



**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF RETIREMENT**

**2023 STRATEGIC PLANNING WORKSHOP
Wednesday, September 13, 2023
8:30 A.M.**

**Westin South Coast Plaza
686 Anton Blvd. | Costa Mesa, CA 92626**

1. WELCOME & INTRODUCTORY COMMENTS

CEO Delaney provided introductory comments and an overview of the day's schedule.

Interim General Counsel, Manuel Serpa, reported out more details from the Closed Session from June 2023 Board Meeting regarding *Iowa v Bank of America*. Litigation will seek partial settlement of \$499 million. Court has approved the partial settlement. OCERS Counsel will continue to pursue damages against Bank of America.

2. HEARING FROM OUR STAKEHOLDERS

Starting the workshop by first hearing from our stakeholders, we heard from Michelle Aguirre, Chief Financial Officer, County of Orange; Lori Zeller, Deputy Chief of Administration and Support, Orange County Fire Authority; and Charles Barfield, General Manager, Orange County Employees Association. Each representative shared about their individual organizations as well as how OCERS has been an asset to their constituents. Additionally, they highlighted their openings and the importance of their workforce.

3. PUBLIC PENSION ISSUES AND TRENDS

Keith Brainard, Research Director at the National Association of State Retirement Administrators (NASRA), shared his insight into the national state of retirement systems and how OCERS fared relative to other systems.

4. INVESTMENT TOPICS (PART 1)

Proxy Voting Research Project

Shanta Chary, Director of Investments at OCERS, shared about the importance of Proxy Voting and the research project that OCERS has taken on to ensure best practice for our members.

Healthcare Venture Capital Perspectives

Stina Walander-Sarkin, Investment Officer at OCERS, and Garheng Kong of HealthQuest Partners had a discussion on venture capital and the healthcare industry.

LUNCH

5. VISION 2030 – OCERS AND THE LEVERAGING OF TECHNOLOGY

Mr. Delaney recapped his vision of implementing technology and AI to assist and perfect the OCERS process. Showcasing the collaboration with Roboyo, John Lockwood Director of Public Sector, Roboyo USA, shared the initial stages of the first robotic automation in the Member Services processing. Additionally, Ms. Susan Carroll-Boser, Chief Information Officer of White Castle, shared how automation and technology is helping the private sector to be more efficient and accurate.



6. OCERS HEADQUARTER STATUS – THE HEADQUARTERS OF OUR FUTURE

Assistant CEO, Brenda Shott, introduced the team from Griffin Structures who will be working on the new headquarters building at the Wellington/Tustin property. Griffin Structures shared their vision and timeline for the new building.

BREAK

7. PROPOSED 2024-2026 STRATEGIC PLAN

OCERS CEO Delaney and William Tsao, Director of the OCERS Enterprise Project Management Office, reviewed the anticipated 2024-2026 Strategic Plan along with metrics to ensure measurable achievement of the goals.

8. PROPOSED 2024 BUSINESS PLAN

Mr. Delaney and the OCERS Leadership Team reviewed the various 2024 Business Plan objectives in alliance with the 2024-2026 Strategic Plan and associated metrics. Each objective is associated with varying initiatives to ensure that metrics can be reached in a timely fashion.



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1. WELCOME AND INTRODUCTIONS

CEO Delaney provided introductory comments and an overview of the day's schedule.

2. STATE OF OCERS- AN OVERVIEW

Mr. Delaney shared the current state of the OCERS. He compared the current state of the system to the past years and shared challenges and opportunities for 2024 and beyond.

3. STATE OF OCERS- ANNUAL QUALITY OF MEMBER SERVICES REPORT

Assistant CEO, Suzanne Jenike, reviewed the Annual Quality of Member Services Report and affirmed that OCERS achieved various Quality Goals.

4. STATE OF OCERS- ANNUAL EMPLOYER REPORT

Assistant CEO, Suzanne Jenike, presented the Annual Employer Report and reported that there no current concerns.

5. OCERS FUTURE- AN ACTUARIAL VIEWPOINT

With medical advances extending lifespans and AI/technology changing the work force, Mr. Delaney shared his questions about how this may affect the OCERS fund. Todd Tauzer, Actuary at Segal, shared his research in collaboration with National Institute on Retirement Security (NIRS) on longevity and potential changes in UAAL.

BREAK

6. INVESTMENT TOPICS (PART 2)

Liquidity Playbook & Capital Efficiency

Director of Investments Operations, Shanta Chary, shared with Trustees the current state of OCERS assets and liquidity. Once OCERS reaches full funding (within the decade), contributions will be equal to the normal cost, placing greater pressure on OCERS to closely manage liquidity.

Introduction to Derivatives

Mr. Allan Emkin, CFA of Meketa, shared his knowledge on derivatives as it affects our liquidity.

LUNCH

7. INVESTMENT TOPICS (PART 3)

How AI Is Changing the World of Investment Management?

David Beeson, Director of Investments at OCERS, and Dajun (David) Wang, PhD CFA, Managing Director of State Street Corporation, had a discussion on the role of artificial intelligence and automation in investments.





Discussion with Barbara Walter, Author of *How Civil Wars Start*

Molly Murphy, Chief Investment Officer at OCERS, and author Barbara Walter discussed Ms. Walter's expertise in the stability in a nations democracy and its association to the likelihood of war.

Investing in a High Interest Rate Environment

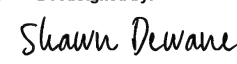
Tarek Turaigi, Senior Investment Officer at OCERS facilitated a discussion with Rob Kochis of Townsend Group, Jeff Goldberger of Aksia, and Orray Taft of Meketa on concerns and risks of the current higher interest rates.

Submitted by:

Approved by:

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Steve Delaney
Secretary to the Board

DocuSigned by:

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Shawn Dewane
Chairman