



Public School Fund Investment Board Meeting
Meeting Minutes February 27, 2023
Held Via Zoom

Board Members in Attendance:

Dave Young
Peter Calamari
Wendy Dominguez
Christine Scanlan
Jerome DeHerrera

12:04 – 12:05 PM Welcome, roll call

12:05 – 12:06 PM Meeting minutes from the November 14, 2022 Board Meeting

Mr. DeHerrera made a motion to approve the November 14, 2022 meeting minutes. Ms. Scanlan seconded the motion. The motion passed at 12:06 pm.

- Dave Young – Yes
- Peter Calamari – Yes
- Jerome DeHerrera – Yes
- Wendy Dominguez – Yes
- Christine Scanlan – Yes

12:06 – 12:12 PM House Bill 1146 Update

Treasurer Young gave an update on the 1146 Study Group. The study group is in the final stages of editing and reviewing their final report which is due on 2/28/2023.

12:13 – 12:55 PM In-House Bond Portfolio Discussion/Analysis

Ms. Dominguez had raised a question at the end of 2022 regarding the RFP process completed at least every 5 years for the external portfolio managers and whether there was an opportunity or should be an opportunity to do the same for the Treasury portfolio. In response to this question Ms. Janet Becker-Wold (Callan) presented some background information on the Treasury portfolio and the due diligence completed shortly after the formation of The Board in 2016. Ms. Becker-Wold also presented information on the option of bringing on an additional Core Bond Portfolio manager external to the Treasury. Treasurer Young asked a question regarding some of the Peer Performance data presented and whether the comparison was apples to apples considering the constitutional restrictions on The Fund. Ms. Becker-Wold responded that they felt the comparison was pretty apples to apples because the constitutional restrictions deal mainly with equities and not the bond portfolio. The Bond Portfolio is measured against the Bloomberg U.S. Aggregate index. Ms. Dominguez asked how the fees are appropriated and how long they are appropriated for. Treasurer Young responded that it is a continuing appropriation, that it is built into the base, but that it is an annual appropriation so it could potentially change. Ms. Dominguez asked if the fees are paid out of the fund. Treasurer Young believed that

they were, but Ms. Zimbelman (Portfolio Administrator) took an action to follow up and confirm. Treasurer Young asked whether it was possible for Maruti More to do the Core-Plus that was described. Ms. Becker-Wold was not sure since Core-Plus includes below investment grade investments; Ms. Becker-Wold suggested that the Board consultant Grant Sullivan (Attorney General's Office) on this. Ms. Dominguez made a motion to begin an RFP process with Callan's assistance and direction to allocate up to \$200M to a new Core Fixed-Income Portfolio. Mr. Calamari seconded the motion.

- Dave Young – Yes
- Peter Calamari – Yes
- Jerome DeHerrera – Yes
- Wendy Dominguez – Yes
- Christine Scanlan – Yes

Treasurer Young commented that Maruti More and his team have done an excellent job with the Treasury Portfolio, as Ms. Becker-Wold's presentation indicated. This vote is part of The Board's fiduciary responsibility to do due diligence to ensure it is properly diversified. The motion passed at 12:55.

12:56 – 1:06 PM Market Update (Quarter 4 – Ending Dec. 31, 2022)

Presentation by Mr. Alex Browning (Callan)

1:06 – 1:30 PM Asset Allocation Update & Rebalancing Recommendation

Presentation by Ms. Janet Becker-Wold (Callan)

1:30 – 1:34 PM Review of Unrealized Gains/Losses

Presentation by Ms. Sarah Zimbelman (Portfolio Administrator)

1:35 – 12:58 PM Fund Manager Presentation: Parametric

Presentation by Mr. Dan Ryan, Senior Director Relationship Management and Mr. Jim Reber, Managing Director Portfolio Management

1:58 – 1:59 PM Public comments

- Written Comments
 - There were no written comments.
- Verbal Comments
 - There were no verbal comments.

1:59 – 2:02 PM Other Business

- Ms. Zimbelman asked The Board if there was any desire to move the quarterly board meetings back to in-person or if the preference was stick with the current zoom format. The consensus was to stick with the current zoom format.
- Ms. Zimbelman also informed The Board that there will be a formal RFP process for the Short Duration Portfolio this year as the Janus contract is reaching it's 5 year contract expiration this October. Ms. Zimbelman asked the Board members to consider volunteering to support the evaluation portion of the RFP process.

The meeting was adjourned at 2:03 pm.

Next Meeting

- May 15, 2023 at Noon