Michigan Department of Treasury
5720 (03-20)

Protecting Local Government Retirement and Benefits Act
Corrective Action Plan Monitoring: Application for Certification of Compliance

Issued under the authority of Public Act 202 of 2017

LOCAL GOVERNMENT INFORMATION

Local Government Name: LANSING HOUSING COMMISSION Six-Digit Muni Code: 337534

Defined Benefit Retirement System Name: LANSING HOUSING COMMISSION OPEB PLAN

System Type: ○ Pension ◉ Retirement Health Care (OPEB)

Contact Name (Administrative Officer): STEVEN RAICHE

Title (if not Administrative Officer): FINANCE MANAGER Telephone: 517-803-6187

Email (Communication will be sent here): STEVENR@LANSHC.ORG

Fiscal Year System was Determined to be Underfunded: 2018

I. GENERAL INFORMATION

Corrective Action Plan Monitoring: The Municipal Stability Board (the Board) shall monitor each underfunded local government's compliance with Public Act 202 of 2017 (the Act) and any approved corrective action plan (CAP). The Board shall adopt a schedule, not less than every 2 years, to certify that the underfunded local government is in substantial compliance with the Act.

Due Date: The local government has **90 days from the date the CAP Monitoring Form is sent** to return the form to the Board.

Filing: The submitted monitoring form must demonstrate through distinct supporting documentation that the local government is addressing its underfunded status in accordance with its CAP and the Act. Consistent with the Board's best practices document, supporting documentation utilized should include a projection within their annual valuation that includes, but is not limited to, actuarially determined contributions (ADC), retirement benefit payments, assets, liabilities, and discount rates.

The completed monitoring form must be submitted via email to Treasury at LocalRetirementReporting@michigan.gov for review by the Board. **If you have CAPs for multiple systems, you are required to complete separate monitoring forms and send a separate email for each CAP.** Please attach each plan as a separate PDF document in addition to all applicable supporting documentation.

The subject line of each email should be in the following format: **Corrective Action Plan Monitoring, Local Government Name, Retirement System Name, System Type** (e.g. Corrective Action Plan Monitoring, City of Lansing, Employee Retirement System, Pension). Treasury will send an automatic reply acknowledging receipt of the email. Your individual email settings must allow for receipt of Treasury's automatic reply. This will be the only notification confirming receipt of the form.

Municipal Stability Board: The Board shall certify and vote whether each local government is compliant with their CAP and the Act. If a CAP is certified as compliant, the Board will continue to monitor the CAP and review the local government's compliance with the Act not less than every two years.

Review Process: After receiving your submitted CAP monitoring form, Treasury will provide it to the Board to review and certify the local government for compliance with the Act.

CAP Monitoring Approval Criteria: A CAP may be certified as compliant by meeting the Board approved CAP monitoring criteria. In general, certification of compliance by the Board will occur if a local government is able to demonstrate through distinct supporting documentation that the CAP addresses:

1) **Underfunded Status:** The local government continues to address underfunded status in a reasonable timeframe (60% funded for pension systems or 40% funded for OPEB systems OR; if the local government is a city, village, township, or county, the ADC as a percentage of governmental fund revenues is less than 10% for pensions or 12% for OPEB);
2) **Substantial Changes:** The actions documented in the CAP remain substantially the same, OR alternative actions have been implemented to address underfunded status;
3) **Sustainability:** The local government and the Board certify that the projected payments remain sustainable and affordable both now and into the future.

Certification of Compliance: Following a review of the monitoring process for each CAP, the Board will certify a local government as one of the following:

- *Compliant:* A local government certified as compliant has met all published criteria from the Board.
- *Complaint with Conditions:* A local government certified as compliant with conditions has met the published criteria, but the Board has determined that the local government's plan(s) may not be sustainable or the Board is unable to reasonably confirm future sustainability. With this certification, the local government will have until the next monitoring period to address the stated concerns regarding the plan(s).
- *Noncompliant:* A local government certified as noncompliant failed to meet one or more of the Board's published criteria for monitoring certification of compliance or failed to file the monitoring form. If voted noncompliant, the Board shall notify the local government within 15 days, detailing the reasons for the determination for noncompliance. The local government has 60 days to address the determination of noncompliance.

2. UNDERFUNDED STATUS CERTIFICATION

Previously, local governments demonstrated that they would be addressing their underfunded status within a reasonable timeframe in accordance with the Board's *Corrective Action Plan Development: Best Practices and Strategies* guide. The purpose of this section is for the local government to certify that their plan is still addressing its underfunded status within this approved timeframe.

Please check the applicable answer:

1. Referencing supporting documentation, is the local government addressing its underfunded status in the same timeframe or less than the CAP?

   ◉ **Yes, we are addressing underfunded status by fiscal year** 2020 **as originally approved.**

   ○ **No, underfunded status will be now be addressed by fiscal year _____, which is within the Board's required timeframe.**

   Required timeframe: As general guidance, a local government with a severely *underfunded pension system (45% funded or less) should reach a funded ratio of 60% within 20 years of the original determination of underfunded status. A local government with a* severely *underfunded retirement health care system (25% funded or less) should reach a funded ratio of 40% within 30 years of the original determination of underfunded status.*

   If no, provide additional explanation:

3. SUBSTANTIAL CHANGES CERTIFICATION

The Board recognizes that as a local government implements the prospective actions in their CAP, specific solutions may need to be adjusted to continue to address its underfunded status. This section asks the local government to certify that the corrective actions documented in the plan to address underfunded status remain substantially the same.

Please check the applicable answer:
Does the CAP remain substantially the same as the originally approved submission?

- ◉ **Yes**
- ○ **No** *(If no, please complete a revised Form 5597 for OPEB or Form 5598 for pension and attach to this form)*

Please check all that apply:

☒ **Actions Implemented from CAP** – What actions included in the CAP has the local government implemented?

Sample Statement: *In **June 2019**, our local government began making additional payments of $100,000 per year above its ADC to the **General Employees' Retirement System**, as stated in our* CAP. *Page **8** of our actuarial valuation (attachment 2a) shows our pension will be **62%** funded by **fiscal year 2028**.*

In June of 2020 we made a substantial funding payment to the OPEB plan. This along with the actions we took in 2019 have resulted in our plan having a current funded status of 72%.

☐ **Actions Not Implemented from CAP** – What corrective actions has the local government failed to implement since the plan was approved?

Sample Statement: *In the **June 2019** contract negotiations, our local government sought to lower the system's multiplier for current employees from 2.5X to 2X for the **General Employees' Retirement System**. We were able to negotiate to a 2.25X multiplier. On page **8** of our actuarial valuation (attachment 2a), it shows we will be **62%** funded by **fiscal year 2028 instead of 2024**, as outlined in our* CAP. *The revised fiscal year remains within the Board's required timeline.*

☐ **Additional Actions Approved** – What additional actions has the local government implemented or planned to implement to supplement the CAP since the plan was originally approved? **(Provide proof of governing body approval for all additional actions)**

Sample Statement: *Since our local government was unable to lower the multiplier to 2X as outlined in our CAP, we implemented additional actions to address our underfunded status within the Board's required timeframe. Beginning in **fiscal year 2020**, we will begin amortizing the unfunded portion of the pension liability using a **level-dollar amortization method over a closed period of 10 years**. This will allow the retirement system to reach a funded status of **62%** by fiscal year **2028** as shown on page 8 of the actuarial analysis (attachment 2a).*

4. SUSTAINABILITY CERTIFICATION

The local government must certify the plan is still affordable through detailed supporting documentation. This includes documentation that the local government's retirement costs are not increasing at a rate greater than what can be afforded through reasonable revenue growth. Retirement costs also must not have substantially increased above the original projection in the CAP.

The Board recommends that supporting documentation include a projection of all annual retirement payments (Pension ADC(s) + OPEB Benefit Payment(s) + all additional contributions) as a percentage of projected governmental fund revenues over the next five years. A local government should project governmental fund revenues using a reasonable forecast based on historical trends and projected rates of inflation. This analysis may include projected enterprise funds specifically allocated to pay retirement costs.

What is the highest combined annual retirement payment as a percentage of your projected governmental revenues over the next five fiscal years? (Examples and Worksheet)

Fiscal year: 2021

1. Total pension ADC(s): 164,832
2. Total OPEB benefit payment(s): 80,400
3. Total additional contributions for pension: _____
4. Total additional contributions for OPEB: _____
5. Total governmental fund revenues: 16,462,935
6. Enterprise funds used to pay retirement costs (if applicable): _____

Total percentage [(Payments #1-4)/(Revenues #5-6)]: 1.5%

Do the projected annual payments increase by an amount greater than an average of 5% per year over the next five fiscal years?

- ○ **Yes** (Explain and list actions implemented or planned to implement to address increased payments)
- ◉ **No**

Utilizing a projection of all annual retirement payments, do the approved corrective actions listed in this plan allow for the local government to continue to make, at a minimum, the ADC payment for the defined benefit pension system(s) and/or any applicable statutorily required payments for retirement health benefit system(s), according to your long-term budget forecast? Note: For retirement health benefit systems, local governments are required to make all retiree premium payments, as well as any applicable normal cost payments for employees first hired after June 30, 2018 in accordance with Section 4(1) of Public Act 202 of 2017.

- ◉ **Yes**
- ○ **No** (Explain and list actions implemented or planned to implement to address increased payments)

5. REQUIRED DOCUMENTATION

Documentation should be attached as a PDF with this monitoring form. The documentation should detail and confirm the claims made in this document regarding the CAP that is being implemented to adequately address the local government's underfunded status. Please check all documents that are included as part of this form and attach in successive order as provided below. When attaching documents, please use the naming convention below:

Naming Convention	Type of Document
☒ Attachment – 1	**(Required) This CAP monitoring form;**
☒ Attachment – 2a	**(Required) An actuarial projection, an actuarial valuation, or an internally developed analysis (in accordance with GASB and/or actuarial standards of practice), which illustrates how and when the local government will reach the Act's required funded ratio. Or, if the local government is a city, village, township, or county, how and when the ADC as a percentage of governmental revenues will be less than the Act's requirements. The Board recommends that supporting documentation show a projection for the duration of the CAP that includes, but is not limited to, assets, liabilities, funded ratios, normal cost payments (if applicable), actuarial assumptions, and retiree benefit payments, using reasonable calculations;**
☒ Attachment – 2b	**(Required) An actuarial projection, an actuarial valuation, or an internally developed analysis (in accordance with GASB and/or actuarial standards of practice), which projects all annual retirement payments (Pension ADC(s) + OPEB Benefit Payments(s) + all additional contributions) as a percentage of projected governmental fund revenues over the next five fiscal years. A local government should project governmental fund revenues using a reasonable forecast based on historical trends and projected rates of inflation. This analysis *may* include projected enterprise funds specifically allocated to pay retirement costs;**
☐ Attachment – 3	**(Required if applicable)** Documentation from the governing body approving additional corrective actions including documentation of commitment to additional payments or actions not previously included in the CAP (e.g. resolution, ordinance);
☐ Attachment – 4	**(Required if applicable)** In the event that the previous plan is no longer substantially in effect, a separate CAP to address its underfunded status which includes documentation of prior actions, prospective actions, governing body approval, and the positive impact on the system's funded ratio;
☐ Attachment – 5	Other documentation not categorized above.

6. CORRECTIVE ACTION PLAN CRITERIA

Please confirm that each of the CAP monitoring criteria listed below have been satisfied when submitting this document. Specific detail on CAP criteria can be found in the Corrective Action Plan Monitoring: Policy and Procedures document.

CAP Monitoring Criteria	Description
☒ Underfunded Status	The local government certifies that there is adequate supporting documentation showing that the CAP will continue to address the local government's underfunded status in a reasonable timeframe;
☒ Substantial Changes	The local government certifies that the corrective actions documented in the CAP remain substantially the same OR; the local government has implemented or planned to implement additional actions to continue to address their underfunded status;
☒ Sustainability	The CAP continues to allow the local government to make all required annual retirement payments, without increasing to a level that is unsustainable.

7. LOCAL GOVERNMENT'S ADMINISTRATIVE OFFICER APPROVAL OF CORRECTIVE ACTION PLAN MONITORING FORM

I, DOUG FLEMING, as the government's administrative officer (Ex. City/Township Manager, Executive Director, Chief Executive Officer, etc.) **(insert title)** EXECUTIVE DIRECTOR approve this *Corrective Action Plan Monitoring: Application for Certification of Compliance* and will continue to implement the actions of the CAP.

I confirm to the best of my knowledge that because of the actions referenced within this form, one of the following statements will occur:

☒ The LANSING HOUSING COMMISSION **(insert retirement system name)** will achieve a funded status (60% for pension or 40% for OPEB) by fiscal year 2020 as demonstrated by required supporting documentation listed in Section 5.

OR, if the local government is a city, village, township, or county:

☐ The ADC for all defined benefit pension or retirement health benefit (OPEB) systems as a percentage of governmental fund revenues will be less than the Act's underfunded status threshold (10% for pension or 12% for OPEB) by fiscal year _____ as demonstrated by required supporting documentation listed in Section 5.

Signature: _____ Date: 11/9/2020

Lansing Housing Commission
Other Postemployment Benefits Plan

GASB 74 & GASB 75 Actuarial Valuation

With a Valuation Date of July 1, 2019

As of the Measurement Date:
June 30, 2020

For the Reporting Date:
June 30, 2020

Delivered November 4, 2020

Odyssey ADVISORS

Odyssey ADVISORS

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November 4, 2020

Personal and Confidential

Mr. Steven Raiche
Finance Director
Lansing Housing Commission
419 Cherry Street
Lansing, MI 48933

Dear Mr. Raiche:

We have performed an actuarial valuation of the Lansing Housing Commission Other Postemployment Benefits Plan for the Reporting Date & fiscal year ending June 30, 2020 with a Measurement Date of June 30, 2020 and a Valuation Date of July 1, 2019. The figures presented in this report reflect the adoption, by the Lansing Housing Commission, of Statement Nos. 74 and 75 of the Governmental Accounting Standards Board ("GASB 74/75") effective for the fiscal years ending June 30, 2017 and June 30, 2018 respectively.

The financial results of the actuarial valuation are summarized in the report. The Executive Summaries highlight the results of the valuation. Additional information summarizing census data, actuarial assumptions, claim rates and the methodology for developing them, as well as a glossary of selected terms used in this study, is also included in the report.

All costs, liabilities and other factors under the plan were determined in accordance with generally accepted actuarial principles and procedures. In our opinion, the actuarial assumptions used are reasonable, reflecting the experience of the plan and reasonable expectations and, in combination, represent our best estimate of the anticipated experience under the plan.

We will be pleased to answer any questions that you may have regarding this actuarial valuation report.

Very truly yours,



Parker E. Elmore, ASA, EA, FCA, MAAA
President, CEO & Actuary

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November 4, 2020

ACTUARIAL CERTIFICATION

This is to certify that Odyssey Advisors has conducted an actuarial valuation of certain benefit obligations of the Lansing Housing Commission other postemployment benefit programs with a Valuation Date of July 1, 2019 with a Measurement Date of June 30, 2020 for the Reporting Date & fiscal year ending June 30, 2020 in accordance with Government Account Standards Board Statement No. 74 & 75 and Actuarial Standards of Practice as issued by the American Academy of Actuaries. The actuarial calculations presented in this report have been made on a basis consistent with our understanding of GASB Statements Numbers 74 & 75 for the determination of the liability for postemployment benefits other than pensions.

The actuarial data is based on the plan of benefits verified by the Commission and on participant claims or premium data provided by the Commission and/or vendors employed by the Commission.

The actuarial computations made are for purposes of fulfilling plan accounting requirements. Determinations for purposes other than meeting financial accounting requirements may yield results significantly different than those reported here. As such, additional determinations may be needed for other purposes including determining the benefit security at termination and/or adequacy of the funding of an ongoing plan.

To the best of our knowledge, this report is complete and accurate and in our opinion represents the information necessary to comply with GASB Statements Number 74 and 75 with respect to the benefit obligations addressed. The signing actuaries are members of the Society of Actuaries, the American Academy of Actuaries and other professional actuarial organizations and meet their "General Qualification Standards for Statements of Actuarial Opinion" to render the actuarial opinion contained herein. Further, in our opinion, the assumptions as approved by the Commission are reasonably related to the experience and expectations of the postemployment benefits programs.



Parker E. Elmore, ASA, EA, FCA, MAAA
President, CEO & Actuary



Andrew D. Taggart, ASA, MAAA
Consulting Actuary

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EXECUTIVE SUMMARY

How did plan liabilities change from FY 19 to FY 20?

Plan Experience

For the year ending on the Measurement Date of June 30, 2020, the Plan saw an experience gain of $157,076 or 18.03% of the beginning Total OPEB Liability ("TOL"). This was mainly due to the termination of two (2) active employees and the cessation of coverage by two (2) retirees / spouses and the fact that the retiree subsidy was flat over the two-year period vs an expected 7% increase.

Assumption Changes

Some key assumptions have changed since the prior valuation - their impact is detailed below.

- ✓ Due to the GASB 75 standards the discount rate has been changed from 2.75% to 5.50% decreasing the disclosed liability by $130 thousand.
- ✓ The mortality table has been updated from the RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 to the RP-2014 Mortality Table projected generationally with scale MP-2016 for males and females increasing the disclosed liability by $7,200.
- ✓ Assumption changes caused Service Cost to decrease by $2,000.

It is important to remember that actuarial assumptions or changes in such do not impact the actual cost of the Plan. Rather, they impact the timing of the recognition of such costs.

Investment Experience

- ✓ During the period there was an investment loss of $9,258 due to asset performance below the expected rate of return.

Changes in Benefits Terms

- ✓ To the best of our knowledge there have been no material changes in benefit terms that would impact the figures shown in this report.

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EXECUTIVE SUMMARY

Recognition Period

- ✓ Changes in assumptions & plan experience are amortized into the net OPEB expense over 5.00 years.
- ✓ Differences between projected & actual earnings on OPEB plan investments are amortized into the net OPEB expense over 5.00 years
- ✓ Changes in benefit terms are to be recognized in full immediately

Events Subsequent to the Measurement Date

To the best of our knowledge there were no material events subsequent to the Measurement Date that would impact the figures shown in this report.

Discount Rate Determinants

- ✓ Employer Current and Future Benefit Payments
- ✓ Municipal Bond Rate – The municipal bond rate was 2.66% as of June 30, 2020.
- ✓ Current Asset Level – The Commission had $391,580 of OPEB assets as of June 30, 2020.
- ✓ Funding Policy - The Commission is not expected to make trust contributions beyond its pay-as-you-go costs.
- ✓ Investment Policy - The Commission is expected to earn 5.45% on assets based on its investment policy.

Key Drivers of Plan Liabilities

Several key drivers of plan costs and liabilities are:

- ✓ Reimbursement Amounts
- ✓ Age at which plan participants retire
- ✓ Cost of Living Adjustment – We currently assume a Cost of Living Adjustment of 3.50% annually.
- ✓ Discount Rate (5.50%) – Higher discount rates yield lower liabilities and vice versa

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EXECUTIVE SUMMARY

Key Plan Metrics

While an actuarial valuation under GASB 74/75 can be very complex with many variables, we find it helpful to look at several key metrics (shown below) to better allow you to manage your plan.

Representative Plan Statistics		
Valuation Date	**July 1, 2019**	**July 1, 2017**
Measurement Date & Period Ending	**June 30, 2020**	**June 30, 2019**
Reporting Date/Fiscal Year End	**June 30, 2020**	**June 30, 2019**
Total OPEB Liability	542,214	871,259
Per Eligible Active Plan Participant	0	0
Per Retiree/Spouse Plan Participant	36,148	51,251
Total Annual Service Cost (Annual Benefit Accrual)	9,427	11,298
Per Eligible Active Plan Participant	524	565
Expected Employer Share of Retiree Costs	80,400	201,577
Per Retiree/Spouse Plan Participant	5,360	11,857
Net OPEB Liability as a % of Covered Payroll	16.90%	35.50%

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PRINCIPAL RESULTS OF THE VALUATION

Lansing Housing Commission
Assuming Funding - 5.50% discount rate
Comparison of Plan Liabilities to Prior Valuation

	Valuation Date	**July 1, 2019**	**July 1, 2017**
	For the Measurement Period ending on the Measurement Date of:	**June 30, 2020**	**June 30, 2019**
	For the Reporting Period & Fiscal Year ending on:	**June 30, 2020**	**June 30, 2019**
I.	Total OPEB Liability		
	A. Actives	0	0
	B. Retirees/Disabled	542,214	871,259
	C. Total	542,214	871,259
II.	Fiduciary Net Position [Plan Assets]	391,580	0
III.	Net OPEB Liability (Asset) [I. - II.]	150,634	871,259
IV.	Funded Ratio [II. / I.]	72.22%	0.00%
V.	Number of Eligible Participants		
	A. Actives	18	20
	B. Retirees/Disabled & Dependents	15	17
	C. Total	33	37
VI.	Service Cost	9,427	11,298
VII.	Financial Statement Expense	(27,715)	(817,117)
VIII.	Employer Contribution to the OPEB Trust	(390,342)	0
IX.	Deferred Inflow of Resources	(295,853)	(94,530)
X.	Deferred Outflow of Resources	92,160	113,005
XI.	Money Weighted Rate of Return	3.40%	N/A
XII.	20-year Municipal Bond Rate (SAPIHG)	2.66%	2.79%
XIII.	Expected Long Term Rate of Return (Net of Expense)	5.45%	N/A
XIV.	Crossover Year	N/A	Immediate
XV.	Discount Rate	5.50%	2.75%

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PRINCIPAL RESULTS OF THE VALUATION

Lansing Housing Commission
Plan Liabilities as of the June 30, 2020 Measurement Date

		Union Employees and Retirees	Non-Union Employees and Retirees	Total
I.	Total OPEB Liability			
	A. Actives	0	0	0
	B. Retirees/Disabled	542,214	0	542,214
	C. Total	542,214	0	542,214
II.	Fiduciary Net Position [Plan Assets]	391,580	0	391,580
III.	Net OPEB Liability (Asset) [I. - II.]	150,634	0	150,634
IV.	Number of Eligible Participants			
	A. Actives	14	4	18
	B. Retirees/Disabled	15	0	15
	C. Total	29	4	33
For the Reporting Date and Fiscal Year Ending June 30, 2020				
V.	Service Cost	7,236	2,191	9,427
VI.	Financial Statement Expense	(29,998)	2,283	(27,715)
VII.	Employer Share of Costs	(80,400)	0	(80,400)
VIII.	Employer (Payments)/Withdrawals to/from OPEB Trust	(390,342)	0	(390,342)
IX.	Total Employer Contribution [VII. + VIII.]	(470,742)	0	(470,742)

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PRINCIPAL RESULTS OF THE VALUATION

Lansing Housing Commission
Assuming Funding - 5.50% discount rate
For the Period Ending on the June 30, 2020 Measurement Date

	Actives			Retirees/Disabled			Grand Total
	Under Age 65	Age 65+	Actives Total	Under Age 65	Age 65 +	Retirees Total	
Total OPEB Liability							
A. Participants	0	0	0	260,713	200,211	460,924	460,924
B. Spouses	0	0	0	31,385	49,905	81,290	81,290
C. Total	0	0	0	292,098	250,116	542,214	542,214
Service Cost							
A. Participants	9,427	0	9,427	0	0	0	9,427
B. Spouses	0	0	0	0	0	0	0
C. Total	9,427	0	9,427	0	0	0	9,427

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EXHIBIT A

FINANCIAL STATEMENT DISCLOSURES

(As of the June 30, 2020 Measurement Date)

The GASB Standards for accounting and financial reporting for postemployment benefits other than pensions require the following disclosures in the financial statements:

1. OPEB Expense Development

Components of the Commission's OPEB Expenses for the Fiscal Year Ending June 30, 2020

Description		Amount
I.	Service Cost	9,427
II.	Interest on Total OPEB Liability (Asset), Service Cost, and Benefit Payments	23,121
III.	Deferred (Inflows)/Outflows from Plan Experience*	(3,164)
IV.	Deferred (Inflows)/Outflows from Changes of Assumptions*	(48,455)
V.	Projected Earnings on OPEB Plan Investments	(10,496)
VI.	Deferred (Inflows)/Outflows from Earnings on Plan Investments**	1,852
VII.	Financial Statement Expense Prior to Plan Design Changes [I. + II.+ III. + IV. + V. + VI.]	(27,715)
VIII.	Expense Related to Change in Benefit Terms***	0
IX.	Financial Statement Expense [VII. + VIII.]	(27,715)

* Amortized over 5.00 years

** Amortized over 5.00 years

*** Recognized Immediately

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EXHIBIT A

FINANCIAL STATEMENT DISCLOSURES

(As of the June 30, 2020 Measurement Date)

2. Changes in Net OPEB Liability

Changes in Net OPEB Liability

		Increase (Decrease)		
		Total OPEB Liability	**Plan Fiduciary Net Position**	**Net OPEB Liability**
I.	**Balances for June 30, 2019**	871,259	0	871,259
II.	**Prior Period Adjustment**	0	0	0
III.	**Balances for June 30, 2019 with Adjustment [I. + II.]**	871,259	0	871,259
	Changes for the year:			
IV.	Service Cost	9,427	0	9,427
V.	Interest on Total OPEB Liability, Service Cost, and Benefit Payments	23,121	0	23,121
VI.	Changes in Benefit Terms *	0	0	0
VII.	Change in Assumptions **	(124,117)	0	(124,117)
VIII.	Differences Between Actual and Expected Experience **	(157,076)	0	(157,076)
IX.	Net Investment Income	0	1,238	(1,238)
X.	Employer Contributions to Trust	0	470,742	(470,742)
XI.	Benefit Payments Withdrawn from Trust	0	(80,400)	80,400
XII.	Benefit Payments Excluding Implicit Cost	(80,400)	0	(80,400)
XIII.	Implicit Cost Amount	0	0	0
XIV.	Total Benefit Payments Including Implicit Cost [XII. + XIII.]	(80,400)	0	(80,400)
XV.	Administrative Expense	0	0	0
XVI.	Other Charges	0	0	0
XVII.	**Net Changes [IV.+V.+VI.+VII.+VIII.+IX.+X.+XI.+XIV.+XV.+XVI.]**	(329,045)	391,580	(720,625)
XVIII.	**Balances at June 30, 2020 [III.+XVII.]**	542,214	391,580	150,634

* Recognized Immediately

** Amortized over 5.00 years

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FINANCIAL STATEMENT DISCLOSURES

(As of the June 30, 2020 Measurement Date)

3. Changes in Net OPEB Expense

Deferred (Inflows)/Outflows in OPEB Expense Arising from the Recognition of the Effects of Differences Between Expected & Actual Experience

Fiscal	Differences Between Actual & Expected Experience	Recognition Period (Years)	Remaining Balance	2020	2021	2022	2023	2024	2025
2017									
2018	0	7.00	0	0	0	0	0	0	
2019	141,256	5.00	84,754	28,251	28,251	28,251	28,252		
2020	(157,076)	5.00	(125,661)	(31,415)	(31,415)	(31,415)	(31,415)	(31,416)	
2021									
2022									
2023									
2024									
2025									
2026									
Total Remaining Balance			(40,907)						
Net increase (decrease) in OPEB Expense				(3,164)	(3,164)	(3,164)	(3,163)	(31,416)	0

Deferred (Inflows)/Outflows in OPEB Expense Arising from the Recognition of the Effects of Changes in Assumptions

Fiscal	Differences from Changes in Actuarial Assumptions	Recognition Period (years)	Remaining Balance	2020	2021	2022	2023	2024	2025
2017									
2018	0	7.00	0	0	0	0	0	0	
2019	(118,162)	5.00	(70,898)	(23,632)	(23,632)	(23,632)	(23,634)		
2020	(124,117)	5.00	(99,294)	(24,823)	(24,823)	(24,823)	(24,823)	(24,825)	
2021									
2022									
2023									
2024									
2025									
2026									
Total Remaining Balance			(170,192)						
Net increase (decrease) in OPEB Expense				(48,455)	(48,455)	(48,455)	(48,457)	(24,825)	0

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FINANCIAL STATEMENT DISCLOSURES

(As of the June 30, 2020 Measurement Date)

3. Changes in Net OPEB Expense (Continued)

Deferred (Inflows)/Outflows in OPEB Expense Arising from the Recognition of Differences Between Projected & Actual Earnings on OPEB Plan Investments

Fiscal	Differences Between Actual & Expected Earnings	Recognition Period (years)	Remaining Balance	2020	2021	2022	2023	2024	2025
2017									
2018	0	5.00	0	0	0	0			
2019	0	5.00	0	0	0	0	0		
2020	9,258	5.00	7,406	1,852	1,852	1,852	1,852	1,850	
2021									
2022									
2023									
2024									
2025									
2026									
Total Remaining Balance			7,406						
Net increase (decrease) in OPEB Expense				1,852	1,852	1,852	1,852	1,850	0

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FINANCIAL STATEMENT DISCLOSURES
(As of the June 30, 2020 Measurement Date)

3. Changes in Net OPEB Expense (Continued)

Statement of Outflows & Inflows Arising from Current & Prior Reporting Periods for the Measurement Period Ending on June 30, 2020 to be Reported for the Fiscal Year Ending June 30, 2020

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
I. Contributions made subsequent to the Measurement Date	0	0	0
II. Differences Between Actual & Expected Experience	84,754	(125,661)	(40,907)
III. Changes of Assumptions	0	(170,192)	(170,192)
IV. Net Difference Between Projected & Actual Earnings on OPEB Plan Investments	7,406	0	7,406
V. Total [I.+II.+III.+IV.]	92,160	(295,853)	(203,693)

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FINANCIAL STATEMENT DISCLOSURES
(As of the June 30, 2020 Measurement Date)

3. Changes in Net OPEB Expense (Continued)

Annual Amortization of Deferred (Inflows)/Outflows

The balance of deferred (inflows)/outflows as of June 30, 2020 will be recognized in future years as shown below.

Year ending June 30:	
2021	(49,767)
2022	(49,767)
2023	(49,768)
2024	(54,391)
2025	0
Thereafter	0

4. Discount Rate

The discount rate used to measure the Total OPEB liability was 5.50% as of June 30, 2020 and 2.75% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Commission's funding policy. Based on these assumptions, the OPEB Plan's Fiduciary Net Position is projected to be sufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB Plan assets was applied to all projected future benefits payments.

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(As of the June 30, 2020 Measurement Date)

5. Funding Policy

The contribution requirements of plan members and the Commission are established and may be amended through Commission ordinances. For the period ending on the June 30, 2020 Measurement Date, total Commission premiums plus implicit costs for the retiree medical program were $80,400. The Commission also contributed $390,342 to an OPEB Trust for a total contribution during the measurement period of $470,742 to be reported on the financial statement for the fiscal year ending June 30, 2020.

6. Investment Policy

The chart below shows how the long-term rate of return on assets is developed based on the Commission's Investment Policy.

Investment Target Allocation & Expected Long-Term Real Rate of Return

Asset Class	Target Allocation
Domestic Equity - Large Cap	30.00%
Domestic Equity - Small/Mid Cap	10.00%
International Equity - Developed Market	0.00%
International Equity-Emerging Market	0.00%
Domestic Fixed Income	60.00%
International Fixed Income	0.00%
Alternatives	0.00%
Real Estate	0.00%
Cash & Cash Equivalents	0.00%
Total	100.00%

Asset Class	Long-Term Expected Real Rate of Return*
Domestic Equity - Large Cap	4.80%
Domestic Equity - Small/Mid Cap	5.29%
International Equity - Developed Market	5.45%
International Equity-Emerging Market	6.42%
Domestic Fixed Income	2.05%
International Fixed Income	3.00%
Alternatives	6.50%
Real Estate	6.25%
Cash & Cash Equivalents	0.00%
I. Real Rate of Return**	3.20%
II. Inflation Assumption	2.50%
III. Total Nominal Return [I. + II.]	5.70%
IV. Investment Expense	0.25%
V. Net Investment Return* [III.-IV.]	**5.45%**

* Based on 2019 Horizon Survey of Capital Market Assumptions

** Geometric Mean

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FINANCIAL STATEMENT DISCLOSURES
(As of the June 30, 2020 Measurement Date)

7. Schedule of The Commission's Contributions

For the Fiscal Year Ending	Actuarial Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
June 30, 2020	19,251	(470,742)	(451,491)	891,464	52.81%
June 30, 2019	53,173	(201,577)	(148,404)	2,452,554	8.22%
June 30, 2018	148,959	(65,682)	83,277	2,381,121	2.76%
June 30, 2017	143,977	(64,552)	79,425	2,311,768	2.79%

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FINANCIAL STATEMENT DISCLOSURES
(As of the June 30, 2020 Measurement Date)

8. Effect of 1% Change in Healthcare Trend

Impact of a 1% Change in the Healthcare Trend Rate as of the June 30, 2020 Measurement Date			
	1% Decrease	Current Trend Rate	1% Increase
I. Total OPEB Liability	506,277	542,214	584,044
II. Fiduciary Net Position	391,580	391,580	391,580
III. Net OPEB Liability (Asset) [I.-II.]	114,697	150,634	192,464
IV. Service Cost	9,427	9,427	9,427

9. Effect of 1% Change in Discount Rates

Impact of a 1% Change in the Discount Rate as of the June 30, 2020 Measurement Date			
	1% Decrease	Current Discount Rate	1% Increase
I. Total OPEB Liability	583,572	542,214	507,244
II. Fiduciary Net Position	391,580	391,580	391,580
III. Net OPEB Liability (Asset) [I.-II.]	191,992	150,634	115,664
IV. Service Cost	0	9,427	0

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FINANCIAL STATEMENT DISCLOSURES
(As of the June 30, 2020 Measurement Date)

10. Money Weighted Rate of Return

	Plan Investments / Net External Cash Flows	Periods Invested	Period Weight
I. Beginning value - June 30, 2019	0	12	1.0000
Monthly net external cash flows:			
July	37,314	11	0.9167
August	0	10	0.8333
September	0	9	0.7500
October	0	8	0.6667
November	0	7	0.5833
December	4,522	6	0.5000
January	0	5	0.4167
February	0	4	0.3333
March	0	3	0.2500
April	0	2	0.1667
May	0	1	0.0833
June	348,506	0	0.0000
II. Total net external cash flow	390,342		
III. Earnings and increase in fair value	1,238		
IV. Ending value - June 30, 2020 [I.+II.+III.]	391,580		
Money Weighted Rate of Return	3.40%		
Asset Value - June 30, 2020	391,580		

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FINANCIAL STATEMENT DISCLOSURES

(As of the June 30, 2020 Measurement Date)

11. OPEB Liability, OPEB Expense

	Fiscal Year Ending June 30, 2020		
	Union Employees and Retirees	Non-Union Employees and Retirees	Total
I. Total OPEB Liability as of June 30, 2020	542,214	0	542,214
II. Fiduciary Net Position as of June 30, 2020	391,580	0	391,580
III. Net OPEB Liability (Asset) as of June 30, 2020 [I. - II.]	150,634	0	150,634
IV. Service Cost	7,236	2,191	9,427
V. Interest on Total OPEB Liability (Asset), Service Cost, and Benefit Payments	23,029	92	23,121
VI. Projected Earnings on OPEB Plan Investments	(10,496)	0	(10,496)
VII. Net Recognition of Deferred (Inflows)/Outflows	(49,767)	0	(49,767)
VIII. Expense Related to Change in Benefit Terms	0	0	0
IX. Financial Statement Expense [IV. + V. + VII. + VIII.]	(29,998)	2,283	(27,715)
X. Employer Share of Costs	(80,400)	0	(80,400)
XI. Employer (Payments) Withdrawals to/from OPEB Trust	(390,342)	0	(390,342)
XII. Total Employer Contribution [X. + XI.]	(470,742)	0	(470,742)
XIII. Net OPEB Expense [IX. + XII.]	(500,740)	2,283	(498,457)

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FINANCIAL STATEMENT DISCLOSURES

(As of the June 30, 2020 Measurement Date)

12. OPEB Liability, OPEB Expense and Deferred Inflow/Outflow

Valuation Date	**July 1, 2019**
For the Measurement Period ending on the Measurement Date of:	**June 30, 2020**
For the Reporting Period & Fiscal Year ending on:	**June 30, 2020**

Source of Deferred Inflow/Outflow	
I. Deferred (Inflow)/Outflow from Actual vs. Expected Experience	(40,907)
II. Deferred (Inflow)/Outflow from Investment Experience	7,406
III. Deferred (Inflow)/Outflow from Changes in Assumptions	(170,192)

Change in Deferred Inflow/Outflow	
I. Deferred Outflow at the beginning of the period	113,005
II. Deferred Outflow created during the period	9,258
III. Deferred Outflow recognized during the period	30,103
IV. Change in Deferred Outflow (II. - III.)	(20,845)
V. Deferred Outflow at end of the period (I. + IV.)	92,160
VI. Deferred Inflow at the beginning of the period	(94,530)
VII. Deferred Inflow created during the period	(281,193)
VIII. Deferred Inflow recognized during the period	(79,870)
IX. Change in Deferred Inflow (VII. - VIII.)	(201,323)
X. Deferred Inflow at end of the period (VI. + IX.)	(295,853)

Net OPEB Liability	
I. Net OPEB Liability at beginning of period	871,259
II. Service Cost	9,427
III. Interest on Total OPEB Liability, Service Cost, and Payments	23,121
IV. Projected Investment Income	(10,496)
V. Total Employer Contributions	(470,742)
VI. Expense Related to Change in Benefit Terms	0
VII. Net OPEB Expense - Before Recognition of Deferred (Inflow)/Outflow (II. + III. + IV. + V. + VI.)	(448,690)
VIII. Deferred Outflow created during the period	9,258
IX. Deferred Inflow created during the period	(281,193)
X. Net OPEB Liability at end of period (I. + VII. + VIII. + IX.)	150,634

Net OPEB Expense	
I. Service Cost	9,427
II. Interest on Total OPEB Liability, Service Cost, and Payments	23,121
III. Projected Investment Income	(10,496)
IV. Recognition of Deferred (Inflow)/Outflow	(49,767)
V. Expense Related to Change in Benefit Terms	0
VI. Financial Statement Expense (I. + II. + III. + IV. + V.)	(27,715)
VII. Benefit Payments	(80,400)
VIII. Contributions to Trust	(390,342)
IX. Total Employer Payments (VII. + VIII.)	(470,742)
X. Total Net OPEB Expense under GASB 75 (VI. + IX.)	(498,457)

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REQUIRED SUPPLEMENTARY INFORMATION

(As of the June 30, 2020 Measurement Date)

The Commission's Actuarially Determined Contribution (ADC) is an amount actuarially determined in accordance with the parameters of GASB Statement No. 74/75 which is composed of the service cost and an amortization of the unfunded liability. We have used a 30 year flat dollar amortization of the Commission's unfunded liability for the purpose of calculating ADC. The following table shows the components of the Commission's annual ADC and the amount actually contributed to the plan:

Actuarially Determined Contribution - Deficiency / (Excess)

	For the Fiscal Year Ending:			
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
I. Service Cost	9,427	11,298	53,470	50,924
II. Amortization of NOL	6,958	41,875	95,489	93,053
III. Actuarial Determined Contribution [I. + II.]	19,251	53,173	148,959	143,977
IV. Contributions in Relation to the Actuarially Determined Contribution	(470,742)	(201,577)	(65,682)	(64,552)
V. Contribution Deficiency / (Excess) [III. + IV.]	(451,491)	(148,404)	83,277	79,425
Covered Employee Payroll	891,464	2,452,554	2,381,121	2,311,768
Contributions as a % of Covered Employee Payroll	52.81%	8.22%	2.76%	2.79%
Discount Rate	5.50%	2.75%	3.25%	3.25%
Money Weighted Rate of Return	3.40%	N/A	N/A	N/A

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REQUIRED SUPPLEMENTARY INFORMATION

(As of the June 30, 2020 Measurement Date)

Schedule of Changes in the Commission's Net OPEB Liability and Related Ratios				
Valuation Date	**July 1, 2019**	**July 1, 2017**	**July 1, 2017**	**July 1, 2017**
GASB 75 Measurement Date	**June 30, 2020**	**June 30, 2019**	**June 30, 2018**	**June 30, 2017**
For the Reporting Period & Fiscal Year Ending on:	**June 30, 2020**	**June 30, 2019**	**June 30, 2018**	**June 30, 2017**
Total OPEB Liability	542,214	871,259	1,871,478	1,823,739
I. Service Cost	9,427	11,298	53,470	50,924
II. Interest on Total OPEB Liability, Service Cost, and Benefit Payments	23,121	49,023	59,951	58,429
III. Changes in Benefit Terms	0	(882,057)	0	0
IV. Difference Between Expected & Actual Plan Experience	(157,076)	141,256	0	0
V. Changes of Assumptions	(124,117)	(118,162)	0	0
VI. Benefit Payments Excluding Implicit Cost	(80,400)	N/A	N/A	N/A
VII. Implicit Cost Amount	0	N/A	N/A	N/A
VIII. Total Benefit Payments Including Implicit Cost [VI.+VII.]	(80,400)	(201,577)	(65,682)	(64,552)
IX. Net Change in OPEB Liability [I.+II.+III.+IV.+V.+VIII.]	(329,045)	(1,000,219)	47,739	44,801
X. Total OPEB Liability - Beginning of Period	871,259	1,871,478	1,823,739	1,778,938
XI. Prior Period Adjustment	0	0	0	0
XII. Total OPEB Liability - Beginning of Period with Adjustment	871,259	1,871,478	1,823,739	1,778,938
XIII. Total OPEB Liability - End of Period [IX.+XII.]	542,214	871,259	1,871,478	1,823,739
Plan Fiduciary Net Position	391,580	0	0	0
XIV. Earning from Plan Investments	1,238	0	0	0
XV. Employer Contribution to Trust	470,742	201,577	65,682	64,552
XVI. Benefit Payments from Trust, Including Refunds of Member Contributions	(80,400)	(201,577)	(65,682)	(64,552)
XVII. Administrative Expense	0	0	0	0
XVIII. Other	0	0	0	0
XIX. Net Change in Plan Fiduciary Net Position [XIV.+XV.+XVI.+XVII.+XVIII.]	391,580	0	0	0
XX. Plan Fiduciary Net Position - Beginning of Period	0	0	0	0
XXI. Prior Period Adjustment	0	0	0	0
XXII. Plan Fiduciary Net Position - Beginning of Period with Adjustment	0	0	0	0
XXIII. Plan Fiduciary Net Position - End of Period [XIX.+XXII.]	391,580	0	0	0
XXIV. Net OPEB Liability [XIII.-XXIII.]	150,634	871,259	1,871,478	1,823,739
XXV. Plan Fiduciary Net Position as % of Total OPEB Liability [XXIII. / XIII.]	72.22%	0.00%	0.00%	0.00%
XXVI. Covered Employee Payroll	891,464	2,452,554	2,381,121	2,311,768
XXVII. Plan NOL as % of Covered Employee Payroll [XXIV. / XXVI.]	16.90%	35.52%	78.60%	78.89%
Single Discount Rate to calculate Plan Liabilities	5.50%	2.75%	3.25%	3.25%

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REQUIRED SUPPLEMENTARY INFORMATION
(As of the June 30, 2020 Measurement Date)

Notes to Required Supplementary Information:

Valuation Date:	Actuarially Determined Contribution was calculated as of July 1, 2019.
Actuarial Cost Method:	Individual Entry Age Normal
Asset-Valuation Method:	Market Value of Assets as of the Measurement Date, June 30, 2020.

Actuarial Assumptions:

Investment Rate of Return:	5.45%, net of OPEB plan investment expense, including inflation.
Municipal Bond Rate	2.66% as of June 30, 2020 (source: S&P Municipal Bond 20-Year High Grade Index – SAPIHG)
Single Equivalent Discount Rate:	5.50%, net of OPEB plan investment expense, including inflation.
Inflation:	2.50% as of June 30, 2020 and for future periods
Salary Increases:	3.00% annually as of June 30, 2020 and for future periods
Cost of Living Adjustment:	3.50% per year

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REQUIRED SUPPLEMENTARY INFORMATION
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Pre-Retirement Mortality:	None
Post-Retirement Mortality:	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females
Disabled Mortality:	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females

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(As of the June 30, 2020 Measurement Date)

Plan Membership

At July 1, 2019, OPEB plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits:	15
Active Employees:	18
Total:	33

Events Subsequent to the Measurement Date

To the best of our knowledge there were no material events subsequent to the Measurement Date that would impact the figures shown in this report.

Changes in Assumptions: From June 30, 2019 to June 30, 2020

- ✓ Due to the GASB 75 standards the discount rate has been changed from 2.75% to 5.50%
- ✓ The mortality table has been updated from the RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 to the RP-2014 Mortality Table projected generationally with scale MP-2016 for males and females

Contributions/Withdrawals:

The contribution requirements of plan members and the Commission are established and may be amended through Commission ordinances. The Commission contributed beyond the pay-as-you-go cost $390,342 for the period ending on the June 30, 2020 Measurement Date. For the year ending on the June 30, 2020 Measurement Date total Commission premiums plus implicit costs for the retiree medical program were $80,400. $0 of the $80,400 represents implicit cost.

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Census Data Manipulation:

In the absence of data, the following was assumed:

Spouse Sex:	Male participants had female spouses and vice versa.
Spouse Age:	Male spouses were three years older than female spouses and same sex spouses were the same age.
Hire Age:	Participants who were not on the previous valuation were hired halfway between last valuation and the current valuation. If we did not have census data related to the last valuation, the participants were assumed to have been hired at age forty.
Retiree Age:	Retirees had the same birth date as they had the prior valuation. If we did not have census data related to the last valuation, retirees who were enrolled in Active plans were assumed to be age sixty-two and retirees who were enrolled in Medicare Supplement plans were assumed to be age seventy-two. Those not enrolled in a medical plan were assumed to be sixty-seven.
School Demographics:	Two thirds of school participants were teachers.
Other Material Changes:	No other data changes were deemed to be material.

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APPENDIX I – LIABILITIES, ASSETS, & CASH FLOWS

CURRENT FUNDING POLICY (OPEN GROUP)

Funding - 5.50% discount rate

For the Fiscal Year	Period Ending on the Measurement Date of:	I. Total OPEB Liability ("TOL") as of Measurement Date	II. Fiduciary Net Position as of Measurement Date with an expected 5.45% return	III. Net OPEB Liability (Asset) [I. - II.]	IV. Funded Ratio [II. / I.]	V. Service Cost	VI. Employer Share of Benefit Payments (With Implicit Cost)	VII. Trust Contributions Beyond Pay-as-you-go	VIII. Gross Trust Contributions [VI. + VII.]	IX. Benefit Payments Reimbursed from the Trust	X. Administrative & Investment Expenses Reimbursed from the Trust	XI. Total Employer Payments Less Reimbursements [VIII. - IX. - X.]
2020	June 30, 2020	542,214	391,580	150,634	72.22%	9,427	80,400	390,342	470,742	80,400	0	390,342
2021	June 30, 2021	496,610	412,921	83,689	83.15%	8,764	82,435	0	82,435	82,435	0	0
2022	June 30, 2022	449,204	435,425	13,779	96.93%	8,138	59,885	0	59,885	59,885	0	0
2023	June 30, 2023	409,448	459,156	(49,708)	112.14%	7,617	61,318	0	61,318	61,318	0	0
2024	June 30, 2024	383,821	444,673	(60,852)	115.85%	6,962	45,435	(38,473)	6,962	45,435	0	(38,473)
2025	June 30, 2025	355,921	427,975	(72,054)	120.24%	6,550	46,411	(39,861)	6,550	46,411	0	(39,861)
2026	June 30, 2026	325,660	408,989	(83,329)	125.59%	6,161	47,364	(41,203)	6,161	47,364	0	(41,203)
2027	June 30, 2027	302,591	397,160	(94,569)	131.25%	5,558	38,784	(33,226)	5,558	38,784	0	(33,226)
2028	June 30, 2028	277,717	383,609	(105,892)	138.13%	5,151	39,426	(34,275)	5,151	39,426	0	(34,275)
2029	June 30, 2029	271,024	388,528	(117,504)	143.36%	4,713	20,282	(15,569)	4,713	20,282	0	(15,569)
2030	June 30, 2030	263,888	393,113	(129,225)	148.97%	4,234	20,389	(16,155)	4,234	20,389	0	(16,155)
2031	June 30, 2031	256,324	397,476	(141,152)	155.07%	3,844	20,459	(16,615)	3,844	20,459	0	(16,615)
2032	June 30, 2032	248,349	401,667	(153,318)	161.73%	3,478	20,492	(17,014)	3,478	20,492	0	(17,014)
2033	June 30, 2033	239,978	405,553	(165,575)	169.00%	2,955	20,488	(17,533)	2,955	20,488	0	(17,533)
2034	June 30, 2034	231,230	409,492	(178,262)	177.09%	2,760	20,448	(17,688)	2,760	20,448	0	(17,688)
2035	June 30, 2035	222,124	413,554	(191,430)	186.18%	2,592	20,369	(17,777)	2,592	20,369	0	(17,777)
2036	June 30, 2036	212,683	417,623	(204,940)	196.36%	2,264	20,250	(17,986)	2,264	20,250	0	(17,986)
2037	June 30, 2037	202,934	421,845	(218,911)	207.87%	2,036	20,089	(18,053)	2,036	20,089	0	(18,053)
2038	June 30, 2038	192,906	426,368	(233,462)	221.02%	1,899	19,883	(17,984)	1,899	19,883	0	(17,984)
2039	June 30, 2039	182,636	431,245	(248,609)	236.12%	1,750	19,629	(17,879)	1,750	19,629	0	(17,879)
2040	June 30, 2040	172,162	436,373	(264,211)	253.47%	1,428	19,322	(17,894)	1,428	19,322	0	(17,894)
2041	June 30, 2041	161,532	441,921	(280,389)	273.58%	1,204	18,961	(17,757)	1,204	18,961	0	(17,757)
2042	June 30, 2042	150,797	448,085	(297,288)	297.14%	1,089	18,540	(17,451)	1,089	18,540	0	(17,451)
2043	June 30, 2043	140,015	454,923	(314,908)	324.91%	935	18,057	(17,122)	935	18,057	0	(17,122)
2044	June 30, 2044	129,251	462,521	(333,270)	357.85%	764	17,509	(16,745)	764	17,509	0	(16,745)
2045	June 30, 2045	118,575	471,117	(352,542)	397.32%	715	16,891	(16,176)	715	16,891	0	(16,176)
2046	June 30, 2046	108,061	480,794	(372,733)	444.93%	625	16,205	(15,580)	625	16,205	0	(15,580)
2047	June 30, 2047	97,786	491,721	(393,935)	502.85%	576	15,452	(14,876)	576	15,452	0	(14,876)
2048	June 30, 2048	87,826	504,039	(416,213)	573.91%	533	14,635	(14,102)	533	14,635	0	(14,102)
2049	June 30, 2049	78,256	517,831	(439,575)	661.71%	440	13,760	(13,320)	440	13,760	0	(13,320)
2050	June 30, 2050	69,143	533,261	(464,118)	771.24%	381	12,838	(12,457)	381	12,838	0	(12,457)
2051	June 30, 2051	60,547	550,473	(489,926)	909.17%	339	11,879	(11,540)	339	11,879	0	(11,540)

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APPENDIX I – LIABILITIES, ASSETS, & CASH FLOWS

CONTRIBUTION PROJECTION DISCLOSURES

Table 1: Projection of Contributions using a July 1, 2019 Valuation Date

For the Period Ending on the Measurement Date	I. Payroll for current employees	II. Payroll for future employees	III. Total Payroll [I.+II.]	IV. Contributions from current employees	V. Employer Payments for current plan members	VI. Employer Payments for future employees	VII. Total Payments [IV.+V.+VI.]
June 30, 2020	891,464	0	891,464	0	80,400	0	80,400
June 30, 2021	841,988	76,220	918,208	0	82,435	0	82,435
June 30, 2022	802,407	143,347	945,754	0	59,885	0	59,885
June 30, 2023	771,087	203,040	974,127	0	61,318	0	61,318
June 30, 2024	744,214	259,137	1,003,351	0	45,435	0	45,435
June 30, 2025	722,324	311,128	1,033,452	0	46,411	0	46,411
June 30, 2026	701,519	362,937	1,064,456	0	47,364	0	47,364
June 30, 2027	682,288	414,102	1,096,390	0	38,784	0	38,784
June 30, 2028	656,049	473,233	1,129,282	0	39,426	0	39,426
June 30, 2029	629,048	534,112	1,163,160	0	20,282	0	20,282
June 30, 2030	600,660	597,395	1,198,055	0	20,389	0	20,389
June 30, 2031	546,810	687,187	1,233,997	0	20,459	0	20,459
June 30, 2032	522,983	748,034	1,271,017	0	20,492	0	20,492
June 30, 2033	495,724	813,424	1,309,148	0	20,488	0	20,488
June 30, 2034	470,649	877,773	1,348,422	0	20,448	0	20,448
June 30, 2035	440,567	948,308	1,388,875	0	20,369	0	20,369
June 30, 2036	409,638	1,020,903	1,430,541	0	20,250	0	20,250
June 30, 2037	371,820	1,101,637	1,473,457	0	20,089	0	20,089
June 30, 2038	354,189	1,163,472	1,517,661	0	19,883	0	19,883
June 30, 2039	335,404	1,227,787	1,563,191	0	19,629	0	19,629
June 30, 2040	295,907	1,314,180	1,610,087	0	19,322	0	19,322
June 30, 2041	276,924	1,381,466	1,658,390	0	18,961	0	18,961
June 30, 2042	260,675	1,447,467	1,708,142	0	18,540	0	18,540
June 30, 2043	245,272	1,514,114	1,759,386	0	18,057	0	18,057
June 30, 2044	215,804	1,596,364	1,812,168	0	17,509	0	17,509
June 30, 2045	204,983	1,661,550	1,866,533	0	16,891	0	16,891
June 30, 2046	194,260	1,728,269	1,922,529	0	16,205	0	16,205
June 30, 2047	176,659	1,803,546	1,980,205	0	15,452	0	15,452
June 30, 2048	152,069	1,887,542	2,039,611	0	14,635	0	14,635
June 30, 2049	146,225	1,954,574	2,100,799	0	13,760	0	13,760
June 30, 2050	137,821	2,026,002	2,163,823	0	12,838	0	12,838
June 30, 2051	130,159	2,098,579	2,228,738	0	11,879	0	11,879
June 30, 2052	119,823	2,175,777	2,295,600	0	10,897	0	10,897
June 30, 2053	100,141	2,264,327	2,364,468	0	9,902	0	9,902
June 30, 2054	90,707	2,344,695	2,435,402	0	8,909	0	8,909
June 30, 2055	82,089	2,426,375	2,508,464	0	7,929	0	7,929
June 30, 2056	71,897	2,511,821	2,583,718	0	6,976	0	6,976
June 30, 2057	53,468	2,607,762	2,661,230	0	6,064	0	6,064
June 30, 2058	45,138	2,695,929	2,741,067	0	5,206	0	5,206
June 30, 2059	32,548	2,790,751	2,823,299	0	4,410	0	4,410

APPENDIX I – LIABILITIES, ASSETS, & CASH FLOWS

CONTRIBUTION PROJECTION DISCLOSURES (CONTINUED)

Table 1: Projection of Contributions using a July 1, 2019 Valuation Date

For the Period Ending on the Measurement Date	I. Payroll for current employees	II. Payroll for future employees	III. Total Payroll [I.+II.]	IV. Contributions from current employees	V. Employer Payments for current plan members	VI. Employer Payments for future employees	VII. Total Payments [IV.+V.+VI.]
June 30, 2060	26,675	2,881,323	2,907,998	0	3,685	0	3,685
June 30, 2061	13,461	2,981,777	2,995,238	0	3,032	0	3,032
June 30, 2062	11,029	3,074,066	3,085,095	0	2,455	0	2,455
June 30, 2063	9,034	3,168,614	3,177,648	0	1,954	0	1,954
June 30, 2064	0	3,272,977	3,272,977	0	1,526	0	1,526
June 30, 2065	0	3,371,166	3,371,166	0	1,169	0	1,169
June 30, 2066	0	3,472,301	3,472,301	0	876	0	876
June 30, 2067	0	3,576,470	3,576,470	0	641	0	641
June 30, 2068	0	3,683,764	3,683,764	0	458	0	458
June 30, 2069	0	3,794,277	3,794,277	0	318	0	318
June 30, 2070	0	3,908,105	3,908,105	0	215	0	215
June 30, 2071	0	4,025,348	4,025,348	0	141	0	141
June 30, 2072	0	4,146,108	4,146,108	0	90	0	90
June 30, 2073	0	4,270,491	4,270,491	0	55	0	55
June 30, 2074	0	4,398,606	4,398,606	0	33	0	33
June 30, 2075	0	4,530,564	4,530,564	0	19	0	19
June 30, 2076	0	4,666,481	4,666,481	0	10	0	10
June 30, 2077	0	4,806,475	4,806,475	0	6	0	6
June 30, 2078	0	4,950,669	4,950,669	0	3	0	3
June 30, 2079	0	5,099,189	5,099,189	0	2	0	2
June 30, 2080	0	5,252,165	5,252,165	0	1	0	1
June 30, 2081	0	5,409,730	5,409,730	0	0	0	0
June 30, 2082	0	5,572,022	5,572,022	0	0	0	0
June 30, 2083	0	5,739,183	5,739,183	0	0	0	0
June 30, 2084	0	5,911,358	5,911,358	0	0	0	0
June 30, 2085	0	6,088,699	6,088,699	0	0	0	0
June 30, 2086	0	6,271,360	6,271,360	0	0	0	0
June 30, 2087	0	6,459,501	6,459,501	0	0	0	0
June 30, 2088	0	6,653,286	6,653,286	0	0	0	0
June 30, 2089	0	6,852,885	6,852,885	0	0	0	0
June 30, 2090	0	7,058,472	7,058,472	0	0	0	0
June 30, 2091	0	7,270,226	7,270,226	0	0	0	0
June 30, 2092	0	7,488,333	7,488,333	0	0	0	0
June 30, 2093	0	7,712,983	7,712,983	0	0	0	0
June 30, 2094	0	7,944,372	7,944,372	0	0	0	0

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APPENDIX I – LIABILITIES, ASSETS, & CASH FLOWS

FIDUCIARY NET POSITION PROJECTION DISCLOSURES

Table 2: Projection of OPEB Plan's Fiduciary Net Position using a July 1, 2019 Valuation Date

For the Period Ending on the Measurement Date	I. Beginning Fiduciary Net Position for Current Plan Members	II. Employer Share of Benefit Payments for Current Plan Members	III. Contributions to Trust for Current Plan Members beyond Pay-as-you-go	IV. Gross Contributions to Trust for Current Plan Members [II. + III.]	V. Administrative Expenses Withdrawn from the Trust for Current Plan Members	VI. Benefit Payments Withdrawn from the Trust for Current Plan Members	VII. Trust Withdrawals for Current Plan Members [V. +VI.]	VIII. Investment Earnings	IX. Ending Fiduciary Net Position for Current Plan Members
June 30, 2020	0	80,400	390,342	470,742	0	80,400	80,400	1,238	391,580
June 30, 2021	391,580	82,435	0	82,435	0	82,435	82,435	19,569	411,149
June 30, 2022	411,149	59,885	0	59,885	0	59,885	59,885	22,408	433,557
June 30, 2023	433,557	61,318	0	61,318	0	61,318	61,318	23,629	457,186
June 30, 2024	457,186	45,435	0	45,435	0	45,435	45,435	24,917	482,103
June 30, 2025	482,103	46,411	0	46,411	0	46,411	46,411	26,275	508,378
June 30, 2026	508,378	47,364	0	47,364	0	47,364	47,364	27,707	536,085
June 30, 2027	536,085	38,784	0	38,784	0	38,784	38,784	29,217	565,302
June 30, 2028	565,302	39,426	0	39,426	0	39,426	39,426	30,809	596,111
June 30, 2029	596,111	20,282	0	20,282	0	20,282	20,282	32,488	628,599
June 30, 2030	628,599	20,389	0	20,389	0	20,389	20,389	34,259	662,858
June 30, 2031	662,858	20,459	0	20,459	0	20,459	20,459	36,126	698,984
June 30, 2032	698,984	20,492	0	20,492	0	20,492	20,492	38,095	737,079
June 30, 2033	737,079	20,488	0	20,488	0	20,488	20,488	40,171	777,250
June 30, 2034	777,250	20,448	0	20,448	0	20,448	20,448	42,360	819,610
June 30, 2035	819,610	20,369	0	20,369	0	20,369	20,369	44,669	864,279
June 30, 2036	864,279	20,250	0	20,250	0	20,250	20,250	47,103	911,382
June 30, 2037	911,382	20,089	0	20,089	0	20,089	20,089	49,670	961,052
June 30, 2038	961,052	19,883	0	19,883	0	19,883	19,883	52,377	1,013,429
June 30, 2039	1,013,429	19,629	0	19,629	0	19,629	19,629	55,232	1,068,661
June 30, 2040	1,068,661	19,322	0	19,322	0	19,322	19,322	58,242	1,126,903
June 30, 2041	1,126,903	18,961	0	18,961	0	18,961	18,961	61,416	1,188,319
June 30, 2042	1,188,319	18,540	0	18,540	0	18,540	18,540	64,763	1,253,082
June 30, 2043	1,253,082	18,057	0	18,057	0	18,057	18,057	68,293	1,321,375
June 30, 2044	1,321,375	17,509	0	17,509	0	17,509	17,509	72,015	1,393,390
June 30, 2045	1,393,390	16,891	0	16,891	0	16,891	16,891	75,940	1,469,330
June 30, 2046	1,469,330	16,205	0	16,205	0	16,205	16,205	80,078	1,549,408
June 30, 2047	1,549,408	15,452	0	15,452	0	15,452	15,452	84,443	1,633,851
June 30, 2048	1,633,851	14,635	0	14,635	0	14,635	14,635	89,045	1,722,896
June 30, 2049	1,722,896	13,760	0	13,760	0	13,760	13,760	93,898	1,816,794
June 30, 2050	1,816,794	12,838	0	12,838	0	12,838	12,838	99,015	1,915,809
June 30, 2051	1,915,809	11,879	0	11,879	0	11,879	11,879	104,412	2,020,221
June 30, 2052	2,020,221	10,897	0	10,897	0	10,897	10,897	110,102	2,130,323
June 30, 2053	2,130,323	9,902	0	9,902	0	9,902	9,902	116,103	2,246,426
June 30, 2054	2,246,426	8,909	0	8,909	0	8,909	8,909	122,430	2,368,856
June 30, 2055	2,368,856	7,929	0	7,929	0	7,929	7,929	129,103	2,497,959
June 30, 2056	2,497,959	6,976	0	6,976	0	6,976	6,976	136,139	2,634,098
June 30, 2057	2,634,098	6,064	0	6,064	0	6,064	6,064	143,558	2,777,656
June 30, 2058	2,777,656	5,206	0	5,206	0	5,206	5,206	151,382	2,929,038
June 30, 2059	2,929,038	4,410	0	4,410	0	4,410	4,410	159,633	3,088,671

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APPENDIX I – LIABILITIES, ASSETS, & CASH FLOWS

FIDUCIARY POSITION PROJECTION DISCLOSURES (CONTINUED)

Table 2: Projection of OPEB Plan's Fiduciary Net Position using a July 1, 2019 Valuation Date

For the Period Ending on the Measurement Date	I. Beginning Fiduciary Net Position for Current Plan Members	II. Employer Share of Benefit Payments for Current Plan Members	III. Contributions to Trust for Current Plan Members beyond Pay-as-you-go	IV. Gross Contributions to Trust for Current Plan Members [II. + III.]	V. Administrative Expenses Withdrawn from the Trust for Current Plan Members	VI. Benefit Payments Withdrawn from the Trust for Current Plan Members	VII. Trust Withdrawals for Current Plan Members [V. +VI.]	VIII. Investment Earnings	IX. Ending Fiduciary Net Position for Current Plan Members
June 30, 2060	3,088,671	3,685	0	3,685	0	3,685	3,685	168,333	3,086,530
June 30, 2061	3,086,530	3,032	0	3,032	0	3,032	3,032	168,216	3,084,254
June 30, 2062	3,084,254	2,455	0	2,455	0	2,455	2,455	168,092	3,082,400
June 30, 2063	3,082,400	1,954	0	1,954	0	1,954	1,954	167,991	3,080,924
June 30, 2064	3,080,924	1,526	0	1,526	0	1,526	1,526	167,910	3,079,398
June 30, 2065	3,079,398	1,169	0	1,169	0	1,169	1,169	167,827	3,078,229
June 30, 2066	3,078,229	876	0	876	0	876	876	167,763	3,077,353
June 30, 2067	3,077,353	641	0	641	0	641	641	167,716	3,076,712
June 30, 2068	3,076,712	458	0	458	0	458	458	167,681	3,076,254
June 30, 2069	3,076,254	318	0	318	0	318	318	167,656	3,075,936
June 30, 2070	3,075,936	215	0	215	0	215	215	167,638	3,075,721
June 30, 2071	3,075,721	141	0	141	0	141	141	167,627	3,075,580
June 30, 2072	3,075,580	90	0	90	0	90	90	167,619	3,075,490
June 30, 2073	3,075,490	55	0	55	0	55	55	167,614	3,075,435
June 30, 2074	3,075,435	33	0	33	0	33	33	167,611	3,075,402
June 30, 2075	3,075,402	19	0	19	0	19	19	167,609	3,075,383
June 30, 2076	3,075,383	10	0	10	0	10	10	167,608	3,075,373
June 30, 2077	3,075,373	6	0	6	0	6	6	167,608	3,075,367
June 30, 2078	3,075,367	3	0	3	0	3	3	167,607	3,075,364
June 30, 2079	3,075,364	2	0	2	0	2	2	167,607	3,075,362
June 30, 2080	3,075,362	1	0	1	0	1	1	167,607	3,075,361
June 30, 2081	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2082	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2083	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2084	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2085	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2086	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2087	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2088	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2089	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2090	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2091	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2092	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2093	3,075,361	0	0	0	0	0	0	167,607	3,075,361
June 30, 2094	3,075,361	0	0	0	0	0	0	167,607	3,075,361

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APPENDIX I – LIABILITIES, ASSETS, & CASH FLOWS

BENEFIT PAYMENT PROJECTION DISCLOSURES

Table 3: Actuarial Present Values of Projected Benefit Payments using a July 1, 2019 Valuation Date

For the Period Ending on the Measurement Date	I. Beginning Fiduciary Net Position for Current Plan Members	II. Benefit Payments for Current Plan Members	III. Funded Portion of Benefit Payments	IV. Unfunded Portion of Benefit Payments [II. - III.]	V. Present Value of Funded Benefit Payments using the Long-Term Rate of Return [5.45%]	VI. Present Value of Unfunded Benefit Payments using the Municipal Bond Rate [2.66%]	VII. Present Value of Benefit Payments using the Single Equivalent Discount Rate [5.45%]
June 30, 2020	0	80,400	0	80,400	0	80,400	80,400
June 30, 2021	391,580	82,435	82,435	0	78,174	0	78,174
June 30, 2022	411,149	59,885	59,885	0	53,855	0	53,855
June 30, 2023	433,557	61,318	61,318	0	52,294	0	52,294
June 30, 2024	457,186	45,435	45,435	0	36,746	0	36,746
June 30, 2025	482,103	46,411	46,411	0	35,595	0	35,595
June 30, 2026	508,378	47,364	47,364	0	34,448	0	34,448
June 30, 2027	536,085	38,784	38,784	0	26,750	0	26,750
June 30, 2028	565,302	39,426	39,426	0	25,788	0	25,788
June 30, 2029	596,111	20,282	20,282	0	12,580	0	12,580
June 30, 2030	628,599	20,389	20,389	0	11,993	0	11,993
June 30, 2031	662,858	20,459	20,459	0	11,412	0	11,412
June 30, 2032	698,984	20,492	20,492	0	10,840	0	10,840
June 30, 2033	737,079	20,488	20,488	0	10,278	0	10,278
June 30, 2034	777,250	20,448	20,448	0	9,727	0	9,727
June 30, 2035	819,610	20,369	20,369	0	9,189	0	9,189
June 30, 2036	864,279	20,250	20,250	0	8,663	0	8,663
June 30, 2037	911,382	20,089	20,089	0	8,150	0	8,150
June 30, 2038	961,052	19,883	19,883	0	7,650	0	7,650
June 30, 2039	1,013,429	19,629	19,629	0	7,162	0	7,162
June 30, 2040	1,068,661	19,322	19,322	0	6,685	0	6,685
June 30, 2041	1,126,903	18,961	18,961	0	6,221	0	6,221
June 30, 2042	1,188,319	18,540	18,540	0	5,769	0	5,769
June 30, 2043	1,253,082	18,057	18,057	0	5,328	0	5,328
June 30, 2044	1,321,375	17,509	17,509	0	4,899	0	4,899
June 30, 2045	1,393,390	16,891	16,891	0	4,482	0	4,482
June 30, 2046	1,469,330	16,205	16,205	0	4,078	0	4,078
June 30, 2047	1,549,408	15,452	15,452	0	3,687	0	3,687
June 30, 2048	1,633,851	14,635	14,635	0	3,312	0	3,312
June 30, 2049	1,722,896	13,760	13,760	0	2,953	0	2,953
June 30, 2050	1,816,794	12,838	12,838	0	2,613	0	2,613
June 30, 2051	1,915,809	11,879	11,879	0	2,293	0	2,293
June 30, 2052	2,020,221	10,897	10,897	0	1,994	0	1,994
June 30, 2053	2,130,323	9,902	9,902	0	1,719	0	1,719
June 30, 2054	2,246,426	8,909	8,909	0	1,466	0	1,466
June 30, 2055	2,368,856	7,929	7,929	0	1,238	0	1,238
June 30, 2056	2,497,959	6,976	6,976	0	1,033	0	1,033
June 30, 2057	2,634,098	6,064	6,064	0	851	0	851
June 30, 2058	2,777,656	5,206	5,206	0	693	0	693
June 30, 2059	2,929,038	4,410	4,410	0	557	0	557

Sum of Column V.
514,894

Sum of Column VI.
80,400

Sum of Column VII. [V. + VI.]
595,294

APPENDIX I – LIABILITIES, ASSETS, & CASH FLOWS

BENEFIT PAYMENT PROJECTION DISCLOSURES (CONTINUED)

Table 3: Actuarial Present Values of Projected Benefit Payments using a July 1, 2019 Valuation Date

For the Period Ending on the Measurement Date	I. Beginning Fiduciary Net Position for Current Plan Members	II. Benefit Payments for Current Plan Members	III. Funded Portion of Benefit Payments	IV. Unfunded Portion of Benefit Payments [II. - III.]	V. Present Value of Funded Benefit Payments using the Long-Term Rate of Return [5.45%]	VI. Present Value of Unfunded Benefit Payments using the Municipal Bond Rate [2.66%]	VII. Present Value of Benefit Payments using the Single Equivalent Discount Rate [5.45%]
June 30, 2060	3,088,671	3,685	3,685	0	441	0	441
June 30, 2061	3,086,530	3,032	3,032	0	344	0	344
June 30, 2062	3,084,254	2,455	2,455	0	264	0	264
June 30, 2063	3,082,400	1,954	1,954	0	199	0	199
June 30, 2064	3,080,924	1,526	1,526	0	148	0	148
June 30, 2065	3,079,398	1,169	1,169	0	107	0	107
June 30, 2066	3,078,229	876	876	0	76	0	76
June 30, 2067	3,077,353	641	641	0	53	0	53
June 30, 2068	3,076,712	458	458	0	36	0	36
June 30, 2069	3,076,254	318	318	0	24	0	24
June 30, 2070	3,075,936	215	215	0	15	0	15
June 30, 2071	3,075,721	141	141	0	9	0	9
June 30, 2072	3,075,580	90	90	0	6	0	6
June 30, 2073	3,075,490	55	55	0	3	0	3
June 30, 2074	3,075,435	33	33	0	2	0	2
June 30, 2075	3,075,402	19	19	0	1	0	1
June 30, 2076	3,075,383	10	10	0	1	0	1
June 30, 2077	3,075,373	6	6	0	0	0	0
June 30, 2078	3,075,367	3	3	0	0	0	0
June 30, 2079	3,075,364	2	2	0	0	0	0
June 30, 2080	3,075,362	1	1	0	0	0	0
June 30, 2081	3,075,361	0	0	0	0	0	0
June 30, 2082	3,075,361	0	0	0	0	0	0
June 30, 2083	3,075,361	0	0	0	0	0	0
June 30, 2084	3,075,361	0	0	0	0	0	0
June 30, 2085	3,075,361	0	0	0	0	0	0
June 30, 2086	3,075,361	0	0	0	0	0	0
June 30, 2087	3,075,361	0	0	0	0	0	0
June 30, 2088	3,075,361	0	0	0	0	0	0
June 30, 2089	3,075,361	0	0	0	0	0	0
June 30, 2090	3,075,361	0	0	0	0	0	0
June 30, 2091	3,075,361	0	0	0	0	0	0
June 30, 2092	3,075,361	0	0	0	0	0	0
June 30, 2093	3,075,361	0	0	0	0	0	0
June 30, 2094	3,075,361	0	0	0	0	0	0

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APPENDIX II – PLAN PROVISIONS

Effective Date	GASB 74 was adopted for the fiscal year ending June 30, 2017 GASB 75 was adopted for the fiscal year ending June 30, 2018
Plan Year	July 1 through June 30.
Benefits Offered	A monthly contribution of $50 deposited into the MERS Care Savings Program to be used for post-employment medical, dental, and vision coverages for active employees hired prior to January 1, 2019. A monthly stipend to pay for medical, dental, and vision insurance for employees retired as of January 1, 2019.
Retiree Stipend	$750 per month ($1,200 per month if spouse is eligible for coverage) for retirees under the age of 65. $100 per month ($200 per month if spouse is eligible for coverage) for retirees age 65 and older.

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APPENDIX III – ACTUARIAL METHODS & ASSUMPTIONS

Pre-Retirement Mortality	None
Post-Retirement Mortality	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females
Disabled Mortality	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females
Assumption Experience Study	The actuarial assumptions used to calculate the actuarial accrued liability and the service cost primarily reflect the latest experience studies of a large State Municipal Retirement System issued in 2014 and their most recent analysis of retiree mortality during 2015 and 2016.
Discount Rate	5.50% per annum (previously 2.75%, used in the calculation of the Interest Cost)
Net Long Term Rate of Return	5.45% (based on investment policy)
Municipal Bond Rate	2.66% as of June 30, 2020 (source: S&P Municipal Bond 20-Year High Grade Index – SAPIHG)
Actuarial Cost Method	Individual Entry Age Normal
Asset-Valuation Method	Market Value of Assets as of the Measurement Date, June 30, 2020

APPENDIX III – ACTUARIAL METHODS & ASSUMPTIONS

Employee Termination

It was assumed that employees would terminate employment in accordance with the sample rates shown in the following table:

Service	Rate
0	19.60%
5	6.90%
10	5.60%
15	3.40%
20	2.60%
25	2.02%
30	2.02%

Retirement Rates for Eligible Employees

Age	Rate
55	4.30%
56	4.20%
57	4.10%
58	5.00%
59	6.20%
60	6.90%
61	15.00%
62	40.00%
63	25.00%
64	25.00%
65	100.00%

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APPENDIX III – ACTUARIAL METHODS & ASSUMPTIONS

Cost of Living Adjustment	3.50% per year.
Compensation Increases	3.00% per year.
Inflation Rate	2.50% per year.

APPENDIX III – ACTUARIAL METHODS & ASSUMPTIONS

Open Group Forecast

For the projection of plan liabilities in future years, it was assumed that the number of active employees will remain constant and those who terminate employment or retire will be replaced with new employees with the demographics below:

Open Group Forecast Population Demographics		
Age	**Male**	**Female**
20	8.0%	5.0%
30	7.0%	14.0%
40	20.0%	19.0%
50	10.0%	10.0%
60	3.0%	4.0%
Total	48.0%	52.0%

Additional Comments

The liabilities being reported as of the Measurement Date of June 30, 2020 reflect a closed group and do not reflect any new entrants after the valuation date.

To the best of our knowledge all employees who are eligible on the valuation date are included in the actuarial valuation.

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APPENDIX IV – PLAN DEMOGRAPHICS

Active Employees

Valuation Date	July 1, 2019	July 1, 2017
A. Average Age at Hire	36.51	36.17
B. Average Service	8.43	6.03
C. Average Current Age	44.94	42.20

Retired Employees & Spouses

Valuation Date	July 1, 2019	July 1, 2017
A. Under Age 65	8	11
B. Age 65 & Over	7	6
C. Total	15	17

APPENDIX V – OVERVIEW OF GASB 74 & 75

Before Statements 74 and 75, GASB statement 45 established the reporting standards for Other Postemployment Benefit ("OPEB") plans. It was designed to recognize the Other Postemployment Benefits earned by employees throughout their working career vs. when they are paid in retirement – accrual accounting vs. "pay-as-you-go" accounting. Additionally, each eligible active employee earns benefits each year representing benefits to be paid in retirement or a "Service Cost". These amounts are reflected in your financial statement each year so that OPEB benefits for an eligible employee shall be fully charged to the financial statement when that eligible employee terminates employment.

In 2012 GASB issued GASB Statements 67 and 68 to update and standardize the financial reporting of pension liabilities. This increased the transparency of pension liabilities by moving them to the balance sheet and made financial statement disclosures of pension liabilities more comparable between municipal entities. GASB Statements 74 and 75 are designed to have the same effect on OPEB plans.

GASB 74 and 75 require retiree medical plans to disclose information about asset and liability levels and show historical contribution information. GASB 74 only applies in situations where a separate trust is established to prefund these benefits. GASB 75 requires employers to perform periodic actuarial valuations to determine annual accounting costs and to keep a running tally of the extent to which these amounts are over or under funded.

GASB 74 and 75 apply to those benefits provided after retirement, except for pension benefits, such as medical, dental and life insurance. The philosophy behind the accounting standard is that these postemployment benefits are part of the compensation earned by employees in return for their services, and the cost of these benefits should be recognized while employees are providing those services, rather than after they have retired. This philosophy has already been applied for years to defined benefit pensions; GASB 74 and 75 extend this practice to all other postemployment benefits.

APPENDIX V – OVERVIEW OF GASB 74 & 75

The process of determining the liability for OPEB benefits is based on many assumptions about future events. The key actuarial assumptions are:

Turnover and retirement rates – How likely is it that an employee will qualify for postemployment benefits and when will they start?

Medical inflation and claims cost assumptions – When an employee starts receiving postemployment benefits many years from now, how much will be paid each year for the benefits and how rapidly will the costs grow?

Mortality assumption – How long is a retiree likely to receive benefits?

Discount rate assumption – What is the present value of those future benefit payments in terms of today's dollars?

Since the liability is being recognized over the employee's whole career with the Commission, the present value is divided into three pieces: the part that is attributed to past years (the "Total OPEB Liability" or "Past Service Liability"), the part that is being earned this year (the "Service Cost"), and the part that will be earned in future years (the "Future Service Liability").

Once the Accrued Liability and the Service Cost have been calculated, the next step is to determine an actuarially determined contribution. This is an amount that if paid annually would fully prefund the benefits for current active and retired employees. This consists of two pieces:

- ✓ Service Cost – because the benefits earned by active employees each year should be paid for each year
- ✓ Past Service Cost – a catch-up payment to fund the Accrued Liability over a period of time determined by an actuary

The final step is to keep track going forward of how much of the contribution is actually paid. There is no requirement to actually fund these benefits, but the cumulative deficiency must be disclosed on the Commission's financial statements as the Net OPEB Liability (NOL). If you decide to fully fund the NOL this will appear in the financial statement as a Net OPEB Asset. In addition, the Discount Rate used to calculate the liabilities must reflect the expected investment income of whatever funds are set aside to prefund the benefits; if there is no prefunding then the Discount Rate will be much lower and the liabilities significantly higher than if the benefits are prefunded.

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GLOSSARY

Accrual Accounting – A system of accounting in which revenues are recorded when earned and outlays are recorded when goods are received or services performed, even though the actual receipt of revenues and payment for goods or services may occur, in whole or in part, at a different time.

Actuarially Determined Contribution – Amount of funding required annually to fully fund plan benefits. Determined by the actuary using a consistent methodology.

Amortization – Allows the recognition of liability over a fixed period of time.

Cash Basis Accounting – A system of accounting in which revenues are recorded when received and outlays are recorded when payment is made.

Deferred Inflows/Outflows of Resources – Amounts arising from experience gains and losses that have not been recognized into the OPEB Expense but will be recognized in the future.

Discount Rate – The interest rate used to calculate the present value of future cash flows. Under GASB 75, the rate should be the expected long-term rate of return on investments for a plan that is being fully funded, the 20-year municipal bond index for a pay-as-you-go plan, and a blend of the two rates for a plan that is being partially funded.

Entry Age Normal – Under this method, the annual service cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement. The annual service cost for each active member is a level percent of payroll. The total OPEB liability is the actuarial present value of the projected benefit times the ratio of past service to expected total service at retirement/termination.

Fiduciary Net Position – The value of cash, investments, other assets and property belonging to an OPEB trust.

GLOSSARY

Government Accounting Standards Board (GASB) – "The Governmental Accounting Standards Board (GASB) was organized in 1984 by the Financial Accounting Foundation (FAF) to establish standards of financial accounting and reporting for state and local governmental entities. Its standards guide the preparation of external financial reports of those entities."

Implicit Subsidy – The liability that arises because retirees who are not eligible for Medicare are charged the same premium as active employees even though their actual medical costs are higher on average.

Irrevocable Contribution – The transfer of assets to a qualified trust in which assets may only be withdrawn for the purpose of providing retiree other postemployment benefits.

Net OPEB Liability (NOL) – Total OPEB Liability less the Fiduciary Net Position.

Other Postemployment Benefits (OPEB) – Benefits that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee.

OPEB Trust – An entity which holds assets for the sole purpose of funding OPEB. All contributions and earning within this entity must be irrevocable and protected from creditors.

Pay-as-you-go funding – Paying benefits (such as pensions or OPEB) on a cash basis, with no money set aside for future liabilities which are already incurred.

Service Cost – The actuarially determined present value contribution needed to fund benefits which are earned for employee service rendered during the current year. Service cost depends on many factors, including the interest rate used to discount future cashflows, and expected inflation.

Total OPEB Liability (TOL) – That portion, as determined by the Individual Entry Age Normal Actuarial Cost Method, of the Actuarial Present Value of benefits and expenses which are not provided for by future Service Costs.

Corrective Action Plan Monitoring Certification of Compliance: Section 4 Sustainability Certification Worksheet

Instructions

Fiscal Year	Pension Payments		OPEB Payments		Projected (Actual) Governmental Revenues	Projected Enterprise Funds used for Retirement Costs	Projected Retirement Contributions as a Percent of Revenues
	Total Pension ADC (All Systems)	Additional Pension Contributions (All Systems)	Total OPEB Benefit Payment Amount (All Systems)	Additional OPEB Contributions (All Systems)			
2019							
2020	$164,832		$80,400		$16,462,935		1%
2021	$164,832		$80,400		$16,792,194		1%
2022	$164,832		$80,400		$17,128,038		1%
2023	$164,832		$80,400		$17,470,598		1%
2024	$164,832		$80,400		$17,820,010		1%

Projected Annual Revenue Growth (Please select)	2%