

## DLCA LONG-TERM OPEB FUNDING POLICY

In accordance with the vote of the School Committee on January 11, 2022, the Committee hereby establishes a long-term Other Post Employment Benefits (OPEB) funding policy. The Committee intends to put into action the plan described in the report of the OPEB Advisory Group, and to cushion the uncertainty in forecasting future PAYGO expenses by offsetting changes to the contributions to the OPEB Fund.

### **Multi-year funding strategy:**

The Minuteman School Committee will establish a separate target for OPEB Fund contributions and set a multi-year schedule or plan for funding Line 5250, Retiree Insurance, that provides a significant contribution to the OPEB Fund.

Beginning in FY23, the School Committee will adopt a multi-year funding plan for budget Line 5250, Retiree Insurance.

The Finance Subcommittee shall annually review this plan and may recommend that the School Committee update the plan by vote of the Committee.

### **New positions – OPEB factor:**

Beginning in FY24, when adding a new staff position, the School District Administration will budget for an additional contribution to the OPEB Trust Fund of \$10,000 (OPEB Factor), for each new employee that has been hired. This factor will carry forward into future Fiscal Years. The School Committee may choose to update the amount of the OPEB factor, upon a review and recommendation of a new GASB 75 Valuation Report by the Finance Subcommittee or other designee.

### **Aspirational Goals**

As an aspirational goal, the District, in addition to annually meeting the Pay As You Go obligation for retiree health insurance premiums, shall continue to develop strategies to fulfill any unfunded OPEB liability in terms of service cost and net OPEB liability amounts.

**ORIGINAL ADOPTION:**

**REVISION:**

**FIRST READING:** 3/15/22

**SECOND READING:** 6/14/22

**ADOPTION:**

**REVIEW:**

**MINUTEMAN REGIONAL VOCATIONAL TECHNICAL SCHOOL DISTRICT**

**Review of the financial position, and reporting**

The Finance Subcommittee will annually review the financial position (including investment performance) of all entities that impact the district's long term financial health, including the OPEB Fund, the Minuteman Regional School District Contributory Retirement System, and the Massachusetts Bay Health Care Trust Fund.

The Superintendent or designee will report to the School Committee quarterly on the OPEB Fund, per the Investment Policy Statement, and report on all other retirement funds or systems at least once a year.

**ORIGINAL ADOPTION:**

**REVISION:**

**FIRST READING:** 3/15/22

**SECOND READING:** 6/14/22

**ADOPTION:**

**REVIEW:**

**MINUTEMAN REGIONAL VOCATIONAL TECHNICAL SCHOOL DISTRICT**