


**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
FINANCE & ADMINISTRATION COMMITTEE**

MINUTES OF MEETING

March 18, 2013



The Finance & Administration Committee met on March 18, 2013, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 5:07 p.m. and then immediately recessed until 8:30 a.m. on March 19, 2013.

The meeting was reconvened at 8:30 a.m. on March 19, 2013, and the following members were present:

George Diehr, Chair, in at 8:45 a.m.
Richard Costigan, Vice Chair
Ralph Cobb for Julie Chapman
Terry McGuire for John Chiang
Henry Jones
Grant Boyken for Bill Lockyer
Bill Slaton

Other Board Member(s):

Rob Feckner
JJ Jelincic
Ron Lind

AGENDA ITEM 2 – EXECUTIVE REPORT

Cheryl Eason, Chief Financial Officer, presented the oral report to the Committee as an information item.

AGENDA ITEM 3 – ACTION CONSENT ITEMS

Ms. Eason presented the Action Consent Items to the Committee for approval.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee approved the Action Consent Items.

AGENDA ITEM 4 – INFORMATION CONSENT ITEMS

The Committee accepted the Information Consent Items as presented.

The Committee and staff discussed the Information Consent Agenda Item 4d: Quarterly Budget and Expenditure Report.

Public comment was received on Agenda Item 4e: Contract Expenditure Report from Neal Johnson, SEIU Local 1000.

AGENDA ITEM 5a – COMMITTEE GOVERNANCE -- REVIEW OF THE FINANCE & ADMINISTRATION COMMITTEE DELEGATION

Ms. Eason presented the proposed changes to the Finance & Administration Committee Delegation Resolution to the Committee as an action item.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee recommended the proposed changes to the Finance & Administration Committee Delegation Resolution for Board consideration and approval at the April Board meeting.

AGENDA ITEM 6a – GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT 68 IMPLEMENTATION

Alan Milligan, Chief Actuary, presented the proposed Governmental Accounting Standards Board implementation to the Committee as an action item.

On **MOTION** by Mr. Diehr, **SECONDED** and **CARRIED**, the Committee recommended, subject to budget approval in the regular budget process, that the Board approve that CalPERS provide employers on a voluntary fee for service basis, the actuarial information necessary for their accounting and financial reports under the new Governmental Accounting Standards Board Statement 68.

AGENDA ITEM 7a – 2013-15 BUSINESS PLAN (FIRST READING)

Douglas Hoffner, Deputy Executive Officer, Operations and Technology, and Vivian Gerlach, Acting Chief, Enterprise Strategy and Performance Division, presented the first reading of the CalPERS 2013-15 Business Plan to the Committee.

On **MOTION** by Mr. Diehr, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve the 2013-15 Business Plan as a first reading.

AGENDA ITEM 8a – ANNUAL BUDGET PROPOSAL (FIRST READING)

Ms. Eason presented the first reading of the 2013-14 Annual Budget Proposal to the Committee as an action item.

On **MOTION** by Mr. Jones, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve the CalPERS FY 2013-14 Administrative Budget of \$413,078,000 and 2,685 positions, Enterprise Projects Budget of \$33,288,000, and Headquarters Building Account Budget of \$40,676,000 as a first reading and approve the transmittal of this agenda item to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2012, and to the Legislative Analyst’s Office, State and Consumer Services Agency, and the Office of the Legislative Counsel.

At this time, 10:30 a.m., the Committee then recessed and reconvened at 10:39 a.m.

AGENDA ITEM 9a – ANNUAL REVIEW OF PENSION PLANS FUNDING LEVELS AND RISKS

Mr. Milligan presented the annual review to the Committee as an information item.

AGENDA ITEM 9a – CURRENT BUDGET AND FINANCIAL REPORTING ISSUES

This item is a standing oral report. Ms. Eason had no updates to report to the Committee.

AGENDA ITEM 9 – PUBLIC COMMENT

There was no public comment.

The meeting of the Finance & Administration Committee was adjourned at 10:58 a.m.

The next Finance & Administration Committee meeting is scheduled for April 17, 2013, in Sacramento, California.

Date: _____

CHERYL EASON
CHIEF FINANCIAL OFFICER