

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 10:45 a.m., Tuesday, January 14, 2025

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

Member absent: Mr. Jim Tilling.

Also present: Ms. Tonya Brown, Deputy Executive Director; 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 provided the Board with a resignation letter from Mr. Randy Desposito effective January 12, 2025. Mr. Deposito thanked the Board and staff for the opportunity to serve on the OPERS Board.

Mr. Richter moved, Ms. Albers seconded, to approve the minutes of the meeting held November 19, 2024 (as amended), and the disability report (see Appendix to the Minutes for report).

Roll call vote was taken as follows: Ms. Albers, aye; Mr. Kunk, aye; Ms. Madden, aye; Mr. Richter, aye; Mr.

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

The motion passed with all ayes.

Mr. Thomas presented the names for the selection of the Chair and Vice Chair.

Mr. Thomas moved, Mr. Kunk seconded, to nominate Mr. Chris Mabe as Chair and Mr. Stewart Smith as Vice-Chair.

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

The motion passed with all ayes.

Mr. Nick Kotsonis, Senior Investment Analyst, provided an economic outlook. Mr. Kotsonis is OPERS' internal economist and is responsible for producing economic research for the internal investment staff. He shared his current outlook on the economy and reviewed key topics such as growth, inflation, and the U.S. labor market.

The Board recessed for a short break.

After recess, the Chair proceeded with the agenda.

Ms. Alison Adams from Meketa provided an external view of the economic outlook.

Mr. Gatien and Mr. Anthony Tedesco, Government Relations Officer, provided an update on OPERS' state and federal issue advocacy. Also participating in the discussion were Ms. Jeannine Markoe Raymond, Director of Federal Relations for NASRA and Mr. Leigh Snell, Federal Relations Director for the National Council on Teacher Retirement. They provided an update on OPERS' legislative efforts on the state level in 2024 and discussed the recent passage of the repeal of the Windfall Elimination Provision and Government Pension Offset.

Staff presented a resolution to recognize the efforts that the late Senator J. Kirk Schuring provided to OPERS over the past several years.

Ms. Albers moved, Mr. Smith seconded, to present the following resolution to Senator Schuring's family:

WHEREAS, the Board of Trustees and staff of the Ohio Public Employees Retirement System extend our sincere condolences to the family and friends of Senator J. Kirk Schuring following his passing; and

WHEREAS, Kirk Schuring was dedicated to and passionate about public service for more than 32 years; and

WHEREAS, Kirk Schuring was a true statesman, a man of conviction, and a model for other legislators to emulate; and

WHEREAS, Kirk Schuring was well respected across Ohio and beyond for his commitment, engagement, attention to detail, and respect for process; and

WHEREAS, Kirk Schuring was a source of institutional knowledge regarding Ohio's public retirement systems and an ardent supporter of retirement security for Ohio's public servants in both the Ohio House of Representatives and Ohio Senate; and

WHEREAS, Kirk Schuring was a voice of reason, a proponent of consensus building, and THE source for practical legislative initiatives related to Ohio's public retirement systems as a long-time member of and the Chairman of the Ohio Retirement Study Council; and

WHEREAS, Kirk Schuring consistently championed legislative changes that supported Ohio's public retirement systems and positively impacted the lives of countless Ohioans; and

WHEREAS, Ohio and its public retirement systems are stronger due to the efforts and contributions of Kirk Schuring; and

WHEREAS, Kirk Schuring was a friend of not only the Ohio

Public Employees Retirement System, but to many individuals within it; and

WHEREAS, Kirk Schuring was always generous with his time, his insights, and his advice; therefore, be it RESOLVED, That the Board of Trustees and staff of the Ohio Public Employees Retirement System express our sincerest gratitude for Kirk Schuring's leadership, partnership, and friendship, and honor his legacy of accomplishments in the furtherance of Ohioans' retirement security; and be it further

RESOLVED, That a copy of this resolution be transmitted to the family of Senator J. Kirk Schuring.

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

The motion passed with all ayes.

The Board recessed at 2:00 p.m. until Wednesday, January 15, 2025, at 9:00 a.m.

The Board reconvened at 9:10 a.m. January 15, 2025, and the Vice-Chair proceeded with the Board agenda.

All Board members from the previous day were present, except for Ms. Albers and Mr. Mabe who entered the meeting later.

Mr. Smith proceeded as Chair in Mr. Mabe's absence.

Based on the resignation of Mr. Randy Desposito, staff developed a schedule for the Board to fill Mr. Desposito's unexpired term. Mr. Harrell and Ms. Starr reviewed the proposed vacancy schedule.

Mr. Thomas moved, Mr. Richter seconded, to approve the schedule and manner by which the Board will select a replacement for the Non-teaching College/University

employee representative seat which became vacant in January 2025 as reviewed and discussed with staff.

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

The motion passed with all ayes.

Mr. Greff provided the preliminary returns for fiscal year 2024 and provided a brief 2025 outlook.

(Mr. Mabe and Ms. Albers entered the meeting during Mr. Greff's presentation.)

Mr. Mabe proceeded as the Chair.

Mr. David Sancewich from Meketa presented their investments market outlook for 2025.

Mr. Craig Hallermann, Actuary and Ms. Lai Woo, Senior Financial Analyst, provided a presentation on the 2024 preliminary estimate of the pension funded ratio and the health care solvency.

Ms. Carraher and Mr. Hallermann provided a health care primer for the 2025 health care asset liability study. They reviewed background on prior health care funding decisions prior to the finalization of the health care fund asset liability study. They also reviewed additional information on past decisions and the differences between pension funding decisions and health care funding decisions.

The Board recessed for lunch.

After recess, the Chair proceeded with the agenda.

Mr. David Sancewich from Meketa reviewed two asset allocation mixes they are recommending for the Health Care Fund. They reviewed the pros and cons of each mix, as well as the preferred option of Meketa and Investment staff. A

Board member had asked for additional discussion on a third mix, and they reviewed that with the Board.

After discussion, Mr. Richter moved, Ms. Albers seconded, to approve the recommended target asset allocation mix presented by Meketa and Investment staff, as outlined below:

U.S. Equity	24%
Equity ex-US	23%
Core Fixed Income	17%
Public Credit	16%
Inflation Assets	7%
Risk Parity (10% vol)	3%
Risk Mitigating	10%

Roll call vote was taken as follows: Ms. Albers, aye; Mr. Kunk, aye; Ms. Madden, aye; Mr. Richter, aye; Mr. Smith, aye; Mr. Steitz, nay; Mr. Thomas, aye; Mr. Toth, aye; Mr. Mabe, aye.

The motion passed with eight ayes and one nay.

Mr. Harrell provided the annual review on the compliance with legal, administrative and policy requirements that were required during the prior year. Each requirement was addressed during the calendar year.

Ms. Wilhelm recognized this year's Neil V. Toth award winner and finalists. They are:

1. Tracy Allen
2. Tonia Carrizales
3. Jeremy Polley
4. Katie Spang

Ms. Tracy Allen was announced as the 2024 Neil V. Toth Leadership Award winner at a ceremony on January 8, 2025.

The Executive Director report was included in the meeting materials.

Mr. Thomas moved, Mr. Smith seconded, the meeting be adjourned until the next regular meeting to be held Tuesday, February 18, 2025, at 8:30 a.m.

The motion passed without dissent.

The meeting adjourned at 12:45 p.m.