


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

**MINUTES OF MEETING
OPEN SESSION**

February 12, 2018



The Investment Committee (Committee) met on February 12, 2018 in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 10:06 a.m. and the following members were present:

Henry Jones, Chair
Richard Costigan, Vice Chair
Margaret Brown
John Chiang, represented by Steve Juarez and Frank Moore
Rob Feckner
Richard Gillihan
Dana Hollinger
Priya Mathur
David Miller
Ramon Rubalcava
Bill Slaton
Theresa Taylor
Betty Yee

AGENDA ITEM 2 – ELECTION OF THE INVESTMENT COMMITTEE CHAIR AND VICE CHAIR

Mr. Slaton opened the floor for nominations for the Chair of the Committee. Mr. Gillihan nominated Mr. Jones to serve as Chair. No further nominations were made. On **MOTION** by Ms. Mathur to re-elect Mr. Jones as Chair by acclamation, **SECONDED** by Mr. Feckner and **CARRIED**. The motion passed.

Mr. Jones opened the floor for nominations for the Vice Chair of the Committee. Mr. Slaton nominated Mr. Costigan to serve as Vice Chair. No further nominations were made. On **MOTION** by Ms. Mathur to elect Mr. Costigan as Vice Chair by acclamation, **SECONDED** by Mr. Feckner and **CARRIED**. The motion passed.

AGENDA ITEM 3 – EXECUTIVE REPORT, Chief Investment Officer Briefing

Ted Eliopoulos, Chief Investment Officer (CIO), congratulated the newly elected officers and recognized and welcomed the new members of the committee. Mr. Eliopoulos presented the

calendar year 2017 performance and risk and attribution of the Public Employees' Retirement Fund.

AGENDA ITEM 4a – ACTION CONSENT ITEMS

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

- a. Approval of the December 18, 2017 Investment Committee Meeting Minutes

AGENDA ITEM 5 – INFORMATION CONSENT ITEMS

The Committee accepted the following information consent items:

- a. Annual Calendar Review
- b. Draft Agenda for the March 19, 2018 Investment Committee Meeting
- c. Monthly Update – Performance and Risk
- d. Monthly Update – Investment Compliance
- e. Report to the California Legislature – Holocaust Era and Northern Ireland

AGENDA ITEM 6a – TOTAL FUND, CalPERS Trust Level Review – Consultant Report

Andrew Junkin, Rose Dean, Ali Kazemi, Wilshire Associates Consulting, David Glickman, Allan Emkin, Pension Consulting Alliance and Stephen McCourt, Steven Hartt, Lisa Bacon, Meketa Investment Group, presented the item and responded to comments and questions from the Committee.

The Committee recessed from 12:21 p.m. to 1:45 p.m.

AGENDA ITEM 6b – TOTAL FUND, CalPERS Trust Level Review – Staff Report

Ted Eliopoulos, CIO, Matt Flynn, Interim Chief Operating Investment Officer (COIO), Eric Baggesen, Managing Investment Director (MID), John Rothfield, Investment Director (ID), Michael Krimm, ID, and Rob Paterson, Investment Manager (IM) presented the item and responded to comments and questions from the Committee.

Public comment was heard from Wylie Tollette, Franklin Templeton Investments, regarding support for CalPERS and the Investment Office staff for achieving Global Investment Performance Standards (GIPS) compliance.

AGENDA ITEM 7a – POLICY AND DELEGATION, Revision of Real Assets Program Policy - First Reading

Matt Flynn, Interim COIO and Kit Crocker, ID, presented the item and responded to questions from the Committee.

The Committee determined that a second reading will be presented in the March IC meeting.

AGENDA ITEM 8 – SUMMARY OF COMMITTEE DIRECTION

Ted Eliopoulos, CIO, and Matt Flynn, Interim Chief Operating Investment Officer (COIO), summarized the Chair-directed items. The Chair directed staff to include information on the economic impact of extreme weather-related events in future economic reports, and to provide data on the low-income cohort and youth cohort regarding household formation.

AGENDA ITEM 9 – PUBLIC COMMENT

No public comment was received for this item.

The meeting adjourned at approximately 2:39 p.m.

The next Committee meeting is scheduled for March 19, 2018 in Sacramento, California.

MARCIE FROST
Chief Executive Officer

Prepared by: NATALIE BICKFORD
Committee Secretary