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4. Investments (Continued)

Omaha School Employees Retirement Plan Investments at December 31, 2025

	Fair Value	Effective Duration
Debt Securities:		
Asset Backed Securities	$ 21,264,212	1.55
Bank Loans	30,474,551	0.05
Commingled Funds	153,393,402	4.41
Corporate Bonds	180,081,183	4.48
Derivative Instruments	(96,549)	-
Government Agency Securities	1,742,705	5.15
Government Agency Strips	21,271	4.21
International Notes and Bonds	26,173,671	6.72
International Government Agency Securities	5,789,871	5.61
Mortgages	87,140,090	4.52
Municipal Bonds	2,528,166	7.06
Short Term Investments	5,096,791	0.01
U.S. Treasury Bills	59,159	0.06
U.S. Treasury Strips	1,668,959	9.85
U.S. Treasury Notes and Bonds	98,454,300	7.76
	613,791,782	
Other Investments:		
Commingled Funds	743,689,776	
Equity Securities	428,544,291	
Private Equity	76,006,773	
Derivative Instruments	761,413	
Private Real Estate	106,378,274	
Total Investments	1,969,172,309	
Securities Lending Collateral	124,673,705	
Total	$ 2,093,846,014	

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of a debt investment's exposure to fair value changes arising from changes in interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investments full price. The State does not have a policy that addresses interest rate risk.

The Plan investments at December 31, 2025, were presented above. All investments are presented by investment type, and debt securities are presented with an effective duration presented in years.

Credit Risk of Debt Securities. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The State has contracts with investment managers that include specific investment guidelines. For the core fixed income accounts, these guidelines set the minimum average credit quality rating of the account at an A. Exposure to any single investment grade issuer, excluding the obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government, is limited to 5 percent. For issuers below investment grade, the maximum exposure is 3 percent. In other fixed income accounts, the guidelines restrict exposure to any single corporate issuer to no more than 5 percent. The primary government's rated debt investments as of December 31, 2025, were rated by Standard and Poor's or Moody's based on the greatest degree of risk.