



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

MINUTES OF MEETING

March 17, 2015



The Finance & Administration Committee met on March 17, 2015, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 11:00 a.m. and the following members were present:

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

Other Board Member(s):

Grant Boyken for John Chiang
Theresa Taylor

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 JJ Jelincic, **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 – REVIEW OF THE FINANCE & ADMINISTRATION COMMITTEE DELEGATION

Ms. 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 Richard Gillihan, **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 – ACTUARIAL VALUATION REPORT AND EMPLOYER AND EMPLOYEE CONTRIBUTION RATES FOR JUDGES' RETIREMENT SYSTEM

Allan Milligan, Chief Actuary, presented the proposed Actuarial Valuation Report and Employer and Employee Contribution Rates for Judges' Retirement System as an action item.

On **MOTION** by JJ Jelincic, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the June 30, 2014, Judges' Retirement System Actuarial Valuation Report and the corresponding transmittal letter to the Governor and Legislature, and continue to encourage the Governor and Legislature to adopt an employer contribution schedule that includes advanced funding of the Judges' Retirement System.

AGENDA ITEM 7a – TREASURY MANAGEMENT POLICY (SECOND READING)

Ms. Eason presented the Treasury Management Policy to the Committee as an action item.

On **MOTION** by Terry McGuire, **SECONDED** and **CARRIED**, the Committee recommended the Board adopts the Treasury Management Policy which includes the revisions to the policy resulting from the Board's first reading of the policy during the February 2015 meeting of the Finance and Administration Committee.

AGENDA ITEM 9a – CalPERS 2015-17 BUSINESS PLAN (FIRST READING)

Doug Hoffner, Deputy Executive Officer, Operations and Technology, and Sabrina Stroud, Chief, Enterprise Strategy and Performance Division, presented the CalPERS 2015-17 Business Plan First Reading as an information item.

AGENDA ITEM 7b – FISCAL YEAR 2015-16 ANNUAL BUDGET PROPOSAL (FIRST READING)

Ms. Eason and Rose McAuliffe, Chief, Financial Planning, Policy and Budgeting Division, presented the proposed Fiscal Year 2015-16 Annual Budget Proposal as an action item.

On **MOTION** by JJ Jelincic, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the CalPERS Fiscal Year 2015-16 Annual Budget Proposal in the amount of \$1,819,708,000 and 2,765 positions; representing Total Operating Costs which include \$443,546,000 in Administrative Operating Costs and \$82,959,000 in Investment Operating Costs; Enterprise Projects Costs of \$37,508,000; Headquarters Building Costs of \$30,350,000; Investment External Management Fees of \$930,726,000, and Third Party Administrator Fees of \$294,619,000 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 2014, and to the Legislative Analyst’s Office, Government Operations Agency, and the Office of the Legislative Counsel.

AGENDA ITEM 8a – FEDERAL POLICY REPRESENTATIVE SPRING-FED POOL: INTENT TO AWARD

Danny Brown, Chief, Legislative Affairs Division, presented an update on the Federal Policy Representative Spring-Fed Pool, resulting from Request for Proposals (RFP) 2014-7255 as an information item.

AGENDA ITEM 10 - PUBLIC COMMENT

There was no public comment.

The meeting of the Finance & Administration Committee was adjourned at 12:29 p.m.

The next Finance & Administration Committee meeting is scheduled for April 14, 2015, in Sacramento, California.

Date: _____

CHERYL EASON
CHIEF FINANCIAL OFFICER