



California Public Employees' Retirement System
P.O. Box 942701 | Sacramento, CA 94229-2701
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www.calpers.ca.gov

Board of Administration Circular Letter

June 7, 2019

Circular Letter: 310-23-19

Distribution: I, IIA

To: Employers Covered by CalPERS, Employee Organizations and Other Interested Parties

Subject: **MEETING NOTICE OF THE CALPERS BOARD OF ADMINISTRATION**

The Board of Administration of the California Public Employees' Retirement System (CalPERS) and its committees will meet on June 17 - 19, 2019. 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.

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 17, 2019

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

Tuesday, June 18, 2019

8:30 a.m. Pension & Health Benefits Committee (*Closed Session*)
10:00 a.m. Risk & Audit Committee
1:00 p.m. Pension & Health Benefits Committee
2:00 p.m. Performance, Compensation & Talent Management Committee

Wednesday, June 19, 2019

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

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

MARCIE FROST
Chief Executive Officer

Attachment



Board of Administration Meeting Agenda

CalPERS Auditorium

Lincoln Plaza North
400 P Street
Sacramento, CA

June 17, 2019

8:30 a.m.

Board Members

Henry Jones, President

Theresa Taylor, Vice President

Margaret Brown

Rob Feckner

Dana Hollinger

Fiona Ma

Lisa Middleton

David Miller

Eraina Ortega

Jason Perez

Mona Pasquil Rogers

Ramon Rubalcava

Betty Yee

Closed Session

8:30 a.m.

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 17, 2019

9:00 a.m.

Or upon adjournment or Recess of the Board Closed Session – Whichever is later

Committee Members

Rob Feckner, Chair

Theresa Taylor, Vice Chair

Margaret Brown

Dana Hollinger

Henry Jones

Fiona Ma

Lisa Middleton

David Miller

Eraina Ortega

Jason Perez

Mona Pasquil Rogers

Ramon Rubalcava

Betty Yee

Open Session

9:00 a.m.

Or upon adjournment or Recess of the Board Closed Session – Whichever is later

Item

1. Call to Order and Roll Call
2. Approval of the June 17, 2019 Investment Committee Timed Agenda
3. Pledge of Allegiance
4. Executive Report — Chief Investment Officer Briefing — Ben Meng
5. **Action Consent Item** — Ben Meng
 - a. Approval of the May 13, 2019 Investment Committee Open Session Meeting Minutes
6. **Information Consent Items** — Ben Meng
 - a. Annual Calendar Review
 - b. Draft Agenda for the August 19, 2019 Investment Committee Meeting
 - c. Monthly Update — Performance and Risk
 - d. Monthly Update — Investment Compliance
 - e. CalPERS for California Annual Update

7. **Investment Education Workshop #2 – Time Certain 9:30 a.m.**
 - a. Asset Class Overview: The Role of Fixed Income and Benchmarks – Ben Meng, Dan Bienvenue, Anne Simpson and Jeffery V. Bailey, Chartered Financial Analysts Institute
8. **Action Agenda Item — Asset Allocation**
 - a. Affiliate Trust Asset Allocation Review for the California Employers’ Pension Prefunding Trust — Dan Bienvenue, Eric Baggesen, Christine Reese and Alison Li
9. **Information Agenda Item — Total Fund**
 - a. Mitigating Drawdowns – Ben Meng
10. Summary of Committee Direction — Ben Meng
11. Public Comment

Closed Session

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

Item

1. Call to Order and Roll Call
2. **Action Consent Item — Ben Meng**
 - a. Approval of the May 13, 2019 Investment Committee Closed Session Meeting Minutes
3. **Information Consent Items — Ben Meng**
 - 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
4. **Information Agenda Item — Strategic Asset Allocation**
 - a. Global Fixed Income Benchmark Strategic Implementation – Dianne Sandoval and Eric Baggesen
5. **Information Agenda Item — Total Fund**
 - a. Strategic Asset Allocation – Dianne Sandoval and Eric Baggesen
6. **Information Agenda Items — External Manager and Investment Decision Updates**
 - a. Private Equity — Sarah Corr and Ben Meng
 - b. Real Assets — Paul Mouchakkaa
 - c. Global Equity — Dan Bienvenue
 - d. Global Fixed Income — Arnie Phillips
 - e. Opportunistic — Kevin Winter
 - f. Trust Level Portfolio Management — Eric Baggesen
 - g. Sustainable Investments — Beth Richtman
7. **Chief Investment Officer — Personnel, Employment and Performance**
8. **Information Agenda Item — Investment Strategy Session with the Board’s Independent Consultants**

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4. Board Members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



Pension and Health Benefits Committee Meeting Agenda

CalPERS Auditorium

Lincoln Plaza North
400 P Street
Sacramento, CA

June 18, 2019

8:30 a.m.

Committee Members

Rob Feckner, Chair

Ramon Rubalcava, Vice Chair

Margaret Brown

Henry Jones

David Miller

Eraina Ortega

Mona Pasquil Rogers

Theresa Taylor

Betty Yee

Closed Session

8:30 a.m.

(Governmental Code section 11126(c)(17))

Item

1. Call to Order and Roll Call
2. Approval of the May 14, 2019, Pension and Health Benefits Committee Closed Session Meeting Minutes
3. Health Plan Rate Renewal Negotiation Strategy – Kim Malm

Open Session

1:00 p.m., or Upon Adjournment or Recess of the Risk & Audit Committee, whichever is Later

Item

1. Call to Order and Roll Call
2. Approval of the June 18, 2019, Pension and Health Benefits Committee Meeting Timed Agenda
3. Executive Report – Liana Bailey-Crimmins, Donna Lum
4. **Action Consent Items** – Liana Bailey-Crimmins
 - a. Approval of the May 14, 2019, Pension and Health Benefits Committee Meeting Minutes
5. **Information Consent Items** – Liana Bailey-Crimmins
 - a. Annual Calendar Review
 - b. Draft Agenda for the November 19, 2019, Pension and Health Benefits Committee Meeting

- c. 2020 Association Plan Rates
- d. PERS Select Value Based Insurance Design Update

6. Action Agenda Items

- a. Approval of the 2020 Health Maintenance Organization Rates – Kim Malm
- b. Approval of the 2020 Preferred Provider Organization Rates – Kim Malm

7. Information Agenda Items

- a. State Annuitant Contribution Formulas – Kim Malm
- b. Outpatient Prescription Drug Reference Pricing Program Solicitation Update – Kathy Donneson
- c. Summary of Committee Direction – Liana Bailey-Crimmins
- d. Public Comment

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Risk and Audit Committee Meeting Agenda

CalPERS Auditorium

Lincoln Plaza North
400 P Street
Sacramento, CA

June 18, 2019

10:00 a.m.

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

Committee Members

Dana Hollinger, Chair

Fiona Ma

Betty Yee

David Miller, Vice Chair

Lisa Middleton

Margaret Brown

Jason Perez

Open Session

10:00 a.m.

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

Item

1. Call to Order and Roll Call
2. Election of the Risk & Audit Committee Chair and Vice Chair
3. Approval of the June 18, 2019 Risk & Audit Committee Timed Agenda
4. Executive Report – Marlene Timberlake D’Adamo
5. **Action Consent Items** – Marlene Timberlake D’Adamo
 - a. Approval of the February 20, 2019 Risk & Audit Committee Meeting Minutes
6. **Information Consent Items** – Marlene Timberlake D’Adamo
 - a. 2019 Annual Calendar Review
 - b. Draft Agenda for the September 17, 2019 Risk & Audit Committee Meeting
 - c. Quarterly Status Report – Office of Audit Services
 - d. Quarterly Status Report – Enterprise Risk Management
 - e. Quarterly Status Report – Enterprise Compliance Activity
7. **Action Agenda Items**
 - a. 2019-20 Enterprise Compliance Plan – Marlene Timberlake D’Adamo
 - b. 2019-20 Enterprise Risk Management Plan – Forrest Grimes
 - c. 2019-20 Office of Audit Services Plan – Beliz Chappuie

- d. Independent Auditor's 2019-20 Annual Plan – Beliz Chappuie
- e. Approval to Submit Proposed Amendments to the Personal Trading Regulation to the Office of Administrative Law – Marlene Timberlake D'Adamo

8. Information Agenda Items

- a. Third Party Valuation and Certification of the Contracting Public Agency Plans as of June 30, 2017 – Beliz Chappuie, Buck Global, LLC
- b. Enterprise Risk Management Framework Review – Forrest Grimes
- c. Summary of Committee Direction – Marlene Timberlake D'Adamo
- d. Public Comment

Closed Session

Upon Adjournment or Recess of Open Session (Government Code sections 11126(a)(1) and (g)(1))

Item

- 1. Call to Order and Roll Call
- 2. **Action Consent Items**
 - a. Approval of the February 20, 2019 Risk & Audit Committee Meeting Minutes
- 3. **Information Agenda Items**
 - a. Personnel, Employment and Performance, Chief Compliance Officer – Marlene Timberlake D'Adamo
 - b. Personnel, Employment and Performance, Chief Auditor – Beliz Chappuie
 - c. Personnel, Employment and Performance, Investment Director – Kit Crocker

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Performance, Compensation & Talent Management Committee Meeting Agenda

CalPERS Auditorium

Lincoln Plaza North
400 P Street
Sacramento, CA

June 18, 2019

2:00 p.m.

Or upon adjournment of the Pension & Health Benefits Committee Meeting – Whichever is later

Committee Members

Theresa Taylor, Chair

Dana Hollinger, Vice Chair

Rob Feckner

Fiona Ma

Lisa Middleton

Eraina Ortega

Mona Pasquil Rogers

Open Session

2:00 p.m.

Or upon adjournment of the Pension & Health Benefits Committee Meeting – Whichever is later

Item

1. Call to Order and Roll Call
2. Election of the Performance, Compensation & Talent Management Committee Vice Chair
3. Approval of the June 18, 2019 Performance, Compensation & Talent Management Committee Timed Agenda
4. Executive Report – Doug Hoffner
5. **Action Consent Items** – Doug Hoffner
 - a. Approval of the March 19, 2019 Performance, Compensation & Talent Management Committee Meeting Minutes
6. **Information Consent Items** – Doug Hoffner
 - a. Annual Calendar Review
 - b. Draft Agenda for the August 20, 2019 Performance, Compensation & Talent Management Committee Meeting
7. **Action Agenda Items**
 - a. 2019-20 Incentive Plan of the Chief Executive Officer – Tina Campbell

8. Information Agenda Items

- a. Annual Review: 2019-20 Incentive Metrics (First Reading) – Eric Gonzaga and Eric Myszka of Grant Thornton LLP
- b. Long-Term Incentive Program Design and Implementation of Revised Salary and Incentive Ranges for Investment Management Positions (First Reading) – Tina Campbell; Eric Gonzaga and Eric Myszka of Grant Thornton LLP
- c. Summary of Committee Direction – Doug Hoffner
- d. Public Comment

Notes

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4. Board Members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



Board Governance Committee Meeting Agenda

CalPERS Auditorium

Lincoln Plaza North
400 P Street
Sacramento, CA

June 19, 2019

9:00 a.m.

Or upon adjournment of the Board of Administration Closed Session – Whichever is later

Committee Members

Henry Jones, Chair

Jason Perez

Dana Hollinger, Vice Chair

Mona Pasquill Rogers

Rob Feckner

Ramon Rubalcava

Lisa Middleton

Open Session

9:00 a.m.

Or upon adjournment of the Board of Administration Closed Session – Whichever is later

Item

1. Call to Order and Roll Call
2. Election of Board Governance Committee Vice Chair
3. Approval of the June 19, 2019 Board Governance Committee Timed Agenda
4. Executive Report – Matthew Jacobs
5. **Action Consent Items** – Matthew Jacobs
 - a. Approval of the March 19, 2019 Board Governance Committee Meeting Minutes
 - b. Annual Review of CEO Delegation Resolution
6. **Information Consent Items** – Matthew Jacobs
 - a. Annual Calendar Review
7. **Information Agenda Items**
 - a. Update on Board Self-Evaluation Workstreams – Anne Simpson
 - b. Enhanced Reporting of Board Member Overseas Travel – Anne Simpson
 - c. Summary of Committee Direction – Matthew Jacobs
 - d. Public Comment

Notes

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4. Board Members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



Board of Administration Meeting Agenda

CaIPERS Auditorium

Lincoln Plaza North
400 P Street
Sacramento, CA

June 19, 2019

10:00 a.m.

Or upon adjournment of the Board Governance Committee – Whichever is later

Board Members

Henry Jones, President

Theresa Taylor, Vice President

Margaret Brown

Rob Feckner

Dana Hollinger

Fiona Ma

Lisa Middleton

David Miller

Eraina Ortega

Jason Perez

Mona Pasquil Rogers

Ramon Rubalcava

Betty Yee

Closed Session

8:30 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

Open Session

10:00 a.m.

Or upon adjournment of the Board Governance Committee – Whichever is later

Item

1. Call to Order and Roll Call
2. Approval of the June 19, 2019 Board of Administration Timed Agenda
3. Pledge of Allegiance – Henry Jones
4. Board President's Report – Henry Jones
5. Chief Executive Officer's Report (Oral) – Marcie Frost
6. **Action Consent Items** – Henry Jones
 - a. Approval of the May 15, 2019 Board of Administration Meeting Minutes
 - b. Board Travel Approvals

- c. Approval to Renew the Five-Year Interagency Agreement with the State Controller's Office
- 7. **Information Consent Items** – Henry Jones
 - a. Board Meeting Calendar
 - b. Draft Agenda for the August 21, 2019 Board of Administration Meeting
 - c. General Counsel's Report
 - d. Communications and Stakeholder Relations
- 8. **Committee Reports and Actions**
 - a. Investment Committee (Oral) – Rob Feckner
 - b. Pension & Health Benefits Committee (Oral) – Rob Feckner
 - c. Finance & Administration Committee (Oral) – Theresa Taylor
 - d. Performance, Compensation & Talent Management Committee (Oral) – Theresa Taylor
 - e. Risk & Audit Committee (Oral) – Dana Hollinger
 - f. Board Governance Committee (Oral) – Henry Jones
- 9. **Action Agenda Items** – Henry Jones
 - a. Proposed Decisions of Administrative Law Judges – Henry Jones
 - 1. Lori D. Brandt
 - 2. Fernando M. Malasan
 - 3. Tyson J. Mrosek
 - 4. Judy N. Verdugo
 - 5. Michael J. Rigney
 - 6. Santa Clara Valley Transit Authority
 - 7. Susan L. Chase
 - 8. Kim J. Baldi
 - 9. Debra L. Daniel
 - 10. Huasha L. Liu
 - 11. Thomas J. Dewitt
 - 12. Golden Gate Regional Center
 - b. Petitions for Reconsideration – Henry Jones
 - 1. Michael T. Hendrix
 - 2. Veronica Henderson
 - 3. Katherine E. Lambert
 - c. Assembly Bill 824 (Wood) Preserving Access to Affordable Prescription Drugs – Danny Brown
 - d. SB 343 (Pan) Health Plan Data Disclosure and Rate Review – Danny Brown
- 10. **Information Agenda Items**
 - a. State and Federal Legislation Update – Danny Brown
 - b. Summary of Board Direction – Marcie Frost
 - c. Public Comment

Closed Session

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

1. Call to Order and Roll Call
2. Approval of the May 15, 2019 Board of Administration Closed Session Meeting Minutes
3. Litigation Matters – Matthew Jacobs
 - a. Sanchez, et al. v. CalPERS, et al. Los Angeles County Superior Court, Case No. BC517444
 - b. Joseph P. Ruiz v. Board of Administration, Los Angeles County Superior Court Case No. 18STCV06908
 - c. General Counsel's Update on Pending Litigation

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