MILLIMAN VALUATION REPORT

Town of Granby
Other Post-Employment Benefits Program

Actuarial Valuation as of July 1, 2025
To Determine Funding for Fiscal Year 2026-27

Prepared by

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Milliman

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Certification

As part of our engagement with the Town of Granby ("Town"), we have performed an actuarial valuation of the Plan as of July 1, 2025. Our findings are set forth in this actuary's report. The main purposes of this valuation are to determine funding for fiscal year 2026-27, to review the Plan's experience since the prior valuation, and to assess the funded position of the Plan.

Actuarial computations presented in this report are for the purposes of determining the recommended funding amounts for the Plan. The calculations in this report have been made on a basis consistent with our understanding of the Plan's funding policy and on our understanding of the plan provisions as summarized in this report. Determinations for purposes other than meeting these requirements, such as for financial reporting in accordance with GASB standards, may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes.

We believe that the measures of funded status contained herein are appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations and for assessing the need for or the amount of future contributions.

Actuarial assumptions, including interest rates, mortality tables, and others identified in this report, and actuarial cost methods are adopted by the Town, who is responsible for selecting the Plan's funding policy, actuarial cost methods, asset valuation methods, and actuarial assumptions. The policies, methods, and assumptions used in this valuation are those that have been so adopted and are described in this report. The Town is solely responsible for communicating to Milliman any changes thereto. All costs, liabilities, rates of interest, and other factors for the Plan have been determined on the basis of actuarial assumptions and methods which, in our professional opinion, are individually reasonable (taking into account the experience of the Plan and reasonable expectations); and which, in combination, offer a reasonable estimate of anticipated future experience affecting the Plan and are expected to have no significant bias.

This valuation is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the 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 or modifications to contribution calculations based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of future measurements.

Certification (continued)

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by the Town. This information includes, but is not limited to, benefit provisions, member census data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different, and our calculations may need to be revised.

Milliman's work is prepared solely for the use and benefit of the Town. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions: (a) the Town may provide a copy of Milliman's work, in its entirety, to the Town's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the Town; and (b) the Town may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law. No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The valuation results were developed using models intended for valuations that use standard actuarial techniques. Milliman has developed certain models to develop the expected long term rate of return on assets and estimate the claim costs and trend used in this analysis. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuaries are independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the *Code of Professional Conduct* and *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Yelena Pelletier, ASA	Scott Lindberg, FSA
Consulting Actuary	Consulting Actuary

i. Summary of Principal Results

Actuarial Valution for Plan Year Beginning	July 1, 2023	July 1, 2025
Membership		
Active Members	266	298
Members Receiving Benefits	35	24
Total Count	301	322
Payroll	$22,653,425	$25,690,892
Assets and Liabilities		
Market Value of Assets (including Prefunding Account)	$5,404,688	$6,676,685
Actuarial Value of Assets (excluding Prefunding Account)	3,915,214	5,239,360
Accrued Liability for Active Members	5,538,394	5,954,225
Accrued Liability for Members Receiving Benefits	4,977,725	4,303,674
Total Accrued Liability	10,516,119	10,257,899
Unfunded Accrued Liability	6,600,905	5,018,539
Funded Ratio	37.2%	51.1%
Actuarially Determined Contribution		
For Fiscal Year	2024-25	2026-27
Normal Cost	$358,664	$448,138
Past Service Cost	490,456	422,936
Interest	50,948	52,264
Actuarially Determined Contribution	900,068	923,338
Allocated to BOE Certified	$513,299	$519,243
Allocated to BOE Clerical	67,719	77,599
Allocated to BOE Custodians	75,912	97,289
Allocated to BOE Non-Union	69,143	87,563
Allocated to Town	115,868	114,603
Allocated to Police	58,127	27,041
Total	900,068	923,338

ii. Changes Since the Prior Valuation

Demographic Changes and Plan Experience

From July 1, 2023 to July 1, 2025 the overall membership increased from 301 to 322. The number of active members increased from 266 to 298, and the total number of members and spouses/dependents receiving benefits decreased from 35 to 24.

The average age of active members decreased slightly from 48.1 to 47.0, and the average age of members receiving benefits decreased slightly from 71.5 to 70.0.

We updated expected claims costs based on our analysis of the claims experience and premium information that was provided to us for this valuation. Pre-65 and Post-65 costs increased more than expected. Overall, the update resulted in an increase in the Unfunded Accrued Liability.

Plan Changes

We updated the eligibility and retiree medical cost share for Administrators to align with the July 1, 2025 to June 30, 2028 collective bargaining agreements. Per the new agreement, the retiree cost share increased to 100%. In conjunction with this provision change, we adjusted our assumption regarding future retiree coverage for this group from 100% to 50% of active members electing coverage at retirement. This plan change and associated assumption change caused the Unfunded Accrued Liability to decrease by about $55,000 and the Actuarially Determined Contribution to decrease by about $14,000.

Changes in Actuarial Assumptions

We updated the inflation assumption, as well as the medical and dental trend assumptions to better anticipate future experience. In addition, we updated the mortality tables from Pub-2010 to Pub-2016. These changes, in combination, caused the Unfunded Accrued Liability to increase by about $90,000 and the Actuarially Determined Contribution to increase by about $21,000.

Changes in Actuarial Methods

In order to reduce future contribution volatility, we have updated the amortization method to layered 15-year amortization. This change increased the Actuarially Determined Contribution to by about $7,000.

Other Significant Changes

None.

iii. Asset Performance

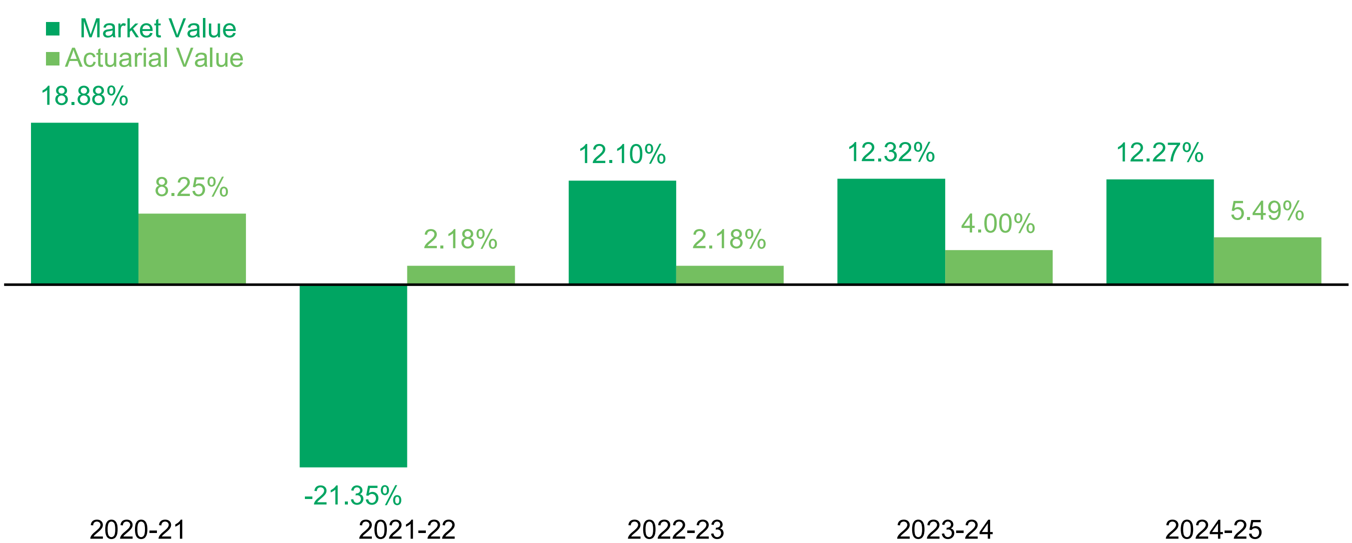
There are two different measures of the plan's assets that are used throughout this report. The Market Value is a snapshot of the plan's investments as of the valuation date. The Actuarial Value of Assets is a smoothed asset value designed to er the volatile fluctuations in the market by recognizing investment gains or losses non-asymptotically over five years.

	Market Value	Actuarial Value
Value as of July 1, 2023	$5,404,688	$3,915,214
Town Contributions	611,942	754,846
Investment Income	665,703	159,232
Benefit Payments and Administrative Expenses	(614,598)	(614,598)
Value as of July 1, 2024	6,067,735	4,214,694
Town Contributions	0	900,068
Investment Income	736,780	252,428
Benefit Payments and Administrative Expenses	(127,830)	(127,830)
Value as of July 1, 2025	6,676,685	5,239,360

For fiscal year 2023-24, the plan's assets earned 12.32% on a Market Value basis and 4.00% on an Actuarial Value basis. The interest rate assumption for this period was 6.00%, so the result was a gain of $341,497 on a Market Value basis and a loss of $79,616 on an Actuarial Value basis.

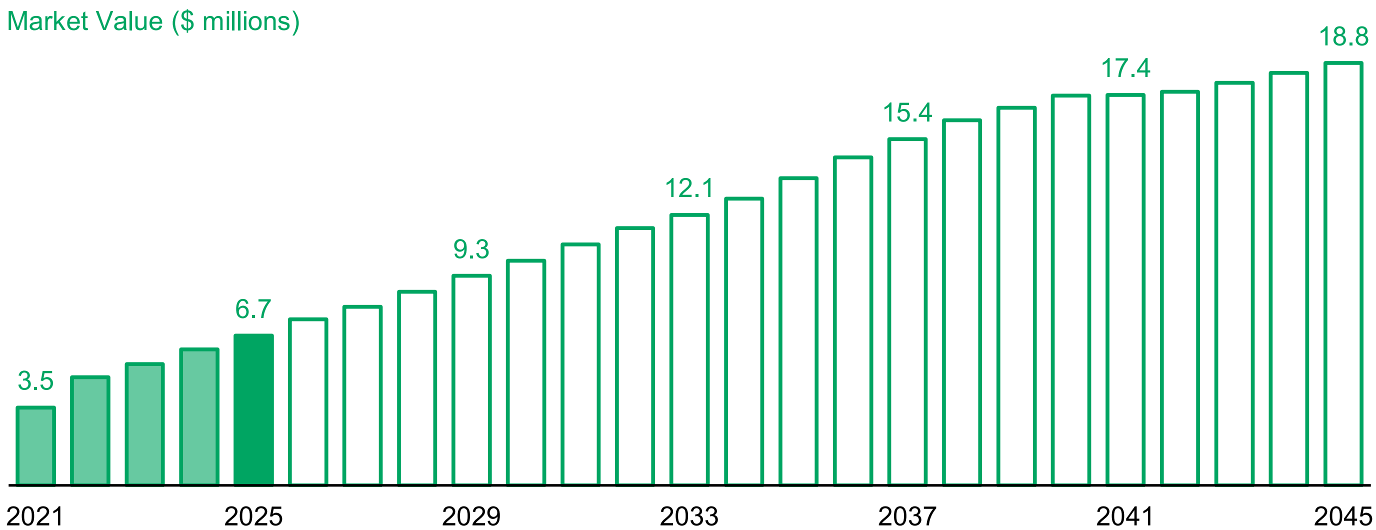
For fiscal year 2024-25, the plan's assets earned 12.27% on a Market Value basis and 5.49% on an Actuarial Value basis. The interest rate assumption for this period was 6.00%, so the result was a gain of $376,496 on a Market Value basis and a loss of $23,450 on an Actuarial Value basis.

Historical rates of return are shown in the graph below:

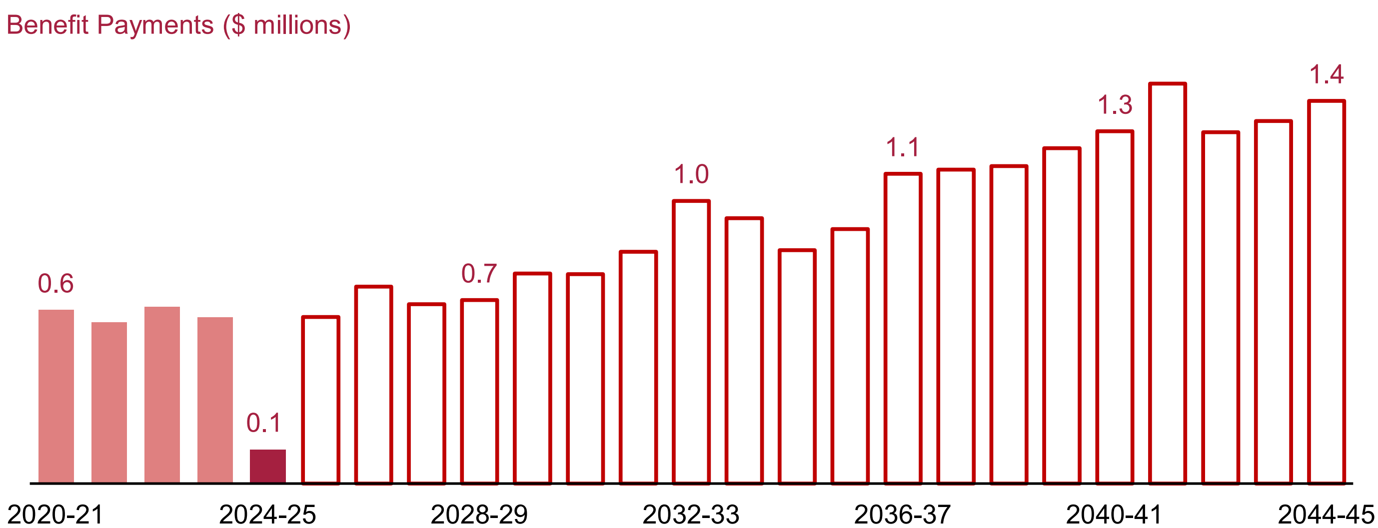


iv. Asset Forecast

The graph below shows how this year's asset values compare to where the plan's assets have been over the past several years and how they are projected to change over the next 20 years. For purposes of this projection, we have assumed that the Town always contributes the Actuarially Determined Contribution and the investments always earn the assumed interest rate each year. Note that the asset values below include the Prefunding Account balance, which we also included when calculating contributions starting with the 2026-27 fiscal year.



In 2024-25, the plan paid out an unusually low $0.12 million in benefits to members. We expect benefit payments to return to their prior levels and over the next 20 years, the plan is projected to pay out a total of $20 million in benefits to members.

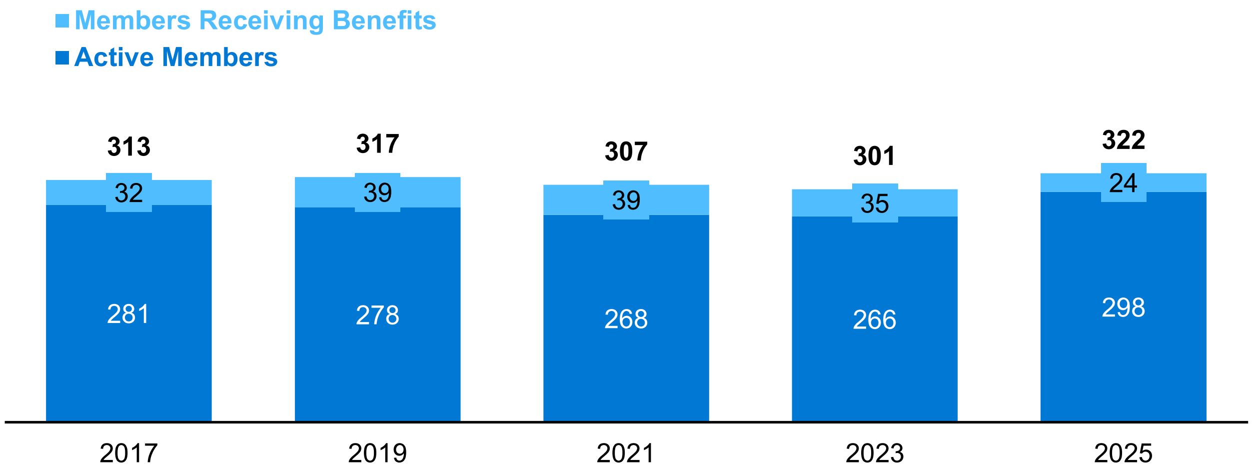


To the extent that there are future investment or liability gains or losses, changes in the actuarial assumptions or methods, or plan changes, the actual valuation results will differ from these forecasts. Please see Appendix A for more details of the long range forecast.

v. Membership

Overview

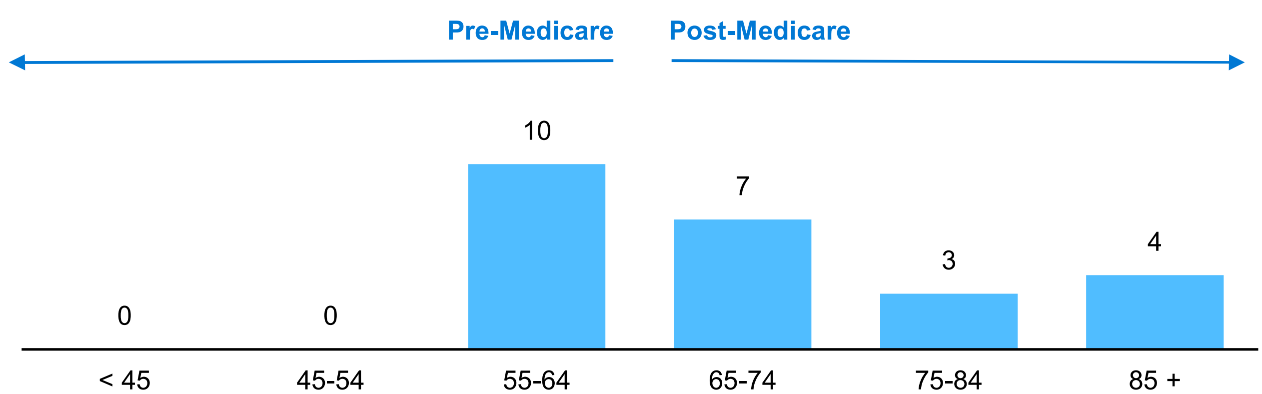
There are two basic categories of plan members included in the valuation: (1) members who are receiving benefits and (2) active employees who have met the eligibility requirements for membership.



Members Receiving Benefits on July 1, 2025

BOE Certified	15	Average Age	70.0
BOE Clerical	0		
BOE Custodians	1		
BOE Non-Union	1		
Town	7		
Police	0		
Total	24		

In addition to the 24 members receiving benefits, there are 8 spouses/dependents receiving benefits. The members receiving benefits fall across a wide distribution of ages:



v. Membership (continued)

Active Members on July 1, 2025

BOE Certified	181
BOE Clerical	15
BOE Custodians	19
BOE Non-Union	21
Town	48
Police	14
Total	298

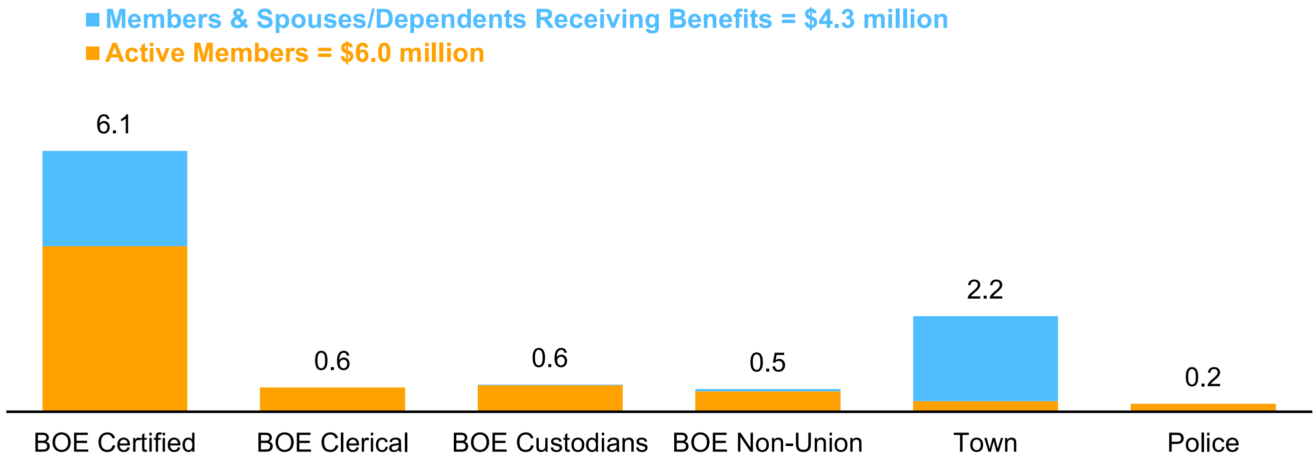
Average Age	47.0
Average Service	9.9
Payroll	$25,690,892
Average Payroll	86,211

The table below illustrates the age and years of service of the active membership:

	Years of Service							
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	**Total**
< 25	5							5
25-29	19	4						23
30-34	21	2	2					25
35-39	19	5	3	3				30
40-44	24	9	6	3	2			44
45-49	18	3	3	6	8	1		39
50-54	10	7	9	5	11	5		47
55-59	11	10	5	5	9	5	1	46
60-64	7	2	6	4	7	2	2	30
65+		2	3	2	1		1	9
Total	134	44	37	28	38	13	4	298

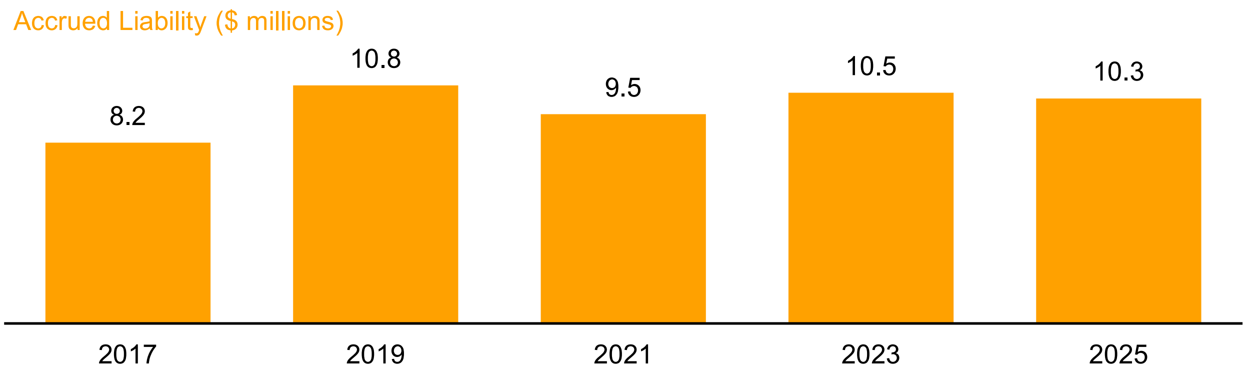
vi. Accrued Liability

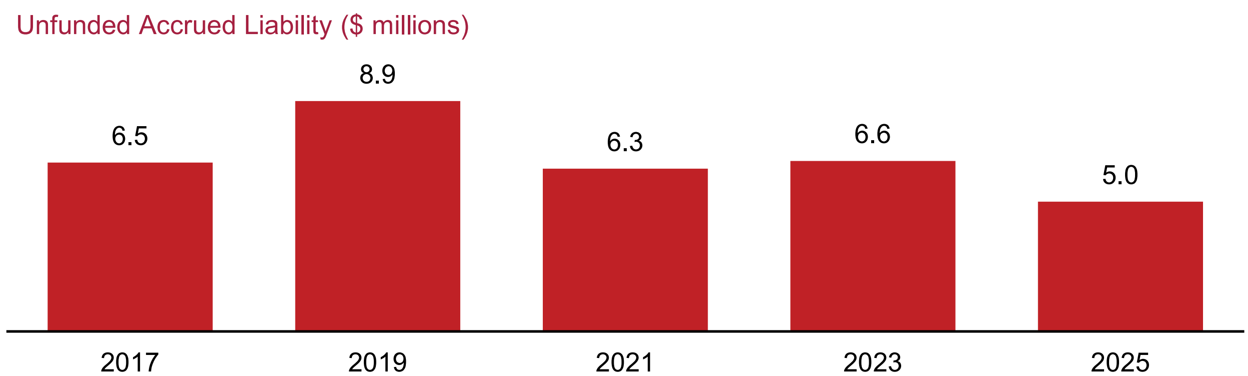
The Accrued Liability as of July 1, 2025 equals $10,257,899, which consists of the following pieces (in $ millions):

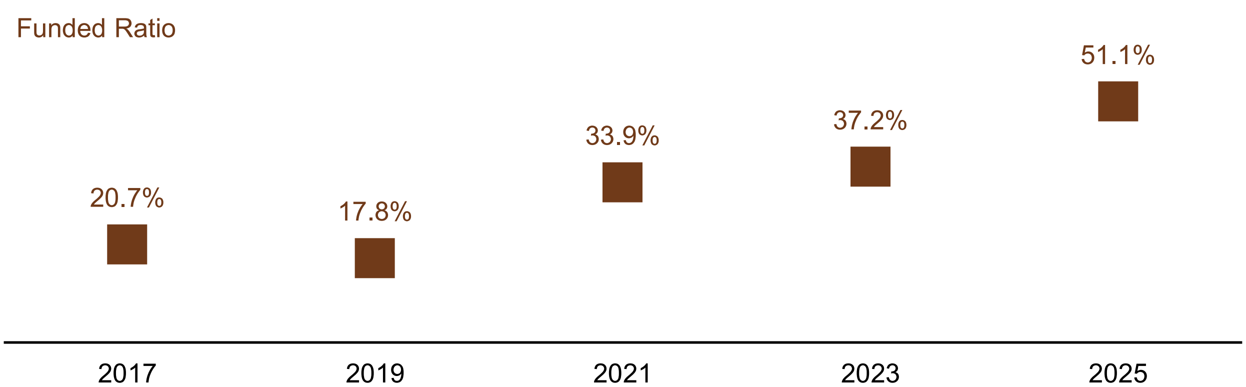


vii. Funded Status

The Accrued Liability grows over time as active members earn additional benefits, and goes down over time as members receiving benefits receive benefits; it may also change when there are changes to the plan provisions or changes in the actuarial assumptions. The Unfunded Accrued Liability is the dollar difference between the Accrued Liability and the Actuarial Value of Assets.



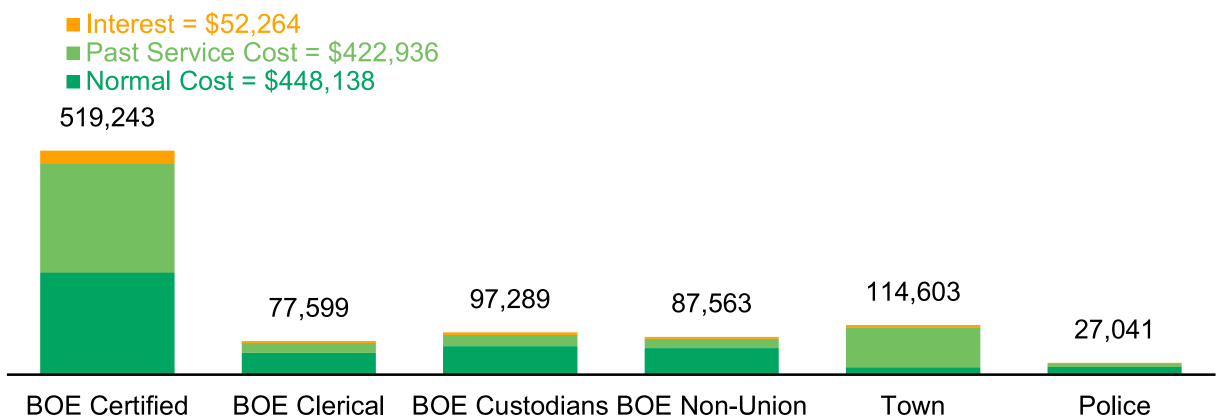




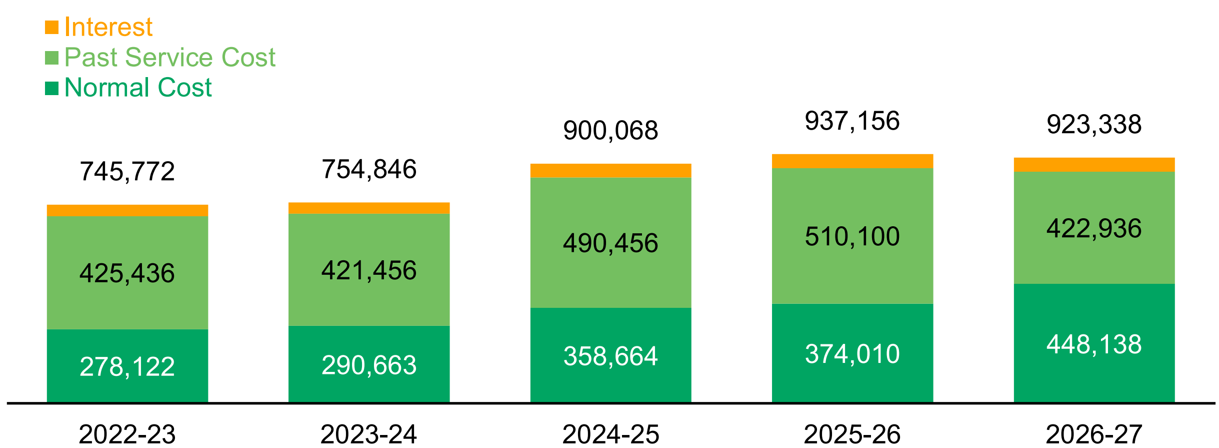
viii. Actuarially Determined Contribution (ADC)

The ADC consists of three pieces: a Normal Cost payment to fund the benefits earned each year, a Past Service Cost to gradually reduce any unfunded or surplus liability, and Interest to reflect the timing of the contribution relative to the valuation date. The ADC for fiscal year 2026-27 is $923,338:

The ADC by group is shown below:

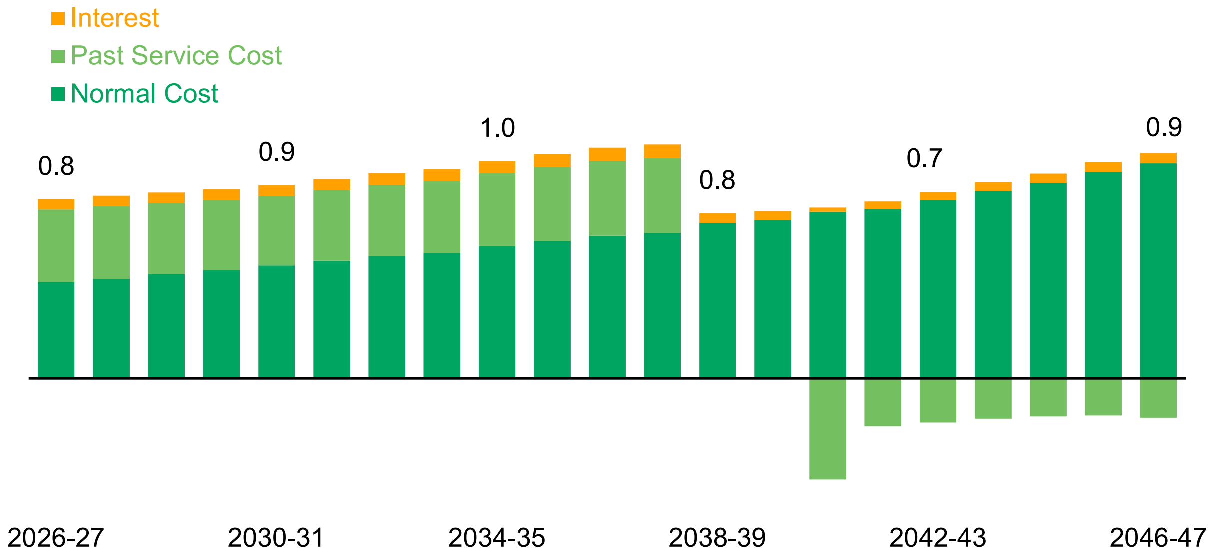


The ADC for the past five years is shown below:

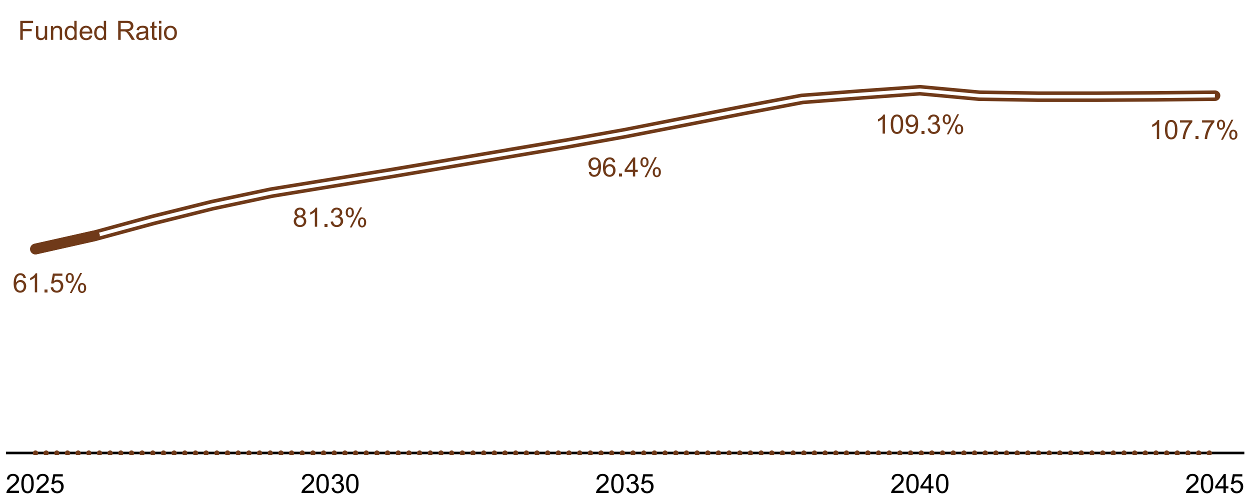


ix. Long-Range Forecast

If the Town pays the Actuarially Determined Contribution each year, the investments earn exactly the assumed interest rate each year, and there are no changes in the plan provisions or in the actuarial methods and assumptions, then we project the following long-range Actuarially Determined Contributions (in $ millions):



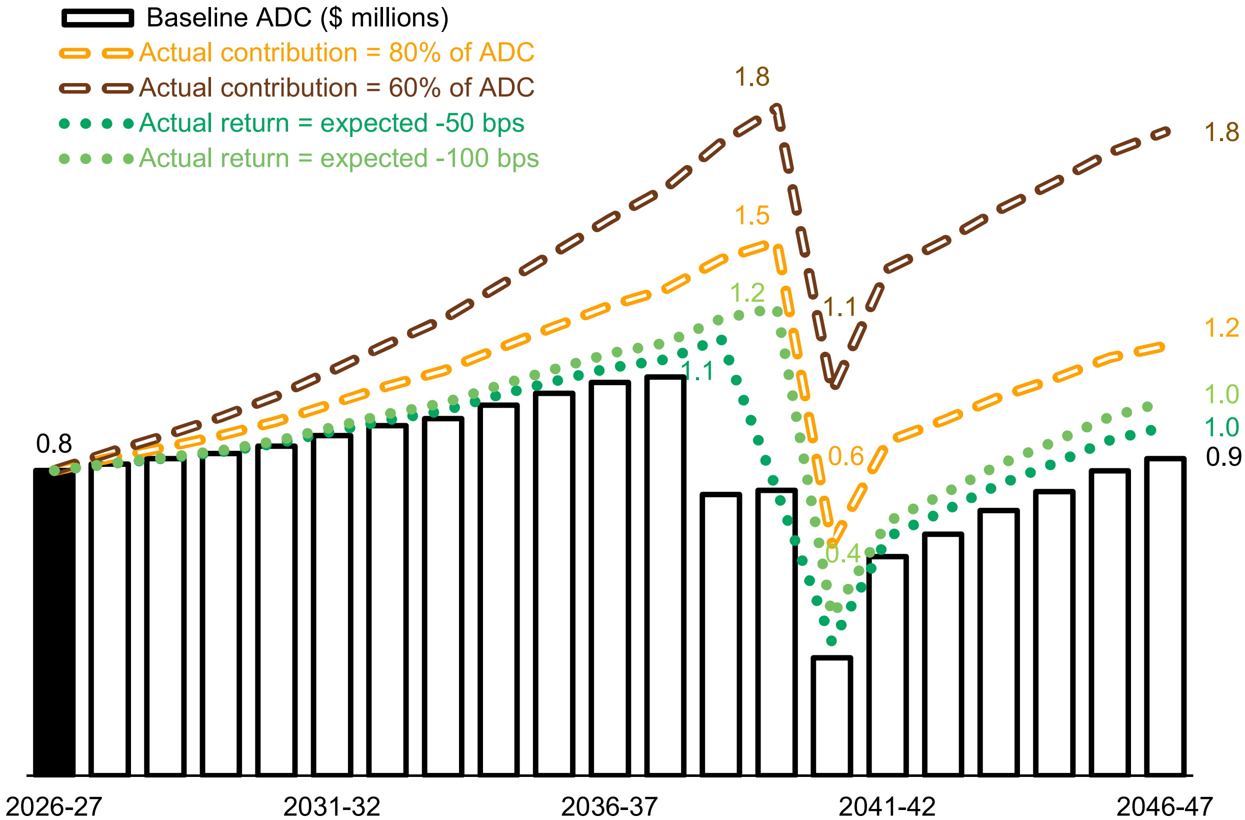
On the basis of this forecast, the Actuarially Determined Contribution currently exceeds the sum of the Normal Cost plus one year's interest on the Unfunded Accrued Liability and the Unfunded Accrued Liability is expected to be fully amortized by 2037. Over time, the funded ratio is expected to change as follows:



To the extent that there are future investment or liability gains or losses, changes in the actuarial assumptions or methods, or plan changes, the actual valuation results will differ from these forecasts. Please see Appendix A for more details of the long range forecast.

ix. Long-Range Forecast (continued)

Pension benefits are paid for through a combination of contributions from the Town and investment income. If the Town pays less than the Actuarially Determined Contribution each year, or if the investments persistently earn less than the assumed interest rate, then the plan's funded status would suffer, and to compensate, the Town's contribution levels would be pushed higher. The risks of underfunding and underearning are illustrated in the hypothetical scenarios below:



The scenarios illustrated above are based on deterministic projections that assume emerging plan experience always exactly matches the actuarial assumptions; in particular that actual asset returns will be constant in every year of the projection period. Variation in asset returns, contribution amounts, and many other factors may have a significant impact on the long-term financial health of the plan, the liquidity constraints on plan assets, and the Town's future contribution levels. Stochastic projections could be prepared that would enable the Town to understand the potential range of future results based on the expected variability in asset returns and other factors. Such analysis was beyond the scope of this engagement.

1. Summary of Fund Transactions

	Non-Prefunding Account[1]	Prefunding Account	Total OPEB Trust Assets
Market Value as of July 1, 2024	$4,180,338	$1,887,397	$6,067,735
Town Contributions	0	0	0
Contribution from Prefunding Account[2]	900,068	(900,068)	0
Net Investment Income[3]	507,601	229,179	736,780
Benefit Payments	(124,884)	0	(124,884)
Administrative Expenses	(2,946)	0	(2,946)
Market Value as of June 30, 2025	5,460,177	1,216,508	6,676,685
Expected Return on Market Value of Assets	248,216	112,068	360,284
Market Value (Gain)/Loss	(259,385)	(117,111)	(376,496)
Approximate Rate of Return[4]			12.27%

1 Used to calculate the Actuarially Determined Contribution.

2 FY 2024-25 Actuarially Determined Contribution was $900,068 and was funded entirely by the Prefunding Account.

3 Net Investment Income is allocated to the Non-Prefunding Account and the Prefunding Account in proportion to the respective market value as of the beginning of the year.

4 The rates shown here are not the dollar or time weighted investment yield rate which measures investment performance. They are an approximate net return assuming all activity occurred on average midway through the fiscal year.

2. Development of Actuarial Value of Assets

In order to minimize the impact of market fluctuations on the contribution level, we use an Actuarial Value of Assets that recognizes gains and losses in equal installments ('non-asymptotically') over a five year period. The Actuarial Value of Assets as of July 1, 2024 is determined below.

1.	Expected Market Value of Non-Prefunding Account:	
	a. Market Value of Assets as of July 1, 2023	$3,597,038
	b. Town Contributions	754,846
	c. Benefit Payments	(614,598)
	d. Expected Earnings Based on 6.00% Interest	215,772
	e. Expected Market Value of Non-Prefunding Account as of July 1, 2024	3,953,058
2.	Actual Market Value of Non-Prefunding Account as of July 1, 2024	4,180,338
3.	Market Value (Gain)/Loss: (1e) - (2)	(227,280)
4.	Delayed Recognition of Market (Gains)/Losses	

Plan Year End	(Gain)/Loss	Percent Not Recognized	Amount Not Recognized	
06/30/2024	($227,280)	80%	($181,824)	
06/30/2023	(190,681)	60%	(114,409)	
06/30/2022	996,656	40%	398,662	
06/30/2021	(340,366)	20%	(68,073)	
				34,356

5.	Actuarial Value of Assets as of July 1, 2024: (2) + (4)	4,214,694
6.	Return on Actuarial Value of Assets	159,232
7.	Approximate Rate of Return on Actuarial Value of Assets	4.00%
8.	Actuarial Value (Gain)/Loss	79,616

2. Development of Actuarial Value of Assets (continued)

The Actuarial Value of Assets as of July 1, 2025 is determined below.

1.	Expected Market Value of Non-Prefunding Account:	
	a. Market Value of Assets as of July 1, 2024	$4,180,338
	b. Town Contributions	900,068
	c. Benefit Payments	(127,830)
	d. Expected Earnings Based on 6.00% Interest	248,216
	e. Expected Market Value of Non-Prefunding Account as of July 1, 2025	5,200,792
2.	Actual Market Value of Non-Prefunding Account as of July 1, 2025	5,460,177
3.	Market Value (Gain)/Loss: (1e) - (2)	(259,385)
4.	Delayed Recognition of Market (Gains)/Losses	

Plan Year End	(Gain)/Loss	Percent Not Recognized	Amount Not Recognized
06/30/2025	($259,385)	80%	($207,508)
06/30/2024	(227,280)	60%	(136,368)
06/30/2023	(190,681)	40%	(76,272)
06/30/2022	996,656	20%	199,331

(220,817)

5.	Actuarial Value of Assets as of July 1, 2025: (2) + (4)	5,239,360
6.	Return on Actuarial Value of Assets	252,428
7.	Approximate Rate of Return on Actuarial Value of Assets	5.49%
8.	Actuarial Value (Gain)/Loss	23,450

3. Accrued Liability

We have broken the Accrued Liability into several pieces: benefits that are expected to be paid prior to age 65 (i.e., prior to Medicare) and after age 65 (i.e., after Medicare) that current active members and their covered dependents will receive once the member retires, and the same figures for members who have already retired and are currently receiving benefits. In all cases, the Accrued Liability only reflects benefits that are paid for by the Town, taking into account any implicit rate subsidies.

	BOE Certified	BOE Clerical	BOE Custodians	BOE Non-Union	Town	Police	Total
Current Active Members							
Members Under Age 65	$2,138,846	$180,702	$187,436	$179,472	$158,927	$131,710	$2,977,093
Members Over Age 65	592,503	191,401	252,624	141,042	3,208	11,946	1,192,724
Spouses/Dependents Under Age 65	583,381	11,597	104,524	49,200	76,076	35,614	860,392
Spouses/Dependents Over Age 65	566,595	180,179	70,542	104,709	1,991	0	924,016
Total	3,881,325	563,879	615,126	474,423	240,202	179,270	5,954,225
Current Members Receiving Benefits							
Members Under Age 65	$292,555	$0	$14,221	$50,723	$0	$0	$357,499
Members Over Age 65	1,875,086	0	0	0	983,598	0	2,858,684
Spouses/Dependents Under Age 65	27,062	0	0	0	146,923	0	173,985
Spouses/Dependents Over Age 65	46,772	0	0	0	866,734	0	913,506
Total	2,241,475	0	14,221	50,723	1,997,255	0	4,303,674
Total	6,122,800	563,879	629,347	525,146	2,237,457	179,270	10,257,899

Accrued Liability Sensitivity	**1% Decrease**	**Baseline**	**1% Increase**
Discount Rate	11,062,348	10,257,899	9,530,488
Trend Rate	9,374,851	10,257,899	11,269,426

4. Actuarially Determined Contribution for FY 2026-27

	BOE Certified	BOE Clerical	BOE Custodians	BOE Non-Union	Town	Police	Total
Accrued Liability	$6,122,800	$563,879	$629,347	$525,146	$2,237,457	$179,270	$10,257,899
Actuarial Value of Assets*	3,127,303	288,009	321,447	268,225	1,142,811	91,565	5,239,360
Unfunded Accrued Liability	2,995,497	275,870	307,900	256,921	1,094,646	87,705	5,018,539
Funded Ratio	51.1%	51.1%	51.1%	51.1%	51.1%	51.1%	51.1%
Amortization Period	14	14	14	14	14	14	14
Amortization Growth Rate	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Past Service Cost	253,078	23,139	25,816	21,694	91,079	8,130	422,936
Total Normal Cost	234,983	49,903	65,782	60,759	16,383	17,328	445,138
Employee Contributions	0	0	0	0	0	0	0
Expenses*	1,791	165	184	154	654	52	3,000
Net Normal Cost	236,774	50,068	65,966	60,913	17,037	17,380	448,138
Interest	29,391	4,392	5,507	4,956	6,487	1,531	52,264
ADC for FY 2026-27	**519,243**	**77,599**	**97,289**	**87,563**	**114,603**	**27,041**	**923,338**

The ADC is assumed to be paid at the beginning of the Fiscal Year.

* Allocated in proportion to the Accrued Liability.

5. Long Range Funded Status Forecast

This forecast is based on the results of the July 1, 2025 actuarial valuation and assumes that the Town will pay the Actuarially Determined Contribution each year, the assets will return the assumed interest rate on a market value basis each year, and there are no future changes in the actuarial methods or assumptions or in the plan provisions. Actual results at each point in time will yield different values, reflecting the actual experience of the plan membership and assets.

Valuation Date	Accrued Liability	Actuarial Value of Assets*	Unfunded Accrued Liability	Funded Ratio
7/1/2025	$10,257,899	$6,306,919	$3,950,980	61.48%
7/1/2026	10,675,000	6,987,000	3,688,000	65.45%
7/1/2027	11,027,000	7,744,000	3,283,000	70.22%
7/1/2028	11,464,000	8,560,000	2,904,000	74.67%
7/1/2029	11,913,000	9,346,000	2,567,000	78.45%
7/1/2030	12,314,000	10,013,000	2,301,000	81.32%
7/1/2031	12,749,000	10,744,000	2,005,000	84.27%
7/1/2032	13,138,000	11,463,000	1,675,000	87.25%
7/1/2033	13,368,000	12,059,000	1,309,000	90.21%
7/1/2034	13,709,000	12,778,000	931,000	93.21%
7/1/2035	14,210,000	13,699,000	511,000	96.40%
7/1/2036	14,655,000	14,628,000	27,000	99.82%
7/1/2037	14,937,000	15,433,000	(496,000)	103.32%
7/1/2038	15,262,000	16,286,000	(1,024,000)	106.71%
7/1/2039	15,594,000	16,845,000	(1,251,000)	108.02%
7/1/2040	15,899,000	17,381,000	(1,482,000)	109.32%
7/1/2041	16,176,000	17,414,000	(1,238,000)	107.65%
7/1/2042	16,342,000	17,552,000	(1,210,000)	107.40%
7/1/2043	16,709,000	17,946,000	(1,237,000)	107.40%
7/1/2044	17,114,000	18,388,000	(1,274,000)	107.45%

* We include the Prefunding Account balance (see page 14 for details) when calculating the Actuarial Value of Assets for purposes of the long-range forecast, resulting in different 7/1/2025 values than shown elsewhere in this report.

6. Long Range Cash Flow Forecast

This forecast is based on the results of the July 1, 2025 actuarial valuation and assumes that the Town will pay the Actuarially Determined Contribution each year, the assets will return the assumed interest rate on a market value basis each year, and there are no future changes in the actuarial methods or assumptions or in the plan provisions. Actual results at each point in time will yield different values, reflecting the actual experience of the plan membership and assets.

Fiscal Year	Town Contributions	Member Contributions	Benefit Payments	Administrative Expenses	Net Cash Flows
2026-27*	$834,651	$0	$724,987	$3,125	$106,539
2027-28	852,000	0	660,000	3,000	189,000
2028-29	867,000	0	676,000	3,000	188,000
2029-30	881,000	0	774,000	3,000	104,000
2030-31	901,000	0	771,000	4,000	126,000
2031-32	930,000	0	854,000	4,000	72,000
2032-33	957,000	0	1,042,000	4,000	(89,000)
2033-34	976,000	0	977,000	4,000	(5,000)
2034-35	1,013,000	0	859,000	4,000	150,000
2035-36	1,045,000	0	937,000	4,000	104,000
2036-37	1,075,000	0	1,141,000	4,000	(70,000)
2037-38	1,090,000	0	1,157,000	4,000	(71,000)
2038-39	769,000	0	1,170,000	4,000	(405,000)
2039-40	780,000	0	1,236,000	5,000	(461,000)
2040-41	322,000	0	1,298,000	5,000	(981,000)
2041-42	599,000	0	1,474,000	5,000	(880,000)
2042-43	661,000	0	1,295,000	5,000	(639,000)
2043-44	725,000	0	1,336,000	5,000	(616,000)
2044-45	776,000	0	1,411,000	5,000	(640,000)
2045-46	834,000	0	1,342,000	5,000	(513,000)

* We include the Prefunding Account balance (see page 14 for details) when calculating the Actuarial Value of Assets for purposes of the long-range forecast, resulting in different FY 2026-27 values than shown elsewhere in this report.

7. History of Funded Status

Valuation Date	Actuarial Value of Assets	Accrued Liability	Unfunded Accrued Liability	Funded Ratio
July 1, 2015	1,385,541	6,288,232	4,902,691	22.0%
July 1, 2016	1,365,480	6,477,821	5,112,341	21.1%
July 1, 2017	1,708,877	8,238,963	6,530,086	20.7%
July 1, 2018	1,819,327	8,493,312	6,673,985	21.4%
July 1, 2019	1,933,010	10,847,388	8,914,378	17.8%
July 1, 2020	2,348,645	11,219,239	8,870,594	20.9%
July 1, 2021	3,233,466	9,533,227	6,299,761	33.9%
July 1, 2022	3,739,633	9,699,564	5,959,931	38.6%
July 1, 2023	3,915,214	10,516,119	6,600,905	37.2%
July 1, 2024	4,214,694	10,723,385	6,508,691	39.3%
July 1, 2025	5,239,360	10,257,899	5,018,539	51.1%

8. History of Town Contributions

Fiscal Year	Actuarially Determined Contribution	Actual Town Contribution	Contribution Deficiency (Excess)
2016-17	$568,962	$707,589	($138,627)
2017-18	610,945	518,279	92,666
2018-19	693,256	572,118	121,138
2019-20	727,143	901,761	(174,618)
2020-21	981,524	1,303,087	(321,563)
2021-22	1,025,172	1,025,172	0
2022-23	745,772	745,772	0
2023-24	754,846	754,846	0
2024-25	900,068	900,068	0
2025-26	937,156	TBD	TBD
2026-27	923,338	TBD	TBD

9. Summary of Active Membership Data

	July 1, 2023	July 1, 2025
Number of Active Members		
BOE Certified	158	181
BOE Clerical	14	15
BOE Custodians	18	19
BOE Non-Union	17	21
Town	45	48
Police	14	14
Total	266	298
Average Age		
BOE Certified	46.0	44.9
BOE Clerical	54.8	54.1
BOE Custodians	52.5	54.1
BOE Non-Union	51.8	47.4
Town	51.3	50.4
Police	45.2	45.7
Total	48.1	47.0
Average Service		
BOE Certified	12.0	10.3
BOE Clerical	11.5	9.8
BOE Custodians	10.3	9.5
BOE Non-Union	10.7	6.8
Town	10.7	10.8
Police	9.2	7.9
Total	11.4	9.9

10. Distribution of Active Members as of July 1, 2025

BOE Certified

	Years of Service							
Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30+**	**Total**
< 25	4							4
25-29	15	3						18
30-34	15	2	1					18
35-39	10	2	2	3				17
40-44	16	5	4	3	1			29
45-49	13	3	2	4	8	1		31
50-54	2	3	8	4	8	4		29
55-59	2	5	2	3	7	4		23
60-64	4		1	1	3	1	1	11
65+			1					1
Total	81	23	21	18	27	10	1	181

BOE Clerical

	Years of Service							
Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30+**	**Total**
< 25								0
25-29								0
30-34								0
35-39	1							1
40-44	2				1			3
45-49								0
50-54	1	2						3
55-59	1	1	1					3
60-64			1	2	1			4
65+		1						1
Total	5	4	2	2	2	0	0	15

BOE Custodians

	Years of Service							
Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30+**	**Total**
< 25								0
25-29								0
30-34								0
35-39	1							1
40-44	2	1						3
45-49	1		1					2
50-54	1					1		2
55-59	2	2			2			6
60-64	2		1					3
65+		1		1				2
Total	9	4	2	1	2	1	0	19

10. Distribution of Active Members as of July 1, 2025 (continued)

BOE Non-Union

	Years of Service							
Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30+**	**Total**
< 25								0
25-29	1							1
30-34	4							4
35-39								0
40-44	1	2	1					4
45-49	1							1
50-54	5		1		2			8
55-59	1							1
60-64					1			1
65+			1					1
Total	13	2	3	0	3	0	0	21

Town

	Years of Service							
Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30+**	**Total**
< 25	1							1
25-29	3	1						4
30-34	1		1					2
35-39	5	2						7
40-44	3	1						4
45-49				2				2
50-54				1	1			2
55-59	5	2	2	2		1		12
60-64	1	1	3	1	2	1	1	10
65+			1	1	1		1	4
Total	19	7	7	7	4	2	2	48

Police

	Years of Service							
Age	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30+**	**Total**
< 25								0
25-29								0
30-34	1							1
35-39	2	1	1					4
40-44			1					1
45-49	3							3
50-54	1	2						3
55-59							1	1
60-64		1						1
65+								0
Total	7	4	2	0	0	0	1	14

11. Summary of Inactive Membership Data

	July 1, 2023	July 1, 2025
Number of Members Receiving Benefits		
BOE Certified	22	15
BOE Clerical	3	0
BOE Custodians	3	1
BOE Non-Union	0	1
Town	7	7
Police	0	0
Total	35	24
Average Age of Members Receiving Benefits		
BOE Certified	74.1	69.5
BOE Clerical	65.9	0.0
BOE Custodians	58.9	62.5
BOE Non-Union	0.0	62.1
Town	71.2	73.2
Police	0.0	0.0
Total	71.5	70.0
Number of Spouses/Dependents Receiving Benefits		
BOE Certified	11	2
BOE Clerical	2	0
BOE Custodians	0	0
BOE Non-Union	0	0
Town	6	6
Police	0	0
Total	19	8
Average Age of Spouses/Dependents Receiving Benefits		
BOE Certified	72.6	63.8
BOE Clerical	66.3	0.0
BOE Custodians	0.0	0.0
BOE Non-Union	0.0	0.0
Town	70.6	72.6
Police	0.0	0.0
Total	71.3	70.4

Appendix A - Actuarial Funding Method

Cost Method

The actuarial cost method used in the valuation of this Plan is known as the Entry Age Normal Method. The Actuarially Determined Contribution consists of three pieces: Normal Cost plus a Past Service Cost payment to gradually eliminate the Unfunded Accrued Liability plus Interest to reflect the timing of the contribution relative to the valuation date.

The Normal Cost is determined by calculating the present value of future benefits for present Active Members that will become payable as the result of death, disability, retirement or termination. This cost is then spread as a level percentage of earnings from entry age to termination for each individual. If Normal Costs had been paid at this level for all prior years, a fund would have accumulated. Because this fund represents the portion of benefits that would have been funded to date, it is termed the Accrued Liability. In fact, it is calculated by adding the present value of benefits for Members Receiving Benefits and Terminated Members to the present value of benefits for Active Members and subtracting the present value of future Normal Cost contributions.

The funding cost of the Plan is derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the assumptions, the costs determined by the valuation must be regarded as estimates of the true costs of the Plan.

Asset Smoothing Method

The Actuarial Value of Assets is determined by recognizing market gains and losses non-asymptotically over a five year period.

Amortization Method

The Unfunded Accrued Liability is the excess of the Accrued Liability less the Actuarial Value of Assets. This Unfunded Accrued Liability is amortized as a level percent over a closed 30 year period starting on July 1, 2009. The amortization period will decrease each year until it reaches 15 years, after which point the Unfunded Accrued Liability will be amortized using layered 15-year bases. With the layered base method, each year a new amortization base is established for the actuarial gains or losses that have emerged since the last valuation. If the Actuarial Value of Assets exceeds the Accrued Liability and the sum of the amortization payments is negative, the Past Service Cost is set to zero.

Long-Range Forecast

The long-range forecasts included in this report have been developed by assuming that members will terminate, retire, become disabled, and die according to the actuarial assumptions with respect to these causes of decrement, and that pay increases, cost of living adjustments, and so forth will likewise occur according to the actuarial assumptions. For those unions whose new employees are eligible to participate in this plan, members who are projected to leave active employment are assumed to be replaced by new active members with the same age, service, gender, and pay characteristics as those hired in the past few years.

Appendix B - Actuarial Assumptions

Each of the assumptions used in this valuation was set based on industry standard published tables and data, the particular characteristics of the plan, relevant information from the plan sponsor or other sources about future expectations, and our professional judgment regarding future plan experience. We believe the assumptions are reasonable for the contingencies they are measuring, and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

Interest Rate 6.00%

Inflation 2.60% (Prior: 2.50%)

Amortization Growth Rate 3.50%

Salary Scale

Service	BOE Certified#
0	6.50%
1	6.25%
2-9	6.00%
10-11	5.50%
12	5.25%
13	5.00%
14	4.75%
15	4.50%
16	4.00%
17	3.75%
18	3.50%
19	3.25%
20+	3.00%

All Others: 3.50%

Appendix B - Actuarial Assumptions (continued)

Medical Trend

Year Beginning			Rate
2025	to	2026	6.30%
2026	to	2027	5.50%
2027	to	2028	5.10%
2028	to	2029	5.00%
2029	to	2030	4.90%
2030	to	2031	4.80%
2031	to	2032	4.70%
2032	to	2033	4.60%
2033	to	2034	4.50%
2034	to	2065	4.40%
2065	to	2068	4.30%
2068	to	2070	4.20%
2070	to	2072	4.10%
2072	to	-	4.00%

Prior:

Year Beginning			Rate
2025	to	2026	5.90%
2026	to	2027	5.30%
2027	to	2028	5.00%
2028	to	2029	4.80%
2029	to	2030	4.70%
2030	to	2031	4.50%
2031	to	2032	4.40%
2032	to	2065	4.30%
2065	to	2068	4.20%
2068	to	2070	4.10%
2070	to	2072	4.00%
2072	to	-	3.90%

Dental Trend 4.00% (Prior: 3.00%)

Appendix B - Actuarial Assumptions (continued)

Healthy Mortality

BOE Certified#: PubT-2016 Mortality Table with generational projection of future improvements per the MP-2021 Ultimate scale. This assumption includes a margin for improvements in longevity beyond the valuation date.

Prior: PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 ultimate scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP-2021 ultimate scale and set forward 1 year for both males and females is used for survivors and beneficiaries.

All Others: Pub-2016 (Prior: Pub-2010) Mortality Table with generational projection per the MP-2021 Ultimate scale, with employee rates before commencement and healthy annuitant rates after benefit commencement. The Public Safety variant was used for the Police group, the General variant was used for all other groups. This assumption includes a margin for improvements in longevity beyond the valuation date.

Disabled Mortality

BOE Certified#: PubT-2016 (Prior: PubT-2016) Disabled Mortality Table for males and females with generational projection of future improvements per the MP-2021 Ultimate scale. This assumption includes a margin for mortality improvement beyond the valuation date.

All Others: Pub-2016 (Prior: Pub-2010) Mortality Table for disabled retirees with generational projection per the MP-2021 Ultimate scale. The Public Safety variant was used for the Police group, the General variant was used for all other groups. This assumption includes a margin for improvements in longevity beyond the valuation date.

Disability

BOE Certified#:

Age	Male	Female
20	0.0200%	0.0200%
30	0.0200%	0.0200%
40	0.0300%	0.0600%
50	0.1500%	0.1500%
60	0.1500%	0.1500%

All Others: None.

Appendix B - Actuarial Assumptions (continued)

Retirement

BOE Certified[#]: rates based on age, eligibility for pension benefits, and gender:

	Unreduced			
	< 35 years of service		35+ years of service	
Age	Male	Female	Male	Female
50-59			35.00%	30.00%
60	20.00%	20.00%	30.00%	30.00%
61	20.00%	20.00%	30.00%	30.00%
62	22.50%	20.00%	30.00%	30.00%
63	22.50%	20.00%	30.00%	30.00%
64	25.00%	25.00%	30.00%	30.00%
65	27.50%	32.50%	35.00%	37.50%
66	27.50%	30.00%	35.00%	37.50%
67-74	27.50%	30.00%	30.00%	32.50%
75	100.00%	100.00%	100.00%	100.00%

	Proratable		Reduced	
Age	Male	Female	Male	Female
50-52			1.50%	1.25%
53			1.50%	1.75%
54			2.00%	2.25%
55			3.00%	3.00%
56			4.00%	3.75%
57			5.00%	4.50%
58			6.50%	5.50%
59			8.00%	7.00%
60	6.00%	5.00%		
61	6.00%	6.00%		
62	6.00%	7.00%		
63	9.00%	8.00%		
64	12.00%	9.00%		
65	15.00%	12.00%		
66-68	18.00%	15.00%		
69-79	28.50%	15.00%		
80	100.00%	100.00%		

Appendix B - Actuarial Assumptions (continued)

Retirement

BOE Non-Certified:

Age	Rate
55-59	5%
60-61	15%
62	50%
63-64	30%
65-69	40%
70	100%

Town:

Age	Rate
55-59	2%
60-61	10%
62	50%
63-64	30%
65-69	40%
70	100%

Police:

Age	Rate
55	75%
56-64	20%
65	100%

Turnover

BOE Certified[#]: rates based on gender and length of service for the first ten years and gender and age thereafter:

Service	Male	Female
0-1	15.00%	12.00%
1-2	11.00%	11.00%
2-3	8.50%	9.50%
3-4	7.00%	8.00%
4-5	5.50%	7.50%
5-6	4.50%	7.00%
6-7	4.00%	6.50%
7-8	3.50%	6.00%
8-9	3.50%	5.50%
9-10	3.50%	5.00%
10+	based on age - see table to the right	

Age	Male	Female
25	1.80%	6.00%
35	1.80%	4.25%
45	1.80%	2.00%
55	4.00%	3.90%

All Others: Rates based on age and gender:

Age	Male	Female
20	6.00%	15.00%
25	4.80%	15.00%
30	3.60%	10.00%
35	2.75%	7.50%
40	2.05%	5.00%
45	1.40%	2.50%
50	0.75%	0.00%

Appendix B - Actuarial Assumptions (continued)

Future Retiree Coverage

50% of **Administrators**, 100% for all other **BOE** for the first 2 years and 50% thereafter, 50% of **Town** and 50% of **Police** active members are assumed to elect coverage at retirement.

Prior:
100% of **BOE** for the first 2 years and 50% thereafter, 50% of **Town** and 50% of **Police** active members are assumed to elect coverage at retirement.

Future Dependent Coverage

Current active members are assumed to elect dependent coverage at retirement as follows. All female spouses are assumed to be three years younger than males.

	Rate
BOE Certified	50%
BOE Non-Certified	50%
Town	60%
Police	100%

Future Post-65 Coverage

BOE Certified: 50% of current actives and pre-65 retirees are assumed to continue retiree health coverage at age 65. 100% of current actives and pre-65 retirees are assumed to be Medicare-eligible.

All Others: 100% of current actives and pre-65 retirees are assumed to continue retiree health coverage at age 65 (when applicable).

Valuation of Benefits for Children

Benefits attributed to children have been excluded from this valuation for all groups as they were determined to be de minimis.

Valuation of Dental and Post-65 Medicare Eligible Medical Benefits

Dental and post-65 Medicare eligible benefits were valued without aging, per guidance from a March 2021 ASOP No. 6 Practice Note.

Certain actuarial demographic assumptions for Teachers and Administrators are based on the assumptions used in the June 30, 2024 valuation of the Connecticut State Teachers' Retirement System.

Appendix C - Summary of Plan Provisions

This exhibit summarizes the major provisions of the Plan. It is not intended to be, nor should it be interpreted as a complete statement of all plan provisions. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.

Eligibility

BOE Certified (Teachers and Administrators) A Teacher or Administrator retiring under the Connecticut State Teachers' Retirement System shall be eligible to receive health benefits for self and spouse.

Normal Retirement for Teachers and Administrators is the earliest of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early Retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.

Administrators hired on or after July 1, 2025 and Education Support Personnel (ESP) employees are not eligible for post-employment benefits.

BOE Clerical (SEIU) Category A and B retirees with at least 15 years of full-time employment in the Granby Public Schools are eligible to continue health and life insurance coverage.

Retirees hired before July 1, 2019 can continue coverage after two years at their own expense. All other retirees are not eligible to continue coverage after two years of retirement.

Members hired on or after July 1, 2025 can continue coverage at their own expense until age 65.

BOE Custodians (UPSEU) A retired member shall be eligible to continue health and life insurance coverage.

Retirees hired before July 1, 2019 can continue coverage after two years at their own expense. All other retirees are not eligible to continue coverage after two years of retirement.

BOE Non-Union A retired member shall be eligible to continue health benefits for self and spouse, when applicable per individual contract. The School Business Manager shall be eligible to continue health and life insurance coverage upon retirement.

Town (GMEA, UPSEU and **Non-Union)** and **Police (IBPO)** Retired members are eligible to continue health coverage as long as their coverage is uninterrupted and does not cause adverse effect on the group's experience as determined by the Town.

Appendix C - Summary of Plan Provisions (continued)

Cost-Sharing

Teachers

Medical Retiree contributes 20.75% (Prior 19.25%) of the cost

Dental Retiree contributes 24.25% (Prior 22.75%) of the cost

The above cost-sharing applies for two years following retirement. Thereafter, the retiree shall contribute 100% of the cost.

Administrators

Medical Retiree contributes 100% (Prior 21%) of the cost

Dental Retiree contributes 100% (Prior 24%) of the cost

BOE Clerical and **Custodians**

Medical Retiree contributes 18.50% (Prior 18%) of the cost.

Dental Retiree contributes 23% of the cost.

The above cost-sharing applies for two years following retirement. Thereafter, the retiree shall contribute 100% of the cost.

BOE Non-Union

The above cost-sharing for Clerical and Custodians applies. The School Business Manager will contribute the same premium share as active Administrators for the two years following retirement. Thereafter the School Business Manager shall contribute 100% of the cost as long as the coverage is uninterrupted.

Town GMEA

Medical Retiree contributes 100% of the cost

Town UPSEU

Medical Retiree contributes 100% of the cost

Dental Retiree contributes 100% of the cost

Appendix C - Summary of Plan Provisions (continued)

Cost-Sharing

Town Non-Union

Date of Hire prior to September 1, 2002:

Medical Retiree contributes 15% of the cost

Dental Retiree contributes 15% of the cost.

Date of Hire after September 1, 2002:

Medical Retiree contributes 100% of the cost.

Dental Retiree contributes 100% of the cost.

Police (IBPO)

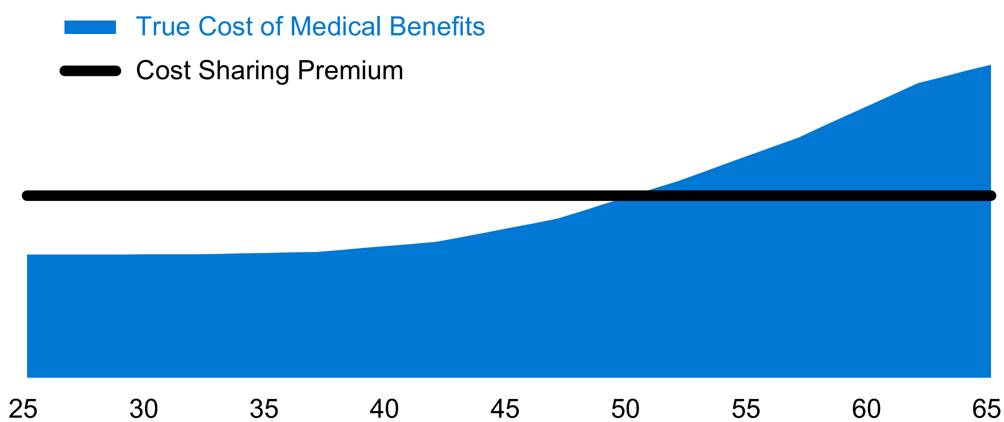
The Town shall contribute 50% of the cost of PPO insurance for the retiree only. The retiree shall contribute the remainder of the cost.

In the event of an employee’s death in the line of duty, the Town shall contribute 100% of the health insurance cost coverage for the surviving spouse as well as any dependent children until the child attains the age of 26 years.

Appendix D - Healthcare Information - Introduction

In many cases, the cost sharing premium is lower than the true cost of providing the medical benefits, for two reasons:

- The cost sharing premium is usually a fixed amount such as a COBRA premium that does not take into account the age of the retiree and his/her dependents. Since medical costs generally increase with age, the cost sharing premium is often lower than the true cost of the medical benefits:



- The cost sharing premium is usually a blended rate that takes into account the cost of medical benefits for active employees as well as retirees. Medical costs are generally higher for retirees than for active employees of the same age. This means that, again, the cost sharing premium is often lower than the true cost of the medical benefits.

Because of these two factors, a retiree who is paying 100% of the cost sharing premium is most likely not paying 100% of the true cost of the medical benefits. This situation is known as an ***implicit rate subsidy***. GASB 74 and 75 require the plan sponsor to measure the liability for this subsidy; that is, the difference between the true cost of the medical benefits and the cost sharing premiums paid by the retiree. To do this, our valuation consists of several steps:

First, we calculate the liability for the true cost of medical benefits expected to be received by retirees and their dependents. This liability is based on factors developed by Milliman's health actuaries that reflect how the cost of medical benefits varies by age and gender, as well as the other assumptions discussed in this report. We term this amount the ***gross liability***.

Next, we calculate the liability for the future premiums expected to be paid by the retiree for their own and their dependents' coverage. This liability is based on the current premium rates without adjustment for age or gender. It also is based on the terms of the Other Post Employment Benefits Program – different retirees pay different percentages based on their union or department, date of retirement, age at retirement, and other factors. We term this amount the ***offset liability***.

Finally, the net Accrued Liability for the Town is calculated as the difference between the gross liability and the offset liability.

Appendix D - Healthcare Information - Current Premiums

The annual premiums for cost sharing purposes as of July 1, 2025 are shown below.

	Retiree	Spouse
Medical Plan		
Town PPO	$23,160.96	$23,156.16
Town HSA	15,625.44	16,247.28
BOE HSA	14,358.96	14,939.04
Dental Plan		
Town	693.60	693.84
BOE	761.64	761.76

Appendix D - Healthcare Information - Expected Healthcare Costs

Milliman's Health Cost Guidelines were used to develop the expected true cost of healthcare benefits by age and gender, separately for employees and spouses/dependents. Representative healthcare cost factors are shown in the tables below. These factors were then applied to the plan's healthcare rates for the year beginning July 1, 2025 to arrive at the expected annual per capita claims costs for a 65-year-old, which are also shown below.

	Retiree		Spouse	
Age	Male	Female	Male	Female
Board of Education				
45	0.50363	0.86926	0.40355	0.60550
50	0.58253	0.81135	0.50814	0.70616
55	0.68563	0.80194	0.63869	0.79907
60	0.79490	0.88505	0.77685	0.88107
65	1.00000	1.00000	1.00000	1.00000
70	1.19208	1.14178	1.31919	1.25112
75	1.41305	1.29095	1.62840	1.46728
80	1.60842	1.42069	1.85355	1.61475
85	1.74163	1.52929	2.00705	1.73818
90	1.83109	1.61483	2.11014	1.83540
Age 65 per capita claims cost				
Pre-Medicare	$30,121.12	$27,167.55	$24,596.16	$22,626.50
Non-Medicare Eligible	28,246.38	27,095.46	24,510.95	23,839.29

Appendix D - Healthcare Information - Expected Healthcare Costs (continued)

	Retiree		Spouse	
Age	Male	Female	Male	Female
Town - HSA				
45	0.50363	0.86926	0.40355	0.60550
50	0.58253	0.81135	0.50814	0.70616
55	0.68563	0.80194	0.63869	0.79907
60	0.79490	0.88505	0.77685	0.88107
64	0.94501	0.97297	0.94501	0.97297
Age 65 per capita claims cost				
Pre-Medicare	$32,790.50	$29,575.18	$26,775.90	$24,631.70
Town - PPO				
45	0.50363	0.86926	0.40355	0.60550
50	0.58253	0.81135	0.50814	0.70616
55	0.68563	0.80194	0.63869	0.79907
60	0.79490	0.88505	0.77685	0.88107
65	1.00000	1.00000	1.00000	1.00000
70	1.10117	1.07708	1.10117	1.07708
75	1.21533	1.14139	1.21533	1.14139
80	1.28160	1.15446	1.28160	1.15446
85	1.22247	1.06695	1.22247	1.06695
90	1.13462	0.96691	1.13462	0.96691
Age 65 per capita claims cost				
Pre-Medicare	$48,417.59	$43,669.94	$39,536.60	$36,370.52
Medicare	12,301.63	10,904.05	12,301.63	10,904.05

Appendix E - Glossary

Actuarial Cost Method	This is a procedure for determining the Actuarial Present Value of Benefits and allocating it to time periods to produce the Accrued Liability and the Normal Cost.
Accrued Liability	This is the portion of the Actuarial Present Value of Benefits attributable to periods prior to the valuation date by the Actuarial Cost Method (i.e., that portion not provided by future Normal Costs).
Actuarial Assumptions	With any valuation of future benefits, assumptions of anticipated future events are required. If actual events differ from the assumptions made, the actual cost of the plan will vary as well. Some examples of key assumptions include the interest rate, salary scale, and rates of mortality, turnover and retirement.
Actuarial Present Value of Benefits	This is the present value, as of the valuation date, of future payments for benefits and expenses under the Plan, where each payment is: a) multiplied by the probability of the event occurring on which the payment is conditioned, such as the probability of survival, death, disability, termination of employment, etc.; and b) discounted at the assumed interest rate.
Actuarial Value of Assets	This is the value of cash, investments and other property belonging to the plan, typically adjusted to recognize investment gains or losses over a period of years to dampen the impact of market volatility on the Actuarially Determined Contribution.
Attribution Period	The period of an active member's service to which the expected benefit obligation for that member is assigned. The beginning of the attribution period is the member's date of hire and costs are spread across all service.
Interest Rate	This is the long-term expected rate of return on any investments set aside to pay for the benefits. In a financial reporting context (e.g., GASB 75) this is termed the Discount Rate.
Normal Cost	This is the portion of the Actuarial Present Value of Benefits allocated to a valuation year by the Actuarial Cost Method.
Past Service Cost	This is a catch-up payment to fund the Unfunded Accrued Liability over time (generally 10 to 30 years). A closed amortization period is a specific number of years counted from one date and reducing to zero with the passage of time; an open amortization period is one that begins again or is recalculated at each valuation date. Also known as the Amortization Payment.
Return on Plan Assets	This is the actual investment return on plan assets during the fiscal year.
Unfunded Accrued Liability	This is the excess of the Accrued Liability over the Actuarial Value of Assets.