

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

**INVESTMENT COMMITTEE MEETING
Wednesday, November 17, 2021
9:30 A.M.**

MINUTES

Vice Chair Hidalgo called the meeting to order at 9:30 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:

Arthur Hidalgo, Vice Chair; Shawn Dewane; Shari Freidenrich; Wayne Lindholm; Richard Oates; Charles Packard; Chris Prevatt; Adele Tagaloa; and Jeremy Vallone

Absent: Frank Eley, Chair

Also Present via Zoom: Steve Delaney, Chief Executive Officer; 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: Allan Emkin; Stephen McCourt, CFA; Laura Wirick, CFA, CAIA; Stephanie Sorg

PUBLIC COMMENTS

None

CONSENT AGENDA

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

C-1 COMMITTEE MEETING:

Investment Committee Meeting

October 27, 2021

Recommendation: Approve minutes.

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

AYES

NAYS

ABSTAIN

ABSENT

Mr. Dewane
Ms. Freidenrich
Mr. Lindholm
Mr. Packard

Mr. Prevatt

Mr. Oates
Ms. Tagaloa
Mr. Vallone
Mr. Hidalgo

CIO COMMENTS

Ms. Murphy prefaced the 9/30 numbers would be presented. Since those reported numbers, she noted there was a rise in the market likely to affect the final numbers at the end of the year. The Western states are feeling the current inflation, particularly at the gas pump. There has also been a food inflation spike with inflation over 5%. The Investment Team is watching how the supply chain is affecting inflation. The buildup of empty containers are moving out of the congested ports. The dollar remains strong and the looming debt ceiling expires on 12/15. The equity markets are still strong despite all that is going on. The OCERS portfolio is up approximately 15% YTD.

Ms. Murphy also provided an update on the progress of the Investment Consultant RFP, advising that the process is on schedule with the consultant semi-finalist Zoom interviews scheduled to take place in December.

ACTION ITEM

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

No items trailed from the Consent Agenda.

Mr. Prevatt arrived at 10:03 a.m.

A-2 INVESTMENT COMMITTEE MEETINGS GOVERNANCE DISCUSSION

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

After discussion by the Committee, **MOTION** by Tagaloa, **seconded** by Prevatt, to approve staff recommendation to (1) Reduce Investment Committee meetings to four quarterly meetings, plus educational content at the Board Strategic Workshop; and (2) Ad hoc meetings of the Investment Committee may be added as needed.

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

AYES

NAYS

ABSTAIN

ABSENT

Mr. Dewane
Ms. Freidenrich
Mr. Lindholm
Mr. Packard
Mr. Prevatt

Mr. Oates

Ms. Tagaloa
Mr. Vallone
Mr. Hidalgo

INFORMATION ITEMS

I-1 MANAGER SELECTIONS & TERMINATIONS REPORT

Presentation by Molly A. Murphy, CFA, CIO; Tarek Turaigi, CFA, SIO; & Stina Walander-Sarkin, SIA, OCERS

I-2 3RD QUARTER 2021 PORTFOLIO EVALUATION REPORT

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

I-3 3RD QUARTER 2021 PORTFOLIO RISK REPORT

Presentation by Allan Emkin & Stephen McCourt, CFA, Meketa

I-4 2ND QUARTER 2021 REAL ESTATE PERFORMANCE REPORT

Presentation by Rob Kochis & Felix Fels, Townsend

The Committee recessed for a break at 11:43 a.m.

The Committee reconvened at 12:00 p.m.

Recording Secretary administered the Roll Call attendance.

I-5 BLOCKCHAIN AND THE RISE OF DECENTRALIZATION

Presentation by Josh DePaula, IA, OCERS

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 & COMPLIANCE

R-4 MEKETA ECONOMIC OUTLOOK

R-5 SECURITIES LITIGATION UPDATE

R-6 PROXY VOTING PROGRAM REVIEW

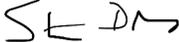
COMMITTEE MEMBER/CEO/CIO/STAFF/CONSULTANT/COUNSEL COMMENTS

None

The meeting **ADJOURNED** at 12:56 p.m.

Submitted by:

Approved by:

DocuSigned by:

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Steve Delaney
Secretary to the Committee

DocuSigned by:

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Frank Eley
Chair