

**WILLOWS UNIFIED SCHOOL DISTRICT**  
**Office of the Superintendent**

**Date: October 9, 2014**

**Request For Placement on Board Agenda:**

**AGENDA TOPIC: Approval of Government Accounting Standards Board (GASB) 43/45 Other Post-Employment Benefits (OPEB) Actuarial Valuation as of July 1, 2014.**

**PRESENTER: Debby Beymer, Director of Business Services**

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**Information:**

GASB 43 & GASB 45 requires that OPEB benefits be recognized as an expense and obligation on the District's financial statements and be reported on the full accrual basis of accounting. Based on this requirement, the District contracted with Demsey, Filliger & Associates to prepare the actuarial study for Willows Unified School District (WUSD). Actuarial studies must be updated every three years making the current study valid thru June 30, 2017.

WUSD operates on a "Pay as you go" basis with premium costs imbedded in the district budget annually. WUSD applies a 7% factor thru payroll to collect the required funding to cover the districts share of the cost for post-retirement health benefits which were \$524,614 in 2013-14 and projected to be \$534,769 in 2014-15.

The study determines the amount of actuarial liability (AAL) for WUSD is \$7,877,364.

WUSD currently has 47 retirees receiving post-employment benefits with 30 of those beneficiaries receiving lifetime benefits.

**Recommendation:**

The administration requests that the board approve the actuarial valuation.



September 4, 2014

Ms. Debby Beymer  
Director of Business Services  
Willows Unified School District  
823 W. Laurel St.  
Willows, CA 95988

Re: Willows Unified School District ("District") GASB 45 Valuation

Dear Ms. Beymer:

This report sets forth the results of our GASB 45 actuarial valuation of the District's retiree health insurance program as of July 1, 2014.

In June, 2004 the Governmental Accounting Standards Board (GASB) issued its final 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. The District must obtain actuarial valuations of its retiree health insurance program under GASB 43/45 not less frequently than once every three years.

To accomplish these objectives the District selected Demsey, Filliger and Associates (DF&A) to perform an actuarial valuation of the retiree health insurance program as of July 1, 2014. This report may be compared with the valuation performed by DF&A as of July 1, 2011, to see how the liabilities have changed since the last valuation. We are available to answer any questions the District may have concerning the report.

### **Financial Results**

We have determined that the amount of actuarial liability for District-paid retiree benefits is \$7,877,364 as of July 1, 2014. 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 4.0% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected benefits.

This includes benefits for 47 retirees as well as 102 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 \$7,877,364 into past service and future service components under the Projected Unit Credit Cost Method, the past service liability (or "Accrued Liability") component is \$6,824,685 as of July 1, 2014. This represents the present value of all benefits earned to date assuming that an employee earns retiree healthcare benefits ratably over his or her career. The \$6,824,685 is comprised of liabilities of \$2,665,446 for active employees and \$4,159,239 for retirees. Because the District has not established an irrevocable trust for the pre-funding of retiree healthcare benefits, the Unfunded Accrued Liability (called the UAL, equal to the AL less Assets) is also \$6,824,685.

We have determined that Willows Unified School District's "Annual Required Contributions", or "ARC", for the fiscal year 2014-15, is \$537,788. The \$537,788 is comprised of the present value of benefits accruing in the current year, called the "Service Cost", and a 30-year amortization of the UAL. We estimate that the District will pay approximately \$514,531 for the 2014-15 fiscal year in healthcare costs for its retirees, so the difference between the accrual accounting expense (ARC) and pay-as-you-go is an increase of \$23,257.

There are two adjustments to the ARC that are required in order to determine the District's Annual OPEB Cost (AOC) for the 2014-15 fiscal year. We have calculated these adjustments based on an estimated Net OPEB Obligation of \$169,305 as of June 30, 2014, resulting in an AOC for 2014-15 of \$534,769.

We show these numbers in the table on the next page and in Exhibit II. All amounts are net of expected future retiree contributions, if any.

**Willows Unified School District**  
**Annual Liabilities and Expense under**  
**GASB 45 Accrual Accounting Standard**  
**Projected Unit Credit Cost Method**

Item	Amounts for Fiscal 2014-15
Present Value of Future Benefits (PVFB)	
Active	\$3,718,125
Retired	<u>4,159,239</u>
<b>Total: PVFB</b>	<b>\$7,877,364</b>
Accrued Liability (AL)	
Actives	\$2,665,446
Retired	<u>4,159,239</u>
<b>Total: AL</b>	<b>\$6,824,685</b>
Assets	<u>(0)</u>
<b>Total: Unfunded AL</b>	<b>\$6,824,685</b>
Annual Required Contributions (ARC)	
Service Cost At Year-End	\$143,116
30-year Amortization of Unfunded AL	<u>394,672</u>
<b>Total: ARC</b>	<b>\$537,788</b>
Adjustments to ARC	
Interest on Net OPEB Obligation*	6,772
Adjustment to ARC*	<u>(9,791)</u>
<b>Total: Annual OPEB Cost (AOC) for 2014-15</b>	<b>\$534,769</b>

\*Amounts based on estimated June 30, 2014 Net OPEB Obligation of \$169,305.

The ARC of \$537,788, shown above, should be used for the 2014-15, 2015-16 and 2016-17 fiscal years, but the Annual OPEB Cost for all three years must include an adjustment based on the Net OPEB Obligation as reported in the prior financial statement, which is not known precisely in advance.

When the District begins preparation of the June 30, 2014 government-wide financial statements, DF&A will provide the District and its auditors with complimentary assistance in preparation of footnotes and required supplemental information for compliance with GASB 45 (and GASB 43, if applicable).

## Differences from Prior Valuation

The most recent prior valuation was completed by DF&A as of July 1, 2011. The Accrued Liability as of that date was \$7,109,278, compared to \$6,824,685 on July 1, 2014. This Accrued Liability (AL) is for District-paid benefits only; that is, it is net of expected future retiree contributions. In this section, we provide a reconciliation between the 2011 AL and the 2014 AL, so that it is possible to track the numbers from one actuarial report to the next.

Several factors have caused the AL to change since 2011. The AL increases with the passage of time as employees accrue more service and get closer to receiving benefits, and decreases as outstanding benefit obligations to retirees are satisfied. There are actuarial gains/losses from one valuation to the next, and changes in actuarial assumptions and methodology for the current valuation. The most important of these factors were as follows:

1. There was a gain (a decrease in the AL) of \$333,642 from increases in healthcare premiums and caps less than expected.
2. We changed to more up-to-date mortality tables. This change increased the AL by \$83,102.
3. We lowered the discount rate from 5.0% to 4.0% to reflect the decrease in long-term interest rates over the last several years. This change increased the AL by \$592,552.
4. We increased the initial healthcare trend rate from 5% to 8% to better reflect our expectations of average healthcare claim cost increases over the next several years. This change increased the AL by \$74,292.
5. There was a net census gain (a decrease in AL) of \$405,450, primarily due to fewer retirements and higher turnover than expected.

The changes to the AL since the July 1, 2011 valuation may be summarized as follows:

<b>Change to AL</b>	<b>AL</b>
AL as of 7/1/11	\$7,109,278
Passage of time	(295,447)
Increases in premiums and caps < expected	(333,642)
Change in mortality tables	83,102
Change in discount rate	592,552
Change in trend rates	74,292
Census (gain)/loss	(405,450)
<b>AL as of 7/1/14</b>	<b>\$6,824,685</b>

## **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 45 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, 4.0% per annum on its investments, and that contributions and benefits are paid mid-year.

The schedules are:

1. A level contribution amount for the next 18 years (a longer period would result in the fund's exhaustion in the early years).
2. A level percent of the Unfunded Accrued Liability.
3. A constant percentage (3%) increase for the next 14 years (see comment for schedule 1).

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.**

These numbers are computed on a closed group basis, assuming no new entrants, and using unadjusted premiums. We use unadjusted premiums for these funding schedules because we do not recommend that the District pre-fund for the full age-adjusted costs reflected in the GASB 45 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 married 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.

**Willows Unified School District**  
**Sample Funding Schedules (Closed Group)**

<b>Fiscal Year</b>	<b>Pay-as-you-go</b>	<b>Level Contribution for 18 years</b>	<b>Level % of Unfunded Liability</b>	<b>Constant Percentage Increase</b>
2014	\$514,531	\$524,290	\$1,186,545	\$524,603
2015	503,596	524,290	1,014,703	540,341
2016	513,875	524,290	869,618	556,551
2017	494,666	524,290	747,373	573,247
2018	482,337	524,290	643,597	590,445
2019	429,166	524,290	555,453	608,158
2020	432,762	524,290	479,764	626,403
2021	457,831	524,290	415,541	645,195
2022	432,135	524,290	361,153	664,551
2023	408,329	524,290	314,274	684,487
2024	393,431	524,290	273,794	705,022
2025	363,952	524,290	238,834	726,173
2026	380,586	524,290	208,442	747,958
2027	370,215	524,290	182,239	770,396
2028	366,503	524,290	159,345	0
2029	360,947	524,290	139,264	0
2030	353,259	524,290	121,537	0
2031	335,939	524,290	103,693	0
2032	316,268	0	86,701	0
2033	311,698	0	72,494	0
2034	288,754	0	60,617	0
2035	256,591	0	50,687	0
2036	232,326	0	42,385	0
2037	207,699	0	35,443	0
2038	190,621	0	29,638	0
2039	159,787	0	24,785	0
2040	142,590	0	20,726	0
2041	138,517	0	17,333	0
2042	128,694	0	14,496	0
2043	118,858	0	12,124	0
2044	103,737	0	10,140	0
2045	83,879	0	8,481	0
2046	78,797	0	7,093	0
2047	60,512	0	5,933	0
2048	47,083	0	4,963	0
2049	42,445	0	4,151	0
2050	34,524	0	3,471	0
2055	9,125	0	1,420	0
2060	2,438	0	581	0
2065	417	0	224	0
2070	50	0	50	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 1.0990 to adjust for the implicit subsidy.

## **Actuarial Assumptions**

In order 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. For example, turnover rates are taken from a standard actuarial table, T-5, decreased by 20% at all ages. This matches the District's historic turnover patterns. Retirement rates were also based on recent District retirement patterns. Both assumptions should be reviewed in the next valuation to see if they are tracking well with experience.

The discount rate of 4.0% is based on our best estimate of expected long-term plan experience. It is in accordance with our understanding of the guidelines for selection of this rate under GASB 45 for unfunded plans such as the District's. The healthcare trend rates are based on our analysis of recent District experience and our knowledge of the general healthcare environment.

In determining the cost of covering early retirees (those under the age of 65), we used an age-adjusted claims cost matrix fitted to the average single premium for early retirees. 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:

<b>FYB</b>	<b>Pay-as-you-go</b>
2014	\$514,531
2015	503,596
2016	513,875
2017	494,666
2018	482,337
2019	429,166
2020	432,762
2025	363,952
2030	353,259
2035	256,591
2040	142,590
2045	83,879
2050	34,524
2055	9,125
2060	2,438



**Breakdown by Employee/Retiree Group**

Exhibit I, attached at the end of the report, shows a breakdown of the GASB 45 components (ARC, AL, Service Cost, and PVFB) by bargaining unit (or non-represented group) and separately by active employees (future retirees) and current retirees.

**Net OPEB Obligation and Annual OPEB Cost (AOC)**

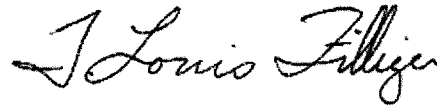
Exhibit II shows a development of the District's Net OPEB Obligation as of June 30, 2008 through June 30, 2014, and the Annual OPEB Cost ("AOC") for the fiscal years 2008-09 through 2014-15. As of the date this report is being published, the Net OPEB Obligation as of June 30, 2014 and the Annual OPEB Cost for 2014-15 are estimates.

**Certification**

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

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

Sincerely,  
DEMSEY, FILLIGER AND ASSOCIATES



T. Louis Filliger, FSA, EA, MAAA  
Partner & Actuary

## Benefit Plan Provisions

The District offers medical/prescription drug, dental, and vision benefits to its employees and retirees through California's Valued Trust (CVT), a jointly managed trust, on a pooled, self-insured basis. A separate three-tiered rate structure applies to retirees under the age of 65. A number of Blue Cross PPO/prescription drug plan combinations are offered as well as a high deductible health plan. Delta Dental and Vision Service Plan are also offered through CVT.

### Eligibility for District-paid Benefits

Certificated employees who have attained age 55 and have completed at least 15 years of service with the District are eligible to retire and receive District-paid medical, prescription drug, dental and vision coverage, for retiree and covered dependents, subject to an annual cap of \$11,611 (\$12,579.36 for retirements before July 1, 2014). District-paid benefits end at age 65.

Classified employees who have attained age 55 and have completed at least 20 years of service with the District are eligible to retire and receive District-paid medical, prescription drug, dental and vision coverage, for retiree and covered dependents, subject to an annual cap of \$11,611. District-paid benefits end at age 65 for those hired on or after January 1, 1995, and continue for life for those hired before January 1, 1995.

Management and Confidential employees who have attained age 55 and have completed at least 16 years of service with the District are eligible to retire and receive District-paid medical, prescription drug, dental and vision coverage, for retiree and covered dependents, subject to an annual cap of \$11,611. District-paid benefits end at age 65 for those hired on or after January 1, 1995, and continue for life for those hired before January 1, 1995.

Following are CVT premiums for retirees and spouses under age 65, as of October 1, 2013:

CVT Plan	Retiree	Retiree +1
Blue Cross Plan 1A	\$1,151.00	\$1,979.00
Blue Cross Plan 2A	1,099.00	1,890.00
Blue Cross Plan 3A	1,069.00	1,838.00
Blue Cross Plan 4A	1,036.00	1,782.00
Blue Cross Plan 6A	958.00	1,647.00
Blue Cross Plan 7A	950.00	1,634.00
Blue Cross Plan 8A	871.00	1,498.00
Blue Cross Plan 9C	762.00	1,310.00
Blue Cross Plan 10C	661.00	1,137.00
Wellness Plan 1C	958.00	1,647.00
CVT Bronze Plan	504.00	866.00
High Deductible Health Plan 1	740.00	1,273.00
Delta Dental	105.08	105.08
VSP Vision	19.80	19.80

## Valuation Data

### Active and Retiree Census

#### Age distribution of retirees included in the valuation

Age	To Age 65	Lifetime	Total
Under 55	0	0	0
55-59	1	0	1
60-64	16	6	22
65-69	0	8	8
70-74	0	1	1
75-79	0	9	9
80-84	0	3	3
85-89	0	0	0
90+	<u>0</u>	<u>3</u>	<u>3</u>
Total	17	30	47
Average Age	61.94	72.83	68.89

#### 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
25-29	3	1							4
30-34	5	2	1						8
35-39	3	0	3	0					6
40-44	4	4	2	6	0				16
45-49	1	0	3	6	2	1			13
50-54	0	5	7	1	3	1	0		17
55-59	2	1	3	2	5	5	2	0	20
60-64	0	1	2	5	2	1	0	3	14
65+*	<u>1</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
All Ages	19	14	21	23	12	8	2	3	102

\*not eligible for future District-paid retiree health benefits.

Average Age: 49.49  
 Average Service: 13.95

## Actuarial Assumptions

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

Valuation Date:	July 1, 2014
Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	30-year level dollar, open period
Discount Rate:	4.0% per annum
Return on Assets:	4.0% per annum
Pre-retirement Turnover:	According to the Crocker-Sarason Table T-5 less mortality, decreased by 20% at all ages. Sample rates are as follows:

Age	Turnover (%)
25	6.3%
30	5.8
35	5.0
40	4.1
45	3.2
50	2.1
55	0.8

Pre-retirement Mortality: RP-2000 Combined Mortality, static projection to 2012 by scale AA. Sample deaths per 1,000 employees are as follows:

Age	Males	Females
25	0.33	0.18
30	0.42	0.23
35	0.73	0.42
40	0.98	0.59
45	1.29	0.93
50	1.72	1.36
55	2.88	2.47
60	5.56	4.76

Post-retirement Mortality: RP-2000 Combined Mortality, static projection to 2012 by scale AA. Sample deaths per 1,000 retirees are as follows:

Age	Males	Females
60	5.56	4.76
65	10.75	9.14
70	18.52	15.77
75	31.95	25.52
80	57.06	42.17
85	101.80	72.05
90	174.80	127.02

<b>Actuarial Assumptions (Continued)</b>
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Claim Cost per Retiree or Spouse (before application of cap). Dental/Vision are composite:

Age	Medical/Rx	Dental/Vision
50	\$8,971	\$1,499
55	10,400	1,499
60	12,056	1,499
64	13,570	1,499
65	4,098	1,499
70	4,415	1,499
75	4,756	1,499

Retirement Rates:

Age	Percent Retiring*
55	8.0%
56	12.0
57	15.0
58	18.0
59	20.0
60	25.0
61	30.0
62	35.0
63	40.0
64	45.0
65	100.0

\*Of those having met the eligibility for District-paid health benefits. The percentage refers to the probability that an active employee reaching 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/Vision
2014	8.0%	4.0%
2015	7.0	4.0
2016	6.0	4.0
2017+	5.0	4.0

Percent Married:

Future retirees: 40%. Male spouses assumed 3 years older than female spouses. For current retirees, actual dependent data was used.

Increases in District Cap:

Assumed frozen for all future years.

## Actuarial Certification

The results set forth in this report are based on our actuarial valuation of the health and welfare benefit plans of the Willows Unified School District ("District") as of July 1, 2014.

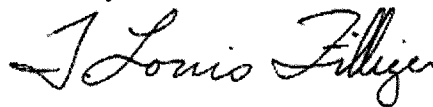
The valuation was performed in accordance with generally accepted actuarial principles and practices. We relied on census data for active employees and retirees provided to us by the District in August, 2014. We also made use of claims, premium, expense, and enrollment data, and copies of relevant sections of healthcare documents provided to us by the District.

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 43 and GASB 45, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits. We have assumed no post-valuation mortality improvements, consistent with our belief that there will be no further significant, sustained increases in life expectancy in the United States over the projection period covered by the valuation.

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:



T. Louis Filliger, FSA, EA, MAAA Date: 9/4/14  
Partner & Actuary

**Willows Unified School District**  
**GASB 45 Valuation Results By Employee Group**

	<u>7/1/2014</u> <u>Valuation Results</u> <u>Certificated</u>	<u>7/1/2014</u> <u>Valuation Results</u> <u>Classified</u>	<u>7/1/2014</u> <u>Valuation Results</u> <u>Mgmt/Conf</u>	<u>7/1/2014</u> <u>Valuation Results</u> <u>Total All Groups</u>
District-paid Present Value of Benefits:				
Actives	\$ 1,491,912	\$ 1,603,921	\$ 622,292	\$ 3,718,125
Retirees	<u>688,961</u>	<u>2,807,789</u>	<u>662,489</u>	<u>4,159,239</u>
Total District-Paid PVFB:	\$ 2,180,873	\$ 4,411,710	\$ 1,284,781	\$ 7,877,364
District-paid Accrued Liability:				
Actives	\$ 940,716	\$ 1,266,140	\$ 458,590	\$ 2,665,446
Retirees	<u>688,961</u>	<u>2,807,789</u>	<u>662,489</u>	<u>4,159,239</u>
Total District-Paid AL:	\$ 1,629,677	\$ 4,073,929	\$ 1,121,079	\$ 6,824,685
Assets*	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District-paid Unfunded Accrued Liability ("UAL")	\$ 1,629,677	\$ 4,073,929	\$ 1,121,079	\$ 6,824,685
<b>GASB 45 ARC ("Annual Required Contributions")</b>				
Service Cost at Year-end	\$ 61,922	\$ 54,470	\$ 26,724	\$ 143,116
30-year amortization of District-paid UAL	<u>94,244</u>	<u>235,596</u>	<u>64,832</u>	<u>394,672</u>
Total ARC	\$ 156,166	\$ 290,066	\$ 91,556	\$ 537,788

\*Assets, if any, allocated in proportion to AL for illustration purposes only; GASB 45 does not provide authority for this calculation.

	Amount
<b>Net OPEB Obligation 6/30/2008</b>	-
ARC for 2008-9	495,200
Interest on Net OPEB Obligation	-
Amortization adjustment to ARC	-
<b>Annual OPEB Cost 2008-9</b>	<b>495,200</b>
Employer Contribution	<u>(411,964)</u>
<b>Net OPEB Obligation 6/30/2009</b>	<b>83,236</b>
ARC for 2009-10	495,200
Interest on Net OPEB Obligation	3,538
Amortization adjustment to ARC	<u>(3,422)</u>
<b>Annual OPEB Cost 2009-10</b>	<b>495,316</b>
Employer Contribution	<u>(541,688)</u>
Change in Net OPEB Obligation 2009-10	(46,372)
Net OPEB Obligation 6/30/2009	<u>83,236</u>
<b>Net OPEB Obligation 6/30/2010</b>	<b>36,864</b>
ARC for 2010-11	495,200
Interest on Net OPEB Obligation	1,567
Amortization adjustment to ARC	<u>(1,516)</u>
<b>Annual OPEB Cost 2010-11</b>	<b>495,251</b>
Employer Contribution	<u>(514,129)</u>
Change in Net OPEB Obligation 2010-11	(18,878)
Net OPEB Obligation 6/30/2010	<u>36,864</u>
<b>Net OPEB Obligation 6/30/2011</b>	<b>17,986</b>
ARC for 2011-12	621,530
Interest on Net OPEB Obligation	899
Amortization adjustment to ARC	<u>(1,170)</u>
<b>Annual OPEB Cost 2011-12</b>	<b>621,259</b>
Employer Contribution	<u>(616,522)</u>
Change in Net OPEB Obligation 2011-12	4,737
Net OPEB Obligation 6/30/2011	<u>17,986</u>
<b>Net OPEB Obligation 6/30/2012</b>	<b>22,723</b>
ARC for 2012-13	621,530
Interest on Net OPEB Obligation	1,136
Amortization adjustment to ARC	<u>(1,478)</u>
<b>Annual OPEB Cost 2012-13</b>	<b>621,188</b>
Employer Contribution	<u>(570,416)</u>
Change in Net OPEB Obligation 2012-13	50,772
Net OPEB Obligation 6/30/2012	<u>22,723</u>
<b>Net OPEB Obligation 6/30/2013</b>	<b>73,495</b>
ARC for 2013-14	621,530
Interest on Net OPEB Obligation	3,675
Amortization adjustment to ARC	<u>(4,781)</u>
<b>Annual OPEB Cost 2013-14</b>	<b>620,424</b>
Employer Contribution	<u>(524,614)</u>
Change in Net OPEB Obligation 2013-14	95,810
Net OPEB Obligation 6/30/2013	<u>73,495</u>
<b>Net OPEB Obligation 6/30/2014</b>	<b>169,305</b>
ARC for 2014-15	537,788
Interest on Net OPEB Obligation	6,772
Amortization adjustment to ARC	<u>(9,791)</u>
<b>Annual OPEB Cost 2014-15</b>	<b>534,769</b>