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MEMORANDUM

TO: Oakland Police and Fire Retirement System (OPFRS)
FROM: David Sancewich, Paola Nealon, Sidney Kawanguzi – Meketa Inv. Group
DATE: December 10, 2020
RE: Defensive Equity Review

Recommendation and Discussion

During a 1Q 2020 PFRS board meeting, Meketa discussed with the trustees the sale of SPI strategies to Carillon Towers. During the review and discussion with the board, PFRS decided to terminate its contract with SPI strategies and move the assets into a defensive U.S. equity ETF.

Meketa believes the defensive equity component of U.S. equity is important as the plan continues to de-risk its allocation and reduce volatility.. Given the termination of SPI this segment requires action on the part of the Oakland PFRS board to maintain its allocation moving forward. Meketa recommends that Oakland PFRS select one of the following actions in regards to the defensive equity mandate:

1. Conduct a new RFP for a new investment manager.
2. .Review the finalists from the 2018 defensive equity search for further consideration

Rather than spend the time and money conducting a new RFP. Meketa recommends OPFRS option #2 above. Specifically, sending a short update questionnaire to the previous managers with and interview at an upcoming meeting.