

State of Oregon

Office of the State Treasurer

16290 SW Upper Boones Ferry Road

Tigard, Oregon 97224

OREGON INVESTMENT COUNCIL

September 6, 2023

Meeting Minutes

Members Present:	Cara Samples, Lorraine Arvin, Pia Wilson-Body, Alline Akintore, Tobias Read, Kevin Olineck
Staff Present:	Rex Kim, David Randall, Karl Cheng, Ben Mahon, Louise Howard, Gloria Gil, Ahman Dirks, Chuck Christopher, Bryson Pate, Jennifer Kersgaard
Staff Participating Virtually:	Jaime Alvarez, Ryan Auclair, Kenny Bao, Sara Bayes, Osmel Bermudez, Tyler Bernstein, Taylor Bowman, Tan Cao, Austin Carmichael, Collin Cousar, Andrew Coutu, Bradley Curran, Ashley Daigle, Debra Day, Alli Gordon, Julie Hall, Will Hampson, Ania Henton, Wil Hiles, Ian Huculak, Claire Illo, Roy Jackson, Aliese Jacobsen, Kristi Jenkins, Josh Jones, Young Kim, Amanda Kingsbury, Jacqueline Knights, Jeremy Knowles, Paul Koch, Philip Larrieu, Perrin Lim, Michael Makale, Sommer May, Tim Miller, Tammie Nelson, Savannah Oliveira, Dmitri Palmateer, Lisa Pettinati, Jen Plett, Mohammed Quraishi, Rupa Raman, Jo Recht, Talia Riordan, Andrew Robertson, Scott Robertson, Holly Rohwer, Aaron Schaffer, Angela Schaffers, Faith Sedberry, Mark Selfridge, Aleshia Slaughter, Asia Slaughter, Alli Sorensen, Stacey Spencer, Jennifer Staub, Anna Totdahl, Kottur Vasanth, Andrey Voloshinov, Caitlyn Wang, Christine Wilson, Rachel Wray, Tiffany Zahas
Consultants Present:	Allan Emkin, Mika Malone, Colin Bebee, Eric Larsen, Tom Martin, Raneen Jalajel, Paola Nealon, Ashley Woeste
PERS Present:	Kevin Olineck
Legal Counsel Present:	Steve Marlowe (Department of Justice)

The September 6, 2023, OIC meeting was called to order at 9:03 am by Cara Samples, Chair.

<u>Time</u>	<u>Tab</u>	<u>Presenter</u>
9:00	1	Review & Approval of Minutes July 19, 2023
		Cara Samples OIC Chair
		Chair Samples opened the meeting and asked for approval of the July 19, OIC regular meeting minutes. At 9:04am Treasurer Read moved approval; Vice Chair Lorraine Arvin seconded the motion which then passed by a 5/0 vote.

Cara Samples
Chair

Lorraine Arvin
Vice-Chair

Pia Wilson-Body
Member

Alline Akintore Kabbatende
Member

Tobias Read
State Treasurer

Kevin Olineck
PERS Director

2 **Committee Reports**

Rex Kim
Chief Investment Officer

Private Equity Committee:
None

Real Estate Committee:
None

Opportunity Committee:
None

Alternatives Portfolio Committee:
None

Staff Discretion
None

9:05 – 9:15

3 **Consultant Contracts**
(Action Item: Contract Recommendation)

David Randall
Chief Investment Operating Officer
Ben Mahon
Senior Investment Officer, Alternatives

Staff proposes that the OIC extend its current General consultant contracts with both Meketa and Aon. Treasurer Read moved approval at 9:10; Member Body-Wilson seconded the motion which then passed by a 5/0 vote.

Staff proposes the OIC extend its current consultant contracts for the Real Assets Portfolio and Diversifying Strategies Portfolio. Treasurer Read moved an approval at 9:11; Member Arvin seconded the motion which then passed by a 5/0 vote.

9:15 – 9:40

4 **OPERF Q2 Performance Review**

Paola Nealon
Principal, Meketa
Eric Larsen
Vice President, Meketa

QTD, The Fund returned 1.5%, underperforming the OPERF Policy Benchmark (+2.8).
The portfolio is outperforming its 3-year benchmark by 1.9%

--- BREAK ---

9:50 – 10:30

5 **OPERF Leverage**

Karl Cheng
Senior Investment Officer, Portfolio Risk
& Research
Allan Emkin
Managing Principal, Meketa
Mika Malone
Managing Principal, Meketa

OPERF has 2 sources of system level leverage: Fixed Income Portfolio (FIP) and Synthetic Overlay Program. The OPERF FIP received OIC approval for system-level leverage at the December 2019 meeting that has not been implemented. The Synthetic Overlay Program resulted in a net leverage of 0%, there was a gross leverage of approximately 5.9%.

OIC Meeting Agenda
September 6, 2023

--- BREAK ---

10:40– 11:30

6

Roles & Responsibilities

Mika Malone
Managing Principal, Meketa
Raneen Jalajel
Associate Partner, Aon

Consultants Mika Malone and Raneen Jalajel discussed manager selection oversight, monitoring structure and reporting, and examples of peer selection processes and reporting structures. They will work with Staff to develop a refined Investment Policy Statement for the Council's review.

11:30

7

Calendar – Future Agenda Items

Rex Kim

11:30

8

Open Discussion

OIC Members, Staff, Consultants

Public Comments