



California Public Employees' Retirement System
P.O. Box 942715 | Sacramento, CA 94229-2715
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442
www.calpers.ca.gov

Financial

Circular Letter

March 2, 2021

Circular Letter: 200-017-21

Distribution: VI

To: All Contracting Public Agencies
Subject: Save 3.5% Interest Through a UAL Lump-Sum Prepayment

Purpose

The purpose of this Circular Letter is to inform you about the option of prepaying your annual unfunded actuarial liability (UAL) to save 3.5% interest.

Save 3.5% Interest by Prepaying Annual UAL in July

Springtime is the budget planning season for many public agencies, and we want to make sure you are aware of this cost-saving option available to all CalPERS contracting agencies. If you make a lump-sum prepayment of your annual UAL in July, we will credit your plan with a 3.5% interest savings. When your contributions are invested early in the fiscal year it gives a better chance of maximizing potential investment returns throughout the remainder of the year. Last year, nearly 70% of our contracting agencies took advantage of this incentive and saved money. We just want to make sure you are aware of this option while planning your budget. **This incentive is exclusive to the month of July.**

Find Your Prepayment Amount

There are two ways to find your lump-sum prepayment amount. You can view your agency's most recent [actuarial valuation report](#) on the CalPERS website. The annual UAL prepayment amount is found on page 4 under required contributions. Or you can contact your assigned actuary.

Payment Timing and Methods

Your UAL receivables are available in myCalPERS starting July 1, 2021. Lump-sum UAL prepayments must be received and posted by CalPERS no later than July 31, 2021 or myCalPERS will automatically set up a twelve-month payment plan. Payments should be made by the following methods.

Payment Method	Payment Instructions	Due Date
EFT Debit	Log in to myCalPERS to make a payment. For lump-sum payments enter the amount of the prepayment manually.	Payments should be set up no later than Wednesday July 28, 2021, with a settlement date no later than Friday July 30, 2021.
EFT Credit	Use your own financial institution payment system, send payments to the following: Bank Name: Union Bank Address: 400 California St., San Francisco, CA 94104 ABA/Routing Number: 122000496 Account Number: 0050206971 Information Text: For credit to: CalPERS Identify your myCalPERS ID, receivable ID, and amount of payment.	EFT credit payments must settle no later than Friday July 30, 2021. If submitting a payment using this method for the first time, email FCSD_Cashiers@calpers.ca.gov prior to your payment settlement to ensure timely processing.

Payment Method	Payment Instructions	Due Date
Wire Transfer	Bank Name: Bank of America Sacramento Main Address: 555 Capitol Mall, Suite 765 Sacramento, CA 95814 ABA/Routing Number: 0260-0959-3 Account Number: 01482-80005 Information Text: For credit to: State of CA, CalPERS Identify your agency name, myCalPERS ID, Rate plan ID, Receivable ID, and reason for payment (UAL)	Wires must settle no later than Friday, July 30, 2021. To ensure timely crediting to your account, any individual wire totaling more than \$5,000,000 will require a 72-hour notice by emailing both FCSD_Public_Agency_Wires@calpers.ca.gov AND your assigned actuary. Attach your UAL invoice to the email.

Additional Resources

For additional information on EFT/ACH payment options, refer to the [Electronic Funds Transfer Student Guide \(PDF\)](#) located on the CalPERS website.

Questions

If you have any questions, call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Michele Nix, Controller
Financial Reporting & Accounting Services Division