



City of Cincinnati Retirement System Board of Trustees Meeting

Agenda

May 5, 2022 / 2:00 P.M.
City Hall, Council Chambers and via TEAMS

Members

Tom Gamel	John Juech
Bill Moller	Kathy Rahtz
Don Stiens	Erica Winstead
Mark Menkhaus Jr.	Jeff Cramerding

Administration

Mike Barnhill
Ann Schooley
Linda Smith

Call to Order

Approval of Minutes

- ✚ Meeting Minutes – April 7, 2022

Report from Investment Committee

Report from Governance Committee

Informational - Executive Director's Report

- ✚ 1st Qtr. Budget Update
- ✚ 1st Qtr. DROP Report
- ✚ 1st Qtr. Demographic Report
- ✚ Fiduciary Ins. Update
- ✚ Council Update (Budget Policy Motion)
- ✚ Member Connect Program
- ✚ CRS Department Update
- ✚ Ohio Inst Investors Mtg, Columbus June 9

Unfinished Business

- ✚ Outstanding Opinions (Board Approved Motion, October 3, 2019)
 - Item 1. Explain why City's changes to retiree healthcare are permitted under the CSA without Court approval.
 - Item 2. Explain why the Board cannot retain outside counsel on matters which the Solicitor's Office will not give counsel.
- ✚ Legal Report on Availability of Executive Session

New Business

- ✚ TBD

Adjournment

Next Meeting: Thursday, June 9, 2022, 2:00 P.M. City Hall Council Chambers and via TEAMS



**City of Cincinnati Retirement System
Board of Trustees Meeting
Minutes
April 7, 2022/ 2:00 P.M.
City Hall – Council Chambers and remote**

Board Members Present

Bill Moller, Chair
Tom Gamel, Vice Chair
Jeff Cramerding
Mark Menkhaus, Jr.
Kathy Rahtz
Don Stiens
Erica Winstead
Absent: John Juech

Administration

Mike Barnhill
Ann Schooley

CALL TO ORDER

Chair Moller called the meeting to order at 2:00 p.m. and a roll call of attendance was taken. Trustees Moller, Gamel, Cramerding, Menkhaus, Rahtz, Stiens and Winstead were present. Trustee Juech was absent.

APPROVAL OF MINUTES

Approval of the minutes of the Board meeting of March 3, 2022, was moved by Trustee Gamel and seconded by Trustee Winstead. Prior to the meeting, Trustee Rahtz requested amendments reflecting discussion at the meeting regarding executive session as well as Trustee Rahtz's request to consider matters related to healthcare eligibility for certain adult disabled dependents. These amendments had been circulated to the Board in advance of the meeting. The minutes as revised by Trustee Rahtz's amendments approved by unanimous roll call vote.

REPORT FROM GOVERNANCE COMMITTEE

Trustee Menkhaus provided a summary of the Governance Committee's meeting today in which all present trustees participated. The Committee considered several proposals to the CRS Election Rules (CRS Rule VII). The Committee approved three of the proposals (detailed in the Governance Committee minutes).

The Board approved each of the three motions approved by the Governance Committee by unanimous roll call vote.

Trustee Menkhaus summarized the items that remain outstanding, including the status of DROP participants in the upcoming elections. Chair Moller indicated that these items should be resolved by the next meeting.

Informational – Executive Director’s Report

Director Barnhill provided a number of informational updates, with references to accompanying documents in the Board’s packet:

Marquette February 2022 Investment Results

- Investment markets have been volatile; 1 yr return remains positive and greater than 7.5%; YTD returns are negative.

Anthem 2021 Utilization Review

- Utilization statistics show meaningful cost increases in 2021. The actuary will give their view when they complete the 2021 OPEB valuation.

Update re 2022 Capital Calls

- Market volatility and illiquidity are challenging capital calls. We are funding \$45 million of infrastructure capital calls with overweight core fixed income liquidations, which bring the fixed income allocation back to target. Funding later this year of the new private credit managers (\$40mm) will be done by liquidating overweight real estate allocations (Morgan Stanley Prime \$13mm; Principal \$7.5mm; JP Morgan Strategic Property \$23mm). We are starting the liquidation process now, since these take time. Marquette and Director Barnhill recommend this process. The investment portfolio will remain within the asset allocation bands prescribed by the Board’s investment policy statement.

Passage of Ordinance re Distribution of GF Surplus (Cincinnati Stabilization Policy)

- Council has approved this ordinance. Testimony presented to the Council suggested that surplus funds as much as \$600k could be deposited to the CRS trust as a result.

CRS 2022 Update Presentations

- Trustee Moller and Director Barnhill have briefed Mayor Pureval, City Manager Curp, Councilmember Cramerding, and the Council Budget and Finance Committee. These presentations have been well received.

CRS New Trustee Manual Update

- We have compiled new trustee training materials and posted them on the website at: <https://www.cincinnati-oh.gov/retirement/crs-board-of-trustees-/trustee-manual/>
- Director Barnhill invited trustees to consider attending the NCPERS conference in May at which trustee training will be presented.
- Trustee Moller invited trustees to review the updates to the CRS website.

Elections Timeline Update

- Nominations postcards to go out May 3.

CRS Department Update

- The department is experiencing staff turnover. We’re re-organizing some, we’ve hired some temporary staff to bridge the vacancy gap.
- The department is working on a retiree newsletter to be sent soon.
- The Board’s request for an Executive Director delegation document is completed
- Director Barnhill reported on Marquette’s pro-active Diversity Equity and Inclusion efforts.

UNFINISHED BUSINESS

✚ Outstanding Opinions:

Board Approved Motion, October 3, 2019

- Item 1. Explain why City's changes to retiree healthcare are permitted under the CSA without Court approval.
- Item 2. Explain why the Board cannot retain outside counsel on matters which the Solicitor's Office will not give counsel.

A. Schooley reported there is no update.

Trustee Moller inquired about the status of executive session to consider disability matters. A. Schooley advised that the Law Department is working to get this item completed by the next meeting.

Trustee Rahtz requested additional discussion on this item. Ms. Schooley indicated that there is some complexity to the issues with various laws (ADA, HIPPA, Open Meetings Act) in potential conflict. Trustee Rahtz asked if we could discuss the issues in open meeting without identifying the individuals. Ms. Schooley expressed concern that the information discussed could lead to identifying the individuals.

NEW BUSINESS

Recommendation re City of Cincinnati Employer Contribution

Trustee Moller introduced a scenario from Cheiron that would provide for full funding of the CRS pension trust by 2045 by increasing employer contributions by 0.5% each year until the employer contributions reach a rate of 22.25% in 2033. Trustee Moller reported that this scenario was included in all of the CRS 2022 Update presentations as discussed earlier in the meeting. Trustee Moller made a motion, seconded by Don Stiens, that the Board formally recommend this funding approach to City Council.

Trustee Gamel asked if the motion pertains to the health trust. Director Barnhill responded that it does not.

The Board approved the motion by unanimous roll call vote. Chair Moller stated that the board approved recommendation will be transmitted to the City Council through the normal channels.

Trustee Gamel asked that the Board consider a similar recommendation for the health trust to ensure that all covered members are ensured coverage for their health care. Chair Moller indicated that the desire is to ensure that the last member of the closed healthcare plan can be assured coverage. Director Barnhill responded that the health trust is overfunded, but that we could request the actuary in their next presentation to the Board to demonstrate that with projections that go past 2045.

Update on CSA Items

Ms. Woerner from the Law Department gave a status update on the CSA. On April 6, a status conference was held before Judge Barrett. The DROP analysis by Cheiron was discussed. In light of the dispute over that analysis, the Law Dept is going to conduct a procurement for an actuarial firm to conduct a new analysis. As part of the procurement process firms will be requested to disclose their methodology, so that it is transparent to all parties. Chair Moller asked about the cost of the new analysis. Director Barnhill estimated that it would be about \$25k, and no more than \$50k. Director Barnhill indicated that any proposal to have the retirement trust pay this amount would need to be approved by the Board, and that he was willing to provide a recommendation if requested. Chair Moller indicated that further discussion is

needed on this item.

Ms Woerner reported that the Model Plan points grid issue was also discussed. Ms. Woerner advised that the actuaries have been asked to run a range of scenarios for the parties' consideration.

Adjournment

Following a motion to adjourn by Trustee Menkhaus and seconded by Trustee Stiens, the Board approved the motion by unanimous roll call vote. The meeting adjourned at 2:53 P.M.

Meeting video link: <https://archive.org/details/crs-board-4-7-22>

Next Meeting: May 5, 2022 at 2:00 p.m.

DRAFT

City of Cincinnati Retirement System
Cash Flow Budget Analysis - as of March 31, 2022

	<u>Budget 2022</u>	<u>Actual Q1, 2022</u>	<u>Difference</u>	<u>% of Budget Utilized</u>	<u>25% of Budget</u>	<u>Difference 25% of Budget v Actual</u>
25% Expectation						
Office Staff	1,806,000	440,768	1,365,232	24%	451,500	10,732
Office Expenses	131,000	15,648	115,352	12%	32,750	17,102
Training and Travel	61,500	345	61,155	1%	15,375	15,030
Data Processing	428,800	18,953	409,847	4%	107,200	88,247
Professional Fees	379,000	78,224	300,776	21%	94,750	16,526
Other	7,000	965	6,035	14%	1,750	785
Fiduciary Insurance	79,000	0	79,000	0%	19,750	19,750
Operating						
Budget Total	<u>2,892,300</u>	<u>554,903</u>	<u>2,337,397</u>	19%	<u>723,075</u>	<u>168,172</u>
Member						
Cost (25% expectation)	<u>230,944,000</u>	<u>53,110,424</u>	<u>177,833,576</u>	23%	<u>57,736,000</u>	<u>4,625,576</u>
Contributions						
(25% Expectation)	<u>60,661,000</u>	<u>15,756,835</u>	<u>(44,904,165)</u>	26%	<u>15,165,250</u>	<u>591,585</u>
Net Investment						
Returns						
(25% Expectation)	<u>184,288,654</u>	<u>(60,576,670)</u>	<u>(244,865,324)</u>		<u>46,072,164</u>	<u>(106,648,834)</u>

2022 CRS CASH FLOW BUDGET

I. OPERATING EXPENSES	2022 BUDGET	% Cost of Operations	2022 YTD March	Difference Budget v Actual	25% of Budget	Difference 25% v Actual
A. Office Staff						
1. Salaries & Wages	1,330,000	45.98%	331,541	998,459	332,500	959
2. Fringe (35%)	466,000	16.11%	109,227	356,773	116,500	7,273
3. Temporary Services	10,000	0.35%	0	10,000	2,500	2,500
A. Total Office Staff	1,806,000	62.44%	440,768	1,365,232	451,500	10,732
B. Office Expenses						
1. Office Improvements	28,000	0.97%	0	28,000	7,000	7,000
2. Equipment / Purchase and Rent	11,000	0.38%	718	10,282	2,750	2,032
3. Supplies	2,300	0.08%	773	1,527	575	(198)
4. Printing and Postage	89,700	3.10%	14,157	75,543	22,425	8,268
B. Total Office Expenses	131,000	4.53%	15,648	115,352	32,750	17,102
C. Training and Travel						
1. Training/Travel Board	32,500	1.12%	0	32,500	8,125	8,125
2. Training/Travel Staff	29,000	1.00%	345	28,655	7,250	6,905
C. Total Training and Travel	61,500	2.12%	345	61,155	15,375	15,030
D. Data Processing Expenses						
1. Pension Gold Hosting and Modifications	186,000	6.43%	0	186,000	46,500	46,500
2. Pension Gold Annual License Fee	140,000	4.84%	0	140,000	35,000	35,000
3. Regional Computer Center (ETS)	3,000	0.10%	425	2,575	750	325
4. Hardware and Software for PCs	40,000	1.38%	12,323	27,677	10,000	(2,323)
5. Other	59,800	2.07%	6,205	53,595	14,950	8,745
D. Total IT Expenses	428,800	14.82%	18,953	409,847	107,200	88,247
E. Professional Services						
1. Actuarial Fees	178,000	6.16%	42,580	135,420	44,500	1,920
2. Consulting Fees	63,000	2.18%	6,135	56,865	15,750	9,615
3. Legal Services	110,000	3.80%	19,172	90,828	27,500	8,328
4. Retiree Locator Fees	3,000	0.10%	0	3,000	750	750
5. Treasury, Accounts and Audits	25,000	0.87%	10,337	14,663	6,250	(4,087)
E. Total Professional Services	379,000	13.11%	78,224	300,776	94,750	16,526
F. Other Expenses						
1. Board Meeting Expenses	2,500	0.09%	0	2,500	625	625
2. Membership and Subscriptions	4,500	0.16%	965	3,535	1,125	160
F. Total Other	7,000	0.25%	965	6,035	1,750	785
G. Insurance						
Fiduciary Insurance	79,000	2.73%	0	79,000	19,750	19,750
G. Total Insurance	79,000	2.73%	0	79,000	19,750	19,750
Total Operating Costs	2,892,300	100.00%	554,903	2,337,397	723,075	168,172

Programing fees paid in block purchase
Paid once per year

Annual financial software license paid

Half of annual bill paid

Paid once per year

2022 CRS CASH FLOW BUDGET			2022	Difference	25% of	Difference
(Continued)	2022 BUDGET	% Cost of Operations	YTD March	Budget v Actual	Budget	25% v Actual
II. MEMBER BENEFITS EXPENSES						
A. Pensions	195,800,000	84.78%	46,441,663	149,358,337	48,950,000	2,508,337
B. Return of Contributions	2,874,000	1.25%	750,247	2,123,753	718,500	(31,747)
C. Death Benefits	670,000	0.29%	165,000	505,000	167,500	2,500
D. Medical	31,600,000	13.68%	5,753,514	25,846,486	7,900,000	2,146,486
Total Benefit Costs	230,944,000	100.00%	53,110,424	177,833,576	57,736,000	4,625,576
	2022 BUDGET	% of Contributions	2,022 YTD March	Difference Budget v Actual	25% of Budget	Difference 25% v Actual
III. CONTRIBUTIONS						
A. City Contributions @16.25%	38,100,000	62.81%	9,693,475	(28,406,525)	9,525,000	168,475
B. Employee Contributions (9.0%)	20,460,000	33.73%	5,486,261	(14,973,739)	5,115,000	371,261
C. Retiree Medical Premiums	2,351,000	3.87%	570,133	(1,780,867)	587,750	(17,617)
D. Transfers In (Out) Reciprocity	(250,000)	-0.41%	6,966	256,966	(62,500)	69,466
Total Contributions	60,661,000	100.00%	15,756,835	(44,904,165)	15,165,250	591,585
IV. NET INVESTMENT RETURNS						
A. Gross Returns	193,580,654		(58,897,601)	(252,478,255)	48,395,164	(107,292,765)
B. Investment Expenses						
1. Custodial Fees	232,000		50,465	181,535	58,000	7,535
2. Investment Consultant	235,000		58,750	176,250	58,750	0
3. Investment Management Fees	8,825,000		1,569,854	7,255,146	2,206,250	636,396
Total Investment Expenses	9,292,000	0.36%	1,679,069	7,612,931	2,323,000	643,931
Net Investment Returns (Budget 7.5%)	184,288,654		(60,576,670)	(244,865,324)	46,072,164	(106,648,834)
NET CHANGE IN FUND BALANCE	11,113,354		(98,485,162)	(109,598,516)	2,778,339	(101,263,501)
Net Assets Beginning Balance	2,575,518,715	1/1/2022	2,575,518,715			
Net Assets Ending Balance Projected	2,586,632,069	3/31/2022	2,477,033,553			

Cincinnati Retirement System
DROP Quarterly Report for 2022

Totals at 12/31/2021	Q1	Q2	Q3	Q4	2022	Life of Plan Participation
Participants						
Beginning		194			194	
New Participants	354	6			6	360
Withdrawn Participants	-160	-10			-10	-170
Remaining	194	190			190	190
DROP Balance						
Opening Balance					\$ 23,780,761	
In-Flows to DROP						
Deferred Pension Payments	\$ 41,401,282	\$ 2,307,248			\$ 2,307,248	\$ 43,708,530
Member Contributions*	\$ 5,867,528	\$ 366,798			\$ 366,798	\$ 6,234,326
Interest Payable	\$ 1,281,844	\$ 93,213			\$ 93,213	\$ 1,375,057
Subtotal	\$ 48,550,654	\$ 2,767,259	\$ -	\$ -	\$ -	\$ 2,767,259
Out-Flows from DROP						
Disbursement of Accounts	\$ (23,268,506)	\$ (1,824,701)			\$ (1,824,701)	\$ (25,093,207)
Transfers to Pension Trust						
Participant Fees*	\$ (1,465,352)	\$ (91,668)			\$ (91,668)	\$ (1,557,020)
Forfeited Interest	\$ (36,035)	\$ (1,625)			\$ (1,625)	\$ (37,660)
Subtotal	\$ (24,769,893)	\$ (1,917,994)	\$ -	\$ -	\$ -	\$ (1,917,994)
Change To DROP Quarterly		\$ 849,265	\$ -	\$ -	\$ -	\$ 849,265
Ending DROP Liability	\$ 23,780,761				\$ 24,630,026	\$ 24,630,026

* Member Contributions equal 9% of pensionable compensation with 25% of collected amount transferred to Pension Trust as fees for participation in the DROP program.

Demographic Report for the CRS Board

	12/31/2021	1st Quarter (3/31/2021)	2nd Quarter (6/30/2021)	3rd Quarter (9/30/2021)	4th Quarter (12/31/2021)
Total F/T Active Employee Members <i>(Does NOT include DROP participants)</i>	2931	2922			
Total Payees <i>(includes retirees, optionees in pay status, and Survivors - does NOT include DROP participants)</i>	4216	4193			
Number of Retiree & Optionee Deaths YTD <i>(includes Optionees who died and were not in pay status)</i>	213	55			

Total Payees includes payees receiving multiple benefits AND Rehired Retirees. For example, a retiree who is receiving another benefit as an optionee is counted twice. This count does not correlate directly to the number of pensioners depicted in the Annual Actuarial Valuation due to differences in accounting for new retirees, deceased pensioners, DROP participants, and payees receiving multiple benefits.

Pensioner count is based on payroll date 1 day after end of quarter



Greg Landsman
Councilmember

April 18, 2022

MOTION

Budget Policy Direction to City Administration for Recommended FY2023 General Fund Operating Budget

WE MOVE that the City administration prepare a Fiscal Year 2023 Recommended General Fund Operating Budget which respects the following policy guidelines and priorities:

1. The Fiscal Year 2023 General Fund Operating Budget must be balanced. While continuing to strive to have a structurally balanced budget, the fiscal impacts of ongoing State cuts to the Local Government Fund, and revenue losses stemming from the pandemic, the use of one-time sources must be used to balance in Fiscal Year 2023.
2. Given the projected \$84 million gap between General Fund revenues and expenditures, federal American Rescue Plan (ARP) funds must be used to offset the projected budget deficit based on the eligible use of funds for pandemic related loss of revenue.
3. Staffing core services, Police, Fire, and Sanitation, must be prioritized.
 - a. Police and Fire should be funded consistent with bargaining agreements based on the departments' plans to reach their approved budgeted full-strength complement of 1,059 police officers and 859 firefighters. The Budget should include funding for a 53 Police Recruit Class to start in July 2022 with a second 35 member Police Recruit Class to start in May 2023. The Budget should include funding for Fire Recruit Class #120 with 50 members with a start date in October 2022, and for a second 50 member Fire Recruit Class #121 with at targeted start date of June 2023.

- b. Public Services crews should also be funded consistent with bargaining agreements, with every effort made to fill vacancies, including signing and retention pay, and increase the number of crews to improve services and reduce staff burn-out.
4. Other basic and core services should be maintained with recommendations to incrementally restore staff and services to levels necessary to meet the needs of our citizens as fully as possible.
5. The budget should be prepared consistent with the ordinance passed June 21, 2017, which directs the City Council to increase appropriations to human services over a five-year period to 1.5% of the General Fund Budget. Specifically, the FY2023 appropriations should attempt to achieve 1.5% of the General Fund revenue estimate established as part of the Tentative Tax Budget (TTB) for the upcoming fiscal year.
6. As part of an increased commitment to human services funding, especially in light of financial and related pain experienced by our residents in the aftermath of the pandemic, the budget should include a new “Boots on the Ground Fund” to support smaller non-profit organizations that are oftentimes closest to those who need support but are unable to successfully compete for funding as part of existing processes. We can not afford to leave these organizations out.
7. The budget should prioritize efforts to keep neighborhoods safe (Safe and Clean Fund), keep people in their homes (Eviction Prevention Fund), address litter and blight (HARBOR and new litigators to hold accountable problem properties and illegal dumping), offering jobs with career pathways as gainful employment for young people (Youth Jobs).
8. As taxpayers continue to grapple with the costs related to severe weather events, the budget should work to fully fund the work of the Office of Environment and Sustainability.
9. The budget must prioritize leveraged funding efforts that bring jobs to the City.

City of Cincinnati



801 Plum Street, Suite 352
Cincinnati, Ohio 45202

Phone: (513) 352-5232
Email: greg.landsman@cincinnati-oh.gov
Web: www.cincinnati-oh.gov

Greg Landsman
Councilmember

10. The budget must ensure that our wage enforcement work is fully funded.
11. The budget should maintain support for neighborhood groups, including Neighborhood Community Councils and Neighborhood Business Districts, and resources needed by the Administration to do community engagement and communications.
12. The budget should include and increase in our contribution to the pension by \$1million per year.
13. Council remains committed to building a reserve balance of 16.7% of prior year General Fund operating revenues.

Councilmember Greg Landsman

Councilmember Reggie Harris

Councilmember Jeff Cramerding

1870

Received of

General Adams

the sum of

Twenty Dollars

for

Anthem Member Connect Program

Addressing Loneliness and Social Isolation


Robin Caruso, LCSW
Chief Togetherness Officer

April 2022

Impact of Loneliness and Social Isolation

43%
of seniors

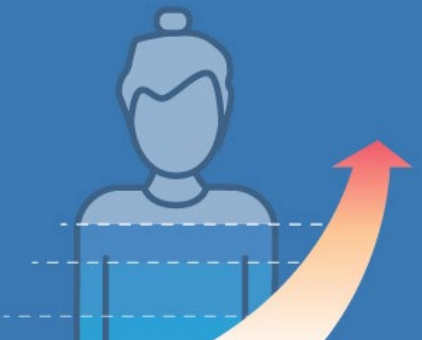
feel lonely
on a regular
basis.



There is a

45%
increased
risk of
mortality

in seniors
who report
**feeling
lonely.**



Similar to
smoking

15
cigarettes
a day

Loneliness is more dangerous than
obesity and as damaging to health
as **smoking** 15 cigarettes a day.





Loneliness affects nearly 45% of seniors over the age of 65 in America exposing them to both physical and emotional consequences.

In 2017 Member Connect program, a first-in-industry clinical approach to the loneliness epidemic, treating this condition with proactive interventions.

The intervention first focuses on building personal connections with patients who are identified as at-risk via mainly telephonic interactions.

The intervention has core components:

- Screening
- Weekly calls
- Care coordination
- Addressing social determinants of health

Who is eligible for Member Connect?

In order to qualify for Member Connect, the member must meet at least one of the following criteria:

- Lives alone
- Lives with others, but majority of their day is spent in isolation
- No social support (i.e. long distance caregiver or no caregiver)
- Self-reports loneliness or isolation
- Is a caregiver with little support
- Newly widowed with little social support
- Recent diagnosis of a serious or terminal illness
- Diagnosis of dementia

To become Referring Partner please email RobinL.Caruso@anthem.com following information:

Anthem ID, phone contact, location and time zone.

Believe someone might be a good fit, but they don't match the criteria above? Send an inquiry with member information to RobinL.Caruso@anthem.com with subject line "Referral Inquiry" and Member Connect team will follow-up with member eligibility.



**Re-engage in
Healthcare**



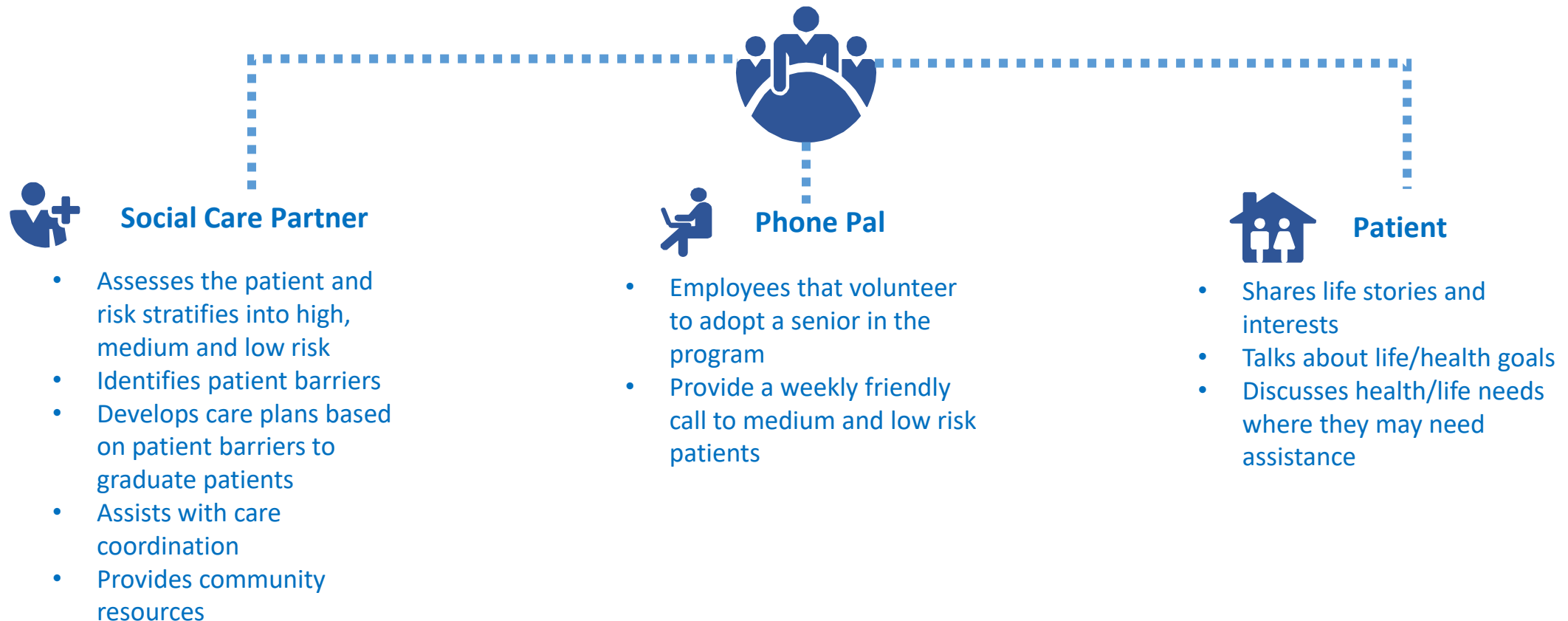
**Connect to
Community-Based
Organizations**



**Increase Physical
Activity**

The Member Connect team includes a Social Care Partner and Phone Pal that together build authentic connections with patients leading to behavior changes to reduce isolation and loneliness.

Member Connect Team



Patient Journey

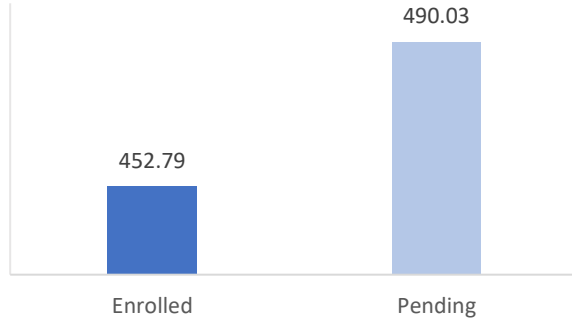
Our Social Care Partners and Phone Pals are a team that support their patient at all points on their Member Connect journey. The journey starts with getting to know the patient to build a relationship to connecting them to any needed resources and social activities to ultimately graduation from the program when the patient joins the Member Connect alumni.



Member Connect Experience Survey Results

Inpatient Admits (ptmpy)

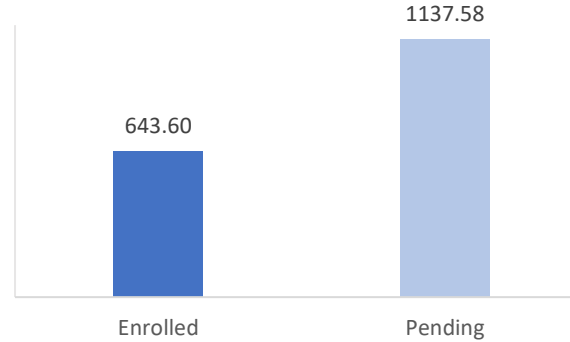
Current Period: May 2019 - April 2020



8% lower hospital admissions for participants.

ER Utilization (ptmpy)

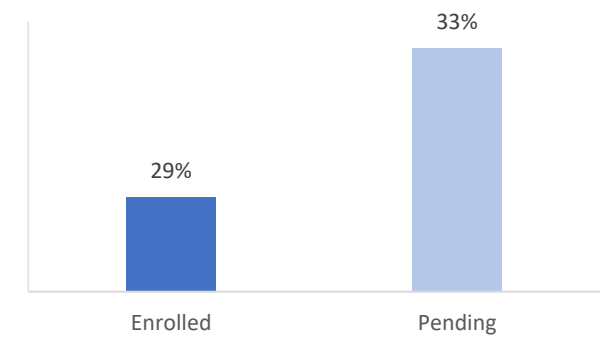
Current Period: May 2019 - April 2020



43% lower ER utilization for participants.

% of HEDIS Gaps Open

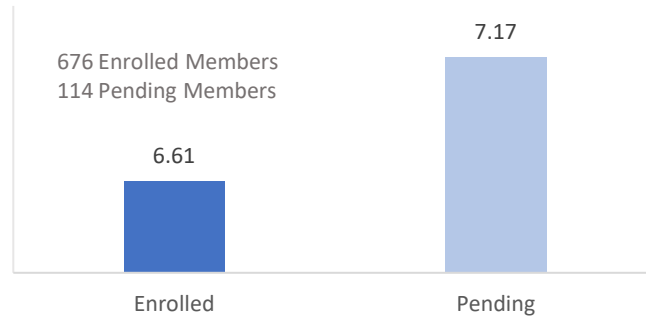
2020 HEDIS Year



4% lower open HEDIS Gaps for participants.

PHQ9 Depression Screen Average Score

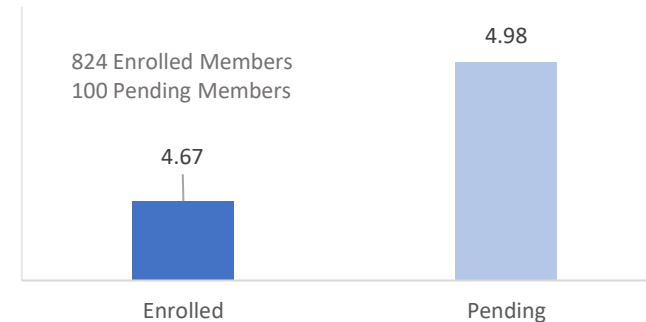
Current Period: May 2019 - April 2020



Based on responses to the three-question UCLA Loneliness Scale and the PHQ-9 Patient Depression Questionnaire, lower rates of depression and loneliness were observed among program participants. [See details.](#)

Loneliness Average Score

Current Period: May 2019 - April 2020



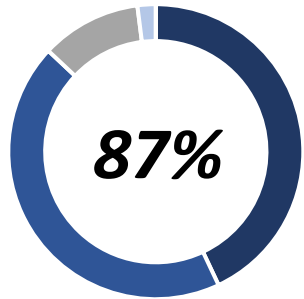
Notes:

- Study compared the outcomes of enrolled Member Connect participants to those of patients who were referred to the program but were not enrolled during the period studied (pending). Based on the general profile of Member Connect participants, who largely require higher engagement in other Anthem programs, the observed clinical and non-clinical effects are a testament to the totality of the integrated health system's model on these patients, prompted by the Member Connect program.
- Data timeframe is from May 2019 to April 2020. Study results compared approximately 1,000 patients that participated in the program for multiple years to nearly 200 patients referred to the program, but not enrolled during the data timeframe.

Member Experience Survey Results

Social Connections

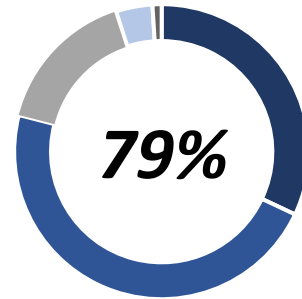
87% of patients agreed/strongly agreed that they have had more meaningful connections with people since joining the program.



- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Activities

79% of patients agreed/strongly agreed that they have had an increase in activities that bring them joy or sense of purpose since joining the program.

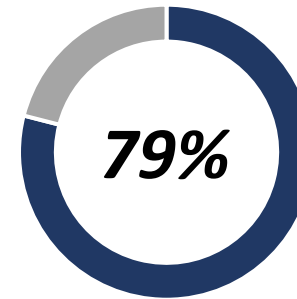


- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Healthcare Engagement

79% of patients have changed something about how they take care of themselves since joining the program.

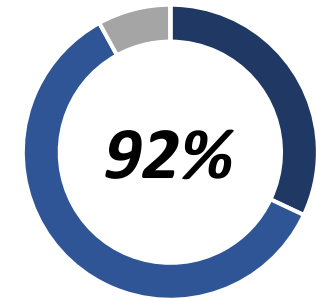
Top 3 activities identified: increase in exercise, practicing self-care and healthier eating habits



- Yes
- No

Happiness

92% of patients are happy/very happy when taking all life aspects into account since joining the program.



- Very Happy
- Happy
- Indifferent
- Unhappy
- Very Unhappy

Source: Member Connect Survey of 190 Patients that were in the program at least 3 months from 10/4/21 to 2/16/22.



Chief Togetherness Officer

Robin Caruso
RobinL.Caruso@anthem.com
@robin_caruso



8th Annual Ohio Institutional Forum

An Annual Meeting of the Ohio Institutional Investor Community on June 9th, 2022
Graduate Hotel Columbus - 750 N High St, Columbus, OH 43215

Designed for:

Pensions, Endowments, Foundations, Hospital Plans, Insurance Companies & Investment Consultants
The forum provides insight into selected areas of interest within the Ohio institutional investment community.

Series Contributors

Paul Greff, Chief Investment Officer, **Ohio Public Employees Retirement System**
Farouki Majeed, Chief Investment Officer, **School Employees Retirement System of Ohio**
Richard Stensrud, Executive Director, **School Employees Retirement System of Ohio**
Vishnu Srinivasan, Chief Investment Officer, **Ohio State University**
Timothy Gorrell, Executive Director, **Ohio Tuition Trust Authority**
Brian Gimotty, Managing Director, Investments, **UAW Retiree Medical Benefits Trust**
Mary Ciccone, Director of Investments, **University of Pittsburgh Medical Center**
Jason Morton, Director, Pension Investments, **Alcoa**
David Barcus, Director of Investments, **Denison University**
Stephen Ewen, Partner, Deputy Chief Investment Officer, **Mercer**
Andy Kiehl, Senior Consultant, **AndCo Consulting**
Richard Robben, Investment Consultant, **AndCo Consulting**
Barbara Myers, Senior Consultant, Strategy Research, **Highland Consulting Associates**
Rob Kochis, Principal, **Townsend Group**
Kathryn Mawer, Vice President, **Fund Evaluation Group**
Catherine Hickey, Vice President, **Segal Marco Advisors**
Robert Eberley, Investment Officer, **Hirtle, Callaghan & Co**
David Lindberg, Managing Director, **Wilshire**

Lead Sponsor:

World Gold Council

Platinum Sponsors:

Morgan Stanley | Vontobel Asset Management | MetLife
Fidelity Investments | Nikko Asset Management

Gold Sponsor:

BlackRock | IFM Investors | NinetyOne | Voya Investment Management
Johnson Asset Management | ArrowMark Partners | Principal



8:00: Registration & Morning Networking

8:30 Breakfast Workshop: Opportunities & Risks in Fixed Income: A Guide to Bond Investing in a Low Interest Rate World

Fixed Income investors have been faced with years of stubbornly low interest rates. As a result, many investors have turned to riskier bond alternatives in an effort to enhance their portfolio's yield and return. This additional yield, however, often comes at the expense of additional risk. As credit spreads have tightened to near historic lows, what's a fixed income investor to do? In this discussion, our panel will explore opportunities and risks within fixed income and offer important insights to help fixed income investors navigate this challenging market environment.

Presenter:

Speaker, Managing Director, Johnson Asset Management

9:00 Welcome Remarks

Organizer: **Michael Martinez, Program Director, Markets Group**

Chair: **Joan Hull, Institutional Relationship Manager, World Gold Council**

9:10 Presentation: Gold - Hedging Risk, Not Returns

Gold closed 2020 up 25%, outpacing many major asset classes and bringing gold ETF investment demand to record highs. Looking ahead, investors will likely continue to seek highly liquid hedging strategies in light of continued low interest rates, inflationary pressures and ongoing COVID-19 related instability. This discussion will focus on how gold's diversification, risk-adjusted returns and correlations attributes can deliver positive portfolio impact as investors navigate existing and emerging challenges. It will also cover frameworks for analyzing the drivers of gold performance that can help shape allocation strategy.

Presenter:

Justin Sheehan, Institutional Portfolio Consultant, World Gold Council

9:40 Panel: Macro Outlook & Global Asset Allocation

Currently we find ourselves in an uneven economic growth environment, with decreasing central bank intervention, uncertain trade outlook, interest rate headwinds and volatile commodity prices. The biggest uncertainty seems to be in political factors, such as the extent of policy shifts under the new administration, the direction of interest rates, as well as more referendums and elections in the Euro zone. How do our panelists accounts for these and other factors that could affect their global asset allocation decisions?

Panelists:

Speaker, Managing Director, Fidelity Investments

10:10 Fireside Chat: Navigating Equity Markets in Turbulent Times

In the face of extreme volatility, many stocks and sectors are getting whipsawed, but there are still opportunities to identify companies that can deliver consistent and sustainable earnings growth. Close consideration of absolute risk can provide downside protection, which should lead to higher compounding of returns over the long term.

Moderator:

David Souccar, Portfolio Manager, Senior Research Analyst, Vontobel Asset Management

10:40 Networking Break

11:10 Panel: Agriculture, Infrastructure and Commercial Real Estate

Ownership of commercial real estate and privatized infrastructure is ubiquitous to institutional asset allocation, offering a long-term stable return and uncorrelated to public market performance. But COVID-19 has made force majeure a portfolio risk, while restricted travel has grounded public-private airport revenue in Australia, the U.K. and Puerto Rico. The novel coronavirus is a sign of real asset risk to come: In our session session, we build a broader income-oriented real assets allocation designed to deliver high yield with downside protection.

Moderator:

Rob Kochis, *Principal, Townsend Group*

Panelists:

Speaker, *Managing Director, MetLife*

11:50 Interview: Practical Steps Towards ESG Integration

The ESG discussion is evolving rapidly for fiduciary investors, as are the techniques for incorporating ESG analytics and factors into the portfolio construction process. This panel will explore how investors are addressing corporate governance issues related to responsible investing starting with the optimal approach to the development of investment policy. They are also assessing how they can position their portfolios to avoid potential risks and to take advantage of new opportunities such as the introduction of impact investments. The panel will examine specific strategies that investors are using to address risk management and to integrate ESG issues into the investment decision-making process.

Interviewee:

John Farley, *Executive Director, Calvert Research and Management*

12:30 Breakout Educational Peer-to-Peer Discussions – Hosted by ArrowMark Partners

In the format of roundtables, small discussion groups are formed by topic. This is your opportunity to interact with participants, ask questions, and make connections.

Table 1: Gold - Hedging Risk, Not Returns – hosted by World Gold Council

Table 2: Opportunities & Risks in Fixed Income: A Guide to Bond Investing in a Low Interest Rate World- hosted by Johnson Asset Management

Table 3: Macro Outlook & Global Asset Allocation – hosted by Fidelity Investments

Table 4: Global Equity - Masqueraders of Growth – hosted by Vontobel Asset Management

Table 5: Agriculture, Infrastructure and Commercial Real Estate – hosted by MetLife

Table 6: Practical Steps Towards ESG Integration – hosted by Morgan Stanley

Table 7: What defines winning businesses doesn't change but changes in the economic and geopolitical backdrop suggest that a different set of winners is emerging – hosted by Nikko Asset Management

Table 8: An Evolving World for Alternative Credit – hosted by IFM Investors

Table 9: Growth vs. Value: Why It's Time to Think Outside the Style Box – hosted by NinetyOne

Table 10: From Golden Age to 'Return-Free Risk' – hosted by Voya Asset Management

1:30 Interview: What defines winning businesses doesn't change but changes in the economic and geopolitical backdrop suggest that a different set of winners is emerging

Whilst the principles that help define the winning franchises over the long term are unchanged there are changes taking place in the forces that shape the growth rates, profitability and valuation of many businesses around the world. William Low will share some perspectives on how they see the winners of tomorrow when looking through their "Future Quality" lens. In particular this means focusing on the importance of future pricing power rather than power of rising share prices.

Interviewee:

William Low, *Head of Global Equities, Nikko Asset Management*



2:10 Interview: An Evolving World for Alternative Credit

Following the global financial crisis, a low-rate environment has forced investors to rethink asset allocation in order to meet their portfolio objectives. This prolonged market condition has put particular stress on traditional credit and fixed income instruments that have historically played a critical role in portfolios. Further, hedge fund strategies employed to provide diversification and non-correlation have struggled to deliver. The panelists will seek to define the various segments within alternative credit, to highlight several key characteristics of these strategies, and to discuss real-time examples of opportunities in today's market.

Interviewee:

Rich Randall, *Global Head of Debt Investments*, **IFM Investors**

2:40 Panel: Growth vs. Value: Why It's Time to Think Outside the Style Box

Value stocks have massively underperformed growth over the past decade. While the trend may be poised to reverse, long droughts and sharp reversals in individual styles raise the question: Might equity portfolios be more robust if they were not entirely beholden to swings in growth and value returns? This session will explore how asset owners can think more broadly, creatively and strategically about asset allocation policy in order to reduce funded status volatility and perhaps find another path to the returns required to improve plan funding levels.

Panelists:

Elias Erickson, *Portfolio Manager*, **NinetyOne**

3:20 Networking Break

3:40 Interview: Portfolio Solutions for a Low Return World

A balanced portfolio of equities and bonds has served investors well. However, future returns from traditional investment approaches are expected to be lower and may come with greater uncertainty. Distilling investments into their constituent value drivers can help investors better understand trade-offs and design higher return portfolios with diversified risk and lower costs. Each investor has his or her own utility function when it comes to returns, risk and fees. As fiduciaries, institutional investors have an obligation to their beneficiaries to be thoughtful in the quest for higher returns. This journey does not have to be overly complex, expensive, or require locking up capital. Our session will discuss alternative investment strategies and how it can assist institutional investors achieve their long-term goals.

Interview:

Amit Sinha, *Senior Vice President, Head of Multi-Asset Design*, **Voya Investment Management**

4:10 Interview: Tactical Liquidity Solutions

Interviewee:

Speaker, *Managing Director*, **BlackRock**



4:40 Panel: Leadership Roundtable – Navigating the Aftermath of COVID-19

Being an institutional investor has never been a cakewalk. But the stress, as well as complex risk profile of each person's investment role, have both turned monumental in the wake of COVID-19. In addition to asset allocation and portfolio management, stakeholder demand, member anxiety and staff wellbeing all take on renewed significance. We ask our Roundtable panelists to discuss how the coronavirus pandemic changed their job description--for better and worse.

Moderator:

Stephen DiGirolamo, *Managing Director, Wilshire Associates*

Panelists:

Timothy Gorrell, *Executive Director, Ohio Tuition Trust Authority*

Vishnu Srinivasan, *Chief Investment Officer, Ohio State University*

Richard Stensrud, *Executive Director, School Employees' Retirement System of Ohio*

5:10 Chairperson's Closing Remarks

Organizer: **Michael Martinez**, *Program Director, Markets Group*

Chair: **Joan Hull**, *Institutional Relationship Manager, World Gold Council*

5:25 Cocktail Reception

6:30 Invitation-Only Dinner