

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

**MINUTES OF MEETING
OPEN SESSION**

June 13, 2022

The Investment Committee (Committee) met on June 13, 2022 in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento California.

The meeting was called to order at 9:45 a.m. and the following members were present:

David Miller, Chair
Rob Feckner, Vice Chair
Fiona Ma, represented by Frank Ruffino
Lisa Middleton
Eraina Ortega
Jose Luis Pacheco
Ramon Rubalcava
Theresa Taylor
Mullissa Willette
Betty Yee

AGENDA ITEM 2 – EXECUTIVE REPORT – CHIEF INVESTMENT OFFICER BRIEFING

Nicole Musicco, Chief Investment Officer (CIO), briefed the Committee on the day's agenda and current market events.

AGENDA ITEM 3 – ACTION CONSENT ITEMS

On **MOTION** by Jose Luis Pacheco, **SECONDED** by Rob Feckner, and **CARRIED**, to approve the following items:

- a. Approval of the June 13, 2022 Investment Committee Timed Agenda
- b. Approval of the March 14, 2022 Investment Committee Open Session Meeting Minutes

AGENDA ITEM 4 – INFORMATION CONSENT ITEMS

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

- a. Annual Calendar Review
- b. Draft Agenda for the September 19, 2022 Investment Committee Meeting
- c. Quarterly Update – Performance and Risk
- d. Quarterly Update – Investment Controls
- e. Disclosure of Placement Agent Fees and Material Violations

AGENDA ITEM 5a – ASSET LIABILITY MANAGEMENT: AFFILIATE FUNDS – SUPPLEMENTAL INCOME PLANS

Sterling Gunn, Managing Investment Director (MID) and Christine Reese, Investment Director (ID), presented an evaluation and recommendation to update the Supplemental Income Plans Target Date Fund Glide Path asset allocation, based on participant demographic data and capital market assumptions.

On **MOTION** by Ramon Rubalcava, **SECONDED** by Theresa Taylor, and **CARRIED**, to approve the strategic asset allocation for the Supplemental Income Plans' Target Date Fund Glide Path.

AGENDA ITEM 5b – REVISIONS TO THE TOTAL FUND POLICY AND GLOBAL FIXED INCOME POLICIES – SECOND READING

Amy Deming, ID and Michael Krimm, ID, presented proposed revisions to the Total Fund and Global Fixed Income Investment Policies. Staff has incorporated the feedback received from the March 2022 Committee meeting, which included consolidating the standalone program policies into the Total Fund Policy and reviewing the target and ranges of the Private Debt program.

On **MOTION** by Theresa Taylor, **SECONDED** by Jose Luis Pacheco, and **CARRIED**, to approve the revisions to the Total Fund Policy and Global Fixed Income Policies – Second Reading.

JJ Jelincic, CalPERS beneficiary, spoke on this item.

AGENDA ITEM 6a – MARKET DYNAMICS AND PORTFOLIO IMPLICATIONS

Simsio Nzima, MID, Sarah Corr, MID, Michael Krimm, ID, Louis Zahorak, ID, and Jake Tuttle, Investment Officer (IO) presented an update on the economic conditions and commentary on performance and risk positioning and portfolio implications.

AGENDA ITEM 6b – INVESTMENT STRATEGY – FIRST 90 DAYS

Nicole Musicco, CIO presented initial observations and updates from her, as well as areas of focus looking forward for CalPERS' investment program.

AGENDA ITEM 6c – SUMMARY OF COMMITTEE DIRECTION

There was no Committee Direction.

AGENDA ITEM 6d – PUBLIC COMMENT

The Committee heard public comment from:

- Tim Behrens, California State Retirees, on CalPERS Board of Administration Closed Session meeting laws.

At this time, the Committee convened into Closed Session and reconvened at 3:37 p.m.

The meeting adjourned at 3:38 p.m.

The next Committee meeting is scheduled for September 19, 2022 in Sacramento, California.

MARCIE FROST
Chief Executive Officer

Prepared by: Laura Manzo
Committee Secretary