OPEB Actuarial Valuation as of June 30, 2019

Purpose of the Report

- Values the Other-Post Employment Benefits (Retire Medical Benefits)
- Provides snapshot based on Actuarial Projections (i.e. age of retirement, life expectancy, future cost of medical premiums) of the cost of the benefits over time
- Used to determine contributions for the District's CERBT Trust

Subsidy	Explicit	Implicit		Total
Discount Rate	6.30%	6.30%		6.30%
Actuarial Accrued Liability	\$ 5,449,746	\$ 949,150	Ş	6,398,896
Actuarial Value of Assets				4,958,199
Unfunded Actuarial Accrued Liability				1,440,697
Funded Ratio				77.5%

- Discount Rate: Based on CERBT performance
- AAL Explicit: Cost of currently obligated monthly retiree medical premiums for current District active employees and retirees
- AAL Implicit: Premiums for non-medicare eligible retirees are subsidized by active members in the pool. This liability represents the true cost of the premiums if there were no active members who are less likely to require medical services in the pool.
- Actuarial Value of Assets: CERBT Balance at 06/30/2019 (current balance is \$5,256,058).



Comparison to 2017

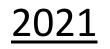
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• Drop-in Discount Rate from 6.73% to 6.30%

• Offset by lower than expected healthcare premium rates

• Overall Increase in Funded Ratio from 74.8% to 77.5%

Actuarially Determined Contributions (ADC)



- ADC payment \$366,366
- Estimated monthly payments to Retires \$239,841
- Estimated credit from active employee contributions \$55,603
- CERBT Contribution \$70,922

<u>2022</u>

- ADC payment \$376,479
- Estimated monthly payments to Retires \$261,014
- Estimated credit from active employee contributions \$69,859
- CERBT Contribution \$45,606



Payments are expected to increase through 2055 and then begin to decline in each subsequent year.

<u>2022</u>

- ADC payment \$376,479
- Estimated monthly payments to Retires \$261,014

<u>2055</u>

- ADC payment \$900,000
- Estimated monthly payments to Retires \$770,000

CERBT Contributions and Earning will help the District cover these expenses as they increase.