

**OHLONE COMMUNITY
COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY
INVESTMENT TRUST**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2020**

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

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INDEPENDENT AUDITOR'S REPORT

**Members of the Board of Trustees
Ohlone Community College District
Futuris Public Entity Investment Trust
Fremont, California**

Report on the Financial Statements

We have audited the accompanying financial statements of Ohlone Community College District Futuris Public Entity Investment Trust (the OPEB Trust), as of and for the year ended June 30, 2020, and related notes to the financial statements, which collectively comprise the OPEB Trust's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the OPEB Trust as of June 30, 2020, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the District's Net OPEB Liability and Related Ratios, Schedule of Investment Returns, and Schedule of District's contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Gilbert CPAs

**GILBERT CPAs
Sacramento, California**

December 9, 2020

OHLONE COMMUNITY COLLEGE DISTRICT FUTURIS PUBLIC ENTITY INVESTMENT TRUST

MANAGEMENT DISCUSSION AND ANALYSIS JUNE 30, 2020

The Ohlone Community College District (District) administers a single-employer defined benefit healthcare plan (the Plan). The District, through its authorized Retirement Board of Authority (RBOA), established the Futuris Public Entity Investment Trust (OPEB Trust). The RBOA was established to manage, direct and control the OPEB Trust. This section provides an overview and analysis of the financial activities of OPEB Trust for the fiscal year ended June 30, 2020. The OPEB Trust was established in June 2009 by the Governing Board of the District. The District provides benefits on a pay-as-you-go basis, and also makes contributions to the OPEB Trust. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and Audits of State and Local Governmental Units, issued by the American Institute of Certified Public Accountants (AICPA). The OPEB Trust reports as another employee benefit trust fund, which reports resources required to be held in a fiduciary capacity for the members of the Plan.

The following discussion and analysis are intended to serve as an introduction to the OPEB Trust's financial statements, which comprises these components:

1. Statement of Fiduciary Net Position
2. Statement of Changes in Fiduciary Net Position
3. Notes to Financial Statements

The Statement of Fiduciary Net Position is a snapshot of account balances at year-end. It indicates the assets available for future payments and any current liabilities that are owed at this time.

The Statement of Changes in Fiduciary Net Position, on the other hand, provides a view of current year additions to and deductions from the OPEB Trust.

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position report information about the OPEB Trust's activities. These statements include all assets and liabilities, using the full accrual basis of accounting, which is similar to the accounting used by most private sector companies.

These two statements report the OPEB Trust's net position held in an irrevocable trust account for retirees' medical benefits. Net position, the difference between assets and liabilities, is one way to measure the OPEB Trust's financial position. Over time, increases and decreases in net position is one indicator of whether the OPEB Trust's financial health is improving or deteriorating. Other factors, such as market conditions, should also be considered in measuring the OPEB Trust's overall health.

Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

OHLONE COMMUNITY COLLEGE DISTRICT FUTURIS PUBLIC ENTITY INVESTMENT TRUST

MANAGEMENT DISCUSSION AND ANALYSIS JUNE 30, 2020

FINANCIAL HIGHLIGHTS

The net position of the OPEB Trust at June 30, 2020 was \$5,239,845. Net position is restricted for OPEB.

The investment policy was adopted for use by RBOA in order to, among other things, assist the District in meeting applicable funding requirements for the payment of future retiree health and welfare obligations and other post-employment benefits (OPEB). It is the policy to use a broad range of investment choices that have distinctively different risk and return characteristics.

The District provides benefits on a pay-as-you-go basis, and also makes contributions to the OPEB Trust. The contribution requirements of plan members and the District are established and may be amended by the Board and by contractual agreement with employee groups. The District's plan members are not required to contribute to the plan. During the year ended June 30, 2020, the District contributed \$126,273 to the OPEB Trust. The District's benefit payments on a pay-as-you-go basis during the year ended June 30, 2020 were \$252,428, which were not reimbursed by the OPEB Trust.

In June 2015, GASB released new accounting standards, GASB statements 74 and 75, for public sector postretirement benefit programs and the employers that sponsor them. GASB statements 74 and 75 reflect a fundamental overhaul in the standards for accounting and financial reporting for OPEB. They replace GASB statements 43 and 45.

The financial statements of the OPEB Trust include the Plan's fiduciary net position because the resources of the Plan are held in a fiduciary capacity for the members of the Plan. The District's net OPEB liability, under GASB 75, will be included in the District's June 30, 2020 financial statements.

The components of the net OPEB liability of the District at June 30, 2020, were as follows:

Total OPEB liability	\$ 6,063,892
Plan fiduciary net position	<u>5,239,845</u>
District net OPEB liability	<u>\$ 824,047</u>
Plan fiduciary net position as a percentage of the total OPEB liability	86.41%

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2020**

FINANCIAL ANALYSIS

As previously noted, net position may serve over time as a useful indication of the OPEB Trust's financial position. The assets of the OPEB Trust exceeded its liabilities at June 30, 2020 and 2019 as follows:

	<u>2020</u>	<u>2019</u>	<u>Change</u>
ASSETS			
Cash and deposits	\$ 13,456	\$ 12,276	\$ 1,180
Investments	<u>5,239,845</u>	<u>4,877,543</u>	<u>362,302</u>
 Total assets	 5,253,301	 4,889,819	 363,482
LIABILITIES			
Due to broker for investments purchased	<u>13,456</u>	<u>12,276</u>	<u>1,180</u>
Net position restricted for postemployment benefits other than pensions	<u>\$ 5,239,845</u>	<u>\$ 4,877,543</u>	<u>\$ 362,302</u>

Assets

Total assets increased by \$363 thousand largely due to higher fair market value of the investments as well as an additional District contribution to the Trust.

Liabilities

Liabilities represent fees due to investment brokers, which will be disbursed in fiscal year 2020-21.

The changes to OPEB Trust's net position for the fiscal years ended June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>	<u>Change</u>
ADDITIONS			
Employer contributions	\$ 126,273	\$ 74,975	\$ 51,298
Investment income	<u>236,029</u>	<u>209,649</u>	<u>26,380</u>
 NET INCREASE IN NET POSITION	 362,302	 284,624	 77,678
 NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS			
 NET POSITION, Beginning of Year	 <u>4,877,543</u>	 <u>4,592,919</u>	 <u>284,624</u>
 NET POSITION, End of Year	 <u>\$ 5,239,845</u>	 <u>\$ 4,877,543</u>	 <u>\$ 362,302</u>

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Additions

❖ Employer contributions

The increase in employer contribution was a result of higher Actuarially Determined Contribution (ADC).

❖ Investment income

Investment income is higher by \$26 thousand due to a substantial increase of interest and dividends this year compared to prior year.

Contacting the OPEB Trust's Financial Management

If you have any questions about this report or need any additional financial information, contact the District at: Ohlone Community College, 43600 Mission Blvd. Fremont, CA 94539.

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

ASSETS

Cash and deposits	\$ 13,456
Investments:	
Open-ended mutual funds:	
Fixed income	3,002,372
Domestic equity	1,558,088
International equity	370,236
Real estate	<u>309,149</u>
Total investments	<u>5,239,845</u>
Total assets	5,253,301

LIABILITIES

Payables:	
Due to broker for investments purchased	<u>13,456</u>
Net position restricted for postemployment benefits other than pensions	<u><u>\$ 5,239,845</u></u>

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

ADDITIONS

Employer contributions	\$ 126,273
Investment income:	
Net increase in fair value of investments	87,198
Interest and dividends	196,327
Less investment expense	<u>(47,496)</u>
Total investment income	<u>236,029</u>

NET INCREASE IN NET POSITION 362,302

**NET POSITION RESTRICTED FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS**

NET POSITION, Beginning of Year 4,877,543

NET POSITION, End of Year \$ 5,239,845

OHLONE COMMUNITY COLLEGE DISTRICT FUTURIS PUBLIC ENTITY INVESTMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

1. PLAN DESCRIPTION

Plan Administration

The Ohlone Community College District (District) administers a single employer defined benefit healthcare plan (the Plan). The District, through its authorized Retirement Board of Authority (RBOA), established the Futuris Public Entity Investment Trust (OPEB Trust). The RBOA was established to manage, direct and control the OPEB Trust. The number of RBOA members consists of such number of individuals that are deemed necessary by the Board of Trustees of the District. The RBOA appointed the Benefit Trust Company (BTC) to serve as the Discretionary Trustee and OPEB Trust Custodian. The OPEB Trust is used for the purposes of investment and disbursement of funds irrevocably designated by the District to fund future other post-employment benefits (OPEB).

Plan Membership

At June 30, 2020, the Plan membership consisted of the following:

Inactive employees receiving benefits	22
Inactive employees entitled to but not receiving benefits	0
Participating active employees	279
Total	301

Benefits Provided

The District's benefits provided to retirees are based on Government Code sections collectively known as Public Employees' Medical & Hospital Care Act (PHMHCA), which vary among different collective bargaining agreements. The following is a description of the current retiree benefit plan.

	Certificated	CSEA	Management	SEIU
Benefit types provided	Medical only	Medical only	Medical only	Medical only
Duration of benefits	To age 65	To age 65	To age 65	To age 65
Required service	10 years	10 years*	10 years*	10 years*
Minimum age	55	55	55	55
Dependent coverage	No	No	No	No
District contribution percentage	100% to a max of \$450 per month	100% **	100% **	100% **
District cap	Active cap	Active cap	Active cap	Active cap

*17 years if hired after 1/1/15

**max monthly \$950 if hired after 1/1/18

OHLONE COMMUNITY COLLEGE DISTRICT FUTURIS PUBLIC ENTITY INVESTMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Contributions

The District provides benefits on a pay-as-you-go basis, and also makes contributions to the OPEB Trust based on an Actuarially Determined Contribution (ADC). The contribution requirements of plan members and the District are established and may be amended by the Board and by contractual agreement with employee groups. The District's plan members are not required to contribute to the plan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and *Audits of State and Local Governmental Units*, issued by the American Institute of Certified Public Accountants (AICPA). The OPEB Trust reports as an other employee benefit trust fund, which reports resources required to be held in a fiduciary capacity for the members of the Plan.

Basis of Accounting – The accompanying financial statements have been presented using the economic resources measurement focus and accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recognized when an obligation has been incurred.

Investments – Investments are reported at fair value.

Estimates Used in Financial Reporting – In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. INVESTMENTS

Fair Value Measurement

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs rather than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs. Open-ended Mutual funds are classified as Level 1 of the fair value hierarchy because they are valued using quoted prices in active markets for identical assets.

Rate of Return

For the fiscal year ended June 30, 2020, the annual money-weighted rate of return on investments was 5.55% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

OHLONE COMMUNITY COLLEGE DISTRICT FUTURIS PUBLIC ENTITY INVESTMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Investments Authorized by the Investment Policy

The following table identifies the investment types authorized by the OPEB Trust's investment policy. The investment policy was adopted for use by RBOA in order to, among other things, assist the District in meeting applicable funding requirements for the payment of future retiree health and welfare obligations and OPEB. It is the policy to use a broad range of investment choices that have distinctively different risk and return characteristics. Not more than 5% of the Trust assets should be invested in any single equity security issue or issuer, with the exceptions of: a single diversified mutual fund, obligations of the U.S. Government and its agencies, and U.S. agency mortgage-backed pass-through securities or a mutual fund that invests in such obligations or securities. The RBOA envisions that BTC will invest predominately in open and closed-ended mutual funds.

Authorized Investment Types

Equity investments:

- Publicly traded common stocks, preferred stocks, securities convertible into common stocks, and securities which carry the right to buy common stocks, listed on a major United States stock exchange, including stocks traded through the NASDAQ Stock Market¹;
- American Depository Receipts;
- SEC-registered open-ended mutual funds and Bank, Insurance Company or Trust Company commingled funds which invest primarily in stocks and other instruments²;
- Closed-end SEC-registered mutual funds which invest primarily in stocks and other instruments²;
- Exchange Traded Funds (ETFs) which invest primarily in stocks and other instruments²;

Fixed income investments:

- Obligations of the U.S. Government and its agencies;
- Bonds issued by U.S. Corporations or U.S. subsidiaries of foreign companies that are incorporated with the U.S and carry a minimum BBB rating;
- Certificates of Deposit issued by banks or savings and loans of sound financial condition under FDIC management, with never more than \$100,000 (including interest) in any single institution;
- SEC-registered open-end mutual funds and Bank, Insurance Company and Trust Company commingled funds which invest primarily in bonds and other instruments²;
- Closed-end SEC registered mutual funds which invest primarily in bonds and other instruments²;
- Exchange Traded Funds ("ETFs") which invest primarily in bonds and other instruments²;
- Investment grade foreign government or corporate bonds carrying a minimum BBB rating, whether or not denominated in U.S currency, and whether or not hedged for foreign currency risk;
- Asset-backed Securities, provided that these securities have been registered with the SEC for public offering and that they meet the requirements of these policies and objectives and carry a minimum BBB rating; and
- US Agency mortgage-backed pass-through securities.

¹ may not be held directly; but only in open-end or closed-end mutual funds, comingled funds or ETFs.

² which are allowable securities under the policies and objectives of the investment policy

OHLONE COMMUNITY COLLEGE DISTRICT FUTURIS PUBLIC ENTITY INVESTMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Plan's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments. The OPEB Trust's investment securities are not exposed to custodial credit risk because all securities are held by OPEB Trust's custodian bank in the District's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The OPEB Trust's investments in open-ended mutual funds do not have a rating provided by a nationally recognized statistical rating organization.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair values to changes in market interest rates.

The schedule of maturities of investments subject to interest rate risk at June 30, 2020 is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (in Years)</u>			
		<u>< 1</u>	<u>1-5</u>	<u>6-10</u>	<u>11-15</u>
Open-ended mutual funds:					
Fixed income	\$3,002,372	\$	\$	\$2,321,387	\$ 680,985

4. NET OPEB LIABILITY OF THE DISTRICT

The components of the net OPEB liability of the District at June 30, 2020, were as follows:

Total OPEB liability	\$ 6,063,892
Plan fiduciary net position	<u>5,239,845</u>
District net OPEB liability	<u>\$ 824,047</u>
Plan fiduciary net position as a percentage of the total OPEB liability	86.41%

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Actuarial Assumptions

For the measurement period ended June 30, 2020 (the measurement date), the total OPEB liability was determined by rolling forward the January 1, 2019 valuation total OPEB liability. The June 30, 2020 total OPEB liability amounts were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	6.00%
Mortality - Classified	RPH 2014 mortality table with generational improvements using scale MP2018
Mortality - Certificated	RPH 2014 mortality table with generational improvements using scale MP2018
Health care cost trend rates	6.00% HMO/PPO decreasing to 4.00% HMO/PPO

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of the OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	28.00%	7.80%
International Equity	7.00%	6.70%
Fixed Income	59.00%	3.50%
REITs	6.00%	6.70%
Total	<u>100.00%</u>	

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that District funding policy is to fund the normal cost (current accrual for benefits being earned) plus an amortization of the unfunded accrued liability or net OPEB liability over 20 years (on a level dollar basis). Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term assumed investment rate of return was applied to a period of projected benefit payments to determine the total OPEB liability.

Sensitivity of the District's Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate -1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate +1% (7.00%)
Net OPEB liability	\$ 1,140,986	\$ 824,047	\$ 331,336

Sensitivity of the District's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate -1% (5.00%) decreasing to 3.00%	Healthcare Cost Trend Rates (6.00%) decreasing to 4.00%	Discount Rate +1% (7.00%) decreasing to 5.00%
Net OPEB liability	\$ 207,889	\$ 824,047	\$ 1,306,454

REQUIRED SUPPLEMENTARY INFORMATION

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY
AND RELATED RATIOS
LAST 10 YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
TOTAL OPEB LIABILITY				
Service cost	\$ 270,914	\$ 345,267	\$ 325,724	\$ 317,006
Interest	355,336	373,212	342,511	320,718
Changes in benefit terms		(306,670)		
Differences between expected and actual experience		(446,606)		
Changes of assumptions		232,235		
Benefit payments	<u>(427,407)</u>	<u>(414,651)</u>	<u>(263,262)</u>	<u>(303,199)</u>
NET CHANGE IN TOTAL OPEB LIABILITY	198,843	(217,213)	404,973	334,525
TOTAL OPEB LIABILITY, Beginning	<u>5,865,049</u>	<u>6,082,262</u>	<u>5,677,289</u>	<u>5,342,764</u>
TOTAL OPEB LIABILITY, Ending (a)	<u>6,063,892</u>	<u>5,865,049</u>	<u>6,082,262</u>	<u>5,677,289</u>
PLAN FIDUCIARY NET POSITION				
Contributions—employer	553,680	489,626	384,527	651,525
Net investment income	283,525	253,939	242,652	348,287
Benefit payments	(427,407)	(414,651)	(263,262)	(303,199)
Administrative expense	<u>(47,496)</u>	<u>(44,290)</u>	<u>(43,090)</u>	<u> </u>
NET CHANGE IN FIDUCIARY NET POSITION	362,302	284,624	320,827	696,613
PLAN FIDUCIARY NET POSITION, Beginning	<u>4,877,543</u>	<u>4,592,919</u>	<u>4,272,092</u>	<u>3,575,479</u>
PLAN FIDUCIARY NET POSITION, Ending (b)	<u>5,239,845</u>	<u>4,877,543</u>	<u>4,592,919</u>	<u>4,272,092</u>
DISTRICT'S NET OPEB LIABILITY, Ending (a) - (b)	<u>\$ 824,047</u>	<u>\$ 987,506</u>	<u>\$ 1,489,343</u>	<u>\$ 1,405,197</u>
Plan fiduciary net position as a percentage of the total OPEB liability	86.41%	83.16%	75.51%	75.25%
Covered-employee payroll	\$ 30,927,313	\$ 30,026,517	\$ 29,342,136	\$ 28,550,884
District's net OPEB liability as a percentage of covered-employee payroll	2.66%	3.29%	5.08%	4.92%

Notes to Schedule:

Benefits: There were no changes to benefit terms for the years ended June 2017, 2018 and 2020. During the year ended June 30, 2019, the benefit terms reflected two changes: 1) the elimination of the post-65 liability as the District no longer participates in CalPERS Health and is no longer subject to PEMHCA; and 2) the inclusion of the implicit subsidy for CSEA and SEIU employees.

Assumptions: There were no changes in assumptions during the years ended June 30, 2020, 2018 and 2017. During the year ended June 30, 2019, the salary increases assumption changed from 2.75% to 3.00%.

* Fiscal year 2017 was the 1st year of implementation, therefore only four years are shown.

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**SCHEDULE OF INVESTMENT RETURNS
LAST 10 YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	5.55%	5.51%	5.63%	9.97%

* Fiscal year 2017 was the 1st year of implementation, therefore only four years are shown.

**OHLONE COMMUNITY COLLEGE DISTRICT
FUTURIS PUBLIC ENTITY INVESTMENT TRUST**

**SCHEDULE OF DISTRICT'S CONTRIBUTIONS
LAST 10 YEARS***

	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 403,057	\$ 394,813
Contributions in relation to the actuarially determined contribution	<u>553,680</u>	<u>489,626</u>
Contribution deficiency (excess)	<u>\$ (150,623)</u>	<u>\$ (94,813)</u>
Covered-employee payroll	\$ 30,927,313	\$ 30,026,517
Contributions as a percentage of covered-employee payroll	1.79%	1.63%

* Fiscal year 2019 was the first year the District calculated actuarial determined contributions, therefore only two years are shown.