



## **Testimony scheduled for HB 512**

Testimony is scheduled to begin March 9 for Ohio House Bill 512, which was introduced in December. In January, the legislation was assigned to the House Insurance Committee for consideration. The bill, co-sponsored by Representatives Cindy Abrams and Brian Baldrige, aims to update the employer contribution rates used to fund pensions for OP&F members. Employer contribution rates have not changed since 1986.

If passed, HB 512 will increase the contributions from fire employers by 2.5 percent. For police employers, the increase would be 7.0 percent. The increases would be phased in over a five year period.

OP&F is seeking an increase to improve its long-term funding outlook. While the current financial outlook is stable, the change is meant to protect pensions for future retirees. Pressures like increased early retirements, difficulty recruiting first responders (which limits payroll growth) coupled with lower capital market assumptions, are expected to create future challenges.

The bill has the support of the OP&F Board of Trustees along with the Fraternal Order of Police of Ohio and the Ohio Association of Professional Firefighters.

## **PORTFOLIO UPDATE**

OP&F's investment portfolio value:

- Current value (2/22/22): \$18.67 billion
- End of January value: \$19.02 billion
- End of December value: \$19.44 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.
- **FINANCE:** The Finance Committee reviewed the December 2021 month end financial statements.
- **INVESTMENT:** Staff discussed the month-end portfolio values, significant cash movements and investment performance. OP&F consultant Wilshire, discussed their market assumptions and expected returns for the OP&F portfolio. Wilshire also presented the Investment Performance Report for periods ended Dec. 31, 2021 as well as the Private Equity & Private Credit Program Analysis for periods ended Sept. 30, 2021.

**Motions:**

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

- Approved staff's recommended manager ratings for Harvest, Salient, Tortoise, Causeway, and for the PGIM and Loomis Sayles core fixed income mandates. Motion passed by unanimous vote (Investment Committee).
- Approved staff's and Wilshire's recommendation for a capital commitment of up to \$50 million to Proterra Credit Fund 2, LP. Motion passed by unanimous vote (Investment Committee).
- Approved staff's and Aksia TorreyCove's recommendation for a capital commitment of up to \$35 million to Advent International GPE X Fund. Motion passed by unanimous vote (Investment Committee).
- Approved travel expenses for trustees to attend the NCPERS' Trustee Educational Seminar on May 21-22, 2022 in Washington DC. Motion passed by unanimous vote (Finance Committee).
- Approved changing the assumed rate for investment returns to 7.5 percent, from 8.0 percent. Motion passed by unanimous vote (Full Board).
- Approved the following from the Disability Committee:
  - The recommendations for 12 Initial Determination Hearings, one was disapproved.
  - The recommendations for the three Appeal Hearings were approved
  - The Disability Reporting Waivers List.

***NEXT BOARD OF TRUSTEES MEETINGS: MARCH 29-30, 2022***

*Posted 3/15/2022*