



## **Retirement Board Agenda October 15, 2026**

### **Click Link to Join Zoom Meeting:**

<https://ohsers.zoom.us/j/95065903433?pwd=2dMHQTgEolqyAsKsgK28aSGXJb4nAJ.1>

**Meeting ID:** 950 6590 3433

**Password:** 12345

To join by phone, dial: 1 305 224 1968 US and enter the Meeting ID: **950 6590 3433** and Password: **12345** when prompted.

### **PLEDGE OF ALLEGIANCE**

1. [Roll Call](#)

### **CONSENT AGENDA**

2. Minutes of the **September 17, 2026**, Retirement Board meeting
3. [Summary of Investment Transactions - August 1, 2026, to August 31, 2026](#)
4. Retirement Report
  - Superannuations, Survivor Benefits, and Transfers
  - Special Cases
5. Disability Report
  - Approval of Disability Benefits

### **INVESTMENT REPORT**

6. [Annual Portfolio Review – Private Equity](#)
7. [Monthly Investment Report](#)

### **EXECUTIVE DIRECTOR'S REPORT**

8. [Executive Director's Update](#)
9. [Actuarial Rates and Factors \(R-10\)](#)
10. [Review of Administrative Expenses](#)
11. [Healthcare Plan Evaluation and Procurement Strategy](#)

### **TECHNOLOGY COMMITTEE REPORT**

12. [Technology Committee Update](#)

### **RETIREMENT REPORT**

13. [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**

14. [Calendar Dates for Future Board Meetings](#)
15. [Continued or New Business](#)
  - [Board Information Requests and Follow-up Items](#)

### **Adjournment**

FY2027 SERS Board Roll Call

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

## **OCTOBER 2026 CONSENT AGENDA**

1. Minutes of the
  - a. **September 17, 2026**, Retirement Board Meeting
2. Summary of Investment Transactions:
  - a. **August 1, 2026, to August 31, 2026**
3. Retirement Report
  - a. Superannuations, Survivor Benefits, and Transfers
  - b. Special Cases
4. Disability Report
  - a. Approval of Disability Benefits

### APPROVAL OF CONSENT AGENDA

\_\_\_\_\_ moved and \_\_\_\_\_ seconded the motion to approve the Consent Agenda for **October 15, 2026**, which includes the following items:

1. Minutes of the
  - a. **September 17, 2026**, Retirement Board Meeting
2. Summary of Investment Transactions:
  - a. **August 1, 2026, to August 31, 2026**
3. Retirement Report
  - a. Superannuations, Survivor Benefits, and Transfers
  - b. Special Cases
4. Disability Report
  - a. Approval of Disability Benefits

Upon roll call, the vote was as follows:

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

# **SERS Retirement Board Meeting Minutes**

## **September 17, 2026**

The nine hundred and ninety-eighth 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, September 17, 2026.

### **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: Daniel Wilson, Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, James Rossler, Frank Weglarz (attended remotely). Excused: Catherine Moss. Also attending was Henrique Geigel, 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 September 17, 2026, included:

- **Minutes** of the July 16, 2026, Retirement Board Meeting.
- **Summary of Investment Transactions** for the period of June 1, 2026, to June 30, 2026.
- **Summary of Investment Transactions** for the period of July 1, 2026, to July 31, 2026.
- **Retirement Report** - Superannuations, Survivor Benefits, Transfers and Special Cases.
- **Disability Report** - Approval of Disability Benefits, Disapproval of Disability Benefits, Termination of Disability Benefits – Any Occupation, Approval of Appeal for Disability Benefits

Jeanine Alexander moved and James Rossler seconded the motion to approve the Consent Agenda of the Retirement Board Meeting held on Thursday, September 17, 2026. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. Excused: Catherine Moss. The motion carried.

### **Investment Report**

#### **Quarterly Performance Report - Wilshire Advisors – For the Period ending June 30, 2026**

Chief Investment Officer, Farouki Majeed, introduced Joanna Bewick and Chris Tessman of Wilshire Advisors LLC to provide the Board with a quarterly executive summary of the SERS retirement fund. Ms. Bewick and Mr. Tessman reported strong U.S. equity performance for the quarter, with technology leading sector gains and small caps outperforming large caps. The Federal Reserve transition and global geopolitical factors contributed to market volatility, while fixed income saw modest yield increases and narrowing credit spreads. The SERS portfolio remains well-diversified, with asset allocation and manager selection adding value above the policy benchmark. Wilshire reported that overall, SERS continues to rank favorably among public plan peers for risk-adjusted returns.

There were no questions and the Board thanked Wilshire Advisors for the presentation.

#### **Quarterly Investment Report and Monthly Investment Report – For the Periods ending June 30, 2026 and July 31, 2026**

Mr. Majeed provided a quarterly and monthly economic environment and investment performance update. Mr. Majeed reported continued portfolio growth, with total assets reaching \$23.6 billion and positive value added above the policy benchmark. Economic indicators showed resilient consumer spending, moderating inflation, and steady labor market gains. Asset allocation remains well-diversified, and most asset classes outperformed their respective benchmarks over the quarter and year. The Board received updates on performance, income distributions, and management fees, confirming strong fiscal health and alignment with strategic targets.

# **SERS Retirement Board Meeting Minutes**

## **September 17, 2026**

Mr. Majeed reported that GDP growth slowed to 1.5% in the second quarter, down from 2.1% in the first quarter. Mr. Majeed shared that the growth in drivers in the second quarter was consumer spending and Artificial Intelligence (AI)-related investments; however, increased imports and a decline in federal government spending contributed to the deceleration in the second quarter. Mr. Majeed reported that the labor market improved in August. Mr. Majeed also highlighted the federal debt in US dollars is climbing and as of July 31 it is \$38.5 trillion and growing.

Mr. Majeed discussed the total fund investment performance and the performance by asset class as of July 31.

Following a robust discussion, the Board thanked Mr. Majeed for his update.

### **Investment Committee Policy Discussion**

Continuing his presentation, Mr. Majeed shared recent edits made to the internal SERS Investment Committee Policy, the edits are effective September 2026. No vote was required from the Board. After brief questions from the Board, this concluded the Investment Report.

### **Executive Director's Report**

#### **COLA (Cost of Living Adjustment) Discussion (R)**

SERS Executive Director, Ray Higgins, introduced the COLA Discussion.

Mr. Higgins outlined the variables the SERS Board considers when determining the annual Cost of Living Adjustment (COLA) for retirees. The Board was reminded of their discretion under statute to set the COLA, guided by the June-to-June percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) but also by actuarial advice to protect the pension fund's fiscal integrity. Key factors include the plan's funded ratio, amortization period, cash flow, and investment experience—both recent and projected. The Board weighs these collectively, balancing sustainability of the fund and fairness to retirees, with an amount not to exceed 2.5%.

Mr. Higgins introduced Todd Green and Alisa Bennet from CavMac, and Mr. Green touched on analysis that was provided for the Board's 2027 COLA decision, noting that while the CPI-W increased 3.5%, the amount should not exceed 2.5%. Actuarial projections show SERS could reach 100% funded status by 2033–2036, depending on employer contribution allocations and investment returns, with negative cash flow trends improving after 2035. A memo on the topic provided in advance to the Board mentions that STRS and OPERS are granting COLAs of 1.6% and 3.0%, respectively, for fiscal year 2027. The actuary, CavMac, advises that granting a 2.5% COLA for 2027 is anticipated and does not materially impair the actuarial soundness or fiscal integrity of the pension system.

There were no questions from the Board.

It was moved by James Rossler and seconded by Aimee Russell that following review by SERS' actuary, CavMac, eligible SERS allowances, pensions and benefits shall receive a 2.5% cost-of-living adjustment in calendar year 2027, which is the percentage increase as set forth in R.C. 3309.374(B). Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. Excused: Catherine Moss. The motion carried.

#### **Healthcare Risk Report – CavMac**

Ms. Bennet of CavMac presented on the comprehensive risk analysis of the Retiree Healthcare Fund. Ms. Bennet highlighted that while the fund is projected to remain solvent until 2065 under current assumptions, negative cash flow and rising healthcare costs could shorten this timeline. Key risks include investment return volatility, escalating healthcare costs, demographic shifts, and the current contribution policy, which prioritizes basic benefits over healthcare. Sensitivity analyses show that adverse scenarios may accelerate insolvency, underscoring the importance of ongoing monitoring.

# **SERS Retirement Board Meeting Minutes**

## **September 17, 2026**

After a robust discussion, the Board thanked CavMac for the presentation.

### **Allocation of Employer Contributions – Healthcare Fund (R)**

Also under consideration is allocating up to 0.5% of employer contributions to the Healthcare Fund, which has strengthened its funded ratio and solvency period. Rebekah Roe moved and Matthew King seconded that after discussion with SERS' actuary, CavMac, regarding the preliminary results of the annual basic benefits valuation (to be prepared as of June 30, 2026) at the September 2026 Board meeting, the Board elects to allocate 0% (zero percent) of the 14% employer contribution to the Healthcare Fund for fiscal year 2027 in accordance with the funding policy approved by the Board on June 18, 2015. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. Excused: Catherine Moss. The motion carried.

The Board took a break at 10:30 a.m.

The Board reconvened at 10:41 a.m.

### **Executive Director's Update**

Mr. Higgins began his Executive Director's Update.

### **Staff Updates**

Mr. Higgins recognized CIO, Farouki Majeed, who will be receiving the Chief Investment Officer of the Year Award at the Titan Investors Columbus Institutional Roundtable on October 1.

He continued his staff recognition, thanking Sam Jarvis of Member Services and Chris Maynard of Healthcare Services for providing exemplary service to a member who sent Mr. Higgins handwritten thank you notes for the help they rendered. Mr. Higgins noted the handwritten thank you notes were an excellent reminder of the people behind the numbers and why we do what we do at SERS.

Mr. Higgins shared the results of SERS annual charity campaign, Operation Backpack, a program that gives local area children a new backpack and school supplies to start the school year. SERS staff generously donated 151 backpacks as well as provided online donations, in total donating a value of \$6,040.

On a personal note, Mr. Higgins remarked that he enjoyed having the opportunity to travel to many of the board member's hometowns to meet with them individually as part of his onboarding in his new role as Executive Director at SERS, thanking the board members for their hospitality.

### **Ohio Retirement Study Council**

Mr. Higgins reported that the ORSC met in August, and at that time he had the opportunity to meet with many of the ORSC members individually as well. The August ORSC meeting had several topics and SERS made brief remarks about incentive-based compensation at the Committee's request. Mr. Higgins shared that the September ORSC meeting was cancelled, but SERS continues to answer questions related to a think tank report, participating in follow-up questions that the Board has been made aware of. The October ORSC meeting is scheduled for October 8, and Mr. Higgins reminded the Board that SERS provided the annual disability report as is in line with past years. SERS also anticipates learning who will be selected for the fiduciary audit at the October Committee meeting as well and SERS looks forward to working on that project with whatever firm is selected.

### **Member Profile Report Update**

Mr. Higgins provided an update on a previous Board information request on generating a report on the profile of our active members, to help inform discussions on long-term sustainability. Mr. Higgins shared that SERS has a breakdown of nine job classifications, and the information is based on what employers report. Based on these reports, a large percentage of members are classified as "Other", likely due to the evolution of positions and

# **SERS Retirement Board Meeting Minutes**

## **September 17, 2026**

specialist roles. SERS plans to consider expanding our job classification criteria, discuss this topic with our Employer Relations Panel and work with the Department of Education and Workforce's Education Management Information System (EMIS) to gather similar information. While future actuarial reports may contain job classifications, SERS does not expect the data to significantly impact the actuarial results. The data is expected to provide insights into school staffing and hiring trends.

### **State and Federal Legislative Activity**

Mr. Higgins reported that the State remains out of session, and we expect more after the November election. At the Federal level, Mr. Higgins reported they remain focused on midterms.

### **FY2026 Year End Budget-to-Actual Report and Review of Administrative Expenses**

SERS Chief Financial Officer, Marni Hall, provided an update on the FY2026 Year End Budget-to-Actual Report and administrative expenses for July and August 2026, reviewing line items of note in the Administrative Expense Reports.

### **Filing of Proposed Amended Administrative Rules (R-2)**

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

Ms. Galloway continued, discussing filing with JCARR the following proposed amended rule: 3309-1-68 Guardianship. Matthew King moved and Aimee Russell seconded that proposed amended rule 3309-1-68 be filed with JCARR as discussed. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. Excused: Catherine Moss. The motion carried.

### **Executive Session pursuant to R.C. 121.22(G)(3) to discuss imminent court action (R)**

Matthew King moved and Aimee Russell seconded the motion that the Board go into Executive Session pursuant to R.C. 121.22 (G)(3) to discuss imminent court action. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. Excused: Catherine Moss. The motion carried.

The Board convened in executive session at 11:09 a.m.

The Board returned to open session at 11:31 a.m.

### **Approval of Legal Action**

It was moved by Jeanine Alexander and seconded by Rebekah Roe to authorize special counsel to the Ohio Attorney General's Office to commence legal action on behalf of the School Employees Retirement System of Ohio as discussed in the Executive Session of September 17, 2026, and to authorize the Executive Director to execute any documents necessary. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, James Rossler and Daniel Wilson. Abstention due to Zoom technical issue: Frank Weglarz. Excused: Catherine Moss. The motion carried.

### **Retirement Report**

There was no executive session for the retirement report.

# SERS Retirement Board Meeting Minutes

## September 17, 2026

### Audit Committee Report

#### Audit Committee Update

SERS Chief Audit Officer, Steve Ritzer, provided an update on the work being done in the Audit Committee. Mr. Ritzer reported that the Audit Committee met on Wednesday, September 16. At this meeting the Internal Audit status was discussed, and all audit projects are on track for the fiscal year. Mr. Ritzer shared that the Audit committee reviewed the Annual Confirmation of Internal Audit Independence. The Board thanked Mr. Ritzer for the update.

### Compensation Committee Report

#### Compensation Committee Update

Compensation Committee Chair, Daniel Wilson, provided the Board with an update on the work being done in the Compensation Committee meetings. Mr. Wilson shared that Committee met the morning of September 17 and received an update from CBIZ on the Compensation Study. Mr. Wilson noted that the Committee approved the draft FY2027 Executive Director performance goals. There were no questions from the Board. The next Compensation Committee meeting is scheduled for Thursday, December 17, 2026.

### Board Communication and Policy Issues

#### Calendar Dates for Future Board Meetings

The Board members reviewed the 2026 meeting calendar. Picture day will be moved to November or December and the board will be notified in advance.

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

##### AUDIT COMMITTEE MEETINGS

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

##### COMPENSATION COMMITTEE MEETINGS

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

September 17, 2026 – 12:30 p.m. (Thurs.)  
December 17, 2026 – 12:30 p.m. (Thurs.)

##### BOARD MEETINGS

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

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## **SERS Retirement Board Meeting Minutes September 17, 2026**

Mr. Higgins addressed previous requests from the Board to receive a refresher on sustainability discussions, as well as a refresher on Board Member roles and responsibilities that new trustees receive during the onboarding and orientation period. At Mr. Higgins' recommendation these topics will be addressed as part of the Annual Board Workshop in early 2027.

Regarding a previous request to update the artwork in the Boardroom, Mr. Higgins reported SERS is discussing plans to work within the existing budget to update artwork in a way that celebrates the members.

Mr. Wilson further requested SERS consider adding pictures to other areas of the building with more traffic. Mr. Higgins suggested the use of digital displays for this and noted SERS will follow up on this request.

### **Adjournment**

Board Chair, Daniel Wilson, moved to adjourn to meet on Thursday, October 15, 2026, at 8:30 a.m. for the next SERS regularly scheduled Retirement Board meeting.

The SERS Board Meeting adjourned at 11:37 a.m.

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Daniel Wilson, Board Chair

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H. Ray Higgins, Jr., Executive Director

## Board Meeting Agenda Item

### SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

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

The following is a summary of the investment transactions made during the period of August 1, 2026, through August 31, 2026. A detailed list of these transactions can be found in the Board Agenda provided prior to the Retirement Board Meeting.

#### A. PURCHASES/ CAPITAL CALLS

| Asset Class                  | Approximate<br>Cost<br>(in millions) |
|------------------------------|--------------------------------------|
| Global Equities              | \$414.2                              |
| Fixed Income                 | 450.2                                |
| Private Equity Capital Calls | 21.8                                 |
| Real Estate Capital Calls    | 3.8                                  |
| Infrastructure Capital Calls | 33.0                                 |
| Opportunistic & Tactical     | 1.7                                  |
| Global Private Credit        | 30.7                                 |
| Cash Equivalents             | 203.7                                |
| Gold                         | 20.0                                 |

#### B. SALES/ DISTRIBUTIONS

| Asset Class                 | Approximate<br>Net Proceeds<br>(in millions) | Approximate<br>Gain/(Loss)<br>(in millions) |
|-----------------------------|----------------------------------------------|---------------------------------------------|
| Global Equities             | 511.9                                        | 163.7                                       |
| Fixed Income                | 341.0                                        | (1.0)                                       |
| Private Equity              | 6.7                                          | n/a                                         |
| Real Estate                 | 5.8                                          | n/a                                         |
| Infrastructure              | 6.7                                          | n/a                                         |
| Opportunistic &<br>Tactical | 6.3                                          | n/a                                         |
| Global Private Credit       | 14.6                                         | n/a                                         |
| Cash Equivalents            | 255.0                                        | (0.1)                                       |
| Gold                        | n/a                                          | n/a                                         |

# Memo



**School Employees Retirement System of Ohio**  
*Serving the People Who Serve Our Schools®*

|                    |                                                        |
|--------------------|--------------------------------------------------------|
| <b>To:</b>         | Retirement Board                                       |
| <b>From:</b>       | Farouki Majeed                                         |
| <b>Department:</b> | Investments                                            |
| <b>CC:</b>         | Ray Higgins, Karen Roggenkamp                          |
| <b>Date:</b>       | October 2, 2026                                        |
| <b>Re:</b>         | <b>Investment Report for the October Board Meeting</b> |

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The Investment Report for the Board includes the following agenda items:

- Annual Portfolio Review – Private Equity.
- Investment report and economic update for the period ended August 31, 2026.

Included with the advance Board materials are the following reports prepared by Staff:

- Manager Reviews – Private Equity.
- Monthly Top 20 Equity and Fixed Income Holdings Reports – August 31, 2026.
- Monthly Compliance Update memo – August 31, 2026.

If anyone has any questions prior to the Board meeting, please email me at [fmajeed@ohsers.org](mailto:fmajeed@ohsers.org).



# Global Private Equity Portfolio Review

Fiscal Year 2026

Presented by Investment Staff

Steve Price and Phil Sisson

*Meeting Date: October 2026*



- Implementation Guidelines
- Portfolio Construction
- Portfolio Management
- Fiscal Year in Review
- The Year Ahead



## \$2.85 Billion Market Value

- 30 General Partners/76 Funds/19 Co-investments
  - 17 Ranked as A
  - 8 Ranked as B
  - 2 Ranked as C
  - 3 New to the portfolio
- \$1.20 billion unfunded commitments

## FY 2026 Performance

- 9.46% 1-year net return vs. 11.99% benchmark return
  - Underperformance impacted by software exposure and underweight to Venture Capital
- Value-added performance across longer-term periods

## Long-Term Value Add to Total Fund

- Ten-year return exceeds PE benchmark with premium to public equity returns
- Program remains cash flow positive
- Continuously review and improve implementation



## Role

- SERS invests in private equity to provide risk adjusted returns in excess of those provided by publicly traded equities to compensate for private equity's liquidity and concentration risk

## Objective

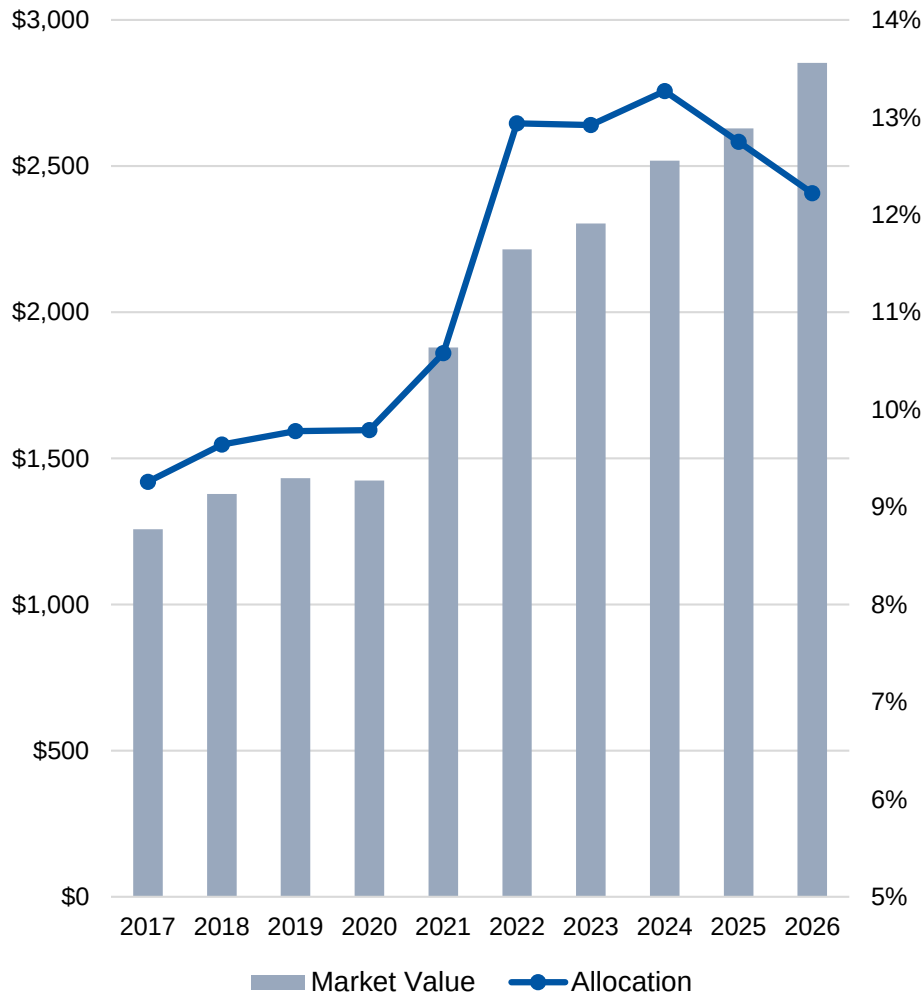
- The performance objective for private equity is to provide returns in excess of the MSCI-Burgiss Global Private Equity Funds Index by 1.5%

## Allocation

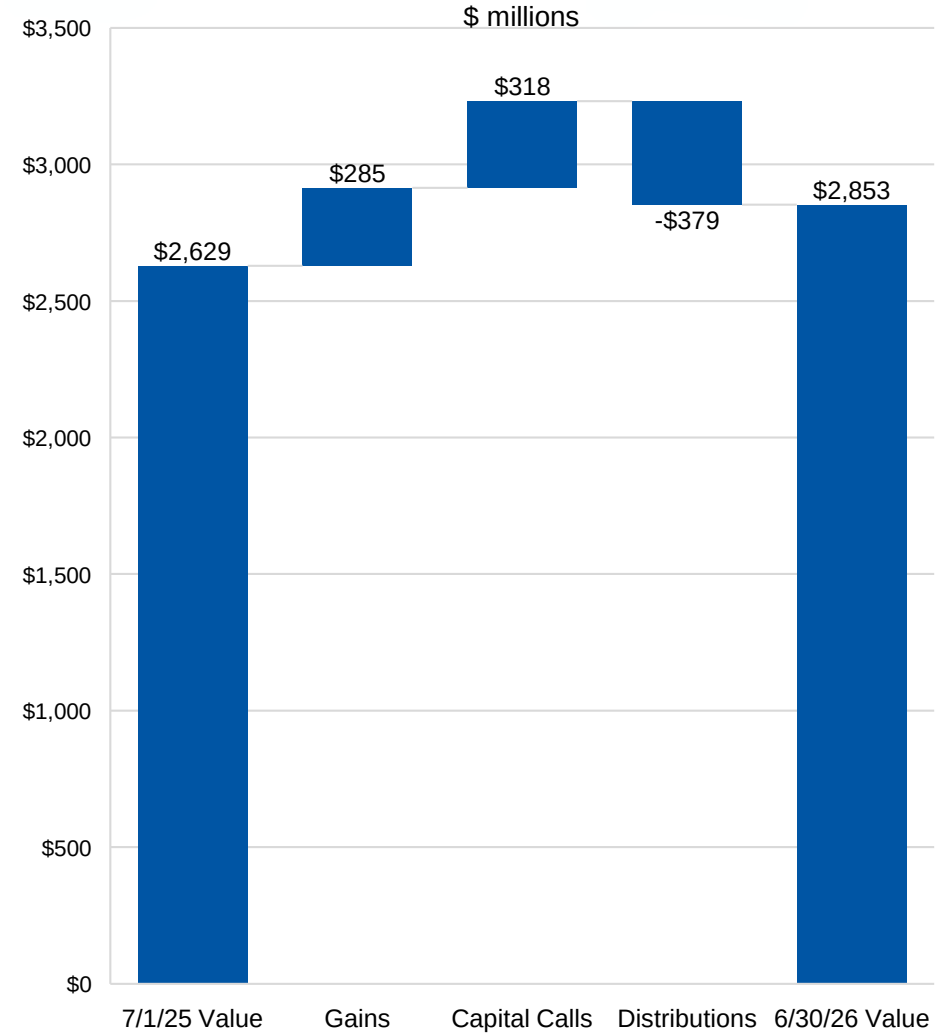
- Target for Global Private Equity allocation set at 14% with permissible range of 11% to 17%



Market Value and Allocation



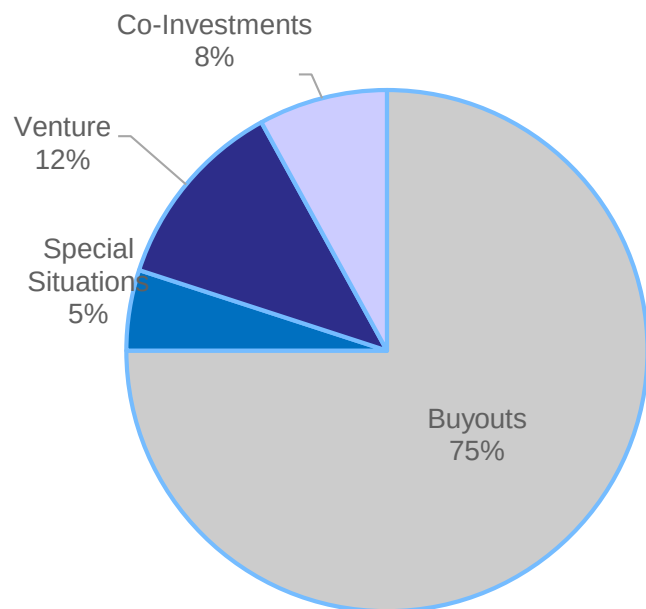
Valuation Bridge



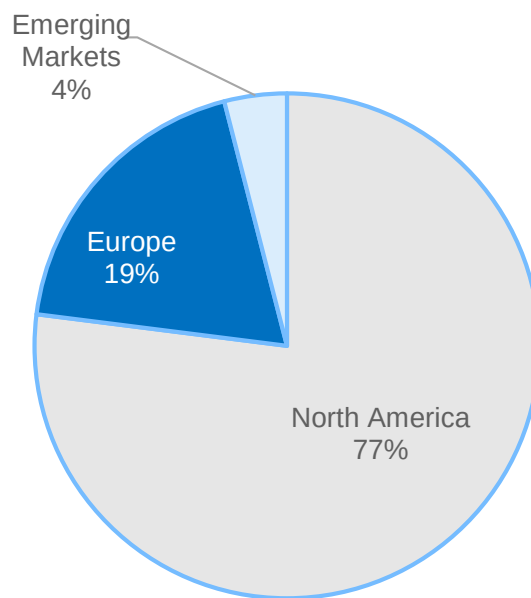
# Implementation Guidelines – Portfolio Construction



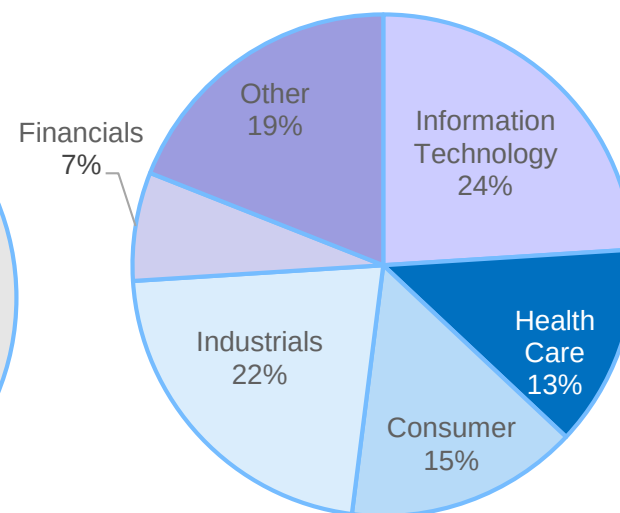
Strategy



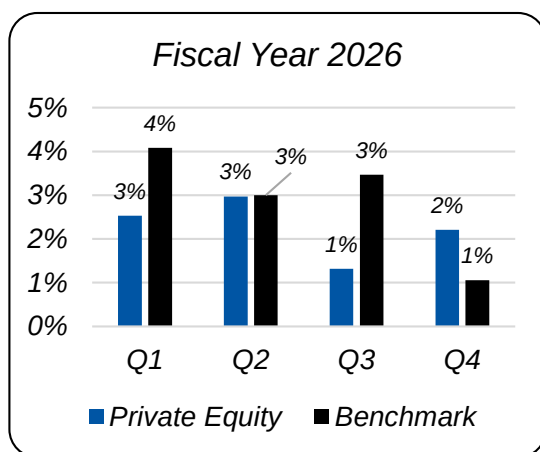
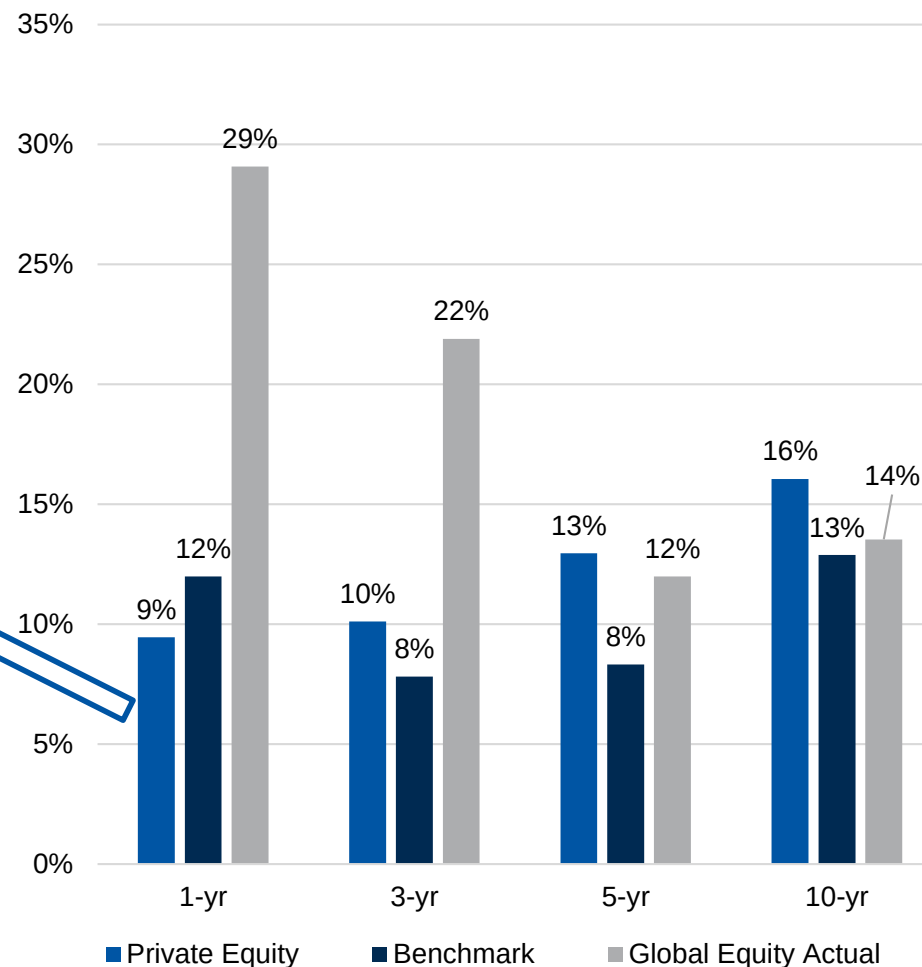
Geography



Sector

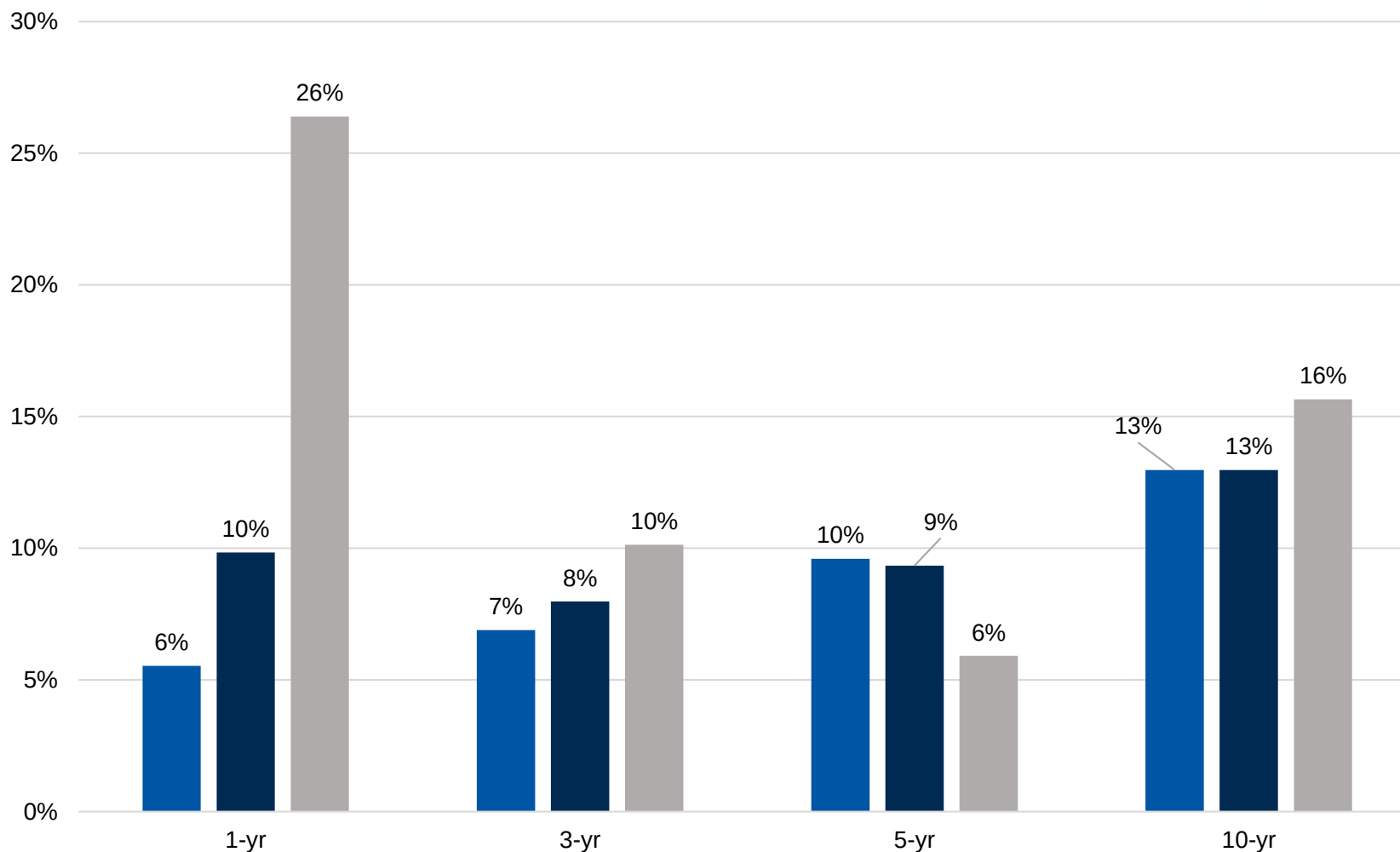


## Global Private Equity Performance





Benchmark Sector Returns



Source: MSCI, 3/31/2026

■ US Buyouts ■ Europe Buyouts ■ Venture Capital

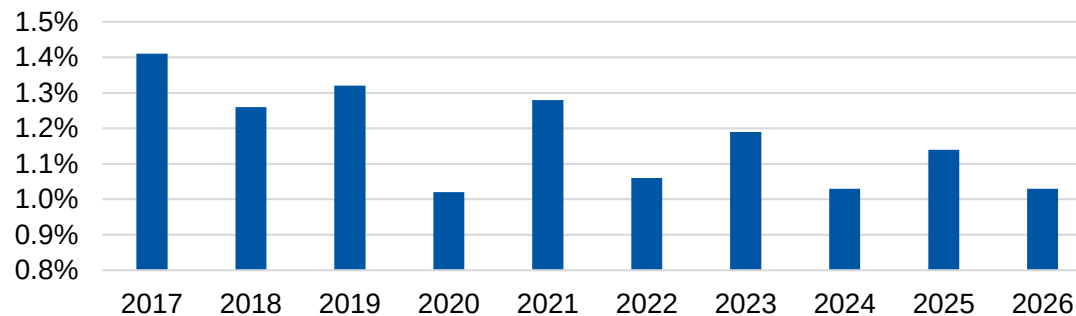


| Performance Net of Fees<br>(as of 6/30/2026)            | 1 Year        | 3 Year        | 5 Year        | 10 Year       |
|---------------------------------------------------------|---------------|---------------|---------------|---------------|
| SERS Private Equity Portfolio<br><b>\$2,853,408,470</b> | <b>9.46%</b>  | <b>10.12%</b> | <b>12.96%</b> | <b>16.06%</b> |
| <i>Buyouts</i><br><b>\$2,089,389,877</b>                | 6.24%         | 9.53%         | 12.48%        | 17.29%        |
| <i>Venture Capital</i><br><b>\$335,371,861</b>          | 40.64%        | 18.33%        | N/A           | N/A           |
| <i>Co-Investments</i><br><b>\$223,675,692</b>           | 0.42%         | 5.71%         | 9.24%         | 14.82%        |
| <i>Special Situations</i><br><b>\$153,056,427</b>       | 13.95%        | 8.89%         | 15.85%        | 11.25%        |
| Private Equity Benchmark                                | 11.99%        | 7.82%         | 8.32%         | 12.89%        |
| <b>Excess Return</b>                                    | <b>-2.53%</b> | <b>2.30%</b>  | <b>4.64%</b>  | <b>3.17%</b>  |

## Focus on Fees

- Fees should be reasonable given fund's strategy and size
- Pursue fee-saving opportunities when appropriate:
  - Co-Investment
  - Early investor discount
  - Large investor discount
- Management Fees have stabilized at approximately 1.0%

Average Management Fees Paid



## Fiscal Year 2026 New Commitments:

### Over \$400 Million Committed to New Investments

- Broadly diversified
- Six funds
- Two co-investment vehicles

### Maintain Consistent Investment Discipline

- Focus on portfolio fit, performance, people, process, and product when evaluating new investments
- SERS did not “re-up” with several managers who no longer meet the above criteria

### Understand Macro Environment

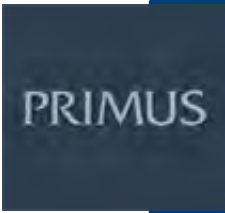
- Rising cost of capital
- Exits remain subdued
- High acquisition multiples

## New Commitments:

**Bridgepoint**

Bridgepoint Europe VIII - €50 million fund commitment; €12.5 million sidecar co-investment commitment

- Bridgepoint Europe makes controlling investments in middle-market buyout companies located throughout Europe.
- SERS has invested with Bridgepoint since 2007.

**PRIMUS**

Primus Capital Partners X - \$50 million fund commitment; \$25 million sidecar co-investment commitment

- Primus pursues investments in growing companies within the technology, healthcare, and technology-enabled services sectors.
- SERS has been investing with Primus since 1984.



Demopolis I - \$30 million fund commitment

- The Demopolis investment strategy focuses on seeking long-term capital appreciation by making control growth equity investments in lower middle market technology-driven businesses.
- This is SERS' first investment with Demopolis Equity Partners.

## New Commitments:



### Francisco Partners VIII - \$125 million

- Francisco Partners VIII invests in technology related companies. The firm manages two funds: the flagship strategy which focuses on equity transactions greater than \$375 million and the Agility strategy which invests in transactions requiring less than \$375 million of equity capital. The characteristics of the companies will be the same except for the size of the equity investment.
- SERS has invested with Francisco Partners since 2010.



### Francisco Partners Agility IV - \$60 million

- Francisco Partners Agility IV invests in technology related companies. The firm manages two funds: the flagship strategy which focuses on equity transactions greater than \$375 million and the Agility strategy which invests in transactions requiring less than \$375 million of equity capital. The characteristics of the companies will be the same except for the size of the equity investment.
- SERS has invested with Francisco Partners since 2010.

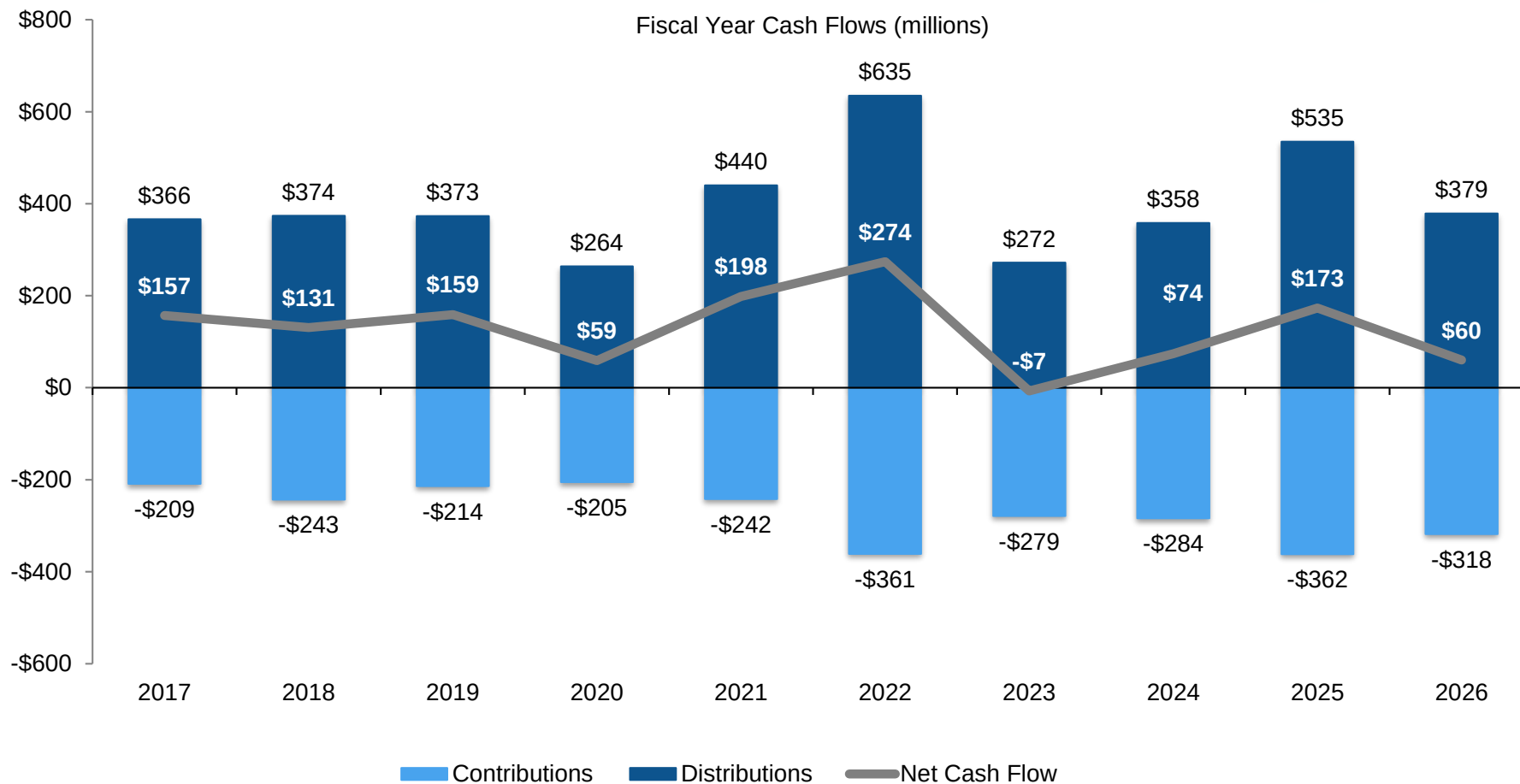


### StepStone VC Secondaries Fund VII - \$50 million

- The StepStone VC Secondaries strategy invests in venture capital companies and funds utilizing a strategy that results in greater diversification, lower risk and higher levels of distributions than typical venture capital strategies.
- SERS has been investing with StepStone since 2021.

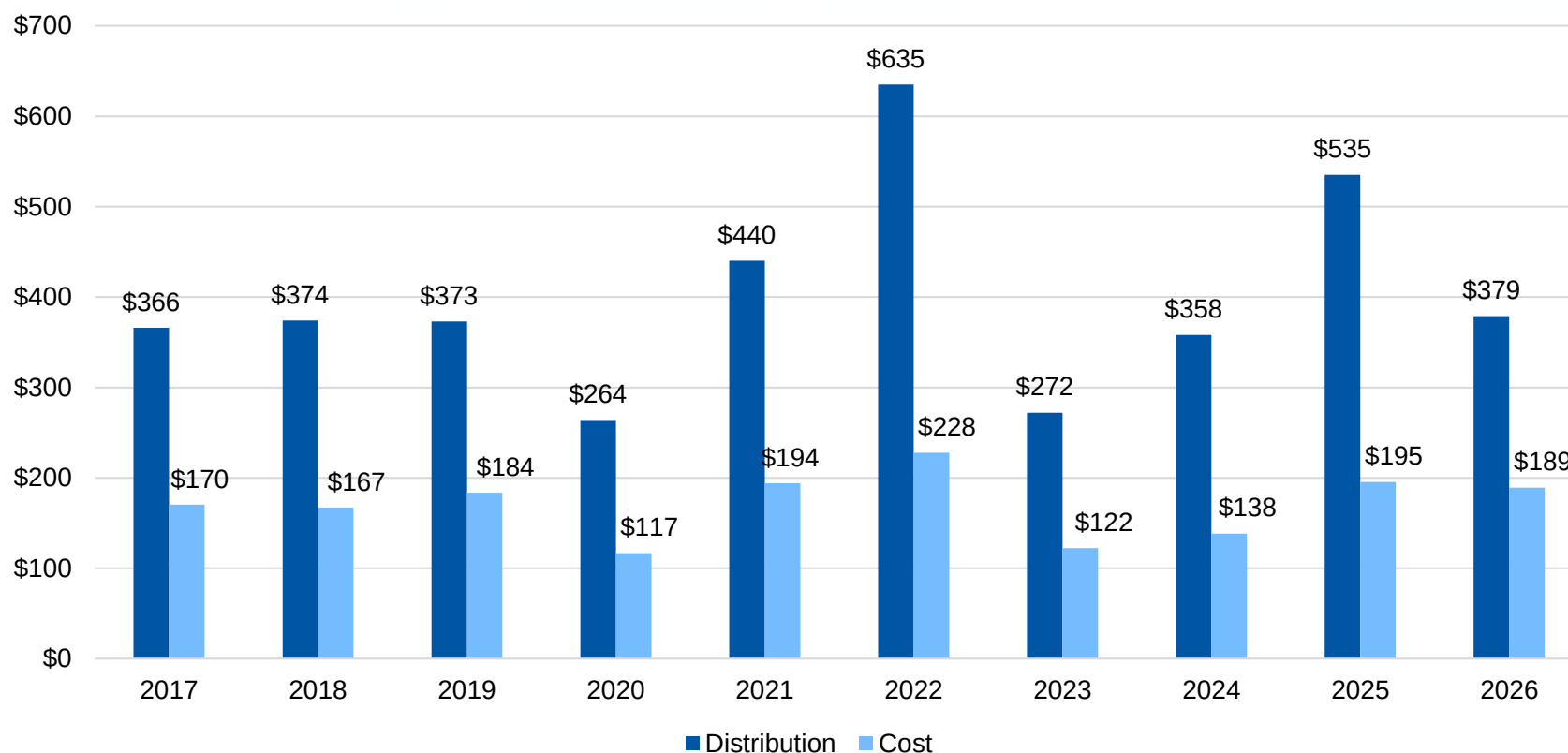


## 10-year positive cash flow of \$1.2 billion





## Realized gains of \$2.3 billion since 2017



|                                                 |      |      |      |      |      |      |      |      |      |      |
|-------------------------------------------------|------|------|------|------|------|------|------|------|------|------|
| Net Investment Multiple of Realized Investments | 2.2x | 2.2x | 2.0x | 2.3x | 2.3x | 2.8x | 2.2x | 2.6x | 2.7x | 2.0x |
| Number of Exits                                 | 92   | 95   | 98   | 107  | 95   | 85   | 63   | 75   | 66   | 74   |

## Fiscal Year 2027 Objectives

- 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.
- 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.
- 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.
- Research and Identify new investment opportunities with managers offering compelling return potential. These may include co-investments, emerging lower-middle-market and growth-equity managers, and niche secondaries. These commitments may replace managers who no longer meet SERS' criteria or add strategies not currently represented in the private-equity portfolio.



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## Fundraising

- Buyout fundraising dropped 16% in 2025 compared to 2024, with \$395 billion raised.
- The number of funds closed has declined for four consecutive years and the total number of buyout funds closed fell 23% in 2025.
- GPs who are having success raising capital have been able to deliver consistent returns and steady distributions to investors.

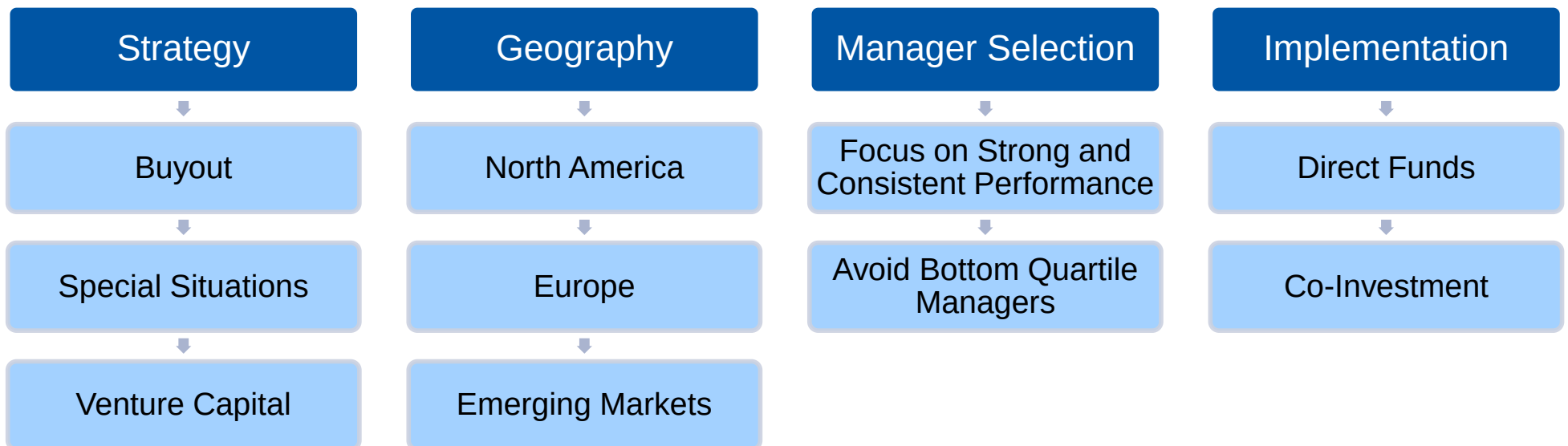
## Private Equity Investment Deal Flow

- Deal value for companies below \$10 billion increased 16% year over year.
- Deal multiples have grown sharply in recent years, increasing for three consecutive years.
- Dry powder for private capital fell to \$1.98 trillion in Q1 2026, compared to \$2.15 trillion in 2024.
- The decline is due to a slowdown in fundraising.

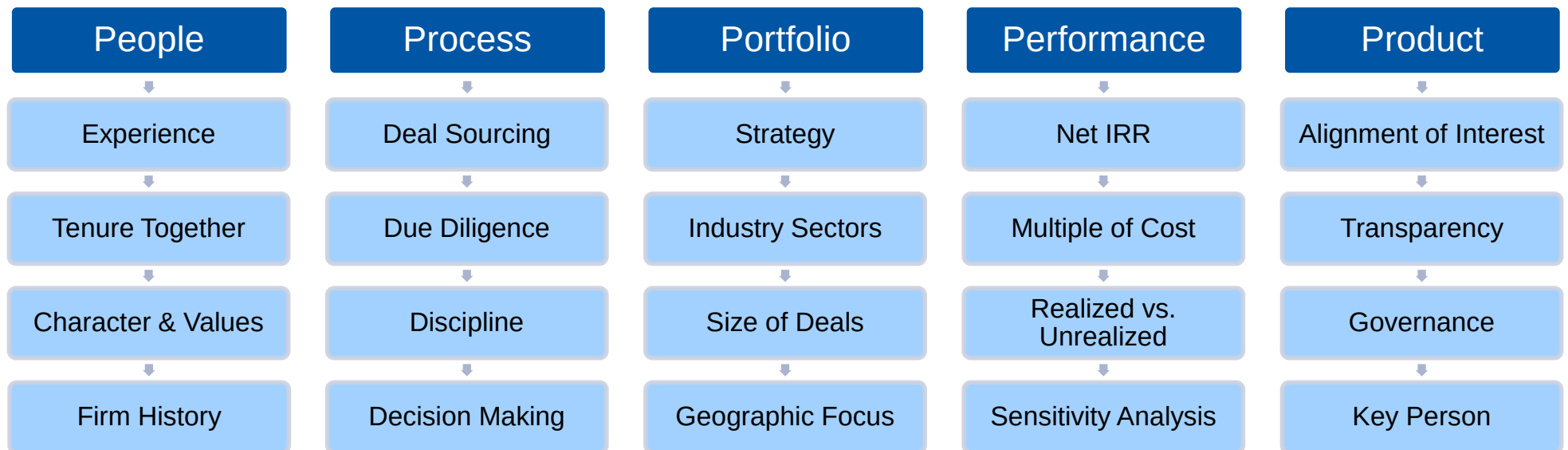
## Private Equity Portfolio Company Exits

- Exits in 2025 increased 47%, led by several large exits valued at over \$10 billion.
- The stock of unrealized assets has grown to roughly 32,000 companies representing \$3.8 trillion in value.
- For buyout funds, the holding period at exit is around seven years, up from five to six years from 2010-2021.
- The companies exiting successfully tend to be a fund's "crown jewel" assets.

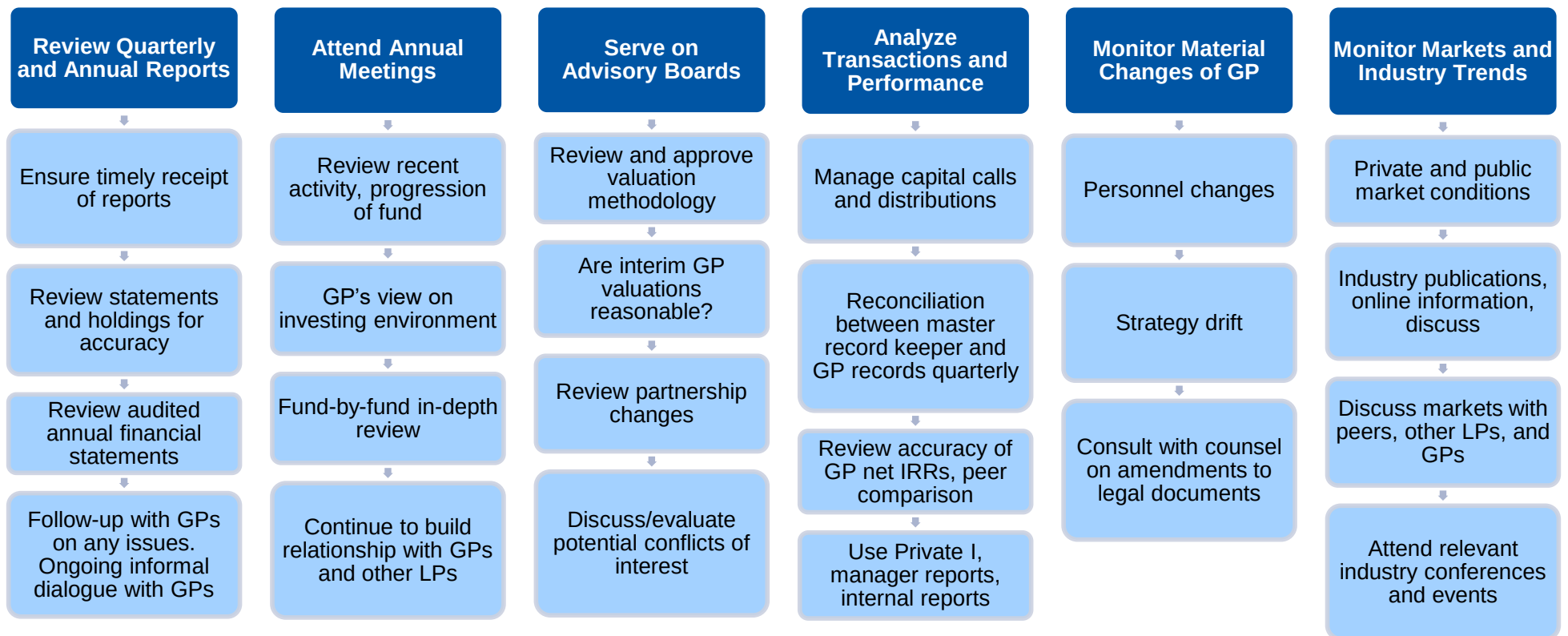
## Value Add Through Four Key Areas:



## Methodical Manager Selection:

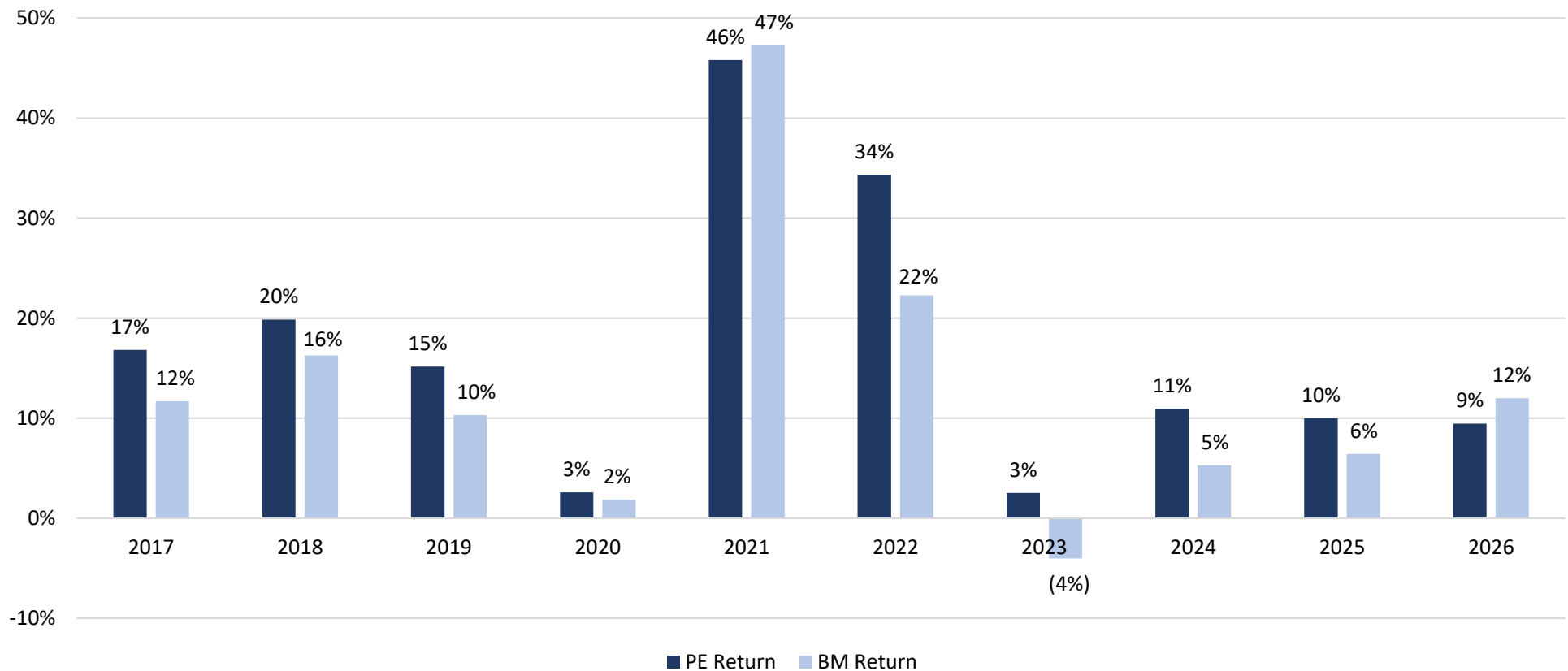


## Continuous Due Diligence Through Extensive Monitoring





### Fiscal Year Returns



# Private Equity Terms



- **Capital call** – Capital calls are issued to LPs when the GP has identified a new investment and the LP's committed capital is required to pay for the investment.
- **Co-investment** – A direct investment in a single asset or multi-asset Fund, made alongside the Fund's investment in the asset.
- **Committed capital** – Committed capital is the amount of money that investors agree to contribute to the private equity fund. The commitment is drawn down by the GP as needed to fund investments.
- **Distribution** – Distributions are issued to LPs when the GP sells a portfolio company.
- **Investment multiple** – An investment multiple is a financial metric used to evaluate the total return on an investment relative to the initial capital invested. Commonly expressed as a ratio, it helps investors assess the profitability and performance of their investments over time.
- **General partner** – A general partner (GP) is an entity that manages a private equity fund.
- **J-curve** – The J-curve represents the pattern of return an LP can expect over time. A private equity fund will often exhibit negative returns in its early years. Investment gains will typically occur in the later years as portfolio companies mature, increase in value, and are sold.
- **Limited partner** – A private equity fund's limited partners (LP) are its investors, or clients.
- **MSCI-Burgiss Global Private Equity Funds Index** – The index is comprised of data from more than 5,000 private equity funds contributed by limited partners that are Burgiss clients and use Burgiss' web-based institutional portfolio management platform Private i. The benchmark data is sourced from Burgiss' limited partner clients and includes transactional and valuation history between the limited partners and their fund investments. Burgiss publishes a detailed breakdown of the dataset every quarter allowing for increased transparency. MSCI purchased Burgiss in 2023 and rebranded the indices in 2024.
- **Private equity** – Private equity is capital invested in companies not listed on a stock exchange or publicly traded.
- **Private equity fund** – Private equity funds have a finite term of 10-12 years. Private equity funds typically consist of 10-25 portfolio companies when fully deployed. These investments are illiquid and can take several years to generate returns. The fund will generally have an investment period of 4-5 years when the committed capital is deployed by the GP.
- **Sidecar co-investment** – Also called "overage funds" a sidecar co-investment vehicle is offered to investors who desire additional exposure to future portfolio investments of the main fund in excess of the concentration limits of the main fund. A sidecar co-investment typically has lower fees than the main fund.



# Ohio SERS Investment Report

## Monthly Report to the Board

For the period ending: August 31, 2026

Prepared by Investment and IAD Staff

Farouki Majeed, Chief Investment Officer

*Meeting Date: October 2026*



## Investment Agenda

- Annual Portfolio Review – Private Equity
- Investment report and economic update for the period ended August 31, 2026.



# Economic and Financial Market Outlook

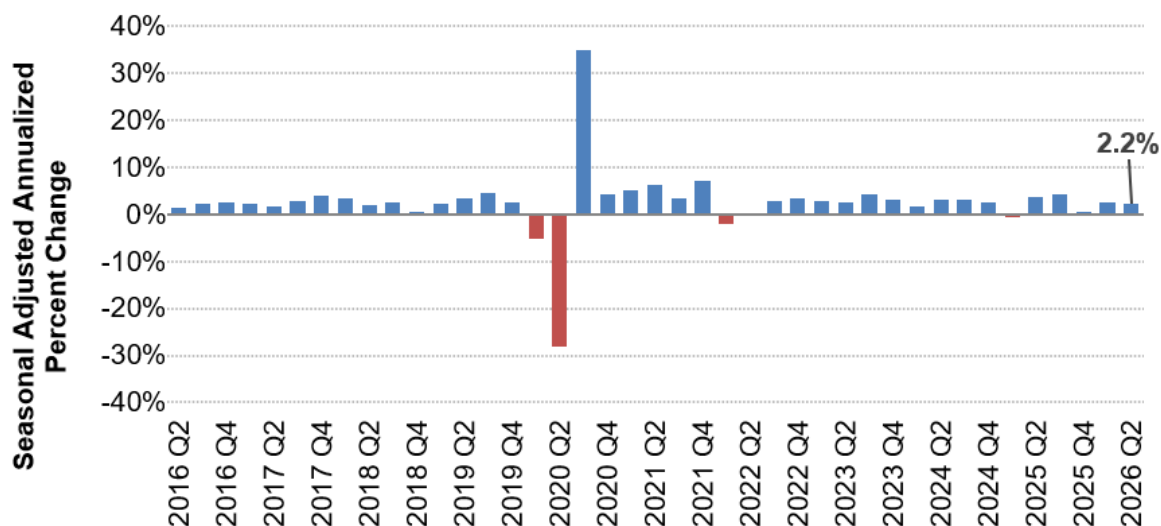
- Q2 GDP growth was revised up to 2.2% from 1.5%, reflecting higher estimates for investment and consumer spending. As in Q1, the Q2 growth drivers were consumer spending and AI-related investments. The September Blue Chip Economic Indicators forecast 2.1% GDP growth for 2026, driven by AI-led investment and resilient consumer spending. (Source: Bureau of Economic Analysis and Blue Chip Economic Indicators).
- The US labor market softened in September with 29,000 jobs gained, below expectations. The previously reported job numbers for July and August were revised down by 60,000 in total. The unemployment rate increased by 0.1% to 4.2% while the labor force participation rate increased by 0.2% to 61.8%. Health care, construction, and manufacturing gained jobs, while the financial sector lost jobs. (Sources: Bureau of Labor Statistics).
- US headline inflation remained at 3.4% in August. The energy price index increased 16.3% as fuel oil rose 52% over the last 12 months. Core inflation (less food and energy) decreased to 2.4% in August from 2.5% in July. Rent (shelter) inflation has gradually cooled and normalized from its post-pandemic peak to 3.0% in August. (Source: Bureau of Labor Statistics).
- The 10-year Treasury nominal yield rose by 54 bps in September to 5.29%, its highest level since 2007. The increase was driven mainly by concerns over persistent inflation, a widening historically high fiscal deficit, and expectations of further interest rate hikes. In August, the current 10-year real yield, estimated by the difference between the 10-year Treasury nominal yield and headline inflation, was 1.35%, 42 bps below its historical average of 1.77%. The Federal Reserve raised the federal funds rate by 25 bps to 3.75-4.00% in September, its first hike since August 2023, to curb inflation.
- US Manufacturing PMI declined slightly to 54.5 in September, marking the ninth consecutive month of expansion. Global Manufacturing PMI reached 53.0, its 55-month high. A reading above 50 indicates an increase in business activity. (Source: Institute for Supply Management and S&P Global).
- The housing market, represented by the S&P Case-Shiller 20-City home price index, rose 2.5% year over year in July but edged down 0.01% month over month.
- The Consumer Sentiment Index from Thomson Reuters and the University of Michigan was 48.1 in September, down by 7.0% from August and 12.7% from a year ago.
- US and Global Economic Surprise indices were both positive in September, indicating that the actual economic data were better than expected. The US reading was 46.9, and Global was at 36.2. The Conference Board's latest Leading Economic Index (LEI) decreased by 0.1% to 99.5 in August, bringing the 6-month change to (0.1).
- Equity markets were down in September: the US market (Russell 3000) declined 0.84%, Non-US Developed markets (MSCI World ex-USA) and Emerging markets (MSCI EM) were down 3.27% and 0.56%, respectively.
- The US fixed income market, Bloomberg US Universal Bond Index, declined 2.59% in September.



## ECONOMY

# US Real Gross Domestic Product

### US Real GDP Growth



Source: U.S. Bureau of Economic Analysis

### US Real GDP Value

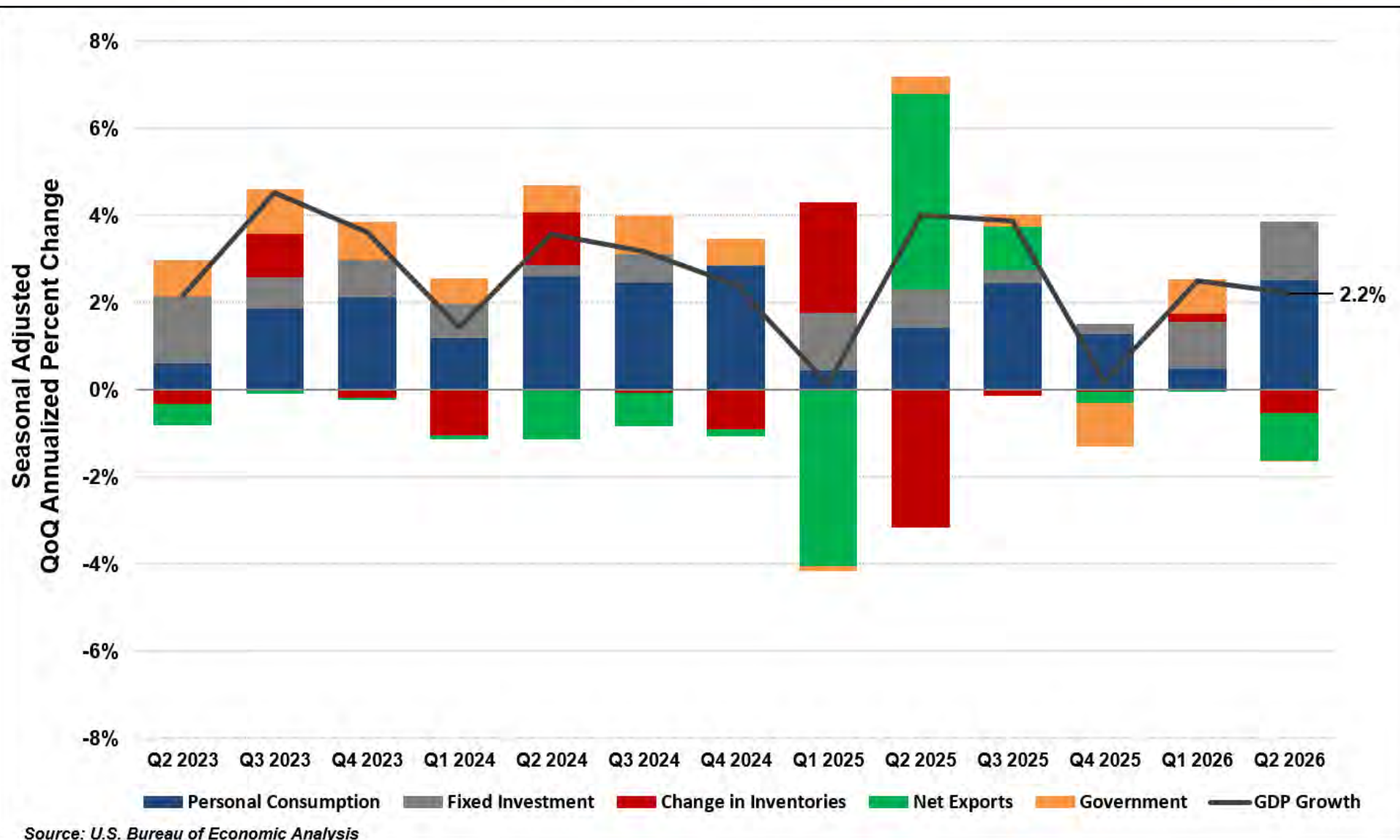


Source: U.S. Bureau of Economic Analysis



## ECONOMY

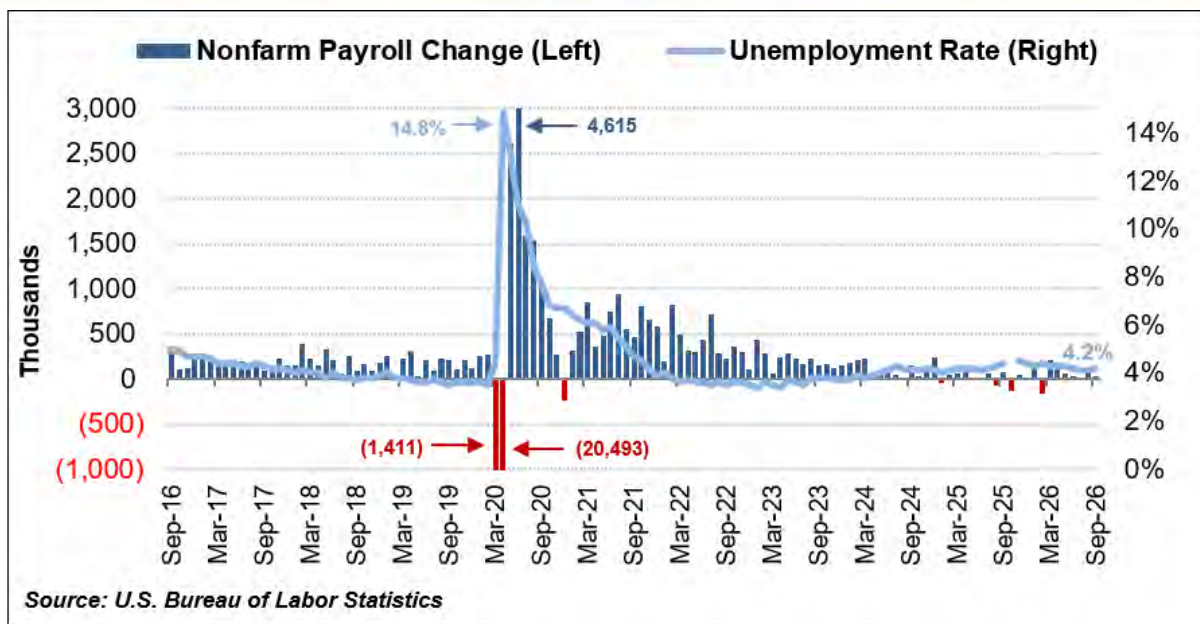
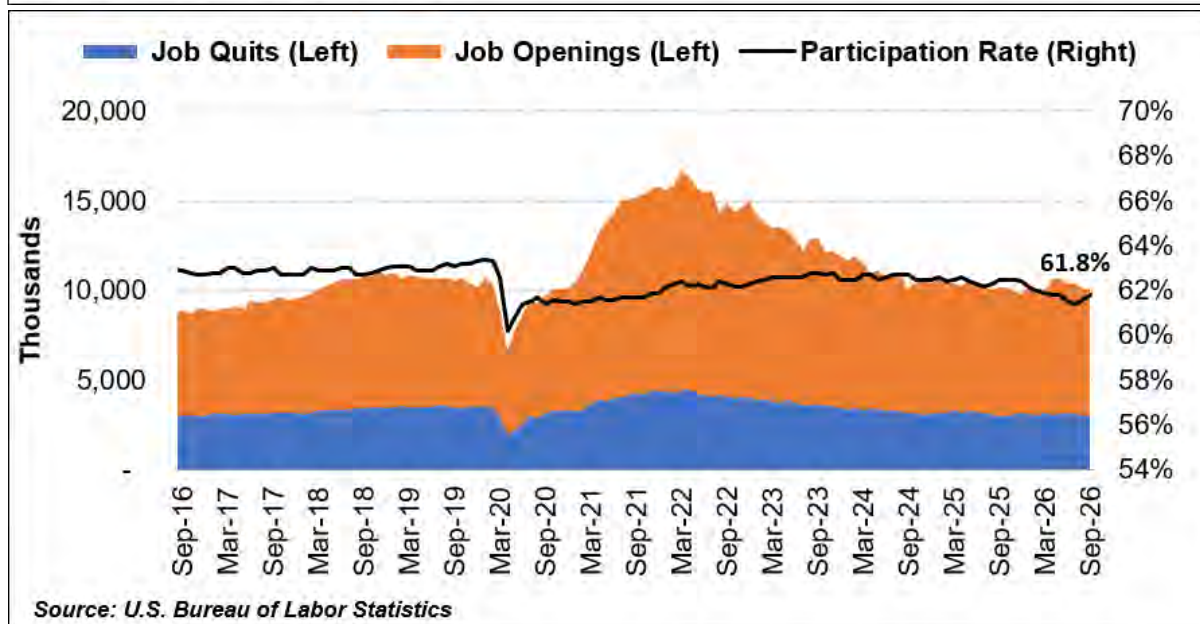
# GDP Growth and its Component Contributions





## ECONOMY

## US Labor Market



## ECONOMY

## Personal Savings Rate &amp; Personal Expenditures: Goods



| Date   | Annual Personal Savings Rate |
|--------|------------------------------|
| Jun-23 | 6.3%                         |
| Jun-24 | 6.6%                         |
| Jun-25 | 5.5%                         |
| Jun-26 | 4.4%                         |
| Aug-26 | 4.1%                         |

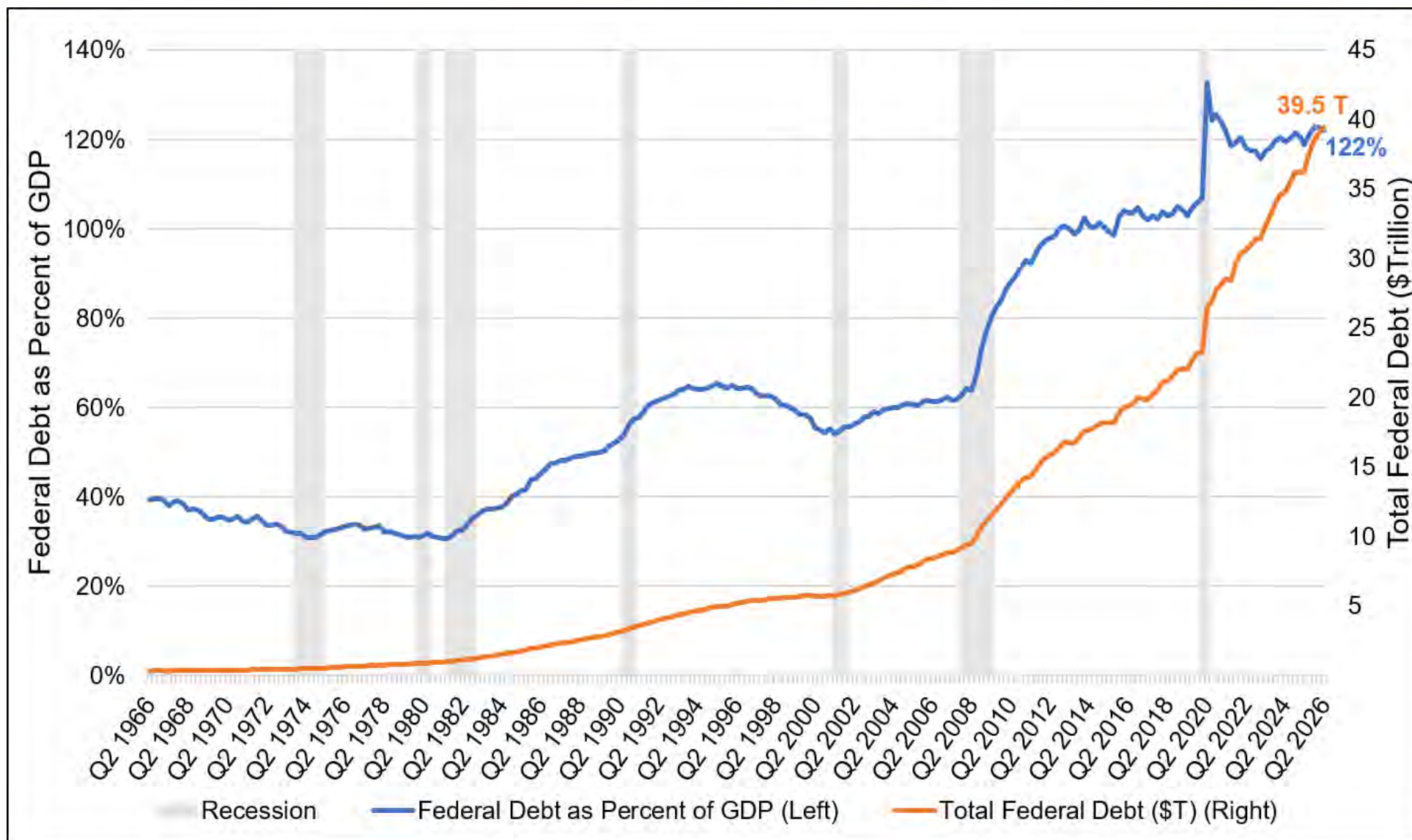


| Date   | Personal Consumption Expenditures: Goods Change from Prior Year |
|--------|-----------------------------------------------------------------|
| Jun-23 | 1.0%                                                            |
| Jun-24 | 2.7%                                                            |
| Jun-25 | 3.5%                                                            |
| Jun-26 | 6.3%                                                            |
| Aug-26 | 6.4%                                                            |



## ECONOMY

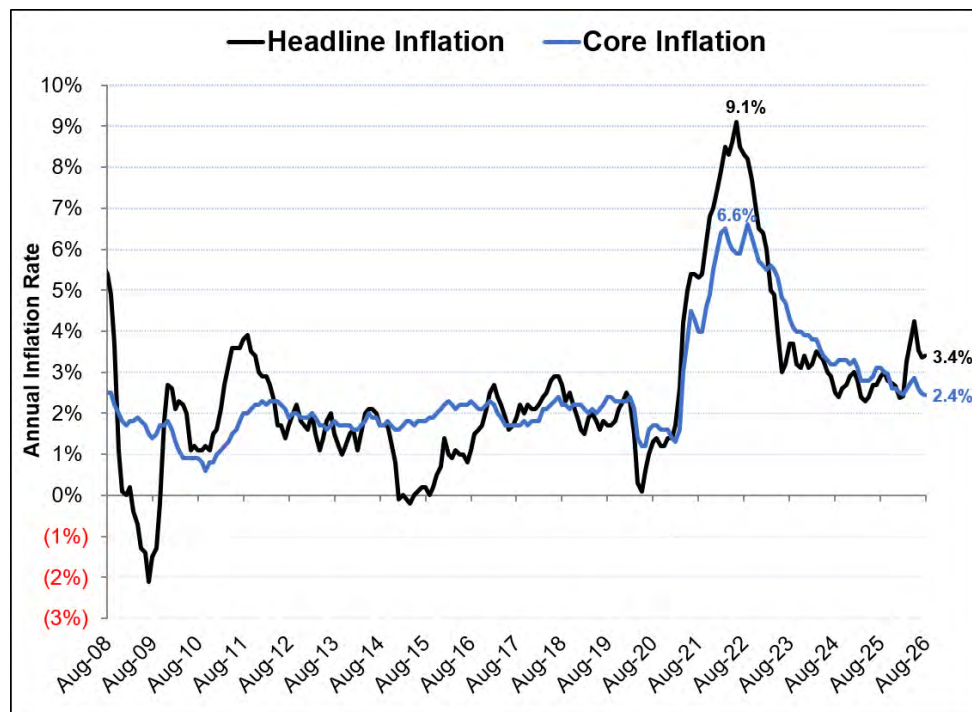
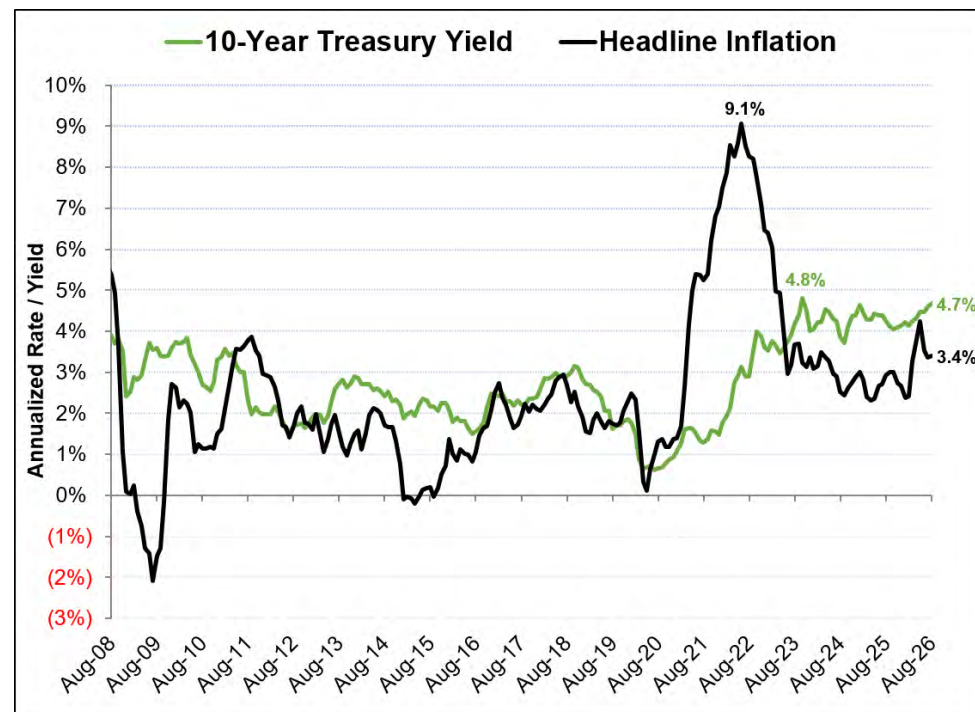
# Federal Debt in USD and Percentage of GDP





## ECONOMY

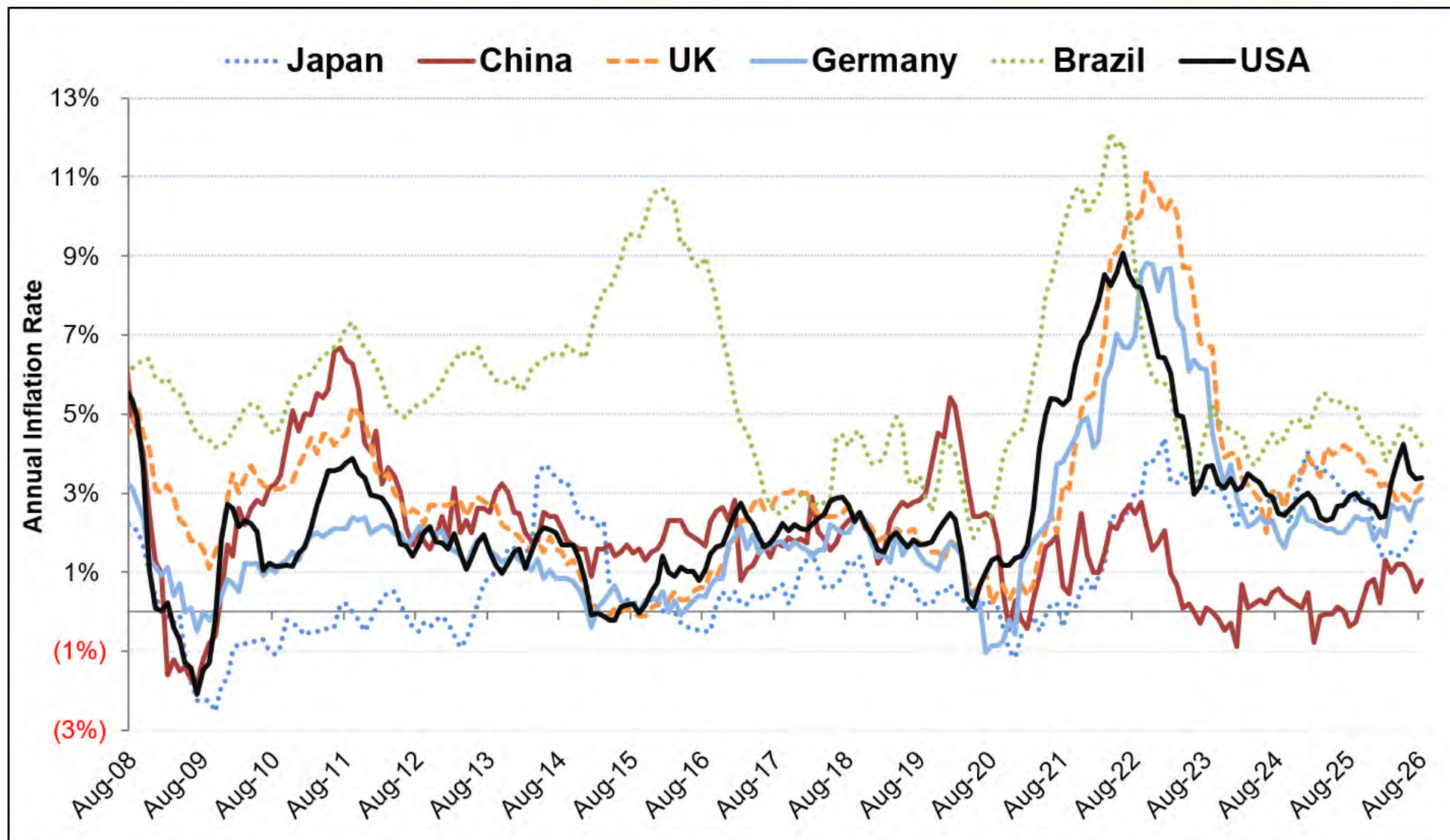
## US Inflation





## ECONOMY

## Global Headline Inflation



|        | Japan | China | UK  | Germany | Brazil | USA |
|--------|-------|-------|-----|---------|--------|-----|
| Aug-26 | 2.1   | 0.8   | 3.2 | 2.9     | 4.2    | 3.4 |

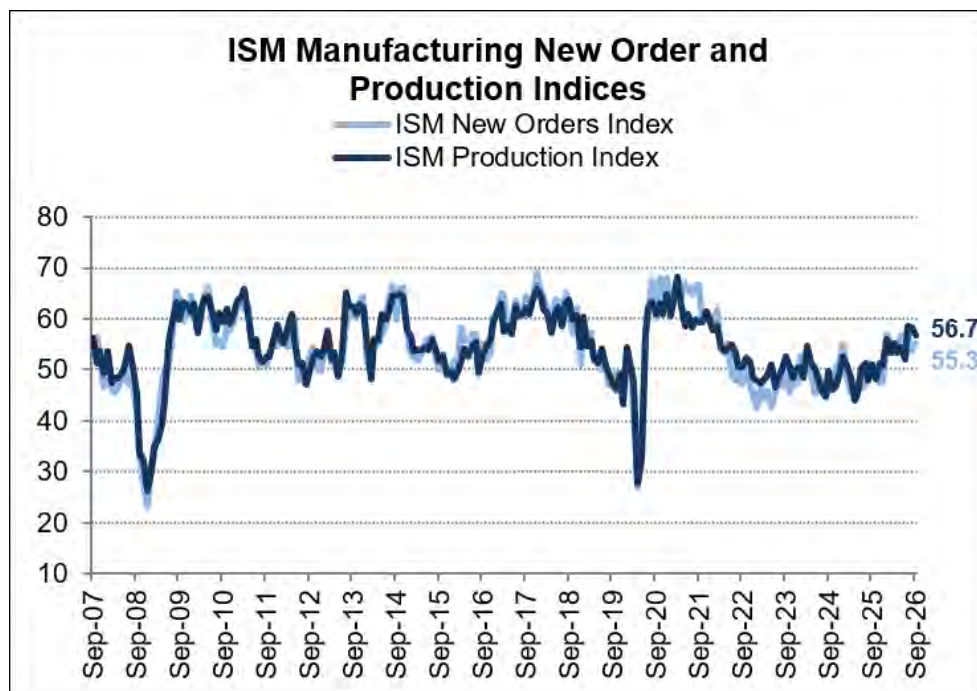
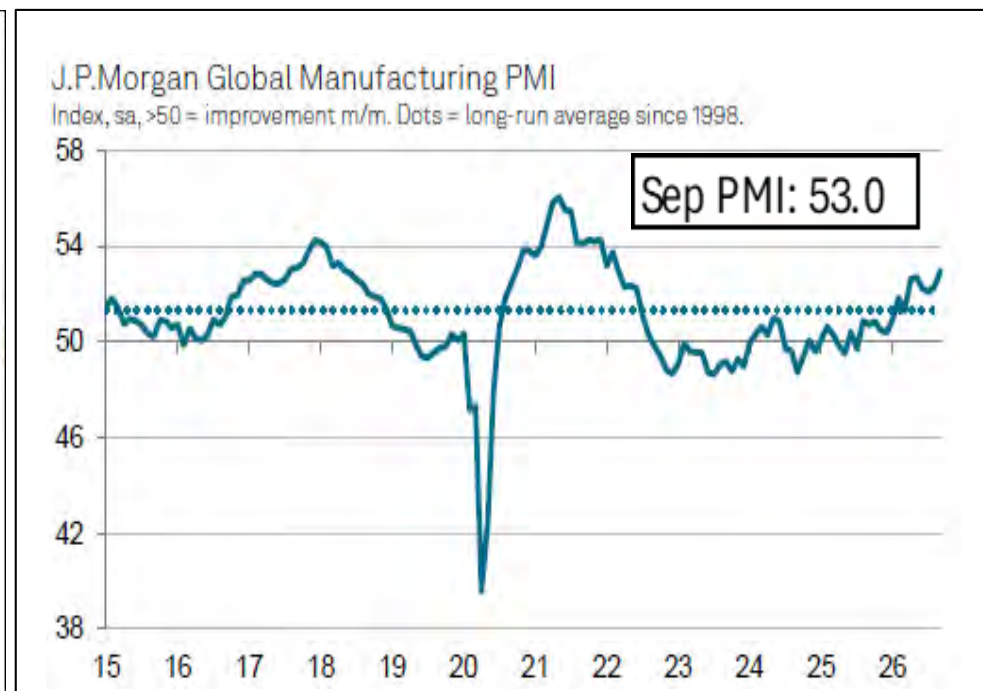
# Oil vs. Gold Price





## ECONOMY

## US & Global Manufacturing Activities



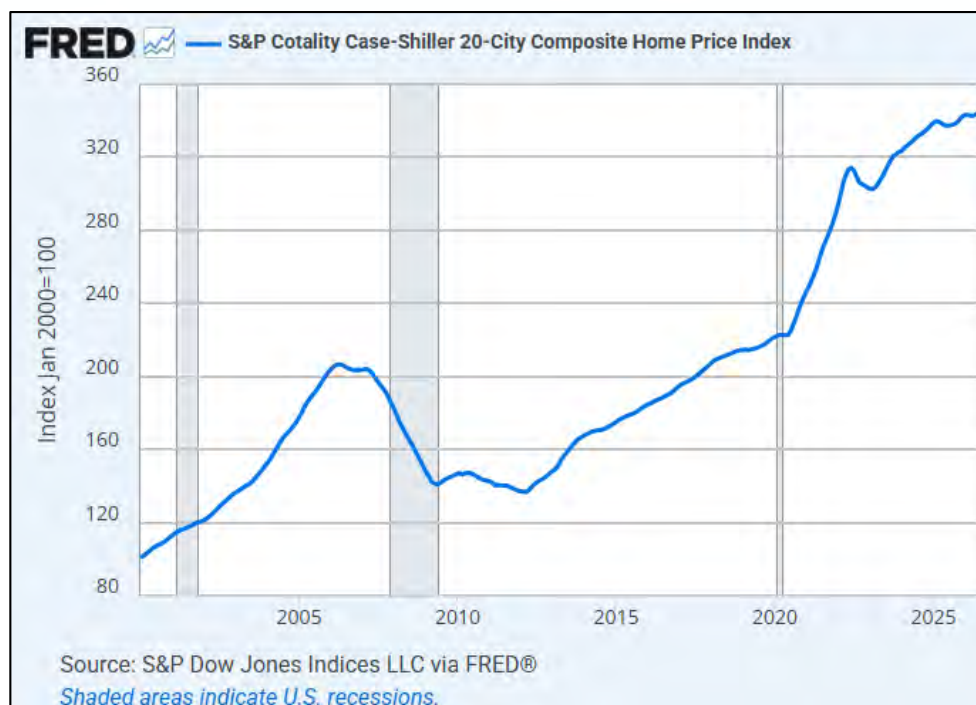
Source: Manufacturing ISM Report On Business & JPMorgan Global Manufacturing PMI™

Notes: Acronym – ISM – Institute of Supply Management; PMI – Purchasing Managers Index



## ECONOMY

## US Housing Market



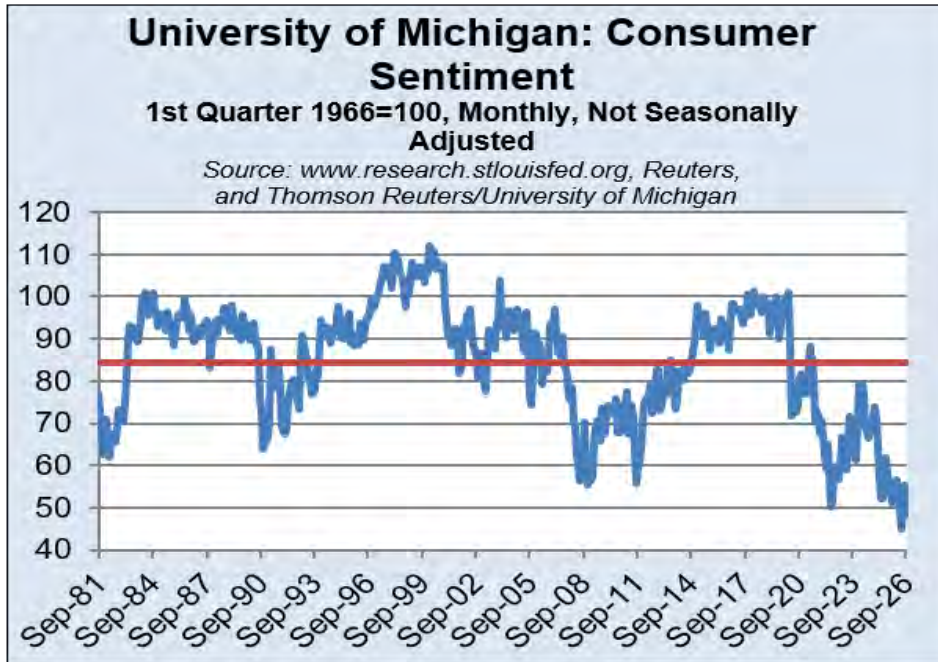
| As of June 2026 | Case-Shiller 20-City Home Price Index Annualized Percentage Change |
|-----------------|--------------------------------------------------------------------|
| 1-Year          | 2.1%                                                               |
| 3-Year          | 3.6%                                                               |
| 5-Year          | 5.4%                                                               |
| 10-Year         | 6.2%                                                               |



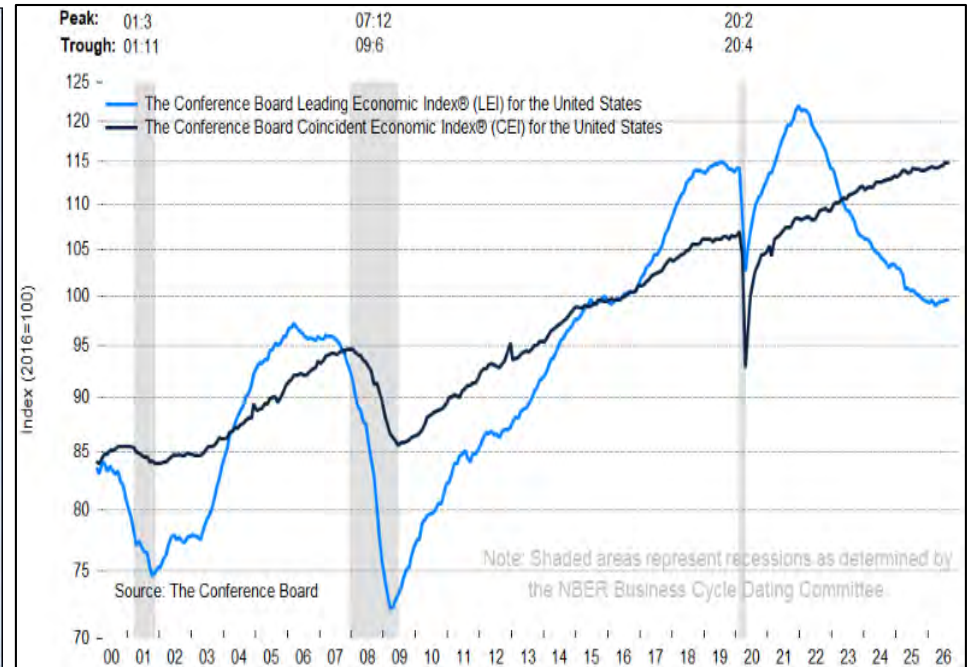
| Date               | Average 30-Year Rate Fixed Mortgage |
|--------------------|-------------------------------------|
| June-23            | 6.71                                |
| June-24            | 6.86                                |
| June-25            | 6.77                                |
| June-26            | 6.49                                |
| September 24, 2026 | 7.03                                |

## ECONOMY

### Consumer Sentiment



### The Leading Economic Index (LEI)



| Index of Consumer Sentiment |        |        |            |            |
|-----------------------------|--------|--------|------------|------------|
| Sep-26                      | Aug-26 | Sep-25 | M-M Change | Y-Y Change |
| 48.1                        | 51.7   | 55.1   | -7.0%      | -12.7%     |

| Index | Jul-26 | Aug-26 | 1-Month Change | 6-Month Change |
|-------|--------|--------|----------------|----------------|
| LEI   | 99.6 r | 99.5 p | -0.1           | -0.1           |

p Preliminary; r Revised; Indexes equal 100 in 2016



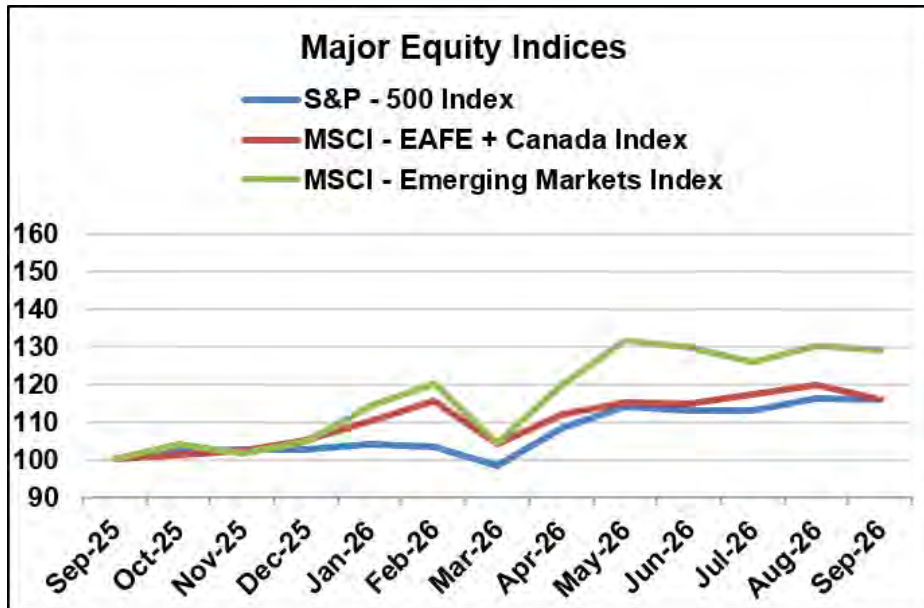
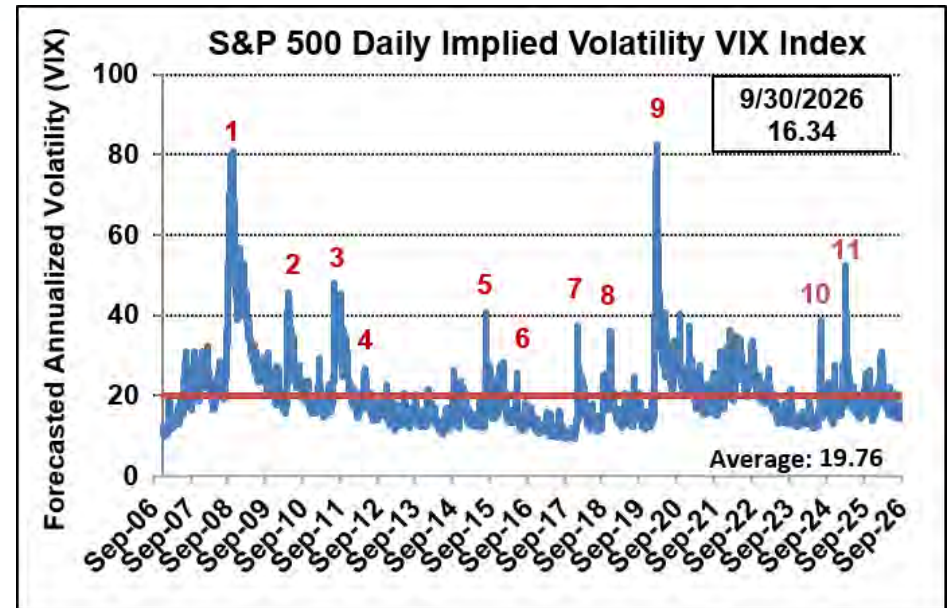
## ECONOMY





# MARKETS

## Equity



|                               | Return as of 9/30/2026 |       |
|-------------------------------|------------------------|-------|
|                               | 1 Year                 | FYTD  |
| S&P 500 Index                 | 15.7                   | 2.3   |
| MSCI - EAFE + Canada Index    | 15.9                   | 0.9   |
| MSCI - Emerging Markets Index | 29.2                   | (0.4) |

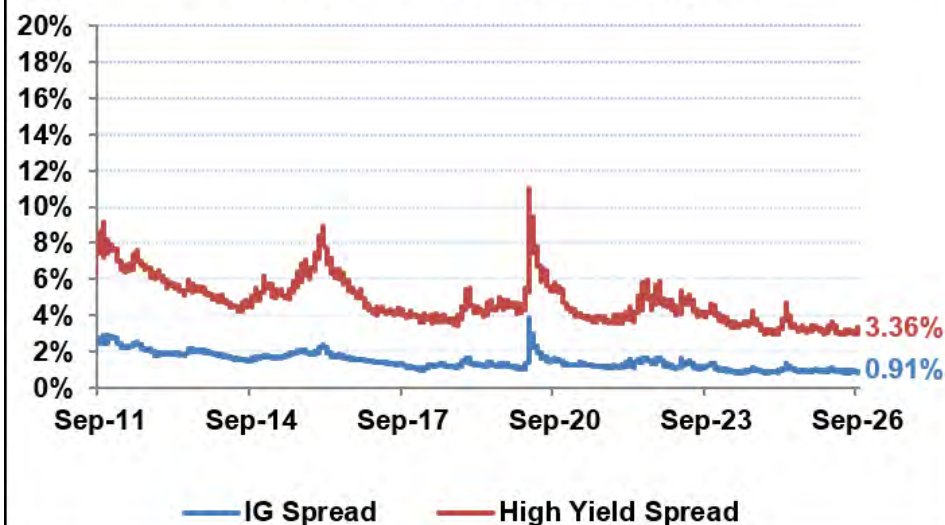
- 1 2008 (Nov.) Financial Crisis S&P 500: - 48.8%
- 2 2010 (May) Flash crash; Europe/ Greece debt S&P 500: -16%
- 3 2011 (Aug.) US down grade, Europe periphery S&P 500: -19.4%
- 4 2012 (June) Eurozone double dip S&P 500: -9.9%
- 5 2015 (Aug.) Global slow down, China, Fed S&P 500: -12.4%
- 6 2016 (Feb.)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



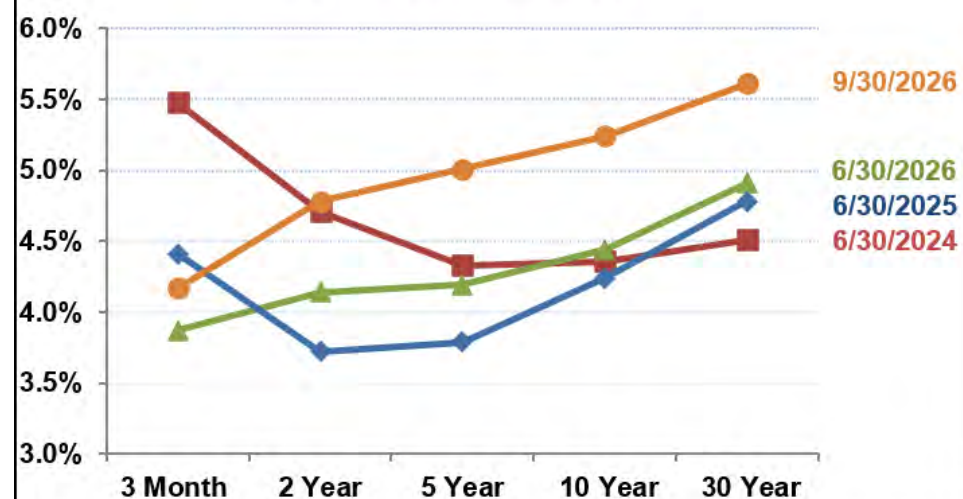
## MARKETS

## Fixed Income

U.S. Corp. IG and High Yield Spreads



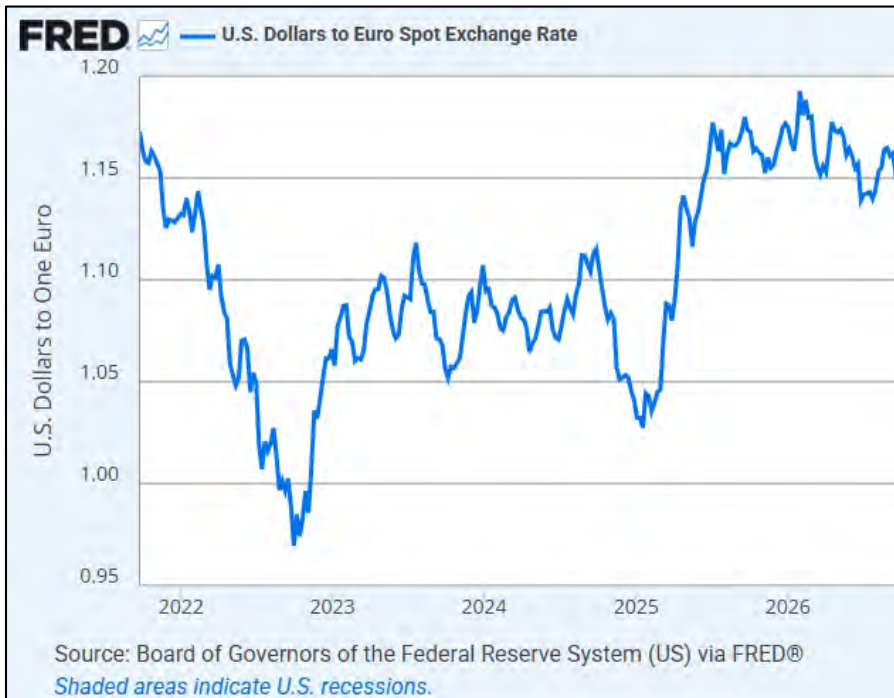
U.S. Treasury Yield Curve



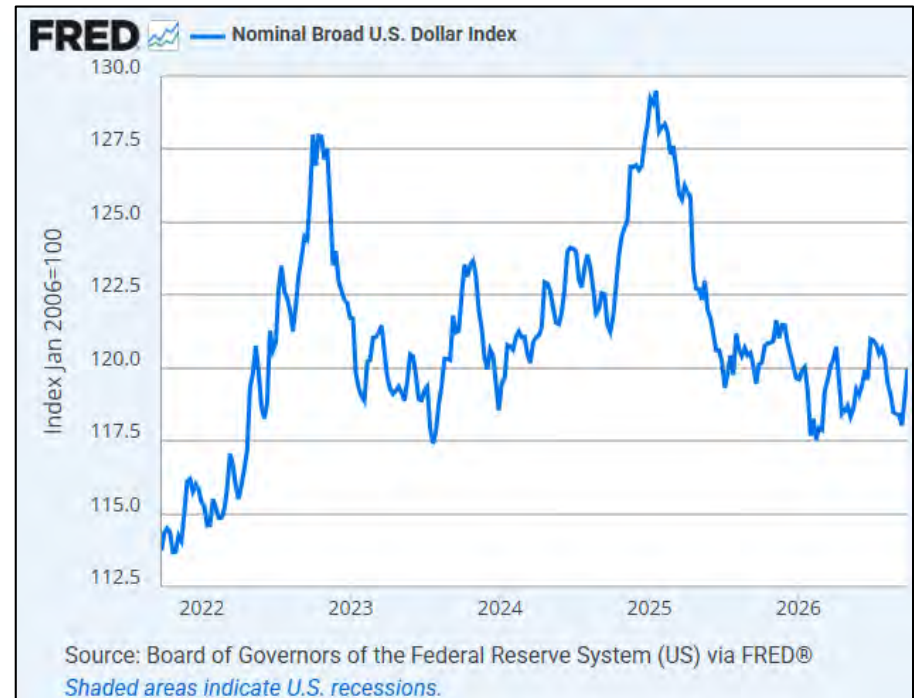


# MARKETS

## Foreign Exchange



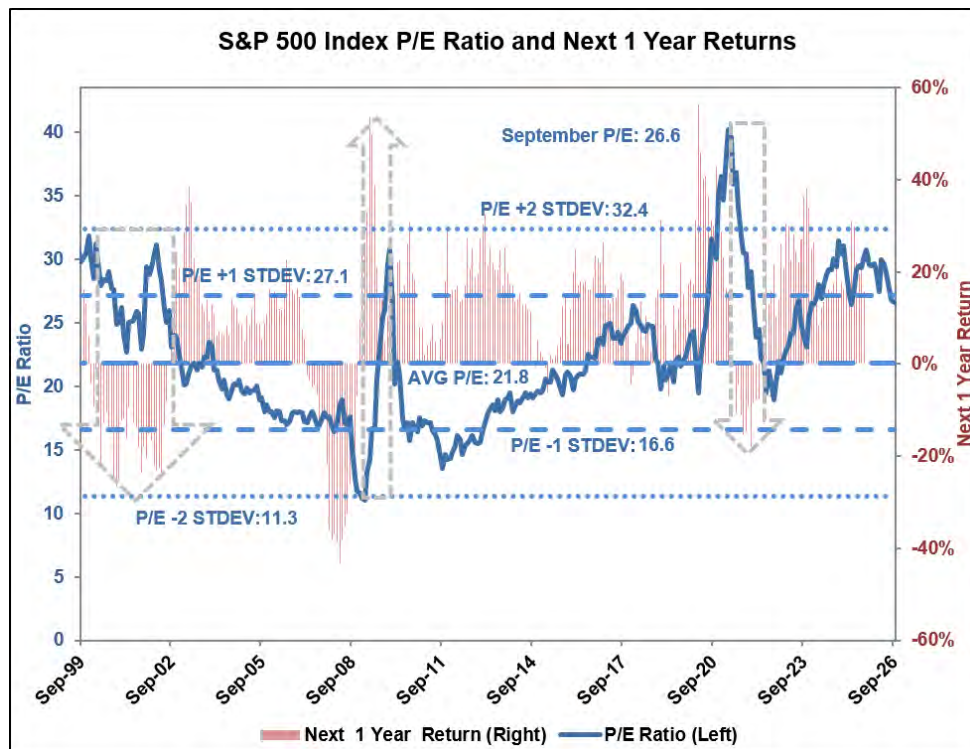
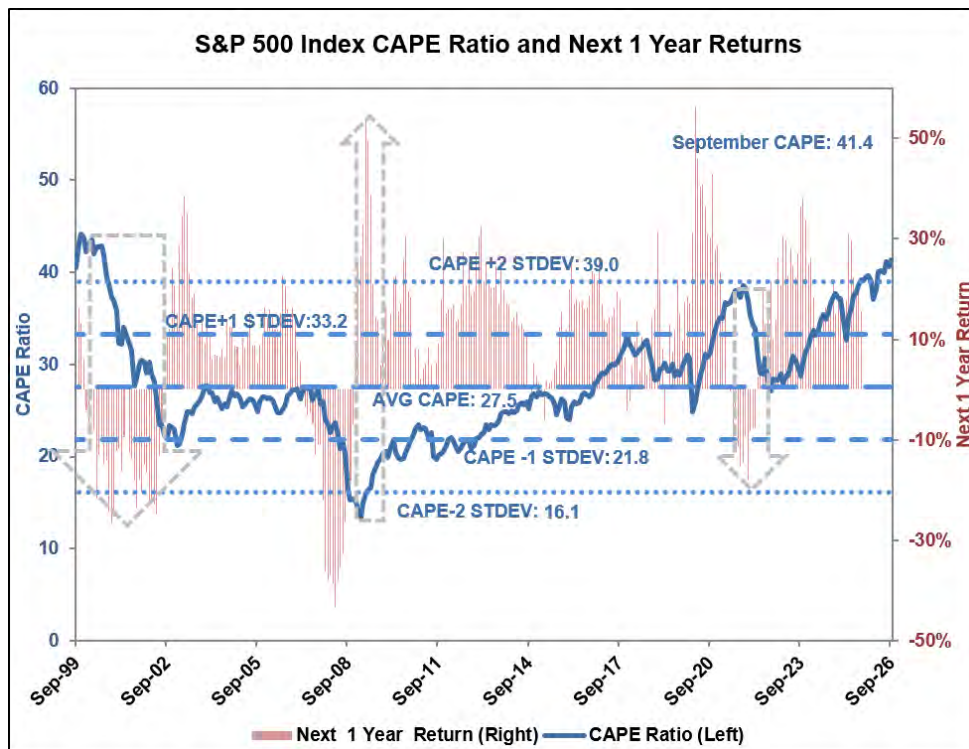
| Date               | U.S. / Euro Foreign Exchange Rate<br>U.S. Dollars to One Euro |
|--------------------|---------------------------------------------------------------|
| June-23            | 1.05                                                          |
| June-24            | 1.09                                                          |
| June-25            | 1.07                                                          |
| June-26            | 1.18                                                          |
| September 25, 2026 | 1.14                                                          |



| Date               | Nominal Broad U.S. Dollar Index<br>January 2006=100 |
|--------------------|-----------------------------------------------------|
| June-23            | 121.1                                               |
| June-24            | 119.9                                               |
| June-25            | 124.5                                               |
| June-26            | 119.8                                               |
| September 25, 2026 | 120.3                                               |

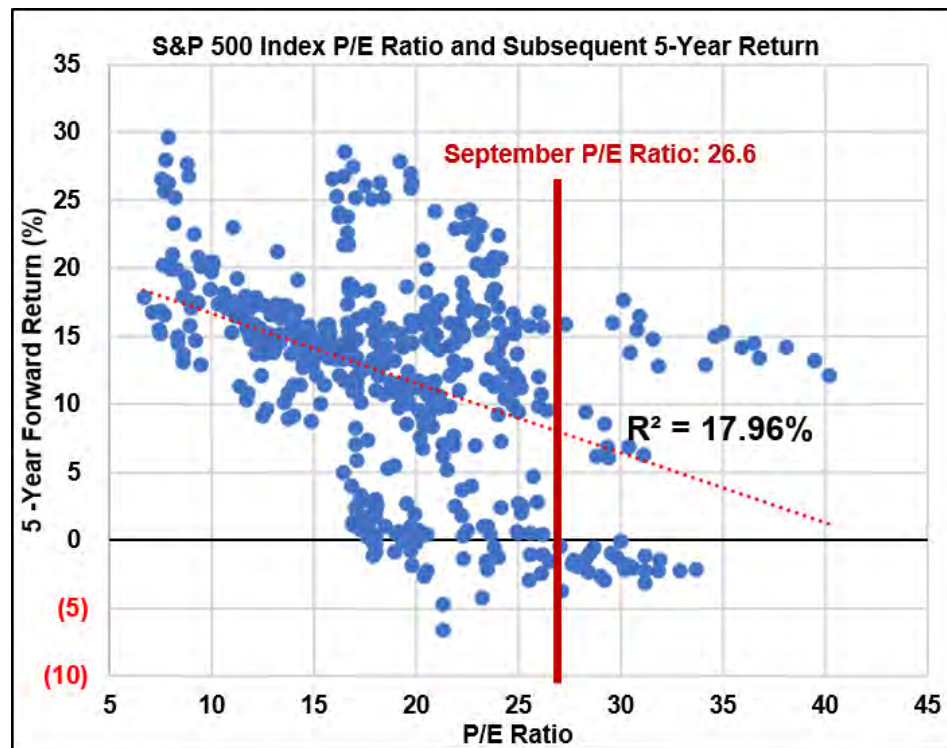
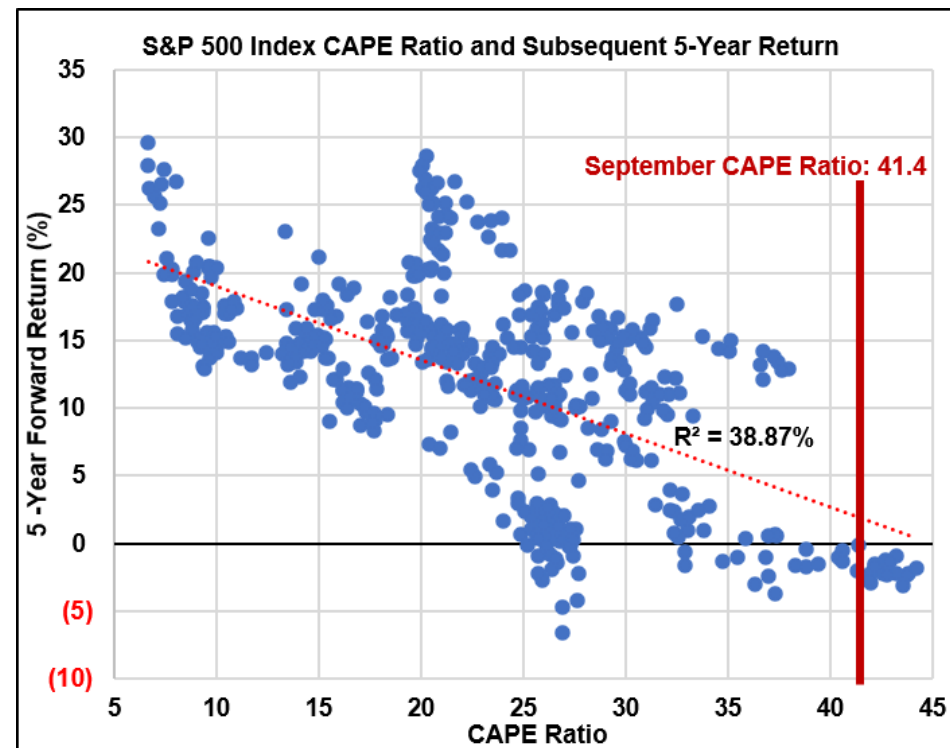


# VALUATION US Equity



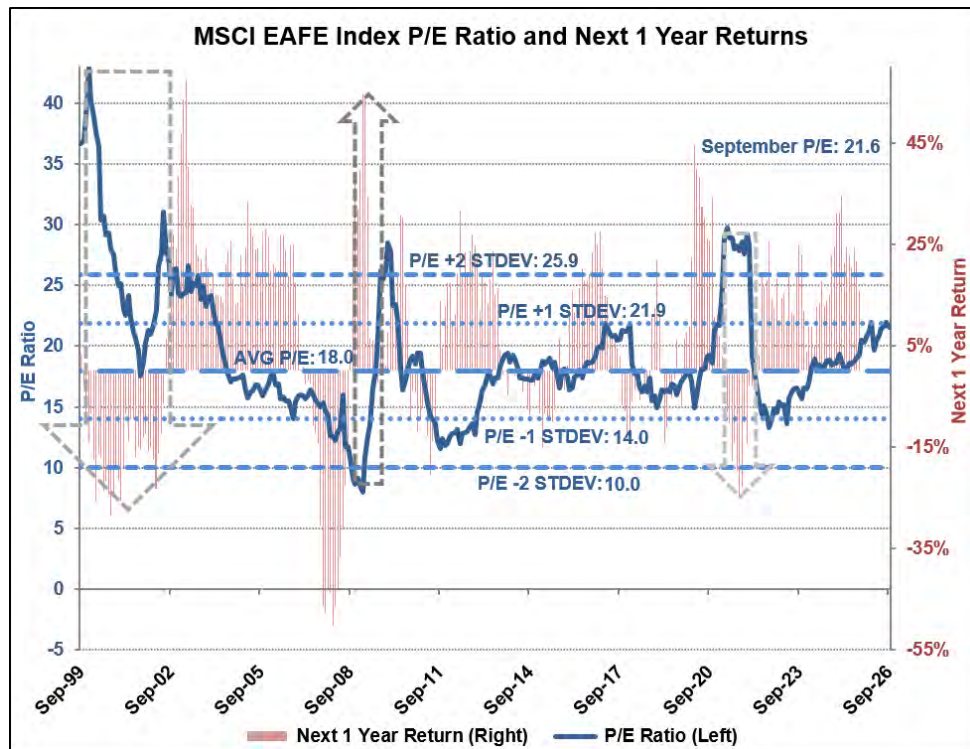
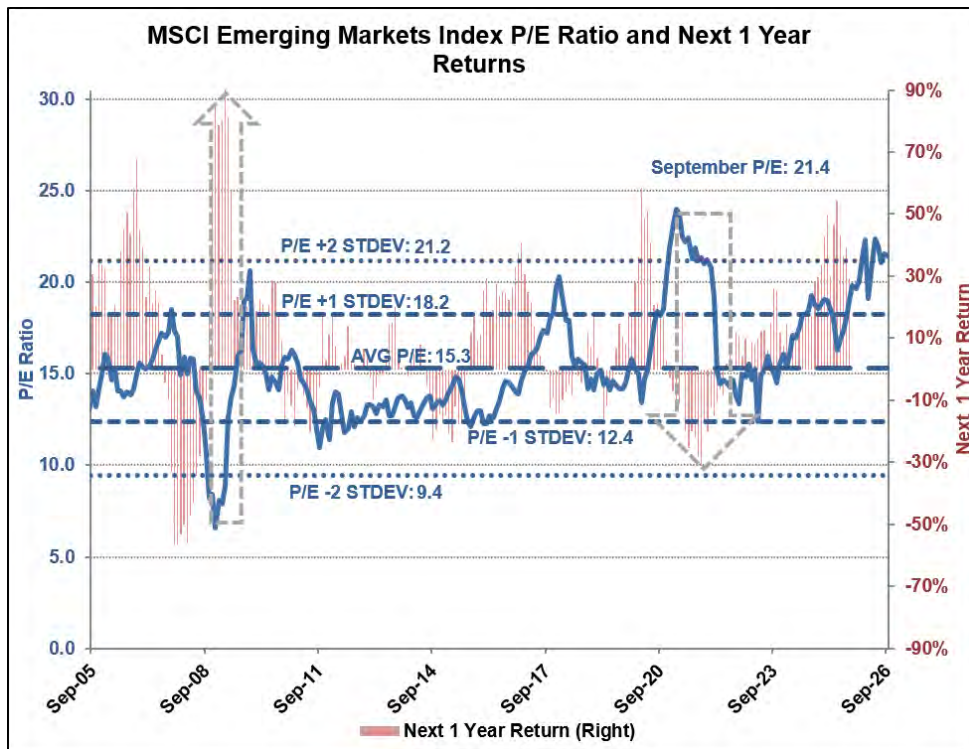


## VALUATION US Equity



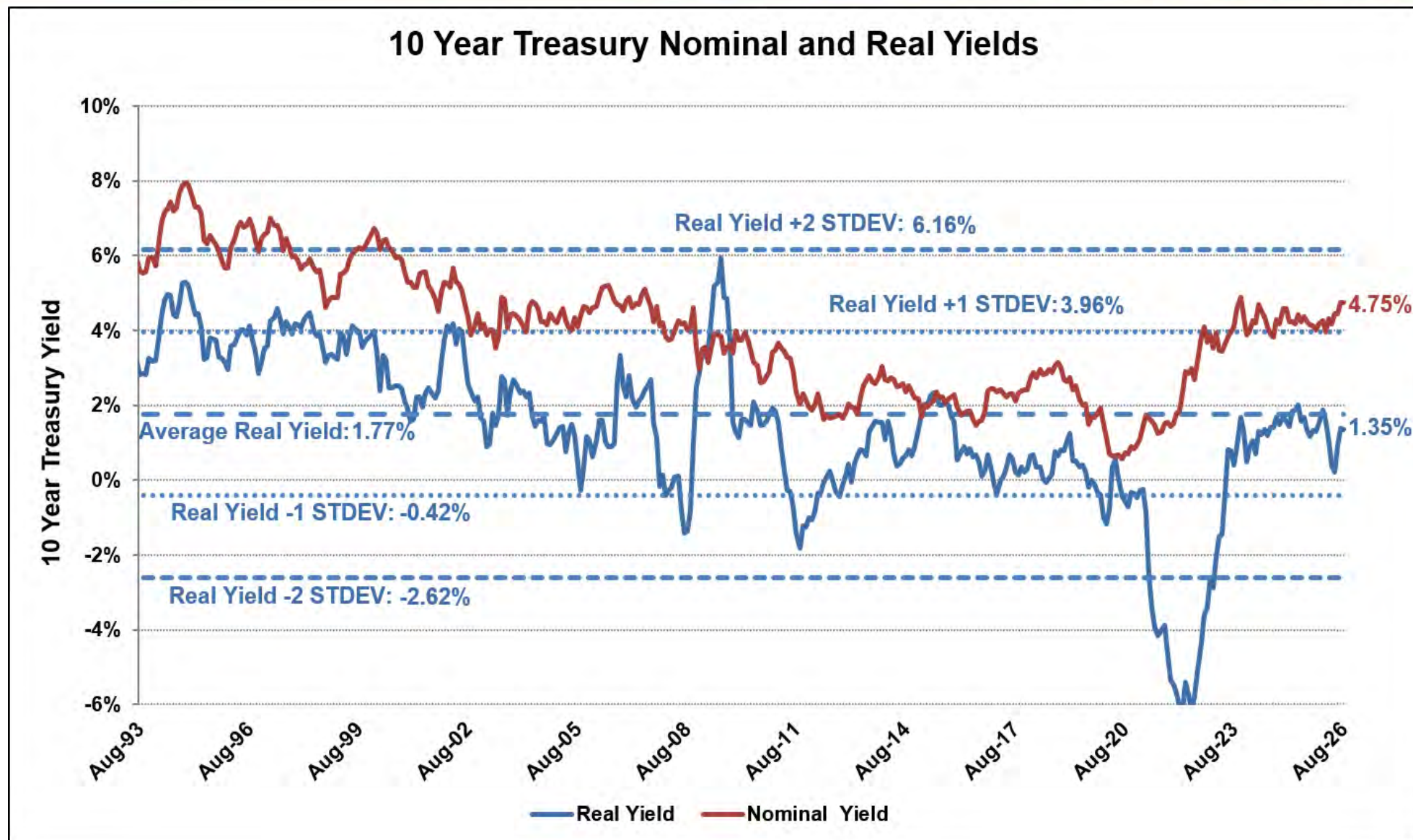


# VALUATION Non US Developed Market Equity



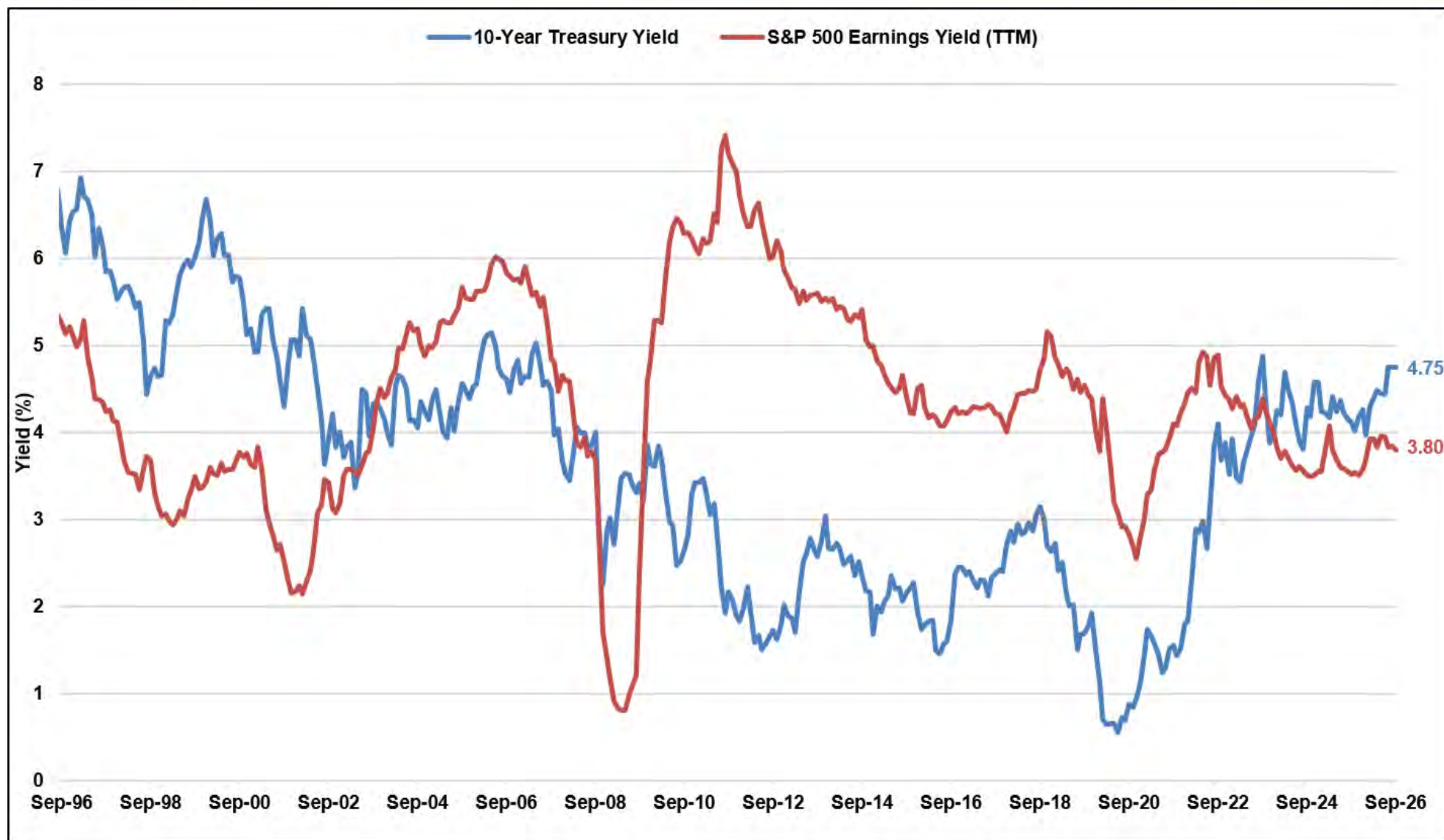


## VALUATION Emerging Market Equity





## VALUATION US Treasury Bonds





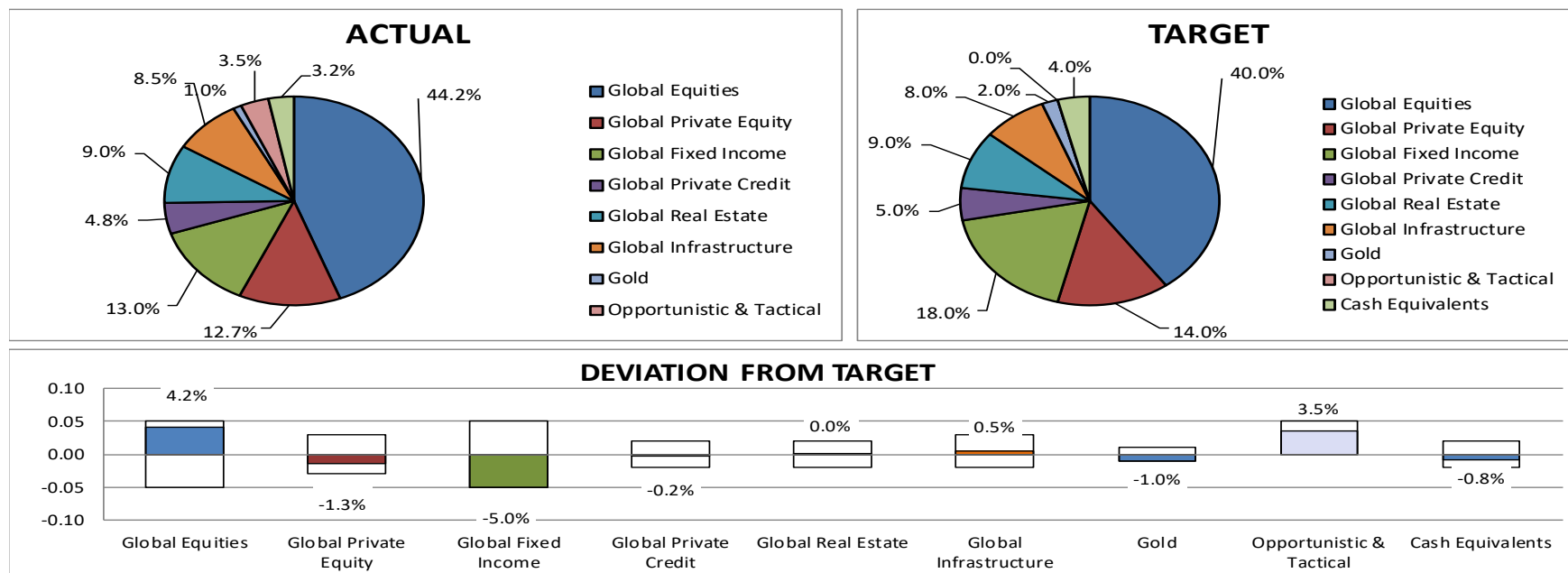
# **SERS' Investment Portfolios Review**



# Total Fund Asset Allocation

| Asset Class                      | Market Value \$       | Actual        | Target        | Range     |
|----------------------------------|-----------------------|---------------|---------------|-----------|
| Global Equities                  | 10,579,320,478        | 44.2%         | 40.0%         | 35% - 45% |
| Global Private Equity            | 3,040,597,354         | 12.7%         | 14.0%         | 11% - 17% |
| Global Fixed Income              | 3,117,079,071         | 13.0%         | 18.0%         | 13% - 23% |
| Global Private Credit            | 1,145,403,248         | 4.8%          | 5.0%          | 3% - 7%   |
| Global Real Estate               | 2,162,040,875         | 9.0%          | 9.0%          | 4% - 10%  |
| Global Infrastructure            | 2,044,159,638         | 8.5%          | 8.0%          | 6% - 14%  |
| Gold                             | 250,191,721           | 1.0%          | 2.0%          | 0% - 4%   |
| Opportunistic & Tactical         | 841,009,216           | 3.5%          | 0.0%          | 0% - 5%   |
| Cash Equivalents                 | 760,278,614           | 3.2%          | 4.0%          | 1% - 5%   |
| Short-Term                       | 14,911,812            | 0.1%          | 2.0%          |           |
| Russell EA Overlay               | 3                     | 0.0%          | 0.0%          |           |
| Direct Rebalance Overlay         | 6,592,519             | 0.0%          | 0.0%          |           |
| Transition / Operational Account | 565,571               | 0.0%          | 0.0%          |           |
| Currency Overlay                 | 21,401,908            | 0.1%          | 0.0%          |           |
| SERS Cash                        | 716,806,801           | 3.0%          | 0.0%          |           |
| <b>Total Fund</b>                | <b>23,940,080,215</b> | <b>100.0%</b> | <b>100.0%</b> |           |

Source: Clearwater Analytics



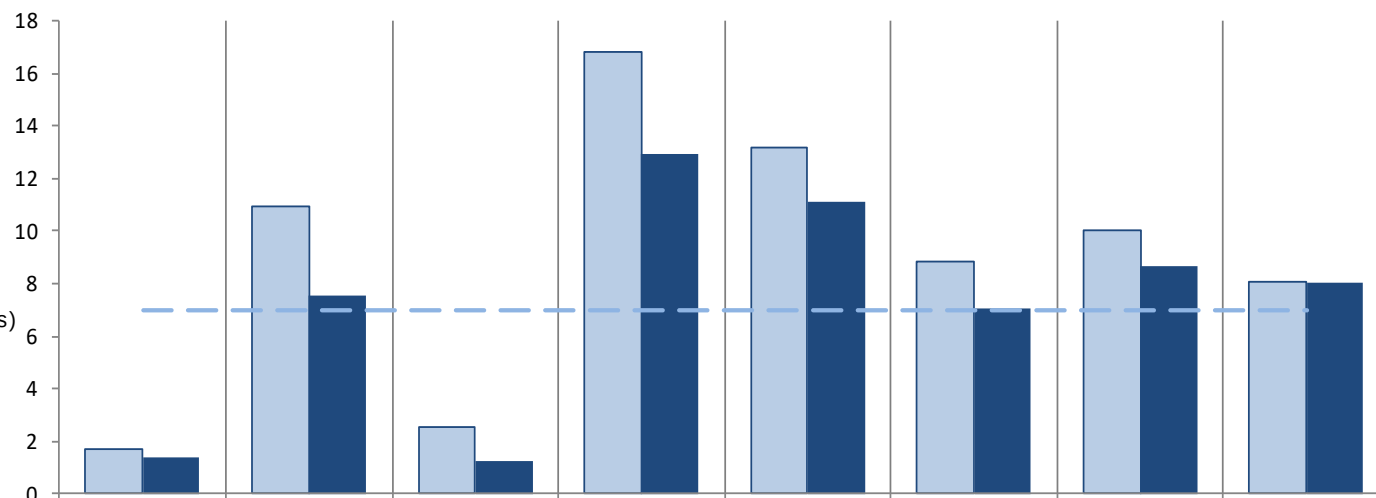


# Total Fund Performance

## Current Benchmark:

40% MSCI ACWI (Net Dividends)  
14% Burgiss All Private Equity  
benchmark (1q lag) (BAPE)  
18% Bloomberg US Universal Bond  
9% Expanded NCREIF Property Index  
(one quarter in arrears)  
8% Quarterly (4 qtrs.) smoothed CPI  
+1.20% per quarter  
2% IAUM Gold ETF  
5% Qtrly Smoothed Morningstar LSTA  
US Leveraged Loan (one quarter in arrears)  
4% FTSE 30 Day T-Bill

Total Fund (Net) OSERS Policy Actuarial Rate



## Actuarial Rate

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

|                          | 1 Month | CYTD  | FYTD | 1 Year | 3 Year | 5 Year | 10 Year | ITD* |
|--------------------------|---------|-------|------|--------|--------|--------|---------|------|
| Total Fund (Gross)       | 1.77    | 11.65 | 2.66 | 17.60  | 13.93  | 9.62   | 10.77   | 8.83 |
| Total Fund (Net)         | 1.73    | 10.95 | 2.54 | 16.82  | 13.15  | 8.86   | 10.05   | 8.27 |
| OSERS Policy             | 1.39    | 7.51  | 1.29 | 12.93  | 11.14  | 7.03   | 8.69    | 8.05 |
| Value Added (Net of Fee) | 0.34    | 3.44  | 1.26 | 3.90   | 2.01   | 1.82   | 1.36    | 0.22 |

|                                               |        |         |         |         |           |           |           |
|-----------------------------------------------|--------|---------|---------|---------|-----------|-----------|-----------|
| Estimated Cumulative Net Value Added (\$MM)** | \$80.3 | \$740.1 | \$294.3 | \$798.2 | \$1,279.0 | \$2,054.6 | \$3,132.7 |
|-----------------------------------------------|--------|---------|---------|---------|-----------|-----------|-----------|

Source: Clearwater Analytics

\*ITD is Inception date 10/1/1994 (31 years and 11 months)

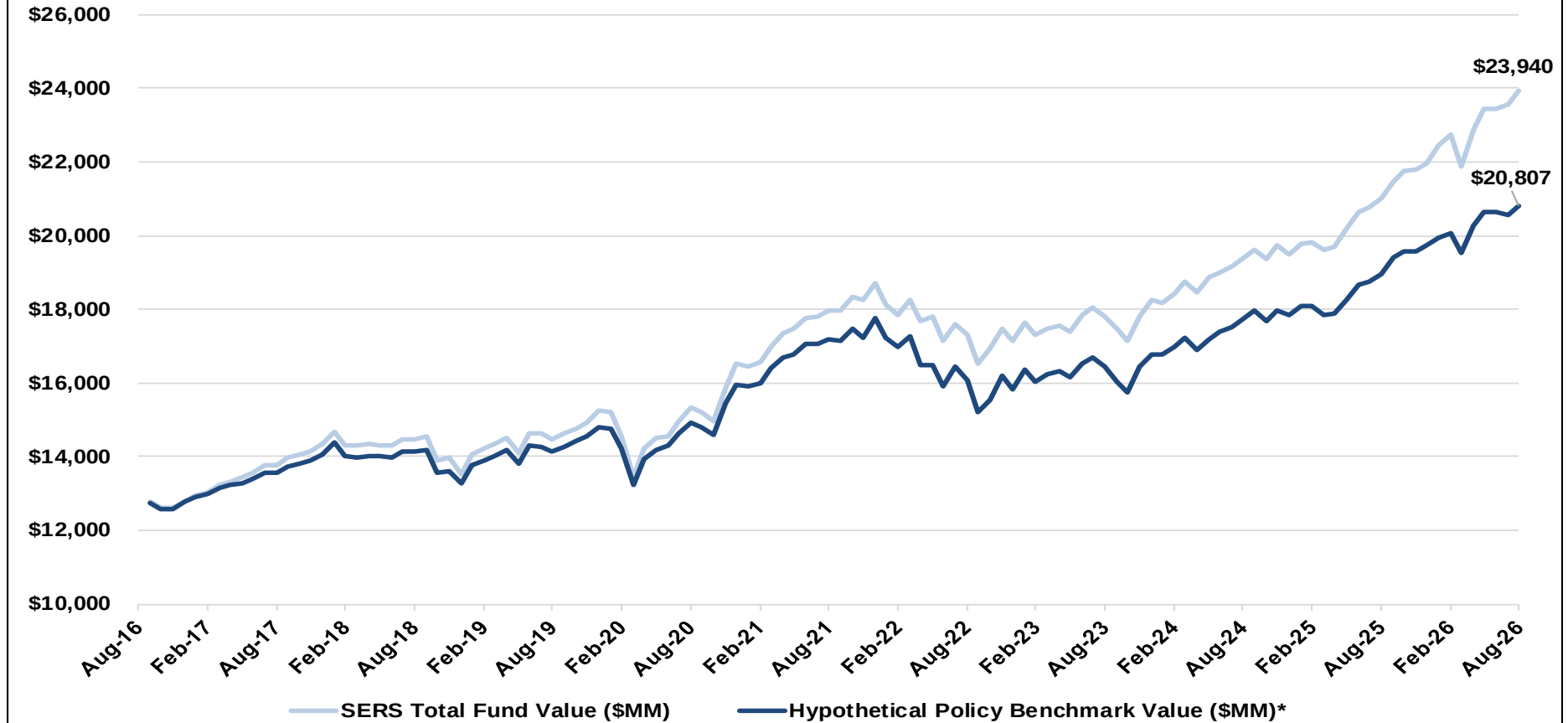
\*\*For each period, calculated as the difference between the actual change in fund assets and the hypothetical change in fund assets under a benchmark-returns scenario.

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



# Total Fund Performance

## 10-Year Total Fund NOF Value Added



| Fiscal Year Net Excess Return (%) |        |        |        |        |        |        |        |        |        |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| FY2017                            | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| 1.50                              | 0.86   | 0.06   | (0.64) | 2.66   | 3.01   | 0.23   | 0.95   | 1.02   | 2.84   |

Source: Clearwater Analytics

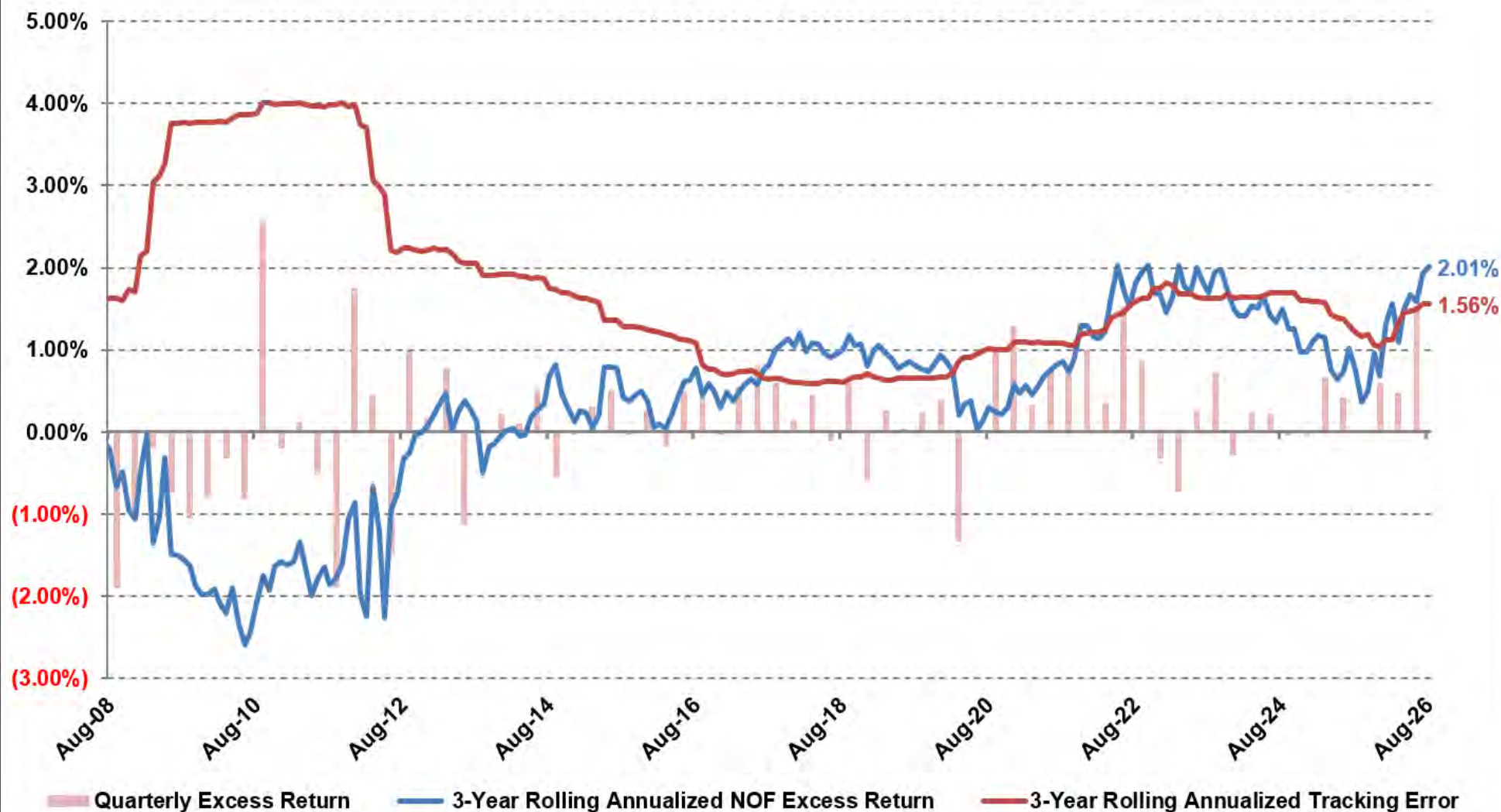
\*Calculated as the hypothetical change in fund assets under a policy benchmark-returns scenario.

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



## Total Fund Performance

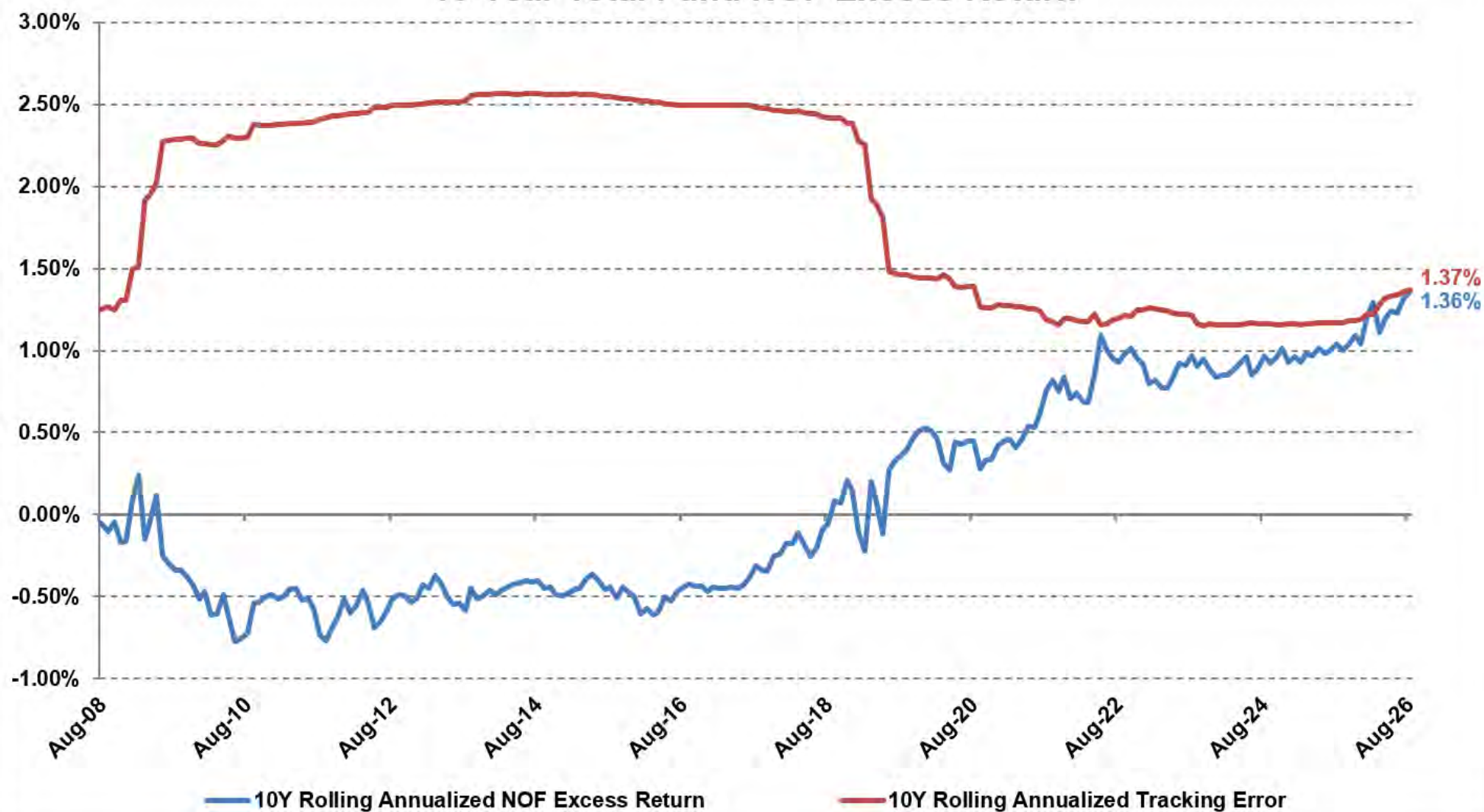
3-Year Total Fund NOF Excess Return





## Total Fund Performance

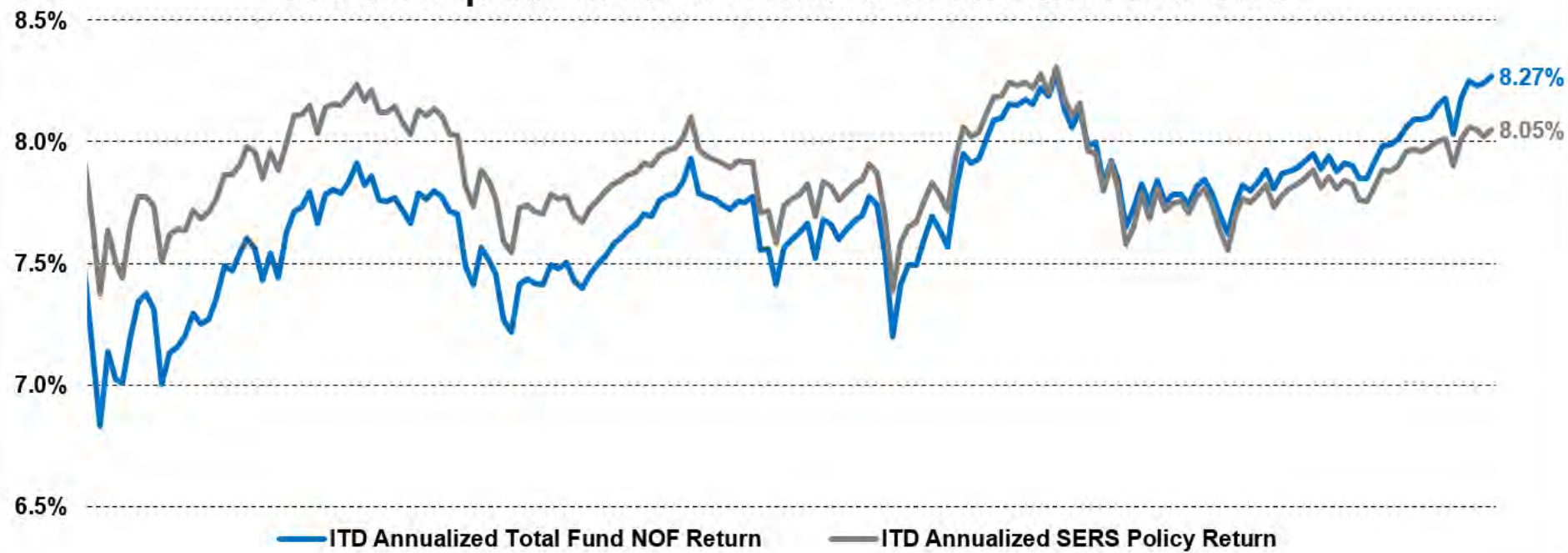
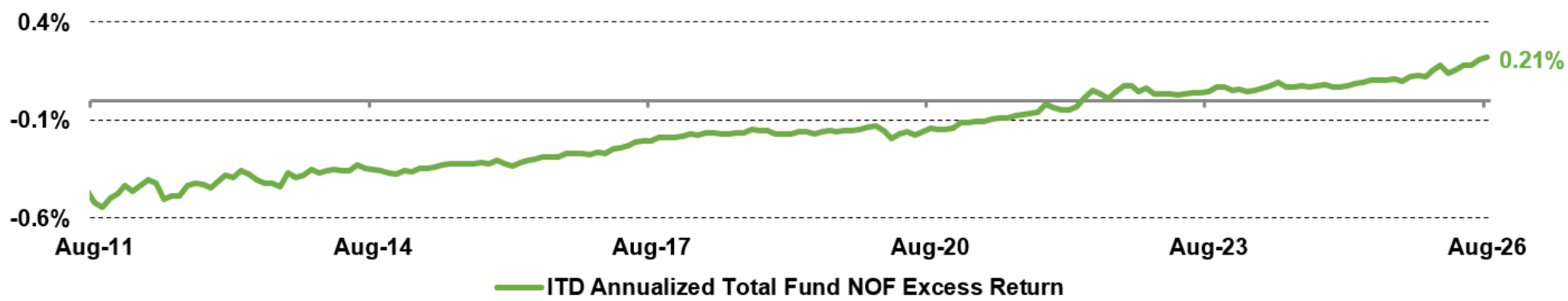
10-Year Total Fund NOF Excess Return





# Total Fund Performance

Since Inception Total Fund NOF Total and Excess Return





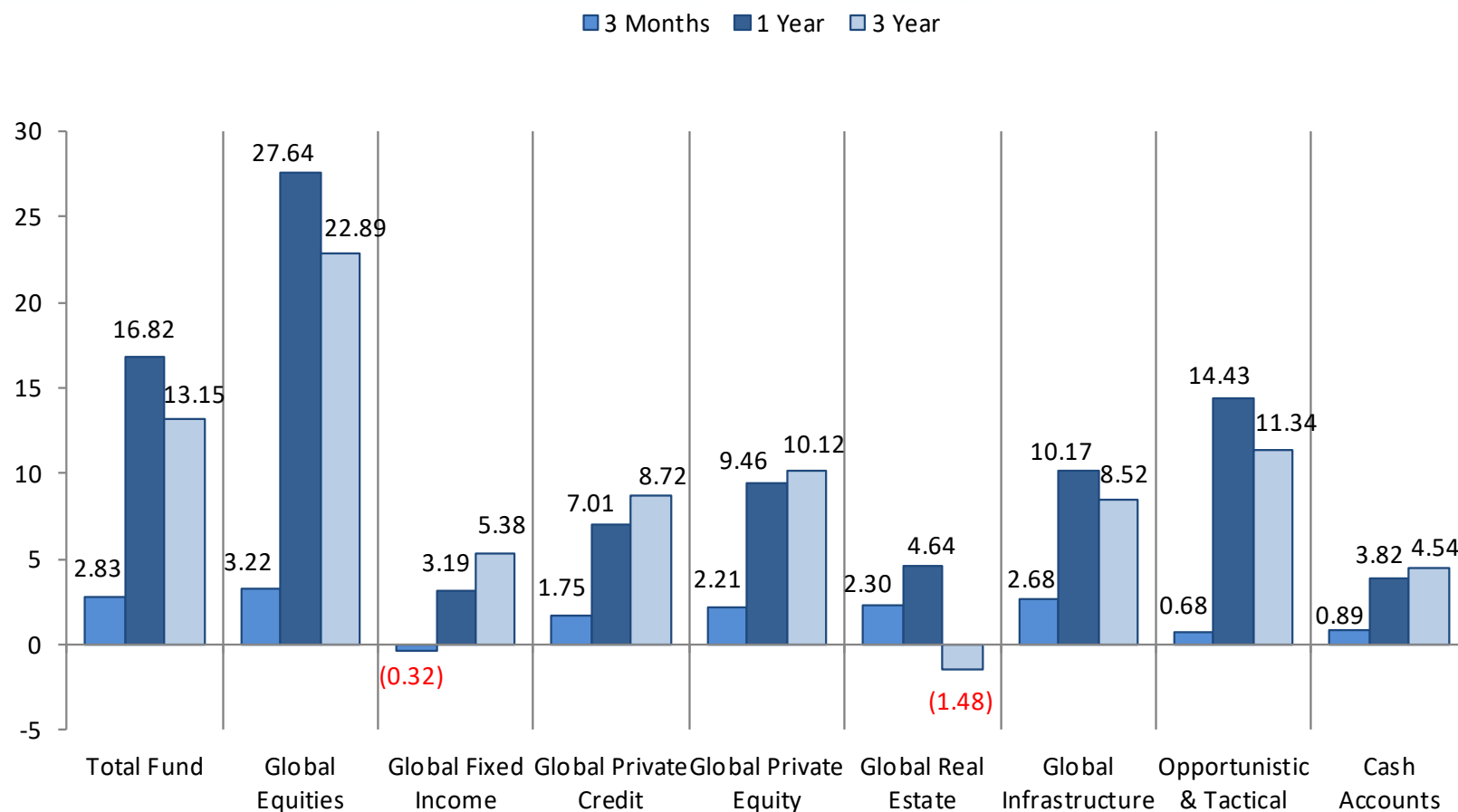
## Total Fund Performance

10-Year Total Fund NOF Total Return





# Total Fund and Asset Class Performance (Net)



Global Private Equity, Global Real Estate, and Global Infrastructure results are as of 06/30/2026

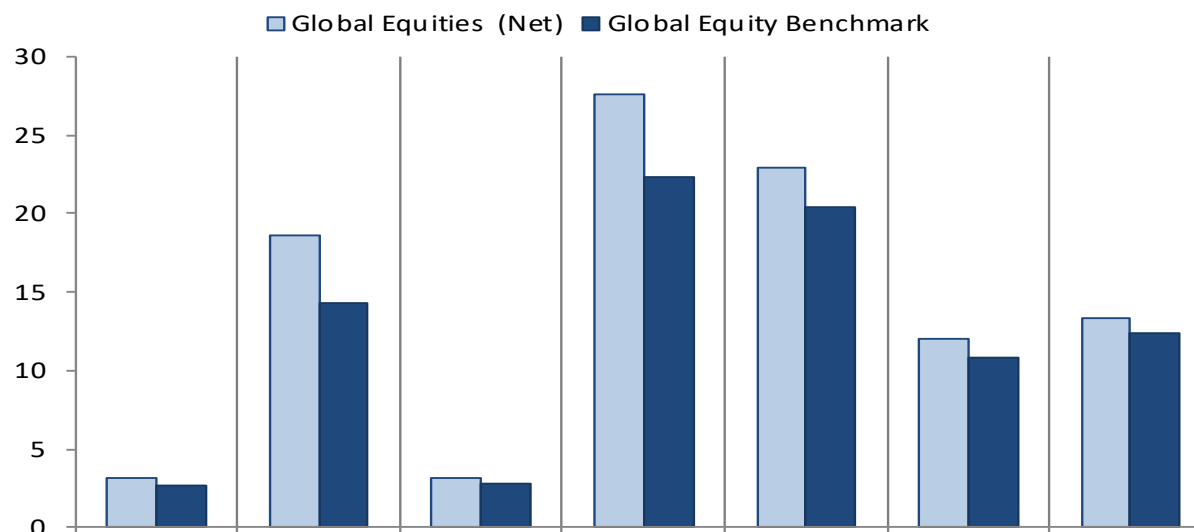
Gold performance inception date is 07/01/2026

Source: Clearwater Analytics



# Global Equities Performance

**Current Benchmark:**  
MSCI ACWI (Net Dividends)



|                          | 1 Month | CYTD  | FYTD | 1 Year | 3 Year | 5 Year | 10 Year |
|--------------------------|---------|-------|------|--------|--------|--------|---------|
| Global Equities (Gross)  | 3.13    | 19.11 | 3.21 | 28.21  | 23.31  | 12.37  | 13.72   |
| Global Equities (Net)    | 3.11    | 18.64 | 3.11 | 27.64  | 22.89  | 12.00  | 13.36   |
| Global Equity Benchmark  | 2.67    | 14.31 | 2.75 | 22.35  | 20.46  | 10.84  | 12.43   |
| Value Added (Net of Fee) | 0.44    | 4.33  | 0.36 | 5.29   | 2.43   | 1.16   | 0.93    |
| Regional US Equity       | 2.63    | 13.87 | 2.30 | 20.84  | 20.61  | 11.49  | 14.41   |
| Russell 3000 Index       | 2.74    | 13.37 | 2.25 | 20.10  | 20.60  | 11.79  | 14.83   |
| Value Added (Net of Fee) | (0.11)  | 0.50  | 0.05 | 0.74   | 0.01   | (0.30) | (0.42)  |
| Regional Non-US Equity   | 3.01    | 19.23 | 3.24 | 29.81  | 21.12  | 9.76   | 10.83   |
| Custom Non-US Equity BM  | 2.57    | 17.01 | 2.92 | 27.35  | 20.20  | 9.33   | 9.61    |
| Value Added (Net of Fee) | 0.44    | 2.22  | 0.32 | 2.46   | 0.92   | 0.43   | 1.22    |

Source: Clearwater Analytics



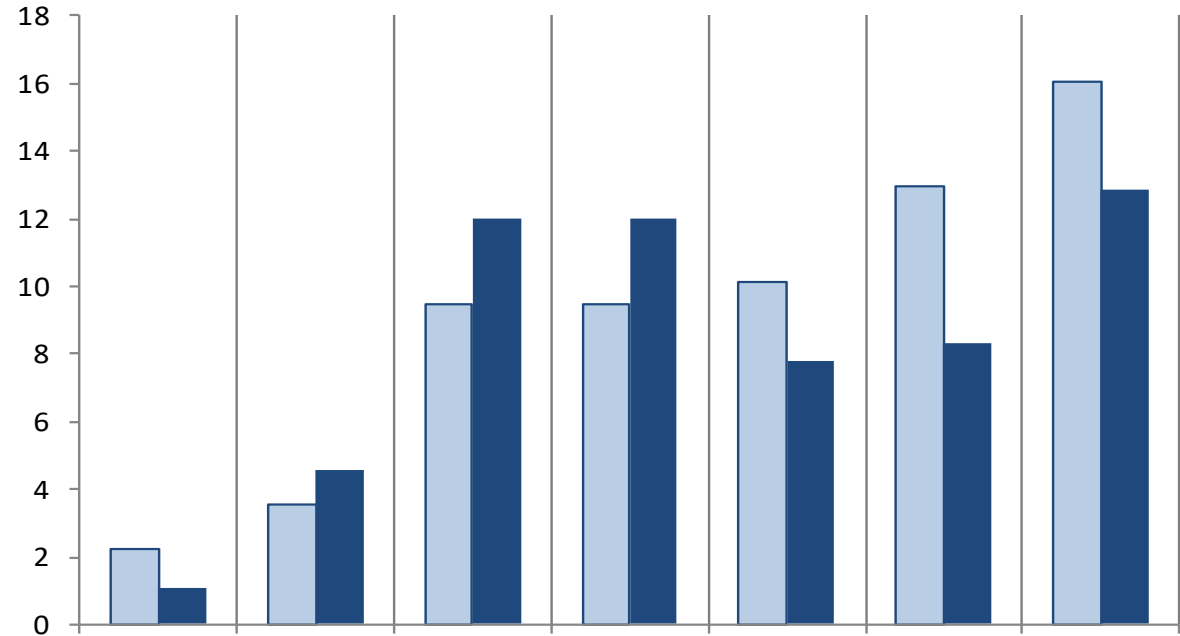
# Global Private Equity Performance

**Results as of: 06/30/2026**

**Current Benchmark:**

*Burgiss All Private Equity Index*

Private Equity (Net) Private Equity Policy Benchmark



|                                 | Qtr  | CYTD   | FYTD   | 1 Year | 3 Year | 5 Year | 10 Year |
|---------------------------------|------|--------|--------|--------|--------|--------|---------|
| Private Equity (Gross)          | 3.18 | 4.55   | 10.67  | 10.67  | 11.94  | 14.78  | 17.79   |
| Private Equity (Net)            | 2.21 | 3.57   | 9.46   | 9.46   | 10.12  | 12.96  | 16.06   |
| Private Equity Policy Benchmark | 1.06 | 4.57   | 11.99  | 11.99  | 7.82   | 8.32   | 12.89   |
| Value Added (Net of Fee)        | 1.15 | (1.00) | (2.53) | (2.53) | 2.30   | 4.64   | 3.17    |

Source: Clearwater Analytics

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

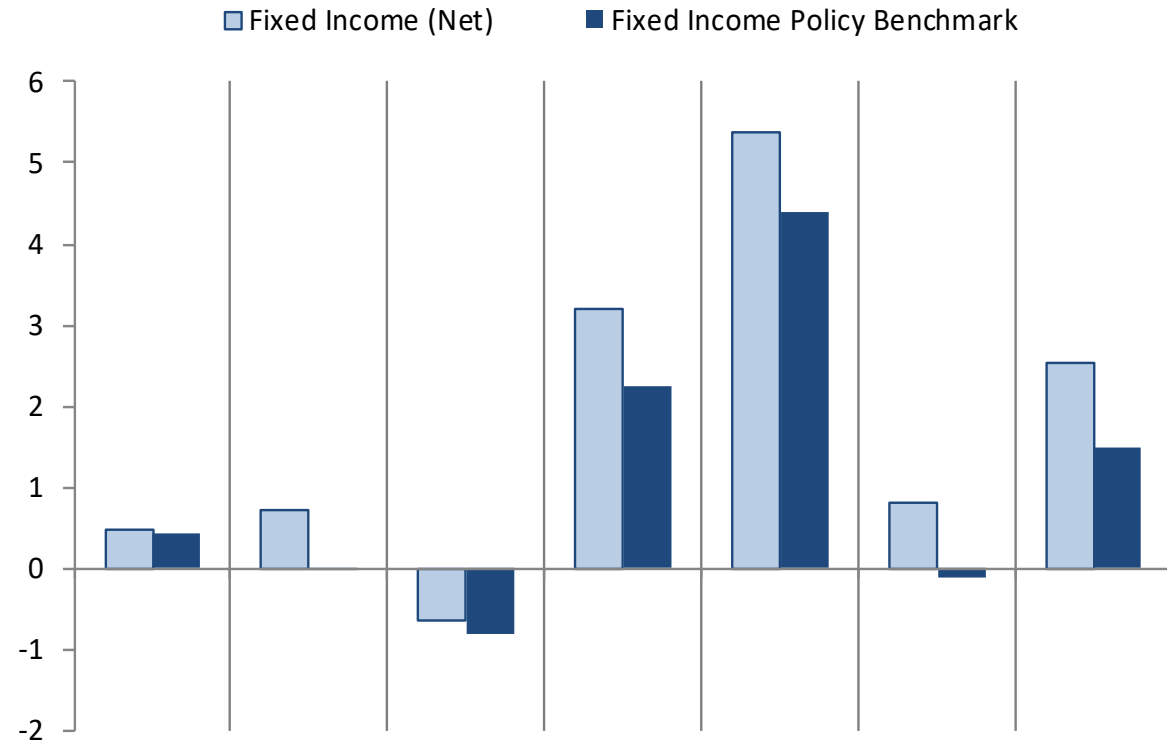
Global Private Equity performance is reported one quarter in arrears.



# Global Fixed Income Performance

## Current Benchmark:

*Bloomberg US Universal Bond Index*



|                               | 1 Month | CYTD   | FYTD   | 1 Year | 3 Year | 5 Year | 10 Year |
|-------------------------------|---------|--------|--------|--------|--------|--------|---------|
| Fixed Income (Gross)          | 0.49    | 0.96   | (0.60) | 3.49   | 5.68   | 1.08   | 2.79    |
| Fixed Income (Net)            | 0.46    | 0.72   | (0.65) | 3.19   | 5.38   | 0.80   | 2.53    |
| Fixed Income Policy Benchmark | 0.43    | (0.03) | (0.80) | 2.23   | 4.38   | (0.11) | 1.49    |
| Value Added (Net of Fee)      | 0.04    | 0.76   | 0.15   | 0.95   | 1.00   | 0.92   | 1.05    |

Source: Clearwater Analytics



# Global Private Credit Performance

■ Global Private Credit (Net)

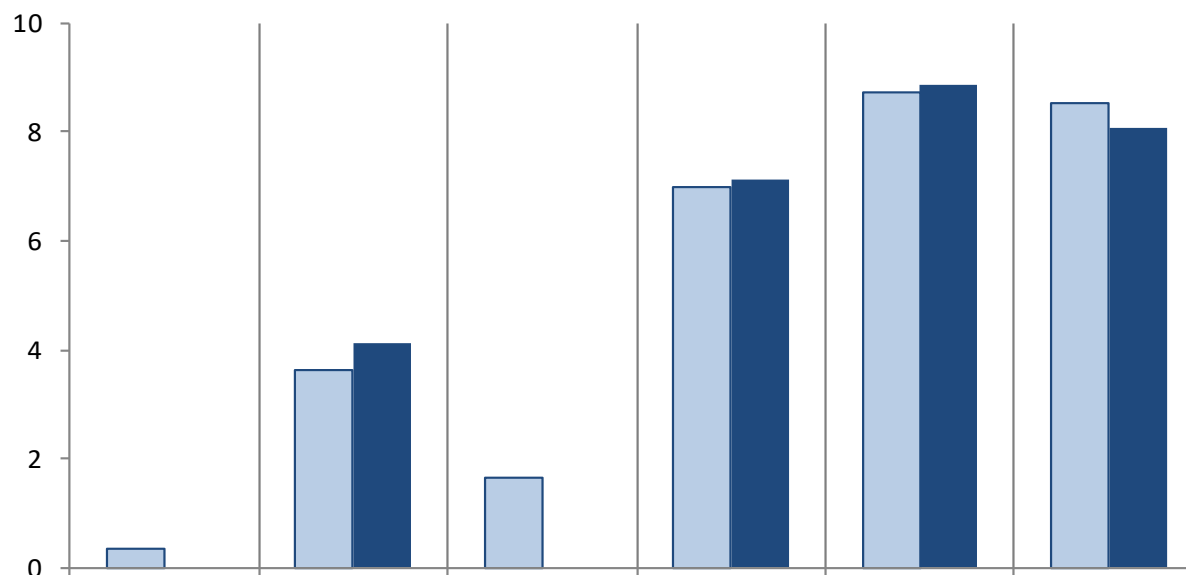
■ Global Private Credit Policy Benchmark

## Current Benchmark:

Quarterly Smoothed Morningstar

LSTA US Leveraged Loan

(one quarter in arrears)



|                                        | 1 Month | CYTD   | FYTD | 1 Year | 3 Year | 5 Year |
|----------------------------------------|---------|--------|------|--------|--------|--------|
| Global Private Credit (Gross)          | 0.44    | 5.50   | 1.94 | 8.93   | 10.40  | 10.12  |
| Global Private Credit (Net)            | 0.34    | 3.64   | 1.65 | 7.01   | 8.72   | 8.54   |
| Global Private Credit Policy Benchmark | 0.00    | 4.14   | 0.00 | 7.13   | 8.88   | 8.08   |
| Value Added (Net of Fee)               | 0.34    | (0.51) | 1.65 | (0.12) | (0.16) | 0.47   |

Source: Clearwater Analytics

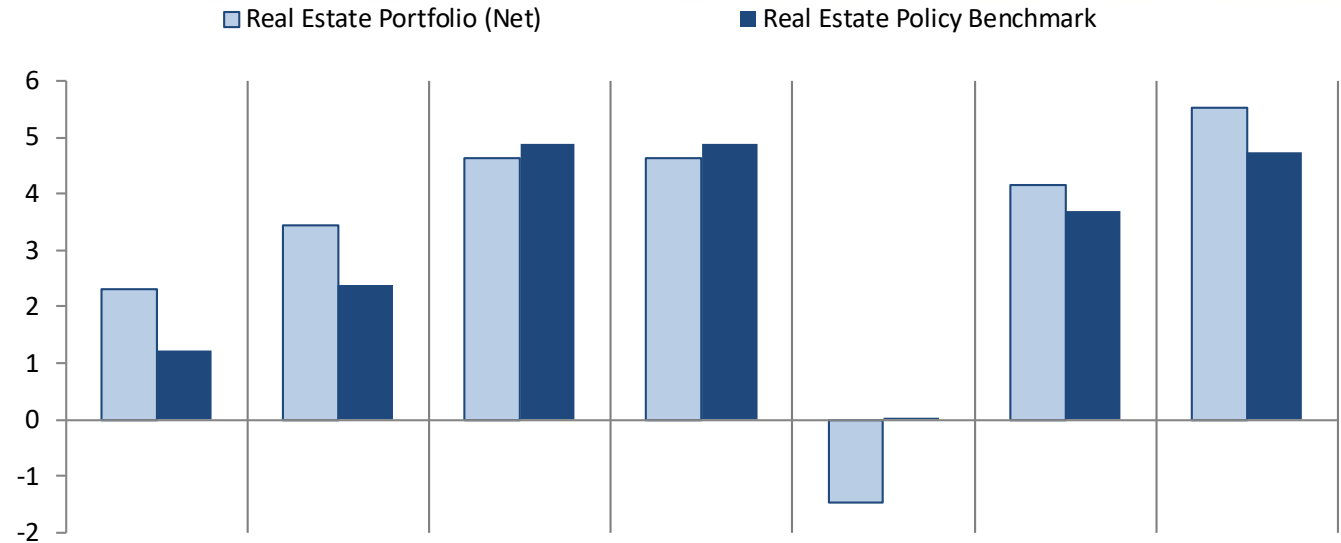
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.



# Global Real Estate Performance

Results as of: 06/30/2026

**Current Benchmark:**  
NCREIF Property Index (1q lag)



|                                        | Qtr  | CYTD | FYTD   | 1 Year | 3 Year | 5 Year | 10 Year |
|----------------------------------------|------|------|--------|--------|--------|--------|---------|
| Real Estate Portfolio (Gross)          | 3.16 | 4.32 | 5.53   | 5.53   | (0.63) | 5.10   | 6.49    |
| Real Estate Portfolio (Net)            | 2.30 | 3.45 | 4.64   | 4.64   | (1.48) | 4.15   | 5.52    |
| Real Estate Policy Benchmark           | 1.23 | 2.37 | 4.89   | 4.89   | 0.01   | 3.70   | 4.75    |
| Real Estate Value Added (NOF)          | 1.07 | 1.08 | (0.25) | (0.25) | (1.49) | 0.46   | 0.78    |
| Real Estate Core (Net)                 | 1.95 | 3.15 | 4.78   | 4.78   | (1.37) | 4.84   | 6.02    |
| Real Estate Policy Benchmark           | 1.23 | 2.37 | 4.89   | 4.89   | 0.01   | 3.70   | 4.75    |
| Real Estate Core Value Added (NOF)     | 0.72 | 0.78 | (0.11) | (0.11) | (1.38) | 1.14   | 1.27    |
| Real Estate Non-Core (Net)             | 2.89 | 3.28 | 1.62   | 1.62   | (3.63) | 0.95   | 3.56    |
| Real Estate Policy Benchmark           | 1.23 | 2.37 | 4.89   | 4.89   | 0.01   | 3.70   | 4.75    |
| Real Estate Non-Core Value Added (NOF) | 1.66 | 0.90 | (3.27) | (3.27) | (3.64) | (2.75) | (1.18)  |

Source: Clearwater Analytics

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

Global Real Estate performance is reported one quarter in arrears.

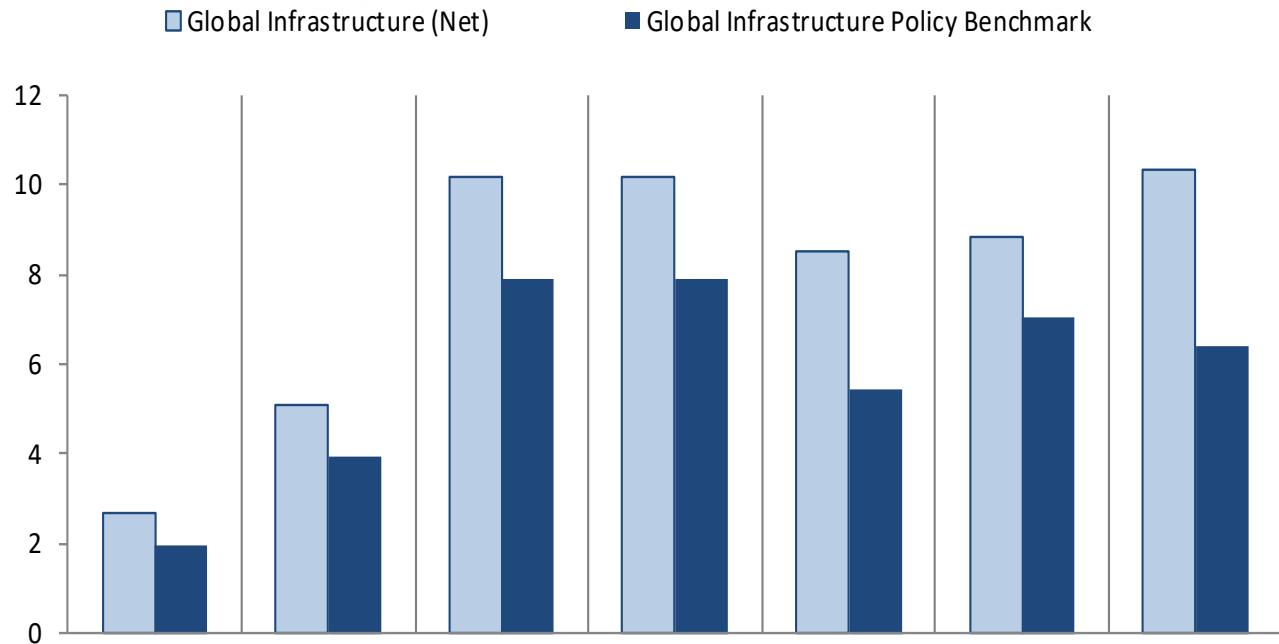


# Global Infrastructure Performance

Results as of: 06/30/2026

## Current Benchmark:

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



|                                         | Qtr  | CYTD | FYTD  | 1 Year | 3 Year | 5 Year | 10 Year |
|-----------------------------------------|------|------|-------|--------|--------|--------|---------|
| Global Infrastructure (Gross)           | 3.52 | 5.96 | 11.10 | 11.10  | 9.55   | 9.78   | 11.38   |
| Global Infrastructure (Net)             | 2.68 | 5.10 | 10.17 | 10.17  | 8.52   | 8.82   | 10.34   |
| Global Infrastructure Policy Benchmark  | 1.98 | 3.94 | 7.89  | 7.89   | 5.41   | 7.02   | 6.41    |
| Global Infrastructure Value Added (NOF) | 0.70 | 1.16 | 2.29  | 2.29   | 3.12   | 1.80   | 3.92    |

Source: Clearwater Analytics

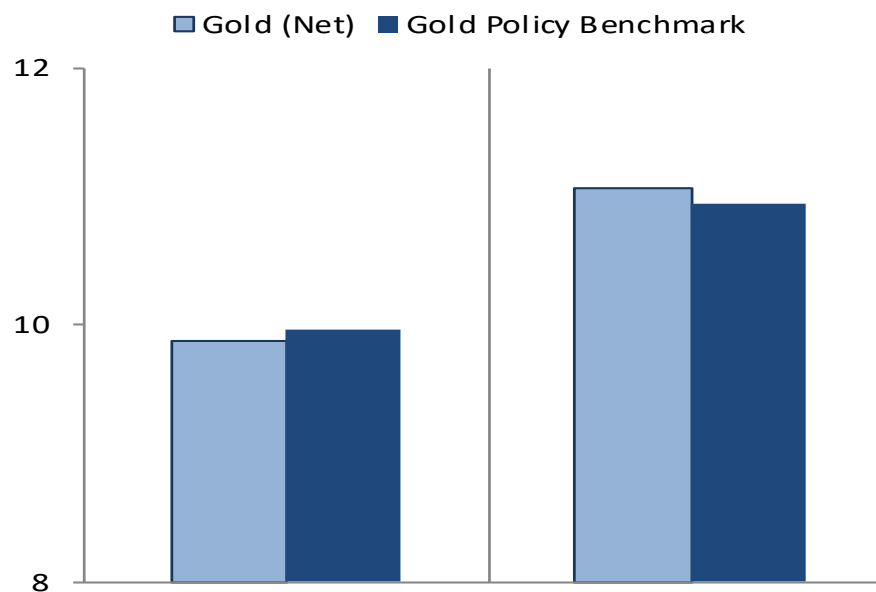
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Infrastructure performance is reported one quarter in arrears.



# Gold Performance

**Current Benchmark:**  
*IAUM Gold ETF*



|                               | 1 Month | CYTD | FYTD  | 1 Year | 3 Year | 5 Year | 10 Year |
|-------------------------------|---------|------|-------|--------|--------|--------|---------|
| Gold (Gross)                  | 9.88    | N/A  | 11.07 | N/A    | N/A    | N/A    | N/A     |
| Gold (Net)                    | 9.88    | N/A  | 11.07 | N/A    | N/A    | N/A    | N/A     |
| Gold Policy Benchmark         | 9.96    | N/A  | 10.95 | N/A    | N/A    | N/A    | N/A     |
| Gold Policy Value Added (NOF) | (0.08)  | N/A  | 0.12  | N/A    | N/A    | N/A    | N/A     |

*Gold performance inception date is 07/01/2026*

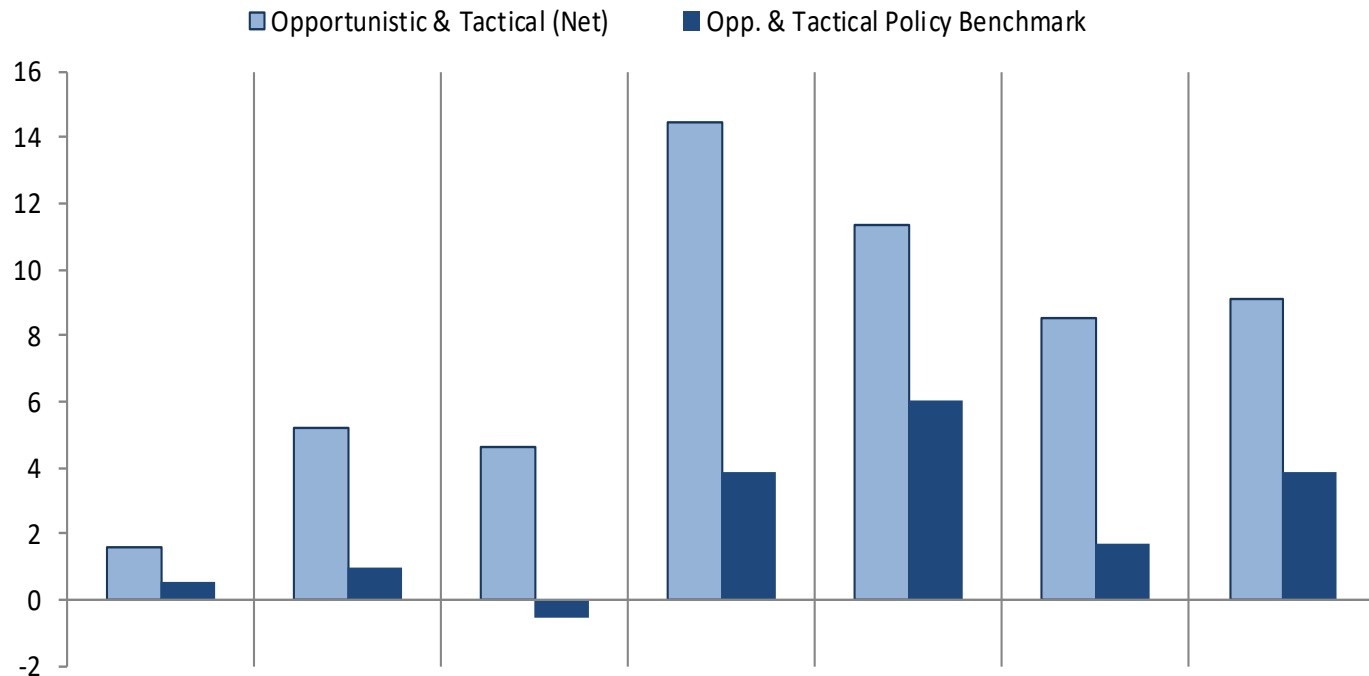
*Source: Clearwater Analytics*



# Opportunistic & Tactical Performance

## Current Benchmark:

*Bloomberg Aggregate  
Bond Index + 2%*



|                                          | 1 Month | CYTD | FYTD   | 1 Year | 3 Year | 5 Year | 10 Year |
|------------------------------------------|---------|------|--------|--------|--------|--------|---------|
| Opportunistic & Tactical (Gross)         | 1.70    | 6.13 | 4.89   | 15.40  | 12.44  | 9.67   | 10.43   |
| Opportunistic & Tactical (Net)           | 1.63    | 5.24 | 4.64   | 14.43  | 11.34  | 8.55   | 9.13    |
| Opp. & Tactical Policy Benchmark         | 0.54    | 1.02 | (0.56) | 3.89   | 6.08   | 1.72   | 3.86    |
| Opp. & Tactical Policy Value Added (NOF) | 1.09    | 4.22 | 5.20   | 10.54  | 5.27   | 6.84   | 5.28    |

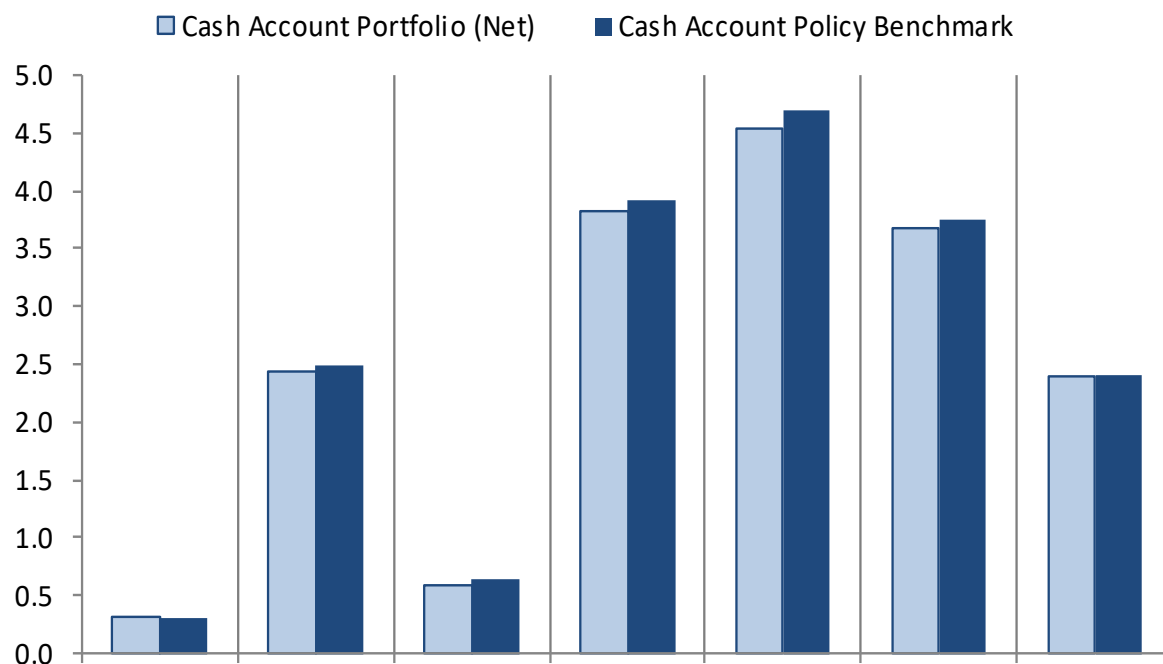
Source: Clearwater Analytics



# Cash Account Performance

## Current Benchmark:

FTSE 30 Day Treasury Bill Index



|                                | 1 Month | CYTD   | FYTD   | 1 Year | 3 Year | 5 Year | 10 Year |
|--------------------------------|---------|--------|--------|--------|--------|--------|---------|
| Cash Account Portfolio (Gross) | 0.31    | 2.45   | 0.60   | 3.82   | 4.54   | 3.67   | 2.40    |
| Cash Account Portfolio (Net)   | 0.31    | 2.45   | 0.60   | 3.82   | 4.54   | 3.67   | 2.40    |
| Cash Account Policy Benchmark  | 0.32    | 2.49   | 0.63   | 3.91   | 4.69   | 3.76   | 2.41    |
| Value Added (Net of Fee)       | (0.00)  | (0.05) | (0.04) | (0.09) | (0.16) | (0.09) | (0.00)  |

Source: Clearwater Analytics



## Overlay Gain / (Loss)

| Overlay Program           | Since Inception |
|---------------------------|-----------------|
| Currency Strategy         | \$54,292,960    |
| Asset Allocation Strategy | (\$31,017,277)  |
| Total                     | \$23,275,683    |

Source: Clearwater Analytics

Reported figures includes only current overlay programs that are active



## Proposed Investment Agenda – Next Meeting

- Annual Portfolio Review – Fixed Income.
- Wilshire Quarterly Performance Report (September 30, 2026).
- Quarterly Investment Report and economic update (September 30, 2026).

# Memo



**School Employees Retirement System of Ohio**  
*Serving the People Who Serve Our Schools®*

|                    |                               |
|--------------------|-------------------------------|
| <b>To:</b>         | Retirement Board              |
| <b>From:</b>       | Chris Collins                 |
| <b>Department:</b> | Government Relations          |
| <b>CC:</b>         | Ray Higgins, Karen Roggenkamp |
| <b>Date:</b>       | October 2, 2026               |
| <b>Re:</b>         | Federal Legislative Report    |

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## Congressional Action Overview

### **House cancels votes, cutting week short before adjourning until after midterms**

House Speaker Mike Johnson (R-LA) on Wednesday, September 16<sup>th</sup> cancelled votes in the chamber that were planned for Thursday, cutting the work week short and sending members home until after the November midterm elections.

Lawmakers will be away from Washington for more than six weeks, avoiding potentially controversial votes and intraparty fighting before voters head to the polls. Johnson previously canceled votes for the last two weeks in September.

With a continuing resolution (CR) set to expire December 11<sup>th</sup> and work remaining on all 12 spending bills for FY27, Congress has a long list of priorities to tackle after the midterms and before the current congressional session ends December 18<sup>th</sup>. Depending on the outcome of the midterm elections, federal lawmakers may pass another CR to delay finalizing FY27 spending bills until the new Congress begins, giving the new Congress an opportunity to re-draft funding bills; lawmakers may also rush to pass a minibus spending package that would include multiple FY27 spending bills, or an omnibus spending package, which would include all 12 spending bills for the upcoming fiscal year, before the end of the current Congress.

In addition, before the August recess, House Republicans passed the blueprint for a third, \$95 billion reconciliation package that would provide additional spending for defense and intelligence operations, farm relief, and administering certain provisions of the "Safeguard American Vote Eligibility (SAVE) Act," a voting reform bill championed by

the White House. However, the reconciliation blueprint has not had the support required to pass the Senate, and it is not clear whether congressional Republicans would have the time or support required to pass a reconciliation bill before the end of the current Congress. Congress may also try to enact a disaster supplemental funding package and move other legislative priorities before the year ends.

### **Crypto market structure legislation fails to overcome Senate procedural vote**

On September 15<sup>th</sup> the Senate voted 49-50 on a motion to proceed to the Digital Asset Market Clarity Act, falling short of the 60 votes required to advance the crypto market-structure legislation. The bill would establish a federal framework for digital assets, divide regulatory responsibilities between the SEC and CFTC, impose registration requirements and add protections aimed at illicit-finance risks. Republican negotiators released revised text ahead of the vote that included additional ethics provisions, DeFi requirements, and stablecoin-related safeguards, but several Democrats said the changes did not sufficiently address their concerns about ethics, investor protection, illicit finance and financial stability.

After the stalled vote, House Financial Services Chairman French Hill (R-AR) and House Agriculture Chairman Glenn “GT” Thompson (R-PA) said they would partner with the SEC and CFTC to “utilize existing authorities to develop rules and issue guidance governing digital assets” until statutory certainty is achieved. Senator Thom Tillis (R-NC) preserved the bill's ability to be reintroduced, though a timeline for a renewed vote is unclear. Industry reaction was mixed, with some suggesting the SEC, CFTC and Treasury would advance rules under existing authority regardless of the vote, while others called the failure only somewhat negative rather than a major shock. Critics argued any resulting SEC rulemaking would improperly usurp a decision Congress had considered and declined to make.

### **Data center legislation stalls in Senate due to election politics**

A bill sponsored by Senator Jon Husted (R-OH) meant to curb energy price increases associated with data centers was blocked on the Senate floor September 30<sup>th</sup>, effectively killing the chance for Congress to act on a controversial election issue ahead of the midterms.

The Ratepayer Protection Act failed to reach the 60-vote threshold necessary to propel it forward on the Senate floor. It went down in a 57-43 vote. Republicans had hoped a 417-3 vote of approval for the bill in the House just weeks ago could propel the bill over the finish line.

Senate Democrats spent the past week claiming that the bill does not go far enough in protecting Americans from rising power prices. The legislation requires states to consider, but does not mandate, a framework ensuring data centers pay for all energy costs and grid updates. But the measure became ensnared in midterm politics in the Senate, with Democrats suggesting that the bill was meant to bolster Husted's reelection chances.

Instead, Senators are expected to depart for the midterm campaign period without any congressional response to the growing backlash against data centers. The artificial

intelligence infrastructure and its associated energy costs has become a major issue in midterm races across the country.

### Social Security Reform

#### **Survey finds Social Security reform plans could sway voters in Senate races**

A new survey from the Peter G. Peterson Foundation finds that 81% of respondents in states with competitive Senate races say they are more likely to vote for candidates with plans to avoid automatic Social Security benefit cuts than for a candidate “who promises not to touch Social Security.”

The online survey from the Peterson Foundation, a nonpartisan organization focused on addressing America’s long-term fiscal challenges, included 2,500 registered voters in Georgia, Michigan, North Carolina, Ohio and Texas — states with Senate contests the group said it anticipates will be broadly competitive come November.

The Peterson Foundation survey did not ask about all Social Security reform proposals that lawmakers and policy experts have suggested.

- 72% of voters support raising the payroll tax cap by an additional 1% on all income above \$184,500.
- 66% support capping all annual Social Security benefits, so that no retired couple receives more than \$100,000 per year.
- 65% support reducing the benefits that the top 20% of earners receive.
- 65% also support a balanced approach of gradual benefit adjustments and tax increases to preserve Social Security for the long haul.

Just 29% of potential voters the Peterson Foundation surveyed said they would be in favor of government borrowing to avoid automatic benefit cuts.

There were no questions on the survey related to non-covered public employees. Any consideration of mandatory coverage for non-covered public employees as part of the solution to fix Social Security remains a key concern for SERS and other public retirement systems in similar states where public employees do not pay into Social Security.

### Regulatory Agency Update

#### **SEC proposes rescission of Rule 14a-8, potentially impacting proxy voting and corporate governance efforts**

On September 16<sup>th</sup> the Securities and Exchange Commission (SEC) proposed to rescind Rule 14a-8 in its entirety. Rule 14a-8 requires that a company include in its proxy statement a proposal submitted by a shareholder, provided the proposal meets the procedural and substantive requirements of Rule 14a-8.

For decades, Rule 14a-8 has been the primary channel for shareholders to submit proposals to companies, preferred by proponents over the more burdensome advance notice bylaw provisions that, although widely adopted by companies, do not mandate inclusion of the proposal in a company’s proxy statement.

If adopted, this would be one of the most meaningful changes to the shareholder engagement landscape since the adoption of the shareholder proposal rule in 1942. It is expected that shareholders will look to other ways to ensure that companies are listening to their views and that other shareholders are provided with an opportunity to consider and vote on issues that they define. Shareholders have always had the ability, albeit costly, to solicit proxies for their independent proposals to present to shareholders.

The expected deadline for comments to be around November 20, 2026, after which the SEC will have to consider comments and approve a final rule. The proposed amendments are likely to generate a spectrum of comments and, even if the rule is adopted during the 2027 proxy season, it is not going to be effective before the season is over. The final rule is also likely to face challenges in court, which could further delay implementation.

### Health Care

#### **Public Sector Healthcare Roundtable advisors visit the Hill and BMA policy forum**

The Public Sector HealthCare Roundtable is a non-partisan, member-directed coalition that exists to give public sector health care purchasers and State and local health plan administrators a voice in the design, development, and implementation of national health care policy. SERS is a member of the Roundtable and participates in the Roundtable's annual conference in DC and advocacy work throughout the year.

Roundtable's Senior Policy Advisor Jane Gilbert and Policy Advisors Katherine Hodgdon and Elizabeth Larky-Savin recently met with health legislative staff in Senator Husted's (R-OH), Senator Hassan's (D-NH), and Representative Guthrie's (R-KY) offices in September. During these meetings, they introduced staffers to the Roundtable's policy priorities and the unique challenges facing public sector purchasers. They also discussed Medicare Advantage (MA) Employer Group Waiver Plans (EGWPs) like the one SERS has.

The advisors also attended the Better Medicare Alliance (BMA) Policy Forum, which was an opportunity for the Roundtable to connect with other stakeholders in the Medicare Advantage space. A particular highlight was hearing from Amol Navathe, the new Chair of the Medicare Payment Advisory Committee (MedPAC), who revealed that MedPAC will include MA EGWP population statistics in its next report for the first time ever. This is a milestone the Roundtable has long advocated for and it reflects the impact of the Roundtable's ongoing efforts to raise awareness of MA EGWPs among key policymakers and organizations.

#### **Senator Warner (D-VA) introduces sweeping healthcare reform legislation**

On September 24<sup>th</sup>, Senator Mark Warner (D-VA) introduced the Health CARE Act, a broad health care package aimed at lowering costs, expanding coverage, and easing access to care. The bill would reverse the health care provisions of H.R. 1, make the enhanced Affordable Care Act (ACA) premium tax credits permanent, and create a low-cost public insurance option. On drug pricing, the bill would expand Medicare's negotiation program and extend Medicare-negotiated prices, out-of-pocket caps, inflation

rebates, and the \$35 insulin copay cap to the ACA marketplace and employer-sponsored insurance markets.

The legislation also reforms step therapy and prior authorization, bans PBM spread pricing in Medicaid, and allows Medicare Advantage enrollees to switch plans mid-year if their provider leaves the network. Other provisions would restore the higher federal Medicaid match for newly expanded states, add hearing aid coverage to Medicare, and require more transparency of hospitals, labs, and insurers. The bill is endorsed by groups including Community Catalyst, Families USA, Small Business Majority, and several Virginia health organizations.

Although it is unlikely that Senator Warner's bill will get much attention from Congress before the end of the term, it shows an ongoing interest by the Senate Democrats to take a different approach on health care accessibility and affordability, issues which continues to poll as a high priority among Americans.

**FEDERAL LEGISLATION BOARD REPORT**  
**119<sup>th</sup> United States Congress**  
**(Prepared by Chris Collins as of October 2, 2026)**

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**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.)

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**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.

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**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.

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**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.

**H.R.6703**

SPONSOR: Rep. Miller-Meeks, Mariannette [R-IA-1] Introduced

LAST ACTIONS: House - 12/18/2025 Received in Senate. 12/17/2025 Passed by the House on a vote of 216 – 211.

CAPTION: Lower Health Care Premiums for All Americans Act

COMMENT: This bill would establish new rules for association health plans, modify requirements for individual and group health coverage, require contracts between plan sponsors and PBMs to meet certain standards, and appropriate funding for reductions in cost sharing.

**S. 4979**

SPONSOR: Sen. Durbin, Richard J. [D-IL]

LAST ACTIONS: Senate - 07/14/2026 Read twice and referred to the Committee on Finance.

CAPTION: PROMISE Act of 2026

COMMENT: Protecting Retirement Opportunities and Maintaining Income Security for Everyone Act of 2026. A bill to establish a process to assure the long-term fiscal stability of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund of the Social Security Program.

**STATE LEGISLATION BOARD REPORT**  
**(Prepared by Chris Collins as of October 2, 2026)**

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**136<sup>th</sup> General Assembly**

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**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: 10/14/2025 House Technology and Innovation, (Fifth Hearing)

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**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

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**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

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**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: 06/02/2026 Referred to Finance Committee

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

Current Status: 02/25/2026 House Public Insurance and Pensions, (Third Hearing)

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**HB609** PUBLIC TESTIMONY REQUIREMENT (Thomas, Craig) - To require a public body to allow for public commentary and testimony before taking formal action on any item.

Current Status: 03/17/2026 House General Government, (Second Hearing)

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**HB674** SCHOOL TRANSPORTATION AUTHORIZATION-NETWORK COMPANY (Miller, K) - To authorize a public or private school to transport students using a transportation network company.

Current Status: 03/24/2026 House Education, (Fourth Hearing)

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**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

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**HB833** REGARDING RETIREMENT SYSTEM INVESTMENTS (Lampton, B) - Regarding investment options for state retirement system defined contribution plans.

Current Status: 06/03/2026 House Public Insurance and Pensions, (First Hearing)

# Memo



**School Employees Retirement System of Ohio**  
*Serving the People Who Serve Our Schools®*

|              |                                                                |
|--------------|----------------------------------------------------------------|
| <b>To:</b>   | SERS Retirement Board                                          |
| <b>From:</b> | H. Ray Higgins, Jr.<br>Executive Director                      |
| <b>CC:</b>   | Karen Roggenkamp, Marni Hall, Joe Marotta, and Megan Robertson |
| <b>Date:</b> | October 7, 2026                                                |
| <b>Re:</b>   | Actuarial Factor Tables and Rates                              |

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At the April 2026 Board meeting, Todd Green, from CavMac, presented the results of the June 30, 2025 five-year actuarial experience study (Study), which included a comprehensive analysis of the plan's actual experience compared to the actuarial assumptions used over the previous five-year period. The Board approved the recommended modifications to the actuarial assumptions as outlined in the Study.

Actuarial factor tables are charts that show preset numerical factors based on age used to calculate a retirement benefit. It's built off several key terms such as:

Interest rate – SERS' assumed rate remained unchanged at 7%

Mortality tables – PUB 2016 General Employee Amount Weighted Below-Median Table

Cost-of-Living (COLA) rate: 2.5%

Reduction factors – early service retirement with reduced benefits, optional forms of payment such as joint and survivor, year certain and life, and partial lump sum

Following the Study, CavMac delivered to SERS updated factors tables, recommended interest rates for Money Purchase and Re-employed annuities, other rates, as well as analysis addressed in this memo. Each new table, interest rate, and other rate change has been tested to evaluate the member benefit impact.

The following sections include a brief discussion of each factor and other rates including recommendations.

### **Optional Benefit Plan and PLOP Reduction Factors**

The normal form of the benefit payment is a single life annuity with a refund of any remaining accumulated contributions to a designated beneficiary.

Option factors are percentages applied against the single life allowance pension calculation to determine a new retiree's and beneficiary's lifetime pension amounts for those who select a joint survivor plan of payment. A PLOP, or partial lump sum option payment, is a cash payment available to a new retiree of 6 to 36 times the unreduced monthly pension. A PLOP reduces the pension based upon age. The option and PLOP factors change in conjunction with mortality tables and the assumed investment return, though the assumed investment return did not change after the Study.

The PLOP factors supplied by the actuary are higher than the current factors, resulting in slightly higher pensions for retirees who choose a PLOP. The joint and survivor factors are slightly higher than the current factors resulting in higher pensions for retirees who select a joint and survivor plan of payment. We recommend that the new option and PLOP factors be effective for initial benefits paid on and after February 1, 2027.

### **Early Retirement Factors**

Non-grandfathered members not eligible for an unreduced benefit based on age and years of service are subject to actuarial early retirement factors. The benefit is adjusted to be the actuarial equivalent of the member's retirement allowance had the member retired at age 67 or with thirty years of service credit, except the retirement allowance shall not be less than the retirement allowance based on years of service. The early retirement factors are slightly higher than current factors resulting in higher pensions for members who are not eligible for an unreduced benefit. We recommend that the new early retirement factor table be effective for initial benefits paid on and after February 1, 2027.

### **Contribution Based Benefit Cap Annuity Factors**

The Contribution Based Benefit Cap (CBBC) annuity factors are used to determine the CBBC, which is a tool SERS began using on August 1, 2024, to identify and prevent benefit inflation. The CBBC is determined by dividing the member's accumulated member contributions at retirement by the provided annuity factors to come up with an annuity amount. The factors are single life annuity factors based on assumptions approved at the April 2026 Board meeting. The annuity factors are slightly higher, which means the monthly annuity would be slightly lower. We recommend that the new CBBC annuity factor table be effective for initial benefits paid on and after February 1, 2027. The CBBC factor, which is the multiplier of the annuity amount that's compared to the standard statutory benefit calculation, remains at 6.25 as approved at the October 2023 Board meeting.

### **Early Retirement Incentive Rates**

Percentages of pay charged to employers that have adopted an early retirement incentive plan (ERI) and the additional lump sum healthcare liability charge for those who were not eligible to retire without the ERI credit are established by the actuary every 5 years.

The new ERI percentage of pay factors are slightly higher than the current factors. We recommend that the new ERI factors apply to all new ERI plans with an effective date on and after February 1, 2027.

### **Re-employed Retiree Annuity Factors**

Re-employed annuity factors are numbers supplied by the actuary that convert the lump sum annuity into monthly lifetime payments. They are based on mortality tables and the assumed investment return, though the assumed investment return did not change after the Study. The factors are slightly higher, which means the monthly annuity would be slightly lower. We recommend that the annuity factors be effective for initial monthly annuities paid on and after February 1, 2027.

### **Re-employed Retiree Annuity Interest on Contributions**

SERS has been crediting 3.00% on re-employed retiree contributions since July 1, 2017. Due to higher interest rates in recent years, we recommend increasing the rate credited on re-employed retiree contributions to 4.25%, which is comparable to the 10-Year Treasury Rate as of June 30, 2025. The effective date is for contributions received July 1, 2027, and after to align with the yearly fiscal member contribution cycle.

### **Re-employed Retiree Annuity – Employer Contributions**

Currently, a re-employed retiree receives their own 10% contribution plus 8% from the employer. We recommend continuing with the employer contribution match at 8% for the next five years. The rationale for 8% is that a re-employed retiree is similar to a college employee who selects an alternative retirement plan (ARP). With both benefit options, SERS retains a portion of the employer contribution rate to offset the financial impact of these members exclusion from SERS' collective risk pool. For ARP participants, SERS currently collects 3.85% of the 14% employer contribution for unfunded accrued liabilities. Following the 2025 Study, the ARP retention rate will increase to 4.41% per CavMac's calculation.

### **Money Purchase Annuity Factors**

Money purchase annuity factors are numbers supplied by the actuary to convert the lump sum annuity amount to a lifetime monthly benefit. They are based on mortality tables and assumed investment return, which CavMac recommends increasing from 3.0% to 4.25%. A money purchase benefit, which annuitizes a member's contributions, is rarely the higher benefit and is seldom awarded. The new factors are smaller than the old, which means that the lifetime benefit is higher. We recommend that the new factors be effective for benefits paid on and after February 1, 2027.

### **School Board Service Credit Purchase - Liability Factors**

Members who wish to purchase school board service rendered prior to July, 1991, pay a percentage of final average salary, and if the purchase makes them eligible for health care, an additional lump sum amount based on age. The percentages and lump sum amount are calculated by the actuary to be the liability incurred by the system due to the purchase. These percentages are affected by mortality tables. The actuary does not recommend making any changes to these factors. As there are very few members that can utilize this, factors used in the liability calculation will be established by the actuary on an individual basis.

### **Other Rates**

In addition to increasing the interest credited on re-employed retiree contributions due to higher interest rates, we also recommend increasing the rate from 3.0% to 4.25% on the following effective July 1, 2027:

- Money Purchase annuities
- Additional annuities

Rates that did not change because of the June 30, 2025, five-year experience study:

- Percent of salary required for purchase of exempted credit has been set at 24.00% since 2016. We recommend this be maintained at 24.00% to ensure the pension fund receives the appropriate amount of contributions.
- Interest charged on purchased service and unpaid ERI balances is currently 7.0%. We recommend maintaining this rate at 7.00%, consistent with the System's assumed rate of return.

### **Additional Five-Year Analysis**

In addition to providing updated factor tables and recommending various rate adjustments, CavMac also completed analysis as required under certain sections of the Ohio Revised Code (ORC). ORC 3309.34(C) directs the actuary to evaluate the retirement eligibility requirements for each five-year period. ORC 3309.36(D) directs the actuary to evaluate the actuarial equivalents to determine their appropriateness. The updated early retirement factor table is the product of their evaluation.

Ohio law permits full-time SERS members employed at public institutions of higher education to elect to participate in an Alternative Retirement Plan (ARP). There are approximately 210 people participating in an ARP rather than in SERS. Every five years SERS commissions a report from its actuary analyzing the mitigating rate, which is the rate sent to SERS to offset the negative impact of individuals participating in the ARP rather than in SERS.

We have received CavMac's report, which reflects a mitigating rate increase from 3.85% to 4.41%, effective for contributions received on and after July 1, 2027. The method for calculating the mitigating rate is established in statute, so no action by the Board is necessary. Following receipt of the report, SERS submits it to the Ohio Department of Higher Education, as required by statute.

Following this memo is a summary letter from CavMac detailing updated tables and recommendations following the June 30, 2025, Study. We also plan to provide a PowerPoint overview of this material prior to the potential votes.

If agreeable, there are several resolutions for your consideration to adopt the recommended factor tables and rates. If you have any questions or concerns, please let me know.



# Actuarial Factor Tables and Rates

October 15, 2026 Board Meeting

*Elements of this content were produced with the assistance of artificial intelligence and in accordance with SERS policy and governance.  
The content has been reviewed and verified by a human.*

# Overview – Factors and Rates



In April 2026, the Board approved the recommended modifications to the actuarial assumptions as outlined in the Five-Year Experience Study



Actuarial factor tables are charts that show preset numerical factors based on age used to calculate a retirement benefit, that is not an unreduced single life annuity



## Key terms:

Interest rate – 7%

Mortality tables – PUB 2016 General Employee Amount Weighted Below-Median Table

Cost-of-Living (COLA) rate: 2.5%

# Review Timeline



- **Testing:**
  - Tables were loaded in a test environment
  - Example pension calculations were performed
  - Verified expected results
- **Review:**
  - Share progress with Board
  - Summarize each table and rate change
- **Approve:**
  - Ten separate resolutions
- **Implement:**
  - Factors – planned for February 1st \*
  - Interest Rates – July 1<sup>st</sup>

\* 3-month delayed implementation provides communication window for members ready to retire who have received estimates under the old factor tables

# Next Steps



- Ten separate resolutions to approve
  - Based on updated assumptions approved in April 2026:
    1. Optional Benefit Plan and PLOP Reduction Factors
    2. Early Retirement Factors
    3. Contribution Based Benefit Cap Annuity Factors
    4. Early Retirement Incentive Rates
    5. Re-employed Annuity Factors
    6. Money Purchase Annuity Factors
  - Other rates and factors evaluated every five years
    7. Re-employed Annuity – Employer Contributions
    8. Re-employed Annuity – Interest on Contributions
    9. School Board Service Credit Purchase Liability Factors
    10. Interest Rates and Percentages

# How Do Factor Tables Impact Calculations?



- Purpose:

1. Reduce benefit when member selects a joint and survivor benefit, partial lump sum payment or early retirement
  - Factor tables actuarially reduce the annual benefit to offset more years of payment
  - Factors increased with the new tables
  - Once effective, calculations using these types of factor tables will increase the member benefit
2. Annuitize a lump sum, such as a re-employed or money purchase, into an annual benefit
  - Calculate lump sum amount
  - Factors increased with the new tables
  - Divide factor into lump sum to calculate annual benefit
  - Once effective, calculations using these types of factor tables will decrease the member benefit because the higher factor is divided into the lump sum amount

# Optional Benefit Plan and PLOP Reduction Factors



The normal form of benefit payment is a single life annuity

Option factors are reduction percentages applied against a single life allowance for a joint survivor plan of payment

A PLOP, or partial lump sum option payment:

- a cash payment available to a new retiree of 6 to 36 times the unreduced monthly pension
- reduces the pension based upon age

The option and PLOP factors are based on mortality tables and assumed investment return

The option and PLOP factors supplied by the actuary are higher than the current factors, resulting in slightly higher pensions once effective

# Early Retirement Factors



Non-grandfathered members not eligible for an unreduced benefit are subject to an early retirement reduction

Retirement ages between 62-66 are adjusted to be the actuarial equivalent of the member's retirement allowance had the member retired at age 67 or with thirty years of service credit

- except the retirement allowance shall not be less the retirement based on years of service

The early retirement factors are slightly higher than current factors resulting in higher pensions for members once effective

# Contribution Based Benefit Cap Annuity Factors



The Contribution Based Benefit Cap (CBBC) annuity factors are used to determine the CBBC, which is a tool SERS began using on August 1, 2024, to identify and prevent benefit inflation

Member's accumulated contributions are annuitized using the CBBC annuity factor

The annuity factors are slightly higher, which means the monthly annuity would be slightly lower

The CBBC factor, which is the multiplier of the annuity amount compared to the standard statutory benefit calculation, remains at 6.25 as approved at the October 2023 Board meeting

# Early Retirement Incentive Rates



An Early Retirement Incentive Plan (ERI) allows employers to purchase service credit on behalf of eligible employees

ERI rates are the percentage of pay charged to the employer and include an additional lump sum healthcare amount when applicable

The new ERI percentage of pay factors are slightly higher than the current factors

# Re-employed Retiree Annuity Factors



Re-employed annuity factors are numbers supplied by the actuary to convert the lump sum annuity into monthly lifetime payments

They are based on mortality tables and the assumed investment return.

The factors are slightly higher, which means the monthly annuity would be slightly lower

# Money Purchase Annuity Factors



Money Purchase annuity factors are numbers supplied by the actuary that convert the lump sum annuity into monthly lifetime payments

They are based on mortality tables and a 4.25% investment return

The factors are slightly lower, which means the monthly annuity would be slightly higher

## Re-employed Retiree Annuity – Employer Contributions



Re-employed retirees receives their own 10% contribution plus 8% (currently) from the employer

Upon review by the actuary, we recommend continuing with the employer contribution match at 8% for the next five years

SERS retains a portion of the employer contribution rate to offset the financial impact of these members exclusion from the SERS' collective risk pool

# Re-employed Retiree Annuity Interest on Contributions



Re-employed retirees are credited interest prior to annuitizing the accumulated contributions

SERS has been crediting 3.00% on re-employed retiree contributions since July 1, 2017

Due to higher interest rates and after consultation with the Actuary, we recommend increasing the rate credited to 4.25%, which is comparable to the 10-Year Treasury Rate as of June 30, 2025

The effective date is for contributions received July 1, 2027 and after to align with the yearly fiscal member contribution cycle

# School Board Service Credit Purchase - Liability Factors



Members eligible to purchase school board service rendered prior to July, 1991, pay a percentage of final average salary and an additional lump sum for healthcare when applicable

The percentages and lump sum amount are calculated by the actuary to be the liability incurred by the system due to the purchase

These percentages are based on mortality tables and assumed investment return

The actuary does not recommend making any changes to these factors

# Interest Rates and Percentages



Exempted credit - Percent of salary required for purchase of exempted credit has been set at 24.00% since 2016.

We recommend this be maintained at 24.00%, after consulting with the Actuary, to ensure the pension fund receives the appropriate amount of contributions



Service Credit Purchase - Interest charged on purchased service and unpaid ERI balances is currently 7.00%

We recommend maintaining this rate at 7.00%, after consulting with the Actuary, consistent with the System's assumed rate of return



Money Purchase & Additional Annuity – Interest credited on contributions

We recommend increasing the rate credited to 4.25%, which is comparable to the 10-Year Treasury Rate as of June 30, 2025

September 1, 2026

Ms. Marni Hall  
Chief Financial Officer  
School Employees Retirement System of Ohio  
300 East Broad Street, Suite 100  
Columbus, Ohio 43215

**Re: Actuarial Equivalence Factors**

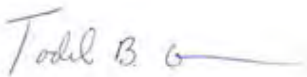
Dear Marni:

In the past, we have provided all of the various actuarial equivalence factors needed for the administration of Ohio SERS. With the most recent experience study, new factors are needed to aid in the future administration of the System. We thought it would be a good idea to include comprehensive documentation of these factors that should be reviewed and possibly updated when new actuarial assumptions are adopted. The goal of this letter is to provide all information related to these administrative factors in one document to assist SERS in managing their benefit administration.

The factors being provided are based on actuarial models and methods that are appropriate for the purpose of assessing actuarial equivalence. They use assumptions about future contingent events – mortality and investment return, in particular – as disclosed in our summary. We believe that our work to prepare them is consistent with the applicable Actuarial Standards of Practice and that we are qualified to issue such an opinion.

Please let us know if there are additional questions that arise related to the information presented in this letter. We would be happy to provide additional analysis if needed.

Sincerely,



Todd Green, ASA, EA, FCA, MAAA  
President



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

# Ohio SERS Actuarial Equivalence and Related Factors – Updated 2026

## Ohio SERS Actuarial Equivalent Factors

### Actuarial Equivalence Basis

**Mortality:**                      **Healthy Member:** Pub2016 General Employee Amount Weighted Below-Median Healthy Retiree Table, projected to 2045 using Scale MP-2021; Set Forward 1 Year for Males; Blended 30% Male / 70% Female

**Contingent Annuitant:** Pub2016 General Employee Amount Weighted Below-Median Contingent Survivor Table, projected to 2045 using Scale MP-2021; Set Forward 2 Years for Males and 1 Year for Females; Blended 70% Male / 30% Female

**Interest Rate:**                      7.00%

**Cost-of-Living (COLA) Rate:**                      2.50%

### **Optional Form of Payment Factors**

The normal form of the benefit payment for SERS is a single life annuity with a refund of any remaining accumulated contributions to a designated beneficiary. Members may elect to receive monthly benefits under a different form of payment. Optional forms of payment include:

- Plan A (Section 3309.46 (B)(1)(a)) – Spousal 50% Joint and Survivor with Popup
- Plan D (Section 3309.46 (B)(3)(c)) – Spousal 100% Joint and Survivor with Popup
- Plan E (Section 3309.46 (B)(3)(d)) – 1 to 30 Year Certain and Life
- Partial Lump Sum Option (Section 3309.46 (B)(4)(a)) – Portion of benefit payable as lump sum, remainder payable as monthly annuity. Annuity factors do not include a COLA.

The tables of factors are based on the member's and contingent annuitant's age nearest birth and should be applied in a consistent manner. Factors are provided to convert the normal form benefit into an optional form of payment benefit.

### **Early Retirement Incentive Rates**

Percentages of pay charged to employers that have adopted an early retirement incentive plan (ERI) and the additional lump sum liability charge for those who were not eligible to retire without the ERI credit.

## Ohio SERS Actuarial Equivalence and Related Factors – Updated 2026

### **Re-employed Retirees**

Reemployed Retiree account balances are credited interest at 4.25% annually (similar to the 10-Year Treasury Rates as of June 30, 2025).

The annuity factors are used to convert the lump sum annuity into monthly lifetime payments. They are based on 7.00% interest, 30% Male, 70% Female mortality table blend and no COLA.

### **Early Retirement Factors (ERFs)**

ORC Section 3309.36(D) requires the actuary to evaluate the basis for actuarial equivalence reductions for certain retirement eligibilities prior to eligibilities for unreduced retirement benefits. We have prepared and recommend the Board adopt updated actuarial equivalent reduction factors applicable to non-grandfathered members with less than 25 years of service who elect to retire prior to eligibility for unreduced benefits.

Early retirement factors are used to reduce a member's benefit if the member is not eligible for unreduced retirement. The Defined Benefit amount is actuarially adjusted for the years before age 67 for non-grandfathered members (Non-grandfathered members are those who had fewer than 25 years of service credit as of August 1, 2017). In no event is the adjusted benefit less than the percentages of the Defined Benefit amount based on years of service.

### **Money Purchase Factors**

The money purchase factors are used to determine the monthly benefit a member could receive as the actuarial equivalent of the member's accumulated contributions at retirement. These factors are developed using an interest rate of 4.25% (similar to the 10-Year Treasury Rates as of June 30, 2025).

The annuity amount is determined by dividing the member's accumulated contributions by the factors. The resulting monthly benefit is compared to the Defined Benefit amount to determine the benefit for which the member is eligible.

### **Contribution Based Benefit CAP (CBBC)**

The Contribution Based Benefit Cap (CBBC) factors are used to determine the CBBC. The CBBC is determined by dividing the members accumulated member contributions at retirement by the provided factors. The factors are single life annuity factors based upon the previously mentioned assumptions. The CBBC factors do not include a COLA adjustment.

## Ohio SERS Actuarial Equivalence and Related Factors – Updated 2026

### **Retirement Eligibility**

In light of the System's current and projected funded status combined with the Board's adopted funding policy, we have evaluated the current retirement eligibility requirements set forth in Ohio Revised Code Section 3309.34 and find that no adjustments are required at this time.

### **Re-employed Retiree Employer Contributions**

Under Ohio Revised Code Section 3309.341, retirants of the School Employees Retirement System of Ohio ("SERS"), as well as retirants of other Ohio public retirement systems, may be re-employed by a SERS-covered employer. During any period of re-employment, both the retirant and the employer are required to continue making contributions to SERS at the same statutory rates applicable to active members — currently 10.00% of covered compensation for the retirant and 14.00% of covered compensation for the employer. These contributions do not result in additional service credit or any increase to the retirant's original benefit, which continues to be paid based on the original retirement calculation. Instead, the contributions made during the period of re-employment accumulate in a separate account (8% employer / 14% employee) on the retirant's behalf. Upon termination of the re-employment period, the retirant may elect to receive these accumulated contributions either as a lump-sum refund or as an additional annuity benefit based on both the retirant's and the employer's accumulated contributions during the re-employment period. We recommend that the amount of the employer contribution credited to re-employed retiree accounts remain.

### **Purchase of Exempt Service**

Under Ohio Revised Code Section 3309.301, a member of the School Employees Retirement System of Ohio ("SERS") may purchase service credit for periods of prior employment during which the member was granted a written exemption from SERS membership and, as a result, did not contribute to the system, even though the position would otherwise have been covered. The system shall calculate the cost to purchase each year of credit by multiplying the member's compensation for the twelve months of contributing service immediately preceding the month in which the application to purchase is received by a percentage rate established by the Board (currently 24%) by resolution upon recommendation of its actuary. The cost for portion of credit of less than a full year shall be prorated based on the cost for a full year. We recommend that the rate remain unchanged at 24%.

## Ohio SERS Actuarial Equivalence and Related Factors – Updated 2026

### **School Board Service Credit Purchase - Liability Factors**

Members who wish to purchase school board service rendered prior to July, 1991, pay a percentage of final average salary, and if the purchase makes them eligible for health care, an additional lump sum amount based on age.

These liability calculations are determined by the actuary on an individual basis, therefore factors have not been provided.

**OPTIONAL BENEFIT PLAN AND PARTIAL LUMP-SUM OPTION REDUCTION FACTORS**

SERS staff and the actuary discussed with the Board the factors for optional benefit plans and partial lump-sum option plans (PLOPs) for retirees as provided by Section 3309.46 of the Revised Code, and the statutory requirement that the factors maintain actuarial equivalence. Using the long-term assumptions adopted by the Board in April 2026, the actuary has calculated revised actuarial equivalent benefit plan and PLOP reduction factors.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded to adopt the revised actuarial equivalent benefit plan and PLOP reduction factors, as developed by the actuary, to become effective for initial benefits that are paid on and after February 1, 2027.

Upon roll call, the vote was as follows:

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

### **ACTUARIAL EQUIVALENT REDUCTION FACTORS**

SERS staff and the actuary discussed with the Board actuarial equivalent reductions as set forth in Section 3309.36(B)(3) of the Revised Code for members retiring under Section 3309.34(A)(2). Using the long-term assumptions adopted by the Board in April 2026, the actuary has calculated revised actuarial equivalent reduction factors.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded these revised actuarial equivalent reduction factors, as developed by the actuary, be adopted and become effective for initial benefits that are paid on and after February 1, 2027.

Upon roll call, the vote was as follows:

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

**CONTRIBUTION BASED BENEFIT CAP ANNUITY FACTORS**

SERS staff and the actuary discussed with the Board the contribution based benefit cap calculation as set forth in Section 3309.363(C) of the Ohio Revised Code. Using the long-term assumptions adopted by the Board in April 2026, the actuary has calculated revised contribution based benefit cap annuity factors.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded these revised contribution based benefit cap annuity factors, as developed by the actuary, be adopted and become effective for initial benefits that are paid on and after February 1, 2027.

Upon roll call, the vote was as follows:

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

### **EARLY RETIREMENT INCENTIVE RATES**

SERS staff and the actuary discussed with the Board the early retirement incentive program under Section 3309.33 of the Revised Code and the actuary's recommendations regarding the percentage of salary required for the purchase of one to five years of additional service credit and for the cost of the additional health care liability. The actuary's recommendation was developed using the long-term assumptions adopted by the Board in April 2026.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded that the percentage of salary rates and additional health care liability costs, as recommended by the actuary, be adopted for early retirement incentive programs effective on and after February 1, 2027.

Upon roll call, the vote was as follows:

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

**RE-EMPLOYED RETIREE ANNUITY FACTORS**

SERS staff and the actuary discussed with the Board the re-employed retiree annuity as provided by Section 3309.344 of the Revised Code, and the factors used to calculate the annuity. Using the long-term assumptions adopted by the Board in April 2026, the actuary has calculated revised re-employed retiree annuity factors.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded that these revised re-employed retiree annuity factors, as developed by the actuary, be adopted and become effective for initial re-employed retiree annuities paid on and after February 1, 2027.

Upon roll call, the vote was as follows:

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

### **MONEY PURCHASE ANNUITY FACTORS**

SERS staff and the actuary discussed with the Board the factors used to calculate the amount of the money purchase annuity as provided by Section 3309.36 of the Revised Code. Using the long-term assumptions adopted by the Board in April 2026, and an interest rate of 4.25%, the actuary has calculated revised money purchase annuity factors.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded these revised money purchase factors, as developed by the actuary, be adopted and become effective for initial benefits that are paid on and after February 1, 2027.

Upon roll call, the vote was as follows:

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

**RE-EMPLOYED RETIREE ANNUITY – AMOUNT OF EMPLOYER CONTRIBUTIONS**

SERS staff and the actuary discussed with the Board the re-employed retiree annuity as provided by Section 3309.344 of the Revised Code and the statutory requirement that the Board determine the amount of employer contributions to be credited to the re-employed retiree annuity accounts during periods of employment.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded the amount of employer contributions credited to re-employed retiree annuity accounts remain at 8.00%.

Upon roll call, the vote was as follows:

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

**RE-EMPLOYED RETIREE ANNUITY – INTEREST ON CONTRIBUTIONS**

SERS staff and the actuary discussed with the Board the re-employed retiree annuity as provided by Section 3309.344 of the Revised Code and the statutory requirement that the Board determine the rate to be used to credit interest on re-employed retiree annuity account balances prior to the date of retirement.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded that the rate to be used for crediting interest to re-employed retiree annuity account balances increase from 3.00% to 4.25% effective July 1, 2027.

Upon roll call, the vote was as follows:

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

**SCHOOL BOARD SERVICE CREDIT PURCHASE**

SERS staff and the actuary discussed with the Board the purchase of school board service under Section 3309.311 of the Revised Code and that the cost of the purchase is required to be the additional liability to the system. Using the long-term assumptions adopted by the Board in April 2026, the factors used in the liability calculation will be established by the actuary on an individual basis.

\_\_\_\_\_ moved and \_\_\_\_\_ seconded the factors used in the liability calculation for any purchase of school board service credit will be established by the actuary on an individual basis.

Upon roll call, the vote was as follows:

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

### **INTEREST RATES AND PERCENTAGES**

SERS staff and the actuary discussed with the Board the need to review and adjust, as necessary, various rates and percentages used in the calculation of purchased service and in various benefit calculations, and the statutory requirement that the Board determine the rates and percentages.

After consultation with the actuary, SERS staff made recommendation to the Board that the following rates and percentages remain unchanged:

Interest charged on all purchased service and unpaid ERI balances, 7.00%

Percentage of Salary Rate for Purchase of Exempt Service, 24.00%

SERS staff made recommendation to the Board the following rate change:

Interest credited on Money Purchase and Additional Annuity contributions, 4.25%, an increase from 3.00%, effective July 1, 2027

\_\_\_\_\_ moved and \_\_\_\_\_ seconded that that the recommendations set forth above be adopted.

Upon roll call, the vote was as follows:

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

# Finance Headline News – Oct 2026



- Budget Administration
  - FY27 SERS administrative expenses are tracking under budget for the first quarter.
- The following detailed reports are attached for further analysis:
  - FY27 Budget Administrative expense reports
    - Administrative expense summary for September 2026
    - Administrative expense detail for September 2026
    - Parameters report for September 2026
  - Financial highlights
    - As of August 2026

**School Employees Retirement System of Ohio**  
**SERS Summary Admin Expenses**  
**Sep 2026**

| Financial Row                                                  | Amount                |
|----------------------------------------------------------------|-----------------------|
| <b>Summary Admin Expenses</b>                                  |                       |
| <b>Expense</b>                                                 |                       |
| <b>53100.0 - Staff Salaries Expense</b>                        |                       |
| 53100 - Salaries & Wages                                       | \$1,336,741.99        |
| 53110 - Salaries & Wages - Overtime                            | \$6,301.19            |
| 53111 - Staff Vacation Leave Expense                           | \$130,630.13          |
| 53112 - Staff Sick Leave Expense                               | \$60,683.70           |
| 53120 - Staff Incentive Pay                                    | \$1,129,084.57        |
| <b>Total - 53100.0 - Staff Salaries Expense</b>                | <b>\$2,663,441.58</b> |
| <b>53200.0 - Staff Retirement Contribution Expense</b>         |                       |
| 53200 - Staff Employer Contributions - PERS                    | \$322,814.48          |
| <b>Total - 53200.0 - Staff Retirement Contribution Expense</b> | <b>\$322,814.48</b>   |
| <b>53300.0 - Staff Benefit Expenses</b>                        |                       |
| 53300 - Staff Group Life                                       | \$7,992.14            |
| 53310 - Staff Long Term Disability                             | \$3,863.76            |
| 53315 - Staff Short Term Disability                            | \$3,377.58            |
| 53320 - Staff Group Health Claims                              | \$249,534.04          |
| 53321 - Staff Group Health - Admin Fees                        | \$7,994.32            |
| 53322 - Staff Prescription Claims                              | \$8,981.15            |
| 53324 - Staff Group Health - Stop Loss Admin                   | \$37,239.16           |
| 53326 - Staff Vision Claims                                    | \$2,217.17            |
| 53327 - Staff Vision Admin Fees                                | \$123.12              |
| 53330 - Staff Group Health - Employee Cost                     | (\$46,686.18)         |
| 53331 - Staff Group Health - Wellness Incentive                | \$4,195.00            |
| 53332 - Staff Group Health - Tobacco Premiums                  | (\$640.00)            |
| 53340 - Staff Medicare Premium - Employer                      | \$37,004.27           |
| 53380 - Staff Deferred Compensation Match                      | \$4,950.00            |
| <b>Total - 53300.0 - Staff Benefit Expenses</b>                | <b>\$320,145.53</b>   |
| 54100 - Actuarial Services                                     | \$60,327.00           |
| 54200 - Audit Services                                         | \$60,000.00           |
| <b>54300.0 - Banking Fee Expenses</b>                          |                       |
| 54310 - Custodial Fees                                         | \$100,515.23          |
| 54320 - Custodial Banking                                      | \$14,772.65           |
| <b>Total - 54300.0 - Banking Fee Expenses</b>                  | <b>\$115,287.88</b>   |
| <b>54400.0 - Investment Related Expenses</b>                   |                       |
| 54410 - Master Recordkeeper Fees                               | \$82,045.92           |
| 54420 - Investment Advisory Admin Fees                         | \$112,500.00          |
| 54430 - Performance/Analytics Fee                              | \$135,972.62          |
| <b>Total - 54400.0 - Investment Related Expenses</b>           | <b>\$330,518.54</b>   |
| 54520 - Medical Consultant                                     | \$4,000.00            |
| <b>54600.0 - Technical Expenses</b>                            |                       |
| 54610 - Special Counsel                                        | \$74,028.61           |
| 54620 - Technical                                              | \$94,183.00           |
| 54630 - Other Professional Services                            | \$8,771.73            |
| <b>Total - 54600.0 - Technical Expenses</b>                    | <b>\$176,983.34</b>   |
| 55100 - Postage                                                | \$4,591.33            |
| 55200 - Telecommunications Services                            | \$8,001.82            |
| 55300 - Member/Employer Education                              | \$772.37              |

|                                                                     |                       |
|---------------------------------------------------------------------|-----------------------|
| <b>55400.0 - Printing &amp; Publication Expenses</b>                |                       |
| 55420 - Communications & Publications                               | \$12,530.50           |
| <b>Total - 55400.0 - Printing &amp; Publication Expenses</b>        | <b>\$12,530.50</b>    |
| <b>56000.0 - Computer Support Service Expenses</b>                  |                       |
| 56020 - Hardware Maintenance                                        | \$3,196.50            |
| 56030 - Software Maintenance                                        | \$316,745.19          |
| 56035 - Software Subscriptions                                      | \$51,567.26           |
| 56040 - Hardware < \$5,000                                          | \$1,367.20            |
| <b>Total - 56000.0 - Computer Support Service Expenses</b>          | <b>\$372,876.15</b>   |
| <b>56100.0 - Office Equipment &amp; Supply Expenses</b>             |                       |
| 56110 - Equipment Repairs & Maintenance                             | \$5,225.55            |
| 56130 - Office Supplies & Expenses                                  | \$196.85              |
| 56140 - Miscellaneous Office Supplies                               | \$360.74              |
| <b>Total - 56100.0 - Office Equipment &amp; Supply Expenses</b>     | <b>\$5,783.14</b>     |
| <b>56200.0 - Staff Training Expenses</b>                            |                       |
| 53370 - Staff Tuition                                               | \$1,370.00            |
| 56210 - Seminars & Conferences                                      | \$18,916.62           |
| 56220 - In House Training                                           | \$609.62              |
| <b>Total - 56200.0 - Staff Training Expenses</b>                    | <b>\$20,896.24</b>    |
| <b>56300.0 - Transportation &amp; Travel Expenses</b>               |                       |
| 56310 - Travel & Transportation                                     | \$9,978.18            |
| 56311 - Mileage                                                     | \$1,235.92            |
| <b>Total - 56300.0 - Transportation &amp; Travel Expenses</b>       | <b>\$11,214.10</b>    |
| <b>56400.0 - Membership &amp; Subscription Expenses</b>             |                       |
| 56410 - Subscriptions                                               | \$5,519.99            |
| 56420 - Memberships                                                 | \$1,531.95            |
| <b>Total - 56400.0 - Membership &amp; Subscription Expenses</b>     | <b>\$7,051.94</b>     |
| <b>56500.0 - Property &amp; Fiduciary Insurance Expense</b>         |                       |
| 56510 - Management Liability Insurance                              | \$323,043.75          |
| <b>Total - 56500.0 - Property &amp; Fiduciary Insurance Expense</b> | <b>\$323,043.75</b>   |
| <b>56600.0 - Maintenance Expenses</b>                               |                       |
| 56630 - Interior Landscaping                                        | \$1,396.37            |
| 56640 - Vehicle Expense                                             | \$5,925.63            |
| <b>Total - 56600.0 - Maintenance Expenses</b>                       | <b>\$7,322.00</b>     |
| <b>56650.0 - Staff Support Expenses</b>                             |                       |
| 56620 - Staff Support                                               | \$5,210.12            |
| 56621 - Recruiting Expenses                                         | \$1,084.77            |
| <b>Total - 56650.0 - Staff Support Expenses</b>                     | <b>\$6,294.89</b>     |
| 56900 - Reimbursement of Leased Svcs from OSERS Broad St            | (\$25,416.67)         |
| <b>Total - Expense</b>                                              | <b>\$4,808,479.91</b> |
| <b>Total Admin Expenses</b>                                         | <b>\$4,808,479.91</b> |

**School Employees Retirement System of Ohio**  
**SERS Detail Admin Expenses**  
**Sep 2026**

| Financial Row                                                  | Vendor Bill Name                            | Amount                |
|----------------------------------------------------------------|---------------------------------------------|-----------------------|
| <b>Summary Admin Expenses</b>                                  |                                             |                       |
| <b>Expense</b>                                                 |                                             |                       |
| <b>53100.0 - Staff Salaries Expense</b>                        |                                             |                       |
| <b>53100 - Salaries &amp; Wages</b>                            |                                             |                       |
|                                                                | 0133 ADP, LLC                               | \$1,336,741.99        |
| <b>Total - 53100 - Salaries &amp; Wages</b>                    |                                             | <b>\$1,336,741.99</b> |
| <b>53110 - Salaries &amp; Wages - Overtime</b>                 |                                             |                       |
|                                                                | 0133 ADP, LLC                               | \$6,301.19            |
| <b>Total - 53110 - Salaries &amp; Wages - Overtime</b>         |                                             | <b>\$6,301.19</b>     |
| <b>53111 - Staff Vacation Leave Expense</b>                    |                                             |                       |
|                                                                | 0133 ADP, LLC                               | \$130,630.13          |
| <b>Total - 53111 - Staff Vacation Leave Expense</b>            |                                             | <b>\$130,630.13</b>   |
| <b>53112 - Staff Sick Leave Expense</b>                        |                                             |                       |
|                                                                | 0133 ADP, LLC                               | \$60,683.70           |
| <b>Total - 53112 - Staff Sick Leave Expense</b>                |                                             | <b>\$60,683.70</b>    |
| <b>53120 - Staff Incentive Pay</b>                             |                                             |                       |
|                                                                | 0133 ADP, LLC                               | \$1,129,084.57        |
| <b>Total - 53120 - Staff Incentive Pay</b>                     |                                             | <b>\$1,129,084.57</b> |
| <b>Total - 53100.0 - Staff Salaries Expense</b>                |                                             | <b>\$2,663,441.58</b> |
| <b>53200.0 - Staff Retirement Contribution Expense</b>         |                                             |                       |
| <b>53200 - Staff Employer Contributions - PERS</b>             |                                             |                       |
|                                                                | 0133 ADP, LLC                               | \$322,814.48          |
| <b>Total - 53200 - Staff Employer Contributions - PERS</b>     |                                             | <b>\$322,814.48</b>   |
| <b>Total - 53200.0 - Staff Retirement Contribution Expense</b> |                                             | <b>\$322,814.48</b>   |
| <b>53300.0 - Staff Benefit Expenses</b>                        |                                             |                       |
| <b>53300 - Staff Group Life</b>                                |                                             |                       |
|                                                                | 0267 American United Life Insurance Company | \$7,992.14            |
| <b>Total - 53300 - Staff Group Life</b>                        |                                             | <b>\$7,992.14</b>     |
| <b>53310 - Staff Long Term Disability</b>                      |                                             |                       |
|                                                                | 0267 American United Life Insurance Company | \$3,863.76            |
| <b>Total - 53310 - Staff Long Term Disability</b>              |                                             | <b>\$3,863.76</b>     |
| <b>53315 - Staff Short Term Disability</b>                     |                                             |                       |
|                                                                | 0267 American United Life Insurance Company | \$3,377.58            |
| <b>Total - 53315 - Staff Short Term Disability</b>             |                                             | <b>\$3,377.58</b>     |
| <b>53320 - Staff Group Health Claims</b>                       |                                             |                       |
|                                                                | 3555 Aetna Daily Wires - ESERS              | \$249,534.04          |
| <b>Total - 53320 - Staff Group Health Claims</b>               |                                             | <b>\$249,534.04</b>   |
| <b>53321 - Staff Group Health - Admin Fees</b>                 |                                             |                       |
|                                                                | 3552 Aetna Admin - ESERS                    | \$7,994.32            |
| <b>Total - 53321 - Staff Group Health - Admin Fees</b>         |                                             | <b>\$7,994.32</b>     |
| <b>53322 - Staff Prescription Claims</b>                       |                                             |                       |
|                                                                | 2811 Express Scripts - ESERS                | \$7,800.57            |
|                                                                | 5271 SaveonSP, LLC                          | \$1,180.58            |
| <b>Total - 53322 - Staff Prescription Claims</b>               |                                             | <b>\$8,981.15</b>     |
| <b>53324 - Staff Group Health - Stop Loss Admin</b>            |                                             |                       |
|                                                                | 3552 Aetna Admin - ESERS                    | \$37,239.16           |
| <b>Total - 53324 - Staff Group Health - Stop Loss Admin</b>    |                                             | <b>\$37,239.16</b>    |
| <b>53326 - Staff Vision Claims</b>                             |                                             |                       |
|                                                                | 0266 VSP - (OH)                             | \$2,217.17            |
| <b>Total - 53326 - Staff Vision Claims</b>                     |                                             | <b>\$2,217.17</b>     |
| <b>53327 - Staff Vision Admin Fees</b>                         |                                             |                       |
|                                                                | 0266 VSP - (OH)                             | \$123.12              |
| <b>Total - 53327 - Staff Vision Admin Fees</b>                 |                                             | <b>\$123.12</b>       |
| <b>53330 - Staff Group Health - Employee Cost</b>              |                                             |                       |
|                                                                | Employee Premiums                           | (\$46,686.18)         |
| <b>Total - 53330 - Staff Group Health - Employee Cost</b>      |                                             | <b>(\$46,686.18)</b>  |

|                                                                |                                                     |                     |
|----------------------------------------------------------------|-----------------------------------------------------|---------------------|
| 53331 - Staff Group Health - Wellness Incentive                | 0133 ADP, LLC                                       | \$4,195.00          |
| <b>Total - 53331 - Staff Group Health - Wellness Incentive</b> |                                                     | <b>\$4,195.00</b>   |
| 53332 - Staff Group Health - Tobacco Premiums                  | 0133 ADP, LLC                                       | (\$640.00)          |
| <b>Total - 53332 - Staff Group Health - Tobacco Premiums</b>   |                                                     | <b>(\$640.00)</b>   |
| 53340 - Staff Medicare Premium - Employer                      | 0133 ADP, LLC                                       | \$37,004.27         |
| <b>Total - 53340 - Staff Medicare Premium - Employer</b>       |                                                     | <b>\$37,004.27</b>  |
| 53380 - Staff Deferred Compensation Match                      | 0133 ADP, LLC                                       | \$4,950.00          |
| <b>Total - 53380 - Staff Deferred Compensation Match</b>       |                                                     | <b>\$4,950.00</b>   |
| <b>Total - 53300.0 - Staff Benefit Expenses</b>                |                                                     | <b>\$320,145.53</b> |
| 54100 - Actuarial Services                                     | 3241 CavMac                                         | \$60,327.00         |
| <b>Total - 54100 - Actuarial Services</b>                      |                                                     | <b>\$60,327.00</b>  |
| 54200 - Audit Services                                         | 5222 Plante & Moran, PLLC                           | \$60,000.00         |
| <b>Total - 54200 - Audit Services</b>                          |                                                     | <b>\$60,000.00</b>  |
| 54300.0 - Banking Fee Expenses                                 | 5482 Fifth Third - Investments                      | \$29,931.06         |
| 54310 - Custodial Fees                                         | 0273 BNY Mellon Asset Servicing                     | \$70,584.17         |
| <b>Total - 54310 - Custodial Fees</b>                          |                                                     | <b>\$100,515.23</b> |
| 54320 - Custodial Banking                                      | 0386 Huntington National Bank                       | \$14,772.65         |
| <b>Total - 54320 - Custodial Banking</b>                       |                                                     | <b>\$14,772.65</b>  |
| <b>Total - 54300.0 - Banking Fee Expenses</b>                  |                                                     | <b>\$115,287.88</b> |
| 54400.0 - Investment Related Expenses                          | 5897 Clearwater Analytics, LLC                      | \$82,045.92         |
| 54410 - Master Recordkeeper Fees                               |                                                     | <b>\$82,045.92</b>  |
| <b>Total - 54410 - Master Recordkeeper Fees</b>                |                                                     | <b>\$82,045.92</b>  |
| 54420 - Investment Advisory Admin Fees                         | 0484 Wilshire Advisors, LLC                         | \$112,500.00        |
| <b>Total - 54420 - Investment Advisory Admin Fees</b>          |                                                     | <b>\$112,500.00</b> |
| 54430 - Performance/Analytics Fee                              | 4896 Barra LLC                                      | \$59,611.25         |
|                                                                | 6024 Ice Data Services, Inc.                        | \$3,600.00          |
|                                                                | 5914 Nasdaq Evestment                               | \$11,587.50         |
|                                                                | 5917 S&P Dow Jones Indices, LLC                     | \$35,875.00         |
|                                                                | 6046 J.P. Morgan Securities, LLC                    | \$7,500.00          |
|                                                                | 0743 Frank Russell Company                          | \$298.87            |
|                                                                | 4974 Bloomberg Index Services                       | \$17,500.00         |
| <b>Total - 54430 - Performance/Analytics Fee</b>               |                                                     | <b>\$135,972.62</b> |
| <b>Total - 54400.0 - Investment Related Expenses</b>           |                                                     | <b>\$330,518.54</b> |
| 54520 - Medical Consultant                                     | 1021 Glen G Borchers, M.D.                          | \$4,000.00          |
| <b>Total - 54520 - Medical Consultant</b>                      |                                                     | <b>\$4,000.00</b>   |
| 54600.0 - Technical Expenses                                   | 0276 Ice Miller LLP                                 | \$9,720.00          |
| 54610 - Special Counsel                                        | 3361 Seyfarth Shaw LLP                              | \$43,260.00         |
|                                                                | 1921 Porter, Wright, Morris,                        | \$2,246.11          |
|                                                                | 1532 Morgan, Lewis & Bockius                        | \$18,802.50         |
| <b>Total - 54610 - Special Counsel</b>                         |                                                     | <b>\$74,028.61</b>  |
| 54620 - Technical                                              | 5345 Sigital, LLC                                   | \$780.00            |
|                                                                | 3296 LexisNexis Risk Data Management, Inc           | \$6,408.00          |
|                                                                | 6051 National Institute Of Standards And Technology | \$60.00             |
|                                                                | 5215 ComResource                                    | \$3,375.00          |
|                                                                | 4518 Sagitec Solutions, LLC                         | \$52,560.00         |
|                                                                | 0354 Merative US L.P.                               | \$31,000.00         |
| <b>Total - 54620 - Technical</b>                               |                                                     | <b>\$94,183.00</b>  |

|                                                                 |                                       |                     |
|-----------------------------------------------------------------|---------------------------------------|---------------------|
| <b>54630 - Other Professional Services</b>                      |                                       |                     |
|                                                                 | 5877 Nossaman LLP                     | \$3,300.00          |
|                                                                 | 5551 Freedom A La Cart                | \$457.13            |
|                                                                 | 4891 Tim Horton's                     | \$35.10             |
|                                                                 | 5060 Kimberly Wickert                 | \$582.00            |
|                                                                 | 5031 Vorys Advisors LLC               | \$4,275.00          |
|                                                                 | 6052 Larry Phillips Photography, Inc. | \$122.50            |
| <b>Total - 54630 - Other Professional Services</b>              |                                       | <b>\$8,771.73</b>   |
| <b>Total - 54600.0 - Technical Expenses</b>                     |                                       | <b>\$176,983.34</b> |
| <b>55100 - Postage</b>                                          |                                       |                     |
|                                                                 | 0060 Pitney Bowes Inc.                | \$2,852.70          |
|                                                                 | 0254 Unishippers Association          | \$328.73            |
|                                                                 | 6050 Roar Postal Supplies             | \$1,409.90          |
| <b>Total - 55100 - Postage</b>                                  |                                       | <b>\$4,591.33</b>   |
| <b>55200 - Telecommunications Services</b>                      |                                       |                     |
|                                                                 | 5999 Bluebird MidWest, LLC            | \$2,658.10          |
|                                                                 | 0277 XO Verizon                       | \$1,854.44          |
|                                                                 | 5543 Spectrum AWS                     | \$1,230.00          |
|                                                                 | 1605 AT&T - 7258                      | \$50.09             |
|                                                                 | 5665 Total Communication Solutions    | \$1,912.90          |
|                                                                 | 0253 T-Mobile                         | \$60.70             |
|                                                                 | 4732 Verizon Wireless                 | \$235.59            |
| <b>Total - 55200 - Telecommunications Services</b>              |                                       | <b>\$8,001.82</b>   |
| <b>55300 - Member/Employer Education</b>                        |                                       |                     |
|                                                                 | 4116 Cameron Vaughan                  | \$713.69            |
|                                                                 | 5570 Michelle Richards                | \$58.68             |
| <b>Total - 55300 - Member/Employer Education</b>                |                                       | <b>\$772.37</b>     |
| <b>55400.0 - Printing &amp; Publication Expenses</b>            |                                       |                     |
| <b>55420 - Communications &amp; Publications</b>                |                                       |                     |
|                                                                 | 5304 Tension Envelope Corporation     | \$10,184.00         |
|                                                                 | 0407 Sterling Paper Company           | \$2,346.50          |
| <b>Total - 55420 - Communications &amp; Publications</b>        |                                       | <b>\$12,530.50</b>  |
| <b>Total - 55400.0 - Printing &amp; Publication Expenses</b>    |                                       | <b>\$12,530.50</b>  |
| <b>56000.0 - Computer Support Service Expenses</b>              |                                       |                     |
| <b>56020 - Hardware Maintenance</b>                             |                                       |                     |
|                                                                 | 5591 Presidio                         | \$3,196.50          |
| <b>Total - 56020 - Hardware Maintenance</b>                     |                                       | <b>\$3,196.50</b>   |
| <b>56030 - Software Maintenance</b>                             |                                       |                     |
|                                                                 | 2263 Dell Marketing LP                | \$311,331.99        |
|                                                                 | 4518 Sagitec Solutions, LLC           | \$2,000.00          |
|                                                                 | 5645 Progress                         | \$3,413.20          |
| <b>Total - 56030 - Software Maintenance</b>                     |                                       | <b>\$316,745.19</b> |
| <b>56035 - Software Subscriptions</b>                           |                                       |                     |
|                                                                 | 5501 Expedient                        | \$13,576.06         |
|                                                                 | 5473 Wellable LLC                     | \$481.00            |
|                                                                 | 6045 PagerDuty, Inc.                  | \$2,091.00          |
|                                                                 | 0133 ADP, LLC                         | \$3,886.28          |
|                                                                 | 4913 Sharegate                        | \$10,791.00         |
|                                                                 | 5849 GuidePoint Security, LLC         | \$20,054.28         |
|                                                                 | 5938 Telesign                         | \$623.70            |
|                                                                 | 5409 Amazon Web Services              | \$63.94             |
| <b>Total - 56035 - Software Subscriptions</b>                   |                                       | <b>\$51,567.26</b>  |
| <b>56040 - Hardware &lt; \$5,000</b>                            |                                       |                     |
|                                                                 | 0411 Amazon.com                       | \$1,367.20          |
| <b>Total - 56040 - Hardware &lt; \$5,000</b>                    |                                       | <b>\$1,367.20</b>   |
| <b>Total - 56000.0 - Computer Support Service Expenses</b>      |                                       | <b>\$372,876.15</b> |
| <b>56100.0 - Office Equipment &amp; Supply Expenses</b>         |                                       |                     |
| <b>56110 - Equipment Repairs &amp; Maintenance</b>              |                                       |                     |
|                                                                 | 5332 Canon Financial Services, Inc    | \$544.00            |
|                                                                 | 5340 Digital Print Solutions          | \$1,552.23          |
|                                                                 | 4620 Ricoh USA, Inc                   | \$3,129.32          |
| <b>Total - 56110 - Equipment Repairs &amp; Maintenance</b>      |                                       | <b>\$5,225.55</b>   |
| <b>56130 - Office Supplies &amp; Expenses</b>                   |                                       |                     |
|                                                                 | 0172 Staples Business Advantage       | \$86.26             |
|                                                                 | 0411 Amazon.com                       | \$110.59            |
| <b>Total - 56130 - Office Supplies &amp; Expenses</b>           |                                       | <b>\$196.85</b>     |
| <b>56140 - Miscellaneous Office Supplies</b>                    |                                       |                     |
|                                                                 | 2098 Institute of Internal Auditors   | \$360.74            |
| <b>Total - 56140 - Miscellaneous Office Supplies</b>            |                                       | <b>\$360.74</b>     |
| <b>Total - 56100.0 - Office Equipment &amp; Supply Expenses</b> |                                       | <b>\$5,783.14</b>   |

|                                                                 |                                             |                    |
|-----------------------------------------------------------------|---------------------------------------------|--------------------|
| <b>56200.0 - Staff Training Expenses</b>                        |                                             |                    |
| <b>53370 - Staff Tuition</b>                                    |                                             |                    |
|                                                                 | 5867 Amy Razor                              | \$1,370.00         |
| <b>Total - 53370 - Staff Tuition</b>                            |                                             | <b>\$1,370.00</b>  |
| <b>56210 - Seminars &amp; Conferences</b>                       |                                             |                    |
|                                                                 | 4847 Pluralsight                            | \$7,910.00         |
|                                                                 | 6047 CreativePro                            | \$68.00            |
|                                                                 | 0473 Public Pension Financial Forum         | \$2,400.00         |
|                                                                 | 6048 Forklift Training Systems              | \$750.00           |
|                                                                 | 6049 Hourglass                              | \$4,398.00         |
|                                                                 | 0843 NCPERS                                 | \$930.00           |
|                                                                 | 5897 Clearwater Analytics, LLC              | \$302.62           |
|                                                                 | 5531 Mightevent.com                         | \$958.00           |
|                                                                 | 5635 Christopher Hyland                     | \$1,200.00         |
| <b>Total - 56210 - Seminars &amp; Conferences</b>               |                                             | <b>\$18,916.62</b> |
| <b>56220 - In House Training</b>                                |                                             |                    |
|                                                                 | 0133 ADP, LLC                               | \$609.62           |
| <b>Total - 56220 - In House Training</b>                        |                                             | <b>\$609.62</b>    |
| <b>Total - 56200.0 - Staff Training Expenses</b>                |                                             | <b>\$20,896.24</b> |
| <b>56300.0 - Transportation &amp; Travel Expenses</b>           |                                             |                    |
| <b>56310 - Travel &amp; Transportation</b>                      |                                             |                    |
|                                                                 | 5949 Freeman Spogli                         | \$637.00           |
|                                                                 | 5982 Markets Group US, LLC                  | \$365.75           |
|                                                                 | 6039 Ray Higgins                            | \$543.59           |
|                                                                 | 5595 Kewalin Leonard                        | \$1,794.77         |
|                                                                 | 4395 Katie Talbert                          | \$302.63           |
|                                                                 | 5639 Aimee Russell                          | \$708.11           |
|                                                                 | 4416 Chris Castle                           | \$458.80           |
|                                                                 | 5572 Mike Berger                            | \$562.30           |
|                                                                 | 5318 Michael Browning                       | \$840.80           |
|                                                                 | 1261 Trisha Rider                           | \$724.43           |
|                                                                 | 2320 Phil Sisson                            | \$156.14           |
|                                                                 | 1217 Steve Price                            | \$85.62            |
|                                                                 | 0017 Daniel L Wilson                        | \$165.56           |
|                                                                 | 0024 James Rossler                          | \$131.00           |
|                                                                 | 5635 Christopher Hyland                     | \$1,892.61         |
|                                                                 | 5418 Matt King                              | \$296.59           |
|                                                                 | 5889 Jeanine Alexander                      | \$131.00           |
|                                                                 | 3503 Michelle Miller                        | \$181.48           |
| <b>Total - 56310 - Travel &amp; Transportation</b>              |                                             | <b>\$9,978.18</b>  |
| <b>56311 - Mileage</b>                                          |                                             |                    |
|                                                                 | 2320 Phil Sisson                            | \$12.92            |
|                                                                 | 4116 Cameron Vaughan                        | \$127.98           |
|                                                                 | 1217 Steve Price                            | \$7.60             |
|                                                                 | 5946 Rebekah Roe                            | \$38.46            |
|                                                                 | 0017 Daniel L Wilson                        | \$226.48           |
|                                                                 | 0024 James Rossler                          | \$215.84           |
|                                                                 | 5639 Aimee Russell                          | \$124.80           |
|                                                                 | 5889 Jeanine Alexander                      | \$299.44           |
|                                                                 | 5418 Matt King                              | \$182.40           |
| <b>Total - 56311 - Mileage</b>                                  |                                             | <b>\$1,235.92</b>  |
| <b>Total - 56300.0 - Transportation &amp; Travel Expenses</b>   |                                             | <b>\$11,214.10</b> |
| <b>56400.0 - Membership &amp; Subscription Expenses</b>         |                                             |                    |
| <b>56410 - Subscriptions</b>                                    |                                             |                    |
|                                                                 | 4547 Constant Contact                       | \$1,224.00         |
|                                                                 | 5511 Toledo Blade                           | \$12.99            |
|                                                                 | 0304 Wall Street Journal                    | \$97.18            |
|                                                                 | 0305 Columbus Dispatch                      | \$45.00            |
|                                                                 | 4198 Financial Times                        | \$429.00           |
|                                                                 | 5865 Cleveland.Com                          | \$16.50            |
|                                                                 | 1159 Economist - tax refund                 | (\$30.68)          |
|                                                                 | 5873 Ned Davis Research                     | \$3,511.00         |
|                                                                 | 0385 Thomson Reuters - West Publishing Corp | \$215.00           |
| <b>Total - 56410 - Subscriptions</b>                            |                                             | <b>\$5,519.99</b>  |
| <b>56420 - Memberships</b>                                      |                                             |                    |
|                                                                 | 2887 PayrollOrg                             | \$312.00           |
|                                                                 | 0381 Public Relations Society of America    | \$273.00           |
|                                                                 | 0473 Public Pension Financial Forum         | \$400.00           |
|                                                                 | 0367 CFA Institute                          | \$474.00           |
|                                                                 | 5437 Adam Messerschmitt                     | \$72.95            |
| <b>Total - 56420 - Memberships</b>                              |                                             | <b>\$1,531.95</b>  |
| <b>Total - 56400.0 - Membership &amp; Subscription Expenses</b> |                                             | <b>\$7,051.94</b>  |

|                                                                         |                                              |                       |
|-------------------------------------------------------------------------|----------------------------------------------|-----------------------|
| <b>56500.0 - Property &amp; Fiduciary Insurance Expense</b>             |                                              |                       |
| <b>56510 - Management Liability Insurance</b>                           |                                              |                       |
|                                                                         | 4618 ARC Excess & Surplus, LLC.              | \$323,043.75          |
| <b>Total - 56510 - Management Liability Insurance</b>                   |                                              | <b>\$323,043.75</b>   |
| <b>Total - 56500.0 - Property &amp; Fiduciary Insurance Expense</b>     |                                              | <b>\$323,043.75</b>   |
| <b>56600.0 - Maintenance Expenses</b>                                   |                                              |                       |
| <b>56630 - Interior Landscaping</b>                                     |                                              |                       |
|                                                                         | 3039 Ambius Inc. (05)                        | \$1,396.37            |
| <b>Total - 56630 - Interior Landscaping</b>                             |                                              | <b>\$1,396.37</b>     |
| <b>56640 - Vehicle Expense</b>                                          |                                              |                       |
|                                                                         | 5069 Moo Moo Car Wash                        | \$38.00               |
|                                                                         | 5573 Sheetz                                  | \$25.00               |
|                                                                         | 0563 AutoZone 0762                           | \$56.13               |
|                                                                         | 5824 Alliant Insurance Services, Inc.        | \$5,806.50            |
| <b>Total - 56640 - Vehicle Expense</b>                                  |                                              | <b>\$5,925.63</b>     |
| <b>Total - 56600.0 - Maintenance Expenses</b>                           |                                              | <b>\$7,322.00</b>     |
| <b>56650.0 - Staff Support Expenses</b>                                 |                                              |                       |
| <b>56620 - Staff Support</b>                                            |                                              |                       |
|                                                                         | 0259 Continental Cafe, LLC                   | \$768.29              |
|                                                                         | 0133 ADP, LLC                                | \$2,015.00            |
|                                                                         | 0411 Amazon.com                              | \$602.90              |
|                                                                         | 0757 Giant Eagle                             | \$73.97               |
|                                                                         | 5574 Aetna Behavioral Health, LLC            | \$282.60              |
|                                                                         | 4413 Life Insurance Company of North America | \$900.00              |
|                                                                         | 5303 Culligan Bottled Water of Columbus      | \$69.93               |
|                                                                         | 4750 Inspira Financial                       | \$325.50              |
|                                                                         | 1683 Premier ProduceOne                      | \$125.65              |
|                                                                         | 3045 Carolyn Hoy                             | \$46.28               |
| <b>Total - 56620 - Staff Support</b>                                    |                                              | <b>\$5,210.12</b>     |
| <b>56621 - Recruiting Expenses</b>                                      |                                              |                       |
|                                                                         | 5460 Indeed                                  | \$1,064.49            |
|                                                                         | 5430 ADP Screening & Selection Services      | \$20.28               |
| <b>Total - 56621 - Recruiting Expenses</b>                              |                                              | <b>\$1,084.77</b>     |
| <b>Total - 56650.0 - Staff Support Expenses</b>                         |                                              | <b>\$6,294.89</b>     |
| <b>56900 - Reimbursement of Leased Svcs from OSERS Broad St</b>         |                                              |                       |
|                                                                         | Reimbursement of Leased Services             | (\$25,416.67)         |
| <b>Total - 56900 - Reimbursement of Leased Svcs from OSERS Broad St</b> |                                              | <b>(\$25,416.67)</b>  |
| <b>Total - Expense</b>                                                  |                                              | <b>\$4,808,479.91</b> |
| <b>Total Admin Expenses</b>                                             |                                              | <b>\$4,808,479.91</b> |

# School Employees Retirement System of Ohio

## Broad St. Detail Admin Expenses

### Sep 2026

| Financial Row                                                              | Vendor Bill Name              | Amount             |
|----------------------------------------------------------------------------|-------------------------------|--------------------|
| <b>Ordinary Income/Expense</b>                                             |                               |                    |
| <b>Income</b>                                                              |                               |                    |
| 41010 - Suite Income - OSERS Broad St                                      |                               |                    |
|                                                                            |                               | \$45,220.21        |
| <b>Total - 41010 - Suite Income - OSERS Broad St</b>                       |                               | <b>\$45,220.21</b> |
| 41205.0 - Parking Income                                                   |                               |                    |
| 41206 - Parking Income - OSERS Broad St                                    |                               |                    |
|                                                                            |                               | \$2,175.00         |
| <b>Total - 41206 - Parking Income - OSERS Broad St</b>                     |                               | <b>\$2,175.00</b>  |
| 41210 - Parking Income - Other - OSERS Broad St                            |                               |                    |
|                                                                            |                               | \$22,525.00        |
| <b>Total - 41210 - Parking Income - Other - OSERS Broad St</b>             |                               | <b>\$22,525.00</b> |
| <b>Total - 41205.0 - Parking Income</b>                                    |                               | <b>\$24,700.00</b> |
| 41600 - Miscellaneous Income - OSERS Broad St                              |                               |                    |
|                                                                            |                               | \$150.00           |
| <b>Total - 41600 - Miscellaneous Income - OSERS Broad St</b>               |                               | <b>\$150.00</b>    |
| <b>Total - Income</b>                                                      |                               | <b>\$70,070.21</b> |
| <b>Gross Profit</b>                                                        |                               |                    |
|                                                                            |                               | \$70,070.21        |
| <b>Expense</b>                                                             |                               |                    |
| 50110.0 - Property Management & Labor                                      |                               |                    |
| 50110 - Admin. Service Contracts - OSERS Broad St                          |                               |                    |
|                                                                            | 0041 SERS                     | \$25,416.67        |
| <b>Total - 50110 - Admin. Service Contracts - OSERS Broad St</b>           |                               | <b>\$25,416.67</b> |
| <b>Total - 50110.0 - Property Management &amp; Labor</b>                   |                               | <b>\$25,416.67</b> |
| 50200.0 - Administrative Expenses                                          |                               |                    |
| 50241 - Bank Fees - OSERS Broad St                                         |                               |                    |
|                                                                            | 5801 Park National Bank       | \$76.49            |
| <b>Total - 50241 - Bank Fees - OSERS Broad St</b>                          |                               | <b>\$76.49</b>     |
| <b>Total - 50200.0 - Administrative Expenses</b>                           |                               | <b>\$76.49</b>     |
| 50300.0 - Building Operations                                              |                               |                    |
| 50305 - HVAC Repairs & Maintenance - OSERS Broad St                        |                               |                    |
|                                                                            | 5769 DeBra-Kuempel            | \$1,477.00         |
|                                                                            | 5698 Metro Group, Inc.        | \$2,265.49         |
|                                                                            | 0391 Grainger                 | \$38.56            |
| <b>Total - 50305 - HVAC Repairs &amp; Maintenance - OSERS Broad St</b>     |                               | <b>\$3,781.05</b>  |
| 50307 - Plumbing Repairs & Maintenance - OSERS Broad St                    |                               |                    |
|                                                                            | 0411 Amazon.com               | \$39.99            |
| <b>Total - 50307 - Plumbing Repairs &amp; Maintenance - OSERS Broad St</b> |                               | <b>\$39.99</b>     |
| 50312 - Equip & Tools < \$5,000 - OSERS Broad St                           |                               |                    |
|                                                                            | 4642 Zoro Tools               | \$51.18            |
| <b>Total - 50312 - Equip &amp; Tools &lt; \$5,000 - OSERS Broad St</b>     |                               | <b>\$51.18</b>     |
| 50317 - Janitorial Services - OSERS Broad St                               |                               |                    |
|                                                                            | 0411 Amazon.com               | \$69.00            |
|                                                                            | 0391 Grainger                 | \$52.90            |
|                                                                            | 3990 Acorn Distributors Inc.  | \$1,045.69         |
|                                                                            | 5811 Harvard Maintenance, Inc | \$17,579.59        |
| <b>Total - 50317 - Janitorial Services - OSERS Broad St</b>                |                               | <b>\$18,747.18</b> |
| 50318 - Lighting - Bulbs, Fixtures - OSERS Broad St                        |                               |                    |
|                                                                            | 4642 Zoro Tools               | \$1,647.80         |
|                                                                            | 0411 Amazon.com               | \$1,723.50         |
| <b>Total - 50318 - Lighting - Bulbs, Fixtures - OSERS Broad St</b>         |                               | <b>\$3,371.30</b>  |

|                                                                  |                                         |              |
|------------------------------------------------------------------|-----------------------------------------|--------------|
| 50321 - Generator Repairs & Maintenance - OSERS Broad St         |                                         |              |
|                                                                  | 5819 Beems BP Distribution, Inc         | \$1,901.62   |
|                                                                  | 5699 Ohio CAT                           | \$1,343.91   |
| Total - 50321 - Generator Repairs & Maintenance - OSERS Broad St |                                         | \$3,245.53   |
| 50325 - Security - OSERS Broad St                                |                                         |              |
|                                                                  | 0411 Amazon.com                         | \$26.39      |
|                                                                  | 5800 Cheston Jones                      | \$426.00     |
|                                                                  | 5751 Kyle Kincade                       | \$2,751.25   |
|                                                                  | 5955 Ryan Beardsley                     | \$2,218.75   |
|                                                                  | 5754 Stephen Galentine Jr.              | \$213.00     |
|                                                                  | 5879 Joel George                        | \$1,224.75   |
|                                                                  | 5856 Shayne McAndrew                    | \$1,047.25   |
|                                                                  | 5883 Trenton Kincade                    | \$887.50     |
|                                                                  | 5857 Cassandra Eschweiler               | \$443.75     |
|                                                                  | 6022 Nathan Hargus                      | \$426.00     |
|                                                                  | 5677 Allied Universal Security Services | \$36,634.37  |
| Total - 50325 - Security - OSERS Broad St                        |                                         | \$46,299.01  |
| 50327 - Elevator Repairs & Maintenance - OSERS Broad St          |                                         |              |
|                                                                  | 5690 Fujitec America, Inc.              | \$6,919.37   |
| Total - 50327 - Elevator Repairs & Maintenance - OSERS Broad St  |                                         | \$6,919.37   |
| 50328 - Pest Control - OSERS Broad St                            |                                         |              |
|                                                                  | 5689 Terminix International Company, LP | \$201.00     |
| Total - 50328 - Pest Control - OSERS Broad St                    |                                         | \$201.00     |
| 50329 - Life Safety - OSERS Broad St                             |                                         |              |
|                                                                  | 5693 T. P. Mechanical Contractors       | \$3,196.00   |
| Total - 50329 - Life Safety - OSERS Broad St                     |                                         | \$3,196.00   |
| 50330 - Trash & Refuse - OSERS Broad St                          |                                         |              |
|                                                                  | 5770 Rumpke of Ohio Inc                 | \$761.76     |
| Total - 50330 - Trash & Refuse - OSERS Broad St                  |                                         | \$761.76     |
| 50360 - Vehicle Gas & Oil - OSERS Broad St                       |                                         |              |
|                                                                  | 5948 Shell Oil                          | \$58.49      |
| Total - 50360 - Vehicle Gas & Oil - OSERS Broad St               |                                         | \$58.49      |
| 50370 - Licenses & Permits - OSERS Broad St                      |                                         |              |
|                                                                  | 5743 Division of Industrial Compliance  | \$3,210.00   |
| Total - 50370 - Licenses & Permits - OSERS Broad St              |                                         | \$3,210.00   |
| Total - 50300.0 - Building Operations                            |                                         | \$89,881.86  |
| 50400.0 - Utilities                                              |                                         |              |
| 50405 - Heat & Gas - OSERS Broad St                              |                                         |              |
|                                                                  | 5686 Columbia Gas                       | \$300.63     |
| Total - 50405 - Heat & Gas - OSERS Broad St                      |                                         | \$300.63     |
| 50410 - Electricity - OSERS Broad St                             |                                         |              |
|                                                                  | 5794 American Electric Power - 87617    | \$165.63     |
|                                                                  | 5795 American Electric Power - 16108    | \$340.20     |
|                                                                  | 5678 American Electric Power - 23018    | \$36,216.42  |
| Total - 50410 - Electricity - OSERS Broad St                     |                                         | \$36,722.25  |
| 50415 - Water & Sewer - OSERS Broad St                           |                                         |              |
|                                                                  | 5681 Columbus City Treasurer            | \$2,330.38   |
| Total - 50415 - Water & Sewer - OSERS Broad St                   |                                         | \$2,330.38   |
| Total - 50400.0 - Utilities                                      |                                         | \$39,353.26  |
| 50500 - Building & Equip. Insurance - OSERS Broad St             |                                         |              |
|                                                                  | 5824 Alliant Insurance Services, Inc.   | \$43,629.75  |
| Total - 50500 - Building & Equip. Insurance - OSERS Broad St     |                                         | \$43,629.75  |
| Total - Expense                                                  |                                         | \$198,358.03 |
| Net Budgeted Expense                                             |                                         | \$128,287.82 |
| Net Building Occupancy                                           |                                         | \$102,871.15 |

FY2027 Administrative Budget  
Board Expense to Budget Reporting  
Year-to-Date Through September 30, 2026

| Major Category/Sub-Major Category       | Line Item                                 | Vendor                        | FY2027 Budget Approved | Year to Date Expense | Additional Information                  |
|-----------------------------------------|-------------------------------------------|-------------------------------|------------------------|----------------------|-----------------------------------------|
| <b>PROFESSIONAL SERVICES</b>            |                                           |                               | <b>\$ 7,394,313</b>    | <b>\$ 1,857,162</b>  |                                         |
| ACTUARIAL ADVISORS                      |                                           |                               | \$ 367,000             | \$ 94,631            |                                         |
|                                         | Actuarial                                 | Cavanaugh Macdonald           | \$ 367,000             | \$ 94,631            | Actuarial Consultant                    |
| AUDITING                                |                                           |                               | \$ 980,000             | \$ 70,000            |                                         |
|                                         | Auditing                                  | Plante Moran                  | \$ 180,000             | \$ 70,000            | External Auditor                        |
|                                         | Auditing                                  | Fiduciary Audit               | \$ 750,000             | \$ -                 | Fiduciary Audit                         |
| BANKING FEES                            |                                           |                               | \$ 1,225,000           | \$ 355,830           |                                         |
| Custodial Fees                          | Custodial Banking                         |                               | \$ 1,080,000           | \$ 327,215           |                                         |
|                                         |                                           | Fifth Third                   | \$ 360,000             | \$ 89,931            | Domestic Custodian                      |
|                                         |                                           | BNYM                          | \$ 720,000             | \$ 237,284           | International Custodian                 |
| Custodial Banking                       | Administrative Banking                    | Huntington National Bank/ TOS | \$ 145,000             | \$ 28,615            | Banking Services                        |
| INVESTMENT RELATED                      |                                           |                               | \$ 2,422,445           | \$ 955,476           |                                         |
| Master Recordkeeper Fees                | Master Recordkeeper                       |                               | \$ 1,300,000           | \$ 476,179           |                                         |
|                                         |                                           | Clearwater Analytics          | \$ 1,060,000           | \$ 245,782           |                                         |
|                                         |                                           | MSCI (Burgiss)                | \$ 220,000             | \$ 230,397           |                                         |
| Investment Advisory Fees                | Investment Consulting & Advisory Services |                               | \$ 450,000             | \$ 112,500           |                                         |
|                                         |                                           | Wilshire                      | \$ 450,000             | \$ 112,500           | Investment Consulting                   |
| Performance/Analytics Fee               | Performance Analytics Services            |                               | \$ 396,445             | \$ 228,871           |                                         |
|                                         |                                           | Barra-One Risk Mgmt Sys       | \$ 238,445             | \$ 119,223           | Investment Risk Analytics               |
| TECHNICAL                               |                                           |                               | \$ 2,351,868           | \$ 369,225           |                                         |
| Special Counsel                         | Special Counsel                           |                               | \$ 396,000             | \$ 74,029            |                                         |
| Technical                               | Technical                                 |                               | \$ 1,359,290           | \$ 158,901           |                                         |
|                                         |                                           | Merative                      | \$ 124,000             | \$ 31,000            | Data Warehouse                          |
|                                         |                                           | Sagitec                       | \$ 595,680             | \$ 115,340           | SMART Development Resources             |
|                                         |                                           | Board Initiative              | \$ 100,000             | \$ -                 | Board Initiatives                       |
| Other Professional Services             | Other Professional Services               |                               | \$ 596,578             | \$ 136,296           |                                         |
|                                         |                                           | Gartner                       | \$ 109,631             | \$ 109,631           | Management Consulting                   |
| <b>OTHER OPERATING EXPENSE</b>          |                                           |                               | <b>\$ 5,050,831</b>    | <b>\$ 1,625,839</b>  |                                         |
| COMPUTER SUPPORT SERVICES               |                                           |                               | \$ 3,714,458           | \$ 1,061,057         |                                         |
| Software Maintenance                    | Software Maintenance                      |                               | \$ 1,061,093           | \$ 597,036           |                                         |
|                                         |                                           | Dell                          | \$ 340,000             | \$ 310,695           | Microsoft Enterprise Agreement/ True Up |
|                                         |                                           | Sagitec                       | \$ 432,600             | \$ 72,100            | SMART Silver Support                    |
|                                         |                                           | Hyland                        | \$ 122,640             | \$ 125,464           | ImageNow                                |
| Software Subscriptions                  | Software Subscriptions                    |                               | \$ 2,367,499           | \$ 436,707           |                                         |
|                                         |                                           | DRaaS                         | \$ 150,000             | \$ 39,664            | Expedient                               |
|                                         |                                           | Dynamo                        | \$ 178,912             | \$ 126,905           | Dynamo Software, INC                    |
|                                         |                                           | Carahsoft                     | \$ 225,735             | \$ 168,630           | ServiceNow System                       |
|                                         |                                           | Zoom                          | \$ 128,235             | \$ -                 | Telecommunication Services              |
|                                         |                                           | Performance Management Tool   | \$ 250,000             | \$ -                 | Investment Performance Mgmt Tool        |
|                                         |                                           | Blackline                     | \$ 120,960             | \$ -                 | Account Reconciliation Tool             |
| PROPERTY MANAGEMENT LIABILITY INSURANCE |                                           |                               | \$ 485,221             | \$ 439,965           |                                         |
|                                         | Management Liability Insurance            |                               | \$ 485,221             | \$ 439,965           |                                         |
|                                         |                                           | Cyber Liability Insurance     | \$ 140,688             | \$ 136,591           | ARC Excess & Surplus, LLC               |
|                                         |                                           | Crime Fiduciary D&O Insurance | \$ 344,533             | \$ 303,374           | ARC Excess & Surplus, LLC               |

| PROJECT ITEMS                     |           |         |               |             |                        |
|-----------------------------------|-----------|---------|---------------|-------------|------------------------|
| Major Category/Sub-Major Category | Line Item | Project | FY2027 Budget | YTD Expense | Additional Information |
| PROFESSIONAL SERVICES             | TECHNICAL |         |               |             |                        |

| SERS                              |           |         |               |             |                        |
|-----------------------------------|-----------|---------|---------------|-------------|------------------------|
| UNBUDGETED PROJECT ITEMS          |           |         |               |             |                        |
| Major Category/Sub-Major Category | Line Item | Project | FY2027 Budget | YTD Expense | Additional Information |
|                                   |           |         | \$ -          |             |                        |
|                                   |           |         | \$ -          |             |                        |
|                                   |           |         | \$ -          |             |                        |

| OSERS BROAD STREET, LLC  |           |         |               |             |  |
|--------------------------|-----------|---------|---------------|-------------|--|
| UNBUDGETED PROJECT ITEMS |           |         |               |             |  |
| Major Category           | Line Item | Project | FY2027 Budget | YTD Expense |  |

# SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

## FINANCIAL HIGHLIGHTS

As of August 31, 2026 and 2025

(unaudited)

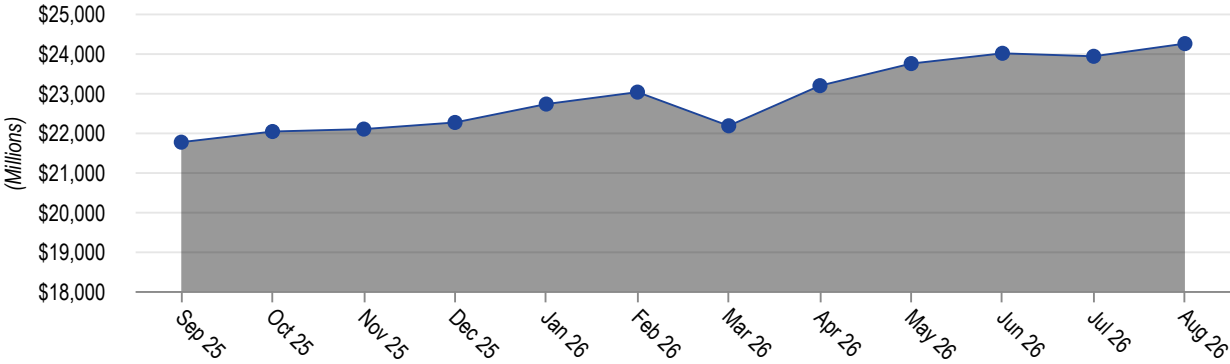
| <b>SERS (ALL FUNDS)</b>                           | <b>8/31/26 YTD</b>      | <b>8/31/25 YTD</b>      | <b>Comparative<br/>Difference</b> | <b>%<br/>Difference</b> |
|---------------------------------------------------|-------------------------|-------------------------|-----------------------------------|-------------------------|
| <b><u>ADDITIONS</u></b>                           |                         |                         |                                   |                         |
| Employer Contributions                            | \$103,551,187           | \$101,516,427           | \$2,034,760                       | 2%                      |
| Member Contributions                              | 66,556,569              | 65,414,831              | 1,141,738                         | 2                       |
| Other Income                                      | 8,312,436               | 9,459,272               | (1,146,836)                       | (12)                    |
| Total Investment Income, Net                      | 398,273,905             | 339,541,326             | 58,732,579                        | 17                      |
| <b>TOTAL ADDITIONS</b>                            | <b>576,694,097</b>      | <b>515,931,856</b>      | <b>60,762,241</b>                 | <b>12</b>               |
| <b><u>DEDUCTIONS</u></b>                          |                         |                         |                                   |                         |
| Retirement, Disability, Survivor & Death Benefits | 270,705,498             | 256,687,960             | 14,017,538                        | 5                       |
| Healthcare Expenses                               | 33,653,229              | 24,727,361              | 8,925,868                         | 36                      |
| Refunds & Transfers                               | 22,214,753              | 24,462,109              | (2,247,356)                       | (9)                     |
| Administrative Expenses (excluding Investments)   | 5,592,002               | 6,084,308               | (492,306)                         | (8)                     |
| <b>TOTAL DEDUCTIONS</b>                           | <b>332,165,482</b>      | <b>311,961,738</b>      | <b>20,203,744</b>                 | <b>6</b>                |
| Changes in Net Position                           | 244,528,615             | 203,970,118             | 40,558,497                        | 20                      |
| Net Position - Beginning                          | 23,996,385,879          | 21,081,732,005          | 2,914,653,874                     | 14                      |
| <b>SERS Net Position - Ending</b>                 | <b>\$24,240,914,494</b> | <b>\$21,285,702,123</b> | <b>\$2,955,212,371</b>            | <b>14%</b>              |

## HEALTHCARE FUND

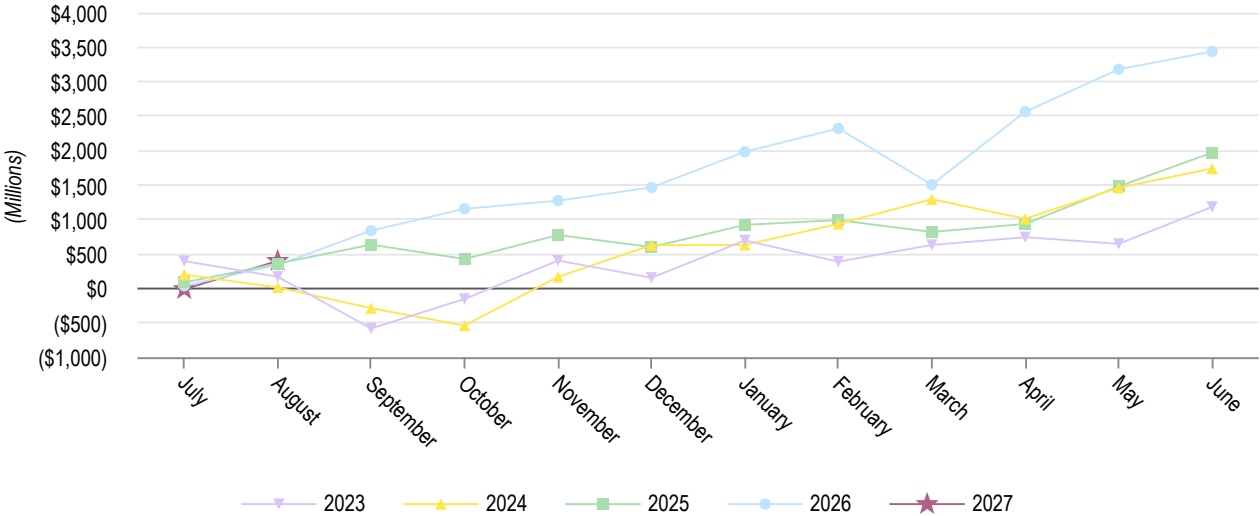
### HEALTHCARE ADDITIONS

|                                                   |                        |                      |                      |            |
|---------------------------------------------------|------------------------|----------------------|----------------------|------------|
| Employer Contributions                            | \$10,997,028           | \$10,194,606         | \$802,422            | 8%         |
| Healthcare Premiums                               | 8,310,817              | 9,457,543            | (1,146,726)          | (12)       |
| Total Investment Income, Net                      | 17,334,231             | 13,419,248           | 3,914,983            | 29         |
| <b>TOTAL HEALTHCARE ADDITIONS</b>                 | <b>36,642,076</b>      | <b>33,071,767</b>    | <b>3,570,309</b>     | <b>11</b>  |
| <b>TOTAL HEALTHCARE DEDUCTIONS</b>                | <b>34,245,636</b>      | <b>25,301,924</b>    | <b>8,943,712</b>     | <b>35</b>  |
| Changes in Net Position                           | 2,396,440              | 7,769,843            | (5,373,403)          | (69)       |
| Net Position - Beginning                          | 1,161,732,659          | 939,812,471          | 221,920,188          | 24         |
| <b>SERS Healthcare Fund Net Position - Ending</b> | <b>\$1,164,129,099</b> | <b>\$947,582,314</b> | <b>\$216,546,785</b> | <b>23%</b> |

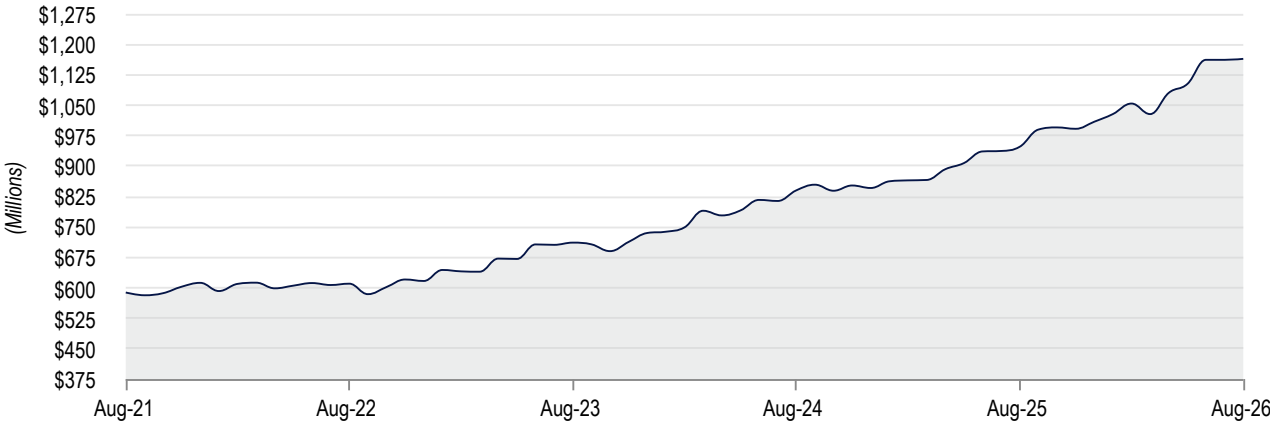
SERS Total Fund Balance for Previous 12 Months



Investment Income (includes realized and unrealized gains & losses)



Healthcare Fund Balance Trend



# Memo



**School Employees Retirement System of Ohio**  
*Serving the People Who Serve Our Schools®*

|                    |                                                                                                                   |
|--------------------|-------------------------------------------------------------------------------------------------------------------|
| <b>To:</b>         | Retirement Board                                                                                                  |
| <b>From:</b>       | Michael Steiner, Director – Healthcare Services                                                                   |
| <b>Department:</b> | Healthcare Services                                                                                               |
| <b>CC:</b>         | H. Ray Higgins, Executive Director<br>Karen Roggenkamp, Deputy Executive Director<br>Joe Marotta, General Counsel |
| <b>Date:</b>       | October 5, 2026                                                                                                   |
| <b>Re:</b>         | Healthcare Plan Evaluation and Procurement Strategy                                                               |

Dear Board Members,

This month I will give a presentation that summarizes results of a plan evaluation performed by Segal consultants. Every five years, SERS engages a consultant to review our plan model, develop a procurement strategy, and facilitate certain RFPs. Segal is a new partner for the Health Care Plan and Trust (SERS) and brings a fresh perspective on our five-year review process. Their report, delivered as a slide deck, covers a wide range of topics and is included in this month's materials. My presentation focuses specifically on components of their report that are most relevant to the procurement strategy we will implement starting this winter.

Segal's analysis supports maintaining our current self-insured and fully insured arrangements, continuing to contract with a PBM vendor separately from a medical plan vendor, and preserving group health insurance options with the Wraparound HRA for non-Medicare enrollees. Additionally, Segal identified the Know Your Rx Coalition (KYRx) as a potential partner for purchasing PBM services. SERS currently purchases a service from KYRx called "Pharm-Assist", a member-facing service that connects patients with KYRx pharmacists who can assist them in navigating the pharmacy benefit, switching to lower-cost drug options, and managing adverse reactions. KYRx pharmacists also serve as a resource for SERS regarding benefit design and clinical concerns relating to the pharmacy benefit.

Segal's recommendations are based on sustaining fund solvency while maintaining SERS's ability to continue having clear and transparent oversight of our health care arrangements. Their procurement strategy directs SERS to renew both Medicare and non-Medicare contracts with Aetna, as current terms are highly favorable. Should renewal negotiations fail, we are prepared to release RFPs this winter for the affected contracts. This strategy is designed to preserve the best

*Elements of this content were produced with the assistance of artificial intelligence and in accordance with SERS policy and governance. The content has been reviewed and verified by a human.*

possible terms for SERS and minimize unnecessary costs. The current contract with Express Scripts expires at the end of 2028. Segal did not recommend that SERS terminate the contract early and release an RFP this winter to align with the medical vendor contracts. SERS and Segal will continue to evaluate the KYRx Coalition over the next year.

I look forward to presenting this topic at the upcoming meeting and welcome any questions you may have.

Sincerely,

Michael Steiner, PhD



# Plan Evaluation and Procurement Strategy

Michael Steiner, PhD

Director – Health Care Services

October 15, 2026

# Plan Evaluation and Procurement Strategy



- Every five years, SERS works with a consultant to review our plan model, develop a procurement strategy, and facilitate certain RFPs.
  - Segal was selected for this five-year period.
- Segal's analysis largely supports maintaining our current model.
  - Recommendation to attempt a renewal with Aetna.
  - Continued evaluation of a pharmacy benefits purchasing coalition.
- RFPs to be released this winter independently by SERS:
  1. Wrap HRA Administrator
  2. Dental
  3. Vision

# Plan Evaluation Performed by Segal



|   | Current                                                       | Considered                                                          |
|---|---------------------------------------------------------------|---------------------------------------------------------------------|
| 1 | Self-Insured                                                  | Fully-Insured                                                       |
| 2 | Pharmacy contract separate from medical (Rx carveout)         | Single vendor for combined medical + Rx benefits                    |
| 3 | Group plan options & Wrap HRA (EBHRA) option for non-Medicare | Retiree-Only HRA (ROHRA) and no group plan options for non-Medicare |
| 4 | Independent, direct contracts with medical and Rx vendors     | Public sector purchasing coalitions                                 |

- Segal recommends continuing with the current models for items 1 through 3.
- For item 4, SERS and Segal will continue to evaluate a potential Rx coalition.

# Options Considered



## 1. Self-insured vs. fully-insured

- Moving more plans to a fully-insured model is expected to increase costs by 5 to 10% annually without a meaningful benefit to SERS.
  - SERS and the HC Trust Fund are well positioned to handle claims volatility.
  - A sudden 5 to 10% increase to healthcare expenses would shorten the fund's solvency.
- Segal's analysis supports staying with our current arrangement: fully-insured Medicare Advantage plan with self-insured Part D and non-Medicare group plan benefits.

# Options Considered



## 2. Pharmacy carveout vs. combined benefits

- Most financially relevant to SERS is the possibility of moving to a combined MAPD.
  - Segal notes that in recent years CMS has adopted a funding model that favors stand-alone Part D plans, like SERS' Part D plan.
  - Other Segal clients are saving an estimated \$480 to \$960 per member per year by switching from an MAPD to the setup SERS currently uses.
- Segal recommends SERS continue to offer a “standalone” Part D plan as long as the CMS funding strategy aligns with this decision.
- Segal did not find any indication that SERS would benefit from combining the non-Medicare Rx and medical contracts.

# Options Considered



## 3. Group health insurance & Wrap HRA vs. Retiree-Only HRA

- Group health insurance & Wrap HRA (EBHRA) option is the best of both worlds.
  - Even though SERS is unable to provide funds for premium assistance with an EBHRA, many members are eligible for premium tax credits.
  - The group health insurance plan options (Aetna Choice POS II, AultCare) are available in cases where it's the most affordable or desirable option.
- It is unlikely that SERS can offer a generous enough Retiree-Only HRA (ROHRA) to fully offset the increased cost of a Marketplace plan for most members.
  - The EBHRA is the only HRA we can provide that still allows for federal premium tax credit eligibility.

# Options Considered



## 4. Purchasing coalitions

- Segal identified the Know Your Rx Coalition (KYRx) as a potential partner.
  - Express Scripts won the most recent KYRx bid for 1/1/2026.
- KYRx currently provides their “Pharm-Assist” service to the SERS retiree and employee plans.
  - In addition to helping patients, KYRx saves SERS money by reviewing certain high-cost claims and helping patients switch to less expensive alternatives.
  - Approximately \$500K in YTD savings for 2026.
- SERS and Segal will continue to evaluate this option over the next year.

# Procurement Strategy



- Renew with Aetna for separate non-Medicare and Medicare Advantage contracts.
  - a) Current administrative fees for the non-Medicare plan are lower than Segal sees on the market now. Aetna has offered to keep these flat.
  - b) The retrospective refund arrangement with the Aetna MA plan is more favorable than typical MA group contracts. Segal recommends that a renewal is the best strategy to maintain our current terms.
  - c) If one or both plan renewals fail, release an RFP this winter for the contract(s).
  - d) If Aetna provides agreeable renewal terms on one or both contracts, SERS staff will return to the Board with details and seek approval to execute a contract.

# Procurement Strategy



- PBM Vendor
  - a) Segal determined that the pricing components in the current contract with Express Scripts ranged from meeting to exceeding benchmarks.
  - b) Segal recommends against terminating the contract early.
  - c) Continue to evaluate the KYRx Coalition as a potential partner.
- Wrap HRA, Dental Plan, and Vision Plan RFPs this winter.



School Employees Retirement System of Ohio (SERS)

# Plan Evaluation

Analysis of Plan Options

October 2026 / Melanie Clark / Sean Douglass

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# Topics for Review

**SERS Background**

**Executive Summary**

**Plan Evaluation**

- **Self-Insured vs. Fully-Insured**
- **Integration of Medical and Prescription Drugs**
- **HRA for all Non-Medicare**
- **Medical and/or Prescription Drug Coalitions**
- **Point Solutions**
- **Request for Proposal (RFP) Plan**

**Next Steps**

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# Background

- Segal was engaged by School Employees Retirement System of Ohio (SERS) to review current retiree medical programs and determine future opportunities, meeting the objective to:
  - Sustain long-term affordability of healthcare benefits for the plan and members.
  - Maintain transparency of both medical and pharmacy spending.
- SERS provides post-retirement health benefits to approximately 37,500 Medicare enrollees and nearly 3,000 non-Medicare enrollees
  - Medicare:
    - Fully-Insured MA medical through Aetna + Self-Insured Express Scripts EGWP
    - Self-Insured indemnity plan through Aetna (for ~100 individuals limited by geography or other eligibility restrictions)
  - Non-Medicare:
    - Self-Insured medical through Aetna + Self-Insured prescription drug through Express Scripts
    - AultCare local PPO (~125 lives)
    - Wraparound HRA provides additional coverage to ~625 individuals enrolled in ACA marketplace plans

---

# Summary of Observations

SERS and vendor partners provided data for Segal's review, including census, historical claims experience reports, historical renewals, current agreements, data warehouse access, rates and premium information, budget projections, utilization reports, and other data.

- SERS' current program designs are appropriate:
  - Self-insuring the non-Medicare medical and pharmacy plans (vs. fully-insuring)
  - Separation of Medical and Pharmacy benefits (vs. integrating)
  - Maintaining the group medical and pharmacy plan for non-Medicare retirees, with an optional Wraparound HRA (vs. HRA-only for all non-Medicare retirees)
- Expanding the contract with KYRx Coalition is worth consideration, particularly if plan savings provide net comparable financial results.
- Continued negotiation of Medicare Advantage contract will be necessary to ensure the best value for SERS.

# Executive Summary

---

# Executive Summary

Below is a high-level summary of Segal's evaluation of SERS current plan options and the alternatives considered:

- **Self-Insured remains favorable over Fully-Insured**

- SERS current self-insured approach avoids carrier profit margins, premium taxes, and certain fully insured fees that can add 5% to 10%+ to costs.
- SERS' current overall asset position is sufficient to absorb annual claims volatility, and the self-insured approach retains savings when claims experience is favorable.

- **Separation of Medical and Prescription Drugs remains favorable**

- SERS' current approach of pairing a separate MA medical plan with a stand-alone PDP is currently more financially favorable than an integrated MAPD plan.
- While integrated carve-in approaches exist for non-Medicare programs, there is no indication that SERS would benefit from this arrangement.

---

# Executive Summary

- **HRA for all non-Medicare enrollees in lieu of a group plan option is not recommended**
  - The SERS non-Medicare group medical and prescription drug plans provide better value, market stability, and provider and pharmacy access than plans that would be available to retirees on the ACA Marketplace.
  - A Retiree-Only HRA that would replace the group plan would prohibit members from receiving Federal Tax Credits.
  - Lower-income retirees who can benefit most from “Extra Savings” Silver plans can already access them through SERS’ existing Wraparound EBHRA option.
- **Rx Coalition Participation Warrants Consideration**
  - We evaluated both medical and pharmacy coalition opportunities and recommend considering expanding participation through the Know Your Rx (KYRx) Coalition.
  - If KYRx coalition plan costs are favorable, joining the coalition could provide additional value.
- **Point Solution Opportunities**
  - Based on our assessment, point solutions that offer specialty care navigation, surgical centers of excellence, or provider quality navigation could add value to the SERS plans.

---

# Executive Summary

- **RFP Plan is dependent on Medicare Advantage and Rx Coalition decisions**
  - Current non-Medicare contracts remain favorable.
    - The existing Aetna medical and Express Scripts (ESI) pharmacy contracts for the non-Medicare population remain highly competitive, and Aetna has already provided a proposal to continue the existing contract terms through 2030.
  - Medicare Advantage Requires Continued Market Monitoring
    - Although the current Medicare Advantage arrangement with Aetna remains favorable relative to the marketplace, the Medicare environment is evolving rapidly.
    - Carriers are facing increasing financial and regulatory pressures, making it unlikely that today's contract terms can be sustained indefinitely.
    - We have requested renewal options from Aetna and recommend continuing negotiations, with a focus on preserving the gain share and \$0 premium.
  - Further review of the Rx Coalition opportunities and additional negotiation with Aetna for their Medicare Advantage renewal terms may lead to a Pharmacy RFP (in 2028 for 2029) or Medicare Advantage (in early 2027 for 2028).
  - While there is no immediate need for an RFP for the non-Medicare Medical benefit, that can still be included with a Medicare RFP to review whether continuing coverage with the same provider remains a favorable approach.

# Self-Insured vs. Fully-Insured

# Self-Insured vs. Fully-Insured

|                         | Self-Insured                                                                                                                                                                                                                                                                        | Fully-Insured                                                                                                                                                                                                              |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Definition              | Funding arrangement in which the Plan assumes direct financial responsibility for the costs of enrollees' claims                                                                                                                                                                    | Funding arrangement in which the Plan pays a premium to an insurance company who pays the health care claims based on the benefits outlined in the policy purchased                                                        |
| Cost Structure          | Pay actual claims + fixed costs (i.e., administrative fees and stop-loss premiums) <ul style="list-style-type: none"> <li>• Potential savings if claims are low</li> <li>• Stop-loss insurance can be purchased to provide financial protection from catastrophic claims</li> </ul> | Fixed monthly premiums to insurance carrier for predictable costs <ul style="list-style-type: none"> <li>• Will include margin and retention charges</li> <li>• Will include state mandated fees, if applicable</li> </ul> |
| Risk                    | Plan assumes claims risk (mitigated by stop-loss coverage, if purchased)                                                                                                                                                                                                            | Insurer assumes all risk, including catastrophic claims                                                                                                                                                                    |
| Cash Flow               | Variable; depends on claims activity                                                                                                                                                                                                                                                | Stable; premiums paid monthly                                                                                                                                                                                              |
| Plan Design Flexibility | Highly customizable benefits and programs                                                                                                                                                                                                                                           | Limited to insurer's offerings and state mandates                                                                                                                                                                          |
| Regulatory Oversight    | Governed by federal laws (i.e., ACA ), allowing for plan design uniformity                                                                                                                                                                                                          | Subject to state insurance laws and mandates; varying requirements if members reside in multiple states.                                                                                                                   |
| Access to Data          | Full claims data for analytics and cost management                                                                                                                                                                                                                                  | Limited claims access; minimal transparency                                                                                                                                                                                |
| Administrative Burden   | Plan is fiduciary and manages eligibility, compliance, and claims                                                                                                                                                                                                                   | Plan manages eligibility, and Insurer assumes fiduciary role and manages claims and compliance                                                                                                                             |

# Self-Insured vs. Fully-Insured: Pros and Cons

## Self-Insured

### Advantages

- Longer term cost savings
- Flexible benefit design
- Access to actual claims data

### Risks

- Plan assumes financial risk
- Claims uncertainty & Cash flow unpredictability
- Higher administrative burden

## Fully-Insured

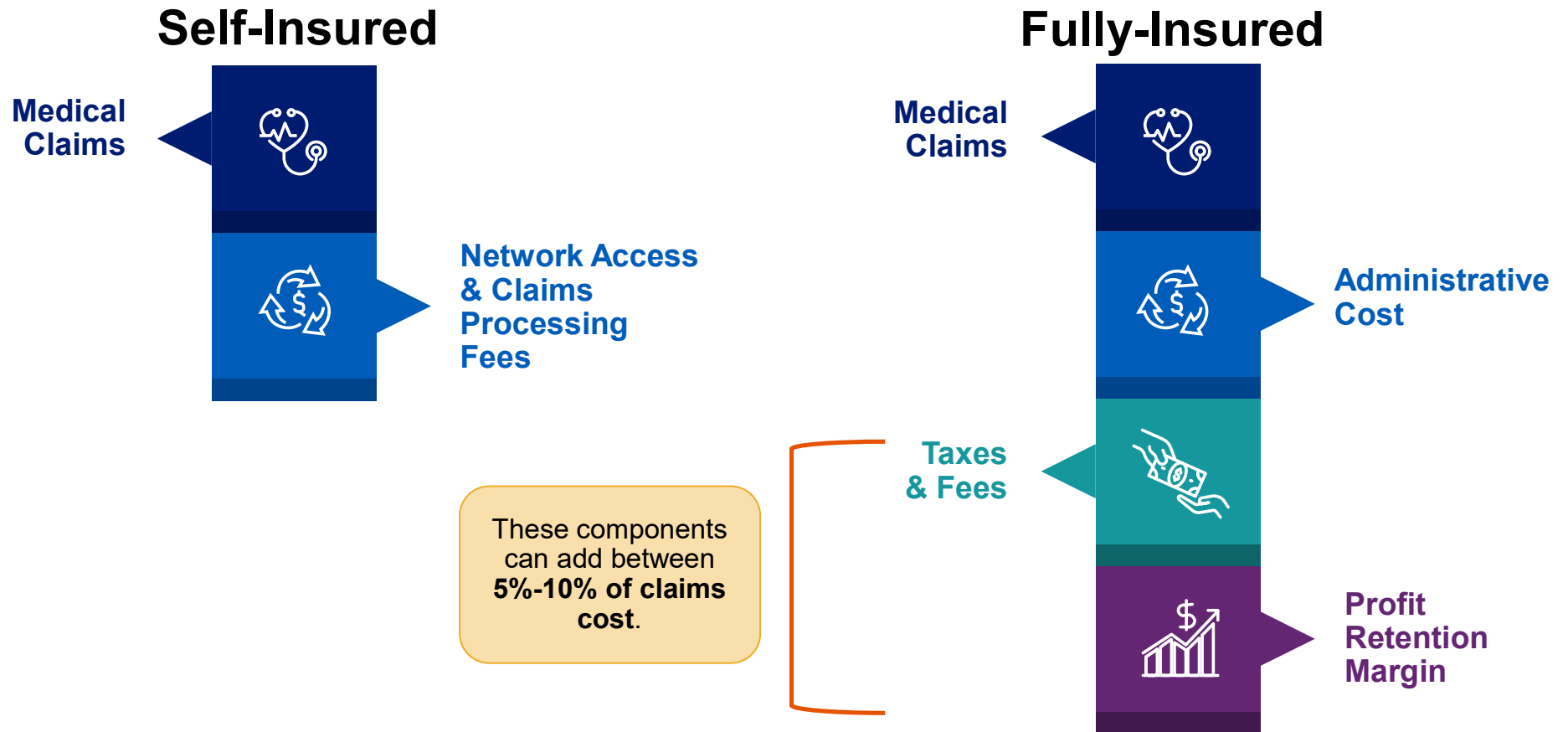
### Advantages

- Predictable Costs within a plan year
- Low Administrative Burden
- Delayed Costs for Poor Experience

### Risks

- Higher Cost (Claims, Margin, Risk, Taxes, Mandated Benefit)
- Limited flexibility on Plan Design and coverage
- Delayed Savings for Good Experience

# Self-Insured vs. Fully-Insured: Funding Differences



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# Self-Insured vs. Fully-Insured: Conclusions

- **Current self-funded arrangement remains the preferred funding approach**
  - Provides greater flexibility, transparency, and control over plan costs.
  - Aligns with SERS' ability to actively manage healthcare strategy and vendor performance.
  - SERS' current overall asset position is sufficient to absorb annual claims volatility. Claim volatility could be reduced by insuring some, or all, of the claim risk through stop-loss insurance.
- **Self-funding creates the greatest long-term financial opportunity**
  - SERS retains savings when claims experience is favorable.
  - Avoids carrier profit margins, premium taxes, and certain fully insured fees that can add 5% to 10%+ to costs.

Regarding pharmacy benefits, we also expect a self-insured arrangement to offer the best value. Self-insuring pharmacy benefits also provides greater transparency into rebates and CMS subsidies.

Maintaining the current self-insured arrangement provides the best balance of cost management, flexibility, data transparency, and strategic control.

# Integration of Medical & Prescription Drugs

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# Integration of Medicare Medical & Prescription Drug

## How does CMS fund Medicare Part D?

- Historically CMS has estimated the expected drug costs of enrollees by developing a risk score for each individual.
- Risk scores are calculated using the enrollee's demographic details (age, gender, eligibility) and their diagnostic data (fee-for-service claims, encounter data and prescription drug events).
- A risk score of 1.0 represents the average expected drug cost for Medicare enrollees. A score above 1.0 indicates a higher-cost individual and a score below 1.0 represents lower-cost individual.
- The risk score for each enrollee is then used to adjust the CMS pharmacy plan payment for both MAPD programs and stand-alone prescription drug plans (PDPs).

---

# Integration of Medicare Medical & Prescription Drug

## What's Changed?

- CMS continually recalibrates the risk score model to reflect current pharmacy utilization and Part D changes, such as the Inflation Reduction Act.
- For years, the model favored the pharmacy portion of MAPD plans over stand-alone PDP plans. In recent years, however, that has reversed – the model now favors stand-alone PDP plans.
- As a result, pairing a separate MA medical plan with a stand-alone PDP is currently more financially favorable than an integrated MAPD plan.

Segal clients have seen \$40-\$80 PMPM savings by moving from an integrated MAPD to separate MA and PDP plans for 2027.

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# Integration of Medicare Medical & Prescription Drug

## **Strategic Considerations for maintaining separate Medical and Prescription drug plans:**

- Advantages
  - Plan design flexibility to customize MA and PDP benefits independently
  - Can maintain the self-insured funding on the Prescription Drug plan
  - Currently Segal experience indicates financial advantages
  - Greater transparency into medical and pharmacy costs
- Disadvantages
  - Two ID cards for retirees which can potentially lead to confusion for participants
  - Additional (potentially duplicative) CMS-required communications
  - Additional administrative complexity with separate contracts, eligibility feeds, billing, communication and reporting

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# Medicare Options: Summary of Observations

- SERS' existing arrangement of pairing a separate MA medical plan with a stand-alone PDP is currently more financially favorable than an integrated MAPD plan, due to changes in how CMS calculates the subsidies funding the program.
- Member-facing complexities of a separate program are already in place without issue. Members are already accustomed to having separate ID cards.

SERS should continue monitoring changes to CMS methodologies and market conditions to ensure a financially competitive approach in the Medicare market.

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# Non-Medicare Options

- While financial considerations for integrating medical and pharmacy benefits are most significant in the Medicare landscape, carve-in options exist for non-Medicare programs:
  - The employer purchases medical and PBM services from the same organization (for example, UHC/Optum Rx, Aetna/CVS Caremark, or Cigna/Evernorth).
  - Medical and pharmacy claims are combined for reporting, analytics, care management, and population health initiatives.
  - Potentially less transparency and contracting flexibility when compared with the more common carve-out arrangement.
- If Medical and Pharmacy contract periods align, a carve-in option can be incorporated into the RFP(s).

There is no indication that SERS would benefit from this arrangement, but the carve-in option can be built into a bid process without making a formal decision ahead of time.

# HRA for All Non-Medicare

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# HRA Strategy for Non-Medicare Population

- Segal was asked to review SERS' Health Reimbursement Account (HRA) strategy for their non-Medicare retirees.
  - The current Wraparound HRA option provides up to \$2,200 (in 2026) reimbursement toward out-of-pocket medical expenses for non-Medicare retirees who opt to enroll in an ACA Marketplace option through UMR.
  - Approximately 625 individuals have elected the Wraparound HRA (about 20% of the SERS non-Medicare retirees) and expenses have been approximately \$800 - \$900 per retiree per year over the last three years.
  - Approximately 2,225 individuals are enrolled in the SERS Aetna POS II + ESI Rx option. The majority of enrollment represent primary contract holders (retirees or surviving spouses), with approximately 260 dependents and children. The primary contract holders are primarily female (70%) and on average, 62 years old. Claims costs net of premiums and rebates for the Aetna POS II + ESI Rx plans is currently approximately \$12,000-\$13,000 per member per year.

This review considers whether a Retiree-Only HRA should be offered in lieu of the group plan option. Considerations include the affordability of ACA options and out-of-pocket expenses in comparison to a subsidy from the plan, ability to receive Federal Tax Credits toward ACA Market Plan Premiums, member experience, and cost implications to OH SERS.

# HRA options

The current SERS Wraparound HRA Option is an Excepted Benefits HRA (EBHRA). This is not a comprehensive list of the differences between these HRA options, but does reflect differences that would affect the value of the HRA as an option for non-Medicare SERS retirees:

## Excepted Benefits HRA (EBHRA)

Must be offered with a group-sponsored benefit (though members do not have to be enrolled in the group sponsored benefit to be eligible for the EBHRA).

*Does not* prohibit eligibility for the Federal Tax Credits toward ACA Marketplace.

Reimbursements:

- **YES**: Medical and Pharmacy benefit cost sharing (copays, deductibles)
- **NO**: ACA Plan Premiums
- **YES**: Non-Essential benefits like dental or vision (premiums and cost sharing)

Annually indexed maximum reimbursement set by the Federal Government (\$2,200 in 2026).

## Retiree-Only HRA (ROHRA)

Can be offered without a group sponsored benefit (if SERS wanted to discontinue pre-Medicare group coverage).

*Does* prohibit eligibility for the Federal Tax Credits toward ACA Marketplace.

Reimbursements:

- **YES**: Medical and Pharmacy benefit cost sharing (copays, deductibles)
- **YES**: ACA Plan Premiums
- **YES**: Non-Essential benefits like dental or vision (premiums and cost sharing)

No annual maximum reimbursement.

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# ACA Marketplace

- Premiums and plan availability in the ACA Marketplace can be volatile:
  - The Kaiser Family Foundation\* (KFF) estimates that the average US premiums increased over 25% in 2026. For Ohio specifically, average premiums increased 16%.
  - Premiums, subsidies, plan options, and insurer participation in the ACA Marketplace can fluctuate over time, creating uncertainty for long-term retiree health planning.
  - 2027 rates will be available in October, but early data indicates another year of double-digit increases.
  - SERS' Aetna POS III + ESI Rx monthly premiums (unsubsidized) increased 14.1% in 2025 and 8.3% in 2026
- Federal Tax Credits and lower-cost share options in the ACA Marketplace:
  - Retirees with household incomes between 100% and 400% of the Federal Poverty Level\*\* (FPL) qualify for Federal Tax Credits to reduce their monthly premiums for ACA Marketplace plans. The enhanced Federal Subsidies for household incomes over 400% of the FPL are no longer available.
  - For household incomes between 100% and 250% of the FPL\*\*\*, “Extra Savings” Silver Plan options are available with lower deductibles, copayments and coinsurance.
  - The average annual pension benefit for retirees aged 60-64 is approximately \$25,700 (SERS June 30, 2025 Actuarial Valuation). Average pension benefits may not be representative of total household income, which can include other common income sources such as Social Security, spousal income, retirement savings, and investment earnings.

\*Source: <https://www.kff.org/affordable-care-act/state-indicator/marketplace-average-benchmark-premiums>

\*\* 100% - 400% of the FPL is \$15,650 - \$62,600 for a single individual or \$21,150 to \$84,600 for a family of two in 2026.

\*\*\* 100% - 250% of the FPL is \$15,650 - \$39,125 for a single individual or \$21,150 to \$52,875 for a family of two in 2026.

# SERS Group Coverage vs. ACA Market + HRA

## Costs and member experience\*

|                    | SERS Aetna POS II + ESI Rx                                                                                                                                                                                                                                                                       | ACA Market Silver Plan (Oscar Silver Standard)                                                                                                                                                                                                                                                                                                              |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Monthly Premium    | <p>2026 monthly premium: \$1,810, subsidized by years of service:</p> <ul style="list-style-type: none"> <li>• ~60% of SERS retirees: 80% subsidy, \$362/mo</li> <li>• ~15% of SERS retirees pay less (average \$247/mo)</li> <li>• ~25% of SERS retirees pay more (average \$626/mo)</li> </ul> | <p>Oscar Silver Classic Standard: \$1,143/mo. (benchmark plan, as the second-least-expensive silver plan)</p> <p>Other Silver options: \$1,121 to \$1,959/mo.</p> <p>Federal tax credits offset by household income:</p> <ul style="list-style-type: none"> <li>• \$25,000: \$120/mo</li> <li>• \$40,000: \$310/mo</li> <li>• \$60,000: \$521/mo</li> </ul> |
| Program Design     | <p>Medical/Rx coverage: SERS sponsors &amp; self-insures the Aetna POS II and ESI Rx, with oversight of premium rates and benefit design.</p> <p>Cost sharing: Premium subsidies based on qualified service credit at retirement. Members pay all OOP costs (deductibles, copays, etc.)</p>      | <p>Medical/Rx coverage: Retirees enroll in the ACA Marketplace (with UMR guidance).</p> <p>Cost Sharing: Whether SERS offers an EBHRA or ROHRA will affect whether the tax credits are available, what benefits can be reimbursed, and the annual maximum reimbursement.</p>                                                                                |
| Dependent Coverage | Spouses and children may be covered, with subsidy based on the retirees' qualified service credit.                                                                                                                                                                                               | SERS could decide whether the ROHRA is available to spouses and children.                                                                                                                                                                                                                                                                                   |

\*Comparison of 2026 options, for a 62-year old female with individual coverage

# SERS Group Coverage vs. ACA Market + HRA

## Costs and member experience\*

|                                                        | SERS Aetna POS II + ESI Rx                                                                                                                                                                    | ACA Market Silver Plan (Oscar Silver Standard)                                                                                                                                                                                                                                        |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Network Access                                         | Aetna has more than 2x in-network primary care physicians in Columbus, and more 4x in rural areas.<br>Out-of-Network coverage is available.                                                   | Oscar Silver Standard is an HMO with narrower provider access.<br>No out-of-Network coverage.                                                                                                                                                                                         |
| Prescription Drug                                      | \$7.50 retail generic and \$100 max specialty copays.<br>Non-preferred brands excluded.                                                                                                       | \$20 retail generic and \$350 specialty copays.<br>Walgreens excluded.                                                                                                                                                                                                                |
| Member Cost Share                                      | Deductible: \$2,000 in network / \$4,000 out of network<br>OOP Max: \$7,350 in network<br>Coinsurance: 20%                                                                                    | Deductible: \$6,000 (\$700 for lower income)<br>OOP Max: \$8,900 (\$3,300)<br>Coinsurance: 40% (30%)                                                                                                                                                                                  |
| Actuarial Equivalence** / Estimated Out-of-Pocket cost | Aetna POS II + ESI Rx is approximately 30% more actuarially valuable than the Oscar Standard Silver plan.<br>An average-utilizer's OOP costs are roughly half the Oscar Standard Silver plan. | Estimated annual OOP costs (excluding premiums), per Marketplace estimator: <ul style="list-style-type: none"> <li>• Low utilizer: \$500/year (\$400 for lower-income)</li> <li>• Medium utilizer: \$2,200/year (\$1,300)</li> <li>• High utilizer: \$8,900/year (\$3,300)</li> </ul> |

\*Comparison of 2026 options, for a 62-year old female with individual coverage

\*\*Actuarial Equivalence determined from Segal's Actuarial Pricer tool, comparing the Aetna POS II w/ ESI Rx and Oscar Silver Standard 2026 SBCs

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# Current EBHRA benefits

## **An EBHRA offers many benefits for SERS members**

- Preserves access to ACA premium tax credits and cost-sharing reductions for qualifying lower-income members.
- Members with limited health care needs may find subsidized Marketplace coverage more affordable than the SERS group plan.
- Especially for out of state members, they can select amongst other carrier and network options in the marketplace plan that best aligns with their provider, prescription drug, and budget preferences.
- Supports members eligible for Enhanced Silver ("Extra Savings") plans

Lower-income retirees who benefit most from “Extra Savings” Silver plans can already access them through SERS’ existing EBHRA option, which can be the best options for members in some circumstances.

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# Summary of Observations

## **Benefits to SERS of offering an ROHRA in lieu of the group plan option**

- A ROHRA provides predictable, defined annual expenditures. Today, SERS self-insures non-Medicare coverage and absorbs claims volatility. A ROHRA option shifts responsibility and risk to the member.

## **Impact to SERS members**

- Federal Tax Credits, which significantly offset the premiums for ACA Market plans, are not available to retirees participating in a ROHRA.
- The member experience and level of benefits on the ACA Marketplace are less generous than the current SERS' group plan.
- The current SERS plan has broader provider and pharmacy networks in both urban and rural areas than options available on the marketplace.
- Individual plans on the ACA Marketplace can cease or substantially change coverage annually, which could cause disruption from members who need to find a new plan.
- Affordability and availability of Marketplace plans are subject to changing federal policies and local market conditions.

# Medical and/or Prescription Drug Coalitions

# Medical and/or Prescription Drug Coalitions

Segal was asked to explore the market and potential opportunities for SERS through participation in a Medical and/or Prescription Drug Coalitions:

**Medical:** We did not identify any medical coalition opportunities that align with the plan's current structure, population, and strategic objectives.

**Prescription Drug:** Several potential options were identified as potential prescription drug coalitions.

| Prescription Drug Coalitions   | Current PBMs | Evaluation Status                                                          |
|--------------------------------|--------------|----------------------------------------------------------------------------|
| CoreTrust*                     | OptumRx      | Leveraging an RFP would be an effective way to evaluate value proposition  |
| Know Your Rx Coalition (KYRx)* | ESI          | Leveraged existing relationship to gain understanding of value proposition |
| WTW Rx Collaborative           | Multiple     | Leveraging an RFP would be an effective way to evaluate value proposition  |
| Employers Health*              | CVS          | Leveraging an RFP would be an effective way to evaluate value proposition  |

\* Coalitions include public sector clients

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# Do Drug Coalitions always make sense?

Prescription drug coalitions are often pitched as a win-win for plan sponsors: better pricing and decreased administration burden. While these are advantages there are also other considerations that plan sponsors should be aware of:

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## Additional Advantages

**Economies of Scale:** aggregating thousands or millions of lives will improve negotiation power, resulting in improved financial deals and enhanced contract terms

**Decreased Administration Burden:** Ongoing marketing checks, audits, and PBM procurements are conducted on behalf of its members.

**Improved Service and Account Management:** Smaller plans struggle to receive the same level of service and attention from vendors as larger organizations. A coalition can provide dedicated support of seasoned account executives and account teams more experienced in managing large, complex accounts.

**Enhanced Clinical Oversight and Support:** Dedicated pharmacist support for members and ongoing claims monitoring to identify cost saving opportunities for members and/or plans.

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## Other Considerations

**Governance and Coordination:** Healthcare coalitions require clear governance structures and decision-making processes to ensure that all member institutions are fairly represented and that decisions are made efficiently. Defining roles, responsibilities, and voting mechanisms can be complex and time-consuming.

**Diverse Needs and Priorities:** Goals and priorities vary across member institutions and balancing these requirements can be challenging. Larger plans may have different leverage and needs compared to smaller ones, complicating the coalition's efforts to achieve uniform benefits.

**Audits and Annual Reconciliations:** Audits and annual reconciliations are often not conducted for all plans

**Operational Performance Guarantees (PGs):** Are typically negotiated at the coalition level, limiting a plan sponsors choice and visibility into ongoing PBM Performance

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# Know Your Rx (KYRx) Coalition

*How does it compare?*

| Factor                                                                                                                                                               | KYRx | Segal Observations                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economies of scale</b>                                                                                                                                            | Low  | <ul style="list-style-type: none"><li>• KYRx currently has just over 112,000 total members, with 43,000 in its EGWP plan.</li><li>• Adding the additional SERS members would nearly double the KYRx membership and increase its buying power. However, its current contract is not structured to take advantage of the additional lives without conducting an RFP.</li></ul> |
| <b>Decreased administration burden</b> <ul style="list-style-type: none"><li>• RFPs &amp; Market Checks</li><li>• Audits</li><li>• PBM Operational Support</li></ul> | High | <p>The following are services included as part of coalition membership:</p> <ul style="list-style-type: none"><li>• RFPs &amp; Annual Market Checks</li><li>• Annual reconciliation audits. Plans are not restricted from conducting additional audits.</li><li>• Weekly calls with PBM to address plan operational and clinical issues.</li></ul>                           |
| <b>Enhanced Clinical Oversight &amp; Support</b>                                                                                                                     | High | <p>Pharm-Assist program</p> <ul style="list-style-type: none"><li>• Team of dedicated pharmacists provide ongoing member/plan customer support</li><li>• Ongoing claim monitoring to identify potential clinically appropriate cost savings opportunities. Making proactive outbound calls to provide information and assist members.</li></ul>                              |
| <b>Governance &amp; Coordination</b>                                                                                                                                 | Mid  | <p>SERS would have the option to participate in the PBM RFP Evaluation Committee and potentially have a seat on the Coalition Board.</p>                                                                                                                                                                                                                                     |

# Know Your Rx (KYRx) Coalition

## *Coalition Fees - evaluation of offered value*

|                                       | Full KYRx Participation                                                                      | Current Costs                                           | Segal Observations                                                                       |
|---------------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------------------------|
| Coalition Fees                        | Medicare: \$1.50 PMPM<br>Commercial: \$0.50 / Rx<br>• \$57,589 / month<br>• \$691,100 / year | N/A                                                     |                                                                                          |
| Pharm-Assist                          | Included above                                                                               | \$0.85 PMPM<br>• \$31,500 / month<br>• \$378,000 / year | Currently implemented program. Over \$500k in YTD savings opportunities                  |
| Annual financial reconciliation audit | Included above                                                                               | \$50,000* (annually)                                    | *Estimated audit fees                                                                    |
| PBM RFP                               | Included above                                                                               | \$81,000 (one time)                                     | Segal's Proposed Fee                                                                     |
| <i>Plan Savings</i>                   | <i>TBD</i>                                                                                   | <i>TBD</i>                                              | <i>KYRx is unable to provide projected plan savings without an RFP</i>                   |
| <b>Total Cost (3-year)</b>            | <b>\$2,073,300</b>                                                                           | <b>\$1,365,000</b>                                      | The gap between the Current Costs and Full KYRx participation is approximately \$700,000 |

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# Summary of Observations

- The net financial opportunity with KYRx will ultimately depend on the Plan Savings:
  - From the previous slide, Plan Cost under the KYRx contract will need to result in savings of approximately \$700,000 or more on a three-year contract basis for a net favorable financial outcome for participation with the coalition.
  - Segal is currently working with KYRx to coordinate the sharing of ESI contract terms in order to make this Plan Cost comparison.
  - If Plan Cost Savings are at or near \$700,000, the significance of the transition of administrative responsibilities like audits and RFPs should be considered.

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# KYRx – Coordinated RFP Opportunity

Even if the Plan Cost under the current KYRx ESI contract does not immediately favor the coalition, KYRx has suggested that a coordinated RFP strategy could be favorable to both parties:

- Both SERS' and KYRx's current contracts with ESI run through December 31, 2028.
- SERS could issue an RFP for 2029 that would allow for coalition response and at the same time, KYRx could issue an RFP for 2029, with the option of including SERS' added membership as an incentive for competitive responses.

# Point Solutions

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# Point Solutions Landscape

Segal has reviewed SERS data and observed the following:

- Oncology remains the largest cost driver across both medical and pharmacy spend, creating opportunities for enhanced oncology case management, site-of-care optimization, and specialty drug oversight.
- GLP-1 medications continue to be a major trend driver, with obesity and diabetes treatments representing a growing share of pharmacy spend.
- Musculoskeletal (MSK) costs are rising significantly, driven by joint replacements, physical therapy, and osteoarthritis. Opportunities exist to strengthen conservative care pathways and Centers of Excellence strategies
- High-Cost Claimants account for approximately half of total medical spend, indicating continued need for predictive analytics, intensive care management, and multidisciplinary care coordination.
- Cardiometabolic conditions remain highly prevalent, including hypertension, hyperlipidemia, diabetes, and obesity.

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# Point Solutions Landscape

Based on our assessment, the following three point solution vendors demonstrate capabilities and value propositions that may be particularly relevant to the SERS plan.

- Carrum; Specialty Care Navigation / Surgical Centers of Excellence (COEs)
  - Helps members access high-quality specialty care, particularly for musculoskeletal conditions and certain surgeries. Segal has at least 3 clients that use Carrum today, including a state plan. In Segal's experience, plans tend to have better success in areas with convenient COE options, which we suspect Ohio supports.
- Lantern; Specialty Care Navigation / MSK and Cancer Care
  - Connects members with evidence-based care pathways for MSK and cancer-related needs through digital navigation and provider networks. Segal has at least 7 clients that use Lantern today. Results for Segal's clients have been mixed, and a large retired state teacher plan has discontinued their services.
- Garner Health; Provider Quality Navigation Best Known For:
  - Identifying the highest-performing doctors within an employee's existing network and financially incentivizing members to use them. Garner analyzes large-scale claims data and offers concierge support to steer members toward top providers. Although we don't know of clients currently using Garner health today, we have several clients that are researching and intending to pursue this opportunity.

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# Point Solutions Landscape

There is some notable overlap between Carrum and Lantern that should be considered while evaluating these options. More detail on each vendor is shared in the appendix.

- **Proposed next steps**

- Conduct introductory meetings with Carrum, Lantern and Garner to review capabilities, implementation requirements, and value propositions.
- Have each vendor perform an opportunity analysis using Plan data to identify member impact, savings potential, and target populations.
- Review projected ROI, assumptions, fees, and expected outcomes.

Segal is available to coordinate meetings and help SERS review options



# RFP Plan

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# Existing Aetna ASO Contract for Non-Medicare

- SERS has contracted with Aetna to provide access to their Choice POS II network and administrative services only (ASO) arrangement for Non-Medicare retirees.
- The current arrangement became effective January 1, 2023 and holds a 5-year guarantee (or through December 31, 2027) of \$25.85 per retiree per month.
- The current ASO fee contract for SERS is extremely favorable:
  - Most multi-year guarantees include fee escalators, of between 3% and 5% annually, whereas the current SERS contract included a flat-fee for the duration of the policy with no escalators.
  - Administrative fees can vary from carrier to carrier and can be dependent on subscriber size, programs and services offered, but according to Segal's internal benchmarking, SERS' current ASO fee with Aetna of \$25.85 is lower than the low end of our survey, which provides ranges between \$28 and \$55 per contract per month.
- Conclusion: Aetna has offered to hold Non-Medicare rates steady through 2030, which is favorable in this market.

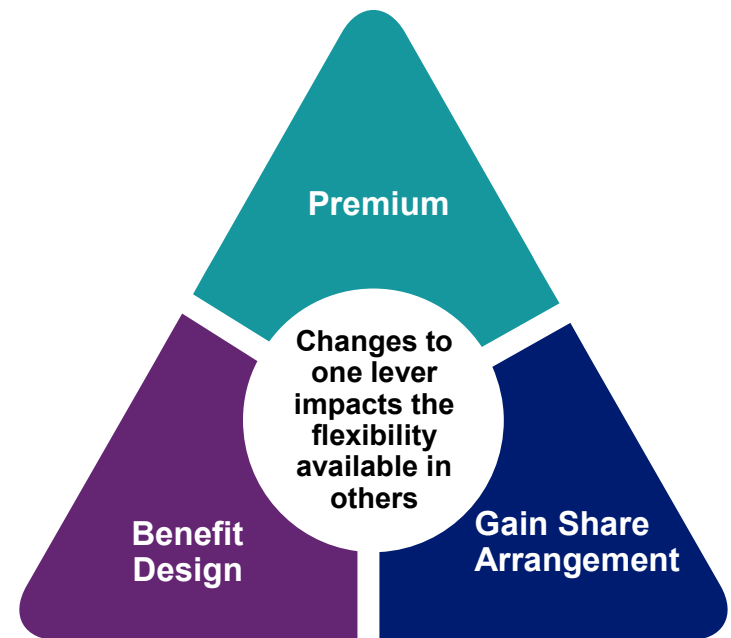
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# Pharmacy Contract Review

- Administrative fees for both the Commercial and EGWP contracts are within range of Segal's internal benchmarking, with the Commercial Plan in particular at the low end of that range.
- Ingredient Cost and Dispensing Fee Guarantees are also within Segal's benchmarking range, and in many instances on the favorable side (higher discounts, lower fees).
- Rebates appear to be within our benchmarking range.
- Conclusion: SERS' contract with ESI valid through December 31, 2028, and barring factors outside the terms reviewed here, there is no reason to recommend an RFP before the end of the existing term.
  - SERS' has made good use of market check opportunities, and the current contract terms with ESI are favorable when compared to Segal's internal benchmarking.
  - Segal does recommend introducing separate specialty guarantees for brands and generics with the next RFP. While the existing guarantees align with traditional practice, we have seen that separate guarantees can often be more favorable to clients.

# Summary of Medicare Advantage Proposal

- Aetna's proposal reflects a strong commitment to its partnership with SERS, offering potential budget certainty through a conditional three-year \$0 premium and continued gain sharing, particularly in the current Medicare Advantage environment. **The proposed changes to the gain share arrangement, however, warrant further evaluation and negotiation.**
- Financial pressures and evolving Medicare Advantage strategies have reduced carriers' willingness to hold all three renewal levers (premium, benefit design, and gain share arrangement) unchanged. SERS should expect to trade flexibility on at least one.



# Next Steps

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# Next Steps

- No immediate action is required for SERS' non-Medicare Medical plan.
- The current Pharmacy Contract terms are favorable, but further analysis can be done to review plan savings opportunities with KYRx Coalition.
- Continued negotiation of Medicare Advantage contract will be necessary to ensure the best value for SERS, emphasizing the importance of gain sharing.

**SERS  
TECHNOLOGY  
COMMITTEE  
REPORT**

**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.

**IN EXECUTIVE SESSION AT \_\_\_\_\_ A.M. / P.M.**

Upon roll call, the vote was as follows:

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

**RETURNED TO OPEN SESSION AT \_\_\_\_\_ A.M. / P.M.**

**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.)  
April 27 – 28, 2026 – 10:00 a.m. (Mon. and Tues.)  
May 15, 2026 – 8:30 a.m. (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**

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## **ADJOURNMENT**

\_\_\_\_\_ moved that the SERS Retirement Board adjourn to meet on November 19, 2026, for their next retirement board meeting.

The meeting adjourned at \_\_\_\_\_ a.m./p.m.

\_\_\_\_\_  
Daniel Wilson – Board Chair

\_\_\_\_\_  
Ray Higgins – Secretary