



Navigating **DEEPER WATERS AHEAD**

**CALAPRS GENERAL ASSEMBLY
MARCH 4-7, 2017 | MONTEREY MARRIOTT**

GENERAL ASSEMBLY MOBILE APP

To access the session presentation files, full speaker biographies, surveys, and to ask questions during the session, please go to
http://2shoesapp.com/CALAPRS_GA2017.

You may access the General Assembly app using your smart phone, tablet, or laptop. No download is required.

CALAPRS GENERAL ASSEMBLY 2017 | PROGRAM

SATURDAY, MARCH 4, 2017

4:00 PM – 6:00 PM Early-Bird Registration

SUNDAY, MARCH 5, 2017

7:00 AM – 12:00 PM Golf (optional)
CALAPRS previously arranged for discounted tee times at the Del Monte Golf Course, between 7:00 AM – 7:40 AM. The deadline to reserve your tee time at the discounted rate has passed. If you're still interested in playing, please call the golf club at (831) 373-2700 for best available rates. Golf attendees are responsible for all fees related to their participation, including transportation. Important: This is not a formal golf tournament. Once you reserve your time, you may play with other General Assembly attendees or other participants from the general public.

10:00 AM – 5:00 PM Registration

2:00 PM – 2:15 PM **Opening Remarks**
Featuring: Mark Hovey, *CEO, SDCERS and CALAPRS President* and Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust and General Assembly Chair*

2:15 PM – 3:15 PM **A National Perspective of State and Local Pensions**
Nearly every state has made meaningful changes in recent years to its pension plans' benefit structure, financing arrangements, or both. Meanwhile, challenging capital markets are forcing many plans to consider lowering their investment return assumption, which increases plan costs and unfunded liabilities. This opening session will feature an overview of these and other key trends affecting the public pension community, including the recent reforms, funding issues, actuarial assumptions, and discussion of other challenges facing public pensions.
Speakers: Keith Brainard, *Research Director, National Association of State Retirement Administrators (NASRA)*
Moderator: Steve Delaney, *CEO, OCERS*

3:15 PM – 3:30 PM Afternoon Refreshment Break

3:30 PM – 5:00 PM **Securing CalPERS' Future: Managing our Assets and Liabilities**
Managing funding risk to CalPERS, in the ever-changing economic and demographic climate, has never been more challenging. This session will walk you through the creation and development of CalPERS' current asset liability management process, the Risk Mitigation Policy, and what's on the horizon. Learn how CalPERS' actuarial, financial, and investment offices are working together to develop an integrated framework to manage assets and liabilities, as well as help prepare CalPERS for what lies ahead.
Speakers: Eric Baggesen, *Managing Investment Director, Asset Allocation/Risk Assessment* and Scott Terando, *ASA, EA, MAAA, FCA, CFA, Deputy Chief Actuary, CalPERS*
Moderator: Donna Lum, *Deputy Executive Officer, Customer Services and Support, CalPERS*

7:00 PM – 9:30 PM **Strolling Dinner at the Monterey Bay Aquarium**
Guests welcome and transportation is provided. Buses will depart from the Marriott starting at 6:30pm. Return buses will depart starting at 8:00pm.

MONDAY, MARCH 6, 2017

7:00 AM – 4:00 PM Registration

7:30 AM – 8:25 AM Continental Breakfast

8:30 AM – 8:45 AM

Opening Remarks

Featuring: Mark Hovey, *CEO, SDCERS and CALAPRS President* and Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust and General Assembly Chair*

8:45 AM – 9:45 AM

The Big Investment Issues of the Day

In the popular HBO series “Game of Thrones”, the motto of House Stark “Winter is Coming” connotes vigilance and preparation. Investors must be prepared for what happens in the future, but often unsung, is preparing for what didn’t happen. We will discuss with Vijoy Chattergy, Chief Investment Officer of the State of Hawaii Employees’ Retirement System, how he has built his portfolio to deal with one potential winter related to interest rates, which have for many seasons, tightened from the lofty peaks in the fall of 1981 to today, but can we count on another 35 years of tightening interest rates to help our portfolios? He will describe the role of ‘Functional Risk Classes’ and ‘Crisis Risk Off-Set’ in his portfolio and how this approach to thinking about the role of certain assets will help him navigate the huge investment issues of the day ranging from very long-term issues such as interest rates, to the short-term issues such as President Trump’s first 100 days. In all cases, Vijoy Chattergy will show why “Winter is Coming” isn’t just a motto for House Stark, but for prudent investors as well.

Speakers: Vijoy Chattergy, *CIO, State of Hawaii Employees’ Retirement Systems (HIERS)* and Don Pierce, *CIO, SBCERA*

Moderator: Gary Amelio, *CEO, SBCERA*

9:45 AM – 10:45 AM

Putting California Innovation into California Portfolios: A Panel Discussion

Panelists will discuss how California’s public pension funds can boost returns by capturing an outsized share of innovative California-based industries.

Panelists: James Meketa, *Managing Principal and Chairman of Meketa Investment Group*; Ashby Monk, Ph.D., *Executive and Research Director of the Stanford University Global Projects Center*; and Neil Rue, CFA, *Managing Director, Pension Consulting Alliance*

Moderator: Tim Price, *CIO, CCCERA*

10:45 AM – 11:15 AM

Morning Refreshment Break

11:15 AM – 12:00 PM

Risk is the Word — The Actuarial Challenges of Adequate Funding

Everyone agrees that public pension systems should be adequately funded. The hard part is determining what constitutes adequate funding and what can be done to achieve it. This session explores the actuarial policies and risks that trustees must address in managing a path towards an adequately funded pension plan.

Speaker: Paul Angelo, *Senior Vice President and Actuary, Segal Consulting*

Moderator: Hugo Wildmann, *Retirement System Manager, AC Transit Employees’ Retirement System*

12:00 PM – 1:15 PM

Networking Lunch

1:30 PM – 2:45 PM

Legal Update: Vested Rights Doctrine — Storm Clouds Ahead?

Panelists will discuss vested rights, implications of the Marin Appellate Court ruling, and other current legal topics.

Speakers: Russ Richeda, *Shareholder and Lead Counsel, Public Retirement Law Practice, Saltzman & Johnson* and Chris Waddell, *Senior Attorney, Public Retirement Law Practice, Olson Hagel & Fishburn, LLP*

Moderator: Hugo Wildmann, *Retirement System Manager, AC Transit Employees’ Retirement System*

2:45 PM – 3:00 PM

Afternoon Refreshment Break

MONDAY, MARCH 6, 2017

3:00 PM – 4:00 PM

The Governance Side of Effectively Managing Disability Claims

This panel consists of disability retirement experts responsible for ensuring their member's due process rights are met as they navigate complicated disability retirement waters; while simultaneously protecting the needs of the Plan. Retirement boards have laws, policies and procedures established to provide quality governance to the Plan that may at times conflict with a member's view of their rights. These experts will share their thoughts on how their system maintains a good balance when faced with these difficult challenges.

Panelists: Jan Garner, *Disability Unit Manager, SDCERA*; Lita Payne, *Assistant General Manager, LACERS*; and Jackie Purter, *Retirement Analyst, SCERA*

Moderator: Suzanne Jenike, *Assistant CEO External Operations, OCERS*

5:00 PM – 6:00 PM

Hosted Reception at the Monterey Marriott Hotel, Ferrantes Ballroom

General Assembly attendees can enjoy a refreshing beverage, light hors d'oeuvres and great views of Monterey Bay.

TUESDAY, MARCH 7, 2017

7:30 AM – 8:25 AM

Breakfast

8:30 AM – 9:30 AM

Power & Politics

Best intentions, facts, logic, and analysis are great; however, they can lead to a myopic perspective and blind spots. Join us to engage and discover how political capital can be earned and leveraged to avoid blind spots, build trust, and help you gain momentum.

Speaker: Brian R. Beamish, Ph.D. Candidate, M.S., M.Ed., *Consultant, The Centre for Organization Effectiveness*

Moderator: Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust*

9:30 AM – 9:45 AM

Morning Refreshment Break

9:45 AM – 11:00 AM

Macro Economic Outlook on the Future

Economic growth in the U.S. has been stable while recent economic activity in Europe and Emerging Markets has improved somewhat. At the same time, investors may be entering a new era of political leadership and globalization. This presentation will delve into why the U.S. equity market has earned strong returns as well as what to expect going forward. It will also discuss why Developed International and Emerging Market stocks have disappointed over the past 10 years and what the future may hold. We will also discuss the outlook for Private Equity, Real Estate, Bonds, Private Credit, and Hedge Funds, as well as Inflation. Importantly, we will discuss the need for Responsible and Responsive Leadership from politicians, CEO's, Wall Street, and the Media. Lastly, we will discuss several ideas which could boost our investment returns.

Speaker: William Coaker, Jr., CFA, MBA, *CIO, SFERS*

Moderator: Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust*

11:00 AM

Closing Remarks & Adjourn

CALAPRS GENERAL ASSEMBLY 2017 | PLANNING COMMITTEE

Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust (Chair)*

Gary Amelio, *CEO, San Bernardino County Employees' Retirement Association*

Donna Lum, *Deputy Executive Officer, Customer Services and Support, CA Public Employees' Retirement System*

Steve Delaney, *CEO, Orange County Employees' Retirement System*

Hugo Wildmann, *Retirement System Manager, AC Transit Employees' Retirement System*