

SPECIAL MEETING OF THE BOARD OF DIRECTORS  
DEL PASO MANOR WATER DISTRICT

March 4, 2019

6:00PM

1817 Maryal Drive, Suite 300, Sacramento

A G E N D A

The Board will discuss all items on its agenda, and may take action of any of those items, including information items and continued items. The Board may also discuss other items that do not appear on its agenda, but will not act on those items unless action is urgent, and a resolution is passed by two-thirds (2/3) vote declaring the need for action arose after posting of the agenda.

This agenda has been prepared and posted in compliance with the provisions of the Ralph M. Brown Act, and specifically the provisions of Sections 54954.2 and 54954.3 of the Government Code. 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. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker.

In compliance with the Americans with Disabilities Act, Del Paso Manor Water District encourages those with disabilities to participate fully in the public hearing process. If you have a special need in order to allow you to attend or participate in our public meeting and public hearing processes, including receiving notices, agendas, and other writings in appropriate alternative formats, please contact our office at (916) 487-0419 at least 24 hours in advance of the public meeting or hearing you wish to attend so that we may make every reasonable effort to accommodate you.

1. Call to order and roll call
2. Public Comment
3. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
(Pursuant to Government Code Section 54957)  
Title: General Manager
4. Convene back into open session and report from closed session, if necessary.
5. Adjournment

REGULAR MEETING OF THE BOARD OF DIRECTORS  
DEL PASO MANOR WATER DISTRICT

March 4, 2019  
7:30PM

1817 Maryal Drive, Suite 300, Sacramento

A G E N D A

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1. Call to order and roll call
2. Pledge of Allegiance
3. Public Comment: The Public may address the Board on any items not on the agenda which are within the jurisdiction of the Del Paso Manor Water District Board of Directors.  
Comments shall be limited to five (5) minutes.
4. Old Business:
  - a. Status update of Del Paso Manor Elementary School Project
  - b. Review, discuss and give direction to Manager for contracting for email hosting
  - c. Review and adopt Resolution 20190304 - Amending the Day and Time of the Regular Board meetings
5. New Business:
  - a. Upcoming Meetings:
    1. California Special District's Governance Leadership Academy, April 7-10, 2019, San Diego, CA

8. Report from Field Manager:
  - a. Status of February field matters
9. Report from Manager:
  - a. Status of February operational matters
10. Report from Attorney concerning:
  - a. Non-discussion/action items
11. Board General Discussion: Opportunity for Board members to ask questions for clarification, provide information to staff, request staff to report back on a matter, or to direct staff to place a matter on a subsequent agenda. .
12. Adjournment

BOARD OF DIRECTORS  
 COMPENSATION/EXPENSE SUMMARY  
 FEBRUARY 2019

DATE	MEETING	ALLEN	BURT	HARRINGTON	LENAHAN	MATTEOLI
	ACWA Fall Conference					
	ACWA Spring Conference					
	ACWA Meeting					
	ACWA Ag Committee Meeting					
	ACWA Groundwater Committee Meeting					
	ACWA/JPIA					
	California Special District's Association					
2/4/2019	DPMWD - Regular Board Meeting	A	1*	1*	1*	1
2/4/2019	DPMWD - Special Board Meeting	A	1*	1*	1*	1
2/26/2019	DPMWD - Adhoc Succession Planning Committee		1*	1*	1	A
2/22/2019	DPMWD - Adhoc Auditor Selection Committee		1*		1*	
2/22/2019	DPMWD - Adhoc Finance Committee		1*		1*	
2/26/2019	DPMWD - Adhoc Policy Manual Review Committee		1*		1*	
	DPMWD - AB1234 Ethics Training		1		1*	
	DPMWD - AB1825 Sexual Harassment Prevention Training					
2/15/2019	Regional Water Authority			1		
2/14/2019	Sacramento Groundwater Authority					
2/14/2019	Water Forum Successor Effort				1	A
	TOTAL MEETINGS		3	3	4	1
	REQUESTED CREDIT FOR PREVIOUS MONTH PAYMENT		\$ 200.00			
	TOTAL COMPENSATION		\$ 100.00	\$ 300.00	\$ 400.00	\$ 100.00
	TOTAL EXPENSES					

\* Meetings on same day (only one paid for)  
 \*\* Only two meetings per adhoc is allowed compensation  
 A - Absent

RESOLUTION 20190304

**A RESOLUTION AMENDING THE DAY AND TIME OF THE REGULAR BOARD MEETINGS FOR DEL PASO MANOR WATER DISTRICT BOARD OF DIRECTORS**

WHEREAS, pursuant to Ordinance No. 2 of the Del Paso Manor Water District (the "District"), regular Board meetings are held on the first Monday of the month as 7:30 p.m. at the District offices located at 1817 Maryal Drive, Suite 300, Sacramento, CA 95864; and

WHEREAS, the District's Board of Directors amended Ordinance No. 2 on June 4, 2018 to allow the Board to change the time and place of its regular monthly meeting by a duly passed resolution; and

WHEREAS, the Board of Directors desires to change the regular monthly Board of Directors' meeting time to the first Tuesday of each month at 6:30 p.m. at the District offices located at 1817 Maryal Drive, Suite 300, Sacramento, CA 95864;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Del Paso Manor Water District that the regular meetings of the Board of Directors be held henceforth on the first Tuesday of each month at 6:30 p.m. at the District offices located at 1817 Maryal Drive, Suite 300, Sacramento, CA 95864. Should said meeting day fall upon a legal holiday, then said meeting shall be on the next business day following the day so established. This Resolution shall become effective immediately upon passage, such that the next regular meeting of the Board of Directors pursuant to this Resolution 20190304 shall take place on April 2, 2019 at the aforementioned place and time.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Del Paso Manor

Water District on this 4th day of March, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

DEL PASO MANOR WATER DISTRICT

By: \_\_\_\_\_

John Lenahan, President

ATTEST:

\_\_\_\_\_  
Debra Sedwick, Board Secretary

**Del Paso Manor Water District**  
**Actuarial Study of**  
**Retiree Health Liabilities Under GASB 74/75**  
**Roll-forward Valuation**  
**Valuation Date: June 30, 2017**  
**Measurement Date: June 30, 2018**

*Prepared by:*  
*Total Compensation Systems, Inc.*

*Date: February 6, 2019*

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# Total Compensation Systems, Inc.

## Del Paso Manor Water District Actuarial Study of Retiree Health Liabilities

### PART I: EXECUTIVE SUMMARY

#### A. Introduction

Del Paso Manor Water District engaged Total Compensation Systems, Inc. (TCS) to analyze liabilities associated with its current retiree health program as of June 30, 2018 (the measurement date). This valuation report is based on an earlier GASB 75 valuation as of June 30, 2017. We used standard actuarial “roll-forward” methodology to estimate the Total OPEB Liability (TOL) as of the measurement date. The Fiduciary Net Position (FNP) is based on the actual FNP at June 30, 2018. The numbers in this report are based on the assumption that they will first be used to determine accounting entries for the fiscal year ending June 30, 2018. If the report will first be used for a different fiscal year, the numbers may need to be adjusted accordingly.

This report does not reflect any cash benefits paid unless the retiree is required to provide proof that the cash benefits are used to reimburse the retiree’s cost of health benefits. Costs and liabilities attributable to cash benefits paid to retirees are reportable under applicable Governmental Accounting Standards Board (GASB) Standards.

This actuarial study is intended to serve the following purposes:

- To provide information to enable Del Paso Manor Water District to manage the costs and liabilities associated with its retiree health benefits.
- To provide information to enable Del Paso Manor Water District to communicate the financial implications of retiree health benefits to internal financial staff, the Board, employee groups and other affected parties.
- To provide information needed to comply with Governmental Accounting Standards Board Accounting Standards 74 and 75 related to “other postemployment benefits” (OPEB’s).

Because this report was prepared in compliance with GASB 74 and 75, Del Paso Manor Water District should not use this report for any other purpose without discussion with TCS. This means that any discussions with employee groups, governing Boards, etc. should be restricted to the implications of GASB 74 and 75 compliance.

We calculated the following estimates separately for active employees and retirees. We estimated the following:

- the total liability created. (The actuarial present value of total projected benefit payments or APVPBP)
- ten years of projected benefit payments.
- the “total OPEB liability (TOL).” (The TOL is the portion of the APVPBP attributable to employees’ service prior to the measurement date.)
- the “net OPEB liability” (NOL). For plans funded through a trust, this represents the unfunded portion of the liability.
- the service cost (SC). This is the value of OPEB benefits earned for one year of service.



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- deferred inflows and outflows of resources attributable to the OPEB plan.
- “OPEB expense.” This is the amount recognized in accrual basis financial statements as the current period expense. The OPEB expense includes service cost, interest and certain changes in the OPEB liability, adjusted to reflect deferred inflows and outflows. This amount may need to be adjusted to reflect any contributions received after the Measurement Date.
- Amounts to support financial statement Note Disclosures and Required Supplementary Information (RSI) schedules.

We summarized the data used to perform this study in Appendix A. No effort was made to verify this information beyond brief tests for reasonableness and consistency.

All cost and liability figures contained in this study are estimates of future results. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. Service costs and liabilities could easily vary by 10 - 20% or more from estimates contained in this report.

### **B. General Findings**

We estimate the “pay-as-you-go” cost of providing retiree health benefits in the year beginning July 1, 2018 to be \$11,766 (see Section IV.A.). The “pay-as-you-go” cost is the cost of benefits for current retirees.

For current employees, the value of benefits “accrued” in the year beginning July 1, 2018 (the service cost) is \$18,644. This service cost would increase each year based on covered payroll. Had Del Paso Manor Water District begun accruing retiree health benefits when each current employee and retiree was hired, a substantial liability would have accumulated. We estimate the amount that would have accumulated at June 30, 2018 to be \$653,869. This amount is called the “Total OPEB Liability” (TOL). Del Paso Manor Water District has set aside funds to cover retiree health liabilities in a GASB 75 qualifying trust. The Fiduciary Net Position of this trust at June 30, 2018 was \$565,712. This leaves a Net OPEB Liability (NOL) of \$88,157.

Based on the information we were provided, the OPEB Expense for the fiscal year ending June 30, 2018 is \$25,460. As noted in this report, adjustments may be needed – particularly if the reporting date is not the same as the measurement date.

We based all of the above estimates on employees as of April, 2017. Over time, liabilities and cash flow will vary based on the number and demographic characteristics of employees and retirees.

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## C. Description of Retiree Benefits

Following is a description of the current retiree benefit plan:

### All Employees

Benefit types provided	Medical only
Duration of Benefits	Lifetime
Required Service	20 years*
Minimum Age	50
Dependent Coverage	Yes
District Contribution %	100%*
District Cap	None

\*The plan pays 50% of premiums after 10 years of service and an additional 5% for each additional year of service, with a maximum as shown above. Those hired prior to 8/1/05 receive full benefits upon retirement.

## D. Recommendations

It is outside the scope of this report to make specific recommendations of actions Del Paso Manor Water District should take to manage the liability created by the current retiree health program. Total Compensation Systems, Inc. can assist in identifying and evaluating options once this report has been studied. The following recommendations are intended only to allow the District to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of Del Paso Manor Water District's practices, it is possible that Del Paso Manor Water District is already complying with some or all of our recommendations.

- We recommend that Del Paso Manor Water District maintain an inventory of all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, Del Paso Manor Water District should determine whether the benefit is material and subject to GASB 74 and/or 75.
- We recommend that Del Paso Manor Water District conduct a study whenever events or contemplated actions significantly affect present or future liabilities, but no less frequently than every two years, as required under GASB 74/75.
- Under GASB 75, it is important to isolate the cost of retiree health benefits. Del Paso Manor Water District should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – *even on a retiree-pay-all basis* – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, Del Paso Manor Water District should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.
- Del Paso Manor Water District should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for District-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.

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

### **E. Certification**

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

This report is for fiscal year July 1, 2017 to June 30, 2018, using a measurement date of June 30, 2018. The calculations in this report have been made based on our understanding of plan provisions and actual practice at the time we were provided the required information. We relied on information provided by Del Paso Manor Water District. Much or all of this information was unaudited at the time of our evaluation. We reviewed the information provided for reasonableness, but this review should not be viewed as fulfilling any audit requirements. Information we relied on is listed in Appendix A.

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

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

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

The signing actuary is independent of Del Paso Manor Water District and any plan sponsor. TCS does not intend to benefit from and assumes no duty or liability to other parties who receive this report. TCS is not aware of

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any relationship that would impair the objectivity of the opinion.

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

Respectfully submitted,

Geoffrey L. Kischuk, FSA, MAAA, FCA  
Consultant  
Total Compensation Systems, Inc.  
(805) 496-1700

# Total Compensation Systems, Inc.

## PART II: BACKGROUND

### A. Summary

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

### B. Actuarial Accrual

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

The actuarial cost method mandated by GASB 75 is the “entry age actuarial cost method”. Under this method, there are two components of actuarial cost – a “service cost” (SC) and the “Total OPEB Liability” (TOL). GASB 75 allows certain changes in the TOL to be deferred (i.e. deferred inflows and outflows of resources).

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

The service cost is determined using several key assumptions:

- The current *cost of retiree health benefits* (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the service cost.
- The “*trend*” *rate* at which retiree health benefits are expected to increase over time. A higher trend rate increases the service cost. A “cap” on District contributions can reduce trend to zero once the cap is reached thereby dramatically reducing service costs.
- *Mortality rates* varying by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.
- *Employment termination rates* have the same effect as mortality inasmuch as higher termination rates reduce service costs. Employment termination can vary considerably between public agencies.
- The *service requirement* reflects years of service required to earn full or partial retiree benefits. While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

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- *Retirement rates* determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase service costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.
- *Participation rates* indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.
- The *discount rate* estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the real rate of return expected for plan assets plus long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20 year General Obligation municipal bonds. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

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

The total OPEB liability (TOL) can arise in several ways - e.g., as a result of plan changes or changes in actuarial assumptions. TOL can also arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience.

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

- Investment gains and losses can be deferred five years
- Experience gains and losses can be deferred over the expected average remaining service lives (EARSL) of plan participants. In calculating the EARSL, terminated employees (primarily retirees) are considered to have a working lifetime of zero. This often makes the EARSL quite short.
- Liability changes resulting from changes in economic and demographic assumptions are also deferred based on the average working lifetime
- Liability changes resulting from plan changes, for example, cannot be deferred.

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## PART III: LIABILITIES AND COSTS FOR RETIREE BENEFITS

### A. Introduction.

The liability for OPEB benefits was calculated in the valuation as of June 30, 2017 and the methodology used was described in our GASB 75 valuation report dated February 6, 2019. In Part III, we show the tables included in our February 6, 2019 valuation report and provide details of our roll-forward valuation.

We summarized actuarial assumptions used for this study in Appendix C.

### B. Liability for Retiree Benefits.

Below is the actuarial present value of projected benefit payments (APVPBP) table presented in our February 6, 2019 valuation report.

#### Actuarial Present Value of Projected Benefit Payments at June 30, 2017

<i>All Participants</i>	
Active: Pre-65	\$250,650
Post-65	\$347,531
Subtotal	\$598,181
Retiree: Pre-65	\$0
Post-65	\$90,272
Subtotal	\$90,272
Grand Total	\$688,453
Subtotal Pre-65	\$250,650
Subtotal Post-65	\$437,803

### C. Cost to Prefund Retiree Benefits

#### 1. Service Cost

Below is the service cost table included in our February 6, 2019 valuation report. This service cost is used in calculating the OPEB expense.

#### Service Cost Year Beginning July 1, 2017

<i>All Participants</i>	
# of Employees	4
Per Capita Service Cost	
Pre-65 Benefit	\$2,307
Post-65 Benefit	\$2,354
First Year Service Cost	
Pre-65 Benefit	\$9,228
Post-65 Benefit	\$9,416
Total	\$18,644

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### 2. Total OPEB Liability (TOL) and Net OPEB Liability (NOL)

The table below shows the TOL included in the February 6, 2019 valuation report. This TOL is used as the beginning of year TOL to roll forward the TOL to June 30, 2018.

#### Total OPEB Liability (TOL) and Net OPEB Liability (NOL) as of June 30, 2017

<i>All Participants</i>	
Active: Pre-65	\$207,197
Active: Post-65	\$303,192
Subtotal	\$510,389
Retiree: Pre-65	\$0
Retiree: Post-65	\$90,272
Subtotal	\$90,272
Subtotal: Pre-65	\$207,197
Subtotal: Post-65	\$393,464
Total OPEB Liability (TOL)	\$600,661
Fiduciary Net Position as of June 30, 2017	\$509,064
Net OPEB Liability (NOL)	\$91,597

In order to determine the June 30, 2018 NOL, we used a "roll-forward" technique for the TOL. The FNP is based on the actual June 30, 2018 FNP. The following table shows the results of the roll-forward.

#### Changes in Net OPEB Liability as of June 30, 2018

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
Balance at June 30, 2017	\$600,661	\$509,064	\$91,597
Service Cost	\$18,644	\$0	\$18,644
Interest on TOL	\$42,424	\$0	\$42,424
Employer Contributions	\$0	\$25,000	(\$25,000)
Employee Contributions	\$0	\$0	\$0
Assumption Changes	\$0	\$0	\$0
Expected Investment Income	\$0	\$36,202	(\$36,202)
Investment Gains/Losses	\$0	\$4,218	(\$4,218)
Administrative Expense	\$0	(\$912)	\$912
Expected Benefit Payments	(\$9,699)	(\$9,699)	\$0
Actual minus Expected Benefit Payments	\$1,839	\$1,839	\$0
Other	\$0	\$0	\$0
Net Change during 2017-18	\$53,208	\$56,648	(\$3,440)
Balance at June 30, 2018 *	\$653,869	\$565,712	\$88,157

\* May include a slight rounding error.



## Total Compensation Systems, Inc.

### 3. OPEB Expense

Under GASB 74 and 75, OPEB expense includes service cost, interest cost, change in TOL due to plan changes; all adjusted for deferred inflows and outflows. Following is the OPEB expense for the fiscal year ending June 30, 2018. The OPEB expense shown below is considered to be preliminary because there can be employer specific deferred items (e.g., contributions made after the measurement date, and active employee contributions toward the OPEB plan).

#### OPEB Expense Fiscal Year Ending June 30, 2018

	<i>Total</i>
Service Cost	\$18,644
Interest on Total OPEB Liability (TOL)	\$42,424
Employee Contributions	\$0
Recognized Experience Gains/Losses	\$526
Recognized Assumption Changes	\$0
Expected Investment Income	(\$36,202)
Recognized Investment Gains/Losses	(\$844)
Contributions After Measurement Date*	\$0
Liability Change Due to Benefit Changes	\$0
Administrative Expense	\$912
	<u>OPEB Expense**</u>
	\$25,460

\* Should be added by Del Paso Manor Water District if reporting date is after the measurement date.

\*\* May include a slight rounding error.

The above OPEB expense does not include an estimated \$25,000 in employer contributions.

### 4. Deferred Inflows and Outflows

Certain types of TOL changes are subject to deferral, as are investment gains/losses. Appendix F provides details of any deferred inflows and/or outflows included in the OPEB expense.

## Total Compensation Systems, Inc.

### PART IV: "PAY AS YOU GO" FUNDING OF RETIREE BENEFITS

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

The following table shows a projection of annual amounts needed to pay the District's share of retiree health costs, including any implicit rate subsidy, that was included in the February 6, 2019 valuation report.

<i>Year Beginning July 1</i>	<i>All Participants</i>
2017	\$9,699
2018	\$11,766
2019	\$18,216
2020	\$26,421
2021	\$35,097
2022	\$44,946
2023	\$54,574
2024	\$63,897
2025	\$59,478
2026	\$66,786

# Total Compensation Systems, Inc.

## PART V: RECOMMENDATIONS FOR FUTURE VALUATIONS

To effectively manage benefit costs, an employer must periodically examine the existing liability for retiree benefits as well as future annual expected premium costs. GASB 74/75 require biennial valuations. In addition, a valuation should be conducted whenever plan changes, changes in actuarial assumptions or other employer actions are likely to cause a material change in accrual costs and/or liabilities.

Following are examples of actions that could trigger a new valuation.

- An employer should perform a valuation whenever the employer considers or puts in place an early retirement incentive program.
- An employer should perform a valuation whenever the employer adopts a retiree benefit plan for some or all employees.
- An employer should perform a valuation whenever the employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- An employer should perform a valuation whenever the employer introduces or changes retiree contributions.
- An employer should perform a valuation whenever the employer forms a qualifying trust or changes its investment policy.
- An employer should perform a valuation whenever the employer adds or terminates a group of participants that constitutes a significant part of the covered group.

We recommend Del Paso Manor Water District take the following actions to ease future valuations.

- We have used our training, experience and information available to us to establish the actuarial assumptions used in this valuation. We have no information to indicate that any of the assumptions do not reasonably reflect future plan experience. However, the District should review the actuarial assumptions in Appendix C carefully. If the District has any reason to believe that any of these assumptions do not reasonably represent the expected future experience of the retiree health plan, the District should engage in discussions or perform analyses to determine the best estimate of the assumption in question.

# **Total Compensation Systems, Inc.**

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## **PART VI: APPENDICES**

### **APPENDIX A: MATERIALS USED FOR THIS STUDY**

We relied on the following materials to complete this study.

- We used paper reports and digital files containing employee demographic data from the District personnel records.
- We used relevant sections of collective bargaining agreements provided by the District.

## Total Compensation Systems, Inc.

### APPENDIX B: EFFECT OF ASSUMPTIONS USED IN CALCULATIONS

While we believe the estimates in this study are reasonable overall, it was necessary for us to use assumptions which inevitably introduce errors. We believe that the errors caused by our assumptions will not materially affect study results. If the District wants more refined estimates for decision-making, we recommend additional investigation.

# Total Compensation Systems, Inc.

## APPENDIX C: ACTUARIAL ASSUMPTIONS AND METHODS

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

### ACTUARIAL METHODS AND ASSUMPTIONS:

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

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

To the extent that different benefit formulas apply to different employees of the same class, the service cost is based on the benefit plan applicable to the most recently hired employees (including future hires if a new benefit formula has been agreed to and communicated to employees). This greatly simplifies administration and accounting; as well as resulting in the correct service cost for new hires.

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

## Total Compensation Systems, Inc.

### ECONOMIC ASSUMPTIONS:

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

INFLATION: We assumed 2.75% per year used for pension purposes. Actuarial standards require using the same rate for OPEB that is used for pension.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 7% per year net of expenses. This is based on assumed long-term return on plan assets assuming 100% funding through CERBT. We used the "Building Block Method". (See Appendix E, Paragraph 53 for more information).

TREND: We assumed 4% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 2.75% per year. Since benefits do not depend on salary (as they do for pensions), using an aggregate payroll assumption for the purpose of calculating the service cost results in a negligible error.

FIDUCIARY NET POSITION (FNP): The following table shows the beginning and ending FNP numbers that were provided by Del Paso Manor Water District.

### Fiduciary Net Position as of June 30, 2018

	<u>06/30/2017</u>	<u>06/30/2018</u>
Cash and Equivalents	\$0	\$0
Contributions Receivable	\$0	\$0
Total Investments	\$509,064	\$565,712
Capital Assets	\$0	\$0
Total Assets	\$509,064	\$565,712
Benefits Payable	\$0	\$0
Fiduciary Net Position	\$509,064	\$565,712

## Total Compensation Systems, Inc.

### NON-ECONOMIC ASSUMPTIONS:

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

### MORTALITY

<u>Participant Type</u>	<u>Mortality Tables</u>
Miscellaneous	2014 CalPERS Active Mortality for Miscellaneous Employees

### RETIREMENT RATES

<u>Employee Type</u>	<u>Retirement Rate Tables</u>
Miscellaneous	2009 CalPERS 2.0% @ 55 Rates for Miscellaneous Employees

### SERVICE REQUIREMENT

<u>Employee Type</u>	<u>Service Requirement Tables</u>
All Participants	50% of the employer contribution @ 10 years of service + 5% per additional year to a maximum of 100% @ 20 or more years of service

### COSTS FOR RETIREE COVERAGE

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

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

- Plan qualifies as a “pooled health plan.” ASOP 6 defines a “pooled health plan” as one in which premiums are based at least in part on the claims experience of groups other than the one being valued.” Since CalPERS rates are the same for all employers in each region, rates are clearly based on the experience of many groups.
- Rates not based to any extent on the agency’s claim experience. As mentioned above, rates are the same for all participating employers regardless of claim experience or size.
- Rates not based to any extent on the agency’s demographics. As mentioned above, rates are the same for all participating employers regardless of demographics.
- No refunds or charges based on the agency’s claim experience or demographics. The terms of operation of the CalPERS program are set by statute and there is no provision for any refunds and charges that vary from employer to employer for any reason. The only charges are uniform administrative charges.
- Plan in existence 20 or more years. Enabling legislation to allow “contracting agencies” to participate in the CalPERS program was passed in 1967. The CalPERS medical plan has been successfully operating for almost 50 years. As far back as we can obtain records, the rating structure has been consistent, with the only difference having been a move to regional rating which is unrelated to age-adjusted rating.



## Total Compensation Systems, Inc.

- **No recent large increases or decreases in the number of participating plans or enrollment.** The CalPERS medical plan has shown remarkably stable enrollment. In the past 10 years, there has been small growth in the number of employers in most years – with the maximum being a little over 2% and a very small decrease in one year. Average year over year growth in the number of employers over the last 10 years has been about 0.75% per year. Groups have been consistently leaving the CalPERS medical plan while other groups have been joining with no disruption to its stability.
- **Agency is not expecting to leave plan in foreseeable future.** The District does not plan to leave CalPERS at present.
- **No indication the plan will be discontinued.** We are unaware of anything that would cause the CalPERS medical plan to cease or to significantly change its operation in a way that would affect this determination.
- **The agency does not represent a large part of the pool.** The District is in the CalPERS Sacramento Area region. Based on the information we have, the District constitutes no more than 0.02% of the Sacramento Area pool. In our opinion, this is not enough for the District to have a measurable effect on the rates or viability of the Sacramento Area pool.

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

<i>Participant Type</i>	<i>Future Retirees Pre-65</i>	<i>Future Retirees Post-65</i>
All Participants	\$20,140	\$8,419

### **PARTICIPATION RATES**

<i>Employee Type</i>	<i>&lt;65 Non-Medicare Participation %</i>	<i>65+ Medicare Participation %</i>
Miscellaneous	100%	100%

### **TURNOVER**

<i>Employee Type</i>	<i>Turnover Rate Tables</i>
Miscellaneous	2009 CalPERS Turnover for Miscellaneous Employees

### **SPOUSE PREVALENCE**

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

### **SPOUSE AGES**

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

**Total Compensation Systems, Inc.**

**APPENDIX D: DISTRIBUTION OF ELIGIBLE PARTICIPANTS BY AGE**

**ELIGIBLE ACTIVE EMPLOYEES**

<i>Age</i>	<i>All Participants</i>
Under 25	0
25-29	0
30-34	0
35-39	0
40-44	0
45-49	0
50-54	2
55-59	2
60-64	0
65 and older	0
Total	4

**ELIGIBLE RETIREES**

<i>Age</i>	<i>All Participants</i>
Under 50	0
50-54	0
55-59	0
60-64	0
65-69	0
70-74	1
75-79	0
80-84	0
85-89	0
90 and older	0
Total	1

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## APPENDIX E: GASB 74/75 ACCOUNTING ENTRIES AND DISCLOSURES

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

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

### Paragraph 50:

#### Information about the OPEB Plan

Most of the information about the OPEB plan should be supplied by Del Paso Manor Water District. Following is information to help fulfill Paragraph 50 reporting requirements.

50.c: Following is a table of plan participants

	Number of Participants
Inactive Employees Receiving Benefits	1
Inactive Employees Entitled to But Not Receiving Benefits*	0
Participating Active Employees	4
	<hr/>
	5

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

### Paragraph 51:

#### Significant Assumptions and Other Inputs

shown in Appendix C.

### Paragraph 52:

#### Information Related to Assumptions and Other Inputs

The following information is intended to assist Del Paso Manor Water District in complying with the requirements of Paragraph 52.

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

Mortality Table Disclosure	2014 CalPERS Active Mortality for Miscellaneous Employees
	The mortality assumptions are based on the 2014 CalPERS Active Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

## Total Compensation Systems, Inc.

Mortality Table Disclosure	2014 CalPERS Retiree Mortality for Miscellaneous Employees The mortality assumptions are based on the 2014 CalPERS Retiree Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.
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52.c: Experience Studies Following are the tables the retirement and turnover assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

### Retirement Tables

Retirement Table Disclosure	2009 CalPERS 2.0%@55 Rates for Miscellaneous Employees The retirement assumptions are based on the 2009 CalPERS 2.0%@55 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.
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### Turnover Tables

Turnover Table Disclosure	2009 CalPERS Turnover for Miscellaneous Employees The turnover assumptions are based on the 2009 CalPERS Turnover for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.
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For other assumptions, we use actual plan provisions and plan data.

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

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

Net OPEB Liability	Trend 1% Lower \$14,443	Valuation Trend \$88,157	Trend 1% Higher \$173,921
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### Paragraph 53:

#### Discount Rate

The following information is intended to assist Del Paso Manor Water District to comply with Paragraph 53 requirements.

53.a: A discount rate of 7% was used in the valuation.

## Total Compensation Systems, Inc.

53.b: We assumed that contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years.

53.c: We used historic 23 year real rates of return for each asset class along with our assumed long-term inflation assumption to set the discount rate. We offset the expected investment return by investment expenses of 25 basis points.

53.d and 53.e.: Not applicable.

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

Asset Class	Percentage of Portfolio	Assumed Gross Return
US Large Cap	43.0000	7.7950
US Small Cap	23.0000	7.7950
Long-Term Corporate Bonds	12.0000	5.2950
Long-Term Government Bonds	6.0000	4.5000
Treasury Inflation Protected Securities (TIPS)	5.0000	7.7950
US Real Estate	8.0000	7.7950
All Commodities	3.0000	7.7950

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

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

	Discount Rate	Valuation	Discount Rate
	1% Lower		1% Higher
Net OPEB Liability	\$169,606	\$88,157	\$20,132

### Paragraph 55:

#### Changes in the Net OPEB Liability

Please see reconciliation on page 11. Please see the notes for Paragraph 244 below for more information.

### Paragraph 56:

#### Additional Net OPEB Liability Information

The following information is intended to assist Del Paso Manor Water District to comply with Paragraph 56 requirements.

56.a: The valuation date is June 30, 2017.

The measurement date is June 30, 2018.

56.b; 56.c; 56.d; 56.e; 56.f: Not applicable

56.g: To be determined by the employer

56.h.(1) through (4): Not applicable

56.h.(5): To be determined by the employer

56.i: Not applicable

## **Total Compensation Systems, Inc.**

### **Paragraph 57:**

#### **Required Supplementary Information**

- 57.a: Please see reconciliation on page 11. Please see the notes for Paragraph 244 below for more information.
- 57.b: These items are provided on page 11 for the current valuation, except for covered payroll, which should be determined based on appropriate methods.
- 57.c: We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 23 years.
- 57.d: We are not aware that there are any statutorily or contractually established contribution requirements.

### **Paragraph 58:**

#### **Actuarially Determined Contributions**

We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 23 years.

### **Paragraph 244:**

#### **Transition Option**

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

**APPENDIX F: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

**EXPERIENCE GAINS AND LOSSES**

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

Measurement Period	Experience Gain/Loss	Original Recognition Period (Years)	Amounts Recognized in OPFB Expense through 2017	2018	Amounts to be Recognized in OPFB Expense after 2018	2019	2020	2021	2022	2023	Thereafter
2017-18	\$1,839	3.5	\$0	\$526	\$1,313	\$526	\$526	\$261	\$0	\$0	\$0
Net Increase (Decrease) in OPFB Expense											
			\$0	\$526	\$1,313	\$526	\$526	\$261	\$0	\$0	\$0

CHANGES OF ASSUMPTIONS

Increase (Decrease) in OPFB Expense Arising from the Recognition of Effects of

Changes of Assumptions

(Measurement Periods)

Measurement Period	Changes of Assumptions	Original Recognition Period (Years)	Amounts Recognized in OPFB Expense through 2017	Amounts to be Recognized in OPFB Expense after 2018	2019	2020	2021	2022	2023	Thereafter	
2017-18	\$0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<p>Net Increase (Decrease) in OPFB Expense</p>											





## Total Compensation Systems, Inc.

### APPENDIX G: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

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

Actuarial Cost Method:

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

Actuarial Present Value of Projected Benefit Payments:

The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation or measurement date.

Deferred Inflows/Outflows of Resources:

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

Discount Rate:

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

Fiduciary Net Position:

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

Implicit Rate Subsidy:

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

Measurement Date:

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

Mortality Rate:

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

Net OPEB Liability (NOL):

The Total OPEB Liability minus the Fiduciary Net Position.

OPEB Benefits:

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

OPEB Expense:

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

Participation Rate:

The proportion of retirees who elect to receive retiree benefits. A lower

## Total Compensation Systems, Inc.

participation rate results in lower service cost and a TOL. The participation rate often is related to retiree contributions.

### Retirement Rate:

The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with the service requirement to reflect both age and length of service). The more likely employees are to retire early, the higher service costs and actuarial accrued liability will be.

### Service Cost:

The annual dollar value of the “earned” portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.

### Service Requirement:

The proportion of retiree benefits payable under the OPEB plan, based on length of service and, sometimes, age. A shorter service requirement increases service costs and TOL.

### Total OPEB Liability (TOL):

The amount of the actuarial present value of projected benefit payments attributable to employees’ past service based on the actuarial cost method used.

### Trend Rate:

The rate at which the employer’s share of the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher service costs and TOL.

### Turnover Rate:

The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce service costs and TOL.

### Valuation Date:

The date as of which the OPEB obligation is determined by means of an actuarial valuation. Under GASB 74 and 75, the valuation date does not have to coincide with the statement date, but can’t be more than 30 months prior.



**CERTIFICATION OF OPEB FUNDING POLICY &  
GASB OPEB STANDARDS REPORTING COMPLIANCE**

**SECTION I: CERBT Asset Allocation Strategy Selection**

As the employer, I certify that my agency chooses the following CERBT asset allocation strategy.

Select one CERBT Asset Allocation Strategy:

CERBT Asset Allocation Strategy	Long-Term Expected Rate of Return	Standard Deviation of Expected Return
<input checked="" type="checkbox"/> Strategy 1	7.28%	11.74%
<input type="checkbox"/> Strategy 2	6.73%	9.32%
<input type="checkbox"/> Strategy 3	6.12%	7.14%

**SECTION II: Funding Method**

As the employer, I certify that our OPEB funding method and intent for the period covered by our current OPEB cost report (valuation or AMM) is to contribute consistently an amount that is equal to (select one):

ADC funding method: \_\_\_\_\_ % of the Actuarially Determined Contribution (ADC) as determined in our OPEB actuarial cost report (valuation or AMM) dated \_\_\_\_\_, 20\_\_\_\_. If using an ADC, please provide the ADC amount (1 and/or 2 years) in the comment section below.

Other funding method: We will contribute to the trust using an approach not directly related to the ADC (please describe below):

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# CERTIFICATION OF OPEB FUNDING POLICY & GASB OPEB STANDARDS REPORTING COMPLIANCE

## SECTION III: Contribution and Disbursement Method

As the employer, I certify that we intend to make CERBT contributions and request eligible disbursements in the following manner (select one):

- Contribute full ADC payments to the trust and seek disbursements for pay-go costs.
- Contribute ADC payments to the CERBT net of pay-go costs and not seek disbursements (ADC minus pay-go = Trust Contribution).
- Other contribution and/or disbursement method, e.g. initial/ ad hoc lump sum contribution (please describe below):

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## SECTION IV: OPEB Cost Report Coverage Years

As the employer, I certify that this OPEB cost report (valuation or AMM) will be used for GASB 75-compliant financial reporting and as the basis for any CERBT funding for the following fiscal years:

First Year:

Fiscal Year for GASB 75 reporting:                    from 07/01/2016 through 06/30/2017

Measurement period for CERBT funding:            from 07/01/2016 through 06/30/2017

Second Year:

Fiscal Year for GASB 75 reporting:                    from 07/01/2017 through 06/30/2018

Measurement period for CERBT funding:            from 07/01/2017 through 06/30/2018

**CERTIFICATION OF OPEB FUNDING POLICY &  
GASB OPEB STANDARDS REPORTING COMPLIANCE**

We understand that we must obtain an actuarial valuation (or AMM if applicable) on at least a biennial basis.

We understand that we will be asked to provide accounting information to CalPERS as required to facilitate CalPERS compliance with Governmental Accounting Standards Board (GASB) Statements for Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB Standards) reporting requirements and we agree to make any information requested available to CalPERS on a timely basis.

We understand that CalPERS will provide us the Schedule of Changes in Fiduciary Net Position, which can be used to prepare our GASB OPEB Standards reporting. CalPERS will report information pertaining to GASB OPEB Standards for Agent OPEB Plans.

**October 14, 2018**

\_\_\_\_\_  
Date of OPEB Cost Report (Valuation or AMM)

**Del Paso Manor Water District**

\_\_\_\_\_  
Name of Employer

\_\_\_\_\_  
Printed Name of Person Signing the Form

\_\_\_\_\_  
Title of Person Signing the Form

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Designated Employer Contact Name for GASB Reporting

\_\_\_\_\_  
Title of Designated Employer Contact for GASB Reporting

\_\_\_\_\_  
Phone #

\_\_\_\_\_  
Email Address



## CERTIFICATION OF OPEB ACTUARIAL INFORMATION

As Actuary of the plan, I certify that the Other Post-Employment Benefits (OPEB) actuarial valuation upon which the enclosed summary of actuarial information is based meets the following criteria:

- The valuation has been prepared and signed by a Fellow or Associate of the Society of Actuaries, or an Enrolled Actuary of the Joint Board for the Enrollment of Actuaries, and a Member of the American Academy of Actuaries.<sup>1</sup>
- The valuation has been prepared in accordance with the Actuarial Standards of Practice.
- If the valuation is an accounting valuation, then it has been prepared in accordance with the requirements set forth in Governmental Accounting Standards Board (GASB) Statements related to OPEB reporting.
- If employer assets to pre-fund other post-employment benefits are invested in an irrevocable OPEB trust other than the CERBT, the liabilities associated with those assets are not included in the summary of actuarial information.

I further certify that the discount rate is consistent with the anticipated level of funding pursuant to the relevant sections in GASB and ASOP, and the employer's certification.

Del Paso Manor Water District

Name of Employer

06/30/2017

Valuation Date

Geoffrey L. Kischuk, FSA, MAAA, FCA

Printed Name of Actuary and Designation

A handwritten signature in black ink, appearing to read "Geoffrey L. Kischuk".

02/06/2019

Signature Date

<sup>1</sup> In cases where the actuary performing the work does not meet these criteria, the valuation may be acceptable if the person has equivalent qualifications that are acceptable to the CalPERS Board. Please provide the qualifications of the actuary performing the valuation.

**FOR BOARD OF DIRECTORS OF DEL PASO MANOR WATER DISTRICT**

**SCHEDULE:**

March Board Meeting

- Amend, and approve Job Description and Salary Range
- Proposed schedule
- Recruitment methods and means

Recruitment Begins – April

- Methods: Jobs.gov ; BCJobs ; Local Organizations (i.e. CSDA/CRWA) ; Sac Bee; and others deemed suitable by the Board.

**PROCESS:**

Applications Due: May 10<sup>th</sup>

First Interviews: May / June – To be done by Committee

Second Interviews: Special Closed Session Board Meeting (June)

Offer/Contract Negotiations: July



**DEL PASO MANOR WATER  
DISTRICT  
Classification Specification**

**Job Class:** General Manager  
**FLSA Status:** Exempt  
**Supervisor:** Board of Directors  
**Effective Date:**

**The Water District**

Del Paso Manor Water District was founded in 1956 when a group of residents began negotiations and formed a Government Special District. Our Mission is to provide safe drinking water in accordance with California and federal regulations and to maintain a reliable water supply for water consumption and fire protection.

We provide potable water for residential, commercial, and institutional use. The District is responsible for maintaining the infrastructure delivery system that provides the water to customers, to assure that the water meets or exceeds required water quality standards, and that there is always a reliable supply of water for the health and safety of the District's residents, businesses, and institutional users.

Del Paso Manor Water District is directed and governed by a five (5) member Board of Directors elected at large by the registered voters who reside within the District. Policy direction is set by the Board of Directors and administered by the General Manager. The people who are elected Board Members must reside in the District and thus have the same concerns as other residents.

The majority of our wells and distribution system date to when they were first installed by the developers between 1949-1955. While we are proud of our history, we face system mapping challenges due to the transformations since our inception. When Del Paso Water Company sold the water system to the District, they provided very few maps of the distribution system. Additionally, well documentation requirements in the 1940s were not the same as they are today.

**Description and Distinguishing Characteristics**

Under broad policy and general administrative direction from the Board of Directors ("the Board"), the General Manager plans, organizes, directs and reviews the overall administrative activities and operations of the District; provides advice and assists the Board; and represents the District's interests at local, regional, state, and federal levels. The position is employed under contract as the General Manager for the District, which is the highest-level position in the organization.

**Broad Duties**

The broad duties of the General Manager are set forth in the California Water Code as follows:

**Section 30580**

The General Manager shall:

- (a) Have full charge and control of the maintenance, operation, and construction of the water works or water-works system of the District.
- (b) Have full power and authority to employ and discharge all employees at pleasure.
- (c) Prescribe the duties of employees.
- (d) Fix and alter the compensation of employees subject to approval by the Board.

**Section 30581**

The General Manager shall also:

- (a) Perform other duties imposed by the Board.
- (b) Report to the Board in accordance with the rules and regulations as it adopts.

---

**Essential Duties and Responsibilities**

DPM General Manager

The following duties are typical for this position. Depending upon the assignment, the position may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices. The Board retains the right to add, remove, or change duties at any time.

- Serve as the Chief Executive Officer of the District.
- Perform as the District Incident Manager when Emergency Response Plan is implemented.
- Serve as the District's spokesperson to the media.
- Effectively represent the District and its interests with federal, state and local agencies and elected officials, other special districts, professional groups and the public.
- Responsible for the District's Conservation Program, including performing audits as necessary.
- Direct projects, programs, grants and contracts.
- Comply with District, local, state and federal regulations; work with consultants on regulatory and compliance requirements; provide advice/consultation regarding legislation to the District and Board.
- Provide leadership and guidance to all District employees.
- Approve the appointment of personnel.
- Mentor, supervise, train, discipline, and evaluate the performance of direct reports.
- Maintain awareness of operation practices and recommend changes which increase the efficiency and economy of district operations.
- Confer with outside legal counsel on legal and regulatory issues affecting the District.
- Establish and maintain cooperative working relationships with co-workers, the Board, outside agencies, and the public.

#### **Board of Directors**

- Attend District Board and committee meetings; present reports and agenda items regarding District programs.
- Represent the District as Secretary of the Board and committees as appointed.
- Direct the development, implementation and enforcement of District goals, objectives, policies, regulations, and procedures; approve new or modified programs, systems and administrative/personnel policies and procedures.
- Coordinate District activities with outside agencies and organizations.
- Provide consultation, advice and recommendations for the Board's consideration and adoption; provide staff assistance to the Board.
- Direct and oversee the development of Board agendas.
- Research, prepare, and present technical and administrative reports and studies to the Board and a variety of committees and the public; prepare written correspondence.

#### **Financial Management**

- Maintain a documented system of accounting and operations policies and Standard Operating Procedures.
- Design of the organizational structure adequate for achieving the district's goals and objectives
- Direct and oversee the development, presentation and administration of the District budget; make recommendations to the Board on final expenditure levels.
- Review and authorize District contracts, leases, agreements with other agencies, and other legal and financial documents.
- Manage outsourced functions: Payroll, Information Technology, Engineering, and others, as needed.
- Prepares payroll data, reports, and review timecards.
- Prepares monthly/quarterly reports to government agencies as required.
- Issue timely and complete financial statements, reports, and budgets.
- Annual audit and compliance duties.

## **Qualifications**

### *Knowledge of:*

- Public water system operations.
- Principles, methods, techniques and objectives of public administration.
- Planning, organizing, directing, and supervising the operations of a special district.
- Policies, rules and regulations, and procedures development and enforcement.
- Principles and practices of leadership, motivation, team building, and conflict resolution.
- Federal, state, county and local regulatory compliance.
- Organizational and management practices as applied to the analysis and evaluation of programs, policies and operational needs.
- Principles and practices of safety and risk management.
- Project management, budget principles, and fiscal controls.
- Cost estimating, contract administration, research and evaluation methods.
- Public personnel administration, labor relations, and employer-employee relations.

### *Ability to:*

- Plan, organize, coordinate, and direct District's operations to achieve efficient operations and meet program goals.
- Exercise leadership, authority, and supervision tactfully and effectively.
- Exercise good judgment.
- Administer a District budget and fiscal control process.
- Evaluate and make recommendations on improvements to existing District operations, programs, and services.
- Collect, organize, and analyze data on variety of topics.
- Analyze situations and make sound recommendations in support of District goals.
- Communicate effectively both orally and in writing with the Board of Directors, District management, co-workers, and the public in one-to-one and group settings.
- Understand, interpret and apply laws, rules, regulations and ordinances relating to District activities.
- Provide advice and consultation to the Board of Directors on the development of ordinances, regulations, programs, and policies.
- Effectively represent the District with the public, community groups, contractors, and other organizations.
- Establish and maintain cooperative working relationships.
- Operate a variety of standard office equipment, telephone, personal computer and software applications for word processing, graphic presentations, spreadsheets, and other job-related software.

## **Physical Requirements**

The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. *Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.*

- Travel occasionally by airplane conducting District business.
- Travel regularly by vehicle for District related duties and activities.
- Regularly work in an office environment:
  - Work at a desk/table for an extended period of time; sit and stand for an extended period of time.
  - Ability to bend (neck and waist), squat, climb, crouch, stoop, kneel, twist, grasp, fine manipulation, push, pull, reach (above and below shoulder level), balance, stand, walk.
  - Ability to reach, lift, carry and move objects up to 25 pounds (e.g. storage boxes, large binders, books, outreach materials and supplies, tables, chairs, pop-up shade structures, etc.)

- Repetitive use of hands.

### **Environmental and Working Conditions**

The environmental and working conditions herein are representative of those an employee encounters while performing the essential functions of this job. *Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.*

- Regularly work in ambient room temperatures, lighting and traditional office equipment as found in a typical office environment.
- Work outside of business hours (i.e. nights, weekends, holidays, etc.) as required to meet the needs of the District.
- The performance of this position may occasionally require exposure to job site, distribution and production areas where:
  - Certain areas may require the use of personal protective equipment such as hard hats, safety glasses and hearing protection.
  - May be both indoors and outdoors in all weather conditions with exposure to dust, dirt, water and significant temperature changes between cold and heat; on various types of terrain and footing which may be slippery or uneven; around moving objects or vehicles; in small/tight spaces.
  - May be around machinery with moving parts or stationary equipment; near hazardous chemicals; exposed to fumes/smoke/gases.

### **Education, Experience and Certification**

*Required:*

- A Bachelor's Degree from an accredited college or university with major course work in Business, Public Administration, Engineering or a closely-related field.
- Eight years of broad and extensive experience in a management position responsible for the formulation and implementation of programs, budgets and administrative operations.
- Six years of increasingly responsible management or supervisory experience related to business, public administration or engineering programs and functions.
- Three years of managerial experience in a public agency.

*Desirable:*

Any equivalent combination of education and experience which provides the knowledge and abilities necessary to perform the work – for example:

- Master's Degree (MBA/MPA) from an accredited college or university in Business, Public Administration, Engineering or a closely-related field.
- Nine or more years of broad and extensive experience in a management position responsible for the formulation and implementation of programs, budgets and administrative operations.
- Seven or more years of increasingly responsible management or supervisory experience related to business, public administration or engineering programs and functions.
- Four or more years of managerial experience in a public agency; water agency highly desirable.

Licenses

- Possess a valid State of California Class C driver's license.
- Proof of good driving record as evidenced by freedom from multiple or serious traffic violations or accidents for at least two years duration.

***License and Certification Maintenance: Employee is responsible to complete the designated number of contact hours (i.e.: continuing education and/or training requirements) and licensing requirements to maintain all required licenses and certifications as a condition of continued employment.***

**NOTE:** The specific statements shown in each section of this job description are not intended to be all-inclusive. They represent typical elements and criteria that are performed by most incumbents, but other related duties may be performed. Not all duties listed are necessarily performed by each individual.

Special District	County	Employees	Total Wages	General Manager	Retirement Health	Total GM Comp
Buckingham Park Water District	Lake	8	\$224,435	\$67,874	\$6,695	\$74,569
Redwood Valley County Water District	Mendocino	8	\$208,166	\$152,400	\$28,136	\$180,536
Central Water District	Santa Cruz	9	\$256,898	\$117,334	\$52,656	\$169,990
Meiners Oaks County Water District	Ventura	10	\$373,214	\$102,610	\$24,134	\$126,744
Pleasant Valley County Water District	Ventura	10	\$372,549	\$55,199	\$10,718	\$65,917
Del Paso Manor Water District	Sacramento	10	\$362,868	\$129,361	\$29,501	\$158,862
Sierra Lakes County Water District	Placer	10	\$301,146	\$87,280	\$49,199	\$136,479
Kings County Water District	Kings	10	\$245,484	\$128,410	\$42,089	\$170,499
Ventura River County Water District	Ventura	11	\$574,918	\$154,901	\$37,875	\$192,776
Greenfield County Water District	Kern	11	\$367,247	\$119,425	\$30,941	\$150,366
Pinedale County Water District	Fresno	11	\$361,819	\$65,000		\$65,000
Hillmar County Water District	Merced	11	\$310,134	\$0	\$0	
Meadow Vista County Water District	Placer	12	\$573,874	\$106,437	\$28,152	\$134,589
Forestville Water District	Sonoma	12	\$457,835	\$115,330	\$40,535	\$155,865
Santa Nella County Water District	Merced	12	\$330,397	\$93,361	\$45,657	\$139,018
Cabazon County Water District	Riverside	12	\$306,386	\$88,967	\$12,228	\$101,195
Midway Heights County Water District	Placer	12	\$208,168	\$91,227	\$39,911	\$131,138
North Yuba Water District	Yuba	13	\$548,600	\$132,980	\$42,882	\$175,862
Franklin County Water District	Merced	13	\$370,376	\$84,407	\$7,998	\$92,405
Cobb Area County Water District	Lake	13	\$281,736	\$66,520	\$29,437	\$95,957
Alpine Springs County Water District	Placer	13	\$258,382	\$100,968	\$35,658	\$136,626
Orchard Dale Water District	Los Angeles	14	\$999,478	\$195,514	\$43,163	\$238,677
Stinson Beach County Water District	Marin	14	\$792,924	\$172,251	\$46,560	\$218,811
Purissima Hills Water District	Santa Clara	14	\$728,115	\$146,120	\$39,548	\$185,668
Westborough County Water District	San Mateo	14	\$716,584	\$226,064	\$43,157	\$269,221
Aromas County Water District	San Benito	14	\$415,052	\$109,754	\$43,149	\$152,903
Seeley County Water District	Imperial	14	\$250,086	\$47,789	\$12,000	\$59,789
Delhi County Water District	Merced	15	\$503,535	\$98,420	\$23,750	\$122,170

Pico Water District	Los Angeles	16	\$909,014	\$153,080	\$43,094	\$196,174
Sweetwater Springs Water District	Sonoma	16	\$808,230	\$108,315	\$16,176	\$124,491
Firebaugh Canal Water District	Fresno	16	\$742,109	\$173,576	\$36,515	\$210,091
La Habra Heights County Water District	Los Angeles	17	\$922,210	\$161,403	\$49,283	\$210,686
Idyllwild Water District	Riverside	17	\$640,679	\$101,400	\$10,140	\$111,540
Rio Linda-Elverta Community Water District	Sacramento	18	\$640,940	\$63,650	\$14,443	\$78,093
Diablo Water District	Contra Costa	19	\$1,552,154	\$257,108	\$57,103	\$314,211
Quartz Hill Water District	Los Angeles	19	\$896,792	\$168,426	\$49,849	\$218,275
Willow County Water District	Mendocino	19	\$693,951	\$124,575	\$22,488	\$147,063
Florin County Water District	Sacramento	19	\$641,118	\$139,094	\$16,557	\$155,651
Konocti County Water District	Lake	19	\$464,937	\$86,077	\$33,741	\$119,818
Sativa-Los Angeles County Water District	Los Angeles	19	\$371,488	\$63,476	\$9,987	\$73,463
Pine Cove Water District	Riverside	19	\$286,624	\$96,432	\$36,119	\$132,551
La Puente Valley County Water	Los Angeles	20	\$1,137,197	\$146,363	\$43,498	\$189,861
San Gabriel County Water District	Los Angeles	21	\$1,347,810	\$161,811	\$56,699	\$218,510
Valley of the Moon Water District	Sonoma	21	\$945,227	\$167,205	\$37,513	\$204,718
Linda County Water District	Yuba	21	\$928,383	\$141,289	\$30,331	\$171,620
Malaga County Water District	Fresno	22	\$919,528	\$132,291	\$24,134	\$156,425
East Orange County Water District	Orange	22	\$767,415	\$183,479	\$41,266	\$224,745
Mid Peninsula Water District	San Mateo	23	\$1,678,416	\$186,118	\$35,111	\$221,229
Crestline Village Water District	San Bernardino	23	\$984,328	\$142,003	\$31,229	\$173,232
Burney Water District	Shasta	24	\$362,468	\$70,500	\$21,870	\$92,370
Twentynine Palms County Water District	San Bernardino	25	\$1,130,172	\$171,268	\$42,076	\$213,344
Arrowbear Park County Water District	San Bernardino	27	\$405,768	\$93,928	\$22,722	\$116,650
Scotts Valley Water District	Santa Cruz	30	\$1,626,331	\$182,176	\$24,324	\$206,500
Tehachapi - Cummings County Water District	Kern	30	\$1,570,476	\$132,059	\$22,214	\$154,273
Joshua Basin Water District	San Bernardino	31	\$1,696,854	\$178,873	\$9,614	\$188,487
Clearlake Oaks Water District	Lake	34	\$860,569	\$85,629	\$7,111	\$92,740

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21" Wide Church Chairs

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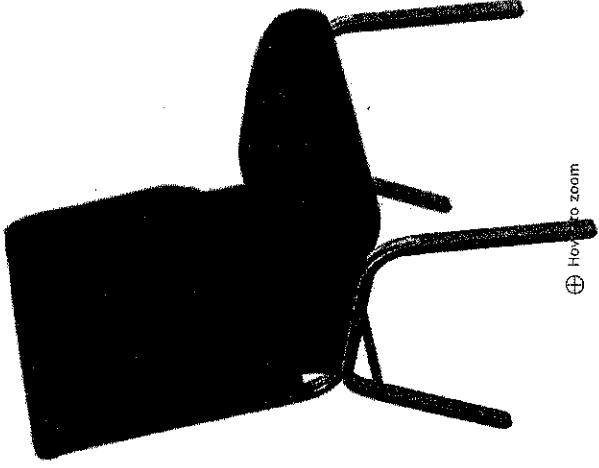
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HERCULES Series 21"W Stacking Church Chair in Navy Blue Fabric - Silver Vein Frame

Folding Tables

PRODUCT

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### HERCULES Series 21"W Stacking Church Chair in Navy Blue Fabric - Silver Vein Frame

4.6 Stars (154 Reviews)

Item # FD-CH0221-4-SV-NB24-GG

More expected by 4/9/19

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In Stock. Usually ships in 24 hours

was \$102.00

**\$33.95**

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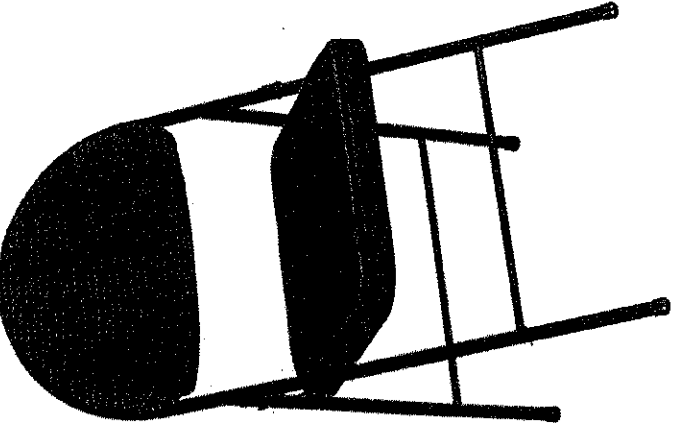
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### COSCO XL Comfort Folding Chair Black Fabric (4-pack)



by Cosco | 68 customer reviews | 17 answered questions

List Price: \$129.99 Price: \$103.31 & FREE Shipping. Details You Save: \$26.68 (21%)

Color: black Assembly options: Expert assembly of 2 chairs | See more options for alternative quantities. More options

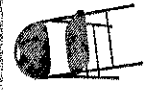
Without expert assembly Expert assembly +\$35.28 per unit

- Thirty-Eight percent larger overall with a soft padded fabric seat and back
- Durable steel frame with powder-coated finish
- Use of two cross braces and tube-in-tube reinforced frame
- Non-Marring legs
- Folds flat and compact for easy storage
- See more product details

Compare with similar items

Used & new (7) from \$85.71 & FREE shipping. Details

Roll over image to zoom in



Commercial Comfort Back Fabric Folding Chair with Handle Hole \$119.17

Ad feedback

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\$103.31

& FREE Shipping. Details Want it Sunday, March 3<sup>rd</sup> Order within 10 hrs 13 mins and choose Standard Shipping at checkout. Details

In Stock. Ships from and sold by Amazon.com.

Item arrives in packaging that reveals what's inside. To hide it, choose Ship in Amazon packaging at checkout.

Qty: 1

Add a Protection Plan: 3-Year Accident Protection for \$12.89

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Buy Now

Deliver to Carmichael 95608

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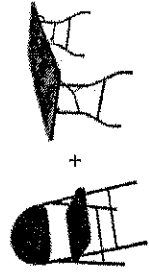
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+ Free Shipping Sold by: BarBarSupply

Used & new (7) from \$85.71 & FREE shipping. Details

Have one to sell? Sell on Amazon

### Frequently bought together

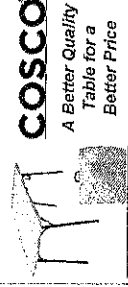


Total price: \$152.31 Add both to Cart Add both to List

These items are shipped from and sold by different sellers. Show details

- This item: COSCO XL Comfort Folding Chair Black Fabric (4-pack) \$103.31
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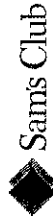
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Cosco Diamond Series 300 lb. Weight Capacity, 6 ft. x 30 in. Fold-in-Half Ban... 142 \$64.99 +prime

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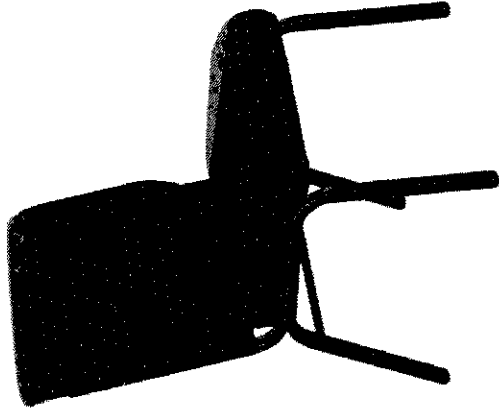
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All Departments > Office > Office Furniture > Folding & Stackable Furniture > Stacking Chairs

# Hercules Extra Wide Stacking Church Chair with Gold Vein Frame, Black

by Flash Furniture · Item # 743770 · Model # FCH2214GV806 | ★★★★★ 4.5 (8) Write a review Ask a question



VIEW

**\$54.98** - **\$1,719.00**

Free shipping

Choose a quantity:

1 Pack

20 Pack

40 Pack

Qty

Ship this item

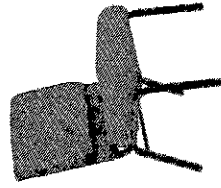
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### About this item

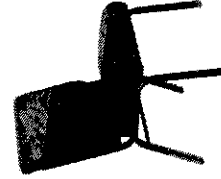
- Holds up to 800 lbs.
- Book pouch on back of chair
- Feature ganging clamps

### customers who viewed this also viewed



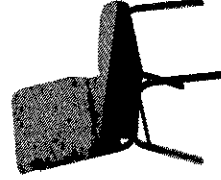
Hercules Extra Wide Stacking Church Chair with Gold Vein...  
★★★★★ Free shipping

From **\$54.98**



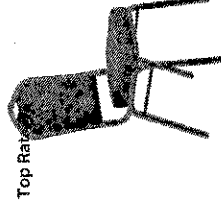
Hercules Extra Wide Stacking Church Chair with Gold Vein...  
★★★★★ Free shipping

From **\$54.98**



Hercules Extra Wide Stacking Church Chair with Gold Vein...  
★★★★★ Free shipping

From **\$54.98**



Flash Furniture Fabric Banquet Stack Chair with Silver Fram...  
★★★★★ Free shipping

From **\$123.98**



Hercules Black  
★★★★★

From **\$57**



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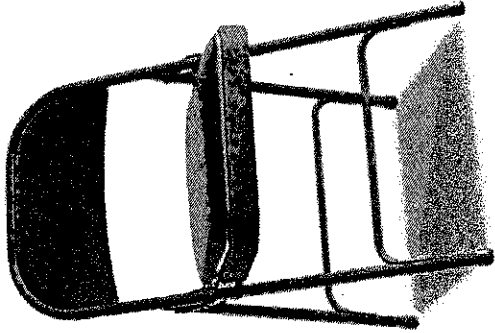
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All Departments > Office > Office Furniture > Folding & Stackable Furniture > Folding Chairs

# Alera Steel Folding Chair with Padded Seat, Select Color - 4 Pack

by Alera | Item # 957045 | Model # ALLEFC94YY10B | ★★★★★ 4.6 (27) Write a review Ask a question



VIEW

Top Rated

**\$94.98**

Free shipping

Choose a color:



Qty

Ship this item

Shipping Enter a ZIP Code

Add to list

*Not padded on back.*

### About this item

- Traditional armless steel folding chairs for large groups.
- Sturdy tubular steel frame with double braced construction.
- Textured powder-coated finish resists smudges and fingerprints.
- Rubber caps on feet help protect floor.
- Fold and stack neatly for storage.



Member's Mark. \$2 off Prepare for allergy season with softness, strength and savings. Ends March 24.



Limit 1 per household.

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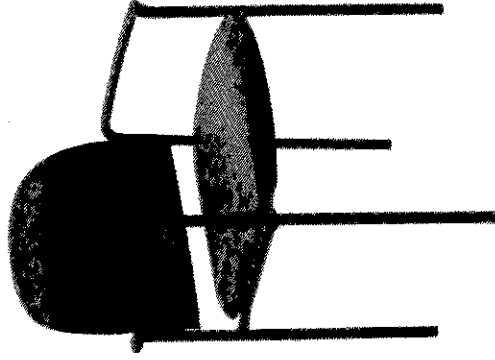
Instant Savings

Member Services

All Departments > Office > Office Furniture > Folding & Stackable Furniture > Stacking Chairs

## Hercules Vinyl Steel Stacking Side Chair with Arms, Black

by Flash Furniture | Item # 743699 | Model # BT5161VINYL | ★★★★★ 4.2 (50) Write a review Ask a question



Top Rated

**\$49.98 - \$1,388.00**

Free shipping

Choose a quantity:

1 Pack

15 Pack

30 Pack

Qty

Ship this item

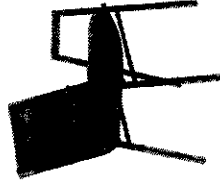
Shipping  
Enter a ZIP Code

Add to list

### About this item

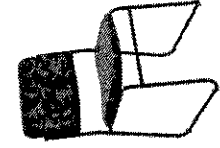
- Available in various pack quantities
- Stacks up to 12 chairs high
- Thick high density foam for added comfort

### customers who viewed this also viewed



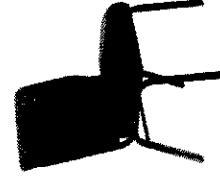
Hercules Padded Vinyl Stacking Chair with Arms - Bl...  
★★★★★ Free shipping

From \$62.98



Hercules Vinyl Stacking Chair with Sled Base - Black  
★★★★★ Free shipping

From \$41.98



Hercules Extra Wide Stacking Church Chair with Gold Vein...  
★★★★★ Free shipping

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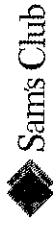
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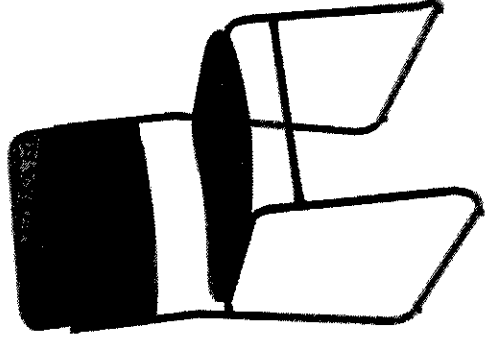
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## Hercules Fabric Stacking Chair with Sled Base - Black

by Flash Furniture | Item # 743478 | Model # XU8700BLK830 | ★★★★★ 4.3 (9) Write a review Ask a question



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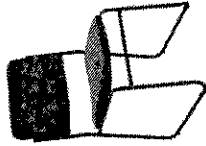
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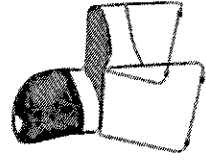
Holds up to 1500 lbs.  
Stack up to 30 chairs high  
Thick 1.5" foam for comfort  
Choose 1 Pack, 20 Pack or 30 Pack from the drop-down box.

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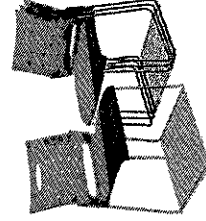
Hercules Vinyl Stacking Chair with Sled Base - Black  
★★★★★ Free shipping

From \$41.98



Flash Furniture Stacking Chair with Chrome Frame - Black  
★★★★★ Free shipping

From \$141.98



Alera Continental Series Perforated Back Stacking Chair...  
★★★★★ Free shipping

\$269.98



Flash Furniture Hercules Series Full Back Contoured Side Chair...  
★★★★★ Free shipping

From \$142.98



Hercules Side Chair  
★★★★★

From \$41.98

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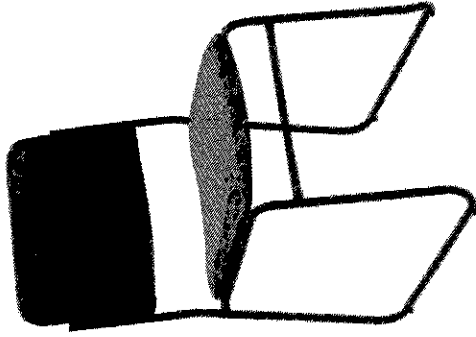
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# Hercules Vinyl Stacking Chair with Sled Base - Black

by Flash Furniture | Item # 743471 | Model # XU8700BLKBVYL30 | ★★★★★ 4.3 (3) Write a review Ask a question



## \$41.98 - \$919.00

Free shipping

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Qty

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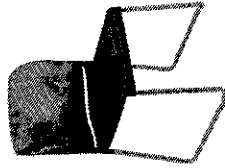
Shipping Enter a ZIP Code

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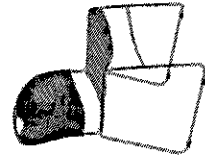
Holds up to 1,500 lbs.  
Stacks up to 30 chairs high  
Thick high density foam for added comfort  
Choose 1 Pack, 20 Pack or 40 Pack from the drop-down box.

customers who viewed this also viewed



Flash Furniture Hercules Series Full Back Contoured S...  
★★★★★ Free shipping

From \$142.98



Flash Furniture Stacking Chair with Chrome Frame - Black  
★★★★★ Free shipping

From \$141.98



Hercules Vinyl Steel Stacking Side Chair with Arms, Black  
★★★★★ Free shipping

From \$49.98



Hercules Fabric Stacking Chair with Sled Base - Black  
★★★★★ Free shipping

From \$41.98



Flash Fur Chair Wit  
★★★★★

From \$31.98



**DRAFT**

**MINUTES OF SPECIAL BOARD MEETING  
OF THE BOARD OF DIRECTORS OF  
DEL PASO MANOR WATER DISTRICT**

February 4, 2019

The Board of Directors of the Del Paso Manor Water District held a special meeting at the District office located at 1817 Maryal Drive, Suite 300, Sacramento, California on February 4, 2019 at 3:30PM. President Lenahan called the meeting to order. President Lenahan, Vice President Harrington and Director Burt were present. Also present were Field Manager Rich Bolton and Field Technician Ken Ingle. Resident Greg Schneider was also present.

PUBLIC COMMENT:

There were no public comments.

WELL SITE TOUR:

Field Manager Bolton conducted a tour of all of the District's Well sites. He covered the installation dates of each well site as well as basic details of each. After touring all of the wells, the meeting was adjourned at Well #8 at 5:08 PM by President Lenahan.

ATTEST:

Debra Sedwick, Secretary

John Lenahan, President

## MINUTES OF REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF DEL PASO MANOR WATER DISTRICT

February 4, 2019

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The Board of Directors of the Del Paso Manor Water District held its regular meeting at the District office located at 1817 Maryal Drive, Suite 300, Sacramento, California on February 4, 2019 at 7:30PM.

President Lenahan called the meeting to order. Vice President Harrington, Director Burt, and Director Matteoli were also present. Director Allen was absent due to a scheduled vacation. Also present were Attorney Adam Brown, Field Manager Rich Bolton, Field Technician Ken Ingle, and Office Administrator Lori Hensley. Manager Debra Sedwick called into the Board meeting as she was attending the National Rural Water Association Rally. There were several residents and members of the public also present.

### PLEDGE OF ALLEGIANCE:

Field Manager Bolton led the Pledge of Allegiance.

### PUBLIC COMMENT:

Resident Greg Schneider thanked field staff for the well site tour earlier today. Director Burt thanked President Lenahan for increasing public comment time to five minutes.

### CONSENT CALENDAR:

Vice President Harrington requested to have both the regular minutes for December and January and invoices for January pulled. She asked what changes were made as she could not remember what she requested. Manager Sedwick stated she requested to include information on the discussion of who would pay for the project on the DPM school discussion. Vice President Harrington made a motion to approve the December 2018 regular meeting minutes as presented. Director Burt seconded the motion. With no other public or Board comment, the motion carried by the following roll call vote:

Ayes: Burt, Harrington, Lenahan, and Matteoli  
Noes: None  
Absent/Abstain: Allen

Director Burt questioned why the approved travel policy was not included in the December minutes. Manager Sedwick explained the policies are generally only attached to the original minutes once adopted. Director Burt made corrections to the January minutes. She also asked if the District has been reimbursed for the stolen items from the District truck. Manager Sedwick replied yes.

Vice President Harrington requested a letter from Sacramento Metro Fire with the fire flow requirements for the school. Manager Sedwick stated she has requested the letter many times but has



not received it yet. She inquired if C900 pipe was looked into rather than ductile iron pipe for the Burrell Court project. Field Manager Bolton stated pipe costs were comparable for this project but the labor would have been more intensive with C900. Director Harrington requested the date of minutes to be included in the heading. Director Burt made a motion to approve the January 7<sup>th</sup> Regular Meeting minutes as corrected. Director Matteoli seconded the motion. With no other public or Board comments, the motion carried by the following roll call vote:

Ayes: Burt, Harrington, Lenahan, and Matteoli  
 Noes: None  
 Abstain/Absent: Allen

Manager Sedwick answered a couple of invoice questions from the Directors. Director Burt would like to return the check she received for payment for December classes taken which were paid at the old rate of \$200 per training day. She only intended to be paid \$100. It was decided to not pay Director Burt for the next two meetings rather than voiding her check.

Director Burt made a motion for the approval for payment of January invoices which was seconded by Director Matteoli. With no other public or Board comments, the motion carried to pay the January invoices by the following roll call vote:

Ayes: Burt, Harrington, Lenahan, and Matteoli  
 Noes: None  
 Absent/Abstain: Allen

<u>CHECKS DRAWN</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
AT&T 1/2	8985	65.75
Primetax Service Charge 1/5	EFT	263.93
ACWA/JPIA Workers' Comp. 1/7	8986	1740.74
One Print Source & Graphics 1/7	8987	7.63
AT&T 1/7	8988	177.16
Primetax - Payroll 1/15	EFT	8970.05
Primetax - Payroll Taxes 1/15	EFT	4921.79
State Water Resources Control Board (Certification) 1/22	8989	90.00
AT&T 1/22	8990	55.00
Primetax - Payroll 1/31	EFT	10703.39
Primetax - Payroll taxes 1/31	EFT	5353.39
PERS/Health 1/31	EFT	6966.83
PERS/Retirement 1/31	EFT	4788.78
ACWA/JPIA 1/31	8991	620.60
Voya Financial	8992	1800.00
One Print Source & Graphics	8993	449.75
AT&T	8994	68.24
Hill Rivkins Brown & Associates	8995	2850.00
BSK Associates	8996	96.00
Chevron	8997	349.75
AT&T Mobility	8998	278.97
Void	8999	0.00
Emigh Hardware	9000	93.84
GM Construction & Developers, Inc.	9001	8000.00
Inland Business Systems	9002	249.25
Void	9003	0.00
P.G. & E.	9004	8.60
Petty Cash	9005	103.50
U.S. Postal Service	9006	772.50
Sacramento County Utilities	9007	175.22
SMUD	9008	5744.22
Sacramento Area Water Works Association (Dues)	9009	900.00
Sam's Club	9010	412.55
Sierra Chemical Company	9011	313.20

Streamline  
USA BlueBook  
Uinta Holdings, LLC  
Stericycle Communication Solutions  
YP

9012	200.00
9013	490.34
9014	1985.00
9015	195.93
9016	15.50
	<hr/> 70277.40

Vice President Harrington made a motion to approve the January 7<sup>th</sup> Special Board meeting minutes which was seconded by Director Burt. With no public or Board comments, the motion carried to approve the January 7<sup>th</sup> Special Board meeting minutes as presented.

Ayes: Burt, Harrington, Lenahan, and Matteoli  
Noes: None  
Absent/Abstain: Allen

REPORT FROM FIELD MANAGER CONCERNING:

January field matters:

1. The District field staff responded to two leak service calls during the month. One leak call was the responsibility of the homeowner and the other was on Burrell Court.
2. Field staff performed 21 Underground Service Alerts and two customer service line location requests in the month of January.
3. The District experienced several power outages on January 6<sup>th</sup>; however, Well #6 was not affected. No damages were incurred at the District facilities.
4. All of the equipment has been replaced in the District truck from the theft. All big equipment is secured by cables and pad locks and labeled as “Property of Del Paso Manor Water District.”
5. The upgrade and replacement of the water main on Burrell Way is proceeding. The project is expected to be completed this week.
6. Well #8 was planned and budgeted to have maintenance and pump work performed this year. Field Manager discussed the status of Well #8 and the pump issues. Due to the Well #8 lack of efficiency and loss of production, the maintenance has been scheduled and will begin soon.
7. Field Manager Bolton stressed the importance of wearing proper safety equipment when visiting construction and job sites and requested all Board members to connect with District staff first.

REPORT FROM MANAGER CONCERNING:

January operational matters:

1. Manager Sedwick stated she provided in the Board packet the six month budget (to December 31, 2018) outlook along with the actual amount charged for both the Operations & Maintenance and Planned System Maintenance.
2. Also implemented this month at the request of Director Burt was an accounting of compensation that each Board member received. This will be done monthly.

3. Manager Sedwick attended the Sacramento Suburban Water District/San Juan Water District Water Management/Re-Organization meeting, now being referred to as the Collaboration-Integration Meetings. One project that is already being collaborated on is meter purchases. The Board members of SSWD/SJWD requested a report from their managers. They also would like to see inter agency agreements soon if there is an interest to collaborate. The managers are still meeting to determine if there are areas for collaboration.
4. The Water Reliability plan is moving into Phase 2 which is the beginning of the development of a regional groundwater bank. The biggest cost will be the modeling. The next step will be participation agreements along with the fees associated with participating.
5. The Regional Water Authority Advocacy Program monthly meeting was very active. The major issues will be the water tax and the low income assistance program. ACWA will be introducing a bill which would require a longer compliance period for newly adopted MCL standards for water quality. We expect to see a few more conservation and water use efficiency bills this year too.
6. At the RWA Executive Committee meeting, the development of the budget and the water reliability plan was discussed. John Woodling, the Executive Director, announced his retirement stating March 1<sup>st</sup> would be his last day. Robert's Consulting was approved for the recruitment of a new Executive Director.
7. The Water Forum Successor Effort held a Coordinating Committee meeting. The big discussion was the voluntary settlement agreements for the American River. Tom Gohring reported that the Caucus's will need to vote on this issue per the Water Forum Agreement. There was also an update on the Habitat Management program.
8. The District decreased our water production for January by 6.5% compared to 2018. Compared to 2013, January water production decreased by 16.2%.
9. All bacteriological quality samples tested absent for January.
10. There were no water quality complaints for the month of January.

REPORT FROM ATTORNEY CONCERNING:

Attorney Brown commented on the Reimbursement Agreement with Del Paso Manor School which was prepared shortly after last month's Board meeting.

REPORTS ON VARIOUS MEETINGS:

Manager Sedwick attended the Regional Water Authority meeting. The Board approved several personnel policies and an employee compensation policy. The 2017/2018 audit was also accepted. The Board authorized the Executive Director to sign a Memorandum of Agreement with Non-Federal

partners to develop a Water Marketing Strategy plan. The RWA Board elected the Executive Committee and then elected Paul Schubert as Chair and Kerry Schmitz as Vice Chair.

President Lenahan and Director Burt met once together and then once again with Manager Sedwick for the Finance Ad-Hoc Committee meeting. They reported they are making progress.

President Lenahan and Vice President Harrington met for the Succession Planning Ad-Hoc Committee meeting. They will meet with Manager Sedwick upon her return.

#### OLD BUSINESS:

1. Reviewed and discussed the status of the Del Paso Manor Elementary School Project. Manager Sedwick reported the signed Reimbursement Agreement was received late Friday, January 25<sup>th</sup> and on Monday, January 28<sup>th</sup>, an amended task order with Forsgren Associates was signed. Field staff is working with Forsgren to determine testing points for the field verifications. Director Burt wanted assurances that the Board will review everything before a decision is made as to the best option. President Lenahan stated they want to be involved in the process. Director Matteoli reminded the Board that the last State Water Resource Control Board, Division of Drinking Water inspection report encouraged the District to move forward with the Master Plan replacing aging pipes. Vice President Harrington would still like to see a letter from Sacramento Metro Fire stating the fire flow requirements for the school project. She also requested a copy of the State Board inspection report.
2. Field Manager Bolton updated the Board on the Burrell Court line replacement project. The third estimate was received and was slightly higher than GM Construction. Due to the extensive rain, the project has been slightly delayed. The Board and public made a few general comments.

#### NEW BUSINESS:

1. Upcoming Meeting(s):
  - a. California Special Districts Association's "Governance Foundations" – March 26, 2019 in Sacramento, California.
2. President Lenahan appointed Director Burt and himself to the Auditor Selection Ad-Hoc Committee.
3. President Lenahan appointed Vice President Harrington and Director Burt to the Policy Manual Review Ad-hoc Committee.
4. The Board reviewed and discussed the process to amend Ordinance No. 2, An Ordinance Establishing Rules and Regulations for the Business and Proceedings of the Board of Directors of the Del Paso Manor Water District and changing the time and place for the regular meetings. They discussed changing the time to 6:30pm. Director Matteoli stated he has obligations on Monday at that

time and suggested changing the meeting day to the first Tuesday of the month. The Board agreed that Tuesday would be good. Resident Carol Rose inquired as to the costs involved with the change. Attorney Brown responded to the question. Resident Carl Dolk was in favor of the change. Vice President Harrington made a motion to direct Manager Sedwick to begin the process to amend Ordinance No. 2 for the regular Board meetings to be held on the first Tuesday of the month at 6:30PM. Director Matteoli seconded the motion. There being no other comments, the motion carried by the following roll call vote:

Ayes: Burt, Harrington, Lenahan, and Matteoli  
Noes: None  
Absent/Abstain: Allen

5. The Board reviewed and discussed options for the Directors to preview invoices in order to authorize payment. Invoices will be scanned and emailed to the Board members.
6. The Board reviewed and discussed contracting with a company to host District emails using the [delpasomanorwd.org](http://delpasomanorwd.org) extension. Manager Sedwick reported the costs for AT&T and Go-Daddy to host. The AT&T was \$420 per year vs. \$1,100 for Go-Daddy but Go-Daddy provided a discount if you signed up for two years and provided more email storage and backups. Vice President Harrington inquired about Streamline. Manager Sedwick stated she did not think they provided email hosting but will confirm and report back next month.
7. Terminating the contract with Lucy & Company was discussed. Manager Sedwick reported the current contract ends with the March/April newsletter which work has begun. The contract also provides pricing to assist with the Consumer Confidence Report which is required to be out by July 1, 2019. It is normally inserted in the May/June billing. Manager Sedwick stated the District does not have the software that the CCR has been developed on and changes to the CCR will be required. Manager Sedwick recommended finishing out this fiscal year with Lucy & Co., and then determining what to do for next fiscal year. Director Matteoli commented that he was concerned with tying up the staff with more work. President Lenahan feels that any software should take care of these issues and should not cost more than \$1,800. Director Matteoli again stated not to nickel and dime staff and reminded the Board that start up time to get things up and running is needed too. Director Burt stated the District can call Sacramento Suburban Water District for assistance on the CCR or another water district may be willing to help. Director Burt made a motion to terminate the Lucy & Company contract and Vice President Harrington seconded the motion. Resident Diane Graves commented that the Board should let the contract end with the fiscal year and questioned why cancel Lucy & Company now. Resident Greg Schneider agrees with the motion. Resident Roy Wilson commented that it is good that the new Board questions where the money is being spent. Resident Carl Dolk would like to see two newsletters a year

with just information. Attorney Brown stated he should review the contract to assure there are no cancellation fees or notice provisions. Director Burt revised her motion to terminate the Lucy & Company contract once it has been reviewed by the Attorney and there are no termination provisions. Vice President Harrington accepted the amended motion. With no further comments, the motion carried by the following roll call vote:

Ayes: Burt, Harrington, and Lenahan  
Noes: Matteoli  
Absent/Abstain: Allen

8. President Lenahan requested the Vehicle Use Policy for on-call personnel be reviewed by the Policy Review Ad-hoc committee. No discussion took place.

9. The Board reviewed and discussed changing to an "Action Only" format for meeting minutes. After discussion, no action was taken.

BOARD GENERAL DISCUSSION:

Director Burt requested to have a Privacy Policy discussion next month due to a post of Next Door. Manager Sedwick briefly explained the situation. Director Burt would also like to have more comfortable chairs for the residences and guests that attend the Board meetings and requested Manager Sedwick to bring back prices next month. Vice President Harrington suggested looking at State surplus. She also requested that the Investment Policy be reviewed and possibly amended. She also likes Carl's idea, in order to save time, that the General Manager and Field Manager Reports be written. Director Burt would also like the web site updated to reference the President is now John Lenahan and add pictures. Director Burt inquired about quotes verses estimates on jobs and would like to discuss signing limits for the Manager. She would also like to see the "Draft" kept on the minutes until they are approved. Director Matteoli commented you are making whole lot demands of the staff on top of their normal very busy schedules. Director Burt and Vice President Harrington would like to review health insurance and retirement contributions. Vice President Harrington inquired about a policy on Director's attendance. Manager Sedwick stated the District does not have one; Director Allen was sick in January and was on a scheduled vacation in February. Attorney Brown will look into rules of excused verses unexcused and policy on absent Director.

There being no further business to come before the Board, President Lenahan adjourned the meeting at 10:27PM.

ATTEST:

\_\_\_\_\_  
John Lenahan, President

\_\_\_\_\_  
Debra Sedwick, Secretary