

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

**MEETING MINUTES
June 15, 2022**

The California Public Employees' Retirement System Board of Administration Performance, Compensation & Talent Management Committee met via teleconference on Wednesday, June 15, 2022.

The meeting was called to order at 9:00 a.m. and the following members were present:

Rob Feckner, Chair
Eraina Ortega, Vice Chair
David Miller
Jose Luis Pacheco
Theresa Taylor

Other Board Member(s):
Frank Ruffino for Fiona Ma
Ramon Rubalcava
Mullissa Willette
Lynn Paquin for Betty Yee

AGENDA ITEM 2 – EXECUTIVE REPORT

Doug Hoffner, Chief Operating Officer, presented an oral report to the Committee.

AGENDA ITEM 3 – ACTION CONSENT ITEMS

On MOTION by Theresa Taylor, SECONDED by Jose Luis Pacheco and CARRIED, the Committee approved the following action consent item:

- a. Approval of the June 15, 2022 Performance, Compensation & Talent Management Committee Timed Agenda
- b. Approval of the April 19, 2022 Performance, Compensation & Talent Management Committee Meeting Minutes

AGENDA ITEM 4 – INFORMATION CONSENT ITEMS

The Committee accepted the following information consent items as presented:

- a. Annual Calendar Review
- b. Draft Agenda for the September 20, 2022 Performance, Compensation & Talent Management Committee Meeting

AGENDA ITEM 5a – REVIEW OF BOARD’S COMPENSATION POLICY FOR EXECUTIVE AND INVESTMENT MANAGEMENT POSITIONS

On MOTION by Eraina Ortega, SECONDED by Jose Luis Pacheco and CARRIED, the Committee approved the proposed non-substantive changes noted in the item in green text and the treatment of pro-rata awards and termination.

AGENDA ITEM 5b – COMPENSATION REVIEW AND RECOMMENDATIONS FOR STATUTORY POSITIONS

This item was deferred to a future meeting to gather additional insight and feedback on key components of the compensation policy which may impact future recommendations.

AGENDA ITEM 5c – ANNUAL REVIEW: 2022-23 INCENTIVE METRICS

On MOTION by Eraina Ortega, SECONDED by David Miller and CARRIED, the Committee approved the incentive metrics for fiscal year 2022-23 as presented by the board’s compensation consultant, Global Governance Advisors.

AGENDA ITEM 5d – 2022-23 INCENTIVE PLAN OF THE CHIEF EXECUTIVE OFFICER

On MOTION by Theresa Taylor, SECONDED by Jose Luis Pacheco and CARRIED, the Committee approved the fiscal year 2022-23 incentive plan for the CEO, except for the proposed rating scale for the Individual Key Business Objective, which will instead remain as it is currently listed in the policy.

AGENDA ITEM 6a – SUMMARY OF COMMITTEE DIRECTION

The Chair directed staff to coordinate a workshop for the board to discuss various components of the compensation policy and to work with the consultant to ensure metrics proposed in the future for the CEO differ from those for staff so that the CEO can provide insight on the metrics for staff.

AGENDA ITEM 6b – PUBLIC COMMENT

The Committee heard public comment on the consultant’s proposed hurdle rates for the total fund metric and the CEO’s incentive plan.

The meeting of the Performance, Compensation & Talent Management Committee was adjourned at 10:04 a.m.

Prepared by: JERROLYN BRAUER
Committee Secretary

The next Performance, Compensation and Talent Management Committee meeting is scheduled for September 2022, in Sacramento, California.