February 6, 2016

Ms. Sally Swan
Assistant Superintendent Finance and Facilities
Tamalpais Union High School District
P.O. Box 605
Larkspur, CA 94977

Re: Tamalpais Union High School District ("District") GASB 45 Valuation

Dear Ms. Swan:

This report sets forth the results of our GASB 45 actuarial valuation of the District's retiree health insurance program as of June 30, 2015.

In June, 2004 the Governmental Accounting Standards Board (GASB) issued 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. The District must obtain actuarial valuations of its retiree health insurance program under GASB 43/45 not less frequently than once every two years.

To accomplish these objectives the District selected Demsey, Filliger and Associates (DF&A) to perform an actuarial valuation of the retiree health insurance program as of June 30, 2015. This report may be compared with the valuation performed by Bartel Associates as of June 30, 2013, to see how the liabilities have changed since the last valuation. We are available to answer any questions the District may have concerning the report.

**<u>Financial Results</u>**

We have determined that the amount of actuarial liability for District-paid retiree benefits is $9,107,025 as of June 30, 2015. This represents the present value of all benefits expected to be paid by the District for its current and future retirees. 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.

This includes benefits for 30 retirees as well as 456 active employees who may become eligible to retire and receive benefits in the future. It excludes employees hired after the beginning of the 2015-16 school year.

When we apportion the $9,107,025 into past service and future service components under the Entry Age Normal, Level Percent of Pay Cost Method, the past service liability (or "Accrued Liability") component is $6,588,735 as of June 30, 2015. This represents the present value of all benefits accrued through the valuation date assuming that each employee's liability is expensed from hire date until retirement date as a level percentage of pay. The $6,588,735 is comprised of liabilities of $5,322,311 for active employees and $1,266,424 for retirees. The District has adopted an irrevocable trust sponsored by CalPERS ("CERBT") for the pre-funding of retiree healthcare benefits. Trust assets have an actuarial value of $3,535,198 as of June 30, 2015, so the Unfunded Accrued Liability (called the UAL, equal to the AL less assets) is $3,053,537.

We have determined that Tamalpais Union High School District's "Annual Required Contributions", or "ARC", for the fiscal year 2015-16, is $505,711. The $505,711 is comprised of the present value of benefits accruing in the current year, called the "Service Cost", and a 23-year amortization of the UAL. We estimate that the District will pay approximately $454,229 for the 2015-16 fiscal year in healthcare costs for its retirees, so the difference between the accrual accounting expense (ARC) and pay-as-you-go is an increase of $51,482.

There are two adjustments to the ARC that are required in order to determine the District's Annual OPEB Cost (AOC) for the 2015-16 fiscal year. We have calculated these adjustments based on a Net OPEB (Asset) of ($23,355) as of June 30, 2015, resulting in an AOC for 2015-16 of $505,621.

We show these numbers in the table on the next page and in Exhibit II. All amounts are net of expected future retiree contributions, if any.

**Tamalpais Union High School District**

**Annual Liabilities and Expense under**

**GASB 45 Accrual Accounting Standard**

**Entry Age Normal, Level Percent of Pay Cost Method**

| **Item** | **Amounts for Fiscal 2015-16** |
|---|---|
| Present Value of Future Benefits (PVFB) | |
| Active | $7,840,601 |
| Retired | 1,266,424 |
| **Total: PVFB** | **$9,107,025** |
| Accrued Liability (AL) | |
| Actives | $5,322,311 |
| Retired | 1,266,424 |
| **Total: AL** | **$6,588,735** |
| Assets | (3,535,198) |
| **Total: Unfunded AL** | **$3,053,537** |
| Annual Required Contributions (ARC) | |
| Service Cost At Year-End | $296,138 |
| 23-year Amortization of Unfunded AL | 209,573 |
| **Total: ARC** | **$505,711** |
| Adjustments to ARC | |
| Interest on Net OPEB (Asset)* | (1,693) |
| Adjustment to ARC* | 1,603 |
| **Total: Annual OPEB Cost (AOC) for 2015-16** | **$505,621** |

*Amounts based on June 30, 2015 Net OPEB (Asset) of ($23,355).

The ARC of $505,711, shown above, should be used for the 2015-16 and 2016-17 fiscal years, but the Annual OPEB Cost for 2016-17 must include an adjustment based on the Net OPEB Obligation/(Asset) as reported in the prior financial statement, which is not known precisely in advance.

The actuarial asset value of $3,535,198 was taken from the CERBT statement as of June 30, 2015, without adjustment. Funds are invested entirely in Strategy 1.

When the District begins preparation of the June 30, 2016 government-wide financial statements, DF&A will provide the District and its auditors with complimentary assistance in preparation of footnotes and required supplemental information for compliance with GASB 45 (and GASB 43, if applicable).

## **Differences from Prior Valuation**

The most recent prior valuation was completed by Bartel Associates as of June 30, 2013. The Accrued Liability as of that date was $8,427,000, compared to $6,588,735 on June 30, 2015. This Accrued Liability (AL) is for District-paid benefits only; that is, it is net of expected future retiree contributions. In this section, we provide a reconciliation between the 2013 AL and the 2015 AL, so that it is possible to track the numbers from one actuarial report to the next.

Several factors have caused the AL to change since 2013. The passage of time increases the AL as the employees accrue more service and get closer to receiving benefits. This is partially offset by a reduction in liabilities as outstanding benefit obligations to retirees are satisfied. There are actuarial gains/losses from one valuation to the next, and changes in actuarial assumptions and methodology for the current valuation. The most important of these factors were as follows:

1. There was a gain (a decrease in the AL) of $1,575,509 from increases in healthcare costs less than expected.

2. We shortened the length of the healthcare trend rate select period from 6 years to 3 years. This change decreased the AL by $173,542.

3. There was a net census gain (a decrease in AL) of $1,032,347 from demographic experience (mortality, turnover, and retirement rates) different from assumed, with the largest component being fewer retirements than expected.

4. There was a gain from all other causes (changes in any other methods and assumptions) of $100,936.

The changes to the AL since the June 30, 2013 valuation may be summarized as follows:

| **Change to AL** | **AL** |
|---|---|
| AL as of 6/30/13 | $8,427,000 |
| Passage of time | 1,044,069 |
| Increases in healthcare costs < expected | (1,575,509) |
| Change in trend rates | (173,542) |
| Census (gain) | (1,032,347) |
| Net (gain) from all other causes | (100,936) |
| **AL as of 6/30/15** | **$6,588,735** |

## **Funding Schedules**

There are many ways to approach the pre-funding of retiree healthcare benefits. In the *Financial Results* section, 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 45 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 fund balance of $3,535,198 as of June 30, 2015, 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 (3.25%) 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.**

These numbers are computed on a closed group basis, assuming no new entrants, and using unadjusted premiums. We use unadjusted premiums for these funding schedules because we do not recommend that the District pre-fund for the full age-adjusted costs reflected in the GASB 45 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 married 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.

## Tamalpais Union High School District

## Sample Funding Schedules (Closed Group)

## Starting Fund Value of $3,535,198 as of June 30, 2015

| Fiscal Year Beginning | Pay-as-you-go | Level Contribution for 20 years | Level % of Unfunded Liability* | Constant Percentage Increase |
|---|---|---|---|---|
| 2015 | $454,229 | $369,555 | $496,347 | $294,302 |
| 2016 | 524,282 | 369,555 | 446,693 | 303,867 |
| 2017 | 541,774 | 369,555 | 411,143 | 313,742 |
| 2018 | 611,441 | 369,555 | 382,826 | 323,939 |
| 2019 | 622,394 | 369,555 | 363,700 | 334,467 |
| 2020 | 677,914 | 369,555 | 347,672 | 345,337 |
| 2021 | 620,106 | 369,555 | 336,859 | 356,561 |
| 2022 | 640,775 | 369,555 | 322,937 | 368,149 |
| 2023 | 580,152 | 369,555 | 311,496 | 380,114 |
| 2024 | 598,104 | 369,555 | 297,259 | 392,467 |
| 2025 | 662,440 | 369,555 | 285,459 | 405,222 |
| 2026 | 751,967 | 369,555 | 277,940 | 418,392 |
| 2027 | 767,568 | 369,555 | 274,712 | 431,990 |
| 2028 | 726,298 | 369,555 | 270,718 | 446,030 |
| 2029 | 656,641 | 369,555 | 263,302 | 460,526 |
| 2030 | 670,446 | 369,555 | 252,081 | 475,493 |
| 2031 | 653,903 | 369,555 | 241,766 | 490,946 |
| 2032 | 588,379 | 369,555 | 230,812 | 506,902 |
| 2033 | 513,766 | 369,555 | 217,508 | 523,376 |
| 2034 | 483,459 | 369,555 | 202,349 | 540,386 |
| 2035 | 511,046 | 0 | 187,664 | 0 |
| 2036 | 591,656 | 0 | 175,403 | 0 |
| 2037 | 578,070 | 0 | 166,500 | 0 |
| 2038 | 545,146 | 0 | 157,060 | 0 |
| 2039 | 423,760 | 0 | 146,712 | 0 |
| 2040 | 385,853 | 0 | 133,624 | 0 |
| 2041 | 373,727 | 0 | 120,920 | 0 |
| 2042 | 339,087 | 0 | 109,250 | 0 |
| 2043 | 378,176 | 0 | 98,037 | 0 |
| 2044 | 302,368 | 0 | 88,575 | 0 |
| 2045 | 233,667 | 0 | 78,599 | 0 |
| 2046 | 267,552 | 0 | 68,735 | 0 |
| 2047 | 245,957 | 0 | 60,405 | 0 |
| 2048 | 241,312 | 0 | 52,618 | 0 |
| 2049 | 221,593 | 0 | 45,475 | 0 |
| 2050 | 202,541 | 0 | 38,790 | 0 |
| 2055 | 0 | 0 | 0 | 0 |

*Reverts to pay-as-you-go in 2053.

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 1.1497 to adjust for the implicit subsidy.

## Actuarial Assumptions

In order to perform the valuation, the actuary must make certain assumptions regarding such items as 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 we have used for similar valuations, modified as appropriate for the District. For example, turnover rates are taken from a standard actuarial table, T-5, increased by 20% at all ages. This matches the District's historic turnover patterns. Retirement rates were also based on recent District retirement patterns. Both assumptions should be reviewed in the next valuation to see if they are tracking well with experience.

The discount rate of 7.25% is based on our best estimate of expected long-term plan experience. It is in accordance with our understanding of the guidelines for selection of this rate under GASB 45 for funded plans such as the District's. The healthcare trend rates are based on our analysis of recent District experience and our knowledge of the general healthcare environment.

In determining the cost of covering early retirees (those under the age of 65), we used an age-adjusted claims cost matrix fitted to the average single premium for early retirees. A complete description of the actuarial assumptions used in the valuation is set forth in the "Actuarial Assumptions" section.

## Projected Annual Pay-as-you go Costs

As part of the valuation, we prepared a projection of the expected annual cost to the District to pay benefits on behalf of its retirees on a pay-as-you-go basis. These numbers are computed on a closed group basis, assuming no new entrants, and are net of retiree contributions. Projected pay-as-you-go costs for selected years are as follows:

| FYB | Pay-as-you-go |
|---|---|
| 2015 | $454,229 |
| 2016 | 524,282 |
| 2017 | 541,774 |
| 2018 | 611,441 |
| 2019 | 622,394 |
| 2020 | 677,914 |
| 2025 | 662,440 |
| 2030 | 670,446 |
| 2035 | 511,046 |
| 2040 | 385,853 |
| 2045 | 233,667 |
| 2050 | 202,541 |
| 2055 | 0 |

## Breakdown by Employee/Retiree Group

Exhibit I, attached at the end of the report, shows a breakdown of the GASB 45 components (ARC, AL, Service Cost, and PVFB) by bargaining unit (or non-represented group) and separately by active employees (future retirees) and current retirees.

## Net OPEB (Asset) and Annual OPEB Cost (AOC)

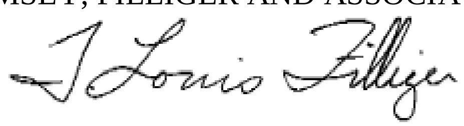
Exhibit II shows a development of the District's Net OPEB (Asset) as of June 30, 2008 through June 30, 2015, and the Annual OPEB Cost ("AOC") for the fiscal years 2008-09 through 2015-16.

## Certification

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

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

Sincerely,
DEMSEY, FILLIGER AND ASSOCIATES



T. Louis Filliger, FSA, EA, MAAA
Partner & Actuary

# Benefit 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, and the Marin Schools Insurance Authority (MSIA) for dental and vision coverages.

**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 and completing at least 10 years of District service. 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. 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 60% may receive 50% of the cap, and those with an FTE of at least 60% but less than 72.5% 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. 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.

## Benefit 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, 2015:

| 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 | $1,272.00 | $998.00 | $879.00 |
| Retiree < 65 2-Party | 1,788.00 | 1,407.00 | 1,241.00 |
| Retiree < 65 Family | 2,274.00 | 1,789.00 | 1,662.00 |
| Active Composite Rate | 1,797.00 | 1,415.00 | 1,249.00 |

| Dental & Vision (MSIA) | Delta Dental | VSP |
|---|---|---|
| Retiree Composite | $104.71 | $26.51 |
| Active Composite Rate | 104.71 | 26.51 |

# Valuation Data

**Active and Retiree Census**

Age distribution of retirees included in the valuation

| Age | Count |
|---|---|
| Under 55 | 0 |
| 55-59 | 5 |
| 60-64 | 25 |
| 65+ | 0 |
| Total | 30 |
| Average Age | 62.33 |

Age/Years of service distribution of active employees included in the valuation

| Years→ | 0-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35+ | Total |
|---|---|---|---|---|---|---|---|---|---|
| Age | | | | | | | | | |
| <25 | 0 | | | | | | | | 0 |
| 25-29 | 28 | 1 | | | | | | | 29 |
| 30-34 | 23 | 9 | 2 | | | | | | 34 |
| 35-39 | 19 | 17 | 10 | 2 | | | | | 48 |
| 40-44 | 22 | 7 | 20 | 9 | 0 | | | | 58 |
| 45-49 | 10 | 5 | 22 | 24 | 6 | 0 | | | 67 |
| 50-54 | 16 | 15 | 12 | 15 | 12 | 2 | 0 | | 72 |
| 55-59 | 3 | 14 | 16 | 18 | 14 | 4 | 1 | 0 | 70 |
| 60-64 | 4 | 8 | 15 | 12 | 11 | 3 | 1 | 1 | 54 |
| 65+* | 1 | 4 | 10 | 6 | 2 | 0 | 0 | 0 | 24 |
| All Ages | 126 | 80 | 107 | 86 | 45 | 9 | 2 | 1 | 456 |

*not eligible for future District-paid retiree health benefits.

Average Age: 48.09
Average Service: 10.64

## Actuarial Assumptions

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

| | |
|---|---|
| Valuation Date: | June 30, 2015 |
| Actuarial Cost Method: | Entry Age Normal, level percent of pay |
| Amortization Method: | 30-year, level percent of pay, closed period (23 years remaining) |
| Discount Rate: | 7.25% per annum |
| Salary Increases: | 3.25% per annum (for normal cost and amortization of UAL) |
| General Inflation: | 3.0% per annum |

Pre-retirement Turnover: According to the Crocker-Sarason Table T-5 less mortality, increased by 20% at all ages. Sample rates are as follows:

| Age | Turnover (%) |
|---|---|
| 25 | 9.3% |
| 30 | 8.7 |
| 35 | 7.5 |
| 40 | 6.2 |
| 45 | 4.8 |
| 50 | 3.1 |
| 55 | 1.1 |

Pre-retirement Mortality: RP-2014 Employee Mortality, without projection. Sample deaths per 1,000 employees are as follows:

| Age | Males | Females |
|---|---|---|
| 25 | 0.48 | 0.17 |
| 30 | 0.45 | 0.22 |
| 35 | 0.52 | 0.29 |
| 40 | 0.63 | 0.40 |
| 45 | 0.97 | 0.66 |
| 50 | 1.69 | 1.10 |
| 55 | 2.79 | 1.67 |
| 60 | 4.69 | 2.44 |

Post-retirement Mortality: RP-2014 Healthy Annuitant Mortality, without projection. Sample deaths per 1,000 retirees are as follows:

| Age | Males | Females |
|---|---|---|
| 60 | 7.78 | 5.19 |
| 65 | 11.01 | 8.05 |
| 70 | 16.77 | 12.87 |
| 75 | 26.83 | 20.94 |
| 80 | 44.72 | 34.84 |

# Actuarial Assumptions (Continued)

Claim Cost per Retiree or Spouse (Dental and Vision are composite):

| Age | Medical/Rx | Dental/Vision |
|---|---|---|
| 50 | $7,679 | $1,640 |
| 55 | 8,902 | 1,640 |
| 60 | 10,320 | 1,640 |
| 64 | 11,615 | 1,640 |
| 65 | 3,454 | 1,640 |
| 70 | 3,721 | 1,640 |
| 75 | 4,009 | 1,640 |

Retirement Rates:

| Age | Percent Retiring* |
|---|---|
| 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 |

*Of those having met eligibility for District-paid benefits. The percentage refers to the probability that an active employee reaching the stated age will retire within the following year. Rates below age 60 not applied to employees not yet entitled to District-paid benefits at those ages.

Trend Rate: Healthcare costs were assumed to increase according to the following schedule:

| FYB | Medical/Rx | Dental/Vision |
|---|---|---|
| 2015 | 8.0% | 4.0% |
| 2016 | 7.0 | 4.0 |
| 2017 | 6.0 | 4.0 |
| 2018+ | 5.0 | 4.0 |

Percent Married: Future retirees: 50%, male spouses assumed 3 years older than female spouses. Current retirees: actual dependent data used.

# 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, 2015.

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 in January, 2016. 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, as well as trust statements prepared by CERBT 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 43 and GASB 45, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits. We have assumed no post-valuation mortality improvements, consistent with our belief that there will be no further significant, sustained increases in life expectancy in the United States over the projection period covered by the valuation.

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.

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

Certified by:

T. Louis Filliger

T. Louis Filliger, FSA, EA, MAAA Date: 2/6/16
Partner & Actuary

**Exhibit I**

# Tamalpais Union High School District
## GASB 45 Valuation Results By Employee Group

| | 6/30/2015 Valuation Results **Certificated** | 6/30/2015 Valuation Results **Classified** | 6/30/2015 Valuation Results **Certificated Mgmt** | 6/30/2015 Valuation Results **Classified Mgmt/Conf** | 6/30/2015 Valuation Results **Total All Groups** |
|---|---|---|---|---|---|
| District-paid Present Value of Benefits | | | | | |
| Actives | $ 4,218,412 | $ 3,094,189 | $ 426,451 | $ 101,549 | $ 7,840,601 |
| Retirees | 487,397 | 548,921 | 106,685 | 123,421 | 1,266,424 |
| Total District-Paid PVFB: | $ 4,705,809 | $ 3,643,110 | $ 533,136 | $ 224,970 | $ 9,107,025 |
| District-paid Accrued Liability: | | | | | |
| Actives | $ 2,929,582 | $ 2,089,240 | $ 221,547 | $ 81,942 | $ 5,322,311 |
| Retirees | 487,397 | 548,921 | 106,685 | 123,421 | 1,266,424 |
| Total District-Paid AL: | $ 3,416,979 | $ 2,638,161 | $ 328,232 | $ 205,363 | $ 6,588,735 |
| Assets* | (1,833,387) | (1,415,510) | (176,113) | (110,188) | (3,535,198) |
| District-paid Unfunded Accrued Liability ("UAL" ) | **$ 1,583,592** | **$ 1,222,651** | **$ 152,119** | **$ 95,175** | **$ 3,053,537** |
| GASB 45 ARC ("Annual Required Contributions" ) | | | | | |
| Service Cost at Year-end | $ 145,274 | $ 126,111 | $ 21,748 | $ 3,005 | $ 296,138 |
| 23-year amortization of District-paid UAL** | 108,687 | 83,914 | 10,440 | 6,532 | 209,573 |
| Total ARC (District's Annual Expense) | **$ 253,961** | **$ 210,025** | **$ 32,188** | **$ 9,537** | **$ 505,711** |

*Assets, if any, allocated in proportion to AL for illustration purposes only; GASB 45 does not provide authority for this calculation.
**Remainder of 30 year closed period beginning with the 2008-9 fiscal year.

| | | Amount |
|---|---|---|
| **Net OPEB Obligation** | **6/30/2008** | **-** |
| ARC for 2008-9 | | 647,000 |
| Interest on Net OPEB Obligation | | - |
| Amortization adjustment to ARC | | - |
| **Annual OPEB Cost 2008-9** | | **647,000** |
| Employer Contribution | | (666,168) |
| Change in Net OPEB Obligation 2008-9 | | (19,168) |
| Net OPEB Obligation | 6/30/2008 | - |
| **Net OPEB (Asset)** | **6/30/2009** | **(19,168)** |
| ARC for 2009-10 | | 763,000 |
| Interest on Net OPEB (Asset) | | 1,000 |
| Amortization adjustment to ARC | | (1,000) |
| **Annual OPEB Cost 2009-10** | | **763,000** |
| Employer Contribution | | (766,187) |
| Change in Net OPEB (Asset) 2009-10 | | (3,187) |
| Net OPEB (Asset) | 6/30/2009 | (19,168) |
| **Net OPEB (Asset)** | **6/30/2010** | **(22,355)** |
| ARC for 2010-11 | | 788,000 |
| Interest on Net OPEB (Asset) | | 1,000 |
| Amortization adjustment to ARC | | (1,000) |
| **Annual OPEB Cost 2010-11** | | **788,000** |
| Employer Contribution | | (788,000) |
| Change in Net OPEB (Asset) 2010-11 | | - |
| Net OPEB (Asset) | 6/30/2010 | (22,355) |
| **Net OPEB (Asset)** | **6/30/2011** | **(22,355)** |
| ARC for 2011-12 | | 798,000 |
| Interest on Net OPEB (Asset) | | (2,000) |
| Amortization adjustment to ARC | | 1,000 |
| **Annual OPEB Cost 2011-12** | | **797,000** |
| Employer Contribution | | (798,000) |
| Change in Net OPEB (Asset) 2011-12 | | (1,000) |
| Net OPEB (Asset) | 6/30/2011 | (22,355) |
| **Net OPEB (Asset)** | **6/30/2012** | **(23,355)** |
| ARC for 2012-13 | | 824,000 |
| Interest on Net OPEB (Asset) | | (2,000) |
| Amortization adjustment to ARC | | 2,000 |
| **Annual OPEB Cost 2012-13** | | **824,000** |
| Employer Contribution | | (824,000) |
| Change in Net OPEB (Asset) 2012-13 | | - |
| Net OPEB (Asset) | 6/30/2012 | (23,355) |
| **Net OPEB (Asset)** | **6/30/2013** | **(23,355)** |
| ARC for 2013-14 | | 982,000 |
| Interest on Net OPEB (Asset) | | (2,000) |
| Amortization adjustment to ARC | | 2,000 |
| **Annual OPEB Cost 2013-14** | | **982,000** |
| Employer Contribution | | (982,000) |
| Change in Net OPEB (Asset) 2013-14 | | - |
| Net OPEB (Asset) | 6/30/2013 | (23,355) |
| **Net OPEB (Asset)** | **6/30/2014** | **(23,355)** |
| ARC for 2014-15 | | 1,015,000 |
| Interest on Net OPEB (Asset) | | (2,000) |
| Amortization adjustment to ARC | | 2,000 |
| **Annual OPEB Cost 2014-15** | | **1,015,000** |
| Employer Contribution | | (1,015,000) |
| Change in Net OPEB (Asset) 2014-15 | | - |
| Net OPEB (Asset) | 6/30/2014 | (23,355) |
| **Net OPEB (Asset)** | **6/30/2015** | **(23,355)** |
| ARC for 2015-16 | | 505,711 |
| Interest on Net OPEB (Asset) | | (1,693) |
| Amortization adjustment to ARC | | 1,603 |
| **Annual OPEB Cost 2015-16** | | **505,621** |