

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, August 19, 2026.

Members present: Mr. Hottinger; Mr. Kunk; Mr. Richter; Mr. Russell Smith; Mr. Steitz; Mr. Thomas; and Mr. Toth. (Ms. Julie Albers and Mr. Garber entered the meeting later).

Members absent: Mr. Stewart Smith and Mr. Mabe.

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; Mr. Eric Harrell, General Counsel; Mr. Stephen Kell, Director Information Technology; Ms. Jenny Starr, Chief Financial Officer; and Ms. Caroline Stinziano, Director Internal Audit; and Ms. Ciji Wilhelm, Director Human Resources.

Mr. Toth moved, Mr. Richter second, to excuse Mr. Mabe and Mr. Stewart Smith from the August 19, 2026 meeting.

The motion passed without dissent.

Mr. Toth moved, Mr. Hottinger second, to have Mr. Thomas act as chair during the August Board Meeting in absence of Mr. Mabe, Chair; and Mr. Stewart Smith, Vice-Chair.

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

The motion passed with all ayes.

Mr. Hottinger moved, Mr. Toth seconded, to approve the minutes of the meeting held July 14-15, 2026 and the disability report (see Appendix to the Minutes for report).

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

The motion passed with all ayes.

Mr. Thomas presented out-of-state travel approval for Mr. Jay Hottinger and Mr. Ken Thomas to attend the 2026 National Association of Government Defined Contribution Administrators Annual (NAGDCA) Conference in Orlando, FL on September 25 through October 1, 2026.

Mr. Toth moved, Mr. Richter seconded, to approve out-of-state travel for Mr. Jay Hottinger and Mr. Ken Thomas to attend the NAGDCA Conference in Orlando, FL on September 25 through October 1, 2026.

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

The motion passed with all ayes.

Mr. Harrell presented the list of candidates for the 2026 Board election for College/University, Municipal, State, and Retiree Board seats. The candidates are:

College/University

Russel Smith (unopposed)

Municipal

Daniel Sferra (unopposed)

State

None

Retiree

Steve Toth (unopposed)

As Mr. Russell Smith (College/University), Mr. Sferra (Municipal), and Mr. Toth (Retiree) are unopposed for their seats, according to Ohio Revised Code Section 145.052, they will be deemed to take office for that seat as if they were elected. Mr. Russell Smith, Mr. Sferra, and Mr. Toth will begin a new Board term in January 2027. As there are no candidates for the State employee seat, that seat will become vacant in January 2027. That vacancy will be filled in accordance with Ohio Revised Code Section 145.06. Information regarding the process for filling the vacancy will be presented to the Board at a future meeting.

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

Mr. Hottinger moved, Mr. Kunk seconded, to certify the candidates listed above for the 2026 Board election for College/University, Municipal, State, and Retiree Board seats.

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

The motion passed with all ayes.

Ms. Brown, Ms. Carraher, and Mr. Foster presented the Health Reimbursement Arrangement (HRA) approval for 2027 through 2030. The approval would increase the Pre-Medicare HRA allowance from \$1,200 to \$1,300 effective January 1, 2027 through 2030; and maintain the Medicare HRA allowance at \$400 through 2030.

Mr. Toth moved, Mr. Russell Smith seconded, to approve the proposed HRA approval for 2027 through 2030.

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

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

The motion passed with all ayes.

Mr. Lincoln Carnam, Assistant Portfolio Manager, and Ms. DeAnne Mannion, Deputy Chief Investment Officer, presented the new Ohio Deferred Compensation (ODC) Investment policy for approval of the proposed changes to the ODC Investment Objectives and Asset Allocation Policy, which authorize OPERS Investment staff to implement and manage the ODC program in accordance with the Board's direction.

(Mr. Garber entered the meeting during the presentation.)

Ms. Albers moved, Mr. Kunk seconded, to approve the new ODC Investment policy as recommended by staff.

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

The motion passed with all ayes.

Mr. David Sancewich and Ms. Allison Adams presented the results of the Private Equity Benchmark review, recommending a change to the policy and asset class benchmarks for the OPERS Defined Benefit portfolio beginning January 1, 2027.

Mr. Richter moved, Mr. Kunk seconded, to approve the recommended benchmark changes.

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

The motion passes with all ayes.

Mr. Mita Drazilov, Mr. James Sparks, and Mr. Jeff Tebeau from Gabriel, Roeder, Smith & Company discussed the Health Care Valuation and 50-year projection.

Ms. Carraher discussed Strategic Planning follow up items from the off-site Board meeting held in July.

The Executive Director report was included in the meeting materials.

The Board recessed for lunch.

After lunch, Mr. Thomas proceeded with the agenda.

Mr. Mita Drazilov, Mr. James Sparks, and Mr. Jeff Tebeau from Gabriel, Roeder, Smith & Company reviewed the Demographic and Economic Assumptions recommended for actuarial valuation purposes based on the five-year experience study for the period of 2021 through 2025.

They reviewed the following assumptions:

- Demographic assumptions: Rates of withdrawal or turnover; Rates of disability; Rates of retirement; rates of mortality or death; rates of merit and seniority wage increases
- Economic assumptions: Investment return rate; Wage inflation rate; Price inflation rate; Cost-of-Living Adjustment (COLA) rate

Mr. Mita Drazilov, Mr. James Sparks, and Mr. Jeff Tebeau reviewed in detail the recommended changes to both the demographic and economic assumptions.

(Mr. Kunk left during the presentation.)

After discussion Mr. Hottinger moved, Mr. Richter seconded, to approve option 3 as discussed and outlined below:

- Increase the price inflation assumption from 2.35% to 2.40%
- Decrease the discount rate to 6.85%
- Increase the wage inflation assumption to 3.00%
- Accept all demographic changes

Roll call vote was taken as follows: Ms. Albers, aye; Mr. Garber, aye; Mr. Hottinger, aye; Mr. Richter, aye; Mr. Russell Smith, aye; Mr. Steitz, nay; Mr. Toth, nay; Mr. Thomas, aye.

The motion passed with six ayes and two nays.

The Board recessed for a short break.

(Mr. Kunk re-entered the meeting.)

Mr. David Sancewich and Ms. Allison Adams discussed the second quarter 2026 preliminary results and provided a presentation on severe equity market drawdowns and its impacts to the OPERS portfolio.

Ms. Albers moved, Mr. Hottinger seconded, to enter into executive session to discuss pending or imminent litigation matters.

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

The motion passed with all ayes.

By acclimation, the Board came out of executive session.

Ms. Albers moved, Mr. Russell Smith seconded, the meeting to be adjourned until the next regular meeting to be held Wednesday, September 16, 2026 at 9:00 a.m.

The motion passed without dissent.

The meeting adjourned at 4:00 p.m.