

**ISD 877 Buffalo-Hanover-Montrose
Tentative Severance Fund Balance Projection
Actuarial Report Dated 7.1.16
For Year Ended 6/30/2017**

Dated

4/27/2017

Designated for Severance:

The board commits a portion of fund balance for employee severance amounts annually. The commitment consists of two parts. The first part is a percentage of the following five years of projected retiree claims and administrative costs net of any employee paid premiums as well as any health care savings plan contributions determined under GASB 45. The second part is a percentage of the following five years of projected severance payments as determined under GASB 16. All amounts shall be determined through actuarial valuation. The percentage schedule shall be as follows:

For fiscal year ending June 30, 2014 - 65%
For all fiscal years ending after June 30, 2014 - 60%

	June 30, 2017			June 30, 2018			June 30, 2019	
	<u>OPEB*</u>	<u>Comp Abs.</u>		<u>OPEB*</u>	<u>Comp Abs.</u>		<u>OPEB*</u>	<u>Comp Abs.</u>
2018	1,122,139.00	72,260.00	2019	1,108,640.00	89,642.00	2020	1,126,738.00	98,093.00
2019	1,108,640.00	89,642.00	2020	1,126,738.00	98,093.00	2021	1,043,904.00	86,071.00
2020	1,126,738.00	98,093.00	2021	1,043,904.00	86,071.00	2022	972,579.00	106,214.00
2021	1,043,904.00	86,071.00	2022	972,579.00	106,214.00	2023	974,917.00	93,577.00
2022	972,579.00	106,214.00	2023	974,917.00	93,577.00	2024	982,328.00	83,512.00
	<u>5,374,000.00</u>	<u>452,280.00</u>		<u>5,226,778.00</u>	<u>473,597.00</u>		<u>5,100,466.00</u>	<u>467,467.00</u>
	60%	60%		60%	60%		60%	60%
	<u>3,224,400.00</u>	<u>271,368.00</u>		<u>3,136,066.80</u>	<u>284,158.20</u>		<u>3,060,279.60</u>	<u>280,480.20</u>
Total (01-418-00)	<u>3,495,768.00</u>		Total (01-418-00)	<u>3,420,225.00</u>		Total (01-418-00)	<u>3,340,759.80</u>	
					(75,543)			
				match actual 2013-14			taper back to 50%	
	June 30, 2020			June 30, 2021			June 30, 2022	
	<u>OPEB*</u>	<u>Comp Abs.</u>		<u>OPEB*</u>	<u>Comp Abs.</u>		<u>OPEB*</u>	<u>Comp Abs.</u>
2021	1,043,904.00	86,071.00	2022	972,579.00	106,214.00	2023	974,917.00	93,577.00
2022	972,579.00	106,214.00	2023	974,917.00	93,577.00	2024	982,328.00	83,512.00
2023	974,917.00	93,577.00	2024	982,328.00	83,512.00	2025	943,067.00	101,178.00
2024	982,328.00	83,512.00	2025	943,067.00	101,178.00	2026	956,278.00	75,827.00

2025	943,067.00	101,178.00
	<u>4,916,795.00</u>	<u>470,552.00</u>
	60%	60%
	<u>2,950,077.00</u>	<u>282,331.20</u>

2026	956,278.00	75,827.00
	<u>4,829,169.00</u>	<u>460,308.00</u>
	60%	60%
	<u>2,897,501.40</u>	<u>276,184.80</u>

2027	1,028,279.00	68,717.00
	<u>4,884,869.00</u>	<u>422,811.00</u>
	60%	60%
	<u>2,930,921.40</u>	<u>253,686.60</u>

Total (01-418-00) 3,232,408.20

Total (01-418-00) 3,173,686.20

Total (01-418-00) 3,184,608.00

June 30, 2022

	<u>OPEB*</u>	<u>Comp Abs.</u>
2024	982,328.00	83,512.00
2025	943,067.00	101,178.00
2026	956,278.00	75,827.00
2027	1,028,279.00	68,717.00
2028	1,165,150.00	68,952.00
	<u>5,075,102.00</u>	<u>398,186.00</u>
	60%	60%
	<u>3,045,061.20</u>	<u>238,911.60</u>

Total (01-418-00) 3,283,972.80

Projected Severance Committed Fund Balance Summary

Summary	7.1.16 Report		7.1.14 Report		Difference
June 30, 2017	3,495,768.00	60%	\$ 4,162,893.80		(667,125.80)
June 30, 2018	3,420,225.00	60%	\$ 4,082,500.80		(662,275.80)
June 30, 2019	3,340,759.80	60%	\$ 3,979,660.80		(638,901.00)
June 30, 2020	3,232,408.20	60%	\$ 3,797,718.00		(565,309.80)
June 30, 2021	3,173,686.20	60%	\$ 3,651,703.20		(478,017.00)
June 30, 2022	3,184,608.00	60%	\$ 3,608,838.00		(424,230.00)
June 30, 2022	3,283,972.80	60%			

*Formula = Retiree claims and admin costs less retiree paid premiums plus Dollars to Health Care Savings Plan

AJE to adjust committed fund balance for severance based on new board resolution

	DR	CR	for year ended	6/30/2017
01-418-00		667,125.80		
01-422-00			667,125.80	