

VIDEOCONFERENCE MEETING  
STATE OF CALIFORNIA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
FINANCE & ADMINISTRATION COMMITTEE

ZOOM PLATFORM

MONDAY, FEBRUARY 14, 2022

9:32 A.M.

JAMES F. PETERS, CSR  
CERTIFIED SHORTHAND REPORTER  
LICENSE NUMBER 10063

APPEARANCES

COMMITTEE MEMBERS:

Lisa Middleton, Chairperson

David Miller, Vice Chairperson

Rob Feckner

Fiona Ma, represented by Frank Ruffino

Jose Luis Pacheco

Theresa Taylor

BOARD MEMBERS:

Eraina Ortega

Shawnda Westly

Betty Yee

STAFF:

Marcie Frost, Chief Executive Officer

Michael Cohen, Chief Financial Officer

Matthew Jacobs, General Counsel

Kelly Fox, Chief, Stakeholder Relations

Pam Hopper, Committee Secretary

Dallas Stone, Chief, Operations Support Services Division

ALSO PRESENT:

J.J. Jelincic

James McRitchie

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CHAIRPERSON MILLER: I will call to order the open session for Finance and Administration. And, Ms. Hopper, if you would call the roll.

COMMITTEE SECRETARY HOPPER: David Miller?

CHAIRPERSON MILLER: Here.

COMMITTEE SECRETARY HOPPER: Rob Feckner?

COMMITTEE MEMBER FECKNER: Good morning.

COMMITTEE SECRETARY HOPPER: Frank Ruffino for Fiona Ma?

ACTING COMMITTEE MEMBER RUFFINO: Present.

COMMITTEE SECRETARY HOPPER: Lisa Middleton?

COMMITTEE MEMBER MIDDLETON: Present.

COMMITTEE SECRETARY HOPPER: Jose Luis Pacheco?

COMMITTEE MEMBER PACHECO: Present.

COMMITTEE SECRETARY HOPPER: Ramon Rubalcava?

CHAIRPERSON MILLER: Excused.

COMMITTEE SECRETARY HOPPER: Theresa Taylor?

VICE CHAIRPERSON TAYLOR: Here

COMMITTEE SECRETARY HOPPER: Mr. Chair, all is in attendance with Ramon Rubalcava being excused.

CHAIRPERSON MILLER: Okay. The first order of business today is Item 2, Election of the Finance and Administration Committee Chair and Vice Chair.

In terms of procedure, I guess I will call and

1 see if there are any nominations for the position of the  
2 Chair.

3 VICE CHAIRPERSON TAYLOR: Mr. Feckner has his  
4 hand up.

5 CHAIRPERSON MILLER: Mr. Feckner?

6 COMMITTEE MEMBER FECKNER: Thank you, Mr. Chair.  
7 I would -- I find it a privilege to nominate Lisa  
8 Middleton for the position of Chair of Finance.

9 CHAIRPERSON MILLER: We have a nomination of Ms.  
10 Middleton.

11 Are there any other nominations?

12 Are there any other nominations?

13 And final time, are there any other nominations?

14 I am not seeing any hands up, and I'm not hearing  
15 any. So we have Ms. Middleton nominated. We have no  
16 other nominations.

17 Mr. Jacobs, do we need to vote or can we do this  
18 by acclamation?

19 GENERAL COUNSEL JACOBS: Well, Chair Miller, you  
20 first need a second.

21 CHAIRPERSON MILLER: Oh, okay.

22 GENERAL COUNSEL JACOBS: And then you can  
23 entertain a motion to elect Ms. Middleton by acclamation.

24 CHAIRPERSON MILLER: Okay. Do we have a second  
25 for Ms. Middleton's --

1           ACTING COMMITTEE MEMBER RUFFINO:   (Raise hand.)

2           CHAIRPERSON MILLER:   Okay.   It looks like Mr.  
3 Ruffino.

4           ACTING COMMITTEE MEMBER RUFFINO:   I second that  
5 motion.

6           CHAIRPERSON MILLER:   Okay.   That's seconded.  
7 Okay.   Any discussion on the motion?

8           Okay.   I will move that we accept Ms. Middleton  
9 by acclamation as our new Chair of the Finance and  
10 Administration Committee.

11           GENERAL COUNSEL JACOBS:   You do need to vote.

12           CHAIRPERSON MILLER:   Hearing no -- oh.   Okay.   So  
13 Ms. Hopper, will you call the roll.

14           COMMITTEE SECRETARY HOPPER:   Rob Feckner?

15           COMMITTEE MEMBER FECKNER:   Aye.

16           COMMITTEE SECRETARY HOPPER:   Frank Ruffino for  
17 Fiona Ma?

18           ACTING COMMITTEE MEMBER RUFFINO:   Aye.

19           COMMITTEE SECRETARY HOPPER:   Jose Luis Pacheco?

20           COMMITTEE MEMBER PACHECO:   Aye.

21           COMMITTEE SECRETARY HOPPER:   Ramon Rubalcava?

22           CHAIRPERSON MILLER:   Excused.

23           COMMITTEE SECRETARY HOPPER:   Theresa Taylor?

24           VICE CHAIRPERSON TAYLOR:   Aye.

25           COMMITTEE SECRETARY HOPPER:   Lisa Middleton?

1 COMMITTEE MEMBER MIDDLETON: Aye.

2 COMMITTEE SECRETARY HOPPER: Mr. Chair, I have  
3 all ayes, with the motion being made by Rob Feckner,  
4 seconded by Frank Ruffino for Fiona Ma with Lisa Middleton  
5 by acclamation for the Chair.

6 COMMITTEE MEMBER MILLER: Thank you.  
7 Congratulations, Ms. Middleton. And I guess at this  
8 point, do I hand over the virtu gavel?

9 Congratulations.

10 VICE CHAIRPERSON TAYLOR: Congratulations.

11 CHAIRPERSON MIDDLETON: Thank you. And my thanks  
12 to all of my colleagues for this. And I'm looking forward  
13 to working with you over the course of the next year.

14 And that moves us to the next item, which is to  
15 make a decision on Vice Chair. Are there anyone who would  
16 like to make a nomination?

17 I see Ms. Taylor.

18 VICE CHAIRPERSON TAYLOR: I'd be honored to  
19 nominate Mr. Miller as Vice Chair of Finance  
20 Administration Committee.

21 CHAIRPERSON MIDDLETON: Thank you.

22 Is there a second for that nomination?

23 Mr. Feckner.

24 COMMITTEE MEMBER FECKNER: I'll second that  
25 nomination.

1 CHAIRPERSON MIDDLETON: Okay. Are there -- we  
2 have a nomination of Mr. Miller for Vice Chair. Is -- are  
3 there any other nominations?

4 Second time, are there any other nominations?

5 And third and final time, are there any other  
6 nominations?

7 Seeing no other nominations, let's have a roll  
8 call vote on whether to appoint Mr. Miller as Vice Chair  
9 by acclamation.

10 COMMITTEE SECRETARY HOPPER: Okay. Rob Feckner?

11 COMMITTEE MEMBER FECKNER: Aye.

12 COMMITTEE SECRETARY HOPPER: Frank Ruffino for  
13 Fiona Ma?

14 ACTING COMMITTEE MEMBER RUFFINO: Aye.

15 COMMITTEE SECRETARY HOPPER: David Miller?

16 COMMITTEE MEMBER MILLER: Aye.

17 COMMITTEE SECRETARY HOPPER: Jose Luis Pacheco?

18 COMMITTEE MEMBER PACHECO: Aye.

19 COMMITTEE SECRETARY HOPPER: Ramon Rubalcava?

20 Theresa Taylor?

21 COMMITTEE MEMBER TAYLOR: Aye.

22 COMMITTEE SECRETARY HOPPER: Madam Chair, I have  
23 all ayes with an excused for Ramona Rubalcava, motion  
24 beings made by Theresa Taylor, seconded by Rob Feckner for  
25 the election of the Finance and Administration Committee

1 Vice Chair of David Miller.

2 CHAIRPERSON MIDDLETON: David, thank you and  
3 congratulations.

4 VICE CHAIRPERSON MILLER: Thank you. Appreciate  
5 it.

6 CHAIRPERSON MIDDLETON: With that, we move on to  
7 the third item, which is approval of the February 14,  
8 Finance and Administration Committee timed agenda.  
9 Reminder please, do we need to take a roll call vote on  
10 the time agenda?

11 COMMITTEE SECRETARY HOPPER: Yes, you do, Madam  
12 Chair.

13 CHAIRPERSON MIDDLETON: Okay. Then I call for  
14 that roll call vote.

15 COMMITTEE SECRETARY HOPPER: Okay. If we could  
16 take a motion first.

17 COMMITTEE MEMBER TAYLOR: So moved.

18 COMMITTEE SECRETARY HOPPER: Is that Theresa  
19 Taylor, ma'am?

20 COMMITTEE MEMBER TAYLOR: Yes, it is.

21 COMMITTEE SECRETARY HOPPER: Second?

22 VICE CHAIRPERSON MILLER: Seconded.

23 COMMITTEE MEMBER TAYLOR: By Mr. Miller.

24 CHAIRPERSON MIDDLETON: Roll call, please.

25 COMMITTEE SECRETARY HOPPER: Thank you.

1 Rob Feckner?

2 COMMITTEE MEMBER FECKNER: Aye.

3 COMMITTEE SECRETARY HOPPER: Frank Ruffino for  
4 Fiona Ma?

5 ACTING COMMITTEE MEMBER RUFFINO: Aye.

6 COMMITTEE SECRETARY HOPPER: David Miller?

7 VICE CHAIRPERSON MILLER: Aye.

8 COMMITTEE SECRETARY HOPPER: Jose Luis Pacheco?

9 COMMITTEE MEMBER PACHECO: Aye.

10 COMMITTEE SECRETARY HOPPER: Ramon Rubalcava?  
11 Excused.

12 COMMITTEE SECRETARY HOPPER: Theresa Taylor?

13 COMMITTEE MEMBER TAYLOR: Aye.

14 COMMITTEE SECRETARY HOPPER: Madam Chair, all  
15 ayes for Item 3, approval of the February 14th, 2022  
16 Finance and Administration timed agenda, motion being made  
17 by Theresa Taylor, seconded by David Miller.

18 CHAIRPERSON MIDDLETON: Okay. Thank you.

19 We'll now move on to Item 4, which is the  
20 Executive Report and for that, we have Mr. Michael Cohen.

21 CHIEF FINANCIAL OFFICER COHEN: Thank you, Chair.  
22 Congratulations. Michael Cohen with the Financial Office.

23 I just wanted to let you know, as you're well  
24 aware, our asset liability management process is  
25 continuing. You'll be seeing that again in March with

1 discussion of implementation, as well as moving on to our  
2 affiliate funds, as well as our prefunding trust funds.  
3 And so in that regard, I wanted to let the Committee know  
4 we're continuing our public outreach to our employer  
5 community, doing another webinar, the first or second week  
6 of March before the Committee meets, to discuss in  
7 particular our prefunding trust funds and what the ALM  
8 will have to -- what implications the ALM will have for  
9 those funds.

10 So with that, I will turn it back to you, Chair,  
11 and continue with the agenda.

12 CHAIRPERSON MIDDLETON: All right. Thank you.

13 The next item on the agenda is action consent  
14 items, 5a and 5b, 5a being Committee meeting minutes from  
15 our last meeting, and B being the Review of Finance and  
16 Administration Committee Delegation. Do I have a motion  
17 to approve the consent item?

18 COMMITTEE MEMBER TAYLOR: I'll make the motion.

19 VICE CHAIRPERSON MILLER: Second it.

20 CHAIRPERSON MIDDLETON: Okay. We have a first  
21 and a second. Roll call, please.

22 COMMITTEE SECRETARY HOPPER: Rob Feckner?

23 CHAIRPERSON MIDDLETON: Hold on a second.

24 Mr. Pacheco.

25 COMMITTEE MEMBER PACHECO: I'm so sorry, Madam

1 Chair. I would like to pull the approval of the November  
2 16, 2021 minutes since I was not present at that time.

3 COMMITTEE MEMBER FECKNER: He wants to separate  
4 the items.

5 COMMITTEE MEMBER PACHECO: Separate the items.  
6 Thank you.

7 CHAIRPERSON MIDDLETON: Thank you.

8 COMMITTEE MEMBER PACHECO: I'm sorry about that.

9 CHAIRPERSON MIDDLETON: No, understand what  
10 you're doing. Thank you.

11 So we will vote on 5a separately. And roll call,  
12 please.

13 COMMITTEE SECRETARY HOPPER: Okay. Again, motion  
14 by Theresa Taylor?

15 COMMITTEE MEMBER TAYLOR: Yes.

16 COMMITTEE SECRETARY HOPPER: Seconded by David  
17 Miller?

18 VICE CHAIRPERSON MILLER: (Nods head.)

19 COMMITTEE SECRETARY HOPPER: Okay. Roll call is  
20 Rob Feckner?

21 COMMITTEE MEMBER FECKNER: Aye.

22 COMMITTEE SECRETARY HOPPER: Frank Ruffino for  
23 Fiona Ma?

24 ACTING COMMITTEE MEMBER RUFFINO: Aye.

25 COMMITTEE SECRETARY HOPPER: David Miller?

1 VICE CHAIRPERSON MILLER: Aye.

2 COMMITTEE SECRETARY HOPPER: Jose Luis Pacheco?

3 COMMITTEE MEMBER PACHECO: Abstain.

4 COMMITTEE MEMBER HOPPER: Ramon Rubalcava?

5 Excused.

6 COMMITTEE MEMBER TAYLOR: Excused.

7 COMMITTEE SECRETARY HOPPER: Theresa Taylor?

8 COMMITTEE MEMBER TAYLOR: Aye.

9 COMMITTEE SECRETARY HOPPER: Madam Chair, I have  
10 all ayes, one abstention from Jose Luis Pacheco, with the  
11 motion being made by Theresa Taylor, seconded by David  
12 Miller for Item 5a Finance and Administration meeting  
13 minutes for November 16th, 2021.

14 CHAIRPERSON MIDDLETON: Thank you, Ms. Hopper.  
15 Can we get a motion on 5b.

16 COMMITTEE MEMBER TAYLOR: So moved.

17 VICE CHAIRPERSON MILLER: Second.

18 CHAIRPERSON MIDDLETON: Ms. Taylor. Second Mr.  
19 Miller.

20 Any discussion?

21 Roll call, please.

22 COMMITTEE SECRETARY HOPPER: Rob Feckner?

23 COMMITTEE MEMBER FECKNER: Aye.

24 COMMITTEE SECRETARY HOPPER: Frank Ruffino for  
25 Fiona Ma?

1 ACTING COMMITTEE MEMBER RUFFINO: Aye.

2 COMMITTEE SECRETARY HOPPER: David Miller?

3 VICE CHAIRPERSON MILLER: Aye.

4 COMMITTEE SECRETARY HOPPER: Jose Luis Pacheco?

5 COMMITTEE MEMBER PACHECO: Aye.

6 COMMITTEE SECRETARY HOPPER: Ramon Rubalcava?

7 Excused.

8 Theresa Taylor?

9 COMMITTEE MEMBER TAYLOR: Aye.

10 COMMITTEE SECRETARY HOPPER: Madam Chair, I have  
11 all ayes for agenda Item 5b, which is the Finance and  
12 Administration Committee Delegation, motion being made by  
13 Theresa Taylor, seconded by David Miller.

14 CHAIRPERSON MIDDLETON: Thank you, Ms. Hopper.

15 We will now move on to Item 6, information  
16 consent items. And again, Mr. Cohen.

17 CHIEF FINANCIAL OFFICER COHEN: Yes, Chair.

18 Unless you have any items you wish to pull, these are all  
19 consent items. Roughly routine items. It is -- gives me  
20 an opportunity to mention that our Pension Contracts Unit  
21 is now being led by Melody Benavides. Arnita Paige  
22 retired at the end of December after three decades of  
23 State service. So I'd like to publicly congratulate her  
24 on her retirement as well as Melody's new role.

25 But unless there's any discussion on these

1 consent items, there's no need for action.

2 CHAIRPERSON MIDDLETON: Great. And is there  
3 a need for a vote on information consent items?

4 CHIEF FINANCIAL OFFICER COHEN: There is not.

5 CHAIRPERSON MIDDLETON: Okay. Thank you.

6 Then we will move on to Item 7, action agenda  
7 items. 7a, 2022 CalPERS Board of Administration State,  
8 and school, and special retired member elections notice of  
9 election. And for that, we go to Mr. Stone.

10 CHIEF FINANCIAL OFFICER COHEN: And it looks like  
11 he might need to be pulled forward. I'm not spotting him.

12 OPERATIONS SUPPORT SERVICES DIVISION CHIEF STONE:  
13 I'm here, Michael.

14 CHIEF FINANCIAL OFFICER COHEN: Okay. Great.

15 OPERATIONS SUPPORT SERVICES DIVISION CHIEF STONE:  
16 I don't know if you can see me or not yet.

17 CHIEF FINANCIAL OFFICER COHEN: Yeah, now we can  
18 see you and hear you. Go ahead.

19 OPERATIONS SUPPORT SERVICES DIVISION CHIEF STONE:  
20 Okay. Thank you.

21 Good morning, Madam Chair and members of the  
22 CalPERS Board. Dallas Stone, CalPERS team member. This  
23 is an action item seeking Finance and Administration  
24 Committee's approval to initiate the 2022 State, school,  
25 and special retired elections by adopting the respective

1 notice of elections. These elections are to fill three  
2 seats, the State, school, and retired member on the  
3 CalPERS Board.

4 The State position is held by Theresa Taylor, who  
5 has declared her intention to run for reelection. The  
6 school position is held by Rob Feckner, who does not  
7 intend to run for reelection.

8 For the retired position, I would like to offer  
9 you some background first. On January 16th, 2020, Henry  
10 Jones began his four-year term for the retired member seat  
11 on the Board. On January 21st, 2022, Mr. Jones resigned  
12 from the board, which created a vacancy in his seat prior  
13 to the term's expiration. The term will expire January  
14 15, 2024. Ordinarily, the election to fill the retired  
15 member's seat would be held in 2023. However, following a  
16 vacancy on the Board during the term of an elected Board  
17 member, such as Mr. Jones, Government Code section 20095  
18 provides, "The Board shall hold special elections to fill  
19 vacancies, which occur during the term of the elected  
20 members' of the Board. If, at that time, a vacancy  
21 occurs, the unexpired term is less than two years, the new  
22 member elected to fill that vacancy shall hold office for  
23 a period equal to the remainder of the term of the vacated  
24 office plus four years".

25 At the time Mr. Jones resigned, there were less

1 than two years remaining on his unexpired term of the  
2 current vacancy, therefore the new retired member elected  
3 to fill this vacancy will hold office immediately upon  
4 certification by the Secretary of State through January  
5 15th, 2028.

6           If approved, we will release the NOEs, included  
7 as attachments 1, 2, and 3 to this item, on March 14th,  
8 2022. At that time, the State and school member NOEs will  
9 be transmitted electronically to employers for  
10 distribution to active and school members, and the retired  
11 member NOE will be mailed directly to retired members.  
12 The NOEs will also be available on the CalPERS Board  
13 election webpage.

14           This will also start the nomination period.  
15 Nomination petitions containing 250 valid original  
16 signatures will need to be submitted by May 12th, 2022.  
17 All forms related to the nomination requirements will be  
18 posted on the CalPERS Board election webpage. Interested  
19 candidates may also request a copy of the forms directly  
20 by contacting the Board election office. I'm happy to  
21 answer any questions you may have at this time.

22           Thank you.

23           CHAIRPERSON MIDDLETON: Okay. Is there any  
24 discussion, questions from members of the board?

25           We do have one member of the public who would

1 like to make public comment with regard to 7a.

2 STAKEHOLDER RELATIONS CHIEF FOX: Madam Chair, we  
3 have one caller, Mr. James McRitchie.

4 CHAIRPERSON MIDDLETON: Go ahead, Mr. McRitchie.

5 MR. McRITCHIE: I think that beep was to unmute  
6 me. So I've got a few questions. One is with regard to  
7 signature collection. Does it have to be a wet signature  
8 or can it be an electronic signature. And I do a lot of  
9 filing of legal documents. I use a lot of electronic  
10 signatures. I don't see any reason why CalPERS members  
11 can't use an electronic signature to fill out a form.  
12 That's one question.

13 Another question is the signature forms, when  
14 will they be available? My understanding is probably not  
15 until March 14th. There is a pandemic. It is loosening  
16 up, but it's a difficult environment to go around  
17 collecting signatures. I'm wondering if the Board can  
18 release the signature documents before March 14th.

19 And then a third concern is more of a comment is  
20 I'm wondering is the Board considering ranked-choice  
21 voting in future elections. This, of course, would  
22 require a rulemaking change. Not going to happen this  
23 year. Probably won't happen for at least a year or two.  
24 But ranked-choice voting was taken up by the Board many  
25 years ago -- I guess at least 10 years ago. They found

1 that it could possibly save the Board a million dollars in  
2 elections. It seems like a good idea. One of the  
3 problems with it, at that point, was certification by the  
4 Secretary of State's office, but the Secretary of State's  
5 Office is certifying votes elsewhere in the state and  
6 ranked-choice voting has increased dramatically since  
7 then. We have Alaska, Maine, City of New York, and others  
8 using ranked-choice voting.

9           And ranked-choice voting also makes elections  
10 less contentious, because candidates don't wish to  
11 alienate the second choice voter -- the second choice of  
12 other candidates.

13           So those are my questions. Thanks.

14           CHAIRPERSON MIDDLETON: Thank you.

15           Do we have any other public comment?

16           STAKEHOLDER RELATIONS CHIEF FOX: No, Madam  
17 Chair. That is the only public comment for this subject.

18           CHAIRPERSON MIDDLETON: All right. Mr. Stone,  
19 are you in a position to answer any of the procedural  
20 questions that Mr. McRitchie raised?

21           CHIEF EXECUTIVE OFFICER FROST: Ms. Middleton, as  
22 public comment, would you be agreeable to having Dallas  
23 follow up directly with Mr. McRitchie?

24           CHAIRPERSON MIDDLETON: I think that's  
25 appropriate.

1 CHIEF EXECUTIVE OFFICER FROST: Thank you.

2 CHAIRPERSON MIDDLETON: And if there are no other  
3 comments, we -- this is an action item. Is there a motion  
4 to approve 7a?

5 VICE CHAIRPERSON MILLER: Move to approve.

6 COMMITTEE MEMBER TAYLOR: Second.

7 CHAIRPERSON MIDDLETON: Okay. Mr. Pacheco, I see  
8 your hand up.

9 COMMITTEE MEMBER PACHECO: I was going to second  
10 that. Sorry, apologize.

11 CHAIRPERSON MIDDLETON: Not a problem. All  
12 right. Roll call, please.

13 COMMITTEE SECRETARY HOPPER: Rob Feckner?

14 COMMITTEE MEMBER FECKNER: Aye.

15 COMMITTEE SECRETARY HOPPER: Frank Ruffino for  
16 Fiona Ma?

17 ACTING COMMITTEE MEMBER RUFFINO: Aye.

18 COMMITTEE SECRETARY HOPPER: David Miller?

19 VICE CHAIRPERSON MILLER: Aye.

20 COMMITTEE SECRETARY HOPPER: Jose Luis Pacheco?

21 COMMITTEE MEMBER PACHECO: Aye.

22 COMMITTEE SECRETARY HOPPER: Ramon Rubalcava?

23 Excused.

24 Theresa Taylor?

25 COMMITTEE MEMBER TAYLOR: Aye.

1 COMMITTEE SECRETARY HOPPER: Madam Chair, I have  
2 a motion being made by David Miller, seconded by Theresa  
3 Taylor for agenda Item 7a, 2022 CalPERS Board of  
4 Administration State, school, and special retired member  
5 elections notice of election, with all ayes.

6 CHAIRPERSON MIDDLETON: Thank you, Ms. Hopper.

7 We now move on to Item 7b, Board Member Employer  
8 Reimbursements, an amendment. And for that, we turn to  
9 Mr. Cohen.

10 CHIEF FINANCIAL OFFICER COHEN: Thank you, Chair  
11 Middleton. This item seems action to adjust the  
12 reimbursement rates based on the Board President and Vice  
13 President elections back in January. You'll see a similar  
14 item in April's FAC meeting to adjust for Committee  
15 membership, Chairs and Vice Chairs. This is an action  
16 item.

17 CHAIRPERSON MIDDLETON: All right. Is there any  
18 discussion?

19 I see no discussion.

20 Do we have any public comment on this item?

21 STAKEHOLDER RELATIONS CHIEF FOX: No public  
22 comment, Madam Chair.

23 CHAIRPERSON MIDDLETON: All right. Thank you.

24 Is there a motion to approve 7b?

25 VICE CHAIRPERSON MILLER: Move approval.

1 COMMITTEE MEMBER TAYLOR: Second.

2 CHAIRPERSON MIDDLETON: Mr. Ruffino, you have  
3 your hand up.

4 ACTING COMMITTEE MEMBER RUFFINO: I had it to  
5 move it or to second it, but that's fine, Madam Chair.  
6 Thank you.

7 CHAIRPERSON MIDDLETON: All right. Thank you.  
8 Roll call, please.

9 COMMITTEE SECRETARY HOPPER: Okay. Madam Chair,  
10 can I confirm who the second on this was.

11 CHAIRPERSON MIDDLETON: Ms. Taylor.

12 COMMITTEE SECRETARY HOPPER: Okay. I thought so.  
13 Thank you.

14 Rob Feckner?

15 COMMITTEE MEMBER FECKNER: Aye.

16 COMMITTEE SECRETARY HOPPER: Frank Ruffino for  
17 Fiona Ma?

18 ACTING COMMITTEE MEMBER RUFFINO: Aye.

19 COMMITTEE SECRETARY HOPPER: David Miller?

20 VICE CHAIRPERSON MILLER: Aye.

21 COMMITTEE SECRETARY HOPPER: Jose Luis Pacheco?

22 COMMITTEE MEMBER PACHECO: Aye.

23 COMMITTEE SECRETARY HOPPER: Ramon Rubalcava?

24 CHAIRPERSON MIDDLETON: Excused.

25 COMMITTEE SECRETARY HOPPER: Theresa Taylor?

1 COMMITTEE MEMBER TAYLOR: Aye.

2 COMMITTEE SECRETARY HOPPER: Madam Chair, I have  
3 all ayes, motion being made David Miller, seconded by  
4 Theresa Taylor for agenda item 7b, Board Member employer  
5 reimbursement amendment.

6 CHAIRPERSON MIDDLETON: All right. Thank you.  
7 We will now move on to Item 8a, 2021 CalPERS Board of  
8 Administration, member-at-large election results.

9 Mr. Stone, please.

10 OPERATIONS SUPPORT SERVICES DIVISION CHIEF STONE:  
11 Good morning again, Madam Chair and members of  
12 the Finance and Administration Committee. Dallas Stone,  
13 CalPERS team member. This is an information item on the  
14 results from the 2021 member-at-large election. There  
15 were two available seats in this election. The Position A  
16 seat was decided by a majority vote in the primary  
17 election and David Miller was reelected with 72.65 percent  
18 of the votes.

19 The Position B seat was decided by a majority  
20 vote in the primary election, and Jose Luis Pacheco was  
21 elected with 61.76 percent of the votes. Congratulations  
22 to Mr. Miller and Mr. Pacheco.

23 The following is a summary of the -- of the  
24 results. The term of office for the elected Board members  
25 is January 16th, 2022 through January 15th, 2026. Voter

1 turnout for the primary election was 13.36 percent. This  
2 is an increase from the 2017 member-at-large election  
3 turnout, which was 9.14 percent for the primary election  
4 and 10.66 percent for the runoff election. The 2018  
5 public agency member election turnout was 6.4 percent, and  
6 the 2019 retired member election turnout was 19.7 percent.

7 We continue to partner with the Office of Public  
8 Affairs and Stakeholder Relations to try to increase voter  
9 awareness and participation. A number of those outreach  
10 efforts included candidate statement video, toolkits for  
11 the employers, spotlight ads and banner on the Inside  
12 CalPERS, press releases, social media through Facebook,  
13 Twitter, and Instagram messages, and hosting a virtual  
14 candidate forum streaming live and placing it on the  
15 CalPERS website for future viewing.

16 Attachment 1 provides a breakdown on voter  
17 participation demographics, including age group, gender,  
18 participation by voting method, and the top 10 cities that  
19 voted.

20 A total of 1,484,291 ballot packages were sent to  
21 eligible members and 152,264 paper ballots were returned.  
22 There were 38,504 online votes and 5,402 telephone votes.  
23 Voter participation by voting stream in this election was  
24 the following: our mail-in votes made up 77.62 percent of  
25 the total vote; online votes made up 19.63 percent; and

1 telephone voting made up 2.75 percent. And when you  
2 compare these to the 2017 member-at-large primary  
3 election, they're very close, almost within a decimal  
4 point.

5 Looking at a participation by member type,  
6 retired members made up 70.48 percent of the total voters  
7 who participated. School members made up 12.02 percent,  
8 followed by State members at 9.6 percent, and public  
9 agency members at 7.87 percent.

10 Attachment 2 provides a breakdown on voter  
11 outreach statistics. This election, members were able to  
12 recover their PINs online for the first time ever. Of the  
13 total 7,625 PIN requests, 77.6 percent, or 5,922 members  
14 utilized this online functionality.

15 Attachment 3 provides a detailed cost summary of  
16 this election. The total cost to conduct the election was  
17 \$3.75 million. The cost per eligible voter was  
18 approximately \$2.53 per eligible voter, and \$18.92 per  
19 voter based on total votes received.

20 This concludes my presentation. I'm happy to  
21 answer any questions for you at this time. Thank you.

22 CHAIRPERSON MIDDLETON: Thank you, Mr. Stone.

23 Are there any -- is there any discussion from the  
24 Board?

25 I do not see any.

1           We do have one member of the public who would  
2 like to comment on 8a.

3           COMMITTEE MEMBER TAYLOR: Ms. Middleton, just  
4 real quick.

5           CHAIRPERSON MIDDLETON: I'm sorry. I didn't see  
6 your hand.

7           COMMITTEE MEMBER TAYLOR: I'm forgot to raise the  
8 hand too, sorry.

9           So I just wanted to thank everybody that put this  
10 report together. It really clarifies how this works and I  
11 think it also kind of gives us an idea that online is  
12 getting a little more popular, which is good. So I want  
13 to thank everybody that -- of the staff that works on  
14 these elections and thank you for putting this report  
15 together.

16           CHAIRPERSON MIDDLETON: Thank you.

17           And I'm glad we have as many different methods of  
18 being able to vote as we do. That helps get  
19 participation. And anything that improves participation  
20 is something that we want to very seriously consider. So  
21 thank you to Mr. Stone and all the team that was  
22 responsible for conducting this election.

23           And lastly, most importantly, congratulations to  
24 Mr. Miller and Mr. Pacheco.

25           And with that, we do have one member of the

1 public who would like to make a comment.

2 STAKEHOLDER RELATIONS CHIEF FOX: Madam Chair, we  
3 have one caller, Mr. J.J. Jelincic.

4 CHAIRPERSON MIDDLETON: Mr. Jelincic the floor  
5 is --

6 MR. JELINCIC: I would like -- oh. Go ahead.

7 I would like to also congratulate David and Luis  
8 for their election victory. I would like to again point  
9 out that online voting violates the California Election  
10 Code.

11 But the other -- the real question I had was what  
12 this Board is doing to collect the money from Priya Mathur  
13 that goes back to 2018. It's \$7,425. I do not believe  
14 you would have given Jason Perez or Margaret Brown that  
15 kind of slack. So my question is what are you doing to  
16 collect that money.

17 Thank you.

18 CHAIRPERSON MIDDLETON: Mr. Fox, any other  
19 callers?

20 STAKEHOLDER RELATIONS CHIEF FOX: No, Madam  
21 Chair. That concludes public comment.

22 CHAIRPERSON MIDDLETON: So 8a, do we need a vote  
23 on that to move it forward?

24 CHIEF FINANCIAL OFFICER COHEN: You do not.

25 CHAIRPERSON MIDDLETON: All right. Thank you.

1           Then we will move on to 8b, which is summary of  
2 Committee delegation[SIC]. Mr. Cohen.

3           CHIEF FINANCIAL OFFICER COHEN: Yes. Mr. Stone  
4 will follow up with the public commenter. And that's the  
5 only item I recorded.

6           CHAIRPERSON MIDDLETON: All right. Thank you.  
7 Do we have any public comment at this time, Mr.  
8 Fox?

9           STAKEHOLDER RELATIONS CHIEF FOX: No, Madam  
10 Chair, we do not.

11           CHAIRPERSON MIDDLETON: Then that brings us to  
12 the end of the agenda. And we will adjourn the Finance  
13 and Administration Committee at precisely 10 a.m. And the  
14 Risk and Audit Committee will -- open session will  
15 begin -- as I understand it, Mr. Jacobs, the noticed time  
16 for Risk and Audit was 10 a.m. And even though that's 45  
17 minutes ahead of when the estimated time is, we can go  
18 ahead and begin Risk and Audit at the noticed time, is  
19 that correct?

20           COMMITTEE MEMBER FECKNER: Yes.

21           COMMITTEE MEMBER TAYLOR: So ask the -- yeah.  
22 Ask the Chair when they want to start.

23           VICE CHAIRPERSON MILLER: Yeah, I would like a  
24 few minutes, so can we start it at 10:15.

25           CHAIRPERSON MIDDLETON: 10:15.

1           VICE CHAIRPERSON MILLER: A quick bio break and  
2 we'll start at 10:15 with Risk and Audit.

3           CHAIRPERSON MIDDLETON: Risk and Audit will begin  
4 at 10:15.

5           Thank you.

6           (Thereupon the California Public Employees'  
7 Retirement System, Board of Administration,  
8 Finance & Administration Committee meeting  
9 adjourned at 10:02 p.m.)

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