

Reporting on Participating Employers

Quarterly Report
Finance & Administration Committee
September 25, 2018

Agencies with No Active Members¹

Agency Status	Intent to Terminate	Final Resolution to Terminate	Function Merger in Process	Employer Engagement / Review	Assessment and Monitoring	Total
Dissolved Operations	3	0	0	2	9	14
Function Merger	1	0	0	0	1	2
Service Agreement	1	0	0	0	38	39
Stopped Reporting Payrolls	3	0	0	0	2	5
Total	8	0	0	2	50	60

¹Data Source: June 30, 2016 Annual Valuation Reports

Terminated Agency Report

Agency Name	Agency Type	Total Members	Notice of Intent to Terminate	Final Resolution to Terminate	Termination Cost Payment Due Date	Termination Cost Payment Date
Herald Fire Protection District	Special District	9	1/20/2016	1/20/2017	1/20/2018	9/6/2018
Central Sierra Planning Council	JPA	7	7/7/2011	-	-	-
Happy Camp Sanitary District	Special District	1	11/12/2015	-	-	-
La Branza Water District	Special District	1	12/13/2017	-	-	-
Central Coast Computing Authority	JPA	24	12/15/2017	-	-	-
Janesville Fire Protection District	Special District	2	1/10/2018	-	-	-
Torrance City Redevelopment Agency	Special District	1	2/13/2018	-	-	-

Terminated Agency Report (Cont.)

Agency Name	Agency Type	Total Members	Notice of Intent to Terminate	Final Resolution to Terminate	Termination Cost Payment Due Date	Termination Cost Payment Date
Soledad Community Health Care District	Special District	1	5/24/2018	-	-	-
Armona Community Services District	Special District	4	6/13/2018	-	-	-

Collection Report¹

Type of Payments	31-60 days delinquent		61- 90 days delinquent		91+ days delinquent	
	No. of Occurrences	No. of Cases Resolved	No. of Occurrences	No. of Case Resolved	No. of Occurrences	No. of Case Resolved
Normal Cost Contribution	98	90 ²	43	32 ³	42	37 ⁴
Unfunded Liabilities Payment	10	9 ⁵	3	3	1	1
Arrears Payment	17	17	5	5	11	9 ⁶
Termination Costs Payment	0	0	0	0	1	1 ⁷

¹Collection Activities for the period from March 1, 2018 through June 30, 2018

²Total remaining delinquent amounts of \$188,677

³Total remaining delinquent amounts of \$46,227

⁴Total remaining delinquent amounts of \$268,285

⁵Total remaining delinquent amounts of \$13,889

⁶Total remaining delinquent amounts of \$27,827

⁷Total remaining delinquent amounts of \$437,966 (Balance paid in September 6, 2018)

Next Steps

- Provide updates on the termination and collection report in December FAC.

APPENDIX 1

Background: Collection Process Timeline

Day 1 Step 1

Monthly billing of payroll

Day 31 Step 2

Account considered delinquent (DO) if payment not received

Day 36 Step 3

Employer (ER) receives collection calls & myCalPERS system generates late notice to ER

Day 50 Step 4

Review to determine if audit needed

Day 40-60 Step 5

Agency elevated to Contract Management Team (CMT).

Month 2 Step 6

Final collection letter sent giving 10 days notice for payment. Members receive notification

Month 3 Step 7

Final demand letter with 30 days to pay. Members notified of status and risk of benefit reduction

Month 4 Step 8

Prepare agenda item for Board review

Month 5 Step 9

Board review for approval to terminate/reduce benefits based on non-payment

Month 7-9 Step 10

Assets moved to Terminated Agency Pool (TAP) with immediate benefit reductions

Public Agency Demographics

1,511 - Total Public Agencies in Retirement Program¹

Agency Type	# of Agencies	% of Total Agencies	Total Participants ²	% of Total Participants	Current UAL & Funded % @ 7.375% (\$ in Millions)	
Cities or Towns	449	30%	381,584	52%	\$34,798	68%
Counties	39	3%	201,785	27%	\$13,088	69%
Special Districts ³	793	52%	118,488	16%	\$8,510	72%
Others						
● JPAs	167	11%	24,724	3%	\$855	75%
● Non-Profits	63	4%	15,767	2%	\$325	80%
Total	1,511	100%	742,348	100%	\$57,576	69%

¹Data Source: June 30, 2016 Annual Valuation Reports

² Includes members who have service in more than one rate plan.

³Represents special districts in California who formed and are governed under a specific California government Code, such as Fire Protection Districts, Sanitation Districts, Transit District, Utility District and Water District.

Public Agency Funded Status¹

Agency Type	0% - 50%	>50%- 60%	>60%-70%	>70%-80%	>80%-90%	>90%-100%	>100%	Total
Cities or Towns	0	1	180	248	11	8	1	449
Counties	0	1	21	16	1	0	0	39
Special Districts ²	4	8	115	520	87	41	18	793
Others								
• JPsAs	0	2	20	113	26	5	1	167
• Non-Profits	0	0	11	35	12	2	3	66
Total	4	12	347	932	137	56	23	1,511

¹Data Source: June 30, 2016 Annual Valuation Reports;

²Represents special districts in California who formed and are governed under a specific California government Code, such as Fire Protection Districts, Sanitation Districts, Transit District, Utility District and Water District.

Agencies with No Active Members¹

Agency Type	Dissolved	Function Merger	Service Agreement	Stopped Reporting Payrolls	Total
Cities or Towns	0	0	0	0	0
Counties	1	0	0	0	1
Special Districts ²	2	2	26	4	34
Others					
● JPAs	7	0	6	0	13
● Non-Profits	4	0	7	1	12
Total	14	2	39	5	60

¹As of June 30, 2016

²Represents special districts in California who formed and are governed under a specific California government Code, such as Fire Protection District, Sanitation District, Transit District, Utility District and Water District.

Joint Power Authority (JPA) Report

Total Contracting JPAs 162

Agency Type	# of Agencies with JPA Agreement	# of Agencies with Financial Liability Obligation reverting to Member Agencies ¹	Revenue Source	
			Majority from Tax / Fee	Majority from Member Agencies Funding
Fire District	6	0	0	6
Sanitation (Garbage/Sewer) District	14	0	14	0
Transportation/Transit District	21	1	21	0
Water/Flood Control District	8	0	8	0
Others ^{2,3}	103	8	43	60
Total	152	9	86	66

¹Data Source: Agency JPA agreements

²Represents Library District, Fair &/or Exposition, Housing Authority, Pollution Control District, Utility District, Association of Governments, Risk Management Authority, Insurance Authority, Health Authority, Community Center, etc.

³Six agencies have State as a member agency

Glossary of Terms

Funded Status – A measure of how well funded, or how "on track" a plan or risk pool is with respect to assets versus accrued liabilities. A ratio greater than 100 percent means the plan or risk pool has more assets than liabilities and a ratio less than 100 percent means liabilities are greater than assets.

Inactive Agencies – Agencies with all inactive rate plans

Inactive Rate Plan – Agency is not currently reporting payroll for one or more of its rate plans (e.g., miscellaneous).

Non-active member – A member on an inactive rate plan who no longer contributes to a pension plan, including retirees and those entitled to a deferred pension.

Unfunded Accrued Liability (UAL) – When a plan or pool's Value of Assets is less than its Accrued Liability, the difference is the plan or pool's Unfunded Accrued Liability (or unfunded liability). If the unfunded liability is positive, the plan or pool will have to pay contributions exceeding the Normal Cost.