



Investment Committee

Agenda Item 6b

September 14, 2020

Item Name: CalPERS Trust Level Review and Annual Program Reviews – Consultant Report

Program: Total Fund

Item Type: Information

Executive Summary

This agenda item provides the Investment Committee of the CalPERS Board of Administration (Committee) with an update on market conditions, CalPERS' performance, and annual program review commentary from the Board's Investment Consultants.

Additional information is provided as follows:

1. A review of market conditions and the performance of the CalPERS Public Employees' Retirement Fund (PERF) by Wilshire Associates, the Board's General Pension Consultant (Attachment 1)
2. An executive summary of the CalPERS Affiliate Funds' performance by Wilshire Associates (Attachment 2)
3. Wilshire Associates' annual review of the Global Equity, Global Fixed Income, Opportunistic, and Trust Level Portfolio Management programs, with additional commentary on the Real Assets Program and Research & Strategy Group (Attachment 3)
4. Wilshire Associates' annual report comparing CalPERS to a universe of large public pension funds (Attachment 4)
5. Annual program reviews and semi-annual reports of the Private Equity, Real Estate, and Infrastructure programs by Meketa Investment Group, the Board's Private Asset Class Consultants (Attachments 5, 6, and 7, respectively).

Strategic Plan

This agenda item supports the CalPERS Strategic Plan goal to improve long-term pension and health benefit sustainability by supporting the Committee in its oversight role for CalPERS' investment program.

Investment Beliefs

This agenda item supports several of CalPERS' Investment Beliefs, including Investment Belief 10, particularly that strong processes and deep resources are needed to achieve CalPERS' goals and objectives. This agenda item is the result of independent reporting processes by the Board's Investment Consultants designed to support effective governance of CalPERS' investment program.

Background

This agenda item provides detailed information for performance across the PERF and Affiliate Funds to support the CalPERS Investment Committee in its oversight capacity.

Additional Information Regarding the CalPERS Universe Comparison Report

Public funds utilized in the comparison report include funds with more than \$10 billion dollars in asset value. Key statistics of the universe, provided by the Wilshire Associates Trust Universe Comparison Service (Wilshire TUCS®), are as follows:

- Number of included funds: 48
- Median Sponsor Size: \$40.49 billion
- Mean Sponsor Size: \$59.53 billion

Analysis

Not Applicable

Budget and Fiscal Impacts

Not Applicable

Benefits and Risks

Not Applicable

Attachments

Attachment 1 – CalPERS – Performance Review (Wilshire Associates)

Attachment 2 – Executive Summary of Performance (Wilshire Associates)

Attachment 3 – 2020 Annual Program Reviews (Wilshire Associates)

Attachment 4 – CalPERS Universe Comparison Report (Wilshire Associates)

Attachment 5 – Private Equity Annual Program Review and Semi-Annual Review (Meketa Investment Group)

Attachment 6 – Real Estate Annual Program Review and Semi-Annual Report (Meketa Investment Group)

Attachment 7 – Infrastructure Annual Program Review and Semi-Annual Report (Meketa Investment Group)

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