

CHAMBERS COUNTY, TEXAS POSTRETIREMENT HEALTH PLAN

GASB 74/75 ACTUARIAL VALUATION
AS OF JANUARY 1, 2025



FOR THE DECEMBER 31, 2024
FINANCIAL STATEMENT REPORTING

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Actuarial GASB Disclosures Statements 74 and 75



Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

CHAMBERS COUNTY, TEXAS POSTRETIREMENT HEALTH PLAN

Fiscal Year Ending: December 31, 2024

Actuarial Valuation Date: January 1, 2025

Measurement Date: December 31, 2024

Submitted by:

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May 14, 2025

LAUTERBACH & AMEN, LLP



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ACTUARIAL CERTIFICATION

This certification provides supplemental information as required by the Governmental Accounting Standards Board. The enclosed schedules were prepared by the undersigned to provide general information to assist in the preparation of the Annual Financial Report. The assumptions and methods used in the preparation of this disclosure meet the parameters set for the disclosures presented in the financial section as required by the Governmental Accounting Standards Board. Additional information is also provided solely to assist the auditors in preparation of the required footnote disclosures.

The results in this report are based on information and data submitted by Chambers County, Texas. We did not prepare the Actuarial Valuations for the years prior to January 1, 2008. Those valuations were prepared by other Actuaries whose reports have been furnished to us, and our disclosures are based upon those reports. An audit of the information was not performed, but high-level reviews were performed for general reasonableness as appropriate based on the purpose of the valuation. The accuracy of the results is dependent upon the precision and completeness of the underlying information. The results of the Actuarial Valuation and these supplemental disclosures rely on the information provided.

The valuation results summarized involve actuarial calculations that require assumptions about future events. Chambers County, Texas selected certain assumptions, while others were the result of guidance and/or judgment. We believe that the assumptions used in the valuation are reasonable and appropriate for the purposes for which they have been used.

In preparing the results, our Actuaries used commercially available software (ProVal) developed by Winklevoss Technologies, LLC. This software is widely used for the purpose of performing Actuarial Valuations. Our Actuaries coded the plan provisions, assumptions, methods, and participant data summarized in this report, and reviewed the liability and cost outputs for reasonableness. We are not aware of any material weaknesses or limitations in the software, and have determined it is appropriate for performing this valuation.

To the best of our knowledge, all calculations are in accordance with the applicable funding requirements, and the procedures followed and presentation of results conform to generally accepted actuarial principles and practices. The undersigned consultants of Lauterbach & Amen, LLP, with actuarial credentials, meet the Qualification Standards of the American Academy of Actuaries to render this Actuarial Certification. There is no relationship between Chambers County, Texas and Lauterbach & Amen, LLP that impairs our objectivity.

Respectfully Submitted,

LAUTERBACH & AMEN, LLP

Todd A. Schroeder, ASA, FCA, EA, MAAA

David Murciano, ASA, FCA, EA, MAAA



MANAGEMENT SUMMARY

Comments and Analysis



COMMENTS AND ANALYSIS

The following paragraphs are intended to describe the changes in Total OPEB Liability that occurred between the County's last Measurement Date of December 31, 2023 and the current Measurement Date of December 31, 2024.

For the prior Measurement Date, the Employer elected to determine the Total OPEB Liability under limited procedures as allowed under GASB Statement Number 75. A full valuation was not run. Changes in the market discount rates were reflected but full census and premium information was not collected and processed. Changes that are reflected in Total OPEB Liability year over year may be reflective of Member population updates or claims/premium experience over the course of two years.

Expected Increase in Total OPEB Liability

Each year the Total OPEB Liability is expected to increase with interest and the accrual of additional service by active plan Members. The increases are offset by decreases in liability due to benefit payments. The expected Total OPEB Liability increase for the current year was approximately \$1,221,000.

In addition to the expected increase in Total OPEB Liability, additional changes in Total OPEB Liability occurred between the prior valuation and the current year. Below are the key components of those changes.

Demographic Experience

The current valuation census contains 12 retirees while the previous valuation census contained 17. The current valuation census contains 529 active employees, 4 of whom are waiving coverage. The previous valuation census contained 497 total actives, 8 of whom were waiving coverage.

Net medical costs on an employer basis came in higher than expected.

Total demographic experience resulted in a net increase in the Total OPEB Liability in the current year of approximately \$6,654,000. The primary reason for the loss is due to net employer medical costs coming in higher than expected.

Plan Changes

There have been no changes to the plan provisions.



COMMENTS AND ANALYSIS – CONTINUED

Discount Rate

The Discount Rate remained the same at 5.50%. See the *Discount Rate* section of this report for further details.

Assumption Changes

The termination and election rate assumptions have been updated in the current year based on our review of participant behavior over the last few years. We also revised the expected increases in medical costs assumption. All the current assumption rates utilized can be found in the *Statement of Significant Actuarial Assumptions* section of this report.

The changes in the assumptions were made to better reflect the future anticipated experience in the plan. The changes in assumptions resulted in a net decrease in the Total OPEB Liability in the current year of approximately \$5,823,000.



POSTRETIREMENT PLAN NET POSITION

Statement of OPEB Plan Net Position
Statement of Changes in OPEB Trust and OPEB Plan Net Position
Statement of OPEB Plan Benefit Payments and Contributions



STATEMENT OF OPEB PLAN NET POSITION

	<u>12/31/2023</u>	<u>12/31/2024</u>
Assets		
Cash and Cash Equivalents	\$ 14,352,922	\$ 17,447,752
Total Cash	<u>14,352,922</u>	<u>17,447,752</u>
Receivables:		
Due from County	-	-
Investment Income - Accrued Interest	-	-
Other	-	-
Total Receivables	<u>-</u>	<u>-</u>
Investments:		
Common Stock	-	-
Total Investments	<u>-</u>	<u>-</u>
Total Assets	<u>14,352,922</u>	<u>17,447,752</u>
Liabilities		
Payables:		
Expenses Due/Unpaid	-	-
Other	-	-
Total Liabilities	<u>-</u>	<u>-</u>
Net Position Restricted for Postretirement Plan	<u>\$ 14,352,922</u>	<u>\$ 17,447,752</u>

The OPEB Plan Net Position shown above is intended to be in accordance with GAAP and GASB rules. The Fair Market Value of Investments has been provided by the County, and the results are being audited by an independent auditor. The County has also confirmed that the Trust is an irrevocable Trust, as defined by GASB statements 74/75, and used solely for the purpose of funding the OPEB benefits. The assets have been reviewed for reasonableness, but we make no representation as to the accuracy of the measurement of the fair market value of the investments or the designation as an irrevocable Trust. The assets for the Fiscal Year ending December 31, 2024 are based on year end financials only and are preliminary and tentative, subject to change as of the preparation of this report.



STATEMENT OF CHANGES IN OPEB TRUST AND OPEB PLAN NET POSITION

	<u>12/31/2024</u> <u>OPEB Trust</u>	<u>12/31/2024</u> <u>OPEB Plan</u>
Additions		
Contributions		
Employer	\$ 2,179,116	\$ 2,782,269
Member	-	-
Other	-	-
Total Contributions	<u>2,179,116</u>	<u>2,782,269</u>
Investment Income		
Net Appreciation in Fair Value of Investments	989,904	989,904
Interest and Dividends	-	-
Less Investment Expense	-	-
Net Investment Income	<u>989,904</u>	<u>989,904</u>
Total Additions	<u>3,169,020</u>	<u>3,772,173</u>
Deductions		
Benefit Payments	-	603,153
Administrative Expense	74,190	74,190
Other	-	-
Total Deductions	<u>74,190</u>	<u>677,343</u>
Net Increase in Net Position	<u>3,094,830</u>	<u>3,094,830</u>
Net Position Restricted for Postretirement Plan		
Beginning of Year	<u>14,352,922</u>	<u>14,352,922</u>
End of Year	<u>\$ 17,447,752</u>	<u>\$ 17,447,752</u>

The OPEB Plan Net Position shown above is intended to be in accordance with GAAP and GASB rules. The Fair Market Value of Investments has been provided by the County, and the results are being audited by an independent auditor. The County has also confirmed that the Trust is an irrevocable Trust, as defined by GASB statements 74/75, and used solely for the purpose of funding the OPEB benefits. The assets have been reviewed for reasonableness, but we make no representation as to the accuracy of the measurement of the fair market value of the investments or the designation as an irrevocable Trust. The assets for the Fiscal Year ending December 31, 2024 are based on year end financials only and are preliminary and tentative, subject to change as of the preparation of this report.



STATEMENT OF OPEB PLAN BENEFIT PAYMENTS AND CONTRIBUTIONS

	<u>12/31/2024</u>
Employer Contributions	
OPEB Trust Contributions	\$ 2,179,116
Contributions from Other County Resources*	<u>603,153</u>
Total OPEB Plan Contributions	<u>\$ 2,782,269</u>
Employer Benefit Payments	
Benefit Payments from Trust	\$ -
Payments from Other County Resources*	<u>603,153</u>
Total OPEB Plan Benefit Payments	<u>\$ 603,153</u>

A portion of the Employer Contributions and Benefit Payments is based on the cost sharing provisions. In addition, a portion is related to the increase in active premiums due to the presence of retirees in the determination of blended retiree/active premiums.

*Contributions from Other County Resources and Benefit Payments from Other County Resources refers to contributions made to and benefit payments made from the OPEB Plan that were not directly made to or from the OPEB Trust.

Of the benefit payments from Other County Resources, \$403,775 are explicit benefit payments due to the retiree plan provisions and \$199,378 are implicit benefit payments due to the presence of retirees in the determination of the blended retiree/active premiums.



ACTUARIAL OPEB LIABILITY INFORMATION

Statement of Total OPEB Liability
Expected Benefit Payments
Statement of Changes in Total OPEB Liability
Statement of Changes in Net OPEB Liability
Deferred Outflows and Inflows of Resources
Deferred Outflows and Inflows of Resources – Details
OPEB Expense Development



STATEMENT OF TOTAL OPEB LIABILITY

	<u>12/31/2023</u>	<u>12/31/2024</u>
Total Active Employees	\$ 13,129,722	\$ 14,669,973
Inactive Employees Currently Receiving Benefit Payments	525,839	1,037,104
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	-	-
Total Inactive Employees	<u>525,839</u>	<u>1,037,104</u>
Total OPEB Liability	<u>\$ 13,655,561</u>	<u>\$ 15,707,077</u>

The Total OPEB Liability shown is dependent on several factors such as Plan Provisions and assumptions used in the report. In addition, the calculation of the Total OPEB Liability may be dependent on the OPEB Plan Net Position shown in the *Statement of OPEB Trust and OPEB Plan Net Position* section of this report. Changes in the OPEB Plan Net Position due to any factor, including adjustment on final audit, could change the Total OPEB Liability. The dependence of the Total OPEB Liability on the Net Position is due to the role of the Net Position (and projected Net Position) on the determination of the discount rate used for the Total OPEB Liability.

The Total OPEB Liability has been determined for GASB 74/75 reporting purposes only. The resulting Total OPEB Liability is intended to be used in the financial statement reporting of the postretirement plan and/or the Employer. The resulting liability is not intended to be a representation of the postretirement plan liability for other purposes, including but not limited to determination of cash funding requirements and recommendations, if applicable.



EXPECTED BENEFIT PAYMENTS

Subsequent to the Measurement Date, the following amounts are expected to be paid out in benefits in upcoming years:

Year Ended	
December 31:	
2025	\$ 678,654
2026	845,248
2027	878,465
2028	991,302
2029	1,279,988

The table above represents the expected benefit payments for the next 5 years under the OPEB Plan. Benefit payments in an OPEB plan do not necessarily imply the existence of an OPEB trust. The payments include obligations that come from other employer resources. Benefit payments may include direct payments made by the employer for health coverage for the retiree group. Benefit payments may also reflect implicit payments made by the employer that are based on the existence of retirees on employer medical coverage, that are not directly linked to retiree premiums or stipends.



STATEMENT OF CHANGES IN TOTAL OPEB LIABILITY

Total OPEB Liability	12/31/2024
Service Cost	\$ 1,089,436
Interest	734,470
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	6,653,551
Changes in Assumptions	(5,822,788)
Benefit Payments*	(603,153)
Net Change in Total OPEB Liability	2,051,516
Total OPEB Liability - Beginning	13,655,561
Total OPEB Liability - Ending (a)	<u>\$ 15,707,077</u>
OPEB Plan Net Position - Ending (b)	<u>\$ 17,447,752</u>
Employer's Net OPEB Liability/(Asset) - Ending (a) - (b)	<u>\$ (1,740,675)</u>
OPEB Plan Net Position as a Percentage of the Total OPEB Liability	111.08%
Covered-Employee Payroll	\$ 39,042,567
Employer's Net OPEB Liability as a Percentage of Employee Payroll	-4.46%

*See the benefit breakdown in the *Statement of OPEB Plan Benefit Payments and Contributions* section of this report.

The OPEB Plan Net Position was detailed in the prior section of this report. The Employer's Net OPEB Liability is the excess of the Total OPEB Liability over the OPEB Plan Net Position. The changes in the Net OPEB Liability related to changes in assumptions are due to changes detailed in the *Management Summary* section of this report.

Total OPEB Liability may be dependent on the Net Position of the postretirement plan. Any changes in Net Position, including adjustments on final audit, can have an impact on Net OPEB Liability that extends beyond the dollar-for-dollar change in Net Position.

Covered-Employee Payroll is based on Total Covered Payroll for the postretirement plan Members during the Fiscal Year.



STATEMENT OF CHANGES IN NET OPEB LIABILITY

The table below illustrates the change in the Net OPEB Liability from the prior Measurement Date to the current Measurement Date. Under Statement 75, the difference between the Net OPEB Liability from the prior Measurement Date to the current Measurement Date should be recognized as an expense, unless permitted to be recognized as a Deferred Outflow or Inflow of Resources.

	Increase (Decrease)		
	Total OPEB Liability (a)	OPEB Plan Net Position (b)	Net OPEB Liability (a) - (b)
Balances Beginning at 1/1/2024	\$ 13,655,561	\$ 14,352,922	\$ (697,361)
Changes for the year:			
Service Cost	1,089,436	-	1,089,436
Interest	734,470	-	734,470
Actuarial Experience	6,653,551	-	6,653,551
Assumptions Changes	(5,822,788)	-	(5,822,788)
Plan Changes	-	-	-
Contributions - Employer	-	2,782,269	(2,782,269)
Contributions - Employee	-	-	-
Contributions - Other	-	-	-
Net Investment Income	-	989,904	(989,904)
Benefit Payments from the Plan	(603,153)	(603,153)	-
Administrative Expense	-	(74,190)	74,190
Net Changes	<u>2,051,516</u>	<u>3,094,830</u>	<u>(1,043,314)</u>
Balances Ending at 12/31/2024	<u>\$ 15,707,077</u>	<u>\$ 17,447,752</u>	<u>\$ (1,740,675)</u>

The changes in Total OPEB Liability above are described on the prior page. The OPEB Plan Net Position was detailed in the prior section of this report. The Employer’s Net OPEB Liability is the excess of the Total OPEB Liability over the OPEB Plan Net Position.



DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

The table below shows the cumulative amounts to be shown as Deferred Outflows and Inflows of Resources. Changes in Total OPEB Liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB Expense over the expected remaining service life of all employees (active and retired) in the postretirement plan. Differences in projected and actual earnings over the measurement period are recognized over a 5-year period. Amounts not yet recognized are summarized below:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 6,119,316	\$ 1,077,359
Changes of Assumptions	304,856	5,552,944
Net Difference Between Projected and Actual Earnings on Postretirement Plan Investments	837,392	583,433
Total Deferred to Be Recognized in Future Expense	<u>\$ 7,261,564</u>	<u>\$ 7,213,736</u>
Contributions Subsequent to the Measurement Date*	\$ -	\$ -
Total	<u>\$ 7,261,564</u>	<u>\$ 7,213,736</u>

*Contributions subsequent to the Measurement Date may be recognized as a reduction to the Net OPEB Liability. The amount is not known as of the date of this report. Subsequent to the Measurement Date, the following amounts will be recognized in OPEB Expense in the upcoming years:

Year Ended	
December 31:	
2025	\$ 170,835
2026	160,427
2027	(253,062)
2028	(112,049)
2029	(71,952)
Thereafter	153,629



DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES - DETAILS

The table below shows the annual detail amounts that have been summarized on the prior page. Under Statement 75, the level of detail shown on the prior page is sufficient for financial statement reporting. The detail shown below is primarily for tracking purposes.

OPEB Expense Source	Date Established	Initial Period	Initial Balance	Remaining Period	12/31/2024 Expense Recognized	12/31/2024 Deferred Balance
Asset Gain	12/31/2024	5.00	\$ (200,493)	5.00	\$ (40,099)	\$ (160,394)
Change in Assumptions Gain	12/31/2024	12.04	(5,822,788)	12.04	(483,621)	(5,339,167)
Actuarial Loss	12/31/2024	12.04	6,653,551	12.04	552,621	6,100,930
Asset Gain	12/31/2023	5.00	(705,067)	4.00	(141,014)	(423,039)
Asset Loss	12/31/2022	5.00	2,067,476	3.00	413,496	826,988
Change in Assumptions Loss	12/31/2022	12.00	406,478	10.00	33,874	304,856
Actuarial Loss	12/31/2022	12.00	24,518	10.00	2,044	18,386
Asset Loss	12/31/2021	5.00	52,020	2.00	10,404	10,404
Asset Gain	12/31/2020	5.00	(358,097)	1.00	(71,617)	-
Change in Assumptions Gain	12/31/2020	12.30	(360,202)	8.30	(29,285)	(213,777)
Actuarial Gain	12/31/2020	12.30	\$ (1,815,284)	8.30	\$ (147,585)	\$ (1,077,359)
Total			\$ (57,888)		\$ 99,218	\$ 47,828

Each detail item in the chart above was established as of the Fiscal Year-End shown and the full amount deferred has been determined as of that time. Any events that occur in subsequent Fiscal Years do not have an impact on the prior Fiscal Year. The bases are established independently each year.



OPEB EXPENSE DEVELOPMENT

The table below displays the OPEB Expense development for the current year. The OPEB Expense includes items that change the Net OPEB Liability from one year to the next, netted out for amounts that are deferred under GASB pronouncement, plus any amounts that are being recognized that were deferred previously.

See below for development of the OPEB Expense:

	<u>12/31/2024</u>
OPEB Expense/(Income) Under GASB 75	
Service Cost	\$ 1,089,436
Interest	734,470
Plan Changes	-
Contributions - Employee	-
Contributions - Other	-
Expected Investment Income	(789,411)
Administrative Expense	74,190
Other Changes	-
Initial OPEB Expense/(Income)	<u>1,108,685</u>
Recognition of Outflow/(Inflow) of Resources due to Liabilities	(71,952)
Recognition of Outflow/(Inflow) of Resources due to Assets	<u>171,170</u>
Total OPEB Expense/(Income)	<u>\$ 1,207,903</u>



ACTUARIAL ASSUMPTION INFORMATION

Statement of Significant Actuarial Assumptions
Assumption Changes
Expected Return on OPEB Plan Investments
Municipal Bond Rate
Discount Rate
Inflation Rate
Development of Starting Claims Costs
Assessment and Use of Actuarial Models
Sensitivity of the Discount Rate
Sensitivity of the Healthcare Cost Trend Rates



STATEMENT OF SIGNIFICANT ACTUARIAL ASSUMPTIONS

Assumptions (Economic)

Discount Rate Used for the Total OPEB Liability

Beginning of Year	5.50%
End of Year	5.50%

Long-Term Expected Rate of Return on Plan Assets 5.50%

High Quality 20 Year Tax-Exempt G.O. Bond Rate

Beginning of Year	3.26%
End of Year	4.08%

Total Payroll Increases 3.00%

Claims and Premiums See Accompanying Tables

Healthcare Cost Trend Rates See Accompanying Tables

Retiree Contribution Rates Same as Healthcare Cost Trend Rates

Blended Premium Rates See accompanying table for premiums charged for coverage.

Annual Blended Premiums				
	Under Age 65		Age 65 & Over	
	Retiree	Spouse	Retiree	Spouse
PPO	\$17,178	\$10,097	N/A	N/A

Healthcare Cost Trend Rates

The initial trend rate is based on the 2025 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range. (Paragraph 57a of GASB 74)

Plan	Initial Trend	Ultimate Trend	Amount of	Years Between	Year Ultimate
			Trend Decrease	Trend Decreases	Trend Reached
PPO	7.90%	5.00%	0.32%	1	2034



STATEMENT OF SIGNIFICANT ACTUARIAL ASSUMPTIONS – CONTINUED

Claims See accompanying tables for claims and age-grading factors used to calculate them:

Projected Claims Costs (Age 64)				
	Retiree		Spouse	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
PPO	\$33,366	\$30,190	\$33,366	\$30,190

Claims Age-Adjustment Factors (Adjusted From Age 64)				
Age	Retiree		Spouse	
	Male	Female	Male	Female
50	0.5632	0.7151	0.5632	0.7151
55	0.7620	0.8153	0.7620	0.8153
60	1.0000	1.0000	1.0000	1.0000
64	1.0000	1.0000	1.0000	1.0000
65	0.4765	0.4207	0.4765	0.4207
70	0.5480	0.4838	0.5480	0.4838
75	0.6303	0.5562	0.6303	0.5562
80	0.6303	0.5562	0.6303	0.5562
85	0.6303	0.5562	0.6303	0.5562
90	0.6303	0.5562	0.6303	0.5562

Assumptions (Demographic)

Election at Retirement Coverage election at retirement is assumed at the following rates:

Active	67%
---------------	------------

If an employee has waived active medical coverage, it is assumed they will elect coverage in the retiree medical plan at 1/3 the rate of active employees currently with coverage.

Spousal Election Of those employees assumed to elect coverage in retirement, 30% are assumed to elect spousal coverage. Female spouses are assumed to be 3 years younger than male spouses.



STATEMENT OF SIGNIFICANT ACTUARIAL ASSUMPTIONS – CONTINUED

Retiree Lapse Rates Retirees receiving medical coverage are expected to lapse all coverages at age 65 at the following rates:

Retirees	N/A
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Retirement Rates Based on Rates from the Texas County & District Retirement System (TCDRS) Investigation of the Experience Report dated November 19, 2021 before Age 60, with Accelerated Rates after Age 60; Cap Age 65. Sample Rates as follows:

Age	Service			
	< 15 Years	15-24 Years	25-29 Years	> 29 Years
52	0.060	0.072	0.088	0.100
53	0.060	0.072	0.088	0.100
54	0.068	0.081	0.099	0.113
62	0.499	0.498	0.500	0.535
63	0.719	0.693	0.668	0.654
64	1.000	1.000	1.000	1.000

Termination Rates Based on Rates from the Texas County & District Retirement System (TCDRS) Investigation of the Experience Report dated November 19, 2021 with 0% if within 2 years of Retirement Eligibility for Chambers County, Texas.

Disability Rates None

Mortality Rates TCDRS Mortality follows the Sex Distinct Raw Rates developed in the Pub-2010 Study for General Employees. These Rates are improved Generationally using the MP-2021 Improvement Rates and Weighted based on the Texas County & District Retirement System Investigation of the Experience Report dated November 19, 2021.

All mortality rates are adjusted for retirement status.



ASSUMPTION CHANGES

The termination and election rate assumptions have been updated in the current year based on our review of participant behavior over the last few years.

The assumed rate on High Quality 20-year Tax-Exempt G.O. Bonds was changed from 3.26% to 4.08% for the current year. The underlying index used is the Bond Buyer 20-Bond GO Index as discussed in more detail later in this section. The choice of index is unchanged from the prior year. The rate has been updated to the current Fiscal Year end based on changes in market conditions as reflected in the Index. The change was made to reflect our understanding of the requirements of GASB under Statement 74 and Statement 75.

EXPECTED RETURN ON OPEB PLAN ASSETS

The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return for each of the major asset classes in the plan's investment policy. Long-term expected real returns under GASB are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The long-term expected rates of return on assets have not been provided by the County or the plan's investment advisor and should be included as part of the financial statement reporting.



MUNICIPAL BOND RATE

The Municipal Bond Rate assumption is based on The Bond Buyer 20-Bond GO Index. The beginning of year rate shown earlier in the *Statement of Significant Assumptions* section of this report is the 3.26% rate, and the end of year rate shown is the 4.08% rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

DISCOUNT RATE

The discount rate used in the determination of the Total OPEB Liability is based on a combination of the Expected Long-Term Rate of Return on Plan Assets and the Municipal Bond Rate. If the Employer does not have a trust dedicated exclusively to the payment of OPEB benefits, then only the Municipal Bond Rate is used in determining the Total OPEB Liability.

If the postretirement plan is funded, as is the case with the County, cash flow projections are used to determine the extent which the plan's future Net Position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected Net Position, the expected rate of return on plan investments is used to determine the portion of the Net OPEB Liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected Net Position, the Municipal Bond Rate is used to determine the portion of the Net OPEB Liability associated with those payments.

Projected benefit payments are determined during the valuation process based on the assumptions. More details on the assumptions are in the *Statement of Significant Assumptions* section of this report. The expected contributions are based on the Funding Policy of the plan. The Funding Policy is discussed in more detail in a later section.

INFLATION RATE

The Long-Term Inflation Expectation used is 2.50%, which is an underlying component of the discount rate and assumed health care trend rates.



DEVELOPMENT OF STARTING CLAIMS COSTS

Starting costs for the County's Plan were developed based on the blended premiums charged for coverage. The insurance carrier charges actives and retirees the same premium rates. According to GASB, when an Employer provides benefits to both active employees and retirees through the same plan, the benefits to retirees should be segregated and measured independently for actuarial measurement purposes. The projection of future retiree benefits should be based on claims costs, or age-adjusted premiums approximating claims costs, for retirees. As such, premiums were estimated for under-65 retirees and their spouses as if they were rated on a stand-alone basis. The results were disaggregated in such a way that the weighted average of the age costs of the County's Plan current population would tie directly back to the estimated premium for under-65 retirees and their spouses. We have also made an adjustment to the age costs for those who are Medicare eligible to reflect the impact of the County's Plan respective coordination with Medicare.

The County's Plan is part of a pooled health plan where the total underlying population data consisting of all the employers of the pooled health plan is unavailable. Under ASOP 6, when this occurs we must make a reasonable assumption regarding the underlying population distribution. We have estimated the underlying population of the pooled health plan using the collection of census data of our clients that would most match the population of the pooled health plan.

The medical cost increase represents the combination of the inflation in the price of health care services, changes in utilization (other than age-related changes), technological advances in medical care, and changes in the health status of plan participants. No adjustment has been made to the expected medical trend for the impact of COVID-19. An analysis of this matter is beyond the scope of this valuation. The future impact may result in material changes in claims beyond the date of this valuation. Information about the future cost impact of this disease is thin. Some of the variables include projected inflation rates due to localized experience, the amount of postponed and avoided medical care services, the amount and timing of the catch-up of deferred care, the impact of COVID-19 on other conditions such as stress and depression, impacts on general economic conditions, and other factors.



ASSESSMENT AND USE OF ACTUARIAL MODELS

Actuarial Valuations rely upon the use of actuarial modeling software to predict the occurrence of future events, which include specific demographic and financial potential outcomes. Actuarial assumptions are established to provide a guideline to use for such modeling.

- The model used in this Actuarial Valuation is intended to determine the Total OPEB Liability to assist in the preparation of the Annual Comprehensive Financial Report. The actuarial assumptions used were developed with this goal in mind.
- There are no known material limitations or inconsistencies among the actuarial assumptions or methods.
- The output from the model is reasonable based on the individual actuarial assumptions and based on the actuarial assumptions in the aggregate.
- The actuarial software used to calculate plan liabilities has been purchased from an outside vendor. We have performed thorough testing of the software, including review of sample participants, to ensure the intended purpose of the model, the operation of the model, sensitivities and dependencies, and strengths and limitations of the model are sufficient for this purpose.
- Census data and financial information have been provided by client professionals, financial advisors, and/or auditors, who are known to be experts in their respective fields. We rely on the fact that the information provided by these experts has been given for the intended purpose of this Actuarial Valuation.
- Where applicable, certain actuarial assumptions and Funding Policy may be required as prescribed by law. In such instances, we have followed legal guidance to ensure conformity.
- The Expected Rate of Return on Investments assumption has been chosen using input from several sources; including, but not limited to: client professionals, financial advisors, auditors, and other capital market outlooks. We have relied on the information provided, in the aggregate, to settle on the selected Expected Rate of Return on Investments assumption.



SENSITIVITY OF THE DISCOUNT RATE

The Net OPEB Liability has been determined using the end of year discount rate listed in the *Statement of Significant Assumptions* section. Below is a table illustrating the sensitivity of the Net OPEB Liability to the discount rate assumption.

	1% Decrease (4.50%)	Current Discount Rate (5.50%)	1% Increase (6.50%)
Employer's Net OPEB Liability/(Asset)	(\$165,033)	(\$1,740,675)	(\$3,113,078)

The sensitivity of the Net OPEB Liability to the discount rate is based primarily on two factors:

1. The duration of the plan's expected benefit payments. Younger plans with benefit payments further in the future will be more sensitive to changes in the discount rate.
2. The funded percentage of the plan (ratio of the Net Position to the Total OPEB Liability). The higher the funded percentage, the higher the sensitivity to the discount rate.

SENSITIVITY OF THE HEALTHCARE COST TREND RATES

Below is a table illustrating the sensitivity of the Net OPEB Liability to the Healthcare Cost Trend Rates assumption.

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Employer's Net OPEB Liability/(Asset)	(\$3,430,115)	(\$1,740,675)	\$288,014

Please refer to the *Assumptions (Economic)* section for full list of assumed trend rates.



PARTICIPANT DATA

Participant Demographic Data
Expected Future Working Lifetime



PARTICIPANT DEMOGRAPHIC DATA

The chart below summarizes the employee count of plan Members:

Measurement Date	<u>12/31/2023</u>	<u>12/31/2024</u>
Total Active Employees	497	529
Inactive Employees Currently Receiving Benefit Payments	17	12
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0	0
Total	<u>514</u>	<u>541</u>

Participant count is shown as of the Fiscal Year-End date. The data is assumed to be a reasonable representation of data as of the Measurement Date and may have been collected on or before the Fiscal Year-End date.

The above total active employee counts include 4 participants who have waived medical coverage. If an employee has waived active medical coverage, it is assumed they will elect coverage in the retiree medical plan at 1/3 the rate of active employees currently with coverage.

EXPECTED FUTURE WORKING LIFETIME

The chart below summarizes the expected future working lifetime of plan Members:

Measurement Date	<u>12/31/2023</u>	<u>12/31/2024</u>
Average Future Working Career (In Years)		
Active Plan Members	12.41	12.31
Inactive Plan Members	0.00	0.00
Total	12.00	12.04

The expected future working lifetime is measured as of the Actuarial Valuation Date and is based on the demographic assumptions used in the preparation of this report.



FUNDING POLICY

Components of the Actuarially Determined Contribution
Formal Funding Policy
Informal Funding Policy



COMPONENTS OF THE ACTUARIALLY DETERMINED CONTRIBUTION

The Actuarially Determined Contribution (“ADC”) includes the determination of the Normal Cost contribution for active plan Members, as well as a provision for the payment of Unfunded Liability.

The actuarial funding method used in the determination of the normal cost and the actuarial liability is the Entry Age Normal Cost method (level percent of pay). The method allocates normal cost contributions by employee over the working career of the employee as a level percent of their pay.

Unfunded Liability is the excess of the actuarial liability over the actuarial value of assets. The ADC includes a payment towards unfunded liability existing at the actuarial valuation date. The payment towards unfunded liability is set up as a level percent of payroll payment. The current year’s employer contributions are being compared to the ADC as developed in the January 1, 2023 OPEB Funding Actuarial Report. The period of repayment as of that valuation is based on a layered amortization with new sources of unfunded liability paid off over 10 years.

Asset returns that vary from expectations are being smoothed over a five-year period of time.

FORMAL FUNDING POLICY

A Formal Funding Policy exists between Chambers County and the Chambers County Postretirement Health Plan. The Policy states that the County will contribute 100% of the Actuarially Determined Contribution (reported in a separate Funding Report for the County). The ADC includes a payment towards unfunded liabilities which are amortized by level percentage of pay contributions to a 100% funding target over 10 future years. Any new unfunded liability will be handled separately.

INFORMAL FUNDING POLICY

In determining the most appropriate informal funding policy, GASB provides the following guidance in the Statement:

Application of professional judgment should consider the most recent five-year contribution history of the employers and nonemployer contributing entities as a key indicator of future contributions from those sources and should reflect all other known events and conditions. ... the amount of projected cash flows for contributions from employers and nonemployer contributing entities should be limited to an average of contributions from those sources over the most recent five-year period and may be modified based on consideration of subsequent events. For this purpose, the basis for the average (for example, percentage of covered payroll contributed or percentage of actuarially determined contributions made) should be a matter of professional judgment.



INFORMAL FUNDING POLICY - CONTINUED

In our review of informal funding policy, the following factors are considered and described herein:

1. The five-year contribution history of the Employer (with a focus on the average contributions from those sources)
2. All other known events and conditions
3. Consideration of subsequent events

Five-Year Contribution History of the Employer

Employer contributions (under the informal policy) should be limited to the average over the most recent five years. In determining the basis for the average, we reviewed three possibilities: (a) the average dollar contribution; (b) the average percent of pensionable pay; and (c) the average percent of the actuarial determined contribution. Please see the table below for a summary of these values:

<u>Fiscal Year End</u>	<u>Employer Contributions</u>	<u>Most Applicable ADC</u>	<u>% of ADC</u>	<u>Covered Payroll</u>	<u>% of Payroll</u>
12/31/2024	\$2,179,116	\$1,390,715	157%	\$39,042,567	5.58%
12/31/2023	\$3,519,268	\$1,231,183	286%	\$23,809,002	14.78%
12/31/2022	\$1,384,914	\$1,250,718	111%	\$23,115,536	5.99%
12/31/2021	\$2,291,491	\$1,710,626	134%	\$22,498,142	10.19%
12/31/2020	\$2,560,279	\$1,710,626	150%	\$21,023,938	12.18%

Informal Funding Policy – Selected

There is a Formal Funding Policy that exists between the Postretirement Health Plan and the County. See the *Formal Funding Policy* section of this report for further details. For this reason, we have not determined an informal funding policy for GASB 74/75 reporting purposes.

Other Known Events and Conditions

GASB has a provision for consideration of any other known events or conditions in the most recent five-year history in applying judgement for the informal funding policy. There are no events or conditions that have been considered in the development of the informal funding policy.



INFORMAL FUNDING POLICY - CONTINUED

Consideration of Subsequent Events

GASB has a provision for modification based on consideration of subsequent events in development of the informal funding policy. There are no subsequent events that have been considered in the development of the informal funding policy.

FUNDING POLICY – OTHER CONSIDERATIONS

Under GASB, the future contribution amount is not intended to include dollars contributed on behalf of future employees. Contributions are only intended to cover contributions towards the Normal Cost of existing employees as of the Actuarial Valuation Date as well as payment of unfunded liability on behalf of the current existing employees. Contributions under the funding policy have been adjusted as necessary to exclude dollars that would be anticipated to be contributed on behalf of future employees hired after the actuarial valuation date.

The contribution level may not pay off the unfunded liability during the active working lifetimes of current employees. In that case contributions will persist beyond the working lifetimes of current employees. To the extent a portion of the above total contribution is anticipated to pay contributions for future employee normal cost, the amount has been netted out. The remaining amount is anticipated to be paid towards the unfunded liability existing for current employees.



SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the Net OPEB Liability
Schedule of Total OPEB Liability and Related Ratios
Schedule of Contributions
Notes to Schedule of Contributions



SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY

	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Total OPEB Liability										
Service Cost	\$ 1,089,436	\$ 1,032,641	\$ 942,425	\$ 893,294	\$ 757,699	\$ 939,796	\$ 890,802			
Interest	734,470	670,502	587,155	532,555	610,447	567,001	524,901			
Changes of Benefit Terms	-	-	-	-	-	-	-			
Differences Between Expected and Actual Experience	6,653,551	-	24,518	-	(1,815,284)	-	-			
Change in Assumptions	(5,822,788)	-	406,478	-	(360,202)	-	-			
Benefit Payments	(603,153)	(477,051)	(413,277)	(453,024)	(764,679)	(669,097)	(631,365)			
Net Change in Total OPEB Liability	\$ 2,051,516	\$ 1,226,092	\$ 1,547,299	\$ 972,825	\$ (1,572,019)	\$ 837,700	\$ 784,338			
Total OPEB Liability - Beginning	13,655,561	12,429,469	10,882,170	9,909,345	11,481,364	10,643,664	9,859,326			
Total OPEB Liability - Ending (a)	\$ 15,707,077	\$ 13,655,561	\$ 12,429,469	\$ 10,882,170	\$ 9,909,345	\$ 11,481,364	\$ 10,643,664			
OPEB Plan Net Position										
Contributions - Employer	\$ 2,782,269	\$ 3,519,268	\$ 1,384,914	\$ 2,291,491	\$ 2,560,279	\$ 2,282,427	\$ 4,631,365			
Contributions - Members	-	-	-	-	-	-	-			
Contributions - Other	-	-	-	-	-	-	-			
Net Investment Income	989,904	1,261,135	(1,453,694)	461,676	685,341	354,908	-			
Benefit Payments	(603,153)	(477,051)	(413,277)	(453,024)	(764,679)	(669,097)	(631,365)			
Administrative Expense	(74,190)	(60,749)	(54,323)	(49,423)	(34,862)	(18,338)	-			
Net Change in OPEB Plan Net Position	\$ 3,094,830	\$ 4,242,603	\$ (536,380)	\$ 2,250,720	\$ 2,446,079	\$ 1,949,900	\$ 4,000,000			
OPEB Plan Net Position - Beginning	14,352,922	10,110,319	10,646,699	8,395,979	5,949,900	4,000,000	-			
OPEB Plan Net Position - Ending (b)	\$ 17,447,752	\$ 14,352,922	\$ 10,110,319	\$ 10,646,699	\$ 8,395,979	\$ 5,949,900	\$ 4,000,000			
Employer's Net OPEB Liability/(Asset) - Ending (a) - (b)	\$ (1,740,675)	\$ (697,361)	\$ 2,319,150	\$ 235,471	\$ 1,513,366	\$ 5,531,464	\$ 6,643,664			

The current year information was developed in the completion of this report.



SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIOS

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Total OPEB Liability - Ending (a)	<u>\$ 15,707,077</u>	<u>\$ 13,655,561</u>	<u>\$ 12,429,469</u>	<u>\$ 10,882,170</u>	<u>\$ 9,909,345</u>	<u>\$ 11,481,364</u>	<u>\$ 10,643,664</u>			
OPEB Plan Net Position - Ending (b)	<u>\$ 17,447,752</u>	<u>\$ 14,352,922</u>	<u>\$ 10,110,319</u>	<u>\$ 10,646,699</u>	<u>\$ 8,395,979</u>	<u>\$ 5,949,900</u>	<u>\$ 4,000,000</u>			
Employer's Net OPEB Liability/(Asset) - Ending (a) - (b)	<u>\$ (1,740,675)</u>	<u>\$ (697,361)</u>	<u>\$ 2,319,150</u>	<u>\$ 235,471</u>	<u>\$ 1,513,366</u>	<u>\$ 5,531,464</u>	<u>\$ 6,643,664</u>			
OPEB Plan Net Position as a Percentage of the										
Total OPEB Liability	111.08%	105.11%	81.34%	97.84%	84.73%	51.82%	37.58%			
Covered-Employee Payroll	\$39,042,567	\$ 23,809,002	\$ 23,115,536	\$ 22,498,142	\$ 21,023,938	\$ 17,469,703	\$ 15,494,833			
Employer's Net OPEB Liability as a Percentage of										
Covered-Employee Payroll	-4.46%	-2.93%	10.03%	1.05%	7.20%	31.66%	42.88%			

Covered-Employee Payroll is based on Total Covered Payroll for the postretirement plan Members during the Fiscal Year.



SCHEDULE OF CONTRIBUTIONS

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Actuarially Determined Contribution	\$1,147,924	\$1,231,183	\$1,250,718	\$1,710,626	\$1,710,626	\$1,492,388	\$1,492,388			
Contributions in Relation to the Actuarially Determined Contribution	2,179,116	3,042,217	971,637	1,838,467	1,795,600	1,613,330	4,000,000			
Contribution Deficiency (excess)	<u>\$ (1,031,192)</u>	<u>\$ (1,811,034)</u>	<u>\$ 279,081</u>	<u>\$ (127,841)</u>	<u>\$ (84,974)</u>	<u>\$ (120,942)</u>	<u>\$ (2,507,612)</u>			
Covered-Employee Payroll	<u>\$39,042,567</u>	<u>\$23,809,002</u>	<u>\$23,115,536</u>	<u>\$22,498,142</u>	<u>\$21,023,938</u>	<u>\$17,469,703</u>	<u>\$15,494,833</u>			
Contributions as a Percentage of Covered-Employee Payroll	5.58%	12.78%	4.20%	8.17%	8.54%	9.24%	25.82%			

NOTES TO SCHEDULE OF CONTRIBUTIONS

The Actuarially Determined Contribution shown above for the fiscal years ending December 31, 2020 through December 31, 2024 are from the Funding Report completed by Lauterbach & Amen, LLP with a 2-year lag on contributions. All other historical Actuarially Determined Contributions are from the GASB 45 actuarial report completed by Lauterbach & Amen, LLP with a 2-year lag on contributions.



GASB METHODS AND PROCEDURES

GASB Methods and Procedures



GASB METHODS AND PROCEDURES

	Statement 74	Statement 75
	<u>OPEB Plan Financials</u>	<u>Employer Financials</u>
Fiscal Year End for Reporting	December 31, 2024	December 31, 2024
Measurement Date	December 31, 2024	December 31, 2024
Actuarial Valuation Date	January 1, 2025	January 1, 2025
Data Date	January 1, 2025	January 1, 2025
Asset Valuation Method	Market Value of Assets	Market Value of Assets
Actuarial Cost Method	Entry Age Normal	Entry Age Normal

Methodology Used in the Determination of Deferred Inflows and Outflows of Resources

Amortization Method	Straight Line	Straight Line
Amortization Period		
Actuarial Experience	12.04 Years	12.04 Years
Changes in Assumptions	12.04 Years	12.04 Years
Asset Experience	5.00 Years	5.00 Years

As noted in the table above, the Actuarial Funding Method used in the determination of the Total OPEB Liability is the Entry Age Normal Cost method (level percent of pay). The method allocates Normal Cost contributions by employee over the working career of the employee as a level percent of their pay.

The Total OPEB Liability for the current Fiscal Year has been developed based on the Actuarial Valuation Date shown above, and adjusted to the Measurement Date shown above, based on procedures that conform to generally accepted actuarial principles and practices.



GASB METHODS AND PROCEDURES – CONTINUED

We calculated the Total OPEB Liability and Service Cost under the Entry Age Normal funding method as required under GASB 75. We calculated the Present Value of Benefits for each participant at each potential retirement age, factoring in probabilities of survival thereafter. We used the appropriate group tables to determine a probability that active members retire at each age to determine the Present Value of Benefits. We adjusted this using the Present Value of Future Salaries at Entry Age, factoring in interest, salary, and probability of remaining active from entry age to current age, to obtain Normal Cost. We then calculated the Present Value of Future Normal Costs and subtracted this from the Present Value of Benefits to obtain Total OPEB Liability. This methodology is in accordance with GASB Statement 74/75.



SUPPLEMENTARY TABLES

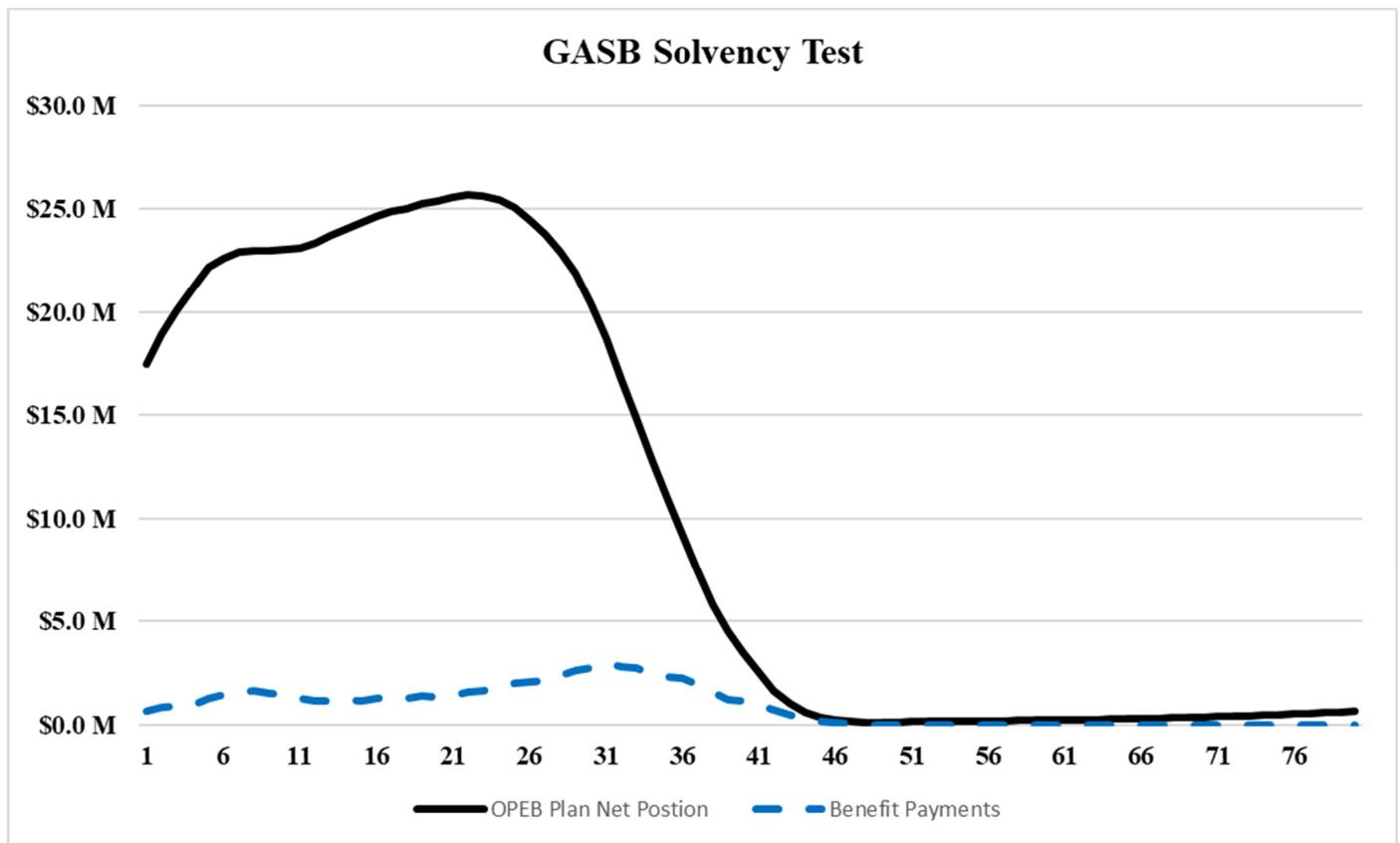
GASB Projections – Summary and Procedure
GASB Projections – Limitations
Projection of Contributions
Projection of the OPEB Plan Net Position
Actuarial Present Value of Projected Benefit Payments



GASB PROJECTIONS – SUMMARY AND PROCEDURE

GASB requires a solvency test to use in the determination of the discount rate each year. The Net Position of the OPEB Plan is projected forward. To the extent the Net Position of the OPEB Plan is anticipated to be greater than \$0, benefit payments during that time period are discounted based on the expected rate of return on plan assets.

If the Net Position of the OPEB Plan is anticipated to go to \$0 prior to the payment of future benefit payments for employees who are in the fund as of the Actuarial Valuation Date, then remaining expected future benefit payments are discounted using a high-quality Municipal Bond rate as described in the assumption section of the report. Below is a chart with a high-level summary of the projections:



The OPEB Plan's projected net position is expected to cover future benefit payments in full for the current plan members.



GASB PROJECTIONS – LIMITATIONS

Projections of any type require assumptions about future events. The projections required for GASB reporting are deterministic in nature. That means that values are projected forward under one set of assumptions which can be thought of as the average result. Actual results could vary, and projections of one deterministic assumption set do not necessarily provide a framework for making risk management or funding policy decisions. Projections that deal with risk management are outside the scope of this report.

In addition, GASB requirements create results that are specific only to financial statement reporting, and should not be used or interpreted for other purposes. For example, GASB cash flow projections do not entail the total expected cash flows of the OPEB plan, but rather a subset of cash flows specific to members who are in the OPEB plan as of the Actuarial Valuation date. While the likely expectation may be that new employees are hired to replace the old, cash flows attributable to their benefits are not considered. Under GASB, when the OPEB Plan Net Position goes to \$0, that represents only the OPEB Plan Net Position for the assets attributable to the current fund members.

GASB also mandates certain assumptions that are made in the projection process. Most notably, future contributions under an informal funding policy. In proposing an informal funding policy, GASB suggests a focus be placed on the average contribution rate over the past 5 years. Assumed contributions noted in this section may be based on the five-year average, unless a formal funding policy is in place.

Contributions reflecting informal funding policy are applied under GASB, whether or not the future results dictate a need for more or less contributions. This would not be the case with other uses for projections. Any events that are taken into account (past or future) in the informal funding policy are discussed in the “Funding Policy” section of this report.

The further you look forward with projections, the more sensitive the results are to assumptions. With projections that run out close to 80 years, a small change in an assumption will have a dramatic impact in the look of the projections on the following pages. If there is no change to the solvency of the fund as determined by GASB, big swings in the projection results may not necessarily lead to big swings in the determination of the Total OPEB Liability.

We recommend the projections are not used for any other purposes, other than providing backup information for purposes of the financial statement report.

The following pages provide the detail behind the charts shown on the chart in this section.



PROJECTION OF CONTRIBUTIONS – YEARS 1 TO 30

Year	Projected Covered-Employee Payroll			Projected Contributions			
	Current Employees (a)	Future Employees (b)	Total Employee Payroll (c) = (a) + (b)	Current Employees (d) - Notes	Employer Contributions for Current Employees (e) - Notes	Contributions Related to Pay of Future Employees (f) - Notes	Total Contributions (d) + (e) + (f)
1	\$ 39,042,567	\$ -	\$ 39,042,567	\$ -	\$ 1,468,351	\$ -	\$ 1,468,351
2	31,902,000	8,311,845	40,213,844	-	1,207,831	-	1,207,831
3	28,608,712	12,811,548	41,420,259	-	1,081,127	-	1,081,127
4	25,842,355	16,820,512	42,662,867	-	976,770	-	976,770
5	23,098,368	20,844,385	43,942,753	-	688,932	-	688,932
6	20,799,805	24,461,230	45,261,036	-	607,934	-	607,934
7	18,886,569	27,732,298	46,618,867	-	541,174	-	541,174
8	16,998,375	31,019,058	48,017,433	-	477,428	-	477,428
9	15,458,271	33,999,685	49,457,956	-	425,862	-	425,862
10	14,111,973	36,829,721	50,941,695	-	381,594	-	381,594
11	13,077,046	39,392,900	52,469,945	-	347,409	-	347,409
12	12,239,277	41,804,766	54,044,044	-	319,728	-	319,728
13	11,461,684	44,203,682	55,665,365	-	294,568	-	294,568
14	10,750,072	46,585,254	57,335,326	-	271,920	-	271,920
15	10,101,504	48,953,882	59,055,386	-	251,631	-	251,631
16	9,479,111	51,347,937	60,827,047	-	232,608	-	232,608
17	8,883,062	53,768,797	62,651,859	-	214,803	-	214,803
18	8,276,238	56,255,177	64,531,415	-	197,181	-	197,181
19	7,702,965	58,764,392	66,467,357	-	180,881	-	180,881
20	7,172,456	61,288,922	68,461,378	-	166,058	-	166,058
21	6,663,978	63,851,242	70,515,219	-	152,168	-	152,168
22	6,146,548	66,484,128	72,630,676	-	138,406	-	138,406
23	5,625,629	69,183,967	74,809,596	-	124,956	-	124,956
24	5,105,447	71,948,437	77,053,884	-	111,900	-	111,900
25	4,577,258	74,788,242	79,365,500	-	99,038	-	99,038
26	4,065,181	77,681,285	81,746,465	-	86,882	-	86,882
27	3,566,404	80,632,455	84,198,859	-	75,319	-	75,319
28	3,088,569	83,636,256	86,724,825	-	64,451	-	64,451
29	2,651,466	86,675,104	89,326,570	-	54,673	-	54,673
30	2,230,711	89,775,656	92,006,367	-	45,437	-	45,437

Column d – Contributions from employees to the OPEB plan (employees as of the valuation date)

Column e – Employer contributions to the fund excluding contributions for employees hired after the actuarial valuation date

Column f – Contributions from future employees to the extent they are anticipated to be greater than required to pay their total normal cost



PROJECTION OF CONTRIBUTIONS – YEARS 31 TO 60

Year	Projected Covered-Employee Payroll			Projected Contributions			
	Current Employees (a)	Future Employees (b)	Total Employee Payroll (c) = (a) + (b)	Current Employees (d) - Notes	Employer Contributions for Current Employees (e) - Notes	Contributions Related to Pay of Future Employees (f) - Notes	Total Contributions (d) + (e) + (f)
31	\$ 1,846,781	\$ 92,919,777	\$ 94,766,558	\$ -	\$ 37,165	\$ -	\$ 37,165
32	1,498,414	96,111,141	97,609,555	-	29,786	-	29,786
33	1,203,263	99,334,579	100,537,841	-	23,668	-	23,668
34	955,908	102,598,068	103,553,977	-	18,615	-	18,615
35	744,916	105,915,680	106,660,596	-	14,365	-	14,365
36	565,380	109,295,033	109,860,414	-	10,792	-	10,792
37	417,260	112,738,966	113,156,226	-	7,870	-	7,870
38	303,979	116,246,934	116,550,913	-	5,664	-	5,664
39	215,607	119,831,834	120,047,440	-	3,972	-	3,972
40	146,465	123,502,398	123,648,863	-	2,667	-	2,667
41	91,692	127,266,637	127,358,329	-	1,645	-	1,645
42	53,597	131,125,482	131,179,079	-	943	-	943
43	29,678	135,084,774	135,114,452	-	511	-	511
44	15,360	139,152,525	139,167,885	-	259	-	259
45	7,069	143,335,853	143,342,922	-	117	-	117
46	2,336	147,640,874	147,643,209	-	38	-	38
47	529	152,071,977	152,072,506	-	9	-	9
48	-	156,634,681	156,634,681	-	-	-	-
49	-	161,333,721	161,333,721	-	-	-	-
50	-	166,173,733	166,173,733	-	-	-	-
51	-	171,158,945	171,158,945	-	-	-	-
52	-	176,293,713	176,293,713	-	-	-	-
53	-	181,582,525	181,582,525	-	-	-	-
54	-	187,030,000	187,030,000	-	-	-	-
55	-	192,640,900	192,640,900	-	-	-	-
56	-	198,420,127	198,420,127	-	-	-	-
57	-	204,372,731	204,372,731	-	-	-	-
58	-	210,503,913	210,503,913	-	-	-	-
59	-	216,819,031	216,819,031	-	-	-	-
60	-	223,323,601	223,323,601	-	-	-	-

Column d – Contributions from employees to the OPEB plan (employees as of the valuation date)

Column e – Employer contributions to the fund excluding contributions for employees hired after the actuarial valuation date

Column f – Contributions from future employees to the extent they are anticipated to be greater than required to pay their total normal cost



PROJECTION OF CONTRIBUTIONS – YEARS 61 TO 80

Year	Projected Covered-Employee Payroll			Projected Contributions			
	Current Employees (a)	Future Employees (b)	Total Employee Payroll (c) = (a) + (b)	Current Employees (d) - Notes	Employer Contributions for Current Employees (e) - Notes	Contributions Related to Pay of Future Employees (f) - Notes	Total Contributions (d) + (e) + (f)
61	\$ -	\$ 230,023,310	\$ 230,023,310	\$ -	\$ -	\$ -	\$ -
62	-	236,924,009	236,924,009	-	-	-	-
63	-	244,031,729	244,031,729	-	-	-	-
64	-	251,352,681	251,352,681	-	-	-	-
65	-	258,893,261	258,893,261	-	-	-	-
66	-	266,660,059	266,660,059	-	-	-	-
67	-	274,659,861	274,659,861	-	-	-	-
68	-	282,899,657	282,899,657	-	-	-	-
69	-	291,386,647	291,386,647	-	-	-	-
70	-	300,128,246	300,128,246	-	-	-	-
71	-	309,132,093	309,132,093	-	-	-	-
72	-	318,406,056	318,406,056	-	-	-	-
73	-	327,958,238	327,958,238	-	-	-	-
74	-	337,796,985	337,796,985	-	-	-	-
75	-	347,930,894	347,930,894	-	-	-	-
76	-	358,368,821	358,368,821	-	-	-	-
77	-	369,119,886	369,119,886	-	-	-	-
78	-	380,193,483	380,193,483	-	-	-	-
79	-	391,599,287	391,599,287	-	-	-	-
80	-	403,347,266	403,347,266	-	-	-	-

NOTES TO PROJECTION OF CONTRIBUTIONS

Total payroll is assumed to increase annually at the assumed payroll increase rate shown in the assumption section of this report. Payroll for current employees (employees active as of the actuarial valuation date) has been projected on an employee-by-employee basis, using expected pay increases and probability of remaining in active employment for future periods.

Employer contributions are related to current employees in the fund as of the Actuarial Valuation Date. To the extent future contributions under the Employer funding policy are made to cover the Normal Cost of providing benefits for future employees, those contributions have been excluded out for purposes of these projections and this report.

Contributions are based on the Funding Policy described in an earlier section of this report. The contributions do not factor in changes in funding policy based on an assumed Employer decision if the projections were to play out in this fashion. The only future events that have been considered were outlined in the funding policy section of the report. Contributions from future employees have not been included. It is assumed that contributions made by future employees will not exceed the Normal Cost of their participation in the Fund. In addition, contributions by the employer on behalf of service for future employees have not been included per the GASB parameters.



PROJECTION OF THE OPEB PLAN NET POSITION – YEARS 1 TO 30

Year	Projected Beginning OPEB Plan Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending OPEB Plan Position (a)+(b)-(c)-(d)+(e)
1	\$ 17,447,752	\$ 1,262,782	\$ 678,653	\$ 74,190	\$ 973,650	\$ 18,931,340
2	18,931,340	1,038,734	845,248	60,289	1,044,887	20,109,425
3	20,109,425	929,769	878,465	53,913	1,105,947	21,212,763
4	21,212,763	840,022	991,302	48,640	1,161,204	22,174,047
5	22,174,047	592,482	1,279,988	43,443	1,199,471	22,642,570
6	22,642,570	522,823	1,443,008	39,102	1,218,961	22,902,244
7	22,902,244	465,409	1,558,281	35,504	1,228,593	23,002,462
8	23,002,462	410,588	1,622,526	31,948	1,230,929	22,989,504
9	22,989,504	366,242	1,526,546	29,068	1,231,715	23,031,847
10	23,031,847	328,171	1,476,780	26,567	1,234,434	23,091,105
11	23,091,105	298,771	1,286,183	24,671	1,242,179	23,321,201
12	23,321,201	274,966	1,142,234	23,159	1,258,179	23,688,953
13	23,688,953	253,329	1,166,911	21,763	1,277,170	24,030,777
14	24,030,777	233,852	1,232,044	20,492	1,293,679	24,305,772
15	24,305,772	216,403	1,160,024	19,342	1,310,336	24,653,145
16	24,653,145	200,043	1,291,091	18,238	1,325,418	24,869,277
17	24,869,277	184,730	1,351,292	17,178	1,335,257	25,020,794
18	25,020,794	169,576	1,256,879	16,085	1,345,800	25,263,207
19	25,263,207	155,558	1,387,958	15,050	1,355,171	25,370,928
20	25,370,928	142,810	1,299,293	14,093	1,363,210	25,563,561
21	25,563,561	130,865	1,364,430	13,172	1,371,711	25,688,534
22	25,688,534	119,029	1,563,697	12,221	1,372,805	25,604,450
23	25,604,450	107,462	1,618,011	11,254	1,366,395	25,449,043
24	25,449,043	96,234	1,800,904	10,280	1,352,536	25,086,629
25	25,086,629	85,173	2,023,934	9,280	1,326,193	24,464,782
26	24,464,782	74,719	2,056,316	8,304	1,290,841	23,765,722
27	23,765,722	64,774	2,122,663	7,343	1,250,321	22,950,811
28	22,950,811	55,428	2,348,885	6,409	1,199,048	21,849,993
29	21,849,993	47,019	2,606,913	5,545	1,131,200	20,415,754
30	20,415,754	39,076	2,739,604	4,701	1,048,473	18,758,998

Column b – Contributions on behalf of current employees only as of the Actuarial Valuation Date.
 Column d – Based on average administrative expenses in recent years and projected to increase going forward.
 Column e – Based on the current expected return on assets. Does not factor in allocation changes.



PROJECTION OF THE OPEB PLAN NET POSITION – YEARS 31 TO 60

Year	Projected Beginning OPEB Plan Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending OPEB Plan Position (a)+(b)-(c)-(d)+(e)
31	\$ 18,758,998	\$ 31,962	\$ 2,985,594	\$ 3,922	\$ 950,412	\$ 16,751,856
32	16,751,856	25,616	2,807,217	3,206	844,770	14,811,819
33	14,811,819	20,354	2,724,715	2,598	740,209	12,845,069
34	12,845,069	16,009	2,461,048	2,085	639,183	11,037,128
35	11,037,128	12,354	2,334,700	1,641	543,132	9,256,274
36	9,256,274	9,281	2,278,637	1,257	446,653	7,432,313
37	7,432,313	6,768	1,972,564	935	354,692	5,820,274
38	5,820,274	4,871	1,593,507	687	276,409	4,507,360
39	4,507,360	3,416	1,233,114	491	214,075	3,491,246
40	3,491,246	2,293	1,123,868	336	161,166	2,530,501
41	2,530,501	1,414	980,524	212	112,246	1,663,426
42	1,663,426	811	728,595	124	71,471	1,006,989
43	1,006,989	439	444,912	68	43,160	605,608
44	605,608	223	264,451	35	26,041	367,385
45	367,385	101	173,251	16	15,444	209,663
46	209,663	33	85,275	5	9,187	133,602
47	133,602	7	26,521	1	6,619	113,707
48	113,707	-	-	-	6,254	119,961
49	119,961	-	-	-	6,598	126,558
50	126,558	-	-	-	6,961	133,519
51	133,519	-	-	-	7,344	140,863
52	140,863	-	-	-	7,747	148,610
53	148,610	-	-	-	8,174	156,784
54	156,784	-	-	-	8,623	165,407
55	165,407	-	-	-	9,097	174,504
56	174,504	-	-	-	9,598	184,102
57	184,102	-	-	-	10,126	194,227
58	194,227	-	-	-	10,683	204,910
59	204,910	-	-	-	11,270	216,180
60	216,180	-	-	-	11,890	228,070

Column b – Contributions on behalf of current employees only as of the Actuarial Valuation Date.
 Column d – Based on average administrative expenses in recent years and projected to increase going forward.
 Column e – Based on the current expected return on assets. Does not factor in allocation changes.



PROJECTION OF THE OPEB PLAN NET POSITION – YEARS 61 TO 80

Year	Projected Beginning OPEB Plan Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending OPEB Plan Position (a)+(b)-(c)-(d)+(e)
61	\$ 228,070	\$ -	\$ -	\$ -	\$ 12,544	\$ 240,614
62	240,614	-	-	-	13,234	253,848
63	253,848	-	-	-	13,962	267,809
64	267,809	-	-	-	14,730	282,539
65	282,539	-	-	-	15,540	298,078
66	298,078	-	-	-	16,394	314,473
67	314,473	-	-	-	17,296	331,769
68	331,769	-	-	-	18,247	350,016
69	350,016	-	-	-	19,251	369,267
70	369,267	-	-	-	20,310	389,576
71	389,576	-	-	-	21,427	411,003
72	411,003	-	-	-	22,605	433,608
73	433,608	-	-	-	23,848	457,457
74	457,457	-	-	-	25,160	482,617
75	482,617	-	-	-	26,544	509,161
76	509,161	-	-	-	28,004	537,165
77	537,165	-	-	-	29,544	566,709
78	566,709	-	-	-	31,169	597,878
79	597,878	-	-	-	32,883	630,761
80	630,761	-	-	-	34,692	665,453

NOTES TO PROJECTION OF OPEB PLAN NET POSITION

Total contributions are Employee and Employer contributions anticipated to be made under the funding policy on behalf of employees in the fund as of the Actuarial Valuation Date. The amounts shown were detailed earlier in this section.

Projected benefit payments shown represent only employees active as of the Actuarial Valuation Date. The fund will also be paying benefit payments in the future on behalf of employees hired after the Actuarial Valuation Date, but those have not been estimated for this purpose.

Projected investment earnings are based on the current expected rate of return on plan assets. Administrative expenses are not typically charged on a per employee basis. Administrative expenses shown have not been adjusted to distinguish between current employees and future employees.

The projected OPEB Plan Net Position represents assets held or projected to be held on behalf of current employees as of the Actuarial Valuation Date. The fund will also hold assets in the future on behalf of new employees that are not shown here.



ACTUARIAL PRESENT VALUES OF PROJECTED BENEFIT PAYMENTS – YEARS 1 TO 30

Year	Projected Beginning OPEB Plan Position	Projected Benefit Payments	Projected Benefit Payments		Present Value (PV) of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	PV of "Funded" Portion of Benefit Payments (5.50%)	PV of "Unfunded" Portion of Benefit Payments (4.08%)	PV of Total Projected Payments Using the Single Discount Rate (5.50%)
1	\$ 17,447,752	\$ 678,653	\$ 678,653	\$ -	\$ 660,727	\$ -	\$ 660,727
2	18,931,340	845,248	845,248	-	780,019	-	780,019
3	20,109,425	878,465	878,465	-	768,411	-	768,411
4	21,212,763	991,302	991,302	-	821,907	-	821,907
5	22,174,047	1,279,988	1,279,988	-	1,005,935	-	1,005,935
6	22,642,570	1,443,008	1,443,008	-	1,074,930	-	1,074,930
7	22,902,244	1,558,281	1,558,281	-	1,100,284	-	1,100,284
8	23,002,462	1,622,526	1,622,526	-	1,085,921	-	1,085,921
9	22,989,504	1,526,546	1,526,546	-	968,421	-	968,421
10	23,031,847	1,476,780	1,476,780	-	888,009	-	888,009
11	23,091,105	1,286,183	1,286,183	-	733,081	-	733,081
12	23,321,201	1,142,234	1,142,234	-	617,095	-	617,095
13	23,688,953	1,166,911	1,166,911	-	597,561	-	597,561
14	24,030,777	1,232,044	1,232,044	-	598,023	-	598,023
15	24,305,772	1,160,024	1,160,024	-	533,711	-	533,711
16	24,653,145	1,291,091	1,291,091	-	563,046	-	563,046
17	24,869,277	1,351,292	1,351,292	-	558,578	-	558,578
18	25,020,794	1,256,879	1,256,879	-	492,465	-	492,465
19	25,263,207	1,387,958	1,387,958	-	515,473	-	515,473
20	25,370,928	1,299,293	1,299,293	-	457,387	-	457,387
21	25,563,561	1,364,430	1,364,430	-	455,277	-	455,277
22	25,688,534	1,563,697	1,563,697	-	494,567	-	494,567
23	25,604,450	1,618,011	1,618,011	-	485,066	-	485,066
24	25,449,043	1,800,904	1,800,904	-	511,750	-	511,750
25	25,086,629	2,023,934	2,023,934	-	545,144	-	545,144
26	24,464,782	2,056,316	2,056,316	-	524,991	-	524,991
27	23,765,722	2,122,663	2,122,663	-	513,678	-	513,678
28	22,950,811	2,348,885	2,348,885	-	538,790	-	538,790
29	21,849,993	2,606,913	2,606,913	-	566,802	-	566,802
30	20,415,754	2,739,604	2,739,604	-	564,599	-	564,599

The projected OPEB Plan Net Position and the Projected Benefit Payments are based only on the current employee group as of the Actuarial Valuation Date. The development of the Projected OPEB Plan Net Position was shown in more detail earlier in this section.



ACTUARIAL PRESENT VALUES OF PROJECTED BENEFIT PAYMENTS – YEARS 31 TO 60

Year	Projected Beginning OPEB Plan Position	Projected Benefit Payments	Projected Benefit Payments		Present Value (PV) of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	PV of "Funded" Portion of Benefit Payments (5.50%)	PV of "Unfunded" Portion of Benefit Payments (4.08%)	PV of Total Projected Payments Using the Single Discount Rate (5.50%)
31	\$ 18,758,998	\$ 2,985,594	\$ 2,985,594	\$ -	\$ 583,218	\$ -	\$ 583,218
32	16,751,856	2,807,217	2,807,217	-	519,785	-	519,785
33	14,811,819	2,724,715	2,724,715	-	478,207	-	478,207
34	12,845,069	2,461,048	2,461,048	-	409,414	-	409,414
35	11,037,128	2,334,700	2,334,700	-	368,147	-	368,147
36	9,256,274	2,278,637	2,278,637	-	340,575	-	340,575
37	7,432,313	1,972,564	1,972,564	-	279,458	-	279,458
38	5,820,274	1,593,507	1,593,507	-	213,987	-	213,987
39	4,507,360	1,233,114	1,233,114	-	156,958	-	156,958
40	3,491,246	1,123,868	1,123,868	-	135,595	-	135,595
41	2,530,501	980,524	980,524	-	112,133	-	112,133
42	1,663,426	728,595	728,595	-	78,979	-	78,979
43	1,006,989	444,912	444,912	-	45,713	-	45,713
44	605,608	264,451	264,451	-	25,755	-	25,755
45	367,385	173,251	173,251	-	15,993	-	15,993
46	209,663	85,275	85,275	-	7,462	-	7,462
47	133,602	26,521	26,521	-	2,200	-	2,200
48	113,707	-	-	-	-	-	-
49	119,961	-	-	-	-	-	-
50	126,558	-	-	-	-	-	-
51	133,519	-	-	-	-	-	-
52	140,863	-	-	-	-	-	-
53	148,610	-	-	-	-	-	-
54	156,784	-	-	-	-	-	-
55	165,407	-	-	-	-	-	-
56	174,504	-	-	-	-	-	-
57	184,102	-	-	-	-	-	-
58	194,227	-	-	-	-	-	-
59	204,910	-	-	-	-	-	-
60	216,180	-	-	-	-	-	-

The projected OPEB Plan Net Position and the Projected Benefit Payments are based only on the current employee group as of the Actuarial Valuation Date. The development of the Projected OPEB Plan Net Position was shown in more detail earlier in this section.



ACTUARIAL PRESENT VALUES OF PROJECTED BENEFIT PAYMENTS – YEARS 61 TO 80

Year	Projected Beginning OPEB Plan Position	Projected Benefit Payments	Projected Benefit Payments		Present Value (PV) of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	PV of "Funded" Portion of Benefit Payments (5.50%)	PV of "Unfunded" Portion of Benefit Payments (4.08%)	PV of Total Projected Payments Using the Single Discount Rate (5.50%)
61	\$ 228,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62	240,614	-	-	-	-	-	-
63	253,848	-	-	-	-	-	-
64	267,809	-	-	-	-	-	-
65	282,539	-	-	-	-	-	-
66	298,078	-	-	-	-	-	-
67	314,473	-	-	-	-	-	-
68	331,769	-	-	-	-	-	-
69	350,016	-	-	-	-	-	-
70	369,267	-	-	-	-	-	-
71	389,576	-	-	-	-	-	-
72	411,003	-	-	-	-	-	-
73	433,608	-	-	-	-	-	-
74	457,457	-	-	-	-	-	-
75	482,617	-	-	-	-	-	-
76	509,161	-	-	-	-	-	-
77	537,165	-	-	-	-	-	-
78	566,709	-	-	-	-	-	-
79	597,878	-	-	-	-	-	-
80	630,761	-	-	-	-	-	-

NOTES TO THE ACTUARIAL PRESENT VALUE OF PROJECTED BENEFIT PAYMENTS

The projected OPEB Plan Net Position and the Projected Benefit Payments are based only on the current employee group as of the Actuarial Valuation Date. The development of the OPEB Plan Net Position was shown in more detail earlier in this section.

The Funded and Unfunded portion of the Benefit Payments is split based on the time that the OPEB Plan Net Position is projected to go to \$0 (based on assets for current fund members).

The Present Value of the Funded portion and Unfunded portion of the benefit payments has been determined separately. The PV of the funded portion of the benefit payments uses the assumption for the expected rate of return on plan assets. The PV of the unfunded portion of the benefit payments has been determined using the high-quality Municipal Bond Rate as of the Measurement Date as described in the Actuarial Assumption section of the report.

The discount rate used for GASB purposes is the rate that is when applied to the total Projected Benefit payments results in a present value that equals the sum of the present value of the funded and unfunded payments. The discount rate has been rounded to four decimal places. Therefore, the resulting present value comparisons might show a slight difference due to rounding.



PLAN PROVISIONS

Summary of Eligibility and Coverage



SUMMARY OF ELIGIBILITY AND COVERAGE

The plan sponsor has reviewed and agreed to the below eligibility and coverage provisions.

Eligibility Provisions

Full-Time County Employees are covered at the earliest of the following:

- Age 60 with at least 8 years of service,
- 30 or more years of service, or
- 75 points (combined age + years of service)

Medical Coverage Provisions

Plans Offered

BCBS PPO Plan 800-NGS

Coverage Provisions (Pre-Medicare):

Age 60+ with 8+ Service Years:

Chambers County pays for Retiree only coverage, for whichever plan is elected.

Should Retiree coverage terminate, Spouse coverage will also terminate.

Dependent coverage is paid for by the Retiree.

Age < 60 with 30+ Service Years:

Chambers County pays for Retiree only coverage, for whichever plan is elected, for the sooner of 5 years or until Medicare eligible (usually age 65).

After the (at most) 5-year period, if the Retiree is still less than Medicare age (usually age 65), the Retiree may continue coverage in the County plan, with the Retiree responsible for the full cost of coverage.

Should Retiree coverage terminate, Spouse coverage will also terminate.

Dependent coverage is paid for by the Retiree.

Age < 60 with 8+ Service Years:

The Retiree pays the full cost of coverage until age 60.

Chambers County pays for Retiree only coverage, for whichever plan is elected, from ages 60 to 65.

Should Retiree coverage terminate, Spouse coverage will also terminate.

Dependent coverage is paid for by the Retiree.

Coverage Provisions (Post-Medicare):

No medical coverage is offered to Retirees.



SUMMARY OF ELIGIBILITY AND COVERAGE – CONTINUED

Dental, Vision and Life Coverage Provisions

Plans Offered

Blue Care Freedom Dental

Vision

Life Insurance

Coverage Provisions:

Retiree pays the full cost of coverage for Dental, Vision and Life Insurance.



GLOSSARY OF TERMS

GASB 74/75 Terminology



GASB 74/75 TERMINOLOGY

Covered-Employee Payroll – The payroll of employees that are provided with OPEB through the OPEB plan.

Healthcare Cost Trend Rates – The rates of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

Implicit Subsidy – The difference between a premium rate charged to retirees for a particular benefit and the estimated rate that would have been applicable to those retirees if that benefit was acquired for them as a separate group.

Net OPEB Liability (“NOL”) – The excess of the Total OPEB Liability over the Market Value of Assets.

OPEB Expense – OPEB Expense arising from certain changes in the collective Net OPEB Liability or collective Total OPEB Liability.

OPEB Fiduciary Net Position (“Net Position”) – The value of cash, investments, other assets and property belonging to an OPEB Trust dedicated to paying OPEB benefits.

OPEB Trust – A system other than a pension or retirement system which manages OPEB assets. Contributions to an OPEB Trust should be irrevocable in order to obtain the most favorable accounting treatment.

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.

Service Cost – The present value of future benefits earned by employees during the current Fiscal Year. It is that portion of the actuarial present value of benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.



Total OPEB Liability (“TOL”) – The actuarial present value of future benefits based on employees’ service rendered to the Measurement Date using the selected Actuarial Cost Method. It is that portion of the actuarial present value of plan benefits and expenses allocated to prior years of employment.

Retirees & Dependents – Former employees who have satisfied the age and service requirement and are currently receiving postretirement healthcare benefits.

Actives Fully Eligible – Active employees who have satisfied the age and service requirement for postretirement healthcare benefits.

Actives Not Fully Eligible – Active employees who have not yet satisfied the age and service requirement for postretirement healthcare benefits.