



April 21, 2022 HPRS Board Meeting Highlights

The Highlights correspondence is aimed at providing timely information to our membership about HPRS meetings, since board minutes cannot be approved and posted until after the next board meeting. Below are the highlights from the April 21, 2022, HPRS Board meeting.

Trustee Election

There are two trustee positions up for election:

On July 31, 2022, the term of Sergeant Christian Niemeyer as employee-member trustee of the retirement board will end and the term of Major (retired) Darryl Anderson as retiree-member trustee will end. Pursuant to Ohio Administrative Code 5505-9-01, an election will be held to fill these seats for the next four-year term, from August 1, 2022 through July 31, 2026. Active employees, including DROP members, vote in the employee-member election and retired members vote in the retiree-member election. Eligibility shall be determined on the first Monday in April of the election year. If you retire after this date, you will still vote in the employee election. There will be no election if only one Candidacy Form is received for the employee-member election, and only one Candidacy Form is received for the retiree-member election.

Information will be distributed via Virtual Roll Call for active members the beginning of May and will be mailed the beginning of May for retired members. The deadline for receipt of Candidacy Forms is May 27, 2022.

Health, Wellness, and Disability Committee Update

The board denied one disability application and approved two disability applications for in-the-line-of-duty disability retirement.

Health Care Funding Committee Update

The projected 2023 premiums for health care, based solely on the HPRS Cost-Sharing Policy, were discussed. A brief update was provided on the Retiree Impact Analysis done by WTW. This analysis examined the impact of a Health Reimbursement Arrangement on the retirees, spouses, and surviving spouses (age 50-64), based on 2021 experience. The quarterly health care expense report was reviewed. You are encouraged to attend these meetings to gain a better understanding of the challenges the board faces with providing health care benefits.

Audit Committee Update

The board directed the HPRS executive director to hire the Summit County Internal Audit Department to provide internal audit services. This is for an annual internal audit to review internal control processes for compliance with HPRS policies as well as the Ohio Revised Code and Administrative Code.

Total Fund Update

One of the most important responsibilities of the board is making investment decisions. Investment returns are critical to the viability of our system, as they provide for more than 2/3 of the benefits paid. The board spends a considerable amount of time working with its investment consultant planning, researching, and discussing ways to enhance our portfolio. Although the final numbers are not complete, the latest report indicates a 15.9% return for 2021. Year-to-date returns show an estimated loss of 5.8% as of April 20th. HPRS assets are currently at approximately \$1.056 billion. Below is a snapshot of HPRS's portfolio as of April 20, 2022:

HPRS PORTFOLIO SNAPSHOT: 4/20/2022

	3/31/2022		Market Adjust. Est. 4/20/22			Interim Target	LT Strategic	
	\$ MM	%	Change	\$1,000s	%		Target	Range
Public Equity	\$520.1	48.7%	-2.0%	\$509.5	48.3%	50.0%	51.0%	
Global Equity	\$228.5	21.4%	-2.3%	\$223.2	21.2%	24.0%	24.0%	
Domestic Equity	\$233.1	21.8%	-1.3%	\$230.1	21.8%	20.0%	21.0%	
International Equity (EM, SC)	\$58.5	5.5%	-3.9%	\$56.2	5.3%	6.0%	6.0%	
Alternatives Investments	\$296.6	27.8%	0.0%	\$296.6	28.1%	24.0%	23.0%	
Absolute Return	\$97.3	9.1%	0.0%	\$97.3	9.2%	6.0%	6.0%	
Private Equity	\$165.4	15.5%	0.0%	\$165.4	15.7%	14.0%	13.0%	
Real Assets	\$33.9	3.2%	0.0%	\$33.9	3.2%	4.0%	4.0%	
Real Estate	\$71.5	6.7%	0.0%	\$71.5	6.8%	8.0%	8.0%	
Fixed Income	\$180.1	16.9%	-1.2%	\$177.9	16.9%	18.0%	18.0%	
Core Fixed Income	\$42.6	4.0%	-3.7%	\$41.0	3.9%	6.0%	6.0%	
Opportunistic	\$86.0	8.1%	-0.8%	\$85.4	8.1%	9.0%	9.0%	
Cash	\$51.5	4.8%	0.0%	\$51.5	4.9%	3.0%	3.0%	
Total Pension	\$1,068.3	100.0%	-1.2%	\$1,055.5	100.0%	100.0%	100.0%	

Estimated Year-to-Date Return (including the above est.): **-5.8%**



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Special Committee on Funding Policy

A special committee on funding policy was created October 20, 2021. The committee and HPRS staff worked with Foster & Foster Actuarial Consultants to establish a revised HPRS policy that better guides the board in setting cost of living adjustment, the active member contribution rate, and allocation to the health care fund.

Retirement Applications and Survivor Benefits

Since the February 17, 2022 board meeting, the HPRS board approved four active member retirement applications for age and service, no deferred retirement applications, six retirements from DROP, and three survivor benefits.

Upcoming Events

For a complete list of upcoming events and information, check the HPRS website at www.ohprs.org.

Future Meeting Dates

On Wednesday, May 18, 2022, committee meetings will start at 1300 hours, starting with the Health, Wellness, & Disability Committee meeting, followed by the Health Care Funding Committee.

On Wednesday, June 15, 2022, committee meetings will start at 1300 hours, starting with the Administration Committee, followed by the Health, Wellness, & Disability Committee, and then the Health Care Funding Committee.

On Thursday, June 16, 2022, beginning at 0900 hours, the Audit Committee will meet, followed by the Investment Committee at 0930 hours, and the Board meeting immediately following.

Some committee meetings may be canceled from time to time. Please check the HPRS website at www.ohprs.org for the most current meeting dates and times.

If you have questions about HPRS, board meetings, or retirement, please contact Executive Director Carl Roark at 614.430.3557.