


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

MINUTES OF MEETING

October 20, 2015



The Finance & Administration Committee met on October 20, 2015, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 10:16 a.m. and the following members were present:

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

Other Board Member(s):

Grant Boyken for John Chiang
Ron Lind
Teresa Taylor
Priya Mathur
Michael Bilbrey

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.

Item 3a, Approval of the August 18, 2015, Finance & Administration Committee Meeting Minutes was approved.

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

AGENDA ITEM 4 – INFORMATION CONSENT ITEMS

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

Item 4f, Year-End Budget and Expenditure Report, was requested to be reviewed for discussion by JJ Jelincic.

AGENDA ITEM 5a – TREASURY MANAGEMENT RESERVE POLICY (SECOND READING)

Cheryl Eason, Chief Financial Officer, presented the Treasury Management Reserve Policy as an action item.

On **MOTION** by JJ Jelincic, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Treasury Management Reserve Policy as a second reading.

AGENDA ITEM 6a – CalPERS 2014-16 BUSINESS PLAN – YEAR-END REPORT

Sabrina Hutchins, Chief Enterprise Strategy and Performance Division and Doug Hoffner, Deputy Executive Officer, Operations and Technology, presented CalPERS 2014-16 Business Plan – Year-End Report as an informational item.

AGENDA ITEM 7a – ANNUAL DIVERSITY REPORT

Doug Hoffner, Deputy Executive Officer, Operations and Technology, Laurie Weir, Senior Portfolio Manager, Investment Office and Anne Simpson, Senior Portfolio Manager, Investment Office, presented the Annual Diversity Report as an informational item.

Public comment was received regarding Agenda Item 7a, Annual Diversity Report from Michael Ring, SEIU and Christy Figueroa, Council of Classified Employees.

AGENDA ITEM 8a – ANNUAL CUSTOMER SERVICE AND COST EFFECTIVENESS MEASUREMENT (CEM) UPDATE

Cheryl Eason, Chief Financial Officer and Donna Ramel Lum, Deputy Executive Officer, Customer Service and Support, presented the Annual Customer Service and Cost Effectiveness Measurement (CEM) Update as an informational item.

12:15 p.m. a lunch break was taken.

1:00 p.m. session reconvened.

AGENDA ITEM 8b – myICaIPERS FUNCTIONAL OPTIMIZATION UPDATE

The Chair moved and with no objections, Agenda Item 8b, myICaIPERS Functional Optimization Update was moved to the November 17, 2015 Finance and Administration Committee Meeting.

AGENDA ITEM 9a – ENTERPRISE RISK REPORTS – FINANCE AND ADMINISTRATION

Cheryl Eason, Chief Financial Officer, presented Enterprise Risk Reports – Finance and Administration as an informational item.

AGENDA ITEM 10a – MULTIPLE ASSET ALLOCATION CONCEPT UPDATE

Cheryl Eason, Chief Financial Officer, presented Multiple Asset Allocation Concept Update as an informational item.

AGENDA ITEM 10b – FUNDING RISK MITIGATION POLICY

Cheryl Eason, Chief Financial Officer, Alan Milligan, Chief Actuary, and Ted Eliopoulos, Chief Investment Officer, presented Funding Risk Mitigation Policy as an informational item.

Public comment was received regarding Agenda Item 10b, Funding Risk Mitigation Policy from Eric Stern, Department of Finance.

The Chair directed staff to provide two reports for the Risk Mitigation Policy. The first report would be at the 2 percent threshold and the second report at 4 percent. Both reports would be heard at the Committee next month.

AGENDA ITEM 7 - PUBLIC COMMENT

There was no public comment.

The meeting of the Finance & Administration Committee was adjourned at 1:49 p.m.

The next Finance & Administration Committee meeting is scheduled for November 17, 2015, in Sacramento, California.

Date: _____

CHERYL EASON
CHIEF FINANCIAL OFFICER