

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

Wednesday, November 20, 2024

The Board of Administration met on Wednesday, November 20, 2024, in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

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

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

Board of Administration Members excused: None

Board Members Malia Cohen and Dr. Gail Willis participated remotely and attested to being alone.

AGENDA ITEM 3 – PRESIDENT’S REPORT

President Taylor recognized Veteran’s Day and CalPERS Spotlight on Excellence recipients. President Taylor also recognized Board Member Lisa Middleton for her 50 years in public service.

AGENDA ITEM 4 – EXECUTIVE REPORT

a. Chief Executive Officer’s Report

Ms. Frost also congratulated Board Member Lisa Middleton for her 50 years in public service.

Ms. Frost reported on the following:

- Climate focused investing
- Corporate governance
- Health Care policy

AGENDA ITEM 5 – CONSENT ITEMS

Action Consent Items

- a. Approval of the September 18, 2024 Board of Administration Meeting Minutes
- b. Board Travel Approvals
- c. Approval of the November 20, 2024, Board of Administration Timed Agenda
- d. Biennial Review of CEO Delegation Resolution

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

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Theresa Taylor			X

AGENDA ITEM 6 – CONSENT ITEMS

Information Consent Items:

- a. Board Meeting Calendar
- b. Draft Agenda for the February 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 November 18, 2024.

Additional information may be found in the November 18, 2024. Agenda materials and transcripts of the Committee meeting.

The next meeting of the Investment Committee is scheduled for March 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 November 19, 2024.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the following health plan service area expansions for 2026:

1. Kaiser Permanente service area expansion into Monterey County
2. UnitedHealthcare service area expansion into El Dorado, Nevada, Placer, and San Joaquin Counties

And approved the following benefit design change for 2025:

1. Eliminate member cost sharing following a rape or sexual assault for HMO and PPO plans. (PHBC item 6a)

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Theresa Taylor			X

Additional information may be found in the November 19, 2024, Agenda materials and transcripts of the Committee meeting.

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

c. Finance and Administration Committee

Lisa Middleton, Chair, Finance and Administration Committee presented the Committee Summary report to the Board. The Committee met on November 19, 2024.

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

- The November 2024 Prospective Report of Solicitations, Contracts, Purchase Orders and Letters of Engagement (FAC Item 3c)
- An additional one-year contract term extension for the investment office contracts to fulfill the board’s duty to serve the interests of system members and beneficiaries (FAC Item 3d)

- The reappointment of Scott Terando, Chief Actuary, as the CalPERS representative to the California Actuarial Advisory Panel (CAAP) for the next three-year term. (FAC Item 3e)
- The request for additional \$7.5 million in funding for the Investment Data and Technology Modernization Initiative as part of the FY 2024-25 mid-year budget. (FAC Item 5a)
- A \$56.5 million increase for a revised total budget of \$2.527 billion. (FAC Item 5b)
- The draft CalPERS 2023-24 Basic Financial Statements. (FAC Item 5c)
- The annual discharge of accounts receivable in the amount of \$6,356,141. (FAC Item 5d)

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Theresa Taylor			X

Additional information may be found in the November 19, 2024, Agenda materials and transcripts of the Committee meeting.

The next meeting of the Finance and Administration Committee is scheduled for February 18, 2025, in Sacramento, California

d. Performance, Compensation and Talent Management Committee

Committee did not meet.

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

e. Risk and Audit Committee

David Miller, Chair, Risk & Audit Committee presented the Committee Summary report to the Board. The Committee met on November 19, 2024.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the CalPERS Board of Administration’s Independent Financial Statement Auditor’s Report, and the accompanying required reports for the fiscal year ended June 30, 2024, and the CalPERS Board of Administration's (Board) Independent Financial Statement Auditor's (Independent Auditor) Management Letter for the fiscal year ended June 30, 2024. (RAC Items 5a and 5b.)

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Kevin Palkki	X		
Ramon Rubalcava	X		
Yvonne Walker	X		
Mullissa Willette	X		
Theresa Taylor			X

Additional information may be found in the November 19, 2024, Agenda materials and transcripts of the Committee meeting.

The next meeting of the Risk and Audit Committee is scheduled for February 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 2024 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 Items 8a1 through 8a11 as the Board’s own decisions with the minor modifications argued by staff to agenda items 8a2, 8a5, and 8a7 through 8a10.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	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
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AGENDA ITEM 8b – PETITIONS FOR RECONSIDERATION

On **MOTION** by David Miller, **SECONDED** by, Jose Luis Pacheco, and **CARRIED**, with a roll call vote, the Board moved to deny the petitions at Agenda Item 8b1 and 8b2.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	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 9a – STATE AND FEDERAL LEGISLATION UPDATE

Danny Brown, Chief of Legislative Affairs, provided the State Legislative Update and Dan Crowley provided the Federal Legislative Update.

AGENDA ITEM 9b – SUMMARY OF BOARD DIRECTION

No direction was given.

AGENDA ITEM 9c – PUBLIC COMMENT

Willette Jacobs, representing herself provided comment regarding her warrant.

JJ Jelincic, representing RPEA spoke about the Pathways event.

The Board convened into Closed Session at approximate 10:19 a.m. and reconvened at approximately 11:17 a.m.

The meeting adjourned at approximately 11:17 a.m.

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer



Board of Administration Agenda Item 5b

REVISED

November 20, 2024

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 28-30, 2024	Boston, MA	Trustee Leadership Forum Peer Mentoring Project Kickoff Convening 2024	\$1,338.98
Patrick Henning	December 10-12, 2024	Las Vegas, NV	CORPATH 2024 Summit	\$648.24
Kevin Palkki	February 23-25, 2025	San Diego, CA	The International Foundation of Employee Benefit Plans Health Benefit Plan Basics	\$2,075.40
Kevin Palkki	February 26-27, 2025	San Diego, CA	The International Foundation of Employee Benefit Plans Health Care Cost Management	\$2,075.40
Kevin Palkki	February 28-March 1, 2025	San Diego, CA	The International Foundation of Employee Benefit Plans Funding and Finance of Health Benefits	\$2,075.40
Yvonne Walker	January 8-10, 2025	Scottsdale, AZ	Opal Public Funds Summit	\$1,198.16

There are Board Member Travel Reports attached.

Attachment 1

Attachment 2

Attachment 3

Attachment 4

Attachment 5

Attachment 6

Attachment 7

Theresa Taylor
President
Board of Administration



Investment Committee Meeting Summary

November 20, 2024

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 November 18, 2024.

The Committee received reports on the following topics:

- Quarterly Chief Investment Officer Report,
- Asset Liability Management,
- Total Fund Portfolio Management Annual Program Review,
- Sustainable Investments Annual Program Review,
- Diversity in the Management of Investments (AB 890),
- CalPERS for California, and a
- Consultant Review of CalPERS Divestments.
- The Chair directed staff to add percentages of managers by asset class and a peer comparison to the annual AB 890 report moving forward.

The Committee heard public comment on the following topics:

- ASL interpreters, private equity investments, and sustainable investments.

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

- Policy Changes for Responsible Contractor Policy,
- CalPERS Trust Level Review Consultant Report,
- CalPERS Trust Level Review, and
- Proxy Voting and Corporate Engagements Update.

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

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION
Monday, January 13, 2025**

The Board of Administration met on Monday, January 13, 2025, in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

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

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

Board of Administration Members excused: None

The Board re-elected Theresa Taylor as CalPERS Board President.

The Board re-elected David Miller as CalPERS Board Vice President.

Action Item – Proposed Decisions of Administrative Law Judges

On **MOTION** by David Miller, and **SECONDED** by Jose Luis Pacheco, and **CARRIED**, with a roll call vote, the Board moved to adopt the proposed decisions of Administrative Law Judges (ALJ) for Agenda Items 1 through 7, 9, and 11 through 14 as the Board's own decisions with the minor modification as argued by staff to Agenda Items 2, 3, 5, 7, 9 and 11 and to remand Agenda Item 8 for the taking of additional medical evidence.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	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

On **MOTION** by David Miller, and **SECONDED** by Ramon Rubalcava, and **CARRIED**, with a roll call vote and with one recusal from Jose Luis Pacheco, the Board moved to adopt the proposed decisions of Administrative Law Judges (ALJ) for Agenda Item 10 as the Board's own decisions.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	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

Action Item – Petitions for Reconsideration

On **MOTION** by David Miller, and **SECONDED** by Jose Luis Pacheco, and **CARRIED**, with a roll call vote, the Board moved to deny the Petition for Reconsideration Agenda Items 1 through 4.

Name	Yes	No	Abstain
David Miller	X		
Malia Cohen	X		
Frank Ruffino for Fiona Ma	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

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer



Board of Administration

REVISED

January 13, 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
Ramon Rubalcava	February 25-27, 2025	San Diego, CA	International Foundation of Employee Benefit Program Investment Basics	\$2,296.16
Mullissa Willette	February 23-25, 2025	San Diego, CA	International Foundation of Employee Benefit Program Health Benefit Plan Basics	\$2,680.58
Mullissa Willette	February 25-27, 2025	San Diego, CA	International Foundation of Employee Benefit Program Basic Compensation Concepts	\$2,460.58
Mullissa Willette	February 27 – March 1, 2025	San Diego, CA	International Foundation of Employee Benefit Program Retirement Plan Basics	\$2,460.58
Mullissa Willette	March 3-6, 2025	Vancouver, BC, Canada	SHARE Investor Summit and Pre-Summit Education Day	\$2,308.80
Kevin Palkki	March 4-7, 2025	Seattle, WA	Pacific Pension & Investment Institute Winter Roundtable	\$2,643.83

Lisa Middleton	March 10-12, 2025	Washington D.C	Council of Institutional Investors Spring Conference	\$2,306.80
Ramon Rubalcava	March 10-12, 2025	Washington D.C	Council of Institutional Investors Spring Conference	\$1,850.75
Ramon Rubalcava	April 29 – May 2, 2025	Fort Myers, FL	International Foundation of Employee Benefits Plans Investment Institute 2025	\$3,037.75

There are Board Member Travel Reports attached.

- Attachment 1
- Attachment 2
- Attachment 3
- Attachment 4
- Attachment 5
- Attachment 6
- Attachment 7
- Attachment 8

Theresa Taylor
 President
 Board of Administration