



January 11, 2019

Ms. Alyssa Schiffmann
Finance Manager
Southern Marin Fire Protection District
308 Reed Blvd.
Mill Valley, CA 94941

Re: Southern Marin Fire Protection District ("District") GASB 75 Valuation

Dear Ms. Schiffmann:

This report sets forth the results of our GASB 75 actuarial valuation of the District's retiree health insurance program as of July 1, 2018 (June 30, 2018).

In June 2004, the Governmental Accounting Standards Board (GASB) issued its accrual accounting standards for retiree healthcare benefits, GASB 43 and GASB 45. GASB 43/45 require public employers such as the District to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to pre-fund these liabilities. In June 2015, GASB released new accounting standards for postretirement benefit programs, GASB 74 and GASB 75, which replace GASB 43 and GASB 45, respectively.

The District selected DFA, LLC (DFA) to perform an actuarial valuation of the retiree health insurance program as of July 1, 2018 (June 30, 2018). This report may be compared with the valuation performed by DFA as of July 1, 2015, to see how the liabilities have changed since the last valuation.

Financial Results

We have determined that the amount of actuarial liability for District-paid retiree benefits is \$11,737,559 as of July 1, 2018 (June 30, 2018). This represents the present value of all benefits expected to be paid by the District for its current and future retirees. If the District were to place this amount in a fund earning interest at the rate of 6.00% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected benefits.

This valuation includes benefits for 33 retirees as well as 34 active employees who may become eligible to retire and receive benefits in the future. It excludes employees hired after the valuation date.

When we apportion the \$11,737,559 into past service and future service components under the Entry Age, Level Percent of Pay Cost Method, the Total OPEB Liability is \$10,190,992 as of July 1, 2018 (June 30, 2018). This represents the present value of all benefits accrued through the valuation date if each employee's liability is expensed from hire date until retirement date as a level percentage of pay. The \$10,190,992 is comprised of liabilities of \$4,607,351 for active employees and \$5,583,641 for retirees.

The District has adopted an irrevocable trust for the pre-funding of retiree healthcare benefits. As of June 30, 2018, the trust balance or Plan Fiduciary's Net Position (GASB 75) is \$3,409,370.

The Net OPEB Liability, Total OPEB Liability over the Plan Fiduciary's Net Position, is \$6,781,622.

Discount Rate under GASB 75

For financial reporting purposes, GASB 75 requires a discount rate that reflects the following:

- a. The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and 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 – to the extent that the conditions in (a) are not met.

The amount of the plan's projected fiduciary net position and the amount of projected benefit payments should be compared in each period of projected benefit payments.

Based on these requirements and the following information, we have determined a discount rate of 6.00% for GASB 75 reporting purposes:

Expected Return on Assets	6.00%
Fidelity General Obligations 20-Year Index at June 30, 2018	3.62%
GASB 75 Discount Rate	6.00%

Net OPEB Expense

We have determined the following components of the District's Net OPEB Expense for fiscal year ending June 30, 2019: Service Cost, Interest Cost, and Expected Return on Assets. The Service Cost represents the present value of benefits accruing in the current year. Interest Cost represents the interest on the Total OPEB Obligation. Expected Return on Assets is the expected return based on a 6.00% investment rate of return. Other components (Deferred Outflows and Inflows) will be determined based on the Net OPEB Obligation as of June 30, 2019.

We summarize the valuation results in the table on the next page. We provide results at three discount rates (the expected return on assets, the municipal bond index, and the GASB 75 rate, discussed above). All amounts are net of expected future retiree contributions, if any.

When the District begins preparation of the June 30, 2019 government-wide financial statements, DFA will be available to assist the District and its auditors in preparing the footnotes and required supplemental information for compliance with GASB 75 (and GASB 74, if applicable).

In the meantime, we are available to answer any questions the District may have concerning the report.

Actuarially Determined Contribution and Pay-As-You-Go with Implied Subsidy

We have calculated an actuarially determined contribution representing the Service Cost and a 30-year amortization (as a level percent of pay) of the Net OPEB Liability. We include the results in the table on the next page. We provide results at three discount rates (the expected return on assets, the Fidelity Bond rate index, and the GASB 75 rate).

An actuarially determined contribution is a potential payment to the plan determined using a contribution allocation procedure. It is not a required contribution, but a measurement commonly used to prefund OPEB benefits. We provide the amounts for illustrative purposes.

The actuarially determined contribution may be compared to the pay-as-you-go payment. The table shows the pay-as-you-go payment along with the projected implied subsidy payment.

The Funding Schedules section provides additional prefunding alternatives.

Southern Marin Fire Protection District

**Net OPEB Liabilities and Expense Under
GASB 75 Accrual Accounting Standard**

	July 1, 2018 (June 30, 2018) ¹		
	Actuarial Liability	Municipal Bond Index	GASB 75 Rate
Discount Rate	6.00%	3.62%	6.00%
Present Value of Future Benefits			
Active	\$6,153,918	\$10,046,796	\$6,153,918
Retired	5,583,641	7,334,298	5,583,641
Total	\$11,737,559	\$17,381,094	\$11,737,559
Total OPEB Liability (Actuarial Liability)			
Active	\$4,607,351	\$6,847,683	\$4,607,351
Retired	5,583,641	7,334,298	5,583,641
Total	\$10,190,992	\$14,181,981	\$10,190,992
Plan Fiduciary Net Position (Plan Assets)	\$3,409,370	\$3,409,370	\$3,409,370
Net OPEB Liability (Unfunded Actuarial Liability)	\$6,781,622	\$10,772,611	\$6,781,622
Sensitivity Analysis			
1% Decrease in Discount Rate	5.00%	2.62%	5.00%
Net OPEB Liability	\$8,214,561	\$13,202,655	\$8,214,561
1% Increase in Discount Rate	7.00%	4.62%	7.00%
Net OPEB Liability	\$5,610,049	\$8,843,231	\$5,610,049
1% Decrease in Trend Rate	5.00% decreasing to 4.00%	5.00% decreasing to 4.00%	5.00% decreasing To 4.00%
Net OPEB Liability	\$5,540,766	\$8,737,458	\$5,540,766
1% Increase in Trend Rate	7.00% decreasing to 6.00%	7.00% decreasing to 6.00%	7.00% decreasing to 6.00%
Net OPEB Liability	\$8,303,848	\$13,341,919	\$8,303,848

1. For the District's fiscal 2019 financial statements, DFA will provide separate schedules with supplemental GASB 75 information.
 - a. If your auditors recommend that you report June 30, 2019 values, we will prepare the supplemental schedules in July, after June 30 asset values (if applicable) are known and updated municipal bond rates are published.
 - b. If your auditors recommend that you report June 30, 2018 values, we will provide (upon request) supplemental schedules based on this report.

Southern Marin Fire Protection District

**Net OPEB Liabilities and Expense Under
GASB 75 Accrual Accounting Standard**

	July 1, 2018 (June 30, 2018)		
	Actuarial Liability	Municipal Bond Index	GASB 75 Rate
Discount Rate	6.00%	3.62%	6.00%
Components of Net OPEB Expense for fiscal year 2019			
Service Cost at Year-End	\$234,212	\$415,567	\$234,212
Interest Cost	598,491	505,518	598,491
Expected Return on Assets	(215,057)	(204,562)	(215,057)
Subtotal	\$617,646	\$716,523	\$617,646
Change in Deferred Outflows ²			
Change in Deferred Inflows ³			
Actuarially Determined Contribution (Fiscal 2019)			
Service Cost	\$234,212	\$415,567	\$234,212
Amortization of Net OPEB Liability ⁴	352,360	405,368	352,360
Total ⁵	\$586,572	\$820,935	\$586,572
Pay-As-You-Go Payment with Implied Subsidy (Fiscal 2019)			
Projected Pay-As-You-Go	\$345,686	\$345,686	\$345,686
Projected Implied Subsidy	92,990	92,990	92,990
Total	\$438,676	\$438,676	\$438,676

2. To be determined based on the Total OPEB Obligation and Plan Fiduciary Net Position as of June 30, 2019.
3. To be determined based on the Total OPEB Obligation and Plan Fiduciary Net Position as of June 30, 2019.
4. 30-year amortization (as a level percent of pay).
5. Estimated Actuarially Determined Contribution for Fiscal 2020:

	Actuarial Liability	Municipal Bond Index	GASB 75 Rate
Total	\$604,169	\$845,563	\$604,169

Differences from Prior Valuation

The most recent prior valuation was completed as of July 1, 2015 by DFA. The AL (Accrued Liability) as of that date was \$9,018,221, compared to \$10,190,992 as of July 1, 2018 (June 30, 2018). In this section, we provide a reconciliation between the two numbers so that it is possible to trace the AL from one actuarial report to the next.

Several factors have caused the AL to change since 2015. The AL increases as employees accrue more service and get closer to receiving benefits. There are actuarial gains/losses from one valuation to the next, and changes in actuarial assumptions and methodology for the current valuation. To summarize, the most important changes were as follows:

1. A decrease in the AL of \$369,339 resulting from an update to our valuation software; the update allows us to track experience more precisely over time;
2. An increase of \$370,845 resulting from population experience (terminations, retirements, and mortality) different than expected;
3. A decrease of \$1,681,363 resulting from changes in healthcare premiums different than expected;
4. An increase of \$138,485 resulting from a change in healthcare trend rate (6.00% for 2018 decreasing to 5% in 2021);
5. An increase of \$613,386 resulting from a change in discount rate, from 6.50% to 6.00%, to reflect the District's PARS investment objective, adjusted to reflect investment expenses and stability;
6. An increase of \$476,438 resulting from a change in the actuarial cost method from Projected Unit Credit to Entry Age, Level Percent of Pay, as required by GASB 75.

The estimated changes to the AL from July 1, 2015 to July 1, 2018 (June 30, 2018) are as follows:

Changes to AL	AL
AL as of July 1, 2015	\$9,018,221
Passage of time	1,624,319
Change in system	(369,339)
Change in census	370,845
Change in premium rates	(1,681,363)
Change in trend rate	138,485
Change in discount rate	613,386
Change in cost method	<u>476,438</u>
AL as of July 1, 2018 (June 30, 2018) ¹	\$10,190,992

1. Based on a discount rate of 6.00%.

Funding Schedules

There are many ways to approach the pre-funding of retiree healthcare benefits. In the *Financial Results* section, we determined the annual expense for all District-paid benefits. The expense is an orderly methodology, developed by the GASB, to account for retiree healthcare benefits. However, the GASB 75 expense has no direct relation to amounts the District may set aside to pre-fund healthcare benefits.

The table on the next page provides the District with three alternative schedules for funding (as contrasted with expensing) retiree healthcare benefits. The schedules all assume that the retiree fund earns, or is otherwise credited with, 6.00% per annum on its investments, a starting trust value of \$3,409,370 as of July 1, 2018 (June 30, 2018), and that contributions and benefits are paid mid-year.

The schedules are:

1. A level contribution amount for the next 20 years.
2. A level percent of the Unfunded Accrued Liability.
3. A constant percentage (3%) increase for the next 20 years.

We provide these funding schedules to give the District a sense of the various alternatives available to it to pre-fund its retiree healthcare obligation. The three funding schedules are simply three different examples of how the District may choose to spread its costs.

By comparing the schedules, you can see the effect that early pre-funding has on the total amount the District will eventually have to pay. Because of investment earnings on fund assets, the earlier contributions are made, the less the District will have to pay in the long run. Of course, the advantages of pre-funding will have to be weighed against other uses of the money.

The table on the following page shows the required annual outlay under the pay-as-you-go method and each of the above schedules. **The three funding schedules include the "pay-as-you-go" costs; therefore, the amount of pre-funding is the excess over the "pay-as-you-go" amount.**

Treatment of Implicit Subsidy

We exclude the implicit subsidy from these funding schedules because we do not recommend that the District pre-fund for the full age-adjusted costs reflected in the liabilities shown in the first section of this report. If the District's premium structure changes in the future to explicitly charge under-age 65 retirees for the full actuarial cost of their benefits, this change will be offset by a lowering of the active employee rates (all else remaining equal), resulting in a direct reduction in District operating expenses on behalf of active employees from that point forward. For this reason, among others, we believe that pre-funding of the full GASB liability would be redundant.

Southern Marin Fire Protection District

Sample Funding Schedules (Closed Group)

Starting Trust Value of \$3,409,370 as of July 1, 2018 (June 30, 2018)

Fiscal Year	Pay-as-you-go	Level Contribution for 20 years	Level % of Unfunded Liability	Constant Percentage Increase
2018	\$345,686	\$547,344	\$486,073	\$431,135
2019	376,953	547,344	479,947	444,069
2020	405,955	547,344	474,288	457,391
2021	428,554	547,344	469,002	471,113
2022	445,610	547,344	463,963	485,247
2023	476,462	547,344	459,077	499,804
2024	511,146	547,344	454,413	514,798
2025	546,915	547,344	449,929	530,242
2026	585,772	547,344	445,557	546,149
2027	606,280	547,344	441,238	562,534
2028	640,546	547,344	436,803	579,410
2029	660,311	547,344	432,271	596,792
2030	684,362	547,344	427,524	614,696
2031	721,470	547,344	422,540	633,137
2032	752,537	547,344	417,298	652,131
2033	781,955	547,344	411,718	671,695
2034	790,600	547,344	405,741	691,846
2035	801,525	547,344	395,002	712,601
2036	813,146	547,344	381,031	733,979
2037	821,693	547,344	367,556	755,998
2038	797,306	0	354,559	0
2039	807,151	0	342,021	0
2040	824,688	0	329,929	0
2041	830,492	0	318,266	0
2042	842,576	0	307,017	0
2043	819,466	0	296,167	0
2044	814,360	0	285,700	0
2045	806,952	0	275,605	0
2046	773,728	0	265,867	0
2047	771,995	0	256,473	0
2048	768,494	0	247,412	0
2049	751,166	0	238,672	0
2050	731,706	0	230,241	0
2055	649,793	0	192,354	0
2060	536,528	0	160,706	0
2065	390,129	0	134,259	0
2070	240,802	0	240,802	0
2075	120,929	0	120,929	0

Note to auditor: when calculating the employer OPEB contribution for the year ending on the statement date, we recommend multiplying the actual District-paid premiums on behalf of retirees by a factor of 1.269 for FYE 2019 and 1.266 for FYE 2020 to adjust for the implicit subsidy.

Actuarial Assumptions

To perform the valuation, the actuary must make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest rates. Our assumptions are based on a standard set of assumptions we have used for similar valuations, modified as appropriate for the District. Retirement rates are based on recent District retirement patterns.

The discount rate of 6.00% is based on our best estimate of expected long-term plan experience for partially funded plans such as the District's. As discussed above, for financial reporting purposes under GASB 75, a discount rate of 6.00% reflects the required blend between discount and municipal bond rates. The healthcare trend rates are based on our analysis of recent District experience and our knowledge of the healthcare environment.

A complete description of the actuarial assumptions used in the valuation is set forth in the "Actuarial Assumptions" section.

Projected Annual Pay-as-you go Costs

As part of the valuation, we prepared a projection of the expected annual cost to the District to pay benefits on behalf of its retirees on a pay-as-you-go basis. These numbers are computed on a closed group basis, assuming no new entrants, and are net of retiree contributions. Projected pay-as-you-go costs for selected years are as follows:

FYB	Pay-as-you-go
2018	\$345,686
2019	376,953
2020	405,955
2021	428,554
2022	445,610
2023	476,462
2024	511,146
2025	546,915
2026	585,772
2027	606,280
2030	684,362
2035	801,525
2040	824,688
2045	806,952
2050	731,706
2055	649,793
2060	536,528
2065	390,129
2070	240,802
2075	120,929

Implicit Subsidy and ASOP 6

When premiums charged for retiree healthcare are lower than expected claims, an implicit subsidy is realized. This occurs, for example, when pre-Medicare retirees are afforded medical coverage at the same rates as active employees.

Actuarial Standard of Practice No. 6 (ASOP 6), revised in May 2014, provides guidance in measuring OPEB obligations and determining periodic costs or actuarially determined contributions. The standard specifies that in (almost all instances), the actuary must include the value of this implicit subsidy in the GASB 45/75 liabilities.

This valuation reflects the value of the implicit subsidy equal to \$1,536,481.

Breakdown by Employee/Retiree Group

Exhibit I, attached at the end of the report, shows a breakdown of the GASB 75 components by bargaining unit (or non-represented group) and separately by active employees (future retirees) and current retirees.

Certification

The actuarial certification, including a caveat regarding limitations of scope, if any, is contained in the "Actuarial Certification" section.

We have enjoyed working with the District on this project and are available to answer any questions you may have concerning any information contained herein.

Sincerely,
DEMSEY, FILLIGER AND ASSOCIATES



Carlos Diaz, MAAA, ASA, EA 17-5725
Consulting Actuary

Benefit Plan Provisions

SMFPD provides health care for employees, and dependents (and also for retirees and their dependents) through the Marin County Employees' Retirement Association (MCERA). SMFPD also offers dental and vision insurance through BRMS.

Retiree Coverage

Firefighters

Effective beginning with the 2011-12 fiscal year, Firefighters receive retiree health benefits pursuant to the terms of Section 11.1 of their Memorandum of Understanding (MOU), which states in relevant part that retired unit members with at least 20 years of service will receive a District contribution equal to 100% of the Kaiser Plan L retiree-only premium. Members with at least 10 but fewer than 20 years of service at retirement will receive a District contribution equal to the Kaiser L rate multiplied by 50% plus 5% per year of service in excess of 10 years. Members other than former Sausalito employees hired prior to July 1, 2010 with at least 30 years of service at retirement will also receive District-paid spousal coverage (up to 100% of the Kaiser "Plus 1" rate). Survivor benefits are available. Members hired on or after January 1, 2014 receive a Retiree Health Savings account, which is not within the scope of GASB 75.

Administrative Employees

Retired administrative employees hired prior to January 1, 2014 are eligible to receive an employer contribution equal to the retiree-only premium for the Kaiser Plan L rate (similar to Firefighters). Members hired on or after January 1, 2013 receive a Retiree Health Savings account, which is not within the scope of GASB 75.

Fire Chief Officers' Association (SMFCOA)

Retired Deputy Chief and Battalion Chiefs covered by IAFF Local 1775 are eligible to receive an employer contribution towards medical and dental insurance after the completion of 5 years of service and retirement from SMFPD through the Marin County Retirement System. Full-time employees of SMFCOA with 15 years of service qualify for continuation of District-paid spousal coverage. Survivor benefits are available. These provisions apply only to existing members of SMFCOA and Fire Chiefs who were employed and promoted prior to July 1, 2001. SMFCOA members hired or promoted after that date are subject to the same provisions as Firefighters, with the exception that SMFCOA retirees with at least 15 years of service are also eligible to receive District-paid dental insurance. Members hired on or after January 1, 2014 receive a Retiree Health Savings account, which is not within the scope of GASB 75.

**Benefit Plan Provisions
(Continued)**

Medical and Dental Premiums

The following table shows January 1, 2018 premiums for retirees in MCERA:

	Kaiser HMO Plan L	Delta Dental
<u>Basic Plan</u>		
Retiree	\$741.77	\$65.19
Retiree + 1	1,483.54	123.37
<u>Medicare Coordinated</u>		
Retiree	\$410.13	\$65.19
Retiree + 1ME	820.26	123.37

Valuation Data

Active and Retiree Census

Age distribution of retirees included in the valuation

Age	Total
Under 55	1
55-59	6
60-64	7
65-69	9
70-74	7
75-79	3
80-84	0
85-89	0
90+	<u>0</u>
All Ages	33
Average Age	66.1

Age/Years of service distribution of active employees included in the valuation

Years→	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
<u>Age</u>									
<25	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0
30-34	0	3	0	0	0	0	0	0	3
35-39	0	4	2	1	0	0	0	0	7
40-44	0	1	2	2	0	0	0	0	5
45-49	0	2	2	5	2	1	0	0	12
50-54	0	0	0	4	2	1	0	0	7
55-59	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0
65+	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
All Ages	0	10	6	12	4	2	0	0	34

Average Age: 44.6
Average Service: 14.7

Actuarial Assumptions

The liabilities set forth in this report are based on the actuarial assumptions described in this section.

Valuation Date:	July 1, 2018 (June 30, 2018)
Actuarial Cost Method:	Entry Age, Level Percent of Pay
Discount Rate:	
Accrued Liability	6.00% per annum
GASB 75	6.00% per annum
Return on Assets:	6.00% per annum
Salary Increases:	3.00% per annum
Pre-retirement Turnover:	According to Crocker-Sarason Table T-5 less mortality, reduced by 40% at all ages. Sample rates are as follows:

Age	Turnover (%)
25	4.6%
35	3.8
45	2.4
55	0.6

Pre-retirement Mortality: RP-2014 Employee Mortality, without projection. Sample deaths per 1,000 employees are as follows:

Age	Males	Females
25	0.48	0.17
35	0.52	0.29
45	0.97	0.66
55	2.79	1.67

Post-retirement Mortality: RP-2014 Healthy Annuitant Mortality, without projection. Sample deaths per 1,000 retirees are as follows:

Age	Males	Females
55	5.74	3.62
60	7.78	5.19
65	11.01	8.05
70	16.77	12.87
75	26.83	20.94
80	44.72	34.84
85	77.50	60.50
90	135.91	107.13

Actuarial Assumptions (Continued)
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Claim Cost per Retiree or Spouse:

Age	Medical/Rx	Dental
50	\$9,794	\$782
55	11,354	782
60	13,162	782
64	14,814	782
65	5,076	782
70	5,076	782
75	5,076	782

Retirement Rates:

Age	Percent Retiring*
45-49	3.0%
50	15.0
51	20.0
52	25.0
53	30.0
54	40.0
55	50.0
56	60.0
57	70.0
58	80.0
59	90.0
60	100.0

* Of those having met eligibility to receive retirement benefits. The percentage refers to the probability that an active employee who has reached the stated age will retire within the following year.

Trend Rate:

Healthcare costs were assumed to increase according to the following schedule:

FYB	Medical/Rx	Dental
2018	6.0%	4.0%
2019	5.5	4.0
2020	5.25	4.0
2021+	5.0	4.0

Percent of Retirees with Spouses:

Future Retirees: 25% of future retirees were assumed to have spouses. Female spouses assumed three years younger than male spouses.

Current Retirees: Based on actual spousal data.

Actuarial Certification

The results set forth in this report are based on our actuarial valuation of the health and welfare benefit plans of the Southern Marin Fire Protection District ("District") as of July 1, 2018 (June 30, 2018).

The valuation was performed in accordance with generally accepted actuarial principles and practices. We relied on census data for active employees and retirees provided to us by the District. We also made use of claims, premium, expense, and enrollment data, and copies of relevant sections of healthcare documents provided to us by the District, and (when applicable) trust statements prepared by the trustee and provided to us by the District.

The assumptions used in performing the valuation, as summarized in this report, and the results based thereupon, represent our best estimate of the actuarial costs of the program under GASB 74 and GASB 75, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits.

Throughout the report, we have used unrounded numbers, because rounding and the reconciliation of the rounded results would add an additional, and in our opinion unnecessary, layer of complexity to the valuation process. By our publishing of unrounded results, no implication is made as to the degree of precision inherent in those results. Clients and their auditors should use their own judgment as to the desirability of rounding when transferring the results of this valuation report to the clients' financial statements.

The undersigned actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

Certified by:



Carlos Diaz, MAAA, ASA, EA 17-5725
Consulting Actuary

**Southern Marin Fire Protection District
GASB 75 Valuation Results By Employee Group**

	<u>7/1/2018</u> <u>FireFighter</u>	<u>7/1/2018</u> <u>Battalion Chief</u>	<u>7/1/2018</u> <u>Fire Chief</u>	<u>7/1/2018</u> <u>Admin</u>	<u>7/1/2018</u> <u>Total All Groups</u>
District-paid Present Value of Benefits					
Actives	\$ 5,715,710	\$ 438,208	\$ -	\$ -	\$ 6,153,918
Retirees	<u>3,021,152</u>	<u>1,195,358</u>	<u>1,167,632</u>	<u>199,499</u>	<u>5,583,641</u>
Total District-Paid PVFB:	\$ 8,736,862	\$ 1,633,566	\$ 1,167,632	\$ 199,499	\$ 11,737,559
District-paid Total OPEB Liability					
Actives	\$ 4,262,969	\$ 344,382	\$ -	\$ -	\$ 4,607,351
Retirees	<u>3,021,152</u>	<u>1,195,358</u>	<u>1,167,632</u>	<u>199,499</u>	<u>5,583,641</u>
Total District-Paid TOL:	\$ 7,284,121	\$ 1,539,740	\$ 1,167,632	\$ 199,499	\$ 10,190,992
Assets ¹	<u>(2,436,884)</u>	<u>(515,116)</u>	<u>(390,628)</u>	<u>(66,742)</u>	<u>(3,409,370)</u>
District-paid Net OPEB Liability	\$ 4,847,237	\$ 1,024,624	\$ 777,004	\$ 132,757	\$ 6,781,622
<u>Components of Net OPEB Expense</u>					
Service Cost at Year-end	\$ 220,722	\$ 13,490	\$ -	\$ -	\$ 234,212
Interest Cost	430,238	89,521	67,118	11,614	598,491
Expected Return on Assets	<u>(153,714)</u>	<u>(32,493)</u>	<u>(24,640)</u>	<u>(4,210)</u>	<u>(215,057)</u>
Total ²	\$ 497,246	\$ 70,518	\$ 42,478	\$ 7,404	\$ 617,646

1. Assets, if any, allocated in proportion to AL for illustration purposes only; GASB 75 does not provide authority for this calculation.

2. Does not include Deferred Inflows/Outflows components that may apply at fiscal year-end.