

# SERS Retirement Board Meeting Minutes

## May 21, 2026

The nine hundred and ninety-fourth meeting of the Retirement Board of the School Employees Retirement System was held in the boardroom at 300 E. Broad Street, Columbus, Ohio, and streamed via Zoom videoconferencing on Thursday, May 21, 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: James Rossler, Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, Aimee Russell, Frank Weglarz. Absent/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 May 21, 2026, included:

- **Minutes** of the April 16, 2026, Retirement Board Meeting.
- **Minutes** of the April 27 and 28, 2026, Special Board Meeting.
- **Minutes** of the May 15, 2026, Special Board Meeting.
- **Summary of Investment Transactions** for the period of March 1, 2026, to March 31, 2026.
- **Retirement Report** - Superannuations, Survivor Benefits, Transfers and Special Cases.
- **Disability Report** - Approval of Disability Benefits, Disapproval of Disability Benefits, Approval of Appeal of Termination for Disability Benefits – Any Occupation, Termination of Disability Benefits – Any Occupation

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

### Health Care Report

#### **Presentation of 2027 Self-Insured Rates – CavMac**

SERS Director of Health Care Services, Dr. Michael Steiner, introduced Alisa Bennett, the consulting actuary from CavMac, who presented the Board with an overview of projected 2027 health care costs for both Non-Medicare and Medicare-eligible retiree plans, based on CavMac's annual funding rate analysis. The analysis incorporates the most recent SERS self-funded claims data, including 2023–2025 medical claims and 2024–2025 prescription drug experience.

Ms. Bennett reported that Non-Medicare plan costs for 2027 are projected to increase approximately 7.0%. Medical claims are expected to rise 4.1%. Prescription drug costs are projected to increase 22%. Enrollment continues to shift toward Marketplace coverage paired with the SERS Wraparound HRA. No benefit design changes are recommended for 2027.

Regarding Medicare Eligible Plans, Ms. Bennet shared the Aetna Medicare Advantage plan remains fully insured, therefore, CavMac's analysis focuses on the self-funded Part D plan. Implementation of the Inflation Reduction Act (IRA) continues to significantly shape Part D liability. Although prescription drug costs are expected to rise, higher CMS reimbursements are projected to offset much of the increase. Notably, the projected 2027 funding rate (based on 2025 claims) is lower than the 2026 rate (based on 2024 claims) due to IRA-related structural changes. Rates for the Medicare Traditional Choice Plan, available only to retirees experiencing interruptions in Medicare Part B enrollment, reflect volatility in 2025 claims and result in a recommended 7.5% increase.

After a robust discussion, the Board thanked Ms. Bennett for her presentation.

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### **2027 Health Care Review**

Dr. Steiner provided an overview of proposed 2027 retiree health care premiums and benefit provisions. These recommendations are based on actuarial cost projections prepared by SERS' consulting actuary, CavMac, and reflect efforts to support the long-term sustainability of the Health Care Fund.

Dr. Steiner noted that no premium or benefit changes are recommended for the dental and vision plans, as they remain within the current two-year supplemental enrollment period. Dr. Steiner informed the Board the next biennial Dental and Vision Open Enrollment period will cover the 2028-2029 enrollment period. In Winter 2026 Health care Services will begin a Request for Proposal (RFP) process for the next enrollment period. The Board will be updated throughout the RFP process.

For medical coverage, Dr. Steiner reported that the Aetna Medicare Advantage plan is expected to remain flat with no premium changes for 2027. For the Aetna Choice POS II plan, a 7% base premium increase is recommended, raising the most common premium from \$362 to \$385. The AultCare PPO plan, which continues to offer value for retirees residing in eligible counties, is projected to require a 29% base premium increase, moving the most common premium from \$274 to \$343.

Regarding benefit provisions, Dr. Steiner highlighted that the Aetna Medicare Advantage plan will require an update to the Part D out-of-pocket maximum, increasing from \$2,100 to \$2,400 to align with the federal standard for 2027. No benefit changes are recommended for the Aetna Choice POS II or AultCare PPO plans. For Marketplace participants, the Wraparound HRA is recommended to increase to the IRS maximum allowable annual reimbursement of \$2,250.

Dr. Steiner concluded by noting that final premiums and benefit changes will be presented at the June meeting for Board approval.

### **Proposed Extension of UMR Contract (R)**

Dr. Steiner continued the Health Care Report, providing an overview of the recommendation to extend SERS' contract with UMR for one year, covering the period January 1, 2027, through December 31, 2027.

Dr. Steiner reported that UMR administers the Marketplace Wraparound HRA, provides plan counseling for non-Medicare members, supports ACA marketplace enrollment, and conducts Medicare eligibility screening. He noted that UMR continues to deliver high-quality customer service, monitored through call reviews and performance guarantees. Enrollment in the Marketplace Wraparound HRA remains steady at approximately 20% of non-Medicare participants despite the expiration of enhanced ACA subsidies.

Dr. Steiner highlighted the findings of a 2024 third-party audit, which concluded that UMR exceeded internal goals and industry standards by achieving 99.96% financial accuracy in HRA administration. The proposed extension includes a 5% increase to the monthly HRA administrative fee, consistent with adjustments in recent renewals, while all other counseling and enrollment fees remain unchanged. The estimated cost impact for calendar year 2027 is approximately \$6,000.

He concluded by noting that the Health Care Department anticipates issuing an RFP for plan year 2028 to align with other procurement timelines and incorporate recommendations from the consultant's upcoming program review. A resolution to approve the one-year extension was included in the Board materials.

Matthew King moved and Jeanine Alexander seconded approval to authorize staff to extend the current contract with UMR for provision of plan counseling services, SERS Wraparound HRA administration, and Medicaid eligibility screening to SERS non-Medicare eligible health care plan participants. The extension shall be for a term of one year beginning January 1, 2027. The Executive Director or Deputy Executive Director shall have the authority to execute any documents necessary to secure these services, subject to documentation satisfactory to legal counsel. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone,

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Matthew King, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Excused: Catherine Moss. The motion carried.

### **Investment Report**

#### **Investment Consultant Presentations (R)**

SERS Assistant Director of Investments, Judi Masri, introduced the topic of the ongoing Investment Consultant Search. The Board received a packet including consultant philosophy responses, sample interview questions, a staff summary table, and a staff scoring matrix.

Ms. Masri introduced the Meketa Investment Group presenters, Leandro Festino, Stephanie Sorg, and Tim Filla. Meketa delivered a presentation to the Board on their investment consulting services, highlighting their working philosophy with Board and staff, strategic framework, reporting and education practices, and manager due-diligence processes.

Following several questions, the Board thanked Meketa for their presentation.

SERS Chief Investment Officer, Farouki Majeed, next introduced Joanna Bewick, Chris Tessman, and David Lindenberg of Wilshire Associates. Wilshire conducted a presentation to the Board on their investment consulting services, providing an overview of their philosophy, approach, resources, due-diligence processes, and comparative firm information.

Following several questions, the Board thanked Wilshire for their presentation.

After a robust discussion, Frank Weglarz moved and Matthew King seconded to select Wilshire Associates to provide investment consulting services for SERS for a five-year term beginning August 1, 2026, as discussed in the Board meeting held on May 21, 2026, subject to documentation satisfactory to legal counsel and the Chief Investment Officer. Be it further provided that the Executive Director is authorized to execute any documents necessary to finalize this selection. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Excused: Catherine Moss. The motion carried.

The Board took a break at 10:45 a.m.

The Board reconvened at 10:53 a.m.

#### **Quarterly Performance Report – Wilshire Associates**

Joanna Bewick and Chris Tessman of Wilshire Associates provided the Board with an update of current U.S. economic conditions, and a review of SERS' March 2026 quarterly results.

Ms. Bewick reported that U.S. equities declined -3.9% for the first quarter, though they remained up 18.3% over the prior twelve months, with energy significantly outperforming other sectors. Global economic conditions were mixed, with modest growth in the U.K. and Germany, and China showing steadier momentum supported by exports and targeted policy easing. The U.S. Treasury yield curve rose during the quarter, and the Federal Reserve left its overnight rate unchanged, signaling only a modest expected rate decrease in 2026.

Mr. Tessman discussed how Total Fund performance for the quarter slightly outperformed the policy benchmark, driven by positive manager value added across several asset classes. Mr. Tessman noted that the Fund's asset allocation remained broadly aligned with targets, with Global Equity, Private Equity, and Infrastructure contributing meaningfully to one-year returns.

After brief discussion, the Board thanked Ms. Bewick and Mr. Tessman for their report.

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### **Quarterly Investment Report**

SERS Chief Investment Officer, Farouki Majeed, provided an update on the investment fund status as of March 31, 2026, which included an economic and market update.

Mr. Majeed highlighted steady economic improvement, including 2.0% GDP growth in Q1 driven by post-shutdown recovery and AI-related investment, alongside labor market gains and rising inflation. Equity markets strengthened in April, with U.S., international, and emerging market equities all posting strong gains, while fixed income returns remained modest. The Total Fund ended the quarter with \$21.9 billion in assets, and performance exceeded the policy benchmark across one-year and multi-year periods, generating positive value-added. Asset allocation remained broadly aligned with targets, with Global Equities at 42.9%, Private Equity at 12.6%, and opportunistic strategies contributing positively. Mr. Majeed also noted continued monitoring of inflation, sentiment, and global manufacturing trends as forward-looking indicators for market conditions.

Following a robust discussion and several questions, the Board thanked Mr. Majeed and his Investment Staff for their hard work.

### **Statement of Investment Policy – Draft Discussion**

Mr. Majeed provided an overview of proposed changes to the Statement of Investment Policy. Mr. Majeed noted there are minimal proposed changes. After some discussion, Mr. Majeed reminded the Board that a resolution to approve the edits will be presented in June.

### **FY2027 Annual Investment Plan – Draft Discussion**

Mr. Majeed presented the draft Annual Investment Plan for FY2027, noting that the Plan outlines the economic outlook, updated asset allocation targets, performance objectives, and implementation guidelines for each asset class. Mr. Majeed explained that staff reported strong long-term Total Fund performance, with net returns exceeding policy benchmarks across 3-, 5-, and 10-year periods and continuing to surpass the 7% actuarial target. For FY2027, key objectives include implementing the newly approved asset allocation (including phased increases to Infrastructure and Gold), completing the investment consultant contract, conducting a portfolio analytics system search, and maintaining robust risk management practices. Mr. Majeed highlighted that the new allocation strategy—effective July 1, 2026—introduces Gold as a standalone asset class and gradually rebalances Real Estate and Infrastructure toward strategic targets. Mr. Majeed walked the Board through the implementation guidelines and explained that the Plan reaffirms the focus on value-added performance, cost efficiency, and continued development of the Investment team as SERS enters the next fiscal year.

Following a brief discussion, the Board thanked Mr. Majeed for his presentation.

### **FY2027 Investment Department Incentive Program (Possible Vote)**

SERS Executive Director, Richard Stensrud, presented the proposed FY2027 Investment Department Incentive Plan for the Board's consideration. Mr. Stensrud explained that the amount of any investment staff performance compensation to be paid in the upcoming fiscal year is determined pursuant to the Investment Department Incentive Plan (Plan) approved by the Board each Spring. Mr. Stensrud noted the Plan contains a number of provisions that control whether and how much performance compensation has been earned. Those controls include:

- The use of investment benchmarks approved by the Board;
- The performance relative to those benchmarks is determined by an independent performance and analytics consultant (Clearwater - CWAN) and verified by SERS' Investment Accounting staff;
- The individual performance compensation is calculated by the Assistant Director for Financial Accounting; and
- Those calculations are reviewed and verified by the Chief Audit Officer.

Mr. Stensrud continued, stating that each year the Plan is reviewed by the Incentive Plan Committee, which also proposes potential changes to the Plan. The Incentive Plan Committee is comprised of the Executive Director,

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the Deputy Executive Director, the General Counsel, the Assistant Director for Financial Accounting, the Director of Administrative Services and the Chief Investment Officer.

Mr. Stensrud reported that this year the Incentive Plan Committee is proposing no changes to the Plan effective FY2027 other than updating the dates and clarifying Tier V includes all job titles available for a Risk Officer. No changes are proposed to the process or calculations.

After brief questions, Rebekah Roe moved and Aimee Russell seconded the motion to approve the Investment Department Incentive Plan for fiscal year ending June 30, 2027, which replaces the Fiscal Year 2026 Investment Department Incentive Plan approved May 15, 2025. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Excused: Catherine Moss. The motion carried.

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

#### **Ohio Retirement Study Council**

SERS Executive Director Richard Stensrud reported that the ORSC met last Thursday, May 14. SERS presented the draft FY2027 budget to the Council and provided a summary of the Internal Audit report. All the information was well received by the Committee.

#### **Advocacy Groups**

Mr. Stensrud reported that the OASBO Annual Meeting was held on May 1. SERS staff provided a system overview and update about current issues and a look ahead. The meeting was hybrid and was well attended via Zoom.

Mr. Stensrud also shared that annual SERO presentation took place on May 6, providing an update on the system and healthcare program.

#### **State Legislative Activity**

Mr. Stensrud reported SERS has been conducting meetings with the ORSC and House Pensions committee, bringing SERS message of positive differentiation to policymakers as well as taking the opportunity to convey the message that, while there will be a change in the executive director position of the organization coming soon, there will not be a change in SERS' values or style. .

#### **Federal Advocacy**

Mr. Stensrud continued, reminding the Board that the Coalition to Preserve Retirement Security (CPRS) webinar was hosted on April 29 providing an updated Segal report detailing potential impact of Social Security mandatory coverage for non-covered public employees. SERS continues to provide information regarding this issue to stakeholder organizations

#### **Member Services Outreach**

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

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### **Operation Feed**

Mr. Stensrud continued his report, stating SERS staff participated in Operation Feed, an annual charity program where SERS employees give back to our community. Staff raised \$1,380 in cash donations and collected 1,860 pounds of food. Mr. Stensrud thanked the staff for their generosity and support for this worthy cause.

### **Review of Administrative Expenses**

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

### **Review of Third Quarter Budget to Actual Administrative Expenses for SERS and OSERS Broad Street, LLC**

Ms. Hall continued, presenting the Fiscal Year-to-Date (FYTD) Budget-to-Actual Report for the period ending March 31, 2026. Total administrative expenses were reported at 95.1% of budget, resulting in expenditures that were \$1.64 million under budget for the period.

### **SERS FY2027 Administrative Budget Review**

Ms. Hall presented the proposed FY2027 Administrative Budget for the Board's consideration. Ms. Hall reviewed the budget process and policies and outlined the key budget categories. She discussed the current year's budget, the forecasted expenditures relative to the current budget, and the proposed budget for FY2026, noting changes by major category and expenditure areas within those categories. The proposed budget reflects an increase of 2.4% over the FY2026 budget and a 4.6% increase over the FY2026 projected expenses. Ms. Hall highlighted that but-for the mandated funding for the ORSC's Fiduciary Audit, the budget increase over the FY2026 budget would have been 0.7%.

Ms. Hall noted that the Budget Book provides extensive detail regarding the proposed budget and its reconciliation to the current budget.

At the June Board Meeting, the Board will be asked to approve the final version of the budget through separate resolutions – one for SERS' operating budget and one for the transfer of funds to OSERS Holdings, LLC to cover the net operating expenses of OSERS Broad Street, LLC.

Following questions and discussion, the Board thanked Ms. Hall for her presentation.

The Board recessed at 12:37 a.m.

The Board reconvened at 1:11 p.m.

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

### **Executive Session pursuant to R.C. 121.22 (G)(2) to discuss the employment and compensation of a public employee (R)**

Frank Weglarz moved and Jeanine Alexander seconded the motion that the Board convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Excused: Catherine Moss. The motion carried.

The Board convened in Executive session at 1:12 p.m.

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The Board returned to open session at 2:04 p.m.

Matthew King left the Board Meeting at 2:05 p.m.

### **Proposed Extension of Actuarial Contract (R)**

Mr. Stensrud provided the Board with a recommendation to approve a two-year extension of the current actuarial services contract with Cavanaugh MacDonald (CavMac), which is scheduled to expire June 30, 2026. Mr. Stensrud reminded the Board of the scope of services in the current contract and noted that the accuracy of CavMac's actuarial calculations and soundness of their methodology has been confirmed in two recent actuarial audits. Mr. Stensrud explained that extending the contract would help maintain organizational continuity through important upcoming transitions and substantial engagements and further stated there will be no increase in fees for the duration of the extension.

After a robust discussion it was moved by Frank Weglarz and seconded by Aimee Russell to extend the existing contract with CavMac by two years, with a new termination date of June 30, 2028. The Executive Director has the authority to execute the contract extension following review by legal counsel. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Jeffrey DeLeone and Matthew King. Excused: Catherine Moss. The motion carried.

### **Proposed Extension of Vocational Rehabilitation Contract (R)**

Mr. Stensrud presented the Board with a recommendation to re-appoint Kimberly Wickert, for a 5-year term, as SERS' Vocational Expert. Mr. Stensrud highlighted Ms. Wickert's tenure and extensive experience and qualifications that have served SERS since December 2015.

Rebekah Roe moved and Jeanine Alexander seconded to re-appoint Kimberly Wickert as Vocational Expert for a term of five years, effective July 1, 2026, at a rate of \$97 per hour. Upon roll call the vote was as follows: Yea: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Rebekah Roe, Aimee Russell, Frank Weglarz, and James Rossler. Absent: Matthew King. Excused: Catherine Moss. The motion carried.

## **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 reported that the Compensation Committee's primary focus has been on the search for the new Executive Director. There were no questions from the Board. The next Compensation Committee meeting is scheduled for Thursday, June 18, 2026.

## **Retirement Report**

There was no executive session for the retirement report.

## **Board Communication and Policy Issues**

### **Calendar Dates for Future Board Meetings**

The Board members reviewed the 2026 meeting calendar. Board Chair, James Rossler, noted there will be a Special Meeting added to the schedule for June 1, 2026, at 2:30 p.m.

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

**AUDIT COMMITTEE MEETINGS**

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

### COMPENSATION COMMITTEE MEETINGS

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

### TECHNOLOGY COMMITTEE MEETINGS

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

### BOARD MEETINGS

June 1, 2026 – 2:30 p.m. **\*\* Special Meeting \*\***  
June 18, 2026 – 8:30 a.m. (Thurs.)  
July 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)  
September 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.) **\*\* Board Picture Day \*\***  
October 15 – 16, 2026 – 8:30 a.m. (Thurs. and Fri.)  
November 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.)  
December 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.)

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

### **Continued or New Business - Board Information Request & Follow Up Items**

Board Member, Daniel Wilson, noted the desire to annually update photos of SERS members in the Board room. Jeffrey DeLeone and Frank Welgarz agreed with this idea. Mr. Stensrud agreed to take the note forward to SERS' Communication Department and report back to the Board.

Board Member, Aimee Russell, reported to the board that she attended an NCPERS conference May 16 – May 20, and at this conference a speaker referenced using AI to analyze board books, providing citations, bullet points, and questions. Ms. Russell asked if this is something SERS has looked into. SERS Deputy Director, Karen Roggenkamp, shared that SERS has experimented with this using CoPilot and confirmed SERS will continue exploring those efforts.

### **Adjournment**

Board Chair, Jamies Rossler, moved to adjourn to meet on Monday, June 1, 2026, at 2:30 p.m. for the next SERS specially scheduled Retirement Board meeting.

The SERS Board Meeting adjourned at 2:10 p.m.

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James Rossler, Board Chair

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Richard Stensrud, Executive Director