

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

**MINUTES OF MEETING
OPEN SESSION**

September 14, 2020

The Investment Committee (Committee) met via videoconference on September 14, 2020.

The meeting was called to order at 9:50 a.m. and the following members were present:

Theresa Taylor, Chair
David Miller, Vice Chair
Rob Feckner
Henry Jones
Lisa Middleton
Stacie Olivares
Jason Perez
Ramon Rubalcava
Betty Yee, also represented by Lynn Paquin

The following Board of Administration (Board) members were also present:

Margaret Brown
Fiona Ma, represented by Frank Ruffino
Eraina Ortega
Shawnda Westley

AGENDA ITEM 2 – APPROVAL OF THE SEPTEMBER 14, 2020 INVESTMENT COMMITTEE TIMED AGENDA

On **MOTION** by Mr. Jones, **SECONDED** by Mr. Miller, and **CARRIED**, to approve the Investment Committee Timed Agenda. A roll call vote was taken:

<u>YES</u>		<u>NO</u>	<u>ABSTAIN</u>
Rob Feckner	Jason Perez		
Henry Jones	Ramon Rubalcava		
Lisa Middleton	Betty Yee		
David Miller			

Stacie Olivares was not present to cast a vote.

AGENDA ITEM 3 – EXECUTIVE REPORT – CHIEF INVESTMENT OFFICER BRIEFING

Dan Bienvenue, Interim Chief Investment Officer (CIO), briefed the Committee on the day’s agenda.

AGENDA ITEM 4a – ACTION CONSENT ITEM

On **MOTION** by Mr. Jones, **SECONDED** by Mr. Miller, and **CARRIED**, to approve the following items via roll-call vote.

- a. June 15, 2020 Investment Committee Open Session Meeting Minutes

<u>YES</u>		<u>NO</u>	<u>ABSTAIN</u>
Rob Feckner	Jason Perez		
Henry Jones	Ramon Rubalcava		
Lisa Middleton	Betty Yee		
David Miller			
Stacie Olivares			

AGENDA ITEM 5 – INFORMATION CONSENT ITEMS

The Committee accepted the following information consent items with no additional discussion:

- a. Annual Calendar Review
- b. Draft Agenda for the Next Investment Committee Meeting
- c. Quarterly Update – Performance and Risk
- e. Disclosure of Placement Agent Fees and Material Violations

Agenda Item 5d. Quarterly Update – Investment Controls, was pulled from the Information Consent items. Kit Crocker, Investment Director (ID), and Jean Hsu, Managing Investment Director (MID), answered questions from the Committee.

AGENDA ITEM 6a – CALPERS TRUST LEVEL REVIEW AND ANNUAL PROGRAM REVIEWS

Mr. Bienvenue, Interim CIO; Lauren Rosborough-Watt, Investment Manager (IM); Eric Baggesen, MID; Steve Carden, ID; Arnie Philips, Interim Deputy Chief Investment Officer (DCIO); Ms. Hsu, MID; Greg Ruiz, MID; and Sara Corr, MID presented the Committee with an overview of the current economic conditions, commentary on performance and risk positioning among CalPERS’ funds and a review of investment and business objectives for the investment program.

The Committee heard public comment on this item from:

- David Soares
- Robert Girling
- Al Darby
- J.J. Jelincic
- Alyssa Giachino
- Steve Schrig
- Eddie Gadomsky
- Dave Hannon

AGENDA ITEM 6b – CALPERS TRUST LEVEL REVIEW AND ANNUAL PROGRAM REVIEWS – CONSULTANT REPORT

Tom Toth with Wilshire Associates presented commentary on the overall CalPERS portfolio and current market conditions.

Steve Hartt and Christy Fields with Meketa Investment Group presented commentary on the performance of the Private Equity and Real Assets Programs.

AGENDA ITEM 6c – REVIEW OF SURVEY RESULTS OF CALPERS CONSULTANTS

Kristin LaMantia, Assistant Division Chief of Enterprise Strategy & Performance Division, presented the results of the annual evaluation of the Board Investment Consultants.

AGENDA ITEM 6d – LONG TERM CARE: ASSET ALLOCATION

Don Moulds, Chief Health Director; Mr. Baggesen, MID; and Christine Reese, ID presented an overview of the Long Term Care Fund's strategic asset allocation, investment management services, and the plans for review.

The Committee heard public comment on this item from:

- J.J. Jelincic
- Tim Behrens
- Larry Woodson

AGENDA ITEM 7 – SUMMARY OF COMMITTEE DIRECTION

Mr. Bienvenue, Interim CIO, noted the following directions from the Committee:

- Provide definitions for the various reasons a contractor may be exempt from the usual contracting selection process
- Return in November with a climate change strategy update
- Answer questions posed by two public commenters
- Explore the ability to ensure investment fund naming consistency between Investment Office reports and the Comprehensive Annual Financial Report

AGENDA ITEM 8 – PUBLIC COMMENT

The Committee heard public comment from the following regarding investment strategy and risk:

- Steven Filling
- Cynthia Kaufman
- Sheila Thorne
- Sarah Theiss
- Robert Gould
- Patrice Sutton
- Miriam Eide
- Nancy Ihara
- Ferris Kawar
- Sandy Emerson
- Woody Hastings
- Dana Stokes
- Todd Synder

The meeting adjourned at approximately 6:19 p.m.

The next Committee meeting is scheduled for November 16, 2020 in Sacramento, California.

MARCIE FROST
Chief Executive Officer

Prepared by: Caitlin Jensen
Committee Secretary