



Agenda Item No. (8)

To: OPEB Retirement Investment Trust Board  
Meeting of March 26, 2026

From: Cody Smith, Director of Accounting  
Grant Martinez, Director of Budget and Financial Analysis  
Jennifer H. Mennucci, Auditor-Controller

Subject: **RECEIVE THE JULY 1, 2025 OPEB ACTUARIAL VALUATION REPORT**

**Recommendation**

Staff recommends that the Trust Board adopt a motion to receive the July 1, 2025, OPEB Actuarial Valuation Report, as submitted by the District’s OPEB Actuary, Foster & Foster, Inc.

**Summary**

The July 1, 2025, OPEB Actuarial Valuation Report is attached. It is the District’s policy to fund, at minimum, the Actuarially Determined Contribution (“ADC”), as determined by the Trust’s actuary. This year’s valuation will be used for the funding of the ADC and for inclusion in the District’s operating budget for fiscal years (FY) 25/26, FY 26/27, and FY 27/28. The July 1, 2025, actuarial valuation reflects the same discount rate assumption of 6.75%, as approved by the Trust Board at the October 2021 meeting. This year’s valuation also reflects the inclusion of all employees in the CalPERS medical plans.

**Participant Data**

As of the July 1, 2025, valuation date, there were 868 retirees and surviving spouses receiving benefits and 673 active employees.

Actives % of total	32%	43%	53%	44%
Retirees % of total	68%	57%	47%	56%

	<b>Bus Operators</b>	<b>Non Rep</b>	<b>Coalition</b>	<b>Total District</b>
Actives	168	140	365	673
Retirees & Surviving Spouses	358	189	321	868
<b>Total Participants</b>	<b>526</b>	<b>329</b>	<b>686</b>	<b>1541</b>

In FY 23/24, the District paid \$10.7 million in OPEB benefits for retirees, and \$11.3 million in FY 24/25.

**Plan Assets**

The market value of Trust as of July 1, 2025 was \$142 million.<sup>1</sup> The investment returns at market value since the previous valuation (July 1, 2023) were 13.4% for FY 23/24 and 11.7% for FY 24/25, resulting in an average annual return of 12.5% over the two-year period. This exceeded the 6.75% actuarial assumed return, which is the targeted return as per the Trust’s investment policy.

**Plan Funded Status**

	<b>July 1, 2023</b>	<b>July 1, 2025</b>	<b>Change</b>
Actuarial Accrued Liability ("AAL")	\$ 186,561,720	\$ 211,867,074	\$ 25,305,354
Actuarial Value of Plan Assets	\$ 117,825,119	\$ 142,088,711	\$ 24,263,592
Unfunded AAL ("UAAL")	\$ 68,736,601	\$ 69,778,363	\$ 1,041,762
<b>Funded %</b>	<b>63.2%</b>	<b>67.1%</b>	<b>3.9%</b>

Based on an actuarial accrued liability (“AAL”) of \$211.9 million and an Actuarial Value of Plan Assets of \$142.1 million, the Trust’s unfunded AAL (“UAAL”) as of July 1, 2025 is **\$69.8 million** to be amortized over the remaining 12 years of the 30 year amortization period. This is an increase of \$1.0 million (or 1.5%) from the July 1, 2023 valuation report, which had estimated the UAAL at \$68.7 million as of July 1, 2023. The funded ratio improved from 63.2% as of July 1, 2023, to **67.1%** as of July 1, 2025.

The historical AAL, UAAL, Plan Assets, and Funded Percentage at each actuarial valuation date since inception of the Trust is summarized below:

<b>Actuarial Valuation Date</b>	<b>7/1/25</b>	<b>7/1/23</b>	<b>7/1/21</b>	<b>7/1/19</b>	<b>7/1/17</b>	
<b>Discount Rate</b>	<b>6.75%</b>	<b>6.75%</b>	<b>6.75%</b>	<b>7.00%</b>	<b>7.00%</b>	
<i>In US thousands</i>						
Accrued Actuarial Liability	\$ 211,867	\$ 186,562	\$ 158,770	\$ 169,765	\$ 172,339	
Actuarial Value of Assets	\$ 142,089	\$ 117,825	\$ 104,787	\$ 85,060	\$ 70,385	
<b>Unfunded Liability</b>	<b>\$ 69,778</b>	<b>\$ 68,737</b>	<b>\$ 53,984</b>	<b>\$ 84,705</b>	<b>\$ 101,954</b>	
<b>Funded %</b>	<b>67%</b>	<b>63%</b>	<b>66%</b>	<b>50%</b>	<b>41%</b>	
<b>Actuarial Valuation Date</b>	<b>7/1/15</b>	<b>7/1/13</b>	<b>7/1/12</b>	<b>7/1/11</b>	<b>7/1/09</b>	<b>7/1/07</b>
<b>Discount Rate</b>	<b>7.25%</b>	<b>7.50%</b>	<b>7.50%</b>	<b>7.75%</b>	<b>7.75%</b>	<b>7.75%</b>
<i>In US thousands</i>						
Accrued Actuarial Liability	\$ 159,253	\$ 158,737	\$ 190,406	\$ 196,052	\$ 182,930	\$ 152,767
Actuarial Value of Assets	\$ 57,175	\$ 41,331	\$ 31,114	\$ 25,217	\$ 9,819	\$ -
<b>Unfunded Liability</b>	<b>\$ 102,077</b>	<b>\$ 117,405</b>	<b>\$ 159,292</b>	<b>\$ 170,835</b>	<b>\$ 173,110</b>	<b>\$ 152,767</b>
<b>Funded %</b>	<b>36%</b>	<b>26%</b>	<b>16%</b>	<b>13%</b>	<b>5%</b>	<b>0%</b>

<sup>1</sup> Trust assets and investment returns reported by Actuary may vary slightly from what is reported by Investment Advisor due to timing of reporting.

**Actuarially Determined Contribution (“ADC”)**

The ADC for FY 21/22, FY 22/23, and FY 23/24 are summarized below:

	<b>FY 25/26</b>	<b>FY 26/27</b>	<b>FY 27/28</b>
<b>ADC</b>			
Normal Cost	\$ 3,792,991	\$ 4,233,950	\$ 4,350,384
UAAL Amortization	\$ 6,741,339	\$ 7,214,462	\$ 7,412,859
Administrative Expenses	\$ 323,575	\$ 340,930	\$ 351,158
<b>ADC - \$</b>	<b>\$ 10,857,905</b>	<b>\$ 11,789,342</b>	<b>\$ 12,114,401</b>
Projected Payroll	\$ 72,577,798	\$ 80,053,912	\$ 82,255,395
<b>ADC - % of Projected Payroll</b>	<b>15.0%</b>	<b>14.7%</b>	<b>14.7%</b>
Normal Cost	5.2%	5.3%	5.3%
UAAL Amortization	9.3%	9.0%	9.0%
Administrative Expenses	0.4%	0.4%	0.4%
<b>Total ADC</b>	<b>15.0%</b>	<b>14.7%</b>	<b>14.7%</b>
# of Actives	638	673	673
<b>ADC - \$ per Active</b>	<b>\$17,019</b>	<b>\$17,518</b>	<b>\$18,001</b>

For FY 26/27, the Normal Cost (the cost of benefits earned by current employees in the current year) of \$4.2 million, along with the amortization of the UAAL of \$7.2 million and \$341,000 of administrative expenses, results in a FY 26/27 ADC of **\$11.8 million**. This is an increase of \$1 million from the July 1, 2023 valuation of \$10.9 million, which had been included in the Approved FY 25/26 Operating Budget. The ADC for FY 26/27 and FY 27/28 based on the July, 1 2025 valuation are **\$11.8 million** and **\$12.1 million** respectively.

The ADC as a percentage of projected payroll by employee group for FY 26/27 is as follows:

	<b>Bus Operators</b>	<b>Non Rep</b>	<b>Coalition</b>	<b>Total District</b>
ADC as a % of Projected Payroll	31.2%	10.8%	11.9%	14.7%

**Fiscal Impact**

The ADC of \$11.8 million for FY 26/27 and \$12.1 million for FY 27/28 will be included in their respective future fiscal year budgets.

Attachment: July 1, 2025 Actuarial Valuation Report

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**GOLDEN GATE BRIDGE  
HIGHWAY AND TRANSPORTATION DISTRICT  
RETIREE HEALTHCARE PLAN**



**July 1, 2025 Actuarial Valuation**  
Plan Funding for 2026/27 and 2027/28

Drew Ballard, FSA, EA, MAAA  
Katherine Moore, ASA, MAAA  
Matthew Childs  
**Foster & Foster, Inc.**

February 5, 2026

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## BENEFIT SUMMARY

### General Benefit Provisions

<ul style="list-style-type: none"> <li>■ Eligibility</li> </ul>	<ul style="list-style-type: none"> <li>• Retire directly from the District</li> <li>• Age/service requirements vary by employee group and hire date</li> </ul>
<ul style="list-style-type: none"> <li>■ OPEB Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Medical (including prescription drug), dental, vision, and life insurance</li> <li>• Dependent coverage and retiree contributions vary based on eligibility</li> <li>• Benefits established through employee agreements and MOUs</li> <li>• Medical benefits provided through PEMHCA under the unequal method</li> </ul>
<ul style="list-style-type: none"> <li>■ PEMHCA Minimum</li> </ul>	<ul style="list-style-type: none"> <li>• District joined PEMHCA in 2021</li> <li>• District paid CalPERS \$1/month for retirees in 2021, then pays 5% of PEMHCA minimum for each year in PEMHCA until reaching 100% of the PEMHCA minimum in 20 years:                             <ul style="list-style-type: none"> <li>➢ PEMHCA minimum = \$158/month in 2025 and \$162/month in 2026</li> <li>➢ Retiree minimum = \$31.60/month in 2025 and \$40.50 in 2026</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>■ Implicit Subsidy for PEMHCA Plans</li> </ul>	<ul style="list-style-type: none"> <li>• Active employee premiums subsidize retiree costs</li> <li>• Implicit subsidy occurs when pre-Medicare retiree rates are less than actual retiree cost</li> </ul>



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## BENEFIT SUMMARY

### Bus Operators

<ul style="list-style-type: none"> <li>■ Retirement Eligibility</li> </ul>	<ul style="list-style-type: none"> <li>• Retire from District within 120 days of separation and eligible for ATU pension:                             <ul style="list-style-type: none"> <li>➢ Age 65 (PEPRA age 62 and 5 years of service)</li> <li>➢ Age 55, 15 years of service</li> <li>➢ Age 50, 25 years of service (PEPRA age 52, 5 years of service)</li> <li>➢ 20 years of service, 80 points (age plus service <math>\geq</math> 80)</li> </ul> </li> </ul>																	
<ul style="list-style-type: none"> <li>■ District Contribution to Medical<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Maximum District Contribution:                             <ul style="list-style-type: none"> <li>➢ Enrolled in Kaiser, PERS Platinum, or PERS Gold: Premium of plan elected</li> <li>➢ Enrolled in other plan: PERS Gold premium cap</li> </ul> </li> <li>• District contributes a percent of the Maximum District contribution:                             <table border="1" style="margin-left: 20px; width: 100%;"> <thead> <tr> <th rowspan="2">Points at Retirement (age + service)</th> <th colspan="2">% of Maximum District Contribution</th> </tr> <tr> <th>Hired &lt; 1/1/2003 (Minimum age 52)</th> <th>Hired <math>\geq</math> 1/1/2003 (Minimum age 55)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">80+</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">75-79</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">70-74</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">&lt; 70</td> <td style="text-align: center;">PEMHCA minimum</td> <td style="text-align: center;">PEMHCA minimum</td> </tr> </tbody> </table> </li> <li>• 15 years of service required for family coverage</li> <li>• District pays PEMHCA minimum if less than 15 years of service at retirement</li> </ul>	Points at Retirement (age + service)	% of Maximum District Contribution		Hired < 1/1/2003 (Minimum age 52)	Hired $\geq$ 1/1/2003 (Minimum age 55)	80+	100%	100%	75-79	100%	80%	70-74	80%	70%	< 70	PEMHCA minimum	PEMHCA minimum
Points at Retirement (age + service)	% of Maximum District Contribution																	
	Hired < 1/1/2003 (Minimum age 52)	Hired $\geq$ 1/1/2003 (Minimum age 55)																
80+	100%	100%																
75-79	100%	80%																
70-74	80%	70%																
< 70	PEMHCA minimum	PEMHCA minimum																

<sup>1</sup> Applies to retirements after 7/1/2021.



February 5, 2026



## BENEFIT SUMMARY

### Bus Operators

**■ Health Reimbursement Arrangement (HRA) Plan**

- District contribution above PEMHCA minimum will be reimbursed to retirees
- In addition, District contributes annually to HRA if retiree is enrolled in Kaiser, PERS Platinum, or PERS Gold
  - Annual HRA amounts for 2025:
 

	Kaiser	PERS Platinum	PERS Gold
Under 65	\$1,500/3,000/3,000 (EE/2-party/family)	\$2,500/5,000/5,000 (EE/ 2-party/family)	\$3,500/7,000/7,000 (EE/2-party/family)
Over 65	\$550/1,100 (EE/2-party)	\$400/800 (EE/2-party)	
  - No annual District HRA contribution if enrolled in other plans
- Unused HRA balances carry-over for Medicare retirees, but not for retirees under 65



## BENEFIT SUMMARY

### Bus Operators

**■ Retiree Medicare Part B Equivalent Contribution (Under Age 65)**

- Retired < 1/1/21: No Medicare Part B premium equivalent contribution
- Retired ≥ 1/1/21:
  - Enrolled in Kaiser, PERS Platinum, or PERS Gold: Retiree pays 50% of Medicare Part B premium equivalent less the monthly equivalent of the annual active cash stipend amounts if enrolled in Kaiser or PERS Gold
  - Enrolled in other plans: Retiree pays 100% of Medicare Part B premium equivalent for self and spouse
- 2025 annual active cash stipend amounts used to offset retiree contribution if enrolled in Kaiser or PERS Gold:

	Kaiser or PERS Gold
EE only	\$1,000
2-Party	2,000
Family	3,000

**■ Surviving Spouse Benefit**

- Medical benefit continues to surviving spouse if retiree has 15 or more years of service
- PEMHCA minimum if < 15 years of service and surviving spouse has pension benefit

**■ Dental and Vision**

- Same eligibility as retirement benefits
- District pays 100% of premiums



## BENEFIT SUMMARY

### Bus Operators

<p>■ Life Insurance</p>	<ul style="list-style-type: none"> <li>• Retired before 6/1/77: \$2,500 life insurance</li> <li>• Retired on or after 6/1/77 with 3+ years of service:             <ul style="list-style-type: none"> <li>➢ \$18,000 life insurance less \$2,000 times number of years since retirement</li> <li>➢ \$3,000 minimum life insurance</li> </ul> </li> </ul>
<p>■ Opt Out Provision</p>	<ul style="list-style-type: none"> <li>• District provides \$3,000 annual HRA contribution to retirees that permanently opt out of District retiree health benefits (medical, dental, vision and life)</li> <li>• Benefit continues to surviving spouse if retiree has 15 or more years of service</li> <li>• PEMHCA minimum if opts back into PEMHCA medical plan in future</li> </ul>
<p>■ Benefit Change since prior valuation</p>	<ul style="list-style-type: none"> <li>• None</li> </ul>



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## BENEFIT SUMMARY

### Non-Represented

<p>■ Retirement Eligibility</p>	<ul style="list-style-type: none"> <li>• Retire from District within 120 days of separation and eligible for retiree pension             <ul style="list-style-type: none"> <li>➢ CalPERS Classic members: Age 50, 5 years of service</li> <li>➢ CalPERS PEPRA members: Age 52, 5 years of service</li> <li>➢ Disability (5 years of service for non-industrial disability)</li> </ul> </li> </ul>										
<p>■ District Contribution to Medical<sup>2</sup></p>	<ul style="list-style-type: none"> <li>• Maximum District Contribution:             <ul style="list-style-type: none"> <li>➢ Enrolled in Kaiser, PERS Platinum, or PERS Gold: Premium of plan elected</li> <li>➢ Enrolled in other plan: PERS Gold premium cap</li> </ul> </li> <li>• District contributes a percent of the Maximum District contribution based on age and service at retirement:             <table border="1" style="margin-left: 40px; margin-top: 10px;"> <thead> <tr> <th style="text-align: center;">Points at Retirement (age + service)</th> <th style="text-align: center;">% of Maximum District Contribution</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">80+</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">75-79</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">70-74</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">&lt; 70</td> <td style="text-align: center;">PEMHCA minimum</td> </tr> </tbody> </table> </li> <li>• Age 55 and 10 years of service for District contribution for retiree</li> <li>• Age 55 and 15 years of service for District contribution for spouse/dependents</li> </ul>	Points at Retirement (age + service)	% of Maximum District Contribution	80+	100%	75-79	80%	70-74	70%	< 70	PEMHCA minimum
Points at Retirement (age + service)	% of Maximum District Contribution										
80+	100%										
75-79	80%										
70-74	70%										
< 70	PEMHCA minimum										

<sup>2</sup> Applies to retirements after 7/1/2021.



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## BENEFIT SUMMARY

### Non-Represented

■ Health Reimbursement Arrangement (HRA) Plan

- District contribution above PEMHCA minimum will be reimbursed to retirees
- In addition, District contributes annually to HRA if enrolled in Kaiser, PERS Platinum, or PERS Gold
  - Annual HRA amounts for 2025:
 

	Kaiser	PERS Platinum	PERS Gold
Under 65	\$1,500/3,000/3,000 (EE/2-party/family)	\$2,500/5,000/5,000 (EE/2-party/family)	\$3,500/7,000/7,000 (EE/2-party/family)
Over 65	\$550/1,100 (EE/2-party)	\$400/800 (EE/2-party)	
  - No annual District HRA contribution if enrolled in other plans
- Unused HRA balances carry-over for Medicare retirees, but not for retirees under 65



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## BENEFIT SUMMARY

### Non-Represented

■ Retiree Medicare Part B Equivalent Contribution (Under Age 65)

- Enrolled in Kaiser or PERS Gold: Retiree pays to District the Medicare Part B premium equivalents for self and spouse less the monthly equivalent of the annual active cash stipend amount for plan elected
- Enrolled in other plans: Retiree pays the Medicare Part B premium equivalents for self and spouse to the District
- 2025 annual active cash stipend amounts used to offset retiree contribution if enrolled in Kaiser or PERS Gold:

	Kaiser or PERS Gold
EE only	\$1,000
2-Party	2,000
Family	3,000

■ Surviving Spouse Benefit

- Medical benefit continues to surviving spouse if retiree elects a pension benefit with survivor benefits and has 15 or more years of service at retirement

■ Dental and Vision

- Same eligibility as retirement benefits
- District pays 100% of premiums



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## BENEFIT SUMMARY

### Non-Represented

<p>■ Life Insurance</p>	<ul style="list-style-type: none"> <li>● Retired before 7/1/76: \$25,000 life insurance</li> <li>● Retired between 7/1/76 and 7/1/15:             <ul style="list-style-type: none"> <li>➢ Less than 10 years of service - \$3,000 life insurance</li> <li>➢ 10+ years of service –                 <ul style="list-style-type: none"> <li>▪ \$9,000 life insurance less \$1,000 times number of years since retirement</li> <li>▪ \$3,000 minimum life insurance</li> </ul> </li> </ul> </li> <li>● Retired on or after 7/1/15:             <ul style="list-style-type: none"> <li>➢ Less than 10 years of service - \$3,000 life insurance</li> <li>➢ 10+ years of service –                 <ul style="list-style-type: none"> <li>▪ \$24,000 life insurance less \$1,000 times number of years since retirement</li> <li>▪ \$3,000 minimum life insurance</li> </ul> </li> </ul> </li> </ul>
<p>■ Board Members</p>	<ul style="list-style-type: none"> <li>● Not eligible for retiree healthcare benefit</li> </ul>
<p>■ Benefit Changes since prior valuation</p>	<ul style="list-style-type: none"> <li>● None</li> </ul>



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## BENEFIT SUMMARY

### Coalition

<p>■ Retirement Eligibility</p>	<ul style="list-style-type: none"> <li>● Retire from District within 120 days of separation and eligible for retiree pension             <ul style="list-style-type: none"> <li>➢ Employees in CalPERS:                 <ul style="list-style-type: none"> <li>▪ Classic members: Age 50, 5 years of service</li> <li>▪ PEPRAs members: Age 52, 5 years of service</li> <li>▪ Disability (5 years of service for non-industrial disability)</li> </ul> </li> <li>➢ Employees in IBU and MEBA:                 <ul style="list-style-type: none"> <li>▪ Age 65</li> <li>▪ Age 55, 10 years of service</li> <li>▪ Disability: 10 years of service</li> </ul> </li> </ul> </li> </ul>
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## BENEFIT SUMMARY

### Coalition

**■ District Contribution to Medical<sup>3</sup>**

- Maximum District Contribution:
  - Enrolled in Kaiser, PERS Platinum, or PERS Gold: Premium of plan elected
  - Enrolled in other plan: PERS Gold premium cap
- District contributes a percent of the Maximum District contribution based on age and service at retirement:

Points at Retirement (age + service)	% of Maximum District Contribution
80+	100%
75-79	80%
70-74	70%
< 70	PEMHCA minimum

- Age 55 and 10 years of service required for District contribution for retiree above the PEMHCA minimum
- Age 55 and 15 years of service required for District contribution for spouse/dependent coverage

<sup>3</sup> Applies to retirements after 7/1/2021.



## BENEFIT SUMMARY

### Coalition

**■ Health Reimbursement Arrangement (HRA) Plan**

- District contribution above PEMHCA minimum will be reimbursed to retirees up to the Maximum District Contribution
- In addition, District contributes annually to HRA if enrolled in Kaiser, PERS Platinum, or PERS Gold

- Annual HRA amounts for 2025:

	Kaiser	PERS Platinum	PERS Gold
Under 65	\$1,500/3,000/3,000 (Single/2-party/family)	\$3,500/7,000/7,000 (Single/2-party/family)	
Over 65	\$550/1,100 (Single/2-party)	\$400/800 (Single/2-party)	

- No annual District HRA contribution if enrolled in other plans
- Unused HRA balances carry-over for Medicare retirees, but not for retirees under 65

**■ Retiree Premium Sharing (Under Age 65)**

- Retiree pays \$174 per month for each person enrolled in medical
- Retiree contribution is discounted 50% if enrolled in Kaiser or PERS Gold



## BENEFIT SUMMARY

### Coalition

■ Surviving Spouse Benefit	<ul style="list-style-type: none"><li>• Medical benefit continues to surviving spouse if retiree elects a pension with survivor benefits and has 15 or more years of service at retirement</li><li>• PEMHCA minimum if less than 15 years of service</li></ul>
■ Dental and Vision	<ul style="list-style-type: none"><li>• Same eligibility as retirement benefits</li><li>• District pays 100% of premiums</li></ul>
■ Life Insurance	<ul style="list-style-type: none"><li>• Retired before 7/1/76: \$25,000 life insurance</li><li>• Retired between 7/1/76 and 7/1/15:<ul style="list-style-type: none"><li>➢ Less than 10 years of service - \$3,000 life insurance</li><li>➢ 10+ years of service –<ul style="list-style-type: none"><li>▪ \$9,000 life insurance less \$1,000 times number of years since retirement</li><li>▪ \$3,000 minimum life insurance</li></ul></li></ul></li><li>• Retired on or after 7/1/15:<ul style="list-style-type: none"><li>➢ Less than 10 years of service - \$3,000 life insurance</li><li>➢ 10+ years of service –<ul style="list-style-type: none"><li>▪ \$24,000 life insurance less \$1,000 times number of years since retirement</li><li>▪ \$3,000 minimum life insurance</li></ul></li></ul></li></ul>



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## BENEFIT SUMMARY

### Coalition

■ Benefit Changes since prior valuation	<ul style="list-style-type: none"><li>• Under age 65 retiree contribution changed from Medicare Part B premium equivalents to flat \$174. Discount to retiree contribution changed from the active cash stipend to 50% of \$174 if enrolled in Kaiser or PERS Gold.</li></ul>
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## BENEFIT SUMMARY

### Total District

■ Cash Pay-As-You-Go (\$000s)	<u>Fiscal Year</u>	<u>Medical</u>	<u>Dental</u>	<u>Vision</u>	<u>Life</u>	<u>Total</u>
	• 2017/18	\$ 8,970	\$1,158	\$115	\$23	\$10,267
• 2018/19	\$ 9,089	\$1,131	\$118	\$33	\$10,371	
• 2019/20	\$ 9,067	\$1,029	\$105	\$28	\$10,230	
• 2020/21	\$ 8,875	\$1,087	\$112	\$69	\$10,144	
• 2021/22	\$ 8,708	\$1,216	\$114	\$67	\$10,106	
• 2022/23	\$ 8,585	\$ 985	\$108	\$75	\$ 9,752	
• 2023/24	\$ 9,458	\$1,211	\$109	\$90	\$10,867	
• 2024/25	\$10,008	\$1,037	\$107	\$78	\$11,231	



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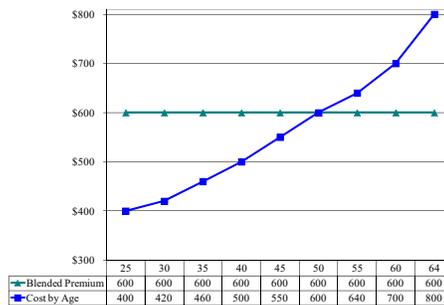
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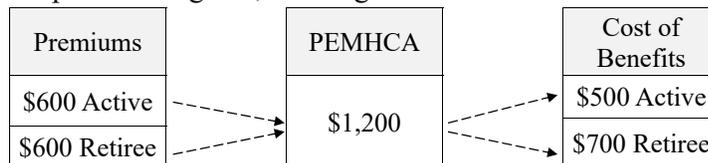
## IMPLICIT SUBSIDY

### ■ Implicit Subsidy

- Non-Medicare eligible retirees pay active rates instead of actual cost
- Active employee premiums subsidize non Medicare retiree cost
  - General trend:



- Sample active age 40, retire age 60:



- GASBS 75 includes active “implicit subsidy” with retiree cost
- Implicit subsidy cost is included with medical liability



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**DATA SUMMARY**

**Participant Statistics**  
**July 1, 2025**

	<b>Bus Operators</b>	<b>Non-Rep</b>	<b>Coalition</b>	<b>Total</b>
■ Actives				
• Count	168	140	365	673
• Average				
> Age	51.1	50.8	47.5	49.1
> District Service	11.3	12.8	9.9	10.8
> Salary	\$75,200	\$164,200	\$115,900	\$115,800
• Total Payroll (\$000's)	12,633	22,987	42,291	77,911
■ Retirees & Surviving Spouses <sup>4</sup>				
• Count	358	189	321	868
• Average				
> Age	74.5	75.3	74.6	74.7
> Retirement Age	59.9	60.9	59.8	60.1

<sup>4</sup> Excludes 87 waived retirees.



**DATA SUMMARY**

**Participant Statistics**  
**July 1, 2023**

	<b>Bus Operators</b>	<b>Non-Rep</b>	<b>Coalition</b>	<b>Total</b>
■ Actives				
• Count	163	147	328	638
• Average				
> Age	52.6	50.0	48.0	49.6
> District Service	12.1	12.3	10.4	11.3
> Salary	\$70,500	\$149,000	\$107,800	\$107,800
• Total Payroll (\$000's)	11,490	21,907	35,348	68,745
■ Retirees & Surviving Spouses <sup>5</sup>				
• Count	354	186	340	880
• Average				
> Age	73.5	74.3	73.0	73.5
> Retirement Age	59.7	60.5	59.6	59.8

<sup>5</sup> Includes 19 waived retirees under 65. Excludes 69 waived retirees over 65.



**ASSETS**

**Market Value of Plan Assets**

**Golden Gate Bridge Highway and Transportation District OPEB Trust**  
(Amounts in 000's)

■ Account	2023/24 <sup>6</sup>			2024/25 <sup>7</sup>		
	Liquidity	Invest.	Total	Liquidity	Invest.	Total
■ <b>Market Value (Beginning of Year)</b>	\$606	\$114,894	\$115,501	\$(177)	\$128,272	\$128,095
• Contributions	8,109	-	8,109	10,530	-	10,530
• Transfers	2,060	(2,060)	-	2,300	(2,300)	-
• Benefit Payments	(10,731)	-	(10,731)	(11,344)	-	(11,344)
• Admin. Expenses	(334)	-	(334)	(329)	-	(329)
• Net Inv. Earnings	111	15,438	15,549	153	14,983	15,136
■ <b>Market Value (End of Year)</b>	(177)	128,272	128,095	1,133	140,956	142,089
■ <b>Approximate Return</b>	5.1%	13.5%	13.4%	6.2%	11.7%	11.6%

<sup>6</sup> Reflects \$449,046 of accounts payable (\$424,680 of benefit payments and \$24,366 of administrative expenses).

<sup>7</sup> Reflects \$586,684 of accounts payable (\$537,980 of benefit payments and \$48,703 of administrative expenses).



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**ASSETS**

**Asset Allocation**

Asset Class	Investment Policy	
	Range	Target Allocation
<u>Investment Account</u>		
■ Domestic Equity	26%-46%	36.0%
■ International Equity	9%-29%	19.0%
■ Fixed Income	5%-45%	25.0%
■ Private Equity	0%-10%	6.7%
■ Private Debt	0%-10%	6.7%
■ Real Assets	0%-10%	6.6%
■ Cash Equivalents	0%-20%	<u>0.0%</u>
■ Total		100.0%
<u>Liquidity Account</u>		
■ Cash Equivalents	100%	100%



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**RESULTS**

**Actuarial Obligations**

	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<b>■ Present Value of Benefits</b>		
• Actives	\$ 89,210,964	\$101,343,916
• Retirees	<u>126,034,074</u>	<u>144,140,577</u>
• Total	215,245,038	245,484,493
<b>■ Actuarial Accrued Liability</b>		
• Actives	60,527,646	67,726,497
• Retirees	<u>126,034,074</u>	<u>144,140,577</u>
• Total	186,561,720	211,867,074
<b>■ Assets</b>	<u>117,825,119</u>	<u>142,088,711</u>
<b>■ Unfunded AAL</b>	68,736,601	69,778,363
<b>■ Funded Percent</b>	63.2%	67.1%
<b>■ Normal Cost</b>	3,691,475	4,233,950
<b>■ Pay-As-You-Go Cost</b>		
• Actives	794,745	1,047,563
• Retirees	<u>11,477,879</u>	<u>13,385,105</u>
• Total	12,272,624	14,432,668



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**RESULTS**

**Unfunded Actuarial Accrued Liability (Gain)/Loss Analysis**

(\$000's)

	<b>AAL</b>	<b>(Assets)</b>	<b>UAAL</b>
<b>■ Actual on 7/1/23</b>	\$186,562	\$(117,825)	\$68,737
• Expected change due to the passage of time	<u>8,176</u>	<u>(9,946)</u>	<u>(1,770)</u>
<b>■ Expected on 7/1/25</b>	194,738	(127,771)	66,967
<b>■ Plan Change</b>			
• Coalition retiree premium sharing	787	-	787
<b>■ Assumption Changes</b>			
• Waived retiree re-election	(89)	-	(89)
<b>■ Method Changes</b>			
• Change to market value of assets	-	(8,623)	(8,623)
<b>■ Estimated Experience (Gain)/Loss</b>			
• Premiums/claims different than expected	16,011	-	16,011
• Demographic experience and other <sup>8</sup>	420	-	420
• Asset (Gain)/Loss <sup>9</sup>	<u>-</u>	<u>(5,695)</u>	<u>(5,695)</u>
<b>■ Total (Gain)/Loss</b>	17,129	(14,318)	2,811
<b>■ Actual on 7/1/25</b>	211,867	(142,089)	69,778

<sup>8</sup> Difference between expected and actual deaths, retirement, terminations and disabilities, and data changes.

<sup>9</sup> Asset gain due to benefit payments lower than expected and investment return greater than expected.



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## RESULTS

### Actuarially Determined Contribution (ADC)

	July 1, 2023 Valuation		July 1, 2025 Valuation	
	2024/25	2025/26	2026/27	2027/28
<b>■ ADC - \$</b>				
• Normal Cost	\$3,691,475	\$3,792,991	\$4,233,950	\$4,350,384
• Administrative Expenses	314,150	323,575	340,930	351,158
• UAAL Amortization	<u>6,524,299</u>	<u>6,741,339</u>	<u>7,214,462</u>	<u>7,412,859</u>
• Total ADC	10,529,924	10,857,905	11,789,342	12,114,401
<b>■ Projected Payroll</b>	70,635,326	72,577,798	80,053,912	82,255,395
<b>■ ADC - %</b>				
• Normal Cost	5.2%	5.2%	5.3%	5.3%
• Administrative Expenses	0.4%	0.4%	0.4%	0.4%
• UAAL Amortization	<u>9.2%</u>	<u>9.3%</u>	<u>9.0%</u>	<u>9.0%</u>
• Total ADC	14.9%	15.0%	14.7%	14.7%
<b>■ Number of Actives</b>	638	638	673	673
<b>■ ADC - \$ Per Capita</b>	\$16,505	\$17,019	\$17,518	\$18,001



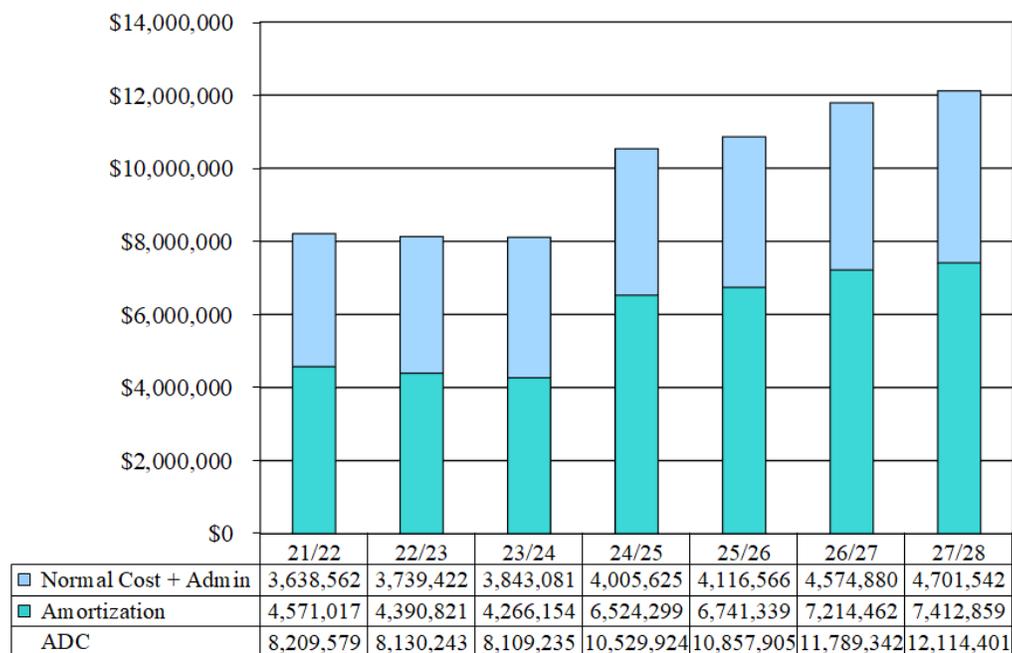
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## RESULTS

### Historical Actuarially Determined Contributions (ADC)



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**RESULTS**

**Actuarially Determined Contribution (ADC) by Employee Group**  
**2026/27 Fiscal Year**

	<b>Bus Operators</b>	<b>Non-Represented</b>	<b>Coalition</b>	<b>Total</b>
■ <b>ADC - \$</b>				
• Normal Cost	\$1,200,113	\$ 878,786	\$2,155,051	\$4,233,950
• Administrative Expenses <sup>10</sup>	128,526	75,774	136,629	340,930
• UAAL Amortization	<u>2,719,765</u>	<u>1,603,473</u>	<u>2,891,224</u>	<u>7,214,462</u>
• Total	4,048,404	2,558,034	5,182,904	11,789,342
■ <b>Projected Payroll</b>	12,980,813	23,618,662	43,454,437	80,053,912
■ <b>ADC - %</b>				
• Normal Cost	9.2%	3.7%	5.0%	5.3%
• Administrative Expenses	1.0%	0.3%	0.3%	0.4%
• UAAL Amortization	<u>21.0%</u>	<u>6.8%</u>	<u>6.7%</u>	<u>9.0%</u>
• Total	31.2%	10.8%	11.9%	14.7%
■ <b>Number of Actives</b>	168	140	365	673
■ <b>ADC - \$ Per Capita</b>	\$24,098	\$18,272	\$14,200	\$17,518

<sup>10</sup> Administrative expenses allocated in proportion to Actuarial Accrued Liability for this illustration.



**RESULTS**

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**RESULTS**

**Actuarial Obligations by Employee Group**  
**July 1, 2025**

	<b>Bus Operators</b>	<b>Non-Represented</b>	<b>Coalition</b>	<b>Total</b>
■ <b>Present Value of Benefits</b>				
• Actives	\$27,718,310	\$23,618,836	\$50,006,770	\$101,343,916
• Retirees	<u>62,371,049</u>	<u>30,063,217</u>	<u>51,706,311</u>	<u>144,140,577</u>
• Total	90,089,359	53,682,053	101,713,081	245,484,493
■ <b>Actuarial Accrued Liability</b>				
• Actives	18,678,225	16,885,550	32,162,723	67,726,497
• Retirees	<u>62,371,049</u>	<u>30,063,217</u>	<u>51,706,311</u>	<u>144,140,577</u>
• Total	81,049,274	46,948,767	83,869,034	211,867,074
■ <b>2026/27 Normal Cost</b>	1,200,113	878,786	2,155,051	4,233,950
■ <b>2026/27 Pay-As-You Go Costs</b>				
• Actives	401,063	273,029	373,471	1,047,562
• Retirees	<u>5,874,300</u>	<u>2,769,015</u>	<u>4,741,790</u>	<u>13,385,105</u>
• Total	6,275,363	3,042,044	5,115,261	14,432,668



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**RESULTS**

**Actuarial Obligations Rolled-Forward to July 1, 2026**

	<b>Bus Operators</b>	<b>Non-Represented</b>	<b>Coalition</b>	<b>Total</b>
■ <b>Present Value of Benefits</b>				
• Actives	\$29,440,712	\$25,124,294	\$53,230,829	\$107,795,835
• Retirees	<u>60,554,414</u>	<u>29,259,642</u>	<u>50,343,449</u>	<u>140,157,505</u>
• Total	89,995,126	54,383,936	103,574,278	247,953,340
■ <b>Actuarial Accrued Liability</b>				
• Actives	20,997,191	18,820,172	36,349,312	76,166,674
• Retirees	<u>60,554,414</u>	<u>29,259,642</u>	<u>50,343,449</u>	<u>140,157,505</u>
• Total	81,551,605	48,079,814	86,692,761	216,324,179
■ <b>2027/28 Normal Cost</b>	1,233,116	902,953	2,214,315	4,350,384
■ <b>2027/28 Pay-As-You Go Costs</b>				
• Actives	682,286	424,020	657,376	1,763,682
• Retirees	<u>5,860,076</u>	<u>2,777,503</u>	<u>4,699,619</u>	<u>13,337,198</u>
• Total	6,542,362	3,201,523	5,356,995	15,100,880



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**RESULTS**

**Actuarial Obligations Rolled-Forward to July 1, 2027**

	<b>Bus Operators</b>	<b>Non-Represented</b>	<b>Coalition</b>	<b>Total</b>
■ <b>Present Value of Benefits</b>				
• Actives	\$31,013,582	\$26,538,090	\$56,438,041	\$113,989,713
• Retirees	<u>58,572,517</u>	<u>28,373,725</u>	<u>48,842,419</u>	<u>135,788,661</u>
• Total	89,586,099	54,911,815	105,280,460	249,778,374
■ <b>Actuarial Accrued Liability</b>				
• Actives	23,240,078	20,716,401	40,643,617	84,600,096
• Retirees	<u>58,572,517</u>	<u>28,373,725</u>	<u>48,842,419</u>	<u>135,788,661</u>
• Total	81,812,595	49,090,126	89,486,036	220,388,757
■ <b>2028/29 Normal Cost</b>	1,267,027	927,784	2,275,208	4,470,019
■ <b>2028/29 Pay-As-You Go Costs</b>				
• Actives	924,593	572,526	941,338	2,438,457
• Retirees	<u>5,761,815</u>	<u>2,712,071</u>	<u>4,563,282</u>	<u>13,037,168</u>
• Total	6,686,408	3,284,597	5,504,620	15,475,625



**RESULTS**

**Actuarial Obligations Rolled-Forward to July 1, 2028**

	<b>Bus Operators</b>	<b>Non-Represented</b>	<b>Coalition</b>	<b>Total</b>
■ <b>Present Value of Benefits</b>				
• Actives	\$32,402,061	\$27,891,314	\$59,568,409	\$119,861,784
• Retirees	<u>56,471,538</u>	<u>27,419,238</u>	<u>47,283,641</u>	<u>131,174,417</u>
• Total	88,873,599	55,310,552	106,852,050	251,036,201
■ <b>Actuarial Accrued Liability</b>				
• Actives	25,377,900	22,609,591	44,995,689	92,983,180
• Retirees	<u>56,471,538</u>	<u>27,419,238</u>	<u>47,283,641</u>	<u>131,174,417</u>
• Total	81,849,438	50,028,829	92,279,330	224,157,597
■ <b>2029/30 Normal Cost</b>	1,301,870	953,298	2,337,777	4,592,945
■ <b>2029/30 Pay-As-You Go Costs</b>				
• Actives	1,109,975	735,887	1,227,285	3,073,146
• Retirees	<u>5,494,845</u>	<u>2,604,147</u>	<u>4,448,899</u>	<u>12,547,891</u>
• Total	6,604,820	3,340,034	5,676,184	15,621,037



**RESULTS**

**Actuarial Obligations Rolled-Forward to July 1, 2029**

	<b>Bus Operators</b>	<b>Non-Represented</b>	<b>Coalition</b>	<b>Total</b>
■ <b>Present Value of Benefits</b>				
• Actives	\$33,633,911	\$29,182,444	\$62,616,689	\$125,433,044
• Retirees	<u>54,330,266</u>	<u>26,467,928</u>	<u>45,760,508</u>	<u>126,558,702</u>
• Total	87,964,177	55,650,372	108,377,196	251,991,746
■ <b>Actuarial Accrued Liability</b>				
• Actives	27,444,710	24,502,790	49,411,052	101,358,553
• Retirees	<u>54,330,266</u>	<u>26,467,928</u>	<u>45,760,508</u>	<u>126,558,702</u>
• Total	81,774,976	50,970,718	95,171,560	227,917,255
■ <b>2030/31 Normal Cost</b>	1,337,671	979,514	2,402,066	4,719,251
■ <b>2030/31 Pay-As-You Go Costs</b>				
• Actives	1,340,403	814,430	1,535,328	3,690,162
• Retirees	<u>5,329,163</u>	<u>2,609,692</u>	<u>4,360,276</u>	<u>12,299,131</u>
• Total	6,669,566	3,424,122	5,895,604	15,989,293



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**RESULTS**

**Actuarial Obligations by Cash/Implicit Subsidy**  
**July 1, 2025**

	<b>Cash Benefit</b>	<b>Implicit Subsidy</b>	<b>Total</b>
■ <b>Present Value of Benefits</b>			
• Actives	\$89,593,719	\$11,750,197	\$101,343,916
• Retirees	<u>136,154,145</u>	<u>7,986,432</u>	<u>144,140,577</u>
• Total	225,747,864	19,736,629	245,484,493
■ <b>Actuarial Accrued Liability</b>			
• Actives	60,290,781	7,435,716	67,726,497
• Retirees	<u>136,154,145</u>	<u>7,986,432</u>	<u>144,140,577</u>
• Total	196,444,926	15,422,148	211,867,074
■ <b>2026/27 Normal Cost</b>	3,710,438	523,513	4,233,950
■ <b>2026/27 Pay-As-You Go Costs</b>			
• Actives	859,137	188,425	1,047,562
• Retirees	<u>12,308,918</u>	<u>1,076,188</u>	<u>13,385,105</u>
• Total	13,168,055	1,264,613	14,432,668



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**RESULTS**

**Actuarial Obligations by Benefit**  
**July 1, 2025**

	Medical	Dental	Vision	Life	Total
<b>■ Present Value of Benefits</b>					
•Actives	\$91,328,151	\$8,451,133	\$915,725	\$648,907	\$101,343,916
•Retirees	<u>128,620,648</u>	<u>12,701,595</u>	<u>1,359,092</u>	<u>1,459,241</u>	<u>144,140,577</u>
•Total	219,948,799	21,152,728	2,274,817	2,108,148	245,484,493
<b>■ Actuarial Accrued Liability</b>					
•Actives	61,114,672	5,540,322	599,655	471,848	67,726,497
•Retirees	<u>128,620,648</u>	<u>12,701,595</u>	<u>1,359,092</u>	<u>1,459,241</u>	<u>144,140,577</u>
•Total	189,735,320	18,241,917	1,958,747	1,931,089	211,867,074
<b>■ 2026/27 Normal Cost</b>	3,762,641	399,370	43,334	28,605	4,233,950
<b>■ 2026/27 Pay-As-You Go</b>					
•Actives	949,154	78,956	8,265	11,188	1,047,562
•Retirees	<u>11,909,279</u>	<u>1,214,106</u>	<u>129,351</u>	<u>132,370</u>	<u>13,385,105</u>
•Total	12,858,433	1,293,061	137,616	143,558	14,432,668



**RESULTS**

**10-Year Contribution Payment Projection**

Fiscal Year	Benefit Payments			Trust Reimb.	ADC	Payroll	ADC % of Payroll
	Cash Benefit	Implicit Subsidy	Total				
2026/27	\$13,168,055	\$1,264,613	\$14,432,668	\$(2,643,326)	\$11,789,342	\$80,053,912	14.7%
2027/28	13,725,382	1,375,499	15,100,880	(2,986,480)	12,114,401	82,255,395	14.7%
2028/29	14,109,907	1,365,718	15,475,625	(3,027,199)	12,448,426	84,517,418	14.7%
2029/30	14,343,070	1,277,967	15,621,037	(2,829,375)	12,791,662	86,841,647	14.7%
2030/31	14,662,710	1,326,583	15,989,293	(2,844,930)	13,144,363	89,229,792	14.7%
2031/32	14,980,642	1,344,645	16,325,286	(2,818,494)	13,506,793	91,683,612	14.7%
2032/33	15,234,453	1,370,501	16,604,954	(2,725,736)	13,879,218	94,204,911	14.7%
2033/34	15,632,015	1,468,325	17,100,340	(2,838,425)	14,261,915	96,795,546	14.7%
2034/35	15,784,963	1,437,513	17,222,476	(2,567,311)	14,655,165	99,457,424	14.7%
2035/36	16,101,842	1,506,378	17,608,221	(2,548,958)	15,059,262	102,192,503	14.7%



**RESULTS**

**10-Year Benefit Payment Projection by Benefit Type**

<b>Fiscal Year</b>	<b>Medical</b>	<b>Dental</b>	<b>Vision</b>	<b>Life</b>	<b>Total</b>
2026/27	\$12,858,433	\$1,293,061	\$137,616	\$143,558	\$14,432,668
2027/28	13,493,166	1,319,596	140,589	147,529	15,100,880
2028/29	13,832,391	1,347,978	143,689	151,567	15,475,625
2029/30	13,942,015	1,377,229	146,756	155,036	15,621,037
2030/31	14,283,096	1,398,994	149,258	157,944	15,989,293
2031/32	14,587,538	1,425,227	152,130	160,391	16,325,286
2032/33	14,837,980	1,449,692	154,825	162,457	16,604,954
2033/34	15,301,472	1,476,998	157,716	164,154	17,100,340
2034/35	15,406,564	1,491,763	159,512	164,637	17,222,476
2035/36	15,766,698	1,514,579	161,952	164,993	17,608,221



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**RESULTS**

**Amortization Bases**

	<b>7/1/23 Valuation</b>		<b>7/1/25 Valuation</b>	
	<b>7/1/24</b>	<b>7/1/25</b>	<b>7/1/26</b>	<b>7/1/27</b>
<b>■ Amortization Balance</b>				
• 7/1/21 UAAL	\$50,121,761	\$48,381,768	\$46,383,438	\$44,105,458
• 7/1/23 Val (Gain)/Loss	24,492,282	23,898,980	23,203,851	22,398,322
• 7/1/25 Val (Gain)/Loss	-	-	3,215,737	3,137,839
• Combined (Gain)/Loss for Asset Smoothing <sup>11</sup>	<u>(6,152,140)</u>	<u>(5,514,785)</u>	<u>(5,279,769)</u>	<u>(5,014,516)</u>
• Total	68,461,902	66,765,963	67,523,258	64,627,104

<sup>11</sup> Combines the impact of asset smoothing across the 7/1/21 and 7/1/23 valuations.



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## RESULTS

### Amortization Payments

	7/1/23 Valuation		7/1/25 Valuation	
	2024/25	2025/26	2026/27	2027/28
<b>■ Amortization Payment</b>				
• 7/1/21 UAAL	\$4,958,591	\$5,094,953	\$5,235,064	\$5,379,028
• 7/1/23 Val (Gain)/Loss	2,174,345	2,234,139	2,295,578	2,358,706
• 7/1/25 Val (Gain)/Loss	-	-	285,483	293,333
• Combined (Gain)/Loss for Asset Smoothing <sup>12</sup>	<u>(608,637)</u>	<u>(587,752)</u>	<u>(601,663)</u>	<u>(618,209)</u>
• Total	6,524,299	6,741,339	7,214,462	7,412,859
<b>■ Amortization Years</b>	13.6	12.7	11.8	10.8

<sup>12</sup> Combines the impact of asset smoothing across the 7/1/21 and 7/1/23 valuations.



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## ACTUARIAL CERTIFICATION

This report presents the Golden Gate Bridge, Highway and Transportation District Retiree Healthcare Plan (“Plan”) July 1, 2025 actuarial valuation. The purpose of this valuation is to:

- Determine the Plan’s July 1, 2025 Funded Status and
- Calculate the 2026/27 and 2027/28 Actuarially Determined Contributions.

The report provides information intended for funding the Plan but may not be appropriate for other purposes. Information provided in this report may be useful for the Plan’s financial management. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes expected as part of the natural progression of the plan; and changes in plan provisions or applicable law. Actuarial models necessarily rely on the use of estimates and are sensitive to changes. Small variations in estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such measurements.

The valuation is based on Plan provisions, participant data, and asset information provided by the District as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,

Drew Ballard, FSA, EA, MAAA  
Foster & Foster, Inc.  
February 5, 2026

Katherine Moore, ASA, MAAA  
Foster & Foster, Inc.  
February 5, 2026



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**EXHIBIT - PREMIUMS**

**2025 PEMHCA Monthly Medical Premiums**

**Region 1**

Medical Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
Anthem Select	\$1,256.65	\$2,513.30	\$3,267.29	\$487.56	\$975.12	\$1,462.68
Anthem Traditional	1,500.40	3,000.80	3,901.04	487.56	975.12	1,462.68
Blue Shield Access+	1,170.17	2,340.34	3,042.44	448.28	896.56	1,344.84
Blue Shield Trio	1,134.79	2,269.58	2,950.45	448.28	896.56	1,344.84
Kaiser	1,112.90	2,225.80	2,893.54	n/a	n/a	n/a
Kaiser SA	n/a	n/a	n/a	343.08	686.16	1,029.24
Kaiser SA Summit	n/a	n/a	n/a	408.31	816.62	1,224.93
UnitedHealthcare Alliance	1,184.58	2,369.16	3,079.91	n/a	n/a	n/a
UnitedHealthcare Harmony	1,005.02	2,010.04	2,613.05	n/a	n/a	n/a
UnitedHealthcare MA	n/a	n/a	n/a	442.25	884.50	1,326.75
Western Health Advantage	914.27	1,828.54	2,377.10	n/a	n/a	n/a
PERS Gold	1,013.70	2,027.40	2,635.62	546.13	1,092.26	1,638.39
PERS Platinum	1,476.10	2,952.20	3,837.86	584.70	1,169.40	1,754.10
PORAC	975.00	2,218.00	2,777.00	507.00	1,123.00	1,521.00



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**EXHIBIT - PREMIUMS**

**2026 PEMHCA Monthly Medical Premiums**

**Region 1**

Medical Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
Anthem Select	\$1,336.29	\$2,672.58	\$3,474.35	\$571.70	\$1,143.40	\$1,715.10
Anthem Traditional	1,612.08	3,224.16	4,191.41	571.70	1,143.40	1,715.10
Blue Shield Access+	1,301.95	2,603.90	3,385.07	539.43	1,078.86	1,618.29
Blue Shield Trio	1,166.58	2,333.16	3,033.11	539.43	1,078.86	1,618.29
Kaiser	1,168.86	2,337.72	3,039.04	n/a	n/a	n/a
Kaiser SA	n/a	n/a	n/a	356.83	713.66	1,070.49
Kaiser SA Summit	n/a	n/a	n/a	426.31	852.62	1,278.93
UnitedHealthcare Alliance	1,290.06	2,580.12	3,354.16	n/a	n/a	n/a
UnitedHealthcare Harmony	1,133.09	2,266.18	2,946.03	n/a	n/a	n/a
UnitedHealthcare MA	n/a	n/a	n/a	481.29	962.58	1,443.87
Western Health Advantage	969.58	1,939.16	2,520.91	n/a	n/a	n/a
PERS Gold	1,120.58	2,241.16	2,913.51	597.57	1,195.14	1,792.71
PERS Platinum	1,670.14	3,340.28	4,342.36	665.50	1,331.00	1,996.50
PORAC	1,063.00	2,418.00	3,027.00	597.00	1,322.00	1,791.00



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**EXHIBIT - PREMIUMS**

**Dental & Vision Premiums**  
**2025**

**Actives and Retirees**

<b>Group</b>	<b>Plan</b>	<b>Retiree</b>	<b>Two Party</b>	<b>Family</b>
Bus Drivers	Dental	\$81.25	\$146.28	\$203.20
	Vision	7.70	13.89	19.30
Non-Rep/Coalition	Dental	75.38	135.71	226.16
	Vision	8.78	15.91	22.10



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**EXHIBIT – PARTICIPANT STATISTICS**

**Medical Plan Participation**

<b>Medical Plan</b>	<b>Actives</b>	<b>Retirees</b>	
		<b>Pre-65</b>	<b>Post-65</b>
Anthem Medicare Preferred	-	-	1%
Kaiser	61%	29%	28%
Western Health Advantage	-	1%	-
UnitedHealthcare Medicare	-	-	0%
PERS Gold	18%	12%	17%
PERS Platinum	13%	44%	45%
Opt Out/Waived	8%	14%	9%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



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EXHIBIT – PARTICIPANT STATISTICS

**Current Active Medical Plan Coverage**

Medical Plan	Single	2-Party	Family	Total
Kaiser	122	99	190	411
PERS Gold	34	24	60	118
PERS Platinum	23	20	44	87
Waived	-	-	-	57
Total	179	143	294	673



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EXHIBIT – PARTICIPANT STATISTICS

**Retiree Medical Plan Coverage - Pre 65**

Medical Plan	Single	2-Party	Family	Total
Kaiser HMO	14	14	12	40
Western Health Advantage	1	-	-	1
PERS Gold	9	5	3	17
PERS Platinum	15	25	21	61
Waived	-	-	-	19
Total	39	44	36	138



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**EXHIBIT – PARTICIPANT STATISTICS**

**Retiree Medical Plan Coverage - Post 65**

<b>Medical Plan</b>	<b>Single</b>	<b>2-Party</b>	<b>Family</b>	<b>Total</b>
Anthem Medicare Preferred	4	1	-	5
Kaiser	130	97	6	233
UnitedHealthcare Medicare	2	1	-	3
PERS Gold	84	52	2	138
PERS Platinum	204	147	14	365
ATU Opt Out with HRA Contribution	5	-	-	5
Waived	-	-	-	68
<b>Total</b>	<b>429</b>	<b>298</b>	<b>22</b>	<b>817</b>



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**EXHIBIT – PARTICIPANT STATISTICS**

**Actives by Age and Service**

<b>Age</b>	<b>District Service</b>							<b>Total</b>
	<b>&lt; 1</b>	<b>1-4</b>	<b>5-9</b>	<b>10-14</b>	<b>15-19</b>	<b>20-24</b>	<b>≥ 25</b>	
< 25	4	5	-	-	-	-	-	9
25-29	6	8	6	-	-	-	-	20
30-34	10	21	16	-	-	-	-	47
35-39	9	30	34	11	4	-	-	88
40-44	6	25	34	17	12	-	1	95
45-49	3	16	25	14	13	11	2	84
50-54	4	14	21	21	17	13	14	104
55-59	4	11	18	21	14	14	11	93
60-64	3	4	21	21	19	12	10	90
≥ 65	1	1	11	12	4	5	9	43
<b>Total</b>	<b>50</b>	<b>135</b>	<b>186</b>	<b>117</b>	<b>83</b>	<b>55</b>	<b>47</b>	<b>673</b>



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**EXHIBIT – PARTICIPANT STATISTICS**

**Retirees Medical Plan Coverage by Age**

Age	Medical Coverage				
	Single	2-Party	Family	Waived	Total
Under 50	-	-	-	-	-
50-54	2	-	2	1	5
55-59	11	6	9	2	28
60-64	26	38	25	16	105
65-69	70	69	13	11	163
70-74	96	81	5	23	205
75-79	117	63	3	13	196
80-84	66	51	1	8	126
85 & Over	80	34	-	13	127
Total	468	342	58	87	955
Average Age	76.4	74.1	64.2	73.6	74.6



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

Assumption	July 1, 2023 Valuation	July 1, 2025 Valuation
<ul style="list-style-type: none"> <li>■ Valuation Date</li> </ul>	<ul style="list-style-type: none"> <li>■ July 1, 2023</li> <li>■ ADCs for Fiscal Years 2024/25 and 2025/26</li> <li>■ Basis for 2023/24 and 2024/25 GASBS 75 disclosures</li> </ul>	<ul style="list-style-type: none"> <li>■ July 1, 2025</li> <li>■ ADCs for Fiscal Years 2026/27 and 2027/28</li> <li>■ Basis for 2025/26 and 2026/27 GASBS 75 disclosures</li> </ul>
<ul style="list-style-type: none"> <li>■ Funding Policy</li> </ul>	<ul style="list-style-type: none"> <li>■ Pre-fund full ADC</li> <li>■ Golden Gate Bridge, Highway and Transportation District OPEB Trust</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Discount Rate</li> </ul>	<ul style="list-style-type: none"> <li>■ 6.75%</li> <li>■ Net of investment expenses</li> <li>■ Within reasonable range of F&amp;F Capital Market Model</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ General Inflation</li> </ul>	<ul style="list-style-type: none"> <li>■ 2.50% per year</li> <li>■ Used for economic assumptions</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Salary Increases</li> </ul>	<ul style="list-style-type: none"> <li>■ 2.75% per year</li> <li>■ Used to increase Normal Cost</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Aggregate Payroll Increases</li> </ul>	<ul style="list-style-type: none"> <li>■ 2.75%</li> <li>■ Used to amortize UAAL as a percent of payroll</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Mortality</li> </ul>	<ul style="list-style-type: none"> <li>■ CalPERS members:                             <ul style="list-style-type: none"> <li>• CalPERS 2000-2019 Experience Study</li> <li>• Mortality projected fully generational with Scale MP-2021</li> </ul> </li> <li>■ ATU, IBU and MEBA members:                             <ul style="list-style-type: none"> <li>• RP-2014 Blue Collar</li> <li>• Mortality projected fully generational with Scale MP-2021</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Termination and Retirement</li> </ul>	<ul style="list-style-type: none"> <li>■ Based on most recent corresponding pension valuations                             <ul style="list-style-type: none"> <li>• CalPERS members – based on CalPERS 2000-2019 Experience Study</li> <li>• ATU members – based on 1/1/23 ATU valuation</li> <li>• IBU members – based on 7/1/22 IBU valuation</li> <li>• MEBA members – based on 1/1/22 MEBA valuation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ Based on most recent corresponding pension valuations                             <ul style="list-style-type: none"> <li>• CalPERS members – based on CalPERS 2000-2019 Experience Study</li> <li>• ATU members – based on 1/1/25 ATU valuation</li> <li>• IBU members – based on 7/1/24 IBU valuation</li> <li>• MEBA members – based on 1/1/24 MEBA valuation</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>■ Disability</li> </ul>	<ul style="list-style-type: none"> <li>■ Bus Operators – 1/1/23 ATU valuation</li> <li>■ Non-Bus Operators – CalPERS 2000-2019 Experience Study</li> </ul>	<ul style="list-style-type: none"> <li>■ Bus Operators – 1/1/25 ATU valuation</li> <li>■ Non-Bus Operators – CalPERS 2000-2019 Experience Study</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>				<b>July 1, 2025 Valuation</b>			
<b>■ Medical Trend</b>	<u>Increase from Prior Year</u>				<u>Increase from Prior Year</u>			
		Post- Medicare	Post- Kaiser	Post- Medicare Other		Post- Medicare	Post- Kaiser	Post- Medicare Other
	Calendar Year	Pre- Medicare	Medicare	Medicare	Calendar Year	Pre- Medicare	Medicare	Medicare
	2023	Actual	2023	Premiums	2023	n/a	n/a	n/a
	2024	Actual	2024	Premiums	2024	n/a	n/a	n/a
	2025	8.50%	6.25%	7.50%	2025	Actual	2025	Premiums
	2026	7.90%	5.65%	6.90%	2026	Actual	2026	Premiums
	2027	7.35%	5.45%	6.50%	2027	7.35%	5.45%	6.50%
	2028	6.75%	5.25%	6.10%	2028	6.75%	5.25%	6.10%
	2029	6.20%	5.05%	5.70%	2029	6.20%	5.05%	5.70%
	2030	5.60%	4.85%	5.25%	2030	5.60%	4.85%	5.25%
	2031	5.05%	4.56%	4.85%	2031	5.05%	4.56%	4.85%
	2032-38	4.45%	4.45%	4.45%	2032-38	4.45%	4.45%	4.45%
	2039-40	4.35%	4.35%	4.35%	2039-40	4.35%	4.35%	4.35%
	2041	4.30%	4.30%	4.30%	2041	4.30%	4.30%	4.30%
2042-44	4.25%	4.25%	4.25%	2042-44	4.25%	4.25%	4.25%	
2045-47	4.20%	4.20%	4.20%	2045-47	4.20%	4.20%	4.20%	
2048-50	4.15%	4.15%	4.15%	2048-50	4.15%	4.15%	4.15%	
↓	↓	↓	↓	↓	↓	↓	↓	
2076+	3.45%	3.45%	3.45%	2076+	3.45%	3.45%	3.45%	
<b>■ Dental Trend</b>	<b>■ 3.00% per year</b>				<b>■ Same</b>			



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**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>		<b>July 1, 2025 Valuation</b>	
<b>■ Vision Trend</b>	<b>■ 3.00% per year</b>		<b>■ Same</b>	
<b>■ Medicare Part B Premium</b>	<b>■ \$164.90/month in 2023</b>	<b>■ \$174.70/month in 2024</b>	<b>■ \$185.00/month in 2025</b>	<b>■ \$202.90/month in 2026</b>
	<b>■ Same as non-Kaiser Medicare medical trend thereafter</b>		<b>■ Same as non-Kaiser Medicare medical trend thereafter</b>	
<b>■ PEMHCA Minimum Increases</b>	<b>■ \$151/month in 2023</b>	<b>■ \$157/month in 2024</b>	<b>■ \$158/month in 2025</b>	<b>■ \$162/month in 2026</b>
	<b>■ 3.5% increase per year after 2024</b>		<b>■ 3.5% increase per year after 2026</b>	



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**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Participation at Retirement</li> </ul>	<ul style="list-style-type: none"> <li>■ 100% – eligible for District-paid benefit</li> <li>■ 60% – PEMHCA minimum only</li> <li>■ 20% of waived retirees under age 65 assumed to re-elect at age 65 and receive the PEMHCA minimum only</li> </ul>	<ul style="list-style-type: none"> <li>■ 100% – eligible for District-paid benefit</li> <li>■ 60% – PEMHCA minimum only</li> <li>■ 0% of waived retirees assumed to re-elect</li> </ul>
<ul style="list-style-type: none"> <li>■ Medical Plan at Retirement</li> </ul>	<ul style="list-style-type: none"> <li>■ Currently covered – same as current plan</li> <li>■ Waived – elect Kaiser</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Spouse Coverage at Retirement</li> </ul>	<ul style="list-style-type: none"> <li>■ 60% married and covering their spouse</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Spouse Age</li> </ul>	<ul style="list-style-type: none"> <li>■ Actives – Males 3 years older than females</li> <li>■ Retirees – based on data</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Dependent Children</li> </ul>	<ul style="list-style-type: none"> <li>■ Retirees currently covered – remain covered until age 26</li> <li>■ Actives currently covered – remain covered until retiree’s age 65</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Medicare Eligibility</li> </ul>	<ul style="list-style-type: none"> <li>■ 100% eligible for Medicare Parts A and B at age 65</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ HRA Utilization</li> </ul>	<ul style="list-style-type: none"> <li>■ Pre-Medicare:                             <ul style="list-style-type: none"> <li>• HRA amount varies by medical plan and employee group</li> <li>• No increases</li> <li>• 40% of HRA contribution used each year</li> </ul> </li> <li>■ Post Medicare:                             <ul style="list-style-type: none"> <li>• HRA amount varies by medical plan</li> <li>• No increases</li> <li>• 40% of HRA contributions used prior to retirees death</li> <li>• Opt outs – 40% of HRA contribution used each year</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Administrative Expenses</li> </ul>	<ul style="list-style-type: none"> <li>■ \$305,000 for 2023/24</li> <li>■ Increase by 3.00% per year</li> </ul>	<ul style="list-style-type: none"> <li>■ \$331,000 for 2025/26</li> <li>■ Increase by 3.00% per year</li> </ul>
<ul style="list-style-type: none"> <li>■ Life Insurance</li> </ul>	<ul style="list-style-type: none"> <li>■ Value expected claims</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Age-Related Medical Premiums</li> </ul>	<ul style="list-style-type: none"> <li>■ Claims cost factors from Foster &amp; Foster healthcare actuaries</li> <li>■ Due to age-risk adjusted federal subsidies, no age-based claims costs were included for Medicare Advantage plans</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<ul style="list-style-type: none"> <li>■ Estimated Monthly Age-Based Claims Cost per Retiree</li> </ul>	2024				2026			
	Medical Plan	Age	M	F	Medical Plan	Age	M	F
	Kaiser HMO	51	\$908	\$1,075	Kaiser HMO	51	\$1,035	\$1,217
		54	1,044	1,165		54	1,184	1,316
		57	1,201	1,260		57	1,355	1,419
		60	1,376	1,386		60	1,546	1,556
		63	1,570	1,527		63	1,758	1,710
	PERS Platinum	51	\$1,063	\$1,256	PERS Platinum	51	\$1,356	\$1,590
		54	1,221	1,361		54	1,548	1,717
		57	1,402	1,470		57	1,767	1,850
		60	1,605	1,616		60	2,013	2,026
		63	1,829	1,779		63	2,285	2,224
		65	447	428		65	608	582
		75	516	495		75	701	672
	85	526	512	85	715	696		
	PERS Gold	51	\$734	\$867	PERS Gold	51	\$1,083	\$1,278
		54	843	939		54	1,242	1,383
57		968	1,015	57		1,424	1,493	
60		1,107	1,115	60		1,628	1,639	
63		1,262	1,227	63		1,853	1,803	
65		370	354	65		546	523	
75		427	410	75		630	604	
85		435	424	85		642	625	



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Actuarial Models</li> </ul>	<ul style="list-style-type: none"> <li>■ Our valuations were performed using and relying on ProVal, an actuarial model leased from Wintech. Our use of ProVal is consistent with its intended purpose. We have reviewed and understand ProVal and its operation, sensitivities and dependencies.</li> </ul>	
<ul style="list-style-type: none"> <li>■ Data Quality</li> </ul>	<ul style="list-style-type: none"> <li>■ Our valuation used census data provided by the District and CalPERS OPEB database. We reviewed the data for reasonableness and resolved any questions with the District. We believe the resulting data can be relied on for all purposes of this valuation.</li> </ul>	



**EXHIBIT - ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Basis for Assumptions 6/30/25 Valuation</li> </ul>	<ul style="list-style-type: none"> <li>■ No experience study performed for the plan</li> <li>■ CalPERS 2021 experience study covering 2000 to 2019 experience was used for members participating in the CalPERS pension plan. For participants in other pension plans, the demographic assumptions from the most recent pension valuation were used.</li> <li>■ Mortality improvement is based on Society of Actuaries tables.</li> <li>■ Inflation is based on our estimate for the plan’s long term time horizon.</li> <li>■ Medical trends were based on expectations over the short term blended into long term medical trends developed using the Society of Actuaries Getzen Model of Long-Run Medical Cost Trends.</li> <li>■ Age-based claims costs were developed by Foster &amp; Foster healthcare actuaries based on demographic data for the CalPERS health plans provided by CalPERS and Society of Actuaries studies.</li> <li>■ Medical coverage and participation based in part on Plan experience</li> </ul>	



**EXHIBITS - ACTUARIAL METHODS**

	<b>July 1, 2023 Valuation</b>	<b>July 1, 2025 Valuation</b>
<ul style="list-style-type: none"> <li>■ Cost Method</li> </ul>	<ul style="list-style-type: none"> <li>■ Entry Age Normal</li> <li>■ Level percent of pay</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Unfunded Liability Amortization</li> </ul>	<ul style="list-style-type: none"> <li>■ Level percent of payroll</li> <li>■ 16-year fixed (closed) period for 7/1/21 UAAL (13 years remaining on 7/1/24)</li> <li>■ Gain/losses amortized over 15-year fixed (closed) period</li> </ul>	<ul style="list-style-type: none"> <li>■ Level percent of payroll</li> <li>■ 16-year fixed (closed) period for 7/1/21 UAAL (11 years remaining on 7/1/26)</li> <li>■ Gain/losses amortized over 15-year fixed (closed) period</li> </ul>
<ul style="list-style-type: none"> <li>■ Actuarial Value of Assets</li> </ul>	<ul style="list-style-type: none"> <li>■ Investment gains and losses after June 30, 2019 spread over a rolling 5-year period</li> <li>■ Not less than 80% or more than 120% of market value of assets</li> </ul>	<ul style="list-style-type: none"> <li>■ Market value</li> </ul>



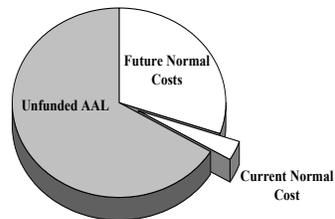
**EXHIBITS - ACTUARIAL METHODS**

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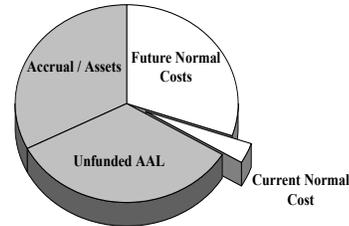


## Present Value of Projected Benefits (PVPB)

Without Assets



With Assets



### ■ PVPB - Present Value of all Projected Benefits

- Discounted value, at measurement date of all future expected benefit payments
- Expected benefit payments based on various actuarial assumptions



### ■ AAL – Actuarial Accrued Liability / Actuarial Obligation

- Discounted value at measurement date of benefits “earned” through measurement date based on actuarial cost method
- Portion of PVPB “earned” at measurement

### ■ NC - Normal Cost (called Service Cost under GASB 75)

- Value of benefits “earned” during current year
- Portion of PVPB allocated to current year

### ■ Actuarial Cost Method

- Determines how benefits are “earned” or allocated to each year of service
- Has no effect on PVPB
- Has significant effect on Actuarial Obligations and Normal Cost

### ■ Pay-As-You-Go Cost (PayGo)

- Cash Subsidy – Actual cash benefit payments to retirees
- Implicit Subsidy – Difference between cost of retiree benefits and retiree premiums
- PayGo is the expected retiree benefit payments for the year while Normal Cost is the expense for benefits accrued by active employees during the year.



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