

**Ohio Police & Fire Pension Fund
MINUTES**

**Board of Trustees
140 East Town Street, Columbus, Ohio
October 24, 2018**

Call to Order: The meeting was called to order at 1:00 p.m. Chairman Patton asked for a moment of silence for our members who have passed in the last month.

In attendance:

Trustees Present:

Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton

Trustees Absent:

Deighton and Heller

AGENDA ITEM 1:

Excuse Mr. Deighton and Mr. Heller

Mr. Wainscott moved, and Mr. Jeff Moore seconded a motion, to excuse Mr. Deighton and Mr. Heller from the October 2018 board meeting. The motion passed with the roll call vote as follows:

Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton
Nays: None

AGENDA ITEM 2:

Approval of the September 2018 Board Minutes

Mr. Desmond moved, and Ms. Maloney Stifler seconded, a motion that the Board of Trustees approves the September 2018 Board minutes. The motion passed with the roll call vote as follows:

Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton
Nays: None

AGENDA ITEM 3:

Executive Director's Report

Talking Points for the Executive Director 10/24/2018

PORTFOLIO UPDATE

- As of 10/23: \$15.2 billion
- End of September value: \$15.9 billion
- End of August value: \$16.0 billion

HEALTH CARE TRANSITION UPDATE

- Calls from Aon to our Medicare retirees began on Oct. 15, and as many of you know, Aon has been struggling to stay on schedule with these pre-arranged appointments.

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- We apologize for the situation, but we are working closely with Aon to make sure they resolve whatever issues remain.
- All appointments will take place, either as scheduled or at a newly arranged time.
- Please contact Aon to reschedule your appointment if it has been missed.

ACTUARIAL FUNDING UPDATE

- As reported earlier today, our funding situation has remained stable the past year and we remain compliant with Ohio's 30-year funding requirement
- Currently at 28 years, same as last year's valuation
- As expected, the changes to our health care have resulted in considerable funding improvements to our Health Care Stabilization Fund
- The health care fund is projected to remain solvent well into the year 2033
- Last year's report had the health care fund only lasting until 2025.

AGENDA ITEM 4: INVESTMENT COMMITTEE/BOARD TALKING POINTS:

Ms. Maloney Stifler read the Investment Committee/Board talking points:

Items discussed or reviewed:

- Prior to the Investment Committee the Board received an overview of the 2019 OP&F Operating Budget from Mr. Miller.
- Mr. Hall commented on the September month-end portfolio value, significant cash movements and year-to-date investment performance.
- Townsend presented the 2nd Qtr. Real Estate Performance Review and 2nd Qtr. Real Assets Report.
- Townsend discussed Blackstone Real Estate Partners IX.
- Staff provided the Semi-Annual Proxy Voting Report for the period ended June 30, 2018.

Motions Approved:

- The Board approved Staff's and Wilshire's recommendation to commit up to \$50 million to ArrowMark Global Opportunity Fund II.
- The Board approved Staff's and Wilshire's investment manager rating recommendations for Dimensional Fund Advisors, Franklin Templeton and Bridgewater's U.S. TIPS mandate.
- The Board approved Townsend's recommendation to commit up to \$125 million to Axiom U.S. LP Fund.
- The Board approved Townsend's recommendation to commit up to \$50 million to Cortland Partners Growth & Income Fund.
- The Board approved Staff's recommendation to accept the amended terms of MC Credit Fund I.

On Tuesday...

- Following the Investment Committee, the Board voted to select Cavanaugh-McDonald as OP&F's new actuarial consultant.
- Prior to the Investment Committee, the Board approved the Communications Plan for 2018-19. It will be forwarded to the Ohio Retirement Study Council as required.

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- On Wednesday, the Board approved the 1/1/2018 pension and health care actuarial valuations for submission to the Ohio Retirement Study Council.

AGENDA ITEM 5– DISABILITY COMMITTEE TALKING POINTS AND MOTIONS:

Mr. Montgomery read the Disability Committee motions:

Initial Determination Hearings

Mr. Montgomery moved and Mr. Desmond seconded a motion that the Board approves the Committee recommendations for the initial determination of disability for the five (5) members as identified in the initial determination hearings list presented to the Board on October 24, 2018. The motion passed with the roll call vote as follows:

Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton

Nays: None

Reconsideration Hearings

Mr. Montgomery moved and Mr. Jeff Moore seconded a motion that the Board makes a determination for those members requesting reconsideration. The motion passed with the roll call vote as follows:

Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton

Nays: None

Appeal Hearings

Mr. Montgomery moved and Mr. Wainscott seconded a motion that the Board approves the recommendations for the appeal hearings for the five (5) members as identified in the appeals list presented to the Board on October 24, 2018. The motion passed with the roll call vote as follows:

Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton

Nays: None

Death Benefit Fund Hearings

Mr. Montgomery moved and Mr. Desmond seconded a motion, that the Board makes a determination for those requesting death fund benefits. The motion passed with the roll call vote as follows:

Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton

Nays: None

Reporting Waivers

Mr. Montgomery moved and Mr. Jeff Moore seconded a motion that the Board waives the mandatory medical evaluation and filing of annual earnings statements for future years for the members identified in the disability reporting waivers list presented to the Board on October 24, 2018. The motion passed with the roll call vote as follows:

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Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton
Nays: None

AGENDA ITEM 6– BENEFITS COMMITTEE TALKING POINTS AND MOTION:

Mr. Jeff Moore read the Benefit Committee talking points and motion:

Items discussed or reviewed:

- Ms. Harville presented the DROP Experience Report for the 3rd Quarter 2018.

Motions approved:

- The Committee voted to approve the Benefits Committee minutes for August 21, 2018.
- The Committee recommended the Board approve the five (5) Administrative Rules as outlined in staff's memorandum dated October 23, 2018.

Administrative Rules – 2018 10 001 BC

Mr. Jeff Moore moved and Mr. Charles Moore seconded a motion that the Board approves the Administrative Rules outlined in staff's memorandum dated October 23, 2018, and authorizes the required filing of the Rules with the proper agencies. The motion passed with the roll call vote as follows:

Ayes: Desmond, Maloney Stifler, Montgomery, Charles Moore, Jeff Moore, Wainscott and Patton
Nays: None

AGENDA ITEM 7:

Other Business

None.

AGENDA ITEM 8:

Address Audience

Mr. Robert Rogers, retired Rocky River Fire, addressed the Board regarding his eligibility into OP&F's healthcare program. Ms. Foley stated that she and Ms. Harville will meet with Mr. Rogers following the board meeting to discuss Mr. Rogers' issues in private.

Mr. Mike Leslie, Akron FOP, read an email from a member regarding missed Aon phone appointments.

Mr. Gallagher stated that he will be speaking with Aon later to further resolve issues. He also said that Aon has recently added 30 additional benefit advisors and also Saturday appointments.

Mr. Jim McCoskey, retired Columbus Police, spoke about similar issues with Aon rescheduling appointments.

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Mr. Charlie Burkhart, retired Columbus fire, stated that Scioto Township Fire just hired (2) 50 year old firefighters. He wants to know how we can set age standards. He wants the get the word out to the FOP, OAPFF, etc. about the disadvantages of hiring older new members.

AGENDA ITEM 9:

Adjournment

Chair Patton announced that the next board meeting will be held on **Wednesday, November 14, 2018 around 1:00 pm**. The meeting adjourned at 1:26 pm.



John J. Gallagher Jr.
Executive Director

Board materials provided:

1. Disability Committee Materials.
2. Benefit Committee Materials.
3. Investment Committee/Board Materials.
4. Governmental Affairs & Policy Committee Materials
5. BUCK Materials.
6. 2019 Operational Budget Materials.
7. General Counsel Materials.
8. FYI Section: Pending and Pre-Approved Trustee Travel.
9. Chart of Motion Practice: FYI.
10. Administration Appendix Materials.
11. Investment Appendix Materials.
12. Member Service Appendix Materials.
13. Executive Director Report Dated 10/24/2018.
14. Disability Motions: Initial Determination Hearings; Reconsiderations; Appeal Hearings; Death Benefit Fund Hearings and Reporting Waivers.
15. Benefit Motion: Administrative Rules

Handouts: October 2018 Talking Points: Disability Committee, Benefit Committee, GAPC and Investment Committee/Board Talking Points. Monthly Portfolio Valuation Update for 09/30/18.