

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION**

Wednesday, September 17, 2025

The Board of Administration met on Wednesday, September 17, 2025, in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 9:30 a.m. and the following members were present:

Theresa Taylor, President
David Miller, Vice President
Malia Cohen
Michael Detoy
Lisa Middleton
Eraina Ortega
Jose Luis Pacheco
Kevin Palkki
Ramon Rubalcava
Yvonne Walker
Mullissa Willette
Dr. Gail Willis

Board of Administration Members excused: Frank Ruffino

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

The Board recessed into Closed Session at approximately 9:31 a.m.

The Board reconvened into Open Session at approximately 10:50 a.m.

The meeting was called to order and roll call was taken and the following members were present:

Theresa Taylor, President
David Miller, Vice President
Malia Cohen
Michael Detoy
Lisa Middleton
Eraina Ortega
Jose Luis Pacheco
Kevin Palkki
Ramon Rubalcava
Yvonne Walker
Mullissa Willette
Dr. Gail Willis

Board Member Willette took a moment of personal privilege to thank David from our Disability and Survivor Benefits Division for the work that he does.

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

AGENDA ITEM 3 – PRESIDENT’S REPORT

President Taylor thanked Kim Malm and her team for walking her through the process of retiring.

President Taylor welcomed Lisa Middleton back to the Board.

President Taylor recognized Marcie for receiving the PEWIN award.

AGENDA ITEM 4 – EXECUTIVE REPORT

a. Chief Executive Officer’s Report

Ms. Frost reported on the following:

- Upholding shareholder rights
- Upcoming CalPERS Educational Forum
- Pathways for Women conference

PUBLIC COMMENT:

Margaret Brown, representing RPEA, spoke about the CalPERS Board Election.

AGENDA ITEM 5 – CONSENT ITEMS

Action Consent Items

- a. Approval of June 18, 2025, July 15 and 16, 2025, Board of Administration Meeting Minutes
- b. Board Travel Approvals
- c. Approval of September 17, 2025, Board of Administration Timed Agenda
- d. Board and Committee Meeting Schedule – 2026

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

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	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 November 19, 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 September 15, 2025.

Additional information may be found in the September 15, 2025. Agenda materials and transcripts of the Committee meeting.

The next meeting of the Investment Committee is scheduled for November 17, 2025, in Sacramento, California.

b. Pension and Health Benefits Committee

Ramon Rubalcava, Chair, Pension and Health Benefits Committee presented the Committee Summary report to the Board. The Committee met on September 16, 2025.

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

The next meeting of the Pension and Health Benefits Committee is scheduled for November 18, 2025, in Sacramento, California.

c. Finance and Administration Committee

Kevin Palkki, Chair, Finance and Administration Committee presented the Committee Summary report to the Board. The Committee met on September 16, 2025.

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

- Making no changes to the discount rate and expected investment rate of return as a result of the risk mitigation event occurring for period ending June 30, 2025 since the formal Asset Liability Management (ALM) process is underway during the 2025 year. (FAC 5a)

- Approve recommendation to amend sections 588, 588.1, 588.2, 588.3, 588.4, 588.6, 588.7 and 588.8 and repeal sections 588.5, 588.9 and 588.10 of Article 7.6 of Subchapter 1 of Chapter 2 of Division 1 of Title 2 of the California Code of Regulations to clarify the California Public Employees' Retirement System's (CalPERS) operational procedures for maintaining risk pools and to refine criteria for rate plans to enter and cease participation in a risk pool. (FAC 5b)

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

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

The next meeting of the Finance and Administration Committee is scheduled for November 18, 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 September 16, 2025.

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 February 2026, 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 September 11, 2025.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the award of the contract to BDO USA, P.C , as the highest-ranking Finalist, subject to final negotiations and satisfaction of all requirements, and direct staff to begin contract negotiations for the contract with BDO USA, P.C. If staff, in its discretion, concludes that negotiations are unsuccessful, staff shall begin contract negotiations with Plante Moran, P.C. the next highest scoring Finalist, and so on.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Kevin Palkki	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

The Committee also met on September 17, 2025.

Additional information may be found in the September 11 and 17, 2025, agenda materials and transcripts of the Committee meeting.

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

PUBLIC COMMENT:

John Holden, representing himself spoke on the Golden Gate Bridge Transit Amalgamated pension plan.

AGENDA ITEM 8a – PROPOSED DECISIONS OF ADMINISTRATIVE LAW JUDGES

On **MOTION** by David Miller, **SECONDED** by, Jose Luis Pacheco, and **CARRIED**, with one abstention by Lisa Middleton, with a roll call vote, the Board moved to adopt the proposed decision of Administrative Law Judges (ALJ) for Agenda Item 8a1 through 8a5, and 8a7 through 8a9 with the minor modifications argued by staff to Agenda Item 8a1, and remand the proposed decision at 8a6 for the taking of additional evidence as argued by staff.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Lisa Middleton			X
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

AGENDA ITEM 8b – PETITIONS FOR RECONSIDERATION

On **MOTION** by David Miller, **SECONDED** by, Jose Luis Pacheco, and **CARRIED**, with one abstention by Lisa Middleton, with a roll call vote, the Board moved to deny the petition for reconsideration at Agenda item 8b1.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Lisa Middleton			X
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

AGENDA ITEM 8c – DIVERSITY, EQUITY & INCLUSION REQUEST FOR PROPOSAL SELECTION OF FINALISTS FOR INTERVIEWS

Brad Pacheco, Deputy Executive Officer presented the proposals and recommended the six highest ranking firms to move forward for interviews.

On **MOTION** by Kevin Palkki, **SECONDED** by, Jose Luis Pacheco, and **CARRIED**, with a roll call vote, the Board moved to approve the six recommended firms.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Michael Detoy	X		
Lisa Middleton			X
Eraina Ortega	X		

Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

AGENDA ITEM 8d – CHIEF EXECUTIVE OFFICERS 2024-25 INCENTIVE AWARD AND 2025-26 BASE SALARY

On **MOTION** by David Miller, **SECONDED** by, Ramon Rubalcava, and **CARRIED**, with three abstentions by Malia Cohen, Michael Detoy and Jose Luis Pacheco, and with one no vote by Mullissa Willette, with a roll call vote, the Board moved to approve the Chief Executive Officer's 2024-25 incentive award of \$766,782 and the Chief Executive Officer's 2025-26 base salary of \$619,440.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen			X
Michael Detoy			X
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco			X
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette		X	
Dr. Gail Willis	X		
Theresa Taylor			X

PUBLIC COMMENT:

JJ Jelincic representing RPEA, spoke on the CEO's pay.
Margaret Brown, representing RPEA, spoke on the CEO's pay.
AL Darby, representing RPEA, spoke on the CEO's pay.
Dev Burger, representing herself, spoke on the CEO's pay.
Stephen Palmer, CalPERS member, spoke on the CEO's pay.

AGENDA ITEM 9a – STATE AND FEDERAL LEGISLATIVE UPDATE

Danny Brown, Chief of Legislative Affairs, provided the State Legislative Update. Yvette Fontenot provided the Federal Legislative Update.

AGENDA ITEM 9b – SUMMARY OF BOARD DIRECTION

No Board direction was given.

AGENDA ITEM 9c – PUBLIC COMMENT

Martha Penry, spoke on the CalPERS Pathways for Women Conference.
Sara Granda, representing herself spoke on her pending litigation case.
Gloria Berrera spoke about caring for Sara Granda.
JJ Jelincic, representing himself, spoke on the start time of the open session of the PCTM Committee meeting.

The Public meeting adjourned into closed session at approximately 12:15 p.m.

The Public meeting was reconvened into open session at approximately 12:39 p.m. and adjourned.

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer



Board of Administration Agenda Item 5b

REVISED

September 17, 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	December 16-18, 2025	Las Vegas, NV	CORPATH Summit and Crystal Globe Awards	\$700.12
Theresa Taylor	October 6-10, 2025	Toronto, ON, Canada	International Centre for Pension Management Rotman Pension Governance Education	\$3,619.48

There are Board Member Travel Reports attached.

Attachment 1

Attachment 2

Attachment 3

Attachment 4

Attachment 5

Attachment 6

Theresa Taylor
President
Board of Administration



Investment Committee Meeting Summary

September 17, 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 September 15, 2025.

The Committee received reports on the following topics:

- CalPERS Trust Level Review,
- Asset Liability Management: First Reading of Public Employees' Retirement Fund Recommendations, and
- Global Fixed Income and Global Public Equity Annual Program Reviews.

The Chair directed staff to:

- Conduct a risk assessment associated with owning Tesla stock.

The Committee heard public comment on the following topics:

- Climate change, private equity, and Tesla.

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

- Asset Liability Management — Public Employees' Retirement Fund Recommendations,
- Total Fund Portfolio Management and Sustainable Investments Annual Program Reviews,
- Diversity in the Management of Investments (AB 890),
- Responsible Contractor Policy Annual Review, and a
- Consultant Review of CalPERS Divestments.

The next meeting of the Investment Committee is scheduled for November 17, 2025, in Sacramento, California.