Connecticut State Teachers' Retirement System

Retiree Health Insurance Plan

GASB Statement No. 75 Report

Prepared as of June 30, 2025

CavMac
Actuarial Consulting Services

February 4, 2026

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

Re: June 30, 2025 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, CavMac, as of June 30, 2025 (Measurement Date) for financial reporting as of June 30, 2026.

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, 2026, 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.

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, 2024 (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, 2024 and ending on June 30, 2025, and pertinent financial information were 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.

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 changes to Medicare due to the IRA, which are included in our baseline Medicare costs and trend assumption. Continued monitoring of the impact on the Plan’s liability due to this and other legislation, if applicable, will be required.

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.

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.

To the best of our knowledge, this report is complete and accurate. The valuation was performed by, and under the supervision of, independent actuaries who are members of the American Academy of Actuaries with experience in performing valuations for public retirement systems. The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

The valuation was prepared in accordance with the principles of practice prescribed by the Actuarial Standards Board.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic 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 plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

The actuarial calculations were performed by qualified actuaries according to generally accepted actuarial procedures and methods. The calculations are based on the current provisions of the system, and on actuarial assumptions that are, in the aggregate, internally consistent and reasonably based on the actual experience of the system.

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

Respectfully submitted,

Alisa Bennett, FSA, EA, FCA, MAAA
President

Ryan Thompson
Ryan Thompson, ASA, ACA, MAAA
Associate Actuary

AB/RT:nh

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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, 2026	June 30, 2025
Valuation Date (VD):*	June 30, 2024	June 30, 2024
Measurement Date (MD):	June 30, 2025	June 30, 2024
Discount Rate:		
Long-Term Expected Rate of Return at MD	3.00%	3.00%
Municipal Bond Index Rate at MD	5.20%	3.93%
Year in which Fiduciary Net Position is Projected to be Depleted	2028	2027
Single Equivalent Interest Rate at MD	5.19%	3.93%
Collective Net OPEB Liability (NOL) as of the MD:		
Collective Total OPEB Liability (TOL)	$ 2,953,663	$ 3,493,571
Fiduciary Net Position (FNP)	292,071	258,353
Collective Net OPEB Liability (NOL = TOL – FNP)	$ 2,661,592	$ 3,235,218
FNP as a percentage of TOL	9.89%	7.40%
NOL as a percentage of covered compensation	52.66%	64.01%
Collective OPEB Expense / (Income) for the Measurement Period:	$ 111,620	$ 44,826
Collective Deferred Outflows / Inflows of Resources as of the MD:		
Total Collective Deferred Outflows of Resources	$ 1,378,695	$ 1,778,739
Total Collective Deferred Inflows of Resources	$ 1,340,770	$ 1,089,069

*For measurement date June 30, 2025, the valuation as of June 30, 2024 has been updated to include the results of an experience study for the five-year period ending June 30, 2024.

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, 2025 (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, 2024 (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.

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.

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 year[1]. The development of the AERSL as of the Valuation 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.

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

SECTION II – INTRODUCTION

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 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, 2025. 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, 2025. These amounts are also provided in Section VIII.

SECTION III – SCHEDULE OF CHANGES IN THE COLLECTIVE NET OPEB LIABILITY / (ASSET)

The following tables 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	2025	2024	2023	2022	2021
Collective Total OPEB Liability (TOL)					
Service Cost	$ 118,264	$ 59,801	$ 60,201	$ 72,027	$ 121,535
Interest on the TOL	140,431	67,106	63,729	38,342	64,951
Changes of benefit terms	0	0	0	299,536	0
Difference between expected and actual experience	(18,971)	1,754,214	(166)	(60,031)	(1,218,425)
Changes of assumptions or other inputs	(701,850)	(145,568)	(33,364)	(236,042)	12,750
Net benefit payments	(77,782)	(51,065)	(52,458)	(74,795)	(131,543)
Net change in TOL	$ (539,908)	$ 1,684,488	$ 37,942	$ 39,037	$ (1,150,732)
TOL—beginning of period	$ 3,493,571	$ 1,809,083	$ 1,771,141	$ 1,732,104	$ 2,882,836
TOL—end of period	$ 2,953,663	$ 3,493,571	$ 1,809,083	$ 1,771,141	$ 1,732,104

SECTION III – SCHEDULE OF CHANGES IN THE COLLECTIVE NET OPEB LIABILITY / (ASSET)

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		2025	2024	2023	2022	2021
TOL—end of period	(a)	$ 2,953,663	$ 3,493,571	$ 1,809,083	$ 1,771,141	$ 1,732,104
Fiduciary Net Position (FNP)						
Contributions – State of Connecticut		$ 33,501	$ 21,765	$ 21,474	$ 20,419	$ 29,411
Contributions – active member		61,182	59,113	57,687	50,630	54,058
Contributions – non-employer		0	0	14,420	0	0
Net investment income		13,151	12,911	7,569	49,587	82,256
Net benefit payments		(77,782)	(51,065)	(52,458)	(74,795)	(131,543)
Administrative expenses		(259)	(132)	(142)	(283)	(117)
Other		3,925	28	(373)	16,083	(91)
Net change in FNP		$ 33,718	$ 42,620	$ 48,177	$ 61,641	$ 33,974
FNP—beginning of period		$ 258,353	$ 215,733	$ 167,556	$ 105,915	$ 71,941
FNP—end of period	(b)	$ 292,071	$ 258,353	$ 215,733	$ 167,556	$ 105,915
FNP as a percentage of the TOL	[(b) / (a)]	9.89%	7.40%	11.92%	9.46%	6.11%
Collective Net OPEB Liability/(Asset) (NOL)						
NOL—end of period	[(a) - (b)]	$ 2,661,592	$ 3,235,218	$ 1,593,350	$ 1,603,585	$ 1,626,189
Covered Payroll[1]		$ 5,054,181	$ 5,054,181	$ 4,695,730	$ 4,695,730	$ 4,438,394
NOL as a percentage of Covered Payroll		52.66%	64.01%	33.93%	34.15%	36.64%

[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 – 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, CavMac 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, 2025:

($ in Thousands)	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,253,172	$ 498,667
Changes of assumptions or other inputs	125,523	824,406
Differences between projected and actual earnings on plan investments	0	17,697
Total unrecognized balance as of Measurement Date	$ 1,378,695	$ 1,340,770

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

($ Thousands) Measurement Period Ending	(a) Initial Experience (Gain) / Loss Amount	(b) Initial Recognition Period (Years)	(c) Amonts Recognized in June 30, 2025 Collective OPEB Expense	(d) Amounts Recognized in Collective OPEB Expense through June 30, 2025	Balances as of June 30, 2025 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:						
2018	$ 217,853	7.89	$ 24,576	$ 217,853	$ 0	$ 0
2019	$ 66,502	7.98	8,334	$ 58,338	8,164	0
2020	$ (586,004)	7.13	(82,188)	$ (493,128)	0	92,876
2021	$ (1,218,425)	7.13	(170,887)	$ (854,435)	0	363,990
2022	$ (60,031)	6.94	(8,650)	$ (34,600)	0	25,431
2023	$ (166)	6.94	(24)	$ (72)	0	94
2024	$ 1,754,214	6.89	254,603	$ 509,206	1,245,008	0
2025	$ (18,971)	7.04	(2,695)	$ (2,695)	0	16,276
			$ 23,069		$ 1,253,172	$ 498,667
Collective Deferred Outflows / (Inflows) of Resources for Changes in Assumptions or Other Inputs:						
2018	$ (196,049)	7.89	$ (22,113)	$ (196,049)	$ 0	$ 0
2019	$ 182,438	7.98	22,862	$ 160,034	22,404	0
2020	$ 626,595	7.13	87,881	$ 527,286	99,309	0
2021	$ 12,750	7.13	1,788	$ 8,940	3,810	0
2022	$ (236,042)	6.94	(34,012)	$ (136,048)	0	99,994
2023	$ (33,364)	6.94	(4,807)	$ (14,421)	0	18,943
2024	$ (145,568)	6.89	(21,127)	$ (42,254)	0	103,314
2025	$ (701,850)	7.04	(99,695)	$ (99,695)	0	602,155
			$ (69,223)		$ 125,523	$ 824,406
Collective Deferred Outflows / (Inflows) of Resources for Differences Between Projected and Actual Earnings on Plan Investments:						
2021	$ (80,817)	5.00	$ (16,165)	$ (80,817)	$ 0	$ 0
2022	$ (46,231)	5.00	(9,246)	$ (36,984)	0	9,247
2023	$ (1,937)	5.00	(387)	$ (1,161)	0	776
2024	$ (5,997)	5.00	(1,199)	$ (2,398)	0	3,599
2025	$ (5,094)	5.00	(1,019)	$ (1,019)	0	4,075
			$ (28,016)		$ 0	$ 17,697

SECTION V – COLLECTIVE OPEB EXPENSE / (INCOME)

The development of the Collective OPEB Expense / (Income) for the financial reporting period ending on June 30, 2026 is shown in the following table:

Collective OPEB Expense / (Income) For the Fiscal Year Ending on June 30, 2026 ($ in Thousands)		
Service cost	$	118,264
Active member contributions		(61,182)
Administrative costs*		259
Changes of benefit terms during the current period		0
Interest on the TOL		140,431
Projected earnings on plan investments		(8,057)
Other		(3,925)
Recognition of current period		
Collective Deferred Outflows / (Inflows) of Resources:		
Difference between expected and actual experience		(2,695)
Changes of assumptions or other inputs		(99,695)
Difference between actual and projected earnings on plan investments		(1,019)
Recognition of prior period Collective Deferred Outflows of Resources		400,044
Recognition of prior period Collective Deferred (Inflows) of Resources		(370,805)
Collective OPEB Expense / (Income)	**$**	**111,620**

* Administrative costs are based on the administrative expenses paid from the Plan's trust during the fiscal year ending on June 30, 2025.

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, 2026, based on a June 30, 2024 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, 2024 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% - 6.00%
Long-term Investment Rate of Return, Net of OPEB Plan Investment Expense, Including Inflation	3.00%
Municipal Bond Index Rate at Prior Measurement Date	3.93%
Municipal Bond Index Rate at Measurement Date	5.20%
Year FNP is Projected to be Depleted	2028
Single Equivalent Interest Rate, Net of OPEB Plan Investment Expense, Including Price Inflation, as of Prior Measurement Date	3.93%
Single Equivalent Interest Rate, Net of OPEB Plan Investment Expense, Including Price Inflation, as of Measurement Date	5.19%
Health Care Cost Trend Rates – Local Coverage Subsidy*	6.25% for 2024, decreasing to an ultimate rate of 4.50% by 2031
Health Care Cost Trend Rates – Retiree Healthcare Plans	Medicare rates known for 2025, 4.50% increase for all subsequent years

* 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). Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans. Since there was such a large increase in Medicare rates for 2025 due to the Inflation Reduction

Act, it is uncertain how these rates will increase in the future. There is potential for them to flatten out or even slightly decrease as the experience around Medicare Part D prescription drug experience and Federal subsidies unfolds. Because of this, we have reduced our short term Medicare trend rate assumption to the ultimate rate of 4.50% for all future years beginning with 2025.

Mortality rates were based on the PubT-2016 Healthy Retiree Table, projected generationally with MP-2021 for the period after service retirement. The PubT-2016 Disabled Retiree Table projected generationally with MP-2021 was used for the period after disability retirement. The PubT-2016 Contingent Survivor Table projected generationally with MP-2021 was used for survivors and beneficiaries. The PubT-2016 Employee Mortality Table projected generationally with MP-2021 was used for active members.

The demographic actuarial assumptions for retirement, disability incidence, medical participation, and withdrawal used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2019 – June 30, 2024. The actuarial economic assumptions used in the June 30, 2024 valuation were also reviewed based on the results of the same study.

The remaining actuarial assumptions (e.g., initial per capita costs, rates of plan participation, rates of plan election, etc.) used in the June 30, 2024 valuation are based on a review of recent plan experience that was performed concurrently with the June 30, 2024 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, 2024 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 20-Year Geometric Real Rate of Return	Standard Deviation
U.S. Treasuries (Cash Equivalents)	100.00%*	1.26%	1.10%
Price Inflation		2.50%	
Expected Rate of Return		1.026 x 1.025 – 1 = 3.79%	
Expected Rate of Return (Rounded Nearest 0.25%)		3.75%	

*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.

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, 2024. In addition to the actuarial methods and assumptions of the June 30, 2024 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 (5.20%) was applied to periods on or after 2028, resulting in a SEIR equal to 5.19% as of the Measurement Date.

Please note that the FNP projections are based upon the Plan's financial status on the Measurement 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)	$2,204,580	$2,661,592	$3,270,254

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 5.19%, 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 (4.19%)	Current Discount Rate (5.19%)	1% Increase (6.19%)
Net OPEB Liability / (Asset)	$3,196,091	$2,661,592	$2,238,220

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, 2027	$	(61,097)
June 30, 2028	$	(87,373)
June 30, 2029	$	61,952
June 30, 2030	$	125,524
June 30, 2031	$	105,400
Thereafter	$	(106,481)

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, 2025 (Valuation Date: June 30, 2024)

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

June 30, 2024 (Valuation Date: June 30, 2024)

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

CHANGES TO ASSUMPTIONS OR OTHER INPUTS

June 30, 2025 (Valuation Date: June 30, 2024)

- Based on the procedure described in GASB 75, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2025 was updated to equal the SEIR of 5.19% as of June 30, 2025; and
- The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2024. The changes in assumptions are summarized below:
    - Update mortality tables to the PubT-2016 mortality tables with generational mortality using MP-2021
    - Minor changes to rates of retirement
    - Service-only based table with minor changes to the rates of withdrawal
    - Small changes to merit salary scale particularly between 10 and 20 years of service
    - Increase spouse participation assumption for OPEB coverage to 50%.

June 30, 2024 (Valuation Date: June 30, 2024)

- Based on the procedure described in GASB 75, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2024 was updated to equal the SEIR of 3.93% as of June 30, 2024;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan experience. Spouse coverage election assumptions were also updated with this change; and
- Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

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, 2025 that are shown in the following "Schedule of Governmental Nonemployer Contributing Entity Contributions" are calculated as of the June 30, 2024 Valuation Date. The following actuarial methods and assumptions as of June 30, 2024 were used to determine the actuarially determined State contribution amount reported in that schedule for the fiscal year ending on June 30, 2025:

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 – Local Coverage Subsidy*	6.25% for 2024, decreasing to an ultimate rate of 4.50% by 2031
Health Care Cost Trend Rates – Retiree Healthcare Plans	Medicare rates known for 2025, 4.50% increase for all subsequent years
Basis for Postretirement Mortality Rates	PubT-2010, Amount Weighted
Basis for Postretirement Mortality Improvement Rates	Scale MP-2019, Generational

*Subsidy amounts are assumed to follow medical trend until they reach their limit and to not increase after that.

REQUIRED SUPPLEMENTARY INFORMATION—
SCHEDULE OF GOVERNMENTAL NONEMPLOYER CONTRIBUTING ENTITY CONTRIBUTIONS

($ in Thousands) Fiscal Year Ending on June 30	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined State Contribution	$ 234,990	$ 76,673	$ 74,443	$ 123,908	$ 120,299	$ 173,273	$ 167,819	$ 172,223	$ 166,802	$ 130,331
Contributions in relation to the Actuarially Determined Contribution	33,501	21,765	21,474	20,419	29,411	29,173	35,320	35,299	19,922	19,960
Annual Contribution Deficiency (Excess)	$ 201,489	$ 54,908	$ 52,969	$ 103,489	$ 90,888	$ 144,100	$ 132,499	$ 136,924	$ 146,880	$ 110,371
Covered Payroll[1]	$ 5,054,181	$ 5,054,181	$ 4,695,730	$ 4,695,730	$ 4,438,394	$ 4,438,394	$ 4,389,654	$ 4,075,939	$ 4,279,755	$ 4,125,066
Actual Contributions as a Percentage of Covered Payroll	0.66%	0.43%	0.46%	0.43%	0.66%	0.66%	0.80%	0.87%	0.47%	0.48%

[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.

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM
Schedule of OPEB Allocation Amounts by Employer as of June 30, 2025

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2025	Employer Allocation Percentage at FYE 2025	State's Proportionate Share of the NOL Associated With the Employer at FYE 2025	Employer OPEB Expense and Revenue
001	ANDOVER BD OF ED	$ 14,883	0.044424%	$ 1,182,386	$ 49,586
002	ANSONIA BD OF ED	132,261	0.394796%	10,507,859	440,671
003	ASHFORD BD OF ED	25,872	0.077229%	2,055,521	86,203
004	AVON BD OF ED	234,503	0.699988%	18,630,825	781,327
005	BARKHAMSTED BD OF ED	12,076	0.036046%	959,397	40,235
007	BERLIN BD OF ED	182,745	0.545491%	14,518,745	608,877
008	BETHANY BD OF ED	25,088	0.074887%	1,993,186	83,589
009	BETHEL BD OF ED	197,274	0.588861%	15,673,077	657,287
010	HIGHVILLE CHARTER SCH	12,152	0.036273%	965,439	40,488
011	BLOOMFIELD BD OF ED	140,254	0.418657%	11,142,941	467,305
012	BOLTON BD OF ED	53,343	0.159229%	4,238,026	177,731
013	BOZRAH BD OF ED	13,949	0.041638%	1,108,234	46,476
014	BRANFORD BD OF ED	197,726	0.590210%	15,708,982	658,792
015	BRIDGEPORT BD OF ED	941,280	2.809706%	74,782,910	3,136,194
017	BRISTOL BD OF ED	460,090	1.373361%	36,553,267	1,532,946
018	BROOKFIELD BD OF ED	167,962	0.501364%	13,344,264	559,622
019	BROOKLYN BD OF ED	50,548	0.150884%	4,015,916	168,417
020	CHILDRENS CENTER COM PROG	2,421	0.007226%	192,327	8,066
021	CANAAN BD OF ED	6,462	0.019288%	513,368	21,529
022	CANTERBURY BD OF ED	29,653	0.088513%	2,355,855	98,798
023	CANTON BD OF ED	100,774	0.300808%	8,006,282	335,762
024	CHAPLIN BD OF ED	11,961	0.035703%	950,268	39,852
025	CHESHIRE BD OF ED	276,697	0.825936%	21,983,047	921,910
026	CHESTER BD OF ED	10,979	0.032773%	872,284	36,581
027	CLINTON BD OF ED	118,811	0.354648%	9,439,283	395,858
028	COLCHESTER BD OF ED	152,372	0.454830%	12,105,719	507,681
029	AMISTAD ACADEMY	24,658	0.073605%	1,959,065	82,158
030	COLEBROOK BD OF ED	6,356	0.018972%	504,957	21,177
031	COLUMBIA BD OF ED	35,334	0.105473%	2,807,261	117,729
032	CORNWALL BD OF ED	9,361	0.027941%	743,675	31,188
033	COVENTRY BD OF ED	101,797	0.303862%	8,087,567	339,171
034	CROMWELL BD OF ED	118,666	0.354216%	9,427,785	395,376
035	DANBURY BD OF ED	650,975	1.943152%	51,718,778	2,168,946
036	DARIEN BD OF ED	375,214	1.120008%	29,810,043	1,250,153
037	DEEP RIVER BD OF ED	10,463	0.031233%	831,295	34,862

SECTION VIII – SCHEDULE OF EMPLOYER ALLOCATIONS

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2025	Employer Allocation Percentage at FYE 2025	State's Proportionate Share of the NOL Associated With the Employer at FYE 2025	Employer OPEB Expense and Revenue
038	DERBY BD OF ED	$ 87,340	0.260708%	$ 6,938,983	$ 291,002
040	EASTFORD BD OF ED	10,624	0.031712%	844,044	35,397
041	EAST GRANBY BD OF ED	65,923	0.196779%	5,237,454	219,645
042	EAST HADDAM BD OF ED	75,046	0.224011%	5,962,259	250,041
043	EAST HAMPTON BD OF ED	124,207	0.370757%	9,868,039	413,839
044	EAST HARTFORD BD OF ED	428,307	1.278491%	34,028,214	1,427,052
045	EAST HAVEN BD OF ED	163,622	0.488410%	12,999,481	545,163
046	EAST LYME BD OF ED	181,825	0.542745%	14,445,658	605,812
047	EASTON BD OF ED	65,479	0.195454%	5,202,188	218,166
048	EAST WINDSOR BD OF ED	89,319	0.266617%	7,096,257	297,598
049	ELLINGTON BD OF ED	164,509	0.491058%	13,069,960	548,119
050	ENFIELD BD OF ED	277,400	0.828035%	22,038,913	924,253
051	ESSEX BD OF ED	16,439	0.049072%	1,306,096	54,774
052	FAIRFIELD BD OF ED	735,000	2.193964%	58,394,370	2,448,903
053	FARMINGTON BD OF ED	270,559	0.807615%	21,495,416	901,460
054	FRANKLIN BD OF ED	11,702	0.034929%	929,667	38,988
055	GLASTONBURY BD OF ED	406,198	1.212494%	32,271,643	1,353,386
057	GRANBY BD OF ED	108,030	0.322467%	8,582,756	359,938
058	GREENWICH BD OF ED	788,613	2.353998%	62,653,822	2,627,533
059	GRISWOLD BD OF ED	98,668	0.294521%	7,838,947	328,744
060	GROTON BD OF ED	278,615	0.831661%	22,135,423	928,300
061	GUILFORD BD OF ED	222,417	0.663911%	17,670,602	741,057
063	HAMDEN BD OF ED	359,927	1.074377%	28,595,532	1,199,220
064	HAMPTON BD OF ED	5,737	0.017126%	455,824	19,116
065	HARTFORD BD OF ED	913,160	2.725768%	72,548,823	3,042,502
066	HARTLAND BD OF ED	10,434	0.031144%	828,926	34,763
068	HEBRON BD OF ED	46,013	0.137347%	3,655,617	153,307
069	KENT BD OF ED	15,300	0.045670%	1,215,549	50,977
070	KILLINGLY BD OF ED	130,302	0.388950%	10,352,262	434,146
072	LEBANON BD OF ED	70,069	0.209156%	5,566,879	233,460
073	LEDYARD BD OF ED	152,358	0.454786%	12,104,548	507,632
074	LISBON BD OF ED	23,660	0.070626%	1,879,776	78,833
075	LITCHFIELD BD OF ED	-	0.000000%	-	-
077	MADISON BD OF ED	185,681	0.554255%	14,752,007	618,659
078	MANCHESTER BD OF ED	413,812	1.235222%	32,876,570	1,378,755
079	MANSFIELD BD OF ED	79,576	0.237534%	6,322,186	265,135
080	MARLBOROUGH BD OF ED	30,723	0.091709%	2,440,919	102,366

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2025	Employer Allocation Percentage at FYE 2025	State's Proportionate Share of the NOL Associated With the Employer at FYE 2025	Employer OPEB Expense and Revenue
081	MERIDEN BD OF ED	$ 435,618	1.300313%	$ 34,609,027	$ 1,451,409
085	MIDDLETOWN BD OF ED	303,231	0.905139%	24,091,107	1,010,316
086	MILFORD BD OF ED	419,421	1.251966%	33,322,227	1,397,444
087	MONROE BD OF ED	243,218	0.726002%	19,323,211	810,363
088	MONTVILLE BD OF ED	138,099	0.412223%	10,971,694	460,123
090	NAUGATUCK BD OF ED	236,683	0.706496%	18,804,041	788,591
091	NEW BRITAIN BD OF ED	594,124	1.773453%	47,202,083	1,979,528
092	NEW CANAAN BD OF ED	345,734	1.032012%	27,467,949	1,151,932
093	NEW FAIRFIELD BD OF ED	152,866	0.456302%	12,144,898	509,324
094	NEW HARTFORD BD OF ED	28,570	0.085280%	2,269,806	95,190
095	NEW HAVEN BD OF ED	1,093,972	3.265501%	86,914,316	3,644,946
096	NEWINGTON BD OF ED	268,974	0.802882%	21,369,443	896,177
097	NEW LONDON BD OF ED	183,232	0.546945%	14,557,444	610,500
099	NEW MILFORD BD OF ED	223,865	0.668233%	17,785,636	745,882
100	NEWTOWN BD OF ED	279,818	0.835253%	22,231,027	932,309
101	NORFOLK BD OF ED	5,233	0.015619%	415,714	17,434
102	NORTH BRANFORD BD OF ED	103,707	0.309565%	8,239,357	345,536
103	NORTH CANAAN BD OF ED	16,411	0.048985%	1,303,781	54,677
104	NORTH HAVEN BD OF ED	212,876	0.635432%	16,912,607	709,269
105	NORTH STONINGTON BD OF ED	53,065	0.158397%	4,215,882	176,803
106	NORWALK BD OF ED	860,213	2.567723%	68,342,310	2,866,092
107	NORWICH BD OF ED	213,755	0.638055%	16,982,421	712,197
108	NORWICH FREE ACADEMY	119,925	0.357975%	9,527,834	399,572
110	OLD SAYBROOK BD OF ED	94,666	0.282577%	7,521,047	315,412
111	ORANGE BD OF ED	80,908	0.241509%	6,427,984	269,572
112	OXFORD BD OF ED	106,163	0.316895%	8,434,452	353,718
113	PLAINFIELD BD OF ED	107,056	0.319561%	8,505,410	356,694
114	PLAINVILLE BD OF ED	145,862	0.435396%	11,588,465	485,989
115	PLYMOUTH BD OF ED	81,692	0.243849%	6,490,265	272,184
116	POMFRET BD OF ED	21,041	0.062808%	1,671,693	70,106
117	PORTLAND BD OF ED	76,161	0.227339%	6,050,837	253,756
118	PRESTON BD OF ED	31,711	0.094657%	2,519,383	105,656
120	PUTNAM BD OF ED	67,440	0.201306%	5,357,944	224,698
121	REDDING BD OF ED	77,974	0.232752%	6,194,909	259,798
122	RSD #1	49,889	0.148917%	3,963,563	166,221
123	RSD #4	50,492	0.150718%	4,011,498	168,231
124	RSD #5	161,355	0.481643%	12,819,372	537,610

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2025	Employer Allocation Percentage at FYE 2025	State's Proportionate Share of the NOL Associated With the Employer at FYE 2025	Employer OPEB Expense and Revenue
125	RSD #6	$ -	0.000000%	$ -	$ -
126	RSD #7	62,546	0.186699%	4,969,166	208,393
127	RSD #8	92,115	0.274961%	7,318,340	306,911
128	RIDGEFIELD BD OF ED	352,072	1.050929%	27,971,442	1,173,047
129	ROCKY HILL BD OF ED	180,506	0.538807%	14,340,844	601,416
131	SALEM BD OF ED	22,791	0.068029%	1,810,654	75,934
132	SALISBURY BD OF ED	19,715	0.058849%	1,566,320	65,687
133	SCOTLAND BD OF ED	8,802	0.026275%	699,333	29,328
134	SEYMOUR BD OF ED	126,340	0.377123%	10,037,476	420,945
135	SHARON BD OF ED	11,659	0.034803%	926,314	38,847
136	SHELTON BD OF ED	273,841	0.817411%	21,756,146	912,394
137	SHERMAN BD OF ED	24,078	0.071872%	1,912,939	80,224
138	SIMSBURY BD OF ED	293,983	0.877536%	23,356,428	979,506
139	SOMERS BD OF ED	94,419	0.281841%	7,501,458	314,591
141	SOUTHINGTON BD OF ED	367,365	1.096580%	29,186,486	1,224,003
142	SOUTH WINDSOR BD OF ED	335,039	1.000085%	26,618,182	1,116,295
143	SPRAGUE BD OF ED	11,925	0.035595%	947,394	39,731
144	STAFFORD BD OF ED	86,598	0.258495%	6,880,082	288,532
145	STAMFORD BD OF ED	1,114,959	3.328136%	88,581,402	3,714,865
146	STATE BD OF ED	48,533	0.144869%	3,855,822	161,703
149	DCYS RECG HOME	19,810	0.059134%	1,573,906	66,005
150	STERLING BD OF ED	17,991	0.053704%	1,429,381	59,944
151	STONINGTON BD OF ED	129,589	0.386821%	10,295,597	431,770
152	STRATFORD BD OF ED	423,711	1.264771%	33,663,044	1,411,737
153	SUFFIELD BD OF ED	135,067	0.403172%	10,730,794	450,021
154	THOMASTON BD OF ED	54,593	0.162959%	4,337,304	181,895
155	THOMPSON BD OF ED	60,212	0.179733%	4,783,759	200,618
156	TOLLAND BD OF ED	131,071	0.391244%	10,413,319	436,707
157	TORRINGTON BD OF ED	243,228	0.726031%	19,323,983	810,396
158	TRUMBULL BD OF ED	433,739	1.294705%	34,459,765	1,445,150
159	UNION BD OF ED	4,118	0.012293%	327,190	13,721
160	VERNON BD OF ED	206,936	0.617700%	16,440,654	689,477
161	VOLUNTOWN BD OF ED	15,957	0.047631%	1,267,743	53,166
162	WALLINGFORD BD OF ED	408,393	1.219048%	32,446,084	1,360,701
165	WATERBURY BD OF ED	946,685	2.825841%	75,212,358	3,154,204
166	WATERFORD BD OF ED	174,465	0.520776%	13,860,932	581,290
167	WATERTOWN BD OF ED	163,484	0.487997%	12,988,489	544,702

Employer Code	Employer		Expected Employer Contribution Effort at FYE 2025	Employer Allocation Percentage at FYE 2025		State's Proportionate Share of the NOL Associated With the Employer at FYE 2025		Employer OPEB Expense and Revenue
168	WESTBROOK BD OF ED	$	60,265	0.179890%	$	4,787,938	$	200,793
169	WEST HARTFORD BD OF ED		646,208	1.928922%		51,340,034		2,153,063
170	WEST HAVEN BD OF ED		336,697	1.005034%		26,749,905		1,121,819
171	WESTON BD OF ED		187,283	0.559037%		14,879,284		623,997
172	WESTPORT BD OF ED		463,375	1.383169%		36,814,315		1,543,893
173	WETHERSFIELD BD OF ED		225,267	0.672419%		17,897,050		750,554
174	WILLINGTON BD OF ED		29,957	0.089422%		2,380,049		99,813
175	WILTON BD OF ED		315,903	0.942965%		25,097,881		1,052,538
176	WINCHESTER BD OF ED		40,409	0.120620%		3,210,412		134,636
177	WINDHAM BD OF ED		193,220	0.576760%		15,350,998		643,780
178	WINDSOR BD OF ED		242,385	0.723516%		19,257,044		807,589
179	WINDSOR LOCKS BD OF ED		119,755	0.357467%		9,514,313		399,005
180	WINSTED GILBERT SCHOOL		30,078	0.089784%		2,389,684		100,217
181	WOLCOTT BD OF ED		136,178	0.406489%		10,819,079		453,723
182	WOODBRIDGE BD OF ED		57,066	0.170341%		4,533,782		190,135
184	WOODSTOCK BD OF ED		39,227	0.117091%		3,116,485		130,697
185	WOODSTOCK ACADEMY		53,684	0.160247%		4,265,121		178,868
186	UNIVERSITY OF CONN		9,013	0.026905%		716,101		30,031
194	RSD #9		73,937	0.220701%		5,874,160		246,346
197	CCI SOMERS		649	0.001937%		51,555		2,162
198	DCF HIGH MEADOWS		-	0.000000%		-		-
201	RSD #10		138,101	0.412231%		10,971,907		460,132
206	SUPERVISORY DISTRICT #4		30,369	0.090650%		2,412,733		101,184
208	NORTHWESTERN CTC		1,971	0.005884%		156,608		6,568
209	MANCHESTER CTC		1,733	0.005173%		137,684		5,774
210	NORWALK CTC		2,324	0.006937%		184,635		7,743
211	WESTERN CSU		2,730	0.008150%		216,920		9,097
212	CENTRAL CSU		13,017	0.038857%		1,034,215		43,372
213	EASTERN CSU		6,037	0.018021%		479,645		20,115
214	SOUTHERN CSU		11,344	0.033860%		901,215		37,795
215	RSD #11		16,868	0.050351%		1,340,138		56,202
216	CAPITAL CTC		2,115	0.006313%		168,026		7,047
217	HOUSATONIC CTC		3,932	0.011736%		312,364		13,100
218	NAUGATUCK VALLEY CTC		5,647	0.016855%		448,611		18,814
219	MIDDLESEX CTC		4,672	0.013947%		371,212		15,568
220	DEPT OF HIGHER ED		-	0.000000%		-		-
221	EDADVANCE		57,420	0.171399%		4,561,942		191,316

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2025	Employer Allocation Percentage at FYE 2025	State's Proportionate Share of the NOL Associated With the Employer at FYE 2025	Employer OPEB Expense and Revenue
222	RSD #12	$ 73,848	0.220436%	$ 5,867,107	$ 246,051
223	GATEWAY CTC	7,294	0.021771%	579,455	24,301
225	RSD #13	121,238	0.361893%	9,632,115	403,945
226	RSD #14	117,054	0.349405%	9,299,736	390,006
228	CCI CHESHIRE	1,239	0.003698%	98,426	4,128
229	SHARED SERVICES	14,943	0.044604%	1,187,176	49,787
230	CREC	711,561	2.123998%	56,532,161	2,370,807
231	RSD #15	245,634	0.733214%	19,515,165	818,413
233	RSD #16	124,536	0.371738%	9,894,149	414,934
234	THREE RIVERS CC	2,343	0.006994%	186,152	7,807
235	TUNXIS CTC	5,092	0.015200%	404,562	16,966
236	QUINEBAUG CTC	1,951	0.005825%	155,038	6,502
238	ODYSSEY CHARTER SCH	21,042	0.062810%	1,671,746	70,109
240	CES	105,499	0.314912%	8,381,673	351,505
241	ACES	213,932	0.638583%	16,996,474	712,786
242	PROJECT LEARN	96,023	0.286628%	7,628,868	319,934
243	RSD #17	121,498	0.362670%	9,652,796	404,812
244	ASNUNTUCK CTC	949	0.002833%	75,403	3,162
245	DCF CENTRAL	-	0.000000%	-	-
247	RSD #18	99,520	0.297065%	7,906,658	331,584
253	DCF MENTAL HEALTH	-	0.000000%	-	-
254	EASTCONN	57,109	0.170470%	4,537,216	190,279
258	DCF RIVERVIEW	-	0.000000%	-	-
263	SERVICES FOR THE BLIND	-	0.000000%	-	-
265	RSD #19	77,486	0.231296%	6,156,156	258,173
269	DDS REGION #2	-	0.000000%	-	-
270	ACADEMIC AWARDS/CHARTER OAK ST	-	0.000000%	-	-
271	UCONN HEALTH CENTER	8,882	0.026513%	705,668	29,594
272	CCI SUFFIELD	-	0.000000%	-	-
273	CCI NIANTIC	384	0.001147%	30,528	1,280
275	CHILDRENS CENTER	5,808	0.017337%	461,440	19,352
277	BRIDGE ACADEMY CHARTER SCH	15,087	0.045035%	1,198,648	50,268
278	COMMON GROUND CHARTER SCH	11,058	0.033008%	878,538	36,844
280	EXPLORATIONS CHARTER SCH	6,009	0.017936%	477,383	20,020
281	INTEGRATED DAY SCHOOL	18,179	0.054264%	1,444,286	60,569
282	ISAAC CHARTER SCH	19,111	0.057045%	1,518,305	63,674
283	JUMOKE ACADEMY CHARTER SCH	16,791	0.050121%	1,334,017	55,945

SECTION VIII – SCHEDULE OF EMPLOYER ALLOCATIONS

Employer Code	Employer	Expected Employer Contribution Effort at FYE 2025	Employer Allocation Percentage at FYE 2025	State's Proportionate Share of the NOL Associated With the Employer at FYE 2025	Employer OPEB Expense and Revenue
284	SIDE BY SIDE CHARTER SCH	$ 10,944	0.032666%	$ 869,436	$ 36,462
290	TP WORK AREA 1	-	0.000000%	-	-
291	TP WORK AREA 2	-	0.000000%	-	-
295	MSA PAYROLL	-	0.000000%	-	-
302	NEW BEGINNINGS	19,444	0.058040%	1,544,788	64,784
303	ELM CITY COLLEGE PREP	10,394	0.031027%	825,812	34,632
304	STAMFORD ACADEMY	-	0.000000%	-	-
305	PARK CITY PREP	13,156	0.039269%	1,045,181	43,832
307	AF BRIDGEPORT ACADEMY	12,121	0.036182%	963,017	40,386
308	SERC	3,278	0.009784%	260,410	10,921
309	AF HARTFORD ACADEMY	19,657	0.058675%	1,561,689	65,493
311	BRASS CITY	10,248	0.030590%	814,181	34,145
313	GREAT OAKS CHARTER SCHOOL	19,251	0.057465%	1,529,484	64,142
314	BTW ACADEMY	12,766	0.038106%	1,014,226	42,534
315	CAPITAL PREP HARBOR SCH	17,473	0.052156%	1,388,180	58,217
317	STAMFORD CH SCH EX	13,994	0.041773%	1,111,827	46,627
318	CT TECH	446,110	1.331631%	35,442,584	1,486,367
319	RSD #20	131,156	0.391498%	10,420,079	436,990
320	GOODWIN MAGNET SCHOOL SYSTEM	88,163	0.263166%	7,004,405	293,746
	Totals	$ 33,501,000	100.000000%	$ 2,661,592,000	$ 111,620,000

Development of the Projected Earnings on Plan Investments as of June 30, 2025

The development of the projected earnings on plan investments component of Collective OPEB Expense / (Income) as of the June 30, 2025 Measurement Date is shown in the following table:

Projected Earnings on Plan Investments For the Measurement Period Ending on June 30, 2025 ($ in Thousands)			
(a)	Expected rate of return on assets at June 30, 2024		3.00%
(b)	Beginning of year market value of assets	$	258,353
(c)	Expected return on assets at the beginning of the year [(b) x (a)]	$	7,751
(d)	External cash flow (mid-year payments assumed):		
	Contributions - State of Connecticut	$	33,501
	Contributions - member		61,182
	Contributions - non-employer		0
	Refunds of contributions		0
	Net benefit payments		(77,782)
	Administrative expenses		(259)
	Other		3,925
	Total net external cash flow	$	20,567
(e)	Expected return on external cash flow [(d) x ((1 + (a))^{½} - 1)]	$	306
(f)	**Projected earnings on plan investments [(c) + (e)]**	**$**	**8,057**

Development of the Collective Deferred Outflow / (Inflow) of Resources for the Difference Between Projected and Actual Earnings on Plan Investments at June 30, 2025

The determination of the Collective Deferred Outflow / (Inflow) of Resources for the difference between projected and actual earnings on plan investments at June 30, 2025 is shown in the following table:

Difference Between Projected and Actual Earnings on Plan Investments at June 30, 2025 ($ in Thousands)			
(a)	Projected earnings on plan investments at June 30, 2025	$	8,057
(b)	Net investment income[1]	$	13,151
(c)	**Difference between projected and actual earnings on plan investments [(a) - (b)]**	**$**	**(5,094)**

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

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	53,373	12.55
(b) Inactive Members	41,776	0.00
(c) **Total Membership** [((1a) × (2a)) + ((1b) × (2b))] / (1c)	**95,149**	**7.04**

ECONOMIC ASSUMPTIONS

Discount Rate

5.19% per year for all periods after June 30, 2025.

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, 2025.

Expected Long-term Rate of Inflation

2.50% per year for all periods after June 30, 2025.

Expected Long-term Real Wage Growth

0.50% per year for all periods after June 30, 2025.

Expected Long-term Wage Inflation

3.00% per year for all periods after June 30, 2025. This rate does not reflect any expected future increase in the number of active members.

Expected Administrative Expenses Included in Service Cost

None.

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. Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans. Since there was such a large increase in Medicare rates for 2025 due to the Inflation Reduction Act, it is uncertain how these rates will increase in the future. There is potential for them to flatten out or even slightly decrease as the experience around Medicare Part D prescription drug experience and Federal subsidies unfolds. Because of this, we have reduced our short term Medicare trend rate assumption to the ultimate rate of 4.50% for all future years beginning with 2025.

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.

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

* Subsidy amounts are assumed to follow medical trend until they reach their limit and to not increase after that.

**Medicare rates are known for calendar year 2025.

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, 2019 to June 30, 2024, adopted by the Board, and prescribed for use in the Plan's June 30, 2024 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, 2024 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 who contribute at least $440 per month for coverage under a local school district plan; $2,640 per year ($220 per month), otherwise.

As of July 1, 2022, 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.

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	$3,985
Medicare Advantage Plan	$2,456

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 changes to Medicare due to the IRA, which are included in our baseline Medicare costs and 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.

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-2016 Employee Table projected generationally with MP-2021 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:

	Annual Rates of Death*	
Age	Male	Female
30	0.028%	0.013%
35	0.035%	0.020%
40	0.047%	0.032%
45	0.070%	0.048%
50	0.109%	0.073%
55	0.174%	0.107%
60	0.271%	0.159%
65	0.410%	0.256%

*Rates shown are for 2016, the base year of the table.

Post-Retirement Mortality

The PubT-2016 Healthy Retiree Table projected generationally with MP-2021 is used for the period after service retirement. The PubT-2016 Disabled Retiree Table projected generationally with MP-2021 is used for the period after disability retirement. The PubT-2016 Contingent Survivor Table projected generationally with MP-2021 is used for survivors and beneficiaries. Representative values of the assumed annual rates of mortality are as follows:

Annual Rates of Death*						
	Healthy		Disabled		Survivor	
Age	Male	Female	Male	Female	Male	Female
50	0.109%	0.073%	0.865%	0.733%	0.755%	0.286%
55	0.230%	0.189%	1.321%	1.115%	0.883%	0.405%
60	0.377%	0.264%	2.016%	1.698%	1.051%	0.575%
65	0.615%	0.391%	2.406%	1.874%	1.319%	0.840%
70	1.042%	0.697%	2.831%	2.256%	1.870%	1.290%
75	1.914%	1.368%	4.084%	3.429%	3.109%	2.071%
80	3.697%	2.771%	6.446%	5.742%	5.509%	3.562%
85	7.270%	5.654%	9.789%	8.708%	9.603%	6.444%
90	13.640%	10.609%	16.429%	13.197%	16.622%	11.522%

*Rates are shown for 2016, the base year of the tables.

Withdrawal Rates

The following table provides a summary of the assumed rates of withdrawal for active members prior to eligibility for retirement:

Annual Rates of Withdrawal		
Years of Service	Male	Female
0	20.00%	19.00%
1	11.00	10.50
2	9.25	9.00
3	7.50	7.75
4	6.00	7.00
5	4.50	6.25
6	3.75	5.75
7	3.25	5.00
8	2.75	4.50
9	2.50	4.00
10	2.25	3.50
11	2.00	3.10
12	2.00	2.60
13	2.00	2.25
14	2.00	2.00
15+	2.00	2.00

Retirement Rates

The following tables provide a summary of the assumed rates of service retirement at sample ages:

Annual Rates of Retirement				
	Unreduced			
Age	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	18.0%	19.0%	30.0%	30.0%
65	27.0%	33.0%	40.0%	42.0%
70	27.0%	32.0%	30.0%	33.0%
75	100.0%	100.0%	100.0%	100.0%

* 100% assumed rate of retirement for members with 38 or more years of service.

Annual Rates of Retirement				
Age	Proratable		Reduced	
	Male	Female	Male	Female
50			1.20%	1.20%
52			1.20%	1.20%
54			1.60%	2.10%
56			3.20%	3.60%
58			5.50%	5.20%
60	5.0%	5.0%		
65	13.0%	16.0%		
70	27.0%	20.0%		
75	20.0%	20.0%		
80	100.0%	100.0%		

Disability Rates

The table below provides a summary of the assumed rates of disability 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 Increase Assumption	
Years of Service	
0	6.00%
1	6.00
2	6.00
3	6.00
4	6.00
5	6.00
6	6.00
7	6.00
8	6.00
9	6.00
10	6.00
11	5.70
12	5.40
13	5.10
14	4.80
15	4.50
16	4.20
17	3.90
18	3.60
19	3.30
20	3.00
21+	3.00

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	10.0%	70.0%
Pre-65 Spouses/Survivors*	50.0%	N/A
Post-64 Spouses/Survivors*	50.0%	50.0%

* 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*	12.5%	87.5%

* Percentage of participating members electing spouse coverage.

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, 2024 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.

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 are 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, 2024

Measurement Date

June 30, 2025

Measurement Period

July 1, 2024 to June 30, 2025

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, 2025.

Changes Since the Prior Measurement Date

The June 30, 2025 measurements used in the development of June 30, 2025 financial accounting results for the Plan reflect the following changes in assumptions and methods:

- Based on the procedure described in GASB 75, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2025 was updated to equal the SEIR of 5.19% as of June 30, 2025; and
- The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2024. The changes in assumptions are summarized below:
    - Update mortality tables to the PubT-2016 mortality tables with generational mortality using MP-2021
    - Minor changes to rates of retirement
    - Service-only based table with minor changes to the rates of withdrawal
    - Small changes to merit salary scale particularly between 10 and 20 years of service
    - Increase spouse participation assumption for OPEB coverage to 50%.

The aggregate effect of the changes described above was a decrease in the Plan's Total OPEB Liability and Service Cost measured as of June 30, 2025.

Schedule C – Actuarial Cost & 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 5.19%), 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 Prior Measurement Date

There were no changes in actuarial cost or asset valuation methods since the prior measurement date of June 30, 2024.

Schedule D – Summary of Main Plan Provisions

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.

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 the CTRB Sponsored Medicare Advantage or Medicare Supplement Plan. 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.

Monthly Retiree Contribution Rates by Coverage Type

The following tables provide the monthly health care contributions for retiree and dependent coverage options during the periods beginning on January 1, 2020 through January 1, 2025.

Monthly Retiree Rates for the CTRB Sponsored Medicare Supplemental Plan Options

Coverage	Jan. 1 2020	Jan. 1 2021	Jan. 1 2022	Jan. 1 2023	Jan. 1 2024	Jan. 1 2025
Medical* with Prescriptions	$179	$167	$269	$276	$278	$269
Medical* with Prescriptions and Dental	$231	$220	$319	$326	$332	$323
Medical with Prescriptions, Dental, Vision & Hearing	$239	$228	N/A	N/A	N/A	N/A

Monthly Retiree Rates for the CTRB Sponsored Medicare Advantage Plan Options

Coverage	Jan. 1 2020	Jan. 1 2021	Jan. 1 2022	Jan. 1 2023	Jan. 1 2024	Jan. 1 2025
Medical* with Prescriptions	$67	$64	$30	$33	$36	$94
Medical* with Prescriptions and Dental	$119	$117	$80	$83	$90	$148
Medical with Prescriptions, Dental, Vision & Hearing	$127	$125	N/A	N/A	N/A	N/A

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

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, 2020 through January 1, 2025.

Monthly Full Premiums for the CTRB Sponsored Medicare Supplemental Plan Options						
Coverage	**Jan. 1 2020**	**Jan. 1 2021**	**Jan. 1 2022**	**Jan. 1 2023**	**Jan. 1 2024**	**Jan. 1 2025**
Medical* with Prescriptions	$313	$295	$326	$342	$351	$457
Medical* with Prescriptions and Dental	$365	$348	$376	$392	$404	$511
Medical with Prescriptions, Dental, Vision & Hearing	$373	$356	N/A	N/A	N/A	N/A

Monthly Full Premiums for the CTRB Sponsored Medicare Advantage Plan Options						
Coverage	**Jan. 1 2020**	**Jan. 1 2021**	**Jan. 1 2022**	**Jan. 1 2023**	**Jan. 1 2024**	**Jan. 1 2025**
Medical* with Prescriptions	$201	$192	$89	$99	$109	$282
Medical* with Prescriptions and Dental	$253	$245	$139	$149	$163	$335
Medical with Prescriptions, Dental, Vision & Hearing	$261	$253	N/A	N/A	N/A	N/A

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