

# Terminated Agency Risk Pool June 30, 2023 Valuation

Finance & Administration Committee  
September 17, 2024

# Overview

- Actuarial valuation date June 30, 2023
- 119 plans in the TAP
  - 2 new agencies
- Funded Ratio is 209.7%

# Changes Since June 30, 2022 Valuation

- Addition of 2 agencies
  - Samoa Peninsula Fire Protection District
  - Twentynine Palms Water District
- Additional accrued liability of \$7.6 million

# Changes Continued

- Assumption changes
  - Discount rate 3.75% (3.10% on June 30, 2022)
  - Inflation rate 2.07% (2.20% on June 30, 2022)

# Current and Prior Year Results

Funded Status	June 30, 2022 (\$ in millions)	June 30, 2023 (\$ in millions)
Market Value of Assets	\$361.6	\$358.8
Accrued Liability	\$181.6	\$171.1
Unfunded Accrued Liability	(\$180.0)	(\$187.7)
Funded Ratio	199.2%	209.7%

# TAP Assets

<b>\$Millions</b>	<b>June 30, 2022 Allocation</b>		<b>June 30, 2023 Allocation</b>	
<b>Immunized Segment</b>	54.7%	\$198.0	56.0%	\$200.9
<b>Non-immunized Segment</b>	45.3%	\$163.6	44.0%	\$157.9
<b>Total</b>	<b>100.0%</b>	<b>\$361.6</b>	<b>100.0%</b>	<b>\$358.8</b>

Rate of return FY 2021-22: 0.61%

# Sensitivity - Mortality

## Sensitivity of the Funded Status to a Change in Mortality Rates

June 30, 2022	Current Mortality Rates	-10% Mortality Rates	+10% Mortality Rates
Funded Ratio	209.7%	203.3%	215.8%
Accrued Liability Impact		\$5.4 million	(\$4.8) million

# Sensitivity - Inflation

## Sensitivity of the Funded Status to a Change in Inflation Rates

June 30, 2022	Current Inflation Rate 2.20%	1.20% Inflation Rate	3.20% Inflation Rate
Funded Ratio	209.7%	234.0%	202.4%
Accrued Liability Impact		(\$17.7) million	\$6.2 million