



OP&F asks members to voice support of HB 512

As Ohio House Bill 512 makes its way through the legislative process, OP&F is asking its membership to voice support of the bill. This type of grass roots support makes a difference. Members may find and contact their state representative online at: ohiohouse.gov.

House Bill 512 seeks to modernize the contribution amounts from employers which has not been changed since 1986. If passed, it would increase what employers pay into OP&F to fund current and future pension obligations. OP&F is asking for an incremental increase of 1.4 percent annually for five years for police employers, and just 0.5 percent per year for fire employers for five years. These increases would give OP&F the same employer contribution that the State of Ohio contributes to the pensions for the State Highway Patrol.

The bill is co-sponsored by Representatives Cindy Abrams and Brian Baldrige and, if enacted, will improve OP&F's long-term funding outlook and protect pensions for future retirees.

The bill has the support of the OP&F Board of Trustees along with the Fraternal Order of Police of Ohio, the Ohio Association of Professional Firefighters, the Ohio Patrolmen's Benevolent Association and the Northern Ohio Firefighters Association.

Russia Divestment Update

OP&F continues in its divestment from Russia as quickly as possible while keeping with the fund's fiduciary duty, per a directive from the Board of Trustees. As of April 25, OP&F's overall exposure in Russia has decreased to \$9.69 million (an 84 percent decrease from the original amount). The value of Russian direct holdings remains \$3.9 million. It is unlikely there will be additional movement until the Russian markets re-open.

Since the beginning of the Ukraine crisis, OP&F managers have been under a directive to not purchase any Russian holdings. OP&F continues to be responsible to our fiduciary duty, responsibly divesting these assets as opportunities arise.

Aon re-branding to Alight

OP&F retirees will notice a new logo and color scheme when they visit the website that services their Health Reimbursement Arrangements or receive mailings. Aon Retiree Health Solutions will become Alight this month.

In 2021, Aon, who partnered with OP&F to provide retiree health care services, announced they were selling its Retiree Health Exchange business to Alight, who was already servicing the Health Reimbursement Arrangements for retirees eligible for the OP&F health care stipend.

For OP&F members, the acquisition is expected to be seamless. All communication will still be co-branded with OP&F to avoid any confusion.

PORTFOLIO UPDATE

OP&F's investment portfolio value:

- Current value (4/28/22): \$19.04 billion
- End of March value: \$19.00 billion
- End of February value: \$18.97 billion

Board of Trustees Committee Notes

(Motions voted on by the Board are listed separately)

- **DISABILITY:** The Committee conducted its scheduled initial determination and appeal hearings and also received the 2021 Helping Our Survivors in Transition (HOST) Experience Report.
- **GOVERNMENT AFFAIRS & POLICY:** The Committee received a legislative update on pending legislation that OP&F is tracking and the upcoming schedule for the General Assembly's expected sessions.
- **PERSONNEL:** The Committee was provided an update on the succession plan implementation and strategic realignment in various departments.
- **INVESTMENT:** In addition to a review and discussion of the investment portfolio, Wilshire provided the Board with educational content on the asset liability modeling process and sought initial feedback on potential asset allocation shifts.

Motions:

At its April 2022 meeting, the OP&F Board of Trustees approved the following motions:

- Approved Townsend's recommendation to commit up to \$50 million to Fairfield U.S. Multifamily Core Plus Fund II. Motion passed 8-0 with one abstention (Investment Committee).
- Approved Townsend's recommendation to commit up to \$80 million to iCON Infrastructure Partners VI. Motion passed by unanimous vote (Investment Committee).
- Approved the investment manager rating recommendations for Loomis Sayles High Yield and Dimensional Fund Advisors. Motion passed by unanimous vote (Investment Committee).
- Approved the following from the Disability Committee:
 - The recommendations for 13 Initial Determination Hearings (one was scheduled for reexamination)
 - The recommendations for three Appeal Hearings
 - The Disability Reporting Waivers List

NEXT BOARD OF TRUSTEES MEETINGS: May 24-25, 2022

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