I. 9:00 am Review and Approval of Minutes

MOTION: Chair Adams asked for approval of the January 31, 2019 OIC regular meeting minutes. Member Russell moved the motion at 9:00 am, and Treasurer Read seconded the motion which then passed by a 4/0 vote.

II. 9:01 am Committee Reports and CIO Update

Committee Reports: Mr. Skjervem gave an update on the following committee actions taken since the January 31st, 2019 OIC meeting:

**Private Equity Committee**
- February 14, 2019: Genstar Capital Partners IX, L.P. & Opportunity Fund $200M

**Alternatives Portfolio Committee**
- February 25, 2019:
  - Bridgewater Optimal Portfolio $250M
  - GMO Systematic Global Macro Fund $250M
  - Northern Shipping Fund IV, L.P. $150M
Opportunity Portfolio Committee
None

Real Estate Committee
None

Mr. Skjervem then provided opening remarks which included a summary of 2018 and cumulative OPERF investment performance, a preview of the CSF Annual Review, as well as brief remarks on staff’s recommended IAP updates and its inaugural OPERF Liquidity Analysis. Mr. Skjervem also previewed staff’s annual Real Estate review, and highlighted the important progress achieved in that asset class. Finally, he introduced two new OST staff members, Krystal Mclean, Legal Assistant, Legal & Compliance and Sam Spencer, Investment Officer, Real Estate, and updated the Council on other personnel transfers and promotions.

III. 9:14 am Common School Fund Annual Review – Common School Fund
Michael Viteri, Senior Investment Officer, Public Equity, provided the Oregon Investment Council with an update on the Common School Fund for the period ended December 31, 2018, and sought approval for changes to OIC’s Common School Fund Policies and Procedures.

Mr. Viteri then introduced Bill Ryan, Deputy Director for Operations, Department of State Lands who provided an overview of the Common School Fund and its history as well as an update on his department’s current priorities.

Jennifer Peet, Corporate Governance Director, recommended a select list of updates to as well as a sweeping consolidation of the OIC’s Common School Fund investment policies.

MOTION: Mr. Kim moved approval at 9:46 am, and Treasurer Read seconded the motion which then passed by a 4/0 vote.

IV. 9:55 am IAP Update – OPERF
Jennifer Peet, and Christopher Nikolic, Head of Glide Path Strategies (U.S.), AllianceBernstein provided a status report for the Individual Account Program, which comprised a review of the IAP program, implementation and ongoing services, demographic analysis and a glide path design refresher and finally, a performance and benchmark review.

Upon the conclusion of Mr. Nikolic’s remarks, Ms. Peet recommended approval of proposed policy changes as outlined in policy INV 218.

MOTION: Mr. Russell moved approval of the recommendation at 10:09 am, and Treasurer Read seconded the motion which then passed by a 4/0 vote.

V. 10:09 am Q4 2018 Performance & Risk Report – OPERF
Karl Cheng, Senior Investment Officer, Portfolio Risk & Research and Janet Becker-Wold, Senior Vice President, Callan Associates, presented the quarterly OPERF investment performance and risk report for the calendar year and cumulative period ended December 31, 2018.

VI. 10:47 am Real Estate Portfolio Review – OPERF
Tony Breault, Senior Investment Officer, Real Estate, along with Christy Fields, Managing Director, Pension Consulting Alliance, presented the Real Estate Annual Review and 2019 Plan. This presentation included a
review of OPERF real estate strategy, an annual and cumulative performance update for the period ended December 31, 2018, and a preview of likely portfolio activity during 2019.

Mr. Breault introduced Ms. Mary Ludgin, Managing Director, Head of Global Research for Heitman, who presented her firm’s real estate market overview, and added some specific commentary on various property types.

VII. 11:49 am  Liquidity Update & Analysis – OPERF
Jen Plett, Senior Investment Analyst, and Karl Cheng provided the OIC with an introduction to the OPERF cash flow and liquidity project, which included a restatement of and discussion of the collective understanding of OPERF’s short- and long-term investment objectives.

VIII. 12:28 pm  Asset Allocation & NAV Updates
Mr. Skjervem reviewed asset allocations and NAVs across OST-managed accounts for the period ended January 31, 2019.

IX. 12:28 pm  Calendar – Future Agenda Items
A calendar listing of future OIC meetings and scheduled agenda topics was included in the Council’s meeting material.

X. 12:29 pm  Open Discussion
Council Member Kim thanked OST investment staff the meeting agenda and supporting material, and said he particularly appreciated the liquidity analysis and portfolio risk discussion. He also said he believes the Council has come a long way on those topics, and that he would like to continue this discussion in a manner that includes looking at different public peer fund practices, both in terms of return level pursued and risk level taken.

12:20 pm  Public Comments
None.

Ms. Adams adjourned the meeting at 12:30 pm.

Respectfully submitted,

May Fanning
Executive Support Specialist