


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

MINUTES OF MEETING

February 19, 2014



The Finance & Administration Committee met on February 19, 2014, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:30 a.m. and the following members were present:

George Diehr, Chair
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

**AGENDA ITEM 2 – ELECTION OF THE FINANCE & ADMINISTRATION
COMMITTEE CHAIR AND VICE CHAIR**

George Diehr called for nominations for the Chair and Vice Chair of the Finance & Administration Committee.

Henry Jones nominated Bill Slaton for Chair. No further nominations were made for Chair.

On **MOTION** by Terry McGuire, **SECONDED** and **CARRIED**, the Committee elected Bill Slaton for Chair.

George Diehr nominated Richard Costigan for Vice Chair. No further nominations were made for Vice Chair.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee reelected Richard Costigan for Vice Chair.

AGENDA ITEM 3 - EXECUTIVE REPORT

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

As proposed by Terry McGuire on behalf of John Chiang and directed by the Committee Chair, staff will commence a study on CalPERS liquidity and will bring a plan and process to the Committee at a later date.

AGENDA ITEM 4 – ACTION CONSENT ITEMS

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

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee approved the Action Consent Items.

AGENDA ITEM 5 – INFORMATION CONSENT ITEMS

The Committee accepted the Information Consent Items as presented.

AGENDA ITEM 6a – 2014 CalPERS BOARD OF ADMINISTRATION STATE SCHOOL, AND PUBLIC AGENCY ELECTIONS – NOTICE OF ELECTION

Kimberly Malm, Chief, Operation Support Services Division, presented the Notice of Election for the 2014 CalPERS Board of Administration State, School, and Public Agency Elections, with the recommended amendment to the State Member Election Notice indicating George Diehr will not be a candidate for reelection.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee recommended the Board approve staff's recommendation that the CalPERS Board approve Notices of Election for the 2014 State School and Public Agency Elections.

AGENDA ITEM 6b - PROCESS CHANGES TO THE BOARD OF ADMINISTRATION ELECTION VOTING METHOD

Kimberly Malm, presented the Process Changes to the Board of Administration Election Voting Method as an action item.

On **MOTION** by Terry McGuire, **SECONDED** and **CARRIED**, the Committee recommended to the Board that staff move forward with an online and telephone voting system in addition to the current mail-in vote method for the CalPERS Board election process to be implemented, if possible, by the 2015 Retiree Election, rather than by the 2017 Member-At-Large Election.

The Committee received public comment from James McRitchie, Retired Member, and Randall Cheek, SEIU Local 1000.

AGENDA ITEM 7a – TRANSFER OF ASSETS AND LIABILITIES TO LOS ANGELES COUNTY EMPLOYEES ASSOCIATION (LACERA)

Alan Milligan, Chief Actuary, presented an update on the transfer of assets and liabilities to Los Angeles County Employees' as an information item.

AGENDA ITEM 8a – WEBSITE USABILITY INITIATIVE UPDATE

Robert Glazier, Deputy Executive Officer, External Affairs, presented the Committee with updates regarding website usability as an information item.

AGENDA ITEM 8b – PENSION DATABASE UPDATE

Robert Glazier also presented the Committee with updates regarding the pension database as an information item.

AGENDA ITEM 8c – KNOWLEDGE TRANSFER AND BUSINESS OPTIMIZATION

Douglas Hoffner, Deputy Executive Officer, Operations and Technology, Donna Lum, Deputy Executive Officer, Customer Support Services, and Liana Bailey-Crimmins, Chief Information Officer presented the Committee with updates regarding the knowledge transfer and optimization of the CalPERS IT system as an information item.

AGENDA ITEM 9a – 2013 – 2015 BUSINESS PLAN UPDATE

Douglas Hoffner and Sabrina Stroud, Chief, Enterprise Strategy & Performance Division, presented the second quarter report on the CalPERS 2013-15 Business

Plan. The report included an overview of financial reporting and other initiatives as they relate to the accomplishments and target due dates as an information item.

AGENDA ITEM 10 - PUBLIC COMMENT

The Committee received public comment from Neal Johnson, SEIU Local 1000.

The meeting of the Finance & Administration Committee was adjourned at 10:30 a.m.

The next Finance & Administration Committee meeting is scheduled for March 18, 2014 in Sacramento, California.

Date: _____

CHERYL EASON
CHIEF FINANCIAL OFFICER