

STAFF REPORT

SUBJECT: Pension Liability Assessment

FROM: Tamara Edwards, Director of Finance, Interim Executive Director

DATE: September 19, 2022

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**Action Requested**

This is an information item there will be a presentation by Andrew Flynn from CalMuni Advisors and discussion.

**Background**

LAVTA has a policy regarding our 115 Trust contributions but not one for our Pension Liabilities as a whole. Staff has been working with CalMuni Advisors in order to develop a policy for the agency.

**Discussion**

At the Committee Meeting Andrew Flynn from CalMuni will provide an overview of the Authority's current and forecasted Unfunded Actuarial Liability (UAL). The discussion will include what unfunded liabilities are, how they work, and how left unmanaged they can become a increasing burden to the Authority. Additionally, Andrew will share an overview of the key liability mitigation techniques that form the building blocks of a robust pension UAL management policy.

Following the meeting the committee will be provided with a baseline policy that will serve as a starting point for the effort to craft a UAL policy that meets the Authority's long term needs.

**Recommendation**

None – information only.