
August 15, 2016**Item Name:** CalPERS Trust Level Review**Program:** Total Fund**Item Type:** Information**Executive Summary**

The CalPERS Trust Level Review (Review) provides summary level economic views, market analysis, portfolio risk, and performance for the CalPERS' Funds (Attachment 1). The State of the Economy analysis covers the current market environment, core economic indicators and topical issues that are having, or could have an impact on short or long-term investment decisions (Attachment 2). The portfolio Risk Management Summary provides an update on the market risks the organization has chosen to be exposed to through asset allocation and policy benchmarks (Attachment 3). The Trust Summary provides additional performance and risk information for the defined benefit trusts (Attachment 4). The CIO Performance Report provides a comprehensive update on each portfolio within the Public Employees' Retirement Fund (PERF) relative to long-term targets and policy benchmarks (Attachment 5).

Strategic Plan

This agenda item supports the CalPERS Strategic Plan goal to improve long-term pension and health benefit sustainability. This report provides detailed information for the Public Employees' Retirement Fund (PERF) and Affiliate Funds to support the CalPERS Investment Committee (IC) in its oversight capacity.

Background

The CalPERS Trust Level Review provides the IC with asset allocation, performance, and risk information presented in a consistent manner. This item also aligns the Review content with the Annual Program Reviews. Certain content in the Review fulfills the statutory Legislative reporting requirements of Government Code §20235 and staff intends to submit the Review to the Legislature to maintain compliance.

Analysis

Not Applicable

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

This item has significant compliance implications in terms of the reporting provisions outlined in Government Code §20235. Failure to comply with the statutory requirements could result in legal and reputational risk.

Attachments

Attachment 1 – CalPERS Trust Level Review

Attachment 2 – CalPERS Trust Level Review: State of the Economy

Attachment 3 – CalPERS Trust Level Review: Risk Management Summary

Attachment 4 – CalPERS Trust Level Review: Trust Summary

Attachment 5 – CalPERS CIO Performance Report

Attachment 6 – Government Code §20235

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