



Minutes

Retirement Board Meeting

Board Room*, 1900 Polaris Parkway, Suite 201, Columbus, Ohio 43240

Thursday, June 17, 2021 – Immediately following the Investment Committee

**Meeting was made available to public through Zoom*

Present: Captain Cory Davies, *Chair*; Captain Matthew Them, *Vice-Chair*; Major (ret.) Darryl Anderson; Major (ret.) JP Allen; Colonel Richard Fambro; Sergeant (ret.) Michael Kasler; Trooper Brice Nihiser; Scott Richter; Joseph Thomas; Trooper Cynthia Wilt

Absent: none

Quorum? Yes

Others Present: Carl Roark, *Executive Director*; Michael Press, *General Counsel*; Brian Fike, *Finance Director*; Holly Carr, *Executive Assistant*; Doris Blosser & Renee Young, *Benefits Specialists*; Charmaine Carter, *System Accountant*; Bethany Rhodes, *ORSC*; Mary Therese Bridge, *Assistant Attorney General*; Adam Blake & Grant Guyuron, *Clearstead*; Brad Heinrichs & Drew Ballard, *Foster & Foster*

Proceedings:

Call to Order

- At 11:00 a.m., Chair Davies called the meeting to order, and the roll was called.
- Chair Davies led the room in the Pledge of Allegiance.
- **Motion: To approve the minutes of the April 22, 2021 meeting, (motion by Anderson; second by Wilt; motion carried unanimously.)**

Preliminary Results of the December 31, 2020 Actuarial Valuation

- Brad Heinrichs (via Zoom) reviewed the preliminary results of the December 31, 2020 actuarial valuation.
- Heinrichs explained the purpose of the preliminary actuarial valuation was to provide information to the board in order to effectively set the rates for COLA, employee contribution, and the health care fund allocation.
- Heinrichs presented COLA and Member Contribution scenarios to the board and answered questions.

- In-depth discussion ensued amongst the board.
- The HPRS funding policy was reviewed and discussed.
- After much discussion, recommended motions were expressed.
- **Motion: To set COLA at 2%, employee contribution at 13%, and health care fund allocation at 1.5% for one year then re-evaluate, (motion by Davies; second by Them; motion not voted on.)**
- Discussion ensued, which resulted in an amendment to the previous motion.
- **Motion: To amend the original motion to assume the health care fund allocation in Level C is achieved through health care changes occurring in 2022, grant a one-time COLA, and infinitely set the employee contribution rate at 13%, (motion by Davies; second by Them; yea - Davies, Them, Nihiser, Wilt; nay - Allen, Anderson, Fambro, Kasler, Richter, Thomas; motion not carried.)**
- **Motion: To set employee contribution at 14%, health care fund allocation at 0%, and give a one-time 3% COLA, (motion by Anderson; second by Allen; yea - Allen, Anderson, Fambro, Kasler, Richter, Thomas; nay - Davies, Them, Nihiser, Wilt; motion carried.)**
- Chair Davies declared a break for lunch at 12:02 p.m.
- The meeting was reconvened at 12:12 p.m.

Administration Committee

- Them gave a brief update on items discussed at the committee.
- Press presented amendments to Ohio Administrative Code 5505-3-07 as directed by the committee.
- **Motion: To approve the proposed amendments to Ohio Administrative Code 5505-3-07, (motion by Them; second by Wilt; motion carried unanimously.)**
- Press presented the HPRS Code of Conduct & Ethics policy which is required to be evaluated biennially. No changes were recommended.
- **Motion: To approve the HPRS Code of Conduct & Ethics Policy as presented with no changes, (motion by Them; second by Anderson; motion carried unanimously.)**

2021 HPRS Board Special Election

- Roark presented draft documents for board approval for the special 2021 employee board member election: Notice of Special Election – Employee, Candidacy Form – Employee Member 2021, and the Voting Instructions letter.
- **Motion: To approve the election announcement, candidacy form, and voting letter for the 2021 special employee election, as presented by staff, (motion by Allen; second by Wilt; motion carried unanimously.)**
- Davies appointed Anderson, Doris Blosser, and Holly Carr to the ballot counting committee.

Health, Wellness, & Disability Committee

- Anderson reported there had not been a meeting the day before and there was nothing to report from the committee.

Health Care Funding Committee

- Anderson gave a brief update on topics discussed at the committee meeting the day before including 2022 health care premiums.
- **Motion: To approve 2022 premiums and plan design for under 65 health care as presented by staff, (motion by Anderson; second by Allen; yea - Allen, Anderson, Fambro, Kasler, Nihiser, Richter, Them, Thomas, Wilt; nay - Davies; motion carried.)**
- Discussion ensued.
- Roark updated the board on the Medicare Exchange transition and reported an interim agreement has been signed by HPRS and WTW and the HRA structure is being finalized.
- **Motion: To direct staff to move forward expeditiously to finalize contract and HRA structure as presented by staff, (motion by Anderson; second by Wilt; motion carried unanimously.)**

Audit Committee

- Nihiser gave a brief update, including the presentation by Rea & Associates.
- Fike reported that Rea & Associates was wrapping up the final review of the audit and was prepared to issue an unmodified opinion.
- Fike discussed the proposed hiring of Summit County Internal Audit Department to perform the 2021 internal audit.
- **Motion: To approve the hiring of Summit County Internal Audit Department to provide audit services in 2021 for an amount not to exceed \$20,000 and to authorize the executive director to enter into an agreement with terms in the best interest of HPRS, (motion by Nihiser; second by Them; motion carried unanimously.)**
- Fike gave an update that the financial statement audit is underway and progressing as normal.

Investment Committee

- Davies gave a brief update on topics discussed at the committee meeting; including the total plan was up 8.0% year-to-date with assets of \$1.086 billion.
- Davies mentioned two sub-groups were established to discuss private equity managers and a real asset manager.

Travel and Education

- Roark reported there is no travel at this time, however there is interest in an upcoming NCPERS conference, but awaiting the agenda.

General Counsel Report

- Press reported effective July 1, 2021, the board's virtual meeting authority ends.

Administrative Report

- Roark presented the summary report of active and retired members, and the retirement beneficiary report.
- **Motion: To approve retirement applications and survivor pensions as submitted by staff, (motion by Davies; second by Allen; motion carried unanimously.)**
- Roark gave an update on the ORSC.

Comments

- Staff and board members thanked Cory Davies for his extraordinary contributions and work during his time serving as an HPRS trustee and board chair.

Adjournment

- At 12:59 p.m., Davies declared the meeting adjourned.

Next Meeting

- The next regular meeting of the board is scheduled for August 19 - 20, 2021, at 1900 Polaris Parkway, Suite 201, Columbus, OH 43240.

Minutes submitted by Holly Carr, Executive Assistant

Signature on File

Approved by Darryl Anderson

July 21, 2021

Date

To review any referenced documents, please contact Holly Carr, 614.430.3555 (direct), hcarr@ohprs.org.