

Town of Sudbury

Postemployment Benefits Other Than Pensions (OPEB)

Board of Selectmen Presentation of July 1, 2013 GASB 45 Valuation

January 13, 2015

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Census Data as of July 1, 2013

Entity	Town	LSRSD
Active employees	529	207
Retired employees, covered spouses and survivors:		
Enrolled in Pre-Medicare plans	82	53
Enrolled in Medicare Supplement plans	358	101
Life Insurance Only	0	17
Total Retired employees, covered spouses and survivors	440	171

Accrued Liability as of July 1, 2013

(\$ in thousands)

Entity	Town		LSRSD	
	3.5%	7.5%	3.5%	7.5%
Discount Rate	3.5%	7.5%	3.5%	7.5%
Active Employees	\$18,565	\$8,046	\$15,433	\$6,647
Retirees and Beneficiaries	\$17,440	\$11,349	\$11,801	\$8,011
Total	\$36,005	\$19,395	\$27,234	\$14,658

GASB 45 Results as of June 30, 2014

(\$ in thousands)

Entity	Town		LSRSD	
Discount Rate	3.5%	7.5%	3.5%	7.5%
Normal Cost	\$1,354	\$471	\$1,012	\$359
Amortization of UAL	1,891	1,527	1,430	1,154
Interest	114	150	85	113
Annual Required Contribution*	\$3,359	\$2,148	\$2,527	\$1,626
Net OPEB Obligation**	\$15,613	N/A	\$10,830	N/A

- * Annual Required Contribution is the sum of Normal Cost, Amortization of UAL and Interest.
- ** Net OPEB Obligation is the cumulative difference between the yearly ARC and employer contributions made.

OPEB Liability Sensitivity Analysis

(\$ in thousands)

Entity	Town			LSRSD		
Discount Rate	3.5%	2.5%	4.5%	3.5%	2.5%	4.5%
Accrued Liability	\$36,005	\$43,777	\$30,160	\$27,234	\$33,082	\$22,819
Change	-	+ 7,772	- 5,845	-	+ 5,848	- 4,415
% Change	-	+ 21.6%	- 16.2%	-	+ 21.5%	- 16.2%
HC Trend	7% - 5%	6% - 4%	8% - 6%	7% - 5%	6% - 4%	8% - 6%
Accrued Liability	\$36,005	\$30,355	\$43,316	\$27,234	\$22,970	\$32,735
Change	-	- 5,650	+ 7,311	-	- 4,264	+ 5,501
% Change	-	- 15.7%	+ 20.3%	-	- 15.7%	+ 20.2%