



Finance and Administration Committee Agenda Item 6c

September 19, 2017

Item Name: Legislative Pension Costing Request

Program: Pension

Item Type: Information

Executive Summary

Members of the California Public Employees' Retirement System (CalPERS) Board of Administration (Board), Richard Costigan and Dana Hollinger, recently received separate letters from State Senator John Moorlach (R-Costa Mesa) requesting their assistance in having CalPERS provide cost estimates for two proposals that change pension benefits for CalPERS members and beneficiaries. Board Members Costigan and Hollinger asked that these requests be put on the Committee's agenda for discussion.

Strategic Plan

Fund Sustainability – Changes in benefit structure have the ability to address the long-term sustainability of the pension system.

Background

- Senator Moorlach's request to Mr. Costigan (Attachment 1) is for a cost estimate of having the service of current active employees in the CalPERS classic member benefit categories covered on a going-forward basis under the benefit formulas that apply to new CalPERS members under the Public Employees' Pension Reform Act of 2013 (PEPRA).
- Senator Moorlach's request to Ms. Hollinger (Attachment 2) is for a cost estimate of temporarily suspending Cost of Living Adjustments (COLAs) for CalPERS members and beneficiaries that receive a monthly retirement allowance.

Attachments

Attachment 1 – Letter from Senator Moorlach to Board Member Richard Costigan

Attachment 2 – Letter from Senator Moorlach to Board Member Dana Hollinger

Brad W. Pacheco

Deputy Executive Officer

Communications & Stakeholder Relations