

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION
Tuesday, April 20, 2021**

The Board of Administration met via teleconference on Tuesday, April 20, 2021.

The teleconference meeting was called to order at approximately 9:00 a.m. and the following members were present:

Henry Jones, President
Margaret Brown
Rob Feckner
Frank Ruffino for Fiona Ma
Lisa Middleton
David Miller
Stacie Olivares
Eraina Ortega
Jason Perez
Ramon Rubalcava
Theresa Taylor
Lynn Paquin for Betty Yee

Board of Administration Members excused: Shawnda Westly

**AGENDA ITEM 2 – APPROVAL OF THE APRIL 20, 2021 BOARD OF ADMINISTRATION
TIMED AGENDA**

On **MOTION** by David Miller, **SECONDED** by Theresa Taylor and **CARRIED**, with a roll call vote, the Board approved Action Item 2.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

AGENDA ITEM 4 – PRESIDENT’S REPORT

President Jones offered words of support for CalPERS colleagues, families and friends in the Asian-American and Pacific Islander communities.

AGENDA ITEM 5 – EXECUTIVE REPORT

a. Chief Executive Officer’s Report

Ms. Frost reported on the following:

- Lawsuit filing to protect member assets
- Return to Work and Remote Work
- Second Virtual CBEE
- 2021-22 Budget
- The World Economic Forum
- CSEA Annual Retiree Day
- APEX Honorees
- Asset Liability Management process
- Preliminary Health Care Rates

As of March 31, 2021, the fiscal year return is 15; the one-year return is 25.5; the five-year return is 9.6; and the ten-year return is 8.1; and the twenty-year is 6.8.

AGENDA ITEM 6 – CONSENT ITEMS

Action Consent Items

- a. Approval of the March 17, 2021 Board of Administration Meeting Minutes
- b. Board Travel Approvals
- c. Approval of Committee Delegations

On **MOTION** by Margaret Brown, **SECONDED** by Frank Ruffino and **CARRIED**, with a roll call vote, the Board approved Action Consent Item 6a and 6b.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

On **MOTION** by Theresa Taylor, **SECONDED** by Margaret Brown and **CARRIED**, with a roll call vote, the Board approved Action Consent Item 6c, to maintain the committee delegations without change as reflected in attachments three through six, and rejected the proposed changes to the Performance and Talent Management Committee in attachment one.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

On **MOTION** by Lisa Middleton, **SECONDED** by Margaret Brown and **CARRIED**, with a roll call vote, with one no vote by Rob Feckner, the Board approved Action Consent Item 6c, attachment two, with the following changes to paragraph 10 of the Risk and Audit Committee: “Oversee key internal auditor activities to include: internal audits, real estate audits, employer compliance reviews, financial audits, actuarial parallel valuations, and audit findings resolutions.”

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner		X	
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

AGENDA ITEM 7 – CONSENT ITEMS

Information Consent Items:

- a. Board Meeting Calendar
- b. Draft Agenda for the June 16, 2021 Board of Administration Meeting
- c. General Counsel's Report
- d. Communications and Stakeholder Relations

AGENDA ITEM 8 – COMMITTEE REPORTS AND ACTIONS

a. Investment Committee

The Committee did not meet.

The next meeting of the Investment Committee is scheduled for June 14, 2021 in Sacramento, California.

b. Pension and Health Benefits Committee

The Committee did not meet.

The next meeting of the Pension and Health Benefits Committee is scheduled for May in Sacramento, California.

c. Finance and Administration Committee

David Miller, Chair Finance and Administration Committee, presented the Committee Summary report to the Board. The Committee met on April 19, 2021.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the following:

- The April 2021 prospective report of solicitations, contracts, purchase orders, and letters of engagement. (FAC Item 4b)
- The 1959 Survivor Benefit Program Actuarial Valuation Report as of June 30, 2020 and adopt the employer and employee monthly premiums for fiscal year 2021-22. (FAC Item 4c)
- The reappointment of Scott Terando, Chief Actuary, as the California Public Employees' Retirement System representative to the California Actuarial Advisory Panel for the remainder of the three-year term ending in December 31, 2024. (FAC Item 4d)
- The 2021 to 2022 annual budget in the amount of 1.888 billion and 2,843 positions.(FAC Item 6a)
- The proposed elected Board Member percentages of time to be spent on Board-related duties based on Board and Committee selections held in February and March 2021. (FAC Item 6b)
- The employer and member contribution rates for the period July 1, 2021 to June 30, 2022 as set forth in the table on page four of the agenda items. (FAC Item 6c)
- The employer contribution rate of 22.91 percent for the Schools Pool and a member contribution rate of 7.00 percent for school employees subject to the Public Employees Pension Reform Act of 2013. Rates are applicable for the period of July 1, 2021 to June 30, 2022. (FAC Item 6d)

Name	Yes	No	Abstain
Margaret Brown		X	
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

Additional information may be found in the April 19, 2021 Agenda materials and transcripts of the Committee meeting.

The next meeting of the Finance and Administration Committee is scheduled for September 14, 2021 in Sacramento, California.

d. Performance, Compensation and Talent Management Committee

Rob Feckner, Chair, Performance, Compensation and Talent Management Committee, presented the Committee Summary report to the Board. The Committee met on April 19, 2021.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the Long-Term Incentive Program for the Chief Investment Officer position. Approve the inclusion of Global Governance Advisors' recommended Long-Term Incentive Program in the Chief Investment Officer position compensation package, as set forth in the CIO compensation recommendation table in Attachment 1 of the agenda item. (PCTM Item 7a)

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

Additional information may be found in the April 19, 2021 Agenda materials and transcripts of the Committee meeting.

The next meeting of the Performance, Compensation and Talent Management Committee is scheduled for June 15, 2021 in Sacramento, California.

e. Risk and Audit Committee

Lisa Middleton, Chair, Risk and Audit Committee presented the Committee Summary report to the Board. The Committee met on April 19, 2021.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the 2021-2022 Enterprise Compliance and Risk Management plans. (RAC Item 6a)

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

Additional information may be found in the April 19, 2021 Agenda materials and transcripts of the Committee meeting.

The next meeting of the Risk and Audit Committee is scheduled for June 19, 2021 in Sacramento, California.

f. Board Governance Committee

The Committee did not meet.

The next meeting of the Board Governance Committee is scheduled for June 16, 2021 in Sacramento.

AGENDA ITEM 9a – PROPOSED DECISIONS OF ADMINISTRATIVE LAW JUDGES

On **MOTION** by Henry Jones, **SECONDED** by David Miller, and **CARRIED**, with a roll call vote, the Board moved to adopt the proposed decision of Administrative Law Judges (ALJ) for Agenda Items 9a1 through 9a5 with minor modifications as argued by staff to Agenda Items 9a2, 9a3, and 9a5.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		

Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

AGENDA ITEM 9b – PETITIONS FOR RECONSIDERATION

On **MOTION** by Henry Jones, **SECONDED** by Rob Feckner, and **CARRIED**, with a roll call vote, the Board moved to deny the petitions for reconsiderations of Agenda Items 9b1 through 9b9.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

AGENDA ITEM 9c – STATE LEGISLATIVE PROPOSAL: TECHNICAL AMENDMENTS TO THE PUBLIC EMPLOYEES’ RETIREMENT LAW

On **MOTION** by David Miller, **SECONDED** by Theresa Taylor, and **CARRIED**, with a roll call vote, the Board moved to sponsor additional technical amendments to the PERL.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega	X		
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

AGENDA ITEM 9d – SENATE BILL 411 (CORTESE) – REVISION OF WORKING AFTER RETIREMENT SANCTIONS

On **MOTION** by Rob Feckner, **SECONDED** by David Miller, and **CARRIED**, with a roll call vote, with one abstention by Eraina Ortega, the Board adopted a support position on Senate Bill 411 (Cortese) – Revision of Working after Retirement Sanctions.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega			X
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

AGENDA ITEM 9e – ASSEMBLY BILL 845 (RODRIGUEZ) – DISABILITY RETIREMENT: COVID-19

On **MOTION** by Theresa Taylor, **SECONDED** by Ramon Rubalcava, and **CARRIED**, with a roll call vote, with one abstention by Eraina Ortega, the Board adopted a support position on Assembly Bill 845 (Rodriguez) – Disability Retirement: COVID-19.

Name	Yes	No	Abstain
Margaret Brown	X		
Rob Feckner	X		
Henry Jones			X
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Stacie Olivares	X		
Eraina Ortega			X
Jason Perez	X		
Ramon Rubalcava	X		
Theresa Taylor	X		
Lynn Paquin for Betty Yee	X		

AGENDA ITEM 10a – STATE AND FEDERAL LEGISLATION UPDATE

Danny Brown, Chief of Legislative Affairs, provided an update on State and Federal Legislation.

AGENDA ITEM 10b – SUMMARY OF BOARD DIRECTION

Direction was given to provide the Board updates on amendments related to sexual orientation and gender identity on the bill going through Congress, as well as ensuring that the June update includes all of our work on disclosures related to human capital and other metrics.

PUBLIC COMMENT

Alyssa Giachino representing the Private Equity Stakeholder Project urged the Board to engage with Ares to comply with the law regarding eviction notices and the moratorium.

JJ Jelincic representing himself, spoke about several internal audits focusing on internal controls.

Jen Jang, representing Renters United for Justice, spoke on behalf of Arianna Anderson about her experiences as a resident of Havenbrook Homes.

The Public meeting adjourned into closed session at approximately 10:51 a.m.

The Public meeting reconvened at approximately 11:20 a.m.

The Public meeting adjourned at approximately 11:20 a.m.

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer