

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

**INVESTMENT COMMITTEE MEETING
Wednesday, May 25, 2022
9:30 A.M.**

MINUTES

Chair Hidalgo called the meeting to order at 9:34 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Arthur Hidalgo, Chair; Frank Eley; and Charles Packard

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

Adele Tagaloa, Vice Chair; Shawn Dewane; Richard Oates; Chris Prevatt; and Jeremy Vallone

Absent: Wayne Lindholm and Shari Freidenrich

Also Present: Steve Delaney, Chief Executive Officer; Molly Murphy, CFA, Chief Investment Officer; Shanta Chary, Director of Investments; David Beeson, Director of Investments; Tarek Turaigi, CFA, Senior Investment Officer; Stina Walander-Sarkin, Investment Officer; Duc Nguyen, CFA, Investment Analyst; Emma Ji, CFA, Investment Analyst; Brittany Cleberg, Investment Staff Specialist; Gina Ratto, General Counsel; Javier Lara, Audio-Visual Technician; and Carolyn Nih, Recording Secretary

Guests: Meketa Investment Group: Stephen McCourt, CFA; Laura Wirick, CFA, CAIA; Stephanie Sorg

Aksia: David Fann; Trevor Jackson; Heidi Poon, CFA, CAIA; Laura Meck

Townsend: Prashant Tewari; Rob Kochis; Felix Fels

PUBLIC COMMENTS

None

CONSENT AGENDA

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

C-1 COMMITTEE MEETING:

Investment Committee Meeting

February 23, 2022

Recommendation: Approve minutes.

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

AYES

NAYS

ABSTAIN

ABSENT

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

CIO COMMENTS

Ms. Murphy announced the promotion of Stina Walander-Sarkin to Investment Officer. She noted that the organization is thankful for all the work that she does. Ms. Murphy provided an update on the current markets noting that the markets continue to slide. The portfolio updates provided at today’s meeting will report numbers as of 3/31. Our portfolio is holding better than most peers.

Ms. Murphy reminded the Committee Orange County historically has had a conservative mindset and continues to be conservative with manager selections. The markets in general are down and currently resemble a bear market. Markets do not show confidence that the Federal Reserve has a handle on inflation. The OCERS portfolio is down approximately 5-7%. We will likely see volatile markets through the end of the year. Our portfolio Russia exposure is approximately 13 million. What has not been sold has been marked down. We have less than 1 million in equity markets and show negligible exposure moving forward.

OCERS has a rare year end calendar compared to peers. As of 3/31, the markets are down 5-10%. We will likely see down markets at 6/30. When we arrive at 12/31, we are hoping for some bounce back, but we will be sitting primarily on our 9/30 marks. This is sure to be an interesting 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 Shanta Chary, DI, David Beeson, DI & Stina Walander-Sarkin, IO, OCERS

I-2 1ST QUARTER 2022 PORTFOLIO EVALUATION REPORT

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

I-3 1ST QUARTER 2022 PORTFOLIO RISK REPORT

Presentation by Stephen McCourt, CFA, Meketa

I-4 ASSET CLASS REVIEW – GLOBAL PUBLIC EQUITY

Presentation by Shanta Chary, DI & Duc Nguyen, CFA, IA, OCERS

I-5 ASSET CLASS REVIEW – UNIQUE STRATEGIES

Presentation by Stina Walander-Sarkin, IO, OCERS

Mr. Dewane departed at 11:49 a.m.

The Committee recessed for a break at 11:49 a.m.
The Committee reconvened at 12:07 p.m.

Recording Secretary administered the Roll Call attendance.

I-6 ASSET CLASS REVIEW – PRIVATE EQUITY

Presentation by Stina Walander-Sarkin, IO, OCERS; David Fann & Trevor Jackson, Aksia

I-7 3RD QUARTER 2021 PRIVATE EQUITY PERFORMANCE UPDATE

Presentation by David Fann & Trevor Jackson, Aksia

ACTION ITEM

A-2 PRIVATE EQUITY COMMITMENT PACING MODEL

Presentation by Stina Walander-Sarkin, IO, OCERS; David Fann & Trevor Jackson, Aksia

After discussion by the Committee, **MOTION** by Eley, **seconded** by Packard, to approve the staff recommendation to re-confirm the pacing plan of \$700 million in private equity commitments in 2022 and approve \$700 million in private equity commitments in 2023.

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

AYES

NAYS

ABSTAIN

ABSENT

Mr. Dewane

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

The Committee recessed for lunch at 1:10 p.m.
The Committee reconvened at 1:45 p.m.

Mr. Dewane returned at 1:45 p.m.

Recording Secretary administered the Roll Call attendance.

INFORMATION ITEM

I-8 TOWNSEND: A VIEW OF THE WORLD

Presentation by Prashant Tewari, Rob Kochis & 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

R-5 ANNUAL REVIEW OF CUSTODY RELATIONSHIP

R-6 INVESTMENT CONSULTANT RFP OUTCOMES

R-7 QUIET PERIOD

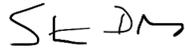
COMMITTEE MEMBER/CEO/CIO/STAFF/CONSULTANT/COUNSEL COMMENTS

None

The meeting **ADJOURNED** at 2:56 p.m.

Submitted by:

Approved by:

DocuSigned by:

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Steve Delaney
Secretary to the Committee

DocuSigned by:

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Arthur Hidalgo
Chair