### insert in note 2 following the postemployement benefits other than pensions (OPEB) pargraph

### POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (SEAD - OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State Employees’ Assurance Department Retired and Vested Inactive Members Trust Fund (SEAD-OPEB) plan (the Plan) and additions to/deductions from the SEAD-OPEB’s fiduciary net position have been determined on the same basis as they are reported by SEAD-OPEB. For this purpose, death benefits are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### insert in the other post-employement beneifts (opeb) note following the georgia school personnel post-employement health benefit fund disclosures

### POSTEMPLOYEMENT BENEFITS OTHER THAN PENSIONS (SEAD – OPEB)

***Plan Description:***SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend
Title 47 of the O.C.G.A., relating to retirement, so as to establish a fund for the provision of term life insurance to retired and vested inactive members of the Employees’ Retirement System of Georgia (ERS), the Legislative Retirement System (LRS), and the Georgia Judicial Retirement System (GJRS). The plan is a cost-sharing multiple-employer defined benefit other postemployment benefit plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than OPEB Plans*. The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investments of such payments.

***Benefits Provided:*** The amount of insurance for a retiree with creditable service prior to April 1, 1964 is the full amount of insurance in effect on the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964, is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon death of the retiree.

***Contributions:***Georgia law provides that employee contributions to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member’s earnable compensation. There were no employer contributions required for the fiscal year ended June 30, 2023.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, 2023, the School District reported an asset of $\_\_\_\_\_\_\_\_\_ for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The School District’s proportion of the net OPEB asset was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2022. At June 30, 2022, the School District’s proportion was \_\_\_\_\_\_\_%, which was an increase (decrease) of \_\_\_\_\_\_ % from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized OPEB expense of $\_\_\_\_\_\_\_\_\_. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:



The School District contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:



***Actuarial Assumptions:*** The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

***SEAD – OPEB:***

|  |  |
| --- | --- |
| Inflation | 2.50% |
| Salary increases: |  |
|  ERS | 3.00% – 6.75% |
|  GJRS | 3.75% |
|  LRS | N/A |
| Investment rate of return | 7.00%, net of OPEB plan investment expense, including inflation |
| Healthcare cost trend rate | N/A |

Mortality rates are as follows:

* The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
* The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Participant Type** | **Membership Table** | **Set Forward (+)/** **Setback (-)** | **Adjustment to Rates** |
| Service Retirees | General Healthy Annuitant | Male: +1; Female: +1 | Male: 105%; Female: 108% |
| Disability Retirees | General Disabled | Male: -3; Female: 0 | Male: 103%; Female: 106% |
| Beneficiaries | General Contingent Survivors | Male: +2; Female: +2 | Male: 106%; Female: 105% |

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 asset allocation and estimates of arithmetic real rates of return for each major asset class are summarized in the following table:



***Discount Rate:***The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

***Sensitivity of the School District’s proportionate share of the net OPEB asset to changes in the discount rate:***The following presents the School District’s proportionate share of the net OPEB asset calculated using the discount rate of 7.00 %, as well as what the School District’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 %) or 1-percentage-point higher (8.00 %) than the current rate:

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***OPEB plan fiduciary net position:*** Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued ERS annual comprehensive financial report which is publicly available at [www.ers.ga.gov/financials](http://www.ers.ga.gov/financials).

***Payables to the OPEB plan:*** [If the District reported payables to the defined benefit OPEB plan, it should disclose information required by paragraph 142 of Statement 75.]