

Status of CalPERS Unfunded Liability

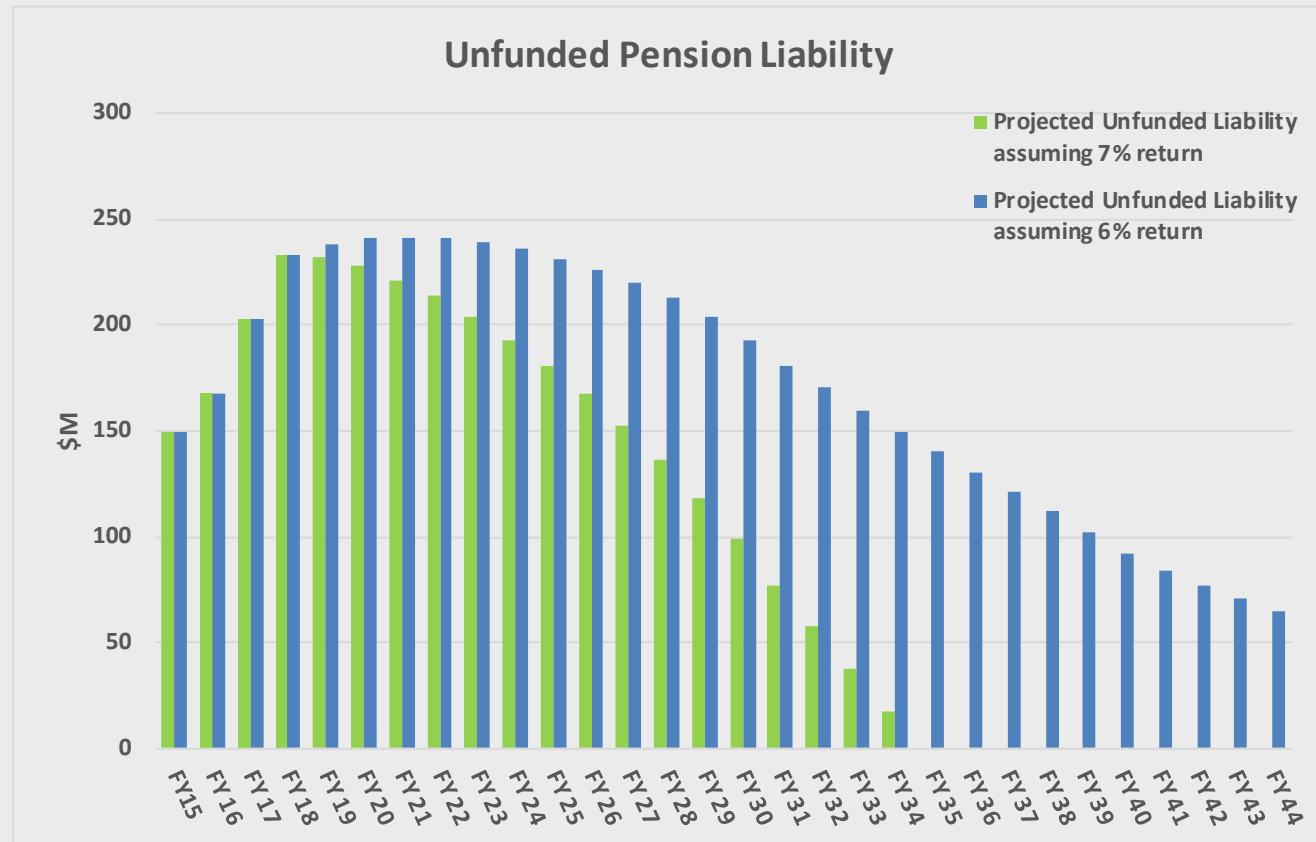
Total Pension Liability is 70.7% funded as of 6/30/18

If assume 7% return:

- Achieve 80% funded by FY 24
- Achieve 100% funded by FY 35

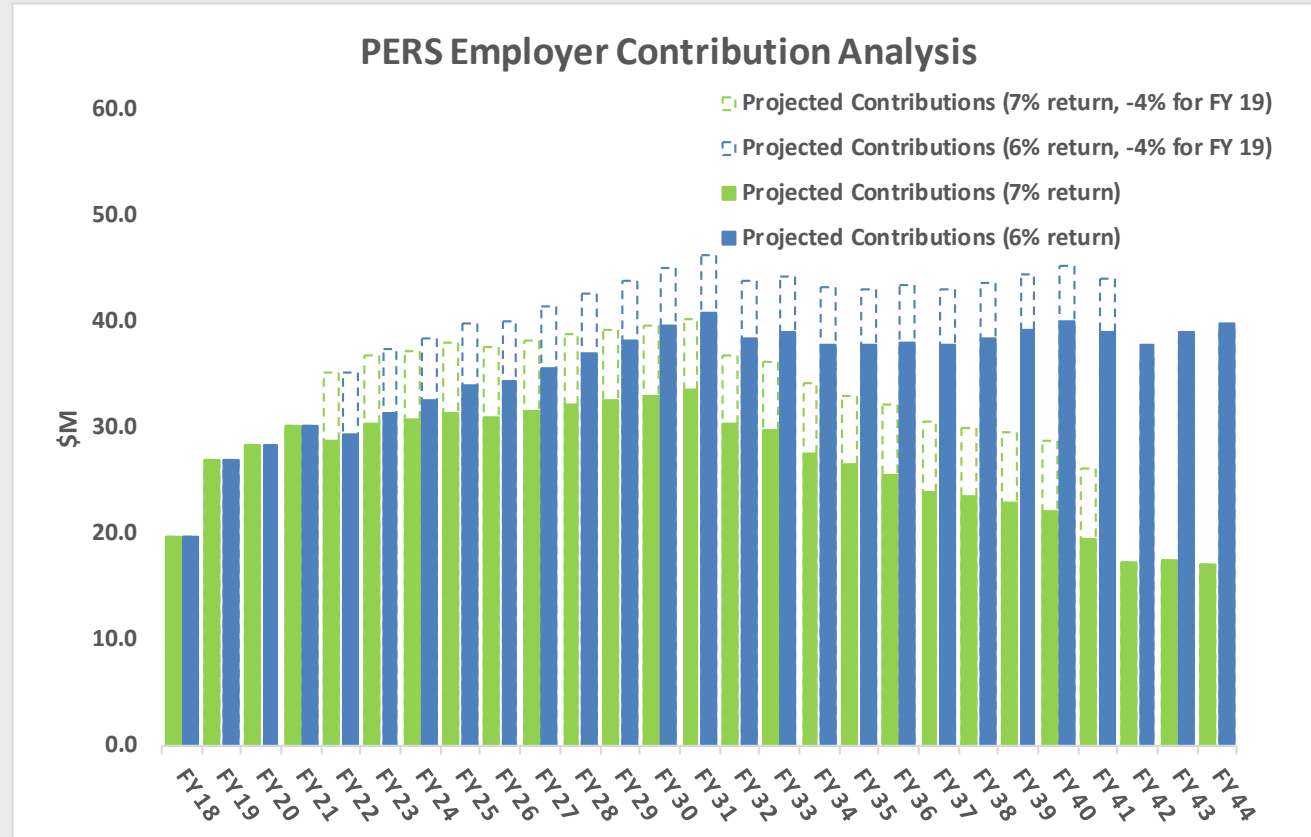
If assume 6% return:

- Achieve 80% funded by FY 27
- Max funded ratio achieved is 97% by FY 42



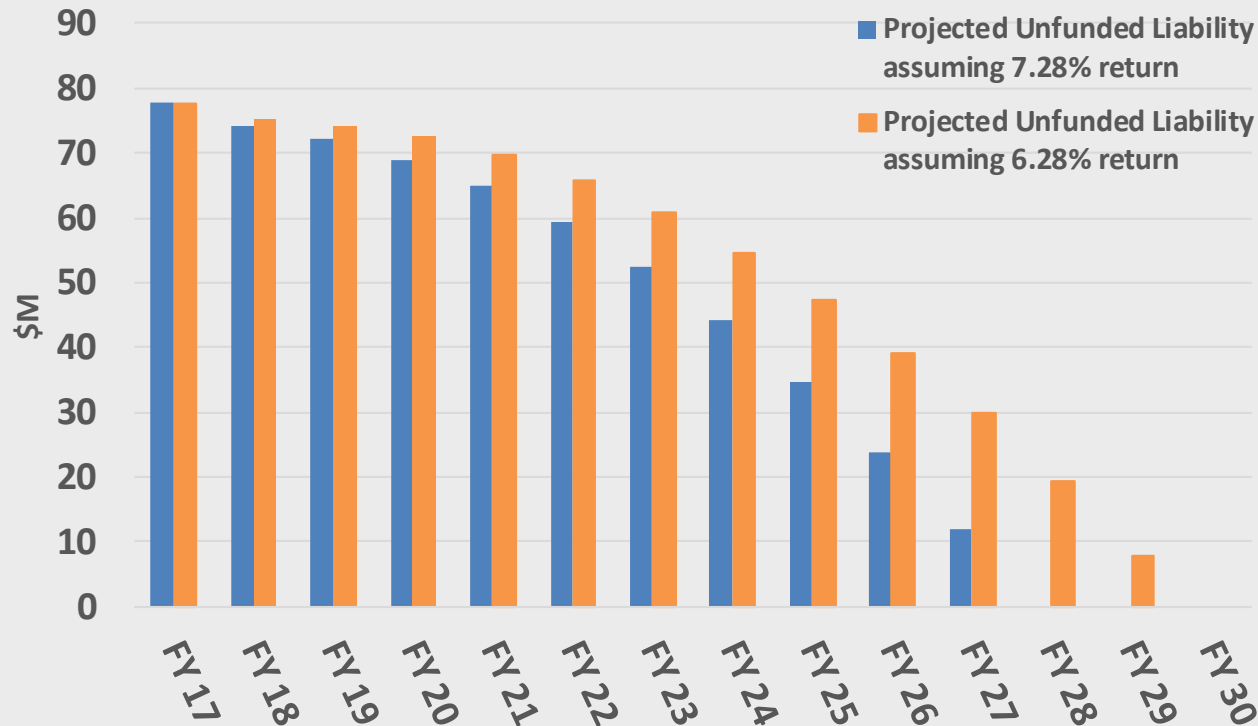
Status of CalPERS Contributions

- Staff prepared fund financial models include PERS contribution forecast equivalent to 6% average return (blue bar)
- If FY 19 year-end investment return is -4%, future employer contributions will increase by \$6.5M per year in FY 22, and 80% and 100% funding dates will push out by 2 to 4 years



OPEB Unfunded Liability on Target for FY 28 to FY 30 Payoff

Unfunded OPEB Liability



- FY 17 Unfunded OPEB Liability = \$77.6M (for FY 18 reporting date in CAFR)
- Estimated FY 18 Unfunded OPEB Liability = \$74.0M
- Projections assume no OPEB trust fund contributions
- Board redirected \$3M/yr from OPEB trust fund contribution to PERS unfunded liability for 3 years (FY 19 thru FY 21)