

MEMBER'S REPORT

The quarterly newsletter for active and retired OP&F members and their survivors



MESSAGE FROM THE EXECUTIVE DIRECTOR



Mary Beth Foley, Esq.

Dear Members,

One of my promises when I became Executive Director of OP&F last summer was to keep membership informed and be transparent as to how we do business. As we reported in the spring Member's Report (and again on Page 5 of this newsletter), 2021 was an

outstanding year for our investment program. However, as I wrote to you in previous Member's Reports, predictions for a worsening U.S. economy are unfortunately looking to be accurate.

Once confirmed by our investment consultants, the Board unanimously voted to lower the expectations of our future investment returns (to 7.5 percent annually from 8.0 percent). We made this decision knowing that this lower assumption could negatively affect our long-term funding.

In order to prepare the General Assembly, last year we enlisted Representatives Brian Baldrige and Cindy Abrams to help introduce

Ohio House Bill 512. If enacted, the bill would bring equity to police and fire employer contributions, increasing the amount employers pay into OP&F on your behalf. We feel the changes proposed are appropriate and long-overdue. It has been nearly 40 years.

The legislation asks 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.

This would be the first increase to employer contributions since 1986. Also, it would bring contributions up to the same level as the State Highway Patrol.

It would be an ideal scenario if we did not have to ask for any changes to how your pension system is funded, but that is not the reality of an ever-evolving economy.

Sincerely,

Mary Beth Foley, Esq.
Executive Director

AUDITOR OF STATE GIVES OP&F SUCCESSFUL FINANCIAL AUDIT

OP&F has received a clean financial audit from Ohio Auditor of State Keith Faber. The audit was successfully completed in June for the year 2021. The audit opinion from RSM, an independent firm selected by the Ohio Auditor of State, concluded that OP&F finances are in order and reported in the appropriate fashion. The audit came with no recommendations for improvements.

WE NEED YOUR SUPPORT!

Ohio House Bill 512

To secure the pensions for police and fire for future generations.

Contact your state representative **TODAY** and ask for their support

Find your representative online at: ohiohouse.gov

FIDUCIARY PERFORMANCE AUDIT DRAFT REPORT SHOWS OP&F IS WELL RUN; GOOD STEWARD OF FUNDS

A draft report summarizing a required fiduciary performance audit of OP&F shows that “The OP&F Board appears to have acted with loyalty and impartiality solely in the interests of current and future members and beneficiaries.”

The audit was conducted by Funston Advisory Services, LLC who was hired by the ORSC. A fiduciary audit of each of Ohio’s five public pension systems is required every 10 years. OP&F is responsible for the cost of the audit, which was in excess of \$600,000.

“We are pleased that this report shows what we have always known – that OP&F continues to fulfill its fiduciary duties to act in the best interests of our members,” said OP&F Executive Director Mary Beth Foley. “We appreciate the work of Funston, and also the many hours our staff contributed to this report.”

Among the observations that Funston reported in their draft report:

- “OP&F appears to effectively control costs while maintaining high performance standards.”
- “The OP&F Board of Trustees generally has leading practice authorities, e.g., for budgets, staffing, and setting compensation and procurement.”
- “The OP&F Board appears to act with appropriate prudence and care.”
- OP&F “appears to have appropriate people, policies and

processes to comply with the law and reporting requirements.”

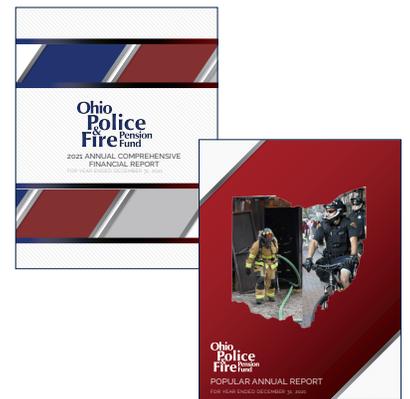
- “OP&F takes its recordkeeping and management responsibilities seriously.”
- “OP&F has leading or prevailing practices for managing external manager fees both in public accounts and in alternative based accounts.”
- “There are organizational checks and balances that provide effective controls and minimize the potential for single point of failure decision making.”
- “The OP&F Finance and Accounting function is capable, and the accounting systems are effective.”
- “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.”

Beyond the required fiduciary performance audit, the ORSC requested operational reviews of information technology operations and includes recommendations for improvement in a variety of areas. The OP&F Board will evaluate the suggestions for improvement.

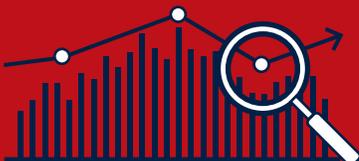
The final report will be posted on OP&F’s website.

2021 FINANCIAL REPORTS NOW AVAILABLE

Both the Annual Comprehensive Financial Report and the Popular Annual Report for OP&F’s 2021 fiscal year are online at op-f.org/reports. The Annual Comprehensive Financial Report offers a detailed look at OP&F’s financial and investment statements as well as member demographics. The Popular Annual Report is an overview of OP&F’s financial statements and a review of pension fund activities from the past year. In addition to the 2021 reports, those for recent years are also available.



PORTFOLIO -update-



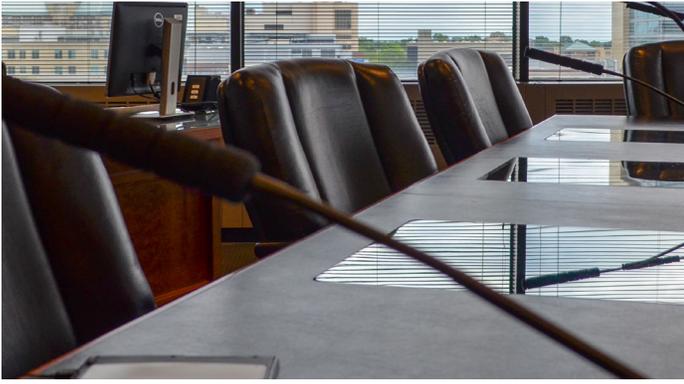
**OP&F’s
Investment
Portfolio
Value**

As of June 30:
\$17.4 billion

End of May value:
\$18.3 billion

End of April value:
\$18.3 billion

** values may be internally estimated*



BRITT ELECTED BOARD CHAIR FOR 2022-23

Robert Britt (Toledo Police) was unanimously elected to serve as the chair of the OP&F Board of Trustees for a one-year term beginning in June. Britt was elected to the OP&F Board of Trustees in 2019, representing active police officers. Britt is a veteran of the Toledo Police Department, joining the force in 1993. Marco Miller (retired, Columbus Fire) was elected chair-elect of the Board. Miller was elected to the Board in 2019 representing retired firefighters. He retired from the Columbus Division of Fire as a lieutenant.

Britt takes over the chair position from Stephen Corvi (Columbus Fire), who has served as Board Chair since 2020. Corvi remains on the Board representing active firefighters.



PRE-RETIREMENT WEBINAR DATES SET FOR OCTOBER

OP&F will be providing information to members approaching retirement this year during a series of webinars in October.

The Pre-Retirement Webinars are scheduled for Oct. 11-13 (schedule below). Participants will not only view informational videos and presentations, but also have the ability to ask questions. Information and instructions on how to participate will be posted to OP&F's website as these dates approach.

The webinars are designed to assist members who are approaching retirement eligibility or considering enrolling in the Deferred Retirement Option Plan (DROP). Active members who are eligible for retirement or DROP within the next five years will be mailed an invitation with additional information. In addition to information on benefits and the retirement process, OP&F's health care partner, Alight, will present information and answer questions.

For members unable to attend one of the scheduled webinars, a recording of one of the meetings will be available on the OP&F website.

Pre-Retirement Webinar schedule (instructions on how to participate will be posted to the OP&F website at a later date):

TUESDAY OCT 11:	10 A.M. & 2 P.M.
WEDNESDAY OCT 12:	7 P.M.
THURSDAY OCT 13:	10 A.M.

ALIGHT TO SPONSOR IN-PERSON HEALTH CARE SEMINARS AND WEBINARS

OP&F's health care partner, Alight Retiree Health Solutions, will again host seminars around Ohio in September to explain health care options for eligible OP&F members. Unlike the past two years, these meetings will be in-person this year.

Dates, times and locations are still being finalized at the time the *Member's Report* went to press. As soon as these details are available both OP&F and Alight will post the information on their respective websites. Alight hopes to have seminars across Ohio in Akron/Canton, Cleveland, Toledo, Dayton, Cincinnati and Columbus. In order to better explain the options available to retirees, the meetings will be split into two sessions, one for Medicare-eligible retirees and one for pre-Medicare retirees. Both Alight and OP&F personnel will be available to answer questions.

When the seminar information is set, members will be asked to choose the date and time most convenient, then register and get instructions online at MyExchangeConnection.com/OP-F or call Alight at 844-290-3674.

For those unable to travel to an in-person seminar, webinars are also scheduled for September (dates and times below). Registration is also available at MyExchangeConnection.com/OP-F. Once you register for a webinar, you will be emailed a link, phone number and access code to attend.

Seminars and webinars are conducted by an Alight professional who will be happy to answer any questions you have during your selected session time. A recording of a webinar will be available and on the OP&F website at a later date for anyone not able to attend an in-person or online session.

THIN BLUE LINE OFFERS STIPEND-ELIGIBLE PLAN

OP&F has had inquiries about the availability of health care plans through Thin Blue Line Benefits. After examination, the Platinum Plus PPO plan from Thin Blue Line is accredited by the Affordable Care Act and therefore eligible for stipend support for pre-Medicare OP&F retirees who are eligible.

Plans for pre-Medicare OP&F members must be accredited by the ACA to be eligible for the OP&F's Health Reimbursement Arrangement (HRA). Pre-Medicare retirees can either enroll through OP&F's health care partner, Alight/eHealth, or find a stipend-eligible policy on their own through a broker or at healthcare.gov



REPORT SHOWS OP&F INVESTMENTS PERFORM WELL FOR ITS MEMBERS



A study by independent investment consulting firm RVK commissioned by the Ohio Retirement Study Council (ORSC) found that OP&F outperformed its own benchmarks, and its Ohio and national peers for the one year period ending on Dec. 31, 2021.

In calendar year 2021, OP&F outperformed its total fund benchmark by over four percent. OP&F performed better than 98 percent of all of all public plans with greater than \$1 billion in holdings for the sixth month period ending Dec. 31, 2021.

“We are extremely proud of our investment team and partners providing sector-leading results,” OP&F Executive Director Mary Beth Foley said. “With harder times on the horizon for U.S. capital markets, we will need to continue to seek ways to ensure the retirements of our first responders are secure.”

The report also showed that OP&F has less exposure to volatility in the stock market than other funds because of its well-balanced portfolio.

OP&F has legislation pending before the Ohio General Assembly to increase employers’ contributions for the first time in almost 40 years. The bill is necessary because OP&F investment results are already on the leading edge, but cannot make up for continually lagging employer contributions. Warning indicators about the future of the capital markets indicate the American economy will not continue to produce these results.

“Our goal has been to maximize investment success in the short term while keeping a close eye on the longer term,” Foley said. “We’re proud when independent researchers find that we have served our members well and we’re looking forward to working with the legislature to make sure that commitment is seen through with the next generation of Ohio’s first responders.”

OP&F DISCLOSES ALL INVESTMENT FEES, UNLESS PROHIBITED BY FEDERAL LAW

Public pension funds have faced criticism recently because details of fees associated with specific investments are not disclosed. Members should be aware that OP&F discloses all investment fees that we are able to according to federal law. The laws prohibiting disclosure of certain investment management fees are a federal issue, as the Ohio Auditor of State has stated publicly. This statute affects not only public pensions, but anyone paying investment management fees that fall into these categories. To change this law, please contact your congressional representatives and senators.

OP&F URGES BENEFIT RECIPIENTS TO RETRIEVE 1099-R ONLINE; OPT-OUT OF MAILING



OP&F's website allows beneficiaries to download the Form 1099-R for tax reporting purposes and avoid receiving the form in the mail. This feature not only saves the cost of mailing the tax form but is more secure than mailing it and is convenient for our beneficiaries.

To opt-out of the mailing, beneficiaries must log into their account in the Member Self-Serve area of the OP&F website and choose Document Preferences. From this page beneficiaries can choose to opt-out of the mailing. Beneficiaries must have an email address to use the opt-out feature.

Beneficiaries can access the Form 1099-R by going to op-f.org and logging on to Member Self-Serve. The Form 1099-R can be viewed and printed from the Documents link.

To register for Member Self-Serve, go to op-f.org and click the log-in link at the top of the page. Under the member option, follow the instructions to register.

OAPFF'S MIKE TAYLOR RECOGNIZED

OP&F trustees recognized Mike Taylor, the retiring president of the Ohio Association of Professional Fire Fighters (OAPFF) at the June OP&F Bard meeting. Taylor was congratulated for his 25 years of service to the public safety community and support of OP&F. Taylor was a long-time member of the City of Steubenville Fire Department. Pictured (L-R): OP&F Chair Elect of the Board of Trustees Marco Miller; retiring OAPFF President Mike Taylor; OP&F Executive Director Mary Beth Foley; and OP&F Board Chair Robert Britt.



HONOR A LOVED ONE WITH BRICKS, PAVERS AND BENCHES AT OP&F'S MEMORIAL PARK

Ohio Police & Fire Memorial Park

Honoring the memory of the heroes who serve and protect the citizens of Ohio.

This monument and park serve as an enduring tribute to the heroic contributions made by Ohio's police officers and firefighters to protect our society every day. Here we stand, honoring the commitment, heroism and ultimate sacrifice of our beloved heroes. This park has been dedicated for moments of remembrance and to inspire future generations who will serve as Ohio's heroes.

IN HONOR OF
JERRY GUSKA
CAPTAIN
PARMA FIRE



Individuals, municipalities or organizations are able to honor Ohio's public safety officers by purchasing inscribed bricks, pavers or benches for the Ohio Police and Fire Memorial Park.

The park, adjacent to OP&F headquarters in Columbus, was dedicated in April 2004 and honors police officers and firefighters who have died in the line of duty. To date, nearly 400 bricks and pavers, and eight black granite benches are permanently located in the park, honoring these fallen heroes.

To order a commemorative brick, paver or bench, please complete this form and return it to OP&F. A form is also available the OP&F website at www.op-f.org.

Complete the form below and return it with your payment to:

Ohio Police & Fire Pension Fund
Administration Department
140 East Town Street
Columbus, OH 43215

Make checks payable to: OP&F Memorial Park

All donors will receive confirmation of their order. Please allow 10 to 15 weeks for installation from the date of OP&F's receipt of your order. A portion of your purchase is tax deductible.

Brick
4 x 8 inches
\$75 each
(additional
bricks \$75
each)

Three lines, 13 characters per line; a space counts as one character.

Paver
12 x 12
inches
\$500 each

Five lines, 13 characters per line; a space counts as one character.

Granite bench, To reserve a bench, please contact OP&F at 888-864-8363.

Donation made by: _____

Organization: _____

Contact name: _____

Address: _____

City, state, ZIP code: _____

Phone number: _____

(All order forms must be accompanied by payment)

RETURN SERVICE REQUESTED



Toll Free: 1-888-864-8363
General Information: (614) 228-2975
Fax: (614) 628-1777
TTY: (614) 221-3846
E-mail: questions@op-f.org
Monday-Fridays 8 am-4:30 pm EST

OP&F BOARD OF TRUSTEES

Robert E. Britt, Chair, Toledo Police
Marco J. Miller, Retired, Chair Elect, Columbus Division of Fire
Stephen A. Corvi, Columbus Division of Fire
Tanya Czack, Parma Heights Police
John Deal, Cincinnati Fire
Mark Drum, Retired, Delaware Police
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Mary Beth Foley, Esq., Executive Director
Pamela Vest-Boratyn, Deputy Executive Director
John Danish, General Counsel
David Graham, Communications Director
Theodore Hall, Chief Investment Officer
Jennifer Harville, Member Services Director
Scott Miller, Chief Financial Officer
Brian O'Brien, Information Technology Director
Keisha Proctor, Human Resources Director
Caren Sparks, Chief Audit Executive and Privacy and Ethics Officer

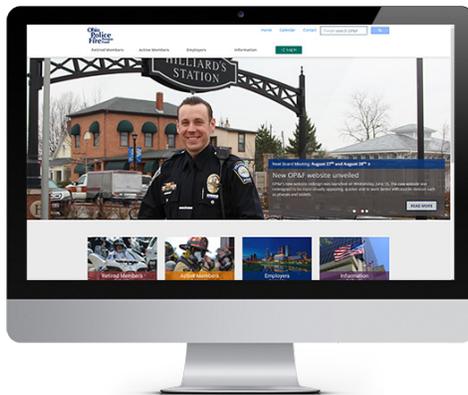
PRUDENCE • INTEGRITY • EMPATHY

Securing the future for Ohio's Police and Firefighters

IMPORTANT DATES

Aug. 30-31Board of Trustees meetings
Sept. 5.....OP&F closed in observance of Labor Day
Sept. 27-28Board of Trustees meetings
Oct. 13-15Pre-Retirement webinars
Oct. 25-26Board of Trustees meetings

DO WE HAVE YOUR EMAIL ADDRESS?



If your email address is not on file, please send it to us at questions@op-f.org, or contact an OP&F Customer Service Representative at 1-888-864-8363. Members can also update their information securely online from the secure Member Self Serve web portal.

SUSPECT DISABILITY FRAUD? CALL 844-FRAUD HOTLINE (844-372-8345)