

**Ohio Police & Fire Pension Fund
MINUTES**

**Board of Trustees
140 East Town Street, Columbus, Ohio
October 27, 2021**

Call to Order: The meeting was called to order at 9:50 a.m.

In attendance:

Trustees Present:

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

Trustees Absent:

Miller (Mr. Miller was excused from the October 26 & 27th Board of Trustees meetings in the Disability Committee).

Others Present: Cavanaugh Macdonald consultants: Larry Langer, ASA, EA, FCA MAAA, Principal and Consulting Actuary, Wendy T. Ludbrook, FSA, EA FCA, MAAA, Senior Actuary and Ryann Gunderson, Senior Consultant

Mr. Langer, Ms. Ludbrook and Mr. Gunderson outlined the Ohio Police & Fire Pension Fund's actuarial valuation and the solvency projection of the health Care Stabilization Fund as of January 1, 2021. The actuary determines how many years are required by OP&F to completely amortize the UAAL (the funding period), using the member and employer contributions reduced by the amount allocated to health care and the amount of normal cost for the year. For 2003-2012, the funding period was infinite years, meaning the annual contribution toward the unfunded when compared to the unfunded amount was not sufficient to pay it off. As a result of benefit and member contribution changes under Senate Bill No. 340, changes to the DROP program, and a reduction in the contribution allocation to the Health Care Stabilization Fund by the Board of Trustees, and favorable asset investment gains, the pension funding period has decreased from 47 years as of January 1, 2013 to 28 years as of January 1, 2020. As of January 1, 2021, the funding period decreased three years to 25 years.

The fund will also examine our assumed rate of return with our experts as well as the other factors affecting funding starting in January as we undertake the five year experience.

The actuarial valuation presentation ended at 10: 45 a.m.

Call to Order: The afternoon meeting re-convened at 1:03 p.m. Chairman Corvi asked for a moment of silence for our members who have passed in the last month.

In attendance:

Trustees Present:

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

Trustees Absent:

Miller

AGENDA ITEM 1:

Chair Corvi excused Mr. Miller from the October 2021 Board meeting. There was no motion.

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AGENDA ITEM 2:

Approval of the September 2021 Board Minutes

Mr. Deal moved, and Ms. Czack seconded a motion that the Board of Trustees approves the September 2021 Board minutes. The motion passed with the roll call vote as follows:

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

Nays: None

AGENDA ITEM 3:

Executive Director's Report

Talking Points for the Executive Director 10/27/2021

PORTFOLIO UPDATE

- As of 10/26: \$19.0 billion
- End of September value: \$18.6 billion
- End of August value: \$18.9 billion

OPEN ENROLLMENT

- Medicare retirees are currently in the open enrollment period, which runs until Dec. 7.
- For those retirees not eligible for Medicare, open enrollment is Nov. 1 to Jan. 15 (for coverage to begin Jan. 1, the open enrollment ends Dec. 15).

FUNDING REPORT

For those who were not present earlier for our actuarial report:

- Funding period is now down to 25 years. An improvement from 28 years last year
- Our funding ratio is now 71.2 percent, and improvement from 69.7 percent
- This is based on data from Jan. 1, 2021
- We will be examining our Assumed Rate of Return with our experts as well as the other factors affecting funding starting in January as we undertake the five year experience study.

FIDUCIARY AUDIT UPDATE

- We have commenced our fiduciary audit by Funston and Associates as overseen by the ORSC.
- Staff and Internal Audit have sent surveys and OP&F governing documents, policies and procedures for review.
- The audit is expected to be concluded by February.

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AGENDA ITEM 4: INVESTMENT COMMITTEE/BOARD TALKING POINTS:

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

Items discussed or reviewed:

- Mr. Luke commented on the September month-end portfolio values, significant cash movements and year-to-date investment performance.
- Townsend presented the Real Estate and Real Assets Performance Reviews for periods ended June 30, 2021.

Motions Approved:

- The Board approved the September 29, 2021 Investment Committee/Board Minutes.
- The Board approved Townsend's recommended ratings for OP&F's real estate investment managers.
- The Board approved Staff's and Aksia/TorreyCove's recommendation to commit up to \$10 million to GTCR Strategic Growth Fund I, L.P.
- The Board approved Staff's and Wilshire's recommended rating for Dimensional Fund Advisors.

AGENDA ITEM 5: DISABILITY COMMITTEE TALKING POINTS:

Mr. Britt read the Disability Committee talking points:

Motions approved:

- The Board approved the Disability Committee Minutes for September 28, 2021.
- The Board approved the four (4) Death Benefit Fund case.
- The Board approved five (5) Initial Determination Hearings, two (2) Initial Determination Hearings were disapproved.
- There were no Reconsideration Hearings.
- The Board approved five (5) Appeal Hearings.
- The Board approved the Disability Reporting Waivers List.

AGENDA ITEM 6: FINANCE COMMITTEE TALKING POINTS AND MOTION:

Mr. Moore read the Finance Committee talking points and motion

Items discussed or reviewed:

- The 2022 Total Plan Asset Budget was presented to the committee.

Motions Approved:

- The Committee approved the September 29, 2021 Finance Committee minutes.
- The 2022 Total Plan Asset Budget was approved to be moved to full Board for review and vote on October 27, 2021 in the form submitted to the Board of Trustee on October 27, 2021.

Open Discussion:

- None.

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2022 OP&F Budget – 2021 10 001 FC

Mr. Moore moved and Mr. Drum seconded a motion that the Board of Trustees approve the 2022 Annual Budget in the form submitted to the Board of Trustees on October 27, 2021. The motion passed with the roll call vote as follows:

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

Nays: None

AGENDA ITEM 7:

Other Business

None.

AGENDA ITEM 8:

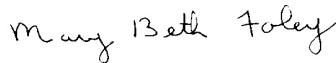
Address Audience

None.

AGENDA ITEM 9:

Adjournment

Chairman Corvi announced that the next Board meeting will be held on **Wednesday, December 1, 2021 around 1:00 pm**. The meeting adjourned at 1:15 pm.



Mary Beth Foley, Esq.
Executive Director

Board materials provided:

1. Disability Committee Materials.
2. Finance Committee Materials.
3. 2021 Ohio Police & Fire Pension Fund Actuarial Valuation
4. January 1, 2021 Actuarial Solvency Projection of the
5. Health Care Stabilization Fund
6. Investment Committee/Board Materials.
7. Chart of Motion Practice: FYI.
8. Administration Appendix Materials.
9. Investment Appendix Materials.
10. Member Service Appendix Materials.
11. Executive Director Report Dated 10/27/2021.
12. Finance Motion: 2022 OP&F Budget.

Handouts: October 2021 Talking Points: Disability Committee, Finance Committee and Investment Committee/Board Talking Points.