


**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

PERFORMANCE, COMPENSATION & TALENT MANAGEMENT COMMITTEE

**MINUTES OF MEETING
December 19, 2017**



The California Public Employees' Retirement System Board of Administration Performance, Compensation and Talent Management Committee met on Tuesday, December 19, 2017, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 2:50 p.m. and the following members were present:

Michael Bilbrey, Chair
Richard Costigan, Vice Chair
Steve Juarez for John Chiang
Ralph Cobb for Richard Gillihan
Dana Hollinger
Ron Lind
Theresa Taylor

Other Board Member(s):

J.J. Jelincic
Priya Mathur
Bill Slaton
Lynn Paquin for Betty Yee

AGENDA ITEM 2 – EXECUTIVE REPORT

Doug Hoffner, Deputy Executive Officer, had no report to the Committee.

AGENDA ITEM 3 – CONSENT ITEMS

Action Consent Items:

a. Approval of the September 19, 2017 meeting minutes

Ms. Taylor **moved** that the Committee approve Action Consent Item 3a, Approval of Meeting Minutes. The motion was **seconded and carried**.

AGENDA ITEM 4 – CONSENT ITEMS

The Committee accepted the Information Consent Items as presented.

AGENDA ITEM 5 – EXECUTIVE COMPENSATION CONSULTANT REVIEW, INCENTIVE METRICS, DISCRETIONARY MODIFIER, AND OUTSTANDING RECOMMENDATIONS

The Committee received reports on incentive metrics, discretionary modifier, and outstanding recommendations for the Executive Compensation Program.

AGENDA ITEM 6 – SUMMARY OF COMMITTEE DIRECTION

The Chair directed staff to conduct further analysis and work with the Board’s Executive Compensation Consultant to explore the following areas:

- Provide additional information on the Stakeholder Engagement metric ranges
- Develop options for a more effective Enterprise Operational Effectiveness metric
- Bring back options to amend the discretionary modifier
- Provide additional information for further discussion on long-term incentive plan options
- Provide additional information and options for further discussion to address base salary and incentive levels

Recommendations on these items will be brought back at the February 2018 Committee meeting.

AGENDA ITEM 7 – PUBLIC COMMENT

There were no public comments.

The meeting was adjourned at 3:49 p.m.

Prepared by: CAROL TAKEHARA
Committee Secretary

The next Performance, Compensation and Talent Management Committee meeting is scheduled for February 14, 2018, in Sacramento, California.

Date: _____

DOUGLAS HOFFNER
Deputy Executive Officer
Operations and Technology