



**B**ARTEL  
ASSOCIATES, LLC

**Contra Costa Water District  
Retiree Healthcare Plan**

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**June 30, 2015 Actuarial Valuation  
For Calendar Year 2016 Contributions  
For Fiscal Year 2016 Reporting**

**Final Results**

December 2015



**ACTUARIAL VALUATION**  
**CONTRA COSTA WATER DISTRICT**  
**RETIREE HEALTHCARE PLAN**

We are pleased to present the results of our June 30, 2015 GASB 45 actuarial valuation of the Contra Costa Water District Retiree Healthcare Plan (Plan).

The purpose of this valuation is to:

- Determine the Governmental Accounting Standards Board Statement Nos. 43 and 45 (GASB 43 and 45) June 30, 2015 Benefit Obligations,
- Determine the District's June 30, 2015 Funded Status, and
- Calculate the 2016 calendar year Annual Required Contributions.

The report provides information intended for reporting under GASB 43 and 45, but may not be appropriate for other purposes. Information provided in this report may be useful to the District for the Plan's financial management. Future valuations may differ significantly if the Plan's experience differs from our assumptions or if there are changes in plan design, actuarial methods or actuarial assumptions. The project scope did not include an analysis of this potential variation.

The valuation is based on the Plan's benefit provisions summarized in Section 8, participant data, and on the Plan's financial information, all furnished by the District. We reviewed the financial and participant data for reasonableness, including comparing to prior year data, but did not perform an audit.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. Additionally, in our opinion, actuarial methods and assumptions comply with GASB Statements 43 and 45. As members of the American Academy of Actuaries, meeting Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,



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Mary Elizabeth Redding  
FSA, EA, MAAA, FCA  
Vice President  
Bartel Associates, LLC  
December 16, 2015



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Bianca Lin  
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Bartel Associates, LLC  
December 16, 2015



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Tak Frazita  
ASA, EA, MAAA  
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December 16, 2015

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# SECTION 1

## EXECUTIVE SUMMARY

Following are the valuation results. See discussion following the table.

(amounts in \$000s)

	June 30, 2014	June 30, 2015	% change
<b>■ Participant Counts</b>			
• Actives	287	286	(0.3%)
• Retirees & Beneficiaries	209	225	7.7%
• Total	496	511	3.0%
<b>■ Projected Payroll for Contribution Year</b>	\$ 27,611	\$ 28,147	1.9%
<b>■ Assets</b>			
• Market Value of Assets	\$ 26,010	\$ 30,148	15.9%
• Approximate Annual Rate of Return	14.7%	1.6%	(89.4%)
• Actuarial Value of Assets	24,508	30,473	24.3%
• Approximate Annual Rate of Return	7.7%	8.6%	11.4%
<b>■ Plan Funded Status</b>			
• Actuarial Accrued Liability	\$ 77,246	\$ 76,682	(0.7%)
• Actuarial Value of Plan Assets	24,508	30,473	24.3%
• Unfunded Actuarial Accrued Liability	52,738	46,209	(12.4%)
• Funded Ratio, Actuarial Value Basis	31.7%	39.7%	25.4%
• Funded Ratio, Market Value Basis	33.7%	39.3%	16.7%
	2015	2016	% change
<b>■ Annual Required Contribution (ARC)</b>			
• Total Normal Cost	\$ 2,733	\$ 2,610	(4.5%)
• Employee Normal Cost	1,242	1,267	2.0%
• Net District Normal Cost	1,490	1,343	(9.9%)
• Amortization of Unfunded Liability	3,525	3,171	(10.0%)
• Total District ARC	5,016	4,514	(10.0%)
	2014/15	2015/16	% change
<b>■ Fiscal Year Total District ARC</b>	\$ 4,943	\$ 4,765	(3.6%)

# SECTION 1

## EXECUTIVE SUMMARY

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The following table lists various measures of retirement plan risk, or contribution volatility

(amounts in \$000s)

	June 30, 2014	June 30, 2015
<b>■ Risk Measures – Market Value of Assets</b>		
• Actuarial Accrued Liability	\$ 77,246	\$ 76,682
• Market Value of Assets	26,010	30,148
• Unfunded AAL (on MVA)	51,236	46,534
• Funded Ratio (MVA/AAL)	33.7%	39.3%
• UAAL (on MVA)/Payroll	188.6%	168.0%
<b>■ Payroll for year following valuation date</b>	\$ 27,173	\$ 27,700
<b>■ Risk Measures – Actuarial Value of Assets</b>		
• Actuarial Accrued Liability	\$ 77,246	\$ 76,682
• Actuarial Value of Assets	24,508	30,473
• Unfunded AAL (on AVA)	52,738	46,209
• Funded Ratio (AVA/AAL)	31.7%	39.7%
• UAAL (on AVA)/Payroll	194.1%	166.8%
<b>■ Volatility Ratios</b>		
• Asset Volatility Index (MVA/Payroll)	0.9	1.1
• Liability Volatility Index (AAL/Payroll)	2.8	2.8
• Maturity Ratio (Retiree Count/Total Count)	42.3%	43.9%
• Maturity Ratio (Retiree AAL/Total AAL)	55.2%	57.4%

# SECTION 1

## EXECUTIVE SUMMARY

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### **Discussion of Results**

Since the last valuation, the Plan experienced gains on liabilities and losses on market value of assets. Healthcare premium increases less than expected generated a \$6.8 million gain. The investment return on actuarial value of assets was 8.6% for 2014/15. These actuarial gains reduced the 2016 contributions. The 2014/15 market value investment return was 1.6% and resulted in a \$1.6 million loss.

The Plan's funded ratio on the actuarial value of assets basis is 39.7%, an increase from 31.7% in the prior valuation. The Plan's funded ratio on a market value of assets basis is 39.3%, an increase from 33.7% in the prior valuation.

### **Funding Method Changes**

There is no funding method change from the last valuation. The asset valuation method is 5-year smoothed actuarial value of assets. The actuarial cost method is Entry Age Normal. The unfunded liability is amortized over a fixed period ending in 2038 (23 years remaining).

To be consistent with the retirement plan funding policy, since the last valuation the contribution has been calculated for the calendar year following the valuation date. For reporting purposes, we continue to show the ARC for the fiscal year as well.

### **Assumption Changes**

There is no assumption change from the last valuation.

### **Employee Contributions**

Effective September 1, 2011, all employee are required to make contribution to the OPEB trust. Currently employees contribute 4.5% of payroll. We understand the employee contributions will be revisited by all participating employee groups coincident with the expiration of the Local 39 (Clerical/Maintenance) contract in November 2015. The District's ARC is calculated net of the expected employee contributions.

### **Other**

This valuation does not reflect the impact of any ad hoc contributions made after June 30, 2015. We understand the following were negotiated in November 2015 but are not included in this valuation:

- 10 years of District service required for all new hires after January 1, 2016 to receive benefits
- Future Local 21 retirees will receive lifetime spouse benefit similar to that currently provided to Local 39.
- Healthcare plan re-design in 2017

## SECTION 2

### LIABILITY INFORMATION & FUNDED STATUS

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A comparison of the Present Value of Benefits, Actuarial Accrued Liability, Employer Normal Cost, and the Funded Ratio for the current and prior valuations follows. (Note that numbers throughout the report may not add due to rounding.)

(amounts in \$000s)

	June 30, 2014	June 30, 2015
<b>■ Present Value of Projected Benefits</b>		
● Active Employees	\$ 56,253	\$ 53,936
● Retirees and Beneficiaries	42,611	44,002
● Total	98,864	97,938
<b>■ Actuarial Accrued Liability</b>		
● Active Employees	\$ 34,635	\$ 32,680
● Retirees and Beneficiaries	42,611	44,002
● Total	77,246	76,682
	2015	2016
<b>■ Normal Cost (payable middle of contribution year)</b>		
● Total Normal Cost	\$ 2,733	\$ 2,610
	June 30, 2014	June 30, 2015
<b>■ Plan Funded Status</b>		
● Total Actuarial Accrued Liability	\$ 77,246	\$ 76,682
● Actuarial Value of Assets	24,508	30,473
● Unfunded Actuarial Accrued Liability	52,738	46,209
● Funded Ratio – Actuarial Value Basis	31.7%	39.7%
● Market Value of Assets	26,010	30,148
● Funded Ratio – Market Value Basis	33.7%	39.3%



## SECTION 2

### LIABILITY INFORMATION & FUNDED STATUS

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**History of UAAL and Funded Ratio** (amounts in \$000s)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2007	\$ 0	\$ 48,374	\$ 48,374	0.0%	\$ 22,991	210.4%
7/1/2009	6,844	59,586	52,742	11.5%	26,049	202.5%
7/1/2011	12,560	71,409	58,849	17.6%	27,893	211.0%
7/1/2013	19,846	81,131	61,285	24.5%	27,375	223.9%
6/30/2014	24,508	77,246	52,738	31.7%	27,173	194.1%
6/30/2015	30,473	76,682	46,209	39.7%	27,700	166.8%

## SECTION 3

### ASSET INFORMATION

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Assets for the Plan are held in trust. Trust monies may be used to pay benefits to Plan participants and their beneficiaries. The trust is managed under the direction of the District. Asset information is provided by the Contra Costa Water District, and has not yet been audited.

#### Asset Reconciliation – Market Value of Trust Assets

Following reconciles the July 1, 2013 through June 30, 2014 and the July 1, 2014 through June 30, 2015 market value of assets.

	(amounts in \$000s)	
	2013/14	2014/15
■ Beginning of Year Balance:	\$ 19,846	\$ 26,010
■ Additions		
• Additions		
• Member Contributions	1,097	1,211
• District Contributions	4,722	5,337
• Investment Income, net of investment expense	3,253	448
• Total Additions	9,072	6,996
■ Deductions		
• Benefit Payments <sup>1</sup>	2,802	2,844
• Administrative Expenses and Trust Fees	107	14
• Total Deductions	2,909	2,858
■ Net Assets at End of Year	26,010	30,148
■ Approximate Return on Assets	14.7%	1.6%

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<sup>1</sup> Refunds of employee contributions are made from non-Trust District funds.

## SECTION 3

### ASSET INFORMATION

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#### Asset Allocation

The June 30, 2015 Trust asset allocation is provided by the Contra Costa Water District. Details are shown below.

(amounts in \$000s)

	Market Value	Percentage
■ Cash and Cash Equivalents	\$ 464	1.5%
■ Investments		
• US Treasury Securities		
• Federal Agency Securities		
• Corporate bonds		
• Foreign Bonds		
• Equity Securities	937	3.1%
• Foreign Securities		
• Equity Mutual Funds	28,747	95.4%
• Municipal Bond Mutual Funds		
• Total Investments	29,684	98.5%
■ Receivables	0	
■ Total Assets	30,148	100.0%

#### Target Allocation by Asset Class

The Board Directors of Contra Costa Water District last revised the asset allocation in January 2014, as shown below.

	Low	Normal	High
■ Broad Domestic Equity	31%	35%	39%
■ International Equity	11%	14%	17%
■ Domestic Fixed Income	24%	28%	32%
■ Real Estate	5%	8%	11%
■ Emerging Markets Debt	3%	5%	7%
■ Multi-Asset Class	7%	10%	13%

## SECTION 3

### ASSET INFORMATION

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#### Development of Actuarial Value of Assets

Market Value of Assets was used in the prior valuation. In the June 30, 2015 valuation the Actuarial Value of Assets is based on a five year smoothing of market assets. This method reduces volatility in contribution rates, and also reduces volatility in the size of the actuarial gains and losses due to asset returns.

				(amounts in \$000s)
				<b>2014/15</b>
■	Beginning of Year Market Value of Assets			\$26,010
	• Contributions (Employee + Employer)			6,548
	• Expected Earnings			2,020
	• Benefit Payments			(2,844)
■	Expected End of Year Market Value of Assets			31,734
■	End of Year Market Value of Assets			30,148
■	Difference between MVA & Expected MVA			(1,586)

  

Year Ending June 30	Asset Gain/(Loss)	Percentage Not Yet Recognized as of June 30, 2015	Amount Not Yet Recognized as of June 30, 2015
2012	\$(417)	20%	\$(83)
2013	249	40%	99
2014	1,544	60%	927
2015	(1,586)	80%	(1,268)

  

(1) Total Amount Not Yet Recognized as of June 30, 2015	(325)
(2) Net Market Value of Assets	30,148
(3) Net Actuarial Value of Assets (2) – (1)	30,473

## SECTION 4

### CONTRIBUTION DEVELOPMENT

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#### Annual Required Contribution

Following is the development of the 2016 Annual Required Contribution. The 2015 Annual Required Contribution, which was calculated in the June 30, 2014 actuarial valuation, is shown for comparison.

	(amounts in \$000s)	
<b>Contribution Year</b>	<b>2015</b>	<b>2016</b>
■ Annual Required Contribution		
• Total Normal Cost	\$ 2,733	\$ 2,610
• Employee Normal Cost	1,242	1,267
• Net District Normal Cost	1,490	1,343
• Amortization of Unfunded Liability	3,525	3,171
• Total District Annual Required Contribution	5,016	4,514
■ Projected Payroll for Contribution Year	27,611	28,147
■ Annual Required Contribution (ARC) (as a percent of Projected Payroll)		
• Total Normal Cost	9.9%	9.3%
• Employee Normal Cost	4.5%	4.5%
• Net District Normal Cost	5.4%	4.8%
• Amortization of Unfunded Liability	12.8%	11.3%
• Total District Annual Required Contribution	18.2%	16.0%

#### Annual Required Contribution Sensitivity

Following is the development of Annual Required Contribution if employees paid 50% of the Normal Cost.

	<b>2015</b>	<b>2016</b>
■ Annual Required Contribution (ARC) (as a percent of Projected Payroll)		
• Total Normal Cost	9.9%	9.3%
• Employee Normal Cost	5.0%	4.6%
• Net District Normal Cost	5.0%	4.6%
• Amortization of Unfunded Liability	12.8%	11.3%
• Total District Annual Required Contribution	17.8%	15.9%

## SECTION 4

### CONTRIBUTION DEVELOPMENT

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#### Schedule of Unfunded Actuarial Accrued Liability Amortization Bases

(amounts in \$000s)

Schedule of UAAL Amortization Bases	Original Amount	Number of Remaining Payments	Outstanding Balance as of June 30, 2015	Annual Contribution for 2016
2015 Base	\$ 46,209	23	\$ 46,209	\$3,171
Total			46,209	3,171

## SECTION 5

### ACTUARIAL (GAIN)/LOSS ANALYSIS

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The gain/loss analysis of Plan assets, actuarial liability, and unfunded actuarial liability for the one year period between valuation dates is shown below:

(amounts in \$000s)

	Actuarial Accrued Liability (Gain)/Loss	Actuarial Asset Value Gain/(Loss)	Unfunded Accrued Liability (Gain)/Loss
■ <b>June 30, 2014 Actual Value</b>	\$ 77,246	\$ 24,508	\$ 52,738
■ <b>June 30, 2015 Expected Value</b>	82,687	29,712	52,975
• Demographic (gain)/loss	759	-	759
• Premium increase less than expected	(6,782)	-	(6,782)
• \$5,000 life insurance for all retirees	19	-	19
• Contributions other than expected	-	394	(394)
• Investment gain/loss	-	367	(367)
■ <b>June 30, 2015 Actual Value</b>	76,682	30,473	46,209

## SECTION 6

### GASB 43 AND 45 INFORMATION

The following table shows estimated Net OPEB Asset for the fiscal years 2014/15 and 2015/16.

(amounts in \$000s)

	CAFR 2014/15	Estimated 2015/16
■ Net OPEB Asset Beginning of Year (1)	\$ (3,554)	\$ (3,903)
■ Annual OPEB Cost		
• ARC	5,016	4,765
• Interest on NOO	(258)	(283)
• Amortization of NOO	229	259
• Annual OPEB Cost (2)	4,988	4,741
■ Contributions <sup>2</sup>		
• Cash Benefit Payments outside of Trust	n/a	n/a
• District Contributions to Trust	n/a	n/a
• Total Contributions (3)	5,337	4,765
■ Net OPEB Asset End of Year (1) + (2) – (3)	(3,903)	(3,927)

The Trust's annual OPEB cost and actual OPEB Cost contributed as reported in the CAFR are as follows:

(amounts in \$000s)

Fiscal Year	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Change in Net OPEB Asset	Net OPEB Obligation (Asset)
6/30/12	\$ 4,835	\$ 4,095	84.7%	\$740	\$ (2,462)
6/30/13	4,829	5,609	116.2%	(780)	(3,241)
6/30/14	5,507	5,820	105.7%	(313)	(3,554)
6/30/15	4,988	5,337	107.0%	(349)	(3,903)

<sup>2</sup> GASB 45 includes implied subsidy payments in the employer contributions.



**SECTION 6**  
**GASB 43 AND 45 INFORMATION**

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**Schedule of Funding Progress**

(amounts in \$000s)

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Accrued Liability (b)</b>	<b>Unfunded Actuarial Accrued Liability (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as Percentage of Covered Payroll ((b-a)/c)</b>
7/1/11	\$ 12,560	\$ 71,409	\$ 58,849	17.6%	\$ 27,893	211.0%
7/1/13	19,846	81,131	61,285	24.5%	27,375	223.9%
6/30/14	24,508	77,246	52,738	31.7%	27,173	194.1%
6/30/15	30,473	76,682	46,209	39.7%	27,700	166.8%

## SECTION 7

### BENEFIT PAYMENT PROJECTIONS

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The following table illustrates the expected cash and implied subsidy benefit payments, employee contributions and refund of employee contributions in the next 5 years.

(amounts in \$000s)

<b>Fiscal Year</b>	<b>Cash Benefit Payment</b>	<b>Implied Subsidy Benefit Payment</b>	<b>Employee Contribution</b>	<b>Refund of Employee Contribution</b>	<b>Projected Payroll</b>
2015/16	\$ 3,131	\$ 398	\$ 1,247	\$ 40	\$ 27,700
2016/17	3,398	453	1,287	45	28,600
2017/18	3,674	484	1,329	50	29,530
2018/19	3,935	478	1,372	38	30,489
2019/20	4,164	485	1,417	22	31,480

## SECTION 8

### PLAN PROVISION SUMMARY

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#### A. Eligibility

##### Classic Members

- Clerical/Maintenance employees
  - Age 50 and 10 years of District service
- Board of Directors
  - Age 55 with 10 years of District service
- Professional/Supervisory, Confidential, and Unrepresented employees
  - Age 50 with 5 years of District service
- Disability retirements are subject to the age and service requirements above.

##### PEPRA Members

- Age 52 with 5 years of District service
- Disability retirements are subject to the age and service requirements above.

#### B. Benefit

- Retired employees receive medical coverage for life.
- Spouses and dependents of Clerical/Maintenance retirees who retire after July 1, 2000 receive lifetime coverage, provided the retiree chose the Joint & Survivor option at retirement. If the retiree did not choose this option, the spouse and dependents will lose coverage at the later of the retiree's death or the spouse's 65<sup>th</sup> birthday.
- Spouses and dependents of all other retirees who chose the Joint & Survivor option at retirement will lose coverage at the later of the retiree's death or the spouse's 65<sup>th</sup> birthday. If these retirees did not choose this option, spouse and dependent coverage ends upon the retiree's death.
- Surviving spouses of active employees who were eligible for retirement receive benefit they would have been eligible for if the employee retired and selected the Joint & Survivor option at retirement.
- A retiree life insurance benefit of \$5,000 is also provided to all retirees.

#### C. Employee Contribution

- Effective September 1, 2011, all employees contribute 2.5% from September 1, 2011 through August 31, 2012, 3.5% from September 1, 2012 through August 31, 2013 and 4.5% from September 1, 2013 through August 31, 2014. Currently the 4.5% employee contribution has been extended beyond August 31, 2014.

## SECTION 8

### PLAN PROVISION SUMMARY

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- If an employee separates from the District other than by a direct retirement, all employee contributions plus 5% interest per annum compounded annually will be returned to the employee upon separation. This separation payment will be made through a separate District reserve fund and not the OPEB trust.

#### D. Medical Premiums

##### Pre-Medicare Monthly Premiums

2015/16			
Medical Plan	EE	EE+1	Family
Kaiser	\$ 749.19	\$ 1,498.37	\$ 2,120.20
Health Net	1,376.94	2,771.13	3,940.14
Blue Cross	742.90	1,512.57	2,033.02
2016/17 <sup>3</sup>			
Medical Plan	EE	EE+1	Family
Kaiser	\$ 711.73	\$ 1,423.46	\$ 2,014.19
Health Net	1,447.16	2,912.46	4,141.09
Blue Cross	845.52	1,722.95	2,316.25

##### Post-Medicare Monthly Premiums

2015/16			
Medical Plan	EE	EE+1	Family
Kaiser	\$ 418.47	\$ 836.94	\$ 1,458.77
Health Net	495.07	n/a	n/a
Blue Cross	484.74	985.84	1,774.86

#### E. Other OPEB

No District contribution for retiree dental, vision, or Medicare Part B reimbursement.

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<sup>3</sup> Kaiser and Blue Cross premium rates begin on January 1, 2016.

## SECTION 9

### METHODS AND ASSUMPTIONS

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#### **Actuarial Cost Methods**

The actuarial cost method used for this valuation is the Entry Age Normal (EAN) method. The Present Value of Projected Benefits (PVPB) is the present value of all future benefits for current plan participants. The Normal Cost is calculated by allocating each employee's PVPB as a level percent of pay from entry through the last expected retirement age. The Actuarial Accrued Liability (AAL) represents the portion of the PVPB attributable to past service and is calculated as the PVPB less the present value of all future Normal Costs.

#### **Funding Policy**

The June 30, 2015 Unfunded Actuarial Unfunded Liability is being amortized, over a 23 year closed period, as a level percentage of projected payroll, assuming 3.25% payroll growth.

#### **Asset Valuation Method**

The Actuarial Value of Assets is a 5-year smoothed market value. Gains and losses are recognized over a five year period.

#### **Data Quality**

The District provided participant data as of 6/30/2015. We reviewed the data, but did not perform an audit.

#### **Basis for Assumptions**

There is no assumption change since the last valuation. The assumptions are based on a study of 2009-2014 Plan experience, except for the mortality assumption. Because of the small group population, Society of Actuaries tables based on nation-wide pensioner experience have been used.

## SECTION 9 METHODS AND ASSUMPTIONS

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### Actuarial Assumptions

Assumptions used in the actuarial valuation are as follows:

June 30, 2014 Valuation	June 30, 2015 Valuation																																
<p>■ <b>Discount Rate</b></p> <ul style="list-style-type: none"> <li>• 7.25%,</li> </ul>	<p>■ <b>Discount Rate</b></p> <ul style="list-style-type: none"> <li>• Same</li> </ul>																																
<p>■ <b>Inflation</b></p> <ul style="list-style-type: none"> <li>• 3.0%</li> </ul>	<p>■ <b>Inflation</b></p> <ul style="list-style-type: none"> <li>• Same</li> </ul>																																
<p>■ <b>Salary Increases</b></p> <ul style="list-style-type: none"> <li>• 3.00% CPI plus</li> <li>• Pay increase based on years of District service, employment group, and Entry Age with the District. Sample rates:</li> </ul> <table style="margin-left: 40px;"> <thead> <tr> <th></th> <th colspan="4" style="text-align: center;"><u>Other (Entry Age)</u></th> </tr> <tr> <th style="text-align: left;"><u>Service</u></th> <th style="text-align: left;"><u>Clerical</u></th> <th style="text-align: left;"><u>Directors</u></th> <th style="text-align: left;"><u>&lt; 40</u></th> <th style="text-align: left;"><u>≥ 40</u></th> </tr> </thead> <tbody> <tr> <td>2</td> <td>3.75%</td> <td>0.00%</td> <td>5.25%</td> <td>2.75%</td> </tr> <tr> <td>7</td> <td>1.00%</td> <td>0.00%</td> <td>2.25%</td> <td>0.75%</td> </tr> <tr> <td>12</td> <td>1.00%</td> <td>0.00%</td> <td>1.75%</td> <td>0.75%</td> </tr> <tr> <td>17</td> <td>0.75%</td> <td>0.00%</td> <td>0.75%</td> <td>0.75%</td> </tr> </tbody> </table>		<u>Other (Entry Age)</u>				<u>Service</u>	<u>Clerical</u>	<u>Directors</u>	<u>&lt; 40</u>	<u>≥ 40</u>	2	3.75%	0.00%	5.25%	2.75%	7	1.00%	0.00%	2.25%	0.75%	12	1.00%	0.00%	1.75%	0.75%	17	0.75%	0.00%	0.75%	0.75%	<p>■ <b>Salary Increases</b></p> <ul style="list-style-type: none"> <li>• Same</li> </ul>		
	<u>Other (Entry Age)</u>																																
<u>Service</u>	<u>Clerical</u>	<u>Directors</u>	<u>&lt; 40</u>	<u>≥ 40</u>																													
2	3.75%	0.00%	5.25%	2.75%																													
7	1.00%	0.00%	2.25%	0.75%																													
12	1.00%	0.00%	1.75%	0.75%																													
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## SECTION 9 METHODS AND ASSUMPTIONS

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<p>■ <b>Claims Cost</b> The following table shows sample estimated participant age-based monthly claims costs for the District's healthcare plans for 2014/15:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;"><u>Kaiser HMO</u></th> </tr> <tr> <th style="text-align: center;"><u>Age</u></th> <th style="text-align: center;"><u>Male</u></th> <th style="text-align: center;"><u>Female</u></th> </tr> </thead> <tbody> <tr><td style="text-align: center;">50</td><td style="text-align: center;">\$662</td><td style="text-align: center;">\$861</td></tr> <tr><td style="text-align: center;">55</td><td style="text-align: center;">856</td><td style="text-align: center;">878</td></tr> <tr><td style="text-align: center;">60</td><td style="text-align: center;">1,088</td><td style="text-align: center;">937</td></tr> <tr><td style="text-align: center;">65</td><td style="text-align: center;">292</td><td style="text-align: center;">262</td></tr> <tr><td style="text-align: center;">70</td><td style="text-align: center;">375</td><td style="text-align: center;">329</td></tr> <tr><td style="text-align: center;">75</td><td style="text-align: center;">454</td><td style="text-align: center;">390</td></tr> <tr><td style="text-align: center;">80</td><td style="text-align: center;">504</td><td style="text-align: center;">433</td></tr> <tr><td style="text-align: center;">85</td><td style="text-align: center;">536</td><td style="text-align: center;">500</td></tr> </tbody> </table> <table style="margin-left: auto; 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## SECTION 10 PARTICIPANT DATA

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### Data Summary

Following summarizes participant demographic information for the July 1, 2014 and June 30, 2015 actuarial valuations.

	June 30, 2014	June 30, 2015
<b>■ Participant Counts</b>		
• Actives	287	286
• Service Retirees	202	218
• Disabled Participants	3	3
• Beneficiaries	4	4
• Total	496	511
<b>■ Actives</b>		
• Average Age	48.2	47.6
• Average Service	12.1	11.8
• Salary		
> Total (\$000s)	\$ 27,173	\$ 27,700
> Average	94,678	96,855
<b>■ Retirees, Disableds &amp; Beneficiaries</b>		
• Average Age	67.5	67.4
• Average Service Retirement Age <sup>4</sup>	58.3	58.4
• Average Disabled Retirement Age	46.0	46.0

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<sup>4</sup> Excludes 4 beneficiaries receiving benefits.

## SECTION 10 PARTICIPANT DATA

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### Active Participant Statistics

**June 30, 2015**

Bargaining Unit	Clerical/ Maintenance	Professional/ Supervisory	Unrepresented	Confidential	Directors	Total
<b>BU #</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>40</b>	<b>90</b>	
<b>■ Actives</b> <ul style="list-style-type: none"> <li>• Count</li> <li>• Average Age</li> <li>• Average Service</li> <li>• Average Pay</li> <li>• Total Payroll (\$000s)</li> </ul>	170	81	20	10	5	286
	47.1	47.1	49.5	49.7	61.3	47.6
	11.5	12.1	14.5	10.2	16.3	11.8
	\$ 81,162	\$ 116,075	\$ 172,543	\$ 101,076	\$ 7,840	\$ 96,855
	13,798	9,402	3,451	1,011	39	27,700

**June 30, 2014**

Bargaining Unit	Clerical/ Maintenance	Professional/ Supervisory	Unrepresented	Confidential	Directors	Total
<b>BU #</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>40</b>	<b>90</b>	
<b>■ Actives</b> <ul style="list-style-type: none"> <li>• Count</li> <li>• Average Age</li> <li>• Average Service</li> <li>• Average Pay</li> <li>• Total Payroll (\$000s)</li> </ul>	170	84	19	10	4	287
	47.6	48.2	48.9	50.7	67.4	48.2
	12.0	12.1	13.3	10.6	19.3	12.1
	\$ 78,473	\$ 114,104	\$ 169,032	\$ 101,200	\$ 6,000	\$ 94,678
	13,340	9,585	3,212	1,012	24	27,173

## SECTION 10 PARTICIPANT DATA

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### Retiree Participant Statistics

**June 30, 2015**

Bargaining Unit	Clerical/ Maintenance	Professional/ Supervisory	Unrepresented	Confidential	Directors	Total
BU #	10	20	30	40	90	
■ Retirees						
• Count <sup>5</sup>	117	70	27	10	1	225
• Average Age	68.5	65.9	66.5	67.3	69.7	67.4
• Average Ret. Age						
➢ Service	59.1	58.0	56.8	56.2	64.5	58.4
➢ Disability	49.1	n/a	39.7	n/a	n/a	46.0
➢ All Retirees	58.9	58.0	56.2	56.2	64.5	58.2

**June 30, 2014**

Bargaining Unit	Clerical/ Maintenance	Professional/ Supervisory	Unrepresented	Confidential	Directors	Total
BU #	10	20	30	40	90	
■ Retirees						
• Count	110	64	25	9	1	209
• Average Age	68.5	66.1	66.1	66.6	68.7	67.5
• Average Ret. Age						
➢ Service	59.3	57.8	56.6	55.3	64.5	58.3
➢ Disability	49.1	n/a	39.7	n/a	n/a	46.0
➢ All Retirees	59.1	57.8	55.9	55.3	64.5	58.2

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<sup>5</sup> Includes 4 surviving spouses of deceased retirees.

## SECTION 10 PARTICIPANT DATA

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### Data Reconciliation June 30, 2014 to June 30, 2015

	Actives	Disabled	Benefic.	Retirees	Total
■ <b>June 30, 2014</b>	<b>287</b>	<b>3</b>	<b>4</b>	<b>202</b>	<b>496</b>
• New Hires	26	-	-	-	26
• Disabled	-	-	-	-	-
• Terminated	(7)	-	-	-	(7)
• Deceased	-	-	-	(4)	(4)
• New Beneficiaries	-	-	-	-	-
• Retired	(20)	-	-	20	-
• Adjustment	—	—	—	—	—
■ <b>June 30, 2015</b>	<b>286</b>	<b>3</b>	<b>4</b>	<b>218</b>	<b>511</b>

**SECTION 10  
PARTICIPANT DATA**

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**Active Employee Medical Coverage  
June 30, 2015**

Medical Plan	EE	EE+1	Family	Waived	Total
Kaiser	57	31	102	-	190
Health Net	17	3	0	-	20
Blue Cross	22	22	32	-	76
Waived	-	-	-	-	-
Total	96	56	134	-	286

**Retired Participant Medical Coverage<sup>6</sup>  
June 30, 2015  
Retirees Under Age 65**

Medical Plan	EE	EE+1	Family	Waived	Total
Kaiser	9	22	8	-	39
Health Net	5	8	3	-	16
Blue Cross	8	18	9	-	35
Waived	-	-	-	1	1
Total	22	48	20	1	91

**Retired Participant Medical Coverage<sup>7</sup>  
June 30, 2015  
Retirees Age 65 & Over**

Medical Plan	EE	EE+1	Family	Waived	Total
Kaiser	20	41	2	-	63
Health Net	8	5	2	-	15
Blue Cross	23	29	3	-	55
Waived	-	-	-	1	1
Total	51	75	7	1	134

<sup>6</sup> Waived retirees eligible for retiree life insurance benefit are included in the valuation.

<sup>7</sup> Waived retirees eligible for retiree life insurance benefit are included in the valuation.

**SECTION 10  
PARTICIPANT DATA**

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**Retiree Medical Coverage by Age Group  
June 30, 2015**

**Retirees in District Medical Plans**

<b>Age</b>	<b>Single</b>	<b>2-Party</b>	<b>Family</b>	<b>Waived/Life Insurance</b>	<b>Total</b>
Under 50	-	-	-	-	-
50-54	5	1	4	-	10
55-59	6	15	8	-	29
60-64	11	32	8	1	52
65-69	24	31	2	-	57
70-74	16	21	4	1	42
75-79	5	16	1	-	22
80-84	4	1	-	-	5
85 & Over	2	6	-	-	8
Total	73	123	27	2	225
Average Age	68.3	68.1	61.8	67.7	67.4



## SECTION 10 PARTICIPANT DATA

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### Active Age/Service June 30, 2015

Following are active counts by age and service groups:

Age	Service							Total
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
<b>Under 25</b>	2	-	-	-	-	-	-	2
<b>25-29</b>	12	-	-	-	-	-	-	12
<b>30-34</b>	12	8	-	-	-	-	-	20
<b>35-39</b>	11	19	5	3	-	-	-	38
<b>40-44</b>	9	8	12	5	-	-	-	34
<b>45-49</b>	11	10	15	11	2	1	-	50
<b>50-54</b>	5	10	12	4	12	9	5	57
<b>55-59</b>	6	11	9	11	5	5	4	51
<b>60-64</b>	-	1	4	6	1	2	-	14
<b>65 &amp; Over</b>	-	-	3	2	2	-	1	8
<b>Total</b>	68	67	60	42	22	17	10	286