

MEETING  
STATE OF CALIFORNIA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
OPEN SESSION

ROBERT F. CARLSON AUDITORIUM  
LINCOLN PLAZA NORTH  
400 P STREET  
SACRAMENTO, CALIFORNIA

WEDNESDAY, DECEMBER 21, 2016  
9:01 A.M.

JAMES F. PETERS, CSR  
CERTIFIED SHORTHAND REPORTER  
LICENSE NUMBER 10063

A P P E A R A N C E S

BOARD MEMBERS:

Mr. Rob Feckner, President  
Mr. Henry Jones, Vice President  
Mr. Michael Bilbrey  
Mr. John Chiang, represented by Mr. Steve Juarez  
Mr. Richard Costigan  
Mr. Richard Gillihan  
Ms. Dana Hollinger  
Mr. J.J. Jelincic  
Mr. Ron Lind  
Ms. Priya Mathur  
Mr. Bill Slaton  
Ms. Theresa Taylor  
Ms. Betty Yee, represented by Ms. Lynn Paquin

STAFF:

Ms. Marcie Frost, Chief Executive Officer  
Ms. Cheryl Eason, Chief Financial Officer  
Mr. Ted Eliopoulos, Chief Investment Officer  
Mr. Matthew Jacobs, General Counsel  
Mr. Douglas Hoffner, Deputy Executive Officer  
Ms. Donna Lum, Deputy Executive Officer  
Mr. Doug McKeever, Deputy Executive Officer  
Mr. Brad Pacheco, Deputy Executive Officer

A P P E A R A N C E S C O N T I N U E D

STAFF:

Mr. Scott Terando, Acting Chief Actuary  
Ms. Mary Anne Ashley, Chief, Legislative Affairs Division  
Ms. Kara Buchanan, Board Secretary  
Ms. Preet Kaur, Senior Staff Attorney  
Ms. Marguerite Seabourn, Assistant Chief Counsel

ALSO PRESENT:

Mr. Tim Behrens, California State Retirees  
Mr. Bradley Herrema, Chino Basin Watermaster  
Mr. Neal Johnson, Service Employees International Union,  
Local 1000  
Mr. Chirag Shah, Shah and Associates

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1 participation on outside organizations and bring it back  
2 to a future Board governance meeting.

3           Committee heard public comment on Agenda Item 10  
4 Neal Johnson from SEIU.

5           The next meeting of the Board Governance  
6 Committee is tentatively scheduled for February 14th,  
7 2017, in Sacramento, California.

8           That completes my report.

9           PRESIDENT FECKNER: Thank you.

10          Mr. Mathur.

11          BOARD MEMBER MATHUR: Thank you.

12          I just wanted to noted that also the Chair  
13 directed staff to work on amending the form requesting to  
14 speak such that if individuals believe that they will need  
15 more time for public comment, that they can indicate so,  
16 and the Chair can make a determination.

17          Thank you.

18          PRESIDENT FECKNER: Very well. Thank you.

19          That brings us to Agenda Item 8, the proposed  
20 decision of administrative law judges.

21          I will note that Mr. Shah -- Chirag Shah from  
22 Shah & Associates, the Board's independent counsel for  
23 administrative decisions, is here with us.

24          Today good, Mr. Shah.

25          MR. SHAH: Good morning, Mr. President.

1           PRESIDENT FECKNER: And Mr. Jones please.

2           VICE PRESIDENT JONES: Yeah. Thank you,  
3 Mr. President. Yeah, this item 8 has four components to  
4 the -- four different motions, and I'll start with the  
5 first one.

6           I move to adopt the proposed decisions at Agenda  
7 items 8a through 8d, Agenda Item 8f, Agenda items 8i and  
8 8j, and Agenda items 8l through 8u as the Board's own  
9 decision, with the minor modification argued by staff to  
10 Agenda items 8c, 8l, and 8p.

11           PRESIDENT FECKNER: On motion -- is there a  
12 second?

13           BOARD MEMBER LIND: Second.

14           PRESIDENT FECKNER: It's been moved by Jones,  
15 seconded by Lind that the Board take the recommendations  
16 on Item 8a through d, 8f 8i, 8j, and 8l through 8u, with  
17 some -- also with modifications.

18           So motion being before you, any discussion on the  
19 motion?

20           Seeing none.

21           All in favor say aye?

22           (Ayes.)

23           PRESIDENT FECKNER: Opposed, no?

24           Motion carries.

25           Mr. Jones.

1 VICE PRESIDENT JONES: I move to schedule Agenda  
2 Items 8e and 8h for full Board hearings.

3 BOARD MEMBER JELINCIC: Second.

4 PRESIDENT FECKNER: It's been moved by Jones,  
5 seconded by Jelincic that Item 8e and 8h be moved into  
6 full Board hearings.

7 Any discussion on the motion?

8 Seeing none.

9 All in favor say aye?

10 (Ayes.)

11 PRESIDENT FECKNER: Opposed, no?

12 Motion carries.

13 VICE PRESIDENT JONES: I move to remand Agenda  
14 Item 8g for the taking of additional evidence regarding  
15 the psychological conditions asserted by the member.

16 PRESIDENT FECKNER: Is there a second?

17 BOARD MEMBER MATHUR: Second.

18 PRESIDENT FECKNER: Been moved by Jones, seconded  
19 by Mathur that we take Item 8g and remand for additional  
20 evidence.

21 Any discussion on the motion?

22 Seeing none.

23 All in favor say aye?

24 (Ayes.)

25 PRESIDENT FECKNER: All opposed say no?



1 Motion carries.

2 VICE PRESIDENT JONES: One more.

3 PRESIDENT FECKNER: Yep.

4 VICE PRESIDENT JONES: I move to remand Agenda  
5 Item 8k for the taking of additional evidence regarding  
6 whether staff's determination elevates form over  
7 substance.

8 BOARD MEMBER HOLLINGER: Second.

9 PRESIDENT FECKNER: It's been moved by Jones,  
10 seconded by Hollinger that we take Item 8k for remand back  
11 to additional -- for additional evidence.

12 Any discussion on the motion?

13 Seeing none.

14 All in favor say aye?

15 (Ayes.)

16 PRESIDENT FECKNER: Oppose, say no?

17 Motion carries.

18 Brings us to Agenda Item 9.

19 Mr. Jones.

20 VICE PRESIDENT JONES: I move to deny the  
21 petitions at Agenda items 9a through 9d.

22 PRESIDENT FECKNER: Okay. Is there a second?

23 BOARD MEMBER COSTIGAN: I'll second it.

24 PRESIDENT FECKNER: Been moved by Jones, seconded  
25 by Costigan that 9a through 9d we deny the petitions.

1 Any discussion on the motion?

2 Seeing none.

3 All in favor say aye?

4 (Ayes.)

5 PRESIDENT FECKNER: Opposed, say no?

6 Motion carries.

7 Item 10 we were going to wait. We're going to  
8 take the Item 11 first. And then we'll go back to the  
9 Item 10 for the full Board hearing.

10 So, Ms. Ashley, will you please do the -- you can  
11 stay there, Mr. Shah. It won't be long -- the State and  
12 Federal Legislative Update.

13 Ms. Ashley, please.

14 LEGISLATIVE AFFAIRS DIVISION CHIEF ASHLEY: Good  
15 morning and happy holidays --

16 PRESIDENT FECKNER: Good morning.

17 LEGISLATIVE AFFAIRS DIVISION CHIEF ASHLEY: --  
18 Mr. President and members of the board Mary Anne Ashley,  
19 CalPERS team member. I will be presenting Agenda Item 11,  
20 which is an informational item. The legislative summary  
21 is included in your Board materials for your reference.

22 The new legislative session began on December 5th, and  
23 an just under 100 bills have been introduced thus far.  
24 The Legislative Affairs team has identified those bills  
25 which do or potentially will have an impact to CalPERS,

1           C E R T I F I C A T E   O F   R E P O R T E R

2           I, JAMES F. PETERS, a Certified Shorthand  
3 Reporter of the State of California, do hereby certify:

4           That I am a disinterested person herein; that the  
5 foregoing California Public Employees' Retirement System,  
6 Board of Administration open session meeting was reported  
7 in shorthand by me, James F. Peters, a Certified Shorthand  
8 Reporter of the State of California.

9           That the said proceedings was taken before me, in  
10 shorthand writing, and was thereafter transcribed, under  
11 my direction, by computer-assisted transcription.

12           I further certify that I am not of counsel or  
13 attorney for any of the parties to said meeting nor in any  
14 way interested in the outcome of said meeting.

15           IN WITNESS WHEREOF, I have hereunto set my hand  
16 this 27th day of December, 2016.

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JAMES F. PETERS, CSR  
Certified Shorthand Reporter  
License No. 10063