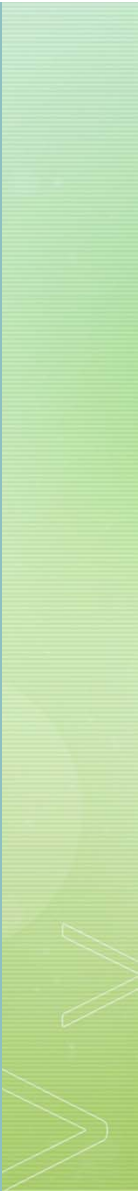




▀ OPEB 2020-21



Intro to OPEB

- Other post-employment benefits (OPEB) refers to the benefits, other than pensions, that a state or local government employee receives as part of his or her package of retirement benefits.
 - These benefits principally involve health care benefits, but also may include life insurance, disability, legal and other services.
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GASB

- **GASB 45** recognizes the liability within a footnote of the financial statements, with only a portion of the total liability going on the book through the Net OPEB Obligation.
- **GASB 75** does away with the Net OPEB Obligation, requiring the full liability to be recognized immediately on the balance sheet. (Effective for the Reporting Year 2018)

Annual OPEB Cost

- Annual OPEB cost is the accrual-basis measure of an employer's periodic cost of offering OPEB. These are the costs recognized in accrual-basis financial statements, regardless of the amounts actually funded.

Actuarial Valuation

- Calculating an OPEB liability is highly dependent on medical claims costs, insurance rates and other plan-specific elements. The actuarial study considers a number of factors including:
 - Historical claims data
 - Historical health care premiums
 - Health care cost trends in the area (and nationally), including drug costs and formularies
 - Age-specific costs (in the case of geriatric-related illnesses)
 - Plan design
- Frequency of Actuarial: New valuation completed every 2 years

Local District Comparison Pay-As-You-Go

	PVPUSD	MBUSD	SMMUSD	IUSD	AUSD
2015-16					
OPEB Amount	\$ 1,192,101.00	\$ 33,000.00	-	\$ 5,502,300.00	\$ 934,500.00
Funded Amount	\$ 319,760.00	\$ 33,000.00	\$ 1,084,893.00	\$ 2,100,051.00	\$ 400,730.00
2016-17					
OPEB Amount	\$ 1,299,730.00	\$ 415,838.00	\$ 4,254,125.00	\$ 5,535,400.00	\$ 934,500.00
Funded Amount	\$ 376,486.00	\$ 24,000.00	\$ 1,310,821.00	\$ 1,868,016.00	\$ 400,730.00
2017-18					
OPEB Amount	\$ 1,299,730.00	\$ 403,872.00	\$ 4,254,125.00	\$ 5,535,400.00	\$ 1,324,737.00
Funded Amount	\$ 373,797.00	\$ 10,000.00	\$ 1,289,772.00	\$ 1,779,223.00	\$ 400,730.00
2018-19					
OPEB Amount	\$ 1,299,730.00	\$ 403,872.00	\$ 3,778,829.00	\$ 4,378,900.00	\$ 1,324,737.00
Funded Amount	\$ 396,021.00	\$ 10,000.00	\$ 1,313,310.00	\$ 1,582,998.00	\$ 400,000.00
2019-20					
OPEB Amount	\$ 815,163.00	\$ 306,178.00	\$ 3,778,829.00	\$ 4,378,900.00	\$ 1,385,924.00
Funded Amount	\$ 414,251.00	\$ 10,000.00	\$ 1,302,145.00	\$ 1,472,851.00	\$ 400,000.00
2020-21					
OPEB Amount	\$ 1,086,973.00	\$ 306,178.00	\$ 3,859,803.00	\$ 4,445,200.00	\$ 1,433,992.00
Funded Amount	\$ 404,395.00	\$ 55,988.00	\$ 1,473,964.00	\$ 1,411,428.00	\$ 320,000.00

Why Pay-As-You-Go?

- Historically, no Board direction to fund OPEB at a higher level than the minimum
 - Budget constraints
- No requirement to contribute more than the minimum
 - No audit findings, etc.