

**VALLEY SANITARY DISTRICT
BUDGET & FINANCE COMMITTEE MEETING MINUTES**
September 5, 2023

A regular meeting of the Valley Sanitary District (VSD) Budget & Finance Committee was held at 45-500 Van Buren Street in Indio, California, on Tuesday, September 5, 2023.

1. CALL TO ORDER

Chairperson Debra Canero called the meeting to order at 1:00 p.m.

2. ROLL CALL

Directors Present:

Chairperson Debra Canero

Committee Member Scott Sear

Staff Present:

Jason Dafforn, General Manager; Jeanette Juarez, Chief Administrative Officer; and Holly Gould, Clerk of the Board

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

The public comment on any item not appearing on the agenda. Please notify the Secretary before the meeting if you wish to speak on a non-hearing item.

None.

5. DISCUSSION / ACTION ITEMS

5.1 Approve Minutes for January 3, 2023, and May 2, 2023, Budget & Finance Committee

Committee Member Sear motioned to approve the minutes of the January 3, 2023, and May 2, 2023, Budget & Finance Committee Meeting. Chairperson Canero seconded the motion. The motion carried unanimously.

5.2 Discussion of Payoff Options for the CalPERS Unfunded Accrued Liability

Jeanette Juarez, Chief Administrative Officer, explained to the committee that the Unfunded Accrued Liability (UAL) is the difference between the accrued pension liability and the market value of assets within a pension plan; the shortfall between what an agency should have and what it has in its pension plan. Due to a significant investment loss in 2021/2022, the District's UAL projected balance is \$2,126,554. The interest rate is estimated at 7.389%. The CalPERS actuary, Kurt Schnieder, provided some potential repayment options for the Board of Directors to consider. The options include a 30-year, 15-year, 5-year, and 1-year UAL payoff. After

reviewing the four alternatives, the committee recommended Staff bring the 5-year option to the full board as an action item. The UAL is included in the Fiscal Year 2023/24 budget. There was a short discussion on short-term investments.

5.3 Update on the Audit for the year Ending June 30, 2023

Jeanette Juarez, Chief Administrative Officer, gave an update on the Fiscal Year 2023 audit. She stated that the auditors completed their onsite fieldwork on August 28 and are now preparing financials. The audit has gone very smoothly, and the auditors are preparing for their exit interview.

6. **ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 1:29 p.m. The next regular committee meeting will be on November 7, 2023.

Respectfully submitted,
Holly Gould, Clerk of the Board
Valley Sanitary District