

STATE OF TENNESSEE – LOCAL GOVERNMENT
EMPLOYEE GROUP
POSTRETIREMENT HEALTH BENEFITS

*Actuarial Valuation Report
as of July 1, 2010*

April 28, 2011

April 28, 2011

Mr. Ike Boone
Financial Oversight Coordinator
F&A Division of Accounts
14th Floor, William Snodgrass Tower
312 Rosa L. Parks Ave.
Nashville, TN 37243

Dear Mr. Boone:

This report summarizes the results of our actuarial valuation of health benefits for Local Government retirees under the Local Government Group Plan for the fiscal year beginning July 1, 2010. Local Government obligations for the Tennessee Plan are valued separately.

The purposes of this report are to:

1. Estimate the employer obligation for retiree health benefits under the plan as of July 1, 2010
2. Determine the Annual Required Contribution (ARC) for the fiscal year ending June 30, 2011 under GASB 45
3. Provide additional information for planning.

Our results are based on census data and health plan rates provided by the State of Tennessee, and the actuarial methods and assumptions shown in Exhibit 3. The accuracy of the results depends upon the data provided, particularly at the local level. Our results are also based on our understanding of the relevant plan and contribution provisions provided by the State of Tennessee as outlined in Exhibit 4. We relied on guidance and documentation provided by the State for these provisions.

This report is provided solely as guidance for participating local employers. The actuarial assumptions and methods used were developed for the plan as a whole, and may or may not be appropriate for an individual employer. Each employer should determine if these actuarial assumptions and methods are appropriate for its specific demographics and healthcare environment. In addition, local employers that provide other postemployment benefits outside of the State plan will need to separately value and report these benefits.

Valuation results were based on July 1, 2009 census data and were rolled forward to July 1, 2010 using standard actuarial methods. Census data used and all assumptions are the same used in the July 1, 2009 valuation except that medical plan costs and premiums have been updated for recent:

- Plan experience
- Open enrollment results
- Plan design changes
- Premium rate changes
- Vendor changes and negotiations, including a significantly improved prescription drug arrangement

- The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act. Changes in the plan due to the addition of “adult children” as well as the expected effect of the excise (Cadillac) tax increased liabilities by 1.1%.

Local cost-sharing provisions have not been updated since the prior valuation. It is assumed that costs will be shared in the same percentages as in the prior valuation. To the extent that any local employer has altered its cost-sharing provisions, the results of this analysis should be adjusted.


The Annual Required Contribution amounts shown in this report are appropriate for use for the period from July 1, 2010 through June 30, 2011. The actuarial liability and the Annual Required Contribution (ARC), calculated to reflect the above changes effective January 1, 2011, increased slightly from the prior valuation due to expected increases offset in large part by the changes described above. As we did for the July 1, 2009 valuation, we have relied on the rates used in the July 1, 2009 actuarial valuations performed for the Tennessee Consolidated Retirement System. The rates were based on an experience study performed by the State’s pension actuary for mortality, disability, retirement and termination rates. The amortization method is 30 year level percentage of payroll assuming total annual payroll growth of 3% under the closed basis, with prior contribution deficiencies treated like actuarial gains and losses.

We certify that we are Members of the American Academy of Actuaries and meet its qualification standards for issuing this Statement of Actuarial Opinion. This valuation was prepared in accordance with our understanding of the requirements of Governmental Accounting Standards Board Statement 45 and the principles of practice prescribed by the Actuarial Standards Board.

Respectfully submitted,



Andrew C. Stratton, FSA, MAAA, EA
Principal, Consulting Actuary



Amy D. Whaley, FSA, MAAA
Principal, Consulting Actuary

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Highlights

	July 1, 2010 - \$ in thousands			July 1, 2009 - \$ in thousands		
	Explicit Subsidy	Implicit Subsidy	Total	Explicit Subsidy	Implicit Subsidy	Total
Present Value of Future Benefits	\$ 55,546	\$ 143,263	\$198,809	\$ 63,295	\$ 143,808	\$ 207,103
Unfunded Actuarial Liability	\$ 32,018	\$ 75,821	\$107,839	\$ 34,472	\$ 71,021	\$ 105,493
Annual Required Contribution	\$ 3,733	\$ 9,679	\$ 13,412	\$ 4,051	\$ 9,328	\$ 13,379
Discount Rate	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Salary Scale for Amortization Payment	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Expected Employer Share of Current Year Plan Cost	\$ 1,088	\$ 2,586	\$ 3,674	\$ 908	\$ 2,133	\$ 3,041

Summary of Data

2009*

Actives	15,918
Retirees/Surviving Spouses/Spouse Contracts	205

*2009 census data used for 2009 and 2010 valuations

Exhibit 1

Development of Annual Required Contribution

	July 1, 2010 - \$ in thousands			July 1, 2009 - \$ in thousands		
	Explicit Subsidy	Implicit Subsidy	Total	Explicit Subsidy	Implicit Subsidy	Total
Present Value of Future Benefits						
Retired	\$ 3,699	\$ 9,029	\$ 12,728	\$ 4,306	\$ 9,059	\$ 13,365
Active	\$ 51,847	\$134,234	\$186,081	\$ 58,989	\$134,749	\$193,738
Total	\$ 55,546	\$143,263	\$198,809	\$ 63,295	\$143,808	\$207,103
Actuarial Liability						
Retired	\$ 3,699	\$ 9,029	\$ 12,728	\$ 4,306	\$ 9,059	\$ 13,365
Active	\$ 28,319	\$ 66,792	\$ 95,111	\$ 30,166	\$ 61,962	\$ 92,128
Total	\$ 32,018	\$ 75,821	\$107,839	\$ 34,472	\$ 71,021	\$105,493
Fair Value of Plan Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded Actuarial Liability	\$ 32,018	\$ 75,821	\$107,839	\$ 34,472	\$ 71,021	\$105,493
Expected First Year Net Payments	\$ 1,088	\$ 2,586	\$ 3,674	\$ 908	\$ 2,133	\$ 3,041
Annual Required Contribution						
Normal Cost	\$ 2,243	\$ 6,225	\$ 8,468	\$ 2,518	\$ 6,172	\$ 8,690
Amortization of Unfunded Actuarial Liability	\$ 1,490	\$ 3,454	\$ 4,944	\$ 1,533	\$ 3,156	\$ 4,689
Total	\$ 3,733	\$ 9,679	\$ 13,412	\$ 4,051	\$ 9,328	\$ 13,379

Amortization Bases

Effective Date	Original Amount	Remaining Amount July 1, 2010	Remaining Period	Amortization Charge
July 1, 2007	\$85,303	\$85,603	27	\$3,973
July 1, 2009	\$19,885	\$19,932	29	\$873
July 1, 2010	\$2,304	\$2,304	30	\$98
Total		\$107,839		\$4,944

Exhibit 2

Summary of Census Data

Active Employees											
Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	320	388	20								728
25 to 29	317	718	300	10							1,345
30 to 34	300	572	460	150	4						1,486
35 to 39	330	571	444	326	133	6					1,810
40 to 44	310	549	428	289	192	97	7				1,872
45 to 49	309	511	434	307	231	144	84	13			2,033
50 to 54	308	489	417	328	238	175	117	78	3		2,153
55 to 59	294	369	374	310	228	154	109	83	44	2	1,967
60 to 64	170	221	269	222	161	124	79	60	37	21	1,364
65 & over	247	124	160	178	157	115	63	40	36	40	1,160
Total	2,905	4,512	3,306	2,120	1,344	815	459	274	120	63	15,918

Exhibit 2

Summary of Census Data

(continued)

Attained Age	Retirees/Surviving Spouses/Spouse/Disabled Contracts
Under 40	10
40 to 44	3
45 to 49	3
50 to 54	12
55 to 59	42
60 to 64	134
65 to 69	1
70 to 74	0
75 to 79	0
80 to 84	0
85 to 89	0
90 to 94	0
95 to 99	0
100 and Over	0
Total	205

In addition to the above, we received summary information about the enrollment effective January 1, 2011. We reflected the fact that 63% of participants enrolled in the Partnership PPO, while 30% of participants enrolled in the Standard PPO, and 7% of participants enrolled in the Limited PPO.

Exhibit 3

Actuarial Assumptions and Cost Method

Valuation Date: July 1, 2010

Discount Rate: 4.5%

Cost Method: Projected Unit Credit with benefits attributed pro rata from date of hire to assumed termination of employment.

Amortization Method: 30 year level percentage of payroll assuming total annual payroll growth of 3%, closed basis. Amortization is calculated separately for each local entity. A new 30 year basis is established each valuation for the difference between the Unfunded Actuarial Accrued Liability as of the valuation date, and the amount that would be expected to remain unfunded based on the expected schedule developed at establishment of each amortization base. This method results in prior contribution deficiencies to be treated as part of a new base and therefore amortized over 30 years. Thus, the adjustment to the ARC component of the annual OPEB Cost uses this 30 year amortization, consistent with GASB Technical Bulletin 2008-1 - Determining the Annual Required Contribution Adjustment for Postemployment Benefits.

Preretirement Mortality:

Age	Male	Female
20	0.03%	0.02%
25	0.03	0.02
30	0.04	0.02
35	0.06	0.04
40	0.09	0.06
45	0.12	0.09
50	0.17	0.13
55	0.24	0.20
60	0.39	0.31
65	0.61	0.47

Postretirement Mortality:

Age	Male	Female	Disabled
40	0.2%	0.1%	2.6%
50	0.4	0.2	3.3
55	0.7	0.4	3.7
60	1.0	0.7	4.1
65	1.4	0.9	4.6
70	2.2	1.3	5.5
75	3.8	2.3	6.9
80	6.5	4.3	9.2
85	10.2	7.2	12.9
90	16.7	13.7	18.4
95	24.6	22.5	26.4

Exhibit 3

Actuarial Assumptions and Cost Method

(continued)

Disability Rates:

Age	Male	Female
20	0.03%	0.02%
25	0.03	0.03
30	0.03	0.03
35	0.03	0.03
40	0.08	0.08
45	0.20	0.20
50	0.38	0.38
55	0.49	0.49
60	-	-

Service Retirement Rates: Retirement rates prior to age 60 apply only if the participant has completed 30 years of service.

	Local Government	
Age	Male	Female
50	9%	8%
51	9	8
52	9	8
53	9	8
54	9	8
55	9	8
56	9	9
57	10	10
58	10	10
59	10	11
60	11	11
61	15	13
62	20	18
63	18	16
64	18	16
65	24	22
66	19	19
67	16	19
68	16	19
69	17	19
70	18	19
71	18	19
72	18	19
73	18	19
74	18	19
75	100	100

Exhibit 3

Actuarial Assumptions and Cost Method

(continued)

Additional rate of retirement in the year in which an active first reaches age 60 and 15 years of service

2.0%

Additional rate of retirement in the year in which an active prior to age 60 first reaches 30 years of service

7.5%

Sample Termination and Early Retirement Rates¹:

Age	1 st Year	2 nd Year	Male ²	Female ²
20	26.2%	21.8%	13.7%	19.6%
25	23.0%	19.1%	10.3%	15.1%
30	21.8%	17.9%	7.4%	11.1%
35	20.7%	17.0%	5.1%	7.7%
40	19.2%	15.9%	3.5%	5.4%
45	17.7%	14.1%	2.8%	4.1%
50	17.0%	13.0%	2.8%	3.8%
55	17.4%	13.0%	3.6%	4.3%
60	20.4%	14.9%	4.6%	5.3%
65	26.3%	19.1%	-	-

¹ Termination rates cease at the earlier of age 60 and 30 years of service

² Ultimate rates apply beginning on an employee's 3rd year of employment

Plan Participation For Future Retirees And Spouses:

Eligible employees and spouses are assumed to elect coverage based upon the level of subsidy provided, which varies by employer. Eligible members are assumed to elect immediate coverage at assumed termination of employment. The chart on the next page details these assumptions for each employer.

Participants are assumed to choose between plans in proportion to current retiree elections in plans by employer. All members are assumed to have required plan participation prior to retirement.

Assumed

Retiree Contributions: Contributions are assumed to increase with trend, both for the retiree and for the local government. Average retiree contributions vary by employer and are shown in the chart on the next page. Plan provisions have not been collected since 2009. It is assumed that changes in the plan costs are shared with retirees and local governments.

For each employer, the assumed participation rate, spouse participation rate, average retiree contributions are as follows:

Exhibit 3

Actuarial Assumptions and Cost Method

(continued)

City	Service Requirement	Retirement Participation	Spouse Coverage Rate	Average Single Retiree Contribution - 2009	Average Family Retiree Contribution - 2009
City of Belle Meade	30+	80%	65%	\$ 178	\$ 444
City of Belle Meade	25-29	75%	60%	\$ 204	\$ 510
City of Belle Meade	<25	70%	55%	\$ 231	\$ 576
City of Humboldt		100%	20%	\$ -	\$ 789
City of Lawrenceburg		100%	70%	\$ 7	\$ 118
City of Oak Ridge		65%	55%	\$ 277	\$ 637
City of Portland		100%	20%	\$ 0	\$ 796
Crockett Public Utility District		100%	70%	\$ 35	\$ 77
Dickson Electric System	20+ and 60	60%	20%	\$ 322	\$ 1,118
Eastside Utility District		100%	70%	\$ 12	\$ 30
First Utility District of Hawkins Co		100%	70%	\$ 12	\$ 30
First Utility District of Tipton County		100%	70%	\$ -	\$ -
Franklin County		100%	20%	\$ 67	\$ 862
Gibson County Municipal Water District		100%	70%	\$ 13	\$ 33
Hawkins County		80%	70%	\$ 158	\$ 344
Hickman County		100%	20%	\$ -	\$ 789
Hickman County Highway		85%	70%	\$ 144	\$ 360
Lawrenceburg Housing Authority		100%	20%	\$ 13	\$ 809
Lewis County Highway Dept	30+	65%	45%	\$ 272	\$ 680
Lexington Electric System		100%	70%	\$ 0	\$ 0
Milan Public Utilities	30+	35%	20%	\$ 515	\$ 1,286
Murfreesboro Electric Department		100%	70%	\$ 14	\$ 35
Professional Care Services of West TN, Inc.		75%	20%	\$ 211	\$ 964
Roane County		100%	50%	\$ 20	\$ 413
Tennessee State Employees Assoc.	30+	95%	70%	\$ 74	\$ 186
Tennessee State Employees Assoc.	20-29	85%	70%	\$ 132	\$ 329
Tennessee State Employees Assoc.	10-19	75%	65%	\$ 189	\$ 471
The Pathfinders, Inc.		65%	20%	\$ 273	\$ 1,327
Tipton County		90%	70%	\$ 110	\$ 179
Town of Centerville	30+	100%	20%	\$ 32	\$ 828
Town of Centerville	25-29	65%	20%	\$ 282	\$ 1,077
Town of Centerville	20-24	55%	20%	\$ 332	\$ 1,127
Town of Centerville	<20	50%	20%	\$ 406	\$ 1,202
Others Not Shown Above		35%	20%	\$ 532	\$ 1,327

Exhibit 3

Actuarial Assumptions and Cost Method

(continued)

Plan Participation

For Current Retirees: Current participants in the plan are assumed to continue coverage until age 65. Members are assumed to have the same overall distribution of enrollment by benefit option (Partnership PPO vs. Standard PPO vs. Limited PPO, Lost Cost Carrier vs. High Cost Carrier) that they had in the January 1, 2011 open enrollment.

Spouse Assumptions: For future retirees, males are assumed to be 4 years older than females. Current spouse birth dates are used for current retirees. 50% of surviving spouses are assumed to receive a TCRS survivor pension.

Medical Plan Costs: Costs were developed from reported incurred medical and prescription drug claims experience and administrative costs for 2006 through 2009. Estimated net per capita monthly incurred claim costs for 2010/2011, including administrative expenses:

Age	Claims Cost
50	\$8,940
55	\$10,699
60	\$12,603
65*	\$8,699
70*	\$9,968
75*	\$11,422

*Costs at age 65 and over apply to a limited number of grandfathered people only

Average Premiums: Blended monthly premiums for future retirees for Calendar year 2011:

Single	\$539.83
Family	\$1,195.11

Assumed

Contributions: Contributions are assumed to increase with trend both for the local employer and the retiree.

Exhibit 3

Actuarial Assumptions and Cost Method

(continued)

Health Care Cost Trend Rates:

Health Care cost trend rates to be applied to expected future claims, contributions, and premiums:

Calendar Year	Rate
2010 to 2011	10.0%
2011 to 2012	9.5%
2012 to 2013	9.0%
2013 to 2014	8.5%
2014 to 2015	8.0%
2015 to 2016	7.5%
2016 to 2017	7.0%
2017 to 2018	6.5%
2018 to 2019	6.0%
2019 to 2020	5.5%
2020 to 2021	5.0%

Subsidies:

Explicit subsidy – employer portion of blended premium
 Implicit subsidy – difference between age-adjusted claims/admin costs and blended premiums (applicable for all employers due to blending of premium costs)

Census Data:

Collected as of July 1, 2009 and used for the July 1, 2009 and July 1, 2010 valuations. The data was not audited by Buck Consultants. Retirees who waived coverage and showed no spousal coverage were deleted from all files. Except for a group of 217 pre-65 retirees, duplicates were left in the file as is. Where retirement allocation codes were in conflict with Plan codes, we used retirement allocation codes to determine the Plan (and premium information was changed accordingly).

Changes Since Prior Valuation:

Medical plan costs and premiums have been updated for plan experience, open enrollment results, plan design changes, premium rate changes, vendor changes and negotiations, including a significantly improved prescription drug arrangement, and health reform impacts including the addition of adult children and excise tax.

Exhibit 4

Summary of Substantive Plan Provisions

- Eligibility:** TCRS participants with state medical benefits are eligible for health coverage following service retirement or early retirement, which are generally as follows:
- Service retirement: age 60 and 10 years of service, or 30 years of service
 - Early retirement: age 55 and 10 years of service, or 25 years of service
- Similar requirements generally apply to ORP and other non-TCRS participants.
- Retirees with less than 20 years of service must participate in the state medical plan for the 3 years prior to retirement and must begin retiree coverage immediately upon retirement. Retirees with 20 years of service must participate for the year prior to retirement and must begin retiree coverage within 5 years of retirement.
- Spouse coverage:* Spouses may participate in the Plan. When a retiree dies, surviving spouses may remain in the plan for six months for free. After that, if the surviving spouse receives a TCRS survivor pension, the spouse may participate and pay a “retiree only or spouse only” rate.
- Disabled coverage:* Disabled employees who leave employment with five or more years of service may participate.
- Medicare eligibility:* Disabled members with Medicare remain in the Plan until age 65. A few participants, generally without Medicare, can stay in the plan beyond age 65.
- Premiums:** Premiums vary by level based upon the age/sex characteristics and/or claims experience of an entire group (blended between active and retiree) when the group joins the State plan. This level never changes from its initial determination. Premiums are set by the State on January 1st of each year to pay for claims and administration of the entire Local Government group (active and retiree). Calendar year 2011 monthly premiums are shown on the following page.

Exhibit 4

Summary of Substantive Plan Provisions

(continued)

2011 Monthly	Partnership Low Cost Carrier	Standard Low Cost Carrier	Limited Low Cost Carrier	Partnership High Cost Carrier	Standard High Cost Carrier	Limited High Cost Carrier
<u>Premium - level 1</u>						
Employee Only	\$ 526.55	\$ 551.55	\$ 337.18	\$ 536.55	\$ 561.55	\$ 347.18
Employee + Children	\$ 816.15	\$ 841.15	\$ 522.63	\$ 836.15	\$ 861.15	\$ 542.63
Employee + Spouse	\$ 1,132.07	\$ 1,182.07	\$ 724.94	\$ 1,152.07	\$ 1,202.07	\$ 744.94
Employee + Spouse + Children	\$ 1,421.68	\$ 1,471.68	\$ 910.39	\$ 1,441.68	\$ 1,491.68	\$ 930.39
<u>Premium - level 2</u>						
Employee Only	\$ 579.21	\$ 604.21	\$ 370.90	\$ 589.21	\$ 614.21	\$ 380.90
Employee + Children	\$ 897.77	\$ 922.77	\$ 574.89	\$ 917.77	\$ 942.77	\$ 594.89
Employee + Spouse	\$ 1,245.28	\$ 1,295.28	\$ 797.43	\$ 1,265.28	\$ 1,315.28	\$ 817.43
Employee + Spouse + Children	\$ 1,563.85	\$ 1,613.85	\$ 1,001.43	\$ 1,583.85	\$ 1,633.85	\$ 1,021.43
<u>Premium - level 3</u>						
Employee Only	\$ 631.34	\$ 656.34	\$ 404.28	\$ 641.34	\$ 666.34	\$ 414.28
Employee + Children	\$ 978.57	\$ 1,003.57	\$ 626.63	\$ 998.57	\$ 1,023.57	\$ 646.63
Employee + Spouse	\$ 1,357.36	\$ 1,407.36	\$ 869.20	\$ 1,377.36	\$ 1,427.36	\$ 889.20
Employee + Spouse + Children	\$ 1,704.60	\$ 1,754.60	\$ 1,091.56	\$ 1,724.60	\$ 1,774.60	\$ 1,111.56

Exhibit 4

Summary of Substantive Plan Provisions

(continued)

Contributions: 2009 explicit subsidies provided by each employer are shown below. Employer subsidies for those not shown here are assumed to be \$0 (unsubsidized)

City	Service Requirement	PPO Plan Single Coverage	PPO Plan Family Coverage	PPO Limited Plan Single Coverage	PPO Limited Plan Family Coverage	POS Plan Single Coverage	POS Plan Family Coverage	HMO Plan (if option) Single Coverage	HMO Plan (if option) Family Coverage
City of Belle Meade	30+	\$360.83	\$900.99	\$234.13	\$584.63	\$346.75	\$865.73	\$334.06	\$1,080.27
City of Belle Meade	25-29	\$333.90	\$833.75	\$216.66	\$541.00	\$320.87	\$801.13	\$309.13	\$1,055.34
City of Belle Meade	<25	\$306.97	\$766.51	\$199.19	\$497.37	\$295.00	\$736.52	\$284.20	\$1,030.41
City of Humboldt		\$538.55	\$538.55	\$349.46	\$349.46	\$517.54	\$517.54	N/A	N/A
City of Lawrenceburg		\$538.55	\$1,244.75	\$349.46	\$772.58	\$517.54	\$1,192.14	N/A	N/A
City of Oak Ridge		\$269.27	\$672.38	\$174.73	\$436.29	\$251.09	\$626.88	\$274.13	\$1,071.75
City of Portland		\$538.55	\$538.55	\$349.46	\$349.46	\$517.54	\$517.54	\$498.60	\$1,244.81
Crockett Public Utility District		\$516.88	\$1,301.42	\$327.79	\$829.25	\$495.87	\$1,248.81	N/A	N/A
Dickson Electric System	20+ and 60	\$209.72	\$209.72	\$209.71	\$209.72	\$209.72	\$209.72	\$209.72	\$209.72
Eastside Utility District		\$538.55	\$1,344.75	\$349.46	\$872.58	\$517.54	\$1,292.14	\$532.90	\$1,330.52
First Utility District of Hawkins Co		\$538.55	\$1,344.74	\$349.46	\$872.58	\$517.54	\$1,292.14	\$532.90	\$1,330.52
First Utility District of Tipton County		\$592.51	\$1,479.25	\$384.47	\$959.86	\$569.32	\$1,421.38	\$534.20	\$1,333.70
Franklin County		\$484.70	\$484.70	\$314.51	\$314.51	\$465.79	\$465.79	\$448.74	\$448.74
Gibson County Municipal Water District		\$538.55	\$1,344.75	\$349.46	\$872.58	\$517.54	\$1,292.14	N/A	N/A
Hawkins County		\$385.13	\$961.51	\$249.91	\$623.90	\$370.06	\$923.90	\$381.07	\$1,258.41
Hickman County		\$538.55	\$538.55	\$349.46	\$349.46	\$872.58	\$872.58	\$498.60	\$498.60
Hickman County Highway		\$403.91	\$1,008.56	\$262.10	\$654.44	\$388.16	\$969.11	\$373.95	\$933.61
Lawrenceburg Housing Authority		\$538.55	\$538.55	\$349.46	\$349.46	\$517.54	\$517.54	N/A	N/A
Lewis County Highway Dept	30+	\$269.28	\$672.38	\$174.73	\$436.29	\$258.77	\$646.07	N/A	N/A

Exhibit 4

Summary of Substantive Plan Provisions

(continued)

City	Service Requirement	PPO Plan Single Coverage	PPO Plan Family Coverage	PPO Limited Plan Single Coverage	PPO Limited Plan Family Coverage	POS Plan Single Coverage	POS Plan Family Coverage	HMO Plan (if option) Single Coverage	HMO Plan (if option) Family Coverage
Lexington Electric System		\$538.55	\$1,344.75	\$349.46	\$872.58	\$517.54	\$1,292.14	N/A	N/A
Milan Public Utilities	30+	\$0.00	\$0.00	\$307.58	\$767.89	\$0.00	\$0.00	N/A	N/A
Murfreesboro Electric Department		\$533.26	\$1,331.33	\$346.02	\$863.87	\$512.39	\$1,279.24	\$493.61	\$1,314.48
Professional Care Services of West TN, Inc.		\$326.79	\$384.66	\$227.22	\$567.20	\$323.79	\$326.79	\$326.79	\$326.79
Roane County		\$511.61	\$914.72	\$331.99	\$593.55	\$491.66	\$878.96	\$506.25	\$905.07
Tennessee State Employees Assoc.	30+	\$474.01	\$1,183.40	\$307.58	\$767.89	\$455.46	\$1,137.11	See Below*	See Below*
Tennessee State Employees Assoc.	20-29	\$414.76	\$1,035.47	\$269.13	\$671.90	\$398.52	\$994.97	See Below*	See Below*
Tennessee State Employees Assoc.	10-19	\$355.51	\$887.55	\$230.68	\$575.92	\$341.59	\$852.83	See Below*	See Below*
The Pathfinders, Inc.		\$269.28	\$0.00	\$174.73	\$0.00	\$258.77	\$0.00	\$249.30	\$0.00
Tipton County		\$474.55	\$1,064.75	\$285.46	\$592.58	\$453.54	\$1,012.14	\$421.61	\$1,148.40
Town of Centerville	30+	\$538.55	\$538.55	N/A	N/A	\$517.54	\$517.54	N/A	N/A
Town of Centerville	25-29	\$269.27	\$269.29	N/A	N/A	\$258.77	\$258.77	N/A	N/A
Town of Centerville	20-24	\$215.42	\$215.43	N/A	N/A	\$207.02	\$207.02	N/A	N/A
Town of Centerville	<20	\$80.78	\$80.79	N/A	N/A	\$181.14	\$181.14	N/A	N/A

*Tennessee State Employees Assoc.-HMOs	Nashville - Single	Nashville - Family	Memphis - Single	Memphis - Family	East - Single	East - Family
30+	\$438.76	\$1,095.46	\$427.36	\$1,066.96	\$469.00	\$1,170.87
20-29	\$383.91	\$958.52	\$373.94	\$911.59	\$410.37	\$1,024.51
10-19	\$329.07	\$821.59	\$320.52	\$800.22	\$351.75	\$878.15

Exhibit 5

Benefit Design

Benefit Design: (Effective January 1, 2011)

	Partnership PPO		Standard PPO		Limited PPO	
	In network	Out of network	In network	Out of network	In network	Out of network
Deductible*	\$350 Individual/ \$900 Family	\$700 Individual/ \$1,800 Family	\$700 Individual/ \$1,800 Family	\$1,400 Individual/ \$1,600 Family	\$750 Individual/ \$1,800 Family	\$1,500 Individual/ \$4,000 Family
Out-of-pocket Maximum*	\$1,350 Individual/ \$3,500 Family	\$2,700 Individual/ \$7,000 Family	\$1,700 Individual/ \$4,500 Family	\$3,400 Individual/ \$9,000 Family	\$6,000 Individual/ \$16,000 Family	\$12,000 Individual/ \$32,000 Family
Preventative Care/Well-baby, Well-child Visits	No Charge	\$40 co-pay	No Charge	\$50 co-pay	No Charge	\$50 co-pay
Primary Care	\$25 co-pay	\$45 co-pay	\$30 co-pay	\$50 co-pay	\$30 co-pay	\$50 co-pay
Mental Health** (Out-patient including psychiatry and substance abuse)	\$25 co-pay	\$45 co-pay	\$30 co-pay	\$50 co-pay	\$30 co-pay	\$50 co-pay
Specialist Care	\$40 co-pay	\$65 co-pay	\$45 co-pay	\$70 co-pay	\$40 co-pay	\$65 co-pay
Emergency Room (waived if admitted)	\$80 co-pay	\$80 co-pay	\$100 co-pay	\$100 co-pay	\$100 co-pay	\$100 co-pay
Urgent Care	\$50 co-pay	\$50 co-pay	\$55 co-pay	\$55 co-pay	\$50 co-pay	\$50 co-pay
Inpatient Care	10% co-insurance	40% co-insurance	20% co-insurance	40% co-insurance	25% co-insurance	50% co-insurance
Out Patient Surgery	10% co-insurance	40% co-insurance	20% co-insurance	40% co-insurance	25% co-insurance	50% co-insurance
Ambulance	10% co-insurance	10% co-insurance	20% co-insurance	20% co-insurance	25% co-insurance	25% co-insurance
Advanced X-Ray, Scans and Imaging	10% co-insurance	40% co-insurance	20% co-insurance	40% co-insurance	25% co-insurance	50% co-insurance
OT/PT/Speech Therapy	10% co-insurance	40% co-insurance	20% co-insurance	40% co-insurance	25% co-insurance	50% co-insurance
Lab/X-ray	100% co-insurance after office copay	100% co-insurance after office copay up to MAC	100% co-insurance after office copay	100% co-insurance after office copay up to MAC	100% co-insurance after office copay	100% co-insurance after office copay
Chiropractic	\$25 (visits 1-20) \$40 (visits 21 and up)	\$45 (visits 1-20) \$60 (visits 21 and up)	\$30 (visits 1-20) \$45 (visits 21 and up)	\$50 (visits 1-20) \$70 (visits 21 and up)	\$30 (visits 1-20) \$40 (visits 21 and up)	\$50 (visits 1-20) \$65 (visits 21 and up)

Exhibit 5

Benefit Design

Benefit Design: (Effective January 1, 2011)

Pharmacy (30-day supply, only from pharmacies in 30-day network)	Generic	\$5 co-pay	Co-pay + any amount exceeding MAC	\$10 co-pay	Co-pay + any amount exceeding MAC	\$10 co-pay	Co-pay + any amount exceeding MAC
	Preferred Brand	\$30 co-pay		\$40 co-pay		\$40 co-pay	
	Non-preferred Brand	\$80 co-pay		\$90 co-pay		\$90 co-pay	
Pharmacy (90-day supply available only from special, less costly 90-day network or mail-order)	Generic	\$10 co-pay	Co-pay + any amount exceeding MAC	\$20 co-pay	Co-pay + any amount exceeding MAC	\$20 co-pay	Co-pay + any amount exceeding MAC
	Preferred Brand	\$60 co-pay		\$80 co-pay		\$80 co-pay	
	Non-preferred Brand	\$160 co-pay		\$180 co-pay		\$180 co-pay	

* No single family member will be subject to a deductible or out-of-pocket maximum greater than the "employee only" amount. Once two or more family members (depending on premium level) have met the total deductible and/or out-of-pocket maximum, it will be met by all covered family members.

**The following behavioral health services are treated as "inpatient" for the purposes of determining member cost-sharing: residential treatment, partial hospitalization, and intensive outpatient therapy.

Appendix

Results by Employer (Dollars in Thousands)

Explicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
Bedford County Government	12	215	\$0	\$0	\$0	\$0	\$0
Benton County	2	101	\$0	\$0	\$0	\$0	\$0
Benton County Highway Department	0	23	\$0	\$0	\$0	\$0	\$0
Bledsoe County	0	29	\$0	\$0	\$0	\$0	\$0
Bradley County Government	3	3	\$0	\$0	\$0	\$0	\$0
Cheatham Co. Government	2	190	\$0	\$0	\$0	\$0	\$0
Cheatham Co. Highway Dept.	0	28	\$0	\$0	\$0	\$0	\$0
Chester Co. Government	0	59	\$0	\$0	\$0	\$0	\$0
City of Belle Meade	4	26	\$98	\$222	\$29	\$21	\$37
City of Eastridge ¹	5	130	\$0	\$0	\$0	\$0	\$0
City of Harriman	0	69	\$0	\$0	\$0	\$0	\$0
City of Humboldt	2	36	\$58	\$648	\$22	\$31	\$65
City of Lawrenceburg	19	129	\$1,100	\$5,040	\$236	\$305	\$580
City of Oak Ridge	15	370	\$374	\$1,995	\$88	\$245	\$356
City of Portland	6	133	\$138	\$1,242	\$66	\$111	\$176
City of Ripley	5	64	\$0	\$0	\$0	\$0	\$0
Cocke County	0	182	\$0	\$0	\$0	\$0	\$0
Cocke County Highway Department	1	59	\$0	\$0	\$0	\$0	\$0
Coffee County	2	297	\$0	\$0	\$0	\$0	\$0
Crockett County Government	3	85	\$0	\$0	\$0	\$0	\$0
Crockett County Highway	2	26	\$0	\$0	\$0	\$0	\$0
Crockett Public Utility District	0	7	\$0	\$91	\$0	\$12	\$16
Cumberland County	1	338	\$0	\$0	\$0	\$0	\$0
Decatur County Government	0	89	\$0	\$0	\$0	\$0	\$0
Dekalb County	1	71	\$0	\$0	\$0	\$0	\$0
Dickson Electric System	4	63	\$11	\$127	\$10	\$6	\$13
Eastside Utility District	0	28	\$0	\$1,176	\$15	\$65	\$117
Fayette County Government	4	168	\$0	\$0	\$0	\$0	\$0
Fayette County Public Works Dept.	0	42	\$0	\$0	\$0	\$0	\$0
Fentress Co. Government	0	61	\$0	\$0	\$0	\$0	\$0
First Utility District of Hawkins Co	0	22	\$0	\$839	\$6	\$52	\$91

¹ No data provided for City of Eastridge. 5 retirees and 130 actives are allocated from the unsubsidized “others”.

Appendix

Results by Employer (Dollars in Thousands)

Explicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
First Utility District of Tipton County	0	12	\$0	\$287	\$4	\$22	\$35
Franklin County	3	219	\$51	\$1,280	\$35	\$141	\$202
Franklin Co. Hwy. Dept.	0	26	\$0	\$0	\$0	\$0	\$0
Gibson County Municipal Water District	0	9	\$0	\$307	\$3	\$17	\$31
Giles County	4	239	\$0	\$0	\$0	\$0	\$0
Grundy County Government	2	33	\$0	\$0	\$0	\$0	\$0
Grundy County Highway	0	18	\$0	\$0	\$0	\$0	\$0
Hardin County	5	149	\$0	\$0	\$0	\$0	\$0
Hartsville/Trousdale County Government	1	104	\$0	\$0	\$0	\$0	\$0
Hawkins County	12	216	\$529	\$1,954	\$133	\$188	\$308
Henderson County Government	0	76	\$0	\$0	\$0	\$0	\$0
Henderson County Highway	0	27	\$0	\$0	\$0	\$0	\$0
Henry County Highway Department	0	54	\$0	\$0	\$0	\$0	\$0
Hickman County	1	120	\$6	\$869	\$14	\$87	\$131
Hickman County Highway	0	30	\$0	\$604	\$7	\$43	\$72
Humphreys County	0	112	\$0	\$0	\$0	\$0	\$0
Jefferson County	7	421	\$0	\$0	\$0	\$0	\$0
Johnson County	0	248	\$0	\$0	\$0	\$0	\$0
Lawrence Co 911	1	15	\$0	\$0	\$0	\$0	\$0
Lawrence County Government	4	183	\$0	\$0	\$0	\$0	\$0
Lawrenceburg Housing Authority	0	11	\$0	\$90	\$5	\$6	\$10
Lewis Co Highway Dept	0	20	\$0	\$98	\$1	\$5	\$9
Lexington Electric System	12	47	\$572	\$2,591	\$207	\$122	\$270
Lincoln Co. Government	3	144	\$0	\$0	\$0	\$0	\$0
Marion Co. Hwy.	0	28	\$0	\$0	\$0	\$0	\$0
Marion County Government	1	134	\$0	\$0	\$0	\$0	\$0
McNairy Co. Highway Dept.	0	27	\$0	\$0	\$0	\$0	\$0
Milan Public Utilities	3	40	\$0	\$9	\$0	\$0	\$1
Murfreesboro Electric Department	4	74	\$636	\$2,519	\$71	\$151	\$296
Overton County	1	283	\$0	\$0	\$0	\$0	\$0
Overton County Highway Department	1	32	\$0	\$0	\$0	\$0	\$0

Appendix

Results by Employer (Dollars in Thousands)

Explicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
Perry Co. Hwy.	0	14	\$0	\$0	\$0	\$0	\$0
Perry County Officials	0	7	\$0	\$0	\$0	\$0	\$0
Professional Care Services of West TN, Inc.	0	104	\$0	\$5	\$0	\$18	\$19
Rhea County Government	0	166	\$0	\$0	\$0	\$0	\$0
Roane County	3	255	\$86	\$2,442	\$62	\$251	\$371
Sequatchie Co. Hwy Dept.	0	21	\$0	\$0	\$0	\$0	\$0
Sequatchie County Government	2	66	\$0	\$0	\$0	\$0	\$0
Smith County	2	80	\$0	\$0	\$0	\$0	\$0
Smith County Highway Department	0	19	\$0	\$0	\$0	\$0	\$0
Stewart Co. Government	0	75	\$0	\$0	\$0	\$0	\$0
Stewart Co. Hwy.	0	26	\$0	\$0	\$0	\$0	\$0
Tennessee State Employees Assoc.	1	19	\$22	\$249	\$13	\$13	\$25
Tennessee State Veterans Home Board Executive/ Murfreesboro home	0	138	\$0	\$0	\$0	\$0	\$0
Tennessee State Veterans Home Board Humboldt	0	116	\$0	\$0	\$0	\$0	\$0
Tennessee State Veterans Home Board Knoxville	0	161	\$0	\$0	\$0	\$0	\$0
The Pathfinders, Inc.	0	14	\$0	\$25	\$1	\$3	\$4
Tipton County	1	264	\$18	\$3,603	\$60	\$327	\$496
Town of Centerville	0	2	\$0	\$7	\$0	\$1	\$2
Union County Highway Department	0	27	\$0	\$0	\$0	\$0	\$0
Warren County	0	217	\$0	\$0	\$0	\$0	\$0
Weakley County	1	247	\$0	\$0	\$0	\$0	\$0
Others ¹	37	7,586	\$0	\$0	\$0	\$0	\$0
Total – Explicit Subsidy	205	15,918	\$3,699	\$28,319	\$1,088	\$2,243	\$3,733

¹ Others count excludes 5 retirees and 130 actives who were allocated to City of Eastridge

Appendix

Results by Employer (Dollars in Thousands)

Implicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
Bedford County Government	12	215	\$1,029	\$636	\$46	\$63	\$137
Benton County	2	101	\$24	\$28	\$9	\$20	\$23
Benton County Highway Department	0	23	\$0	\$94	\$0	\$8	\$12
Bledsoe County	0	29	\$0	\$180	\$2	\$11	\$18
Bradley County Government	3	3	\$231	\$5	\$29	\$1	\$19
Cheatham Co. Government	2	190	\$7	\$521	\$17	\$58	\$82
Cheatham Co. Highway Dept.	0	28	\$0	\$131	\$2	\$9	\$14
Chester Co. Government	0	59	\$0	\$170	\$2	\$17	\$25
City of Belle Meade	4	26	\$162	\$249	\$38	\$24	\$43
City of Eastridge	5	130	\$167	\$383	\$86	\$38	\$67
City of Harriman	0	69	\$0	\$272	\$3	\$23	\$37
City of Humboldt	2	36	\$75	\$796	\$21	\$38	\$79
City of Lawrenceburg	19	129	\$1,042	\$3,305	\$210	\$195	\$390
City of Oak Ridge	15	370	\$1,047	\$2,816	\$192	\$331	\$508
City of Portland	6	133	\$182	\$1,562	\$67	\$140	\$220
City of Ripley	5	64	\$266	\$230	\$31	\$24	\$47
Cocke County	0	182	\$0	\$783	\$9	\$59	\$93
Cocke County Highway Department	1	59	\$8	\$205	\$14	\$18	\$28
Coffee County	2	297	\$84	\$1,030	\$30	\$92	\$140
Crockett County Government	3	85	\$37	\$316	\$33	\$27	\$42
Crockett County Highway	2	26	\$194	\$72	\$27	\$8	\$19
Crockett Public Utility District	0	7	\$0	\$62	\$0	\$8	\$11
Cumberland County	1	338	-\$23	\$1,221	\$6	\$108	\$160
Decatur County Government	0	89	\$0	\$208	\$3	\$25	\$34
Dekalb County	1	71	\$104	\$181	\$7	\$21	\$33
Dickson Electric System	4	63	\$268	\$588	\$40	\$32	\$70
Eastside Utility District	0	28	\$0	\$746	\$9	\$42	\$73
Fayette County Government	4	168	\$185	\$427	\$58	\$45	\$72
Fayette County Public Works Dept.	0	42	\$0	\$234	\$7	\$16	\$26

Appendix

Results by Employer (Dollars in Thousands)

Implicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
Fentress Co. Government	0	61	\$0	\$228	\$3	\$19	\$29
First Utility District of Hawkins Co	0	22	\$0	\$544	\$2	\$33	\$58
First Utility District of Tipton County	0	12	\$0	\$205	\$2	\$16	\$24
Franklin County	3	219	\$78	\$1,782	\$44	\$194	\$276
Franklin Co. Hwy. Dept.	0	26	\$0	\$119	\$3	\$8	\$14
Gibson County Municipal Water District	0	9	\$0	\$185	\$2	\$11	\$19
Giles County	4	239	\$67	\$899	\$45	\$80	\$122
Grundy County Government	2	33	\$70	\$135	\$17	\$11	\$20
Grundy County Highway	0	18	\$0	\$125	\$1	\$7	\$12
Hardin County	5	149	\$204	\$370	\$43	\$43	\$68
Hartsville/Trousdale County Government	1	104	\$46	\$360	\$13	\$37	\$54
Hawkins County	12	216	\$563	\$1,857	\$130	\$176	\$288
Henderson County Government	0	76	\$0	\$209	\$1	\$24	\$33
Henderson County Highway	0	27	\$0	\$81	\$1	\$9	\$13
Henry County Highway Department	0	54	\$0	\$192	\$3	\$15	\$23
Hickman County	1	120	\$15	\$1,078	\$23	\$108	\$159
Hickman County Highway	0	30	\$0	\$514	\$5	\$37	\$60
Humphreys County	0	112	\$0	\$405	\$9	\$32	\$50
Jefferson County	7	421	\$157	\$1,226	\$74	\$131	\$192
Johnson County	0	248	\$0	\$680	\$7	\$69	\$99
Lawrence Co 911	1	15	\$8	\$71	\$11	\$6	\$10
Lawrence County Government	4	183	\$211	\$493	\$39	\$66	\$98
Lawrenceburg Housing Authority	0	11	\$0	\$130	\$6	\$8	\$13
Lewis Co Highway Dept	0	20	\$0	\$167	\$1	\$9	\$16
Lexington Electric System	12	47	\$496	\$1,554	\$158	\$75	\$168
Lincoln Co. Government	3	144	\$96	\$401	\$33	\$46	\$68
Marion Co. Hwy.	0	28	\$0	\$149	\$1	\$12	\$18
Marion County Government	1	134	\$55	\$368	\$11	\$37	\$55

Appendix

Results by Employer (Dollars in Thousands)

Implicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
McNairy Co. Highway Dept.	0	27	\$0	\$71	\$0	\$11	\$14
Milan Public Utilities	3	40	\$82	\$262	\$34	\$16	\$31
Murfreesboro Electric Department	4	74	\$131	\$1,747	\$22	\$103	\$186
Overton County	1	283	\$24	\$1,058	\$20	\$86	\$133
Overton County Highway Department	1	32	\$29	\$75	\$18	\$9	\$14
Perry Co. Hwy.	0	14	\$0	\$84	\$1	\$5	\$8
Perry County Officials	0	7	\$0	\$21	\$1	\$2	\$3
Professional Care Services of West TN, Inc.	0	104	\$0	\$9	\$0	\$35	\$36
Rhea County Government	0	166	\$0	\$473	\$7	\$53	\$73
Roane County	3	255	\$102	\$2,562	\$56	\$255	\$378
Sequatchie Co. Hwy Dept.	0	21	\$0	\$78	\$1	\$6	\$9
Sequatchie County Government	2	66	\$15	\$112	\$9	\$18	\$24
Smith County	2	80	\$76	\$259	\$18	\$22	\$36
Smith County Highway Department	0	19	\$0	\$68	\$1	\$6	\$9
Stewart Co. Government	0	75	\$0	\$249	\$1	\$25	\$36
Stewart Co. Hwy.	0	26	\$0	\$199	\$2	\$11	\$20
Tennessee State Employees Assoc.	1	19	\$35	\$271	\$11	\$15	\$28
Tennessee State Veterans Home Board Executive/Murfreesboro home	0	138	\$0	\$161	\$2	\$39	\$46
Tennessee State Veterans Home Board Humboldt	0	116	\$0	\$119	\$0	\$33	\$39
Tennessee State Veterans Home Board Knoxville	0	161	\$0	\$50	\$0	\$33	\$36
The Pathfinders, Inc.	0	14	\$0	\$71	\$2	\$8	\$11
Tipton County	1	264	\$33	\$2,903	\$42	\$255	\$389
Town of Centerville	0	2	\$0	\$15	\$0	\$1	\$3
Union County Highway Department	0	27	\$0	\$93	\$3	\$8	\$12
Warren County	0	217	\$0	\$620	\$8	\$66	\$94
Weakley County	1	247	\$113	\$830	\$5	\$75	\$116
Others	37	7,586	\$1,234	\$22,354	\$636	\$2,209	\$3,314
Total – Implicit Subsidy	205	15,918	\$9,029	\$66,792	\$2,586	\$6,225	\$9,679

Appendix

Results by Employer (Dollars in Thousands)

Implicit and Explicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
Bedford County Government	12	215	\$1,029	\$636	\$46	\$63	\$137
Benton County	2	101	\$24	\$28	\$9	\$20	\$23
Benton County Highway Department	0	23	\$0	\$94	\$0	\$8	\$12
Bledsoe County	0	29	\$0	\$180	\$2	\$11	\$18
Bradley County Government	3	3	\$231	\$5	\$29	\$1	\$19
Cheatham Co. Government	2	190	\$7	\$521	\$17	\$58	\$82
Cheatham Co. Highway Dept.	0	28	\$0	\$131	\$2	\$9	\$14
Chester Co. Government	0	59	\$0	\$170	\$2	\$17	\$25
City of Belle Meade	4	26	\$260	\$471	\$67	\$45	\$80
City of Eastridge	5	130	\$167	\$383	\$86	\$38	\$67
City of Harriman	0	69	\$0	\$272	\$3	\$23	\$37
City of Humboldt	2	36	\$133	\$1,444	\$43	\$69	\$144
City of Lawrenceburg	19	129	\$2,142	\$8,345	\$446	\$500	\$970
City of Oak Ridge	15	370	\$1,421	\$4,811	\$280	\$576	\$864
City of Portland	6	133	\$320	\$2,804	\$133	\$251	\$396
City of Ripley	5	64	\$266	\$230	\$31	\$24	\$47
Cocke County	0	182	\$0	\$783	\$9	\$59	\$93
Cocke County Highway Department	1	59	\$8	\$205	\$14	\$18	\$28
Coffee County	2	297	\$84	\$1,030	\$30	\$92	\$140
Crockett County Government	3	85	\$37	\$316	\$33	\$27	\$42
Crockett County Highway	2	26	\$194	\$72	\$27	\$8	\$19
Crockett Public Utility District	0	7	\$0	\$153	\$0	\$20	\$27
Cumberland County	1	338	-\$23	\$1,221	\$6	\$108	\$160
Decatur County Government	0	89	\$0	\$208	\$3	\$25	\$34
Dekalb County	1	71	\$104	\$181	\$7	\$21	\$33
Dickson Electric System	4	63	\$279	\$715	\$50	\$38	\$83
Eastside Utility District	0	28	\$0	\$1,922	\$24	\$107	\$190
Fayette County Government	4	168	\$185	\$427	\$58	\$45	\$72
Fayette County Public Works Dept.	0	42	\$0	\$234	\$7	\$16	\$26
Fentress Co. Government	0	61	\$0	\$228	\$3	\$19	\$29
First Utility District of Hawkins Co	0	22	\$0	\$1,383	\$8	\$85	\$149
First Utility District of Tipton County	0	12	\$0	\$492	\$6	\$38	\$59
Franklin County	3	219	\$129	\$3,062	\$79	\$335	\$478
Franklin Co. Hwy. Dept.	0	26	\$0	\$119	\$3	\$8	\$14

Appendix

Results by Employer (Dollars in Thousands)

Implicit and Explicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
Gibson County Municipal Water District	0	9	\$0	\$492	\$5	\$28	\$50
Giles County	4	239	\$67	\$899	\$45	\$80	\$122
Grundy County Government	2	33	\$70	\$135	\$17	\$11	\$20
Grundy County Highway	0	18	\$0	\$125	\$1	\$7	\$12
Hardin County	5	149	\$204	\$370	\$43	\$43	\$68
Hartsville/Trousdale County Government	1	104	\$46	\$360	\$13	\$37	\$54
Hawkins County	12	216	\$1,092	\$3,811	\$263	\$364	\$596
Henderson County Government	0	76	\$0	\$209	\$1	\$24	\$33
Henderson County Highway	0	27	\$0	\$81	\$1	\$9	\$13
Henry County Highway Department	0	54	\$0	\$192	\$3	\$15	\$23
Hickman County	1	120	\$21	\$1,947	\$37	\$195	\$290
Hickman County Highway	0	30	\$0	\$1,118	\$12	\$80	\$132
Humphreys County	0	112	\$0	\$405	\$9	\$32	\$50
Jefferson County	7	421	\$157	\$1,226	\$74	\$131	\$192
Johnson County	0	248	\$0	\$680	\$7	\$69	\$99
Lawrence Co 911	1	15	\$8	\$71	\$11	\$6	\$10
Lawrence County Government	4	183	\$211	\$493	\$39	\$66	\$98
Lawrenceburg Housing Authority	0	11	\$0	\$220	\$11	\$14	\$23
Lewis Co Highway Dept	0	20	\$0	\$265	\$2	\$14	\$25
Lexington Electric System	12	47	\$1,068	\$4,145	\$365	\$197	\$438
Lincoln Co. Government	3	144	\$96	\$401	\$33	\$46	\$68
Marion Co. Hwy.	0	28	\$0	\$149	\$1	\$12	\$18
Marion County Government	1	134	\$55	\$368	\$11	\$37	\$55
McNairy Co. Highway Dept.	0	27	\$0	\$71	\$0	\$11	\$14
Milan Public Utilities	3	40	\$82	\$271	\$34	\$16	\$32
Murfreesboro Electric Department	4	74	\$767	\$4,266	\$93	\$254	\$482
Overton County	1	283	\$24	\$1,058	\$20	\$86	\$133
Overton County Highway Department	1	32	\$29	\$75	\$18	\$9	\$14
Perry Co. Hwy.	0	14	\$0	\$84	\$1	\$5	\$8
Perry County Officials	0	7	\$0	\$21	\$1	\$2	\$3
Professional Care Services of West TN, Inc.	0	104	\$0	\$14	\$0	\$53	\$55

Appendix

Results by Employer (Dollars in Thousands)

Implicit and Explicit Subsidy

Employer	Count		Actuarial Liability		Benefit Payment	Normal Cost	ARC
	Retirees, Spouses, Surviving Spouses & Disabled Employees	Active	Retirees, Spouses, Surviving Spouses, & Disabled Employees	Active			
Rhea County Government	0	166	\$0	\$473	\$7	\$53	\$73
Roane County	3	255	\$188	\$5,004	\$118	\$506	\$749
Sequatchie Co. Hwy Dept.	0	21	\$0	\$78	\$1	\$6	\$9
Sequatchie County Government	2	66	\$15	\$112	\$9	\$18	\$24
Smith County	2	80	\$76	\$259	\$18	\$22	\$36
Smith County Highway Department	0	19	\$0	\$68	\$1	\$6	\$9
Stewart Co. Government	0	75	\$0	\$249	\$1	\$25	\$36
Stewart Co. Hwy.	0	26	\$0	\$199	\$2	\$11	\$20
Tennessee State Employees Assoc.	1	19	\$57	\$520	\$24	\$28	\$53
Tennessee State Veterans Home Board Executive/ Murfreesboro home	0	138	\$0	\$161	\$2	\$39	\$46
Tennessee State Veterans Home Board Humboldt	0	116	\$0	\$119	\$0	\$33	\$39
Tennessee State Veterans Home Board Knoxville	0	161	\$0	\$50	\$0	\$33	\$36
The Pathfinders, Inc.	0	14	\$0	\$96	\$3	\$11	\$15
Tipton County	1	264	\$51	\$6,506	\$102	\$582	\$885
Town of Centerville	0	2	\$0	\$22	\$0	\$2	\$5
Union County Highway Department	0	27	\$0	\$93	\$3	\$8	\$12
Warren County	0	217	\$0	\$620	\$8	\$66	\$94
Weakley County	1	247	\$113	\$830	\$5	\$75	\$116
Others	37	7,586	\$1,234	\$22,354	\$636	\$2,209	\$3,314
Total – Implicit + Explicit Subsidy	205	15,918	\$12,728	\$95,111	\$3,674	\$8,468	\$13,412

The actuarial assumptions outlined in the report were selected for use for measurement of the obligation for the plan as a whole, rather than based on experience for any individual employer. Thus, the results shown could be significantly different than a calculation of the actuarial liability performed separately for a particular employer or component.