



## Minutes

### Investment Committee

Board Room, 1900 Polaris Parkway, Suite 201, Columbus, Ohio 43240

Thursday, February 21, 2019 – 9:30 a.m.

**Present:** Captain Cory Davies, *Chair*; Major (ret.) Darryl L. Anderson, *Vice-Chair*; Major (ret.) JP Allen; Kenneth Boyer; Trooper Brice Nihiser; Joseph Thomas

**Absent:** none

**Others Present:** Mark Atkeson, *Executive Director*; Brian Fike, *Finance Director*; Holly Carr, *Executive Assistant*; Grant Guyuron & Adam Blake, *Clearstead*; Mary Therese Bridge, *Assistant Attorney General*; Andre Swinerton, *Trustee*; Peter McCarthy, *PNC*; Bethany Rhodes, *ORSC*; Capt. Carl Roark; Tpr. (ret.) Mike Meyers

### Proceedings:

- At 9:35 a.m., Chair Davies called the meeting to order and the roll was called.
- **Motion: To approve the minutes of the December 20, 2018 meeting, (motion by Anderson; second by Allen; motion carried unanimously.)**
- Trustee Joseph Thomas and Mike Press; joined via phone.
- Press presented the Investment Committee Charter and 2019 Work plan and advised there were no substantive changes.
- **Motion: To approve the Investment Committee Charter and 2019 Work Plan changes as presented, (motion by Anderson; second by Allen; motion carried unanimously.)**
- Chair Davies stated there was no Chairman Report and turned the meeting over to Clearstead.
- Blake briefly reviewed the 2019 Oversight Dashboard and noted the asset allocation that was approved in December.
- Press discussed Ancora's recent alleged SEC violation and settlement agreement.
- Clearstead recommended reclassifying Kayne Private Energy Income I as real assets. The committee agreed.
- Davies directed Press to move forward with funding Kayne Private Energy Income II with a commitment of \$15 million.
- Blake discussed merger arbitrage and recommended that the asset class be added to the HPRS portfolio, and discussed the meeting they, Davies, Boyer, and Press had with Carlson Capital in November.
- Davies reported the merger arbitrage manager Carlson would be funded with funds from the Standard Life full redemption and he directed Press to move forward.

- Press presented the updated Investment Policy Statement that was approved in December, but was updated with the new asset allocation, transition plan, and performance benchmarks.
- **Motion: To recommend the board approve the Investment Policy Statement as presented by staff, (motion by Allen; second by Boyer; motion carried unanimously.)**
- Guyuron gave an update on private equity, stating it has generated strong returns the past several years and has overall been a very successful strategy.
- Clearstead gave the recommendation to take the next step towards maintaining weight in the private equity portfolio.
- Davies commented he would like to interview HarbourVest and asked Thomas and Anderson to join.
- Blake reviewed the portfolio activity.
- Guyuron gave an update on the emerging markets search, noting final interviews would be March 5, 2019.
- Davies appointed a subcommittee for the interviews, selecting Allen, Press, Clearstead, and himself.
- Guyuron reviewed performance as of December 31, 2018; the total plan was down approximately 5.0%.
- Guyuron presented the manager review list and recommended removing one manager from the list.
- **Motion: To remove Diamond Hill Long Short Equity Fund from the Committee List, (motion by Boyer; second by Allen; motion carried unanimously.)**
- Guyuron presented the flash report through February 19, 2019, noting the total portfolio was up 6.8% year to date.
- Press presented the updated Annual Investment Plan that was approved in December, but was updated with the new transition plan.
- **Motion: To recommend the board approve the Annual Investment Plan as presented by staff, (motion by Allen; second by Anderson; motion carried unanimously.)**
- At 10:54 a.m., Chair Davies declared the meeting adjourned.
- The next regular meeting of the Investment Committee is scheduled immediately following the Audit Committee meeting on April 18, 2019, at 1900 Polaris Parkway, Suite 201, Columbus, Ohio 43240.

*Minutes submitted by Holly Carr, Executive Assistant*

**Signature on file**

**April 18, 2019**

Approved by Cory Davies, Chair

Date

To review any referenced documents, please contact Holly Carr, 614-430-3555 (direct), [hcarr@ohprs.org](mailto:hcarr@ohprs.org).