

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

**INVESTMENT COMMITTEE MEETING  
Wednesday, May 26, 2021  
9:30 A.M.**

**MINUTES**

Chair Eley called the meeting to order at 9:31 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present via Zoom video teleconference pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020:

Frank Eley, Chair; Arthur Hidalgo, Vice Chair; Shawn Dewane; Roger Hilton; Wayne Lindholm; Charles Packard; Chris Prevatt; Adele Tagaloo; and Jeremy Vallone

Absent: Shari Freidenrich

Also Present via Zoom: 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, Senior Investment Analyst; Duc Nguyen, CFA, Investment Analyst; Emma Ji, CFA, Investment Analyst; Joshua DePaula, Investment Analyst; Gina Ratto, General Counsel; Javier Lara, Visual Technician; and Brittany Cleberg, Recording Secretary

Guests via Zoom: Meketa Investment Group: Allan Emkin; Stephen McCourt, CFA; Laura Wirick, CFA, CAIA; Stephanie Sorg

The Townsend Group: Jack Koch; Felix Fels; and Prashant Tewari

**PUBLIC COMMENTS**

**None**

**CONSENT AGENDA**

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

**C-1 COMMITTEE MEETING:**

Investment Committee Meeting

April 21, 2021

**Recommendation:** Approve minutes.

The motion passed **unanimously**, pursuant to a Roll Call vote, as follows:

**AYES**

**NAYS**

**ABSTAIN**

**ABSENT**

Mr. Dewane  
Mr. Lindholm  
Mr. Hidalgo  
Mr. Hilton  
Mr. Packard  
Mr. Prevatt  
Ms. Tagaloa  
Chair Eley

**CIO COMMENTS**

Ms. Murphy provided an update of recent market activity. She noted that April was a very strong month with the portfolio up 2.9%. May was a more volatile month with the markets bottoming out in the middle of the month and climbing back up to the status quo. Year to date the portfolio is up 5.7% net. The debate on inflation continues and markets will likely be working through it for the rest of the year. Unemployment will continue to be a challenge as the economy reopens. Commodities are up and still on the rise due to a weakening dollar. There are rumblings of a commodities super cycle. The growth to value rotation continues.

**ACTION ITEM**

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

No items were trailed from the Consent Agenda.

**A-2 WATCH LIST – MONDRIAN INTERNATIONAL SMALL CAP EQUITY FUND**

Presentation by Shanta Chary, DI, OCERS

After discussion by the Committee, **MOTION** by Lindholm, **seconded** by Tagaloa, to approve staff recommendation remove Mondrian International Small Cap Equity Fund (“Mondrian”) from watch list.

The motion passed **unanimously**, pursuant to a Roll Call vote, as follows:

**AYES**

**NAYS**

**ABSTAIN**

**ABSENT**

Mr. Dewane  
Mr. Lindholm  
Mr. Hidalgo  
Mr. Hilton  
Mr. Packard  
Mr. Prevatt  
Ms. Tagaloa  
Chair Eley

**INFORMATION ITEMS**

**I-1 MANAGER SELECTIONS & TERMINATIONS REPORT**

Presentation by Reginald D. Tucker, MD & David Beeson, SIO, OCERS

**I-2 1<sup>ST</sup> QUARTER 2021 PORTFOLIO EVALUATION REPORT**

Presentation by Laura Wirick, CFA, CAIA & Stephanie Sorg, MSF, Meketa

**I-3 1<sup>ST</sup> QUARTER 2021 PORTFOLIO RISK REPORT**

Presentation by Allan Emkin & Stephen McCourt, Meketa

The Committee recessed for a break at 10:53 a.m.  
The Committee reconvened at 11:12 a.m.

Recording Secretary administered the Roll Call attendance. Ms. Freidenrich was absent.

**I-4 THE TOWNSEND GROUP VIEW OF THE WORLD**

Presentation by Prashant Tewari, Townsend

**I-5 ASSET CLASS REVIEW – REAL ESTATE**

Presentation by David Beeson, SIO, OCERS

**I-6 4<sup>TH</sup> QUARTER 2020 REAL ESTATE PERFORMANCE REPORT**

Presentation by Jack Koch & Felix Fels, Townsend

**WRITTEN REPORTS**

None of the written reports were pulled for discussion.

**R-1 INVESTMENT COMMITTEE COMMUNICATIONS**

**R-2 REPORTS – PORTFOLIO ACTIVITY & COMPLIANCE**

**R-3 SECURITIES LITIGATION UPDATE**

**R-4 MEKETA ECONOMIC OUTLOOK**

**ACTION ITEM**

**A-3 REAL ESTATE INVESTMENT PLAN**

Presentation by Jack Koch & Felix Fels, Townsend

After discussion by the Committee, **MOTION** by Packard, **seconded** by Hilton, to approve staff recommendation to approve the annual OCERS’ real estate investment plan for FY 2022 including: (1) Zero new commitments in the core portfolio (2) Commit \$150 - \$225 million in the non-core portfolio (2-3 new investments at \$75 million per fund)

The motion passed **unanimously**, pursuant to a Roll Call vote, as follows:

**AYES**

**NAYS**

**ABSTAIN**

**ABSENT**

Mr. Lindholm  
Mr. Hidalgo  
Mr. Hilton  
Mr. Packard  
Mr. Prevatt  
Ms. Tagaloa  
Chair Eley

Mr. Dewane

**COMMITTEE MEMBER/CEO/CIO/CONSULTANT/COUNSEL COMMENTS**

None

The meeting **ADJOURNED** at 12:50 p.m.

Submitted by:

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Steve Delaney  
Secretary to the Committee

Approved by:

DocuSigned by:  
  
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Frank Eley  
Chair