

**CITY OF VANCOUVER**

Required Supplementary Information

Fire OPEB

December 31, 2021

***Schedule of Changes in Total OPEB Liability and Related Ratios***

Last Fiscal Year

(in thousands)

	2018	2019	2020	2021
<b>Total OPEB liability</b>				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest on total OPEB liability	995	1,062	736	591
Changes in benefit terms	-	-	-	-
Effect on economic/demographic gains or (losses)	-	(1,297)	-	74
Effect of assumption changes or inputs	(1,952)	1,325	2,957	(1,101)
Expected benefit payments	(979)	(828)	(912)	(899)
Net change in total OPEB liability	(1,936)	262	2,781	(1,335)
Total OPEB liability, beginning	28,905	26,969	27,231	30,012
Total OPEB liability - ending (a)	26,969	27,231	30,012	28,677
Covered-employee payroll	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A

\* The actuarial updates on this information are done on a biennial basis.

\* The City implemented GASB 75 for the year ended December 31, 2018, therefore there is no data available for years prior to 2018. Until a full 10-year trend is compiled, only information for those years available is presented.

\* No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

\* There are no active employees participating in the City-sponsored plans, therefore, there is no covered payroll.



**CITY OF VANCOUVER**

Required Supplementary Information

Police OPEB

December 31, 2021

***Schedule of Changes in Total OPEB Liability and Related Ratios***

Last Fiscal Year

(in thousands)

	2018	2019	2020	2021
<b>Total OPEB liability</b>				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest on total OPEB liability	661	707	464	366
Changes in benefit terms	-	-	-	-
Effect on economic/demographic gains or (losses)	-	(1,072)	-	329
Effect of assumption changes or inputs	(1,188)	253	1,689	(714)
Expected benefit payments	(726)	(664)	(688)	(794)
Net change in total OPEB liability	(1,253)	(776)	1,465	(813)
Total OPEB liability, beginning	19,248	17,994	17,217	18,682
Total OPEB liability - ending (a)	17,995	17,218	18,682	17,869
 Covered-employee payroll	 -	 -	 -	 -
 Net pension liability as a % of covered employee payroll	 N/A	 N/A	 N/A	 N/A

\* The actuarial updates on this information are done on a biennial basis.

\* The City implemented GASB 75 for the year ended December 31, 2018, therefore there is no data available for years prior to 2018. Until a full 10-year trend is compiled, only information for those years are available is presented.

\* No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

\* There are no active employees participating in the City-sponsored plans, therefore, there is no covered payroll.



**CITY OF VANCOUVER**

Required Supplementary Information

State Sponsored PERS Plan

June 30, 2021

**Schedule of Proportionate Share of the Net Pension Liability**

Last Ten Fiscal Years\*

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Covered payroll	Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	Plan net position as a percentage of the total pension liability
<b>PERS Plan 1</b>					
2021	0.342359%	\$ 4,181,005	\$ 52,596,774	7.95%	88.74%
2020	0.350891%	\$ 12,388,347	\$ 53,114,551	23.32%	68.64%
2019	0.362411%	13,935,990	51,020,090	27.31%	67.12%
2018	0.371448%	16,588,994	47,541,579	34.89%	63.22%
2017	0.347124%	16,471,305	43,908,733	37.51%	61.24%
2016	0.336733%	18,084,148	40,455,469	44.70%	57.03%
2015	0.325010%	17,001,046	36,931,559	46.03%	59.10%
2014	0.321349%	16,188,107	35,499,566	45.60%	61.19%

**PERS Plan 2/3**

2021	0.439760%	\$ (43,807,172)	\$ 52,596,774	-83.29%	120.29%
2020	0.454888%	\$ 5,817,758	\$ 53,028,802	10.97%	97.22%
2019	0.466150%	4,527,901	50,934,387	8.89%	97.77%
2018	0.471332%	8,047,574	47,410,326	16.97%	95.77%
2017	0.442055%	15,359,298	43,718,782	35.13%	90.97%
2016	0.424266%	21,361,458	40,195,751	53.14%	85.82%
2015	0.413288%	14,767,016	36,685,226	40.25%	89.20%
2014	0.406638%	8,219,622	35,219,137	23.34%	93.29%

**Notes to Schedule:**

\*Until a full 10-year trend is compiled, only information for those years available is presented.



**CITY OF VANCOUVER**

Required Supplementary Information

State Sponsored LEOFF Plans

June 30, 2021

**Schedule of Proportionate Share of the Net Pension Liability**

Last Ten Fiscal Years\*

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	State's proportionate share of the net pension liability (asset) associated with the employer	TOTAL	Covered payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of covered employee payroll	Plan net position as a percentage of the total pension liability
<b>LEOFF 1</b>							
2021	0.238037%	\$ (8,154,105)	\$ (55,154,164)	\$ (63,308,269)	NA	NA	187.45%
2020	0.236710%	\$ (4,470,290)	\$ (30,236,928)	\$ (34,707,218)	NA	NA	146.88%
2019	0.235144%	(4,647,882)	(31,438,160)	(36,086,042)	NA	NA	148.78%
2018	0.237386%	(4,309,748)	(29,151,026)	(33,460,774)	NA	NA	144.42%
2017	0.239277%	(3,630,358)	(24,555,655)	(28,186,013)	NA	NA	135.96%
2016	0.243781%	(2,511,642)	(16,988,681)	(19,500,323)	NA	NA	123.74%
2015	0.246609%	(2,972,183)	(20,103,772)	(23,075,955)	NA	NA	127.36%
2014	0.248167%	(3,009,747)	(20,357,854)	(23,367,601)	NA	NA	126.91%
<b>LEOFF 2</b>							
				\$			
2021	1.368047%	\$ (79,461,833)	\$ (51,261,557)	(130,723,390)	\$ 52,952,847	-150.06%	142.00%
2020	1.346585%	\$ (27,468,368)	\$ (17,563,940)	\$ (45,032,308)	\$ 46,843,003	-58.64%	115.83%
2019	1.376774%	(31,895,627)	(20,887,362)	(52,782,989)	48,482,225	-65.79%	119.43%
2018	1.452364%	(29,486,155)	(19,091,729)	(48,577,884)	46,357,460	-63.61%	118.50%
2017	1.358889%	(18,856,977)	(12,232,168)	(31,089,145)	42,714,489	-44.15%	113.36%
2016	1.339828%	(7,792,842)	(5,080,366)	(12,873,208)	40,833,703	-19.08%	106.04%
2015	1.297652%	(13,337,267)	(8,818,610)	(22,155,877)	37,663,087	-35.41%	111.67%
2014	128.166200%	(17,008,206)	(11,112,842)	(28,121,048)	35,655,019	-47.70%	116.75%

**Notes to Schedule:**

\*Until a full 10-year trend is compiled, only information for those years available is presented.



**CITY OF VANCOUVER**

Required Supplementary Information

State Sponsored PERS Plan

December 31, 2021

**Schedule of Employer Contributions**

Last Ten Fiscal Years\*

Year Ended December 31,	Statorily or contractually required contributions	Contributions in relation to the statorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
<b>PERS Plan 1</b>					
2021	\$ 2,368,900	\$ (2,368,900)	-	\$ 52,596,774	4.50%
2020	\$ 2,485,888	\$ (2,485,888)	-	\$ 51,766,813	4.80%
2019	2,604,750	(2,604,750)	-	52,526,841	4.96%
2018	2,504,897	(2,504,897)	-	49,529,583	5.06%
2017	2,266,259	(2,266,259)	-	45,983,171	4.93%
2016	2,002,066	(2,002,066)	-	41,693,085	4.80%
2015	1,745,867	(1,745,867)	-	39,026,260	4.47%
2014	1,548,817	(1,548,817)	-	37,320,879	4.15%

**PERS Plan 2/3**

2021	\$ 3,943,804	\$ (3,943,804)	-	\$ 52,596,774	7.50%
2020	\$ 4,097,303	\$ (4,097,303)	-	\$ 51,732,598	7.92%
2019	4,051,757	(4,051,757)	-	52,437,339	7.73%
2018	3,695,812	(3,695,812)	-	49,440,314	7.48%
2017	3,145,115	(3,145,115)	-	45,800,870	6.87%
2016	2,583,884	(2,583,884)	-	41,477,314	6.23%
2015	2,202,444	(2,202,444)	-	38,756,185	5.68%
2014	1,888,244	(1,888,244)	-	37,065,498	5.09%

Note to Schedule:

\*Until a full 10-year trend is compiled, only information for those years available is presented.



**CITY OF VANCOUVER**

Required Supplementary Information

State Sponsored LEOFF Plans

December 31, 2021

**Schedule of Employer Contributions**

Last Ten Fiscal Years\*

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
<b>LEOFF 2</b>					
2021	2,837,167	(2,837,167)	-	52,952,847	5.36%
2020	2,697,399	(2,697,399)	-	52,374,908	5.15%
2019	2,586,044	(2,586,044)	-	49,735,616	5.20%
2018	2,472,686	(2,472,686)	-	47,103,109	5.25%
2017	2,303,750	(2,303,750)	-	44,722,208	5.15%
2016	2,134,670	(2,134,670)	-	42,270,438	5.05%
2015	2,042,874	(2,042,874)	-	39,060,712	5.23%
2014	2,007,877	(2,007,877)	-	38,390,731	5.23%

**Note to Schedule:**

\*Until a full 10-year trend is compiled, only information for those years available is presented.



## CITY OF VANCOUVER

### Notes to Required Supplemental Information - Pension All Multi Employer State Sponsored Plans December 31, 2021

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#### **Note 1:** Information Provided

The City implemented GASB 68 for the year ended December 31, 2015, therefore there is no data available for years prior to 2014.

#### **Note 2:** Significant Factors

- There were no changes of benefit terms and no significant changes in the employees covered under the benefit terms. However, actuarial results that OSA provided within this publication reflect the following changes in assumptions and methods. For all active members in TRS, OSA increased the assumed salary inflation of 3.50% for 2020 and total economic inflation of 2.75%.
- OSA updated modeling to reflect providing benefit payments to the date of initial retirement eligibility for terminated vested members who delay application for retirement benefits.
- OSA updates cost-of-living adjustment (COLA) programming, to reflect legislation signed during the 2018 Legislative Session (C151 L18). This law provides PERS and TRS Plan 1 annuitants who are not receiving a basic minimum, alternate minimum, or temporary disability benefit with a one-time permanent 1.5 percent increase to their monthly retirement benefit, not to exceed a maximum of \$62.50 per month.

#### **Note 3:** Change in contribution rate

The employer contribution rates for both PERS 1 and PERS 2/3 were 12.97% from January to August 2021. Both plans increased to 10.25% from September through December 2021.

#### **Note 4:** Employer Contributions

For LEOFF 1, there is a net pension asset for the City; however, there are no active employees participating in the plan, and no required contributions because the plan is fully funded. Therefore, covered payroll and contributions are displayed as N/A.

#### **Note 5:** Covered Payroll

Covered payroll has been presented in accordance with GASB 82, *Pension Issues*. Covered payroll now includes all payroll on which a contribution is based.

**CITY OF VANCOUVER**

Required Supplementary Information - Single Employer

Fire Pension

December 31, 2021

**Schedule of Changes in Net Pension Liability and Related Ratios**

Last Ten Fiscal Years\*

(in thousands)

	2021	2020	2019	2018	2017	Restated 2016	2015	2014
<b>Total pension liability</b>								
Interest	\$ 138	\$ 186	\$ 231	\$ 224	\$ 248	\$ 255	\$ 265	\$ 272
Effect of economic/demographic (gains) or losses	(414)	-	598	-	-	(185)	-	-
Effect of assumptions, changes or inputs	208	432	684	(264)	145	(156)	-	-
Benefit payments, including refunds of contributions	(469)	(498)	(538)	(655)	(586)	(562)	(526)	(477)
Net change in total pension liability	(538)	120	975	(695)	(193)	(648)	(261)	(205)
Total pension liability - beginning	7,123	7,003	6,029	6,724	6,917	7,565	7,826	8,031
Total pension liability - ending (a)	6,585	7,123	7,004	6,029	6,724	6,917	7,565	7,826
<b>Plan net position</b>								
Contributions - employer	1,500	2,792	2,792	1,800	1,800	1,756	1,756	1,756
Contributions - state fire insurance premium tax	219	208	202	200	187	183	172	185
Net investment income	50	139	291	181	84	61	35	35
Prior period adjustment	-	-	17	-	(15)	-	-	17
Benefit payments, including refunds of contributions	(469)	(498)	(538)	(655)	(586)	(562)	(526)	(477)
Medical payments from fund	(706)	(652)	(583)	(720)	(689)	(815)	(836)	(924)
Administrative expense	(57)	(35)	(54)	(58)	(76)	(69)	(56)	(29)
Net change in plan net position	537	1,954	2,127	748	705	554	545	563
Plan net position - beginning	14,582	12,628	10,502	9,753	9,048	8,494	7,949	7,386
Plan net position - ending (b)	15,118	14,582	12,629	10,501	9,753	9,048	8,494	7,949
Net pension liability ending (a) - (b)	\$ (8,533)	\$ (7,459)	\$ (5,625)	\$ (4,472)	\$ (3,029)	\$ (2,131)	\$ (929)	\$ (123)
Plan net position as a % of total pension liability (b)/(a)	229.58%	204.72%	180.31%	174.17%	145.05%	130.81%	112.28%	101.57%
Covered-employee payroll	-	-	-	-	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule**

\*Until a full 10-year trend is compiled, only information for those years available is presented.



**CITY OF VANCOUVER**

Required Supplementary Information - Single Employer

Police Pension

December 31, 2021

**Schedule of Changes in Net Pension Liability and Related Ratios**

Last Ten Fiscal Years \*

(in thousands)

	2021	2020	2019	2018	2017	Restated 2016	2015	2014
<b>Total pension liability</b>								
Interest	\$ 33	\$ 49	\$ 83	\$ 81	\$ 91	\$ 83	\$ 88	\$ 93
Effect of economic/demographic (gains) or losses	621	-	(323)	-	-	296	-	-
Effect of assumptions, changes or inputs	41	99	161	(80)	45	(49)	-	-
Benefit payments, including refunds of contributions	(238)	(247)	(236)	(230)	(250)	(285)	(217)	(301)
Net change in total pension liability	458	(99)	(315)	(229)	(114)	45	(129)	(208)
Total pension liability - beginning	1,791	1,890	2,204	2,434	2,548	2,503	2,632	2,841
Total pension liability - ending (a)	2,249	1,791	1,889	2,205	2,434	2,548	2,503	2,633
<b>Plan net position</b>								
Contributions - employer	1,000	2,084	2,084	1,100	1,100	1,080	1,080	1,080
Police Auction Income	15	6	36	15	9	10	8	2
Net investment income	-	-	-	-	-	1	-	-
Prior period adjustment	(1)	-	12	-	1	-	-	9
Benefit payments, including refunds of contributions	(238)	(247)	(236)	(230)	(250)	(285)	(218)	(301)
Medical payments from fund	(830)	(654)	(681)	(601)	(652)	(612)	(475)	(587)
Administrative expense	(40)	(27)	(40)	(41)	(49)	(47)	(48)	(36)
Net change in plan net position	(94)	1,162	1,175	243	159	147	347	167
Plan net position - beginning	4,913	3,751	2,576	2,334	2,175	2,029	1,682	1,515
Plan net position - ending (b)	4,820	4,913	3,751	2,577	2,334	2,176	2,029	1,682
Net pension liability ending (a) - (b)	\$ (2,570)	\$ (3,122)	\$ (1,862)	\$ (372)	\$ 100	\$ 372	\$ 474	\$ 951
Plan net position as a % of total pension liability (b)/(a)	214.32%	274.32%	198.57%	116.87%	95.89%	85.40%	81.06%	63.88%
Covered-employee payroll	-	-	-	-	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

\*Until a full 10-year trend is compiled, only information for those years available is presented.

**CITY OF VANCOUVER**

Required Supplementary Information - Single Employer

Police and Fire Pensions

December 31, 2021

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***Schedule of Investment Returns***

Last Ten Fiscal Years\*

Retirement System	Year	Annual money-weighted rate of return, net of investment expense
Fire Pension Trust Fund	2021	0.34%
	2020	1.06%
	2019	2.54%
	2018	1.79%
	2017	0.73%
	2016	0.70%
	2015	0.42%
	2014	0.46%
Police Pension Trust Fund	2021	0.00%
	2020	0.00%
	2019	0.00%
	2018	0.00%
	2017	0.03%
	2016	0.03%
	2015	0.00%
	2014	0.02%

**Notes to Schedule:**

\*Until a full 10-year trend is compiled, only information for those years available is presented.

## CITY OF VANCOUVER

### Notes to Required Supplementary Information

#### Police and Fire Pensions

December 31, 2021

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#### **Note 1:** Information Provided

The City implemented GASB 68 for the year ended December 31, 2015, therefore there is no data available for years prior to 2014.

#### **Note 2:** Significant Factors

There were no changes of benefit terms, significant changes in the employees covered under the benefit terms or in the use of different assumptions. Under the Police and Fire Pension funds requirement of State law, most adjustments are based on the change in salary for the rank of the members held at retirement or based on the Consumer Price Index. Adjustments are determined in accordance with RCW 41.18.150, RCW 41.20 and RCW 41.26.

#### **Note 3:** Covered Payroll

There are no active employees participating in the City-sponsored plans, therefore, there is no covered payroll.

#### **Note 4:** Significant Assumptions

Valuation date: January 1, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value
Inflation	2.25%
Salary increases	3.25%
Discount rate	2.00%
Investment rate of return	2.00%
Municipal bond rate	2.00%
Mortality	Pub-2010 Safety Mortality Table (headcount-weighted)
Amortization method *	Entry Age Normal



#### \* Omissions:

1. Amortization method & Remaining amortization period: Since the value of assets for both funds was larger than the actuarial present value of benefits at the time of the 2021 valuation, there is no amortization period.
2. Retirement Age: Every member has retired, therefore retirement age does not factor into these calculations.