

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
INVESTMENT COMMITTEE**

**MINUTES OF MEETING
OPEN SESSION**

March 14, 2022

The Investment Committee (Committee) met on March 14, 2022 in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento California.

The meeting was called to order at 9:30 a.m. and the following members were present:

David Miller, Chair
Rob Feckner, Vice Chair
Fiona Ma, represented by Frank Ruffino
Lisa Middleton
Eraina Ortega
Jose Luis Pacheco
Ramon Rubalcava
Theresa Taylor
Betty Yee

Shawnda Westley was excused.

AGENDA ITEM 2 – APPROVAL OF THE MARCH 14, 2022 INVESTMENT COMMITTEE TIMED AGENDA

On **MOTION** by Ms. Taylor, **SECONDED** by Mr. Feckner, and **CARRIED**, to approve the Investment Committee Timed Agenda.

AGENDA ITEM 3a – EMERGING MARKETS PANEL

Arnie Phillips, Interim Deputy Chief Investment Officer, led the Committee in a panel discussion on the risks and opportunities that arise from investing in emerging markets. The panelists were Pramol Dhawan, a Managing Director with PIMCO; Greg G. Olafson, Co-President of Alternatives within Goldman Sachs Asset Management; and Axel Christensen, a Managing Director and Chief Investment Strategist for LatAm and Iberia with BlackRock.

The Committee heard public comment on this item from J.J. Jelincic.

At 11:27 a.m. the Committee recessed into Closed Session. The Committee reconvened into Open Session at 2:15 p.m.

AGENDA ITEM 4 – EXECUTIVE REPORT – INTERIM CHIEF INVESTMENT OFFICER BRIEFING

Dan Bienvenue, Interim Chief Investment Officer (CIO), briefed the Committee on the day's agenda and current market events.

AGENDA ITEM 5 – ACTION CONSENT ITEMS

On **MOTION** by Ms. Taylor, **SECONDED** by Mr. Pacheco, and **CARRIED**, to approve the following items:

- a. Approval of the February 15, 2022 Investment Committee Open Session Meeting Minutes
- b. Review of the Investment Committee Delegation

AGENDA ITEM 6 – INFORMATION CONSENT ITEMS

The Committee accepted the following information consent items with no additional discussion:

- a. Annual Calendar Review
- b. Draft Agenda for the June 13, 2022 Investment Committee Meeting
- c. Quarterly Update – Performance and Risk
- d. Quarterly Update – Investment Controls
- e. Disclosure of Placement Agent Fees and Material Violations
- f. Terminated Agency Pool Rebalance

AGENDA ITEM 7a – SELECTION OF PRIVATE DEBT BOARD CONSULTANT

Matt Flynn, Investment Director (ID), presented the Committee with an overview of potential Private Debt Board Consultants.

On **MOTION** by Mr. Feckner, **SECONDED** by Ms. Taylor, and **CARRIED**, to select Wilshire Associates as the Private Debt Board Consultant.

AGENDA ITEM 7b – ASSET LIABILITY MANGEMENT: AFFILIATE FUNDS – HEALTH, DEFINED BENEFIT, AND PRE-FUNDING TRUSTS

Christine Reese, ID, presented an overview of proposed updates to the Fixed Income Long Liability benchmark weights and recommended candidate portfolios for the Affiliate Funds.

On **MOTION** by Ms. Taylor, **SECONDED** by Ms. Yee, and **CARRIED**, to adopt the updated Fixed Income Long Liability benchmark weights for the Affiliate Funds and to adopt Candidate Portfolio A for each Affiliate Trust.

AGENDA ITEM 8a – REVISIONS TO THE TOTAL FUND AND GLOBAL FIXED INCOME POLICIES – FIRST READING

Amy Deming, ID, presented an overview of proposed changes to the Total Fund and Global Fixed Income Policies.

AGENDA ITEM 8b – SUMMARY OF COMMITTEE DIRECTION

The Chair directed staff to:

- Contract with Wilshire Associates as the Board Investment Consultant for Private Debt and begin the Request for Proposal process for the General Pension Consultant and the Private Assets Consultant as soon as practical;

- Consolidate all Asset Class Policies into the Total Fund Policy; and,
- Establish specific allocation range targets for each strategy and summarize program-related responsibilities within the Private Debt Policy, consistent with the Private Equity Policy.

AGENDA ITEM 8c – PUBLIC COMMENT

The Committee heard public comment from:

- Sheila Thorne and Sandy Emerson, Fossil Free California, on investment policy and risk,
- Tammy Dhanota and Mullisa Willette, Service Employees International Union Local 521, on CalPERS' diversity, equity, and inclusion efforts, and
- Michael Ring, Service Employees International Union, on behalf of Connie Chew, regarding CalPERS' diversity, equity, and inclusion efforts.

The meeting adjourned at 3:14 p.m.

The next Committee meeting is scheduled for June 13, 2022 in Sacramento, California.

MARCIE FROST
Chief Executive Officer

Prepared by: Caitlin Jensen
Committee Secretary