

**OHIO HEALTH CARE ASSOCIATION
EXECUTIVE COMMITTEE**

**February 11, 2025, 1:00 p.m.
Zoom Meeting**

M I N U T E S

President Shane Craycraft called the meeting to order. The table at the end of these minutes shows attendance.

The President reminded the committee of the OHCA Antitrust Compliance, Conflict of Interest, and Confidentiality Policies in the online meeting folder.

The minutes of the previous meeting were approved by consent.

Jeff Geiger of Merrill Lynch reported on the OHCA investment portfolio. As of February 3, the holdings had grown to \$7.18 million. He reviewed the asset allocation. Equity was at 66%, so he felt we needed to pare it back a little to avoid hitting the upper limit in our policy. He suggested carving off 3% and allocating it to fixed income.

Motion: To move 3% of our investment holdings from equity to fixed income.
 Seconded; motion carried.

Mr. Geiger reviewed the allocations within the equity and fixed income categories. He felt that in 2025, fixed income would have a small positive return, while equity would generate similar returns to 2024.

Our portfolio overall took less risk than the blended index, but slightly underperformed it. International stocks and REITs were down. The REITS did a 5% dividend each month. Public REITs were rising, which tended to lead private REITs such as those we held. Their shareholder calls were very optimistic. Overall our equities were up 16.58%, which was close to the index.

Mr. Geiger pointed to the portfolio's performance over the last few years. It was up \$1.5 million since 2022, including \$535,000 in dividends and \$949,000 in appreciation. 2022 was negative for everyone.

Mr. Geiger said the Delaware large cap fund had underperformed over time, along with the Clearbridge small cap fund. There was no issue with change of management or style, they were just underperforming. He would make a recommendation to change these funds out later in the meeting.

Compared to our benchmark of CPI plus 3%, our portfolio was \$297,000 to the positive since 2021. Mr. Geiger reviewed the performance by each account.

He recommended that we go with Earnest Partners instead of Clearbridge. Earnest included both value and growth stocks. Their performance over the last year was down, but it was quite good before that. The second recommendation was to replace Delaware with the Putnam large cap value fund. It had outpaced the index for some time. We also held some passive strategies. The Vanguard ETFs did well but still underperformed the index. There was no cost to making the changes. The accounts would be frozen, transferred, and rebalanced into what the new funds owned.

Diane Dietz asked if these changes also would apply to EFOHCA.

Motion: To move our positions in Delaware and Clearbridge to Putnam and Earnest, respectively.
Seconded; motion carried.

Mr. Geiger concluded by saying the market was already up 2.5% as of the day before the committee meeting. He expected low double-digit returns for the year. The President was doing what he said he would do, and the markets were reacting well. A tariff war was not good, but President Trump was trying to level the playing field. There would be volatility during the year. Any inflation would be a negative.

Pete Van Runkle gave a brief OHCA budget review based on the final financial statements for 2024. The budget as approved by the board, with the year-end results added, was in the folder. The budget adopted in December used the October results, so there were only two months of additional data. No changes occurred in those two months that called any of the budget projections into question. The committee would review the budget again in April.

President Craycraft said the state budget bill had not been introduced yet, so we were playing he waiting game.

With no other business, the meeting was adjourned.

Attendance:

First Name	Last Name	7/24/24	10/23/24	12/10/24	2/19/25
Chris	Chirumbolo	P	P	P	
Joe	Cilone	P	P	P	P
Shane	Craycraft	P	P	P	P

Michael	Coury	P	P	P	P
Janet	Harris	P		P	P
Robin	Hillier	P	P	P	P
Greg	Miller		P	P	
Michael	Scharfenberger	P	P	P	P
Scott	Sprenger	P	P	P	P
Diane	Dietz	P	P	P	P
Debbie	Jenkins	P	P	P	P
Peter	Van Runkle	P	P	P	P