



April 13, 2022

Mr. Jason A. Haught
Chief Financial Officer
West Virginia Public Employees Insurance Agency
601 57th Street, SE, Suite 2
Charleston, West Virginia 25304

Subject: GASB Statement No. 75 Actuarial Valuation as of June 30, 2020, for WV-RHBT

Submitted in this report are the results of the actuarial valuation of the liabilities associated with the employer financed postemployment benefits provided through the West Virginia Retiree Health Benefit Trust Fund (WV-RHBT). This program provides postretirement healthcare benefits to eligible retired members receiving pension benefits under the following retirement systems (“Retirement Systems”) as administered by the West Virginia Consolidated Public Retirement Board (CPRB):

- Public Employees’ Retirement System (PERS);
- Teachers’ Retirement System (TRS);
- Teachers’ Defined Contribution Retirement System (TDCRS);
- Great West (Plan G);
- West Virginia Death, Disability, and Retirement Fund (Troopers Plan A);
- West Virginia State Police Retirement System (Troopers Plan B);
- Deputy Sheriffs’ Retirement System (DSRS);
- Emergency Medical Services Retirement System (EMSRS); and
- Judges’ Retirement System (JRS).

The program also provides benefits to certain eligible members receiving pension benefits under the Teachers’ Insurance and Annuity Association and College Retirement Equities Fund (TIAA-CREF).

This report was prepared at the request of WV-RHBT and is intended for use by WV-RHBT and those designated or approved by WV-RHBT. This report may be provided to other parties only in its entirety and only with the permission of WV-RHBT.

The actuarial valuation as of June 30, 2020, and measured as of June 30, 2021, was prepared for purposes of complying with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 75 for the plan sponsor’s fiscal year June 30, 2022. The calculations reported herein have been made on a basis consistent with our understanding of these accounting standards. Determinations of the liability associated with the benefits described in this report for purposes other than satisfying the financial reporting requirements of the plan sponsor may produce significantly different results. The actuarial valuation was based upon:

- Census information as of June 30, 2020, provided by WV-RHBT, CPRB, and TIAA-CREF;
- Healthcare claims, premium and enrollment data provided by WV-RHBT;

- Substantive plan information provided by WV-RHBT;
- Retirement eligibility conditions for each respective retirement system found in CPRB actuarial valuation reports;
- Experience Study covering the period July 1, 2015, through June 30, 2020;
- Economic assumptions and other healthcare-related assumptions recommended by Gabriel, Roeder, Smith & Company and approved by the WV-RHBT including a discount rate of 6.65% and an ultimate trend rate assumption of 4.25%;
- Updated MAPD premium rates available as of June 1, 2021; and
- Entry age normal cost method and a 20-year closed level percent of pay amortization period as of June 30, 2017, with 17 years remaining as of June 30, 2020.

We checked for internal and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by WV-RHBT, CPRB, or TIAA-CREF. Authorization of the assumptions and methods applicable to this actuarial valuation was granted by WV-RHBT, and they are disclosed in the assumptions and methods section of this report.

The actuarial liabilities and actuarially determined contributions were developed in accordance with the requirements of GASB Statements No. 74 and 75, and are applicable only for financial reporting purposes. The unfunded actuarial accrued liability and Actuarially Determined Contributions (ADC) disclosed in this report should not be used to assess the level of plan assets needed to settle the plan's benefit obligations.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic, healthcare or demographic assumptions; changes in economic, healthcare or demographic assumptions; and changes in plan provisions or applicable law. Due to the limited scope of the actuary's assignment, the actuary did not perform an analysis of the potential range of such future measurements.

This report does not reflect the recent and still developing impact of COVID-19, which is likely to influence healthcare claims experience, demographic experience and economic expectations, at least in the short term. We will continue to monitor these developments and their impact on healthcare and retirement programs.

This report was prepared using our proprietary valuation model and related software, which in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

Please see the GASB Statement No. 74 actuarial valuation as of June 30, 2020, measured as of June 30, 2021, and applicable for the Plan's Fiscal Year End June 30, 2021, for additional information relating to: (i) other disclosure and reliance; (ii) actuarial assumptions and methods; (iii) principal plan provisions; (iv) projection of assets and liabilities; and (v) participant demographic data.



Mr. Jason A. Haught
West Virginia Public Employees Insurance Agency
April 13, 2022
Page 3

The signing actuaries are independent of the plan sponsor.

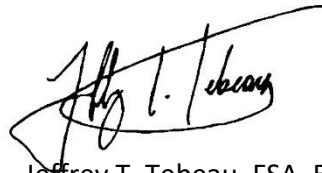
To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of WV-RHBT as of the actuarial valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes. Alex Rivera and Jeff Tebeau are Members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein.

Sincerely,

Gabriel, Roeder, Smith & Company



Alex Rivera, FSA, EA, MAAA, FCA
Senior Consultant



Jeffrey T. Tebeau, FSA, EA, MAAA, FCA
Consultant



West Virginia Retiree Health Benefit Trust Fund
Statements of Fiduciary Net Position
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents	\$ 7,119,000	\$ 6,411,000
Equity position in investment pools	1,670,305,000	1,193,675,000
Contributions receivable - net of allowance for doubtful accounts of \$177,000 and \$143,000, respectively	-	-
Due from the State - contributions	6,875,000	1,637,000
Due from the State - State appropriation (Contribution)	1,826,000	1,029,000
Due from the State - State appropriation (Contribution)	-	2,500,000
Other receivables	7,861,000	38,108,000
	<u>1,693,986,000</u>	<u>1,243,360,000</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	249,000	112,000
Other Post-Employment Benefits	121,000	79,000
	<u>370,000</u>	<u>191,000</u>
LIABILITIES		
Claims payable	8,613,000	9,244,000
Due to PEIA	1,722,000	6,457,000
Payables to managed care organizations	-	-
Other liabilities	10,663,000	2,973,000
	<u>20,998,000</u>	<u>18,674,000</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	21,000	84,000
Other Post-Employment Benefits	313,000	151,000
	<u>334,000</u>	<u>235,000</u>
NET POSITION		
Net position restricted for other postemployment benefits	<u>\$1,673,024,000</u>	<u>\$1,224,642,000</u>



**West Virginia Retiree Health Benefit Trust Fund
Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Additions:		
Contributions:		
Employers	\$ 104,503,000	\$ 107,756,000
State appropriation (School Aid)	47,639,000	50,650,000
State appropriation (Contribution)	-	5,000,000
State appropriation (OPEB)	<u>30,000,000</u>	<u>30,000,000</u>
Total contributions	<u>182,142,000</u>	<u>193,406,000</u>
Retiree drug subsidy	825,000	643,000
Other Revenue	9,000	19,000
Interest and dividend income	98,000	1,350,000
Net appreciation in fair value of investments	<u>381,533,000</u>	<u>28,571,000</u>
Total additions	<u>564,607,000</u>	<u>223,989,000</u>
Deductions:		
Benefit payments, net	111,627,000	85,786,000
Administrative service fees	1,655,000	1,986,000
Other expenses	<u>2,943,000</u>	<u>3,236,000</u>
Total deductions	<u>116,225,000</u>	<u>91,008,000</u>
Net increase in net position	<u>448,382,000</u>	<u>132,981,000</u>
Net position restricted for other postemployment benefits:		
Net position, beginning of year	<u>1,224,642,000</u>	<u>1,091,661,000</u>
Net position, beginning of year, as restated	<u>1,224,642,000</u>	<u>1,091,661,000</u>
Net position, end of year	<u>\$ 1,673,024,000</u>	<u>\$ 1,224,642,000</u>



**West Virginia Retiree Health Benefit Trust Fund
Equity Position in Investment Management Pools
June 30, 2021 and 2020**

	June 30,	
	2021	2020
West Virginia Board of Treasury Investments (WVBTI)		
Money Market Pool	\$ 58,540,954	\$ 43,446,727
West Virginia Investment Management Board (WVIMB)		
Domestic Equity	\$ 61,929,848	\$ 275,409,721
Portable Alpha	368,871,650	-
International Equity Pool	275,088,815	198,283,960
International Non-Qualified Pool	101,668,751	73,847,713
Short-Term Fixed Income	-	80,000,492
Total Return Fixed Income Pool	160,741,571	100,929,831
Core Fixed Income Pool	69,018,325	43,025,913
Hedge Funds Pool	146,683,551	105,533,069
Private Markets	427,761,576	273,196,616
	<u>\$ 1,611,764,087</u>	<u>\$ 1,150,227,314</u>
 Grand Total	 <u>\$ 1,670,305,041</u>	 <u>\$ 1,193,674,041</u>



Summary of Actuarial Valuation Results as of June 30, 2020

Discount Rate 6.65%
 Ultimate Trend Pre-Medicare 4.25%
 Ultimate Trend Post-Medicare 4.25%

	Local Agencies	PERS	Troopers Plan A	Troopers Plan B	TRS Pre-6/30/91	TRS Post-6/30/91	Retiree PERS	Retiree TRS	Retiree Public Safety	Total
A) Present Value of Benefits										
i) Active ^a	\$ 82,715,102	\$ 208,087,411	\$ 1,118,315	\$ 21,996,562	\$ 100,818,055	\$ 386,689,353	\$ -	\$ -	\$ -	\$ 801,424,798
ii) Active SAL ^b	61,606	8,197,930	13,308	385,925	11,404,817	8,564,578	-	-	-	28,628,164
iii) Retired	-	-	-	-	-	-	420,813,248	544,871,806	16,798,695	982,483,749
iv) Waived Annuitants ^c	-	-	-	-	-	-	3,731,092	3,273,791	184,580	7,189,463
v) Total	\$ 82,776,708	\$ 216,285,341	\$ 1,131,623	\$ 22,382,487	\$ 112,222,872	\$ 395,253,931	\$ 424,544,340	\$ 548,145,597	\$ 16,983,275	\$ 1,819,726,174
B) Actuarial Accrued Liability										
i) Active ^a	\$ 68,616,087	\$ 174,762,435	\$ 1,087,732	\$ 18,907,182	\$ 94,898,165	\$ 292,083,350	\$ -	\$ -	\$ -	\$ 650,354,951
ii) Active SAL ^b	56,391	7,670,364	13,063	359,767	10,756,995	7,449,003	-	-	-	26,305,583
iii) Retired	-	-	-	-	-	-	420,813,248	544,871,806	16,798,695	982,483,749
iv) Waived Annuitants ^c	-	-	-	-	-	-	3,731,092	3,273,791	184,580	7,189,463
iii) Total	\$ 68,672,478	\$ 182,432,799	\$ 1,100,795	\$ 19,266,949	\$ 105,655,160	\$ 299,532,353	\$ 424,544,340	\$ 548,145,597	\$ 16,983,275	\$ 1,666,333,746
C) Employer Normal Cost										
i) Fiscal Year Ending June 30, 2021	\$ 2,244,108	\$ 5,454,129	\$ 16,094	\$ 536,635	\$ 1,642,903	\$ 11,756,109	\$ -	\$ -	\$ -	\$ 21,649,978
ii) Fiscal Year Ending June 30, 2022	2,069,515	5,039,950	8,728	505,082	1,360,183	11,448,932	-	-	-	20,432,390
D) Employer Benefit Payments										
i) Fiscal Year Ending June 30, 2021	\$ 501,243	\$ 1,317,544	\$ 24,584	\$ 87,873	\$ 1,555,970	\$ 1,121,497	\$ 68,314,313	\$ 76,180,650	\$ 2,087,169	\$ 151,190,843
ii) Fiscal Year Ending June 30, 2022	1,081,824	2,978,507	47,101	182,846	3,485,977	2,576,041	45,031,118	49,625,201	1,399,330	106,407,945
E) Covered Members										
i) Active ^d	3,932	9,156	18	354	3,366	17,493	-	-	-	34,319
ii) Retired	-	-	-	-	-	-	19,638	23,237	394	43,269
iii) Waived Annuitants	-	-	-	-	-	-	6,263	5,409	241	11,913
iv) Total	3,932	9,156	18	354	3,366	17,493	25,901	28,646	635	89,501
F) Payroll ^e										
i) Fiscal Year End 2021	\$154,318,831	\$416,702,125	\$807,772	\$20,120,675	\$196,777,748	\$873,817,206	\$ -	\$ -	\$ -	\$ 1,662,544,357
ii) Fiscal Year End 2022	\$143,119,230	\$386,596,867	\$450,291	\$18,822,354	\$162,013,089	\$855,916,296	\$ -	\$ -	\$ -	\$ 1,566,918,127

^a Includes employer capped subsidy and Employee Assistance Program benefits.

^b Includes employer paid premium under the Accrued Sick Annual Leave Program.

^c The actuarial valuation assumes 2.5% of waived annuitants under the age of 75 will select retiree healthcare coverage in the future. As of June 30, 2020, there were 11,913 waived annuitants under age 75 and 5,013 waived annuitants over age 75.

^d Excludes active members hired on or after July 1, 2010.

^e Payroll excludes members hired on or after July 1, 2010, and is based on the payroll data provided as of June 30, 2020, projected to 2021 and 2022.



GASB Statement No. 75 Information

Executive Summary

	2021
Actuarial Valuation Date	June 30, 2020
Measurement Date of the Net OPEB Liability	June 30, 2021
Employer's Fiscal Year End for GASB Statement No. 75	June 30, 2022

Membership

Number of	
- Retirees and Beneficiaries	43,269
- Waived Annuitants ^a	11,913
- Active Members	34,319
- Total	89,501

Covered Payroll ^b \$ 1,662,544,357

Net OPEB Liability

Total OPEB Liability	\$ 1,643,289,292
Plan Fiduciary Net Position	1,673,024,000
Net OPEB Liability	\$ (29,734,708)
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	101.81%
Net OPEB Liability as a Percentage of Covered Payroll	-1.79%

Development of the Single Discount Rate

Single Discount Rate Beginning of Year	6.65%
Single Discount Rate End of Year	6.65%
Long-Term Expected Rate of Investment Return	6.65%
WVIMB Long-Term Expected Rate of Investment Return	7.00%
WVBTI Short-Term Expected Rate of Investment Return	2.50%
Long-Term Municipal Bond Rate Beginning of Year ^c	2.45%
Long-Term Municipal Bond Rate End of Year ^c	1.92%

Year WV-RHBT is Projected to be Fully Funded 2021

Total OPEB Expense for Plan Year End June 30, 2021, Applicable to Sponsor's Fiscal Year End June 30, 2021 \$ (499,896,871)

Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future OPEB Expenses as of June 30, 2020

	Deferred (Inflows) of Resources	Deferred Outflows of Resources
Difference Between Expected and Actual Experience	\$ (204,827,705)	\$ -
Changes in Assumptions	(629,200,355)	-
Net Difference Between projected and Actual Earnings on OPEB Plan Investments	(240,975,940)	35,768,362
Total	\$ (1,075,004,000)	\$ 35,768,362

^a Represents eligible waived annuitants under age 75. It is assumed that 2.5% of these members will elect coverage.

^b Covered payroll excludes members hired on or after July 1, 2010, and is based on the payroll data provided as of the actuarial valuation date increased with one year of wage inflation.

^c Based on fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of June 30, 2020, and June 30, 2021. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.



GASB Statement No. 75 Information

Schedule of Changes in Net OPEB Liability under GASB Statement No. 75 Measured as of June 30, 2021 Applicable to Plan Sponsor's Fiscal Year End June 30, 2022

Measured for the Period Ending June 30, Applicable for Sponsor's Fiscal Year Ending June 30,	2021 2022
A. Total OPEB Liability Applicable for the sponsor's fiscal year end June 30, 2021	
Service Cost	\$ 21,649,978
Interest on the Total OPEB Liability	108,544,912
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(39,957,344)
Changes of Assumptions	-
Benefit Payments and Administrative Expenses	(113,282,000)
Net Change in Total OPEB Liability	\$ (23,044,454)
Total OPEB Liability – Beginning	\$ 1,666,333,746
Total OPEB Liability – Ending	\$ 1,643,289,292
B. Plan Fiduciary Net Position	
Employer Contributions	\$ 182,142,000
Net Investment Income	381,631,000
Benefit Payments and Administrative Expenses	(113,282,000)
Operating Expenses	(2,943,000)
Other	834,000
Net Change in Plan Fiduciary Net Position	\$ 448,382,000
Plan Fiduciary Net Position – Beginning	\$ 1,224,642,000
Plan Fiduciary Net Position – Ending	\$ 1,673,024,000
C. Net OPEB Liability	\$ (29,734,708)
D. Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	101.81%
E. Covered-Employee Payroll^a	\$ 1,662,544,357
F. Net OPEB Liability as a Percentage of Covered-Employee Payroll	-1.79%

^a Plan year end 2020 payroll based on plan year end 2020 pay.



GASB Statement No. 75 Information

Statement of OPEB Expense under GASB Statement No. 75 Measured as of June 30, 2021 Applicable to Plan Sponsor's Fiscal Year End June 30, 2022

A. Expense

Service Cost	\$ 21,649,978
Interest on the Total OPEB Liability	108,544,912
Current-Period Benefit Changes	-
Employee Contributions	-
Projected Earnings on Plan Investments	(83,622,443)
OPEB Plan Operating Expenses	2,943,000
Other Changes in Plan Fiduciary Net Position	(834,000)
Recognition of Outflow/(Inflow) of Resources due to Liabilities	(121,514,528)
Recognition of Outflow/(Inflow) of Resources due to Assumption Changes	(367,790,037)
Recognition of Outflow/(Inflow) of Resources due to Assets	(59,273,753)
Total OPEB Expense	\$ (499,896,871)

B. Reconciliation of Net OPEB Liability

Net OPEB Liability End of Prior Year	\$ 441,691,746
OPEB Expense	(499,896,871)
Employer Contributions	(182,142,000)
Change in Liability Experience Outflows/(Inflows) Recognized in Current Liabilities	81,557,184
Change in Assumption Changes Experience Outflows/(Inflows) Recognized in Current Liabilities	367,790,037
Change in Investment Experience Outflows/(Inflows) Recognized in Current Assets	(238,734,804)
Net OPEB Liability End of Year	\$ (29,734,708)



GASB Statement No. 75 Information

Recognition of Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, the expected remaining service lives of all active members expected to receive a plan benefit was approximately 295,577 years. Additionally, the total number of plan members expected to receive a plan benefit as of the actuarial valuation date was 77,886. As a result, the average of the expected remaining service lives for plan members expected to receive a plan benefit for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 3.795 years.

Additionally, differences between projected and actual earnings on OPEB plan investments should be recognized in OPEB expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the OPEB expense as a level dollar amount over the closed period identified above.



GASB Statement No. 75 Information

Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods Measured as of June 30, 2021, Applicable to Plan Sponsor's Fiscal Year End June 30, 2022

A. Outflows and (Inflows) of Resources Recognized in Current and Future OPEB Expenses as of Plan Year End June 30, 2021

Experience (Gain)/Loss	Original Balance	Date Established	Original Recognition Period/ Amortization Factor	Amount Recognized in Past OPEB Expenses	Amount Recognized in Current OPEB Expense	Deferred (Inflows) to be Recognized in Future OPEB Expenses	Deferred Outflows to be Recognized in Future OPEB Expenses
1. Differences Between Expected and Actual Non-Investment Experience	\$ (39,957,344)	June 30, 2021	3.7950	\$ -	\$ (10,528,944)	\$ (29,428,400)	\$ -
	(204,502,688)	June 30, 2020	4.0482	(50,516,943)	(50,516,943)	(103,468,802)	-
	(222,869,315)	June 30, 2019	4.3013	(103,628,816)	(51,814,408)	(67,426,091)	-
	(32,789,568)	June 30, 2018	4.6370	(21,213,867)	(7,071,289)	(4,504,412)	-
	(10,450,977)	June 30, 2017	4.7140	(8,868,032)	(1,582,944)	-	-
	<u>\$ (510,569,892)</u>			<u>\$ (184,227,658)</u>	<u>\$ (121,514,528)</u>	<u>\$ (204,827,705)</u>	<u>\$ -</u>
2. Assumption Changes	\$ -	June 30, 2021	3.7950	\$ -	\$ -	\$ -	\$ -
	(1,028,295,411)	June 30, 2020	4.0482	(254,012,996)	(254,012,996)	(520,269,419)	-
	(236,043,521)	June 30, 2019	4.3013	(109,754,502)	(54,877,251)	(71,411,768)	-
	(273,118,328)	June 30, 2018	4.6370	(176,699,370)	(58,899,790)	(37,519,168)	-
	-	June 30, 2017	4.7140	-	-	-	-
	<u>\$ (1,537,457,260)</u>			<u>\$ (540,466,868)</u>	<u>\$ (367,790,037)</u>	<u>\$ (629,200,355)</u>	<u>\$ -</u>
3. Difference Between Expected and Actual Investment Earnings	\$ (298,008,557)	June 30, 2021	5.0000	\$ -	\$ (59,601,711)	\$ (238,406,846)	\$ -
	51,753,552	June 30, 2020	5.0000	10,350,710	10,350,710	-	31,052,132
	11,790,575	June 30, 2019	5.0000	4,716,230	2,358,115	-	4,716,230
	(12,845,466)	June 30, 2018	5.0000	(7,707,279)	(2,569,093)	(2,569,094)	-
	(49,058,870)	June 30, 2017	5.0000	(39,247,096)	(9,811,774)	-	-
	<u>\$ (296,368,766)</u>			<u>\$ (31,887,435)</u>	<u>\$ (59,273,753)</u>	<u>\$ (240,975,940)</u>	<u>\$ 35,768,362</u>
4. Total	<u>\$ (2,344,395,918)</u>			<u>\$ (756,581,962)</u>	<u>\$ (548,578,319)</u>	<u>\$ (1,075,004,000)</u>	<u>\$ 35,768,362</u>

B. Deferred Outflows and Deferred (Inflows) of Resources by Year to be Recognized in Future OPEB Expenses

Year Ending	Non-Investment Experience	Assumption Changes	Investment Experience	Deferred (Inflows)	Deferred Outflows	Net Deferred (Inflows)/Outflows
June 30, 2022	\$ (117,364,707)	\$ (346,409,415)	\$ (49,461,980)	\$ (525,944,927)	\$ 12,708,825	\$ (513,236,102)
June 30, 2023	\$ (76,657,570)	\$ (270,547,513)	\$ (46,892,886)	\$ (406,806,794)	\$ 12,708,825	\$ (394,097,969)
June 30, 2024	\$ (10,805,425)	\$ (12,243,427)	\$ (49,250,999)	\$ (82,650,563)	\$ 10,350,712	\$ (72,299,851)
June 30, 2025	\$ -	\$ -	\$ (59,601,713)	\$ (59,601,713)	\$ -	\$ (59,601,713)
Total	<u>\$ (204,827,702)</u>	<u>\$ (629,200,355)</u>	<u>\$ (205,207,578)</u>	<u>\$ (1,075,003,997)</u>	<u>\$ 35,768,362</u>	<u>\$ (1,039,235,635)</u>

C. Change In Deferred Outflows/(Inflows) Recognized in Liability and Assets for Current Plan Year End

Year Ending	Non-Investment Experience	Assumption Changes	Investment Experience
June 30, 2021	\$ 81,557,184	\$ 367,790,037	\$ (238,734,804)

Numbers may not add due to rounding.



GASB Statement No. 75 Information

Schedule of Changes in Net OPEB Liability and Related Ratios Multiyear

Fiscal Year Ending June 30,	2021	2020	2019	2018	2017
Total OPEB Liability					
Service Cost	\$ 21,649,978	\$ 43,991,277	\$ 48,069,657	\$ 56,345,605	\$ 66,067,781
Interest on the Total OPEB Liability	108,544,912	192,119,243	188,146,608	212,912,779	223,113,462
Changes of Benefit Terms	-	-	-	-	-
Difference between Expected and Actual Experience	(39,957,344)	(204,502,688)	(222,869,315)	(32,789,568)	(10,450,977)
Changes of Assumptions	-	(1,028,295,411)	(236,043,521)	(273,118,328)	-
Benefit Payments and Administrative Expenses	(113,282,000)	(87,772,000)	(135,061,000)	(137,700,000)	(164,823,111)
Net Change in Total OPEB Liability	(23,044,454)	(1,084,459,579)	(357,757,571)	(174,349,512)	113,907,155
Total OPEB Liability - Beginning	1,666,333,746	2,750,793,325	3,108,550,896	3,282,900,408	3,168,993,253
Total OPEB Liability - Ending (a)	\$ 1,643,289,292	\$ 1,666,333,746	\$ 2,750,793,325	\$ 3,108,550,896	\$ 3,282,900,408
Plan Fiduciary Net Position					
Employer Contributions	\$ 182,142,000	\$ 193,406,000	\$ 206,028,000	\$ 204,235,000	\$ 205,314,875
Net Investment Income	381,631,000	29,921,000	59,498,000	74,048,000	99,447,152
Benefit Payments and Administrative Expenses	(113,282,000)	(87,772,000)	(135,061,000)	(137,700,000)	(164,823,111)
Operating Expenses	(2,943,000)	(3,236,000)	(2,825,000)	(3,055,000)	(2,252,765)
Other	834,000	662,000	906,000	1,572,000	557,162
Net Change in Plan Fiduciary Net Position	448,382,000	132,981,000	128,546,000	139,100,000	138,243,313
Plan Fiduciary Net Position - Beginning, as restated ^a	1,224,642,000	1,091,661,000	963,115,000	824,015,000	685,668,002
Plan Fiduciary Net Position - Ending (b)	1,673,024,000	1,224,642,000	1,091,661,000	963,115,000	823,911,315
Net OPEB Liability - Ending (a) - (b)	\$ (29,734,708)	\$ 441,691,746	\$ 1,659,132,325	\$ 2,145,435,896	\$ 2,458,989,093
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	101.81%	73.49%	39.69%	25.10%	25.10%
Covered-Employee Payroll^b	\$ 1,662,544,357	\$ 1,712,420,688	\$ 1,925,233,991	\$ 2,050,634,331	\$ 2,199,037,019
Net OPEB Liability as a Percentage of Covered-Employee Payroll	-1.79%	25.79%	86.18%	104.62%	111.82%

^a The Plan Fiduciary Net Position at the beginning of plan year 2018 was adjusted by \$103,685 to account for the cumulative effect of adoption of accounting principle.

^b Plan year end 2019 payroll based on plan year end 2018 payroll increased with wage inflation assumption of 4.0%.

Plan year end 2021 payroll based on projected closed group payroll from 2020 actuarial valuation.



GASB Statement No. 75 Information

Sensitivity of Net OPEB Liability

Regarding the sensitivity of the net OPEB liability to changes in the Single Discount Rate, the following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 6.65%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point higher or lower:

Sensitivity of Net OPEB Liability as of June 30, 2021 to the Single Discount Rate Assumption

1% Decrease 5.65%	Current Single Discount Rate Assumption 6.65%	1% Increase 7.65%
\$ 159,559,746	\$ (29,734,708)	\$ (186,903,110)

Regarding the sensitivity of the net OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if it were calculated using a trend rate that is one percentage point higher or lower:

Sensitivity of Net OPEB Liability as of June 30, 2021 to the Healthcare Cost Trend Rate Assumption

1% Decrease	Healthcare Cost Trend Rates Assumption	1% Increase
\$ (219,545,277)	\$ (29,734,708)	\$ 201,476,232



GASB Statement No. 75 Information

Schedule of Contributions Multiyear

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributor as a % of Covered Payroll
2016	236,031,058	170,643,926	65,387,132	2,114,458,672	8.07%
2017	224,710,406	205,314,875	19,395,531	2,199,037,019	9.34%
2018	202,909,666	204,235,000	(1,325,334)	2,050,634,331	9.96%
2019	168,736,509	206,238,000	(37,501,491)	1,925,233,991	10.71%
2020	164,599,978	193,406,000	(28,806,022)	1,712,420,688	11.29%
2021	58,962,339	182,142,000	(123,179,661)	1,662,544,357	10.96%



GASB Statement No. 75 Information

Notes to Schedule of Contributions

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Plan Year End	June 30, 2021

Methods and Assumptions Used to Develop Actuarially Determined Contribution:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Amortization Period	20-year closed period as of June 30, 2017
Asset Valuation Method	Market value
Investment Rate of Return	6.65%, net of OPEB plan investment expense, including inflation
Inflation	2.25%
Wage Inflation	2.75% for PERS and TRS, 3.25% for Troopers
Salary Increases	Rates based on 2015-2020 OPEB Experience Study and depend on pension plan participation and attained age, and range from 2.75% to 5.18%, including inflation. Rates were first applied to the 2020 valuation.
Retirement Age	Rates based on 2015-2020 OPEB Experience Study and vary by pension plan participation and age/service at retirement. Rates were first applied to the 2020 valuation.
Mortality	Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with Scale MP-2019 for TRS. Pub-2010 General Employee Mortality Tables projected with Scale MP-2019 for PERS. Pub-2010 Public Safety Healthy Retiree Mortality Tables projected with Scale MP-2019 for Troopers A and B. Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with Scale MP-2019 for TRS. Pub-2010 Below-Median Income General Employee Mortality Tables projected with Scale MP-2019 for PERS. Pub-2010 Public Safety Employee Mortality Tables projected with Scale MP-2019 for Troopers A and B.
Healthcare Cost Trend Rates	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2020, decreasing by 0.5% for one year then by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032. Trend rate for Medicare per capita costs of -33.11% for plan year end 2022, 9.15% for plan year end 2023, decreasing ratably each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the annual expense.



GASB Statement No. 75 Information

Single Discount Rate

A Single Discount Rate of 6.65% was used to measure the total OPEB liability. This Single Discount Rate was based on the expected rate of return on OPEB plan investments of 6.65%. The projection of cash flows used to determine this Single Discount Rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. See Appendix A for a projection supporting the development of the Single Discount Rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Summary of Membership Information

The following table provides a summary of the number of participants in the plan:

Members or Beneficiaries Currently Receiving Benefits	43,269
Waived Annuitants ^a	11,913
Active Plan Members	<u>34,319</u>
Total Plan Members	89,501

^a The actuarial valuation assumes 2.5% of eligible waived annuitants under the age of 75 will select retiree healthcare coverage on the valuation date. As of June 30, 2020, there were 11,913 waived annuitants under the age of 75 who were included in the actuarial valuation, and so approximately 298 were assumed to elect coverage as of June 30, 2020. Also, 5,013 waived annuitants over the age 75 were excluded from the actuarial valuation.

