



October 17, 2024 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 October 17, 2024, HPRS Board meeting.

Administration Committee

The following policies were reviewed and approved: Data Privacy Policy, Asset Inventory Policy, and Executive Director Evaluation Policy. HPRS Staff presented the planned resolution action for five items from the Fiduciary Performance Audit. The board finalized the rates that are set in accordance with the Funding Policy, which was communicated in August. The 2025 employee contribution rate will be 14%, and 0% Cost-Of-Living Adjustment for 2025.

Special Committee on COLA

HPRS Staff presented a Funding Policy Analysis from Foster & Foster Actuaries and Consultants, which studied the impact of a De Minimis COLA. The committee directed HPRS Staff to draft a change to the current funding policy to incorporate an option for a De Minimis COLA. The committee and staff continue to research alternatives to the way COLA is provided.

Audit Committee

The Audit Committee completed the annual review of the Internal Controls Manual, and minor changes were approved that were recommendations from the Fiduciary Performance Audit. The Audit Committee Charter and Work plan was updated to add the requirement to monitor information technology risks, controls, and procedures.

Health Care Funding Committee

The board passed a motion to set the health care fund allocation rate at 0%, retroactive to January 1, 2024. The board approved a four-year renewal with Aetna Vision, and to maintain the current vision and dental premiums in 2025.

Total Fund Update

One of the most important responsibilities of the board is making investment decisions. Chief among these decisions is setting the asset allocation, which was changed slightly. Details can be found in the materials posted to our website.

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 9.7% as of October 15th. HPRS assets are currently at approximately \$1.155 billion.

Below is a snapshot of HPRS's portfolio as of October 15, 2024:

HPRS PORTFOLIO SNAPSHOT: 10/15/2024

	8/30/2024		Market Adjust. Est. 10/15/24			Strategic Target
	\$ MM	%	Change	\$1,000s	%	
Public Equity	\$528.0	46.3%	2.7%	\$542.2	46.9%	48.0%
Global Equity	\$250.7	22.0%	2.3%	\$256.5	22.2%	22.0%
Domestic Equity	\$251.9	22.1%	3.4%	\$260.5	22.6%	20.0%
International Equity (EM, SC)	\$25.4	2.2%	-0.6%	\$25.2	2.2%	6.0%
Alternatives Investments	\$325.6	28.6%	0.1%	\$325.9	28.2%	25.0%
Absolute Return	\$53.7	4.7%	0.5%	\$54.0	4.7%	6.0%
Private Equity	\$224.0	19.7%	0.0%	\$224.0	19.4%	15.0%
Real Assets	\$47.9	4.2%	0.0%	\$47.9	4.1%	4.0%
Real Estate	\$79.8	7.0%	0.0%	\$79.8	6.9%	8.0%
Fixed Income	\$206.2	18.1%	0.5%	\$207.2	17.9%	19.0%
Core Fixed Income	\$68.8	6.0%	0.3%	\$69.0	6.0%	6.0%
Opportunistic	\$59.7	5.2%	1.0%	\$60.3	5.2%	9.0%
Cash	\$77.7	6.8%	0.2%	\$77.9	6.7%	4.0%
Total Pension	\$1,139.6	100.0%	1.4%	\$1,155.0	100.0%	100.0%

Estimated Year-to-Date Return (including the above est.): **9.7%**



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Upcoming Events

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

Retirement Applications and Survivor Benefits

Since the August 18, 2024 board meeting, there were no age and service retirement applications. However, there were two deferred retirement applications, six retirements from DROP, and four survivors began receiving benefits.

Future Meeting Dates

On Wednesday, November 20, 2024, committee meetings will start at 1300 hours, starting with the Health, Wellness, & Disability Committee meeting. On Wednesday, December 18, 2024, 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, December 19, 2024, 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.