

CALAPRS

EDUCATION · COMMUNICATION · NETWORKING

California Association of Public Retirement Systems

CALAPRS GENERAL ASSEMBLY

SURVIVING THE PUBLIC PENSION SANDSTORM

MARCH 5-8, 2016 | RENAISSANCE INDIAN WELLS

PLANNING COMMITTEE

Mark Hovey (Chair), David Kehler, Donna Lum, Annette St. Urbain, and Hugo Wildmann

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SATURDAY – MARCH 5, 2016

4:00 – 6:00 PM Early-Bird Registration Emerald Pre-Function Foyer

SUNDAY – MARCH 6, 2016

7:00 AM – 12:00 PM Optional Golf at Indian Wells Golf Resort

10:00 AM – 4:30 PM Registration Mountain View

2:00 PM **Opening Remarks** Emerald 1-4

2:15 PM **CA Pension Reform: What’s Next?** Emerald 1-4

The opening session explores the value of the Defined Benefit (DB) model and how pension reforms have been working in California. The panel will discuss the proposed 2016 California ballot pension reform initiatives, status and impact of the 2013 Public Employees’ Pension Reform Act (PEPRA), how Unfunded Accrued Liabilities (UALs) are affected by pension reforms, and “how we got here” and what’s next.

Speakers: Dan Pellissier, *President, CA Pension Reform*; Ashley Dunning, *Partner, Nossaman LLP*; and Graham Schmidt, *Consulting Actuary, Cheiron*

Moderator: Mark Hovey, *CEO, SDCERS*

3:15 PM Networking Break Emerald 1-4

3:30 PM **What in the World is Going On? A Scan of Economic Conditions and Markets Around the Globe** Emerald 1-4

We may be in the desert, but this isn’t Vegas, baby! In today’s global economy, what happens thousands of miles away doesn’t stay there....it impacts markets and investors around the world. This session will survey current conditions and the outlook for developed and emerging economies and the inter-relationships, opportunities and risks likely to impact global investment.

Speaker: Arjun Divecha, *Chairman, Board of Directors, GMO Investment Management*

Moderator: Annette St. Urbain, *CEO, SJCERA*

7:00 PM – 9:30 PM **Strolling Dinner** Rose Lawn
Take a step back in time to the Roaring 20’s at our Great Gatsby-themed dinner event with live music, dancing, flappers for entertainment and a photo booth to capture the memories! Guests welcome.

MONDAY – MARCH 7, 2016

7:00 AM – 4:00 PM Registration Emerald Pre-Function Foyer

7:30 AM – 8:25 AM Breakfast Rose Lawn

8:30 AM **Opening Remarks** Emerald 1-4

8:45 AM **Exploring the Pension Landscape without Getting Stuck by an Actuarial Cactus** Emerald 1-4

The pension landscape as it applies to the measurement and reporting of Plan liabilities is changing rapidly. New mortality tables, GASB reporting requirements, managing risk, and the adequacy of plan assets to meet pension promises are of growing concern to all pension boards. This session will discuss these concerns from an actuarial point of view and will inform pension Trustees on topics related to pension costs and actuarial methodologies. The session speakers will give insights to actuarial issues in a manner that is comprehensive but in down-to-earth terminology. Participants will leave the session with a better understanding of factors that impact pension liabilities and steps that might be taken to handle them.

Speakers: Mark Olleman, *Consulting Actuary, Milliman* and Graham Schmidt, *Consulting Actuary, Cheiron*

Moderator: Dave Kehler, *Administrator, TCERA*

9:45 AM Networking Break Emerald 1-4

10:00 AM	<p>What's the Fuss about Private Equity Fees?</p> <p>Private equity fees are in the headlines again. Learn what the issues are, and what's being done (or not done) about them. Discover the regulatory changes, and what might be coming. Lastly, learn what you should be asking your managers.</p> <p><u>Speakers:</u> Tom Hickey, <i>Partner, Foley & Lardner</i> and Jose Fernandez, <i>Partner, StepStone Group, LLC</i></p> <p><u>Moderator:</u> Corey Buuhoan, <i>Senior Investment Officer, SDCERS</i></p>	Emerald 1-4
11:00 AM	<p>Alternative Investments: What's Hot, What's Not</p> <p>Is this where we should go to find returns? Risk alternatives, hedge funds, low volatility investing, smart beta, the opportunity bucket . . . what looks interesting?</p> <p><u>Speakers:</u> Wylie Tollette, <i>Chief Operating Investment Officer, CalPERS</i>; Don Pierce, <i>CIO, San Bernardino County ERA</i>; and Ian Toner, <i>Managing Director, Verus Investments</i></p> <p><u>Moderator:</u> Hugo Wildmann, <i>Retirement System Manager, AC Transit</i></p>	Emerald 1-4
12:15 – 1:30 PM	Lunch	Rose Lawn
1:30 PM	<p>Asset-Liability Analysis for the 21st Century — “Got Correlation?”</p> <p>Asset-liability analyses are at the core of the most impactful decisions that trustees must make for their plans. Decision makers often poorly understand the implications of these analyses, and the options provided represent little real choice. This panel challenges the conventional method of asset-liability modeling and introduces a risk-based approach that incorporates decision factors specific to each trustee/board. Are correlations the best way to model capital markets? Are there better ways to approach asset allocation in today's global economy? How have some plans challenged traditional methods of diversification? This session will review the purpose of an asset-liability study, examine alternative approaches to such analyses and asset allocation, and discuss the advantages and shortcomings of each method.</p> <p><u>Speakers:</u> Neil Rue, <i>CFA, Managing Director</i> and John Linder, <i>CFA, CPA, Principal, Pension Consulting Alliance</i> and Robert McCrory, <i>Principal Consulting Actuary, Cheiron</i></p> <p><u>Moderator:</u> Annette St. Urbain, <i>CEO, SJCERA</i></p>	Emerald 1-4
2:45 – 3:00 PM	Networking Break	Emerald 1-4
3:00 PM	<p>Fixed Income: Should We Tweak the Recipe or Expand the Menu?</p> <p>The session will address the issues of low expected returns from fixed income allocations and the role that Fixed Income should play in investment portfolios going forward. The speakers will explore possible fixed income replacement strategies, portfolio risk, and the steps that Plan trustees can take for Fixed Income to provide a measurable contribution to investment returns. Should Trustees move to a new, different and possibly riskier approach? What and where are the current and future opportunities related to the asset class? The session will discuss these questions from the perspectives of both a Consultant and a Portfolio Manager.</p> <p><u>Speakers:</u> David Kelly, <i>Partner, Aon Hewitt</i> and Ashish Tiwari, <i>Executive Vice President, PIMCO</i></p> <p><u>Moderator:</u> Dave Kehler, <i>Administrator, TCERA</i></p>	Emerald 1-4
5:00 – 6:00 PM	<p>Hosted Reception</p> <p>Hors d'oeuvres and beverages will be served.</p>	Cascade Landing

TUESDAY – MARCH 8, 2016

7:30 – 8:25 AM	Breakfast	
8:30 AM	<p>National Trends & Forecasts for Public Retirement Systems</p> <p>This session will provide insight into what journalists are reporting and what they see going on with public retirement systems and investments.</p> <p><u>Speaker:</u> Amy Resnick, <i>Editor, Pensions & Investments</i></p> <p><u>Moderator:</u> Donna Lum, <i>Deputy Executive Officer, Customer Services & Support, CalPERS</i></p>	Emerald 1-4
9:30 AM	Networking Break	Emerald 1-4
9:45 AM	<p>System Governance: Is the Train on its Track?</p> <p>Are your governance policies like a train to nowhere, or a train headed for the cliff? This session will help you learn what policies should be in place to turn your system into high-speed rail optimized for good governance and smooth driving.</p> <p><u>Speakers:</u> Chris Waddell, <i>Senior Attorney, Olson Hagel & Fishburn LLP</i> and Elaine Reagan, <i>Chief Legal Officer, SDCERA</i></p> <p><u>Moderator:</u> Mark Hovey, <i>CEO, SDCERS</i></p>	Emerald 1-4
11:00 AM	Closing Remarks & Adjourn	