



SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
BOARD MEETING HIGHLIGHTS
JUNE 2026

Board Appoints Ray Higgins as Executive Director

On June 1, the SERS Board appointed Ray Higgins as executive director. Higgins will be the eighth executive director since the System's founding in 1937.

Higgins served as executive director of the \$39 billion Public Employees' Retirement System of Mississippi for the past eight years. This public service followed almost 20 years working for the State of Georgia, including service as deputy director and chief operating officer for the Employees' Retirement System of Georgia and deputy commissioner for the Department of Early Care and Learning.

He received a B.B.A. degree in finance from Georgia Southern University, and a M.S. degree in finance and investments from Georgia State University.

Higgins is expected to join the organization in early July.

At its regular June meeting, the Board presented Executive Director Richard Stensrud with a resolution recognizing nine years of exceptional leadership and guidance, particularly during the COVID-19 pandemic, his proactive work with Ohio's legislators, and his ability to maintain strong relationships with advocacy groups that represent SERS' members and retirees.

"On behalf of the SERS Board, I would like to thank Richard Stensrud for his outstanding leadership and service to the System over the past nine years. Thanks to Richard's direction, the organization is in a strong position across all key metrics," said James Rossler, chair of the SERS Board. Stensrud will retire in July.



Board Chair James Rossler, left, and Executive Director Richard Stensrud, right

Board Elects New Officers

For FY2027 (July 1, 2026 – June 30, 2027), the Board elected Appointed Member Daniel Wilson as chair and Employee-Member Aimee Russell as vice-chair.

Health Care Update

Michael Steiner, SERS' health care services director, summarized proposed changes to the health care program for 2027.

RETIREMENT BOARD

JAMES A. ROSSLER, JR.
Chair, Appointed Member

DANIEL L. WILSON
Vice-Chair, Appointed Member

JEANINE ALEXANDER
Employee-Member

JEFFREY T. DELEONE
Appointed Member

MATTHEW KING
Employee-Member

CATHERINE P. MOSS
Retiree-Member

REBEKAH R. ROE
Employee-Member

AIMEE RUSSELL
Employee-Member

FRANK A. WEGLARZ
Retiree-Member

The recommendations, which are based on the actuarial cost projections prepared by CavMac, SERS' actuarial consultant, are designed to maintain the long-term sustainability of the Health Care Fund.

The Board approved the 2027 health care premiums and plan design changes as follows:

- **Dental and Vision Plan:** No premium or benefit changes for 2027
- **Medical and Prescription Drug Premiums:**
 - **Aetna Medicare Advantage:** No premium change for 2027
 - **Aetna Choice POS II:** A 7% increase to the base premium, with the most common premium rising from \$362 to \$385
 - **AultCare PPO:** A 29% base premium increase, with the most common premium increasing from \$274 to \$343
- **Benefit Provisions:**
 - **Aetna Medicare Advantage:** An update to the Part D out-of-pocket maximum from \$2,100 to \$2,400
 - **Aetna Choice POS II:** No benefit changes
 - **AultCare PPO:** No benefit changes
 - **Marketplace Wraparound HRA:** Increase the maximum annual reimbursement to \$2,250

In addition, the Premium Discount Program is brought to the Board on an annual basis. This program provides health care premium relief to qualifying recipients based on household size and income.

Benefit recipients with household incomes less than or equal to 175% of the 2026 Federal Poverty Level (FPL) will be eligible for a 25% premium reduction. Most previously approved participants will continue to be enrolled for the 2027 program without reapplication.

Board Approves FY2027 Annual Investment Plan

SERS' Board approved the FY2027 *Annual Investment Plan* (AIP), which serves as a guide to the System's investment decisions for the year. The AIP includes an overview of the current economic environment based on reports from leading economic firms, and SERS' asset allocation target and long-term performance objective for each type of investment. In addition, it contains last year's objectives and accomplishments, and details about how each investment portfolio will be managed during the year.

Board Approves Statement of Investment Policy Amendments

Following Wilshire Associates' recommendation at last month's meeting, the Board approved amendments to SERS' *Statement of Investment Policy*.

Effective July 1, 2026, SERS' private credit benchmark will change from the 90-Day SOFR +4.5% standard to the Quarterly (4 quarters) smoothed Morningstar LSTA US Leveraged Loan Index, one quarter in arrears. Wilshire's review revealed that the CFA Institute considers the SOFR benchmark to be uninvestable, which defies one of the primary characteristics of a benchmark. In addition, because they predict that volatility will remain in private credit for some time, a benchmark like Morningstar that removes all subjectivity provides a better measure of performance.

The benchmark for the new gold portfolio is changing from the proposed LBMA Gold Price PM (USD) less 10 basis points annually to the IAUM Gold ETF. Wilshire supported this change because SERS' primary access to gold is through exchange traded funds (ETFs). In addition, the IAUM benchmark has

a lower expense ratio than the other benchmarks, which produces a closer net-of-fees benchmark than the higher priced peers.

Investment Committee Approves Two Investments

The SERS Staff Investment Committee approved a commitment of up to \$75 million to GoldenTree Private Credit Fund II, an opportunistic lending strategy within the private credit portfolio, and a commitment of up to \$100 million to LS Power Fund VI, a private infrastructure strategy within the real assets portfolio.

These investments will be funded from cash reserves.

Total Fund Update

TOTAL FUND BALANCE		
March 31	April 30	Difference
\$21.86 billion	\$22.86 billion	▲ \$1 billion
TOTAL FUND RETURN (net of fees)		
Fiscal Year	Calendar Year	3-Year
▲ 12.99%	▲ 5.06%	▲ 12.07%
TOTAL FUND RETURN vs. BENCHMARK		
Fiscal Year	Calendar Year	3-Year
▲ 2.12%	▲ 1.39%	▲ 1.49%

Executive Director's Update

FY2027 Budget Approved

The Board approved the proposed administrative budget for FY2027.

The approved budget totals \$43,235,506 and includes personnel costs; professional service fees, including investment-related costs; communications expenses; capital expenditures; and other operating expenses.

Website Redesign Coming Soon

Nikki Whitacre, assistant director of engagement and communication strategy, presented an overview of SERS' upcoming website design.

The newly redesigned website will offer a more modern layout, improved navigation, prominent search features, increased visibility for important news and updates, and strengthened compliance under the Department of Justice's Web Content Accessibility Guidelines (WCAG) standards that are part of the Americans with Disabilities Act. WCAG compliance is mandatory on April 26, 2027.

The redesigned site is estimated to be launched by June 30.

Visitors will be able access SERS' redesigned website using the same address: www.ohsers.org.

Key Performance Indicator Dashboard Introduced

Deputy Executive Director Karen Roggenkamp presented an overview of SERS' new key performance indicator (KPI) dashboard to the Board.

The dashboard is designed to increase transparency and facilitate informed, data-driven decisions.

It will monitor organization-wide KPIs and metrics, while establishing clear priorities, recognizing trends, analyzing problems, and promoting employee engagement.

The KPI dashboard is expected to be fully implemented in July 2026.

ORSC Update

At the June Ohio Retirement Study Council (ORSC) meeting, Director Richard Stensrud presented SERS' five-year experience study for the period ended June 30, 2025.

These results, combined with prior actuarial audits, demonstrated that the sustainability of the fund is widely understood, the existing contribution rate structure is sufficient to meet the System's funding goals, and the decision to move to a layered amortization model is a positive change.

In addition, the ORSC issued a request for proposal (RFP) seeking proposals from qualified firms interested in providing independent fiduciary audit services for SERS. The RFP is available at www.orsc.org.

Board Self-Assessment

In 2017, SERS participated in a Fiduciary Audit Report required by the ORSC. One recommendation in the report was for SERS' Board to implement a self-evaluation process.

Regular Board self-assessments are considered best practice in terms of Board efficiency and self-governance.

All Board members agreed that the Board is operating positively and effectively.

Monthly Retirement and Survivor Benefit Transactions

For June, the SERS Board approved 133 active members for service retirements, and 4 survivor benefits for spouses and/or dependents.

July Meeting Date

The next regular Board meeting will take place on Thursday, July 16, at 8:30 a.m.