



## August 17, 2023 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 17, 2023, HPRS Board meeting.

### **Trustee Election**

As a result of the 2023 election, Trooper Cynthia Wilt was officially re-elected as an employee-member trustee and was 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, 2022 final actuarial valuation for HPRS. The assumption and benefit changes approved produced a 21-year amortization period and a funded ratio of 73.9% for the pension system. The health care fund is projected to remain solvent until 2037.

Employee contribution will be increased to 14% for 2024, a 0% COLA for 2024, and 0% contribution to the health care fund for 2023.

### **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. Year-to-date returns show an estimated gain of 7.1% as of August 15<sup>th</sup>. HPRS assets are currently at approximately \$1.037 billion. Below is a snapshot of HPRS's portfolio as of August 15, 2023:

## HPRS PORTFOLIO SNAPSHOT: 8/15/2023

	6/30/2023		Market Adjust. Est. 8/15/23			LT Strategic	
	\$ MM	%	Change	\$1,000s	%	Target	Range
<b>Public Equity</b>	<b>\$490.8</b>	<b>47.2%</b>	<b>-0.5%</b>	<b>\$488.2</b>	<b>47.1%</b>	<b>48.0%</b>	
Global Equity	\$214.9	20.7%	-0.8%	\$213.2	20.6%	22.0%	
Domestic Equity	\$218.6	21.0%	0.1%	\$218.8	21.1%	20.0%	
International Equity (EM, SC)	\$57.3	5.5%	-2.0%	\$56.2	5.4%	6.0%	
<b>Alternatives Investments</b>	<b>\$308.0</b>	<b>29.6%</b>	<b>0.0%</b>	<b>\$308.0</b>	<b>29.7%</b>	<b>25.0%</b>	
Absolute Return	\$61.5	5.9%	0.0%	\$61.5	5.9%	6.0%	
Private Equity	\$202.4	19.5%	0.0%	\$202.4	19.5%	15.0%	
Real Assets	\$44.1	4.2%	0.0%	\$44.1	4.3%	4.0%	
<b>Real Estate</b>	<b>\$87.9</b>	<b>8.5%</b>	<b>0.0%</b>	<b>\$87.9</b>	<b>8.5%</b>	<b>8.0%</b>	
<b>Fixed Income</b>	<b>\$152.1</b>	<b>14.6%</b>	<b>0.2%</b>	<b>\$152.4</b>	<b>14.7%</b>	<b>19.0%</b>	
Core Fixed Income	\$33.9	3.3%	-1.5%	\$33.4	3.2%	6.0%	
Opportunistic	\$57.5	5.5%	0.8%	\$58.0	5.6%	9.0%	
Cash	\$60.7	5.8%	0.6%	\$61.1	5.9%	4.0%	
<b>Total Pension</b>	<b>\$1,038.8</b>	<b>100.0%</b>	<b>-0.2%</b>	<b>\$1,036.5</b>	<b>100.0%</b>	<b>100.0%</b>	

Estimated Year-to-Date Return (including the above est.): **7.1%**



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## Retirement Applications and Survivor Benefits

Since the June 15, 2023 board meeting, the HPRS board approved zero active member retirement applications for age and service, four deferred retirement applications, seven retirements from DROP, and four 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).

## **Wellness Program and VISA Gift Cards**

The board recognizes the value of the Wellness Exam and Screening benefit currently offered and desires to continue it. However, the VISA Gift reward that has been provided to participants of both examinations has not resulted in an increased participation. As a result, the VISA Gift cards will only be provided for examinations completed through December 31, 2023. All retirees, spouses, and surviving spouses are encouraged to take advantage of this benefit. Many of our members have shared stories about the medical conditions identified in these examinations that likely saved their life.

## **Future Meeting Dates**

On Wednesday, September 20, 2023, committee meetings will start at 1300 hours, starting with the Health, Wellness, & Disability Committee meeting.

On Wednesday, October 18, 2023, 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 19, 2023, beginning at 0900 hours, the Audit Committee will meet, immediately followed by the Investment Committee and 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 retirement, please contact Executive Director Carl Roark at 614.430.3557.**