CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION
Wednesday, June 18, 2025

The Board of Administration met on Wednesday, June 18, 2025, in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 10:27 a.m. and the following members were present:

Theresa Taylor, President
David Miller, Vice President
Malia Cohen
Michael Detoy
Frank Ruffino for Fiona Ma
Eraina Ortega
Jose Luis Pacheco
Kevin Palkki
Yvonne Walker
Mullissa Willette
Dr. Gail Willis

Board of Administration Members excused: Ramon Rubalcava

Board Member Dr. Gail Willis participated remotely and attested to being alone.

AGENDA ITEM 3 – PRESIDENT'S REPORT

President Taylor presented the agenda for the July Offsite Meeting in Monterey, CA.

President Taylor recognized Pride Month and Juneteenth.

AGENDA ITEM 4 – EXECUTIVE REPORT

a. Chief Executive Officer's Report

Ms. Frost reported on the following:
- Proxy Voting
- Catalyst
- Upcoming Pathways for Women conference
- Upcoming CalPERS Educational Forum

Ms. Frost recognized the APEX recipients.

AGENDA ITEM 5 – CONSENT ITEMS

Action Consent Items

a. Approval of the April 15, 2025, Board of Administration Meeting Minutes
b. Board Travel Approvals
c. Approval of the June 18, 2025, Board of Administration Timed Agenda

On **MOTION** by Jose Luis Pacheco, **SECONDED** by David Miller, and **CARRIED**, with a roll call vote, the Board approved Action Consent Items 5a-5c.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

AGENDA ITEM 6 – CONSENT ITEMS

Information Consent Items:
a. Board Meeting Calendar
b. Draft Agenda for the September 17, 2025, Board of Administration Meeting
c. General Counsel's Report
d. Communications and Stakeholder Relations

AGENDA ITEM 7 – COMMITTEE REPORTS AND ACTIONS

a. Investment Committee

David Miller, Chair, Investment Committee presented the Committee Summary report to the Board. The Committee met on June 16, 2025.

Additional information may be found in the June 16, 2025. Agenda materials and transcripts of the Committee meeting.

The next meeting of the Investment Committee is scheduled for September 15, 2025, in Sacramento, California.

b. Pension and Health Benefits Committee

Kevin Palkki, Vice Chair, Pension and Health Benefits Committee presented the Committee Summary report to the Board. The Committee met on June 17, 2025.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the recommendation to issue an intent to award a five-year contract to Illumifin to serve as California Public Employees' Retirement System (CalPERS) Third-Party Administrator (TPA) for its long-term care insurance program with an effective date of July 1, 2026, through June 30, 2031. Awards are subject to final negotiations and satisfaction of all requirements. (PHBC Item 5a)

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

Additional information may be found in the June 17, 2025 agenda materials and transcripts of the Committee meeting.

The next meeting of the Pension and Health Benefits Committee is scheduled for September 16, 2025, in Sacramento, California.

c. Finance and Administration Committee

The committee did not meet.

The next meeting of the Finance and Administration Committee is scheduled for September 16, 2025, in Sacramento, California

d. Performance, Compensation and Talent Management Committee

Mullissa Willette, Chair, Board Performance, Compensation and Talent Management Committee presented the Committee Summary report to the Board. The Committee met on June 18, 2025.

On **MOTION** by Committee, and **CARRIED**, with one no vote by Eraina Ortega, with a roll call vote, the Board approved the following:

- The incentive metrics and compensation policy updates for fiscal year 2025-26 as presented by the board's compensation consultant, Global Governance Advisors. (PCTM 5a)

- The fiscal year 2025-26 incentive plan for the Chief Executive Officer (CEO), as proposed by the board's compensation consultant, Global Governance Advisors. (PCTM 5b)

- The compensation recommendations for executive and investment management positions, as presented by Global Governance Advisors (GGA). (PCTM 5c)

Name	**Yes**	**No**	**Abstain**
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega		X	
Jose Luis Pacheco	X		
Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

Additional information may be found in the June 18, 2025 agenda materials and transcripts of the Committee meeting.

The next meeting of the Performance, Compensation and Talent Management Committee is scheduled for June 2025, in Sacramento, California.

e. Risk and Audit Committee

Malia Cohen, Chair, Risk & Audit Committee presented the Committee Summary report to the Board. The Committee met on June 2, 2025.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved to award the contract to Cheiron for the Solicitation for Third Party Valuation and Certification of Annual Actuarial Reports, as the highest-ranking Finalist, subject to final negotiations and satisfaction of all requirements, and directed staff to begin contract negotiations for the contract with Cheiron. If staff, in its discretion, concludes that negotiations are unsuccessful, staff shall begin contract negotiations with the Segal Company the next highest scoring Finalist, and so on.

Name	**Yes**	**No**	**Abstain**
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		

Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

The Committee also met on June 17, 2025.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the following:

- The 2025-26 Enterprise Compliance, Risk & Governance Annual Plan (RAC Item 5a)
- The 2025-26 Office of Audit Services Plan (RAC Item 5b)
- The Independent Auditor's Annual Plan (RAC Item 5c)

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

Additional information may be found in the June 2 and June 17, 2025 agenda materials and transcripts of the Committee meeting.

The next meeting of the Risk and Audit Committee is scheduled for September 2025, in Sacramento, California.

f. Board Governance Committee

The committee did not meet.

The next meeting of the Board Governance Committee is tentatively scheduled for September 2025 in Sacramento.

AGENDA ITEM 8a – PROPOSED DECISIONS OF ADMINISTRATIVE LAW JUDGES

On **MOTION** by David Miller, **SECONDED** by, Jose Luis Pacheco, and **CARRIED**, with a roll call vote, the Board moved to adopt the proposed decision of Administrative Law Judges (ALJ) for Agenda Item 8a1 through 8a4 with the minor modifications argued by staff to Agenda Item 8a2.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

AGENDA ITEM 8b – ASSEMBLY BILL 280 (AGUIAR-CURRY) – PROVIDER DIRECTORIES

On **MOTION** by Kevin Palkki, **SECONDED** by, Jose Luis Pacheco, with one abstention by Eraina Ortega, and **CARRIED**, with a roll call vote, the Board moved to take a position of support on Assembly Bill 280 with the staff recommendations on the amendment.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega			X
Jose Luis Pacheco	X		
Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

AGENDA ITEM 9a – STATE AND FEDERAL LEGISLATIVE UPDATE

Danny Brown, Chief of Legislative Affairs, provided the State Legislative Update. Dan Crowley and Karishma Page of K&L Gates provided the Federal Legislative Update.

AGENDA ITEM 9b – SUMMARY OF BOARD DIRECTION

Board direction was given to bring back an analysis on CalPERS impacts to SB 351 and share with the full board and place it on the agenda in July.

Direction was also given to continue to find ways to engage with Impact Health and the California delegation.

And to provide the fiscal impact to 1383, which is the bill on PEPRA changes.

AGENDA ITEM 9d – PUBLIC COMMENT

JJ Jelincic, representing RPEA provided comment on a successful Catalyst event. He also mentioned his objection to hosting the Pathways for Women event.

Sara Grande, representing herself provided comment on the pending litigation she has with CalPERS.

Margaret Brown, representing RPEA thanked the Board for their support of AB 20. Ms. Brown also asked if CalPERS would continue to provide the Experian credit monitoring.

The Public meeting adjourned into closed session at approximately 12:10 p.m.

The Public meeting reconvened into open session at approximately 1:17 p.m. and adjourned.

Prepared by: KARA BUCHANAN
Committee Secretary

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MARCIE FROST
Chief Executive Officer

Board of Administration

Agenda Item 5b REVISED

June 18, 2025

Item Name: Board Travel Approvals

Program: Board of Administration

Item Type: Action Consent

Recommendation

Approve travel requests as required under the Board of Administration’s travel policy.

Over $500/Out of State/Country Travel Requests Approved by Board President:

Board Member	Date	Destination	Purpose	Estimated Costs
Kevin Palkki	June 22-25, 2025	Nashville, TN	International Foundation of Employee Benefit Program Advanced Trustee Institute	$3,660.28
Kevin Palkki	September 2-4, 2025	Park City, UT	Public Funds Forum	$2,683.46
Frank Ruffino	November 8-12, 2025	Honolulu, HI	International Foundation of Employee Benefit Program Advanced Leadership Summit & 71st Annual Employee Benefits Conference	$4,679.25
Ramon Rubalcava	August 15-19, 2025	Chicago, IL	National Conference on Public Employee Retirement Systems 2025 Public Pension Funding Forum	$2,050.37
Ramon Rubalcava	October 5-7, 2025	Austin, TX	International Foundation of Employee Benefit Plans Introduction to Public Sector Benefits Administration	$2,269.88
Ramon Rubalcava	November 8-12, 2025	Honolulu, HI	International Foundation of Employee Benefit Program 71st Annual Employee Benefits Conference	$3,669.39

Kevin Palkki	October 25-26, 2025	Fort Lauderdale, FL	National Conference on Public Employee Retirement Systems 2025 Program for Advanced Trustee Studies	$1,234.80
Kevin Palkki	October 26-29, 2025	Fort Lauderdale, FL	National Conference on Public Employee Retirement Systems Fall Conference	$2,297.37

There are Board Member Travel Reports attached.

Attachment 1

Attachment 2

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Theresa Taylor
President
Board of Administration

Investment Committee

Meeting Summary

June 18, 2025

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 Investment Committee met on June 16, 2025.

THE COMMITTEE approved the following:

- AGENDA ITEM 5a
  The Committee approved the Market Study Scope Report on the Financial Impact of Prevailing Wage and Labor Peace Agreements for Real Estate and Infrastructure Investments, with the following adjustments:
  - Inclusion of “skilled labor” within the scope,
  - Clarification of union engagement, and
  - Inclusion of potential California-specific analysis.

The Committee received reports on the following topics:

- Quarterly Chief Investment Officer Report,
- Asset Liability Management: Reference Portfolio Design and Active Risk Limits, and
- Private Equity, Private Debt, and Real Assets Annual Program Reviews.

The Chair directed staff to:

- Provide data on the performance of diverse and emerging managers.

The Committee heard public comment on the following topics:

- Climate change, private equity, private debt, and Tesla.

At this time, I would like to share some highlights of what to expect at the September Investment Committee meeting:

- CalPERS Trust Level Review,
- Asset Liability Management — First Reading of ALM Recommendations,
- Global Fixed Income and Global Public Equity Annual Program Reviews.

The next meeting of the Investment Committee is scheduled for September 15, 2025, in Sacramento, California.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION
Tuesday, July 15, 2025

The Board of Administration met on Tuesday, July 15, 2025, at the Monterey Marriott in Monterey, California.

The relevant portion of the meeting was called to order at approximately 8:33 a.m. and the following members were present:

Theresa Taylor, President
David Miller, Vice President
Deborah Gallegos for Malia Cohen
Michael Detoy
Frank Ruffino for Fiona Ma
Eraina Ortega
Jose Luis Pacheco
Kevin Palkki
Ramon Rubalcava
Yvonne Walker

Board of Administration Members excused: Mullissa Willette and Dr. Gail Willis

ACTION ITEM – APPROVAL OF THE 2026 TO 2030 PHARMACY BENEFIT MANAGER CONTRACT

On **MOTION** by Kevin Palkki, and **SECONDED** by Ramon Rubalcava, and **CARRIED**, with a roll call vote, the Board approved CVS Caremark as the pharmacy benefits manager vendor for the next pharmacy benefits contract starting January 1, 2026, to December 31, 2030.

Name	Yes	No	Abstain
David Miller	X		
Deborah Gallegos for Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Theresa Taylor			X

ACTION ITEM – APPROVAL OF 2026 HEALTH MAINTENANCE ORGANIZATION & PREFERRED PROVIDER ORGANIZATION PLAN PREMIUMS

On **MOTION** by Kevin Palkki, and **SECONDED** by Ramon Rubalcava, and **CARRIED**, with a roll call vote, the Board approved the 2026 Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) premiums along with the following items:

1. Replace Blue Shield of California's Trio plan in Monterey County with Access+ to ensure the long-term sustainability of the Trio product in the CalPERS portfolio.
2. Postpone UnitedHealthcare Harmony's expansion to El Dorado, Nevada, Placer and San Joaquin counties for one year.

Name	Yes	No	Abstain
David Miller	X		
Deborah Gallegos for Malia Cohen	X		
Michael Detoy	X		
Frank Ruffino for Fiona Ma	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Theresa Taylor			X

PUBLIC COMMENT:

JJ Jelincic, representing RPEA commented that the rates are too high.

Larry Woodson, representing CSR commented on the rates being too high.

APPROVAL TO MEET IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 11126(C)(18)(A)

On **MOTION** by Kevin Palkki, and **SECONDED** by Yvonne Walker, and **CARRIED**, the Board approved to go into closed session.

The Public meeting recessed into closed session at approximately 3:43 p.m.

The Public meeting reconvened into open session at approximately 4:51 p.m.

The Board reported that no action was taken in closed session.

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION
Wednesday, July 16, 2025

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The relevant portion of the meeting was called to order at approximately 8:33 a.m. and the following members were present:

Theresa Taylor, President
David Miller, Vice President
Deborah Gallegos for Malia Cohen
Frank Ruffino for Fiona Ma
Eraina Ortega
Jose Luis Pacheco
Kevin Palkki
Ramon Rubalcava
Yvonne Walker

Board of Administration Members excused: Michael Detoy, Mullissa Willette and Dr. Gail Willis

ACTION ITEM – PROPOSED DECISIONS OF ADMINISTRATIVE LAW JUDGES AND PETITION FOR RECONSIDERATION

On **MOTION** by David Miller, and **SECONDED** by Kevin Palkki, **CARRIED**, the Board adopted the proposed decisions for Danielle M. L. Wade and Cameron K. Handley, with the minor modifications argued by staff; and denied the petition for reconsideration for John M. Kilpatrick.

ACTION ITEM – BOARD TRAVEL APPROVAL

On **MOTION** by David Miller and **SECONDED** by Kevin Palkki, **CARRIED**, the Board approved the travel approvals.

ACTION ITEM – SENATE BILL 351 (CABALDON) – PRIVATE EQUITY OR HEDGE FUND OWNERSHIP OF HEALTH CARE

On **MOTION** by Jose Luis Pacheco, and **SECONDED** by David Miller, **CARRIED**, with one abstention by Eraina Ortega, the Board approved to adopt a support position on Senate Bill 352 as amended by June 16, 2025.

The Public meeting recessed into closed session at approximately 11:09 a.m.

The Public meeting reconvened into open session at approximately 11:45 a.m. and adjourned.

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer

Board of Administration REVISED

July 16, 2025

Item Name: Board Travel Approvals

Program: Board of Administration

Item Type: Action Consent

Recommendation

Approve travel requests as required under the Board of Administration’s travel policy.

Over $500/Out of State/Country Travel Requests Approved by Board President:

Board Member	Date	Destination	Purpose	Estimated Costs
Mullissa Willette	October 5-7, 2025	Austin, TX	International Foundation of Employee Benefit Plans Introduction to Public Sector Benefits Administration	$2,552.37
Mullissa Willette	October 8-9, 2025	Austin, TX	International Foundation of Employee Benefit Plans Public Sector 401, 403 and 457 Plans	$2,237.20
Mullissa Willette	October 10-12, 2025	Austin, TX	International Foundation of Employee Benefit Plans Investment Basics	$2,237.20
Jose Luis Pacheco	August 16-19, 2025	Chicago, IL	National Conference on Public Employee Retirement Systems 2025 Public Pension Funding Forum	$2,298.69

Theresa Taylor
President
Board of Administration