



California Public Employees' Retirement System  
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[www.calpers.ca.gov](http://www.calpers.ca.gov)

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Special:

## Circular Letter

June 8, 2018

TO: EMPLOYERS COVERED BY CALPERS, EMPLOYEE ORGANIZATIONS  
AND OTHER INTERESTED PARTIES

SUBJECT: MEETING NOTICE OF THE CALPERS BOARD OF ADMINISTRATION AND  
ITS COMMITTEES

The Board of Administration of the California Public Employees' Retirement System (CalPERS) and its committees will meet on June 18 through 20, 2018. The meetings will be held in the CalPERS auditorium located in Lincoln Plaza North, 400 Q Street, Sacramento, California, unless otherwise noted.

Copies of the agendas for the meetings are attached. This notice and the agendas are also available on our website, [www.calpers.ca.gov](http://www.calpers.ca.gov).

The estimated start times for each meeting are set forth below. In some cases, a portion of the meeting may be held in closed session. Please refer to the attached agendas for additional information.

### **Monday, June 18, 2018**

8:30 a.m. Board of Administration (*Closed Session Only*)  
9:00 a.m. Investment Committee

### **Tuesday, June 19, 2018**

8:00 a.m. Pension & Health Benefits Committee (*Closed Session Only*)  
11:00 a.m. Performance, Compensation, & Talent Management Committee  
1:00 p.m. Pension & Health Benefits Committee

### **Wednesday, June 20, 2018**

8:30 a.m. Risk & Audit Committee  
10:00 a.m. Board of Administration

Live broadcasts of open session meetings of the Board and its committees are available for viewing at [www.calpers.ca.gov](http://www.calpers.ca.gov). Please refer to the website for information on attending meetings and presenting public comment.

The meeting facilities are accessible to persons with disabilities. Requests for disability-related modification or accommodation require a minimum of 72 hours' notice and may be requested by calling (916) 795-3065 (voice or TTY).

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Questions regarding the meetings may be referred to Cheree Swedensky at (916) 795-3128 or [cheree.swedensky@calpers.ca.gov](mailto:cheree.swedensky@calpers.ca.gov).

MARCIE FROST  
Chief Executive Officer

Attachment



# Board of Administration Meeting Agenda

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**CalPERS Auditorium**

Lincoln Plaza North  
400 P Street  
Sacramento, CA

**June 18, 2018****8:30 am****BOARD MEMBERS**

Priya Mathur, President  
Rob Feckner, Vice President  
Margaret Brown  
John Chiang  
Richard Costigan

Richard Gillihan  
Dana Hollinger  
Henry Jones  
David Miller  
Ramon Rubalcava

Bill Slaton  
Theresa Taylor  
Betty Yee

**AGENDA****Closed Session****8:30 am**

1. Chief Executive Officer's Briefing on Performance, Employment, and Personnel Items  
**(Government Code sections 11126 (a)(1), (e), and (g)(1))**

**Notes**

- 1) Items designated for Information are appropriate for Committee Action if the Committee wishes to take action. Any Agenda Item from a properly noticed Committee meeting, held immediately prior to this Board meeting, may be considered by the Board.
- 2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.
- 3) Public comment may be taken on any agenda item. There is a three-minute limitation on each public comment, unless otherwise directed by the Presiding Officer. (Cal. Code Regs. tit. 2, § 552.1.)



# Investment Committee Meeting Agenda

## CalPERS Auditorium

Lincoln Plaza North  
400 P Street  
Sacramento, CA

**June 18, 2018**

9:00 a.m.  
Or upon adjournment of the  
Closed Session — Whichever is later

## COMMITTEE MEMBERS

Henry Jones, Chair  
Richard Costigan, Vice Chair  
Margaret Brown  
John Chiang  
Rob Feckner

Richard Gillihan  
Dana Hollinger  
Priya Mathur  
David Miller  
Ramon Rubalcava

Bill Slaton  
Theresa Taylor  
Betty Yee

## AGENDA

### Open Session

9:00 a.m.

Henry Jones

Ted Eliopoulos  
Ted Eliopoulos

Ted Eliopoulos

Or Upon Adjournment or Recess of the Board Closed  
Session, Whichever is Later

1. Call to Order and Roll Call
2. Approval of the June 18, 2018 Investment Committee Timed Agenda
3. Executive Report – Chief Investment Officer Briefing
4. Consent Items

#### Action Consent Items:

- a. Approval of the May 14, 2018 Investment Committee Open Session Meeting Minutes

5. Consent Items

#### Information Consent Items:

- a. Annual Calendar Review
- b. Draft Agenda for the August 13, 2018 Investment Committee Meeting
- c. Monthly Update – Performance and Risk
- d. Monthly Update – Investment Compliance



Eric Baggesen  
Dan Bienvenue  
Christine Reese  
Alison Li

Elisabeth Bourqui  
Kit Crocker

Kit Crocker  
Sarah Corr

Clinton Stevenson  
Ted Eliopoulos  
Elisabeth Bourqui  
John Cole  
Dr. Ashby Monk, Stanford  
Global Projects Center

Beth Richtman  
Simiso Nzima  
Ted Eliopoulos

**Closed Session**

Ted Eliopoulos

Ted Eliopoulos

**Action Agenda Items**

6. Asset Allocation
  - a. Affiliate Trust Asset Allocation Review: Health Care Fund Reserve and Long-Term Care Fund
7. Policy & Delegation
  - a. Revision of Total Fund Policy – Second Reading

**Information Agenda Items**

8. Policy & Delegation
  - a. Revision of the Private Equity Program Policy – First Reading
9. Total Fund
  - a. CalPERS for California and California Initiative
  - b. Update Private Equity Business Model Alternatives
  - c. Corporate Board Diversity Update
10. Summary of Committee Direction
11. Public Comment

Upon Adjournment or Recess of Open Session  
**(Government Code sections 11126(a)(1), (c) (16) and (e))**

1. Call to Order and Roll Call
2. Consent Items  
**Action Consent Items:**
  - a. Approval of the May 14, 2018 Investment Committee Closed Session Meeting Minutes
3. Consent Items  
**Information Consent Items:**
  - a. Closed Session Activity Reports
    - 1) Status of Action Items Not Yet Reported
    - 2) Items Completed Under Delegated Authority

- 3) Disclosure of Placement Agent Fees:  
Proposed Investments
- 4) Investment Proposal Status Reports

**Action Agenda Items**

Paul Mouchakkaa

- 4. Total Fund
  - a. Real Estate Investment Opportunity

**Information Agenda Items**

Dan Bienvenue  
Kit Crocker  
Christine Reese  
Ted Eliopoulos  
Elisabeth Bourqui  
John Cole  
Eric Baggesen  
Dianne Sandoval

- 5. Total Fund
  - a. Affiliate Funds Update
  - b. Private Equity: Follow up on Alternative Business Models
  - c. Strategic Asset Allocation - Implementation

Sarah Corr  
Paul Mouchakkaa  
Dan Bienvenue  
Arnie Phillips  
Kevin Winter  
Eric Baggesen  
Ted Eliopoulos

- 6. External Manager and Investment Decision Updates
  - a. Private Equity
  - b. Real Assets
  - c. Global Equity
  - d. Global Fixed Income Programs
  - e. Opportunistic
  - f. Trust Level Portfolio Management
- 7. Chief Investment Officer – Personnel, Employment and Performance
- 8. Investment Strategy Session with the Board's Independent Consultants

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# Pension and Health Benefits Committee Meeting Agenda

**CalPERS Auditorium**  
Lincoln Plaza North  
400 P Street, Sacramento, CA

**June 19, 2018**  
8:00 am

## COMMITTEE MEMBERS

Rob Feckner, Chair  
Theresa Taylor, Vice Chair  
John Chiang  
Richard Gillihan  
Henry Jones

Priya Mathur  
David Miller  
Bill Slaton  
Betty Yee

## AGENDA

**Closed Session**  
8:00 am

**(Government Code section 11126(c)(17))**

Liana Bailey-Crimmins

Kathy Donneson  
Gary McCollum

Shari Little  
Gary McCollum  
Kathy Donneson

**Open Session**  
1:00 pm

Rob Feckner

Liana Bailey-Crimmins  
Donna Lum

Liana Bailey-Crimmins

Liana Bailey-Crimmins

1. Call to Order and Roll Call
2. Approval of the May 15, 2018, Pension and Health Benefits Committee Closed Session Meeting Minutes
3. 2019-2023 Health Maintenance Organization Contract Negotiation and Fees
4. Health Plan Rate Renewal Negotiation Strategy
  - a. Negotiation Strategy
  - b. Health Care Fund Reserve Strategy

Or upon adjournment of Performance, Compensation & Talent Management Committee – Whichever is later

1. Call to Order and Roll Call
2. Approval of the June 19, 2018, Pension and Health Benefits Committee Timed Agenda
3. Executive Report(s)
4. Consent Items

### Action Consent Items:

- a. Approval of the May 15, 2018, Pension and Health Benefits Committee Meeting Minutes

5. Consent Items

### Information Consent Items:

- a. Annual Calendar Review
- b. Draft Agenda for September 25, 2018, Pension and Health Benefits Committee Meeting
- c. 2019 Association Plan Rates

**Action Agenda Items**

Renee Ostrander

- 6. Proposed Regulation for the Definition of Full-Time Employment

Kathy Donneson  
Dr. Richard Sun

- 7. Reference Pricing Pharmaceuticals by Therapeutic Class

Shari Little  
Gary McCollum

- 8. 2019 Health Benefits Rates
  - a. Approval of the 2019 Health Maintenance Organization Plan Rates
  - b. Approval of the 2019 Preferred Provider Organization Plan Rates

**Information Agenda Items**

Shari Little

- 9. State Annuitant Contribution Formulas

Liana Bailey-Crimmins

- 10. Summary of Committee Direction
- 11. Public Comment

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# Performance, Compensation & Talent Management Committee Meeting Agenda

**CalPERS Auditorium**  
Lincoln Plaza North  
400 P Street  
Sacramento, CA

**June 19, 2018**

11:00 am

Or upon adjournment of the  
Pension & Health Benefits Committee Closed Session —  
Whichever is later

## COMMITTEE MEMBERS

Bill Slaton, Chair  
Richard Costigan, Vice Chair  
Richard Gillihan  
Dana Hollinger

Henry Jones  
Priya Mathur  
Ramon Rubalcava

## AGENDA

**Open Session**  
11:00 a.m.

Or upon adjournment of the Pension & Health Benefits  
Committee Closed Session— Whichever is later

Doug Hoffner

1. Call to Order and Roll Call
2. Approval of the June 19, 2018 Performance,  
Compensation & Talent Management Committee Timed  
Agenda
3. Executive Report
4. Consent Items

Doug Hoffner

Doug Hoffner

### Action Consent Items:

- a. Approval of the May 15, 2018 Performance,  
Compensation & Talent Management Committee  
Meeting Minutes
- b. Executive Compensation Policy Updates

Doug Hoffner

5. Consent Items

### Information Consent Items:

- a. Annual Calendar Review



- b. Draft Agenda for the September 25, 2018  
Performance, Compensation & Talent Management  
Committee Meeting

**Action Agenda Items**

Tina Campbell,  
Eric Gonzaga, Grant  
Thornton LLP

- 6. Revised Salary Ranges for Chief Investment Officer and Chief Financial Officer; and 2018-19 Incentive Design for the Chief Executive Officer

Tina Campbell,  
Eric Gonzaga, Grant  
Thornton LLP

- 7. 2018-19 Incentive Metric Recommendations

**Information Agenda Items**

Doug Hoffner

- 8. Summary of Committee Direction
- 9. Public Comment

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# Risk and Audit Committee Meeting Agenda

**June 20, 2018**  
8:30 am

## **CalPERS Auditorium**

Lincoln Plaza North  
400 P Street  
Sacramento, CA

## **COMMITTEE MEMBERS**

Dana Hollinger, Chair  
Bill Slaton, Vice Chair  
Margaret Brown  
John Chiang

Richard Costigan  
Priya Mathur  
Betty Yee

## **Open Session**

8:30 am

- |                            |  |
|----------------------------|--|
|                            | 1. Call to Order and Roll Call                                       |
| Dana Hollinger             | 2. Approval of the June 20, 2018 Risk & Audit Committee Timed Agenda |
| Marlene Timberlake D'Adamo | 3. Executive Report  |
| Marlene Timberlake D'Adamo | 4. Consent Items   |

### **Action Consent Agenda Items:**

- a. Approval of the February 12, 2018 Risk & Audit Committee Meeting Minutes

- 5. Consent Items

Marlene Timberlake D'Adamo

### **Information Consent Agenda Items:**

- a. 2018 Annual Calendar Review
- b. 2019 Annual Calendar Review
- c. Draft Agenda for the September 25, 2018 Risk & Audit Committee Meeting
- d. Quarterly Status Report – Office of Audit Services
- e. Quarterly Status Report – Enterprise Risk Management

- f. Quarterly Status Report – Enterprise Compliance Activity

**Action Agenda Items**

- Marlene Timberlake D’Adamo 6. Enterprise Compliance
  - a. 2018-19 Enterprise Compliance Plan
  - b. Proposed Amendments to the Personal Trading Regulation (First Reading)
- Forrest Grimes 7. Enterprise Risk Management
  - a. 2018-19 Enterprise Risk Management Plan
- 8. Audit
  - a. 2018-19 Office of Audit Services Plan
  - b. Independent Auditor’s 2018 Annual Plan
- Beliz Chappuie
- Beliz Chappuie
- Matt Jacobs
- Marlene Timberlake D’Adamo

**Information Agenda Items**

- Forrest Grimes 9. Enterprise Risk Management
  - a. Enterprise Risk Management Framework Review
- Marlene Timberlake D’Adamo 10. Summary of Committee Direction
- 11. Public Comment

**Closed Session**

**(Government Code sections 11126(a)(1) and (g)(1))**

- 1. Call to Order and Roll Call

**Action Consent Agenda Items**

- 2. Approval of the February 12, 2018 Risk & Audit Committee Closed Session Meeting Minutes

**Information Agenda Items**

- Marlene Timberlake D’Adamo 3. Personnel, Employment and Performance – Chief Compliance Officer
- Beliz Chappuie 4. Personnel, Employment and Performance – Chief Auditor

Kit Crocker

5. Personnel, Employment and Performance – Investment Director

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# Board of Administration Meeting Agenda

**CalPERS Auditorium**

Lincoln Plaza North  
400 P Street  
Sacramento, CA

**June 20, 2018**

10:00 a.m.

Or upon adjournment of the  
Closed Session —  
Whichever is later

**BOARD MEMBERS**

Priya Mathur, President  
Rob Feckner, Vice President  
Margaret Brown  
John Chiang  
Richard Costigan

Richard Gillihan  
Dana Hollinger  
Henry Jones  
David Miller  
Ramon Rubalcava

Bill Slaton  
Theresa Taylor  
Betty Yee

**Closed Session**

9:45 a.m.

**(Government Code sections 11126 (a)(1), (c)(17), (e), and (g)(1))**

1. Chief Executive Officer’s Briefing on Performance, Employment, and Personnel Issues
2. Committee Reports and Actions
  - a. Pension & Health Benefits Committee

**Open Session**

10:00 a.m.

Or Upon Adjournment of the Closed Session, Whichever is Later

- |              |   |
|--------------|---|
| Priya Mathur | 1. Call to Order and Roll Call  |
| Priya Mathur | 2. Approval of the June 20, 2018 Board of Administration Timed Agenda |
| Priya Mathur | 3. Pledge of Allegiance   |
| Priya Mathur | 4. Board President’s Report   |
| Marcie Frost | 5. Chief Executive Officer’s Report (Oral)                            |
| Priya Mathur | 6. Consent Items  |

**Action Consent Items:**

- a. Approval of the May 16, 2018 Board of Administration Meeting Minutes
- b. Board Travel Approvals

7. Consent Items

**Information Consent Items:**

- a. Board Meeting Calendar
- b. Draft Agenda for the August 15, 2018 Board of Administration Meeting
- c. General Counsel's Report
- d. Communications and Stakeholder Relations

8. Committee Reports and Actions

Henry Jones

Rob Feckner

Theresa Taylor

Bill Slaton

Dana Hollinger

Priya Mathur

- a. Investment Committee (Oral)
- b. Pension & Health Benefits Committee (Oral)
- c. Finance & Administration Committee (Oral)
- d. Performance, Compensation & Talent Management Committee (Oral)
- e. Risk & Audit Committee (Oral)
- f. Board Governance Committee (Oral)

**Action Agenda Items**

Brad Pacheco

9. Legislation

- a. Senate Bill 1124 Administration of Reportable Compensation
- b. Assembly Bill 1912 Public Employees' Retirement: Joint Powers Agreements Liability
- c. State Regulation of Kidney Dialysis Clinics: Limits Charges for Patient Care. Initiative Statute Eligible for the November 2018 General Election

Priya Mathur

10. Proposed Decisions of Administrative Law Judges

- a. Paul Wong
- b. Kimberly R. Irving
- c. Rosa R. Rosas
- d. Betty Lamoreaux and Gloria Ackley (consolidated)
- e. Patricia Gurrola
- f. Corey Medema
- g. James Towns
- h. J.V (initials only, per court order)
- i. Jon R. Bruns

- j. Thomas Stephens
- k. Jane Francis
- l. Thomas Dewitt
- m. Scott Paulsen

- Priya Mathur
- 11. Petitions for Reconsideration
    - a. Donald R. Coontz, Jr.
    - b. Alice Estrada

**Information Agenda Items**

- Brad Pacheco
- 12. State and Federal Legislation Update
- Dan Crowley
- Marcie Frost
- 13. Summary of Board Direction
  - 14. Public Comment

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