



## August 19, 2021 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 August 19, 2021, HPRS Board meeting.

### Trustee Election

As a result of the July 23, 2021 ballot counting, Sergeant (ret.) Michael Kasler was re-elected as a retiree member trustee, Trooper Brice Nihiser was re-elected as an active member trustee, and Trooper Derek Malone was elected as an active member trustee, and all three were sworn in during the August board meeting.

### Election of Chair and Vice-Chair

Captain Matthew Them was elected as the board chair, and retired Major Darryl Anderson was elected as the vice-chair.

### Actuarial Update

Ohio Revised Code (ORC) 5505.121 requires HPRS to be able to amortize its unfunded actuarial accrued liabilities within a period of 30 years, and ORC 5505.12 requires an annual actuarial valuation of HPRS's pension assets, liabilities, and funding requirements. These statutes also require periodic reviews of the assumptions used in the annual valuations of our system.

Foster & Foster Actuaries and Consultants presented the December 31, 2020 final actuarial valuation for HPRS. The assumption and benefit changes approved produced a 22-year amortization period and a funded ratio of 70.2% for the pension system. The health care fund is projected to remain solvent until 2031.

Employee contribution and allocation to the health care fund will remain at 14% and 0% respectively. Eligible retirees will receive a 3% Cost-of-Living Adjustment (COLA) in 2022.

### 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. The portfolio has performed well, with Year-to-date returns showing an estimated gain of 10.1% as of August 17<sup>th</sup>. HPRS assets are currently at approximately \$1,086 billion.

Below is a snapshot of HPRS's portfolio as of August 17, 2021:

## HPRS PORTFOLIO SNAPSHOT: 8/17/2021

	7/31/2021		Market Adjust. Est. 8/17/21			Interim Target	LT Strategic	
	\$ MM	%	Change	\$1,000s	%		Target	Range
<b>Public Equity</b>	<b>\$574.7</b>	<b>52.9%</b>	<b>0.0%</b>	<b>\$574.9</b>	<b>52.9%</b>	<b>51.0%</b>	<b>51.0%</b>	
Global Equity	\$255.1	23.5%	-0.5%	\$253.8	23.4%	24.0%	24.0%	
Domestic Equity	\$249.7	23.0%	1.0%	\$252.2	23.2%	21.0%	21.0%	
International Equity (EM, SC)	\$69.9	6.4%	-1.5%	\$68.9	6.3%	6.0%	6.0%	
<b>Alternatives Investments</b>	<b>\$256.8</b>	<b>23.7%</b>	<b>0.0%</b>	<b>\$256.8</b>	<b>23.7%</b>	<b>23.0%</b>	<b>23.0%</b>	
Absolute Return	\$99.1	9.1%	0.0%	\$99.1	9.1%	8.0%	6.0%	
Private Equity	\$133.2	12.3%	0.0%	\$133.2	12.3%	11.0%	13.0%	
Real Assets	\$24.5	2.3%	0.0%	\$24.5	2.3%	4.0%	4.0%	
<b>Real Estate</b>	<b>\$68.0</b>	<b>6.3%</b>	<b>0.0%</b>	<b>\$68.0</b>	<b>6.3%</b>	<b>8.0%</b>	<b>8.0%</b>	
<b>Fixed Income</b>	<b>\$186.2</b>	<b>17.2%</b>	<b>-0.1%</b>	<b>\$186.1</b>	<b>17.1%</b>	<b>18.0%</b>	<b>18.0%</b>	
Core Fixed Income	\$63.0	5.8%	-0.3%	\$62.8	5.8%	6.0%	6.0%	
Opportunistic	\$84.2	7.8%	0.1%	\$84.3	7.8%	9.0%	9.0%	
Cash	\$39.0	3.6%	0.0%	\$39.0	3.6%	3.0%	3.0%	
<b>Total Pension</b>	<b>\$1,085.7</b>	<b>100.0%</b>	<b>0.0%</b>	<b>\$1,085.8</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	

Estimated Year-to-Date Return (including the above est.): **10.1%**



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## Retirement Applications and Survivor Benefits

Since the June 17, 2021 board meeting, the HPRS board approved three active member retirement applications for age and service, four deferred retirement applications, sixteen retirements from DROP, and five survivor benefits.

## Upcoming Events

For a complete list of upcoming events and information, check the HPRS website at [www.ohprs.org](http://www.ohprs.org).

## Future Meeting Dates

On Wednesday, September 15, 2021, committee meetings will start at 1300 hours, starting with the Health, Wellness, & Disability Committee meeting, followed by the Health Care Funding Committee, and then the Investment Committee.

On Wednesday, October 20, 2021, 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, October 21, 2021, beginning at 0900 hours, the Audit Committee will meet, immediately followed by the Investment Committee and the Board meeting.

Some committee meetings may be canceled from time to time. Please check the HPRS website at [www.ohprs.org](http://www.ohprs.org) for the most current meeting dates and times.

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