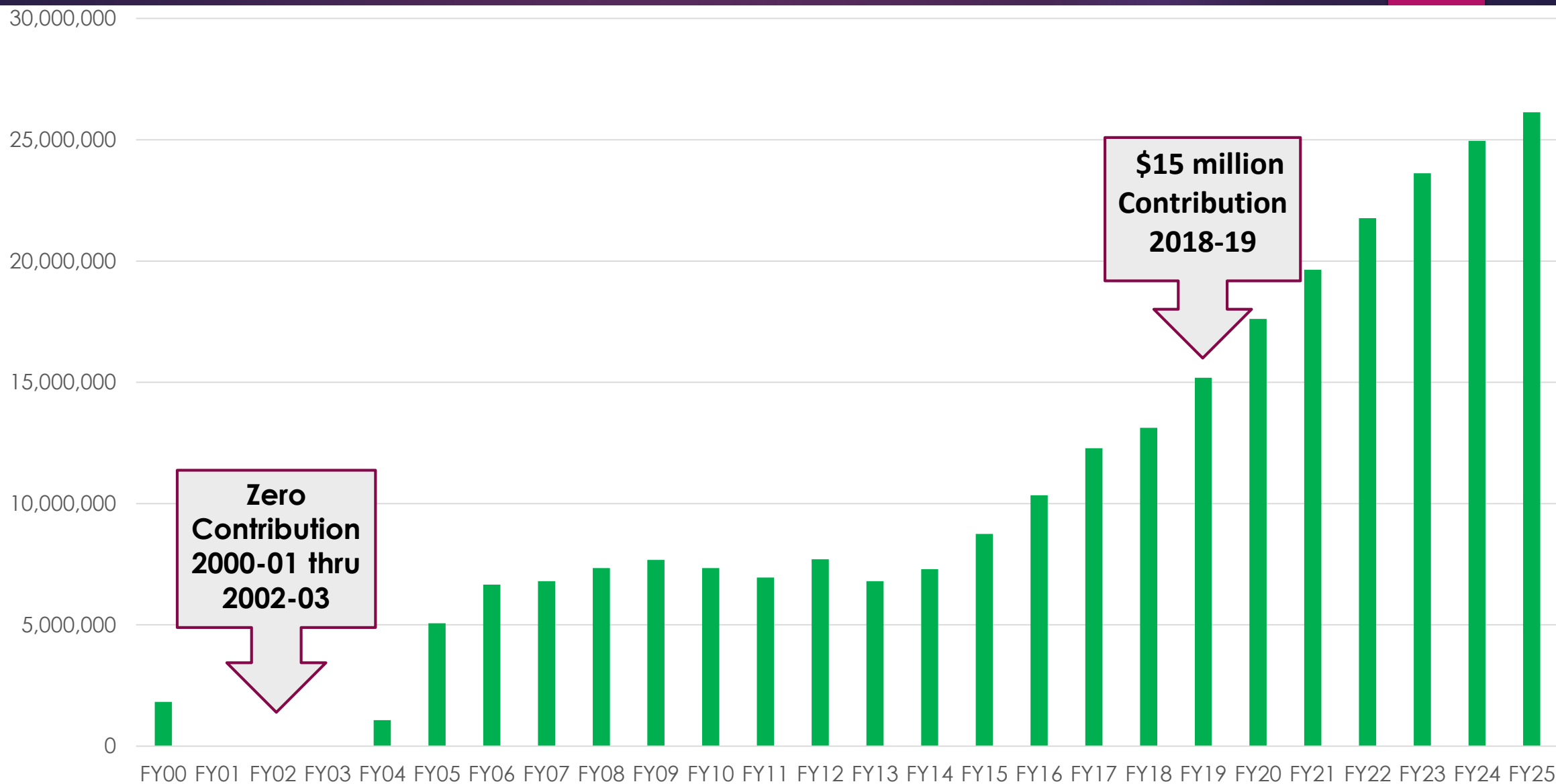




# Pension Update from CalPERS

CITY COUNCIL WORK SESSION / FEBRUARY 13, 2018

# San Leandro Pension Costs



Source: CalPERS

Jurisdiction	General Fund Reserves	Unfunded Pension Liability
Alameda County	-	\$1,403m
Alameda	\$19.9m	\$166m
Albany	\$4.2m	\$19m
Berkeley	\$45.8m	\$447m
Dublin	\$21.3m	\$8m
Emeryville	\$20.6m	\$26m
Fremont	\$27.8m	\$268m
Hayward	\$26.0m	\$284m
Livermore	\$31.9m	\$107m
Newark	\$20.4m	\$68m
Oakland	\$39.6m	\$1,121m
Piedmont	\$4.6m	\$4m
Pleasanton	\$20.6m	\$115m
San Leandro	\$19.1m	\$166m
Union City	\$8.4m	\$45m

2015 Data

Source: Alameda  
County LAFCo

# Net Post Employment Liabilities

	Description	% of ARC	Annual Required Contribution (ARC)	Overall
1	Miscellaneous unfunded CalPERS	100%	\$8.1M	\$90.0M
2	Safety unfunded CalPERS	100%	7.2M	81.3M
3	Miscellaneous/Safety unfunded OPEB	650%	0.96M	15.6M
4	Fire Department unfunded OPEB * City's portion, ACFD pays difference	47%	2.14M	23.97M
	<b>Total</b>		<b>\$18.4M</b>	<b>\$210.87M</b>

2017 Data

# City Response

- ▶ Employee labor contracts that require all employees to pay the full employee share
- ▶ 100% payment of ARC starting in 2014
- ▶ 100% ARC payment plus PULL contributions

**Statewide:** PEPRAs reduced benefit formulas for employees hired after 1/1/2013.  
Currently applies to approximately 30% of the workforce statewide.

# PULL Program

## ► Prioritizing Unfunded Liability Liquidation

1. Pay 100% of the Annual Required Contribution (ARC).
2. Direct up to 50% of all annual General Fund carryover toward the PULL Plan.
3. Direct up to 50% of all General Fund land sales toward PULL Plan.
4. Review the 20% emergency contingency fund target with a goal of 16.6%
5. Create a separate San Leandro trust for the PULL Plan.

Goal

\$5m over  
5 years

Actual

\$14m so far

# What's Next?

- ▶ Continue to fund the PULL Program
- ▶ Cost and Revenue Efficiency (CARE) Team
- ▶ Monitor legal cases (“California Rule”)
- ▶ Explore potential solutions through labor negotiations
- ▶ Prepare a long-term financial forecast