

Monterey Peninsula Water Management District

**GASB 75 OPEB Valuation Report Measured as of June 30, 2024
for Disclosures for the Fiscal Year Ending June 30, 2024**

September 24, 2024



11750 Atwood Road
Auburn, California 95603
t: (415) 801-5987 f: (415) 358-8500
www.PrecisionActuarial.com



GovInvest
Insights to your financial future

11750 Atwood Road
Auburn, California 95603
www.PrecisionActuarial.com
(415) 801-5987

September 24, 2024

Nishil Bali
Administrative Services Manager/CFO
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, California 93940

Re: Monterey Peninsula Water Management District GASB 75 OPEB Plan Valuation Report Measured as of June 30, 2024

Dear Mr. Bali:

At your request, we completed an actuarial valuation of the retiree health and welfare benefits valued as of June 30, 2024, and measured as of June 30, 2024, for the Monterey Peninsula Water Management District. This is a full valuation. Please use the information in this report for your financial statements for the fiscal year ending June 30, 2024. This valuation is based on input from the District and from CalPERS, as well as our understanding of GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" (GASB 75).

We greatly appreciate your business. If you have any questions, please feel free to call us at (415) 801-5987.

Best Regards,

A handwritten signature in blue ink that reads "Roger T. Burton".

Roger T. Burton, FSA, MAAA, FCA

Corporate Solutions for the Modern World
Healthcare • Pension • Valuations • Financial Reporting • Claim Liabilities
Self-Funded Plans • Actuarial Attestations • Creditable Coverage • Expert Witness

DUNS: 079861610 CAGE: 7EC83 CA Supplier: 1798304

Executive Summary

| | |
|--|---|
| Overview | 1 |
| Accounting Summary | 3 |
| Reconciliation of the Change in the Total OPEB Liability | 4 |

Accounting Information

| | |
|--|----|
| Changes in the Total OPEB Liability | 5 |
| Development of Deferred Outflows and Inflows of Resources | 6 |
| Expense and Deferred Outflows and Inflows | 7 |
| Interest on the Liability | 8 |
| Reconciliation of Expense | 9 |
| Impact on the Statement of Net Position | 10 |
| Sample Journal Entries | 11 |
| Projection of Benefit Payments | 13 |
| Projection of Benefit Payments Chart | 14 |
| Schedule of Implicit Subsidy Liability (Not a Required Schedule) | 15 |
| Schedule of Deferred Outflows and Inflows of Resources | 16 |
| Schedule of Changes in the Total OPEB Liability and Related Ratios | 17 |
| Draft Notes to the Financial Statements | 18 |

Basis of Valuation

| | |
|----------------------------|----|
| Substantive Plan | 22 |
| Participant Summary | 23 |
| Participant Summary Charts | 24 |
| Actuarial Assumptions | 25 |

Appendix

| | |
|------------------|----|
| About GASB 75 | 28 |
| Decrement Tables | 33 |

Purpose of the Report

Precision Actuarial prepared this report to meet employer financial accounting requirements under GASB Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” (GASB 75), issued in June 2015, as amended by GASB Statement No. 85. This report includes information with respect to the obligation to provide future retiree health and welfare benefits for the fiscal year ending June 30, 2024.

Valuation Date: June 30, 2024

Measurement Date: June 30, 2024

Report Date: June 30, 2024

Application to Financials

This report provides liabilities and expenses for use in the District's 2024 financial reports.

The District should use the liabilities and expense measured as of June 30, 2024, for its financial statements for the year ending June 30, 2024.

Changes Since the Prior Valuation

This valuation is a full valuation. We updated:

- Census
- Premiums
- Healthcare trends
- Decrement timing
- Discount rate from 3.86% to 3.97%
- Benefit payments

Statement on Future Measurements

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of such future measurements.

Actuarial Certification

Our determinations reflect the provisions and methods prescribed by GASB 75. In preparing this report, we relied on employee census, plan design, and administrative fees provided directly or indirectly by the plan sponsor, and demographic assumptions provided by CalPERS. CalPERS' actuaries set the premium rates using community rating. We did not attempt to verify that the community-rated premium rates represent the true cost of claims and administrative fees.

We based the results in this report on this information, along with the actuarial assumptions and methods used herein. In our opinion, the assumptions used represent reasonable expectations of anticipated plan experience. We reviewed the census information for reasonableness, but we did not audit it.

Actuarial computations under GASB 75 fulfill employer accounting and financial reporting requirements. The calculations are consistent with our understanding of GASB 75. Determinations for purposes other than meeting employer financial accounting requirements may be significantly different from the results in our report. Accordingly, additional determinations may be necessary for other purposes, such as judging benefit security at termination.

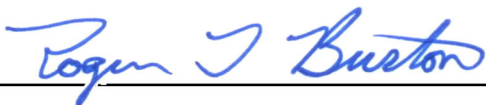
It is our professional judgment that the combined effect of the assumptions and methods applied in developing this report, other than those prescribed, set by law, or that we did not select and are unable to assess for reasonableness for the purpose of the measurement, is expected to have no significant bias on the results.

No third-party recipient of Precision Actuarial's work product should rely solely on Precision Actuarial's work product. Any third-party recipient should engage qualified professionals for advice appropriate to their own needs.

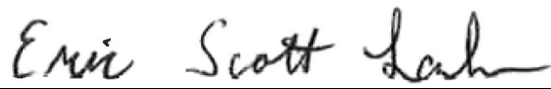
There is no relationship between Precision Actuarial, its owners, subcontractors, or staff; GovInvest; or the Monterey Peninsula Water Management District beyond the contractual services that we perform for the Monterey Peninsula Water Management District.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, the report is complete and accurate and that we prepared it in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable "Actuarial Standards of Practice" and "Actuarial Compliance Guidelines" as promulgated by the American Academy of Actuaries.

The undersigneds are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Roger T. Burton, FSA, MAAA, FCA
Chief Actuary



E. Scott Lanham, FSA, MAAA, FCA, EA
Senior Consulting Actuary

Executive Summary

Accounting Summary

A summary of the key valuation results follows.

| | <i>Prior Report</i> | <i>Current Report</i> |
|---|----------------------------|-----------------------|
| Valuation Date: | June 30, 2022 | June 30, 2024 |
| Measurement Date: | June 30, 2023 | June 30, 2024 |
| Report Date: | June 30, 2023 | June 30, 2024 |
| Present Value of Future Benefits (PVFB) | | |
| Active Employees | \$ 3,453,660 | \$ 2,600,408 |
| Retirees | + 2,623,745 | 3,493,929 |
| Total Present Value of Future Benefits | = 6,077,405 | 6,094,337 |
| Present Value of Future Normal Costs (PVFNC) | - 1,085,545 | 872,024 |
| Total OPEB Liability (TOL) | = \$ 4,991,860 | \$ 5,222,313 |
| OPEB Liability | | |
| Active Employees | \$ 2,368,115 | \$ 1,728,384 |
| Retirees | + 2,623,745 | 3,493,929 |
| Total OPEB Liability (TOL) | = \$ 4,991,860 | \$ 5,222,313 |
| Covered Payroll | \$ 2,666,653 | \$ 2,556,431 |
| Total OPEB Liability as a Percentage of Covered Payroll | 187.20% | 204.28% |
| | Measurement Period: | 2022-2023 |
| | Reporting Period: | 2023-2024 |
| Expense | \$ 343,545 | \$ 361,140 |

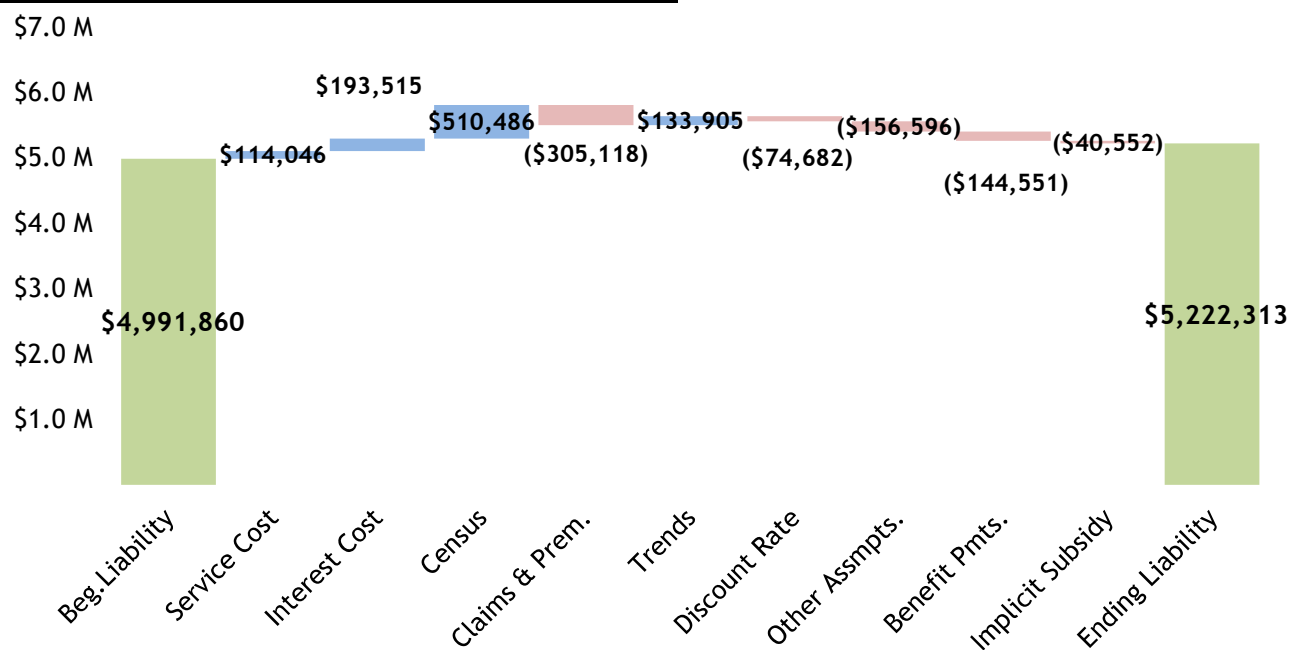
Executive Summary

Reconciliation of the Change in the Total OPEB Liability

A detailed reconciliation of the changes to the Total OPEB Liability since the prior valuation report follows.

| | |
|--|---------------------|
| Total OPEB Liability as of Measurement Date June 30, 2023 / Report Date June 30, 2023 | \$ 4,991,860 |
| Service Cost | 114,046 |
| Interest Cost | 193,515 |
| Differences Between Expected and Actual Experience | |
| <i>Change in Census</i> | 510,486 |
| <i>Change in Claims and Premiums</i> | (305,118) |
| Total Differences Between Expected and Actual Experience | 205,368 |
| Changes of Assumptions | |
| <i>Change in Healthcare Trends</i> | 133,905 |
| <i>Change in Discount Rate from 3.86% to 3.97%</i> | (74,682) |
| <i>Change in Other Assumptions</i> | (156,596) |
| Total Changes of Assumptions | (97,373) |
| Benefit Payments | (144,551) |
| Implicit Subsidy Credit | (40,552) |
| Total OPEB Liability as of Measurement Date June 30, 2024 / Report Date June 30, 2024 | \$ 5,222,313 |

Reconciliation of the Change in the Total OPEB Liability



Accounting Information

Changes in the Total OPEB Liability

The funded status of the Plan as of the fiscal year-end, as well as other required disclosure information, follows.

| | <i>Increase / (Decrease)</i> |
|--|------------------------------|
| | <u>Total OPEB Liability</u> |
| Balance as of: | |
| Measurement Date June 30, 2023 / | |
| Report Date June 30, 2023 | \$ 4,991,860 |
| Changes for the year: | |
| Service Cost | 114,046 |
| Interest | 193,515 |
| Changes of Benefit Terms | - |
| Differences Between Expected and Actual Experience | 205,368 |
| Changes of Assumptions | (97,373) |
| Benefit Payments | (144,551) |
| Implicit Subsidy Credit | (40,552) |
| Other Changes | - |
| Net Changes | 230,453 |
| Balance as of: | |
| Measurement Date June 30, 2024 / | |
| Report Date June 30, 2024 | \$ 5,222,313 |

Accounting Information

Development of Deferred Outflows and Inflows of Resources

Balances as of Measurement Date June 30, 2024 / Report Date June 30, 2024

Deferred Outflows and Inflows of Resources Arising from Differences Between Expected and Actual Experience

| Measurement Date – June 30: | Experience Losses (a) | Experience Gains (b) | Amounts Recognized in Expense Through Measurement Date June 30, 2024 (c) | Deferred Outflows of Resources (a) – (c) | Deferred Inflows of Resources (b) – (c) |
|-----------------------------|-----------------------|----------------------|--|--|---|
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | - | - | - | - | - |
| 2020 | - | (411,131) | (326,295) | - | (84,836) |
| 2021 | - | (5,585) | (3,548) | - | (2,037) |
| 2022 | - | (120,671) | (60,336) | - | (60,335) |
| 2023 | - | (120,643) | (34,470) | - | (86,173) |
| 2024 | 205,368 | - | 28,524 | 176,844 | - |
| Total | | | | \$ 176,844 | \$ (233,381) |

Deferred Outflows and Inflows of Resources Arising from Changes in Assumptions

| Measurement Date – June 30: | Increase in Total Liability (a) | Decrease in Total Liability (b) | Amounts Recognized in Expense Through Measurement Date June 30, 2024 (c) | Deferred Outflows of Resources (a) – (c) | Deferred Inflows of Resources (b) – (c) |
|-----------------------------|---------------------------------|---------------------------------|--|--|---|
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | 249,320 | - | 237,450 | 11,870 | - |
| 2020 | - | (190,471) | (151,170) | - | (39,301) |
| 2021 | 337,730 | - | 214,432 | 123,298 | - |
| 2022 | 565,999 | - | 282,999 | 283,000 | - |
| 2023 | - | (106,465) | (30,418) | - | (76,047) |
| 2024 | - | (97,373) | (13,525) | - | (83,848) |
| Total | | | | \$ 418,168 | \$ (199,196) |

Accounting Information

Expense and Deferred Outflows and Inflows

| | Measurement Period: | 2023-2024 |
|---|---------------------|----------------|
| | Reporting Period: | 2023-2024 |
| Expense | | |
| Service Cost | \$ | 114,046 |
| Interest on Total OPEB Liability | | 193,515 |
| Changes of Benefit Terms | | - |
| Recognized Differences Between Expected and Actual Experience | | (74,969) |
| Recognized Changes of Assumptions | | 128,548 |
| Other Miscellaneous (Income)/Expense | | - |
| Total Expense | \$ | 361,140 |

| | Report Year Ending June 30, 2024 | |
|--|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences Between Expected and Actual Experience | \$ 176,844 | \$ (233,381) |
| Changes of Assumptions | 418,168 | (199,196) |
| Total | \$ 595,012 | \$ (432,577) |

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

| | Report Year Ending June 30: | Amount |
|--|-----------------------------|-----------|
| | 2025 | \$ 25,874 |
| | 2026 | 80,853 |
| | 2027 | 72,597 |
| | 2028 | (17,445) |
| | 2029 | (17,445) |
| | Remaining | 18,001 |

Accounting Information

Interest on the Liability

For the report year ending June 30, 2024

| | Amount for Period (a) | Portion of Period (b) | Interest Rate (c) | Interest on the Total OPEB Liability (d) = (a) × (b) × (c) |
|---|-----------------------------|-----------------------------|----------------------|--|
| Interest on Total OPEB Liability | | | | |
| Beginning Total OPEB Liability | \$ 4,991,860 | 100% | 3.86% | \$ 192,686 |
| Service Cost | 114,046 | 100% | 3.86% | 4,402 |
| Benefit Payments | (144,551) | 50% | 3.86% | (2,790) |
| Implicit Subsidy | (40,552) | 50% | 3.86% | (783) |
| Total Interest on Total OPEB Liability | | | | \$ 193,515 |

Accounting Information

Reconciliation of Expense

| | Asset / (Liability) | Deferred Outflows / (Inflows) | | | Expense / (Credit) | Asset / (Liability) |
|---|-----------------------------|---|-------------------------------|-----------------------------------|--------------------|--|
| | Total OPEB Liability (a) | Differences Between Expected and Actual Experience (b) | Changes in Assumptions (c) | Net Deferrals (d) = Σ[(b):(c)] | Expense (e) | Impact on the Statement of Net Position (f) = (a) + (d) - (e) |
| Balance as of: | | | | | | |
| Measurement Date June 30, 2023 / Report Date June 30, 2023 | \$ (4,991,860) | \$ (336,874) | \$ 444,893 | \$ 108,019 | | \$ (4,883,841) |
| Service Cost | (114,046) | | | | 114,046 | |
| Interest on Total OPEB Liability | (193,515) | | | | 193,515 | |
| Changes of Benefit Terms | - | | | | - | |
| Differences Between Expected and Actual Experience | (205,368) | 205,368 | | 205,368 | | - |
| Changes in Assumptions | 97,373 | | (97,373) | (97,373) | | - |
| Benefit Payments | 144,551 | | | | | 144,551 |
| Implicit Subsidy Credit | 40,552 | | | | | 40,552 |
| Other Income/(Expense) | | | | | - | |
| Recognition of Differences Between Expected and Actual Experience | | 74,969 | | 74,969 | (74,969) | |
| Recognition of Changes in Assumptions | | | (128,548) | (128,548) | 128,548 | |
| Annual Expense | | | | | \$ 361,140 | (361,140) |
| Net Change | (230,453) | 280,337 | (225,921) | 54,416 | | (176,037) |
| Balance as of: | | | | | | |
| Measurement Date June 30, 2024 / Report Date June 30, 2024 | \$ (5,222,313) | \$ (56,537) | \$ 218,972 | \$ 162,435 | | \$ (5,059,878) |

Accounting Information

Impact on the Statement of Net Position

Impact on the Statement of Net Position

| | Measurement Date: Report Date: | June 30, 2023 June 30, 2023 | June 30, 2024 June 30, 2024 | Change During Period |
|--|-----------------------------------|--------------------------------|--------------------------------|-------------------------|
| Total OPEB Liability / (Asset) | | \$ 4,991,860 | \$ 5,222,313 | \$ 230,453 |
| Deferred (Outflows) / Inflows Due To: | | | | |
| Differences between Expected and Actual Experience | | 336,874 | 56,537 | (280,337) |
| Changes of Assumptions | | (444,893) | (218,972) | 225,921 |
| Net Deferred (Outflows) / Inflows | | (108,019) | (162,435) | (54,416) |
| Impact on the Statement of Net Position | | 4,883,841 | 5,059,878 | 176,037 |

Change in Net Position During Report Year

| | Measurement Date: Report Date: | June 30, 2024 June 30, 2024 |
|---|-----------------------------------|--------------------------------|
| Impact on the Statement of Net Position, Report Year Ending June 30, 2023 | | 4,883,841 |
| OPEB Expense / (Income) | | 361,140 |
| (Employer Contributions Reported for the Year) | | (185,103) |
| (Adjustment to Employer Contributions Reported in the Prior Year) | | - |
| Impact on the Statement of Net Position for the Report Year Ending June 30, 2024 | | 5,059,878 |

OPEB Expense

| | Measurement Date: Report Date: | June 30, 2024 June 30, 2024 |
|---|-----------------------------------|--------------------------------|
| Deterioration / (Improvement) in Net Position | | 176,037 |
| Employer Contributions Reported for the Year | | 185,103 |
| Adjustment to Employer Contributions Reported in the Prior Year | | - |
| OPEB Expense / (Income) for the Report Year Ending June 30, 2024 | | 361,140 |

Accounting Information

Sample Journal Entries

Suggested Journal Entries for the Report Year ending June 30, 2024

| Beginning Balance | Debit (Outflow) | Credit (Inflow) |
|---|------------------------|------------------------|
| Net OPEB Liability/Asset | \$ - | \$ 4,991,860 |
| Differences between Expected and Actual Experience | - | 336,874 |
| Changes of Assumptions | 605,684 | 160,791 |
| Impact on Statement of Net Position | 4,883,841 | - |
| | | |
| Ending Balance | Debit (Outflow) | Credit (Inflow) |
| Net OPEB Liability/Asset | \$ - | \$ 5,222,313 |
| Differences between Expected and Actual Experience | 176,844 | 233,381 |
| Changes of Assumptions | 418,168 | 199,196 |
| Impact on Statement of Net Position | 5,059,878 | - |
| | | |
| OPEB-Expense Journal Entries | Debit | Credit |
| Net OPEB Liability/Asset | \$ - | \$ 230,453 |
| Differences between Expected and Actual Experience | 176,844 | - |
| Changes of Assumptions | 103,493 | - |
| | - | 187,516 |
| | - | 38,405 |
| OPEB Expense/Credit | 176,037 | - |
| Total | 456,374 | 456,374 |
| Change to the Impact on the Statement of Net Position | 176,037 | - |

Accounting Information

Sample Journal Entries

Suggested Journal Entries for the Report Year ending June 30, 2024

| | <u>Debit</u> | <u>Credit</u> |
|---|--------------|---------------|
| Journal Entries – Benefits Paid Outside of the Trust¹ | | |
| OPEB Expense | \$ 144,551 | \$ - |
| Employer Contributions for Retiree Benefits During the Fiscal Year | - | 144,551 |
| Journal Entries – Implicit Subsidy² | | |
| OPEB Expense | \$ 40,552 | \$ - |
| Premium Expense During the Fiscal Year | - | 40,552 |

¹ The entries here assume that when cash is used to pay benefits that the trust does not reimburse, an account called "Employer Contributions for Retiree Benefits During the Fiscal Year" was debited (increased). These entries reassign the benefit payments to the OPEB Expense. If the OPEB Expense account was originally debited, then these entries are unnecessary.

² These entries assume that when premiums are paid for active employees, an account called "Premium Expense During the Fiscal Year" is debited (increased). This entry reverses the portion of the premium payments that represent implicit subsidies, recorded as a retiree liability, and assigns that value to the OPEB Expense.

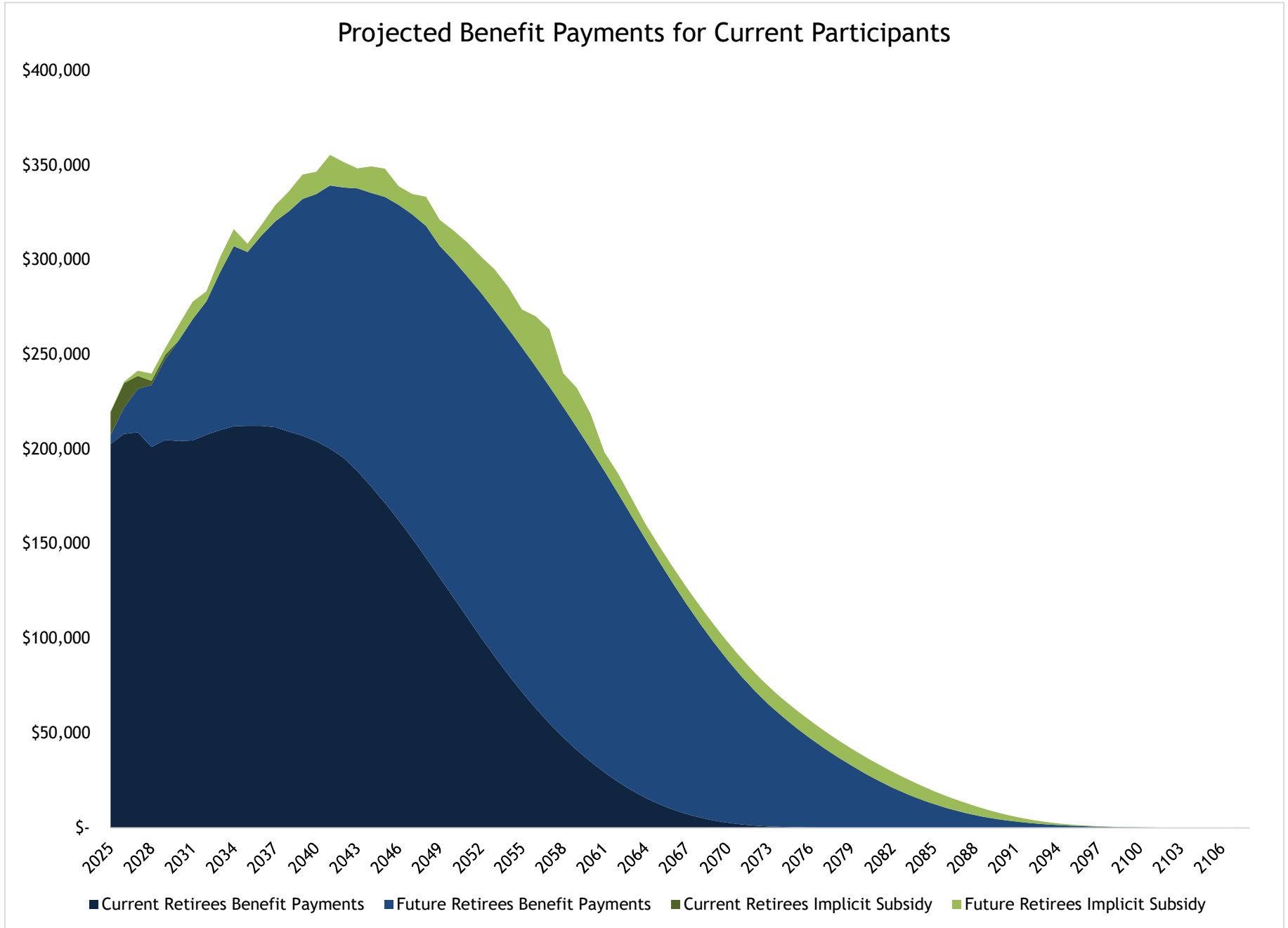
Accounting Information

Projection of Benefit Payments

Projected benefit payments for current participants follow. "Future Retirees" are employees currently working, but projected to retire and receive benefits. The projections do not include benefits for employees hired in the future.

| Measurement Period Ending | Projected Retiree Benefit Payments | | | Projected Implicit Subsidy | | | Grand Total |
|------------------------------|------------------------------------|-----------------|------------|----------------------------|-----------------|-----------|-------------|
| | Current Retirees | Future Retirees | Total | Current Retirees | Future Retirees | Total | |
| June 30: | | | | | | | |
| 2025 | \$ 202,675 | \$ 4,627 | \$ 207,302 | \$ 12,298 | \$ 278 | \$ 12,576 | \$ 219,878 |
| 2026 | 207,989 | 13,873 | 221,862 | 13,027 | 697 | 13,724 | 235,586 |
| 2027 | 208,890 | 22,850 | 231,740 | 6,904 | 2,785 | 9,689 | 241,429 |
| 2028 | 201,116 | 32,619 | 233,735 | 2,274 | 3,889 | 6,163 | 239,898 |
| 2029 | 204,843 | 42,582 | 247,425 | 2,388 | 3,479 | 5,867 | 253,292 |
| 2030 | 204,264 | 53,256 | 257,520 | - | 8,177 | 8,177 | 265,697 |
| 2031 | 204,575 | 64,002 | 268,577 | - | 9,241 | 9,241 | 277,818 |
| 2032 | 207,585 | 70,329 | 277,914 | - | 5,384 | 5,384 | 283,298 |
| 2033 | 210,105 | 83,311 | 293,416 | - | 7,883 | 7,883 | 301,299 |
| 2034 | 212,067 | 95,130 | 307,197 | - | 9,010 | 9,010 | 316,207 |
| 2035 | 212,250 | 91,848 | 304,098 | - | 4,434 | 4,434 | 308,532 |
| 2036 | 212,326 | 100,309 | 312,635 | - | 5,520 | 5,520 | 318,155 |
| 2037 | 211,567 | 108,611 | 320,178 | - | 8,653 | 8,653 | 328,831 |
| 2038 | 209,193 | 116,337 | 325,530 | - | 10,615 | 10,615 | 336,145 |
| 2039 | 207,076 | 125,016 | 332,092 | - | 12,951 | 12,951 | 345,043 |
| 2040 | 204,094 | 130,617 | 334,711 | - | 11,766 | 11,766 | 346,477 |
| 2041 | 200,184 | 139,109 | 339,293 | - | 16,134 | 16,134 | 355,427 |
| 2042 | 195,325 | 142,821 | 338,146 | - | 13,376 | 13,376 | 351,522 |
| 2043 | 188,297 | 149,389 | 337,686 | - | 10,508 | 10,508 | 348,194 |
| 2044 | 180,238 | 155,091 | 335,329 | - | 13,977 | 13,977 | 349,306 |
| 2045 | 171,633 | 161,581 | 333,214 | - | 14,910 | 14,910 | 348,124 |
| 2046 | 162,480 | 166,515 | 328,995 | - | 9,869 | 9,869 | 338,864 |
| 2047 | 152,780 | 171,170 | 323,950 | - | 10,712 | 10,712 | 334,662 |
| 2048 | 142,609 | 175,221 | 317,830 | - | 15,493 | 15,493 | 333,323 |
| 2049 | 132,131 | 175,185 | 307,316 | - | 13,688 | 13,688 | 321,004 |
| 2050 | 121,521 | 178,188 | 299,709 | - | 15,767 | 15,767 | 315,476 |
| ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |

Accounting Information



Accounting Information

Schedule of Implicit Subsidy Liability (Not a Required Schedule)

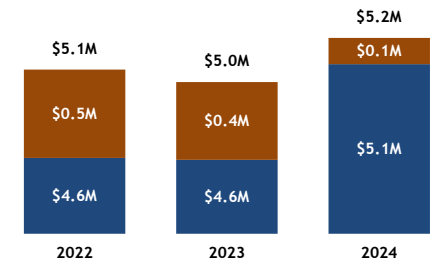
Actuarial standard of practice (ASOP) number 6, "Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions," requires the inclusion of the implicit subsidy in OPEB valuations.

The implicit subsidy arises when an employer allows a retiree and the retiree's dependents to continue on the plans for active employees, and pay the active-employee premiums. Retirees are not paying the true cost of their benefits because they have higher costs than active employees, and therefore are partially subsidized by the active employees. Once a retiree reaches Medicare eligibility, the rates are set for Medicare retirees separately, and are set to be sufficient to cover the true costs of the Medicare retirees. Thus, there is no implicit subsidy for Medicare retirees.

| | 2022 | 2023 | 2024 |
|-----------------------------|---------------------|---------------------|---------------------|
| Measurement Date (June 30): | 2022 | 2023 | 2024 |
| Report Date (June 30): | 2022 | 2023 | 2024 |
| Retiree Benefit Payments | \$ 4,596,307 | \$ 4,586,036 | \$ 5,084,559 |
| Implicit Subsidy | 459,931 | 405,824 | 137,754 |
| Total OPEB Liability | \$ 5,056,238 | \$ 4,991,860 | \$ 5,222,313 |
| Discount Rate | 3.69% | 3.86% | 3.97% |

Retiree Benefit Payments and Implicit Subsidy

- Implicit Subsidy
- Retiree Benefit Payments



Accounting Information

Schedule of Deferred Outflows and Inflows of Resources

Schedule of Deferred Outflows and Inflows of Resources

| | Measurement Period | Base Amount | Amount Previously Recognized | Recognition Period | Remaining Period | Increase/(Decrease) in Expense: Measurement / Report Years Ending June 30: | | | | | | Remaining |
|--|--------------------|-------------|------------------------------|--------------------|------------------|--|----------|----------|----------|----------|----------|-----------|
| | | | | | | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | |
| Differences Between Expected and Actual Experience | 2017-2018 | \$ - | \$ - | 6.3 | 0.3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 2018-2019 | - | - | 6.3 | 1.3 | - | - | - | - | - | - | - |
| | 2019-2020 | (411,131) | (261,036) | 6.3 | 2.3 | (65,259) | (65,259) | (19,577) | - | - | - | - |
| | 2020-2021 | (5,585) | (2,661) | 6.3 | 3.3 | (887) | (887) | (887) | (263) | - | - | - |
| | 2021-2022 | (120,671) | (40,224) | 6.0 | 4.0 | (20,112) | (20,112) | (20,112) | (20,111) | - | - | - |
| | 2022-2023 | (120,643) | (17,235) | 7.0 | 6.0 | (17,235) | (17,235) | (17,235) | (17,235) | (17,235) | (17,233) | - |
| | 2023-2024 | 205,368 | - | 7.2 | 7.2 | 28,524 | 28,524 | 28,524 | 28,524 | 28,524 | 28,524 | 34,224 |
| Changes of Assumptions | 2017-2018 | - | - | 6.3 | 0.3 | - | - | - | - | - | - | - |
| | 2018-2019 | 249,320 | 197,875 | 6.3 | 1.3 | 39,575 | 11,870 | - | - | - | - | - |
| | 2019-2020 | (190,471) | (120,936) | 6.3 | 2.3 | (30,234) | (30,234) | (9,067) | - | - | - | - |
| | 2020-2021 | 337,730 | 160,824 | 6.3 | 3.3 | 53,608 | 53,608 | 53,608 | 16,082 | - | - | - |
| | 2021-2022 | 565,999 | 188,666 | 6.0 | 4.0 | 94,333 | 94,333 | 94,333 | 94,334 | - | - | - |
| | 2022-2023 | (106,465) | (15,209) | 7.0 | 6.0 | (15,209) | (15,209) | (15,209) | (15,209) | (15,209) | (15,211) | - |
| | 2023-2024 | (97,373) | - | 7.2 | 7.2 | (13,525) | (13,525) | (13,525) | (13,525) | (13,525) | (13,525) | (16,223) |

Summary of Deferred Outflows and Inflows of Resources

Measurement Period: July 1, 2023 - June 30, 2024

Fiscal Reporting Period: July 1, 2023 - June 30, 2024

| | Measurement/Report Years Ending June 30: | | | | | | Remaining |
|--|--|------------------|------------------|------------------|--------------------|--------------------|------------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | Remaining |
| Differences Between Expected and Actual Experience | \$ (74,969) | \$ (74,969) | \$ (29,287) | \$ (9,085) | \$ 11,289 | \$ 11,291 | \$ 34,224 |
| Changes of Assumptions | 128,548 | 100,843 | 110,140 | 81,682 | (28,734) | (28,736) | (16,223) |
| Total | \$ 53,579 | \$ 25,874 | \$ 80,853 | \$ 72,597 | \$ (17,445) | \$ (17,445) | \$ 18,001 |

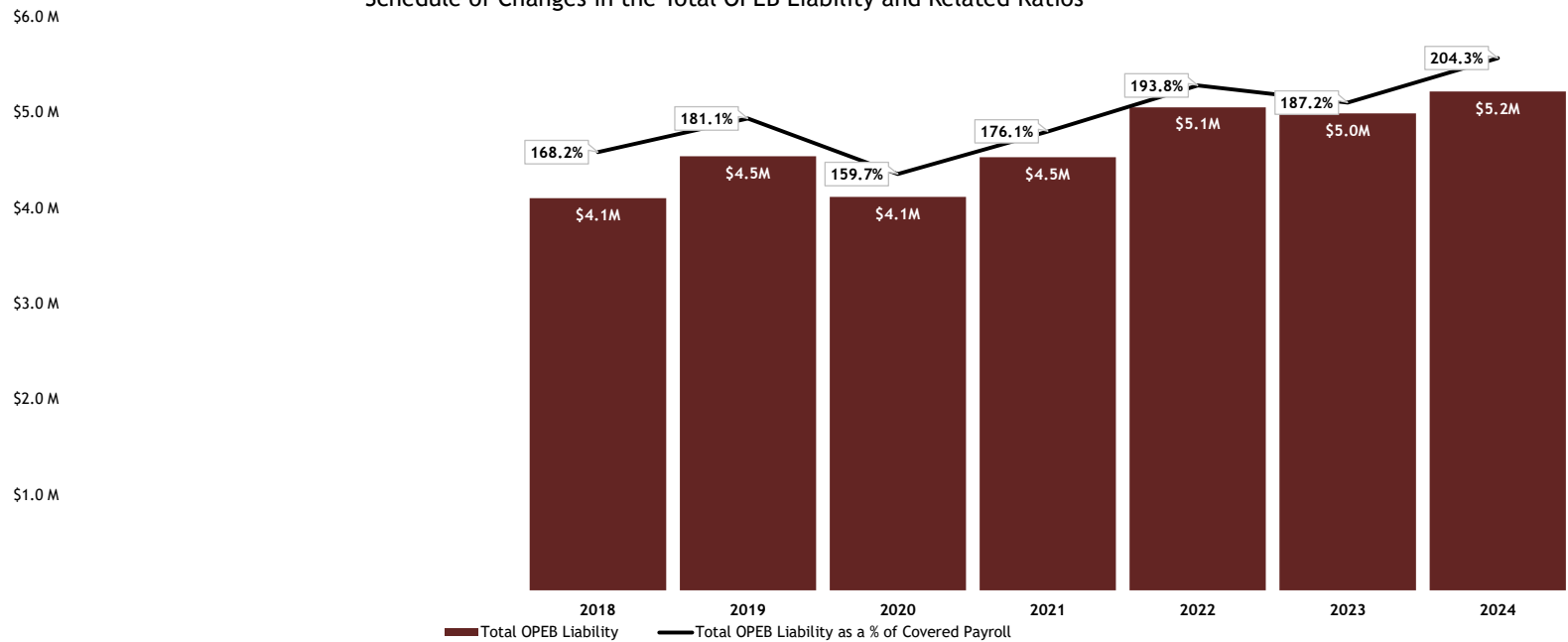
Accounting Information

Schedule of Changes in the Total OPEB Liability and Related Ratios

GASB 75 requires a disclosure of the changes in the Net OPEB Liability for the last ten fiscal years, or for as many years as are available.

| Measurement Date (June 30): | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Report Date (June 30): | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
| Total OPEB Liability | | | | | | | |
| Service Cost | \$ 127,662 | \$ 131,173 | \$ 148,363 | \$ 109,547 | \$ 131,401 | \$ 116,685 | \$ 114,046 |
| Interest | 140,378 | 155,268 | 144,980 | 101,994 | 88,212 | 188,280 | 193,515 |
| Changes of Benefit Terms | - | - | - | - | - | - | - |
| Differences Between Expected and Actual Experience | - | - | (411,131) | (5,585) | (120,671) | (120,643) | 205,368 |
| Changes of Assumptions | - | 249,320 | (190,471) | 337,730 | 565,999 | (106,465) | (97,373) |
| Benefit Payments | (92,380) | (98,542) | (117,237) | (126,446) | (142,655) | (142,235) | (144,551) |
| Implicit Rate Subsidy Credit | - | - | - | - | - | - | (40,552) |
| Net Change in Total OPEB Liability | <u>175,660</u> | <u>437,219</u> | <u>(425,496)</u> | <u>417,240</u> | <u>522,286</u> | <u>(64,378)</u> | <u>230,453</u> |
| Total OPEB Liability – Beginning | <u>3,929,329</u> | <u>4,104,989</u> | <u>4,542,208</u> | <u>4,116,712</u> | <u>4,533,952</u> | <u>5,056,238</u> | <u>4,991,860</u> |
| Total OPEB Liability – Ending (a) | <u>\$ 4,104,989</u> | <u>\$ 4,542,208</u> | <u>\$ 4,116,712</u> | <u>\$ 4,533,952</u> | <u>\$ 5,056,238</u> | <u>\$ 4,991,860</u> | <u>\$ 5,222,313</u> |
| | | | | | | | |
| Covered Payroll | \$ 2,441,044 | \$ 2,508,173 | \$ 2,577,148 | \$ 2,574,004 | \$ 2,609,421 | \$ 2,666,653 | \$ 2,556,431 |
| | | | | | | | |
| District's Total OPEB Liability as a Percentage of Covered Payroll | 168.2% | 181.1% | 159.7% | 176.1% | 193.8% | 187.2% | 204.3% |

Schedule of Changes in the Total OPEB Liability and Related Ratios



Notes to schedule: the District adopted GASB 75 for the fiscal year ending June 30, 2018.

Accounting Information

Draft Notes to the Financial Statements

A draft of the required notes to the District's financial statements, based on the requirements of GASB 75 and our understanding of the District's retiree health plan, follows.

Notes to the Financial Statements for the Year Ended June 30, 2024

Summary of Significant Accounting Policies

Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and the OPEB expense information about the fiduciary net position of the District's OPEB Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Note X – Other Post-Employment Benefits (OPEB)

Plan Description

The District administers a single-employer defined-benefit post-employment healthcare plan (the Plan). Dependents are eligible to enroll, and benefits continue to surviving spouses for one year following the member's death.

Benefits Provided

Retirees are eligible for medical benefits if they retire at age 50 or older. A retiree who was hired before July 1, 2013 and retires with 15 or more years of service is eligible to receive a payment of \$1,455.41 per month beginning July 1, 2024. The amount of this payment increases 3% annually. All other retirees are eligible to receive \$540 per month with no service requirements. There are no disability benefits.

Employees Covered by Benefit Terms

At June 30, 2024 (the census date), the benefit terms covered the following employees:

| Category | Count |
|---|--------------|
| Inactive employees, spouses, or beneficiaries currently receiving benefit payments: | 18 |
| Inactive employees entitled to but not yet receiving benefit payments: | 0 |
| Active employees: | 25 |
| Total | 43 |

Accounting Information

Draft Notes to the Financial Statements

Contributions

The District pays benefits as they come due.

| | |
|------------------------------------|---|
| Contribution rate: | Benefits Due |
| Reporting period contributions: \$ | 185,103 (Includes implicit subsidy credit.) |

Financial Report

The District issues a stand-alone financial report that is available to the public. The report is available at: <https://www.mpwmd.net/who-we-are/finance/budgets/>

Net OPEB Liability

The District's total OPEB liability was valued as of June 30, 2024, and was used to calculate the net OPEB liability measured as of June 30, 2024.

Actuarial Assumptions

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| Measurement Date: | June 30, 2023 | June 30, 2024 |
|------------------------------------|-------------------------|---------------|
| Discount Rate | 3.86% | 3.97% |
| Inflation | 2.30% | 2.30% |
| Healthcare Cost Trend Rates | | |
| Pre-Medicare | 6.50% | 6.80% * |
| Medicare | 4.00% | 4.90% * |
| Salary Increases | 2.80% | 2.80% ** |
| Mortality Rates | Based on CalPERS Tables | |

- Projections of the sharing of benefit-related costs are based on an established pattern of practice.
- Experience studies come from the CalPERS Pension Assumption Model, effective November 17, 2021.
- Inactive employees (retirees) pay the cost of benefits in excess of the City's contribution.
- There were no ad hoc postemployment benefit changes (including ad hoc COLAs) to the plan.

Discount Rate

The discount rate used to measure the total OPEB liability is 3.97%. The District's OPEB Plan is an unfunded plan, therefore the discount rate was set to the rate of tax-exempt, high-quality 20-year municipal bonds, as of the valuation date.

*Trending down to 4.04% over 51 years. Applies to calendar years.

**Additional merit-based increases based on CalPERS merit salary increase tables.

Accounting Information

Draft Notes to the Financial Statements

| <i>Changes in the Total OPEB Liability</i> | <i>Increase/(Decrease) Total OPEB Liability</i> |
|--|---|
| Balance as of Report Date June 30, 2023 | 4,991,860 |
| Changes for the Year: | |
| Service Cost | 114,046 |
| Interest | 193,515 |
| Changes of Benefit Terms | - |
| Differences Between Expected and Actual Experience | 205,368 |
| Changes of Assumptions | (97,373) |
| Benefit Payments | (144,551) |
| Implicit Subsidy Credit | (40,552) |
| Other Miscellaneous Income/(Expense) | - |
| Net Changes | 230,453 |
| Balance as of Report Date June 30, 2024 | \$ 5,222,313 |

Sensitivity of the Liability to Changes in the Discount Rate and Healthcare Cost Trend Rate

Sensitivity of the total OPEB liability to changes in the discount rate. The total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.97%) or one percentage point higher (4.97%) follows:

| | 1% Decrease 2.97% | Discount Rate 3.97% | 1% Increase 4.97% |
|-------------------------------------|----------------------|------------------------|----------------------|
| Total OPEB Liability (Asset) | \$ 5,964,187 | \$ 5,222,313 | \$ 4,610,581 |
| Increase (Decrease) | 741,874 | | (611,732) |
| % Change | 14.2% | | -11.7% |

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The healthcare trend for this valuation started at 6.80% and decreased to 4.04% over 51 years. The total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.80%) or one percentage point higher (7.80%) than current healthcare cost trend rates follows:

| | 1% Decrease 5.80% | Trend Rate 6.80% | 1% Increase 7.80% |
|-------------------------------------|----------------------|---------------------|----------------------|
| Total OPEB Liability (Asset) | \$ 4,753,871 | \$ 5,222,313 | \$ 5,594,008 |
| Increase (Decrease) | (468,442) | | 371,695 |
| % Change | -9.0% | | 7.1% |

Accounting Information

Draft Notes to the Financial Statements

OPEB Expense and Deferred Outflows and Outflows of Resources Related to OPEB

For the report year ended June 30, 2024, the District recognized an OPEB expense of \$361,140. The District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences Between Actual and Expected Experience | \$ 176,844 | \$ (233,381) |
| Changes of Assumptions | 418,168 | (199,196) |
| Total | \$ 595,012 | \$ (432,577) |

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

| Report Year Ending June 30: | Amount |
|-----------------------------|-----------|
| 2025 | \$ 25,874 |
| 2026 | 80,853 |
| 2027 | 72,597 |
| 2028 | (17,445) |
| 2029 | (17,445) |
| Remaining | 18,001 |

| <i>Current Liability</i> | Amount |
|-----------------------------|---------------------|
| Current OPEB Liability | \$ 215,598 |
| Non-Current OPEB Liability | 5,006,715 |
| Total OPEB Liability | \$ 5,222,313 |

Expected Average Remaining Service Lives (EARSL)

The effects on the total OPEB liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in the OPEB expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period. The expected average remaining service lives (EARSL) for the current period follows. Note, however, that for calculation purposes, we use 1 when calculating amortizations if the EARSL is less than 1 year.

EARSL: 7.2 years

Basis of Valuation

Substantive Plan

A summary of the substantive plan used as the basis of the valuation follows.

| Tier 1 – Hired Before July 1, 2013 or Classic Member under PEPR | |
|--|---|
| Less than 15 Years of Service | |
| Eligibility | On attainment of age 50. |
| Duration of coverage | Retiree's lifetime. |
| Dependent coverage | Eligible to enroll but no employer contribution. Surviving spouse benefits available for one year after retiree death, if applicable. |
| Medical plan choices | Retiree will be enrolled in the Laborers Northern California Trust Special Plan. |
| Core Benefit | District contributes up to \$540. This amount is fixed. |
| 15 or More Years of Service | |
| Eligibility | On attainment of age 50 and 15 years of Service. |
| Duration of coverage | Retiree's lifetime. |
| Dependent coverage | Eligible to enroll but no employer contribution. Surviving spouse benefits available for one year after retiree death, if applicable. |
| Medical plan choices | Retiree will be enrolled in the Laborers Northern California Trust Special Plan. |
| Core Benefit | District contributes up to \$1,455.41 per month for fiscal-year beginning July 1, 2024. This cap increases by 3% on July 1st of each successive year. |

| Tier 2 – Hired After July 1, 2013 or New PEPR | |
|--|--|
| Eligibility | On attainment of age 50. |
| Duration of coverage | Retiree's lifetime. |
| Dependent coverage | Eligible to enroll but no employer contribution. Surviving spouse benefits available for one year after retiree death, if applicable. |
| Medical plan choices | Retiree will be enrolled in the Laborers Northern California Trust Special Plan. |
| Core Benefit | District contributes up to \$540. This amount is fixed. |

Basis of Valuation

Participant Summary

Census Date: June 30, 2024
Age and service determined as of the census date.

| Active Participants | | | | | | | | | | | | |
|---------------------|------------------|----------|----------|----------|----------|----------|----------|-------|----------|-----|-------|-----------|
| Age | Years of Service | | | | | | | | | | Total | |
| | < 1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40+ | | |
| < 25 | | | | | | | | | | | | |
| 25-29 | 1 | 1 | 1 | | | | | | | | | 3 |
| 30-34 | | 3 | 1 | | | | | | | | | 4 |
| 35-39 | 1 | 2 | 1 | | | | | | | | | 4 |
| 40-44 | 2 | 1 | | | 1 | | | | | | | 4 |
| 45-49 | | | 1 | | | 1 | | | | | | 2 |
| 50-54 | | | | | 1 | | | | 1 | | | 2 |
| 55-59 | | | 1 | | | 1 | 1 | | 1 | | | 4 |
| 60-64 | | | | | | | | | | | | |
| 65-69 | | 1 | | 1 | | | | | | | | 2 |
| 70+ | | | | | | | | | | | | |
| Total | 4 | 8 | 5 | 1 | 2 | 2 | 1 | | 2 | | | 25 |

Average Active Participant Age: 43.5

Average Years of Service: 9.8

Changes from Prior Census

| Active Participants | Count |
|-----------------------|-----------|
| Prior Census | 23 |
| Hires | 6 |
| Terminations* | (1) |
| Retirements | (3) |
| Current Census | 25 |

| Inactive Participants | | | |
|-----------------------|-----------|--------|-----------|
| Age | Retiree | Spouse | Total |
| < 50 | | | |
| 50-54 | 2 | | 2 |
| 55-59 | | | |
| 60-64 | 3 | | 3 |
| 65-69 | 8 | | 8 |
| 70-74 | 2 | | 2 |
| 75-79 | 2 | | 2 |
| 80-84 | 1 | | 1 |
| 85-89 | | | |
| 90+ | | | |
| Total | 18 | | 18 |

| Inactive Participants | Retiree | Spouse | Total |
|-----------------------|-----------|----------|-----------|
| Prior Census | 14 | 0 | 14 |
| Retirements | 4 | 0 | 4 |
| Deaths* | 0 | 0 | 0 |
| Current Census | 18 | 0 | 18 |

*Includes withdrawals

Average Inactive Participant Age: 66.9

Basis of Valuation

Participant Summary Charts

Census Date: June 30, 2024

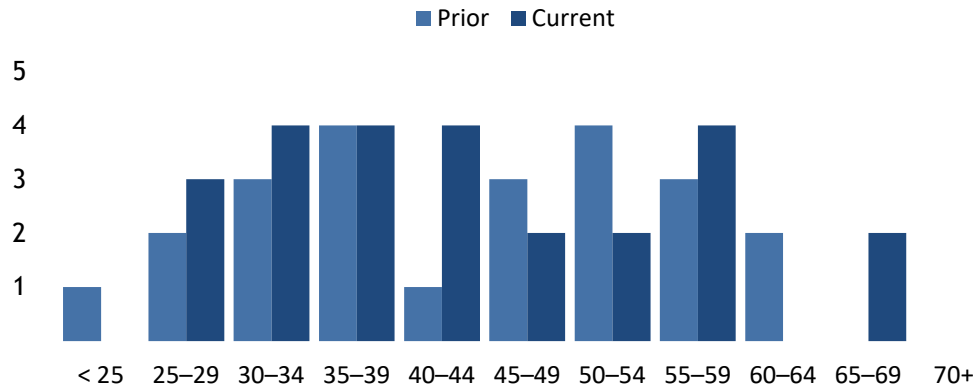
Age and service determined as of the census date.

Average Active

Participant Age

| | |
|---------------|-------|
| Prior Report: | 44.0 |
| Current: | 43.5 |
| Change: | (0.5) |
| % Change: | -1.1% |

Actives by Age Bracket

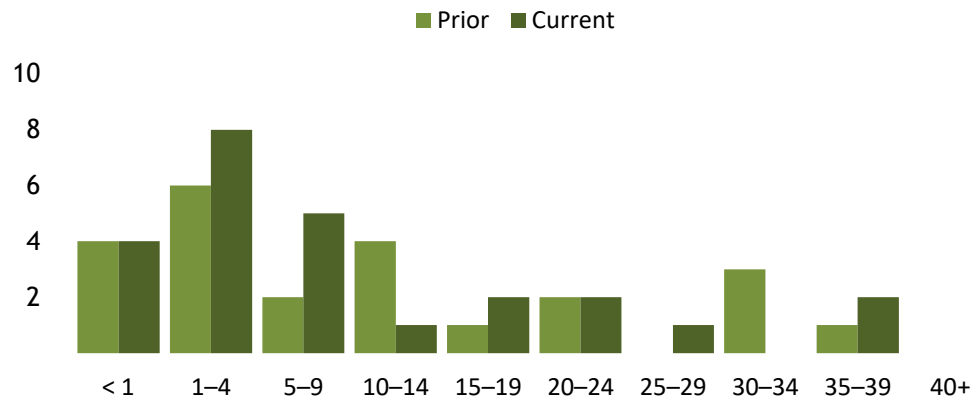


Average Years of

Service

| | |
|---------------|--------|
| Prior Report: | 12.4 |
| Current: | 9.8 |
| Change: | (2.6) |
| % Change: | -21.0% |

Actives by Years of Service

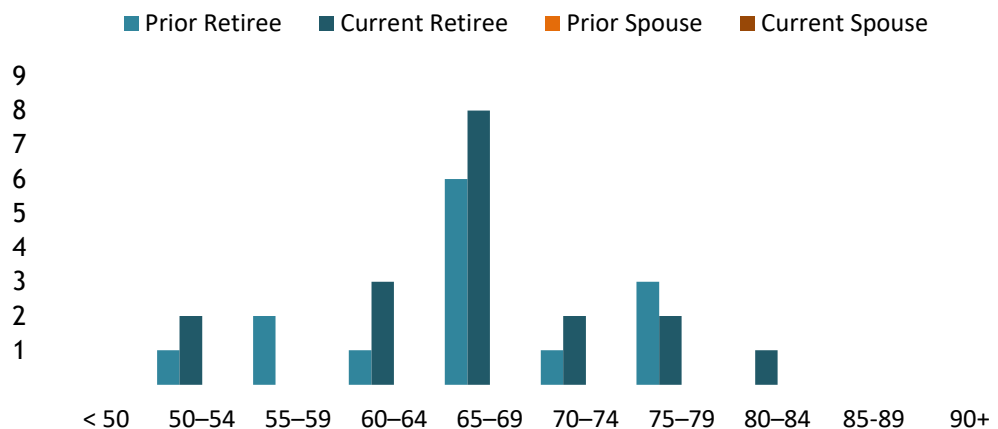


Average Inactive

Participant Age

| | |
|---------------|-------|
| Prior Report: | 67.2 |
| Current: | 66.9 |
| Change: | (0.3) |
| % Change: | -0.4% |

Inactives by Age Bracket



Basis of Valuation

Actuarial Assumptions

A summary of the actuarial assumptions used for this valuation follows. We considered the reasonableness of each assumption independently based on its own merits, consistent with each other assumption, and the combined impact of all assumptions.

| Assumption | Rates | | | | | | | | | | | | |
|---|--|-----------|-------|---------|----|-----------|-----------|----|--------|--------|-------|--------|--------|
| Actuarial Cost Method | Entry-Age Normal, Level Percentage of Salary | | | | | | | | | | | | |
| Valuation Date | June 30, 2024 | | | | | | | | | | | | |
| Measurement Date | June 30, 2024 | | | | | | | | | | | | |
| Report Date | June 30, 2024 | | | | | | | | | | | | |
| Discount Rate | We used the Fidelity municipal government-obligation AA-rated 20-year bond index rate for the discount rate. The selected rate is 3.97%. | | | | | | | | | | | | |
| Mortality | Same as CalPERS. See appendix. | | | | | | | | | | | | |
| Termination Rates | Same as CalPERS. See appendix. Also known as "turnover". | | | | | | | | | | | | |
| Disability | None assumed. | | | | | | | | | | | | |
| Retirement | Same as CalPERS. See appendix. | | | | | | | | | | | | |
| Annual Per Capita Claims Cost | Developed using CalPERS experience to calculate age-related risk scores, but using the District's actual premiums for all other purposes. Assumed annual per capita claims costs follow: | | | | | | | | | | | | |
| | <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Age</th> <th>Males</th> <th>Females</th> </tr> </thead> <tbody> <tr> <td>50</td> <td>\$ 14,770</td> <td>\$ 14,783</td> </tr> <tr> <td>55</td> <td>17,577</td> <td>16,104</td> </tr> <tr> <td>60-64</td> <td>20,526</td> <td>18,187</td> </tr> </tbody> </table> | Age | Males | Females | 50 | \$ 14,770 | \$ 14,783 | 55 | 17,577 | 16,104 | 60-64 | 20,526 | 18,187 |
| Age | Males | Females | | | | | | | | | | | |
| 50 | \$ 14,770 | \$ 14,783 | | | | | | | | | | | |
| 55 | 17,577 | 16,104 | | | | | | | | | | | |
| 60-64 | 20,526 | 18,187 | | | | | | | | | | | |
| Average Per Capita Cost for Implicit Subsidy Calculation | Developed based on premiums for the District's enrollment by plan, family demographics from CalPERS plans, and risk scores (both HMO and PPO) for the CalPERS population. | | | | | | | | | | | | |

Basis of Valuation

Actuarial Assumptions

| Assumption | Rates | | | | | | |
|--|--|-----------|---------------|-----------------------------------|-----|------------|-----|
| Aging or Morbidity Factors | Based on actual CalPERS HMO and PPO population data. | | | | | | |
| Participant Contributions | Based on date of hire and service at retirement. | | | | | | |
| Salary Increases | 2.80% The salary increase is used to determine the growth in the aggregate payroll. Individual Salary Increases: 2021 CalPERS Merit Salary Increases. | | | | | | |
| Inflation Rate | 2.30%. Same as CalPERS. | | | | | | |
| Marital Status | Current Retirees: 70% are assumed to cover a spouse. Future retirees: 70% are assumed to cover a spouse. | | | | | | |
| Spouse Gender | Assumes spouse of opposite gender for current and future retirees. | | | | | | |
| Spouse Age Difference | Assumes males are three years older than females. | | | | | | |
| Participation | Current Retirees: Assume current elections continue until decrement. Future Retiree election assumptions summarized below: | | | | | | |
| <table border="1"><thead><tr><th>Condition</th><th>Participation</th></tr></thead><tbody><tr><td>Eligible for Full Tier 1 Benefits</td><td>90%</td></tr><tr><td>All Others</td><td>75%</td></tr></tbody></table> | | Condition | Participation | Eligible for Full Tier 1 Benefits | 90% | All Others | 75% |
| Condition | Participation | | | | | | |
| Eligible for Full Tier 1 Benefits | 90% | | | | | | |
| All Others | 75% | | | | | | |

Basis of Valuation

Actuarial Assumptions

Assumption

Rates

Premiums

| Plan | Employee-Only | |
|---|---------------|-------------|
| | Single | 2-Party |
| Laborers Direct Payment Plan | \$ 1,375.00 | \$ 2,731.00 |
| Laborers Direct Payment Plan - Medicare | 374.00 | 733.00 |
| Kaiser Permanente | 1,412.00 | 2,824.00 |
| Kaiser Permanente - Medicare | 347.00 | 694.00 |

Trend Rates

Medical long-term trends from Society of Actuaries "Long Term Healthcare Cost Trends Model v2024_1b" using baseline assumptions. Applied to both claims and premiums.

| Calendar Year | Pre-Medicare | Medicare |
|---------------|--------------|----------|
| | Trend | Trend |
| 2024 | 6.80% | 4.90% |
| 2025 | 6.50% | 4.90% |
| 2026 | 6.20% | 4.90% |
| 2027 | 5.60% | 4.90% |
| 2028 | 5.50% | 4.90% |
| 2029 | 5.39% | 4.90% |
| 2030 | 5.29% | 4.90% |
| 2031 | 5.18% | 4.90% |
| 2032-2074 | ... | ... |
| 2075+ | 4.04% | 4.04% |

This section includes a brief summary of GASB 75, as well as definitions of some of the key terminology used in this report.

About GASB 75

In General. In June 2015 the Governmental Accounting Standards Board released GASB 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”. GASB 75 replaced GASB 45 for fiscal years beginning after June 15, 2017, for employers that sponsor OPEB plans. The provisions in GASB 75 are similar to the provisions of GASB 68 for pensions.

Accounting. GASB 75 requires a liability known as the Net OPEB Liability (NOL). The employer recognizes the NOL on its balance sheet. The employer also recognizes an OPEB expense in the income statement. GASB 45 recorded the Unfunded Accrued Actuarial Liability (UAAL) in the notes to the financial statement, whereas GASB 75 records the NOL, which is very similar to the UAAL with just a few technical differences, on the balance sheet.

Financial Statement Impact (Employers). One of the biggest changes to the financial statements of governmental employers that provide OPEB is the reporting of the OPEB liability on the face of the statements rather than in the footnotes. Governments that do not provide OPEB through a trust are required to recognize the entire OPEB liability in the financial statements. For governments that provide OPEB through an OPEB plan that is administered through a trust, the government’s OPEB liability is recognized net of the amount of the OPEB plan’s fiduciary net position.

Changes to the Measurement of the Total OPEB Liability. Measurement of the OPEB liability includes discounting future benefit payments for current and former employees and their beneficiaries to their present value and allocating the present value over past and future periods of the employee service (total OPEB liability), less the amount of the OPEB plan’s fiduciary net position. The calculation continues to include employee-related events, such as projected salary increases and projected years of service, if they affect the amount of OPEB payments employees will receive, as well as provisions for automatic cost-of-living adjustments (COLAs) and other automatic benefits. Additionally, ad hoc COLAs and other ad hoc benefit changes, which are made at the discretion of the government, are included in projections as well, if they routinely recur.

GASB 75 requires governments to discount projected OPEB payments to their present value. Under the new standard, governments discount the projected OPEB payments to be made in each year and the amount of plan assets (if a government administers the OPEB through a trust) available for providing those benefits to current active and inactive employees and their beneficiaries. Similar to the pension standards, the discount rate used is based on whether the plan assets are projected to be sufficient to make future payments. If the plan assets are sufficient, governments discount future payments using the long-term expected rate of return. If projected plan assets are insufficient to make all future payments to current and inactive employees and their beneficiaries, or if there are no plan assets held in trust, the discount rate is based on a high-quality 20-year tax-exempt general obligation municipal bond yield or index rate. “High-quality” is defined as being rated AA or higher (or an equivalent rating).

Cost Method. The Entry Age Normal Cost method must be used.

About GASB 75 (continued)

Factors that affect a government's OPEB liability, such as actual earnings on plan investments when the OPEB plan is administered as a trust, employee compensation changes, interest on the outstanding OPEB liability, contributions from employees and employers, and actual demographic and economic changes that are not in line with assumptions made in the actuarial calculations, are considered when determining the government's OPEB expense. A government's annual OPEB expense is calculated with consideration for factors affecting the OPEB liability within the reporting period. Several causes of changes in OPEB liability are immediately factored into the calculation of OPEB expense for the period, such as benefits earned each year, interest on the total OPEB liability, changes in benefit terms, and projected earnings on plan investments, if administered through a trust.

Governments are required to recognize deferred outflows of resources or deferred inflows of resources and then introduce into the expense calculation, systematically and rationally over the average remaining years of employment (active employees and inactive employees, including retirees), the effect on the total OPEB liability of differences between assumptions and actual experience.

Key Terminology

| | |
|--|---|
| Actuarially Determined Contribution | A target or recommended contribution to a defined benefit OPEB plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted. |
| Actuarial Present Value of Projected Benefit Payments | Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment. |
| Agent Employer | An employer whose employees are provided with OPEB through an agent multiple-employer defined-benefit OPEB plan. |
| Closed Period | A specific number of years that is counted from one date, which declines to zero with the passage of time. For example, if the recognition period initially is five years on a closed basis, four years remain after the first year, three years after the second year, and so forth until no years remain. |
| Contributions | Additions to an OPEB plan's fiduciary net position for amounts from employers, non-employer contributing entities, or employees. |
| Dates and Periods | |
| • Census Date | The date of the census. It is usually the same as the Valuation Date . |
| • Measurement Date | The date on which assets are measured. The liabilities are rolled forward to this date from the Valuation Date , should it differ, using actuarial roll-forward techniques. |
| • Measurement Period | The year ending on the Measurement Date . |
| • Report Date | The date on which the amounts are reported in the financial statements. It is the same as the fiscal year-end. It may be up to one year ahead of the Measurement Date , with no roll-forward of liabilities or assets required. |
| • Reporting Period | The year ending on the Report Date . It is the same as the fiscal year. |
| • Valuation Date | The date on which the liabilities are valued. |
| Deferred Inflows and Outflows of Resources | The portion of the changes in the Net OPEB Liability that are not recognized in the current pension expense and are recognized in later periods. The changes deferred include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on OPEB plan investments. |

Key Terminology (continued)

| | |
|---|---|
| Defined-Benefit OPEB | OPEB for which the benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The OPEB may be stated as (a) a specified dollar amount (b) an amount that is calculated based on one or more factors such as age, years of service, and compensation, or (c) a type or level of coverage such as prescription drug coverage or a percentage of health insurance premiums. OPEB that does not have all of the terms of defined contribution OPEB is classified as defined-benefit OPEB. |
| Discount Rate | The single rate of return that reflects the following: a. The long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that (1) the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and (2) OPEB plan assets are expected to be invested using a strategy to achieve that return. b. A yield or index rate for 20-year, tax-exempt general-obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another scale), to the extent that the conditions in (a) are not met. |
| Fiduciary Net Position | The market value of assets as of the Measurement Date . |
| Implicit Subsidy | The implicit subsidy arises when an employer allows a retiree and the retiree's dependents to continue on the plans for active employees, and pay the active-employee premiums. Retirees are not paying the true cost of their benefits because they have higher costs than active employees, and therefore are partially subsidized by the active employees. Once a retiree reaches Medicare eligibility, the rates are set for Medicare retirees separately, and are set to be sufficient to cover the true costs of the Medicare retirees. Thus, there is no implicit subsidy for Medicare retirees. |
| Net OPEB Liability | The Total OPEB Liability minus the Fiduciary Net Position . |
| Normal Cost | See Service Cost . |
| Other Postemployment Benefits (OPEB) | Benefits (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payment for sick leave. |
| Projected Benefit Payments | All benefits estimated to be payable through OPEB plan to current active and inactive employees as a result of their past service and their expected future service. |

Key Terminology (continued)

| | |
|-----------------------------|--|
| Service Cost | The portions of the actuarial present value of projected benefit payments that are attributed to valuation years. Also called Normal Cost . |
| Substantive Plan | The plan terms as understood by the employer and the plan members at the time of the valuation, including only changes to plan terms that have been made and communicated to employees. |
| Total OPEB Liability | The liability of employers and non-employer contributing entities to employees for benefits provided through a defined-benefit OPEB plan that is administered through a trust that meets the criteria in paragraph 4 of GASB 75. |

Appendix

Decrement Tables

The valuation used the following decrement tables from the CalPERS OPEB Assumption Model, dated November 17, 2021:

| Mortality | <u>Source Table</u> |
|---------------------------------|---------------------------------|
| Miscellaneous Employees | Mort and Disb Rates_PA Misc |
| Terminated Refund Rates | |
| Miscellaneous Employees | Terminated Refund Rates_Misc |
| Terminated Vested Rates | |
| Miscellaneous Employees | Terminated Vested Rates_PA Misc |
| Salary Scale Rates | |
| Miscellaneous Employees | Salary Scale Rates_PA Misc |
| Service Retirement Rates | |
| Miscellaneous Employees | |
| • 2.0% at 60 | Rx PA Misc 2% @ 55 |
| • 2.0% at 62 | Rx PA Misc 2% @ 62 |

Sample Mortality and Disability Rates

| Attained Age | Pre-Retirement Mortality | | | | Post-Retirement Mortality | | | | | | Disability | | | |
|--------------|--------------------------|------------|--------------------|------------|---------------------------|---------------------------|-----------------------|--------------------|---------------------------|-----------------------|---------------------------|-----------------------|---------------------------|-----------------------|
| | Male Assumptions | | Female Assumptions | | Male Assumptions | | | Female Assumptions | | | Male Assumptions | | Female Assumptions | |
| | Non Industrial | Industrial | Non Industrial | Industrial | Healthy Recipients | Non Industrially Disabled | Industrially Disabled | Healthy Recipients | Non Industrially Disabled | Industrially Disabled | Non Industrial Disability | Industrial Disability | Non Industrial Disability | Industrial Disability |
| | Death | Death | Death | Death | | | | | | | | | | |
| 1 | 0.000160 | 0.000000 | 0.000030 | 0.000000 | 0.000150 | 0.000150 | 0.000150 | 0.000150 | 0.000150 | 0.000150 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 5 | 0.000160 | 0.000000 | 0.000030 | 0.000000 | 0.000100 | 0.000100 | 0.000100 | 0.000070 | 0.000070 | 0.000070 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 10 | 0.000160 | 0.000000 | 0.000030 | 0.000000 | 0.000090 | 0.000090 | 0.000090 | 0.000080 | 0.000080 | 0.000080 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 15 | 0.000180 | 0.000000 | 0.000100 | 0.000000 | 0.000170 | 0.000170 | 0.000170 | 0.000090 | 0.000090 | 0.000090 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 20 | 0.000390 | 0.000000 | 0.000140 | 0.000000 | 0.000390 | 0.004110 | 0.001460 | 0.000140 | 0.002330 | 0.000530 | 0.000070 | 0.000000 | 0.000040 | 0.000000 |
| 25 | 0.000330 | 0.000000 | 0.000130 | 0.000000 | 0.000330 | 0.003360 | 0.001540 | 0.000130 | 0.001870 | 0.000690 | 0.000070 | 0.000000 | 0.000090 | 0.000000 |
| 30 | 0.000440 | 0.000000 | 0.000190 | 0.000000 | 0.000440 | 0.004520 | 0.001820 | 0.000190 | 0.003010 | 0.000990 | 0.000170 | 0.000000 | 0.000330 | 0.000000 |
| 35 | 0.000580 | 0.000000 | 0.000290 | 0.000000 | 0.000580 | 0.006030 | 0.002080 | 0.000290 | 0.005040 | 0.001360 | 0.000350 | 0.000000 | 0.000650 | 0.000000 |
| 40 | 0.000750 | 0.000000 | 0.000390 | 0.000000 | 0.000750 | 0.007790 | 0.002440 | 0.000390 | 0.007300 | 0.001770 | 0.000910 | 0.000000 | 0.001190 | 0.000000 |
| 45 | 0.000930 | 0.000000 | 0.000540 | 0.000000 | 0.000930 | 0.011200 | 0.003140 | 0.000540 | 0.010190 | 0.002270 | 0.001490 | 0.000000 | 0.001850 | 0.000000 |
| 50 | 0.001340 | 0.000000 | 0.000810 | 0.000000 | 0.002710 | 0.017270 | 0.004370 | 0.001990 | 0.014390 | 0.003110 | 0.001540 | 0.000000 | 0.001930 | 0.000000 |
| 55 | 0.001980 | 0.000000 | 0.001230 | 0.000000 | 0.003910 | 0.022170 | 0.006230 | 0.003250 | 0.017340 | 0.005500 | 0.001390 | 0.000000 | 0.001290 | 0.000000 |
| 60 | 0.002870 | 0.000000 | 0.001790 | 0.000000 | 0.005750 | 0.026810 | 0.009350 | 0.004550 | 0.019620 | 0.008680 | 0.001240 | 0.000000 | 0.000940 | 0.000000 |
| 65 | 0.004030 | 0.000000 | 0.002500 | 0.000000 | 0.008560 | 0.033320 | 0.013930 | 0.006120 | 0.022760 | 0.011900 | 0.001090 | 0.000000 | 0.000830 | 0.000000 |
| 70 | 0.005940 | 0.000000 | 0.004040 | 0.000000 | 0.013400 | 0.040560 | 0.021890 | 0.009960 | 0.029100 | 0.018580 | 0.000970 | 0.000000 | 0.000540 | 0.000000 |
| 75 | 0.009330 | 0.000000 | 0.006880 | 0.000000 | 0.024000 | 0.054650 | 0.034980 | 0.017830 | 0.041600 | 0.031340 | 0.000970 | 0.000000 | 0.000350 | 0.000000 |
| 80 | 0.015150 | 0.000000 | 0.011490 | 0.000000 | 0.043800 | 0.080440 | 0.059320 | 0.034030 | 0.061120 | 0.051830 | 0.000970 | 0.000000 | 0.000350 | 0.000000 |
| 85 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.082740 | 0.116950 | 0.102440 | 0.061660 | 0.093850 | 0.080450 | 0.000970 | 0.000000 | 0.000350 | 0.000000 |
| 90 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.145390 | 0.167700 | 0.167390 | 0.110860 | 0.143960 | 0.124340 | 0.000970 | 0.000000 | 0.000350 | 0.000000 |
| 95 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.247020 | 0.247020 | 0.247020 | 0.203640 | 0.203640 | 0.203640 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 100 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.361980 | 0.361980 | 0.361980 | 0.315820 | 0.315820 | 0.315820 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 105 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.522290 | 0.522290 | 0.522290 | 0.446790 | 0.446790 | 0.446790 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 110 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 115 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 120 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |

Notes:

- 1) Pre-Retirement and Post-Retirement mortality rates include generational mortality improvement at 80% of the MP 2020 table published by the Society of Actuaries.
- 2) Miscellaneous Plans usually have Industrial Death rates set to zero unless the agency has specifically contracted for Industrial Death benefits. If so, each Non-Industrial Death rate shown above will be split into two components: 99% will become the Non-Industrial Death rate and 1% will become the Industrial Death rate
- 3) The Miscellaneous Non-Industrial Disability rates are used for Local Prosecutors
- 4) Normally, Industrial Disability rates are zero for miscellaneous plans unless the agency has specifically contracted for Industrial Disability benefits. If so, each miscellaneous non-industrial disability rate will be split into two components: 50% will become the Non-Industrial Disability rate and 50% will become the Industrial Disability rate.

Appendix

Sample Termination Rates

| | | Sample Terminated Refund Rates Public Agency Miscellaneous | | | | | | | | | |
|------------|--|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Entry Ages | | 15 | 20 | 25 | 30 | 35 | 40 | 45 | 50 | 55 | 59 |
| Service | | | | | | | | | | | |
| 0 | | 0.18514 | 0.18514 | 0.17686 | 0.16306 | 0.14927 | 0.14899 | 0.14871 | 0.15086 | 0.15301 | 0.15473 |
| 5 | | 0.04625 | 0.04625 | 0.04232 | 0.03576 | 0.02921 | 0.02611 | 0.02301 | 0.02387 | 0.02474 | 0.02543 |
| 10 | | 0.01124 | 0.01124 | 0.01013 | 0.00828 | 0.00644 | 0.00484 | 0.00325 | 0.00324 | 0.00324 | 0.00323 |
| 15 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 20 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 25 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 30 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 35 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 40 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 45 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 50 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |

| | | Sample Terminated Vested Rates Public Agency Miscellaneous | | | | | | | | | |
|------------|--|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Entry Ages | | 15 | 20 | 25 | 30 | 35 | 40 | 45 | 50 | 55 | 59 |
| Service | | | | | | | | | | | |
| 0 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 5 | | 0.03808 | 0.03808 | 0.03808 | 0.03576 | 0.03344 | 0.03007 | 0.02670 | 0.02221 | 0.00000 | 0.00000 |
| 10 | | 0.02646 | 0.02646 | 0.02646 | 0.02544 | 0.02441 | 0.01965 | 0.01489 | 0.00000 | 0.00000 | 0.00000 |
| 15 | | 0.01804 | 0.01804 | 0.01804 | 0.01660 | 0.01515 | 0.01190 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 20 | | 0.01410 | 0.01410 | 0.01410 | 0.01097 | 0.00785 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 25 | | 0.00844 | 0.00844 | 0.00844 | 0.00642 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 30 | | 0.00471 | 0.00471 | 0.00471 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 35 | | 0.00378 | 0.00378 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 40 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 45 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 50 | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |

When a member is eligible to retire, the termination with vested benefits probability is set to zero

Appendix

Sample Salary Scale Rates

| Service | Entry Ages | | | | | | | | | | Public Agency Miscellaneous | | | |
|---------|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------------------|--------|--------|--------|
| | 15 | 20 | 25 | 30 | 35 | 40 | 45 | 50 | 55 | 60 | 65 | 70 | 75 | 79 |
| 0 | 0.0764 | 0.0764 | 0.0764 | 0.0621 | 0.0621 | 0.0521 | 0.0521 | 0.0521 | 0.0521 | 0.0521 | 0.0521 | 0.0521 | 0.0521 | 0.0521 |
| 5 | 0.0378 | 0.0378 | 0.0378 | 0.0276 | 0.0276 | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0187 |
| 10 | 0.0201 | 0.0201 | 0.0201 | 0.0126 | 0.0126 | 0.0108 | 0.0108 | 0.0108 | 0.0108 | 0.0108 | 0.0108 | 0.0108 | 0.0108 | 0.0108 |
| 15 | 0.0155 | 0.0155 | 0.0155 | 0.0102 | 0.0102 | 0.0071 | 0.0071 | 0.0071 | 0.0071 | 0.0071 | 0.0071 | 0.0071 | 0.0071 | 0.0071 |
| 20 | 0.0119 | 0.0119 | 0.0119 | 0.0083 | 0.0083 | 0.0047 | 0.0047 | 0.0047 | 0.0047 | 0.0047 | 0.0047 | 0.0047 | 0.0047 | 0.0047 |
| 25 | 0.0091 | 0.0091 | 0.0091 | 0.0067 | 0.0067 | 0.0031 | 0.0031 | 0.0031 | 0.0031 | 0.0031 | 0.0031 | 0.0031 | 0.0031 | 0.0031 |
| 30 | 0.0070 | 0.0070 | 0.0070 | 0.0054 | 0.0054 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 |
| 35 | 0.0070 | 0.0070 | 0.0070 | 0.0054 | 0.0054 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 |
| 40 | 0.0070 | 0.0070 | 0.0070 | 0.0054 | 0.0054 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 |
| 45 | 0.0070 | 0.0070 | 0.0070 | 0.0054 | 0.0054 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 |
| 50 | 0.0070 | 0.0070 | 0.0070 | 0.0054 | 0.0054 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 | 0.0020 |

Appendix

Matrix of Sample Service Retirement Assumption Rates

| Service | Attained Ages | | | | Public Agency Miscellaneous 2.0% @ 55 | | | |
|---------|---------------|---------|---------|---------|---------------------------------------|---------|---------|--|
| | 50 | 55 | 60 | 65 | 70 | 75 | 79 | |
| 0 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | |
| 5 | 0.01400 | 0.04500 | 0.05900 | 0.16700 | 0.22900 | 1.00000 | 1.00000 | |
| 10 | 0.01400 | 0.04200 | 0.06400 | 0.18700 | 0.22900 | 1.00000 | 1.00000 | |
| 15 | 0.01700 | 0.05300 | 0.08300 | 0.21000 | 0.22900 | 1.00000 | 1.00000 | |
| 20 | 0.02100 | 0.08600 | 0.11500 | 0.26200 | 0.22900 | 1.00000 | 1.00000 | |
| 25 | 0.02300 | 0.09800 | 0.15400 | 0.28800 | 0.22900 | 1.00000 | 1.00000 | |
| 30 | 0.02400 | 0.12300 | 0.17000 | 0.29100 | 0.22900 | 1.00000 | 1.00000 | |
| 35 | 0.02400 | 0.16400 | 0.18600 | 0.29100 | 0.22900 | 1.00000 | 1.00000 | |
| 40 | 0.00000 | 0.18400 | 0.18800 | 0.29100 | 0.22900 | 1.00000 | 1.00000 | |
| 45 | 0.00000 | 0.00000 | 0.18800 | 0.29100 | 0.22900 | 1.00000 | 1.00000 | |
| 50 | 0.00000 | 0.00000 | 0.00000 | 0.29100 | 0.22900 | 1.00000 | 1.00000 | |

| Service | Attained Ages | | | | Public Agency Miscellaneous 2% @ 62 | | | |
|---------|---------------|---------|---------|---------|-------------------------------------|---------|---------|--|
| | 50 | 55 | 60 | 65 | 70 | 75 | 79 | |
| 0 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | |
| 5 | 0.00000 | 0.01000 | 0.03100 | 0.10800 | 0.12000 | 1.00000 | 1.00000 | |
| 10 | 0.00000 | 0.01900 | 0.05100 | 0.14100 | 0.15600 | 1.00000 | 1.00000 | |
| 15 | 0.00000 | 0.02800 | 0.07100 | 0.17300 | 0.19300 | 1.00000 | 1.00000 | |
| 20 | 0.00000 | 0.03600 | 0.09100 | 0.20600 | 0.22900 | 1.00000 | 1.00000 | |
| 25 | 0.00000 | 0.06100 | 0.11100 | 0.23900 | 0.26500 | 1.00000 | 1.00000 | |
| 30 | 0.00000 | 0.09600 | 0.13800 | 0.30000 | 0.33300 | 1.00000 | 1.00000 | |
| 35 | 0.00000 | 0.15200 | 0.18300 | 0.34800 | 0.38700 | 1.00000 | 1.00000 | |
| 40 | 0.00000 | 0.18000 | 0.20400 | 0.36000 | 0.40000 | 1.00000 | 1.00000 | |
| 45 | 0.00000 | 0.00000 | 0.20400 | 0.36000 | 0.40000 | 1.00000 | 1.00000 | |
| 50 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | |