

OPEB Actuarial Valuation as of June 30, 2021

Purpose of the Report

- Values the Other-Post Employment Benefits (Retire Medical Benefits)
- Provides a 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 Account

- Discount Rate: Based on CERBT investment performance.
 - Discount Rate lowered from 6.30% to 5.72% but is offset by higher-than-expected investment returns in FY20/21.
- 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 06/30/2021 (\$6,286,359).
- Funded %: Increase in Funded Ratio from 77.5% to 77.9%

Valuation Date	6/30/2019	6/30/2021
Discount Rate	6.30%	5.72%
Actuarial Accrued Liability (AAL)		
Explicit Liability	\$ 5,449,746	\$ 6,780,965
Implicit Liability	949,150	1,287,921
Total AAL	\$ 6,398,896	\$ 8,068,886
Actuarial Value of Assets	4,958,199	6,286,359
Unfunded Actuarial Accrued Liability (surplus)	1,440,697	1,782,527
Funded % (ratio of Assets to AAL)	77.5%	77.9%

Fiscal Year End	6/30/2022	6/30/2023	6/30/2024
Actuarially Determined Contribution (ADC)	\$ 376,479	\$ 416,158	\$ 424,872
Less current implicit subsidy	(69,859)	(101,747)	(104,793)
Additional payments needed to meet ADC	\$ 306,620	\$ 314,411	\$ 320,079
Estimated employer-paid retiree benefits (explicit)	329,840	361,683	367,166
Estimated contribution to (refund from) trust	\$ 116,528	\$ -	\$ -

2023

- ADC payment \$416,158
- Estimated credit to premiums from active employee contributions \$101,747
- Estimated monthly payments to Retires \$361,683
- CERBT Contribution \$0

2024

- ADC payment \$424,872
- Estimated credit to premiums from active employee contributions \$104,793
- Estimated monthly payments to Retires \$367,166
- CERBT Contribution \$0

Long Term Outlook

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

CERBT Contributions and Earnings will help cover these expenses.

The CERBT experienced losses in Fiscal Year 2021/22 with balances continuing to remain volatile.

The current balance of the CERBT account is \$5.88 Million.