

MARIN COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
(Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Cod. Sec. P50.108-109. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed, and changes in the District's net OPEB obligation:

Annual required contribution	\$ 254,077
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>257,505</u>
Annual OPEB cost (expense)	511,582
Contributions made	<u>(969,724)</u>
Change in net OPEB obligation	(458,142)
Net OPEB obligation (asset) - beginning of year	<u>(1,829,699)</u>
Net OPEB obligation (asset) - end of year	<u><u>\$ (2,287,841)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2015 and the preceding two years were as follows:

Fiscal Year <u>Ended</u>	Annual <u>OPEB Cost</u>	Percentage of Annual OPEB Cost <u>Contributed</u>	Net OPEB Obligation <u>(Asset)</u>
June 30, 2013	\$ 757,875	383.3%	\$ (1,845,971)
June 30, 2014	\$ 853,349	98.1%	\$ (1,829,699)
June 30, 2015	\$ 511,582	189.6%	\$ (2,287,841)

As of April 21, 2015, the most recent actuarial valuation date, the plan was 75.8 percent funded. The actuarial accrued liability for benefits was \$3,631,365, and the actuarial value of assets was \$2,753,999, resulting in an unfunded actuarial accrued liability (UAAL) of \$877,366. The covered payroll (annual payroll of active employees covered by the Plan) was \$1,863,851, and the ratio of the UAAL to the covered payroll was 47 percent.

Benefits are provided by the District on a pay-as-you-go basis. The District does maintain a retiree benefit trust fund ("OPEB Trust"), a single-employer defined benefit OPEB plan. The OPEB Trust is administered by Benefit Trust and is included in the District's financial report as a separately presented fiduciary fund. Contribution requirements for plan members are established and may be amended by the District's Board of Trustees through the collective bargaining process.