



Finance and Administration Committee Meeting Summary

April 17, 2019

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 and Administration Committee (FAC) met on April 16, 2019.

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

- **AGENDA ITEM 4b**
Approve the April 2019 Prospective Report of Solicitations, Contracts, Purchase Orders and Letters of Engagement and approve the proposed revisions to the Board of Administration Contract Activity Reporting Policy.
- **AGENDA ITEM 4c**
Approve the 1959 Survivor Benefit Program Actuarial Valuation Report as of June 30, 2018 and corresponding transmittal letter to the Governor and Legislature.
- **AGENDA ITEM 6a**
Approve the first reading of the 2019-20 Annual Budget in the amount of \$1.898 billion and 2,875 positions.
- **AGENDA ITEM 6b**
Approve the proposed elected Board Member percentages of time to be spent on Board related duties based on Board and Committee selections held in February and March 2019.
- **AGENDA ITEM 6c**
Adopt the State employer and member contribution rates for the period of July 1, 2019 to June 30, 2020.
- **AGENDA ITEM 6d**
Adopt an employer contribution rate of 20.733 percent for the Schools Pool and a member contribution rate of 7.00 percent for school's employees subject to the Public Employees' Pension Reform Act of 2013 (PEPRA) for the period of July 1, 2019 to June 30, 2020.

In addition, the committee reviewed the Delegation from the Board to the Committee and has recommended changes that will be brought to the Board today for approval, along with the other Committee Delegations.

The Chair directed staff to:

- Provide a written legal opinion on possible 1090 conflict regarding fiduciary insurance
- Provide historical costs for Real Assets performance fees
- Bring back an agenda item in May to discuss including vacancy rate cost savings in the budget
- Provide the Board with projected versus actual 2019-20 State Employer Contribution Rates and include comparisons in future agenda items

The Committee received a report on the following topic:

- Semi-Annual Health Plan Financial Report

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

- Treasury Management Policy
- Treasury Management Reserve Policy
- 2019-20 Annual Budget Proposal (2nd Reading)
- Annual Stakeholder Perception Survey Report

The next meeting of the Finance and Administration Committee is scheduled for May 14, 2019, in Sacramento, California.