

Terminated Agency Risk Pool June 30, 2021 Valuation

Finance & Administration Committee
September 20, 2022

Overview

- Actuarial valuation date June 30, 2021
- 119 plans in the TAP
 - 1 new agency
- Funded Ratio is 199.0%

Changes Since June 30, 2020, Valuation

- Addition of 1 agency
 - Oroville Mosquito Abatement District
- Additional accrued liability of \$0.6 million

Changes Continued

- Assumption changes
 - Discount rate 2.11% (1.48% on June 30, 2020)
 - Inflation rate 2.33% (1.65% on June 30, 2020)
 - Mortality rates and other demographic assumptions changed to those in the Experience Study approved by the Board in November 2021

Current and Prior Year Results

Funded Status	June 30, 2020 (\$ in millions)	June 30, 2021 (\$ in millions)
Market Value of Assets	\$366.1	\$390.9
Accrued Liability	\$207.8	\$196.5
Unfunded Accrued Liability	(\$158.3)	(\$194.4)
Funded Ratio	176.2%	199.0%

TAP Assets

\$Millions	June 30, 2020 Allocation		June 30, 2021 Allocation	
Immunized Segment	51.5%	\$188.5	51.7%	\$202.1
Non-immunized Segment	48.5%	\$177.6	48.3%	\$188.7
Total	100.00 %	\$366.1	100.0%	\$390.8

Rate of return FY 2020-21: 8.9%

Sensitivity - Mortality

Sensitivity of the Funded Status to a Change in Mortality Rates

June 30, 2021	Current Mortality Rates	-10% Mortality Rates	+10% Mortality Rates
Funded Ratio	199.0%	191.9%	205.7%
Accrued Liability Impact		\$7.2 million	(\$6.4) million

Sensitivity - Inflation

Sensitivity of the Funded Status to a Change in Inflation Rates

June 30, 2021	Current Inflation Rate 2.33%	1.33% Inflation Rate	3.33% Inflation Rate
Funded Ratio	199.0%	219.7%	188.2%
Accrued Liability Impact		(\$18.5) million	\$11.2 million