



June 16, 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 June 16, 2022, HPRS Board meeting.

Preliminary Results of the Actuarial Valuation

Foster & Foster presented the preliminary results of the December 31, 2021 Actuarial Valuation. The board decided to grant a 3% COLA in 2023, to all members who are eligible to receive a COLA, reduce the employee contribution rate to 13%, and make a one-time allocation to the health care fund of \$3.89 million.

Trustee Election

HPRS received one candidacy form by the May 27, 2022 deadline for the employee-member trustee position and one candidacy form for the retiree-member trustee position. Per Ohio Administrative Rule 5505-9-01 (F), if the number of candidates is less than or equal to the number of available board seats, each candidate shall be certified as a trustee without the need for an election.

Sergeant Christian J. Niemeyer is officially re-elected as employee-member trustee and Retired Major Darryl L. Anderson is officially re-elected as retiree-member trustee for the four-year term, August 1, 2022 through July 31, 2026. They will be sworn in at the August meeting.

Health Care Funding Committee Update

The 2023 health care premiums were approved and can be seen on the website. This increase falls short of meeting the cost-sharing policy. The Board recognizes that the solvency issue with the Health Care Fund cannot be accomplished through health care premiums alone and continues to aggressively work towards other solutions. 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

Rea & Associates conducted an external audit of HPRS's 2021 financial records and issued a clean report. Their audit report is included in the HPRS Comprehensive Annual Financial Report which will be posted to the website by the first of July.

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 loss of 12.5% as of June 15th. HPRS assets are currently at approximately \$986 million.

Below is a snapshot of HPRS's portfolio as of June 15, 2022:

HPRS PORTFOLIO SNAPSHOT: 6/15/2022

	4/30/2022		Market Adjust. Est. 6/15/22			LT Strategic	
	\$ MM	%	Change	\$1,000s	%	Target	Range
Public Equity	\$475.3	46.1%	-5.3%	\$450.0	45.7%	50.0%	
Global Equity	\$202.6	19.7%	-8.4%	\$193.1	19.6%	24.0%	
Domestic Equity	\$218.4	21.2%	-9.2%	\$205.8	20.9%	20.0%	
International Equity (EM, SC)	\$54.3	5.3%	-5.8%	\$51.2	5.2%	6.0%	
Alternatives Investments	\$301.0	29.2%	-2.3%	\$294.2	29.8%	24.0%	
Absolute Return	\$91.0	8.8%	-2.0%	\$84.2	8.5%	6.0%	
Private Equity	\$169.8	16.5%	0.0%	\$169.8	17.2%	14.0%	
Real Assets	\$40.2	3.9%	0.0%	\$40.2	4.1%	4.0%	
Real Estate	\$73.3	7.1%	0.0%	\$73.3	7.4%	8.0%	
Fixed Income	\$180.7	17.5%	-6.9%	\$168.2	17.1%	18.0%	
Core Fixed Income	\$40.7	4.0%	-3.1%	\$39.4	4.0%	6.0%	
Opportunistic	\$86.0	8.3%	-1.5%	\$74.7	7.6%	9.0%	
Cash	\$54.0	5.2%	0.1%	\$54.1	5.5%	3.0%	
Total Pension	\$1,030.3	100.0%	-4.3%	\$985.7	100.0%	100.0%	

Estimated Year-to-Date Return (including the above est.): **-12.5%**



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Retirement Applications and Survivor Benefits

Since the April 21, 2022 board meeting, the HPRS board approved five active member retirement applications for age and service, two deferred retirement applications, ten 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, July 20, 2022, committee meetings will start at 1300 hours, starting with the Health, Wellness, & Disability Committee meeting, followed by the Health Care Funding Committee.

The next scheduled board meeting occurs on Thursday, August 18, 2022 beginning at 0900 hours. This is part of a two-day conference concluding at noon on August 19th. Committee meetings will be part of the conference, but they will be conducted as meetings of the full board.

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.