administrative Budget
Board Expense to Budget Reporting
Year-to-Date Through October 31, 2025

Major Category/Sub-Major Category	Line Item	Vendor	FY2026 Budget Approved	Year to Date Expense	Additional Information
PROFESSIONAL SERVICES			\$ 7,044,466	\$ 2,644,453	
ACTUARIAL ADVISORS			\$ 357,700	\$ 151,327	
	Actuarial	Cavanaugh Macdonald	\$ 357,700	\$ 151,327	Actuarial Consultant
AUDITING			\$ 220,000	\$ 70,000	
	Auditing	Plante Moran	\$ 180,000	\$ 70,000	External Auditor
BANKING FEES			\$ 1,343,000	\$ 405,444	
	Custodial Banking		\$ 1,188,000	\$ 363,433	
		Fifth Third	\$ 396,000	\$ 104,578	Domestic Custodian
		BNYM	\$ 792,000	\$ 258,855	International Custodian
	Administrative Banking	Huntington National Bank/ TOS	\$ 155,000	\$ 42,011	Banking Services
INVESTMENT RELATED			\$ 2,694,215	\$ 1,297,611	
	Master Recordkeeper		\$ 1,532,000	\$ 817,207	
		BNYM	\$ 400,000	\$ 306,970	
		Clearwater Analytics	\$ 980,000	\$ 294,912	
		MSCI (Burgiss)	\$ 132,000	\$ 215,325	
	Investment Consulting & Advisory Services		\$ 450,000	\$ 112,500	
		Wilshire	\$ 450,000	\$ 112,500	Investment Consulting
	Performance Analytics Services		\$ 492,416	\$ 318,621	
		Barra-One Risk Mgmt Sys	\$ 238,445	\$ 119,223	Investment Risk Analytics
		BNY Mellon GRS	\$ 137,607	\$ 103,205	Investment Performance Analytics
TECHNICAL			\$ 2,383,426	\$ 705,071	
	Special Counsel		\$ 396,000	\$ 112,548	
	Technical		\$ 1,400,912	\$ 316,312	
		Merative	\$ 124,000	\$ 31,000	Data Warehouse
		Sagitec	\$ 590,912	\$ 164,465	SMART Development Resources
		Board Initiative	\$ 100,000	\$ -	Board Initiatives
	Other Professional Services		\$ 586,514	\$ 276,211	
		Gartner	\$ 105,414	\$ 105,414	Management Consulting
		Managed Security Service Provider (MSSP)	\$ 100,000	\$ 49,854	
OTHER OPERATING EXPENSE			\$ 4,548,745	\$ 1,832,182	
COMPUTER SUPPORT SERVICES			\$ 3,195,613	\$ 1,163,512	
	Software Maintenance		\$ 1,023,833	\$ 614,159	
		Dell	\$ 280,000	\$ 276,418	Microsoft Enterprise Agreement/ True Up
		Sagitec	\$ 420,000	\$ 105,000	SMART Silver Support
		Hyland	\$ 122,640	\$ 121,810	ImageNow
	Software Subscriptions		\$ 1,905,891	\$ 497,100	
		DRaaS	\$ 150,000	\$ 48,942	Expedient
		Dynamo	\$ 146,320	\$ 114,589	Dynamo Software, INC
		Carahsoft	\$ 168,152	\$ 168,123	ServiceNow System
		Zoom	\$ 127,000	\$ -	Telecommunication Services
PROPERTY MANAGEMENT LIABILITY INSURANCE			\$ 518,428	\$ 483,838	
	Management Liability Insurance		\$ 518,428	\$ 483,838	
		Cyber Liability Insurance	\$ 155,976	\$ 124,861	ARC Excess & Surplus, LLC
		Crime Fiduciary D&O Insurance	\$ 362,452	\$ 358,977	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	FY2026 Budget	YTD Expense	Additional Information
			\$ -		
			\$ -		
			\$ -		

OSERS BROAD STREET, LLC					
UNBUDGETED PROJECT ITEMS					
Major Category	Line Item	Project	FY2026 Budget	YTD Expense	

Memo

To: Members of the SERS Board
From: Chris Castle
CC: Richard Stensrud, Karen Roggenkamp
Date: November 6, 2025
Re: New Employer

Miami Valley Technology and Communications Group (MVTCG) is a regional council of governments organized under Chapter 167 of the Ohio Revised Code that provides services to schools in the Miami Valley Region of Ohio.

MVTCG has requested SERS' approval as a new employer unit effective December 21, 2025, and by resolution has agreed to abide by all regulations and obligations as an employer under Chapter 3309 of the Ohio Revised Code.

Attached to this memo is a resolution for the Board to accept this new employer.

NEW EMPLOYER – Miami Valley Technology and Communications Group (MVTCG)

Staff discussed with the Retirement Board the request from Miami Valley Technology and Communications Group (MVTCG), a council of governments organized under Chapter 167 of the Ohio Revised Code, to accept it as a new employer unit under Chapter 3309 of the Ohio Revised Code effective December 21, 2025. MVTCG has passed an appropriate resolution agreeing to accept all requirements and obligations imposed by Chapter 3309 of the Ohio Revised Code.

It was moved by _____ and seconded by _____ that the Board accept Miami Valley Technology and Communications Group as an employer in accordance with Chapter 3309 of the Ohio Revised Code, effective December 21, 2025.

Upon roll call, the vote was as follows:

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

FINAL FILING OF PROPOSED AMENDED ADMINISTRATIVE RULES

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rules: 3309-1-40 Application and procedures for receiving disability benefits; 3309-1-45 Release of names, addresses and information; 3309-1-52 Travel and expense reimbursement that have been reviewed by JCARR and are ready for final adoption by the Board.

_____ moved and _____ seconded that proposed amended rules 3309-1-40, 3309-1-45, and 3309-1-52 adopted.

3309-1-40 Application and procedures for receiving disability benefits.

(A) For purposes of sections 3309.39, 3309.40, 3309.401 and 3309.41 of the Revised Code and SERS rules:

(1) "Disability" or "disabled" means that the member meets the following applicable standard of disability:

(a) At the time of application: A disabling condition, either permanent or presumed to be permanent for twelve continuous months following the filing of an application, which has occurred or increased since the applicant last became a member and which renders the member mentally or physically incapacitated for the performance of the member's last assigned primary duty as an employee.

(b) At the time of annual examination:

(i) For a disability benefit recipient with a benefit effective date before January 7, 2013 and for a disability benefit recipient with a benefit effective date on or after January 7, 2013 who is on leave of absence, a disabling condition that renders the member mentally or physically incapable of resuming the service from which the member was found disabled.

(ii) For a disability benefit recipient with a benefit effective date on or after January 7, 2013 who is not on leave of absence, a disabling condition that renders the member mentally or physically incapable of performing the duties of any occupation.

(2) "Ongoing disability" means:

(a) For a disability benefit recipient with a benefit effective date before January 7, 2013, a disability for which medical treatment presently offers no reasonable expectation of improvement to the extent that a member may be found mentally and physically capable of resuming employment that is the same or similar to that from which the member was found disabled.

- (b) For a disability benefit recipient with a benefit effective date on or after January 7, 2013, a disability for which medical treatment presently offers no reasonable expectation of improvement to the extent that a member may be found mentally and physically capable of employment in any occupation.
 - (3) "Medical treatment" means treatment of common medical acceptance that is readily available, would be covered under the system's health care plan and may include but is not limited to, medicine, physical therapy, psychological or psychiatric services or mechanical devices, but would exclude surgery or other invasive procedures.
 - (4) "Board physician" means the chairperson of the medical advisory committee.
 - (5) "Examining physician(s)" means the disinterested physician(s) assigned by the system or the chairperson of the medical advisory committee to conduct medical examinations of a disability applicant or recipient to determine eligibility to obtain or continue to receive disability benefits.
 - (6) "Any occupation" means a position that meets all of the following criteria:
 - (a) Replaces not less than seventy-five per cent of the member's final average salary, adjusted each year by the actual average increase in the consumer price index prepared by the United States bureau of labor statistics (U.S. city average for urban wage earners and clerical workers: "All items 1982-84=100");
 - (b) Is reasonably to be found in the member's regional job market;
 - (c) Is one that the member is qualified for by experience or education.
 - (7) "Vocational rehabilitation" means tests, evaluations, and/or training whose purpose is to enable a disability benefit recipient to find employment in any occupation.
 - (8) "Annual disability benefit" means the annuity and pension, or allowance, calculated under section 3309.40 or 3309.401 of the Revised Code at the time the member is determined to qualify for a disability benefit.
 - (9) "Employee" includes service as a school board member or governing board member as defined in section 3309.012 of the Revised Code.
 - (10) "Disability benefit recipient" means a member whose application for disability has been approved by the school employees retirement board.
- (B)
- (1) The school employees retirement board shall appoint a minimum of three members to the medical advisory committee who shall be physicians who demonstrate a wide

range of competent medical experience, and a chairperson for the medical advisory committee who shall act as medical advisor to the board. The chairperson shall have authority and responsibility to assign competent and disinterested physicians to conduct medical examinations of disability applicants and recipients for the purpose of determining the member's eligibility to obtain and continue to receive disability benefits, to recommend and review medical treatment and/or vocational rehabilitation, to certify a disability as ongoing and to submit to the board a recommendation to accompany the report of the medical examiner and/or the medical advisory committee.

- (2) The board may appoint as consultants, professionals in the field of vocational rehabilitation to provide services to the board on matters of vocational rehabilitation, including to conduct evaluations and to advise and make recommendations to the medical advisory committee, the board physician, and the board.
- (C) The board shall be responsible for screening disability benefit applications; serving as a hearing committee for disability applicants; and determining eligibility to obtain or continue to receive disability benefits.
- (D)
 - (1) In order to qualify for a disability benefit, a member shall submit an application and undergo a medical examination by the examining physician(s) as required.
 - (a) The application shall include report(s) from the member's health care provider(s) that identify the medical bases of the application and include supportive medical evidence, a job duty form, and a job description provided by the last employer.
 - (b) Medical examinations will only be assigned for conditions identified by a health care provider.
 - (c) A medical examination will not be required if the board physician determines that the medical records submitted with the application clearly establish that the member is disabled.
 - (2) For purposes of division (C) of section 3309.39 of the Revised Code:
 - (a) A disability occurs before termination of contributing service if the underlying medical condition existed while the member was contributing to SERS;
 - (b) A disability occurs after last becoming a member if the underlying condition did not exist or did not render the member incapacitated from working for at least twelve continuous months when the member last became a member of SERS.

- (E) The examining physician(s) shall make a report of the examination on a form provided by the board that sets forth the examining physician's medical opinion as to the nature of any disabilities disclosed; and
- (1) Any recommended medical treatment, and the period of time in which recovery may reasonably be expected with such treatment, or
 - (2) That the disability is ongoing.
- (F)
- (1) Upon receipt of a completed application, report of the examining physician(s) as required, and any other available evidence pertaining to the application for disability, the board's medical advisory committee and/or the chairperson of the medical advisory committee shall review all such information and prepare a recommendation to the board. The recommendation shall include a description of any disability, the nature and duration of any recommended medical treatment and/or vocational rehabilitation, where applicable, or a certification from the board's physician that the disability is ongoing, and any recommended reexamination requirements.
 - (2) If the applicant dies before the chairperson finalizes a recommendation, the application shall be automatically vacated. If the applicant dies after the chairperson has finalized a recommendation of disability, disability benefits from the effective date of disability through the month of the applicant's death shall be paid to the applicant's beneficiary.
- (G) The board shall determine whether the applicant is eligible for disability benefits. Notice of denial or termination of disability benefits shall be sent to the applicant by regular U.S. mail or certified mail pursuant to rule 3309-1-41 of the Administrative Code. Notice of eligibility for disability benefits shall be sent by regular U.S. mail or certified mail.
- (H) If the board's physician recommends medical treatment and if the board's physician or consultant recommends vocational rehabilitation, the grant of disability benefits, or continuation of disability, shall be conditioned on the applicant completing and returning a signed agreement to obtain recommended medical treatment on a form included with the notice of the conditional grant of disability benefits. Failure to return this agreement, properly completed, within sixty days of the date mailed by the system constitutes failure to meet conditions for granting the disability benefits and will result in an automatic denial of disability benefits without further action by the board, with all rights

of appeal pursuant to rule 3309-1-41 of the Administrative Code. Notice of the denial will be sent to the applicant pursuant to rule 3309-1-41 of the Administrative Code.

- (1) A copy of the notice of a conditional grant or continuation of disability benefits shall be sent to the health care provider designated on the member's application for disability benefits as authorized to receive the applicant's disability information unless the applicant subsequently provides a signed release designating another health care provider. The applicant's health care provider shall also receive:
 - (a) A description of the disabling condition,
 - (b) The nature and duration of any recommended medical treatment.
- (2) The applicant's notice of the conditional grant or continuation of disability benefits shall inform the applicant that information regarding the nature of the disability and recommended treatment has been forwarded to the applicant's health care provider and that the applicant must contact that health care provider to review this information. The applicant shall be informed that the agreement to obtain recommended medical treatment and/or vocational rehabilitation must be properly completed and returned to the system within sixty days of the date that the system mailed the notice. Proper completion requires the signature of the health care provider indicating that the provider has communicated the disability information and recommended medical treatment to the applicant and the signature of the applicant indicating agreement to obtain the recommended medical treatment and/or vocational rehabilitation.
- (3) Upon the timely return of a properly completed agreement to obtain recommended medical treatment and/or rehabilitation, the system shall forward to the applicant an acknowledgment of receipt of the agreement containing the effective date of the disability benefits and annual reexamination and reporting requirements necessary to continue receiving disability benefits.

(I)

- (1) Annual examinations required by division (B) of section 3309.41 of the Revised Code, shall be waived as follows:
 - (a) When the board has waived the requirement indefinitely based on a certification of ongoing disability.
 - (b) For the present year based on the board physician's determination that the current medical information clearly establishes that the disability recipient continues to be disabled.

(c) If the termination standard is whether the recipient can perform any occupation, when:

~~(i) An an annual earnings statement establishes that the recipient earned 75% or more of their adjusted FAS, and,~~

~~(ii) The board physician determines that current medical records do not indicate a subsequent material decline in the recipient's physical and mental condition.~~

(2) The obligation of filing annual earnings statements and current medical information required by division (D) of section 3309.41 of the Revised Code, and the filing any other information required in this rule shall be waived as follows:

(a) By the board based on a certification of ongoing disability;

(b) If not previously waived, the obligation to file annual earnings statements of a disability recipient whose disability has been certified as ongoing shall automatically be waived when the benefit recipient has satisfied one of the following requirements:

(i) Has received a disability benefit for twenty years, or

(ii) Has attained age sixty-five.

(3) The board may review any disability granted including those certified as ongoing and request other information pursuant to division (D) of section 3309.41 of the Revised Code.

(4) The board or the board's physician may require a disability recipient to submit to a medical examination by an examining physician and a vocational rehabilitation evaluation by a vocational rehabilitation professional or health care professional assigned by the system.

(J) In the absence of a waiver from the board, in order to continue receiving disability benefits, the recipient shall comply with the following conditions as set forth in section 3309.41 of the Revised Code:

(1) Submit to an annual medical examination,

(2) If required, submit to a medical examination,

(3) If required, submit to a vocational rehabilitation evaluation,

(4) If applicable, obtain any recommended medical treatment and submit medical reports regarding the treatment,

(5) If applicable, obtain any recommended vocational rehabilitation and submit required reports regarding the rehabilitation,

(6) Annually file an earnings statement, current medical information, and any other information required by the board.

(K)

(1) If a recipient refuses to submit to a required examination or evaluation or to file required information, the disability benefits shall be suspended until the examination or evaluation is obtained or the information is filed.

(2) If, when applicable, the recipient fails to obtain recommended medical treatment and submit medical reports regarding the treatment, the disability benefits shall be suspended until the treatment is obtained and the report of the treatment submitted, or the board physician certifies that the treatment is no longer helpful or advisable. Medical treatment is no longer helpful or advisable if, after a period of time in which it would be medically reasonable to see results, the treatment has failed to produce improvement in the disability, or continuation of the treatment presents a medically significant risk of aggravation or complication of an existing disability or creation of an additional disability.

(3) If, when applicable, the recipient fails to obtain required vocational rehabilitation and submit reports regarding the rehabilitation, the disability benefits shall be suspended until the rehabilitation is obtained and the report submitted, or the board physician or consultant certifies that vocational rehabilitation is no longer helpful or advisable.

Vocational rehabilitation is no longer helpful or advisable if:

(a) The recipient's disability renders the recipient unable to perform the duties of any position and is not expected to improve sufficiently, or

(b) After a period of time in which the recipient has complied with recommended vocational rehabilitation, the recipient cannot be reasonably expected to obtain employment in any occupation.

(L) If the recipient's failure to comply with any of the applicable conditions set forth in paragraph (J) of this rule continues for one year from the date of the suspension of benefits for noncompliance, the recipient's right to the disability benefits shall be terminated as of the date of the original suspension.

- (M) On reexamination the board's medical advisory committee and/or the board physician shall review the medical and vocational reports and certify to the board whether the recipient continues to be disabled.
- (1) If the medical advisory committee and/or the board physician certifies that the recipient continues to be disabled, the medical advisory committee and/or the board physician shall make recommendations regarding reexamination and, where applicable:
- (a) Recommend a continuation of the medical treatment and/or vocational rehabilitation previously recommended,
 - (b) Recommend a modification in medical treatment and/or vocational rehabilitation, or
 - (c) Certify that the disability is ongoing.
- (2) When the termination standard is whether the recipient can perform any occupation, a recipient may be certified for termination as follows:
- (a)
 - (i) A SERS appointed vocational consultant has submitted a report that is based on findings made at the time of the review and that identifies a minimum of three positions that meet the any occupation definition and has submitted job descriptions that include a discussion of the physical and mental demands of the position; and
 - (ii) An examining physician or the medical advisory committee concludes that the recipient is capable of meeting the physical and mental demands of a minimum of three of the positions; or
 - (b)
 - ~~(i) A recipient has submitted an earnings statement that establishes annual earnings of seventy-five per cent or more of the recipient's final average salary, adjusted each year by the actual average increase in the consumer price index prepared by the United States bureau of labor statistics (U.S. city average for urban wage earners and clerical workers: "All items 1982-84=100"); and~~
 - ~~(ii) The board physician determines that recipient's current medical records establish no subsequent material decline in the recipient's physical and mental condition.~~

- .(3) If the medical advisory committee and/or the board physician certifies that the recipient meets the applicable standard for termination of disability under division (C) of section 3309.41 of the Revised Code and the board concurs, the board shall:
- (a) Terminate the disability benefits effective as of a date not later than three months after the board's concurrence, or upon notice of employment of the recipient as an employee.
 - (b)
 - (i) If the leave of absence has not expired when the board votes to terminate the disability benefit, the board shall certify to the recipient and the recipient's last employer as applicable that the recipient is no longer incapable of resuming service that is the same or similar to that from which the recipient was found disabled and shall identify the scheduled termination date of the disability benefit.
 - (ii) The employer must notify the system if the member returns to work before the scheduled termination date. If the employer fails to notify the system, the amount of benefits paid to the member after the member's return to work shall be paid from amounts allocated under Chapter 3317. of the Revised Code.

(N)

- (1) Disability benefit recipients with a benefit effective date before January 7, 2013 shall be considered on leave of absence from employment during the first five years following the effective date of their disability benefit.
- (2) Disability benefit recipients with a benefit effective date on or after January 7, 2013 shall be considered on leave of absence from employment during the first three years following the effective date of their disability benefit; thereafter, their leave of absence shall terminate as follows:
 - (a) If medical treatment and/or vocational rehabilitation is not recommended, at the end of the first three years;
 - (b) If medical treatment and/or vocational rehabilitation is recommended, but the recipient is not participating in the recommended treatment or rehabilitation, the earlier of the last month the benefit recipient participated in recommended treatment or rehabilitation or the end of five years following the benefit effective date;

(c) If medical treatment and/or vocational rehabilitation was recommended and the recipient is participating in the recommended treatment or rehabilitation, at the end of five years following the benefit effective date.

(O) A disability benefit recipient is employed for purposes of division (E) of section 3309.41 of the Revised Code if they hold office as a school board member or governing board member as defined in section 3309.012 of the Revised Code, regardless of whether the disability recipient elects membership under that section.

(1) Upon receipt of notice that a disability recipient holds office as a school board member or governing board member, the system shall notify the recipient that the recipient must terminate their service in order to continue to receive a disability benefit.

(2) The disability recipient shall send written notice to the system within thirty days from the date on the notice sent under paragraph (O)(1) of this rule, indicating whether they will resign their office.

(3) If the disability recipient affirms a continuation of service or if the recipient fails to provide notice to the system, the disability benefit shall be terminated on the date the recipient first held office as a school board member or governing board member and any overpayments shall be collected as authorized in Chapter 3309. of the Revised Code.

(4) If the disability recipient affirms a termination of service, the termination shall be effective on the receipt of the notice described in paragraph (O)(1) of this rule. Any employee contributions remitted for the service shall be unauthorized and returned to the employer.

(P)

(1) Amounts paid by a member to purchase service credit shall be credited to the employees' savings fund.

(2) Service credit for a period of disability shall be considered the equivalent of Ohio service credit.

(3) Service credit granted or purchased under section 3309.41 of the Revised Code for a period of disability shall not result in the member receiving more than one year of service credit for any year as defined in division (R) of section 3309.01 of the Revised Code.

HISTORY: 5/1/22, 12/22/19, 8/13/17, 4/6/17, 10/4/15, 1/7/13, 4/3/08, 1/30/06, 1/6/05, 1/2/04, 5/9/03, 11/9/98, 1/2/93, 2/1/92, 10/26/84, 2/19/82, 1/21/77

Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.39, 3309.41
Review Date: 2/1/27

3309-1-45 Release of names, addresses and information.

Names, addresses and other information contained in records maintained by the school employees retirement system shall be released to members of the public in accordance with this rule.

- (A) Except as otherwise provided in section 3309.22 of the Revised Code, no part of an individual's personal history record shall be released to a third party except upon the written authorization of the person to whom the record pertains.

In addition to the information set forth in division (A)(1) of section 3309.22 of the Revised Code, personal history record includes, but is not limited to, any record identifying:

- (1) The amount of benefit or allowance paid or payable to any person,
- (2) The service history or service credit of a member or retiree, or
- (3) The dependents or beneficiaries of a member or retiree.

- (B) Medical reports and recommendations shall be released only under the following circumstances:

- (1) Upon written request from the person to whom the report or recommendation pertains, to that person;
- (2) Upon written authorization from the person to whom the report or recommendation pertains or the person's agent, to the physician, certified nurse-midwife, clinical nurse specialist, certified nurse practitioner, attorney or authorized agent of that person;
- (3) To the board assigned physician.

- (C) Except as otherwise provided by law, all other system information not described in paragraph (A) or (B) of this rule shall be made available for inspection and copies provided upon request and payment of any applicable costs for copying and mailing. The person requesting a copy may choose to obtain the copy on paper, in the same medium in which the record is kept, or in any other medium in which the system determines that it can reasonably duplicate the record as an integral part of normal operations. A list of names and addresses of members, former members, retirants,

contributors, former contributors, or beneficiaries shall be made available upon written request and payment of the cost of compiling, copying and mailing the list.

(D) As used in division (D)(3) of section 3309.22 of the Revised Code and this rule:

- (1) "Contributor" means a SERS retirant or other system retirant who has an account with SERS based on contributions to SERS pursuant to section 3309.341 of the Revised Code.
- (2) "Former contributor" means a current recipient of a monthly annuity under section 3309.344 of the Revised Code.
- (3) "Former member" means a member who has not contributed to SERS in twelve months and is considered inactive.

HISTORY: 5/1/22, 4/6/17, 1/7/13, 12/10/09, 5/3/02, 2/11/00, 2/16/89

Promulgated Under: 111.15
Statutory Authority: 3309.04, 149.43
Rule Amplifies: 3309.22, 149.43
Review Date: 2/1/27

3309-1-52 Travel and expense reimbursement.

(A)

- (1) Members of the school employees retirement board and staff members of the school employees retirement system shall be reimbursed by the retirement system for actual, proper and reasonable expenses incurred for attendance at appropriate meetings, sessions, seminars and conferences.
- (2) "Actual, proper and reasonable expenses" means that the particular service or accommodation was in fact used by, or provided to, the board or staff member, was appropriate under the circumstances and within the bounds of prudent judgment.
- (3) "Appropriate meetings, sessions, seminars and conferences" include, but are not limited to, the following:
 - (a) Meetings of the retirement board or its committees;
 - (b) Meetings sponsored by the retirement board or the retirement system;
 - (c) Member or retiree related meetings;
 - (d) Other educational meetings, sessions, seminars and conferences that serve to make the board or staff member more knowledgeable and are related to the general purposes of the retirement system and in the interest of the system's participants.
 - (e) Other meetings which involve the retirement system's business operations.

(B) Reimbursable expenses include, but are not limited to, the following:

(1) Transportation.

- (a) Air fare will be reimbursed at coach or economy class rates when such was available and efforts will be made to use other cost-saving plans offered by carriers. ~~In accordance with Ohio ethics commission advisory opinion No. 91-010, airline frequent flyer miles shall not be used for personal travel or benefit.~~
- (b) In-state travel by personal automobile will be reimbursed at the reimbursable rate established by the system. Out-of-state personal automobile or other surface vehicle travel will be reimbursed at the lesser of "portal-to-portal" or "air travel cost".
 - (i) "Portal-to-portal" reimbursable expenses include the actual cost of lodging, meals, parking at place of lodging and mileage at the reimbursable rate established by the retirement system or the actual cost of coach or economy class fare or the cost of a rental vehicle.
 - (ii) "Air travel cost" reimbursable expenses include the actual cost of coach or economy air fare, airport parking, transportation from the airport to destination lodging, and mileage between the board or staff member's home and the local airport at the reimbursable rate established by the retirement system.
- (c) The cost of a rental vehicle where it is a reasonable alternative means of transportation under the circumstances.
- (d) The cost of parking for a personal or rental vehicle.
- (e) The cost of taxi cabs or other public transportation where reasonable under the circumstances.

(2) Lodging at the single occupancy rate.

(3) Meals and beverages, excluding alcohol, in reasonable amounts not to exceed limits as set by the retirement board.

(4) Tips as customary and reasonable.

~~(5) Telephone calls or other electronic transmissions for retirement system business; or personal telephone calls to home and/or family not to exceed limits set by the retirement board.~~

~~(6)~~(5) Registration fees for appropriate meetings, sessions, seminars and conferences.

(C) Reimbursable expenses do not include the following:

- (1) Expenditures of a personal nature except as provided in this rule.
- (2) Expenditures for travel other than for retirement system business.
- (3) Except in the case of an emergency, expenditures by a board member for out-of-state travel not approved by the retirement board.

(D) Requests for approval of out-of-state travel by a board member shall be submitted by the board member to the executive director of the retirement system who shall present the request to the board at its next regular meeting.

(E) Requests for reimbursement for authorized travel shall be submitted on the appropriate form attached as an appendix to this rule and in accordance with the retirement system's reimbursement procedures.

HISTORY: 9/30/13, 8/11/05, 8/10/98, 1/2/96

Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.041, 3309.10, 3309.14
Review Date: 2/1/28

ROLL CALL:	YEA	NAY	ABSTAIN
Daniel Wilson	_____	_____	_____
Jeanine Alexander	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
Rebekah Roe	_____	_____	_____
Aimee Russell	_____	_____	_____
Frank Weglarz	_____	_____	_____
James Rossler	_____	_____	_____



School Employees Retirement System of Ohio

Staff Expense Report - 2025

Name:

Name of Conference/Purpose of Trip:			Conference Dates:				Type of Travel (select from list below)	
Location of Trip:			Travel Dates:					
Enter Dates								Total Amount
Enter Name of City								
Lodging								-
								-
Meals								
Breakfast								
Lunch								
Dinner								
Less: unapproved meals > GSA								
Daily Meal Total			0.00	0.00	0.00	0.00	0.00	0.00
								-
Transportation								-
Airplane								-
Personal Car -- Miles								
@ 0.70			-	-	-	-	-	-
Taxi/Limousine								-
Rental Vehicle								-
Shuttle								-
Gas (for SERS vehicle)								-
Parking								-
Tolls								-
								-
Other Expenses								-
								-
Tips (not Meals/Taxis)								-
								-
Daily Totals			-	-	-	-	-	-
			Conference Registration Fee					
			Business Meal Reimbursement (below)					-
			Total Expenses					-
Meals paid for multiple SERS employees/Board members/guests			Less: Direct Bill (Airfare, Hotel)					
Date	Names		DTL Purchasing Card Charges					
			Prepaid Registration Fee					-
			Other:					
			Total Deductions					-
			BALANCE DUE TO: Employee					
Business Meal Reimbursement (Not Travel Related)								
Names of Guests, Titles, Business Connections			Date	Place -- Name & Location		Business Purpose		Amount
							Total (Adds Above)	-
Approvals								
I certify that these expenses were actual and reasonable, are in compliance with SERS policy, and were incurred for official business of the School Employees Retirement System. No portion of these expenses was provided free of charge or previously reimbursed from any other source. Should any portion of this reimbursement be found non-compliant with SERS policy, I will reimburse SERS within ten (10) days of being notified.					I certify that I have reviewed expenses associated with this reimbursement, have found them in compliance with SERS policies and procedures, and hereby authorize payment.			
Signed: _____ Date: _____					Director: _____ Date: _____			
Account # _____					Accounting Approval _____ DTL _____			



School Employees Retirement System of Ohio

BOARD Expense Report - 2025

Name of Conference/Purpose of Trip:				Conference Dates:				Type of Travel (select from list below)	
Location of Trip:				Travel Dates:				Education	
Enter Dates Enter Name of City								Total Amount	
Lodging								-	
Meals	Breakfast							-	
	Lunch							-	
	Dinner							-	
Daily Meal Total		0.00	0.00	0.00	0.00	0.00	0.00	-	
Transportation								-	
	Airplane							-	
	Personal Car Miles							-	
	@ 0.70	-	-	-	-	-	-	-	
	Taxi/Limousine							-	
	Rental Vehicle							-	
	Shuttle							-	
	Parking							-	
	Tolls							-	
Other Expenses								-	
								-	
								-	
	Tips (not Meals/Taxis)							-	
	Subtotals	-	-	-	-	-	-	-	
Total SERS Direct Bill		0.00	0.00	0.00	0.00	0.00	0.00	-	
Total Board Travel Card								-	
Board Travel Card Personal								-	
Total Out of Pocket								-	
Total Daily Expenses		-	-	-	-	-	-	-	
				Conference Registration Fee					
				Total Expenses				-	
Meals paid for multiple SERS employees/Board members/guests				Less: Direct Bill (Airfare, Hotel)				-	
Date	Names	Board Travel Card Charges							
		Prepaid Registration Fee							
		Other							
		Total Deductions				-			
				Less: Reimburse SERS personal				-	
				BALANCE DUE TO: Board Member					
				SERS					
Approvals									
I certify that these expenses were actual and reasonable, are in compliance with SERS policy and were incurred for official business of the School Employees Retirement System. No portion of these expenses was provided free of charge or previously reimbursed from any other source. Should any portion of this reimbursement be found non-compliant with SERS policy, I will reimburse SERS within ten (10) days of being notified.				I certify that I have reviewed expenses associated with this reimbursement and hereby authorize payment.					
Signed: _____ Date: _____				Executive Director: _____ Date: _____					
Account # _____				Accounting Approval _____				DTL _____	

EXECUTIVE SESSION

_____ moved and _____ seconded the motion that the Retirement Board convene in Executive Session pursuant to R.C. 121.22 (G)(2) to discuss the sale of property.

Upon roll call, the vote was as follows:

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

CONVENE IN EXECUTIVE SESSION AT _____ A.M./P.M.

RETURN TO OPEN SESSION AT _____ A.M. / P.M.

OSERS BUDGET MODIFICATION

It was moved by _____ and seconded by _____ that as discussed at the November 20, 2025, Board meeting, SERS transfer \$500,000.00 to OSERS Holdings LLC, an amount requested by OSERS Broad Street LLC (an LLC held by OSERS Holdings) for tenant space improvements.

Upon roll call, the vote was as follows:

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

Memo

To: Retirement Board

From: Holly Cox

cc: Richard Stensrud, Karen Roggenkamp, John Grumney

Date: November 18, 2025

Re: Board Resolution – Medical Advisory Committee Chairman Increase

Effective January 1, 2026, we are proposing a \$250.00 increase in the monthly fee paid to the Medical Advisory Committee Chairman, which will bring his monthly fee to \$4,000.00. Currently, Dr. Borchers receives \$45,000 in annual fees. If the Board agrees to the monthly fee increase, Dr. Borchers will receive \$48,000 in annual fees.

Dr. Borchers reviews all disability applications and re-examinations, assigning physicians to conduct medical examinations of disability applicants and recipients. In addition to advising staff and preparing recommendations to the Retirement Board, Dr. Borchers facilitates monthly meetings with the Medical Advisory Committee and attends monthly personal appearances and provides a medical summary of appeals for the Retirement Board. He has served as Chairman of the Medical Advisory Committee since December 2015.

MEDICAL ADVISORY COMMITTEE CHAIRMAN

_____ moved and _____ seconded to increase the monthly fee paid to Dr. Glen Borchers as Chairman of the Medical Advisory Committee by \$250.00 effective January 1, 2026. With the increase, Dr. Borchers will receive \$48,000 in fees on an annual basis.

Upon roll call, the vote was as follows:

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

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

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

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

December 17, 2025 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

December 18, 2025 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

December 18, 2025 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

December 18 – 19, 2025 – 8:30 a.m. (Thurs. and Fri.)

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

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2026 **

AUDIT COMMITTEE MEETINGS

March 18, 2026 – 2:30 p.m. (Weds.)
June 17, 2026 – 2:30 p.m. (Weds.)
September 16, 2026 - 2:30 p.m. (Weds.)
December 16, 2026 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 19, 2026 – 7:30 a.m. (Thurs.)
June 18, 2026 – 7:30 a.m. (Thurs.)
July 16, 2026 – 7:30 a.m. (Thurs.) **** Special Meeting ****
September 17, 2026 – 7:30 a.m. (Thurs.)
December 17, 2026 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

March 19, 2026 – 12:30 p.m. (Thurs.)
June 18, 2026 – 12:30 p.m. (Thurs.)
September 17, 2026 – 12:30 p.m. (Thurs.)
December 17, 2026 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

February 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.) **** Annual Board Workshop ****
March 19 – 20, 2026 - 8:30 a.m. (Thurs. and Fri.)
April 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)
May 21 – 22, 2026 – 8:30 a.m. (Thurs. and Fri.)
June 18, 2026 – 8:30 a.m. (Thurs.)
July 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)
September 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.) **** Board Picture Day ****
October 15 – 16, 2026 – 8:30 a.m. (Thurs. and Fri.)
November 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.)
December 17 – 18, 2026 – 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.

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ADJOURNMENT(R)

_____ moved that the SERS Retirement board adjourn to meet on Thursday, December 18, 2025, for the next regularly scheduled meeting.

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

James Rossler – Chair

Richard Stensrud - Secretary