

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

**INVESTMENT COMMITTEE MEETING  
Wednesday, February 22, 2023  
9:00 A.M.**

**MINUTES**

Chair Tagaloa called the meeting to order at 9:02 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Arthur Hidalgo, Chair; Adele Tagaloa, Vice Chair; Roger Hilton; Wayne Lindholm; Richard Oates; Charles Packard; Shawn Dewane; Shari Freidenrich; Chris Prevatt

Present via Zoom: Jeremy Vallone

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; Ada Chen, CFA, Investment Officer; Emma Ji, CFA, Investment Analyst; Ryan Durr, Investment Analyst; Mitchell Peterson, Investment Analyst; Duc Nguyen, CFA, Investment Analyst; Gina Ratto, General Counsel; Manuel Serpa, Deputy General Counsel; Anthony Beltran, Visual Technician; and Carolyn Nih, Recording Secretary

Guests: Meketa Investment Group: Stephen McCourt, CFA; Laura Wirick, CFA, CAIA; Stephanie Sorg  
Aksia: Trevor Jackson; Nic DiLoretta (Zoom); Heidi Poon (Zoom)  
Townsend: Rob Kochis, Felix Fels; Haya Daawi

*Mr. Vallone arrived via Zoom at 9:03am.*

**PUBLIC COMMENTS-** None

**CONSENT AGENDA**

**C-1 COMMITTEE MEETING:**

**Approval of Meeting and Minutes**  
Investment Committee Meeting

November 16, 2022

**Recommendation:** Approve minutes.

**MOTIONED** by Mr. Packard, **SECONDED** by Mr. Lindholm, to approve consent agenda.

### **CIO COMMENTS**

Ms. Murphy noted that the meeting agenda begins with fiduciary items prior to the lunch break and optional education items after the break. She also noted administrative changes for Investment Committee agendas beginning in 2023: manager selections and terminations and the watch list recommendations will now be written reports. Per the Chair's approval, those items will be discussed if the item is pulled by an Investment Committee member going forward.

Ms. Murphy shared that while January was a good month, she does anticipate 2023 for a roller coaster year for the market.

### **INFORMATION ITEMS**

#### **Presentations**

##### **I-1 YEAR IN REVIEW**

*Presentation by Molly A. Murphy, CFA, CIO & David Beeson, DI, OCERS; Laura Wirick, CFA, CAIA & Stephanie Sorg, CAIA, Meketa; Rob Kochis & Felix Fels, Townsend; Trevor Jackson, Aksia*

*Committee adjourned to a break at 10:12 a.m.*

*Committee reconvened at 10:30 a.m.*

*Recording Secretary administered the Roll Call attendance.*

##### **I-2 CAPITAL MARKET ASSUMPTIONS**

*Presentation by Allan Emkin & Steve McCourt, CFA, Meketa*

##### **I-3 4<sup>TH</sup> QUARTER 2022 PORTFOLIO EVALUATION REPORT**

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

##### **I-4 4<sup>TH</sup> QUARTER 2022 PORTFOLIO RISK REPORT**

*Presentation by Allan Emkin & Steve McCourt, CFA, Meketa*

##### **I-5 REAL ASSETS PERFORMANCE REVIEW**

*Presentation by Trevor Jackson & Nic DiLoretta, Aksia*

##### **I-6 REAL ESTATE PERFORMANCE REVIEW**

*Presentation by Felix Fels & Haya Daawi, Townsend*

##### **I-7 ASSET CLASS REVIEW - REAL ESTATE**

*Presentation by David Beeson, DI, OCERS*

### **ACTION ITEM**

##### **A-2 REAL ESTATE INVESTMENT PLAN**

*Presentation by David Beeson, DI, OCERS, and Rob Kochis & Felix Fels, Townsend*

**Recommendation:** Approve the annual OCERS' real estate investment plan for 2023 including:

1. No new commitments in the core portfolio
2. Commit \$75 - \$150 million in the non-core portfolio (1-2 new investments at \$75 million per fund)

**MOTIONED** by Mr. Lindholm, **SECONDED** by Mr. Hidalgo, to approve staff recommendations.

The motion passed **unanimously**.

*Mr. Hidalgo departs the meeting at 12:16 p.m.*

#### **INFORMATION ITEMS**

##### **I-8 ASSET CLASS REVIEW - INCOME STRATEGIES**

*Presentation by Tarek Turaigi, CFA, SIO, OCERS*

##### **A-3 PRIVATE CREDIT PACING PLAN**

*Presentation by Tarek Turaigi, CFA, SIO, OCERS, and Mary Bates, Meketa*

**Recommendation:** Approve the private credit pacing plan of \$150 million per year on a rolling three-year basis.

**MOTIONED** by Mr. Lindholm, **SECONDED** by Mr. Hilton, to approve staff recommendations.

The motion passed **unanimously**.

#### **WRITTEN REPORTS**

No reports were pulled for discussion.

##### **R-1 INVESTMENT COMMITTEE COMMUNICATIONS**

##### **R-2 WATCH LIST**

##### **R-3 MANAGER SELECTIONS & TERMINATIONS REPORT**

##### **R-4 REPORTS – PORTFOLIO ACTIVITY & COMPLIANCE**

##### **R-5 SECURITIES LITIGATION UPDATE**

##### **R-6 MEKETA ECONOMIC OUTLOOK**

##### **R-7 QUIET PERIOD – INVESTMENTS RELATED SEARCHES**

*Committee adjourned to lunch at 12:43 p.m.*

*Mr. Dewane departs the meeting during the lunch break.*

*Committee reconvened at 1:20 p.m.*

*Recording Secretary administered the Roll Call attendance.*

**INFORMATION ITEMS**

**I-9 EDUCATION SESSION - GLOBAL MACROECONOMIC OUTLOOK**

*Presentation by Candice Tse, Goldman Sachs*

*Mr. Lindholm departs the meeting at 1:46 p.m.*

**COMMITTEE MEMBER COMMENTS-** None

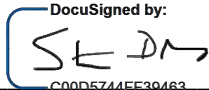
**CHIEF EXECUTIVE OFFICER/CHIEF INVESTMENT OFFICER/STAFF/CONSULTANT COMMENTS-** None

**COUNSEL COMMENTS-** None

The meeting **ADJOURNED** at 2:01pm.

Submitted by:

Approved by:

DocuSigned by:  
  
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Steve Delaney  
Secretary to the Committee

DocuSigned by:  
  
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Adele Tagaloa  
Chair