

**Ohio Police & Fire Pension Fund
MINUTES**

**Board of Trustees
140 East Town Street, Columbus, Ohio
August 31, 2022**

Call to Order: The meeting was called to order at 1:05 p.m. Chairman Britt asked for a moment of silence for our members who have passed in the last month.

In attendance:

Trustees Present:

Corvi, Czack, Deal, Drum, Heller, Maloney Stifler, Miller, Moore and Britt

Trustees Absent:

None

AGENDA ITEM 1:

Approval of the June 2022 Board Minutes

Mr. Drum moved, and Ms. Czack seconded, a motion that the Board of Trustees approves the June 2022 Board minutes. The motion passed with the roll call vote as follows:

Ayes: Corvi, Czack, Deal, Drum, Heller, Maloney Stifler, Miller, Moore and Britt

Nays: None

AGENDA ITEM 2:

Executive Director's Report

Talking Points for the Executive Director, 08/31/2022

PORTFOLIO UPDATE

- As of 8/30: \$17.6 billion
- End of July value: \$18.0 billion
- End of June value: \$17.3 billion
- Russian divestment: 98.5% of Russian exposure divested – remaining is valued under \$1 million

Fiduciary audit released

- Earlier this month the fiduciary audit report was posted to the ORSC website
- Funsten Advisory Services will present a report of the audit to ORSC at an upcoming meeting and will also review the audit with the Board in the near future

New pension system progressing

- Work continues with the new system with OP&F staff and our vendor, LifeWorks
- Last week a survey was sent to OP&F employers asking for their input on the new system and informing them of some of the expectations we have for them.

HB 512

- We continue to meet with legislators in efforts to explain the importance of the legislation and why it is time for employer contributions to increase

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- We urge our members to contact their representatives to support House Bill 512

Flag raising ceremony

- Boy Scouts will again honor fallen heroes on Sept. 10 at 9 a.m. in OP&F Memorial Park, commemorating the 9/11 anniversary

AGENDA ITEM 3: INVESTMENT COMMITTEE/BOARD TALKING POINTS

Mr. Corvi read the Investment Committee/Board talking points:

Items discussed or reviewed:

- Townsend discussed the Real Estate and the Real Assets Performance and Portfolio Reviews for periods ending March 31, 2022.
- Mr. Luke commented on the June and July month-end portfolio values, significant cash movements and year-to-date investment performance. He also commented on OP&F's declining exposure to Russian investments.
- Wilshire presented the Investment Performance Report for periods ended June 30, 2022 as well as the Private Equity & Private Credit Program Analysis for periods ended March 31, 2022.
- Staff presented the 2021 Private Investments Status Report.

Motions Approved:

- The Board approved Townsend's recommendations relating to the 2022 Real Estate Open-End Fund Rebalancing review.
- The Board approved Townsend's recommendation to adopt the 2022 Real Estate Investment Plan: Mid-Year Update.
- The Board approved Townsend's recommendation to adopt the 2022 Real Assets Investment Plan: Mid-Year Update.
- The Board approved the June 29, 2022 Investment Committee/Board Minutes.
- The Board, based on the Wilshire Asset Liability Study, adopted a new long-term asset mix that increases the portfolio's expected return while maintaining a similar risk to the current asset mix.
- The Board approved Staff's rating recommendations for OP&F's private markets managers.
- The Board approved Staff's and Wilshire's investment manager rating recommendations for Harvest Capital Advisors, Salient Partners, Tortoise Capital Advisors, Macquarie Investment Management, MacKay Shields Opportunistic High Yield mandate and Barings.

AGENDA ITEM 4 – DISABILITY COMMITTEE TALKING POINTS

Ms. Czack read the Disability Committee talking points:

Items reviewed/received:

- Disability Experience Report – First Half 2022

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Motions approved:

- The Board approved the Disability Committee Minutes for June 28, 2022.
- The Board approved three (3) Death Benefit Fund cases, two (2) Death Benefit Fund cases were disapproved.
- The Board approved twelve (12) Initial Determination Hearings, two (2) Initial Determination Hearings that were disapproved.
- There were no Reconsideration Hearings for this month.
- The Board approved five (5) appeal hearings.
- The Board approved the Disability Reporting Waivers list.
- The Board approved one (1) Administrative Rule.

Open discussion:

There was none.

AGENDA ITEM 5: ADMINISTRATION/AUDIT COMMITTEE TALKING POINTS AND MOTION

Mr. Deal read the Administration/Audit Committee talking points and motion:

Items discussed or reviewed:

The committee reviewed the following items:

- 2nd Qtr. 2022 DROP Experience Report
- 2022 OP&F Fiduciary Audit
- Pending and Pre-Approval of Trustee Travel

Motions Approved:

The committee approved the following items:

- The June 28, 2022 Administration/Audit Committee Minutes
- The committee approved the recommended changes to the 2022 Board Governance Policy Manual
- Among the observations that Funston reported in their audit report:
 - “OP&F appears to effectively control costs while maintaining high performance standards.”
 - “The OP&F Board of Trustees generally has leading practice authorities for budgets, staffing, and setting compensation and procurement.”
 - “The OP&F Board appears to act with appropriate prudence and care.”
 - OP&F’s 10-year performance is in the top quartile among peer public pension funds.
 - OP&F appears to have appropriate people, policies and processes to comply with the law and reporting requirements.”
 - “OP&F takes its recordkeeping and management responsibilities seriously.”
 - “OP&F has leading or prevailing practices for managing external manager fees both in public accounts and in alternative based accounts.”
 - “There are organizational checks and balances that provide effective controls and minimize the potential for single point of failure decision making.”
 - “The OP&F Finance and Accounting function is capable, and the accounting systems are effective.”

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- OP&F has appropriate ethics policies and standards of conduct in place.
- We were particularly impressed by the level of respect and caring both the Board and Staff pay to the Plan beneficiaries – the police and fire officers of Ohio.
- OP&F has a “small, but highly qualified in-house investment staff.”

Adoption of 2021 Board Governance Policy Manual – 2022 08 001 AAC

Mr. Deal moved, and Mr. Drum seconded, a motion that the Board adopts the 2021 Governance Policy, with proposed changes as outlined in staff’s memorandum dated August 31, 2022. The motion passed with the roll call vote as follows:

Ayes: Corvi, Czack, Deal, Drum, Heller, Maloney Stifler, Miller, Moore and Britt

Nays: None

AGENDA ITEM 6:

Other Business:

Mr. Deal stated that he really enjoyed the NCPERS training, he felt that it was very informative and beneficial to his position as a trustee.

AGENDA ITEM 7:

Address Audience

1. Jay Packard, retired Upper Arlington police officer, had an issue with an Aon/Alight reimbursement request. Mr. Packard met deadline for reimbursement request, but additional documentation was needed. Reimbursement resulted in overpayment, and member was told that he needed to repay the overpayment. Mr. Packard had a difficult time trying to reach Alight/YSA. Mr. Packard received letter from Jennifer Harville stating that overpayment would be deducted from his pension check. Mr. Packard contacted Jennifer Harville so that he could bring in paperwork to show her that there wasn’t an overpayment. Ms. Harville told the member that he couldn’t come in to see her, but Ms. Harville reached out to a supervisor at Alight to resolve issue.

Mary Beth Foley responded, that she would meet with Mr. Packard following today’s board meeting and that she was very sorry that he had a hard time resolving this issue.

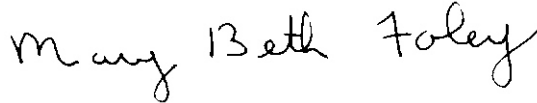
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AGENDA ITEM 8:

Adjournment

Chairman Britt announced that the next board meeting will be held on **Wednesday, September 28, 2022 around 1:00 pm**. The meeting adjourned at 1:22 pm.



Mary Beth Foley, Esq.
Executive Director

Board materials provided:

1. Disability Committee Materials.
2. Administration Audit Committee Materials.
3. Investment Committee/Board Materials.
4. FYI Section: Chart of Motion Practice.
5. Administration Appendix Materials.
6. Investment Appendix Materials.
7. Operations Appendix Materials.
8. Executive Director Report Dated 8/31/2022.
9. Administration Audit Motion: Adoption of 2021 Board Governance Policy Manual.

Handouts: August 2022 Talking Points: Disability Committee, Administration Audit Committee and Investment Committee/Board Talking Points.