

# TCS Total Compensation Systems, Inc.

February 2, 2021

Lisa Gonzales  
Chief Business Officer  
Mt. Diablo Unified School District  
1936 Carlotta Drive  
Concord, CA 94519

Dear Lisa,

Thank you for your interest in retaining Total Compensation Systems as your OPEB actuary! This letter is our proposal for GASB 74/75 actuarial valuation services. The proposal includes a full actuarial valuation as of June 30, 2021 as well as an anticipated roll-forward valuation as of June 30, 2022.

## Fees and Our 10% Discount

To confidently schedule clients, we provide an incentive for clients who make a commitment in advance of the valuation date. To reserve a place in our schedule, please send the signed contract and non-refundable deposit of one-half of the full valuation fee by April 1, 2021. The deposit is non-refundable because of the preliminary work we do to streamline valuations, as well as to compensate for downtime of resources that could result from cancelled contracts. By reserving a spot, Mt. Diablo Unified School District is not only guaranteed a valuation slot, but is given priority over every client that didn't reserve one. We give a 10% discount of the full valuation fee as well as of the subsequent roll-forward valuation fee to those who reserve a spot by April 1, 2021. That means that, to reserve a spot, we must receive the signed contract and a check for \$3,060 – i.e. one-half of 90% of \$6,800 – by April 1, 2021. The following table shows the new fees under GASB 74/75:

	<u>Full GASB 74/75</u>	<u>GASB 74/75 w/ 10% Discount</u>
Fee for Full Valuation	\$6,800	\$6,120
Roll-forward Valuation for 2 <sup>nd</sup> Year	\$3,400	\$3,060

Our fees are generally all-inclusive without additional charges for phone calls, re-work, or additional information. However, because the vast majority of our clients do not require an in-person meeting or separate valuation for funding purposes we prefer not to bake those costs into our standard fees. In cases where these services are desired, we charge \$1,900 for an in-person meeting and \$2,200 for a separate funding valuation. We can present valuation results via telephone or web conference at no charge, and we also can provide a recommended funding contribution amount at no charge.

If you choose *NOT* to reserve a spot, we still hope to work with you on the GASB 74/75 valuation, though it will be at the full fee quoted above.

## Second Year Roll-Forward Valuation

As you know, GASB 75 requires a full actuarial valuation at least every two years. Because your last full valuation was performed as of June 30, 2019, you are due for this full valuation as of June 30, 2021. While this proposal does include the subsequent roll-forward valuation that we anticipate performing as of June 30, 2022, we will confirm with you prior to performing that work to ensure circumstances have not changed and that you would still like for us to proceed with the roll-forward valuation.

## Timing and Data Requirements

Our understanding is that you will use the results of this June 30, 2021 valuation in your financials for the fiscal year ending June 30, 2021. This means that the valuation will be on a compressed timetable with little room for deviation.

The following timeline shows when the primary data items are expected to be provided.

<b>Data Item</b>	<b>Anticipated Delivery</b>	<b>Responsible Party</b>
Census Data	May-July	Mt. Diablo Unified School District
Asset Information	July-August	Mt. Diablo Unified School District
Audit Report/CAFR	May-July	Mt. Diablo Unified School District
Draft Report	July-October	TCS

Please keep in mind that even for an unfunded plan with no asset information necessary, the valuation relies on interest rate information that cannot be obtained prior to June 30, 2021. Therefore, the valuation cannot be completed until after June 30, 2021.

Please let us know if you have any questions about the above or generally about retiree health or pension benefits. We would very much appreciate having the opportunity to work with Mt. Diablo Unified School District.

Sincerely,



Geoffrey L. Kischuk  
Actuary  
gkischuk@totcomp.com



Will Kane  
Actuary  
wkane@totcomp.com

**We require the following information in order to complete your retiree health actuarial valuation:**

- **Census Data.** Demographic information as of the valuation date for active employees and retirees receiving health benefits. See below for specific data items needed.
- **Asset Statement.** If retiree health benefits are being funded through an irrevocable trust, please provide the annual trust statement for the full fiscal year ending on the valuation date.
- **Audit Report / CAFR.** Your most recent audited financial statements.
- **Description of Benefit Arrangement.** Either your most recent collective bargaining agreements or a summary of the retiree health benefits and eligibility. If the benefit structure has changed since the last actuarial valuation, a brief description of the change is helpful.
- **Medical Premium Rate Summary.** A summary exhibit that shows the full premium rates (even if the employer only pays up to a certain amount) for medical plans available to active employees and pre-Medicare retirees. Not necessary if you participate in CalPERS Medical as those rates are published and applicable broadly.
- **Other Useful Information.** Every retiree health plan is unique! If there is information not listed above or below that you believe would be helpful, please feel free to provide it.

For Each Active Employee (any active employee who may be eligible for future retiree health benefits)

- Required Information
  - Date of Birth
  - Sex
  - Date of Hire
  - Employee Group (e.g. Police, Fire, Management, Classified, Certificated, Miscellaneous)
  - Full-Time Equivalent Fraction / Full-Time or Part-Time Indicator / Hours Per Week
- Other Helpful Information
  - Name
  - Identifier (e.g. Employee ID, SSN, Last 4 SSN)
  - Active Medical Premium Amount
  - Medical Plan Name
  - Medical Coverage Tier (Single, 2-Party, Family)

For Each Retiree (any retiree receiving health coverage (even if self-pay) or health payments through employer)

- Required Information
  - Date of Birth
  - Sex
  - Date of Retirement (to the extent available)
  - Date/Age Benefit Ends (only needed if differs amongst retirees – e.g. Lifetime for some and to Age 65 for others)
  - Employee Group (e.g. Police, Fire, Management, Classified, Certificated, Miscellaneous)
  - Medical Premium – Total Amount (even if employer only pays up to a capped amount)
  - Medical Premium – Employer Portion (including employer reimbursement of Retiree Portion, if any)
  - Medical Premium – Retiree Portion
  - Employer Paid Amount for any Non-Medical Health Benefits (Dental, Vision, Life Insurance, Medicare Part B, HRA Contributions, Cash-In-Lieu, etc.)
  - Medical Plan Name
  - Medical Coverage Tier (Single, 2-Party, Family)
- Other Helpful Information
  - Name
  - Identifier (e.g. Employee ID, SSN, Last 4 SSN)

## **TCS Actuarial Clients**

Following is a list of California public employers for which we have performed retiree health valuation services.

Acalanes Union High School District  
Acton-Agua Dulce Unified School District  
Adelanto Elementary School District  
Alameda County Office of Education  
Alameda County Waste Management Authority  
Alisal Union School District  
Allan Hancock Joint Community College District  
Alpine Springs County Water District  
Alpine Union Elementary School District  
Alta Loma School District  
Alta Vista Elementary School District  
Alvord Unified School District  
Amador County Office of Education  
Anderson Union High School District  
Antelope Valley College  
Antelope Valley Mosquito & Vector Control District  
Antelope Valley Union High School District  
Antelope Valley-East Kern Water Agency  
Apple Valley Unified School District  
Arcohe Union Elementary School District  
Armona Union Elementary School District  
Arrowbear Park County Water District  
Associated Students of San Jose State University  
Atascadero Unified School District  
Atwater Elementary School District  
Auburn Union Elementary School District  
Baldy View Regional Occupation Program  
Banning Unified School District  
Banta Elementary School District  
Barstow Community College District  
Bass Lake Joint Union Elementary School District  
Bassett Unified School District  
Bay Area Rapid Transit District  
Bear Valley Unified School District  
Beaumont-Cherry Valley Recreation and Park District  
Belmont Redwood Shores School District  
Berkeley Unified School District  
Big Bear City Airport  
Big Bear City Community Services District  
Big Pine Unified School District  
Bishop Unified School District  
Blue Lake Union School District  
Bonny Doon Union Elementary School District  
Branciforte Fire Protection District  
Bret Harte Union High School District  
Burbank Unified School District  
Burton School District  
Butte-Glenn Community College District  
Cabrillo College Foundation  
Cabrillo Community College District  
Cachuma Operation and Maintenance Board  
Calistoga Joint Unified School District  
Carmel Unified School District  
Carmichael Water District  
Cascade Union Elementary School District  
Casitas Municipal Water District  
Castro Valley Sanitary District  
Castroville Community Services District  
Central Elementary School District  
Central Union School District  
Centralia Elementary School District  
Ceres Unified School District  
Cerritos Community College District  
Chabot-Las Positas Community College District  
Chaffey Community College District  
Chaffey Joint Union High School District  
Chatom Union School District  
Chino Valley Unified School District  
Chualar Union School District  
Citrus Community College District  
City College of San Francisco Bookstore  
City of Arcata  
City of Auburn  
City of Bell  
City of Bell Gardens  
City of Bellflower  
City of Blue Lake  
City of Buena Park  
City of Calabasas  
City of Canyon Lake  
City of Capitola  
City of Carmel-by-the-Sea  
City of Chino  
City of Chino Hills  
City of Claremont  
City of Colton  
City of Covina  
City of Dunn  
City of East Carbon  
City of Elk Grove  
City of Emeryville  
City of Folsom  
City of Fountain Valley  
City of Garden Grove  
City of Hercules  
City of Imperial Beach

City of Industry	Cottonwood Fire Protection District
City of Irwindale	Cottonwood Union School District
City of La Puente	Crestline Sanitation District
City of Lafayette	Cuesta College
City of Lake Forest	Cutten Elementary School District
City of Lakeport	Cypress Charter High School
City of Lawndale	Cypress School District
City of Loma Linda	Davis Joint Unified School District
City of Los Alamitos	Dehesa Elementary School District
City of Manhattan Beach	Del Norte County Schools
City of Menifee	Del Paso Manor Water District
City of Mission Viejo	Delano Joint Union High School District
City of Morro Bay	Denair Unified School District
City of Oceanside	Desert Center Unified School District
City of Oroville	Desert Health Care District
City of Perris	Desert Sands Unified School District
City of Porterville	Dinuba Unified School District
City of Rancho Santa Margarita	Diocese of San Bernardino
City of Rolling Hills	Dos Palos Oro Loma Joint Unified School District
City of San Clemente	Downey Unified School District
City of Scotts Valley	Duarte Unified School District
City of Signal Hill	Ducor Union Elementary School District
City of Simi Valley -- General Unit	Durham Unified School District
City of Solvang	East Whittier City School District
City of South Ogden	Eastside Union School District
City of Stanton	El Camino Community College District
Claremont Unified School District	El Dorado Hills County Water District
Cloverdale Unified School District	El Dorado Irrigation District
Coachella Valley Mosquito and Vector Control District	El Dorado Union High School District
Coachella Valley Unified School District	El Rancho Unified School District
Coast Community College District	El Segundo Unified School District
Coastline Regional Occupational Program	El Toro Water District
Coastside County Water District	Elk Grove Benefit Employee Retirement Trust
Coastside Fire Protection District	Elk Grove Unified School District
College and Career Advantage	Emery Unified School District
College of Marin	Escalon Unified School District
College of the Desert	Etiwanda School District
College of the Redwoods	Eureka City Schools
College of the Sequoias	Fairfax Elementary School District
College of the Siskiyous	Fairfield-Suisun Sewer District
Colusa County Office of Education	Feather River Air Quality Management District
Compton Community College District	Feather River Community College District
Compton Creek Mosquito Abatement District	Ferndale Unified School District
Conrad Hilton Foundation	Fieldbrook Elementary School District
Contra Costa Community College District	Fillmore Unified School District
Contra Costa County Office of Education	First 5 San Benito
Copper Mountain Community College District	Folsom-Cordova Unified School District
Corcoran Joint Unified School District	Fontana Unified School District
Corning Union High School District	Foothill-DeAnza Community College District
Corona-Norco Unified School District	Fortuna Union High School District
Cotati-Rohnert Park Unified School District	Fountain Valley Elementary School District

Fowler Unified School District  
 Franklin Elementary School District  
 Fremont Union High School District  
 Freshwater School District  
 Fresno County Superintendent of Schools  
 Fruitvale Elementary School District  
 Fullerton Elementary School District  
 Galt Joint Union Elementary School District  
 Garfield School District  
 Glendale Community College District  
 Glenn County Office of Education  
 Gold Coast Transit  
 Gold Oak Union Elementary School District  
 Goleta Water District  
 Goleta West Sanitary District  
 Gravenstein Union Elementary School District  
 Great Basin Unified Air Pollution Control District  
 Greater Anaheim Special Education Local Plan Area  
 Greenfield Union Elementary School District  
 Grossmont-Cuyamaca Community College District  
 Guadalupe Union Elementary School District  
 Guerneville Elementary School District  
 Gustine Unified School District  
 Hacienda La Puente Unified School District  
 Happy Valley Union Elementary School District  
 Harmony Union Elementary School District  
 Hart Ransom Academic Charter School  
 Hart Ransom Union Elementary School District  
 Hartnell Community College District  
 Healdsburg Unified School District  
 Hemet Unified School District  
 Hi-Desert Water District  
 Hillsborough City School District  
 Housing Authority of the City of Eureka  
 Housing Authority of the City of Los Angeles  
 Housing Authority of the County of San Joaquin  
 Hughson Unified School District  
 Humboldt Bay Harbor Recreation and Conservation  
   District  
 Humboldt County Office of Education  
 Humboldt State University Center  
 Humboldt Transit Authority  
 Huntington Beach City Elementary School District  
 Imperial Community College District  
 Imperial County Office of Education  
 Indian Wells Valley Water District  
 Ironhouse Sanitary District  
 Jacoby Creek School District  
 Jefferson School District  
 Jefferson Union High School District  
 John Swett Unified School District  
 Julian Union High School District  
 Kaweah Delta Water Conservation District  
 Kerman Unified School District  
 Kern Community College District  
 Kern Council of Governments  
 Kern County Law Library  
 Kernville Union School District  
 Kings Canyon Joint Unified School District  
 Kings County Office of Education  
 Kings River Union Elementary School District  
 Kings River-Hardwick Union School District  
 Kingsburg Elementary Charter School District  
 Kit Carson Union Elementary School District  
 Knights Ferry Elementary School District  
 La Habra City School District  
 Lafayette School District  
 Laguna Beach County Water District  
 Laguna Beach Unified School District  
 Lake Elsinore Unified School District  
 Lake Hemet Municipal Water District  
 Lake Tahoe Community College District  
 Lakeside Fire Protection District  
 Lakeside Union Elementary School District  
 Lamont Elementary School District  
 Lancaster School District  
 Las Lomas School District  
 Las Virgenes Municipal Water District  
 Lassen Community College District  
 Lassen County Office of Education  
 Lassen Municipal Utility District  
 Lassen Union High School District  
 Laton Unified School District  
 Lawndale Elementary School District  
 Le Grand Union Elementary School District  
 Lemon Grove School District  
 Lemoore Union Elementary School District  
 Lemoore Union High School District  
 Lewiston Elementary School District  
 Liberty Union High School District  
 Live Oak School District  
 Live Oak Unified School District  
 Livingston Union School District  
 Local Agency Formation Commission for the County of  
   Los Angeles  
 Lodi Unified School District  
 Loleta Union Elementary School District  
 Long Beach City College  
 Loomis Union School District  
 Los Alamitos Unified School District  
 Los Angeles County Law Library  
 Los Angeles County West Vector & Vector-Borne

Disease Control District  
Los Gatos-Saratoga Joint Union High School District  
Luther Burbank Elementary School District  
Magnolia School District  
Mammoth Unified School District  
March Joint Powers Authority  
Marin County Office of Education  
Mark West Union School District  
Martinez Unified School District  
Marysville Joint Unified School District  
McCabe Union Elementary School District  
McFarland Unified School District  
McKinleyville Union School District  
Meadows Union Elementary School District  
Meeks Bay Fire Protection District  
Mendocino-Lake Community College  
Menlo Park City School District  
Merced Community College District  
Merced County Office of Education  
Merced Union High School District  
Mid-Placer Public Schools Transportation Agency  
Millbrae School District  
Mission Valley ROP  
Mono County Office of Education  
Monroe Elementary School District  
Montecito Sanitary District  
Montecito Water District  
Monterey Peninsula Community College District  
Monterey Peninsula Unified School District  
Monterey Regional Waste Management District  
Moraga School District  
Moreland School District  
Morongo Unified School District  
Mosquito & Vector Management District of Santa  
Barbara County  
Mount San Antonio Community College District  
Mount San Antonio Community College District  
Auxiliary  
Mount Shasta Union School District  
Mountain View Elementary School District  
Mountain View Los Altos Union High School District  
Mt. San Jacinto Community College District  
Municipalities, Colleges and Schools Insurance Group  
Murrieta Valley Unified School District  
Napa County Office of Education  
Napa Valley Community College District  
Natomas Unified School District  
Nevada Joint Union High School District  
New Hope Elementary School District  
New Jerusalem Elementary School District  
Newman Crows Landing Unified School District

North Coast Unified Air Quality Management District  
North County Fire Protection District of San Diego  
County  
North Monterey County Unified School District  
North of the River Municipal Water District  
North Orange County Community College District  
North Orange County Regional Occupational Program  
North Tahoe Fire Protection District  
Northwest Mosquito and Vector Control District  
Norwalk La Mirada Unified School District  
Novato Unified School District  
Oak Valley Union Elementary School District  
Oakdale Joint Unified School District  
Oakley Union Elementary School District  
Ocean View School District  
Oceanside Unified School District  
Ohlone Community College District  
Ojai Valley Sanitary District  
Ontario Montclair School District Board of Trustees  
Orange Center School District  
Orange County Superintendent of Schools  
Orange Unified School District  
Orcutt Academy Charter  
Orcutt Union School District  
Oroville Union High School District  
Oxnard School District  
Oxnard Union High School District  
Pacheco Union School District  
Pacific Grove Unified School District  
Pacific Union School District  
Pacifica School District  
Pajaro Valley Unified School District  
Palermo Union Elementary School District  
Palm Springs Unified School District  
Palo Verde Community College District  
Palo Verde Unified School District  
Palomar Community College District  
Paradise Elementary School District  
Paradise Irrigation District  
Paradise Unified School District  
Pasadena Area Community College District  
Patterson Joint Unified School District  
Peralta Community College District  
Perris Elementary School District  
Pico Water District  
Piedmont Unified School District  
Pioneer Union School District  
Placer County Office of Education  
Placer Hills Union School District  
Planada Elementary School District  
Pleasant Valley School District

Pleasant View Elementary School District  
Plumas County Community Development Commission  
Port of Hueneme - Oxnard Harbor District  
Porterville Unified School District  
Poway Unified School District  
Processing Tomato Advisory Board  
PSA2 Area Agency on Aging  
Rancho Santiago Community College District  
Ravenswood City Elementary School District  
Reclamation District No. 1000  
Reclamation District No. 900  
Redlands Unified School District  
Reef-Sunset Unified School District  
Rescue Fire Protection District  
Rim of the World Unified School District  
Rincon del Diablo Municipal Water District  
Rincon Valley Union School District  
Rio Bravo-Greeley Union Elementary School District  
Rio Dell Elementary School District  
Rio Hondo Community College District  
Riverbank Unified School District  
Riverdale Joint Unified School District  
Riverside Transit Agency  
Roberts Ferry Elementary School District  
Robla School District  
Rocklin Unified School District  
Rodeo-Hercules Fire Protection District  
Rosedale Union School District  
Roseland Elementary School District  
Roseville City School District  
Ross School District  
Ross Valley Elementary School District  
Rowland Unified School District  
Rubidoux Community Services District  
Sacramento Suburban Water District  
Saddleback Valley Unified School District  
Salinas Union High School District  
San Bernardino City Unified School District  
San Bernardino Community College District  
San Bernardino County Superintendent of Schools  
San Bruno Park School District  
San Carlos School District  
San Francisco Community College District  
San Francisco Unified School District  
San Gabriel Valley Mosquito & Vector Control District  
San Gabriel Valley Municipal Water District  
San Jacinto Unified School District  
San Joaquin County Office of Education  
San Joaquin Delta Community College District  
San Juan Water District  
San Lorenzo Unified School District

San Marino Unified School District  
San Mateo County Community College District  
San Mateo County Office of Education  
San Mateo County Schools Insurance Group  
San Mateo Union High School District  
Santa Ana Unified School District  
Santa Barbara Community College District  
Santa Barbara County Association of Governments  
Santa Barbara County Education Office  
Santa Clarita Community College District  
Santa Cruz County Office of Education  
Santa Maria Joint Union High School District  
Santa Maria Public Airport District  
Santa Monica Community College District  
Santa Paula City Housing Authority  
Santa Rita Union School District  
Santa Ynez River Water Conservation District  
Savanna Elementary School District  
Scotia Union Elementary School District  
Scotts Valley Fire Protection District  
Scotts Valley Water District  
Selma Kingsburg Fowler County Sanitation District  
Sequoia Union High School District  
Serrano Water District  
Shasta Regional Transportation Agency  
Shasta Tehama Trinity Joint Community College District  
Shasta Union High School District  
Shasta Union High School District Charter Schools  
Sierra Joint Community College District  
Sierra Lakes County Water District  
Sierra Unified School District  
Silicon Valley Clean Water  
Silver Valley Unified School District  
Siskiyou County Office of Education  
Siskiyou Union High School District  
Solano County Community College District  
Solano County Office of Education  
Soledad Unified School District  
Sonoma Valley Unified School District  
South Bay Union School District  
South County Support Services Agency  
South Fork Union School District  
South Monterey County Joint Union High School District  
South Pasadena Unified School District  
South San Francisco Unified School District  
South San Luis Obispo County Sanitation District  
Southern California Library Cooperative  
Southern Humboldt Joint Unified School District  
Southern Kern Unified School District  
Southern Trinity Joint Unified School District  
Southwest Transportation Agency



Southwestern Community College District  
Squaw Valley Public Service District  
Standard Elementary School District  
Stanislaus County Office of Education  
Stanislaus Union School District  
Stege Sanitary District  
Stockton Unified School District  
Successor Agency to the Redevelopment Agency of the  
City and County of San Francisco dba San Francisco  
Office of Community Investment and Infrastructure  
(OCII)  
Sundale Union Elementary School District  
Sunnyside Union Elementary School District  
Susanville Sanitary District  
Susanville School District  
Sutter Cemetery District  
Sutter County Office of Education  
Sweetwater Authority  
Taft City School District  
Tahoe-Truckee Sanitation Agency  
Tahoe-Truckee Unified School District  
TCS Miscellaneous  
Temple City Unified School District  
Town of Ross  
Tracy Joint Unified School District  
Trinidad Union School District  
Truckee Fire Protection District  
Truckee Sanitary District  
Trust for Retirees of Associated California Schools  
Turlock Unified School District  
Tustin Unified School District  
United Water Conservation District  
Upper Lake Unified School District  
Upper San Gabriel Valley Municipal Water District  
Val Verde Unified School District  
Vallecitos Water District  
Valley County Water District  
Valley Home Joint School District  
Valley Sanitary District  
Ventura County Community College District  
Ventura County Office of Education  
Victor Elementary School District  
Victor Valley Community College District  
Victor Valley Wastewater Reclamation Authority  
Vineland Elementary School District  
Walnut Creek School District  
Waltham Housing Authority  
Wasco Union Elementary School District  
Washington Unified School District  
Washington Union School District  
Weed Union Elementary School District

West Contra Costa Transportation Advisory Committee  
West Hills Community College District  
West Kern Community College District  
West Sonoma County Union High School District  
West Valley Mission Community College District  
Western Placer Unified School District  
Westside Union School District  
Westwood Unified School District  
Wheatland School District  
Wheatland Union High School District  
Williams Unified School District  
Willits Unified School District  
Winters Joint Unified School District  
Winton School District  
Woodland Joint Unified School District  
Woodside Elementary School District  
Yolo County Office of Education  
Yosemite Community College District  
Yreka Union Elementary School District  
Yreka Union High School District  
Yuba Community College District  
Yuba County Office of Education  
Yucaipa-Calimesa Unified School District