



Los Angeles County Employees
Retirement Association

GASB 67 Disclosure

GASB 67 Reporting Date: June 30, 2020

Measurement Date: June 30, 2020

Actuarial Valuation Date: June 30, 2019

Fiscal Year: July 1, 2019 to June 30, 2020

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Certification

Actuarial computations presented in this report under Statement No. 67 of the Governmental Accounting Standards Board are for purposes of assisting LACERA in fulfilling its financial accounting requirements. No attempt is being made to offer any accounting opinion or advice. This report is for fiscal year July 1, 2019 to June 30, 2020. The reporting date for determining plan assets and obligations is June 30, 2020. The calculations enclosed in this report have been made on a basis consistent with our understanding of the plan provisions. Determinations for purposes other than meeting financial reporting requirements may be significantly different than the results contained in this report. Accordingly, additional determinations may be needed for other purposes, such as judging benefit security or meeting employer funding requirements.

In preparing this report, we relied, without audit, on information as of June 30, 2019 furnished by LACERA. This information includes, but is not limited to, statutory provisions, member census data, and financial information. Please see Milliman's Actuarial Valuation of Retirement Benefits report dated March 2, 2020 for more information on the data used in the valuation, as well as a summary of the plan provisions and actuarial methods and assumptions.

We performed a limited review of the census and financial information used directly in our analysis and have found them 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.

All costs, liabilities, rates of interest, and other factors for the Plan have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the Plan and reasonable expectations); and which in combination, offer our best estimate of anticipated experience affecting the Plan.

This report 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 additional cost or contribution requirements 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 such future measurements.

Milliman's work is prepared solely for the use and benefit of LACERA. 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 plan sponsor may provide a copy of Milliman's work, in its entirety, to the plan sponsor'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 Fund; and
- b) the plan sponsor 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 specific needs.

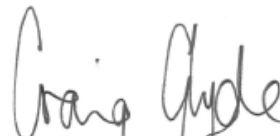
The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

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 has been prepared in accordance with generally recognized accepted actuarial principles and practices. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.



Nick Collier, ASA, EA, MAAA
Consulting Actuary



Craig Glyde, ASA, EA, MAAA
Consulting Actuary

Overview of GASB 67 and GASB 68

GASB 67 applies to financial reporting for public pension plans. LACERA implemented GASB 67 reporting for the fiscal year ended June 30, 2014.

GASB 68 governs the specifics of accounting for public pension plan obligations for participating employers. A GASB 68 report was first provided for employers participating in LACERA for the reporting date June 30, 2015.

The following GASB Statements provide additional information for, amend, or clarify GASB 67 and 68:

1. GASB 73 provides information about accounting and reporting for pensions and related assets that are not within the scope of GASB 68, and amendments to certain provisions of GASB 67 and 68. LACERA implemented GASB 73 for the fiscal year ended June 30, 2016.
2. GASB 82 addresses certain issues with respect to GASB 67, GASB 68 and GASB 73. LACERA elected early implementation of GASB 82 for the GASB 67 June 30, 2016 reporting date. GASB 82 was reflected in GASB 68 financial reporting for the GASB 68 June 30, 2017 reporting date.

Statement of Fiduciary Net Position

	June 30, 2020	June 30, 2019
Assets		
Cash and Short-Term Investments	\$ 2,668,514,883	\$ 1,310,026,598
Cash Collateral on Loaned Securities	1,177,374,278	814,829,353
Receivables		
Contributions Receivable	101,730,406	96,481,733
Accounts Receivable - Sale of Investments	697,420,087	1,046,945,184
Accrued Interest and Dividends	133,935,398	102,714,643
Accounts Receivable - Other	7,586,880	8,334,664
Total Receivables	940,672,771	1,254,476,224
Investments at Fair Value		
Equity	23,332,239,318	25,836,066,007
Fixed Income	18,778,182,107	18,028,747,241
Private Equity	7,141,780,830	6,028,264,809
Real Estate	5,128,770,609	6,192,619,038
Hedge Funds	2,193,437,377	1,890,739,586
Total Investments at Fair Value	56,574,410,240	57,976,436,681
Total assets	61,360,972,171	61,355,768,857
Liabilities		
Accounts Payable - Purchase of Investments	1,598,943,189	2,162,819,244
Retiree Payroll and Other Payables	1,176,761	921,886
Accrued Expenses	34,887,345	44,518,045
Tax Withholding Payable	38,002,636	35,504,456
Obligations under Securities Lending Program	1,177,374,278	814,829,353
Accounts Payable - Other	180,051	2,339,307
Total liabilities	2,850,564,261	3,060,932,291
Net position restricted for pension benefits	\$ 58,510,407,911	\$ 58,294,836,565

Statement of Changes in Fiduciary Net Position

July 1, 2019 - June 30, 2020

Additions

Contributions	
Employer	\$ 1,800,137,447
Member	659,295,961
Total Contributions	2,459,433,409
Investment Income	
From Investing Activities:	
Net Appreciation/(Depreciation) in Fair Value of Investments	(4,256,243,407)
Investment Income/(Loss)	5,906,599,371
Total Investing Activity Income	1,650,355,964
Less Expenses From Investing Activities	(209,320,451)
Net Investing Activity Income	1,441,035,513
From Securities Lending Activities:	
Securities Lending Income	15,987,146
Less Expenses From Securities Lending Activities:	
Borrower Rebates	(10,030,889)
Management Fees	(1,115,182)
Total Expenses from Securities Lending Activities	(11,146,071)
Net Securities Lending Income	4,841,076
Total Net Investment Income	1,445,876,588
Miscellaneous	2,382,427
Total Additions	3,907,692,424

Deductions

Retiree Payroll	3,578,878,907
Administrative Expenses	72,054,032
Investment Expenses	13,329,577
Refunds	25,231,451
Lump Sum Death Benefits	2,230,036
Miscellaneous	397,076
Total Deductions	3,692,121,078
Net increase/(decrease) in Net Position	215,571,346

Net position restricted for pension benefits

Beginning of Year	58,294,836,565
End of Year	\$ 58,510,407,911

Net Pension Liability

\$ Thousands

Net Pension Liability	June 30, 2020	June 30, 2019
Total pension liability	\$76,579,594	\$70,309,252
Fiduciary net position	<u>58,510,408</u>	<u>58,294,837</u>
Net pension liability	18,069,186	12,014,415
Fiduciary net position as a % of total pension liability	76.40%	82.91%
Covered payroll ⁽¹⁾	8,724,151	8,370,050
Net pension liability as a % of covered payroll	207.12%	143.54%

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate shown below and actuarial assumptions and methods as outlined in this report for GASB purposes, and was then projected forward to the measurement date taking into account any significant changes between the valuation date and the fiscal year end as prescribed by GASB 67 and 68.

Discount Rate

Discount rate	7.13%	7.38%
Long-term expected rate of return, net of expenses	7.00%	7.25%
Municipal bond rate	N/A	N/A

Milliman's January 2020 Investigation of Experience analysis was used to develop the 7.13% assumption used for the current reporting date. This is equal to the 7.00% long-term investment return assumption adopted by the Board (net of investment and administrative expenses), plus 0.13% assumed administrative expenses.

The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, gross of administrative expenses. See the Discount Rate section of this report for further details.

Other Key Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2020 were based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2019.

Valuation date	June 30, 2019	June 30, 2018
Measurement date	June 30, 2020	June 30, 2019
Other assumptions and methods	See the 'Assumptions and Methods' section of this report.	

1. In accordance with GASB 82, covered payroll is the payroll on which contributions are based.

Depletion of Plan Assets / GASB Discount Rate

The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments.

In order to determine the discount rate to be used by LACERA we have shown the projection of Fiduciary Net Position in the following exhibit ("Projection of Fiduciary Net Position").

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of LACERA is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 67 and 68 purposes. Therefore, we have used a discount rate of 7.13%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.00%, net of all expenses, increased by 0.13% to be gross of administrative expenses.

Projection of Fiduciary Net Position

Fiscal Year Ending	Projected Beginning Fiduciary Net Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (a)+(b)-(c)-(d)+(e)
2021	\$58,510,408	\$2,579,367	\$3,834,794	\$76,064	\$4,125,142	\$61,304,059
2022	61,304,059	2,785,867	4,024,380	79,695	4,324,794	64,310,646
2023	64,310,646	2,942,898	4,220,539	83,604	4,537,656	67,487,056
2024	67,487,056	3,032,312	4,427,944	87,733	4,759,856	70,763,547
2025	70,763,547	3,130,192	4,643,777	91,993	4,989,187	74,147,156
2026	74,147,156	3,211,439	4,867,376	96,391	5,225,297	77,620,125
2027	77,620,125	3,245,079	5,095,269	100,906	5,465,956	81,134,984
2028	81,134,984	3,278,441	5,326,426	105,475	5,709,475	84,690,999
2029	84,690,999	3,311,309	5,561,183	110,098	5,955,784	88,286,810
2030	88,286,810	3,344,271	5,799,134	114,773	6,204,819	91,921,994
2031	91,921,994	3,377,277	6,039,878	119,499	6,456,564	95,596,459
2041	130,171,879	2,023,830	8,458,953	169,223	9,049,864	132,617,396
2051	138,327,594	436,260	10,505,024	179,826	9,503,685	137,582,690
2061	122,425,759	72,326	10,468,596	159,153	8,359,134	120,229,470
2071	104,176,667	1,388	7,847,256	135,430	7,148,162	103,343,531
2081	112,607,052	0	4,274,516	146,389	7,873,991	116,060,137
2091	178,601,049	0	1,316,889	232,181	12,679,981	189,731,960
2101	341,003,847	0	137,268	443,305	24,293,233	364,716,507
2111	669,758,396	0	2,279	870,686	47,723,188	716,608,619

Changes in Net Pension Liability

\$ Thousands

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2019	\$70,309,252	\$58,294,837	\$12,014,415
Changes for the year:			
Service cost	1,301,460	0	1,301,460
Interest on total pension liability	5,154,164	0	5,154,164
Effect of plan changes	0	0	0
Effect of economic/demographic (gains) or losses	794,955	0	794,955
Effect of assumption changes or inputs	2,626,103	0	2,626,103
Benefit payments	(3,581,109)	(3,581,109)	0
Refunds of contributions	(25,231)	(25,231)	0
Administrative expenses	0	(72,054)	72,054
Member contributions ⁽¹⁾	0	659,296	(659,296)
Employer contributions ⁽¹⁾	0	1,800,137	(1,800,137)
Contributions from Metropolitan Transportation Authority	0	0	0
CalPERS transfer	0	0	0
Net investment income ⁽²⁾	0	1,432,547	(1,432,547)
Net miscellaneous income	0	1,985	(1,985)
Balances as of June 30, 2020	76,579,594	58,510,408	18,069,186

Sensitivity Analysis

The following presents the net pension liability of LACERA, calculated using the discount rate of 7.13%, as well as what LACERA's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.13%) or 1 percentage point higher (8.13%) than the current rate.

	1% Decrease 6.13%	Current Discount Rate 7.13%	1% Increase 8.13%
Total pension liability	\$86,990,827	\$76,579,594	\$67,976,838
Fiduciary net position	58,510,408	58,510,408	58,510,408
Net pension liability	28,480,419	18,069,186	9,466,430

1. In accordance with GASB 82, employer pick-up contributions are classified as member contributions.

2. Net investment income includes an adjustment of \$13,329,577 related to LACERA's investment staff salaries and other expenses.

Schedule of Changes in Net Pension Liability and Related Ratios

\$ Thousands

	Fiscal Year Ending June 30									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Pension Liability										
Service cost	\$1,301,460	\$1,239,396	\$1,220,274	\$1,106,755	\$1,069,328	\$1,024,288	\$1,009,834	\$0	\$0	\$0
Interest on total pension Liability	5,154,164	4,916,804	4,699,493	4,393,712	4,214,834	4,073,299	3,957,030	0	0	0
Effect of plan changes	0	0	0	0	0	0	0	0	0	0
Effect of assumption changes or inputs	2,626,103	0	0	3,079,892	0	0	0	0	0	0
Effect of economic/demographic (gains) or losses	794,955	502,989	309,149	(47,506)	(437,039)	(736,010)	0	0	0	0
CalPERS transfer	0	0	0	0	0	332	0	0	0	0
Benefit payments and refund of contributions	<u>(3,606,340)</u>	<u>(3,407,155)</u>	<u>(3,203,375)</u>	<u>(3,029,633)</u>	<u>(2,889,186)</u>	<u>(2,768,410)</u>	<u>(2,662,401)</u>	0	0	0
Net change in total pension liability	6,270,342	3,252,034	3,025,541	5,503,220	1,957,937	1,593,499	2,304,463	0	0	0
Total pension liability, beginning	70,309,252	67,057,218	64,031,677	58,528,457	56,570,520	54,977,021	52,672,558	0	0	0
Total pension liability, ending (a)	76,579,594	70,309,252	67,057,218	64,031,677	58,528,457	56,570,520	54,977,021	0	0	0
Fiduciary Net Position										
Employer contributions ⁽¹⁾	\$1,800,137	\$1,668,151	\$1,524,823	\$1,331,357	\$1,403,709	\$1,455,718	\$1,281,795	\$0	\$0	\$0
Contributions from Metropolitan Transportation Authority	0	0	0	2	3	25	0	0	0	0
CalPERS transfer	0	0	0	0	0	332	0	0	0	0
Member contributions ⁽¹⁾	659,296	635,415	591,262	526,579	498,083	480,158	477,648	0	0	0
Investment income net of investment expenses	1,432,547	3,163,618	4,705,949	6,129,300	80,588	1,989,358	6,910,439	0	0	0
Miscellaneous income	1,985	5,626	5,163	6,182	2,792	1,483	0	0	0	0
Benefit payments and refund of contributions	<u>(3,606,340)</u>	<u>(3,407,155)</u>	<u>(3,203,375)</u>	<u>(3,029,633)</u>	<u>(2,889,186)</u>	<u>(2,768,410)</u>	<u>(2,662,401)</u>	0	0	0
Administrative expenses	<u>(72,054)</u>	<u>(70,800)</u>	<u>(67,491)</u>	<u>(66,830)</u>	<u>(67,645)</u>	<u>(62,591)</u>	<u>(58,723)</u>	0	0	0
Net change in plan fiduciary net position	215,571	1,994,855	3,556,331	4,896,957	(971,656)	1,096,073	5,948,758	0	0	0
Fiduciary net position, beginning	58,294,837	56,299,982	52,743,651	47,846,694	48,818,350	47,722,277	41,773,519	0	0	0
Fiduciary net position, ending (b)	58,510,408	58,294,837	56,299,982	52,743,651	47,846,694	48,818,350	47,722,277	0	0	0
Net pension liability, ending = (a) - (b)	\$18,069,186	\$12,014,415	\$10,757,236	\$11,288,026	\$10,681,763	\$7,752,170	\$7,254,744	\$0	\$0	\$0
Fiduciary net position as a % of total pension liability	76.40%	82.91%	83.96%	82.37%	81.75%	86.30%	86.80%	N/A	N/A	N/A
Covered payroll ⁽²⁾	\$8,724,151	\$8,370,050	\$7,957,981	\$7,637,032	\$7,279,777	\$6,949,420	\$6,672,886	\$0	\$0	\$0
Net pension liability as a % of covered payroll	207.12%	143.54%	135.18%	147.81%	146.73%	111.55%	108.72%	N/A	N/A	N/A

1. In accordance with GASB 82, employer pick-up contributions are classified as member contributions.

2. In accordance with GASB 82, covered payroll is the payroll on which contributions are based.

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Schedule of Employer Contributions

Fiscal Year Ending June 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll ¹	As a % of Covered Payroll	
					Actuarially Determined Contribution	Actual Employer Contribution
2011	\$944,174	\$944,174	\$0	\$6,650,674	14.20%	14.20% ²
2012	1,078,929	1,078,929	0	6,619,816	16.30%	16.30% ²
2013	1,172,014	1,172,014	0	6,595,902	17.77%	17.77% ²
2014	1,281,795	1,281,795	0	6,672,886	19.21%	19.21%
2015	1,455,718	1,455,718	0	6,949,420	20.95%	20.95%
2016	1,403,709	1,403,709	0	7,279,777	19.28%	19.28%
2017	1,331,357	1,331,357	0	7,637,032	17.43%	17.43%
2018	1,524,823	1,524,823	0	7,957,981	19.16%	19.16%
2019	1,668,151	1,668,151	0	8,370,050	19.93%	19.93%
2020	1,800,137	1,800,137	0	8,724,151	20.63%	20.63%

1. In accordance with GASB 82, covered payroll is the payroll on which contributions are based.
2. Contributions include employer pick-up contributions.

Actuarial Methods and Assumptions

All actuarial methods and assumptions used to calculate Net Pension Liability are the same as used in the June 30, 2019 funding valuation, except as noted below and throughout this report. Please see the Actuarial Valuation of Retirement Benefits report dated March 2, 2020 for further details.

Actuarial Cost Method	Individual Entry Age Normal ⁽¹⁾
Asset Valuation Method	Fair market value
Investment Rate of Return	7.13% ⁽²⁾
Inflation	2.75%
Cost of Living Adjustments	As noted in the June 30, 2019 actuarial valuation, with one modification: STAR COLA benefits are assumed to be substantively automatic at the 80% purchasing power level until the STAR reserve is projected to be insufficient to pay further STAR benefits. ⁽³⁾
Mortality	Various rates based on Pub-2010 mortality tables and using MP-2014 Ultimate Projection Scale. See June 30, 2019 funding valuation for details.

Service Cost and Interest Cost components of Pension Expense are determined based on the results of the actuarial valuation that determined the beginning Net Pension Liability. Therefore, those components are determined based on the actuarial methods and assumptions described in the June 30, 2019 GASB 67 Disclosure Report dated September 16, 2019.

The following assumptions and methods are relevant to the GASB 68 valuation and are included here for completeness.

Recognition of Inflows / Outflows

Investment gains or losses	Straight line amortization over five years
Economic/demographic gains or losses	Straight line amortization over expected working life
Assumption changes or inputs	Straight line amortization over expected working life

Basis of Contribution Requirements

Actuarially determined contribution rates are calculated as of each June 30, two years prior to the end of the fiscal year in which the contributions are reported.

Assets are valued using a five year smoothed method based on the difference between expected market value and actual market value. The recognition method is non-asymptotic, and there is no minimum or maximum corridor applied.

The Unfunded Actuarial Accrued Liability (UAAL) is amortized as a level percentage of pay. Effective June 30, 2019 existing UAAL layers as of June 30, 2018 are amortized over their remaining periods, not to exceed 22 years. Each new layer effective on or after June 30, 2019 is amortized over a 20-year period. The UAAL contribution rate calculated in the June 30, 2019 funding valuation includes 11 layers.

1. Differs slightly from actuarial valuation for groups in existence less than five years.
2. Differs from actuarial valuation due to addition of administrative expense load of 0.13%.
3. Differs from actuarial valuation due to inclusion of future liability for STAR COLA benefits.

Glossary

Actuarially Determined Contribution	A target or recommended contribution to a defined benefit pension plan for the reporting period, determined based on the funding policy and most recent measurement available when the contribution for the reporting period was adopted.
Deferred Inflows/Outflows of Resources	Portion of changes in net pension liability that is not immediately recognized in Pension Expense. These changes include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on plan investments.
Discount Rate	Single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of: <ol style="list-style-type: none">1) The actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefit payments, calculated using the Long-Term Expected Rate of Return.2) The actuarial present value of projected benefit payments not included in (1) above, calculated using the Municipal Bond Rate.
Fiduciary Net Position	Equal to market value of assets minus liabilities.
Long-Term Expected Rate of Return	Long-term expected rate of return on pension plan investments expected to be used to finance the payment of benefits, net of investment expenses.
Money-Weighted Rate of Return	The internal rate of return on pension plan investments, net of investment expenses.
Municipal Bond Rate	Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.
Net Pension Liability	Total Pension Liability minus the Plan's Fiduciary Net Position.
Projected Benefit Payments	All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and expected future service.
Service Cost	The portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
Total Pension Liability	The portion of actuarial present value of projected benefit payments that is attributable to past periods of member service using the Entry Age Normal cost method based on the requirements of GASB 67 and 68.