



Investment Committee

Agenda Item 7b

February 19, 2019

Item Name: CalPERS Trust Level Review

Program: Total Fund

Item Type: Information

Executive Summary

The CalPERS Trust Level Review provides summary level of economic views and market analysis (Attachment 1), portfolio performance and risk analysis (Attachment 2). The portfolio Risk Management Summary provides an update on the total risk the organization has chosen to be exposed to through asset allocation and policy benchmarks (Attachment 3). The Public Employees Retirement Fund (PERF) Portfolio & Partnership Report provides a comprehensive update on each portfolio within the PERF relative to policy benchmarks (Attachment 4). Certain content in the Review also fulfills the statutory legislative reporting requirements of Government Code §20235 (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.

Investment Beliefs

This Agenda Item supports the CalPERS Investment Belief 2: A long time horizon is a responsibility and an advantage; and Belief 7: CalPERS will take risk only where we have a strong belief we will be rewarded for it.

Background

The CalPERS Trust Level Review presents the IC with asset allocation, performance, and risk information presented in a consistent manner. This item Review aligns the content with the Annual Program Reviews. Certain content in the Review also 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

Not Applicable

Attachments

Attachment 1 – CalPERS Trust Level Review – Economic and Market Overview

Attachment 2 – CalPERS Trust Level Review – Investment Review

Attachment 3 – CalPERS Risk Management Summary

Attachment 4 – Public Employees Retirement Fund (PERF) Portfolio & Partnership Report

Attachment 5 – Government Code §20235

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