Circular Letter

May 7, 2015

TO: EMPLOYERS COVERED BY CALPERS, EMPLOYEE ORGANIZATIONS AND OTHER INTERESTED PARTIES

SUBJECT: MEETING NOTICE OF THE CALPERS BOARD OF ADMINISTRATION AND ITS COMMITTEES

The Board of Administration of the California Public Employees’ Retirement System (CalPERS) and its committees will meet on May 18 through 20, 2015. The meetings will be held in the CalPERS auditorium located in Lincoln Plaza North, 400 Q Street, Sacramento, California, unless otherwise noted.

Copies of the agendas for the meetings are attached. This notice and the agendas are also available on our website, www.calpers.ca.gov.

The estimated start times for each meeting are set forth below. In some cases, a portion of the meeting may be held in closed session. Please refer to the attached agendas for additional information.

Monday, May 18, 2015

8:30 a.m. Board of Administration (Closed Session Only)
9:30 a.m. Investment Committee (Closed Session Only)
10:00 a.m. Investment Committee

Tuesday, May 19, 2015

8:30 a.m. Board Governance Committee
9:00 a.m. Pension & Health Benefits Committee (Closed Session Only)
11:00 a.m. Pension & Health Benefits Committee
1:00 p.m. Finance & Administration Committee

Wednesday, May 20, 2015

8:30 a.m. Board of Administration (Closed Session Only)
9:00 a.m. Board of Administration
10:30 a.m. Board of Administration ALM Workshop
1:00 p.m. Global Governance Policy Ad Hoc Committee

Live broadcasts of open session meetings of the Board and its committees are available for viewing at www.calpers.ca.gov. Please refer to the website for information on attending meetings and presenting public comment.
The meeting facilities are accessible to persons with disabilities. Requests for disability-related modification or accommodation require a minimum of 72 hours' notice and may be requested by calling (916) 795-3065 (voice or TTY).

Questions regarding the meetings may be referred to Cheree Swedensky at (916) 795-3128 or cheree.swedensky@calpers.ca.gov.

ANNE STAAUSBOLL
Chief Executive Officer

Attachment
May 18, 2015
8:30 a.m.

Robert F. Carlson Auditorium
Lincoln Plaza North
400 P Street
Sacramento, CA

BOARD MEMBERS

Rob Feckner, President
Henry Jones, Vice President
Michael Bilbrey
John Chiang
Richard Costigan
Richard Gillihan
Dana Hollinger
JJ Jelincic
Ron Lind
Priya Mathur
Bill Slaton
Theresa Taylor
Betty Yee

MEETING AGENDA

CLOSED SESSION
8:30 a.m.

1. Chief Executive Officer's Briefing on Performance, Employment, and Personnel Issues
(Government Code sections 11126(a)(1), (e), and (g)(1))

Notes
1) Items designated for Information are appropriate for Board Action if the Board wishes to take action. Any Agenda Item from a properly noticed Committee meeting held immediately prior to this Board meeting may be considered by the Board.
2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.
3) Public comment may be taken on any agenda item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Board President.
May 18, 2015
9:30 a.m.

Or Upon Adjournment or Recess of the Board of Administration Closed Session, Whichever is Later

Robert F. Carlson Auditorium
Lincoln Plaza North
400 P Street
Sacramento, CA

COMMITTEE MEMBERS

Henry Jones, Chair
Bill Slaton, Vice Chair
Michael Bilbrey
John Chiang
Richard Costigan
Rob Feckner
Richard Gillihan

Dana Hollinger
JJ Jelincic
Ron Lind
Priya Mathur
Theresa Taylor
Betty Yee

MEETING AGENDA

CLOSED SESSION
9:30 a.m.

Or Upon Adjournment or Recess of Board Closed Session, Whichever is Later

Chief Investment Officer's Briefing on Market and Personnel Issues
(Government Code sections 11126(a)(1) and (c)(16))

Investment Committee Closed Session with Consultants – Investment Strategies
(Government Code section 11126(c)(16))

OPEN SESSION
10:00 a.m.

Or Upon Adjournment or Recess of Closed Session, Whichever is Later

1. Call to Order and Roll Call

Ted Eliopoulos

2. Executive Report – Chief Investment Officer Briefing
3. Consent Items

**Action Consent Items:**

a. Approval of the April 13, 2015 Investment Committee Meeting Minutes

4. Consent Items

**Information Consent Items:**

a. Annual Calendar Review
b. Draft Agenda for the June 15, 2015 Investment Committee Meeting
c. Monthly Update – Performance and Risk
d. Monthly Update – Investment Compliance
e. Federal Investment Policy Representative Update

**Information Agenda Items**

5. Total Fund

Ted Eliopoulos

Wylie Tollette

Eric Baggesen

Roger Urwin, Towers Watson

a. CalPERS Investment Beliefs Implementation Review

6. Business Plan/Roadmap

Ted Eliopoulos

Wylie Tollette

a. Investment Office Roadmap Update

7. Asset Allocation, Performance & Risk

Eric Baggesen

a. Long-Term Care Fund Asset Allocation Review and Proposed Policy Revisions

Eric Baggesen

b. Proposed Revision to Liquidity Asset Class Target, Range and Benchmark
8. Program Review

Anne Simpson
Dan Bienvenue
Curtis Ishii
Réal Desrochers
Paul Mouchakkaa
Beth Richtman
Andrew Junkin,
Julia Bonafedes,
Wilshire Associates

9. Public Comment

CLOSED SESSION

Upon Adjournment or Recess of Open Session
(Government Code sections 11126(a)(1), (c)(16) and (e))

1. Call to Order and Roll Call

Ted Eliopoulos

2. Consent Items

Action Consent Items:
   a. Approval of the April 13, 2015 Investment Committee Meeting Minutes

Ted Eliopoulos

3. Consent Items

Information Consent Items:
   a. Closed Session Activity Reports
      1) Status of Action Items Not Yet Reported
      2) Items Completed Under Delegated Authority
      3) Disclosure of Placement Agent Fees: Proposed Investments
      4) Investment Proposal Status Reports

Information Agenda Items

4. Total Fund

Anne Simpson
   a. Global Governance: Corporate Engagement Investment Strategy

5. External Manager and Investment Decision Updates

Réal Desrochers
   a. Private Equity
Paul Mouchakkaa  b. Real Assets

Dan Bienvenue  c. Global Equity

Curtis Ishii  d. Global Fixed Income Programs

Dan Bienvenue  e. Absolute Return Strategies Program

Ted Eliopoulos  f. Total Fund

Notes

1) Items designated for Information are appropriate for Committee Action if the Committee wishes to take action.

2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.

3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.
AGENDA

OPEN SESSION
8:30 a.m.

1. Call to Order and Roll Call

2. Executive Report

3. Consent Items
   Action Consent Items:
   a. Approval of the February 18, 2015 Board Governance Committee Meeting Minutes

4. Consent Items
   Information Consent Items:
   a. Annual Calendar Review

Action Agenda Items

5. Review of the Board Governance Committee Delegation

Information Agenda Items

6. Facilitated Workshop on CalPERS Governance
7. Public Comment

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3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.
4) Board Members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.
May 19, 2015
9:00 a.m.

Or Upon Adjournment or Recess of the
Board Governance Committee,
Whichever is Later

Robert F. Carlson Auditorium
Lincoln Plaza North
400 P Street
Sacramento, CA

COMMITTEE MEMBERS

Priya Mathur, Chair
Michael Bilbrey, Vice Chair
John Chiang
Rob Feckner
Richard Gillihan

JJ Jelincic
Henry Jones
Theresa Taylor
Betty Yee

MEETING AGENDA

CLOSED SESSION
9:00 a.m.

Government Code Section 11126(c)(17)

Or Upon Adjournment or Recess of the Board
Governance Committee, Whichever is Later

1. Call to Order and Roll Call

Doug McKeever

2. Health Plan Rate Strategy

OPEN SESSION
11:00 a.m.

Upon Adjournment or Recess of Closed Session,
Whichever is Later

1. Call to Order and Roll Call

Ann Boynton

2. Executive Report(s)

Ann Boynton

3. Consent Items

Action Consent Items:

a. Approval of the April 14, 2015 Pension &
Health Benefits Committee Meeting Minutes
4. Consent Items

**Information Consent Items:**

a. Annual Calendar Review  
b. Draft Agenda for the June 16, 2015 Pension & Health Benefits Committee Meeting  
c. Federal Health Care Policy Representatives Update  
d. Federal Retirement Policy Representatives Update

**Action Agenda Items**

Danny Brown  
5. Legislation  
   b. Assembly Bill 533 (Bonta) – Balance Billing by Individual Health Professionals  
   c. Senate Bill 671 (Hill) – Prescription Drugs: Biological Products

**Information Agenda Items**

Donna Lum  
Lori McGartland  
6. Customer Services and Support Performance Update

Doug Hoffner  
David Cowling  
7. Board Governance Project – Update on Strategic Measures

Doug McKeever  
8. 2016 Medicare Advantage Plan Approaches

Doug McKeever  
9. Preliminary 2016 Health Benefit Plan Rates

Kathy Donneson  
10. Pharmacy Benefit Manager Procurement

11. Public Comment

**Notes**

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3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.

4) Board Members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.
May 19, 2015
1:00 p.m.
Or Upon Adjournment or Recess of the Pension & Health Benefits Committee, Whichever is Later

Robert F. Carlson Auditorium
Lincoln Plaza North
400 P Street
Sacramento, CA

COMMITTEE MEMBERS

Richard Costigan, Chair          Henry Jones
Dana Hollinger, Vice Chair       Bill Slaton
Richard Gillihan                Betty Yee
JJ Jelincic

MEETING AGENDA

OPEN SESSION
1:00 p.m.
Or Upon Adjournment or Recess of the Pension & Health Benefits Committee, Whichever is Later

1. Call to Order and Roll Call

Cheryl Eason

2. Executive Report

Cheryl Eason

3. Consent Items
   Action Consent Items:
   a. Approval of the April 14, 2015, Finance & Administration Committee Meeting Minutes

Cheryl Eason

4. Consent Item
   Information Consent Items:
   a. 2015 Annual Calendar Review

Cheryl Eason

b. 2016 Annual Calendar Review

Cheryl Eason
c. Draft Agenda for the August 18, 2015, Finance & Administration Committee Meeting

Cheryl Eason
d. Update on Governmental Accounting Standards Board (GASB) Statement No. 68
Information Agenda Items

5. Actuarial Reporting
   a. Annual Actuarial Valuation for the Terminated Agency Pool
   b. Amortization Policy – Rate Restructuring

6. Public Comment

Notes
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3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.
4) Board members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.
May 20, 2015
8:30 a.m.

Robert F. Carlson Auditorium
Lincoln Plaza North
400 P Street
Sacramento, CA

BOARD MEMBERS

Rob Feckner, President  JJ Jelincic
Henry Jones, Vice President  Ron Lind
Michael Bilbrey  Priya Mathur
John Chiang  Bill Slaton
Richard Costigan  Theresa Taylor
Richard Gillihan  Betty Yee
Dana Hollinger

MEETING AGENDA

CLOSED SESSION
8:30 a.m.
Chief Executive Officer’s Briefing on Performance, Employment, and Performance Issues
(Government Code sections 11126 (a)(1), (e), and (g)(1))

OPEN SESSION
9:00 a.m.
Or Upon Adjournment or Recess of Board Closed Session, Whichever is Later

1. Call to Order and Roll Call
2. Pledge of Allegiance

Rob Feckner  3. Board President’s Report
4. Executive Reports

Anne Stausboll  a. Chief Executive Officer’s Report (Oral)
Ted Eliopoulos  b. Chief Investment Officer’s Report (Oral)
Rob Feckner  5. Consent Items

Action Consent Items:

a. Approval of the April 15, 2015 Board of Administration Meeting Minutes
b. Board Travel Approvals
6. Consent Items

**Information Consent Items:**

a. Board Meeting Calendar
b. Draft Agenda for the June 17, 2015 Board of Administration Meeting
c. General Counsel's Report
d. External Affairs Report

7. Committee Reports and Actions

<table>
<thead>
<tr>
<th>Name</th>
<th>Committee Reports and Actions</th>
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<tbody>
<tr>
<td>Henry Jones</td>
<td>a. Investment Committee (Oral)</td>
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<tr>
<td>Priya Mathur</td>
<td>b. Pension and Health Benefits Committee (Oral)</td>
</tr>
<tr>
<td>Richard Costigan</td>
<td>c. Finance and Administration Committee (Oral)</td>
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<tr>
<td>Michael Bilbrey</td>
<td>d. Performance, Compensation &amp; Talent Management Committee (Oral)</td>
</tr>
<tr>
<td>Ron Lind</td>
<td>e. Risk and Audit Committee (Oral)</td>
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<tr>
<td>Bill Slaton</td>
<td>f. Board Governance Committee (Oral)</td>
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<tr>
<td>Henry Jones</td>
<td>g. Global Governance Policy Ad Hoc Committee (Oral)</td>
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</tbody>
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8. Action Agenda Items

<table>
<thead>
<tr>
<th>Name</th>
<th>Proposed Decisions of Administrative Law Judges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rob Feckner</td>
<td>a. Edward Moore</td>
</tr>
<tr>
<td></td>
<td>b. Valentin Sunico</td>
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<tr>
<td></td>
<td>c. Nellie Diaz</td>
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<td></td>
<td>d. Joseph A. Lujan</td>
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<td></td>
<td>e. Deanna C. Lewis</td>
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<td>f. George G. Mirabal</td>
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9. Information Agenda Items

<table>
<thead>
<tr>
<th>Name</th>
<th>State Legislation Update</th>
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<tbody>
<tr>
<td>Danny Brown</td>
<td>9. State Legislation Update</td>
</tr>
</tbody>
</table>

10. Public Comment

11. Litigation Matters

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<thead>
<tr>
<th>Name</th>
<th>Litigation Matters</th>
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</thead>
<tbody>
<tr>
<td>Matthew Jacobs</td>
<td>a. In re: City of Stockton (U.S. Bankruptcy Court, Eastern District of CA, No. 12-32118); In re: City of San Bernardino (U.S. Bankruptcy Court, Central District of CA, No. 2-BK-28006)</td>
</tr>
<tr>
<td></td>
<td>b. Sanchez, et al. v. CalPERS, et al. (Los Angeles County Superior Court No. BC517444)</td>
</tr>
<tr>
<td></td>
<td>c. Centinela Capital Partners, LLC v. CalPERS, et al. (California</td>
</tr>
</tbody>
</table>
Second District Court of Appeal No. B255256); Baez v. CalPERS et al. (California Second District Court of Appeal No. B252772); Centinela Capital Partners, LLC, et al. v. Credit Suisse, et al. (Los Angeles County Superior Court, No. BC532166)

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3) Public comment may be taken on any agenda item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Board President.
4) The Board may adjourn into Closed Session to deliberate on any Proposed Decision(s) or Petition(s) for Reconsideration.
May 20, 2015
10:30 a.m.

Or Upon Adjournment or Recess of the Board of Administration Meeting, Whichever is Later

Lincoln Plaza North
400 P Street, Room 1140
Sacramento, CA

BOARD MEMBERS

Rob Feckner, President
Henry Jones, Vice President
Michael Bilbrey
John Chiang
Richard Costigan
Richard Gillihan
Dana Hollinger

JJ Jelincic
Ron Lind
Priya Mathur
Bill Slaton
Theresa Taylor
Betty Yee

MEETING AGENDA

WORKSHOP
Time 10:30 a.m.

ALM Workshop – Pension Funding Risk and Risk Mitigation Strategy
1. Overview
2. Flexible Glide Path and Blended Guided Path
3. Benefits and Costs of Risk Mitigation
4. Board Discussion
5. Next Steps

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3) Public Comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Board President.
May 20, 2015
1:00 p.m.

Or Upon Adjournment or Recess of the
Pension Funding Risk and Risk Mitigation Strategy Workshop,
Whichever is Later

Robert F. Carlson Auditorium
Lincoln Plaza North
400 P Street
Sacramento, CA

COMMITTEE MEMBERS

JJ Jelincic  Bill Slaton
Henry Jones  Betty Yee
Ron Lind

MEETING AGENDA

OPEN SESSION
1:00 p.m.

Or Upon Adjournment or Recess of Pension Funding Risk and Risk Mitigation Strategy Workshop, Whichever is Later

1. Call to Order and Roll Call

2. Election of the Subcommittee Chair and Vice Chair

Information Agenda Items

Anne Simpson    Purpose and Approach

4. Public Comment

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