



Finance and Administration Committee Meeting Summary

February 15, 2017

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Finance & Administration Committee met on February 14, 2017.

The Committee held an election for the Finance & Administration Committee Chair and Vice Chair. Richard Costigan was re-elected as Chair and Theresa Taylor was elected as Vice Chair of the Committee.

THE COMMITTEE RECOMMENDS AND I MOVE, the Board approve the following:

- AGENDA ITEM 4b – California Actuarial Advisory Committee

Approve the appointment of Scott Terando, Chief Actuary, as the CalPERS representative to the California Actuarial Advisory Panel (CAAP) for the remainder of the three-year term ending December 31, 2017.

- AGENDA ITEM 4c – Long-Term Care Valuation Report

Approve staff recommendation that the Board approve the results of the Long-Term Care (LTC) Valuation Report ending June 30, 2016.

- AGENDA ITEM 6a – CalPERS 2017-2022 Strategic Plan and 2017-18 Business Plan

Approve the CalPERS 2017-2022 Strategic Plan and 2017-18 Business Plan Initiatives that will commence July 1, 2017.

- AGENDA ITEM 7a – 2017 CalPERS Board of Administration Member-At-Large Election – Notice of Election

Approve staff recommendation that the Board approve the Notice of Election for the 2017 CalPERS Board of Administration Member-at-Large Election as modified to change the word “retiree” to “candidate”.

- AGENDA ITEM 8a – Actuarial Contribution Allocation Policy (Second Reading)

Approve the adoption of the consolidated Actuarial Contribution Allocation Policy and rescind policies previously approved by the Board.

- AGENDA ITEM 9a – Funding Risk Mitigation Policy

Approve staff recommendation that the Board adopt the revised Funding Risk Mitigation Policy.

The Committee received reports on the following topics:

- Employer partner financial health,
- Update on voting options for the new Board of Administration election process,
- Background information and application of the Responsible Contractor Program, and
- First reading of the Asset Liability Management Policy.

The Chair directed staff to...

- Bring back to the Committee additional information on the nature of all IT projects,
- Have the Finance and Administration Committee review the Committee's delegation and the Policy for Approval of Reimbursement to State, School and Public Agency Employers of Elected Board Members in April,
- Have the Board Governance Committee review the proposed changes to the Governance Policy following the Finance and Administration Committee in April,
- Provide the Committee a process for escalating delinquent employers after 90 days and consider including elected officials on delinquencies notices,
- Bring back to the Committee, further discussion on the responsible contractor policy.

The Committee heard public comment on the following topics:

- Notice of Election for the Member-at-Large Election and
- The Responsible Contractor Policy to all CalPERS Contracts

At this time I would like to share some highlights of what to expect at the April Finance and Administration Committee meeting:

- Updates for the employer and employee contribution rates for Judges', Legislators, State, Schools, and Valuation Report for the 1959 Survivor Benefit Program, and
- A first reading of the 2017-18 Annual Budget Proposal, Annual Review of the Board Member Employer Reimbursements, and second reading of the Asset Liability Management Policy.

The next meeting of the Finance and Administration Committee is scheduled for April 18, 2017, in Sacramento, California.