

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF RETIREMENT
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CALIFORNIA

INVESTMENT COMMITTEE MEETING
October 25, 2018
9:00 a.m.

AGENDA

The Investment Committee of the Orange County Board of Retirement welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Committee may take action on any item included in the agenda; however, except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. The Committee may consider matters included on the agenda in any order, and not necessarily in the order listed.

Note: The Committee is comprised of all of the members of the Board of Retirement. Accordingly, actions taken by the Committee will be final actions unless otherwise noted.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Committee; and (2) any matter appearing on the Consent Agenda.

When addressing the Committee, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed. Persons wishing to address items on the agenda should provide written notice to the Secretary of the Committee prior to the Committee's discussion on the item by signing in on the Public Comment Sign-In Sheet located at the back of the room.

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Committee Member requests separate action on a specific item.

C-1 COMMITTEE MEETING:

Approval of Meeting and Minutes

Investment Committee Meeting

July 26, 2018

Investment Committee Meeting

August 30, 2018

Investment Manager Monitoring Subcommittee Meeting

September 6, 2018

Recommendation: Authorize meetings and approve minutes.

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Committee's discussion of the item. Persons wishing to address items on the agenda should provide written notice to the Secretary of the Committee prior to the Committee's discussion on the item by signing in on the Public Comment Sign-In Sheet located at the back of the room.

A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA

A-2 PRIVATE REAL ASSETS PACING

Presentation by David Fann, Heidi Poon, CFA, CAIA, & Nic DiLoretta, TorreyCove

Recommendation: Approve the pacing plan for 2019 private real assets commitments and the sub-sector ranges.

A-3 CORE OPEN-END REAL ESTATE REBALANCNG

Presentation by Jennifer Young Stevens, Townsend

Recommendation: Approve the rebalancing of \$150 million from a generalist U.S. core open-end real estate manager to two specialist (U.S. core diversified niche property and U.S. core industrial) managers.

A-4 ASSET ALLOCATION

Presentation by Molly A. Murphy, CFA, CIO, OCERS & Stephen McCourt, CFA, Meketa

Recommendation: Approve the asset allocation policy changes (with detailed asset and sub-asset class targets and ranges outlined in Meketa's presentation):

1. Increase Risk Mitigating Strategies and Private Equity
2. Decrease Real Assets and Credit
3. Reconsider a Unique Strategies asset class

INFORMATION ITEMS

I-1 INVESTMENT COMMITTEE COMMUNICATIONS

Written report only

I-2 SECURITIES LITIGATION UPDATE

Written report only

I-3 REPORT – PORTFOLIO ACTIVITY

Written report only

I-4 CHINA A-SHARES DISCUSSION

Presentation by Vivian Lin Thurston, CFA & Stephen Weeks, William Blair

I-5 DELEGATED AUTHORITY – CONTINUED DISCUSSION

Presentation by Molly A. Murphy, CFA, CIO, OCERS

I-6 2nd QUARTER 2018 REAL ESTATE PERFORMANCE REPORT

Presentation by Jennifer Young Stevens & Felix Fels, Townsend

I-7 1st QUARTER 2018 PRIVATE EQUITY PERFORMANCE REPORT

Presentation by David Fann, Heidi Poon, CFA, CAIA, & Nic DiLoretta, TorreyCove

I-8 MANAGER SELECTIONS & TERMINATIONS REPORT

Presentation by Molly A. Murphy, CFA, CIO, OCERS

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/CHIEF INVESTMENT OFFICER/STAFF/CONSULTANT COMMENTS

COUNSEL COMMENTS

ADJOURNMENT

NOTICE OF NEXT MEETINGS

DISABILITY COMMITTEE MEETING

November 6, 2018

10:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

November 19, 2018

9:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

INVESTMENT COMMITTEE MEETING

November 28, 2018

9:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

DISABILITY COMMITTEE MEETING
December 4, 2018
10:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CA 92701

INVESTMENT MANAGER MONITORING SUBCOMMITTEE MEETING
December 6, 2018
9:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CA 92701

All supporting documentation is available for public review in the retirement office during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Thursday and 8:00 a.m. – 4:30 p.m. on Friday.

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at adminsupport@ocers.org or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.