

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

**INVESTMENT COMMITTEE MEETING
Wednesday, October 27, 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; Wayne Lindholm; Richard Oates; Charles Packard; Chris Prevatt; Adele Tagaloa; and Jeremy Vallone

Absent: Shari Freidenrich

Also Present via Zoom: Steve Delaney, Chief Executive Officer; Suzanne Jenike, Assistant CEO, External Operations; Molly Murphy, CFA, Chief Investment Officer; Shanta Chary, Director of Investments; David Beeson, Senior Investment Officer; Tarek Turaigi, CFA, Senior 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; Anthony Beltran, Visual Technician; and Brittany Cleberg, Recording Secretary

Guests via Zoom: Meketa Investment Group: Laura Wirick, CFA, CAIA & Stephanie Sorg

PUBLIC COMMENTS

None

CONSENT AGENDA

MOTION by Lindholm, **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

August 25, 2021

Recommendation: Approve minutes.

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

AYES

NAYS

ABSTAIN

ABSENT

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

CIO COMMENTS

Ms. Murphy provided an update on the progress of the Investment Consultant RFP, advising that the process is on schedule. The Investment team met the first deadline of getting the RFP out to the investment consultant community at the end of August. Responses were due back to OCERS October 1. The team received submissions from 10 different firms, four submissions for the General & Risk category, five for Private Equity, seven for Real Assets, and nine submissions for Real Estate, resulting in 25 options for how the team would put it all together. The team has approximately 5,000 pages of submissions to review. The submissions will be narrowed down to a semifinalists group of several firms to be interviewed via Zoom. Pending any COVID travel restrictions, the team is planning on in person site visits to the finalists in January or February 2022. The team is target the February or March Investment Committee dates for the final Investment Consultants recommendations.

Ms. Murphy also provided an update on the current markets, which pulled back in September. Despite a draw down from the peak, OCERS’ portfolio is largely back to pre-September levels in the market. Equity markets have rebounded and oil is above 80, with healthy demand side expectations as we roll into cold weather months.

OCERS is continuing to have a strong month and overall a strong year. As of September, we were up 11.3%. The approximate year to date is over 13%. Last year, the fourth quarter was exceptionally strong. Those results will drop off the trailing 12-month returns as we move through the rest of the current year. The one year trailing return is approximately 24% and will likely see some softening without big announcements driving the markets as they did last year.

ACTION ITEM

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

No items trailed from the Consent Agenda.

INFORMATION ITEMS

I-1 MANAGER SELECTIONS & TERMINATIONS REPORT

Presentation by Stina Walander-Sarkin, SIA, OCERS

I-2 ASSET BASED LENDING OVERVIEW

Presentation by Michael Chandra, CFA, CAIA; Kyle McCarthy, CFA; & Kristofer R. Kraus, PIMCO

The Committee recessed for a break at 11:14 a.m.
The Committee reconvened at 11:31 a.m.

Recording Secretary administered the Roll Call attendance. Ms. Tagaloa and Mr. Vallone were absent.

I-3 ASSET CLASS REVIEW – FIXED INCOME AND CREDIT

Presentation by Tarek Turaigi, CFA, SIO, OCERS

ACTION ITEM

A-2 PRIVATE CREDIT PACING PLAN

Presentation by Mary Bates, Meketa

After discussion by the Committee, **MOTION** by Dewane, **seconded** by Prevatt, to approve staff recommended private credit pacing plan of \$200 to \$300 million per year on a rolling three-year basis.

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

AYES

NAYS

ABSTAIN

ABSENT

Mr. Dewane
Mr. Hidalgo
Mr. Lindholm
Mr. Packard
Mr. Prevatt
Mr. Oates

Ms. Tagaloa
Mr. Vallone

Chair Eley

WRITTEN REPORTS

None of the written reports were pulled for discussion.

R-1 INVESTMENT COMMITTEE COMMUNICATIONS

R-2 QUIET PERIOD

R-3 REPORTS – PORTFOLIO ACTIVITY

COMMITTEE MEMBER COMMENTS

Mr. Prevatt provided a reminder to the Committee Members that a performance evaluation should be completed by the end of the week.

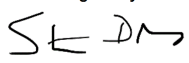
CEO/CIO/CONSULTANT/COUNSEL COMMENTS

None

The meeting **ADJOURNED** at 12:14 p.m.

Submitted by:

Approved by:

DocuSigned by:

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Steve Delaney
Secretary to the Committee

DocuSigned by:

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Arthur Hidalgo
Vice Chair