



## December 16, 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 December 16, 2021, HPRS Board meeting.

### **2022 Administrative Budget**

The Ohio Retirement Study Council reviewed HPRS's administrative budget for 2022, and the board approved it on December 16<sup>th</sup>. The total budget is approximately \$2.3 million, which is a 3.68% increase from 2021. The budget includes but is not limited to salaries and wages; health care; office expenses; information technology; rent; and professional services such as banking, audit, actuarial, legal, and investment consultant services.

### **Internal Auditor Presented 2021 Report**

Our internal auditor, Summit County Internal Audit Department, presented a clean report on internal controls of HPRS. This year the auditors focused on benefit eligibility, health care premiums, and investment management fees. A small issue was noted regarding the records for benefit eligibility, and HPRS policy was updated to address the issue during the audit.

### **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 13.8% as of December 14<sup>th</sup>. HPRS assets are currently at approximately \$1,121 billion.

Below is a snapshot of HPRS's portfolio as of December 14, 2021:

## HPRS PORTFOLIO SNAPSHOT: 12/14/2021

	10/31/2021		Market Adjust. Est. 12/14/21			Interim Target	LT Strategic	
	\$ MM	%	Change	\$1,000s	%		Target	Range
<b>Public Equity</b>	<b>\$579.5</b>	<b>51.3%</b>	<b>-1.6%</b>	<b>\$570.4</b>	<b>50.9%</b>	<b>51.0%</b>	<b>51.0%</b>	
Global Equity	\$261.7	23.1%	-1.2%	\$258.6	23.1%	24.0%	24.0%	
Domestic Equity	\$247.3	21.9%	-0.7%	\$245.6	21.9%	21.0%	21.0%	
International Equity (EM, SC)	\$70.5	6.2%	-6.0%	\$66.3	5.9%	6.0%	6.0%	
<b>Alternatives Investments</b>	<b>\$281.5</b>	<b>24.9%</b>	<b>-0.1%</b>	<b>\$281.3</b>	<b>25.1%</b>	<b>23.0%</b>	<b>23.0%</b>	
Absolute Return	\$100.8	8.9%	-0.2%	\$100.6	9.0%	8.0%	6.0%	
Private Equity	\$151.5	13.4%	0.0%	\$151.5	13.5%	11.0%	13.0%	
Real Assets	\$29.2	2.6%	0.0%	\$29.2	2.6%	4.0%	4.0%	
<b>Real Estate</b>	<b>\$69.3</b>	<b>6.1%</b>	<b>0.0%</b>	<b>\$69.3</b>	<b>6.2%</b>	<b>8.0%</b>	<b>8.0%</b>	
<b>Fixed Income</b>	<b>\$200.2</b>	<b>17.7%</b>	<b>-0.2%</b>	<b>\$199.8</b>	<b>17.8%</b>	<b>18.0%</b>	<b>18.0%</b>	
Core Fixed Income	\$61.7	5.5%	0.0%	\$61.7	5.5%	6.0%	6.0%	
Opportunistic	\$88.8	7.9%	-0.5%	\$88.4	7.9%	9.0%	9.0%	
Cash	\$49.7	4.4%	0.0%	\$49.7	4.4%	3.0%	3.0%	
<b>Total Pension</b>	<b>\$1,130.5</b>	<b>100.0%</b>	<b>-0.9%</b>	<b>\$1,120.8</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	

Estimated Year-to-Date Return (including the above est.): **13.8%**



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### Retirement Applications and Survivor Benefits

Since the October 21, 2021 board meeting, the HPRS board approved two active member retirement applications for age and service, one deferred retirement applications, nine 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, January 19, 2022, 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, February 16, 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, February 17, 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](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.**