

California Association for Park and Recreation Indemnity

Board of Directors

President, Michelle Lacy
Vice President, Jim Friedl
Secretary, Brandy Hosack

Directors

Director Lorena Cervantes
Director Natalie Wong
Director Colby Diuguid
Director Mathew Fuzie

FINANCE/PERSONNEL COMMITTEE MEETING

1:00 p.m. – Monday, November 2, 2026

CAPRI Office
1075 Creekside Ridge Drive
Suite 240
Roseville, CA 95678
(916) 722-5550

In addition to the physical address identified above, California Association for Park and Recreation Indemnity will be conducting this meeting via video and teleconference.

Zoom Meeting:

<https://us02web.zoom.us/j/85421582042?pwd=KPPK0tRfZhDK8AqUukBJYcoJ0NmdRV.1>

Meeting ID: 854 2158 2042

Passcode: 485756

In compliance with the Brown Act, this meeting is also being conducted by teleconference from:

403 W. Hillcrest Drive, Thousand Oaks, CA 91360

147 Gregory Lane, Pleasant Hill, CA 94523

1099 E St, Hayward, CA 94541

*Note: Agenda posting and meeting are done in accordance with Ralph M. Brown Act
Government Code § 54954.2 and 54953*

Agenda

Finance/Personnel Committee Meeting

November 2, 2026

1. CALL TO ORDER

2. PUBLIC COMMENTS

This time is reserved for members of the public to address the Board relative to matters of the CAPRI not on the agenda. No action may be taken on non-agenda items unless authorized by law.

If a member of the public desires to address the Board on any CAPRI-related item on the Agenda, you are requested to please complete a speaker form and turn it in to the Executive Director. Members of the public may also offer public comment by email. Emails must be submitted to mbreck@capri-jpa.gov no later than one hour prior to the start of the meeting. Please note, emailed public comments will be distributed to the Board and treated as a public comment.

3. DISCUSSION/ACTION ITEMS

3.1 CAPRI Employee Handbook Review - Benefits

- The Committee shall review and discuss the proposed revisions to the Health Plan benefits.

3.2 Section 115 Pension Trust

- The Committee shall review and discuss the potential establishment of a Pension Prefunding Trust pursuant to IRC Section 115.

3.3 CalPERS Contract Amendments

- The Committee shall review and discuss proposed amendments to the CalPERS contract.

4. CLOSED SESSION

Pursuant to Government Code Section 54957.1, the Board must report in open session any action taken, or lack thereof, taken in closed session.

4.1 Public Employee Evaluation – Performance Review Pursuant to Government Code § 54957

- Executive Director

5. REPORT FROM CLOSED SESSION

Pursuant to Government Code Section 54957.1, the Board must report in open session any action taken, or lack thereof, taken in closed session.

6. ANNOUNCEMENTS

The next CAPRI Board of Directors meeting will be held on November 12, 2026 in Livermore, CA.

7. ADJOURNMENT

Agenda Item 3.1

DISCUSSION/ACTION ITEMS

SUBJECT: CAPRI Employee Handbook Review - Benefits

BACKGROUND AND STATUS:

With health plan costs are on the rise and 2027 rates now available during open enrollment, Staff felt it prudent to review its employer-paid benefit allowances under section C. Insured, Employer-Paid Benefits, subsection 2. Health Plan. The revision is warranted to make CAPRI's overall benefit package more competitive to retain and recruit staff and ensure a diverse workforce.

With respect to this issue, the Employee Handbook currently provides:

1. Health Plan

CAPRI provides full-time employees with health insurance through one of two health plans provided through Golden State Risk Management Authority. *CAPRI pays the full cost of premium for full-time employees. Dependent insurance coverage is available at the employee's own expense.* An employee becomes eligible for health insurance on the first day of the month following the date of hire/re-hire and return of the enrollment form to the Executive Director. Details of coverage and rules are available in the summary plan description provided to the employee on the first day of employment and available thereafter through the Executive Director.

For reference, a summary of the published GSRMA health insurance premiums for 2027 are provided below. Staff will be prepared to discuss further at the Committee meeting.

AREA 6 - Sacramento Area: El Dorado, Placer, Sacramento Counties			
	Kaiser 20	HMO-20	
Employee	\$1,531	\$1,677	
Employee +1	\$3,028	\$3,361	
Employee +2 or more	\$3,921	\$4,367	

Relatedly, CAPRI maintains a Cash-In-Lieu of Benefits Policy, which provides a monthly cash payment to eligible employees who decline CAPRI's employer-paid health insurance coverage. To the extent any changes are made to the employer-paid health benefits, similar updates should be made to the cash-in-lieu benefit to more accurately reflect the cost savings to CAPRI.

RECOMMENDATION:

Recommend to the CAPRI Board of Directors that

1. the Health Plan policy within the Employee Handbook be revised such that CAPRI pay for the employee and a reasonable percentage of the cost of family health insurance (i.e. EE+1 or EE+2 or more).
2. the Cash-In-Lieu Policy amount be increased from \$500 to \$800 per month in lieu of enrolling in a CAPRI-sponsored health insurance plan.

FISCAL IMPACT:

- Impact is dependent upon direction of the Board and would be accounted for in the 2026-2027 budget cycle.

REFERENCE MATERIALS ATTACHED:

None

Agenda Item 3.2**DISCUSSION/ACTION ITEMS****SUBJECT: Section 115 Pension Trust**

BACKGROUND AND STATUS:

As part of its compensation package to staff, CAPRI provides a defined pension benefit through California Public Employees Retirement System ("CalPERS") Miscellaneous Plan, subject to certain age and service year limits. In its Annual Valuation Report as of June 30, 2025 (published in August 2026), CalPERS reported the CAPRI Miscellaneous Plan is at a 72.9% Funded Ratio with an estimated UAL balance of \$812,106.

In order to address both current and future pension obligations, Staff was requested to research Section 115 Trusts in order to proactively manage pension costs. For reference, a Section 115 Trust allows an agency to invest and maintain control over its assets, providing flexibility in contributions and withdrawals for CalPERS payments.

Another available Section 115 Trust alternative for prefunding pension benefits is a "CEPPT." In 2018, the California Legislature passed Senate Bill 1413 which provided for California Employers' Pension Prefunding Trust ("CEPPT") fund that allows public employers to prefund their future pension costs and also reduce their net pension liability.

At the Committee Meeting, Staff will be prepared to review establishment of a Section 115 Trust and trust management options for Committee comment and discussion.

RECOMMENDATION:

Provide Staff with direction with respect to the establishment of a Section 115 Trust.

FISCAL IMPACT:

- Potential savings dependent upon investment earnings and savings on net pension liability.

REFERENCE MATERIALS ATTACHED:

None.

Agenda Item 3.3**DISCUSSION/ACTION ITEMS****SUBJECT: CalPERS Contract Amendment**

BACKGROUND AND STATUS:

As referenced in the previous item, CAPRI provides a defined pension benefit through California Public Employees Retirement System ("CalPERS") Miscellaneous Plan. CAPRI's participation in CalPERS dates back to 1991 and its contract with CalPERS was last amended in 2004.

Since that time, significant pension reform was adopted through the Public Employees' Pension Reform act of 2013 ("PEPRA"). This included reduced benefit formulas and increased retirement ages for new CalPERS members. Although PEPRA's requirements have been implemented pursuant to California law, many agencies' formal contracts do not yet reference these critical statutory changes.

Recently, CalPERS staff approached CAPRI regarding proposed amendments to the contract in order to ensure it aligns with the changes under PEPRA. Attached hereto please find the redline contract and proposed amendments as prepared by CalPERS. Staff will be prepared to further discuss the revisions and the CalPERS contract amendment process at the meeting.

RECOMMENDATION:

Recommend to the CAPRI Board that approve the proposed amendments to the CalPERS contract be adopted and that Staff prepare a draft resolution for Board consideration.

FISCAL IMPACT:

- None.

REFERENCE MATERIALS ATTACHED:

- 2004 CalPERS Amended Contract redline
- Draft CalPERS Contract Amendment



California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Directors
California Association for Park and Recreation
Insurance

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective October 1, 1991, and witnessed October 1, 1991, and as amended effective April 1, 2001 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 10 are hereby stricken from said contract as executed effective April 1, 2001, and hereby replaced by the following paragraphs numbered 1 through 11 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members.

classic

and age 62 for new local
miscellaneous members

2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1991, making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:

a. Employees other than local safety members (herein referred to as local miscellaneous members).

4. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

a. **MEMBERS OF THE GOVERNING BODY; AND**

b. **SAFETY EMPLOYEES.**

5. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment before and not on or after ~~the effective date of this amendment to contract~~ shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).

September 1, 2004,

6. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment on or after ~~the effective date of this amendment to contract~~ shall be determined in accordance with Section 21354.4 of said Retirement Law (2.5% at age 55 Full).

September 1, 2004,

7. Public Agency elected and elects to be subject to the following optional provisions:

a. Section 20042 (One-Year Final Compensation). for classic members only.

b. Section 20965 (Credit for Unused Sick Leave).

8. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.

Extra paragraph explaining the PEPRA 2% at 62 retirement formula.

Extra paragraph explaining the PEPRA 2% at 62 retirement

9. Public Agency shall also contribute to said Retirement System as follows:
- a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
10. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
11. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the 1st day of September, 2004.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

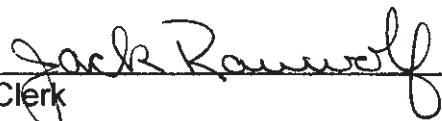
BY 
KENNETH W. MARZION, CHIEF
ACTUARIAL & EMPLOYER SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS
CALIFORNIA ASSOCIATION FOR
PARK AND RECREATION INSURANCE

BY 
PATRICIA R. LAWRENCE, PRESIDENT
PRESIDING OFFICER

August 30, 2004
Witness Date

Attest:


Clerk



EXHIBIT

**AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
BOARD OF DIRECTORS
CALIFORNIA ASSOCIATION FOR PARK AND RECREATION INDEMNITY**

The Board of Administration, Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective October 1, 1991, and witnessed October 1, 1991, and as amended effective April 1, 2001, and September 1, 2004, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 11 are hereby stricken from said contract as executed effective April 1, 2001, and September 1, 2004, and hereby replaced by the following paragraphs numbered 1 through 13 inclusive:
 - 1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. Normal retirement age" shall mean age 55 for classic local miscellaneous members and age 62 for new local miscellaneous members.
 - 2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1991, making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
 - a. Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - b. Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
 - c. Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Employees other than local safety members (herein referred to as local miscellaneous members).
5. Any exclusion(s) shall remain in effect until such time as the Public Employees' Retirement System determines that continuing said exclusion(s) would risk a finding of non-compliance with any federal tax laws or regulations. If such a determination is contemplated, the Public Employees' Retirement System will meet with the Public Agency to discuss the matter and coordinate any required changes or amendments to the contract.

In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

a. SAFETY EMPLOYEES; AND

b. MEMBERS OF THE GOVERNING BODY.

6. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment before and not on or after September 1, 2004 shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment on or after September 1, 2004 shall be determined in accordance with Section 21354.4 of said Retirement Law (2.5% at age 55 Full).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
9. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20042 (One-Year Final Compensation) for classic members only.
 - b. Section 20965 (Credit for Unused Sick Leave).
10. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.
11. Public Agency shall also contribute to said Retirement System as follows:
 - a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

12. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
13. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
MELODY BENAVIDES, CHIEF
PENSION CONTRACTS & PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS
CALIFORNIA ASSOCIATION FOR PARK
AND RECREATION INDEMNITY

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk