

SANITARY DISTRICT NO. 5 OF MARIN COUNTY

**2001 Paradise Drive
Tiburon, California 94920**

AGENDA

**Special Finance & Fiscal Oversight Committee Special Meeting
Thursday, September 14th 2023, 4:30 p.m.**

Teleconference Location:
Director Richard Snyder
10 Pomander Way
Belvedere CA 94920

PURSUANT TO THE RALPH M. BROWN ACT, ALL VOTES SHALL BE
BY ROLL CALL DUE TO DIRECTOR SNYDER TELECONFERENCE FROM
10 POMANDER WAY, BELVEDERE CA 94920

I. Roll Call

II. Public Comments

III. New Business

- 1. Warrants for August 11th through September 14th 2023**
- 2. Financial reports for August 2023**
- 3. Review SD5 GASB 75 Disclosures for Fiscal Year Ending June 30, 2023 based on OPEB (Other Post Employment Benefits) Valuation as of June 30, 2022- Prepared by GovInvest**
- 4. Review SD5 CalPERS Miscellaneous Plan (Classic Members 2.7%^{@55}) Annual Valuation report as of June 30, 2022**
- 5. Review SD5 CalPERS PEPRA Plan (PEPRA Members 2.0%^{@62}) Annual Valuation report as of June 30, 2022**
- 6. Upcoming District obligations for September 2023 through October 2023**

IV. Adjournment

This Committee may be attended by Board Members who do not serve on this committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

Accessible public meetings: Any member of the public who needs accommodation should email the Office Manager, at rdohrmann@sani5.org, who will use her best efforts to provide as much accessibility as possible while also maintaining public safety.

Sanitary Distr. No.5 of Marin Co.
Warrant List Summary - REVISED
 August 11 through September 14, 2023

Item #1A

Num	Date	Name	Memo	Amount
		JP Morgan Chase - Primary 7399		
EFT	09/14/23	CalPERS	EFT Health Premium, Cust #4163206459 - September 2023	-21,796.07
EFT	09/14/23	PERS	EFT PERS Pension - August 2023	-25,604.98
9965	09/14/23	Access Answering Service	Acct #4080C, Answering Service - September 2023	-75.90
9966	09/14/23	Alameda Electrical Distributors, Inc.	Acct #56156: Electrical parts & supplies - August 2023	-1,887.24
9967	09/14/23	AVEVA	Cust #SANI5, SCADA Sys. Maint.& IT Support Contract Renewal - ...	-13,060.00
9968	09/14/23	Alhambra	Acct #547945611762129, Water - August 2023	-482.70
9969	09/14/23	AT&T	Acct #960732-76375559 - August 2023	-676.87
9970	09/14/23	Banshee Networks, Inc.	Acct #400M14, M.P. Parts & Service - August 2023	-1,806.57
9971	09/14/23	Bay City Boiler	Acct #274428, M.P. Flue - July 2023	-3,510.00
9972	09/14/23	Brelje and Race Laboratories, Inc.	M.P./P.C. Plant Samples - July + August 2023	-3,612.00
9973	09/14/23	Bullseye Installation	Service @ 7 M.P. Roll-up Doors - September 2023	-59,081.00
9974	09/14/23	Burke, Williams & Sorensen, LLP	Legal Advice - July 2023	-1,468.50
9975	09/14/23	BWS Distributors, Inc.	Lab Safety Supplies - August 2023	-6,436.53
9976	09/14/23	Caltest Analytical Laboratory	Acct: Tiburon5: M.P./P.C. Lab Sampling - August 2023	-597.85
9977	09/14/23	Caltronics Business Systems, Inc.	Acct #SD15, Multi-purpose Copier Contract - August 2023	-366.83
9978	09/14/23	Cintas Corporation #626	Acct #626-00821, PPE/Safetywear - August 2023	-393.92
9979	09/14/23	Comcast	Acct# 963 425 517, VOIP Service - September 2023	-374.81
9980	09/14/23	Comcast Business	Acct# 8155 30 011 0149465, Bus. Voice, Internet & Cable - Septem...	-458.48
9981	09/14/23	D&K Auto Service	SD5 Vehicle Maint. - August 2023	-3,360.11
9982	09/14/23	CSRMA California Sanitation Risk ...	File No. 3038498, D.O.L.: 9.26.2022 - August 2023	-2,829.87
9983	09/14/23	DKF Solutions Group, LLC	My Safety Officer Subscription + CalOSHA Training - August 2023	-10,830.23
9984	09/14/23	Doc Bailey Construction Equipment...	Crane Service @ M.P. Boom Truck - May 2023 (FY22-23 AJE)	-10,662.37
9985	09/14/23	Fastenal Company	CAPET0959, M.P. Supplies - August 2023	-969.33
9986	09/14/23	Grainger	Acct #810128785, M.P. Supplies - July 2023	-3,350.63
9988	09/14/23	HF&H Consultants, LLC	Consulting - June 2023 (AJE FY22-23)	-1,123.45
9989	09/14/23	Home Depot Credit Services	#6035322005164334: M.P. Supplies - June (AJE FY22-23) - August ...	-1,763.61
9990	09/14/23	Jackson's Hardware, Inc.	Acct #7601, Supplies - August 2023	-355.36
9991	09/14/23	JRL Machine & Driveline, Inc.	M.P. Digester Rehab - August 2023	-5,412.04
9992	09/14/23	Ken Grady Company, Inc.	SD5 Plant Parts - August 2023	-2,808.70
9993	09/14/23	JM Integration, LLC	M.P. Parts & Service - September 2023	-10,699.67
9994	09/14/23	Larry Walker Associates, Inc.	Tech Support for M.P. NPDES Reg. Assistance - July 2023	-3,701.75
9995	09/14/23	Lystek Int'l, LTD	Biosolids Transport - July 2023	-705.44
9996	09/14/23	Marin Water	Water: March - June 2023 (AJE FY22-23)	-1,803.17
9997	09/14/23	Martin Bros. Supply	M.P. Grounds Maint. - August 2023	-1,244.78
9998	09/14/23	McCampbell Analytical, Inc.	M.P. Monitoring, Acute Toxicity Testing - July 2023	-1,112.50
9999	09/14/23	MidAmerica	Acct#: SD5MARIN0G5, FSA + Retiree Admin Fees - 2023 (AJE FY2...	-261.00
10001	09/14/23	Mill Valley Refuse Service, Inc.	Acct #063092, SLUDGE TRANSPORT - August 2023	-3,844.00
10002	09/14/23	Mill Valley Refuse Service, Inc.	Acct #032945, Garbage Service + 1 yd rental - August 2023	-270.53
10003	09/14/23	Nute Engineering Corp.	Consulting & Engr. Svcs - July 2023	-16,583.00
10005	09/14/23	pdblowers, Inc.	P.C. Parts & Srv, Blowers - June 2023 (AJE FY22-23)	-1,149.41
10006	09/14/23	PTC	Cust #619101, SCADA /Modbusware Suite - September 2023	-285.00
10007	09/14/23	Roy's Sewer Service, Inc.	P&L + Small Machine Cleaning - August - September 2023	-6,520.00
10008	09/14/23	SERVICE TOOL	Cust #56156, Maint. Supplies - August 2023	-910.07
10009	09/14/23	Sewer Tek	M.P. Renovations - July - August 2023	-54,050.00
10010	09/14/23	Special District Risk Management A...	Member #7665, Life, Vision, DDS & LTD Ins - October 2023	-2,038.33
10011	09/14/23	TechAir	HVAC Replacement for heating + A/C - August 2023	-14,112.53
10012	09/14/23	ULINE	Cust ID#:24834323, M.P. Supplies - July + August 2023	-4,182.98
10013	09/14/23	Univar	Cust ID #STDT001, Chemicals - June (AJE FY22-23) - July 2023	-9,712.32
10014	09/14/23	US Bank	Acct#:4246 0445 5565 3611, July - August 2023	-23,672.22
10015	09/14/23	USABlueBook	Cust #933682, M.P. Parts & Lab Supplies - July 2023	-708.35
10016	09/14/23	Verizon Wireless	Acct #0342125502-00001: iPhones & BPS Comm - August - Septe...	-1,730.21
10017	09/14/23	Waste Management of Redwood La...	Acct #3-78482-75002, Sludge Disposal - August 2023	-6,414.97
10018	09/14/23	WorkSmart Automation, Inc.	SD5 Comm System Maintenance - August 2023	-1,110.00
10019	09/14/23	Zions Bank Corporation, N.A.	CB&T: #0001400000098948, MPR Refi - October 2023	-685,205.99
10020	09/14/23	Bilsborough, Chad	Office Furniture, Health + Wellness - September 2023	-1,127.73
10021	09/14/23	Cottrell, Rulon	Mis/Diem Travel Reimb. - September 2023	-1,427.35
10022	09/14/23	Hill, Arlee S	FY23-24 SD5 Employee Incentives - September 2023	-200.00
10023	09/14/23	La Torre, Daniel P.	Mis/Diem Travel Reimb. + FY23-24 Hlth & Winss Incentive - Septe...	-1,470.00
10024	09/14/23	Rosser, John	Health & Wellness: Rx glasses - September 2023	-234.97
10025	09/14/23	Rubio, Antonio	WEFTEC + CASA Seminars - August - October 2023	-910.51
10027	09/14/23	La Torre, Daniel P.	EE Incentive - September 2023	-1,000.00
10028	09/14/23	Collodi, Peter	CWEA Clixns	-448.57
10029	09/14/23	Goodman Building Supply Co.	Acct #20070, M.P. Supplies - August 2023	-513.65
10030	09/14/23	HDR Engineering, Inc.	Consulting, SD5 MP Digester - July 2023	-2,647.05
10031	09/14/23	Owen Equipment Sales	Acct #C10655, SD5 Vactor Truck Service - July 2023	-282.69

09/13/23

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August 11 through September 14, 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
10032	09/14/23	Pacific Gas & Electric	Acct #2908031411-4, Utilities - August 2023	-30,788.79
10036	09/14/23	Hardiman Construction / Trenchles...	FY22-23 SD5 Sewer Rehab Project, Progress Payment #3 - Septe...	-216,870.75
Total JP Morgan Chase - Primary 7399				-1,295,106.23
TOTAL				-1,295,106.23

Sanitary Distr. No.5 of Marin Co.
Warrant List Detail - REVISED
 August 11 through September 14, 2023

Item #1B

Num	Date	Name	Memo	Account	Class	Paid Amount
EFT	09/14/23	CalPERS	EFT Health Premium, Cust #4163206459 - September 2023	JP Morgan Chase - Primary 7399		
			Active Employee Health - September 2023	8020.05 · Employee Health	SD5	-20,716.58
			Retiree Health - September 2023	8022.05 · Retiree Health	SD5	-1,079.49
TOTAL						-21,796.07
EFT	09/14/23	PERS	EFT PERS Pension - August 2023	JP Morgan Chase - Primary 7399		
			Retirement August 2023 (Classic 1600 Rate): ER @ 15.95%; EE @ 8.0%	8019.05 · PERS Retirement	SD5	-14,264.76
			Retirement August 2023 (PEPRA Rate): ER @ 7.68%; EE @ 7.75%	8019.05 · PERS Retirement	SD5	-11,340.22
TOTAL						-25,604.98
9965	09/14/23	Access Answering Service	Acct #4080C, Answering Service - September 2023	JP Morgan Chase - Primary 7399		
			Inv #30479, Answering Service re SSO & Alarm Notifications - September 2023	8510 · Data/Alarms/IT Supp & Licensing	SD5	-75.90
TOTAL						-75.90
9966	09/14/23	Alameda Electrical Distrib...	Acct #56156: Electrical parts & supplies - August 2023	JP Morgan Chase - Primary 7399		
			Inv #S5630363.001+.002, #S5647324.001, #S5644537.001, S5644537.001 (PO#652180), Electrical p...	7027 · Electrical & Instrument	SD5	-1,540.02
			Inv #SS5647324.002, #S5650055.001 (PO#652180), Electrical parts & supplies - August 2023	7027 · Electrical & Instrument	SD5	-347.22
TOTAL						-1,887.24
9967	09/14/23	AVEVA	Cust #SANI5, SCADA Sys. Maint.& IT Support Contract Renewal - September 2023 (FY23-24)	JP Morgan Chase - Primary 7399		
			Quote#288825.1 - Site ID#118116, AVEVA SCADA System Top View Support renewal, 12.1.23 - 6.30...	8510 · Data/Alarms/IT Supp & Licensing	SD5	-612.50
			Quote#288825.1 - Site ID#118116, AVEVA SCADA System Top View Support renewal, 7.1.24 - 11.3...	8510 · Data/Alarms/IT Supp & Licensing	SD5	-437.50
			Quote#309299.1 - Site ID#118116, AVEVA SCADA System, Srvc Contract: licenses support renewal, ...	8510 · Data/Alarms/IT Supp & Licensing	SD5	-7,005.83
			Quote#288825.1 - Site ID#118116, AVEVA SCADA System Top View Support renewal, 7.1.24 - 11.3...	8510 · Data/Alarms/IT Supp & Licensing	SD5	-5,004.17
TOTAL						-13,060.00
9968	09/14/23	Alhambra	Acct #547945611762129, Water - August 2023	JP Morgan Chase - Primary 7399		
			Inv #12012314 081823, Water - August 2023	7023 · Janitorial Supplies & Service	SD5	-470.63
			Inv #12012314 081823, Water - August 2023	7042 · Paradise Supplies & Chemicals	SD5	-12.07
TOTAL						-482.70
9969	09/14/23	AT&T	Acct #960732-76375559 - August 2023	JP Morgan Chase - Primary 7399		
			PC Plant Telephones - August 2023	8532 · Paradise Cove Telephones	SD5	-379.96
			PC Pumps & Lines Telephones - August 2023	8533 · Pumps & Lines Telephones	SD5	-7.02
			Tib Pumps & Lines Telephones - August 2023	8533 · Pumps & Lines Telephones	SD5	-289.89
TOTAL						-676.87

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9970	09/14/23	Banshee Networks, Inc.	Acct #400M14, M.P. Parts & Service - August 2023	JP Morgan Chase - Primary 7399		
			Inv #15978: SD5 IT Support/Software upgrades/software subscriptions renewals +/- Installations ...	8510 · Data/Alarms/IT Supp & Licensing	SD5	-1,806.57
TOTAL						-1,806.57
9971	09/14/23	Bay City Boiler	Acct #274428, M.P. Flue - July 2023	JP Morgan Chase - Primary 7399		
			Inv #27273 + Inv #27424 (PO#RC754174), M.P. ER Boiler: cycling + pressure issues - July 2023	7022 · Plant Maint. Parts & Service	SD5	-3,510.00
TOTAL						-3,510.00
9972	09/14/23	Brelje and Race Laborator...	M.P./P.C. Plant Samples - July + August 2023	JP Morgan Chase - Primary 7399		
			Inv #150785 + Inv #151105: M.P. Samples - July + August 2023	7051 · Main Plant Lab Monitoring	SD5	-3,082.00
			Inv #150785 + Inv #151105: P.C. Samples - July + August 2023	7052 · Paradise Cove Monitoring	SD5	-530.00
TOTAL						-3,612.00
9973	09/14/23	Bullzeye Installation	Service @ 7 M.P. Roll-up Doors - September 2023	JP Morgan Chase - Primary 7399		
			Inv #B-8446-A (P.O.#953651), Service @ 7 M.P. Roll-up Doors - September 2023	9201.1 · M.P. Roll-Up Doors	SD5	-59,081.00
TOTAL						-59,081.00
9974	09/14/23	Burke, Williams & Sorensen...	Legal Advice - July 2023	JP Morgan Chase - Primary 7399		
			Inv #306717, Legal Advice - July 2023	6039 · Legal	SD5	-1,468.50
TOTAL						-1,468.50
9975	09/14/23	BWS Distributors, Inc.	Lab Safety Supplies - August 2023	JP Morgan Chase - Primary 7399		
			Inv #285925 (PO #S955703), Lab Safety/ER Station Equipment - August 2023	8515 · Safety	SD5	-6,436.53
TOTAL						-6,436.53
9976	09/14/23	Caltest Analytical Laborat...	Acct: Tiburon5: M.P./P.C. Lab Sampling - August 2023	JP Morgan Chase - Primary 7399		
			Inv #Y070892001, Y070892002, #Y08017001, #Y080107002, Y#080108001 - August 2023	7051 · Main Plant Lab Monitoring	SD5	-597.85
TOTAL						-597.85
9977	09/14/23	Caltronics Business Syste...	Acct #SD15, Multi-purpose Copier Contract - August 2023	JP Morgan Chase - Primary 7399		
			Inv #3867280, Inv #3841022, Konica Multi-purpose copier (C308) contract - August 2023	6047 · Office Supplies	SD5	-366.83
TOTAL						-366.83

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Num	Date	Name	Memo	Account	Class	Paid Amount
9978	09/14/23	Cintas Corporation #626	Acct #626-00821, PPE/Safetywear - August 2023 Inv #4163670483, #4164363042, #4165066378, #4165780930 - August 2023 Special Orders: Inv #1904195985 - August 2023	JP Morgan Chase - Primary 7399 8520 · Personal Protection/Safety Wear 8520 · Personal Protection/Safety Wear	SD5 SD5	-210.00 -183.92
TOTAL						-393.92
9979	09/14/23	Comcast	Acct# 963 425 517, VOIP Service - September 2023 Inv #170234004, VOIP Phone Service (14) Land Line Phones - September 2023	JP Morgan Chase - Primary 7399 8531 · Main Plant Telephones	SD5	-374.81
TOTAL						-374.81
9980	09/14/23	Comcast Business	Acct# 8155 30 011 0149465, Bus. Voice, Internet & Cable - September 2023 Bundle: Cable, Internet & Land Line Phones -- September 2023 Bundle: Land Line Phones -- September 2023	JP Morgan Chase - Primary 7399 8510 · Data/Alarms/IT Supp & Licensing 8531 · Main Plant Telephones	SD5 SD5	-325.85 -132.63
TOTAL						-458.48
9981	09/14/23	D&K Auto Service	SD5 Vehicle Maint. - August 2023 Inv #75508, #75514, #75534, #75545, #75591 (PO#954170) SD5 Fleet Maintenance - August 2023	JP Morgan Chase - Primary 7399 7072 · Maintenance	SD5	-3,360.11
TOTAL						-3,360.11
9982	09/14/23	CSRMA California Sanitati...	File No. 3038498, D.O.L.: 9.26.2022 - August 2023 Inv #3835, File No. 3038498, D.O.L.: 9.26.2022 - August 2023	JP Morgan Chase - Primary 7399 6033.3 · Insurance - SD5 Auto	SD5	-2,829.87
TOTAL						-2,829.87
9983	09/14/23	DKF Solutions Group, LLC	My Safety Officer Subscription + CalOSHA Training - August 2023 Inv #21477, #21514, #21531, #21584, #21587, #21593 (PO #160861), DKF CalOSHA Safety: CBT/SE...	JP Morgan Chase - Primary 7399 8515 · Safety	SD5	-10,830.23
TOTAL						-10,830.23
9984	09/14/23	Doc Bailey Construction E...	Crane Service @ M.P. Boom Truck - May 2023 (FY22-23 AJE) Inv #39291, Crane service: Boom Truck repairs & replacements at M.P. - May 2022 (FY22-23 AJE) Inv #39291, Crane service: Boom Truck repairs & replacements at M.P. - May 2022 (FY22-23 AJE) Inv #39291, Crane service: Boom Truck repairs & replacements at M.P. - May 2022 (FY22-23 AJE)	JP Morgan Chase - Primary 7399 7072 · Maintenance 7072 · Maintenance 7072 · Maintenance	Belve... Tibur... Tiburon	-4,323.59 -266.56 -6,072.22
TOTAL						-10,662.37
9985	09/14/23	Fastenal Company	CAPET0959, M.P. Supplies - August 2023 Inv #65557, 66543, #66633, #66712, #66799, #66860 (PO#654038), M.P. Supplies - August 2023	JP Morgan Chase - Primary 7399 7022 · Plant Maint. Parts & Service	SD5	-969.33
TOTAL						-969.33

Sanitary Distr. No.5 of Marin Co.
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Num	Date	Name	Memo	Account	Class	Paid Amount
9986	09/14/23	Grainger	Acct #810128785, M.P. Supplies - July 2023	JP Morgan Chase - Primary 7399		
			Inv #9819976177 (PO# AB754186) + Inv #6603167658 (PO# AB754187), (2) IR Therms - August 2023	7025 · Lab Supplies & Chemicals	SD5	-509.68
			Inv #9808447297 (PO#AB754180), Notice Signage - August 2023	8515 · Safety	SD5	-137.56
			Inv #9829533448 (PO# WEB2455778306) Fiberglass exhaust fan - September 2023	7025 · Lab Supplies & Chemicals	SD5	-1,100.90
			Inv #9829038984, (PO#CB953691) Desiccant Breathers - September 2023	7025 · Lab Supplies & Chemicals	SD5	-478.96
			Inv #9793393563 (PO#AB754173), ER Shower & Eyewash station replacement - August 2023	8515 · Safety	SD5	-1,123.53
TOTAL						-3,350.63
9988	09/14/23	HF&H Consultants, LLC	Consulting - June 2023 (AJE FY22-23)	JP Morgan Chase - Primary 7399		
			Inv #9720507, Project #W3829, SD5 Sewer Rate Study - June 2023 (AJE FY22-23)	6017 · Consulting Fees	Belve...	-455.56
			Inv #9720507, Project #W3829, SD5 Sewer Rate Study - June 2023 (AJE FY22-23)	6017 · Consulting Fees	Tibur...	-28.09
			Inv #9720507, Project #W3829, SD5 Sewer Rate Study - June 2023 (AJE FY22-23)	6017 · Consulting Fees	Belve...	-639.80
TOTAL						-1,123.45
9989	09/14/23	Home Depot Credit Services	#6035322005164334: M.P. Supplies - June (AJE FY22-23) - August 2023	JP Morgan Chase - Primary 7399		
			Inv #WJ38240551665480 (PO#JT652192), Landscaping rocks - August 2023	7028 · Grounds Maintenance	SD5	-114.45
			Inv #H0657-4715973480 (PO#AB754179), Quick links & chain - August 2023	7042 · Paradise Supplies & Chemicals	SD5	-50.34
			Inv #030614 / 1033039 (PO#652187), M.P. Supplies - June 2023 (AJE FY22-23)	7021 · Plant Maintenance Supplies	Tiburon	-72.93
			Inv #030614 / 1033039 (PO#652187), M.P. Supplies - June 2023 (AJE FY22-23)	7021 · Plant Maintenance Supplies	Belve...	-102.80
			HD Credit - June 2023 (AJE FY22-23)	7021 · Plant Maintenance Supplies	Tiburon	14.84
			HD Credit - June 2023 (AJE FY22-23)	7021 · Plant Maintenance Supplies	Belve...	20.92
			WG40956526 (PO#956384) - A/C + Heat parts (PO#956384) - August 2023	7022 · Plant Maint. Parts & Service	SD5	-963.56
			WG40956526 (PO#956384) - 100 5 Gal buckets (PO#956384) - August 2023	7021 · Plant Maintenance Supplies	SD5	-262.50
			HD #8252023 (PO#953687) - Tire inflator - August 2023	7021 · Plant Maintenance Supplies	SD5	-232.79
TOTAL						-1,763.61
9990	09/14/23	Jackson's Hardware, Inc.	Acct #7601, Supplies - August 2023	JP Morgan Chase - Primary 7399		
			Inv #135855 (PO#PC952174) + Inv #135968 (PO#AB135968) Supplies - August 2023	7021 · Plant Maintenance Supplies	SD5	-224.38
			Inv #135855 (PO#PC952174) Uniforms - August 2023	8520 · Personal Protection/Safety Wear	SD5	-130.98
TOTAL						-355.36
9991	09/14/23	JRL Machine & Driveline, I...	M.P. Digester Rehab - August 2023	JP Morgan Chase - Primary 7399		
			Inv #2575 (PO#754189) - M.P. Screw Press Diesel Cover - August 2023	9213.1 · Digester Rehab	SD5	-5,412.04
TOTAL						-5,412.04
9992	09/14/23	Ken Grady Company, Inc.	SD5 Plant Parts - August 2023	JP Morgan Chase - Primary 7399		
			Inv #5713 (PO#754172), TCL Sensors + Electrolytes - September 2023	7025 · Lab Supplies & Chemicals	SD5	-2,139.70
			Inv #5681 (PO#: RC754214), PH Sensors - July 2023	7025 · Lab Supplies & Chemicals	SD5	-669.00
TOTAL						-2,808.70

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Num	Date	Name	Memo	Account	Class	Paid Amount
9993	09/14/23	JM Integration, LLC	M.P. Parts & Service - September 2023 Inv #23290 (Agrmnt #Q230415), IT hardware - August 2023	JP Morgan Chase - Primary 7399 8510 · Data/Alarms/IT Supp & Licensing	SD5	-10,699.67
TOTAL						-10,699.67
9994	09/14/23	Larry Walker Associates, I...	Tech Support for M.P. NPDES Reg. Assistance - July 2023 Inv #00113.11-5, Regulatory Assistance (ROWD & Permit Renewal) - July 2023	JP Morgan Chase - Primary 7399 7061 · Main Plant NPDES Renewal	SD5	-3,701.75
TOTAL						-3,701.75
9995	09/14/23	Lystek Int'l, LTD	Biosolids Transport - July 2023 Inv #153-719, Biosolids Transport to Lystek Facility (7.54WT) - July 2023	JP Morgan Chase - Primary 7399 7029 · Main Plant Sludge Disposal	SD5	-705.44
TOTAL						-705.44
9996	09/14/23	Marin Water	Water: March - June 2023 (AJE FY22-23) Cust #:424793, Golden Gate BPS: March - June 2023 (AJE FY22-23) Cust #:424791, Cove Rd. BPS: March - June 2023 (AJE FY22-23) Cust #:558095, San Rafael Ave. BPS: March - June 2023 (AJE FY22-23) Cust #138856, Mar West TPS: March - June 2023 (AJE FY22-23) Cust #100098, M.P. Belvedere: March - June 2023 (AJE FY22-23)	JP Morgan Chase - Primary 7399 8541 · Water 8541 · Water 8541 · Water 8541 · Water 8541 · Water	SD5 SD5 SD5 SD5 SD5	-86.63 -86.63 -90.50 -86.63 -1,452.78
TOTAL						-1,803.17
9997	09/14/23	Martin Bros. Supply	M.P. Grounds Maint. - August 2023 Inv #196502 (PO#652196) 1/2 yard roofing gravel @ M.P. - August 2023	JP Morgan Chase - Primary 7399 7028 · Grounds Maintenance	SD5	-1,244.78
TOTAL						-1,244.78
9998	09/14/23	McC Campbell Analytical, Inc.	M.P. Monitoring, Acute Toxicity Testing - July 2023 Inv #2307900, M.P. Monitoring, Acute Toxicity Testing - July 2023	JP Morgan Chase - Primary 7399 7053 · Chronic Toxicity	SD5	-1,112.50
TOTAL						-1,112.50
9999	09/14/23	MidAmerica	Acct#: SD5MARIN0G5, FSA + Retiree Admin Fees - 2023 (AJE FY22-23) Financial Services Account (2 FSAs) - Q223 (AJE FY22-23) Financial Services Account (7 Ret) - Q223 (AJE FY22-23)	JP Morgan Chase - Primary 7399 8020.05 · Employee Health 8020.05 · Employee Health	SD5 SD5	-36.00 -225.00
TOTAL						-261.00
10001	09/14/23	Mill Valley Refuse Service,...	Acct #063092, SLUDGE TRANSPORT - August 2023 Sludge Transport/Exchange only: 8 loads + 1 Sludge Box delivery - August 2023	JP Morgan Chase - Primary 7399 7029 · Main Plant Sludge Disposal	SD5	-3,844.00
TOTAL						-3,844.00

Sanitary Distr. No.5 of Marin Co.
Warrant List Detail
 August 11 through September 14, 2023

Num	Date	Name	Memo	Account	Class	Paid Amount
10002	09/14/23	Mill Valley Refuse Service,...	Acct #032945, Garbage Service + 1 yd rental - August 2023	JP Morgan Chase - Primary 7399		
			Garbage Service, Including 1 yd trash + 1 yd cardboard rental - August 2023	7023 · Janitorial Supplies & Service	SD5	-270.53
TOTAL						-270.53
10003	09/14/23	Nute Engineering Corp.	Consulting & Engr. Svcs - July 2023	JP Morgan Chase - Primary 7399		
			Inv #26762 (Job #: 9106 - Tiburon Glen Estate Plan Review) - July 2023	6017 · Consulting Fees	SD5	-627.00
			Inv #26761 (Job #: 8999 - Cove Rd. PS Improvements) - July 2023	6017 · Consulting Fees	SD5	-1,680.00
			Inv #26817 / Job #: 9005 - FY22-23 Sewer Rehab Project	6017 · Consulting Fees	SD5	-1,113.00
			Inv #26816 / Job #8999 - Cove Rd. Belvedere Pump Station	6017 · Consulting Fees	SD5	-13,163.00
TOTAL						-16,583.00
10005	09/14/23	pdblowers, Inc.	P.C. Parts & Srv, Blowers - June 2023 (AJE FY22-23)	JP Morgan Chase - Primary 7399		
			Inv #81974 + #81786 (PO#954021) P.C. Parts & Service: (2) 33-URAI-J + (1) 36-URAI-J Blowers - Ju...	7041 · Paradise Parts & Service	Tibur...	-1,149.41
TOTAL						-1,149.41
10006	09/14/23	PTC	Cust #619101, SCADA /Modbusware Suite - September 2023	JP Morgan Chase - Primary 7399		
			Quote #Q1880909, SCADA /Modbusware Suite + Maintenance Agrmnt - September 2023	8510 · Data/Alarms/IT Supp & Licensing	SD5	-285.00
TOTAL						-285.00
10007	09/14/23	Roy's Sewer Service, Inc.	P&L + Small Machine Cleaning - August - September 2023	JP Morgan Chase - Primary 7399		
			Inv #222572, Sm Machine Cleaning; Inv #223024, Cleared sewer line @ 101 Bella Vista - August 2023	7011 · Pumps & Lines Maintenance	SD5	-6,520.00
TOTAL						-6,520.00
10008	09/14/23	SERVICE TOOL	Cust #56156, Maint. Supplies - August 2023	JP Morgan Chase - Primary 7399		
			Inv #S5614210.001, S5614210.003 (PO#753069), Maintenance Supplies - August 2023	7021 · Plant Maintenance Supplies	SD5	-685.04
			Inv #S5614210.002, S5614210.004 (PO#753069), Grounds Maintenance - August 2023	7028 · Grounds Maintenance	SD5	-225.03
TOTAL						-910.07
10009	09/14/23	Sewer Tek	M.P. Renovations - July - August 2023	JP Morgan Chase - Primary 7399		
			Inv #2020-1086 M.P. Trash enclosure improvement - July thru August 2023	7022 · Plant Maint. Parts & Service	SD5	-3,500.00
			Inv #2020/1086, M.P. Shop replcmnt project - July thru August 2023	9217.1 · FY23-24 Shop Rehab	SD5	-30,000.00
			Inv #2020-1087, Pipe bursting + reconnect sewer lines + manholes @ 20 Eucalyptus, Belvedere	7013 · Emergency Line Repair	SD5	-20,550.00
TOTAL						-54,050.00
10010	09/14/23	Special District Risk Mana...	Member #7665, Life, Vision, DDS & LTD Ins - October 2023	JP Morgan Chase - Primary 7399		
			Life, Vision, DDS & LTD Ins - Inv #H42711 - October 2023	8020.05 · Employee Health	SD5	-2,038.33
TOTAL						-2,038.33

Sanitary Distr. No.5 of Marin Co.
Warrant List Detail
 August 11 through September 14, 2023

Num	Date	Name	Memo	Account	Class	Paid Amount
10011	09/14/23	TechAir	HVAC Replacement for heating + A/C - August 2023	JP Morgan Chase - Primary 7399		
			Inv #001 (PO#DL954037) re HVAC Replacement for heating + A/C - August 2023	9510 - Undesignated Cap - M.P.	SD5	-14,112.53
TOTAL						-14,112.53
10012	09/14/23	ULINE	Cust ID#:24834323, M.P. Supplies - July + August 2023	JP Morgan Chase - Primary 7399		
			Inv #166864427 (PO#AB754175), Inv #166565613 (PO#CB953682) MP Supplies - July + August 2023	9217.1 - FY23-24 Shop Rehab	SD5	-4,182.98
TOTAL						-4,182.98
10013	09/14/23	Univar	Cust ID #STDT001, Chemicals - June (AJE FY22-23) - July 2023	JP Morgan Chase - Primary 7399		
			Inv #51438759 (PO #AB754185) Sodium Bisulfite 25% (\$1.4750/Gal) - September 2023	7024 - Main Plant Chemicals	SD5	-9,712.32
TOTAL						-9,712.32
10014	09/14/23	US Bank	Acct#:4246 0445 5565 3611, July - August 2023	JP Morgan Chase - Primary 7399		
			Zoom - July / August 2023	6018.1 - Meetings & Travel	SD5	-87.97
			Local Travel (Fastrak + CM Tow) - July / August 2023	6018.1 - Meetings & Travel	SD5	-266.02
			Seminars + Accomodations + Airfare (TR + RC + DL) Tri-State Seminar - July/August 2023	6018.1 - Meetings & Travel	SD5	-10,571.60
			WEF & CWEA (TR) - July / August 2023	6025 - Dues & Subscriptions	SD5	-564.00
			Home Depot (TR) M.P. Supplies- July / August 2023	7021 - Plant Maintenance Supplies	SD5	-536.28
			Spiral H2O Technology - July / August 2023	7022 - Plant Maint. Parts & Service	SD5	-3,286.85
			#0822/9545: Amazon - lab supplies - July / August 2023	7025 - Lab Supplies & Chemicals	SD5	-362.48
			#0822/#9545: Sequoia Landscape - M.P. front Landscaping - July 2023	7028 - Grounds Maintenance	SD5	-273.13
			Safety Training (CMC Rescue) - July 2023	8515 - Safety	SD5	-7,723.89
TOTAL						-23,672.22
10015	09/14/23	USABlueBook	Cust #933682, M.P. Parts & Lab Supplies - July 2023	JP Morgan Chase - Primary 7399		
			Inv #00116837 (PO#AB754182), Bio Sanitizer Tabs - August 2023	7025 - Lab Supplies & Chemicals	SD5	-444.86
			Inv #00109962 (PO#AB655735) + Inv #00115025 (PO#754184), Various Scrapers - August 2023	7025 - Lab Supplies & Chemicals	SD5	-252.61
			Inv #00115031 (PO#AB754184) - Hach LDPE Dropper - August 2023	7025 - Lab Supplies & Chemicals	SD5	-10.88
TOTAL						-708.35
10016	09/14/23	Verizon Wireless	Acct #0342125502-00001: iPhones & BPS Comm - August - September 2023	JP Morgan Chase - Primary 7399		
			Inv #9934368494: Monthly SD5 EE Cell phone Charges - August - September 2023	8531 - Main Plant Telephones	SD5	-1,604.00
			Inv #9934368494: Monthly Charges for BPS + P.C. Telephone lines - August - September 2023	8532 - Paradise Cove Telephones	SD5	-126.21
TOTAL						-1,730.21
10017	09/14/23	Waste Management of Re...	Acct #3-78482-75002, Sludge Disposal - August 2023	JP Morgan Chase - Primary 7399		
			Inv #0108381-1507-8, Sludge Disposal - 9 pick-ups @ 56.3 tons - August 2023	7029 - Main Plant Sludge Disposal	SD5	-2,446.24
			Inv #0108806-1507-4, Sludge Disposal - 7 pick-ups @ 56.3 tons - September 2023	7029 - Main Plant Sludge Disposal	SD5	-3,968.73
TOTAL						-6,414.97

Sanitary Distr. No.5 of Marin Co.
Warrant List Detail
 August 11 through September 14, 2023

Num	Date	Name	Memo	Account	Class	Paid Amount
10018	09/14/23	WorkSmart Automation, Inc.	SD5 Comm System Maintenance - August 2023 Inv #5330, SCADA TopView troubleshootTopView alarm, SCADA + Aveva - August 2023	JP Morgan Chase - Primary 7399 8510 · Data/Alarms/IT Supp & Licensing	SD5	-1,110.00
TOTAL						-1,110.00
10019	09/14/23	Zions Bank Corporation, N...	CB&T: #000140000098948, MPR Refi - October 2023 #000140000098948 - MPR Refi Pmt - Principal due 10.01.2023 (B: 35.22%) #000140000098948 - MPR Refi Pmt - Principal due 10.01.2023 (T: 64.78%) #000140000098948 - MPR Refi Pmt - Interest due 10.01.2023 (B: 35.22%) #000140000098948 - MPR Refi Pmt - Interest due 10.01.2023(T: 64.78%)	JP Morgan Chase - Primary 7399 9734 · MPR Refi - Principal 9734 · MPR Refi - Principal 9735 · MPR Refi - Interest 9735 · MPR Refi - Interest	SD5 SD5 SD5 SD5	-214,842.00 -395,158.00 -26,487.55 -48,718.44
TOTAL						-685,205.99
10020	09/14/23	Bilsborough, Chad	Office Furniture, Health + Wellness - September 2023 Office chair + chair floormat (Staples) - September 2023 FY23-24 Health + Wellness: Apple Watch - September 2023 FY23-24 Boot Allowance: \$200.00 - September 2023	JP Morgan Chase - Primary 7399 6047 · Office Supplies 8021.05 · EE Health & Wellness 8515.01 · Boot Allowance	SD5 SD5 SD5	-327.73 -600.00 -200.00
TOTAL						-1,127.73
10021	09/14/23	Cottrell, Rulon	MIs/Diem Travel Reimb. - September 2023 Travel Reimbs: 6 Day re Meals/Diem @ Tri-state Conference, NV: 8.6.23 - 8.11.2023 Rental car + parking @ Tri-state Conference, NV: 8.6.2023 - 8.11.2023	JP Morgan Chase - Primary 7399 6018.1 · Meetings & Travel 6018.1 · Meetings & Travel	SD5 SD5	-270.00 -1,157.35
TOTAL						-1,427.35
10022	09/14/23	Hill, Arlee S	FY23-24 SD5 Employee Incentives - September 2023 FY23-24 Boot Allowance (\$200.00 max)	JP Morgan Chase - Primary 7399 8515.01 · Boot Allowance	SD5	-200.00
TOTAL						-200.00
10023	09/14/23	La Torre, Daniel P.	MIs/Diem Travel Reimb. + FY23-24 Hlth & Wlnss Incentive - September 2023 Travel Reimbs: 6 Day re Meals/Diem @ Tri-state Conference, NV: 8.6.23 - 8.11.2023 FY23-24 Exercise equipment re Health & Wellness - 9.6.2023	JP Morgan Chase - Primary 7399 6018.1 · Meetings & Travel 8021.05 · EE Health & Wellness	SD5 SD5	-870.00 -600.00
TOTAL						-1,470.00
10024	09/14/23	Rosser, John	Health & Wellness: Rx glasses - September 2023 FY23-24 Eye Protection Allowance - September 2023	JP Morgan Chase - Primary 7399 8515.02 · Eye Protection Allowance	SD5	-234.97
TOTAL						-234.97

Sanitary Distr. No.5 of Marin Co.
Warrant List Detail
 August 11 through September 14, 2023

Num	Date	Name	Memo	Account	Class	Paid Amount
10025	09/14/23	Rubio, Antonio	WEFTEC + CASA Seminars - August - October 2023	JP Morgan Chase - Primary 7399		
			Reimbursement for Travel Expenses 2023 CASA Seminar - rental car (San Diego) - 8.9.2023 - 8.12.20...	6018.1 - Meetings & Travel	SD5	-52.71
			Reimbursement for Travel (Meals/Diem) Expenses 2023 CASA Seminar (San Diego) - 8.9.2023 - 8.12...	6018.1 - Meetings & Travel	SD5	-180.00
			Reimbursement for Travel Airfare Expenses 2023 WEFTEC (Chicago) - 10.1.2023 - 10.4.2023	6018.1 - Meetings & Travel	SD5	-397.80
			Reimbursement for Travel (Meals/Diem) Expenses 2023 WEFTEC (Chicago) - 10.1.2023 - 10.4.2023	6018.1 - Meetings & Travel	SD5	-180.00
			Reimbursement for Travel Transprotation Reimbursement 2023 WEFTEC (Chicago) - 10.1.2023 - 10....	6018.1 - Meetings & Travel	SD5	-100.00
TOTAL						-910.51
10027	09/14/23	La Torre, Daniel P.	EE Incentive - September 2023	JP Morgan Chase - Primary 7399		
			EE Incentive: CSU,Sac - Membrane Bioreactors (Cert #: 630023) - September 2023	8005 - Employee Incentives	SD5	-1,000.00
TOTAL						-1,000.00
10028	09/14/23	Collodi, Peter	CWEA CIlxns	JP Morgan Chase - Primary 7399		
			CWEA Collection I - September 2023	6020 - Continuing Education	SD5	-387.00
			Standby Mileage - September 2023	6018.2 - Standby Mileage Expense Reimb	SD5	-61.57
TOTAL						-448.57
10029	09/14/23	Goodman Building Supply...	Acct #20070, M.P. Supplies - August 2023	JP Morgan Chase - Primary 7399		
			Inv #875553 (PO#JT652193). Inv #875142 (PO#JT652191), Inv#876294 (PO#PC952175) Grounds M...	7028 - Grounds Maintenance	SD5	-425.07
			Inv #876485 (PO #RH754103) M.P. Supplies - August 2023	7021 - Plant Maintenance Supplies	SD5	-88.58
TOTAL						-513.65
10030	09/14/23	HDR Engineering, Inc.	Consulting, SD5 MP Digester - July 2023	JP Morgan Chase - Primary 7399		
			Inv #1200537413, HDR Consulting, SD5 M.P. Digester Rehab & Cleaning - July 2023	9213 - M.P. Digester	SD5	-2,647.05
TOTAL						-2,647.05
10031	09/14/23	Owen Equipment Sales	Acct #C10655, SD5 Vactor Truck Service - July 2023	JP Morgan Chase - Primary 7399		
			Inv #00060643 (PO#: DL954637), Vactor Truck Ignition Switch - July 2023	7072 - Maintenance	SD5	-282.69
TOTAL						-282.69
10032	09/14/23	Pacific Gas & Electric	Acct #2908031411-4, Utilities - August 2023	JP Morgan Chase - Primary 7399		
			Acct #2908031411-4, SD5 Utilities - August 2023	8542 - Main Plant Utilities	SD5	-10,018.63
			Acct #2908031411-4, P.C. Plant Utilities - August 2023	8543 - Paradise Cove Utilities	SD5	-2,347.05
			Acct #2908031411-4, SD5 Pump St Utilities - August 2023	8544 - Pump Station Utilities	SD5	-14,122.64
			Acct #2908031411-4, P.C. Pump St Utilities - August 2023	8544 - Pump Station Utilities	SD5	-4,300.47
TOTAL						-30,788.79

**Sanitary Distr. No.5 of Marin Co.
Warrant List Detail
August 11 through September 14, 2023**

Num	Date	Name	Memo	Account	Class	Paid Amount
10036	09/14/23	Hardiman Construction / T...	FY22-23 SD5 Sewer Rehab Project, Progress Payment #3 - September 2023	JP Morgan Chase - Primary 7399		
			Belvedere PP#3:FY22-23 SD5 Sewer Rehab Project, Progress Payment #3 - September 2023 (40%)	9304 - Belvedere Sewer Line Rehab Prog	SD5	-91,085.72
			Belvedere Less Retention #2 re Progress Payment #3 - September 2023 (40%)	Retainage Payable	SD5	4,337.42
			Tiburon PP#3:FY22-23 SD5 Sewer Rehab Project, Progress Payment #3 - September 2023 (60%)	9301 - Tiburon Sewer Line Rehab Prog	SD5	-136,628.57
			Tiburon Less Retention #2 re Progress Payment #3 - September 2023 (60%)	Retainage Payable	SD5	6,506.12
TOTAL						-216,870.75

Sanitary Distr. No.5 of Marin Co.
Comparative Balance Sheet
As of August 31, 2023

	<u>Aug 31, 23</u>	<u>Jul 31, 23</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
JP Morgan Chase - Payroll 7506	63,959.49	73,963.02	-10,003.53
JP Morgan Chase - Primary 7399	1,162,029.54	539,966.83	622,062.71
JP Morgan Chase - Transfer 7522	662,120.15	311,365.23	350,754.92
Local Agency Investment Fund			
Belvedere			
Belvedere Capital & CIP Reserve	4,585,323.71	4,585,323.71	0.00
Belvedere Disaster RecoveryFund	356,250.00	356,250.00	0.00
Belvedere Operating	1,159,193.96	1,159,193.96	0.00
Belvedere Operating Reserve	516,923.05	516,923.05	0.00
Belvedere PERS Retirement Trust	356,250.00	356,250.00	0.00
Total Belvedere	<u>6,973,940.72</u>	<u>6,973,940.72</u>	<u>0.00</u>
Tiburon			
Tiburon Capital & CIP Reserve	5,139,742.28	5,139,742.28	0.00
Tiburon Disaster Recovery Fund	643,750.00	643,750.00	0.00
Tiburon Operating	-88,464.92	1,426,535.08	-1,515,000.00
Tiburon Operating Reserve	683,930.00	683,930.00	0.00
Tiburon PERS Retirement Trust	643,750.00	643,750.00	0.00
Total Tiburon	<u>7,022,707.36</u>	<u>8,537,707.36</u>	<u>-1,515,000.00</u>
Total Local Agency Investment Fund	<u>13,996,648.08</u>	<u>15,511,648.08</u>	<u>-1,515,000.00</u>
Total Checking/Savings	<u>15,884,757.26</u>	<u>16,436,943.16</u>	<u>-552,185.90</u>
Accounts Receivable	0.00	25,528.05	-25,528.05
Other Current Assets	881.92	881.92	0.00
Total Current Assets	<u>15,885,639.18</u>	<u>16,463,353.13</u>	<u>-577,713.95</u>
Fixed Assets	<u>19,118,200.30</u>	<u>19,118,200.30</u>	<u>0.00</u>
TOTAL ASSETS	<u>35,003,839.48</u>	<u>35,581,553.43</u>	<u>-577,713.95</u>
LIABILITIES & EQUITY			
Liabilities	6,771,301.03	6,771,301.03	0.00
Equity			
3900 · Net Assets	28,998,345.64	28,998,345.64	0.00
Net Income	-765,807.19	-188,093.24	-577,713.95
Total Equity	<u>28,232,538.45</u>	<u>28,810,252.40</u>	<u>-577,713.95</u>
TOTAL LIABILITIES & EQUITY	<u>35,003,839.48</u>	<u>35,581,553.43</u>	<u>-577,713.95</u>

Sanitary Distr. No.5 of Marin Co.
Annual Budget vs Actual Expenses - REVISED
 July 2023 through June 2024

Item #2B

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Bu...
Ordinary Income/Expense				
Income				
5000 · Property Taxes / AD VALOREM				
5001.2 · TEETER	4,818.52	905,000.00	-900,181.48	0.5%
5002 · UNSEC	0.00	15,000.00	-15,000.00	0.0%
5003 · PUNS / PRIOR UNSECURED	0.00	1,500.00	-1,500.00	0.0%
5004 · REDEMPTION / RDMPT	321.20	0.00	321.20	100.0%
5006 · SPLU	0.00	0.00	0.00	0.0%
5041 · SUPSEC	1,428.58	20,000.00	-18,571.42	7.1%
5043 · SECU	0.00	0.00	0.00	0.0%
5046 · Excess ERAF	0.00	255,314.00	-255,314.00	0.0%
5280 · HOPTR	0.00	3,000.00	-3,000.00	0.0%
5483 · Other tax	0.00	7,000.00	-7,000.00	0.0%
Total 5000 · Property Taxes / AD VALOREM	6,568.30	1,206,814.00	-1,200,245.70	0.5%
5007 · Sewer Service Charge				
5007.1 · Sewer Service - Tiburon Ops	11,879.14	4,861,118.00	-4,849,238.86	0.2%
5007.2 · Sewer Service-Belv Ops	7,578.44	0.00	7,578.44	100.0%
5007.3 · Sewer Service-Belv Cap	2,346.05	0.00	2,346.05	100.0%
5007.4 · Other User Fees	0.00	38,700.00	-38,700.00	0.0%
5007.5 · Sewer Service - Tiburon Cap	0.00	246,296.00	-246,296.00	0.0%
Total 5007 · Sewer Service Charge	21,803.63	5,146,114.00	-5,124,310.37	0.4%
5201 · Interest				
5201.1 · Interest County of Marin	565.07	0.00	565.07	100.0%
5201.2 · Interest LAIF	117,321.71	100,000.00	17,321.71	117.3%
Total 5201 · Interest	117,886.78	100,000.00	17,886.78	117.9%
5900.10 · Paradise Sewer Line Ext. Fees	0.00	15,479.10	-15,479.10	0.0%
5900.3 · Connection Fees				
5900.30 · Connection Permit Fees	1,600.00	16,250.00	-14,650.00	9.8%
5900.31 · Collection	27,461.00	200,000.00	-172,539.00	13.7%
5900.34 · Treatment	31,565.00	200,000.00	-168,435.00	15.8%
Total 5900.3 · Connection Fees	60,626.00	416,250.00	-355,624.00	14.6%
5900.4 · Inspection Permit Fees	2,100.00	16,250.00	-14,150.00	12.9%
5900.5 · SASM Expense Reimb.	25,528.05	75,000.00	-49,471.95	34.0%
5900.9 · Other Income	0.00	100.00	-100.00	0.0%
Total Income	234,512.76	6,976,007.10	-6,741,494.34	3.4%
Gross Profit	234,512.76	6,976,007.10	-6,741,494.34	3.4%
Expense				
6000 · Administrative Expenses				
6001 · Advertising	0.00	2,000.00	-2,000.00	0.0%
6002 · Outreach & Newsletter	0.00	0.00	0.00	0.0%
6008 · Audit & Accounting	2,453.28	40,000.00	-37,546.72	6.1%
6017 · Consulting Fees	30,057.15	100,000.00	-69,942.85	30.1%
6018 · Travel & Meetings				
6018.1 · Meetings & Travel	17,308.51	15,000.00	2,308.51	115.4%
6018.2 · Standby Mileage Expense Reimb	368.86	8,000.00	-7,631.14	4.6%
Total 6018 · Travel & Meetings	17,677.37	23,000.00	-5,322.63	76.9%
6020 · Continuing Education	2,843.50	10,000.00	-7,156.50	28.4%
6021 · County Fees	3,356.05	16,590.00	-13,233.95	20.2%
6024 · Director Fees	4,800.00	9,000.00	-4,200.00	53.3%
6025 · Dues & Subscriptions	3,062.80	33,000.00	-29,937.20	9.3%
6026 · Elections	0.00	0.00	0.00	0.0%
6033 · Insurance				
6033.1 · Insurance - SD5 Property	63,641.62	100,000.00	-36,358.38	63.6%
6033.2 · Insurance - SD5 Liability	0.00	60,000.00	-60,000.00	0.0%
6033.3 · Insurance - SD5 Auto	6,334.87	10,000.00	-3,665.13	63.3%
Total 6033 · Insurance	69,976.49	170,000.00	-100,023.51	41.2%

Sanitary Distr. No.5 of Marin Co.
Annual Budget vs Actual Expenses
July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Bu...
6039 · Legal	4,338.50	50,000.00	-45,661.50	8.7%
6047 · Office Supplies	1,719.50	11,000.00	-9,280.50	15.6%
6056 · Postage	0.00	1,300.00	-1,300.00	0.0%
6059 · Pollution Prevention/Public Edu	0.00	5,500.00	-5,500.00	0.0%
6065 · Miscellaneous Expense	0.00	0.00	0.00	0.0%
Total 6000 · Administrative Expenses	140,284.64	471,390.00	-331,105.36	29.8%
7000 · Ops & Maintenance Expenses				
7010 · Pumps & Lines Maintenance				
7011 · Pumps & Lines Maintenance	13,490.23	200,000.00	-186,509.77	6.7%
7013 · Emergency Line Repair	20,550.00	100,000.00	-79,450.00	20.6%
Total 7010 · Pumps & Lines Maintenance	34,040.23	300,000.00	-265,959.77	11.3%
7020 · Main Plant Maintenance				
7021 · Plant Maintenance Supplies	10,641.74	80,000.00	-69,358.26	13.3%
7022 · Plant Maint. Parts & Service	72,744.49	300,000.00	-227,255.51	24.2%
7023 · Janitorial Supplies & Service	1,703.05	10,000.00	-8,296.95	17.0%
7024 · Main Plant Chemicals	22,219.51	165,000.00	-142,780.49	13.5%
7025 · Lab Supplies & Chemicals	13,748.04	25,000.00	-11,251.96	55.0%
7027 · Electrical & Instrument	6,996.90	30,000.00	-23,003.10	23.3%
7028 · Grounds Maintenance	2,282.46	8,000.00	-5,717.54	28.5%
7029 · Main Plant Sludge Disposal	23,906.25	55,000.00	-31,093.75	43.5%
Total 7020 · Main Plant Maintenance	154,242.44	673,000.00	-518,757.56	22.9%
7040 · Paradise Cove Plant Maint				
7041 · Paradise Parts & Service	15,490.21	20,000.00	-4,509.79	77.5%
7042 · Paradise Supplies & Chemicals	3,959.72	6,500.00	-2,540.28	60.9%
7043 · Paradise Sludge Disposal	0.00	3,000.00	-3,000.00	0.0%
Total 7040 · Paradise Cove Plant Maint	19,449.93	29,500.00	-10,050.07	65.9%
7050 · Monitoring				
7051 · Main Plant Lab Monitoring	11,055.87	50,000.00	-38,944.13	22.1%
7052 · Paradise Cove Monitoring	937.45	10,000.00	-9,062.55	9.4%
7053 · Chronic Toxicity	4,142.50	15,000.00	-10,857.50	27.6%
Total 7050 · Monitoring	16,135.82	75,000.00	-58,864.18	21.5%
7060 · Permits/Fees				
7061 · Main Plant NPDES Renewal	13,675.25	0.00	13,675.25	100.0%
7062 · Permits/Fees - General	3,272.15	50,000.00	-46,727.85	6.5%
7063 · Paradise Cove Permits/Fees	0.00	9,000.00	-9,000.00	0.0%
7064 · Paradise Cove NPDES Renewal	0.00	0.00	0.00	0.0%
Total 7060 · Permits/Fees	16,947.40	59,000.00	-42,052.60	28.7%
7070 · Truck Maintenance				
7071 · Fuel	3,775.80	20,000.00	-16,224.20	18.9%
7072 · Maintenance	15,011.77	30,000.00	-14,988.23	50.0%
Total 7070 · Truck Maintenance	18,787.57	50,000.00	-31,212.43	37.6%
Total 7000 · Ops & Maintenance Expenses	259,603.39	1,186,500.00	-926,896.61	21.9%
8000 · Salaries and Benefits Expenses				
8001 · Salaries	262,525.09	1,598,548.00	-1,336,022.91	16.4%
8003 · Overtime	18,846.47	100,000.00	-81,153.53	18.8%
8004 · Standby Pay	12,457.13	80,000.00	-67,542.87	15.6%
8005 · Employee Incentives	20,000.00	60,000.00	-40,000.00	33.3%
8006 · Vacation Buyout	19,793.68	80,000.00	-60,206.32	24.7%
8013 · Payroll Taxes	20,277.01	110,000.00	-89,722.99	18.4%
8015 · Payroll/Bank Fees	1,354.52	7,000.00	-5,645.48	19.4%
8016 · Car Allowance	6,000.00	6,000.00	0.00	100.0%
8019 · PERS Retirement				
8019.05 · PERS Retirement	55,736.73	272,332.00	-216,595.27	20.5%
8019.08 · PERS Retirement - CalPERS UAL	0.00	0.00	0.00	0.0%
Total 8019 · PERS Retirement	55,736.73	272,332.00	-216,595.27	20.5%

Sanitary Distr. No.5 of Marin Co.
Annual Budget vs Actual Expenses
July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Bu...
8020 · Employee Health				
8020.05 · Employee Health	47,809.15	290,000.00	-242,190.85	16.5%
8021 · Employee Health Deductions	-786.74	0.00	-786.74	100.0%
Total 8020 · Employee Health	47,022.41	290,000.00	-242,977.59	16.2%
8022 · Retiree Health				
8022.05 · Retiree Health	2,158.98	80,144.00	-77,985.02	2.7%
8022.10 · CERBT/OPEB Annual Arc Contribtn	0.00	140,000.00	-140,000.00	0.0%
Total 8022 · Retiree Health	2,158.98	220,144.00	-217,985.02	1.0%
8023 · Workers Comp Insurance	48,373.00	58,000.00	-9,627.00	83.4%
Total 8000 · Salaries and Benefits Expenses	514,545.02	2,882,024.00	-2,367,478.98	17.9%
8500 · Other Operating Expenses				
8510 · Data/Alarms/IT Supp & Licensing	45,952.24	100,000.00	-54,047.76	46.0%
8515 · Safety	49,336.22	60,000.00	-10,663.78	82.2%
8520 · Personal Protection/Safety Wear	1,560.59	15,000.00	-13,439.41	10.4%
8530 · Telephone				
8531 · Main Plant Telephones	3,609.94	11,000.00	-7,390.06	32.8%
8532 · Paradise Cove Telephones	975.82	500.00	475.82	195.2%
8533 · Pumps & Lines Telephones	1,367.94	7,000.00	-5,632.06	19.5%
Total 8530 · Telephone	5,953.70	18,500.00	-12,546.30	32.2%
8540 · Utilities				
8541 · Water	4,221.98	9,000.00	-4,778.02	46.9%
8542 · Main Plant Utilities	49,732.28	230,000.00	-180,267.72	21.6%
8543 · Paradise Cove Utilities	6,478.68	22,000.00	-15,521.32	29.4%
8544 · Pump Station Utilities	27,368.88	48,000.00	-20,631.12	57.0%
Total 8540 · Utilities	87,801.82	309,000.00	-221,198.18	28.4%
Total 8500 · Other Operating Expenses	190,604.57	502,500.00	-311,895.43	37.9%
Total Expense	1,105,037.62	5,042,414.00	-3,937,376.38	21.9%
Net Ordinary Income	-870,524.86	1,933,593.10	-2,804,117.96	-45.0%
Other Income/Expense				
Other Expense				
9100 · Capital Expenditures				
9200 · Main Plant Equipment Capital				
9201.1 · M.P. Roll-Up Doors	59,081.00	75,000.00	-15,919.00	78.8%
9201.2 · M.P. Corrosion Protection	0.00	150,000.00	-150,000.00	0.0%
9208 · M.P. Chem Feed Trx Pump Rplcmnt	19,382.74	0.00	19,382.74	100.0%
9213 · M.P. Digester				
9213.1 · Digester Rehab	11,807.57	600,000.00	-588,192.43	2.0%
Total 9213 · M.P. Digester	11,807.57	600,000.00	-588,192.43	2.0%
9216 · M.P. Secondary Clarifier				
9216.1 · Scum Removal Project FY22-23	0.00	300,000.00	-300,000.00	0.0%
Total 9216 · M.P. Secondary Clarifier	0.00	300,000.00	-300,000.00	0.0%
9217 · SD5 Shop Rplcmnt /Ops Control				
9217.1 · FY23-24 Shop Rehab	42,512.21	100,000.00	-57,487.79	42.5%
Total 9217 · SD5 Shop Rplcmnt /Ops Control	42,512.21	100,000.00	-57,487.79	42.5%
9229.8 · Vehicle Replacement	58,971.50			
Total 9200 · Main Plant Equipment Capital	191,755.02	1,225,000.00	-1,033,244.98	15.7%
9300 · Pumps & Lines Capital				
9301 · Tiburon Sewer Line Rehab Prog	136,628.57	0.00	136,628.57	100.0%
9303 · CCTV Sewer Project	0.00	250,000.00	-250,000.00	0.0%
9304 · Belvedere Sewer Line Rehab Prog	91,085.72	0.00	91,085.72	100.0%
9305 · Valve/Wet Well Replacements				
9305.2 · Tiburon Wet Well Rehab	0.00	50,000.00	-50,000.00	0.0%
Total 9305 · Valve/Wet Well Replacements	0.00	50,000.00	-50,000.00	0.0%

Sanitary Distr. No.5 of Marin Co.
Annual Budget vs Actual Expenses
July 2023 through June 2024

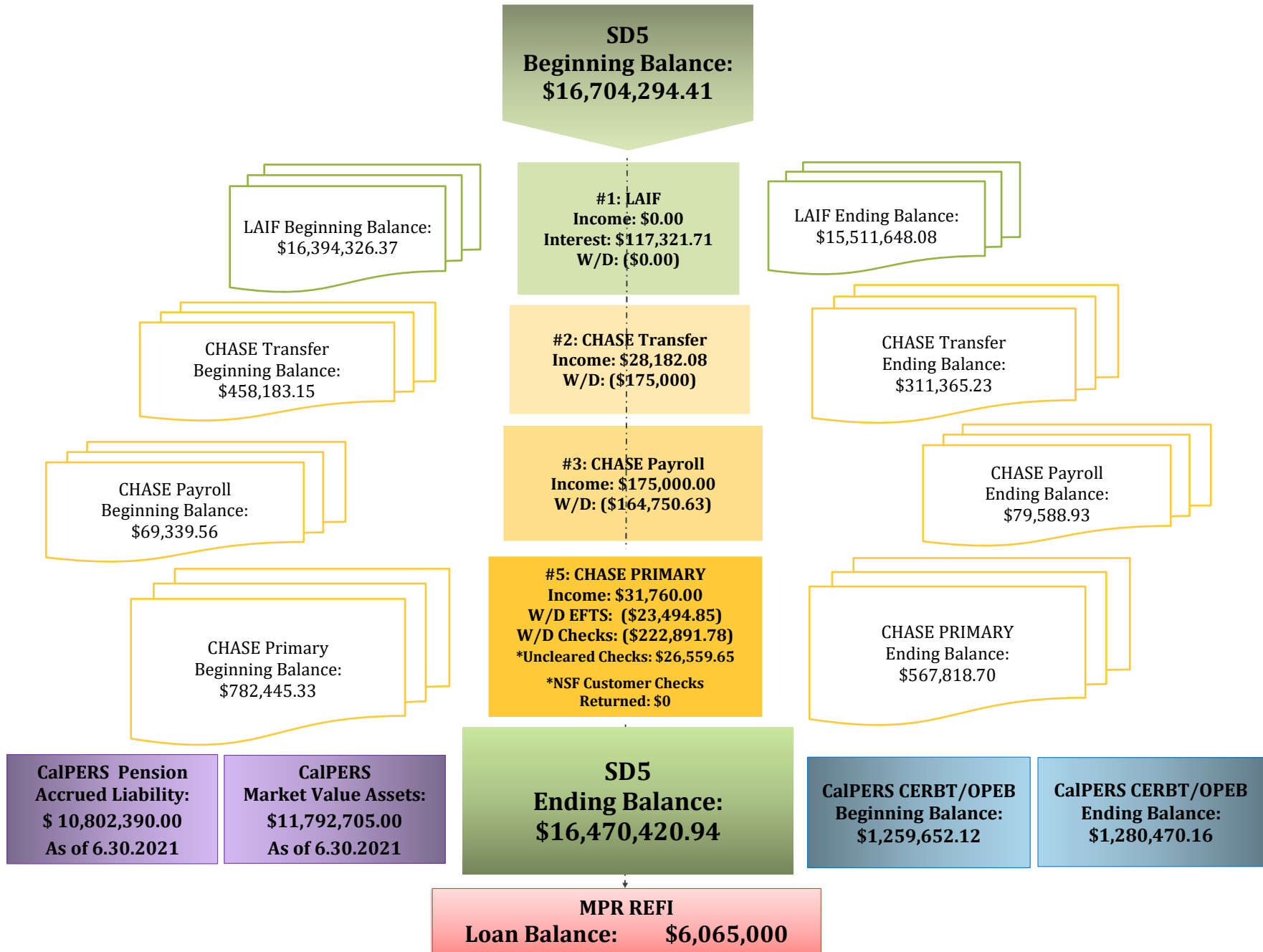
	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Bu...
9306 · PS Pump & Valve Replacements	0.00	100,000.00	-100,000.00	0.0%
9309 · BPS #1 Generator Replcmnt	0.00	600,000.00	-600,000.00	0.0%
9313 · Manholes/Rodholes	5,000.00	75,000.00	-70,000.00	6.7%
Total 9300 · Pumps & Lines Capital	232,714.29	1,075,000.00	-842,285.71	21.6%
9400 · Paradise Cove Capital				
9407 · P.C. Pump Replacement	0.00	25,000.00	-25,000.00	0.0%
9408 · P.C. Access Rd Imprvmnts	0.00	100,000.00	-100,000.00	0.0%
Total 9400 · Paradise Cove Capital	0.00	125,000.00	-125,000.00	0.0%
9500 · Undesignated Capital				
9510 · Undesignated Cap - M.P.	14,112.53	50,000.00	-35,887.47	28.2%
9520 · Undesignated Cap - P.C. Plant	0.00	25,000.00	-25,000.00	0.0%
9530 · Undesignated Cap - P & L	0.00	50,000.00	-50,000.00	0.0%
Total 9500 · Undesignated Capital	14,112.53	125,000.00	-110,887.47	11.3%
Total 9100 · Capital Expenditures	438,581.84	2,550,000.00	-2,111,418.16	17.2%
9700 · Debt Service				
9730 · Debt Service - MPR Project				
9730.01 · MPR Loan - Principal	0.00	595,000.00	-595,000.00	0.0%
9730.02 · MPR Loan - Interest	0.00	157,790.00	-157,790.00	0.0%
9734 · MPR Refi - Principal	610,000.00			
9735 · MPR Refi - Interest	75,205.99			
Total 9730 · Debt Service - MPR Project	685,205.99	752,790.00	-67,584.01	91.0%
Total 9700 · Debt Service	685,205.99	752,790.00	-67,584.01	91.0%
Total Other Expense	1,123,787.83	3,302,790.00	-2,179,002.17	34.0%
Net Other Income	-1,123,787.83	-3,302,790.00	2,179,002.17	34.0%
Net Income	<u>-1,994,312.69</u>	<u>-1,369,196.90</u>	<u>-625,115.79</u>	<u>145.7%</u>

**Sanitary Distr. No.5 of Marin Co.
Monthly O.T. Report - REVISED
August 2023**

Type	Date	Num	Name	Memo	Amount	Balance
Alvarez, Joel						
Check	08/15/23	540	Alvarez, Joel	24.00 Hrs. O.T. @ 1.5x	1,770.84	1,770.84
Total Alvarez, Joel					1,770.84	1,770.84
Balf, Abigail						
Check	08/15/23	541	Balf, Abigail	1.50 Hrs. O.T. @ 1.5x	95.60	95.60
Check	08/29/23	557	Balf, Abigail	03.75 Hrs. O.T. @ 1.5x	239.01	334.61
Check	08/29/23	557	Balf, Abigail	05.00 Hrs. O.T. @ 2.0x	42.49	377.10
Total Balf, Abigail					377.10	377.10
Bilsborough, Chad						
Check	08/15/23	542	Bilsborough, Chad	04.00 Hrs O.T. @ 1.5x	2,765.73	2,765.73
Check	08/15/23	542	Bilsborough, Chad	12.00 Hrs. O.T. @ 2.0x	271.15	3,036.88
Check	08/29/23	558	Bilsborough, Chad	05.00 Hrs O.T. @ 1.5x	406.73	3,443.61
Total Bilsborough, Chad					3,443.61	3,443.61
Collodi, Peter						
Check	08/15/23	543	Collodi, Peter	08.50 Hrs. O.T. @ 1.5x	515.99	515.99
Check	08/29/23	559	Collodi, Peter	03.50 Hrs. O.T. @ 1.5x	212.47	728.46
Total Collodi, Peter					728.46	728.46
Cottrell, Rulon						
Check	08/15/23	544	Cottrell, Rulon	09.00 Hrs. O.T. @ 1.5x	1,430.81	1,430.81
Check	08/15/23	544	Cottrell, Rulon	01.50 Hrs. O.T. @ 2.0x	534.17	1,964.98
Total Cottrell, Rulon					1,964.98	1,964.98
Dohrmann, Robin						
Check	08/29/23	561	Dohrmann, Robin	13.00 Hrs. O.T. @ 1.5x	1,285.44	1,285.44
Total Dohrmann, Robin					1,285.44	1,285.44
Hage, Ross M.						
Check	08/29/23	563	Hage, Ross M.	0.75 Hrs. Comp Time	28.91	28.91
Total Hage, Ross M.					28.91	28.91
La Torre, Daniel P.						
Check	08/29/23	565	La Torre, Daniel P.	02.00 Hrs. O.T. @ 1.5x	207.66	207.66
Check	08/29/23	565	La Torre, Daniel P.	03.00 Hrs. O.T. @ 2.0x	415.32	622.98
Total La Torre, Daniel P.					622.98	622.98
TOTAL					10,222.32	10,222.32

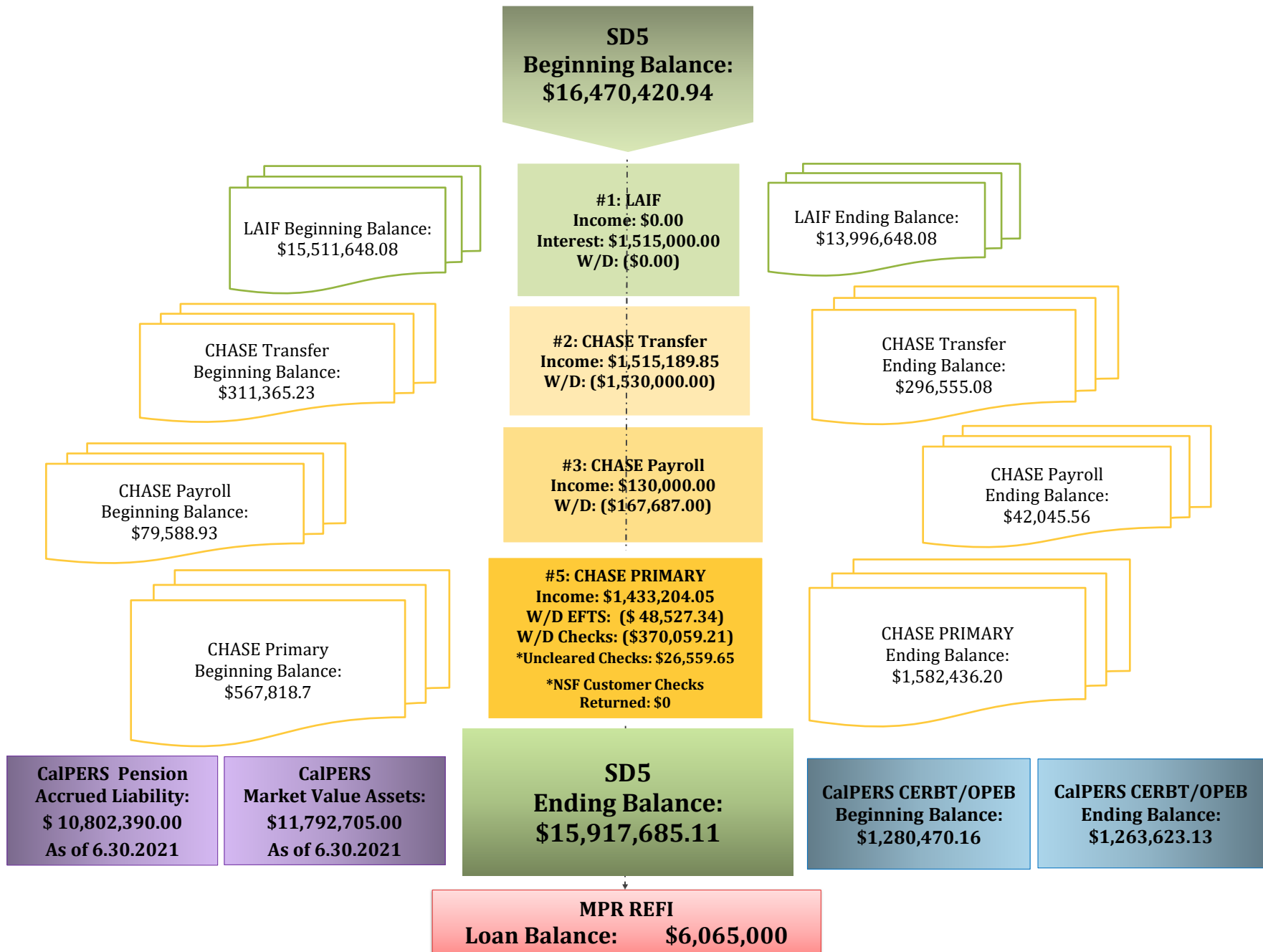
CASH FLOW CHART

SANITARY DISTRICT NO. 5 OF MARIN COUNTY: July 2023



CASH FLOW CHART

SANITARY DISTRICT NO. 5 OF MARIN COUNTY: August 2023





NOTICE OF AUTOMATIC PAYMENT

Paychex of New York LLC
1535 Scenic Avenue Suite 100
Costa Mesa CA 92626

Client # 0082 Y400-2116
Invoice # 2023071201

AUTOMATIC PAYMENT \$344.23

This amount will be deducted from the following bank account at or after 12:01 A.M on 7/14/23.

XXXXXXXXXXXXXXXX506

ADDRESS SERVICE REQUESTED

0082 Y400-2116
SANITARY DISTRICT NO 5
2001 Paradise Dr
Tiburon, California 94920-1937

For questions regarding your account, please call (844) 729-9247

ACCOUNT SUMMARY				AMOUNT
Previous Balance on Invoice#2023062801 Due 06/30/23				334.98
Payment Received - Thank You				-334.98
Balance Forward				0.00
Total New Charges				344.23
Account Balance (Includes Balance Forward, New Charges, and Pending Automatic Payments)				344.23

CHECK DATE	DESCRIPTION OF SERVICE	PROCESSING DATE	# TRANSACTIONS	AMOUNT
NEW CHARGES				
07/14/23	Paychex Productivity	07/12/23	15	364.50
	Quarter End Delivery			4.00
	Delivery		1	16.54
	Client Discount			-40.81
	Total New Charges			344.23
Automatic Payment (Includes New Charges and applicable credits from Balance Forward above)				344.23

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Thank you for choosing Paychex.

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 07/14/23: \$86,749.93

IMPORTANT COVID-19 INFORMATION: If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	86,749.93	
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	86,749.93	
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	10,177.80	
	CASH REQUIRED FOR CHECK DATE 07/14/23	<u>96,927.73</u>	

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>BANK DRAFT AMOUNTS & OTHER TOTALS</u>
07/13/23	JPMORGAN CHASE BANK,	xxxxxxxxxxxxx506	Direct Deposit	Net Pay Allocations	60,474.47	60,474.47
07/13/23	JPMORGAN CHASE BANK,	xxxxxxxxxxxxx506	Taxpay®	Employee Withholdings		
				Social Security	5,556.90	
				Medicare	1,299.61	
				Fed Income Tax	8,722.23	
				CA Income Tax	3,717.85	
				Total Withholdings	<u>19,296.59</u>	
				Employer Liabilities		
				Social Security	5,556.90	
				Medicare	1,299.61	
				Fed Unemploy	2.90	
				CA Disability	101.60	
				CA Unemploy	17.38	
				CA Emp Train	0.48	
				Total Liabilities	<u>6,978.87</u>	26,275.46
				EFT FOR 07/13/23		86,749.93
				TOTAL EFT		86,749.93



REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
07/14/23	Refer to your records for account	Information	Payroll	Employee Deductions		
				401A Member Contribu	4,514.07	
				Calpers 457B Roth	1,012.00	
				Calpers 457B TRDL	1,834.06	
				Med 125	194.61	

NOTICE OF AUTOMATIC PAYMENT



Paychex of New York LLC
 1535 Scenic Avenue Suite 100
 Costa Mesa CA 92626

Client # 0082 Y400-2116
 Invoice # 2023072701

AUTOMATIC PAYMENT \$334.98

This amount will be deducted from the following bank account at or after 12:01 A.M on 7/31/23.

XXXXXXXXXXXXXXXXX506

ADDRESS SERVICE REQUESTED

0082 Y400-2116
 SANITARY DISTRICT NO 5
 2001 Paradise Dr
 Tiburon, California 94920-1937

For questions regarding your account, please call (844) 729-9247

Page 1 of 1

ACCOUNT SUMMARY				AMOUNT
Previous Balance on Invoice#2023071201 Due 07/14/23				344.23
Payment Received - Thank You				-344.23
Balance Forward				0.00
Total New Charges				334.98
Account Balance (Includes Balance Forward, New Charges, and Pending Automatic Payments)				334.98

CHECK DATE	DESCRIPTION OF SERVICE	PROCESSING DATE	# TRANSACTIONS	AMOUNT
NEW CHARGES				
07/31/23	Paychex Productivity	07/27/23	14	358.60
	Delivery		1	16.54
	Client Discount			-40.16
	Total New Charges			334.98
Automatic Payment (Includes New Charges and applicable credits from Balance Forward above)				334.98

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Thank you for choosing Paychex.

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 07/31/23: \$71,985.35

IMPORTANT COVID-19 INFORMATION: If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	71,985.35	
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	71,985.35	
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	10,169.47	
	CASH REQUIRED FOR CHECK DATE 07/31/23	82,154.82	

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
07/28/23	JPMORGAN CHASE BANK,	xxxxxxxxxxxx506	Direct Deposit	Net Pay Allocations	45,285.36	45,285.36
07/28/23	JPMORGAN CHASE BANK,	xxxxxxxxxxxx506	Taxpay®	Employee Withholdings		
				Social Security	4,706.40	
				Medicare	1,100.69	
				Fed Income Tax	10,517.07	
				CA Income Tax	4,452.00	
				Total Withholdings	20,776.16	
				Employer Liabilities		
				Social Security	4,706.38	
				Medicare	1,100.69	
				Fed Unemploy	2.16	
				CA Disability	101.27	
				CA Unemploy	12.97	
				CA Emp Train	0.36	
				Total Liabilities	5,923.83	26,699.99
				EFT FOR 07/28/23		71,985.35
				TOTAL EFT		71,985.35

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		TOTAL
07/31/23	Refer to your records for account	Information	Payroll	Employee Deductions		
				401A Member Contribu	4,565.70	
				Calpers 457B Roth	1,012.00	
				Calpers 457B TRDL	1,838.13	
				Med 125	194.61	

CASH REQUIREMENTS

(Prior to Processing)

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 07/31/23: \$71,985.35

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (cont.) - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
07/31/23	Refer to your records for account	Information	Payroll	Employee Deductions (cont.)	
				Med FSA EE Pretax	127.00
				Total Deductions	7,737.44
				Other Items	
				457 ER	2,432.03
				TOTAL OTHER ITEMS	2,432.03
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES					10,169.47

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - *This information serves as a record of payment.*

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
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Sanitary District No. 5 of Marin County

GASB 75 Disclosures for Fiscal Year Ending June 30, 2023
Based on OPEB Valuation as of June 30, 2022

CONTACT

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GovInvest
The Financial Forecasting Authority

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Actuarial Certification

Mr. Tony Rubio
Sanitary District No. 5 of Marin County
2001 Paradise Drive
Tiburon, CA 94920

GovInvest has been engaged by Sanitary District No. 5 of Marin County to complete an actuarial valuation of the Sanitary District No. 5 of Marin County OPEB Plan as of June 30, 2022 which will be used as the basis of the financial accounting disclosure for fiscal year ending June 30, 2023 in accordance with GASB Statement No. 75 (Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions).

The purpose of this report is to provide the District with recommended contributions as well as required information needed for financial statement disclosure purposes. The use of this report for any other purpose may not be appropriate. The content of this report may not be modified, reproduced, or provided to third parties, either in whole or in part, without our permission. GovInvest is not responsible for usage, inference, or misinterpretation of this report by third parties.

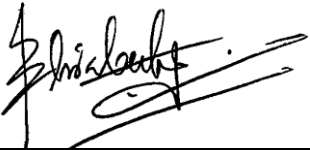
Results presented in this report are based on the census data, substantive plan provisions, and healthcare cost information provided by the District and/or their benefit consultants. All information provided has been reviewed for reasonableness and clarifications or corrections have been requested where appropriate. We have not audited the information at the source, and therefore, do not accept responsibility for the accuracy or completeness of the data on which the information is based. Assumptions made related to missing data have been identified in this report. We are satisfied that the information provided is suitable and sufficient for the purpose of the measurement.

The valuation results were prepared using leased actuarial modeling software that produces results consistent with the purpose of this valuation and meets applicable regulatory requirements. The vendor is responsible for the development, maintenance, and improvement of these models. The models include comprehensive technical documentations that outline how the calculations are performed along with sample life outputs that allow the users to confirm with high degree of accuracy how the programmed benefit is applied to an individual with the proposed decrements and other assumptions. The actuarial team loads the participant data, programs the benefit provisions and proposed assumptions into the model and review sample life outputs and results under the supervision of credentialed actuaries who are proficient users of the software. We are not aware of any material limitations in the model nor any material inconsistencies in the assumptions used within the model.

The discount rate, other economic, and demographic assumptions have been selected by the District with our recommendations and concurrence. We believe each assumption is reasonable based on its own merits and in combination represents reasonable expected experience of the Plan. All calculations have been completed in accordance with generally accepted actuarial principles and practices.

Future actuarial measurements may differ significantly from current measurements due to factors such as actual plan experience that differs from that anticipated by the economic and demographic assumptions as well as changes in future assumptions, substantive plan provisions, and/or applicable law. We have not analyzed the potential range of such differences due to the limited scope of our engagement. To our knowledge, there are no significant events prior to the current year's Measurement Date or as of the date of this report that may materially affect the results presented herein.

The undersigned meets the General Qualification Standards of the American Academy of Actuaries for the purpose of issuing Statement of Actuarial Opinion in the United States. Neither GovInvest nor any of its employees have any relationship with the Plan Sponsor that could impair or appear to impair the objectivity of this report.



Evi Laksana, ASA, MAAA
August 7, 2023

Section 1: Executive Summary

Sanitary District No. 5 of Marin County (the “District”) sponsors a single-employer defined benefit OPEB plan that provides medical and prescription drug coverage at retirement. Employees may continue health coverage with the District at retirement for themselves, their spouses, and dependents for life once they meet certain eligibility requirements and as long as required contributions are made.

The results presented in this report are based on the June 30, 2022 valuation with liabilities and assets measured as of June 30, 2022, for use in the District’s accrual-based financial statement for the fiscal year ending June 30, 2023. The District has elected to use the GASB 75 “lookback” method where assets and liabilities are measured as of the prior fiscal year-end but applied to the current fiscal year. The June 30, 2022 valuation uses census data of (a) active employees who will be eligible to receive benefits in the future and (b) existing retirees who are currently receiving these benefits as of June 30, 2022, as well as healthcare cost information effective on January 1, 2022 provided by the Plan Sponsor and/or their healthcare consultant.

The actuarial valuation is based on substantive plan provisions outlined in Section 6. The valuation requires assumptions which are listed in Section 7. Results from the June 30, 2022 valuation may be rolled-forward for use in the Plan Sponsor’s accrual-based financial statement disclosure for the fiscal year ending June 30, 2024 assuming that there are no material changes to the substantive plan provisions and/or the covered population.

The Plan Sponsor’s next full valuation is as of June 30, 2024 with liabilities and assets measured as of June 30, 2024 for reporting in the Plan Sponsor’s accrual-based financial statements for the fiscal year ending June 30, 2025.

Changes Since Prior Valuation

The District’s Net OPEB Liability has decreased from \$496,691 as of June 30, 2021 to \$261,102 as of June 30, 2022, which is attributable to a combination of the following factors:

1. Less favorable actual asset performance compared to expected that is offset by higher employer contribution to the Trust, which leads to an increase in the asset balance.
2. Favorable actual demographic experience and lower healthcare cost increase than expected for a liability decrease.
3. Assumption changes as outlined in Section 7 produce a net liability increase.

Summary of Results

Presented below is the summary of results for the current fiscal year compared to the prior fiscal year.

Fiscal Years	2022/23	2021/22
Valuation Date (VD)	June 30, 2022	June 30, 2020
Measurement Date (MD)	June 30, 2022	June 30, 2021
Membership Data as of Valuation Date		
Inactive employees or beneficiaries currently receiving benefits ¹	6	11
Inactive employees entitled to but not yet receiving benefits	0	0
Active employees	10	10
Total membership	16	21
Discount Rate at Measurement Date		
Municipal Bond Index Rate	3.69%	1.92%
Long-term Expected Asset Return	6.00%	7.78%
Year in which Fiduciary Net Position is projected to be depleted	N/A	N/A
Single Equivalent Discount Rate (SEDR)	6.00%	7.78%
Net OPEB Liability as of Measurement Date		
Total OPEB Liability (TOL)	\$ 1,462,527	\$ 1,510,164
Fiduciary Net Position (FNP)	(1,201,425)	(1,013,473)
Net OPEB Liability (NOL = TOL - FNP)	\$ 261,102	\$ 496,691
Funded Status (FNP / TOL)	82.1%	67.1%

¹ Prior year inactive employees or beneficiaries currently receiving benefits enrollment includes 6 retirees and surviving spouses and 5 spouses of living retirees. Current year inactive employees or beneficiaries currently receiving benefits enrollment includes 6 retirees and surviving spouses only and exclude spouses of living retirees covered under the plan to comply with GASB requirements on enrollment reporting.

Fiscal Years	2022/23	2021/22
Valuation Date (VD)	June 30, 2022	June 30, 2020
Measurement Date (MD)	June 30, 2022	June 30, 2021
OPEB Expense / (Income) by Fiscal Year	\$ (39,827)	\$ 50,405
Balance of unamortized Deferred Inflows at MD	\$ (339,865)	\$ (227,274)
Balance of unamortized Deferred Outflows at MD	\$ 449,679	\$ 414,640
Actuarially Determined Contribution by Fiscal Year²	\$ 102,433	\$ 112,895

² Actuarially Determined Contributions (ADCs) for FY 2021/22 and FY 2022/23 are as shown in the Sanitary District No. 5 GASB 75 OPEB Valuation Report for Disclosures for the Fiscal Year Ending June 30, 2022 prepared by Precision Actuarial, Inc. dated 8/30/2022.

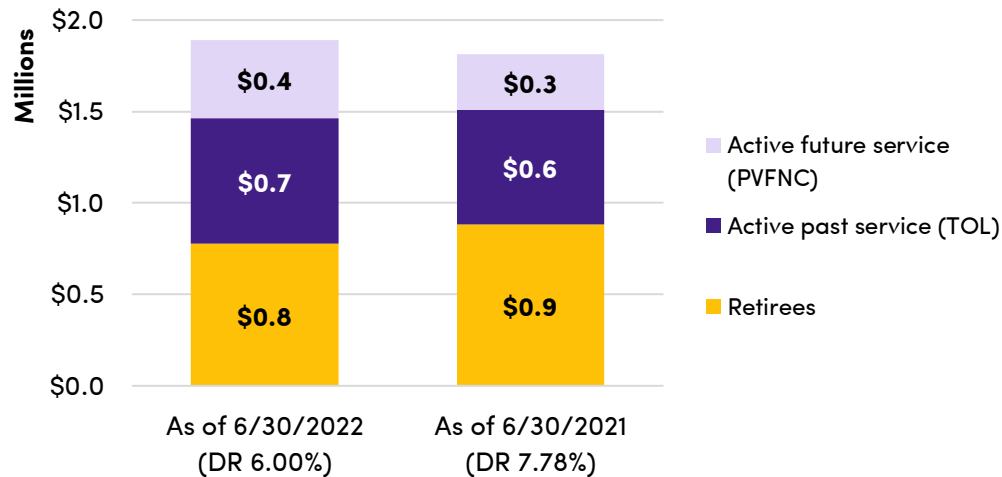
Below is a breakdown of the OPEB liability allocated to past and current service as of the Measurement Date compared to the prior Measurement Date. The liability below includes explicit subsidy (if any) and implicit subsidy. Refer to the Substantive Plan Provisions section for complete information on the District benefit provisions.

Present Value of Future Benefits (PVFB)	As of June 30, 2022	As of June 30, 2021
Active employees	\$ 1,112,420	\$ 930,408
Retired employees	779,125	883,287
Total PVFB	\$ 1,891,545	\$ 1,813,695

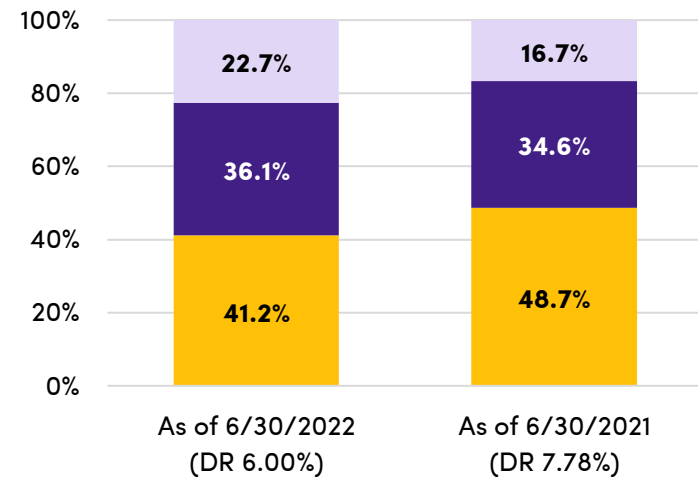
Total OPEB Liability (TOL)	As of June 30, 2022	As of June 30, 2021
Active employees	\$ 683,402	\$ 626,877
Retired employees	779,125	883,287
Total TOL	\$ 1,462,527	\$ 1,510,164

	As of June 30, 2022	As of June 30, 2021
Discount Rate	6.00%	7.78%

OPEB Liability Breakdown (\$)



OPEB Liability Breakdown (%)



Section 2: Financial Disclosures

This section provides the necessary accounting disclosures for the District’s financial reports as shown in the following tables:

Table 1: Plan Demographics

Table 2: Brief Summary of Assumptions

Table 3: OPEB Expense

Table 4: Net OPEB Liability Sensitivity (Discount Rate)

Table 5: Net OPEB Liability Sensitivity (Healthcare Trend Rates)

Table 6: Historical Deferred Inflows and Outflows

Table 7: Unamortized Balance of Deferred Inflows and Outflows

Table 8: Schedule of Future Amortization of Deferred Inflows and Outflows

Summary of Membership and Assumptions

The table below shows the number of employees covered by the benefit terms as of June 30, 2022.

Table 1 - Plan Demographics

Inactive employees or beneficiaries currently receiving benefits	6
Inactive employees entitled to but not yet receiving benefits	0
Active employees	10
Total membership	16

The Total OPEB Liability (TOL) as of June 30, 2022 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified. For a complete list of assumptions, refer to Section 7.

Table 2 - Brief Summary of Assumptions

Inflation	2.30%
Payroll growth	2.80% wage inflation plus seniority, merit, and promotion salary increases based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021
Investment rate of return	6.00%
Discount rate	6.00%
Healthcare trend rates	Based on 2022 Getzen model that reflects actual premium increases from 2022 to 2023 ³ followed by 6.50% non-Medicare / 5.40% Medicare decreasing gradually to an ultimate rate of 3.73% by 2075

³ Actual premium increases from 2022 to 2023 used in the valuation are as follows: (a) Non-Medicare: 6.60% Kaiser / 13.50% PERS Platinum and (b) Medicare: -6.40% Kaiser / 10.00% PERS Platinum.

OPEB Expense

The table below shows a comparison of the OPEB Expense recognized by the District for the current and prior fiscal years.

Table 3 - OPEB Expense

Fiscal Years	2022/23	2021/22
SEDR as of beginning of year	7.78%	7.78%
SEDR as of end of year	6.00%	7.78%
Service Cost	\$ 36,683	\$ 35,701
Interest on TOL and Service Cost	116,294	112,439
Changes of benefit terms	(102,846)	0
Projected earnings on OPEB Plan investments	(91,846)	(46,509)
OPEB Plan administrative expenses net of all revenues	278	301
Current period recognition of Deferred Inflows / Outflows of Resources		
Difference between expected and actual experience in the TOL	\$ (48,949)	\$ (13,373)
Changes of assumptions or other inputs	28,309	(8,180)
Net difference between the projected and actual earnings on OPEB Plan investments	22,250	(29,974)
Other	0	0
Total current period recognition	\$ 1,610	\$ (51,527)
OPEB Expense	\$ (39,827)	\$ 50,405

Schedule of Changes in Net OPEB Liability

Fiscal Year Ending June 30	2023	2022	2021	2020	2019
Measurement Period Ending June 30	2022	2021	2020	2019	2018
Total OPEB Liability (TOL)					
Service Cost	\$ 36,683	\$ 35,701	\$ 37,241	\$ 37,269	\$ 35,301
Interest on TOL and Service Cost	116,294	112,439	115,941	113,333	116,967
Changes of benefit terms	(102,846)	0	0	0	0
Difference between expected & actual experience	(284,609)	2,258	(103,657)	(226)	0
Changes of assumptions or other inputs	292,960	0	(24,122)	(2,175)	(36,351)
Benefit payments	(106,119) ⁴	(99,524)	(114,832)	(84,516)	(82,177)
Net change in TOL	\$ (47,637)	\$ 50,874	\$ (89,429)	\$ 63,685	\$ 33,740
TOL – beginning	\$ 1,510,164	\$ 1,459,290	\$ 1,548,719	\$ 1,485,034	\$ 1,451,294
TOL – ending	\$ 1,462,527	\$ 1,510,164	\$ 1,459,290	\$ 1,548,719	\$ 1,485,034
Plan Fiduciary Net Position (FNP)					
Contributions – employer	\$ 446,919	\$ 99,524	\$ 185,032	\$ 152,516	\$ 147,877
Contributions – employees	0	0	0	0	0
Benefit payments	(106,119)	(99,524)	(114,832)	(84,516)	(82,177)
Net investment income	(152,570)	218,591	25,195	36,822	38,672
Trust administrative expenses	(278)	(301)	(343)	(436)	(257)
Net change in Plan FNP	\$ 187,952	\$ 218,290	\$ 95,052	\$ 104,386	\$ 104,115
FNP – beginning	\$ 1,013,473	\$ 795,183	\$ 700,131	\$ 595,745	\$ 491,630
FNP – ending	\$ 1,201,425	\$ 1,013,473	\$ 795,183	\$ 700,131	\$ 595,745
Net OPEB Liability – ending	\$ 261,102	\$ 496,691	\$ 664,107	\$ 848,588	\$ 889,289
FNP as % of TOL	82.1%	67.1%	54.5%	45.2%	40.1%
Covered payroll – measurement period	\$ 1,148,796	\$ 962,819	\$ 916,620	\$ 888,075	\$ 849,372
NOL as % of covered payroll	22.7%	51.6%	72.5%	95.6%	104.7%

⁴ Based on explicit benefit payment of \$77,611 and estimated implicit subsidy payment of \$28,508.

Schedule of Changes in Net OPEB Liability (Continued)

Fiscal Year Ending June 30	2018
Measurement Period Ending June 30	2017
Total OPEB Liability (TOL)	
Service Cost	\$ 39,129
Interest on TOL and Service Cost	87,909
Changes of benefit terms	0
Difference between expected & actual experience	0
Changes of assumptions or other inputs	0
Benefit payments	(56,379)
Net change in TOL	\$ 70,659
TOL – beginning	\$ 1,380,635
TOL – ending	\$ 1,451,294
Plan Fiduciary Net Position (FNP)	
Contributions – employer	\$ 93,476
Contributions – employees	0
Benefit payments	(56,379)
Net investment income	43,423
Trust administrative expenses	(212)
Net change in Plan FNP	\$ 80,308
FNP – beginning	\$ 411,322
FNP – ending	\$ 491,630
Net OPEB Liability – ending	\$ 959,664
FNP as % of TOL	33.9%
Covered payroll – measurement period	\$ 909,928
NOL as % of covered payroll	105.5%

Schedule of Employer Contribution

Fiscal Year Ending	2023	2022	2021	2020	2019
Actuarially Determined Contribution (ADC)	\$ 108,489	\$ 102,433	\$ 112,895	\$ 106,991	\$ 108,953
Contributions in relation to the ADC	\$ 84,968	\$ 446,919	\$ 99,524	\$ 185,032	\$ 152,516
Contribution deficiency / (excess)	\$ 23,521	\$ (344,486)	\$ 13,371	\$ (78,041)	\$ (43,563)
Covered-employee payroll – employer fiscal year	\$ 1,240,682	\$ 1,148,796	\$ 962,819	\$ 916,620	\$ 888,075
Contributions as a % of covered-employee payroll	6.8%	38.9%	10.3%	20.2%	17.2%

Fiscal Year Ending	2018
Actuarially Determined Contribution (ADC)	\$ 93,476
Contributions in relation to the ADC	\$ 147,877
Contribution deficiency / (excess)	\$ (54,401)
Covered-employee payroll – employer fiscal year	\$ 849,372
Contributions as a % of covered-employee payroll	17.4%

Net OPEB Liability Sensitivity

The following presents the Net OPEB Liability of the District, as well as what the District’s Net OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate as of June 30, 2022.

Table 4 - Net OPEB Liability Sensitivity (Discount Rate)

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability / (Asset)	\$ 464,143	\$ 261,102	\$ 92,944

The following presents the Net OPEB Liability of the District, as well as what the District’s Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates as of June 30, 2022.

Table 5 - Net OPEB Liability Sensitivity (Healthcare Trend Rates)

	1% Decrease	Healthcare Trend Rates ⁵	1% Increase
Net OPEB Liability / (Asset)	\$ 67,622	\$ 261,102	\$ 502,932

⁵ Comparison of Baseline, 1% Decrease and 1% Increase in healthcare trend rates assumptions are as shown below:

Groups	1% Decrease	Baseline	1% Increase
Non-Medicare	5.60% Kaiser / 12.50% PERS Platinum followed by 5.50% decreasing to 2.73% ultimate rate by 2075	6.60% Kaiser / 13.50% PERS Platinum followed by 6.50% decreasing to 3.73% ultimate rate by 2075	7.60% Kaiser / 14.50% PERS Platinum followed by 7.50% decreasing to 4.73% ultimate rate by 2075
Medicare	-7.40% Kaiser / 9.00% PERS Platinum followed by 4.40% decreasing to 2.73% ultimate rate by 2075	-6.40% Kaiser / 10.00% PERS Platinum followed by 5.40% decreasing to 3.73% ultimate rate by 2075	-5.40% Kaiser / 11.00% PERS Platinum followed by 6.40% decreasing to 4.73% ultimate rate by 2075

Deferred Inflows and Deferred Outflows of Resources Related to OPEB

The tables below show changes in the Net OPEB Liability that have not been included in the OPEB expense for the following items:

1. Differences between expected and actual experience of the OPEB plan
2. Changes in assumptions
3. Differences between projected and actual earnings on the OPEB plan investments

The initial amortization base for the first two items above are amortized linearly over the average expected remaining service lives of active and inactive employees. The difference between projected and actual earnings on the OPEB plan investments is amortized linearly over five years.

Table 6 - Historical Deferred Inflows and Outflows

Differences between expected and actual experience

Measurement Period Ending	Fiscal Year Ending	Initial Balance	Initial Amortization Period	Annual Recognition	Recognized in OPEB Expense through June 30, 2022	Unamortized Balance as of June 30, 2022
6/30/2017	6/30/2018	\$ 0	N/A	\$ 0	\$ 0	\$ 0
6/30/2018	6/30/2019	\$ 0	7.50	\$ 0	\$ 0	\$ 0
6/30/2019	6/30/2020	\$ (226)	7.50	\$ (31)	\$ (124)	\$ (102)
6/30/2020	6/30/2021	\$ (103,657)	7.60	\$ (13,640)	\$ (40,920)	\$ (62,737)
6/30/2021	6/30/2022	\$ 2,258	7.60	\$ 298	\$ 596	\$ 1,662
6/30/2022	6/30/2023	\$ (284,609)	8.00	\$ (35,576)	\$ (35,576)	\$ (249,033)

Changes in assumptions or other inputs

Measurement Period Ending	Fiscal Year Ending	Initial Balance	Initial Amortization Period	Annual Recognition	Recognized in OPEB Expense through June 30, 2022	Unamortized Balance as of June 30, 2022
6/30/2017	6/30/2018	\$ 0	N/A	\$ 0	\$ 0	\$ 0
6/30/2018	6/30/2019	\$ (36,351)	7.50	\$ (4,847)	\$ (24,235)	\$ (12,116)
6/30/2019	6/30/2020	\$ (2,175)	7.50	\$ (290)	\$ (1,160)	\$ (1,015)
6/30/2020 ⁶	6/30/2021	\$ (24,122)	7.60	\$ (3,174)	\$ (9,260)	\$ (14,862)
6/30/2021	6/30/2022	\$ 0	7.60	\$ 0	\$ 0	\$ 0
6/30/2022	6/30/2023	\$ 292,960	8.00	\$ 36,620	\$ 36,620	\$ 256,340

Differences between projected and actual earnings on OPEB plan investments

Measurement Period Ending	Fiscal Year Ending	Initial Balance	Initial Amortization Period	Annual Recognition	Recognized in OPEB Expense through June 30, 2022	Unamortized Balance as of June 30, 2022
6/30/2017	6/30/2018	\$ (16,694)	5.00	\$ 0	\$ (16,694)	\$ 0
6/30/2018	6/30/2019	\$ (2,642)	5.00	\$ (526)	\$ (2,642)	\$ 0
6/30/2019	6/30/2020	\$ 10,948	5.00	\$ 2,190	\$ 8,760	\$ 2,188
6/30/2020	6/30/2021	\$ 30,596	5.00	\$ 6,120	\$ 18,360	\$ 12,236
6/30/2021	6/30/2022	\$ (172,082)	5.00	\$ (34,417)	\$ (68,834)	\$ (103,248)
6/30/2022	6/30/2023	\$ 244,416	5.00	\$ 48,883	\$ 48,883	\$ 195,533

⁶ This amortization base has been updated from \$23,125 to \$24,122 to be consistent with the changes in assumptions or other inputs actuarial liability reduction reported in the 2019/20 measurement period. The annual amortization amount has been revised from \$3,043 to \$3,174. The amount recognized in OPEB expense through June 30, 2022 is based on the \$3,043 annual amortization for the first two years followed by \$3,174 for the current year. The difference in the amount recognized in the first two years (\$262) has been added to the final year of amortization.

The table below shows the unamortized balance of Deferred Inflows and Outflows of Resources as of June 30, 2022 for financial statement disclosure for the fiscal year ending June 30, 2023.

Table 7 - Unamortized Balance of Deferred Inflows and Outflows

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,662	\$ (311,872)
Changes in assumptions or other inputs	256,340	(27,993)
Net difference between projected and actual earnings on OPEB plan investments	106,709	0
Employer contribution subsequent to the Measurement Date	84,968 ⁷	0
Total	\$ 449,679	\$ (339,865)

Schedule of future annual amortizations of Deferred Inflows and Outflows that will be recognized in future OPEB expense is as shown below.

Table 8 - Schedule of Future Deferred Inflows and Outflows Amortization

Measurement Period Ending	Amounts
2023	\$ 2,134
2024	\$ (58)
2025	\$ (3,746)
2026	\$ 33,258
2027	\$ (9,001)
Thereafter	\$ 2,259

⁷ Based on actual retiree healthcare expenses of \$84,968 (including implicit subsidy credit) plus no additional District contribution to the Trust.

Section 3: Asset Information

Funding Policy

The District has an OPEB Trust that is invested in the California Employers' Retiree Benefit Trust (CERBT) Strategy 1, which is a qualified irrevocable trust. The District has historically contributed the Actuarially Determined Contribution through a combination of retiree healthcare expenses payment made from outside of the Trust and additional contribution to the Trust.

Asset Breakdown⁸

As of	June 30, 2022	June 30, 2021
Assets		
Cash and cash equivalents	\$ 0	\$ 0
Investments		
Equity	\$ 588,698	\$ 597,949
Fixed Income	276,328	253,368
Treasury Inflation-Protected Securities (TIPS)	60,071	50,674
Real Estate Investment Trusts (REITs)	240,285	81,078
Commodities	36,043	30,404
Total investments	<u>\$ 1,201,425</u>	<u>\$ 1,013,473</u>
Total assets	\$ 1,201,425	\$ 1,013,473
Liabilities		
Accounts payable	<u>\$ 0</u>	<u>\$ 0</u>
Total liabilities	\$ 0	\$ 0
Net asset available for benefits	\$ 1,201,425	\$ 1,013,473

⁸ Asset breakdown by investment class as of June 30, 2021 and June 30, 2022 are based on the target allocation for CERBT Strategy 1. The target allocation used to allocate June 30, 2022 asset is based on the new proposed portfolios approved by the CalPERS Board of Administration in the Spring of 2022.

Reconciliation of Assets

Measurement Periods	2021/22	2020/21
Additions		
Contributions received		
Employer ⁹	\$ 446,919	\$ 99,524
Employees	0	0
Total contributions	\$ 446,919	\$ 99,524
Investment income		
Interest and dividend	\$ 0	\$ 0
Net increase/(decrease) in fair value of investments	(152,570)	218,591
Accrued income	0	0
Investment expense	0	0
Net investment income	\$ (152,570)	\$ 218,591
Total additions	\$ 294,349	\$ 318,115
Deductions		
Benefit payments net of retiree contributions	\$ (106,119)	\$ (99,524)
Administrative expenses	(278)	(301)
Total deductions	\$ (106,397)	\$ (99,825)
Change in net position	\$ 187,952	\$ 218,290
Net position – beginning of year	\$ 1,013,473	\$ 795,183
Net position – end of year	\$ 1,201,425	\$ 1,013,473

⁹ Includes \$24,086 and \$28,508 in implicit subsidy credit for FY 2020/21 and FY 2021/22 respectively.

Section 4: Actuarially Determined Contribution

Actuarially Determined Contribution (ADC) is the recommended contribution that, if paid on an ongoing basis, is expected to provide sufficient resources to fund (a) future normal cost (cost for new service) and (b) the amortized unfunded liabilities (cost for past service). There is no requirement to fund OPEB benefit under GASB 75 and it is up to the Plan Sponsor's discretion to determine the OPEB contributions based on their fiscal situation.

Fiscal Years	2023/24	2024/25
Funding discount rate	6.00%	6.00%
Amortization method	Level % of Pay	Level % of Pay
Payroll growth	2.80%	2.80%
Amortization period	14 years	13 years
Actuarial Accrued Liability (AAL) – beginning of year ¹⁰	\$ 1,526,481	\$ 1,594,639
Actuarial Value of Assets (AVA) – beginning of year ¹¹	(1,272,892)	(1,351,915)
Unfunded AAL (UAAL) – beginning of year	\$ 253,589	\$ 242,724
Normal Cost – beginning of year	\$ 36,856	\$ 38,231
Amortization of UAAL – beginning of year	21,939	22,294
Total Normal Cost and amortization of UAAL	\$ 58,795	\$ 60,525
Interest adjustment for end of year payment	3,528	3,632
Administrative expense	636	676
Actuarially Determined Contribution (ADC)	\$ 62,959	\$ 64,833
Expected benefit payments	\$ 59,750	\$ 64,292

¹⁰ Fiscal years 2023/24 and 2024/25 AAL as of beginning of year is based on June 30, 2022 OPEB valuation results projected to June 30, 2023 and 2024 on a “no gain/loss” basis.

¹¹ Fiscal years 2023/24 and 2024/25 AVA as of beginning of year is projected from June 30, 2022 market value of asset assuming 6.00% investment income, District contribution equals to the actual retiree healthcare expenses in FY 2022/23 (\$84,968) and the Actuarially Determined Contributions in FY 2023/24 (\$62,959), and 0.05% administrative expense applied to beginning of year asset balance.

Section 5: Projected Benefit Payments

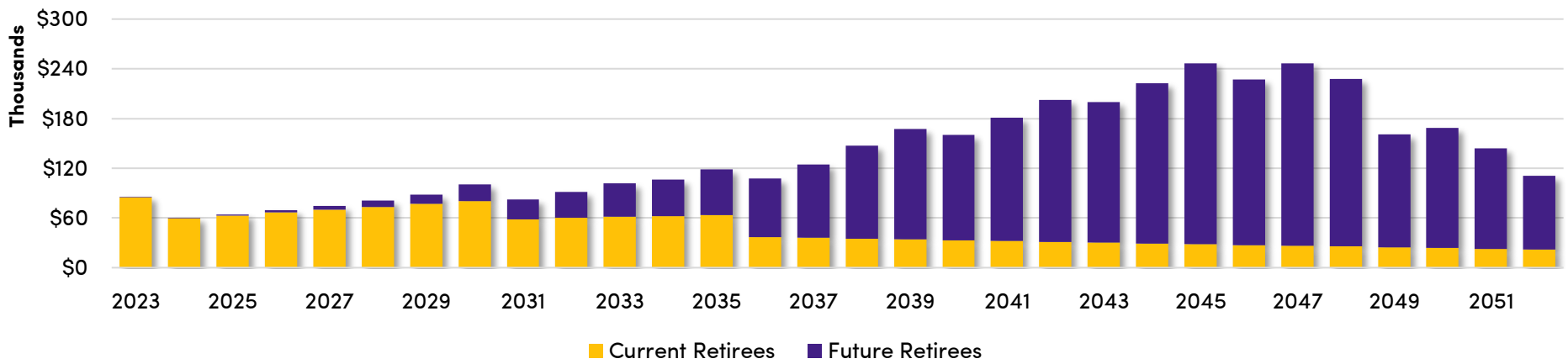
The below table shows the projected benefit payments for the next 30 years for a closed group of participants (both active employees and existing retirees) who are included in the census data as of June 30, 2022. This exhibit is provided for informational purposes only and is not a required disclosure under GASB 75. Projected benefit payments below include both explicit (if any) and implicit subsidies (as applicable).

FYE	Future Retirees	Current Retirees	Total ¹²
2023	\$ 268	\$ 84,700	\$ 84,968
2024	\$ 476	\$ 59,274	\$ 59,750
2025	\$ 1,439	\$ 62,853	\$ 64,292
2026	\$ 2,676	\$ 66,423	\$ 69,099
2027	\$ 4,402	\$ 69,956	\$ 74,358
2028	\$ 7,188	\$ 73,488	\$ 80,676
2029	\$ 11,125	\$ 77,006	\$ 88,131
2030	\$ 19,984	\$ 80,564	\$ 100,548
2031	\$ 23,561	\$ 58,449	\$ 82,010
2032	\$ 31,239	\$ 59,921	\$ 91,160

FYE	Future Retirees	Current Retirees	Total
2033	\$ 40,127	\$ 61,358	\$ 101,485
2034	\$ 44,133	\$ 62,343	\$ 106,476
2035	\$ 55,116	\$ 63,302	\$ 118,418
2036	\$ 70,702	\$ 36,982	\$ 107,684
2037	\$ 88,446	\$ 36,082	\$ 124,528
2038	\$ 111,992	\$ 35,112	\$ 147,104
2039	\$ 133,225	\$ 34,115	\$ 167,340
2040	\$ 127,087	\$ 33,100	\$ 160,187
2041	\$ 148,593	\$ 32,096	\$ 180,689
2042	\$ 171,501	\$ 31,111	\$ 202,612

FYE	Future Retirees	Current Retirees	Total
2043	\$ 169,609	\$ 30,146	\$ 199,755
2044	\$ 193,291	\$ 29,204	\$ 222,495
2045	\$ 218,212	\$ 28,285	\$ 246,497
2046	\$ 199,505	\$ 27,382	\$ 226,887
2047	\$ 220,104	\$ 26,490	\$ 246,594
2048	\$ 201,870	\$ 25,587	\$ 227,457
2049	\$ 135,895	\$ 24,659	\$ 160,554
2050	\$ 144,833	\$ 23,688	\$ 168,521
2051	\$ 121,019	\$ 22,671	\$ 143,690
2052	\$ 89,124	\$ 21,623	\$ 110,747

Projected Benefit Payments

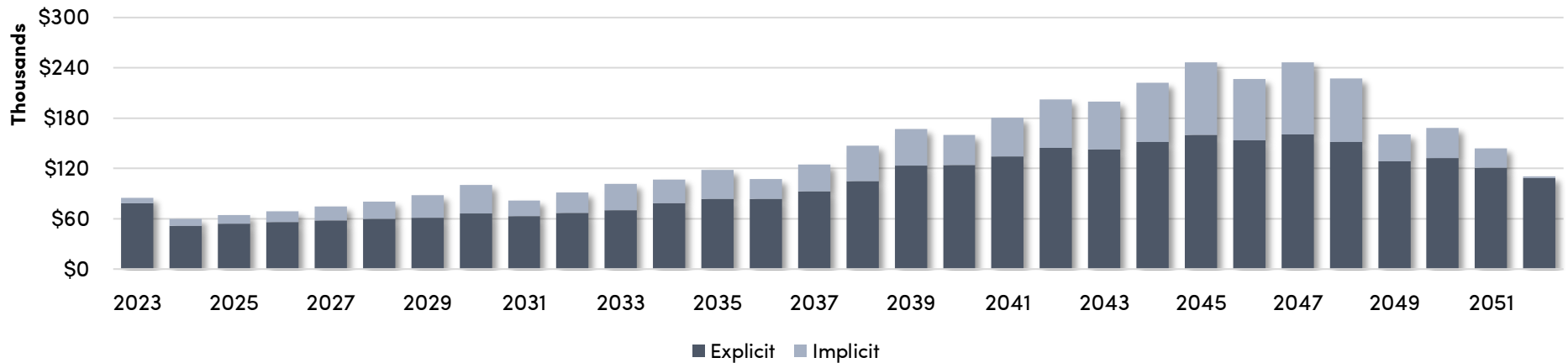


¹² Total benefit payment for FYE 6/30/2023 is based on explicit benefit payment of \$78,541 and estimated implicit subsidy payment of \$6,427. The benefit payment split between future and existing retirees has been estimated by our valuation software.

The following table splits the projected benefit payments for the next 30 years between the explicit and implicit subsidies for a closed group of participants (both active employees and existing retirees) who are included in the census data as of June 30, 2022.

FYE	Explicit ¹³	Implicit	Total	FYE	Explicit	Implicit	Total	FYE	Explicit	Implicit	Total
2023	\$ 78,541	\$ 6,427	\$ 84,968	2033	\$ 70,446	\$ 31,039	\$ 101,485	2043	\$ 142,379	\$ 57,376	\$ 199,755
2024	\$ 51,534	\$ 8,216	\$ 59,750	2034	\$ 78,651	\$ 27,825	\$ 106,476	2044	\$ 151,352	\$ 71,143	\$ 222,495
2025	\$ 53,935	\$ 10,357	\$ 64,292	2035	\$ 83,788	\$ 34,630	\$ 118,418	2045	\$ 159,879	\$ 86,618	\$ 246,497
2026	\$ 56,028	\$ 13,071	\$ 69,099	2036	\$ 83,527	\$ 24,157	\$ 107,684	2046	\$ 153,701	\$ 73,186	\$ 226,887
2027	\$ 57,951	\$ 16,407	\$ 74,358	2037	\$ 92,328	\$ 32,200	\$ 124,528	2047	\$ 160,635	\$ 85,959	\$ 246,594
2028	\$ 59,741	\$ 20,935	\$ 80,676	2038	\$ 105,091	\$ 42,013	\$ 147,104	2048	\$ 151,907	\$ 75,550	\$ 227,457
2029	\$ 61,343	\$ 26,788	\$ 88,131	2039	\$ 123,242	\$ 44,098	\$ 167,340	2049	\$ 128,467	\$ 32,087	\$ 160,554
2030	\$ 66,152	\$ 34,396	\$ 100,548	2040	\$ 123,781	\$ 36,406	\$ 160,187	2050	\$ 132,309	\$ 36,212	\$ 168,521
2031	\$ 63,277	\$ 18,733	\$ 82,010	2041	\$ 134,424	\$ 46,265	\$ 180,689	2051	\$ 120,674	\$ 23,016	\$ 143,690
2032	\$ 66,658	\$ 24,502	\$ 91,160	2042	\$ 144,694	\$ 57,918	\$ 202,612	2052	\$ 108,798	\$ 1,949	\$ 110,747

Projected Benefit Payments (Explicit/Implicit)



¹³ Explicit benefit payment for FYE 6/30/2023 is based on the actual retiree healthcare expenses paid by the District.

Section 6: Substantive Plan Provisions

Changes Since Prior Valuation

In the prior valuation, the District contributes 100% of premium up to the weighted average of single member plan premiums, plus 90% of the weighted average of the additional premium for the four most commonly selected plans that cover dependents, less the PEMHCA minimum benefit for active employees hired between 9/1/2000 and 7/1/2017 who retire at age 55 with five years of continuous, full-time service leading up to retirement. This benefit is now applicable only to active employees hired between 9/1/2000 and 12/18/2012. All employees hired after 12/18/2012 are eligible for the PEMHCA minimum benefit only at retirement. This change caused a decrease in the liability.

Eligibility

Employees are eligible for lifetime retiree health benefits once they retire within 120 days from date of separation and the retiree must be receiving benefits from California Public Employees Retirement System (CalPERS). The earliest service retirement eligibility requirements under CalPERS are as follows:

Membership Date	Requirements
Before 1/1/2013	Age 50 with 5 years of CalPERS service ¹⁴
On/after 1/1/2013	Age 52 with 5 years of CalPERS service ¹⁴

CalPERS eligibility requirements for disability benefits are as follows:

- Ordinary Disability: five years of service
- Line of Duty Disability: no age or service requirement

Spouse Benefits

Employees are allowed to elect spousal coverage at retirement. Retiree medical coverage continues to surviving spouses upon death of retirees (including Employer Subsidy) as long as the required contributions are made and the retiree elects for the spouse to continue receiving retirement benefit. There is no surviving spouse coverage upon the death of active employees.

Ancillary Benefits

There is no District-subsidized dental, vision, life insurance, or Medicare Part B reimbursement benefit at retirement.

¹⁴ Note that service includes service across all CalPERS employers and with other retirement systems with which CalPERS has reciprocity agreements.

Employer Subsidy

The District contributes the following amounts to the retiree’s HRA for employees hired up to 12/18/2012. The District pays the PEMHCA minimum benefit for all employees and retirees.

Hire Date Cut-Off	District Subsidy
Prior to 9/1/2000	For retirees who retire at age 55 with five years of continuous, full-time service leading up to retirement, the District contributes 100% of premium up to the maximum Kaiser Basic / Supplemental rate for retiree and eligible dependents coverage, less the PEMHCA minimum benefit
Between 9/1/2000 and 12/18/2012	For retirees who retire at age 55 with five years of continuous, full-time service leading up to retirement, the District contributes 100% of premium up to the weighted average of single member plan premiums, plus 90% of the weighted average of the additional premium for the four most commonly selected plans that cover dependents, less the PEMHCA minimum benefit*

* For valuation purposes, we are assuming that the District subsidy for employees hired between 9/1/2000 and 12/18/2012 is based on 20% of Kaiser Permanente and 80% of PERS Platinum costs. The corresponding premium rates based on this assumed health plan election at retirement effective on January 1, 2022 and 2023 are as shown below.

	Eff. January 1, 2022			Eff. January 1, 2023		
	Single	2-Party	Family	Single	2-Party	Family
Non-Medicare	\$1,017.02	\$2,034.04	\$2,644.25	\$1,142.84	\$2,285.69	\$2,971.38
Medicare	\$366.06	\$732.12	\$1,098.18	\$392.67	\$785.33	\$1,178.01

The final monthly District subsidy amounts used in the valuation as of January 1, 2022 and 2023 are as shown below.

	Eff. January 1, 2022			Eff. January 1, 2023		
	Single	2-Party	Family	Single	2-Party	Family
Non-Medicare	\$1,017.02	\$1,932.34	\$2,481.53	\$1,142.84	\$2,171.40	\$2,788.54
Medicare	\$366.06	\$695.51	\$1,024.96	\$392.67	\$746.07	\$1,099.46

PEMHCA Minimum

Pursuant to Government Code 22892 of the Public Employees’ Medical and Hospital Care Act (PEMHCA), the District’s contribution is not less than the minimum amount allowed, which are \$149 and \$151 per month for 2022 and 2023. The PEMHCA minimum contribution increases annually by the CPI medical care component. The amount of District-provided minimum contribution is the same regardless of the retiree’s dependent coverage and health plan choice.

Retiree Contributions

Retirees are required to contribute the portion of premium rates not covered by the Employer Subsidy.

Premium Rates

The monthly CalPERS premium rates used in the valuation effective on January 1, 2022 and 2023 are as shown below.

Regions	Non-Medicare Plans	As of January 1, 2022			As of January 1, 2023		
		Single	2-Party	Family	Single	2-Party	Family
Region 1	Kaiser Permanente	\$ 857.06	\$ 1,714.12	\$ 2,228.36	\$ 913.74	\$ 1,827.48	\$ 2,375.72

Medicare Plans	As of January 1, 2022			As of January 1, 2023		
	Single	2-Party	Family	Single	2-Party	Family
Kaiser Senior Advantage	\$ 302.53	\$ 605.06	\$ 907.59	\$ 283.25	\$ 566.50	\$ 849.75
PERS Platinum Medicare Supplement	\$ 381.94	\$ 763.88	\$ 1,145.82	\$ 420.02	\$ 840.04	\$ 1,260.06

Section 7: Actuarial Methods and Assumptions

Changes Since Prior Valuation

The following assumptions have been updated since the prior valuation:

1. The Single Equivalent Discount Rate (SEDR) has been reduced from 7.78% as of June 30, 2021 to 6.00% as of June 30, 2022 based on updated expected long-term rate of return of the Trust, which caused an increase in the liability.
2. Payroll growth, mortality, termination, disability, and retirement rates assumptions have been updated from CalPERS Experience Study and Review of Actuarial Assumptions published in December 2017 to the most recent study published in November 2021. The net impact of these changes is a slight decrease in the liability.
3. In the prior valuation, active employees are assumed to elect Kaiser health plan at retirement. In this year’s valuation, the active employees health plan election at retirement has been updated to the following based on existing retirees health plan election. This change caused an increase in the District’s liability.

	Kaiser Permanente / Kaiser Senior Advantage	PERS Platinum / PERS Platinum Medicare Supplement
Pre-Medicare	100%	
Post-Medicare	20%	80%

4. Health care trend rates have been updated as follows, which are based on updated Getzen Model of Long-Run Medical Cost Trend Model, publicly available health care trend rates surveys, and medical inflation data. This change caused a decrease in the liability.
 - a. Medical/prescription drug: from Getzen 2021 to Getzen 2022 version that reflects actual premium increases from 2022 to 2023¹⁵ followed by 6.50% non-Medicare / 5.40% Medicare decreasing gradually to an ultimate rate of 3.73% by 2075.
 - b. PEMHCA: from 3.00% for all years to 1.30% from 2022 to 2023 followed by 3.50% for all subsequent years.

¹⁵ Actual premium increases from 2022 to 2023 used in the valuation are as follows: (a) Non-Medicare: 6.60% Kaiser / 13.50% PERS Platinum and (b) Medicare: -6.40% Kaiser / 10.00% PERS Platinum.

5. Percentage of active employees electing health coverage at retirement has been reduced from 90% to 50% for those hired after 12/18/2012. This change caused a slight decrease in the liability.
6. Percentage of active employees assumed to elect spousal coverage has been updated from 70% to 85% based on actual spousal coverage election rate of existing retirees, which caused an increase in the liability.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Reporting Period	Fiscal year ending June 30, 2023
Discount Rate	<p>For accounting disclosure: 6.00% as of June 30, 2022 and 7.78% as of June 30, 2021</p> <p>For funding purposes (in calculating the Actuarially Determined Contribution): 6.00% for FY 2023/24 and 2024/25 contributions</p> <p>Refer to the Discussion of Discount Rate section for additional information on the discount rate setting.</p>
Actuarial Cost Method	<p>Entry Age Normal Level Percentage of Pay; a method that allocates the actuarial present value of the projected benefits of each individual on a level basis over the earnings of the individual between entry age and assumed exit age(s).</p> <ul style="list-style-type: none"> • The portion allocated to a valuation year is called the Normal Cost. • The portion allocated to past periods is called the Actuarial Accrued Liability (AAL) or Total OPEB Liability (TOL).
Payroll Growth	2.80% wage inflation plus seniority, merit, and promotion salary increases based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Refer to the Appendix for sample rates.
Census Data	Census information was provided by the District as of June 30, 2022. We have reviewed this data for reasonableness and no material modification was made to the data.
Mortality	Based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Refer to the Appendix for sample rates.

Termination	Based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Refer to the Appendix for sample rates.
Disability	Based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Refer to the Appendix for sample rates.
Retirement	Based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Refer to the Appendix for sample rates.
Participation Rate	<p>90% of active employees hired on/prior to 12/18/2012 and 50% of active employees hired after 12/18/2012 are assumed to elect health coverage with the District at retirement.</p> <p>Existing retirees who are currently enrolled in the District's health plans are assumed to continue coverage until death. Upon retiree's death, surviving spouses are assumed to continue coverage in the City's health plans (all of them are assumed to receive contingent pension benefit).</p>
Health Plan Election	<p>Employees are assumed to elect Kaiser Permanente health plan at retirement prior to Medicare eligibility. Upon Medicare eligibility, 20% of active employees are assumed to elect Kaiser Permanente Senior Advantage with the remaining 80% electing PERS Platinum Medicare Supplement.</p> <p>Existing retirees are assumed to remain in the same health plan option they are currently enrolled in for life, except for those who are under the age of 65 as of the Valuation Date. These retirees are assumed to enroll in the corresponding Medicare health plan option upon Medicare eligibility.</p>
Spousal Election	<p>For future retirees, 85% of active employees are assumed to elect spousal coverage at retirement. Husbands are assumed to be three years older than wives.</p> <p>For existing retirees, spousal coverage and age is based on actual data.</p>
Dependent Election	None.
Medicare Eligibility	All future and existing retirees (including disabled retirees) are assumed to be eligible for Medicare at age 65.

Per Capita Costs

The valuation projects health care costs for employees who remain enrolled in the District's benefit plans after retirement. In accordance with Actuarial Standards of Practice No. 6 (ASOP 6), the actuarial development of health care costs should preferably use the health plan experience that is considered the best predictor of future claims experience assuming it is sufficiently credible. In the absence of credible health plan experience data, the actuary may use other methods such as premiums and normative databases to develop the per capita costs.

As medical/prescription drug costs generally vary by age, age-specific costs should be used in the development of initial per capita costs and projection of future benefit costs, except in very limited circumstances defined in ASOP 6 Section 3.7.7(c). The development of the age-specific costs should be based on the demographics of the group being valued and the group's total expected claims or premiums.

Retiree healthcare costs are, on average, significantly higher than active employees and if the District charges blended premium rates (determined using active employees and retiree claims experience) to the retirees, the District is providing an implicit subsidy for these retirees. Under GASB 75, the implicit subsidy must be included in the post-employment medical benefit obligation. Separate costs should be developed for Medicare-eligible participants due to Medicare being the primary payer for these retirees, which leads to a reduction to the Plan Sponsor's health plan costs.

In developing the per capita costs, we have used CalPERS health plan premium rates effective on January 1, 2022 and aging factors and subscriber enrollments for HMO and PPO plans combined as published in the CalPERS Health Plan (PEMHCA) Implicit Subsidy Data for Calendar 2019.

The following table shows the sample per capita costs at select ages for calendar year 2022 used in the valuation. These costs are assumed to increase with health care trend rates.

Age	Kaiser	
	Male	Female
45	\$3,283	\$3,554
50	\$3,219	\$3,696
55	\$3,157	\$3,843
60	\$3,096	\$3,997
64	\$3,035	\$4,156

Per Capita Costs (Cont'd) We have assumed that CalPERS health premiums for Medicare eligible retirees are based on Medicare eligible retiree claims experience and represent the expected true cost of retiree coverage. As such, we have assumed there is no implicit subsidy for Medicare retirees. The annual costs used on/after age 65 are \$3,630 for Kaiser Permanente Senior Advantage and \$4,583 for PERS Platinum Medicare Supplement plans. These costs are assumed to increase with health care trend rates.

Trend Rates

Historically, health care costs have increased more rapidly than the rate of inflation. In estimating the value of retiree health benefits, assumptions must be made on future increases in healthcare costs. The health care trend rates assumption used in this valuation is based on the Getzen Model of Long-Run Medical Cost Trends, which was first designed by T.E. Getzen for the Society of Actuaries (SOA) in 2007. The model is designed to make long-run forecasts and typically used to select medical trend assumptions for retiree medical valuations to present liabilities disclosed under the appropriate accounting standards, or to determine contributions under a funding policy. The long-run baseline projection and input variables were developed under the guidance of the SOA Project Oversight Group. The model is updated annually along with updated documentation and recommended input variables by the author of the model.

The baseline assumptions used in the Getzen model are as shown in the table below.

Inflation Rate	2.3%
Real GDP Per Capita Growth	1.4%
Excess Medical Cost Growth	1.0%
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2075

Trend Rates (Cont'd)

The output of the Getzen Model of Long-Run Medical Cost Trend Model used in the valuation is as shown below.

Year	Non-Medicare	Medicare
2022	Actual ¹⁶	Actual ¹⁷
2023	6.50%	5.40%
2024	6.00%	5.30%
2025	5.50%	5.20%
2030	4.84%	4.84%
2035	4.77%	4.77%

Year	Non-Medicare	Medicare
2040	4.60%	4.60%
2050	4.43%	4.43%
2060	4.33%	4.33%
2070	4.00%	4.00%
2075+	3.73%	3.73%

PEMHCA minimum cost is assumed to increase by 1.30% from 2022 to 2023 followed by 3.50% annually for all subsequent years.

¹⁶ The actual premium increases from 2022 to 2023 used in the valuation are 6.60% for Kaiser and 13.50% for PERS Platinum.

¹⁷ The actual premium increase from 2022 to 2023 used in the valuation are -6.40% for Kaiser and 10.00% for PERS Platinum.

Discussion of Discount Rates

Under GASB 75, the discount rate used in valuing OPEB liabilities as of the Measurement Date is a single rate that reflects:

1. The long-term expected rate of return on OPEB plan investments that are expected to be used to finance future benefit payments, to the extent that (a) they are sufficient to pay for the projected benefit payments and (b) the OPEB plan assets are expected to be invested using a strategy that will achieve that return.
2. A yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale), when the conditions in (1) above are not met.

For the current year’s valuation:

1. The expected long-term real rate of return of the OPEB Trust is 6.00% as of June 30, 2022. This rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return net of investment expense are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target allocation percentage. The Plan Sponsor’s expected future real rates of return by asset class is as shown below.¹⁸

Asset Classes	Target Allocation	Projected Real Rates of Return
Global Equity	49%	4.50%
Fixed Income	23%	1.40%
Global Real Estate (REITs)	20%	3.70%
Treasury Inflation-Protected Securities (TIPS)	5%	0.50%
Commodities	3%	1.10%
Total	100%	

2. The municipal bond index as of the prior and current Measurement Dates are as shown below:

Index	June 30, 2022	June 30, 2021
Fidelity General Obligation AA 20-Year Bond	3.69%	1.92%

3. The final equivalent single discount rate used for accounting disclosure is 6.00% with the expectation that the Plan Sponsor will contribute in accordance with the Funding Policy described in Section 3. Under this Funding Policy, the OPEB Trust is not expected to be depleted in the future.

The discount rate used to calculate the Actuarially Determined Contribution for recommended funding contribution is 6.00%.

¹⁸ The assumed inflation rate of 2.30% is added to the weighted expected future real rate of return to obtain the assumed discount rate. Projected long-term real rates of return are compound returns (time-weighted and net of all fees), adjusted for inflation, as shown in the CERBT Investment Policy Information – 2022 Capital Market Assumptions adopted by the CalPERS Board of Administration in November 2021.

Section 8: Participant Summary

Active Employees

Actives with Health Coverage	Single	2-Party	Family	Total	Avg. Age	Avg. Svc	Total Salary
Kaiser Permanente	5	1	3	9	44.9	8.7	\$ 980,963
Total actives with health coverage	5	1	3	9	44.9	8.7	\$ 980,963

Actives without Health Coverage	Total	Avg. Age	Avg. Svc	Total Salary
Total actives without health coverage	1	39.1	10.0	\$ 259,719

Active employees who currently have no coverage are assumed to elect health coverage with the District at retirement according to the Participation Rate and Health Plan Election assumptions shown on page 26.

Active Age-Service Distribution

Age	Years of Service with the District										Total
	<1	1 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 34	35 – 39	40+	
<25											0
25 – 29	1										1
30 – 34											0
35 – 39		1	1								2
40 – 44		1		1	1						3
45 – 49			1			1					2
50 – 54											0
55 – 59	1		1								2
60 – 64											0
65+											0
Total	2	2	3	1	1	1	0	0	0	0	10

Retired Employees

Retirees with Health Coverage	Single	2-Party	Family	Total	Avg. Age
Kaiser Permanente		2		2	67.7
PERS Platinum Medicare Supplement		4		4	74.7
Total retirees with health coverage	0	6	0	6	72.4

Enrollments above include retirees enrolled in the corresponding Medicare plans or those with split enrollment in pre-Medicare and Medicare plans.

Age	Retirees
<50	
50 – 54	
55 – 59	1
60 – 64	
65 – 69	1
70 – 74	
75 – 79	4
80 – 84	
85 – 89	
90+	
Total	6

Comparison of Participant Summary

Below is a comparison of participant summary included in the current valuation and the prior full valuation.

	As of June 30, 2022	As of June 30, 2020
Number of Participants		
Active employees	10	10
Retired employees ¹⁹	6	6
Total	16	16
Averages		
Active average age	44.3	43.3
Active average service	8.8	8.7
Inactive average age	72.4	71.2

¹⁹ The enrollments above include retirees only and exclude spouses and/or dependents who are covered under the District's health plans.

Appendix – Sample Decrement Rates

Mortality Rates

Mortality rates used in the valuation are based on the CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Sample pre-retirement and post-retirement non-disabled base mortality rates for Miscellaneous members are as shown below. These rates are projected fully generationally using 80% of MP-2020 mortality improvement scale.

Attained Ages	Pre-Retirement ²⁰		Post-Retirement Non-Disabled		Post-Retirement Disabled ²¹	
	Male	Female	Male	Female	Male	Female
20	0.00039	0.00014	0.00039	0.00014	0.00411	0.00233
25	0.00033	0.00013	0.00033	0.00013	0.00346	0.00187
30	0.00044	0.00019	0.00044	0.00019	0.00482	0.00301
35	0.00058	0.00029	0.00058	0.00029	0.00644	0.00504
40	0.00075	0.00039	0.00075	0.00039	0.00807	0.00730
45	0.00093	0.00054	0.00093	0.00054	0.01114	0.01019
50	0.00134	0.00081	0.00267	0.00199	0.01701	0.01439
55	0.00198	0.00123	0.00390	0.00325	0.02210	0.01734
60	0.00287	0.00179	0.00578	0.00455	0.02708	0.01962
65	0.00403	0.00250	0.00857	0.00612	0.03334	0.02276
70	0.00594	0.00404	0.01333	0.00996	0.04001	0.02910
75	0.00933	0.00688	0.02391	0.01783	0.05376	0.04160
80	0.01515	0.01149	0.04371	0.03403	0.07936	0.06112
85	0.00000	0.00000	0.08274	0.06166	0.11561	0.09385
90	0.00000	0.00000	0.14539	0.11086	0.16608	0.14396

²⁰ Pre-Retirement rates for all groups are based on the sum of non-industrial death and industrial death rates.

²¹ Post-Retirement Disabled rates are based on non-industrially disabled rates for Miscellaneous participants.

Salary Increases

The seniority, merit and promotional salary increases used in the valuation are based on the CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Sample rates are as shown below.

Service	Miscellaneous						
	Entry Ages						
	20	25	30	35	40	45	50
0	0.0764	0.0764	0.0621	0.0621	0.0521	0.0521	0.0521
2	0.0576	0.0576	0.0449	0.0449	0.0346	0.0346	0.0346
4	0.0435	0.0435	0.0324	0.0324	0.0229	0.0229	0.0229
6	0.0328	0.0328	0.0234	0.0234	0.0152	0.0152	0.0152
8	0.0248	0.0248	0.0170	0.0170	0.0101	0.0101	0.0101
10	0.0201	0.0201	0.0126	0.0126	0.0108	0.0108	0.0108
12	0.0181	0.0181	0.0116	0.0116	0.0092	0.0092	0.0092
14	0.0163	0.0163	0.0106	0.0106	0.0078	0.0078	0.0078
16	0.0147	0.0147	0.0098	0.0098	0.0066	0.0066	0.0066
18	0.0132	0.0132	0.0090	0.0090	0.0055	0.0055	0.0055
20	0.0119	0.0119	0.0083	0.0083	0.0047	0.0047	0.0047

Disability Rates

The disability rates used in the valuation are based on the CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Sample rates are as shown below.

Attained Ages	Miscellaneous	
	Male	Female
20	0.000070	0.000040
25	0.000070	0.000090
30	0.000170	0.000330
35	0.000350	0.000650
40	0.000910	0.001190
45	0.001490	0.001850
50	0.001540	0.001930
55	0.001390	0.001290
60	0.001240	0.000940

Termination Rates

This assumption is used to project terminations (voluntary and involuntary) prior to meeting the minimum eligibility requirements to retire. The rates are based on the CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Sample rates are as shown below.

Service	Miscellaneous (Male)							Miscellaneous (Female)						
	Entry Ages													
	20	25	30	35	40	45	50	20	25	30	35	40	45	50
0	0.1851	0.1769	0.1631	0.1493	0.1490	0.1487	0.1509	0.1944	0.1899	0.1824	0.1749	0.1731	0.1713	0.1741
2	0.1218	0.1125	0.0970	0.0815	0.0771	0.0726	0.0750	0.1381	0.1307	0.1183	0.1058	0.0998	0.0938	0.0941
4	0.0672	0.0616	0.0524	0.0431	0.0392	0.0352	0.0366	0.0801	0.0752	0.0670	0.0587	0.0523	0.0459	0.0457
6	0.0669	0.0641	0.0575	0.0509	0.0453	0.0397	0.0383	0.0869	0.0847	0.0757	0.0666	0.0580	0.0494	0.0464
8	0.0470	0.0453	0.0410	0.0366	0.0311	0.0255	0.0218	0.0613	0.0601	0.0545	0.0488	0.0394	0.0299	0.0294
10	0.0377	0.0366	0.0337	0.0309	0.0245	0.0181	0.0032	0.0502	0.0491	0.0446	0.0401	0.0308	0.0215	0.0046
12	0.0307	0.0300	0.0282	0.0263	0.0200	0.0137	0.0027	0.0423	0.0413	0.0368	0.0322	0.0244	0.0165	0.0037
14	0.0251	0.0246	0.0226	0.0207	0.0156	0.0014	0.0017	0.0352	0.0343	0.0292	0.0241	0.0181	0.0019	0.0023
16	0.0173	0.0173	0.0152	0.0132	0.0101	0.0000	0.0000	0.0235	0.0235	0.0193	0.0151	0.0112	0.0000	0.0000
18	0.0159	0.0159	0.0129	0.0100	0.0067	0.0000	0.0000	0.0202	0.0202	0.0158	0.0113	0.0075	0.0000	0.0000
20	0.0141	0.0141	0.0110	0.0079	0.0000	0.0000	0.0000	0.0175	0.0175	0.0131	0.0087	0.0000	0.0000	0.0000

Retirement Rates

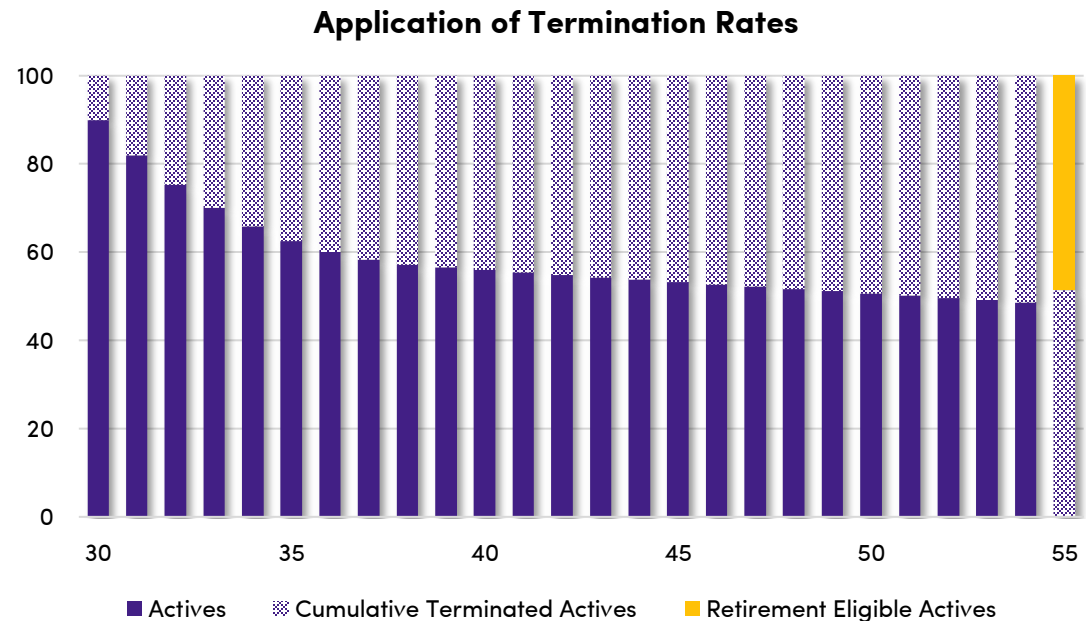
Retirement rates used in the valuation are based on the CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous members. Sample rates are as shown below.

Service	Miscellaneous 2.7% at 55						Miscellaneous 2% at 62					
	Attained Ages											
	50	55	60	65	70	75	50	55	60	65	70	75
5	0.0110	0.0450	0.0870	0.1820	0.2270	1.0000	0.0000	0.0100	0.0310	0.1080	0.1200	1.0000
10	0.0160	0.0580	0.0840	0.2010	0.2270	1.0000	0.0000	0.0190	0.0510	0.1410	0.1560	1.0000
15	0.0220	0.0820	0.0960	0.2420	0.2270	1.0000	0.0000	0.0280	0.0710	0.1730	0.1930	1.0000
20	0.0330	0.1380	0.1420	0.2640	0.2270	1.0000	0.0000	0.0360	0.0910	0.2060	0.2290	1.0000
25	0.0340	0.2080	0.1650	0.2930	0.2270	1.0000	0.0000	0.0610	0.1110	0.2390	0.2650	1.0000
30	0.0380	0.2780	0.1980	0.2930	0.2270	1.0000	0.0000	0.0960	0.1380	0.3000	0.3330	1.0000
35	0.0440	0.3410	0.2230	0.2930	0.2270	1.0000	0.0000	0.1520	0.1830	0.3480	0.3870	1.0000
40	0.0000	0.3410	0.2230	0.2930	0.2270	1.0000	0.0000	0.1800	0.2040	0.3600	0.4000	1.0000

Decrements Illustration

The table below illustrates how decrements are applied in the valuation and how the decrements affect the liabilities valued. Assuming the Plan Sponsor has 100 employees aged 30 as of the valuation date, only 48.6 employees will be projected to be employed at age 55 (assumed retirement eligibility age) using the assumed illustrative termination rates.

Age	# Actives BOY	Annual Termination %	# Terminated Actives / Year
30	100.0	10%	10.0
31	90.0	9%	8.1
32	81.9	8%	6.6
33	75.3	7%	5.3
34	70.1	6%	4.2
35	65.9	5%	3.3
36	62.6	4%	2.5
37	60.1	3%	1.8
38	58.3	2%	1.2
39	57.1	1%	0.6
40	56.5	1%	0.6
41	56.0	1%	0.6
42	55.4	1%	0.6
43	54.9	1%	0.5
44	54.3	1%	0.5
45	53.8	1%	0.5
46	53.2	1%	0.5
47	52.7	1%	0.5
48	52.2	1%	0.5
49	51.6	1%	0.5
50	51.1	1%	0.5
51	50.6	1%	0.5
52	50.1	1%	0.5
53	49.6	1%	0.5
54	49.1	1%	0.5
55	48.6	0%	0.0



Notes:

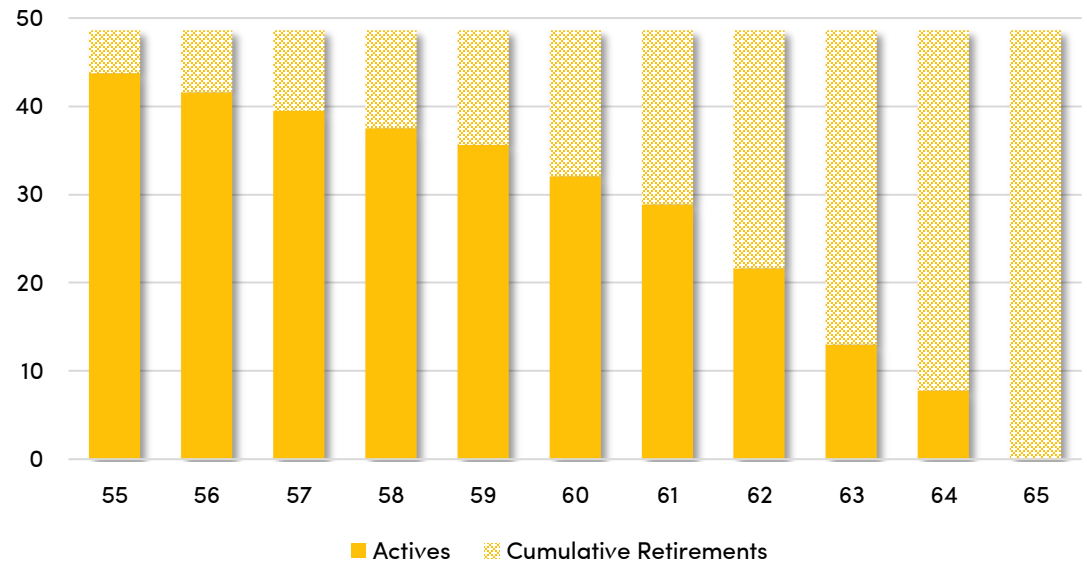
1. The annual termination percentages shown in the table are for illustrative purposes only, not the actual termination rates used in the valuation.
2. For simplification, only termination decrement is assumed to be applicable while actively employed. Actuarial valuation typically applies pre-retirement death decrement during employment as well.

Decrements Illustration (Continued)

The table below illustrates the number of active employees assumed to retire at each age based on the illustrative retirement rates.

Age	# Actives BOY	Annual Retirement %	# Retirements / Year
55	48.6	10%	4.9
56	43.8	5%	2.2
57	41.6	5%	2.1
58	39.5	5%	2.0
59	37.5	5%	1.9
60	35.6	10%	3.6
61	32.1	10%	3.2
62	28.9	25%	7.2
63	21.7	40%	8.7
64	13.0	40%	5.2
65	7.8	100%	7.8

Application of Retirement Rates



Notes:

1. The annual retirement percentages shown in the table are for illustrative purposes only, not the actual retirement rates used in the valuation.
2. For simplification, only retirement decrement is assumed to be applicable once the employee is retirement eligible. Actuarial valuation typically applies pre-retirement death decrement once an employee is eligible to retire.
3. The illustration above assumes that all active employees who are projected to be employed at age 55 elect health coverage with the Plan Sponsor at retirement.

| Appendix – Glossary

1. **Active Employees** – Individuals employed at the end of the reporting or measurement period, as applicable.
2. **Actuarial Cost Method** – A method to allocate the Actuarial Present Value of Future Benefits into portions attributed to past service (Total OPEB Liability) and future service (Normal Cost).
3. **Actuarial Present Value of Future Benefits** – Projected benefit payments estimated to be payable through the OPEB plan to current active and inactive employees as a result of their past service and their expected future service, discounted to reflect the expected effects of time value (present value) of money and the probabilities of payment (which is contingent on events such as death, termination, retirement, etc). In other words, this is the amount that would have been invested as of the Valuation Date so that it is sufficient to pay for benefit payments when due.
4. **Deferred Inflows** – Gains in the Total OPEB Liability and Fiduciary Net Position (for funded plan only) due to be recognized in the future.
5. **Deferred Outflows** – Losses in the Total OPEB Liability and Fiduciary Net Position (for funded plan only) due to be recognized in the future.
6. **Defined Benefit OPEB** – OPEB for which the benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The OPEB may be stated as (a) a specified dollar amount; (b) an amount that is calculated
7. **Entry Age Actuarial Cost Method** – A method that allocates the actuarial present value of the projected benefits of each individual on a level basis over the earnings or service of the individual between entry age and assumed exit age(s).
 - The portion allocated to a valuation year is called the Normal Cost.
 - The portion allocated to past periods is called the Total OPEB Liability.
 - The portion allocated to future periods after the valuation date is called the Present Value of Future Normal Costs.
8. **Fiduciary Net Position** – OPEB plan assets in a secure Trust that meet the following criteria:
 - Contributions from employers to the OPEB plan and earnings on those contributions are irrevocable.
 - OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
 - OPEB Plan assets are legally protected from the creditors of employers, OPEB plan administrator, and creditors of the plan members.
9. **Funded Ratio** – The value of the asset expressed as a percentage of the Total OPEB Liability.

10. **Healthcare Cost Trend Rates** – The rates of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.
11. **Inactive Employees** – Individuals no longer employed by an employer in the OEPB plan or the beneficiaries of those individuals. Inactive employees also include individuals who have accumulated benefits under the terms of an OPEB plan but are not yet receiving benefit payments and individuals currently receiving benefits.
12. **Net OPEB Liability** – The difference between the Total OPEB Liability and the Fiduciary Net Position.
13. **Payroll Growth** – An actuarial assumption on the rate of future increase in the total coverage payroll attributable to wage inflation and productivity increase; used in the Actuarial Cost Method to determine the Total OPEB Liability.
14. **Plan Members** – Individuals covered by the terms of the OPEB plan, which would typically include employees in active service, terminated employees who have terminated service but are not yet receiving benefit payments, and retired employees who are currently receiving benefits.
15. **Other Postemployment Benefits (OPEB)** – Benefits such as death benefits, life insurance, disability, and long-term care, as well as healthcare benefits (medical, prescription drug, dental, vision, and other health-related benefits), that are paid in the period after employment and that are provided separately from a pension plan regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payments for sick leave.
16. **Service Cost (Normal Cost)** – The portion of actuarial present value of projected benefit payments that are attributed to a 12-month period after a valuation date as determined by the Actuarial Cost Method.
17. **Total OPEB Liability** – The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service as of the valuation date as determined by the Actuarial Cost Method.



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July 2023

Miscellaneous Plan of the Sanitary District No. 5 of Marin County (CalPERS ID: 4163206459)
Annual Valuation Report as of June 30, 2022

Dear Employer,

Attached to this letter is the June 30, 2022 actuarial valuation report for the rate plan noted above. **Provided in this report is the determination of the minimum required employer contributions for fiscal year (FY) 2024-25.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2022.

Section 2 can be found on the CalPERS website (www.calpers.ca.gov). From the home page, go to "Forms & Publications" and select "View All". In the search box, enter "Risk Pool" and from the results list download the Miscellaneous Risk Pool Actuarial Valuation Report for June 30, 2022.

Actuarial valuations are based on assumptions regarding future plan experience including investment return and payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The CalPERS Board of Administration (board) adopts these assumptions after considering the advice of CalPERS actuarial and investment teams and other professionals. Each actuarial valuation reflects all prior differences between actual and assumed experience and adjusts the contribution requirements as needed. This valuation is based on an investment return assumption of 6.8%, which was adopted by the board in November 2021. Other assumptions used in this report are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021.

Required Contributions

The table below shows the minimum required employer contributions for FY 2024-25 along with estimates of the required contributions for FY 2025-26. Employee contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. **The required employer contributions in this report do not reflect any cost sharing arrangement between the agency and the employees.**

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability
2024-25	16.02%	\$31,798
<i>Projected Results</i>		
2025-26	16.0%	\$47,000

The actual investment return for FY 2022-23 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 6.8%. **To the extent the actual investment return for FY 2022-23 differs from 6.8%, the actual contribution requirements for FY 2025-26 will differ from those shown above.** For additional details regarding the assumptions and methods used for these projections, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through FY 2029-30.

Changes from Previous Year's Valuations

There are no significant changes in actuarial assumptions or policies in the 2022 actuarial valuation. There may be changes specific to the plan such as contract amendments and funding changes.

Further descriptions of general changes are included in "Highlights and Executive Summary" and in Appendix A of the Section 2 report in "Actuarial Methods and Assumptions." The effects of any changes on the required contributions are included in "Reconciliation of Required Employer Contributions," also in the Section 2 report.

Questions

A CalPERS actuary is available to answer questions about this report. Other questions may be directed to the Customer Contact Center at (888)-CalPERS or (888-225-7377).

Sincerely,



SCOTT TERANDO, ASA, EA, MAAA, FCA, CFA
Chief Actuary, CalPERS



RANDALL DZIUBEK, ASA, MAAA
Deputy Chief Actuary, Valuation Services, CalPERS



**Actuarial Valuation
as of June 30, 2022**

**for the
Miscellaneous Plan
of the
Sanitary District No. 5 of Marin County
(CalPERS ID: 4163206459)**

**Required Contributions
for Fiscal Year
July 1, 2024 - June 30, 2025**

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Section 1 – Plan Specific Information

Section 2 – Risk Pool Actuarial Valuation Information

Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

**Plan Specific Information
for the
Miscellaneous Plan
of the
Sanitary District No. 5 of Marin County**

**(CalPERS ID: 4163206459)
(Rate Plan ID: 1600)**

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Actuarial Certification

To the best of our knowledge, this report, comprised of Sections 1 and 2, is complete and accurate and contains sufficient information to disclose, fully and fairly, the funded condition of the Miscellaneous Plan of the Sanitary District No. 5 of Marin County and satisfies the actuarial valuation requirements of Government Code section 7504. This valuation is based on the member and financial data as of June 30, 2022 provided by the various CalPERS databases and the benefits under this plan with CalPERS as of the date this report was produced. Section 1 of this report is based on the member and financial data for Sanitary District No. 5 of Marin County, while Section 2 is based on the corresponding information for all agencies participating in the Miscellaneous Risk Pool to which the plan belongs.

As set forth in Section 2 of this report, the pool actuaries have certified that, in their opinion, the valuation of the Miscellaneous Risk Pool has been performed in accordance with generally accepted actuarial principles, in accordance with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the rate plan, it is my opinion as the plan actuary that the Unfunded Accrued Liability amortization bases as of June 30, 2022 and employer contribution as of July 1, 2024 have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary who satisfies the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* with regard to pensions.



SHELLY CHU, ASA, MAAA
Senior Actuary, CalPERS

Highlights and Executive Summary

- **Introduction**
- **Purpose of Section 1**
- **Required Contributions**
- **Additional Discretionary Employer Contributions**
- **Funded Status – Funding Policy Basis**
- **Projected Employer Contributions**
- **Other Pooled Miscellaneous Risk Pool Rate Plans**
- **Cost**
- **Changes Since the Prior Year's Valuation**
- **Subsequent Events**

Introduction

This report presents the results of the June 30, 2022 actuarial valuation of the Miscellaneous Plan of the Sanitary District No. 5 of Marin County of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the minimum required contributions for fiscal year (FY) 2024-25.

Purpose of Section 1

This Section 1 report for the Miscellaneous Plan of the Sanitary District No. 5 of Marin County of CalPERS was prepared by the Actuarial Office using data as of June 30, 2022. The purpose of the valuation is to:

- Set forth the assets and accrued liabilities of this rate plan as of June 30, 2022;
- Determine the minimum required employer contributions for this rate plan for FY July 1, 2024 through June 30, 2025;
- Determine the required member contribution rate for FY July 1, 2024 through June 30, 2025 for employees subject to the California Public Employees' Pension Reform Act of 2013 (PEPRA); and
- Provide actuarial information as of June 30, 2022 to the CalPERS Board of Administration (board) and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to Governmental Accounting Standards Board (GASB) Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available on the CalPERS website (www.calpers.ca.gov).

The measurements shown in this actuarial valuation may not be applicable for other purposes. The agency should contact the plan actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; changes in plan provisions or applicable law; and differences between the required contributions determined by the valuation and the actual contributions made by the agency.

Assessment and Disclosure of Risk

This report includes the following risk disclosures consistent with the guidance of Actuarial Standard of Practice No. 51 and recommended by the California Actuarial Advisory Panel (CAAP) in the Model Disclosure Elements document:

- A "Scenario Test," projecting future results under different investment income returns.
- A "Sensitivity Analysis," showing the impact on current valuation results using alternative discount rates of 5.8% and 7.8%.
- A "Sensitivity Analysis," showing the impact on current valuation results assuming rates of mortality are 10% lower or 10% higher than our current post-retirement mortality assumptions adopted in 2021.
- Plan maturity measures indicating how sensitive a plan may be to the risks noted above.

Required Contributions

	Fiscal Year 2024-25
Required Employer Contributions	
Employer Normal Cost Rate	16.02%
<i>Plus</i>	
Required Payment on Amortization Bases ¹	\$31,798
<i>Paid either as</i>	
1) Monthly Payment	\$2,649.83
<i>Or</i>	
2) Annual Prepayment Option*	\$30,769
<i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll and paid as payroll is reported) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).</i>	
<i>* Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).</i>	

	Fiscal Year 2023-24	Fiscal Year 2024-25
Development of Normal Cost as a Percentage of Payroll		
Base Total Normal Cost for Formula	23.13%	23.20%
Surcharge for Class 1 Benefits ²		
a) FAC 1	0.78%	0.78%
Phase out of Normal Cost Difference ³	0.00%	0.00%
Plan's Total Normal Cost	23.91%	23.98%
Offset Due to Employee Contributions	7.96%	7.96%
Employer Normal Cost Rate	15.95%	16.02%

¹ The required payment on amortization bases does not take into account any additional discretionary payment made after April 28, 2023.

² Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges.

³ When a rate plan joins the pool, the difference in normal cost between the pool and the rate plan is phased out over a five-year period in accordance with the CalPERS contribution allocation policy.

Additional Discretionary Employer Contributions

The minimum required employer contribution towards the Unfunded Accrued Liability (UAL) for this rate plan for FY 2024-25 is \$31,798. CalPERS allows agencies to make additional discretionary payments (ADPs) at any time and in any amount. These optional payments serve to reduce the UAL and future required contributions and can result in significant long-term savings. Agencies can also use ADPs to stabilize annual contributions as a fixed dollar amount, percent of payroll or percent of revenue.

Provided below are select ADP options for consideration. Making such an ADP during FY 2024-25 does not require an ADP be made in any future year, nor does it change the remaining amortization period of any portion of unfunded liability. For information on permanent changes to amortization periods, see the "Amortization Schedule and Alternatives" section of the report.

Agencies considering making an ADP should contact CalPERS for additional information.

Minimum Required Employer Contribution for Fiscal Year 2024-25

Estimated Normal Cost	Minimum UAL Payment	ADP	Total UAL Contribution	Estimated Total Contribution
\$106,214	\$31,798	\$0	\$31,798	\$138,012

The minimum required contribution above is less than interest on the UAL. With no ADP the UAL is projected to increase over the following year. If the minimum UAL payment were split between interest and principal, the principal portion would be negative. This situation is referred to as **negative amortization**. If only the minimum required contribution is made, contributions are not expected to exceed interest on the UAL until FY **2026-27**, as shown in the "Amortization Schedule and Alternatives" section of the report (see columns labeled "Current Amortization Schedule").

Fiscal Year 2024-25 Employer Contribution Necessary to Avoid Negative Amortization

Estimated Normal Cost	Minimum UAL Payment	ADP ¹	Total UAL Contribution	Estimated Total Contribution
\$106,214	\$31,798	\$27,114	\$58,912	\$165,126

Alternative Fiscal Year 2024-25 Employer Contributions for Greater UAL Reduction

Funding Horizon	Estimated Normal Cost	Minimum UAL Payment	ADP ¹	Total UAL Contribution	Estimated Total Contribution
20 years	\$106,214	\$31,798	\$48,713	\$80,511	\$186,725
15 years	\$106,214	\$31,798	\$62,125	\$93,923	\$200,137
10 years	\$106,214	\$31,798	\$90,413	\$122,211	\$228,425
5 years	\$106,214	\$31,798	\$178,367	\$210,165	\$316,379

¹ The ADP amounts are assumed to be made in the middle of the fiscal year. A payment made earlier or later in the fiscal year would have to be less or more than the amount shown to have the same effect on the UAL amortization.

Note that the calculations above are based on the projected UAL as of June 30, 2024 as determined in the June 30, 2022 actuarial valuation. New unfunded liabilities can emerge in future years due to assumption or method changes, changes in plan provisions, and actuarial experience different than assumed. Making an ADP illustrated above for the indicated number of years will not result in a plan that is exactly 100% funded in the indicated number of years. Valuation results will vary from one year to the next and can diverge significantly from projections over a period of several years.

Funded Status – Funding Policy Basis

The table below provides information on the current funded status of the plan under the funding policy. The funded status for this purpose is based on the market value of assets relative to the funding target produced by the entry age actuarial cost method and actuarial assumptions adopted by the board. The actuarial cost method allocates the total expected cost of a member's projected benefit (**Present Value of Benefits**) to individual years of service (the **Normal Cost**). The value of the projected benefit that is not allocated to future service is referred to as the **Accrued Liability** and is the plan's funding target on the valuation date. The **Unfunded Accrued Liability (UAL)** equals the funding target minus the assets. The UAL is an absolute measure of funded status and can be viewed as employer debt. The **funded ratio** equals the assets divided by the funding target. The funded ratio is a relative measure of the funded status and allows for comparisons between plans of different sizes.

	June 30, 2021	June 30, 2022
1. Present Value of Benefits	\$12,249,892	\$12,800,349
2. Entry Age Accrued Liability	10,802,390	11,444,162
3. Market Value of Assets (MVA)	11,792,705	10,661,143
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	(\$990,315)	\$783,019
5. Funded Ratio [(3) / (2)]	109.2%	93.2%

A funded ratio of 100% (UAL of \$0) implies that the funding of the plan is on target and that future contributions equal to the normal cost of the active plan members will be sufficient to fully fund all retirement benefits if future experience matches the actuarial assumptions. A funded ratio of less than 100% (positive UAL) implies that in addition to normal costs, payments toward the UAL will be required. Plans with a funded ratio greater than 100% have a negative UAL (or surplus) but are required under current law to continue contributing the normal cost in most cases, preserving the surplus for future contingencies.

Calculations for the funding target reflect the expected long-term investment return of 6.8%. If it were known on the valuation date that future investment returns will average something greater/less than the expected return, calculated normal costs and accrued liabilities provided in this report would be less/greater than the results shown. Therefore, for example, if actual average future returns are less than the expected return, calculated normal costs and UAL contributions will not be sufficient to fully fund all retirement benefits. Under this scenario, required future normal cost contributions will need to increase from those provided in this report, and the plan will develop unfunded liabilities that will also add to required future contributions. For illustrative purposes, funded statuses based on a 1% lower and higher average future investment return (discount rate) are as follows:

	1% Lower Average Return	Current Assumption	1% Higher Average Return
Discount Rate	5.8%	6.8%	7.8%
1. Entry Age Accrued Liability	\$12,956,445	\$11,444,162	\$10,193,037
2. Market Value of Assets (MVA)	10,661,143	10,661,143	10,661,143
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	\$2,295,302	\$783,019	(\$468,106)
4. Funded Ratio [(2) / (1)]	82.3%	93.2%	104.6%

The "Risk Analysis" section of the report provides additional information regarding the sensitivity of valuation results to the expected investment return and other factors. Also provided in that section are measures of funded status that are appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities.

Projected Employer Contributions

The table below shows the required and projected employer contributions (before cost sharing) for the next six fiscal years. The projection assumes that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. In particular, the investment return beginning with FY 2022-23 is assumed to be 6.80% per year, net of investment and administrative expenses. Future contribution requirements may differ significantly from those shown below. The actual long-term cost of the plan will depend on the actual benefits and expenses paid and the actual investment experience of the fund.

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2022-23 and Beyond)				
Fiscal Year	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Rate Plan 1600 Results					
Normal Cost %	16.02%	16.0%	16.0%	16.0%	16.0%	16.0%
UAL Payment	\$31,798	\$47,000	\$62,000	\$78,000	\$93,000	\$93,000

For ongoing plans, investment gains and losses are amortized using a 5-year ramp up. For more information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A of the Section 2 Report. This method phases in the impact of the change in UAL over a 5-year period in order to reduce employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years when there is a large investment loss, the relatively small amortization payments during the ramp up period could result in contributions that are less than interest on the UAL (i.e. negative amortization) while the contribution impact of the increase in the UAL is phased in.

The required contribution for FY 2024-25 is less than interest on the UAL, a situation referred to as **negative amortization**, as explained in the "Additional Discretionary Employer Contributions" section earlier in this report. If only the minimum required contribution is made, contributions are not expected to exceed interest on the UAL until FY 2026-27, as shown in the "Amortization Schedule and Alternatives" section of the report (see columns labelled "Current Amortization Schedule").

For projected contributions under alternate investment return scenarios, please see the "Future Investment Return Scenarios" in the "Risk Analysis" section. Our online pension plan projection tool, Pension Outlook, is available in the Employers section of the CalPERS website. Pension Outlook can help plan and budget pension costs under various scenarios.

Other Pooled Miscellaneous Risk Pool Rate Plans

All of the results presented in this Section 1 report, except those shown on this page, correspond to rate plan 1600. In many cases, employers have additional rate plans within the same risk pool. For cost analysis and budgeting it is useful to consider contributions for these rate plans as a whole rather than individually. The estimated contribution amounts and rates for all of the employer's rate plans in the Miscellaneous Risk Pool are shown below and assume that the total employer payroll within the Miscellaneous Risk Pool will grow according to the overall payroll growth assumption of 2.80% per year for three years. In a refinement since the prior year's report, Classic members who are projected to terminate employment are assumed to be replaced by PEPRA members.

	Fiscal Year	Fiscal Year
	2023-24	2024-25
Estimated Combined Employer Contributions for all Pooled Miscellaneous Rate Plans		
Projected Payroll for the Contribution Year	\$1,189,021	\$1,261,958
Estimated Employer Normal Cost	\$155,013	\$153,351
Required Payment on Amortization Bases	\$0	\$33,901
Estimated Total Employer Contributions	\$155,013	\$187,252
Estimated Total Employer Contribution Rate (illustrative only)	13.04%	14.84%

Cost

Actuarial Determination of Plan Cost

Contributions to fund the plan are comprised of two components:

- Normal Cost, expressed as a percentage of total active payroll
- Amortization of the Unfunded Accrued Liability (UAL), expressed as a dollar amount

For fiscal years prior to 2015-16, the Amortization of UAL component was expressed as a percentage of total active payroll. Starting with FY 2015-16, the Amortization of UAL component was expressed as a dollar amount and invoiced on a monthly basis. There is an option to prepay this amount during July of each fiscal year.

The Normal Cost component is expressed as a percentage of active payroll with employer and employee contributions payable as part of the regular payroll reporting process.

The determination of both components requires complex actuarial calculations. The calculations are based on a set of actuarial assumptions which can be divided into two categories:

- Demographic assumptions (e.g., mortality rates, retirement rates, employment termination rates, disability rates)
- Economic assumptions (e.g., future investment earnings, inflation, salary growth rates)

These assumptions reflect CalPERS' best estimate of future experience of the plan and are long term in nature. We recognize that all assumptions will not be realized in any given year. For example, the investment earnings at CalPERS have averaged 6.9% over the 20 years ending June 30, 2022, yet individual fiscal year returns have ranged from -23.6% to +21.3%. In addition, CalPERS reviews all actuarial assumptions by conducting in-depth experience studies every four years, with the most recent experience study completed in 2021.

Changes Since the Prior Year's Valuation

Benefits

The standard actuarial practice at CalPERS is to recognize mandated legislative benefit changes in the first annual valuation following the effective date of the legislation. Voluntary benefit changes by plan amendment are generally included in the first valuation that is prepared after the amendment becomes effective, even if the valuation date is prior to the effective date of the amendment.

This valuation generally reflects plan amendments effective before the date of the report. Please refer to the "Plan's Major Benefit Options" in this report and Appendix B of the Section 2 Report for a summary of the plan provisions used in this valuation.

In 2022, SB 1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023. For pooled plans this is a Class 3 benefit and there is no normal cost surcharge. The impact on the unfunded liability is included in the pool's (gain)/loss.

Actuarial Methods and Assumptions

There are no significant changes to the actuarial methods or assumptions for the June 30, 2022 actuarial valuation.

Subsequent Events

This actuarial valuation report reflects fund investment return through June 30, 2022 and statutory/regulatory changes and board actions through January 2023.

During the time period between the valuation date and the publication of this report, inflation has been significantly higher than the expected inflation of 2.3% per annum. Since inflation influences cost-of-living increases for retirees and beneficiaries and active member pay increases, higher inflation is likely to put at least some upward pressure on contribution requirements and downward pressure on the funded status in the June 30, 2023 valuation. The actual impact of higher inflation on future valuation results will depend on, among other factors, how long higher inflation persists. At this time, we continue to believe the long-term inflation assumption of 2.3% is appropriate.

To the best of our knowledge, there have been no other subsequent events that could materially affect current or future certifications rendered in this report.

Assets and Liabilities

- **Breakdown of Entry Age Accrued Liability**
- **Allocation of Plan's Share of Pool's Experience/Assumption Change**
- **Development of Plan's Share of Pool's Market Value of Assets**
- **Schedule of Amortization Bases**
- **Amortization Schedule and Alternatives**
- **Employer Contribution History**
- **Funding History**

Breakdown of Entry Age Accrued Liability

Active Members	\$2,646,547
Transferred Members	303,973
Separated Members	154,848
Members and Beneficiaries Receiving Payments	<u>8,338,794</u>
Total	\$11,444,162

Allocation of Plan's Share of Pool's Experience/Assumption Change

It is the policy of CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer equitably and maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. The Pool's experience gains/losses and impact of assumption/method changes is allocated to the plan as follows:

1. Plan's Accrued Liability	\$11,444,162
2. Projected UAL Balance at 6/30/2022	(1,046,443)
3. Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4. Adjusted UAL Balance at 6/30/2022 for Asset Share	(1,046,443)
5. Pool's Accrued Liability ¹	22,021,735,002
6. Sum of Pool's Individual Plan UAL Balances at 6/30/2022 ¹	2,453,954,297
7. Pool's 2021-22 Investment (Gain)/Loss ¹	2,614,071,182
8. Pool's 2021-22 Non-Investment (Gain)/Loss ¹	309,490,972
9. Plan's Share of Pool's Investment (Gain)/Loss: $[(1) - (4)] \div [(5) - (6)] \times (7)$	1,668,627
10. Plan's Share of Pool's Non-Investment (Gain)/Loss: $(1) \div (5) \times (8)$	160,835
11. Plan's New (Gain)/Loss as of 6/30/2022: $(9) + (10)$	1,829,462
12. Increase in Pool's Accrued Liability due to Change in Assumptions ¹	0
13. Plan's Share of Pool's Change in Assumptions: $(1) \div (5) \times (12)$	0
14. Increase in Pool's Accrued Liability due to Funding Risk Mitigation ¹	0
15. Plan's Share of Pool's Change due to Funding Risk Mitigation: $(1) \div (5) \times (14)$	0
16. Offset due to Funding Risk Mitigation	0
17. Plan's Investment (Gain)/Loss: $(9) - (16)$	1,668,627
18. Partial Fresh Start Base: $(2) + (17)$	622,184

¹ Does not include plans that transferred to Pool on the valuation date.

Development of the Plan's Share of Pool's Market Value of Assets

19. Plan's UAL: $(2) + (3) + (11) + (13) + (15)$	\$783,019
20. Plan's Share of Pool's MVA: $(1) - (19)$	\$10,661,143

Schedule of Amortization Bases

Below is the schedule of the plan's amortization bases. Note that there is a two-year lag between the valuation date and the start of the contribution year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2022.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: FY 2024-25.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Reason for Base	Date Est.	Ramp Level 2024-25	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Expected Payment 2023-24	Balance 6/30/24	Minimum Required Payment 2024-25
Non-Investment (Gain)/Loss	6/30/22	No Ramp		0.00%	20	160,835	0	171,772	0	183,452	16,497
Partial Fresh Start	6/30/22	20%	Up Only	0.00%	20	622,184	(1,987)	666,546	0	711,871	15,301
Total						783,019	(1,987)	838,318	0	895,323	31,798

The (gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed in "Allocation of Plan's Share of Pool's Experience/Assumption Change" earlier in this section. These (gain)/loss bases will be amortized in accordance with the CalPERS amortization policy in effect at the time the base was established.

The partial fresh start base established June 30, 2022 is the sum of the UAL balance from the June 30, 2021 valuation (projected to June 30, 2022) and the June 30, 2022 investment loss, as shown on the previous page.

Amortization Schedule and Alternatives

The amortization schedule on the previous page(s) shows the minimum contributions required according to the CalPERS amortization policy. Many agencies have expressed a desire for a more stable pattern of payments or have indicated interest in paying off the unfunded accrued liabilities more quickly than required. As such, we have provided alternative amortization schedules to help analyze the current amortization schedule and illustrate the potential savings of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternative "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. To initiate a fresh start, please contact the plan actuary.

The Current Amortization Schedule typically contains both positive and negative bases. Positive bases result from plan changes, assumption changes, method changes or plan experience that increase unfunded liability. Negative bases result from plan changes, assumption changes, method changes, or plan experience that decrease unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years, such as:

- When a negative payment would be required on a positive unfunded actuarial liability; or
- When the payment would completely amortize the total unfunded liability in a very short time period, and results in a large change in the employer contribution requirement.

In any year when one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over an appropriate period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy.

Amortization Schedule and Alternatives (continued)

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	20 Year Amortization		15 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2024	895,323	31,798	895,323	80,511	895,323	93,923
6/30/2025	923,344	47,100	873,002	80,511	859,141	93,923
6/30/2026	937,456	62,401	849,163	80,511	820,499	93,923
6/30/2027	936,715	77,703	823,703	80,511	779,229	93,923
6/30/2028	920,110	93,003	796,511	80,511	735,153	93,923
6/30/2029	886,564	93,004	767,470	80,510	688,080	93,923
6/30/2030	850,737	93,004	736,456	80,511	637,806	93,923
6/30/2031	812,473	93,003	703,332	80,510	584,113	93,922
6/30/2032	771,608	93,004	667,956	80,511	526,770	93,923
6/30/2033	727,963	93,004	630,174	80,510	465,526	93,922
6/30/2034	681,351	93,005	589,824	80,511	400,119	93,922
6/30/2035	631,567	93,003	546,729	80,511	330,264	93,923
6/30/2036	578,401	93,004	500,703	80,511	255,658	93,922
6/30/2037	521,618	93,004	451,547	80,510	175,980	93,923
6/30/2038	460,974	93,004	399,050	80,510	90,883	93,922
6/30/2039	396,206	93,004	342,983	80,511		
6/30/2040	327,034	93,004	283,102	80,510		
6/30/2041	253,158	93,004	219,151	80,511		
6/30/2042	174,259	93,004	150,850	80,510		
6/30/2043	89,994	93,003	77,905	80,510		
6/30/2044						
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total		1,707,063		1,610,212		1,408,840
Interest Paid		811,740		714,889		513,517
Estimated Savings				96,851		298,223

Employer Contribution History

The table below provides a recent history of the required and discretionary employer contributions for the plan. The required amounts are based on the actuarial valuation from two years prior without subsequent adjustments, if any. Additional discretionary payments before July 1, 2019 or after April 28, 2023 are not included.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)	Additional Discretionary Payments
2016 - 17	11.634%	\$95,473	N/A
2017 - 18	11.675%	6,544	N/A
2018 - 19	12.212%	11,453	N/A
2019 - 20	13.182%	0	120,889
2020 - 21	14.194%	9,421	93,691
2021 - 22	14.02%	5,208	0
2022 - 23	14.03%	9,168	0
2023 - 24	15.95%	0	
2024 - 25	16.02%	31,798	

Funding History

The table below shows the recent history of the actuarial accrued liability, share of the pool's market value of assets, unfunded accrued liability, funded ratio, and annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll
06/30/2013	\$8,079,203	\$5,116,351	\$2,962,852	63.3%	\$731,558
06/30/2014	8,641,167	5,771,537	2,869,630	66.8%	579,584
06/30/2015	8,938,169	7,009,156	1,929,013	78.4%	657,981
06/30/2016	9,226,725	8,312,910	913,815	90.1%	688,199
06/30/2017	8,609,000	8,033,469	575,531	93.3%	711,792
06/30/2018	9,044,697	8,949,323	95,374	98.9%	742,097
06/30/2019	9,947,297	9,747,604	199,693	98.0%	652,116
06/30/2020	10,219,714	9,862,695	357,019	96.5%	675,560
06/30/2021	10,802,390	11,792,705	(90,315)	109.2%	708,976
06/30/2022	11,444,162	10,661,143	783,019	93.2%	616,232

Risk Analysis

- **Future Investment Return Scenarios**
- **Discount Rate Sensitivity**
- **Mortality Rate Sensitivity**
- **Maturity Measures**
- **Maturity Measures History**
- **Funded Status – Termination Basis**

Future Investment Return Scenarios

Analysis using the investment return scenarios from the Asset Liability Management process completed in 2021 was performed to determine the effects of various future investment returns on required employer contributions. The projections below reflect the impact of the CalPERS Funding Risk Mitigation policy. The projections also assume that all other actuarial assumptions will be realized and that no further changes in assumptions, contributions, benefits, or funding will occur.

The first table shows projected contribution requirements if the fund were to earn either 3.0% or 10.8% annually. These alternate investment returns were chosen because 90% of long-term average returns are expected to fall between them over the 20-year period ending June 30, 2042.

Assumed Annual Return FY 2022-23 through 2041-42	Projected Employer Contributions				
	2025-26	2026-27	2027-28	2028-29	2029-30
3.0% (5th percentile)					
Normal Cost Rate	16.0%	16.0%	16.0%	16.0%	16.0%
UAL Contribution	\$57,000	\$92,000	\$138,000	\$194,000	\$246,000
10.8% (95th percentile)					
Normal Cost Rate	16.3%	16.7%	17.0%	17.3%	17.6%
UAL Contribution	\$39,000	\$37,000	\$0	\$0	\$0

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 3.0% or greater than 10.8% over a 20-year period, the likelihood of a single investment return less than 3.0% or greater than 10.8% in any given year is much greater. The following analysis illustrates the effect of an extreme, single year investment return.

The portfolio has an expected volatility (or standard deviation) of 12.0% per year. Accordingly, in any given year there is a 16% probability that the annual return will be -5.2% or less and a 2.5% probability that the annual return will be -17.2% or less. These returns represent one and two standard deviations below the expected return of 6.8%.

The following table shows the effect of a one or two standard deviation investment loss in FY 2022-23 on the FY 2025-26 contribution requirements. Note that a single-year investment gain or loss decreases or increases the required UAL contribution amount incrementally for each of the next five years, not just one, due to the 5-year ramp in the amortization policy. However, the contribution requirements beyond the first year are also impacted by investment returns beyond the first year. Historically, significant downturns in the market are often followed by higher than average returns. Such investment gains would offset the impact of these single year negative returns in years beyond FY 2025-26.

Assumed Annual Return for Fiscal Year 2022-23	Required Employer Contributions	Projected Employer Contributions
	2024-25	2025-26
(17.2)% (2 standard deviation loss)		
Normal Cost Rate	16.02%	16.0%
UAL Contribution	\$31,798	\$110,000
(5.2)% (1 standard deviation loss)		
Normal Cost Rate	16.02%	16.0%
UAL Contribution	\$31,798	\$78,000

- Without investment gains (returns higher than 6.8%) in FY 2023-24 or later, projected contributions rates would continue to rise over the next four years due to the continued phase-in of the impact of the illustrated investment loss in FY 2022-23.
- The Pension Outlook Tool can be used to model projected contributions for these scenarios beyond FY 2025-26 as well as to model other investment return scenarios.

Discount Rate Sensitivity

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation, currently 4.5% and 2.3%, respectively. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed. Shown below are various valuation results as of June 30, 2022 assuming alternate discount rates by changing the two components independently. Results are shown using the current discount rate of 6.8% as well as alternate discount rates of 5.8% and 7.8%. The rates of 5.8% and 7.8% were selected since they illustrate the impact of a 1.0% increase or decrease to the 6.8% assumption.

Sensitivity to the Real Rate of Return Assumption

As of June 30, 2022	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	5.8%	6.8%	7.8%
Price Inflation	2.3%	2.3%	2.3%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	30.25%	23.98%	19.22%
b) Accrued Liability	\$12,956,445	\$11,444,162	\$10,193,037
c) Market Value of Assets	\$10,661,143	\$10,661,143	\$10,661,143
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$2,295,302	\$783,019	(\$468,106)
e) Funded Ratio	82.3%	93.2%	104.6%

Sensitivity to the Price Inflation Assumption

As of June 30, 2022	1% Lower Price Inflation	Current Assumptions	1% Higher Price Inflation
Discount Rate	5.8%	6.8%	7.8%
Price Inflation	1.3%	2.3%	3.3%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	25.16%	23.98%	21.88%
b) Accrued Liability	\$11,807,516	\$11,444,162	\$10,551,913
c) Market Value of Assets	\$10,661,143	\$10,661,143	\$10,661,143
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$1,146,373	\$783,019	(\$109,230)
e) Funded Ratio	90.3%	93.2%	101.0%

Mortality Rate Sensitivity

The following table looks at the change in the June 30, 2022 plan costs and funded status under two different longevity scenarios, namely assuming post-retirement rates of mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2021. This type of analysis highlights the impact on the plan of a change in the mortality assumption.

As of June 30, 2022	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	24.36%	23.98%	23.62%
b) Accrued Liability	\$11,675,097	\$11,444,162	\$11,231,476
c) Market Value of Assets	\$10,661,143	\$10,661,143	\$10,661,143
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$1,013,954	\$783,019	\$570,333
e) Funded Ratio	91.3%	93.2%	94.9%

Maturity Measures

As pension plans mature they become more sensitive to risks. Understanding plan maturity and how it affects the ability of a pension plan sponsor to tolerate risk is important in understanding how the pension plan is impacted by investment return volatility, other economic variables, and changes in longevity or other demographic assumptions.

Since it is the employer that bears the risk, it is appropriate to perform this analysis on a pension plan level considering all rate plans. The following measures are for one rate plan only. One way to look at the maturity level of CalPERS and its plans is to look at the ratio of a plan's retiree liability to its total liability. A pension plan in its infancy will have a very low ratio of retiree liability to total liability. As the plan matures, the ratio starts increasing. A mature plan will often have a ratio above 60%-65%.

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2021	June 30, 2022
1. Retired Accrued Liability	\$7,377,732	\$8,338,794
2. Total Accrued Liability	10,802,390	11,444,162
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.68	0.73

Another measure of maturity level of CalPERS and its plans is to look at the ratio of actives to retirees, also called the support ratio. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures and members retire, the ratio declines. A mature plan will often have a ratio near or below one.

To calculate the support ratio for the rate plan, retirees and beneficiaries receiving a continuance are each counted as one, even though they may have only worked a portion of their careers as an active member of this rate plan. For this reason, the support ratio, while intuitive, maybe less informative than the ratio of retiree liability to total accrued liability above.

For comparison, the support ratio for all CalPERS public agency plans as of June 30, 2021, was 0.78 and was calculated consistently with how it is for the individual rate plan. Note that to calculate the support ratio for all public agency plans, a retiree with service from more than one CalPERS agency is counted as a retiree more than once.

Support Ratio	June 30, 2021	June 30, 2022
1. Number of Actives	5	4
2. Number of Retirees	11	12
3. Support Ratio [(1) / (2)]	0.45	0.33

Maturity Measures (continued)

The actuarial calculations supplied in this communication are based on various assumptions about long-term demographic and economic behavior. Unless these assumptions (e.g., terminations, deaths, disabilities, retirements, salary growth, investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio

Shown in the table below is the asset volatility ratio (AVR), which is the ratio of market value of assets to payroll. Plans that have higher AVR experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with AVR of 8 may experience twice the contribution volatility due to investment return volatility than a plan with AVR of 4. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as a plan matures.

Liability Volatility Ratio

Also shown in the table below is the liability volatility ratio (LVR), which is the ratio of accrued liability to payroll. Plans that have a higher LVR experience more volatile employer contributions (as a percentage of payroll) due to changes in liability. For example, a plan with LVR of 8 is expected to have twice the contribution volatility of a plan with LVR of 4. It should be noted that this ratio indicates a longer-term potential for contribution volatility, since the AVR, described above, will tend to move closer to the LVR as the funded ratio approaches 100%.

Contribution Volatility	June 30, 2021	June 30, 2022
1. Market Value of Assets	\$11,792,705	\$10,661,143
2. Payroll	708,976	616,232
3. Asset Volatility Ratio (AVR) [(1) / (2)]	16.6	17.3
4. Accrued Liability	\$10,802,390	\$11,444,162
5. Liability Volatility Ratio (LVR) [(4) / (2)]	15.2	18.6

Maturity Measures History

Valuation Date	Ratio of Retiree Accrued Liability to Total Accrued Liability	Support Ratio	Asset Volatility Ratio	Liability Volatility Ratio
06/30/2017	0.71	0.67	11.3	12.1
06/30/2018	0.67	0.67	12.1	12.2
06/30/2019	0.73	0.50	14.9	15.3
06/30/2020	0.71	0.50	14.6	15.1
06/30/2021	0.68	0.45	16.6	15.2
06/30/2022	0.73	0.33	17.3	18.6

Funded Status – Termination Basis

The funded status measured on a termination basis is an estimate of the financial position of the plan had the contract with CalPERS been terminated as of June 30, 2022. The accrued liability on a termination basis (termination liability) is calculated differently compared to the plan’s ongoing funding liability. For the termination liability calculation, both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are assumed. This measure of funded status is not appropriate for assessing the need for future employer contributions in the case of an ongoing plan, that is, for an employer that continues to provide CalPERS retirement benefits to active employees. Unlike the actuarial cost method used for ongoing plans, the termination liability is the present value of the benefits earned through the valuation date.

A more conservative investment policy and asset allocation strategy was adopted by the board for the Terminated Agency Pool. The Terminated Agency Pool has limited funding sources since no future employer contributions will be made. Therefore, expected benefit payments are secured by risk-free assets and benefit security for members is increased while limiting the funding risk. However, this asset allocation has a lower expected rate of return than the PERF and consequently, a lower discount rate is assumed. The lower discount rate for the Terminated Agency Pool results in higher liabilities for terminated plans.

The effective termination discount rate will depend on actual market rates of return for risk-free securities on the date of termination. As market discount rates are variable, the table below shows a range for the hypothetical termination liability based on the lowest and highest interest rates observed during an approximate 19-month period from 12 months before the valuation date to seven months after.

Market Value of Assets (MVA)	Discount Rate: 1.75% Price Inflation: 2.50%		Discount Rate: 4.50% Price Inflation: 2.75%		Unfunded Termination Liability	
	Termination Liability ^{1,2}	Funded Ratio	Termination Liability ^{1,2}	Funded Ratio		
\$10,661,143	\$22,306,690	47.8%	\$11,645,547	\$14,282,002	74.6%	\$3,620,859

¹ The termination liabilities calculated above include a 5% contingency load. The contingency load and other actuarial assumptions can be found in Appendix A of the Section 2 report.

² The discount rate used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the table are based on 20-year Treasury bonds, rounded to the nearest quarter percentage point, which is a good proxy for most plans. The 20-year Treasury yield was 3.38% on June 30, 2022, the valuation date.

In order to terminate the plan, first contact our Pension Contract Services unit to initiate a Resolution of Intent to Terminate. The completed Resolution will allow the plan actuary to provide a preliminary termination valuation with a more up-to-date estimate of the plan liabilities. Before beginning this process, please consult with the plan actuary.

Participant Data

The table below shows a summary of the plan's member data upon which this valuation is based:

	June 30, 2021	June 30, 2022
Active Members		
Counts	5	4
Average Attained Age	44.4	42.4
Average Entry Age to Rate Plan	29.6	26.8
Average Years of Credited Service	14.6	15.3
Average Annual Covered Pay	\$141,795	\$154,058
Annual Covered Payroll	\$708,976	\$616,232
Present Value of Future Payroll	\$7,149,207	\$6,831,009
Transferred Members	3	3
Separated Members	2	2
Retired Members and Beneficiaries*		
Counts	11	12
Average Annual Benefits	\$50,630	\$53,324
Total Annual Benefits	\$556,930	\$639,886

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

* Values include community property settlements.

List of Class 1 Benefit Provisions

This plan has the additional Class 1 Benefit Provisions:

- One Year Final Compensation (FAC 1)

Plan's Major Benefit Options

Shown below is a summary of the major optional benefits for which the agency has contracted. A description of principal standard and optional plan provisions is in Section 2.

Member Category	Benefit Group	
	Misc	Misc
Demographics		
Actives	No	Yes
Transfers/Separated	Yes	Yes
Receiving	Yes	Yes
Benefit Provision		
Benefit Formula	2% @ 55	2.7% @ 55
Social Security Coverage	Yes	Yes
Full/Modified	Full	Full
Employee Contribution Rate		8.00%
Final Average Compensation Period	One Year	One Year
Sick Leave Credit	Yes	Yes
Non-Industrial Disability	Standard	Standard
Industrial Disability	No	No
Pre-Retirement Death Benefits		
Optional Settlement 2	Yes	Yes
1959 Survivor Benefit Level	No	No
Special	No	No
Alternate (firefighters)	No	No
Post-Retirement Death Benefits		
Lump Sum	\$2000	\$2000
Survivor Allowance (PRSA)	No	No
COLA	2%	2%

Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Risk Pool Actuarial Valuation Information

Section 2 may be found on the
CalPERS website (www.calpers.ca.gov)
in the Forms and Publications section



California Public Employees' Retirement System
Actuarial Office

400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442 | www.calpers.ca.gov

July 2023

**PEPRA Miscellaneous Plan of the Sanitary District No. 5 of Marin County (CalPERS ID: 4163206459)
Annual Valuation Report as of June 30, 2022**

Dear Employer,

Attached to this letter is the June 30, 2022 actuarial valuation report for the rate plan noted above. **Provided in this report is the determination of the minimum required employer contributions for fiscal year (FY) 2024-25.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2022.

Section 2 can be found on the CalPERS website (www.calpers.ca.gov). From the home page, go to "Forms & Publications" and select "View All". In the search box, enter "Risk Pool" and from the results list download the Miscellaneous Risk Pool Actuarial Valuation Report for June 30, 2022.

Actuarial valuations are based on assumptions regarding future plan experience including investment return and payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The CalPERS Board of Administration (board) adopts these assumptions after considering the advice of CalPERS actuarial and investment teams and other professionals. Each actuarial valuation reflects all prior differences between actual and assumed experience and adjusts the contribution requirements as needed. This valuation is based on an investment return assumption of 6.8%, which was adopted by the board in November 2021. Other assumptions used in this report are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021.

Required Contributions

The table below shows the minimum required employer contributions and the PEPRA member contribution rate for FY 2024-25 along with estimates of the required contributions for FY 2025-26. Employee contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. **The required employer contributions in this report do not reflect any cost sharing arrangement between the agency and the employees.**

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability	PEPRA Member Contribution Rate
2024-25	7.87%	\$2,103	7.75%
<i>Projected Results</i>			
2025-26	7.9%	\$3,300	TBD

The actual investment return for FY 2022-23 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 6.8%. **To the extent the actual investment return for FY 2022-23 differs from 6.8%, the actual contribution requirements for FY 2025-26 will differ from those shown above.** For additional details regarding the assumptions and methods used for these projections, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through FY 2029-30.

Changes from Previous Year's Valuations

There are no significant changes in actuarial assumptions or policies in the 2022 actuarial valuation. There may be changes specific to the plan such as contract amendments and funding changes.

Further descriptions of general changes are included in "Highlights and Executive Summary" and in Appendix A of the Section 2 report in "Actuarial Methods and Assumptions." The effects of any changes on the required contributions are included in "Reconciliation of Required Employer Contributions," also in the Section 2 report.

Questions

A CalPERS actuary is available to answer questions about this report. Other questions may be directed to the Customer Contact Center at (888)-CalPERS or (888-225-7377).

Sincerely,



SCOTT TERANDO, ASA, EA, MAAA, FCA, CFA
Chief Actuary, CalPERS



RANDALL DZIUBEK, ASA, MAAA
Deputy Chief Actuary, Valuation Services, CalPERS



**Actuarial Valuation
as of June 30, 2022**

**for the
PEPRA Miscellaneous Plan
of the
Sanitary District No. 5 of Marin County
(CalPERS ID: 4163206459)**

**Required Contributions
for Fiscal Year
July 1, 2024 - June 30, 2025**

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Section 2 – Risk Pool Actuarial Valuation Information

Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

**Plan Specific Information
for the
PEPRA Miscellaneous Plan
of the
Sanitary District No. 5 of Marin County**

**(CalPERS ID: 4163206459)
(Rate Plan ID: 27151)**

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Actuarial Certification

To the best of our knowledge, this report, comprised of Sections 1 and 2, is complete and accurate and contains sufficient information to disclose, fully and fairly, the funded condition of the PEPRA Miscellaneous Plan of the Sanitary District No. 5 of Marin County and satisfies the actuarial valuation requirements of Government Code section 7504. This valuation is based on the member and financial data as of June 30, 2022 provided by the various CalPERS databases and the benefits under this plan with CalPERS as of the date this report was produced. Section 1 of this report is based on the member and financial data for Sanitary District No. 5 of Marin County, while Section 2 is based on the corresponding information for all agencies participating in the Miscellaneous Risk Pool to which the plan belongs.

As set forth in Section 2 of this report, the pool actuaries have certified that, in their opinion, the valuation of the Miscellaneous Risk Pool has been performed in accordance with generally accepted actuarial principles, in accordance with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the rate plan, it is my opinion as the plan actuary that the Unfunded Accrued Liability amortization bases as of June 30, 2022 and employer contribution as of July 1, 2024 have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary who satisfies the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* with regard to pensions.



SHELLY CHU, ASA, MAAA
Senior Actuary, CalPERS

Highlights and Executive Summary

- **Introduction**
- **Purpose of Section 1**
- **Required Contributions**
- **Additional Discretionary Employer Contributions**
- **Funded Status – Funding Policy Basis**
- **Projected Employer Contributions**
- **Other Pooled Miscellaneous Risk Pool Rate Plans**
- **Cost**
- **Changes Since the Prior Year's Valuation**
- **Subsequent Events**

Introduction

This report presents the results of the June 30, 2022 actuarial valuation of the PEPRA Miscellaneous Plan of the Sanitary District No. 5 of Marin County of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the minimum required contributions for fiscal year (FY) 2024-25.

Purpose of Section 1

This Section 1 report for the PEPRA Miscellaneous Plan of the Sanitary District No. 5 of Marin County of CalPERS was prepared by the Actuarial Office using data as of June 30, 2022. The purpose of the valuation is to:

- Set forth the assets and accrued liabilities of this rate plan as of June 30, 2022;
- Determine the minimum required employer contributions for this rate plan for FY July 1, 2024 through June 30, 2025;
- Determine the required member contribution rate for FY July 1, 2024 through June 30, 2025 for employees subject to the California Public Employees' Pension Reform Act of 2013 (PEPRA); and
- Provide actuarial information as of June 30, 2022 to the CalPERS Board of Administration (board) and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to Governmental Accounting Standards Board (GASB) Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available on the CalPERS website (www.calpers.ca.gov).

The measurements shown in this actuarial valuation may not be applicable for other purposes. The agency should contact the plan actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; changes in plan provisions or applicable law; and differences between the required contributions determined by the valuation and the actual contributions made by the agency.

Assessment and Disclosure of Risk

This report includes the following risk disclosures consistent with the guidance of Actuarial Standard of Practice No. 51 and recommended by the California Actuarial Advisory Panel (CAAP) in the Model Disclosure Elements document:

- A "Scenario Test," projecting future results under different investment income returns.
- A "Sensitivity Analysis," showing the impact on current valuation results using alternative discount rates of 5.8% and 7.8%.
- A "Sensitivity Analysis," showing the impact on current valuation results assuming rates of mortality are 10% lower or 10% higher than our current post-retirement mortality assumptions adopted in 2021.
- Plan maturity measures indicating how sensitive a plan may be to the risks noted above.

Required Contributions

	Fiscal Year
Required Employer Contributions	2024-25
Employer Normal Cost Rate	7.87%
<i>Plus</i>	
Required Payment on Amortization Bases ¹	\$2,103
<i>Paid either as</i>	
1) Monthly Payment	\$175.25
<i>Or</i>	
2) Annual Prepayment Option*	\$2,035
Required PEPRA Member Contribution Rate	7.75%
<p><i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll and paid as payroll is reported) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).</i></p> <p><i>* Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).</i></p> <p><i>For additional detail regarding the determination of the required contribution rate for PEPRA members, see "PEPRA Member Contribution Rates" section.</i></p>	

	Fiscal Year	Fiscal Year
	2023-24	2024-25
Development of Normal Cost as a Percentage of Payroll		
Base Total Normal Cost for Formula	15.43%	15.62%
Surcharge for Class 1 Benefits ²		
None	0.00%	0.00%
Phase out of Normal Cost Difference ³	0.00%	0.00%
Plan's Total Normal Cost	15.43%	15.62%
Offset Due to Employee Contributions	7.75%	7.75%
Employer Normal Cost Rate	7.68%	7.87%

¹ The required payment on amortization bases does not take into account any additional discretionary payment made after April 28, 2023.

² Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges.

³ When a rate plan joins the pool, the difference in normal cost between the pool and the rate plan is phased out over a five-year period in accordance with the CalPERS contribution allocation policy.

Additional Discretionary Employer Contributions

The minimum required employer contribution towards the Unfunded Accrued Liability (UAL) for this rate plan for FY 2024-25 is \$2,103. CalPERS allows agencies to make additional discretionary payments (ADPs) at any time and in any amount. These optional payments serve to reduce the UAL and future required contributions and can result in significant long-term savings. Agencies can also use ADPs to stabilize annual contributions as a fixed dollar amount, percent of payroll or percent of revenue.

Provided below are select ADP options for consideration. Making such an ADP during FY 2024-25 does not require an ADP be made in any future year, nor does it change the remaining amortization period of any portion of unfunded liability. For information on permanent changes to amortization periods, see the "Amortization Schedule and Alternatives" section of the report.

Agencies considering making an ADP should contact CalPERS for additional information.

Minimum Required Employer Contribution for Fiscal Year 2024-25

Estimated Normal Cost	Minimum UAL Payment	ADP	Total UAL Contribution	Estimated Total Contribution
\$47,137	\$2,103	\$0	\$2,103	\$49,240

The minimum required contribution above is less than interest on the UAL. With no ADP the UAL is projected to increase over the following year. If the minimum UAL payment were split between interest and principal, the principal portion would be negative. This situation is referred to as **negative amortization**. If only the minimum required contribution is made, contributions are not expected to exceed interest on the UAL until FY **2027-28**, as shown in the "Amortization Schedule and Alternatives" section of the report (see columns labeled "Current Amortization Schedule").

Fiscal Year 2024-25 Employer Contribution Necessary to Avoid Negative Amortization

Estimated Normal Cost	Minimum UAL Payment	ADP ¹	Total UAL Contribution	Estimated Total Contribution
\$47,137	\$2,103	\$2,267	\$4,370	\$51,507

Alternative Fiscal Year 2024-25 Employer Contributions for Greater UAL Reduction

Funding Horizon	Estimated Normal Cost	Minimum UAL Payment	ADP ¹	Total UAL Contribution	Estimated Total Contribution
20 years	\$47,137	\$2,103	\$3,870	\$5,973	\$53,110
15 years	\$47,137	\$2,103	\$4,865	\$6,968	\$54,105
10 years	\$47,137	\$2,103	\$6,963	\$9,066	\$56,203
5 years	\$47,137	\$2,103	\$13,488	\$15,591	\$62,728

¹ The ADP amounts are assumed to be made in the middle of the fiscal year. A payment made earlier or later in the fiscal year would have to be less or more than the amount shown to have the same effect on the UAL amortization.

Note that the calculations above are based on the projected UAL as of June 30, 2024 as determined in the June 30, 2022 actuarial valuation. New unfunded liabilities can emerge in future years due to assumption or method changes, changes in plan provisions, and actuarial experience different than assumed. Making an ADP illustrated above for the indicated number of years will not result in a plan that is exactly 100% funded in the indicated number of years. Valuation results will vary from one year to the next and can diverge significantly from projections over a period of several years.

Funded Status – Funding Policy Basis

The table below provides information on the current funded status of the plan under the funding policy. The funded status for this purpose is based on the market value of assets relative to the funding target produced by the entry age actuarial cost method and actuarial assumptions adopted by the board. The actuarial cost method allocates the total expected cost of a member's projected benefit (**Present Value of Benefits**) to individual years of service (the **Normal Cost**). The value of the projected benefit that is not allocated to future service is referred to as the **Accrued Liability** and is the plan's funding target on the valuation date. The **Unfunded Accrued Liability (UAL)** equals the funding target minus the assets. The UAL is an absolute measure of funded status and can be viewed as employer debt. The **funded ratio** equals the assets divided by the funding target. The funded ratio is a relative measure of the funded status and allows for comparisons between plans of different sizes.

	June 30, 2021	June 30, 2022
1. Present Value of Benefits	\$1,122,379	\$1,502,801
2. Entry Age Accrued Liability	484,456	616,299
3. Market Value of Assets (MVA)	531,564	563,613
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	(\$47,108)	\$52,686
5. Funded Ratio [(3) / (2)]	109.7%	91.5%

A funded ratio of 100% (UAL of \$0) implies that the funding of the plan is on target and that future contributions equal to the normal cost of the active plan members will be sufficient to fully fund all retirement benefits if future experience matches the actuarial assumptions. A funded ratio of less than 100% (positive UAL) implies that in addition to normal costs, payments toward the UAL will be required. Plans with a funded ratio greater than 100% have a negative UAL (or surplus) but are required under current law to continue contributing the normal cost in most cases, preserving the surplus for future contingencies.

Calculations for the funding target reflect the expected long-term investment return of 6.8%. If it were known on the valuation date that future investment returns will average something greater/less than the expected return, calculated normal costs and accrued liabilities provided in this report would be less/greater than the results shown. Therefore, for example, if actual average future returns are less than the expected return, calculated normal costs and UAL contributions will not be sufficient to fully fund all retirement benefits. Under this scenario, required future normal cost contributions will need to increase from those provided in this report, and the plan will develop unfunded liabilities that will also add to required future contributions. For illustrative purposes, funded statuses based on a 1% lower and higher average future investment return (discount rate) are as follows:

	1% Lower Average Return	Current Assumption	1% Higher Average Return
Discount Rate	5.8%	6.8%	7.8%
1. Entry Age Accrued Liability	\$734,037	\$616,299	\$520,750
2. Market Value of Assets (MVA)	563,613	563,613	563,613
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	\$170,424	\$52,686	(\$42,863)
4. Funded Ratio [(2) / (1)]	76.8%	91.5%	108.2%

The "Risk Analysis" section of the report provides additional information regarding the sensitivity of valuation results to the expected investment return and other factors. Also provided in that section are measures of funded status that are appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities.

Projected Employer Contributions

The table below shows the required and projected employer contributions (before cost sharing) for the next six fiscal years. The projection assumes that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. In particular, the investment return beginning with FY 2022-23 is assumed to be 6.80% per year, net of investment and administrative expenses. Future contribution requirements may differ significantly from those shown below. The actual long-term cost of the plan will depend on the actual benefits and expenses paid and the actual investment experience of the fund.

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2022-23 and Beyond)				
Fiscal Year	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Rate Plan 27151 Results					
Normal Cost %	7.87%	7.9%	7.9%	7.9%	7.9%	7.9%
UAL Payment	\$2,103	\$3,300	\$4,500	\$5,700	\$7,000	\$7,000

For ongoing plans, investment gains and losses are amortized using a 5-year ramp up. For more information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A of the Section 2 Report. This method phases in the impact of the change in UAL over a 5-year period in order to reduce employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years when there is a large investment loss, the relatively small amortization payments during the ramp up period could result in contributions that are less than interest on the UAL (i.e. negative amortization) while the contribution impact of the increase in the UAL is phased in.

The required contribution for FY 2024-25 is less than interest on the UAL, a situation referred to as **negative amortization**, as explained in the "Additional Discretionary Employer Contributions" section earlier in this report. If only the minimum required contribution is made, contributions are not expected to exceed interest on the UAL until FY 2027-28, as shown in the "Amortization Schedule and Alternatives" section of the report (see columns labelled "Current Amortization Schedule").

For projected contributions under alternate investment return scenarios, please see the "Future Investment Return Scenarios" in the "Risk Analysis" section. Our online pension plan projection tool, Pension Outlook, is available in the Employers section of the CalPERS website. Pension Outlook can help plan and budget pension costs under various scenarios.

Other Pooled Miscellaneous Risk Pool Rate Plans

All of the results presented in this Section 1 report, except those shown on this page, correspond to rate plan 27151. In many cases, employers have additional rate plans within the same risk pool. For cost analysis and budgeting it is useful to consider contributions for these rate plans as a whole rather than individually. The estimated contribution amounts and rates for all of the employer's rate plans in the Miscellaneous Risk Pool are shown below and assume that the total employer payroll within the Miscellaneous Risk Pool will grow according to the overall payroll growth assumption of 2.80% per year for three years. In a refinement since the prior year's report, Classic members who are projected to terminate employment are assumed to be replaced by PEPRA members.

	Fiscal Year	Fiscal Year
	2023-24	2024-25
Estimated Combined Employer Contributions for all Pooled Miscellaneous Rate Plans		
Projected Payroll for the Contribution Year	\$1,189,021	\$1,261,958
Estimated Employer Normal Cost	\$155,013	\$153,351
Required Payment on Amortization Bases	\$0	\$33,901
Estimated Total Employer Contributions	\$155,013	\$187,252
Estimated Total Employer Contribution Rate (illustrative only)	13.04%	14.84%

Cost

Actuarial Determination of Plan Cost

Contributions to fund the plan are comprised of two components:

- Normal Cost, expressed as a percentage of total active payroll
- Amortization of the Unfunded Accrued Liability (UAL), expressed as a dollar amount

For fiscal years prior to 2015-16, the Amortization of UAL component was expressed as a percentage of total active payroll. Starting with FY 2015-16, the Amortization of UAL component was expressed as a dollar amount and invoiced on a monthly basis. There is an option to prepay this amount during July of each fiscal year.

The Normal Cost component is expressed as a percentage of active payroll with employer and employee contributions payable as part of the regular payroll reporting process.

The determination of both components requires complex actuarial calculations. The calculations are based on a set of actuarial assumptions which can be divided into two categories:

- Demographic assumptions (e.g., mortality rates, retirement rates, employment termination rates, disability rates)
- Economic assumptions (e.g., future investment earnings, inflation, salary growth rates)

These assumptions reflect CalPERS' best estimate of future experience of the plan and are long term in nature. We recognize that all assumptions will not be realized in any given year. For example, the investment earnings at CalPERS have averaged 6.9% over the 20 years ending June 30, 2022, yet individual fiscal year returns have ranged from -23.6% to +21.3%. In addition, CalPERS reviews all actuarial assumptions by conducting in-depth experience studies every four years, with the most recent experience study completed in 2021.

Changes Since the Prior Year's Valuation

Benefits

The standard actuarial practice at CalPERS is to recognize mandated legislative benefit changes in the first annual valuation following the effective date of the legislation. Voluntary benefit changes by plan amendment are generally included in the first valuation that is prepared after the amendment becomes effective, even if the valuation date is prior to the effective date of the amendment.

This valuation generally reflects plan amendments effective before the date of the report. Please refer to the "Plan's Major Benefit Options" in this report and Appendix B of the Section 2 Report for a summary of the plan provisions used in this valuation.

In 2022, SB 1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023. For pooled plans this is a Class 3 benefit and there is no normal cost surcharge. The impact on the unfunded liability is included in the pool's (gain)/loss.

Actuarial Methods and Assumptions

There are no significant changes to the actuarial methods or assumptions for the June 30, 2022 actuarial valuation.

Subsequent Events

This actuarial valuation report reflects fund investment return through June 30, 2022 and statutory/regulatory changes and board actions through January 2023.

During the time period between the valuation date and the publication of this report, inflation has been significantly higher than the expected inflation of 2.3% per annum. Since inflation influences cost-of-living increases for retirees and beneficiaries and active member pay increases, higher inflation is likely to put at least some upward pressure on contribution requirements and downward pressure on the funded status in the June 30, 2023 valuation. The actual impact of higher inflation on future valuation results will depend on, among other factors, how long higher inflation persists. At this time, we continue to believe the long-term inflation assumption of 2.3% is appropriate.

To the best of our knowledge, there have been no other subsequent events that could materially affect current or future certifications rendered in this report.

Assets and Liabilities

- **Breakdown of Entry Age Accrued Liability**
- **Allocation of Plan's Share of Pool's Experience/Assumption Change**
- **Development of Plan's Share of Pool's Market Value of Assets**
- **Schedule of Amortization Bases**
- **Amortization Schedule and Alternatives**
- **Employer Contribution History**
- **Funding History**

Breakdown of Entry Age Accrued Liability

Active Members	\$596,997
Transferred Members	8,735
Separated Members	10,567
Members and Beneficiaries Receiving Payments	0
Total	\$616,299

Allocation of Plan's Share of Pool's Experience/Assumption Change

It is the policy of CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer equitably and maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. The Pool's experience gains/losses and impact of assumption/method changes is allocated to the plan as follows:

1. Plan's Accrued Liability	\$616,299
2. Projected UAL Balance at 6/30/2022	(44,213)
3. Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4. Adjusted UAL Balance at 6/30/2022 for Asset Share	(44,213)
5. Pool's Accrued Liability ¹	22,021,735,002
6. Sum of Pool's Individual Plan UAL Balances at 6/30/2022 ¹	2,453,954,297
7. Pool's 2021-22 Investment (Gain)/Loss ¹	2,614,071,182
8. Pool's 2021-22 Non-Investment (Gain)/Loss ¹	309,490,972
9. Plan's Share of Pool's Investment (Gain)/Loss: $[(1) - (4)] \div [(5) - (6)] \times (7)$	88,238
10. Plan's Share of Pool's Non-Investment (Gain)/Loss: $(1) \div (5) \times (8)$	8,661
11. Plan's New (Gain)/Loss as of 6/30/2022: $(9) + (10)$	96,899
12. Increase in Pool's Accrued Liability due to Change in Assumptions ¹	0
13. Plan's Share of Pool's Change in Assumptions: $(1) \div (5) \times (12)$	0
14. Increase in Pool's Accrued Liability due to Funding Risk Mitigation ¹	0
15. Plan's Share of Pool's Change due to Funding Risk Mitigation: $(1) \div (5) \times (14)$	0
16. Offset due to Funding Risk Mitigation	0
17. Plan's Investment (Gain)/Loss: $(9) - (16)$	88,238
18. Partial Fresh Start Base: $(2) + (17)$	44,025

¹ Does not include plans that transferred to Pool on the valuation date.

Development of the Plan's Share of Pool's Market Value of Assets

19. Plan's UAL: $(2) + (3) + (11) + (13) + (15)$	\$52,686
20. Plan's Share of Pool's MVA: $(1) - (19)$	\$563,613

Schedule of Amortization Bases

Below is the schedule of the plan's amortization bases. Note that there is a two-year lag between the valuation date and the start of the contribution year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2022.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: FY 2024-25.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Reason for Base	Date Est.	Ramp Level 2024-25	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Expected Payment 2023-24	Balance 6/30/24	Minimum Required Payment 2024-25
Non-Investment (Gain)/Loss	6/30/22	No Ramp		0.00%	20	8,661	0	9,250	0	9,879	888
Partial Fresh Start	6/30/22	20%	Up Only	0.00%	20	44,025	(5,731)	52,941	0	56,541	1,215
Total						52,686	(5,731)	62,191	0	66,420	2,103

The (gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed in "Allocation of Plan's Share of Pool's Experience/Assumption Change" earlier in this section. These (gain)/loss bases will be amortized in accordance with the CalPERS amortization policy in effect at the time the base was established.

The partial fresh start base established June 30, 2022 is the sum of the UAL balance from the June 30, 2021 valuation (projected to June 30, 2022) and the June 30, 2022 investment loss, as shown on the previous page.

Amortization Schedule and Alternatives

The amortization schedule on the previous page(s) shows the minimum contributions required according to the CalPERS amortization policy. Many agencies have expressed a desire for a more stable pattern of payments or have indicated interest in paying off the unfunded accrued liabilities more quickly than required. As such, we have provided alternative amortization schedules to help analyze the current amortization schedule and illustrate the potential savings of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternative "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. To initiate a fresh start, please contact the plan actuary.

The Current Amortization Schedule typically contains both positive and negative bases. Positive bases result from plan changes, assumption changes, method changes or plan experience that increase unfunded liability. Negative bases result from plan changes, assumption changes, method changes, or plan experience that decrease unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years, such as:

- When a negative payment would be required on a positive unfunded actuarial liability; or
- When the payment would completely amortize the total unfunded liability in a very short time period, and results in a large change in the employer contribution requirement.

In any year when one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over an appropriate period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy.

Amortization Schedule and Alternatives (continued)

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	20 Year Amortization		15 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2024	66,420	2,103	66,420	5,973	66,420	6,968
6/30/2025	68,763	3,319	64,764	5,973	63,736	6,968
6/30/2026	70,009	4,534	62,995	5,973	60,869	6,968
6/30/2027	70,084	5,749	61,106	5,973	57,807	6,968
6/30/2028	68,908	6,965	59,088	5,973	54,537	6,968
6/30/2029	66,396	6,965	56,933	5,972	51,045	6,968
6/30/2030	63,713	6,965	54,633	5,973	47,315	6,968
6/30/2031	60,848	6,966	52,175	5,972	43,331	6,967
6/30/2032	57,787	6,965	49,551	5,973	39,078	6,968
6/30/2033	54,519	6,966	46,748	5,972	34,534	6,967
6/30/2034	51,027	6,965	43,755	5,973	29,682	6,967
6/30/2035	47,299	6,966	40,558	5,973	24,500	6,967
6/30/2036	43,317	6,966	37,143	5,972	18,966	6,968
6/30/2037	39,064	6,965	33,497	5,972	13,055	6,968
6/30/2038	34,522	6,965	29,603	5,973	6,742	6,967
6/30/2039	29,672	6,965	25,443	5,972		
6/30/2040	24,492	6,965	21,001	5,972		
6/30/2041	18,960	6,966	16,257	5,972		
6/30/2042	13,051	6,966	11,191	5,973		
6/30/2043	6,739	6,964	5,779	5,972		
6/30/2044						
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total		127,150		119,451		104,515
Interest Paid		60,730		53,031		38,095
Estimated Savings				7,699		22,635

Employer Contribution History

The table below provides a recent history of the required and discretionary employer contributions for the plan. The required amounts are based on the actuarial valuation from two years prior without subsequent adjustments, if any. Additional discretionary payments before July 1, 2019 or after April 28, 2023 are not included.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)	Additional Discretionary Payments
2016 - 17	6.555%	\$0	N/A
2017 - 18	6.533%	29	N/A
2018 - 19	6.842%	2,414	N/A
2019 - 20	6.985%	665	10,888
2020 - 21	7.732%	2,569	2,676
2021 - 22	7.59%	665	0
2022 - 23	7.47%	335	0
2023 - 24	7.68%	0	
2024 - 25	7.87%	2,103	

Funding History

The table below shows the recent history of the actuarial accrued liability, share of the pool's market value of assets, unfunded accrued liability, funded ratio, and annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll
06/30/2013	\$6,346	\$8,514	(\$2,168)	134.2%	\$121,212
06/30/2014	31,160	35,083	(3,923)	112.6%	133,674
06/30/2015	64,286	64,522	(236)	100.4%	154,016
06/30/2016	106,798	98,456	8,342	92.2%	168,222
06/30/2017	160,216	153,810	6,406	96.0%	241,457
06/30/2018	231,317	226,198	5,119	97.8%	260,318
06/30/2019	287,584	275,704	11,880	95.9%	344,756
06/30/2020	372,715	360,407	12,308	96.7%	418,798
06/30/2021	484,456	531,564	(47,108)	109.7%	385,510
06/30/2022	616,299	563,613	52,686	91.5%	545,392

Risk Analysis

- **Future Investment Return Scenarios**
- **Discount Rate Sensitivity**
- **Mortality Rate Sensitivity**
- **Maturity Measures**
- **Maturity Measures History**
- **Funded Status – Termination Basis**

Future Investment Return Scenarios

Analysis using the investment return scenarios from the Asset Liability Management process completed in 2021 was performed to determine the effects of various future investment returns on required employer contributions. The projections below reflect the impact of the CalPERS Funding Risk Mitigation policy. The projections also assume that all other actuarial assumptions will be realized and that no further changes in assumptions, contributions, benefits, or funding will occur.

The first table shows projected contribution requirements if the fund were to earn either 3.0% or 10.8% annually. These alternate investment returns were chosen because 90% of long-term average returns are expected to fall between them over the 20-year period ending June 30, 2042.

Assumed Annual Return FY 2022-23 through 2041-42	Projected Employer Contributions				
	2025-26	2026-27	2027-28	2028-29	2029-30
3.0% (5th percentile)					
Normal Cost Rate	7.9%	7.9%	7.9%	7.9%	7.9%
UAL Contribution	\$3,800	\$6,100	\$8,900	\$12,000	\$15,000
10.8% (95th percentile)					
Normal Cost Rate	8.1%	8.3%	8.5%	8.7%	8.4%
UAL Contribution	\$2,900	\$3,200	\$0	\$0	\$0

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 3.0% or greater than 10.8% over a 20-year period, the likelihood of a single investment return less than 3.0% or greater than 10.8% in any given year is much greater. The following analysis illustrates the effect of an extreme, single year investment return.

The portfolio has an expected volatility (or standard deviation) of 12.0% per year. Accordingly, in any given year there is a 16% probability that the annual return will be -5.2% or less and a 2.5% probability that the annual return will be -17.2% or less. These returns represent one and two standard deviations below the expected return of 6.8%.

The following table shows the effect of a one or two standard deviation investment loss in FY 2022-23 on the FY 2025-26 contribution requirements. Note that a single-year investment gain or loss decreases or increases the required UAL contribution amount incrementally for each of the next five years, not just one, due to the 5-year ramp in the amortization policy. However, the contribution requirements beyond the first year are also impacted by investment returns beyond the first year. Historically, significant downturns in the market are often followed by higher than average returns. Such investment gains would offset the impact of these single year negative returns in years beyond FY 2025-26.

Assumed Annual Return for Fiscal Year 2022-23	Required Employer Contributions	Projected Employer Contributions
	2024-25	2025-26
(17.2)% (2 standard deviation loss)		
Normal Cost Rate	7.87%	7.9%
UAL Contribution	\$2,103	\$6,600
(5.2)% (1 standard deviation loss)		
Normal Cost Rate	7.87%	7.9%
UAL Contribution	\$2,103	\$5,000

- Without investment gains (returns higher than 6.8%) in FY 2023-24 or later, projected contributions rates would continue to rise over the next four years due to the continued phase-in of the impact of the illustrated investment loss in FY 2022-23.
- The Pension Outlook Tool can be used to model projected contributions for these scenarios beyond FY 2025-26 as well as to model other investment return scenarios.

Discount Rate Sensitivity

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation, currently 4.5% and 2.3%, respectively. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed. Shown below are various valuation results as of June 30, 2022 assuming alternate discount rates by changing the two components independently. Results are shown using the current discount rate of 6.8% as well as alternate discount rates of 5.8% and 7.8%. The rates of 5.8% and 7.8% were selected since they illustrate the impact of a 1.0% increase or decrease to the 6.8% assumption.

Sensitivity to the Real Rate of Return Assumption

As of June 30, 2022	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	5.8%	6.8%	7.8%
Price Inflation	2.3%	2.3%	2.3%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	19.53%	15.62%	12.65%
b) Accrued Liability	\$734,037	\$616,299	\$520,750
c) Market Value of Assets	\$563,613	\$563,613	\$563,613
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$170,424	\$52,686	(\$42,863)
e) Funded Ratio	76.8%	91.5%	108.2%

Sensitivity to the Price Inflation Assumption

As of June 30, 2022	1% Lower Price Inflation	Current Assumptions	1% Higher Price Inflation
Discount Rate	5.8%	6.8%	7.8%
Price Inflation	1.3%	2.3%	3.3%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	16.48%	15.62%	14.20%
b) Accrued Liability	\$644,463	\$616,299	\$561,692
c) Market Value of Assets	\$563,613	\$563,613	\$563,613
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$80,850	\$52,686	(\$1,921)
e) Funded Ratio	87.5%	91.5%	100.3%

Mortality Rate Sensitivity

The following table looks at the change in the June 30, 2022 plan costs and funded status under two different longevity scenarios, namely assuming post-retirement rates of mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2021. This type of analysis highlights the impact on the plan of a change in the mortality assumption.

As of June 30, 2022	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	15.89%	15.62%	15.37%
b) Accrued Liability	\$629,098	\$616,299	\$604,503
c) Market Value of Assets	\$563,613	\$563,613	\$563,613
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$65,485	\$52,686	\$40,890
e) Funded Ratio	89.6%	91.5%	93.2%

Maturity Measures

As pension plans mature they become more sensitive to risks. Understanding plan maturity and how it affects the ability of a pension plan sponsor to tolerate risk is important in understanding how the pension plan is impacted by investment return volatility, other economic variables, and changes in longevity or other demographic assumptions.

Since it is the employer that bears the risk, it is appropriate to perform this analysis on a pension plan level considering all rate plans. The following measures are for one rate plan only. One way to look at the maturity level of CalPERS and its plans is to look at the ratio of a plan's retiree liability to its total liability. A pension plan in its infancy will have a very low ratio of retiree liability to total liability. As the plan matures, the ratio starts increasing. A mature plan will often have a ratio above 60%-65%.

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2021	June 30, 2022
1. Retired Accrued Liability	\$0	\$0
2. Total Accrued Liability	484,456	616,299
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.00	0.00

Another measure of maturity level of CalPERS and its plans is to look at the ratio of actives to retirees, also called the support ratio. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures and members retire, the ratio declines. A mature plan will often have a ratio near or below one.

To calculate the support ratio for the rate plan, retirees and beneficiaries receiving a continuance are each counted as one, even though they may have only worked a portion of their careers as an active member of this rate plan. For this reason, the support ratio, while intuitive, maybe less informative than the ratio of retiree liability to total accrued liability above.

For comparison, the support ratio for all CalPERS public agency plans as of June 30, 2021, was 0.78 and was calculated consistently with how it is for the individual rate plan. Note that to calculate the support ratio for all public agency plans, a retiree with service from more than one CalPERS agency is counted as a retiree more than once.

Support Ratio	June 30, 2021	June 30, 2022
1. Number of Actives	4	6
2. Number of Retirees	0	0
3. Support Ratio [(1) / (2)]	N/A	N/A

Maturity Measures (continued)

The actuarial calculations supplied in this communication are based on various assumptions about long-term demographic and economic behavior. Unless these assumptions (e.g., terminations, deaths, disabilities, retirements, salary growth, investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio

Shown in the table below is the asset volatility ratio (AVR), which is the ratio of market value of assets to payroll. Plans that have higher AVR experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with AVR of 8 may experience twice the contribution volatility due to investment return volatility than a plan with AVR of 4. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as a plan matures.

Liability Volatility Ratio

Also shown in the table below is the liability volatility ratio (LVR), which is the ratio of accrued liability to payroll. Plans that have a higher LVR experience more volatile employer contributions (as a percentage of payroll) due to changes in liability. For example, a plan with LVR of 8 is expected to have twice the contribution volatility of a plan with LVR of 4. It should be noted that this ratio indicates a longer-term potential for contribution volatility, since the AVR, described above, will tend to move closer to the LVR as the funded ratio approaches 100%.

Contribution Volatility	June 30, 2021	June 30, 2022
1. Market Value of Assets	\$531,564	\$563,613
2. Payroll	385,510	545,392
3. Asset Volatility Ratio (AVR) [(1) / (2)]	1.4	1.0
4. Accrued Liability	\$484,456	\$616,299
5. Liability Volatility Ratio (LVR) [(4) / (2)]	1.3	1.1

Maturity Measures History

Valuation Date	Ratio of Retiree Accrued Liability to Total Accrued Liability	Support Ratio	Asset Volatility Ratio	Liability Volatility Ratio
06/30/2017	0.00	N/A	0.6	0.7
06/30/2018	0.00	N/A	0.9	0.9
06/30/2019	0.00	N/A	0.8	0.8
06/30/2020	0.00	N/A	0.9	0.9
06/30/2021	0.00	N/A	1.4	1.3
06/30/2022	0.00	N/A	1.0	1.1

Funded Status – Termination Basis

The funded status measured on a termination basis is an estimate of the financial position of the plan had the contract with CalPERS been terminated as of June 30, 2022. The accrued liability on a termination basis (termination liability) is calculated differently compared to the plan’s ongoing funding liability. For the termination liability calculation, both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are assumed. This measure of funded status is not appropriate for assessing the need for future employer contributions in the case of an ongoing plan, that is, for an employer that continues to provide CalPERS retirement benefits to active employees. Unlike the actuarial cost method used for ongoing plans, the termination liability is the present value of the benefits earned through the valuation date.

A more conservative investment policy and asset allocation strategy was adopted by the board for the Terminated Agency Pool. The Terminated Agency Pool has limited funding sources since no future employer contributions will be made. Therefore, expected benefit payments are secured by risk-free assets and benefit security for members is increased while limiting the funding risk. However, this asset allocation has a lower expected rate of return than the PERF and consequently, a lower discount rate is assumed. The lower discount rate for the Terminated Agency Pool results in higher liabilities for terminated plans.

The effective termination discount rate will depend on actual market rates of return for risk-free securities on the date of termination. As market discount rates are variable, the table below shows a range for the hypothetical termination liability based on the lowest and highest interest rates observed during an approximate 19-month period from 12 months before the valuation date to seven months after.

Market Value of Assets (MVA)	Discount Rate: 1.75% Price Inflation: 2.50%			Discount Rate: 4.50% Price Inflation: 2.75%		
	Termination Liability ^{1,2}	Funded Ratio	Unfunded Termination Liability	Termination Liability ^{1,2}	Funded Ratio	Unfunded Termination Liability
\$563,613	\$1,258,763	44.8%	\$695,150	\$692,121	81.4%	\$128,508

¹ The termination liabilities calculated above include a 5% contingency load. The contingency load and other actuarial assumptions can be found in Appendix A of the Section 2 report.

² The discount rate used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the table are based on 20-year Treasury bonds, rounded to the nearest quarter percentage point, which is a good proxy for most plans. The 20-year Treasury yield was 3.38% on June 30, 2022, the valuation date.

In order to terminate the plan, first contact our Pension Contract Services unit to initiate a Resolution of Intent to Terminate. The completed Resolution will allow the plan actuary to provide a preliminary termination valuation with a more up-to-date estimate of the plan liabilities. Before beginning this process, please consult with the plan actuary.

Participant Data

The table below shows a summary of the plan's member data upon which this valuation is based:

	June 30, 2021	June 30, 2022
Active Members		
Counts	4	6
Average Attained Age	45.8	45.7
Average Entry Age to Rate Plan	40.7	41.3
Average Years of Credited Service	5.1	4.3
Average Annual Covered Pay	\$96,378	\$90,899
Annual Covered Payroll	\$385,510	\$545,392
Present Value of Future Payroll	\$3,918,297	\$5,386,016
Transferred Members	1	1
Separated Members	1	1
Retired Members and Beneficiaries*		
Counts	0	0
Average Annual Benefits	\$0	\$0
Total Annual Benefits	\$0	\$0

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

* Values include community property settlements.

List of Class 1 Benefit Provisions

This plan has the additional Class 1 Benefit Provisions:

- None

Plan's Major Benefit Options

Shown below is a summary of the major optional benefits for which the agency has contracted. A description of principal standard and optional plan provisions is in Section 2.

Member Category	Benefit Group	
	Misc	
Demographics		
Actives	Yes	
Transfers/Separated	Yes	
Receiving	No	
Benefit Provision		
Benefit Formula	2% @ 62	
Social Security Coverage	Yes	
Full/Modified	Full	
Employee Contribution Rate	7.75%	
Final Average Compensation Period	Three Year	
Sick Leave Credit	Yes	
Non-Industrial Disability	Standard	
Industrial Disability	No	
Pre-Retirement Death Benefits		
Optional Settlement 2	Yes	
1959 Survivor Benefit Level	No	
Special	No	
Alternate (firefighters)	No	
Post-Retirement Death Benefits		
Lump Sum	\$2000	
Survivor Allowance (PRSA)	No	
COLA	2%	

PEPRA Member Contribution Rates

The California Public Employees' Pension Reform Act of 2013 (PEPRA) established new benefit formulas, final compensation period, and contribution requirements for "new" employees (generally those first hired into a CalPERS-covered position on or after January 1, 2013). In accordance with Government Code Section 7522.30(b), "new members ... shall have an initial contribution rate of at least 50% of the normal cost rate." The normal cost for the plan is dependent on the benefit levels, actuarial assumptions, and demographics of the risk pool, particularly members' entry age. Should the total normal cost rate change by more than 1% from the base total normal cost rate, the new member rate shall be 50% of the new normal cost rate rounded to the nearest quarter percent.

The table below shows the determination of the PEPRA member contribution rates effective July 1, 2024, based on 50% of the total normal cost rate as of the June 30, 2022 valuation.

Rate Plan Identifier	Benefit Group Name	Basis for Current Rate		Rates Effective July 1, 2024			
		Total Normal Cost	Member Rate	Total Normal Cost	Change	Change Needed	Member Rate
27151	Miscellaneous PEPRA Level	15.43%	7.75%	15.62%	0.19%	No	7.75%

Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Risk Pool Actuarial Valuation Information

Section 2 may be found on the
CalPERS website (www.calpers.ca.gov)
in the Forms and Publications section

September 2023

September 2023							October 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
3	4	5	6	7	1	2	1	2	3	4	5	6	7
10	11	12	13	14	15	16	8	9	10	11	12	13	14
17	18	19	20	21	22	23	15	16	17	18	19	20	21
24	25	26	27	28	29	30	22	23	24	25	26	27	28
							29	30	31				

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Aug 27	28	29	30	31	Sep 1	2 MPR Bond Refi Principal & Interest Payment Due on 10.1.2020
3	4 Prep for CIP & Finance Meetings!	5 Jayne Mulloy!!! + PERS Retirement DUE	6	7	8	9
10	11	12	13	14	15	16
SWRCB Operator's Certificate (G3) - S Driscoll, exp. 12.31.2021						
	INSURANCE: Collect info from TR & TO			CalPERS 457		
	Timesheets: Part I, Act II		4:30PM CIP Mtg: 2nd Wednesday ea/mo: 4:30pm CIP Committee Meeting (2001)	4:30PM Finance 2:00pm Governance 3:00pm Personnel 4:00pm Ark Deadline @		
17 Robin's Dohrmann's Contract Date: 9.17.13	18	19	20	21 5PM SD5 Reg Board Mtg: 3rd Thursday ea/mo.	22 John Rosser's Hire Date: 9.22.2000	23
24 John Rosser's Birthday	25 Timesheets: Part II, Act II	26	27	28	29	30 CalPERS 457

October 2023

October 2023							November 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7	5	6	7	1	2	3	4
8	9	10	11	12	13	14	12	13	14	15	16	17	18
15	16	17	18	19	20	21	19	20	21	22	23	24	25
22	23	24	25	26	27	28	26	27	28	29	30		
29	30	31											

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 1 MPR BOND DEBT SERVICE DUE	2 Prep for CIP & Finance Meetings!	3	4	5 Jayne Mulloy!!! + PERS Retirement DUE	6 7 SASM BILL: JUL-SEPT	
8	9 10 11 SASM BILL: JUL-SEPT			12 4:30PM Finance Meeting: 2nd Thursday ea/mo: 4:00pm Ark Deadline @ High Noon today!	13	14
15 CalPERS 457	16	17	18	19 20 21 REVIEW CALPERS ACTUARIAL REPORTS for new employer rates 5PM SD5 Reg Board Mtg: 3rd Thursday ea/mo.		
22	23 24 25 26 27 REVIEW CALPERS ACTUARIAL REPORTS for new employer rates					28
29	30 CalPERS 457	31	Nov 1	2	3	4