



March 1, 2017

Scope of Work

We will provide South Pasadena Unified School District with an actuarial report as of July 1, 2016, setting forth all District liabilities of the postretirement health benefit program, including a 50-year projection of District expenditures under the plan. Our report will contain the following information:

- Disclosure of the postretirement benefit obligations and Annual Required Contributions (ARC) in accordance with the GASB Other Postemployment Benefits (OPEB) accounting standard (GASB 45), for the fiscal year ending June 30, 2017;
- Disclosures for the trust funds as may be required by GASB 43;
- Projected annual pay-as-you-go District expenditures for the next 50 years;
- Recommended level annual funding amounts, to pre-fund the obligations as a flat dollar amount, a constant percent increase each year, or a level percent of unfunded liability;
- Reconciliation of Accrued Liability with July 1, 2014 actuarial report;
- Rollforward of Net OPEB Obligation through June 30, 2016;
- Breakdown of results by employment classification and active/retiree; and
- Summary of plan provisions, actuarial assumptions, and certification.

In addition to the report, we provide ongoing assistance in the preparation or review of GASB 45/75 (OPEB) footnote disclosures at the time the District prepares its financial statements.

Fees

Our flat fee for the services listed above (including telephone support to explain and discuss the report) will be \$5,000, and is all-inclusive based on the scope of the project outlined above. No other expenses would be charged to the project, except as noted in the next section.

Optional services that would require additional charges

The \$5,000 does not include the cost (including any direct expenses) of an on-site presentation to the District's Board. An on-site presentation is not anticipated at this time.