



**SPMUD BOARD OF DIRECTORS
REGULAR MEETING: 4:30 PM
August 4, 2022**

Zoom Meeting: 1 (669) 900-9128
Meeting ID: 840 5958 2593

The District's regular Board meeting is held on the first Thursday of every month. This notice and agenda are posted on the District's website (www.spmud.ca.gov) and posted in the District's outdoor bulletin board at the SPMUD Headquarters at the above address. Meeting facilities are accessible to persons with disabilities. Requests for other considerations should be made through the District Headquarters at (916)786-8555.

Pursuant to the Governor's Executive Order N-29-20, issued March 17, 2020, and SPMUD Resolution 22-14, the August 4, 2022 meeting of the SPMUD Board of Directors will be held via teleconference using Zoom Meeting 1 (669) 900-9128, <https://us02web.zoom.us/j/84059582593>. Public comments can be emailed to ecostan@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

AGENDA

I. CALL MEETING TO ORDER

II. ROLL CALL OF DIRECTORS

President Gerald Mitchell	Ward 1
Director William Dickinson	Ward 2
Director John Murdock	Ward 3
Director James Durfee	Ward 4
Vice President James Williams	Ward 5

III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENTS

Items not on the Agenda may be presented to the Board at this time; however, the Board can take no action.

Public comments can be emailed to ecostan@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

V. CONSENT ITEMS

[pg 4 to 26]

Consent items should be considered together as one motion. Any item(s) requested to be removed will be considered after the motion to approve the Consent Items.

ACTION: (Roll Call Vote)

Motion to approve the consent items for the August 4, 2022 meeting.

1. MINUTES from the July 7, 2022 Regular Meeting. [pg 4 to 7]
2. ACCOUNTS PAYABLE in the amount of \$5,114,691 through July 27, 2022. [pg 8 to 13]
3. QUARTERLY INVESTMENT REPORT in the total amount of \$77,410,173 [pg 14 to 16] through June 30, 2022.
4. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements within the Grove Subdivision, with an estimated value of \$811,337. [pg 17 to 20]
5. RESOLUTION 22-31 DECLARING AND RE-RATIFYING THE STATE OF EMERGENCY AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS DUE TO THE COVID-19 EMERGENCY [pg 21 to 26]

VI. BOARD BUSINESS

Board action may occur on any identified agenda item. Any member of the public may directly address the Board on any identified agenda item of interest, either before or during the Board's consideration of that item.

1. RESOLUTION 22-32 ESTABLISHING A PROCEDURE FOR RECTIFYING PARCELS SPLIT BY CENSUS BLOCK FOR THE ESTABLISHMENT OF WARD BOUNDARIES [pg 27 to 32]

The District adopted ordinance 22-01, Transitioning from At-Large/From-District Elections to From-District/By-District Elections and Re-establishing Ward Boundaries. This Resolution provides a procedure for rectifying isolated incidents where parcels are split by Census Blocks.

Action Requested: Roll Call Vote

Staff recommends that the Board of Directors adopts the following criteria to rectify those parcels split by the Ward Boundaries in Ordinance 22-01:

- a) **In those cases where the Ward Boundary splits a parcel, the whole parcel shall be included in the Ward encompassing the larger portion of the split parcel; except that,**
- b) **In those cases that the Ward Boundary splits a parcel adjacent to a recognized boundary of an incorporated Town or City, the Ward Boundary shall be moved to correspond to the limits of the incorporated Town or City, and the whole parcel shall be included in that Ward.**

2. ACTUARIAL VALUATION REPORT FOR OTHER POST-EMPLOYMENT BENEFITS (OPEB) PROGRAMS [pg 33 to 71]

The Districts Actuary, MacLeod Watts has completed the report for the June 30, 2021 actuarial valuation of OPEB (retiree medical insurance) funding contributions for the District. The report satisfies the filing requirements for the California Employers' Retiree Benefit Trust fund (CERBT) managed by CalPERS. The District has participated in the fund since 2008, funding future liabilities through contributions and investment earnings.

Action Requested: Roll Call Vote

Staff recommends that the Board of Directors receive and file the June 30, 2021 Actuarial Valuation: Determination of Other Post-Employment Benefit (OPEB) Funding Contributions.

3. STRATEGIC PLANNING WORKSHOP: WORK PLAN AND MEASUREMENTS

In preparation for the adoption of a new five-year Strategic Plan, the District will review the alignment of work plans and measurements with the proposed Strategic Priorities.

No Action Requested: Informational Item

4. APPOINTMENTS TO THE TEMPORARY INFRASTRUCTURE ADVISORY COMMITTEE

The Board President will appoint two Board members to the temporary Infrastructure Advisory Committee to direct staff in asset management and capital improvement planning.

No Action Requested: Informational Item

VII. REPORTS

[pg 72 to 84]

The purpose of these reports is to provide information on projects, programs, staff actions, and committee meetings that are of general interest to the Board and the public. No decisions are to be made on these issues.

1. Legal Counsel (A. Brown)
2. General Manager (H. Niederberger)
 - 1) ASD, FSD & TSD Reports
 - 2) Informational items
3. Director's Comments: Directors may make brief announcements or brief reports on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.

VIII. ADJOURNMENT

If there is no other Board business the President will adjourn the meeting to its next regular meeting on **September 1, 2022, at 4:30 p.m.**

**REGULAR BOARD MINUTES
SOUTH PLACER MUNICIPAL UTILITY DISTRICT**

Meeting	Location	Date	Time
Regular	Zoom Meeting	July 7, 2022	4:30 p.m.

I. CALL MEETING TO ORDER: The Regular Meeting of the South Placer Municipal Utility District Board of Directors was called to order with President Mitchell presiding at 4:30 p.m.

II. ROLL CALL OF DIRECTORS:

- Present: Director Will Dickinson, President Jerry Mitchell, Director John Murdock, Director James Durfee, Vice President Jim Williams
- Absent: None
- Vacant: None
- Staff: Adam Brown, Legal Counsel
Herb Niederberger, General Manager
Carie Huff, District Engineer
Eric Nielsen, Superintendent

III. PLEDGE OF ALLEGIANCE: President Mitchell led the Pledge of Allegiance.

IV. PUBLIC COMMENTS:

DS Nielsen confirmed that no eComments were received. Hearing no other comments, the public comments session was closed.

V. TELECONFERENCING

1. RESOLUTION 22-28 DECLARING AND RE-RATIFYING THE STATE OF EMERGENCY AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS DUE TO THE COVID-19 EMERGENCY

Director Durfee made a motion to adopt Resolution 22-28 Declaring and Re-ratifying the State of Emergency and Authorizing Remote Teleconference Meetings of the Board of Directors from July 7, 2022 through August 5, 2022 due to the COVID-19 Emergency; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 5-0.

VI. CONSENT ITEMS:

1. MINUTES from the June 2, 2022 Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$1,851,245 through June 27, 2022.
3. RESOLUTION 22-29 AUTHORIZING THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICE AGREEMENT WITH IB CONSULTING FOR A WASTEWATER RATE & LOCAL PARTICIPATION FEE STUDY

Director Murdock made a request to pull item 3 off the consent calendar for discussion.

GM Niederberger presented the professional services agreement with IB Consulting for a Wastewater Rate and Local Participation Fee Study for a possible rate increase in July of 2023.

Director Murdock made a motion to approve the consent items; a second was made by Vice President Williams; a roll call vote was taken, and the motion carried 5-0.

VII. BOARD BUSINESS

1. RESOLUTION 22-30 ADOPTING THE FISCAL YEAR 2022/23 BUDGET AND PROPOSED SPENDING PLAN

GM Niederberger presented the Fiscal Year 2022/23 Budget and Proposed Spending Plan. He shared information regarding the proposed revenues, operating fund expenditures, capital fund expenditures, and South Placer Wastewater Authority (SPWA) expenditures. Additionally, he summarized the changes made to the Fiscal Year 2022/23 Budget Report.

Director Dickinson asked about the increase in SPWA's indirect costs from the City of Roseville's cost allocation plan and whether District staff is in agreement with the costs. GM Niederberger commented that the City of Roseville has modified its cost allocation methodology to charge a fully burdened rate, as they were previously not recovering all of the direct and indirect costs on SPWA projects. GM Niederberger added that staff is asking for more detail on some of the assessments; the change in the cost allocation methodology was communicated to the District.

Vice President Williams and President Mitchell commented that the financial information shared at the SPWA board meetings is very high level and the District is relying heavily on staff at the City of Roseville to provide more detailed budget and expenditure information.

Director Dickinson asked for more detail on the funds budgeted for pending litigation that are included in the legal services budget. GC Brown commented that in addition to the amount budgeted annually for general legal services, additional funds may be needed in fiscal year 2022/23 for easement acquisition issues and the CalPERS lawsuit.

President Mitchell asked if the District would be required to participate in the Atherton Trunk Sewer Replacement Project in the upcoming year. GM Niederberger shared that the Atherton Trunk is a City of Rocklin project. DE Huff commented that the project is in the easement acquisition phase with about ninety percent of the project design completed.

Director Dickinson asked about the issues with the Grass2Pave used in the Foothill Truck project. DE Huff shared that some of the needed repairs are from damage from the residents and some of the repairs are due to installation failures. The District is working with Garney Pacific and legal counsel to resolve the issues and has determined that it will not be using this product for future projects. Director Dickinson asked if the Taylor Road Lift Station Replacement was originally part of the Newcastle Master Plan. DS Nielsen commented that the lift station was inherited from Newcastle but is not part of the master plan improvements. He shared that the lift station is not currently installed to District standards.

Director Dickinson asked that the vehicle purchases in Fund 400 be listed as replacement purchases instead of new vehicle purchases. GM Niederberger shared that wording in the budget report will be updated to reflect that the purchases are replacements.

Finally, Director Dickinson commented that the five-year projections in the budget report appear to be conservative. He asked if these projections will be used by the rate consultant. GM Niederberger shared that the information will go to the rate consultant; however, they will complete independent projections that will be reviewed with the Fee and Finance Committee. Vice President Williams commented that he believes it is the right time for the rate study and that the Fee and Finance Committee needs to be involved. President Mitchell commented that capital spending on the building addition and inflation are draining down the District's resources requiring the District to look at these issues carefully.

Vice President Williams made a motion to adopt Resolution 22-30 adopting the Budget and Proposed Spending Plan for Fiscal Year 2022/23; a second was made by Director Dickinson; a roll vote was taken, and the motion carried 5-0.

2. ITPIPES AND ASSET MANAGEMENT PRESENTATION

DS Nielsen provided a demonstration of the ITPipes Software which is used to maintain the Closed Caption Television (CCTV) inspection footage and photographs of the District's collection system. The District started using this software in 2014 to assess the condition of the sewer main lines and has amassed a collection of inspection data that can be used to drive the District's work programs.

President Mitchell asked if any other agencies are immolating the District's CCTV-driven work practices. DS Nielsen commented that the practices have been shared with others via a CWEA article written by the previous District Superintendent; however, he is not currently aware of other agencies that are using CCTV-driven work practices. The District continues to share its results with others.

Director Dickinson asked if videoing a pipe before cleaning allows the District to adequately complete the condition assessment. DS Nielsen shared that because the District's system is relatively new and major structural defects are rare; generally, videoing first is not an issue. President Mitchell asked if CCTV work can be completed during heavy rainstorms. DS Nielsen shared that the CCTV program is a year-round program.

DS Nielsen highlighted the work that Engineering Technician Curtis Little has done to link information and make ITPipes an incredibly efficient tool for staff. The Board provided favorable feedback on the ITPipes software.

3. SOUTH PLACER WASTEWATER AUTHORITY (SPWA) BOARD MEETING REPORT – DIRECTOR WILLIAMS

Vice President Williams provided an update on the June 21st SPWA Board Meeting. He shared that the Board discussed a voluntary refund from the consultant Brown & Caldwell to the SPWA with the District receiving a portion of the funds. A final forensic audit report of the SPWA is expected at the end of October.

Director Dickinson asked if there is anything that the District can learn from the SPWA investment policy. Vice President Williams commented that investment options are limited for public agencies,

and the SPWA is predominately invested the same as the District. GM Niederberger shared that SPWA's reported investment returns were similar to those reported by the District when excluding the District's CEPP Trust. Director Dickinson also asked about the County's negative Rate Stabilization Fund balance. GM Niederberger shared that the SPWA is anticipating reimbursements from the State Revolving Fund for project-related expenses, once those funds are received the County will have a sufficient balance in its SPWA Rate Stabilization Fund.

VII. REPORTS

1. District General Counsel (A. Brown):

General Counsel Brown had no report for this meeting.

2. General Manager (H. Niederberger):

A. ASD, FSD & TSD Reports:

GM Niederberger shared that he will be out of the office on July 13, 14, 15, 22, and 25th.

B. Information Items: No additional items.

DS Nielsen provided an update on the Corporation Yard Addition and Tenant Improvement Project. He shared that the demolition of the lobby and pavement has been completed. Footings have been poured and framing around the front of the headquarters building has occurred. The contractor is currently working on utilities and preparation of the addition site. The project is currently on target with the construction schedule as proposed.

3. Director's Comments:

Director Durfee shared that he, two other board members, and District management attended the Rocklin State of the City Address.

IX. ADJOURNMENT

The President adjourned the meeting at 5:56 p.m. to the next regular meeting to be held on August 4, 2022, at 4:30 p.m.



Emilie Costan, Board Secretary

Item 5.2



South Placer Municipal Utility District, CA

Check Report

By Check Number

Date Range: 06/28/2022 - 07/27/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP Bank						
1036	Bill's Backflow Service	06/30/2022	Regular	0.00	509.70	15083
1652	Cintas Corporation	06/30/2022	Regular	0.00	491.00	15084
1124	Gold Country Media Publications	06/30/2022	Regular	0.00	907.84	15085
1131	Granite Business Printing	06/30/2022	Regular	0.00	91.16	15086
1564	Jensen Landscape Services, LLC	06/30/2022	Regular	0.00	1,250.00	15087
1475	Petersen & Mapes, LLP	06/30/2022	Regular	0.00	1,080.00	15088
1221	PG&E	06/30/2022	Regular	0.00	1,472.55	15089
1238	Placer County Department of Public Works	06/30/2022	Regular	0.00	65,938.55	15090
1779	Rowar Corporation Inc.	06/30/2022	Regular	0.00	7,980.00	15091
1736	Tesco Controls, Inc.	06/30/2022	Regular	0.00	-86,064.00	15092
1736	Tesco Controls, Inc.	06/30/2022	Regular	0.00	86,064.00	15092
1807	Stan Eisen	07/01/2022	Regular	0.00	77.73	15093
1327	US Bank Corporate Payment	07/06/2022	Regular	0.00	18,176.88	15094
	Void	07/06/2022	Regular	0.00	0.00	15095
	Void	07/06/2022	Regular	0.00	0.00	15096
	Void	07/06/2022	Regular	0.00	0.00	15097
248	AT&T	07/07/2022	Regular	0.00	314.58	15098
1652	Cintas Corporation	07/07/2022	Regular	0.00	491.00	15099
1751	Comprehensive Medical Inc.	07/07/2022	Regular	0.00	584.00	15100
1080	CWEA (Main)	07/07/2022	Regular	0.00	101.00	15101
1087	Dawson Oil Co.	07/07/2022	Regular	0.00	7,037.39	15102
1131	Granite Business Printing	07/07/2022	Regular	0.00	364.65	15103
1218	PCWA	07/07/2022	Regular	0.00	1,193.90	15104
1244	Preferred Alliance Inc	07/07/2022	Regular	0.00	162.84	15105
1518	Sonitrol of Sacramento	07/07/2022	Regular	0.00	262.50	15106
1021	ARC	07/14/2022	Regular	0.00	103.22	15117
248	AT&T	07/14/2022	Regular	0.00	9.53	15118
1022	AT&T CalNet	07/14/2022	Regular	0.00	330.37	15119
1663	Buckmaster Office Solutions	07/14/2022	Regular	0.00	91.70	15120
1715	Chris Vrame	07/14/2022	Regular	0.00	14,305.50	15121
1068	City of Roseville	07/14/2022	Regular	0.00	2,698,139.56	15122
1086	Dataprose	07/14/2022	Regular	0.00	4,080.68	15123
1504	Donahue Schriber Realty Group	07/14/2022	Regular	0.00	98,340.00	15124
1666	Great America Financial Services	07/14/2022	Regular	0.00	452.99	15125
1808	John Romero	07/14/2022	Regular	0.00	209.11	15126
1239	LAFCO	07/14/2022	Regular	0.00	15,128.99	15127
1612	Loomis Basin Chamber of Commerce	07/14/2022	Regular	0.00	225.00	15128
1764	Network Design Associates, Inc.	07/14/2022	Regular	0.00	975.00	15129
1218	PCWA	07/14/2022	Regular	0.00	1,232.54	15130
1221	PG&E	07/14/2022	Regular	0.00	5,654.40	15131
1251	Railroad Management Company, LLC	07/14/2022	Regular	0.00	75.00	15132
1809	Robert Castro	07/14/2022	Regular	0.00	250.00	15133
1737	Shane Boyle	07/14/2022	Regular	0.00	226.26	15134
1291	Special District Risk Management Authority (SDRM)	07/14/2022	Regular	0.00	381,996.69	15135
1090	State of CA-Department of Justice	07/14/2022	Regular	0.00	64.00	15136
1325	Tyler Technologies, Inc.	07/14/2022	Regular	0.00	9,476.25	15137
1338	Verizon Wireless	07/14/2022	Regular	0.00	1,152.10	15138
1007	Advanced Integrated Pest	07/22/2022	Regular	0.00	110.00	15139
1768	Capital Program Management Inc.	07/22/2022	Regular	0.00	8,667.25	15140
1652	Cintas Corporation	07/22/2022	Regular	0.00	1,432.98	15141
1652	Cintas Corporation	07/22/2022	Regular	0.00	-1,432.98	15141
1068	City of Roseville	07/22/2022	Regular	0.00	238,150.39	15142
1073	Consolidated Communications	07/22/2022	Regular	0.00	2,096.66	15143
1509	Crystal Communications	07/22/2022	Regular	0.00	311.64	15144

Check Report

Date Range: 06/28/2022 - 07/27/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1080	CWEA (Main)	07/22/2022	Regular	0.00	192.00	15145
1687	Duke's Root Control, Inc	07/22/2022	Regular	0.00	51,657.83	15146
1139	Hill Rivkins Brown & Associates	07/22/2022	Regular	0.00	10,460.00	15147
1686	Jan Pro	07/22/2022	Regular	0.00	887.00	15148
1564	Jensen Landscape Services, LLC	07/22/2022	Regular	0.00	931.00	15149
1785	Landmark Construction	07/22/2022	Regular	0.00	271,258.65	15150
1664	MacLeod Watts, Inc	07/22/2022	Regular	0.00	8,000.00	15151
1764	Network Design Associates, Inc.	07/22/2022	Regular	0.00	736.00	15152
1218	PCWA	07/22/2022	Regular	0.00	424.50	15153
1475	Petersen & Mapes, LLP	07/22/2022	Regular	0.00	720.00	15154
1244	Preferred Alliance Inc	07/22/2022	Regular	0.00	162.84	15155
1518	Sonitrol of Sacramento	07/22/2022	Regular	0.00	2,325.96	15156
1306	Superior Equipment Repair	07/22/2022	Regular	0.00	5,309.65	15157
1736	Tesco Controls, Inc.	07/22/2022	Regular	0.00	86,064.00	15158
1325	Tyler Technologies, Inc.	07/22/2022	Regular	0.00	400.00	15159
1561	Williams + Paddon Architects + Planners, Inc.	07/22/2022	Regular	0.00	4,265.64	15160
1652	Cintas Corporation	07/25/2022	Regular	0.00	983.45	15161
1342	Wallace-Kuhl & Assoc.	07/25/2022	Regular	0.00	820.00	15162
1162	Jody Allen	06/30/2022	Bank Draft	0.00	614.88	DFT0007419
1786	Carol Bean	06/30/2022	Bank Draft	0.00	545.42	DFT0007420
1161	Joanna Belanger	06/30/2022	Bank Draft	0.00	698.71	DFT0007421
1309	Tamara Brackenbury	06/30/2022	Bank Draft	0.00	1,188.02	DFT0007422
1195	Mark Cervantes	06/30/2022	Bank Draft	0.00	708.06	DFT0007423
1064	Charles Clark	06/30/2022	Bank Draft	0.00	1,227.00	DFT0007424
1787	Helen Gibson	06/30/2022	Bank Draft	0.00	871.28	DFT0007425
1788	Dana Gravatt	06/30/2022	Bank Draft	0.00	614.88	DFT0007426
1789	Paul Hardy	06/30/2022	Bank Draft	0.00	614.88	DFT0007427
1200	Melvin Hetrick	06/30/2022	Bank Draft	0.00	1,080.65	DFT0007428
1118	Frank Laguna	06/30/2022	Bank Draft	0.00	1,778.28	DFT0007429
1344	Wayne Lewis	06/30/2022	Bank Draft	0.00	1,080.65	DFT0007430
1137	Henry Lorton	06/30/2022	Bank Draft	0.00	1,565.12	DFT0007431
1799	Gerald Loscalzo	06/30/2022	Bank Draft	0.00	456.06	DFT0007432
1800	Linda Mackey	06/30/2022	Bank Draft	0.00	1,218.49	DFT0007433
1167	John Marquis	06/30/2022	Bank Draft	0.00	1,565.12	DFT0007434
1801	Margaret Montes	06/30/2022	Bank Draft	0.00	232.94	DFT0007435
1164	Joe Mooney	06/30/2022	Bank Draft	0.00	232.94	DFT0007436
1802	Joyce Parker	06/30/2022	Bank Draft	0.00	232.94	DFT0007437
1259	Rick J. Perry	06/30/2022	Bank Draft	0.00	1,080.65	DFT0007438
1281	Scott Perry	06/30/2022	Bank Draft	0.00	1,546.42	DFT0007439
1269	Rodney Pierce	06/30/2022	Bank Draft	0.00	2,079.36	DFT0007440
1279	Sam Rose	06/30/2022	Bank Draft	0.00	2,079.36	DFT0007441
1803	Richard Stein	06/30/2022	Bank Draft	0.00	1,289.95	DFT0007442
1170	John Wagner	06/30/2022	Bank Draft	0.00	2,079.36	DFT0007443
1095	Donald Wilson	06/30/2022	Bank Draft	0.00	456.06	DFT0007444
1045	Cal Pers 457 Plan (EFT)	07/08/2022	Bank Draft	0.00	750.00	DFT0007445
1135	Empower (EFT)	07/08/2022	Bank Draft	0.00	375.00	DFT0007446
1135	Empower (EFT)	07/08/2022	Bank Draft	0.00	7,577.52	DFT0007447
1135	Empower (EFT)	07/08/2022	Bank Draft	0.00	237.45	DFT0007448
1042	CA State Disbursement (EF	07/08/2022	Bank Draft	0.00	44.76	DFT0007449
1015	American Fidelity Assurance	07/08/2022	Bank Draft	0.00	333.33	DFT0007450
1015	American Fidelity Assurance	07/08/2022	Bank Draft	0.00	285.40	DFT0007451
1229	Pers (EFT)	07/08/2022	Bank Draft	0.00	49.13	DFT0007452
1229	Pers (EFT)	07/08/2022	Bank Draft	0.00	971.48	DFT0007453
1229	Pers (EFT)	07/08/2022	Bank Draft	0.00	1,702.51	DFT0007454
1229	Pers (EFT)	07/08/2022	Bank Draft	0.00	1,986.26	DFT0007455
1229	Pers (EFT)	07/08/2022	Bank Draft	0.00	2,934.00	DFT0007456
1229	Pers (EFT)	07/08/2022	Bank Draft	0.00	3,854.27	DFT0007457
1229	Pers (EFT)	07/08/2022	Bank Draft	0.00	4,333.89	DFT0007458
1149	Internal Revenue Service	07/08/2022	Bank Draft	0.00	12,826.34	DFT0007459
1098	EDD (EFT)	07/08/2022	Bank Draft	0.00	4,170.67	DFT0007460
1098	EDD (EFT)	07/08/2022	Bank Draft	0.00	1,136.40	DFT0007461

Check Report

Date Range: 06/28/2022 - 07/27/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1149	Internal Revenue Service	07/08/2022	Bank Draft	0.00	2,999.70	DFT0007462
1149	Internal Revenue Service	07/08/2022	Bank Draft	0.00	9,595.11	DFT0007463
1045	Cal Pers 457 Plan (EFT)	07/22/2022	Bank Draft	0.00	750.00	DFT0007464
1135	Empower (EFT)	07/22/2022	Bank Draft	0.00	375.00	DFT0007465
1135	Empower (EFT)	07/22/2022	Bank Draft	0.00	7,827.52	DFT0007466
1135	Empower (EFT)	07/22/2022	Bank Draft	0.00	354.85	DFT0007467
1042	CA State Disbursement (EF	07/22/2022	Bank Draft	0.00	44.76	DFT0007468
1015	American Fidelity Assurance	07/22/2022	Bank Draft	0.00	333.33	DFT0007469
1015	American Fidelity Assurance	07/22/2022	Bank Draft	0.00	285.40	DFT0007470
1229	Pers (EFT)	07/22/2022	Bank Draft	0.00	49.13	DFT0007471
1229	Pers (EFT)	07/22/2022	Bank Draft	0.00	971.47	DFT0007472
1229	Pers (EFT)	07/22/2022	Bank Draft	0.00	1,703.71	DFT0007473
1229	Pers (EFT)	07/22/2022	Bank Draft	0.00	1,986.26	DFT0007474
1229	Pers (EFT)	07/22/2022	Bank Draft	0.00	2,928.32	DFT0007475
1229	Pers (EFT)	07/22/2022	Bank Draft	0.00	3,854.27	DFT0007476
1229	Pers (EFT)	07/22/2022	Bank Draft	0.00	4,265.37	DFT0007477
1149	Internal Revenue Service	07/22/2022	Bank Draft	0.00	12,403.14	DFT0007478
1098	EDD (EFT)	07/22/2022	Bank Draft	0.00	3,896.13	DFT0007479
1098	EDD (EFT)	07/22/2022	Bank Draft	0.00	1,100.31	DFT0007480
1149	Internal Revenue Service	07/22/2022	Bank Draft	0.00	2,964.52	DFT0007481
1149	Internal Revenue Service	07/22/2022	Bank Draft	0.00	8,916.15	DFT0007482
1229	Pers (EFT)	07/12/2022	Bank Draft	0.00	371,857.50	DFT0007483
1229	Pers (EFT)	07/12/2022	Bank Draft	0.00	95,149.90	DFT0007484
1229	Pers (EFT)	07/12/2022	Bank Draft	0.00	3,856.60	DFT0007485
1229	Pers (EFT)	07/12/2022	Bank Draft	0.00	467,739.00	DFT0007486

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	121	67	0.00	4,123,437.60
Manual Checks	0	0	0.00	0.00
Voided Checks	0	5	0.00	-87,496.98
Bank Drafts	68	68	0.00	1,076,913.34
EFT's	0	0	0.00	0.00
	189	140	0.00	5,112,853.96

Check Report

Date Range: 06/28/2022 - 07/27/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1784	Five Star Bank	07/12/2022	Regular	0.00	5,000,000.00	14605

Bank Code AP US Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	1	1	0.00	5,000,000.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	1	1	0.00	5,000,000.00

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	122	68	0.00	9,123,437.60
Manual Checks	0	0	0.00	0.00
Voided Checks	0	5	0.00	-87,496.98
Bank Drafts	68	68	0.00	1,076,913.34
EFT's	0	0	0.00	0.00
	190	141	0.00	10,112,853.96

Fund Summary

Fund	Name	Period	Amount
100	GENERAL FUND	6/2022	106,858.28
100	GENERAL FUND	7/2022	10,005,995.68
			10,112,853.96

Account Number	Name	Date	Type	Amount	Reference	Packet
102-0006871-02	Andrus, Jay and Ana	7/8/2022	Refund	\$ 108.23	Check #: 15107	UBPKT14940
102-0008773-01	Judy, Brian	7/8/2022	Refund	\$ 108.23	Check #: 15108	UBPKT14940
102-0010382-02	Gohagan, John and Michelle	7/8/2022	Refund	\$ 106.77	Check #: 15109	UBPKT14940
102-0010774-02	Dasaro, Gwen	7/8/2022	Refund	\$ 107.82	Check #: 15110	UBPKT14940
102-0011436-01	Bell, Jeffrey	7/8/2022	Refund	\$ 111.44	Check #: 15111	UBPKT14940
102-0011472-01	Millett, Tracy	7/8/2022	Refund	\$ 556.64	Check #: 15112	UBPKT14940
106-0014425-02	Rapolla, Frank and Michelle	7/8/2022	Refund	\$ 353.00	Check #: 15113	UBPKT14940
112-1022085-03	Parker, Jonathan	7/8/2022	Refund	\$ 108.68	Check #: 15114	UBPKT14940
112-1028816-01	Vasconcellos, John and Rebecca	7/8/2022	Refund	\$ 275.87	Check #: 15115	UBPKT14940
TOTAL REFUNDS				\$ 1,836.68		

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Herb Niederberger, General Manager

Subject: 2nd Quarter Investment Report (April 1, 2022 through June 30, 2022)

Board Date: August 4, 2022

Overview

In accordance with Section 53646 of the California Government Code, this report provides the Board with a quarterly investment report.

The investments held by the District on June 30, 2022 are shown in Attachment 1 and totaled \$77.41 million. The portfolio is in compliance with the Board's adopted Policy #3120 regarding District investments and has the ability to meet the next six months of cash flow requirements. As of June 30, 2022, the District's investment portfolio had an average quarterly rate of return of negative 0.06 percent.

Recommendation

Staff recommends that the Board of Directors receive and file the 2nd Quarter Investment Report.

Strategic Plan Goal

This action is consistent with SPMUD Strategic Plan Goals:

- Goal 1.3: Maintain Transparency with all District activities.
- Goal 4.1: Maintain Compliance with Pertinent Regulations
- Goal 5.2: Explore and evaluate investment and business practice alternatives.
- Goal 5.3: Maintain financial responsibility by ensuring allocated funding sources are adequate to meet expenses; and that available funds and resources are managed efficiently.
- Goal 5.6: Provide routine reports on Financial Stability.

Related District Ordinances and Policies

This action is in conjunction with the following District Policies:

- Policy 3120 – Investment of District Funds

Fiscal Impact

There is no direct fiscal impact associated with the preparation of this report.

Attachments:

1. 2nd Quarter Investment Report
2. Allocation by Fund, Allocation by Investment Type, and Historical Performance

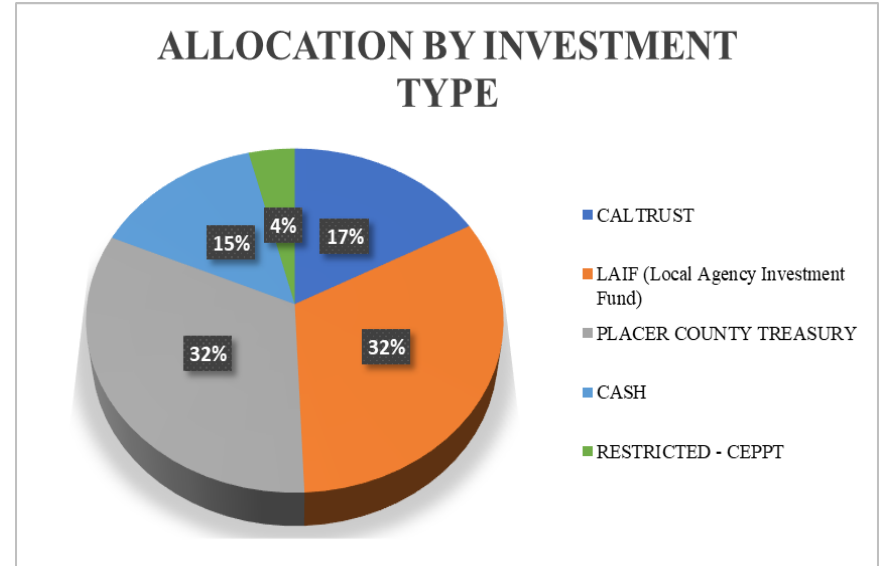
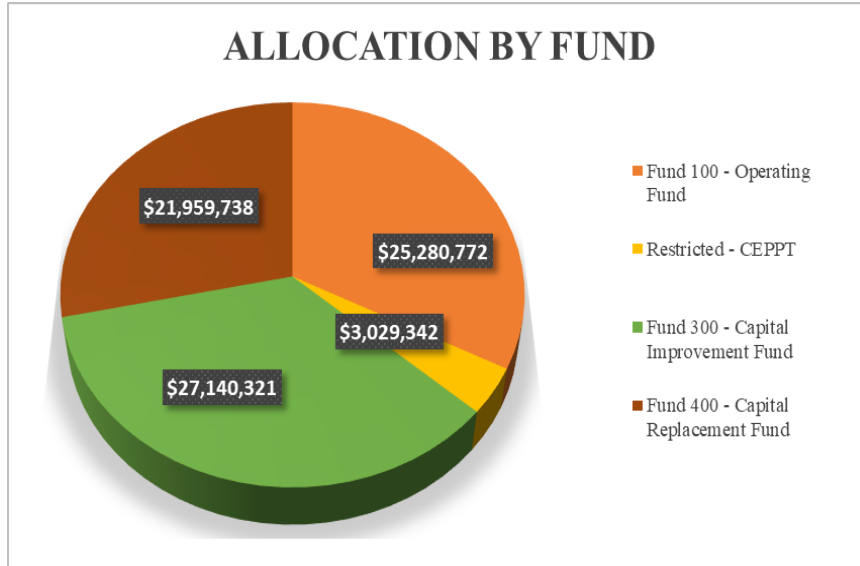
SPMUD BOARD INVESTMENT REPORT
INVESTMENT REPORTING PERIOD: April 1, 2022 - June 30, 2022
MEETING DATE: August 4, 2022

Investment	Account Balance Prior Year Apr 21 - Jun 21	Account Balance Previous Quarter Jan 22 - Mar 22	Market Value Apr 22 - Jun 22	Quarterly Rate of Return	% of Portfolio
CALTRUST - Short Term	\$ 4,332,714	\$ 4,308,471	\$ 4,303,219	-0.12%	6%
CALTRUST - Medium Term	\$ 19,549,868	\$ 18,979,499	\$ 8,901,196	-0.55%	11%
PLACER COUNTY TREASURY	\$ 16,946,764	\$ 19,976,455	\$ 25,003,615	0.48%	32%
LAIF (Local Agency Investment Fund)	\$ 15,898,497	\$ 19,937,087	\$ 24,978,939	0.69%	32%
WELLS FARGO - Money Market	\$ 844,255	\$ -	\$ -		0%
WELLS FARGO - Fixed Income Securities	\$ 1,500,000	\$ -	\$ -		0%
CASH	\$ 6,328,036	\$ 6,775,989	\$ 11,193,862	0.20%	14%
RESTRICTED - CEPPT	\$ 3,440,903	\$ 3,345,795	\$ 3,029,342	-10.24%	4%
TOTAL/AVERAGE	\$ 68,841,037	\$ 73,323,296	\$ 77,410,173	-0.06%	100%

QUARTERLY TRANSFERS

CalTRUST: Withdrawal of \$10M from Medium Term Fund
 LAIF: Deposit of \$5M
 PLACER COUNTY: Deposit of \$5M

Attachment 2 – Allocation by Fund, Allocation by Investment Type, and Historical Performance



The District collected \$3.48M in connection fee revenue in Fiscal Year 21/22 that will be transferred from the Fund 100 Cash Account to Fund 300 at the end of July.

Approximately \$2.5M in depreciation expense will be transferred from the Fund 100 Cash Account to Fund 400 at the end of July.

Historical Performance					
	3 months	6 months	1 year*	3 year*	5 year*
CaTRUST Short Term	-0.12%	-0.56%	-0.68%	0.71%	1.24%
CaTRUST Medium Term	-0.55%	-2.96%	-3.46%	0.30%	1.02%
Placer County	0.48%	0.36%	0.28%	0.79%	1.18%
LAIF	0.69%	0.49%	0.46%	1.54%	1.37%
CEPPT	-4.86%	-10.08%	-12.62%	-	-

*Annualized

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors
From: Carie Huff, District Engineer
Cc: Josh Lelko, Engineering Technician
Subject: Acceptance of the Bill of Sale for the Grove Subdivision Sewer Improvements
Meeting Date: August 4, 2022

Overview

The Grove subdivision is located in Loomis, west of the intersection of Humphrey Road and Mimosa Court. The Grove project consists of public sewer improvements to serve twenty-two (22) single family homes for a total of 22 EDUs. The Grove improvements include the following sewer infrastructure:

- Installation of one-thousand, four-hundred and eighty-one (1,481) linear feet of sanitary sewer pipe;
- Installation of five (5) manholes; and
- Installation of five-hundred and thirty-nine (539) linear feet of lower laterals.

Recommendation

Staff recommends that the Board of Directors accept the attached Bill of Sale for the Grove sewer improvements.

Strategic Plan Goal

This action is consistent with SPMUD Strategic Plan Goals:

- Goal 1.1: Engage Customers to determine expectations.
- Goal 1.2: Establish and meet Service Level(s) by Department.
- Goal 3.1: Plan all projects to ensure adherence to District standards and ordinances.

Fiscal Impact

The estimated value of the contributed capital is \$811,337.

Attachments:

1. Bill of Sale
2. Map – The Grove

BILL OF SALE

Presidio BlackPine Loomis 22, LLC does hereby grant, bargain, sell and convey to SOUTH PLACER MUNICIPAL UTILITY DISTRICT all of its rights, title and interest in and to all public sewer pipes, lines, mains, manholes, and appurtenances installed by its contractor in that subdivision/project commonly known as The Grove

Grantor herein does hereby warrant and guarantee to SOUTH PLACER MUNICIPAL UTILITY DISTRICT that all of the personal property described herein consisting of sewer pipes, lines, mains, manholes, and appurtenances are free and clear of all mechanics liens and encumbrances of any type, nature or description whatsoever.

Dated this 6/20/2022

By: (Developer/Owner)



Signature

Michael E. Paris

Name (Please Type or Print)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Sacramento)

On June 28, 2022 before me, Mei Ling L. Hutchinson - Notary Public
(insert name and title of the officer)

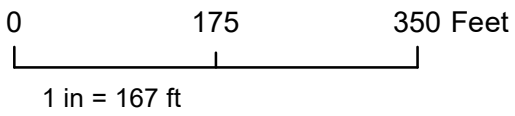
personally appeared Michael E. Paris,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Mei Ling L. Hutchinson (Seal)



The Grove

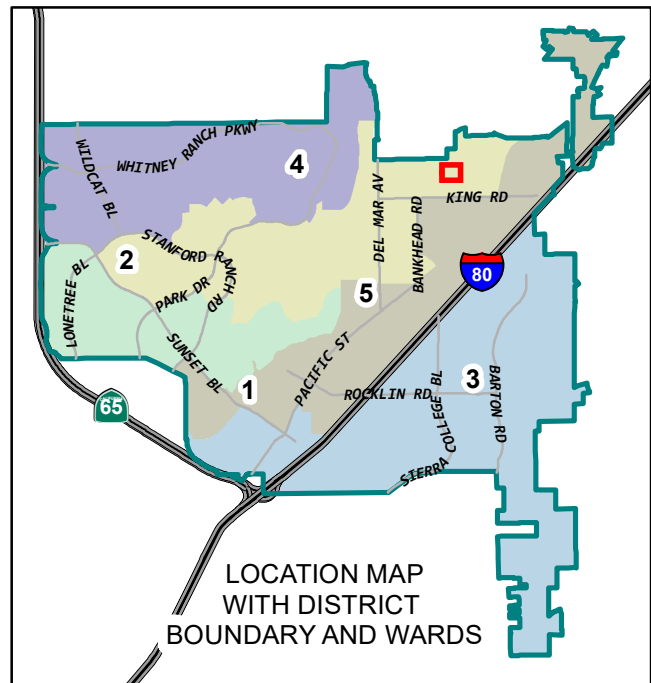
22 EDUs

Date: 7/25/2022

Author: Curtis Little

Document Path:

G:\spmud_gis\mxd\Bill of Sale\2022\MXD\TheGrove.mxd



LOCATION MAP WITH DISTRICT BOUNDARY AND WARDS

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Emilie Costan, Administrative Services Manager
Carie Huff, District Engineer
Eric Nielsen, Superintendent

Subject: Resolution 22-31, Declaring and Re-ratifying the State of Emergency and Authorizing Remote Teleconference Meetings of the Board of Directors due to the COVID-19 Emergency

Meeting Date: August 4, 2022

Overview

All meetings of the District’s Board of Directors are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District’s Board of Directors conduct their business. The Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions.

Required conditions are: that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-caused disasters; and it is further required that state or local officials have imposed or recommended measures to promote social distancing, or the legislative body meeting in person would present imminent risks to the health and safety of attendees.

Such conditions now exist in the District, specifically, the State of Emergency declared by the Governor with Executive Order N-25-20 on March 4, 2020, due to the COVID-19 pandemic. Guidance from the State of California has been adopted by the Placer County Health Department which recommends or mandates social distancing and face coverings in certain settings to prevent the spread of COVID-19.

In compliance with Executive Order N-25-20, since April 2020, the District has implemented virtual meeting protocols which comply with the requirements of paragraph (2) of subdivision (e) of section 54953, by providing for public participation through online meeting attendance and the opportunity to provide comment during a Board meeting both verbally and via email.

A provision of AB361 requires that the Board of Directors Declare and Re-ratify the State of Emergency and Authorize continuing Remote Teleconference Meetings of the Board of Directors every 30 days. Resolution 22-28 adopted on July 7, 2022, provided authorization from that day through August 6, 2022. To continue remote teleconference meetings, the Board must adopt a subsequent resolution. Resolution 22-31 provides coverage for remote meetings through September 3, 2022.

Recommendation

Staff requests the Board of Directors:

1. Adopt Resolution 22-31 Declaring and Re-ratifying the State of Emergency and Authorizing Remote Teleconference Meetings of the Board of Directors from August 4, 2022, through September 3, 2022, due to the COVID-19 Emergency.

Strategic Plan Goals

This action is consistent with SPMUD Strategic Plan Goals:

Goal 1.3: Maintain Transparency with all District Activities.

Goal 4.1: Maintain Compliance with Pertinent Regulations

Fiscal Impact

There is no fiscal impact to the District resulting directly from this action.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 22-31

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH PLACER MUNICIPAL UTILITY DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR ON MARCH 4, 2020, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE SOUTH PLACER MUNICIPAL UTILITY DISTRICT FOR THE PERIOD OF AUGUST 4, 2022, TO SEPTEMBER 3, 2022, PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the South Placer Municipal Utility District (the “District”) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District’s Board of Directors are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District’s Board of Directors conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Directors previously adopted Resolution 22-28 on June 7, 2022, finding that the requisite conditions exist for the District's Board of Directors to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the District, and the Board of Directors has done so; and

WHEREAS, emergency conditions persist in the District, specifically, the State of Emergency declared by the Governor on March 4, 2020, due to the COVID-19 pandemic; and

WHEREAS, the Board of Directors does hereby find that COVID-19 pandemic has caused, and will continue to cause, conditions dangerous to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to affirm a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the Board of Directors of the District shall continue to conduct its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the District has implemented virtual meeting protocols which comply with the requirements of paragraph (2) of subdivision (e) of section 54953, by providing for public participation through online meeting attendance and the opportunity to provide comment during the Board meeting both verbally or via email.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SOUTH PLACER MUNICIPAL UTILITY DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and COVID-19 has caused, and will continue to cause, an unreasonable risk of harm to the safety of persons within the District that are likely to be beyond the control of the services, personnel, equipment, and facilities of the District.

Section 3. Re-ratification of Governor’s Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California’s Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The General Manager and Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) September 3, 2022, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the South Placer Municipal Utility District this 4th day of August, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Signed: _____

Gerald P. Mitchell, President of the Board of Directors

Attest: _____

Emilie Costan, Board Secretary

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Emilie Costan, Administrative Services Manager
Carie Huff, District Engineer
Eric Nielsen, Superintendent

Subject: Resolution 22-32, Establishing a Procedure for Rectifying Parcels split by Census Blocks for the Establishment of Ward Boundaries

Meeting Date: August 4, 2022

Overview

On March 3, 2022, the Board of Directors adopted Ordinance 22-01, an Ordinance to Transition from At-Large/From-District elections to From District/By-District elections and re-establishing District Ward Boundaries. Ordinance 22-01 utilized Census Block information to establish Ward Boundaries. Staff was alerted by Placer County GIS and Elections personnel that in some isolated cases the census block boundaries split parcels. Please see Attachment 1 Examples of Ward Boundaries Splitting Parcels.

The District wishes to rectify those parcels split by the Ward Boundaries in Ordinance 22-01 and prepared the attached resolution that establishes a procedure for doing such. The resolution was reviewed by the District's Redistricting Advisory Committee, the District's Consultant, Redistricting Insights, as well staff from Placer County Elections. The following criteria is being presented to the Board of Directors for adoption in Resolution 22-32, included herein as Attachment 2:

- a) In those cases where the Ward Boundary splits a parcel, the whole parcel shall be included in the Ward encompassing the larger portion of the split parcel; except that,
- b) In those cases that the Ward Boundary splits a parcel adjacent to a recognized boundary of an incorporated Town or City, the Ward Boundary shall be moved to correspond to the limits of the incorporated Town or City, and the whole parcel shall be included in that Ward.

Recommendation

Staff requests the Board of Directors Adopt Resolution 22-32, Establishing a Procedure for Rectifying Parcels split by Census Blocks for the Establishment of Ward Boundaries

Strategic Plan Goals

This action is consistent with SPMUD Strategic Plan Goals:

Goal 1.3: Maintain Transparency with all District Activities.

Goal 4.1: Maintain Compliance with Pertinent Regulations

Fiscal Impact

There is no fiscal impact to the District resulting directly from this action.

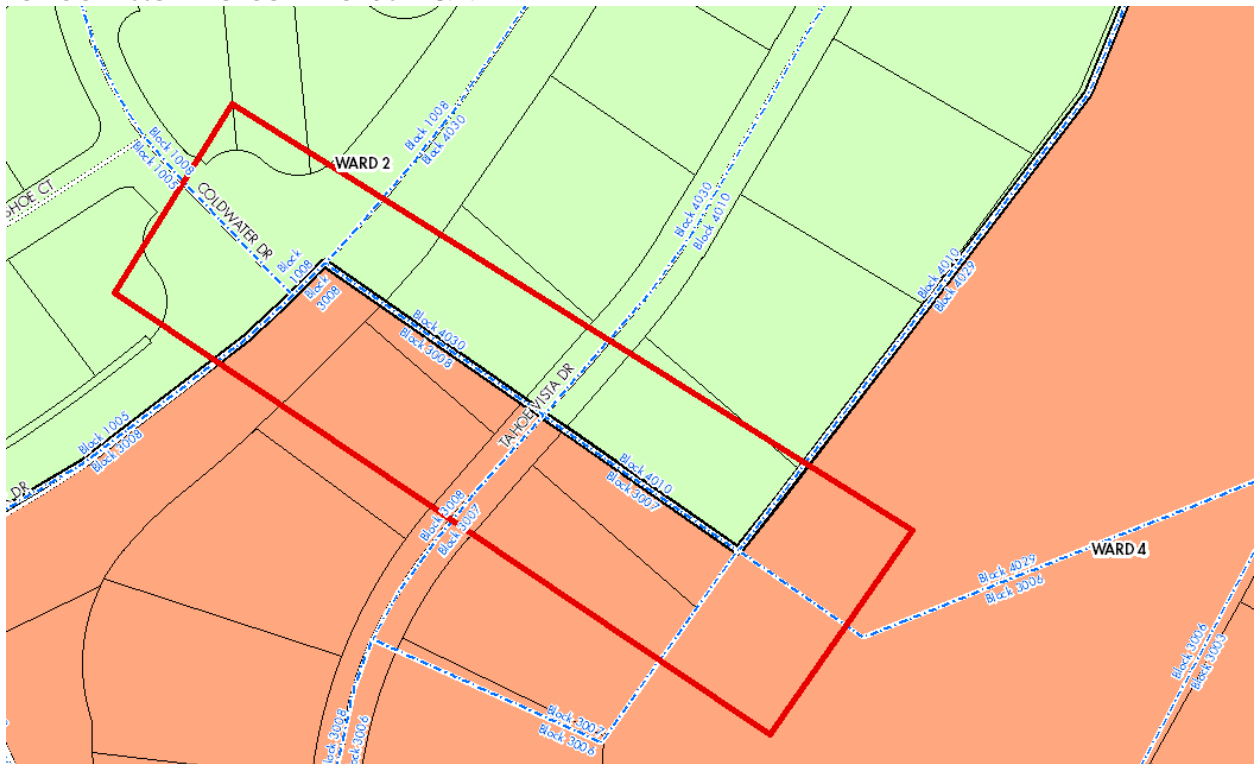
Attachment(s)

1. Examples of Ward Boundaries splitting parcels
2. Resolution 22-32, Establishing a Procedure for Rectifying Parcels split by Census Blocks for the Establishment of Ward Boundaries

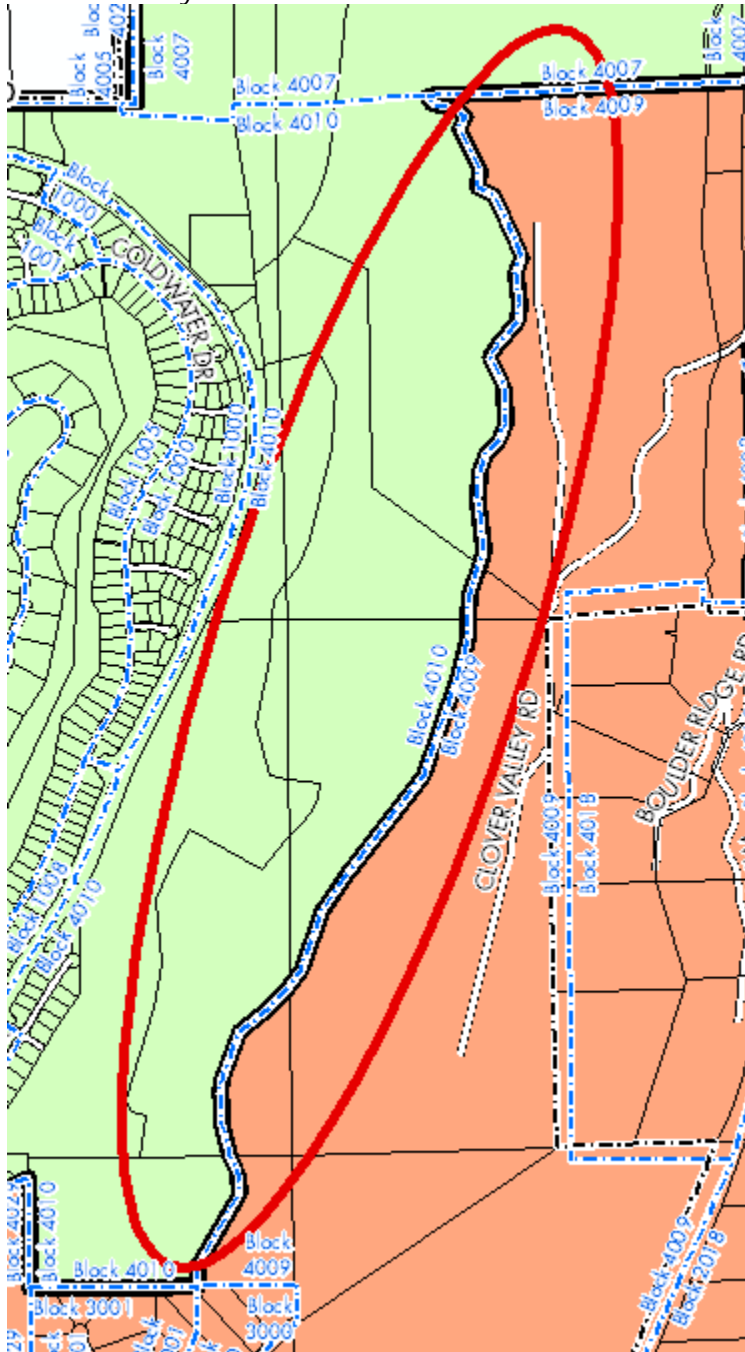
Attachment 1.
To Board Staff report in support of Resolution 22-32

Census Block boundary: Blue dash-dot line
 City Limit line: Black dash-dot-dot-dot line
 Parcels: Thin black line
 Ward 1: Blue
 Ward 2: Light green
 Ward 3: (Not shown in examples)
 Ward 4: Orange
 Ward 5: Purple

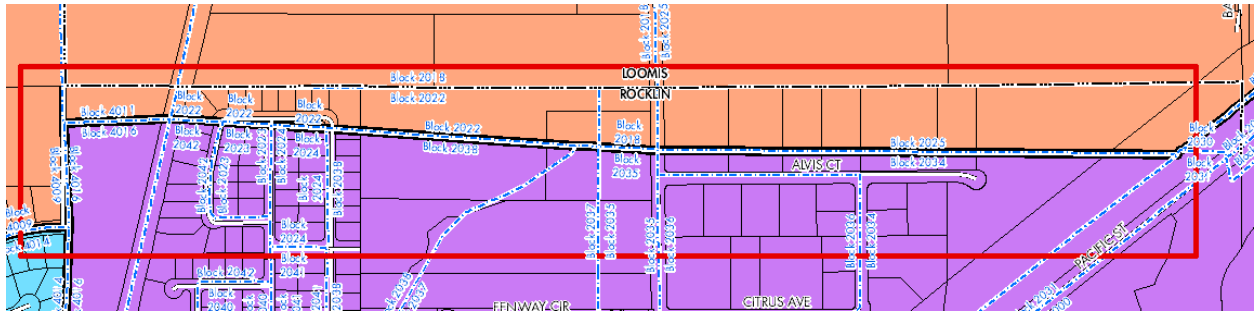
Tahoe Vista Dr area. Wards 2 & 4



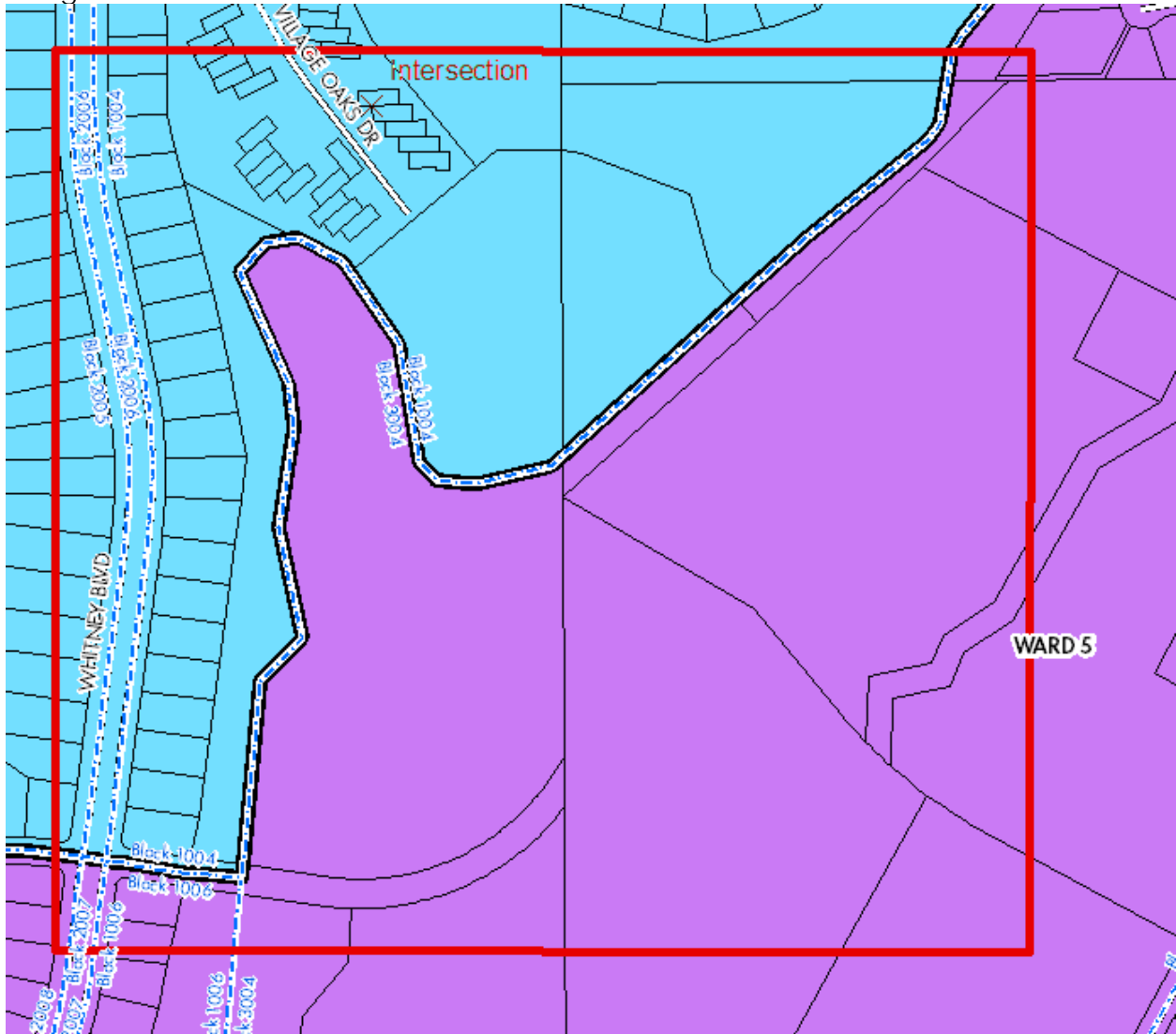
Clover Valley Rd area. Wards 2 & 4



Alvis Ct Area. Wards 4 & 5



Village Oaks Dr. area. Wards 1 & 5



SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 22-32

**ESTABLISHING A PROCEDURE FOR RECTIFYING PARCELS SPLIT BY CENSUS
BLOCKS FOR THE ESTABLISHMENT OF WARD BOUNDARIES**

WHEREAS, the South Placer Municipal Utility District was formed and organized under the Municipal Utility District Act (the “MUD Act”) of the State of California (California Public Utilities Code Section 11501 et seq.); and

WHEREAS, on March 3, 2022, the Board of Directors adopted Ordinance 22-01, an Ordinance to Transition from At-Large/From-District elections to From District/By-District elections and re-establishing District Ward Boundaries; and

WHEREAS, Ordinance 22-01 utilized Census Block information to establish Ward Boundaries; and

WHEREAS, it has been discovered that in some isolated cases the census block boundaries split parcels.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the South Placer Municipal Utility District adopt the following criteria to rectify those parcels split by the Ward Boundaries in Ordinance 22-01:

- a) In those cases where the Ward Boundary splits a parcel, the whole parcel shall be included in the Ward encompassing the larger portion of the split parcel; except that,
- b) In those cases that the Ward Boundary splits a parcel adjacent to a recognized boundary of an incorporated Town or City, the Ward Boundary shall be moved to correspond to the limits of the incorporated Town or City, and the whole parcel shall be included in that Ward.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 4th Day of August 2022.

Signed: _____

Gerald P. Mitchell, President of the Board of Directors

Attest: _____

Emilie Costan, Board Secretary

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Herb Niederberger, General Manager

Subject: June 30, 2021 Actuarial Valuation Report: Determination of OPEB Funding Contributions

Meeting Date: August 4, 2022

Overview

The Districts Actuary, MacLeod Watts, has completed the June 30, 2021 Actuarial Valuation Report: Determination of Other Post-Employment Benefits (OPEB) Funding Contributions dated June 29, 2022. The report contains calculations regarding the value of future retiree medical benefits provided by the District; the current OPEB liability, and the determined contributions for fiscal years 2022 and 2023. This report is submitted to the California Employers' Retiree Benefit Trust (CERBT) to satisfy the filing requirements for the Trust.

The District has participated in the CERBT since late 2008, when the District opted to prefund these OPEB benefits through investment earnings provided by CalPERS. The CERBT reduces cash flow requirements for the District into the future, as well as reduces the OPEB liabilities reported on annual financial statements.

In 2015, the Board adopted *Policy 2575 – OPEB Prefunding Plan* which establishes funding for Other Post-Employment Benefits (OPEB) by participation in the California Employees Retiree Benefit Trust Fund (CalPERS Prefunding Plan). The Board's strategy behind this policy is to fund, in full, the unfunded actuarial accrued OPEB liabilities.

The District currently has funds invested into the CERBT Strategy 2 Asset Allocation. Asset Allocation Strategy 2 has an expected short-term (1 - 5 years) weighted rate of return of 4.2% and a long-term (6 – 20 years) weighted rate of return of 5.9%. The objective for this portfolio consists of moderate allocations in equities, bonds, and other asset investments which are complimentary to the District's moderate approach to investment strategies as specified in *Policy 3120 – Investment of District Funds*.

The June 30, 2021 Actuarial Valuation Report assesses the OPEB liabilities for the District and develops the level of contributions to be made to CERBT for the next two years. The valuation is

based upon employee census data and forecasts. The District’s OPEB liability varies based on many factors including the number of participants in the pool, healthcare claims by age, the medical plans selected, the level of coverage, and the premium rates.

The plan funded status as of June 30, 2021, is compared to the June 30, 2019, valuation below. The funded ratio has increased from 77.5% in 2019 to 77.9% in 2021.

Valuation Date	6/30/2019	6/30/2021
Discount Rate	6.30%	5.72%
Actuarial Accrued Liability (AAL)		
Explicit Liability	\$ 5,449,746	\$ 6,780,965
Implicit Liability	949,150	1,287,921
Total AAL	\$ 6,398,896	\$ 8,068,886
Actuarial Value of Assets	4,958,199	6,286,359
Unfunded Actuarial Accrued Liability (surplus)	1,440,697	1,782,527
Funded % (ratio of Assets to AAL)	77.5%	77.9%

Actuarially Determined Contributions for fiscal years ending June 30, 2022, through June 30, 2024, are show below.

Fiscal Year End	6/30/2022	6/30/2023	6/30/2024
Actuarially Determined Contribution (ADC)	\$ 376,479	\$ 416,158	\$ 424,872
Less current implicit subsidy	(69,859)	(101,747)	(104,793)
Additional payments needed to meet ADC	\$ 306,620	\$ 314,411	\$ 320,079
Estimated employer-paid retiree benefits (explicit)	329,840	361,683	367,166
Estimated contribution to (refund from) trust	\$ 116,528	\$ -	\$ -

Recommendation

Staff recommends the Board receive and file the June 30, 2021 Actuarial Valuation: Determination of Other Post-Employment Benefit (OPEB) Funding Contributions.

Strategic Plan Goals

This action is consistent with SPMUD Strategic Plan Goals:

Goal 5.2: Explore and evaluate investment and business practice alternatives

Goal 5.3: Maintain financial responsibility by ensuring allocated funding sources are adequate to meet expenses; and that available funds and resources are managed efficiently.

Fiscal Impact

The Actuarial Report estimates the expenses paid by the District directly to retirees for fiscal year 2023 (\$361,683) and fiscal year 2024 (\$367,166) and the additional contributions to the CERBT for fiscal year 2023 (\$0) and fiscal year 2024 (\$0). A \$100,000 additional contribution to the CERBT was budgeted for fiscal year 2023 prior to receiving the Actuarial Report.

Attachments:

1. June 30, 2021 Actuarial Valuation: Determination of Other Post-Employment Benefit (OPEB) Funding Contributions

MacLeod Watts

June 29, 2022

Mr. Herb Niederberger
General Manager
South Placer Municipal Utility District
43885 S Grimmer Boulevard
Fermont, CA 94538

Re: June 30, 2021, Actuarial Valuation: Determination of OPEB Funding Contributions

Dear Mr. Niederberger:

We are pleased to enclose our report providing the results of the June 30, 2021, actuarial funding valuation of other post-employment benefit (OPEB) liabilities for the South Placer Municipal Utility District. The report's text describes our analysis and assumptions in detail.

The primary purposes of this report are to:

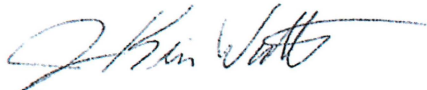
1. Value plan liabilities as of June 2021 and reconcile plan liabilities to those in the District's prior 2019 valuation.
2. Develop Actuarially Determined Contributions (ADCs) for FYE 2023, and 2024 using a long-term trust earnings rate of 5.72%.
3. Provide a report to be submitted to the California Employers' Retiree Benefit Trust (CERBT) to satisfy filing requirements for the trust.

Separate annual GASB 75 reports will be provided to assist with financial reporting requirements.

We have based our valuation on employee data and plan information provided by the District, including the most recent bargaining agreements and PEMHCA resolutions on file with CalPERS. Please review Section L to ensure that we have summarized the plan's benefit provisions correctly.

We appreciate the opportunity to work on this analysis and thank you and other District staff for their time and assistance. Please let us know if we can be of further assistance.

Sincerely,



J. Kevin Watts, FSA, FCA, MAAA
Principal & Consulting Actuary

Enclosure



South Placer Municipal Utility District

Actuarial Valuation of Other
Post-Employment Benefit Programs
As of June 30, 2021

Development of OPEB Prefunding Levels

Submitted June 2022

MacLeod Watts

Table of Contents

A. Executive Summary 1

B. OPEB Obligations of the District 3

C. Funding Policy of the District 4

D. The Valuation Process..... 5

E. Choosing the Valuation Discount Rate..... 7

F. Asset Values as of June 30, 2021 8

G. Valuation Results as of June 30, 2021..... 9

 Changes Since the Prior Valuation 10

H. Development of Actuarially Determined Contributions..... 11

I. Projected Annual Benefit Payments 12

J. Historical Information..... 14

K. Summary of Employee Data 15

L. Summary of Retiree Benefit Provisions 17

M. Summary of Actuarial Methods and Assumptions..... 19

N. Certification 26

Addendum 1: Funding OPEB Liabilities..... 27

Addendum 2: MacLeod Watts Age Rating Methodology 30

Addendum 3: MacLeod Watts Mortality Projection Methodology 31

Glossary..... 32



A. Executive Summary

This report presents the results of the June 30, 2021, actuarial valuation of the South Placer Municipal Utility District (the District) defined benefit other post-employment benefit (OPEB) program. The primary purpose of this valuation is to assess the defined benefit OPEB liabilities of the District and develop contribution levels for the funding of these benefits. OPEB information relevant to reporting in the District’s financial statements will be provided in separate annual reports.

Trust assets are currently invested in the CERBT with Asset Allocation Strategy 2. Based on future District-specific benefit cash flows and investment return information published by CalPERS, we developed an expected trust return of 5.72%. This rate reflects the current expectation of the long-term return on trust assets, based on information provided by CalPERS in March 2022. This rate is lower than the 6.30% return determined from prior CalPERS return projections. For more information, see Choosing the Discount Rate on page 7. Please recognize that use of this rate is an assumption and is not a guarantee of future investment performance.

Exhibits presented in this report apply the results of this June 30, 2021, valuation to develop the Actuarially Determined Contributions (ADCs) for the District’s use in the funding of this benefit program. These ADCs are will also be reflected in the District’s financial disclosures under GASB 75 for fiscal years ending 2022-2024.

The plan funded status as of June 30, 2021, is compared to the June 30, 2019, valuation below. The funded ratio has increased from 77.5% in 2019 to 77.9% in 2021. More valuation results are presented in Section G.

Valuation Date	6/30/2019	6/30/2021
Discount Rate	6.30%	5.72%
Actuarial Accrued Liability (AAL)		
Explicit Liability	\$ 5,449,746	\$ 6,780,965
Implicit Liability	949,150	1,287,921
Total AAL	\$ 6,398,896	\$ 8,068,886
Actuarial Value of Assets	4,958,199	6,286,359
Unfunded Actuarial Accrued Liability (surplus)	1,440,697	1,782,527
Funded % (ratio of Assets to AAL)	77.5%	77.9%

Actuarially Determined Contributions for fiscal years ending June 30, 2022, through June 30, 2024, are shown below. Detailed results are developed in Section H.

Fiscal Year End	6/30/2022	6/30/2023	6/30/2024
Actuarially Determined Contribution (ADC)	\$ 376,479	\$ 416,158	\$ 424,872
Less current implicit subsidy	(69,859)	(101,747)	(104,793)
Additional payments needed to meet ADC	\$ 306,620	\$ 314,411	\$ 320,079
Estimated employer-paid retiree benefits (explicit)	329,840	361,683	367,166
Estimated contribution to (refund from) trust	\$ 116,528	\$ -	\$ -

The next actuarial valuation is scheduled to be prepared as of June 30, 2023. If there are any significant changes in the employee data, benefits provided to retirees, or in the District’s funding policy, please contact us to discuss whether an earlier valuation is appropriate.



Executive Summary

(Continued)

The liabilities shown in this report reflect assumptions regarding continued future employment, rates of retirement and survival, and elections by future retirees to elect coverage for themselves and their dependents. This valuation has been prepared on a closed group basis; no provision is generally made for new employees until the valuation date following their employment.

This valuation involves a complex, long term projection, using many assumptions. Future results may be different. Future differences may arise for many reasons, including but not limited to 1) changes in the number of covered plan members; 2) unexpected changes in medical premiums or claims; 3) plan changes; 4) longer life expectancies than assumed; 5) asset returns different than assumed.

Details of our valuation process are provided on the following pages. Key terms used in the report are described throughout the report and in the Glossary. Certain actuarial terms used for plan funding have parallel terms with different names when used for GASB 75 reporting (see table on page 6). This can be confusing when comparing results from an actuarial report providing funding information compared to one prepared for accounting purposes.

Important Notices

This report is intended to be used only to present the actuarial information relating to the District's other postemployment benefits and to provide the annual contribution information with respect to the District's current OPEB funding policy. The results of this report may not be appropriate for other purposes, including financial reporting purposes under GASB 75, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable. Some issues in this report may involve analysis of applicable law or regulations. The District should consult counsel on these matters; MacLeod Watts does not practice law and does not intend anything in this report to constitute legal advice.



B. OPEB Obligations of the District

The District provides continuation of medical coverage to its retiring employees. These benefits may create one or more of the following types of OPEB liabilities:

- **Explicit subsidy liabilities:** An “explicit subsidy” exists when the employer contributes directly toward the cost of retiree healthcare. These benefits include a monthly subsidy toward medical premiums for eligible retirees. Section L provides a more thorough description of plan benefits.
- **Implicit subsidy liabilities:** An “implicit subsidy” exists when premiums are developed using blended active and retiree claims experience. In this situation, premiums charged for retirees may not be sufficient to cover expected medical claims¹ and the premiums charged for active employees are said to “implicitly subsidize” retirees. The District’s OPEB program includes implicit subsidy liabilities for retiree coverage prior to coverage under Medicare.
- **Other subsidy liabilities:** In pooled plans that do not blend active and retiree claims experience to develop premiums, such as CalPERS medical for Medicare retirees, there may be some cross-subsidy between retirees and other employers within the pool. An Actuarial Practice note clarifies that such pool subsidies should be quantified and included in plan liabilities.² These cross-subsidies tend to be small if an employer’s retirees reasonably match the age and gender composition of the entire pool. Any such liability is included with the implicit subsidy liability in this report.

We determine explicit subsidy liabilities using the expected direct payments promised by the plan toward retiree coverage. We determine other subsidy liabilities as the projected difference between (a) retiree medical claim costs by age and (b) premiums charged for retiree coverage. For more information on this process Addendum 2: MacLeod Watts Age Rating Methodology.

¹ In rare situations, premiums for retiree coverage may be high enough that they subsidize active employees’ claims.

² Exceptions exist for: 1) Medicare Advantage Plans. These plans are treated as if their premiums are age-based due to the nature of the Federal subsidies paid to these plans; 2) Low Employer Subsidy Plans. If the employer’s contributions toward Medicare-retiree coverage are low, then no part of any potential pool subsidy will be deemed to be paid by the employer.



C. Funding Policy of the District

The District has committed to making regular contributions to the plan's OPEB trust at least equal to the Actuarially Determined Contribution. Actuarially Determined Contributions (ADCs) are developed as the sum of

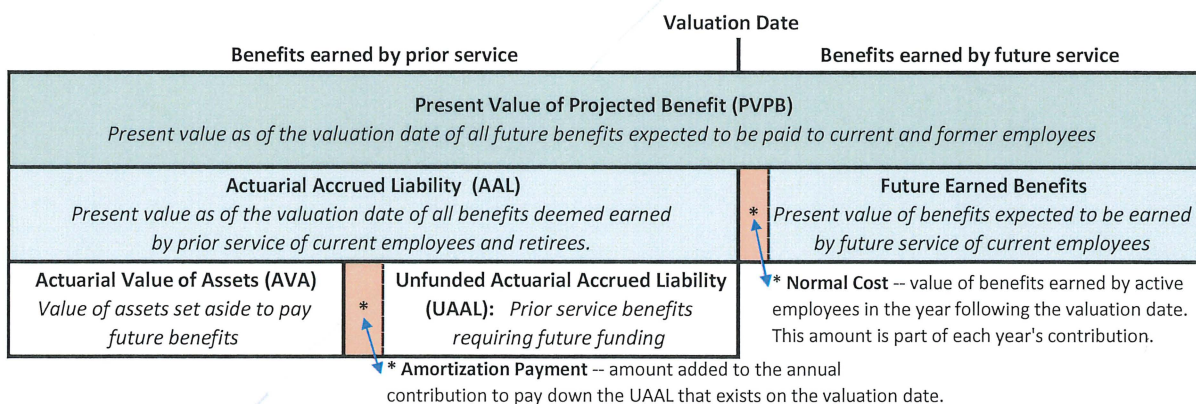
- 1) The normal cost for the year. The normal cost is the attributed of future retiree benefits earned during the year by active employees; and
- 2) An amortization payment on the unfunded actuarial accrued liability. Benefits earned in prior periods that remain unfunded are funded over time. The District's amortization payments are developed as a level percentage of payroll.



D. The Valuation Process

This valuation is based on employee census data and benefits initially submitted to us by the District and clarified in various related communications. A summary of the employee data is provided in Section K and a summary of the benefits provided under the Plan is provided in Section L. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on the District as to its accuracy. The valuation has been performed in accordance with the process described below using the actuarial methods and assumptions described in Section M and is consistent with our understanding of Actuarial Standards of Practice.

In projecting benefit values and liabilities, we first determine an expected premium or benefit stream over each current retiree's or active employee's future retirement. Benefits may include both direct employer payments (explicit subsidies) and any implicit subsidies arising when retiree premiums are expected to be partially subsidized by premiums paid for active employees. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected dates when benefits will end. Assumptions regarding the probability that each employee will remain in service to receive benefits and the likelihood the employee will elect coverage for themselves and their dependents are also applied. We then calculate a present value of these future benefit streams by discounting the value of each future expected employer payment back to the valuation date using the valuation discount rate. This present value is called the **Present Value of Projected Benefits (PVPB)** and represents the current value of all expected future plan payments to current retirees and current active employees. Note that this long-term projection does not anticipate entry of future employees.



The next step in the valuation process splits the Present Value of Projected Benefits into 1) the value of benefits already earned by prior service of current employees and retirees and 2) the value of benefits expected to be earned by future service of current employees. Actuaries employ an "attribution method" to divide the PVPB into prior service liabilities and future service liabilities. For this valuation we used the **Entry Age Normal** attribution method. This method is the most common used for government funding purposes and the only attribution method allowed for financial reporting under GASB 75.

We call the value of benefits deemed earned by prior service the **Actuarial Accrued Liability (AAL)**. Benefits deemed earned by service of active employees in a single year is called the **Normal Cost** of benefits. The present value of all future normal costs (PVFNC) plus the Actuarial Accrued Liability will equal the Present Value of Projected Benefits (i.e. $PVPB = AAL + PVFNC$).



Valuation Process
(Concluded)

The District has committed to making regular contributions to a trust in order to prefund plan benefits. Trust contributions and earnings accumulate so that the trust can make benefit payments to retirees (or reimburse the District for making those payments directly). The difference between the value of trust assets (i.e. the Market Value of Assets and the Actuarial Accrued Liability yields the **Unfunded Actuarial Accrued Liability (UAAL)**. The UAAL represents, as of the valuation date, the present value of benefits already earned by past service that remain unfunded. A plan is generally considered “fully funded” when the UAAL is zero. The plan sponsor of a fully funded plan will still need to make future contributions for benefits earned by future service of active employees. But in a fully funded plan, the plan sponsor has set aside sufficient assets to pay for benefits that have been earned by past service of current retirees and active employees if all valuation assumptions are realized.

Future contributions by the District will fund 1) the remaining part of OPEB benefits earned by past service (the Unfunded Actuarial Accrued Liability) and 2) the value of benefits earned each year by service of active employees (i.e. annual Normal Costs). Various strategies might be employed to pay down the UAAL such as longer or shorter amortization payments, and flat or escalating payments depending on the plan sponsors goals and funding philosophy.

Variation in Future Results

Please note that projections of future benefits over such long periods (frequently 70 or more years) which are dependent on numerous assumptions regarding future economic and demographic variables are subject to substantial revision as future events unfold. While we believe that the assumptions and methods used in this valuation are reasonable for the purposes of this report, the costs to the District reflected in this report are subject to future revision, perhaps materially. Demonstrating the range of potential future plan costs was beyond the scope of our assignment except to the limited extent of providing liability information at various discount rates.

Certain actuarial terms and GASB 75 terms may be used interchangeably, as shown below. Specific results from this valuation are provided in the Section G.

Actuarial Terminology	GASB 75 Terminology
Present Value of Projected Benefits (PVPB)	<i>No equivalent term</i>
Actuarial Accrued Liability (AAL)	Total OPEB Liability (TOL)
Market Value of Assets (MVA)	Fiduciary Net Position
Actuarial Value of Assets (AVA)	<i>No equivalent term</i>
Unfunded Actuarial Accrued Liability (UAAL)	Net OPEB Liability
Normal Cost	Service Cost



E. Choosing the Valuation Discount Rate

In March 2022, CalPERS updated the projected future investment returns for CERBT Strategy 2. CalPERS determined its returns using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major class are split for years 1-5 and years 6 -20.

CERBT Strategy 2		Years 1-5			Years 6-20		
Major Asset Classification	Target Allocation	General Inflation Rate Assumption	1-5 Year Expected Real Rate of Return	Compound Return Yrs 1-5	General Inflation Rate Assumption	6-20 Year Expected Real Rate of Return	Compound Return Years 6-20
Global Equity	34%	2.40%	4.40%	6.80%	2.30%	4.50%	6.80%
Fixed Income	41%	2.40%	-1.00%	1.40%	2.30%	2.20%	4.50%
Global Real Estate(REITs)	17%	2.40%	3.00%	5.40%	2.30%	3.90%	6.20%
Treasury Inflation Protected Securities	5%	2.40%	-1.80%	0.60%	2.30%	1.30%	3.60%
Commodities	3%	2.40%	0.80%	3.20%	2.30%	1.20%	3.50%
Volatility	9.9%		weighted	4.2%		weighted	5.9%

To derive the expected future trust return specifically for the District, we first adjusted CalPERS' future return expectations to align with the 2.5% general inflation assumption used in this report. We assumed that the returns for years 6 through 20 would continue in later years. Then applying the plan specific benefit payments to CalPERS' bifurcated return expectations, we determined the single equivalent long-term rate of return to be 5.72%.



F. Asset Values as of June 30, 2021

The District's plan assets are invested in the California Employers' Retiree Benefits Trust (CERBT). The June 30, 2021, audit of CERBT assets reported the following value for the District's account on that date:

Market Value of Trust Assets, 6/30/2021	\$6,286,359
--	--------------------

This value is also appropriate for use in GASB 75 financial reporting (i.e. Fiduciary Net Position).



G. Valuation Results as of June 30, 2021

The following chart compares the results of the June 30, 2021, valuation of OPEB liabilities to the results of the June 30, 2019, valuation.

Funding Policy	Prefunding Basis					
Valuation date	6/30/2019			6/30/2021		
Discount rate	6.30%			5.72%		
Number of Covered Employees						
Actives	27			26		
Retirees	17			24		
Total Participants	44			50		
Subsidy	Explicit	Implicit	Total	Explicit	Implicit	Total
Actuarial Present Value of Projected Benefits						
Actives	\$ 4,246,400	\$ 1,045,474	\$ 5,291,874	\$ 3,995,154	1,157,794	5,152,948
Retirees	2,821,347	297,338	3,118,685	4,956,826	769,259	5,726,085
Total APVPB	7,067,747	1,342,812	8,410,559	8,951,980	1,927,053	10,879,033
Total OPEB Liability (TOL)						
Actives	2,628,399	651,812	3,280,211	1,824,139	518,662	2,342,801
Retirees	2,821,347	297,338	3,118,685	4,956,826	769,259	5,726,085
TOL	5,449,746	949,150	6,398,896	6,780,965	1,287,921	8,068,886
Fiduciary Net Position						
Net OPEB Liability						
Service Cost						
For the period following the measurement date	187,918	46,562	234,480	206,577	60,423	267,000
Percent of ABVBP funded						
Percent of AAL Funded						

The ratio of the Assets to the Actuarial Accrued Liability is 77.9%. This is up from 77.5% as of June 30, 2019.



Other Post-Employment Benefit Programs of the South Placer Municipal Utility District
Actuarial Valuation as of June 30, 2021

Valuation Results as of June 30, 2021
(Concluded)

Changes Since the Prior Valuation

Given the uncertainties involved and the long-term nature of these projections, prior assumptions are not likely ever to be exactly realized. Nonetheless, it is helpful to review why results are different than may have been anticipated. In comparing results shown on the preceding page, we can see that the Unfunded Actuarial Accrued Liability (UAAL) increased by \$341,830 between June 2019 and June 2021, from \$1,440,697 to \$1,782,527. A reconciliation of this change appears below. The unexpected changes are labeled *Investment experience*, *Plan experience*, or *Assumption changes*. Plan experience includes terminations and retirements other than expected, plan elections different than assumed, and differences between actual and expected premium and expected claims rates. No benefit changes

Reconciliation	Actuarial Accrued Liability (a)	Market Value of Assets (b)	Unfunded Actuarial Accrued Liability (c) = (a) - (b)
As of June 30, 2019 Funding Valuation <i>@ 6.30% discount rate</i>	\$ 6,398,896	\$ 4,958,199	\$ 1,440,697
Changes During the 2019-2020 Period:			
Service Cost	234,482		234,482
Interest Cost	408,011		408,011
Benefit Payments	(314,030)	(314,030)	-
Employer Contributions		343,943	(343,943)
Trust Expenses		(2,460)	2,460
Expected Asset Return		313,231	(313,231)
Investment experience greater (less) than expected		(43,478)	43,478
As of June 30, 2020	\$ 6,727,359	\$ 5,255,405	\$ 1,471,954
Changes During the 2020-2021 Period:			
Service Cost	241,516		241,516
Interest Cost	428,324		428,324
Benefit Payments	(340,175)	(340,175)	-
Employer Contributions		340,175	(340,175)
Trust Expenses		(1,913)	1,913
Expected Asset Return		336,285	(336,285)
<i>Plan experience (gain) loss:</i>			
Retirements and turnover other than expected	989,741		989,741
Premiums and claims other than expected	(575,940)		(575,940)
Other plan experience	(122,475)		(122,475)
<i>Assumption changes:</i>			
Updated healthcare trend	145,051		145,051
Updated discount rate	557,203		557,203
retirees	15,972		15,972
Updated salary increase, inflation & mortality improvement	2,310		2,310
Investment experience greater (less) than expected		696,582	(696,582)
As of June 30, 2021 Funding Valuation <i>@ 5.72% discount rate</i>	\$ 8,068,886	\$ 6,286,359	\$ 1,782,527



H. Development of Actuarially Determined Contributions

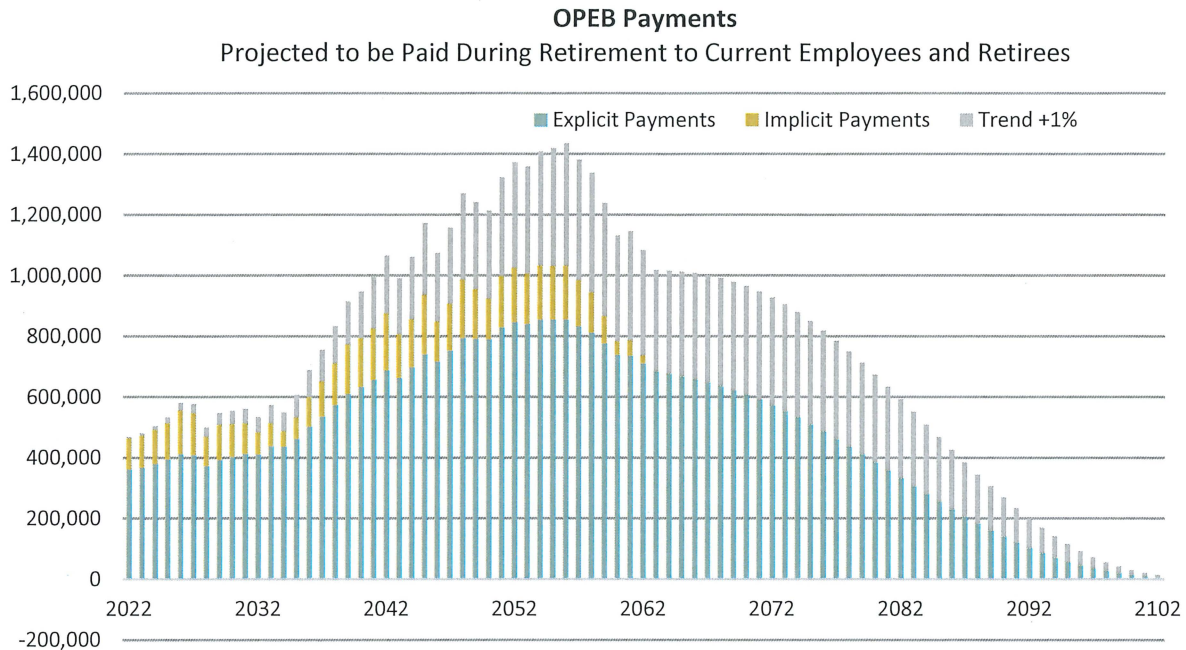
The chart below develops the Actuarially Determined Contributions (ADCs) for fiscal years ending June 30, 2023, and 2024 from the results of this valuation. The ADC for fiscal year end June 30, 2022, was developed from the prior (2019) valuation. We have included this for reference.

Funding Policy	Prefunding 100% or more of the ADC		
Valuation date	6/30/2019	6/30/2021	
For fiscal year ending	6/30/2022	6/30/2023	6/30/2024
Expected long-term return on assets	6.30%	5.72%	5.72%
Discount rate	6.30%	5.72%	5.72%
Number of Covered Employees			
Actives	27	26	
Retirees	17	24	
Total Participants	44	50	
Actuarial Present Value of Projected Benefits			
Actives	5,905,346	5,252,961	5,327,645
Retirees	2,976,579	5,837,222	5,920,213
Total APVPB	8,881,925	11,090,183	11,247,858
Actuarial Accrued Liability (AAL)			
Actives	4,153,915	2,564,346	2,775,981
Retirees	2,976,579	5,837,222	5,920,213
Total AAL	7,130,494	8,401,568	8,696,194
Actuarial Value of Assets	5,659,824	6,751,035	7,123,940
Unfunded AAL (UAAL)	1,470,670	1,650,533	1,572,254
UAAL Amortization method	Level % of Pay	Level % of Pay	Level % of Pay
Remaining amortization period (years)	18	17	16
Amortization Factor	13.9525	13.9131	13.2541
Actuarially Determined Contribution (ADC)			
Normal Cost	248,761	275,010	283,260
Amortization of UAAL	105,405	118,631	118,624
Interest to fiscal year end	22,313	22,516	22,988
Total ADC	376,479	416,158	424,872
Contributing the ADC			
Total ADC Payable	\$ 376,479	\$ 416,158	\$ 424,872
<i>Expected Contributions Toward ADC:</i>			
Implicit subsidy payment	69,859	101,747	104,793
Estimated retiree benefits paid by agency	329,840	361,683	367,166
-- reimbursement of payments by trust	-	-	-
Cash contribution to trust	116,528	-	-
Total Expected Contribution Toward ADC	516,227	\$ 463,430	\$ 471,959
Contribution More Than (Less Than) ADC	139,748	47,272	47,087



I. Projected Annual Benefit Payments

Section D discussed how the starting point of the valuation process is developing a long-term projection of OPEB plan benefits. The graph below shows the long-term projected benefit payments used in the development of this report's valuation results.



Based on all the assumptions described in this report, total OPEB payments are expected to increase from about \$407,000 in FY2021/22 to a maximum of about \$1,030,000 in 2054 and then decline in each following year. Explicit retiree benefit subsidies increase from about \$338,000 in FYE 2021/22 to about \$854,000 in 2056.

Note the lighter grey shadow over the total projected benefit payments. The additional amount indicated by the grey bars is the amount that would become payable if future medical trend increases were 1% higher in all years than assumed in this report. The increase shown is indicative of the risk of future cost changes should the report's assumptions not be realized.

The chart on the following page shows, in table form and more detail, the post-employment benefits illustrated in the chart above for the first 15 years.



Other Post-Employment Benefit Programs of the South Placer Municipal Utility District
Actuarial Valuation as of June 30, 2021

Projected Annual Benefit Payments
(Concluded)

These projections do not include any benefits expected to be paid on behalf of current active employees *prior to* retirement, nor do they include any benefits for potential *future employees* (i.e., those who might be hired in future years).

Projected Annual Benefit Payments							
Fiscal Year Ending June 30	Explicit Subsidy			Implicit Subsidy			Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
2022	\$ 329,840	\$ -	\$ 329,840	\$ 69,859	\$ -	\$ 69,859	\$ 399,699
2023	338,317	23,366	361,683	92,018	9,729	101,747	463,430
2024	334,247	32,919	367,166	89,156	15,637	104,793	471,959
2025	340,725	39,076	379,801	92,603	17,859	110,462	490,263
2026	346,793	47,990	394,783	92,977	24,808	117,785	512,568
2027	360,677	51,226	411,903	110,284	32,599	142,883	554,786
2028	347,550	60,420	407,970	104,220	33,128	137,348	545,318
2029	309,166	62,616	371,782	67,023	29,241	96,264	468,046
2030	319,929	72,528	392,457	78,998	36,302	115,300	507,757
2031	312,314	89,632	401,946	61,019	46,808	107,827	509,773
2032	322,117	89,990	412,107	71,443	27,577	99,020	511,127
2033	301,194	109,724	410,918	31,757	38,752	70,509	481,427
2034	301,384	136,169	437,553	21,395	53,945	75,340	512,893
2035	283,723	152,481	436,204	(763)	50,509	49,746	485,950
2036	289,632	172,346	461,978	430	69,412	69,842	531,820

The amounts shown above as Explicit Subsidy reflect the expected payment by the District toward retiree medical premiums in each of the years shown. The amounts are shown separately, and in total, for those retired on the valuation date (“current retirees”) and those expected to retire after the valuation date (“future retirees”).

The amounts shown above as Implicit Subsidy reflect the expected excess of retiree medical (and prescription drug) claims over the premiums expected to be charged during the year for retirees’ coverage. These amounts are also shown separately and in total for those currently retired on the valuation date and for those expected to retire in the future.

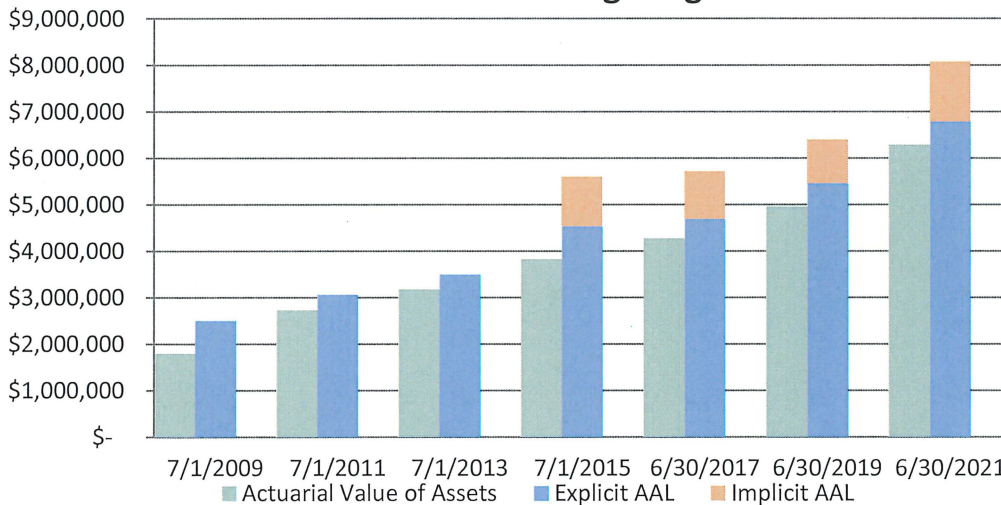


J. Historical Information

In this section, we provide a review of key components of valuation results from 2008 through 2021.

Schedule of Funding Progress							
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a	Discount Rate
			Actuarial Accrued Liability (b-a)			Percentage of Covered Payroll ((b-a)/c)	
7/1/2009	\$1,800,053	\$2,505,691	\$ 705,638	71.8%	\$1,346,985	52.4%	7.8%
7/1/2011	\$2,729,321	\$3,062,219	\$ 332,898	89.1%	\$1,387,068	24.0%	7.8%
7/1/2013	\$3,181,069	\$3,496,648	\$ 315,579	91.0%	\$1,425,554	22.1%	7.6%
7/1/2015	\$3,825,896	\$5,596,626	\$1,770,730	68.4%	\$1,671,388	105.9%	7.3%
6/30/2017	\$4,272,867	\$5,710,816	\$1,437,949	74.8%	\$2,332,507	61.6%	6.7%
6/30/2019	\$4,958,199	\$6,398,896	\$1,440,697	77.5%	\$2,354,398	61.2%	6.3%
6/30/2021	\$6,286,359	\$8,068,886	\$1,782,527	77.9%	\$2,681,595	66.5%	5.7%

Schedule of Funding Progress



Significant changes during this period include:

- **July 1, 2015:** First time recognition of the implicit subsidy liability; discount rate decreased from 7.61% to 7.28%; revised assumptions for retirement and termination; increase in number of active members from 21 to 24 and retirees from 10 to 15.
- **June 30, 2017:** Discount rate decreased from 7.25% to 6.73% reflecting planned change in asset allocation strategy; increase in assumed long term healthcare trend and number of active members valued from 24 to 27; offset by very favorable plan experience
- **June 30, 2019:** Discount rate decreased from 6.73% to 6.30%; updated demographic assumptions; favorable plan experience from lower than projected medical premium
- **June 30, 2021:** Added post-65 pool subsidy; updated healthcare trend and mortality projection scale; higher than expected return on trust assets; claims and premiums lower than expected offset by increased liability for earlier retirements than anticipated



K. Summary of Employee Data

Active members: The District reported 26 active employees in the data provided to us for the June 2021 valuation. 22 were shown as currently participating in the medical program.

Distribution of Benefits-Eligible Active Employees								
Current Age	Years of Service						Total	Percent
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up		
Under 25							0	0%
25 to 29		2	1				3	12%
30 to 34		3	1				4	15%
35 to 39	1	4	1	1			7	27%
40 to 44			2		1		3	12%
45 to 49		1	2			1	4	15%
50 to 54	1					1	2	8%
55 to 59				1			1	4%
60 to 64			1				1	4%
65 to 69				1			1	4%
70 & Up							0	0%
Total	2	10	8	3	1	2	26	100%
Percent	8%	38%	31%	12%	4%	8%	100%	

Valuation	<u>June 2019</u>	<u>June 2021</u>
Average Attained Age for Actives	43.8	41.8
Average Years of Service	9.8	6.9

Retired members: There were also 22 retirees and 2 surviving spouses receiving benefits. This chart summarizes the ages of those receiving benefits as of the June 30, 2021, valuation date.

Retirees by Age		
Current Age	Number	Percent
Below 50	0	0%
50 to 54	3	13%
55 to 59	5	21%
60 to 64	3	13%
65 to 69	6	25%
70 to 74	4	17%
75 to 79	1	4%
80 & up	2	8%
Total	24	100%
Average Age:		
On 6/30/2021	65.6	
At retirement	57.4	

Summary of Plan Member Counts: GASB 75 requires the employer to report specific plan member counts. The chart below shows these counts as of the June 30, 2021, valuation date:

Summary of Plan Member Counts	
Number of active plan members	26
Number of inactive plan members currently receiving benefits	24
Number of inactive plan members entitled to but not receiving benefits	1*

**Retirees eligible to return to the District for PEMHCA coverage*



Summary of Employee Data
(Continued)

The chart below reconciles the number of actives and retirees included in the July 1, 2019, valuation of the District plan with those included in the June 30, 2021, valuation:

Reconciliation of District Plan Members Between Valuation Dates					
Status	Covered Actives	Waiving Actives	Covered Retirees	Covered Surviving Spouses	Total
Number reported as of June 30, 2019	27	0	15	2	44
New employees	4	3			7
Separated employees	(1)				(1)
New retiree, elected coverage	(7)		7		0
New retiree, waiving coverage					0
Previously covered, now waiving	(1)	1			0
Previously waiving, now covered					0
Number reported as of June 30, 2021	22	4	22	2	50

The total number of active employees decreased by 1 (about 4%) between valuations. The number of retirees increased by 7 (about 41%). There were 7 new retirements between valuations; all 7 elected to continue District medical coverage in retirement.

The District's OPEB liability varies, based on the medical plan selected, the level of coverage (i.e., single, two-party or family) and whether or not the retiree is currently covered by Medicare. This chart shows current medical plan elections.

Participants by Medical Plan			
Medical Plan	Actives	Retired	Total
Waiving	4		4
Anthem Select Region 1		2	2
Blue Shield Access Region 1	1		1
Kaiser Region 1	20	6	26
PERS Choice OOS		4	4
PERS Choice Region 1		1	1
PERSCare OOS		4	4
PERSCare Region 1		3	3
UHC Region 1	1	3	4
WHA Region 1		1	1
Total	26	24	50

Similarly, this chart shows the counts of actives and retirees who are covered by the different benefit levels.

Participant Counts by Benefit Level			
Benefit Level	Active	Retired	Total
1: Hired before 7/1/11; retired before 7/1/12		8	8
2: Hired before 7/1/11; retired after 7/1/12	6	15	21
3: Hired after 7/1/11 but before 1/1/13		1	1
4: Hired on/after 1/1/13	20		20
Total	26	24	50



L. Summary of Retiree Benefit Provisions

OPEB provided: The District has indicated that the only OPEB provided is medical coverage.

Access to retiree medical coverage: Medical coverage is currently provided through CalPERS as permitted under the Public Employees’ Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (if Classic) or age 52 (if PEPRA) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement (pension) benefit within 120 days of terminating employment with the District to be eligible to continue medical coverage through the agency and be entitled to the benefits described below. In other words, it is the timing of initiating retirement benefits and not timing of enrollment in the medical program which determines whether or not a District retiree qualifies for lifetime medical coverage and any benefits defined in the PEMHCA resolution.

If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event. Once eligible, coverage may be continued at the retiree’s option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage and may be eligible for District benefits.

Benefits paid by the District: The District benefits are a combination of amounts provided through a PEMHCA resolution and as described in a formal Memorandum of Understanding. The chart on the following page describes these benefits in detail.

Eligibility Category	Pre-65 Cap	Post-65 Cap	Benefit Level
1: Hired before 7/1/11; retired before 7/1/12	\$ 3,390	\$ 3,390	Anthem Traditional HMO Region 1 family rate
2: Hired before 7/1/11; retired after 7/1/12	2,228	908	Kaiser Region 1 family rate
3: Hired after 7/1/11 but before 1/1/13	2,228	908	Kaiser Region 1 family rate times vesting %
4: Hired on/after 1/1/13	1,714	605	Kaiser Region 1 Ee + 1 rate times vesting %

A detailed chart of benefits is provided on the following page.

Current premium rates: The 2021 monthly premium rates for Region 1 are shown below. The additional CalPERS administration fee is assumed to be separately expensed each year and has not been projected as an OPEB liability in this valuation.

Region 1 2021 Health Plan Rates						
Plan	Actives and Pre-Med Retirees			Medicare Eligible Retirees		
	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
Anthem Select HMO	925.60	1,851.20	2,406.56	383.37	766.74	1,322.10
Blue Shield Access+ HMO & Blue	1,170.08	2,340.16	3,042.21	<i>Not Available</i>		
Kaiser HMO	813.64	1,627.28	2,115.46	324.48	648.96	1,137.14
PERS Choice PPO	935.84	1,871.68	2,433.18	349.97	699.94	1,261.44
PERSCare PPO	1,294.69	2,589.38	3,366.19	381.25	762.50	1,539.31
UnitedHealthcare HMO	941.17	1,882.34	2,447.04	311.56	623.12	1,187.82
Western Health Advantage HMO	757.02	1,514.04	1,968.25	<i>Not Available</i>		



Summary of Retiree Benefit Provisions
(Continued)

Summary of Benefits	Hired	Retired	Age & Service Requirements	General Description	Maximum Monthly Benefit	Vesting Percent	Length of Benefits
PEMHCA Resolution Benefits	All	All	Age 50*, 5 years CalPERS membership or approved disability retirement	100% of the monthly medical plan premium for the retiree and any eligible covered dependents, not to exceed the applicable maximum monthly benefit	PEMHCA Minimum Employer Contribution (MEC); \$143 per month in 2021.	100%	Lifetime of retiree & surviving spouse**
Enhanced District Benefits (includes PEMHCA benefits)	Prior to July 1, 2011	Prior to July 1, 2012	Age 50 and 5 years CalPERS membership or approved disability retirement		Highest HMO pre-Medicare family premium in Region 1	100%	Payable for the lifetime of the retiree & spouse; dependent children while eligible for coverage
	Prior to July 1, 2011	On or after July 1, 2012			Kaiser family premium*** in Region 1		
	On or after July 1, 2011 and before January 1, 2013	On or after July 1, 2011	Age 50* (or approved disability retirement) and 10 years of CalPERS membership (5 of which are District service)		Kaiser family premium*** in Region 1, multiplied by the vesting percent	50% after 10 years of PERS service, plus 5% for each additional year; 100% with 20 or more years of PERS service	
	On or after January 1, 2013	On or after January 1, 2013	Kaiser Employee + 1 premium*** in Region 1, multiplied by the vesting percent				

* Age 52, for miscellaneous employees hired on or after January 1, 2013 and covered under the PEPR required formula.

** If the spouse is covered at the time of the retiree's death and entitled to survivor benefits under the retirement plan.

*** Post-Medicare, the maximum monthly benefit reduces to the supplemental rate.



M. Summary of Actuarial Methods and Assumptions

The ultimate real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These payments depend only on the terms of the plan and the administrative arrangements adopted. The actuarial assumptions are used to estimate the cost of these benefits; the funding method spreads the expected costs on a level basis over the life of the plan.

Important Dates

Valuation Date June 30, 2021

Valuation Methods

Funding Method Entry Age Normal Cost, level percent of pay

Models Used *ProVal* – widely used by the actuarial community and licensed from Winklevoss Technologies. Review includes checking plan and sample life results for reasonability and consistency.
Age-Rating Premiums Model – developed internally and reviewed by an external consultant at the time it was developed. See discussion below on Development of Age-Related Premiums.
Getzen Model – published by the Society of Actuaries. Used to derive medical trend assumptions.

Asset Valuation Method Market Value of Assets

Participants Valued Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.

Development of Age-related Medical Premiums Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, “Health Care Costs – From Birth to Death”, sponsored by the Society of Actuaries. A description of the use of claims cost curves can be found in MacLeod Watts’s Age Rating Methodology provided in Addendum 2 to this report.

Monthly baseline premium costs were set equal to the active single premiums shown in the chart in Section L. Representative claims costs derived from the dataset provided by CalPERS are shown in the chart on the following page. Age-based claims were applied (a) for all retirees not yet eligible for Medicare and (b) for Medicare retirees receiving benefits in excess of the PEMHCA minimum *and* covered by Medicare Supplement plans.



**Supporting Information
(Continued)**

Development of Age-related Medical Premiums

Region	Medical Plan	Expected Monthly Claims by Medical Plan for Selected Ages - Male											
		Non-Medicare Retirees					Medicare Retirees						
		50	53	56	59	62	65	70	75	80	85	90	95
Region 1	Anthem Select HMO	\$ 935	\$ 1,103	\$ 1,281	\$ 1,468	\$ 1,669	\$ 327	\$ 367	\$ 398	\$ 418	\$ 412	\$ 393	\$ 390
	Blue Shield Access+ HMO & Blue Shield EPO	1,056	1,245	1,446	1,657	1,884	<i>Plan not available to Medicare retirees</i>						
	Kaiser HMO	829	978	1,135	1,301	1,479	279	313	340	356	352	336	333
	PERS Choice PPO	831	980	1,138	1,304	1,483	299	335	364	381	376	359	356
	PERSCare PPO	1,009	1,189	1,381	1,583	1,800	322	361	392	411	405	387	384
	UnitedHealthcare HMO	937	1,105	1,284	1,472	1,673	268	300	326	342	337	322	320
	Western Health Advantage HMO	729	860	999	1,145	1,302	<i>Plan not available to Medicare retirees</i>						
Out of State	PERS Choice PPO	\$ 508	\$ 599	\$ 696	\$ 798	\$ 907	\$ 299	\$ 335	\$ 364	\$ 381	\$ 376	\$ 359	\$ 356
	PERSCare PPO	651	768	892	1,022	1,162	322	361	392	411	405	387	384
Region	Medical Plan	Expected Monthly Claims by Medical Plan for Selected Ages - Female											
		Non-Medicare Retirees					Medicare Retirees						
		50	53	56	59	62	65	70	75	80	85	90	95
Region 1	Anthem Select HMO	\$ 1,159	\$ 1,273	\$ 1,370	\$ 1,480	\$ 1,631	\$ 314	\$ 355	\$ 384	\$ 401	\$ 405	\$ 396	\$ 390
	Blue Shield Access+ HMO & Blue Shield EPO	1,308	1,437	1,546	1,671	1,842	<i>Plan not available to Medicare retirees</i>						
	Kaiser HMO	1,027	1,128	1,214	1,312	1,446	268	303	328	342	345	338	333
	PERS Choice PPO	1,030	1,131	1,217	1,315	1,449	286	324	350	366	369	362	356
	PERSCare PPO	1,250	1,373	1,477	1,596	1,760	309	349	378	395	398	390	384
	UnitedHealthcare HMO	1,162	1,276	1,373	1,484	1,636	257	290	315	328	332	325	319
	Western Health Advantage HMO	904	993	1,068	1,154	1,273	<i>Plan not available to Medicare retirees</i>						
Out of State	PERS Choice PPO	\$ 630	\$ 692	\$ 744	\$ 804	\$ 886	\$ 286	\$ 324	\$ 350	\$ 366	\$ 369	\$ 362	\$ 356
	PERSCare PPO	807	886	954	1,031	1,136	309	349	378	395	398	390	384



**Supporting Information
(Continued)**

Economic Assumptions

Discount Rate 6.3% as of prior funding valuation (June 30, 2019)
5.72% for current valuation

General Inflation Rate 2.5% per year

Salary Increase 3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.

Healthcare Trend Medical plan premiums and claims costs by age are assumed to increase once each year. Increases over the prior year's levels were derived using the Getzen model and are assumed to be effective on the dates shown below.

Effective January 1	Premium Increase	Effective January 1	Premium Increase
2022	5.7%	2061-2066	4.8%
2023	5.6%	2067	4.7%
2024	5.5%	2068	4.6%
2025-2026	5.4%	2069	4.5%
2027-2029	5.3%	2070-2071	4.4%
2030-2051	5.2%	2072	4.3%
2052	5.1%	2073-2074	4.2%
2053-2055	5.0%	2075	4.1%
2056-2060	4.9%	2076 & later	4.0%

The healthcare trend shown above was developed using the Getzen Model 2021_b published by the Society of Actuaries using the following settings: CPI 2.5%; Real GDP Growth 1.5%; Excess Medical Growth 1.1%; Expected Health Share of GDP in 2030 20.3%; Resistance Point 25%; Year after which medical growth is limited to growth in GDP 2075.

Increases in PEMHCA minimum We assumed that the required PEMHCA Minimum Employer Contribution (MEC) will increase by 4.0% per year.



Supporting Information (Continued)

Participant Election Assumptions

Participation Rate	<p><i>Active employees:</i> 100% are assumed to continue their current plan election in retirement, if eligible for more than the PEMHCA minimum benefit. 70% of those eligible for only the PEMHCA minimum are assumed to continue their current plan election in retirement. If currently waiving coverage, we assumed the employee will elect coverage in the Kaiser Sacramento Rate plan at or prior to retirement.</p> <p><i>Retired participants:</i> Existing medical plan elections are assumed to be continued until the retiree's death.</p>
Spouse Coverage	<p><i>Active employees:</i> 90% of future retirees are assumed to be married and elect coverage for their spouse in retirement. Surviving spouses are assumed to continue coverage until their death. Husbands are assumed to be 3 years older than their wives.</p> <p><i>Retired participants:</i> Existing elections for spouse coverage are assumed to continue until the spouse's death. Actual spouse ages are used, where known; if not, husbands are assumed to be 3 years older than their wives.</p>
Dependent Coverage	<p>Active and retired employees: Existing elections for dependent coverage are assumed to be continued until the youngest dependent reaches age 26.</p>
Medicare Eligibility	<p>Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at age 65.</p>

Demographic Assumptions

Demographic actuarial assumptions used in this valuation are based on the 2017 experience study of the California Public Employees Retirement System using data from 1997 to 2015, except for a different basis used to project future mortality improvements. Rates for selected age and service are shown below and on the following pages. The representative mortality rates were those published by CalPERS adjusted to back out 15 years of Scale MP 2016 to central year 2015.

Mortality Improvement	MacLeod Watts Scale 2022 applied generationally from 2015 (see Addendum 3)
-----------------------	---



**Supporting Information
(Continued)**

Demographic Assumptions (Continued)

Mortality Before Retirement
(before improvement applied)

CalPERS Public Agency Miscellaneous Non- Industrial Deaths		
Age	Male	Female
15	0.00019	0.00004
20	0.00027	0.00008
30	0.00044	0.00018
40	0.00070	0.00040
50	0.00135	0.00090
60	0.00288	0.00182
70	0.00693	0.00438
80	0.01909	0.01080

Mortality After Retirement
(before improvement applied)

Healthy Lives

Disabled Miscellaneous

CalPERS Public Agency Miscellaneous, Police & Fire Post Retirement Mortality		
Age	Male	Female
40	0.00070	0.00040
50	0.00431	0.00390
60	0.00758	0.00524
70	0.01490	0.01044
80	0.04577	0.03459
90	0.14801	0.11315
100	0.35053	0.30412
110	1.00000	1.00000

CalPERS Public Agency Disabled Miscellaneous Post-Retirement Mortality		
Age	Male	Female
20	0.00027	0.00008
30	0.00044	0.00018
40	0.00070	0.00040
50	0.01371	0.01221
60	0.02447	0.01545
70	0.03737	0.02462
80	0.07218	0.05338
90	0.16585	0.14826

Termination Rates

Miscellaneous Employees: Sum of Vested Terminated & Refund Rates From CalPERS Experience Study Report Issued December 2017						
Attained Age	Years of Service					
	0	3	5	10	15	20
15	0.1812	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1742	0.1193	0.0654	0.0000	0.0000	0.0000
25	0.1674	0.1125	0.0634	0.0433	0.0000	0.0000
30	0.1606	0.1055	0.0615	0.0416	0.0262	0.0000
35	0.1537	0.0987	0.0567	0.0399	0.0252	0.0184
40	0.1468	0.0919	0.0519	0.0375	0.0243	0.0176
45	0.1400	0.0849	0.0480	0.0351	0.0216	0.0168



**Supporting Information
(Continued)**

Demographic Assumptions (Continued)

Service Retirement Rates The following miscellaneous retirement formulas apply:

- For "Classic" employees hired before 4/19/2012: 2.7% @ 55
- For "Classic" employees hired on/after 4/19/2012: 2% @ 55
- For "PEPRA" employees: 2% @ 62

Sample rates of assumed future retirements applicable to each of these retirement benefit formulas are shown in tables below.

Sample rates of assumed future retirements for each of these retirement benefit formulas are shown in these tables. Rates shown reflect the probability that an employee at that age and service will retire from the District in the next 12 months

Miscellaneous Employees: 2.7% at 55 formula						
From CalPERS Experience Study Report Issued December 2017						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0030	0.0100	0.0160	0.0340	0.0330	0.0450
55	0.0330	0.0550	0.0780	0.1130	0.1560	0.2340
60	0.0600	0.0860	0.1120	0.1500	0.1820	0.2380
65	0.1400	0.1740	0.2080	0.2540	0.3060	0.3890
70	0.1500	0.1810	0.2120	0.2430	0.2910	0.3500
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Miscellaneous Employees: 2.5% at 55 formula						
From CalPERS Experience Study Report Issued December 2017						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0080	0.0140	0.0200	0.0260	0.0330	0.0500
55	0.0200	0.0380	0.0550	0.0730	0.1220	0.1920
60	0.0440	0.0720	0.1010	0.1300	0.1580	0.1970
65	0.1200	0.1560	0.1930	0.2290	0.2650	0.3330
70	0.1200	0.1560	0.1930	0.2290	0.2650	0.3330
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Miscellaneous "PEPRA" Employees: 2% at 62 formula						
From CalPERS Experience Study Report Issued December 2017						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
55	0.0100	0.0190	0.0280	0.0360	0.0610	0.0960
60	0.0310	0.0510	0.0710	0.0910	0.1110	0.1380
65	0.1080	0.1410	0.1730	0.2060	0.2390	0.3000
70	0.1200	0.1560	0.1930	0.2290	0.2650	0.3330
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000



**Supporting Information
(Continued)**

Demographic Assumptions (Concluded)

Disability Retirement Rates

CalPERS Public Agency Miscellaneous Disability From Dec 2017 Experience Study Report		
Age	Male	Female
20	0.00017	0.00010
25	0.00017	0.00010
30	0.00019	0.00024
35	0.00039	0.00071
40	0.00102	0.00135
45	0.00151	0.00188
50	0.00158	0.00199
55	0.00158	0.00149
60	0.00153	0.00105

Changes in assumptions or methods as of the Measurement Date

Discount Rate	Decreased from 6.30% to 5.72%, reflecting updated long-term rates of return provided by CalPERS in March 2022
Mortality improvement	Updated from MacLeod Watts Scale 2020 to MacLeod Watts Scale 2022 applied from year 2018 forward, reflecting updates in mortality information.
Pool Subsidy for Medicare retirees	We applied age-based premiums and developed a liability for potential pool subsidies for retirees enrolled in Medicare plans following guidance provided by a new actuarial practice note.
Healthcare trend	Updated the base healthcare trend scale from Getzen Model 2019_b (with short term higher phase-in) to Getzen Model 2021_b, as published by the Society of Actuaries



N. Certification

The purpose of this report is to provide actuarial information and potential contribution levels in conformity with the South Placer Municipal Utility District (the District) funding policy for the District's defined benefit other post-employment benefits. The District is not required to contribute the contributions developed in this report and we make no representation that the District will in fact fund the OPEB trust at any particular level.

In preparing this report we relied without audit on information provided by the District. This information includes, but is not limited to, plan provisions, census data, and financial information. We summarized the benefits in this report and our calculations were based on our understanding of the benefits as described herein. A limited review of this data was performed, and we found the information to be reasonably consistent. The accuracy of this report is dependent on this information and if any of the information we relied on is incomplete or inaccurate, then the results reported herein will be different from any report relying on more accurate information.

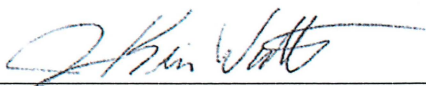
We consider the actuarial assumptions and methods used herein to be individually reasonable based on reasonable expectations of plan experience and the funding methodology adopted by the District. Expected returns used to develop the valuation discount rate were selected by the District based on information provided by CERBT. The results, and the assumptions on which they depend, provide an estimate of the plan's financial condition at one point in time. Future actuarial results may be significantly different for many reasons including, but not limited to, demographic and economic assumptions differing from future plan experience, changes in plan provisions, changes in applicable law, or changes in the value of plan benefits relative to other alternatives available to plan members.

Alternative assumptions may also be reasonable; however, demonstrating the range of potential plan funding patterns based on alternative assumptions was beyond the scope of our assignment. Results based on other assumptions or funding strategies may be materially different and present materially different funding patterns.

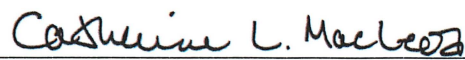
This report is prepared solely for the use and benefit of the District and may not be provided to third parties without prior written consent of MacLeod Watts. Exceptions: The District may provide copies of this report to their professional accounting and legal advisors who are subject to a duty of confidentiality, to CERBT, and to any party if required by law or court order. No part of this report should be used as the basis for any representations or warranties in any contract or agreement without the written consent of MacLeod Watts.

The undersigned actuaries are unaware of any relationship that might impair the objectivity of this work. Nothing within this report is intended to be a substitute for qualified legal or accounting counsel. Both actuaries are members of the American Academy of Actuaries and meet the qualification standards for rendering this opinion.

Signed: June 29, 2022



J. Kevin Watts, FSA, FCA, MAAA



Catherine L. MacLeod, FSA, FCA, EA, MAAA



Addendum 1: Funding OPEB Liabilities

General Types of OPEB

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are medical, prescription drug, dental, vision, and/or life insurance coverage. Other OPEB may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include COBRA, vacation, sick leave (unless converted to defined benefit OPEB), or other direct retiree payments.

A direct employer payment toward the cost of OPEB benefits is referred to as an “explicit subsidy”. In addition, if claims experience of employees and retirees are pooled when determining premiums, the retirees pay a premium based on a pool of members that, on average, are younger and generally healthier. For certain types of coverage, such as medical insurance, this pooling of claims experience results in the higher premiums paid for active employees than would be paid absent retiree coverage and lower premiums paid for retiree coverage than would be paid if the active employees were not pooled with retirees. The blending of premiums, then, results in an “implicit subsidy” of retiree premiums by active employee premiums. Actuarial Standards of Practice generally require any implicit subsidy be valued as an OPEB liability.

This chart shows the sources of funds needed to cover expected medical claims for pre-Medicare retirees.

Expected retiree claims		
Premium charged for retiree coverage		Covered by higher active premiums
Retiree portion of premium	Agency portion of premium Explicit subsidy	Implicit subsidy

Determining Funding Contributions

Contributions determined for the purpose of prefunding plan benefits generally consist of two components:

- The Normal Cost – the amount attributed to service performed in the current year
- An amortization payment used to systematically pay down the underfunded status of the of plan. The amount to be paid down through additional amortization payments is the Unfunded Actuarial Accrued Liability (UAAL).

Amortization payments may use a variety of methods and time-periods to amortize each unfunded liability base. The only real requirement is to not make amortization periods so long that trust resources cannot pay retiree benefits when they come due.

Funding of the Implicit Subsidy

An implicit subsidy liability is created when retiree medical claims are expected to exceed the premiums charged for retiree coverage. Recognition of the estimated implicit subsidy each year is handled by an accounting entry, reducing the amount paid for active employees and shifting that amount to be treated as a retiree healthcare expense/contribution. The implicit subsidy is a true benefit to the retiree but can be difficult to see when medical premiums are set as a flat rate for both actives and pre-Medicare retirees. This might lead some employers to believe the benefit is not real or is merely an accounting construct, and thus to forgo prefunding of retiree implicit benefits.



Funding OPEB Liabilities

(Continued)

Funding of the Implicit Subsidy (continued)

However, consider what would happen if the retiree premiums were based only on expected retiree claims experience. Almost certainly, retiree premiums would increase while premiums for active employees would go down if the active premiums no longer had to help support the higher retiree claims. *Who would pay the increases in retiree premiums?* Current plan documents and bargaining agreements would have to be consulted. Depending on circumstances, the increase in retiree premiums might remain the responsibility of the employer, pass entirely to the retirees, or some blending of the two. The answer would determine whether separate retiree-only premium rates would result in a higher or lower employer OPEB liability. In the current premium structure, with blended active and pre-Medicare retiree premiums, the employer is clearly, though indirectly, paying the implicit retiree cost.

The prefunding decision is complex. OPEB materiality, budgetary concerns, desire to use the full trust rate in developing the liability for GASB 75, and other factors must be weighed by each employer. Since prefunding OPEB benefits is not required, each employer's OPEB prefunding strategy will depend on how they balance these competing perspectives.

Factors Impacting the Selection of a Cost Allocation Method

The ultimate real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method. The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the "incidence of cost". Methods that produce higher initial annual (prefunding) costs will produce lower annual costs later. Conversely, methods that produce lower initial costs will produce higher annual costs later relative to the other methods.

While the goal is to match recognition of retiree medical expense with the periods during which the benefit is earned, cost allocation methods differ because they focus on different financial measures in attempting to level the incidence of cost. Appropriate selection of a cost allocation method for funding purposes contributes to creating intergenerational equity between generations of taxpayers.

We believe it is most appropriate for the plan sponsor to adopt a theory of funding and consistently apply the best cost allocation method representing that theory. This valuation was prepared using the entry age normal cost method with normal cost determined on a level percent of pay basis. The entry age normal cost method is the only cost allocation method permitted for financial reporting purposes under GASB 75.

Factors Affecting the Selection of Assumptions

Special considerations apply to the selection of actuarial funding methods and assumptions for the District. The "demographic" actuarial assumptions used in this report were chosen, for the most part, to be the same as the actuarial assumptions used for the most recent actuarial valuations of the retirement plans covering District employees. Other assumptions, such as healthcare trend, age related healthcare claims, retiree participation rates and spouse/dependent coverage, were selected based on demonstrated plan experience and/or our best estimate of expected future experience. We will continue to gather information and monitor these assumptions for future valuations, as more experience develops.



Funding OPEB Liabilities

(Concluded)

Factors Affecting the Selection of Assumptions

(Continued)

In selecting an appropriate discount rate for funding the plan, it is most common to use the expected long-term yield on investments likely to be deployed to pay the benefits. Other strategies could include using a long-term debt rate to calculate contribution levels even if the District hopes their long-term investment strategy will yield higher returns. In this way, required contributions may be reduced *if* those higher returns are realized, but only *as* they are actually realized. If higher returns are not realized to the degree expected, then the difference between the debt rate and the actual earnings rate acts as a safety margin so that larger contributions than planned are less likely to occur.



Addendum 2: MacLeod Watts Age Rating Methodology

Both accounting standards (e.g., GASB 75) and actuarial standards (e.g., ASOP 6) require that expected retiree claims, not just premiums paid, be reflected in most situations where an actuary is calculating retiree healthcare liabilities. Unfortunately, the actuary is often required to perform these calculations without any underlying claims information. In most situations, the information is not available, but even when available, the information may not be credible due to the size of the group being considered.

Actuaries have developed methodologies to approximate healthcare claims from the premiums being paid by the plan sponsor. Any methodology requires adopting certain assumptions and using general studies of healthcare costs as substitutes when there is a lack of credible claims information for the specific plan being reviewed.

Premiums paid by sponsors are often uniform for all employee and retiree ages and genders, with a drop in premiums for those participants who are Medicare-eligible. While the total premiums are expected to pay for the total claims for the insured group, on average, the premiums charged would not be sufficient to pay for the claims of older insureds and would be expected to exceed the expected claims of younger insureds. An age-rating methodology takes the typically uniform premiums paid by plan sponsors and spreads the total premium dollars to each age and gender intended to better approximate what the insurer might be expecting in actual claims costs at each age and gender.

The process of translating premiums into expected claims by age and gender generally follows the steps below.

1. *Obtain or Develop Relative Medical Claims Costs by Age, Gender, or other categories that are deemed significant.* For example, a claims cost curve might show that, if a 50 year old male has \$1 in claims, then on average a 50 year old female has claims of \$1.25, a 30 year male has claims of \$0.40, and an 8 year old female has claims of \$0.20. The claims cost curve provides such relative costs for each age, gender, or any other significant factor the curve might have been developed to reflect. Section M provides the source of information used to develop such a curve and shows sample relative claims costs developed for the plan under consideration.
2. *Obtain a census of participants, their chosen medical coverage, and the premium charged for their coverage.* An attempt is made to find the group of participants that the insurer considered in setting the premiums they charge for coverage. That group includes the participant and any covered spouses and children. When information about dependents is unavailable, assumptions must be made about spouse age and the number and age of children represented in the population. These assumptions are provided in Section M.
3. *Spread the total premium paid by the group to each covered participant or dependent based on expected claims.* The medical claims cost curve is used to spread the total premium dollars paid by the group to each participant reflecting their age, gender, or other relevant category. After this step, the actuary has a schedule of expected claims costs for each age and gender for the current premium year. It is these claims costs that are projected into the future by medical cost inflation assumptions when valuing expected future retiree claims.

The methodology described above is dependent on the data and methodologies used in whatever study might be used to develop claims cost curves for any given plan sponsor. These methodologies and assumptions can be found in the referenced paper cited as a source in the valuation report.



Addendum 3: MacLeod Watts Mortality Projection Methodology

Actuarial standards of practice (e.g., ASOP 35, Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations, and ASOP 6, Measuring Retiree Group Benefits Obligations) indicate that the actuary should reflect the effect of mortality improvement (i.e., longer life expectancies in the future), both before and after the measurement date. The development of credible mortality improvement rates requires the analysis of large quantities of data over long periods of time. Because it would be extremely difficult for an individual actuary or firm to acquire and process such extensive amounts of data, actuaries typically rely on large studies published periodically by organizations such as the Society of Actuaries or Social Security Administration.

As noted in a recent actuarial study on mortality improvement, key principles in developing a credible mortality improvement model would include the following:

- (1) Short-term mortality improvement rates should be based on recent experience.
- (2) Long-term mortality improvement rates should be based on expert opinion.
- (3) Short-term mortality improvement rates should blend smoothly into the assumed long-term rates over an appropriate transition period.

The **MacLeod Watts Scale 2022** was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2021 Report, published in October 2021 and (2) the demographic assumptions used in the 2021 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published August 2021.

MacLeod Watts Scale 2022 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2021 which has two segments – (1) historical improvement rates for the period 1951-2017 and (2) an estimate of future mortality improvement for years 2018-2020 using the Scale MP-2021 methodology but utilizing the assumptions used in generating Scale MP-2015. The MacLeod Watts scale then transitions from the 2020 improvement rate to the Social Security Administration (SSA) Intermediate Scale linearly over the 10-year period 2021-2030. After this transition period, the MacLeod Watts Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2030-2044. The SSA's Intermediate Scale has a final step in 2045 which is reflected in the MacLeod Watts scale for years 2045 and thereafter. Over the ages 95 to 117, the age 95 improvement rate is graded to zero.

Scale MP-2021 can be found at the SOA website and the projection scales used in the 2021 Social Security Administrations Trustees Report at the Social Security Administration website.



Glossary

Actuarial Accrued Liability (AAL) – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; see “Actuarial Present Value”.

Actuarial Funding Method – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability.

Actuarial Present Value Projected Benefits (APVPB) – The amount presently required to fund all projected plan benefits in the future, it is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

Actuarial Value of Assets – The actuarial value of assets is the value used by the actuary to offset the AAL for valuation purposes. The actuarial value of assets may be the market value of assets or may be based on a methodology designed to smooth out short-term fluctuations in market values.

Actuarially Determined Contribution (ADC) – A contribution level determined by an actuary that is sufficient, assuming all assumptions are realized, to (1) fully fund new employee’s expected benefits by their expected retirement date(s), (2) pay off over a sufficiently short period any unfunded liabilities current as of the date funding commences, and (3) adequately fund the trust so that the trust can meet benefit payment obligations.

CalPERS – Many state governments maintain a public employee retirement system; CalPERS is the California program, covering all eligible state government employees as well as other employees of other governments within California who have elected to join the system.

Defined Benefit (DB) – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment.

Defined Contribution (DC) – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member’s account are determined and the terms of distribution of the account after separation from employment.

Discount Rate – The rate of return that could be earned on an investment in the financial markets; typically, the discount rate is based on the expected long-term yield of investments used to finance the benefits. The discount rate is used to adjust the dollar value of future projected benefits into a present value equivalent as of the valuation date.

Entry Age Normal Cost (EANC) – An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual’s projected earnings or service from entry age to the last age at which benefits can be paid.

Excise Tax – The Affordable Care Act created a 40% excise tax on the value of “employer sponsored coverage” that exceeds certain thresholds. The tax was repealed in December 2019.

Explicit Subsidy – The projected dollar value of future retiree healthcare costs expected to be paid directly by the Employer, e.g., the Employer’s payment of all or a portion of the monthly retiree premium billed by the insurer for the retiree’s coverage.



Glossary
(Continued)

Funding Policy Contribution (FPC)– The contributions determined in accordance with the entity’s adopted funding policy. The FPC may range from “pay-go” (i.e. only paying benefits as they come due), to prefunding all projected liabilities expected for current and former employees. An entity’s FPC may be: (1) less than the Actuarially Determined Contribution (ADC) indicating that the entity has chosen not to prefund part of the liabilities reflected in the ADC; (2) more than the ADC indicating that the entity wants to prefund benefits faster than a typical ADC; or (3) based on contributions equal to 100% of an ADC, indicating that the entity desires to prefund over the period indicated by the ADC.

Government Accounting Standards Board (GASB) – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments; like FASB, it is part of the Financial Accounting Foundation (FAF), which funds each organization and selects the members of each board

Health Care Trend – The assumed rate(s) of increase in future dollar values of premiums or healthcare claims, attributable to increases in the cost of healthcare; contributing factors include medical inflation, frequency or extent of utilization of services and technological developments.

Implicit Subsidy – The projected difference between future retiree claims and the premiums to be charged for retiree coverage; this difference results when the claims experience of active and retired employees are pooled together and a ‘blended’ group premium rate is charged for both actives and retirees; a portion of the active employee premiums subsidizes the retiree premiums.

Non-Industrial Disability (NID) – Unless specifically contracted by the individual Agency, PAM employees are assumed to be subject to only non-industrial disabilities.

Normal Cost – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the chosen funding method; also called current service cost.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan.

Pay-As-You-Go (PAYGO) – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due.

PEMHCA – The Public Employees’ Medical and Hospital Care Act, established by the California legislature in 1961, provides community-rated medical benefits to participating public employers. Among its extensive regulations are the requirements that a contracting Agency contribute toward medical insurance premiums for retired annuitants and that a contracting Agency file a resolution, adopted by its governing body, with the CalPERS Board establishing any new contribution.

Plan Assets – The value of cash and investments considered as ‘belonging’ to the plan and permitted to be used to offset the AAL for valuation purposes. To be considered a plan asset, (a) the assets should be segregated and restricted in a trust or similar arrangement, (b) employer contributions to the trust should be irrevocable, (c) the assets should be dedicated to providing benefits to retirees and their beneficiaries, and (d) that the assets should be legally protected from creditors of the employer and/or plan administrator. See also “Actuarial Value of Assets”.

Public Agency Miscellaneous (PAM) – Non-safety public employees.



Glossary
(Concluded)

Select and Ultimate – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate).

Unfunded Actuarial Accrued Liability (UAAL) – The excess of the actuarial accrued liability over the actuarial value of plan assets.

Vesting – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility.



GENERAL MANAGER REPORT

To: Board of Directors
From: Herb Niederberger, GM
Date: August 4, 2022
Subject: General Manager Monthly Activity Report – July 2022

1) DEPARTMENT REPORTS

Attached are the monthly status reports for the Board’s information:

- A. Administrative Services Department,
- B. Field Services Department, and
- C. Technical Services Department.

The Department Managers are prepared to answer any questions from the Board.

2) INFORMATION ITEMS

- A. On July 12, 2022, the General Manager, participated in a Google Meeting with Kristin Cooper of Grant Management Associates to discuss grant opportunities for the District that could be used to offset the cost of participation fees for affordable housing projects within the District boundaries. It does not appear that the District would qualify. These grants are intended for developers or jurisdictional agencies.
- B. Aso on July 12th the General Manager along with District Engineer, Carie Huff, and Administrative Service Manager Emilie Costan, participated in a Microsoft Teams kickoff meeting with the District’s Rate and Fee Consultant, IB Consulting. The project schedule and deliverables were discussed, and the District was presented with it next set of data requests.
- C. The General Manager was out of the office on July 13 thorough 15, 2022.
- D. On July 19, 2022, the General Manager and District Engineer, Carie Huff met with representatives of the City of Rocklin to go over the final design, and schedule for the construction of the Atherton Trunk. The design is approximately 90% complete but must include comments from previous plan checks, Staff will be going to City Council to get authorization to place the project out to bid. In the meantime, the City will initiate work with temporary construction easements and will continue acquisition of the final sewer easements during construction.
- E. On July 20, 2022, the General Manager, along with the District Engineer, Carie Huff, and District General Counsel met with representatives of the College Park development. It was decided that Cresleigh Homes would forgo a design that included a lift station in favor of a much more cost-effective gravity option to sewer the subdivision.

F. Also, on July 20th, the General Manager and District Engineer met with District General Counsel to discuss; 1) Revisions to the Credit and Reimbursement to conform with Ordinance 22-02; 2) Easement and off-site construction requirements for the Montero subdivision in Rocklin; 3) Cease & Desist letter to homeowner encroachments and damage the sewer easement adjacent to Corona Circle.

G. On June 25, 2022, the General Manager along with District Engineer, Carie Huff, and Administrative Service Manager Emilie Costan, participated in a Zoom Meeting with the District Redistricting Consultant, Redistricting Insights, and staff from the Placer County Elections Department to resolve the Ward Boundaries approved by Ordinance 22-01, that split parcels. As a result of the meeting, the District has prepared for approval Resolution 22-32 to be considered by the Board at this evening’s meeting.

H. Advisory Committee Meetings:

- i. On July 27, 2022, the Personnel Advisory Committee met to go over the findings of the payroll and pension report. These findings will be brought before the Board of Directors during the meetings scheduled for October and November 2022.
- ii. Also on July 27th, the Strategic Plan Advisory committee met to review the outline/structure of the 2023-2027 Strategic Plan along with the draft of goals and measures that will be presented at the August 4th board meeting.

There were no other advisory committee meetings conducted in June.

3) PURCHASE ORDERS/CONTRACTS INITIATED UNDER GENERAL MANAGER AUTHORITY (BLANKET POs FOR THE YEAR)

PO Req#	Date	Vendor	Description	Amount
269	7/11/2022	Network Design Associates	IT Support Services for FY 22/23	\$20,000
270	7/11/2022	Cintas	Uniforms and Paper Supplies for FY 22/23	\$28,000
271	7/11/2022	DataProse	Bill Processing for FY 22/23	\$65,000
272	7/11/2022	Dawson Oil	Fuel Purchases for FY 22/23	\$60,000
273	7/11/2022	Great America Financial Service	Copier Leases for FY 22/23	\$ 6,000
274	7/11/2022	Jan Pro	Janitorial Services for FY 22/23	\$11,400
275	7/11/2022	Sonitrol	Security Services and Monitoring for FY 22/23	\$15,000
276	7/11/2022	Tyler Technologies	Financial Management Software Annual License Fee for FY 22/23	\$30,000
277	7/11/2022	Hill, Rivkins Brown	Legal Consulting/General Counsel for FY 22/23	\$85,000

278	7/11/2022	Peterson & Mapes	General Accounting Assistance and Bank Reconciliation for FY 22/23	\$15,000
279	7/11/2022	Jensen Landscaping	Landscaping Services for FY 22/23	\$13,000
280	7/11/2022	Burrell Consulting	Surveying Services for the Taylor Rd Lift Station	\$10,800

4) LONG RANGE AGENDA

September 2022 (Remote due to Corp Yard Addition)

- Resolution; Teleconferencing
- Strategic Plan 2017-22, Annual Report
- Board Member Appointments (if no elections)
- Resolution: Adopt Strategic Plan 2023-27
- Introduce Ordinance 22-03 Changes to the District Sewer Code pertaining to ADUs, FOG, & Fines
- Cured in Place Pipe Contact

October 2022 (Remote due to Corp Yard Addition)

- Closed Session – Pension & Payroll Report Findings
- Resolution; Teleconferencing
- Ordinance 22-03 2nd Reading

November 2022 (Remote due to Corp Yard Addition)

- Pension & Payroll Report Findings
- Performance Merit Program
- Annual Investment Report
- Resolution; Teleconferencing

December 2022 (Remote due to Corp Yard Addition)

- Closed Session – GM Employee Evaluation
- Resolution; Teleconferencing
- Final Audit and Consolidated Annual Financial Report
- Participation Charge Report for FY 2021-23

January 2023

- Selection of Officers
- Presidential Appointments to Advisory Committees
- GM Goals

ITEM VIII. ASD REPORT

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

cc: Herb Niederberger, General Manager

Subject: Administrative Services Department Monthly Report

Meeting Date: August 4, 2022

Year-end and Audit Work

Administrative Services Staff has been working with the District's Accountant on reconciling and posting year-end entries. The Administrative Services Manager has begun compiling records in preparation for the Fiscal Year 21/22 Audit. The Auditor is scheduled to complete their year-end audit work the week of August 22nd.

Banking Transition

Administrative Services Staff have been continuing to work on the banking transition. The Accounts Receivable transition has caused some utility billing payments that would have otherwise been processed electronically to be sent as paper checks to the District offices. Staff plans to temporarily suspend late fees for customers with bills due on August 1, 2022, to allow for additional processing time to receive and process impacted payments.

Payroll Audit

The Administrative Services Staff have been working to implement the recommended actions from the Payroll Audit findings. The General Manager, Administrative Services Manager, and Personnel Advisory Committee met on July 27, 2022 to review the status of the project. Additional information will be presented to the Board at the November Board meeting.

Recruitment

The Administrative Services staff has been assisting with the recruitment process for two additional Maintenance Worker I positions. The current application period closes on July 29, 2022.

July Monthly Investment Transactions per GC §53607

DEPOSITS, TRANSFERS, OR WITHDRAWALS

CalTRUST: None

LAIF: None

PLACER COUNTY: None

ITEM VII. FSD REPORT

To: Board of Directors
From: Eric Nielsen, Superintendent
Cc: Herb Niederberger, General Manager
Subject: Field Services Department Monthly Report
Meeting Date: August 4, 2022

Department Overview

This section provides the Board an update on the news and major tasks from the Field Services Department (FSD).

- 1. Training/Break Room Addition, Locker Room, and Lobby Improvements**
 - a. Construction on the first phase is well underway. The lobby has been expanded, and the concrete curbs, ramps, and stairs have been poured on the south side of the headquarters building.
 - b. The current schedule shows reaching substantial completion around July 2023.
- 2. Staffing**
 - a. Michael Laguna's first day as a Maintenance Worker I is on August 1st. The District advertised for two additional Maintenance Worker positions during the month of July. Interviews to fill those positions will be held in August.
- 3. Strategic Plan**
 - a. The management team is working to develop action plans for the priorities discussed by the board during the June meeting. The team is also working to set measurements using the Effective Utility Management framework. The Strategic Plan will be presented to the Board for comment and adoption at the September board meeting.
- 4. SCADA Update**
 - a. Staff is preparing a request for proposals (RFP) for professional engineering services to design improvements to the Supervisory Control and Data Acquisition (SCADA) system. The design will also develop a schedule and estimate costs to implement those improvements efficiently and effectively.

Reporting

This section provides the Board an overview of the Field Services Department operations and maintenance activities through 6/30/2022. The work listed is not all inclusive.

1. Lost Time Accidents/Injuries (OSHA 300)

- a. Zero (0)
 - i. 2130 days without a Lost Time Accident/Injury

2. Safety/Training/Professional Development

- a. Field Services employees participated in training for the following:
 - i. Competent Person Trenching/Excavation
 - ii. Chipper Safety
 - iii. Temporary Traffic Control
 - iv. Fire Extinguisher
 - v. Mower Safety

3. Customer Service Calls

- a. Response Time Goals over the Last 12 Months

	Goal	Average	Success Rate
During Business Hours	< 30 minutes	16 min	98%
During Non-Business Hours	< 60 minutes	47 min	

Service Calls - June

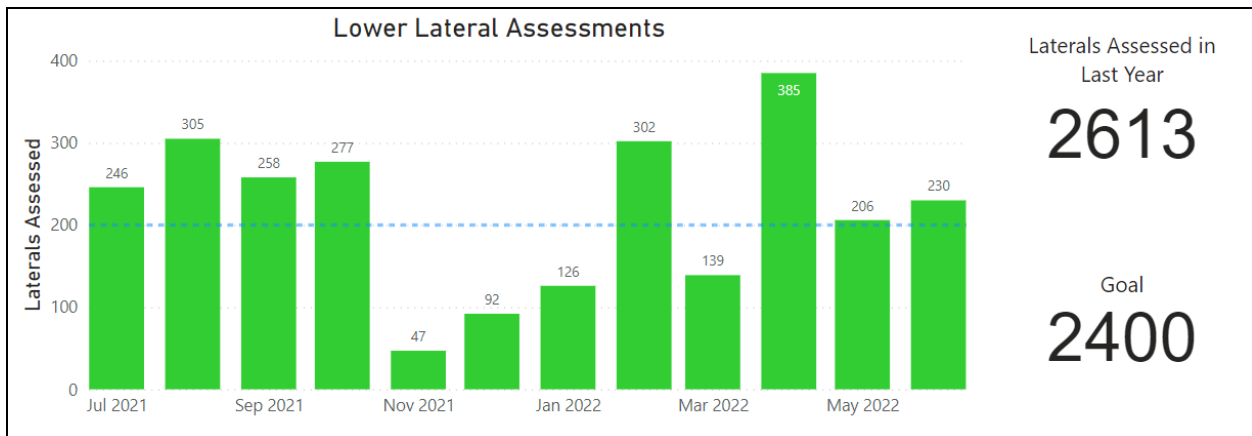
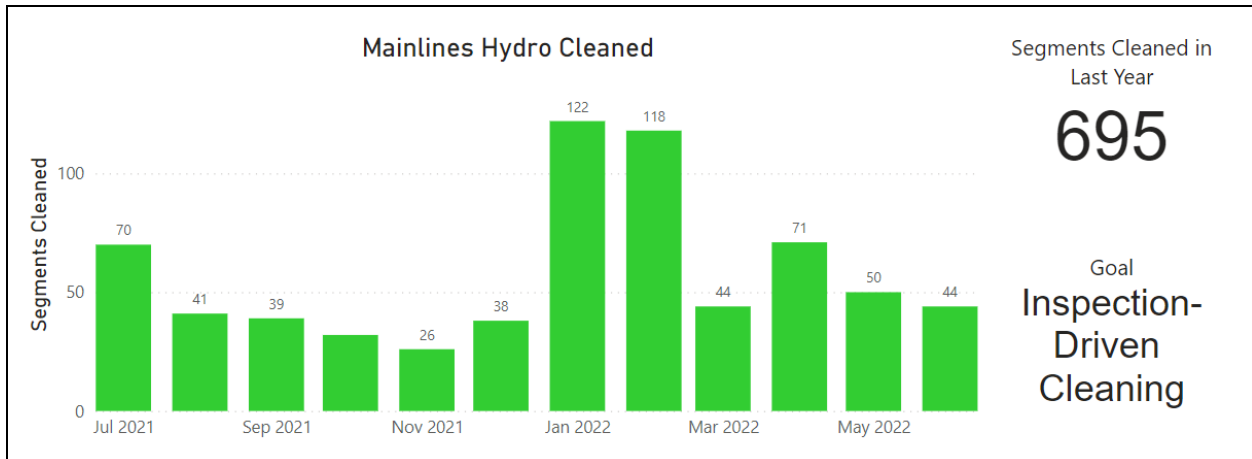
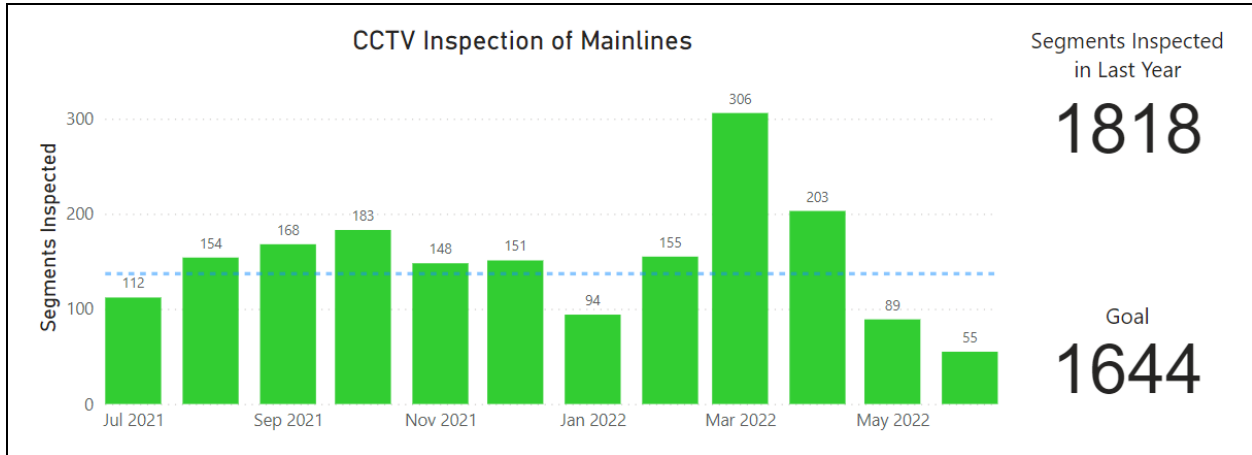
Responsibility	SSO	Stoppage	Odor	Alarm	PLSD	Vermin	Misc
SPMUD Responsibility	3	1		3			1
Owner Responsibility		3	2		3		2
N/A			1			14	
Total	3	4	3	3	3	14	3

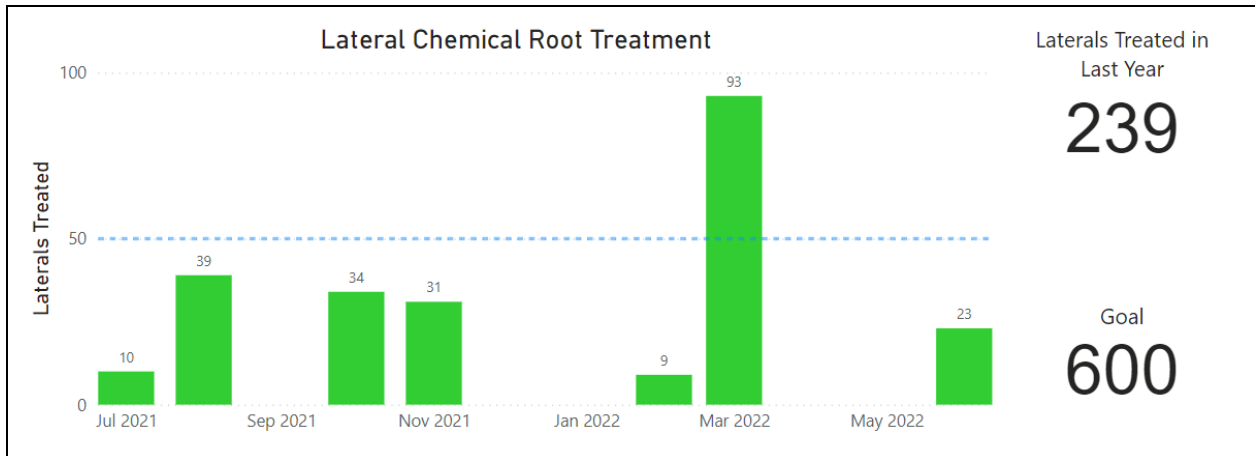
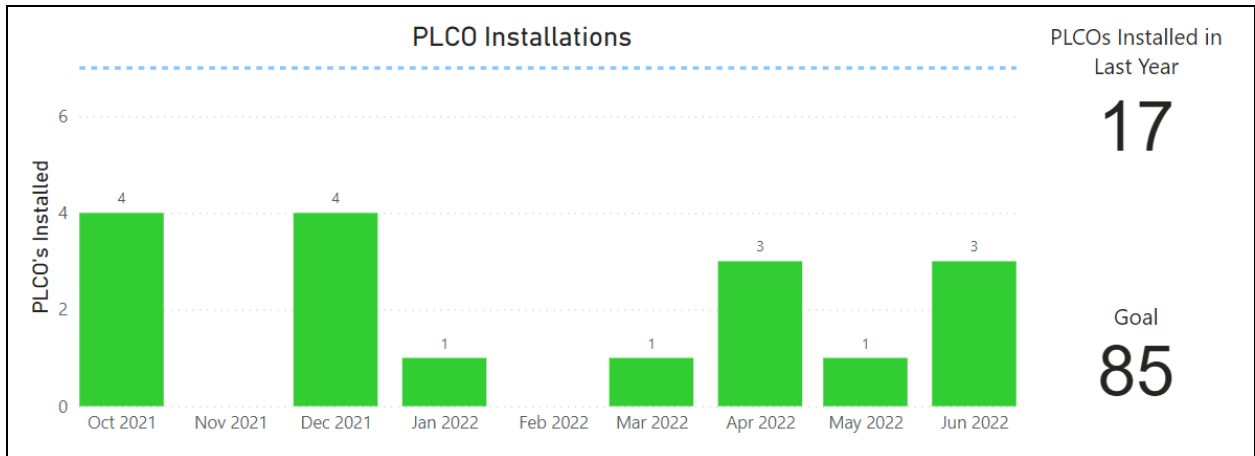
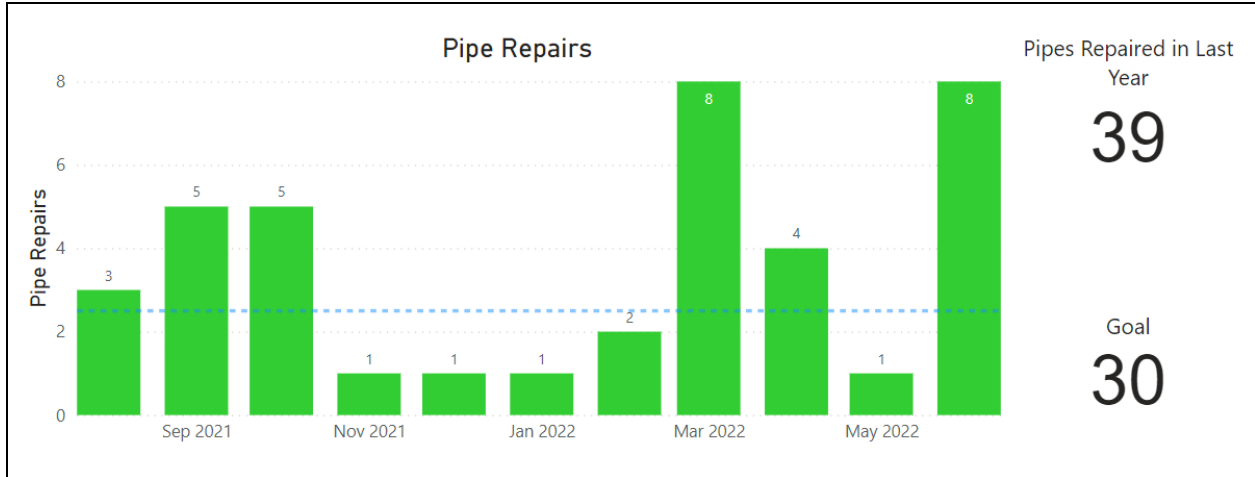
Total Service Calls

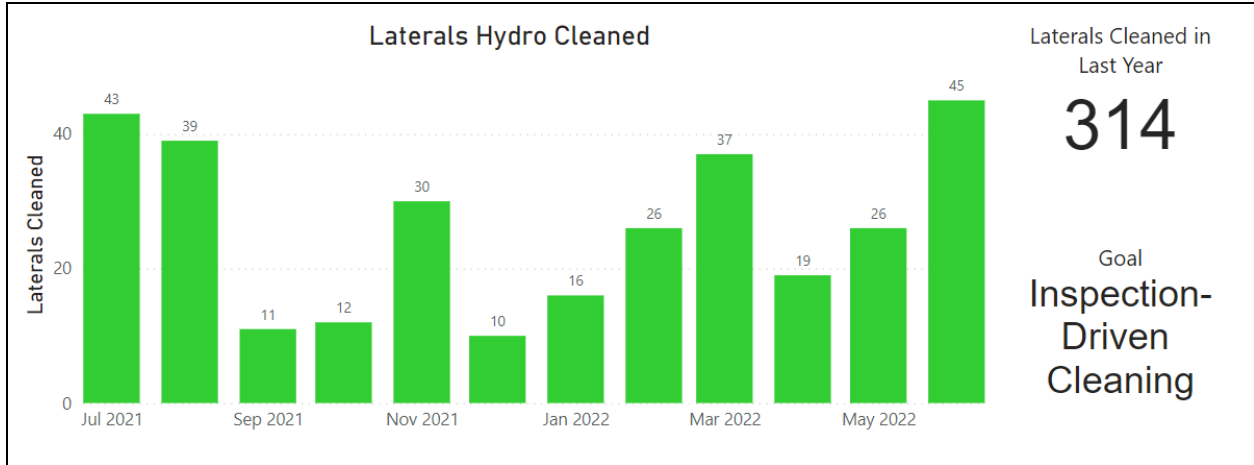
33

4. Production

a. The information provided below is not inclusive of all work completed.







ITEM VII. TSD REPORT

To: Board of Directors
From: Carie Huff, District Engineer
Cc: Herb Niederberger, General Manager
Subject: Technical Services Department Monthly Report
Board Date: August 4, 2022

TSD Updates

- Removal of the temporary fence that prevented pedestrian access at Corona Circle is complete and TSD is pursuing repair of the access road behind Corona Circle.
- Construction of the City of Rocklin’s Pacific Street and Rocklin Road Roundabout project is underway and the majority of the District’s sewer improvements have been completed. There is still a portion of the existing sewer to be abandoned along with testing of the new sewer system. The contractor has shifted to concrete work which will take another five weeks. The City anticipates that construction will be complete around the beginning of 2023.
- TSD staff is working with the City of Roseville on implementing an industrial user pre-treatment program and TSD staff participated in several facility inspections within the District in conjunction with City of Roseville staff. Additional information on the industrial user pre-treatment program will be presented at a future board meeting.
- District staff met with the City of Rocklin regarding the status of the Atherton Trunk Project on July 19th. The District provided additional comments on the proposed design and the City is publicly advertising the project on July 29th and August 5th with a bid opening on August 18th. The City’s schedule indicates award of the project in mid-September with six weeks of construction. The District will provide inspection services and construction support for the project.
- The District hosted Ken Loucks with IW Consulting Service LLC to conduct grease control device training and to review Chapter 3 – Fats, Oils and Grease of the District’s Sewer Code on July 27th and 28th. TSD and FSD staff attended the training and workshop.
- Survey work at the Taylor Road Lift Station will begin the first week of August. It is the first step to acquire sufficient rights to complete necessary improvements for access and maintenance.

Newcastle Fire Station Deferred Remedial Action and Reimbursement Agreement Update

The District entered into a Deferred Remedial Action and Reimbursement Agreement with Newcastle Fire District due to damage to the District’s sewer main from grading operations during Phase I of the Newcastle Fire Station project. Since Phase II of the Newcastle Fire Station project would eliminate the damaged stretch of sewer pipe, the District agreed to defer the repair for two years or until the sewer improvements included in Phase II of the project were completed. The agreement stipulated that the repair be completed by July 1, 2022. In addition, the District opted

to participate towards the cost of construction for up to one third of the cost of the public sewer improvements within Old State Highway up to \$100,000 (Fund 100).

The sewer improvements are substantially complete, and the existing damaged sewer line has been abandoned, thereby meeting the obligations of the Deferred Remedial Action and Reimbursement Agreement. However, Newcastle Fire District has not submitted the information necessary to for the District to accept improvements and initiate reimbursement. These items are currently under review.

Easement Acquisition

The District is in midst of negotiations for easement acquisition with the property owner on Saunders Avenue in Loomis. The easement has been surveyed and the tree inventory completed. The next step is to finalize the purchase agreement. Staff will move forward with finalizing the acquisition once an agreement is reached.

Local Agency Formation Commission (LAFCO)

The District recently contracted with Burrell Consulting Group to provide geographic descriptions of the properties served through out of area service agreements to be included in the application to LAFCO to resolve the discrepancies. Completion of the geographic descriptions is the first step to provide a Additional information will be provided at a future board meeting as the application to LAFCO is refined.

FOG Program

The District's FOG Inspector completed six core samples and inspections in the month of June. These inspections resulted in one Notice of Violation (NOV) at IHOP due to failure to comply with the previous Warning of Non-Compliance. The District's FOG Inspector is working with IHOP to comply with the District's Sewer Code.

Also, as a result of the District's Tenant Improvement process, two brand new, high efficiency grease control devices have been installed and approved at Starbucks and Smithville Coffee. A total of seventeen new grease control devices have been installed since 2019.

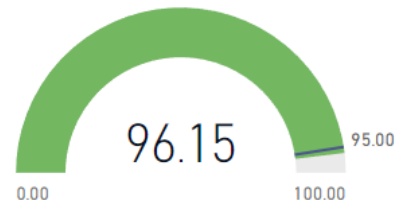
Department Performance Indicators

The following charts depict the efforts and performance of the department in the following areas of work as of June 30th, 2022. The charts are being created in a new reporting tool that directly connects to the District's data, improving the timeliness of reporting efforts and leveraging the District's investment in technology. Additional charts may be added in the future for other areas of work in the department.

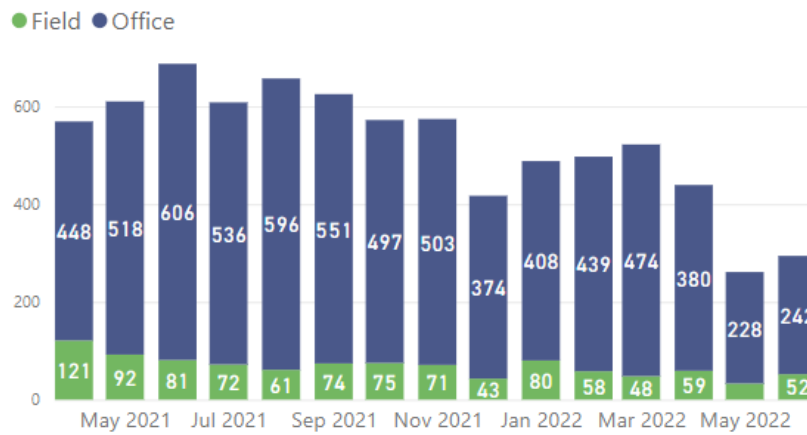
Plan Checks Completed - Monthly Totals



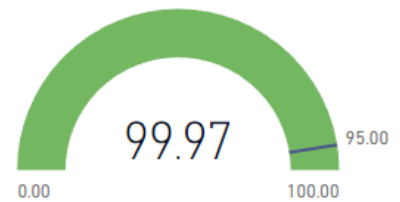
% "In Time" Plan Checks



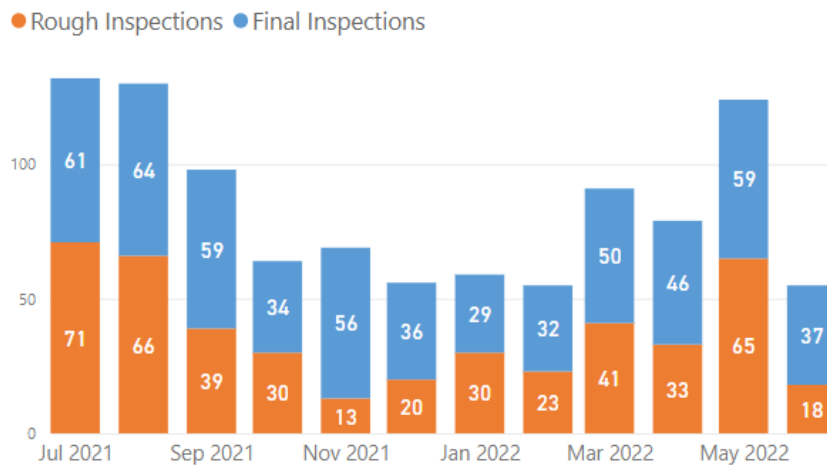
811 Responses - Monthly Totals



% "In Time" Responses



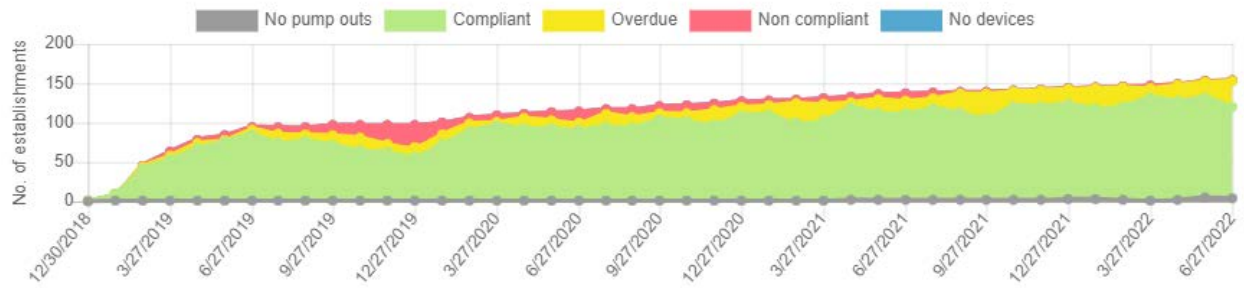
Building Sewer Inspections - Monthly Totals



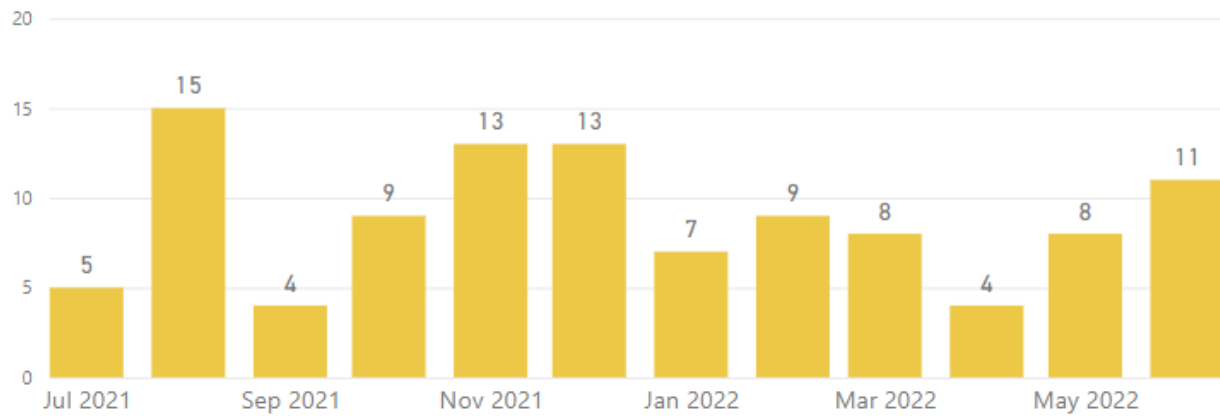
% "In Time" Inspections



FOG Compliance History



FOG Pickups - Monthly Totals



Grease Interceptor Inspections

Template ● GGI Core Sample Inspection - Outside ● GGI Pump Out/Cleaning Inspection ● HGI Core Sample Inspection - Insi...

