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GASB STATEMENT NO. 75 REPORT

FOR THE

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

RETIREE HEALTH INSURANCE PLAN

PREPARED AS OF JUNE 30, 2023





Cavanaugh Macdonald

CONSULTING, LLC

The experience and dedication you deserve

February 19, 2024

Board of Directors
Connecticut State Teachers' Retirement System
165 Capitol Avenue
Hartford, CT 06106-1673

**Re: June 30, 2023 GASB Statement No. 75 Report for the
Retiree Health Insurance Plan of the Connecticut State Teachers' Retirement System**

Members of the Board:

This financial accounting report provides the information that the Connecticut State Teachers' Retirement System (the System) should use to satisfy the requirements described in Governmental Accounting Standards Board (GASB) Statement No. 75 for the System's Retiree Health Insurance Plan (the Plan). This report has been prepared by the System's actuary, Cavanaugh Macdonald Consulting (CMC), as of June 30, 2023 (Measurement Date) for financial reporting as of June 30, 2024.

GASB Statement No. 75 (GASB 75) establishes accounting and financial reporting requirements for governmental employers who sponsor or participate in other postemployment benefits (OPEB) plans. In general, the GASB 75 rules that apply to postretirement benefit plans are designed to help plan sponsors adequately and systematically account for plan costs, facilitate comparisons of plan sponsor financial information by standardizing certain aspects of postretirement benefit plan asset and liability measurement, and improve the utility of financial statement information by requiring that plan sponsors provide certain information about their OPEB plans.

Additional Information and Disclosures

The information contained in this report is intended to be used by the System for financial accounting purposes for the fiscal year ending on June 30, 2024, and its use for other purposes may not be appropriate. Calculations for purposes other than satisfying the requirements of GASB 75 may produce significantly different results. This report supersedes all June 30, 2024 financial reporting results, including draft versions of this document, issued prior to the date of this report. The System should rely only on the June 30, 2024 (as of FYE 2023) financial accounting information provided herein.

The results contained in this report were prepared by qualified actuaries according to generally accepted actuarial principles and practices, and in compliance with Actuarial Standards of Practice issued by the Actuarial Standards Board. The financial accounting information provided in this report reflects our current understanding of GASB Statement Nos. 74 and 75 (GASB accounting rules), including any applicable guidance provided by the System or its audit partners as of the date of this report.



The biennial actuarial valuation used as the basis for much of the information presented in this report was performed as of June 30, 2022 (Valuation Date). The census data for active and retired members as of the Valuation Date, changes in plan provisions since the prior Valuation Date, the net benefits and administrative expenses paid during the fiscal year beginning on July 1, 2022 and ending on June 30, 2023, and pertinent financial information was provided by the System for actuarial valuation and financial accounting purposes. We did not audit the supplied information, but it was reviewed for reasonableness and consistency. In certain situations, the supplied information was adjusted to account for normal differences in collection dates and/or methods. As a result, we have no reason to doubt the substantial accuracy or completeness of the information and believe that it is reliable for the purposes stated herein. The results and conclusions contained in this report depend on the integrity of this information, and if any of the supplied information or analyses change, our results and conclusions may be different, and this report may need to be revised. Likewise, this information may need to be revised to reflect any significant event that affects the Plan subsequent to the Valuation Date.

All assumptions used for GASB 75 purposes—including, but not limited to, discount rates, expected rates of return on assets, expected annual per capita claims, long-term health care cost trend rates, and expected active employee and retired member health care coverage election assumptions—should reflect best estimates of anticipated Plan experience. The discount rate was determined based on the methods prescribed by GASB accounting rules. Other than the discount rate required under GASB 75, we believe that those assumptions selected for financial accounting and reporting purposes are reasonable for their intended purposes.

The actuarial cost method, the asset valuation method, and the amortization methods are prescribed under GASB rules for financial accounting purposes as of the Measurement Date. Actuarial methods, such as the actuarial cost method, asset valuation method, and amortization methods, used in the cost allocation procedure (for financial accounting purposes) are designed to recognize changes in an orderly fashion over a period of years. In certain situations, the actuarial methods used in an allocation procedure may have the effect of deferring changes in amounts into later years. Likewise, the use of these methods could produce deferred gains or losses if any material underlying assumption is not met over an extended period of time.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: retiree group benefits program experience differing from that anticipated by the assumptions; changes in assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in retiree group benefits program provisions or applicable law. Retiree group benefits models necessarily rely on the use of approximations and estimates, and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements. Since an assessment of the potential impact of variations in factors other than discount rates and health care cost trend rates is outside the scope of typical financial reporting requirements, we have not performed any analysis of the potential range of such future differences. **This report does not consider all possible scenarios.**

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results.



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The funded status measurements included in this report are based on the assumptions and methods used to determine the Plan's obligations and asset values as of the Valuation and/or Measurement Date(s). Funded status measurements for financial accounting purposes may not be appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations. Likewise, funded status measurements for financial accounting purposes may not be appropriate for assessing the need for or the amount of future actuarially determined contributions.

CMC does not provide legal, investment, or accounting advice. Thus, the information in this report is not intended to supersede or supplant the advice and interpretations of the System or its affiliated legal, investing, or accounting partners.

The undersigned is familiar with the near-term and long-term aspects of other postemployment benefit plan valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained in this report. All sections of this report, including any appendices and attachments, are considered an integral part of the actuarial opinions.

To the best of our knowledge, no executive or employee of CMC providing services to the System has any direct financial interest or indirect material interest in the System. As a result, we believe that there is no relationship existing that might affect our capacity to prepare and certify these estimates for the System's Plan as of June 30, 2023.

Please call us at 678-388-1700 if you have any questions.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Alisa Bennett'.

Alisa Bennett, FSA, EA, FCA, MAAA
President

A handwritten signature in blue ink that reads 'Youveak Yeng'.

Youveak Yeng, ASA, MAAA
Senior Actuary

AB/YY:nh



Connecticut State Teachers' Retirement System

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Connecticut State Teachers' Retirement System

Section I — Board Summary

GASB 75 FISCAL YEAR END DISCLOSURE INFORMATION FOR THE SYSTEM'S RETIREE HEALTH INSURANCE PLAN

(\$ in Thousands)		
Principal Results for Financial Reporting as of	June 30, 2024	June 30, 2023
Valuation Date (VD):	June 30, 2022	June 30, 2022
Measurement Date (MD):	June 30, 2023	June 30, 2022
Discount Rate:		
Long-Term Expected Rate of Return at MD	3.00%	3.00%
Municipal Bond Index Rate at MD	3.65%	3.54%
Year in which Fiduciary Net Position is Projected to be Depleted	2028	2027
Single Equivalent Interest Rate at MD	3.64%	3.53%
Collective Net OPEB Liability (NOL) as of the MD:		
Collective Total OPEB Liability (TOL)	\$ 1,809,083	\$ 1,771,141
Fiduciary Net Position (FNP)	215,733	167,556
Collective Net OPEB Liability (NOL = TOL – FNP)	\$ 1,593,350	\$ 1,603,585
FNP as a percentage of TOL	11.92%	9.46%
NOL as a percentage of covered compensation	33.93%	34.15%
Collective OPEB Expense / (Income) for the Measurement Period:		
	\$ (187,707)	\$ 96,660
Collective Deferred Outflows / (Inflows) of Resources as of the MD:		
Total Collective Deferred Outflows of Resources	\$ 427,604	\$ 576,080
Total Collective Deferred (Inflows) of Resources	\$ 1,356,741	\$ 1,718,583



Connecticut State Teachers' Retirement System

Section II — Introduction

The Governmental Accounting Standards Board issued Statement No. 75 (GASB 75), “*Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions*” in June 2015. GASB 75 is effective for employer fiscal years beginning after June 15, 2017. For the purposes of reporting under GASB 75, the Plan is assumed to be a cost-sharing, other than insured, defined benefit OPEB plan with a special funding situation where assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. Additionally, we have assumed that the System will not restate results for any period prior to the adoption of GASB 75 based on the guidance in paragraph 244 of that Standard.

This report, prepared as of June 30, 2023 (Measurement Date or MD), presents information to assist the System in meeting the requirements of GASB 75. Much of the material provided in this report is based on the data, assumptions, plan provisions, and results of the actuarial valuation of the Plan as of June 30, 2022 (Valuation Date or VD).

GASB 75 requires the plan sponsors to determine the Total OPEB Liability (TOL) utilizing the Entry Age Normal (EAN) actuarial funding method. If the Valuation Date at which the TOL is determined is before the Measurement Date, the TOL must be rolled forward to the Measurement Date. The plan provisions recognized in the determination of the TOL are summarized in Schedule D. The development of the changes in the TOL during the measurement period is shown in Section III.

If a financial accounting asset exists, a Collective Net OPEB Liability / (Asset) (NOL), which is equal to the difference between the actual/projected TOL and the Plan's Fiduciary Net Position (FNP)—the market value of the financial accounting asset—must be determined as of the Measurement Date.

The discount rate is an important assumption used in the measurement of the TOL, and the guidance concerning discount rate selection provided in GASB 75 varies based on whether or not the plan has a financial accounting asset. The environment for yields on 20-year tax-exempt municipal bonds (rating AA/Aa or higher) on the Measurement Date (Municipal Bond Index Rate) could affect discount rates in either case, so the plan sponsor must choose an appropriate basis for these Municipal Bond Index Rates. The Municipal Bond Index Rate used for this purpose is the 20-Bond average General Obligation 20-year Municipal Bond Rate published at the end of the last week during the month of June by The Bond Buyer (www.bondbuyer.com).

If the plan does not have a financial accounting asset, the plan sponsor must select a discount rate based solely on the Municipal Bond Index Rate. However, if the plan has assets that are accumulated in a Trust that meets the criteria in paragraph 4 of GASB 75, the plan sponsor must select a discount rate based on the Single Equivalent Interest Rate (SEIR) for the plan.

To determine the SEIR, the FNP must be projected into the future for as long as there are anticipated benefits payable to members and beneficiaries under the relevant plan provisions in effect on the Measurement Date. Future contributions must be projected in accordance with the plan's funding policy and/or the application of professional judgment in situations where the recent contribution history of the contributing entities warrants detailed consideration. If the FNP is not projected to be depleted at any point in the future, the long term expected rate of return on plan investments expected to be used to finance the benefit payments may be used as the SEIR.



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Conversely, if the FNP is projected to be depleted on any future Measurement Date, the SEIR will be equal to the single rate that generates a present value of benefit payments equal to the sum of the present value determined by discounting all projected benefit payments through the date of depletion based on the long-term expected rate of return on plan investments, and the present value determined by discounting those benefits after the date of depletion by the Municipal Bond Index Rate on the Measurement Date.

The changes reflected in the TOL and FNP during the measurement period are shown in Section III. Differences between expected and actual experience and changes of assumptions or other inputs, if any, are recorded as Collective Deferred Outflows of Resources if the change increases the Plan's TOL, or Collective Deferred Inflows of Resources if the change reduces the Plan's TOL.

Schedule A shows the development of the Plan's projected earnings on plan investments, and the determination of the difference between actual and projected earnings on plan investments during the measurement period. Differences between actual and projected earnings on plan investments, if any, are recorded as Collective Deferred Outflows of Resources if the change lowers the FNP, or Collective Deferred Inflows of Resources if the change increases the FNP.

Collective Deferred Outflows of Resources and Collective Deferred Inflows of Resources are usually recognized on a level dollar basis without any adjustments for interest. The unrecognized portions of the Collective Deferred Outflows of Resources and Collective Deferred Inflows of Resources that must be included on the Statement of Net Position are provided in Section IV.



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GASB 75 requires the determination and disclosure of the Collective OPEB Expense / (Income) (OE) for the Plan in the notes to financial statements. Generally speaking, OE includes the following components:

COMPONENTS OF COLLECTIVE OPEB EXPENSE / (INCOME)	
+ Service Cost (SC)	This is equal to the Normal Cost determined using the Entry Age Normal (Level Percentage of Pay) actuarial cost method.
- Active Member Contributions	The total amount of active employee payroll deductions for OPEB benefits, if applicable.
+ Administrative Expenses	The amount, if any, paid during the measurement period for OPEB costs not directly related to the payment of benefits. This amount would include costs such as actuarial fees, audit fees, trust fees, salaries associated with staff time spent on OPEB related tasks, etc.
+ / - Changes of Benefit Terms	Benefit changes during the period are recognized immediately. Plan amendments increase OE if the change improves benefits for existing Plan members. Likewise, changes that reduce benefits for existing Plan members lower OE.
+ Interest on the Collective Total OPEB Liability (IOT)	IOT is determined based on the Discount Rate that was used to measure the Plan's TOL as of the Prior Measurement Date. Please note that the SC component may include interest to the end of the measurement period, or this interest adjustment may be included with IOT.
- Projected Earnings on Plan Investments (XR)	If the Plan has a financial accounting asset, XR is determined based on the long-term expected rate of return assumption at the end of the prior measurement period.
+ / - Other	Miscellaneous and non-standard expense items are included in this component.



COMPONENTS OF COLLECTIVE OPEB EXPENSE / (INCOME)

+ / – Recognition of Current Period

Collective Deferred Outflows / Inflows of Resources for:

- Differences Between Expected and Actual Experience
- Changes of Assumptions or Other Inputs
- Differences Between Actual and Projected Earnings on Plan Investments

For differences between expected and actual experience and changes of assumptions or other inputs, the amounts that must be recognized during the current period are determined by spreading the total changes over the average expected remaining service lives (AERSL) of the entire Plan membership at the beginning of the measurement period. The active member AERSL is the average number of years that the active members are expected to remain in covered employment. AERSL is equal to zero for inactive members. The AERSL of the entire Plan membership is the weighted average of these two values, but cannot be less than one year¹. The development of the AERSL as of the Prior Measurement Date is shown in Schedule A.

For differences between actual and projected earnings on plan investments, if any, the amount that must be recognized during the current period is determined by amortizing the total change over five (5) years.

+ Recognition of Prior Period Collective Deferred Outflows of Resources

The amounts that must be recognized during the current year for those Collective Deferred Outflows of Resources established before the current measurement period.

– Recognition of Prior Period Collective Deferred Inflows of Resources

The amounts that must be recognized during the current year for those Collective Deferred Inflows of Resources established before the current measurement period.

The development of the OE is shown in Section V.

Generally speaking, each contributing entity must report an allocation (proportionate share) of the collective financial accounting amounts associated with a cost-sharing defined benefit OPEB plan. However, the State of Connecticut (State) makes all contributions to the Plan on behalf of the employees of the participating districts. Therefore, our understanding is that the participating districts (employers) are considered to be in a special funding situation as defined by GASB 75 and the State is treated as a governmental non-employer contributing entity in the System. Since employers do not contribute directly to the Plan, we believe that the participating districts would not be required to report proportionate shares of the Plan's NOL or Collective Deferred Outflows or Inflows of Resources in their financial statements. However, each employer must disclose its share of the NOL (i.e. the non-employer contributing entities' total proportionate share of the NOL that is associated with the employer) in the notes to its financial statements, and would also be required to provide information about the Plan in its note disclosures and schedules of Required Supplementary Information (RSI). Additionally, each district must recognize

¹ Based on the guidance in GASB Implementation Guide 2017-3, paragraph 4.264.



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expense and record revenue equal to the district's share of the OE for the Plan (i.e. the non-employer contributing entities' total proportionate share of the Collective OPEB Expense / (Income) associated with the district). The State—as the sole (non-employer) contributing entity—would report the entire NOL, Collective Deferred Outflows and Inflows of Resources, and OE for the Plan.

Section VI provides the actuarial information for the Plan that must be disclosed for financial reporting purposes. Section VII provides the RSI for the reporting entity's financial statements.

Section VIII of this report shows the total amount of employer contributions from the State as support provided to the districts for the year ending June 30, 2023. Section VIII also shows the proportionate share percentages that have been determined based on these contributions.

Based on these percentages, we have determined the proportionate share amounts of the NOL associated with each participating employer and the employer OE and revenue for State support for each participating employer for the year ending June 30, 2023. These amounts are also provided in Section VIII.



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Section III — Schedule of Changes in the Collective Net OPEB Liability / (Asset)

The tables below provide the changes in the Collective Total OPEB Liability (TOL), the Fiduciary Net Position (FNP), and the Collective Net OPEB Liability / (Asset) (NOL) during the current measurement period that must be disclosed under GASB accounting rules, as well as the most recent five years of the 10-year schedule of changes in the TOL, FNP, NOL, and related ratios that must be included in Required Supplementary Information (RSI).

Reconciliation of Changes in the Plan's Collective Total OPEB Liability (TOL)

(\$ in Thousands)					
Fiscal Years Ending on June 30	2023	2022	2021	2020	2019
Collective Total OPEB Liability (TOL)					
Service Cost	\$ 60,201	\$ 72,027	\$ 121,535	\$ 93,324	\$ 87,313
Interest on the TOL	63,729	38,342	64,951	97,264	105,702
Changes of benefit terms	0	299,536	0	0	(339,076)
Difference between expected and actual experience	(166)	(60,031)	(1,218,425)	(586,004)	66,502
Changes of assumptions or other inputs	(33,364)	(236,042)	12,750	626,595	182,438
Net benefit payments	(52,458)	(74,795)	(131,543)	(67,383)	(55,154)
Net change in TOL	\$ 37,942	\$ 39,037	\$ (1,150,732)	\$ 163,796	\$ 47,725
TOL—beginning of period	\$ 1,771,141	\$ 1,732,104	\$ 2,882,836	\$ 2,719,040	\$ 2,671,315
TOL—end of period	\$ 1,809,083	\$ 1,771,141	\$ 1,732,104	\$ 2,882,836	\$ 2,719,040



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Reconciliation of Changes in the Plan's Fiduciary Net Position (FNP) and Collective Net OPEB Liability / (Asset) (NOL)

(\$ in Thousands)						
Fiscal Years Ending on June 30		2023	2022	2021	2020	2019
TOL—end of period	(a)	\$ 1,809,083	\$ 1,771,141	\$ 1,732,104	\$ 2,882,836	\$ 2,719,040
Fiduciary Net Position (FNP)						
Contributions – State of Connecticut		\$ 21,474	\$ 20,419	\$ 29,411	\$ 29,173	\$ 35,320
Contributions – active member		57,687	50,630	54,058	53,221	51,944
Contributions – non-employer		14,420	0	0	0	0
Net investment income		7,569	49,587	82,256	849	1,090
Net benefit payments		(52,458)	(74,795)	(131,543)	(67,383)	(55,154)
Administrative expenses		(142)	(283)	(117)	(372)	(383)
Other		(373)	16,083	(91)	0	(16,100)
Net change in FNP		\$ 48,177	\$ 61,641	\$ 33,974	\$ 15,488	\$ 16,717
FNP—beginning of period		\$ 167,556	\$ 105,915	\$ 71,941	\$ 56,453	\$ 39,736
FNP—end of period	(b)	\$ 215,733	\$ 167,556	\$ 105,915	\$ 71,941	\$ 56,453
FNP as a percentage of the TOL	[(b) / (a)]	11.92%	9.46%	6.11%	2.50%	2.08%
Collective Net OPEB Liability/(Asset) (NOL)						
NOL—end of period	[(a) - (b)]	\$ 1,593,350	\$ 1,603,585	\$ 1,626,189	\$ 2,810,895	\$ 2,662,587
Covered Payroll¹		\$ 4,695,730	\$ 4,695,730	\$ 4,438,394	\$ 4,438,394	\$ 4,389,654
NOL as a percentage of Covered Payroll		33.93%	34.15%	36.64%	63.33%	60.66%

¹ Covered Payroll provided by the System for active employees who would be eligible for benefits at retirement. Beginning in 2021, for years following the Valuation Date (when no new valuation is performed), covered payroll has been set equal to the covered payroll from the most recent valuation.



Section IV — Balances of Collective Deferred Outflows / Inflows of Resources

The following tables provide the balances of Collective Deferred Outflows and Inflows of Resources that are reported for current and prior period differences between expected and actual experience, changes of assumptions or other inputs, and differences between actual and projected earnings on plan investments. This presentation is designed to facilitate the development of Collective OPEB Expense / (Income) (OE), and should not be used for financial reporting purposes without appropriate adjustments. Please note that the contributing entities may be required to report Collective Deferred Outflows / Inflows of Resources for contributions made subsequent to the Measurement Date and prior to the end of the reporting period; however, CMC will not provide or incorporate these amounts in the tables included in this section of the report.

The table below provides a summary of the unrecognized balances of Collective Deferred Outflows of Resources and Inflows of Resources by source as of June 30, 2023:

(\$ in Thousands)	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources
Differences between expected and actual experience	\$ 77,019	\$ 1,005,889
Changes of assumptions or other inputs	350,585	289,446
Differences between projected and actual earnings on plan investments	<u>0</u>	<u>61,406</u>
Total unrecognized balance as of Measurement Date	\$ 427,604	\$ 1,356,741



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Balances of Collective Deferred Outflows / Inflows of Resources by Source and Year

(\$ Thousands) Measurement Period Ending	(a)	(b)	(c)	(d)	Balances as of June 30, 2023	
	Initial Experience (Gain) / Loss Amount	Initial Recognition Period (Years)	Initial Recognition Amount [(a) ÷ (b)]	Recognized in Collective OPEB Expense through June 30, 2023	Collective Deferred Outflows of Resources [(a) – (d), > 0]	Collective Deferred Inflows of Resources Absolute value, [(a) – (d), < 0]
Collective Deferred Outflows / Inflows of Resources for Differences Between Expected and Actual Experience:						
2017	\$ 0	7.99	\$ 0	\$ 0	\$ 0	\$ 0
2018	\$ 217,853	7.89	\$ 27,611	\$ 165,666	\$ 52,187	\$ 0
2019	\$ 66,502	7.98	\$ 8,334	\$ 41,670	\$ 24,832	\$ 0
2020	\$ (586,004)	7.13	\$ (82,188)	\$ (328,752)	\$ 0	\$ 257,252
2021	\$ (1,218,425)	7.13	\$ (170,887)	\$ (512,661)	\$ 0	\$ 705,764
2022	\$ (60,031)	6.94	\$ (8,650)	\$ (17,300)	\$ 0	\$ 42,731
2023	\$ (166)	6.94	\$ (24)	\$ (24)	\$ 0	\$ 142
			\$ (225,804)		\$ 77,019	\$ 1,005,889
Collective Deferred Outflows / Inflows of Resources for Changes in Assumptions or Other Inputs:						
2017	\$ (370,549)	7.99	\$ (46,377)	\$ (324,639)	\$ 0	\$ 45,910
2018	\$ (196,049)	7.89	\$ (24,848)	\$ (149,088)	\$ 0	\$ 46,961
2019	\$ 182,438	7.98	\$ 22,862	\$ 114,310	\$ 68,128	\$ 0
2020	\$ 626,595	7.13	\$ 87,881	\$ 351,524	\$ 275,071	\$ 0
2021	\$ 12,750	7.13	\$ 1,788	\$ 5,364	\$ 7,386	\$ 0
2022	\$ (236,042)	6.94	\$ (34,012)	\$ (68,024)	\$ 0	\$ 168,018
2023	\$ (33,364)	6.94	\$ (4,807)	\$ (4,807)	\$ 0	\$ 28,557
			\$ 2,487		\$ 350,585	\$ 289,446
Collective Deferred Outflows / Inflows of Resources for Differences Between Projected and Actual Earnings on Plan Investments:						
2017	\$ 1,512	5.00	\$ 302	\$ 1,512	\$ 0	\$ 0
2018	\$ 784	5.00	\$ 157	\$ 784	\$ 0	\$ 0
2019	\$ 335	5.00	\$ 67	\$ 335	\$ 0	\$ 0
2020	\$ 1,063	5.00	\$ 213	\$ 852	\$ 211	\$ 0
2021	\$ (80,817)	5.00	\$ (16,163)	\$ (48,489)	\$ 0	\$ 32,328
2022	\$ (46,231)	5.00	\$ (9,246)	\$ (18,492)	\$ 0	\$ 27,739
2023	\$ (1,937)	5.00	\$ (387)	\$ (387)	\$ 0	\$ 1,550
			\$ (25,057)		\$ 211	\$ 61,617



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Section V — Collective OPEB Expense / (Income)

The development of the Collective OPEB Expense / (Income) for the financial reporting period ending on June 30, 2024 is shown in the following table:

Collective OPEB Expense / (Income)	
For the Fiscal Year Ending on June 30, 2024	
(\$ in Thousands)	
Service cost	\$ 60,201
Active member contributions	(57,687)
Administrative costs*	142
Changes of benefit terms during the current period	0
Interest on the TOL	63,729
Projected earnings on plan investments	(5,632)
Other	373
Recognition of current period	
Collective Deferred Outflows / (Inflows) of Resources:	
Difference between expected and actual experience	(24)
Changes of assumptions or other inputs	(4,807)
Difference between actual and projected earnings on plan investments	(387)
Recognition of prior period Collective Deferred Outflows of Resources	148,476
Recognition of prior period Collective Deferred (Inflows) of Resources	(392,091)
Collective OPEB Expense / (Income)	\$ (187,707)

* Administrative costs are based on the administrative expenses paid from the Plan's trust during the fiscal year ending on June 30, 2023.



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Section VI — Financial Statement Note Disclosures

This section contains financial accounting information that may be used to satisfy the reporting requirements for employers and governmental nonemployer contributing entities (GNCEs) under Governmental Accounting Standards Board Statement No. 75 (GASB 75) for the year ending on June 30, 2024, based on a June 30, 2022 Valuation Date. The Plan is assumed to be cost-sharing, other than insured, defined benefit OPEB plan with a special funding situation where assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. Additionally, we have assumed that the System will not restate results for any period prior to the adoption of GASB 75 based on the guidance in paragraph 244 of that Standard. Amounts are shown in aggregate. This report does not include any non-actuarial items that may need to be reported or disclosed.

Summary of Key Actuarial Assumptions, Methods, and Other Inputs

The TOL was determined by an actuarial valuation as of June 30, 2022 and rolled forward to the June 30, 2023 Measurement Date using the key actuarial assumptions, methods, and other inputs listed below. Please note that the complete set of actuarial assumptions, methods, and other inputs that were used to develop the TOL are provided in Schedule B.

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.00% - 6.50%
Long-term Investment Rate of Return, Net of OPEB Plan Investment Expense, Including Inflation	3.00%
Municipal Bond Index Rate	3.65%
Year FNP is Projected to be Depleted	2028
Single Equivalent Interest Rate, Net of OPEB Plan Investment Expense, Including Price Inflation	3.64%
Health Care Cost Trend Rates*	Known increases until calendar year 2024, then general trend decreasing to an ultimate rate of 4.50% by 2031

* Premium rates have been set for the Medicare Advantage and Medicare Supplement plans until calendar year 2024. The general health care trend rates are used for trending the subsidy amount for pre-Medicare participants until the limit is reached. The general health care rates prior to fiscal year 2024 are 6.75% for fiscal year beginning 2022 and 6.50% for fiscal year beginning 2023. Subsidy amounts are assumed to follow medical trend until they reach their limit and to not increase after that.

Health care cost trend rates are set on an annual basis based on published annual health care inflation surveys in conjunction with knowledge of future anticipated events and actual plan experience (if credible). Effective June 30, 2022, the health care cost trend rates for the Medicare Supplement and Medicare



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Advantage medical and prescription drug options were revised to reflect current expectations of future increases in health care claim costs for those options.

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement. The PubT-2010 Disabled Retiree Table projected generationally with MP-2019 was used for the period after disability retirement. The PubT-2010 Contingent Survivor Table projected generationally with MP-2019 and set forward 1 year for both males and females was used for survivors and beneficiaries. The PubT-2010 Employee Table projected generationally with MP-2019 was used for active members.

The demographic actuarial assumptions for retirement, disability incidence, and withdrawal used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019. The actuarial economic assumptions used in the June 30, 2022 valuation were based on the results of a study of economic assumptions for use in actuarial valuations report dated April 24, 2019.

The remaining actuarial assumptions (e.g., initial per capita costs, rates of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation are based on a review of recent plan experience that was performed concurrently with the June 30, 2022 valuation and/or based on anticipated or observed changes in participant behavior.

The long-term expected return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class compiled by Horizon Actuarial Services, LLC in its "Survey of Capital Market Assumptions, 2023 Edition". The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then incorporating expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected 10-Year Geometric Real Rate of Return	Standard Deviation
U.S. Treasuries (Cash Equivalents)	100.00%*	0.77%	1.09%
Price Inflation		2.50%	
Expected Rate of Return		$1.0077 \times 1.0250 - 1 = 3.29\%$	
Expected Rate of Return (Rounded Nearest 0.25%)		3.25%	

*All of the Plan's assets are assumed to be invested in cash equivalents given the need for liquidity.

The long-term expected rate of return of 3.00% is reasonable relative to the target allocation and its expected return.



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DEVELOPMENT OF THE DISCOUNT RATE (SEIR)

The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The basis for this projection was the actuarial valuation performed as of June 30, 2022. In addition to the actuarial methods and assumptions of the June 30, 2022 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the Valuation Date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on these assumptions, the Plan's FNP was projected to be depleted in 2028, and as a result, the Municipal Bond Index Rate was used in the determination of the SEIR. In this analysis, the long-term expected rate of return on Plan investments equal to 3.00% was applied to periods through 2028 and the Municipal Bond Index Rate as of the Measurement Date (3.65%) was applied to periods on or after 2028, resulting in a SEIR equal to 3.64% as of the Measurement Date.

Please note that the FNP projections are based upon the Plan's financial status on the Valuation Date, the indicated set of methods and assumptions, and the requirements of GASB 75. As such, the FNP projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing plan basis, reflecting the impact of future members. Therefore, the results of this test do not necessarily indicate whether or not the fund will actually run out of money, the financial condition of the Plan, or the Plan's ability to make benefit payments in future years.

Sensitivity of the Collective Net OPEB Liability / (Asset) to Health Care Cost Trend Rates

The sensitivity of the NOL to changes in health care cost trend rates must be disclosed under GASB accounting rules. The table below provides the NOL of the Plan determined using current health care cost trend rates, as well as what the Plan's NOL would be if health care cost trend rates were 1-percentage-point lower or 1-percentage-point higher than current health care cost trend rates.

Sensitivity of the Net OPEB Liability to Health Care Cost Trend Rates (\$ in Thousands)			
	1% Lower Trend Rates	Current Trend Rates	1% Higher Trend Rates
Net OPEB Liability / (Asset)	\$1,354,494	\$1,593,350	\$1,917,862



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Sensitivity of the Collective Net OPEB Liability / (Asset) to Discount Rates

The sensitivity of the NOL to changes in the discount rate must also be disclosed under GASB accounting rules. The table below provides the NOL of the Plan determined using the current discount rate of 3.64%, as well as what the Plan's NOL would be if the discount rate was 1-percentage-point lower or 1-percentage-point higher than the current rate:

Sensitivity of the Net OPEB Liability to Discount Rates (\$ in Thousands)			
	1% Decrease (2.64%)	Current Discount Rate (3.64%)	1% Increase (4.64%)
Net OPEB Liability / (Asset)	\$1,931,852	\$1,593,350	\$1,326,570

Schedule of the Recognition of Collective Deferred Outflows / (Inflows) of Resources in Collective OPEB Expense / (Income)

Amounts reported as Collective Deferred Outflows of Resources and Collective Deferred (Inflows) of Resources related to OPEB benefits will be recognized in Collective OPEB Expense / (Income) as follows:

Reporting Period Ending:	Net Amount Recognized (\$ in Thousands)	
June 30, 2025	\$	(248,435)
June 30, 2026	\$	(203,038)
June 30, 2027	\$	(189,965)
June 30, 2028	\$	(216,241)
June 30, 2029	\$	(66,914)
Thereafter	\$	(4,544)



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Section VII — Required Supplementary Information

Under GASB 75, the reporting entity may need to incorporate one or more of the following items in the Required Supplementary Information (RSI) that must be included in its financial statements.

Details Concerning Plan Amendments and Assumption Changes

Information about changes to benefit terms and changes to assumptions or other inputs should be provided in RSI. The information should be listed by the date for which the indicated change was first reflected in reported amounts.

CHANGES TO BENEFIT TERMS

June 30, 2023 (Valuation Date: June 30, 2022)

- There were no changes to benefit terms since the prior Measurement Date.

June 30, 2022 (Valuation Date: June 30, 2022)

- There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110 / \$220 to \$220 / \$440.

CHANGES TO ASSUMPTIONS OR OTHER INPUTS

June 30, 2023 (Valuation Date: June 30, 2022)

- Based on the procedure described in GASB 74, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2023 was updated to equal the SEIR of 3.64% as of June 30, 2023.

June 30, 2022 (Valuation Date: June 30, 2022)

- Based on the procedure described in GASB 74, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2022 was updated to equal the SEIR of 3.53% as of June 30, 2022;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- The assumed age related annual percentage increases in expected per capita health claim costs were updated;
- Long-term health care cost trend rates were updated; and
- The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.



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Methods and Assumptions Used in the Determination of Actuarially Determined Contributions

The actuarially determined contribution (ADC) rates, as a percentage of payroll, used to determine the actuarially determined State contribution amounts for the measurement period ending on June 30, 2023 that are shown in the following "Schedule of Governmental Nonemployer Contributing Entity Contributions" are calculated as of the June 30, 2022 Valuation Date. The following actuarial methods and assumptions as of June 30, 2022 were used to determine the actuarially determined State contribution amount reported in that schedule for the fiscal year ending on June 30, 2023:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll over an open period
Amortization period	30 years
Asset valuation method	Market value of assets
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	3.00%
Price inflation	2.50%
Real wage growth	0.50%
Wage inflation	3.00%
Salary increases, including wage inflation	3.00% to 6.50%
Health care cost trend rates*	Known increases until calendar year 2024, then general trend decreasing to an ultimate rate of 4.50% by 2031
Basis for Postretirement Mortality Rates	PubT-2010, Amount Weighted
Basis for Postretirement Mortality Improvement Rates	Scale MP-2019, Generational

*Premium rates have been set for the Medicare Advantage and Medicare Supplement plans until calendar year 2024. The general health care trend rates are used for trending the subsidy amount for pre-Medicare participants until the limit is reached. The general health care rates prior to fiscal year 2024 are 6.75% for fiscal year beginning 2022 and 6.50% for fiscal year beginning 2023. Subsidy amounts are assumed to follow medical trend until they reach their limit and to not increase after that.



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REQUIRED SUPPLEMENTARY INFORMATION— SCHEDULE OF GOVERNMENTAL NONEMPLOYER CONTRIBUTING ENTITY CONTRIBUTIONS

(\$ in Thousands)										
Fiscal Year										
Ending on June 30	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined State Contribution	\$ 74,443	\$ 123,908	\$ 120,299	\$ 173,273	\$ 167,819	\$ 172,223	\$ 166,802	\$ 130,331	\$ 125,620	\$ 187,227
Contributions in relation to the Actuarially Determined Contribution	21,474	20,419	29,411	29,173	35,320	35,299	19,922	19,960	25,145	25,955
Annual Contribution Deficiency (Excess)	\$ 52,969	\$ 103,489	\$ 90,888	\$ 144,100	\$ 132,499	\$ 136,924	\$ 146,880	\$ 110,371	\$ 100,475	\$ 161,272
Covered Payroll ¹	\$ 4,695,730	\$ 4,695,730	\$ 4,438,394	\$ 4,438,394	\$ 4,389,654	\$ 4,075,939	\$ 4,279,755	\$ 4,125,066	\$ 4,078,367	\$ 3,930,957
Actual Contributions as a Percentage of Covered Payroll	0.46%	0.43%	0.66%	0.66%	0.80%	0.87%	0.47%	0.48%	0.62%	0.66%

¹ Covered Payroll provided by the System for active employees who would be eligible for benefits at retirement. Beginning in 2021, for years following the Valuation Date (when no new valuation is performed), covered payroll has been set equal to the covered payroll from the most recent valuation.



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Section VIII — Schedule of Employer Allocations as of June 30, 2023

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2023	Employer Allocation Percentage at FYE 2023	State's Proportionate Share of the NOL Associated With the Employer at FYE 2023	Employer OPEB Expense and Revenue
001	ANDOVER BD OF ED	\$ 8,792	0.040945%	\$ 652,397	\$ (76,857)
002	ANSONIA BD OF ED	80,090	0.372964%	5,942,622	(700,080)
003	ASHFORD BD OF ED	15,418	0.071796%	1,143,962	(134,766)
004	AVON BD OF ED	150,725	0.701898%	11,183,692	(1,317,512)
005	BARKHAMSTED BD OF ED	7,702	0.035866%	571,471	(67,323)
007	BERLIN BD OF ED	117,716	0.548181%	8,734,442	(1,028,974)
008	BETHANY BD OF ED	14,518	0.067605%	1,077,184	(126,899)
009	BETHEL BD OF ED	125,780	0.585732%	9,332,761	(1,099,460)
010	HIGHVILLE CHARTER SCH	7,982	0.037170%	592,248	(69,771)
011	BLOOMFIELD BD OF ED	91,428	0.425761%	6,783,863	(799,183)
012	BOLTON BD OF ED	34,036	0.158498%	2,525,428	(297,512)
013	BOZRAH BD OF ED	8,622	0.040150%	639,730	(75,364)
014	BRANFORD BD OF ED	128,392	0.597895%	9,526,560	(1,122,291)
015	BRIDGEPORT BD OF ED	611,881	2.849406%	45,401,011	(5,348,535)
017	BRISTOL BD OF ED	298,228	1.388785%	22,128,206	(2,606,847)
018	BROOKFIELD BD OF ED	106,794	0.497317%	7,924,000	(933,499)
019	BROOKLYN BD OF ED	32,689	0.152226%	2,425,493	(285,739)
020	CHILDRENS CENTER COM PROG	1,920	0.008943%	142,493	(16,787)
021	CANAAN BD OF ED	3,953	0.018411%	293,352	(34,559)
022	CANTERBURY BD OF ED	18,702	0.087093%	1,387,696	(163,480)
023	CANTON BD OF ED	60,862	0.283423%	4,515,920	(532,005)
024	CHAPLIN BD OF ED	7,776	0.036211%	576,968	(67,971)
025	CHESHIRE BD OF ED	180,574	0.840897%	13,398,432	(1,578,423)
026	CHESTER BD OF ED	6,780	0.031572%	503,052	(59,263)
027	CLINTON BD OF ED	79,280	0.369189%	5,882,473	(692,994)
028	COLCHESTER BD OF ED	95,081	0.442773%	7,054,924	(831,116)
029	AMISTAD ACADEMY	19,158	0.089216%	1,421,523	(167,465)
030	COLEBROOK BD OF ED	4,190	0.019511%	310,879	(36,624)
031	COLUMBIA BD OF ED	22,557	0.105041%	1,673,671	(197,169)
032	CORNWALL BD OF ED	5,648	0.026303%	419,099	(49,373)
033	COVENTRY BD OF ED	65,449	0.304783%	4,856,260	(572,099)
034	CROMWELL BD OF ED	76,120	0.354475%	5,648,027	(665,374)
035	DANBURY BD OF ED	417,792	1.945572%	30,999,771	(3,651,975)
036	DARIEN BD OF ED	236,576	1.101686%	17,553,714	(2,067,942)
037	DEEP RIVER BD OF ED	6,882	0.032050%	510,669	(60,160)



Connecticut State Teachers' Retirement System

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2023	Employer Allocation Percentage at FYE 2023	State's Proportionate Share of the NOL Associated With the Employer at FYE 2023	Employer OPEB Expense and Revenue
038	DERBY BD OF ED	\$ 59,274	0.276025%	\$ 4,398,044	\$ (518,118)
040	EASTFORD BD OF ED	6,543	0.030470%	485,494	(57,194)
041	EAST GRANBY BD OF ED	42,324	0.197094%	3,140,397	(369,959)
042	EAST HADDAM BD OF ED	48,970	0.228045%	3,633,555	(428,056)
043	EAST HAMPTON BD OF ED	80,218	0.373561%	5,952,134	(701,200)
044	EAST HARTFORD BD OF ED	271,594	1.264758%	20,152,022	(2,374,039)
045	EAST HAVEN BD OF ED	112,853	0.525533%	8,373,580	(986,462)
046	EAST LYME BD OF ED	116,000	0.540187%	8,607,070	(1,013,969)
047	EASTON BD OF ED	41,659	0.193998%	3,091,067	(364,148)
048	EAST WINDSOR BD OF ED	56,601	0.263580%	4,199,752	(494,758)
049	ELLINGTON BD OF ED	104,297	0.485689%	7,738,726	(911,672)
050	ENFIELD BD OF ED	207,452	0.966062%	15,392,749	(1,813,366)
051	ESSEX BD OF ED	10,134	0.047190%	751,902	(88,579)
052	FAIRFIELD BD OF ED	447,463	2.083742%	33,201,303	(3,911,330)
053	FARMINGTON BD OF ED	171,587	0.799043%	12,731,552	(1,499,860)
054	FRANKLIN BD OF ED	6,626	0.030854%	491,612	(57,915)
055	GLASTONBURY BD OF ED	258,938	1.205823%	19,212,981	(2,263,414)
057	GRANBY BD OF ED	70,070	0.326303%	5,199,149	(612,494)
058	GREENWICH BD OF ED	509,597	2.373087%	37,811,582	(4,454,450)
059	GRISWOLD BD OF ED	61,956	0.288514%	4,597,038	(541,561)
060	GROTON BD OF ED	188,248	0.876631%	13,967,800	(1,645,498)
061	GUILFORD BD OF ED	138,988	0.647240%	10,312,799	(1,214,915)
063	HAMDEN BD OF ED	239,161	1.113724%	17,745,521	(2,090,538)
064	HAMPTON BD OF ED	3,696	0.017209%	274,200	(32,302)
065	HARTFORD BD OF ED	637,581	2.969084%	47,307,900	(5,573,179)
066	HARTLAND BD OF ED	6,374	0.029685%	472,986	(55,721)
068	HEBRON BD OF ED	29,662	0.138131%	2,200,910	(259,282)
069	KENT BD OF ED	8,984	0.041838%	666,626	(78,533)
070	KILLINGLY BD OF ED	79,275	0.369168%	5,882,138	(692,954)
072	LEBANON BD OF ED	42,762	0.199135%	3,172,918	(373,790)
073	LEDYARD BD OF ED	96,214	0.448047%	7,138,957	(841,016)
074	LISBON BD OF ED	15,852	0.073821%	1,176,227	(138,567)
075	LITCHFIELD BD OF ED	42,560	0.198194%	3,157,924	(372,024)
077	MADISON BD OF ED	121,818	0.567279%	9,038,740	(1,064,822)
078	MANCHESTER BD OF ED	281,210	1.309539%	20,865,540	(2,458,096)
079	MANSFIELD BD OF ED	52,572	0.244815%	3,900,760	(459,535)
080	MARLBOROUGH BD OF ED	20,738	0.096571%	1,538,714	(181,271)



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Employer Code	Employer	Expected Employer Contribution Effort at FYE 2023	Employer Allocation Percentage at FYE 2023	State's Proportionate Share of the NOL Associated With the Employer at FYE 2023	Employer OPEB Expense and Revenue
081	MERIDEN BD OF ED	\$ 283,221	13.8903%	\$ 210,474	\$ (2,475,673)
085	MIDDLETOWN BD OF ED	201,463	0.938170%	14,948,332	(1,761,011)
086	MILFORD BD OF ED	267,001	1.243367%	19,811,188	(2,333,887)
087	MONROE BD OF ED	150,323	0.700025%	11,153,848	(1,313,996)
088	MONTVILLE BD OF ED	87,728	0.408529%	6,509,297	(766,838)
090	NAUGATUCK BD OF ED	152,808	0.711594%	11,338,183	(1,335,712)
091	NEW BRITAIN BD OF ED	389,463	18.13649%	28,897,776	(3,404,346)
092	NEW CANAAN BD OF ED	218,606	10.18004%	16,220,367	(1,910,865)
093	NEW FAIRFIELD BD OF ED	100,887	0.469809%	7,485,702	(881,864)
094	NEW HARTFORD BD OF ED	16,842	0.078430%	1,249,664	(147,219)
095	NEW HAVEN BD OF ED	689,991	3.213148%	51,196,695	(6,031,297)
096	NEWINGTON BD OF ED	172,290	0.802318%	12,783,734	(1,506,007)
097	NEW LONDON BD OF ED	119,427	0.556147%	8,861,368	(1,043,927)
099	NEW MILFORD BD OF ED	147,364	0.686243%	10,934,253	(1,288,126)
100	NEWTOWN BD OF ED	182,276	0.848821%	13,524,689	(1,593,296)
101	NORFOLK BD OF ED	3,344	0.015572%	248,116	(29,230)
102	NORTH BRANFORD BD OF ED	69,836	0.325211%	5,181,749	(610,444)
103	NORTH CANAAN BD OF ED	9,577	0.044597%	710,586	(83,712)
104	NORTH HAVEN BD OF ED	132,067	0.615010%	9,799,262	(1,154,417)
105	NORTH STONINGTON BD OF ED	32,922	0.153311%	2,442,781	(287,775)
106	NORWALK BD OF ED	556,908	2.593405%	41,322,019	(4,868,003)
107	NORWICH BD OF ED	154,267	0.718391%	11,446,483	(1,348,470)
108	NORWICH FREE ACADEMY	82,182	0.382706%	6,097,846	(718,366)
110	OLD SAYBROOK BD OF ED	62,338	0.290295%	4,625,415	(544,904)
111	ORANGE BD OF ED	52,221	0.243183%	3,874,756	(456,472)
112	OXFORD BD OF ED	66,111	0.307864%	4,905,351	(577,882)
113	PLAINFIELD BD OF ED	70,717	0.329314%	5,247,125	(618,145)
114	PLAINVILLE BD OF ED	93,492	0.435372%	6,937,000	(817,224)
115	PLYMOUTH BD OF ED	55,390	0.257938%	4,109,855	(484,168)
116	POMFRET BD OF ED	14,136	0.065830%	1,048,902	(123,568)
117	PORTLAND BD OF ED	52,015	0.242222%	3,859,444	(454,668)
118	PRESTON BD OF ED	19,332	0.090027%	1,434,445	(168,987)
120	PUTNAM BD OF ED	42,368	0.197301%	3,143,695	(370,348)
121	REDDING BD OF ED	48,739	0.226969%	3,616,411	(426,037)
122	RSD #1	30,860	0.143710%	2,289,803	(269,754)
123	RSD #4	31,714	0.147686%	2,353,155	(277,217)
124	RSD #5	99,803	0.464763%	7,405,301	(872,393)



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Employer Code	Employer	Expected Employer Contribution Effort at FYE 2023	Employer Allocation Percentage at FYE 2023	State's Proportionate Share of the NOL Associated With the Employer at FYE 2023	Employer OPEB Expense and Revenue
125	RSD #6	\$ 41,198	0.191853%	\$ 3,056,890	\$ (360,122)
126	RSD #7	41,011	0.190979%	3,042,964	(358,481)
127	RSD #8	57,886	0.269561%	4,295,050	(505,985)
128	RIDGEFIELD BD OF ED	223,977	1.043015%	16,618,880	(1,957,812)
129	ROCKY HILL BD OF ED	116,125	0.540771%	8,616,375	(1,015,065)
131	SALEM BD OF ED	15,670	0.072974%	1,162,731	(136,977)
132	SALISBURY BD OF ED	12,830	0.059748%	951,995	(112,151)
133	SCOTLAND BD OF ED	4,751	0.022126%	352,545	(41,532)
134	SEYMOUR BD OF ED	80,483	0.374792%	5,971,748	(703,511)
135	SHARON BD OF ED	8,079	0.037622%	599,450	(70,619)
136	SHELTON BD OF ED	181,836	0.846772%	13,492,042	(1,589,450)
137	SHERMAN BD OF ED	18,456	0.085946%	1,369,421	(161,327)
138	SIMSBURY BD OF ED	185,230	0.862577%	13,743,871	(1,619,117)
139	SOMERS BD OF ED	58,424	0.272068%	4,334,995	(510,691)
141	SOUTHINGTON BD OF ED	236,691	1.102222%	17,562,254	(2,068,948)
142	SOUTH WINDSOR BD OF ED	202,695	0.943908%	15,039,758	(1,771,781)
143	SPRAGUE BD OF ED	8,514	0.039649%	631,747	(74,424)
144	STAFFORD BD OF ED	60,445	0.281481%	4,484,978	(528,360)
145	STAMFORD BD OF ED	729,841	3.398717%	54,153,457	(6,379,630)
146	STATE BD OF ED	238,751	1.111815%	17,715,104	(2,086,955)
149	DCYS RECG HOME	8,382	0.039035%	621,964	(73,271)
150	STERLING BD OF ED	12,484	0.058134%	926,278	(109,122)
151	STONINGTON BD OF ED	82,186	0.382725%	6,098,149	(718,402)
152	STRAFORD BD OF ED	280,966	1.308401%	20,847,407	(2,455,960)
153	SUFFIELD BD OF ED	90,024	0.419221%	6,679,658	(786,907)
154	THOMASTON BD OF ED	35,232	0.164067%	2,614,162	(307,965)
155	THOMPSON BD OF ED	37,078	0.172665%	2,751,158	(324,104)
156	TOLLAND BD OF ED	87,940	0.409517%	6,525,039	(768,692)
157	TORRINGTON BD OF ED	158,029	0.735911%	11,725,638	(1,381,356)
158	TRUMBULL BD OF ED	281,820	1.312379%	20,910,791	(2,463,427)
159	UNION BD OF ED	2,900	0.013507%	215,214	(25,354)
160	VERNON BD OF ED	133,490	0.621634%	9,904,805	(1,166,851)
161	VOLUNTOWN BD OF ED	10,402	0.048438%	771,787	(90,922)
162	WALLINGFORD BD OF ED	269,340	1.254261%	19,984,768	(2,354,336)
165	WATERBURY BD OF ED	561,900	2.616650%	41,692,393	(4,911,635)
166	WATERFORD BD OF ED	113,143	0.526886%	8,395,138	(989,002)
167	WATERTOWN BD OF ED	102,616	0.477859%	7,613,966	(896,975)



Connecticut State Teachers' Retirement System

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2023	Employer Allocation Percentage at FYE 2023	State's Proportionate Share of the NOL Associated With the Employer at FYE 2023	Employer OPEB Expense and Revenue
168	WESTBROOK BD OF ED	\$ 38,414	0.178888%	\$ 2,850,312	\$ (335,785)
169	WEST HARTFORD BD OF ED	411,341	1.915531%	30,521,113	(3,595,586)
170	WEST HAVEN BD OF ED	220,191	1.025386%	16,337,988	(1,924,721)
171	WESTON BD OF ED	116,531	0.542662%	8,646,505	(1,018,615)
172	WESTPORT BD OF ED	293,879	1.368532%	21,805,505	(2,568,830)
173	WETHERSFIELD BD OF ED	146,945	0.684295%	10,903,214	(1,284,470)
174	WILLINGTON BD OF ED	18,740	0.087267%	1,390,469	(163,806)
175	WILTON BD OF ED	203,762	0.948880%	15,118,979	(1,781,114)
176	WINCHESTER BD OF ED	25,690	0.119635%	1,906,204	(224,563)
177	WINDHAM BD OF ED	125,489	0.584375%	9,311,139	(1,096,913)
178	WINDSOR BD OF ED	158,409	0.737679%	11,753,808	(1,384,675)
179	WINDSOR LOCKS BD OF ED	82,729	0.385253%	6,138,429	(723,147)
180	WINSTED GILBERT SCHOOL	18,489	0.086098%	1,371,842	(161,612)
181	WOLCOTT BD OF ED	88,326	0.411316%	6,553,703	(772,069)
182	WOODBIDGE BD OF ED	34,955	0.162780%	2,593,655	(305,549)
184	WOODSTOCK BD OF ED	26,665	0.124173%	1,978,510	(233,081)
185	WOODSTOCK ACADEMY	36,953	0.172082%	2,741,869	(323,010)
186	UNIVERSITY OF CONN	6,237	0.029046%	462,804	(54,521)
194	RSD #9	47,935	0.223224%	3,556,740	(419,007)
197	CCISOMERS	1,242	0.005784%	92,159	(10,857)
198	DCF HIGH MEADOWS	-	0.000000%	-	-
201	RSD #10	88,310	0.411240%	6,552,493	(771,926)
206	SUPERVISORY DISTRICT #4	19,239	0.089590%	1,427,482	(168,167)
208	NORTHWESTERN CTC	1,771	0.008247%	131,404	(15,480)
209	MANCHESTER CTC	2,394	0.011146%	177,595	(20,922)
210	NORWALK CTC	3,083	0.014357%	228,757	(26,949)
211	WESTERN CSU	2,173	0.010118%	161,215	(18,992)
212	CENTRAL CSU	8,732	0.040663%	647,904	(76,327)
213	EASTERN CSU	4,391	0.020449%	325,824	(38,384)
214	SOUTHERN CSU	8,890	0.041398%	659,615	(77,707)
215	RSD #11	10,183	0.047421%	755,583	(89,013)
216	CAPITAL CTC	674	0.003140%	50,031	(5,894)
217	HOUSATONIC CTC	3,060	0.014250%	227,052	(26,748)
218	NAUGATUCK VALLEY CTC	3,367	0.015679%	249,821	(29,431)
219	MIDDLESEX CTC	3,032	0.014120%	224,981	(26,504)
220	DEPT OF HIGHER ED	-	0.000000%	-	-
221	EDADVANCE	28,848	0.134341%	2,140,522	(252,167)



Connecticut State Teachers' Retirement System

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2023	Employer Allocation Percentage at FYE 2023	State's Proportionate Share of the NOL Associated With the Employer at FYE 2023	Employer OPEB Expense and Revenue
222	RSD #12	\$ 45,740	0.213003%	\$ 3,393,883	\$ (399,822)
223	GATEWAY CTC	3,174	0.014782%	235,529	(27,747)
225	RSD #13	77,960	0.363041%	5,784,514	(681,453)
226	RSD #14	76,054	0.354166%	5,643,104	(664,794)
228	CCICHESHIRE	392	0.001823%	29,047	(3,422)
229	SHARED SERVICES	8,265	0.038489%	613,264	(72,247)
230	CREC	419,857	1.955185%	31,152,940	(3,670,019)
231	RSD #15	155,214	0.722799%	11,516,718	(1,356,744)
233	RSD #16	79,156	0.368614%	5,873,311	(691,914)
234	THREE RIVERS CC	1,032	0.004807%	76,592	(9,023)
235	TUNXIS CTC	1,394	0.006492%	103,440	(12,186)
236	QUINEBAUG CTC	1,129	0.005256%	83,746	(9,866)
238	ODYSSEY CHARTER SCH	11,785	0.054882%	874,462	(103,017)
240	CES	65,949	0.307113%	4,893,385	(576,473)
241	ACES	128,159	0.596811%	9,509,288	(1,120,256)
242	PROJECT LEARN	102,854	0.478970%	7,631,668	(899,060)
243	RSD #17	78,441	0.365281%	5,820,205	(685,658)
244	ASNUNTUCK CTC	380	0.001768%	28,170	(3,319)
245	DCF CENTRAL	-	0.000000%	-	-
247	RSD #18	65,485	0.304948%	4,858,889	(572,409)
253	DCF MENTAL HEALTH	-	0.000000%	-	-
254	EASTCONN	38,985	0.181545%	2,892,647	(340,773)
258	DCF RIVERVIEW	-	0.000000%	-	-
263	SERVICES FOR THE BLIND	4,954	0.023071%	367,602	(43,306)
265	RSD #19	50,212	0.233827%	3,725,683	(438,910)
269	DDS REGION #2	-	0.000000%	-	-
270	ACADEMIC AWARDS/CHARTER OAK ST	-	0.000000%	-	-
271	UCONN HEALTH CENTER	6,650	0.030969%	493,445	(58,131)
272	CCISUFFIELD	362	0.001688%	26,896	(3,168)
273	CCINIANTIC	-	0.000000%	-	-
275	CHILDRENS CENTER	5,426	0.025267%	402,592	(47,428)
277	BRIDGE ACADEMY CHARTER SCH	9,580	0.044613%	710,841	(83,742)
278	COMMON GROUND CHARTER SCH	8,131	0.037864%	603,306	(71,073)
280	EXPLORATIONS CHARTER SCH	4,209	0.019598%	312,265	(36,787)
281	INTEGRATED DAY SCHOOL	9,869	0.045956%	732,240	(86,263)
282	ISAAC CHARTER SCH	10,120	0.047127%	750,898	(88,461)
283	JUMOKE ACADEMY CHARTER SCH	9,185	0.042772%	681,508	(80,286)



Connecticut State Teachers' Retirement System

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2023	Employer Allocation Percentage at FYE 2023	State's Proportionate Share of the NOL Associated With the Employer at FYE 2023	Employer OPEB Expense and Revenue
284	SIDE BY SIDE CHARTER SCH	\$ 7,176	0.033416%	\$ 532,434	\$ (62,724)
290	TP WORK AREA 1	-	0.000000%	-	-
291	TP WORK AREA 2	-	0.000000%	-	-
295	MSA PAYROLL	-	0.000000%	-	-
302	NEWBEGINNINGS	10,926	0.050879%	810,681	(95,503)
303	ELM CITY COLLEGE PREP	9,831	0.045783%	729,483	(85,938)
304	STAMFORD ACADEMY	-	0.000000%	-	-
305	PARK CITY PREP	8,580	0.039954%	636,607	(74,996)
307	AF BRIDGEPORT ACADEMY	9,017	0.041988%	669,016	(78,814)
308	SERC	2,154	0.010030%	159,813	(18,827)
309	AF HARTFORD ACADEMY	17,330	0.080703%	1,285,881	(151,485)
311	BRASS CITY	8,069	0.037576%	598,717	(70,533)
313	GREAT OAKS CHARTER SCHOOL	8,760	0.040792%	649,959	(76,569)
314	BTWACADEMY	10,105	0.047056%	749,767	(88,327)
315	CAPITAL PREP HARBOR SCH	11,906	0.055442%	883,385	(104,069)
317	STAMFORD CH SCH EX	8,176	0.038076%	606,684	(71,471)
Totals		\$ 214,740,000	100.000000%	\$ 1,593,350,000	\$ (187,707,000)



Connecticut State Teachers' Retirement System

Schedule A — Additional Supporting Information

Development of the Projected Earnings on Plan Investments as of June 30, 2023

The development of the projected earnings on plan investments component of Collective OPEB Expense / (Income) as of the June 30, 2023 Measurement Date is shown in the following table:

Projected Earnings on Plan Investments For the Measurement Period Ending on June 30, 2023 (\$ in Thousands)		
(a)	Expected rate of return on assets at June 30, 2022	3.00%
(b)	Beginning of year market value of assets	\$ 167,556
(c)	Expected return on assets at the beginning of the year [(b) x (a)]	\$ 5,027
(d)	External cash flow (mid-year payments assumed):	
	Contributions - State of Connecticut	\$ 21,474
	Contributions - member	57,687
	Contributions - non-employer	14,420
	Refunds of contributions	0
	Net benefit payments	(52,458)
	Administrative expenses	(142)
	Other	(373)
	Total net external cash flow	\$ 40,608
(e)	Expected return on external cash flow [(d) x (1 + (a)) ^{1/2} - 1]	\$ 605
(f)	Projected earnings on plan investments [(c) + (e)]	\$ 5,632

Development of the Collective Deferred Outflow / (Inflow) of Resources for the Difference Between Projected and Actual Earnings on Plan Investments at June 30, 2023

The determination of the Collective Deferred Outflow / (Inflow) of Resources for the difference between projected and actual earnings on plan investments at June 30, 2023 is shown in the following table:

Difference Between Projected and Actual Earnings on Plan Investments at June 30, 2023 (\$ in Thousands)		
(a)	Projected earnings on plan investments at June 30, 2023	\$ 5,632
(b)	Net investment income ¹	\$ 7,569
(c)	Difference between projected and actual earnings on plan investments [(a) - (b)]	\$ (1,937)

¹ See "Reconciliation of Changes in the Plan's Fiduciary Net Position (FNP) and Collective Net OPEB Liability / (Asset) (NOL)" on page 8.



Connecticut State Teachers' Retirement System

Development of the Average Expected Remaining Service Lives

The determination of the average expected remaining service lives for the entire Plan membership is provided in the following table:

Membership Category	(1) Number	(2) Average Remaining Service Lives (in Years)
(a) Active Members	52,200	12.41
(b) Inactive Members	<u>41,133</u>	<u>0.00</u>
(c) Total Membership [[((1a) × (2a)) + ((1b) × (2b))] / (1c)]	93,333	6.94



**Schedule B —
Summary of Actuarial Assumptions and Methods for GASB Accounting Purposes**

ECONOMIC ASSUMPTIONS

Discount Rate

3.64% per year for all periods after June 30, 2023.

Municipal Bond Index Rate Basis

The 20-Bond average General Obligation 20-year Municipal Bond Rate published at the end of the last week during the month of June by The Bond Buyer (www.bondbuyer.com) was used as the 20-year tax-exempt municipal bond (rating AA/Aa or higher) rate required under GASB rules.

Expected Long-term Rate of Return on Assets

3.00% per year, net of investment expenses, for all periods after June 30, 2022.

Expected Long-term Rate of Inflation

2.50% per year for all periods after June 30, 2023.

Expected Long-term Real Wage Growth

0.50% per year for all periods after June 30, 2023.

Expected Long-term Wage Inflation

3.00% per year for all periods after June 30, 2023. This rate does not reflect any expected future increase in the number of active members.

Expected Administrative Expenses Included in Service Cost

None.



Connecticut State Teachers' Retirement System

Long-term Health Care Cost Trend Rates

Annual per capita health care claims costs are expected to increase in future years as a result of medical inflation, utilization, leverage in the plan design, and improvements in technology adjusted for any implicit and/or explicit cost containment features. Initial health care cost trend rates were selected based on an analysis of national average health trend surveys specific to similarly structured plans for Medicare-eligible participants. Since a significant portion of Medicare plan costs are due to prescription drug costs, the continued high cost of prescription drugs and the changes to Medicare Part D due to the Inflation Reduction Act are considered in the development of the trend assumption.

The annual assumed rates of increases in retiree expected health care claims costs and contributions during each period subsequent to the Measurement Date are shown in the table below. Medicare Advantage Rates are previously negotiated and known through calendar year 2024.

Fiscal Year Beginning July 1,	Annual Per Capita Claims Cost Increase*
2024	6.25%
2025	6.00%
2026	5.75%
2027	5.50%
2028	5.25%
2029	5.00%
2030	4.75%
2031 and beyond	4.50%

*Premium rates have been set for the Medicare Advantage and Medicare Supplement plans until calendar year 2024. The general health care trend rates are used for trending the subsidy amount for pre-Medicare participants until the limit is reached. The general health care rates prior to fiscal year 2024 are 6.75% for fiscal year beginning 2022 and 6.50% for fiscal year beginning 2023. Subsidy amounts are assumed to follow medical trend until they reach their limit and to not increase after that.



Connecticut State Teachers' Retirement System

DEMOGRAPHIC ASSUMPTIONS

The demographic actuarial assumptions for retirement, disability incidence, and withdrawal were developed based on the results of an actuarial experience study for the five-year period from July 1, 2014 to June 30, 2019, adopted by the Board, and prescribed for use in the Plan's June 30, 2022 actuarial valuation.

Expected Annual Subsidies for Local School District Coverage

FUTURE RETIREES AND DEPENDENTS

The lesser of \$2,640 per year (\$220 per month) and the Maximum Annual Subsidy for all future retired members and dependents who are expected to be covered under local school district OPEB plans in future periods.

CURRENT RETIREES AND DEPENDENTS

The lesser of the annualized actual monthly subsidy amounts provided by the System for retired members and dependents who are covered under local school district OPEB plans as of June 30, 2022 and the applicable Maximum Annual Subsidy. Reported subsidies are expected to increase each year based on the assumed long-term health care cost trend rates for Medicare Advantage and Medicare Supplement Plans until the Maximum Annual Subsidy is reached.

The following table provides Maximum Annual Subsidy amounts for Medicare-ineligible and Medicare-eligible members and dependents who are receiving health care coverage under a local school district OPEB plan:

Medicare Status	Maximum Annual Subsidy
Ineligible	\$2,640 per year (\$220 per month)
Eligible	\$5,280 per year (\$440 per month) for those without "premium free" Medicare Part A, and contribute at least \$440 per month for coverage under a local school district plan; \$2,640 per year (\$220 per month), otherwise.

Since the prior full valuation, the Maximum Annual Subsidies provided in the table above increased for the first time since July of 1996. Our understanding is that these types of benefit improvements would not be considered "substantially automatic" (as that term is defined in GASB 74 and 75) based on the Plan's history of such changes. As a result, the Maximum Annual Subsidy Amounts shown above are not expected to increase in any future period.



Connecticut State Teachers' Retirement System

Expected Annual Per Capita Health Care Claims Costs

MEDICAL AND PRESCRIPTION DRUGS

Assumed annual per capita health care claims costs were developed for the Medicare Supplement Plan and the Medicare Advantage Plan based on the medical and prescription drug premium rates for each plan and period provided by the System. Our understanding is that these premium rates include all relevant medical, prescription drug, and/or third-party administrative costs, and represent the amounts paid by the System as “the full contribution amount” for each coverage provided.

The expected annual age 65 per capita health care claims costs for the Medicare Supplement Plan and Medicare Advantage Plan for the year following the Valuation Date are shown below:

Expected Annual Age 65 Per Capita Claims Cost for	
Medicare Supplement Plan	\$3,030
Medicare Advantage Plan	\$877

Premium rates for both plans have been set for calendar years 2022 through 2024. Annual claims have been set according to these rates and are assumed to increase according to the long-term health care cost trend rates following that period.

FEDERAL LEGISLATION

The impacts of the Affordable Care Act (ACA) and the Inflation Reduction Act (IRA) were addressed in this valuation. Review of the information currently available did not identify any specific provisions of the legislation that are anticipated to directly impact results at this time other than plan design features and fees currently mandated by the ACA and incorporated in the plan designs, which are included in the current baseline claims costs, and the anticipation of potential changes to Medicare due to the IRA, which are included in our trend assumption. Continued monitoring of the impact on the Plan's liability due to this and other legislation, if applicable, will be required.

COVID-19 PANDEMIC

The impact of the COVID-19 pandemic was considered in this valuation; however, no changes were incorporated at this time due to the level of uncertainty regarding the impact on both plan costs and contribution levels going forward. Given the uncertainty regarding COVID-19 (e.g., the impact of routine care being deferred, direct COVID-19 treatment and prevention costs, changes in contribution and budget projections), continued monitoring of the impact on the Plan's liability will be required.



Connecticut State Teachers' Retirement System

AGE RELATED MORBIDITY

Expected annual age 65 per capita health care claims costs are adjusted to reflect anticipated age-related cost changes. The assumed annual percentage increases in expected annual per capita health care costs/net incurred claims that were used to adjust Medicare Supplement and Medicare Advantage Plan amounts from one age to the next are provided in the following table for both retirees and their dependents:

Payment Age	Annual Increase
Under 30	0.0%
30 – 34	1.0%
35 – 39	1.5%
40 – 44	2.0%
45 – 49	2.6%
50 – 54	3.3%
55 – 59	3.6%
60 – 64	4.2%
65 – 69	3.0%
70 – 74	2.5%
75 – 79	2.0%
80 – 84	1.0%
85 – 89	0.5%
Over 90	0.0%

Mortality and Mortality Improvement Rates

PRE-RETIREMENT MORTALITY

The PubT-2010 Employee Table projected generationally with MP-2019 is used for both males and females while in active service. Representative values of the assumed annual rates of mortality while in active service are as follows:

Age	Annual Rates of Death*	
	Male	Female
30	0.022%	0.014%
35	0.030%	0.020%
40	0.042%	0.031%
45	0.067%	0.048%
50	0.111%	0.073%
55	0.172%	0.107%
60	0.264%	0.161%
65	0.435%	0.270%

* Rates shown are for 2010, the base year of the table.



Connecticut State Teachers' Retirement System

POST-RETIREMENT MORTALITY

The PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above) projected generationally with MP-2019 is used for the period after service retirement. The PubT-2010 Disabled Retiree Table projected generationally with MP-2019 is used for the period after disability retirement. The PubT-2010 Contingent Survivor Table projected generationally with MP-2019 and set forward 1 year for both males and females is used for survivors and beneficiaries. Representative values of the assumed annual rates of mortality are as follows:

Age	Annual Rates of Death*					
	Healthy		Disabled		Survivor	
	Male	Female	Male	Female	Male	Female
50	0.111%	0.073%	1.605%	1.483%	0.724%	0.342%
55	0.223%	0.193%	2.114%	1.742%	0.854%	0.476%
60	0.357%	0.287%	2.503%	1.956%	1.067%	0.667%
65	0.592%	0.446%	3.044%	2.256%	1.497%	0.973%
70	1.070%	0.770%	3.901%	2.862%	2.335%	1.478%
75	2.031%	1.461%	5.192%	4.003%	3.706%	2.371%
80	3.960%	2.868%	7.348%	6.007%	5.897%	3.985%
85	7.598%	5.548%	10.815%	9.331%	9.658%	7.122%
90	13.923%	10.392%	16.253%	13.665%	15.947%	12.596%

* Rates shown are for 2010, the base year of the tables

Withdrawal Rates

The following table contains service based annual rates of withdrawal (separation from service for causes other than death, disability, or retirement) for males and females:

Years of Service	Annual Rates of Withdrawal				
			10 or more years of service		
	Male	Female	Age	Male	Female
0	15.00%	12.00%	25	1.80%	6.00%
1	11.00%	11.00%	30	1.80%	6.00%
2	8.50%	9.50%	35	1.80%	4.25%
3	7.00%	8.00%	40	1.80%	2.50%
4	5.50%	7.50%	45	1.80%	2.00%
5	4.50%	7.00%	50	2.25%	2.40%
6	4.00%	6.50%	55	4.00%	3.90%
7	3.50%	6.00%	59	5.50%	4.00%
8	3.50%	5.50%			
9	3.50%	5.00%			



Connecticut State Teachers' Retirement System

Retirement Rates

The following table contains age and service based annual rates of retirement at sample ages:

Annual Rates of Retirement				
Age	Unreduced			
	Less than 35 years of Service		35 or more years of Service	
	Male	Female	Male	Female
50			35.0%	30.0%
55			35.0%	30.0%
60	20.0%	20.0%	30.0%	30.0%
65	27.5%	32.5%	35.0%	37.5%
70	27.5%	30.0%	30.0%	32.5%
75	100.0%	100.0%	100.0%	100.0%

Annual Rates of Retirement				
Age	Proratable		Reduced	
	Male	Female	Male	Female
50			1.50%	1.25%
52			1.50%	1.25%
54			2.00%	2.25%
56			4.00%	3.75%
58			6.50%	5.50%
60	6.0%	5.0%		
65	15.0%	12.0%		
70	28.5%	15.0%		
75	28.5%	15.0%		
80	100.0%	100.0%		



Connecticut State Teachers' Retirement System

Disability Rates

The table below provides age based annual rates of disability for males and females at sample ages:

Annual Rates of Disability		
Age	Male	Female
20	0.020%	0.020%
25	0.020%	0.020%
30	0.020%	0.020%
35	0.020%	0.030%
40	0.030%	0.060%
45	0.080%	0.090%
50	0.150%	0.150%
55	0.150%	0.170%
60	0.150%	0.150%

Rates of Annual Salary Increases

Rates of annual salary increases are constructed geometrically based on the expected long-term rate of inflation (currently, 2.50%), an expected productivity component (currently, 0.50%), and a variable expected merit component that is dependent on years of service. The following table provides a sample of the service-based rates of salary increases that are used to project a member's total salary as of the Valuation Date to future years.

Years of Service	Total Increase (Next Year)
0	6.50%
1	6.25%
2 – 9	6.00%
10 – 11	5.50%
12	5.25%
13	5.00%
14	4.75%
15	4.50%
16	4.00%
17	3.75%
18	3.50%
19	3.25%
20 and Over	3.00%



Connecticut State Teachers' Retirement System

Decrement Timing and Adjustment

Decrements—retirement, withdrawal, death, and disability—are assumed to occur at the beginning of the year. Decrement rates (or “probabilities”) are assumed to be uniformly distributed throughout the year, and reflect multiple decrement effects.

Subsidized Local School District Coverage and System-Sponsored Health Care Plan Participation Rates

FUTURE RETIREES AND DEPENDENTS

The table below provides the percentage of future retired members and dependents who are expected to be covered under local school district OPEB plans or the System-sponsored health care plan options in future periods.

Membership Class	Subsidized Local School District Coverage	System-Sponsored Health Care Plans
Pre-65 Members	60.0%	N/A
Post-64 Members	20.0%	60.0%
Pre 65 Spouses/Survivors*	45.0%	N/A
Post-64 Spouses/Survivors*	40.0%	45.0%

* Percentage of participating members electing spouse coverage.

CURRENT RETIREES AND DEPENDENTS—ENROLLED

All current retirees and dependents who are eligible for Medicare as of the Valuation Date are assumed to continue current coverage. For retirees and surviving spouses who are not eligible for Medicare and are covered under local school district OPEB plans as of the Valuation Date, the following table shows the assumed migration from subsidized local school district coverage to a System-sponsored health care plan option at age 65:

Membership Class	Assumed Percentage Electing Subsidized Local School District Coverage On or After Age 65	Assumed Percentage Electing System-Sponsored Health Care Plans On or After Age 65
Pre-65 Members	25.0%	75.0%
Pre-65 Spouses/Survivors*	47.1%	52.9%

* Percentage of participating members electing spouse coverage.



Connecticut State Teachers' Retirement System

CURRENT RETIREES AND DEPENDENTS—NOT ENROLLED

50% of retired members who are not eligible for Medicare, are currently receiving a retirement or disability benefit, but are not participating in the Plan, are expected to be covered under a System-sponsored health care plan option at age 65. Of these participants, 50% are assumed to cover a spouse.

SYSTEM-SPONSORED HEALTH CARE PLAN ELECTION

Current retirees already enrolled in a System-sponsored health care plan are assumed to continue with their elected plan for life. Future retirees and current retirees newly electing to enroll in System-sponsored health care plans are assumed to elect between the System-sponsored health care plan options as follows:

Health Care Coverage Option	Percent of New System-Sponsored Health Care Plan Enrollees Electing the Plan
Medicare Supplement Plan	15.0%
Medicare Advantage Plan	85.0%

Participants are not assumed to change plan options once System-sponsored health care is elected.

Assumed Eligibility for “Premium Free” Medicare Part A Benefits

FUTURE RETIREES AND DEPENDENTS

100% of future Medicare-eligible retirees and dependents are expected to be eligible for “premium free” Medicare Part A benefits.

CURRENT RETIREES AND DEPENDENTS

0% of retired members and dependents who are currently receiving a subsidy equal to \$5,280 per year (\$440 per month) as of June 30, 2022 are expected to be eligible for “premium free” Medicare Part A benefits. Otherwise, 100% of retired members and dependents are expected to be eligible for these benefits when they reach age 65 or, if they are older, their attained age on the Valuation Date.



Connecticut State Teachers' Retirement System

Assumed Commencement Age for Eligible Deferred Vested Members

Eligible deferred vested members and their dependents are expected to begin receiving health care benefits when members reach age 60 or, if they are older, the member's attained age on the Valuation Date.

The following table contains the age based assumed percentages of deferred vested members who will become ineligible for future health care benefits because they are expected to withdraw their contributions from the System:

Attained Ages on the Later of the Valuation Date or Date of Decrement					
Under Age 55	Age 56	Age 57	Age 58	Age 59	Over Age 59
30.00%	24.00%	18.00%	12.00%	6.00%	0.00%

Marital and Spouse Assumptions

FUTURE RETIREES

100% of future retired members are assumed to be married to a spouse of the opposite gender. Husbands are assumed to be three years older than their wives.

CURRENT RETIREES

Actual spouse age and gender is used where available. If relevant spouse information is not available, husbands are assumed to be three years older than their wives.

Valuation Date

June 30, 2022

Measurement Date

June 30, 2023

Measurement Period

July 1, 2022 to June 30, 2023

Benefits Not Valued

Dental benefits for retirees and their dependents are paid by the retiree on a full cost basis, and without an implicit subsidy. As a result, no dental benefit liabilities are included in the Plan's GASB 75 results as of June 30, 2023.



Connecticut State Teachers' Retirement System

Changes in Assumptions and Methods Since the Prior Valuation

The June 30, 2022 measurements used in the development of June 30, 2023 financial accounting results for the Plan reflect the following change in assumptions and methods:

- Based on the procedure described in GASB 74, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2023 was updated to equal the SEIR of 3.64% as of June 30, 2023.

The effect of the change described above was a decrease in the Plan's Total OPEB Liability and Service Cost measured as of June 30, 2023.



Schedule C — Summary of Actuarial Cost and Asset Valuation Methods

Actuarial Cost Method

The valuation is prepared on the projected benefit basis, under which the present value, at the interest rate assumed to be earned in the future (currently 3.64%), of each member's expected benefits at retirement is determined, based upon age, service, and gender. The calculations take into account the probability of a member's death or termination of employment prior to receiving benefits under the Plan. The present value of the expected benefits payable on account of active members is added to the present value of the expected future payments to retired members and beneficiaries to obtain the present value of all expected benefits payable by the Plan.

The actuarial cost method is a procedure for allocating the actuarial present value of postemployment benefits and expenses to time periods. The method used for the valuation is known as the Entry Age Normal (Level Percentage of Pay) actuarial cost method, and has the following characteristics:

- (i) The annual normal costs for each individual active participant are sufficient to accumulate the value of the participant's postemployment benefits at time of retirement.
- (ii) Each annual normal cost is a constant percentage of the participant's year-by-year projected covered compensation.

The Entry Age Normal (Level Percentage of Pay) actuarial cost method allocates the actuarial present value of each participant's projected benefits on a level basis over the participant's assumed compensation rates between the entry age of the participant and the assumed ages at which the participant will leave active service.

The portion of the actuarial present value allocated to the valuation year is called the service cost (SC). The portion of the actuarial present value of expected benefits not provided for by the actuarial present value of future service costs is called the Total OPEB Liability (TOL). The difference between the TOL and the Fiduciary Net Position (FNP) is the Net OPEB Liability / (Asset) (NOL).

The actuarial cost method is prescribed by GASB 74 and 75 for financial accounting purposes.

Asset Valuation Method

The Actuarial Asset Value for financial accounting purposes is equal to the market value of plan assets.

The asset valuation method is prescribed by GASB 74 and 75 for financial accounting purposes.

Changes in Actuarial Cost and Asset Valuation Methods Since the Previous Valuation

There were no changes in actuarial cost or amortization methods since the valuation on June 30, 2022.



Connecticut State Teachers' Retirement System

Schedule D — Summary of Main Plan Provisions for Valuation Purposes

This summary of main plan provisions is intended to describe only the principal features of the Retiree Health Insurance Plan (RHIP, or the Plan), a cost-sharing, other than insured, defined benefit OPEB plan with a special funding situation sponsored by the Connecticut State Teachers' Retirement System (the System), as interpreted for valuation purposes. All actual eligibility requirements and benefit amounts will be determined in accordance with the Plan document and any System practices, processes, and procedures.

Key Plan Terms

COVERED EMPLOYEES

Any teacher, principal, superintendent or supervisor engaged in service of public schools, plus professional employees at State schools of higher education if they choose to be covered.

CREDITED SERVICE

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching service, State employment, or wartime military service may be purchased prior to retirement, if the Member pays one-half the cost.

NORMAL RETIREMENT

Eligibility—Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

EARLY RETIREMENT

Eligibility—25 years of Credited Service including 20 years of Connecticut service, or age 55 with 20 years of Credited Service including 15 years of Connecticut service.

PRORATABLE RETIREMENT

Eligibility—Age 60 with 10 years of Credited Service.

DISABILITY RETIREMENT

Eligibility—5 years of Credited Service in Connecticut if not incurred in the performance of duty and no service requirement if incurred in the performance of duty.

TERMINATION OF EMPLOYMENT

Eligibility—10 or more years of Credited Service.

Teachers' Required Contribution

1.25% of annual salaries in excess of \$500,000 is contributed for health insurance of retired teachers.

State Contribution

The State pays for one third of the costs through an annual appropriation in the General Fund. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.



Connecticut State Teachers' Retirement System

Retiree Health Care Coverage

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer, and the CTRB Sponsored Medical Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, with any remaining portion used to offset the district's cost. As of July 1, 2022, the subsidy amount was increased for the first time since July of 1996. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plan(s). Effective July 1, 2018, the System added a Medicare Advantage Plan option. Retirees, CTRB, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage(s) or elect not to enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the Plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the CTRB Sponsored Medicare Supplement or Medicare Advantage Plan options, as long as they do not remarry.

System Determined Monthly Retiree Contributions

Eligible retirees who elect to enroll in a health care coverage option under the Plan contribute a monthly amount based on the coverages that they selected during the enrollment process. Effective January 1, 2015, new enrollees will only be able to elect the "all coverages" package (Medical with Prescription Drugs, Dental, Vision and Hearing). Existing retired members and dependents were grandfathered into the health care option elections that they had made prior to January 1, 2015. Additionally, as of January 1, 2022, Vision and Hearing coverage is included in all Medical plans.



Connecticut State Teachers' Retirement System

The following tables provide the monthly health care contributions for retiree and dependent coverage options during the periods beginning on January 1, 2018 and ending on January 1, 2022.

Monthly Retiree Rates for the CTRB Sponsored Medicare Supplemental Plan Options						
Coverage	Jan. 1 2018	July 1 2018	Jan. 1 2019	Jan. 1 2020	Jan. 1 2021	Jan. 1 2022
Medical* with Prescriptions	\$101	\$199	\$173	\$179	\$167	\$269
Medical* with Prescriptions and Dental	\$151	\$254	\$231	\$231	\$220	\$319
Medical with Prescriptions, Dental, Vision & Hearing	\$156	\$259	\$238	\$239	\$228	N/A

Monthly Retiree Rates for the CTRB Sponsored Medicare Advantage Plan Options						
Coverage	Jan. 1 2018	July 1 2018	Jan. 1 2019	Jan. 1 2020	Jan. 1 2021	Jan. 1 2022
Medical* with Prescriptions	N/A	\$74	\$65	\$67	\$64	\$30
Medical* with Prescriptions and Dental	N/A	\$129	\$123	\$119	\$117	\$80
Medical with Prescriptions, Dental, Vision & Hearing	N/A	\$134	\$130	\$127	\$125	N/A

*As of January 1, 2022, Vision and Hearing coverage is included in both Medical plans for all participants.



Connecticut State Teachers' Retirement System

Monthly Full Premium Rates by Coverage Type

Additionally, the following tables provide the full health care premiums for retiree and dependent coverage options during the periods beginning on January 1, 2018 and ending on January 1, 2022.

Monthly Full Premiums for the CTRB Sponsored Medicare Supplemental Plan Options						
Coverage	Jan. 1 2018	July 1 2018	Jan. 1 2019	Jan. 1 2020	Jan. 1 2021	Jan. 1 2022
Medical* with Prescriptions	\$303	\$347	\$303	\$313	\$295	\$326
Medical* with Prescriptions and Dental	\$353	\$402	\$361	\$365	\$348	\$376
Medical with Prescriptions, Dental, Vision & Hearing	\$358	\$407	\$368	\$373	\$356	N/A

Monthly Full Premiums for the CTRB Sponsored Medicare Advantage Plan Options						
Coverage	Jan. 1 2018	July 1 2018	Jan. 1 2019	Jan. 1 2020	Jan. 1 2021	Jan. 1 2022
Medical* with Prescriptions	N/A	\$222	\$195	\$201	\$192	\$89
Medical* with Prescriptions and Dental	N/A	\$277	\$253	\$253	\$245	\$139
Medical with Prescriptions, Dental, Vision & Hearing	N/A	\$282	\$260	\$261	\$253	N/A

*As of January 1, 2022, Vision and Hearing coverage is included in both Medical plans for all participants.