



Santa Clara Valley Water District

File No.: 26-0308

Agenda Date: 3/24/2026

Item No.: *3.5.

SUPPLEMENTAL 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.

REASON FOR SUPPLEMENTAL MEMORANDUM:

The OPEB Unfunded Liability PowerPoint presentation will be distributed as a supplemental agenda item and made available on March 20, 2026.

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 *\$108.9 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%. *However, the unfunded liability increased relative to the prior year as a result of changes that were included in the actuarial valuation (which is done every 2 years). The changes included baking in significant medical premium increases over the last 2 years and higher expected future medical premium increases.

ENVIRONMENTAL JUSTICE IMPACT:

No change from original memo.

FINANCIAL IMPACT:

No change from original memo.

CEQA:

No change from original memo.

ATTACHMENTS:

*Supplemental Attachment 1: PowerPoint, OPEB Unfunded Liability

UNCLASSIFIED MANAGER:

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