

May 16, 2018

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Investment Committee met on May 14, 2018.

The Committee approved:

- AGENDA ITEM 5a
To approve the recommended strategic asset allocation for the following Affiliate Funds: The Legislators' Retirement System Fund, Judges' Retirement System Fund, Judges' Retirement System II Fund, and the California Employers' Retiree Benefit Trust Fund.

The Committee received a report on:

- The first reading of the Revision of the Total Fund Policy

The Chair directed staff to do the following:

- To provide the Committee with the impact on the discount rate on contributions to the Legislator's Retirement System.
- In June, bring back information on the use of prudent person opinions across the private asset classes as part of the second reading of the Total Fund Policy Revision.
- In June, bring back language to more clearly explain Board and staff responsibility for the ownership of the investment beliefs and a suggested frequency for review in the second reading of the Total Fund Policy Revision.

The Committee heard public comments on the following topics:

- Risk tolerance and market growth
- The funded status, corporate governance, and divestment policies
- The investment beliefs and the Public Employees Retirement Fund

At this time, I would like to share some highlights of what to expect at the June Investment Committee meeting:

- A review of the Affiliate Trust Asset Allocation for the Long-Term Care and Health Care Funds
- The second reading of the Revision of the Total Fund Policy
- The first reading of the Revision of the Private Equity Program Policy and
- The CalPERS for California and California Initiative

The next meeting of the Investment Committee is scheduled for June 18, 2018, in Sacramento, California.