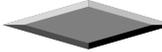


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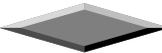
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**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**MINUTES OF SPECIAL MEETING**

**Wednesday, August 29, 2012**

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The Board of Administration met on Wednesday, August 29, 2012 in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 1:00 p.m. and the following members were present:

Rob Feckner, President  
George Diehr, Vice President (via telephone)  
Michael Bilbrey (via telephone)  
Ralph Cobb for Julie Chapman  
Terry McGuire for John Chiang  
Richard Costigan (via telephone)  
Dan Dunmoyer  
JJ Jelincic  
Henry Jones (via telephone)  
Steve Coony for Bill Lockyer  
Priya Mathur  
Bill Slaton

Board of Administration Members excused: none.

**AGENDA ITEM 2 – GOVERNMENT CODE SECTION 11125.4 FINDING (HARDSHIP CAUSED BY GENERAL NOTICE REQUIREMENT)**

On **MOTION** by President Feckner, **SECONDED** by JJ Jelincic and **CARRIED**, the Board adopted the following findings:

- The delay caused by providing notice at least ten days in advance of a meeting as generally required would cause a substantial hardship on this Board.
- On the evening of August 28, 2012, the Conference Committee on Public Employee Pensions of the California Legislature held a hearing and passed a pension reform bill, the Public Employees' Pension Reform Act of 2013. The Legislature did not release the text of this bill to the public until this hearing. The full legislature is scheduled to vote on this bill on Friday, August 31.

- If the full ten days' notice requirement were followed, the Board would be unable to review, analyze, or otherwise consider this bill prior to the final vote by the Legislature.
- Because the bill will have a substantial impact on the public pension plans administered by CalPERS, the Board would suffer a substantial hardship if it were unable to consider this legislation and present its views prior to the Legislature's vote on the bill.

### **AGENDA ITEM 3 – PROPOSED LEGISLATION – PENSION REFORM**

- Danny Brown, Chief, Governmental Affairs, presented the Preliminary Analysis of the Conference Committee Report (Attachment 1).
- Alan Milligan, Chief Actuary, presented the Preliminary Summary of Reform Provisions Including Staff Recommendations (Attachment 2).
- Staff answered Board member questions in a question and answer session.
- Public Comment:
  - Rusty Dupray, Sacramento Metro Fire, expressed his concern about the extent to which the reform provisions will affect existing employees' benefits.
- The Chair directed Staff to release the CalPERS Statement on Conference Committee Pension Reform Proposal (Attachment 4) in final form as CalPERS official policy statement.

There being nothing further to come before the Board of Administration, the meeting adjourned at 3:00 p.m.

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ANNE STAUSBOLL  
Chief Executive Officer