The December 13th, 2017 OIC meeting was called to order at 9:00 am by Rukaiyah Adams, OIC Chair.

I. 9:01 am Review and Approval of Minutes
MOTION: Mr. Russell moved approval of the November 1st, 2017 OIC meeting minutes, and Mr. Kim seconded the motion which then passed by a 4/0 vote.

II. 9:11 am Committee Reports and CIO Update
Committee Reports: John Skjervem, OST Chief Investment Officer shared with the Council the results of Treasury’s annual holiday toy drive which in 2017 raised over $2,000 for underprivileged children and their families. Mr. Skjervem recognized OST Investment Officer Mike Mueller who has led the toy drive since 1999 and this year turned Treasury’s holiday fundraising proceeds into 195 new toys with a combined retail value of over $5,700.

Mr. Skjervem then gave an update on the following committee actions taken since the November 1, 2017 OIC meeting:

**Private Equity Committee**

November 2, 2017 Orchid Asia VII $150 million

**Alternatives Portfolio Committee**

December 4, 2017 Warwick Partners IV $200 million (with co-investment potential)

December 4, 2017 EnCap Flatrock Midstream IV $200 million

December 4, 2017 LS Power Equity Partners IV $200 million
Opportunity Portfolio Committee

None

Real Estate Committee

In accordance with Section 6, OST Staff Authority, of INV 501: Acquiring and Managing Equity Real Estate, staff has completed redemptions from two existing mandates in order to maintain exposure to REITs within OIC-established ranges:

- Cohen & Steers – approximately $70 million; and
- LaSalle Investment Management – approximately $854 million.

In accordance with Section 6, OST Staff Authority, of INV 501: Acquiring and Managing Equity Real Estate, staff has terminated, effective Dec 1, 2017, the following real estate separate account mandate:

- Talmage Separate Account – approximately $430 million.

Mr. Skjervem then described the Council’s need to elect officers for the coming two-year period, previewed staff’s Alternatives Manager Recommendation, framed the Fixed Income Program Review and commented on the Q3 2017 Performance & Risk Report.

III. 09:12 am Officer Election

Treasurer Read nominated Rukaiyah Adams to continue as the OIC Chair. Mr. Russell seconded the motion which then passed by a 3/0 vote (Ms. Adams abstained from voting).

IV. 10:05 am Aspect Capital Core Diversified Programme – OPERF Alternatives Portfolio

Ben Mahon, Senior Investment Officer, Alternatives, recommended a $500 million commitment (an initial investment of $250 million with additional funding at Staff discretion) to the Aspect Capital Core Diversified Programme for the Diversifying Strategies sleeve of the OPERF Alternatives Portfolio, subject to satisfactory negotiation of terms and conditions with Staff working in concert with legal counsel. This proposed commitment represents a new investment manager relationship on behalf of the OPERF Alternatives Portfolio.

Aspect Capital was established in 1997 by several individuals, including Anthony Todd and Martin Lueck who left Adam, Harding, & Lueck, an early pioneer in quantitative investing. As part of that legacy, the firm has focused exclusively on trend-following strategies until a recent acquisition of a currency management team. Aspect remains independently owned with Messrs. Todd and Lueck related family trusts owning over 70% of the Firm’s equity, with the balance held by other employees. Aspect has a team of over 130 individuals and total assets under management (AUM) of over $6 billion, with approximately $4.7 billion in trend following strategies and $1.7 billion in currency management.

Mr. Mahon then introduced Mr. Anthony Todd, Chief Executive Officer who provided the Council with a presentation on the firm, its investment strategy and performance record.

MOTION: Mr. Russell moved approval of staff’s recommendation, and Mr. Kim seconded the motion which then passed by a 4/0 vote.
V. 10:41 am Fixed Income Program Review – OPERF OSTF, OITP and other OST-managed accounts
Garrett Cudahey, Investment Office, Fixed Income, Tom Lofton, Investment Officer, Fixed Income and Angela Schaffers, Investment Analyst, Fixed Income presented the OPERF Fixed Income Program annual review which included:
- Look Back and Ahead;
- Internal Derivatives Usage Update;
- Fixed Income Program Overview; and
- Discussion of Select Accounts.

VI. 11:23 am Q3 2017 Performance & Risk Report – OPERF
Karl Cheng, Senior Investment Officer, Portfolio Risk & Research presented and discussed an updated view of the OPERF risk dashboard, while Janet Becker-Wold from Callan Associates provided a corresponding update on OPERF performance for the period ended September 30, 2017.

VII. 11:24 am Asset Allocation & NAV Updates
Mr. Skjervem reviewed asset allocations and NAVs across OST-managed accounts for the period ended October 31, 2017.

VIII. 11:24 am Calendar — Future Agenda Items
A calendar listing of future OIC meetings and scheduled agenda topics was included in the Council’s meeting material.

IX. 11:28 am Open Discussion
Vice Chair Russell remarked on the experience he and Mr. Miller enjoyed during their recent fiduciary training in Toronto, Canada. Mr. Russell also stressed the importance of pursuing and maintaining relationships with other public pension funds, particularly in relation to governance issues. Mr. Skjervem shared his own sense of comradery among public pension CIOs and assured Council members that he and other staff members regularly engage and collaborate with public plan peers.

11:28 am Public Comments
N/A

Ms. Adams adjourned the meeting at 11:28 am.

Respectfully submitted,

May Fanning
Executive Support Specialist