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

**MINUTES OF MEETING  
OPEN SESSION**

**September 18, 2017**



The Investment Committee (Committee) met on September 18, 2017 in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 2:00 p.m. and the following members were present:

Henry Jones, Chair  
Bill Slaton, Vice Chair  
Michael Bilbrey  
John Chiang, represented by Jeree Glasser-Hedrick  
Rob Feckner  
Richard Gillihan  
Dana Hollinger  
J.J. Jelincic  
Ron Lind  
Priya Mathur  
Theresa Taylor  
Betty Yee, represented by Lynn Paquin

Richard Costigan was excused.

**AGENDA ITEM 2 – EXECUTIVE REPORT, Chief Investment Officer Briefing**

Ted Eliopoulos, Chief Investment Officer (CIO), provided the CIO Briefing, including highlights of the strategic partnerships CalPERS has cultivated with many organizations across the globe in support of our ESG Five-Year Plan.

**AGENDA ITEM 3a – ACTION CONSENT ITEMS**

On **MOTION** by Ms. Taylor, **SECONDED** and **CARRIED**, to approve the following action consent items. The motion passed.

- a. Approval of the August 14, 2017 Investment Committee Meeting Minutes

**AGENDA ITEM 4 – INFORMATION CONSENT ITEMS**

The Committee accepted the following information consent items:

- a. Annual Calendar Review
- b. Draft Agenda for the November 13, 2017 Investment Committee Meeting
- c. Monthly Update – Performance and Risk
- d. Monthly Update – Investment Compliance

**AGENDA ITEM 5a – INDEPENDENT OVERSIGHT, Changes to Infrastructure Board Investment Consultant**

Wylie Tollette, Chief Operating Investment Officer (COIO), and Kit Crocker, Investment Director (ID), presented the item and responded to the Committee questions with Ted Eliopoulos, CIO. The presentation outlined staff’s recommendation to accept the resignation of StepStone as the Board’s Infrastructure Consultant effective September 30, 2017, and the request to engage another firm to act as Infrastructure Consultant effective October 1, 2017.

On **MOTION** by Mr. Slaton, **SECONDED** and **CARRIED**, to separate the motion to accept the resignation of StepStone and authorize staff to engage and contract with PCA from the motion of the contract term length to align the expiration of the contract term with the real estate consultant contract.

On **SUBSTITUTE MOTION** by Mr. Gillihan, **SECONDED** and **CARRIED**, to engage and contract with Meketa as the replacement contractor and to separate the vote for the replacement consultant from the contract term length in a separate vote. An electronic vote was taken. The motion passed.

<u>YES</u>		<u>NO</u>	<u>ABSTAIN</u>
Michael Bilbrey	J.J. Jelincic	Ron Lind	
Rob Feckner	Lynn Paquin	Bill Slaton	
Richard Gillihan	Priya Mathur		
Jeree Glasser-Hedrick	Theresa Taylor		
Dana Hollinger			

On **MOTION** by Mr. Gillihan, **SECONDED** and **CARRIED** to make the terms of the contract with Meketa consistent with the terms of the prior incumbent vendor. An electronic vote was taken. The motion passed.

<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
Michael Bilbrey	Ron Lind	Jeree Glasser-Hedrick
Rob Feckner	Lynn Paquin	J.J. Jelincic
Richard Gillihan	Bill Slaton	Priya Mathur
Dana Hollinger	Theresa Taylor	

#### **AGENDA ITEM 6a – PROGRAM REVIEWS, Global Fixed Income Annual Program Review**

Curtis Ishii, Managing Investment Director (MID), Lou Zahorak, ID, and Todd Smith, Investment Manager (IM), presented the item. The presenters responded to comments and questions from the Committee with Anne Simpson, ID, and Thomas Toth, Wilshire Associates.

#### **AGENDA ITEM 6b – PROGRAM REVIEWS, Global Equity Annual Program Review**

Dan Bienvenue, MID, Steve Carden, ID, Simiso Nzima, ID, James Andrus, IM, Sin Sai Vang, IM, and May Leung, Associate Investment Manager (AIM), presented the item and responded to comments and questions from the Committee.

#### **AGENDA ITEM 6c – PROGRAM REVIEWS, Consultant Review of the Global Fixed Income Program**

Rose Dean, Steve Foresti, Daniel Ingram, and Thomas Toth, Wilshire Consulting Associates, presented the item and responded to comments and questions from the Committee.

#### **AGENDA ITEM 6d – PROGRAM REVIEWS, Consultant Review of the Global Equity Program**

Rose Dean, Steve Foresti, Daniel Ingram, and Thomas Toth, Wilshire Consulting, presented the item and responded to comments and questions from the Committee with Dan Bienvenue, MID.

#### **ITEM 7a – POLICY & DELEGATION, Public Asset Class Investment Policies – First Reading**

Wylie Tollette, COIO, Kit Crocker, ID, and Andrew Junkin, Wilshire Consulting Associates, presented the item and responded to comments and questions from the Committee.

#### **ITEM 8a – TOTAL FUND, CalPERS Consultant Public Fund Universe Comparison Reports**

Andrew Junkin, Wilshire Consulting Associates, presented the item, which included a detailed report comparing CalPERS to a universe of large public pension funds.

#### **AGENDA ITEM 8 – SUMMARY OF COMMITTEE DIRECTION**

Ted Eliopoulos, CIO, presented the item and noted that there were no Committee directives in open session.

#### **AGENDA ITEM 9 – PUBLIC COMMENT**

Public comment was received by Margaret Brown regarding the Public Notice of the September Closed Session Agenda.

The meeting adjourned at approximately 4:32 p.m.

The next Committee meeting is scheduled for November 13, 2017 in Sacramento, California.

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MARCIE FROST  
Chief Executive Officer

Prepared by: NATALIE BICKFORD  
Committee Secretary