STEGE SANITARY DISTRICT BOARD OF DIRECTORS MEETING

DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

DECEMBER 7, 2023 **@2:00 P.M.**

www.stegesan.org ● staff@stegesan.org

******* **AGENDA** *******

Items on the agenda may be taken out of order.

Public comment is limited to three (3) minutes for each individual speaker.

In accordance with California Government Code Section 54957.5, any writing that is a public record and relates to an open session agenda item which is distributed less than 72 hours prior to the meeting shall be available for public inspection at the District Office, 7500 Schmidt Lane, El Cerrito, during regular business hours. Copies of the agenda are posted on the District website at www.stegesan.org Those disabled persons requiring auxiliary aids or services in attending or participating in this meeting should notify the District at least 48 hours prior to the meeting at 510/524-4668.

*Members of the public can observe the live stream of the meeting by accessing **https://zoom.us/j/84090509848** or by calling **(669) 900-9128** and entering the Meeting ID# **840 9050 9848** followed by the pound (#) key.*

The ability to participate and observe remotely as identified above is predicated on the technology being available and functioning without technical difficulties. Should the remote platform not be available, or become non-functioning, or should the Board of Directors otherwise encounter technical difficulties that makes that platform unavailable, the Board of Directors will proceed with business in person unless otherwise prohibited by law.

*Public comment can be sent remotely by delivering a physical copy to **7500 Schmidt Lane, El Cerrito, CA 94530** or via email to **comments@stegesan.org** with "Public Comment" in the subject line. To provide written comment on an item on the agenda or to address the Board during Public Comment, please note the agenda item number that you want to address or whether you intend for the comment to be included in Public Comment. Comments timely received at least 15 minutes before the starting time of the meeting will be provided to the Board of Directors and will be added to the official record.*

Pursuant to AB 2449, Board Members may be attending this meeting via remote conferencing. In the event that any Board Member elects to attend remotely, all votes conducted during the meeting will be conducted by roll call vote.

I. Call To Order

II. Roll Call

Agenda Items: Directors and Officers of the Board will consider and announce if they have any conflicts of interest posed by items on the meeting agenda.

III. Public Comment

STEGE SANITARY DISTRICT BOARD OF DIRECTORS MEETING
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA
DECEMBER 7, 2023 **@2:00 P.M.**
www.stegesan.org ● staff@stegesan.org

(Members of the public are invited to address the Board concerning topics that are **not** on the agenda. Comments **on** agenda items will be heard when the item is up for consideration)

IV. Approval of Minutes

Motion: A. Approval of November 9, 2023 Board Meeting Minutes
(The Board will be asked to review and approve the minutes)

Info: **V. Communications**

A. Oral/Written Communications
1. Brief reports from Directors on matters related to the District, including attendance at city or community meetings

Info/Motion: **VI. Reports of Staff and Officers**

A. Attorney's Report
1. Remote Conferencing Public Comment Discussion

B. Committee Reports

C. Manager's Report
1. Monthly Maintenance Summary Report
2. Monthly Report of Sewer Replacements and Repairs
3. Consent Decree Quarterly Report
4. Emergency Contact Updates
5. 2024 California Association of Sanitation Agencies (CASA) Conferences
   - January 24-26 – Winter Conference, Palm Springs, CA
   - February 26-27 – Washington DC Forum
   - July 31-August 2 – Annual Conference, Monterey, CA
6. 2024 California Special Districts Association (CSDA) Conference
   - September 9-12 – Annual Conference, Indian Wells, CA

VII. Business

Info/Motion: A. Fiscal Year 2022-23 Financial Audit Report
(The Board will consider accepting the report as presented by the auditor, Chavan and Associates)

Info/Motion: B. 2023 Board Meeting Calendar
(The Board will consider approving the calendar)

Info: **VIII. Monthly Financial Statements**

A. Monthly Investment, Cash, Receivables Report
B. Monthly Operating Statement
C. Pension and Other Post-Employment Benefits (OPEB) Unfunded Actuarial Liability (UAL) Report

(The Board will review the financial reports and statements)

Info/Motion: **IX. Approval of Checks**

A. Checks for December 7, 2023 - Fund No. 3418 & 3423

(The Board will be asked to approve the checks)

Info: **X. Future Agenda Items**

January 18, 2024

Board Governance Manual Review
Service Rate Discussion
Long Range Planning Workshop Agenda
Director's Contact Info
Board Training Summary
CASA Conference
Quarterly Financial Statements
Form 700
CLOSED SESSION – Quarterly Claims Reports
CLOSED SESSION – Manager Performance Evaluation
+ *Connection Charge Review*
+ *Claims Process*

February 1, 2024

Actuarial Analysis of Retiree Health Benefits Report
Performance Report
District of Distinction

Service Rate Discussion
Long Range Planning Workshop Agenda
Board Training Summary
CASA Conference
CASA Conference – Attendee reports

NOMINATION AND ELECTION OF OFFICERS

Motion: Nomination and Election of Officers – 2024
(The Board will nominate and elect officers for calendar year 2024)

XI. Adjournment

(The next meeting of the Stege Sanitary District Board of Directors is scheduled to be held on January 18, 2024 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, CA.)

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF NOVEMBER 9, 2023
TIME OF MEETING: 7:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

*******MINUTES *******

I. Call to Order: President Christian-Smith called the meeting to order at 7:00 P.M.

II. Roll Call:

Present:	Beach*, Gilbert-Snyder, O'Keefe, Christian-Smith
Absent:	Merrill (gave prior notice)
Others Present:	Rex Delizo, District Manager
	Alex Mog, Office of the District Counsel
	Thomas Troy*, Resident

*via remote conference

Per AB 2449, Director Beach joined the meeting via remote conference due to a "just cause." This is Director Beach's first use of this exception for this calendar year.

Agenda Items: Directors and Officers of the Board did not announce any conflicts of interest posed by items on the meeting agenda.

III. Public Comment: Resident Thomas Troy gave public comment on a past closed session item regarding his Government Tort Claim filed on 5/2/2022. There was no other public comment.

IV. Approval of Minutes

A. Approval of October 19, 2023 Board Meeting Minutes

MOTION: By O'Keefe, seconded by Gilbert-Snyder, to approve the minutes of the October 19, 2023 Board Meeting, as amended

VOTE:		
	AYES:	Beach, Gilbert-Snyder, O'Keefe, Christian-Smith
	NOES:	None
	ABSTAIN:	None
	ABSENT:	Merrill

V. Communications

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF NOVEMBER 9, 2023
TIME OF MEETING: 7:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

A. Oral/Written Communications
   A. Brief reports from Directors on matters related to the District, including attendance at city or community meetings
      Gilbert-Snyder reported on his attendance at EBMUD Director Andy Katz's lunch-time water briefing.

VI. Reports of Staff and Officers

A. Attorney's Report:
   There were no items to report.

B. Committee Reports:
   There were no items to report.

C. Manager's Report:
   1. Monthly Maintenance Summary Report
      The Manager reported no significant issues with last month's maintenance activities.
   2. Monthly Report of Sewer Replacements and Repairs
      The Manager reported no invoices were paid in October.
   3. Proposed Meeting Calendar
      The Manager reported on the proposed meeting calendar for 2024.
   4. Board Officer Succession Plan
      The Manager reported on the projected succession plan for the Board president and vice president positions.
   5. 2024 California Association of Sanitation Agencies (CASA) Conferences
      The Manager reported on the upcoming CASA conferences dates for 2024.
   6. 2024 California Special Districts Association (CSDA) Conference
      The Manager reported on the upcoming CSDA annual conference date for 2024.

VII. Business

There were no items to consider.

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF NOVEMBER 9, 2023
TIME OF MEETING: 7:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

VIII. Monthly Financial Statements

A. Monthly Investment, Cash, Receivables Report

B. Monthly Operating Statement

The financial items were reviewed by the Board with no significant issues.

IX. Approval of Checks

A. Checks for November 9, 2023 - Fund No. 3418 & 3423

MOTION: By Gilbert-Snyder, seconded by O'Keefe, to pay the bills, Check Nos. 28412 through 28450 in the amount of $1,038,158.69

VOTE:	AYES:	Beach, Gilbert-Snyder, O'Keefe, Christian-Smith
	NOES:	None
	ABSTAIN:	None
	ABSENT:	Merrill

X. Future Agenda Items

December 7, 2023 – 2:00PM

Fiscal Year Financial Audit
~~Connection Charge Review~~
Emergency Contact Update
Meeting Calendar
Consent Decree Quarterly Report
CASA Conference
Pension + OPEB UAL Reports
Nomination & Election of Officers
+ Remote Conferencing Public Comment Policy

January 18, 2024

Board Governance Manual Review
Service Rate Discussion
Long Range Planning Workshop Agenda

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF NOVEMBER 9, 2023
TIME OF MEETING: 7:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

Director's Contact Info
Board Training Summary
CASA Conference
Quarterly Financial Statements
Form 700
CLOSED SESSION – Quarterly Claims Reports
CLOSED SESSION – Manager Performance Evaluation
+ Connection Charge Review
+ Claims Process

CLOSED SESSION

Public Employment Performance Evaluation

Gov. Code § 54957
Title: District Manager

The closed session was postponed until the January Board Meeting.

XI. Adjournment

The meeting was adjourned 7:42 P.M. The next meeting of the District Board of Directors will be held on Thursday, December 7, 2023 at **2:00 P.M.** at the District Board Room, 7500 Schmidt Lane, El Cerrito, California

Rex Delizo
STEGE SANITARY DISTRICT
Secretary

MONTHLY SERVICE CALLS November-2023

DATE	MH UP/DN	ADDRESS	PRBLM IN	TYPE	LOC	CAUSE	END	COMMENTS
11/2/2023 Thursday 4:19 PM	284010 284009	1207 KING DR. EL CERRITO, CA 94530	Main ☐ Lateral ☑ Other ☐	C, OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/6/2023 Monday 2:05 AM	161633 161632	2030 HARPER ST. EL CERRITO, CA 94530	Main ☐ Lateral ☑ Other ☐	C				WE FOUND THE CONGESTION TO BE THE CUSTOMER'S PROBLEM.
11/6/2023 Monday 3:05 PM	251024 251023	7800 EUREKA AVE. EL CERRITO, CA 94530	Main ☐ Lateral ☑ Other ☐	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/7/2023 Tuesday 12:45 AM	142006-7 142005	1314 LIBERTY ST. EL CERRITO, CA 94530	Main ☐ Lateral ☑ Other ☐	C, OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/7/2023 Tuesday 7:41 AM	225007 225006	221 BEHRENS ST. EL CERRITO, CA 94530 *Last Call: 1/30/2015*	Main ☐ Lateral ☐ Other ☑	O				WE FOUND THE ODOR TO BE THE CUSTOMER'S PROBLEM.
11/7/2023 Tuesday 10:10 AM	191252 191209	2540 ARLINGTON AVE. EL CERRITO, CA 94530	Main ☐ Lateral ☐ Other ☑	C				WE FOUND THE SLOW DRAIN TO BE THE CUSTOMER'S PROBLEM.
11/7/2023 Tuesday 11:19 AM	234023 234024	711 COVENTRY RD. KENSINGTON, CA 94707	Main ☐ Lateral ☑ Other ☐	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/7/2023 Tuesday 11:42 AM	262121 262107	631 CLAYTON AVE. EL CERRITO, CA 94530	Main ☐ Lateral ☐ Other ☑	T,O				CUSTOMER HAD A MISSING CLEANOUT CAP.
11/7/2023 Tuesday 2:20 PM	251632 251631	8 JESSEN CT. KENSINGTON, CA 94707	Main ☐ Lateral ☐ Other ☑	A				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/8/2023 Wednesday 2:20 PM	142003 142002	1441 LIBERTY ST. EL CERRITO, CA 94530	Main ☐ Lateral ☐ Other ☑	O				DEAD CAT IN BASEMENT, HOMEOWNER'S PROBLEM
11/9/2023 Thursday 6:44 PM	101309 101308	1663 SANTA CLARA AVE. RICHMOND, CA 94804 *Last Call: 1/6/2023*	Main ☐ Lateral ☑ Other ☐	OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/11/2023 Saturday 7:03 AM	212303 212302	2722 CARLSON BLVD. EL CERRITO, CA 94530	Main ☐ Lateral ☐ Other ☑	O				WE FOUND THE ODOR TO BE THE CUSTOMER'S PROBLEM.
11/11/2023 Saturday 12:16 PM	221206 221013	422 EVERETT ST. EL CERRITO, CA 94530	Main ☐ Lateral ☑ Other ☐	T				SLOW DRAINING TOILET, CUSTOMER'S PROBLEM.
11/12/2023 Sunday 6:02 AM	212303 101302	2722 CARLSON BLVD. EL CERRITO, CA 94530 *Last Call: 11/11/2023*	Main ☐ Lateral ☐ Other ☑	O				WE FOUND THE ODOR TO BE THE CUSTOMER'S PROBLEM.
11/12/2023 Sunday 5:36 PM	161230 161206	1704 LEXINGTON AVE. EL CERRITO, CA 94530	Main ☐ Lateral ☐ Other ☑	O				MISSING SEWER CAP, CUSTOMER'S PROBLEM.
11/15/2023 Wednesday 8:39 AM	103415 103413	5446 SANTA CRUZ AVE. RICHMOND, CA 94804	Main ☐ Lateral ☐ Other ☑	T				WE FOUND THE CLOGGED SINK TO BE THE CUSTOMER'S PROBLEM.
11/19/2023 Sunday 11:11 AM	282203 282202	700 LEXINGTON AVE. EL CERRITO, CA 94530	Main ☐ Lateral ☑ Other ☐	C, OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/27/2023 Monday 8:46 AM	232101 232002	219 POMONA AVE. EL CERRITO, CA 94530	Main ☐ Lateral ☐ Other ☑	C				WE FOUND THE CLOGGED TOILET TO BE THE CUSTOMER'S PROBLEM.

DATE	MH UP/DN	ADDRESS	PRBLM IN	TYPE	LOC	CAUSE	END	COMMENTS
11/27/2023 Monday 9:57 AM	212112 212111	5800 SAN JOSE AVE. RICHMOND, CA 94804	Main ☐ Lateral ☑ Other ☐	C				WE FOUND THIS TO BE THE CUSTOMERS PROBLEM.
11/27/2023 Monday 11:27 AM	189107 189106	2645 CARQUINEZ AVE. EL CERRITO, CA 94530 *Last Call: 6/18/1991*	Main ☐ Lateral ☑ Other ☐	O				WE FOUND THE ODOR TO BE THE CUSTOMER'S PROBLEM.
11/27/2023 Monday 1:14 PM	232209 232208	333 CARMEL AVE. EL CERRITO, CA 94530	Main ☐ Lateral ☐ Other ☑	T				WE FOUND THE CLOGGED SINK TO BE THE CUSTOMER'S PROBLEM.
11/28/2023 Tuesday 11:13 AM	273404 273403	116 KENYON AVE. KENSINGTON, CA 94707	Main ☐ Lateral ☐ Other ☑	T				WE FOUND THE CLOGGED TOILET TO BE THE CUSTOMER'S PROBLEM.
11/29/2023 Wednesday 11:37 AM	251012 251010	505 BALRA DR. EL CERRITO, CA 94530 *Last Call: 4/11/2002*	Main ☐ Lateral ☑ Other ☐	C, OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
11/30/2023 Thursday 12:05 PM	251252 251651	10 LAM CT. EL CERRITO, CA 94530	Main ☐ Lateral ☑ Other ☐	C, F				WE FOUND THE CONGESTION TO BE THE CUSTOMER'S PROBLEM.

PROBLEM TYPE:

Water (A)
Broken Main (B)
S/S Congestion (C)
Debris in Main (D)
EBMUD (E)
Soft Stoppage (F)
Grease (G)
Lateral Cause (LC)
Misc (M)
MH Cover (MC)
Odor (O)
Overflow (OF)
PG+E (P)
Roots (R)
Surcharge (S)
Storm Drain (SD)
Unknown (U)
Other (T)
Wipes/Rags (W)

SPILL LOCATION:

Lamp/Manhole (MH)
Mainline (ML)
Lateral (L)
Cleanout (CO)
Building (BLDG)
Other (O)

SPILL CAUSE:

Blockage (B)
Surcharge (S)
Line Break (ML)
Other (O)

SPILL END LOCATION:

Building (BLDG)
Creek (C)
Strt/Pvmnt (ST)
Storm Drn (SD)
Yard (Y)
Other (O)

MAINLINE:	**0**
LATERAL:	**12**
OTHER:	**12**
TOTAL SERVICE CALLS:	**24**
MAINLINE OVERFLOW:	0
MAINLINE SURCHARGE:	0

SANITARY SEWER OVERFLOWS (SSOs) LAST 12 MONTHS December-2023

DATE	MH UP/DN	ADDRESS	PRBLM IN	TYPE	LOC	CAUSE	END	COMMENTS	CAT*	VOL	RCVR'D	NET
12/5/2022 Monday 9:13 PM	281406 281405	938 AVIS DR. EL CERRITO, CA 94530	Main ☑ Lateral ☐ Other ☐	OF,R,W	MH	B	Y	WIPES AND ROOTS CAUSED SSO	CAT 3	112 gallons	0 gallons	112 gallons
1/12/2023 Thursday 10:05 AM	234016 234015	620 COVENTRY RD. KENSINGTON, CA 94707	Main ☑ Lateral ☐ Other ☐	G, R, W	MH	B	SD,Y,ST	ARRIVED ON SITE FOUND MANHOLE OVERFLOWING. WE BROKE THE STOPPAGE AND CLEANED UP.	CAT 1	10,660 gallons	0 gallons	10,660 gallons
2/7/2023 Tuesday 11:53 AM	184102 184101	11755 SAN PABLO AVE. EL CERRITO, CA 94530	Main ☑ Lateral ☐ Other ☐	B,D, P	ML	ML	ST, SD	PG&E BROKE DISTRICT LINE	CAT 4	5 gallons	5 gallons	0 gallons
2/15/2023 Wednesday 7:40 PM	265304 265303	838 SEA VIEW DR. EL CERRITO, CA 94530	Main ☑ Lateral ☐ Other ☐	D, OF, T	MH	B	SD, Y	BROKEN MANHOLE.	CAT 4	34 gallons	34 gallons	0 gallons
5/1/2023 Monday 2:28 PM	186304 186004	2126 JUNCTION AVE. EL CERRITO, CA 94530	Main ☑ Lateral ☐ Other ☐	B	ML, O	ML	Y	SSO WAS CAUSED BY SLIPLINE MORTAR NOT SEALED AT CONNECTION.	CAT 4	5 gallons	5 gallons	0 gallons
5/5/2023 Friday 8:07 AM	102203 102003	1438 CARLSON BLVD. RICHMOND, CA 94804	Main ☑ Lateral ☐ Other ☐	D,OF,R, W	MH	B	ST, SD	DEBRIS, ROCKS, AND ROOTS CAUSED SSO.	CAT 3	78 gallons	78 gallons	0 gallons

PROBLEM TYPE:

Water (A)
Broken Main (B)
S/S Congestion (C)
Debris in Main (D)
EBMUD (E)
Soft Stoppage (F)
Grease (G)
Lateral Cause (LC)
Misc (M)
MH Cover (MC)
Odor (O)
Overflow (OF)
PG+E (P)
Roots (R)
Surcharge (S)
Storm Drain (SD)
Unknown (U)
Other (T)
Wipes/Rags (W)

SPILL LOCATION:

Lamp/Manhole (MH)
Mainline (ML)
Lateral (L)
Cleanout (CO)
Building (BLDG)
Other (O)

SPILL CAUSE:

Blockage (B)
Surcharge (S)
Line Break (ML)
Other (O)

SPILL END LOCATION:

Building (BLDG)
Creek (C)
Strt/Pvmnt (ST)
Storm Drn (SD)
Yard (Y)
Other (O)

TOTAL MAINLINE SSOs:	6
MAINLINE BREAK SSOs:	2
MAINLINE SURCHARGE SSOs:	0
CATEGORY 1 SSOs:	1
SSOs INTO BUILDINGS:	0
TOTAL SSO VOLUME (GALS):	10,894
TOTAL VOLUME RECOVERED (GALS):	122
TOTAL VOLUME UNRECOVERED (GALS):	10,772

*CATEGORY 1 SSO: Spill of any volume of sewage from or caused by a sanitary sewer system that results in a discharge to: A surface water, including a surface water body that contains no flow or volume of water; or A drainage conveyance system that discharges to surface waters when the sewage is not fully captured and returned to the sanitary sewer system or disposed of properly. Any spill volume not recovered from a drainage conveyance system is considered a discharge to surface water, unless the drainage conveyance system discharges to a dedicated stormwater infiltration basin or facility.

CATEGORY 2 SSO: Spill of 1,000 gallons or greater, from or caused by a sanitary sewer system that does not discharge to a surface water.

CATEGORY 3 SSO: Spill of equal to or greater than 50 gallons and less than 1,000 gallons, from or caused by a sanitary sewer system that does not discharge to a surface water.

CATEGORY 4 SSO: Spill of less than 50 gallons, from or caused by a sanitary sewer system that does not discharge to a surface water.

STEGE SANITARY DISTRICT
MONTHLY MAINTENANCE SUMMARY REPORT

November 2023

QUARTER 4

VEHICLE	DAYS	FOOTAGE (LF)
UNIT 10 COMBO	*13*	*56,050*
UNIT 11 RODDER	*0*	
UNIT 15 CCTV	*11*	*16,093*
UNIT 16 COMBO	*15*	*28,368*

TOTAL MONTH CLEANED	84,418
TOTAL MONTH CCTV'D	16,093

QUARTERLY SUB-TOTALS

YEAR	QUARTER	TOTAL CLEANED (LF)	PLANNED TO CLEAN (LF)	Q END NOT COMPLT'D (LF)	TOTAL CCTV'D (LF)	PLANNED TO CCTV (LF)	Q END NOT COMPLT'D (LF)
2023	4	164,815	184,938		36,581	50,930	
2023	3	260,280	215,376	0	63,716	65,576	27,963
2023	2	245,678	202,070	0	51,885	60,081	38,937
2023	1	262,245	204,795	0	61,882	58,488	29,188
2022	4	238,659	203,740	558	39,892	65,026	43,120
2022	3	256,792	206,016	780	49,468	66,649	39,537
2022	2	234,291	190,480	0	68,383	65,940	29,021
2022	1	248,365	208,019	0	61,991	76,108	32,555

NOTE:

The *Monthly Report of Sewer Replacements and Repairs* will be provided for review at the board meeting.

STEGE SANITARY DISTRICT

Report Date: 11/28/2023
% FY Remain: 66.67%

BOARD OF DIRECTORS CONSENT DECREE PROGRESS REPORT

FY Start Date	7/1/2023	FY End Date	6/30/2024
CD Start Date	9/22/2014	FY "Effective" Date	7/1/2013

CIP PROJECT 23201	COMPLETED		GOAL			PERCENTAGE
REPLACED since FY start	2,195	/	12,740	LF	Yearly Objective Rate	17%
REPLACED since FY "Effective" Date	123,027	/	115,806	LF	Cumulative Requirement	106%
CLEANED since FY start	408,530	/	211,200	LF	Minimum Requirement	193%
HOTSPOTS since FY start	120,262	/	100,000	LF	Minimum Requirement	120%
CCTV since FY start	98,056	/	77,616	LF	Yearly Objective Rate	126%
CCTV since CD start	1,975,503	/	814,968	LF	Cumulative Requirement	242%
ROOT FOAMING this FY	40,122	/	2,682	LF	Minimum Requirement	662%

update project #s @ __AR_FY_CIP_cumul query

IMPORTANT CONSENT DECREE DATES:

July 15, annually	Provide any available Flow and Rainfall data to EBMUD
Nov 15, annually	Comments on Regional Technical Support Plan (RTSP) update by EBMUD
Sept 30, annually	Annual Report for prior Fiscal Year
May 1, 2022	Provide data to EBMUD for Flow Monitoring Calibration Plan
September 30, 2022	First Mid-course Check-in Output Test
June 30, 2026	Review of Regional Standards Report
December 15, 2028	Compliance WWF Output Test for San Antonio Creek
May 1, 2030	Provide data to EBMUD for Flow Monitoring Calibration Plan
September 30, 2030	Second Mid-course Check-in Output Test
June 30, 2031	Review of Regional Standards Report
December 15, 2034	Compliance WWF Output Test for Pt. Isabel
June 30, 2036	Review of Regional Standards Report
December 15, 2036	Compliance WWF Output Test for Oakport

EMPLOYEE EMERGENCY CONTACT FORMS

(will be provided at the meeting)

1) **CURRENT FORM on file, for review.**

2) **BLANK FORM to fill out ONLY if changes are needed.**

STEGE SANITARY DISTRICT

District Manager/Engineer:
Rex Delizo, P.E.

District Counsel:
Kristopher Kokotaylo

EMPLOYEE EMERGENCY CONTACT FORM

Name ____

Department ____

Personal Contact Info:

Home Address____

City, State, ZIP ____

Home Telephone # _________________________ Cell # ______________________________

Emergency Contact Info:

(1) Name___________________________________ Relationship________________________

Address ____

City, State, ZIP ____

Home Telephone # _________________________ Cell # ______________________________

Work Telephone # ____________________________ Employer __________________________

(2) Name___________________________________ Relationship________________________

Address ____

City, State, ZIP ____

Home Telephone # _________________________ Cell # ______________________________

Work Telephone # ____________________________ Employer __________________________

Medical Contact Info:

Doctor Name. __________________________________ Phone # _______________________

Dentist Name __________________________________ Phone # _______________________

I have voluntarily provided the above contact information and authorize Stege Sanitary District and its representatives to contact any of the above on my behalf in the event of an emergency.

Employee Signature _______________________ Date ______________________________

CULTIVATING A SUSTAINABLE FUTURE

2024 Winter Conference

January 24-26 | Hilton Palm Springs Hotel | Palm Springs, CA

CASAweb.org @CASACleanWater @CASA_CleanWater

Preliminary Program (10/26/23)
Subject to Change

Wednesday, January 24

7:00 a.m. – 12:00 p.m.	**CSRMA Training Seminar (Separate Registration Required)**
9:00 a.m. – 5:00 p.m.	**Registration**
10:30 a.m. – 12:00 p.m.	**CASA Board of Directors Meeting**
12:00 p.m. – 1:30 p.m.	**Associates Committee Meeting**
12:00 p.m. – 1:30 p.m.	**CSRMA Executive Board Meeting**
12:15 p.m. – 1:15 p.m.	**Communications Committee Meeting**
12:00 p.m. – 1:30 p.m.	**Lunch on Your Own**
1:30 p.m. – 4:00 p.m.	**Roundtable Series**
1:30 p.m. – 2:30 p.m.	Session 1 (Table Topics Identified Below)
2:30 p.m. – 3:00 p.m.	Networking Break
3:00 p.m. – 4:00 p.m.	Session 2 (Repeat from Session 1)
4:15 p.m. – 5:15 p.m.	**Federal Legislative Meeting**
4:15 p.m. – 5:30 p.m.	**CSRMA Board of Directors Meeting**
5:00 p.m. – 5:30 p.m.	**LEAD Mentor/Mentee Meeting**
5:30 p.m. – 6:30 p.m.	**Welcome Reception**

Thursday, January 25

7:30 a.m. – 4:30 p.m.	**Registration**
8:00 a.m. – 9:30 a.m.	**Breakfast**
8:00 a.m. – 9:00 a.m.	**Women's Networking Breakfast**
8:00 a.m. – 9:00 a.m.	**CASA Education Foundation Board Meeting**
9:15 a.m. – 11:45 a.m.	**Morning Sessions**

9:15 a.m. – 9:30 a.m.	**President's Welcome**
9:30 a.m. – 10:30 a.m.	**Keynote Address**
10:30 – 11:45 a.m.	**Funding from Surprising Sources Panel Discussion: The Inflation Reduction Act, Corporate Projects, and More**
11:45 a.m. – 12:00 p.m.	Networking Break
12:00 p.m. – 1:30 p.m.	**Luncheon** **Federal and State Legislative Updates** ▪ Eric Sapirstein ▪ Jessica Gauger **CEF Presentation**
1:30 p.m. – 1:45 p.m.	Networking Break
1:45 p.m. – 3:30 p.m.	**Afternoon Sessions**
1:45 p.m. – 3:00 p.m.	**Permitting Innovation Panel Discussion**
3:00 p.m. – 3:30 p.m.	**Engagement and Recruiting Using a "Fit" Model**
4:00 p.m. – 5:00 p.m.	**Associates Engineering and Research Subcommittee**
5:30 p.m. – 6:30 p.m.	**Associates Recognition Reception**

Friday, January 26

8:00 a.m. – 11:00 a.m.	**Registration**
8:00 a.m. – 9:30 a.m.	**Breakfast**
8:00 a.m. – 9:00 a.m.	**Statewide Biosolids Meeting**
8:00 a.m. – 9:00 a.m.	**State Legislative Committee Meeting**
9:15 a.m. – 11:00 a.m.	**Closing Session**
9:15 – 10:00 a.m.	**The Water Circular Economy: What Does it Mean for Your Agency?**
10:00 – 10:45 a.m.	**Building a Culture of Accomplishment**
10:45 – 11:00 a.m.	**President's Closing Remarks**
11:00 a.m. – 3:00 p.m.	**Attorneys Committee Meeting**

Roundtables	Facilitators
Water Recycling: Barriers & Opportunities	
Recent Biosolids Issues	

CASA Groups and Offerings
Agency Education and Outreach Programs
Career Pathway Efforts at Agencies
Collections Issues and the SSS WDR
Biogas Utilization Efforts
How is PFAS Impacting Your Agency?
TBD
TBD

Agenda Item No. VII.A
Board of Directors Meeting
Meeting Date: 12/7/2023
Stege Sanitary District

FISCAL YEAR 2022-23 FINANCIAL AUDIT REPORT

ISSUE:
The Board will consider accepting the Fiscal Year 2022-23 Financial Audit Report as presented by the auditor, Chavan and Associates.

FISCAL IMPACT:
The fiscal impact to consider accepting the Financial Audit Report is minimal.

STRATEGIC PLAN:
GOAL 3: Ensure Financial Stability and Efficiency
WORK PLAN ITEM ”d”: Annually undertake an independent financial audit by December of each year.

BACKGROUND:
At the Board Meeting held on April 26, 2018, the Board approved the selection of Chavan and Associates as the firm to provide Professional Auditing Services for the District. Chavan and Associates has completed the Fiscal Year 2022-23 Financial Audit Report and are ready to present the results to the Board.

RECOMMENDATION:
Accept the Fiscal Year 2022-23 Financial Audit Report as presented by the auditor, Chavan and Associates.

ALTERNATIVES:
1. Reject the Audit Report and have the Auditor revise and resubmit.
2. Take no action and provide staff further direction.

ATTACHMENTS:
- Fiscal Year 2022-23 Financial Audit Report

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NOTE:

The **Fiscal Year 2022-23 Financial Audit Report** is not yet available but will be provided to the Board by email when ready for review.

Agenda Item No. VII.B
Board of Directors Meeting
Meeting Date: 12/7/2023
Stege Sanitary District

2024 BOARD MEETING CALENDAR

ISSUE:
The Board will consider approving the Board Meeting Calendar for 2024.

FISCAL IMPACT:
The fiscal impact to consider approving the Board Meeting Calendar is minimal.

STRATEGIC PLAN:
GOAL 5: Maintain and Improve Community Outreach and Communication
WORK PLAN ITEM ”a”: Keep the District website updated with current information that maintains a high level of transparency for the public

BACKGROUND:
At the Board Meeting held on November 9, 2023, the Board received a preliminary draft of the proposed Board Meeting Calendar for 2024 and the calendar is now ready for approval.

RECOMMENDATION:
Approve the Board Meeting Calendar for 2024.

ALTERNATIVES:
1. Amend the calendar and approve, as amended.
2. Take no action and provide staff further direction.

ATTACHMENTS:
- 2024 Board Meeting Calendar

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STEGE SANITARY DISTRICT

2024 BOARD MEETING SCHEDULE

(Start time is 7PM unless stated otherwise)

January 18

February 1
February 15

March 2 @9am (LRP*)
March 21

April 18

May 2
May 16

June 6
June 20

July 18

August 8
August 22

September 5
September 19

October 3
October 17

November 7

December 12 @2pm

** Long Range Planning – All Day Workshop*

2024 Stege Sanitary District Board Meeting Schedule

JANUARY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

MARCH

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

APRIL

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

JULY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

OCTOBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Meeting Date   ## Mtg w/ Counsel   ## LRP Workshop   ## Conference   ## Holiday

STEGE SANITARY DISTRICT

Investment, Cash & Receivables Report

As of November 30, 2023

3:38:50 PM

12/01/2023

	November 30, 2023	October 31, 2023	$ Change	Deposits	Checks	Transfers
ASSETS						
Current Assets						
Checking/Savings						
TVI & LAIF Investment Accts						
11012 · Sewer Operations- 3418	6,006,703	7,081,703	-1,075,000	0	0	-1,075,000
11014 · System Rehab- 3423	1,039,777	1,039,777	0	0	0	0
11020 · TVI Investments	1,500,000	1,001,014	498,986	0	0	498,986
Total TVI & LAIF Investment Accts	8,546,479	9,122,493	-576,014	0	0	-576,014
Checking Accts						
100 · Mechanics Bank	9,280	77,240	-67,959	37,893	-681,866	576,014
100 · County Cash Acct #3418	-9,420	-9,420	0 *	0 *	0	0
Total Checking Accts	-140	67,820	-67,959	37,893	-681,866	576,014
11021 · Petty Cash	250	250	0	0	0	0
Total Checking/Savings	8,546,590	9,190,563	-643,973	37,893	-681,866	0
301 · Ca Employer's Retiree Benefit Trust	265,834	265,834	0	0	0	0
Total CA Employer's Retiree Benefit Trust	265,834	265,834	0	0	0	0
Accounts Receivable						
11072 · Accounts Receivable/Notes Payable	229,861	229,861	0			
Total Accounts Receivable	229,861	229,861	0			

Note: * Reduction or Increase is based on property tax estimate.

I hereby certify that the invested funds of the Stege Sanitary District are in compliance with the investment policies of the Stege Sanitary District and provide sufficient liquidity to meet budgeted expenses for the next six month period.

Rex Delizo, District Manager

Date

STEGE SANITARY DISTRICT

Operating Statement

November 2023

12/01/2023

41.92% of Fiscal year Completed

	July - November 2023	Annual Budget	% of Annual Budget
Income			
31 · OPERATING REVENUE			
31010 · Sewer Service Charges	-	**3,443,000**	**0%**
31020 · Permit & Insp. Fees	4,300	**12,000**	**36%**
31030 · Connection Fees	17,499	**50,000**	**35%**
31040 · San Pablo Impact Fee	-	**50,000**	**0%**
31080 · Contracted Services	-	**33,000**	**0%**
31010a · Capital Service Charges	-	**4,290,000**	**0%**
Total 31 · OPERATING REVENUE	21,799	**7,878,000**	**0%**
32 · NON-OPERATING REVENUE			
32050 · Interest - 3418	-	**15,000**	**0%**
32052 · Interest - 3423	-	**5,000**	**0%**
32080 · Property Taxes	20,874	**500,000**	**4%**
32085 · Insurance Dividend	-	**-**	**0%**
32090 · Miscellaneous	120	**21,000**	**1%**
Total 32 · NON-OPERATING REVENUE	20,994	**541,000**	**4%**
Transfer (to)/from Reserves	-	**764,961**	**0%**
Total Income	42,793	**9,183,961**	**0%**
Expense			
OPERATING EXPENSES			
Administration/General			
45-010 · Salaries & Wages	107,100	**265,600**	**40%**
45-020 · Employee Benefits	77,740	**144,566**	**54%**
45-029 · Retiree Health	4,676	**13,600**	**34%**
45-030 · Directors Expenses	8,636	**45,478**	**19%**
45-070 · Insurance	102,050	**305,000**	**33%**
Administration - Other	86,039	**283,500**	**30%**
Total Administration	386,242	**1,057,744**	**37%**
Maintenance/Engineering			
41-010 · Salaries & Wages	547,806	**1,308,560**	**42%**
41-020 · Employee Benefits	220,232	**543,924**	**40%**
41-029 · Retiree Health	4,552	**13,356**	**34%**
41-100 · Operating Supplies	344	**40,000**	**1%**
41-110 · Contractual Services	69,268	**102,300**	**68%**
41-207 · Contracted Repairs	27,000	**72,000**	**38%**
Maintenance- Other	62,159	**332,777**	**19%**
Total Maintenance/Engineering	931,361	**2,372,897**	**39%**
Pump Stations	3,246	**40,020**	**8%**
Total OPERATING EXPENSES	1,320,848	**3,470,661**	**38%**
CAPITAL			
41-650 · Debt Repayment (SRF Loans)	43,939	**43,900**	**100%**
Construction Projects	481,113	**4,884,400**	**10%**
Outlay(Maintenance/Engineering)	103,271	**785,000**	**13%**
Total CAPITAL	628,322	**5,713,300**	**11%**
Total Expense	1,949,170	**9,183,961**	**21%**
Net	**(1,906,377)**	**0**	

Pension and Other Post-Employment Benefits (OPEB) Unfunded Actuarial Liability (UAL) Reports

1) **Actuarial Valuation as of June 30, 2022 for the Miscellaneous Plan of the Stege Sanitary District (CalPERS).**

2) **Actuarial Valuation as of June 30, 2022 for the PEPRA Miscellaneous Plan of the Stege Sanitary District (CalPERS).**

3) **Stege Sanitary District Actuarial Study of Retiree Health Liabilities Under GASB 74/75.**

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

Miscellaneous Plan of the Stege Sanitary District (CalPERS ID: 2595946637)
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	12.52%	$176,920
Projected Results		
2025-26	*12.5%*	*$194,000*

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 Stege Sanitary District

(CalPERS ID: 2595946637)

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

Table of Contents

Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Specific Information
for the
Miscellaneous Plan
of the
Stege Sanitary District

(CalPERS ID: 2595946637)
(Rate Plan ID: 1546)

Table of Contents

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 Stege Sanitary District 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 Stege Sanitary District, 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.

TONY CUNY, 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 Stege Sanitary District 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 Stege Sanitary District 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

Required Employer Contributions	Fiscal Year 2024-25
Employer Normal Cost Rate	**12.52%**
Plus	
Required Payment on Amortization Bases[1]	**$176,920**
Paid either as	
1) Monthly Payment	**$14,743.33**
Or	
2) Annual Prepayment Option*	**$171,195**

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).

** Only the UAL portion of the employer contribution can be prepaid* ***(which must be received in full no later than July 31)****.*

	Fiscal Year 2023-24	Fiscal Year 2024-25
Development of Normal Cost as a Percentage of Payroll		
Base Total Normal Cost for Formula	18.76%	18.81%
Surcharge for Class 1 Benefits[2]		
a) FAC 1	0.63%	0.64%
Phase out of Normal Cost Difference[3]	0.00%	0.00%
Plan's Total Normal Cost	19.39%	19.45%
Offset Due to Employee Contributions	6.92%	6.93%
Employer Normal Cost Rate	12.47%	12.52%

[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 $176,920. 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
$131,057	$176,920	$0	$176,920	$307,977

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	$131,057	$176,920	$39,441	$216,361	$347,418
15 years	$131,057	$176,920	$75,484	$252,404	$383,461
10 years	$131,057	$176,920	$151,505	$328,425	$459,482
5 years	$131,057	$176,920	$387,868	$564,788	$695,845

[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	$9,821,574	$10,751,114
2. Entry Age Accrued Liability	8,324,878	9,200,370
3. Market Value of Assets (MVA)	7,078,810	6,832,843
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	$1,246,068	$2,367,527
5. Funded Ratio [(3) / (2)]	85.0%	74.3%

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	$10,592,606	$9,200,370	$8,053,367
2. Market Value of Assets (MVA)	6,832,843	6,832,843	6,832,843
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	$3,759,763	$2,367,527	$1,220,524
4. Funded Ratio [(2) / (1)]	64.5%	74.3%	84.8%

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 1546 Results					
Normal Cost %	12.52%	12.5%	12.5%	12.5%	12.5%	12.5%
UAL Payment	$176,920	$194,000	$211,000	$224,000	$255,000	$260,000

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.

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 1546. 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 2023-24	Fiscal Year 2024-25
Estimated Combined Employer Contributions for all Pooled Miscellaneous Rate Plans		
Projected Payroll for the Contribution Year	$1,270,328	$1,396,121
Estimated Employer Normal Cost	$146,949	$158,550
Required Payment on Amortization Bases	$141,578	$177,899
Estimated Total Employer Contributions	$288,527	$336,449
Estimated Total Employer Contribution Rate (illustrative only)	22.71%	24.10%

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	$5,243,150
Transferred Members	773,809
Separated Members	13,236
Members and Beneficiaries Receiving Payments	3,170,175
Total	$9,200,370

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	$9,200,370
2.	Projected UAL Balance at 6/30/2022	1,164,742
3.	Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4.	Adjusted UAL Balance at 6/30/2022 for Asset Share	1,164,742
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)] ÷ [(5) - (6)] × (7)	1,073,484
10.	Plan's Share of Pool's Non-Investment (Gain)/Loss: (1) ÷ (5) × (8)	129,301
11.	Plan's New (Gain)/Loss as of 6/30/2022: (9) + (10)	1,202,785
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) ÷ (5) × (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) ÷ (5) × (14)	0
16.	Offset due to Funding Risk Mitigation	0
17.	Plan's Investment (Gain)/Loss: (9) – (16)	1,073,484

[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

18.	Plan's UAL: (2) + (3) + (11) + (13) + (15)	$2,367,527
19.	Plan's Share of Pool's MVA: (1) - (18)	$6,832,843

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	Escala-tion 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
Side Fund	2013 or Prior	No	Ramp	2.80%	0	(45)	0	(48)	(50)	0	0
Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	21	592,699	42,628	588,949	42,747	584,821	43,944
Non-Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	21	(6,068)	(436)	(6,030)	(438)	(5,987)	(450)
Share of Pre-2013 Pool UAL	6/30/13	No	Ramp	2.80%	13	353,389	31,936	344,415	32,201	334,557	33,102
Assumption Change	6/30/14	100%	Up/Down	2.80%	12	279,369	29,940	267,425	30,272	254,326	31,120
Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	22	(479,104)	(33,465)	(477,099)	(33,530)	(474,890)	(34,469)
Non-Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	22	536	37	534	38	531	39
Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	23	316,016	21,479	315,308	21,502	314,528	22,105
Non-Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	23	(26,099)	(1,774)	(26,040)	(1,776)	(25,975)	(1,825)
Assumption Change	6/30/16	100%	Up/Down	2.80%	14	121,931	11,617	118,217	11,723	114,141	12,052
Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	24	406,493	26,932	406,302	26,939	406,091	27,693
Non-Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	24	(50,545)	(3,349)	(50,521)	(3,350)	(50,494)	(3,443)
Assumption Change	6/30/17	100%	Up/Down	2.80%	15	147,473	10,872	146,266	13,703	142,051	14,087
Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	25	(215,812)	(11,309)	(218,800)	(14,130)	(219,076)	(14,525)
Non-Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	25	(11,112)	(582)	(11,266)	(728)	(11,280)	(748)
Assumption Change	6/30/18	100%	Up/Down	2.80%	16	230,752	12,587	233,435	16,903	231,840	21,721
Investment (Gain)/Loss	6/30/18	100%	Up/Down	2.80%	26	(64,105)	(2,524)	(65,856)	(3,360)	(66,862)	(4,318)
Method Change	6/30/18	100%	Up/Down	2.80%	16	62,439	3,406	63,165	4,574	62,733	5,877
Non-Investment (Gain)/Loss	6/30/18	100%	Up/Down	2.80%	26	32,060	1,262	32,936	1,680	33,439	2,159
Non-Investment (Gain)/Loss	6/30/19	No	Ramp	0.00%	17	30,347	2,844	29,471	2,794	28,588	2,794

Schedule of Amortization Bases (continued)

Reason for Base	Date Est.	Ramp Level 2024-25	Ramp Shape	Escala-tion 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
Investment (Gain)/Loss	6/30/19	80%	Up Only	0.00%	17	30,646	1,282	31,405	1,888	31,589	2,518
Investment (Gain)/Loss	6/30/20	60%	Up Only	0.00%	18	149,146	3,267	155,912	6,409	159,891	9,614
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	18	26,873	2,457	26,161	2,413	25,446	2,413
Assumption Change	6/30/21	No Ramp		0.00%	19	33,275	(7,407)	43,192	3,884	42,115	3,884
Net Investment (Gain)	6/30/21	40%	Up Only	0.00%	19	(752,581)	0	(803,757)	(17,277)	(840,558)	(34,553)
Non-Investment (Gain)/Loss	6/30/21	No Ramp		0.00%	19	(35,949)	0	(38,394)	(3,453)	(37,436)	(3,452)
Risk Mitigation	6/30/21	No Ramp		0.00%	0	219,282	(7,525)	241,970	250,062	0	0
Risk Mitigation Offset	6/30/21	No Ramp		0.00%	0	(226,564)	0	(241,970)	(250,062)	0	0
Investment (Gain)/Loss	6/30/22	20%	Up Only	0.00%	20	1,073,484	0	1,146,481	0	1,224,442	26,319
Non-Investment (Gain)/Loss	6/30/22	No Ramp		0.00%	20	129,301	0	138,093	0	147,483	13,262
Total						**2,367,527**	**134,175**	**2,389,856**	**141,578**	**2,406,054**	**176,920**

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.

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)

	Current Amortization Schedule		Alternate Schedules			
			15 Year Amortization		10 Year Amortization	
Date	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2024	2,406,054	176,920	2,406,054	252,404	2,406,054	328,425
6/30/2025	2,386,832	194,110	2,308,821	252,404	2,230,258	328,425
6/30/2026	2,348,535	210,795	2,204,976	252,404	2,042,508	328,425
6/30/2027	2,290,393	224,397	2,094,070	252,404	1,841,991	328,425
6/30/2028	2,214,239	255,403	1,975,622	252,404	1,627,839	328,425
6/30/2029	2,100,863	260,222	1,849,120	252,404	1,399,124	328,425
6/30/2030	1,974,796	265,175	1,714,016	252,404	1,154,857	328,425
6/30/2031	1,835,041	270,271	1,569,724	252,404	893,979	328,425
6/30/2032	1,680,515	267,743	1,415,621	252,404	615,362	328,426
6/30/2033	1,518,092	264,928	1,251,039	252,404	317,798	328,425
6/30/2034	1,347,533	258,633	1,075,265	252,404		
6/30/2035	1,171,883	248,030	887,538	252,404		
6/30/2036	995,246	229,001	687,046	252,403		
6/30/2037	826,265	170,291	472,922	252,404		
6/30/2038	706,467	156,909	244,236	252,403		
6/30/2039	592,349	146,359				
6/30/2040	481,379	139,537				
6/30/2041	369,912	121,260				
6/30/2042	269,750	101,073				
6/30/2043	183,641	178,285				
6/30/2044	11,883	12,280				
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total		**4,151,622**		**3,786,058**		**3,284,251**
Interest Paid		**1,745,568**		**1,380,004**		**878,197**
Estimated Savings				**365,564**		**867,371**

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	8.880%	$83,686	N/A
2017 - 18	8.921%	96,646	N/A
2018 - 19	9.409%	115,665	N/A
2019 - 20	10.221%	136,025	0
2020 - 21	11.031%	152,316	0
2021 - 22	10.88%	175,208	0
2022 - 23	10.87%	149,107	0
2023 - 24	12.47%	141,578	
2024 - 25	12.52%	176,920	

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	$4,617,530	$3,523,392	$1,094,138	76.3%	$838,980
06/30/2014	5,174,460	4,189,597	984,863	81.0%	860,430
06/30/2015	5,561,615	4,352,390	1,209,225	78.3%	791,469
06/30/2016	5,927,020	4,340,661	1,586,359	73.2%	823,860
06/30/2017	6,398,172	4,847,870	1,550,302	75.8%	877,524
06/30/2018	6,701,194	4,929,186	1,772,008	73.6%	867,780
06/30/2019	7,054,076	5,211,133	1,842,943	73.9%	822,720
06/30/2020	7,516,194	5,523,980	1,992,214	73.5%	875,764
06/30/2021	8,324,878	7,078,810	1,246,068	85.0%	949,080
06/30/2022	9,200,370	6,832,843	2,367,527	74.3%	1,037,860

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	12.5%	12.5%	12.5%	12.5%	12.5%
UAL Contribution	$200,000	$230,000	$263,000	$320,000	$358,000
10.8% (95th percentile)					
Normal Cost Rate	12.8%	13.0%	13.3%	13.5%	13.8%
UAL Contribution	$188,000	$193,000	$189,000	$194,000	$165,000

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	12.52%	12.5%
UAL Contribution	$176,920	$234,000
(5.2)% (1 standard deviation loss)		
Normal Cost Rate	12.52%	12.5%
UAL Contribution	$176,920	$214,000

- 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	24.48%	19.45%	15.62%
b) Accrued Liability	$10,592,606	$9,200,370	$8,053,367
c) Market Value of Assets	$6,832,843	$6,832,843	$6,832,843
d) Unfunded Liability/(Surplus) [(b) - (c)]	$3,759,763	$2,367,527	$1,220,524
e) Funded Ratio	64.5%	74.3%	84.8%

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	20.42%	19.45%	17.74%
b) Accrued Liability	$9,478,935	$9,200,370	$8,496,203
c) Market Value of Assets	$6,832,843	$6,832,843	$6,832,843
d) Unfunded Liability/(Surplus) [(b) - (c)]	$2,646,092	$2,367,527	$1,663,360
e) Funded Ratio	72.1%	74.3%	80.4%

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	19.78%	19.45%	19.14%
b) Accrued Liability	$9,397,130	$9,200,370	$9,019,282
c) Market Value of Assets	$6,832,843	$6,832,843	$6,832,843
d) Unfunded Liability/(Surplus) [(b) - (c)]	$2,564,287	$2,367,527	$2,186,439
e) Funded Ratio	72.7%	74.3%	75.8%

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	$3,132,119	$3,170,175
2. Total Accrued Liability	8,324,878	9,200,370
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.38	0.34

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, may be 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	7	7
2. Number of Retirees	8	8
3. Support Ratio [(1) / (2)]	0.88	0.88

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	$7,078,810	$6,832,843
2. Payroll	949,080	1,037,860
3. Asset Volatility Ratio (AVR) [(1) / (2)]	7.5	6.6
4. Accrued Liability	$8,324,878	$9,200,370
5. Liability Volatility Ratio (LVR) [(4) / (2)]	8.8	8.9

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	0.49	1.13	5.5	7.3
06/30/2018	0.47	1.00	5.7	7.7
06/30/2019	0.45	0.88	6.3	8.6
06/30/2020	0.42	0.88	6.3	8.6
06/30/2021	0.38	0.88	7.5	8.8
06/30/2022	0.34	0.88	6.6	8.9

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.

	Discount Rate: 1.75% Price Inflation: 2.50%			Discount Rate: 4.50% Price Inflation: 2.75%		
Market Value of Assets (MVA)	**Termination Liability[1,2]**	**Funded Ratio**	**Unfunded Termination Liability**	**Termination Liability[1,2]**	**Funded Ratio**	**Unfunded Termination Liability**
$6,832,843	$18,626,880	36.7%	$11,794,037	$11,342,975	60.2%	$4,510,132

[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	7	7
Average Attained Age	48.0	49.0
Average Entry Age to Rate Plan	30.7	30.7
Average Years of Credited Service	18.7	19.7
Average Annual Covered Pay	$135,583	$148,266
Annual Covered Payroll	$949,080	$1,037,860
Present Value of Future Payroll	$8,502,905	$8,794,194
Transferred Members	3	3
Separated Members	1	1
Retired Members and Beneficiaries*		
Counts	8	8
Average Annual Benefits	$33,207	$34,523
Total Annual Benefits	$265,653	$276,187

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.

	Benefit Group		
Member Category	Misc	Misc	
Demographics			
Actives	Yes	No	
Transfers/Separated	Yes	No	
Receiving	Yes	Yes	
Benefit Provision			
Benefit Formula	2% @ 55		
Social Security Coverage	No		
Full/Modified	Full		
Employee Contribution Rate	7.00%		
Final Average Compensation Period	One Year		
Sick Leave Credit	Yes		
Non-Industrial Disability	Standard		
Industrial Disability	No		
Pre-Retirement Death Benefits			
Optional Settlement 2	Yes		
1959 Survivor Benefit Level	Indexed		
Special	No		
Alternate (firefighters)	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 Stege Sanitary District (CalPERS ID: 2595946637)
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%	$979	7.75%
Projected Results			
2025-26	*7.9%*	*$1,600*	*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 Stege Sanitary District

(CalPERS ID: 2595946637)

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

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Section 1

Plan Specific Information for the PEPRA Miscellaneous Plan of the Stege Sanitary District

(CalPERS ID: 2595946637)
(Rate Plan ID: 27096)

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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 Stege Sanitary District 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 Stege Sanitary District, 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.

TONY CUNY, 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 Stege Sanitary District 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 Stege Sanitary District 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

Required Employer Contributions	Fiscal Year 2024-25
Employer Normal Cost Rate	**7.87%**
Plus	
Required Payment on Amortization Bases[1]	**$979**
Paid either as	
1) Monthly Payment	**$81.58**
Or	
2) Annual Prepayment Option*	**$947**
Required PEPRA Member Contribution Rate	**7.75%**

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).

** Only the UAL portion of the employer contribution can be prepaid* ***(which must be received in full no later than July 31)***.

For additional detail regarding the determination of the required contribution rate for PEPRA members, see "PEPRA Member Contribution Rates" section.

Development of Normal Cost as a Percentage of Payroll	Fiscal Year 2023-24	Fiscal Year 2024-25
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 $979. 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
$27,493	$979	$0	$979	$28,472

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
$27,493	$979	$1,174	$2,153	$29,646

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	$27,493	$979	$1,963	$2,942	$30,435
15 years	$27,493	$979	$2,453	$3,432	$30,925
10 years	$27,493	$979	$3,487	$4,466	$31,959
5 years	$27,493	$979	$6,701	$7,680	$35,173

[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	$496,028	$613,769
2. Entry Age Accrued Liability	174,800	251,840
3. Market Value of Assets (MVA)	188,548	225,101
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	($13,748)	$26,739
5. Funded Ratio [(3) / (2)]	107.9%	89.4%

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	$301,469	$251,840	$212,398
2. Market Value of Assets (MVA)	225,101	225,101	225,101
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	$76,368	$26,739	($12,703)
4. Funded Ratio [(2) / (1)]	74.7%	89.4%	106.0%

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 27096 Results					
Normal Cost %	7.87%	7.9%	7.9%	7.9%	7.9%	7.9%
UAL Payment	$979	$1,600	$2,200	$2,800	$3,400	$3,400

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 27096. 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 2023-24	**Fiscal Year 2024-25**
Estimated Combined Employer Contributions for all Pooled Miscellaneous Rate Plans		
Projected Payroll for the Contribution Year	$1,270,328	$1,396,121
Estimated Employer Normal Cost	$146,949	$158,550
Required Payment on Amortization Bases	$141,578	$177,899
Estimated Total Employer Contributions	$288,527	$336,449
Estimated Total Employer Contribution Rate (illustrative only)	22.71%	24.10%

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	$243,337
Transferred Members	8,503
Separated Members	0
Members and Beneficiaries Receiving Payments	0
Total	$251,840

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	$251,840
2.	Projected UAL Balance at 6/30/2022	(12,054)
3.	Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4.	Adjusted UAL Balance at 6/30/2022 for Asset Share	(12,054)
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)] ÷ [(5) - (6)] × (7)	35,254
10.	Plan's Share of Pool's Non-Investment (Gain)/Loss: (1) ÷ (5) × (8)	3,539
11.	Plan's New (Gain)/Loss as of 6/30/2022: (9) + (10)	38,793
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) ÷ (5) × (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) ÷ (5) × (14)	0
16.	Offset due to Funding Risk Mitigation	0
17.	Plan's Investment (Gain)/Loss: (9) – (16)	35,254
18.	Partial Fresh Start Base: (2) + (17)	23,200

[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)	$26,739
20.	Plan's Share of Pool's MVA: (1) - (19)	$225,101

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	Escala-tion 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	3,539	0	3,780	0	4,037	363
Partial Fresh Start	6/30/22	20%	Up Only	0.00%	20	23,200	(2,008)	26,853	0	28,679	616
Total						**26,739**	**(2,008)**	**30,633**	**0**	**32,716**	**979**

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)

	Current Amortization Schedule		Alternate Schedules: 20 Year Amortization		Alternate Schedules: 15 Year Amortization	
Date	**Balance**	**Payment**	**Balance**	**Payment**	**Balance**	**Payment**
6/30/2024	32,716	979	32,716	2,942	32,716	3,432
6/30/2025	33,929	1,596	31,900	2,942	31,394	3,432
6/30/2026	34,587	2,212	31,029	2,942	29,982	3,432
6/30/2027	34,653	2,829	30,099	2,942	28,474	3,432
6/30/2028	34,085	3,445	29,105	2,942	26,863	3,432
6/30/2029	32,843	3,445	28,044	2,942	25,143	3,432
6/30/2030	31,516	3,445	26,911	2,942	23,306	3,432
6/30/2031	30,099	3,445	25,701	2,942	21,344	3,432
6/30/2032	28,585	3,446	24,408	2,942	19,249	3,432
6/30/2033	26,968	3,445	23,027	2,942	17,011	3,432
6/30/2034	25,242	3,446	21,552	2,942	14,621	3,432
6/30/2035	23,398	3,446	19,977	2,942	12,068	3,432
6/30/2036	21,427	3,445	18,295	2,942	9,342	3,432
6/30/2037	19,323	3,445	16,499	2,942	6,430	3,432
6/30/2038	17,077	3,446	14,581	2,942	3,320	3,431
6/30/2039	14,677	3,446	12,532	2,942		
6/30/2040	12,114	3,445	10,344	2,942		
6/30/2041	9,378	3,446	8,007	2,942		
6/30/2042	6,454	3,444	5,511	2,941		
6/30/2043	3,334	3,445	2,846	2,941		
6/30/2044						
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total		**62,741**		**58,838**		**51,479**
Interest Paid		**30,025**		**26,122**		**18,763**
Estimated Savings				**3,903**		**11,262**

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
2017 - 18	6.533%	$24	N/A
2018 - 19	6.842%	1,263	N/A
2019 - 20	6.985%	593	0
2020 - 21	7.732%	746	0
2021 - 22	7.59%	827	0
2022 - 23	7.47%	1,457	0
2023 - 24	7.68%	0	
2024 - 25	7.87%	979	

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
06/30/2015	$413	$393	$20	95.2%	$50,400
06/30/2016	8,265	7,631	634	92.3%	52,800
06/30/2017	18,722	18,136	586	96.9%	59,400
06/30/2018	45,171	42,610	2,561	94.3%	116,700
06/30/2019	73,185	69,748	3,437	95.3%	182,112
06/30/2020	113,342	106,477	6,865	93.9%	192,540
06/30/2021	174,800	188,548	(13,748)	107.9%	220,248
06/30/2022	251,840	225,101	26,739	89.4%	247,260

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	$1,800	$2,800	$4,100	$5,600	$6,700
10.8% (95th percentile)					
Normal Cost Rate	8.1%	8.3%	8.5%	8.7%	8.4%
UAL Contribution	$1,400	$1,700	$1,700	$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	$979	$2,900
(5.2)% (1 standard deviation loss)		
Normal Cost Rate	7.87%	7.9%
UAL Contribution	$979	$2,300

- 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	$301,469	$251,840	$212,398
c) Market Value of Assets	$225,101	$225,101	$225,101
d) Unfunded Liability/(Surplus) [(b) - (c)]	$76,368	$26,739	($12,703)
e) Funded Ratio	74.7%	89.4%	106.0%

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	$263,290	$251,840	$230,008
c) Market Value of Assets	$225,101	$225,101	$225,101
d) Unfunded Liability/(Surplus) [(b) - (c)]	$38,189	$26,739	$4,907
e) Funded Ratio	85.5%	89.4%	97.9%

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	$257,377	$251,840	$246,748
c) Market Value of Assets	$225,101	$225,101	$225,101
d) Unfunded Liability/(Surplus) [(b) - (c)]	$32,276	$26,739	$21,647
e) Funded Ratio	87.5%	89.4%	91.2%

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	174,800	251,840
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, may be 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	3	3
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	$188,548	$225,101
2. Payroll	220,248	247,260
3. Asset Volatility Ratio (AVR) [(1) / (2)]	0.9	0.9
4. Accrued Liability	$174,800	$251,840
5. Liability Volatility Ratio (LVR) [(4) / (2)]	0.8	1.0

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	0.3	0.3
06/30/2018	0.00	N/A	0.4	0.4
06/30/2019	0.00	N/A	0.4	0.4
06/30/2020	0.00	N/A	0.6	0.6
06/30/2021	0.00	N/A	0.9	0.8
06/30/2022	0.00	N/A	0.9	1.0

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.

	Discount Rate: 1.75% Price Inflation: 2.50%			Discount Rate: 4.50% Price Inflation: 2.75%		
Market Value of Assets (MVA)	**Termination Liability[1,2]**	**Funded Ratio**	**Unfunded Termination Liability**	**Termination Liability[1,2]**	**Funded Ratio**	**Unfunded Termination Liability**
$225,101	$491,913	45.8%	$266,812	$272,568	82.6%	$47,467

[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	3	3
Average Attained Age	44.1	45.1
Average Entry Age to Rate Plan	40.6	40.6
Average Years of Credited Service	3.7	4.7
Average Annual Covered Pay	$73,416	$82,420
Annual Covered Payroll	$220,248	$247,260
Present Value of Future Payroll	$2,167,058	$2,421,433
Transferred Members	0	1
Separated Members	1	0
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.

	Benefit Group	
Member Category	Misc	
Demographics		
Actives	Yes	
Transfers/Separated	Yes	
Receiving	No	
Benefit Provision		
Benefit Formula	2% @ 62	
Social Security Coverage	No	
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	Indexed	
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.

		Basis for Current Rate		**Rates Effective July 1, 2024**			
Rate Plan Identifier	**Benefit Group Name**	**Total Normal Cost**	**Member Rate**	**Total Normal Cost**	**Change**	**Change Needed**	**Member Rate**
27096	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

Stege Sanitary District

Actuarial Study of

Retiree Health Liabilities Under GASB 74/75

Valuation Date: June 30, 2022

Measurement Date: June 30, 2022

For Fiscal Year-End: June 30, 2023

Prepared by:
Total Compensation Systems, Inc.

Date: September 14, 2023

Table of Contents

Stege Sanitary District
Actuarial Study of Retiree Health Liabilities

PART I: EXECUTIVE SUMMARY

A. Introduction

This report was produced by Total Compensation Systems, Inc. for Stege Sanitary District to determine the liabilities associated with its current retiree health program as of a June 30, 2022 measurement date and to provide the necessary information to determine accounting entries for the fiscal year ending June 30, 2023. This report may not be suitable for other purposes such as determining employer contributions or assessing the potential impact of changes in plan design.

Different users of this report will likely be interested in different sections of information contained within. We anticipate that the following portions may be of most interest depending on the reader:

- A high level comparison of key results from the current year to the prior year is shown on this page.
- The values we anticipate will be disclosed in the June 30, 2023 year-end financials are shown on pages 2 and 3.
- Additional accounting information is shown on page 12 and Appendices C and D.
- Description and details of measured valuation liabilities can be found beginning on page 10.
- Guidance regarding the next actuarial valuation for the June 30, 2023 measurement date is provided on page 13.

B. Key Results

Stege Sanitary District uses an Actuarial Measurement Date that is 12 months prior to its Fiscal Year-End. This means that these actuarial results measured as of June 30, 2022 will be used on a look back basis for the June 30, 2023 Fiscal Year-End.

Key Results	**Current Year** *June 30, 2022 Measurement Date* *for June 30, 2023 Fiscal Year-End*	**Prior Year** *June 30, 2021 Measurement Date* *for June 30, 2022 Fiscal Year-End*
Total OPEB Liability (TOL)	$563,890	$589,790
Fiduciary Net Position (FNP)	$257,460	$297,326
Net OPEB Liability (NOL)	$306,430	$292,464
Service Cost *(for year following)*	$14,840	$15,053
Estimated Pay-as-you-go Amount *(for year following)*	$20,230	$22,072
GASB 75 OPEB Expense *(for year ending)*	$33,794	$30,052

Refer to results section beginning on page 10 or the glossary on page 27 for descriptions of the above items.

Key Assumptions	**Current Year** *June 30, 2022 Measurement Date* *for June 30, 2023 Fiscal Year-End*	**Prior Year** *June 30, 2021 Measurement Date* *for June 30, 2022 Fiscal Year-End*
Valuation Interest Rate	6.75%	6.75%
Expected Rate of Return on Assets	6.75%	6.75%
Long-Term Medical Trend Rate	4.00%	4.00%
Projected Payroll Growth	2.75%	2.75%

The following table shows the "pay as you go" projection of annual payments for the employer share of retiree health costs. Although actual payments are certain to vary from those shown below, these projections can be useful for planning purposes. See page 11 for amounts below broken out by employee classification, if applicable.

Year Beginning July 1	*Projected Benefit Payments*
2022	$20,230
2023	$21,746
2024	$23,417
2025	$25,131
2026	$27,215
2027	$29,088
2028	$31,206
2029	$33,606
2030	$36,067
2031	$39,404

C. Summary of GASB 75 Accounting Results

1. Changes in Net OPEB Liability

The following table shows the reconciliation of the June 30, 2021 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2022 NOL. A more detailed version of this table can be found on page 12.

	TOL	*FNP*	*NOL*
Balance at June 30, 2021 Measurement Date	**$589,790**	**$297,326**	**$292,464**
Service Cost	$15,053	$0	$15,053
Interest on TOL / Return on FNP	$39,574	($39,791)	$79,365
Employer Contributions	$0	$22,151	($22,151)
Benefit Payments	($22,151)	($22,151)	$0
Administrative Expenses	$0	($75)	$75
Experience (Gains)/Losses	($73,723)	$0	($73,723)
Changes in Assumptions	$15,347	$0	$15,347
Other	$0	$0	$0
Net Change	($25,900)	($39,866)	$13,966
Actual Balance at June 30, 2022 Measurement Date	**$563,890**	**$257,460**	**$306,430**

2. Deferred Inflows and Outflows

Changes in the NOL arising from certain sources are recognized on a deferred basis. The following tables show the balance of each deferral item as of the measurement date and the scheduled future recognition. A reconciliation of these balances can be found on page 12 while the complete deferral history is shown beginning on page 24.

Balances at June 30, 2023 Fiscal Year-End	*Deferred Outflows*	*Deferred Inflows*
Differences between expected and actual experience	$5,631	($65,282)
Changes in assumptions	$27,858	($869)
Differences between projected and actual return on assets	$22,773	$0
Total	$56,262	($66,151)

To be recognized fiscal year ending June 30:	*Deferred Outflows*	*Deferred Inflows*
2024	$9,570	($10,037)
2025	$9,218	($10,037)
2026	$7,663	($10,037)
2027	$17,186	($10,037)
2028	$5,059	($10,037)
Thereafter	$7,566	($15,966)
Total	$56,262	($66,151)

3. OPEB Expense

Under GASB 74 and 75, OPEB expense includes service cost, interest cost, administrative expenses, and change in TOL due to plan changes, adjusted for deferred inflows and outflows. OPEB expense can also be derived as change in net position, adjusted for employer contributions, which can be found on page 12.

To be recognized fiscal year ending June 30, 2023	*Expense Component*
Service Cost	$15,053
Interest Cost	$39,574
Expected Return on Assets	($20,067)
Administrative Expenses	$75
Recognition of Experience (Gain)/Loss Deferrals	($8,828)
Recognition of Assumption Change Deferrals	$4,007
Recognition of Investment (Gain)/Loss Deferrals	$3,980
Employee Contributions	$0
Changes in Benefit Terms	$0
Net OPEB Expense for fiscal year ending June 30, 2023	$33,794

4. Adjustments

The above OPEB expense includes all deferred inflows and outflows except any contributions after the measurement date. Contributions from July 1, 2022 to June 30, 2023 minus prior contributions after the measurement date of $22,151 should also be reflected in OPEB expense. June 30, 2023 deferred outflows should include contributions from July 1, 2022 to June 30, 2023.

5. Trend and Interest Rate Sensitivities

The following presents what the Net OPEB Liability would be if it were calculated using a discount rate assumption or a healthcare trend rate assumption one percent higher or lower than the current assumption.

Net OPEB Liability at June 30, 2022 Measurement Date	*Discount Rate*	*Healthcare Trend Rate*
1% Decrease in Assumption	$388,927	$228,943
Current Assumption	$306,430	$306,430
1% Increase in Assumption	$238,754	$403,169

D. Description of Retiree Benefits

Following is a description of the current retiree benefit plan.

	All Participants
Benefit types provided	Medical only
Duration of Benefits	Lifetime
Required Service	CalPERS Retirement
Minimum Age	CalPERS Retirement
Dependent Coverage	Spouse only
District Contribution %	100% of cap
District Cap	$324.48 in 2023

E. Summary of Valuation Data

This report is based on census data provided to us as of June, 2022. Distributions of participants by age and service can be found on page 18. For non-lifetime benefits, the active count below excludes employees for whom it is not possible to receive retiree benefits (e.g. employees who are already older than the maximum age to which benefits are payable or who will not accrue the required service prior to reaching the maximum age).

	Current Year *June 30, 2022 Valuation Date* *June 30, 2022 Measurement Date*	**Prior Year** *June 30, 2020 Valuation Date* *June 30, 2021 Measurement Date*
Active Employees eligible for future benefits		
Count	10	10
Average Age	47.8	45.8
Average Years of Service	14.2	12.3
Retirees currently receiving benefits		
Count	6	6
Average Age	72.3	70.3

We were not provided with information about any terminated, vested employees.

F. Certification

The actuarial information in this report is intended solely to assist Stege Sanitary District in complying with Governmental Accounting Standards Board Accounting Statement 74 and 75 and, unless otherwise stated, fully and fairly discloses actuarial information required for compliance. Nothing in this report should be construed as an accounting opinion, accounting advice or legal advice. TCS recommends that third parties retain their own actuary or other qualified professionals when reviewing this report. TCS's work is prepared solely for the use and benefit of Stege Sanitary District. Release of this report may be subject to provisions of the Agreement between Stege Sanitary District and TCS. No third party recipient of this report product should rely on the report for any purpose other than accounting compliance. Any other use of this report is unauthorized without first consulting with TCS.

This report is for fiscal year July 1, 2022 to June 30, 2023, using a measurement date of June 30, 2022. The calculations in this report have been made based on our understanding of plan provisions and actual practice at the time we were provided the required information. We relied on information provided by Stege Sanitary District. Much or all of this information was unaudited at the time of our evaluation. We reviewed the information provided for reasonableness, but this review should not be viewed as fulfilling any audit requirements. We relied on the following materials to complete this study:

- We used paper reports and digital files containing participant demographic data from the District personnel records.

- We used benefit descriptions provided by the District.

All costs, liabilities, and other estimates are based on actuarial assumptions and methods that comply with all applicable Actuarial Standards of Practice (ASOPs). Each assumption is deemed to be reasonable by itself, taking into account plan experience and reasonable future expectations and in combination represent our estimate of anticipated experience of the Plan.

This report contains estimates of the Plan's financial condition and future results only as of a single date. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. This valuation cannot predict the Plan's future condition nor guarantee its future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. Determining results using alternative assumptions (except for the alternate discount and trend rates shown in this report) is outside the scope of our engagement.

Future actuarial measurements may differ significantly from those presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the measurement methodology (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We were not asked to perform analyses to estimate the potential range of such future measurements.

The signing actuary is independent of Stege Sanitary District and any plan sponsor. TCS does not intend to benefit from and assumes no duty or liability to other parties who receive this report. TCS is not aware of any relationship that would impair the objectivity of the opinion.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, this report is complete and has been prepared in accordance with generally accepted actuarial principles and practices and all applicable Actuarial Standards of Practice. I meet the Qualifications Standards of the American Academy of

Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

Geoffrey L. Kischuk
Actuary
Total Compensation Systems, Inc.
(805) 496-1700

PART II: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction.

We calculated the actuarial present value of projected benefit payments (APVPBP) separately for each participant. We determined eligibility for retiree benefits based on information supplied by Stege Sanitary District. We then selected assumptions that, based on plan provisions and our training and experience, represent our best prediction of future plan experience. For each participant, we applied the appropriate assumption factors based on the participant's age, sex, length of service, and employee classification.

The actuarial assumptions used for this study are summarized beginning on page 14.

B. Liability for Retiree Benefits.

For each participant, we projected future premium costs using an assumed trend rate (see Appendix C). To the extent Stege Sanitary District uses contribution caps, the influence of the trend factor is further reduced. We multiplied each future year's benefit payments by the probability that benefits will be paid; i.e. based on the probability that the participant is living, has not terminated employment, has retired and remains eligible. The probability that benefit will be paid in any future year is zero if the participant will not be eligible. The participant will not be eligible if s/he will not have met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's benefit payments and the probability the benefit will be paid equals the expected cost for that year. We multiplied the above expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan. Finally, we discounted the expected cost for each year to the measurement date June 30, 2022 at 6.75% interest.

For any ***current retirees***, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 100%).

The value generated from the process described above is called the actuarial present value of projected benefit payments (APVPBP). We added APVPBP for each participant to get the total APVPBP for all participants which is the estimated present value of all future retiree health benefits for all **current** participants. The APVPBP is the amount on June 30, 2022 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last participant dies or reaches the maximum eligibility age. However, for most actuarial and accounting purposes, the APVPBP is not used directly but is instead apportioned over the lifetime of each participant as described in the following sections.

C. Actuarial Accrual

Accounting principles provide that the cost of retiree benefits should be “accrued” over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in June of 2015 Accounting Standards 74 and 75 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees), whether they pay directly or indirectly (via an “implicit rate subsidy”).

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an “actuarial cost method” and uses the APVPBP to develop expense and liability figures. Furthermore, the APVPBP should be accrued over the working lifetime of employees.

In order to accrue the APVPBP over the working lifetime of employees, actuarial cost methods apportion the APVPBP into two parts: the portions attributable to service rendered prior to the measurement date (the past service liability or Total OPEB Liability (TOL) under GASB 74 and 75) and to service after the measurement date but prior to retirement (the future service liability or present value of future service costs). Of the future service liability, the portion attributable to the single year immediately following the measurement date is known as the normal cost or Service Cost under GASB 74 and 75.

The service cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. The actuarial cost method mandated by GASB 75 is the “entry age actuarial cost method”. Under the entry age actuarial cost method, the actuary determines the service cost as the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. Under GASB 75, the service cost is calculated to be a level percentage of each employee’s projected pay.

D. Actuarial Assumptions

The APVPBP and service cost are determined using several key assumptions:

- The current ***cost of retiree health benefits*** (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the service cost.

- The ***“trend” rate*** at which retiree health benefits are expected to increase over time. A higher trend rate increases the service cost. A “cap” on District contributions can reduce trend to zero once the cap is reached thereby dramatically reducing service costs.

- ***Mortality rates*** varying by age and sex (and sometimes retirement or disability status). If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

- ***Employment termination rates*** have the same effect as mortality inasmuch as higher termination rates reduce service costs. Employment termination can vary considerably between public agencies.

- The ***service requirement*** reflects years of service required to earn full or partial retiree benefits. While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

- ***Retirement rates*** determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase service costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.

- ***Participation rates*** indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.

- The ***discount rate*** estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the **real** rate of return expected for plan assets plus the long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20 year General Obligation municipal bonds rated AA or higher. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

E. Total OPEB Liability

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. If all actuarial assumptions are exactly met and an employer expensed the service cost every year for all past and current employees and retirees, a sizeable liability would have accumulated (after adding interest and subtracting retiree benefit costs). The liability that would have accumulated is called the Total OPEB Liability (TOL). The excess of TOL over the value of plan assets is called the Net OPEB Liability (NOL). Under GASB 74 and 75, in order for assets to count toward offsetting the TOL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

Changes in the TOL can arise in several ways - e.g., as a result of plan changes or changes in actuarial assumptions. Change in the TOL can also arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience. GASB 75 allows certain changes in the TOL to be deferred (i.e. deferred inflows and outflows of resources).

Under GASB 74 and 75, a portion of actuarial gains and losses can be deferred as follows:

- Investment gains and losses are deferred five years.

- Experience gains and losses are deferred over the Expected Average Remaining Service Lives (EARSL) of plan participants. In calculating the EARSL, terminated employees (primarily retirees) are considered to have a working lifetime of zero. This often makes the EARSL quite short.

- Liability changes resulting from changes in economic and demographic assumptions are also deferred based on the EARSL.

- Liability changes resulting from plan changes, for example, cannot be deferred.

F. Valuation Results

This section details the measured values of the concepts described on the previous pages.

1. Actuarial Present Value of Projected Benefit Payments (APVPBP)

Actuarial Present Value of Projected Benefit Payments as of June 30, 2022 Valuation Date

	Total
Active: Pre-65 Benefit	$93,519
Post-65 Benefit	$325,275
Subtotal	$418,794
Retiree: Pre-65 Benefit	$16,481
Post-65 Benefit	$246,041
Subtotal	$262,522
Grand Total	$681,316
Subtotal Pre-65 Benefit	$110,000
Subtotal Post-65 Benefit	$571,316

2. Service Cost

The service cost represents the value of the benefit earned during a single year of employment. It is the APVPBP spread over the expected working lifetime of the employee and divided into annual segments. We applied an "entry age" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated service cost.

Service Cost Valuation Year Beginning July 1, 2022

	Total
# of Eligible Employees	10
First Year Service Cost	
Pre-65 Benefit	$2,680
Post-65 Benefit	$12,160
Total	$14,840

Accruing retiree health benefit costs using service costs levels out the cost of retiree health benefits over time and more fairly reflects the value of benefits "earned" each year by employees. While the service cost for each employee is targeted to remain level as a percentage of covered payroll, the service cost as a dollar amount would increase each year based on covered payroll. Additionally, the overall service cost may grow or shrink based on changes in the demographic makeup of the employees from year to year.

3. Total OPEB Liability and Net OPEB Liability

If actuarial assumptions are borne out by experience, the District will fully accrue retiree benefits by expensing an amount each year that equals the service cost. If no accruals had taken place in the past, there would be a shortfall of many years' accruals, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the Total OPEB Liability. We calculated the Total OPEB Liability (TOL) as the APVPBP minus the present value of future service costs. To the extent that benefits are funded through a GASB 74 qualifying trust, the trust's Fiduciary Net Position (FNP) is subtracted to get the NOL. The FNP is the value of assets adjusted for any applicable payables and receivables as shown in the table on page 15.

Total OPEB Liability and Net OPEB Liability as of June 30, 2022 Valuation Date

	Total
Active: Pre-65 Benefit	$68,464
Active: Post-65 Benefit	$232,867
Subtotal	$301,331
Retiree: Pre-65 Benefit	$16,484
Retiree: Post-65 Benefit	$246,075
Subtotal	$262,559
Subtotal: Pre-65 Benefit	$84,948
Subtotal: Post-65 Benefit	$478,942
Total OPEB Liability (TOL)	$563,890
Fiduciary Net Position as of June 30, 2022	$257,460
Net OPEB Liability (NOL)	$306,430

4. "Pay As You Go" Projection of Retiree Benefit Payments

We used the actuarial assumptions shown in Appendix C to project the District's ten year retiree benefit outlay. Because these cost estimates reflect average assumptions applied to a relatively small number of participants, estimates for individual years are **certain** to be ***in***accurate. However, these estimates show the size of cash outflow.

The following table shows a projection of annual amounts needed to pay the District's share of retiree health costs.

Year Beginning July 1	***Total***
2022	$20,230
2023	$21,746
2024	$23,417
2025	$25,131
2026	$27,215
2027	$29,088
2028	$31,206
2029	$33,606
2030	$36,067
2031	$39,404

G. Additional Reconciliation of GASB 75 Results

The following table shows the reconciliation of the June 30, 2021 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2022 NOL. For some plans, it will provide additional detail and transparency beyond that shown in the table on Page 2.

	TOL	*FNP*	*NOL*
Balance at June 30, 2021	**$589,790**	**$297,326**	**$292,464**
Service Cost	$15,053	$0	$15,053
Interest on Total OPEB Liability	$39,574	$0	$39,574
Expected Investment Income	$0	$20,067	($20,067)
Administrative Expenses	$0	($75)	$75
Employee Contributions	$0	$0	$0
Employer Contributions to Trust	$0	$0	$0
Employer Contributions as Benefit Payments	$0	$22,151	($22,151)
Actual Benefit Payments from Trust	$0	$0	$0
Actual Benefit Payments from Employer	($22,151)	($22,151)	$0
Expected Minus Actual Benefit Payments**	$79	$0	$79
Expected Balance at June 30, 2022	**$622,345**	**$317,318**	**$305,027**
Experience (Gains)/Losses	($73,802)	$0	($73,802)
Changes in Assumptions	$15,347	$0	$15,347
Changes in Benefit Terms	$0	$0	$0
Investment Gains/(Losses)	$0	($59,858)	$59,858
Other	$0	$0	$0
Net Change during 2022	($25,900)	($39,866)	$13,966
Actual Balance at June 30, 2022*	**$563,890**	**$257,460**	**$306,430**

***** May include a slight rounding error.

****** Deferrable as an Experience Gain or Loss.

Changes in the NOL arising from certain sources are recognized on a deferred basis. The deferral history for Stege Sanitary District is shown beginning on page 24. The following table summarizes the beginning and ending balances for each deferral item. The current year expense reflects the change in deferral balances for the measurement year.

Deferred Inflow/Outflow Balances Fiscal Year Ending June 30, 2023

	Beginning Balance	*Change Due to New Deferrals*	*Change Due to Recognition*	*Ending Balance*
Experience (Gains)/Losses	$5,244	($73,723)	$8,828	($59,651)
Assumption Changes	$15,649	$15,347	($4,007)	$26,989
Investment (Gains)/Losses	($33,105)	$59,858	($3,980)	$22,773
Deferred Balances	($12,212)	$1,482	$841	($9,889)

The following table shows the reconciliation of Net Position (NOL less the balance of any deferred inflows or outflows). When adjusted for contributions, the change in Net Position is equal to the OPEB expense shown previously on page 3.

Preliminary OPEB Expense Fiscal Year Ending June 30, 2023

	Beginning Net Position	*Ending Net Position*	*Change*
Net OPEB Liability (NOL)	$292,464	$306,430	$13,966
Deferred Balances	($12,212)	($9,889)	$2,323
Net Position	$304,676	$316,319	$11,643
Adjust Out Employer Contributions			$22,151
OPEB Expense			$33,794

H. Procedures for Future Valuations

GASB 74/75 require annual measurements of liability with a full actuarial valuation required every two years. This means that for the measurement date one year following a full actuarial valuation, a streamlined "roll-forward" valuation may be performed in place of a full valuation. The following outlines the key differences between full and roll-forward valuations.

	Full Actuarial Valuation	Roll-Forward Valuation
Collect New Census Data	Yes	No
Reflect Updates to Plan Design	Yes	No
Update Actuarial Assumptions	Yes	Typically Not
Update Valuation Interest Rate	Yes	Yes
Actual Assets as of Measurement Date	Yes	Yes
Timing	4-6 weeks after information is received	1-2 weeks after information is received
Fees	Full	Reduced
Information Needed from Employer	Moderate	Minimal
Required Frequency	At least every two years	Each year, unless a full valuation is performed

The majority of employers use an alternating cycle of a full valuation one year followed by a roll-forward valuation the next year. However, a full valuation may be required or preferred under certain circumstances. Following are examples of actions that could cause the employer to consider a full valuation instead of a roll-forward valuation.

- The employer adds or terminates a group of participants that constitutes a significant part of the covered group.
- The employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- The employer considers or puts in place an early retirement incentive program.
- The employer desires the measured liability to incorporate more recent census data or assumptions.

We anticipate that the next valuation we perform for Stege Sanitary District will be a roll-forward valuation with a measurement date of June 30, 2023 which will be used for the fiscal year ending June 30, 2024. Please let us know if Stege Sanitary District would like to discuss whether another full valuation would be preferable based on any of the examples listed above.

PART III: ACTUARIAL ASSUMPTIONS AND METHODS

Following is a summary of actuarial assumptions and methods used in this study. The District should carefully review these assumptions and methods to make sure they reflect the District's assessment of its underlying experience. It is important for Stege Sanitary District to understand that the appropriateness of all selected actuarial assumptions and methods are Stege Sanitary District's responsibility. Unless otherwise disclosed in this report, TCS believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 74 and 75, applicable actuarial standards of practice, Stege Sanitary District's actual historical experience, and TCS's judgment based on experience and training.

A. ACTUARIAL METHODS AND ASSUMPTIONS:

ACTUARIAL COST METHOD: GASB 74 and 75 require use of the entry age actuarial cost method.

Entry age is based on the age at hire for eligible employees. The attribution period is determined as the difference between the expected retirement age and the age at hire. The APVPBP and present value of future service costs are determined on a participant by participant basis and then aggregated.

SUBSTANTIVE PLAN: As required under GASB 74 and 75, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by Stege Sanitary District regarding practices with respect to employer and employee contributions and other relevant factors.

B. ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 2.50% per year used for pension purposes. Actuarial standards require using the same rate for OPEB that is used for pension.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 6.75% per year net of expenses. This is based on assumed long-term return on employer assets. We used the "Building Block Method". (See Appendix C, Paragraph 53 for more information). Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 4.00% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 2.75% per year. Since benefits do not depend on salary (as they do for pensions), this assumption is only used to determine the accrual pattern of the Actuarial Present Value of Projected Benefit Payments.

FIDUCIARY NET POSITION (FNP): The following table shows the beginning and ending FNP numbers that were provided by Stege Sanitary District.

Fiduciary Net Position as of June 30, 2022

	06/30/2021	*06/30/2022*
Cash and Equivalents	$0	$0
Contributions Receivable	$0	$0
Total Investments	$297,326	$257,460
Capital Assets	$0	$0
Total Assets	$297,326	$257,460
Benefits Payable	$0	$0
Fiduciary Net Position	$297,326	$257,460

C. NON-ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35). See Appendix C, Paragraph 52 for more information.

MORTALITY

Participant Type	***Mortality Tables***
Miscellaneous	2021 CalPERS Mortality for Miscellaneous and Schools Employees

RETIREMENT RATES

Employee Type	***Retirement Rate Tables***
All Participants	Hired 2012 and earlier: 2021 CalPERS 2.0%@55 Rates for Miscellaneous Employees Hired 2013 and later: 2021 CalPERS 2.0%@62 Rates for Miscellaneous Employees

COSTS FOR RETIREE COVERAGE

Actuarial Standard of Practice 6 (ASOP 6) provides that, as a general rule, retiree costs should be based on actual claim costs or age-adjusted premiums. This is true even for many medical plans that are commonly considered to be "community-rated." However, ASOP 6 contains a provision – specifically section 3.7.7(c) – that allows use of unadjusted premiums in certain circumstances.

It is my opinion that the section 3.7.7(c)(4) exception allows use of unadjusted premium for PEMHCA agencies if certain conditions are met. Following are the criteria we applied to Stege Sanitary District to determine that it is reasonable to assume that Stege Sanitary District's future participation in PEMHCA is likely and that the CalPERS medical program as well as its premium structure are sustainable. (We also have an extensive white paper on this subject that provides a basis for our rationale entirely within the context of ASOP 6. We will make this white paper available upon request.)

- **Plan qualifies as a "pooled health plan."** ASOP 6 defines a "pooled health plan" as one in which premiums are based at least in part on the claims experience of groups other than the one being valued." Since CalPERS rates are the same for all employers in each region, rates are clearly based on the experience of many groups.

- **Rates not based to any extent on the agency's claim experience.** As mentioned above, rates are the same for all participating employers regardless of claim experience or size.

- **Rates not based to any extent on the agency's demographics.** As mentioned above, rates are the same for all participating employers regardless of demographics.

- **No refunds or charges based on the agency's claim experience or demographics.** The terms of operation of the CalPERS program are set by statute and there is no provision for any refunds and charges that vary from employer to employer for any reason. The only charges are uniform administrative charges.

- **Plan in existence 20 or more years.** Enabling legislation to allow "contracting agencies" to participate in the CalPERS program was passed in 1967. The CalPERS medical plan has been successfully operating for almost 50 years. As far back as we can obtain records, the rating structure has been consistent, with the only difference having been a move to regional rating which is unrelated to age-adjusted rating.

- **No recent large increases or decreases in the number of participating plans or enrollment.** The CalPERS medical plan has shown remarkably stable enrollment. In the past 10 years, there has been small growth in the number of employers in most years – with the maximum being a little over 2% and a very small decrease in one year. Average year over year growth in the number of employers over the last 10 years has been about 0.75% per year. Groups have been consistently leaving the CalPERS medical plan while other groups have been joining with no disruption to its stability.

- **Agency is not expecting to leave plan in foreseeable future.** The District does not plan to leave CalPERS at present.

- **No indication the plan will be discontinued.** We are unaware of anything that would cause the CalPERS medical plan to cease or to significantly change its operation in a way that would affect this determination.

- **The agency does not represent a large part of the pool.** The District is in the CalPERS Bay Area region. Based on the information we have, the District constitutes no more than 0.01% of the Bay Area pool. In our opinion, this is not enough for the District to have a measurable effect on the rates or viability of the Bay Area pool.

Retiree liabilities are based on actual retiree costs. Liabilities for active participants are based on the first year costs shown below. Subsequent years' costs are based on first year costs adjusted for trend and limited by any District contribution caps.

Participant Type	***Future Retirees Pre-65***	***Future Retirees Post-65***
All Participants	$3,894	$3,894

PARTICIPATION RATES

Employee Type	***<65 Non-Medicare Participation %***	***65+ Medicare Participation %***
Miscellaneous	90%	90%

TURNOVER

Employee Type	***Turnover Rate Tables***
Miscellaneous	2021 CalPERS Turnover for Miscellaneous Employees

SPOUSE PREVALENCE

To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

SPOUSE AGES

To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

PART IV: APPENDICES

APPENDIX A: DEMOGRAPHIC DATA BY AGE

ELIGIBLE ACTIVE EMPLOYEES BY AGE AND SERVICE

	Total	*Under 5 Years of Service*	*5 – 9 Years of Service*	*10 – 14 Years of Service*	*15 –19 Years of Service*	*20 – 24 Years of Service*	*25 – 29 Years of Service*	*30 – 34 Years of Service*	*Over 34 Years of Service*
Under 25	1	1							
25 – 29	0								
30 – 34	0								
35 – 39	0								
40 – 44	2			2					
45 – 49	3		1	1		1			
50 – 54	2			1			1		
55 – 59	1							1	
60 – 64	0								
65 and older	1	1							
Total	10	2	1	4	0	1	1	1	0

ELIGIBLE RETIREES BY AGE AND EMPLOYEE CLASS

Age	*Total*
Under 50	0
50 – 54	0
55 – 59	1
60 – 64	0
65 – 69	1
70 – 74	2
75 – 79	1
80 – 84	0
85 – 89	1
90 and older	0
Total	6

APPENDIX B: ADMINISTRATIVE BEST PRACTICES

It is outside the scope of this report to make specific recommendations of actions Stege Sanitary District should take to manage the liability created by the current retiree health program. The following items are intended only to allow the District to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of Stege Sanitary District's practices, it is possible that Stege Sanitary District is already complying with some or all of these suggestions.

- We suggest that Stege Sanitary District maintain an inventory of all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, Stege Sanitary District should determine whether the benefit is material and subject to GASB 74 and/or 75.

- Under GASB 75, it is important to isolate the cost of retiree health benefits. Stege Sanitary District should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – ***even on a retiree-pay-all basis*** – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, Stege Sanitary District should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.

- Stege Sanitary District should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for District-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.

- Several assumptions were made in estimating costs and liabilities under Stege Sanitary District's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Part III of this report for a summary of assumptions.) For example, Stege Sanitary District should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for Stege Sanitary District to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.

APPENDIX C: GASB 74/75 ACCOUNTING ENTRIES AND DISCLOSURES

This report does not necessarily include the entire accounting values. As mentioned earlier, there are certain deferred items that are employer-specific. The District should consult with its auditor if there are any questions about what, if any, adjustments may be appropriate.

GASB 74/75 include a large number of items that should be included in the Note Disclosures and Required Supplementary Information (RSI) Schedules. Many of these items are outside the scope of the actuarial valuation. However, following is information to assist the District in complying with GASB 74/75 disclosure requirements:

Paragraph 50: **Information about the OPEB Plan**

Most of the information about the OPEB plan should be supplied by Stege Sanitary District. Following is information to help fulfill Paragraph 50 reporting requirements.

50.c: Following is a table of plan participants

	Number of Participants
Inactive Employees Currently Receiving Benefit Payments	6
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments*	0
Participating Active Employees	10
Total Number of participants	16

*We were not provided with information about any terminated, vested employees

Paragraph 51: **Significant Assumptions and Other Inputs**

Shown in Part III.

Paragraph 52: **Information Related to Assumptions and Other Inputs**

The following information is intended to assist Stege Sanitary District in complying with the requirements of Paragraph 52.

52.b: Mortality Assumptions Following are the tables the mortality assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Mortality Table	2021 CalPERS Mortality for Miscellaneous and Schools Employees
Disclosure	The mortality assumptions are based on the 2021 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

Mortality Table	2021 CalPERS Retiree Mortality for Miscellaneous and Schools Employees
Disclosure	The mortality assumptions are based on the 2021 CalPERS Retiree Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

52.c: Experience Studies Following are the tables the retirement and turnover assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Retirement Tables

Retirement Table	2021 CalPERS 2.0%@55 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2021 CalPERS 2.0%@55 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2021 CalPERS 2.0%@62 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2021 CalPERS 2.0%@62 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Turnover Tables

Turnover Table	2021 CalPERS Turnover for Miscellaneous Employees
Disclosure	The turnover assumptions are based on the 2021 CalPERS Turnover for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

For other assumptions, we use actual plan provisions and plan data.

52.d: The alternative measurement method was not used in this valuation.

52.e: NOL using alternative trend assumptions The following table shows the Net OPEB Liability with a healthcare cost trend rate 1% higher and 1% lower than assumed in the valuation.

	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB Liability	$228,943	$306,430	$403,169

Paragraph 53: **Discount Rate**

The following information is intended to assist Stege Sanitary District to comply with Paragraph 53 requirements.

53.a: A discount rate of 6.75% was used in the valuation. The interest rate used in the prior valuation was 6.75%.

53.b: We assumed that all contributions are from the employer.

53.c: We used historic 31 year real rates of return for each asset class along with our assumed long-term inflation assumption to set the discount rate. We offset the expected investment return by investment expenses of 25 basis points.

53.d: The interest assumption does not reflect a municipal bond rate.

53.e: Not applicable.

53.f: Following is the assumed asset allocation and assumed rate of return for each.
CERBT - Strategy 1

Asset Class	Percentage of Portfolio	Assumed Gross Return
All Equities	59.0000	7.5450
All Fixed Income	25.0000	4.2500
Real Estate Investment Trusts	8.0000	7.2500
All Commodities	3.0000	7.5450
Treasury Inflation Protected Securities (TIPS)	5.0000	3.0000

We looked at rolling periods of time for all asset classes in combination to appropriately reflect correlation between asset classes. That means that the average returns for any asset class don't necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. We used geometric means.

53.g: The following table shows the Net OPEB liability with a discount rate 1% higher and 1% lower than assumed in the valuation.

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability	$388,927	$306,430	$238,754

Paragraph 55: **Changes in the Net OPEB Liability**

Please see reconciliation on pages 2 or 12.

Paragraph 56: **Additional Net OPEB Liability Information**

The following information is intended to assist Stege Sanitary District to comply with Paragraph 56 requirements.

56.a: The valuation date is June 30, 2022.
The measurement date is June 30, 2022.
56.b: We are not aware of a special funding arrangement.
56.c: Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems.
56.d: There were no changes in benefit terms since the prior measurement date.

56.e: Not applicable
56.f: To be determined by the employer
56.g: To be determined by the employer
56.h: Other than contributions after the measurement, all deferred inflow and outflow balances are shown on page 12 and in Appendix D
56.i: Future recognition of deferred inflows and outflows is shown in Appendix D

Paragraph 57: **Required Supplementary Information**

57.a: Please see reconciliation on pages 2 or 12. Please see the notes for Paragraph 244 below for more information.
57.b: These items are provided on pages 2 and 12 for the current valuation, except for covered payroll, which should be determined based on appropriate methods.
57.c: We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 31 years.
57.d: We are not aware that there are any statutorily or contractually established contribution requirements.

Paragraph 58: **Actuarially Determined Contributions**

We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 31 years.

Paragraph 244: **Transition Option**

Prior periods were not restated due to the fact that prior valuations were not rerun in accordance with GASB 75. It was determined that the time and expense necessary to rerun prior valuations and to restate prior financial statements was not justified.

APPENDIX D: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

EXPERIENCE GAINS AND LOSSES

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Experience Gains and Losses (Measurement Periods)

Measurement Period	Experience (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2021	2022	Amounts to be Recognized in OPEB Expense after 2022	2023	2024	2025	2026	2027	Thereafter
2017-18	$3,703	9.6	$1,544	$386	$1,773	$386	$386	$386	$386	$229	
2018-19	$1,993	9.6	$624	$208	$1,161	$208	$208	$208	$208	$208	$121
2019-20	$4,092	8.8	$930	$465	$2,697	$465	$465	$465	$465	$465	$372
2020-21	($1,632)	8.8	($186)	($186)	($1,260)	($186)	($186)	($186)	($186)	($186)	($330)
2021-22	($73,723)	7.6	$0	($9,701)	($64,022)	($9,701)	($9,701)	($9,701)	($9,701)	($9,701)	($15,517)
Net Increase (Decrease) in OPEB Expense			**$2,912**	**($8,828)**	**($59,651)**	**($8,828)**	**($8,828)**	**($8,828)**	**($8,828)**	**($8,985)**	**($15,354)**

CHANGES OF ASSUMPTIONS

			Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Changes of Assumptions (Measurement Periods)								
Measurement Period	Changes of Assumptions	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2021	2022	Amounts to be Recognized in OPEB Expense after 2022	2023	2024	2025	2026	2027	Thereafter
2019-20	($1,319)	8.8	($300)	($150)	($869)	($150)	($150)	($150)	($150)	($150)	($119)
2020-21	$18,805	8.8	$2,137	$2,137	$14,531	$2,137	$2,137	$2,137	$2,137	$2,137	$3,846
2021-22	$15,347	7.6	$0	$2,020	$13,327	$2,020	$2,020	$2,020	$2,020	$2,020	$3,227
Net Increase (Decrease) in OPEB Expense			**$1,837**	**$4,007**	**$26,989**	**$4,007**	**$4,007**	**$4,007**	**$4,007**	**$4,007**	**$6,954**

INVESTMENT GAINS AND LOSSES

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Investment Gains and Losses (Measurement Periods)

Measurement Period	Investment (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2021	2022	Amounts to be Recognized in OPEB Expense after 2022	2023	2024	2025	2026	2027	Thereafter
2017-18	($1,906)	5	($1,528)	($378)	$0						
2018-19	$1,756	5	$1,056	$352	$348	$348					
2019-20	$7,791	5	$3,118	$1,559	$3,114	$1,559	$1,555				
2020-21	($47,625)	5	($9,525)	($9,525)	($28,575)	($9,525)	($9,525)	($9,525)			
2021-22	$59,858	5	$0	$11,972	$47,886	$11,972	$11,972	$11,972	$11,970		
Net Increase (Decrease) in OPEB Expense			**($6,879)**	**$3,980**	**$22,773**	**$4,354**	**$4,002**	**$2,447**	**$11,970**	**$0**	**$0**

APPENDIX E: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non*-actuary understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

Actuarial Cost Method: A mathematical model for allocating OPEB costs by year of service. The only actuarial cost method allowed under GASB 74/75 is the entry age actuarial cost method.

Actuarial Present Value of Projected Benefit Payments: The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation or measurement date.

Deferred Inflows/Outflows of Resources: A portion of certain items that can be deferred to future periods or that weren't reflected in the valuation. The former includes investment gains/losses, actuarial gains/losses, and gains/losses due to changes in actuarial assumptions or methods. The latter includes contributions made to a trust subsequent to the measurement date but before the statement date.

Discount Rate: Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower service costs and total OPEB liability.

Fiduciary Net Position: Net assets (liability) of a qualifying OPEB "plan" (i.e. qualifying irrevocable trust or equivalent arrangement).

Implicit Rate Subsidy: The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees and the employer is expected, in the long run, to pay the underlying cost of retiree benefits.

Measurement Date: The date at which assets and liabilities are determined in order to estimate TOL and NOL.

Mortality Rate: Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.

Net OPEB Liability (NOL): The Total OPEB Liability minus the Fiduciary Net Position.

OPEB Benefits: Other Post Employment Benefits. Generally, medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.

OPEB Expense: This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Service Cost plus interest on the Total OPEB Liability (TOL) plus change in TOL due to plan changes minus projected investment income; all adjusted to reflect deferred inflows and outflows of resources.

Participation Rate: The proportion of retirees who elect to receive retiree benefits. A lower participation rate results in lower service cost and a TOL. The participation rate often is related to retiree contributions.

Pay As You Go Cost:	The projected benefit payments to retirees in a given year as estimated by the actuarial valuation. Actual benefit payments are likely to differ from these estimated amounts. For OPEB plans that do not pre-fund through an irrevocable trust, the Pay As You Go Cost serves as an estimated amount to budget for annual OPEB payments.
Retirement Rate:	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with the service requirement to reflect both age and length of service). The more likely employees are to retire early, the higher service costs and actuarial accrued liability will be.
Service Cost:	The annual dollar value of the "earned" portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.
Service Requirement:	The proportion of retiree benefits payable under the OPEB plan, based on length of service and, sometimes, age. A shorter service requirement increases service costs and TOL.
Total OPEB Liability (TOL):	The amount of the actuarial present value of projected benefit payments attributable to participants' past service based on the actuarial cost method used.
Trend Rate:	The rate at which the employer's share of the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher service costs and TOL.
Turnover Rate:	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce service costs and TOL.
Valuation Date:	The date as of which the OPEB obligation is determined by means of an actuarial valuation. Under GASB 74 and 75, the valuation date does not have to coincide with the statement date, but can't be more than 30 months prior.

2:04 PM	STEGE SANITARY DISTRICT			
12/01/2023	Check Report			
Accrual Basis	December 7, 2023			
	Name	**Memo**	**Amount**	**Num**
Dec 7, 23				
	Alliant Insurance Services, Inc	Bond Kalahele	-438.00	28451
	APB Engineering	Repair 10245 San Pablo, 1911 Carlson & 2009 Carlson	-9,400.00	28452
	Aramark Uniform Services	Uniform Services	-283.53	28453
	Bay Alarm Company	Office Burglar & Fire Alarm	-620.52	28454
	Chavan & Associates, LLP	2022-2023 Audit	-7,500.00	28455
	CSRMA	Claim 2095 Tapscott	-10.80	28456
	Direct Line	Answering Service 10/01-31/23	-113.00	28457
	Don's Tire Service, Inc.	Peterbuilt Tires	-5,821.03	28458
	Dormatech Mechanical Systems, INC	HVAC Maintenance	-912.50	28459
	Lechowicz & Tseng Municpal Consultants	Sewer Rate & Connection Charge Study	-1,830.00	28460
	Meyers Nave	Legal Services	-1,228.89	28461
	Nakano Landscape	Landscaping Nov 2023	-290.00	28462
	PG&E- #0103467151-9	Burlingame Pumpstation	-125.17	28463
	PG&E- #6675831511-4	Office/Shop	-1,339.05	28464
	Rosalie Blazej	Winter 2023 Newsletter	-1,020.00	28465
	State Water Resource Control Board	St. Revolving Fund Loan Proj. 02203	-43,938.51	28466
	Streamline	Website 12/1-31/23	-249.00	28467
	WECO Industries, Inc.	Lightbar	-2,977.42	28468
	Xerox Financial Services	Copier Lease Payment 11/03-12/02	-319.58	28469
	CALIFORNIA STATE DISBURSEMENT UNIT	December Garnishment ID #0600099	-1,251.00	28470
	Nationwide Retirement Solutions	Deferred Comp Dec 2023	-14,765.00	28471
	P.E.R.S.	Health Insurance Jan 2024	-14,054.54	28472
	PERS	Retirement Dec 2023	-22,661.37	28473
	Reliance Standard Life	Life Insurance & LTD Jan 2024	-312.87	28474
	SDRMA	Dental Jan 2024	-972.70	28475
Dec 7, 23			**-132,434.48**	

STEGE SANITARY DISTRICT
2024 BOARD OF DIRECTORS MEETING AGENDA CALENDAR

JANUARY	FEBUARY	MARCH	APRIL	MAY	JUNE
1/1 & 1/15 HOLIDAY CASA Winter Conf. Jan 24-26, Palm Springs	2/19 HOLIDAY CASA Policy Forum Feb 26-27, Wash, DC			5/27 HOLIDAY	6/19 HOLIDAY
1/18/2024 – 7:00 P.M.	2/1/2024 – 7:00 P.M.	3/2/2024 – **9:00 A.M**.	4/18/2024 – 7:00 P.M.	5/2/2024 – 7:00 P.M.	6/6/2024 – 7:00 P.M.
• Board Governance Manual Review • Service Rate Discussion • Long Range Planning Workshop Agenda • Director’s Contact Info • Board Training Summ. • CASA/CSDA Conf. • Quarterly Financial Statements • SPASPA Status Report • CLOSED SESSION – Quarterly Claims Rpt. – Manager Perf. Eval.	• Actuarial Analysis of Retiree Health Benefits Report (even years) • Performance Report • District of Distinction (every 3 years) • Service Rate Discussion • Long Range Planning Workshop Agenda • Board Training Summ. • CASA/CSDA Conf. • CASA Conference Attendee Reports	**9AM MEETING TIME** • Long Range Planning Workshop – Past 5 yrs. Expenditures Review – Self-Assessment of Governance – Strategic Plan Review	• Draft Budget • Employee Benefit Package Review • Service Rate Discussion/Approval (+ 30-day Notice) • July 4th Fair Discussion • Board Training Summ. • Quarterly Financial Statements • SPASPA Status Report • CLOSED SESSION – Quarterly Claims Rpt. – Conf. Labor Negot	• Draft Budget • Board Training Summ. • July 4th Fair Discussion • Review of Comparable Agencies • Appoint Labor Negot. • CLOSED SESSION – Conf. Labor Negot.	• Draft Budget • Review Directors’ Meeting Compensation • District Working Capital and Reserve Policy • Approve Project Plans and Specs (+CEQA) • July 4th Fair Discussion • CASA/CSDA Conf.
	2/15/2024 – 7:00 P.M.	3/21/2024 – 7:00 P.M.		5/16/2024 – 7:00 P.M.	6/20/2024 – 7:00 P.M.
	• Board Governance Manual Approval • Long Range Planning Workshop Agenda • Service Rate Discussion • Form 700	• Auditor – RFP • California Employer’s Retiree Benefit Trust (CERBT) • Service Rate Discussion • Action Plan • Board Training Summ. • Consent Decree Quarterly Report • CASA Conference Attendee Reports • Form 700		• Resolution Ordering Board Election (even years) • Draft Budget • July 4th Fair Discussion • Service Rate Discussion/Approval (+ 30-day Notice) • CLOSED SESSION – Manager Perf. Eval. – Conf. Labor Negot.	• Resolution Salary of District Manager • Resolution Employee Salary Ranges • Resolution Approve/Adopt Budget • Review and Approve Incentive Award • Adopt Incentive Award Goals & Objectives • July 4th Fair Discussion • CD Quarterly Report • CASA/CSDA Conf. • CLOSED SESSION – Counsel Perf. Eval.

STEGE SANITARY DISTRICT
2024 BOARD OF DIRECTORS MEETING AGENDA CALENDAR

<table>
<tr><th>JULY</th><th>AUGUST</th><th>SEPTEMBER</th><th>OCTOBER</th><th>NOVEMBER</th><th>DECEMBER</th></tr>
<tr><td>7/4 HOLIDAY
4th of July Fair Booth

CASA Annual Conf.
Jul 31- Aug 2, Monterey</td><td></td><td>9/2 HOLIDAY

CSDA Annual Conf.
Sep 9-12, Indian Wells

Board Training
AB 1234 (even years)
AB 1661 (odd years)</td><td></td><td>11/28-29 HOLIDAY</td><td>12/12 HOLIDAY LUNCHEON

12/25 HOLIDAY</td></tr>
<tr><td>7/18/2024 – 7:00 P.M.</td><td>8/8/2024 – 7:00 P.M.</td><td>9/5/2024 – 7:00 P.M.</td><td>10/3/2024 – 7:00 P.M.</td><td>11/7/2024 – 7:00 P.M.</td><td>12/12/2024 – <u>2:00 P.M.</u></td></tr>
<tr><td rowspan="3">• Hearing +Res./Ord.
– Establish and Collect Sewer Service Charges
– Director Meeting Compensation
• Resolution Filing Notice of Completion
• District Investment Policy
• Reimb. Report per Gov. Code 53065.5
• Candidate filing period (even years)
• CASA/CSDA Conf.
• Form 470
• July 4th Fair Debrief
• Quarterly Financial Statements
• SPASPA Status Report
• CLOSED SESSION
– Quarterly Claims Rpt.</td><td>• CASA Conf. Attendee Reports
• CSDA Annual Conf.</td><td>• CSDA Annual Conf.</td><td>• Regional PSL Program Update
• Regional FOG Program Update</td><td rowspan="3">• Proposed Meeting Calendar
• Board Officer Succession Plan
• CASA/CSDA Conf.</td><td rowspan="3"><u>2PM MEETING TIME</u>
• Fiscal Year Financial Audit
• Resolution Certifying Election Results (even years)
• Connection Charge Review
• Emergency Contact Update
• Meeting Calendar
• Consent Decree Quarterly Report
• CASA/CSDA Conf.
• Pension + OPEB UAL Reports
• Nomination & Election of Officers</td></tr>
<tr><td>8/22/2024 – 7:00 P.M.</td><td>9/19/2024 – 7:00 P.M.</td><td>10/17/2024 – 7:00 P.M.</td></tr>
<tr><td>• Select Actuary for Analysis of Retiree Health Benefits (odd years)
• Quarterly (FY End) Financial Statements
• Conn. Charge Report per Gov. Code 66013
• CSDA Annual Conf.</td><td>• Health Care Benefits Review
• Consent Decree Quarterly Report
• CSDA Conf. Attendee Reports</td><td>• Quarterly Financial Statements
• SPASPA Status Report
• CLOSED SESSION
– Quarterly Claims Rpt.
– Manager Perf. Eval.</td></tr>
</table>

STEGE SANITARY DISTRICT
BOARD OF DIRECTORS
POSITIONAL ROTATION

DIRECTOR	TERM EXPIRES
Paul Gilbert-Snyder	2024
Beatrice O'Keefe	2024
Tessa Eve Beach	2026
Dwight Merrill	2026
Juliet Christian-Smith	2026

YEAR	POSITION	DIRECTOR
2024 *(proposed rotation)*	**PRESIDENT**	**Paul Gilbert-Snyder**
	VICE PRESIDENT	**Beatrice O'Keefe**
2023	PRESIDENT	Juliet Christian-Smith
	VICE PRESIDENT	Paul Gilbert-Snyder
2022	PRESIDENT	Dwight Merrill
	VICE PRESIDENT	Juliet Christian-Smith
2021	PRESIDENT	Beatrice O'Keefe
	VICE PRESIDENT	Dwight Merrill
2020	PRESIDENT	Alan Miller
	VICE PRESIDENT	Beatrice O'Keefe
2019	PRESIDENT	Paul Gilbert-Snyder
	VICE PRESIDENT	Alan Miller