

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

NOTICE

1. The OPERS Board will meet on **Wednesday, October 15, 2025, at 9:30 a.m.** in the offices of the Board.

Members of the public may view the live video of the Board meeting. Registration/sign in to access the meeting is available at the following link https://opersorg.zoom.us/webinar/register/WN_Yal-ozYmQmm8UpDFaLnReA. Once completed you will receive additional information regarding how to observe the meeting.

OPERS Board

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
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Board Meeting

October 15, 2025
9:30 A.M.
OPERS Office

A G E N D A

- I. Roll Call 9:30 - 9:30 a.m.

- II. Consent agenda:
 - A. Minutes – [OPERS meeting](#) - September 17, 2025;
[Ohio Deferred Compensation](#) meeting – August 19, 2025 9:30 – 9:35 a.m.
 - B. [Disability report](#)

- III. Committee Report – Personnel Committee – Julie Albers 9:35 – 9:40 a.m.

- IV. Action Items:
 - A. [Certification of the 2025 Board Election Results](#) – Eric Harrell and Jenny Starr 9:40 – 9:45 a.m.
 - B. [Approve ODC Rules and Plan Changes](#) – Lauren Gresh and Debbie McCarthy 9:45 – 10:15 a.m.
 - C. [Approve 2026 Budget](#) (including ODC) – Jenny Starr and Erica Worley 10:15 – 11:15 a.m.
 - D. [Review Proxy Plan and Activity and Approve Proxy Plan](#) – Patti Gazda 11:15 – 11:45 a.m.
- Lunch 11:45 – 12:00 p.m.
- E. [Policy Benchmarks Review](#) – Meketa 12:00 – 1:00 p.m.

- V. Discussion Items:
 - A. [3rd Quarter 2025 Preliminary Investment Results](#) – Meketa 1:00 – 1:15 p.m.
 - B. [Private Equity Program Overview](#) – Meketa 1:15 – 2:45 p.m.
 - C. [Enterprise Risk Management Program Update](#)–Tonya Brown 2:45 – 3:15 p.m.
 - D. [Strategic Planning Update](#) (including ODC) – Karen Carraher and Rose Rotonda 3:15 – 3:30 p.m.
 - E. [Executive Director Report](#) – Karen Carraher 3:30 – 3:40 p.m.

- VI. For Your Information:
 - A. [Investment Performance](#)
 - B. [Risk Mitigation Strategies Update](#)

September minutes

Minutes of the

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

The monthly meeting of the Ohio Public Employees Retirement Board was held in the offices of the Board, Ohio Public Employees Retirement System building, 277 East Town Street, Columbus, Ohio at 9:00 a.m., Wednesday, September 17, 2025

Members present: Mr. Jay Hottinger; Mr. James Kunk; Mr. Russell Smith; Mr. Stewart Smith; Mr. Tim Steitz; Mr. Ken Thomas; and Mr. Steve Toth. (Ms. Kathleen Madden entered the meeting after roll call. Mr. Scott Richter and Ms. Julie Albers entered the meeting later.)

Member absent: Mr. Chris Mabe.

Also present: Ms. Karen Carraher, Executive Director; Mr. Allen Foster, Deputy Executive Director; Mr. Gordon Gatien, Director Government Relations; Mr. Paul Greff, Director, Investments; Ms. Lauren Gresh, Deputy Executive Director; Mr. Eric Harrell, General Counsel; Mr. Stephen Kell, Director Information Technology; Mr. Chuck Quinlan, Director Information Technology Strategy; Ms. Jenny Starr, Chief Financial Officer; Ms. Caroline Stinziano, Director Internal Audit; and Ms. Ciji Wilhelm, Director, Human Resources.

Mr. Thomas moved, Mr. Hottinger seconded, to excuse the absence of Mr. Mabe.

The motion passed without dissent.

Vice-Chair Stewart Smith proceeded with the agenda in the absence of Board Chair Chris Mabe.

Mr. Thomas moved, Mr. Kunk seconded, to approve the minutes of the meeting held August 19, 2025, and the disability report (see Appendix to the Minutes for report).

Roll call vote was taken as follows: Mr. Hottinger, aye; Mr. Kunk, aye; Ms. Madden, aye; Mr. Russell Smith, aye;

Mr. Steitz, aye; Mr. Thomas, aye; Mr. Toth, aye; Mr. Stewart Smith, aye.

The motion passed with all ayes.

Ms. Deborah McCarthy, Government Relations Officer/Legal Counsel, provided a presentation on the 2025 five-year rule review.

Ohio Revised Code Section 106.03 requires OPERS to review each of our administrative rules every five years and determine whether they require amendment, rescission, or to continue without change. This year's quinquennial review involves the rules in Chapter 145-1 of the Ohio Administrative Code regarding the general administration of the OPERS retirement plans. These rules have been reviewed to confirm that they encompass the appropriate purpose, scope, and intent of the governing statutes. The proposed changes were discussed with the Board.

(Mr. Richter entered the meeting during the discussion.)

Mr. Thomas moved, Mr. Hottinger seconded, to approve for submission to the Joint Committee on Agency Rule Review and the Legislative Service Commission, the rules and proposed changes as discussed and reviewed by the staff.

Roll call vote was taken as follows: Mr. Hottinger, aye; Mr. Kunk, aye; Ms. Madden, aye; Mr. Richter, aye; Mr. Russell Smith, aye; Mr. Steitz, aye; Mr. Thomas, aye; Mr. Toth, aye; Mr. Stewart Smith, aye.

The motion passed with all ayes.

Mr. Mita Drazilov, Mr. James Sparks and Mr. Jeff Tebeau, from Gabriel Roeder Smith & Company, presented the December 31, 2024, Retiree Health Actuarial Valuation and Projection results to the Board.

(Ms. Albers entered the meeting during the actuarial presentation.)

(Mr. Stewart Smith left the meeting during the actuarial presentation and Mr. Thomas proceeded with the Board's agenda.)

Mr. David Sancewich and Mr. Sam Abernathy from Meketa reviewed second quarter investment performance.

The Board recessed for lunch.

Mr. Stewart Smith reentered the meeting and proceeded with the agenda after lunch.

Mr. Erick Weis, Senior Portfolio Manager, and Mr. Avijit Barua, Portfolio Manager, from the OPERS Investment Division, provided an internal global equity asset class update.

Ms. DeAnne Mannion, Deputy Chief Investment Officer and Mr. Steve Merriett, Assistant Director-Investment Accounting Operations & Compliance, provided an update on investment fees.

They provided a comprehensive understanding of the external manager costs associated with administering the OPERS Defined Benefit (DB), Health Care (HC), and Defined Contribution (DC) Funds. They reviewed a detailed breakout of the management and performance fees over the last five years for externally managed strategies, along with a comparison of these costs to those of our peers for the DB and HC Funds. The annual review of OPERS DC fees in comparison to peers will be presented at the November Board meeting.

Ms. Gresh provided a report to the Board on changes to Ohio Deferred Compensation's (DC) annual employer recognition process. She reviewed the current process for this recognition.

Going forward, staff will continue to evaluate employer engagement and issue employer commendations on behalf of the Ohio DC Program at the end of this year. Staff will issue employer commendations as appropriate in the future and celebrate employers who value retirement security with Ohio DC.

Mr. Gatien made an educational presentation on a basic understanding as to how a bill becomes law in Ohio.

The Executive Director report was included in the meeting materials.

Mr. Hottinger moved, Mr. Toth seconded, the meeting be adjourned until the next regular meeting to be held Wednesday, October 15, 2025, at 9:300 a.m.

The motion passed without dissent.

The meeting adjourned at 2:20 p.m.

**Minutes of
OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION BOARD
STRATEGIC PLANNING MEETING**

A publicly noticed meeting of the Ohio Public Employees Deferred Compensation Board was held at the Ohio Public Employees Retirement System offices located at 277 East Town Street, Columbus, Ohio on August 19, 2025, at 9:30 a.m.

Members present: Chair Ken Thomas; Ms. Julie Albers; Representative Sean Brennan; Mr. Jay Hottinger; Mr. James E. Kunk; Mr. Christopher Mabe; Ms. Kathleen Madden; Mr. Scott Richter; Mr. Russell Smith; Mr. Stewart Smith; Mr. Timothy Steitz; and Mr. Steve Toth.

Also present: Mr. Kevin Kirkpatrick, Ms. Renee Zysk, Mr. Jason Chang, Ms. Patricia Taylor, and Ms. Cindy Ward of the Ohio Public Employees Deferred Compensation Program (Ohio DC); Mr. Matt Gill, Mr. Cedric Gaaskjolen, Ms. Felicia Hill, Ms. Anna Keefer and Ms. Brenda Anderson of Nationwide; Ms. Caroline Hopkins of the Attorney General's office; and Ms. Lauren Gresh, Ms. Karen Carraher, Ms. Jenny Starr, Mr. Allen Foster, Mr. Chuck Quinlan, Mr. Stephen Kell, Ms. Tonya Brown, Mr. Eric Harrell, Mr. Gordon Gatien, Ms. Caroline Stinziano, Ms. Ciji Wilhelm, and Mr. Roger Stellar of Ohio Public Employees Retirement System (OPERS).

Member(s) absent: Senator Louis W. Blessing, III.

Chair Thomas called the meeting to order.

Chair Thomas indicated he was excited for the topics that will be discussed and noted that it will be a huge pivot point for Ohio DC and the Board. Ms. Carraher noted she was also excited about what OPERS and Ohio DC can accomplish together, and building on the great things that Ohio DC has already established. She highlighted the meeting agenda. Ms. Gresh thanked the teams for their hard work on all the information that will be presented.

The minutes of the May 20, 2025 Board meeting were presented.

Mr. Mabe moved; Ms. Albers seconded to accept and file the minutes as presented.

All aye. The motion passed without dissent.

Mr. Quinlan presented details on the Ohio DC and the OPERS IT staff, platforms, and custom line of business (LOB) applications. He noted the primary driver of the technology merger was risk reduction, increased capabilities, and enablement of business opportunities. Mr. Quinlan reviewed a potential five-year technology roadmap for the merger, which included estimated start-up expenses and the potential for cost savings over the five years. Discussion was held regarding cost efficiencies that could eventually lead to enhancements or participant savings. Mr. Quinlan discussed the current and combined Ohio DC and OPERS technology diagrams, and he detailed the IT infrastructure, services, applications, capital investment, and management & staffing.

Discussion was held regarding the level of exposure and risk with the transition, the need to minimize the risk of issues with the participant experience during the transition, and the necessity of maintaining the branding of both organizations. The first two years will be focused on infrastructure, and a more in-depth assessment will be needed later in the 5-year plan for the LOB applications. The Board will have input on the speed of the changes and enhancements. Discussion continued regarding the need to minimize changes to the participants' experience. The LOB applications will be maintained in their current state until the infrastructure merger is completed. Mr. Quinlan indicated that while the risk is low, an implementation plan would be created, testing would be in place, and there would be recovery positions if an issue were to occur. Mr. Chang indicated that he is comfortable with the

process that has been presented, and the risks are low for any participant facing issues. It was noted there will still be the ongoing business costs that currently exist, along with the merger costs. Mr. Quinlan remarked on the current OPERS AI strategy.

The meeting was recessed for a break at 11:00 a.m.

The meeting returned to regular session at 11:10 a.m.

Ms. Carraher noted the objectives of the administrative fee and fund reserves presentation. Ms. Starr highlighted the existing Ohio DC administrative fee policy/structure and a comparative fee analysis. She reviewed the fund reserve policy and introduced an updated methodology for the fund reserve calculation. Ms. Starr presented cost projections and assumptions for cash outlay needs for the next five years, and how the projections impact the fund reserves using the updated methodology. Ms. Carraher summarized that with the additional IT costs, the fund reserves will remain within the established policy, and there are currently no changes needed to the fee structure. Discussion was held regarding the projections in relation to market sensitivity and risk, the administrative fee breakdown based on the percentage of participants at each level of the fee policy, the ability of the Board to control the speed of the changes to the infrastructure or LOB applications, and no changes to Ohio DC's full-time equivalent hours.

Mr. Kirkpatrick reviewed retention challenges, the opportunity to improve retention with enhanced financial planning, rollout statistics, and described the current Ohio DC multi-channel education and support structure.

Mr. Foster presented the current OPERS member education model. Discussion was held regarding the benefit OPERS will get from the integrated relationship with Ohio DC and how similar experiences can be offered to other retirement systems. Discussion continued about higher fee DC plan competition, lack of outreach by employers regarding Ohio DC, challenges with getting an employer to adopt, transparency and education of Plan fees, and the complexities of savings accumulation versus drawdown and taxation.

(Mr. Steitz left the meeting.)

Mr. Foster discussed the importance of providing trusted financial planning, to help participants make good retirement saving decisions. He provided benefit milestones that include the integration of financial planning services. Mr. Foster reviewed data on public employee new hires between 2009-2019 and statistics on employment lasting less than or more than five years, that included data on the employer class, age and salary.

Mr. Gill presented the differences between retirement planning and financial planning services, and highlighted the potential services provided by a Personal Retirement Counselor. He reviewed the proposed experience at various employment milestones, and the opportunities to integrate financial planning with the participant's education journey. Mr. Gill reviewed financial planning advantages and challenges, and the need for a pilot rollout in 2026 to help measure utilization and establish a cost projection. Staff will collaborate on the financial planning program and report back on the design and utilization in 2026. Discussion was held regarding the development of a reasonable cost for the planning services.

Ms. Carraher noted three key dates related to the OPERS/Ohio DC merger. Ms. Gresh reviewed staff and Board merger priorities. The Board agendas will be combined to ensure needed topics are covered. The Board obligations for all its fiduciary responsibilities will be integrated, the Ohio DC policies will be combined where appropriate, and merger updates will be provided. There will be no Ohio DC Board meetings after the August 2025 meeting strategic planning meeting, and the September 2025 OPERS meeting will be a combined agenda.

Ms. Carraher reviewed a sample OPERS agenda calendar and indicated that one day of meetings on Wednesday will be a goal, when possible. The goal will be to establish a reoccurring schedule with certain topics.

Chair Thomas noted the information items.

Mr. Toth moved, Mr. Stewart Smith seconded to approve the following resolution:

**Resolution of the
Ohio Public Employees Deferred Compensation Program Board**

Recently passed House Bill 96 (HB 96), effective on September 30, 2025, places administrative responsibility for the Ohio Public Employees Deferred Compensation Program (Ohio DC) with the Ohio Public Employees Retirement System Board (OPERS Board).

The Ohio Public Employees Deferred Compensation Board (Board) has determined that it is in the best interest of Ohio DC to direct staff to engage with the Ohio Public Employees Retirement System (OPERS) to ensure a smooth transition of administrative responsibility by the Board to the OPERS Board. Ohio DC staff are directed to work as directed by the OPERS Executive Director with the OPERS staff to ensure administrative responsibility is transitioned pursuant to HB 96.

The Board further grants the Ohio DC Board Chair the authority to execute any agreements or memorandums of understanding needed to effectuate the transition of administrative responsibility to OPERS.

The Board further grants Karen Carraher, all power, duties, rights, and responsibilities normally associated with the Executive Director, including but not limited to, all signature authority to be exercised on behalf of and in the interest of Ohio DC. Such powers shall be granted as long as Karen Carraher is employed by OPERS or until otherwise repealed by official action of the Board, whichever is earlier. Karen Carraher may delegate this signature authority to those employees of Ohio DC as she deems necessary and proper, appropriate, and in the best interest of Ohio DC.

The foregoing resolution was duly adopted by the Ohio Public Employees Deferred Compensation Board on this 19th day of August, 2025.

Roll call vote was taken:

Ms. Albers	yes	Mr. Richter	yes
Representative Brennan	yes	Mr. Russell Smith	yes
Mr. Hottinger	yes	Mr. Stewart Smith	yes
Mr. Kunk	yes	Mr. Toth	yes
Mr. Mabe	yes	Chair Thomas	yes
Ms. Madden	yes		

The motion passed unanimously.

Mr. Mabe moved, Mr. Hottinger seconded to adjourn the meeting at 1:49 p.m.

Board Meeting IV.A



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MEMORANDUM

DATE: October 6, 2025

TO: OPERS Retirement Board Members

FROM: Eric Harrell, General Counsel
Jenny Starr, Director-Finance

RE: **IV. Action Items:**
A. Certification of the 2025 Board Election Results

Action requested: _____ moved, _____ seconded to: certify and accept the results of the 2025 board election as presented to the board by staff and certified by the Ohio Secretary of State's Office.

Background – As permitted by Ohio Revised Code 145.058, this year's election was conducted and tallied by a third-party vendor, Yes Elections. On Monday, October 6, 2025, the election results were received from Yes Elections at OPERS' offices. Those results were reviewed by a representative of the Ohio Secretary of State's Office and have been certified as true and accurate.

The results are attached and are as follows:

County Employee Representative:

Julie Albers	2,195
T.J. Assion	1,628
Alan Harold	1,160

Rationale for action

R.C. 145.05 provides that the candidate receiving the highest number of votes for a particular position on the board shall be elected to that office upon certification of the results in accordance with the board election rule. Therefore, we are requesting the board’s official acceptance of the results via board vote.

In addition, the election analysis for this year and the board election held in 2021 are as follows:

	2025 County Election	2021 County Election
Total Eligible	86,297	83,688
Total Voted	4,983	6,225
% Return	5.77%	7.44%
% By Mail	70.99%	79.37%
% By Phone	6.20%	6.60%
% By Internet	22.81%	14.02%

Additional information

As a reminder, according to Ohio Revised Code Section 145.052, the Board is not required to hold an election for a position on the Board as an employee member or retiree member if only one candidate has been nominated for the position by petition. The candidate shall take office as if elected. Therefore, as Mr. Smith is running unopposed for the Miscellaneous seat and Mr. Steitz is running unopposed for the Retiree seat, they will be deemed to take office for those seats as if elected. Each will begin a new board term in January 2026.

Ohio Public Employees Retirement System 2025 Trustee Election Final Vote Summary – October 04, 2025

County Representative	Choice	Internet	Paper	Phone	Total Votes	Percentage
	Julie Albers	507	1,539	149	2,195	44.04%
	T.J. Assion	339	1,186	103	1,628	32.66%
	Alan Harold	291	812	57	1,160	23.27%
	Over/Under Vote	0	1	0	1	0.02%
		1,137	3,538	309	4,984	100.00%

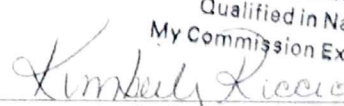
Election Summary

	Tally	Percentage
Total Returns by Internet	1,137	22.81%
Total Returns by Mail	3,538	70.99%
Total Returns by Phone	309	6.20%

Replacement Ballots Mailed	0
Already Voted	4


 Certified, Melissa Holland
 Project Coordinator
 YES Elections

KIMBERLY RICCIO
 NOTARY PUBLIC-STATE OF NEW YORK
 No. 01RI0007564
 Qualified in Nassau County
 My Commission Expires 05-15-2027


 Sworn and submitted to me
 this 4th day of October, 2025

Certification of Accuracy

In my capacity as staff of YesElections (Election-America, Inc.) and the disinterested third-party administering this election on behalf of Ohio Public Employees Retirement System, I hereby certify that the information provided in these reports is a full, true and correct statement of the result of the OPERS 2025 Trustee Elections.

1775 I St NW
 Suite 1150
 Washington, DC 20006

155 Mineola Blvd.
 Suite 102
 Mineola, NY 11501

4275 Executive Sq.
 Suite 200
 San Diego, CA 92037

Election of County Representative of the Ohio Public Employees Retirement Board

Official Count

Held under the supervision of the Ohio Secretary of State on October 6, 2025.

Julie Albers	2,195
TJ Assion	1,628
Alan Harold	1,160
TOTAL	4,983

I hereby certify that the foregoing is a true and accurate count of all valid ballots cast in the election of the Retiree Representative of the Ohio Public Employees Retirement System Board.

Date 10-6-25 *Luke Burton*

Luke Burton , *Deputy Director of Elections*
 Name Title
 Representative of Ohio Secretary of State Frank LaRose



Board Meeting IV.B



OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
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MEMORANDUM

DATE: October 6, 2025

TO: OPERS Retirement Board Members

FROM: Lauren Gresh, Deputy Executive Director
Debbie McCarthy, Government Relations Officer/Legal Counsel

RE: **IV. Action Items:**
B. Approve Ohio Deferred Compensation (Ohio DC) Rules and Plan Changes:
(1) Five-Year Rule Review (148-1-01 to 148-1-03).
(2) Ohio DC Plan Document amendments and restatement.
(3) Employer Adoption Agreement amendments.

Action requested: _____ moved, _____seconded, to do the following pertaining to the Ohio Deferred Compensation (Ohio DC) Program:

- (1) Approve for submission to the Joint Committee on Agency Rule Review (JCARR) and the Legislative Service Commission (LSC) the rules set forth in this memorandum;
- (2) Approve the amended and restated Ohio DC Plan Document as set forth in this memorandum and authorize the Executive Director to sign the document;
- (3) Approve the employer Adoption Agreement, as set forth in this memorandum.

Purpose – The purpose of this memorandum is to seek the Board’s approval of the five-year rule review rules for the Ohio DC Program and the approval of merger-related amendments to the Ohio DC Plan Document and employer Adoption Agreement.

Background – The Ohio DC Program is required, at least once every five years, to review its administrative rules to determine if they require amendment,

rescission, or to continue without change. At times, staff will present rule or Plan Document amendments that are unrelated to the Board's annual rule review.

In an ongoing effort to address merger-related changes within the Ohio DC Program, staff reviewed the Ohio DC Plan Document and the employer Adoption Agreement. A summary of the amendments to each document are outlined below.

I. Five-Year Rule Review – Ohio DC currently has a total of three rules in Chapter 148. of the Administrative Code, all of which are subject to five-year rule review this year:

1. **Rule 148-1-01 – Ohio public employees deferred compensation program.**
2. **Rule 148-1-02 – Notice of meetings.**
3. **Rule 148-1-03 – Notice on rules.**

Staff reviewed these rules and determined that the substance of the rules is duplicated in existing statutes, Ohio DC Plan Document provisions, or rules of the OPERS Board, which are contained in Chapter 145. of the Administrative Code.

Specifically, the substance of rules 148-1-02 and 148-1-03 are addressed in OPERS' existing rules 145-1-13 and 145-1-15. The provisions of rule 148-1-01 are addressed in the Ohio DC Plan Document, enabling statute, or the employer Adoption Agreement. For these reasons, staff recommends that the Board approve rescinding all three Ohio DC rules in its submission to JCARR and LSC.

The text of the rules proposed for rescission follows this memorandum.

II. Amendment and restatement of the Ohio DC Plan Document – The Ohio DC Program's administrative and operational provisions are established in the Ohio DC Plan Document, rather than statute. The Plan Document specifies all aspects of the Program's tax obligations, participation rules, and benefits. In this restatement of the Ohio DC Plan Document, staff has updated the Board's name and made other changes to the document to reflect best practices and to enhance ease of understanding.

In addition to the non-substantive changes, the Plan Document has been amended to add the following substantive changes:

- A new catchup contribution opportunity for participants age 60-63, which was established by a recent change to federal law. (Section 2.05(c))
- A new Section 7.09 that will permit participants to access their accounts to pay for additional financial planning sessions when those services become available. Financial planning is in the early stages of design; cost and number of sessions are not yet determined. This provision will allow flexibility for future development.

The Ohio DC Plan Document will require further amendments in 2026 after the Department of Treasury and Internal Revenue Service issue final regulations for Roth contributions and rollovers under the SECURE Act 2.0.

The amended and restated version of the Plan Document is attached to this memorandum.

III. Amendments to the employer Adoption Agreement – To participate in the Ohio DC Program, public employers must adopt the Ohio DC Plan and agree to abide by its obligations. The employer passes a resolution and, prior to the merger, both the employer and Ohio DC staff (on behalf of the Board) signed the Adoption Agreement. Going forward, the employer and the OPERS Board will be parties to the Adoption Agreement. By its signature, the OPERS Board approves the Adoption Agreement. To facilitate approval of the Adoption Agreements, OPERS staff will sign the Agreements on behalf of the OPERS Board.

In general, the amendments to the Adoption Agreement are non-substantive. In addition to changing the name of the Ohio DC Board to the OPERS Board, the amendments make other non-substantive changes.

The amendments to the Adoption Agreement (and its Exhibits) follow this memorandum.

Next Steps – Upon approval of the OPERS Board, staff will take the following actions:

- Administrative rules – Staff will hold the required public hearings under Chapter 119. of the Ohio Revised Code and will file the rules with JCARR and LSC. The rescissions will be effective by the end of this year.
- Ohio DC Plan Document – The Executive Director will sign the amended and restated Ohio DC Plan Document, which will take effect on January 1, 2026.
- Adoption Agreement – Staff will begin using the updated Adoption Agreement for new employers in the Program beginning immediately.

****** TO BE RESCINDED ******

Rule 148-1-01 Ohio Public Employees Deferred Compensation Program

(A) The purpose of this rule is to provide all necessary standards or conditions for the administration of the Ohio public employees deferred compensation program created by sections 148.01 to 148.10 of the Revised Code.

(B) The following terms, when used herein, shall have the designated meaning unless a different meaning is plainly required by the context.

(1) "Program" - The Ohio public employees deferred compensation program as set forth in sections 148.01 to 148.10 of the Revised Code.

(2) "Board" - The Ohio board established pursuant to section 148.02 of the Revised Code for the purpose of administering the program.

(3) "Employer" - The state and various political subdivisions whose employees are permitted under division (A) of section 148.01 of the Revised Code to participate in the program.

(4) "Eligible employees" - Those employees defined in division (A) of section 148.01 of the Revised Code.

(5) "Employer agreement" - An agreement between an eligible employer and the board designed to facilitate the board's common administration of all employer plan agreements adopted under the program.

(6) "Plan(s) or plan agreement(s)" - The document adopted by an eligible employer under the program that sets forth the terms and conditions governing the deferral of an eligible employee's compensation.

(7) "Participating employees or participants" - Those eligible employees who have elected to defer a portion of their compensation pursuant to a participation agreement or who have been automatically enrolled.

(8) "Participation agreement" - The agreement between the eligible employer and the eligible employee by which an eligible employee adopts the plan agreement and elects to become a participating employee under the plan.

(9) "Automatic enrollment" - Employers may adopt an arrangement under which in the absence of an affirmative election by their eligible employee, a certain amount of compensation may be automatically withheld from the eligible employee's pay and contributed to the plan as a deferral.

(10) "Investment options" - The various financial products offered as investments under the program.

(11) "Funding agents" - Those insurance companies, banks and other financial institutions that the board shall select to invest compensation deferred under plans adopted under the program.

(12) "Participant's account" - An account or accounts maintained by the plan administrator reflecting the interest of a participant, alternate payee or beneficiary under the plan.

(13) "Payroll center(s)" - Those facilities where the participating employees' paychecks are computed and issued.

(14) "Trust or plan-trust document" - The document that sets forth the terms and conditions governing the trust by which all funds of the plan are held in trust by the board on behalf of an eligible employer for the exclusive benefit of an eligible employee.

(C) The board or its designees shall observe the following procedures in implementing and administering the program.

(1) The board shall, with the advice and assistance of counsel, formulate and design plan agreements for adoption by those eligible employers electing to offer a plan of deferred compensation to their eligible employees under the program.

(2) The plan agreements prepared by the board shall be designed to obtain the desired federal and state income tax treatment of all amounts deferred by a participating employee under the plan agreement. The plan agreement may be amended from time to time, to

reflect those changes that are necessary to assure the desired tax treatment and the proper administration of the individual plans under the program. Nothing in agency 148 of the Administrative Code shall be interpreted to prohibit a Roth 457 or other similar post-tax contribution or deferral. The limit on the portion of a participating employee's compensation that may be deferred shall be the maximum annual deferral permitted under section 457 of the "Internal Revenue Code," or any other applicable section of the "Internal Revenue Code," provided that such a limit does not cause a reduction of compensation in any given pay period that is greater than the amount of compensation available for such pay period.

(3) The board shall advise all eligible employees of the existence of the program and shall supply them with sufficient information to assist them in determining whether to participate in the program. Each employer shall execute an employer agreement upon an eligible employee's application to participate in a plan under the program. The employer shall assist the board in communicating the availability of the plan to all eligible employees including any personal explanation prepared and deemed necessary by the board for an eligible employee to make an informed decision regarding his right to participate. The different investment options into which the participating employees' deferred income may be invested shall be fairly and impartially presented to the eligible employees. The employer's payroll center shall recompute the participant's income as specified in the participation agreement and shall remit such deferred amounts to the board.

(4) Each eligible employee who elects to participate under a plan of deferred compensation established by an eligible employer under the program, shall execute a participation agreement by which he becomes a member of the plan. The board shall undertake to provide all the necessary services required to implement, offer and administer the program on behalf of the eligible employer, and shall be empowered in the employer agreement to perform any and all acts incidental to the administration of the plan.

(5) The board shall contract with funding agents who are selected by the board to provide investment options under plans adopted by the program. The board's contract with such funding agents shall provide that all amounts deferred under plans adopted under the program will be invested by the board with the funding agents for the period of time that the investment option is made available under an eligible employer's plan and is selected by the participating employee.

(6) Plan assets are not the property of the participating employees. All plan assets and income shall be held by the board in trust on behalf of the eligible employer for the exclusive benefit of eligible employees and their beneficiaries. All assets, whenever contributed to the plan, are assigned to the trust established by the board. To facilitate administration of the program, the board shall create individual participant accounts, bearing the participant's name, but all assets and income of plans under the program shall be held in trust by the board on behalf of the employer for the exclusive benefit of eligible employees and their beneficiaries. The board shall issue to the participating employees, on behalf of the employer, at least annually, a statement of account values, setting forth the value of a participating employee's account as of such date.

(7) The board, on behalf of the employer, may assess a participant's account to pay the cost of administering the plan adopted under the program. Interest earned on any employer's funds prior to investment with the funding agent may be applied by the board to fund any costs incident to the operation of the program.

(8) In accordance with the payment option selected by a participant on the withdrawal form, or the default benefit methods if applicable:

(a) The board may at any time direct the funding agents to distribute benefits to the participants or their beneficiaries in the manner the board designates.

(b) The board may establish a commercial checking account from which it will distribute benefits to participants or their beneficiaries.

(9) If any plan is curtailed, terminated, or the acceptance of additional deferred amounts suspended permanently, the board shall nonetheless be responsible for the supervision and the payment of all participant benefits under such plan.

(10) The board is authorized to decide or to resolve any questions of fact regarding a participant or his deferred account needed or necessary to decide the participant's rights

under the program and such decision is final and binding on the participant and any beneficiary thereof.

(11) The participant shall not be permitted to seek recovery against his employer, the board or any other participant, contractee, or agent of the board, or as against any other person having an administration or investment position relative to the program, for any loss, if any, sustained by the participant or his beneficiary, for the nonperformance of their duties, negligence, or any other misconduct of the above-named persons except that such persons shall not be excused from fraud or any wrongful taking of the participant's property.

(12) The members of the board shall be trustees of the funds created by sections 148.01 to 148.10 of the Revised Code. The board and other fiduciaries shall discharge their duties with respect to the funds solely in the interest of the eligible employees and beneficiaries.

(13) The board shall, with the advice and assistance of counsel, formulate and design a plan-trust document setting forth the terms under which the board shall hold all plan assets and income earned on those assets contributed by those eligible employers electing to offer a plan of deferred compensation to eligible employees under the program. The plan-trust document prepared by the board shall be designed for the exclusive purpose of investing plan accounts and paying plan distributions for the benefit of eligible employees and their beneficiaries.

(D) If any paragraph, term or provision of this rule shall be adjudged invalid for any reason, such judgment shall not affect, impair, or invalidate any other paragraph, term, or provision of this rule, but the remaining paragraphs, terms, and conditions shall be and continue in full force and effect.

Authorized By: 148.04

Amplifies: 148.04

Five Year Review Date: 1/16/2026

Prior Effective Dates: 2/9/1976, 1/31/1983, 11/2/1993, 3/27/1998, 3/6/2000, 6/2/2005, 10/7/2010

****** TO BE RESCINDED ******

Rule 148-1-02 Notice of meetings

(A) This rule is adopted in compliance with, and under the authority of, division (F) of section [121.22](#) of the Revised Code. Subject to the provisions of section [121.22](#) of the Revised Code, all meetings of the public employees deferred compensation board, and all meetings of any committee or subcommittee of the board, shall be open to the public.

(B) Any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings by:

(1) Writing to the following address: "Ohio Public Employees Deferred Compensation Board, 257 East Town Street, Suite 400, Columbus, Ohio 43215-4623."

(2) Calling the following telephone number during normal business hours: (614) 466-7245.

(3) By consulting the state house press room.

(C) Any representative of the news media may obtain notice of all special meetings by making a written request that such notice be provided. However, such notice will be given to only one representative of any particular publication or radio or television station. A request for such notification shall be sent to the program's executive director at the address listed in paragraph (B) of this rule.

The request shall provide the name, mailing address, and no more than two telephone numbers of the individual media representative to be contacted. The program shall maintain a list of all representatives of the media who have requested notice of special meetings pursuant to this paragraph.

In the event of a special meeting which is not an emergency, the program shall notify all media representatives on the list of such meeting by doing at least one of the following:

(1) Sending written notice, which must be mailed no later than four calendar days prior to the day of the special meeting.

(2) Notifying such representatives by telephone no later than twenty-four hours prior to the special meeting, such telephone notice shall be complete if a message has been left for the representative or if, after reasonable effort, the program has been unable to provide such telephone notice;

(3) Informing such representative personally no later than twenty-four hours prior to the special meeting.

In the event of a special meeting which is an emergency, the program shall notify all media representatives on the list of such meeting by providing either the notice described in paragraph (C)(2) or (C)(3) of this rule or notifying the clerk of the state house press room. In such event, however, the notice need not be given twenty-four hours prior to the meeting, but shall be given as soon as possible.

In giving the notices required by this rule, the program may rely on assistance provided by any member of the Ohio legislative correspondents association. Such notice is complete if given to such member as provided in this rule.

(D) The program shall maintain a list of all persons who have requested, in writing, notice of all meetings of the public employees deferred compensation board.

Authorized By: 148.04, 121.22

Amplifies: 148.04, 121.22

Five Year Review Date: 1/16/2026

Prior Effective Dates: 12/29/1975, 3/6/2000, 6/2/2005, 10/7/2010

****** TO BE RESCINDED ******

Rule 148-1-03 Notice on rules

The procedure of the Ohio public employees deferred compensation board for giving public notice relative to the adoption, amendment or rescission of rules under Chapter 119. of the Revised Code shall be:

(A) The board shall cause a statement of its intention to consider adopting, amending or rescinding a rule, a brief synopsis or a general statement of said proposed rule for adoption, amendment or rescission, a statement of the reason or purpose for adopting, amending or rescinding the rule, and the date, time and place of hearing on the proposed action, shall be published in the register of Ohio (www.registerofohio.state.oh.us) pursuant to division (A) of section 119.03 of the Revised Code.

(B) The board shall furnish the public notice required under section 119.03 of the Revised Code and as detailed by paragraph (A) of this rule to any person who requests notice in writing and pays the cost of copying and mailing.

(C) The board shall file in electronic form the proposed rule to be adopted, amended or rescinded as required under division (B) of section 119.03 of the Revised Code.

(D) The board shall have available for review at the board's office by any person upon request a legible copy of the text of the proposed rule to be adopted, amended or rescinded.

(E) If after public hearing the board determines that the proposal shall be adopted, amended or rescinded, or in the case of an emergency rule, that the adoption shall be made final, a copy of said rule as adopted, amended or rescinded shall be filed in electronic form with the secretary of state and the director of the legislative service commission as required under Chapter 119. of the Revised Code.

(F) Prior to the effective date of the rule, amendment or rescission, the board shall make a reasonable effort to inform those affected by the rule, amendment or rescission and to have available for distribution to those requesting it, the full text of the rule as adopted, amended or rescinded.

Authorized By: 148.04

Amplifies: 148.04

Five Year Review Date: 1/16/2026

Prior Effective Dates: 1/31/1983, 3/6/2000



**OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION
PROGRAM
Deferred Compensation Plan Document**

Effective January 1, 2026

(Amended and restated January 1, 2026)

OHIO DEFERRED COMPENSATION PLAN

The Ohio Public Employees Deferred Compensation Plan (the "Plan") is established by the Public Employees Retirement Board pursuant to applicable sections of Ohio Revised Code Chapter 148, and shall comply with Section 457(b) of the Internal Revenue Code of 1986, as amended (~~IRC the "Code"~~) and applicable Internal Revenue Service ("IRS") regulations. The Plan is intended to provide Eligible Employees of the Employer a program for deferral of compensation. The Plan consists of the provisions set forth in this document, the adoption agreement signed by the Employer electing to offer the Plan, and the Participation Agreements as applicable to Eligible Employees.

~~Employer adopts the Plan on the Effective Date.~~

I. Definitions

- 1.01 ~~Account shall mean the Account(s) maintained by the Plan Administrator reflecting the activity in the Pre-Tax Deferrals Account(s), Roth Contributions Account(s), and any rollover account(s) maintained on behalf of a Participant or Beneficiary under the Plan. An Account may refer to any or all of the following:~~
- (a) Pre-Tax Deferrals Account means the Account maintained for each Participant that is credited with the Participant's Pre-Tax Deferrals, and any earnings, losses, and other account transactions credited thereon.
 - (b) Rollover Account means the Participant's Account holding pre-tax deferrals received pursuant to Section 3.07.
 - (c) Roth Contributions Account means the Account maintained for each Participant that is credited with the Participant's Roth Contributions, and any earnings, losses and other account transactions credited thereon.
- 1.02 ~~Active Participant shall mean an Eligible Employee who (a) is making Deferrals to the Plan pursuant to a Participation Agreement, (b) has been automatically enrolled in the Plan and has not opted-out of the Automatic Enrollment Arrangement, or (c) has received a deferral pursuant to Section 2.03 in the Plan Year. Active Participants shall include any Participating Employee as defined in Section 148.01(A)(3) of the Ohio Revised Code.~~
- 1.03 ~~Automatic Enrollment shall mean an arrangement under which, in the absence of an affirmative election by an Eligible Employee, a certain amount of Compensation may be automatically withheld from the Eligible Employee's pay and contributed to the Plan as a Pre-Tax Deferral.~~
- 1.04 ~~Beneficiary shall mean the person or entity designated on the Beneficiary Form by a Participant or spousal Beneficiary to receive Plan benefits in the event of death. An alternate payee pursuant to Section 1.19 is also a Beneficiary for purposes of the Plan.~~
- 1.05 Board means the Public Employees Retirement Board of Trustees effective September 30, 2025.
- 1.06 Code means the Internal Revenue Code of 1986, as amended, applicable to governmental plans and, where appropriate, the Internal Revenue Code of 1954.
- 1.07 ~~Compensation shall mean all payments made to a Participant by the Employer as remuneration for services rendered which would be includible in income for federal tax purposes, subject to the provisions of the IRC Code.~~
- ~~Board shall mean the Ohio Public Employees Deferred Compensation Board.~~
- 1.08 ~~Default Deferrals shall mean Pre-Tax Deferrals contributed to the Plan under the Automatic Enrollment arrangement on behalf of Eligible Employees who do not have an affirmative election in effect regarding deferrals.~~

- 1.09 **Deferral** ~~shall~~ means the aggregate Pre-Tax Deferrals and Roth Contributions made from a Participant's Compensation, which a Participant agrees to contribute to an Account in accordance with the provisions of the Plan. A Default Deferral shall also be a Deferral for purposes of the Plan.
- 1.10 **Effective Date** ~~shall~~ means the date this Plan is effective upon adoption by the Employer.
- 1.11 **Eligible Designated Beneficiary** ~~shall~~ means a Beneficiary who is (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached majority; (iii) a disabled individual within the meaning of Code section 72(m)(7); (iv) a chronically ill individual as defined in Code section 401(a)(9)(E)(ii)(IV); and (v) any other individual who is not more than ten years younger than the Participant.
- 1.12 **Eligible Employee** ~~shall~~ means all individuals who perform services for the Employer who are eligible to participate under Section 148.01(A)(1) of the Ohio Revised Code. Individuals who do not perform services for the Employer and are not so eligible may not defer compensation under the Plan.
- 1.13 **Employer** ~~shall~~ means an employer of Eligible Employees. An Employer that establishes the Plan on behalf of its Eligible Employees shall determine whether its Eligible Employees will be permitted to make (i) Pre-Tax Deferrals or (ii) Pre-Tax Deferrals and Roth Contributions.
- 1.14 **Inactive Participant** ~~shall~~ means any former Active Participant who is not currently having compensation deferred and shall include any continuing member as defined in Ohio Revised Code Section 148.01(A)(4) who is not a Beneficiary.
- 1.15 **Includible Compensation** ~~shall~~ means the amount of Eligible Employee's Compensation from the Employer for the taxable year that is attributable to services rendered for the Employer. Includible Compensation is reduced for ~~e~~Employer pick-up contributions under ~~IRC Code~~ Section 414(h).
- 1.16 **Investment Exchange** ~~shall~~ means the movement of existing funds between Investment Options in a single day. Investment exchanges do not change the designated Investment Options for future Deferrals.
- 1.17 **Investment Option** ~~shall~~ means any investment, financial instrument or financial product approved for Participant-directed investments under the Plan.
- 1.18 **Normal Retirement Age** ~~shall~~ means (a) any age elected by the Participant for purposes of making a catch-up contribution and beginning no earlier than the earliest age at which a Participant has the right to retire under the Employer's applicable pension plan, if any, without the Employer's consent and to receive immediate retirement benefits without actuarial or similar reduction because of retirement before some later age specified in such pension plan or (b) if no such election is made, age ~~73~~ $70\frac{1}{2}$. In the case of a Participant who does not participate in a pension plan, Normal Retirement Age shall be any age elected by the Participant which shall be no earlier than age 65 and no later than age ~~73~~ $70\frac{1}{2}$.
- 1.19 **Participant** ~~shall include~~ means any Active Participant or Inactive Participant.
- 1.20 **Participation Agreement** ~~shall~~ means an agreement in the form determined by the Plan Administrator, entered into between an Eligible Employee and the Employer pursuant to which an Eligible Employee elects to become an Active Participant by electing to make Pre-Tax Deferrals and/or Roth Contributions.
- 1.21 **Plan Administrator** ~~shall~~ means the Board, which may designate others to perform the duties of Plan Administration.
- 1.22 **Pre-Tax Deferrals** ~~shall~~ means deferrals (a) that are made pursuant to the Participant's Participation Agreement that the Participant irrevocably designates at the time of the deferral election as Pre-Tax Deferrals or that are Default Deferrals, and that are being made from Compensation on a pre-tax basis and/or (b) that are credited to an Eligible Employee's Account by an Employer pursuant to Section 2.03. Pre-Tax Deferrals are excluded from gross income in the year deferred.

- ~~1.23 **Pre-Tax Deferrals Account** shall mean the Account maintained for each Participant (or Beneficiary) that is credited with the Participant's Pre-Tax Deferrals, and any earnings, losses, and other account transactions credited thereon.~~
- 1.23 **Qualified Domestic Relations Order** or "QDRO" shall mean a court order, judgment, or decree that creates or recognizes the existence of the rights of someone other than the Participant to an interest in the Participant's Account. The other person is referred to as an alternate payee and must be the Participant's spouse or former spouse or child.
- 1.24 **Roth Contributions** shall mean the amount of Compensation which a Participant agrees to contribute pursuant to the Participant's Participation Agreement that (a) the Participant irrevocably designates at the time of contribution election as post-tax Roth Contributions that are being made from Compensation on an after-tax basis; and (b) the Employer treats as includible in the Participant's gross income in the year deferred. Roth Contributions shall be allowed following agreement by the Employer on or after a date determined by the Plan Administrator.
- ~~**Roth Contributions Account** shall mean the Account maintained for each Participant (or Beneficiary) that is credited with the Participant's Roth Contributions, and any earnings, losses and other account transactions credited thereon.~~
- 1.25 **Severance from Employment** shall mean the employee ceases to be employed by an Employer who maintains the Plan, or the employee is considered severed from employment pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008 (Heart Act), as determined by each Employer in accordance with guidance issued under the IRC Code.
- 1.26 **Unforeseeable Emergency** shall mean unforeseeable emergency as set forth under the applicable IRS regulations. An Unforeseeable Emergency shall include severe financial hardship of the Participant or Beneficiary resulting from a sudden and unexpected illness or accident of a Participant or Beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in IRC Code Section 152(a)), loss of the Participant's or Beneficiary's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or Beneficiary, which hardship cannot be relieved by reimbursement or compensation (by insurance or otherwise), liquidation of the Participant's assets (to the extent the liquidation would not itself cause severe financial hardship), or cessation of Deferrals under the Plan. Except as otherwise provided in this section, an Unforeseeable Emergency under the IRS regulations applicable to this type of plan does not include money for college tuition or purchase of a home.
- 1.27 **Withdrawal Date** shall mean that date upon which withdrawal payments begin from an Account.
- 1.28 **Withdrawal Option** shall mean the withdrawal payment method selected by the Participant or Beneficiary from an Account.

II. Participation

- 2.01 **Employer Adoption of Plan.** An Eligible Employer may adopt the Plan by resolution and execution of an agreement with the Board. The Board may amend the adoption agreement from time to time.
- 2.02 **Participant Election to Enroll.** Each Eligible Employee shall be permitted to participate under this Plan in accordance with the terms of the Employer's adoption agreement by executing a agreed to by the Employer. An Eligible Employee may elect to participate and become an Active Participant by signing a Participation Agreement and filing such agreement with the Plan Administrator. The Participation Agreement shall specify:
- (a) The amount of the Active Participant's Compensation which the Employer and the Active Participant agree to contribute to the Plan as Pre-Tax Deferrals and/or Roth Contributions, subject to the limitations of Section 2.04 and Section 2.05;
 - (b) The date as of which the Deferral shall begin, which date shall be as early as administratively practicable and before the compensation to which the Deferral relates becomes available;
and
 - (c) The Investment Options selected by the Active Participant.

- 2.03 **Automatic Enrollment.** Employers may voluntarily adopt an Automatic Enrollment arrangement. If the Employer elects to offer an Automatic Enrollment arrangement ~~in accordance with Section 148.042 of the Ohio Revised Code~~, the provisions of this Article shall apply and, to the extent that any other provision of the Plan is inconsistent with the provision of this Article, the provisions of this Article ~~and~~ or the Ohio Revised Code shall govern.
- (a) Default Deferrals will be made on behalf of newly hired Eligible Employees in accordance with Plan procedures and not earlier than 90 days after an Eligible Employee's receipt of an Automatic Enrollment notice. The amount of the Default Deferral made for an Eligible Employee each pay period is equal to the amount specified by the Plan Administrator and shall only be made as Pre-Tax Deferrals.
 - (b) Plan Administrator may elect to impose an annual automatic increase of each Eligible Employee's Deferral amount.
 - (c) An Eligible Employee will have 90 days from the date of the Automatic Enrollment notice to make an affirmative election to opt-out of the Automatic Enrollment arrangement before Default Deferrals are made on the Eligible Employee's behalf. Once Automatic Enrollment begins, Eligible Employees can opt-out of Automatic Enrollment, change their Deferral amount or their annual Deferral increase amount at any time except any change shall not be effective earlier than is permitted under Section 2.024(b).
- 2.04 **Employer Contributions.** Employers may credit an Eligible Employee's Account with a contribution made by the Employer. For plan administration purposes, such contributions shall be treated as increasing the employee's gross salary or wage by the amount of the employer's contribution with a corresponding increase in the amount of Pre-Tax Deferrals. Such contributions will be treated as Pre-Tax Deferrals for all purposes under this Plan.
- 2.05 **Deferral Limits.**
- (a) **Maximum Deferrals.** Except as provided in subsections (b) ~~(c)~~, and ~~(ed)~~, the maximum amount that may be deferred by an Active Participant in the Plan in any calendar year shall be the maximum allowed by the ~~IRC Code~~.
 - (b) **Age 50-Plus Deferrals.** In addition to the Deferral provided in subsection (a), an Active Participant who has attained age 50 during the calendar year may defer an additional amount as allowed by the ~~IRC Code~~. This Section shall not be applicable for any taxable year in which subsection ~~(ed)~~ is used.
 - (c) **Age 60-63 Deferrals.** In addition to the Deferral provided in subsection (a), an Active Participant who has attained age 60 but has not yet attained age 64 during the calendar year may defer an additional amount as allowed by the Code. This Section shall not be applicable for any taxable year in which subsection (b) or (d) is used.
 - (d) **Catch-Up Deferrals.** In any of an Active Participant's last three calendar years ending before the Participant attains Normal Retirement Age, the Active Participant may defer an amount not exceeding the lesser of (i) two times the maximum Deferral limit in subsection (a), or (ii) the sum of the maximum amount eligible to be deferred under subsection (a) for the calendar year plus so much of the maximum amount eligible to be deferred under ~~IRC Code~~ limitations for prior years on account of compensation from any Employer who maintained a Plan described in ~~IRC Code~~ Section 457 for any portion of the calendar year and has not previously been used under subsection ~~(a)~~, ~~or (b) or (c)~~ or the equivalent provisions of any plan described in ~~IRC Code~~ Section 457 of any such Employer. A prior calendar year shall be taken into account for purposes of this subsection only if (A) it begins after December 31, 1978, (B) the Participant was eligible to participate in a Plan during all or a portion of the prior year, and (C) compensation deferred, if any, under a Plan during such prior year was limited to the applicable percentage of Includible Compensation during each year, less (ii) all amounts excluded from the Participant's Compensation from the Employer under ~~IRC Code~~ Section 457, 401(k), or 403(b) in the years before 2002.
 - (e) The maximum amount of Deferral in subsections (b), ~~(c)~~ and ~~(ed)~~ shall be reduced by any amount excluded from the Participant's gross income for the calendar year under ~~IRC Code~~ Section 457 under any plan maintained by the Employer or any Employer.
- 2.06 **Minimum Deferrals and Allocation.** The Plan Administrator may establish a minimum Deferral amount, minimum allocation to any Investment Option, or minimum annual automatic increase amount.

- 2.07 **Amendments of to Participation Agreements.** The election of an Eligible Employee to participate under the Plan is irrevocable as to all amounts actually deferred under the Participation Agreement. The Participant may, by amendment of the Participation Agreement or by any manner as the Plan Administrator may prescribe, do any of the following: (i) change the Investment Option allocation of amounts to be deferred in the future; (ii) terminate the election to be an Active Participant; or (iii) change the amount of Deferrals. An amendment or termination shall be effective as early as administratively practicable, except an amendment to change the Deferral amount or terminate active participation shall not be effective earlier than is permitted under Section 2.024(b).

III. Maintenance of Accounts

- 3.01 **Maintenance and Crediting of Accounts.** The Plan Administrator shall establish separate Pre-Tax Deferrals Account(s), Roth Contributions Account(s), and ~~R~~ollover ~~a~~ccount(s) for each Participant, as applicable, to which shall be credited or charged, as the case may be, with Deferrals, either Pre-Tax Deferrals and Roth Contributions, and with ~~R~~ollovers, upon receipt by the Plan Administrator.
- 3.02 **Investment of Accounts.** The Plan shall invest each Account among the Investment Options as authorized and specified in the Participant's Participation Agreement or as designated by the Board for Default Deferrals until otherwise amended, revoked, or modified pursuant to the terms of the Plan or directed by the Plan Administrator. The Plan Administrator may permit a Participant (or Beneficiary) to have separate investment directions for their Pre-Tax Deferrals Account, Roth Contributions Account, and/or ~~R~~ollover ~~a~~ccount. Each Account may increase or decrease based on the value of the Investment Options specified in the Participation Agreement or any amendment thereto. All Investment Options offered under this Plan must be offered by persons, companies, or entities authorized and duly licensed by the State of Ohio, and appropriate federal agencies regulating such investments to do business in the State of Ohio, as applicable. The Employer shall not be responsible for any decrease in the value of an Account resulting from capital or market changes or any other changes occurring in the Investment Option or the Account. The Plan Administrator may from time to time assess reasonable fees against all or any portion of the Accounts to defray costs associated with the implementation and administration of the Plan. Each Account shall be maintained until all amounts credited to such Account have been distributed or otherwise debited therefrom.
- 3.03 **Investment Exchanges.** Each Participant (or Beneficiary) may make Investment Exchanges among Investment Options in any manner prescribed by the Plan Administrator. Any such Exchange shall be effective at the value next computed for the Plan's Investment Options following receipt of the Exchange request on a day the stock market and Plan Administrator is open for business and shall be subject to such restrictions or fees as are established by the Plan Administrator, or any other limitations or fees that may be required by investment providers, government regulators, or industry practices.
- 3.04 **Default Investment.** The Board may designate one or more Investment Options as default investments, which shall hold amounts for Default Deferrals or for which no investment preference is otherwise specified (or is otherwise not properly provided) by a Participant (or Beneficiary).
- 3.05 **Statements.** A statement showing the transactions and value of each Investment Option in an Account, in such form as the Plan Administrator determines shall be furnished to the Participant or Beneficiary after the end of each calendar quarter to the extent such values are available to the Plan Administrator.
- 3.06 **Assets Held ~~i~~n Trust.** All Plan assets and earnings shall be held by the Board in trust on behalf of the Employer for the exclusive benefit of Eligible Employees and their Beneficiaries. All assets, whenever contributed to the Plan, are assigned to the trust established by the Board.
- 3.07 **Rollovers to the Plan.** Any Participant, spousal Beneficiary, or spousal alternate payee who may take an eligible rollover distribution from an eligible retirement plan may, upon proper written request, rollover the account value from that plan to an Account in the Plan. Any such amounts rolled into the Plan, will be separately accounted for in the Rollover Account and may be subject to the same tax treatment as applicable in the original plan. Amounts rolled into the Plan will be allocated to Investment Options and will otherwise be subject to the same rules applicable to other Accounts. A Participant may elect to receive distributions of all, or any portion, of the amount held in the Rollover account.

- (a) ~~Any Participant who has had a Severance from Employment, a spousal or non-spousal Beneficiary, or spousal alternate payee may, upon proper written request, rollover any portion of an eligible rollover distribution from an Account if paid directly to an eligible retirement plan. Requests for amounts to be rolled out of the Plan must satisfy the requirements of the Plan Administrator as to the eligibility of the receiving plan and acknowledgment of the plan's provision to accept such rollover.~~
- (b) ~~For purposes of this Section 3.07, an eligible retirement plan and an eligible retirement distribution are as defined by the IRC and applicable IRS regulations and shall include a Roth IRA and rollovers to a Roth IRA. Roth rollovers into and out of the Plan shall be allowed on or after the date(s) determined by the Plan Administrator.~~

3.08 **Rollovers from the Plan.**

- (a) Any Participant who has had a Severance from Employment, a spousal or non-spousal Beneficiary, or spousal alternate payee may, upon proper written request, rollover any portion of an eligible rollover distribution from an Account if paid directly to an eligible retirement plan. Requests for amounts to be rolled out of the Plan must satisfy the requirements of the Plan Administrator as to the eligibility of the receiving plan and acknowledgment of the plan's provision to accept such rollover.
- (b) For Roth Contribution Accounts, an eligible rollover distribution qualifies after the Participant has satisfied the five-year tax holding period and has attained age 59 ½, died, or become disabled, in accordance with Code Section 402A(d). The five-year tax holding period is the period of five consecutive taxable years that begins with the first day of the first taxable year in which the Participant makes a Roth Contribution to the Plan.
- (c) For purposes of Sections 3.07 and 3.08, an eligible retirement plan and an eligible retirement distribution are as defined by the Code and applicable IRS regulations and shall include a Roth IRA and rollovers to a Roth IRA.

3.09 **Service Credit Purchase.** A Participant may use all or a portion of an Account balance as a direct trustee-to-trustee transfer to a governmental defined benefit system that permits the purchase of permissive service credit or the repayment of service credits. Forms provided by the Plan Administrator and the defined benefit system that ~~document~~ documents the exact amount of transfer required must be used.

3.10 **In-Service Transfers to and from the Plan.**

- (a) ~~If an Employer has adopted multiple IRC Section 457(b) deferred compensation plans, a A Participant who has not had a Severance from Employment may, upon proper written request, transfer any portion of another eligible IRC Code Section 457(b) deferred compensation plan sponsored by an employer that satisfies the definition in Code Section 457(e)(1)(A) into their Account, including amounts from a designated Roth account under Code Section 457(b) when such account option is available in this Plan. Requests for amounts to be transferred into the Plan will be allocated to Investment Options and will otherwise be subject to the same rules applicable to other accounts.~~
- (b) ~~If an Employer has adopted multiple IRC Section 457(b) deferred compensation plans, a A Participant who has not had a Severance from Employment may, upon proper written request, transfer any portion of an Account to another eligible IRC Code Section 457(b) deferred compensation plan with the same sponsored by an employer that satisfies the definition of Code Section 457(E)(1)(A).~~
- (c) Requests for amounts to be transferred out of the Plan must satisfy the requirements of the Plan Administrator, including acknowledgment of the receiving plan as to eligibility and authority to accept such a transfer.

IV. Distribution of Benefits

4.01 **General Requirements.** All distributions are subject to the requirements of ~~IRC Code~~ Sections 457(d) and 401(a)(9) and the regulations thereunder. Initial benefit payment elections and subsequent changes will be effective only if made ~~on forms provided or~~ in the manner prescribed by the Plan Administrator ~~and received by the date determined by the Plan Administrator.~~ No Withdrawal Option shall be available, ~~which that~~ is not ~~provided for~~ available under Section 4.09 of this Plan Document. The Plan Administrator will annually determine if the Participant's or Beneficiary's annual distributions meet the minimum distribution requirement of Code Section 401(a)(9) and adjust the

distribution amount if necessary to comply with those provisions. Loans are not permitted under the Plan.

- 4.02 **Participant Election of a Withdrawal Date and Option.** Upon Severance from Employment, a Participant may elect a date to begin receiving withdrawals from the Plan. A Participant may elect whether withdrawals should be paid from the Pre-Tax Deferrals Account, Roth Contributions Account, or rollover account(s). Withdrawals may begin after the Plan Administrator's receipt of the Employer's verification of severance, the final Deferral, and in the manner prescribed by the Plan Administrator, the Withdrawal Election form. Withdrawals must begin from the Pre-Tax Deferrals Account and the Rollover Account no later than December 31 of the calendar year in which the Participant attains age 72 (or such other age as required the required beginning date as defined under IRC Code sSection 401(a)(9)) or, if the Participant has not had a Severance from Employment as of such date, then no later than December 31 of the year in which the Participant has a Severance from Employment. A Participant may elect a Withdrawal Option or prospectively change any such election previously made, except for a purchased annuity option.
- 4.03 **Beneficiary Election of a Withdrawal Date and Option.** If the Participant or spousal Beneficiary dies before the Account(s) has been exhausted, the remaining Account value(s) shall be paid to the designated Beneficiary(ies), and each Beneficiary shall be entitled to the same rights under the Plan. The Beneficiary shall have the right to elect the time and method of withdrawals, subject to the limitations set forth by this Plan. The following will determine the Beneficiary's election requirements:
- (a) If a Participant dies on or after the required minimum distribution date, withdrawals shall continue to be paid to the Beneficiary at least as rapidly as under the method of distribution in effect at the time of the Participant's death. If the Beneficiary is not a person, such as a trust or an estate, the entire Account value will be distributed by the end of the calendar year that contains the fifth anniversary of the Participant's death.
 - (b) If a Participant dies before the required minimum distribution date, payments to a Beneficiary may begin after the Plan Administrator's receipt of the notice of the Participant's death, the death certificate, final Deferral, and the Withdrawal Election form in the manner prescribed by the Plan Administrator. The Beneficiary must follow the requirement that applies:
 - If the Beneficiary is the Participant's surviving spouse, distribution of the Account may be delayed until December 31 of the calendar year in which the Participant would have attained age 72 (or such other age as required the required beginning date as defined under IRC Code sSection 401(a)(9)). The entire Account must then be withdrawn over a period not extending beyond the life expectancy of the spousal Beneficiary; or
 - (1) If the Beneficiary is a person other than the Participant's spouse, distribution of the Account must begin on or before December 31 of the year following the Participant's death, and the entire Account must be withdrawn over a period not extending beyond the life expectancy of the Beneficiary; or
 - (2) If the Beneficiary is not a person, such as a trust or an estate, the entire Account value must be distributed by the end of the calendar year that contains the fifth anniversary of the Participant's death.
 - (c) Notwithstanding (a) and (b) above, in the case of a Participant who dies on or after January 1, 2022, if the Beneficiary is not an Eligible Designated Beneficiary, the deceased Participant's Account balance must be distributed to the Beneficiary by the end of the calendar year that contains the tenth anniversary of the Participant's death. If the Beneficiary is an Eligible Designated Beneficiary, then the Participant's Account balance shall be distributed to the Eligible Designated Beneficiary in accordance with (b)(1) or (b)(2) above, as applicable, as modified by the requirements of this paragraph (c). If the Participant's Eligible Designated Beneficiary is a minor child, distribution of the Participant's Account to the child must be completed by December 31 of the calendar year containing the tenth anniversary of the child's attainment of the age of majority. If the Participant's Eligible Designated Beneficiary, other than the Participant's surviving spouse, dies before the Participant's Account is completely distributed, the distribution of the Participant's remaining Account balance must be completed by December 31 of the calendar year containing the tenth anniversary in which the Eligible Designated Beneficiary died.
 - (d) In the case of a Participant who dies prior to January 1, 2022 with multiple Beneficiaries and the oldest of whom dies on or after January 1, 2022, the remaining surviving Beneficiaries' benefits will be distributed as follows. If the surviving Beneficiary is not an Eligible Designated

Beneficiary on the date of the oldest Beneficiary's death, the Beneficiary must receive the remaining benefits to which he or she is entitled by the end of the calendar year that contains the tenth anniversary of the death of the oldest Beneficiary. If the Beneficiary is an Eligible Designated Beneficiary, then he or she shall continue to receive the Participant's Account balance in accordance with (b)(1) or (b)(2) above, as applicable, as modified by the requirements of this paragraph (d). If the Eligible Designated Beneficiary is a minor child on the date of the oldest Beneficiary's death, distribution of the benefit to which the child is entitled must be completed by December 31 of the calendar year containing the tenth anniversary of the child's attainment of the age of majority.

- (e) If a spousal Beneficiary dies after the Participant but before the full Account value is withdrawn, any remaining Account value will be paid to the spousal Beneficiary's designee(s) in a lump sum payment(s).
- (f) If a non-spousal Beneficiary dies after the Participant but before the full Account value is withdrawn, any remaining Account value will be paid to the non-spousal Beneficiary's estate in a lump sum payment.
- (g) Whenever distribution is made to a minor or person under legal disability, such distribution shall be made only pursuant to the order of the court having jurisdiction over the distributee, and in such case all costs, including court costs and attorneys' fees incurred by the Plan in securing the order of the court, shall be paid from the amounts available for distribution.
- (h) The Beneficiary may elect whether withdrawals should be paid from the Participant's Account(s) Pre-Tax Deferrals Account, Roth Contributions Account, or rollover account.
- (i) Required minimum distribution date shall have the meaning prescribed to required beginning date under Code Section 401(a)(9).

4.04 **Participant Required to Elect a Withdrawal Date and Option.** If a Participant does not elect a Withdrawal Date in the manner provided for by Section 4.02, withdrawals to the Participant from the Pre-Tax Deferrals Account and the Rollover Account shall begin by the later of December 31 of the calendar year in which the Participant attains age 72 (or such other age as required the required beginning date as defined under IRC Code Section 401(a)(9)) or, if the Participant has not had a Severance from Employment as of such date, then no later than December 31 of the year in which the Participant has a Severance from Employment. The withdrawals shall be for a fixed time period for the maximum number of years allowed by the IRC-required minimum distribution tables in the Code.

4.05 **Beneficiary Required to Elect a Withdrawal Date and Option.** If a spousal Beneficiary of a Participant, who dies before the required minimum distribution date, does not elect a Withdrawal Date, withdrawals to the spousal Beneficiary shall begin by December 31 of the calendar year in which the Participant would have attained age 72 (or such other age as required the required beginning date as defined under IRC Code Section 401(a)(9)). If a non-spousal Beneficiary does not elect a Withdrawal Date, withdrawals to the non-spousal Beneficiary, shall begin no later than December 31 of the year following the participant's death. Withdrawals shall be for a fixed time period for the maximum number of years allowed by the IRC-required minimum distribution tables in the Code.

4.06 **Unforeseeable Emergency Withdrawals.** A Participant may request an Unforeseeable Emergency withdrawal from his or her their Account. The Participant may specify the Account from which the Participant seeks to take an Unforeseeable Emergency withdrawal; if no Account is specified, the Unforeseeable Emergency withdrawal shall be from the Participant's Pre-Tax Deferrals Account, until it is exhausted. The Participant shall submit a request in the manner prescribed by the Plan Administrator writing on the approved form to the Plan Administrator's staff, who will review the request. If the request is denied for failure to establish an by the staff, a request for review of the staff determination may be made in writing. If the review of the staff determination fails to confirm a claim of Unforeseeable Emergency, the Participant may submit a written appeal may be made to the Board. The Board shall review each appeal and notify the appellant if a hearing will be held. The decision regarding what constitutes an Unforeseeable Emergency shall rest with the Board, is final, and shall not be subject to further appeal. The Executive Director of the Board Plan Administrator shall notify the appellant in writing of the Board's decision. If at any time a request of for an Unforeseeable Emergency withdrawal is approved, the Plan Administrator may thereupon distribute so much of the Account as is necessary to provide the amount approved to meet the Unforeseeable Emergency, as determined by the Plan Administrator.

- 4.07 **Acceleration.** If upon a Participant's Severance from Employment, the Board's receipt of the last Deferral, and the Participant's Account value is less than \$1,000, the Plan Administrator may accelerate withdrawals otherwise due in the future and pay to such Participant (or Beneficiary, if the Participant has died) the full Account value in a lump sum unless the Participant (or Beneficiary) timely elects to rollover the Account.
- 4.08 **Small Balance Distribution.** Upon proper written request, a Participant may elect to receive a small balance distribution, payable in a lump sum, if all of the following conditions are met (i) the Participant's Account value is \$5,000 or less, (ii) the full value of the Account is to be distributed, (iii) the Participant has not deferred into the Plan for a period of two years prior to distribution, ~~(iv) the Participant agrees not to recommence Deferrals to the Plan for a one-year period after the distribution,~~ and (iv) there has been no prior distribution under this provision. In accordance with Treas. Reg. Sec. 1.457-6(e), each Employer shall be treated as maintaining a separate account for purposes of applying this section.
- 4.09 **Withdrawal Options.** The following Withdrawal Options are available under the Plan. ~~Definitions of each are provided on the Withdrawal Election form.~~ Withdrawals will be pro-rated among all Investment Options held unless a single investment is chosen for the withdrawal.
- Option: 1. Fixed Annual Percent
 2. Fixed Dollar Amount
 3. Fixed Time Period
 4. Partial Lump Sum
 5. Lump Sum Payment
- 4.10 **Withdrawal While on Active Duty.** Pursuant to the Heart Act, the Plan will permit distributions to individuals in the uniformed services or qualified reservists who are deemed to have had a Severance from Employment while on active military duty. If the Participant makes such request, then he or she agrees that any Deferrals will be suspended for six (6) months beginning on the date of the distribution and Deferral elections in effect before the suspension period shall resume, unless, prior to such resumption, the Participant elects to change the rate of, or suspend such contributions in accordance with Section 2.06.
- 4.11 **Distributions for Health and Long-Term Care Insurance Premiums.** The Plan may issue an eligible distribution to a Participant who is a retired public safety officer, as defined in Code Section 402(l), directly to an insurer for the Participant's qualified health or long-term care insurance premiums. The Participant may also receive payment for such insurance after certifying the distribution will be used to pay the actual cost of qualified premiums during the tax year. The maximum distribution(s) under this Section is \$3,000 per tax year.
- 4.12 **No Plan Loans.** The Plan does not permit loans to Participants.

V. Beneficiaries

- 5.01 **~~Election Designation~~ of Beneficiaries.** A Participant may ~~elect designate~~ a Beneficiary for any benefits that ~~the Participant is~~ are entitled to be received under the Plan and that are unpaid at the time of death, ~~on a form filed with and accepted using a manner prescribed by the Plan Administrator.~~ If a Participant dies without having a proper Beneficiary ~~Form completed and designation~~ on file, the amount payable on or after the Participant's death shall be paid to the fiduciary of the Participant's probate estate; provided, however, that if the Plan Administrator does not receive notice that a fiduciary has been appointed and qualified after the death of the Participant, payment shall be made to those persons making claims to receive the Participant's property consistent with the intestacy laws of Ohio. If a Beneficiary dies while receiving withdrawals from a Participant's Account, any remaining Account value that the Beneficiary is entitled to receive under the Plan and that are unpaid at the time of death shall be paid in a lump sum amount to the fiduciary of the Beneficiary's probate estate; provided, however, that if the Plan Administrator does not receive notice that a fiduciary has been appointed and qualified after the death of the Beneficiary, payment shall be made to those persons making claims to receive the Beneficiary's property consistent with the intestacy laws of Ohio. After the death of the Participant, ~~a the Participant's~~ the Participant's spousal Beneficiary will have all rights given to a Participant within Section 5.01.

- 5.02 **Beneficiary Form-Designation.** A Participant or spousal Beneficiary may designate or change a Beneficiary at any time ~~by filing with~~ in a manner prescribed by the Plan Administrator ~~a signed and dated Beneficiary Form.~~ All Beneficiary elections shall be on forms provided by the Plan Administrator ~~and~~ The designation shall be effective on the date filed with and accepted by the Plan Administrator.
- 5.03 **Election-Designation of Trust as Beneficiary.** The Plan will be fully discharged of liability for any action taken by the trustee and for all amounts paid to, or at the direction of, the trustee and will have no obligation as to the use of the amounts. In all dealings with the trust, the Plan will be fully protected against the claims of every other person. The Plan will not be charged with notice of a change of trust as Beneficiary unless written evidence of the change is made on a signed and dated ~~Beneficiary Form-form~~ Beneficiary Form provided by the Plan Administrator and shall be effective on the date filed with and accepted by the Plan Administrator.
- 5.04 **Beneficiary Account.** Upon the death of a Participant, the Account becomes the property of the Beneficiary(ies) and is not available to satisfy any claim against the Participant or the Participant's Account, such as a QDRO or other obligations of a judgement or decree granting a divorce or dissolution.
- 5.05 **Effect of Termination of Marriage on Spousal Beneficiary Designation.** If a Participant or Beneficiary who has designated a spouse as Beneficiary becomes divorced or obtains a dissolution of marriage, then the other spouse shall be deemed to have predeceased spouse who made the designation, and the designation of the other spouse as a beneficiary is revoked as a result of the divorce or dissolution of marriage.

VI. Pre-1979 Accounts

- 6.01 **Pre-1979 Accounts.** Any amounts held by the Employer as a result of Deferrals made by a Participant prior to January 1, 1979 shall be held under this Plan from and after the latest of (a) the Effective Date; (b) the date on which the Participant elects to have this Plan apply to such amount; or (c) the date on which such Participant exercises any right or power available under this Plan but not under the Plan agreement pursuant to which such Deferral was made. All such persons who were Participants in any prior plan, who exercise any such right or privilege and who have not yet received a distribution of the amounts to which they are entitled under such prior plan shall be deemed to be Participants under this Plan for all purposes.

VII. Administration of the Plan

- 7.01 **Amendment or Termination.**
- (a) The Board may at any time alter, amend, or terminate this Plan with or without the consent of any Employer, Participant, or Beneficiary. No Plan amendment shall divest any Participant of any portion of the balance then held in an Account subject to the provisions of Section 3.01.
 - (b) If the Plan is curtailed or terminated, or the acceptance of additional deferred amounts is suspended permanently, the Employer shall continue to be responsible for the supervision and payment of benefits in accordance with Article IV hereof.
- 7.02 **Distribution on Taxability.** In the event the IRS ever determines that the Plan has been administered in a manner inconsistent with ~~IRC-Code~~ Section 457, the Plan Administrator shall correct such inconsistency in accordance with rules applicable to ~~IRC-Code~~ Section 457(b) plans. In the event the Plan is ruled as an ineligible plan, the deferred amounts shall be distributed to a Participant upon written request.
- 7.03 **Questions of Fact.** The Plan Administrator is authorized to decide or to resolve any questions of fact regarding an Account necessary to decide the rights under this Plan. ~~Any person-A Participant or Beneficiary~~ A Participant or Beneficiary may appeal a final determination of the staff of the Plan or the Plan Administrator by filing a written statement detailing the cause for grievance with the Plan Administrator. ~~The Executive Director of the Board-Plan Administrator~~ The Plan Administrator shall report each appeal to the Board. The Plan Administrator shall review each appeal and notify the appellant if a hearing will be held. When approved by the Plan Administrator, the decision of the Plan Administrator shall be final and shall not be subject to further appeal. ~~The Executive Director of the Board-Plan Administrator~~ The Plan Administrator shall notify the appellant in

writing of the ~~Plan Administrator's~~ decision. This Section is not applicable to determinations made pursuant to Section 4.06 regarding claims of unforeseeable emergency withdrawals.

- 7.04 **Construction of Plan.** The Plan Administrator is authorized to construe the Plan and to resolve by its decision any ambiguity in the Plan; provided, that all such decisions are applied thereafter uniformly to all other Participants until the Plan is subsequently amended or unless the facts and circumstances applicable to another Participant are different. The Plan Administrator has the sole, absolute, and discretionary authority to interpret the meaning of Plan provisions and determine all questions arising under the Plan, including questions arising under Section 7.03.
- 7.05 **Suspension of Withdrawals in Event of Dispute.** The Plan Administrator or its agents, if in doubt concerning the correctness of their action in making a withdrawal, may suspend the continuation of any such withdrawals until satisfied as to the correctness of the amount of withdrawal or the payee, or allow the filing in any court of competent jurisdiction of a suit in such form as the Plan Administrator deems appropriate, including an interpleader action, for a legal determination of the amounts to be paid and/or the payee. The Plan Administrator shall comply with the final orders of the court in any such suit, subject to any appellate review, and the Participant and any Beneficiaries consent to be similarly bound thereby.
- 7.06 **Delegation by Employer.** The Employer may delegate its powers, duties, and responsibilities under this Plan to any agent or administrator, including any public or private agency or company. Such agent or administrator shall thereupon, and subject to the terms of any agreement with the Employer, be deemed to be, and have all of the powers, duties, and responsibilities of, the Employer under this Plan for purposes of administering the Plan.
- 7.07 **Review of Employer Actions.** Any decision, determination, or other action, or non-action, of the Employer shall be final and binding on all persons having or claiming any interest under the Plan and may be reviewed only for arbitrary and capricious abuse of the wide discretion granted to the Employer by the Plan.
- 7.08 **Account Corrections.** Participants and Beneficiaries are responsible for checking the accuracy of their quarterly statements. If an incorrect investment, exchange, or transfer is made, the Participant or Beneficiary must notify the Plan Administrator within 90 days of the closing date of the statement that reported the incorrect transaction. Incorrect investments, exchanges, and transfers will not be adjusted if the request is not received by the Plan Administrator within 90 days of the closing date of the statement.
- 7.09 **Individual Service Fees.** The Plan Administrator may assess a reasonable fee against a Participant's Account for additional services requested by an individual Participant or Beneficiary. Examples of additional fees may include overnight or special mailing costs and financial planning services available through the Plan Administrator. Fees shall be disclosed to the Participant or Beneficiary prior to the implementation of the applicable service.

VIII. Family Law and Restitution Orders

- 8.01 **Family Law Orders.** Child support orders, spousal support orders, and QDROs under Sections 148.05, 3105.171, 3105.65 or 3105.80 and Chapters 3119., 3121., 3123., and 3125. of the Ohio Revised Code shall be honored by the Plan, pursuant to the procedures established under the Ohio Revised Code and the Plan Administrator.
- 8.02 **Qualified Domestic Relations Order.** Notwithstanding the provisions of Section 9.05, the Plan Administrator shall comply with the provisions of a domestic relations order which the Plan Administrator determines to constitute a Qualified Domestic Relations Order, as defined in Code Section 414(p). Nothing contained in this Plan prevents the Plan Administrator from complying with the provision of a Qualified Domestic Relations Order (as defined in Code Section 414(p)). The Plan Administrator shall establish procedures to determine the status of a judgment, decree, or order as a Qualified Domestic Relations Order and to administer Plan distributions in accordance with Qualified Domestic Relations Orders.
- 8.03 **Distributions under Qualified Domestic Relations Orders.** This Plan specifically permits distribution at any time to an alternate payee under a Qualified Domestic Relations Order, irrespective

of whether the Participant has attained his earliest retirement age (as defined in Code Section 414(p)). A distribution to an alternate payee prior to the Participant's attainment of earliest retirement age is available only if: (1) the order specifies distribution at that time; and (2) the order specifies the form and manner in which the distribution is to occur. Nothing in this Section permits a Participant the right to receive a distribution at a time otherwise not permitted under the Plan nor does it permit the alternate payee to receive a form of payment not permitted under the Plan.

- 8.04 **Other Restitution Orders.** Restitution orders under Section 148.05 of the Ohio Revised Code shall be honored by the Plan, pursuant to the procedure established in the Ohio Revised Code.

IX. Miscellaneous

- 9.01 **Agencies Not Parties.** No person or entity issuing any policy, contract, or other Investment Options used by the Employer or any other employee, contractee, or agent utilized by the Employer shall be deemed to be a party to the Plan, and no such person or entity or any other person having an administrative or investment position relative to this Plan, shall have any responsibility or accountability to any Participant or Beneficiary with regard to the operation of this Plan.
- 9.02 **No Contract of Employment.** This Plan and any Participation Agreement between the Employer and the Participant shall not be construed as a contract of employment, as an amendment to an existing employment contract of the Participant, if in fact one exists, or as affording to the Participant any right to, or representation or guarantee regarding, continued employment.
- 9.03 **Tax Effects.** Neither the Board, the Employer, the Plan Administrator, the State of Ohio, or any agency thereof, nor any firm, person or corporation, represents or guarantees that any particular federal, state or local tax consequences will occur as a result of any Participant's initial or continued participation in this Plan. Each Participant or Beneficiary shall consult with his own advisors regarding the tax consequences of participation in this Plan.
- 9.04 **Governing Law.** The laws of the State of Ohio shall apply in determining the construction and validity of the Plan and all rights and obligations under it.
- 9.05 **Non-Alienation.** Except as otherwise required by law, the rights of any Participant or Beneficiary, including any Compensation deferred or withdrawn under this Plan, shall not be subject to the rights of creditors of the Participant or Beneficiary, and shall be exempt from execution, attachment, garnishment, prior assignment, transfer by operation of law in the event of the bankruptcy or insolvency, or any other judicial relief or order for creditors or other third persons. The Participant or Beneficiary agrees that in the event of the Participant's or Beneficiary's bankruptcy or insolvency, application will be timely made to secure exemption for all funds maintained in the Account. No Participant or Beneficiary shall have any right to commute, sell, assign, encumber, hypothecate, transfer, or otherwise convey the right to receive any withdrawals hereunder, which withdrawals and the right thereto are expressly declared to be non-assignable and nontransferable, and any such attempted assignment or transfer shall not be recognized by the Employer. Except as required by law, the right to exercise any power of any Participant or Beneficiary shall be personal and shall not be exercisable by any trustee in bankruptcy, court of law, or other person or entity seeking to act in the name of or by the right of the Participant or Beneficiary except as follows:
- (a) When a guardian has been appointed by a probate court of competent jurisdiction for a Participant or Beneficiary;
 - (b) When the designee of a Participant or Beneficiary has a lawfully executed and currently valid power of attorney in circumstances where the Participant or Beneficiary is documented to be incapacitated by reason of illness, injury, age, or military service; or
 - (c) When a guardian has been appointed by a probate court of competent jurisdiction for a Beneficiary who has not reached their majority.
 - ~~(d) **Qualified Domestic Relations Order.** Notwithstanding the provisions of Section 8.05, the Plan Administrator shall comply with the provisions of a domestic relations order which the Plan Administrator determines to constitute a Qualified Domestic Relations Order, as defined in IRC Section 414(p). Nothing contained in this Plan prevents the Plan Administrator from complying with the provision of a Qualified Domestic Relations Order (as defined in IRC Section 414(p)). The Plan Administrator shall establish procedures to determine the status~~

~~of a judgment, decree, or order as a Qualified Domestic Relations Order and to administer Plan distributions in accordance with Qualified Domestic Relations Orders.~~

~~(e) **Distributions under Qualified Domestic Relations Orders.** This Plan specifically permits distribution at any time to an alternate payee under a Qualified Domestic Relations Order, irrespective of whether the Participant has attained his earliest retirement age (as defined in IRC Section 414(p)). A distribution to an alternate payee prior to the Participant's attainment of earliest retirement age is available only if: (1) the order specifies distribution at that time; and (2) the order specifies the form and manner in which the distribution is to occur. Nothing in this Section permits a Participant a right to receive a distribution at a time otherwise not permitted under the Plan nor does it permit the alternate payee to receive a form of payment not permitted under the Plan.~~

9.06 **Entire Agreement; Successors.** This Plan, including the Participation Agreement and any subsequently adopted amendments, shall constitute the entire agreement or contract between the Employer and the Participant regarding the Plan. No oral statement regarding the Plan may be relied upon by the Participant. This Plan and any amendment shall be binding on the parties hereto and their respective heirs, administrators, trustees, successors, and assignees, and on all designated Beneficiaries of the Participant. If any provision of this agreement is found by a court of law to be invalid, the remaining provisions shall survive and continue to be of full force and effect.

9.07 **Intent of Plan.** This Plan is intended to be a Plan as described in ~~IRC Code~~ Section 457(b). This Plan shall be construed in accordance with such intent, and no provision hereof that is inconsistent with ~~IRC Code~~ Section 457 shall be valid.

9.08 **Participant Investment Direction.** The Participant's Account will be charged with any investment loss or other loss arising from investment in the Investment Options and that such loss will reduce the amounts available for withdrawal to the Participant under this Plan. The Participant's choice of Investment Options may have collateral effects, such as limiting the amount, time, and manner of withdrawals.

9.09 **Remedies; Standard of Care.** To the extent permitted by law, the Participant specifically agrees not to seek recovery against the Employer, the Plan Administrator, or any other person for any loss sustained by the Participant as a result of an error, negligence, or any other misconduct other than fraud or wrongful taking.

IN WITNESS THEREOF, the undersigned, being an authorized member of the Board, has duly executed this Plan this _____ day of _____, 2025.

**~~OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION~~ RETIREMENT BOARD
PLAN ADMINISTRATOR**

BY: _____

NAME: _____

TITLE: _____

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM
Adoption Agreement

This Agreement is made by and between the ~~Ohio Public Employees Deferred Compensation Retirement Board~~, an entity created by Ohio Revised Code Section ~~148.02~~ 145.04 (the "Board") and the Eligible Employer named within, an employer of "Eligible Employee(s)" (as defined by Ohio Revised Code Section 148.01(A)(3)), and an agency or political subdivision of the State of Ohio created pursuant to applicable State law (the "Eligible Employer").

WHEREAS, the Board has developed, as required by Ohio Revised Code Section 148.04 (the "Enabling Statute"), a uniform ~~"eligible deferred compensation plan,"~~ program for deferral of compensation, known as the Ohio Public Employees Deferred Compensation Program (the "Program") for use by agencies and political subdivisions of the State of Ohio that are employers of Eligible Employees; and

WHEREAS, the Eligible Employer, by a Resolution of its Governing Body, has adopted a Plan under the Program; and

WHEREAS, the Board is authorized to administer any and all Plans adopted under the Program; and

WHEREAS, the Eligible Employer, by a Resolution of its Governing Body, has directed its responsible official to enter into the Adoption Agreement.

NOW THEREFORE, in consideration of the premises recited above, and in consideration of the provisions set forth by this Adoption Agreement, the parties agree as follows:

Sec. 1.0. Plan Document. The Eligible Employer's Plan shall be the uniform Plan as promulgated by and as amended from time to time by the Board.

The Eligible Employer delegates to the Board any and all responsibility for the administration of the Plan, to the extent not otherwise expressly provided by this Adoption Agreement or by applicable ~~Rules and Regulations state and federal laws.~~ and The Eligible Employer authorizes the Board to do all things necessary or proper for the lawful administration of the Plan.

Sec. 2.0. Delegation of responsibilities. These responsibilities may include but shall not be limited to the following:

- ~~¶~~To execute the Plan on behalf of the Eligible Employer;
- ~~¶~~To execute a Participation Agreement with any Eligible Employee of the Eligible Employer;
- ~~¶~~To invest contributions under the Plan in accordance with any proper investment designations made under the Program;
- ~~¶~~To make or decline to make any payments under the Plan;
- ~~¶~~To assess service charges against Plan accounts, as provided by the Plan or required by applicable ~~Rules and Regulations state and federal laws;~~
- ~~¶~~To amend or terminate the Plan, as provided by the terms of the Plan, consistent with any applicable state and federal laws ~~and Rules and Regulations.~~

The Board represents and warrants to the Eligible Employer that it shall comply with all applicable laws affecting the Program.

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM
Adoption Agreement

The Board represents to the Eligible Employer that it shall provide sufficient services to administer the Plan Program as described above, and to appropriately respond to inquiries by Eligible Employees.

Sec. 3.0. Eligible Employer responsibilities.

(a) The Eligible Employer shall permit the Board's representative to conduct group and individual meetings for the purpose of explaining the Plan Program or enrolling Eligible Employees on the Eligible Employer's premises during normal working hours, subject to such reasonable restrictions that the Eligible Employer communicates in writing to the Board and which are accepted by the Board.

(b) The Eligible Employer shall be responsible for remitting deferrals/contributions under the Plan to the ~~Ohio Public Employees Deferred Compensation Program~~ in accordance with ~~the Rules and Regulations or the Plan~~, any ~~P~~rocedures promulgated by the Board, and state and federal law. The Eligible Employer shall be responsible for the correct and timely reporting and withholding of employees' wages under United States and Ohio income tax laws. See Exhibits A and B attached.

(c) The Eligible Employer shall complete a Worksite Locations form (Exhibit A-1), a Payroll Information form (Exhibit B-1), and a Schedule of Pay Dates (Exhibit B-2), on the forms designated by the Board or its Administrator.

(d) The Eligible Employer acknowledges and agrees that all amounts deferred/contributed under the Plan and all investments purchased with such amounts shall be held by the Board in Trust on behalf of the Eligible Employer for the exclusive benefit of ~~e~~Eligible ~~e~~Employees and their beneficiaries. All assets, whenever contributed to the Plan, are assigned to the Trust established by the Board.

(e) The Board is not responsible for losses of interest (or possible investment gain), including those losses caused by the delay of the Eligible Employer in remitting deferrals/contributions.

(f) This Adoption Agreement shall become effective on the date that it is accepted by the Board.

The terms of this Adoption Agreement shall be for a period beginning on the date of its acceptance by the Board and ending on the date that is three years from the date that there are no remaining Participants or Beneficiaries ~~or "Continuing Members"~~ under the Plan.

Sec. 4.0. Termination of Agreement. The Eligible Employer shall have no right to terminate this Adoption Agreement until three years from the date that there are no remaining Participants or Beneficiaries associated with the Eligible Employer under the Plan . At that time, the Eligible Employer may ~~effect~~affect a termination by providing the Board with a certified copy of its action that effects a termination of the Plan, and the termination shall become effective on the date that it is accepted by the Board.

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM
Adoption Agreement

The Board has the power to terminate this Adoption Agreement at any time. This Adoption Agreement shall automatically terminate if at any time the Program ceases to exist.

Following the termination of this Adoption Agreement, the Board shall have no continuing obligation with respect to any undertaking made in this Adoption Agreement.

Sec. 5.0. Entire Agreement. This Adoption Agreement (including exhibits A and B and any applicable state or federal laws ~~or Rules and Regulations~~ or ~~P~~rocedures incorporated in this Adoption Agreement by reference) sets forth the entire agreement and understanding of the parties relating to the subject matter of this Adoption Agreement, and supersedes all prior or contemporaneous agreements and understandings, proposals, representations, and warranties, written or oral, relating to the subject matter of this Adoption Agreement.

Sec. 6.0. Amendment. This Adoption Agreement may be amended from time to time by the Board, without the consent of the Eligible Employer, consistent with any requirements of ~~the Enabling Statute and any of its Rules and Regulations~~ applicable state and federal laws. The Eligible Employer shall have no right to amend this Adoption Agreement.

IN WITNESS, the duly authorized responsible official has (in accordance with the Eligible Employer's Resolution) executed this Adoption Agreement for the Eligible Employer, and the Board (by its representative) has accepted this Adoption Agreement as of the date so noted below.

Eligible Employer

Responsible Official (printed name)

Responsible Official Signature

Title

Date

~~OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION~~ RETIREMENT BOARD

Accepted for the Program

Date

EXHIBIT A

ENROLLMENT PROCEDURES

Ohio Deferred Compensation (Ohio DC) is a very valuable part of any adopting employer's benefits program. The success of Ohio DC depends upon the employer communicating the availability of this benefit to all eligible employees so that those desiring to participate will be fully aware of Ohio DC's features allowing them to make an informed decision.

Per the Adoption Agreement, arrangements will be made for Ohio DC Account Executives to hold informational group meetings and/or individual meetings with all eligible employees, on the employer's premises during regular working hours. If group meetings are not possible due to the nature of the work schedule, an Account Executive will work with the employer to schedule available times for individual meetings. Account Executives will offer to schedule annual meetings to update current participants of changes in Ohio DC and to educate employees not currently participating in Ohio DC. It will be important for participants and non-participants to attend these meetings to be sufficiently informed about Ohio DC. If meetings cannot be accommodated, Ohio DC will provide the employer with an optional enrollment form for distribution to eligible employees.

Please complete the Worksite Locations form (Exhibit A-1).

We are here to help!

Our Service Center is located at 257 East Town Street, Suite 457, Columbus, Ohio 43215.

The Service Center has licensed Account Executives who can help participants with their account. They can assist with enrollment, deferral/contribution changes, allocation changes to investment options, asset allocation information, and withdrawals.

Phone:
877-644-6457.

Fax:
Fax documents and questions to us at **614-222-9457.**

Email:
Ohio457@Nationwide.com

EXHIBIT A-1

WORKSITE LOCATIONS

Please list your worksite locations and the number of employees at each location.

Employer Name: _____

Meeting Coordinator: _____

Phone: _____

Email: _____

Worksite Contact	Worksite Address	No. of Employees
Name:		
Title:		
Phone:		
Email:		
Name:		
Title:		
Phone:		
Email:		
Name:		
Title:		
Phone:		
Email:		
Name:		
Title:		
Phone:		
Email:		
Name:		
Title:		
Phone:		
Email:		
Total No. of Employees		

EXHIBIT B
PAYROLL/ADMINISTRATIVE PROCEDURES

An employer that establishes the Plan shall determine whether its employees will be permitted to make (i) pre-tax deferrals only or (ii) pre-tax deferrals and Roth contributions.

Employer's Name elects to offer eligible employees one of the following options:

_____ Pre-tax deferrals only

OR

_____ Pre-tax deferrals and Roth contributions

Employer's Effective Date

_____ **As soon as administratively feasible.** No sooner than 15 days after Ohio DC receives the executed Exhibit B and the employer receives their first pre-billing invoice for pre-tax deferrals and/or Roth contributions.

OR

_____ **Select effective date.** The effective date (*must be within the next three months*) to start pre-tax deferrals and/or Roth contributions shall be: _____.

Deductions

A. **Pre-tax Deferrals.** The employer will ensure that federal and state income taxes for each participating employee are calculated after excluding the amount being deferred under the Plan. Please note that pre-tax deferrals are not excluded from local income tax calculations.

B. **Roth Contributions.** The employer will ensure that Roth contributions are after-tax contributions. This means the employer includes the amount of the Roth contributions in the employee's gross income at the time the employee would have otherwise received the amount in cash if the employee had not made the election. Roth contributions are subject to all applicable wage-withholding requirements.

The employer may not make any such contractual changes until the effective date specified on the Payroll Reduction Change Report, except to prevent deferrals/contributions from exceeding the maximum annual limits.

Reporting

The employer may utilize one of the following methods for reporting deferral/contribution amounts.

A. **A pre-billing invoice.** Ohio DC will create an invoice(s) for the employer generally 14 days before each pay date, listing the name, last four digits of the employee's social security number, and dollar amount of the deferral/contribution expected from each employee. Pre-tax deferrals and Roth contributions will be invoiced separately. The employer can obtain these invoices from the Ohio Business Gateway website. The employer will note any changes on the invoices before reporting these amounts.

- B. **A computer file.** The use of computer files is recommended for all employers who will have more than 100 participants in the Plan. Pre-tax deferrals and Roth contributions must be in separate files. This confidential data must be transmitted using the secure express upload feature of the Ohio Business Gateway at business.ohio.gov. Computer files must be formatted as indicated below.

<u>Field Name</u>	<u>Data Type</u>	<u>Start/End Pos.</u>		<u>Contents</u>
Transaction Type	X(3)	1	3	'114'
Employer ID	X(6)	4	9	Ohio DC will assign this number
Pay Date*	9(8)	10	17	Your payroll date
Social Security5	9(5)	18	22	First 5 digits of social security number
Social Security4	9(4)	23	26	Last 4 digits of social security number
Termination Code	X(2)	27	28	Does participant still work for you? Yes = SPACES No = 'TT'
Filler	X(8)	29	36	Spaces
Termination Date*	9(8)	37	44	Date employee was terminated or zeros for current employees
Transaction Amount**	9(7)	45	51	Deferral/contribution amount 9999999
Name	X(25)	52	76	Participant name
Filler	X(4)	77	80	Spaces

* All dates must use CCYYMMDD format (20250912)

** The transaction amount must not include the decimal point. Example, a \$125.00 deferral amount would be sent as 0012500.

Fields are **NOT** packed.

For regular deferrals (pre-tax), the file must be named **defcomp.txt**.

For Roth contributions (post-tax), the file must be named **roth_defcomp.txt**

Please note that regular deferrals and Roth contributions are on separate bills and cannot be combined in the same file

If you need further assistance, please call 614-466-7245.

- C. **An acceptable employer generated listing.** The employer may generate their own listing which will identify the name, last four digits of the employee's social security number, and dollar amount of the individual deferrals/contributions. The format must be (by pay frequency) in ascending alphabetical or social security number order with totals for each frequency. Pre-tax deferrals and Roth contributions must be reported separately. The list must contain employer name, employer number, and pay date. Do not list reductions by department or full social security numbers.

Changes

Ohio DC will create a Payroll Change Report(s) showing all employees who are newly enrolled or changing the amount of their deferrals/contributions. This report will be available to the employer generally 14 days before the effective pay date on the Ohio Deferred Compensation secure section of the Ohio Business Gateway website, business.ohio.gov. Separate Payroll Change Reports will be produced for pre-tax deferrals and Roth contributions.

Terminating Employees

For any participants who have terminated employment, the employer will note on each invoice, file, or listing, the date of termination, last four digits of the social security number, and name of the employee(s).

Remittance

For each pay date, at the earliest feasible date, the employer will forward payment for the total amount of deferrals/contributions with supporting documentation. The employer is responsible for the correct and timely remittance of deferrals/contributions. The employer may use one of the following methods for remittance:

ACH debit: Use the Ohio Business Gateway at business.ohio.gov. (***preferred method***)

ACH credit: Ohio DC will provide banking information to Employers using this method.

Check mailed to:

Ohio Deferred Compensation
257 East Town Street, Suite 400
Columbus, Ohio 43215-4623

The payment amount must be exactly equal to the total amount of deferrals/contributions on the detailed report. Please contact Ohio DC to obtain our debit blocker ID if submitting payment via the Ohio Business Gateway.

Refunds

If deferrals/contributions are erroneously made on behalf of a participant and the money must be returned to that participant, the employer may not use amounts to be refunded to the participant as an offset or credit against the gross amount of deferrals/contributions for the next pay period. The employer must notify Ohio DC in writing of such errors and the Board will return the money to the employer. For pre-tax deferrals the employer must then refund the money to the employee after withholding all appropriate taxes, etc., since the refund will not have been previously included as taxable income to that employee.

Annual Limits

Consistent with IRS regulations, the employer is responsible for ensuring that any combination of the participant's annual pre-tax deferrals and Roth contributions do not exceed the lesser of (i) the limits allowed by the Internal Revenue Code or (ii) 100% of includible compensation. Participants Age 50+, Age 60-63, or in their three years prior to Normal Retirement Age may be eligible for higher annual limits. Ohio DC will annually provide notice to the employer regarding such limits. Ohio DC will be careful to enroll the participant for deferral/contributions amounts that will not exceed the IRS's maximum limits. If events occur (requested changes to deferral/contribution amounts are not made timely, a year with 27 bi-weekly pay periods, etc.) whereby those limits could be exceeded, Ohio DC will work with the participant and employer to adjust deferral/contribution amounts accordingly.

Form W-2

The employer will be responsible for issuing a correct Form W-2 at year-end, which will identify the gross amount of wages subject to federal and state taxes and the gross amount of wages subject to local taxes. The employer will list on the participant's Form W-2 the amount of pre-tax deferrals or Roth contributions for the year, as required by the IRS.

Program Withdrawals

Ohio DC will be responsible for overseeing the disbursement of all withdrawals from Ohio DC to the participant or beneficiary(ies) and to discharge on behalf of the employer all reporting and withholding responsibilities required by Federal and State Regulatory Authorities.

Confidentiality

The employer shall maintain the confidentiality of individual participants and related account information.

It is Ohio DC's policy to limit the display of social security numbers. Billing and change reports will only display the last four digits of each participant's social security number. If the employer generates their own listing, the employer will be responsible for this confidential information while in transit. It is important that the display of social security numbers is limited to the last four digits.

Other Deferred Compensation Plans

If the employer offers deferred compensation programs in addition to Ohio DC as permitted under Sections 148.06 and 148.061 of the Ohio Revised Code, then the employer is responsible for assuring that participants do not exceed the maximum annual limits under IRC Section 457(b).

Execution

The duly authorized responsible official has executed this document for the Eligible Employer, and the Board (by its representative) has accepted as of the date noted below.

Eligible Employer

Responsible Official (printed name)

Responsible Official Signature

Title

Date

~~OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION~~RETIREMENT BOARD

Accepted for the Program

Date

Employer Services for You

The Board Office is responsible for administration of Ohio DC, which includes maintaining employer and employee account records, investing payroll deferrals/contributions, processing withdrawal requests and generating employer and employee account statements.

Employers with questions or needing assistance should contact the finance department of the Board Office.

Board Office:

Ohio Deferred Compensation
257 East Town Street, Suite 400
Columbus, Ohio 43215-4623

Phone: 614-466-7245, Option 4

Phone Hours: The Board Office staff is available to assist employers Monday-Friday from 7:30 a.m.-3:30 p.m.

Fax: 614-728-2601

Email: finance@OhioDC.org.

EXHIBIT B-1
PAYROLL INFORMATION

Employer Contact Information

Employer Name _____
Street Address _____

City, State, Zip _____
Employer Contact _____
Email Address _____
Telephone _____
Fax _____

Federal Tax ID _____

Payroll Contact Information (this contact will receive billing notifications)

Same as Employer Contact

Street Address _____

City, State, Zip _____
Payroll Contact _____
Email Address _____
Telephone _____
Fax _____

Payroll Schedule

Indicate the appropriate pay schedule(s) and provide pay dates for each schedule (see Exhibit B-2):

Weekly (52)	_____	Monthly (12)	_____
Bi-Weekly (26)	_____	Quarterly (4)	_____
Semi-Monthly (24)	_____	Semi-Annually (2)	_____

Board Meeting IV.C



OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: October 6, 2025

TO: OPERS Retirement Board Members

FROM: Jenny Starr – Director-Finance
Erica Worley – Assistant Director-Financial Reporting

RE: **IV. Action Items:**
C. Approve 2026 Budget

Action requested: _____ moved, _____ seconded to: Approve the proposed 2026 Administrative and Capital budgets as submitted by staff.
The budgets are as follows:

Operating budget (excludes depreciation)	\$147,985,400
Administrative budget (includes depreciation)	\$165,320,400
Capital budget (includes internal labor)	\$ 23,209,245

Background

Annually, the Board approves the proposed budget for the following year. Staff will present the proposed 2026 budget to the Board providing an overview of the key initiatives and operational objectives included in the proposed 2026 administrative budget as well as a review of the significant changes from the prior year's budget. This review provides the Board with an opportunity to give feedback to the staff. As a result of the merger of the Ohio Public Employees Deferred Compensation Program with

OPERS effective September 30, 2025, this will be the first year we present the deferred compensation program (ODC) budget included with the OPERS budget.

Subsequently, staff will submit the OPERS budget to the Ohio Retirement Study Council (ORSC) on October 17, 2025, excluding ODC activity.

Rationale for Action –

The 2026 proposed budget includes funding for OPERS, excluding ODC, initiatives, which include:

- Modernization, enhancement, and/or redesign of various OPERS systems,
- Enhanced integration between OPERS systems and IT security,
- Self-service enhancements for members,
- Replacement of the end-of-life electronic document management system,
- Design and implementation of an investment enterprise data management solution,
- Continued implementation of new investment strategies, including risk mitigation and private credit,
- Second year of the two-year Board election cycle,
- Periodic actuarial experience study,
- Merit-based increase, and
- Increases in investment incentive compensation.

The proposed 2026 operating budget for OPERS increased 5.9% compared to the 2025 approved budget. The proposed capital budget shows an increase of \$0.6 million. The capital budget includes \$8.2 million for Compass modernization, \$4.5 million for modernization and redesign of the Refund and Health Care Systems, \$3.3 million for an electronic document management system replacement, and \$2.0 million for an investments enterprise data management system implementation.

The 2026 proposed budget for ODC activity includes the following initiatives:

- Merger activities with OPERS, including
 - Information technology integration,
 - Financial systems and processing,
 - Operational synergies, and
 - Change in external auditor.
- Providing new financial planning services for participants through Nationwide,
- Deletion of three vacant positions,
- Increase in employee insurance, and
- Merit-based increase.

The proposed 2026 operating budget for ODC increased 4.2% compared to the 2025 approved budget. The proposed capital budget shows an increase of \$0.2 million. The capital budget of \$3.2 million is primarily for modernization of the ODC Participant Web Portal and ORIS systems.

The proposed administrative and capital budgets reflect a continued investment in the organization's key initiatives and help position OPERS for the future.

Proposed 2026 Budget

Jenny Starr – Director–Finance

Erica Worley – Assistant Director, Financial Reporting



Agenda

- Scope of the 2026 Budget Presentation
- Annual Budget and Reporting Process
- Consolidated 2026 Proposed Budget Highlights
- Proposed 2026 OPERS Budget (excluding ODC)
- Proposed 2026 Ohio Deferred Compensation (ODC) Program Budget
- Comparison of Consolidated Budgets (2025 vs. 2026)

Budget Scope

- Beginning with the 2026 budget year, OPERS will communicate budgetary information on behalf of both the OPERS pension and health care plans, as well as the ODC program.
- Status updates throughout the year.
- OPERS and ODC Finance collaborated on the identification of shared costs and the impact of the merger on the 2026 budget.
- OPERS will continue to evaluate and track the realized impact of the merger on the administrative costs of the organization.

2026 Budget Schedule



ODC staff accelerated their budget preparation process to incorporate into the OPERS timeline.

Budget Review Process

Monthly

Budget-to-actual status

Quarterly

- Variance explanations
- Budget transfers approved through Leadership Team review process
- Capital project updates; closed/completed projects

Mid-year (July)

Staff reviews year-to-date status and develops projections through end-of-year; Board discussion only if issues anticipated

Annually (October)

Proposed operating, administrative, and capital budgets for Board approval

2026 Proposed Consolidated Budget Highlights

Proposed 2026 Budget for OPERS (including ODC)

- Total Operating Budget (excluding depreciation) is \$147,985,400.
- This reflects a 5.7% increase over the prior year combined budget of \$139,986,100.
- Approximately 97% (\$7,733,895 of the total increase of \$7,999,300) occurred in:
 - Personnel Expenses
 - Professional Services
 - Custodial & Banking Fees
 - Customer Service – ODC

Proposed 2026 Budget for OPERS (including ODC) (con't)

- Total Administrative Budget (including depreciation) is \$165,320,400.
- This reflects a 5.3% increase over the prior year combined budget of \$156,927,900.
- Total combined Capital Budget is \$23,209,245; this reflects a \$0.8 million increase over the prior year combined budget.
- The total proposed budget has reflected proposed savings from the merger in a conservative manner.

2026 Budget for OPERS (excluding ODC)

OPERS Key Initiatives in 2026

- Major Information Technology projects
 - Modernization, enhancement, and/or redesign of various IT systems with a strategic focus to:
 - Improve integration and security of systems,
 - Reduce technical debt and artifact backlog; and,
 - Continue self-service enhancements for members.
 - Replace end-of-life electronic document management system
 - Investments enterprise data management solution
- Continued implementation of new investment strategies, including risk mitigation and private credit
- Second year of two-year Board election cycle
- Actuarial experience study

OPERS

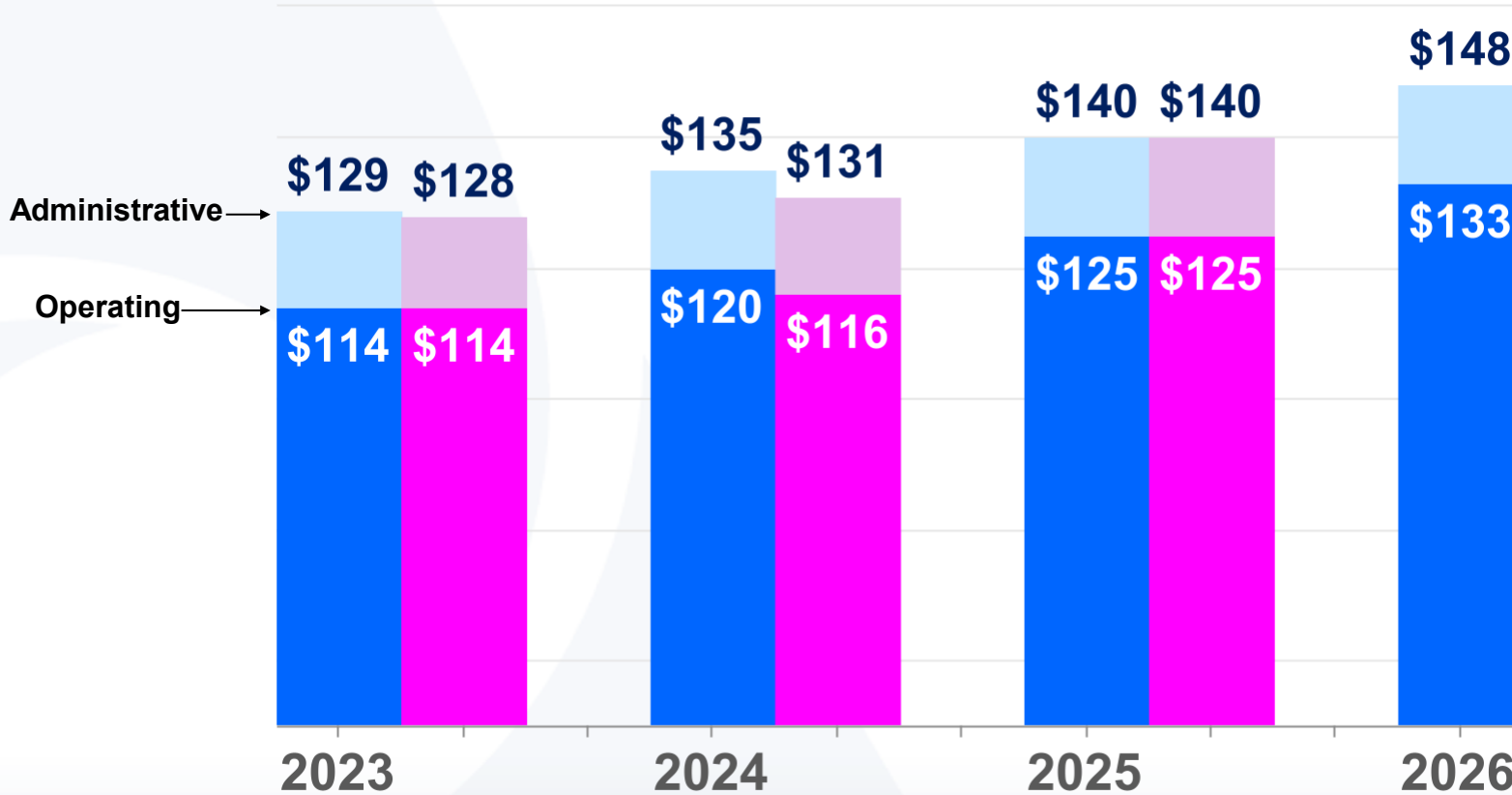
2026 Proposed Budget Summary

	2026 Proposed Budget	2025 Approved Budget	25 to 26 Change	Percent Change 25 to 26
Personnel Expenses	\$83,301,491	\$80,001,817	\$3,299,674	4.1%
Professional Services	23,079,795	19,607,635	3,472,160	17.7
Custodial & Banking Fees	5,935,600	5,463,639	471,961	8.6
Information Technology	10,672,430	10,777,580	(105,150)	(1.0)
Communications	2,460,375	2,422,758	37,617	1.6
Office Supplies & Equipment	595,568	590,458	5,110	0.9
Education—Member and Staff	1,387,980	1,301,843	86,137	6.6
Other Miscellaneous Expense	5,250	4,200	1,050	25.0
Centralized Expenses	5,138,511	5,023,070	115,441	2.3
Total Operating Budget	\$132,577,000	\$125,193,000	\$7,384,000	5.9%
Depreciation and Amortization Expense	\$15,141,000	\$14,932,000	\$209,000	1.4%
Research Services— Commission Sharing Arrangements	220,000	235,000	(15,000)	(6.4)
Total Administrative Budget	\$147,938,000	\$140,360,000	\$7,578,000	5.4%

OPERS Comparative Results

Budget and Actual

(\$ in millions)



Note: Administrative Budget includes depreciation and soft dollars.
 FY 2025 administrative and operating actuals are based on activity through end of September and mid-year projections after 2nd quarter budget transfer process.

Analysis of Major Categories

Personnel Expenses

- **2026 Budget of \$83.3 million primarily comprised of:**
 - Wages, Salaries, and Retirement Contributions of \$71.6 million, including \$7.9 million for investment incentive compensation and a reduction of \$6.2 million for capitalizable labor on major IT initiatives; and,
 - Employee Insurance of \$11.5 million, including \$7.6 million for medical and \$3.7 million for prescription coverage.
- **Budget increased \$3.3 million compared to 2025 due to:**
 - Merit increase of 5% costing \$3.2 million;
 - Increase in investment incentive compensation of \$1.2 million;
 - Partially offset by an increase in capitalizable labor (reduction to personnel expenses) of \$1.1 million; and,
 - No increase in staffing headcount, but continued growth and staffing realignment based on organizational needs.

Staffing Realignment: Transfers

Mid-2025 Actual Transfers

<u>From Division / Position</u>	<u>FTE</u>	<u>To Division / Position</u>	<u>FTE</u>
Finance / Office Services Project Assistant	(1)	Governance Office / Process Manager	1
Total Position Transfers	<u>(1)</u>		<u>1</u>

2026 Proposed Transfers

<u>From Division / Position</u>	<u>FTE</u>	<u>To Division / Position</u>	<u>FTE</u>
Health Care / Sr. Health Care Vendor Administrator	(1)	Governance Office / Quality Analyst	1
Benefits / Associate Member Services Representative	(1)	External Relations / Government Relations Officer	1
Total Position Transfers	<u>(2)</u>		<u>2</u>

Professional Services

- **2026 Budget of \$23.1 million comprised of:**
 - Investment & Financial Services of \$16.7 million including:
 - \$11.9 million for investment-related quotes, data feeds, research and analytics (including \$1.2 million for external consultant due diligence research and reporting on new deals);
 - \$2.4 million for investment performance master recordkeeping fees; and,
 - \$1.5 million for third-party administrators (TPAs) for record-keeping for DC and RMA accounts.
 - Legal & Investigation Services of \$3.3 million, including \$2.5 million for new investment deals.
 - Remaining \$3.1 million comprised of actuarial, audit, consulting, disability medical exams/reviews, and OPERS share of the ORSC administrative costs.

Professional Services (con't.)

- **Budget increased \$3.5 million compared to 2025 primarily due to:**
 - Continued implementation costs, such as legal, due diligence, software and index costs, related to
 - \$0.8 million for the new risk mitigation strategy;
 - \$0.9 million for private equity and real estate; and,
 - \$0.3 million for other alternative asset classes.
 - Increased pricing on existing contracts, such as BlackRock (\$0.3 million) and Bloomberg (\$0.2 million), and S&P shifts to assets under management (AUM) based pricing (\$0.3 million).
 - Various other increases of \$0.7 million, including:
 - Actuarial services for the periodic pension five-year experience study;
 - Other consulting services for triennial compensation study for non-investment staff;
 - Second year of the board election cycle;
 - Mechanical equipment life cycle assessment by an engineering firm to assist with capital asset replacement planning; and,
 - Assistance with the evaluation for a new general ledger accounting system.

Custodial & Banking Fees

- **2026 Budget of \$5.9 million including:**
 - \$4.4 million for international custodian fees;
 - \$1.1 million for domestic custodian fees; and,
 - \$0.4 million for international investment tax services (including tax reclaims) not performed by the international custodian.
- **Moderate increase compared to 2025 of \$0.5 million due to increased assets under management and volumes of investment transactions.**

Information Technology

- **2026 Budget of \$10.7 million comprised of:**
 - IT System Licenses & Maintenance Agreements \$8.6 million including:
 - \$6.8 million software licenses and subscriptions, primarily IT, Investments and Finance; and,
 - \$1.8 million software maintenance costs;
 - Data Processing Contract Expense \$2.0 million including:
 - \$0.9 million for IT consulting;
 - \$0.6 million for data processing services; and,
 - \$0.5 million for hardware maintenance agreements.
 - Information System Purchases less than \$0.1 million.
- **Budget flat to prior year with decrease of \$0.1 million compared to 2025.**

Centralized Expenses

- **2026 Budget of \$5.1 million primarily related to:**
 - \$2.4 million building and equipment maintenance and repair;
 - \$1.5 million building utilities and services;
 - \$0.8 million property and fiduciary insurance; and,
 - \$0.3 million for general printing and printer maintenance costs.
- **Relatively flat budget compared to 2025 with increase of \$0.1 million due to inflationary increases on recurring activities.**

OPERS 2026 Capital Budget

	External Vendor	Internal Labor	Total Capital
Building	\$754,000	\$8,640	\$762,640
Equipment and Other	1,208,500	21,840	1,230,340
Compass modernization	5,111,135	3,110,000	8,221,135
Health Care system modernization	1,467,455	831,077	2,298,532
Refunds system redesign	1,528,144	684,632	2,212,776
Electronic document management system replacement	1,610,713	1,680,200	3,290,913
Investments enterprise data management system implementation	1,500,000	450,000	1,950,000
Total Capital	\$13,179,947	\$6,786,389	\$19,966,336

OPERS 2026 Capital Budget

Building, Equipment and Other Details

Building	External Vendor	Internal Labor	Total Capital
Building automation system upgrades	\$304,000	\$3,600	\$307,600
Annex roof replacement	300,000		300,000
Other building repairs and maintenance	150,000	5,040	155,040
Total Building Budget	\$754,000	\$8,640	\$762,640

Equipment and Other	External Vendor	Internal Labor	Total Capital
Data center and remote site switch replacements	\$565,000		\$565,000
Printer	250,000		250,000
End user device refresh	218,500	\$14,400	232,900
Server hardware refresh	100,000	7,440	107,440
IT service desk systems replacements	75,000		75,000
Total Equipment and Other	\$1,208,500	\$21,840	\$1,230,340

OPERS (excluding ODC) Proposed Budget Summary

Proposed 2026 Operating Budget is \$132.6 million

- Excludes depreciation and soft dollars
- Increase of 5.9% from the 2025 budget of \$125.2 million

Proposed 2026 Administrative Budget is \$147.9 million

- Includes depreciation and soft dollars
- Increase of 5.4% from the 2025 budget of \$140.4 million

Proposed 2026 Capital Budget is \$20.0 million

- Increase of \$0.6 million from the 2025 budget (including capital labor)
- The 2026 capital budget includes \$6.8 million for capitalized internal labor from new capital requests.

2026 Budget for Ohio Deferred Compensation Program

ODC Initiatives in 2026

- Merger activities with OPERS:
 - Information technology integration
 - Financial systems and processing
 - Operational synergies
 - Change in external auditor
 - Budget includes estimates for allocation of shared costs
- Financial planning services for participants through Nationwide

ODC 2026 Proposed Budget Summary

	2026 Proposed Budget	2025 Approved Budget	25 to 26 Change	Percent Change 25 to 26
Revenues:				
Participant Fees	\$17,514,600	\$16,477,600	\$1,037,000	6.3%
Interest Income	1,200,000	1,194,000	6,000	0.5
Overnight Fee Income	25,200	24,000	1,200	5.0
Total Revenues	\$18,739,800	\$17,695,600	\$1,044,200	5.9%
Customer Service	\$8,419,800	\$7,876,900	\$542,900	6.9%
Personnel Expenses	3,838,200	3,912,600	(74,400)	(1.9)
Information Technology	1,286,000	1,147,400	138,600	12.1
Communications	603,200	606,700	(3,500)	(0.6)
Professional Services	567,600	540,000	27,600	5.1
Office Supplies & Equipment (Operating Costs)	259,700	268,800	(9,100)	(3.4)
Centralized Expenses (Insurance)	235,900	236,700	(800)	(0.3)
Custodial & Banking Fees	198,000	204,000	(6,000)	(2.9)
Total Operating Budget	\$15,408,400	\$14,793,100	\$615,300	4.2%
Depreciation	\$1,974,000	\$1,774,800	\$199,200	11.2%
Total Administrative Budget	\$17,382,400	\$16,567,900	\$814,500	4.9%
Net Revenues Over Expenses	\$1,357,400	\$1,127,700	\$229,700	20.4%

Customer Service

- **2026 Budget of \$8.4 million for the Nationwide customer service center including:**
 - \$8.2 million for the customer service contract;
 - \$0.1 million for allocated occupancy costs; and,
 - \$0.1 million for financial wellness services.
- **Budget increased \$0.5 million compared to 2025 primarily due to planned new financial planning services for participants.**

Personnel Expenses

- **2026 Budget of \$3.8 million primarily comprised of:**
 - Wages, Salaries, and Retirement Contributions of \$3.2; and,
 - Employee Insurance of \$0.6 million.
- **Budget decreased (\$0.1) million compared to 2025 due to:**
 - Deletion of three vacant positions of (\$0.4) million;
 - Partially offset by a merit increase of 5% costing \$0.1 million;
 - Increase in employee insurance of \$0.1 million.

Information Technology

- **2026 Budget of \$1.3 million primarily comprised of:**
 - Database, storage, and networking expenses of \$0.4 million;
 - IT security expenses of \$0.2 million;
 - Software and IT subscription services \$0.1 million; and,
 - Allocation of shared IT support and infrastructure costs from OPERS of \$0.5 million (one-time of \$0.3 million and on-going of \$0.2 million).
- **Budget increased \$0.1 million compared to 2025 due to allocations of shared costs from OPERS, offset by anticipated savings from integration.**

ODC 2026 Capital Budget

	Total Capital
Modernization of systems (primarily Peraton)	\$3,168,514
Dell hosts in OPERS data center to host ODC infrastructure	33,000
Workstation hardware refresh	31,395
Scanner hardware	5,000
Miscellaneous	5,000
Total ODC Capital	\$3,242,909

ODC Summary

Proposed 2026 Operating Budget is \$15.4 million

- Excludes depreciation
- Increase of 4.2% from the 2025 budget of \$14.8 million

Proposed 2026 Administrative Budget is \$17.4 million

- Includes depreciation
- Increase of 4.9% from the 2025 budget of \$16.6 million

Proposed 2026 Capital Budget is \$3.2 million

- Increase of \$0.2 million from the 2025 budget

2026 Budget for Consolidated OPERS

2026 Consolidated Administrative Budget Summary

	2026 Proposed Budget	2025 Approved Budget	25 to 26 Change	Percent Change 25 to 26
Personnel Expenses	\$87,139,691	\$83,914,417	\$3,225,274	3.8%
Professional Services	23,647,395	20,147,635	3,499,760	17.4
Custodial & Banking Fees	6,133,600	5,667,639	465,961	8.2
Information Technology	11,958,430	11,924,980	33,450	0.3
Communications	3,063,575	3,029,458	34,117	1.1
Office Supplies & Equipment	855,268	859,258	(3,990)	(0.5)
Education—Member and Staff	1,387,980	1,301,843	86,137	6.6
Other Miscellaneous Expense	5,250	4,200	1,050	25.0
Centralized Expenses	5,374,411	5,259,770	114,641	2.2
Customer Service—ODC	8,419,800	7,876,900	542,900	6.9
Total Operating Budget	\$147,985,400	\$139,986,100	\$7,999,300	5.7%
Depreciation and Amortization Expense	\$17,115,000	\$16,706,800	\$408,200	2.4%
Research Services— Commission Sharing Arrangements	220,000	235,000	(15,000)	(6.4)
Total Administrative Budget	\$165,320,400	\$156,927,900	\$8,392,500	5.3%

Summary

- Proposed Budget continues to support the organizational operational needs by allowing for implementation of initiatives and planning and preparation for the future.



Questions?

Board Meeting IV.D



OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: October 6, 2025
TO: OPERS Retirement Board Members
FROM: Patti Gazda, Corporate Governance Officer
RE: **IV. Action Items:**
D. Review Proxy Plan and Activity and Approve Proxy Plan

Action requested: _____ moved and _____ seconded
to: approve the Corporate Governance plan for the 2026 proxy season.

Background – Each year staff provides a review of the current year’s proxy season and outlines the plan for the upcoming year.

2026 Corporate Governance Plan – Staff will continue to vote proxies utilizing the Corporate Governance Policy and Proxy Voting Guidelines (Policy and Guidelines) document in alignment with OPERS’ value creation investment strategy.

Other areas of focus will be:

- Close monitoring of the regulatory environment as it relates to proxy services
- Evaluate avenues to increase efficiency in the proxy process
- Produce a Request for Proposal (RFP) for proxy voting services
- Coordinate comparison of OPERS and ODC proxy activity, reporting, and policy to identify decision points for feasible coordination

Next steps –Staff will continue to provide quarterly reporting to the board.

Corporate Governance 2025

Patti Gazda – Corporate Governance Officer



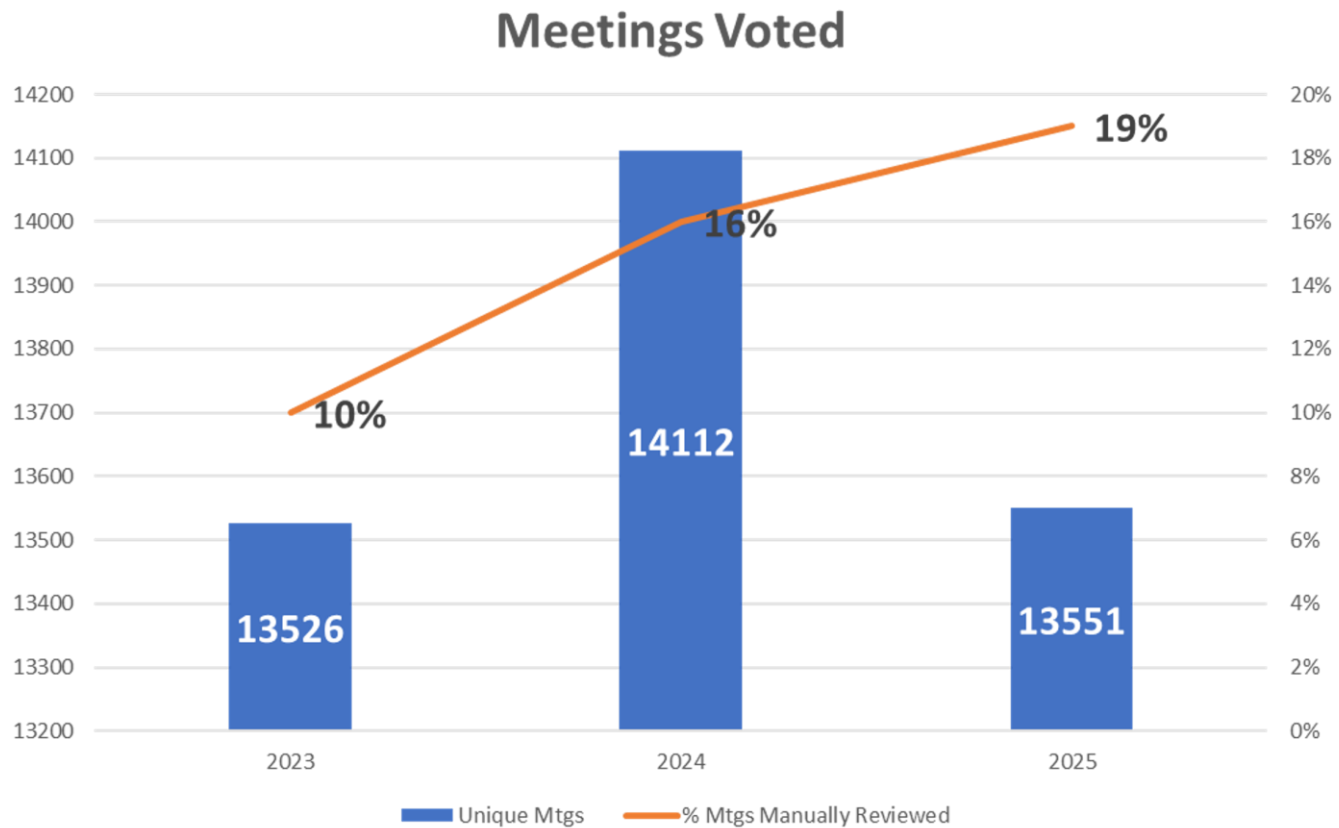
Agenda

- Program Objectives
- Proxy Season Overview
- 2026 Corporate Governance Plan

Corporate Governance Program Objectives

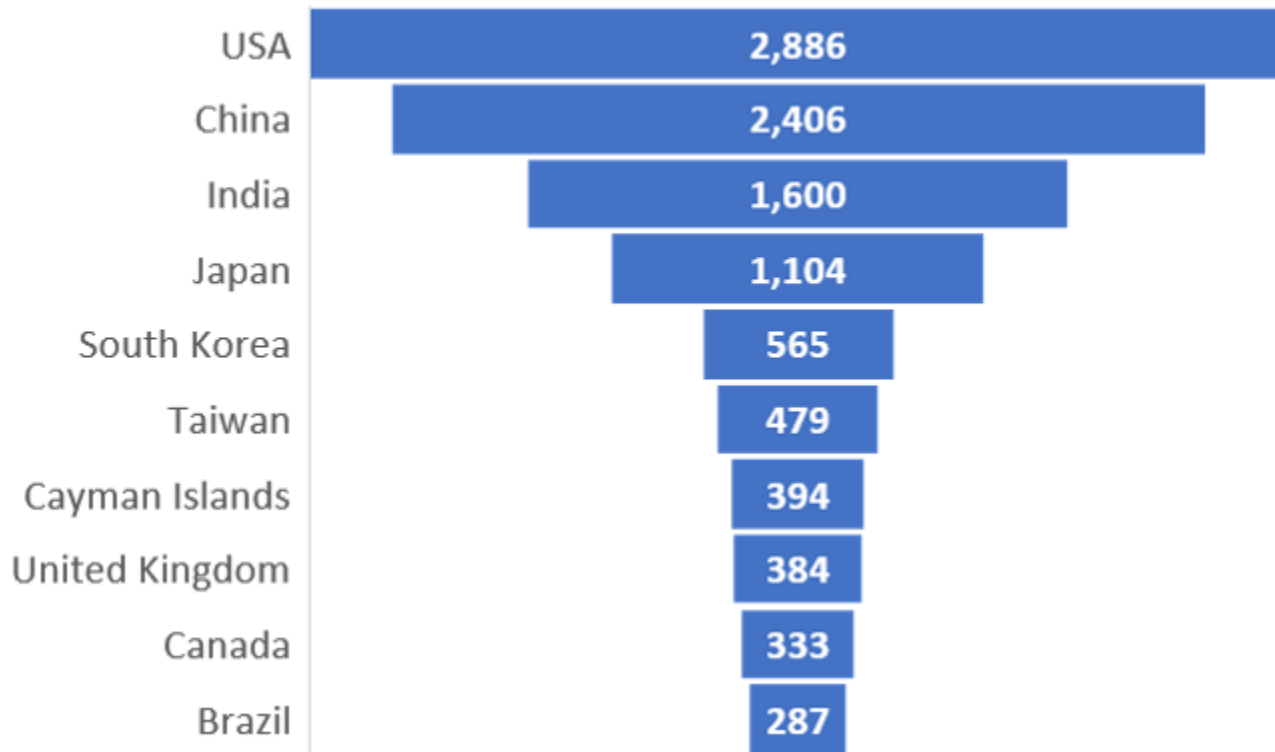
- To enhance the long-term value of OPERS' investments by promoting activities that ensure management and boards of directors act in the best interest of shareowners and in ways that protect, preserve and enhance OPERS' assets and investments
- To encourage corporate accountability, financial transparency and responsibility, while supporting governmental policies and regulations that are in the best interest of OPERS

Proxy Season Overview



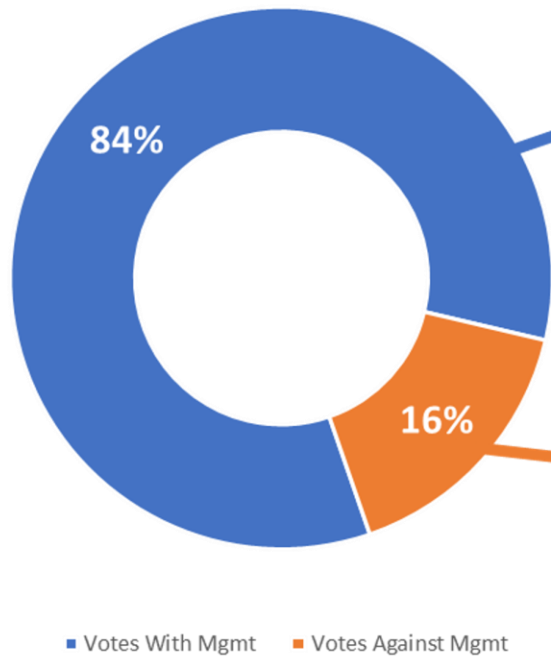
Proxy Season Overview

Meetings by Country of Origin



Proxy Season Overview

OPERS' Custom Policy Alignment with Management



Top Categories of Votes Aligned with Management:

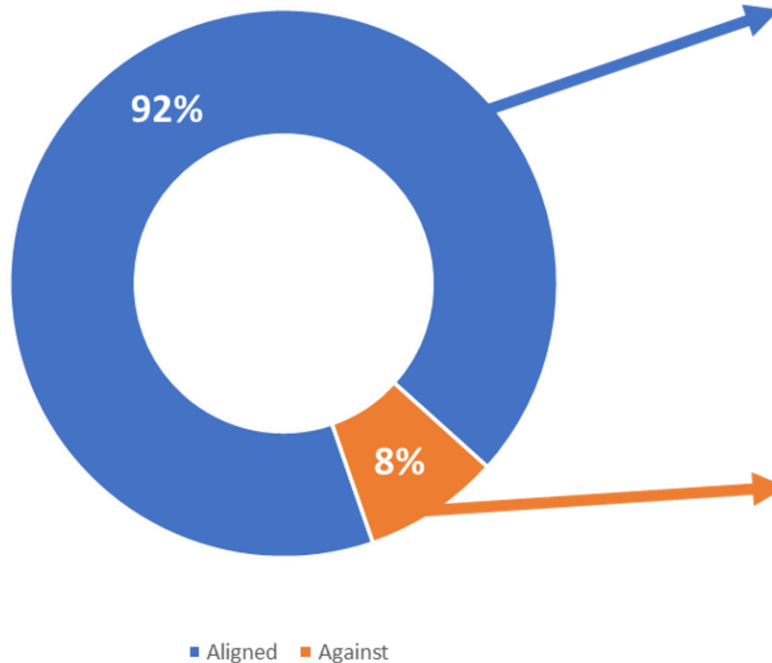
- Director Elections
- Routine Business
- Compensation

Top Categories of Votes Against Management:

- Director Elections
- Compensation
- Capitalization

Proxy Season Overview

OPERS' Custom Policy Alignment with Proxy Vendor



Top Categories of Votes Aligned with Proxy Vendor:

- Director Elections
- Routine Business
- Compensation

Top Categories of Votes Aligned with Management:

- Director Elections
- Compensation
- Routine Business

Proxy Season Overview

Proxy Season Shareholder Proposal Facts

2%

of all proposals were shareholder proposals

8%

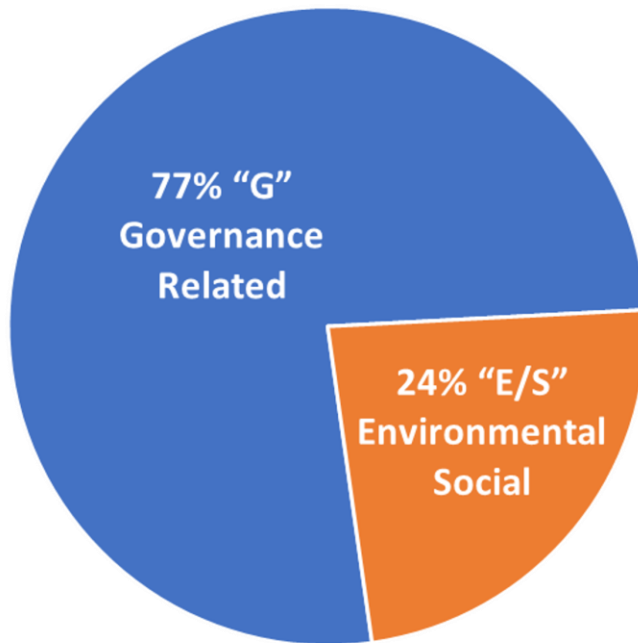
of all meetings included at least one shareholder proposal

33%

of shareholder proposals were supported by OPERS

Proxy Season Overview



Proxy Season Shareholder Proposal Facts



Top Governance Categories

- Director Related
- Corporate Governance Related
- Audit Related

Corporate Governance Plan

-  Review Custom Policy for updates/revision to be presented to the board in 2026
-  Continue to vote proxies in the best interest of our members and beneficiaries, focusing on governance - enhancing shareholder returns and protecting shareholder rights
-  Advocate for and explore new avenues for accurate, timely, independent research to maximize efficiency within the proxy voting process

Corporate Governance Plan



Monitor the regulatory environment as it relates to proxy services



Coordinate ODC proxy voting activity/policy where feasible

Thank you!



Questions?

Board Meeting IV.E



OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: October 6, 2025
TO: OPERS Retirement Board Members
FROM: Paul Greff, Chief Investment Officer
Prabu Kumaran, Lead Fund manager
RE: **IV. Action Items:**
E. Policy Benchmarks Review

Action requested: _____ moved, _____
seconded, a motion to approve the investment policy benchmark changes for the Defined
Benefit (DB) and Health Care (HC) Funds recommended by Staff and Meketa.

Purpose

Staff requests approval from the OPERS Retirement Board (Board) to modify three policy benchmarks applicable to both the DB and HC Funds, effective January 1, 2026.

Background

In late 2024 and early 2025, the Board, Staff, and Meketa completed the asset liability study for the DB and HC Funds. Meketa has been evaluating the benchmarks utilized by OPERS investment program and completed their comprehensive review in September 2025. Meketa is recommending changes to the current policy benchmarks.

Current Issue

The staff concurs with the suggested modifications to the asset-class policy benchmarks. The following section highlights the proposed changes and the rationale for each.

Sub-Asset Classes	Proposed Benchmark	Rationale
Non-U.S. Equity	MSCI All Country World ex USA IMI Total Return Index – (net dividends)	Reduce complexity and match the benchmark utilized by Meketa during their asset-liability (A-L) - study.
REITs	FTSE NAREIT Equity REITs Total Return Index	Match the benchmark utilized by Meketa during their A-L study.
OPERS STIF	90-Day T-Bill	More common, holding based benchmark, used across the industry. In addition, will increase the duration of the cash benchmark closer to actual portfolio.

Next Steps

Staff requests Board approval to adopt the proposed policy benchmark changes for both the DB and HC Funds. Upon approval, Staff will begin implementing the changes within the OPERS Investments Policy benchmarks effective January 1, 2026.

Staff will bring Investments Governing Policies for the Board’s review (as part of the annual policy review) in January 2026 incorporating the above changes.

MEMORANDUM

TO: OPERS Board of Retirement
FROM: Meketa Investment Group (Meketa)
DATE: October 15, 2025
RE: New Policy Benchmarks– Defined Benefit and HC Plans

During the fourth quarter of 2024 and first quarter of 2025, OPERS completed an asset-liability study for both its Defined Benefit and Health plans. These new allocation targets also moved the portfolios to a functional framework that is designed to provide better transparency into the role of each class.

On an ongoing basis Meketa has been evaluating the benchmarks utilized in both the Defined Benefit (DB) and Health Care (HC) portfolios. This evaluation is based on several factors which include performance, benchmark fitment, relevance to the underlying strategy, and cost. As a result of the most recent review, Meketa is recommending that three benchmarks be changed for 2026 in both the DB and HC portfolios. These three benchmarks are in International Equity, REITs, and OPERS STIF portfolios. The specific recommendations are listed below.

Meketa will continue to work with OPERS staff to further identify if additional changes are needed.

Meketa and OPERS staff recommend the adoption of three new benchmarks for OPERS DB and HC funds.

- International Equity: MSCI All Country World ex U.S. IMI ND
- REITS: FTSE NAREIT Equity Reit Index
- OPERS STIF: 90 Day Tbills

Ohio Public Employees Retirement System

October 15, 2025

Policy Benchmarking Review –
DB/HC

- 1. Background**
- 2. Summary**
- 3. Recommendations**

Background

Introduction

→ **What is the purpose of a benchmark?**

- To assess both return, and risk
- Also, often a tool to measure staff/portfolio success

→ **“You cannot manage what you can’t measure”- Peter Drucker**

→ **Benchmarks are used at many “Levels”**

- Total Plan
- Asset Class
- Manager

Levels of Benchmarks

Total Plan Benchmark

Generally, Plan or portfolio-level benchmarks fall under three categories, discussed later in this presentation. Policy Benchmarks are typically based on an institutional portfolio's target asset allocation expressed passively. Other Plan-level benchmarks include Simple/Reference Benchmarks, Dynamic Benchmarks, and Peer Benchmarks.

Asset Class-level Benchmark

A benchmark for the aggregate asset class that represents what the investor is seeking at the aggregate asset class level. These benchmarks often exist as blended versions of the underlying manager benchmarks, aggregate benchmarks that represent the investable universe, or some other proxy that represents the segment/asset class.

Manager-level Benchmark

A benchmark at the manager level that is primarily used to measure the relative performance of a given manager.

Representative

Benchmark is appropriate and relevant to the portfolio's investment strategy

Investable

Should be able to invest in all of the securities included in the benchmark

Transparent

Names and weights of securities comprising the benchmark are available and understandable

Measurable

Benchmark is readily calculable on a frequent basis

Independent

Calculated by an independent third party to ensure a fair comparison

Primary Approaches to Plan Level Benchmarking

1. Plan Level Benchmark

There are three generally accepted Plan Level Benchmarks. While each has its pros and cons, it is common practice for institutional clients to utilize multiple Benchmarks at the Total Plan level.

- Simple: Simple Benchmarks are typically based on a predetermined mix of relatively few public market investments, rebalanced at regular intervals (e.g., 60/40 portfolio).
- Static/Policy: Is a blend of the individual asset class benchmarks represented at their policy weights, to align with the plan's portfolio composition and investment objectives. This captures the effect of active management and allocation differences from policy targets. The asset class benchmarks are generally one of the following types of benchmarks depending on the asset class type.
 - Broad market (i.e. MSCI ACWI IMI Index; Bloomberg Barclays Aggregate Index).
 - Real return target (i.e. CPI + 3%).
 - Peer fund universe primarily utilized for private markets (i.e. NCREIF ODCE; Cambridge Private Equity Index; HFRI Fund of Fund Index).
- Dynamic: Uses the actual weights, adjusted monthly, of each asset class within the portfolio and the passive index to calculate the passive equivalent of the return achieved by the total portfolio.

Primary Approaches to Plan Level Benchmarking (continued)

2. Peer Group Benchmark

- Peer group benchmarks measure how well the Plans' performance compares to other "similar" plans.
- However, every Plan is unique and very few pension plans track performance at the total plan level.
- Peer comparisons may be difficult to obtain, are often substantially lagged and are subject to reporting issues (fee netting, etc.), making them only marginally useful.

3. Institutional Financial Objectives: Target Returns

- Institutional Financial Objective benchmarks compare realized returns against target (e.g., annual spend rate, assumed actuarial rate of return, etc.).
- While Institutional Financial Objectives benchmarks provide the ultimate measure of whether a portfolio is achieving its target return, they are disconnected from what the capital markets are delivering at any given time (e.g., the 2008 calendar year didn't provide the backdrop for positive investment performance).
- Institutional Financial Objective benchmarks offer useful long-term comparisons, such as over a full market cycle, whereas benchmarks that are composed of risk assets will permit short-term comparisons with institutional portfolios.

OPERS DB and HC Portfolios

OPERS Defined Benefit Benchmarks

Functional Class	Asset Class	Current Benchmark	New Proposed Benchmark
Aggressive Growth	Private Equity/Non-Core RE	State Street Private Equity Index, NCREIF ODCE +85bps	Private Equity – 2026 Review
Traditional Growth	Public Equity	Russell 3000, Custom Int'l Blend, DJ U.S. select Real Estate Securities	<u>International Equity: MSCI ACWI ex U.S. IMI ND</u>
Stabilized Growth	Core RE, Risk Parity, Public Credit, Priv. Credit	Bloomberg US Corp Bond Bloomberg US High Yield Index Custom EMD Blend Custom CMBS Blend S&P UBS Leveraged Loan S&P Risk Parity Total Return (10% Vol)	Securitized Debt – 2026 Review
Principal Protection	Core Fixed Income	Bloomberg U.S. Aggregate Bloomberg 1-5 Year U.S. Treasury Index	No Change
Inflation	TIPS, Commodities	Bloomberg US TIPS Mkt Weight: Blbrg Commodity and Gold Subindex	No Change
RMS	Long Treas, Trend, ARP	1/3 rd US 20+ Treasury Index, 1/3 rd Market Mgr weight (trend), 1/3 rd Market Mgr Weight (ARP)	No Change

OPERS Health Plan Benchmarks

Functional Class	Asset Class	Current Benchmark	New Proposed Benchmark
Traditional Growth	Public Equity	Russell 3000, Custom Int'l Blend, DJ U.S. select Real Estate Securities	<u>International Equity: MSCI ACWI ex U.S. IMI ND</u>
Stabilized Growth	Risk Parity, Public Credit	Bloomberg US Corp Bond Bloomberg US High Yield Index Custom EMD Blend Custom CMBS Blend S&P Risk Parity Total Return (10% Vol)	Securitized Debt – 2026 Review
Principal Protection	Core Fixed Income	Bloomberg U.S. Aggregate Bloomberg 1-5 Year U.S. Treasury Index	No Change
Inflation	TIPS, Commodities	Bloomberg US TIPS Mkt Weight: Blbrg Commodity and Gold Subindex	No Change
RMS	Long Treas, Trend, ARP	1/3 rd US 20+ Treasury Index, 1/3 rd Market Mgr weight (trend), 1/3 rd Market Mgr Weight (ARP)	No Change

OPERS Defined Benefit and Health Plan Benchmarks

Functional Class	Asset Class	Current Benchmark	New Proposed Benchmark
	U.S. Equity	Russell 3000 Index	No Change
Traditional Growth	International Equity	<ul style="list-style-type: none"> • 55% MSCI World Index ex U.S. Standard • 10% MSCI World Index ex U.S. Small Cap • 31% MSCI Emerging Markets Standard • 4% MSCI Emerging Markets Small Cap 	<u>MSCI All Country World Index ex U.S. IMI ND</u>
	REITS	Dow Jones U.S. select Real Estate Securities	<u>FTSE NAREIT Equity REIT Index</u>

The MSCI All Country World ex US Investable Market Index (IMI) ND (or MSCI ACWI ex USA IMI ND) is a global equity index designed to track the performance of large, mid, and small-capitalization stocks in 22 developed and 24 emerging markets, excluding the United States. The "ND" in the definition refers to the Net Dividend index, which reinvests dividends for its total return calculation.

OPERS International Equity Performance (June 30, 2025)

	1 - Year	3 - Year	5 - Year	10 - Year
International Equity - Defined Benefit	18.3%	15.3%	11.0%	7.3%
International Equity - Health Plan	18.4%	15.4%	11.0%	7.3%
Current Benchmark*	17.8%	13.4%	9.5%	6.2%
MSCI ACWI ex U.S. IMI ND	17.8%	13.9%	10.2%	6.2%

OPERS International Equity 20-year Correlations (June 30, 2025)

	DB	HC
International Equity - Defined Benefit	1.00	1.00
International Equity - Health Plan	1.00	1.00
Current Benchmark*	0.99	0.99
MSCI ACWI ex U.S. IMI ND	0.99	0.99

- The current benchmark is a combination of Large/Small Cap and Developed/Emerging markets.
 - Compare relative performance of portfolio with another reasonable option.
 - The MSCI ACWI ex U.S. IMI ND represents all international stocks outside the United States.
 - The proposed benchmark is simpler to implement.
- Performance and correlations are closely aligned with the current portfolio.

*Current Int'l Benchmark is currently 10% MSCI World ex U.S. Small Cap, 55% MSCI World ex U.S., 31% MSCI EM, 4% MSCI EM Small Cap

OPERS REIT Performance (June 30, 2025)

	1 - Year	3 - Year	5 - Year	10 - Year
REIT Portfolio- Defined Benefit	7.9%	4.8%	---	---
REIT Portfolio - Health Plan	7.9%	4.8%	8.6%	5.4%
Current Benchmark*	8.0%	4.7%	8.5%	5.4%
FTSE NAREIT Equity REIT Index	8.6%	5.3%	8.6%	6.3%

OPERS REIT Correlations (June 30, 2025)

	DB	HC
REIT Portfolio- Defined Benefit	1.00	1.00
REIT Portfolio - Health Plan	1.00	1.00
Current Benchmark*	0.99	0.99
FTSE NAREIT Equity REIT Index	0.99	0.99

→ Compare relative performance of the new benchmark is a reasonable option

- Correlations to the portfolio in both the DB and HC plans is almost 1.0.

→ FTSE NAREIT Index is a lower cost option to the current Dow Jones.

*Current REIT Benchmark is currently the Dow Jones U.S. select REIT index

OPERS Benchmarks

Functional Class	Asset Class	Current Benchmark	New Proposed Benchmark
	Securitized Debt	<ul style="list-style-type: none"> 50% Bloomberg Non-Agency Investment Grade CMBS: BBB Total Return Index Unhedged USD 50% Bloomberg Non-Agency CMBS Agg Eligible Total Return Index Unhedged USD 	2026 Review
	Investment Grade Credit	Bloomberg US Corp Bond	No Change
Stabilized Growth	Emerging Markets Debt	<ul style="list-style-type: none"> 50% JP Morgan Emerging Markets Bond Index Global 50% JP Morgan Government Bond Index-Emerging Markets Global Diversified 	No Change
	High Yield	Bloomberg US High Yield Index	No Change
	Risk Parity	S&P Risk Parity Total Return (10% Vol)	No Change
	Private Credit	S&P UBS Leveraged Loan	No Change

OPERS Benchmarks

Functional Class	Asset Class	Current Benchmark	New Proposed Benchmark
Cash	OPERS STIF	<ul style="list-style-type: none"> Bloomberg TIER 1 30 Day Commercial Paper 	90-Day Tbill Index

→ The current OPERS STIF portfolio (9500) is a combination of

- Agencies
- Corporate Bonds
- Commercial Paper
- Money Market Funds
- Treasuries
- Repos
- Structured Debt.

→ Identifying a perfect benchmark for this type of portfolio can be challenging.

The Bloomberg Tier 1 30-Day Commercial Paper refers to unsecured, short-term corporate debt with a maturity of approximately 30 days, issued by corporations that have received a top credit rating ("1" or equivalent) from at least two nationally recognized statistical rating organizations (NRSROs), like Moody's P-1 or S&P A-1.

OPERS STIF Performance (June 30, 2025)

	1 - Year	3 - Year	5 - Year	10 - Year
STIF Portfolio- Defined Benefit	5.1%	5.0%	3.1%	2.3%
STIF Portfolio - Health Plan	5.1%	5.0%	3.1%	2.3%
Current Benchmark*	4.6%	4.6%	2.8%	2.1%
90 Day Tbills	4.7%	4.6%	2.8%	2.0%

OPERS STIF Allocations (June 30, 2025)

	Structured	Agencies	Corp BD	CP	MMF	Repo	Trsy
STIF Portfolio- Defined Benefit	13%	1%	6%	35%	3%	19%	24%

	WAL** to Final
STIF Portfolio- Defined Benefit	77.6

- Given the multiple buckets within the STIF portfolio identifying a benchmark can be difficult
 - Looking at the Weighted average life of the portfolio becomes crucial as this is a measure of risk in the portfolio.
- Moving away from a benchmark that is yield based and into a holdings based is easier to track.

*Current STIF Benchmark is currently the Bloomberg 30 Day Teir 1 Commercial Paper

** WAL: Weighted Average Life

Summary and Recommendations

Summary

- **Benchmarks are objective standards to measure the performance of an investment against a reasonable alternative and whether it is meeting the investor’s goal.**
 - They may be applied at different levels of the portfolio.
 - There are a number of widely-accepted criteria for effective benchmarks, not all of which are available for every asset class.
 - Therefore, combined “total portfolio/plan benchmarks” will have flaws in most cases. This has been exacerbated by the growing allocations of “alternatives” and hard-to-benchmark areas.
- **Due to the intricacies and diverse composition of total portfolio/plan benchmarks, no single total portfolio benchmark can provide a perfect comparison for all time periods.**
 - Because of this limitation, institutional investors often utilize two or more total portfolio level benchmarks, while being aware of the structure (and flaws) of each.
- **Fiduciaries should understand why each benchmark performs the way it does in different capital market environments, as this understanding adds context to the investment pool’s total return.**

Recommendations

- There are a multitude of benchmarks to consider depending on the asset class and objective.
- Constructing a policy benchmark should be a direct result of the underlying class and its assets. These policy classes and benchmarks are generally reviewed at least annually.

Recommendations: Meketa and OPERS staff recommend the adoption of the three new class benchmarks for the Defined Benefit and Health Plan portfolios.

- International Equity: MSCI All Country World ex U.S. IMI ND
- REITS: FTSE NAREIT Equity REIT Index
- OPERS STIF: Bloomberg 90 Day Tbill Index

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Board Meeting V.A. Power Point

Ohio Public Employees Retirement System

Q3 2025 (Preliminary)

DB, HC and DC Plan Performance

1. **Defined Benefit Plan Performance**
2. **Health Care Trust 115 Performance**
3. **Defined Contribution Performance**
4. **Disclaimer**

Defined Benefit Plan Performance

Allocation vs. Targets				
	Balance (\$)	Current Allocation (%)	Policy (%)	Policy Range (%)
Aggressive Growth	28,599,688,894	25		
Private Equity	16,257,851,634	14	15	10 - 20
Private Real Estate	12,341,837,260	11	12	7 - 17
Traditional Growth	47,775,494,575	42		
US Equity	23,903,897,103	21	20	15 - 25
Equity ex-US	22,759,537,110	20	20	15 - 25
REITS	1,112,060,362	1	1	0 - 5
Stabilized Growth	13,218,080,628	12		
Private Credit	400,329,439	0	4	0 - 8
Public Credit (SD/EMD/HY/IGC)	10,567,885,761	9	6	1 - 11
Risk Parity	2,249,865,428	2	1	0 - 5
Principal Protection	11,812,425,174	10		
Core Fixed Income	9,568,160,741	8	5	3 - 8
Treasuries	2,244,264,433	2	2	0 - 10
Inflation	6,797,417,209	6		
Inflation Assets (TIPS/Commodities)	6,797,417,209	6	4	1 - 11
Risk Mitigating Strategies	3,567,318,532	3		
Legacy Hedge Funds	1,512,130	0	0	0 - 5
Long Treasuries	2,215,087,298	2	3	0 - 7
Alternative Risk Premia	783,499,847	1	3	0 - 7
Trend Following	567,219,257	1	3	0 - 7
Cash	1,507,004,494	1		
Cash	1,507,004,494	1	0	0 - 0
Total	113,277,429,506	100	100	

Cash is not included in Total Policy allocation.
Numbers may not sum due to rounding.

Performance Summary | As of September 30, 2025

Trailing Period Performance									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund (DB)	113,277,429,506	100.0	5.0	10.5	12.9	8.7	8.5	7.2	Jan-96
<i>Policy Index DB</i>			4.9	10.7	12.3	8.5	8.3	--	
Over/Under			0.1	-0.1	0.6	0.3	0.2	--	
Aggressive Growth	28,599,688,894	25.2	1.7	4.3	3.1	9.7	9.4	11.2	Jun-12
Private Equity	16,257,851,634	14.4	2.1	7.2	7.9	14.3	12.3	13.9	Jan-96
<i>Custom Private Equity Benchmark</i>			2.5	5.8	4.1	13.2	11.3	--	
Over/Under			-0.4	1.4	3.8	1.0	0.9	--	
Private Real Estate	12,341,837,260	10.9	1.2	0.9	-2.4	4.6	6.1	8.5	Jun-12
<i>Custom Real Estate Benchmark</i>			1.1	3.6	-5.3	3.4	5.3	7.2	
Over/Under			0.1	-2.7	2.9	1.2	0.8	1.3	
Traditional Growth	47,775,494,575	42.2	7.3	17.8	23.2	13.5	12.1	11.7	Jun-12
US Equity	23,903,897,103	21.1	7.8	17.3	24.1	15.8	14.6	9.9	Jan-96
<i>Domestic Equity Blend BM</i>			8.2	17.4	24.1	15.7	14.7	10.5	
Over/Under			-0.4	-0.1	0.0	0.1	-0.2	-0.6	
Equity ex-US	22,759,537,110	20.1	6.8	17.9	22.0	10.8	9.5	6.3	Jan-96
<i>Custom Int'l Eq Benchmark</i>			7.2	16.6	20.4	10.1	8.4	--	
Over/Under			-0.4	1.3	1.6	0.7	1.1	--	
REITS	1,112,060,362	1.0	5.1	-1.8	10.5	--	--	1.5	Mar-22
<i>Dow Jones U.S. Select RESI</i>			5.1	-1.7	10.5	--	--	1.5	
Over/Under			0.0	-0.1	0.0	--	--	0.0	

September market values and performance are preliminary.

Performance Summary | As of September 30, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Stabilized Growth	13,218,080,628	11.7	3.6	6.6	10.6	3.0	4.7	4.5	Jun-12
Risk Parity	2,249,865,428	2.0	4.9	7.9	10.9	2.6	5.4	4.1	Mar-13
<i>Custom Risk Parity</i>			4.7	7.4	10.3	2.0	4.0	4.5	
Over/Under			0.2	0.5	0.6	0.6	1.3	-0.4	
Private Credit	400,329,439	0.4	2.4	7.4	--	--	--	3.3	Jul-24
<i>S&P UBS Leveraged Loans</i>			1.7	7.1	--	--	--	7.4	
Over/Under			0.7	0.3	--	--	--	-4.0	
Public Credit	10,567,885,761	9.3	2.6	6.5	10.4	3.3	4.4	4.3	Jun-12
<i>50% BBg US Agg 50% BBg US High Yield</i>			2.3	5.1	8.0	2.5	4.0	3.9	
Over/Under			0.4	1.3	2.4	0.8	0.4	0.4	
Global High Yield	3,521	0.0	0.0	0.0	-17.3	-10.1	9.6	8.1	Apr-12
<i>Blmbg. Global High Yield Index</i>			2.6	9.2	13.8	5.3	5.7	5.4	
Over/Under			-2.6	-9.2	-31.0	-15.4	3.9	2.7	
Principal Protection	11,812,425,174	10.4	2.0	2.9	4.8	-0.3	2.1	2.2	Jun-12
Treasuries	2,244,264,433	2.0	1.1	1.8	3.3	-1.4	1.1	1.1	Mar-15
<i>Blmbg. U.S. Treasury Index</i>			1.5	2.1	3.6	-1.3	1.2	1.2	
Over/Under			-0.4	-0.3	-0.2	-0.1	0.0	0.0	
Core Fixed Income	9,568,160,741	8.4	2.1	3.1	4.8	-0.2	2.1	4.3	Jan-96
<i>Blmbg. U.S. Aggregate Index</i>			2.0	2.9	4.9	-0.4	1.8	4.2	
Over/Under			0.1	0.2	-0.1	0.2	0.3	0.1	
Inflation Assets	6,797,417,209	6.0	2.1	7.8	15.5	7.9	6.2	4.3	Jan-13
Inflation	6,797,417,209	6.0	2.1	7.8	15.5	7.9	6.2	4.3	Jan-13
<i>Blmbg. U.S. TIPS Index</i>			2.1	3.8	4.9	1.4	3.0	1.9	
Over/Under			0.0	4.0	10.7	6.5	3.2	2.5	

Performance Summary | As of September 30, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitgating Strategies	3,581,597,126	3.2	4.0	4.6	4.4	0.2	1.6	2.4	Jun-12
Legacy Hedge Fund	1,512,130	0.0	0.0	0.0	3.5	5.2	3.7	3.6	Jan-11
<i>Custom Hedge Fund Benchmark</i>			5.5	12.2	10.4	8.5	6.0	5.5	
Over/Under			-5.5	-12.2	-6.9	-3.3	-2.3	-1.9	
Long Duration U.S. Treasury	2,215,087,298	2.0	2.4	--	--	--	--	8.1	May-25
<i>Blmbg. U.S. Treasury: 20+ Year</i>			2.4	--	--	--	--	1.9	
Over/Under			0.0	--	--	--	--	6.3	
Alternative Risk Premia	783,499,847	0.7	6.0	--	--	--	--	1.1	May-25
<i>Alternative Risk Premia BM</i>			6.0	--	--	--	--	1.1	
Over/Under			0.0	--	--	--	--	0.0	
Trend Following	567,219,257	0.5	6.0	--	--	--	--	6.0	Jul-25
<i>Custom Trend Index</i>			6.2	--	--	--	--	6.2	
Over/Under			-0.1	--	--	--	--	-0.1	
Additional Annuity	14,278,594	0.0	0.7	2.9	2.8	2.3	2.2	2.6	Jan-05
<i>90 Day U.S. Treasury Bill</i>			1.1	4.4	4.8	3.0	2.1	1.7	
Over/Under			-0.3	-1.4	-2.0	-0.7	0.1	0.9	
Other Pension Assets	14,381,488	0.0							
Cash Equivalents	1,492,725,900	1.3	2.1	5.8	5.5	3.5	2.5	1.7	Jan-05
<i>90 Day U.S. Treasury Bill</i>			1.1	4.4	4.8	3.0	2.1	1.7	
Over/Under			1.0	1.4	0.7	0.6	0.4	0.0	

Health Care Trust 115 Performance

Allocation vs. Targets				
	Balance (\$)	Current Allocation (%)	Policy (%)	Policy Range (%)
Traditional Growth	7,437,737,422	50		
U.S. Equity	3,490,949,014	24	22	17 - 27
Non-U.S. Equity	3,516,454,333	24	23	18 - 28
REIT's	430,334,075	3	2	0 - 5
Stabilized Growth	2,687,724,186	18		
Public Credit (SD/EMD/HY/IGC)	2,256,994,039	15	16	0 - 100
Risk Parity	430,730,147	3	3	0 - 5
Principal Protection	2,438,607,789	17		
Core Fixed	2,140,057,071	15	15	10 - 19
U.S. Treasury	298,550,718	2	2	0 - 5
Inflation	1,082,156,462	7		
TIPS	580,391,430	4	4	0 - 6
Commodities	501,765,031	3	3	0 - 5
RMS	921,403,280	6		
Hedge Fund	915,964	0	0	0 - 1
Long Duration U.S. Treasury	420,519,039	3	3	0 - 5
Trend Following	148,431,207	1	3	0 - 5
Alternative Risk Premia	351,537,069	2	3	0 - 5
Cash	190,773,493	1		
Cash	190,773,493	1	0	0 - 5
Total	14,758,402,631	100	100	

Cash is not included in Total Policy allocation.
High Yield contains both High Yield and Global High Yield.

Performance Summary | As of September 30, 2025

Trailing Period Performance									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Health Care 115 Trust Fund	14,758,402,631	100.0	5.2	11.1	15.0	8.7	8.1	6.7	Jan-05
<i>Policy Index Health Care 115 Trust Fund</i>			5.3	10.4	14.6	8.3	7.7	6.4	
Over/Under			0.0	0.7	0.3	0.3	0.4	0.2	
Traditional Growth	7,437,737,422	50.4	7.2	16.4	22.0	13.3	11.4	9.7	Mar-15
U.S. Equity	3,490,949,014	23.7	7.8	17.3	24.1	15.8	14.5	10.4	Jan-05
<i>Domestic Equity Blend BM</i>			8.2	17.4	24.1	15.7	14.7	10.5	
Over/Under			-0.4	-0.1	0.0	0.1	-0.2	-0.2	
Non-U.S. Equity	3,516,454,333	23.8	6.8	17.9	22.1	10.8	9.5	6.8	Jan-05
<i>Custom Int'l Eq Benchmark</i>			7.2	16.6	20.4	10.1	8.4	5.9	
Over/Under			-0.4	1.3	1.7	0.7	1.1	0.9	
REIT's	430,334,075	2.9	5.1	-1.8	10.5	9.5	5.7	6.6	Jan-05
<i>Custom REIT Benchmark</i>			5.1	-1.7	10.5	9.4	5.6	6.4	
Over/Under			0.0	-0.1	0.0	0.0	0.0	0.2	
Stabilized Growth	2,687,724,186	18.2	2.9	6.1	9.7	4.0	5.3	4.1	Mar-15
Risk Parity	430,730,147	2.9	4.9	7.8	10.9	2.6	5.4	4.1	Mar-13
<i>Custom Risk Parity</i>			4.7	7.4	10.3	2.0	4.0	4.5	
Over/Under			0.2	0.4	0.6	0.6	1.3	-0.4	

Returns are net of fees.
September market values and returns are preliminary.

Performance Summary | As of September 30, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Public Credit	2,256,994,039	15.3	2.6	6.7	9.9	4.4	5.0	4.1	Mar-15
High Yield	971,569,314	6.6	2.2	6.8	10.3	5.1	5.7	6.3	Jan-10
<i>Blmbg. U.S. Corp: High Yield Index</i>			2.5	7.4	11.1	5.5	6.2	6.6	
Over/Under			-0.4	-0.7	-0.8	-0.4	-0.4	-0.3	
Investment Grade Credit	489,581,650	3.3	2.6	3.9	--	--	--	11.7	Apr-23
<i>Blmbg. U.S. Corporate Investment Grade Index</i>			2.6	3.6	7.1	0.3	3.1	5.5	
Over/Under			0.0	0.3	--	--	--	6.2	
Emerging Market Debt	218,649,643	1.5	4.8	10.0	14.8	4.3	4.8	4.3	Oct-07
<i>Custom 50/50 JPM EMB and Govt</i>			3.6	7.6	11.3	2.3	3.9	4.1	
Over/Under			1.2	2.4	3.4	2.0	0.9	0.3	
Securitized Debt	577,175,767	3.9	2.3	8.3	9.6	4.7	4.7	8.2	Dec-11
<i>Custom Securitized Debt Benchmark</i>			2.1	6.8	6.5	3.4	3.5	4.3	
Over/Under			0.2	1.5	3.1	1.4	1.2	3.9	
Global High Yield	17,665	0.0	0.0	0.0	-17.3	-10.1	9.6	8.1	Apr-12
<i>Blmbg. Global High Yield Index</i>			2.6	9.2	13.8	5.3	5.7	5.4	
Over/Under			-2.6	-9.2	-31.0	-15.4	3.9	2.7	
Principal Protection	2,438,607,789	16.5	2.0	3.0	4.8	-0.2	2.1	2.0	Mar-15
US Treasury	298,550,718	2.0	1.1	1.8	3.3	-1.4	1.1	1.1	Feb-15
<i>Blmbg. U.S. Treasury Index</i>			1.5	2.1	3.6	-1.3	1.2	1.0	
Over/Under			-0.4	-0.3	-0.2	-0.1	0.0	0.1	
Core Fixed	2,140,057,071	14.5	2.1	3.1	4.9	-0.2	2.1	3.3	Jan-05
<i>Blmbg. U.S. Aggregate Index</i>			2.0	2.9	4.9	-0.4	1.8	3.2	
Over/Under			0.1	0.2	-0.1	0.2	0.3	0.1	

Performance Summary | As of September 30, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Inflation	1,082,156,462	7.3	5.5	9.0	6.5	7.1	4.5	3.6	Mar-15
TIPS	580,391,430	3.9	2.1	3.8	4.9	1.4	3.0	3.6	Mar-05
<i>Blmbg. U.S. TIPS Index</i>			2.1	3.8	4.9	1.4	3.0	3.6	
Over/Under			0.0	0.0	0.0	0.0	0.0	0.1	
Commodities	501,765,031	3.4	10.1	--	--	--	--	11.4	May-25
<i>Custom Commodities Benchmark</i>			3.6	8.9	2.8	13.8	2.4	5.5	
Over/Under			6.4	--	--	--	--	5.9	
RMS	921,403,280	6.2	5.0	4.4	4.3	0.1	1.5	1.2	Mar-15
<i>Custom Risk Mitigation Strategies BM</i>			4.3	--	--	--	--	--	
Over/Under			0.7	--	--	--	--	--	
Long Duration U.S. Treasury	420,519,039	2.8	2.4	--	--	--	--	--	Jan-25
<i>Blmbg. U.S. Treasury: 20+ Year</i>			2.4	-4.8	-0.7	-8.7	-0.5	5.1	
Over/Under			0.0	--	--	--	--	--	
Alternative Risk Premia	351,537,069	2.4	6.1	--	--	--	--	--	Jan-25
<i>Alternative Risk Premia BM</i>			6.0	--	--	--	--	--	
Over/Under			0.0	--	--	--	--	--	
Trend Following	148,431,207	1.0	6.0	--	--	--	--	6.0	Jul-25
<i>Custom Trend Index</i>			6.2	--	--	--	--	6.2	
Over/Under			-0.1	--	--	--	--	-0.1	
Hedge Fund	915,964	0.0	0.0	0.0	3.5	5.2	3.7	3.6	Jan-11
<i>Custom Hedge Fund Benchmark</i>			5.5	12.2	10.4	8.5	6.0	5.5	
Over/Under			-5.5	-12.2	-6.9	-3.3	-2.3	-1.9	

Performance Summary | As of September 30, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Cash	190,773,493	1.3	1.1	4.8	5.2	3.3	2.4	2.1	Jan-05
Cash	190,773,493	1.3	1.1	4.8	5.2	3.3	2.4	2.1	Jan-05
<i>90 Day U.S. Treasury Bill</i>			1.1	4.4	4.8	3.0	2.1	1.7	
Over/Under			0.1	0.4	0.4	0.4	0.3	0.4	

Performance Summary | As of September 30, 2025

	Calendar Year Performance									
	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	
Health Care 115 Trust Fund	13.6	10.0	14.0	-15.5	14.3	11.0	19.6	-5.8	15.2	
<i>Policy Index Health Care 115 Trust Fund</i>	13.3	9.5	13.6	-15.5	13.8	10.1	19.2	-6.0	14.3	
Over/Under	0.4	0.5	0.3	0.0	0.6	0.8	0.4	0.2	0.9	
Traditional Growth	19.3	14.5	20.8	-19.1	21.2	12.0	26.6	-8.8	22.8	
U.S. Equity	14.3	23.7	25.9	-19.0	26.3	19.6	30.7	-5.1	21.2	
<i>Domestic Equity Blend BM</i>	14.4	23.8	26.0	-19.2	25.7	20.9	31.0	-5.2	21.1	
Over/Under	-0.1	-0.1	0.0	0.2	0.6	-1.3	-0.3	0.2	0.1	
Non-U.S. Equity	26.7	7.0	17.3	-17.7	8.7	14.5	22.9	-14.4	31.3	
<i>Custom Int'l Eq Benchmark</i>	26.2	5.5	15.1	-16.9	7.9	11.9	21.1	-14.7	29.2	
Over/Under	0.5	1.5	2.1	-0.9	0.8	2.6	1.8	0.3	2.0	
REIT's	4.4	8.0	14.0	-25.9	46.0	-11.4	23.2	-4.1	3.8	
<i>Custom REIT Benchmark</i>	4.5	8.0	14.0	-26.0	45.9	-11.2	23.1	-4.2	3.8	
Over/Under	-0.1	0.0	0.0	0.2	0.1	-0.2	0.1	0.1	0.0	
Stabilized Growth	7.8	7.0	10.1	-15.6	4.0	5.9	19.3	-6.0	13.3	
Risk Parity	12.3	5.7	8.5	-29.8	11.9	6.0	30.3	-9.9	18.5	
<i>Custom Risk Parity</i>	12.1	5.1	7.6	-30.3	11.6	5.2	29.9	-10.1	11.5	
Over/Under	0.3	0.7	0.9	0.5	0.4	0.7	0.4	0.1	7.0	
Public Credit	7.7	7.3	10.7	-12.1	2.1	6.2	13.3	-4.0	10.9	
High Yield	6.8	7.1	12.5	-10.6	5.0	7.2	14.6	-2.3	7.0	
<i>Blmbg. U.S. Corp: High Yield Index</i>	7.2	8.2	13.4	-11.2	5.3	7.1	14.3	-2.1	7.5	
Over/Under	-0.4	-1.1	-0.9	0.6	-0.3	0.1	0.3	-0.2	-0.5	

Returns are net of fees.

Performance Summary | As of September 30, 2025

	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)
Investment Grade Credit	7.2	2.0	--	--	--	--	--	--	--
<i>Blmbg. U.S. Corporate Investment Grade Index</i>	6.9	2.1	8.5	-15.8	-1.0	9.9	14.5	-2.5	6.4
Over/Under	0.3	-0.1	--	--	--	--	--	--	--
Emerging Market Debt	13.7	4.2	16.6	-13.8	-5.0	5.1	13.2	-6.0	13.2
<i>Custom 50/50 JPM EMB and Govt</i>	12.8	1.6	11.6	-14.1	-5.2	4.3	14.0	-5.3	12.3
Over/Under	1.0	2.6	5.0	0.3	0.2	0.7	-0.8	-0.7	0.9
Securitized Debt	7.9	13.8	7.4	-13.2	5.2	7.4	11.7	3.2	7.5
<i>Custom Securitized Debt Benchmark</i>	6.7	14.7	-0.4	-13.2	4.5	1.2	10.7	2.8	5.8
Over/Under	1.1	-0.9	7.8	-0.1	0.7	6.2	1.0	0.4	1.8
Global High Yield	0.0	0.0	-43.3	-5.9	14.4	2.1	203.2	-18.0	44.3
<i>Blmbg. Global High Yield Index</i>	9.6	9.2	14.0	-12.7	1.0	7.0	12.6	-4.1	10.4
Over/Under	-9.6	-9.2	-57.4	6.8	13.5	-4.9	190.6	-14.0	33.8
Principal Protection	6.3	1.4	5.3	-12.9	-1.0	9.1	8.7	-0.1	3.8
Core Fixed	6.4	1.5	5.3	-12.9	-1.0	9.1	8.7	-0.1	3.8
<i>Blmbg. U.S. Aggregate Index</i>	6.1	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5
Over/Under	0.2	0.2	-0.3	0.1	0.6	1.6	0.0	-0.1	0.2
US Treasury	5.1	0.4	3.8	-12.4	-2.3	8.1	6.8	0.8	2.3
<i>Blmbg. U.S. Treasury Index</i>	5.4	0.6	4.1	-12.5	-2.3	8.0	6.9	0.9	2.3
Over/Under	-0.2	-0.2	-0.2	0.0	0.1	0.1	0.0	0.0	0.0
Inflation	10.2	6.0	1.2	-2.3	17.9	2.4	10.4	-4.0	3.7
TIPS	6.9	1.8	3.9	-11.8	6.0	10.9	8.4	-1.3	2.9
<i>Blmbg. U.S. TIPS Index</i>	6.9	1.8	3.9	-11.8	6.0	11.0	8.4	-1.3	3.0
Over/Under	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	-0.1

Performance Summary | As of September 30, 2025

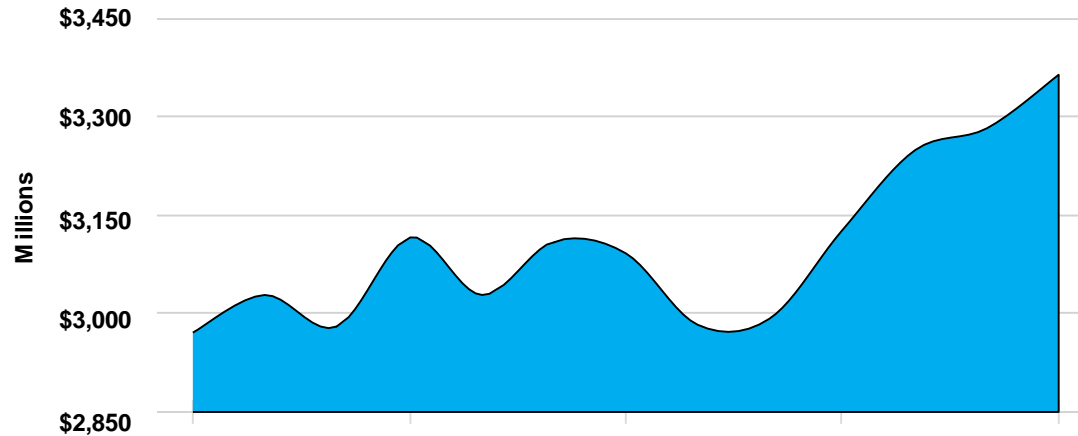
	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)
Commodities	--	--	--	--	--	--	--	--	--
<i>Custom Commodities Benchmarks</i>	--	--	--	--	--	--	--	--	--
Over/Under	--	--	--	--	--	--	--	--	--
RMS	7.9	0.4	3.8	-12.3	-0.5	2.1	7.1	-1.2	6.6
<i>Custom Risk Mitigation Strategies BM</i>	--	--	--	--	--	--	--	--	--
Over/Under	--	--	--	--	--	--	--	--	--
Long Duration U.S. Treasury	--	--	--	--	--	--	--	--	--
<i>Blmbg. U.S. Treasury: 20+ Year</i>	5.1	-8.0	2.7	-31.1	-4.4	18.1	15.1	-2.0	9.0
Over/Under	--	--	--	--	--	--	--	--	--
Alternative Risk Premia	--	--	--	--	--	--	--	--	--
<i>Alternative Risk Premia BM</i>	--	--	--	--	--	--	--	--	--
Over/Under	--	--	--	--	--	--	--	--	--
Trend Following	--	--	--	--	--	--	--	--	--
<i>Custom Trend Index</i>	--	--	--	--	--	--	--	--	--
Over/Under	--	--	--	--	--	--	--	--	--
Hedge Fund	0.0	0.6	3.2	3.6	9.8	3.6	7.7	-1.5	7.3
<i>Custom Hedge Fund Benchmark</i>	9.7	9.3	9.4	-3.4	10.7	6.1	8.5	-3.2	7.4
Over/Under	-9.7	-8.7	-6.2	7.0	-0.9	-2.4	-0.8	1.7	-0.1
Cash	3.5	5.6	5.4	1.9	0.3	0.8	2.5	2.2	1.2

Returns are net of fees.

Defined Contribution Plan Performance

Allocation vs. Targets				
	Balance (\$)	Current Allocation (%)	Policy Range (%)	Within IPS Range?
Target Date Funds	1,722,486,802	51	0 - 100	Yes
Domestic Equity Funds	1,171,383,384	35	0 - 100	Yes
International Equity Funds	152,489,151	5	0 - 100	Yes
Fixed Income Funds	245,366,022	7	0 - 100	Yes
Stable Value Funds	153,410,764	5	0 - 100	Yes
Investment Grade Bond Funds	91,955,259	3	0 - 100	Yes
Schwab Self-Directed Brokerage	74,236,604	2	0 - 100	Yes
Total	3,365,961,963	100		

Market Value History 1 Year Ending August 31, 2025



Summary of Market Values

	QTD	Q12025	Q42024	Q32024
--	-----	--------	--------	--------

Total Plan				
Beginning Market Value	\$3,249,628,885	\$3,029,288,061	\$3,030,258,627	\$2,838,862,748
Net Change	\$116,333,079	-\$45,502,385	-\$970,565	\$191,395,879
Ending Market Value	\$3,365,961,963	\$2,983,785,677	\$3,029,288,061	\$3,030,258,627

Performance Summary | As of August 31, 2025

Trailing Period Performance							
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Plan	3,365,961,963	100.0					
Target Date Funds	1,722,486,802	51.2					
BlackRock LifePath Index Retirement Fund N	162,776,018	4.8	2.1	7.8	8.1	4.4	5.6
<i>BlackRock LifePath Retirement N-L Custom Index</i>			2.3	8.0	8.1	4.5	5.6
<i>Target-Date Retirement Median</i>			1.9	6.8	7.6	4.0	4.7
<i>Target-Date Retirement Rank</i>			29	15	32	27	12
BlackRock LifePath Index 2030 Fund N	248,223,210	7.4	2.5	9.2	10.3	6.7	7.6
<i>BlackRock LifePath 2030 Non-Lendable Custom Bmk</i>			3.2	9.9	10.5	6.8	7.6
<i>Target-Date 2030 Median</i>			2.5	9.2	10.9	7.0	7.7
<i>Target-Date 2030 Rank</i>			50	50	70	70	63
BlackRock LifePath Index 2035 Fund N	312,308,230	9.3	2.8	10.5	12.0	8.1	8.6
<i>BlackRock LifePath 2035 Non-Lendable Custom Bmk</i>			2.6	10.2	11.8	8.0	8.5
<i>Target-Date 2035 Median</i>			2.7	10.4	12.4	8.3	8.6
<i>Target-Date 2035 Rank</i>			34	46	69	63	53
BlackRock LifePath Index 2040 Fund N	372,442,691	11.1	3.2	11.8	13.7	9.5	9.5
<i>BlackRock LifePath 2040 Non-Lendable Custom Bmk</i>			3.7	12.3	13.7	9.5	9.5
<i>Target-Date 2040 Median</i>			3.0	11.7	13.9	9.5	9.4
<i>Target-Date 2040 Rank</i>			30	44	59	49	43
BlackRock LifePath Index 2045 Fund N	291,547,151	8.7	3.5	13.1	15.3	10.7	10.3
<i>BlackRock LifePath 2045 Non-Lendable Custom Bmk</i>			3.3	12.8	15.0	10.6	10.1
<i>Target-Date 2045 Median</i>			3.3	12.7	14.9	10.3	9.9
<i>Target-Date 2045 Rank</i>			15	36	35	23	25

At the close of 3/11/2022, the OPERS target date funds were replaced by the BlackRock Lifepath Index N funds. Time periods longer than 3/11/2022 are shown for illustrative purposes and represents the class O shares. BlackRock LifePath Index 2025 Fund N ended 10/31.

Performance Summary | As of August 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
BlackRock LifePath Index 2050 Fund N	175,999,129	5.2	3.9	14.4	16.5	11.5	10.7
<i>BlackRock LifePath 2050 Non-Lendable Custom Bmk</i>			4.0	14.5	16.4	11.5	10.6
<i>Target-Date 2050 Median</i>			3.4	13.2	15.4	10.5	10.0
<i>Target-Date 2050 Rank</i>			8	11	11	6	12
BlackRock LifePath Index 2055 Fund N	82,877,757	2.5	4.0	15.1	17.0	11.8	10.9
<i>BlackRock LifePath 2055 Non-Lendable Custom Bmk</i>			4.0	15.0	16.8	11.8	10.8
<i>Target-Date 2055 Median</i>			3.5	13.3	15.5	10.6	10.0
<i>Target-Date 2055 Rank</i>			5	4	8	6	9
BlackRock LifePath Index 2060 Fund N	42,081,457	1.3	4.0	15.2	17.1	11.9	10.9
<i>BlackRock LifePath 2060 Non-Lendable Custom Bmk</i>			4.1	15.2	16.9	11.8	10.8
<i>Target-Date 2060 Median</i>			3.5	13.4	15.5	10.6	10.4
<i>Target-Date 2060 Rank</i>			5	4	8	7	13
BlackRock LifePath Index 2065 Fund N	32,572,049	1.0	4.0	15.2	17.1	11.9	--
<i>BlackRock LifePath 2065 Non-Lendable Custom Benchm</i>			4.1	15.2	16.9	11.8	--
<i>Target-Date 2065+ Median</i>			3.5	13.6	15.7	10.8	--
<i>Target-Date 2065+ Rank</i>			5	8	8	4	--
BlackRock LifePath Index 2070 Fund N	1,659,111	0.0	4.0	--	--	--	--
<i>BlackRock LifePath 2070 Non-Lendable Custom Benchm</i>			4.1	--	--	--	--
Core Options	1,569,238,558	46.6					
Invesco Stable Value Trust - Class B1	153,410,764	4.6	0.5	3.0	2.8	2.3	2.2
<i>ICE BofA 3 Month U.S. T-Bill</i>			0.7	4.5	4.7	2.9	2.0
<i>eV US Stable Value Fixed Inc Median</i>			--	--	--	--	--
<i>eV US Stable Value Fixed Inc Rank</i>			--	--	--	--	--

At the close of 3/11/2022, the OPERS target date funds were replaced by the BlackRock Lifepath Index N funds. Time periods longer than 3/11/2022 are shown for illustrative purposes and represents the class O shares.

Performance Summary | As of August 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
BlackRock U.S. Debt Index Fund J	84,955,407	2.5	0.9	3.2	3.1	-0.6	1.9
<i>Blmbg. U.S. Aggregate Index</i>			0.9	3.1	3.0	-0.7	1.8
<i>Intermediate Core Bond Median</i>			1.0	3.2	3.0	-0.6	1.8
<i>Intermediate Core Bond Rank</i>			65	46	48	53	41
BlackRock Russell 3000 Index Fund J	470,669,731	14.0	4.6	15.8	18.8	14.1	14.0
<i>Russell 3000 Index</i>			4.6	15.8	18.8	14.1	14.0
<i>Large Blend Median</i>			4.1	14.1	18.3	13.8	13.3
<i>Large Blend Rank</i>			23	24	40	42	26
BlackRock Russell 1000 Index Fund J	486,677,959	14.5	4.4	16.2	19.3	14.4	14.3
<i>Russell 1000 Index</i>			4.4	16.2	19.3	14.3	14.3
<i>Large Blend Median</i>			4.1	14.1	18.3	13.8	13.3
<i>Large Blend Rank</i>			32	19	27	35	15
BlackRock Russell 2000 Index Fund J	191,599,274	5.7	9.0	8.2	10.4	10.2	9.0
<i>Russell 2000 Index</i>			9.0	8.2	10.3	10.1	8.9
<i>Small Blend Median</i>			7.3	6.0	10.2	11.3	8.9
<i>Small Blend Rank</i>			22	29	47	68	44
BlackRock MSCI ACWI ex-US Index Fund J	142,432,717	4.2	3.0	15.6	15.6	9.2	7.6
<i>MSCI AC World ex USA (Net)</i>			3.2	15.4	15.1	8.9	7.3
<i>Foreign Large Blend Median</i>			2.2	14.0	16.0	9.3	7.2
<i>Foreign Large Blend Rank</i>			24	34	57	55	31
Fisher US Total Return	14,588,348	0.4	5.7	18.1	--	--	--
<i>Russell 1000 Index</i>			4.4	16.2	19.3	14.3	14.3
<i>eV US Large Cap Core Equity Median</i>			--	--	--	--	--
<i>eV US Large Cap Core Equity Rank</i>			--	--	--	--	--

At the close of 3/11/2022, the BlackRock Russell 3000 index, BlackRock Russell 2000 index, BlackRock Russell 1000 index, and BlackRock MSCI ACWI ex-US index moved to lending shares. The J shares were launched by OPERS, as other investors join, the administrative expenses will lower the total fee. At the close of 3/11/2022 the BlackRock U.S Debt Index moved to the M share class and the Invesco Stable Value Trust moved to the B1 Share class. Time periods longer than 3/11/2022 are shown for illustrative purposes and represents the combined return from the share class conversions.

Performance Summary | As of August 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
JPMorgan Core Bond R6	6,999,852	0.2	1.0	3.6	--	--	--
<i>Blmbg. U.S. Aggregate Index</i>			0.9	3.1	3.0	-0.7	1.8
<i>Intermediate Core Bond Median</i>			1.0	3.2	3.0	-0.6	1.8
<i>Intermediate Core Bond Rank</i>			49	20	--	--	--
Lazard ACW ex-US Equity CIT	10,056,434	0.3	4.2	22.3	--	--	--
<i>MSCI AC World ex USA index</i>			3.3	16.1	15.8	9.5	7.9
<i>eV ACWI ex-US All Cap Core Eq Median</i>			--	--	--	--	--
<i>eV ACWI ex-US All Cap Core Eq Rank</i>			--	--	--	--	--
T.Rowe Price Intergrated US Small-Mid Cap Core Eq	7,848,072	0.2	6.1	9.2	--	--	--
<i>Russell 2500 Index</i>			7.3	10.0	11.3	11.2	9.8
<i>eV US Small-Mid Cap Core Equity Median</i>			--	--	--	--	--
<i>eV US Small-Mid Cap Core Equity Rank</i>			--	--	--	--	--
Schwab Self-Directed Brokerage	74,236,604	2.2					

Performance Summary | As of August 31, 2025

Calendar Year Performance								
	2025	2024	2023	2022	2021	2020	2019	2018
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Total Plan								
Target Date Funds								
BlackRock LifePath Index Retirement Fund N	8.5	7.1	11.2	-14.6	7.0	12.0	15.6	-3.5
<i>BlackRock LifePath Retirement N-L Custom Index</i>	8.5	7.1	11.1	-14.5	7.0	11.8	15.6	-3.5
BlackRock LifePath Index 2030 Fund N	9.6	9.1	14.3	-16.0	11.4	12.9	20.8	-5.7
<i>BlackRock LifePath 2030 Non-Lendable Custom Bmk</i>	10.2	9.1	14.2	-15.9	11.5	12.7	20.7	-5.8
BlackRock LifePath Index 2035 Fund N	10.7	10.9	16.3	-16.7	13.8	13.6	22.9	-6.5
<i>BlackRock LifePath 2035 Non-Lendable Custom Bmk</i>	10.3	10.9	16.3	-16.7	13.9	13.4	22.8	-6.6
BlackRock LifePath Index 2040 Fund N	11.7	12.6	18.3	-17.3	16.0	14.1	24.7	-7.2
<i>BlackRock LifePath 2040 Non-Lendable Custom Bmk</i>	12.1	12.6	18.3	-17.4	16.0	14.0	24.6	-7.3
BlackRock LifePath Index 2045 Fund N	12.7	14.3	20.2	-17.9	17.7	14.8	26.0	-7.8
<i>BlackRock LifePath 2045 Non-Lendable Custom Bmk</i>	12.3	14.3	20.1	-18.0	17.7	14.6	26.0	-8.0
BlackRock LifePath Index 2050 Fund N	13.7	15.6	21.3	-18.2	18.7	15.2	26.6	-8.1
<i>BlackRock LifePath 2050 Non-Lendable Custom Bmk</i>	13.6	15.7	21.2	-18.3	18.6	15.1	26.5	-8.3
BlackRock LifePath Index 2055 Fund N	14.2	16.2	21.6	-18.3	18.8	15.3	26.7	-8.1
<i>BlackRock LifePath 2055 Non-Lendable Custom Bmk</i>	13.9	16.3	21.6	-18.4	18.8	15.2	26.6	-8.3

At the close of 3/11/2022, the OPERS target date funds were replaced by the BlackRock Lifepath Index N funds. Time periods longer than 3/11/2022 are shown for illustrative purposes and represents the class O shares.

Performance Summary | As of August 31, 2025

	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)
BlackRock LifePath Index 2060 Fund N	14.2	16.3	21.6	-18.3	18.8	15.3	26.7	-8.1
<i>BlackRock LifePath 2060 Non-Lendable Custom Brk</i>	14.1	16.4	21.6	-18.4	18.8	15.2	26.6	-8.3
BlackRock LifePath Index 2065 Fund N	14.2	16.4	21.6	-18.3	18.8	15.1	--	--
<i>BlackRock LifePath 2065 Non-Lendable Custom Benchm</i>	14.1	16.4	21.6	-18.4	18.8	15.2	--	--
BlackRock LifePath Index 2070 Fund N	--	--	--	--	--	--	--	--
<i>BlackRock LifePath 2070 Non-Lendable Custom Benchm</i>	14.1	--	--	--	--	--	--	--
Core Options								
Invesco Stable Value Trust - Class B1	2.0	2.9	2.7	1.6	1.4	2.1	2.5	2.4
<i>ICE BofA 3 Month U.S. T-Bill</i>	2.8	5.3	5.0	1.5	0.0	0.7	2.3	1.9
BlackRock U.S. Debt Index Fund J	5.0	1.4	5.7	-13.0	-1.6	7.6	8.8	0.1
<i>Blmbg. U.S. Aggregate Index</i>	5.0	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0
BlackRock Russell 3000 Index Fund J	10.6	23.8	26.1	-19.2	25.7	21.0	31.1	-5.2
<i>Russell 3000 Index</i>	10.6	23.8	26.0	-19.2	25.7	20.9	31.0	-5.2
BlackRock Russell 1000 Index Fund J	10.7	24.5	26.6	-19.1	26.4	20.9	31.5	-4.7
<i>Russell 1000 Index</i>	10.8	24.5	26.5	-19.1	26.5	21.0	31.4	-4.8
BlackRock Russell 2000 Index Fund J	7.1	11.5	17.1	-20.4	14.9	20.0	25.7	-10.9
<i>Russell 2000 Index</i>	7.1	11.5	16.9	-20.4	14.8	20.0	25.5	-11.0
BlackRock MSCI ACWI ex-US Index Fund J	22.3	5.4	15.6	-15.7	7.9	11.0	21.8	-14.0
<i>MSCI AC World ex USA (Net)</i>	21.6	5.5	15.6	-16.0	7.8	10.7	21.5	-14.2

At the close of 3/11/2022, the BlackRock Russell 3000 index, BlackRock Russell 2000 index, BlackRock Russell 1000 index, and BlackRock MSCI ACWI ex-US index moved to lending shares. The J shares were launched by OPERS, as other invest the administrative expenses will lower the total fee. At the close of 3/11/2022 the BlackRock U.S Debt Index moved to the M share class and the Invesco Stable Value Trust moved to the B1 Share class. Time periods longer than 3/11/2022 are shown for illustrative purposes and represents the combined return from the share class conversions.

Annual Investment Expense Analysis		
	Expense Ratio (%)	Morningstar Category Avg. Expense Ratio (%)
Index Funds	0.02	-
BlackRock Russell 1000 Index Fund J	0.02	0.73
BlackRock Russell 2000 Index Fund J	0.02	0.97
BlackRock Russell 3000 Index Fund J	0.02	0.73
BlackRock U.S. Debt Index Fund J	0.03	0.55
BlackRock MSCI ACWI ex-US Index Fund J	0.06	0.87
Invesco Stable Value Trust - Class B1	0.31	0.39

Disclaimer

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SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT, AND IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY OPINIONS OR RECOMMENDATIONS, REPRESENTS OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND IS SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK, AND THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Board Meeting V.B

Ohio Public Employees Retirement System

October 15, 2025

Private Equity Program Overview

Private Equity Industry

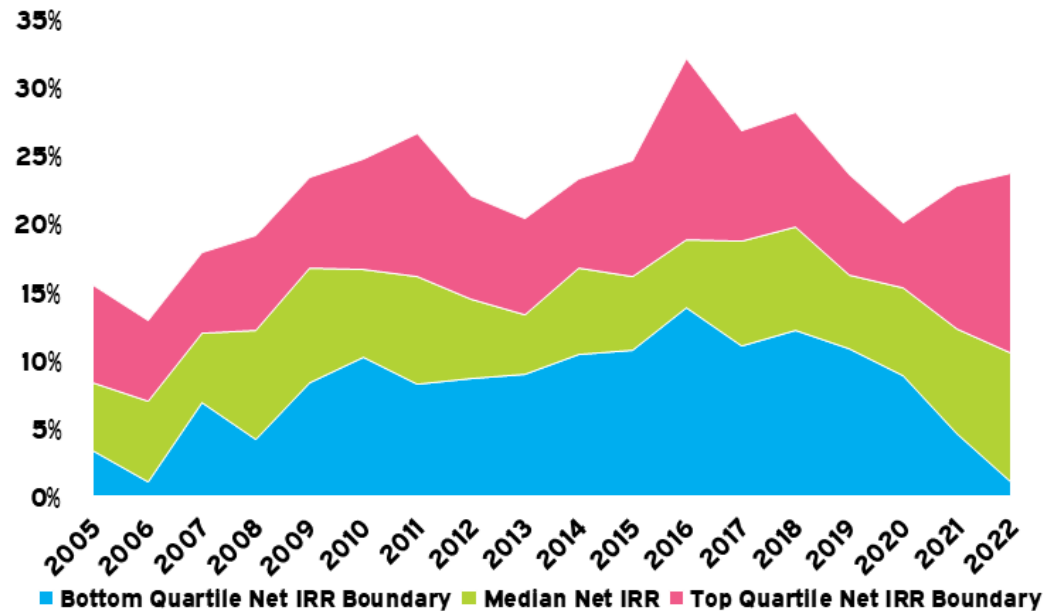
→ The asset class continues to deliver strong long-term returns, while diversifying portfolio.

- Returns have proven resilient but remain below the highs of recent years.
- Allocations to private equity remain steady, with surveys of institutional investors indicating 84% of LPs are maintaining or increasing private equity allocations in 2025.¹

Private Equity Performance by Horizon²

Horizon	Private Equity	Buyout	Venture Capital	Growth Equity
1 Year to 12/2024	7.9%	8.4%	3.6%	10.5%
3 Years to 12/2024	4.7	6.6	(6.5)	0.6
5 Years to 12/2024	13.7	15.3	9.6	10.4
10 Years to 12/2024	14.4	15.8	9.9	13.9

Private Equity Performance by Vintage Year³



1: Source: McKinsey Global Private Markets Report (May 2025).

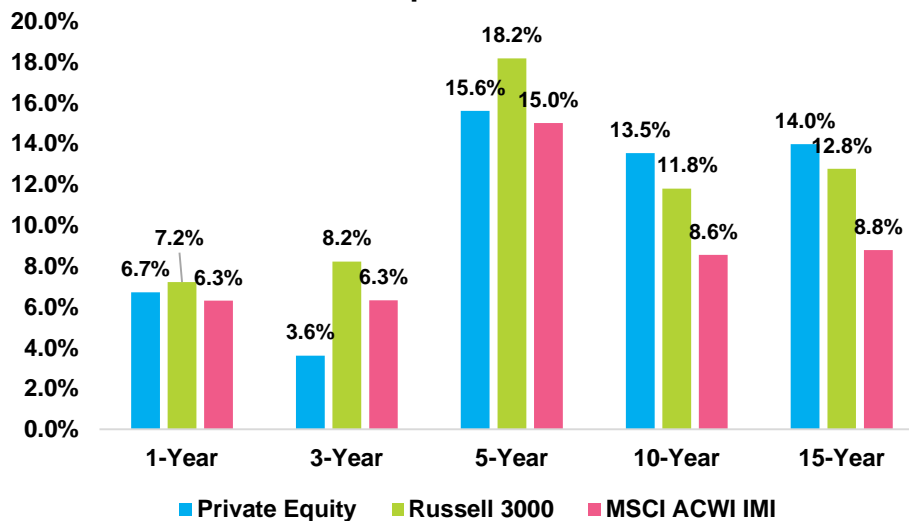
2: Preqin Horizon IRRs as of 12/31/2024. Data as of 3/31/2025 and 6/30/2025 is not yet available.

3: Preqin, Private Equity – All, Quartile Returns as of 6/30/2025. Data pulled on September 22, 2025.

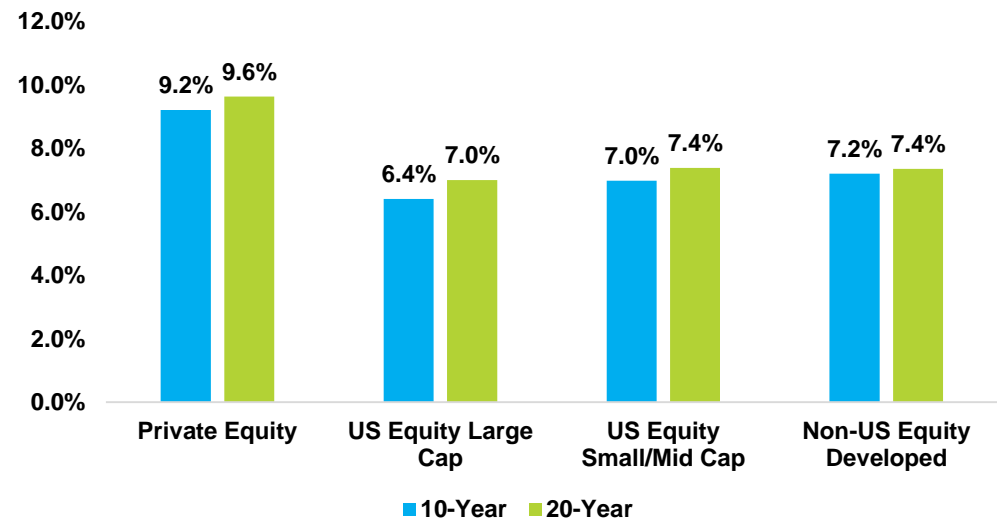
Private Equity Market

- Over the last 3-5 years, private equity returns have **lagged** public equities.
- Over longer-term periods, private equity has still **outperformed** US and especially global public equities despite.
- Over the next 10-20 years, institutional investment advisors expect private equity to **outperform** public equities by 200-250 basis points.

Trailing Private Equity Performance vs Public Equities¹



Survey of Institutional Advisors – Expected Private Equity Returns²



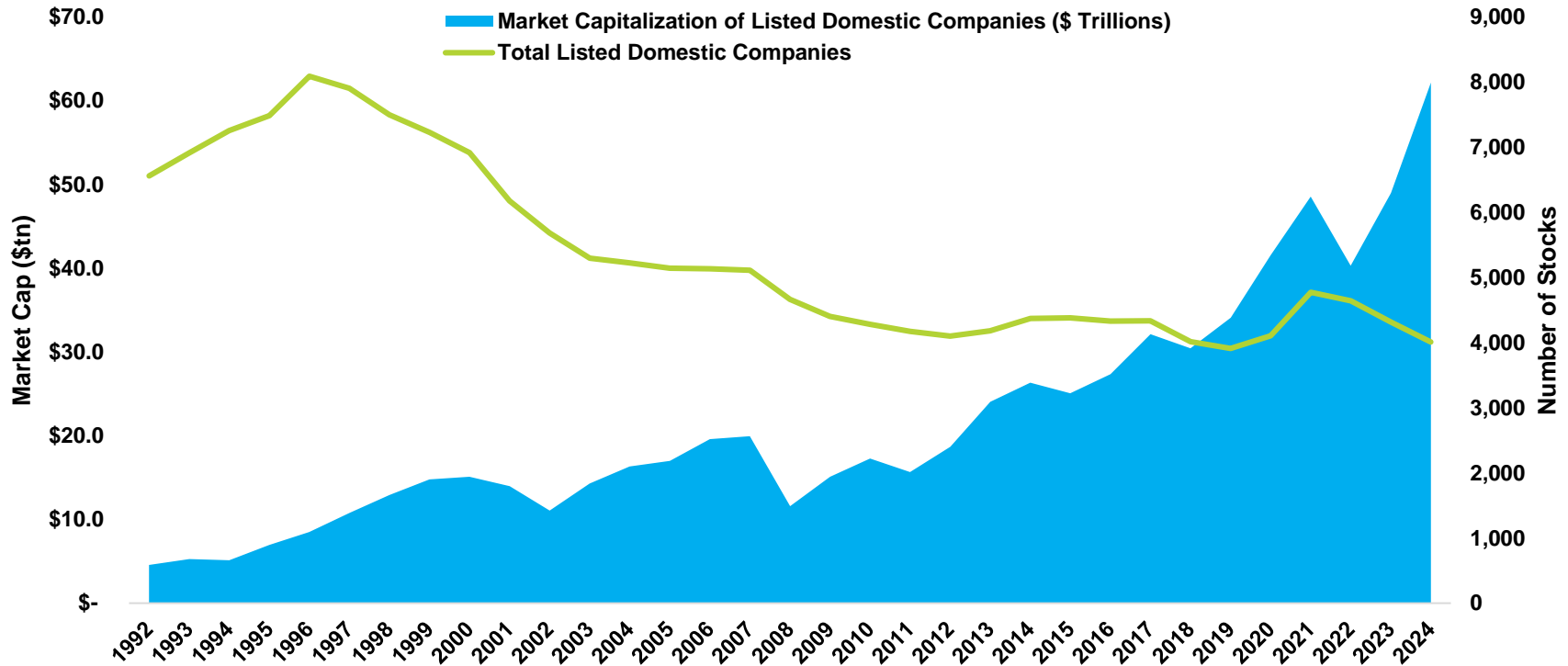
¹ Source: Preqin as of March 31, 2025.

² Source: Horizon Actuarial Survey of Capital Market Assumptions, 2025 Edition.

Historical Perspective

- Throughout most of US market history, the number of publicly listed companies grew.
 - This trend peaked in 1997, when there were more than 6,500 listed companies.
- The number then declined by more 40% until reaching a nadir of just 3,800 companies in 2012.

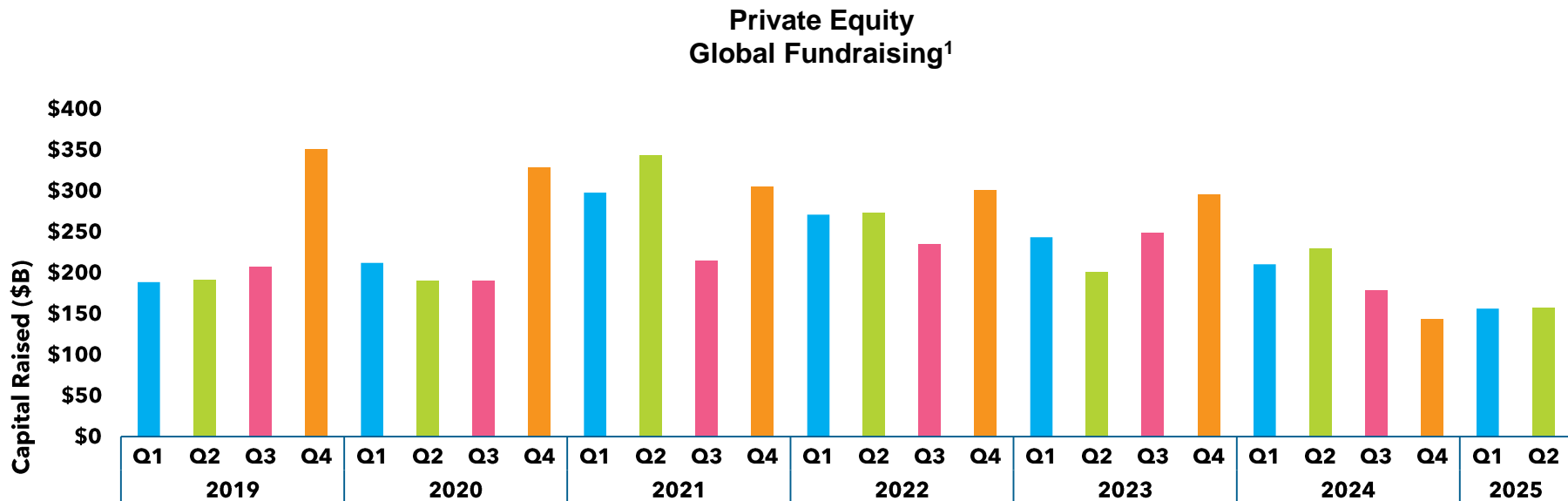
Number and Market Cap of US Listed Companies 1980 – December 2024



Source: Source: World Bank, as of December 31, 2024. Data pulled October 1, 2025. Indicators used: Market capitalization of listed domestic companies (current US\$), Listed domestic companies total.

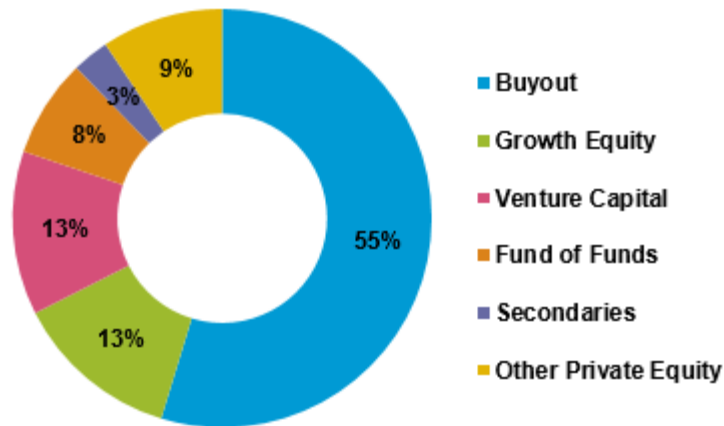
Private Equity Fundraising

- Fundraising remained subdued as of the end of the second quarter, with a -32% YoY change compared to the second quarter of 2024. The number of funds closing dropped ~35% YoY, suggesting a continued trend towards larger funds with more established GPs.
- Slower deal and exit activity has slowed both distributions and fundraising efforts.

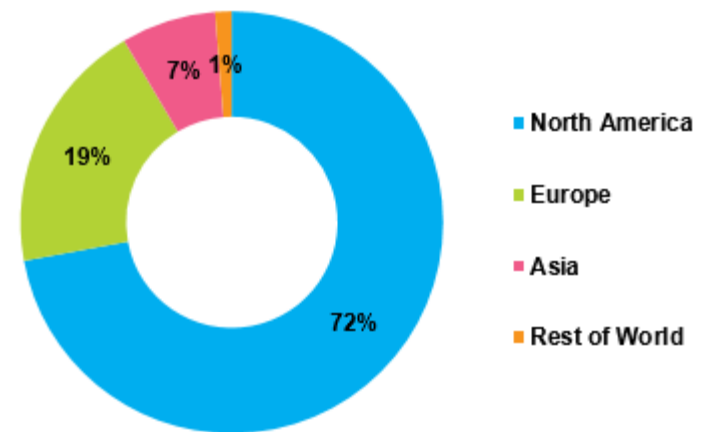


¹ Preqin

Capital Raised by Strategy¹



Capital Raised by Geography²



- Buyout and North America continue to represent the lion's share of private equity fundraising by strategy and geography, respectively.
- Commitments to Europe totaled roughly one-fifth raised in the second quarter.
- A subdued deal environment and dearth of exit activity have constrained the market liquidity and aided growth in the secondaries market, both for LPs (i.e., sale of fund interest) and GPs (i.e., continuation vehicles).

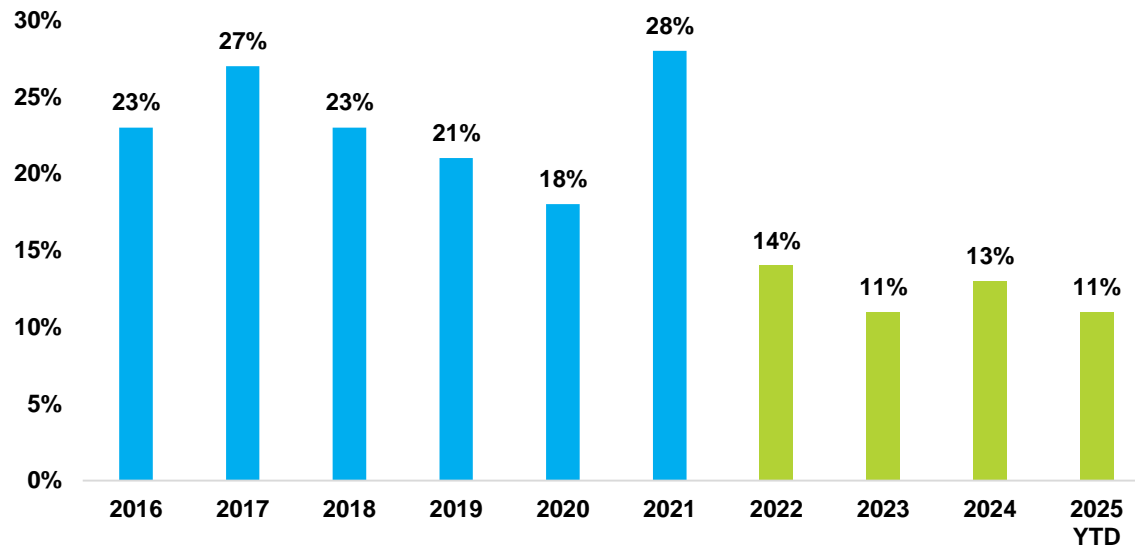
1: Preqin

2: Preqin

Current Distribution Environment Overview

- For much of the prior decade, LPs with mature private equity portfolios have, on average, received distributions between 20% and 30% of asset value each year.
- However, since 2022, distributions have generally been highly constrained.
- Distribution rates have fallen to levels not seen in recent history.

Private Equity Distribution Rates



Source: MSCI Global Private Capital Benchmark Report Q2 2025. 2025 YTD as of June 30, 2025. Distribution rates are calculated as distributions as a % of net asset value.

Recent Distribution Environment

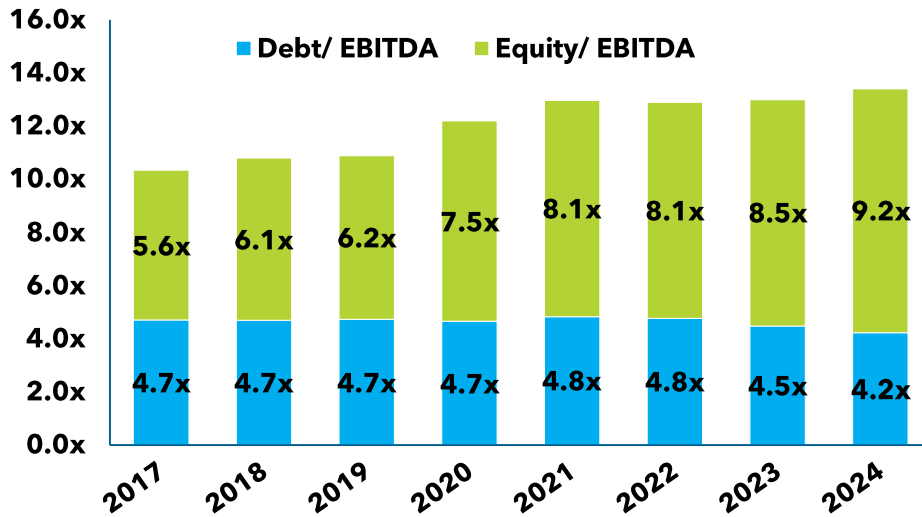
- Following a particularly strong exit environment during 2021, with a boom in IPOs/SPACs/M&A, distributions out of private equity funds **fell significantly in 2022** and remain muted today.
- While venture capital funds have seen the most dramatic fall off in distributions, buyout funds have also seen limited distributions over the last few years and account for a larger portion of overall private equity exposure.
- There are several overlapping factors driving the substantial drop-off in distributions since 2021 including the rise in interest **rates**, an effective “closing” of the **IPO** window, a reduction in corporate **M&A** as margins were squeezed in an inflationary environment.

Current Distribution Environment and Outlook

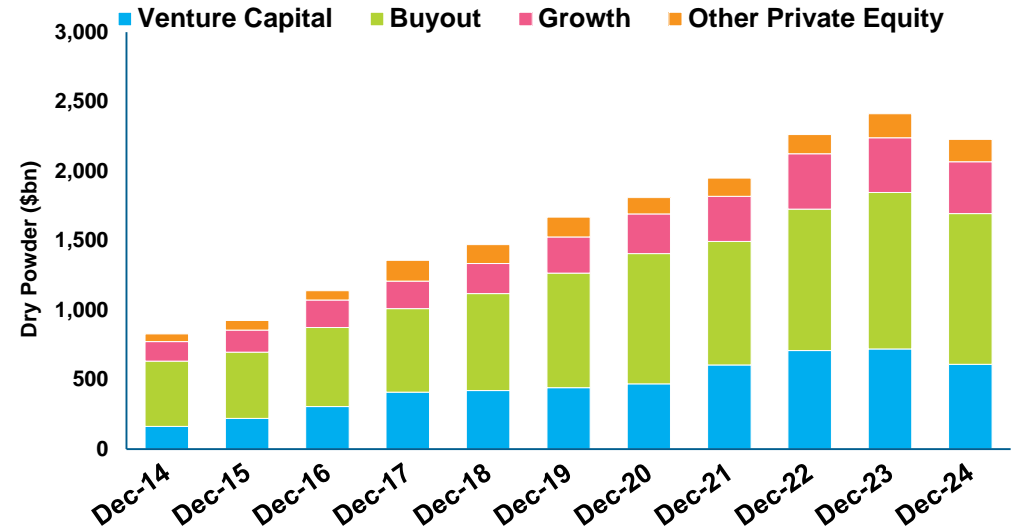
- Despite turmoil in US equities in early 2025, markets have since recovered to **new all-time highs**.
- Along with the public market recovery, **M&A activity** is on track to outpace prior years.
- The substantial amount in **unfunded** among buyout funds deploying capital today should continue to bolster secondary (PE to PE) deals over the coming years.
- **IPO activity** has also picked up considerably. The recent IPO “pops” seen with Circle, CoreWeave, and Figma have led to optimism that the IPO window may be swinging back open.
- While a return to the high 2021 distribution rate levels seems unlikely at least in the near-term, recent trends are pointing to a recovery to more normal distributions

Private Equity Valuations

Purchase Price Breakdown, All LBOs¹



Dry Powder by Fund Type²



- Last year, the global median private equity buyout **purchase multiple increased** from 13.0x to 13.4x EBITDA.
- This increased despite higher interest rates and sellers' resistance to exit deals at lower valuations.
- GPs still have **ample dry powder** to deploy, which helps support deal flow even as debt financing has become more expensive and more restrictive.

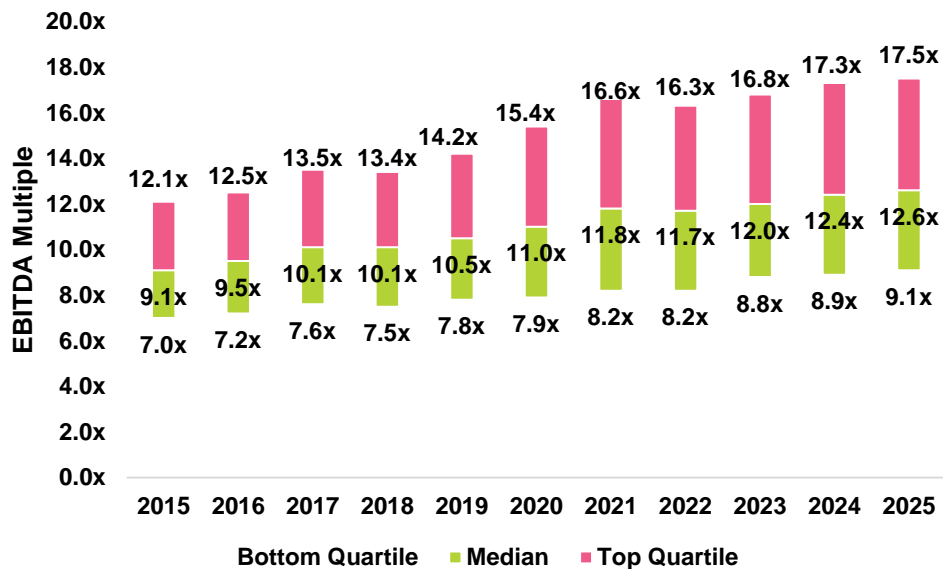
1: Preqin: Transaction Intelligence. Data pulled on September 22, 2025.

2: Global Private Equity Dry Powder Split by Strategy. Provided by Preqin on July 22, 2025. There is a significant lag in Preqin's dry powder data with December 31, 2024 representing the latest figures, which were released in July 2025.

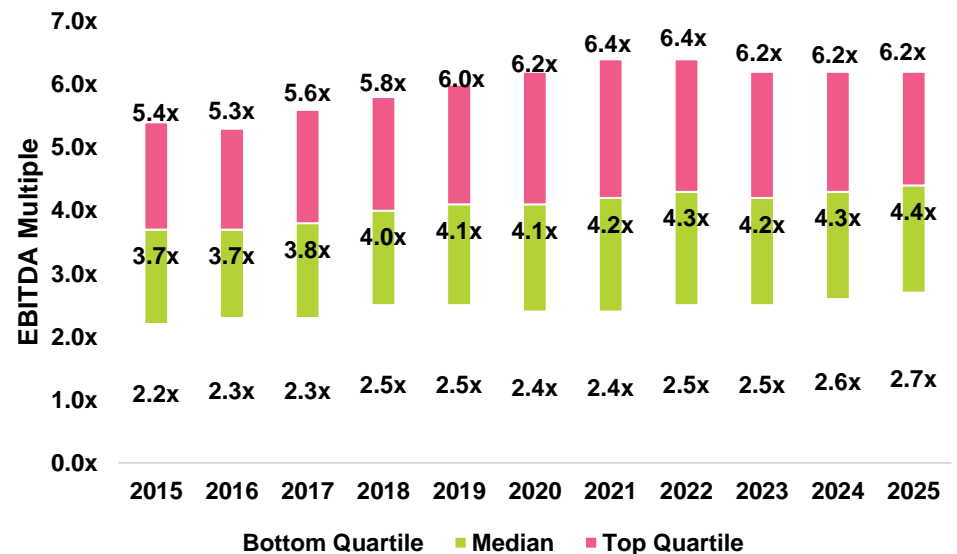
Private Equity Valuations (continued)

→ While valuations have increased, the debt load relative to EBITDA has generally remained consistent, leading to **greater equity participation** versus prior market peaks.

EBITDA Multiple over Time



Net Debt Multiple over Time



Source: MSCI Private Capital Benchmarks Report

Go Forward Commentary

Many of the largest private equity firms have turned their fundraising attention to the **retail market**. While this market could be very large, the amount of capital deployed so far in this channel is relatively small. A growing retail market might enhance the secondary market, creating greater liquidity, lower discounts and potentially lower fees. This new market may have a lower cost of capital and utilize portfolio-level leverage.

In more recent months, **deal activity** and expectations have improved as tariff concerns have subsided, US equities have recovered, and high-profile public listings have seen significant IPO “pops”.

The spread between first and third quartile performance in private equity has increased since the Global Financial Crisis (11.0% for 2007 vintage funds compared to 22.6% for 2022 vintage funds), supporting the increasing importance of **manager selection** when allocating to the asset class.

Private equity **fee structures** remain high. However, the current fundraising environment has brought even more clout to sophisticated large institutional investors such as OPERS.

OPERS Private Equity Program

Team is **lean but effective**.

New leadership on the Private Equity Team has moved the portfolio in a few **new directions**.

- Reduced proportion of secondary strategies.
- Reduced use of high-cost fund-of-funds structures.
- Re-focused co-investment program on lower volatility strategies.
- Place greater emphasis on GP quality (over fund terms) in selection process.
- Proactively explored the sale of a very small part of the portfolio in the secondary market.

The commitment **pacing for 2025 moderated**.

- Team on track to commit between \$1.5 and \$2.0 billion in 2025, consistent with the stated plan for the year.
- A conservative stance with respect to capital deployment.
- Should reduce the likelihood of an overweight position in the asset class.
- Increasing focus on distribution rates and overall pension fund liquidity profile.
- Consistent with similar public pension funds.

OPERS Portfolio

In recent years performance has **lagged the narrow rally of the public markets.**

→ 3- and 5-year trailing returns lagged the Custom Benchmark by 0.6% and 0.5%, respectively; the 10-year figure exceeds by 0.3%¹

Distribution rates have fallen in recent years but the portfolio now has a **mature liquidity profile.**

- The OPERS portfolio recently achieved a DPI of 1.0x and was net cash flow positive through September of 2025.
- Distribution rate for the years 2020 - 2022 averaged 23%; for 2023 and 2024 this figure was 11% and 12%, respectively, and was in line with industry trends. 2025 is trending toward a “mid-teens” distribution rate, per staff.
- Continuation Vehicles (“CVs”) periodically offer some opportunities for liquidity, but the staff will only selectively elect to receive cash back in lieu of rolling equity in these vehicles.

Well diversified by industry, strategy type, and geography.

- Greatest exposure is to the technology sector (~35%), which is not uncommon across large LP portfolios.
- European exposure (~28%) has historically been higher than peers but the current exposure to the US (two-thirds) is in-line with the market.

Recent vintage years reflect **disciplined asset selection.**

- Target check size of \$150 million to \$200 million.
- Scale brings access to high quality manager and clout in terms negotiation.
- Co-investment is targeted at 25% of exposure to drive material fee savings.

¹: Source: BNY Mellon (through 12/31/24).

Summary

- The private equity asset class has produced strong long-term performance and is *projected* to outperform stocks over the long term.
- The private equity industry and markets have been challenged by slower distributions and fundraising but overall remains healthy.
 - Distributions remain slow but there is reason to believe they will increase.
 - Prices are high but deals have been structured with greater equity participation.
- The OPERS Private Equity Team and Program have been in transition and appear well positioned.

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Board Meeting V.C



OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: October 6, 2025

TO: OPERS Retirement Board Members

FROM: Tonya Brown, Deputy Executive Director

RE: **V. Discussion Items:**
C. Enterprise Risk Management Program Update

Purpose

This presentation will provide the Board with an update on the Risk Management and Member Fraud Program. During the presentation, staff will review the following:

- Provide a Risk Management process overview
- Review of changes to the Risk Register since the last update
- Review of Key Risk initiatives
- Provide an update of the Member Fraud Program

Leadership has continued to meet quarterly to identify and discuss key and emerging risks. The risk register currently has a total of 30 key risks and 5 emerging risks. Since our last update Leadership closed 4 key risks, identified an additional 4 key risks and 5 emerging risks.

Next Steps

As we wrap up the year, the Risk Management team will continue to meet with the leadership team to discuss Key and Emerging Risks and the ODC risks will be identified and added to the register. The current risk register is posted annually and can be viewed on the Board's website. Finally, we anticipate presenting newly identified risks and initiatives to the board in 2026.

Risk Management Program Update 10/15/2025

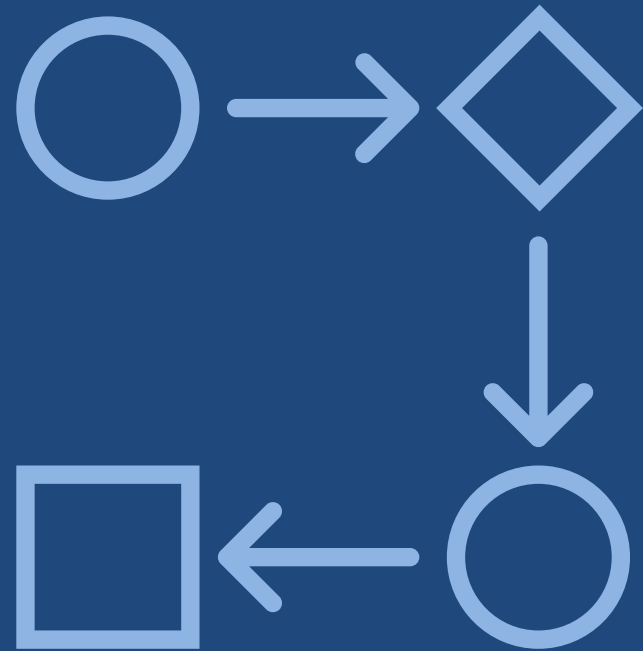
Tonya Brown, Deputy Executive Director



Agenda

- Risk Management Process
- Risk Register
- Risk Initiatives
- Member Fraud Program Update
- Next Steps
- Q&A

Risk Management Process



Risk Management Process

Key Risks

- The risks that matter - Critical Risks
 - “What keeps leadership up at night?”

Emerging Risks

- Known risks with unknown impacts
 - “Tell me something I don’t know”

Risk Management Process

Definitions:

- Controls – methods to reduce or eliminate the impact of the risk
- Contingency – actions to take if the risk is realized

Risk Management Process

Quarterly Leadership Risk Evaluation

- Review current Key risks and discuss any new Key or Emerging risks
- **Risk owner**
 - Creates a risk description
 - Identifies controls
 - Provides contingency plan for Key risks or action plan for Emerging risks

Risk Register

Registry of the
organizations Key
and Emerging
Risks



Risk Register

Background:

- Full register is located on the Board's website
- Regularly reviewed by the Leadership Team
- These risks are not realized
- The risk are actively managed and monitored by leadership

Risk Register

Key Risks - “What keeps Leadership up at night?”

- **30 Active Key Risks**
 - 4 New - identified since our last update
 - 4 Closed - risk are no longer considered high/key risk for various reasons

Risk Register

Key Risks - “What keeps Leadership up at night?”

- **4 New Key Risks:**

- Reduced Amortization period
- Critical common vulnerabilities and exposures lead to increased cyber risk
- Regulation IM: Initial Margin requirements and the related usage of derivatives
- AI generated resumes

Risk Register

Key Risks - “What keeps Leadership up at night?”

- **4 Closed Key Risks:**
 - Vendor risk management
 - Blind spots/lack of anticipation of emerging issues
 - Change fatigue leads stakeholders to not support OPERS’ efforts to prudently manage plan
 - Business Continuity

Risk Register

Emerging Risks - “Tell me something I don’t know”

- **5 Active Emerging Risks**
 - 4 Closed
 - 5 new
 - 1 risk moved from Emerging to a Key Risk

Risk Register

Emerging Risks - “Tell me something I don’t know”

- **4 Closed Emerging Risks:**
 - Recession - impact on operations, increase in refunds, impact to assumptions/valuation
 - Misalignment with member expectations and HRA funding availability

Risk Register

Emerging Risks - “Tell me something I don’t know”

- **4 Closed Emerging Risks (continued):**
 - Federal data transparency
 - HB 116 - Introduced, enact the Ohio Blockchain Basics Act to address mining, taxation, and regulation of digital assets and digital asset investments by the state retirement systems.

Risk Register

Emerging Risks - “Tell me something I don’t know”

- **5 New Emerging Risks:**
 - SB 69 - introduced, enact legislation to reform the law governing the state's public retirement systems
 - Social Security Mandates
 - DOPE - Department of Pension Efficiency

Risk Register

Emerging Risks - “Tell me something I don’t know”

- **5 New Emerging Risks (continued):**
 - F.O.P. - legislative changes to allow DROP program (vs MP and PLOP)
 - Tariff uncertainty

Risk Register

Emerging Risks - “Tell me something I don’t know”

- **1 Emerging Risk moved to a Key Risk:**
 - AI generated resumes

Risk Initiatives

Initiatives identified
from Key and
Emerging Risk
discussions



Risk Initiatives

Key Risk

- Risk #19 Cyber

Initiatives

- Managed detection and response
- Hacker one
- Web application wall
- Vulnerability scanning
- Privileged access management
- NIST* Framework Implementation

*National Institute of Standard and Technology

Risk Initiatives

Key Risk

- Risk #23 – Poor member experience with Health Care

Initiatives Identified

- Via Benefit Open Enrollment Readiness Project

Risk Initiatives

Emerging Risk

- Risk #8 - Social Security Mandates

Initiatives Identified

- Mandatory Plan Design (MPD) Project

Risk Initiatives

Key Risk

- Risk #25 – Membership Account Fraud

Initiatives Identified

- Completed enhanced controls for online registration process
- Registration redesign
- Identity proofing
- Program development

Key Risk #25

Member Fraud Program Update



Program Background

- The Fraud Program initiative was launched in response to July 2022 experience and a key risk identified
- The goal was to establish a formal member fraud program to monitor suspicious member account activity
- The program is now fully implemented, and I will provide an update on the risk today

Strategic Fraud Initiatives



**DEVELOP A
FORMAL FRAUD
PROGRAM AND
ESTABLISH TEAM**



**AUTOMATE
REPORTING FOR
ON-GOING
MONITORING**



**REDESIGN ONLINE
REGISTRATION
PROCESS**

Fraud Strategic Initiative: Registration Redesign

Enhancing our Layered Protection with Identity Management for Fraud Prevention



Image generated by Microsoft Copilot

Redesigning the online account registration process

Integrating with a software solution for risk scoring and identity-proofing

Integrating with software to enhance fraud monitoring

Identity Proofing – When is it required?

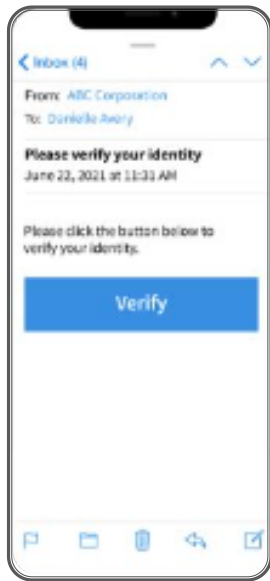


1. High identity risk score at registration (Socure)
2. Online bank update to a high-risk bank
3. High risk registration (OPERS) – member 80+

Future: Refunds Transactions

Identity Proofing – How it Works

Identity Proofing with ID and Facial Recognition



Step 1



Step 2



Step 3



Step 4

Active
June 2, 2025

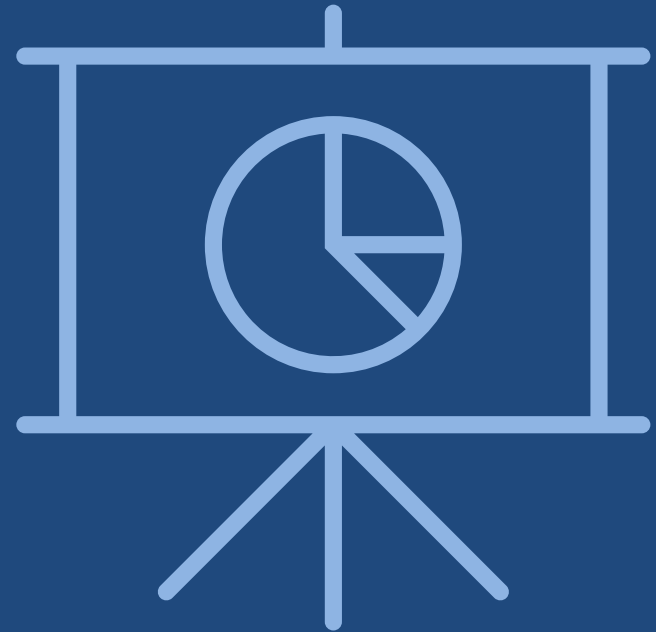
Identity Proofing Experience (first 3 months)

- **93%** of registrations **passed through security validation** without requiring identity proofing
- **7%** of registrations **required identity proofing**
 - 28% of the accounts requiring ID proofing fail/are rejected – these are escalated for virtual/manual ID proofing
- **Top 3 reasons** for identity proofing:
 - Address on ID does not match input address
 - Address entered is a PO Box
 - Last name is not correlated to SSN/TIN on record
- Average identity validation processing time = 0.52 seconds

Identity Proofing Experience (first 3 months)

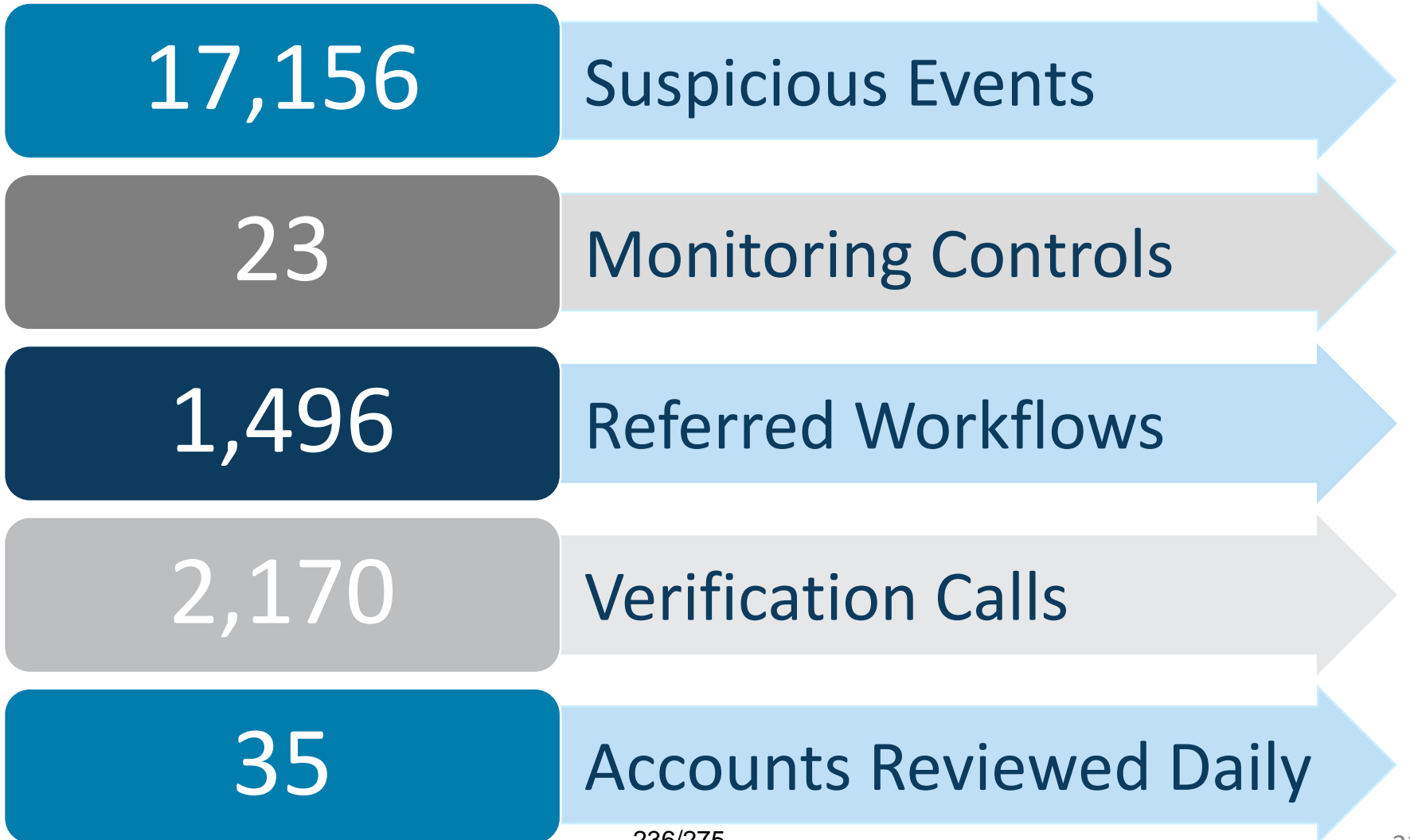
- 1.3%(433 members) of failed registrations were unresolved - no contact has been made with the member, and they have not called us to assist – assumption they were bad actors stopped thru the process
- Average identity validation processing time = 0.52 seconds

Fraud Program Results



Program Results

Suspicious Activity: Jan 2025 – Aug 2025



Program Results

The Process is Working!

- Suspicious activity monitoring has prevented fraudulent benefit payments from being issued
- Reviewing high risk activities daily has allowed us to confirm with members and to stop the payment to the wrong bank account immediately
- Instant outreach has also allowed us to quickly reclaim funds in situations where the payment was issued
- Monitoring has also prevented lump sum refunds from being issued in situations where we could not confirm the member applied

Program Results

Fraud Avoidance/Savings: Jan 2024 – Aug 2025



**Benefits
Protected
\$1,779,645**



**Refunds Protected
\$1,911,845**

Next Steps

- ODC Integration into the Risk Management process
- Continue to meet quarterly with the leadership team to discuss Key and Emerging Risks

Q&A

QUESTIONS



Board Meeting V.D



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MEMORANDUM

DATE: October 6, 2025

TO: OPERS Retirement Board Members

FROM: Tonya Brown, Deputy Executive Director – Governance Office

RE: **V. Discussion Items:**
D. Strategic Planning Update

Purpose – To review with the Board the strategic planning process used at OPERS, in addition to highlighting our strategic accomplishments to date, initiatives in progress, and the strategic focus looking forward, including Ohio Deferred Compensation initiatives for the upcoming year.

Background – The OPERS Strategic Plan is based on a rolling three-year time horizon. Each year staff identifies current trends, available opportunities, and impending threats affecting the Fund and our benefit offerings. Plans for addressing these trends, opportunities, and threats are discussed and strategies for addressing them are brought before the Board. An updated strategic plan is published each year-end highlighting the initiatives OPERS will pursue to continue reaching our goals.

Next Steps – Staff will incorporate the new initiatives highlighted for the upcoming year and develop a strategic plan reflecting the goals and initiatives of both OPERS and Ohio Deferred Compensation. The updated Plan for the 2026 – 2028 time horizon will be published near the end of this calendar year.

Strategic Initiatives Update 2025

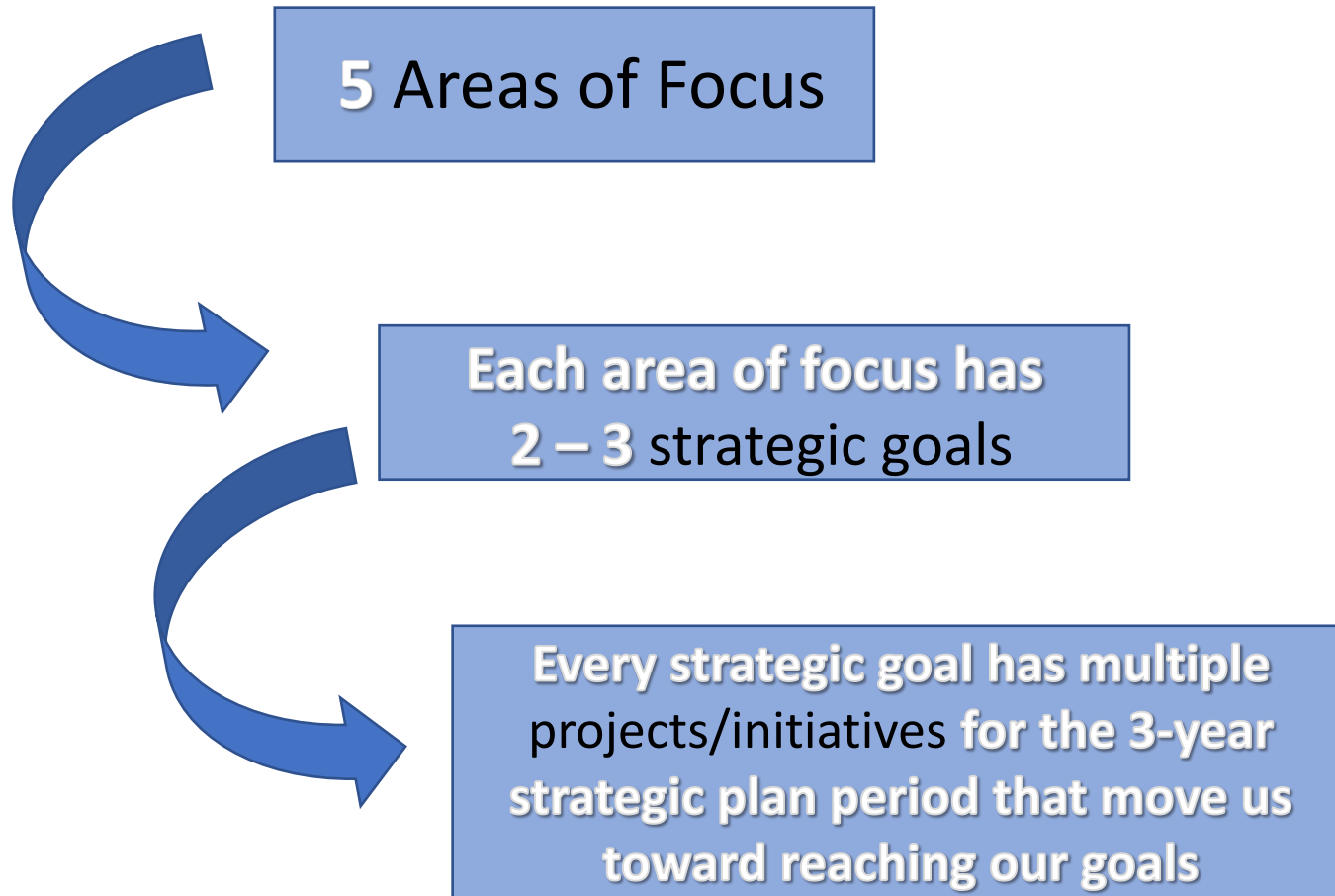
October 15, 2025



Agenda

- **Strategic Plan Overview**
- **2025 Strategic Accomplishments to Date**
- **Key 2025 Initiatives in Progress**
- **Strategic Focus 2026**
- **ODC Strategic Update**

OPERS Strategic Plan Format



OPERS Strategic Plan Format

Five perspectives from which we view the retirement system:



Strategic Planning Cycle



Q1 – Assessment of current state.
Any new influences or issues?

Q2 – Review progress; Identify
new strategies

– Board Retreat: Input gathered.

Q3 – Funding needs incorporated
into budget cycle

Q4 – Finalize and publish the new
3-year strategic plan



2025 Accomplishments to Date

Strategic Accomplishments

Products

Value & Sustainability

- ✓ **Mandatory Plan Design** Complete
- ✓ **Combined Plan Service Credit Aggregation** Complete
- ✓ **RMA Claims Administration Assessment** Complete

Service Delivery

Quality

- ✓ **Fraud Prevention: Member Registration Redesign** Complete
- ✓ **Self-Service Tools: Employment & Earnings Application** Complete
- ✓ **Membership Outreach Roadshow** Complete

Strategic Accomplishments

Financial

Stability

- ✓ **ODC Integration Billing** Complete
- ✓ **Private Alternatives Fee Validation Project** Complete

Organization

Excellence

- ✓ **AI Strategy & Governance Defined** Complete
- ✓ **Contributions/SSN Corrections Process Enhancement** Complete

Environment

Stakeholder Asset

- ✓ **Virtual Board Meeting Policy Development** Complete
- ✓ **Board Meeting Follow-Up Surveys** Complete

Strategic Accomplishments

Organization (cont.)

Excellence

Information Technology Initiatives:

- ✓ IT Security Framework Assessment **Complete**
- ✓ Managed Detection & Response Services **Complete**
- ✓ Desktop & Server Access Multi-Factor Authentication **Complete**
- ✓ Investment Data Management Assessment **Complete**
- ✓ Ransomware & Cybersecurity Increased Protection **Complete**
- ✓ File Share Conversion to One Drive **Complete**
- ✓ iNet Cloud Migration **Complete**
- ✓ Enhance Client Software Strategy **Complete**



Key Initiatives in Progress

Key Initiatives in Progress

Products

Value & Sustainability

- **Money Purchase Plan Review** (75%, *based on timing*)
- **Pension Reform Bill:**
 - Amortization Period Reduction

Service Delivery

Quality

- **ADA Compliance Project** (25%)
- **Self-Service Tools: Disability Application** (75%)

Key Initiatives in Progress

Financial

Stability

- **Implement Revised DB & HC Fund Asset Allocations (70%)**
- **Establishment of a DB Stabilization Fund (10%)**
- **Inactive Accounts/Income Fund Cleanup (30%)**
- **Mitigating Rate Discussions (25%)**

Key Initiatives in Progress

Organization

Excellence

- **AI Strategic Plan Development (10%)**
- **Deployment Compliance Monitoring – Phase II (25%)**
- **Quality Assurance/Testing Knowledge Base (25%)**
- **Data Governance Assessment (IT & BIA) (10%)**
- **Policy Review Project (75%)**
- **Investment Accounting System Contract Renegotiation (50%)**
- **Internal Audit Initiatives:**
 - Analytics Program Maturation (50%)
 - Assurance Mapping (10%)
 - Internal Audit/ERM Collaboration (50%)

Key Initiatives in Progress

Organization (cont.)

Excellence

Information Technology Initiatives:

- **Voice Network Replacement (25%)**
- **IT Asset Management Program Buildout (50%)**
- **Enterprise System Projects:**
 - Account Value Calculation Rewrite (80%)
 - Health Care & Refunds Systems Modernization (25%)
 - Imaging & Workflow System Replacement (20%)
- **DEF Leopard Project (Do Enhancements Faster)**

Key Initiatives in Progress

Environment

Stakeholder Asset

- **Board Education on Governance (35%)**
- **Board Elections (90%)**
- **Enhance Board Website Capabilities (30%)**
- **Joint Trustee Training (70%)**
- **New Board Member Onboarding (80%)**
- **Plan Document Reviews (25%)**



Initiatives in Focus for 2026

New Initiatives – 2026

- **Self-Service Tools:**
 - Lump Sum Death Benefit
 - Guaranteed Account Payout
 - Joint Survivor Application
- **Re-evaluate COBRA Service Provider**
- **Assumed Rate of Return Discussions**
- **General Ledger System Replacement**
- **Internal Audit External QA Review**



Ohio Deferred Compensation – Strategic Update

ODC Mission & Core Values

Mission

Guiding participants along the path to retirement income security.

Core Values

- Integrity and Ethics
- Fiduciary accountability
- Professionalism
- Innovation
- Efficiency

Active ODC Strategic Objectives

Goal: *Provide quality participant services and promote financial literacy through effective education and clear communication.*

New Objective: Reach more new and existing participants by utilizing collaborative data and education opportunities.

New Objective: Develop employer specific tactics to reach more new and existing employers and provide education on the advantages of Ohio DC.

Goal: Establish plan features and tools that encourage supplemental savings to provide income through retirement.

New Objective: Invest in technologies that improve service to participants, efficient operations, and cyber security.

ODC Strategic Update

Completed:

- ✓ IT Integration Planning
- ✓ Integration Billing
- ✓ IT & Finance Staff Relocated

Initiatives Underway:

- Financial Planning Membership Offering
- ODC Process Evaluation
- ODC Tech Enhancements

OPERS & ODC Merger – Looking Forward:

- Technology
- Finance
- Human Resources & Administration
- Governance
- Investments Review



Questions/ Discussion



OPERS

*Strategic
Planning Annual
Update*

Board Meeting V.E

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: October 6, 2025
TO: OPERS Retirement Board Members
FROM: Karen Carraher, Executive Director
RE: **V. Discussion Items:**
E. Executive Director Report

Below is my report for September 2025.

General

- **Joint-Trustee Training.** As you are aware, we hold a Joint-Trustee Training every three years for the Trustees of the five Ohio Retirement Systems and Ohio Deferred Compensation. This year's program will be held on **Wednesday, November 12, 2025** at the OPERS office beginning at 9:00 a.m. The program will offer sessions on Fiduciary Obligations, Ethics Laws, an Economic Outlook, Fiduciary Audits and a Legislative Outlook. Marsha sent you an RSVP form. Please be sure to let Marsha know whether you will be attending no later than October 10, 2025.

Finance

- The Financial Reporting team has welcomed the Ohio Deferred Compensation (ODC) Finance staff as they've moved from the Annex to the Tower this month. Staff have been working on plans to **transition ODC** from their accounting system to the systems utilized by OPERS effective fiscal year 2026. This will include the general ledger, accounts payable, payroll and capital asset modules in OPERS general ledger and payroll systems, as well as other finance activities transitioning to systems designed to enhance internal controls around financial accounting and external reporting.
- The Investment Accounting, Operations and Compliance team started working with the Investment IT support team to plan the **2026 Investment Operations Forum** to be hosted at OPERS in April next year. This forum brings together investment accounting and operations professionals from about 30 public pension systems ranging in size from the largest to a couple of very small systems from across the country. Staff is working to create an agenda of compelling topics to attract attendees after being hosted recently in California and Texas.

- The **investment fee validation** team within Investment Accounting, Operations and Compliance has completed validating fees for almost three-fourths of the funds selected for validation this year, the first year following the completion of the initial fee validation project with an external consultant. The team has validated 30 out of the 40 funds selected, which include a broad range of Private Equity and Real Estate funds. To date, the team has confirmed the fee amounts reported by OPERS' General Partners to be within reason of the recalculated amount in all the validated funds

Investments

- **Internally Managed U.S. Equity Portfolios Update.** The internal global equity team rebalanced six U.S. Equity Portfolios with a market value of approximately \$24.19 billion in September in conjunction with the quarterly Russell reconstitution. The rebalance resulted in over 3,250 trades with an approximate total traded value of \$270 million. The Russell rebalance trades were completed on September 19th with the assistance of Equity Trading desk. Brokers are selected by the trading desk through a competitive bidding process to execute the quarterly rebalance trades. No commissions were charged for this rebalance trade.
- **Fund Management Update.** Staff executed a reduction of the U.S. Equity sub-asset class overweight by selling a combination of physical securities and futures and raising \$1 billion in cash. Of the cash proceeds, \$220 million was allocated to the Commodities-All and \$470 million to U.S. Treasury sub-asset classes as additional funding. The remaining cash balance is being held at the Fund Level to support the upcoming October pension payment and addressing capital calls.

Ohio Deferred Compensation

- Ohio Deferred Compensation is proud to have been selected as a **recipient of a National Association of Government Defined Contribution Administrators (NAGDCA) 2025 Leadership Award** in the area of Participant Education and Communication.

Since 2004, Ohio Deferred Compensation has been recognized by NAGDCA with nine leadership awards. This year, Ohio Deferred Compensation was one of 19 public sector plans recognized for excellence and innovation. The award for our Employer Recognition Program was presented in September at the NAGDCA Annual Conference.

We are excited to continue spotlighting employers that support their employees' retirement

External Relations

- Staff recently participated in an **interested party meeting regarding proposed legislation** to expand OPERS Law Enforcement/Public Safety (OPERS LE/PS) to include 9-1-1 dispatchers.

Senator Kyle Koehler (R-Springfield) asked for the bill to be drafted; however, after staff met with him to provide OPERS' perspective, he subsequently called the interested party meeting to receive input from a host of stakeholders who have an interest in OPERS LE/PS. It was a cordial meeting, with no decisions made that day and no subsequent action being taken since (i.e., the bill has not been introduced). The meeting went well for our position and made it clear that we would not favor additions, particularly if they introduced additional unfunded liability.

This is an on-going issue every General Assembly, whether it is dispatchers, EMT workers, parole officers, corrections officers, corrections nurses, or fire marshal personnel (as was introduced in the state budget bill).

- The **General Assembly** is now back in full swing, with a focus on two main issues: 1) Congressional redistricting and 2) property tax relief.

There has not been any further activity regarding the bills for which OPERS would be directly affected, including HB 73 (DROP); HB 413 (reporting of expenses and revenues); HB 424 (transfers of OP&F service credit to OPERS LE).

Two additional bills affecting OPERS were introduced recently – HB 473, sponsored by Representative Dave Thomas (R-Jefferson), which would prohibit public employers from paying the employee share of contributions and HB 481, co-sponsored by Representatives Sarah Aurthur Fowler (R-Ashtabula) and Beryl Brown Piccolantonio (D-Gahanna), which would allow public bodies to hold executive session for employee performance issues.

If you have any questions, please let me know.

Board Meeting VI.A

INVESTMENTS MARKET UPDATE

Net Asset Value & Performance

	NAV (\$ B) 8/31/2025	PERFORMANCE					NAV (\$ B) 10/9/2025
		MTD Sept	YTD Sept	YTD September Benchmark	October 1 to 9 Estimated	Benchmark Oct 1 to 9 Estimated	
DB Fund	\$110.39	2.47%	12.12%	12.04%	0.35%	0.48%	\$113.21
HC115 Fund	\$14.46	2.38%	13.52%	13.17%	0.40%	0.54%	\$14.78

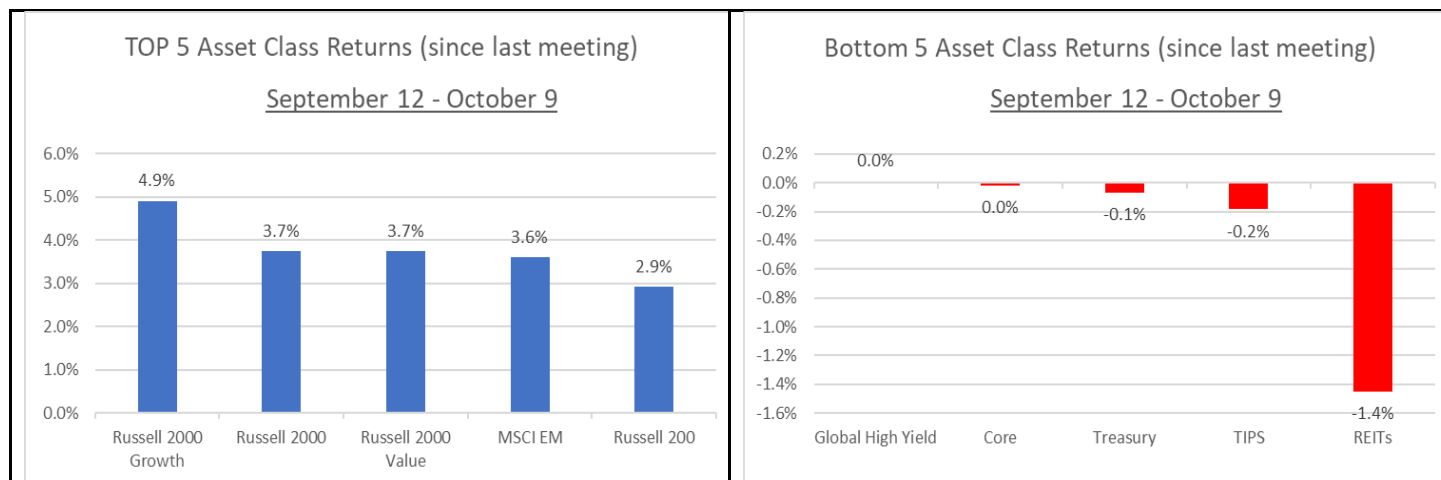
Market Events Summary

- The ISM Manufacturing PMI rose slightly to 49.1 in September, up from 48.7 in August, but remained in contraction territory for the seventh consecutive month. According to the ISM report, factors influencing the sector included elevated prices driven by tariffs, alongside ongoing supply chain challenges and macroeconomic conditions impacting customer purchasing decisions.
- The ISM Services Index registered a 50% reading in September, indicating a standstill between expansion and contraction. This outcome was influenced by a decline in the Business Activity Index (down to 49.9%), which fell into contraction territory, and a pullback in the New Orders Index (down 5.6% to 50.4%). The Supplier Deliveries Index also showed slightly slower deliveries.
- With the start of the new fiscal year, which started on October 1, 2025, the U.S. Federal Government entered a shutdown after Congress failed to pass appropriations bills to fund government operations. The impasse reflects deep partisan disagreement over spending levels, healthcare subsidies, and policy riders.
- Due to the shutdown, key federal agencies that produce economic data, such as the Bureau of Labor Statistics (BLS) and the Bureau of Economic Analysis (BEA) suspended their operations. This immediately halts the release of critical economic reports, such as non-farm payrolls, jobless claims reports, and inflation figures, leaving policymakers, investors, and the public without crucial information on the economy's health.
- The FOMC meeting minutes, released on October 8, 2025, revealed that while most members supported further interest rate cuts in 2025, there was some division within the committee over the appropriate pace and magnitude of easing. Officials voiced concern over signs of a softening labor market, even as they acknowledged lingering upside risks to inflation, which they anticipate will gradually converge towards the Fed's 2% target.

Portfolio Changes

- Staff completed cash redemptions of approximately \$500 million from seven external Non-U.S. Equity managers in the last week of September and early October. As part of rebalancing, \$330 million has been reallocated to the Internal Global Risk Parity strategy mandate.

Top/Bottom Performing Public Market Asset Classes (September 12 – October 9)



Board Meeting VI.B



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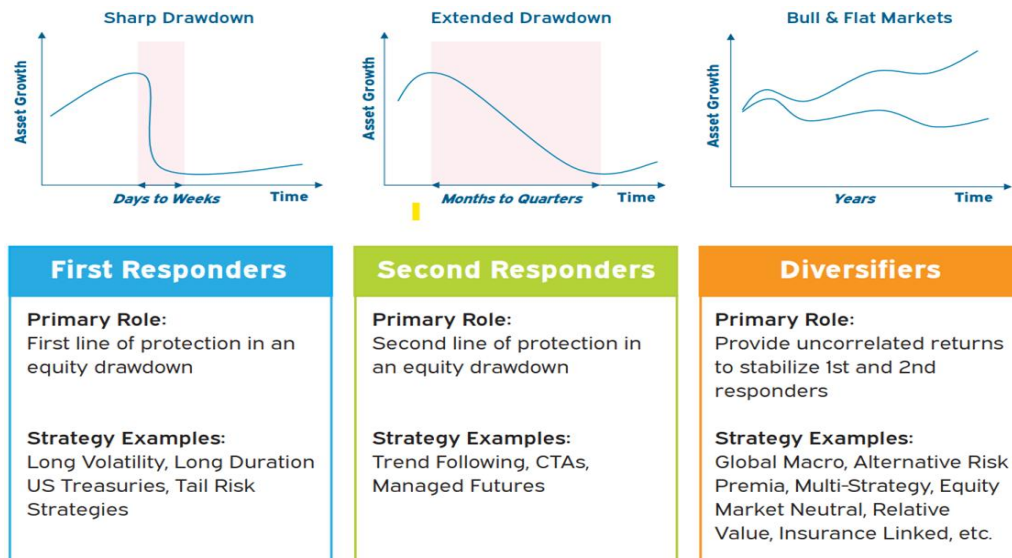
DATE: October 15, 2025
 TO: OPERS Retirement Board Members
 FROM: Paul Greff, Chief Investment Officer
 Avi Barua, Portfolio Manager – Internal Global Equity
 RE: **VI. For Your Information:**
B. Risk Mitigation Strategies Update

Purpose

This memo provides an update on the implementation of the Risk Mitigation Strategies (RMS) allocation, which is a newly approved exposure within OPERS' strategic asset allocation for both the Defined Benefit (DB) and Health Care (HC) Funds.

Background

The OPERS Board (Board) approved a long-term 10% allocation to RMS in late 2024 for the DB Fund and early 2025 for the HC Fund. RMS consists of three categories, which serve different purposes during market drawdowns. The OPERS Board consultant's, Meketa Investment Group (Meketa), visualization of those categories or responder types is shown below followed by a brief description of each category.

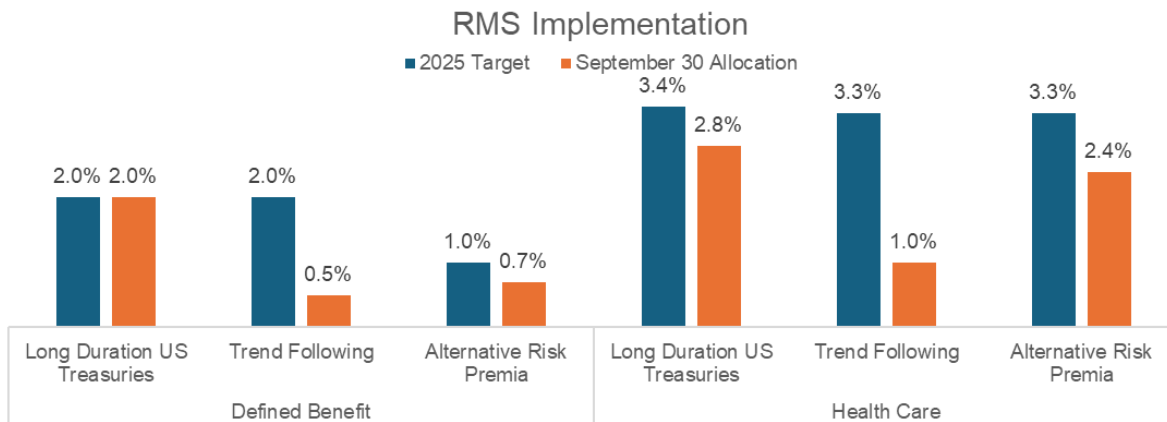


- **First Responders:** Designed to protect against sharp, short-term equity drawdowns (days to weeks). Strategies include Long Volatility, Tail Risk Hedging, and Long Duration US Treasuries.
- **Second Responders:** Provide protection during extended market downturns (months to quarters). Strategies include Trend Following, Commodity Trading Advisors, and Managed Futures.
- **Diversifiers:** Offer uncorrelated returns to stabilize the portfolio over the long term. Strategies include Global Macro, Alternative Risk Premia, Equity Market Neutral, and Relative Value.

Implementation Plan

Meketa and Investment staff (Staff) developed a phased funding plan for the RMS allocation. The First Responder category will be initially populated by long-duration U.S. Treasury bonds that will be managed internally. The Second Responder group will be funded with internal and external dedicated trend following strategies. Finally, the Diversifier grouping will be filled with unique external and internal investment approaches that are expected to further diversify the OPERS Funds away from equity growth risk.

The chart below shows both the DB and HC Funds long-term and current exposures as of September 2025.



RMS Allocation Overview

Long Duration US Treasuries

- **Implemented:** May 2025
- **Funding:** \$2.5 billion (DB Fund sourced from Fixed Income; HC Fund sourced from Public Equity)
- **Objective:** Match Bloomberg U.S. Treasury 20+ Year Index via full replication
- **Management:** Chris Riddle, Portfolio Manager – Fixed Income; oversight by Mark Ehresman, Senior Portfolio Manager – Fixed Income
- **Status:** On track for full implementation by end of 2026

Trend Following

- **Implemented:** June 2025
- **Funding:** \$675 million (sourced from Commodities for both funds)
- **Objective:** Gain exposure to trending asset classes via four cross-asset, rules-based Quantitative Investment Strategies (QIS) offered by investment banks
- **Management:** Avi Barua, Portfolio Manager – Internal Global Equity; oversight by Erick Weis, Senior Portfolio Manager – Internal Global Equity
- **Status:** Additional exposure via external managers in progress; full allocation expected by end of 2026

Alternative Risk Premia

- **Existing Exposure:** P/E Global FX, managed externally, previously classified as Opportunistic
- **Reclassification:** Based on Meketa’s recommendation, reallocated to RMS in May 2025 (\$1.2 billion market value)
- **Objective:** Achieve strategic exposure to the foreign currency market through an actively managed approach with a specialized external manager.
- **Management:** Ryan Casebolt, Portfolio Manager – External Public Markets
- **Status:** Additional strategies to be added in 2026

Performance Update

Risk Mitigation Strategies Performance*	Inception	
	YTD	Date
Long Duration US Treasuries	5.18%	5/31/25
Trend Following	5.30%	6/30/25
Alternative Risk Premia	-2.38%	4/30/25

*Estimated returns as of September 30, 2025

Next Steps

Staff will continue to implement and monitor RMS allocations, with the goal of achieving long-term target exposures in both funds by the end of 2026. Updates will be provided as additional strategies are funded and as searches for external managers’ progress.

