

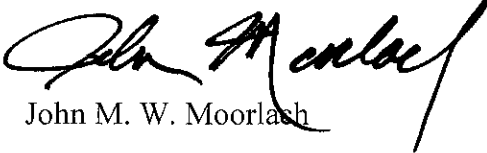
As a sitting member of the Senate Public Employment and Retirement Committee, I'm committed to exploring best-practices to mitigate/manage the imminent cost increases and budgetary pressures facing our local governments. You observed that from my inquiries at the Joint Informational Hearing last Wednesday morning. I would like to request your assistance.

I respectfully request that the CalPERS Risk & Audit committee and staff analyze the impacts associated with temporarily suspending automatic cost of living adjustments for retirees until such time that the overall funded status of the pension fund is stable. Such an action would not affect current active members nor would it be intended to be a permanent suspension.

As you may know I authored Senate Bill (SB) 32, California Public Employees' Pension Reform Act of 2018, a measure that (in part) would have eliminated COLA's temporarily. Unfortunately, the measure did not move out of the Senate Public Employment and Retirement Committee. It is important to have this information available to inform stakeholder conversations and inform all California taxpayers of the impacts such an action would have to the overall funded status of the CalPERS retirement fund.

We are here to serve all Californians. It is our responsibility to explore any and all options within reason to assist our counties, cities, and school and special districts through these financially uncertain times. What's most important is that we work *together* to ensure the long term health and sustainability of CalPERS. I am hopeful that the committee and staff will provide the potential cost savings projections to my office in a timely manner.

Very truly yours,



John M. W. Moorlach

CC: Members, CalPERS Finance & Administration Committee
Members, CalPERS Board of Directors
Marcie Frost, Chief Executive Officer, CalPERS
Scott Terando, Chief Actuary, CalPERS