



Retirement Plan for Employees of Job Service North Dakota

**Governmental Accounting Standards Board (GASB)
Statements No. 67 and 68**

Actuarial Valuation as of July 1, 2014

Revised August 2015



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August 6, 2015

*Board Members
Retirement Plan for Employees of Job Service North Dakota
Bismarck, North Dakota*

Dear Board Members:

We are pleased to submit the following report intended to be used for satisfying certain reporting requirements by Governmental Accounting Standards Board (GASB) Statements No. 67 and 68 as of June 30, 2014.

This report was prepared in accordance with generally accepted actuarial principles and practices. The census and financial information on which our calculations were based was provided by the Retirement Office Staff. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Tammy F. Dixon, FSA, MAAA, Enrolled Actuary.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements 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); and changes in plan provisions or applicable law.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in the actuarial valuation is complete and accurate. Further, in our opinion, the assumptions as approved by the Trustees are reasonably related to the experience of and expectations for the Plan.

We look forward to reviewing this report with you and to answering any questions.

Sincerely,

Segal Consulting, a Member of The Segal Group, Inc.

By:

A handwritten signature in blue ink, appearing to read "BRAMIREZ".

*Brad Ramirez, FSA, MAAA, FCA, EA
Vice President and Consulting Actuary*

A handwritten signature in black ink, appearing to read "Tammy F. Dixon".

*Tammy F. Dixon, FSA, MAA, EA
Vice President and Actuary*

A handwritten signature in black ink, appearing to read "Laura L. Mitchell".

*Laura L. Mitchell, MAAA, EA
Vice President and Consulting Actuary*

cc: Sparb Collins

SECTION 1

VALUATION SUMMARY

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SECTION 1: Valuation Summary for the Retirement Plan for Employees of Job Service North Dakota

Purpose

This report has been prepared by Segal Consulting to present certain disclosure information required by Governmental Accounting Standards Board (GASB) Statements No. 67 and 68 as of June 30, 2014. This valuation is based on:

- The benefit provisions of the Retirement Plan for Employees of Job Service North Dakota;
- The characteristics of covered active members, terminated vested members, and retired members and beneficiaries as of July 1, 2014;
- The assets of the Retirement Plan for Employees of Job Service North Dakota as of June 30, 2014;
- Economic assumptions regarding future salary increases and investment earnings; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc.

Significant Issues in Valuation Year

The following key findings were the result of this actuarial valuation:

- The Governmental Accounting Standards Board (GASB) approved two new Statements affecting the reporting of pension liabilities for accounting purposes. Statement 67 replaces Statement 25 and is for plan reporting. Statement 68 replaces Statement 27 and is for employer reporting. Statement 67 is effective with the fiscal year ending June 30, 2014 for Plan reporting. Statement 68 is effective with the fiscal year ending June 30, 2015 for employer reporting and has not yet been adopted. The information contained in this valuation is intended to be used (along with other information) in order to comply with Statement 67. Information for Statement 27 was included in the Actuarial Valuation and Review as of July 1, 2014.
- It is important to note that the new GASB rules only redefine pension liability and expense for financial reporting purposes, and do not apply to contribution amounts for actual pension funding purposes. Employers and plans can still develop and adopt funding policies under current practices.

SECTION 1: Valuation Summary for the Retirement Plan for Employees of Job Service North Dakota

- When measuring pension liability, GASB uses a different actuarial cost method (entry age normal cost method) and the same type of discount rate (expected return on assets) as the Retirement Plan for Employees of Job Service North Dakota uses for funding. This means that the Total Pension Liability (TPL) measure for financial reporting shown in this report is determined on a different basis than the Retirement Plan for Employees of Job Service North Dakota's Actuarial Accrued Liability (AAL) measure for funding. Similarly, the Normal Cost component of the annual plan cost for funding and financial reporting will differ.
- The Net Pension Liability (NPL) is equal to the difference between the TPL and the Plan's Fiduciary Net Position. The Plan's Fiduciary Net Position is equal to the market value of assets and therefore, the NPL measure is very similar to an Unfunded Actuarial Accrued Liability (UAAL) on a market value basis. The Retirement Plan for Employees of Job Service North Dakota's Net Pension Asset increased from \$24.3 million as of June 30, 2013 to \$32.7 million as of June 30, 2014. Changes in these values during the fiscal year ending June 30, 2014 can be found in Exhibit 3 of Section 2.
- Based upon calculations required by Statement 67 paragraphs 40-45, the Plan's Fiduciary Net Position is projected to be sufficient to make projected benefit payments. Therefore, the discount rate used to determine the TPL and NPL was determined to be the same as the Plan's long-term expected rate of return on investments (8.00%) as of June 30, 2014 and 2013.
- The pension income totaled \$4.45 million for the fiscal year ending June 30, 2014. The components of this income can be found in Exhibit C of Section 3.

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT 1

Membership Data as of July 1, 2014

| | |
|--|-----------|
| Pensioners and beneficiaries | |
| Pensioners (including disableds), one former spouse, and beneficiaries | 140 |
| Pensioners and beneficiaries receiving annuities from the Travelers | <u>73</u> |
| Total pensioners and beneficiaries | 213 |
| Employees inactive with vested rights | 1 |
| Active employees: | |
| Fully vested | 13 |
| Nonvested | <u>0</u> |
| Total active employees | 13 |
| Total Plan participants | 227 |

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT 2

Net Pension Liability/(Asset)

The components of the net pension liability/(asset) of the Retirement Plan for Employees of Job Service North Dakota were as follows:

| | June 30, 2014 | June 30, 2013 |
|--|----------------------|----------------------|
| Total pension liability | \$65,046,433 | \$66,052,801 |
| Plan fiduciary net position | 97,696,628 | 90,378,957 |
| Net pension liability/(asset) | (32,650,195) | (24,326,156) |
| Plan fiduciary net position as a percentage of the total pension liability | 150.20% | 136.83% |

Plan provisions. The plan provisions used in the measurement of the net pension liability are the same as those used in the Retirement Plan for Employees of Job Service North Dakota Actuarial Valuation and Review as of July 1, 2014 and July 1, 2013.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of July 1, 2014 and 2013, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|-----------------------------------|---|
| Inflation | 3.50% |
| Salary increases (Payroll Growth) | 5.00% per annum |
| Investment rate of return | 8.00%, net of investment expense, including inflation |
| Cost of Living Adjustment | 5.00% |

For active members, inactive members and healthy retirees, mortality rates were based on 1994 Group Annuity Mortality Table. For disabled retirees, mortality rates were based on the 1983 Railroad Retirement Board Disabled Life Mortality Table. These tables reasonably reflect the mortality experience of the Plan as of the measurement date. No provision was made for future mortality improvement after the measurement date. These assumptions are prescribed by the Board.

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

The long-term expected investment rate of return assumption for the Retirement Plan for Employees of Job Service North Dakota was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and projected arithmetic real rates of return, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------------|--------------------------|---|
| Domestic equities | 31.0% | 6.9% |
| International equity | 9.0% | 7.00% |
| Domestic fixed income | 55.0% | 1.17% |
| International fixed income | <u>5.0%</u> | 0.90% |
| Total | 100.0% | |

Discount rate: The discount rate used to measure the total pension liability was 8.00% as of June 30, 2014 and June 30, 2013. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at rates equal to those based on the July 1, 2014 Retirement Plan for Employees of Job Service North Dakota Actuarial Valuation Report. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on the assumption that no future contribution will be made, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2014 and June 30, 2013.

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the Retirement Plan for Employees of Job Service North Dakota as of June 30, 2014, calculated using the discount rate of 8.00%, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

| | 1% Decrease (7.00%) | Current Discount (8.00%) | 1% Increase (9.00%) |
|---|--------------------------------|---|--------------------------------|
| Net pension liability/(asset) as of June 30, 2014 | \$(26,305,241) | \$(32,650,195) | \$(38,110,962) |

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT 3

Schedules of Changes in Net Pension Liability

| | 2014 |
|---|-----------------------|
| Total pension liability/(asset) | |
| Service cost | \$87,668 |
| Interest | 5,107,459 |
| Change of benefit terms | 0 |
| Differences between expected and actual experience | (1,607,033) |
| Changes of assumptions | 0 |
| Benefit payments, including refunds of employee contributions | <u>(4,594,462)</u> |
| Net change in total pension liability/(asset) | \$(1,006,368) |
| Total pension liability – beginning | <u>66,052,801</u> |
| Total pension liability – ending (a) | <u>\$65,046,433</u> |
| Plan fiduciary net position | |
| Contributions – employer | \$0 |
| Contributions – employee | 55,748 |
| Net investment income | 11,887,840 |
| Benefit payments, including refunds of employee contributions | (4,594,462) |
| Administrative expense | <u>(31,455)</u> |
| Net change in plan fiduciary net position | \$7,317,671 |
| Plan fiduciary net position – beginning | <u>90,378,957</u> |
| Plan fiduciary net position – ending (b) | \$97,696,628 |
| Net pension liability/(asset) – ending (a) – (b) | \$(32,650,195) |
| Plan fiduciary net position as a percentage of the total pension liability/(asset) | 150.20% |
| Covered employee payroll | \$842,601 |
| Plan net pension liability/(asset) as percentage of covered employee payroll | (3,874.93%) |

Notes to Schedule:

Benefit changes: There were no changes made in the plan provisions since the prior valuation.

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT 4

Schedule of Contributions – Year Ended June 30, 2014

| Year Ended June 30 | Actuarially Determined Contributions | Contributions in Relation to the Actuarially Determined Contributions | Contribution Deficiency (Excess) | Covered Employee Payroll | Contributions as a Percentage of Covered Employee Payroll |
|---------------------------|---|--|---|---------------------------------|--|
| 2014 | \$0 | \$0 | \$0 | \$842,601 | 0.00% |

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT 5

Notes to Required Supplementary Information

Valuation date Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to establish “actuarially determined contribution” rates (Schedule of Contributions):

Actuarial cost method

Frozen initial liability cost method. The “annual contribution” under this method is the normal cost plus the payment required to amortize the unfunded initial actuarial accrued liability over a selected period of years. The normal cost is determined by calculating the total value of all future benefits, subtracting the outstanding balance (if any) of the unfunded initial actuarial accrued liability, subtracting the actuarial value of assets, and determining payments (not less than zero) that are a level percent of pay over the future working lifetime of all participants. In the absence of an unfunded initial actuarial accrued liability, the frozen initial liability actuarial cost method is the same as the Aggregate Cost Method.

The plan has assets in excess of the present value of future benefits. Therefore, no contribution is being made.

Asset valuation method

Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each year’s total appreciation (depreciation) beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized.

Methods and assumptions used to determine GASB 67 and 68 amounts (Schedule of Changes in Net Pension Liability):

Actuarial cost method

Entry age actuarial cost method. Under this method, each employee’s service cost is determined based on the same benefit terms reflected in that employee’s actuarial present value of projected benefit payments.

Asset valuation method

The plan’s assets (Fiduciary Net Position) are reported without actuarial smoothing.

SECTION 2: GASB 67 and 68 Information for the Retirement Plan for Employees of Job Service North Dakota

| | |
|-----------------------------------|--|
| Investment rate of return | 8.0%. The net investment return assumption is a long-term estimate derived from historical data, current and recent market expectations, and professional judgment. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes, as well as the Plan's target asset allocation. |
| Inflation rate | 3.50% |
| Projected salary increases | 5.00% per annum |
| Cost of living adjustments | 5.00% per annum |
| Mortality | Healthy: 1994 Group Annuity Mortality Table. Disabled: 1983 Railroad Retirement Board Disabled Life Mortality Table. These tables reasonably reflect the mortality experience of the Plan as of the measurement date. No provision was made for future mortality improvement after the measurement date. These assumptions are prescribed by the Board. |
| Other assumptions: | Same as those used in the July 1, 2014 and July 1, 2013 actuarial funding valuations |

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT A

Proportionate Share of Net Pension Liability/(Asset) for the Retirement Plan for Employees of Job Service North Dakota

| | 2014 | | | 2013 | |
|--------------------------------------|---|---|--|---|--|
| | 2013-2014 Covered-Employee Compensation | Proportion of the net pension liability/(asset) | Proportionate share of net pension liability/(asset) | Proportion of the net pension liability/(asset) | Proportionate share of net pension liability/(asset) |
| Net Pension Liability/(Asset) | \$752,999 | 100.000000% | \$(32,650,195) | 100.000000% | \$(24,326,156) |

The net pension liability/(asset) was measured as of June 30, 2014 and 2013 and determined based upon the total pension liability from actuarial valuations as of July 1, 2014 and 2013. The proportions used in the 2013 allocation were assumed to be the same as the proportions determined in the 2014 allocation.

Each employer’s proportion of the net pension liability/(asset) was based on their covered compensation relative to the total covered compensation for all employers during the period ending July 1, 2014. The covered compensation for employers of Job Service is shown below.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability for employers of Job Service as of June 30, 2014, calculated using the discount rate of 8.00%, as well as what the employer’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

| As of June 30, 2014 | 1% Decrease (7.00%) | Current Discount Rate (8.00%) | 1% Increase (9.00%) |
|--------------------------------------|----------------------------|--------------------------------------|----------------------------|
| Net Pension Liability/(Asset) | \$ (26,305,241) | \$ (32,650,195) | \$ (38,110,962) |

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT B

Deferred Outflows of Resources and Deferred Inflows of Resources for Plan year ending June 30, 2014

Deferred Outflows of Resources

| | |
|--|------------|
| Changes in proportion and differences between location's contributions and proportionate share of contributions ⁽¹⁾ | \$0 |
| Changes of assumptions or other inputs | 0 |
| Net difference between projected and actual earnings on pension plan investments | 0 |
| Difference between expected and actual experience | <u>0</u> |
| Total | <u>\$0</u> |

Deferred Inflows of Resources

| | |
|--|----------------------|
| Changes in proportion and differences between location's contributions and proportionate share of contributions ⁽¹⁾ | \$0 |
| Changes of assumptions or other inputs | 0 |
| Net difference between projected and actual earnings on pension plan investments | (3,872,264) |
| Difference between expected and actual experience | <u>0</u> |
| Total | <u>\$(3,872,264)</u> |

Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows:

Year Ended June 30:

| | |
|------------|-------------|
| 2015 | \$(968,066) |
| 2016 | (968,066) |
| 2017 | (968,066) |
| 2018 | (968,066) |
| 2019 | 0 |
| Thereafter | 0 |

⁽¹⁾ Calculated in accordance with Paragraphs 54 and 55 of GASB 68.

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT C

Pension Expense/(Income)

Components of Pension Expense/(Income)

| | |
|--|----------------------|
| Service Cost | \$87,668 |
| Interest on the total pension liability/(asset) | 5,107,459 |
| Expensed portion of current-period changes in proportion and differences between location's contributions and proportionate share of contributions | 0 |
| Expensed portion of current-period difference between expected and actual experience in the total pension liability | (1,607,033) |
| Expensed portion of current-period changes of assumptions or other inputs | 0 |
| Actual member contributions | (55,748) |
| Projected earnings on plan investments | (7,047,510) |
| Expensed portion of current-period differences between actual and projected earnings on plan investments | (968,066) |
| Administrative expense | 31,455 |
| Other | 0 |
| Recognition of beginning deferred outflows of resources as pension expense | 0 |
| Recognition of beginning deferred inflows of resources as pension expense | 0 |
| Pension Expense/(Income) for 2013/2014 | \$(4,451,775) |
| Average expected remaining service lives* | 0.22 |

* The average of the expected service lives of all employees is determined by:

- Calculating each active employees' expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each nonactive or retired member.
- Dividing the sum of the above amounts by the total number of active employee, nonactive and retired members.

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT D

Schedule of Proportionate Share of the Net Pension Liability/(Asset)

| | Proportion of the net pension liability/(asset) | Proportionate share of net pension liability/(asset) | Covered-employee payroll | Proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll | Plan fiduciary net position as a percentage of the total pension liability/(asset) |
|--------------------------------------|--|---|---------------------------------|---|---|
| Net Pension Liability/(Asset) | 100.000000% | \$(32,650,195) | \$752,999 | 100.000000% | 150.195212% |

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT E

Schedule of Reconciliation of Net Pension Liability/(Asset)

| | Beginning Net Pension Liability/ (Asset) | Pension Expense (Income) | Employer Contributions | New Net Deferred Inflows/ Outflows | Recognition of Prior Deferred Inflows/ Outflows | Ending Net Pension Liability/ (Asset) |
|--------------------------------------|---|---|-----------------------------------|---|--|--|
| Net Pension Liability/(Asset) | \$ (24,326,156) | \$ (4,451,775) | \$ 0 | \$ (3,872,264) | \$ 0 | \$ (32,650,195) |

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT F

Schedule of Recognition of Changes in Total Net Pension Liability/(Asset) for the Plan year ending June 30, 2014

Increase (Decrease) in Pension Expense/(Income) Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

| | Differences between Expected and Actual Experience | Recognition Period (Years) | 2014 | 2015 | 2016 | 2017 | 2018 | Thereafter |
|--|---|---|----------------|-------------|-------------|-------------|-------------|-------------------|
| Increase (Decrease) in Pension Expense/(Income) | \$ (1,607,033) | 0.22 | \$ (1,607,033) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Net increase (decrease) in pension expense | | | \$ (1,607,033) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT F (continued)

Schedule of Recognition of Changes in Total Net Pension Liability/(Asset)

| | Increase (Decrease) in Pension Expense/(Income) Arising from the Recognition of the Effects of Assumption Changes | | | | | | | |
|--|--|---|-------------|-------------|-------------|-------------|-------------|-------------------|
| | Differences between Expected and Actual Experience | Recognition Period (Years) | 2014 | 2015 | 2016 | 2017 | 2018 | Thereafter |
| Increase (Decrease) in Pension Expense/(Income) | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net increase (decrease) in pension expense/(income) | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT F (continued)

Schedule of Recognition of Changes in Total Net Pension Liability/(Asset)

| | Increase (Decrease) in Pension Expense/(Income) Arising from the Recognition of Differences between Projected and Actual Earnings on Pension Plan Investments | | | | | | |
|--|--|-----------------------|--------------|--------------|--------------|--------------|--------------|
| | Differences between Expected and Recognition | | 2014 | 2015 | 2016 | 2017 | 2018 |
| | Actual Experience | Period (Years) | | | | | |
| Increase (Decrease) in Pension Expense/(Income) | \$ (4,840,330) | 5.00 | \$ (968,066) | \$ (968,066) | \$ (968,066) | \$ (968,066) | \$ (968,066) |
| Net increase (decrease) in pension expense | | | \$ (968,066) | \$ (968,066) | \$ (968,066) | \$ (968,066) | \$ (968,066) |

The net effect of the change on the employer’s proportionate share of the collective net pension liability/(asset) and collective deferred outflows of resources and deferred inflows of resources will be also recognized over the average of the expected remaining service lives of all members. The difference between the actual employer and member contributions and the proportionate share of the employer and member contributions during the measurement periods will be recognized over the same periods. Since the same proportionate share was used in both the July 1, 2013 and July 1, 2014 allocations, these amounts will all be zero in for measurement periods ending on June 30, 2014.

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT F (continued)

Schedule of Recognition of Changes in Total Net Pension Liability/(Asset)

| | Increase (Decrease) in Pension Expense/(Income) Arising from the Recognition of the Effects of the Change in Proportion and Change in Employer and Member Contributions for the Year Ended June 30, 2014 | | | | | | |
|--|---|-----------------------------------|-------------|-------------|-------------|-------------|-------------|
| | Total Change to be Recognized | Recognition Period (Years) | 2014 | 2015 | 2016 | 2017 | 2018 |
| Increase (Decrease) in Pension Expense/(Income) | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net increase (decrease) in pension expense/(income) | | | \$0 | \$0 | \$0 | \$0 | \$0 |

SECTION 3: Additional Information for GASB 68 for the Retirement Plan for Employees of Job Service North Dakota

EXHIBIT G

Schedule of Employer Allocations

| | Schedule of Employer Allocations as of June 30, 2014 | | | |
|-----------------------------|---|----------------------------------|--|---------------------------------------|
| | 2013-2014 Actual Payroll | Current Contribution Rate | Estimated 2014-2015 Contributions | Employer Allocation Percentage |
| Employer Allocations | \$752,999 | 0.00% | \$0 | 100.000000% |

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