

2018 CalPERS Board of Administration Public Agency Member Election

Candidate Statement Booklet

Voting Deadline October 1, 2018

2018 Public Agency Member Election

CalPERS Board Of Administration

Election for the Public Agency Member position on the CalPERS Board of Administration is being held. As a CalPERS Public Agency member, it is your right and responsibility to vote to elect your representative on the board. A simple majority vote is required to elect a candidate. The term of office for the Public Agency Member position begins January 16, 2019, and ends on January 15, 2023.

About the CalPERS Board of Administration

CalPERS is the largest defined benefit public pension fund in the U.S., with approximately \$350 billion in assets. The 13-member board holds significant responsibility in setting policy for retirement benefits for more than 1.9 million current and retired California state, public school, and public agency members, and their beneficiaries on behalf of more than 2,945 public employers. The board also sets policy for health benefits for 1.4 million members and their dependents. The board consists of elected, appointed, and ex-officio members.

The board of administration also has responsibility for the California Employers' Retiree Benefit Trust and CalPERS Long-Term Care Fund, and it administers the Public Employees' Medical and Hospital Care Act Program, and the CalPERS Deferred Compensation Plan.

Additionally, the board oversees the pension fund's investments of retirement fund assets and administration of the system. Responsibilities include setting employer contribution rates, determining asset allocation, providing periodic actuarial valuations, and determining appropriate rates of interest.

Official Voting Instructions

Three Ways to Cast Your Ballot



Vote Online - Recommended!

Go to www.calpersboardelections.com and follow the instructions on the screen.

You will need your Personal Identification Number (PIN), which can be found on the ballot card included in this ballot package.



Vote by Phone

Call (800) 270-7146 and follow the automated voice instructions.

You will need your PIN, as described above.



Vote by Mail

Follow the instructions in this booklet and complete the ballot that was included in your ballot package.

If you spoil or lose your official ballot or ballot return envelope, you may request a replacement ballot package from the CalPERS Board Election Call Center at (888) 492-4763.

Do not request a replacement ballot if you have already mailed your official ballot to CalPERS or voted online or by phone.

General Voting Instructions

- Review all candidate statements in this booklet before voting.
- Vote for only one candidate.
- Vote using only one of the official voting methods described on page 1.
- Do not vote more than once.
- Sign your name on the signature line provided on the return envelope.

Failure to comply with these voting instructions could result in your ballot not being counted.

Voting Deadline

Your vote must be received by us no later than **October 1, 2018, 11:59 p.m. PT**, or it will not be counted. This deadline applies to votes cast online, by phone, or by mail.

Official certified election results will be posted later in the month of October on the CalPERS website at **www.calpers.ca.gov**.

Public Agency Candidates

The following statements have been prepared by the candidates running for the Public Agency Member position on the CalPERS Board of Administration. CalPERS has not verified these statements in their entirety and assumes no responsibility for their accuracy.

Jason Perez

Priya Mathur

Attend the Candidate Forum

September 5, 2018

6:00 p.m. – 7:00 p.m.

CalPERS Auditorium, Lincoln Plaza North
400 P Street, Sacramento, California

The forum will be moderated by the League of Women Voters and both candidates will be invited to present their views. A video of the forum will be posted on the CalPERS website for later viewing for those who could not attend or watch live online.

Candidate Statement

Jason Perez

Years of CalPERS Covered Service: 22.29

Employer: City of Corona Police Department

Job Classification: Police Sergeant

Priya Mathur was elected to the CalPERS Board 15 years ago, and the unfunded liability has grown to over \$100 BILLION. Mathur has failed CalPERS and put our retirement security at risk due in part to environmental, social, and governance investing priorities, regardless of the investment risk.

Members suffered with some of the largest medical insurance premium increases during Mathur's chairmanship of CalPERS' Health Benefits Committee.

In recent years, several firms that manage CalPERS' money were found to have mismanaged those funds. What has CalPERS done to recover your money? Almost nothing.

Bureaucracies resist change - we who work for public agencies, know this. If CalPERS continues business as usual, our retirement security will be at an even greater risk.

The incumbent lives in denial of basic obligations:

- The LA Times demanded Mathur resign for ignoring misconduct by the former CEO, who is now in federal prison for taking bribes.
- Mathur has been fined multiple times for failing to disclose conflicts of interest and campaign contributors.
- CalPERS' recent survey shows the stakeholder trust in CalPERS has plummeted almost 20% in one year!

As a police officer association president, I understand how important secure pensions are to all of us. As a law enforcement professional, former detective, and current department administrative sergeant, I deal with complex financial issues and make judgments about peoples' trustworthiness every day. I will put these skills to work for you on the CalPERS board.

If we want to save our pensions and protect our retirement security, we must act now to get CalPERS back on the right track. Tomorrow may, literally, be too late.

JasonPerezforCalPERS@gmail.com

www.JasonPerezforCalPERS.com

#ProtectOurPension

(916) 282-9202

Jason Perez

Years of CalPERS Covered Service: 22.29

Employer: City of Corona Police Department

Job Classification: Police Sergeant

Most CalPERS member pensions are worse funded today than when Mathur, the incumbent, joined the board. Your employer's contributions to CalPERS almost certainly have increased over that time, decreasing the money available for raises.

Pension benefits have already been *reduced* for new hires. There needs to be accountability for decisions that have hurt all of us CalPERS members, as well as the people of California.

Mathur is out of touch, believing her role is to fly around the world, ringing the bell of the London Stock Exchange and hobnobbing with United Nations officials.

Since the incumbent has been on the Board, some health premiums have essentially tripled, our benefits and access reduced while medical inflation has been only 76%.

We need someone else—a person unafraid to fight for the interests of CalPERS members and willing to ask uncomfortable questions:

- *Why the health premium increases and benefit cuts?*
- *Why the investment underperformance?*

I'll demand answers and transparency from the Board and staff. My only job is to secure our pensions.

I'm honored to have gained the confidence and endorsement of (partial list):

- Inland Chapter of *PORAC*,
- California Association of Highway Patrolmen,
- Riverside Sheriffs Association,
- Retired Public Employees Association,
- Corona Firefighters Association,
- Corona General Employees' Association,
- Corona Supervisors' Association,
- Southern California Alliance of Law Enforcement
- California Coalition of Law Enforcement Associations
- Association for Los Angeles Deputy Sheriffs

Police Officers Associations:

- Anaheim Police Association
- Bay Area Rapid Transit Authority
- Long Beach
- Riverside
- Cathedral City
- Simi Valley
- Indio
- El Segundo
- Ontario
- Corona
- Richmond
- Val Verde School District

Individual endorsements include:

- Margaret Brown, CalPERS Board Member
- J.J. Jelincic, CSEA past president, Former Board member of CalPERS

The CalPERS board is a mess. Google "CalPERS board problems" to see what others say.

VOTE like the rest of your life depends on it, because it may.

Candidate Statement

Priya Mathur

Years of CalPERS Covered Service: 20.03

Employer: San Francisco Bay Area Rapid Transit District (BART)

Job Classification: Principal Financial Analyst

As your newly elected President of the CalPERS Board, I am laser-focused on protecting the pension fund's long-term sustainability, as well as fiercely defending our members from pension attacks and fighting for the California Rule. Since joining the Board in 2003, I've worked to ensure your pension will be there when you retire and you have access to quality and affordable healthcare. It's an honor to represent you. *I respectfully ask for your vote.*

MY PRIORITIES:

Provide Top-Notch Healthcare While Reducing Costs By:

- Continuing industry-leading innovative healthcare solutions
- Aggressively negotiating premiums
- Flexing CalPERS' market power

Achieve Investment Goals and Manage Risks to the Fund By:

- Setting realistic rate of return targets
- Optimizing investment portfolio
 1. Stocks: Drive returns with diversified portfolio
 2. Bonds: Mitigate risk and deliver moderate return
 3. Private Equity: Achieve higher returns over target
 4. Real Estate: Produce cash flow used to pay pension benefits
- Increasing long-term shareowner value by engaging corporate boards and demanding accountability:
 1. Fossil fuels: Working with investors to push companies to address climate change risks in business strategy
 2. Gun retailers: Engagement led to Dick's Sporting Goods and Walmart to cease selling assault-style weapons and accessories
 3. Anti-privatization: No private equity investments in companies that privatize public jobs
 4. Board Composition: Studies show more diverse companies perform better; Encourage companies to improve diversity
- Delivering investment management value:
 1. Insource CalPERS investment management where we can hire and retain talent and skill
 2. Pay outside managers for above market performance

CalPERS Committee Leadership: Board Governance, Chair; Investment; Pension & Health Benefits (Former Chair); Performance, Compensation & Talent Management; Risk & Audit

Profession: BART, Principal Financial Analyst, Infrastructure Investment Planning

Labor: Twenty year member AFSCME Local 3993.

Education: MBA, UC Berkeley, Haas Business School; BA, Connecticut College

Priya Mathur

Years of CalPERS Covered Service: 20.03

Employer: San Francisco Bay Area Rapid Transit District (BART)

Job Classification: Principal Financial Analyst

PROTECTING YOUR RETIREMENT DOLLARS AND HEALTHCARE—THE RECORD IS CLEAR INVESTMENT AND HEALTHCARE EXPERIENCE MATTERS

“CalPERS Board President Priya Mathur is the only candidate with the financial experience and track record to make sure your pension will be there when you retire.”

-Riko Mendez, CEO, SEIU Local 521.

- I helped lead the Fund from a low of \$181 billion following the Great Recession to \$350 billion today. We did it by diversifying our portfolio, keeping investment fees low and holding corporations and Wall Street accountable.
 - My opponent testified (CalPERS 08/16/2017) *“I don't pretend to know how to invest.”*
- Healthcare costs in California are increasing at a higher rate than what CalPERS members pay. I've worked to ensure members receive quality, high-value and affordable healthcare, including full access to family planning.
- Wall Street greed and risky schemes caused the 2008 economic meltdown. CalPERS has led efforts to recover lost assets and ensure that corporations are responsive to CalPERS members' financial interests.
 - My opponent's attacks on CalPERS' leadership in recovering assets and holding corporations and Wall Street responsible demonstrate a lack of knowledge about today's financial markets. His head in the sand approach could expose CalPERS to another economic disaster.

ENDORSEMENTS (partial):

- AFSCME: California PEOPLE; Councils 36, 57; BART Local 3993; MWDEA Local 1902
- California Professional Firefighters
- CSEA
- LIUNA
- PEGC
- SEIU: State Council; Locals 521, 721, 1021
- CalPERS Board Members: Rob Feckner, Theresa Taylor, David Miller, Ramon Rubalcava

My opponent failed to get endorsed by PORAC.

mathurforcalpers@gmail.com

www.mathurforcalpers.org

fb.me/PriyaMathurforCalPERS/

510-858-4435

