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POLICY TITLE: Public Agency Pension and Other Post-Employment Benefit Liability Management
POLICY NUMBER: 6230

COMMITTEE APPROVAL DATE: 09/09/2025 **WRITTEN/REVISED BY**:M. SUUA
BOARD APPROVAL DATE: 09/16/2025 **SUPERSEDES:** 11/15/2023

POLICY:

6230 It is the policy of the Beach Cities Health District's ("District") Board of Directors to maintain Board-level oversight of District expenditures and liabilities.

6230.1 It is the policy of the District to allow its employees to participate in the California Public Employees' Retirement System (CalPERS) providing Pension and Other Post-Employment Benefits (OPEB).

6230.3 It is the policy, per September 26, 2018 Resolution No. 546, to participate in the Public Agencies Post-Employment Benefits Trust administered by Public Agency Retirement Services (PARS) to off-set the District's CalPERS unfunded liabilities for the Pension and OPEB plans to the extent approved by the Board.

6230.4 It is the policy of the District Board of Directors to approve any changes to the investment strategy used in the two 115 Trusts set-up as Other Post-Employment Benefits Trust & Pension Rate Stabilization Program (PRSP).

Guidelines:

6230.5 Annually the District Chief Finance Officer (CFO) will review portfolio performance presented by PARS for the combination 115 Trusts accounts set-up as Other Post-Employment Benefits Trust & Pension Rate Stabilization Program (PRSP) effective January 2019.

6230.6 Annually the District Chief Finance Officer (CFO) will provide the Finance Committee an update of 115 Trusts accounts portfolio performance.

6230.7 Annually the District's audited financial statement results will be used to determine the net District Pension and OPEB liability after offsetting the 115 Trusts fund asset balances against the liability outstanding per actuary estimates.

6230.8 Annually, the District Chief Finance Officer (CFO), will recommend to the Finance Committee for review and recommend approval to the Board, possible investment strategy changes based on portfolio performance trends, changes in economic conditions, etc. if determined financially beneficial for the District.

6230.9 Annually for the upcoming budget year, the District Chief Finance Officer (CFO), will make a recommendation to the Finance Committee for the determination of the amount of 115 Trust funds to be disbursed and allocated towards the District annual pension and medical benefits costs. If changes to this strategy is necessary CFO will make a recommendation to the Finance Committee for review and recommend approval to the Board. The recommended change in strategy, additional funding to or distributions from (as allowed by law or express terms of the Trust Agreement) either of the 115 Trusts accounts is based on District's financial position and determined financially beneficial for the District.