

Other Post-Employment Benefits Update/ Funding Policy

Claire Arnold, Associate Vice Chancellor, Accounting and Reporting May 2017

New GASB Pronouncements

GASB74

GASB75



Summary of Required Changes

	Current	New (GASB 75)	Impact
Actuarial Cost Method	Project Unit Credit	Entry Age Normal Method (EAN)	Results in a higher liability
Discount Rate	Expected LT Return on Assets	20 Year Municipal bond rate	Increase in OPEB liability
Balance Sheet Liability	Net OPEB Obligation	Actual funded status on market value basis	Large swing on balance sheet upon adoption

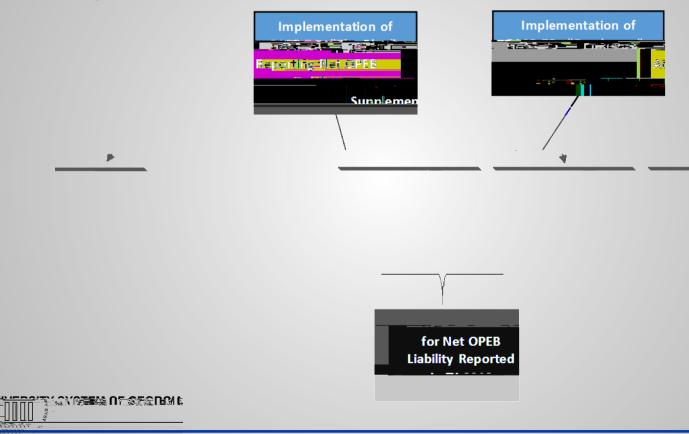


GASB75 Results Versus GASB45



Implementation Timeline

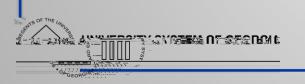
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OPEB Funding Policy

Purpose

General Objectives



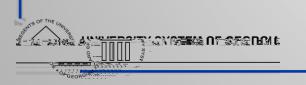
OPEB Funding Policy

Reserve Funding Levels and OPEB Trust Fund Allocation



OPEB Funding Policy

As of June 30, 2016:



QUESTIONS?

