

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

**INVESTMENT COMMITTEE MEETING
Monday, November 25, 2019
9:00 a.m.**

MINUTES

Chair Hilton called the meeting to order at 9:06 a.m.

Attendance was as follows:

Present: Roger Hilton, Chair; Shawn Dewane, Vice Chair; Wayne Lindholm; Jeremy Vallone; Charles Packard; Russell Baldwin; Frank Eley; and Chris Prevatt

Absent: David Ball and Shari Freidenrich

Also Present: Steve Delaney, Chief Executive Officer; Molly Murphy, CFA, Chief Investment Officer; Reginald Tucker, Managing Director; Shanta Chary, Director of Investments; David Beeson, Senior Investment Officer; Tarek Turaigi, CFA, Investment Officer; Stina Walander-Sarkin, Investment Analyst; Duc Nguyen, CFA, Investment Analyst; Gina Ratto, Chief Legal Officer; Anthony Beltran, Visual Technician; and Brittany Cleberg, Recording Secretary

Guests: Meketa Investment Group: Allan Emkin; Stephen McCourt, CFA; Stephanie Sorg

Trustee Vallone led the Pledge of Allegiance.

CONSENT AGENDA

MOTION by Prevatt, **seconded** by Packard, to approve staff's recommendation on all of the following items on the Consent Agenda:

C-1 COMMITTEE MEETING:

Investment Committee Meeting

October 31, 2019

Recommendation: Approve minutes.

The motion passed **unanimously**.

CIO COMMENTS

Ms. Murphy provided an update on OCERS' performance. She also remarked upon the state of the market. The market hit a new high in trading, largely in part to China's announcement it will enact harder rules regarding intellectual property. The yield curve is considered healthier coming out of an inversion. Consumer spending comes out on Wednesday and has been the offset to the decrease in business spending.

ACTION ITEM

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

No items were trailed from the Consent Agenda.

A-2 INVESTMENT COMMITTEE CHARTER REVIEW RELATED TO GOVERNANCE COMMITTEE ACTIONS

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

After discussion by the Committee, **MOTION** by Lindholm, **seconded** by Dewane, to approve revisions to the Investment Committee Charter.

The motion passed **unanimously**.

A-3 PROPOSED 2020 INVESTMENT COMMITTEE MEETING SCHEDULE

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

After discussion by the Committee, **MOTION** by Dewane, **seconded** by Prevatt, to approve the proposed 2020 Investment Committee Meeting Schedule.

The motion passed **unanimously**.

INFORMATION ITEMS

The following informational items were presented to the Committee:

I-1 INVESTMENT COMMITTEE COMMUNICATIONS

I-2 MEKETA ECONOMIC OUTLOOK

I-3 REPORTS – PORTFOLIO ACTIVITY

I-4 MANAGER SELECTIONS & TERMINATIONS REPORT

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

I-5 3RD QUARTER 2019 PORTFOLIO EVALUATION REPORT

Presentation by Stephen McCourt, CFA and Stephanie Sorg, Meketa

I-6 3RD QUARTER 2019 PORTFOLIO RISK DISCUSSION

Presentation by Stephen McCourt, CFA and Allan Emkin, Meketa

I-7 ISS 2019 PROXY SEASON UPDATE & 2020 PREVIEW

Presentation by Nathan Worthington, Regional Director of Client Services, Institutional Shareholder Services
CLOSED SESSION

The Committee **ADJOURNED** to Closed Session at 11:33 a.m. for item E-1.

The Committee **reconvened** in Open Session at 11:53 a.m. and reported out the following actions taken during closed session on item E-1.

E-1 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED

Adjourn into Closed Session under the authority of Government Code §54956.9(d)(1) *In re Vale S.A. Securities Litigation*, U.S. District Court, Southern District of New York (Case No. 15 Civ. 9539 (GHW))

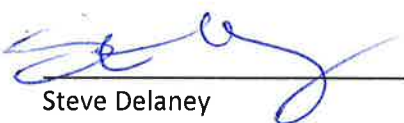
There was **no reportable action taken** in closed session.

COMMITTEE MEMBER/CEO/CIO/CONSULTANT/COUNSEL COMMENTS

None

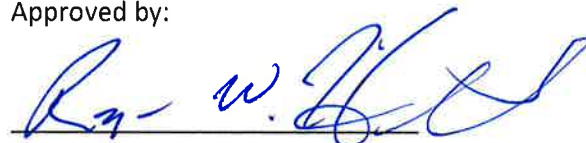
The meeting **ADJOURNED** at 11:54 a.m.

Submitted by:



Steve Delaney
Secretary to the Committee

Approved by:



Roger Hilton
Chair