

Terminated Agency Risk Pool June 30, 2022 Valuation

Finance & Administration Committee
September 19, 2023

Overview

- Actuarial valuation date June 30, 2022
- 121 plans in the TAP
 - 4 new agencies
- Funded Ratio is 199.2%

Changes Since June 30, 2021 Valuation

- Addition of 4 agencies
 - Intelcom Intelligent Telecommunications
 - Downey Cemetery District
 - City of Paramount
 - Irvine Child Care Project
- Additional accrued liability of \$18 million

Changes Continued

- Assumption changes
 - Discount rate 3.10% (2.11% on June 30, 2021)
 - Inflation rate 2.20% (2.33% on June 30, 2021)

Current and Prior Year Results

Funded Status	June 30, 2021 (\$ in millions)	June 30, 2022 (\$ in millions)
Market Value of Assets	\$390.9	\$361.6
Accrued Liability	\$196.5	\$181.6
Unfunded Accrued Liability	(\$194.4)	(\$180.0)
Funded Ratio	199.0%	199.2%

TAP Assets

\$Millions	June 30, 2021 Allocation		June 30, 2022 Allocation	
Immunized Segment	51.7%	\$202.1	54.7%	\$198.0
Non-immunized Segment	48.3%	\$188.7	45.3%	\$163.7
Total	100.00 %	\$390.8	100.0%	\$361.7

Rate of return FY 2021-22: -9.8%

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	199.2%	192.7%	205.3%
Accrued Liability Impact		\$6.1 million	(\$5.5) 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	199.2%	220.5%	191.8%
Accrued Liability Impact		(\$17.6) million	\$7.0 million