



TOWN OF OXFORD, MASSACHUSETTS

OTHER POSTEMPLOYMENT BENEFITS PROGRAM

FINANCIAL REPORTING AND DISCLOSURES
Governmental Accounting Standards Board
Statements 74 and 75

**Disclosures as of
June 30, 2021**

KMS Actuaries, LLC
52 Hunt Road
Kingston, NH 03848

October, 2021



October 1, 2021

Ms. Jillian K. Connor
Treasurer/Collector
Town of Oxford
325 Main Street
Oxford, MA 01540

Dear Jillian:

We are pleased to present the enclosed report of the July 1, 2020 actuarial valuation of the retiree health care benefits for the Town of Oxford. The valuation was prepared in accordance with and for the purpose of financial reporting and disclosures as of June 30, 2021 under the following Governmental Accounting Standards Board (GASB) Statements:

- ◆ GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (GASB 74)
- ◆ GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75)

The Principal Valuation Results, including assets, liabilities and the development of future contributions, are provided in Section 1. The Notes to the Financial Statements and the Required Supplementary Information are provided in Sections 2 and 3, respectively. Employer Reporting Amounts under GASB 75 are provided in Section 4. The Summary of Plan Provisions and Actuarial Assumptions and Methods are shown in Sections 5 and 6, respectively. Section 7 summarizes the demographic profile of active members and retired members, covered spouses and survivors. Finally, a Glossary of Terms is provided in Section 8.

Our calculations are based on member census data and other information provided by the Town of Oxford as well as health plan rates provided by the Town. Although we did not audit the data used in the valuation and disclosure calculations, we believe that the information is complete and reliable.

Liabilities presented in this report are based on a discount rate of 2.21%, the rate that reflects a blended-rate of the long-term expected rate of return on OPEB plan assets and the municipal bond rate. The municipal bond rate of 2.16% is based on the Bond Buyer 20-Bond GO Index published on June 30, 2021. The long-term expected rate of return is 6.5%. The long-term expected rate of return is based on the target allocations provided in the investment policy statement and long-term expected rates of return by asset class provided by the Town's investment consultant, Bartholomew & Company.

Ms. Jillian K. Connor

October 1, 2021

Page 2

This report was completed in accordance with generally accepted actuarial standards and procedures, and conforms to the Code of Professional Conduct of the American Academy of Actuaries. The actuarial assumptions other than those explicitly applicable to the postemployment benefit plans are consistent with those used by the Worcester Regional and Massachusetts Teachers Retirement Systems' actuaries for the Retirement System pension valuations.

Future actuarial valuation results may differ significantly from the current results presented in this report. Examples of potential sources of volatility include plan experience differing from that anticipated by the economic or demographic assumptions, the effect of new entrants, changes in economic or demographic assumptions, the effect of law changes and the delayed effect of smoothing techniques.

Our valuation follows generally accepted actuarial methods and we perform such tests as we consider necessary to assure the accuracy of the results. The amounts presented in this report have been appropriately determined according to the actuarial assumptions and methods stated herein.

This report is intended for the sole use of the Town of Oxford and is intended to provide information to comply with the stated purpose of the report. It may not be appropriate for other purposes.

The expected claims, cost trend rates, and analysis of regulatory changes have been developed based on the expertise of the undersigned health and welfare actuary, Christopher E. Bean, ASA, MAAA. The undersigned credentialed actuaries are Members of the American Academy of Actuaries and together meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinion contained herein. They are available to answer any questions with regard to this report.

Respectfully submitted,



Linda L. Bournival, FSA, EA

Member, American Academy of Actuaries

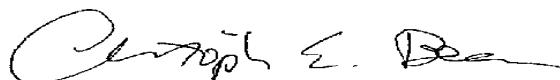
(603) 792-9494



Amanda J. Makarevich, ASA

Member, American Academy of Actuaries

(603) 792-9494



Christopher E. Bean, ASA

Member, American Academy of Actuaries

(508) 628-9022

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
SECTION 1 PRINCIPAL VALUATION RESULTS	5
Exhibit 1.1 - OPEB Trust Assets	
Exhibit 1.2 - Total OPEB Liability	
Exhibit 1.3 - Development of Actuarially Determined Employer Contributions	
SECTION 2 NOTES TO THE FINANCIAL STATEMENTS	8
Exhibit 2.1 - Plan Description	
Exhibit 2.2 - Net OPEB Liability	
SECTION 3 SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION	12
Exhibit 3.1 - Changes in Net OPEB Liability and Related Ratios	
Exhibit 3.2 - Investment Returns	
Exhibit 3.3 - Schedule of Employer Contributions	
SECTION 4 EMPLOYER REPORTING AMOUNTS UNDER GASB 75	16
Exhibit 4.1 - Deferred Outflows and Deferred Inflows of Resources	
Exhibit 4.2 - OPEB Expense	
SECTION 5 SUMMARY OF PLAN PROVISIONS	19
SECTION 6 ACTUARIAL ASSUMPTIONS AND METHODS	21
SECTION 7 PLAN MEMBER INFORMATION	28
Exhibit 7.1 - Active Members by Age and Years of Service	
Exhibit 7.2 - Retired Members, Covered Spouses and Survivors	
SECTION 8 GLOSSARY OF TERMS	30
SECTION 9 BREAKOUT OF RESULTS BY DEPARTMENT	33
Appendix A CALCULATION OF SINGLE DISCOUNT RATE	
Appendix B SCHEDULE OF DEFERRED OUTFLOWS OF RESOURCES and DEFERRED INFLOWS OF RESOURCES	

EXECUTIVE SUMMARY

Purpose of Report

This report presents the results of the actuarial valuation of the Town of Oxford's retiree health care benefits as of July 1, 2020. The valuation was prepared in accordance with and for the purpose of financial reporting and disclosures as of June 30, 2021 under the following Governmental Accounting Standards Board (GASB) Statements:

- ◆ GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (GASB 74)
- ◆ GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75)

The results as of the measurement date are based on a roll forward of the liabilities developed in the most recent actuarial valuation.

GASB Accounting Standards

In June 2015, the GASB approved two related Statements that significantly changed the way other postemployment benefits (OPEB) plans and governments account and report OPEB liabilities. GASB Statement No. 74 (GASB 74), *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, replaced the requirements of Statement No. 43 and GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaced the requirements of Statement No. 45.

The effective date for GASB 74 is for plan years beginning after June 15, 2016, which is the plan year ending June 30, 2017 for the Town of Oxford. The effective date for GASB 75 is for fiscal years beginning after June 15, 2017, which is the fiscal year ending June 30, 2018 for the Town of Oxford.

GASB 74 requires OPEB plans to present a statement of fiduciary net position (OPEB plan assets) and a statement of changes in fiduciary net position. Further, the statement requires that notes to financial statements include descriptive information such as the types of benefits provided, the classes of plan members covered and the authority under which benefit terms are established or may be amended. Finally, GASB 74 requires OPEB plans to present in required supplementary information the sources of the changes in the net OPEB liability and information about the actuarially determined contributions compared with the actual contributions made to the plan and related ratios.

GASB 74 and GASB 75 require projected benefit payments be discounted to their actuarial present value using the single rate that reflects (1) a long-term expected rate of return on OPEB plan investments to the extent that the OPEB plan's assets are sufficient to pay benefits and OPEB plan assets are expected to be invested using a strategy to achieve that return and (2) a tax-exempt, high-quality municipal bond rate to the extent that the conditions for use of the long-term expected rate of return are not met.

GASB 75 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and OPEB expense by state and local governments.

EXECUTIVE SUMMARY

Town of Oxford Other Postemployment Benefits Program

The Town of Oxford administers the retiree health care benefits program - a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees. The Town provides health care benefits for retirees and their dependents. Benefits are provided through the Town, and the full cost of benefits is shared between the Town and retirees.

Summary of Principal Results

A summary of principal results from the current and prior measurement dates follows:

Disclosure Date	June 30, 2021	June 30, 2020	% Change
Valuation Date	July 1, 2020	July 1, 2018	
Membership Data			
Active Plan Members	327	355	(7.9%)
Inactive Plan Members (excludes covered spouses)	199	193	3.1%
Total Plan Members	526	548	(4.0%)
Covered Spouses	76	77	(1.3%)
Covered Payroll	\$20,991,040	\$21,580,097	(2.7%)
Net OPEB Liability			
Discount Rate	2.21%	2.24%	
Total OPEB Liability (TOL)	\$61,025,178	\$72,685,183	(16.0%)
Fiduciary Net Position (FNP)	\$5,666,289	\$4,408,406	28.5%
Net OPEB Liability	\$55,358,889	\$68,276,777	(18.9%)
FNP as % of TOL	9.3%	6.1%	52.5%
OPEB Expense			
OPEB Expense	\$4,617,254	\$4,857,499	(4.9%)
Deferred Outflows	\$17,090,193	\$20,922,855	
Deferred Inflows	\$19,254,212	\$6,728,731	
Recognition Period	7.01	7.13	

EXECUTIVE SUMMARY

Experience Gain and Loss

In developing the Total OPEB Liability, various assumptions are made regarding future premium rates, mortality, retirement, disability and turnover rates. A comparison of the results of the current and prior measurements is made to determine how closely actual experience relates to expected. For the current measurement period, the difference between expected and actual experience resulted in an actuarial gain of approximately \$14,614,000. The gain is largely due to lower than expected medical premiums and the discontinuation of the Tufts HMO plan, which was the most expensive plan in the prior valuation.

Changes of Assumptions

The discount rate changed from 2.24% as of June 30, 2020 to 2.21% as of June 30, 2021. In addition, many other assumptions were updated in this valuation, including the inflation rate, healthcare trend rates, and mortality tables and mortality improvement rates. A summary of the impact on the Total OPEB Liability (TOL) of each assumption change is provided below:

◆ Increase due to change in Inflation Assumption	374,000
◆ Increase due to change in Trend Assumption	1,194,000
◆ Decrease due to change in Mortality Tables and Mortality Improvement Rates	(2,904,000)
◆ Increase due to change in Discount Rate	347,000
Total	\$ (989,000)

All of the assumptions used in this valuation are shown in Section 6, Actuarial Assumptions and Methods.

Changes of Benefit Terms

All benefit terms are the same as those used in the prior measurement. A Summary of the Principal Plan Provisions is provided in Section 5.

Total OPEB Liability

The Total OPEB Liability as of the current measurement date, June 30, 2021, is \$61,025,178. The Total OPEB Liability as of the prior measurement date, June 30, 2020, was \$72,685,183. During the current measurement period ending June 30, 2021, the Total OPEB Liability decreased by \$11,660,005, or -16.0%. The development of the Total OPEB Liability for the current measurement period is shown in Section 1, Exhibit 1.2.

Fiduciary Net Position

The Fiduciary Net Position is equal to the market value of assets and as of the current measurement date, June 30, 2021, is \$5,666,289. The Fiduciary Net Position as of the prior measurement date, June 30, 2020, was \$4,408,406. During the plan years ended 2021 and 2020, the actual rates of return were 26.96% and 2.75%, respectively. The expected long-term rate of return is 6.50%. The Fiduciary Net Position is shown in Section 1, Exhibit 1.1.

Employer Future Period Contributions

Future contributions for fiscal years 2020 through 2050 are assumed to be made according to the funding schedule provided by the Town.

EXECUTIVE SUMMARY

Discount Rate

As of the June 30, 2021 measurement date, the OPEB plan's fiduciary net position was projected to be insufficient to make all projected benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to the first 7 periods of projected future benefit payments and the 2.16% municipal bond rate was applied to all periods thereafter to determine the total OPEB liability. Projected benefit payments are discounted to their actuarial present value using a single discount rate of 2.21%.

OPEB Expense

The OPEB Expense for the current measurement period ending June 30, 2021, is \$4,617,254. Benefit changes are recognized immediately and experience gains and losses and assumption changes developed in this valuation are recognized over 7.01 years. Investment gains and losses are recognized over 5 years. The OPEB Expense for the prior measurement period was \$4,857,499. The development of the OPEB expense for the current measurement period is shown in Section 4, Exhibit 4.2.

COVID-19 Pandemic

The assumptions in this report do not reflect the potential impacts of the COVID-19 pandemic on the OPEB program. Especially in the short range, the pandemic is likely to materially affect the economic, demographic and healthcare-specific experience, in a way not anticipated by the assumptions on which the projections are based.

SECTION 1 - PRINCIPAL VALUATION RESULTS

Exhibit 1.1 - OPEB Trust Assets

The Town has established an irrevocable trust pursuant to Section 20 of Chapter 32B of the Massachusetts General Laws for the purpose of accumulating assets to prefund the OPEB liabilities. Plan assets segregated and restricted in an OPEB trust must be dedicated to providing plan benefits to retirees and beneficiaries in accordance with the terms of the plan and must be legally protected from creditors of the employer. Further, employer contributions to the trust must be irrevocable. Asset information for the current and prior fiscal years was provided by the Town and is presented below:

Fiscal Year Ended June 30	2021	2020
Trust Fund Composition at Fiscal Year-End		
Domestic Equities	\$2,175,227	\$1,604,005
Domestic Bonds	1,307,108	1,118,034
Alternatives	1,255,627	495,774
International Equities	690,174	970,171
International Bonds	225,362	201,032
Cash and Equivalents	12,791	19,390
Total Market Value of Assets	\$5,666,289	\$4,408,406
Asset Activity		
Market value, beginning of year	\$4,408,406	\$4,240,910
Employer Premiums	1,121,084	1,323,440
OPEB Trust Contributions	55,915	50,000
Benefit Payments	(1,121,084)	(1,323,440)
Administrative Expenses	-	-
Investment Return	1,201,968	117,496
Market value, end of year	\$5,666,289	\$4,408,406
Money-Weighted Rate of Return	26.96%	2.75%
(Gain) / Loss on OPEB Plan Investments		
Projected earnings	\$300,932	\$320,222
Actual earnings	1,201,968	117,496
(Gain) / Loss on OPEB plan investments	(\$901,036)	\$202,726

SECTION 1 - PRINCIPAL VALUATION RESULTS

Exhibit 1.2 - Total OPEB Liability

The Total OPEB Liability, developed using the Entry Age Normal funding method, is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service. The total OPEB liability as of the June 30, 2021 measurement date was developed from an actuarial valuation as of July 1, 2020 and rolled forward to the OPEB plan's fiscal year-end.

The Service Cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year. Only active employees who have not reached the age at which the probability of retirement is 100% incur a service cost.

Actuarial experience gains and losses arise from the difference between expected and actual experience, excluding amounts related to benefit changes and changes in assumptions or other inputs.

The development of the Total OPEB Liability from the beginning of the measurement period, June 30, 2020 to the end of the measurement period, June 30, 2021 is shown below:

Measurement Date	June 30, 2021
1. Total OPEB Liability, beginning of year:	
a. Actives	\$41,952,790
b. Retirees, Covered Spouses and Survivors	30,732,393
c. Total OPEB Liability at 2.24% (a. + b.)	\$72,685,183
2. Service Cost	\$3,373,867
3. Expected Benefit Payments	
a. Current retirees	(\$1,044,856)
b. Future retirees	(76,228)
c. Total (a. + b.)	(\$1,121,084)
4. Interest [2.24% x (1.c. + 2. + .5 x 3.c)]	\$1,691,167
5. Changes of benefit terms	\$0
6. Differences between expected and actual experience	(\$14,613,935)
7. Changes of assumptions or other inputs	(\$990,020)
8. Total OPEB Liability, end of year (1.c. + 2. + 3.c. + 4. + 5. + 6. + 7.)	
a. Actives	\$33,409,792
b. Retirees, Covered Spouses and Survivors	27,615,386
c. Total OPEB Liability at 2.21% (a. + b.)	\$61,025,178

SECTION 1 - PRINCIPAL VALUATION RESULTS

Exhibit 1.3 - Development of Actuarially Determined Employer Contributions

Future contributions for fiscal years 2020 through 2050 are assumed to be made according to the funding schedule provided by the Town.

The Actuarially Determined Employer Contribution (ADEC) equals the Normal Cost plus a provision for amortizing the Unfunded Actuarial Accrued Liability. We have assumed level dollar amortization over an amortization period of 30 years.

Fiscal Year Ending	June 30, 2021	June 30, 2022
Discount Rate	2.24%	2.21%
1. Normal Cost	\$3,373,867	\$2,977,376
2. Unfunded Actuarial Accrued Liability		
a. Actuarial Accrued Liability	\$72,685,183	\$61,025,178
b. Actuarial Value of Plan Assets	\$4,408,406	\$5,666,289
c. Unfunded Actuarial Accrued Liability (a. - b.)	\$68,276,777	\$55,358,889
3. Amortization of Unfunded Actuarial Accrued Liability		
a. Unfunded Actuarial Accrued Liability	\$68,276,777	\$55,358,889
b. Amortization Period in years	30	30
c. Payroll Growth Rate	0.0%	0.0%
d. Amortization Factor	22.16	22.24
e. Amortization Amount (3.a. / 3.d.)	\$3,081,082	\$2,489,159
4. Interest on 1. and 3.e.	\$144,591	\$120,810
5. Actuarially Determined Employer Contribution (1. + 3.e. + 4.)	\$6,599,540	\$5,587,345
6. Actual Employer Contribution to OPEB Trust	\$55,915	TBD
7. Expected Benefit Payments	\$1,121,084	
8. Total Contribution (6. + 7.)	\$1,176,999	

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.1 - Plan Description

Plan Administration

The Town of Oxford administers the retiree health care benefits program - a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees.

Plan Membership

At June 30, 2021, OPEB plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments ¹	199
Inactive plan members entitled to but not yet receiving benefit payments	0
Active plan members	327
	<hr/>
	526
	<hr/>

¹Per paragraph 34a of GASB 74 and further clarified by Question 4.67 of the 2017-2 GASB 74 Implementation Guide, the total shown for inactive plan members or beneficiaries currently receiving benefit payments does not include covered spouses or other dependents.

Benefits Provided

The Town provides health care benefits for retirees and their dependents. Benefits are provided through the Town, and the full cost of benefits is shared between the Town and retirees.

Employer Future Period Contributions

Future contributions for fiscal years 2020 through 2050 are assumed to be made according to the funding schedule provided by the Town.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.2 - Net OPEB Liability

The components of the net OPEB liability at June 30, 2021, were as follows:

Total OPEB liability	\$ 61,025,178
Fiduciary net position	(5,666,289)
Net OPEB liability	\$ 55,358,889

Fiduciary net position as a percentage of the total OPEB liability 9.29%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, rolled forward to the measurement date and using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.2 percent
Discount rate	2.21 percent, net of investment expenses, including inflation
Healthcare cost trend rate	7 percent for 2020, decreasing 0.4 percent per year to 5.4 percent, then grading down to an ultimate trend rate of 4 percent, utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical inflation rate is reached in 2075.
Pre-Retirement Mortality - General and Public Safety employees	RP-2014 Blue Collar Mortality Table, projected with generational mortality improvement using scale MP-2018.
Post-Retirement Mortality - General and Public Safety employees	RP-2014 Blue Collar Mortality Table, projected with generational mortality improvement using scale MP-2018.
Pre-Retirement Mortality - Teachers	PUB-2010 Teachers Headcount-Weighted Mortality Table, base year 2010, projected with generational mortality using Scale MP-2020.
Post-Retirement Mortality - Teachers	PUB-2010 Teachers Headcount-Weighted Mortality Table, base year 2010, projected with generational mortality using Scale MP-2020.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.2 - Net OPEB Liability

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage provided in the investment policy statement and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rates of Return ¹
Domestic Equities	34%	5.34%
Domestic Bonds	20%	1.62%
Alternatives	20%	4.21%
International Equities	22%	6.10%
International Bonds	4%	1.26%
Cash and Equivalents	0%	0.00%
Total	100%	

¹ provided by the Town's investment consultant, Bartholomew & Company.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate assumed that contributions from the Town will be made in accordance with the plan's funding policy. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be insufficient to make all projected benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to the first 7 periods of projected future benefit payments and the 2.16% municipal bond rate was applied to all periods thereafter to determine the total OPEB liability.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.2 - Net OPEB Liability

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability calculated using the current discount rate of 2.21 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate 1-percentage point lower (1.21 percent) or 1-percentage point higher (3.21 percent) than the current rate:

	1% Decrease (1.21%)	Assumed Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability	\$ 74,333,689	\$ 61,025,178	\$ 50,813,536
Fiduciary Net Position	(5,666,289)	(5,666,289)	(5,666,289)
Net OPEB Liability	\$ 68,667,400	\$ 55,358,889	\$ 45,147,247

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability calculated using the current healthcare cost trend rates as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower (6% year 1 decreasing to 3%) or 1-percentage point higher (8% year 1 decreasing to 5%) than the current healthcare cost trend rates:

	1% Decrease 6% Year 1 Decreasing to 3%	Assumed Healthcare Cost Trend Rates 7% Year 1 Decreasing to 4%	1% Increase 8% Year 1 Decreasing to 5%
Total OPEB Liability	\$ 49,479,014	\$ 61,025,178	\$ 76,626,733
Fiduciary Net Position	(5,666,289)	(5,666,289)	(5,666,289)
Net OPEB Liability	\$ 43,812,725	\$ 55,358,889	\$ 70,960,444

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.1 - Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ended June 30	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	\$ 3,373,867	\$ 2,302,197	\$ 2,002,998	\$ 2,102,507	\$ 2,506,859
Interest	1,691,167	2,030,947	2,020,189	1,865,002	1,615,467
Changes of benefit terms	-	(1,414,740)	-	(20,706)	-
Differences between expected and actual experience	(14,613,935)	-	(7,382,205)	-	-
Changes of assumptions	(990,020)	15,841,429	9,827,250	(2,545,072)	(6,602,086)
Benefit payments	(1,121,084)	(1,323,440)	(1,241,476)	(1,309,320)	(1,196,195)
Net change in total OPEB liability	\$ (11,660,005)	\$ 17,436,393	\$ 5,226,756	\$ 92,411	\$ (3,675,955)
Total OPEB liability—beginning	\$ 72,685,183	\$ 55,248,790	\$ 50,022,034	\$ 49,929,623	\$ 53,605,578
Total OPEB liability—ending (a)	\$ 61,025,178	\$ 72,685,183	\$ 55,248,790	\$ 50,022,034	\$ 49,929,623
Plan Fiduciary Net Position					
Contributions--employer	\$ 1,176,999	\$ 1,373,440	\$ 1,291,476	\$ 1,374,320	\$ 1,248,695
Net investment income	1,201,968	117,496	245,915	181,990	194,711
Benefit payments	(1,121,084)	(1,323,440)	(1,241,476)	(1,309,320)	(1,196,195)
Administrative expenses	-	-	-	-	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	\$ 1,257,883	\$ 167,496	\$ 295,915	\$ 246,990	\$ 247,211
Plan fiduciary net position—beginning	\$ 4,408,406	\$ 4,240,910	\$ 3,944,995	\$ 3,698,005	\$ 3,450,794
Plan fiduciary net position—ending (b)	\$ 5,666,289	\$ 4,408,406	\$ 4,240,910	\$ 3,944,995	\$ 3,698,005
Net OPEB liability—ending (a) – (b)	\$ 55,358,889	\$ 68,276,777	\$ 51,007,880	\$ 46,077,039	\$ 46,231,618
Plan fiduciary net position as a percentage of the total OPEB liability	9.29%	6.07%	7.68%	7.89%	7.41%
Covered payroll	\$ 20,991,040	\$ 21,580,097	\$ 20,730,793	\$ 22,414,238	\$ 22,036,578
Net OPEB liability as a percentage of covered payroll	263.73%	316.39%	246.05%	205.57%	209.79%
Discount Rate	2.21%	2.24%	3.57%	3.93%	3.63%

Changes of Benefit Terms

All benefit terms are the same as those used in the prior measurement.

Changes of Assumptions

The discount rate changed from 2.24% as of June 30, 2020 to 2.21% as of June 30, 2021. In addition, many other assumptions were updated in this valuation, including the inflation rate, healthcare trend rates, and mortality tables and mortality improvement rates.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.2 - Investment Returns

Fiscal Year Ended June 30	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Annual money-weighted rate of return, net of investment expenses	26.96%	2.75%	6.19%	4.91%	5.63%					

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of OPEB plan investments by the proportion of time they are available to earn a return during that period. The rate of return is then calculated by solving, through an iterative process, for the rate that equates the sum of the weighted external cash flows into and out of the OPEB plan investments to the ending fair value of OPEB plan investments.

Note: Only 5 years are presented here, beginning with the year of implementation; 10 years of information will be required.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.2 - Investment Returns

Calculation of Money-Weighted Rate of Return

	Plan Investments/ Net External Cash Flows (a)	Periods Invested (b)	Period Weight (c)=(b)÷12	(d)=(a) x (1+r _{mw}) ^(c)
Beginning value - July 1, 2020	\$ 4,408,406	12	1.00	\$ 5,597,056
Monthly net external cash flows:				
July	50,915	11	0.92	63,370
August	-	10	0.83	-
September	-	9	0.75	-
October	5,000	8	0.67	5,863
November	-	7	0.58	-
December	-	6	0.50	-
January	-	5	0.42	-
February	-	4	0.33	-
March	-	3	0.25	-
April	-	2	0.17	-
May	-	1	0.08	-
June	-	0	0.00	-
Ending value - June 30, 2021				\$ 5,666,289
Money-weighted rate of return:				26.96%

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.3 - Schedule of Employer Contributions

Fiscal Year Ended June 30	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 6,599,540	\$ 5,182,525	\$ 4,723,076	\$ 4,734,018	\$ 4,269,222
Contributions in relation to the actuarially determined contribution	1,176,999	1,373,440	1,291,476	1,374,320	1,248,695
Contribution deficiency (excess)	<u>\$ 5,422,541</u>	<u>\$ 3,809,085</u>	<u>\$ 3,431,600</u>	<u>\$ 3,359,698</u>	<u>\$ 3,020,527</u>
Covered payroll	\$ 20,991,040	\$ 21,580,097	\$ 20,730,793	\$ 22,414,238	\$ 22,036,578
Contributions as a percentage of covered payroll	5.61%	6.36%	6.23%	6.13%	5.67%
Discount rate	2.24%	3.57%	3.93%	3.63%	4.00%
Inflation	2.20%	2.40%	2.60%	2.60%	2.60%

Notes to Schedule

Valuation Date

Actuarially determined contributions are determined as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions as of Current Measurement Date

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar amount over 30 years on an open amortization period for partial pre-funding.
Amortization period	30 years
Asset valuation method	Market value
Healthcare cost trend rates	7 percent for 2020, decreasing 0.4 percent per year to 5.4 percent, then grading down to an ultimate trend rate of 4 percent, utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical inflation rate is reached in 2075.

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 75

Exhibit 4.1 - Deferred Outflows and Deferred Inflows of Resources

Deferred Outflows of Resources and Deferred Inflows of Resources arising from differences between expected and actual experience are recognized in OPEB Expense over the average expected remaining service life of all active and inactive participants.

						Balances at June 30, 2021
		Amounts Recognized in OPEB Expense through June 30, 2021				
		Experience Losses	Experience Gains	(c)	(a) - (c)	(b) - (c)
Year	(a)	(b)	(c)	(a) - (c)	(b) - (c)	
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	7,382,205	(3,106,116)	-	-	4,276,089
2020	-	-	-	-	-	-
2021	-	14,613,935	(2,084,727)	-	-	12,529,208
Total				\$ -	\$ 16,805,297	

Deferred Outflows of Resources and Deferred Inflows of Resources arising from changes of assumptions are recognized in OPEB Expense over the average expected remaining service life of all active and inactive participants.

						Balances at June 30, 2021
		Amounts Recognized in OPEB Expense through June 30, 2021				
		Increases in the Total OPEB Liability	Decreases in the Total OPEB Liability	(c)	(a) - (c)	(b) - (c)
Year	(a)	(b)	(c)	(a) - (c)	(b) - (c)	
2018	\$ -	\$ 2,545,072	\$ (1,503,736)	\$ -	\$ 1,041,336	
2019	9,827,250	-	4,134,888	5,692,362	-	
2020	15,841,429	-	4,443,598	11,397,831	-	
2021	-	990,020	(141,230)	-	848,790	
Total				\$ 17,090,193	\$ 1,890,126	

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 75

Exhibit 4.1 - Deferred Outflows and Deferred Inflows of Resources

Deferred Outflows of Resources and Deferred Inflows of Resources arising from differences between projected and actual earnings on OPEB Plan investments are recognized in OPEB Expense over five years.

					Balances at June 30, 2021
	Investment Earnings Less Than Projected	Investment Earnings Greater Than Projected	Amounts Recognized in OPEB Expense through June 30, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Year	(a)	(b)	(c)	(a) - (c)	(b) - (c)
2018	\$ 97,798	\$ -	\$ 78,239	\$ 19,559	\$ -
2019	52,114	-	31,269	20,845	-
2020	202,726	-	81,090	121,636	-
2021	-	901,036	(180,207)	-	720,829
Subtotal				\$ 162,040	\$ 720,829
Net				\$ -	\$ 558,789

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources will be recognized in OPEB expense as follows:

Year ended June 30		
2022	\$	(146,848)
2023	\$	(166,408)
2024	\$	(90,363)
2025	\$	158,558
2026	\$	40,419
Thereafter		(1,959,377)
Deferred Outflows	\$	17,090,193
Deferred Inflows	\$	19,254,212

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 75

Exhibit 4.2 - OPEB Expense

The OPEB Expense and deferred outflows and inflows of resources primarily result from changes in the components of the net OPEB liability (NOL). Most changes in the NOL are included in the OPEB Expense in the period of the change, including service cost, interest on total OPEB liability, changes in benefit terms and projected earnings on the OPEB plan's investments. Other changes in the net OPEB liability are included in OPEB Expense over the current and future periods. These include the effects on the total OPEB liability of changes of economic and demographic assumptions and differences between expected and actual experience. In addition, the effect on the net OPEB liability of differences between the projected earnings on OPEB plan investments and actual experience with regard to those earnings are included in OPEB expense over the current and future periods. The OPEB Expense for the reporting period ending June 30, 2021 is presented below:

Fiscal Year Ended June 30, 2021

Measurement Date	6/30/2021
1. Service cost	\$ 3,373,867
2. Interest on the total OPEB liability	
a. Total OPEB liability, beginning of year	72,685,183
b. Service cost, beginning of year	3,373,867
c. Benefit payments	<u>(1,121,084)</u>
d. Interest on total OPEB liability = 2.24% times (a. + b. + .5 times c.)	1,691,167
3. Differences between expected and actual experience	(3,120,099)
4. Changes of benefit terms	-
5. Changes of assumptions	3,082,931
6. Projected earnings on OPEB plan investments	
a. Plan fiduciary net position, beginning of year	4,408,406
b. Contributions - Employer	1,176,999
c. Benefit payments	<u>(1,121,084)</u>
d. Administrative expenses and other	-
e. Total projected earnings	(300,932)
7. Differences between projected and actual earnings on OPEB plan investments	(109,680)
8. OPEB plan administrative expenses	-
9. Other changes in fiduciary net position	-
10. Total OPEB Expense	\$ 4,617,254

SECTION 5 - SUMMARY OF PLAN PROVISIONS

Eligibility for Postemployment Benefits Employees of the Town and their dependents are eligible for postemployment medical and life insurance based on the eligibility requirements under the Worcester Regional and Massachusetts Teachers Retirement Systems.

Retirement Eligibility General employees hired before April 2, 2012: retire after attaining age 55 with 10 or more years of service or any age with 20 or more years of service

General employees hired after April 1, 2012: retire after attaining age 60 with 10 or more years of service

Public Safety employees hired before April 2, 2012: retire after attaining age 55 or any age with 20 or more years of service

Public Safety employees hired after April 1, 2012: retire after attaining age 55

Ordinary Disability Eligibility Any member who is unable to perform his or her duties due to a non-occupational disability and has ten or more years of creditable service.

Accidental Disability Eligibility Any member who is unable to perform his or her duties due to a job-related disability.

Medical Premiums The total monthly premiums by plan are shown below:

Non-Medicare Plans - July 1, 2021	Individual	Family
Fallon Direct	\$689.21	\$1,791.88
Fallon Select	\$765.75	\$1,990.94
Fallon PPO	\$1,288.31	\$3,349.61

Medicare Plans - January 1, 2021

Medex2	\$341.38
Managed Blue	\$325.85
Fallon Senior Care	\$313.00
Tufts Medicare Preferred	\$339.00
Tufts Medicare Complement	\$684.00

Participant Contributions Retired employees contribute 50% of the health plan premium.

SECTION 5 - SUMMARY OF PLAN PROVISIONS

Continuation of Coverage to Spouse After Death of Retiree Surviving spouse may continue coverage for lifetime by paying the required medical premium.

Dental Coverage Dental coverage is not offered to retirees.

Life Insurance Coverage Retirees are eligible for a \$1,000 life insurance benefit. The total monthly cost is \$.74. Retirees contribute \$.37 towards the monthly premiums.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Valuation Date	July 1, 2020
Disclosure Date	June 30, 2021
GASB 75 Reporting Date	June 30, 2021
Long-Term Expected Rate of Return	6.5%, compounded annually, net of fees. A long-term assumption based on capital market expectations by asset class, historical returns and professional judgment. A building block approach was used that considered the target asset allocation, expected returns by asset class and risk analysis to determine a long-term expected average annual rate of return.
Municipal Bond Rate	2.16%, based on the Bond Buyer 20-Bond GO Index published on June 30, 2021.
Discount Rate (GASB)	2.21%, compounded annually, for the measurement as of June 30, 2021. 2.24%, compounded annually, for the measurement as of June 30, 2020. The single rate that reflects the long-term expected rate of return on OPEB plan investments to the extent that the OPEB plan's assets, which are expected to be invested using a strategy to achieve that return, are sufficient to pay benefits, and a tax-exempt, high-quality municipal bond rate to the extent that the conditions for use of the long-term expected rate of return are not met.
Discount Rate (ADEC)	2.24%, compounded annually, for development of the Actuarially Determined Contribution (ADEC) as of June 30, 2021.
Amortization Method	Level dollar amount over 30 years on an open amortization period for partial pre-funding.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Medical Trend Rates

Year	Trend
1	7.00%
2	6.60%
3	6.20%
4	5.80%
5	5.40%
Ultimate	4.00%

Trend rates after year 5 grade down to the ultimate rate of 4 percent utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate trend rate is reached in 2075.

Health care trend assumptions begin at current levels and grade down over a period of years to a lower level equal to some real rate plus inflation. The principal components of health trend are medical inflation, deductible erosion, cost shifting, utilization, technology and catastrophic claims. The overall effect of these components are expected to decline year by year.

Dental Trend Rates

Not applicable (no dental coverage).

Inflation

2.2% per year, based on current economic data, analyses from economists and other experts, and professional judgment.

Payroll Growth

3.5% per year.

Participation Rates

Medical - 75% of eligible retired employees will elect to participate.

Dental - Not offered to retired employees.

Life - 75% of eligible retirees will elect to participate.

Medicare - all retired employees are assumed to enroll in Medicare at age 65.

Dependent Status

Male spouses are assumed to be three years older and female spouses are assumed to be three years younger than the retired employee.

65% of employees are assumed to retire with a covered spouse.

For current retirees, the actual census information is used.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Medical Per Capita Costs

The following annual per capita costs are for the fiscal year beginning July 1, 2020 and are applicable to retirees, survivors and spouses. Annual costs for current and future retirees are based on the blended curves shown below, developed using the plan coverages elected by current retirees and survivors and premium rates currently in effect. Future years' costs are based on the first year cost adjusted with trend.

Age	Medicare-Eligible		Medicare-Ineligible	
	Male	Female	Male	Female
Under 20	\$3,113	\$3,655	\$3,113	\$3,655
20-24	2,453	3,891	2,453	3,891
25-29	2,553	5,740	2,553	5,740
30-34	3,206	7,253	3,206	7,253
35-39	4,022	7,471	4,022	7,471
40-44	5,012	7,652	5,012	7,652
45-49	6,326	8,399	6,326	8,399
50-54	8,337	9,881	8,337	9,881
55-59	10,833	11,425	10,833	11,425
60-64	13,903	13,598	13,903	13,598
65-69	3,324	3,237	17,346	16,300
70-74	3,983	3,818	20,783	19,220
75-79	4,703	4,430	24,541	22,300
80-84	5,406	5,081	28,208	25,576
85-89	6,023	5,680	31,423	28,590
90-94	6,556	6,062	34,208	30,512
95+	6,968	5,862	36,358	29,507

Retiree Contributions

Annual per capita participant contributions for the fiscal year beginning July 1, 2020 are as follows:

Plan	Contribution
Non-Medicare	\$ 4,748
Medicare	2,004

Actuarial Cost Method

Entry Age Normal. The costs of each employee's postemployment benefits are allocated as a level basis over the earnings of the employee between the employee's date of hire and the assumed exit ages.

Employee Data

Employee and retiree data were compiled and submitted by the Town as of June 30, 2021. We made reasonable adjustments for missing or invalid data.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Post-Retirement Mortality

Post-retirement mortality rates for General and Public Safety employees are based on the RP-2014 Blue Collar Mortality Table, projected with generational mortality improvement using scale MP-2018.

Pre-Retirement Mortality

Pre-retirement mortality rates for General and Public Safety employees are based on the RP-2014 Blue Collar Mortality Table, projected with generational mortality improvement using scale MP-2018.

Turnover Rates

Turnover rates for General and Public Safety employees are as follows:

General Employees		Public Safety	
Service	Rate	Service	Rate
0	15.00%	0	1.50%
1	12.00%	1	1.50%
2	10.00%	2	1.50%
3	9.00%	3	1.50%
4	8.00%	4	1.50%
5	7.60%	5	1.50%
10	5.40%	10	1.50%
15	3.30%	15	0.00%
20	2.00%	20	0.00%
25	1.00%	25	0.00%
30	0.00%	30	0.00%

Disability Rates

Disability rates for General and Public Safety employees are as follows:

General Employees		Public Safety	
Age	Rate	Age	Rate
25	0.02%	25	0.20%
30	0.03%	30	0.30%
35	0.06%	35	0.30%
40	0.10%	40	0.30%
45	0.15%	45	1.00%
50	0.19%	50	1.25%
55	0.24%	55	1.20%
60	0.28%	60	0.85%

55% of the General employee disabilities are job-related.

90% of the Public Safety employee disabilities are job-related.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Retirement Rates

Retirement rates for General and Public Safety employees are as follows:

General Employees			Public Safety	
Age	Male	Female	Age	All
45	0.00%	0.00%	45	1.00%
50	1.00%	1.50%	50	2.00%
55	2.00%	5.50%	55	15.00%
60	12.00%	5.00%	60	20.00%
62	30.00%	15.00%	62	25.00%
65	40.00%	15.00%	65	100.00%
69	30.00%	20.00%		
70	100.00%	100.00%		

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Post-Retirement Mortality

Post-retirement mortality rates for Teachers are based on the PUB-2010 Teachers Headcount-Weighted Mortality Table, base year 2010, projected with generational mortality using Scale MP-2020.

Pre-Retirement Mortality

Pre-retirement mortality rates for Teachers are based on the PUB-2010 Teachers Headcount-Weighted Mortality Table, base year 2010, projected with generational mortality using Scale MP-2020.

Turnover Rates

Turnover rates for Teachers are as follows:

Age	Service						
	0		5		10+		
	Male	Female	Male	Female	Male	Female	
20	13.0%	10.0%	5.5%	7.0%	1.5%	5.0%	
30	15.0%	15.0%	5.4%	8.8%	1.5%	4.5%	
40	13.3%	10.5%	5.2%	5.0%	1.7%	2.2%	
50	16.2%	9.8%	7.0%	5.0%	2.3%	2.0%	

Disability Rates

Disability rates for Teachers are as follows:

Age	Rate
20	0.004%
30	0.006%
40	0.010%
50	0.050%
60	0.070%

35% of the disabilities are job-related.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Retirement Rates

Retirement rates for Teachers are as follows:

Age	Years of Service						
	Less than 20		20-29		30+		
	Male	Female	Male	Female	Male	Female	
50	0.0%	0.0%	1.0%	1.0%	2.0%	1.5%	
51	0.0%	0.0%	1.0%	1.0%	2.0%	1.5%	
52	0.0%	0.0%	1.0%	1.0%	2.0%	1.5%	
53	0.0%	0.0%	1.5%	1.0%	2.0%	1.5%	
54	0.0%	0.0%	2.5%	1.0%	2.0%	2.0%	
55	5.0%	3.0%	3.0%	3.0%	6.0%	5.0%	
56	5.0%	3.0%	6.0%	5.0%	20.0%	15.0%	
57	5.0%	4.0%	10.0%	8.0%	40.0%	35.0%	
58	5.0%	8.0%	15.0%	10.0%	50.0%	35.0%	
59	10.0%	8.0%	20.0%	15.0%	50.0%	35.0%	
60	10.0%	10.0%	25.0%	20.0%	40.0%	35.0%	
61	20.0%	12.0%	30.0%	25.0%	40.0%	35.0%	
62	20.0%	12.0%	35.0%	30.0%	35.0%	35.0%	
63	25.0%	15.0%	40.0%	30.0%	35.0%	35.0%	
64	25.0%	20.0%	40.0%	30.0%	35.0%	35.0%	
65	25.0%	25.0%	40.0%	40.0%	35.0%	35.0%	
66	30.0%	25.0%	30.0%	30.0%	40.0%	35.0%	
67	30.0%	30.0%	30.0%	30.0%	40.0%	30.0%	
68	30.0%	30.0%	30.0%	30.0%	40.0%	30.0%	
69	30.0%	30.0%	30.0%	30.0%	40.0%	30.0%	
70	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

SECTION 7 - PLAN MEMBER INFORMATION

Exhibit 7.1 - Active Members by Age and Years of Service as of July 1, 2020

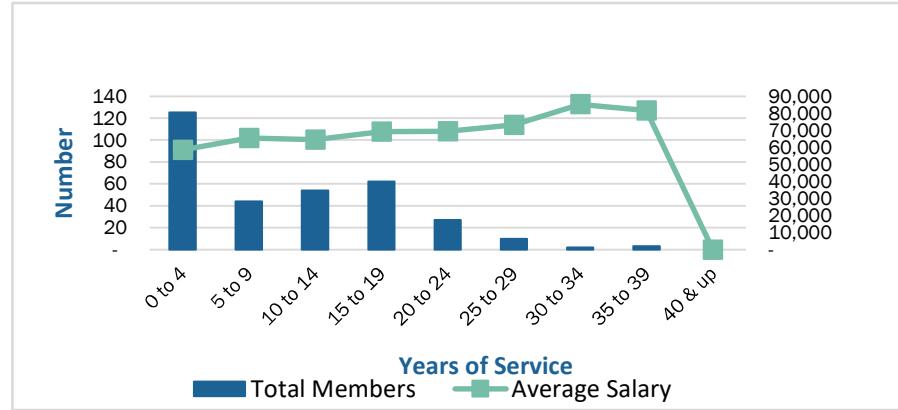
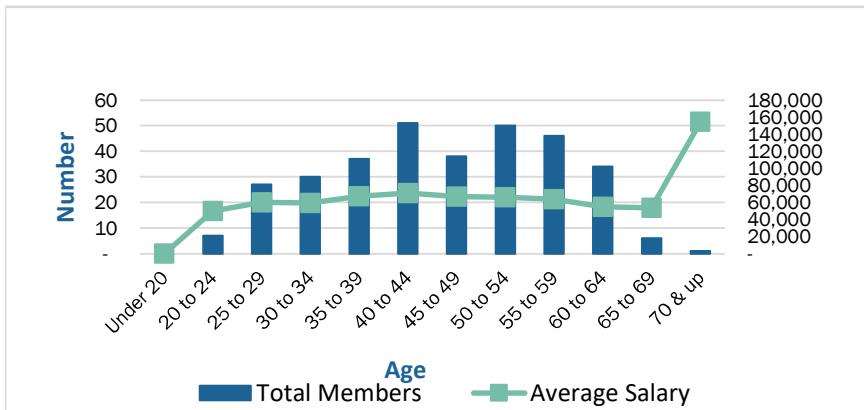
Age	Years of Service										Total	Total Salary	Average Salary
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up				
Under 20	-	-	-	-	-	-	-	-	-	-	-	-	-
20 to 24	6	1	-	-	-	-	-	-	-	7	349,253	49,893	
25 to 29	24	3	-	-	-	-	-	-	-	27	1,622,288	60,085	
30 to 34	16	10	4	-	-	-	-	-	-	30	1,781,785	59,393	
35 to 39	17	7	7	4	2	-	-	-	-	37	2,493,778	67,399	
40 to 44	20	5	7	16	3	-	-	-	-	51	3,614,492	70,872	
45 to 49	12	4	7	11	4	-	-	-	-	38	2,540,878	66,865	
50 to 54	15	7	13	8	3	4	-	-	-	50	3,301,469	66,029	
55 to 59	6	5	8	14	6	3	2	2	-	46	2,939,211	63,896	
60 to 64	5	2	6	9	9	2	-	1	-	34	1,869,837	54,995	
65 to 69	3	-	2	-	-	1	-	-	-	6	323,449	53,908	
70 & up	1	-	-	-	-	-	-	-	-	1	154,598	154,598	
Total	125	44	54	62	27	10	2	3	-	327	20,991,040	64,193	
Total Salary	7,323,192	2,876,760	3,487,696	4,287,025	1,870,843	730,492	170,494	244,540	-				
Average Salary	58,586	65,381	64,587	69,146	69,290	73,049	85,247	81,513	-				

Average Age:

46.1

Average Service:

10.3



SECTION 7 - PLAN MEMBER INFORMATION

Exhibit 7.2 - Retired Members, Covered Spouses and Survivors as of July 1, 2020

Age	Non-Medicare Plans				Medicare Plans				Total
	Fallon Direct	Fallon Select	Fallon PPO	Medex2	Managed Blue	Fallon Senior Care	Tufts Medicare Preferred	Tufts Medicare Complement	
Under 40	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	0	0	0	0	0
50 to 54	0	0	0	0	0	0	0	0	0
55 to 59	0	8	0	0	0	0	0	0	8
60 to 64	2	11	0	7	0	1	0	0	21
65 to 69	1	1	1	38	1	2	1	0	45
70 to 74	0	10	2	41	1	0	6	2	62
75 to 79	1	2	1	26	3	2	0	1	36
80 to 84	0	2	0	11	2	0	0	0	15
85 to 89	0	0	0	4	2	0	0	0	6
90+	1	0	0	3	1	0	0	0	5
Total	5	34	4	130	10	5	7	3	198
Covered Spouses	1	4	0	60	4	2	4	1	76

Average Age: 72.2

In addition, there is 1 retiree that is not covered under any medical plan but is covered under a life insurance plan which the Town contributes to.

SECTION 8 - GLOSSARY OF TERMS

Actuarial Assumptions – Assumptions as to the occurrence of future events affecting OPEB costs, such as mortality, withdrawal, disability and retirement; changes in compensation and OPEB benefits; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; characteristics of future entrants for Open Group Actuarial Cost Methods; and other relevant items.

Actuarial Cost Method (or Funding Method) – A procedure for allocating the Actuarial Present Value of projected benefit payments to the current year (Service Cost) and the past (Total OPEB Liability).

Actuarial Gain or Loss (or Experience Gain or Loss) – A measure of the difference between actual experience and that expected based upon the set of Actuarial Assumptions during the period between the valuation date and the most recent immediately preceding valuation date.

Actuarial Present Value of Projected Benefit Payments – The dollar value on the valuation date of all benefits expected to be paid to current members based upon the Actuarial Assumptions and the terms of the Plan.

Actuarially Determined Contribution – A target or recommended contribution to a defined benefit OPEB plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

Actuarial Valuation Date – The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer's reporting date.

Deferred Inflow of Resources – Acquisition of resources by a governmental entity that is applicable to future reporting periods. Under GASB 75, deferred inflows of resources are made up of experience gains, assumption changes reducing the Total OPEB Liability and investment gains that are recognized in future reporting periods.

Deferred Outflow of Resources – Consumption of resources by a governmental entity that is applicable to future reporting periods. Under GASB 75, deferred outflows of resources are made up of experience losses, assumption changes increasing the Total OPEB Liability and investment losses that are recognized in future reporting periods.

Discount Rate – Single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of:

- (1) a long-term expected rate of return on OPEB plan investments *to the extent that the OPEB plan's assets are sufficient to pay benefits and OPEB plan assets are expected to be invested using a strategy to achieve that return* and
- (2) a tax-exempt, high-quality municipal bond rate *to the extent that the conditions for use of the long-term expected rate of return are not met.*

Employer Future Period Contributions – Contributions made by the employer, generally to an outside trust fund, to pay for future OPEB costs. These are costs in addition to the employer contributions made during the year to pay for ongoing premiums.

SECTION 8 - GLOSSARY OF TERMS

Entry Age Normal Actuarial Cost Method – A method under which the actuarial present value of the projected benefits of each individual in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age.

Explicit Subsidy – The difference between (a) the blended rates based on combined active and retired member experience and (b) actual cash contributions made by the employer.

Fiduciary Net Position – The fair market value of assets as of the measurement date.

Funded Ratio – The Actuarial Value of Assets expressed as a percentage of the Actuarial Accrued Liability.

GASB – Governmental Accounting Standards Board.

Health Cost Trend Rate – The rate of change in per capita health claims cost over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

Implicit Subsidy – In an experience-rated healthcare plan that includes both active employees and retirees with blended premium rates for all plan members, the difference between (a) the age-adjusted premiums approximating claim costs for retirees in the group and (b) the blended rates based on combined active and retired member experience.

Long-Term Expected Rate of Return – Long-term expected rate of return on OPEB plan investments expected to be used to finance the payment of benefits, net of investment expenses.

Measurement Date – The date as of which the Total OPEB Liability and Fiduciary Net Position are measured.

Municipal Bond Rate – Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Net OPEB Liability – The liability of the employer for benefits provided through an OPEB plan. It is calculated as the Total OPEB Liability less the Fiduciary Net Position.

OPEB – Other Postemployment Benefits including medical, dental, vision, hearing and life insurance benefits.

Pay-As-You-Go – A method of financing an OPEB plan under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments and expenses becoming due.

Present Value of Future Benefits – The actuarial present value of the cost to finance benefits payable in the future, discounted to reflect the expected effects of the time value of money and the probabilities of payment.

Reporting Date – The last day of the Plan or employer's fiscal year.

SECTION 8 - GLOSSARY OF TERMS

Service Cost – The portion of the actuarial present value of projected benefit amounts that is attributed to a valuation year.

Substantive Plan – The terms of an OPEB plan as understood by the employer and plan members.

Total OPEB Liability – The portion of the actuarial present value of projected benefit amounts that is attributed to past periods of employee service.

Unfunded Actuarial Accrued Liability – The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

SECTION 9 - BREAKOUT OF RESULTS BY DEPARTMENT

Department	Town	School	Total
Summary of Member Data Used in Valuation			
Active Members	100	227	327
Average Age	45.3	46.4	46.1
Average Service	9.5	10.7	10.3
Covered Payroll	7,070,777	13,920,263	20,991,040
Retired Members and Survivors	58	141	199
Average Age	70.5	72.9	72.2
Covered Spouses	15	61	76
Expected Benefit Payments	276,830	844,254	1,121,084
OPEB Trust contributions	14,457	41,458	55,915
Total Employer Contributions	291,287	885,712	1,176,999
Beginning Net OPEB Liability - June 30, 2020			
Total OPEB Liability	19,890,756	52,794,427	72,685,183
Fiduciary Net Position	1,206,388	3,202,018	4,408,406
Net OPEB Liability	18,684,368	49,592,409	68,276,777
Total OPEB Liability, beginning of year	19,890,756	52,794,427	72,685,183
Service cost	1,308,793	2,065,074	3,373,867
Interest	471,769	1,219,398	1,691,167
Changes of benefit terms	0	0	0
Differences between expected and actual experience	(6,018,527)	(8,595,408)	(14,613,935)
Changes of assumptions	697,169	(1,687,189)	(990,020)
Benefit payments	(276,830)	(844,254)	(1,121,084)
Net change in total OPEB liability	(3,817,626)	(7,842,379)	(11,660,005)
Total OPEB Liability, end of year	16,073,130	44,952,048	61,025,178
Ending Net OPEB Liability - June 30, 2021			
Total OPEB Liability	16,073,130	44,952,048	61,025,178
Fiduciary Net Position	1,465,034	4,201,255	5,666,289
Net OPEB Liability	14,608,096	40,750,793	55,358,889

SECTION 9 - BREAKOUT OF RESULTS BY DEPARTMENT

Department	Town	School	Total
Total Deferred Outflows of Resources			
Differences between Expected and Actual			
Experience	0	0	0
Changes in Assumptions	4,676,838	12,413,355	17,090,193
Differences between Expected and Actual			
Earnings on OPEB Plan Investments	0	0	0
Total Deferred Outflows of Resources	4,676,838	12,413,355	17,090,193
Total Deferred Inflows of Resources			
Differences between Expected and Actual			
Experience	4,598,875	12,206,422	16,805,297
Changes in Assumptions	517,245	1,372,881	1,890,126
Differences between Expected and Actual			
Earnings on OPEB Plan Investments	152,916	405,873	558,789
Total Deferred Inflows of Resources	5,269,036	13,985,176	19,254,212
Total OPEB Expense	604,825	4,012,429	4,617,254
Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
Current Discount Rate: 2.21%	14,608,096	40,750,793	55,358,889
1% Decrease in the Discount Rate: 1.21%	18,113,361	50,554,039	68,667,400
1% Increase in the Discount Rate: 3.21%	11,918,500	33,228,747	45,147,247
Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates			
Current Trend Rates	14,608,096	40,750,793	55,358,889
1% Decrease in Trend Rates	11,567,007	32,245,718	43,812,725
1% Increase in Trend Rates	18,717,315	52,243,129	70,960,444
Deferred Outflows of Resources and Deferred Inflows of Resources recognized in OPEB Expense			
2022	(40,186)	(106,662)	(146,848)
2023	(45,539)	(120,869)	(166,408)
2024	(24,728)	(65,635)	(90,363)
2025	43,390	115,168	158,558
2026	11,061	29,358	40,419
Thereafter	(536,196)	(1,423,181)	(1,959,377)

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Under GASB 74 and GASB 75, a series of projections and calculations are used to determine the discount rate for the purpose of the measurement of the Total OPEB Liability. The discount rate is the single rate that reflects (1) the long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and OPEB plan assets are expected to be invested using a strategy to achieve that return, and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, to the extent that the conditions for use of the long-term expected rate of return are not met.

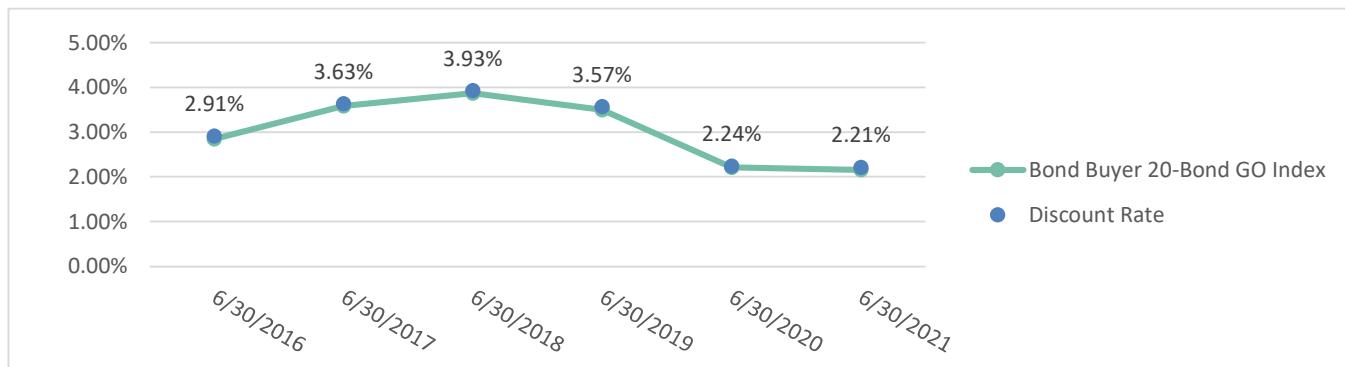
Projected cash flows into and out of the OPEB plan are assumed to be contributions to the OPEB plan, benefit payments, OPEB plan administrative expenses and OPEB plan investment earnings. These projected cash flows are used to project the OPEB plan's fiduciary net position at the beginning of each period. The OPEB plan's projected fiduciary net position at the beginning of each period is compared to the amount of benefit payments projected to occur in that period.

It is assumed that the OPEB plan's fiduciary net position is expected to always be invested using a strategy to achieve the long-term expected rate of return on OPEB plan investments.

The benefit payments that are projected to occur in a period are discounted using the long-term expected rate of return on OPEB plan investments if the amount of the OPEB plan's beginning fiduciary net position is projected to be sufficient to make the benefit payments in that period. In periods in which benefit payments are projected to be greater than the amount of the OPEB plan's fiduciary net position, they are discounted using a municipal bond rate as required by GASB 74.

For purposes of this valuation, liabilities are based on a discount rate of 2.21%, a long-term investment return rate of 6.5% and a municipal bond rate of 2.16%, based on the Bond Buyer 20-Bond GO Index published on June 30, 2021. The OPEB plan's fiduciary net position was projected to be insufficient to make all projected benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to the first 7 periods of projected future benefit payments and the 2.16% municipal bond rate was applied to all periods thereafter to determine the total OPEB liability. Projected benefit payments are discounted to their actuarial present value using a single discount rate of 2.21%.

Below are the historical Bond Buyer 20-Bond GO Indices and the Town's discount rate used in disclosures since the implementation of GASB 74 and GASB 75:



APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 1: Projection of Contributions

Year	Projected Payroll			Projected Contributions			
	Payroll for Current Plan Members (a)	Payroll for Future Plan Members (b)	Total Payroll (c) = (a) + (b)	Employer Contributions (Benefit Payments) (d)	Employer Contributions (OPEB Trust) (e)	Employer Contributions Related to Payroll of Future Employees (f) = (b) * 13.44%	Portion of Employer Contributions for Current Plan Members (g) = (d) + (e) - (f)
2021	21,403,101	-	21,403,101	1,121,084	55,915	-	1,176,999
2022	20,254,108	1,898,102	22,152,210	1,214,445	60,000	255,115	1,019,330
2023	19,283,439	3,644,098	22,927,537	1,328,605	65,000	489,786	903,819
2024	18,394,247	5,335,754	23,730,001	1,430,112	70,000	717,154	782,958
2025	17,636,607	6,923,944	24,560,551	1,521,718	75,000	930,615	666,103
2026	16,906,489	8,513,681	25,420,170	1,644,050	80,000	1,144,285	579,765
2027	16,218,727	10,091,149	26,309,876	1,694,904	85,000	1,356,305	423,599
2028	15,532,451	11,698,271	27,230,722	1,827,572	90,000	1,572,311	345,261
2029	14,770,759	13,413,038	28,183,797	1,931,070	95,000	1,802,785	223,285
2030	14,063,060	15,107,170	29,170,230	2,074,506	100,000	2,030,485	144,021
2031	13,256,671	16,934,517	30,191,188	2,189,959	105,000	2,276,090	18,869
2032	12,569,603	18,678,277	31,247,880	2,360,623	110,000	2,510,461	-
2033	11,872,237	20,469,319	32,341,556	2,466,810	115,000	2,751,187	-
2034	11,229,860	22,243,650	33,473,510	2,589,307	120,000	2,989,666	-
2035	10,535,173	24,109,910	34,645,083	2,689,437	125,000	3,240,502	-
2036	9,774,703	26,082,958	35,857,661	2,798,350	130,000	3,505,690	-
2037	9,009,514	28,103,165	37,112,679	2,906,527	135,000	3,777,217	-
2038	8,291,662	30,119,961	38,411,623	2,963,331	140,000	4,048,285	-
2039	7,650,197	32,105,833	39,756,030	3,044,578	145,000	4,315,197	-
2040	7,084,026	34,063,465	41,147,491	3,152,562	150,000	4,578,313	-
2041	6,497,906	36,089,747	42,587,653	3,192,327	155,000	4,850,656	-
2042	5,929,105	38,149,116	44,078,221	3,218,406	160,000	5,127,447	-
2043	5,446,119	40,174,840	45,620,959	3,278,221	165,000	5,399,715	-
2044	4,990,975	42,226,718	47,217,693	3,272,136	170,000	5,675,498	-
2045	4,558,901	44,311,411	48,870,312	3,282,264	175,000	5,955,692	-
2046	4,171,098	46,409,675	50,580,773	3,314,042	180,000	6,237,710	-
2047	3,731,359	48,619,741	52,351,100	3,378,684	185,000	6,534,755	-
2048	3,350,394	50,832,995	54,183,389	3,429,316	190,000	6,832,228	-
2049	2,990,742	53,089,066	56,079,808	3,378,786	195,000	7,135,456	-
2050	2,634,934	55,407,667	58,042,601	3,381,932	200,000	7,447,089	-
2051	2,305,575	57,768,517	60,074,092	3,399,602	-	7,764,400	-
2052	1,993,550	60,183,135	62,176,685	3,406,670	-	8,088,937	-
2053	1,698,404	62,654,465	64,352,869	3,420,989	-	8,421,097	-
2054	1,433,479	65,171,740	66,605,219	3,452,753	-	8,759,433	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 1: Projection of Contributions

Year	Projected Payroll			Projected Contributions			
	Payroll for Current Plan Members (a)	Payroll for Future Plan Members (b)	Total Payroll (c) = (a) + (b)	Employer Contributions (Benefit Payments) (d)	Employer Contributions (OPEB Trust) (e)	Employer Contributions Related to Payroll of Future Employees (f) = (b) * 13.44%	Portion of Employer Contributions for Current Plan Members (g) = (d) + (e) - (f)
2055	1,135,950	67,800,452	68,936,402	3,516,505	-	9,112,746	-
2056	903,094	70,446,082	71,349,176	3,572,176	-	9,468,333	-
2057	689,580	73,156,817	73,846,397	3,476,221	-	9,832,670	-
2058	512,867	75,918,154	76,431,021	3,481,269	-	10,203,809	-
2059	383,973	78,722,134	79,106,107	3,493,569	-	10,580,679	-
2060	268,701	81,606,120	81,874,821	3,431,847	-	10,968,302	-
2061	192,304	84,548,136	84,740,440	3,468,409	-	11,363,725	-
2062	142,336	87,564,019	87,706,355	3,491,651	-	11,769,076	-
2063	95,110	90,680,967	90,776,077	3,441,797	-	12,188,010	-
2064	52,219	93,901,021	93,953,240	3,466,739	-	12,620,803	-
2065	38,666	97,202,937	97,241,603	3,444,437	-	13,064,598	-
2066	24,404	100,620,655	100,645,059	3,412,611	-	13,523,958	-
2067	18,245	104,149,391	104,167,636	3,408,099	-	13,998,239	-
2068	11,016	107,802,487	107,813,503	3,355,288	-	14,489,235	-
2069	7,625	111,579,351	111,586,976	3,335,016	-	14,996,865	-
2070	2,572	115,489,948	115,492,520	3,289,041	-	15,522,471	-
2071	-	119,534,758	119,534,758	3,221,779	-	16,066,115	-
2072	-	123,718,475	123,718,475	3,157,520	-	16,628,429	-
2073	-	128,048,622	128,048,622	3,069,029	-	17,210,424	-
2074	-	132,530,324	132,530,324	2,974,388	-	17,812,789	-
2075	-	137,168,885	137,168,885	2,872,475	-	18,436,237	-
2076	-	141,969,796	141,969,796	2,755,927	-	19,081,505	-
2077	-	146,938,739	146,938,739	2,644,673	-	19,749,358	-
2078	-	152,081,595	152,081,595	2,519,819	-	20,440,585	-
2079	-	157,404,451	157,404,451	2,383,292	-	21,156,006	-
2080	-	162,913,607	162,913,607	2,251,636	-	21,896,466	-
2081	-	168,615,583	168,615,583	2,102,528	-	22,662,842	-
2082	-	174,517,128	174,517,128	1,957,822	-	23,456,042	-
2083	-	180,625,227	180,625,227	1,814,011	-	24,277,003	-
2084	-	186,947,110	186,947,110	1,666,335	-	25,126,698	-
2085	-	193,490,259	193,490,259	1,529,904	-	26,006,132	-
2086	-	200,262,418	200,262,418	1,387,040	-	26,916,347	-
2087	-	207,271,603	207,271,603	1,246,841	-	27,858,419	-
2088	-	214,526,109	214,526,109	1,117,364	-	28,833,464	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 1: Projection of Contributions

Year	Projected Payroll			Projected Contributions			
	Payroll for Current Plan Members (a)	Payroll for Future Plan Members (b)	Total Payroll (c) = (a) + (b)	Employer Contributions (Benefit Payments) (d)	Employer Contributions (OPEB Trust) (e)	Related to Payroll of Future Employees (f) = (b) * 13.44%	Employer Contributions for Current Plan Members (g) = (d) + (e) - (f)
2089	-	222,034,523	222,034,523	986,305	-	29,842,635	-
2090	-	229,805,731	229,805,731	867,413	-	30,887,127	-
2091	-	237,848,932	237,848,932	756,816	-	31,968,177	-
2092	-	246,173,645	246,173,645	653,403	-	33,087,063	-
2093	-	254,789,723	254,789,723	561,091	-	34,245,110	-
2094	-	263,707,363	263,707,363	475,334	-	35,443,689	-
2095	-	272,937,121	272,937,121	400,521	-	36,684,218	-
2096	-	282,489,920	282,489,920	332,660	-	37,968,166	-
2097	-	292,377,067	292,377,067	274,425	-	39,297,052	-
2098	-	302,610,264	302,610,264	223,394	-	40,672,449	-
2099	-	313,201,623	313,201,623	180,435	-	42,095,984	-
2100	-	324,163,680	324,163,680	144,112	-	43,569,344	-
2101	-	335,509,409	335,509,409	113,741	-	45,094,271	-
2102	-	347,252,238	347,252,238	88,619	-	46,672,570	-
2103	-	359,406,066	359,406,066	68,105	-	48,306,110	-
2104	-	371,985,278	371,985,278	51,581	-	49,996,824	-
2105	-	385,004,763	385,004,763	38,449	-	51,746,713	-
2106	-	398,479,930	398,479,930	28,167	-	53,557,848	-
2107	-	412,426,728	412,426,728	20,250	-	55,432,373	-
2108	-	426,861,663	426,861,663	14,263	-	57,372,506	-
2109	-	441,801,821	441,801,821	9,829	-	59,380,543	-
2110	-	457,264,885	457,264,885	6,612	-	61,458,862	-
2111	-	473,269,156	473,269,156	4,332	-	63,609,922	-
2112	-	489,833,576	489,833,576	2,759	-	65,836,270	-
2113	-	506,977,751	506,977,751	1,703	-	68,140,539	-
2114	-	524,721,972	524,721,972	1,015	-	70,525,458	-
2115	-	543,087,241	543,087,241	585	-	72,993,849	-
2116	-	562,095,294	562,095,294	322	-	75,548,634	-
2117	-	581,768,629	581,768,629	174	-	78,192,836	-
2118	-	602,130,531	602,130,531	91	-	80,929,585	-
2119	-	623,205,100	623,205,100	45	-	83,762,121	-
2120	-	645,017,279	645,017,279	23	-	86,693,795	-
2121	-	667,592,884	667,592,884	10	-	89,728,078	-
2122	-	690,958,635	690,958,635	4	-	92,868,560	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 1: Projection of Contributions

Year	Projected Payroll			Projected Contributions			
	Payroll for Current Plan Members (a)	Payroll for Future Plan Members (b)	Total Payroll (c) = (a) + (b)	Employer Contributions (Benefit Payments) (d)	Employer Contributions (OPEB Trust) (e)	Related to Payroll of Future Employees (f) = (b) * 13.44%	Portion of Employer Contributions for Current Plan Members (g) = (d) + (e) - (f)
2123	-	715,142,187	715,142,187	2	-	96,118,960	-
2124	-	740,172,164	740,172,164	-	-	99,483,124	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 2: Projection of the OPEB Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Employer Contributions for Current Plan Members (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) + (e)
2021	4,408,406	1,176,999	1,121,084	-	1,201,968	5,666,289
2022	5,666,289	1,019,330	1,214,445	-	361,968	5,833,142
2023	5,833,142	903,819	1,328,605	-	365,349	5,773,705
2024	5,773,705	782,958	1,430,112	-	354,258	5,480,809
2025	5,480,809	666,103	1,521,718	-	328,445	4,953,639
2026	4,953,639	579,765	1,644,050	-	287,397	4,176,751
2027	4,176,751	423,599	1,694,904	-	230,171	3,135,617
2028	3,135,617	345,261	1,827,572	-	155,640	1,808,946
2029	1,808,946	223,285	1,931,070	-	62,078	163,239
2030	163,239	144,021	2,074,506	-	-	-
2031	-	18,869	2,189,959	-	-	-
2032	-	-	2,360,623	-	-	-
2033	-	-	2,466,810	-	-	-
2034	-	-	2,589,307	-	-	-
2035	-	-	2,689,437	-	-	-
2036	-	-	2,798,350	-	-	-
2037	-	-	2,906,527	-	-	-
2038	-	-	2,963,331	-	-	-
2039	-	-	3,044,578	-	-	-
2040	-	-	3,152,562	-	-	-
2041	-	-	3,192,327	-	-	-
2042	-	-	3,218,406	-	-	-
2043	-	-	3,278,221	-	-	-
2044	-	-	3,272,136	-	-	-
2045	-	-	3,282,264	-	-	-
2046	-	-	3,314,042	-	-	-
2047	-	-	3,378,684	-	-	-
2048	-	-	3,429,316	-	-	-
2049	-	-	3,378,786	-	-	-
2050	-	-	3,381,932	-	-	-
2051	-	-	3,399,602	-	-	-
2052	-	-	3,406,670	-	-	-
2053	-	-	3,420,989	-	-	-
2054	-	-	3,452,753	-	-	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 2: Projection of the OPEB Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Employer Contributions for Current Plan Members (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) + (e)
2055	-	-	3,516,505	-	-	-
2056	-	-	3,572,176	-	-	-
2057	-	-	3,476,221	-	-	-
2058	-	-	3,481,269	-	-	-
2059	-	-	3,493,569	-	-	-
2060	-	-	3,431,847	-	-	-
2061	-	-	3,468,409	-	-	-
2062	-	-	3,491,651	-	-	-
2063	-	-	3,441,797	-	-	-
2064	-	-	3,466,739	-	-	-
2065	-	-	3,444,437	-	-	-
2066	-	-	3,412,611	-	-	-
2067	-	-	3,408,099	-	-	-
2068	-	-	3,355,288	-	-	-
2069	-	-	3,335,016	-	-	-
2070	-	-	3,289,041	-	-	-
2071	-	-	3,221,779	-	-	-
2072	-	-	3,157,520	-	-	-
2073	-	-	3,069,029	-	-	-
2074	-	-	2,974,388	-	-	-
2075	-	-	2,872,475	-	-	-
2076	-	-	2,755,927	-	-	-
2077	-	-	2,644,673	-	-	-
2078	-	-	2,519,819	-	-	-
2079	-	-	2,383,292	-	-	-
2080	-	-	2,251,636	-	-	-
2081	-	-	2,102,528	-	-	-
2082	-	-	1,957,822	-	-	-
2083	-	-	1,814,011	-	-	-
2084	-	-	1,666,335	-	-	-
2085	-	-	1,529,904	-	-	-
2086	-	-	1,387,040	-	-	-
2087	-	-	1,246,841	-	-	-
2088	-	-	1,117,364	-	-	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 2: Projection of the OPEB Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Employer Contributions for Current Plan Members (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) + (e)
2089	-	-	986,305	-	-	-
2090	-	-	867,413	-	-	-
2091	-	-	756,816	-	-	-
2092	-	-	653,403	-	-	-
2093	-	-	561,091	-	-	-
2094	-	-	475,334	-	-	-
2095	-	-	400,521	-	-	-
2096	-	-	332,660	-	-	-
2097	-	-	274,425	-	-	-
2098	-	-	223,394	-	-	-
2099	-	-	180,435	-	-	-
2100	-	-	144,112	-	-	-
2101	-	-	113,741	-	-	-
2102	-	-	88,619	-	-	-
2103	-	-	68,105	-	-	-
2104	-	-	51,581	-	-	-
2105	-	-	38,449	-	-	-
2106	-	-	28,167	-	-	-
2107	-	-	20,250	-	-	-
2108	-	-	14,263	-	-	-
2109	-	-	9,829	-	-	-
2110	-	-	6,612	-	-	-
2111	-	-	4,332	-	-	-
2112	-	-	2,759	-	-	-
2113	-	-	1,703	-	-	-
2114	-	-	1,015	-	-	-
2115	-	-	585	-	-	-
2116	-	-	322	-	-	-
2117	-	-	174	-	-	-
2118	-	-	91	-	-	-
2119	-	-	45	-	-	-
2120	-	-	23	-	-	-
2121	-	-	10	-	-	-
2122	-	-	4	-	-	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 2: Projection of the OPEB Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Employer Contributions for Current Plan Members (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) + (e)
2123	-	-	2	-	-	-
2124	-	-	-	-	-	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 3: Actuarial Present Value of Projected Benefit Payments - End of Measurement Period

Year	Projected Beginning Fiduciary Net Position (a)	Projected Benefit Payments (b)	Projected Benefit Payments		Actuarial Present Value of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments (c)	"Unfunded" Portion of Benefit Payments (d)	Present Value of "Funded" Benefit Payments (e)	Present Value of "Unfunded" Benefit Payments (f)	Present Value of Benefit Payments Using the Single Discount Rate (g) = 2.21%
2022	5,666,289	1,214,445	1,214,445	-	1,176,801	-	1,201,237
2023	5,833,142	1,328,605	1,328,605	-	1,208,847	-	1,285,725
2024	5,773,705	1,430,112	1,430,112	-	1,221,788	-	1,354,015
2025	5,480,809	1,521,718	1,521,718	-	1,220,705	-	1,409,578
2026	4,953,639	1,644,050	1,644,050	-	1,238,345	-	1,489,949
2027	4,176,751	1,694,904	1,694,904	-	1,198,732	-	1,502,806
2028	3,135,617	1,827,572	1,827,572	-	1,213,674	-	1,585,381
2029	1,808,946	1,931,070	-	1,931,070	-	1,645,097	1,638,924
2030	163,239	2,074,506	-	2,074,506	-	1,729,925	1,722,570
2031	-	2,189,959	-	2,189,959	-	1,787,589	1,779,097
2032	-	2,360,623	-	2,360,623	-	1,886,155	1,876,254
2033	-	2,466,810	-	2,466,810	-	1,929,326	1,918,236
2034	-	2,589,307	-	2,589,307	-	1,982,314	1,969,933
2035	-	2,689,437	-	2,689,437	-	2,015,438	2,001,846
2036	-	2,798,350	-	2,798,350	-	2,052,718	2,037,852
2037	-	2,906,527	-	2,906,527	-	2,086,991	2,070,840
2038	-	2,963,331	-	2,963,331	-	2,082,790	2,065,635
2039	-	3,044,578	-	3,044,578	-	2,094,651	2,076,357
2040	-	3,152,562	-	3,152,562	-	2,123,084	2,103,488
2041	-	3,192,327	-	3,192,327	-	2,104,409	2,083,940
2042	-	3,218,406	-	3,218,406	-	2,076,743	2,055,512
2043	-	3,278,221	-	3,278,221	-	2,070,614	2,048,419
2044	-	3,272,136	-	3,272,136	-	2,023,073	2,000,384
2045	-	3,282,264	-	3,282,264	-	1,986,428	1,963,166
2046	-	3,314,042	-	3,314,042	-	1,963,253	1,939,291
2047	-	3,378,684	-	3,378,684	-	1,959,228	1,934,345
2048	-	3,429,316	-	3,429,316	-	1,946,543	1,920,858
2049	-	3,378,786	-	3,378,786	-	1,877,312	1,851,612
2050	-	3,381,932	-	3,381,932	-	1,839,330	1,813,241
2051	-	3,399,602	-	3,399,602	-	1,809,848	1,783,282
2052	-	3,406,670	-	3,406,670	-	1,775,265	1,748,330
2053	-	3,420,989	-	3,420,989	-	1,745,034	1,717,697
2054	-	3,452,753	-	3,452,753	-	1,723,998	1,696,140
2055	-	3,516,505	-	3,516,505	-	1,718,706	1,690,087

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 3: Actuarial Present Value of Projected Benefit Payments - End of Measurement Period

Year	Projected Beginning Fiduciary Net Position (a)	Projected Benefit Payments (b)	Projected Benefit Payments		Actuarial Present Value of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments (c)	"Unfunded" Portion of Benefit Payments (d)	Present Value of "Funded" Benefit Payments (e)	Present Value of "Unfunded" Benefit Payments (f)	Present Value of Benefit Payments Using the Single Discount Rate (g) = 2.21%
2056	-	3,572,176	-	3,572,176	-	1,709,001	1,679,701
2057	-	3,476,221	-	3,476,221	-	1,627,931	1,599,219
2058	-	3,481,269	-	3,481,269	-	1,595,825	1,566,894
2059	-	3,493,569	-	3,493,569	-	1,567,603	1,538,412
2060	-	3,431,847	-	3,431,847	-	1,507,349	1,478,539
2061	-	3,468,409	-	3,468,409	-	1,491,198	1,461,964
2062	-	3,491,651	-	3,491,651	-	1,469,451	1,439,921
2063	-	3,441,797	-	3,441,797	-	1,417,844	1,388,655
2064	-	3,466,739	-	3,466,739	-	1,397,924	1,368,459
2065	-	3,444,437	-	3,444,437	-	1,359,564	1,330,241
2066	-	3,412,611	-	3,412,611	-	1,318,522	1,289,437
2067	-	3,408,099	-	3,408,099	-	1,288,938	1,259,874
2068	-	3,355,288	-	3,355,288	-	1,242,135	1,213,518
2069	-	3,335,016	-	3,335,016	-	1,208,526	1,180,091
2070	-	3,289,041	-	3,289,041	-	1,166,666	1,138,645
2071	-	3,221,779	-	3,221,779	-	1,118,644	1,091,230
2072	-	3,157,520	-	3,157,520	-	1,073,153	1,046,329
2073	-	3,069,029	-	3,069,029	-	1,021,023	995,003
2074	-	2,974,388	-	2,974,388	-	968,615	943,458
2075	-	2,872,475	-	2,872,475	-	915,649	891,420
2076	-	2,755,927	-	2,755,927	-	859,923	836,749
2077	-	2,644,673	-	2,644,673	-	807,761	785,599
2078	-	2,519,819	-	2,519,819	-	753,354	732,318
2079	-	2,383,292	-	2,383,292	-	697,471	677,656
2080	-	2,251,636	-	2,251,636	-	645,010	626,371
2081	-	2,102,528	-	2,102,528	-	589,562	572,238
2082	-	1,957,822	-	1,957,822	-	537,378	521,326
2083	-	1,814,011	-	1,814,011	-	487,378	472,582
2084	-	1,666,335	-	1,666,335	-	438,235	424,719
2085	-	1,529,904	-	1,529,904	-	393,847	381,509
2086	-	1,387,040	-	1,387,040	-	349,520	338,400
2087	-	1,246,841	-	1,246,841	-	307,548	297,615
2088	-	1,117,364	-	1,117,364	-	269,784	260,939
2089	-	986,305	-	986,305	-	233,105	225,350

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 3: Actuarial Present Value of Projected Benefit Payments - End of Measurement Period

Year	Projected Beginning Fiduciary Net Position (a)	Projected Benefit Payments (b)	Projected Benefit Payments		Actuarial Present Value of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments (c)	"Unfunded" Portion of Benefit Payments (d)	Present Value of "Funded" Benefit Payments (e)	Present Value of "Unfunded" Benefit Payments (f)	Present Value of Benefit Payments Using the Single Discount Rate (g) = 2.21%
2090	-	867,413	-	867,413	-	200,671	193,898
2091	-	756,816	-	756,816	-	171,383	165,516
2092	-	653,403	-	653,403	-	144,837	139,808
2093	-	561,091	-	561,091	-	121,745	117,459
2094	-	475,334	-	475,334	-	100,957	97,354
2095	-	400,521	-	400,521	-	83,268	80,256
2096	-	332,660	-	332,660	-	67,698	65,216
2097	-	274,425	-	274,425	-	54,666	52,636
2098	-	223,394	-	223,394	-	43,560	41,921
2099	-	180,435	-	180,435	-	34,439	33,127
2100	-	144,112	-	144,112	-	26,925	25,886
2101	-	113,741	-	113,741	-	20,801	19,989
2102	-	88,619	-	88,619	-	15,864	15,237
2103	-	68,105	-	68,105	-	11,934	11,456
2104	-	51,581	-	51,581	-	8,847	8,489
2105	-	38,449	-	38,449	-	6,456	6,191
2106	-	28,167	-	28,167	-	4,629	4,437
2107	-	20,250	-	20,250	-	3,258	3,121
2108	-	14,263	-	14,263	-	2,246	2,151
2109	-	9,829	-	9,829	-	1,515	1,450
2110	-	6,612	-	6,612	-	998	954
2111	-	4,332	-	4,332	-	640	612
2112	-	2,759	-	2,759	-	399	381
2113	-	1,703	-	1,703	-	241	230
2114	-	1,015	-	1,015	-	141	134
2115	-	585	-	585	-	79	76
2116	-	322	-	322	-	43	41
2117	-	174	-	174	-	23	22
2118	-	91	-	91	-	12	11
2119	-	45	-	45	-	6	5
2120	-	23	-	23	-	3	3
2121	-	10	-	10	-	1	1
2122	-	4	-	4	-	-	-
2123	-	2	-	2	-	-	-
2124	-	-	-	-	-	-	-

APPENDIX B - SCHEDULE OF DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Year	Differences between Expected and Actual Experience		Recognition Period (Years)											
	2021	2022		2023	2024	2025	2026	2027	2028	2029	2030			
2018	-	6.77	-	-	-	-	-	-	-	-	-			
2019	(7,382,205)	7.13	(1,035,372)	(1,035,372)	(1,035,372)	(1,035,372)	(1,035,372)	(134,601)	-	-	-			
2020	-	7.13	-	-	-	-	-	-	-	-	-			
2021	(14,613,935)	7.01	(2,084,727)	(2,084,727)	(2,084,727)	(2,084,727)	(2,084,727)	(2,084,727)	(20,846)	-	-			
Net Increase (Decrease) in OPEB Expense			(3,120,099)	(3,120,099)	(3,120,099)	(3,120,099)	(2,219,328)	(2,084,727)	(20,846)	-	-			
Year	Changes of Assumptions		Recognition Period (Years)											
	2021	2022		2023	2024	2025	2026	2027	2028	2029	2030			
2018	(2,545,072)	6.77	(375,934)	(375,934)	(375,934)	(289,468)	-	-	-	-	-			
2019	9,827,250	7.13	1,378,296	1,378,296	1,378,296	1,378,296	1,378,296	179,178	-	-	-			
2020	15,841,429	7.13	2,221,799	2,221,799	2,221,799	2,221,799	2,221,799	288,836	-	-	-			
2021	(990,020)	7.01	(141,230)	(141,230)	(141,230)	(141,230)	(141,230)	(141,230)	(141,230)	(1,410)	-			
Net Increase (Decrease) in OPEB Expense			3,082,931	3,082,931	3,082,931	3,169,397	3,458,865	2,259,747	147,606	(1,410)	-	-		
Year	Differences between Projected and Actual Earnings on OPEB Plan Investments		Recognition Period (Years)											
	2021	2022		2023	2024	2025	2026	2027	2028	2029	2030			
2018	97,798	5	19,559	19,559	-	-	-	-	-	-	-			
2019	52,114	5	10,423	10,423	10,422	-	-	-	-	-	-			
2020	202,726	5	40,545	40,545	40,545	40,546	-	-	-	-	-			
2021	(901,036)	5	(180,207)	(180,207)	(180,207)	(180,207)	(180,208)	-	-	-	-			
Net Increase (Decrease) in OPEB Expense			(109,680)	(109,680)	(129,240)	(139,661)	(180,208)	-	-	-	-			