PLEASANT VALLEY RECREATION & PARK DISTRICT
ADMINISTRATION OFFICE – CONFERENCE ROOM
1605 E. BURNLEY ST., CAMARILLO, CALIFORNIA

FINANCE COMMITTEE AGENDA

Wednesday, September 20, 2023
3:00 P.M.

1. **CALL TO ORDER**
2. **APPROVAL OF AGENDA**
3. **PUBLIC COMMENTS**
4. **AUGUST 2023 FINANCIALS**
5. **CalPERS VALUATION REPORTS REVIEW**
6. **ORAL DISCUSSION**
7. **ADJOURNMENT**

Note: Written materials related to these agenda items are available for public inspection in the Office of the Clerk of the Board located at 1605 E. Burnley Street, Camarillo during regular business hours beginning the day preceding the Committee meeting.

Announcement: Should you need special assistance (i.e. a disability-related modification or accommodations) to participate in the Committee meeting or other District activities (including receipt of an agenda in an appropriate alternative format), as outlined in the Americans With Disabilities Act, or require further information, please contact the General Manager at 482-1996, extension 114. Please notify us 48 hours in advance to provide sufficient time to make a disability-related modification or reasonable accommodation.

CASH REPORT

		8/31/2023 Balance		8/31/2022 Balance
Debt Service - Restricted	$	145,621.34	$	140,605.17
457 Pension Trust Restricted	$	70,821.42	$	68,420.34
Cal CLASS/PW Quimby Fee - Restricted	$	4,481,735.30	$	842,398.02
VC Pool Quimby- Restricted	$	2,579,202.12	$	5,636,856.68
Park Impact Fees	$	228,424.49	$	172,417.66
Miracle League 805	$	423,531.81	$	-
FCDP Checking	$	13,846.66	$	13,846.66
Total	**$**	**7,943,183.14**	**$**	**6,874,544.53**
Semi-Restricted Funds				
Assessment	$	1,071,041.52	$	1,015,828.82
LAIF - Capital	$	1,402,761.19	$	2,032,015.47
PacWest/CalCLASS - Capital	$	1,893,900.19	$	1,120,756.80
Designated Project	$	230,484.00	$	230,484.00
Capital Reserves	$	500,000.00	$	-
Capital - Vehicle Replacement	$	49,843.80	$	49,843.80
Contingency - Dry Period	$	462,337.09	$	397,337.08
Contingency - Computer	$	25,000.00	$	20,000.01
Contingency - Repair/Oper/Admin	$	320,000.00	$	300,000.00
Contingency - Compensated Absences	$	100,000.00	$	75,000.00
Contingency - Vehicle Replacement	$	30,000.00	$	30,000.00
Total	**$**	**6,085,367.79**	**$**	**5,271,265.98**
Unrestricted Funds				
Contingency	$	4,103,622.17	$	2,809,751.09
General Fund Checking	$	344,413.14	$	483,081.11
Total	**$**	**4,448,035.31**	**$**	**3,292,832.20**
Total of all Funds	**$**	**18,476,586.24**	**$**	**15,438,642.71**

		9/14/2023 Balance		9/30/2022 Balance
Debt Service - Restricted	$	145,621.34	$	140,605.17
457 Pension Trust Restricted	$	70,821.42	$	68,420.34
Cal CLASS/PW Quimby Fee - Restricted	$	4,481,735.30	$	832,508.41
VC Pool Quimby- Restricted	$	2,579,202.12	$	5,636,856.68
Park Impact Fees	$	1,999,738.49	$	172,636.06
Miracle League 805	$	423,531.81	$	-
FCDP Checking	$	13,846.66	$	13,601.61
Total	**$**	**9,714,497.14**	**$**	**6,864,628.27**
Semi-Restricted Funds				
Assessment	$	1,048,147.36	$	964,397.54
LAIF - Capital	$	1,402,761.19	$	2,032,015.47
PacWest/CalCLASS - Capital	$	1,893,900.19	$	1,120,756.80
Designated Project	$	230,484.00	$	230,484.00
Capital Reserves	$	500,000.00	$	-
Capital - Vehicle Replacement	$	49,843.80	$	49,843.80
Contingency - Dry Period	$	462,337.09	$	397,337.08
Contingency - Computer	$	25,000.00	$	20,000.01
Contingency - Repair/Oper/Admin	$	320,000.00	$	300,000.00
Contingency - Compensated Absences	$	100,000.00	$	75,000.00
Contingency - Vehicle Replacement	$	30,000.00	$	30,000.00
Total	**$**	**6,062,473.63**	**$**	**5,219,834.70**
Unrestricted Funds				
Contingency	$	3,903,622.17	$	2,409,751.09
General Fund Checking	$	249,920.47	$	260,766.66
Total	**$**	**4,153,542.64**	**$**	**2,670,517.75**
Total of all Funds	**$**	**19,930,513.41**	**$**	**14,754,980.72**

Pleasant Valley Recreation and Park District
Monthly AP, Payroll, Wire, Online Payment Report
August 2023

	Date		Amount	
Accounts Payables:	8/31/2023	$	337,915.84	
	Total	**$**	**337,915.84**	
Payroll (Total Cost):	8/3/2023	$	190,858.62	
	8/17/2023	$	187,212.22	
	8/31/2023	$	156,029.07	
	Total	**$**	**534,099.91**	
Payroll AP Payments	8/2/2023	$	41,700.86	PERS Health Insurance Premium
	8/2/2023	$	18,651.61	CALPERS - Ret PR 8/3/2023
	8/2/2023	$	3,617.05	Guardian
	8/2/2023	$	625.50	VSP
	8/2/2023	$	2,133.00	Hartford
	8/17/2023	$	18,667.31	CALPERS- Ret-PR-8/17/23
	Total	**$**	**85,395.33**	
	Grand Total	**$**	**957,411.08**	

General Ledger
Fund 10 General Fund
August 2023 16.7%

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
Tax Apportionment	5110	$ -	$ -	$ -	$ 8,109,714.00	$ 8,109,714.00	0.00%
Restircted Donation	5576	$ 45.00	$ -	$ 5,045.00	$ -	$ (5,045.00)	0.00%
Interest Earnings	5310	$ 21,112.31	$ 8,420.70	$ 51,892.47	$ 230,000.00	$ 178,107.53	22.56%
Carryover Balance	5502	$ -	$ -	$ -	$ 15,000.00	$ 15,000.00	0.00%
Park Patrol Citations	5506	$ 104.00	$ 474.52	$ 1,223.32	$ 2,300.00	$ 1,076.68	53.19%
Bingo - Primary Revenue	5508	$ 1,713.00	$ 3,024.05	$ 3,126.00	$ 19,750.00	$ 16,624.00	15.83%
Excess Bingo Revenue	5509	$ 580.00	$ 7,122.00	$ 849.00	$ 1,800.00	$ 951.00	47.17%
Contract Classes-Public Fees	5510	$ 27,307.73	$ 48,769.14	$ 55,534.67	$ 183,357.00	$ 127,822.33	30.29%
Public Fees	5511	$ 69,429.74	$ 126,440.95	$ 154,245.84	$ 305,964.00	$ 151,718.16	50.41%
Public Fees-Entry Fees	5520	$ 4,425.00	$ 11,247.00	$ 11,044.50	$ 41,600.00	$ 30,555.50	26.55%
Vending Concessions	5525	$ -	$ 797.25	$ -	$ 1,450.00	$ 1,450.00	0.00%
Rental	5530	$ 35,973.13	$ 72,411.60	$ 129,392.60	$ 550,793.00	$ 421,400.40	23.49%
Cell Tower Revenue	5535	$ 13,213.00	$ 17,791.31	$ 33,663.79	$ 159,600.00	$ 125,936.21	21.09%
Parking Fees	5540	$ 798.05	$ 5,866.12	$ 2,086.86	$ 10,350.00	$ 8,263.14	20.16%
Advertising Revenue	5555	$ 700.00	$ 3,000.00	$ (50.00)	$ 6,000.00	$ 6,050.00	-0.83%
Sponsorships/Donations	5558	$ (192.53)	$ -	$ 557.47	$ 2,500.00	$ 1,942.53	22.30%
Special Event	5561	$ -	$ (105.00)	$ 11.00	$ 125,120.00	$ 125,109.00	0.01%
Staffing Cost Recovery - Parks	5563	$ 2,590.50	$ 10,400.50	$ 5,656.00	$ 41,212.00	$ 35,556.00	13.72%
Special Event Permits	5564	$ 200.00	$ 300.00	$ 600.00	$ -	$ (600.00)	0.00%
Security Services - Recovery	5566	$ 1,050.00	$ 700.00	$ 1,050.00	$ -	$ (1,050.00)	0.00%
Contributions	5570	$ 275.32	$ -	$ 275.32	$ -	$ (275.32)	0.00%
Other Misc Revenue	5575	$ 3,420.00	$ 15,416.50	$ 10,030.00	$ 35,250.00	$ 25,220.00	28.45%
Incentive Income	5585	$ 22.88	$ 733.39	$ 22.88	$ 1,700.00	$ 1,677.12	1.35%
Reimbursement - ROPS	5600	$ -	$ 101,763.06	$ 161,273.64	$ 350,000.00	$ 188,726.36	46.08%
Revenue		**$ 182,767.13**	**$ 434,573.09**	**$ 627,530.36**	**$ 10,193,460.00**	**$ 9,565,929.64**	**6.16%**
YTD Comparison				**$ 192,957.27**			
Personnel							
Full Time Salaries	6100	$ 292,383.34	$ 302,422.65	$ 390,237.80	$ 2,804,745.00	$ 2,414,507.20	13.91%
Overtime Salaries	6101	$ 1,827.00	$ 2,808.02	$ 2,309.96	$ 28,035.00	$ 25,725.04	8.24%
Car Allowance	6105	$ 1,238.28	$ 1,661.48	$ 1,651.04	$ 7,600.00	$ 5,948.96	21.72%
Cell Phone Allowance	6108	$ 1,725.00	$ 2,204.28	$ 2,314.07	$ 15,960.00	$ 13,645.93	14.50%
Part-Time Salaries	6110	$ 95,424.89	$ 101,188.17	$ 125,855.47	$ 628,173.00	$ 502,317.53	20.04%
Retirement	6120	$ 54,702.09	$ 50,421.97	$ 72,610.80	$ 532,840.00	$ 460,229.20	13.63%
457 Pension	6121	$ 5,911.81	$ 5,998.98	$ 6,127.62	$ 7,000.00	$ 872.38	87.54%
Deferred Compensation	6125	$ 599.19	$ 595.46	$ 798.92	$ 5,193.00	$ 4,394.08	15.38%
Employee Insurance	6130	$ 27,482.34	$ 38,300.27	$ 41,354.29	$ 432,616.00	$ 391,261.71	9.56%
Workers Compensation	6140	$ 18,776.22	$ 20,737.72	$ 25,193.74	$ 186,770.00	$ 161,576.26	13.49%
Unemployment Insurance	6150	$ -	$ -	$ -	$ 10,000.00	$ 10,000.00	0.00%
PERS Unfunded Liability	6170	$ -	$ 508,376.00	$ 494,762.00	$ 494,762.00	$ -	100.00%
Personnel		**$ 500,070.16**	**$ 1,034,715.00**	**$ 1,163,215.71**	**$ 5,153,694.00**	**$ 3,990,478.29**	**22.57%**
YTD Comparison				**$ 128,500.71**			
Services and Supplies							
Telephone/Internet	6210	$ 1,579.25	$ 3,550.27	$ 3,432.29	$ 21,692.00	$ 18,259.71	15.82%
IT Services	6220	$ 3,652.84	$ 6,059.44	$ 13,785.68	$ 64,298.00	$ 50,512.32	21.44%
IT Hardware	6230	$ -	$ -	$ -	$ 2,000.00	$ 2,000.00	0.00%
Hardware/Software Services	6240	$ 8,721.13	$ 7,808.99	$ 8,721.13	$ 73,586.00	$ 64,864.87	11.85%
Pool Chemicals	6310	$ 914.17	$ 1,336.83	$ 914.17	$ 7,250.00	$ 6,335.83	12.61%
Janitorial Supplies	6320	$ 58.96	$ 7,510.45	$ 10,877.47	$ 49,800.00	$ 38,922.53	21.84%
Kitchen Supplies	6330	$ 33.30	$ -	$ 33.30	$ 700.00	$ 666.70	4.76%
Food Supplies	6340	$ 451.02	$ -	$ 451.02	$ 6,625.00	$ 6,173.98	6.81%
Water Maint & Service	6350	$ 74.55	$ -	$ 114.55	$ 900.00	$ 785.45	12.73%
Laundry/Wash Service	6360	$ -	$ -	$ -	$ 1,120.00	$ 1,120.00	0.00%
Medical Supplies	6380	$ -	$ -	$ -	$ 1,390.00	$ 1,390.00	0.00%
Insurance Liability	6410	$ -	$ 144,889.00	$ 188,794.00	$ 347,734.00	$ 158,940.00	54.29%
Equipment Maintenance	6500	$ -	$ 24.54	$ -	$ 1,600.00	$ 1,600.00	0.00%
Fuel	6510	$ 6,354.19	$ 6,189.66	$ 6,354.19	$ 68,475.00	$ 62,120.81	9.28%
Vehicle Maintenance	6520	$ 3,575.11	$ 4,277.82	$ 4,784.74	$ 38,100.00	$ 33,315.26	12.56%
Building Repair	6610	$ 1,357.63	$ 4,402.06	$ 1,641.99	$ 67,500.00	$ 65,858.01	2.43%
HVAC Maintenance/Repairs	6620	$ -	$ -	$ -	$ 8,820.00	$ 8,820.00	0.00%
Playground Maintenance	6630	$ -	$ -	$ 18.22	$ 35,000.00	$ 34,981.78	0.05%
Grounds Maintenance	6710	$ 9,521.20	$ 16,017.98	$ 10,993.04	$ 101,220.00	$ 90,226.96	10.86%
Tree Care	6719	$ (110.47)	$ -	$ (110.47)	$ 30,000.00	$ 30,110.47	-0.37%
Contracted Pest Control	6730	$ -	$ -	$ -	$ 4,020.00	$ 4,020.00	0.00%
Rubbish & Refuse	6740	$ 7,731.85	$ 9,602.09	$ 7,731.85	$ 84,330.00	$ 76,598.15	9.17%
Vandalism/Theft	6750	$ 198.61	$ 292.98	$ 589.24	$ 1,000.00	$ 410.76	58.92%
Memberships	6810	$ -	$ 3,650.00	$ 5,105.00	$ 16,952.00	$ 11,847.00	30.11%
Office Supplies	6910	$ 2,799.54	$ 786.97	$ 6,738.60	$ 33,950.00	$ 27,211.40	19.85%
Postage Expense	6920	$ -	$ 5,773.31	$ 5,855.92	$ 18,700.00	$ 12,844.08	31.32%
Advertising Expense	6930	$ -	$ -	$ -	$ 3,040.00	$ 3,040.00	0.00%
Printing Charges	6940	$ 701.12	$ 890.61	$ 1,274.31	$ 13,126.00	$ 11,851.69	9.71%

General Ledger
Fund 10 General Fund
August 2023 16.7%

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Bank & Registration Fees	6950	$ 0.75	$ 3,865.06	$ 63.76	$ 3,920.00	$ 3,856.24	1.63%
Approp Redev/Collection Fees	6960	$ -	$ -	$ -	$ 684,039.00	$ 684,039.00	0.00%
Minor Furn Fixture & Equip	6980	$ -	$ 261.41	$ -	$ 25,237.00	$ 25,237.00	0.00%
Fingerprint Fees (HR)	7010	$ 208.00	$ 280.00	$ 208.00	$ 3,360.00	$ 3,152.00	6.19%
Fire & Safety Insp Fees	7020	$ -	$ -	$ -	$ 6,675.00	$ 6,675.00	0.00%
Permit & Licensing Fees	7030	$ 4.28	$ 1,005.80	$ 2,430.28	$ 7,300.00	$ 4,869.72	33.29%
Professional Services	7100	$ 9,894.27	$ 2,310.00	$ 25,604.27	$ 270,200.00	$ 244,595.73	9.48%
Legal Services	7110	$ 4,694.50	$ 5,260.00	$ 4,694.50	$ 90,000.00	$ 85,305.50	5.22%
Typeset and Print Services	7115	$ 11,681.76	$ 11,390.79	$ 11,681.76	$ 36,600.00	$ 24,918.24	31.92%
Instructor Services	7120	$ 22,096.65	$ 10,850.50	$ 22,850.85	$ 108,902.00	$ 86,051.15	20.98%
PERS Admin Fees	7125	$ 148.15	$ 213.11	$ 297.77	$ 2,200.00	$ 1,902.23	13.54%
Audit Services	7130	$ 750.00	$ 4,000.00	$ 750.00	$ 17,425.00	$ 16,675.00	4.30%
Medical & Health Srvcs	7140	$ 120.00	$ -	$ 120.00	$ 10,720.00	$ 10,600.00	1.12%
Security Services	7150	$ 593.50	$ 330.00	$ 923.50	$ 7,122.00	$ 6,198.50	12.97%
Entertainment Services	7160	$ -	$ -	$ 250.00	$ 4,300.00	$ 4,050.00	5.81%
Business Services	7180	$ 1,369.78	$ 24,981.73	$ 27,103.10	$ 95,805.00	$ 68,701.90	28.29%
Umpire/Referee Services	7190	$ 100.00	$ 440.00	$ 100.00	$ 1,700.00	$ 1,600.00	5.88%
Subscriptions	7210	$ 9.99	$ 9.99	$ 9.99	$ 2,375.00	$ 2,365.01	0.42%
Rents & Leases - Equip	7310	$ 1,000.12	$ 541.19	$ 1,647.26	$ 48,720.00	$ 47,072.74	3.38%
Bldg/Field Leases & Rental	7320	$ -	$ -	$ -	$ 60.00	$ 60.00	0.00%
Division Supplies	7410	$ 4,218.92	$ 42.90	$ 4,329.63	$ 30,365.00	$ 26,035.37	14.26%
Program/Event Supplies	7420	$ -	$ 52.90	$ -	$ -	$ -	0.00%
Bingo Supplies	7430	$ 288.13	$ -	$ 288.13	$ 4,800.00	$ 4,511.87	6.00%
Sporting Goods	7440	$ 1,630.14	$ 19.83	$ 1,630.14	$ 8,400.00	$ 6,769.86	19.41%
Arts and Craft Supplies	7450	$ -	$ -	$ -	$ 1,575.00	$ 1,575.00	0.00%
Training Supplies	7460	$ -	$ -	$ -	$ 3,970.00	$ 3,970.00	0.00%
Small Tools	7500	$ 95.11	$ 312.19	$ 95.11	$ 6,000.00	$ 5,904.89	1.59%
Safety Supplies	7510	$ 214.29	$ 260.00	$ 214.29	$ 4,415.00	$ 4,200.71	4.85%
Uniform Allowance	7610	$ -	$ (219.64)	$ -	$ 15,790.00	$ 15,790.00	0.00%
Safety Clothing	7620	$ -	$ 193.94	$ -	$ 5,404.00	$ 5,404.00	0.00%
Conference&Seminar Staff	7710	$ 625.00	$ 2,669.00	$ 4,795.00	$ 19,665.00	$ 14,870.00	24.38%
Conference&Seminar Board	7715	$ 750.00	$ 88.00	$ 750.00	$ 2,625.00	$ 1,875.00	28.57%
Conference&Seminar Travel Exp	7720	$ 549.96	$ -	$ 549.96	$ 6,067.00	$ 5,517.04	9.06%
Out of Town Travel Board	7725	$ -	$ -	$ -	$ 2,970.00	$ 2,970.00	0.00%
Private Vehicle Mileage	7730	$ 1.97	$ 133.76	$ 1.97	$ 4,847.00	$ 4,845.03	0.04%
Buses/Excursions	7750	$ 4,722.46	$ 4,180.49	$ 5,287.10	$ 11,400.00	$ 6,112.90	46.38%
Tuition/Book Reimbursement	7760	$ -	$ -	$ -	$ 4,000.00	$ 4,000.00	0.00%
Utilities - Gas	7810	$ 2,368.54	$ 2,739.46	$ 2,368.54	$ 49,133.00	$ 46,764.46	4.82%
Utilities - Water	7820	$ 110,900.00	$ 83,847.57	$ 110,900.00	$ 786,277.00	$ 675,377.00	14.10%
Utilities - Electric	7830	$ 8,576.37	$ 9,132.68	$ 8,694.41	$ 232,694.00	$ 223,999.59	3.74%
Airport Assessment Exp	7840	$ -	$ -	$ -	$ 14,000.00	$ 14,000.00	0.00%
Awards and Certificates	7910	$ 682.32	$ 1,336.70	$ 682.32	$ 18,190.00	$ 17,507.68	3.75%
Meals for Staff Training	7920	$ 94.31	$ -	$ 94.31	$ 3,500.00	$ 3,405.69	2.69%
Employee Morale	7930	$ -	$ -	$ -	$ 5,500.00	$ 5,500.00	0.00%
COP Debt - PV Fields	7950	$ -	$ -	$ -	$ 343,214.00	$ 343,214.00	0.00%
Reserve Vehicle Fleet	7970	$ -	$ -	$ 15,000.00	$ 15,000.00	$ -	100.00%
Reserve Computer Fleet	7971	$ -	$ 5,000.00	$ 8,000.00	$ 8,000.00	$ -	100.00%
Reserve Dry Period	7973	$ -	$ 65,203.00	$ 5,000.00	$ 5,000.00	$ -	100.00%
Reserve Capital Improvements	7974	$ -	$ 20,000.00	$ -	$ -	$ -	0.00%
Reserve Repair/Oper/Admin	7975	$ -	$ 20,000.00	$ 100,000.00	$ 100,000.00	$ -	100.00%
Reserve - Compensated Absences	7976	$ -	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ -	100.00%
Services and Supplies		**$ 236,003.27**	**$ 528,795.36**	**$ 670,516.19**	**$ 4,267,389.00**	**$ 3,596,872.81**	**15.71%**
YTD Comparison				**$ 141,720.83**			
Capital							
General Capital	8400	$ -	$ -	$ -	$ 25,000.00	$ 25,000.00	0.00%
Equip/Facility Replacement	8420	$ -	$ -	$ -	$ 35,000.00	$ 35,000.00	0.00%
Freedom Dog Park	8502	$ 1,775.34	$ -	$ 3,061.15	$ -	$ (3,061.15)	0.00%
Valle Lindo Court Resurface	8505	$ -	$ -	$ -	$ 55,000.00	$ 55,000.00	0.00%
Epoxy Pool Deck	8506	$ -	$ -	$ -	$ 100,000.00	$ 100,000.00	0.00%
Lokker Playground	8507	$ -	$ -	$ -	$ 500,000.00	$ 500,000.00	0.00%
PV Fields Irrigation Pumps	8508	$ -	$ -	$ -	$ 100,000.00	$ 100,000.00	0.00%
Capital		**$ 1,775.34**	**$ -**	**$ 3,061.15**	**$ 815,000.00**	**$ 811,938.85**	**0.38%**
YTD Comparison				**$ 3,061.15**			
Expense		**$ 737,848.77**	**$ 1,563,510.36**	**$ 1,836,793.05**	**$ 10,236,083.00**	**$ 8,399,289.95**	**17.94%**
YTD Comparison				**$ 273,282.69**			
Revenue Total		**$ 182,767.13**	**$ 434,573.09**	**$ 627,530.36**	**$ 10,193,460.00**	**$ 9,565,929.64**	**6.16%**
Expense Total		**$ 737,848.77**	**$ 1,563,510.36**	**$ 1,836,793.05**	**$ 10,236,083.00**	**$ 8,399,289.95**	**17.94%**
YTD Revenue-Expenses			**$ (1,128,937.27)**	**$ (1,209,262.69)**			
YTD Comparison				**$ (80,325.42)**			

General Ledger
Fund 20 Assessment Fund
August 2023 16.7%

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
Interest Earnings	5310	$ -	$ 71.24	$ 5,093.76	$ 20,000.00	$ 14,906.24	25.47%
Assessment Revenue	5500	$ -	$ 197.30	$ -	$ 1,293,871.00	$ 1,293,871.00	0.00%
Revenue		**$ -**	**$ 268.54**	**$ 5,093.76**	**$ 1,313,871.00**	**$ 1,308,777.24**	**0.39%**
Personnel							
Full Time Salaries	6100	$ 22,065.71	$ 2,585.09	$ 28,915.62	$ -	$ (28,915.62)	0.00%
Cell Phone Allowance	6108	$ 63.00	$ 27.72	$ 69.93	$ -	$ (69.93)	0.00%
Part-Time Salaries	6110	$ 1,645.28	$ -	$ 2,198.98	$ -	$ (2,198.98)	0.00%
Retirement	6120	$ 4,343.59	$ 421.03	$ 5,663.74	$ -	$ (5,663.74)	0.00%
Employee Insurance	6130	$ 3,696.78	$ 581.99	$ 5,414.39	$ -	$ (5,414.39)	0.00%
Workers Compensation	6140	$ 2,639.20	$ 280.98	$ 3,473.03	$ -	$ (3,473.03)	0.00%
Personnel		**$ 34,453.56**	**$ 3,896.81**	**$ 45,735.69**	**$ -**	**$ (45,735.69)**	**0.00%**
YTD Comparison				**$ 41,838.88**			
Services and Supplies							
Incidental Costs - Assess	6709	$ -	$ -	$ -	$ 19,444.00	$ 19,444.00	0.00%
Grounds Maintenance	6710	$ 4,528.82	$ -	$ 9,150.85	$ -	$ (9,150.85)	0.00%
Tree Care	6719	$ 3,575.77	$ -	$ 3,575.77	$ 90,000.00	$ 86,424.23	3.97%
Contracted LS Services	6720	$ 20,159.27	$ 42,968.19	$ 20,159.27	$ 745,074.00	$ 724,914.73	2.71%
Park Amenities - Assess	6722	$ -	$ -	$ -	$ 34,000.00	$ 34,000.00	0.00%
Bank & Registration Fees	6950	$ -	$ -	$ -	$ 70.00	$ 70.00	0.00%
Approp Redev/Collection Fees	6960	$ -	$ -	$ -	$ 3,500.00	$ 3,500.00	0.00%
COP Debt - PV Fields	7950	$ -	$ -	$ -	$ 408,780.00	$ 408,780.00	0.00%
Services and Supplies		**$ 28,263.86**	**$ 42,968.19**	**$ 32,885.89**	**$ 1,300,868.00**	**$ 1,267,982.11**	**2.53%**
YTD Comparison				**$ (10,082.30)**			
Expense		**$ 62,717.42**	**$ 46,865.00**	**$ 78,621.58**	**$ 1,300,868.00**	**$ 1,222,246.42**	**6.04%**
YTD Comparison				**$ 31,756.58**			
Revenue Total		**$ -**	**$ 268.54**	**$ 5,093.76**	**$ 1,313,871.00**	**$ 1,308,777.24**	**0.39%**
Expense Total		**$ 62,717.42**	**$ 46,865.00**	**$ 78,621.58**	**$ 1,300,868.00**	**$ 1,222,246.42**	**6.04%**
YTD Revenue-Expenses			**$ (46,596.46)**	**$ (73,527.82)**			
YTD Comparison				$ (26,931.36)			

General Ledger
Fund 30 Quimby Fund
August 2023 16.7%

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
Interest Earnings	5310	$ 21,192.91	$ 5,464.72	$ 34,780.62	$ 120,000.00	$ 85,219.38	28.98%
Revenue		**$ 21,192.91**	**$ 5,464.72**	**$ 34,780.62**	**$ 120,000.00**	**$ 85,219.38**	**28.98%**
Capital							
General Capital	8400	$ -	$ -	$ -	$ 621,769.00	$ 621,769.00	0.00%
Pickleball Sports Complex	8493	$ 267.89	$ 5,521.57	$ 267.89	$ 1,300,000.00	$ 1,299,732.11	0.02%
Multi-Generation Center	8504	$ -	$ -	$ -	$ 1,000,000.00	$ 1,000,000.00	0.00%
Capital		**$ 267.89**	**$ 5,521.57**	**$ 267.89**	**$ 2,921,769.00**	**$ 2,921,501.11**	**0.01%**
Expense		**$ 267.89**	**$ 5,521.57**	**$ 267.89**	**$ 2,921,769.00**	**$ 2,921,501.11**	**0.01%**
Revenue Total		**$ 21,192.91**	**$ 5,464.72**	**$ 34,780.62**	**$ 120,000.00**	**$ 85,219.38**	**28.98%**
Expense Total		**$ 267.89**	**$ 5,521.57**	**$ 267.89**	**$ 2,921,769.00**	**$ 2,921,501.11**	**0.01%**
YTD Revenue-Expenses			**$ (56.85)**	**$ 34,512.73**			
YTD Comparison				$ 34,569.58			

Date Received	Amount	Amount Earmarked	Developer	Development Case #	Amount Expended	Balance	Allocation Date
7/31/14	$ 615,709.00	$ 720,600.00	AMLI Residential	Springville (RPD-173)	$ 615,709.00	$ -	7/31/2019
1/31/15	$ 2,250,489.70	$ 2,250,489.70	Fairfield LLC		$ 1,894,525.49	$ 355,964.21	1/31/2020
8/8/16	$ 2,649,209.00	$ 3,200,000.00	Comstock/Elacora Mission Oaks		$ 1,824,129.76	$ 825,079.24	8/8/2021
8/10/16	$ 474,353.00	$ 629,500.00	KB Homes**		$ 230,159.82	$ 244,193.18	8/10/2021
6/7/18	$ 21,612.25	$ 21,612.25	Crestview		$ -	$ 21,612.25	6/7/2023
6/27/18	$ -	$ -	Aldersgate Construction		$ 146,682.55	$ -	REFUNDED
3/6/19	$ 35,242.00	$ -	Habitat for Humanity		$ -	$ 35,242.00	3/6/2024
9/12/19	$ -	$ -	Aldersgate Construction		$ 92,200.46	$ -	REFUNDED
11/21/19	$ 1,264,500.00	$ 1,000,000.00	Shea Homes		$ -	$ 1,264,500.00	11/21/2024
7/29/22	$ 2,840,447.45	$ -	Williams Homes		$ -	$ 2,840,447.45	7/29/2027
8/5/22	$ 347,625.00	$ -	Somis Ranch Phase 1		$ -	$ 347,625.00	8/5/2027
10/20/22	$ 278,100.00	$ -	Somis Ranch Phase 2		$ -	$ 278,100.00	10/20/2027
3/15/23	$ 313,508.00	$ -	Barry 60 LP		$ -	$ 313,508.00	3/15/2028
Total	**$ 11,090,795.40**	**$ 7,822,201.95**			**$ 4,803,407.08**	**$ 6,526,271.33**	

*Amount allocated exceeds fee total due to Valle Lindo Restroom Project, excess expenses to be allocated from KB Homes

**Expenses for Valle Lindo above AMLI fee amount allocated here, full allocated amount yet to be spent

Developer	Project					Quimby Funds				GL Code
	No.	Location	Description	Budgeted	Expended	Awarded	Balance	Committed Date	Allocation Date	Assigned
AMLI						**$ 615,709.00**	$ 615,709.00		**7/31/2019**	
Public Hearing 7/5/2018	1	Nancy Bush	Nancy Bush Picnic Area(s)	$ 45,600.00	$ 29,585.62		$ 586,123.38			8446
Public Hearing 7/5/2018	2	Valle Lindo	Valle Lindo RR/Pavillion*	$ 425,000.00	$ 364,574.44		$ 221,548.94	12/6/2018		8444
Public Hearing 7/5/2018	3	Nancy Bush	Nancy Bush Playground	$ 250,000.00	$ 221,548.94		$ -	10/3/2018		8445
TOTALS				**$ 720,600.00**	**$ 615,709.00**		**$ -**			
FAIRFIELD LLC						**$ 2,250,489.70**	$ 2,250,489.70		**1/31/2020**	
Public Hearing 11/7/2018	1	Freedom	Freedom Baseball Fields- Non- Contract Cost		$ 504,121.78		$ 1,746,367.92	11/7/2018		8459
	2	Freedom	Freedom Baseball Fields- Contract Cost	$ 1,100,000.00	$ 411,628.87		$ 1,334,739.05			
Public Hearing 7/3/19	3	PVAC	PVAC Restrooms and Showers	$ 500,000.00	$ 647,336.74		$ 687,402.31			8469
Mid-Year Budget Adj 2/5/2020	4	PV Fields	Fertiizer Injector System	$ 60,000.00	$ 50,788.90		$ 636,613.41			8478
	5		Senior and Community Rec Fac Project		$ -		$ 636,613.41			
	6		Senior and Community Rec Fac Exterior Proj		$ -		$ 636,613.41			
	7		Community Center Kitchen Expansion	$ 250,000.00	$ 280,649.20		$ 355,964.21			8480
	8		Community Center Classroom and Auditorium Enhancements							
	9		Freedom Park Parking Lot Enhancement							
	10		Freedom Park Landscape and Walking Path							
	11		Camarillo Grove Nature Center							
				$ 1,910,000.00	**$ 1,894,525.49**		**$ 355,964.21**			
ELACORA MISSION OAKS						**$ 2,649,209.00**	$ 2,649,209.00		**8/8/2021**	
	1	Encanto	PG Equipment Installation		$ 189,887.74		$ 2,459,321.26	11/3/2016		
Budget Allocation 11/5/2020	2	Arneill Rch Pk	Arneill Ranch Park Renovation	$ 1,500,000.00	$ 1,496,641.96		$ 962,679.30	11/5/2020		8464
	3		Pickleball	$ 1,400,000.00	$ 137,600.06		$ 825,079.24			8493
	4		Camarillo Nature Center	$ 300,000.00	$ -		$ 825,079.24			
	5		Freedom Park Landscape and Walking Path		$ -		$ 825,079.24			
			Freedom Baseball Fields		$ -		$ 825,079.24			
				$ 3,200,000.00	**$ 1,824,129.76**		**$ 825,079.24**			
KB HOMES						**$ 474,353.00**	$ 474,353.00		**8/10/2021**	
Public Hearing 7/5/2018	1	Valle Lindo	Valle Lindo RR/Pavillion*	$ 425,000.00	$ 32,368.30		$ 441,984.70			8444
Public Hearing 7/5/2018	2	Mel Vincent	Mel Vincent Park Restrooms	$ 139,500.00	$ 166,253.78		$ 275,730.92			8460
Public Hearing 7/5/2018	3	Nancy Bush	Nancy Bush Pavillion	$ 65,000.00	$ 31,537.74		$ 244,193.18			8447
	4		Community Center Classroom and Auditorium Enhancements		$ -		$ 244,193.18			
	5		Dos Caminos Expansion and ADA		$ -		$ 244,193.18			
					$ -		$ 244,193.18			
				$ 629,500.00	**$ 230,159.82**		**$ 244,193.18**			
CRESTVIEW						**$ 21,612.25**	$ 21,612.25		**6/7/2023**	
Public Hearing 6/7/2023	1		Senior/Community Center ADA	$ 21,612.25	$ -		$ 21,612.25	6/7/2023		
				$ 21,612.25	**$ -**		**$ 21,612.25**			
HABITAT FOR HUMANITY						**$ 35,242.00**	$ 35,242.00		**3/6/2024**	
				$ -	**$ -**		**$ 35,242.00**			
SHEA HOMES						**$ 1,264,500.00**	$ 1,264,500.00		**11/21/2024**	
Publich Hearing 7/5/2023	1		Multi-Generation Center	$ 1,000,000.00	$ -		$ 1,264,500.00	7/5/2023		
				$ 1,000,000.00	**$ -**		**$ 1,264,500.00**			
Williams Homes						**$ 2,840,447.45**	$ 2,840,447.45		**7/29/2027**	
							$ 2,840,447.45			
Somis Ranch Phase 1						**$ 347,625.00**	$ 347,625.00		**8/5/2027**	
							$ 347,625.00			
Somis Ranch Phase 2						**$ 278,100.00**	$ 278,100.00		**10/20/2027**	
							$ 278,100.00			
Barry 60 LP						**$ 313,508.00**	$ 313,508.00		**3/15/2028**	
							$ 313,508.00			
Grand Total				**$ 7,481,712.25**	**$ 4,564,524.07**	**$ 11,090,795.40**	**$ 6,526,271.33**			

General Ledger

Fund 40 Park Impact Fee Fund

August 2023 16.7%

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
Interest Earnings	5310	$ -	$ 58.56	$ 995.49	$ 8,000.00	$ 7,004.51	12.44%
Revenue		**$ -**	**$ 58.56**	**$ 995.49**	**$ 8,000.00**	**$ 7,004.51**	**12.44%**
Revenue Total		**$ -**	**$ 58.56**	**$ 995.49**	**$ 8,000.00**	**$ 7,004.51**	**12.44%**
Expense Total		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**0.00%**

General Ledger
Fund 50 CDBG Fund
August 2023 16.7%

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
CDBG - Food Share	5577	$ -	$ -	$ -	$ 11,491.00	$ 11,491.00	0.00%
Revenue		**$ -**	**$ -**	**$ -**	**$ 11,491.00**	**$ 11,491.00**	**0.00%**
Personnel							
Full Time Salaries	6100	$ 306.90	$ 808.26	$ 429.66	$ 8,679.00	$ 8,249.34	4.95%
Part-Time Salaries	6110	$ 4,086.42	$ 3,729.04	$ 5,412.60	$ 1,860.00	$ (3,552.60)	291.00%
Retirement	6120	$ 608.96	$ 628.54	$ 811.73	$ 806.00	$ (5.73)	100.71%
Employee Insurance	6130	$ 29.22	$ 9.51	$ 43.83	$ -	$ (43.83)	0.00%
Workers Compensation	6140	$ 55.23	$ 104.82	$ 75.37	$ 146.00	$ 70.63	51.62%
Personnel		**$ 5,086.73**	**$ 5,280.17**	**$ 6,773.19**	**$ 11,491.00**	**$ 4,717.81**	**58.94%**
Services and Supplies							
Division Supplies	7410	$ -	$ -	$ 4,081.80	$ -	$ (4,081.80)	0.00%
Services and Supplies		**$ -**	**$ -**	**$ 4,081.80**	**$ -**	**$ (4,081.80)**	**0.00%**
Expense		**$ 5,086.73**	**$ 5,280.17**	**$ 10,854.99**	**$ 11,491.00**	**$ 636.01**	**94.47%**
Revenue Total		**$ -**	**$ -**	**$ -**	**$ 11,491.00**	**$ 11,491.00**	**0.00%**
Expense Total		**$ 5,086.73**	**$ 5,280.17**	**$ 10,854.99**	**$ 11,491.00**	**$ 636.01**	**94.47%**

General Ledger
Fund 60 Restricted Donations
August 2023 16.7%

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
Interest Earnings	5310	$ -	$ -	$ 529.09	$ 1,000.00	$ 470.91	52.91%
Revenue		**$ -**	**$ -**	**$ 529.09**	**$ 1,000.00**	**$ 470.91**	**52.91%**
Capital							
Micracle League 805 Ballfield	8497	$ -	$ -	$ 88,586.05	$ 300,000.00	$ 211,413.95	29.53%
Capital		**$ -**	**$ -**	**$ 88,586.05**	**$ 300,000.00**	**$ 211,413.95**	**29.53%**
Expense		**$ -**	**$ -**	**$ 88,586.05**	**$ 300,000.00**	**$ 211,413.95**	**29.53%**
Revenue Total		**$ -**	**$ -**	**$ 529.09**	**$ 1,000.00**	**$ 470.91**	**52.91%**
Expense Total		**$ -**	**$ -**	**$ 88,586.05**	**$ 300,000.00**	**$ 211,413.95**	**29.53%**

California CLASS

Investment Name	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
California CLASS					1.51%	2.36%	2.61%	3.10%	3.80%
	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
California CLASS	4.19%	4.53%	4.70%	4.77%	5.00%	5.15%	5.23%	5.29%	5.45%

- Rates are determined at the end of the month

Ventura County Pool

Investment Name	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
Ventura County Pool	0.36%	0.51%	0.62%	0.82%	1.26%	1.55%	1.73%	1.92%	2.29%
	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Ventura County Pool	2.74%	3.01%	3.15%	3.11%	3.60%	3.49%	3.56%	3.49%	3.51%

Local Agency Investment Fund (LAIF)

Investment Name	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
Local Agency Investment Fund (LAIF)	0.37%	0.52%	0.68%	0.86%	1.09%	1.28%	1.51%	1.77%	2.01%
	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Local Agency Investment Fund (LAIF)	2.17%	2.43%	2.62%	2.83%	2.87%	2.99%	3.17%	3.31%	3.43%

Pacific Western Bank

Investment Name	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
Pacific Western Bank	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Pacific Western Bank	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%

Pleasant Valley Recreation and Park District
Quarterly Investment Report
September 2023

Name Of Account	Fiscal Year 2022/2023																	
	Jul-22	Aug-22	Sep-22	Total 1ST Qtr. Of 2022/2023	Oct-22	Nov-22	Dec-22	Total 2ND Qtr. Of 2022/2023	Jan-23	Feb-23	Mar-23	Total 3RD Qtr. Of 2022/2023	Apr-23	May-23	Jun-23	Total 4TH Qtr. Of 2022/2023	Total 2022/2023 Interest	Total Interest Earned Since Purchased
LAIF Capital #1301	$ 6,740.08	$ -	$ -	**$ 6,740.08**	$ 8,639.34	$ -	$ -	**$ 8,639.34**	$ 13,327.62	$ -	$ -	**$ 13,327.62**	$ 18,002.49	$ -	$ -	**$ 18,002.49**	**$ 46,709.53**	
																	$ -	
Ventura County Pool (Restricted -0241)	$ -	$ 5,039.70	$ -	**$ 5,039.70**	$ 8,639.54	$ -	$ -	**$ 8,639.54**	$ -	$ -	$ 24,979.81	**$ 24,979.81**	$ -	$ 16,340.27	$ 21,192.91	**$ 37,533.18**	**$ 76,192.23**	
Pacific West Bank																		
457 Pension	$ 2.56	$ 2.54	$ 2.25	**$ 7.35**	$ 1.39	$ 0.12	$ 0.11	**$ 1.62**	$ 0.12	$ 0.10	$ 0.12	**$ 0.34**	$ 0.11	$ 0.12	$ 0.11	**$ 0.34**	**$ 9.65**	
Assessment	$ 36.34	$ 34.90	$ 32.26	**$ 103.50**	$ 18.88	$ 0.18	$ 0.13	**$ 19.19**	$ 0.14	$ 0.14	$ 0.20	**$ 0.48**	$ 0.18	$ 0.17	$ 0.18	**$ 0.53**	**$ 123.70**	
Capital	$ 39.76	$ 39.77	$ 38.49	**$ 118.02**	$ 23.38	$ 0.68	$ 0.70	**$ 24.76**	$ 0.71	$ 0.63	$ 0.70	**$ 2.04**	$ 0.68	$ 0.70	$ 0.68	**$ 2.06**	**$ 146.88**	
Contingency	$ 140.86	$ 123.56	$ 102.25	**$ 366.67**	$ 57.26	$ 4.50	$ 4.66	**$ 66.42**	$ 4.65	$ 4.21	$ 4.66	**$ 13.52**	$ 4.50	$ 4.66	$ 4.51	**$ 13.67**	**$ 460.28**	
Debt Service	$ 4.77	$ 4.78	$ 4.62	**$ 14.17**	$ 2.86	$ 0.18	$ 0.19	**$ 3.23**	$ 0.19	$ 0.17	$ 0.19	**$ 0.55**	$ 0.19	$ 0.19	$ 0.18	**$ 0.56**	**$ 18.51**	
Quimby	$ 130.65	$ 294.37	$ 227.38	**$ 652.40**	$ 198.24	$ 243.28	$ 260.16	**$ 701.68**	$ 259.37	$ 234.08	$ 238.68	**$ 732.13**	$ 223.75	$ 141.64	$ 129.98	**$ 495.37**	**$ 2,581.58**	
Park Impact Fees	$ 29.28	$ 29.28	$ 28.34	**$ 86.90**	$ 17.03	$ -	$ -	**$ 17.03**	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ 103.93**	
California CLASS																		
457 Pension				**$ -**	$ 67.14	$ 203.63	$ 232.12	**$ 502.89**	$ 251.17	$ 237.47	$ 267.06	**$ 755.70**	$ 272.45	$ 291.04	$ 287.07	**$ 850.56**	**$ 2,109.15**	
Assessment				**$ -**	$ 638.33	$ 1,149.32	$ 1,676.85	**$ 3,464.50**	$ 4,077.72	$ 3,549.05	$ 3,782.58	**$ 11,409.35**	$ 4,176.93	$ 5,355.52	$ 5,098.77	**$ 14,631.22**	**$ 29,505.07**	
Capital				**$ -**	$ 1,187.94	$ 3,740.73	$ 4,739.13	**$ 9,667.80**	$ 6,980.05	$ 6,598.89	$ 7,421.24	**$ 21,000.18**	$ 7,570.95	$ 8,087.59	$ 7,997.14	**$ 23,655.68**	**$ 54,323.66**	
Contingency				**$ -**	$ 2,289.91	$ 6,119.18	$ 5,596.05	**$ 14,005.14**	$ 16,349.39	$ 15,455.38	$ 17,381.43	**$ 49,186.20**	$ 19,021.96	$ 29,028.55	$ 27,088.21	**$ 75,138.72**	**$ 138,330.06**	
Debt Service				**$ -**	$ 139.45	$ 422.92	$ 482.10	**$ 1,044.47**	$ 521.67	$ 493.21	$ 554.67	**$ 1,569.55**	$ 565.86	$ 604.47	$ 596.22	**$ 1,766.55**	**$ 4,380.57**	
Quimby				**$ -**	$ 275.65	$ 1,623.44	$ 1,849.74	**$ 3,748.83**	$ 2,001.55	$ 1,892.35	$ 2,627.79	**$ 6,521.69**	$ 3,462.49	$ 3,698.55	$ 3,648.04	**$ 10,809.08**	**$ 21,079.60**	
Park Impact Fees				**$ -**	$ 172.51	$ 523.16	$ 596.38	**$ 1,292.05**	$ 663.73	$ 638.04	$ 740.74	**$ 2,042.51**	$ 763.84	$ 849.00	$ 947.45	**$ 2,560.29**	**$ 5,894.85**	
Total	**$ 7,124.30**	**$ 5,568.90**	**$ 435.59**	**$ 13,128.79**	**$ 22,368.85**	**$ 14,031.32**	**$ 15,438.32**	**$ 51,838.49**	**$ 13,592.80**	**$ 239.33**	**$ 25,224.36**	**$ 39,056.49**	**$ 18,231.90**	**$ 16,487.75**	**$ 21,328.55**	**$ 56,048.20**	**$ 381,969.25**	**$ -**

PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT

TO: FINANCE COMMITTEE

FROM: MARY OTTEN, GENERAL MANAGER
By: Justin Kiraly, Administrative Services Manager

DATE: September 20, 2023

SUBJECT: CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS) ACTUARIAL VALUATION INFORMATION REPORT AS OF JUNE 2022

SUMMARY

The California Public Employees Retirement System (CalPERS) offers a defined benefit retirement plan. It provides benefits based on members years of service, age, and final compensation. Annually CalPERS provides each participating agency the Annual Valuation Report which is an important tool to help the District budget for its retirement benefits. These informational reports also provide insight regarding minimum employer contributions, changes from previous year's valuations, the District plans' liabilities, funding levels, contributions for both employer and employee and other information.

BACKGROUND

CalPERS is governed by a 13-member Board of Administration who are elected, appointed, or hold office ex officio. As the nation's largest public pension fund, CalPERS serves more than 2 million members in the retirement system and more than 1.5 million members and their families in their health program. The District Board entered into an agreement with CalPERS effective September 1, 1969. Currently, the District has three different retirement plans (2.5% @ 55, 2% @ 60, and 2% @ 62).

The 2.5% @ 55 CalPERS retirement plan was approved by the District Board in 2007. In July of 2011, the District Board approved a two-tiered program re-establishing the 2% @ 60 CalPERS retirement plan for all new employees. The California Public Employees' Pension Reform Act (PEPRA) took effect in January 2013, which added a third tier, 2% @ 62. These updates also changed the way CalPERS retirement and health benefits are applied and places compensation limits on members.

CalPERS officials estimate that it is 72% funded and that figure assumes future investment earnings averaging 6.8% a year. CalPERS has posted a 6.9% return average over the last 20 years by its own calculation. CalPERS investment returns do not always hit the projected return in a single year and the expected rate of return has been lowered over the life of CalPERS, which has left the various plans not fully funded.

On December 21, 2016, the CalPERS Board of Administration voted to lower the discount rate, or expected earnings, from 7.5% to 7% over a three-year period starting in Fiscal Year 2018-2019. The incremental lowering was to give employers more time to prepare for the changes in employer contribution costs. Under the Funding Risk Mitigation Policy which was approved by the CalPERS Board of Administration in 2015, the double-digit return from fiscal year 2020-2021 reduced the discount rate further to 6.8%. Lowering the expected rate of return has resulted in lower funded status due to the expectation that assets will grow at a slower rate.

For the one-year period ending on June 30, 2022, CalPERS reported a -6.1% net investment return and CalPERS net position at just under $440 billion.

The 2021-22 fiscal year return for the Public Employees' Retirement Fund (PERF) of -6.1% was the result of -13.1% in Public Stocks, -14.5% in Fixed Income investments, +21.3% in Private Equity and +24.1% in Real Assets.

As previously stated, based on these fiscal year returns, the funded status of the overall PERF is 72%, based on a 6.8% discount rate.

Preliminary numbers for fiscal year 2023, one year period ending June 30, 2023 include a preliminary net return of 5.8%, 1% less than discount rate, and estimated funded status remaining at 72%.

Annually the CalPERS Actuarial Office sends out the Annual Valuation Report to each public agency which is always one year in arrears. The report includes pension plan information of the current financial status of each plan along with the projected "Employer Normal Cost Rate" and the "Employer Amortization of Unfunded Accrued Liability" for the upcoming two fiscal years. It also contains the "Amortization Schedule and Alternatives" showing the balances of each plan, the "Employer Contribution History" and the "Funding History" of each plan.

Taking into consideration the numbers mentioned above, starting fiscal year 2024-25 the employer contribution rate for the 2.5% @ 55 plan will increase by .07 percentage points, the 2% @ 60 plan will increase by .05 percentage points, and the 2% @ 62 plan will increase by 0.19 percentage points.

ANALYSIS

The District has three retirement plans. The three plans are known as 2.5% @ 55 Plan, 2% @ 60 Plan and 2% @ 62 Plan. The District strives to pay off the 2% @ 60 and the 2% @ 62 plans each year and pay additional if the budget will allow it. The District pays the minimum annual contribution on the 2.5% @ 55 plan.

The minimum Unfunded Liability payments for fiscal year 2024-2025 for the 2.5% @ 55 plan will be $577,231, for the 2% @ 60 plan will be $ $2,748, and for the 2% @ 62 plan be $2,262. The District has historically paid off the entire 2% @ 60 and 2% @ 62 plans instead of only making the minimum payment, however, this discussion will be had as part of the budgeting process.

The table below shows the number of current and retired employees in each pension plan.

Employees per Pension Plan

Plan Name	Number of Active Employees in Plan	Number of Retirees in Plan	Eligibility of Plan for Employee
2.5% @ 55	12	61	Closed to New Employees
2% @ 60 – Classic Members	5	2	Open to New Employees, only if already Classic Member
2% @ 62 – PEPRA*	22	0	New Employee to PERS

*Public Employees' Pension Reform Act

Current and Future Unfunded Liability Obligations through FY 2026-2027

Plan Name	Actual Unfunded Accrued Liability 2024-2025	Estimated Unfunded Accrued Liability 2025-2026	Estimated Unfunded Accrued Liability 2026-2027
2.5% @ 55	$ 596,534	$ 637,000	$ 676,000
2% @ 60	$ 2,840	$ 4,100	$ 5,400
2% @ 62 - PEPRA	$ 2,338	$ 3,500	$ 4,600

Current Unfunded Liability Balance

Plan Name	Plan Balance as of 6/30/22
2.5% @ 55	$ 7,292,260
2% @ 60	$ 61,555
2% @ 62	$ 44,102

FISCAL IMPACT

No fiscal impact to fiscal year 2022 – 2023 budget as the PERS Unfunded Liability payments have already been submitted. Future obligations will be placed in the future budgets as needed.

STRATEGIC PLAN COMPLIANCE

Meets 2021 Strategic Plan Goal 2.1: Utilize best accounting practices and evaluate management and financial services.

RECOMMENDATION

CalPERS Valuation Reports are presented as informational items only.

ATTACHMENTS

1) Pension Plan 2.5% @ 55 – Miscellaneous First Tier as of June 2022 (32 pages)

2) Pension Plan 2% @ 60 – Miscellaneous Second Tier (Classic) as of June 2022 (31 pages)
3) Pension Plan 2% @ 62 – PEPRA Miscellaneous Plan (PEPRA) as of June 2022 (32 pages)
4) CalPERS Reports Preliminary 5.8% Investment Return for 2022-23 Fiscal Year (3 pages)
5) CalPERS Transparency Report as of June 2022 (20 pages)

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 First Tier Plan of the Pleasant Valley Recreation and Park District (CalPERS ID: 3596803517)
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	13.41%	$596,534
Projected Results		
2025-26	*13.4%*	*$637,000*

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 First Tier Plan
of the
Pleasant Valley Recreation and Park District
(CalPERS ID: 3596803517)

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 First Tier Plan of the Pleasant Valley Recreation and Park District

(CalPERS ID: 3596803517)
(Rate Plan ID: 9643)

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Actuarial Certification

To the best of our knowledge, this report, comprised of Sections 1 and 2, is complete and accurate and contains sufficient information to disclose, fully and fairly, the funded condition of the Miscellaneous First Tier Plan of the Pleasant Valley Recreation and Park 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 Pleasant Valley Recreation and Park 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.

BILL KARCH, ASA, MAAA
Supervising 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 First Tier Plan of the Pleasant Valley Recreation and Park 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 First Tier Plan of the Pleasant Valley Recreation and Park 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	**13.41%**
Plus	
Required Payment on Amortization Bases[1]	**$596,534**
Paid either as	
1) Monthly Payment	**$49,711.17**
Or	
2) Annual Prepayment Option*	**$577,231**

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	21.30%	21.37%
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	21.30%	21.37%
Offset Due to Employee Contributions	7.96%	7.96%
Employer Normal Cost Rate	13.34%	13.41%

[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 $596,534. CalPERS allows agencies to make additional discretionary payments (ADPs) at any time and in any amount. These optional payments serve to reduce the UAL and future required contributions and can result in significant long-term savings. Agencies can also use ADPs to stabilize annual contributions as a fixed dollar amount, percent of payroll or percent of revenue.

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

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

Minimum Required Employer Contribution for Fiscal Year 2024-25

Estimated Normal Cost	Minimum UAL Payment	ADP	Total UAL Contribution	Estimated Total Contribution
$106,185	$596,534	$0	$596,534	$702,719

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

Funding Horizon	Estimated Normal Cost	Minimum UAL Payment	ADP[1]	Total UAL Contribution	Estimated Total Contribution
20 years	$106,185	$596,534	$53,092	$649,626	$755,811
15 years	$106,185	$596,534	$161,312	$757,846	$864,031
10 years	$106,185	$596,534	$389,566	$986,100	$1,092,285
5 years	$106,185	$596,534	$1,099,250	$1,695,784	$1,801,969

[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	$22,782,417	$22,957,113
2. Entry Age Accrued Liability	21,392,679	21,597,524
3. Market Value of Assets (MVA)	16,522,240	14,305,264
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	$4,870,439	$7,292,260
5. Funded Ratio [(3) / (2)]	77.2%	66.2%

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

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

	1% Lower Average Return	Current Assumption	1% Higher Average Return
Discount Rate	5.8%	6.8%	7.8%
1. Entry Age Accrued Liability	$24,341,854	$21,597,524	$19,318,996
2. Market Value of Assets (MVA)	14,305,264	14,305,264	14,305,264
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	$10,036,590	$7,292,260	$5,013,732
4. Funded Ratio [(2) / (1)]	58.8%	66.2%	74.0%

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 9643 Results					
Normal Cost %	13.41%	13.4%	13.4%	13.4%	13.4%	13.4%
UAL Payment	$596,534	$637,000	$676,000	$708,000	$780,000	$797,000

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 9643. 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	$2,386,873	$2,728,390
Estimated Employer Normal Cost	$248,462	$268,345
Required Payment on Amortization Bases	$511,307	$601,712
Estimated Total Employer Contributions	$759,769	$870,057
Estimated Total Employer Contribution Rate (illustrative only)	31.83%	31.89%

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	$4,367,064
Transferred Members	1,005,903
Separated Members	1,266,247
Members and Beneficiaries Receiving Payments	14,958,310
Total	$21,597,524

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	$21,597,524
2.	Projected UAL Balance at 6/30/2022	4,736,220
3.	Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4.	Adjusted UAL Balance at 6/30/2022 for Asset Share	4,736,220
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)	2,252,511
10.	Plan's Share of Pool's Non-Investment (Gain)/Loss: (1) ÷ (5) × (8)	303,529
11.	Plan's New (Gain)/Loss as of 6/30/2022: (9) + (10)	2,556,040
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)	2,252,511

[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)	$7,292,260
19.	Plan's Share of Pool's MVA: (1) - (18)	$14,305,264

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
Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	21	1,925,258	138,469	1,913,076	138,855	1,899,667	142,744
Non-Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	21	(17,757)	(1,277)	(17,645)	(1,281)	(17,521)	(1,317)
Share of Pre-2013 Pool UAL	6/30/13	No Ramp		2.80%	12	1,881,062	178,834	1,824,160	180,490	1,761,677	185,544
Assumption Change	6/30/14	100%	Up/Down	2.80%	12	838,938	89,910	803,069	90,906	763,732	93,451
Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	22	(1,437,559)	(100,413)	(1,431,542)	(100,607)	(1,424,915)	(103,424)
Non-Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	22	1,640	115	1,633	115	1,625	118
Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	23	903,109	61,383	901,085	61,450	898,854	63,170
Non-Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	23	(76,781)	(5,219)	(76,609)	(5,224)	(76,420)	(5,371)
Assumption Change	6/30/16	100%	Up/Down	2.80%	14	344,982	32,868	334,474	33,170	322,939	34,098
Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	24	1,145,471	75,892	1,144,933	75,913	1,144,337	78,038
Non-Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	24	(147,428)	(9,768)	(147,358)	(9,770)	(147,282)	(10,044)
Assumption Change	6/30/17	100%	Up/Down	2.80%	15	404,601	29,829	401,287	37,596	389,721	38,648
Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	25	(596,321)	(31,250)	(604,576)	(39,043)	(605,339)	(40,136)
Non-Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	25	(32,023)	(1,678)	(32,466)	(2,097)	(32,507)	(2,155)
Assumption Change	6/30/18	100%	Up/Down	2.80%	16	650,574	35,488	658,138	47,656	653,642	61,238
Investment (Gain)/Loss	6/30/18	100%	Up/Down	2.80%	26	(179,067)	(7,050)	(183,958)	(9,386)	(186,767)	(12,061)
Method Change	6/30/18	100%	Up/Down	2.80%	16	180,386	9,840	182,483	13,214	181,236	16,980
Non-Investment (Gain)/Loss	6/30/18	100%	Up/Down	2.80%	26	93,341	3,675	95,890	4,893	97,354	6,287
Investment (Gain)/Loss	6/30/19	80%	Up Only	0.00%	17	80,988	3,388	82,994	4,990	83,481	6,654
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	17	85,186	7,983	82,729	7,844	80,248	7,844

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	6/30/20	60%	Up Only	0.00%	18	374,252	8,198	391,229	16,082	401,213	24,124
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	18	72,747	6,651	70,820	6,531	68,886	6,531
Assumption Change	6/30/21	No Ramp		0.00%	19	73,283	(6,875)	85,371	7,677	83,243	7,677
Net Investment (Gain)	6/30/21	40%	Up Only	0.00%	19	(1,733,526)	0	(1,851,406)	(39,795)	(1,936,176)	(79,591)
Non-Investment (Gain)/Loss	6/30/21	No Ramp		0.00%	19	(92,378)	0	(98,660)	(8,872)	(96,200)	(8,872)
Risk Mitigation	6/30/21	No Ramp		0.00%	0	551,077	(6,984)	595,768	615,691	0	0
Risk Mitigation Offset	6/30/21	No Ramp		0.00%	0	(557,835)	0	(595,768)	(615,691)	0	0
Investment (Gain)/Loss	6/30/22	20%	Up Only	0.00%	20	2,252,511	0	2,405,682	0	2,569,268	55,226
Non-Investment (Gain)/Loss	6/30/22	No Ramp		0.00%	20	303,529	0	324,169	0	346,212	31,133
Total						**7,292,260**	**512,009**	**7,259,002**	**511,307**	**7,224,208**	**596,534**

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	7,224,208	596,534	7,224,208	757,846	7,224,208	986,100
6/30/2025	7,098,974	636,952	6,932,265	757,846	6,696,378	986,100
6/30/2026	6,923,452	676,134	6,620,470	757,846	6,132,656	986,100
6/30/2027	6,695,503	707,712	6,287,473	757,846	5,530,601	986,100
6/30/2028	6,419,417	779,543	5,931,832	757,846	4,887,606	986,101
6/30/2029	6,050,324	796,608	5,552,008	757,846	4,200,886	986,100
6/30/2030	5,638,498	814,153	5,146,356	757,846	3,467,470	986,100
6/30/2031	5,180,537	832,192	4,713,119	757,846	2,684,182	986,101
6/30/2032	4,672,794	827,424	4,250,422	757,846	1,847,629	986,100
6/30/2033	4,135,452	821,867	3,756,262	757,846	954,192	986,101
6/30/2034	3,567,313	806,497	3,228,499	757,846		
6/30/2035	2,976,423	779,282	2,664,848	757,846		
6/30/2036	2,373,480	469,808	2,062,869	757,846		
6/30/2037	2,049,356	434,972	1,419,955	757,846		
6/30/2038	1,739,194	397,945	733,323	757,846		
6/30/2039	1,446,205	368,965				
6/30/2040	1,163,243	350,199				
6/30/2041	880,435	293,853				
6/30/2042	636,624	238,503				
6/30/2043	433,435	409,934				
6/30/2044	39,265	40,578				
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total		**12,079,655**		**11,367,690**		**9,861,003**
Interest Paid		**4,855,447**		**4,143,482**		**2,636,795**
Estimated Savings				**711,965**		**2,218,652**

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	9.498%	$200,862	N/A
2017 - 18	9.539%	239,623	N/A
2018 - 19	10.022%	295,150	N/A
2019 - 20	10.823%	355,155	0
2020 - 21	11.742%	400,092	0
2021 - 22	11.59%	463,829	0
2022 - 23	11.59%	525,868	0
2023 - 24	13.34%	511,307	
2024 - 25	13.41%	596,534	

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	$14,357,090	$10,939,035	$3,418,055	76.2%	$1,831,059
06/30/2014	15,748,741	12,561,160	3,187,581	79.8%	1,590,514
06/30/2015	16,361,314	12,439,875	3,921,439	76.0%	1,544,132
06/30/2016	17,288,302	12,226,528	5,061,774	70.7%	1,394,533
06/30/2017	18,434,922	13,383,979	5,050,943	72.6%	1,384,759
06/30/2018	19,510,176	13,739,336	5,770,840	70.4%	1,244,585
06/30/2019	19,801,042	13,766,797	6,034,245	69.5%	1,055,650
06/30/2020	20,347,079	13,856,703	6,490,376	68.1%	949,103
06/30/2021	21,392,679	16,522,240	4,870,439	77.2%	880,827
06/30/2022	21,597,524	14,305,264	7,292,260	66.2%	858,689

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	13.4%	13.4%	13.4%	13.4%	13.4%
UAL Contribution	$650,000	$716,000	$789,000	$915,000	$1,002,000
10.8% (95th percentile)					
Normal Cost Rate	13.7%	14.0%	14.3%	14.5%	14.8%
UAL Contribution	$624,000	$638,000	$630,000	$647,000	$593,000

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	13.41%	13.4%
UAL Contribution	$596,534	$721,000
(5.2)% (1 standard deviation loss)		
Normal Cost Rate	13.41%	13.4%
UAL Contribution	$596,534	$679,000

- 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	26.97%	21.37%	17.12%
b) Accrued Liability	$24,341,854	$21,597,524	$19,318,996
c) Market Value of Assets	$14,305,264	$14,305,264	$14,305,264
d) Unfunded Liability/(Surplus) [(b) - (c)]	$10,036,590	$7,292,260	$5,013,732
e) Funded Ratio	58.8%	66.2%	74.0%

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	22.46%	21.37%	19.45%
b) Accrued Liability	$22,392,610	$21,597,524	$19,842,037
c) Market Value of Assets	$14,305,264	$14,305,264	$14,305,264
d) Unfunded Liability/(Surplus) [(b) - (c)]	$8,087,346	$7,292,260	$5,536,773
e) Funded Ratio	63.9%	66.2%	72.1%

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	21.71%	21.37%	21.05%
b) Accrued Liability	$22,052,194	$21,597,524	$21,179,260
c) Market Value of Assets	$14,305,264	$14,305,264	$14,305,264
d) Unfunded Liability/(Surplus) [(b) - (c)]	$7,746,930	$7,292,260	$6,873,996
e) Funded Ratio	64.9%	66.2%	67.5%

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	$14,943,092	$14,958,310
2. Total Accrued Liability	21,392,679	21,597,524
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.70	0.69

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	13	12
2. Number of Retirees	61	61
3. Support Ratio [(1) / (2)]	0.21	0.20

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	$16,522,240	$14,305,264
2. Payroll	880,827	858,689
3. Asset Volatility Ratio (AVR) [(1) / (2)]	18.8	16.7
4. Accrued Liability	$21,392,679	$21,597,524
5. Liability Volatility Ratio (LVR) [(4) / (2)]	24.3	25.2

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	0.64	0.42	9.7	13.3
06/30/2018	0.66	0.39	11.0	15.7
06/30/2019	0.65	0.32	13.0	18.8
06/30/2020	0.68	0.26	14.6	21.4
06/30/2021	0.70	0.21	18.8	24.3
06/30/2022	0.69	0.20	16.7	25.2

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**
$14,305,264	$42,968,064	33.3%	$28,662,800	$28,559,273	50.1%	$14,254,009

[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	13	12
Average Attained Age	48.5	47.8
Average Entry Age to Rate Plan	31.9	29.8
Average Years of Credited Service	16.7	18.0
Average Annual Covered Pay	$67,756	$71,557
Annual Covered Payroll	$880,827	$858,689
Present Value of Future Payroll	$7,806,626	$7,630,597
Transferred Members	6	7
Separated Members	59	55
Retired Members and Beneficiaries*		
Counts	61	61
Average Annual Benefits	$18,736	$19,175
Total Annual Benefits	$1,142,892	$1,169,646

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	Misc	
Demographics			
Actives	No	Yes	
Transfers/Separated	Yes	Yes	
Receiving	Yes	Yes	
Benefit Provision			
Benefit Formula	2% @ 60	2.5% @ 55	
Social Security Coverage	Yes	Yes	
Full/Modified	Modified	Modified	
Employee Contribution Rate		8.00%	
Final Average Compensation Period	Three Year	Three Year	
Sick Leave Credit	Yes	Yes	
Non-Industrial Disability	Standard	Standard	
Industrial Disability	No	No	
Pre-Retirement Death Benefits			
Optional Settlement 2	Yes	Yes	
1959 Survivor Benefit Level	No	No	
Special	No	No	
Alternate (firefighters)	No	No	
Post-Retirement Death Benefits			
Lump Sum	$2000	$2000	
Survivor Allowance (PRSA)	No	No	
COLA	2%	2%	

Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Risk Pool Actuarial Valuation Information

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

California Public Employees' Retirement System
Actuarial Office
400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744
888 CalPERS (or **888**-225-7377) | TTY: (877) 249-7442 | **www.calpers.ca.gov**

July 2023

Miscellaneous Second Tier Plan of the Pleasant Valley Recreation and Park District (CalPERS ID: 3596803517)
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	10.15%	$2,840
Projected Results		
2025-26	*10.2%*	*$4,100*

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 Second Tier Plan
of the
Pleasant Valley Recreation and Park District

(CalPERS ID: 3596803517)

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

Table of Contents

Section 1

Plan Specific Information for the Miscellaneous Second Tier Plan of the Pleasant Valley Recreation and Park District

(CalPERS ID: 3596803517)
(Rate Plan ID: 9644)

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 Second Tier Plan of the Pleasant Valley Recreation and Park 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 Pleasant Valley Recreation and Park 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.

BILL KARCH, ASA, MAAA
Supervising 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 Second Tier Plan of the Pleasant Valley Recreation and Park 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 Second Tier Plan of the Pleasant Valley Recreation and Park 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	**10.15%**
Plus	
Required Payment on Amortization Bases[1]	**$2,840**
Paid either as	
1) Monthly Payment	**$236.67**
Or	
2) Annual Prepayment Option*	**$2,748**

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	17.03%	17.08%
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	17.03%	17.08%
Offset Due to Employee Contributions	6.93%	6.93%
Employer Normal Cost Rate	10.10%	10.15%

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

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

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

Additional Discretionary Employer Contributions

The minimum required employer contribution towards the Unfunded Accrued Liability (UAL) for this rate plan for FY 2024-25 is $2,840. 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
$43,418	$2,840	$0	$2,840	$46,258

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

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

Estimated Normal Cost	Minimum UAL Payment	ADP[1]	Total UAL Contribution	Estimated Total Contribution
$43,418	$2,840	$2,258	$5,098	$48,516

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	$43,418	$2,840	$4,126	$6,966	$50,384
15 years	$43,418	$2,840	$5,287	$8,127	$51,545
10 years	$43,418	$2,840	$7,735	$10,575	$53,993
5 years	$43,418	$2,840	$15,345	$18,185	$61,603

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

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

Funded Status – Funding Policy Basis

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

	June 30, 2021	June 30, 2022
1. Present Value of Benefits	$1,564,135	$1,767,949
2. Entry Age Accrued Liability	917,286	1,071,155
3. Market Value of Assets (MVA)	997,275	1,009,600
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	($79,989)	$61,555
5. Funded Ratio [(3) / (2)]	108.7%	94.3%

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	$1,243,848	$1,071,155	$930,135
2. Market Value of Assets (MVA)	1,009,600	1,009,600	1,009,600
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	$234,248	$61,555	($79,465)
4. Funded Ratio [(2) / (1)]	81.2%	94.3%	108.5%

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 9644 Results					
Normal Cost %	10.15%	10.2%	10.2%	10.2%	10.2%	10.2%
UAL Payment	$2,840	$4,100	$5,400	$6,700	$8,000	$8,000

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

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

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

Other Pooled Miscellaneous Risk Pool Rate Plans

All of the results presented in this Section 1 report, except those shown on this page, correspond to rate plan 9644. 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	$2,386,873	$2,728,390
Estimated Employer Normal Cost	$248,462	$268,345
Required Payment on Amortization Bases	$511,307	$601,712
Estimated Total Employer Contributions	$759,769	$870,057
Estimated Total Employer Contribution Rate (illustrative only)	31.83%	31.89%

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	$886,419
Transferred Members	11,816
Separated Members	73,280
Members and Beneficiaries Receiving Payments	99,640
Total	$1,071,155

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	$1,071,155
2.	Projected UAL Balance at 6/30/2022	(111,804)
3.	Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4.	Adjusted UAL Balance at 6/30/2022 for Asset Share	(113,846)
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)	158,305
10.	Plan's Share of Pool's Non-Investment (Gain)/Loss: (1) ÷ (5) × (8)	15,054
11.	Plan's New (Gain)/Loss as of 6/30/2022: (9) + (10)	173,359
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)	158,305
18.	Partial Fresh Start Base: (2) + (17)	46,501

[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)	$61,555
20.	Plan's Share of Pool's MVA: (1) - (19)	$1,009,600

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	15,054	0	16,078	0	17,171	1,544
Partial Fresh Start	6/30/22	20%	Up Only	0.00%	20	46,501	(6,578)	56,461	0	60,300	1,296
Total						**61,555**	**(6,578)**	**72,539**	**0**	**77,471**	**2,840**

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	77,471	2,840	77,471	6,966	77,471	8,127
6/30/2025	79,804	4,136	75,540	6,967	74,340	8,127
6/30/2026	80,956	5,432	73,477	6,966	70,996	8,127
6/30/2027	80,848	6,729	71,274	6,966	67,425	8,127
6/30/2028	79,392	8,025	68,922	6,967	63,611	8,127
6/30/2029	76,497	8,025	66,409	6,967	59,538	8,127
6/30/2030	73,405	8,025	63,725	6,967	55,188	8,127
6/30/2031	70,103	8,024	60,858	6,966	50,542	8,127
6/30/2032	66,578	8,025	57,797	6,966	45,580	8,127
6/30/2033	62,812	8,024	54,528	6,966	40,281	8,127
6/30/2034	58,791	8,025	51,037	6,967	34,621	8,127
6/30/2035	54,496	8,025	47,308	6,967	28,576	8,127
6/30/2036	49,909	8,026	43,325	6,966	22,120	8,126
6/30/2037	45,009	8,025	39,072	6,966	15,226	8,126
6/30/2038	39,776	8,025	34,530	6,967	7,864	8,127
6/30/2039	34,187	8,025	29,678	6,967		
6/30/2040	28,219	8,026	24,496	6,966		
6/30/2041	21,844	8,024	18,963	6,967		
6/30/2042	15,037	8,026	13,053	6,967		
6/30/2043	7,765	8,025	6,741	6,966		
6/30/2044						
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total		**147,537**		**139,330**		**121,903**
Interest Paid		**70,066**		**61,859**		**44,432**
Estimated Savings				**8,207**		**25,634**

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	7.159%	$800	N/A
2017 - 18	7.200%	961	N/A
2018 - 19	7.634%	1,527	N/A
2019 - 20	8.081%	1,855	0
2020 - 21	8.794%	453	22,939
2021 - 22	8.65%	1,271	29,443
2022 - 23	8.63%	2,202	0
2023 - 24	10.10%	0	
2024 - 25	10.15%	2,840	

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	$60,341	$50,877	$9,464	84.3%	$234,610
06/30/2014	99,509	95,272	4,237	95.7%	247,665
06/30/2015	175,656	164,799	10,857	93.8%	445,871
06/30/2016	270,266	238,474	31,792	88.2%	409,081
06/30/2017	391,088	362,400	28,688	92.7%	425,544
06/30/2018	541,428	503,147	38,281	92.9%	378,429
06/30/2019	647,353	622,780	24,573	96.2%	347,885
06/30/2020	785,843	736,676	49,167	93.7%	401,299
06/30/2021	917,286	997,275	(79,989)	108.7%	418,020
06/30/2022	1,071,155	1,009,600	61,555	94.3%	463,072

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	10.2%	10.2%	10.2%	10.2%	10.2%
UAL Contribution	$5,100	$8,300	$12,000	$18,000	$23,000
10.8% (95th percentile)					
Normal Cost Rate	10.4%	10.6%	10.8%	11.0%	11.2%
UAL Contribution	$3,400	$3,000	$0	$0	$0

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

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

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

Assumed Annual Return for Fiscal Year 2022-23	Required Employer Contributions	Projected Employer Contributions
	2024-25	2025-26
(17.2)% (2 standard deviation loss)		
Normal Cost Rate	10.15%	10.2%
UAL Contribution	$2,840	$10,000
(5.2)% (1 standard deviation loss)		
Normal Cost Rate	10.15%	10.2%
UAL Contribution	$2,840	$7,100

- 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	21.36%	17.08%	13.80%
b) Accrued Liability	$1,243,848	$1,071,155	$930,135
c) Market Value of Assets	$1,009,600	$1,009,600	$1,009,600
d) Unfunded Liability/(Surplus) [(b) - (c)]	$234,248	$61,555	($79,465)
e) Funded Ratio	81.2%	94.3%	108.5%

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	17.96%	17.08%	15.54%
b) Accrued Liability	$1,121,714	$1,071,155	$976,431
c) Market Value of Assets	$1,009,600	$1,009,600	$1,009,600
d) Unfunded Liability/(Surplus) [(b) - (c)]	$112,114	$61,555	($33,169)
e) Funded Ratio	90.0%	94.3%	103.4%

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	17.40%	17.08%	16.78%
b) Accrued Liability	$1,092,968	$1,071,155	$1,051,055
c) Market Value of Assets	$1,009,600	$1,009,600	$1,009,600
d) Unfunded Liability/(Surplus) [(b) - (c)]	$83,368	$61,555	$41,455
e) Funded Ratio	92.4%	94.3%	96.1%

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	$97,769	$99,640
2. Total Accrued Liability	917,286	1,071,155
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.11	0.09

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	5	5
2. Number of Retirees	2	2
3. Support Ratio [(1) / (2)]	2.50	2.50

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	$997,275	$1,009,600
2. Payroll	418,020	463,072
3. Asset Volatility Ratio (AVR) [(1) / (2)]	2.4	2.2
4. Accrued Liability	$917,286	$1,071,155
5. Liability Volatility Ratio (LVR) [(4) / (2)]	2.2	2.3

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	0.9	0.9
06/30/2018	0.00	N/A	1.3	1.4
06/30/2019	0.15	2.00	1.8	1.9
06/30/2020	0.12	2.50	1.8	2.0
06/30/2021	0.11	2.50	2.4	2.2
06/30/2022	0.09	2.50	2.2	2.3

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**
$1,009,600	$2,317,708	43.6%	$1,308,108	$1,428,421	70.7%	$418,821

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

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

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

Participant Data

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

	June 30, 2021	June 30, 2022
Active Members		
Counts	5	5
Average Attained Age	50.4	51.4
Average Entry Age to Rate Plan	43.5	43.4
Average Years of Credited Service	7.0	8.0
Average Annual Covered Pay	$83,604	$92,614
Annual Covered Payroll	$418,020	$463,072
Present Value of Future Payroll	$3,320,467	$3,736,428
Transferred Members	2	1
Separated Members	5	6
Retired Members and Beneficiaries*		
Counts	2	2
Average Annual Benefits	$3,419	$3,518
Total Annual Benefits	$6,837	$7,036

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	Yes	
Benefit Provision		
Benefit Formula	2% @ 60	
Social Security Coverage	Yes	
Full/Modified	Modified	
Employee Contribution Rate	7.00%	
Final Average Compensation Period	Three Year	
Sick Leave Credit	Yes	
Non-Industrial Disability	Standard	
Industrial Disability	No	
Pre-Retirement Death Benefits		
Optional Settlement 2	Yes	
1959 Survivor Benefit Level	No	
Special	No	
Alternate (firefighters)	No	
Post-Retirement Death Benefits		
Lump Sum	$2000	
Survivor Allowance (PRSA)	No	
COLA	2%	

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 Pleasant Valley Recreation and Park District (CalPERS ID: 3596803517)
Annual Valuation Report as of June 30, 2022

Dear Employer,

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

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

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

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

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

Required Contributions

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

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability	PEPRA Member Contribution Rate
2024-25	7.87%	$2,338	7.75%
Projected Results			
2025-26	*7.9%*	*$3,500*	*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
Pleasant Valley Recreation and Park District
(CalPERS ID: 3596803517)

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

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Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Specific Information for the PEPRA Miscellaneous Plan of the Pleasant Valley Recreation and Park District

(CalPERS ID: 3596803517)
(Rate Plan ID: 27385)

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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 Pleasant Valley Recreation and Park 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 Pleasant Valley Recreation and Park 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.

BILL KARCH, ASA, MAAA
Supervising 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 Pleasant Valley Recreation and Park 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 Pleasant Valley Recreation and Park 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]	**$2,338**
Paid either as	
1) Monthly Payment	**$194.83**
Or	
2) Annual Prepayment Option*	**$2,262**
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 $2,338. 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
$118,742	$2,338	$0	$2,338	$121,080

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

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

Estimated Normal Cost	Minimum UAL Payment	ADP[1]	Total UAL Contribution	Estimated Total Contribution
$118,742	$2,338	$1,998	$4,336	$123,078

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	$118,742	$2,338	$3,588	$5,926	$124,668
15 years	$118,742	$2,338	$4,575	$6,913	$125,655
10 years	$118,742	$2,338	$6,658	$8,996	$127,738
5 years	$118,742	$2,338	$13,132	$15,470	$134,212

[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	$2,310,401	$2,930,796
2. Entry Age Accrued Liability	756,014	840,429
3. Market Value of Assets (MVA)	835,057	796,327
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	($79,043)	$44,102
5. Funded Ratio [(3) / (2)]	110.5%	94.8%

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	$1,071,990	$840,429	$667,994
2. Market Value of Assets (MVA)	796,327	796,327	796,327
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	$275,663	$44,102	($128,333)
4. Funded Ratio [(2) / (1)]	74.3%	94.8%	119.2%

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

Projected Employer Contributions

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

	Required Contribution	**Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2022-23 and Beyond)**				
Fiscal Year	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**
	Rate Plan 27385 Results					
Normal Cost %	7.87%	7.9%	7.9%	7.9%	7.9%	7.9%
UAL Payment	$2,338	$3,500	$4,600	$5,700	$6,800	$6,800

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

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

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

Other Pooled Miscellaneous Risk Pool Rate Plans

All of the results presented in this Section 1 report, except those shown on this page, correspond to rate plan 27385. 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	$2,386,873	$2,728,390
Estimated Employer Normal Cost	$248,462	$268,345
Required Payment on Amortization Bases	$511,307	$601,712
Estimated Total Employer Contributions	$759,769	$870,057
Estimated Total Employer Contribution Rate (illustrative only)	31.83%	31.89%

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	$543,347
Transferred Members	128,738
Separated Members	168,344
Members and Beneficiaries Receiving Payments	0
Total	$840,429

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	$840,429
2.	Projected UAL Balance at 6/30/2022	(93,946)
3.	Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4.	Adjusted UAL Balance at 6/30/2022 for Asset Share	(104,527)
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)	126,237
10.	Plan's Share of Pool's Non-Investment (Gain)/Loss: (1) ÷ (5) × (8)	11,811
11.	Plan's New (Gain)/Loss as of 6/30/2022: (9) + (10)	138,048
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)	126,237
18.	Partial Fresh Start Base: (2) + (17)	32,291

[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)	$44,102
20.	Plan's Share of Pool's MVA: (1) - (19)	$796,327

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	11,811	0	12,614	0	13,472	1,211
Partial Fresh Start	6/30/22	20%	Up Only	0.00%	20	32,291	(14,133)	49,092	0	52,430	1,127
Total						**44,102**	**(14,133)**	**61,706**	**0**	**65,902**	**2,338**

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)

			Alternate Schedules			
	Current Amortization Schedule		20 Year Amortization		15 Year Amortization	
Date	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2024	65,902	2,338	65,902	5,926	65,902	6,913
6/30/2025	67,968	3,466	64,259	5,926	63,239	6,913
6/30/2026	69,008	4,593	62,504	5,926	60,395	6,913
6/30/2027	68,954	5,719	60,630	5,926	57,358	6,914
6/30/2028	67,732	6,846	58,629	5,926	54,113	6,913
6/30/2029	65,262	6,846	56,492	5,926	50,649	6,914
6/30/2030	62,625	6,847	54,209	5,926	46,948	6,914
6/30/2031	59,807	6,846	51,771	5,926	42,995	6,913
6/30/2032	56,799	6,846	49,167	5,926	38,774	6,913
6/30/2033	53,586	6,847	46,386	5,926	34,266	6,913
6/30/2034	50,154	6,846	43,416	5,926	29,452	6,913
6/30/2035	46,490	6,846	40,244	5,926	24,311	6,914
6/30/2036	42,576	6,846	36,856	5,926	18,819	6,914
6/30/2037	38,396	6,846	33,238	5,926	12,953	6,913
6/30/2038	33,932	6,846	29,374	5,926	6,690	6,914
6/30/2039	29,165	6,846	25,247	5,926		
6/30/2040	24,073	6,846	20,840	5,927		
6/30/2041	18,635	6,846	16,132	5,926		
6/30/2042	12,828	6,847	11,105	5,927		
6/30/2043	6,625	6,846	5,735	5,927		
6/30/2044						
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total		**125,655**		**118,523**		**103,701**
Interest Paid		**59,753**		**52,621**		**37,799**
Estimated Savings				**7,132**		**21,954**

Employer Contribution History

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

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment ($)	Additional Discretionary Payments
2016 - 17	6.555%	$186	N/A
2017 - 18	6.533%	316	N/A
2018 - 19	6.842%	446	N/A
2019 - 20	6.985%	667	5,619
2020 - 21	7.732%	1,147	23,575
2021 - 22	7.59%	886	22,238
2022 - 23	7.47%	2,856	0
2023 - 24	7.68%	0	
2024 - 25	7.87%	2,338	

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
06/30/2014	$1,227	$1,282	($55)	104.5%	$82,595
06/30/2015	13,091	12,113	978	92.5%	161,981
06/30/2016	42,798	38,235	4,563	89.3%	375,155
06/30/2017	111,178	106,712	4,466	96.0%	478,320
06/30/2018	225,831	211,080	14,751	93.5%	658,378
06/30/2019	353,590	332,414	21,176	94.0%	849,976
06/30/2020	528,822	494,383	34,439	93.5%	981,564
06/30/2021	756,014	835,057	(79,043)	110.5%	898,253
06/30/2022	840,429	796,327	44,102	94.8%	1,189,704

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	$4,200	$6,800	$10,000	$14,000	$18,000
10.8% (95th percentile)					
Normal Cost Rate	8.1%	8.3%	8.5%	8.7%	8.4%
UAL Contribution	$2,900	$2,700	$0	$0	$0

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

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

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

Assumed Annual Return for Fiscal Year 2022-23	Required Employer Contributions	Projected Employer Contributions
	2024-25	2025-26
(17.2)% (2 standard deviation loss)		
Normal Cost Rate	7.87%	7.9%
UAL Contribution	$2,338	$8,100
(5.2)% (1 standard deviation loss)		
Normal Cost Rate	7.87%	7.9%
UAL Contribution	$2,338	$5,800

- 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	$1,071,990	$840,429	$667,994
c) Market Value of Assets	$796,327	$796,327	$796,327
d) Unfunded Liability/(Surplus) [(b) - (c)]	$275,663	$44,102	($128,333)
e) Funded Ratio	74.3%	94.8%	119.2%

Sensitivity to the Price Inflation Assumption

As of June 30, 2022	1% Lower Price Inflation	Current Assumptions	1% Higher Price Inflation
Discount Rate	**5.8%**	**6.8%**	**7.8%**
Price Inflation	**1.3%**	**2.3%**	**3.3%**
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	16.48%	15.62%	14.20%
b) Accrued Liability	$892,041	$840,429	$756,939
c) Market Value of Assets	$796,327	$796,327	$796,327
d) Unfunded Liability/(Surplus) [(b) - (c)]	$95,714	$44,102	($39,388)
e) Funded Ratio	89.3%	94.8%	105.2%

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	$854,445	$840,429	$827,481
c) Market Value of Assets	$796,327	$796,327	$796,327
d) Unfunded Liability/(Surplus) [(b) - (c)]	$58,118	$44,102	$31,154
e) Funded Ratio	93.2%	94.8%	96.2%

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	756,014	840,429
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	16	22
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	$835,057	$796,327
2. Payroll	898,253	1,189,704
3. Asset Volatility Ratio (AVR) [(1) / (2)]	0.9	0.7
4. Accrued Liability	$756,014	$840,429
5. Liability Volatility Ratio (LVR) [(4) / (2)]	0.8	0.7

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	0.2	0.2
06/30/2018	0.00	N/A	0.3	0.3
06/30/2019	0.00	N/A	0.4	0.4
06/30/2020	0.00	N/A	0.5	0.5
06/30/2021	0.00	N/A	0.9	0.8
06/30/2022	0.00	N/A	0.7	0.7

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**
$796,327	$2,164,546	36.8%	$1,368,219	$953,759	83.5%	$157,432

[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	16	22
Average Attained Age	39.7	35.8
Average Entry Age to Rate Plan	35.5	33.4
Average Years of Credited Service	4.2	2.5
Average Annual Covered Pay	$56,141	$54,077
Annual Covered Payroll	$898,253	$1,189,704
Present Value of Future Payroll	$10,785,343	$14,432,759
Transferred Members	5	6
Separated Members	6	12
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	Yes	
Full/Modified	Full	
Employee Contribution Rate	7.75%	
Final Average Compensation Period	Three Year	
Sick Leave Credit	Yes	
Non-Industrial Disability	Standard	
Industrial Disability	No	
Pre-Retirement Death Benefits		
Optional Settlement 2	Yes	
1959 Survivor Benefit Level	No	
Special	No	
Alternate (firefighters)	No	
Post-Retirement Death Benefits		
Lump Sum	$2000	
Survivor Allowance (PRSA)	No	
COLA	2%	

PEPRA Member Contribution Rates

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

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

		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
27385	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