



CITY OF HAYWARD

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Cover Memo

File #: RPT 22-043, **Version:** 1

DATE: April 19, 2022

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT

CalPERS Pension Unfunded Accrued Liability (UAL) Update and Analysis of Restructuring Concepts

RECOMMENDATION

That the Council receives this report and considers whether a future agenda item is desired to direct staff to continue exploring pension restructuring options.

SUMMARY

The City has been diligent about monitoring changes at CalPERS over the last several years, providing regular updates to the Council Budget and Finance Committee (Committee) and Council, as well as factoring these changes into the City's budget and projections. With interest rates at historically low levels, many agencies (>85) in California have recently restructured a portion of their UAL at significantly lower interest rates (vs. the 6.8% that CalPERS is charging the City on this debt) to achieve financial savings, enhanced budgetary predictability, and future fiscal sustainability. This presentation was originally presented to the Committee on March 16th, with unanimous guidance from the Committee to bring it forward to the full Council.

ATTACHMENTS

Attachment I Staff Report