

## Program Overview

Pension Contracts Management Program (PCMP) works with public agencies to establish, amend, and/or terminate contracts for pension benefits as well as determine charter schools' eligibility to participate in the CalPERS pension program. The PCMP team consults potential new contracting public agencies on the eligibility requirements to participate in the CalPERS pension system. We work with contracting agencies in requesting valuations and contract amendments to increase, change, or decrease optional benefits.

During fiscal year 2023-24, PCMP completed the following contract activities:

### Summary of Pension Contract Activities for Fiscal Year 2023-24

Category	No. of Contracts
New Pension Contracts	17
Contract Amendments	44
Contract Merger	1
Reciprocity Agreement	0
Voluntary Contract Terminations	2

PCMP also provides education to contracting agencies regarding the process of pension contract terminations and addressing outstanding receivables related to contracted benefits and employer contributions. PCMP met its strategic measure by maintaining an average of 98.9 percent of employers' current on their pension obligations for each quarter.

# Pension Contracts Activity Section

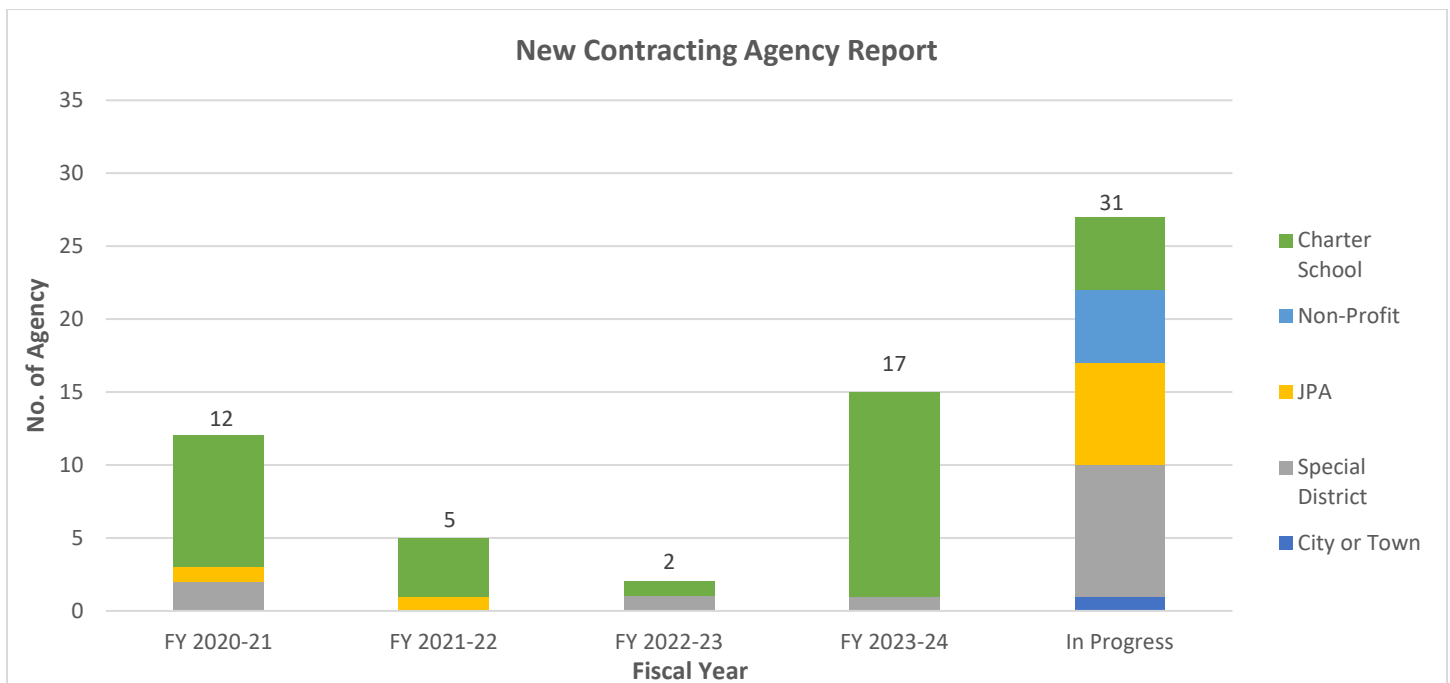
## New Contracting Agencies

During the fiscal year 2023-24, One special district and two school polices contracted with CalPERS for pension benefits. We also have 14 new charter schools participated in CalPERS under the County Office of Education’s contracts. Appendix 2 provides the list of public agencies and schools who contracted with CalPERS during the fiscal year 2023-24. The following table shows the number of participating agencies by agency type.

Agency Type	No. of Contracts
City and Town	0
County	0
Special District <sup>1</sup>	1
JPA	0
School Police	2
Charter School	14

<sup>1</sup>Represents special districts in California who formed and are governed under a specific California government Code, such as fire protection districts, sanitation districts, transit district, and utility district and water district.

Charter schools made up the largest number of new participants in the system for the past four years. The following chart shows the number of new pension contracts with CalPERS for the past four fiscal years and the in-progress contracts for the current fiscal year.

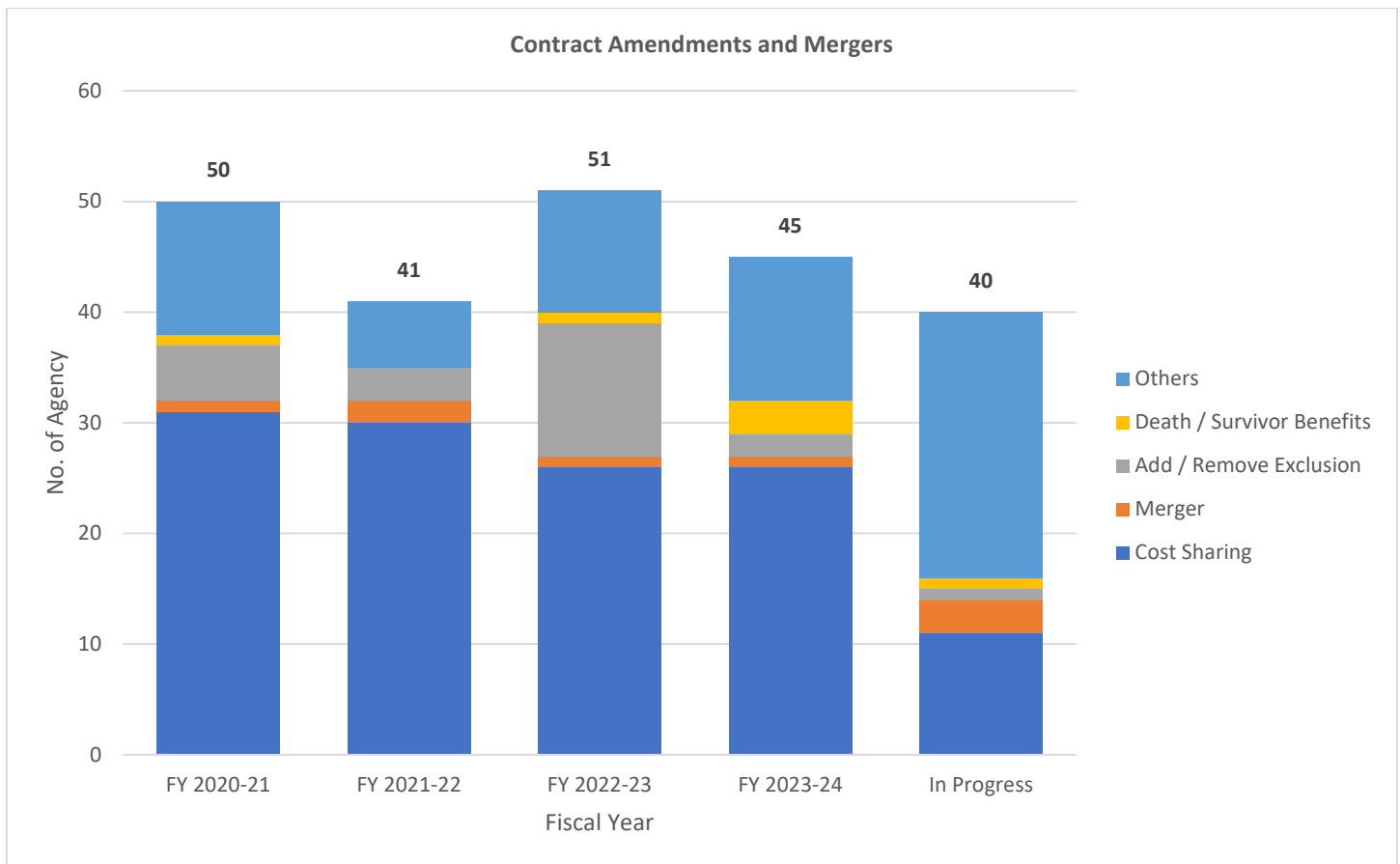


### Contract Amendments

PCMP processed 44 pension contract amendments and one merger during fiscal year 2023-24. Cost sharing amendments represented the highest proportion of contract amendments for the fiscal year. The following table shows the number of contract amendments by amendment type.

Amendment Type	No. of Amendments
Cost Sharing	26
Add/Remove Exclusion	2
Death and Survivor Benefits	3
Merger	1
Others	13

Appendix 3 provides the complete list of amendments. The following chart shows the total number of amendments PCMP processed for the past four years and the in-progress amendments for the current fiscal year.

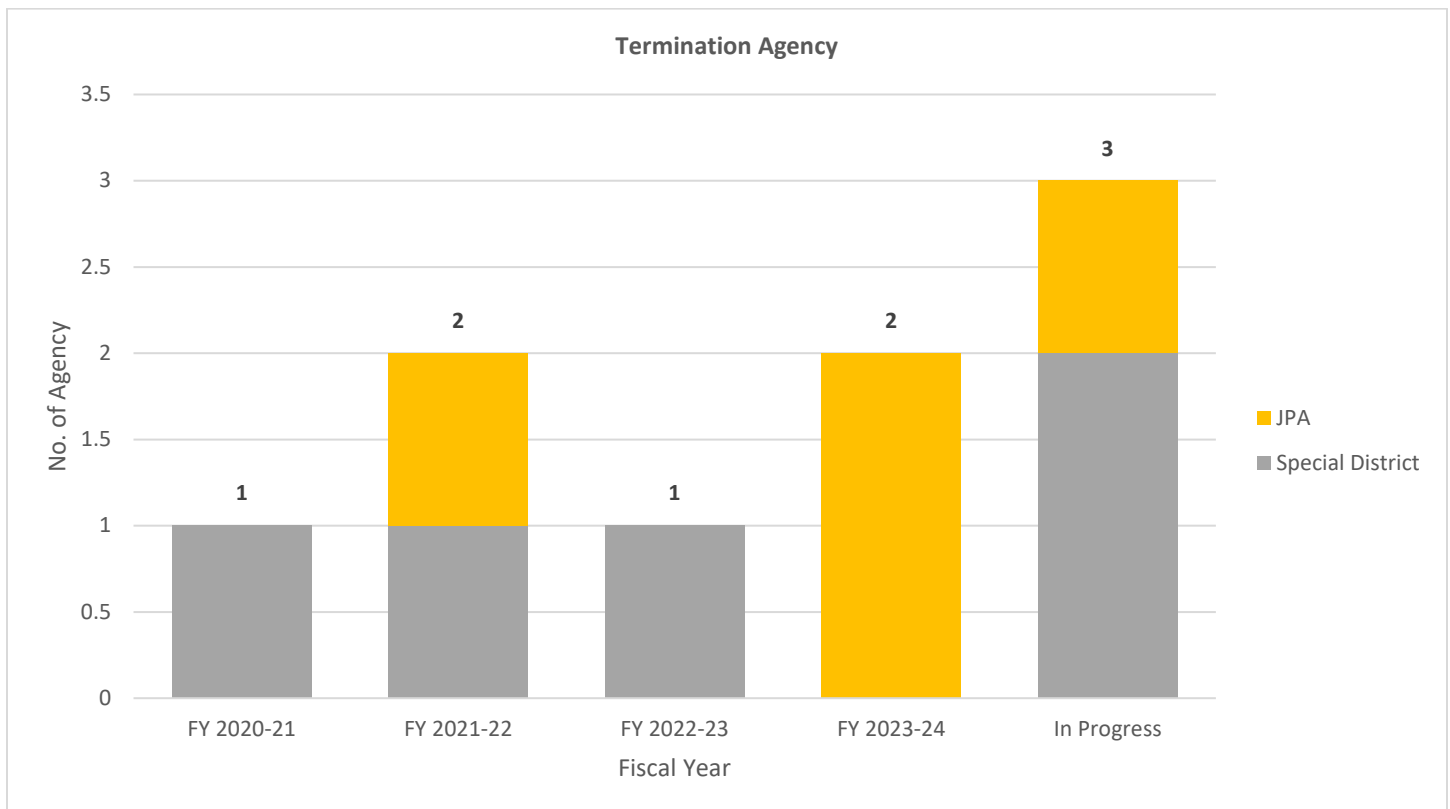


### Contract Terminations

PCMP processed two voluntary pension contract terminations during fiscal year 2023-24. The following table shows the list of voluntary termination by agency type.

Voluntary Terminated Agency Listing		
Public Agency	Agency Type	Termination Effective Date
Plumas Local Agency Formation Commission	JPA	08/15/23
Local Government Services Authority	JPA	11/16/23

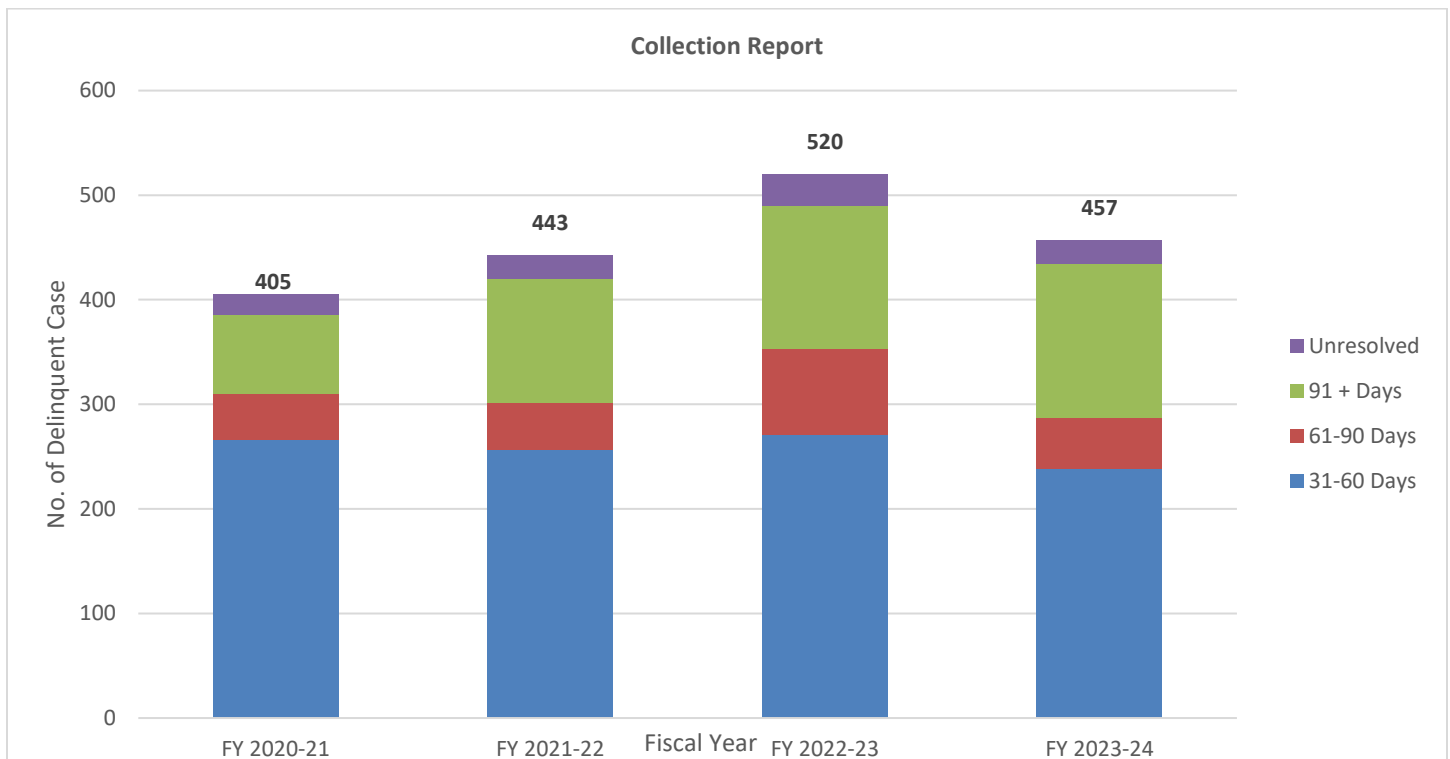
The following chart shows the total number of terminations PCMP processed for the past four years and the in-progress terminations for the current fiscal year.



# Delinquency and Collection Activity Section

## Collection Activities

During the fiscal year 2023-24, we reached out to 170 employers to collect 457 delinquent cases. Throughout the year, the delinquency rate was consistently below 2%, which met our enterprise performance objective. The average quarterly delinquency rate for the fiscal year 2023-24 was 1.1%. The following chart shows the number of delinquent cases for the past four fiscal years.



The table below shows the breakout of the collection activities during the past four fiscal years. During fiscal year 2023-24, we experienced higher delinquent cases for arrears contributions due to late enrollments and late payroll reporting.

**Collection Report by Type**

Collection Type	Fiscal Year 2020 21	Fiscal Year 2021 22	Fiscal Year 2022 23	Fiscal Year 2023 24
Arrears Contribution	80	147	222	185
Golden Handshake	N/A	N/A	5	17
Normal Cost Contribution	261	178	229	206
Termination Cost	0	4	4	4
UAL Payment	44	91	30	23
Unresolved Case at the end of the fiscal year	20	23	30	22
<b>Total</b>	<b>405</b>	<b>443</b>	<b>520</b>	<b>457</b>

**Active Payment Plans**

PCMP utilizes two primary repayment approaches for a case-by-case remedy for employers experiencing financial challenges.

For employers experiencing acute and temporary financial challenges, PCMP may provide a short-term payment arrangement not to exceed three to four months within the collections process. Currently, there are no contracting agencies utilizing short-term payment arrangements.

For employers with longer-term but still temporary and surmountable financial challenges, PCMP, in conjunction with the Actuarial and Legal Offices, may offer a payment plan that sustains the employer and protects their members’ accrued benefits. Currently, there are four employers with special circumstances on formal payment plans, all four are related to the payments for their termination costs which are the unfunded liabilities for affected members. These employers are current in their payment schedules. The following table shows the list of agencies currently with payment plans.

**Active Pension Payment Plans as of June 30, 2024**

Agency Name	Type of Payment	Total Outstanding Amount	Payment Term	Payment Plan End Date
Central Sierra Planning Council	Termination costs	\$119,221	5-Year	12/1/2025
City of Placentia (Safety Fire Plan Only)	Termination costs	\$193,898	5-Year	5/1/2025
San Luis Obispo Regional Transit Authority	Termination costs	\$293,795	5-Year	6/1/2026
Shasta LAFCO	Termination costs	\$85,193	7-Year	8/1/2026

# Appendix 1 – Public Agency Contract Demographics and Funded Status Report<sup>1</sup>

The public agency demographic information provided in the tables below are based on the most recent available actuarial valuation data from the June 30, 2022, valuation reports. When updated valuation data for 2023 becomes available in September 2024, that information will be included in the subsequent PCMP report.

## Public Agency Demographics Summary As of June 30, 2022

Agency Type	# of Agencies	% of Total Agencies	Total Participants <sup>1</sup>	% of Total Participants	Current UAL (\$ in Millions)	Funded Status (%)
City and Town	451	29.93%	445,783	50.82%	\$41,293	72.66%
County	38	2.52%	239,455	27.30%	\$18,294	70.25%
Special District <sup>2</sup>	797	52.89%	140,206	15.99%	\$10,718	75.25%
JPA	159	10.55%	30,391	3.46%	\$1,162	77.37%
Non-Profit	62	4.11%	21,262	2.43%	\$527	79.89%
<b>Total</b>	<b>1,507</b>	<b>100.00%</b>	<b>877,097</b>	<b>100.00%</b>	<b>\$71,994</b>	<b>72.69%</b>

Data Source: June 30, 2022, Annual Valuation Reports

<sup>1</sup>Includes members who have service in more than one rate plan.

<sup>2</sup>Represents special districts in California who formed and are governed under a specific California government Code, such as fire protection districts, sanitation districts, transit district, and utility district and water district.

The table below provides the funded status of the contracting public agencies breakout by agency type.

## Public Agency Demographics Summary As of June 30, 2022

Agency Type	0% 50%	>50% 60%	>60% 70%	>70% 80%	>80% 90%	>90% 100%	>100%	Total
City or Town	0	1	170	171	67	41	1	<b>451</b>
County	0	1	24	12	1	0	0	<b>38</b>
Special District <sup>1</sup>	2	6	135	416	156	66	16	<b>797</b>
JPA	1	1	23	87	30	16	1	<b>159</b>
Non-Profit	0	0	16	26	14	4	2	<b>62</b>
<b>Total</b>	<b>3</b>	<b>9</b>	<b>368</b>	<b>712</b>	<b>268</b>	<b>127</b>	<b>20</b>	<b>1,507</b>

Data Source: June 30, 2022, Annual Valuation Reports

<sup>1</sup>Represents special districts in California who formed and are governed under a specific California government Code, such as fire protection districts, sanitation districts, transit district, and utility district and water district.

## Appendix 2 – New Pension Contract Report by Employer for Fiscal Year 2023-24

Agency Name	Agency Type	Contract Effective Date
<b>Stinson Beach Fire Protection District</b>	Special District	2/10/2024
<b>San Bernardino Community College District – School Police</b>	School Police	6/22/2024
<b>Ventura Community College District – School Police</b>	School Police	7/9/2023
<b>Capital College &amp; Career Academy</b>	Charter School	6/30/2024
<b>Albert Einstein Academies</b>	Charter School	6/30/2024
<b>Darnall Charter School</b>	Charter School	6/30/2024
<b>Gompers Preparatory Academy</b>	Charter School	6/30/2024
<b>Harriet Tubman Village Charter School</b>	Charter School	6/30/2024
<b>Holly Drive Leadership Academy</b>	Charter School	6/30/2024
<b>Keiller Leadership Academy</b>	Charter School	6/30/2024
<b>King-Chavez Academy of Excellence</b>	Charter School	6/30/2024
<b>Magnolia Science Academy - San Diego</b>	Charter School	6/30/2024
<b>McGill School of Success</b>	Charter School	6/30/2024
<b>Museum School Collaborative</b>	Charter School	6/30/2024
<b>O'Farrell Charter</b>	Charter School	6/30/2024
<b>The Learning Choice Academy</b>	Charter School	6/30/2024
<b>Urban Discovery Academy</b>	Charter School	6/30/2024



## Appendix 3 – Pension Contract Amendments

### Report by Employer for Fiscal Year 2023-24

Agency Name	Agency Type	Amendment Effective Date	Amendment Type
Brooktrails Township Community Services District	Municipal Improvement/CSD District	5/15/2024	GC 2118 (Partial Service Retirement)
Central Fire Protection District of Santa Cruz County	Fire District	4/13/2024	GC 21574 (59 Survivor Benefits) and GC 21623.5 (\$5,000 Retired Death Benefit)
City of Berkeley	City or Town	12/6/2023	GC 20516 (Employees Sharing Additional Cost)
City of Brawley	City or Town	12/8/2023	GC 20503 (Removal of the Contract Exclusion of Hourly Employees)
City of Calabasas	City or Town	6/21/2024	Merger for Agoura Hills and Calabasas Community Center who merged into City of Calabasas's contract
City of Carpinteria	City or Town	5/25/2024	GC 20516 (Employees Sharing Additional Cost)
City of Chula Vista	City or Town	2/9/2024	GC 20516 (Employees Sharing Additional Cost)
City of Coronado	City or Town	1/13/2024	GC 21574 (59 Survivor Benefits)
City of Davis	City or Town	7/1/2023	GC 20516 (Employees Sharing Additional Cost)
City of El Centro	City or Town	11/28/2023	GC 20516 (Employees Sharing Additional Cost)
City of El Cerrito	City or Town	10/29/2023	GC 20516 (Employees Sharing Additional Cost)
City of El Monte	City or Town	9/16/2023	GC 20431 (City jail, detention, or correctional facility employees as "Local Police Officers")
City of El Segundo	City or Town	2/24/2024	GC 20516 (Employees Sharing Additional Cost)
City of El Segundo	City or Town	10/21/2023	GC 20516 (Employees Sharing Additional Cost)
City of Gardena	City or Town	6/23/2024	GC 20516 (Employees Sharing Additional Cost)
City of Gardena	City or Town	10/29/2023	GC 20516 (Employees Sharing Additional Cost)
City of Glendale	City or Town	6/30/2024	GC 20516 (Employees Sharing Additional Cost)

## Appendix 3 Continued

Agency Name	Agency Type	Amendment Effective Date	Amendment Type
City of Hayward	City or Town	2/26/2024	GC 20516 (Employees Sharing Additional Cost)
City of Lodi	City or Town	8/10/2023	GC 20516 (Employees Sharing Additional Cost)
City of Long Beach	City or Town	4/20/2024	GC 20516 (Employees Sharing Additional Cost)
City of Manhattan Beach	City or Town	1/27/2024	GC 20516 (Employees Sharing Additional Cost)
City of Morgan Hill	City or Town	5/25/2024	GC 21024 (Military Service Credit as Public Service) for local miscellaneous members
City of Morro Bay	City or Town	7/22/2023	GC 20516 (Employees Sharing Additional Cost)
City of Perris	City or Town	8/26/2023	GC 20503 (Removal of the Contract Exclusion of Park Ambassador)
City of Redding	City or Town	10/15/2023	GC 20516 (Employees Sharing Additional Cost)
City of Riverside	City or Town	12/8/2023	GC 20516 (Employees Sharing Additional Cost)
City of Riverside	City or Town	4/12/2024	GC 20516 (Employees Sharing Additional Cost)
City of San Buenaventura	City or Town	2/17/2024	GC 20516 (Employees Sharing Additional Cost)
City of San Leandro	City or Town	9/1/2023	GC 20516 (Employees Sharing Additional Cost)
City of South Gate	City or Town	12/31/2023	GC 20516 (Employees Sharing Additional Cost)
City of Vacaville	City or Town	7/23/2023	GC 20516 (Employees Sharing Additional Cost)
City of Weed	City or Town	4/15/2024	GC 21623.5 (\$5,000 Retired Death Benefit)
Coastside Fire Protection District	Fire District	3/28/2024	GC 20571.5 (Termination of an Inactive Member Group)
County of Alpine	County	3/22/2024	GC 20434 (Any officers or employees of a fire department employed to perform duties of firefighting, fire prevention, fire training, hazardous materials, emergency medical services, or fire or arson investigation services as "Local Fire Fighters")

## Appendix 3 Continued

Agency Name	Agency Type	Amendment Effective Date	Amendment Type
County of Monterey	County	2/10/2024	GC 2118 (Partial Service Retirement)
County of Napa	County	6/22/2024	GC 20516 (Employees Sharing Additional Cost)
County of Nevada	County	7/9/2023	GC 20439 (County Jail, detention, or correctional facility employees as "County Peace Officers")
Esparto Fire Protection District	Fire District	12/17/2023	GC 7522.25(d) (new fire member Category) and GC 21574 (59 Survivor Benefits)
Humboldt County Schools - Southern Humboldt Unified School District	School	8/31/2023	GC 20903 (Golden Handshake)
Kern County Schools - Muroc Joint Unified School District	School	8/1/2023	GC 20903 (Golden Handshake)
Lake County Schools / Kelseyville Unified School District	School	8/9/2023	GC 20903 (Golden Handshake)
Local Government Services Authority, a Joint Powers Authority	Miscellaneous	2/22/2024	GC 20570 (Termination by Governing Body)
Montecito Fire Protection District	Fire District	5/1/2024	GC 21335 (3% Annual Cost-of-Living Allowance Increase)
Monterey One Water	Pollution Control District	7/1/2023	GC 20516 (Employees Sharing Additional Cost)
Plumas Local Agency Formation Commission	Miscellaneous	8/15/2023	GC 20570 (Termination by Governing Body)
San Francisquito Creek Joint Powers Authority	Miscellaneous	1/26/2024	Others - Change benefit formula from Full formula to Modified and Supplemental formula
San Gabriel Valley Council of Governments	Miscellaneous	3/27/2024	GC 20516 (Employees Sharing Additional Cost)