

# **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/83295387464?pwd=VHMxcS9ZTnBLKzNCcFVJVjhUbDlzQT09>**

**Meeting ID: 832 9538 7464**

**Passcode: 868970**

**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 18, 2022

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

**ROLL CALL OF MEMBERS**

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

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

The Board will consider approval of the Minutes of the Regular Meeting of April 4, 2022.

**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. PRESENTATION OF CAPITAL IMPROVEMENT PROJECT FINANCING PROPOSAL FOR BIOSOLIDS AND ENERGY STRATEGIC PLAN PROJECTS  
(Board may take action on this item.)
2. CONSIDERATION OF PENSION LIABILITY MANAGEMENT STRATEGIES  
(Board may take action on this item.)
3. CONSIDERATION OF COST OF LIVING ADJUSTMENT TO COMPENSATION FOR ALL DISTRICT EMPLOYEES FOR FISCAL YEAR 2022-23  
(Board may take action on this item.)

4. 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  
EMPLOYEES: ALL EMPLOYEE TITLES  
(Board may take action on this item.)
  - (iv) PUBLIC REPORT ON CLOSED SESSION
5. GENERAL MANAGER'S REPORT
6. LEGAL COUNSEL'S REPORT
7. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
8. PRESIDENT'S REPORT
9. ITEMS FOR FUTURE MEETINGS
10. CORRESPONDENCE  
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
11. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT  
(The Board will be asked to ratify claims.)

## **ADJOURNMENT**

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

April 4, 2022

- CALL TO ORDER:** President Majoewsky called the meeting to order at 6:30 p.m.
- BOARD MEMBERS PRESENT:** Steven T. Majoewsky (via Zoom), George W. Emerson, Sharon Rose, Edward Fuller, Jerry D. Smith
- BOARD MEMBERS ABSENT:** None
- STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance and Human Resources Manager/Board Secretary, Laura Romano, Management Analyst, and Richard Battles, Legal Counsel from Howell Moore & Gough LLP.
- OTHERS PRESENT:** Larry Meyer, Director, Goleta West Sanitary District  
Tom Evans, Director, Goleta Water District,  
Charlotte Holifield, CSDA Public Affairs Field Coordinator,  
Central Coast and Water Policy Analyst
- APPROVAL OF MINUTES:** Director Fuller made a motion, seconded by Director Rose, to approve the minutes of the Regular Board meeting of 03/21/22 and Special Board meeting of 03/23/22  
  
(22/04/2303)
- AYES: 5 Majoewsky, Emerson, Rose,  
Fuller, Smith  
NOES: None  
ABSENT: None  
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 72 hours in advance of the meeting.
- PUBLIC COMMENTS:** None

**BUSINESS:**

1. SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION  
CORRESPONDENCE AND BALLOTS RECEIVED APRIL 4, 2022

Mr. Wagner reported that LAFCO correspondence was received after the agenda had been posted and the item was of an immediate nature. Copies were distributed to the Board and available for the public.

Director Rose made a motion, seconded by Director Smith to (i) find that there is a need to take immediate action on the LAFCO item and that the need for action came to the attention of the District subsequent to the agenda being posted, and (ii) add the LAFCO item to the agenda due to the April 11, 2022 deadline.

The motion carried by the following vote:

(22/04/2304)

AYES:	5	Majoewsky, Emerson, Rose, Fuller, Smith
NOES:		None
ABSENT:		None
ABSTAIN:		None

The LAFCO matter was added as item 6.5 to the agenda.

2. PRESENTATION OF DISTRICT OF DISTINCTION PLATINUM CERTIFICATION

Mr. Wagner began the staff report and introduced Charlotte Holifield, CSDA Public Affairs Field Coordinator, Central Coast and Water Policy Analyst who presented the Board with the Certificate.

No Board action was taken.

3. TRANSITION TO DISTRICT-BASED ELECTIONS PROCESS, ADOPTION OF  
RESOLUTION NO. 22-681 REGARDING CEQA EXEMPTION, AND ADOPTION OF  
ORDINANCE NO. 94 APPROVING DISTRICT-BASED ELECTIONS, ELECTION  
DISTRICT MAP, AND SEQUENCE OF ELECTIONS

Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Rose to approve and adopt Resolution No. 22-681 regarding CEQA exemption relating to the adoption of Ordinance No. 94.

The motion carried by the following vote:

(22/04/2305)

AYES:	5	Majoewsky, Emerson, Rose, Fuller, Smith
NOES:		None

ABSENT: None  
ABSTAIN: None

President Majoewsky opened the Public Hearing at 6:54 p.m. and closed the hearing at 6:55 p.m., as there was no public.

Director Smith made a motion, seconded by Director Rose to approve and adopt Ordinance No. 94, with the changes discussed to the map attached as Exhibit A, approving transition from At-Large elections to District-Based elections.

The motion carried by the following vote:

(22/04/2306)

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

4. DISCUSSION AND ACTION RELATED TO DIRECTOR PARTICIPATION ON THE EXECUTIVE BOARD OF THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION'S SANTA BARBARA CHAPTER

Mr. Wagner gave the staff report.

Director Rose recused herself and left the Board room due to a potential financial interest in being approved to serve on the Santa Barbara County local Chapter CSDA executive board.

Director Fuller made a motion, seconded by Director Smith to approve Director Rose's participation on the Santa Barbara County local Chapter CSDA executive board for the coming year.

The motion carried by the following vote:

(22/04/2307)

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

Director Rose returned to the meeting and was informed of the Board action.

Director Emerson recused himself and left the Board room due to a potential financial interest in being approved to serve on the Santa Barbara County local Chapter CSDA executive board.



Director Smith made a motion, seconded by Director Fuller to approve Director Emerson's participation on the Santa Barbara County local Chapter CSDA executive board for the coming year.

The motion carried by the following vote:

(22/04/2308)

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

Director Emerson was called back to the meeting and informed of the Board action.

5. CONSIDERATION OF PUBLICATION OF PUBLIC NOTICE FOR ADJUSTMENT TO DIRECTORS' COMPENSATION FOR FISCAL YEAR 2022-2023

Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Fuller to make no change in Board member compensation at this time and direct staff not to publish the notice.

The motion carried by the following vote:

(22/04/2309)

AYES:	5	Majoewsky, Emerson, Rose, Fuller, Smith
NOES:		None
ABSENT:		None
ABSTAIN:		None

6. REVIEW OF 2022 ANNUAL MEETING AND DRAFT ACTION PLAN

Mr. Wagner gave the staff report on this presentation item, no Board action was taken.

6.5 SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION CORRESPONDENCE AND BALLOTS RECEIVED APRIL 4, 2022

Mr. Wagner gave the staff report.

Director Rose made a motion, seconded by Director Fuller, to authorize the Board President to vote on Ballot No. 2 to approve an all-mailed ballot process for the election of special district members on LAFCO.

The motion carried by the following vote:

(22/04/2310)

AYES: 5 Majoewsky, Emerson, Rose, Fuller, Smith  
NOES: None  
ABSENT: None  
ABSTAIN: None

Director Fuller recused himself and left the Board room due to a potential financial interest in being approved to serve as the special district member on LAFCO.

Director Smith made a motion, seconded by Director Emerson, to authorize the Board President to vote on Ballot No. 1 to elect Director Fuller as the special district member on LAFCO.

The motion carried by the following vote:

(22/04/2311)

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

Director Fuller returned to the meeting and was informed of the Board action.

7. CONSIDERATION OF MOLEAER NANOBUBBLE GENERATOR LEASE CONTRACT  
Mr. Wagner gave the staff report.

Director Fuller made a motion, seconded by Director Rose to authorize the General Manager to enter into a purchase order contract in an amount not to exceed \$74,100 for a three-month Nanobubble lease.

The motion carried by the following vote:

(22/04/2312)

AYES: 5 Majoewsky, Emerson, Rose, Fuller, Smith  
NOES: None  
ABSENT: None  
ABSTAIN: None

8. GENERAL MANAGER'S REPORT  
Mr. Wagner gave the report.

9. LEGAL COUNSEL'S REPORT

Mr. Battles reported on a public records act case and plaintiff's recovery of attorney's fees.

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

Director Rose – Distributed an article to the Board on sea level rise.

Director Emerson – No report.

Director Fuller – No report.

Director Smith – No report.

11. PRESIDENT'S REPORT

President Majoewsky – No report.

12. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

13. CORRESPONDENCE

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

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

Director Smith made a motion, seconded by Director Rose, to ratify and approve the claims, for the period 03/22/22 to 04/04/22 as follows:

Running Expense Fund #4640	\$ 347,479.63
Depreciation Replacement Reserve Fund #4655	\$ 6,765.00
Retiree Health Insurance Sinking Fund #4660	\$ 11,477.35

The motion carried by the following vote:

(22/04/2313)

AYES:	5	Majoewsky, Emerson, Rose, Fuller, Smith
NOES:		None
ABSENT:		None
ABSTAIN:		None

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 8:11 p.m.

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Steven T. Majoewsky  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary

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George W. Emerson

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Sharon Rose

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Edward Fuller

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Jerry D. Smith

# **AGENDA ITEM #1**

**AGENDA ITEM: 1**

**MEETING DATE: April 18, 2022**

**I. NATURE OF ITEM**

Presentation of Capital Improvement Project Financing Proposal for Biosolids and Energy Strategic Plan Projects

**II. BACKGROUND INFORMATION**

The implementation of the Biosolids and Energy Strategic Plan (BESP) projects is included in the District's 2019 Action Plan and the 2020 Strategic Plan. Phase 1 of the BESP includes the construction of a new 550,000-gallon digester and a combined heat and power with a 160kW generator to convert biogas to electricity. The Phase 1 project is scheduled to begin construction in FY 2022-23. Completion of the Phase 1 project will improve the resiliency of our solids treatment process and reduce our ongoing energy costs.

Phases 2 and 3 of the BESP include the installation of a high-strength waste (fats, oils., grease, and slurried food waste) receiving station, along with a new centrifuge, thermal dryer, and solids dewatering building. Completion of BESP phases 2 & 3 will increase biogas production and significantly reduce the costs of hauling and disposal of biosolids.

As originally envisioned in the BESP, the timing of phases 2 and 3 were to follow several years after the completion of phase 1 based on market conditions related to the cost of hauling and disposal of biosolids. However, recent increases in both construction costs and the costs associated with the hauling and disposal of biosolids have resulted in the consideration of combining phases 2 and 3 into a single phase and accelerating completion of the project to avoid future construction cost increases and advance the reduction in operational costs.

On February 7, 2022, the Board authorized the execution of a professional services agreement with Hazen & Sawyer (Hazen) for the preliminary engineering design of the BESP phase 2 project. This work is underway and is expected to be completed by the end of November 2022. A preliminary cost estimate for the phase 2 project is expected to be submitted in May 2022.

The current total cost of both phases of the BESP project based on existing information is approximately \$37M. This amount exceeds the funding that is currently available in the District's reserve funds. Furthermore, it is likely that the portion the BESP project costs to be paid for by the Contract Entities pursuant to their capacity agreements exceeds their current funding levels. In order to accelerate completion of the BESP projects, additional revenue will be needed. This can be accomplished by various methods, including raising rates, interfund loans, issuing debt, or a combination of any/all options.

During the Board's annual planning session on March 23, 2022 the concept of financing the BESP project through a private placement loan was discussed, and staff was directed to bring this issue back for further consideration.

### **III. COMMENTS AND RECOMMENDATIONS**

In 2021 the District hired Julio Morales, Managing Director of Urban Futures, Incorporated as the District's municipal financial advisor to advise on various financial management strategies. Staff reached out to Mr. Morales on the possibility of financing the BESP projects and he has prepared a presentation for Board consideration. This same information was presented to the District's Finance Committee on April 7, 2022.

A cash flow model of the District's Capital Reserve Fund has been developed and is being updated to show how financing and accelerating the BESP projects compares to a traditional pay-as-you-go approach and timeline. The assumptions used in the cashflow model include, but are not limited to, the total estimated projects cost, loan interest rates and other financing terms, as well as the future inflation rates associated with construction costs and operational expenses. The updated cashflow model will be presented at the meeting as it is too large to include as an attachment to this report.

While the loan amount shown in the attached presentation is \$20M, the actual loan amount could be modified based on further refinement of the cashflow model prior to closing the loan. If the Board desires to go forward with obtaining a private placement loan to fund the BESP projects as proposed, the next steps would involve adopting a Capital Improvement Project (CIP) expense reimbursement resolution, selecting a finance team, and issuing a request for proposals (RFP) to qualified banks.

The California Special District Association's Finance Corporation has an experienced team that specializes in this type of financing and is highly recommended by agencies that use them. Since the CSDA Finance Corporation team members have been vetted by CSDA, the District could choose to select them and skip the time and effort to prepare, issue, and select a finance team through an RFP process.

### **IV. REFERENCE MATERIALS**

None

# **AGENDA ITEM #2**



**AGENDA ITEM: 2**

**MEETING DATE: April 18, 2022**

**I. NATURE OF ITEM**

Consideration of Pension Liability Management Strategies

**II. BACKGROUND INFORMATION**

The District provides a defined benefit pension to its employees and through participation in the California Public Employees' Retirement System (CalPERS). Employees are vested in the program after five years of service. The District provides two different pension benefit formulas to its employees: Classic – 2.0% at 55 for all employees hired before January 1, 2013 (or hired from another agency before January 1, 2013); and PEPRA – 2.0% at 62 for all new CalPERS members hired on or after January 1, 2013.

Annual pension costs are comprised of two components:

1. **Normal Costs** – Annual payments based on a percentage of payroll; these payments are for pension benefits earned by current employees in the current year.
2. **Unfunded Accrued Liability (UAL)** - Fixed dollar payments made toward the shortfall in funding of previously earned pensions by employees and retirees.

Each year, CalPERS provides an actuarial valuation report, which specifies the required annual contributions for both the current annual service cost, "Normal Cost", and fixed dollar payment toward funding the shortfall, "Unfunded Accrued Liability" (UAL). The report presents the actuarial valuation of the retirement plan and sets the required employer contributions for the following years.

The actuarial calculations are based on several demographic and economic assumptions, which include life expectancy, ages at retirement, rate of retirements, disabilities, terminations and payroll inflation. Economic assumptions are based on salary growth rates, inflation rates, and the assumed rate of return known as the discount rate.

It is important to understand that the District's UAL is not a static number. Each year CalPERS adjusts the UAL to account for investment performance, changes in assumptions, methodology, life expectancy, and change in benefit levels. According to the last CalPERS actuarial report dated June 30, 2020, the District had a UAL balance of \$5.2 million. However, given the strong financial returns posted by CalPERS over the last year, the District's total UAL balance is expected to be lowered significantly.

In December 2021, the Board discussed how significant cost savings could be achieved by paying off the remaining UAL through an interfund loan from the replacement reserve fund #655 at a much lower interest rate than the 6.8% discount rate being charged by CalPERS. Board directed staff to bring back the proposed UAL payoff plan for further consideration once the UAL balance was known.

### III. COMMENTS AND RECOMMENDATIONS

In 2021 the District hired Julio Morales, Managing Director of Urban Futures, Incorporated to analyze the District's UAL schedule and advise on management strategies. Mr. Morales updated the District's UAL schedule using the latest information related to the revised CalPERS discount rate and return on investments for FY 2020-21. Attached to this report is a PowerPoint presentation that shows the District's revised FY 2020-21 UAL balance is estimated to be \$3.4M.

Based on this revised UAL balance, staff has developed a revised interfund loan payment plan that would pay off the UAL in 10 years. Attached is a spreadsheet that shows the potential cost savings for both the District and the Contract Entities based on a fixed 3% interest rate. The actual loan rate could vary based on the opportunity cost of the money being loaned.

A summary table showing the potential cost savings to both the District and the Contract Entities based on the detailed payment schedule is shown below.

#### Goleta Sanitary District Unfunded Accrued Liability (UAL) Payoff Scenarios

**Total Estimated UAL Amount FY 2020-21: \$3,400,000**

CalPERS Pay as You Go		UAL Pay off via Interfund Loan		Difference
CalPERS Discount Rate	6.8%	Interfund Loan Rate	3.0%	3.8%
UAL Loan Term	23 years	Loan Term	10 Years	13 Years
Total UAL Payments	\$5,401,428	Total Loan Payments	\$3,979,810	(\$1,421,618)
District Share	\$3,618,957	District Share	\$2,666,470	(\$952,487)
Entity Share	\$1,782,471	Entity Share	\$1,313,340	(\$469,131)

As shown above, a 10-year interfund loan at 3% interest would result in a total savings of over \$1.4M. Of this amount approximately 67% (\$950k) would be realized by the District and 33% (\$469k) would be split among the Contract Entities.

Staff recommends the Board authorize staff to proceed with setting up the proposed interfund loan to pay off the UAL on July 1, 2022.

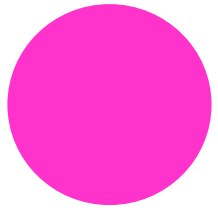
### IV. REFERENCE MATERIALS

GSD CalPERS Unfunded Accrued Liability Presentation

Proposed CalPERS UAL Payoff Scenario Worksheet and Graph

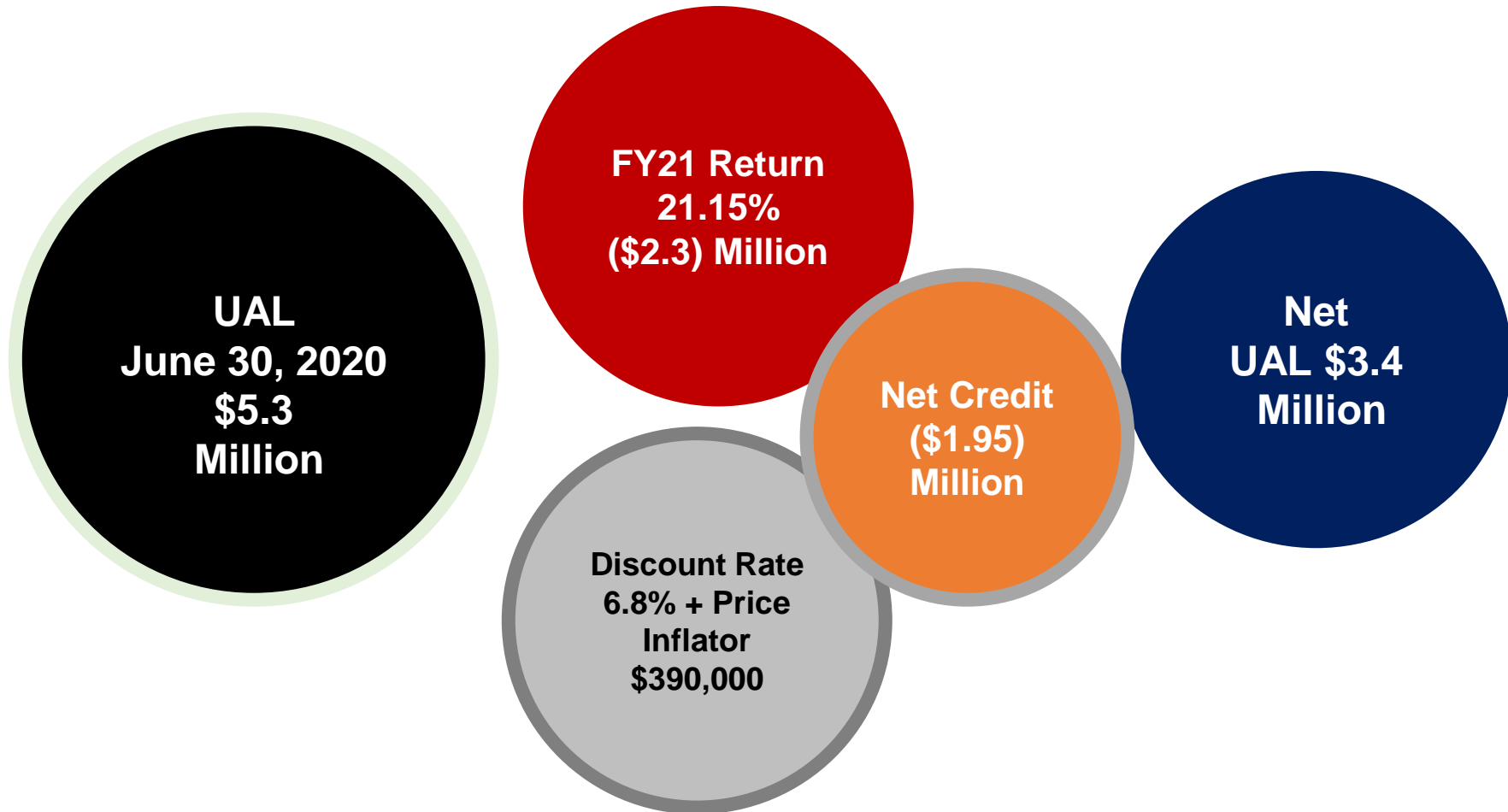


January 21, 2022



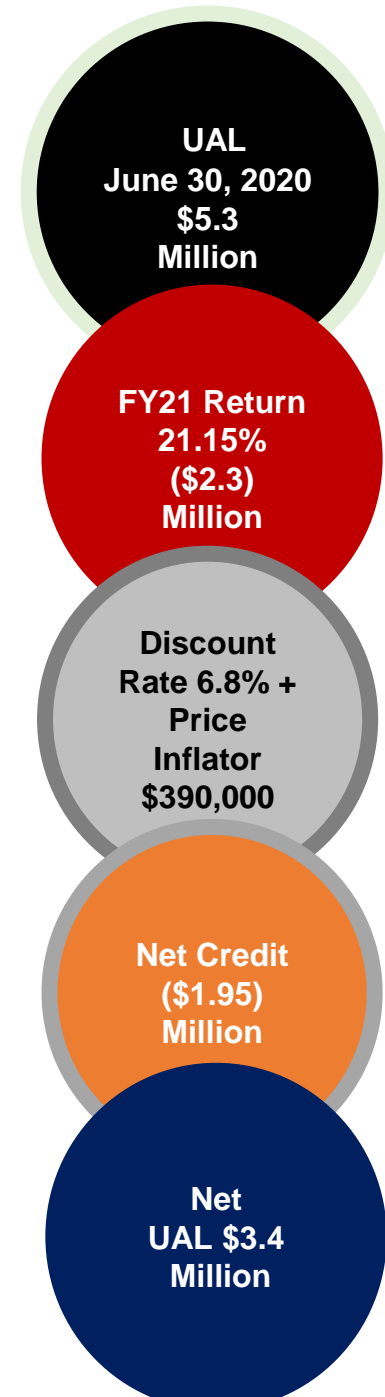
Projected June 30, 2021 UAL

# FY21 Projected Impact

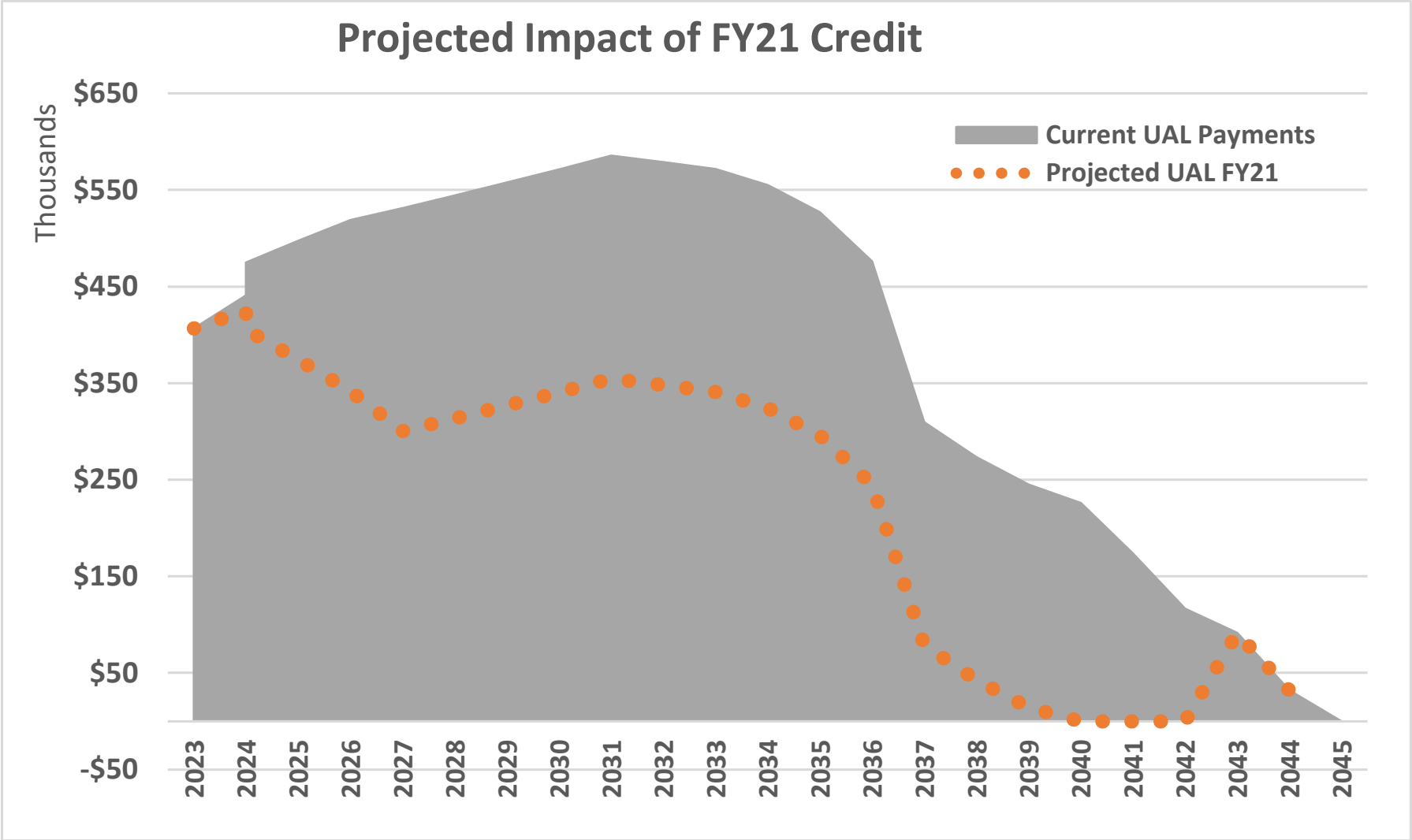


# Projected FY21 UAL

	Current UAL Payments	Discount Rate & Price Inflator	FY21 Return 21.20%	Net Impact	Projected UAL FY21	
1	2023	\$ 406,484	-	\$ -	\$ -	\$ 406,484
2	2024	440,870	38,336	(53,826)	(15,490)	425,380
3	2024	474,728	38,336	(107,652)	(69,316)	405,412
4	2025	497,430	38,336	(161,477)	(123,141)	374,289
5	2026	518,672	38,336	(215,303)	(176,967)	341,705
6	2027	531,280	38,336	(269,129)	(230,793)	300,487
7	2028	544,244	38,336	(269,129)	(230,793)	313,450
8	2029	557,566	38,336	(269,129)	(230,793)	326,773
9	2030	571,265	38,336	(269,129)	(230,793)	340,471
10	2031	585,346	38,336	(269,129)	(230,793)	354,553
11	2032	578,774	38,336	(269,129)	(230,793)	347,981
12	2033	571,427	38,336	(269,129)	(230,793)	340,634
13	2034	554,861	38,336	(269,129)	(230,793)	324,068
14	2035	526,975	38,336	(269,129)	(230,793)	296,181
15	2036	475,866	38,336	(269,129)	(230,793)	245,073
16	2037	309,360	38,336	(269,129)	(230,793)	78,567
17	2038	273,369	38,336	(269,129)	(230,793)	42,576
18	2039	244,825	38,336	(269,129)	(230,793)	14,032
19	2040	225,999	38,336	(269,129)	(230,793)	-
20	2041	173,322	38,336	(269,129)	(230,793)	-
21	2042	116,360	38,336	(269,129)	(230,793)	-
22	2043	91,459	-	-	-	91,459
23	2044	31,850	-	-	-	31,850
24	2045	-	-	-	-	-
25	2046	-	-	-	-	-
		<b>\$ 9,302,331</b>	<b>\$ 766,720</b>	<b>\$ (4,844,323)</b>	<b>\$ (4,077,603)</b>	<b>\$ 5,401,426</b>
	<b>UAL FY22-23</b>	<b>\$ 5,349,554</b>	<b>\$ 390,009</b>	<b>\$ (2,344,704)</b>	<b>\$ (1,954,695)</b>	<b>\$ 3,394,859</b>
			<b>Normal Costs</b>	<b>\$ 15,776</b>		



# Projected FY21 UAL Payments



# Projected FY21 UAL by Plan

Classic Plan						
	Adjusted Classic UAL	Discount Rate & Price Inflator	FY21 Return 21.20%	Net Impact	Projected UAL FY21	
1	2023	\$ 403,033	-	\$ -	\$ -	\$ 403,033
2	2024	436,806	38,336	(52,494)	(14,158)	422,648
3	2024	472,280	38,336	(104,988)	(66,652)	405,628
4	2025	494,687	38,336	(157,482)	(119,146)	375,541
5	2026	515,663	38,336	(209,975)	(171,639)	344,023
6	2027	528,231	38,336	(262,469)	(224,133)	304,097
7	2028	541,151	38,336	(262,469)	(224,133)	317,017
8	2029	554,432	38,336	(262,469)	(224,133)	330,299
9	2030	568,086	38,336	(262,469)	(224,133)	343,952
10	2031	582,121	38,336	(262,469)	(224,133)	357,988
11	2032	575,501	38,336	(262,469)	(224,133)	351,368
12	2033	568,107	38,336	(262,469)	(224,133)	343,974
13	2034	551,491	38,336	(262,469)	(224,133)	327,358
14	2035	523,555	38,336	(262,469)	(224,133)	299,421
15	2036	472,807	38,336	(262,469)	(224,133)	248,674
16	2037	306,683	38,336	(262,469)	(224,133)	82,550
17	2038	271,097	38,336	(262,469)	(224,133)	46,964
18	2039	242,983	38,336	(262,469)	(224,133)	18,850
19	2040	224,612	38,336	(262,469)	(224,133)	479
20	2041	172,821	38,336	(262,469)	(224,133)	-
21	2042	116,360	38,336	(262,469)	(224,133)	-
22	2043	91,459	-	-	-	91,459
23	2044	31,850	-	-	-	31,850
24	2045	-	-	-	-	-
25	2046	-	-	-	-	-
		<b>\$ 9,245,815</b>	<b>\$ 766,720</b>	<b>\$ (4,724,446)</b>	<b>\$ (3,957,727)</b>	<b>\$ 5,447,174</b>
	<b>UAL FY22-23</b>	<b>\$ 5,306,475</b>	<b>\$ 386,257</b>	<b>\$ (2,286,683)</b>	<b>\$ (1,900,426)</b>	<b>\$ 3,406,050</b>
				<b>Normal Costs</b>	<b>\$ 12,095</b>	

PEPRA						
	PEPRA UAL Payments	Discount Rate & Price Inflator	FY21 Return 21.20%	Net Impact	Projected UAL FY21	
1	2023	\$ 3,451	(58,021)	\$ -	\$ (58,021)	\$ (54,570)
2	2024	4,064	(61,967)	(1,332)	(63,299)	(59,235)
3	2024	2,448	(64,804)	(2,664)	(67,468)	(65,020)
4	2025	2,743	(66,458)	(3,996)	(70,454)	(67,711)
5	2026	3,009	(66,847)	(5,328)	(72,175)	(69,166)
6	2027	3,049	(65,887)	(6,660)	(72,547)	(69,498)
7	2028	3,093	(63,485)	(6,660)	(70,145)	(67,052)
8	2029	3,134	(60,919)	(6,660)	(67,579)	(64,445)
9	2030	3,179	(58,179)	(6,660)	(64,839)	(61,660)
10	2031	3,225	(55,253)	(6,660)	(61,913)	(58,688)
11	2032	3,273	(52,128)	(6,660)	(58,788)	(55,515)
12	2033	3,320	(48,790)	(6,660)	(55,450)	(52,130)
13	2034	3,370	(45,225)	(6,660)	(51,885)	(48,515)
14	2035	3,420	(41,418)	(6,660)	(48,078)	(44,658)
15	2036	3,059	(37,352)	(6,660)	(44,012)	(40,953)
16	2037	2,677	(33,009)	(6,660)	(39,669)	(36,992)
17	2038	2,272	(28,371)	(6,660)	(35,031)	(32,759)
18	2039	1,842	(23,418)	(6,660)	(30,078)	(28,236)
19	2040	1,387	(18,128)	(6,660)	(24,788)	(23,401)
20	2041	501	(12,478)	(6,660)	(19,138)	(18,637)
21	2042	-	(6,444)	(6,660)	(13,104)	(13,104)
22	2043	-	(0)	-	(0)	(0)
23	2044	-	-	-	-	-
24	2045	-	-	-	-	-
25	2046	-	-	-	-	-
		<b>\$ 56,516</b>	<b>\$ (968,584)</b>	<b>\$ (119,876)</b>	<b>\$ (1,088,460)</b>	<b>\$ (1,031,944)</b>
	<b>UAL FY22-23</b>	<b>\$ 32,799</b>	<b>\$ 3,752</b>	<b>\$ (58,021)</b>	<b>\$ (54,270)</b>	<b>\$ (21,471)</b>
				<b>Normal Costs</b>	<b>\$ 3,681</b>	



# Regulatory Disclosure

**Disclosure of Conflicts of Interest and Legal or Disciplinary Events.** Pursuant to Municipal Securities Rulemaking Board (“MSRB”) Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients and potential clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary events of Urban Futures, Inc. (“UFI”) and its associated persons.

**Conflicts of Interest. Compensation.** UFI represents that in connection with the issuance of municipal securities, UFI may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, UFI hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding UFI’s ability to provide unbiased advice to enter into such transaction. This conflict of interest will not impair UFI’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer. It should be noted that other forms of compensation (i.e. hourly or fixed fee based) may also present a potential conflict of interest regarding UFI’s ability to provide advice regarding a municipal security transaction. These other potential conflicts of interest will not impair UFI’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

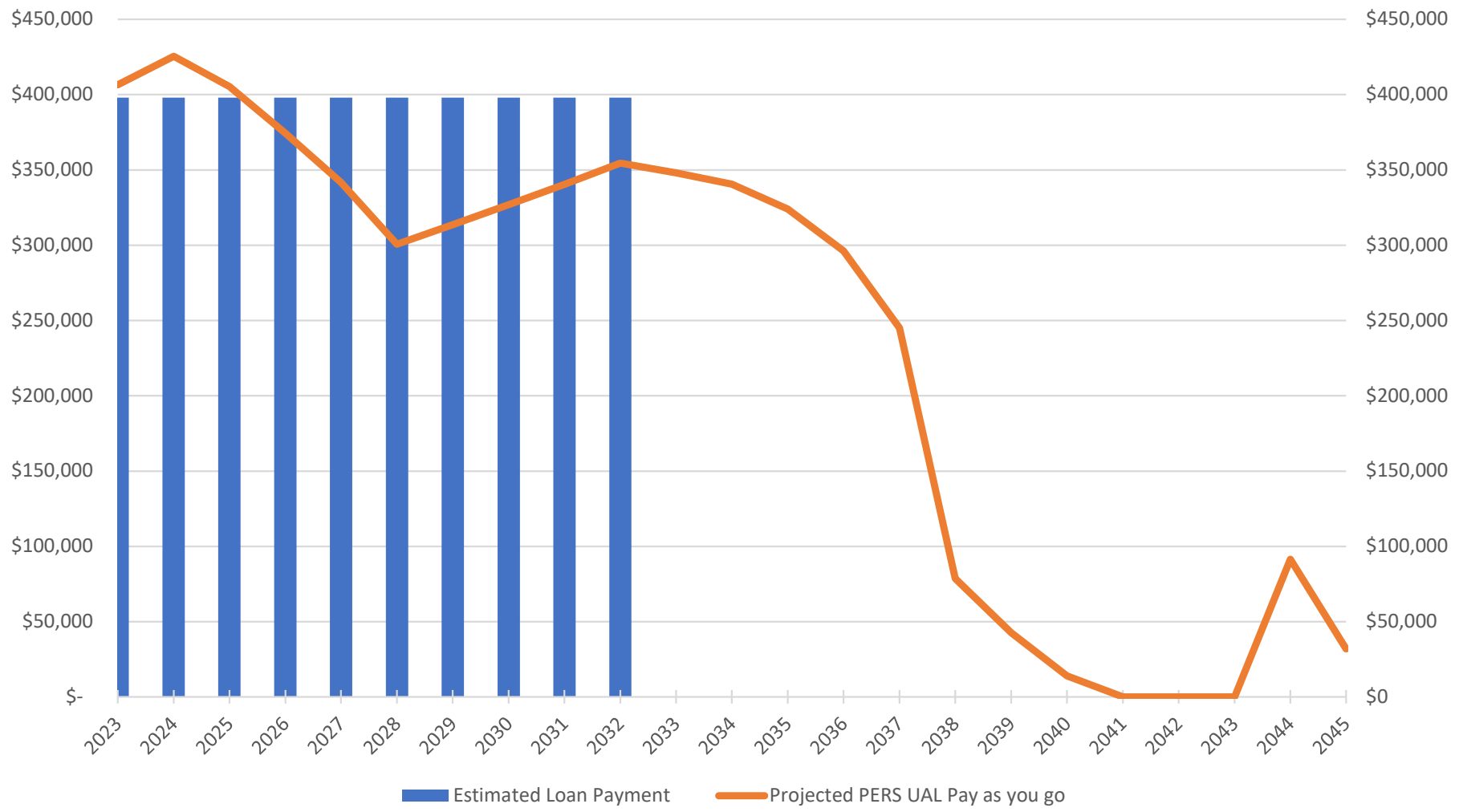
**Other Municipal Advisor Relationships.** UFI serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another UFI client. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, UFI could potentially face a conflict of interest arising from these competing client interests. UFI fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with its clients. If UFI becomes aware of any additional potential or actual conflict of interest after this disclosure, UFI will disclose the detailed information in writing to the issuer or obligated person in a timely manner.

**Legal or Disciplinary Events.** UFI does not have any legal events or disciplinary history on UFI’s Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Issuer may electronically access UFI’s most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: [www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html).

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against UFI, UFI will provide complete disclosure to the Issuer in detail allowing the Issuer to evaluate UFI, its management and personnel.

Post Invest. Returns & Discount Projected UAL PMT	Estimated pay as you go -		Interfund Loan interest rate: 3.0%					(Savings)/Cost		
	Approximate		Interfund Loan Term (years): 10			Approximate Loan		Loan Amount		
	GSD ~ 67%	Entity~33%	Projected 06/30/22 UAL Balance and Loan: \$ 3,394,859			GSD ~ 67%	Entity~33%	less UAL Pay as you go	GSD ~ 67%	Entity~33%
	Share	Share	Payment	Interest	Princ.	Share	Share		Share	Share
\$ 406,484	\$ 272,344	\$ 134,140	\$397,981	\$101,846	\$296,135	\$266,647	\$131,334	(\$8,503)	(\$5,697)	(\$2,806)
\$ 425,380	\$ 285,005	\$ 140,375	\$397,981	\$92,962	\$305,019	\$266,647	\$131,334	(\$27,399)	(\$18,357)	(\$9,042)
\$ 405,412	\$ 271,626	\$ 133,786	\$397,981	\$83,811	\$314,170	\$266,647	\$131,334	(\$7,431)	(\$4,979)	(\$2,452)
\$ 374,289	\$ 250,774	\$ 123,515	\$397,981	\$74,386	\$323,595	\$266,647	\$131,334	\$23,692	\$15,874	\$7,818
\$ 341,705	\$ 228,942	\$ 112,763	\$397,981	\$64,678	\$333,303	\$266,647	\$131,334	\$56,276	\$37,705	\$18,571
\$ 300,487	\$ 201,326	\$ 99,161	\$397,981	\$54,679	\$343,302	\$266,647	\$131,334	\$97,494	\$65,321	\$32,173
\$ 313,451	\$ 210,012	\$ 103,439	\$397,981	\$44,380	\$353,601	\$266,647	\$131,334	\$84,530	\$56,635	\$27,895
\$ 326,773	\$ 218,938	\$ 107,835	\$397,981	\$33,772	\$364,209	\$266,647	\$131,334	\$71,208	\$47,709	\$23,499
\$ 340,472	\$ 228,116	\$ 112,356	\$397,981	\$22,846	\$375,135	\$266,647	\$131,334	\$57,509	\$38,531	\$18,978
\$ 354,553	\$ 237,551	\$ 117,002	\$397,981	\$11,592	\$386,389	\$266,647	\$131,334	\$43,428	\$29,097	\$14,331
\$ 347,981	\$ 233,147	\$ 114,834	\$0	\$0	\$0	\$0	\$0	(\$347,981)	(\$233,147)	(\$114,834)
\$ 340,634	\$ 228,225	\$ 112,409	\$0	\$0	\$0	\$0	\$0	(\$340,634)	(\$228,225)	(\$112,409)
\$ 324,068	\$ 217,126	\$ 106,942	\$0	\$0	\$0	\$0	\$0	(\$324,068)	(\$217,126)	(\$106,942)
\$ 296,182	\$ 198,442	\$ 97,740	\$0	\$0	\$0	\$0	\$0	(\$296,182)	(\$198,442)	(\$97,740)
\$ 245,073	\$ 164,199	\$ 80,874	\$0	\$0	\$0	\$0	\$0	(\$245,073)	(\$164,199)	(\$80,874)
\$ 78,567	\$ 52,640	\$ 25,927	\$0	\$0	\$0	\$0	\$0	(\$78,567)	(\$52,640)	(\$25,927)
\$ 42,576	\$ 28,526	\$ 14,050	\$0	\$0	\$0	\$0	\$0	(\$42,576)	(\$28,526)	(\$14,050)
\$ 14,032	\$ 9,401	\$ 4,631	\$0	\$0	\$0	\$0	\$0	(\$14,032)	(\$9,401)	(\$4,631)
\$ -			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$ -			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$ -			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$ 91,459	\$ 61,278	\$ 30,181	\$0	\$0	\$0	\$0	\$0	(\$91,459)	(\$61,278)	(\$30,181)
\$ 31,850	\$ 21,340	\$ 10,511	\$0	\$0	\$0	\$0	\$0	(\$31,850)	(\$21,340)	(\$10,510)
\$ 5,401,428	\$ 3,618,957	\$ 1,782,471	\$ 3,979,810	\$ 584,951	\$ 3,394,859	\$ 2,666,470	\$ 1,313,340	(\$1,421,618)	(\$952,485)	(\$469,133)
			Loan paid in full, no payments due							
Adjustment credit greater than UAL due, assuming no payment due.										

### PERS UAL PAYMENT COMPARISON



# **AGENDA ITEM #3**

**AGENDA ITEM: 3**

**MEETING DATE: April 18, 2022**

**I. NATURE OF ITEM**

Consideration of Cost of Living Adjustment to Compensation for all District Employees for Fiscal Year 2022-23

**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 2022-23 is based on the CPI data for the 12-month period starting in April, 2021 and ending in March, 2022.

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 5.5%.

**III. COMMENTS AND RECOMMENDATIONS**

The methodology set forth in Resolution No. 11-522 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 2022-23, staff recommends the COLA be based on the approved methodology as set from Resolution No. 11-522.

The approximate cost of an employee COLA based on the CPI data as referenced above using FY 2021-22 Budget salaries as a basis is approximately \$175,000. The actual cost would be determined with greater precision as the proposed Budget for FY 2022-23 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 2022-23 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 Paragraph 5, Cost of Living Adjustments Excerpt

**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

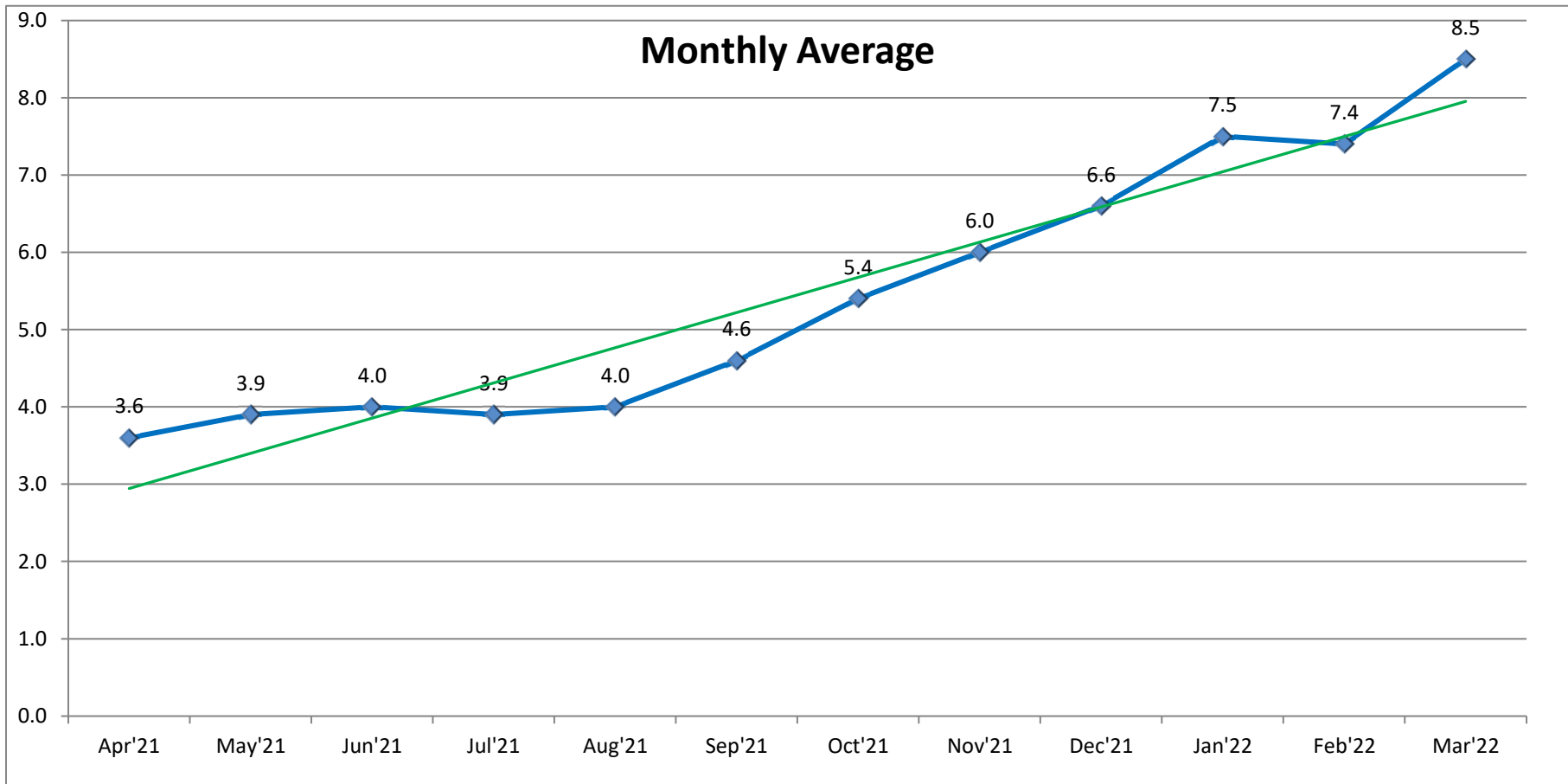
**Area:** Los Angeles-Long Beach-Anaheim, CA

**Item:** All items

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

**Years:** 2021 to 2022

Series ID	Apr'21	May'21	Jun'21	Jul'21	Aug'21	Sep'21	Oct'21	Nov'21	Dec'21	Jan'22	Feb'22	Mar'22	Average
CUURA421SA0	3.6	3.9	4.0	3.9	4.0	4.6	5.4	6.0	6.6	7.5	7.4	8.5	5.5



Generated on: 4/12/2022 for 12 month period trend indicator

**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"):

YEAR OF EMPLOYMENT	EMPLOYEE SHARE PAYABLE BY EMPLOYEE	EMPLOYEE SHARE PAYABLE BY DISTRICT
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 5, 2022 through April 18, 2022. 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 is conducting priority areas lines cleaning throughout the District, as well as routine lines cleaning in the areas near Walnut Lane and Hollister Avenue.

#### **CCTV INSPECTION**

Staff is conducting routine Closed-Circuit Television (CCTV) inspections in the areas between N. Fairview Avenue and N. La Patera Lane.

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

Staff continues with the annual Grease and Oil inspections.

#### **REPAIR AND MAINTENANCE**

Two (2) District manholes and two (2) clean outs on Kodiak Avenue were raised to grade by District staff after the County of Santa Barbara Public Works paving project was completed.

#### **GOLETA SANITARY DISTRICT FY 2021-22 PILOT PROJECTS**

The fiberglass manhole liner installation work with Ayala Engineering and the Armorock manhole installation have been scheduled for the week of April 18, 2022.

#### **2021 CCTVI PROJECT REVIEW & ASSET MANAGEMENT PROGRAM UPDATE**

Hazen and Sawyer continue on the update of the Asset Management Plan Capital Improvement Plan Story Map. Staff is using the updated information to prepare preliminary cost estimates for sewer repairs to be done in Fiscal Year 2022-23.

#### **PROFESSIONAL DEVELOPMENT**

Staff was presented with the 2<sup>nd</sup> place CWEA Collection System of the Year Award for 2021 at the CWEA Annual Conference in Sacramento on April 12, 2022.

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

Plant flows have normalized to an average of 4.5 million gallons per day. The demand for reclaimed water has begun to increase due to warmer temperatures. Flow concentrations and loadings during the weekends continue to cause intermittent challenges and various levels of plant interference. The Reclamation Disinfection Study by Hazen and Sawyer (Hazen) continues into its final phase. A Technical Memorandum is being compiled with the results of the ultraviolet (UV) and peracetic acid testing. Medium and long-term solutions such as micro/nano-filtration and UV disinfection prior to chlorination will be evaluated at a feasibility level for cost and constructability.

Centrifuge and dredging operations continue in lagoon #2.

The Lystek Thickened Waste Activated Sludge (TWAS) pre-treatment pilot project is operating 24/7. We believe that the thermal hydrolysis process may reduce inhibitory chemicals that are adsorbed onto the sludge. We will be testing this hypothesis by sampling for these chemicals before and after the reactor once a steady state during the demonstration period has been reached. Once the demonstration period is complete, a summary report of the results and proforma analysis will be prepared and brought to the Board.

The Influent Pump Station Rehabilitation project has begun with the submittal and procurement process for the long lead-time items. Construction of the project may not start for another 5-8 months depending on the completion of the procurement process.

A workshop on the environmental document for the Biosolids and Energy Strategic Plan (BESP) Phase 1 is scheduled for later this month. This project is scheduled to begin construction by the end of the calendar year and to be completed by the end of 2023.

BESP Phases 2 & 3 preliminary engineering design is continuing to move forward. This project will provide a 30% design package for a centrifuge, thermal dryer, and a fats, oil and grease (FOG) receiving facility. This level of design is necessary to understand the cost and funding implications of the project.

Maintenance staff has begun to install the necessary conduit and electrical for the nanobubble generator. We expect this installation to occur in the next 3-4 weeks. The nanobubble technology will be tested to determine how effectively it reduces surfactants and other inhibitory chemicals as well as other process improvements. A proforma will be completed at the end of the pilot period to determine ongoing benefits, costs or potential savings.

### **PUBLIC EDUCATION AND OUTREACH**

The final district-based map was posted on the District's website and has been sent to the Santa Barbara County Office of Elections. A public notice ran in the Santa Barbara News Press on Wednesday, April 13, 2022. The new district map will be featured in the next District newsletter and on social media prior to the November 2022 election.

## **3. GENERAL AND ADMINISTRATIVE ITEMS**

### **Financial Report**

The District account balances as of April 18, 2022 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 266,208
Investment Accounts:	\$ 31,903,037
Total District Funds:	\$ 32,169,246

The following transactions are reported herein for the period 04/05/22 – 04/18/22

Regular, Overtime, Cash-outs and Net Payroll:	\$	126,499
Claims:	\$	365,473
Total Expenditures:	\$	491,473
Total Deposits:	\$	69,944

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$	- 0 -
CWB Operational to CWB Money Market:	\$	- 0 -
CWB Money Market to CWB Operational:	\$	- 0 -

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 – Previously submitted.

LAIF Quarterly Report – March, 2022

PMIA/LAIF Performance – March, 2022

PMIA Effective Yield – March, 2022

**Community West Bank (CWB)**

CWB Money Market Account – March, 2022

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – March, 2022

Lincoln 457 Deferred Compensation Plan – Previously submitted.



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name GOLETA SANITARY DISTRICT

Account Number 70-42-002

As of 04/15/2022, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2022.

Earnings Ratio		.00000875657176851
Interest Rate		0.32%
Dollar Day Total	\$	182,348,955.98
Quarter End Principal Balance	\$	2,026,267.91
Quarterly Interest Earned	\$	1,596.75





California State Treasurer  
**Fiona Ma, CPA**



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**LOCAL AGENCY INVESTMENT FUND**

## Quarterly Apportionment Rates

	March	June	September	December
1977	5.68	5.78	5.84	6.45
1978	6.97	7.35	7.86	8.32
1979	8.81	9.10	9.26	10.06
1980	11.11	11.54	10.01	10.47
1981	11.23	11.68	12.40	11.91
1982	11.82	11.99	11.74	10.71
1983	9.87	9.64	10.04	10.18
1984	10.32	10.88	11.53	11.41
1985	10.32	9.98	9.54	9.43
1986	9.09	8.39	7.81	7.48
1987	7.24	7.21	7.54	7.97
1988	8.01	7.87	8.20	8.45
1989	8.76	9.13	8.87	8.68
1990	8.52	8.50	8.39	8.27
1991	7.97	7.38	7.00	6.52
1992	5.87	5.45	4.97	4.67
1993	4.64	4.51	4.44	4.36
1994	4.25	4.45	4.96	5.37
1995	5.76	5.98	5.89	5.76
1996	5.62	5.52	5.57	5.58
1997	5.56	5.63	5.68	5.71
1998	5.70	5.66	5.64	5.46
1999	5.19	5.08	5.21	5.49
2000	5.80	6.18	6.47	6.52
2001	6.16	5.32	4.47	3.52
2002	2.96	2.75	2.63	2.31
2003	1.98	1.77	1.63	1.56
2004	1.47	1.44	1.67	2.00
2005	2.38	2.85	3.18	3.63
2006	4.03	4.53	4.93	5.11
2007	5.17	5.23	5.24	4.96
2008	4.18	3.11	2.77	2.54
2009	1.91	1.51	0.90	0.60
2010	0.56	0.56	0.51	0.46
2011	0.51	0.48	0.38	0.38
2012	0.38	0.36	0.35	0.32
2013	0.28	0.24	0.26	0.26
2014	0.23	0.22	0.24	0.25
2015	0.26	0.28	0.32	0.37
2016	0.46	0.55	0.60	0.68
2017	0.78	0.92	1.07	1.20
2018	1.51	1.90	2.16	2.40
2019	2.55	2.57	2.45	2.29

	March	June	September	December
2020	2.03	1.47*	0.84	0.63
2021	0.44	0.33	0.24	0.23
2022	0.32			

\*Revised 7/21/2020 per State Controller's Office



# PMIA/LAIF Performance Report as of 04/06/22



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

Mar	0.365
Feb	0.278
Jan	0.234

## Quarterly Performance Quarter Ended 12/31/21

LAIF Apportionment Rate <sup>(2)</sup> :	0.23
LAIF Earnings Ratio <sup>(2)</sup> :	0.00000625812849570
LAIF Fair Value Factor <sup>(1)</sup> :	0.997439120
PMIA Daily <sup>(1)</sup> :	0.22%
PMIA Quarter to Date <sup>(1)</sup> :	0.21%
PMIA Average Life <sup>(1)</sup> :	340

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 02/28/22 \$199.1 billion

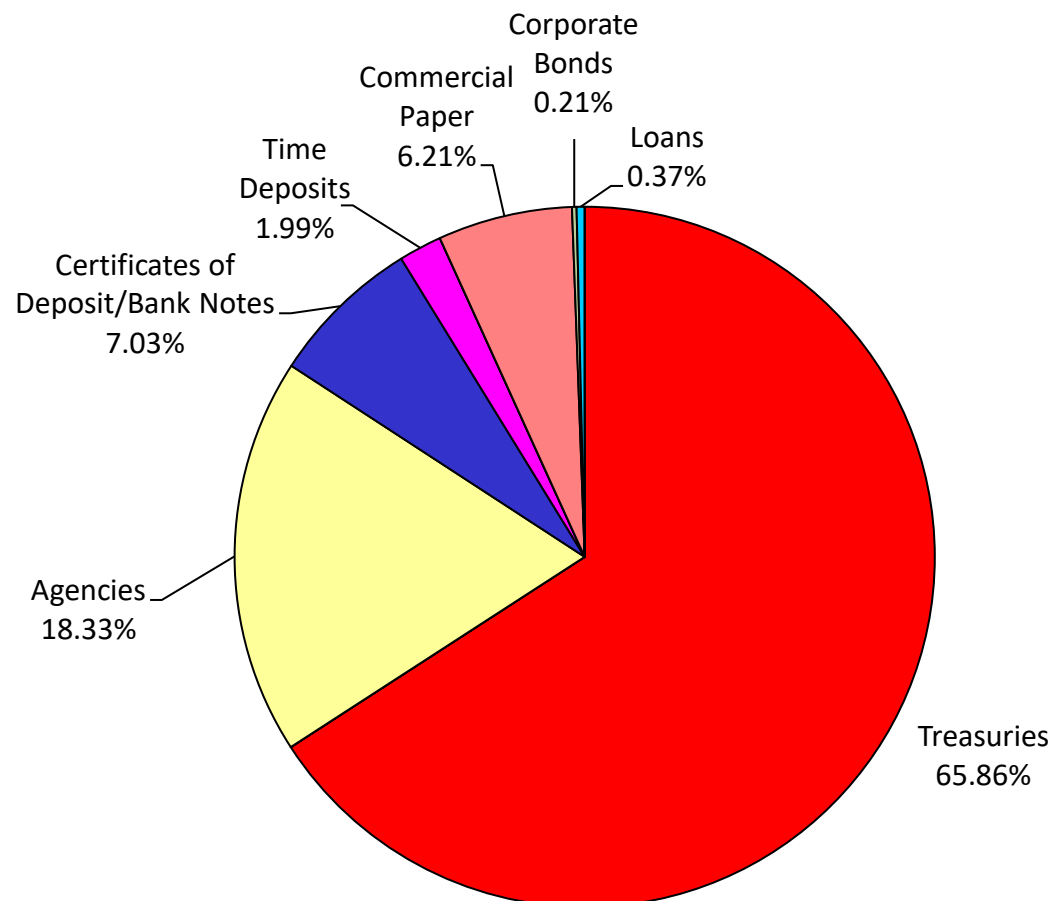


Chart does not include \$5,920,000.00 in mortgages, which equates to 0.003%. Percentages may not total 100% due to rounding.

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



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	XXXXXXXXX5554	\$29,875,172.60

### PUBLIC AGENCY-MMDA - XXXXXXXX5554

#### Account Summary

Date	Description	Amount		
03/01/2022	Beginning Balance	\$30,767,476.23	Average Ledger Balance	\$30,206,185.90
	1 Credit(s) This Period	\$7,696.37		
	2 Debit(s) This Period	\$900,000.00		
03/31/2022	Ending Balance	\$29,875,172.60		

#### Account Activity

Post Date	Description	Debits	Credits	Balance
03/01/2022	Beginning Balance			\$30,767,476.23
03/01/2022	XFER DEBIT 3/01/22 12:54 112541300 CHECKING 6505538	\$400,000.00		\$30,367,476.23
03/22/2022	XFER DEBIT 3/22/22 17:15 114967453 CHECKING 6505538	\$500,000.00		\$29,867,476.23
03/31/2022	INTEREST AT .3000 %		\$7,696.37	\$29,875,172.60
03/31/2022	Ending Balance			\$29,875,172.60

#### Daily Balances

Date	Amount	Date	Amount	Date	Amount
03/01/2022	\$30,367,476.23	03/22/2022	\$29,867,476.23	03/31/2022	\$29,875,172.60

# **CalPERS 457 Plan**

**March 31, 2022**

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

## **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, 2022

<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 <i>Russell 3000 Index</i>	-5.28	11.75	15.01	-	13.54	10/07/13	0.31%	\$3.10
State Street Global All Cap Equity ex-US Index Fund - Class I <i>MSCI ACWI ex-USA IMI Index (net)</i>	-6.14	-1.92	6.65	-	4.69	10/07/13	0.32%	\$3.20
	-5.60	-1.27	6.92	-	4.96			
<b>Fixed Income</b>								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I <i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	-2.58	-3.25	0.84	-	0.67	10/07/13	0.32%	\$3.20
	-2.49	-2.91	1.26	-	1.13			
State Street US Bond Fund Index - Class I <i>Bloomberg US Aggregate Bond Index</i>	-5.95	-4.40	1.83	-	2.12	10/07/13	0.31%	\$3.10
	-5.93	-4.15	2.14	-	2.42			
<b>Real Assets</b>								
State Street Real Asset Fund - Class A <i>State Street Custom Benchmark<sup>4</sup></i>	11.83	27.34	9.20	-	5.02	10/08/13	0.44%	\$4.40
	12.07	27.97	9.53	-	5.41			
<b>Cash (Cash Equivalents)</b>								
State Street STIF <i>BofA ML 3-month US T-Bill</i>	-0.03	-0.19	0.91	-	0.59	09/02/14	0.33%	\$3.30
	0.04	0.06	1.13	-	0.81			
<b>Target Retirement Date Funds<sup>5</sup></b>								
CalPERS Target Income Fund <i>SIP Income Policy Benchmark<sup>6</sup></i>	-4.67	0.31	4.96	4.06	5.37	12/01/08	0.32%	\$3.20
	-4.58	0.62	5.20	4.34	5.88			
CalPERS Target Retirement 2015 <i>SIP 2015 Policy Benchmark<sup>6</sup></i>	-4.67	0.38	5.02	4.45	6.39	12/01/08	0.32%	\$3.20
	-4.58	0.69	5.25	4.81	6.92			
CalPERS Target Retirement 2020 <i>SIP 2020 Policy Benchmark<sup>6</sup></i>	-4.70	1.58	5.95	5.20	7.16	12/01/08	0.32%	\$3.20
	-4.58	1.91	6.17	5.55	7.66			
CalPERS Target Retirement 2025 <i>SIP 2025 Policy Benchmark<sup>6</sup></i>	-4.89	2.59	7.11	6.15	8.07	12/01/08	0.32%	\$3.20
	-4.75	2.93	7.34	6.52	8.56			
CalPERS Target Retirement 2030 <i>SIP 2030 Policy Benchmark<sup>6</sup></i>	-4.91	3.80	8.01	6.94	8.96	12/01/08	0.32%	\$3.20
	-4.74	4.16	8.31	7.36	9.46			
CalPERS Target Retirement 2035 <i>SIP 2035 Policy Benchmark<sup>6</sup></i>	-5.11	4.78	8.99	7.72	9.73	12/01/08	0.32%	\$3.20
	-4.92	5.16	9.28	8.17	10.28			
CalPERS Target Retirement 2040 <i>SIP 2040 Policy Benchmark<sup>6</sup></i>	-5.14	5.88	9.95	8.43	10.32	12/01/08	0.32%	\$3.20
	-4.92	6.27	10.26	8.88	10.84			
CalPERS Target Retirement 2045 <i>SIP 2045 Policy Benchmark<sup>6</sup></i>	-5.14	5.88	10.31	8.72	10.50	12/01/08	0.32%	\$3.20
	-4.92	6.27	10.62	9.17	11.06			
CalPERS Target Retirement 2050 <i>SIP 2050 Policy Benchmark<sup>6</sup></i>	-5.13	5.88	10.31	8.72	10.57	12/01/08	0.32%	\$3.20
	-4.92	6.27	10.62	9.17	11.06			
CalPERS Target Retirement 2055 <i>SIP 2055 Policy Benchmark<sup>6</sup></i>	-5.14	5.88	10.31	-	8.18	10/07/13	0.32%	\$3.20
	-4.92	6.27	10.62	-	8.54			
CalPERS Target Retirement 2060 <i>SIP 2060 Policy Benchmark<sup>6</sup></i>	-5.14	5.88	-	-	12.96	11/01/18	0.32%	\$3.20
	-4.92	6.27	-	-	13.29			
<b>Broad-Based Benchmarks<sup>7</sup></b>								
<i>Russell 3000 Index</i>	-5.28	11.92	15.40	14.28	-	-	-	-
<i>MSCI ACWI ex-USA IMI Index (net)</i>	-5.60	-1.27	6.92	5.78	-	-	-	-
<i>Bloomberg US Aggregate Bond Index</i>	-5.93	-4.15	2.14	2.24	-	-	-	-

## Part II. Explanation of CalPERS 457 Plan Expenses

### March 31, 2022

<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	0.29% (\$2.90 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").



**DISTRICT  
CORRESPONDENCE**  
**Board Meeting of April 18, 2022**



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

1. 04/12/2022    The Honorable Salud Carbajal (CA-24)  
United States House of Representatives  
**Subject:** UCSB's FY23 Community Project Funding Request: Support Letter for Wastewater Surveillance

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

1. 04/11/2022    Department of Finance California  
**Subject:** Notification Letter–COVID-19 Fiscal Relief for Special Districts
2. 04/11/2022    County of Santa Barbara  
Supervisor Gregg Hart  
**Subject:** Support for Goleta Sanitary District's Community Project Funding Appropriations Request
3. 04/11/2022    California State Senate  
Senator Monique Limón  
Nineteenth Senate District  
**Subject:** Support for Community Project Funding Request for Goleta Sanitary District
4. 04/11/2022    UC Santa Barbara  
John Longbrake  
Associate Vice Chancellor, External Relations  
**Subject:** Support for Goleta Sanitary District's Community Project Funding Appropriations Request
5. 04/13/2022    Goleta West Sanitary District  
Brian McCarthy, General Manager  
**Subject:** Support for Goleta Sanitary District's Community Project Funding Appropriations Request
6. 04/13/2022    City of Santa Barbara, Santa Barbara Airport  
Brian D'Amour, Interim Airport Director  
**Subject:** Support for Goleta Sanitary District's Community Project Funding Appropriations Request
7. 04/12/2022    LAFCO  
**Subject:** Notice of Results for the Regular Special District Member Election

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