



**GASB Statement No. 75**

**Actuarial Valuation Report – Retiree Health Insurance Program  
Tamalpais Union High School District**

*Valuation Date:* June 30, 2021

*Measurement Date:* June 30, 2021

June 15, 2022



June 15, 2022

Corbett Elsen  
Chief Financial Officer  
Tamalpais Union High School District  
P.O. Box 605  
Larkspur, CA 94977

Re: Tamalpais Union High School District ("District") GASB 75 Valuation

Dear Corbett:

This report sets forth the results of our GASB 75 actuarial valuation of the District's retiree health insurance program as of June 30, 2021.

In June 2004, the Governmental Accounting Standards Board (GASB) issued its accrual accounting standards for retiree healthcare benefits, GASB 43 and GASB 45. GASB 43/45 require public employers such as the District to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to pre-fund these liabilities. In June 2015, GASB released new accounting standards for postretirement benefit programs, GASB 74 and GASB 75, which replace GASB 43 and GASB 45, respectively.

The District selected DFA, LLC (DFA) to perform an actuarial valuation of the retiree health insurance program as of June 30, 2021. This report may be compared with the valuation performed by DFA as of June 30, 2019, to see how the liabilities have changed since the last valuation.

#### **Basis for Actuarial Valuation**

To perform the valuation, we relied on the following information provided by the District:

- Census data for active employees and retirees
- Claims, premium, expense, and enrollment data
- Copies of relevant sections of healthcare documents, and
- (If applicable) trust statements prepared by the trustee

We also made certain assumptions regarding rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest rates. Our assumptions are based on a standard set of assumptions used for similar valuations, modified as appropriate for the District. A complete description of the actuarial assumptions used in the valuation is set forth in the Actuarial Assumptions section.

**Certification**

The actuarial certification, including a caveat regarding limitations of scope, if any, is contained in the Actuarial Certification section.

We have enjoyed working with the District on this project and are available to answer any questions you may have concerning any information contained herein.

**Disclosure of Risk**

Considering recent events, it is important to call attention to the external risk factors associated with actuarial projections. An event like the COVID-19 pandemic has the potential to affect future measurements that would deviate from current long-term expectations. The following is a list of specific factors that impact OPEB liabilities:

- Census – retirement, turnover, and mortality experience different than expected.
- Medical coverage – premiums, participation, and level of coverage different than expected.
- Municipal bond rates – changes in applicable rates (rates are currently declining and may result in increased liabilities). Under GASB 75, the municipal rate may affect the discount rate. The quantitative effect of changes in the discount rate can be seen in the sensitivity results.
- Investment performance – (for funded plans) investment performance different than the long-term expected return. Investment performance may also affect the discount rate.

The current environment’s impact on these factors will continue to unfold. We are available to discuss both short-term and long-term impact upon request.

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Sincerely,  
DFA, LLC



Carlos Diaz, ASA, EA, MAAA  
Actuary

## Financial Results

In this section, we present financial results based on a long-term expected return on plan investments of 7.25%. This rate is based on our best estimate of expected long-term plan experience for funded plans such as the District's. The results are intended to help (1) in comparing financial results from the previous valuation and (2) in long-term budget and strategic planning (without regard to short-term volatility in municipal bond indices). Results specific to GASB 75 reporting are presented in the next section.

We have determined that the present value of all benefits expected to be paid by the District for its current and future retirees is \$11,642,634 as of June 30, 2021. If the District were to place this amount in a fund earning interest at the rate of 7.25% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected benefits.



When we apportion the \$11,642,634 into past service and future service components under the Entry Age, Level Percent of Pay Cost Method, the Total OPEB Liability is \$8,400,473 as of June 30, 2021. This represents the present value of all benefits accrued through the valuation date if each employee's liability is expensed from hire date until retirement date as a level percentage of pay. The \$8,400,473 is comprised of liabilities of \$6,074,082 for active employees and \$2,326,391 for retirees

The District has adopted an irrevocable trust for the pre-funding of retiree healthcare benefits. As of June 30, 2021, the trust balance, or Plan Fiduciary's Net Position (GASB 75) is \$6,370,304.

The Net OPEB Liability (Asset), equal to the Total OPEB Liability over the Plan Fiduciary's Net Position, is \$2,030,169.

This valuation includes benefits for 37 retirees and 488 active employees who may become eligible to retire and receive benefits in the future. It excludes employees hired after the valuation date.

## Financial Results (continued)

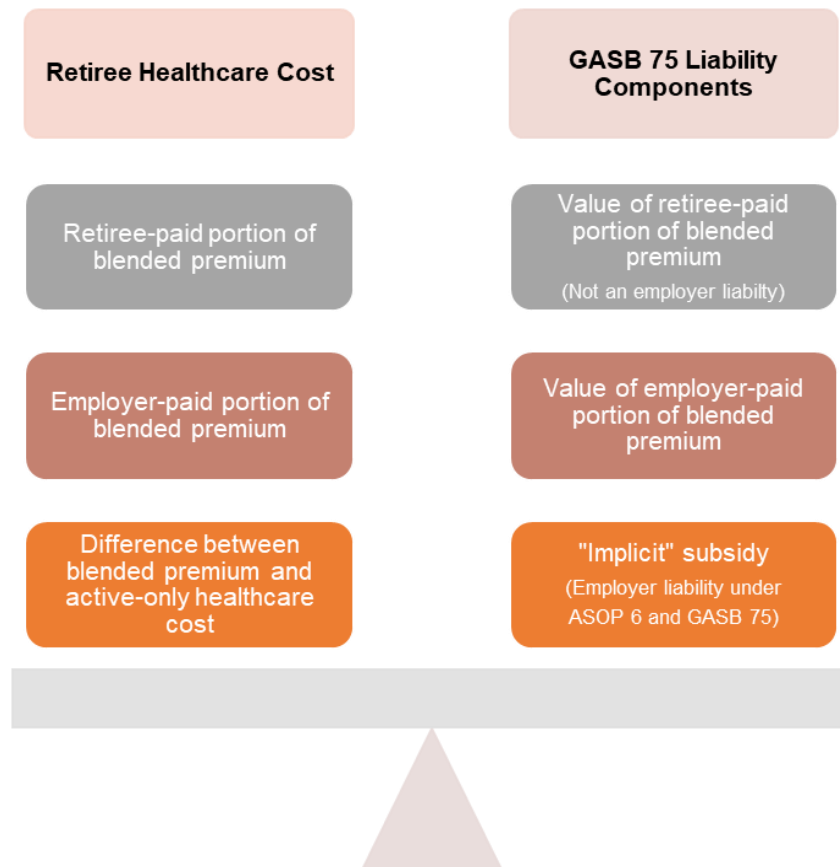
### ASOP 6 – Age-Specific Costs and Implicit Subsidy

The valuation reflects the value of an implicit subsidy equal to \$1,462,839.

The implicit subsidy represents the value of age-specific claims over average premiums. To determine age-specific claims, we used an age-specific claim cost matrix fitted to the average early retiree premium charged by the District.

Actuarial Standard of Practice No. 6 (ASOP 6) provides guidance in measuring OPEB obligations and determining periodic costs or actuarially determined contributions. The standard specifies that in (almost all instances), the actuary should use age-specific costs in the development of the initial per capita costs and in the projection of future benefit plan costs.

When claims experience of both active employees and retirees are pooled in determining healthcare premiums, a retiree may pay an amount based on a blended pool of members that, on average, is younger and healthier. In a pooled environment, retiree claims are covered by premiums charged to the retiree plus an added cost included in active premiums. Blended premium charged represents an “explicit” cost, while the added cost represents an “implicit” cost.



## Financial Results (continued)

### Differences from Prior Valuation

The most recent prior valuation was completed as of June 30, 2019 by DFA. The Total OPEB Liability as of that date was \$9,001,848, compared to \$8,400,473 as of June 30, 2021 (determined using a discount rate of 7.25%).

Several factors have caused the Total OPEB Liability to change since 2019:

- An increase as employees accrue more service and get closer to receiving benefits.
- A decrease from a release of benefits.
- Changes in the plan census from new employees and differences between actual and expected retirement, terminations, and deaths.
- Changes in healthcare costs from differences between actual and expected healthcare trend; and
- Changes in actuarial assumptions and methodology for the current valuation.

To summarize, the most important changes were as follows:

1. An increase of \$191,015 from the passage of time (service and interest costs less benefits paid).
2. A decrease of \$323,815 resulting from population experience (terminations, retirements, and mortality) different than expected.
3. A decrease of \$159,047 from changes in healthcare premiums different than expected.
4. A decrease of \$399,370 from changes in the healthcare trend rate.
5. An increase of \$89,842 from an update in the mortality assumption.

These changes from June 30, 2019 to June 30, 2021 are combined as follows:

Total OPEB Liability as of June 30, 2019	\$9,001,848
Passage of time	191,015
Difference between expected/actual experience	(482,862)
Changes in assumptions or other inputs	(309,528)
Changes in plan provisions	0
Total OPEB Liability as of June 30, 2021	\$8,400,473

## GASB 75 Results

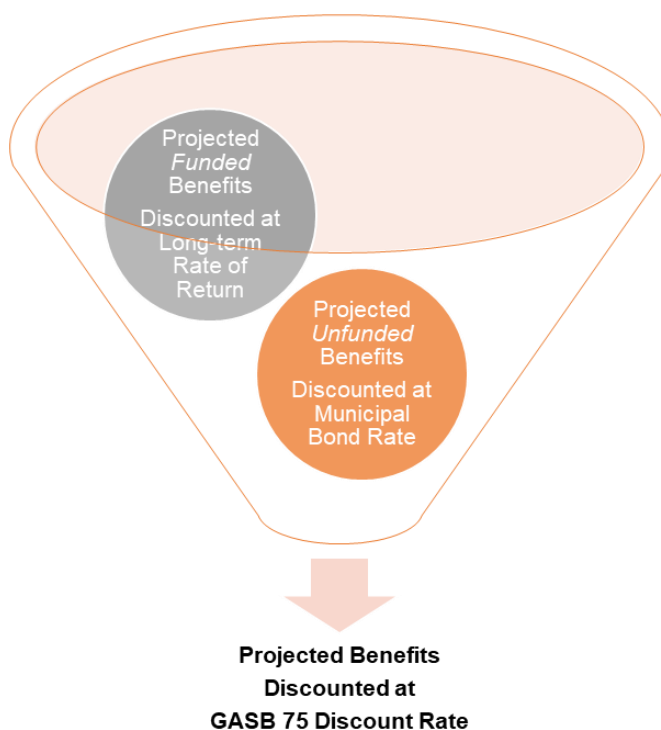
For financial reporting purposes, GASB 75 requires a discount rate that reflects the following:

- a. The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan’s fiduciary net position is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return.
- b. A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

The amount of the plan’s projected fiduciary net position and the amount of projected benefit payments should be compared in each period of projected benefit payments.

Based on these requirements and the following information, we have determined a discount rate of 7.25% for GASB 75 reporting purposes:

Long-Term Expected Return on Assets	7.25%
Fidelity General Obligations AA - 20 Years Index on June 30, 2021	1.92%
GASB 75 Discount Rate	7.25%



## GASB 75 Results (continued)

### Tamalpais Union High School District Net OPEB Liabilities and Expense Under GASB 75 Accrual Accounting Standard

	June 30, 2021 <sup>1</sup>		
	Long-Term Return	Municipal Bond Index	GASB 75 Rate
Discount Rate	7.25%	1.92%	7.25%
Present Value of Future Benefits			
Active	\$9,316,243	\$19,733,779	\$9,316,243
Retired	2,326,391	2,562,493	2,326,391
Total	\$11,642,634	\$22,296,272	\$11,642,634
Total OPEB Liability (Actuarial Liability)			
Active	\$6,074,082	\$9,197,511	\$6,074,082
Retired	2,326,391	2,562,493	2,326,391
Total	\$8,400,473	\$11,760,004	\$8,400,473
Plan Fiduciary Net Position (Plan Assets)	\$6,370,304	\$6,370,304	\$6,370,304
Net OPEB Liability (Unfunded Actuarial Liability)	\$2,030,169	\$5,389,700	\$2,030,169
Sensitivity Analysis			
1% Decrease in Discount Rate	6.25%	0.92%	6.25%
Net OPEB Liability	\$2,559,559	\$6,163,698	\$2,559,559
1% Increase in Discount Rate	8.25%	2.92%	8.25%
Net OPEB Liability	\$1,544,247	\$4,658,270	\$1,544,247
1% Decrease in Trend Rate <sup>2</sup>			
Net OPEB Liability	\$1,432,377	\$4,331,788	\$1,432,377
1% Increase in Trend Rate <sup>3</sup>			
Net OPEB Liability	\$2,710,194	\$6,621,055	\$2,710,194

<sup>1</sup> For the District's financial statements, DFA will provide separate schedules with supplemental GASB 75 information.

<sup>2</sup> 4.00% for 2021-2023, 4.20% for 2024-2069, and 3.00% for 2070 and later years; Medicare ages: 3.00% for all years.

<sup>3</sup> 6.00% for 2021-2023, 6.20% for 2024-2069, and 5.00% for 2070 and later years; Medicare ages: 5.00% for all years.



## GASB 75 Results (continued)

### Net OPEB Expense

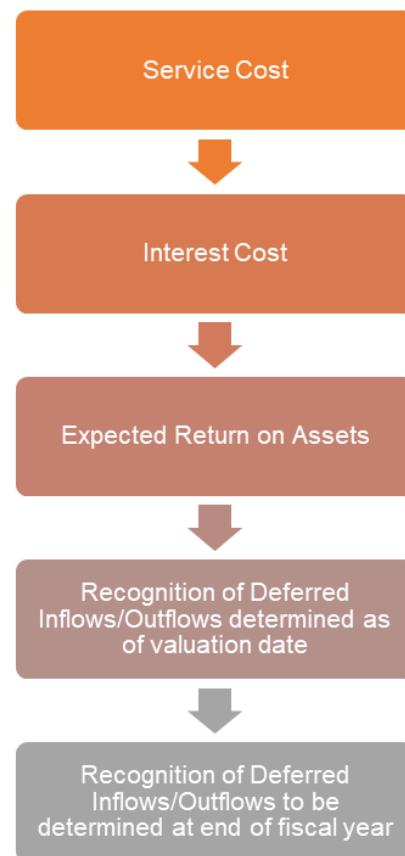
We have determined the following components of the District's Net OPEB Expense for the measurement year ending June 30, 2022: Service Cost, Interest Cost, Expected Return on Assets, and Deferred Outflows and Inflows (determined as of the valuation date).

- Service Cost represents the present value of benefits accruing in the current year.
- Interest Cost represents the interest on the Total OPEB Obligation and interest on the Service Cost.
- Expected Return on Assets is the expected return based on a 7.25% investment rate of return.
- Deferred Outflows and Inflows of Resources (determined as of the valuation date) are changes in the Net OPEB Liability resulting from differences between projected and actual plan experience, from differences between projected and actual OPEB plan investments, and from changes in assumptions.

The Net OPEB Expense will reflect additional Deferred Outflows and Inflows that will be determined based on the Net OPEB Obligation as of June 30, 2022.

We summarize results in the table on the next page. For comparative purposes, we provide service cost and interest cost at three discount rates (the expected return on assets, the municipal bond index, and the GASB 75 rate, discussed above). We determine Deferred Outflows and Inflows solely on the applicable GASB 75 rate. All amounts are net of expected future retiree contributions, if any.

DFA will be available to assist the District and its auditors in preparing the footnotes and required supplemental information for compliance with GASB 75 (and GASB 74, if applicable). In the meantime, we are available to answer any questions the District may have concerning the report.



## **GASB 75 Results (continued)**

### **Actuarially Determined Contribution and Pay-As-You-Go with Implied Subsidy**

We have calculated an actuarially determined contribution representing the Service Cost and a 30-year amortization (as a level percent of pay) of the Net OPEB Liability. We include the results in the table on the next page. We provide results at three discount rates (the expected long-term expected return on assets, the municipal bond index, and the GASB 75 rate).

An actuarially determined contribution is a potential payment to the plan determined using a contribution allocation procedure. It is not a required contribution, but a measurement commonly used to prefund OPEB benefits. We provide the amounts for illustrative purposes.

The actuarially determined contribution may be compared to the pay-as-you-go payment. The table shows the pay-as-you-go payment along with the projected implied subsidy payment.

The Funding Schedules section provides additional prefunding alternatives.

## GASB 75 Results (continued)

### Tamalpais Union High School District Net OPEB Liabilities and Expense Under GASB 75 Accrual Accounting Standard

	July 1, 2021		
	Long-Term Return	Municipal Bond Index	GASB 75 Rate
Discount Rate	7.25%	1.92%	7.25%
Components of Net OPEB Expense for 2021-22			
Service Cost (beginning of year)	\$411,115	\$886,359	\$411,115
Interest Cost	605,714	233,924	605,714
Expected Return on Assets	(461,847)	(461,847)	(461,847)
Total <sup>4</sup>	\$554,982	\$658,436	\$554,982
Actuarially Determined Contribution for 2021-22			
Service Cost (mid-year)	\$425,757	\$894,828	\$425,757
Amortization of Net OPEB Liability <sup>5</sup>	118,564	155,020	118,564
Total <sup>6,7</sup>	\$544,321	\$1,049,848	\$544,321
Pay-As-You-Go Payment with Implied Subsidy for 2021-22			
Projected Pay-As-You-Go	\$768,104	\$768,104	\$768,104
Projected Implied Subsidy	161,993	161,993	161,993
Total	\$930,097	\$930,097	\$930,097

<sup>4</sup> Additional components are shown on the following pages. Deferred Outflows/Inflows of Resources will also include changes determined based on the Total OPEB Obligation and Plan Fiduciary Net Position as June 30, 2022.

<sup>5</sup> 30-year amortization (as a level percent of pay).

<sup>6</sup> Estimated Actuarially Determined Contribution for subsequent year:

	Long-Term Return	Municipal Bond Index	GASB 75 Rate
Actuarially Determined Contribution for 2022-23 <sup>7</sup>	\$560,651	\$1,081,344	\$560,651

<sup>7</sup> Total includes any adjustment for implicit subsidy. Adjustment for implicit subsidy would equal District-paid premiums on behalf of retirees (from trust and non-trust) multiplied by a factor of 0.2109.

## GASB 75 Results (continued)

### Schedule of Changes in Net OPEB Liability (July 1, 2020 to June 30, 2021)

1. Total OPEB Liability	
a. Total OPEB Liability on July 1, 2020 <sup>8</sup>	\$9,064,224
b. Service Cost <sup>9</sup>	410,028
c. Interest Cost	654,207
d. Benefit Payments <sup>10</sup>	(917,455)
e. Changes in plan provisions <sup>11</sup>	0
f. Difference between expected and actual experience <sup>12</sup>	(501,003)
g. Changes in assumptions and other inputs <sup>12</sup>	(309,528)
h. Total OPEB Liability on June 30, 2021	\$8,400,473
2. Plan Fiduciary Net Position	
a. Plan Fiduciary Net Position on July 1, 2020 <sup>8</sup>	\$5,020,698
b. Contributions <sup>10</sup>	841,469
c. Expected Investment Income	361,094
d. Benefit Payments <sup>10</sup>	(917,455)
e. Net Transfers	0
f. Difference between actual and expected return on assets <sup>12</sup>	1,064,498
g. Plan Fiduciary Net Position on June 30, 2021	\$6,370,304
3. Net OPEB Liability: (1h) - (2f)	\$2,030,169
4. Discount Rate	
a. July 1, 2020	7.25%
b. June 30, 2021	7.25%

<sup>8</sup> From June 30, 2021 disclosure report, based on the June 30, 2019 actuarial valuation.

<sup>9</sup> Discounted from June 30, 2021 valuation.

<sup>10</sup> Includes credit toward implicit subsidy (if applicable).

<sup>11</sup> Included in OPEB Expense.

<sup>12</sup> Deferred (Outflow)/Inflow of Resources established as of June 30, 2021.

## GASB 75 Results (continued)

### Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Type	Initial Amount	Date Established	Period (Years)	Annual Recognition <sup>13</sup>
Difference between expected/actual experience	0	06/30/2017	0.0	0
Difference between expected/actual return on assets	(139,584)	06/30/2017	5.0	(27,916)
Changes in assumptions or other inputs	0	06/30/2017	0.0	0
Difference between expected/actual experience	0	06/30/2018	0.0	0
Difference between expected/actual return on assets	(30,692)	06/30/2018	5.0	(6,138)
Changes in assumptions or other inputs	0	06/30/2018	0.0	0
Difference between expected/actual experience	1,692,194	06/30/2019	7.5	225,626
Difference between expected/actual return on assets	29,282	06/30/2019	5.0	5,856
Changes in assumptions or other inputs	262,597	06/30/2019	7.5	35,013
Difference between expected/actual experience	0	06/30/2020	0.0	0
Difference between expected/actual return on assets	167,128	06/30/2020	5.0	33,426
Changes in assumptions or other inputs	0	06/30/2020	0.0	0
Difference between expected/actual experience	(501,003)	06/30/2021	7.8	(64,231)
Difference between expected/actual return on assets	(1,064,498)	06/30/2021	5.0	(212,900)
Changes in assumptions or other inputs	(309,528)	06/30/2021	7.8	(39,683)
			<i>Total</i>	<i>(50,947)</i>

<sup>13</sup> Charge/(Credit) included in OPEB Expense.

## Funding Schedules

There are many ways to approach the pre-funding of retiree healthcare benefits. In the sections above, we determined the annual expense for all District-paid benefits. The expense is an orderly methodology, developed by the GASB, to account for retiree healthcare benefits. However, the GASB 75 expense has no direct relation to amounts the District may set aside to pre-fund healthcare benefits.

The table on the next page provides the District with three alternative schedules for funding (as contrasted with expensing) retiree healthcare benefits. The schedules all assume that the retiree fund earns, or is otherwise credited with, 7.25% per annum on its investments, a starting Trust value of \$6,370,304 as of June 30, 2021, and that contributions and benefits are paid mid-year.

The schedules are:

1. A level contribution amount for the next 20 years.
2. A level percent of the Unfunded Accrued Liability.
3. A constant percentage (3.00%) increase for the next 20 years.

We provide these funding schedules to give the District a sense of the various alternatives available to it to pre-fund its retiree healthcare obligation. The three funding schedules are simply three different examples of how the District may choose to spread its costs.

By comparing the schedules, you can see the effect that early pre-funding has on the total amount the District will eventually have to pay. Because of investment earnings on fund assets, the earlier contributions are made, the less the District will have to pay in the long run. Of course, the advantages of pre-funding will have to be weighed against other uses of the money.

The table on the following page shows the required annual outlay under the pay-as-you-go method and each of the above schedules. **The three funding schedules include the "pay-as-you-go" costs; therefore, the amount of pre-funding is the excess over the "pay-as-you-go" amount.**

### Treatment of Implicit Subsidy

We exclude any implicit subsidy from these funding schedules because we do not recommend that the District pre-fund for the full age-adjusted costs reflected in the liabilities shown in the first section of this report. If the District's premium structure changes in the future to explicitly charge under-age 65 retirees for the full actuarial cost of their benefits, this change will be offset by a lowering of the active employee rates (all else remaining equal), resulting in a direct reduction in District operating expenses on behalf of active employees from that point forward. For this reason, among others, we believe that pre-funding of the full GASB liability would be redundant.

## Funding Schedules (continued)

**Sample Funding Schedules (Closed Group)  
Starting Trust Value of \$6,370,304 as of June 30, 2021**

<b>Year Beginning</b>	<b>Pay-as-you-go</b>	<b>Level Contribution for 20 years</b>	<b>Level % of Unfunded Liability</b>	<b>Constant Percentage Increase for 20 years</b>
2021	\$768,104	\$317,758	\$218,989	\$253,054
2022	731,898	317,758	264,910	260,645
2023	673,727	317,758	289,219	268,464
2024	623,731	317,758	296,942	276,518
2025	624,920	317,758	294,892	284,814
2026	659,370	317,758	291,930	293,358
2027	715,726	317,758	291,635	302,159
2028	750,760	317,758	294,924	311,224
2029	777,479	317,758	298,135	320,561
2030	922,254	317,758	300,218	330,177
2031	990,607	317,758	311,507	340,083
2032	976,442	317,758	321,238	350,285
2033	930,992	317,758	322,582	360,794
2034	772,840	317,758	315,908	371,618
2035	771,793	317,758	295,770	382,766
2036	814,325	317,758	279,210	394,249
2037	803,518	317,758	268,010	406,077
2038	880,580	317,758	256,474	418,259
2039	841,928	317,758	250,255	430,807
2040	775,051	317,758	239,935	443,731
2041	780,898	0	225,531	0
2042	752,862	0	212,812	0
2043	736,634	0	199,382	0
2044	702,089	0	186,214	0
2045	669,459	0	172,476	0
2046	792,388	0	158,668	0
2047	679,766	0	151,046	0
2048	648,998	0	137,976	0
2049	602,154	0	124,840	0
2050	580,903	0	111,373	0
2055	265,766	0	50,306	0
2060	95,553	0	11,550	0
2065	4,349	0	4,349	0
2070	0	0	0	0
2075	0	0	0	0
2080	0	0	0	0
2085	0	0	0	0

Note to auditor: when calculating the employer OPEB contribution for the year ending on the statement date, we recommend multiplying the actual District-paid premiums on behalf of retirees by a factor of 1.2109 to adjust for the implicit subsidy.

## Funding Schedules (continued)

The table below provides an alternative comparison of the funding schedules. The present value (or time-value) of payments for each alternative is \$3,415,606 and is equal to the excess of the present value of projected pay-as-you-go payments over any current trust/fund.

The difference between the sum of the contributions and the present value of contributions is the total interest cost associated with each alternative. As discussed above, the advantages of pre-funding should be weighed against other financial considerations.

	<b>Pay-as-you-go</b>	<b>Level Contribution for 20 years</b>	<b>Level % of Unfunded Liability</b>	<b>Constant Percentage Increase</b>
Present value of contributions <sup>a</sup>	\$3,415,606	\$3,415,606	\$3,415,606	\$3,415,606
Total interest cost	12,274,607	2,939,554	4,484,613	3,384,037
Total contributions <sup>b</sup>	15,690,213	6,355,160	7,900,219	6,799,643

<sup>a</sup> Based on a discount rate of 7.25%.

<sup>b</sup> Reflects no prefunding of implicit subsidy.



## Plan Provisions

This report analyzes the health and welfare benefit plans of the District including medical, prescription drug, dental and vision insurance. The medical plans include two Blue Shield PPO options for employees and retirees, and Kaiser HMO. For the Blue Shield PPO options, prescription drug coverage is carved out and provided through one of two Navitus Drug Card plans ("7-25" and "9-35"). Delta Dental and VSP vision insurance are also offered to both active employees and retirees of the District. All coverages are self-insured on a pooled basis or otherwise provided through the Self-Insured Schools of California (SISC) for medical and prescription drug coverages, the Marin Schools Insurance Authority (MSIA) for dental and vision coverages, and MetLife for life insurance coverage.

### **Eligibility for District-paid Benefits**

Classified employees who have attained age 50 and completed 15 years of District service by June 30, 2016 are eligible to retire and receive District-paid health benefits after attaining age 55. Classified employees who do not meet those requirements are eligible to retire and receive District-paid health benefits after attaining age 60 and completing at least 10 years of District service. The District pays 100% of the medical, dental and vision premiums for an eligible retiree and dependents until age 65, subject to an annual cap of the composite rates for Kaiser HMO, dental and vision coverages. Classified retirees who were hired after May 28, 2019, are subject to an annual cap of \$20,000. The retiree may purchase coverage in excess of the cap by self-paying the extra premium. Retired employees with full-time equivalency (FTE) of at least 50% but less than 62.5% may receive 50% of the cap, and those with an FTE of at least 62.5% but less than 75% may receive 75% of the cap. Retired employees with FTE less than 50% are not eligible.

Certificated employees retiring after the 2011-12 school year who have attained age 60 and completed 10 years of District service (5 years if hired prior to January 18, 2000), and who have met the eligibility requirements to retire under CalPERS or CalSTRS, as applicable, are eligible to retire and receive District-paid health benefits. The District pays 100% of the medical, dental and vision premiums for an eligible retiree and dependents until age 65, subject to an annual cap of the composite rates for Kaiser HMO, dental and vision coverages. Certificated retirees who were hired on or after July 1, 2019, are subject to an annual cap of \$20,000. The retiree may purchase coverage in excess of the cap by self-paying the extra premium. Retired employees with full-time equivalency (FTE) of at least 60% may receive 100% of the cap. Those with an FTE of less than 60% are subject to a pro-rated cap.

We assumed for valuation purposes that Certificated Management and Confidential employees will be eligible for retiree health benefits according to the bargaining unit with which they are associated. Board Members are not entitled to District-paid retiree health benefits.

## Plan Provisions (continued)

The following table summarizes selected monthly premiums for retirees and active employees (for comparison purposes). These rates went into effect as of October 1, 2021:

Medical/Rx (SISC)	BS 100-A \$20 Rx 7-25	BS 80-G \$30 Rx 9-35	Kaiser \$20 OV \$10-20 Rx
Retiree <65 Single	\$1,492.00	\$1,175.00	\$1,091.00
Retiree < 65 2-Party	2,097.00	1,656.00	1,538.00
Retiree < 65 Family	2,666.00	2,106.00	2,040.00
Active Composite Rate	2,109.00	1,667.00	1,549.00

Dental & Vision (MSIA)	Delta Dental	VSP
Retiree Composite	\$137.52	\$28.93
Active Composite Rate	137.52	28.93

## Valuation Data

### Retiree Census - Age distribution of retirees included in the valuation

Age	Total
Under 55	0
55-59	3
60-64	34
65-69	0
70-74	0
75-79	0
80-84	0
85+	0
All Ages	37
Average Age	62.2

### Active Census - Age/service distribution of active employees included in the valuation

Age	Years of Service								Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	
<25	9	0	0	0	0	0	0	0	9
25-29	19	2	0	0	0	0	0	0	21
30-34	33	17	0	0	0	0	0	0	50
35-39	29	25	9	2	0	0	0	0	65
40-44	24	16	13	7	2	0	0	0	62
45-49	14	17	9	18	8	0	0	0	66
50-54	23	10	3	19	24	4	0	0	83
55-59	18	10	12	10	13	7	4	0	74
60-64	10	5	9	8	7	5	0	0	44
65+	6	1	1	2	2	2	0	0	14
All Ages	185	103	56	66	56	18	4	0	488

Average Age: 47.2  
 Average Service: 10.3

## Actuarial Assumptions

The liabilities set forth in this report are based on the actuarial assumptions described in this section.

Valuation Date: June 30, 2021

Actuarial Cost Method: Entry Age, Level Percent of Pay

Discount Rate:

Long-term Expected Return	7.25%
Municipal Bond Index	1.92%
GASB 75	7.25%

Salary Increases: 3.00%

Withdrawal: Crocker-Sarason Table T5 less mortality, increased by 40% at all ages.  
Sample Rates:

Age	Rate
25	9.3%
35	7.5
45	4.8
55	1.1

Pre-retirement Mortality:

Certificated Mortality Rates for active employees from CalSTRS Experience Analysis (2015-2018).

Classified Preretirement Mortality Rates from CalPERS Experience Study (2000-2019).

Postretirement Mortality:

Certificated Mortality Rates for retired members and beneficiaries from CalSTRS Experience Analysis (2015-2018).

Classified Post-retirement Mortality Rates for Healthy Recipients from CalPERS Experience Study (2000-2019).

Retirement:

Age	Rate
55	10.0%
56	12.0%
57	14.0%
58	16.0%
59	18.0%
60	20.0%
61	22.0%
62	23.0%
63	24.0%
64	25.0%
65	100.0%

## Actuarial Assumptions (continued)

Medical Claim Cost: Annual Per Retiree or Spouse

Age	Medical	Dental and Vision
50	\$10,011	\$1,997
55	11,606	1,997
60	13,454	1,997
64	15,143	1,997
65	3,847	1,997
70	4,144	1,997
75	4,464	1,997

Percent Electing Coverage: 100%

Spouse Coverage: Future retirees: 50%  
 Current retirees: Actual dependent data used.  
 Female spouses are assumed to be three years younger than male spouses.

Medical Trend:

Year	Pre-Medicare	Medicare	Dental and Vision
2021-2023	5.00%	4.00%	4.00%
2024-2069	5.20%	4.00%	4.00%
2070+	4.00%	4.00%	4.00%

Increase in District Cap: Assumed frozen for all future years.

## Actuarial Certification

The results set forth in this report are based on our actuarial valuation of the health and welfare benefit plans of the Tamalpais Union High School District ("District") as of June 30, 2021.

The valuation was performed in accordance with generally accepted actuarial principles and practices. We relied on census data for active employees and retirees provided to us by the District. We also made use of claims, premium, expense, and enrollment data, and copies of relevant sections of healthcare documents provided to us by the District, and (when applicable) trust statements prepared by the trustee and provided to us by the District.

The assumptions used in performing the valuation, as summarized in this report, and the results based thereupon, represent our best estimate of the actuarial costs of the program under GASB 74 and GASB 75, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits.

Throughout the report, we have used unrounded numbers, because rounding and the reconciliation of the rounded results would add an additional, and in our opinion unnecessary, layer of complexity to the valuation process. By our publishing of unrounded results, no implication is made as to the degree of precision inherent in those results. Clients and their auditors should use their own judgment as to the desirability of rounding when transferring the results of this valuation report to the clients' financial statements.

Each undersigned actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

Certified by:

A handwritten signature in blue ink, appearing to read 'Carlos Diaz', written in a cursive style.

Carlos Diaz, ASA, EA, MAAA  
Actuary



**GASB Statement No. 75**  
**Supplemental Schedules**  
**for Tamalpais Union High School District**

*Reporting Period: July 1, 2021 to June 30, 2022*  
*Measurement Period: July 1, 2020 to June 30, 2021*  
*Valuation Date: June 30, 2021*

June 15, 2022

**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Note to Auditors**

DFA, LLC (DFA) has prepared the following supplemental schedules to accompany the District's actuarial valuation as of June 30, 2021 to (1) facilitate preparation of GASB 75 reporting and (2) to provide information that (if applicable) was not determinable as of the valuation date. We have prepared this supplement based on the results of our actuarial valuation and (if applicable) subsequent projections. We are available to discuss and reconcile any differences between your records and our calculations.

Our actuarial valuation report is intended to comply with GASB 75's valuation requirements (at least one every two years); the following schedules are intended to provide the reporting information specific to the applicable reporting period (July 1, 2021 to June 30, 2022), with updates to the measurement date (June 30, 2021).

**Notes to the Financial Statements for the Year Ended June 30, 2022**

**Plan Description**

*Plan administration.* The Tamalpais Union High School District's defined benefit OPEB plan, Tamalpais Union High School District Retiree Benefit Plan (the Plan) is described below. The Plan is a single employer defined benefit plan administered by the district. The District provides medical, dental and vision benefits to retirees and their covered eligible dependents. For eligible retirees under 65, the District pays the entire cost for dental, vision, and up to the cap on medical premiums. All active employees who retire directly from the District and meet the eligibility criteria may participate.

*Benefits provided.* Classified employees who have attained age 50 and completed 15 years of District service by June 30, 2016 are eligible to retire and receive District-paid health benefits after attaining age 55. Classified employees who do not meet those requirements are eligible to retire and receive District-paid health benefits after attaining age 60 and completing at least 10 years of District service. The District pays 100% of the medical, dental and vision premiums for an eligible retiree and dependents until age 65, subject to an annual cap of the composite rates for Kaiser HMO, dental and vision coverages. Classified retirees who were hired after May 28, 2019, are subject to an annual cap of \$20,000. The retiree may purchase coverage in excess of the cap by self-paying the extra premium. Retired employees with full-time equivalency (FTE) of at least 50% but less than 62.5% may receive 50% of the cap, and those with an FTE of at least 62.5% but less than 75% may receive 75% of the cap. Retired employees with FTE less than 50% are not eligible.

Certificated employees retiring after the 2011-12 school year who have attained age 60 and completed 10 years of District service (5 years if hired prior to January 18, 2000), and who have met the eligibility requirements to retire under CalPERS or CalSTRS, as applicable, are eligible to retire and receive District-paid health benefits. The District pays 100% of the medical, dental and vision premiums for an eligible retiree and dependents until age 65, subject to an annual cap of the composite rates for Kaiser HMO, dental and vision coverages. Certificated retirees who were hired on or after July 1, 2019, are subject to an annual cap of \$20,000. The retiree may purchase coverage in excess of the cap by self-paying the extra premium. Retired employees with full-time equivalency (FTE) of at least 60% may receive 100% of the cap. Those with an FTE of less than 60% are subject to a pro-rated cap.





**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

*Plan membership.* On June 30, 2021, the most recent valuation date, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	37
Active plan members	488

*Contributions.* The contribution requirements of Plan members and the Tamalpais Union High School District are established and may be amended by the Tamalpais Union High School District and the Teachers' Association and the local California Service Employees Association. The District is a participant in the California Employer's Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit post-employment healthcare plan administered by CalPERS.



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Net OPEB Liability**

The District's Net OPEB Liability was measured as of June 30, 2021 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2021. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

*Actuarial assumptions.* The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age, Level Percent of Pay
Valuation of fiduciary net position	Fair value of assets.
Recognition of deferred inflows and outflows of resources	Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB
Salary increases	3.00 percent
Inflation rate	2.75 percent
Investment rate of return	7.25 percent, net of OPEB plan investment expense
Healthcare cost trend rate	5.00 percent for 2021-2023, 5.20 percent for 2024-2069, and 4.00 percent for 2070 and later years; Medicare ages: 4.00 percent for all years.
Preretirement Mortality Certificated	Mortality Rates for active employees from CalSTRS Experience Analysis (2015-2018). Preretirement Mortality Rates from CalPERS Experience Study (2000-2019).
Classified	
Postretirement Mortality Certificated	Mortality Rates for retired members and beneficiaries from CalSTRS Experience Analysis (2015-2018). Post-retirement Mortality Rates for Healthy Recipients from CalPERS Experience Study (2000-2019).
Classified	

Actuarial assumptions used in the June 30, 2021 valuation were based on a review of plan experience during the period June 30, 2019 to June 30, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. The calculated investment rate of return was set equal to the expected ten-year compound (geometric) real return plus inflation (rounded to the nearest 25 basis points, where appropriate). The table below provides the long-term expected real rates of return by asset class (based on published capital market assumptions).

Asset Class	Assumed Asset Allocation	Real Rate of Return
Broad U.S. Equity	59%	4.4%
U.S. Fixed	25%	1.5%
TIPS	5%	1.2%
Real Estate	8%	3.7%
Commodities	3%	0.6%



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

*Discount rate.* GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan’s fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return.
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan’s projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District’s Total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments	Fidelity GO AA 20 Years Municipal Index	Discount Rate
June 30, 2021	June 30, 2020	7.25%	2.45%	7.25%
June 30, 2022	June 30, 2021	7.25%	1.92%	7.25%



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

The components of the net OPEB liability were as follows:

Total OPEB liability	8,400,473
Plan fiduciary net position	6,370,304
Net OPEB liability	\$2,030,169
Measurement date	June 30, 2021
Reporting date	June 30, 2022
Covered employee payroll	\$48,852,135
Net OPEB liability (asset) as a percentage of covered payroll	4.16%
Plan fiduciary net position as a percentage of the total OPEB liability	75.83%

*Schedule of Changes in Net OPEB Liability (June 30, 2020 to June 30, 2021)*

<b>Total OPEB Liability</b>	
Service Cost	410,028
Interest	654,207
Changes of benefit terms	0
Difference between expected and actual experience	(501,003)
Changes in assumptions or other inputs	(309,528)
Benefit payments <sup>1</sup>	(917,455)
<b>Net change in total OPEB liability</b>	<b>(663,751)</b>
<b>Total OPEB liability – June 30, 2020 (a)</b>	<b>\$9,064,224</b>
<b>Total OPEB liability – June 30, 2021 (b)</b>	<b>\$8,400,473</b>
<b>Plan fiduciary net position</b>	
Contributions – employer <sup>1</sup>	841,469
Other income – adjustment	0
Net investment income	1,427,544
Benefit payments <sup>1</sup>	(917,455)
Administrative expenses	(1,952)
Other disbursements – reimbursement to employer	0
<b>Net change in plan fiduciary net position</b>	<b>1,349,606</b>
<b>Plan fiduciary net position – June 30, 2020 (c)</b>	<b>\$5,020,698</b>
<b>Plan fiduciary net position – June 30, 2021 (d)</b>	<b>\$6,370,304</b>
<b>Net OPEB liability – June 30, 2020 (c) – (a)</b>	<b>\$4,043,526</b>
<b>Net OPEB liability – June 30, 2021 (d) – (b)</b>	<b>\$2,030,169</b>

<sup>1</sup> Amount includes any implicit subsidy associated with benefits paid (see Footnote 2).



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

*Sensitivity of the net OPEB liability to changes in the discount rate.* The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net OPEB liability (asset)	2,559,559	2,030,169	1,544,247

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease <sup>2</sup>	Trend Rate	1% Increase <sup>3</sup>
Net OPEB liability (asset)	1,432,377	2,030,169	2,710,194

<sup>2</sup> 4.00 percent for 2021-2023, 4.20 percent for 2024-2069, and 3.00 percent for 2070 and later years; Medicare ages: 3.00 percent for all years.

<sup>3</sup> 6.00 percent for 2021-2023, 6.20 percent for 2024-2069, and 5.00 percent for 2070 and later years; Medicare ages: 5.00 percent for all years.

**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Statement of Fiduciary Net Position**

<b>Assets</b>	
Cash, deposits, and cash equivalents	0
Receivables:	
Accrued Income	0
Total receivables	0
Investments:	
Managed account	6,370,304
Total Investments	6,370,304
Total Assets	6,370,304
<b>Liabilities</b>	
Payables	0
Total Liabilities	0
<b>Net position restricted for postemployment benefits other than pensions</b>	<b>\$6,370,304</b>
Measurement date	June 30, 2021
Reporting date	June 30, 2022

**Statement of Changes in Fiduciary Net Position**

<b>Additions</b>	
Employer contributions <sup>4</sup>	841,469
Other income – adjustment	0
Net increase in fair value of investments	1,427,544
Total additions	2,269,013
<b>Deductions</b>	
Administrative expenses	1,952
Benefit payments <sup>4</sup>	917,455
Other disbursements – reimbursement to employer	0
Total deductions	919,407
Net increase in net position	1,349,606
<b>Net position restricted for postemployment benefits other than pensions</b>	
Beginning of year – June 30, 2020	\$5,020,698
End of year – June 30, 2021	\$6,370,304

<sup>4</sup> Includes an implicit subsidy credit as follows:

	Trust	Non-Trust	Total
Employer contribution	\$672,957	\$0	\$672,957
Implicit subsidy credit	168,512	0	168,512
Total employer contributions	\$841,469	\$0	\$841,469
Benefit payments	\$748,943	\$0	\$748,943
Implicit subsidy credit	168,512	0	168,512
Total benefit payments	\$917,455	\$0	\$917,455



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Investments**

*Investment policy.* The District’s policy regarding the allocation of the plan’s invested assets is established and may be amended by District management. The District participates in the California Employers’ Retiree Benefit Trust (CERBT), a Section 115 trust fund dedicated to prefunding Other Postemployment Benefits for all eligible California public agencies.

The District has adopted the CERBT Strategy 1 portfolio with an objective to seek returns that reflect the broad investment performance of the financial markets through capital appreciation and investment income. The portfolio is invested in various asset classes in percentages approved by the CalPERS Board.

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Target Range</i>	<i>Benchmark</i>
Global Equity	57%	± 2%	MSCI All Country World Index IMI (net)
Fixed Income	27%	± 2%	Bloomberg Barclays Long Liability Index
Treasury Inflation-Protected Securities	5%	± 2%	Bloomberg Barclays Barclays US TIPS Index
Real Estate Investment Trusts	8%	± 2%	FTSE EPRA/NAREIT Developed Liquid Index (net)
Commodities	3%	± 2%	S&P GSCI Total Return Index
Cash	-	+2%	91 Day Treasury Bill

*Rate of return.* For the year ended on the measurement date, the annual money-weighted rate of return on investments, net of investment expense, was 28.64 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

<b>Annual money-weighted rate of return, net of investment expense</b>	28.64%
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**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

On June 30, 2022, the District's deferred outflows of resources and deferred inflows of resources to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience <sup>5,6</sup>	1,015,316	436,772
Changes in assumptions or other inputs <sup>5,6</sup>	157,558	269,845
Differences between projected and actual return investments <sup>5,6</sup>	111,990	857,738
<b>Total</b>	<b>\$1,284,864</b>	<b>\$1,564,355</b>
Contributions after the measurement date <sup>7</sup>	0	0
<b>Total with contributions after measurement date</b>	<b>\$1,284,864</b>	<b>\$1,564,355</b>

<sup>5</sup> Measured on June 30, 2021.

<sup>6</sup> See Schedule of Deferred Outflows and Inflows of Resources for additional information.

<sup>7</sup> District contributions made after the measurement date, which will be recognized as a reduction of the Net OPEB Liability in the year ending June 30, 2022. To be completed by auditor. Should include a credit for implicit subsidy equal to the amount of actual District-paid premiums on behalf of retirees (from trust and non-trust) multiplied by 0.2109.

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year ending June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2023	299,921	(322,954)
2024	299,923	(316,814)
2025	294,063	(316,814)
2026	260,639	(316,812)
2027	130,318	(103,914)
2028	0	(103,914)
2029	0	(83,133)
2030	0	0



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Schedule of Deferred Outflows of Resources**

Year	Type	Category	Initial Base	Amortization Period	Current Recognition	Current Balance
2017	Deferred Outflow	Difference between expected and actual experience	0	0.0	0	0
2017	Deferred Outflow	Changes in assumptions or other inputs	0	0.0	0	0
2017	Deferred Outflow	Net difference between projected and actual earnings on plan investments	0	0.0	0	0
2018	Deferred Outflow	Difference between expected and actual experience	0	0.0	0	0
2018	Deferred Outflow	Changes in assumptions or other inputs	0	0.0	0	0
2018	Deferred Outflow	Net difference between projected and actual earnings on plan investments	0	0.0	0	0
2019	Deferred Outflow	Difference between expected and actual experience	0	0.0	0	0
2019	Deferred Outflow	Changes in assumptions or other inputs	0	0.0	0	0
2019	Deferred Outflow	Net difference between projected and actual earnings on plan investments	0	0.0	0	0
2020	Deferred Outflow	Difference between expected and actual experience	1,692,194	7.5	225,626	1,015,316
2020	Deferred Outflow	Changes in assumptions or other inputs	262,597	7.5	35,013	157,558
2020	Deferred Outflow	Net difference between projected and actual earnings on plan investments	29,282	5.0	5,856	11,714
2021	Deferred Outflow	Difference between expected and actual experience	0	0.0	0	0
2021	Deferred Outflow	Changes in assumptions or other inputs	0	0.0	0	0
2021	Deferred Outflow	Net difference between projected and actual earnings on plan investments	167,128	5.0	33,426	100,276
2022	Deferred Outflow	Difference between expected and actual experience	0	7.8	0	0
2022	Deferred Outflow	Changes in assumptions or other inputs	0	7.8	0	0
2022	Deferred Outflow	Net difference between projected and actual earnings on plan investments	0	5.0	0	0
Total					299,921	1,284,864



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Schedule of Deferred Inflows of Resources**

Year	Type	Category	Initial Base	Amortization Period	Current Recognition	Current Balance
2017	Deferred Inflow	Difference between expected and actual experience	0	0.0	0	0
2017	Deferred Inflow	Changes in assumptions or other inputs	0	0.0	0	0
2017	Deferred Inflow	Net difference between projected and actual earnings on plan investments	0	0.0	0	0
2018	Deferred Inflow	Difference between expected and actual experience	0	0.0	0	0
2018	Deferred Inflow	Changes in assumptions or other inputs	0	0.0	0	0
2018	Deferred Inflow	Net difference between projected and actual earnings on plan investments	139,584	5.0	27,916	0
2019	Deferred Inflow	Difference between expected and actual experience	0	0.0	0	0
2019	Deferred Inflow	Changes in assumptions or other inputs	0	0.0	0	0
2019	Deferred Inflow	Net difference between projected and actual earnings on plan investments	30,692	5.0	6,138	6,140
2020	Deferred Inflow	Difference between expected and actual experience	0	0.0	0	0
2020	Deferred Inflow	Changes in assumptions or other inputs	0	0.0	0	0
2020	Deferred Inflow	Net difference between projected and actual earnings on plan investments	0	0.0	0	0
2021	Deferred Inflow	Difference between expected and actual experience	0	0.0	0	0
2021	Deferred Inflow	Changes in assumptions or other inputs	0	0.0	0	0
2021	Deferred Inflow	Net difference between projected and actual earnings on plan investments	0	0.0	0	0
2022	Deferred Inflow	Difference between expected and actual experience	501,003	7.8	64,231	436,772
2022	Deferred Inflow	Changes in assumptions or other inputs	309,528	7.8	39,683	269,845
2022	Deferred Inflow	Net difference between projected and actual earnings on plan investments	1,064,498	5.0	212,900	851,598
Total					350,868	1,564,355



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**OPEB Expense**

The District's OPEB expense was \$652,194.

Net OPEB Liability – beginning (a)	\$4,043,526
Net OPEB Liability – ending (b)	\$2,030,169
Change in Net OPEB Liability [(b)-(a)]	(2,013,357)
Change in Deferred Outflows	299,921
Change in Deferred Inflows	1,524,161
Employer Contributions	841,469
Adjustment – Transfer In (Employer Reimbursement)	0
Adjustment – OPEB Expense	0
OPEB Expense – June 30, 2020 to June 30, 2021	\$652,194

Service Cost	410,028
Interest Cost	654,207
Expected Return on Assets	(361,094)
Changes of benefit terms	0
Recognition of Deferred Outflows and Inflows	
Differences between expected and actual experience	161,395
Changes of assumptions	(4,670)
Differences between projected and actual investments	(207,672)
Total	(50,947)
Adjustment	0
OPEB Expense – June 30, 2020 to June 30, 2021	\$652,194

**Actuarially Determined Contribution**

The actuarially determined contributions from the most recent actuarial valuation are:

Actuarially Determined Contribution for year ending June 30, 2022 <sup>8</sup>	\$544,321
Actuarially Determined Contribution for year ending June 30, 2023 <sup>8</sup>	560,651

Valuation Date	June 30, 2021
Discount Rate (Expected Long-term Return on Assets)	7.25%
Salary Increases	3.00%

<sup>8</sup> For purposes of reporting the comparison between actual employer OPEB contributions and the actuarially determined contribution, we recommend adjusting actual employer OPEB contributions for any associated implicit subsidy. Adjustments should equal the amount of actual District-paid premiums on behalf of retirees (from trust and non-trust) multiplied by a factor of 0.2109.



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Journal Entries<sup>9</sup>**

OPEB Expense Journal Entries - June 30, 2022 Reporting Date

		<b>Debit</b>	<b>Credit</b>
Differences between Expected and Actual Experience	Deferred Outflows	\$0	\$(225,626)
	Deferred Inflows	0	(436,772)
Change in Assumptions and Other Inputs	Deferred Outflows	0	(35,013)
	Deferred Inflows	0	(269,845)
Differences between Projected and Actual Investment Earnings	Deferred Outflows	0	(39,282)
	Deferred Inflows	0	(817,544)
Net OPEB Liability/(Asset)		1,171,888	0
OPEB Expense/(Credit)		652,194	0
<i>Total</i>		<i>\$1,824,082</i>	<i>\$(1,824,082)</i>

Employer Contribution Journal Entries - June 30, 2022 Reporting Date

		<b>Debit</b>	<b>Credit</b>
Contributions paid July 1, 2020 to June 30, 2021	Net OPEB Liability/(Asset)	\$841,469	\$0
	Deferred Outflows	0	(672,957)
	Other Healthcare (Implicit Subsidy)	0	0
	Contributions Expense	0	(168,512)
Contributions paid July 1, 2021 to June 30, 2022 <sup>10</sup>	Deferred Outflows <sup>11</sup>	0	0
	Other Healthcare (Implicit Subsidy) <sup>12</sup>	0	0
	Contributions Expense <sup>13</sup>	0	0
<i>Total</i>		<i>\$841,469</i>	<i>\$(841,469)</i>

<sup>9</sup> Provided for illustrative purpose. Actual entries may differ. DFA is available to discuss any differences.

<sup>10</sup> To be completed using audited actual contributions made after the measurement date.

<sup>11</sup> Debit equal to total employer contributions plus adjustment for implicit subsidy.

<sup>12</sup> Credit equal to adjustment for implicit subsidy (the amount of actual District-paid premiums on behalf of retirees—from trust and non-trust—multiplied by a factor of 0.2109).

<sup>13</sup> Credit equal to total employer contributions (before adjustment for implicit subsidy).



**Tamalpais Union High School District  
Post-Employment Medical Benefits Plan**

**GASB 75 Disclosure Information**

**Actuarial Certification**

The results set forth in this supplement are based on our actuarial valuation of the health and welfare benefit plans of the Tamalpais Union High School District as of June 30, 2021.

The valuation was performed in accordance with generally accepted actuarial principles and practices. We relied on census data for active employees and retirees provided to us by the District. We also made use of claims, premium, expense, and enrollment data, and copies of relevant sections of healthcare documents provided to us by the District, and (when applicable) trust statements prepared by the trustee and provided to us by the District.

The assumptions used in performing the valuation, as summarized in this report, and the results based thereupon, represent our best estimate of the actuarial costs of the program under GASB 74 and GASB 75, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits.

Each undersigned actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

Certified by:



Carlos Diaz, ASA, EA, MAAA  
Actuary

Corbett Elsen  
Chief Financial Officer  
Tamalpais Union High School District  
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