

# **AGENDA**

## **REMOTE MEETING NOTICE**

To address concerns relating to COVID-19, this meeting will be accessible by remote video conferencing. The public may participate in this meeting remotely via zoom as set forth below.

### **INSTRUCTIONS FOR USING ZOOM**

- Join the meeting using the link below.
- You must have audio and microphone capabilities on the device you are using to join the meeting.
- When you join the meeting make sure that you join the meeting with audio and follow the prompts to test your speaker & microphone prior to joining the meeting.

### **TO SPEAK ON AN ITEM USING ZOOM**

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

### **FOR OPEN SESSION PARTICIPATION**

Join Meeting Electronically at:

#### **Join Zoom Meeting**

**<https://us02web.zoom.us/j/85301652480?pwd=cUh6U2ZnVXpGRXh6TWNISWcxcUVyZz09>**

**Meeting ID: 853 0165 2480**

**Passcode: 992434**

**A G E N D A**  
REGULAR MEETING OF THE GOVERNING BOARD  
OF THE GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY

One William Moffett Place  
Goleta, California 93117

April 17, 2023

**CALL TO ORDER:** 6:30 p.m.

**ROLL CALL OF MEMBERS**

**BOARD MEMBERS:** Sharon Rose  
Edward Fuller  
Jerry D. Smith  
Steven T. Majoewsky  
George W. Emerson

**CONSIDERATION OF THE MINUTES OF THE BOARD MEETING**

The Board will consider approval of the Minutes of the Special Meeting of March 31, 2023.

**PUBLIC COMMENTS** - Members of the public may address the Board on items within the jurisdiction of the Board.

**POSTING OF AGENDA** – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District’s web site 72 hours in advance of the meeting.

**BUSINESS:**

1. PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 95  
ESTABLISHING DIRECTOR COMPENSATION  
(Board may take action on this item.)
2. PRESENTATION ON LABORATORY OPERATIONS
3. CONSIDERATION OF INSURING DEPOSITS IN EXCESS OF THE FEDERAL  
DEPOSIT INSURANCE CORPORATION (FDIC) LIMIT ON DISTRICT  
MONEYS HELD AT COMMUNITY WEST BANK  
(Board may take action on this item.)
4. CONSIDERATION OF COST OF LIVING ADJUSTMENT TO  
COMPENSATION FOR ALL DISTRICT EMPLOYEES FOR FISCAL YEAR  
2023-24  
(Board may take action on this item.)

5. CLOSED SESSION

- (i) PUBLIC COMMENTS ON CLOSED SESSION ITEM
- (ii) DESIGNATION OF STEVE WAGNER, GENERAL MANAGER, AS DISTRICT REPRESENTATIVE FOR LABOR NEGOTIATIONS
- (iii) CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957.6 - CONFERENCE WITH LABOR NEGOTIATOR REGARDING EMPLOYEE REQUESTS FOR MODIFICATIONS TO COMPENSATION AND BENEFITS AGENCY DESIGNATED REPRESENTATIVE: STEVE WAGNER, GENERAL MANAGER

UNREPRESENTED EMPLOYEES: ALL EMPLOYEE TITLES  
(Board may take action on this item.)

- (iv) PUBLIC REPORT ON CLOSED SESSION

6. GENERAL MANAGER'S REPORT

7. LEGAL COUNSEL'S REPORT

8. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES

9. PRESIDENT'S REPORT

10. ITEMS FOR FUTURE MEETINGS

11. CORRESPONDENCE

(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)

12. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT  
(The Board will be asked to ratify claims.)

**ADJOURNMENT**

*Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's Finance & H.R. Manager at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at [info@goletasanitary.org](mailto:info@goletasanitary.org).*

*Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at One William Moffett Place, Goleta, California 93117.*

# MINUTES

**MINUTES**  
SPECIAL MEETING OF THE GOVERNING BOARD  
GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY  
DISTRICT OFFICE CONFERENCE ROOM  
ONE WILLIAM MOFFETT PLACE  
GOLETA, CALIFORNIA 93117

March 31, 2023

- CALL TO ORDER:** President Pro Tem Fuller called the meeting to order at 2:31 p.m.
- BOARD MEMBERS PRESENT:** Edward Fuller, Jerry D. Smith, Steven T. Majoewsky, George W. Emerson,
- BOARD MEMBERS ABSENT:** Sharon Rose
- STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance and Human Resources Manager/Board Secretary, Pete Regis, Plant Operations Manager, Reese Wilson, Senior Project Engineer, Laura Romano, Senior Management Analyst and Richard Battles, Legal Counsel from Howell Moore & Gough LLP.
- OTHERS PRESENT:** Tom Evans, Director, Goleta Water District
- APPROVAL OF MINUTES:** Director Majoewsky made a motion, seconded by Director Smith, to approve the minutes of the Regular Board meeting of 03/20/2023 and the Special Board meeting of 03/22/2023.  
The motion carried by the following vote:  
  
(23/03/2315)
- |          |   |                                   |
|----------|---|-----------------------------------|
| AYES:    | 4 | Fuller, Smith, Majoewsky, Emerson |
| NOES:    |   | None                              |
| ABSENT:  | 1 | Rose                              |
| ABSTAIN: |   | None                              |
- POSTING OF AGENDA:** The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 24 hours in advance of the meeting.
- PUBLIC COMMENTS:** None

**BUSINESS:**

1. PRESENTATION ON THE CURRENT STATE OF OPERATIONS AT THE DISTRICT'S WATER RESOURCE RECOVERY FACILITY  
Mr. Wagner began the staff report and introduced Pete Regis, Plant Operations Manager, who gave a PowerPoint presentation to the Board. No Board action was taken on this presentation item.
  
2. STATUS REPORT ON PUBLIC EDUCATION AND OUTREACH PROGRAM  
Mr. Wagner began the staff report and introduced Laura Romano, Senior Management Analyst, who presented the status report. No Board action was taken on this presentation item.
  
3. CONSIDERATION OF TRANSFERRING RESERVE FUNDS FROM CA-CLASS TO COMMUNITY WEST BANK MONEY MARKET ACCOUNT  
Mr. Wagner began the staff report and introduced Martin E. Plourd, President/Chief Executive Officer of Community West Bank, who joined the meeting via Zoom. Mr. Plourd gave a brief history and status report of the bank and answered questions from the Board.

Director Smith made a motion, seconded by Director Majoewsky to ratify the transfer of \$10 million dollars from CA-CLASS Investment account back to Community West Bank Money Market Account.

The motion carried by the following vote:

(23/03/2316)

AYES:	4	Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:	1	Rose
ABSTAIN:		None

Director Majoewsky made a motion, seconded by Director Smith to move an additional \$5 Million dollars from the District's CA-CLASS Investment account back to the District's Community West Bank Money Market Account

The motion carried by the following vote:

(23/03/2317)

AYES:	4	Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:	1	Rose
ABSTAIN:		None

4. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

5. LEGAL COUNSEL'S REPORT

Mr. Battles brought a follow-up report to the Board on a case with issues related to agenda descriptions, specifically regarding a contract award without referencing CEQA consideration.

6. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Emerson – No report.

Director Smith – No report.

Director Majoewsky – No report.

7. PRESIDENT'S PRO TEM REPORT

Director Fuller – No report.

8. ITEMS FOR FUTURE MEETINGS

Consensus of the Board was to request information to be brought back and for possible consideration of insurance on accounts in excess of FDIC limits at Community West Bank.

9. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Majoewsky made a motion, seconded by Director Smith, to ratify and approve the claims, for the period 03/21/2023 to 03/31/2023 as follows:

Running Expense Fund #4640	\$	334,897.24
Depreciation Replacement Reserve Fund #4655	\$	5,503.63
Retiree Health Insurance Sinking Fund #4660	\$	12,873.34

The motion carried by the following vote:



(23/03/2318)

AYES:	4	Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:	1	Rose
ABSTAIN:		None

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 4:41 p.m.

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Sharon Rose  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary

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Edward Fuller  
Governing Board President Pro Tem

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Jerry D. Smith

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Steven T. Majoewsky

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George W. Emerson

# **AGENDA ITEM #1**

**AGENDA ITEM: 1**

**MEETING DATE: April 17, 2023**

**I. NATURE OF ITEM**

Public Hearing and Adoption of Ordinance No. 95 Establishing Director Compensation

**II. BACKGROUND INFORMATION**

The District's Board members have been compensated at the rate of \$225.00 per meeting, with a maximum of six (6) meetings per month, since August 1, 2020. Health and Safety Code Section 6489 authorizes an increase in compensation for Board members in an amount not to exceed 5% for each calendar year following the operative date of the last adjustment. To approve an increase in compensation, the Board needs to (i) publish a notice of public hearing two times in the newspaper, (ii) hold a public hearing following publication of the notice, (iii) adopt an ordinance approving the compensation increase, and (iv) publish the ordinance in the newspaper. The compensation increase is effective 60 days after the adoption of the ordinance, unless the ordinance specifies a later effective date.

At its meeting on February 21, 2023, the Board directed District staff to schedule a public hearing relating to the increase in director compensation by 5% effective July 1, 2023 and to arrange for publication of the required notice. The public hearing has been scheduled for April 17, 2023, and the notice has been published as directed by the Board.

A 5% increase to the current compensation of \$225.00 per meeting would result in a revised compensation figure of \$236.25 ( $\$225.00 \times 1.05 = \$236.25$ ) per meeting.

**III. COMMENTS AND RECOMMENDATIONS**

A proposed ordinance providing for a change in director compensation is attached to this report. The ordinance provides for a revised compensation figure of \$236.25 per meeting.

It is recommended that the Board hold a public hearing, consider any comments provided by the public, and determine the change, if any, that it wishes to approve for director compensation. If the Board wishes to approve a change, it should adopt Ordinance No. 95, subject to any changes that the Board deems appropriate. If the Ordinance is adopted, the change in compensation will become effective as of July 1, 2023.

#### **IV. REFERENCE MATERIAL**

Draft Ordinance No. 95

**ORDINANCE NO. 95**

**ORDINANCE OF THE GOVERNING BOARD  
OF THE GOLETA SANITARY DISTRICT  
ESTABLISHING DIRECTOR COMPENSATION**

**WHEREAS**, since August 1, 2020, members of the Governing Board of the Goleta Sanitary District (the “District”) have been compensated at the rate of \$225.00 per meeting, with a maximum of six (6) meetings per month, as authorized by Health and Safety Code Section 6489; and

**WHEREAS**, Health and Safety Code Section 6489 authorizes an increase in compensation for members of the Governing Board of an amount not to exceed five percent (5%) for each calendar year following the operative date of the last adjustment; and

**WHEREAS**, the Governing Board of the District wishes to increase the compensation payable to members of the Board, as set forth herein.

**NOW, THEREFORE, BE IT ORDAINED** by the Governing Board of the Goleta Sanitary District as follows:

- 1.** The compensation for members of the District’s Governing Board shall be increased from \$225.00 to \$236.25 per meeting, effective as of July 1, 2023.
- 2.** All ordinances, resolutions, regulations, policies, and Board actions in conflict with this Ordinance are hereby repealed.
- 3.** The Secretary of the District is hereby directed to enter this Ordinance in the minutes of the meeting at which it is adopted and to publish this Ordinance once in a newspaper of general circulation, as required by Health and Safety Code Section 6490.

**PASSED AND ADOPTED** this 17th day of April, 2023 by the following vote of the  
Governing Board of the Goleta Sanitary District:

**AYES:**

**NOES:**

**ABSENT:**           None

**ABSTAINED:**      None

By: \_\_\_\_\_  
Sharon Rose, President  
of the Governing Board

**COUNTERSIGNED**

By: \_\_\_\_\_  
Robert O. Mangus, Jr., Secretary  
of the Governing Board

# **AGENDA ITEM #2**

**AGENDA ITEM: 2**

**MEETING DATE: April 17, 2023**

**I. NATURE OF ITEM**

Presentation on Laboratory Operations

**II. BACKGROUND INFORMATION**

The District's Water Resource Recovery Facility (WRRF) has an onsite laboratory where staff monitors all phases of the treatment process in order to ensure compliance with the numerous regulatory permit requirements associated with the treatment, reuse and/or discharge of municipal wastewater. The Environmental Laboratory Accreditation Program (ELAP) has adopted new regulations for the accreditation of environmental laboratories which includes the District's. The new regulations require implementation of a new standard for laboratories to maintain certification and an additional cost for on-site assessments. The District's Laboratory and Technical Services Manager, Lena Cox, will provide an overview of her division's ongoing operational activities and compliance status with the new laboratory standard requirements.

**III. COMMENTS AND RECOMMENDATIONS**

This presentation is for informational purposes only, no Board action is required.

**IV. REFERENCE MATERIAL**

None



# **AGENDA ITEM #3**

**AGENDA ITEM: 3**

**MEETING DATE: April 17, 2023**

**I. NATURE OF ITEM**

Consideration of Insuring Deposits in Excess of the Federal Deposit Insurance Corporation (FDIC) Limit on District Moneys Held at Community West Bank

**II. BACKGROUND INFORMATION**

At its meeting on March 31, 2023, the Board considered transferring District funds back to Community West Bank (CWB) from the California Cooperative Liquid Asset Securities System (CA-CLASS). During the presentation from CWB the topic of deposit insurance was discussed. After ratifying the transfer back to CWB, the Board requested District staff return with information regarding insuring District deposits in excess of the FDIC limit of \$250,000 for consideration.

**III. COMMENTS AND RECOMMENDATIONS**

A program called Insured Cash Sweep (ICS) has been established by banks to FDIC insure deposits in excess of \$250,000. A transaction (or Master) account is established that contains sub-accounts held at other ICS member banks and CWB holds deposits for those banks as well. A portfolio of accounts held at the upper FDIC-insured limit value is established and managed by CWB. As noted in the General Manager's Report financial attachments, the CWB Money Market account has a balance in excess of \$23,825,000 which would translate into a portfolio of 95 sub-accounts in the portfolio at \$250,000 each. As noted in the flyer, CWB would manage these accounts and the District would receive a statement containing all 95 accounts. The quoted cost of this service is a 25-basis point reduction in the earning rate. The Board took action to move District funds back to CWB and CWB has stated they will meet the CA-CLASS earnings rate, that rate would be reduced by the 25 basis points, or by .0025%.

The Board should consider if it wishes to participate in the ICS program and if so, direct staff to enroll in the program.

**IV. REFERENCE MATERIAL**

Information Flyer on Insured Cash Sweep, Multi-Million-dollar FDIC Protection

# Insured Cash Sweep

**Multi-Million dollar FDIC protection**

Invest your large deposits with our Insured Cash Sweep® (ICS®) service, where you know it's safe, secure and insured by the FDIC.

- ▶ **Earn interest** – put your excess cash balances to work by placing funds into demand deposit accounts using the ICS demand option, into money market deposit accounts using the ICS savings options, or into both
- ▶ **Peace of mind** – your ICS funds are eligible for multi-million dollar FDIC deposit insurance that's backed by the full faith and credit of the United States government
- ▶ **Access funds** – the ICS demand option offers full liquidity through unlimited program withdrawals, and the ICS savings option offers access to funds through up to six program withdrawals each month
- ▶ **Flexibility** – your funds can be placed using either or both ICS options to best match your cash management and liquidity needs

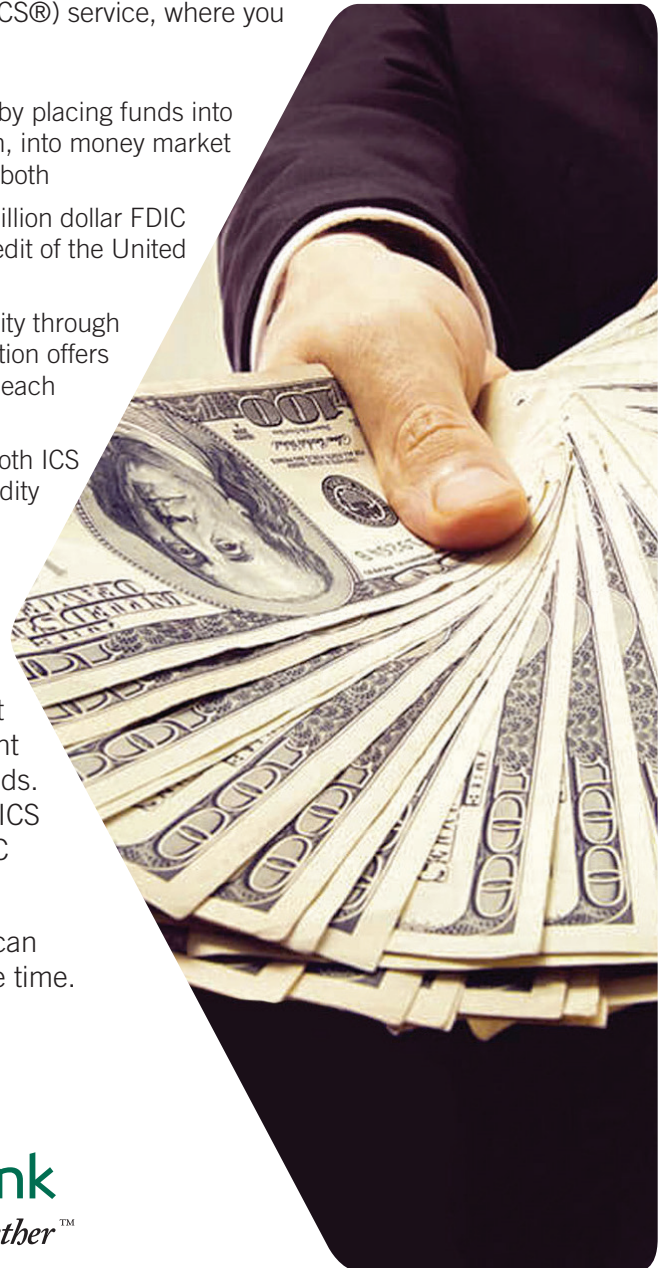
## How Insured Cash Sweep Works

Everything is handled through us. By working directly with Community West Bank, you can receive FDIC deposit insurance coverage through many banks and get just one statement. First, you set up a transaction account with our bank\*, sign the agreements and deposit the funds. Your deposits are then sent to deposit accounts at other ICS member institutions in amounts under the standard FDIC insurance maximum of \$250,000\*\*.

Let's talk about how ICS can work for you, and how you can enjoy yield, peace of mind and flexibility – all at the same time. And all at Community West Bank.



\* You will need a separate transaction account for each of the ICS options you use. \*\* Deposits are sent to demand deposit accounts with the demand option and to money market deposit accounts with the savings option. The standard FDIC insurance maximum is \$250,000 per insured capacity, per bank. Placement of funds through the ICS service is subject to the terms, conditions and disclosures in the service agreements, including the Deposit Placement Agreement (DPA). Limits and customer eligibility criteria apply. With the ICS savings option, program withdrawals are limited to six per month. Although funds are placed at destination banks in amounts that do not exceed the FDIC standard maximum deposit insurance amount (SMDIA), a depositor's balances at the relationship institution (Community West Bank) may exceed the SMDIA (e.g., before ICS settlement for a deposit or after ICS settlement for a withdrawal). As stated in the DPA, the depositor is responsible for making any necessary arrangements to protect such balances consistent with applicable law. If the depositor is subject to restrictions on placement of its funds, the depositor is responsible for determining whether its use of ICS satisfies those restrictions. ICS and Insured Cash Sweep are registered service marks of Promontory Interfinancial Network, LLC.



[CommunityWestBank.com](http://CommunityWestBank.com)

# **AGENDA ITEM #4**

**AGENDA ITEM: 4**

**MEETING DATE: April 17, 2023**

**I. NATURE OF ITEM**

Consideration of Cost of Living Adjustment to Compensation for all District Employees for Fiscal Year 2023-24

**II. BACKGROUND INFORMATION**

On September 6, 2011 the District's Governing Board adopted Resolution No. 11-522 to formalize the District's historical practice of determining the Cost-of-Living Adjustment (COLA) for its employees' compensation by using the Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County area. Under Resolution No. 11-522, the District uses the average percentage change in the CPI for the 12-month period starting in April of the prior fiscal year and ending in March of the current fiscal year to determine the COLA for the coming fiscal year. In accordance with this policy, the COLA calculation for FY 2023-24 is based on the CPI data for the 12-month period starting in April, 2022 and ending in March, 2023.

Using the above methodology, and as noted in the attached tabulation imported from the U.S. Department of Labor - Bureau of Labor Statistics, the COLA value is at 6.717%.

**III. COMMENTS AND RECOMMENDATIONS**

The methodology set forth in Resolution No. 11-522 paragraph 5 is based on actual CPI data and provides an equitable way to determine the cost of living changes to employee compensation. However, the approval of any COLA for employee compensation is entirely up to the Board. The Board may elect to approve a COLA or not approve a COLA. If the Board elects to approve a COLA for FY 2023-24, staff recommends the COLA be based on the approved methodology as set forth in Resolution No. 11-522.

The approximate cost of an employee COLA based on the CPI data as referenced above using FY 2022-23 Budget salaries as a basis is approximately \$237,000. The actual cost would be determined with greater precision as the proposed Budget for FY 2023-24 is prepared.

The adoption of a formal resolution relating to changes to employee compensation is necessary to comply with applicable regulations (Title 2, California Code of Regulations Section 570.5) which set forth specific requirements pertaining to publicly available pay schedules.

If the Board approves a COLA for employee compensation, staff would bring a resolution with the revised employee salary schedule back to the Board for consideration as part of the FY 2023-24 budget approval process.

As required by Section 570.5, approved pay schedules are made available for public inspection and are to be kept in the District's records for a period not less than 5 years.

#### **IV. REFERENCE MATERIAL**

Consumer Price Index Tabulation from the U.S. Department of Labor and Statistics

Resolution No. 11-522, see Paragraph 5, Cost of Living Adjustments

### CPI-All Urban Consumers (Current Series) 12-Month Percent Change

**Series Id:** CUURS49ASA0

**Not Seasonally Adjusted**

**Series Title:** All items in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted

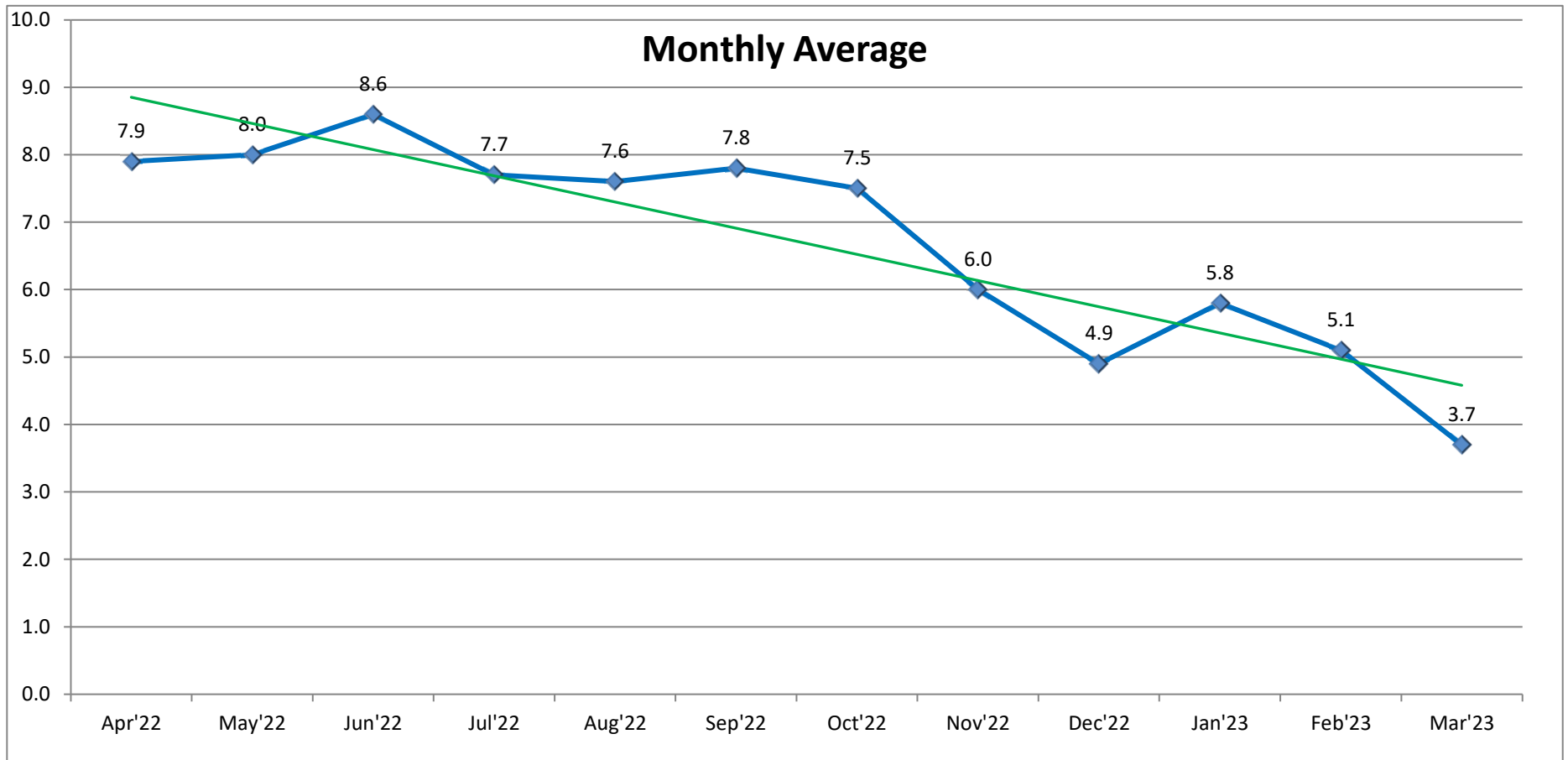
**Area:** Los Angeles-Long Beach-Anaheim, CA

**Item:** All items

**Base Period:** 1982-84=100

**Years:** 2022 to 2023

Series ID	Apr'22	May'22	Jun'22	Jul'22	Aug'22	Sep'22	Oct'22	Nov'22	Dec'22	Jan'23	Feb'23	Mar'23	Average
CUURS49ASA0	7.9	8.0	8.6	7.7	7.6	7.8	7.5	6.0	4.9	5.8	5.1	3.7	6.717



**RESOLUTION NO. 11-522**

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA SANITARY DISTRICT APPROVING CHANGES IN STAFF ORGANIZATION, REDUCED FUNDING OF CALPERS PENSION COST FOR NEW EMPLOYEES, USE OF AVERAGE SALARY SURVEY RESULTS, REVISED SALARY STRUCTURE AND CONTINUED USE OF CURRENT METHOD FOR CALCULATING COST OF LIVING ADJUSTMENTS TO EMPLOYEE COMPENSATION**

**WHEREAS**, in 2010 the Governing Board of the Goleta Sanitary District (the "District") formed a Compensation and Benefits Ad Hoc Committee (the "Committee") to review the compensation and benefits of District employees and related matters; and

**WHEREAS**, at a special meeting of the District's Governing Board held on September 6, 2011, the Committee presented its recommendations regarding the following matters:

- (i) Changes in staff organization to accurately represent the actual lines of responsibilities at the upper management level, as set forth in the revised organization chart attached hereto as Exhibit "A" and incorporated herein by reference;
- (ii) Reduced funding by the District of the portion of the CalPERS pension cost that is payable by new employees during the first seven (7) years of employment;
- (iii) The use of surveys and average survey results when making adjustments to the salary scale for District employees;
- (iv) The adoption of a new salary scale utilizing five (5) steps rather than seven (7) and reflecting the results of the salary survey recently completed by the Committee, as set forth in the revised salary scale attached hereto as Exhibit "B" and incorporated herein by reference; and
- (v) The continued use of the method currently used by the District for calculating cost of living adjustments to employee compensation; and

**WHEREAS**, the recommendations made by the Committee are more fully described in the staff report presented to the Board at its special meeting on September 6, 2011, a copy of which is attached hereto as Exhibit "C" and incorporated herein by this reference; and

**WHEREAS**, the Board has reviewed and considered the recommendations made by the Committee and, by the adoption of this Resolution, desires to formally approve such recommendations.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Board of the Goleta Sanitary District as follows:



1. **Organizational Chart.** The Board hereby approves the revised organizational chart attached hereto as Exhibit "A".

2. **CalPERS Pension Plan Contributions.** The District participates in a CalPERS pension plan which requires contributions by the District and by the District's employees. The contribution payable by each District employee is an amount equal to seven percent (7%) of the employee's compensation (the "Employee Share"). The balance of the required contributions are payable by the District (the "District Share") Historically, in addition to paying the District Share, the District has also paid the entire Employee Share on behalf of all District employees as an additional employment benefit. The Board hereby adopts the recommendation of the Committee to reduce the funding by the District of the Employee Share during the first seven (7) years of employment according to the following schedule (the "Contribution Schedule"):

<b>YEAR OF EMPLOYMENT</b>	<b>EMPLOYEE SHARE PAYABLE BY EMPLOYEE</b>	<b>EMPLOYEE SHARE PAYABLE BY DISTRICT</b>
Year 1	7%	0%
Year 2	6%	1%
Year 3	5%	2%
Year 4	4%	3%
Year 5	3%	4%
Year 6	2%	5%
Year 7	1%	6%
Year 8 and all years thereafter	0%	7%

The Contribution Schedule shall apply with respect to all new employees of the District who are hired after the effective date thereof. The District shall continue to pay the entire Employee Share on behalf of all District employees who were hired prior to said effective date. The District's General Manager and other appropriate officers of the District are hereby authorized and directed to work with District legal counsel and CalPERS staff to determine the CalPERS and other requirements, if any, that must be complied with in connection with the adoption and implementation of the Contribution Schedule. The effective date of Contribution Schedule shall be the date that this Resolution is adopted by the Board, or such later date as may be required by CalPERS or other applicable requirements.

3. **Compensation and Benefits Surveys.** In order to attract and retain qualified employees, the District seeks to provide its employees with compensation and benefits that are competitive with comparable local public agencies. To ensure that the District's compensation and benefits remain competitive, it shall be the policy of the District to conduct a survey periodically (approximately every five (5) years) of the compensation paid and the benefits provided to the employees of other comparable local public agencies. Survey data shall be obtained from comparable local public agencies and, if available, from the California State Controller's Office. The District's salary scale may be updated using average values obtained from such surveys.

4. **Salary Scale.** The salary scale for District employees shall utilize five (5) regular salary steps (A through E) rather than the existing seven (7) steps. The new salary scale shall also

include an additional probationary and/or training step designated as Step AA for each District position. The Board hereby approves the revised 2010-2011 salary scale attached hereto as Exhibit "B" reflecting these changes and the results of the salary survey recently completed by the Committee in 2010. Said salary scale may be revised based on (i) future compensation and benefits surveys, as provided in Section 3 above, (ii) the 12-month average CPI change, as provided in Section 5, below, and (iii) such other factors as the Board may deem appropriate, in the Board's sole discretion.

**5. Cost of Living Adjustments (COLA).** It shall continue to be the policy of the District to review in May of each year the salary scale then in effect for District employees and to determine whether revisions should be made, effective as of the commencement of the next fiscal year, to take into consideration increases in the cost of living during the prior year.

**a. Methodology.** In the event the Board determines that revisions to the salary scale should be made to reflect increases in the cost of living, the Board may, but shall not be required to, calculate the cost of living increase using the following methodology:

**(i) Definitions.**

- **Index:** The Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics, for All Urban Wage Consumers, All Items, for the Los Angeles-Riverside-Orange County Area, 1982-1984 = 100 ("CPI").
- **12-month Average CPI Change:** 12-month average CPI change for April through March beginning in the year prior to the year for which the CPI increase is being calculated.

**(ii) COLA.** The 12-month average CPI change, as defined above, shall be used as a guide for the Board to determine the value of the cost of living adjustment ("COLA") which may be applied to the salary scale starting on July 1 of the fiscal year following the determination of the 12-month average CPI change.

**b. Board Action.** After determining the 12-month average CPI change using the methodology set forth above, or such other methodology as the Board deems appropriate, the Board may, in its sole and absolute discretion:

- (i)** Leave the current salary scale unchanged;
- (ii)** Increase the current salary scale by the average percentage change in the CPI as defined above;
- (iii)** Increase the current salary scale by an amount which is less than the average percentage change in the CPI if the Board determines that the District has insufficient financial resources to pay the increase or that such increase would otherwise not be in the best interests of the District; or

- (iv) Revise the current salary scale based on factors other than the average percentage change in the average CPI defined above.

c. **Nonbinding Effect.** The methodology set forth in Section 5.a. above is intended solely to provide the Board with a method which it may use in determining the increase in the cost of living during the prior year as part of its annual review of the then current employee salary scale. This policy does not (i) require the Board to utilize the methodology set forth above to determine the increase in the cost of living, (ii) require the Board to increase or decrease the salary scale based on the average percentage change in the CPI or other factors, or (iii) confer on any employee of the District a right to receive an increase in compensation based on increases in the CPI or any other factors.

6. **No Vested Rights.** The Board reserves the right to make changes with respect to any or all action taken, items approved and matters addressed in this Resolution as the Board deems appropriate, in the Board's sole discretion. Irrespective of the date of hire or the date of retirement, no employee or retiree shall have any vested rights as a result of any action taken, item approved or matter addressed in connection with the adoption of this Resolution.

7. **Further Actions.** The General Manager and other appropriate officers of the District are hereby authorized and directed to take all necessary action to implement the foregoing resolutions.

**PASSED AND ADOPTED** this 6th day of September, 2011, by the following vote of the Governing Board of the Goleta Sanitary District:

AYES: Majoewsky, Emerson, Smith, Fox, Carter

NOES: None

ABSENT: None

ABSTAIN: None

**COPY**  


Steven T. Majoewsky, Governing Board  
President

ATTEST:

**COPY**  


Kamil S. Azoury, Governing Board Secretary

# **GENERAL MANAGER'S REPORT**

## **GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT**

The following summary report describes the District's activities from April 1, 2023, through April 17, 2023. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

### **1. COLLECTION SYSTEM REPORT**

#### **LINES CLEANING**

Staff has been conducting priority lines cleaning throughout the District.

#### **CCTV INSPECTION**

Staff has been conducting routine Closed-Circuit Television (CCTV) inspections in the area of Hollister Avenue and South Kellogg Drive.

#### **GREASE AND OIL INSPECTIONS**

Staff continues with Grease and Oil Inspections.

#### **REPAIR AND MAINTENANCE**

Tierra Contracting raised seven manholes and two sewer clean outs on University Drive near S. San Marcos Drive after paving by crews from Santa Barbara County. District staff lowered five manholes on Yapple Avenue near N. San Marcos Road in preparation for grinding and paving by Santa Barbara County.

#### **SEWER SERVICE CHARGES**

Updates to the District's Sewer Service Charges for FY 2023-24 continue.

#### **STATE WATER BOARD WDR REISSUANCE**

Staff had completed the State Water Board Certification for Continuation of Regulatory Coverage as part of the 2022 Waste Discharge Requirement order which becomes effective on June 5, 2023.

#### **SEWER SPILL**

Staff responded to a sewer spill on Wednesday April 5, 2023 at the Firestone Lift Station force main on the Santa Barbara Airport property near the east end of Firestone Road. Approximately 97 gallons spilled onto the road from a clean out. The clean out cover was resting on the Victaulic end cap of the clean out and the pressure from vehicles driving over the cover damaged the seal and allowed the spill to occur. Tierra Contracting was called to repair the pipe and install a new flange fitting on the cleanout. The work has been completed and the area restored. All required notifications have been made.

### **2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT**

Plant flows for the month of March 2023 averaged 6.9 million gallons per day (MGD). The Reclamation Plant is still offline due to the continuing rain events, and Goleta Water District is filling the reservoir as needed with potable water. We will be starting a coating project for the baffles in the Reclamation Chlorine Contact Channel this week to hopefully mitigate some of the continuing issues we have been seeing there. High concentrations

and loadings during the weekends continue to cause intermittent challenges and various levels of plant interference.

The Nanobubbler has been online since February 22, 2023. Samples were sent to an offsite lab on Monday, March 20, 2023. We are awaiting the results.

The Influent Pump Station Rehabilitation Project (Rehab Project) has started the construction phase. The bypass for the Influent Pump Station started on March 7, 2023. The general contractor has their crew onsite, the electrical contractor is also onsite.

Maintenance staff continue repairing air valves at the Lift Station, working on vehicle maintenance and flow meters, pulling the Jockey pump at the Lift station to perform maintenance, as well as performing general plant maintenance.

### **PUBLIC OUTREACH AND EDUCATION**

Staff is preparing for the first Earth Day Festival outreach booth in three years. New displays are being created with updated educational materials. The festival takes place on Saturday, April 29 and Sunday, April 30, 2023 in Alameda Park in Santa Barbara. Typically, staff interact with over 3,000 members of the public at this event.

### **GENERAL AND ADMINISTRATIVE ITEMS**

#### **Financial Report**

The District account balances as of April 17, 2023 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 645,692
Investment Accounts:	<u>\$ 32,691,232</u>
Total District Funds:	\$ 33,336,924

Claims list to be distributed prior to, or at the meeting.

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$ - 0 -
CWB Operational to CWB Money Market:	\$ 1,700,000
CWB Money Market to CWB Operational:	\$ - 0 -
CWB Operational to CA-Class Investment Account	\$ - 0 -
CA-Class Investment Account to CWB Operational	\$ 5,000,000

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

#### **Local Agency Investment Fund (LAIF)**

LAIF Monthly Statement – March, 2023

LAIF Quarterly Report – Previously submitted.

PMIA/LAIF Performance – March, 2023  
PMIA Effective Yield – March, 2023

**CA-Class Investment Account**

CA-Class Investment Account – March, 2023

**Community West Bank (CWB)**

CWB Money Market Account – March, 2023

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – March, 2023

Lincoln 457 Deferred Compensation Plan – March, 2023

**CalPERS UAL Payment In Process**

The approved FY22-23 Budget includes the payment of \$3.4M towards the District's total unfunded accrued pension liability (UAL) for FY21-22. The actual amount was \$300k less than anticipated at approximately at around \$3.1M. We also were informed by CalPERS and Julio Morales that if we pay the entire balance off prior to April 21, 2023, we wouldn't have to make another payment until July, 2024. As such we have initiated a payment request to pay off the entire balance and will start the internal loan payments in July, 2023. A fixed payment plan with a variable interest rate equal to the District's other investment accounts will reduce the overall pension costs paid by both the District and its plant partners.

**Personnel Update**

A verbal update will be provided at the meeting.

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

April 04, 2023

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

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GOLETA SANITARY DISTRICT

GENERAL MANAGER  
ONE WILLIAM MOFFETT PLACE  
GOLETA, CA 93117

[Tran Type Definitions](#)

**Account Number:** 70-42-002

March 2023 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	2,049,223.69
Total Withdrawal:	0.00	Ending Balance:	2,049,223.69





# PMIA/LAIF Performance Report as of 04/05/23



## PMIA Average Monthly Effective Yields<sup>(1)</sup>

March	2.831
February	2.624
January	2.425

## Quarterly Performance Quarter Ended 12/31/22

LAIF Apportionment Rate <sup>(2)</sup> :	2.07
LAIF Earnings Ratio <sup>(2)</sup> :	0.00005680946709337
LAIF Fair Value Factor <sup>(1)</sup> :	0.981389258
PMIA Daily <sup>(1)</sup> :	2.29
PMIA Quarter to Date <sup>(1)</sup> :	1.98
PMIA Average Life <sup>(1)</sup> :	287

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 02/28/23 \$200.5 billion

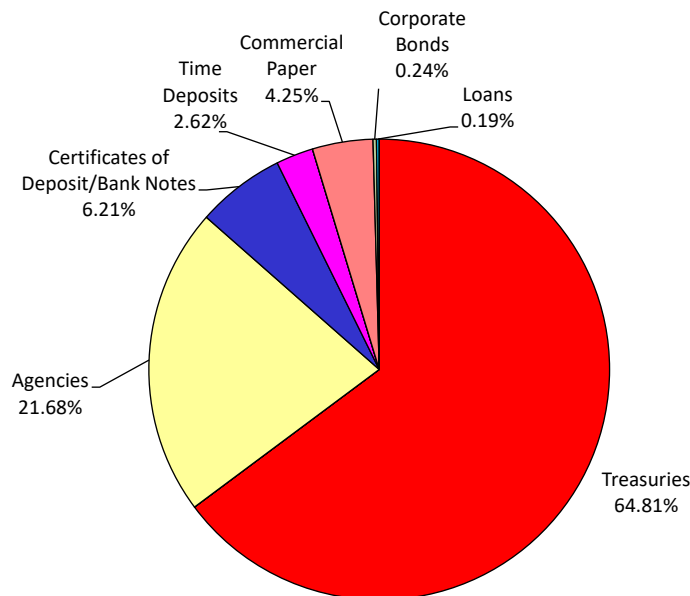


Chart does not include \$3,158,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller





0000030-0000110 PDF 517313

**Goleta Sanitary District**  
**1 William Moffett Place**  
**Goleta, CA 93117**

**California CLASS**

**California CLASS**

**Average Monthly Yield: 4.7649%**

	<b>Beginning Balance</b>	<b>Contributions</b>	<b>Withdrawals</b>	<b>Income Earned</b>	<b>Income Earned YTD</b>	<b>Average Daily Balance</b>	<b>Month End Balance</b>
Goleta Sanitary District	20,039,433.88	0.00	10,000,000.00	77,006.26	116,209.95	18,751,595.37	10,116,440.14
<b>TOTAL</b>	<b>20,039,433.88</b>	<b>0.00</b>	<b>10,000,000.00</b>	<b>77,006.26</b>	<b>116,209.95</b>	<b>18,751,595.37</b>	<b>10,116,440.14</b>



Goleta Sanitary District

Account Summary

Average Monthly Yield: 4.7649%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	20,039,433.88	0.00	10,000,000.00	77,006.26	116,209.95	18,751,595.37	10,116,440.14

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
03/01/2023	Beginning Balance			20,039,433.88	
03/28/2023	Withdrawal		10,000,000.00		556
03/31/2023	Income Dividend Reinvestment	77,006.26			
03/31/2023	Ending Balance			10,116,440.14	



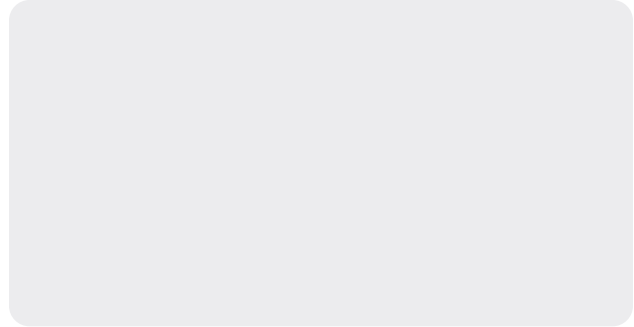
California CLASS

California CLASS

Date	Dividend Rate	Daily Yield
03/01/2023	0.000129599	4.7304%
03/02/2023	0.000130201	4.7524%
03/03/2023	0.000390210	4.7476%
03/04/2023	0.000000000	4.7476%
03/05/2023	0.000000000	4.7476%
03/06/2023	0.000129905	4.7415%
03/07/2023	0.000130210	4.7527%
03/08/2023	0.000130286	4.7554%
03/09/2023	0.000129480	4.7260%
03/10/2023	0.000381693	4.6439%
03/11/2023	0.000000000	4.6439%
03/12/2023	0.000000000	4.6439%
03/13/2023	0.000129683	4.7334%
03/14/2023	0.000128528	4.6913%
03/15/2023	0.000129267	4.7182%
03/16/2023	0.000128847	4.7029%
03/17/2023	0.000385410	4.6892%
03/18/2023	0.000000000	4.6892%
03/19/2023	0.000000000	4.6892%
03/20/2023	0.000127602	4.6575%
03/21/2023	0.000124713	4.5520%
03/22/2023	0.000128108	4.6759%
03/23/2023	0.000130643	4.7685%
03/24/2023	0.000402453	4.8965%
03/25/2023	0.000000000	4.8965%
03/26/2023	0.000000000	4.8965%
03/27/2023	0.000134609	4.9132%
03/28/2023	0.000136284	4.9744%
03/29/2023	0.000137174	5.0069%
03/30/2023	0.000135671	4.9520%
03/31/2023	0.000136360	4.9771%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

RETURN SERVICE REQUESTED

 GOLETA SANITARY DISTRICT  
 MONEY MARKET  
 1 WILLIAM MOFFETT PL  
 GOLETA CA 93117-3901

**Summary of Accounts**

Account Type	Account Number	Ending Balance
PUBLIC AGENCY-MMDA	XXXXXXXX5554	\$23,825,567.95

**PUBLIC AGENCY-MMDA - XXXXXXXX5554**
**Account Summary**

Date	Description	Amount		
03/01/2023	<b>Beginning Balance</b>	<b>\$14,489,169.62</b>	Average Ledger Balance	\$14,914,976.07
	2 Credit(s) This Period	\$10,036,398.33		
	1 Debit(s) This Period	\$700,000.00		
03/31/2023	<b>Ending Balance</b>	<b>\$23,825,567.95</b>		

**Account Activity**

Post Date	Description	Debits	Credits	Balance
03/01/2023	<b>Beginning Balance</b>			<b>\$14,489,169.62</b>
03/08/2023	XFER DEBIT 3/08/23 12:51 110500845 CHECKING 6505538	\$700,000.00		\$13,789,169.62
03/29/2023	Transfer from CA-Class Investment Acct		\$10,000,000.00	\$23,789,169.62
03/31/2023	INTEREST AT 2.8734 %		\$36,398.33	\$23,825,567.95
03/31/2023	<b>Ending Balance</b>			<b>\$23,825,567.95</b>

**Daily Balances**

Date	Amount	Date	Amount	Date	Amount
03/08/2023	\$13,789,169.62	03/29/2023	\$23,789,169.62	03/31/2023	\$23,825,567.95

# CalPERS 457 Plan

March 31, 2023

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to <https://calpers.voya.com>.

A free paper copy of the information available on the website can be obtained by contacting:

Voya Financial  
Attn: CalPERS 457 Plan  
P.O. Box 389  
Hartford, CT 06141  
(800) 260-0659

## **Document Summary**

This document has two parts. Part I consists of performance information for the plan investment options. This part shows you how well the investments have performed in the past. Part I also shows the total annual operating expenses of each investment option.

Part II provides additional information concerning Plan administrative fees that may be charged to your individual account.

# CalPERS 457 PLAN

## Part I. Performance Information For Periods Ended March 31, 2023

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods<sup>1</sup>. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an investment option's principal risks is available on the website listed above.

Table 1 also shows the Total Annual Operating Expenses of each investment option. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option<sup>2</sup>. The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the U.S. Department of Labor's website for an example showing the long-term fees and expenses at <http://www.dol.gov/ebsa>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

**Table 1 - Variable Net Return Investments**

Name of Fund / Name of Benchmark	Performance		Annualized Performance				Total Annual Operating Expenses <sup>3</sup>	
	3 Month	1 Year	5 Years	10 Years	Since Inception	Inception Date	As a %	Per \$1000
<b>Equity Funds</b>								
State Street Russell All Cap Index Fund - Class I	7.09	-8.78	10.12	-	10.95	10/07/13	0.25%	\$2.50
<i>Russell 3000 Index</i>	7.18	-8.58	10.45	-	11.30			
State Street Global All Cap Equity ex-US Index Fund - Class I	6.85	-4.97	2.28	-	3.63	10/07/13	0.26%	\$2.60
<i>MSCI ACWI ex-USA IMI Index (net)</i>	6.56	-5.84	2.35	-	3.77			
<b>Fixed Income</b>								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I	1.53	0.04	0.91	-	0.60	10/07/13	0.26%	\$2.60
<i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	1.51	0.26	1.26	-	1.04			
State Street US Bond Fund Index - Class I	3.07	-5.06	0.61	-	1.34	10/07/13	0.25%	\$2.50
<i>Bloomberg US Aggregate Bond Index</i>	2.96	-4.78	0.91	-	1.64			
<b>Real Assets</b>								
State Street Real Asset Fund - Class A	0.00	-8.06	6.55	-	3.56	10/08/13	0.38%	\$3.80
<i>State Street Custom Benchmark<sup>4</sup></i>	-0.02	-7.96	6.83	-	3.91			
<b>Cash (Cash Equivalents)</b>								
State Street STIF	1.13	2.72	1.28	-	0.84	09/02/14	0.27%	\$2.70
<i>BofA ML 3-month US T-Bill</i>	1.07	2.50	1.41	-	1.01			
<b>Target Retirement Date Funds<sup>5</sup></b>								
CalPERS Target Income Fund	4.04	-5.17	3.11	2.94	4.59	12/01/08	0.26%	\$2.60
<i>SIP Income Policy Benchmark<sup>6</sup></i>	3.95	-5.11	3.29	3.17	5.07			
CalPERS Target Retirement 2020	4.45	-5.70	3.81	3.82	6.20	12/01/08	0.26%	\$2.60
<i>SIP 2020 Policy Benchmark<sup>6</sup></i>	4.37	-5.69	3.97	4.03	6.67			
CalPERS Target Retirement 2025	5.03	-6.00	4.47	4.67	7.02	12/01/08	0.26%	\$2.60
<i>SIP 2025 Policy Benchmark<sup>6</sup></i>	4.95	-6.04	4.62	4.87	7.47			
CalPERS Target Retirement 2030	5.48	-6.45	4.95	5.33	7.81	12/01/08	0.26%	\$2.60
<i>SIP 2030 Policy Benchmark<sup>6</sup></i>	5.41	-6.54	5.16	5.56	8.26			
CalPERS Target Retirement 2035	6.10	-6.76	5.52	6.03	8.49	12/01/08	0.26%	\$2.60
<i>SIP 2035 Policy Benchmark<sup>6</sup></i>	6.03	-6.91	5.71	6.24	8.98			
CalPERS Target Retirement 2040	6.61	-7.16	6.03	6.66	9.00	12/01/08	0.26%	\$2.60
<i>SIP 2040 Policy Benchmark<sup>6</sup></i>	6.55	-7.36	6.23	6.86	9.46			
CalPERS Target Retirement 2045	6.69	-6.93	6.17	6.96	9.18	12/01/08	0.26%	\$2.60
<i>SIP 2045 Policy Benchmark<sup>6</sup></i>	6.62	-7.14	6.37	7.17	9.68			
CalPERS Target Retirement 2050	6.69	-6.93	6.17	6.96	9.25	12/01/08	0.26%	\$2.60
<i>SIP 2050 Policy Benchmark<sup>6</sup></i>	6.62	-7.14	6.37	7.17	9.68			
CalPERS Target Retirement 2055	6.69	-6.93	6.17	-	6.48	10/07/13	0.26%	\$2.60
<i>SIP 2055 Policy Benchmark<sup>6</sup></i>	6.62	-7.14	6.37	-	6.77			
CalPERS Target Retirement 2060	6.69	-6.93	-	-	8.11	11/01/18	0.26%	\$2.60
<i>SIP 2060 Policy Benchmark<sup>6</sup></i>	6.62	-7.14	-	-	8.30			
CalPERS Target Retirement 2065	6.69	-	-	-	2.51	12/01/22	0.26%	\$2.60
<i>SIP 2065 Policy Benchmark<sup>6</sup></i>	6.62	-	-	-	2.83	-		
<b>Broad-Based Benchmarks<sup>7</sup></b>								
<i>Russell 3000 Index</i>	7.18	-8.58	10.45	11.73	-	-	-	-
<i>MSCI ACWI ex-USA IMI Index (net)</i>	6.56	-5.84	2.35	4.28	-	-	-	-
<i>Bloomberg US Aggregate Bond Index</i>	2.96	-4.78	0.91	1.36	-	-	-	-



## Part II. Explanation of CalPERS 457 Plan Expenses March 31, 2023

<https://calpers.voya.com>

Table 2 provides information concerning Plan administrative fees and expenses that may be charged to your individual account if you take advantage of certain features of the Plan. In addition to the fees and expenses described in Table 2 below, some of the Plan's administrative expenses are paid from the Total Annual Operating Expenses of the Plan's investment options.

Table 2 - Fees and Expenses				
Individual Expenses <sup>8</sup>				
Service	Fee Amount	Frequency	Who do you pay this fee to?	Description
Loan Origination Fee	\$50	Per loan application	Voya	The charge covers the processing of your loan and applies each time you request a loan from your retirement account. This fee is deducted from your Plan account.
Maintenance Fee (For loans taken on or after April 1, 2020)	\$35 (\$8.75 assessed quarterly)	Annual	Voya	The charge covers the maintenance costs of your loan and applies on a quarterly basis. This fee is deducted from your Plan account.
Self-Managed Account (SMA) Maintenance Fee	\$50	Annual fee deducted monthly on a pro-rata basis	Voya	Schwab Personal Choice Retirement Account is available to you if your Employer has elected it as an option. This fee is deducted pro rata on a monthly basis from your core fund investments <sup>9</sup> in your CalPERS 457 account. For more information about SMAs, including a complete list of fees charged by Schwab for different types of investment transactions, please contact Schwab at (888) 393-PCRA (7272). Fees may also be incurred as a result of actual brokerage account trades. Before purchasing or selling any investment through the SMA, you should contact Schwab at (888) 393-PCRA (7272) to inquire about any fees, including any undisclosed fees, associated with the purchase or sale of such investment.
Self-Managed Account (SMA) Plan Administrative Fee	0.23% (\$2.30 per \$1,000)	Annual fee deducted monthly on a pro-rata basis	Voya	The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets.

### Footnotes for Table 1 and Table 2:

<sup>1</sup> Fund returns shown are net of investment management and administrative expenses and fees unless otherwise noted. Benchmark performance returns do not reflect any management fees, transaction costs or expenses. Benchmarks are unmanaged. You cannot invest directly in a benchmark.

<sup>2</sup> Historical annual operating expenses are not available. Reported annual operating expenses are estimated based on SSGA investment management, Voya recordkeeping, and SSGA capped operating expenses.

<sup>3</sup> Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.

<sup>4</sup> State Street Real Asset Fund has a custom benchmark comprised of 25% Bloomberg Roll Select Commodity Index, 25% S&P® Global Large MidCap Commodity and Resources Index, 10% Dow Jones US Select REIT Index, 20% Bloomberg US Government Inflation-Linked 1-10 Year Bond Index, and 20% S&P® Global Infrastructure Index.

<sup>5</sup> If the ending market value (EMV) falls to zero in any one month, the inception date resets to the next month with an EMV. Performance is then calculated from the new inception date.

<sup>6</sup> The benchmark for each Target Retirement Date Fund is a composite of asset class benchmarks that are weighted according to each Fund's policy target weights. The asset class benchmarks are Russell 3000 Index, MSCI ACWI ex-USA IMI Index (net), Bloomberg US Aggregate Bond Index, the SSGA customized benchmark for Real Assets (see footnote 4), and BofA ML 3-month US T-Bill.

<sup>7</sup> Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.

<sup>8</sup> The CalPERS Board of Administration periodically reviews the plan administrative fees and adjusts fees to reflect expenses incurred by the Plan. Participant fees are charged to reimburse CalPERS for actual administrative fees of the Plan.

<sup>9</sup> Core fund investments are listed in Table 1 above the Target Retirement Date funds. Core funds include: State Street Russell All Cap Index Fund (Class I), State Street Global All Cap Equity ex-US Index Fund (Class I), State Street US Short Term Government/Credit Bond Index Fund (Class I), State Street US Bond Fund Index (Class I), State Street Real Asset Fund (Class A), and State Street Short Term Investment Fund ("STIF").

# Performance Update

MultiFund

Quoted performance data represents past performance. Past performance does not guarantee nor predict future performance. Current performance may be lower or higher than the performance data quoted. Please keep in mind that double-digit returns are highly unusual and cannot be sustained.

Variable products are sold by prospectus. Consider the investment objectives, risks, charges, and expenses of the variable product and its underlying investment options carefully before investing. The prospectus contains this and other information about the variable product and its underlying investment options. Please review the prospectus available online for additional information. Read it carefully before investing.

Investment return and principal value of an investment will fluctuate so that an investor's unit values, when redeemed, may be worth more or less than their original cost.

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options	Inception Date	Change from Previous Day 04/04/2023	YTD as of 04/04/2023	YTD as of 03/31/2023	Average Annual Total Return (%) as of 3/31/2023							
					1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	
<b>Risk Managed</b>												
Fidelity® VIP Freedom 2055 Portfolio <sup>SM</sup> - Service Class <sup>5, 9</sup>	RM	04/11/2019	-0.35	6.55	6.47	2.40	6.47	-6.77	13.51	N/A	N/A	7.08
Fidelity® VIP Freedom 2060 Portfolio <sup>SM</sup> - Service Class <sup>5, 9</sup>	RM	04/11/2019	-0.35	6.43	6.44	2.52	6.44	-6.74	13.52	N/A	N/A	7.11
<b>Maximum Capital Appreciation</b>												
DWS Alternative Asset Allocation VIP Portfolio - Class A <sup>1, 4, 5, 6, 7</sup>	MCA	02/02/2009	0.00	1.66	1.52	0.52	1.52	-7.27	8.28	3.17	1.44	3.84
LVIP Baron Growth Opportunities Fund - Service Class <sup>2, 10</sup>	MCA	10/01/1998	-0.86	6.82	8.07	-0.97	8.07	-7.06	17.45	9.37	9.61	10.27
LVIP Delaware SMID Cap Core Fund - Standard Class <sup>2, 3, 10</sup>	MCA	07/12/1991	-1.81	1.12	3.00	-4.24	3.00	-7.47	19.16	5.71	8.64	8.70

# Performance Update

MultiFund

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 04/04/2023	YTD as of 04/04/2023	YTD as of 03/31/2023	Average Annual Total Return (%) as of 3/31/2023						Since Incep.
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	
LVIP SSGA Emerging Markets 100 Fund - Standard Class <sup>1, 10, 22</sup>	MCA	06/18/2008	0.05	3.61	3.80	1.99	3.80	-8.41	11.77	-2.02	0.26	1.68
LVIP SSGA Small-Cap Index Fund - Standard Class <sup>2, 10, 21</sup>	MCA	04/18/1986	-1.81	0.52	2.39	-4.92	2.39	-12.87	15.91	3.24	6.52	6.45
LVIP T. Rowe Price Structured Mid-Cap Growth Fund - Standard Class <sup>2, 10</sup>	MCA	02/03/1994	-1.04	6.51	7.63	1.52	7.63	-7.83	14.78	8.55	10.54	6.56
<b>Long Term Growth</b>												
American Funds Global Growth Fund - Class 2 <sup>1</sup>	LTG	04/30/1997	-0.31	9.75	9.46	4.62	9.46	-5.42	13.28	7.39	9.43	8.50
American Funds Growth Fund - Class 2	LTG	02/08/1984	-0.55	11.20	11.67	2.84	11.67	-14.77	17.51	11.93	13.03	11.46
American Funds International Fund - Class 2 <sup>1</sup>	LTG	05/01/1990	-0.36	9.76	9.71	4.99	9.71	-4.54	7.97	-0.26	3.46	5.98
Delaware VIP Small Cap Value <sup>2, 3</sup>	LTG	12/27/1993	-2.16	-4.38	-2.20	-8.01	-2.20	-12.05	20.23	3.22	6.39	8.51
Fidelity® VIP Contrafund® Portfolio - Service Class	LTG	01/03/1995	-0.61	9.25	9.16	5.26	9.16	-11.70	14.31	9.35	10.29	9.82
Fidelity® VIP Growth Portfolio - Service Class	LTG	10/09/1986	-0.65	9.33	9.91	5.10	9.91	-11.66	18.11	12.60	13.75	9.55
LVIP BlackRock Global Real Estate Fund - Standard Class <sup>1, 2, 9, 10, 13</sup>	LTG	04/30/2007	0.11	0.79	0.71	-3.47	0.71	-25.28	5.13	0.57	1.56	-0.02
LVIP Delaware Mid Cap Value Fund - Standard Class <sup>2, 3, 10</sup>	LTG	12/28/1981	-1.61	-2.69	-1.29	-4.97	-1.29	-9.12	21.45	5.29	8.18	9.95
LVIP Dimensional U.S. Core Equity 1 Fund - Standard Class <sup>10</sup>	LTG	12/28/1981	-1.05	4.65	5.39	0.89	5.39	-7.34	19.31	8.94	10.34	9.47
LVIP Mondrian International Value Fund - Standard Class <sup>1, 10</sup>	LTG	05/01/1991	0.28	10.24	9.06	2.84	9.06	-0.95	11.15	0.81	3.15	4.97
LVIP SSGA International Index Fund - Standard Class <sup>1, 10, 21, 23</sup>	LTG	04/30/2008	0.28	8.85	7.99	2.87	7.99	-1.37	12.00	2.26	3.70	1.31

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# Performance Update

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## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 04/04/2023	YTD as of 04/04/2023	YTD as of 03/31/2023	Average Annual Total Return (%) as of 3/31/2023						Since Incep.
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	
LVIP SSGA S&P 500 Index Fund - Standard Class <sup>10, 21, 24</sup>	LTG	05/01/2000	-0.58	6.94	7.17	3.56	7.17	-8.89	17.16	9.80	10.86	5.32
LVIP Vanguard Domestic Equity ETF Fund - Service Class <sup>5, 6</sup>	LTG	04/29/2011	-0.66	6.31	6.69	2.74	6.69	-9.37	16.53	8.99	9.81	9.40
LVIP Vanguard International Equity ETF Fund - Service Class <sup>1, 5, 6</sup>	LTG	04/29/2011	-0.01	6.99	6.25	2.33	6.25	-6.46	10.42	0.85	2.99	2.16
MFS® VIT Utilities Series - Initial Class <sup>13</sup>	LTG	01/03/1995	0.47	-0.92	-0.69	4.36	-0.69	-4.05	12.66	8.29	6.47	9.73
<b>Growth and Income</b>												
American Funds Growth-Income Fund - Class 2	GI	02/08/1984	-0.57	5.43	5.54	2.48	5.54	-7.47	14.62	7.61	10.10	9.69
Fidelity® VIP Freedom 2020 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/26/2005	0.00	5.20	4.86	2.42	4.86	-6.42	6.55	3.85	4.93	4.97
Fidelity® VIP Freedom 2025 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/26/2005	-0.07	5.48	5.20	2.50	5.20	-6.58	7.66	4.31	5.58	5.47
Fidelity® VIP Freedom 2030 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/26/2005	-0.14	5.64	5.36	2.41	5.36	-6.65	9.16	4.86	6.27	5.74
Fidelity® VIP Freedom 2035 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	-0.21	6.06	5.90	2.44	5.90	-6.78	11.77	5.75	7.12	9.90
Fidelity® VIP Freedom 2040 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	-0.31	6.42	6.38	2.45	6.38	-6.78	13.49	6.37	7.48	10.24
Fidelity® VIP Freedom 2045 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	-0.35	6.48	6.44	2.44	6.44	-6.76	13.50	6.37	7.52	10.31
Fidelity® VIP Freedom 2050 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	-0.34	6.50	6.46	2.46	6.46	-6.73	13.50	6.37	7.54	10.41
LVIP Delaware REIT Fund - Standard Class <sup>2, 3, 9, 10, 13</sup>	GI	05/04/1998	-0.16	2.26	3.00	-2.31	3.00	-19.55	9.04	3.79	3.79	6.69

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## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 04/04/2023	YTD as of 04/04/2023	YTD as of 03/31/2023	Average Annual Total Return (%) as of 3/31/2023						Since Incep.
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	
LVIP Delaware Value Fund - Standard Class <sup>3, 10</sup>	GI	07/28/1988	-0.60	-3.71	-3.86	-2.68	-3.86	-7.97	14.77	5.20	7.93	7.56
LVIP Delaware Wealth Builder Fund - Standard Class <sup>3, 4, 10</sup>	GI	08/03/1987	-0.08	2.36	1.93	0.80	1.93	-6.46	6.27	2.75	3.91	5.57
LVIP JPMorgan Retirement Income Fund - Standard Class <sup>3, 4, 10</sup>	GI	04/27/1983	-0.05	4.38	4.12	1.80	4.12	-5.11	4.04	1.87	2.79	6.08
<b>Income</b>												
LVIP BlackRock Inflation Protected Bond Fund - Standard Class <sup>1, 10, 14</sup>	I	04/30/2010	0.11	3.38	2.90	2.15	2.90	-2.43	2.10	1.81	0.19	1.43
LVIP Delaware Bond Fund - Standard Class <sup>3, 10, 14</sup>	I	12/28/1981	0.46	3.51	2.62	1.87	2.62	-6.13	-2.74	-0.05	0.44	5.94
LVIP Delaware Diversified Floating Rate Fund <sup>3, 10, 14, 15, 16</sup>	I	04/30/2010	0.03	0.67	0.56	-0.42	0.56	0.47	1.01	0.22	-0.02	0.16
LVIP Delaware Diversified Income Fund - Standard Class <sup>3, 10, 14</sup>	I	05/16/2003	0.44	3.34	2.47	1.50	2.47	-6.59	-1.70	0.15	0.57	3.26
LVIP Delaware High Yield Fund - Standard Class <sup>3, 10, 14, 17</sup>	I	07/28/1988	-0.15	3.00	2.73	0.18	2.73	-5.47	4.23	2.02	2.12	5.12
LVIP Global Income Fund - Standard Class <sup>1, 10, 11, 14</sup>	I	05/04/2009	0.36	3.09	2.23	3.49	2.23	-8.75	-5.27	-2.10	-1.00	0.87
LVIP SSGA Bond Index Fund - Standard Class <sup>10, 14, 21</sup>	I	04/30/2008	0.49	3.72	2.83	2.41	2.83	-6.09	-4.12	-0.41	0.03	1.31
PIMCO VIT Total Return Portfolio - Administrative Class <sup>14, 22</sup>	I	12/31/1997	0.44	3.29	2.39	1.79	2.39	-7.22	-3.48	-0.41	0.12	3.35
<b>Risk Managed - Asset Allocation</b>												
LVIP Global Conservative Allocation Managed Risk Fund - Standard Class <sup>1, 4, 5, 10, 19</sup>	RMAA	05/03/2005	-0.03	3.22	2.91	1.69	2.91	-7.37	2.23	1.18	2.43	3.79

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## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 04/04/2023	YTD as of 04/04/2023	YTD as of 03/31/2023	Average Annual Total Return (%) as of 3/31/2023						Since Incep.
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	
LVIP Global Growth Allocation Managed Risk Fund - Standard Class <sup>1, 4, 5, 10, 19</sup>	RMAA	05/03/2005	-0.26	3.22	3.20	1.10	3.20	-9.42	3.32	0.88	2.54	3.45
LVIP Global Moderate Allocation Managed Risk Fund - Standard Class <sup>1, 4, 5, 10, 19</sup>	RMAA	05/03/2005	-0.19	3.12	3.01	1.33	3.01	-8.63	2.73	0.88	2.39	3.64
LVIP SSGA Global Tactical Allocation Managed Volatility Fund - Standard Class <sup>1, 4, 5, 10, 12</sup>	RMAA	05/03/2005	-0.25	4.12	4.03	1.51	4.03	-7.25	6.82	1.90	2.64	3.07
<b>Preservation of Capital</b>												
LVIP Government Money Market Fund - Standard Class <sup>10, 20</sup>	PC	01/07/1982	0.01	0.79	0.75	0.28	0.75	1.29	-0.23	0.10	-0.38	2.62
<b>Asset Allocation</b>												
LVIP BlackRock Global Allocation Fund - Standard Class <sup>1, 4, 10</sup>	AsA	04/26/2019	-0.03	4.42	3.95	2.45	3.95	-6.55	7.90	N/A	N/A	4.21
LVIP T. Rowe Price 2020 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA	05/01/2007	-0.05	4.87	4.55	1.95	4.55	-7.00	7.48	3.63	3.69	3.23
LVIP T. Rowe Price 2030 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA	05/01/2007	-0.21	5.42	5.27	2.03	5.27	-7.71	10.20	4.56	4.29	3.45
LVIP T. Rowe Price 2040 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA	05/01/2007	-0.41	5.91	5.97	2.04	5.97	-7.92	12.68	5.50	4.89	3.45
LVIP T. Rowe Price 2050 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA	04/29/2011	-0.48	6.05	6.19	2.06	6.19	-7.91	13.55	5.79	5.42	4.43
LVIP T. Rowe Price 2060 Fund - Standard Class <sup>5, 8, 10</sup>	AsA	04/30/2020	-0.49	6.15	6.29	2.07	6.29	-7.81	N/A	N/A	N/A	10.90
<b>Risk Managed - US Large Cap</b>												
LVIP BlackRock Dividend Value Managed Volatility Fund - Standard Class <sup>10, 11, 12</sup>	RMUSL	02/03/1994	-0.55	-0.15	-0.04	-1.71	-0.04	-5.23	12.85	5.59	5.50	6.41

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## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 04/04/2023	YTD as of 04/04/2023	YTD as of 03/31/2023	Average Annual Total Return (%) as of 3/31/2023						Since Incep.
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	
LVIP Blended Large Cap Growth Managed Volatility Fund - Standard Class <sup>10, 11, 12</sup>	RMUSL	02/03/1994	-0.42	10.56	10.98	6.10	10.98	-6.03	11.83	7.66	8.10	6.56
<b>Risk Managed - US Mid Cap</b>												
LVIP Blended Mid Cap Managed Volatility Fund - Standard Class <sup>2, 10, 11, 12</sup>	RMUSM	05/01/2001	-0.83	5.75	6.80	1.87	6.80	-4.45	8.16	6.56	5.89	3.96
LVIP JPMorgan Select Mid Cap Value Managed Volatility Fund - Standard Class <sup>2, 10, 11, 12</sup>	RMUSM	05/01/2001	-1.38	-0.71	0.66	-3.23	0.66	-6.36	13.54	3.69	4.53	5.63
<b>Risk Managed - Global/International</b>												
LVIP Franklin Templeton Global Equity Managed Volatility Fund - Standard Class <sup>1, 10, 11, 12</sup>	RMGI	08/01/1985	-0.48	5.97	5.95	1.94	5.95	-3.40	11.28	4.06	3.93	6.77
LVIP SSGA International Managed Volatility Fund - Standard Class <sup>1, 5, 10, 12</sup>	RMGI	12/31/2013	0.28	8.90	8.03	2.87	8.03	-2.21	8.05	-0.21	N/A	0.15
<b>ESG/Socially Conscious</b>												
AB VPS Sustainable Global Thematic Portfolio - Class B <sup>1</sup>	ESC	01/11/1996	-0.57	4.21	5.33	2.43	5.33	-10.69	14.88	7.85	9.18	5.22
LVIP Delaware Social Awareness Fund - Standard Class <sup>3, 10, 18</sup>	ESC	05/02/1988	-0.75	7.58	8.19	2.99	8.19	-8.49	17.55	9.64	10.30	9.54

\* These returns are measured from the inception date of the fund and predate its availability as an investment option in the variable annuity (separate account). This hypothetical representation depicts how the investment option would have performed had the fund been available in the variable annuity during the time period. It includes deductions for the M&E charge and the contract administrative fee. If selected above, the cost for the i4LIFE® Advantage feature or a death benefit will be reflected. The cost for other riders with quarterly charges is not reflected. No surrender charge and no annual contract charge is reflected.

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# Performance Update

## 1: International

Investing internationally involves risks not associated with investing solely in the United States, such as currency fluctuation, political or regulatory risk, currency exchange rate changes, differences in accounting and the limited availability of information.

## 2: Small & Mid Cap

Funds that invest in small and/or midsize company stocks may be more volatile and involve greater risk, particularly in the short term, than those investing in larger, more established companies.

## 3: Macquarie Investment Management

Investments in Delaware VIP Series, Delaware Funds, Ivy Variable Insurance Portfolios, Ivy Funds, LVIP Delaware Funds or Lincoln Life accounts managed by Macquarie Investment Management Advisers, a series of Macquarie Investments Management Business Trust, are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46 008 583 542 and its holding companies, including their subsidiaries or related companies, and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of the fund, the repayment of capital from the fund, or any particular rate of return.

## 4: Asset Allocation Portfolios

Asset allocation does not ensure a profit, nor protect against loss in a declining market.

## 5: Fund of funds

Each fund is operated as a fund of funds that invests primarily in one or more other funds, rather than in individual securities. A fund of this nature may be more expensive than other investment options because it has additional levels of expenses. From time to time, the Fund's advisor may modify the asset allocation to the underlying funds and may add new funds. A Fund's actual allocation may vary from the target strategic allocation at any point in time. Additionally, the Fund's advisor may directly manage assets of the underlying funds for a variety of purposes.

## 6: Exchange-traded funds

Exchange-traded funds (ETFs) in this lineup are available through collective trusts or mutual funds. Investors cannot invest directly in an ETF.

## 7: Alternative Funds

Certain funds (sometimes called "alternative funds") expect to invest in (or may invest in some) positions that emphasize alternative investment strategies and/or nontraditional asset classes and, as a result, are subject to the risk factors of those asset classes and/or investment strategies. Some of those risks may include general economic risk, geopolitical risk, commodity-price volatility, counterparty and settlement risk, currency risk, derivatives risk, emerging markets risk, foreign securities risk, high-yield bond exposure, index investing risk, exchange-traded notes risk, industry concentration risk, leveraging risk, real estate investment risk, master limited partnership risk, master limited partnership tax risk, energy infrastructure companies risk, sector risk, short sale risk, direct investment risk, hard assets sector risk, active trading and "overlay" risks, event-driven investing risk, global macro strategies risk, temporary defensive positions and large cash positions. If you are considering investing in alternative investment funds, you should ensure that you understand the complex investment strategies sometimes employed and be prepared to tolerate the risks of such asset classes. For a complete list of risks, as well as a discussion of risk and investment strategies, please refer to the fund's prospectus. The fund may invest in derivatives, including futures, options, forwards and swaps. Investments in derivatives may cause the fund's losses to be greater than if it invested only in conventional securities and can cause the fund to be more volatile. Derivatives involve risks different from, or possibly greater than, the risks associated with other investments. The fund's use of derivatives may cause the fund's investment returns to be impacted by the performance of securities the fund does not own and may result in the fund's total investment exposure exceeding the value of its portfolio.



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## 8: Target-date funds

The target date is the approximate date when investors plan to retire or start withdrawing their money. Some target-date funds make no changes in asset allocation after the target date is reached; other target-date funds continue to make asset allocation changes following the target date. (See the prospectus for the funds allocation strategy.) The principal value is not guaranteed at any time, including at the target date. An asset allocation strategy does not guarantee performance or protect against investment losses. A "fund of funds" may be more expensive than other types of investment options because it has additional levels of expenses.

## 9: REIT

A real estate investment trust (REIT) involves risks such as refinancing, economic conditions in the real estate industry, declines in property values, dependency on real estate management, changes in property taxes, changes in interest rates and other risks associated with a portfolio that concentrates its investments in one sector or geographic region.

## 10: Manager of managers funds

Subject to approval of the fund's board, Lincoln Investment Advisors Corporation (LIAC) has the right to engage or terminate a subadvisor at any time, without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. LIAC is responsible for overseeing all subadvisors for funds relying on this exemptive order.

## 11: Multimanager

For those LVIP funds that employ a multimanager structure, Lincoln Investment Advisors Corporation (LIAC) is responsible for overseeing the subadvisor(s). While the investment styles employed by the fund's subadvisors are intended to be complementary, they may not, in fact, be complementary. A multimanager approach may result in more exposure to certain types of securities risks and in higher portfolio turnover.

## 12: Managed Volatility Strategy

The fund's managed volatility strategy is not a guarantee, and the fund's shareholders may experience losses. The fund employs hedging strategies designed to reduce overall portfolio volatility. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.

## 13: Sector Funds

Funds that target exposure to one region or industry may carry greater risk and higher volatility than more broadly diversified funds.

## 14: Bonds

The return of principal in bond funds is not guaranteed. Bond funds have the same interest rate, inflation, credit, duration, prepayment and market risks that are associated with the underlying bonds owned by the fund or account.

## 15: Cash Management Funds

An investment in Cash Management Fund is not a bank deposit and is not insured or guaranteed by the FDIC or any other government agency. Although this option seeks to preserve the value of your investment, it is not managed to maintain a stable net asset value of \$1 per share and it is possible to lose money by investing in this investment option.

## 16: Floating rate funds

Floating rate funds should not be considered alternatives to CDs or money market funds and should not be considered as cash alternatives.

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## 17: High-yield or mortgage-backed funds

High-yield funds may invest in high-yield or lower rated fixed income securities (junk bonds) or mortgage-backed securities with exposure to subprime mortgages, which may experience higher volatility and increased risk of nonpayment or default.

## 18: ESG

An environmental, social, governance (ESG) standards strategy (also referred to as engagement, green, impact, responsible, social aware, sustainable) generally prohibits investment in certain types of companies, industries and segments of the U.S. economy. Thus this strategy may (i) miss opportunities to invest in companies, industries or segments of the U.S. economy that are providing superior performance relative to the market as a whole and (ii) become invested in companies, industries and segments of the U.S. economy that are providing inferior performance relative to the market as a whole.

## 19: Risk Management Strategy

The fund's risk management strategy is not a guarantee, and the funds shareholders may experience losses. The fund employs hedging strategies designed to provide downside protection during sharp downward movements in equity markets. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to other unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.

## 20: Money Market Funds

You can lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share (or, for the LVIP Government Money Market Fund, at \$10.00 per share), it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

## 21: Index

An index is unmanaged, and one cannot invest directly in an index. Indices do not reflect the deduction of any fees.

## 22: Emerging Markets

Investing in emerging markets can be riskier than investing in well-established foreign markets. International investing involves special risks not found in domestic investing, including increased political, social and economic instability, all of which are magnified in emerging markets.

## 23: MSCI

The fund described herein is indexed to an MSCI® index. It is not sponsored, endorsed, or promoted by MSCI®, and MSCI®; bears no liability with respect to any such fund or to an index on which a fund is based. The prospectus and statement of additional information contain a more detailed description of the limited relationship MSCI®; has with Lincoln Investment Advisors Corporation and any related funds.

## 24: S&P

The Index to which this fund is managed is a product of S&P Dow Jones Indices LLC (SPDJI) and has been licensed for use by one or more of the portfolio's service providers (licensee). Standard & Poor's®, and S&P® are registered trademarks of Standard & Poor's Financial Services LLC (S&P); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by the licensee. S&P®, S&P GSCI® and the Index are trademarks of S&P and have been licensed for use by SPDJI and its affiliates and sublicensed for certain purposes by the licensee. The Index is not owned, endorsed, or approved by or associated with any additional third party. The licensee's products are not sponsored, endorsed, sold

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## Asset Categories

RM	= Risk Managed
MCA	= Maximum Capital Appreciation
LTG	= Long Term Growth
GI	= Growth and Income
I	= Income
RMAA	= Risk Managed - Asset Allocation
PC	= Preservation of Capital
AsA	= Asset Allocation
RMUSL	= Risk Managed - US Large Cap
RMUSM	= Risk Managed - US Mid Cap
RMGI	= Risk Managed - Global/International
ESC	= ESG/Socially Conscious

**DISTRICT  
CORRESPONDENCE**  
Board Meeting of April 17, 2023



**Date:**                    **Correspondence Sent To:**

1. 04/05/2023    Tedd White  
                         Neal Feay Company  
**Subject:** Toxic Organic Management Plan for Permit # A-403  
is Approved
  
2. 04/10/2023    Morgan Krapes-Kiah  
                         Flowers & Associates, Inc.  
**Subject:** Sewer Service Availability  
Addition and Renovation of Existing Gas Depot Service Station at  
180 N. Fairview Ave., Goleta, CA A.P.N. 069-110-054

**Date:**                    **Correspondence Received From:**

1. 04/05/2023    California Water Boards  
                         State Water Resources Control Board  
                         Luis Astorga  
**Subject:** Notice of Applicability; Continuation of Regulatory Coverage;  
Statewide Sanitary Sewer Systems General Order, 2022-0103-DWQ

***Hard Copies of the Correspondence are available at the District's Office for review***