

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 16, 2026.

Members present: Mr. Garber; Mr. Kunk; Mr. Stewart Smith; Mr. Steitz; Mr. Thomas; Mr. Toth; and Mr. Mabe. (Mr. Hottinger entered the meeting later.)

Members absent: Ms. Albers; Mr. Richter; and Mr. Russell Smith.

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

Mr. Thomas moved, Mr. Steitz seconded, to excuse the absence of Ms. Albers and Mr. Russell Smith.

The motion passed without dissent.

(Mr. Hottinger entered the meeting.)

Mr. Thomas moved, Mr. Toth seconded, to approve the minutes of the meeting held August 19, 2026, and the disability report (see Appendix to the Minutes for report).

Roll call vote was taken as follows: Mr. Garber, aye; Mr. Hottinger, aye; Mr. Kunk, aye; Mr. Stewart Smith, aye; Mr. Steitz, aye; Mr. Thomas, aye; Mr. Toth, aye; and Mr. Mabe, aye.

The motion passed with all ayes.

Mr. Thomas reported that the Personnel Committee met on August 19, 2026, and provided a report out of the agenda item discussed as part of the meeting. During the Personnel Committee, Ms. Wilhelm reviewed the following action item and the committee recommended approval by the full Board:

- The 2027 Investment Division Incentive Compensation Plan Document.

Mr. Stewart Smith moved, and Mr. Thomas seconded to approve the 2027 Investment Division Incentive Compensation Plan.

Roll call vote was taken as follows: Mr. Garber, aye; Mr. Hottinger, aye; Mr. Kunk, aye; Mr. Stewart Smith, aye; Mr. Steitz, aye; Mr. Thomas, aye; Mr. Toth, aye; Mr. Mabe, aye.

Motion passed with all ayes.

Ms. Lai, Woo, Senior Financial Analyst, reviewed the employer and member contribution rates to employers reporting under the state division for the biennium period July 1, 2027, through June 30, 2029.

Mr. Stewart Smith moved, and Mr. Thomas seconded to certify employer and member contribution rates to employers reporting under the state division for the period July 1, 2027 through June 30, 2029 as follows:

	<u>Employer Rates</u>	<u>Member Rates</u>	<u>Total Rates</u>
State (Non Law/Non P.S.)	14.00%	10.00%	24.00%
Law Enforcement	18.10%	13.00%	31.10%
Public Safety	18.10%	12.00%	30.10%

Roll call vote was taken as follows: Mr. Garber, aye; Mr. Hottinger, aye; Mr. Kunk, aye; Mr. Stewart Smith, aye;

Mr. Steitz, aye; Mr. Thomas, aye; Mr. Toth, aye: and Mr. Mabe, aye.

Motion passed with all ayes.

Ms. Lai Woo, reviewed the 2027 employer contribution rate allocation.

Mr. Toth moved, Mr. Kunk seconded, to approve the allocation of the employer contribution rate to pension of 14% and the allocation for the employer contribution rate to health care of 0%, effective January 1, 2027.

Roll call vote was taken as follows: Mr. Garber, aye; Mr. Hottinger, aye; Mr. Kunk, aye; Mr. Stewart Smith, aye; Mr. Steitz, aye; Mr. Thomas, aye; Mr. Toth, aye; and Mr. Mabe, aye.

Ms. Debbie McCarthy, Government Relations Officer - Legal Counsel, reviewed the 2026 five-year administrative rule changes as recommended by staff.

Mr. Stewart Smith moved, and Mr. Kunk seconded to approve the following:

- 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;
- Authorize the Executive Director to execute Amendment Twenty to the Member-Directed plan document, and to restate the Member-Directed Plan with all amendments adopted, as set forth in this memorandum;
- Authorize the Executive Director to execute Amendment One to the Combined plan document, as set forth in this memorandum;
- Authorize the Executive Director to execute Amendment One to the Ohio Deferred Compensation Program plan document, as set forth in this memorandum.

Roll call vote was taken as follows: Mr. Gaber, aye; Mr. Hottinger, aye; Mr. Kunk, aye; Mr. Stewart Smith, aye; Mr. Steitz, aye; Mr. Thoams, aye; Mr. Toth, aye; and Mr. Mabe, aye.

Motion passed with all ayes.

Ms. Patti Gazda, Corporate Governance Officer, provided a review of the current year's proxy season and reviewed the Corporate Governance Plan for the 2027 proxy season. She reviewed the program's objectives, provided an overview of the recent proxy season, and the 2027 Corporate Governance Plan.

Mr. Hottinger moved, and Mr. Kunk seconded, to approve the Corporate Governance Plan for the 2027 proxy season as reviewed and discussed with staff.

Roll call vote was taken as follows: Mr. Gaber, aye; Mr. Hottinger, aye; Mr. Kunk, aye; Mr. Stewart Smith, aye; Mr. Steitz, aye; Mr. Thomas, aye; Mr. Toth, aye; and Mr. Mabe, aye.

Motion passed with all ayes.

Mr. Lincoln Carnam, Assistant Portfolio Manager, and Ms. Lauren Gresh, Deputy Executive Director, reviewed the Member Directed Plan fees update and mitigating rate review. Staff recommended a revenue-neutral rebalanced fee structure to cover plan expenses, fully fund the mitigating rate, and simplify the internal and external fee structure.

(Mr. Thomas left the Board meeting and did not return.)

Mr. Stewart Smith moved, and Mr. Kunk seconded, to approve the following:

- Increase the administrative fee from 0.26% to up to 0.50% of the employer contributions.
- Retain the \$6 monthly recordkeeping fee for active and inactive members.

- Continue using Member-Directed Plan forfeitures/reserves to fund the mitigating rate and administrative expenses while the Retiree Medical Account uses its employer contributions and fund assets to credit accounts and interest.

Roll call was taken as follows: Mr. Gaber, aye; Mr. Hottinger, aye; Mr. Kunk, aye, Mr. Stewart Smith, aye; Mr. Steitz, aye; Mr. Toth, aye; and Mr. Mabe, aye.

Motion passed with all ayes.

Mr. Craig Hallermann, Senior Actuary, presented the results of the Alternative Retirement Plan (ARP) Mitigating Rate Study. The recalculated mitigating rate is 2.07% of pay. The updated rate will take effect July 1, 2027.

Ms. Jenny Starr, Director of Finance, and Mr. Lincoln Carnam, Assistant Portfolio Manager, provided an update on Ohio Deferred Compensation (ODC) Program fees. Staff recommended maintaining the current ODC administrative fee structure over the next five years while completing a recordkeeping transition and related operational initiatives.

Mr. Steve Merriett, Assistant Director of Investment Accounting Operations and Compliance, and Ms. DeAnne Mannion, Deputy Chief Investment Officer, provided an update on investment fees associated with the OPERS Defined Benefit, Health Care, and Defined Contributions Funds. Staff reviewed external manager cost and fee trends, as well as a comparison of these costs with peer funds.

Mr. Lincoln Carnam, Assistant Portfolio Manager, Ms. Hannah Schriener, and Ms. Allison Adams of Meketa provided the annual review of the OPERS Member Directed Plan. Staff reviewed the funds investment options, performance, expenses, and key initiatives from the past year, and discussed plans for the upcoming year.

Mr. David Sancewich and Ms. Allison Adams of Meketa

provided an asset class update on active versus passive investing. The presentation reviewed manager outperformance trends and the role of active and passive investment strategies within the OPERS Defined Benefit and Health Care Funds.

Mr. Rajeev Ranade from Meketa provided an asset class update on real estate. The presentation included an overview of the real estate portfolio and current market environment.

The Board recessed for lunch.

Mr. Paul Greff, Chief Investment Officer, provided the Chief Investment Officer update. Mr. Greff discussed current investment activities, market conditions, and matters affecting the OPERS investment portfolio.

The Executive Director report was included in the meeting materials.

Mr. Hottinger moved, and Mr. Stewart Smith seconded, the meeting to be adjourned until the next regular meeting to be held Wednesday, October 21, 2026 at 9:00 a.m.

The motion passed without dissent.

The meeting adjourned at 12:20 p.m.