

**SONOMA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT COMMITTEE MEETING AGENDA**

In accordance with Retirement Board Resolution #156, adopted on September 23, 2021, and reaffirmed on October 20, 2022, the Sonoma County Employees' Retirement Association Investment Committee meeting will be held virtually and in compliance with California Government Code section 54953(e).

MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON

Thursday, November 17, 2022

9:00 a.m.

The November 17, 2022, Sonoma County Employees' Retirement Association's Investment Committee meeting will be facilitated virtually through WebEx Meetings.

Members of the public can watch or listen to the meeting using one of the two following methods:

1. Join the WebEx meeting application on your computer, tablet, or smartphone:

<https://sonomacounty.webex.com/sonomacounty/j.php?MTID=m3327de0b55c0cc8609b4bcfb4806661d>

2. Call-in and listen to the meeting:

Dial 1-408-418-9388

Enter meeting ID: 2491 124 0955

Enter password: 11172022

PUBLIC COMMENT PRIOR TO THE MEETING

Email Public Comment: To submit an emailed public comment to the Investment Committee, in advance of the meeting, email rebecca.gay@sonoma-county.org by 7:30 a.m. November 17, 2022. Please provide your name, the agenda number(s) on which you wish to speak, and your comment. These comments will be provided to the Committee members prior to the start of the meeting.

PUBLIC COMMENT DURING THE MEETING

Public Comment Using WebEx: Members of the public who join the WebEx meeting, either through the WebEx app or by calling in, will be able to provide live public comment for each agenda item, after the Investment Committee and staff have provided their comments.

Non-confidential materials distributed with the agenda packet and/or related to an item on this agenda submitted to SCERA after distribution of the agenda packet are available for public inspection electronically. Please send an email request for non-confidential materials to julia.smith@sonoma-county.org.

ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Retirement Office at (707) 565-8100, at least 72 hours in advance to ensure arrangements for accommodations.

The Investment Committee maintains and reserves the right to take action on any item agendized for discussion. Topics are generally ordered by priority and less pressing items may be dropped or postponed if time constraints require.

Greg Jahn, Chair

Erick Roeser, Vice Chair

I. MINUTES APPROVAL

Approval of the September 29, Investment Committee meeting minutes

Recommendation: Approve the September 29, 2022, Investment Committee Minutes.

II. BOARD AND COMMITTEE MEETINGS

Retirement Board Resolution #156 – COVID State of Emergency and imminent threat of risk

Recommendation: Take appropriate action.

III. PRESENTATIONS

A. KKR – Partner James Cunningham as well as Anthony Hass and Daniel Valladares, both of the Client & Partner Group, will provide an organizational update and comment on the performance and positioning of the Diversified Core Infrastructure Fund in which SCERA invests.

[BREAK]

B. Third Quarter 2022 Investment Performance Report – Associate Partner Chris Behrns of Aon Investment Consulting, will present.

IV. INVESTMENT STAFF AND CONSULTANT

A. Securities Lending Review – follow-up

Recommendation: Engage Aon Custody Advisory Services to conduct a securities finance review and optimization with the intent of improving the revenue generation of the program by, among other things, migrating to a modestly less risk-averse securities lending collateral pool if prudent.

B. Review of Parametric Equity Insurance Risk Premium Strategy

Recommendation: Discontinue the Parametric EIRP (“Defensive Equity”) strategy, given poor performance and uncertainty regarding the strategy’s ability to deliver long-term reliable and meaningfully positive performance.

- C. GTA Babelfish 3rd Quarter Equity Trade Cost Analysis – brief update
- D. Annual Review of the Aon Consulting Contract – consideration of extension
- E. 2022 and 2023 On-Site Due Diligence Meeting Schedule
- F. Cash Raise and Cash Planning

V. COMMUNICATIONS

- A. SCERA Investment Performance Reports, September and October 2022.
- B. FUNDfire, “OCIO Watchdog Calls Out California Pension for Custom Benchmark”, October 31, 2022.
- C. Business Insider, “China is blowing up its own economy . . .”, October 30, 2022.
- D. WSJ, “China’s Xi Jinping, Secure in Power, Faces Deepening Economic Challenges”, October 24, 2022.
- E. The Economist, “The EU is strengthening democracy in eastern Europe”, Oct. 26, 2022.

VI. GENERAL DISCUSSION MATTERS

Opportunity to advise the Investment Committee of new matters and for Committee members to ask questions for clarification, provide information to staff, request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.

VII. PUBLIC COMMENT

Opportunity for public comment on non-agenda items within the jurisdiction of the Investment Committee.

VIII. NEXT MEETING

The next Investment Committee meeting is scheduled for Thursday, January 26, 2022, at 8:30 a.m. via WebEx. Planned topics for this meeting include a presentation by PIMCO.

IX. ADJOURNMENT