

**West Contra Costa Unified School District
OPEB Plan**

**Governmental Accounting Standards Board
(GASB) Statement 75
Actuarial Valuation Date: June 30, 2018
Measurement Date: June 30, 2018
Fiscal Year End: June 30, 2019**

August 08, 2019

August 08, 2019

OPEB CONSULTANTS AND ACTUARIES
530 BUSH STREET, SUITE 500
SAN FRANCISCO, CALIFORNIA 94108-3633
TEL: 415-512-5300
FAX: 415-512-5314

Dr. John al-Amin
Associate Superintendent for Business Services
West Contra Costa Unified School District
1108 Bissell Avenue
Richmond, CA 94801-3135

Re: West Contra Costa Unified School District GASB 75 Report for FYE June 30, 2019

Dear Dr. al-Amin,

West Contra Costa Unified School District (the "District") has retained Nicolay Consulting Group to complete this valuation of the District's postemployment medical program (the "Plan") as of June 30, 2018 measurement date compliant under Governmental Accounting Standards Board (GASB) Statement 75.

The purpose of this valuation is to determine the value of the expected postretirement benefits for current and future retirees and the Net OPEB Liability and OPEB Benefit Cost for the fiscal year ending June 30, 2019. The amounts reported herein are not necessarily appropriate for use for a different fiscal year without adjustment.

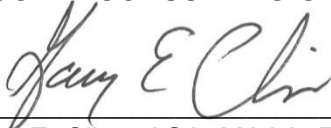
Based on the foregoing, the cost results and actuarial exhibits presented in this report were determined on a consistent and objective basis in accordance with applicable Actuarial Standards of Practice and generally accepted actuarial procedures. We believe they fully and fairly disclose the actuarial position of the Plan based on the plan provisions, employee and plan cost data submitted.

The actuarial calculations were completed under the supervision of Gary Cline, ASA, MAAA, FCA, Enrolled Actuary. A member of the American Academy of Actuaries whom meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in the actuarial valuation is complete and accurate. In our opinion, assumptions as approved by the plan sponsor are reasonably related to the experience of and expectations for the Plan.

We would be pleased to answer any questions on the material contained in this report or to provide explanation or further detail as may be appropriate.

Respectfully submitted,

NICOLAY CONSULTING GROUP



Gary E. Cline, ASA, MAAA, FCA, EA
Vice President & Chief Operation Officer

Table of Contents

Section	Page
I. Management Summary	
A) Highlights	1
B) Gap Analysis	2
C) 10-Year Projection of Employer Benefit Payments	3
D) Breakdown of Explicit and Implicit Liabilities.....	4
E) Funding Progress	5
II. GASB 75 Exhibits	
A) Schedule of Changes in Net OPEB Liability (Exhibit 1)	6
B) Summary of Changes in Net OPEB Liability (Exhibit 2)	7
C) Derivation of Significant Actuarial Assumptions	8
D) Sensitivity Analysis (Exhibit 3)	9
E) Schedule of OPEB Expense (Exhibit 4).....	10
F) Interest on the Total OPEB Liability (Exhibit 5)	11
G) Earnings on Plan Fiduciary Net Position (Exhibit 6)	12
H) Schedule of Contributions (Exhibit 7)	13
I) Deferred Inflows/Outflows of Resources (Exhibit 8)	14
J) Schedule of Deferred Inflows/Outflows of Resources (Exhibit 9)	15
K) Reconciliation of the Net Position (Exhibit 10)	16
III. Data	
A) Summary of Demographic Information	17
B) Distribution of Participants by Age and Service	18

Table of Contents

Section	Page
IV. Plan Provision Summary	
A) Plan Description	22
V Actuarial Assumptions, Methods, and Considerations	
A) Actuarial Assumptions	38
B) Actuarial Methods	44
C) Actuarial Considerations	45
VI. Appendix	
A) Breakdown of Present Value of Benefits.....	47
B) Breakdown of 10 Year Projected Benefit Payments.....	50
C) Benefit Payments By Employee Group.....	53
VII. Glossary	
A) Key Terms	58

Section I Management Summary

A) Highlights

Summary of Key Valuation Results

	2018	2017
Disclosure elements as of measurement period ending June 30:		
<u>Present Value of Future Benefits:</u>		
Active	\$107,353,494	\$102,133,403
Retiree	157,716,870	168,951,060
Total	\$265,070,364	\$271,084,463
<u>Actuarial Accrued Liability or Total OPEB Liability (TOL)</u>		
Active	\$88,507,071	\$82,930,521
Retiree	157,716,870	168,951,060
Total	\$246,223,941	\$251,881,581
Plan Fiduciary Net Position (i.e Fair Value of Assets)	25,936,099	20,349,880
Net OPEB Liability (NOL)	\$220,287,842	\$231,531,701
Plan Fiduciary Net Position as a percentage of the TOL	11%	8%
Aggregate OPEB Expense (Exhibit 4)	\$17,650,759	\$19,854,303
Covered Payroll	\$171,720,472	\$134,739,411
Schedule of contributions for measurement period ending June 30:		
Actuarially determined contributions (Exhibit 7)	\$20,298,881	\$20,963,662
Actual contributions ⁽¹⁾	21,321,639	36,777,273
Contribution deficiency/(excess)	(\$1,022,758)	(\$15,813,611)
Employer's Share of Benefit Payments	\$17,321,639	\$16,777,273
Demographic data for measurement period ending June 30⁽²⁾:		
Number of active members	2,543	2,288
Number of retired members and beneficiaries	2,337	2,239
Inactive Participants with deferred benefits	0	0
Total Participants	4,880	4,527
Key assumptions as of the Measurement Date:		
Discount rate	7.28%	7.28%
<u>Initial Trend Rate</u>		
Pre-65	6.80%	8.00%
Post-65	5.00%	5.50%
Ultimate Rate	5.00%	5.00%
Year Ultimate Rate is Reached	2028	2030
CalPERS Minimum	4.00%	4.00%

⁽¹⁾ Includes payments to trust and amounts paid directly by the plan sponsor

⁽²⁾ Census data as of June 30, 2018 is used in the measurement of the TOL as of June 30, 2018. See Section III for additional details on the demographic data.

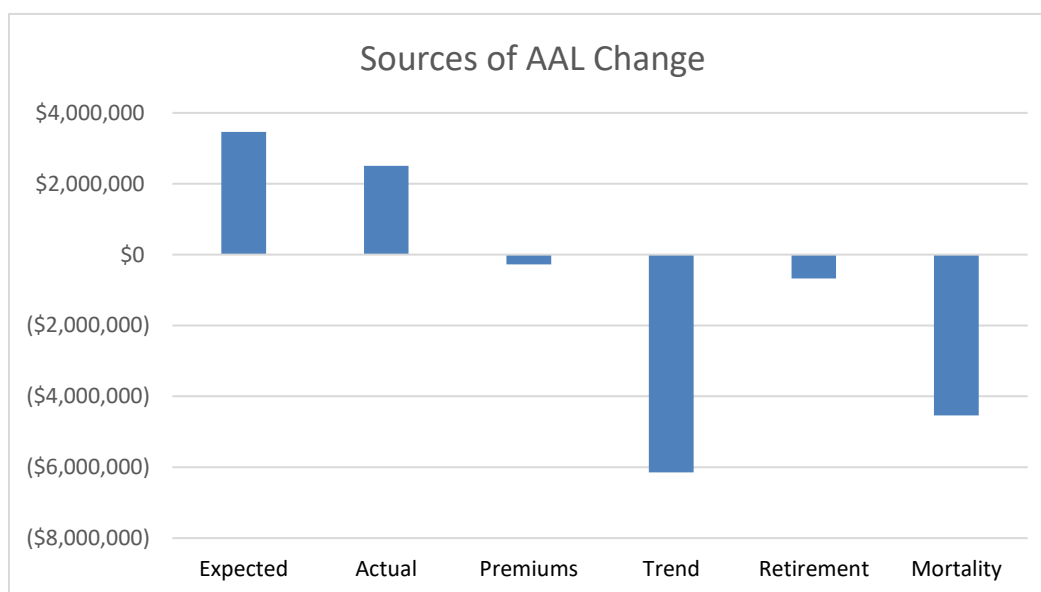
Section I Management Summary

B) Gap Analysis

The Total OPEB Liability has decreased \$5,657,640 from \$251,881,581 as of June 30, 2017 to \$246,223,941 as of June 30, 2018. A breakdown of the sources of this change in liability is shown below (thousands; amounts may not add due to rounding):

Change in TOL	Amount	Percentage
Liability Experience		
Expected Benefits Earned, Benefit Payments and Interest	\$3,461	1%
Actual Demographic and Other Experience*	<u>\$2,507</u>	<u>1%</u>
Total Liability Experience	\$5,968	2%
Changes in Assumptions		
New Premiums	(\$275)	(0%)
Change in Trend	(\$6,143)	(2%)
Change in Retirement	(\$673)	(0%)
Change in Mortality	<u>(\$4,535)</u>	<u>(2%)</u>
Total Assumption Change	(\$11,626)	(5%)
Changes in Benefit Terms		
Benefit Change	<u>\$0</u>	<u>0%</u>
Total Benefit Change	\$0	0%

Total Change in TOL	Amount	Percentage
Liability Experience	\$5,968	2%
Changes in Assumptions	(\$11,626)	(5%)
Amendments	<u>\$0</u>	<u>0%</u>
Total	(\$5,658)	(2%)

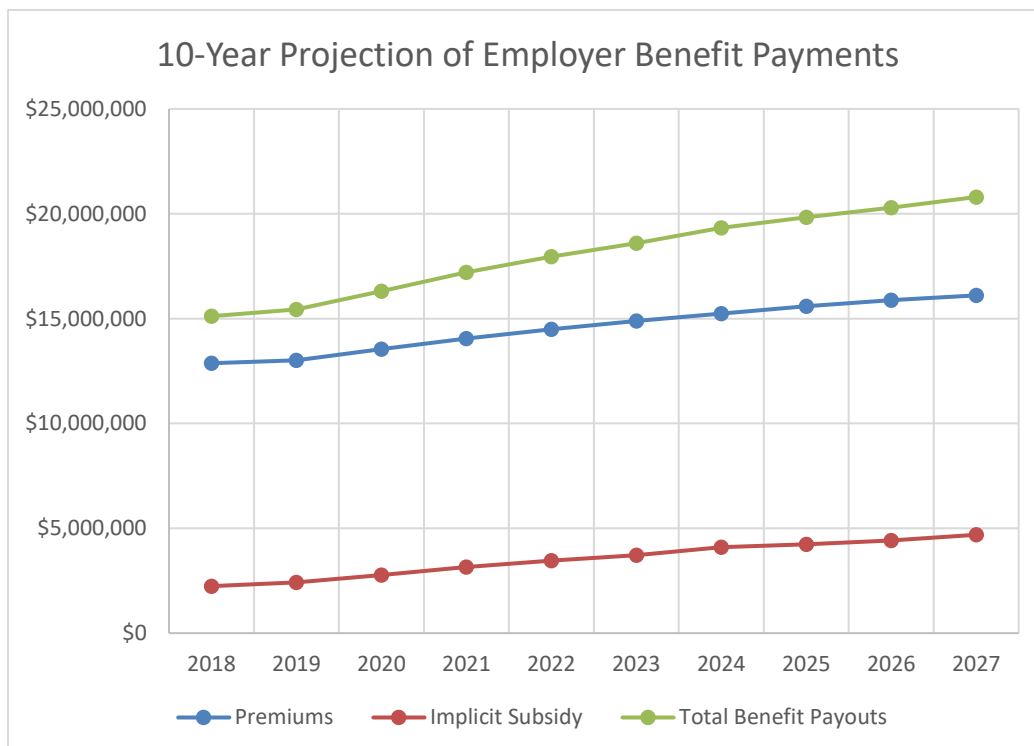


Section I Management Summary

C) 10-Year Projection of Employer's Benefit Payments

In this table we show the projected pay-as-you-go costs (employer's share of premiums), the implicit subsidy, and total expected benefit payments. The implicit subsidy reflects the shortfall of premiums versus the true cost of coverage. The shortfall exists because claims for active employees are combined with claims of retirees (who generally are older and cost more) to develop a single flat premium paid by both groups.

Plan Year Beginning 7/1	Employer's Share of Premiums	Implicit Subsidy	Total
2018	\$12,872,143	\$2,241,572	\$15,113,715
2019	\$13,017,068	\$2,422,971	\$15,440,039
2020	\$13,540,928	\$2,766,486	\$16,307,414
2021	\$14,053,660	\$3,154,529	\$17,208,189
2022	\$14,484,567	\$3,464,874	\$17,949,441
2023	\$14,885,072	\$3,710,734	\$18,595,806
2024	\$15,233,979	\$4,091,542	\$19,325,521
2025	\$15,596,574	\$4,238,219	\$19,834,793
2026	\$15,873,333	\$4,421,370	\$20,294,703
2027	\$16,107,419	\$4,690,237	\$20,797,656



Section I Management Summary

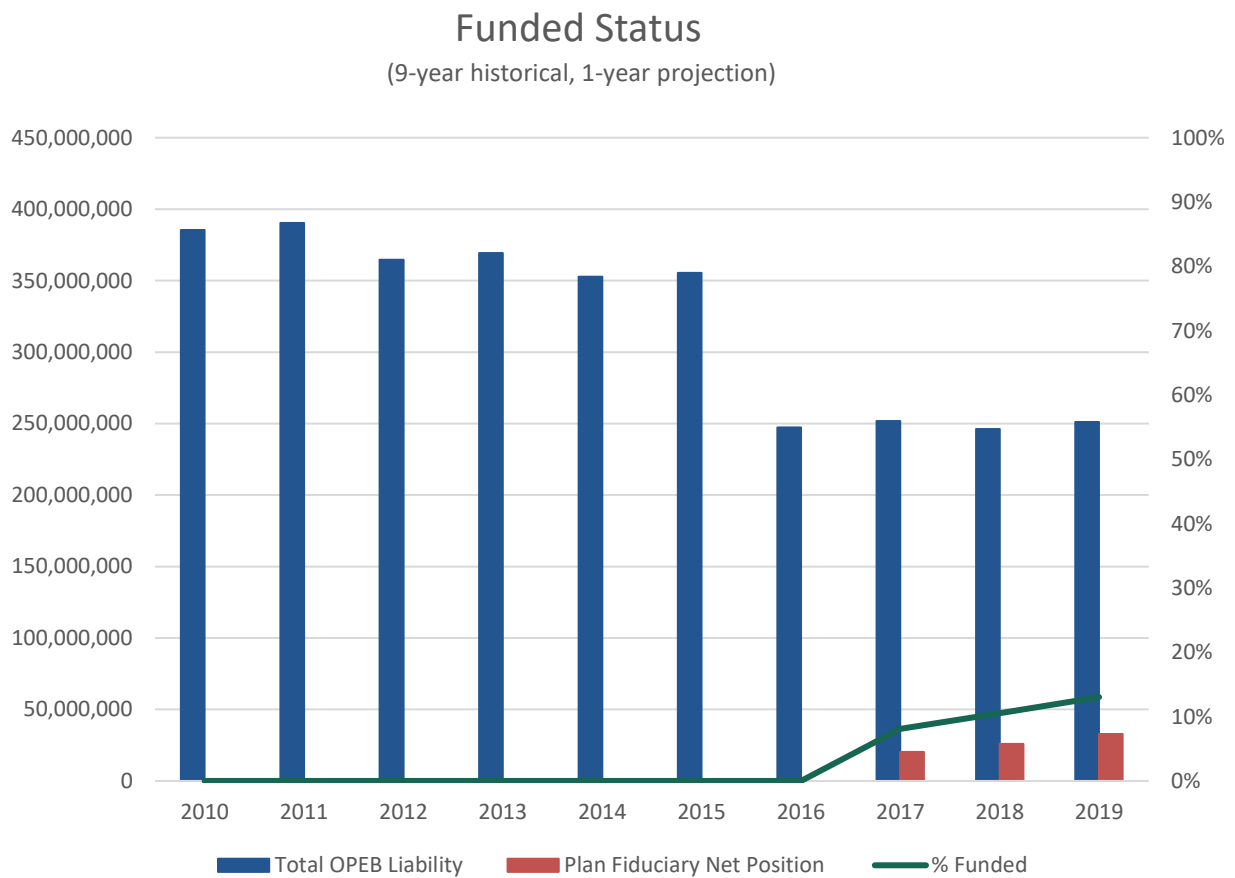
D) Breakdown of Explicit and Implicit Liabilities

	Explicit	Implicit	Total
Present Value of Future Benefits			
Actives	\$64,741,399	\$42,612,095	\$107,353,494
Retirees	<u>135,564,450</u>	<u>22,152,420</u>	<u>157,716,870</u>
Total	\$200,305,849	\$64,764,515	\$265,070,364
Actuarial Accrued Liability			
Actives	\$55,175,865	\$33,331,206	\$88,507,071
Retirees	<u>135,564,450</u>	<u>22,152,420</u>	<u>157,716,870</u>
Total	\$190,740,315	\$55,483,626	\$246,223,941
Normal Cost	\$1,381,050	\$1,117,689	\$2,498,739

Section I Management Summary

E) Funding Progress

Below is an illustration of the funded status of the Plan for the past 9 years, and a projection of the next year looking forward:



Section II GASB 75 Exhibits

A) Schedule of Changes in Net OPEB Liability (Exhibit 1)

	2018	2017
<u>Total OPEB Liability</u>		
Service cost	\$2,857,185	\$2,721,129
Interest	17,925,550	17,607,503
Change of benefit terms	0	0
Differences between expected and actual experience	2,506,720	948,763
Changes of assumptions	(11,625,456)	0
Benefit payments ⁽¹⁾	<u>(17,321,639)</u>	<u>(16,777,273)</u>
Net change in Total OPEB Liability	(\$5,657,640)	\$4,500,122
Total OPEB Liability – beginning (a)	\$251,881,581	\$247,381,459
Total OPEB Liability – ending (b)	\$246,223,941	\$251,881,581
<u>Plan Fiduciary Net Position</u>		
Contributions – employer	\$21,321,639	\$36,777,273
Contributions – employee	0	0
Net investment income	1,597,251	1,078,777
Benefit payments ⁽¹⁾	(17,321,639)	(16,777,273)
Administrative expense	(11,032)	(1,650)
Other	<u>0</u>	<u>0</u>
Net change in Plan Fiduciary Net Position	\$5,586,219	\$20,349,880
Plan Fiduciary Net Position – beginning (c)	\$20,349,880	\$0
Plan Fiduciary Net Position – ending (d)	\$25,936,099	\$20,349,880
Net OPEB Liability - beginning (a) – (c)	\$231,531,701	\$247,381,459
Net OPEB Liability – ending (b) – (d)	\$220,287,842	\$231,531,701
Plan Fiduciary Net Position as a percentage of the TOL	11%	8%
Covered employee payroll⁽²⁾	\$171,720,472	\$134,739,411
NOL as percentage of covered employee payroll⁽²⁾	128%	172%

¹ including refunds of employee contributions

² Covered payroll not available

Section II GASB 75 Exhibits

B) Summary of Changes in Net OPEB Liability (Exhibit 2)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Measurement as of June 30, 2017:	\$251,881,581	\$20,349,880	\$231,531,701
Recognized Changes Resulting from:			
▪ Service cost	2,857,185	-	2,857,185
▪ Interest	17,925,550	-	17,925,550
▪ Diff. between expected and actual experience	2,506,720	-	2,506,720
▪ Changes of assumptions	(11,625,456)	-	(11,625,456)
▪ Net investment income	-	1,597,251	(1,597,251)
▪ Benefit payments ⁽¹⁾	(17,321,639)	(17,321,639)	-
▪ Contributions – employer	-	21,321,639	(21,321,639)
▪ Contributions – employee	-	-	-
▪ Administrative expense	-	(11,032)	11,032
▪ Change of benefit terms	-	-	-
Net Changes	(\$5,657,640)	\$5,586,219	(\$11,243,859)
Measurement as of June 30, 2018:	\$246,223,941	\$25,936,099	\$220,287,842

¹ including refunds of employee contributions

Section II GASB 75 Exhibits

C) Derivation of Significant Actuarial Assumptions

Long-term Expected Rate of Return – As of June 30, 2018, the long-term expected rates of return for each major investment class in the Plan’s portfolio are as follows:

Investment Class	Target Allocation	Long-Term Expected Real Rate of Return ¹
Equity	60.00%	5.49%
Fixed Income	32.00%	1.65%
REITs	8.00%	5.06%

¹JPMorgan arithmetic Long Term Capital Market assumptions and expected inflation of 2.26%.

The above table shows the target asset allocation in the CERBT Strategy 1 investment policy.

Discount rate – The discount rate is based on a blend of the long-term expected rate of return on assets for benefits covered by plan assets and a yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or better for benefits not covered by plan assets.

Above are the arithmetic long-term expected real rates of return by asset class for the next 10 years as provided in a report by JP Morgan. For years thereafter, returns were based on historical average index real returns over the last 30 years assuming a similar equity/fixed investment mix and a 2.26% inflation rate. Investment expenses were assumed to be 10 basis points per year. These returns were matched with cash flows for benefits covered by plan assets and the Bond Buyer 20-Bond General Obligation index was matched with cash flows not covered by plan assets to measure the reasonableness of the choice in discount rate.

	June 30, 2018	June 30, 2017
Discount Rate	7.28%	7.28%
Bond Buyer 20-Bond GO Index	3.87%	3.58%

Section II GASB 75 Exhibits

D) Sensitivity Analysis (Exhibit 3)

Sensitivity of the Net OPEB Liability to changes in the discount rate – The following presents the District’s Net OPEB Liability if it were calculated using a discount rate that is 1% point lower (6.28%) or 1% point higher (8.28%) than the current rate:

Sensitivity of the Net OPEB Liability to changes in the Trend rate – The following presents the District’s Net OPEB Liability if it were calculated using a trend table that has rates that are 1% point lower or 1% point higher than the current set of rates:

Net OPEB Liability as of the June 30, 2018 measurement date: \$220,287,842

Sensitivity Analysis:

	NOL(A)	\$ Change	% Change
Discount Rate			
+1%	\$197,111,124	(\$23,176,718)	(11%)
Base	\$220,287,842	-	-
-1%	\$247,793,643	\$27,505,801	12%
Trend Rate			
+1%	\$239,968,470	\$19,680,628	9%
Base	\$220,287,842	-	-
-1%	\$203,112,044	(\$17,175,798)	(8%)

Section II GASB 75 Exhibits

E) Schedule of OPEB Expense (Exhibit 4)

Measurement Period Ending:	June 30, 2018	June 30, 2017
Components of OPEB Expense:		
Service Cost	\$2,857,185	\$2,721,129
Interest on the Total OPEB Liability (Exhibit 5)	17,925,550	17,607,503
Projected Earnings on OPEB Plan Investments (Exhibit 6)	(1,624,118)	(715,154)
Employee Contributions	0	0
Administrative Expense	11,032	1,650
Changes on Benefit Terms	0	0
Recognition of Deferred Resources Due to:		
▪ Changes of Assumptions	(2,248,203)	0
▪ Differences between Expected and Actual Experience	651,215	166,450
▪ Differences Between Projected Actual Earnings on Assets	78,098	72,725
Aggregate OPEB Expense	<u>\$17,650,759</u>	<u>\$19,854,303</u>

Section II GASB 75 Exhibits

F) Interest on the Total OPEB Liability (Exhibit 5)

	Amount for Period a	Portion of Period b	Interest Rate c	Interest on the Total OPEB Liability a*b*c
Beginning Total OPEB Liability	\$251,881,581	100%	7.28%	\$18,336,979
Service Cost	\$2,857,185	100%	7.28%	208,003
Benefit payments*	(\$17,321,639)	50%	7.28%	<u>(619,432)</u>
Total Interest on the TOL				\$17,925,550

* including refunds of employee contribution

Section II GASB 75 Exhibits

G) Earnings on Plan Fiduciary Net Position (Exhibit 6)

Total Projected Earnings	Amount for Period a	Portion of Period b	Projected Rate of Return c	Projected Earnings a*b*c
Beginning Plan Fiduciary Net Position	\$20,349,880	100%	7.28%	\$1,481,471
Employer Contributions	\$21,321,639	50%	7.28%	762,474
Employee Contributions	\$0	50%	7.28%	0
Benefits payments*	(\$17,321,639)	50%	7.28%	(619,432)
Administrative Expense and Other	(\$11,032)	50%	7.28%	(395)
Total Projected Earnings				\$1,624,118

* including refunds of employee contribution

Comparison of Projected and Actual Earnings On Investments

Total Projected Earnings	\$1,624,118
Actual Net Investment Income	<u>1,597,251</u>
Difference Between Projected and Actual Earnings on Assets	\$26,867

Section II GASB 75 Exhibits

H) Schedule of Contributions¹ (Exhibit 7)

Measurement Period Ending:	June 30, 2018	June 30, 2017
Actuarially Determined Contribution ²	\$20,298,881	\$20,963,662
Contributions to the Trust	\$4,000,000	\$20,000,000
Pay-go Payments by Employer Unreimbursed by the Trust	15,257,576	16,777,273
Active Implicit Rate Subsidy Transferred to OPEB	<u>2,064,063</u>	<u>0</u>
Total OPEB Contributions ¹	\$21,321,639	\$36,777,273
Covered-employee payroll ³	\$171,720,472	\$134,739,411
Contributions as a percentage of covered-employee payroll ³	12%	27%

¹ ADC and Contributions are for the measurement period July 1, 2017 to June 30, 2018.

² Employers setting a discount rate based on the assumption that assets will be sufficient to cover all future benefit payments under the plan are assumed to annually make contributions equal to the actuarially determined contribution. Annual contributions made that are substantially less than the ADC would require additional support for use of a discount rate equal to the long-term expected return on trust assets.

³ Covered-Employee Payroll represented above is based on covered-employee payroll provided by the employer. GASB 75 defines covered-employee payroll as the total payroll of employees that are provided benefits through the OPEB plan. Accordingly, if OPEB covered-employee payroll shown above is different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

Section II GASB 75 Exhibits

I) Deferred Inflows/Outflows of Resources (Exhibit 8)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Unrecognized Deferred Resources due to:		
▪ Differences between expected and actual experience	\$2,637,818	\$0
▪ Changes in assumptions	0	9,377,253
▪ Net difference between projected and actual earnings	239,667	0
Contribution to OPEB plan after measurement date ¹	<u>0</u>	<u>0</u>
Total	\$2,877,485	\$9,377,253

¹ To be determined as of the fiscal year ending 2019

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

Fiscal Year Ended June 30	Recognized Deferred Outflows/(Inflows) of Resources
2020	(\$1,518,890)
2021	(1,518,890)
2022	(1,518,892)
2023	(1,641,550)
2024	(301,546)
Thereafter	<u>0</u>
Total Deferred Resources:	(\$6,499,768)

Section II GASB 75 Exhibits

J) Schedule of Deferred Inflows/Outflows of Resources (Exhibit 9)

Fiscal Year Established	Initial Amount	Initial Year	Years Left	Amount Recognized In FY 2019	Balances as of 06/30/19 of Deferred	
					Outflows	Inflows
Difference Between Expected and Actual Plan Experience						
2018	\$948,763	5.700	3.700	\$166,450	\$615,863	\$0
2019	<u>2,506,720</u>	5.171	4.200	<u>484,765</u>	<u>2,021,955</u>	<u>0</u>
Total	\$3,455,483			\$651,215	\$2,637,818	\$0
Change in Assumptions						
2018	\$0	5.700	3.700	\$0	\$0	\$0
2019	<u>(11,625,456)</u>	5.171	4.200	<u>(2,248,203)</u>	<u>0</u>	<u>(9,377,253)</u>
Total	(\$11,625,456)			(\$2,248,203)	\$0	(\$9,377,253)
Net Difference Between Projected and Actual Earnings On Investments						
2018	\$363,623	5.000	3.000	\$72,725	\$218,173	\$0
2019	<u>26,867</u>	5.000	4.000	<u>5,373</u>	<u>21,494</u>	<u>0</u>
Total	\$390,490			\$78,098	\$239,667	\$0
Totals:				(\$1,518,890)	\$2,877,485	(\$9,377,253)

Section II GASB 75 Exhibits

K) Reconciliation of the Net Position (Exhibit 10)

Measurement as of:	June 30, 2018	June 30, 2017
Total OPEB Liability (TOL)	\$246,223,941	\$251,881,58
Plan Fiduciary Net Position (PFNP)	<u>25,936,099</u>	<u>20,349,880</u>
Net OPEB Liability (NOL)	\$220,287,842	\$231,531,70
Deferred Inflows of resources (CR):		
▪ Differences between expected and actual experience	0	0
▪ Changes in assumptions	9,377,253	0
▪ Net difference between projected and actual earnings	0	0
Deferred Outflows of resources (DR):		
▪ Differences between expected and actual experience	2,637,818	782,313
▪ Changes in assumptions	0	0
▪ Net difference between projected and actual earnings	239,667	290,898
▪ Est. contributions post measurement date ¹	<u>0</u>	<u>0</u>
Net Position	\$226,787,610	\$230,458,49

¹ Actual post-measurement date contributions should be reported in the financial disclosures

Reconciliation of Net Position

Net Position at June 30, 2017 ¹	\$230,458,490
Aggregate OPEB Expense	17,650,759
Total OPEB Contributions	<u>(21,321,639)</u>
Net Position at June 30, 2018 ¹	\$226,787,610

¹ Does not reflect post-measurement date contributions

Our GASB 75 reports do not include post-measurement contributions. However they should be included as a deferred outflow in the employer's financial statements.

Section III Data

A) Summary of Demographic Information

The participant data used in the valuation was provided by the District as of June 30, 2018. It is assumed that this data is representative of the population as of June 30, 2018. While the participant data was checked for reasonableness, the data was not audited. The valuation results presented in this report are dependent upon the accuracy of the participant data provided. The table below presents a summary of the basic participant information for the active and retired participants covered under the terms of the Plan.

	6/30/2018	6/30/2016
<u>Actives</u>		
Counts		
▪ Total	2,543	2,288
Averages		
▪ Age	47.1	50.0
▪ Service	12.1	12.7
<u>Retirees</u>		
Counts		
▪ Under age 65	214	162
▪ Age 65 and over	<u>2,123</u>	<u>2,077</u>
▪ Total	2,337	2,239
Averages		
▪ Age	75.8	76.7
▪ Age at Retirement	63.2	61.4
▪ Service at Retirement	25.0	23.5
Inactive Participants with deferred benefits	0	0
Total Participants	4,880	4,527
<u>Covered Dependents of Retirees</u>		
Counts		
▪ Spouses / Domestic Partners	801	845
▪ Children	<u>0</u>	<u>0</u>
▪ Total	801	845
Total Participants and Dependents	5,681	5,372

Section III Data

B) Distribution of Participants by Age and Service

Total Distribution of Service Groups by Age Groups

Age Group	Retired ¹ Participants	Active Participant – Years of Service						Total
		0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25+	
< 25	1	72	3	0	0	0	0	75
25 - 29	0	211	35	5	0	0	0	251
30 - 34	0	134	60	35	7	0	0	236
35 - 39	0	95	36	65	33	1	0	230
40 - 44	1	92	36	55	71	25	2	281
45 - 49	3	83	40	51	99	60	27	360
50 - 54	3	51	36	48	68	59	46	308
55 - 59	49	36	26	44	90	64	89	349
60 - 64	157	35	17	35	61	58	69	275
65 - 69	426	8	12	20	33	19	36	128
> 70	1697	3	3	2	12	11	19	50
Total	2337	820	304	360	474	297	288	2543

* 1684 retirees and surviving spouses are enrolled in medical and dental plans, 481 are enrolled in medical but not dental, and 162 are enrolled in dental but not medical.

* In addition, 801 spouses of retirees are receiving postemployment medical benefits.

Section III Data

B) Distribution of Participants by Age and Service (continued)

**Distribution of Certificated UTR Employees
Service Groups by Age Groups**

Age Group	Retired Participants	Active Participant – Years of Service						Total
		0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25+	
< 25	0	63	0	0	0	0	0	63
25 - 29	0	178	12	2	0	0	0	192
30 - 34	0	109	29	15	4	0	0	157
35 - 39	0	64	20	45	12	0	0	141
40 - 44	0	65	20	30	41	4	1	161
45 - 49	2	54	20	27	57	34	5	197
50 - 54	2	37	12	26	30	32	13	150
55 - 59	11	19	10	25	52	33	47	186
60 - 64	55	22	4	23	35	34	44	162
65 - 69	273	7	8	13	23	16	21	88
> 70	1040	3	1	2	10	6	13	35
Total	1383	621	136	208	264	159	144	1532

**Distribution of Classified Supervisors (SSA) Employees
Service Groups by Age Groups**

Age Group	Retired Participants	Active Participant – Years of Service						Total
		0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25+	
< 25	0	0	0	0	0	0	0	0
25 - 29	0	5	1	0	0	0	0	6
30 - 34	0	8	5	1	0	0	0	14
35 - 39	0	5	2	1	2	0	0	10
40 - 44	0	4	1	1	1	1	1	9
45 - 49	0	2	1	5	6	3	5	22
50 - 54	0	2	2	1	6	3	10	24
55 - 59	5	2	0	1	6	1	4	14
60 - 64	14	2	0	0	5	2	3	12
65 - 69	13	0	1	1	1	1	1	5
> 70	45	0	0	0	0	0	0	0
Total	77	30	13	11	27	11	24	116

Section III Data

B) Distribution of Participants by Age and Service (continued)

Distribution of Certificated Administrators (WCCAA) Employees Service Groups by Age Groups

Age Group	Retired Participants	Active Participant – Years of Service						Total
		0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25+	
< 25	0	0	0	0	0	0	0	0
25 - 29	0	1	2	0	0	0	0	3
30 - 34	0	0	7	5	0	0	0	12
35 - 39	0	1	6	6	5	0	0	18
40 - 44	0	3	2	5	10	2	0	22
45 - 49	0	6	1	2	4	2	1	16
50 - 54	0	1	1	1	5	3	2	13
55 - 59	1	4	3	1	3	4	5	20
60 - 64	5	0	1	0	1	0	1	3
65 - 69	19	0	0	0	1	0	1	2
> 70	30	0	0	0	0	1	1	2
Total	55	16	23	20	29	12	11	111

Distribution of Classified Teamsters Local 856 Employees Service Groups by Age Groups

Age Group	Retired Participants	Active Participant – Years of Service						Total
		0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25+	
< 25	0	8	3	0	0	0	0	11
25 - 29	0	26	19	3	0	0	0	48
30 - 34	0	15	17	14	3	0	0	49
35 - 39	0	20	8	13	14	1	0	56
40 - 44	1	14	13	19	18	16	0	80
45 - 49	1	13	16	16	29	20	15	109
50 - 54	1	9	20	18	27	21	18	113
55 - 59	30	7	11	17	26	25	32	118
60 - 64	74	9	12	12	20	21	18	92
65 - 69	108	1	3	5	7	1	10	27
> 70	455	0	1	0	2	4	5	12
Total	670	122	123	117	146	109	98	715

Section III Data

B) Distribution of Participants by Age and Service (continued)

**Distribution of Unrepresented Management, Confidential,
Superintendent's Cabinet and Board Members
Service Groups by Age Groups**

Age Group	Retired Participants	Active Participant – Years of Service						Total
		0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25+	
< 25	0	1	0	0	0	0	0	1
25 - 29	0	1	1	0	0	0	0	2
30 - 34	0	2	2	0	0	0	0	4
35 - 39	0	5	0	0	0	0	0	5
40 - 44	0	6	0	0	1	2	0	9
45 - 49	0	8	2	1	3	1	1	16
50 - 54	1	2	1	2	0	0	3	8
55 - 59	2	4	2	0	3	1	1	11
60 - 64	9	2	0	0	0	1	3	6
65 - 69	13	0	0	1	1	1	3	6
> 70	127	0	1	0	0	0	0	1
Total	152	31	9	4	8	6	11	69

Section IV Plan Provision Summary

A) Plan Description

Retiree Coverage Overview

Medical

Eligible retirees may enroll in any plan offered through the CalPERS medical program. Retirees who are eligible must enroll in Medicare Part A & B coverage in order for their coverage to continue beyond 65. If an eligible retiree does not qualify for premium free Part A they will remain enrolled in the basic plan.

District provided medical benefits continue throughout the lifetime of the retiree. A surviving spouse of the retiree must receive a monthly allowance from either CalPERS or CalSTRS to continue their health benefits.

Eligibility and Benefits - Medical

Described on the following pages.

Pre-Medicare Premiums	CalPERS Bay Area 2018	EE	EE+SP	EE+Fam
	Anthem HMO Select	\$856.41	\$1,712.82	\$2,226.67
	Anthem HMO Traditional	\$925.47	\$1,850.94	\$2,406.22
	Blue Shield Access+	\$889.02	\$1,778.04	\$2,311.45
	HealthNet SmartCare	\$863.48	\$1,726.96	\$2,245.05
	Kaiser	\$779.86	\$1,559.72	\$2,027.64
	PERS Choice	\$800.27	\$1,600.54	\$2,080.70
	PERS Select	\$717.50	\$1,435.00	\$1,865.50
	PERSCare	\$882.45	\$1,764.90	\$2,294.37
	PORAC	\$734.00	\$1,540.00	\$1,970.00
	UnitedHealthcare	\$1,371.84	\$2,743.68	\$3,566.78
Western Health Advantage	\$792.56	\$1,585.12	\$2,060.66	
Post-Medicare Premiums	CalPERS Bay Area 2018	EE	EE+SP	EE+Fam
	Anthem Traditional	\$370.34	\$740.68	\$1,111.02
	Kaiser	\$316.34	\$632.68	\$949.02
	PERS Choice	\$345.97	\$691.94	\$1,037.91
	PERS Select	\$345.97	\$691.94	\$1,037.91
	PERSCare	\$382.30	\$764.60	\$1,146.90
	PORAC	\$487.00	\$970.00	\$1,551.00
	UnitedHealthcare	\$330.76	\$661.52	\$992.28
PEMCHA Minimum			2018 \$133.00	

Section IV Plan Provision Summary

A) Plan Description (Continued)

Pre-Medicare Premiums	CalPERS Bay Area 2019	EE	EE+SP	EE+Fam
	Anthem HMO Select	\$831.44	\$1,662.88	\$2,161.74
	Anthem HMO Traditional	\$1,111.13	\$2,222.26	\$2,888.94
	Blue Shield Access+	\$970.90	\$1,941.80	\$2,524.34
	HealthNet SmartCare	\$901.55	\$1,803.10	\$2,344.03
	Kaiser	\$768.25	\$1,536.50	\$1,997.45
	PERS Choice	\$866.27	\$1,732.54	\$2,252.30
	PERS Select	\$543.19	\$1,086.38	\$1,412.29
	PERSCare	\$1,131.68	\$2,263.36	\$2,942.37
	PORAC	\$774.00	\$1,623.00	\$2,076.00
	Western Health Advantage	\$767.01	\$1,534.02	\$1,994.23
Post-Medicare Premiums	CalPERS Bay Area 2019	EE	EE+SP	EE+Fam
	Anthem Traditional	\$357.44	\$714.88	\$1,072.32
	Kaiser	\$323.74	\$647.48	\$971.22
	PERS Choice	\$360.41	\$720.82	\$1,081.23
	PERS Select	\$360.41	\$720.82	\$1,081.23
	PERSCare	\$394.83	\$789.66	\$1,184.49
	PORAC	\$513.00	\$970.00	\$1,551.00
	UnitedHealthcare	\$299.37	\$598.74	\$898.11
PEMCHA Minimum				2019
				\$136.00

Dental (Local One only)

Dental benefits are provided by Delta Dental. District employees who have a minimum of 10 years of service with the District, and whose age plus years of service is 75 or more, retire from the District and begin receiving a PERS or STRS pension are eligible for postemployment dental benefits.

Dental benefits continue throughout the lifetime of the retiree. However, surviving spouses are not eligible for postemployment dental coverage.

The District contributes 100% of the composite cost of retiree dental coverage.

Plan Provision Changes

There have been no plan amendments since the last measurement date.

The plan was closed to employees hired after June 30, 2018 except for Teamsters employees. This post-measurement date plan change had no impact on the June 30, 2018 total OPEB liability since employees hired prior to July 1, 2018 were not impacted.

Section IV Plan Provision Summary

A) Plan Description - (UTR)

United Teachers of Richmond (UTR)

UTR employees who retired prior to January 1, 2007

The District pays the cost of medical coverage for retirees, spouses and surviving spouses up to the higher of the BlueShield Bay Area or Kaiser Bay Area premium rates.

As of January 2017, CalPERS will only offer BlueShield Basic coverage plans for non-Medicare (basic) subscribers. As a result BlueShield rates do not exist for Supplemental Medicare and Supplemental Medicare/Basic Combination coverage plans. Therefore, as of January 2017, basic coverage plan caps are based on BlueShield HMO Bay Area premium rates and all other coverage plan caps are based on United Healthcare HMO Bay Area premium rates.

UTR employees who retired between January 1, 2007 and June 30, 2010

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute up to 100% of the cost of CalPERS Bay Area Kaiser coverage based on each retiree's enrollment category. Retirees who enroll in a more expensive plan must pay the difference.

UTR employees hired prior to January 1, 2007 who retire after June 30, 2010

The District contributes up the following maximum annual contributions to eligible retirees:

Continuous years of service with the District	Maximum monthly District Contribution
0-9	\$0
10 or more	\$450
20 or more (if accrued before June 30,2010)	\$750

UTR employees hired on, or after, January 1, 2007

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-9	\$0
10 or more	The CalPERS Health Benefits Program Minimum Employer Contribution

Section IV Plan Provision Summary

A) Plan Description - (UTR)

UTR employees hired after July 1, 2016

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-14	\$0
15 or more	The CalPERS Health Benefits Program Minimum Employer Contribution

UTR employees hired after July 1, 2017

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-24	\$0
25 or more	The CalPERS Health Benefits Program Minimum Employer Contribution

UTR employees hired after July 1, 2018

The District shall make no payment to retirees.

Section IV Plan Provision Summary

A) Plan Description - (SSA)

School Supervisors Association (SSA)

SSA employees who retired prior to January 1, 2007

The District pays the cost of medical coverage for retirees, spouses and surviving spouses up to the higher of the BlueShield Bay Area or Kaiser Bay Area premium rates.

As of January 2017, CalPERS will only offer BlueShield Basic coverage plans for non-Medicare (basic) subscribers. As a result BlueShield rates do not exist for Supplemental Medicare and Supplemental Medicare/Basic Combination coverage plans. Therefore, as of January 2017, basic coverage plan caps are based on BlueShield HMO Bay Area premium rates and all other coverage plan caps are based on United Healthcare HMO Bay Area premium rates.

SSA employees who retired between January 1, 2007 and June 30, 2010

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute up to 110% of the cost of CalPERS Bay Area Blue Shield coverage based on each retiree's enrollment category. Retirees who enroll in a more expensive plan must pay the difference.

SSA employees hired prior to January 1, 2007 who retire after June 30, 2010

The District contributes up the following maximum annual contributions to eligible retirees:

Continuous years of service with the District	Maximum monthly District Contribution
0-4	\$0
5 or more	\$450
20 or more (if accrued before June 30,2010)	\$550

SSA employees hired after January 1, 2007 but prior to July 15, 2009

Continuous years of service with the District	Maximum monthly District Contribution
0-9	\$0
10 or more	\$450

Section IV Plan Provision Summary

A) Plan Description - (SSA)

SSA employees hired on, or after, July 15, 2009.

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-4	\$0
5-24	The CalPERS Health Benefits Program Minimum Employer Contribution
25 or more	\$450 per month until the retiree reaches age 65. Thereafter, the CalPERS Health Benefits Program Minimum Employer Contribution.

SSA employees hired after July 1, 2018

The District shall make no payment to retirees.

Section IV Plan Provision Summary

A) Plan Description - (WCCAA)

West Contra Costa Administrators Association (WCCAA)

WCCAA employees who retired prior to January 1, 2007

The District pays the cost of medical coverage for retirees, spouses and surviving spouses up to the higher of the BlueShield Bay Area or Kaiser Bay Area premium rates.

As of January 2017, CalPERS will only offer BlueShield Basic coverage plans for non-Medicare (basic) subscribers. As a result BlueShield rates do not exist for Supplemental Medicare and Supplemental Medicare/Basic Combination coverage plans. Therefore, as of January 2017, basic coverage plan caps are based on BlueShield HMO Bay Area premium rates and all other coverage plan caps are based on United Healthcare HMO Bay Area premium rates.

WCCAA employees who retired between January 1, 2007 and June 30, 2010

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute up to 110% of the cost of CalPERS Bay Area Blue Shield coverage based on each retiree's enrollment category. Retirees who enroll in a more expensive plan must pay the difference.

WCCAA employees hired prior to January 1, 2007 who retire after June 30, 2010

The District contributes up the following maximum annual contributions:

Continuous years of service with the District	Maximum monthly District Contribution
0-4	\$0
5-9	\$250
10 or more	\$450
20 or more (if accrued before June 30,2010)	\$550
25 or more (if accrued before June 30,2010)	\$750

Section IV Plan Provision Summary

A) Plan Description - (WCCAA)

WCCAA employees hired on, or after, January 1, 2007

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-4	\$0
5-24	The CalPERS Health Benefits Program Minimum Employer Contribution
25 or more	\$450 per month until the retiree reaches age 65. Thereafter, the CalPERS Health Benefits Program Minimum Employer Contribution.

WCCAA employees hired after July 1, 2018

The District shall make no payment to retirees.

Section IV Plan Provision Summary

A) Plan Description - (Local 856)

Public Employees, Local 856

Local 856 employees who retired prior to January 1, 2007

The District pays the cost of medical coverage for retirees, spouses and surviving spouses up to the higher of the BlueShield Bay Area or Kaiser Bay Area premium rates.

As of January 2017, CalPERS will only offer BlueShield Basic coverage plans for non-Medicare (basic) subscribers. As a result BlueShield rates do not exist for Supplemental Medicare and Supplemental Medicare/Basic Combination coverage plans. Therefore, as of January 2017, basic coverage plan caps are based on BlueShield HMO Bay Area premium rates and all other coverage plan caps are based on United Healthcare HMO Bay Area premium rates.

Local 856 employees who retired between January 1, 2007 and June 30, 2010

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute up to 110% of the cost of CalPERS Bay Area Blue Shield coverage based on each retiree's enrollment category. Retirees who enroll in a more expensive plan must pay the difference.

Local 856 employees hired prior to January 1, 2007 who retire after June 30, 2010

The District contributes up the following maximum annual contributions to eligible retirees:

Continuous years of service with the District	Maximum monthly District Contribution
0-4	\$0
5 or more	\$450
20 or more (if accrued before June 30,2010)	\$550

Local 856 employees hired after January 1, 2007 but prior to July 15, 2009

Continuous years of service with the District	Maximum monthly District Contribution
0-9	\$0
10 or more	\$450

Section IV Plan Provision Summary

A) Plan Description - (Local 856)

Local 856 employees hired on, or after, July 15, 2009

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-4	\$0
5-24	The CalPERS Health Benefits Program Minimum Employer Contribution
25 or more	\$450 per month until the retiree reaches age 65. Thereafter, the CalPERS Health Benefits Program Minimum Employer Contribution.

Local 856 employees hired after July 1, 2018

The District shall make no payment to retirees.

Section IV Plan Provision Summary

A) Plan Description - (Miscellaneous Employees)

Unrepresented Certificated Employees

Unrepresented Certificated employees who retired prior to January 1, 2007

The District pays the cost of medical coverage for retirees, spouses and surviving spouses up to the higher of the BlueShield Bay Area or Kaiser Bay Area premium rates.

As of January 2017, CalPERS will only offer BlueShield Basic coverage plans for non-Medicare (basic) subscribers. As a result BlueShield rates do not exist for Supplemental Medicare and Supplemental Medicare/Basic Combination coverage plans. Therefore, as of January 2017, basic coverage plan caps are based on BlueShield HMO Bay Area premium rates and all other coverage plan caps are based on United Healthcare HMO Bay Area premium rates.

Unrepresented Certificated employees who retired between January 1, 2007 and December 31, 2007

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute up to 110% of the cost of CalPERS Bay Area Blue Shield coverage based on each retiree's enrollment category. Retirees who enroll in a more expensive plan must pay the difference.

Unrepresented Certificated employees who retired between January 1, 2008 and July 1, 2010

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute a maximum annual contribution of \$5,400 for a single retiree, \$11,040 for a retiree and spouse and \$14,400 for a retiree and family.

Section IV Plan Provision Summary

A) Plan Description - (Miscellaneous Employees)

Unrepresented Certificated employees hired prior to July 1, 2009 who retire after June 30, 2010

The District contributes up the following maximum annual contributions:

Continuous years of service with the District	Maximum monthly District Contribution
0-4	\$0
5-9	\$250
10 or more	\$450
20 or more (if accrued before June 30,2010)	\$550
25 or more (if accrued before June 30,2010)	\$750

Unrepresented Certificated employees hired on, or after, July 1, 2009

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-4	\$0
5-24	The CalPERS Health Benefits Program Minimum Employer Contribution
25 or more	\$450 per month until the retiree reaches age 65. Thereafter, the CalPERS Health Benefits Program Minimum Employer Contribution.

Section IV Plan Provision Summary

A) Plan Description - (Miscellaneous Employees)

Unrepresented Classified Employees

Unrepresented Classified employees who retired prior to January 1, 2007

The District pays the cost of medical coverage for retirees, spouses and surviving spouses up to the higher of the BlueShield Bay Area or Kaiser Bay Area premium rates.

As of January 2017, CalPERS will only offer BlueShield Basic coverage plans for non-Medicare (basic) subscribers. As a result BlueShield rates do not exist for Supplemental Medicare and Supplemental Medicare/Basic Combination coverage plans. Therefore, as of January 2017, basic coverage plan caps are based on BlueShield HMO Bay Area premium rates and all other coverage plan caps are based on United Healthcare HMO Bay Area premium rates.

Unrepresented Classified employees who retired between January 1, 2007 and December 31, 2007

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute up to 110% of the cost of CalPERS Bay Area Blue Shield coverage based on each retiree's enrollment category. Retirees who enroll in a more expensive plan must pay the difference.

Unrepresented Classified employees who retired between January 1, 2008 and July 1, 2010

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute a maximum annual contribution of \$5,400 for a single retiree, \$11,040 for a retiree and spouse and \$14,400 for a retiree and family.

Unrepresented Classified employees hired prior to July 1, 2009 who retire after June 30, 2010

The District contributes up the following maximum annual contributions to eligible retirees:

Continuous years of service with the District	Maximum monthly District Contribution
0-4	\$0
5 or more	\$450
20 or more (if accrued before June 30,2010)	\$550

Section IV Plan Provision Summary

A) Plan Description - (Miscellaneous Employees)

Unrepresented Classified employees hired on, or after, July 1, 2009

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-4	\$0
5-24	The CalPERS Health Benefits Program Minimum Employer Contribution
25 or more	\$450 per month until the retiree reaches age 65. Thereafter, the CalPERS Health Benefits Program Minimum Employer Contribution.

Section IV Plan Provision Summary

A) Plan Description - (Miscellaneous Employees)

Confidential Employees

Confidential employees who retired prior to January 1, 2007

The District pays the cost of medical coverage for retirees, spouses and surviving spouses up to the higher of the BlueShield Bay Area or Kaiser Bay Area premium rates.

As of January 2017, CalPERS will only offer BlueShield Basic coverage plans for non-Medicare (basic) subscribers. As a result BlueShield rates do not exist for Supplemental Medicare and Supplemental Medicare/Basic Combination coverage plans. Therefore, as of January 2017, basic coverage plan caps are based on BlueShield HMO Bay Area premium rates and all other coverage plan caps are based on United Healthcare HMO Bay Area premium rates.

Confidential employees who retired between January 1, 2007 and June 30, 2010

The District pays the cost of medical coverage for retirees, their spouses and surviving spouse up to a specified cap on the District's contribution.

The District will contribute up to 110% of the cost of CalPERS Bay Area Blue Shield coverage based on each retiree's enrollment category. Retirees who enroll in a more expensive plan must pay the difference.

Confidential employees hired prior to January 1, 2007 who retire after June 30, 2010

The District contributes up the following maximum annual contributions to eligible retirees:

Continuous years of service with the District	Maximum monthly District Contribution
0-4	\$0
5 or more	\$450
20 or more (if accrued before June 30,2010)	\$550

Confidential employees hired after January 1, 2007 but prior to July 1, 2009

Continuous years of service with the District	Maximum monthly District Contribution
0-9	\$0
10 or more	\$450

Section IV Plan Provision Summary

A) Plan Description - (Miscellaneous Employees)

Confidential employees hired on, or after, July 1, 2009

Years of Service under CalPERS rules	Maximum monthly District Contribution
0-4	\$0
5-24	The CalPERS Health Benefits Program Minimum Employer Contribution
25 or more	\$450 per month until the retiree reaches age 65. Thereafter, the CalPERS Health Benefits Program Minimum Employer Contribution.

Section V Actuarial Assumption, Methods, & Considerations

A) Actuarial Assumptions

Discount Rate	7.28%, based on CERBT Strategy 1 investment policy
Net Investment Return	7.28%, based on CERBT Strategy 1 investment policy
Inflation	We assumed 2.26% annual inflation.
Payroll increases	3.25% annual increases.
Administrative Expenses	We assumed that the administrative expense were \$11,032 for the measurement period ending June 30, 2018.

Health Care Trend	Year Beginning	Increase in Premium Rates	
		Pre-65	Post-65
	2019	Actual	Actual
	2020	6.80%	5.00%
	2021	6.55%	5.00%
	2022	6.30%	5.00%
	2023	6.05%	5.00%
	2024	5.80%	5.00%
	2025	5.55%	5.00%
	2026	5.30%	5.00%
	2027	5.05%	5.00%
	2028 and later	5.50%	5.00%

Section V Actuarial Assumption, Methods, & Considerations

A) Actuarial Assumptions (continued)

Plan Distribution for Calculating PPO Baseline Cost	<table border="1"> <thead> <tr> <th>Plan</th> <th>Pre-Medicare</th> <th>Post-Medicare</th> </tr> </thead> <tbody> <tr> <td>PERS Care</td> <td>17%</td> <td>11%</td> </tr> <tr> <td>PERS Choice</td> <td>36%</td> <td>28%</td> </tr> <tr> <td>PERS Select</td> <td>22%</td> <td>1%</td> </tr> <tr> <td>United Healthcare</td> <td><u>25%</u></td> <td><u>60%</u></td> </tr> <tr> <td>Total</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	Plan	Pre-Medicare	Post-Medicare	PERS Care	17%	11%	PERS Choice	36%	28%	PERS Select	22%	1%	United Healthcare	<u>25%</u>	<u>60%</u>	Total	100%	100%																															
Plan	Pre-Medicare	Post-Medicare																																																
PERS Care	17%	11%																																																
PERS Choice	36%	28%																																																
PERS Select	22%	1%																																																
United Healthcare	<u>25%</u>	<u>60%</u>																																																
Total	100%	100%																																																
PPO Baseline Cost	Pre-Medicare: \$11,039 per year Post-Medicare: \$4,004 per year																																																	
Plan Distribution for Calculating HMO Baseline Cost	<table border="1"> <thead> <tr> <th>Plan</th> <th>Pre-Medicare</th> <th>Post-Medicare</th> </tr> </thead> <tbody> <tr> <td>Anthem Traditional HMO</td> <td>5%</td> <td>3%</td> </tr> <tr> <td>Blue Shield Access+</td> <td>7%</td> <td>0%</td> </tr> <tr> <td>Kaiser</td> <td>87%</td> <td>97%</td> </tr> <tr> <td>Western Health Advantage</td> <td><u>1%</u></td> <td><u>0%</u></td> </tr> <tr> <td>Total</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	Plan	Pre-Medicare	Post-Medicare	Anthem Traditional HMO	5%	3%	Blue Shield Access+	7%	0%	Kaiser	87%	97%	Western Health Advantage	<u>1%</u>	<u>0%</u>	Total	100%	100%																															
Plan	Pre-Medicare	Post-Medicare																																																
Anthem Traditional HMO	5%	3%																																																
Blue Shield Access+	7%	0%																																																
Kaiser	87%	97%																																																
Western Health Advantage	<u>1%</u>	<u>0%</u>																																																
Total	100%	100%																																																
HMO Baseline Cost	Pre-Medicare: \$9,489 per year Post-Medicare: \$3,852 per year																																																	
Health & Dental Plan Participation	We assumed that 100% of eligible participants will participate.																																																	
Medicare Coverage	We assumed that all PERS employees and retirees and their spouses will qualify for Medicare coverage and enroll in Part A and Part B when they reach age 65. We assumed that all STRS employees and retirees and their spouses who are currently younger than age 65 will either qualify for Medicare coverage and enroll in Part A and Part B when they reach age 65, or if they are not qualified for Medicare coverage they will pay the required Medicare Part B premium and enroll.																																																	
Morbidity Factors	CalPERS 2017 study																																																	
Population for Curving	CalPERS 2017 study																																																	
Age-Weighted Claims Costs ¹	<table border="1"> <thead> <tr> <th rowspan="2">Age</th> <th colspan="2">HMO</th> <th colspan="2">PPO</th> </tr> <tr> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>50</td> <td>\$9,826</td> <td>\$10,202</td> <td>\$10,026</td> <td>\$10,946</td> </tr> <tr> <td>55</td> <td>\$12,705</td> <td>\$11,767</td> <td>\$12,797</td> <td>\$12,362</td> </tr> <tr> <td>60</td> <td>\$16,456</td> <td>\$13,548</td> <td>\$16,267</td> <td>\$14,176</td> </tr> <tr> <td>65</td> <td>\$3,937</td> <td>\$4,050</td> <td>\$3,852</td> <td>\$4,018</td> </tr> <tr> <td>70</td> <td>\$3,493</td> <td>\$3,522</td> <td>\$3,420</td> <td>\$3,459</td> </tr> <tr> <td>75</td> <td>\$4,136</td> <td>\$4,006</td> <td>\$4,062</td> <td>\$4,010</td> </tr> <tr> <td>80</td> <td>\$4,528</td> <td>\$4,498</td> <td>\$4,747</td> <td>\$4,577</td> </tr> <tr> <td>85</td> <td>\$4,685</td> <td>\$4,671</td> <td>\$5,171</td> <td>\$4,947</td> </tr> </tbody> </table>	Age	HMO		PPO		Male	Female	Male	Female	50	\$9,826	\$10,202	\$10,026	\$10,946	55	\$12,705	\$11,767	\$12,797	\$12,362	60	\$16,456	\$13,548	\$16,267	\$14,176	65	\$3,937	\$4,050	\$3,852	\$4,018	70	\$3,493	\$3,522	\$3,420	\$3,459	75	\$4,136	\$4,006	\$4,062	\$4,010	80	\$4,528	\$4,498	\$4,747	\$4,577	85	\$4,685	\$4,671	\$5,171	\$4,947
Age	HMO		PPO																																															
	Male	Female	Male	Female																																														
50	\$9,826	\$10,202	\$10,026	\$10,946																																														
55	\$12,705	\$11,767	\$12,797	\$12,362																																														
60	\$16,456	\$13,548	\$16,267	\$14,176																																														
65	\$3,937	\$4,050	\$3,852	\$4,018																																														
70	\$3,493	\$3,522	\$3,420	\$3,459																																														
75	\$4,136	\$4,006	\$4,062	\$4,010																																														
80	\$4,528	\$4,498	\$4,747	\$4,577																																														
85	\$4,685	\$4,671	\$5,171	\$4,947																																														

Section V Actuarial Assumption, Methods, & Considerations

A) Actuarial Assumptions (continued)

Mortality*

Certificated and classified employees were treated separately; their mortality tables are described below.

The mortality rates used for certificated employees are those described in the 2016 CalSTRS experience study.

Pre-Retirement: CalSTRS 2016 Mortality pre-retirement

Post-Retirement: CalSTRS 2016 Mortality post-retirement

Sample Mortality Rates of Base Table				
Age	Active Employees		Retired Employees	
	Male	Female	Male	Female
55	0.16%	0.12%	0.37%	0.22%
60	0.27%	0.18%	0.49%	0.29%
65	0.46%	0.26%	0.70%	0.44%
70	0.82%	0.44%	1.12%	0.72%
75	1.45%	0.76%	2.00%	1.32%
80	2.56%	1.32%	3.67%	2.54%
85	0.00%	0.00%	7.06%	5.06%
90	0.00%	0.00%	13.57%	10.26%

The mortality rates used for classified employees are those used in the 2017 CalPERS experience study. Sample rates the base table are shown below.

Pre-Retirement: CalPERS 2017 Mortality pre-retirement

Post-Retirement: CalPERS 2017 Mortality post-retirement

Sample Mortality Rates				
Age	Active Employees		Retired Employees	
	Male	Female	Male	Female
55	0.17%	0.12%	0.44%	0.41%
60	0.26%	0.17%	0.67%	0.48%
65	0.36%	0.23%	0.93%	0.64%
70	0.62%	0.39%	1.34%	0.93%
75	1.06%	0.62%	2.32%	1.63%
80	1.66%	0.94%	3.98%	3.01%
85	0.00%	0.00%	7.12%	5.42%
90	0.00%	0.00%	13.04%	10.09%

Disability*

Because of the anticipated low incidence of disability retirements we did not value disability.

* Source: NCG has not performed an experience study to select these assumptions. NCG has not observed materially consistent gains or consistent losses associated with these assumptions

Section V Actuarial Assumption, Methods, & Considerations

A) Actuarial Assumptions (continued)

Retirement Certificated and classified employees were treated separately; their retirement tables are described below.

Certificated employees hired before January 1, 2013 were evaluated using the Cal STRS retirement rates. The rates shown below are based on a retirement study over the interval from July 1, 2008, to July 1, 2014. We compared the expected number of retirements, from one valuation to the next, with the actual number of retirements, based on the census files for all the valuations from 2008 to 2014. As a result, we multiplied all CalSTRS assumed retirement rates by 1.127 to match the actual experience of the District.

Cal STRS 2012 Retirement Rates (Male) scaled by a factor of 1.127 Hired before 1/1/2013	Years of Service						
	Age	5	10	15	20	25	30+
50	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%
55	3.0%	3.0%	3.0%	3.0%	3.0%	6.1%	9.0%
60	7.1%	7.1%	7.1%	7.1%	7.1%	14.2%	30.4%
65	15.2%	15.2%	15.2%	15.2%	15.2%	30.4%	36.6%
70	12.2%	12.2%	12.2%	12.2%	12.2%	24.3%	33.8%
75	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Cal STRS 2012 Retirement Rates (Female) scaled by a factor of 1.127 Hired before 1/1/2013	Years of Service						
	Age	5	10	15	20	25	30+
50	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%
55	5.1%	5.1%	5.1%	5.1%	5.1%	10.1%	10.1%
60	10.1%	10.1%	10.1%	10.1%	10.1%	20.3%	30.4%
65	16.2%	16.2%	16.2%	16.2%	16.2%	32.5%	36.6%
70	15.2%	15.2%	15.2%	15.2%	15.2%	30.4%	33.8%
75	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Certificated employees hired on or after January 1, 2013 were evaluated using the 2% @ 62 Cal STRS retirement rates described in the 2016 experience study.

CalSTRS 2016 Retirement Rates* Hired on or after 1/1/2013	Age	Male	Female
	50		0.0%
55		3.0%	4.0%
60		9.0%	9.0%
65		30.0%	30.0%
70		20.0%	20.0%
75		100.0%	100.0%

Section V Actuarial Assumption, Methods, & Considerations

A) Actuarial Assumptions (continued)

Classified employees hired before January 1, 2013 were evaluated using 2014 CalPERS retirement rates. Our retirement study showed no significant differences between PERS school employee retirement rates and actual experience for the District.

2% @ 55 CalPERS 2014 school employees retirement rate Hired before 1/1/2013	Years of Service					
	Age	5	10	15	20	25
	50	0.5%	0.9%	1.3%	1.5%	1.6%
	55	2.4%	4.8%	6.7%	7.9%	8.8%
	60	3.7%	7.3%	10.2%	12.1%	13.4%
	65	9.1%	18.0%	25.1%	29.7%	33.1%
	70	6.6%	13.1%	18.3%	21.6%	24.1%
	75	5.5%	10.8%	15.1%	17.9%	19.9%

Classified employees hired on or after January 1, 2013 were evaluated using 2% @ 62 CalPERS school employees retirement rates.

2% @ 62 CalPERS 2017 school employees retirement rate* Hired on or after 1/1/2013	Years of Service					
	Age	5	10	15	20	25
	50	0.5%	0.9%	1.3%	1.5%	1.6%
	55	2.4%	4.8%	6.7%	7.9%	8.8%
	60	3.7%	7.3%	10.2%	12.1%	13.4%
	65	9.1%	18.0%	25.1%	29.7%	33.1%
	70	6.6%	13.1%	18.3%	21.6%	24.1%
	75	5.5%	10.8%	15.1%	17.9%	19.9%

* Source: NCG has not performed an experience study to select these assumptions. NCG has not observed materially consistent gains or consistent losses associated with these assumptions

Section V Actuarial Assumption, Methods, & Considerations

A) Actuarial Assumptions (continued)

Withdrawal Sample withdrawal rates are shown below. These rates are based on a withdrawal study over the interval from July 1, 2008, to July 1, 2014. We compared the expected number of withdrawals, from one valuation to the next, with the actual number of withdrawals, based on the census files for all the valuations from 2008 to 2014, and on prior withdrawal rates. PERS school employees' withdrawal rates have been increased by 50% for employees with more than 10 years of service; STRS rates have been given separate multipliers for 5 years of service or less, 6 to 10 years of service, and more than 10 years of service, to match with the actual experience of the District

STRS Withdrawal Rates	Service	Male	Female
	0	30.5%	28.6%
	5	7.4%	7.4%
	10	4.3%	4.3%
	15	3.0%	3.0%
	20	1.7%	1.7%
	25	1.0%	1.0%

CalPERS School employees Withdrawal Rates w/ 50% increase for 10+ service	Age	Years of Service				
		0	5	10	15	20
	20	17.3%	12.0%	0.0%	0.0%	0.0%
	25	16.3%	10.9%	13.8%	0.0%	0.0%
	30	15.3%	9.8%	12.0%	11.5%	0.0%
	35	14.2%	8.7%	10.3%	9.8%	9.2%
	40	13.2%	7.6%	8.6%	8.0%	7.4%
	45	12.2%	6.5%	6.9%	6.3%	5.6%
	50	11.1%	1.4%	1.1%	0.8%	0.6%

Percent Married Eligible retirees are allowed to enroll their dependents. The District contributes some, or all, of the cost of dependent coverage. Based on the enrollment pattern of retirees who are younger than age 65, we assumed that 50% of future certified retirees will enroll a spouse and 60% of non-certified future retirees will enroll a spouse. Female spouses are assumed to be three years younger than male spouses.

Assumption Changes

The average per capita claims cost was updated to reflect actual 2019 premiums, the health care cost trend rate was updated to reflect 2018 industry survey data, the mortality, and retirement tables was updated to reflect the 2017 CalPERS studies. The population for curving and morbidity factors have also been updated to the 2017 CalPERS study.

There have been no other assumption changes since the last measurement date.

Section V Actuarial Assumption, Methods, & Considerations

B) Actuarial Methods

Actuarial Cost Method	Entry Age Normal <p>An actuarial cost method under which the Actuarial Present Value of the Projected Benefits of each individual included in the valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost.</p>
Amortization Methodology	<p>We used straight-line amortization. For assumption changes and experience gains/losses, we assumed Average Future Working Lifetime, averages over all actives and retirees (retirees are assumed to have no future working years). For asset gains and losses, we assumed 5 years.</p>
Financial and Census Data	<p>The District provided the participant data, financial information and plan descriptions used in this valuation. The actuary has checked the data for reasonableness, but has not independently audited the data. The actuary has no reason to believe the data is not complete and accurate, and knows of no further information that is essential to the preparation of the actuarial valuation.</p>
Plan Fiduciary Net Position	Market value of assets as of the measurement date
Measurement Date	June 30, 2018
Valuation Date	June 30, 2018
Funding Policy	<p>The District intends to contribute at least \$1 million annually to the trust and pay ongoing benefits without reimbursement from the trust until the plan is fully funded.</p>

Section V Actuarial Assumption, Methods, & Considerations

C) Actuarial Considerations

Health Care Reform

Health care delivery is going through an evolution due to enactment of Health Care Reform. The Patient Protection and Affordable Care Act (PPACA), was signed March 23, 2010, with further changes enacted by the Health Care and Education Affordability Reconciliation Act (HCEARA), signed March 30, 2010. This valuation uses various assumptions that may have been modified based on considerations under PPACA. This section discusses particular legislative changes that were reflected in our assumptions. We have not identified any other specific provision of PPACA that would be expected to have a significant impact on the measured obligation. As additional guidance on the Act continues to be issued, we'll continue to monitor impacts.

Individual Mandate

Under PPACA, individuals (whether actively employed or otherwise) must be covered by health insurance or else pay a penalty tax to the government. While it is not anticipated that the Act will result in universal coverage, it is expected to increase the overall portion of the population with coverage. We believe this will result in an increased demand on health care providers, resulting in higher trend for medical services for non-Medicare eligible retirees. (Medicare costs are constrained by Medicare payment mechanisms already in place, plus additional reforms added by PPACA and HCEARA.) While we believe that the mandate may result in somewhat higher participation overall, this issue would have a marginal impact since we assume 100% participation upon retirement.

Employer Mandate

Health Care Reform includes various provisions mandating employer coverage for active employees, with penalties for non-compliance. Those provisions do not directly apply to the postemployment coverage included in this valuation.

Section V Actuarial Assumption, Methods, & Considerations

C) Actuarial Considerations (continued)

Medicare Advantage Plans	Effective January 1, 2011, the Law provides for reductions to the amounts that would be provided to Medicare Advantage plans starting in 2011. We considered the effect of these reductions in federal payments to Medicare Advantage plans when setting our trend assumption.
Expansion of Child Coverage to Age 26	Health Care Reform mandates that coverage be offered to any child, dependent or not, through age 26, consistent with coverage for any other dependent. We assume that this change has been reflected in current premium rates. While this plan covers dependents, we do not currently assume non-spouse dependent coverage other than for firefighters. We believe the impact this assumption has on the valuation is immaterial due to the lack of retirees that have had or are expected to have non-spouse dependents for any significant amount of time during retirement.
Elimination of Annual or Lifetime Maximums	Health Care Reform provides that annual or lifetime maximums have to be eliminated for all “essential services.” We assume that current premium rates already reflect the elimination of any historic maximums.
Cadillac Tax (High Cost Plan Excise Tax)	<p>The PPACA legislation added a new High-Cost Plan Excise Tax (also known as the “Cadillac Tax”) starting in calendar year 2022. For valuation purposes, we assumed that the value of the tax will be passed back to the plan in higher premium rates.</p> <ul style="list-style-type: none">• The tax is 40% of the excess of (a) the cost of coverage over (b) the limit. We modeled the cost of the tax by calculating (a) using the working rates projected with trend. We calculated (b) starting with the statutory limits (\$10,200 single and \$27,500 family), adjusted for the following:<ul style="list-style-type: none">○ Limits will increase from 2018 to 2019 by 4.25% (CPI plus 1%);○ Limits will increase after 2019 by 3.25% (CPI); and○ For retirees over age 55 and not on Medicare, the limit is increased by an additional dollar amount of \$1,650 for single coverage and \$3,450 for family coverage.• Based on the above assumptions, we estimate that the tax will apply as early as 2028 for some of the District’s pre-Medicare plans. In addition, we estimate that the tax will not apply for the District’s post-Medicare plans.

Section VI Appendix

A) Breakdown of Present Value of Benefits

Total OPEB Liability

	Certificated UTR	Certificated WCAA	Classified Local 856	Classified SSA	Unrep. Mgt., Confidential, Cabinet, Retired Board	Total
Medical						
Actives	\$28,514,475	\$1,990,050	\$16,402,309	\$2,676,119	\$1,312,693	\$50,895,646
Retirees	<u>75,536,291</u>	<u>3,533,877</u>	<u>38,933,659</u>	<u>4,858,337</u>	<u>8,115,280</u>	<u>130,977,444</u>
Total	\$104,050,766	\$5,523,927	\$55,335,968	\$7,534,456	\$9,427,973	\$181,873,090
Dental						
Actives	\$0	\$0	\$4,280,219	\$0	\$0	\$4,280,219
Retirees	<u>0</u>	<u>0</u>	<u>4,587,006</u>	<u>0</u>	<u>0</u>	<u>4,587,006</u>
Total	\$0	\$0	\$8,867,225	\$0	\$0	\$8,867,225
Subsidy						
Actives	\$16,575,433	\$1,903,250	\$11,987,245	\$2,012,698	\$852,580	\$33,331,206
Retirees	<u>12,121,854</u>	<u>511,504</u>	<u>7,179,305</u>	<u>890,831</u>	<u>1,448,926</u>	<u>22,152,420</u>
Total	\$28,697,287	\$2,414,754	\$19,166,550	\$2,903,529	\$2,301,506	\$55,483,626
Total						
Actives	\$45,089,908	\$3,893,300	\$32,669,773	\$4,688,817	\$2,165,273	\$88,507,071
Retirees	<u>87,658,145</u>	<u>4,045,381</u>	<u>50,699,970</u>	<u>5,749,168</u>	<u>9,564,206</u>	<u>157,716,870</u>
Total	\$132,748,053	\$7,938,681	\$83,369,743	\$10,437,985	\$11,729,479	\$246,223,941

Section VI Appendix

A) Breakdown of Present Value of Benefits (continued)

Present Value of Benefits Due to Future Service

	Certificated UTR	Certificated WCCAA	Classified Local 856	Classified SSA	Unrep. Mgt., Confidential, Cabinet, Retired Board	Total
Medical						
Actives	\$4,839,843	\$403,220	\$2,973,177	\$458,991	\$366,397	\$9,041,628
Retirees	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$4,839,843	\$403,220	\$2,973,177	\$458,991	\$366,397	\$9,041,628
Dental						
Actives	\$0	\$0	\$523,906	\$0	\$0	\$523,906
Retirees	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$0	\$0	\$523,906	\$0	\$0	\$523,906
Subsidy						
Actives	\$4,994,335	\$525,527	\$2,908,719	\$440,238	\$412,070	\$9,280,889
Retirees	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$4,994,335	\$525,527	\$2,908,719	\$440,238	\$412,070	\$9,280,889
Total						
Actives	\$9,834,178	\$928,747	\$6,405,802	\$899,229	\$778,467	\$18,846,423
Retirees	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$9,834,178	\$928,747	\$6,405,802	\$899,229	\$778,467	\$18,846,423

Section VI Appendix

A) Breakdown of Present Value of Benefits (continued)

Total Present Value of Benefits

	Certificated UTR	Certificated WCCAA	Classified Local #1	Classified SSA	Unrep. Mgt., Confidential, Cabinet, Retired Board	Total
Medical						
Actives	\$33,354,318	\$2,393,270	\$19,375,486	\$3,135,110	\$1,679,090	\$59,937,274
<u>Retirees</u>	<u>75,536,291</u>	<u>3,533,877</u>	<u>38,933,659</u>	<u>4,858,337</u>	<u>8,115,280</u>	<u>130,977,444</u>
Total	\$108,890,609	\$5,927,147	\$58,309,145	\$7,993,447	\$9,794,370	\$190,914,718
Dental						
Actives	\$0	\$0	\$4,804,125	\$0	\$0	\$4,804,125
<u>Retirees</u>	<u>0</u>	<u>0</u>	<u>4,587,006</u>	<u>0</u>	<u>0</u>	<u>4,587,006</u>
Total	\$0	\$0	\$9,391,131	\$0	\$0	\$9,391,131
Subsidy						
Actives	\$21,569,768	\$2,428,777	\$14,895,964	\$2,452,936	\$1,264,650	\$42,612,095
<u>Retirees</u>	<u>12,121,854</u>	<u>511,504</u>	<u>7,179,305</u>	<u>890,831</u>	<u>1,448,926</u>	<u>22,152,420</u>
Total	\$33,691,622	\$2,940,281	\$22,075,269	\$3,343,767	\$2,713,576	\$64,764,515
Total						
Actives	\$54,924,086	\$4,822,047	\$39,075,575	\$5,588,046	\$2,943,740	\$107,353,494
<u>Retirees</u>	<u>87,658,145</u>	<u>4,045,381</u>	<u>50,699,970</u>	<u>5,749,168</u>	<u>9,564,206</u>	<u>157,716,870</u>
Total	\$142,582,231	\$8,867,428	\$89,775,545	\$11,337,214	\$12,507,946	\$265,070,364

Section VI Appendix

B) Breakdown of 10 Year Projected Benefit Payments

10 Year Projection of Premiums (Explicit Payments)

Plan Year Beginning 7/1	Certificated UTR	Certificated WCCAA	Classified Local 856	Classified SSA	Unrep. Mgt., Confidential, Cabinet, Retired Board	Total
2018	\$7,015,583	\$293,385	\$4,285,317	\$474,523	\$803,335	\$12,872,143
2019	\$7,173,311	\$299,975	\$4,304,667	\$463,086	\$776,029	\$13,017,068
2020	\$7,473,802	\$315,832	\$4,474,426	\$487,118	\$789,750	\$13,540,928
2021	\$7,810,012	\$340,156	\$4,601,972	\$509,445	\$792,075	\$14,053,660
2022	\$8,056,970	\$366,276	\$4,748,150	\$515,900	\$797,271	\$14,484,567
2023	\$8,303,100	\$385,949	\$4,861,375	\$540,624	\$794,024	\$14,885,072
2024	\$8,524,975	\$395,268	\$4,958,148	\$559,784	\$795,804	\$15,233,979
2025	\$8,723,880	\$413,693	\$5,084,019	\$580,078	\$794,904	\$15,596,574
2026	\$8,869,217	\$430,112	\$5,184,627	\$604,300	\$785,077	\$15,873,333
2027	\$8,977,690	\$445,056	\$5,281,748	\$626,422	\$776,503	\$16,107,419

Section VI Appendix

B) Breakdown of 10 Year Projected Benefit Payments (continued)

10 Year Projection of Implicit Subsidy

Plan Year Beginning 7/1	Certificated UTR	Certificated WCCAA	Classified Local 856	Classified SSA	Unrep. Mgt., Confidential, Cabinet, Retired Board	Total
2018	\$899,225	\$39,158	\$1,003,580	\$149,216	\$150,393	\$2,241,572
2019	\$1,044,718	\$36,804	\$1,073,160	\$132,104	\$136,185	\$2,422,971
2020	\$1,197,350	\$54,677	\$1,213,348	\$149,074	\$152,037	\$2,766,486
2021	\$1,465,030	\$87,936	\$1,288,307	\$163,409	\$149,847	\$3,154,529
2022	\$1,624,401	\$108,432	\$1,391,049	\$175,742	\$165,250	\$3,464,874
2023	\$1,788,773	\$127,112	\$1,422,073	\$197,426	\$175,350	\$3,710,734
2024	\$2,006,339	\$143,342	\$1,513,207	\$235,063	\$193,591	\$4,091,542
2025	\$2,074,368	\$144,356	\$1,533,264	\$266,356	\$219,875	\$4,238,219
2026	\$2,161,382	\$142,503	\$1,613,900	\$265,712	\$237,873	\$4,421,370
2027	\$2,318,180	\$152,095	\$1,692,704	\$305,785	\$221,473	\$4,690,237

Section VI Appendix

B) Breakdown of 10 Year Projected Benefit Payments (continued)

10 Year Projection of Total Benefit Payments

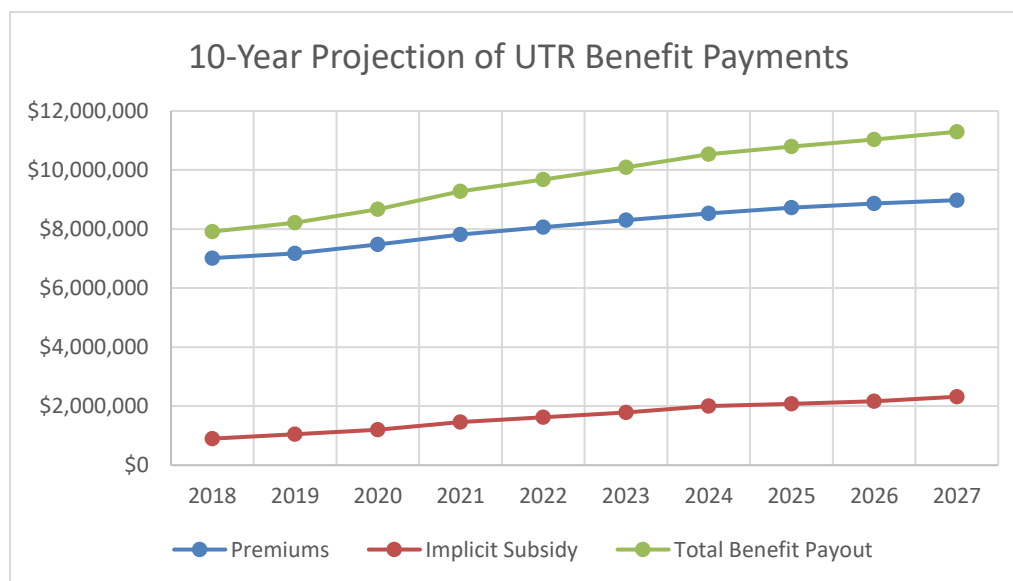
Plan Year Beginning 7/1	Certificated UTR	Certificated WCC AA	Classified Local 856	Classified SSA	Unrep. Mgt., Confidential, Cabinet, Retired Board	Total
2018	\$7,914,808	\$332,543	\$5,288,897	\$623,739	\$953,728	\$15,113,715
2019	\$8,218,029	\$336,779	\$5,377,827	\$595,190	\$912,214	\$15,440,039
2020	\$8,671,152	\$370,509	\$5,687,774	\$636,192	\$941,787	\$16,307,414
2021	\$9,275,042	\$428,092	\$5,890,279	\$672,854	\$941,922	\$17,208,189
2022	\$9,681,371	\$474,708	\$6,139,199	\$691,642	\$962,521	\$17,949,441
2023	\$10,091,873	\$513,061	\$6,283,448	\$738,050	\$969,374	\$18,595,806
2024	\$10,531,314	\$538,610	\$6,471,355	\$794,847	\$989,395	\$19,325,521
2025	\$10,798,248	\$558,049	\$6,617,283	\$846,434	\$1,014,779	\$19,834,793
2026	\$11,030,599	\$572,615	\$6,798,527	\$870,012	\$1,022,950	\$20,294,703
2027	\$11,295,870	\$597,151	\$6,974,452	\$932,207	\$997,976	\$20,797,656

Section VI Appendix

C) Benefit Payments by Employee Group (UTR)

In this table we show the projected pay-as-you-go costs (employer's share of premiums), the implicit subsidy, and total expected benefit payments for the United Teachers of Richmond employee group. The implicit subsidy reflects the shortfall of premiums versus the true cost of coverage. The shortfall exists because claims for active employees are combined with claims of retirees (who generally are older and cost more) to develop a single flat premium paid by both groups.

Plan Year Beginning 7/1	Premiums	Implicit Subsidy	Total
2018	\$7,015,583	\$899,225	\$7,914,808
2019	\$7,173,311	\$1,044,718	\$8,218,029
2020	\$7,473,802	\$1,197,350	\$8,671,152
2021	\$7,810,012	\$1,465,030	\$9,275,042
2022	\$8,056,970	\$1,624,401	\$9,681,371
2023	\$8,303,100	\$1,788,773	\$10,091,873
2024	\$8,524,975	\$2,006,339	\$10,531,314
2025	\$8,723,880	\$2,074,368	\$10,798,248
2026	\$8,869,217	\$2,161,382	\$11,030,599
2027	\$8,977,690	\$2,318,180	\$11,295,870

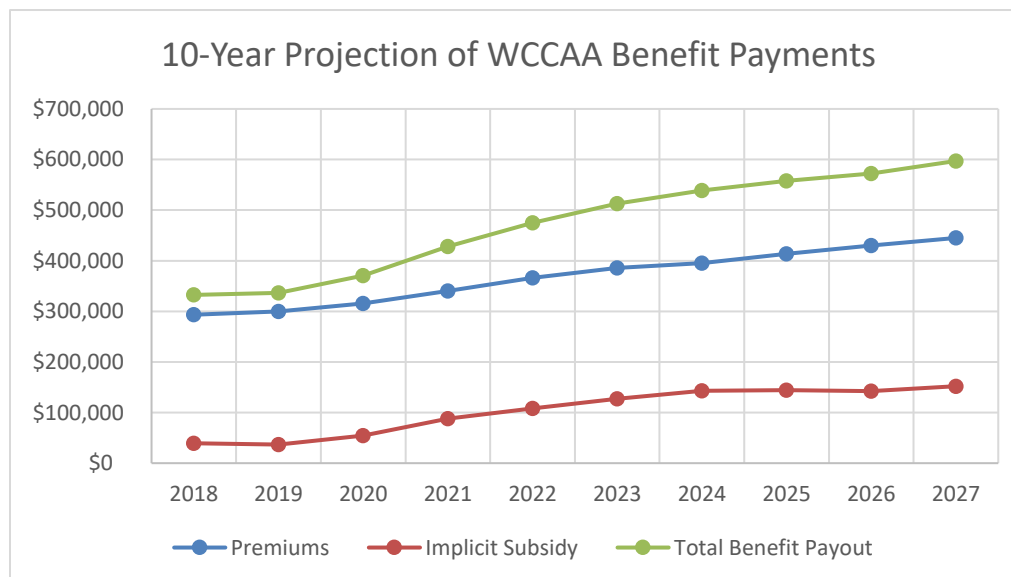


Section VI Appendix

C) Benefit Payments by Employee Group (WCCAA)

In this table we show the projected pay-as-you-go costs (employer's share of premiums), the implicit subsidy, and total expected benefit payments for the West Contra Costa Administrators Association employee group. The implicit subsidy reflects the shortfall of premiums versus the true cost of coverage. The shortfall exists because claims for active employees are combined with claims of retirees (who generally are older and cost more) to develop a single flat premium paid by both groups.

Plan Year Beginning 7/1	Premiums	Implicit Subsidy	Total
2018	\$293,385	\$39,158	\$332,543
2019	\$299,975	\$36,804	\$336,779
2020	\$315,832	\$54,677	\$370,509
2021	\$340,156	\$87,936	\$428,092
2022	\$366,276	\$108,432	\$474,708
2023	\$385,949	\$127,112	\$513,061
2024	\$395,268	\$143,342	\$538,610
2025	\$413,693	\$144,356	\$558,049
2026	\$430,112	\$142,503	\$572,615
2027	\$445,056	\$152,095	\$597,151

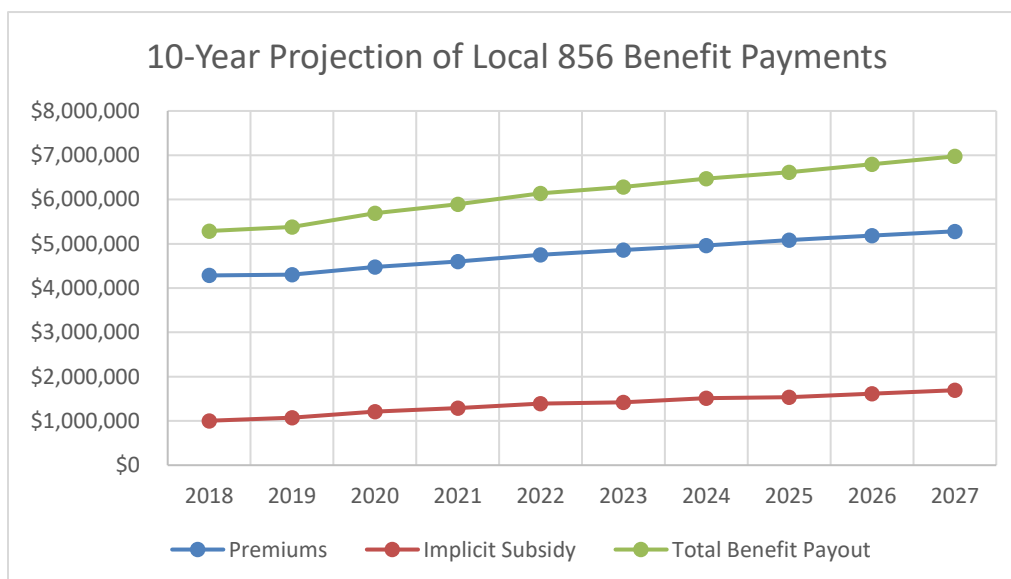


Section VI Appendix

C) Benefit Payments by Employee Group (Local 856)

In this table we show the projected pay-as-you-go costs (employer's share of premiums), the implicit subsidy, and total expected benefit payments for the Local 856 employee group. The implicit subsidy reflects the shortfall of premiums versus the true cost of coverage. The shortfall exists because claims for active employees are combined with claims of retirees (who generally are older and cost more) to develop a single flat premium paid by both groups.

Plan Year Beginning 7/1	Premiums	Implicit Subsidy	Total
2018	\$4,285,317	\$1,003,580	\$5,288,897
2019	\$4,304,667	\$1,073,160	\$5,377,827
2020	\$4,474,426	\$1,213,348	\$5,687,774
2021	\$4,601,972	\$1,288,307	\$5,890,279
2022	\$4,748,150	\$1,391,049	\$6,139,199
2023	\$4,861,375	\$1,422,073	\$6,283,448
2024	\$4,958,148	\$1,513,207	\$6,471,355
2025	\$5,084,019	\$1,533,264	\$6,617,283
2026	\$5,184,627	\$1,613,900	\$6,798,527
2027	\$5,281,748	\$1,692,704	\$6,974,452

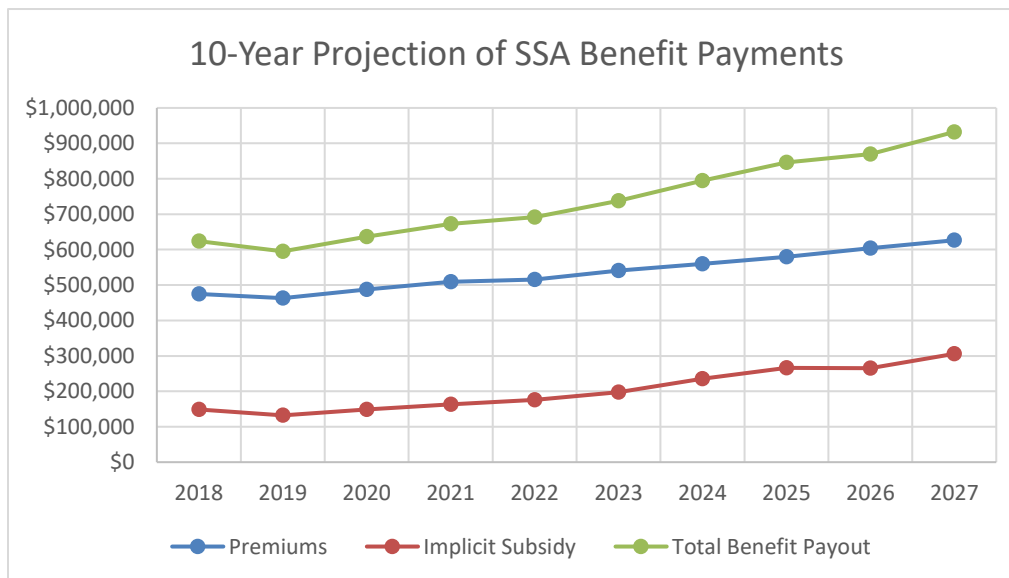


Section VI Appendix

C) Benefit Payments by Employee Group (SSA)

In this table we show the projected pay-as-you-go costs (employer's share of premiums), the implicit subsidy, and total expected benefit payments for the School Supervisors Association employee group. The implicit subsidy reflects the shortfall of premiums versus the true cost of coverage. The shortfall exists because claims for active employees are combined with claims of retirees (who generally are older and cost more) to develop a single flat premium paid by both groups.

Plan Year Beginning 7/1	Premiums	Implicit Subsidy	Total
2018	\$474,523	\$149,216	\$623,739
2019	\$463,086	\$132,104	\$595,190
2020	\$487,118	\$149,074	\$636,192
2021	\$509,445	\$163,409	\$672,854
2022	\$515,900	\$175,742	\$691,642
2023	\$540,624	\$197,426	\$738,050
2024	\$559,784	\$235,063	\$794,847
2025	\$580,078	\$266,356	\$846,434
2026	\$604,300	\$265,712	\$870,012
2027	\$626,422	\$305,785	\$932,207

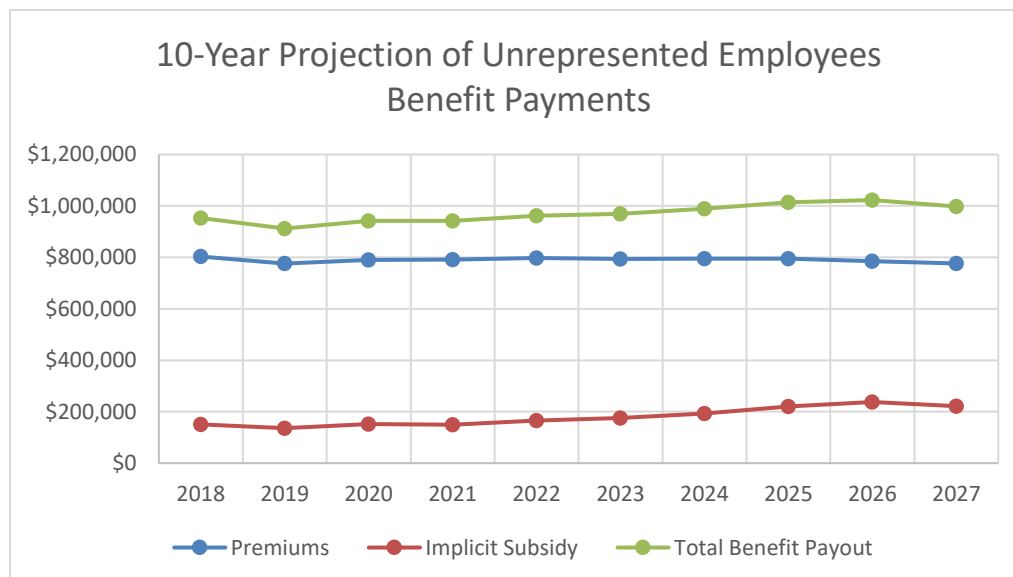


Section VI Appendix

C) Benefit Payments by Employee Group (Unrepresented Employees)

In this table we show the projected pay-as-you-go costs (employer's share of premiums), the implicit subsidy, and total expected benefit payments for the unrepresented employees. This group includes unrepresented employees who are classified, certificated, or from management. The implicit subsidy reflects the shortfall of premiums versus the true cost of coverage. The shortfall exists because claims for active employees are combined with claims of retirees (who generally are older and cost more) to develop a single flat premium paid by both groups.

Plan Year Beginning 7/1	Premiums	Implicit Subsidy	Total
2018	\$803,335	\$150,393	\$953,728
2019	\$776,029	\$136,185	\$912,214
2020	\$789,750	\$152,037	\$941,787
2021	\$792,075	\$149,847	\$941,922
2022	\$797,271	\$165,250	\$962,521
2023	\$794,024	\$175,350	\$969,374
2024	\$795,804	\$193,591	\$989,395
2025	\$794,904	\$219,875	\$1,014,779
2026	\$785,077	\$237,873	\$1,022,950
2027	\$776,503	\$221,473	\$997,976



Section VII Glossary

A) Key Terms

Annual OPEB Expense	The amount recognized by an employer in each accounting period for contributions to a defined benefit OPEB plan on the modified accrual basis of accounting.
Deferred outflows and inflows of resources related to OPEB	Deferred outflows of resources and deferred inflows of resources related to OPEB arising from certain changes in the collective net OPEB liability or collective total OPEB liability
Covered Payroll	Annual compensation paid (or expected to be paid) to active employees covered by an OPEB plan, in aggregate.
Net OPEB Liability (NOL)	The liability of employers and non-employer contributing entities to plan members for benefits provided through a defined benefit OPEB plan that is administered through a trust that meets the criteria of the GASB Statements.
Normal Cost or Service Cost	The portion of the Total Present Value of Future Benefits attributed to employee service during the current fiscal year by the actuarial cost method. These terms are used interchangeably.
Other Postemployment Benefits (OPEB)	Retiree health care benefits and post-employment benefits provided separately from a pension plan (excluding termination offers and benefits).
Plan Fiduciary Net Position (FNP)	Set equal to the market value of assets as of the measurement date.
Present Value of Future Benefits (PVFB)	The value, as of the valuation date, of the projected benefits payable to all members for their accrued service and their expected future service, discounted to reflect the time value (present value) of money and adjusted for the probabilities of retirement, withdrawal, death and disability.
Total OPEB Liability (TOL)	The portion of the actuarial present value of projected benefit payments that is attributed to past period of member service in conformity with the GASB Statements. The total OPEB liability is the liability of employers and non-employer contributing entities to plan members for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria of the GASB Statements.