

Alameda County Employees' Retirement Association

Governmental Accounting Standards Board (GASB) Statement 75 Actuarial Valuation of the Benefits Provided by the Supplemental Retiree Benefits Reserve Other Postemployment Benefits (OPEB)

Actuarial Valuation Based on December 31, 2021 Measurement
Date for Employer Reporting as of
June 30, 2022



This report has been prepared at the request of the Board of Retirement to assist the sponsors of the Fund in preparing their financial report for their liabilities associated with the ACERA SRBR OPEB plan. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Retirement and may only be provided to other parties in its entirety. The measurements shown in this actuarial valuation may not be applicable for other purposes.

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June 8, 2022

Board of Trustees
Alameda County Employees' Retirement Association
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Dear Board Members:

We are pleased to submit this Governmental Accounting Standards Board Statement 75 (GASB) Actuarial Valuation of Other Postemployment Benefits (OPEB) based on a December 31, 2021 measurement date for employer reporting as of June 30, 2022. It contains various information that will need to be disclosed in order for ACERA employers to comply with GASB 75.

This report was prepared in accordance with generally accepted actuarial principles and practices at the request of the Board to assist the sponsors of the Fund in preparing their financial report for their liabilities associated with the ACERA SRBR OPEB plan. The census and financial information on which our calculations were based was prepared by ACERA. That assistance is gratefully acknowledged.

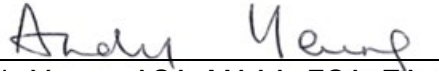
The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the health care cost; changes in health care trend, economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law.

The actuarial calculations were completed under the supervision of Mary Kirby, FSA, FCA, MAAA and Andy Yeung ASA, MAAA, FCA, Enrolled Actuary. The per capita costs assumptions were reviewed by Thomas Bergman, ASA, MAAA, Enrolled Actuary. We are members of the American Academy of Actuaries and we collectively meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in the actuarial valuation is complete and accurate. Further, in our opinion, the assumptions as approved by the Board are reasonably related to the experience of and expectations for the Association.

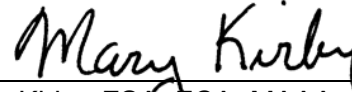
We look forward to reviewing this report with you and to answering any questions.

Sincerely,

Segal



Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Actuary



Mary Kirby, FSA, FCA, MAAA
Senior Vice President and Consulting Actuary

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Section 1: Actuarial Valuation Summary

Purpose and basis

This report has been prepared by Segal to present certain disclosure information required for “Other Postemployment Benefits (OPEB)” plans by Governmental Accounting Standards Board Statement 75 (GASB 75) for employer reporting as of June 30, 2022. The results used in preparing this GASB 75 report are comparable to those used in preparing the Governmental Accounting Standard Board Statement 74 report for the plan based on a measurement date and a reporting date as of December 31, 2021. This valuation is based on:

- The benefit provisions of the OPEB Plan, as administered by the Board of Retirement;
- The characteristics of covered active members, inactive vested members, and retired members and beneficiaries as of November 30, 2020, provided by ACERA;
- The assets of the Plan as of December 31, 2021, provided by ACERA;
- Economic assumptions regarding future salary increases and investment earnings adopted by the Board for the December 31, 2021 valuation; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, and health care trends etc. adopted by the Board for the December 31, 2021 valuation.

General observations on GASB 75 actuarial valuation

1. It is important to note that Governmental Accounting Standards Board (GASB) rules only define OPEB liability and expense for financial reporting purposes, and do not apply to contribution amounts for OPEB funding purposes. Employers and plans develop and adopt funding policies, if applicable, under current practices.
2. When measuring OPEB liability, GASB uses the same actuarial cost method (Entry Age method) and the same type of discount rate (expected return on assets) as ACERA uses for funding.¹ This means that the Total OPEB Liability (TOL) measure for financial reporting shown in this report is determined on generally the same basis as ACERA’s Actuarial Accrued Liability (AAL) measure for funding.

¹ See discussions on next page regarding source of funding for payment of OPEB SRBR benefits not covered by current OPEB Plan’s Fiduciary Net Position in the SRBR.

Section 1: Actuarial Valuation Summary

3. The Net OPEB Liability (NOL) is equal to the difference between the TOL and the Plan's Fiduciary Net Position. The Plan's Fiduciary Net Position is equal to the fair value of assets. The NOL reflects all investment gains and losses as of the measurement date.

Highlights of the valuation

1. For this report, the reporting dates for the employers are June 30, 2022 and June 30, 2021. The NOLs measured as of December 31, 2021 and 2020 have been determined by rolling forward the TOL as of December 31, 2020 and 2019, respectively. The Plan's Fiduciary Net Positions were valued as of the measurement dates. In addition, any changes in actuarial assumptions or plan provisions that occurred between the valuation date and the measurement date have been reflected. Consistent with the provisions of GASB 75, the assets and liabilities measured as of December 31, 2021 and 2020 are not adjusted or rolled forward to the June 30, 2022 and June 30, 2021 reporting dates, respectively.
2. The NOL decreased from \$6.7 million (a liability) as of December 31, 2020 to (\$420.6) million (a surplus) as of December 31, 2021 primarily as a result of favorable investment return during calendar year 2021 of about \$404.9 million (for an actual market return of 41.9%¹ versus 7.00% assumed in the valuation). Changes in these values during the last two fiscal years ending December 31, 2021 and 2020 can be found in *Section 2, Schedule of changes in Net OPEB Liability* on page 19.
3. The OPEB expense decreased from (negative or an income) (\$15.3) million as of December 31, 2020 to (negative or an income) (\$111.4) million as of December 31, 2021 primarily due to the favorable return on the market value of assets for the year ended December 31, 2021 which lowered the OPEB expense by \$81.0 million. Components of the OPEB expense during the last two plan years ending December 31, 2021 and 2020 can be found in *Section 2, OPEB expense*.
4. As we disclosed in our December 31, 2021 pension funding valuation report, the 7.00% investment return assumption that the Board approved for determining the liabilities for funding purposes and used for establishing the employer and employee contribution rates has continued to be developed without considering the impact of any future 50/50 excess earnings allocation. This is based on our understanding that Article 5.5 of the Statute, which authorizes the allocation of 50% of excess earnings to the SRBR, does not allow for the use of a different investment return for funding than is used for interest crediting. This would appear in effect to preclude the prefunding of the SRBR through the use of an assumption lower than the market earnings assumption of 7.00%.

As required by the Actuarial Standard of Practice (ASOP) No. 4 ("Measuring Pension Obligations and Determining Pension Plan Costs or Contributions"), we performed a stochastic model to estimate the impact of the 50% allocation of future excess earnings

¹ Note that the 41.9% market value investment return mentioned above for the SRBR is higher than the 15.95% investment return included in the December 31, 2021 Pension Funding Valuation for the Association's entire portfolio. The higher return for the SRBR is primarily a result of including the 50% of future excess earnings allocated to the SRBR for the deferred investment gains as of December 31, 2021.

Section 1: Actuarial Valuation Summary

to the SRBR. The results of our model indicated that the 50/50 allocation of future excess earnings would have about the same impact as an “outflow” (i.e., assets not available to fund the benefits included in the determination of the Total Pension Liability) that would average approximately 0.65% of assets over time. This approximated outflow was incorporated into our GASB crossover test for the pension benefits (reference: *Section 3, Projection of Pension Plan’s Fiduciary Net Position* of our GASB 67 report as of December 31, 2021), along with the additional future employer contributions that would result from those future allocations of excess earnings to the SRBR under ACERA’s funding policy.

Furthermore, note (6) provided in *Section 3, Appendix A* of the GASB 67 report indicates that the present value of outflows from the 0.65% of assets over time is expected to be higher than the present values of the remaining OPEB and non-OPEB SRBR benefits that could be paid after the exhaustion of assets currently available in the SRBR.

Therefore, in developing the crossover test for the OPEB SRBR in *Section 3, Appendix A* of this report, we have only included the projected benefits to the extent that on a present value basis they are less than or equal to the OPEB assets currently available in the SRBR as any remaining OPEB SRBR benefits would be paid from future excess earnings. Due to the favorable investment experience, the present value of all projected OPEB benefits for current and future retirees of \$1.4 billion, based on membership data as of November 30, 2020, rolled forward to the measurement date as of December 31, 2021, is less than the OPEB assets of \$1.6 billion, so that all projected benefits are expected to be covered by OPEB assets currently in the SRBR.

5. The NOLs for the employers in ACERA as of December 31, 2020 and December 31, 2021 are allocated based on the actual employer contributions made during 2020 and 2021, respectively¹. The steps we used for the allocation are as follows:
 - First calculate the ratio of the employer’s contributions to the total contributions.
 - Then multiply this ratio by the NOL to determine the employer’s proportionate share of the NOL. The NOL allocation can be found in *Section 2, Determination of proportionate share*.
6. The Alameda County Office of Education (ACOE) made a lump sum contribution to the Pension Plan of \$750,000 in 2019 to partially pay off their UAAL to the pension plan. That lump sum is greater than the amount that ACOE would have to make on an installment basis over 20 years. In order to have a more level allocation of the NPL and NOL to ACOE, ACERA approved an approach outlined in our March 2, 2020 letter to determine ACOE’s proportionate share of the non-OPEB SRBR NOL by using ACOE’s required contributions determined as if they had not made the additional lump sum contribution in 2019. We have continued to use that method in determining ACOE’s proportionate share of the OPEB SRBR NOL in this valuation.

The County made voluntary County Safety contributions of \$800 million on around June 29, 2021 to reduce their Safety UAAL for the pension plan and associated contribution rates. The Livermore Area Recreation and Park District (LARPD) also made voluntary LARPD General contributions of \$12.611 million on around June 29, 2011 to reduce their General UAAL for the

¹ The December 31, 2020 and December 31, 2021 NOL has been allocated to the different employers in proportion to the total employer contributions made by those employers to the pension plan during calendar years 2020 and 2021, respectively, based on discussions and approval provided by the Board.

Section 1: Actuarial Valuation Summary

pension plan and associated contribution rates. We have amortized the voluntary County Safety UAAL contributions over 13 years effective FY 21-22 to provide a UAAL contribution rate credit for County Safety and the voluntary LARPD General UAAL contributions over 16 years effective FY 21-22 to provide a UAAL contribution rate credit for LARPD General. Similar to the approach approved by ACERA as described in the previous paragraph for determining ACOE's proportionate share of the OPEB SRBR NOL, we have determined the County Safety and LARPD's proportionate share of the OPEB SRBR NOL by using the County Safety and LARPD's required contribution, respectively, as if they had not made the voluntary UAAL contributions in 2021.

7. The TOL as of December 31, 2021 was determined by rolling forward the liability results used in determining the sufficiency of the SRBR to provide medical and dental subsidy benefits as of December 31, 2020. That TOL has been adjusted to reflect the health care trend assumptions recommended for the upcoming sufficiency study for the SRBR as of December 31, 2021 (reference: our trend letter dated May 13, 2022) and the assumptions approved by the Board from the Actuarial Experience Study for the period December 1, 2016 through November 30, 2019, dated September 9, 2020.
8. We have also continued the practice of adjusting the Plan's Fiduciary Net Position as of December 31, 2021 to include the \$1.083 billion set aside by the Retirement Board in the SRBR reserve to pay OPEB benefits as of December 31, 2021. This includes \$1.073 billion in the OPEB-related SRBR reserve (after reducing the reserve by the \$5.7 million SRBR implicit subsidy transfer), and \$9.2 million in the 401(h) reserve. It should be noted that as of December 31, 2021, the deferred investment gain for the entire Plan was \$1.133 billion. Consequently, we have added to the Plan's Fiduciary Net Position the proportionate share of one-half of the net deferred investment gain that is commensurate with the size of the OPEB SRBR reserve to total SRBR and 401(h) reserve to valuation and 401(h) reserve, or \$540.9 million (which will cause the future interest crediting rate to the SRBR reserve to be raised above 7.00% per year).
9. The Coronavirus (COVID-19) pandemic has had a significant impact on the US economy, including most retiree health plans, and will likely continue to have an impact in the future. Our results do not include the impact of the following:
 - Changes in the market value of plan assets since December 31, 2021
 - Change in interest rates since December 31, 2021
 - Short-term or long-term impacts on mortality of the covered population
 - The potential for federal or state fiscal relief

Each of the above factors could significantly impact the results prepared using these assumptions. The net effect of the above factors generally have not affected our assumptions for the December 31, 2021 valuation. Given the high level of uncertainty and fluidity of the current events, the Board may wish to consider updated estimates to monitor the plan's financial status. We will keep the Board updated on emerging developments.

Section 1: Actuarial Valuation Summary

Summary of key valuation results

Reporting Date for Employer under GASB 75 ¹		June 30, 2022	June 30, 2021
Measurement Date for Employer under GASB 75		December 31, 2021	December 31, 2020
Disclosure elements for fiscal year ending December 31:	• Service cost ²	\$33,439,903	\$31,510,436
	• Total OPEB Liability	1,203,078,101	1,191,570,896
	• Plan's Fiduciary Net Position ³	1,623,641,492	1,184,882,854
	• Net OPEB Liability	(420,563,391)	6,688,042
	• OPEB expense	(111,416,496)	(15,301,333)
Schedule of contributions for fiscal year ending December 31:	• Actuarially determined contributions	N/A	N/A
	• Actual contributions ⁴	N/A	N/A
	• Contribution deficiency / (excess)	0	0
Demographic data for plan year ending December 31:⁵	• Number of retired members receiving medical benefits ⁶	6,763	6,664
	• Number of retired members receiving dental and vision benefits	8,058	7,906
	• Number of vested terminated members	478	451
	• Number of active members	11,326	11,322
Key assumptions as of December 31:	• Discount rate	7.00%	7.00%
	• Health care premium trend rates		
	Non-Medicare medical plan	Graded from 7.50% to ultimate 4.50% over 12 years	Graded from 6.75% to ultimate 4.50% over 9 years
	Medicare medical plan	Graded from 6.50% to ultimate 4.50% over 8 years	Graded from 6.25% to ultimate 4.50% over 7 years
	Dental/Vision	4.00% ⁷	4.00% ⁷
	Medicare Part B	4.50%	4.50%

¹ The reporting date and measurement date for the plan are December 31, 2021 and December 31, 2020, respectively.

² The Service Cost is based on the previous year's valuation, meaning the December 31, 2021 and December 31, 2020 measurement date values are based on the valuations as of December 31, 2020 and December 31, 2019, respectively. The December 31, 2021 service cost has been calculated using the assumptions shown in the December 31, 2020 column, and the December 31, 2020 service cost has been calculated using the following assumptions:

Key assumptions as of December 31, 2019:

Investment rate of return	7.25%
Health care premium trend rates	
Non-Medicare medical plan	Graded from 6.75% to ultimate 4.50% over 9 years
Medicare medical plan	Graded from 6.25% to ultimate 4.50% over 7 years
Dental/Vision	4.00%
Medicare Part B	4.50%

The trend rates for 2020 as of the December 31, 2019 measurement are before reflecting the repeal of the Health Insurance Tax (HIT) taking effect in 2021 that would further reduce 1.20% from non-Medicare plan trend of 6.75% and 0.90% from Medicare plan trend of 6.25%.

Section 1: Actuarial Valuation Summary

- ³ For 2021, the Plan's Fiduciary Net Position shown (\$1,623,641,492) includes the OPEB-related SRBR reserve of \$1,073,475,020 (after reducing the reserve by the SRBR implicit subsidy transfer of \$5,652,613) and 401(h) reserve (\$9,229,285), plus the proportionate share of one-half of the net deferred investment gain that is commensurate with the size of the OPEB SRBR reserve to total SRBR and 401(h) reserve to valuation and 401(h) reserve (\$540,937,187). For 2020, the Plan's Fiduciary Net Position shown (\$1,184,882,854) includes the OPEB-related SRBR reserve of \$882,528,291 (after reducing the reserve by the SRBR implicit subsidy transfer of \$7,548,683) and 401(h) reserve (\$9,051,620), plus the proportionate share of one-half of the net deferred investment gain that is commensurate with the size of the OPEB SRBR reserve to total SRBR and 401(h) reserve to valuation and 401(h) reserve (\$293,302,942), after first replenishing the Contingency Reserve from \$69.0 million to \$98.7 million (1% of total assets). Note that amounts may not total exactly due to rounding.
- ⁴ Employer contributions are on a net basis. Benefits are funded by employer contributions to the 401(h) account and similar amounts are transferred from the SRBR to the Employers Advance Reserve to backfill the employer contributions that would have otherwise been made to the Retirement Plan.
- ⁵ The December 31, 2020 data is used in the measurement of the TOL as of December 31, 2021. The following data as of December 31, 2019 was used in the measurement of the TOL as of December 31, 2020:
- | | |
|--|--------|
| Number of retired members receiving medical benefits | 6,575 |
| Number of retired members receiving dental and vision benefits | 7,741 |
| Number of vested terminated members | 430 |
| Number of active members | 11,336 |
- The demographic data as of December 31, 2021 will be used in the sufficiency study for the SRBR as of December 31, 2021 as well as in the next year's GASB 74 valuation when we roll forward the liability from December 31, 2021 to December 31, 2022.
- ⁶ The retiree count excludes beneficiaries under 65 receiving an implicit subsidy.
- ⁷ The first two years of trend for dental were updated to reflect the three-year rate guarantee (premiums would be fixed at the 2021 levels for 2022 and 2023). The first four years of trend for vision were updated to reflect the five-year rate guarantee (premiums would be fixed at 2021 levels for 2022, 2023, 2024 and 2025).

Section 1: Actuarial Valuation Summary

Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to defining future projected obligations of a postretirement health plan. As such, it will never forecast the precise future stream of benefit payments. It is an estimated forecast – the actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan, not by the actuarial valuation.

In order to prepare a valuation, Segal relies on a number of input items. These include:

Plan of benefits	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. For example, a plan may provide health benefits to post-65 retirees that coordinates with Medicare. If so, changes in the Medicare law or administration may change the plan's costs without any change in the terms of the plan itself. It is important to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan description in this report (as well as the plan summary included in our funding valuation report) to confirm that Segal has correctly interpreted the plan of benefits.
Participant data	An actuarial valuation for a plan is based on data provided to the actuary by ACERA. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is not necessary to have perfect data for an actuarial valuation: the valuation is an estimated forecast, not a prediction. The uncertainties in other factors are such that even perfect data does not produce a "perfect" result. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
Assets	This valuation is based on the fair value of assets as of the valuation date, as provided by ACERA. The Association uses an actuarial value of assets that differs from fair value of assets to gradually reflect six-month changes in the fair value of assets in the SRBR sufficiency valuation.
Actuarial assumptions	In preparing an actuarial valuation, Segal projects the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. To determine the future costs of benefits, Segal collects premiums and enrollment data in order to establish a baseline cost for the valuation measurement, and then develops short- and long-term health care cost trend rates to project increases in costs in future years. This forecast also requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of each participant for each year, as well as forecasts of the plan's benefits for each of those events. The forecasted benefits are then discounted to a present value, based on an estimate of the rate of return that will be achieved on the plan's assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions the actuary selects within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model necessarily uses approximations and estimates that may lead to significant changes in our results but will have no impact on the actual cost of the plan. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

Section 1: Actuarial Valuation Summary

Models

Segal accounting results are based on proprietary actuarial modeling software. The accounting valuation models generate a comprehensive set of liability and cost calculations that are presented to meet accounting standards and client requirements. Our Actuarial Technology and Systems unit, comprising both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

Our per capita costs assumptions are based on proprietary modeling software as well as models that were developed by others. These models generate per capita claims cost calculations that are used in our valuation software. Our Health Technical Services Unit, comprised of actuaries and programmers, is responsible for the initial development and maintenance of our health models. They are also responsible for testing models that we purchase from other vendors for reasonableness. The client team inputs the premiums, enrollments, and assumptions into these models and reviews the results for reasonableness, under the supervision of the responsible actuary.

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

The valuation is prepared at the request of the Board to assist the plan sponsors of the Fund in preparing items related to the OPEB SRBR plan in their financial reports. Segal is not responsible for the use or misuse of its report, particularly by any other party.

An actuarial valuation is a measurement of the plan's assets and liabilities at a specific date. Accordingly, except where otherwise noted, Segal did not perform an analysis of the potential range of future financial measures. The actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.

If ACERA is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.

Sections of this report include actuarial results that are not rounded, but that does not imply precision.

Critical events for a plan include, but are not limited to, decisions about changes in benefits and contributions. The basis for such decisions needs to consider many factors such as the risk of changes in plan enrollment, emerging claims experience, health care trend, and investment losses, not just the current valuation results.

Segal does not provide investment, legal, accounting, or tax advice. Segal's valuation is based on our understanding of applicable guidance in these areas and of the plan's provisions, but they may be subject to alternative interpretations. The Board should look to their other advisors for expertise in these areas.

While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.

As Segal has no discretionary authority with respect to the management or assets of ACERA, it is not a fiduciary in its capacity as actuaries and consultants with respect to ACERA.

Section 2: GASB 75 Information

General information about the OPEB plan

Plan Description

Plan administration. The Alameda County Employees' Retirement Association (ACERA) was established by the Alameda County Board of Supervisors in 1947. ACERA is administered by the Board of Retirement and governed by the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et. seq.). ACERA is a cost-sharing, multiple employer, defined benefit, public employee retirement system whose main function is to provide service retirement, disability, death, and survivor benefits to the General and Safety members employed by the County of Alameda. ACERA also provides retirement benefits to the employee members of First 5 Alameda County, Housing Authority of the County of Alameda, Alameda Health System, Livermore Area Recreation and Park District (LARPD), Superior Court of California—County of Alameda, and Alameda County Office of Education (ACOE).

The management of ACERA is vested with the ACERA Board of Retirement. The Board consists of nine members and two alternates. The County Treasurer is a member of the Board of Retirement by law and is elected by the general public. Four members are appointed by the Board of Supervisors, one of whom may be a County Supervisor. Two active members are elected by the General members; one active member and one alternate are elected by the Safety members; one retired member and one alternate are elected by the retired members. All members of the Board of Retirement serve terms of three years except for the County Treasurer whose term runs concurrent with his term as County Treasurer.

Plan membership. At December 31, 2021, OPEB plan membership consisted of the following:

Retired members currently receiving medical benefits	6,763
Retired members currently receiving dental and vision benefits	8,058
Vested terminated members entitled to, but not yet receiving benefits	478
Active members	11,326

Note: Data as of December 31, 2021 is not used in the measurement of the TOL as of December 31, 2021. It will be used for the sufficiency study for the SRBR as of December 31, 2021 as well as in next year's GASB 74 and 75 valuations.

The retiree count excludes beneficiaries under 65 receiving an implicit subsidy.

Section 2: GASB 75 Information

Benefits provided. ACERA provides benefits to eligible employees under the following terms and conditions.

Eligibility:									
<i>Service Retirees:</i>	Retired with at least 10 years of service (including deferred vested members who terminate employment and receive a retirement benefit from ACERA)								
<i>Disabled Retirees:</i>	A minimum of 10 ¹ years of service is required for non-duty disability. There is no minimum service requirement for duty disability.								
Other Postemployment Benefits (OPEB):									
<i>Monthly Medical Allowance</i>									
<i>Service Retirees:</i>	<p>For retirees not purchasing individual insurance through the Medicare Insurance Exchange, a Maximum Monthly Medical Allowance of \$578.65 per month is provided, effective January 1, 2021. For the period January 1, 2022 through December 31, 2022, the maximum allowance will increase to \$596.73 per month.</p> <p>For those purchasing individual insurance through the Individual Medicare Insurance Exchange, the Maximum Monthly Medical Allowance is \$443.28 per month for 2021 and will increase to \$457.13 per month in 2022.</p> <p>These Allowances are subject to the following subsidy schedule:</p> <table border="1" data-bbox="903 860 1669 1047"> <thead> <tr> <th>Completed Years of Service</th> <th>Percentage Subsidized</th> </tr> </thead> <tbody> <tr> <td>10-14</td> <td>50%</td> </tr> <tr> <td>15-19</td> <td>75%</td> </tr> <tr> <td>20+</td> <td>100%</td> </tr> </tbody> </table>	Completed Years of Service	Percentage Subsidized	10-14	50%	15-19	75%	20+	100%
Completed Years of Service	Percentage Subsidized								
10-14	50%								
15-19	75%								
20+	100%								
<i>Disabled Retirees:</i>	<p>Non-duty disabled retirees receive the same Monthly Medical Allowance as service retirees.</p> <p>Duty disabled retirees receive the same Monthly Medical Allowance as those service retirees with 20 or more years of service.</p>								
<i>Medicare Benefit Reimbursement Plan:</i>	<p>The SRBR reimburses the full Medicare Part B premium to qualified retired members.</p> <p>To qualify for reimbursement, a retiree must:</p> <ul style="list-style-type: none"> • Have at least 10 years of ACERA service, • Be eligible for Monthly Medical Allowance, • Provide proof of enrollment in Medicare Part B. 								

¹ The 10 years of service requirement is only used for determining eligibility for health benefits. For pension benefits, the eligibility requirements is 5 years of service.

Section 2: GASB 75 Information

<i>Dental and Vision Plans:</i>	The SRBR provides dental and vision benefits for retirees only. The maximum combined monthly dental and vision premium is \$48.12 in 2021 and 2022. The eligibility for these premiums is as follows.
Service Retirees:	Retired with at least 10 years of service.
Disabled Retirees:	For non-duty disabled retirees, 10 years of service is required. For grandfathered non-duty disabled retirees (with effective retirement dates on or before January 31, 2014), there is no minimum service requirement. For duty disabled retirees, there is no minimum service requirement.
<i>Note about Monthly Medical Allowance:</i>	The maximum levels of subsidy are reviewed by the Board annually and are not indexed to increase automatically. In addition, the Monthly Medical Allowance can only be used to pay for retiree medical benefits. There is no benefit payable to beneficiaries, current spouses, former spouses or dependents. If the actual cost of coverage is less than the Monthly Medical Allowance, the difference is not paid in cash or applied towards the coverage for beneficiaries, current spouses, former spouses or dependents.
Deferred Benefit:	Members who terminate employment with 10 or more years of service before reaching Pension eligibility commencement age may elect deferred MMA and/or dental/vision benefits.
Death Benefit:	Surviving spouses/domestic partners of members who die before the member commences retiree health benefits may enroll in an ACERA group medical plan on the date that the member would have been eligible to commence benefits. The surviving spouse/domestic partner must pay 100% of the premium. Because premiums for surviving spouses/domestic partners under age 65 include active participants for purposes of underwriting, the surviving spouses/domestic partners receive an implicit subsidy from the actives, which creates a liability for the SRBR.

Section 2: GASB 75 Information

Net OPEB Liability

Reporting Date for Employer under GASB 75	June 30, 2022	June 30, 2021
Measurement Date for Employer under GASB 75	December 31, 2021	December 31, 2020
Components of the Net OPEB Liability		
Total OPEB Liability	\$1,203,078,101	\$1,191,570,896
Plan's Fiduciary Net Position	<u>(1,623,641,492)</u>	<u>(1,184,882,854)</u>
Net OPEB Liability	(\$420,563,391)	\$6,688,042
Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability	134.96%	99.44%

The Net OPEB Liability (NOL) was measured as of December 31, 2021 and 2020. The Plan's Fiduciary Net Position (plan assets) was valued as of the measurement date, while the Total OPEB Liability (TOL) as of December 31, 2021 and 2020 was determined by rolling forward the TOL as of December 31, 2020 and 2019, respectively.

Plan provisions. The plan provisions used in the measurement of the NOL as of December 31, 2021 and 2020 are the same as those used in ACERA's SRBR sufficiency valuation as of December 31, 2020 and 2019, respectively.

Section 2: GASB 75 Information

Actuarial assumptions. The actuarial assumptions used for the December 31, 2021 valuation were based on the results of the experience study for the period from December 1, 2016 through November 30, 2019 that were approved by the Board effective with the December 31, 2020 valuation and the health care trend assumptions recommended for the upcoming sufficiency study for the SRBR as of December 31, 2021 (reference: our letter dated May 13, 2022). The assumptions used in the December 31, 2021 SRBR OPEB actuarial valuation for ACERA were applied to all periods included in the measurement:

Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Inflation	2.75%
Health care premium trend rates (used to project health care costs after calendar year 2022):	
Non-Medicare medical plan	Graded from 7.50% in 2022 to ultimate 4.50% over 12 years
Medicare medical plan	Graded from 6.50% in 2022 to ultimate 4.50% over 8 years
Dental	0.00% for the first year to reflect a three-year rate guarantee (premiums fixed at 2021 level for 2022 and 2023) and 4.00% thereafter.
Vision	0.00% for the first three years to reflect a five-year rate guarantee (premiums fixed at 2021 level for 2022, 2023, 2024 and 2025) and 4.00% thereafter.
Medicare Part B ¹	4.50%
Other assumptions:	Same as those proposed in the experience study for the period December 1, 2016 through November 30, 2019.

¹ The actual calendar year 2021 trend of 14.55% reflecting the standard 2022 calendar year premium of \$170.10 per month, consistent with Segal's Medicare Part B memo dated November 19, 2021 was reflected in the current year GASB 74 valuation with December 31, 2021 measurement date.

Section 2: GASB 75 Information

The actuarial assumptions used for the December 31, 2020 valuation were based on the results of the experience study for the period from December 1, 2016 through November 30, 2019 that were approved by the Board effective with the December 31, 2020 valuation and the health care trend assumptions recommended for the sufficiency study for the SRBR as of December 31, 2020 (reference: our letter dated March 22, 2021). The assumptions used in the December 31, 2020 SRBR OPEB actuarial valuation for ACERA were applied to all periods included in the measurement:

Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Inflation	2.75%
Health care premium trend rates (used to project health care costs after calendar year 2021):	
Non-Medicare medical plan	Graded from 6.75% in 2021 to ultimate 4.50% over 9 years
Medicare medical plan	Graded from 6.25% in 2021 to ultimate 4.50% over 7 years
Dental	0.00% for the first two years to reflect a three-year rate guarantee (premiums fixed at 2021 level for 2022 and 2023) and 4.00% thereafter.
Vision	0.00% for the first four years to reflect a five-year rate guarantee (premiums fixed at 2021 level for 2022, 2023, 2024 and 2025) and 4.00% thereafter.
Medicare Part B ¹	4.50%
Other assumptions:	Same as those proposed in the experience study for the period December 1, 2016 through November 30, 2019.

¹ The actual calendar year 2020 trend of 2.70% reflecting the standard 2021 calendar year premium of \$148.50 per month, consistent with Segal's Medicare Part B memo dated November 12, 2020 was reflected in the GAS 74 valuation with December 31, 2020 measurement date.

Section 2: GASB 75 Information

Determination of discount rate and investment rates of return

The long-term expected rate of return on OPEB plan investments¹ was determined in 2020 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses are shown in the following table. This information was used in the derivation of the long-term expected investment rate of return assumption for the December 31, 2021 actuarial valuation. This information will be subject to change every three years based on the results of an actuarial experience study.

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
US large Cap Equity	22.40%	5.43%
US Small Cap Equity	2.50%	6.21%
International Developed Equity	17.00%	6.67%
International Small Cap Equity	3.00%	7.36%
Emerging Markets Equity	5.00%	8.58%
Core Plus Fixed Income	11.50%	1.10%
High Yield Bonds	1.60%	2.91%
Global Fixed Income	3.00%	-0.63%
Private Equity	10.50%	10.00%
Core Real Estate	8.00%	4.58%
Commodities	0.75%	3.46%
Infrastructure	1.75%	7.80%
Private Credit	4.00%	8.50%
Absolute Return	9.00%	3.70%
Total	100.00%	5.56%

¹ Note that the investment return assumption for SRBR sufficiency (and pension funding) purposes was developed net of both investment and administrative expenses; however, the same investment return assumption was used for financial reporting purposes, and it was considered gross of administrative expenses for financial reporting purposes. (This resulted in an increase in the margin for adverse deviation when using that investment return assumption for financial reporting.)

Section 2: GASB 75 Information

Discount rate. The discount rate used to measure the Total OPEB Liability was 7.00% as of December 31, 2021 and December 31, 2020. The projection of cash flows used to determine the discount rate assumed benefits are paid out of current OPEB SRBR assets. Based on those assumptions, the SRBR OPEB Plan's Fiduciary Net Position was projected to be available to make all projected future benefits payments for current plan members.¹ 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 as of December 31, 2021 and December 31, 2020.

¹ See discussions in Section 1 regarding source of funding for payment of OPEB SRBR benefits not covered by current OPEB SRBR Plan's Fiduciary Net Position.

Section 2: GASB 75 Information

Discount rate and trend sensitivity

Sensitivity of the Net OPEB Liability to changes in the discount rate. The following presents the Net OPEB Liability of ACERA as of December 31, 2021, calculated using the discount rate of 7.00%, as well as what ACERA's NOL would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Alameda County	(\$200,038,254)	(\$324,547,291)	(\$427,368,584)
Health System	(46,328,734)	(75,164,948)	(98,978,295)
Superior Court	(9,380,905)	(15,219,826)	(20,041,688)
First 5	(1,153,337)	(1,871,205)	(2,464,030)
Housing Authority	(1,091,160)	(1,770,326)	(2,331,191)
LARPD	(1,110,250)	(1,801,299)	(2,371,977)
ACOE	<u>(116,182)</u>	<u>(188,496)</u>	<u>(248,215)</u>
Total for all Employers	(\$259,218,822)	(\$420,563,391)	(\$553,803,980)

Section 2: GASB 75 Information

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rate. The following presents the Net OPEB Liability of ACERA as of December 31, 2021, calculated using the current trend rate as well as what ACERA's Net OPEB Liability would be if it were calculated using a trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease	Current Trend Rates*	1% Increase
Alameda County	(\$438,266,578)	(\$324,547,291)	(\$183,742,770)
Health System	(101,502,263)	(75,164,948)	(42,554,710)
Superior Court	(20,552,755)	(15,219,826)	(8,616,719)
First 5	(2,526,863)	(1,871,205)	(1,059,384)
Housing Authority	(2,390,637)	(1,770,326)	(1,002,272)
LARPD	(2,432,463)	(1,801,299)	(1,019,807)
ACOE	(254,544)	(188,496)	(106,717)
Total for all Employers	(\$567,926,103)	(\$420,563,391)	(\$238,102,379)

* *Current trend rates: 7.50% graded down to 4.50% over 12 years for Non-Medicare medical plan costs; 6.50% graded down to 4.50% over 8 years for Medicare medical plan costs, 4.00% for all years after the first year and three years for Dental and Vision costs, respectively; and 4.50% for all years for Medicare Part B costs. The first year of trend for dental was 0.00% to reflect three-year rate guarantee (premiums fixed at 2021 levels for 2022 and 2023). The first three years of trend for vision were 0.00% to reflect five-year rate guarantee (premiums fixed at 2021 levels for 2022, 2023, 2024 and 2025).*

Section 2: GASB 75 Information

Schedule of changes in Net OPEB Liability – Last two fiscal years

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Total OPEB Liability		
• Service cost ¹	\$33,439,903	\$31,510,436
• Interest	84,143,669	79,142,070
• Change of benefit terms	0	0
• Differences between expected and actual experience	(24,112,098)	(13,871,821)
• Changes of assumptions	(36,047,500)	57,696,237
• Benefit payments	<u>(45,916,769)</u>	<u>(46,020,705)</u>
Net change in Total OPEB Liability	\$11,507,205	\$108,456,217
Total OPEB Liability – beginning	<u>1,191,570,896</u>	<u>1,083,114,679</u>
Total OPEB Liability – ending	<u>\$1,203,078,101</u>	<u>\$1,191,570,896</u>
Plan's Fiduciary Net Position		
• Contributions – employer ²	N/A	N/A
• Contributions – member	N/A	N/A
• Net investment income	\$486,212,907	\$262,139,154
• Benefit payments	(45,916,769)	(46,020,705)
• Administrative expense	(1,537,500)	(1,416,000)
• Other	<u>0</u>	<u>0</u>
Net change in Plan's Fiduciary Net Position	\$438,758,638	\$214,702,449
Plan's Fiduciary Net Position³ – beginning	<u>1,184,882,854</u>	<u>970,180,405</u>
Plan's Fiduciary Net Position³ – ending	<u>\$1,623,641,492</u>	<u>\$1,184,882,854</u>
Net OPEB Liability – ending	<u>(\$420,563,391)</u>	<u>\$6,688,042</u>
Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability	134.96%	99.44%
Covered employee payroll⁴	N/A	N/A
Plan Net OPEB Liability as percentage of covered employee payroll	N/A	N/A

- 1 The Service Cost is based on the previous year's valuation, meaning the December 31, 2021 and December 31, 2020 measurement date values are based on the valuations as of December 31, 2020 and December 31, 2019, respectively.
- 2 Employer contributions are on a net basis. Benefits are funded by employer contributions to the 401(h) account and similar amounts are transferred from the SRBR to the Employers Advance Reserve to backfill the employer contributions that would have otherwise been made to the Retirement Plan.
- 3 See footnote (3) on page 6 for a discussion on the development of the 2021 "Plan's Fiduciary Net Position – beginning" amount of \$1,184,882,854 and the 2021 "Plan's Fiduciary Net Position – ending" amount of \$1,623,641,492.
- 4 Covered-employee payroll is not shown as contributions to the OPEB plan are not based on a measure of pay. Covered-employee payroll represents Compensation Earnable and Pensionable Compensation. Only Compensation Earnable and Pensionable Compensation that would go into the determination of retirement benefits would otherwise be included.

Section 2: GASB 75 Information

Schedule of employer contributions – Last ten fiscal years

Year Ended December 31	Actuarially Determined Contributions ¹	Contributions in Relation to the Actuarially Determined Contributions ¹	Contribution Deficiency / (Excess)	Covered Employee Payroll ²	Contributions as a Percentage of Covered Employee Payroll
2012	N/A	N/A	0	N/A	N/A
2013	N/A	N/A	0	N/A	N/A
2014	N/A	N/A	0	N/A	N/A
2015	N/A	N/A	0	N/A	N/A
2016	N/A	N/A	0	N/A	N/A
2017	N/A	N/A	0	N/A	N/A
2018	N/A	N/A	0	N/A	N/A
2019	N/A	N/A	0	N/A	N/A
2020	N/A	N/A	0	N/A	N/A
2021	N/A	N/A	0	N/A	N/A

¹ Benefits are funded by employer contributions to the 401(h) account and similar amounts are transferred from the SRBR to the Employers Advance Reserve to backfill the employer contributions that would have otherwise been made to the Retirement Plan.

² Covered-employee payroll is not shown as contributions to the OPEB plan are not based on a measure of pay. Covered-employee payroll represents Compensation Earnable and Pensionable Compensation. Only Compensation Earnable and Pensionable Compensation that would go into the determination of retirement benefits would otherwise be included.

Section 2: GASB 75 Information

Determination of proportionate share

Schedule of Employer Allocations as of December 31, 2020

Employer	Actual Employer Contributions by Employer January 1, 2020 to December 31, 2020	
	Contributions	Percentage ¹
Alameda County	\$238,881,264	77.104%
Health System	54,283,769	17.521%
Superior Court	12,372,365	3.993%
First 5	1,329,139	0.429%
Housing Authority	1,323,493	0.427%
LARPD	1,490,917	0.481%
ACOE ²	138,832	0.045%
Total for all Employers	\$309,819,779	100.000%

¹ The unrounded percentages are used in the allocation of the NOL amongst employers.

² ACOE made a lump sum contribution of \$750,000 in 2019 to partially pay off their UAAL to the pension plan. That lump sum is greater than the amount that ACOE would have to make on an installment basis over 20 years. In order to have a more level allocation of the NPL and NOL to ACOE, ACERA approved an approach outlined in our March 2, 2020 letter to determine ACOE's proportionate share of the OPEB SRBR NOL by using ACOE's required contributions determined in our December 31, 2018 valuation in the amount of \$78,000 based on an April 1, 2020 payment date plus the amortization of the remaining balance of the original \$750,000 lump sum amount (an amount of \$60,832 which represents the additional UAAL contribution ACOE would have been required to pay if they did not make the additional lump sum contribution in 2019). Note that in 2020, the actual contribution made by ACOE is \$72,051 which is \$5,949 less than the required contribution. Since \$5,949 is part of the required contributions, we included this amount for purposes of determining ACOE's proportionate share of the OPEB SRBR NOL.

Section 2: GASB 75 Information

Schedule of Employer Allocations as of December 31, 2020

Employer	Allocation of December 31, 2020 Net OPEB Liability	
	NOL	Percentage ³
Alameda County	\$5,156,701	77.104%
Health System	1,171,817	17.521%
Superior Court	267,081	3.993%
First 5	28,692	0.429%
Housing Authority	28,570	0.427%
LARPD	32,184	0.481%
ACOE	<u>2,997</u>	<u>0.045%</u>
Total for all Employers	\$6,688,042	100.000%

Notes:

1. With the exception of an adjustment for the lump sum contribution made by ACOE (see footnote 2 on prior page), the above is based on the January 1, 2020 through December 31, 2020 employer contributions in total as provided by ACERA.
2. The Net OPEB Liability (NOL) is the Total OPEB Liability (TOL) minus the OPEB SRBR Plan's Fiduciary Net Position (plan assets).
3. The employer's share of the total plan NOL is the ratio of the employer's total contributions to the total contributions for all employers.

³ The unrounded percentages are used in the allocation of the NOL amongst employers.

Section 2: GASB 75 Information

Schedule of Employer Allocations as of December 31, 2021

Employer	Actual Employer Contributions by Employer January 1, 2021 to December 31, 2021	
	Contributions	Percentage ¹
Alameda County ²	\$256,292,148	77.170%
Health System	59,357,100	17.872%
Superior Court	12,018,963	3.619%
First 5	1,477,674	0.445%
Housing Authority	1,398,011	0.421%
LARPD ³	1,422,470	0.428%
ACOE ⁴	148,854	0.045%
Total for all Employers	\$332,115,220	100.000%

¹ The unrounded percentages are used in the allocation of the NOL amongst employers.

² This includes \$139,147,479 of County General actual employer contributions and \$117,144,669 of County Safety adjusted employer contributions used for purposes of determining the proportionate share of the OPEB SRBR NOL for the County. The County made voluntary County Safety contributions of \$800,000,000 on around June 29, 2021 to reduce their Safety UAAL for the pension plan and associated contribution rates. We have amortized the voluntary County Safety UAAL contributions to provide a UAAL contribution rate credit for County Safety over 13 years effective FY 21-22. Similar to the approach approved by ACERA for ACOE to determine ACOE's proportionate share of the OPEB SRBR NOL, we determined County Safety's proportionate share of the OPEB SRBR NOL by using the County Safety's actual contributions (but excluding \$800 million of voluntary UAAL contributions) made in 2021 in the amount of \$89,395,284 plus the contribution credit applied in 2021 in the amount of \$27,749,385 for a total adjusted County Safety contribution of \$117,144,669.

³ LARPD made voluntary LARPD General contributions of \$12,611,250 on around June 29, 2021 to reduce their General UAAL for the pension plan and associated contribution rates. We have amortized the voluntary LARPD General UAAL contributions to provide a UAAL contribution rate credit for LARPD General over 16 years effective FY 21-22. Similar to the approach approved by ACERA for ACOE to determine ACOE's proportionate share of the OPEB SRBR NOL, we determined LARPD's proportionate share of the OPEB SRBR NOL by using LARPD's actual contributions (but excluding \$12,611,250 of voluntary UAAL contributions) made in 2021 in the amount of \$1,081,079 plus the contribution credit applied in 2021 in the amount of \$341,391 for a total adjusted LARPD contribution of \$1,422,470.

⁴ ACOE made a lump sum contribution of \$750,000 in 2019 to partially pay off their UAAL to the pension plan. That lump sum is greater than the amount that ACOE would have to make on an installment basis over 20 years. In order to have a more level allocation of the NPL and NOL to ACOE, ACERA approved an approach outlined in our March 2, 2020 letter to determine ACOE's proportionate share of the OPEB SRBR NOL by using ACOE's required contributions determined in our December 31, 2019 valuation in the amount of \$89,000 based on an April 1, 2021 payment date plus the amortization of the remaining balance of the original \$750,000 lump sum amount (an amount of \$59,854 which represents the additional UAAL contribution ACOE would have been required to pay if they did not make the additional lump sum contribution in 2019).

Section 2: GASB 75 Information

Schedule of Employer Allocations as of December 31, 2021

Employer	Allocation of December 31, 2021 Net OPEB Liability	
	NOL	Percentage ¹
Alameda County	(\$324,547,291)	77.170%
Health System	(75,164,948)	17.872%
Superior Court	(15,219,826)	3.619%
First 5	(1,871,205)	0.445%
Housing Authority	(1,770,326)	0.421%
LARPD	(1,801,299)	0.428%
ACOE	(188,496)	0.045%
Total for all Employers	(\$420,563,391)	100.000%

Notes:

1. Allocated based on the January 1, 2021 through December 31, 2021 employer contributions in total as provided by ACERA, with an adjustment to reflect the total annual UAAL contribution ACOE would have been required to make of \$148,854 in 2021 had they not made the additional contribution in 2019 to partially pay off their UAAL for the pension plan. This approach is outlined in our March 2, 2020 letter and is approved by ACERA. Following this approach, there is an adjustment to reflect the total annual contribution County Safety would have been required to make of \$117,144,669 in 2021 had they not made the voluntary County Safety UAAL contribution in 2021 to the pension plan. There is also an adjustment to reflect the total annual contribution LARPD would have been required to make of \$1,422,470 in 2021 had they not made the voluntary LARPD General UAAL contribution in 2021 to the pension plan.
2. The Net OPEB Liability (NOL) is the Total OPEB Liability (TOL) minus the OPEB SRBR Plan's Fiduciary Net Position (plan assets).
3. The employer's share of the total plan NOL is the ratio of the employer's total contributions to the total contributions for all employers.

¹ The unrounded percentages are used in the allocation of the NOL amongst employers.

Section 2: GASB 75 Information

Notes regarding determination of proportionate share as of December 31, 2021 measurement date

The reporting date for the employer under GASB 75 is June 30, 2022. The reporting date and measurement date for the plan under GASB 74 are December 31, 2021. Consistent with the provisions of GASB 75, the assets and liabilities measured as of December 31, 2021 are not adjusted or rolled forward to the June 30, 2022 reporting date. Other results, such as the total deferred inflows and outflows would also be allocated based on the same proportionate shares determined above.

The following items are allocated based on the corresponding proportionate share:

- a. Net OPEB Liability
- b. Service Cost
- c. Interest on the Total OPEB Liability
- d. Current-period benefit changes
- e. Expensed portion of current-period difference between actual and expected experience in the Total OPEB Liability
- f. Expensed portion of current-period changes of assumptions or other inputs
- g. Member contributions
- h. Projected earnings on plan investments
- i. Expensed portion of current-period differences between actual and projected earnings on plan investments
- j. Administrative expense
- k. Recognition of beginning of year deferred outflows of resources as OPEB expense
- l. Recognition of beginning of year deferred inflows of resources as OPEB expense

Section 2: GASB 75 Information

OPEB expense

Total for All Employers

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$33,439,903	\$31,510,436
Interest on the Total OPEB Liability	84,143,669	79,142,070
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(3,815,205)	(2,124,322)
Expensed portion of current-period changes of assumptions or other inputs	(5,703,718)	8,835,565
Member contributions	0	0
Projected earnings on plan investments	(81,280,900)	(68,618,499)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(80,986,403)	(38,704,131)
Administrative expense	1,537,500	1,416,000
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	61,447,165	52,611,600
Recognition of beginning of year deferred inflows of resources as OPEB expense	(120,198,507)	(79,370,052)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
OPEB Expense	(\$111,416,496)	(\$15,301,333)

Section 2: GASB 75 Information

OPEB expense (continued)

Alameda County

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$25,805,456	\$24,295,588
Interest on the Total OPEB Liability	64,933,373	61,021,145
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	19,502	142,466
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(2,944,180)	(1,637,922)
Expensed portion of current-period changes of assumptions or other inputs	(4,401,540)	6,812,512
Member contributions	0	0
Projected earnings on plan investments	(62,724,184)	(52,907,125)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(62,496,923)	(29,842,161)
Administrative expense	1,186,483	1,091,782
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	47,418,560)	40,565,278
Recognition of beginning of year deferred inflows of resources as OPEB expense	(92,756,766)	(61,196,927)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	135,447	(7,019)
OPEB Expense	(\$85,824,772)	(\$11,662,383)

Section 2: GASB 75 Information

OPEB expense (continued)

Health System

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$5,976,527	\$5,520,969
Interest on the Total OPEB Liability	15,038,528	13,866,545
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	103,278	(211,116)
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(681,870)	(372,204)
Expensed portion of current-period changes of assumptions or other inputs	(1,019,394)	1,548,086
Member contributions	0	0
Projected earnings on plan investments	(14,526,882)	(12,022,702)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(14,474,248)	(6,781,381)
Administrative expense	274,789	248,098
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	10,982,109	9,218,120
Recognition of beginning of year deferred inflows of resources as OPEB expense	(21,482,408)	(13,906,490)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	(194,808)	16,308
OPEB Expense	(\$20,004,379)	(\$2,875,767)

Section 2: GASB 75 Information

OPEB expense (continued)

Superior Court

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$1,210,161	\$1,258,340
Interest on the Total OPEB Liability	3,045,087	3,160,465
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	(110,077)	40,841
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(138,069)	(84,833)
Expensed portion of current-period changes of assumptions or other inputs	(206,413)	352,840
Member contributions	0	0
Projected earnings on plan investments	(2,941,486)	(2,740,216)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(2,930,828)	(1,545,614)
Administrative expense	55,641	56,547
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	2,223,720	2,100,995
Recognition of beginning of year deferred inflows of resources as OPEB expense	(4,349,880)	(3,169,569)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	<u>39,192</u>	<u>(1,649)</u>
OPEB Expense	(\$4,102,952)	(\$571,853)

Section 2: GASB 75 Information

OPEB expense (continued)

First 5

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$148,784	\$135,181
Interest on the Total OPEB Liability	374,379	339,523
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	4,681	7,964
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(16,975)	(9,113)
Expensed portion of current-period changes of assumptions or other inputs	(25,377)	37,905
Member contributions	0	0
Projected earnings on plan investments	(361,642)	(294,376)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(360,331)	(166,042)
Administrative expense	6,841	6,075
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	273,396	225,706
Recognition of beginning of year deferred inflows of resources as OPEB expense	(534,797)	(340,501)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	<u>16,289</u>	<u>8,325</u>
OPEB Expense	(\$474,752)	(\$49,353)

Section 2: GASB 75 Information

OPEB expense (continued)

Housing Authority

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$140,762	\$134,607
Interest on the Total OPEB Liability	354,196	338,080
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	(1,834)	6,652
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(16,060)	(9,075)
Expensed portion of current-period changes of assumptions or other inputs	(24,009)	37,744
Member contributions	0	0
Projected earnings on plan investments	(342,145)	(293,126)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(340,905)	(165,337)
Administrative expense	6,472	6,049
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	258,657	224,747
Recognition of beginning of year deferred inflows of resources as OPEB expense	(505,965)	(339,054)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	(11,061)	(17,713)
OPEB Expense	(\$481,892)	(\$76,426)

Section 2: GASB 75 Information

OPEB expense (continued)

LARPD

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$143,225	\$151,632
Interest on the Total OPEB Liability	360,393	380,848
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	(15,553)	13,130
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(16,341)	(10,223)
Expensed portion of current-period changes of assumptions or other inputs	(24,429)	42,519
Member contributions	0	0
Projected earnings on plan investments	(348,131)	(330,206)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(346,870)	(186,252)
Administrative expense	6,585	6,814
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	263,182	253,178
Recognition of beginning of year deferred inflows of resources as OPEB expense	(514,818)	(381,945)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	4,357	(8,773)
OPEB Expense	(\$488,400)	(\$69,278)

Section 2: GASB 75 Information

OPEB expense (continued)

ACOE

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Components of OPEB Expense	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Service cost	\$14,988	\$14,119
Interest on the Total OPEB Liability	37,713	35,464
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	3	63
Current-period benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total OPEB Liability	(1,710)	(952)
Expensed portion of current-period changes of assumptions or other inputs	(2,556)	3,959
Member contributions	0	0
Projected earnings on plan investments	(36,430)	(30,748)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(36,298)	(17,344)
Administrative expense	689	635
Other	0	0
Recognition of beginning of year deferred outflows of resources as OPEB expense	27,541	23,576
Recognition of beginning of year deferred inflows of resources as OPEB expense	(53,873)	(35,566)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	<u>10,584</u>	<u>10,521</u>
OPEB Expense	(\$39,349)	\$3,727

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources

Total For All Employers

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$2,606,650	\$2,502,135
Changes of assumptions or other inputs	61,696,859	81,255,541
Net difference between projected and actual earnings on OPEB plan investments	0	0
Difference between expected and actual experience in the Total OPEB Liability	0	0
Total Deferred Outflows of Resources	\$64,303,509	\$83,757,676
Deferred Inflows of Resources		
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$2,606,650	\$2,502,135
Changes of assumptions or other inputs	34,919,177	6,289,027
Net difference between projected and actual earnings on OPEB plan investments	452,461,683	189,286,095
Difference between expected and actual experience in the Total OPEB Liability	69,230,218	64,759,701
Total Deferred Inflows of Resources	\$559,217,728	\$262,836,958
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:		
Reporting Date for Employer under GASB 75 Year Ended June 30:		
	2022	N/A
	2023	(\$58,751,342)
	2024	(21,943,058)
	2025	(65,620,549)
	2026	(40,339,519)
	2027	(130,844,843)
	2028	(86,487,096)
	Thereafter	4,018,228
		3,556,958
		0
		0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Alameda County

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$1,074,053	\$1,206,194
Changes of assumptions or other inputs	47,611,249	62,650,700
Net difference between projected and actual earnings on OPEB plan investments	0	0
Difference between expected and actual experience in the Total OPEB Liability	0	0
Total Deferred Outflows of Resources	\$48,685,302	\$63,856,894
Deferred Inflows of Resources		
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$168,756	\$269,207
Changes of assumptions or other inputs	26,947,006	4,849,048
Net difference between projected and actual earnings on OPEB plan investments	349,163,091	145,945,820
Difference between expected and actual experience in the Total OPEB Liability	53,424,715	49,931,864
Total Deferred Inflows of Resources	\$429,703,568	\$200,995,939
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:		
Reporting Date for Employer under GASB 75 Year Ended June 30:		
	2022	N/A
	2023	(\$45,163,774)
	2024	(16,783,372)
	2025	(50,428,013)
	2026	(30,871,538)
	2027	3,289,618
	2028	2,818,034
	Thereafter	0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Health System

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$861,301	\$487,409
Changes of assumptions or other inputs	11,026,735	14,236,848
Net difference between projected and actual earnings on OPEB plan investments	0	0
Difference between expected and actual experience in the Total OPEB Liability	0	0
Total Deferred Outflows of Resources	\$11,888,036	\$14,724,257
Deferred Inflows of Resources		
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$1,531,205	\$1,901,560
Changes of assumptions or other inputs	6,240,910	1,101,905
Net difference between projected and actual earnings on OPEB plan investments	80,865,952	33,164,967
Difference between expected and actual experience in the Total OPEB Liability	12,373,131	11,346,599
Total Deferred Inflows of Resources	\$101,011,198	\$47,515,031
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:		
Reporting Date for Employer under GASB 75 Year Ended June 30:		
	2022	N/A
	2023	(\$10,488,677)
	2024	(4,039,469)
	2025	(11,742,934)
	2026	(7,426,808)
	2027	395,788
	2028	511,326
	Thereafter	0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Superior Court

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$415,395	\$520,054
Changes of assumptions or other inputs	2,232,756	3,244,865
Net difference between projected and actual earnings on OPEB plan investments	0	0
Difference between expected and actual experience in the Total OPEB Liability	0	0
Total Deferred Outflows of Resources	\$2,648,151	\$3,764,919
Deferred Inflows of Resources		
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$723,880	\$203,737
Changes of assumptions or other inputs	1,263,695	251,146
Net difference between projected and actual earnings on OPEB plan investments	16,374,198	7,558,964
Difference between expected and actual experience in the Total OPEB Liability	2,505,382	2,586,118
Total Deferred Inflows of Resources	\$20,867,155	\$10,599,965
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:		
Reporting Date for Employer under GASB 75 Year Ended June 30:		
	2022	N/A
	2023	(\$2,306,988)
	2024	(837,084)
	2025	(2,569,499)
	2026	(1,525,403)
	2027	240,234
	2028	163,694
	Thereafter	0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

First 5

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020	
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$90,869	\$82,806	
Changes of assumptions or other inputs	274,507	348,589	
Net difference between projected and actual earnings on OPEB plan investments	0	0	
Difference between expected and actual experience in the Total OPEB Liability	0	0	
Total Deferred Outflows of Resources	\$365,376	\$431,395	
Deferred Inflows of Resources			
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$922	\$1,470	
Changes of assumptions or other inputs	155,365	26,980	
Net difference between projected and actual earnings on OPEB plan investments	2,013,129	812,045	
Difference between expected and actual experience in the Total OPEB Liability	308,025	277,822	
Total Deferred Inflows of Resources	\$2,477,441	\$1,118,317	
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:			
Reporting Date for Employer under GASB 75 Year Ended June 30:			
	2022	N/A	(\$235,757)
	2023	(\$479,344)	(77,848)
	2024	(673,504)	(265,052)
	2025	(561,401)	(156,974)
	2026	(368,133)	29,229
	2027	(17,625)	19,480
	2028	(12,058)	0
	Thereafter	0	0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Housing Authority

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020	
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$30,133	\$36,785	
Changes of assumptions or other inputs	259,708	347,109	
Net difference between projected and actual earnings on OPEB plan investments	0	0	
Difference between expected and actual experience in the Total OPEB Liability	0	0	
Total Deferred Outflows of Resources	\$289,841	\$383,894	
Deferred Inflows of Resources			
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$63,518	\$71,474	
Changes of assumptions or other inputs	146,989	26,866	
Net difference between projected and actual earnings on OPEB plan investments	1,904,599	808,595	
Difference between expected and actual experience in the Total OPEB Liability	291,419	276,642	
Total Deferred Inflows of Resources	\$2,406,525	\$1,183,577	
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:			
Reporting Date for Employer under GASB 75 Year Ended June 30:			
	2022	N/A	(\$262,036)
	2023	(\$486,237)	(104,798)
	2024	(668,458)	(289,744)
	2025	(558,454)	(178,163)
	2026	(366,721)	16,338
	2027	(23,405)	18,720
	2028	(13,409)	0
	Thereafter	0	0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

LARPD

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020	
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$90,047	\$111,646	
Changes of assumptions or other inputs	264,251	391,019	
Net difference between projected and actual earnings on OPEB plan investments	0	0	
Difference between expected and actual experience in the Total OPEB Liability	0	0	
Total Deferred Outflows of Resources	\$354,298	\$502,665	
Deferred Inflows of Resources			
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$115,314	\$49,812	
Changes of assumptions or other inputs	149,561	30,264	
Net difference between projected and actual earnings on OPEB plan investments	1,937,921	910,884	
Difference between expected and actual experience in the Total OPEB Liability	296,517	311,637	
Total Deferred Inflows of Resources	\$2,499,313	\$1,302,597	
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:			
Reporting Date for Employer under GASB 75 Year Ended June 30:			
	2022	N/A	(\$278,367)
	2023	(\$492,819)	(101,238)
	2024	(675,541)	(307,071)
	2025	(556,809)	(174,961)
	2026	(367,690)	37,630
	2027	(34,131)	24,075
	2028	(18,025)	0
	Thereafter	0	0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

ACOE

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Deferred Outflows of Resources	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020	
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$44,852	\$57,241	
Changes of assumptions or other inputs	27,653	36,411	
Net difference between projected and actual earnings on OPEB plan investments	0	0	
Difference between expected and actual experience in the Total OPEB Liability	0	0	
Total Deferred Outflows of Resources	\$72,505	\$93,652	
Deferred Inflows of Resources			
Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹	\$3,055	\$4,875	
Changes of assumptions or other inputs	15,651	2,818	
Net difference between projected and actual earnings on OPEB plan investments	202,793	84,820	
Difference between expected and actual experience in the Total OPEB Liability	31,029	29,019	
Total Deferred Inflows of Resources	\$252,528	\$121,532	
Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:			
Reporting Date for Employer under GASB 75 Year Ended June 30:			
	2022	N/A	(\$15,743)
	2023	(\$39,811)	751
	2024	(58,804)	(18,236)
	2025	(46,238)	(5,672)
	2026	(31,171)	9,391
	2027	(2,634)	1,629
	2028	(1,365)	0
	Thereafter	0	0

¹ Calculated in accordance with Paragraphs 64 and 65 of GASB 75

Section 2: GASB 75 Information

Deferred outflows of resources and deferred inflows of resources (continued)

There are changes in each employer's proportionate share of the total Net OPEB Liability (NOL) during the measurement period ended December 31, 2021. The net effect of the change on the employer's proportionate share of the collective NOL and collective deferred outflows of resources and deferred inflows of resources is recognized over the average of the expected remaining service lives of all employees that are provided with OPEB benefits through ACERA which is 6.32¹ years determined as of December 31, 2020 (the beginning of the measurement period ended December 31, 2021). This is described in Paragraph 64 of GASB 75.

The average of the expected service lives of all employees is determined by:

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each nonactive or retired member.
- Dividing the sum of the above amounts by the total number of active employee, nonactive and retired members.

¹ The remaining service lives of all employees of 6.32 years used here for GASB 75 is different from the 5.05 years used for GASB 68 because the number of payees and nonactive members (with 0 years of expected remaining service lives) receiving health benefits under the SRBR Plan is less than the number of payees and nonactive members receiving pension benefits.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability

Total for All Employers

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	100.000%	\$135,247,221	\$947,567,631	14.27%	85.50%
2018	100.000%	27,478,286	995,178,209	2.76%	97.33%
2019	100.000%	232,896,579	1,046,033,851	22.26%	77.91%
2020	100.000%	112,934,274	1,081,586,887	10.44%	89.57%
2021	100.000%	6,688,042	1,111,848,569	0.60%	99.44%
2022	100.000%	(420,563,391)	1,153,918,121	(36.45)%	134.96%

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability (continued)

Alameda County

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	76.785%	\$103,849,869	\$670,675,915	15.48%	85.50%
2018	76.289%	20,962,931	696,359,743	3.01%	97.33%
2019	76.351%	177,817,632	728,698,264	24.40%	77.91%
2020	76.639%	86,553,526	757,563,567	11.43%	89.57%
2021	77.104%	5,156,701	784,654,614	0.66%	99.44%
2022	77.170%	(324,547,291)	816,272,092	(39.76)%	134.96%

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability (continued)

Health System

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	17.920%	\$24,236,173	\$216,685,931	11.18%	85.50%
2018	18.702%	5,139,101	239,207,087	2.15%	97.33%
2019	18.782%	43,743,260	255,247,270	17.14%	77.91%
2020	18.207%	20,561,615	257,591,438	7.98%	89.57%
2021	17.521%	1,171,817	257,126,856	0.46%	99.44%
2022	17.872%	(75,164,948)	270,985,189	(27.74)%	134.96%

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability (continued)

Superior Court

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	3.946%	\$5,336,372	\$46,866,752	11.39%	85.50%
2018	3.763%	1,034,117	46,437,348	2.23%	97.33%
2019	3.630%	8,454,384	48,293,563	17.51%	77.91%
2020	3.861%	4,360,131	52,163,782	8.36%	89.57%
2021	3.993%	267,081	55,376,411	0.48%	99.44%
2022	3.619%	(15,219,826)	52,057,810	(29.24)%	134.96%

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability (continued)

First 5

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	0.371%	\$502,287	\$4,416,769	11.37%	85.50%
2018	0.369%	101,306	4,562,701	2.22%	97.33%
2019	0.379%	883,354	4,952,333	17.84%	77.91%
2020	0.403%	455,283	5,423,220	8.40%	89.57%
2021	0.429%	28,692	5,953,576	0.48%	99.44%
2022	0.445%	(1,871,205)	6,311,029	(29.65)%	134.96%

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability (continued)

Housing Authority

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	0.477%	\$644,757	\$4,354,275	14.81%	85.50%
2018	0.452%	124,068	4,299,288	2.89%	97.33%
2019	0.450%	1,047,799	4,512,036	23.22%	77.91%
2020	0.406%	458,037	4,347,895	10.53%	89.57%
2021	0.427%	28,570	4,675,355	0.61%	99.44%
2022	0.421%	(1,770,326)	4,748,361	(37.28)%	134.96%

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability (continued)

LARPD

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	0.492%	\$665,608	\$4,487,952	14.83%	85.50%
2018	0.425%	116,763	4,312,042	2.71%	97.33%
2019	0.408%	950,150	4,330,385	21.94%	77.91%
2020	0.439%	495,308	4,496,985	11.01%	89.57%
2021	0.481%	32,184	4,061,757	0.79%	99.44%
2022	0.428%	(1,801,299)	3,543,640	(50.83)%	134.96%

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of proportionate share of the Net OPEB Liability (continued)

ACOE

Reporting Date for Employer under GASB 75 as of June 30	Proportion of the Net OPEB Liability	Proportionate share of Net OPEB Liability	Covered employee payroll ¹	Proportionate share of the Net OPEB Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total OPEB Liability
2017	0.009%	\$12,155	\$80,037	15.19%	85.50%
2018	0.000%	0	0	N/A	N/A
2019	0.000%	0	0	N/A	N/A
2020	0.045%	50,374	0	N/A	N/A
2021	0.045%	2,997	0	N/A	N/A
2022	0.045%	(188,496)	0	N/A	N/A

¹ Covered-employee payroll shown represents Compensation Earnable and Pensionable Compensation and is defined as the payroll of employees that are provided with OPEB through the OPEB plan.

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability

Total for All Employers

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$6,688,042	\$112,934,274
OPEB Expense	(111,416,496)	(15,301,333)
Employer contributions	0	0
New net deferred inflows/outflows	(374,586,279)	(117,703,351)
Change in allocation of prior deferred inflows/outflows	0	0
New net deferred inflows/outflows due to change in proportion	0	0
Recognition of prior deferred inflows/outflows	58,751,342	26,758,452
Recognition of prior deferred inflows/outflows due to change in proportion	<u>0</u>	<u>0</u>
Ending Net OPEB Liability	(\$420,563,391)	\$6,688,042

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability (continued)

Alameda County

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$5,156,701	\$86,553,526
OPEB Expense	(85,824,772)	(11,662,383)
Employer contributions	0	0
New net deferred inflows/outflows	(286,066,915)	(90,753,167)
Change in allocation of prior deferred inflows/outflows	(118,821)	(407,779)
New net deferred inflows/outflows due to change in proportion	103,757	787,836
Recognition of prior deferred inflows/outflows	45,338,206	20,631,649
Recognition of prior deferred inflows/outflows due to change in proportion	<u>(135,447)</u>	<u>7,019</u>
Ending Net OPEB Liability	(\$324,547,291)	\$5,156,701

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability (continued)

Health System

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$1,171,817	\$20,561,615
OPEB Expense	(20,004,379)	(2,875,767)
Employer contributions	0	0
New net deferred inflows/outflows	(66,947,714)	(20,622,898)
Change in allocation of prior deferred inflows/outflows	(629,218)	604,276
New net deferred inflows/outflows due to change in proportion	549,439	(1,167,471)
Recognition of prior deferred inflows/outflows	10,500,299	4,688,370
Recognition of prior deferred inflows/outflows due to change in proportion	<u>194,808</u>	<u>(16,308)</u>
Ending Net OPEB Liability	(\$75,164,948)	\$1,171,817

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability (continued)

Superior Court

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$267,081	\$4,360,131
OPEB Expense	(4,102,952)	(571,853)
Employer contributions	0	0
New net deferred inflows/outflows	(13,555,953)	(4,700,373)
Change in allocation of prior deferred inflows/outflows	670,640	(116,900)
New net deferred inflows/outflows due to change in proportion	(585,610)	225,853
Recognition of prior deferred inflows/outflows	2,126,160	1,068,574
Recognition of prior deferred inflows/outflows due to change in proportion	<u>(39,192)</u>	<u>1,649</u>
Ending Net OPEB Liability	(\$15,219,826)	\$267,081

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability (continued)

First 5

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$28,692	\$455,283
OPEB Expense	(474,752)	(49,353)
Employer contributions	0	0
New net deferred inflows/outflows	(1,666,641)	(504,953)
Change in allocation of prior deferred inflows/outflows	(28,516)	(22,795)
New net deferred inflows/outflows due to change in proportion	24,900	44,040
Recognition of prior deferred inflows/outflows	261,401	114,795
Recognition of prior deferred inflows/outflows due to change in proportion	<u>(16,289)</u>	<u>(8,325)</u>
Ending Net OPEB Liability	(\$1,871,205)	\$28,692

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability (continued)

Housing Authority

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$28,570	\$458,037
OPEB Expense	(481,892)	(76,426)
Employer contributions	0	0
New net deferred inflows/outflows	(1,576,790)	(502,806)
Change in allocation of prior deferred inflows/outflows	(11,174)	(19,040)
New net deferred inflows/outflows due to change in proportion	(9,757)	36,785
Recognition of prior deferred inflows/outflows	247,308	114,307
Recognition of prior deferred inflows/outflows due to change in proportion	<u>11,061</u>	<u>17,713</u>
Ending Net OPEB Liability	(\$1,770,326)	\$28,570

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability (continued)

LARPD

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$32,184	\$495,308
OPEB Expense	(488,400)	(69,278)
Employer contributions	0	0
New net deferred inflows/outflows	(1,604,376)	(566,412)
Change in allocation of prior deferred inflows/outflows	94,758	(37,581)
New net deferred inflows/outflows due to change in proportion	(82,744)	72,607
Recognition of prior deferred inflows/outflows	251,636	128,767
Recognition of prior deferred inflows/outflows due to change in proportion	<u>(4,357)</u>	<u>8,773</u>
Ending Net OPEB Liability	(\$1,801,299)	\$32,184

Section 2: GASB 75 Information

Schedule of reconciliation of Net OPEB Liability (continued)

ACOE

Reporting Date for Employer under GASB 75 Measurement Date for Employer under GASB 75 Reconciliation of Net OPEB liability	June 30, 2022 December 31, 2021	June 30, 2021 December 31, 2020
Beginning Net OPEB Liability	\$2,997	\$50,374
OPEB Expense	(39,349)	3,727
Employer contributions	0	0
New net deferred inflows/outflows	(167,890)	(52,742)
Change in allocation of prior deferred inflows/outflows	(17)	(181)
New net deferred inflows/outflows due to change in proportion	15	350
Recognition of prior deferred inflows/outflows	26,332	11,990
Recognition of prior deferred inflows/outflows due to change in proportion	<u>(10,584)</u>	<u>(10,521)</u>
Ending Net OPEB Liability	(\$188,496)	\$2,997

Section 2: GASB 75 Information

Schedule of recognition of change in total Net OPEB Liability

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience on Total OPEB Liability

Reporting Date for Employer Under GASB 75 Year Ended June 30	Differences between Expected and Actual Experience	Recognition Period (Years)	Reporting Date for Employer under GASB 75 Year Ended June 30:							
			2018	2019	2020	2021	2022	2023	2024	2025
2018	(\$21,627,766)	6.68	(\$3,237,690)	(\$3,237,690)	(\$3,237,690)	(\$3,237,690)	(\$3,237,690)	(\$3,237,690)	(\$2,201,626)	\$0
2019	(27,712,610)	6.67	N/A	(4,154,814)	(4,154,814)	(4,154,814)	(4,154,814)	(4,154,814)	(4,154,814)	(2,783,726)
2020	(41,706,128)	6.61	N/A	N/A	(6,309,550)	(6,309,550)	(6,309,550)	(6,309,550)	(6,309,550)	(6,309,550)
2021	(13,871,821)	6.53	N/A	N/A	N/A	(2,124,322)	(2,124,322)	(2,124,322)	(2,124,322)	(2,124,322)
2022	(24,112,098)	6.32	N/A	N/A	N/A	N/A	(3,815,205)	(3,815,205)	(3,815,205)	(3,815,205)
Net increase (decrease) in OPEB expense			(\$3,237,690)	(\$7,392,504)	(\$13,702,054)	(\$15,826,376)	(\$19,641,581)	(\$19,641,581)	(\$18,605,517)	(\$15,032,803)

Reporting Date for Employer Under GASB 75 Year Ended June 30	Differences between Expected and Actual Experience	Recognition Period (Years)	Reporting Date for Employer under GASB 75 Year Ended June 30:							
			2026	2027	2028	2029	2030	2031	2032	2033
2018	(\$21,627,766)	6.68	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019	(27,712,610)	6.67	0	0	0	0	0	0	0	0
2020	(41,706,128)	6.61	(3,848,828)	0	0	0	0	0	0	0
2021	(13,871,821)	6.53	(2,124,322)	(1,125,889)	0	0	0	0	0	0
2022	(24,112,098)	6.32	(3,815,205)	(3,815,205)	(1,220,868)	0	0	0	0	0
Net increase (decrease) in OPEB expense			(\$9,788,355)	(\$4,941,094)	(\$1,220,868)	\$0	\$0	\$0	\$0	\$0

As described in the Schedule of Deferred Outflows of Resources and Deferred Inflows of Resources, for the current period, the average of the expected remaining service lives of all employees that are provided with OPEB through ACERA (active and inactive employees) determined as of December 31, 2020 (the beginning of the measurement period ending December 31, 2021) is 6.32 years.

Section 2: GASB 75 Information

Schedule of recognition of changes in total Net OPEB Liability (continued)

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Assumption Changes

Reporting Date for Employer Under GASB 75 Year Ended June 30	Effects of Assumption Changes	Recognition Period (Years)	Reporting Date for Employer under GASB 75 Year Ended June 30:							
			2018	2019	2020	2021	2022	2023	2024	2025
2018	\$58,973,316	6.68	\$8,828,341	\$8,828,341	\$8,828,341	\$8,828,341	\$8,828,341	\$8,828,341	\$6,003,270	\$0
2019	(11,429,923)	6.67	N/A	(1,713,632)	(1,713,632)	(1,713,632)	(1,713,632)	(1,713,632)	(1,713,632)	(1,148,131)
2020	12,524,469	6.61	N/A	N/A	1,894,776	1,894,776	1,894,776	1,894,776	1,894,776	1,894,776
2021	57,696,237	6.53	N/A	N/A	N/A	8,835,565	8,835,565	8,835,565	8,835,565	8,835,565
2022	(36,047,500)	6.32	N/A	N/A	N/A	N/A	(5,703,718)	(5,703,718)	(5,703,718)	(5,703,718)
Net increase (decrease) in OPEB expense			\$8,828,341	\$7,114,709	\$9,009,485	\$17,845,050	\$12,141,332	\$12,141,332	\$9,316,261	\$3,878,492

Reporting Date for Employer Under GASB 75 Year Ended June 30	Effects of Assumption Changes	Recognition Period (Years)	Reporting Date for Employer under GASB 75 Year Ended June 30:							
			2026	2027	2028	2029	2030	2031	2032	2033
2018	\$58,973,316	6.68	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019	(11,429,923)	6.67	0	\$0	0	0	0	0	0	0
2020	12,524,469	6.61	1,155,813	\$0	0	0	0	0	0	0
2021	57,696,237	6.53	8,835,565	\$4,682,847	0	0	0	0	0	0
2022	(36,047,500)	6.32	(5,703,718)	(5,703,718)	(1,825,192)	0	0	0	0	0
Net increase (decrease) in OPEB expense			\$4,287,660	(\$1,020,871)	(\$1,825,192)	\$0	\$0	\$0	\$0	\$0

As described in the Schedule of Deferred Outflows of Resources and Deferred Inflows of Resources, for the current period, the average of the expected remaining service lives of all employees that are provided with OPEB through ACERA (active and inactive employees) determined as of December 31, 2020 (the beginning of the measurement period ending December 31, 2021) is 6.32 years.

Section 2: GASB 75 Information

Schedule of recognition of changes in total Net OPEB Liability (continued)

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Projected and Actual Earnings on OPEB Plan Investments

Reporting Date for Employer Under GASB 75 Year Ended June 30	Differences between Projected and Actual Earnings	Recognition Period (Years)	Reporting Date for Employer under GASB 75 Year Ended June 30:							
			2018	2019	2020	2021	2022	2023	2024	2025
2018	(\$184,041,417)	5.00	(\$36,808,283)	(\$36,808,283)	(\$36,808,283)	(\$36,808,283)	(\$36,808,285)	\$0	\$0	\$0
2019	209,442,414	5.00	N/A	41,888,483	41,888,483	41,888,483	41,888,483	41,888,482	0	0
2020	(135,730,417)	5.00	N/A	N/A	(27,146,083)	(27,146,083)	(27,146,083)	(27,146,083)	(27,146,085)	0
2021	(193,520,655)	5.00	N/A	N/A	N/A	(38,704,131)	(38,704,131)	(38,704,131)	(38,704,131)	(38,704,131)
2022	(404,932,007)	5.00	N/A	N/A	N/A	N/A	(80,986,403)	(80,986,401)	(80,986,401)	(80,986,401)
Net increase (decrease) in OPEB expense			(\$36,808,283)	\$5,080,200	(\$22,065,883)	(\$60,770,014)	(\$141,756,419)	(\$104,948,133)	(\$146,836,617)	(\$119,690,532)

Reporting Date for Employer Under GASB 75 Year Ended June 30	Difference between Projected and Actual Earnings	Recognition Period (Years)	Reporting Date for Employer under GASB 75 Year Ended June 30:							
			2026	2027	2028	2029	2030	2031	2032	2033
2018	(\$184,041,417)	5.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019	209,442,414	5.00	0	0	0	0	0	0	0	0
2020	(135,730,417)	5.00	0	0	0	0	0	0	0	0
2021	(193,520,655)	5.00	0	0	0	0	0	0	0	0
2022	(404,932,007)	5.00	(80,986,401)	0	0	0	0	0	0	0
Net increase (decrease) in OPEB expense			(\$80,986,401)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The differences between projected and actual earnings on OPEB plan investments are recognized over a five-year period per Paragraph 43b. of GASB 75.

Section 2: GASB 75 Information

Schedule of recognition of changes in total Net OPEB Liability (continued)

Total Increase (Decrease) in OPEB Expense

Reporting Date for Employer Under GASB 75 Year Ended June 30	Total Differences and Changes	Reporting Date for Employer under GASB 75 Year Ended June 30:							
		2018	2019	2020	2021	2022	2023	2024	2025
2018	(\$146,695,867)	(\$31,217,632)	(\$31,217,632)	(\$31,217,632)	(\$31,217,632)	(\$31,217,634)	\$5,590,651	\$3,801,644	\$0
2019	170,299,881	N/A	36,020,037	36,020,037	36,020,037	36,020,037	36,020,036	(5,868,446)	(3,931,857)
2020	(164,912,076)	N/A	N/A	(31,560,857)	(31,560,857)	(31,560,857)	(31,560,857)	(31,560,859)	(4,414,774)
2021	(149,696,239)	N/A	N/A	N/A	(31,992,888)	(31,992,888)	(31,992,888)	(31,992,888)	(31,992,888)
2022	(465,091,605)	N/A	N/A	N/A	N/A	(90,505,326)	(90,505,324)	(90,505,324)	(90,505,324)
Net increase (decrease) in OPEB expense		(\$31,217,632)	\$4,802,405	(\$26,758,452)	(\$58,751,340)	(\$149,256,668)	(\$112,448,382)	(\$156,125,873)	(\$130,844,843)

Reporting Date for Employer Under GASB 75 Year Ended June 30	Total Differences and Changes	Reporting Date for Employer under GASB 75 Year Ended June 30:							
		2026	2027	2028	2029	2030	2031	2032	2033
2018	(\$146,695,867)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019	170,299,881	0	0	0	0	0	0	0	0
2020	(164,912,076)	(2,693,015)	0	0	0	0	0	0	0
2021	(149,696,239)	6,711,243	3,556,958	0	0	0	0	0	0
2022	(465,091,605)	(90,505,324)	(9,518,923)	(3,046,060)	0	0	0	0	0
Net increase (decrease) in OPEB expense		(\$86,487,096)	(\$5,961,965)	(\$3,046,060)	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 75 Information

Allocation of changes in total Net OPEB Liability

In addition to the amounts shown in the Schedule of Recognition of Changes in Total Net OPEB Liability, there are changes in each employer's proportionate share of the total Net OPEB Liability (NOL) during the measurement period ending on December 31, 2021. The net effect of the change on the employer's proportionate share of the collective NOL and collective deferred outflows of resources and deferred inflows of resources is also recognized over the average of the expected remaining service lives of all employees shown previously. These amounts are shown in the following table, with the corresponding amounts for the measurement periods ending on December 31 beginning in 2017 shown on the following pages. While these amounts are different for each employer, they sum to zero for ACERA.

Section 2: GASB 75 Information

Allocation of changes of total Net OPEB Liability (continued)

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of the Change in Proportion and Change in Employer Contributions for the Year Ended December 31, 2021

	Total Change to be Recognized	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	Thereafter
Alameda County	\$123,259	6.32	\$19,502	\$19,502	\$19,502	\$19,502	\$19,502	\$19,502	\$6,247	\$0
Health System	652,717	6.32	103,278	103,278	103,278	103,278	103,278	103,278	33,049	0
Superior Court	(695,687)	6.32	(110,077)	(110,077)	(110,077)	(110,077)	(110,077)	(110,077)	(35,225)	0
First 5	29,581	6.32	4,681	4,681	4,681	4,681	4,681	4,681	1,495	0
Housing Authority	(11,591)	6.32	(1,834)	(1,834)	(1,834)	(1,834)	(1,834)	(1,834)	(587)	0
LARPD	(98,297)	6.32	(15,553)	(15,553)	(15,553)	(15,553)	(15,553)	(15,553)	(4,979)	0
ACOE	<u>18</u>	6.32	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>	<u>0</u>
Total for all Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 75 Information

Allocation of changes of total Net OPEB Liability (continued)

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of the Change in Proportion and Change in Employer Contributions for the Year Ended December 31, 2020

	Total Change to be Recognized	Recognition Period (Years)	2021	2022	2023	2024	2025	2026	2027	Thereafter
Alameda County	\$930,302	6.53	\$142,466	\$142,466	\$142,466	\$142,466	\$142,466	\$142,466	\$75,506	\$0
Health System	(1,378,587)	6.53	(211,116)	(211,116)	(211,116)	(211,116)	(211,116)	(211,116)	(111,891)	0
Superior Court	266,694	6.53	40,841	40,841	40,841	40,841	40,841	40,841	21,648	0
First 5	52,004	6.53	7,964	7,964	7,964	7,964	7,964	7,964	4,220	0
Housing Authority	43,437	6.53	6,652	6,652	6,652	6,652	6,652	6,652	3,525	0
LARPD	85,737	6.53	13,130	13,130	13,130	13,130	13,130	13,130	6,957	0
ACOE	413	6.53	63	63	63	63	63	63	35	0
Total for all Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 75 Information

Allocation of changes of total Net OPEB Liability (continued)

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of the Change in Proportion and Change in Employer Contributions for the Year Ended December 31, 2019

	Total Change to be Recognized	Recognition Period (Years)	2020	2021	2022	2023	2024	2025	2026	Thereafter
Alameda County	\$530,616	6.61	\$80,275	\$80,275	\$80,275	\$80,275	\$80,275	\$80,275	\$48,966	\$0
Health System	(1,052,567)	6.61	(159,239)	(159,239)	(159,239)	(159,239)	(159,239)	(159,239)	(97,133)	0
Superior Court	421,837	6.61	63,818	63,818	63,818	63,818	63,818	63,818	38,929	0
First 5	43,615	6.61	6,598	6,598	6,598	6,598	6,598	6,598	4,027	0
Housing Authority	(81,051)	6.61	(12,262)	(12,262)	(12,262)	(12,262)	(12,262)	(12,262)	(7,479)	0
LARPD	55,977	6.61	8,469	8,469	8,469	8,469	8,469	8,469	5,163	0
ACOE	81,573	6.61	<u>12,341</u>	<u>12,341</u>	<u>12,341</u>	<u>12,341</u>	<u>12,341</u>	<u>12,341</u>	<u>7,527</u>	<u>0</u>
Total for all Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 75 Information

Allocation of changes of total Net OPEB Liability (continued)

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of the Change in Proportion and Change in Employer Contributions for the Year Ended December 31, 2018

	Total Change to be Recognized	Recognition Period (Years)	2019	2020	2021	2022	2023	2024	2025	Thereafter
Alameda County	\$87,763	6.67	\$13,157	\$13,157	\$13,157	\$13,157	\$13,157	\$13,157	\$8,821	\$0
Health System	114,168	6.67	17,117	17,117	17,117	17,117	17,117	17,117	11,466	0
Superior Court	(190,555)	6.67	(28,569)	(28,569)	(28,569)	(28,569)	(28,569)	(28,569)	(19,141)	0
First 5	15,172	6.67	2,275	2,275	2,275	2,275	2,275	2,275	1,522	0
Housing Authority	(2,306)	6.67	(346)	(346)	(346)	(346)	(346)	(346)	(230)	0
LARPD	(24,242)	6.67	(3,634)	(3,634)	(3,634)	(3,634)	(3,634)	(3,634)	(2,438)	0
ACOE	0	6.67	0	0	0	0	0	0	0	0
Total for all Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 75 Information

Allocation of changes of total Net OPEB Liability (continued)

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of the Change in Proportion and Change in Employer Contributions for the Year Ended December 31, 2017

	Total Change to be Recognized	Recognition Period (Years)	2018	2019	2020	2021	2022	2023	2024	Thereafter
Alameda County	(\$671,011)	6.68	(\$100,451)	(\$100,451)	(\$100,451)	(\$100,451)	(\$100,451)	(\$100,451)	(\$68,305)	\$0
Health System	1,058,312	6.68	158,430	158,430	158,430	158,430	158,430	158,430	107,732	0
Superior Court	(246,481)	6.68	(36,898)	(36,898)	(36,898)	(36,898)	(36,898)	(36,898)	(25,093)	0
First 5	(3,662)	6.68	(548)	(548)	(548)	(548)	(548)	(548)	(374)	0
Housing Authority	(34,099)	6.68	(5,105)	(5,105)	(5,105)	(5,105)	(5,105)	(5,105)	(3,469)	0
LARPD	(90,904)	6.68	(13,608)	(13,608)	(13,608)	(13,608)	(13,608)	(13,608)	(9,256)	0
ACOE	(12,155)	6.68	(1,820)	(1,820)	(1,820)	(1,820)	(1,820)	(1,820)	(1,235)	0
Total for all Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 3: Actuarial Assumptions and Methods and Appendices

Actuarial assumptions and methods

For December 31, 2021 Measurement Date and Employer Reporting as of June 30, 2022

Demographic Assumptions

Rationale for Assumptions:

The information and analysis used in selecting each assumption that has a significant effect on this actuarial valuation is shown in the December 1, 2016 through November 30, 2019 Actuarial Experience Study report dated September 9, 2020 and in our letter dated May 13, 2022 regarding the health trend assumptions for the December 31, 2021 SRBR retiree health actuarial valuation, and in our letter dated April 15, 2021 regarding recommended parameters to reflect the demographic driven changes for the December 31, 2020 SRBR retiree health actuarial valuation. Unless otherwise noted, all actuarial assumptions and methods shown below apply to all tiers. These assumptions were adopted by the Board.

Post-Retirement Mortality Rates – Healthy:

Healthy

- **General Members:** Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Tables (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.
- **Safety Members:** Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Tables (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.

Disabled

- **General Members:** Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Tables (separate tables for males and females) with rates decreased by 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2019.
- **Safety Members:** Pub-2010 Safety Disabled Retiree Headcount-Weighted Mortality Tables (separate tables for males and females) with rates increased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019.

Beneficiaries

- **All Beneficiaries:** Pub-2010 General Contingent Survivor Headcount-Weighted Above-Median Mortality Tables (separate tables for males and females) with rates increased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019.

The Pub-2010 mortality tables and adjustments as shown above reasonably reflect the mortality experience as of the measurement date. These mortality tables were adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

Section 3: Actuarial Assumptions and Methods and Appendices

Pre-Retirement Mortality Rates:

- **General Members:** Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Tables (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.
- **Safety Members:** Pub-2010 Safety Employee Headcount-Weighted Above-Median Mortality Tables (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.

Age	Rate (%)			
	General ¹		Safety ¹	
	Male	Female	Male	Female
20	0.04	0.01	0.04	0.02
25	0.03	0.01	0.03	0.02
30	0.04	0.02	0.04	0.02
35	0.05	0.02	0.04	0.03
40	0.06	0.04	0.05	0.04
45	0.09	0.05	0.07	0.06
50	0.14	0.08	0.11	0.08
55	0.20	0.12	0.15	0.11
60	0.29	0.18	0.24	0.16
65	0.42	0.28	0.38	0.22

All pre-retirement deaths are assumed to be non-service connected.

¹ Generational projections beyond the base year (2010) are not reflected in the above mortality rates.

Disability Incidence:

Age	Rate (%)	
	General	Safety
20	0.00	0.00
25	0.01	0.03
30	0.03	0.26
35	0.07	0.64
40	0.09	1.22
45	0.16	1.50
50	0.26	2.10
55	0.33	2.65
60	0.38	3.80

65% of General disabilities are assumed to be service connected disabilities. The other 35% are assumed to be non-service connected disabilities.

100% of Safety disabilities are assumed to be service connected disabilities.

Section 3: Actuarial Assumptions and Methods and Appendices

Termination:

Years of Service	Rate (%)	
	General	Safety
0-1	12.00	4.00
1-2	9.00	4.00
2-3	8.00	4.00
3-4	6.00	3.50
4-5	6.00	3.00
5-6	6.00	2.00
6-7	5.25	1.80
7-8	4.25	1.70
8-9	3.75	1.60
9-16	3.50	1.50
16-17	3.40	1.40
17-18	3.30	1.30
18-19	3.20	1.20
19-20	3.10	1.10
20 or more	3.00	1.00

For members with less than five years of service, 55% of all terminated members are assumed to choose a refund of contributions and the other 45% are assumed to choose a deferred vested benefit. For members with five or more years of service, 30% of all terminated members are assumed to choose a refund of contributions and the other 70% are assumed to choose a deferred vested benefit.

No termination is assumed after a member is eligible for retirement.

Section 3: Actuarial Assumptions and Methods and Appendices

Retirement Rates:

Age	Rate (%) ¹									
	General					Safety				
	Tier 1	Tier 2 ²		Tier 3	Tier 4	Tier 1 ³	Tier 2, 2D ²		Tier 2C ³	Tier 4
< 30		30+	< 30				30+			
49	0.0	0.0	0.0	0.0	0.0	0.0	12.0	18.0	0.0	0.0
50	2.0	2.0	4.0	10.0	0.0	35.0	12.0	18.0	4.0	4.0
51	4.0	2.0	4.0	10.0	0.0	30.0	10.0	24.0	2.0	2.0
52	4.0	2.0	4.0	10.0	4.0	25.0	10.0	24.0	2.0	2.0
53	5.0	2.0	4.0	10.0	2.0	35.0	10.0	25.0	3.0	3.0
54	5.0	2.0	4.0	10.0	2.0	45.0	12.0	27.0	6.0	6.0
55	6.0	2.0	4.0	12.0	5.0	45.0	12.0	29.0	10.0	10.0
56	10.0	2.5	4.5	14.0	2.5	45.0	14.0	32.0	12.0	12.0
57	12.0	4.0	5.0	16.0	3.5	45.0	16.0	32.0	20.0	20.0
58	12.0	4.0	5.0	18.0	3.5	45.0	18.0	30.0	10.0	10.0
59	14.0	4.5	8.0	20.0	4.5	45.0	18.0	30.0	15.0	15.0
60	20.0	8.0	8.5	20.0	5.0	45.0	25.0	30.0	60.0	60.0
61	20.0	9.0	13.5	20.0	5.0	45.0	25.0	30.0	60.0	60.0
62	35.0	15.0	22.5	30.0	18.0	45.0	25.0	30.0	60.0	60.0
63	30.0	15.0	22.5	25.0	15.0	45.0	25.0	30.0	60.0	60.0
64	30.0	18.0	27.0	25.0	17.0	45.0	30.0	30.0	60.0	60.0
65	30.0	25.0	27.5	50.0	25.0	100.0	100.0	100.0	100.0	100.0
66	30.0	30.0	33.0	50.0	30.0	100.0	100.0	100.0	100.0	100.0
67	30.0	30.0	33.0	50.0	30.0	100.0	100.0	100.0	100.0	100.0
68	30.0	30.0	33.0	50.0	30.0	100.0	100.0	100.0	100.0	100.0
69	35.0	35.0	38.5	50.0	35.0	100.0	100.0	100.0	100.0	100.0
70	40.0	40.0	40.0	65.0	25.0	100.0	100.0	100.0	100.0	100.0
71	40.0	40.0	40.0	65.0	25.0	100.0	100.0	100.0	100.0	100.0
72	40.0	40.0	40.0	65.0	25.0	100.0	100.0	100.0	100.0	100.0
73	40.0	40.0	40.0	65.0	25.0	100.0	100.0	100.0	100.0	100.0
74	40.0	40.0	40.0	65.0	25.0	100.0	100.0	100.0	100.0	100.0
75 & Over	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

¹ The retirement rates only apply to members that are eligible to retire at the age shown.

² Different retirement rates are assumed for General Tier 2 and Safety Tier 2 & 2D members who have accrued less than 30 years of service and those who have accrued at least 30 years of service.

³ Retirement rate is 100% after a member accrues a benefit of 100% of final average earnings.

Section 3: Actuarial Assumptions and Methods and Appendices

Retirement Age and Benefit for Deferred Vested Members:	<p>General Retirement Age: 61 Safety Retirement Age: 55</p> <p>Future deferred vested members who terminate with less than five years of service and are not vested are assumed to retire at age 70 for both General and Safety if they decide to leave their contributions on deposit. 25% of future General and 50% of future Safety deferred vested members are assumed to continue to work for a reciprocal employer. For reciprocals, 3.65% and 4.05% compensation increases are assumed per annum for General and Safety, respectively.</p>
Future Benefit Accruals:	1.0 year of service per year of employment, plus 0.003 years of additional service for General members and 0.007 years of additional service for Safety members, to anticipate conversion of unused sick leave for each year of employment.
Unknown Data for Members:	Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male.
Inclusion of Deferred Vested Members:	All deferred vested members are included in the valuation.
Data Adjustments:	Data as of November 30 has been adjusted to December 31 by adding one month of age and, for active members, one month of service.
<u>Economic Assumptions</u>	
Net Investment Return:	7.00%
Consumer Price Index:	Increase of 2.75% per year.
Increase in Internal Revenue Code Section 401(a)(17) Compensation Limit:	Increase of 2.75% per year from the valuation date.
Increase in Section 7522.10 Compensation Limit:	Increase of 2.75% per year from the valuation date.

Section 3: Actuarial Assumptions and Methods and Appendices

Salary Increases:

The annual rate of compensation increase includes:

- Inflation at 2.75%, plus
- “Across the board” salary increases of 0.50% per year, plus
- The following merit and promotion increases:

Years of Service	Rate (%)	
	General	Safety
0-1	5.10	8.00
1-2	5.10	8.00
2-3	4.50	8.00
3-4	2.90	4.90
4-5	2.10	3.70
5-6	1.60	2.10
6-7	1.50	1.30
7-8	1.50	1.20
8-9	1.00	0.90
9-10	0.90	0.90
10-11	0.70	0.80
11 & Over	0.40	0.80

Additional Cashout Assumptions:

Additional pay elements are expected to be received during a member’s final average earnings period. The percentages, added to the final year salary, used in this valuation are:

	Service Retirement	Disability Retirement
General Tier 1	7.5%	6.5%
General Tier 2	3.0%	1.4%
General Tier 3	7.5%	6.5%
General Tier 4	N/A	N/A
Safety Tier 1	7.5%	6.4%
Safety Tier 2	2.5%	1.9%
Safety Tier 2C	2.5%	1.9%
Safety Tier 2D	2.5%	1.9%
Safety Tier 4	N/A	N/A

Section 3: Actuarial Assumptions and Methods and Appendices

Retiree Health Assumptions

Per Capita Health Costs:

The combined monthly per capita dental and vision claims cost for plan year 2021 was assumed to be \$48.12. The monthly Medicare Part B premium reimbursement for 2021 is \$148.50. For calendar year 2021, medical costs for a retiree were assumed to be as follows:

Medical Plan ⁽¹⁾	Election Assumption	Monthly Premium	Maximum Monthly Medical Allowance ⁽²⁾
Under Age 65⁽³⁾			
Kaiser HMO	80%	\$810.72	\$578.65
United Healthcare HMO Current Network	10%	\$1,150.60	\$578.65
Via Benefits Individual Insurance Exchange ⁽⁴⁾	10%	N/A ⁽⁴⁾	\$578.65
United Healthcare HMO SVA Network	0%	\$759.16	\$578.65
Age 65 and Older			
Kaiser Senior Advantage	75%	\$382.21	\$578.65
Via Benefits Individual Insurance Exchange	25%	\$309.27 ⁽⁵⁾	\$443.28

(1) There are other plans available to retirees under age 65, and age 65 and older, that have a range of premiums. We have assumed the same costs as Kaiser HMO and Kaiser Senior Advantage for current non-Medicare and Medicare retirees, respectively.

(2) The Maximum Monthly Medical Allowance of \$578.65 (\$443.28 for retirees purchasing individual insurance from the Medicare exchange) is subject to the following subsidy schedule:

Completed Years of Service	Percentage Subsidized
10-14	50%
15-19	75%
20+	100%

(3) Current retirees under age 65 are assumed to elect medical plans in the same proportion as future retirees upon age 65.

(4) Via Benefits individual insurance coverage is available to retirees under age 65 residing outside of ACERA medical plans' coverage area. We have assumed that these current retirees under age 65 will draw the Maximum Monthly Subsidy (\$578.65).

(5) The derivation of amount expected to be paid in 2021 from the Health Reimbursement Account for members with 20 plus years of service is shown in the table on the following page. We have also derived the amount expected to be paid for members with 10-14 and 15-19 years of service.

Section 3: Actuarial Assumptions and Methods and Appendices

Per Capita Health Costs (continued):

(Years of Service Category)	Derivation of Via Benefits Monthly Per Capita Costs		
	10-14	15-19	20+
1. Maximum MMA for 2020	\$221.64	\$332.46	\$443.28
2. Total of Maximum MMA (From Jan. 2020 to Dec. 2020)	\$506,447	\$805,741	\$5,138,819
3. Total of Actual Reimbursement (From Jan. 2020 to Dec. 2020)	\$377,103	\$577,016	\$3,093,872
4. Ratio of Actual Reimbursement to Maximum 2020 MMA [(3) / (2)]	74.46%	71.61%	60.21%
5. Average Monthly Per Capita Cost for 2020 [(1) x (4)]	\$165.03	\$238.07	\$266.90
6. Maximum MMA for 2021	\$221.64	\$332.46	\$443.28
7. Increase in Average Monthly Per Capita Cost due to the Change in Maximum MMA from 2020 to 2021 [(6) / (1)] x (5)	\$165.03	\$238.07	\$266.90
8. Increase for Expected Medical Trend (5.35% ⁽¹⁾) from 2020 to 2021 [(7) x 1.0535]	\$173.86	\$250.81	\$281.18
9. Increase for Additional 10% Margin for 2020 Expenses Incurred in 2020 but Reimbursed after December 2020 [(8) x 1.10]	\$191.25	\$275.89	\$309.30

⁽¹⁾ 6.25% medical trend for Medicare Plans (lowest medical trend) minus 0.90% to reflect the repeal of the Health Insurance Tax (HIT).

Section 3: Actuarial Assumptions and Methods and Appendices

Per Capita Health Costs (continued):

Implicit Subsidy

We have estimated the average per capita premium for retirees under age 65 to be \$9,828 per year. Because premiums for retirees under age 65 include active participants for purposes of underwriting, the retirees receive an implicit subsidy from the actives. Had the retirees under age 65 been underwritten as a separate group, their age-based premiums would be higher for most individuals. The excess of the age-based premium over the per capita premium charged makes up the subsidy. Below is a sample of the age-based costs for the retirees under age 65.

Age	Average Medical ⁽¹⁾			
	Retiree		Spouse	
	Male	Female	Male	Female
50	\$10,981	\$12,508	\$7,670	\$10,043
55	13,042	13,465	10,264	11,625
60	15,488	14,513	13,741	13,483
64	17,769	15,396	17,346	15,175

⁽¹⁾ Not all ACERA employers are receiving an implicit subsidy reimbursement from the Association. For SRBR sufficiency purposes, we have applied an adjustment of 0.81 (19% reduction of the costs shown above) for our projected implicit subsidy payments to account for this fact, based on data provided by the County of Alameda's health consultant. For calculating the Actuarial Present Value of Projected Benefits and Total OPEB Liability, we have not applied the adjustment.

Adjustment of Capita Medical Costs for Age and Gender for Retirees Age 65 and Over

The following factors were applied to age 65 and over per capita costs on page 75 for 2021:

Age	Retiree		Spouse	
	Male	Female	Male	Female
65	0.9478	0.8056	N/A ⁽²⁾	N/A ⁽²⁾
70	1.0985	0.8682	N/A ⁽²⁾	N/A ⁽²⁾
75	1.1838	0.9345	N/A ⁽²⁾	N/A ⁽²⁾
80+	1.2748	1.0075	N/A ⁽²⁾	N/A ⁽²⁾

⁽²⁾ We do not value any implicit subsidy for spouses over age 65.

Section 3: Actuarial Assumptions and Methods and Appendices

Participation and Coverage Election – Retired Members & Beneficiaries:				
<i>MMA</i>	MMA on Record			
	Under Age 65	Upon Attaining Age 65		
	Current Retirees Under 65 on Valuation Date	100%	100% and assumed to choose carrier in same proportion as future retirees	
	Current Retirees 65 & Over on Valuation Date	N/A	100%	
	No MMA on Record			
	Under Age 65	Upon Attaining Age 65		
	Less than 10 Years of Service	0%	0%	
	10+ Years of Service			
	Current Retirees Under 65 on Valuation Date	0%	50%	
	Current Retirees 65 & Over on Valuation Date	N/A	0%	
<i>Medicare Part B Premium Subsidy</i>	MMA on Record			
	Under Age 65	Upon Attaining Age 65		
	Current Retirees Under 65 on Valuation Date	N/A	100%	
	Current Retirees 65 & Over on Valuation Date	N/A	100% if Part B reimbursement on record or purchasing individual insurance from the Medicare exchange	
	No MMA on Record			
	Under Age 65	Upon Attaining Age 65		
	Less than 10 Years of Service	N/A	0%	
	10+ Years of Service			
	Current Retirees Under 65 on Valuation Date	N/A	50%	
	Current Retirees 65 & Over on Valuation Date	N/A	0%	

Section 3: Actuarial Assumptions and Methods and Appendices

<i>Implicit Subsidy</i>	Current retirees, married dependents and surviving beneficiaries under age 65 and enrolled in an ACERA non-Medicare plan are assumed to have an implicit subsidy liability.	
<i>Dental and Vision Subsidy</i>	Current retirees not self-paying ("Voluntary" or "Under 10 YOS" dental or vision code).	
Participation and Coverage Election – Active & Inactive Vested Members:		
<i>Medical Plan Subsidy (i.e., MMA)</i>	Under Age 65	Upon Attaining Age 65
	80% of eligible members	90% of eligible members
<i>Part B Subsidy</i>	Under Age 65	Upon Attaining Age 65
	80% of eligible members (disabled only)	90% of eligible members
<i>Implicit Subsidy</i>	80% of eligible members under age 65 are assumed to have an implicit subsidy liability.	
<i>Dental and Vision Subsidy</i>	100% of eligible members.	

Section 3: Actuarial Assumptions and Methods and Appendices

Health Care Cost Trend Rates:

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The rates shown below are “net” and are applied to the net per capita costs shown above. The trend shown for a particular plan year is the rate that is to be applied to the premium for the shown calendar year to calculate the next calendar year’s projected premium. For example, the projected 2022 calendar year premium for Kaiser (under age 65) is \$843.16 per month (\$810.72 increased by 4.00%).

Calendar Year	United Healthcare					Medicare Part B
	HMO & Kaiser HMO Early Retiree ⁽²⁾	Kaiser Senior Advantage ⁽³⁾	Via Benefits ⁽³⁾	Dental ⁽⁴⁾	Vision ⁽⁵⁾	
2021	(1)	(1)	(1)	(1)	(1)	(1)
2022	7.50	6.50	6.50	0.00	0.00	4.50
2023	7.25	6.25	6.25	4.00	0.00	4.50
2024	7.00	6.00	6.00	4.00	0.00	4.50
2025	6.75	5.75	5.75	4.00	4.00	4.50
2026	6.50	5.50	5.50	4.00	4.00	4.50
2027	6.25	5.25	5.25	4.00	4.00	4.50
2028	6.00	5.00	5.00	4.00	4.00	4.50
2029	5.75	4.75	4.75	4.00	4.00	4.50
2030	5.50	4.50	4.50	4.00	4.00	4.50
2031	5.25	4.50	4.50	4.00	4.00	4.50
2032	5.00	4.50	4.50	4.00	4.00	4.50
2033	4.75	4.50	4.50	4.00	4.00	4.50
2034 & Later	4.50	4.50	4.50	4.00	4.00	4.50

(1) For calendar year 2021, assumed trends were replaced with actual trends as shown below based on actual premium renewals for 2022, as reported by ACERA. These trends were used in preparing our December 31, 2020 SRBR valuation report dated September 20, 2021.

Kaiser HMO Early Retiree	United Healthcare HMO Early Retiree	Kaiser Senior Advantage	Via Benefits (assumed trend)	Dental and Vision	Medicare Part B
4.00%	2.93%	(9.42)%	6.25%	0.00%	14.55%

The actual calendar year 2021 trend of 14.55% above for Medicare Part B reflects the standard 2022 calendar year premium of \$170.10 per month, and is based on an analysis performed by Segal’s health consultants as outlined in their memo dated November 19, 2021.

(2) Non-Medicare plans.

(3) Medicare plans.

(4) First two years reflects three-year rate guarantee, premiums fixed at 2021 level.

(5) First four years reflect five-year rate guarantee, premiums fixed at 2021 level.

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Assumed Increase in Annual Maximum Benefits:	<p>For the “substantive plan design” shown in this report, we have assumed:</p> <ol style="list-style-type: none"> 1. Maximum medical allowance for 2022 will increase to \$596.73 per month, then increase with 50% of trend for medical plans, or 3.25%, graded down to the ultimate rate of 2.25% over 8 years. 2. Dental and vision premium reimbursement will increase with full trend. 3. Medicare B premium reimbursement will increase with full trend.
Dependents:	<p>Demographic data was available for spouses of current retirees. For future retirees, male members were assumed to be three years older than their wives, and female members were assumed to be two years younger than their husbands. Of the future retirees who elect to continue their medical coverage at retirement, 40% males and 20% females were assumed to have an eligible spouse who also opts for health coverage at that time. These assumptions are based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment.</p> <p>Please note that these assumptions are only used to determine the cost of the implicit subsidy.</p>
Administrative Expenses:	<p>An administrative expense load was not added to projected incurred claim costs in developing per capita health costs.</p>
Missing Participant Data:	<p>Any missing census items for a given participant was set to equal to the average value of that item over all other participants of the same membership status for whom the item is known.</p>
<u>Actuarial Funding Policy</u>	
Actuarial Cost Method:	<p>Entry Age Actuarial Cost Method. Entry Age is the age on the valuation date minus years of service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are based on costs allocated as a level percentage of compensation.</p>
Expected Remaining Service Lives:	<p>The average of the expected service lives of all employees is determined by:</p> <ul style="list-style-type: none"> • Calculating each active employee’s expected remaining service life as the present value of \$1 per year of future service at zero percent interest. • Setting the remaining service life to zero for each nonactive or retired member. <p>Dividing the sum of the above amounts by the total number of active employee, nonactive and retired members.</p>

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Appendix A: Projection of OPEB Plan's Fiduciary Net Position (\$ in millions) for use in the Calculation of Discount Rate as of December 31, 2021

Year Beginning January 1,	Projected Beginning OPEB Plan's Fiduciary Net Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected ending OPEB Plan's Fiduciary Net Positions (f) = (a)+(b)-(c)-(d)+(e)
2021	\$1,185	\$0	\$46	\$2	\$486	\$1,624
2022	1,624	0	56	2	112	1,677
2023	1,677	0	60	2	115	1,731
2024	1,731	0	64	2	119	1,784
2025	1,784	0	68	2	122	1,835
2047	2,620	0	148	3	178	2,646
2048	2,646	0	150	3	180	2,673
2049	2,673	0	151	3	182	2,700
2050	2,700	0	151	4	184	2,729
2051	2,729	0	152	4	186	2,760
2052	2,760	0	152	4	188	2,792
2053	2,792	0	151	4	190	2,827
2054	2,827	0	150	4	193	2,866
2055	2,866	0	149	4	195	2,908
2056	2,908	0	147	4	198	2,956
2057	2,956	0	145	4	202	3,009
2058	3,009	0	142	4	206	3,069
2059	3,069	0	139	4	210	3,136
2060	3,136	0	137	4	215	3,210
2061	3,210	0	133	4	220	3,292
2062	3,292	0	130	4	226	3,383
2063	3,383	0	127	4	232	3,484
2064	3,484	0	124	5	239	3,595
2065	3,595	0	120	5	247	3,718
2066	3,718	0	116	5	256	3,853
2067	3,853	0	113	5	266	4,001
2068	4,001	0	109	5	276	4,163
2069	4,163	0	105	5	288	4,340
2135	267,849	0	0	348	18,737	286,239
2136	286,239	0	0	371	20,024	305,891
2136	Discounted \$128					

* Less than \$1 million, when rounded

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Notes

1. Amounts may not total exactly due to rounding.
2. Amounts shown in the year beginning January 1, 2021 row are actual amounts, based on the financial statements provided by ACERA.
3. Years 2026 - 2046 and 2070-2134 have been omitted from this table.
4. Column (a): Except for the "discounted value" shown for 2136, all of the projected beginning Plan's Fiduciary Net Position amounts shown have not been adjusted for the time value of money.
5. Column (b): \$0. Benefits are funded by employer contributions to the 401(h) account and similar amounts are transferred from the SRBR to the Employers Advance Reserve to backfill the employer contributions that would have otherwise been made to the Retirement Plan.
6. Column (c): Projected benefit payments have been determined in accordance with paragraph 43-47 of GASB Statement No. 74, and are based on the closed group of active, inactive vested, retired members, and beneficiaries as of November 30, 2020. The projected benefit payments reflect future health care trends. The projected benefit payments include the OPEB SRBR benefits to the extent the current OPEB SRBR (including the portion of deferred investment gain as of December 31, 2021 that is expected to be allocated to the SRBR) supports those benefits*. Benefit payments are assumed to occur halfway through the year, on average. In accordance with paragraph 35 b.(2)(e) of GASB Statement No. 74, the long-term expected rate of return on Plan investments of 7.00% per annum was applied to all periods of projected benefit payments to determine the discount rate.
7. Column (d): Projected administrative expenses are calculated as approximately 0.13% of the beginning OPEB SRBR Plan's Fiduciary Net Position amount. The 0.13% portion was based on the actual fiscal year 2021 administrative expenses as a percentage of the beginning OPEB SRBR Plan's Fiduciary Net Position amount as of January 1, 2021. Administrative expenses are assumed to occur halfway through the year, on average.
8. Column (e): Projected investment earnings are based on the assumed investment rate of return of 7.00% per annum.
9. As illustrated in this Exhibit, the OPEB SRBR Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current Plan members. In other words, there is no projected "cross-over date" when projected benefits are not covered by projected assets. Therefore, the long-term expected rate of return on Plan investments of 7.00% per annum was applied to all periods of projected benefit payments to determine the total OPEB liability as of December 31, 2021 shown earlier in this report, pursuant to paragraph 48 of GASB Statement No. 74.

* See discussion on page 2-3 regarding source of funding for payment of OPEB SRBR benefits not covered by current OPEB Plan's Fiduciary Net Position in the SRBR.

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Appendix B: Definition of Terms

Definitions of certain terms as they are used in Statement 75. The terms may have different meanings in other contexts.

Actuarially Determined Contribution:	A target or recommended contribution to an OPEB plan for the reporting period based on the most recent measurement available.
Assumptions or Actuarial Assumptions:	The estimates on which the cost of the Plan is calculated including: <ol style="list-style-type: none">Investment return — the rate of investment yield that the Plan will earn over the long-term future;Mortality rates — the death rates of employees and pensioners; life expectancy is based on these rates;Retirement rates — the rate or probability of retirement at a given age;Turnover rates — the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement.
Covered Employee Payroll:	The payroll of the employees that are provided OPEB benefits
Discount Rate:	The single rate of return, that when applied to all projected benefit payments results in an actuarial present value that is the sum of the following: <ol style="list-style-type: none">the actuarial present value of projected benefit payments projected to be funded by plan assets using a long term rate of return, andthe actuarial present value of projected benefit payments that are not included in (1) using a yield or index rate for 20 year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher
Entry Age Actuarial Cost Method:	An actuarial cost method where the present value of the projected benefits for an individual is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age
Healthcare Cost Trend Rates:	The rate of change in per capita health costs over time
Net OPEB Liability:	The Total OPEB Liability less the Plan Fiduciary Net Position
Plan Fiduciary Net Position:	Market Value of Assets
Real Rate of Return:	The rate of return on an investment after removing inflation
Service Cost:	The amount of contributions required to fund the benefit allocated to the current year of service.

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Total OPEB Liability:	Present value of all future benefit payments for current retirees and active employees taking into account assumptions about demographics, turnover, mortality, disability, retirement, health care trends, and other actuarial assumptions.
Valuation Date:	The date at which the actuarial valuation is performed

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