



**OREGON  
STATE  
TREASURY**

# State of Oregon

## Office of the State Treasurer

16290 SW Upper Boones Ferry Road  
Tigard, Oregon 97224

### OREGON INVESTMENT COUNCIL

March 8, 2023

#### Meeting Minutes

Members Present:	Cara Samples, Lorraine Arvin, Tobias Read, John Russell, Pia Wilson-Body, Kevin Olineck
Staff Present:	Rex Kim, Michael Langdon, David Randall, Karl Cheng, Austin Carmichael, Sam Spencer, Chris Ebersole, Taylor Bowman, Ahman Dirks, Jen Plett, Alli Gordon, Jennifer Kersgaard, Louise Howard, Kenny Bao, Doug Greiner, Sara Bayes, Chuck Christopher, Angela Schaffers
Staff Participating Virtually:	Ryan Auclair, Amy Bates, Tan Cao, Andrew Coutu, Bradley Curran, Ashley Daigle, Debra Day, Eric Engelson, Annie Gregori, Andrew Hillis, Claire Illo, Roy Jackson, Aliese Jacobsen, Kristi Jenkins, Josh Jones, Young Kim, Amanda Kingsbury, Paul Koch, Krystal Korthals, Ericka Langone, Perrin Lim, Ben Mahon, Michael Makale, Sommer May, Eric Messer, Tim Miller, Dana Millican, Mike Mueller, Dmitri Palmateer, Bryson Pate, Tim Powers, Mohammed Quraishi, Jo Recht, Andrew Robertson, Scott Robertson, Faith Sedberry, Stacey Spencer, Anna Totdahl, Andrey Voloshinov, Rachel Wray, Tiffany Zahas
Consultants Present:	Tim Wang, Christine Key (Clarion Partners); Sarah Bernstein, Allan Emkin, Christy Fields, Paola Nealon, Mika Malone (Meketa Investment Group, Inc); Steve Cummings, Raneen Jalajel (Aon)
PERS Present:	Kevin Olineck
Legal Counsel Present:	Steve Marlowe (Department of Justice)

The March 8, 2023, OIC meeting was called to order at 9:00 am by Cara Samples, Chair.

#### **I. 9:00 am Review and Approval of Minutes**

**MOTION:** Chair Samples asked for approval of the January 25, 2023, OIC regular meeting minutes. John Russell moved approval at 9:01 am, Lorraine Arvin seconded the motion which then passed by a 5/0 vote.

#### **II. 9:02 am Committee Reports**

Private Equity Committee:  
None



**OREGON  
 STATE  
 TREASURY**

Real Estate Committee:

None

Opportunity Committee:

None

Alternatives Portfolio Committee:

February 1	EQT Infrastructure VI with a sidecar	\$300M \$50M
February 1	NGP Natural Resources XIII with a sidecar	\$200M \$50M
March 6	Davidson Kempner 2023 Top-Up	\$250M
March 6	Hudson Bay 2023 Top-Up	\$250M

Staff Discretion

Common School Fund February 1	EQT Infrastructure VI	\$15M
----------------------------------	-----------------------	-------

**III. 9:03 am Real Estate Market Update**

Michael Langdon, Director of Private Markets, introduced the guest speaker from Clarion.

Tim Wang, Managing Director, Head of Research, Clarion Partners presented the real estate market update.

**IV. 10:06 am OPERF Real Estate Portfolio Review**

Michael Langdon, Director of Private Markets introduced the presenting Investment officers and Consultant.

Austin Carmichael, Investment Officer, Christopher Ebersole, Investment Officer, Sam Spencer, Investment Officer, Christy Fields, Managing Principal/Consultant, Meketa Investment Group.

In 2022 9 real estate commitments were approved, totaling \$1.75 billion.

The OIC's Real Estate policy objective of long-term, net returns above the NFI-ODCE plus 50 basis points has been achieved over all time periods, apart from the 12 months ended September 30, 2022, while OIC's core portfolio has outperformed the policy benchmark across all time periods.

**V. 11:05 am OPERF Public Equity Recommendation (Action Item: Manager Recommendation)**

Louise Howard, Senior Investment Officer, Public Equity presented a recommendation to retain Cantillon Capital Management.

1<sup>st</sup> quarter Public Equity activities: Rebalanced \$520M from Arrowstreet in favor of Acadian & Walter Scott resulting in an 11bps decrease in ex-ante risk. Raised \$2.5B to fund Fixed Income asset allocation change resulting in a 28bps reduction in ex-ante risk. Recommendation to retain Cantillon Global Equity Strategy for further reduction in ex-ante risk of 8bps.

**MOTION:** Treasurer Read moved approval to retain Cantillon at 11:24 am, the motion was seconded by Member John Russell and passed by a vote of 5/0.

**VI. 11:31 am OIC Investment Beliefs Discussion**

Allan Emkin, Managing Principal, Meketa; Raneen Jalajel, Associate Partner, Aon.



**OREGON  
STATE  
TREASURY**

The board suggested an update to consider policy and OIC authority; a request was made to add it to a future meeting.

**VII. 11:59am ESG Regulatory Update**

Sarah Bernstein, Managing Principal, Meketa and Steven Marlowe, Assistant Attorney General, Oregon Department of Justice.

**VIII. 12:27 pm OPERF 2022 Performance Review**

Mika Malone, Managing Principal, Meketa; Paola Nealon, Managing Principal, Meketa.

The total fund returned 3% for the 4<sup>th</sup> quarter, outperforming the OPERF Policy Benchmark (+2.9%) by 10bps. The total fund outperformed the OPERF Policy Benchmark (-8.6%) by 710bps and outperformed the peer median return of -10.0% by 850bps.

**IX. 12:42 pm Calendar – Future Agenda Items**

Rex Kim discussed highlights of the forward calendar. Future featured agenda items: Diversifying Strategies Portfolio Review, and guest speakers relating to ESG and Climate.

**X. 12:43 pm Open Discussion**

None

**XI. 12:43 pm Public Comments**

Chair Samples opened the floor to public comments. Public comments have also been submitted electronically and included with the public meeting book.

Chair Samples adjourned the meeting at 12:53 pm.

Respectfully submitted,  
Jennifer Kersgaard  
Executive Support Specialist