



**INVESTMENT BOARD MEETING MINUTES**  
IPERS Headquarters  
7401 Register Drive, Des Moines, Iowa  
March 24, 2023

The following people participated in the IPERS Investment Board meeting held on Friday, March 24, 2023.

**Members of the Board – Present**

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

Kris Rowley  
Lisa Stange  
Senator Pam Jochum  
Senator Mark Lofgren

**Members of the Board – Absent**

None

**Administration**

Greg Samorajski, CEO  
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

Melinda McElroy, Executive Assistant  
Elizabeth Hennessy, General Counsel  
David Martin, Chief Benefits Officer  
Tara Hagan, Chief Financial Officer  
Rick Hindman, Chief Information Officer  
Shawna Lode, Director of Communications

**Consultants**

Thomas Toth, Wilshire  
Ali Kazemi, Wilshire  
Blake Curtis, Wilshire

## **Call to Order**

Chair Justin Kirchhoff called the meeting to order at 8:30 a.m.

## **Approval of Minutes from Previous Meeting**

Kris Rowley made the motion to approve the December 1, 2022, Investment Board meeting minutes. Tami Loge seconded. The minutes were approved by unanimous voice vote.

## **CEO Report – Greg Samorajski**

Greg Samorajski welcomed State Treasurer Roby Smith to the Investment Board and introduced Russ Trimble and Molly Widen, also of the Treasurer’s office. Greg next introduced Linda Guffey, IPERS’ new deputy chief operations officer. Greg concluded his report by saying Governor Reynolds’ proposed budget includes a \$2.5 million administrative budget increase for IPERS. The legislature is currently considering this request.

## **Legislative Session Update – Shawana Lode**

Shawna Lode reported on the 2023 legislative session and bills impacting IPERS.

## **Actuarial Consulting Services Hiring Recommendation – Bill Bemis**

Bill Bemis reported IPERS received four proposals in response to the Actuarial Consulting Services RFP. The evaluation committee recommended the Investment Board hire Cavanaugh Macdonald as the System’s actuary, subject to final due diligence and successful contract and fee negotiations. Bill Bemis made the motion to approve the hiring recommendation. Kris Rowley seconded. The motion carried by unanimous roll call vote.

**Ayes:** Justin Kirchhoff, Bill Bemis, Tami Loge, Kris Rowley, Treasurer Smith and Lisa Stange

**Nays:** None

**MOTION PASSED**

## **Closed Session for CIO Performance Evaluation and CEO Compensation**

Kris Rowley made the motion that the IPERS Investment Board go into a closed session of this public meeting to discuss the CIO’s annual performance evaluation and the CEO’s compensation as authorized by Iowa Code section 21.5(1)(i). Tami Loge seconded. The motion carried by unanimous roll call vote.

**Ayes:** Justin Kirchhoff, Bill Bemis, Tami Loge, Kris Rowley, Treasurer Smith and Lisa Stange

**Nays:** None

**MOTION PASSED**

Kris Rowley made the motion that the IPERS Investment Board end its closed session and resume the open session of this meeting. Tami Loge seconded. The motion carried by unanimous roll call vote. The Board took no action during its closed session.

**Ayes:** Justin Kirchhoff, Bill Bemis, Tami Loge, Kris Rowley, Treasurer Smith and Lisa Stange

**Nays:** None

**MOTION PASSED**

Lisa Stange made the motion to approve a CEO salary increase of 5% effective for the next pay period. Should the Governor provide a salary adjustment per usual practice mid-year, the CEO's salary will be adjusted to ensure the 5% increase is maintained. Kris Rowley seconded. The motion carried by roll call vote.

**Ayes:** Justin Kirchhoff, Bill Bemis, Tami Loge, Kris Rowley, and Lisa Stange

**Nays:** Treasurer Smith

**MOTION PASSED**

### **Calendar Year 2022 Investment Performance Review – Thomas Toth and Ali Kazemi**

Wilshire reported, as of December 31, 2022, the Total Fund performance for the calendar year was -10.6%, outperforming the policy benchmark return of -10.9%. The presentation also included a return/risk ranking, sources of risk and a performance review of each publicly traded asset class and the managers within each class.

### **Investment Policy and Goal Statement – Sriram Lakshminarayanan**

Staff recommended the Investment Board revise the Asset Allocation Policy contained in Appendix B of the IPGS to make the Bloomberg U.S. Aggregate Index the Policy Benchmark for the core-plus asset class, effective July 1, 2023. In addition, the core-plus fixed-income asset class should be renamed to the core fixed-income asset class. Tami Loge made the motion to approve the recommendation. Treasurer Smith seconded. The motion carried by roll call vote.

**Ayes:** Justin Kirchhoff, Tami Loge, Kris Rowley, Treasurer Smith and Lisa Stange

**Nays:** None

**Absent:** Bill Bemis

**MOTION PASSED**

### **IPERS Investment Staff Reports**

#### *CIO Updates*

Sriram Lakshminarayanan updated the Board on several matters and reviewed a presentation on current market conditions.

#### *Beta Report*

Sriram Lakshminarayanan reviewed the beta report, noting the Fund's estimated market value of \$39.789 billion as of March 17, 2023, the date of the report. All asset classes were within policy ranges.

#### *Alpha Report*

The investment staff reviewed the alpha report noting minor performance and process concerns with Columbia, an international equity manager.

### ***Private Markets Program***

Pat Reinhardt reviewed the investment managers in IPERS' private markets program noting minor concerns with Clarion Partners, Forest Investment Associates and UBS Farmland.

### ***Risk Report***

Sriram Lakshminarayanan presented IPERS' risk monitoring reports noting active risk remains well below the 1.5% target.

### **Public Comments**

The Investment Board heard comments from former Senator Patrick Deluhery and Greg Jameson.

### **Confirm Next Meeting Date**

The next regularly scheduled Investment Board meeting is Thursday, June 15, 2023, beginning at 8:30 a.m.

### **Other Business**

The Board and IPERS staff thanked Lisa Stange for her years of dedicated service to the IPERS Investment Board.

### **Adjourn**

With no further business to come before the Investment Board, the meeting adjourned at 11:51 a.m.