

SERS Retirement Board Meeting Minutes

April 16, 2026

The nine hundred and ninety-first 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, April 16, 2026.

Pledge of Allegiance

The SERS Retirement Board Meeting convened at 9:30 a.m. with the Pledge of Allegiance.

Roll Call

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

Consent Agenda

The Consent Agenda for April 16, 2026, included:

- **Minutes** of the March 19, 2026, Retirement Board Meeting.
- **Summary of Investment Transactions** for the period of February 1, 2026, to February 28, 2026.
- **Retirement Report** - Superannuations, Survivor Benefits, Transfers and Special Cases.
- **Disability Report** - Approval of Disability Benefits, Disapproval of Disability Benefits, Disapproval of Appeal for Disability Benefits, Termination of Disability Benefits – Any Occupation

Frank Weglarz moved and Aimee Russell seconded the motion to approve the Consent Agenda of the Retirement Board Meeting held on Thursday, April 16, 2026. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. The motion carried.

Due to some scheduling considerations, at the suggestion of the Executive Director, Richard Stensrud, various matters were taken up in a different order than presented in the Regular Agenda.

Executive Director's Report

Review of Administrative Expenses

SERS Chief Financial Officer Marni Hall provided a brief update on SERS administrative expenses as of the end of March 2026, reviewing line items of note in the Administrative Expense Reports.

Following brief questions, the Board thanked Ms. Hall for her report.

Review FY2027 Draft Administrative Budget – ORSC Submission

Ms. Hall went over the version of the Draft FY2027 budget required to be submitted to the ORSC. The broader budget document considered by the Board will be presented and discussed in greater detail at the May Board Meeting, and no approval was sought at the April meeting for the submission to the ORSC. Ms. Hall reviewed highlights of the ORSC required documents which included FY2026 and FY2027 operating, capital, staff training and travel budget comparisons, investment expenses obtained from the ACFR, and a ten-year categorization of Board expenses and membership statistics.

After questions and discussion, Ms. Hall concluded her presentation.

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Final Filing of Proposed Amended Administrative Rules (R)

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rules: 3309-1-56 Alternative retirement programs; and 3309-1-70 Contribution based benefit cap that have been reviewed by JCARR and are ready for final adoption by the Board. No questions were asked regarding the proposed amended rules.

Frank Weglarz moved and Jeanine Alexander seconded that proposed amended rules 3309-1-56 and 3309-1-70 be adopted. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. The motion carried.

Ohio Retirement Study Council

SERS Executive Director Richard Stensrud reported that the ORSC cancelled the April meeting and the next scheduled ORSC meeting scheduled for May 14. Mr. Stensrud noted that the Board had previously been updated on follow-up correspondence recently provided to the ORSC.

Advocacy Groups

Mr. Stensrud reported that SERS will be making 'state of the system' presentations to two stakeholder organizations in May.

Mr. Stensrud reported that the OASBO Annual Meeting will be held on May 1. The meeting will be in a hybrid format, allowing attendees to join in person or virtually.

Mr. Stensrud also reported that he will be making a similar presentation at the SERO Board Meeting on May 6.

Mr. Stensrud advised the Board they will be provided with information if they are interested in attending.

State Legislative Activity

Mr. Stensrud reported on legislature activity, sharing that the General Assembly's current focus is on primary elections and a potential ballot initiative to repeal property taxes. Mr. Stensrud invited comments and observations from the Board on these topics. After a robust discussion, Mr. Stensrud confirmed the Board would be kept informed as things continue to unfold.

Federal Advocacy

Mr. Stensrud continued, reminding the Board of the February 2026 Annual Board Workshop presentation by Tom Lussier from the Coalition to Preserve Retirement Security (CPRS) that focused on the ramifications of mandating Social Security participation and contributions by state and local government employees in Ohio. Mr. Stensrud noted that the Segal report on the ramifications which has been commissioned by CPRS will be issued at a webinar hosted by CPRS on April 29, 2026. Mr. Stensrud advised the Board they will receive the webinar invitation details, and the Board will continue to be kept informed on this topic.

Member Services Outreach

Mr. Stensrud reported on the multiple and varied ways that SERS continues to engage with SERS active members, retirees, and employers. Mr. Stensrud noted the webinars and training sessions that have been held with employers, and the virtual conferences, benefit fairs, and webinars that have been held with active members. Communication pieces continue to be sent out to educate and bring awareness to issues affecting SERS members.

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Technology Committee Report

Technology Committee Update

Technology Committee Chair, Frank Weglarz, provided the Board with an update on the work being done in the Technology Committee meetings. Mr. Weglarz reported that the Technology Committee met the morning of April 16, 2026, before the Regular board Meeting. The Committee received an Artificial Intelligence (AI) Update as well as updates on quarter three Technology Roadmap project progress from the Chief Technology Officer and Chief Risk Officer. The next Technology Committee meeting is scheduled for Thursday, June 18, 2026. There were no questions from the Board.

Compensation Consultant RFP (R)

Mr. Stensrud explained that approval was being requested from the Board for the Compensation Committee to issue an RFP to select and engage a consultant to conduct a full compensation and classification study for SERS personnel. Mr. Stensrud noted that the last full study had been conducted in 2021 and since that study annual updates and adjustments had been made to help keep SERS' salaries competitive.

Mr. Stensrud explained that the process would be similar to the last study, with the Committee overseeing the review and evaluation of proposals, and selection of the consultant. The Committee will work with the consultant in determining the parameters of the study and keep the Board informed on progress. The final report will be presented to the full Board for consideration. The Board was asked to delegate authority to the Compensation Committee to oversee issuance of the RFP and implement the engagement consistent with the described process.

Jeffrey DeLeone moved and Matthew King seconded authorizing the Compensation Committee to issue a Request for Proposal (RFP) to retain a compensation consultant that will determine the competitiveness and effectiveness of the SERS employee compensation program, and further to delegate to the Compensation Committee authority to select the vendor. The Compensation Committee Chair is authorized to sign a contract to retain the selected vendor. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. The motion carried.

Five-Year Actuarial Experience Study 2020-2025

Mr. Stensrud introduced Todd Green and Alisa Bennet from CavMac to present the Five-Year Experience Study covering the period ending June 30, 2025, noting that the Study evaluates SERS' demographic and economic experience as compared to the current actuarial assumptions.

Mr. Green discussed the recommended changes to the economic and demographic assumptions and explained the basis for the recommended changes. The assumptions recommended for adjustment included the inflation, wage growth, COLA, and retirement pattern assumptions, as well as adjustments to mortality tables. Mr. Green noted the assumption changes would result in a net \$978 million increase in actuarial accrued liabilities for the pension Basic Benefits. Mr. Green affirmed that SERS' current employer contribution rate continues to be sufficient to fund the Basic Benefits and pay down the unfunded actuarial accrued liability at an accelerated rate. Mr. Green further recommended that SERS' methodology for paying off unfunded liability be changed to a layered amortization approach, which will provide greater transparency into the source of and remaining amortization period for the unfunded liability.

Ms. Bennet reported that the updated assumptions for Medicare participation and adjusted mortality expectations would lower the Health Care liabilities and improve the funded ratio and solvency period for the Health Care Fund.

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Mr. Stensrud outlined the process for implementation of the assumption changes following Board adoption of the assumptions, with final implementation expected in January 2027.

After a robust discussion, the Board thanked CavMac for their presentation and proceeded to the resolution.

Based on the results of the study, the actuary recommended that SERS adopt the long-term assumptions for the basic benefits, as stated in the report, for the following:

- Rate of Price Inflation – 2.50%
- Rate of Investment Return – 7.00%
- Rate of Real Wage Growth – 1.00%
- Cost-of-Living-Adjustments – 2.50%
- Rates of Withdrawal – Liability-Weighted Experience
- Rates of Disability Retirement – As presented in the report dated March 16, 2026
- Rates of Service Retirement – As presented in the report dated March 16, 2026
- Rates of Pre-Retirement Mortality – Using the PUB-2016 General Employee Amount-Weighted Below-Median mortality table
- Rates of Post-Retirement Mortality – Using the PUB-2016 General Employee Amount-Weighted Below-Median Healthy Retiree mortality table projected to 2023 with ages set forward 1 year for males
- Rates of Contingent Survivor Post-Retirement Mortality – Using the PUB-2016 General Amount-Weighted Below-Median Contingent Survivor mortality table projected to 2023 with ages set forward 2 years for males and set forward 1 year for females
- Rates of Disabled Mortality – Using the PUB-2016 General Headcount-Weighted Disabled Retiree mortality table projected to 2023 with ages set forward 4 years for males and females
- Rate of Wage Inflation (includes 2.50% price inflation) – 3.50%
- Other Assumptions and Methods (Percent Married, Re-hired Retirees, Actuarial Cost Method, Amortization Method, Actuarial Value of Assets, and additional assumptions) – As presented in the report dated March 16, 2026

Based on the results of the study, the actuary recommended that SERS adopt the long-term assumptions for other post-employment benefits, as stated in the report, for the following:

- Rate of Investment Return – 7.00%
- Short-term Health Care Trend Rates – Update annually based on SERS' experience and demographics while considering the projected trend from extended sources. Use an ultimate trend rate of price inflation +2.00%, or 4.50%
- Age Related Morbidity – Using the Yamamoto age-based morbidity relative value factors updated for Medicare-eligible retiree from the total allowed to the net allowed factors
- Other Post-Employment Benefit Assumptions and Methods – Participation rates for service retirement, disability retirement and spousal coverage, pre-65 Medicare eligibility for disabled retirees, amortization method, and additional assumptions, as presented in the report dated March 16, 2026

Frank Weglarz moved and Rebekah Roe seconded the motion to adopt the actuary's recommended long-term assumptions. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. The motion carried.

The Board recessed at 11:09 a.m.

The Board reconvened at 11:17 a.m.

Recess for Member Appeal

At 11:17 a.m. the SERS Retirement Board took a recess to consider a member appeal.

The Board reconvened following recess at 11:51 a.m.

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Executive Director's Report (Continued)

Member Appeal Resolution

Rebekah Roe moved and Catherine Moss seconded the motion to affirm the Final Staff Determination to not permit Vincent Spitali to retire under the old retirement eligibility standard of 30 years of service credit at any age, even if he purchases 0.833 years of OPERS refunded service credit, because he did not have 25 years of total service credit on or before August 1, 2017, as required by R.C. 3309.34(A)(1)(b). Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. The motion carried.

Investment Report

Annual Portfolio Review – Opportunistic and Tactical

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

Mr. Messerschmitt noted that this portfolio consists of tactical or non-traditional strategies designed to capitalize on short-term market dislocations, unique opportunities, or innovative themes that do not fit within existing asset classes. The permissible allocation range for the portfolio is 0–5% of the total fund. As of February 28, 2026, the portfolio represents 4.1% of the total fund with a \$924 million market value and \$417 million in unfunded commitments. Mr. Messerschmitt highlighted strong performance, including a 19.4% one-year return and outperformance of its policy benchmark across all periods. The team reported continued portfolio growth driven by \$119 million in gains and \$186 million in net contributions, alongside new commitments and additional funding to existing strategies. Staff reviewed the portfolio's diversified construction—spanning distressed, tactical, multi-asset, and structured credit investments—and noted the strong results of the Internal ETF Account, which has achieved a 52.5% return since inception while maintaining minimal fees.

Mr. Carr provided the Board with some additional information regarding portfolio construction, performance and next steps.

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

Investment Report and Economic Update for the Period Ending February 28, 2026

Chief Investment Officer Farouki Majeed provided an update on the investment fund status as of February 28, 2026, which included an economic and market update.

Mr. Majeed reported that GDP grew 2.1% over the prior year, supported by consumption and private investment, while risks remain due to geopolitical tensions and potential inflation pressures. Labor market conditions improved with 178,000 jobs added, unemployment declining to 4.3%, and inflation holding steady at 2.4%. Economic indicators such as consumer sentiment, PMI readings, and the Leading Economic Index signaled mixed but moderating activity across sectors.

Mr. Majeed's report also reviewed market performance, noting equity market declines in March and fixed-income weakness, along with updates across valuation, currency, housing, and inflation data. Total Fund assets stood at \$22.7 billion, with Global Equities at 45.3%, Private Equity at 12.4%, Fixed Income at 13.2%, and Opportunistic & Tactical at 4.1%. Total Fund (Net) performance remained strong, returning 17.27% over one year, exceeding the OSERS Policy benchmark by 3.50%, and generating cumulative value-added of \$683.2 million over the year. Asset class performance highlights included strong results in Global Equities, Private Equity, Infrastructure, and Opportunistic & Tactical.

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Mr. Majeed also previewed the next meeting’s investment agenda, including consultant presentations, overlay program review, and drafts of FY2027 planning materials.

A robust discussion, with questions, followed.

Before moving on to the next agenda item, Mr. Stensrud took a moment to share that Mr. Majeed has been peer nominated for a Strategy award for his ability to ‘see around corners.’ Mr. Stensrud informed that Board that this award would be presented to Mr. Majeed that afternoon at the 12th Annual Ohio Institutional Forum and Board Members were welcome to attend to watch the ceremony and fireside chat.

Asset Liability Study and Recommendation – Wilshire Associates

Mr. Majeed introduced Joanna Bewick, Chris Tessman, and Ned McGuire of Wilshire Associates who provided the Board with a 2026 Asset-Only Optimization review, emphasizing that asset allocation remains the primary driver of long-term portfolio outcomes and should be revisited periodically as market conditions evolve.

The review outlined SERS’ multi-phase asset allocation process, current capital market expectations, and modeling scenarios incorporating constraints such as equity floors, fixed income caps, liquidity requirements, and limited exposure to commodities and gold. Results showed that several alternative portfolios offer similar long-term return expectations but with meaningfully lower volatility, particularly in recessionary and stressed economic regimes. The analysis highlighted industry trends, including modest forward looking public equity returns, improved fixed income attractiveness in the new rate environment, and continued diversification into private markets and real assets.

Ms. Bewick closed stating that overall, Wilshire believes that reducing risk—rather than reaching for return—is the most effective lever in the current environment, with efficient portfolios capable of achieving long-term return targets at lower risk than the current policy.

Mr. Majeed joined the discussion and outlined the revised Asset Allocation being recommended by Staff and Wilshire. Significant changes from the current policy are:

1. Decrease in Real Estate target from 13% to 7%.
2. Increase in Infrastructure from 7% to 10%.
3. New allocation to Gold at 3% as a diversifying real asset.

After a robust discussion, Jeffrey DeLeone moved and Jeanine Alexander seconded the motion to approve the revised Asset Allocation targets and ranges as indicated below, effective July 1, 2026.

	Current Policy	New Policy	Range
Asset Class			
Global Equity	40%	40%	35% - 45%
Global Private Equity	14%	14%	11% -17%
Private Credit	5%	5%	3% - 7%
Global Fixed Income	18%	18%	13% - 23%

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Real Estate	13%	7%	4% - 10%
Infrastructure	7%	10%	6% - 14%
Gold	0%	3%	0% - 4%
Cash	3%	3%	1% - 5%
Opportunistic	0%	0%	0% - 5%
Total	100%	100%	
Expected Return (10 yr)	6.02%	6.01%	
Risk (Std. deviation)	11.81%	11.49%	
Sharpe Ratio	0.23	0.24	

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

Health Care Update

2025 Pharmacy Expenses and 2027 Preview

SERS Director of Health Care Services, Dr. Michael Steiner, provided an update on SERS' 2025 prescription drug cost experience for the Medicare Part D plan and the commercial pharmacy benefit included with the Aetna Choice POS II plan, as well as the major factors influencing 2027 rates.

Dr. Steiner also outlined elements, to the extent they are currently known, of a potential federal program that would provide more favorable pricing for GLP-1 drugs. Dr. Steiner explained that if the program moves forward SERS would likely have to decide whether to participate but at this time there are a number of things that are unclear, including the fiscal impact of participation versus not participating, and changes to the formulary for the Medicare Part D plan.

After a robust discussion, given the lack of clarity around some key considerations, the Board was not comfortable at this time making a decision whether or not to participate. It was agreed, however, that staff would monitor this topic and gather information to share with the Board for potential future conversation.

Retirement Report

There was no executive session for the retirement report.

Board Communication and Policy Issues

Calendar Dates for Future Board Meetings

The Board members reviewed the 2026 meeting calendar. James Rossler noted he will be at a conference and will not be at the May 21 Board Meeting. Catherine Moss noted she will not be at the September 2026 Board Meeting. Mr. Rossler requested that a Special Board Meeting be added to the calendar dates for May 7, 2026.

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

AUDIT COMMITTEE MEETINGS

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

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

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

April 27 – 28, 2026 – 8:30 a.m. (Mon. and Tues.) **** Special Meeting ****
May 7, 2026 – 8:30 a.m. (Thurs.) **** Special Meeting ****
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 Request & Follow Up Items

No additional follow-up items were noted.

Adjournment

Board Chair, Jamies Rossler, moved to adjourn to meet on Monday, April 27, 2026, at 8:30 a.m. for the next SERS specially scheduled Retirement Board meeting.

The SERS Board Meeting adjourned at 1:42 p.m.

James Rossler, Board Chair

Richard Stensrud, Executive Director