



April 7, 2021

Dear Audrey:

Thank you for this opportunity to provide the District with the following proposal for actuarial services. Paso Robles Joint Union School District has been a DFA, LLC (DFA) client since 2011. We value our relationship and hope to continue it for many years into the future.

### **Fees**

Our flat fee, for the scope of work (described below) will be as follows:

Actuarial Report as of July 1, 2020	\$5,000
GASB 75 footnote information for fiscal year ending June 30, 2021	\$500
GASB 75 footnote information for fiscal year ending June 30, 2022	\$500
Meeting with District staff or board to explain the report and discuss any other issues or concerns	No Charge
Total Fee	\$6,000

While we believe our fees to be quite competitive, please contact us immediately if you have any concerns about the level of fees. We would not want fees to affect our relationship and are available to discuss any concerns.

### **Scope of Work**

DFA will provide Paso Robles Joint Union School District with an actuarial report as of July 1, 2020, setting forth all District liabilities of the postretirement health benefit program, including a projection of District expenditures under the plan. Our report will contain the following information:

- Determination of postretirement benefit obligations and components of expense in accordance with the Statement No. 75 of the Governmental Accounting Standards Board for fiscal year beginning July 1, 2020.
- Alternative amounts for prefunding the obligations as a percent of covered employee payroll.
- Reconciliation of Total OPEB Liability with the prior actuarial report.
- Roll-forward of Net OPEB Liability to GASB 75 measurement date.
- Summary of plan provisions, actuarial assumptions, and certification.

The scope also includes:

- Preparation (or review) of the GASB 75 footnote information at the time the District prepares its financial statements for fiscal years ending June 30, 2021 and June 30, 2022.
- Meeting with District staff or board to explain the report and discuss any other issues or concerns. Meeting would be virtual, in-person, or by telephone as requested.

### **Why Choose DFA**

*Continuity and Succession – Uninterrupted Service.* Paso Robles Joint Union School District has been a DFA client since 2011. We continue to maintain easy access to your historical information in a secure environment. This allows us to supplement our services with a certain level of institutional knowledge.

We value our relationship and hope to continue it for many years into the future. We have developed a succession plan, in which our credentialed actuaries will ensure uninterrupted service for the foreseeable future. Our credentialed actuaries have years of experience ranging between 11 and 33 years. Individual biographies for all team members are available upon request.

*Team Approach – Quality.* Our valuations are prepared and peer-reviewed under the supervision of at least two credentialed actuaries on staff. Our approach results in a higher degree of quality control, improved response times, and effective project management. In addition, our team approach facilitates individual growth among the team members who serve you.

*Systems – Improving Processing Time.* We have made significant investments in technology. We moved away from a homegrown actuarial system to a world-renown valuation system. The system improves our processing time, enhances our capabilities, and helps in the recruitment of top talent.

We are currently testing and will soon roll out an interactive, state-of-the-art data management system to further improve processing time and to build a comprehensive database for each client.

*Professional and Commercial Insurance.* DFA is covered by appropriate levels of professional and commercial insurance. We are available to provide proof of insurance upon request.

\*\*\*\*\*

Feel free to call us with any questions about this proposal.

Sincerely,

DFA, LLC



BRAD PAWLOWSKI

ASST Supt Busi Svcs

OK TO PROCEED

4.14.21

**Paso Robles Joint Union School District**  
**GASB 75 DISCLOSURE DATA REQUEST**

April 7, 2021

Dear Audrey:

We are requesting the information required for the July 1, 2020, GASB 75 valuation of the retiree health insurance program.

We have prepared the checklist below to guide you through the data gathering process and to help ensure all required data is included.

- ☐ **Census Data:** Complete list of all active employees and retirees as of the valuation date. The Excel workbook provided shows a sample layout and label options. Additional notes can be found throughout the Excel workbook. If you provide the census data in a different worksheet, please reference the notes in the provided Excel sheet to be sure the data you have assembled is complete.
- ☐ **Health Premiums:** Premium rate sheets that show active rates, under age 65 retiree rates, and over age 65 (Medicare) retiree rates for all plans available to employees for the one-year period starting at the valuation date. This should include all benefits available to retirees such as medical, pharmacy, dental, vision, and/or life insurance.
- ☐ **Employee Contracts:** Relevant sections of collective bargaining agreements (Retirees' Health Insurance), employee booklets, and/or memorandum of understanding documents describing other post-employment benefits for retirees as of the valuation date.
- ☐ **Audit:** Copy of the most recent completed financial audit.
- ☐ **Payroll:** Total covered payroll for benefit eligible employees for the most recent completed fiscal year. This amount represents total gross wages before adjustments for benefits.
- ☐ **Contributions:** The pay-as-you-go contributions for retiree health benefits for the most recent completed fiscal year.
- ☐ **OPEB Trust:** If there is an irrevocable other post-employment benefits trust account, a copy of the annual statement for the most recent completed fiscal year.

Please email the updated workbook and attachments to Carlos Diaz: [cdiaz@dfa-actuaries.com](mailto:cdiaz@dfa-actuaries.com).

After you have had a chance to review this information, please let us know if you have any questions.

Regards,

Carlos Diaz