



Santa Clara Valley Water District

File No.: 26-0208

Agenda Date: 3/24/2026

Item No.: 3.5.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive an Update on the Status of Santa Clara Valley Water's Pension and Other Post-Employment Benefits Unfunded Liabilities.

RECOMMENDATION:

- A. Receive information on the status of Santa Clara Valley Water District's Pension and other Post-Employment Benefit unfunded liabilities; and
- B. Provide direction to staff as necessary.

SUMMARY:

The purpose of this agenda memo is to provide a status of Santa Clara Valley Water District's (Valley Water) pension and Other Post-Employment Benefits (OPEB) unfunded liabilities, which are estimated at \$264 million and \$84.7 million respectively as of June 30, 2025.

Valley Water's OPEB Trust Fund continues to perform well. The investment return for FY 25 was 12.3%, which surpassed the targeted 6%. The status on OPEB's unfunded liability will be presented by Valley Water Chief Financial Officer, Darin Taylor. The OPEB Unfunded Liability PowerPoint presentation will be distributed as a supplemental agenda item and made available on March 20, 2026.

The unfunded pension liability is highly dependent on the investment returns of Valley Water's pension plan within the California Public Employees' Retirement System (CalPERS). With the assumption of a 6.8% average annual return, Valley Water's plan is projected to achieve a 100% funded level by FY 2036-37. Ira Summer, Retirement Program Advisor for TrueComp (formerly GovInvest Inc.), will present the status on pension unfunded liability, which will include information on CalPERS pension basics and a comparison of Valley Water's funded status versus other comparable agencies (See attachment 2).

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

There is no financial impact related to this agenda item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: PowerPoint, CalPERS Pension

UNCLASSIFIED MANAGER:

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