



INVESTMENT BOARD AND BENEFITS ADVISORY COMMITTEE MINUTES
IPERS Headquarters
7401 Register Drive, Des Moines, Iowa
December 7, 2023

The following people attended the IPERS Investment Board Meeting held on Thursday, December 7, 2023.

Members of the Board – Present

Justin Kirchhoff, Chair
Bill Bemis, Vice Chair
Treasurer Roby Smith
Tami Loge

Kris Rowley
Representative Martin Graber
Representative Amy Nielsen
Senator Mark Lofgren

Members of the Board – Absent

Matt Watters
Senator Molly Donahue

Administration and Staff

Greg Samorajski, Chief Executive Officer
Sriram Lakshminarayanan, CIO
John Fujiwara, Head of Strategy
Sheldon Lien, Senior Investment Officer
Pat Reinhardt, Senior Investment Officer
Keith Scholten, Senior Investment Officer
Marcus Dong, Investment Officer
Kevin Terdal, Investment Officer

Kate Fishman, Investment Officer
Melinda McElroy, Executive Assistant
David Martin, Chief Benefits Officer
Elizabeth Hennessey, General Counsel
Shawna Lode, Director of Communications
Rick Hindman, Chief Operations Officer
Tara Hagan, Chief Financial Officer

Benefits Advisory Committee - Present

Len Cockman, Chair
Lowell Dauenbaugh, Vice Chair
Matt Carver
Sue Cave
Todd Copley
Brian McDonough

Andrew Hennesy
John Hieronymus
Richard Hoffman
Erin Mullenix
Melissa Peterson
Adam Steen

Consultant – Wilshire

Ali Kazemi

Actuary – Cavanaugh Macdonald

Brent Banister
Bryan Hoge

Call to Order

Investment Board Chair Justin Kirchhoff called the joint meeting of the IPERS Investment Board and Benefits Advisory Committee to order at 8:30 a.m.

Approval of Minutes from the Previous Meetings

Tami Loge moved to approve the meeting minutes from the September 27, 2023, and September 28, 2023, Investment Board meetings. Kris Rowley seconded. The motion carried by unanimous voice vote.

CEO's Report

Greg Samorajski reported that IPERS made its biennial presentation to the legislature's Public Retirement Systems Committee on December 6, 2023. The presentation included a review of the plan and its emerging goals, an investment performance summary and an actuarial valuation summary.

Securities Litigation Review and Recommendation

Elizabeth Hennessey requested Board approval to file a claim in the securities litigation case Treasury Wine Estates Limited. Kris Rowley moved to approve the recommendation. Tami Loge seconded. The motion carried by unanimous voice vote.

IPERS Investment Staff Reports

Beta Report

Sriram Lakshminarayanan reviewed the Fund's asset allocation and reported all asset classes were within their established policy ranges. The estimated market value of the IPERS Trust Fund is \$41.16 billion.

Alpha Report

The investment team reviewed the alpha report noting minor performance concerns for Columbia Management's EAFE strategy and minor performance concerns for PGIM Wadhvani.

Private Markets Program Risk Report

Pat Reinhardt noted material concerns for real estate manager Clarion Partners and minor performance concerns for Forest Investment Associates and UBS Farmland.

Risk Report

Sriram Lakshminarayanan reviewed IPERS' standard risk reports.

FY2023 Investment Management Expenses

IPERS' preliminary investment management expenses for FY2023 were \$56.4 million, a decrease of 1.6% from FY2022.

CIO Updates

Sriram Lakshminarayan discussed the role of IPERS' investment consultant and asked the Board members what services they would like provided. Sriram will follow up with each Board member to discuss.

Private Markets Investment Policy

Bill Bemis and Kris Rowley reviewed the proposed revisions to the Private Markets Investment Policy. Bill Bemis moved that the Investment Board approve the policy with a January 1, 2024, effective date. Treasurer Smith seconded. The motion carried by unanimous roll call vote.

Ayes: Justin Kirchoff, Bill Bemis, Treasurer Smith, Tami Loge and Kris Rowley

Nays: None

MOTION PASSED

CY2024 Private Markets Commitments

Pat Reinhardt and Marcus Dong reviewed the private markets program commitment plan, noting plans to make the following commitments: private equity to receive \$700 million, private credit to receive \$700 million and private real assets to receive \$500 million.

Closed Session for CEO Evaluation and Reappointment

Bill Bemis moved that the IPERS Investment Board go into a closed session of this joint public meeting to discuss the performance evaluation and reappointment of IPERS' CEO as authorized by Iowa Code section 21.5(1)(i). Tami Loge seconded. The motion carried by unanimous voice vote.

Lowell Dauenbaugh moved that the Benefits Advisory Committee go into a closed session of this joint public meeting to discuss the performance evaluation and reappointment of IPERS' CEO as authorized by Iowa Code section 21.5(1)(i). Melissa Peterson seconded. The motion carried by unanimous voice vote.

Bill Bemis moved that the IPERS Investment Board end its closed session and resume the open session of this joint meeting. Treasurer Smith seconded. The motion carried by unanimous voice vote. The Board took no action during its closed session.

Lowell Dauenbaugh moved that the Benefits Advisory Committee end its closed session and resume the open session of this joint meeting. Matt Carver seconded. The motion carried by unanimous voice vote. The BAC took no action during its closed session.

Bill Bemis moved that the Investment Board recommends the reappointment of Gregory S. Samorajski as the chief executive officer of IPERS to Governor Reynolds. Tami Loge seconded. The motion carried by unanimous roll call vote.

Ayes: Justin Kirchoff, Bill Bemis, Treasurer Smith, Tami Loge and Kris Rowley

Nays: None

MOTION PASSED

Lowell Dauenbaugh moved that the Benefits Advisory Committee recommends the reappointment of Gregory S. Samorajski as the chief executive officer of IPERS to Governor Reynolds. Matt Carver seconded. The motion carried by unanimous roll call vote.

Ayes: Len Cockman, Lowell Dauenbaugh, Matt Carver, Todd Copley, Brian McDonough, Richard Hoffman, Erin Mullenix, Melissa Peterson and Adam Steen.

Nays: None

MOTION PASSED

2023 Actuarial Valuation Report

Brent Banister and Bryan Hoge of Cavanaugh Macdonald presented the results of the 2023 actuarial valuation report. IPERS' funded status increased from 89.5% to 89.7% and the unfunded actuarial liability increased from \$4.62 billion to \$4.71 billion. The 2023 valuation report sets the required contribution rates for FY2025. Contribution rates for all three membership groups will remain unchanged.

Public Comments

An IPERS member expressed her concerns to the Investment Board about public pension funds investing in Israel companies.

Confirm Next Meeting Date and Adjournment

The Investment Board's next meeting date is Friday, March 22, 2024. The Benefits Advisory Committee's next meeting date is Monday, January 22, 2024. With no further business to come before the Board or BAC, the meeting adjourned at 11:55 a.m.