


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

MINUTES OF MEETING

March 18, 2014



The Finance & Administration Committee met on March 18, 2014, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:00 a.m. and the following members were present:

Bill Slaton, Chair
Richard Costigan, Vice Chair
Richard Gillihan
Terry McGuire for John Chiang
George Diehr
Henry Jones
Grant Boyken for Bill Lockyer

Other Board Member(s):

Rob Feckner
JJ Jelincic

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, Chief Financial Officer presented the Action Consent Items to the Committee for approval.

On **MOTION** by Richard Costigan, **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.

AGENDA ITEM 5a – JUDGES’ RETIREMENT SYSTEM ACTUARIAL VALUATION AND EMPLOYER AND EMPLOYEE CONTRIBUTION RATES

Alan Milligan, Chief Actuary, presented the proposed Judge’s Retirement System Actuarial Valuation and Employer and Employee Contribution Rates as an action item.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee recommended the Board approve staff’s recommendation regarding the Judges’ Retirement System Actuarial Valuation and Employer and Employee Contribution Rates.

AGENDA ITEM 5b – JUDGES’ II RETIREMENT SYSTEM ACTUARIAL VALUATION AND EMPLOYER AND EMPLOYEE CONTRIBUTION RATES

Alan Milligan presented the proposed Judges’ II Retirement System Actuarial Valuation and Employer and Employee Contribution Rates as an action item.

On **MOTION** by George Diehr, **SECONDED**, and **CARRIED**, the Committee recommended the Board approve staff’s recommendation regarding the Judges’ II Retirement System Actuarial Valuation and Employer and Employee Contribution Rates.

AGENDA ITEM 5c – LEGISLATORS’ RETIREMENT SYSTEM ACTUARIAL VALUATION AND EMPLOYER AND EMPLOYEE CONTRIBUTION RATES

Mr. Boyken recused himself from this item.

Alan Milligan presented the proposed Legislators’ Retirement System Actuarial Valuation and Employer and Employee Contribution Rates as an action item.

On **MOTION** by Richard Costigan, **SECONDED**, and **CARRIED**, the Committee recommended the Board approve staff’s recommendation regarding the Legislators’ Retirement System Actuarial Valuation and Employer and Employee Contribution Rates.

AGENDA ITEM 6a - REQUEST FOR PROPOSAL (RFP) FOR LEGISLATIVE REPRESENTATIVE: FINALIST SELECTION

Robert Glazier, Deputy Executive Officer, External Affairs, presented a report regarding the selection of the three finalists for the Federal Principal Legislative Representative and for the three proposers for the Spring-Fed Pool. Mr. Glazier asked the Committee to approve the selections.

On **MOTION** by Costigan, **SECONDED** and **CARRIED**, the Committee recommended the Board approve proposers for the Federal Principal Legislative Representative as Finalists, and approve the proposers for the Spring-Fed Pool.

AGENDA ITEM 6b – REVIEW OF THE FINANCE & ADMINISTRATION COMMITTEE DELEGATION

Cheryl Eason presented the proposed changes to the Finance & Administration Committee Delegation Resolution for Board consideration and approval at the April Board Meeting.

On **MOTION** by Henry Jones, **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 7a – 2014 – 2015 ANNUAL BUDGET PROPOSAL (FIRST READING)

Cheryl Eason presented the first reading of the 2014-15 Annual Budget Proposal to the Committee as an action item.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve the CalPERS FY 2014-15 Administrative Budget of \$1,865,105,000 and 2,727 positions; Enterprise Projects of \$27,908,000; Headquarters Building costs of \$32,632,000; Investment External Management Fees of \$1,016,500,000; and Third Party Administrator Fees of \$289,300,000 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.

AGENDA ITEM 8a – CALPERS 2014-16 BUSINESS PLAN

Douglas Hoffner, Deputy Executive Officer, Operations and Technology, and Sabrina Stroud, Division Chief of Enterprise Strategy & Performance, presented the first reading of the CalPERS 2014-16 Business Plan to the Committee as an information item.

AGENDA ITEM 9a – BUSINESS INTELLIGENCE UPDATE

Ann Boynton, Deputy Executive Officer, Benefit Programs Policy and Planning, and Liana Baily-Crimmins, Chief Information Officer, Information Technology Services Branch, presented an update on Business Intelligence as an information item.

AGENDA ITEM 10 - PUBLIC COMMENT

There was no public comment.

The meeting of the Finance & Administration Committee was adjourned at 9:50 a.m.

The next Finance & Administration Committee meeting is scheduled for April 14, 2014 in Sacramento, California.

Date: _____

CHERYL EASON
CHIEF FINANCIAL OFFICER