

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
PERFORMANCE, COMPENSATION & TALENT MANAGEMENT COMMITTEE**

**MEETING MINUTES
June 18, 2019**

The California Public Employees' Retirement System Board of Administration Performance, Compensation & Talent Management Committee met on Tuesday, June 18, 2019, 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:

Theresa Taylor, Chair
Rob Feckner
Frank Ruffino for Fiona Ma
Lisa Middleton
Ralph Cobb for Eraina Ortega
Mona Pasquil Rogers

Other Board Member(s):

Henry Jones
David Miller
Jason Perez
Lynn Paquin for Betty Yee

AGENDA ITEM 2 – ELECTION OF COMMITTEE VICE CHAIR

Eraina Ortega was elected Committee Vice Chair.

Theresa Taylor called for nominations for the Vice Chair of the Performance, Compensation and Talent Management Committee.

Theresa Taylor nominated Eraina Ortega. No further nominations were made.

On MOTION by Rob Feckner, SECONDED by Mona Pasquil Rogers and CARRIED, the Committee elected Eraina Ortega as Vice Chair of the Performance, Compensation and Talent Management Committee.

AGENDA ITEM 3 – TIMED AGENDA

On MOTION by Rob Feckner, SECONDED by Mona Pasquil Rogers and CARRIED, the Committee approved the June 18, 2019 Performance, Compensation & Talent Management Committee Timed Agenda.

AGENDA ITEM 4 – EXECUTIVE REPORT

Doug Hoffner, Deputy Executive Officer, presented an oral report to the Committee.

AGENDA ITEM 5 – ACTION CONSENT ITEMS

On MOTION by Rob Feckner, SECONDED by Ralph Cobb and CARRIED, the Committee approved the following action consent items:

- a. Approval of the March 19, 2019 Performance, Compensation & Talent Management Committee Meeting Minutes

AGENDA ITEM 6 – INFORMATION CONSENT ITEMS

The Committee accepted the following information consent items as presented:

- a. Annual Calendar Review
- b. Draft Agenda for the August 20, 2019 Performance, Compensation & Talent Management Committee Meeting

AGENDA ITEM 7a – 2019-20 INCENTIVE PLAN OF THE CHIEF EXECUTIVE OFFICER

Tina Campbell presented the 2019-20 Incentive Plan of the CEO as an action item.

On MOTION by Rob Feckner, SECONDED by Lisa Middleton and CARRIED, the Committee approved the CEO's 2019-20 incentive plan.

Public comment was made by Al Darby that the investment performance bonus plan, as presented, does not align with the interests of members and beneficiaries.

AGENDA ITEM 8a – ANNUAL REVIEW: 2019-20 INCENTIVE METRICS (FIRST READING)

Eric Gonzaga and Eric Myszka of Grant Thornton, LLP, presented recommendations for the Committee's consideration in revising incentive metrics for investment management positions covered by the Board's Compensation Policy for Executive and Investment Management Positions.

On MOTION by Lisa Middleton, SECONDED by Mona Pasquil Rogers and CARRIED, the Committee approved the proposed incentive metrics.

AGENDA ITEM 8b – LONG-TERM INCENTIVE PROGRAM DESIGN AND IMPLEMENTATION OF REVISED SALARY AND INCENTIVE RANGES FOR INVESTMENT MANAGEMENT POSITIONS (FIRST READING)

Eric Gonzaga and Eric Myszka of Grant Thornton LLP presented a first reading on the design of a Long-Term Incentive Plan, and information on the implementation of revised salary and incentive ranges for investment management positions. The Committee will receive the second reading of the Long-Term Incentive Program design at the August 2019 meeting.

AGENDA ITEM 8c – SUMMARY OF COMMITTEE DIRECTION

No additional Committee direction was given.

AGENDA ITEM 8d – PUBLIC COMMENT

Public comment was made during agenda item 7a.

The meeting of the Performance, Compensation & Talent Management Committee was adjourned at 4:14 p.m.

Prepared by: JERROLYN QUERAL
Committee Secretary

The next Performance, Compensation and Talent Management Committee meeting is scheduled for August 20, 2019, in Sacramento, California.

Date: _____

DOUGLAS HOFFNER
Deputy Executive Officer
Operations and Technology