

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM BOARD OF TRUSTEES INVESTMENT COMMITTEE MEETING

October 16, 2020

MINUTES

Present: Mr. Harry Papp, Chairman
Mr. Jim Ameduri, Trustee
Mr. William Buividas, Trustee
Mr. Dean Scheinert, Trustee

Others Present: Mr. Allan Martin, Partner, NEPC, LLC
Mr. Bill Thatcher, Sr. Portfolio Manager
Mr. Bret Parke, Assistant Administrator/General Counsel
Mr. Brian Dunham, Senior Accountant
Mr. Don Stracke, Partner, NEPC, LLC
Mr. Ian Aaker, StepStone Group
Mr. James Ko, Sr. Portfolio Manager
Mr. Jefferson Weston, Investment Analyst
Mr. Kevin Chen, Investment Analyst
Mr. Mark Steed, Chief Investment Officer
Mr. Mike Smarik, Deputy Administrator
Mr. Mike Townsend, Administrator
Mr. Owen Zhao, Sr. Quantitative Investment & Risk Analyst
Mr. Shan Chen, Lead Portfolio Manager
Mr. Spencer Edge, Albourne Partners
Mr. Tim Jackson, Compliance Officer
Ms. Cheryl Cohen, Investments Executive Assistant
Ms. Claudia Martinez, Executive Assistant
Ms. Jennifer Carlino, Esq., Investment Counsel
Ms. Katherine Boligitz, Investment Analyst
Ms. Laura Long, Sr. Investment Analyst
Ms. Rose Crutcher, Paralegal Investments
Ms. Vaida Maleckaite, Investment Operations Director
Ms. Vivian Padilla, Media & Publications Specialist

1. Call to Order, Roll Call, Opening Remarks.

10:02

*Mr. Harry A. Papp
Investment Committee Chairman*

2. Review, discussion and possible Action to approve Investment Committee Executive session minutes from February 14, 2020.

Chairman Papp asked for this to be placed on the November agenda.

Chairman Harry A. Papp

3. Call to the Public:

This is the time for the public to comment. Members of the Committee may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01 (H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for a later date for further consideration and possible recommendations to the Board of Trustees.

There was no response to the Call to the Public, due to COVID19 physical presence of the public was not permitted.

4. Written report possible discussion regarding the Month-End and Fiscal Year-to-Date performance for the PSPRS Trust as of August 31, 2020; and written report regarding the asset allocation and performance of the Firefighters and Peace Officers Cancer Insurance Program.

Chairman Papp reviewed performance, noting it does not include the calendar year Q2 valuations from the Trust's private investments. Mr. Steed indicated they have received almost all the calendar year Q2 valuations and will finalize performance for FY'20 in the coming weeks. However, the Trust's custodian reflects the changes in the month in which they are received. Most valuations for 6/30 arrived in September, meaning, they will appear in next month's report.

*Ms. Vaida Maleckaite
Director of Investment Services*

5. Written report and possible discussion regarding Portfolio Risk as of August 31, 2020.

Mr. Zhao reported on portfolio volatility, noting risk is in-line with historical experience.

*Mr. Owen Zhao
Portfolio Analyst - Risk*

6. Written report and discussion regarding Global Financial Market Developments.

Mr. Ko reported that markets expect rates to remain near zero and earnings for calendar-year '21 are modestly higher owing to future expectations that the economy resume it's regular pace of growth.

*Mr. James Ko
Portfolio Manager
Mr. Mark Steed
Chief Investment Officer
Mr. Allan Martin
NEPC, LLC*

7. Discussion regarding asset allocation and pooled portfolios in the context of diverse liabilities.

Mr. Mark Steed

8. Discussion regarding monthly and quarterly investment reports.

Mr. Steed reminded the committee to provide feedback to Staff on the monthly reporting package.

Mr. Mark Steed

9. Written report on Executed Transactions During Prior Period.

No discussion was held.

Mr. Mark Steed

10. **The Board of Trustees may vote to go into Executive Session (which will not be open to the public) to discuss matters pursuant to A.R.S. §§ 38-431.03(A) (1), (2), (3), (4) and (7), as applicable, including to receive legal advice from the Board's attorneys on any matter listed on the agenda.**

11. The Committee may discuss future dates for meetings and direct Staff to place matters on future agendas.

Chairman Papp requested next meeting one week before the December BOT meeting.

Chairman Harry A. Papp

12. Adjournment. = 11:42

Moved by Trustee Mr. William Buividas, seconded by Trustee Mr. Jim Ameduri

Vote: 4 - 0 Passed

Mr. Harry Papp, Trustee, Chairman