

September 16, 2021

***Personal and Confidential***

Mr. Alexander Williams  
Treasurer/Collector  
Town of Georgetown  
1 Library Street  
Georgetown, MA 01833

***Re: GASB 74/75 – Summary of Results***

Dear Mr. Williams:

The purpose of this letter is to summarize our actuarial valuation of the Town of Georgetown Other Postemployment Benefits Plan (the “Plan”) for the Reporting Date and fiscal year ending June 30, 2021 with a Valuation Date of July 1, 2020 and a Measurement Date of June 30, 2021 in accordance with Statement Nos. 74 and 75 of the Governmental Accounting Standards Board (“GASB 74/75”).

**How did plan liabilities change from FY 20 to FY 21?**

The Total OPEB Liability (“TOL”) went from \$39,002,378 for the June 30, 2020 Reporting Date to \$55,782,423 for the June 30, 2021 Reporting Date for an increase of \$16,780,045. Below is an exhibit detailing the change.

Change in Total OPEB Liability	
I. TOL Balance for the June 30, 2020 Reporting Date	39,002,378
II. Passage of Time (Service Cost, Interest and Payments)	1,766,261
III. Plan Benefit Changes	0
IV. Assumption Changes	13,277,913
V. Prior Period Adjustment	0
VI. Expected TOL Balance for June 30, 2021 [I.+II.+III.+IV.+V.]	54,046,552
VII. Plan Experience	1,735,871
VIII. TOL Balance for the June 30, 2021 Reporting Date [VI.+VII.]	55,782,423

As seen above, various factors cause the liabilities to change over the year. The main factors are:

- ✓ **Plan Experience** – Increased plan liabilities by \$1,735,871. This was mainly due to the identification of 5 retirees who are ineligible for Medicare. This was somewhat offset by premiums increasing 3% rather than the expected 9% increase over the 2-year period.
- ✓ **Assumption Changes** - Increased plan liabilities by \$13,277,913. For details please see the attached report.
- ✓ **Plan Benefit Changes** - To the best of our knowledge there were no Plan Benefit Changes.

Under MGL, you are required to provide a copy of this report to PERAC no later than 90 days from receipt. We've provided this to you in PDF format to facilitate its transmission.

If you or your auditors have questions on this report, feel free to give us a call.

Sincerely,



Parker E. Elmore, ASA, EA, FCA, MAAA  
President, CEO & Actuary