

**WORK SESSION AGENDA  
WYOMING CITY COUNCIL MEETING  
CITY COUNCIL CHAMBERS**

**Monday, March 11, 2024, 5:30 P.M.**

- 1) Call to Order**
- 2) Student Recognition**
- 3) Public Comment on Agenda Items (3 minute limit per person)**
- 4) Community Development Block Grant (CDBG) Annual Action Plan**
- 5) Energy Efficiency and Conservation Block Grant Program**
- 6) Pension and OPEB Valuation Reports**
- 7) FY 2025 Budget Presentation**
  - a) Proposed Fee Schedule**
  - b) Proposed Personnel Additions**
  - c) Proposed Capital Improvement Plan**
- 8) Any Other Matters**
- 9) Acknowledgement of Visitors/Public Comment (3 minute limit per person)**

*The City of Wyoming, including the City Council, is committed to ensuring all persons have access to all its programs, services, and activities, including any public meetings. The City Council will coordinate with city staff to ensure the City Council fulfills that commitment for its programs, services, and activities, including public meetings. Accommodations to enable virtual meeting attendance and participation can usually be made if a request is received at least 5 hours before the meeting time. Other accommodations may require more time.*

*Special Accommodations – Persons with impairments or disabilities needing accommodations to participate in the meeting or persons who need language interpretation services may contact the city clerk at either [Clerk\\_info@wyomingmi.gov](mailto:Clerk_info@wyomingmi.gov) or 616.530.7296 at least 36 hours before the meeting to make arrangements for appropriate accommodation.*

*Acomodaciones Especiales – Personas que deseen asistir a esta reunión y necesitan acomodación para participar, como servicios de interpretación, deben comunicarse con la Oficina del Administrador de la Ciudad al 616.530.7296 o [Clerk\\_info@wyomingmi.gov](mailto:Clerk_info@wyomingmi.gov) al menos 36 horas antes de la reunión para hacer arreglos para el alojamiento apropiado.*

## STAFF REPORT

Date: March 4, 2024  
Subject: Community Development Block Grant (CDBG) Annual Action Plan  
From: Paul Smith, Assistant Director of Community & Economic Development  
Meeting Date: March 4, 2024

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### RECOMMENDATION:

It is recommended that the City Council adopt the City of Wyoming's 2024-2025 Annual Action Plan recommended by the Wyoming Community Development Committee, as described above, and affirm that any increase or decrease in funding to match actual allocation amounts will be equitably divided between programs and adjusted based upon HUD mandated formula caps.

### COMMUNITY, SAFETY, STEWARDSHIP:

The community of Wyoming benefits from the distribution of these Community Development Block Grant funds to area non-profits serving Wyoming residents. The Community Development Committee developed this Annual Action Plan through a six-month process, where Wyoming residents and non-profits are invited to participate in the stewardship of these funds.

### BACKGROUND:

The City of Wyoming receives an annual Community Development Block Grant (CDBG) from the US Department of Housing and Urban Development (HUD). Every CDBG expenditure must meet one of the three national objectives for the CDBG program: benefiting low- and moderate-income persons, preventing or eliminating slums or blight, or meeting serious and immediate threats to the health or welfare of the community.

The budget process for the Annual Action Plan starts in September, when a notice calling for subrecipient proposals is published. Aspiring subrecipients submit letters of intent in October, which are then reviewed by staff and distributed to the Community Development Committee. At the Community Development Committee's November meeting, those letters of intent are discussed and the committee decides which aspiring subrecipients should be scheduled to deliver presentations on their proposals at the committee's December meeting. After hearing those presentations and collecting feedback from the committee members, staff prepares a recommended budget for the committee's January meeting, where the committee discusses specific subrecipient awards. For the February meeting, staff prepares an Annual Action Plan incorporating that budget for the Community Development Committee to approve and recommend to City Council. The final step of the process is for City Council to have a public hearing in April or May to adopt the Annual Action Plan. Please note that residents and area non-profits are invited to all of these open meetings and that public comment is solicited through a public hearing notice for the final approval of the Annual Action Plan.

### DISCUSSION:

The City of Wyoming expects to have \$927,368.85 available for the Community Development Program during this period. This amount consists of \$511,785.00 in an estimated annual CDBG entitlement grant from HUD, \$68,118.76 in CDBG entitlement carryover funds from fiscal year 2024, \$129,748.91 in CDBG entitlement carryover from fiscal year 2023, \$ 117,716.38 from fiscal year 2022, and \$100,000 from anticipated program income. Any increase or decrease in funding to match actual allocation amounts will be equitably divided between programs, excluding Public Services and Administrative activities, and adjusted based upon HUD mandated formula caps.

**-Capital Outlay and Public Infrastructure Improvements \$50,000:** 12,196 Wyoming residents that live within low/moderate-income areas will have the benefit of enhanced sidewalk crossings and updates and renovations to City parks and other public facilities, leading to increased traffic safety, public enjoyment of City parks and other City facilities.

**-Public Services \$85,000:** Public service activities will include fair housing activities, rental assistance, homelessness prevention assistance, and legal services. 108 low-moderate income families will directly benefit from these activities. Public services are capped at 15% of the current entitlement award and the previous year's programs income. Staff typically budgets conservatively to prevent cap issues.

Note that the Community Development Committee recommended making larger awards to fewer subrecipients. In the past, staff received complaints that subrecipient awards were too small and that federal reporting requirements made these small awards inefficient. On more than one occasion, a subrecipient has refused an award due to the administrative burden. For this program year, the Community Development Committee recommends the following awards: \$40,000 to Legal Aid of Western Michigan, \$20,000 to the Fair Housing Center of West Michigan, and \$25,000 to Family Promise of West Michigan.

**- Housing Rehabilitation \$410,748:** These activities will include homeowner rehabilitation activities and administration. 63 low-moderate income households will receive needed rehabilitation, repairs, access modifications, and affordable rehab administration. These activities include the City's single family home rehabilitation loans and a \$90,000 subrecipient award to Home Repair Services.

**-Planning and Administration \$122,357:** All Wyoming households will receive management, coordination, oversight, and monitoring of the CDBG programs. (\$122,357.00). Planning and Administration activities are capped at 20% of the current entitlement award and program income. For this reason, staff typically budgets conservatively in these activities to ensure that a program income shortfall does not create an issue with this cap. These administrative expenses include a \$5,000 subrecipient award to the Heart of West Michigan United Way for administering the continuum of care.

**-Code Enforcement \$64,000:** 500 households, in low- and moderate-income areas throughout the City, will have the benefit of CDBG monies to fund code enforcement activities for the purpose of providing a suitable living environment.

#### **BUDGET IMPACT:**

Staff expects an award of \$511,785 from the U.S. Department of Housing and Urban Development under its Community Development Block Grant program and forecasts program revenue of \$100,000 during the coming program year. No general fund dollars will be used for program activities.

## STAFF REPORT

Date: March 4, 2024  
Subject: Energy Efficiency and Conservation Block Grant (EECBG) Program – Strategy Template  
From: Paul Smith, Assistant Director of Community & Economic Development  
Meeting Date: March 4, 2024

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### RECOMMENDATION:

Council should adopt an energy efficiency and conservation strategy for the purpose of the applying for the Energy Efficiency and Conservation Block Grant (EECBG) Program and that strategy should include a goal of 80% electric vehicle adoption by 2050 or sooner.

### COMMUNITY, SAFETY, STEWARDSHIP:

The addition of electric vehicle chargers at the 36<sup>th</sup> Street Marketplace will provide a new resource at a community gathering place and encourage users of that facility to contribute to the stewardship of the City's environment.

### BACKGROUND:

The Energy Efficiency and Conservation Block Grant (EECBG) Program provides funding to state, local, and tribal governments to make energy efficiency improvements. The City of Wyoming is eligible for a voucher award of \$133,940 to make energy efficiency improvements that meet its local goals. This voucher does not require matching funds and requires minimal reporting after the funds are spent. The City intends to use these voucher funds to install electric vehicle (EV) charging stations at the 36th Street Market.

The final voucher application is due by April 30, 2024 and requires that the City commit to one of four energy efficiency goals, depending on the City's needs and how it plans to use the funds: (1) Carbon neutrality by 2050 or sooner, (2) Reduce energy use by 50% by 2050 or sooner, (3) 100% carbon-free energy use by 2050 or sooner, (4) or 80% EV adoption by 2050 or sooner. All of these goals require significant investments by third parties to be feasible, and the EECBG program does not have any mechanism for clawing back funds from local governments that fail to meet their chosen goals.

### DISCUSSION:

The most suitable goal for the City of Wyoming based on its current energy usage and its intended use of these voucher funds is 80% EV adoption by 2050 or sooner. Carbon neutrality, energy use reduction, and carbon-free energy all require uncertain investments from utilities or a mandate from the State of Michigan.

In contrast, EV adoption is largely market-driven. Large employers, like Amazon, have already started to transition to EV fleets for their "last mile" services, as have a number of local employers. Our Community and Economic Development Department has worked with several businesses to approve locations for fleet charging stations. The expectation is that automakers will continue to develop their EV offerings, especially for passenger vehicles and light trucks.

The majority of the City of Wyoming's fleet is comprised of passenger cars and light trucks that could be converted to electric vehicles as they are replaced. Many of our heavy trucks and specialized equipment will take longer to convert. None of these changes need to be made until the technology available meets the current needs of our fleet at prices that are competitive with internal-combustion vehicles.

Selecting this goal also fits with the intended use of the EECBG funds that we will be requesting in our application. EV adoption and installing EV charging stations align and make our application more attractive.

**BUDGET IMPACT:**

The Energy Efficiency and Conservation Block Grant (EECBG) Program provides reimbursement for up to \$133,940 in equipment purchase and installation cost of EV chargers. No matching funds are required.

**STAFF REPORT**

Date: February 14, 2024

Subject: City of Wyoming Employees Retirement System and Retiree Health Care Plan Actuarial Valuation Reports

From: Jodi Yenchar, Finance Director

Meeting Date: March 11, 2024

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**RECOMMENDATION:**

It is recommended the City Council review the June 30, 2023 actuarial valuation reports for the defined benefit pension and post-employment health plans. The actuarial valuations determine the annual contributions to be included in fiscal year 2025 budget currently being developed.

**COMMUNITY, SAFETY, STEWARDSHIP:**

The City sponsors and administers the City of Wyoming Employees' Retirement Plan (pension), a single-employer, defined benefit pension plan and the City of Wyoming Retiree Healthcare Plan (OPEB), a single-employer, defined benefit other post-employment benefits plan that provides healthcare benefits to plan members and their beneficiaries.

Both plans were established by the City Council and are administered by a six-member Board of Trustees (the Retirement Board). These plans are closed to new hires.

**DISCUSSION:**

The Retirement Board administers both the pension and OPEB plans and has the responsibility to manage the assets of the trust fund for each plan with the assistance of investment managers and custodians.

The City is responsible for conducting annual actuarial valuations of the pension plan and bi-annual actuarial valuations of the OPEB plan. In addition, the City must conduct an actuarial experience study every five years. The next experience study is scheduled to be completed after the June 30, 2024 valuation. The City must also engage a separate actuary for a peer actuarial audit or replace the current actuary every eight years. The Retirement Board recommended the City conduct a peer actuarial audit and the City has selected an actuarial firm to complete the required audit utilizing the June 30, 2023 valuations.

Each actuarial valuation provides the Retirement Board with data on plan membership, projected benefits and investment performance for use in administering the plans. The valuations provide the City with contribution calculations to inform future budgets.

The City is required to file reports with the State of Michigan each year regarding the assumptions used in the valuation and the resulting funding status. The State of Michigan considers plans to be underfunded if the plan is less than 60% funded. As of the June 30, 2023 valuations:

- The City's pension plan is 89.8% funded.
- The City's OPEB plan is 98.9% funded.

**BUDGET IMPACT:**

As a result of the June 30, 2023 valuations, the city will be including the following contributions in the fiscal year 2025 budget:

- \$3,045,218 for the pension plan
- \$ 824,186 for the OPEB plan

**Attachments:**

June 30 2023 Pension Valuation

June 30 2023 OPEB Valuation

City of Wyoming  
Employees Retirement System  
Annual Actuarial Valuation  
as of June 30, 2023





December 8, 2023

Retirement Board  
City of Wyoming Employees Retirement System  
Wyoming, Michigan

**Re: City of Wyoming Employees Retirement System Actuarial Valuation as of June 30, 2023**

Dear Board Members:

The results of the June 30, 2023 Annual Actuarial Valuation of the City of Wyoming Employees Retirement System are presented in this report.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the System's funding progress and to determine the employer contribution amount for the fiscal year ending June 30, 2025. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

The computed contributions shown on page A-2 may be considered as minimum contribution amounts that comply with City ordinance. Users of this report should be aware that contributions made at that level do not guarantee benefit security. Given the importance of benefit security to any retirement system, we suggest that contributions to the System in excess of those presented in this report be considered.

The contribution amounts shown in this report are determined using the actuarial assumptions and methods disclosed in Section C of this report. This report includes risk metrics in the Appendix, but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. This report also includes a discussion of the required Low-Default-Risk Obligation Measure (LDRM) on page Appendix 3. Additional assessment of risks was outside the scope of this assignment.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data and other information through June 30, 2023. The valuation was based upon information furnished by the City of Wyoming, concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the City of Wyoming.

This report was prepared using assumptions adopted by the Board. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. The combined effect of the assumptions, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e., not significantly optimistic or pessimistic). All actuarial assumptions and methods used in the valuation follow the guidance in the applicable Actuarial Standards of Practice. Additional information about the actuarial assumptions is included in the section of this report entitled Summary of Valuation Methods and Actuarial Assumptions.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the City of Wyoming Employees Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

James D. Anderson and Richard C. Koch Jr. are Members of the American Academy of Actuaries (MAAA) and meet the Academy's Qualification Standards to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation and report with the Board of Trustees and to answer any questions pertaining to the valuation.

Respectfully submitted,  
Gabriel, Roeder, Smith & Company



James D. Anderson, FSA, EA, FCA, MAAA



Richard C. Koch Jr., FSA, EA, MAAA

JDA/RCK:sc

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# Table of Contents

<b>Section</b>	<b>Page</b>	
<b>A</b>		<b>Valuation Results, Comments, Recommendations and Conclusion</b>
	1	Funding Objective and Actuarially Determined Contributions
	2	Computed Contributions and Determining Dollar Contributions
	3	Determination of Unfunded Accrued Liability
	4-5	Funding Progress Indicators
	6-8	Comments, Recommendations and Conclusion
	9	Other Observations
	10	Pension Experience Gain (Loss) Comparative Schedule
	11	Unfunded Actuarial Accrued Liability
	12	Summary of System Resources and Obligations
<b>B</b>		<b>Summary of Benefit Provisions and Valuation Data</b>
	1-4	Summary of Benefit Provisions
	5	Accounting Information and Assets and Reserves
	6	Derivation of Smoothed Market Value
	7-11	Retiree Data
	12	Inactive Vested Members
	13-19	Active Members
<b>C</b>		<b>Summary of Valuation Methods and Actuarial Assumptions</b>
	1	Valuation Methods
	2-6	Actuarial Assumptions Used for the Valuation
	7	Miscellaneous and Technical Assumptions
<b>D</b>	1-3	<b>Supplementary Information</b>
<b>Appendix</b>	1-2	<b>Risk Measures</b>
	3	<b>Low-Default-Risk Obligation Measure</b>
	4-8	<b>Notes Relating to Funding Progress Indicators</b>

## **SECTION A**

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### **VALUATION RESULTS, COMMENTS, RECOMMENDATIONS AND CONCLUSION**

## Funding Objective

Per the plan document, the financial objective of the Defined Benefit Plan is to require Employer contributions to the Defined Benefit Plan each year which shall be sufficient to fully fund the actuarial cost of benefits likely to be paid on account of services rendered by participants during the current year and finance the unfunded actuarial cost of benefits likely to be paid on account of services rendered by Participants prior to the current year over a period of years. The contributions shall be computed by the Actuary as level dollar amounts in accordance with generally recognized actuarial principles. The contributions shall be appropriated by the Employer and paid to the Defined Benefit Plan.

The annual actuarial valuations determine how well the objective is being met.

## Actuarially Determined Contributions

The Retirement System is supported by City contributions, the investment income obtained on System assets and employee contributions (for certain groups). The City contributes actuarially determined contributions to provide the amount needed to meet the funding objective.

City contributions cover both: (i) normal cost; and (ii) financing of Unfunded Actuarial Accrued Liability over a period of future years. Normal cost is the portion of System costs allocated to the current year by the actuarial cost method described in Section C. The Unfunded Actuarial Accrued Liability (UAAL) is the portion of System costs not covered by present System assets and future normal costs.

The contribution requirements for the fiscal year ending June 30, 2025 are presented on page A-2.

## Computed Contributions for the Fiscal Year Ending June 30, 2025

City's Contributions for	Other Funds A	Other Funds B	General	Police	Fire	Total
Normal Cost						
Service pensions	12.95 %	12.41 %	14.48 %	16.02 %	15.75 %	14.23 %
Disability pensions	1.56	1.61	1.70	2.67	2.31	2.00
Survivor pensions	0.40	0.39	0.36	0.28	0.26	0.34
Refunds of Member Contributions	0.09	0.16	0.08	0.30	0.33	0.19
<b>Total Normal Cost</b>	<b>15.00</b>	<b>14.57</b>	<b>16.62</b>	<b>19.27</b>	<b>18.65</b>	<b>16.76</b>
Member Contributions (weighted average)	1.34	1.94	1.62	5.59	6.00	3.19
<b>Total Employer Normal Cost %</b>	<b>13.66 %</b>	<b>12.63 %</b>	<b>15.00 %</b>	<b>13.68 %</b>	<b>12.65 %</b>	<b>13.57 %</b>
<b>Total Employer Normal Cost \$</b>	<b>\$ 114,650</b>	<b>\$ 225,000</b>	<b>\$ 170,150</b>	<b>\$ 256,719</b>	<b>\$ 47,114</b>	<b>\$ 813,633</b>
Unfunded Actuarial Accrued Liability						
Retired members and beneficiaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Active and vested terminated members	329,876	392,458	466,122	921,066	122,063	2,231,585
<b>Total Unf'd. Actuarial Accr. Liab.</b>	<b>\$ 329,876</b>	<b>\$ 392,458</b>	<b>\$ 466,122</b>	<b>\$ 921,066</b>	<b>\$ 122,063</b>	<b>\$ 2,231,585</b>
<b>City's Projected \$ Requirement</b>	<b>\$ 444,526</b>	<b>\$ 617,458</b>	<b>\$ 636,272</b>	<b>\$ 1,177,785</b>	<b>\$ 169,177</b>	<b>\$ 3,045,218</b>

Unfunded Actuarial Accrued Liabilities were amortized as a level dollar amount over a closed 16-year period.

## Determining Dollar Contributions

The City's Projected Dollar Requirement can be used as the only basis for determining contributions throughout the fiscal year. The method of determining dollar contributions should be reviewed periodically for consistency with reporting.



## Determination of Unfunded Accrued Liability as of June 30, 2023

	<u>Other Funds A</u>	<u>Other Funds B</u>	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
A. Accrued Liability						
1. For retirees and beneficiaries	\$31,897,278	\$31,920,716	\$30,094,831	\$55,554,446	\$17,504,116	\$166,971,387
2. For vested terminated members	1,613,836	2,095,421	2,848,496	1,757,527	208,480	8,523,760
3. For present active members						
a. Value of expected future benefit payments	6,104,397	12,662,612	8,742,549	15,130,503	3,430,827	46,070,888
b. Value of future normal costs	770,669	1,747,905	1,071,552	2,119,404	460,828	6,170,358
c. Active member accrued liability: (a) - (b)	5,333,728	10,914,707	7,670,997	13,011,099	2,969,999	39,900,530
4. Total accrued liability	38,844,842	44,930,844	40,614,324	70,323,072	20,682,595	215,395,677
B. Present Assets (Funding Value)	35,638,549	41,025,976	36,037,928	61,211,306	19,465,541	193,379,300
C. Unfunded Accrued Liability: (A.4) - (B)	3,206,293	3,904,868	4,576,396	9,111,766	1,217,054	22,016,377
D. Funding Ratio: (B) / (A.4)	91.7%	91.3%	88.7%	87.0%	94.1%	89.8%
E. Market Value of Assets <sup>(1)</sup>	\$33,995,817	\$39,218,050	\$34,390,354	\$58,373,482	\$18,581,362	\$184,559,065
F. Funding Ratio: Market Value Basis (E) / (A.4)	87.5%	87.3%	84.7%	83.0%	89.8%	85.7%

<sup>(1)</sup> Allocation to divisions provided by the City.

## Funding Progress Indicators

Testing how well the financial objective is being met can be done in many ways. There is no single all-encompassing test. The following indicators provide measures of funding achievement.

- (1) ***The actuarial present value of gains or losses realized in the operation of the Retirement System*** - an experience indicator. Gains and losses are expected to cancel each other over a period of years (in the absence of double-digit inflation) but sizable year-to-year fluctuations are common. Further details on the derivation of the gain (loss) are shown on page A-10.

Valuation Date June 30	Dollar Amounts in Thousands	
	Valuation Assets	Experience Indicator Experience Gain or (Loss) for Year
	2005 (27)*	\$ 110,582
2006 (28)*	113,663	(5,307)
2007 (29)*	121,400	5,829
2008 (30)*	129,496	1,161
2009 (31)*	129,667	(4,089)
2010 (32)*	129,277	(3,876)
2011	131,248	(999)
2012 (33)*	129,191	(8,336)
2013 (34)*	130,037	(1,288)
2014 (35)*	139,935	3,949
2015 (36)*	149,882	8,086
2016	154,872	(594)
2017 (37)*	164,083	4,931
2018	172,671	4,097
2019	177,350	268
2020 (38)*	181,047	(820)
2021	191,647	6,082
2022	193,698	(3,695)
<b>2023</b>	<b>193,379</b>	<b>(5,061)</b>

\* Refer to notes on pages Appendix-4 through Appendix-8.

## Funding Progress Indicators (Concluded)

- (2) **The ratio of valuation assets to the actuarial accrued liability** – an ongoing plan indicator. The ratio is expected to increase in the absence of benefit enhancements.
- (3) **The ratio of the unfunded actuarial accrued liability to member payroll** – an ongoing plan indicator. In a soundly financed retirement system, the amount of the unfunded actuarial accrued liability will be controlled and prevented from increasing in the absence of benefit enhancements. However, in an inflationary environment it is seldom practical to impose this control on dollar amounts which are depreciating in value. The ratio is a relative index of condition where inflation is present in both items. The ratio is expected to decrease in the absence of benefit enhancements. Given the City of Wyoming Employees Retirement System is closed to new hires, the payroll is expected to decrease over time which may result in this ratio increasing from one valuation to the next.

Valuation Date June 30	Dollar Amounts in Thousands			
	Continuation Tests			
	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Accrued Liability	Ratio to Member Payroll
2005 (27)*	\$ 106,174	104.2 %	\$ (4,408)	- %
2006 (28)*	115,225	98.6	1,563	6.8
2007 (29)*	118,313	102.6	(3,087)	-
2008 (30)*	126,166	102.6	(3,330)	-
2009 (31)*	130,793	99.1	1,126	5.5
2010 (32)*	135,611	95.3	6,333	32.4
2011	138,810	94.6	7,562	41.9
2012 (33)*	150,963	85.6	21,771	129.8
2013 (34)*	153,449	84.7	23,412	147.3
2014 (35)*	158,867	88.1	18,932	120.2
2015 (36)*	182,644	82.1	32,762	230.0
2016	188,855	82.0	33,983	281.4
2018	192,006	89.9	19,335	169.4
2019	195,661	90.6	18,311	169.2
2020 (38)*	202,000	89.6	20,953	212.7
2021	206,237	92.9	14,590	165.8
2022	210,897	91.8	17,199	218.2
<b>2023</b>	<b>215,396</b>	<b>89.8</b>	<b>22,016</b>	<b>346.6</b>

\* Refer to notes on pages Appendix-4 through Appendix-8.

The funded status measure shown above is not appropriate for assessing the sufficiency of System assets to cover the estimated cost of settling the System's benefit obligations, nor for assessing the need for, or amount of, future contributions.

## Comments, Recommendations and Conclusion

**Comment A:** Aggregate experience during the year ending June 30, 2023 was less favorable than assumed, generating an overall experience loss of approximately \$5.1 million as indicated on page A-10. The actuarial loss was approximately 2.4% of the beginning of year Actuarial Accrued Liabilities. The primary sources of the loss include lower than assumed investment returns, cost-of-living adjustments for eligible retirees being higher than assumed, mortality rates for retirees being lower than expected and liabilities for new retirees being higher than anticipated.

**Comment B:** The market value of assets and the funding value of assets for each of the employer groups for the June 30, 2023 valuation follow:

	Market Value of Assets	Funding Value of Assets
Other Funds A	\$ 33,995,817	\$ 35,638,549
Other Funds B	39,218,050	41,025,976
General	34,390,354	36,037,928
Police	58,373,482	61,211,306
Fire	18,581,362	19,465,541
Total	\$ 184,559,065	\$ 193,379,300

**Comment C:** Under Public Act 202 of the State of Michigan, Michigan municipalities are required to report liabilities under uniform assumption guidelines. The recommendations include the following for Fiscal Year 2023:

- Investment return no higher than 6.85%;
- Assumed wage inflation no lower than 3.25% or based on experience study within last 5 years;
- Mortality assumption that uses a version of the Pub-2010 tables with generational mortality improvement using Scale MP-2021 or based on experience study within last 5 years ; and
- Amortization period no longer than 16 years for Pension Plans and 26 years for Retiree Health Plans.

Separate calculations that satisfy PA 202 reporting requirements for Fiscal Year 2023 were included in the GASB Statements No. 67 and No. 68 valuation provided to the City dated September 28, 2023.

Other Public Act 202 Requirements include:

- The performance of an Experience Study every five years; and
- An actuarial audit every eight years (effective December 20, 2017).

The next scheduled experience study will be performed in 2025 and cover the period from July 1, 2019 to June 30, 2024.

## Comments, Recommendations and Conclusion (Continued)

**Comment D:** As of June 30, 2023, Actuarial Accrued Liability exceeds valuation assets for all groups. Unfunded Actuarial Accrued Liability (UAAL) was amortized as a level dollar amount over a closed 16-year period and added to the computed normal cost.

**Comment E:** Investment income greater than or less than expected based on the investment return assumption is recognized over a five-year period under the current asset valuation method. Due to unfavorable investment performance during prior years, unrecognized investment losses exist that are scheduled to be recognized during three of the next four years. Absent future actuarial gains, this is expected to put upward pressure on the required contribution amounts. The System's funded status would be different if based on the Market Value of Assets instead of the Funding Value of Assets. If the City's required contribution shown on page A-2 (\$3,045,218) had been determined using the Market Value of Assets as of June 30, 2023, the result would have been approximately \$4.0 million.

**Comment F:** The Retirement System has been closed to new members since 2008 and has matured considerably. As such, cash flow needs to be monitored to ensure benefit payments (which are currently about 8% of the market value of assets) can be met. At some point in the future as the System contracts in size, investments will need to be liquidated to cover cash flow shortages – a natural progression of a closed plan. Such liquidations can hamper the plan's ability to earn the same rate of return an ongoing (open) plan could earn. Eventually, the investment return assumption will need to be reviewed.

**Comment G:** Employer contributions were calculated for each of the following five main groupings (subgroups have been included below for informational purposes):

- Other Funds A
  - Motor Pool (MP)
  - Clean Water Plant (CWP)
  - Water Treatment Plan (WTP)
  - Risk
  - Building Inspections (BI)
- Other Funds B
  - Public Works (PW)
  - Parks
  - Housing
- General
- Police
- Fire

**Comment H:** In December 2021, the Actuarial Standards Board (ASB) adopted a revision to Actuarial Standard of Practice (ASOP) No. 4, "Measuring Pension Obligations and Determining Pension Plan Costs or Contributions." The revised ASOP No. 4 requires the calculation and disclosure of a liability referred to by the ASOP as the "Low-Default-Risk Obligation Measure" (LDRM). Please see page Appendix-3 in this report for more detail regarding the LDRM calculation.

## Comments, Recommendations and Conclusion (Concluded)

**Ordinance Compliance:** The June 30, 2023 actuarial present value of retirement allowances exceeds the balance in the Reserve for Retired Benefit Payments in total. The Retirement System Ordinance provides for a transfer from the Reserve for Employer Contributions to the Reserve for Retired Benefit Payments to fully fund the retired life liability. Below are the actuarial present values of retirement allowances for each group as of June 30, 2023. This same amount should be shown as a reserve for Retired Benefit Payments in the Retirement System’s accounting.

	<b>Reserve for Retired Benefit Payments as of June 30, 2023</b>	
	<hr/>	
Other Funds A	\$	31,897,278
Other Funds B		31,920,716
General		30,094,831
Police*		55,554,446
Fire		17,504,116
Total	<hr/>	<hr/>
	\$	166,971,387

*\* The reserve for Police Retired Benefit Payments includes \$381,608 in DROP account balance.*

**Conclusion:** It is the actuary’s opinion that the required contribution amounts determined by the most recent actuarial valuation are reasonable under ASOP No. 4 and sufficient to meet the System’s funding objective, presuming continued timely receipt of required contributions.

## Other Observations

### General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status

Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 7.00% on the actuarial value of assets), it is expected that:

- (1) The unfunded actuarial accrued liabilities will be fully amortized after 16 years; and
- (2) The funded status of the plan will increase gradually towards a 100% funded ratio.

### Limitations of Funded Status Measurements

Unless otherwise indicated, a funded status measurement presented in this report is based upon the actuarial accrued liability and the actuarial value of assets. Unless otherwise indicated, with regard to any funded status measurements presented in this report:

- (1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations; in other words, of transferring the obligations to an unrelated third party in an arm's length market value type transaction.
- (2) The measurement is dependent upon the actuarial cost method which, in combination with the plan's amortization policy, affects the timing and amounts of future contributions. The amounts of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon the actuarial assumptions. A funded status measurement in this report of 100% is not synonymous with no required future contributions. If the funded status were 100%, the plan would still require future normal cost contributions (i.e., contributions to cover the cost of the active membership accruing an additional year of service credit).
- (3) The measurement would produce a different result if the market value of assets were used instead of the actuarial value of assets, unless the market value of assets is used in the measurement.

### Limitation of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entity to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.

## Pension Experience Gain (Loss) Comparative Schedule

(\$ Amounts in Thousands)

	Thousands of Dollars			
	Year Ended June 30			
	2023	2022	2021	2020
(1) UAAL* at start of period	\$17,199	\$14,590	\$20,953	\$18,311
(2) + Employer Normal cost	1,061	1,199	1,360	1,448
(3) - Employer Contributions	2,461	3,236	3,050	3,173
(4) + Interest accrual	1,156	951	1,409	1,266
(5) Expected UAAL before changes	16,955	13,504	20,672	17,852
(6) +/- Change from amendments	0	0	0	0
(7) +/- Change in assumptions	0	0	0	2,281
(8) +/- Change in cost method	0	0	0	0
(9) Expected UAAL after changes	16,955	13,504	20,672	20,133
(10) Actual UAAL	22,016	17,199	14,590	20,953
(11) Gain (Loss) (9) - (10)	(5,061)	(3,695)	6,082	(820)
(12) Gain (Loss) due to Liabilities	(3,347)	(2,191)	(1,334)	25
(13) Gain (Loss) due to Assets	(1,714)	(1,504)	7,416	(845)

\* UAAL: *Unfunded Actuarial Accrued Liability.*



## Unfunded Actuarial Accrued Liability June 30, 2023

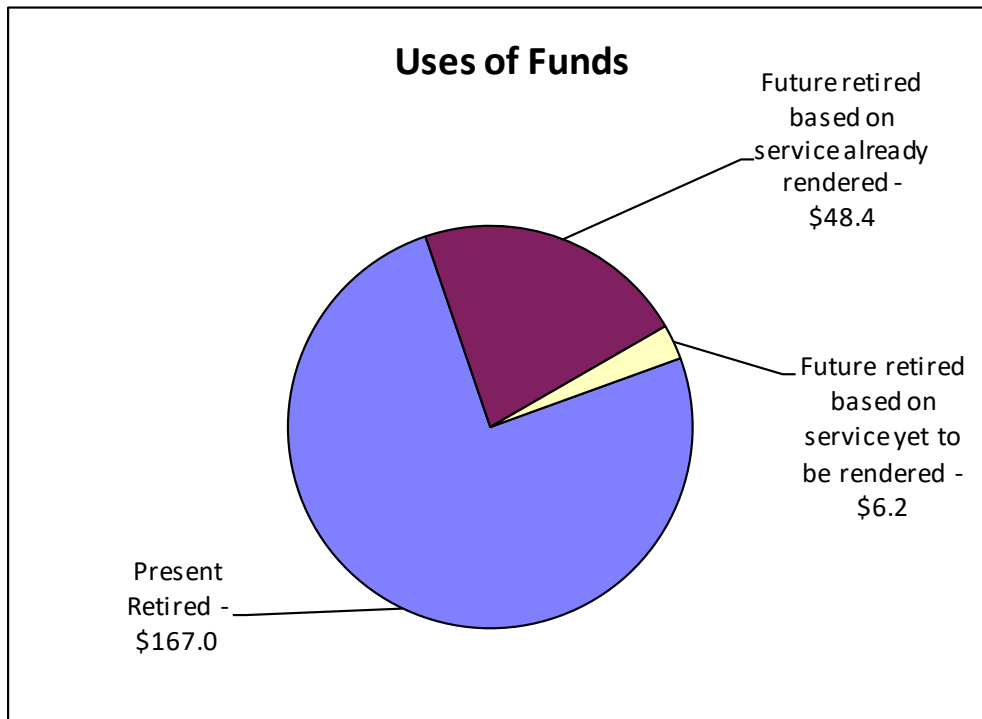
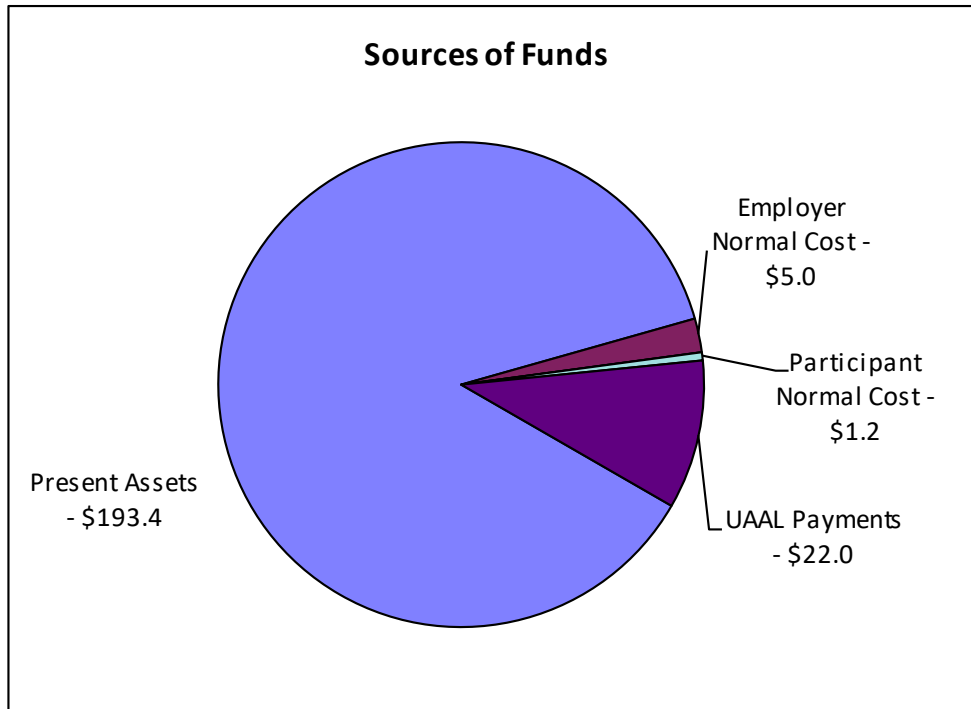
A. Actuarial Accrued Liability	\$	215,395,677
B. Assets allocated to funding		193,379,300
C. Unfunded Actuarial Accrued Liability	\$	22,016,377

### City's Computed and Actual Contributions – Comparative Schedule

Fiscal Year	Valuation Date June 30	City Dollar Contributions		City's Recommended % of Payroll Contributions
		Recommended	Actual	
16/17	2015 (36)*	\$4,917,556	\$4,924,584	34.52 %
17/18	2016	4,628,523	4,696,431	39.40
18/19	2017 (37)*	3,628,289	3,618,125	32.04
19/20	2018	3,140,490	3,172,989	29.06
20/21	2019	3,036,199	3,050,043	29.43
21/22	2020 (38)*	3,228,169	3,235,791	34.19
22/23	2021	2,445,601	2,461,133	29.24
23/24	2022	2,689,514		36.33
<b>24/25</b>	<b>2023</b>	<b>3,045,218</b>		<b>50.72</b>

\* Refer to notes on pages Appendix-4 through Appendix-8.

# Financing \$221.6 Million of Benefit Promises for Current Plan Participants June 30, 2023



## **SECTION B**

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### **SUMMARY OF BENEFIT PROVISIONS AND VALUATION DATA**

# Summary of Benefit Provisions Evaluated or Considered (June 30, 2023)

## Regular Retirement (no reduction factor for age):

### **Eligibility –**

General: *Other General members age 60 with 10 or more years of credited service.*

*Administrative and Contract members age 60 with 5 or more years of credited service.*

*Emergency Communications Operators members age 55 with 10 or more years of credited service.*

Police: Age 50 with 10 or more years of credited service.

Fire: Age 50 with 10 or more years of credited service.

### **Annual Amount –**

General: *Other General members 2.35% of FAS times credited service (1.95% of FAS beginning June 30, 2016 if they elect not to contribute 2% of base wages).*

*Administrative and Contract members 2.35% of FAS times credited service (2.15% of FAS beginning July 1, 2016 and 1.95% of FAS beginning July 1, 2018 if they elect not to contribute 1% of base wages beginning July 1, 2016 and 2% of base wages beginning July 1, 2018).*

*Emergency Communications Operators members 2.35% of FAS times credited service.*

Police: *Police Command members 2.70% of FAS times credited service up to 30 years.*

*Police Patrol members 2.70% of FAS times credited service up to 30 years.*

Fire: 2.70% of FAS times credited service up to 30 years.

**Final Average Salary (FAS)** – Average of annual compensations for the period of 3 consecutive years producing the highest average and contained within the last 5 years immediately preceding retirement for all units with the exception of Administrative. For Administrative groups, it is the highest 36 consecutive months. Effective July 1, 2016, FAS for 'Other General Members' no longer includes overtime.

## DROP

**Eligibility** – Police Command meeting regular retirement eligibility.

**DROP Account** – Monthly additions of 100% of regular retirement benefit under option elected at time of DROP accumulated at 4% annual interest. Maximum period of accumulation is 3 years.

**Distributions** – Lump sum payment of DROP account at time of exit from employment plus direct payment of future monthly retirement benefits under option elected at time of DROP.



# Summary of Benefit Provisions Evaluated or Considered (June 30, 2023) (Continued)

## Early Retirement (age reduction factor used):

### **Eligibility –**

General: *Other General members* age 55 with 10 or more years of credited service.

*Administrative and Contract members* age 55 with 5 or more years of credited service.

**Annual Amount** – Computed in the same manner as regular retirement amount, but for *Other General members* reduced by .002 for each month age at early retirement precedes regular retirement age. For retirements of *Other General members* on or after June 30, 2016 the reduction shall be .001 if the member has 25 or more years of service. For retirements of *Administrative and Contract members* on or after July 1, 2007, there will be no reduction factor unless they became a member of the unit (transferred from another unit) after July 1, 2007 and have less than 25 years of service.

## Deferred Retirement (vested benefit):

### **Eligibility –**

General: *Other General members* any age with 10 or more years of credited service.

*Administrative and Contract members* any age with 5 or more years of credited service.

*Emergency Communications Operators members* any age with 10 or more years of credited service.

Police: Any age with 10 or more years of credited service.

Fire: Any age with 10 or more years of credited service.

**Annual Amount** – Accrued regular retirement amount based on credited service and FAS at time of termination, payable beginning at age 60 for General, age 50 for Police and age 50 for Fire.

## Duty Disability Retirement:

**Eligibility** – Total and permanent disability incurred in line of duty with the city for which worker's compensation is being paid.

**Annual Amount** – Computed in same manner as the regular retirement amount based on credited service and FAS at time of termination. Minimum service credit used is 10 years.

Police and Fire: Normal retirement benefit calculation will be re-adjusted at normal retirement age (50) to include the time the member was receiving disability benefits and will be based on the monthly average the member would have earned during the 36 months preceding normal retirement age if the member was actively employed.

# Summary of Benefit Provisions Evaluated or Considered (June 30, 2023) (Continued)

## Non-Duty Disability Retirement:

General: *Other General members* total and permanent disability after 10 or more years of credited service.

*Administrative and Contract members* total and permanent disability after 5 or more years of credited service.

*Emergency Communications Operators members* total and permanent disability after 10 or more years of credited service. This unit does not have any active members and this no longer applies.

Police: Total and permanent disability after 10 or more years of credited service.

Fire: Total and permanent disability after 10 or more years of credited service.

**Annual Amount** – Computed in same manner as the regular retirement amount based on credited service and FAS at time of termination.

## Duty Death Before Retirement:

**Eligibility** – Death in line of duty with the city for which worker's compensation is being paid.

**Annual Amount** – Refund of member's accumulated contributions. Amount to surviving spouse and children computed in same manner as the regular retirement amount based on credited service and FAS at time of death with a minimum of 25% of member's FAS. Additional amount to spouse continues to remarriage or death. Additional amount to children continues to earlier of marriage or attainment of age 18 years.

## Non-Duty Death Before Retirement:

**Eligibility** – Any age with 10 or more years of credited service, 5 or more years of credited service for Administrative members.

**Annual Amount** – Option A actuarial equivalent of regular retirement amount based on credited service and FAS at time of death for spouse or qualified dependent. Option C for non-spouse benefit, in absence of spouse or with agreement of spouse.

# Summary of Benefit Provisions Evaluated or Considered (June 30, 2023) (Concluded)

## Member Contributions:

General: *Other General members* 2% of base wages to keep 2.35% multiplier (effective June 30, 2016).

*Administrative and Contract members* 1% of base wages (effective June 30, 2016) and 2% of base wages (effective June 30, 2018) to keep 2.35% multiplier.

Police: *Police Command* 4.59% of gross pay effective July 1, 2015  
5.59% gross of pay effective July 1, 2016

*Police Patrol* 4.59% of gross pay effective July 1, 2015  
5.59% gross of pay effective July 1, 2016

Fire: 4.50% of gross pay effective January 1, 2016  
5.00% gross of pay effective July 1, 2016  
6.00% gross of pay effective July 1, 2017

**City Contributions:** Actuarially determined amounts which are sufficient to cover both (i) normal costs of the plan, and (ii) financing of unfunded actuarial accrued liabilities over a selected period of future years.

**Automatic Post-Retirement Adjustments:** Annual increase for Police Command members (at least 60 years of age who retire after July 1, 1992 and who entered the Police Command Unit on or before July 1, 2008) and Administrative members equal to 40% of the average annual increase in CPI, except in 2007 when contract language specified no increase. Increase is limited to 5% per year.

**Defined Contribution Plan:** The Defined Benefit plan is closed to new hires. New members are automatically enrolled in the Defined Contribution plan.

## Accounting Information Year Ended June 30, 2023

### Revenues:

a. Member contributions	\$	224,757
b. City contributions		
1. For pensions		2,461,133
2. For DROP plan contribution		252,082
c. Investment income		
1. Interest and dividends		2,866,889
2. Gain or (loss) on sales (realized and unrealized)		12,198,674
3. Amortization of premiums and discounts		none
4. Other – miscellaneous		18,320
		18,320
d. Total	\$	18,021,855

### Expenditures:

a. Benefits paid, including refunds of member contributions	\$	14,468,282
b. DROP plan distributions		222,144
c. Other expenses		665,788
		665,788
d. Total	\$	15,356,214

### Reserve Increase:

Total revenues minus total expenditures	\$	2,665,641
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## Assets and Reserves June 30, 2023

### Assets: (at market value)

a. Cash	\$	721,438
b. Receivables		(4,260,656)
c. Government issues		37,556,776
d. Corporate bonds		13,174,338
e. Equities		118,867,266
f. Real estate investments		18,600,133
g. Liabilities		(100,230)
Total		\$ 184,559,065

### Reserve Accounts:

a. Member contributions	\$	2,045,078
b. Reserve for benefits now being paid		152,041,427
c. Pension Reserve		30,090,952
d. DROP Plan Reserve		381,608
Total	\$	184,559,065

## Derivation of Smoothed Market Value Based on 20% Recognition of the Difference Between the Market Rate of Return and the Projected Rate of Return

	Year Ended June 30								
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Beginning of Year:									
(1) Market Value	\$175,302,979	\$178,815,918	\$178,941,996	\$215,528,618	\$181,893,424				
(2) Valuation Assets	172,670,775	177,350,053	181,047,037	191,646,536	193,698,079				
End of Year:									
(3) Market Value	178,815,918	178,941,996	215,528,618	181,893,424	184,559,065				
(4) Net Additions to Assets, Excluding Investment Income & Admin. Expense	(7,111,997)	(8,025,278)	(9,168,558)	(9,525,911)	(11,752,454)				
(5) Total Investment Income = (3) - (1) - (4)	10,624,936	8,151,356	45,755,180	(24,109,283)	14,418,095				
(6) Projected Rate of Return	7.25%	7.25%	7.00%	7.00%	7.00%	7.00%			
(7) Projected Investment Income = (6) x [(2) + .5 x (4)]	12,260,821	12,566,963	12,352,393	13,081,851	13,147,530				
(8) Investment Income in Excess of Projected Income = (5)-(7)	(1,635,885)	(4,415,607)	33,402,787	(37,191,134)	1,270,565				
(9) Excess Investment Income Recognized This Year (5-year recognition)									
(9a) From This Year	(327,177)	(883,121)	6,680,557	(7,438,227)	254,113				
(9b) From One Year Ago	463,572	(327,177)	(883,121)	6,680,557	(7,438,227)	\$ 254,113			
(9c) From Two Years Ago	1,481,834	463,572	(327,177)	(883,121)	6,680,557	(7,438,227)	\$ 254,113		
(9d) From Three Years Ago	(1,579,808)	1,481,834	463,572	(327,177)	(883,121)	6,680,557	(7,438,227)	\$ 254,113	
(9e) From Four Years Ago	(507,967)	(1,579,809)	1,481,833	463,571	(327,177)	(883,123)	6,680,559	(7,438,226)	\$254,113
(10) Total Recognized Investment Gain	(469,546)	(844,701)	7,415,664	(1,504,397)	(1,713,855)	(1,386,680)	(503,555)	(7,184,113)	254,113
(11) Change in Valuation Assets = (4) + (7) + (10)	4,679,278	3,696,984	10,599,499	2,051,543	(318,779)				
End of Year:									
(3) Market Value	178,815,918	178,941,996	215,528,618	181,893,424	184,559,065				
(11) Valuation Assets = (2)+(10)	177,350,053	181,047,037	191,646,536	193,698,079	193,379,300				
(12) Valuation Assets Net HI Reserve	177,350,053	181,047,037	191,646,536	193,698,079	193,379,300				
Rate of Return Based on Smoothed Method	7.0%	6.8%	11.2%	6.2%	6.1%				
Ratio of Market Value to Valuation Assets	100.8%	98.8%	112.5%	93.9%	95.4%				
Market Value Rate of Return	6.2%	4.7%	26.2%	(11.4)%	8.2%				



## Retirants and Beneficiaries June 30, 2023 Comparative Schedule

Year Ended June 30	Added to Rolls		Removed from Rolls		Rolls End of Year	
	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions
1990	12	\$ 192,440	3	\$ 22,098	98	\$ 791,506
1995	23	418,540	6	55,242	154	1,892,941
2000	11	199,220	5	30,242	194	3,023,578
2005	28	657,467	10	153,882	260	4,920,041
2010	22	570,153	11	77,710	295	6,629,097
2011	20	686,316	7	165,129	308	7,150,284
2012	31	1,009,472	7	91,020	332	8,068,736
2013	18	573,312	10	193,959	340	8,448,089
2014	17	490,598	5	84,647	352	8,854,040
2015	24	759,892	12	277,462	364	9,336,470
2016	23	807,589	6	86,335	381	10,057,724
2017	30	691,245	12	231,777	399	10,517,192
2018	16	599,747	13	267,391	402	10,849,548
2019	20	739,196	11	228,443	411	11,360,301
2020	19	770,729	7	109,119	423	12,021,911
2021	35	1,267,280	16	378,977	442	12,910,214
2022	22	1,077,106	11	221,454	453	13,765,866
<b>2023</b>	<b>25</b>	<b>1,554,671</b>	<b>18</b>	<b>355,012</b>	<b>460</b>	<b>14,965,525</b>

The June 30, 2023 end of year retiree count and total pension amount includes 4 DROP participants with annual benefits of \$313,812.

## Retirants and Beneficiaries June 30, 2023 Comparative Schedule

Year Ended June 30	% Incr. in Annual Pensions	No. of Active Per Retired	Pensions as % of Active Payroll	Average Annual Pension	Discounted Value of Pensions	
					Total	Average
1990	27.4 %	3.6	7.3 %	\$ 8,077	\$ 7,943,958	\$ 81,061
1995	23.8	2.3	13.9	12,292	19,800,632	128,576
2000	5.9	2.3	15.1	15,585	31,171,607	160,678
2005	16.3	1.5	23.6	18,923	48,061,939	184,854
2010	8.0	1.1	33.9	22,472	64,018,512	217,012
2011	7.9	0.9	39.6	23,215	69,160,462	224,547
2012	12.8	0.8	48.1	24,303	81,377,089	245,112
2013	4.7	0.7	53.2	24,847	84,667,701	249,023
2014	4.8	0.6	56.2	25,154	88,106,433	250,302
2015	5.4	0.6	65.5	25,650	105,648,228	290,242
2016	7.7	0.4	83.3	26,398	114,414,851	300,301
2017	4.6	0.4	89.1	26,359	116,250,580	291,355
2018	3.2	0.4	95.1	26,989	119,492,579	297,245
2019	4.7	0.3	104.9	27,641	125,447,123	305,224
2020	5.8	0.3	122.0	28,421	132,086,482	312,261
2021	7.4	0.2	146.7	29,209	142,613,389	322,655
2022	6.6	0.2	174.7	30,388	152,386,801	336,395
<b>2023</b>	<b>8.7</b>	<b>0.2</b>	<b>235.6</b>	<b>32,534</b>	<b>166,971,387</b>	<b>362,981</b>

The June 30, 2023 end of year retiree count and total pension amount includes 4 DROP participants with annual benefits of \$313,812.

## Retirants and Beneficiaries June 30, 2023

Number	Averages			New Retirants During 22/23	
	Attained Age	Retirement Age	Current Annual Pension	Averages	Annual Pension
460	69.8	56.4	\$32,534	53.2	\$59,624

### Tabulated by Valuation Divisions

Divisions	No.	Annual Pensions
Other Funds A	96	\$ 3,025,909
Other Funds B	98	2,977,904
General	97	2,655,431
Police	123	4,788,267
Fire	46	1,518,014
Totals	460	\$ 14,965,525

The June 30, 2023 end of year retiree count and total pension amount includes 4 DROP participants with annual benefits of \$313,812.

## Retirants and Beneficiaries June 30, 2023

Type of Pensions Being Paid	No.	Annual Pensions
<b>Age and Service</b>		
Straight Life Pension - benefit terminating at death of retirant	134	\$ 4,095,390
10-Year Certain	22	763,869
Option A Pension – joint and survivor benefit	159	5,910,735
Option B Pension – modified joint and survivor benefit	58	2,248,672
Survivor Beneficiary	50	983,235
<b>Total Age and Service Pensions</b>	<b>423</b>	<b>\$ 14,001,901</b>
<b>Casualty Pensions</b>		
Duty Disability		
Straight Life	2	\$ 60,327
10-Year Certain	3	115,168
Option A	7	201,463
Option B	4	\$95,977
Survivor	1	2,002
Non Duty Disability		
Straight Life	2	24,376
10-Year Certain	2	60,510
Option A	1	22,818
Option B	1	33,131
Survivor	9	171,041
Non Duty Death - Spouse	5	176,811
<b>Total Casualty Pensions</b>	<b>37</b>	<b>963,624</b>
<b>Total Pensions Being Paid</b>	<b>460</b>	<b>\$ 14,965,525</b>

The June 30, 2023 end of year retiree count and total pension amount includes 4 DROP participants with annual benefits of \$313,812.



## Retirants and Beneficiaries June 30, 2023 Tabulated by Attained Age

Attained Age	No.	Annual Pensions
30 - 34	1	\$ 85,952
35 - 39	0	0
40 - 44	1	9,628
45 - 49	3	65,193
50 - 54	37	1,901,618
55 - 59	46	1,902,265
60 - 64	44	1,640,124
65 - 69	102	3,588,795
70 - 74	97	2,733,449
75 - 79	49	1,137,316
80 - 84	41	1,093,919
85 - 89	24	514,127
90	6	139,532
91	5	100,359
94	1	12,065
95	1	7,943
96	1	27,252
100	1	5,988
<b>Totals</b>	<b>460</b>	<b>\$ 14,965,525</b>

The June 30, 2023 end of year retiree count and total pension amount includes 4 DROP participants with annual benefits of \$313,812.

## Inactive Vested Members Included in Valuation June 30, 2023

Attained Age	No.	Estimated Deferred Annual Pensions
45	2	\$ 37,309
46	2	73,739
48	1	12,763
49	6	127,464
50	6	95,713
51	1	21,665
52	3	50,885
53	6	101,101
54	2	95,093
55	6	140,378
56	5	108,739
58	2	34,175
59	3	65,857
65	1	14,015
68	1	2,853
<b>Totals</b>	<b>47</b>	<b>\$981,749</b>

*Inactive vested* members included in the valuation totaled 47 with estimated deferred pensions of \$981,749. The table above includes 7 active members who elected to freeze their defined benefit as of June 30, 2016 and enter the defined contribution plan beginning July 1, 2016.

## Active Members June 30, 2023 Tabulated by Valuation Divisions

Valuation Divisions	No.	Annual Payroll
Other Funds A	12	\$ 918,801
Other Funds B	24	1,795,083
General	14	1,228,801
Police Officers	18	1,942,007
Fire	5	466,736
<b>Total Active Members</b>	<b>73</b>	<b>\$6,351,428</b>

## Number Added to and Removed from Active Membership

Year Ended June 30	Number Added During Year		Terminations During Year								Active Members End of Year
	A	E	Retirement		Disabled		Died-in- Service		Other Withdrawal		
			A	E	A	E	A	E	A	E	
2004	6	14	6	8.3	0	1.4	1	1.0	7	12.0	438
2005	5	45	17	8.7	1	1.5	0	1.0	27	10.3	398
2006	11	14	4	9.1	1	1.5	1	1.0	8	7.9	395
2007	6	13	8	10.4	0	1.6	1	1.1	4	7.0	388
2008	0	31	13	11.2	1	1.6	1	1.2	16	5.9	357
2009	0	0	11	11.5	1	1.7	1	1.2	11	4.5	333
2010	0	0	15	10.4	0	1.6	0	1.2	6	3.6	312
2011	1	0	14	9.5	3	1.5	0	1.2	14	2.8	282
2012	0	0	24	10.8	0	1.3	0	1.1	5	2.2	253
2013	0	0	8	7.8	1	1.2	0	0.6	10	1.9	234
2014	0	0	9	9.8	1	1.2	0	0.6	2	1.6	222
2015	0	0	11	11.5	2	1.2	0	0.6	4	1.4	205
2016	1	0	17	12.0	1	1.2	0	0.3	22	1.2	166
2017	0	0	6	9.5	1	1.2	0	0.2	1	1.0	158
2018	0	0	7	10.5	1	1.0	0	0.2	2	0.8	148
2019	0	0	11	11.6	1	0.9	0	0.2	0	0.7	136
2020	1	0	13	9.6	0	0.8	0	0.2	4	0.6	120
2021	1	0	13	7.4	3	0.8	0	0.2	1	0.6	104
2022	0	0	13	6.4	1	0.7	0	0.2	0	0.5	90
<b>2023</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>6.4</b>	<b>0</b>	<b>0.6</b>	<b>0</b>	<b>0.1</b>	<b>1</b>	<b>0.5</b>	<b>73</b>
Last 10 Years	3	0.0	116	94.8	11	9.5	0	2.8	37	8.9	

## Active Members June 30, 2023 Comparative Schedule

Valuation Date	Active Members						Valuation Payroll	Average			
	June 30	Other Funds A <sup>(2)</sup>	Other Funds B <sup>(3)</sup>	General	Police	Fire		Total	Age	Service	Pay
1995				257	79	25	361	\$ 13,630,668	41.2 yrs.	12.9 yrs.	\$37,758
2000				302	100	39	441	20,073,442	41.1	11.8	45,518
2005				280	88	30	398	20,881,320	43.1	13.6	52,466
2010				217	70	25	312	19,554,838	46.2	17.0	62,676
2011				193	66	23	282	18,038,609	46.9	17.5	63,967
2012				167	63	23	253	16,768,082	47.0	17.6	66,277
2013				155	58	21	234	15,889,933	47.8	18.3	67,906
2014				146	55	21	222	15,749,774	48.4	19.2	70,945
2015	34			101	52	18	205	14,244,381	<sup>(1)</sup> 48.9	19.9	69,485
2016	25			74	49	18	166	12,075,663	<sup>(1)</sup> 48.3	20.3	72,745
2017	25	37		32	48	16	158	11,805,804	49.0	21.2	74,720
2018	22	37		30	46	13	148	11,413,503	49.6	21.9	77,118
2019	23	32		25	44	12	136	10,825,148	50.1	22.6	79,597
2020	20	27		22	40	11	120	9,853,023	50.1	23.1	82,109
2021	16	26		21	33	8	104	8,798,875	50.7	23.8	84,605
2022	14	25		18	26	7	90	7,880,801	51.0	24.3	87,564
<b>2023</b>	<b>12</b>	<b>24</b>		<b>14</b>	<b>18</b>	<b>5</b>	<b>73</b>	<b>6,351,428</b>	<b>51.6</b>	<b>24.6</b>	<b>87,006</b>

<sup>(1)</sup> Valuation payroll was adjusted by a factor of 26/27 due to an extra pay period.

<sup>(2)</sup> Prior to the June 30, 2015 valuation, MP, CWP, and WTP were combined with the General group. For the June 30, 2015 and June 30, 2016 valuations, MP, CWP, and WTP were summarized as three separate groups. Starting with the June 30, 2017 valuation, MP, CWP, WTP, and the Risk groups combined to form the Other Funds A group. Starting with the June 30, 2019 valuation, Building Inspectors were transferred from Other Funds B to Others Funds A.

<sup>(3)</sup> Prior to the June 30, 2017 valuation, Other Funds B was combined with the General group.



## Other Funds A Members June 30, 2023 by Nearest Age and Years of Service

Nearest Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
40-44				1				1	\$ 82,066
45-49					1			1	89,694
50-54			1	1	1	2		5	329,567
55-59					2	1		3	283,707
64					1			1	77,856
65							1	1	55,911
<b>Totals</b>			<b>1</b>	<b>2</b>	<b>5</b>	<b>3</b>	<b>1</b>	<b>12</b>	<b>\$ 918,801</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 54.6 years

Service: 24.7 years

Annual Pay: \$76,567

## Other Funds B Members June 30, 2023 by Nearest Age and Years of Service

Nearest Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
40-44					2			2	\$ 142,973
45-49				1	4	3		8	567,671
50-54				2	4	2	2	10	767,713
55-59					1	2	1	4	316,726
<b>Totals</b>				<b>3</b>	<b>11</b>	<b>7</b>	<b>3</b>	<b>24</b>	<b>\$ 1,795,083</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 51.6 years  
Service: 25.2 years  
Annual Pay: \$74,795

## General Members June 30, 2023 by Nearest Age and Years of Service

Nearest Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
45-49					1			1	\$ 113,616
50-54				1	2	2	1	6	576,469
55-59				1	2	3		6	461,369
60					1			1	77,347
<b>Totals</b>				<b>2</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>14</b>	<b>\$ 1,228,801</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 55.3 years

Service: 25.0 years

Annual Pay: \$87,772

## Police Officers June 30, 2023 by Nearest Age and Years of Service

Nearest Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
35-39				1				1	\$ 89,662
40-44				1	2			3	315,852
45-49				1	8	3		12	1,283,816
50-54						2		2	252,677
<b>Totals</b>				<b>3</b>	<b>10</b>	<b>5</b>		<b>18</b>	<b>\$ 1,942,007</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 47.6 years  
Service: 23.6 years  
Annual Pay: \$107,889

## Firefighters June 30, 2023 by Nearest Age and Years of Service

Nearest Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
40-44				1	1			2	\$ 184,695
45-49						1		1	92,848
50-54					1			1	95,680
55-59						1		1	93,513
<b>Totals</b>				<b>1</b>	<b>2</b>	<b>2</b>		<b>5</b>	<b>\$ 466,736</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 49.5 years

Service: 23.4 years

Annual Pay: \$93,347

## **SECTION C**

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### **SUMMARY OF VALUATION METHODS AND ACTUARIAL ASSUMPTIONS**

## Valuation Methods

**Entry Age Normal Actuarial Cost Method.** Normal cost and the allocation of benefit values between service rendered before and after the valuation date was determined using an individual **entry-age normal cost** valuation method having the following characteristics:

- (i) The annual normal costs for each individual active member, payable from the date of employment to the date of retirement, are sufficient to accumulate the value of the member's benefit at the time of retirement; and
- (ii) Each annual normal cost is a constant percentage of the member's year-by-year projected covered pay.

**Financing of Unfunded Actuarial Accrued Liability.** Unfunded Actuarial Accrued Liability (UAAL) was amortized as a level dollar amount over a closed period of 16 years.

**Asset Valuation Method.** The valuation assets are developed using a five-year smoothing technique. The difference between the expected return on assets (using the valuation interest rate assumption) and the actual return on assets is phased-in over a five-year period.

## Actuarial Assumptions Used for the Valuation

The actuary calculates the contribution requirements and benefit values of the Retirement System by applying actuarial assumptions to the benefit provisions and people information furnished, using the valuation methods described on page C-1. All actuarial assumptions are based on future expectations, not market measures.

The principal areas of economic and risk assumptions are:

- (i) Long-term rates of investment income likely to be generated by the assets of the Retirement System;
- (ii) Patterns of salary increases to be experienced by members;
- (iii) Rate of mortality among members, retirees and beneficiaries;
- (iv) Rates of withdrawal of active members without entitlement to a deferred retirement benefit;
- (v) Rates of disability among members and their subsequent rates of recovery; and
- (vi) The age and service distribution of actual retirements.

In making a valuation the actuary must project the monetary effect of each assumption, for each distinct experience group, for the next year and for each year over the next half-century or longer.

Once actual experience has occurred and been observed it is unlikely that it will coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of small adjustments of the computed contribution rate.

From time-to-time it becomes necessary to adjust the package of risk measurements to reflect basic experience trends – but not random year-to-year fluctuations. We will recommend changes whenever we feel they are appropriate.

Assumptions were reviewed and updated based on the 2014-2019 Experience Study, which includes the rationale for these assumptions.

**The rate of investment return (an economic assumption)** used was 7.00% a year, compounded annually net of expenses. This assumption was first used for the June 30, 2020 valuation and is used to discount the value of future payments. Actual recognized investment return for purposes of the actuarial valuation, based on the mean actuarial value of assets, has been as follows:

Year Ended June 30					5-Year Average
2023	2022	2021	2020	2019	
6.1%	6.2%	11.2%	6.8%	7.0%	7.4%

**The rate of price inflation** -- a rate of price inflation of 2.50% is consistent with other economic assumptions in this report.

**The rates of salary increase (an economic assumption)** used are in accordance with the following graded table. These assumptions were first used for the June 30, 2015 valuation. The assumption consists of 3.25% in recognition of wage inflation and a graded allowance for promotion and longevity.

The assumption is used to project current salaries to those upon which pension amounts will be based.

Sample Ages	Present Salary Resulting in Salary of \$1,000		Percent Increase in Salary During Next Year	
	At Age 65 General*	At Age 60 Police-Fire	General*	Police-Fire
	20	\$ 109	\$ 180	7.09 %
25	152	244	6.37	6.25
30	205	328	5.93	5.85
35	272	426	5.62	4.35
40	355	513	5.39	3.45
45	458	608	4.93	3.45
50	577	720	4.39	3.45
55	709	850	3.91	3.35
60	850	1,000	3.41	3.25
65	1,000	---	3.25	3.25

\* Includes General, Other Funds A, and Other Funds B members.

Actual valuation payroll has increased at the following rates.

	Year Ended June 30					5-Year Average
	2023	2022	2021	2020	2019	
Increase in pay for members active at both beginning and end of year	3.0 %	4.2 %	3.2 %	2.8 %	2.6 %	3.2 %



**The mortality tables (a risk assumption)** are used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement. The mortality rates described below were first used for the June 30, 2020 valuation.

### General

- **Healthy Pre-Retirement:** The Pub-2010 Amount-Weighted, General, Employee, Male and Female tables, a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Healthy Post-Retirement:** The Pub-2010 Amount-Weighted, General, Healthy Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Disability Retirement:** The Pub-2010 Amount-Weighted, General, Disabled Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.

Sample Attained Ages	Healthy Pre-Retirement		Healthy Post-Retirement		Disabled Retirement	
	Future Life		Future Life		Future Life	
	Expectancy (Years)		Expectancy (Years)		Expectancy (Years)	
	Men	Women	Men	Women	Men	Women
50	39.62	41.82	35.81	38.76	26.29	28.99
55	34.57	36.66	30.91	33.77	22.84	25.55
60	29.62	31.58	26.18	28.89	19.73	22.35
65	24.80	26.60	21.65	24.13	16.82	19.11
70	20.09	21.70	17.36	19.56	13.99	15.76
75	15.49	16.93	13.39	15.28	11.22	12.48
80	11.02	12.31	9.88	11.42	8.64	9.54

### Police/Fire

- **Healthy Pre-Retirement:** The Pub-2010 Amount-Weighted, Safety, Employee, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Healthy Post-Retirement:** The Pub-2010 Amount-Weighted, Safety, Healthy Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Disability Retirement:** The Pub-2010 Amount-Weighted, Safety, Disabled Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.

Sample Attained Ages	Healthy Pre-Retirement		Healthy Post-Retirement		Disabled Retirement	
	Future Life		Future Life		Future Life	
	Expectancy (Years)		Expectancy (Years)		Expectancy (Years)	
	Men	Women	Men	Women	Men	Women
50	38.96	41.46	35.85	37.85	34.40	36.51
55	33.83	36.31	30.77	32.73	29.53	31.64
60	28.78	31.21	25.87	27.82	24.84	27.02
65	23.87	26.17	21.24	23.15	20.46	22.67
70	19.10	21.19	16.92	18.73	16.39	18.52
75	14.57	16.39	12.97	14.63	12.64	14.59
80	10.34	11.88	9.52	11.00	9.39	11.00

**The rates of retirement (a risk assumption)** used to measure the probability of eligible members retiring during the year following attainment of the indicated age were as follows:

Age	Number Retiring Per 100 Eligible		
	General*	Police	Fire
50	-	27.0	27.0
51	-	18.0	18.0
52	-	13.5	13.5
53	-	13.5	13.5
54	-	13.5	13.5
55	20.0	9.0	9.0
56	10.0	9.0	9.0
57	10.0	13.5	13.5
58	10.0	22.5	22.5
59	10.0	27.0	27.0
60	30.0	100.0	100.0
61	20.0	100.0	100.0
62	30.0	100.0	100.0
63	20.0	100.0	100.0
64	20.0	100.0	100.0
65	30.0	100.0	100.0
66	30.0	100.0	100.0
67	40.0	100.0	100.0
68	50.0	100.0	100.0
69	60.0	100.0	100.0
70	100.0	100.0	100.0

*\* Includes General, Other Funds A, and Other Funds B members.*

The General rates were first used for the June 30, 2015 valuation; Police and Fire rates were first used for the June 30, 2020 valuation.

**Rates of separation from active membership (a risk assumption)** were as follows (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment.

Sample Ages	Years of Service	Number Separating Within Next Year (Per 100 Members)		
		General*	Police	Fire
ALL	0	15.00	8.00	8.00
	1	10.00	6.00	6.00
	2	8.00	4.50	4.50
	3	7.00	3.00	3.00
	4	6.00	2.00	2.00
25	5 & Over	6.00	3.00	3.00
30		5.50	2.50	2.50
35		4.50	1.50	1.50
40		1.75	0.50	0.50
45		1.00	0.50	0.50
50		1.00	0.50	0.50
55		1.00	0.50	0.50
60		1.00	0.50	0.50
65		1.00	0.50	0.50

\* Includes General, Other Funds A, and Other Funds B members.

Rates for General, Police and Fire were first used for the June 30, 2020 valuation.

**Rates of disability (a risk assumption)** measure the probabilities of active members retiring with a disability benefit.

Sample Ages	% of Active Members Becoming Disabled Within Next Year		
	General *	Police	Fire
20	0.15 %	0.12 %	0.12 %
25	0.18	0.18	0.18
30	0.20	0.30	0.30
35	0.29	0.36	0.36
40	0.42	0.84	0.84
45	0.65	0.96	0.96
50	1.05	1.14	1.14
55	1.84	1.32	1.32
60	3.06	1.44	1.44

\* Includes General, Other Funds A, and Other Funds B members.

50% of Fire disabilities are assumed to be duty disabilities.

Rates for General were first used for the June 30, 2001 valuation; Police and Fire rates were first used for the June 30, 2020 valuation.



## Miscellaneous and Technical Assumptions

<b>Benefit Service:</b>	Exact fractional service is used to determine the amount of benefit payable.
<b>Cost-of-Living Adjustment:</b>	Annual increase for those eligible assumed to be 1.0% annually.
<b>Decrement Operation:</b>	Disability and mortality decrements do not operate during the first 5 years of service. Disability and withdrawal do not operate during retirement eligibility.
<b>Decrement Relativity:</b>	Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.
<b>Decrement Timing:</b>	Decrements of all types are assumed to occur mid-year.
<b>Eligibility Testing:</b>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<b>Marriage Assumption:</b>	100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits.
<b>Normal Form of Benefit:</b>	The assumed normal form of benefit is the straight life form.
<b>Pay Increase Timing:</b>	Beginning of (Fiscal) year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

## SECTION D

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### **SUPPLEMENTARY INFORMATION**

NOTE: GASB Statements No. 67 and No. 68 are effective for Governmental Retirement Plans for the fiscal year beginning after June 15, 2013 (GASB Statement No. 67) and the fiscal year beginning after June 15, 2014 (GASB Statement No. 68). These statements replace GASB Statements No. 25, No. 27 and No. 50. Please see the corresponding GASB Statements No. 67 and No. 68 reports for relevant accounting figures.

## Supplementary Information (\$ Amounts in Thousands)

### Schedule of Funding Progress

Actuarial Valuation Date June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
2014 *	\$ 139,935	\$ 158,867	\$ 18,932	88.1 %	\$ 15,750	120.2 %
2015 *	149,882	182,644	32,762	82.1	14,244	230.0
2016	154,872	188,855	33,983	82.0	12,076	281.4
2017 *	164,083	188,930	24,847	86.8	11,806	210.5
2018	172,671	192,006	19,335	89.9	11,414	169.4
2019	177,350	195,661	18,311	90.6	10,825	169.2
2020 *	181,047	202,000	20,953	89.6	9,853	212.7
2021	191,647	206,237	14,590	92.9	8,799	165.8
2022	193,698	210,897	17,199	91.8	7,881	218.2
<b>2023</b>	<b>193,379</b>	<b>215,396</b>	<b>22,016</b>	<b>89.8</b>	<b>6,351</b>	<b>346.6</b>

\* Revised actuarial assumptions and/or methods and/or changes in benefit provisions.

## Supplementary Information (\$ Amounts in Thousands)

### Schedule of Employer Contributions

Fiscal Year Ending June 30	Actuarial Valuation Date June 30	Computed Dollar Contribution Based on Projected Valuation Payroll	Actual Required Contribution Based on Actual Payroll	Percentage Contributed
2009	2007	\$2,494	\$2,466	100 %
2010	2008	2,188	2,280	100
2011	2009	2,936	3,062	100
2012	2010	3,230	3,050	100
2013	2011	3,135	3,298	100
2014	2012	4,157	4,180	100
2015	2013	4,288	4,262	100
2016	2014	3,906	3,949	100
2017	2015	4,918	4,925	100
2018	2016	4,629	4,696	100
2019	2017	3,628	3,618	100
2020	2018	3,140	3,173	100
2021	2019	3,036	3,050	100
2022	2020	3,228	3,236	100
2023	2021	2,446	2,461	100
2024	2022	2,690	-	-
<b>2025</b>	<b>2023</b>	<b>3,045</b>	-	-

The Retirement System's financial objective provides for periodic employer contributions at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. The normal cost and amortization payment for the year ended June 30, 2023 were determined using an entry age actuarial funding method. Unfunded Actuarial Accrued Liabilities (UAAL) were amortized as a level dollar over a closed period of 16 years.

The Retirement System has been closed to new members since 2008.

## Supplementary Information

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	June 30, 2023
Actuarial cost method	Entry Age
Amortization method	Level dollar
Remaining amortization period	16 years closed
Asset valuation method	Open 5-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.00%
Projected salary increases*	3.25% - 7.09%
*Includes wage inflation at	3.25%
Cost-of-living adjustments	Annual increase for those eligible assumed to be 1.0% compounded annually.

Membership of the plan consisted of the following at June 30, 2023, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	460
Terminated plan members entitled to but not yet receiving benefits	47
Active plan members	<u>73</u>
Total	580

## **APPENDIX**

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### **RISK MEASURES**

## Risk Commentary

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. **Investment Risk** – actual investment returns may differ from the expected returns;
2. **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. **Contribution Risk** – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
4. **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
6. **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The computed contribution amount in this report may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined amounts do not necessarily guarantee benefit security.

# Risk Commentary (Concluded)

## Plan Maturity Measures

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Ratio of the market value of assets to payroll	29.06	23.08	24.50	18.16	16.52	15.36
Ratio of actuarial accrued liability to payroll	33.91	26.76	23.44	20.50	18.07	16.82
Ratio of actives to retirees and beneficiaries	0.16	0.20	0.24	0.28	0.33	0.37
Ratio of net cash flow to market value of assets	-6.4%	-5.2%	-4.3%	-4.5%	-4.0%	-3.2%

## Ratio of Market Value of Assets to Payroll

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 10.0 times the payroll, a return on assets 5% different than assumed would equal 50% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

## Ratio of Actuarial Accrued Liability to Payroll

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time. The ratio of liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times the payroll, a change in liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in liability (and also plan sponsor contributions) as a percentage of payroll.

## Ratio of Actives to Retirees and Beneficiaries

A young plan with many active members and few retirees will have a high ratio of actives to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0.

## Ratio of Net Cash Flow to Market Value of Assets

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

## Additional Risk Assessment

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.



# Low-Default-Risk Obligation Measure

## Introduction

In December 2021, the Actuarial Standards Board (ASB) adopted a revision to Actuarial Standard of Practice (ASOP) No. 4, *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*. The revised ASOP No. 4 requires the calculation and disclosure of a liability referred to by the ASOP as the “Low-Default-Risk Obligation Measure” (LDRM). The rationale that the ASB cited for the calculation and disclosure of the LDRM was included in the Transmittal Memorandum of ASOP No. 4 and is presented below (emphasis added):

“The ASB believes that the calculation and disclosure of this measure provides **appropriate, useful information for the intended user regarding the funded status of a pension plan**. The calculation and disclosure of this additional measure is **not intended to suggest that this is the “right” liability measure** for a pension plan. However, the ASB does believe that **this additional disclosure provides a more complete assessment of a plan’s funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.**”

## Comparing the Accrued Liabilities and the LDRM

One of the fundamental financial objectives of the City of Wyoming Employees Retirement System is to finance each member’s retirement benefits over the period from the member’s date of hire until the member’s projected date of retirement (entry age actuarial cost method) as a level percentage of payroll. To fulfill this objective, the discount rate that is used to value the accrued liabilities of the City of Wyoming Employees Retirement System is set equal to the **expected return** on the System’s diversified portfolio of assets (referred to sometimes as the investment return assumption). For the City of Wyoming Employees Retirement System, the investment return assumption is 7.00%.

The LDRM is meant to approximately represent the lump sum cost to a plan to purchase low-default-risk fixed income securities whose resulting cash flows essentially replicate in timing and amount the benefits earned (or the costs accrued) as of the measurement date. The LDRM is very dependent upon market interest rates at the time of the LDRM measurement. The lower the market interest rates, the higher the LDRM, and vice versa. The LDRM results presented in this report are based on the entry age actuarial cost method and discount rates based upon the June 2023 Treasury Yield Curve Spot Rates (end of month). The 1-, 5-, 10-, and 30-year rates follow: 5.29%, 3.99%, 3.61%, and 3.84%. This measure may not be appropriate for assessing the need for or amount of future contributions. This measure may not be appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan’s benefit obligation.

**The difference between the two measures (Valuation and LDRM) is one illustration of the savings the sponsor anticipates by taking on risk in a diversified portfolio.**

<b>Valuation Accrued Liabilities</b>	<b>LDRM</b>
\$215,395,677	\$303,980,553

## Notes Relating to Funding Progress Indicators

- (1) Includes amendment to Ordinance effective December 1974 (applicable to Police Officers).
- (2) Includes amendment to Ordinance effective July 1, 1977 providing 10-year vesting for Administrative and Supervisory employees.
- (3) Includes amendment to Ordinance providing non-contributory status for Administrative and Supervisory employees, Police Officers and Firefighters.
- (4) Includes amendment to Ordinance providing 10-year vesting and non-contributory status for General employees and an increase in the benefit formulas for General employees and Police Officers. The maximum number of years in the Police Officer formula will be phased-in to 30 years effective July 1, 1988.
- (5) Includes revision of assumed rate of investment return from 5.5% to 6.5%.
- (6) Includes revision of assumed rate of investment return from 6.5% to 7.5%.
- (7) Includes amendment to Ordinance providing 10-year vesting for Firefighters and changes in the benefit formula for all employees.
- (8) Includes change to 2.0% formula factor (from 1.8%) for General members (excluding Dispatchers and Telephone Operators) and Fire Administrative members.
- (9) Includes change from 5-year Final Average Compensation to 3-year Final Average Compensation for General and Fire Administrative members.
- (10) Includes: a) change from 5-year Final Average Compensation to 3-year Final Average Compensation for General members (excluding Dispatchers and Telephone Operators) and Fire members; and b) change to 2.0% formula factor for Fire members.
- (11) Includes: a) change from 10 to 5-year requirement for regular retirement, deferred retirement, non-duty disability and non-duty death benefits for Administrative members in all divisions; and b) increase in formula factor to 2.2% from 2.0% for all Police members and Administrative members in all divisions; to 2.0% from 1.8% for General Dispatchers and Telephone Operators.
- (12) Includes: a) increase in formula factor to 2.2% from 2.0% for all Fire members; increase to 2.1% from 2.0% for General union members; and b) automatic post-retirement increase provision for all Administrative members.

## Notes Relating to Funding Progress Indicators

- (13) Includes: a) early retirement eligibility for Administrative members at age 55 with 5 years of credited service; and b) automatic post-retirement increase provision for Police Command members who retire on or after age 60.
- (14) Includes an increase in formula factor to 2.25% from 2.20% for non-supervisory Police members. The increase in the employer contribution rate for Fire members reflects the retirement of two members whose normal cost had been negligible due to their age and service characteristics.
- (15) Includes an increase in formula factor to 2.2% from 2.1% for General members (excluding Dispatchers and Telephone Operators).
- (16) Includes: a) a change in actuarial cost method from individual attained-age to individual entry-age normal cost; b) an increase in the amortization period for unfunded accrued liability or funding credit to 25 years from 10 years (from 26 years for health); and c) a change in actuarial assumptions, all as recommended in an experience study which covered the period from July 1, 1989 to June 30, 1994. The following benefit provision changes were also included:
- The type of final average salary for General Dispatchers and Telephone Operators changes to the highest 3 consecutive years out of the last 5 years from the highest 5 consecutive years out of the last 10 years; and
  - The Duty Disability benefit for the non-supervisory Police members is now subject to Special Rules as described in an amendment to Schedule D, Section 91.40(6)(c) of the Code of the City of Wyoming.
- (17) Includes the following changes in benefit provisions:
- The formula factor for supervisory Police members increases to 2.25% from 2.20%.
  - The Duty Disability benefit for Police members changes to 50% of final average salary at the time of disability until attaining minimum age for normal retirement. Normal retirement benefit calculations shall include the time the member was receiving disability benefits and will be based on the monthly average the member would have earned during the 36 months preceding normal retirement age if the member was actively employed. The previous Duty Disability benefit for Police members had been computed in the same manner as the regular retirement benefit based on credited service (10-year minimum) and final average salary at time of termination.
- (18) Includes the following changes in benefit provisions:
- The formula factor for all Fire and General members (excluding Dispatchers and Telephone Operators) increases to 2.25% from 2.20%.
  - The early retirement reduction factor for General members changes to .002 from .004.

## Notes Relating to Funding Progress Indicators

- (19) Includes the following changes in benefit provisions:
- The formula factor for all Fire and Administrative members increases to 2.35% from 2.25%.
  - The early retirement reduction factor for Administrative members changes to .002 from .004.
- (20) Includes the following changes in benefit provisions:
- The formula factor for General Dispatchers and Telephone Operators increases to 2.25% from 2.00%.
  - The formula factor for all other General members increases to 2.35% from 2.25%.
  - The formula factor for Police members increases to 2.35% from 2.25%.
  - The premium for post-retirement health insurance payable to age 60 for Police Command members increases to \$10 per month times years of credited service, not to exceed 30 years from \$8 per month times years of credited service, not to exceed 30 years.
- (21) Includes revised demographic and economic assumptions. These assumption changes were adopted by the Retirement Board at their January 22, 2001 meeting.
- (22) Includes new amortization policy as adopted by the Retirement Board specifically at 18-year open period for pension and 30-year open period for post-retirement health costs.
- (23) Includes an increase in the formula factor for Police Patrol to 2.5% from 2.35% and an increase in the contribution rate for Police Patrol to 1.59% from 0%.
- (24) Includes a change in the asset derivation method from a 4-year smoothed market value to a 5-year smoothed market value, along with a change in the amortization period from 18 years to 10 years for pension.
- (25) Includes revision of assumed rate of investment return from 7.5% to 7.75% and closing the amortization period for pension.
- (26) Includes the following changes in benefit provisions:
- Employer right to rehire retirees (Ordinance No. 7-04).
  - Eliminate the early retirement reduction for benefits payable after age 60 if retired under the 2004 Voluntary Retirement Incentive Plan (Ordinance No. 14-04).
  - Establishment of a Deferred Retirement Option Plan (DROP) (Ordinance No. 15-04).
  - Establish separate trust to provide for the funding of retiree medical benefits (Ordinance No. 16-04).

## Notes Relating to Funding Progress Indicators

- (27) Includes the following changes in benefit provisions:
- Changing retirement eligibility for Firefighters from age 55 and 10 years of service to age 50 and 10 years of service.
  - Firefighters must make contributions of 1% of pay.
- (28) Includes the following change in benefit provisions:
- General Administrative members and Firefighters hired after September 6, 2005 will be automatically enrolled in the Defined Contribution plan. They will not participate in this defined benefit plan. As a result, contribution requirements for the General and Fire groups are based on level dollar amortization of unfunded accrued liability. Results for Police continue to be based on level percent of pay amortization.
- (29) Includes the following change in benefit provisions:
- General Non-Administrative members hired after February 6, 2006, Police Command members hired after February 20, 2006, and Police Dispatch members hired after February 7, 2006 will be automatically enrolled in the Defined Contribution plan. They will not participate in this defined benefit plan. Effective July 1, 2007, General Administrative members retiring early after July 1, 2007 will not have their benefit reduced.
- (30) Includes the following changes in benefit provisions:
- The formula factor for Police Patrol increases to 2.7% from 2.5% and the contribution rate for Police Patrol increases to 3.59% from 1.59%.
  - The formula factor for Police Command increases to 2.7% from 2.35% and the contribution rate for Police Command increases to 3.59% from 0%.
  - The formula factor for General Dispatchers and Telephone Operators increases to 2.35% from 2.25%.
  - The automatic post-retirement increases provision is removed for Police Command members retiring after July 1, 2008.
  - Maximum DROP account accumulation period for Police Command members has been reduced to 3 years from 5 years.
  - Police Non-Supervisory members hired after September 4, 2007 will be automatically enrolled in the Defined Contribution plan. They will not participate in this defined benefit plan.
- (31) Includes new amortization policy as adopted by the Retirement Board of 30-year amortization over a closed period.
- (32) The formula factor for Fire increases to 2.7% from 2.35% for a maximum of 30 years, and the member contribution rate increases to 4.00% from 1.00%.
- (33) Includes revised mortality assumptions. These assumption changes were adopted by the Retirement Board. Also includes changes to benefit provisions for non-administrative General members. These changes include reduction of the 2.35% multiplier to 1.95% beginning June 30, 2016.

## Notes Relating to Funding Progress Indicators

- (34) Includes the following changes in benefit provisions:
- General Union members will receive 1.95% of FAS effective June 30, 2016 for all future accrued service, unless they elect to contribute 2% of base wages to keep the 2.35% multiplier.
  - General Union members will no longer count overtime pay as pensionable earnings for purposes of determining benefit amounts.
- (35) Includes the following change in benefit provisions:
- General Administrative members will receive 2.15% of FAS effective July 1, 2016 for accrued service through June 30, 2018 unless they elect to contribute 1% of base wages to keep the 2.35% multiplier, and 1.95% of FAS effective July 1, 2018 for all future accrued service thereafter, unless they elect to contribute 2% of base wages to keep the 2.35% multiplier.
- (36) Includes the following changes in benefit provisions and actuarial assumptions:
- The maximum period of accumulation for benefits in a DROP account was decreased from 5 to 3 years.
  - Actuarial assumptions were updated in accordance with the Experience Study for the period July 1, 2010 to June 30, 2014, including:
    - A decrease in the wage inflation assumption from 4.50% to 3.50%;
    - A decrease in the investment rate of return assumption from 7.75% to 7.25%;
    - Updating the mortality tables to the RP-2014 Healthy Annuitant Mortality Table projected to 2020 using the MP-2014 mortality improvement scale; the mortality tables for disabled lives to the RP-2014 Disabled Retirees projected to 2020 using the MP-2014 mortality improvement scale; and the mortality tables for current active employees to the RP-2014 Mortality Tables for Employees projected to 2020 using the MP-2014 mortality improvement scale; and
    - Updating retirement rates for General members.
- (37) Includes the following change in actuarial assumptions:
- The price inflation assumption used was 2.75%. As a result, the COLA rate applied to members eligible for future cost-of-living increases changed from 1.6% annually to 1.1% annually.
- (38) Includes the following changes in actuarial assumptions:
- Actuarial assumptions were updated in accordance with the Experience Study for the period July 1, 2014 to June 30, 2019, including:
    - A decrease in the wage inflation assumption from 3.50% to 3.25%;
    - A decrease in the price inflation assumption from 2.75% to 2.50%;
    - A decrease in the cost-of-living adjustment rate applied to members eligible for future cost-of-living increases from 1.1% to 1.0%;
    - A decrease in the investment rate of return assumption from 7.25% to 7.00%;
    - Updating mortality tables to the Pub-2010 amount-weighted General tables for the General group valuations and the Pub-2010 amount-weighted Safety tables for the Police/Fire groups, in conjunction with the MP-2019 Projection Scale on a fully-generational basis;
    - Updating retirement rates for Police/Fire members;
    - Updating termination rates for General and Police/Fire members; and
    - Updating disability rates for Police/Fire members.

# City of Wyoming Retiree Health Care Plan

Actuarial Valuation Report

June 30, 2023



# Table of Contents

<u>Section</u>	<u>Page</u>	
	--	Cover Letter
	1	Executive Summary
<b>A</b>		<b>Valuation Results and Comments</b>
	1	Computation of the Actuarially Computed Employer Contributions
	2	Determination of Unfunded Accrued Liability
	3	Comments
<b>B</b>	1	<b>Retiree Premium Rate Development</b>
<b>C</b>	1	<b>Projection of Retiree Health Payouts</b>
<b>D</b>		<b>Summary of Benefit Provisions and Valuation Data</b>
	1	Summary of Benefit Provisions
	8	Active Member Data
	13	Deferred Member Data
	15	Retired Member Data
	17	Summary of Reported Financial Information
	18	Development of Valuation Assets
<b>E</b>		<b>Valuation Methods and Actuarial Assumptions</b>
	1	Entry Age Actuarial Cost Method
	2	Actuarial Assumptions
	9	Supplementary Information
	10	Sample GASB Schedules
	11	Miscellaneous and Technical Assumptions
<b>Appendix</b>	1	<b>Glossary</b>



December 18, 2023

Ms. Jodi Yenchar  
Finance Director  
City of Wyoming  
1155 28<sup>th</sup> Street, S.W.  
Wyoming, Michigan 49509

**Re: City of Wyoming Retiree Health Care Plan Actuarial Valuation as of June 30, 2023  
Actuarial Disclosures**

Dear Ms. Yenchar:

The results of the June 30, 2023 Annual Actuarial Valuation of the City of Wyoming Retiree Health Care Plan are presented in this report.

This report was prepared at the request of the City and is intended for use by the City and those designated or approved by the City. This report may be provided to parties other than the Plan only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the Plan's funding progress and to determine the Actuarially Computed Employer Contributions for the fiscal years ending June 30, 2025 and June 30, 2026. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different. This report does not include actuarial information needed to satisfy reporting requirements under Governmental Accounting Standards Board Statements No. 74 or No. 75.

The contributions shown in this report were determined using the actuarial assumptions and methods disclosed in Section E of this report.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this Plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data and other information through June 30, 2023. The valuation was based upon information furnished by the City, concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the City.

Results presented in this report are developed using the actuarial assumptions and methods disclosed in this report. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. This report does not include a robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment. We encourage a review and assessment of the investment and other significant risks that may have a material effect on the Plan's financial condition.

This report was prepared using assumptions adopted by the Board. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. Additional information about the actuarial assumptions is included in the section of this report entitled Valuation Methods and Actuarial Assumptions.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report has been prepared by actuaries who have substantial experience valuing public employee retiree health care plans. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the City of Wyoming Retiree Health Care Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

James D. Anderson and Richard C. Koch Jr. are Members of the American Academy of Actuaries (MAAA). These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation and report with the Board of Trustees and to answer any questions pertaining to the valuation.

Respectfully submitted,  
Gabriel, Roeder, Smith & Company



James D. Anderson, FSA, EA, FCA, MAAA



Richard C. Koch Jr., FSA, EA, MAAA

JDA/RCK:rmn

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# EXECUTIVE SUMMARY

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# Executive Summary

## Actuarially Computed Employer Contribution

We have calculated the Actuarially Computed Employer Contribution for the fiscal years ending June 30, 2025 and June 30, 2026. The Actuarially Computed Employer Contribution for the fiscal year ending June 30, 2025 is \$835,074. The Actuarially Computed Employer Contribution is \$834,186 for the year ending June 30, 2026. The expected employer retiree health care claims and premium amounts paid during the fiscal years ending June 30, 2025 and June 30, 2026 are estimated to be \$3,333,998 and \$3,610,616, respectively. These amounts reflect the employer portion of the retiree only premium rates for retirees and covered spouses.

For additional details, please see Section B of this report.

## Liabilities and Assets

The present value of all benefits expected to be paid to current plan members as of June 30, 2023 is \$67,486,633. The actuarial accrued liability, which is the portion of the \$67,486,633 attributable to service accrued by plan members as of June 30, 2023, is \$65,152,746. The assets currently set aside for OPEB funding valuation purposes as of June 30, 2023 are \$64,419,035 on a funding valuation basis, and \$60,847,405 on a market value basis. OPEB liabilities are currently 98.9% funded on a valuation asset basis, and 93.4% on a market value basis.

## SECTION A

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### VALUATION RESULTS AND COMMENTS

## Computation of the Actuarially Computed Employer Contributions for Fiscal Years Ending June of 2025 and 2026

Actuarially Computed Employer Contributions for	Actuarially Computed Employer Contribution					
	Fire	General	Other Funds A	Other Funds B	Police	Total
Normal Cost						
Age & Service Benefits	\$ 14,385	\$ 46,412	\$ 66,407	\$ 83,753	\$ 68,253	\$ 279,210
Death and Disability Benefits	2,439	7,869	9,792	16,090	12,243	48,433
Termination Benefits						
Vested Age & Service Benefits	<u>1,760</u>	<u>9,981</u>	<u>12,243</u>	<u>27,400</u>	<u>7,995</u>	<u>59,379</u>
Total Normal Cost	18,584	64,262	88,442	127,243	88,491	387,022
Unfunded Actuarial Accrued Liabilities	252,303	144,647	(88,442)	(127,243)	266,787	448,052
Fiscal Year Ending 2025						
Actuarially Computed Employer Contribution	\$ <b>270,887</b>	\$ <b>208,909</b>	\$ -	\$ -	\$ <b>355,278</b>	\$ <b>835,074</b>
Fiscal Year Ending 2026						
Actuarially Computed Employer Contribution	\$ <b>271,193</b>	\$ <b>206,371</b>	\$ -	\$ -	\$ <b>356,622</b>	\$ <b>834,186</b>

The unfunded actuarial accrued liabilities were amortized as a level dollar amount over a closed period of 16 years for the fiscal year ending June 30, 2025.

The assumptions underlying the liabilities shown above include the health care trend rates shown on page B-2.



## Determination of Unfunded Accrued Liability as of June 30, 2023

	Fire	General	Other Funds A	Other Funds B	Police	Total
A. Actuarial Accrued Liability:						
1. For retirees and beneficiaries	\$5,919,798	\$ 7,946,556	\$ 9,148,991	\$ 9,010,982	\$15,220,549	\$47,246,876
2. For vested terminated members	150,873	2,804,465	1,632,036	1,556,732	725,055	6,869,161
3. For present active members:						
a. Value of expected future benefits payments	870,173	2,199,798	2,676,898	4,362,240	3,261,487	13,370,596
b. Value of future normal costs	115,265	345,672	533,367	844,039	495,544	2,333,887
c. Active members liability: (a) - (b)	754,908	1,854,126	2,143,531	3,518,201	2,765,943	11,036,709
4. Total (1.) + (2.) + (3c.)	6,825,579	12,605,147	12,924,558	14,085,915	18,711,547	65,152,746
B. Valuation Assets	4,359,679	11,191,434	16,120,130	16,643,703	16,104,089	64,419,035
C. Unfunded Accrued Liability: (A.4) - (B)	2,465,900	1,413,713	(3,195,572)	(2,557,788)	2,607,458	733,711
D. Percent Funded: (B)/(A.4)	63.9%	88.8%	124.7%	118.2%	86.1%	98.9%
E. Market Value of Assets (MVA)	4,106,811	10,596,370	15,241,481	15,688,810	15,213,933	60,847,405
F. Percent Funded MVA Basis: (E)/(A.4)	60.2%	84.1%	117.9%	111.4%	81.3%	93.4%

The assumptions underlying the liabilities shown above include the health care trend rates on page B-2.

Market value assets of \$60,847,405 are held in GASB qualified trusts. Final determination of whether assets can be considered “plan assets” for GASB purposes should be made through consultation with the City’s auditors.



## Comments

**Comment A:** Overall plan experience was more favorable than expected, since the last valuation. Factors contributing to the favorable experience include, but are not limited to:

- Favorable pre-65 claims experience; and
- Lower Medicare Advantage rates than anticipated.

Partially offsetting these factors were:

- An increase of approximately \$4.4 million in liabilities from revising the health care trend assumption; and
- Lower than assumed investment returns.

**Comment B:** The Michigan State Treasurer has established uniform actuarial assumptions as required by Public Act 202 (PA 202) of 2017 for use with the annual Form 5572 (Retirement System Annual Report). The use of the uniform assumptions for reporting purposes is required for the fiscal year ending June 30, 2023. Information necessary to satisfy PA 202 uniform assumption reporting can be found in the June 30, 2023 City of Wyoming Retiree Health Care Plan GASB Statement Nos. 74 and 75 report dated October 2, 2023.

**Comment C:** The market value of assets and the funding value of assets for each of the employer groups for the June 30, 2023 valuation follow:

	<b>Market Value of Assets</b>	<b>Funding Value of Assets</b>
Other Funds A	\$ 15,241,481	\$ 16,120,130
Other Funds B	15,688,810	16,643,703
General	10,596,370	11,191,434
Police	15,213,933	16,104,089
Fire	4,106,811	4,359,679
Total	\$ 60,847,405	\$ 64,419,035

## **SECTION B**

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### **RETIREE PREMIUM RATE DEVELOPMENT**

# Retiree Premium Rate Development

## Rate Development

The pre-65 retiree rates were calculated by using paid claims experience and exposure data for the period of July 2020 to June 2023 adjusted for catastrophic claims, plus the load for administration, network access fee, and stop loss premiums. Since the prescription drug claims and the medical claims exhibit different trends and claim payment patterns, we analyzed these claims separately.

The claims data was provided by Priority Health, the City's TPA, for the retired participants of the City of Wyoming's medical benefit program. There is a small portion of participants who are grandfathered into self-insured post-65 plan, but due to lack of credibility we valued these individuals with the fully-insured Medicare Advantage rates.

Therefore, for the post-65 retirees, the fully-insured Medicare Advantage premium rate is used as the basis of the initial per capita cost since the rate reflects the demographics of the post-65 retiree group. In a Medicare Advantage Program, the liability is based on the difference between the present value of future claims minus the present value of future reimbursements from CMS. CMS' reimbursement is based on a very competitive bid process and has resulted in recent Medicare Advantage premiums trending at low rates of increase. Previously, a margin has been added to Medicare Advantage rates to recognize that increases in CMS reimbursements may lag behind the trends for healthcare costs. For the near term, we believe this margin is no longer necessary and we will monitor the Medicare Advantage environment and revisit the need for an additional margin at the time of the next valuation.

Age graded and sex distinct premiums are utilized by this valuation. The premiums developed by the preceding process are appropriate for the unique age and sex distribution currently existing. Over the future years covered by this valuation, the age and sex distribution will most likely change. Therefore, our process "distributes" the average premium over all age/sex combinations and assigns a unique premium for each combination. The age/sex specific premiums more accurately reflect the health care utilization and cost at that age. The age-graded premiums are shown below:

Please note that these premiums reflect the medical and prescription drug coverage only. We did not value the dental or vision benefits at this time.

Age	Premium Rates by Age for Medical and Prescription Drugs	
	Male	Female
40	\$ 371.93	\$ 604.36
50	602.89	742.70
60	1,024.64	1,008.92
64	1,245.99	1,175.88
65	301.26	284.15
75	352.48	343.94
85	372.72	377.11

# Retiree Premium Rate Development

## Health Care Trend Assumption

The health care cost trend rate is the rate of change in per capita health care claims over time as a result of factors such as medical inflation, utilization of health care services, plan design, and technological improvements. It is a crucial economic assumption that is required for measuring retiree health care benefit obligations.

Retiree health care valuations use a health care cost trend assumption (trend vector) that changes over the years. The trend vector used in this valuation begins with a near-term trend assumption and declines over time to an ultimate trend rate. The near-term rates reflect the increases in the current cost of health care goods and services. The process of trending down to a lower ultimate trend relies on the theory that premium levels will moderate over the long-term, otherwise the healthcare sector would eventually consume the entire GDP. It is on this basis that projected premium rate increases continue to exceed wage inflation for the next fifteen years, but by less each year until leveling off at an ultimate rate, assumed to be 3.50% in this valuation.

While experience is often the best starting point for future costs, GRS does not rely on a group's experience in setting the near-term trend assumptions since trends vary significantly from year to year and are not credible for most groups. Therefore, professional judgment, trends from GRS' book of business and industry benchmarks (e.g., trend reports from various Pharmacy Benefit Management (PBM) organizations, and national health care benefit consulting firms) are used in conjunction with a group's historical experience to establish the trend assumptions.

The combined medical and prescription drug per capita costs are projected to increase as shown in the table below:

Year	Medical and Drug Trend Rates	
	Pre 65 Trend	Post 65 Trend
2024	7.25%	6.50%
2025	7.00%	6.25%
2026	6.75%	6.00%
2027	6.50%	5.75%
2028	6.25%	5.75%
2029	6.00%	5.50%
2030	5.75%	5.25%
2031	5.50%	5.00%
2032	5.00%	4.75%
2033	4.75%	4.50%
2034	4.50%	4.25%
2035	4.25%	4.25%
2036	4.00%	4.00%
2037	3.75%	3.75%
2038 & Later	3.50%	3.50%


# Retiree Premium Rate Development

## Actuarial Disclosures

The premium rates used in this valuation were developed using proprietary Excel models which, in James E. Pranschke's professional judgment, provide initial projected costs which are consistent with the purposes of the valuation. We perform tests to ensure that the models, in their entirety, reasonably represent that which is intended to be modeled.

Aging factors used in the premium development models were developed based on information and data from a 2013 study commissioned by the Society of Actuaries entitled "Health Care Costs – From Birth to Death."

James E. Pranschke is a Member of the American Academy of Actuaries (MAAA) and meets the Qualification Standards of the American Academy of Actuaries to certify the per capita retiree health care rates shown above.

  
James E. Pranschke, FSA, FCA, MAAA

## SECTION C

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### PROJECTION OF RETIREE HEALTH PAYOUTS

## Projection of Retiree Health Payouts

Year Ending June 30,	Projection of Retiree Health Payouts
2024	\$ 3,107,607
2025	3,333,998
2026	3,610,616
2027	3,994,081
2028	4,491,934
2029	4,863,654
2030	5,126,053
2031	5,390,007
2032	5,777,244
2033	6,007,159
2034	6,277,402
2035	6,188,762
2036	6,151,687
2037	6,215,227
2038	6,273,165
2039	6,047,201
2040	5,871,861
2041	5,829,788
2042	5,713,016
2043	5,449,398

## SECTION D

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### **SUMMARY OF BENEFIT PROVISIONS AND VALUATION DATA**

# City of Wyoming Retiree Health Care Plan

## Fire Non-Command Employees

### Summary of Benefits as of June 30, 2023

#### Plan Participants

Fire Non-Command employees of the City of Wyoming are eligible to receive retiree health care benefits.

#### Retiree Health Care Benefits

**Members hired before 7/1/2005 and retiring before 9/6/2005:** \$10 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Members hired before 7/1/2005 and retiring before 10/2/2009:** \$15 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Members hired before 7/1/2005 and retiring after 10/1/2009:** \$20 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Members retiring after 7/1/2015 and not in PEHP:** Retirees will share the cost of health care according to the following schedule:

<u>Years of Service</u>	<u>Retiree Cost Share</u>
Less than 10	Not eligible for retiree health care
10-14	30%
15-18	20%
19+	0%

**Members hired after 10/1/2009:** Members may participate in City defined contribution Postemployment Health care Plan (PEHP). The City shall contribute 4% of base wages to a defined contribution plan.

#### Normal Retirement Health Care Eligibility

Age 50 with 10 or more years of service.

#### Early Retirement Health Care Eligibility

Members are not eligible for early retirement.

#### Deferred Retirement Health Care Eligibility

Employees retiring under deferred retirement conditions are eligible for retiree health care just as if they had retired at normal retirement. Benefit deferred until normal retirement age.



# City of Wyoming Retiree Health Care Plan Fire Non-Command Employees Summary of Benefits as of June 30, 2023 (Concluded)

## **Duty Death-in-Service Retirement Health Care Eligibility**

Spouses of duty death-in-service members are eligible for retiree health care at any age and service. Benefit is based on a minimum of 10 years of service or the actual service if greater than 10 years of service. Benefit commences immediately.

## **Non-Duty Death-in-Service Retirement Health Care Eligibility**

Spouses of non-duty death-in-service members are eligible for retiree health care at any age with 10 years of service. Benefit is based on years of service. Benefit commences immediately.

## **Duty Disabled Retirement Health Care Eligibility**

Duty disabled members are eligible for retiree health care at any age and service. Benefit is based on a minimum of 10 years of service or the actual service if greater than 10 years of service. Benefit commences immediately. Dependents are covered until retiree reaches normal retirement age.

## **Non-Duty Disabled Retirement Health Care Eligibility**

Non-duty disabled members are eligible for retiree health care at any age with 10 years of service. Benefit is based on years of service. Benefit commences immediately.

## **Health Care Benefits for Spouses and Dependents of Retired Employees**

Spouses of retired employees (married to employee at time of termination) are eligible to receive retiree health care benefits. Coverage continues to surviving spouses of deceased retirees. Dependents are not covered as part of the retiree health care plan. Any dependent coverage must be paid by the retiree or surviving spouse.

## **Non-Medicare and Medicare–Eligible Provisions**

Retirees are required to enroll in Medicare Part A & B once eligible. Retiree pays Medicare Part A & B premiums.

## **Opt-Out Provision**

The City does not provide an opt-out benefit for retiree health care benefits; however, retirees may choose to not enroll in retiree health coverage.

*This is a brief summary of the City of Wyoming Retiree Health Care Plan's benefit provisions. In the event that any description contained herein differs from the actual eligibility or benefit, the appropriate employee contract or governing document will prevail.*



# City of Wyoming Retiree Health Care Plan

## General Employees

### Summary of Benefits as of June 30, 2023

#### Plan Participants

General employees of the City of Wyoming are eligible to receive retiree health care benefits.

#### Retiree Health Care Benefits

**Non-Admin hired before 2/7/2006 and retiring before 2/7/2006:** \$10 per month times years of credited service, not to exceed 25 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Non-Admin hired before 2/7/2006 and retiring before 7/2/2009:** \$15 per month times years of credited service, not to exceed 25 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Non-Admin hired before 2/7/2006 and retiring after 7/1/2009:** \$20 per month times years of credited service, not to exceed 25 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Non-Admin hired before 2/7/2006 and retiring after 7/1/2017 and not in PEHP:** Retirees will share the cost of health care according to the following schedule:

<u>Years of Service</u>	<u>Retiree Cost Share</u>
Less than 10	Not eligible for retiree health care
10-14	30%
15-18	20%
19+	0%

**Non-Admin hired after 2/6/2006 and not in PEHP:** \$20 per month times years of credited service, not to exceed 25 years, payable to age 60. Having at least 10 years of service, beginning at age 60, the City shall contribute 24% toward the cost of the premium for the retiree and retiree's eligible spouse. For each additional year after ten (10) years, the City shall contribute an additional four percent (4%) per year to a maximum City contribution of one hundred percent (100%).

**Administrative hired before 7/2/2004 and retiring after 1/30/2015 and not in PEHP:** Retirees will share the cost of health care according to the following schedule:

<u>Years of Service</u>	<u>Retiree Cost Share</u>
Less than 10	Not eligible for retiree health care
10-14	30%
15-19	20%
20+	0%



# City of Wyoming Retiree Health Care Plan

## General Employees

### Summary of Benefits as of June 30, 2023

**Administrative hired after 7/1/2007 and Non-Admin hired after 6/30/2009:** The City shall contribute 4% of base wages to a defined contribution Postemployment Health care Plan (PEHP).

#### **Normal Retirement Health Care Eligibility**

**Administrative:** Age 60 with 5 or more years of service.

**Non-Admin:** Age 60 with 10 or more years of service.

#### **Early Retirement Health Care Eligibility**

**Administrative:** Age 55 with 5 or more years of service.

**Non-Admin:** Age 55 with 10 or more years of service.

#### **Deferred Retirement Health Care Eligibility**

Employees retiring under deferred retirement conditions are eligible for retiree health care just as if they had retired at normal retirement. Benefit deferred until normal retirement age.

#### **Duty Death-in-Service Retirement Health Care Eligibility**

Spouses of duty death-in-service members are eligible for retiree health care at any age and service. Benefit is based on a minimum of 10 years of service or the actual service if greater than 10 years of service. Benefit commences immediately.

#### **Non-Duty Death-in-Service Retirement Health Care Eligibility**

Spouses of non-duty death-in-service members are eligible for retiree health care at any age with 10 years of service. Benefit is based on years of service. Benefit commences immediately.

#### **Duty Disabled Retirement Health Care Eligibility**

Duty disabled members are eligible for retiree health care at any age and service. Benefit is based on a minimum of 10 years of service or the actual service if greater than 10 years of service. Benefit commences immediately. Eligible dependents are covered until retiree reaches normal retirement age.

#### **Non-Duty Disabled Retirement Health Care Eligibility**

Non-duty disabled members are eligible for retiree health care at any age with 10 years of service. Benefit is based on years of service. Benefit commences immediately.

#### **Health Care Benefits for Spouses and Dependents of Retired Employees**

Eligible spouses of retired employees (married to employee at time of termination) are eligible to receive retiree health care benefits. Coverage continues to eligible surviving spouses of deceased retirees. Dependents are not covered as part of the retiree health care plan. Any dependent coverage must be paid by the retiree or surviving spouse.



# City of Wyoming Retiree Health Care Plan General Employees Summary of Benefits as of June 30, 2023 (Concluded)

## Non-Medicare and Medicare–Eligible Provisions

Retirees are required to enroll in Medicare Part A & B once eligible. Retiree pays Medicare Part A & B premiums.

## Opt-Out Provision

The City does not provide an opt-out benefit for retiree health care benefits; however, retirees may choose to not enroll in retiree health coverage.

*This is a brief summary of the City of Wyoming Retiree Health Care Plan’s benefit provisions. In the event that any description contained herein differs from the actual eligibility or benefit, the appropriate employee contract or governing document will prevail.*

# City of Wyoming Retiree Health Care Plan

## Police Non-Dispatchers Employees

### Summary of Benefits as of June 30, 2023

**Plan Participants**

Police employees of the City of Wyoming are eligible to receive retiree health care benefits.

**Retiree Health Care Benefit**

**Police Non-Command hired before 7/1/2005 and retiring before 9/6/2005:** \$10 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Police Non-Command hired before 7/1/2005 and retiring after 9/5/2005:** \$15 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Police Non-Command hired before 7/1/2005 and retiring after 9/3/2007:** \$20 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Police Command hired before 7/1/2005 and retiring before 2/20/2006:** \$15 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Police Command hired before 7/1/2005 and retiring after 2/20/2006:** \$20 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and eligible spouse regardless of optional form of retirement benefit selected.

**Police Non-Command hired before 9/4/2007 and retiring after 1/30/2015 and Command hired before 7/1/2008 and retiring after 7/1/2015 and not in PEHP:** Retirees will share the cost of health care according to the following schedule:

<u>Years of Service</u>	<u>Retiree Cost Share</u>
Less than 10	Not eligible for retiree health care
10-14	30%
15-18	20%
19+	0%

**Police Non-Command hired after 9/3/2007 and Police Command hired after 8/31/2008:** The City shall contribute 4% of base wages to a defined contribution post-employment health plan (PEHP).

**Normal Retirement Health Care Eligibility**

**Police Non-Command & Police Command:** Age 50 with 10 or more years of service.

**Early Retirement Health Care Eligibility**

Members are not eligible for early retirement.



# City of Wyoming Retiree Health Care Plan

## Police Non-Dispatchers Employees

### Summary of Benefits as of June 30, 2023 (Concluded)

#### **Deferred Retirement Health Care Eligibility**

Employees retiring under deferred retirement conditions are eligible for retiree health care just as if they had retired at normal retirement. Benefit deferred until normal retirement age.

#### **Duty Death-in-Service Retirement Health Care Eligibility**

Spouses of duty death-in-service members are eligible for retiree health care at any age and service. Benefit is based on a minimum of 10 years of service or the actual service if greater than 10 years of service. Benefit commences immediately.

#### **Non-Duty Death-in-Service Retirement Health Care Eligibility**

Eligible spouses of non-duty death-in-service members are eligible for retiree health care at any age with 10 years of service. Benefit is based on years of service. Benefit commences immediately.

#### **Duty Disabled Retirement Health Care Eligibility**

Duty disabled members are eligible for retiree health care at any age and service. Benefit is based on a minimum of 10 years of service or the actual service if greater than 10 years of service. Benefit commences immediately. Dependents are covered until retiree reaches normal retirement age.

#### **Non-Duty Disabled Retirement Health Care Eligibility**

Non-duty disabled members are eligible for retiree health care at any age with 10 years of service. Benefit is based on years of service. Benefit commences immediately.

#### **Health Care Benefits for Spouses and Dependents of Retired Employees**

Eligible spouses of retired employees (married to employee at time of termination) are eligible to receive retiree health care benefits. Coverage continues to eligible surviving spouses of deceased retirees. Dependents are not covered as part of the retiree health care plan. Any dependent coverage must be paid by the retiree or surviving spouse.

#### **Non-Medicare and Medicare-Eligible Provisions**

Retirees are required to enroll in Medicare Part A & B once eligible. Retiree pays Medicare Part A & B premiums.

#### **Opt-Out Provision**

The City does not provide an opt-out benefit for retiree health care benefits; however, retirees may choose to not enroll in retiree health coverage.

*This is a brief summary of the City of Wyoming Retiree Health Care Plan's benefit provisions. In the event that any description contained herein differs from the actual eligibility or benefit, the appropriate employee contract or governing document will prevail.*



# City of Wyoming Retiree Health Care Plan

## Fire Active Members as of June 30, 2023

### by Age and Years of Service

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age	Years of Service to Valuation Date							Totals
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.
40-44				1	1			2
45-49						1		1
50-54					1			1
55-59						1		1
<b>Totals</b>				<b>1</b>	<b>2</b>	<b>2</b>		<b>5</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

**Age:**                    49.5    years  
**Service:**                23.4    years

## City of Wyoming Retiree Health Care Plan General Active Members as of June 30, 2023 by Age and Years of Service

Age	Years of Service to Valuation Date							Totals
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.
40-44				1				1
45-49					1			1
50-54				1	2	2	1	6
55-59				1	2	3		6
60-64					1			1
<b>Totals</b>				<b>3</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>15</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

**Age:** 54.3 years  
**Service:** 24.3 years

## City of Wyoming Retiree Health Care Plan Other Funds A Active Members as of June 30, 2023 by Age and Years of Service

Age	Years of Service to Valuation Date							Totals
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.
40-44				1				1
45-49				3	1			4
50-54			2	3	1	2		8
55-59				1	2	1		4
60-64					1			1
65 & Over							1	1
<b>Totals</b>			<b>2</b>	<b>8</b>	<b>5</b>	<b>3</b>	<b>1</b>	<b>19</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

**Age:**                    53.0    years  
**Service:**               21.6    years

**City of Wyoming Retiree Health Care Plan  
Other Funds B Active Members as of June 30, 2023  
by Age and Years of Service**

Age	Years of Service to Valuation Date							Totals
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.
40-44			1	1	2			4
45-49				1	5	3		9
50-54				2	4	2	2	10
55-59				2	1	2	1	6
<b>Totals</b>			<b>1</b>	<b>6</b>	<b>12</b>	<b>7</b>	<b>3</b>	<b>29</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

**Age:** 51.0 years  
**Service:** 23.8 years

## City of Wyoming Retiree Health Care Plan Police Active Members as of June 30, 2023 by Attained Age and Years of Service

Age	Years of Service to Valuation Date							Totals
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.
35-39				1				1
40-44				1	2			3
45-49				2	8	3		13
50-54						2		2
<b>Totals</b>				<b>4</b>	<b>10</b>	<b>5</b>		<b>19</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

**Age:** 47.4 years  
**Service:** 23.3 years

# City of Wyoming Retiree Health Care Plan Deferred Members as of June 30, 2023 by Attained Age and Years of Service

## Fire Deferred Members

Attained Age	Number of Deferred Retirees		
	Male	Female	Totals
45-49	1	0	1
<b>Totals</b>	<b>1</b>	<b>0</b>	<b>1</b>

## General Deferred Members

Attained Age	Number of Deferred Retirees		
	Male	Female	Totals
45-49	1	4	5
50-54	2	4	6
55-59	3	4	7
60+	1		1
<b>Totals</b>	<b>7</b>	<b>12</b>	<b>19</b>

## Other Funds A Deferred Members

Attained Age	Number of Deferred Retirees		
	Male	Female	Totals
40-44		1	1
50-54	3	3	6
55-59	3		3
60+		1	1
<b>Totals</b>	<b>6</b>	<b>5</b>	<b>11</b>

# City of Wyoming Retiree Health Care Plan Deferred Members as of June 30, 2023 by Attained Age and Years of Service

## Other Funds B Deferred Members

Attained Age	Number of Deferred Retirees		
	Male	Female	Totals
35-39	1		1
45-49	2		2
50-54	3		3
55-59	4	1	5
<b>Totals</b>	<b>10</b>	<b>1</b>	<b>11</b>

## Police Deferred Members

Attained Age	Number of Deferred Retirees		
	Male	Female	Totals
45-49	4		4
<b>Totals</b>	<b>4</b>	<b>0</b>	<b>4</b>

The number counts above only include those retirees who are eligible to receive retiree health care coverage through the City’s plan. Additionally, number counts above do not include deferred members covered under a current retiree.

# City of Wyoming Retiree Health Care Plan Retired Members as of June 30, 2023 by Attained Age and Years of Service

## Fire Retired Members

Attained Age	Number of Retirees		
	Male	Female	Totals
Under 65	6	0	6
65 & Over	19	4	23
<b>Totals</b>	<b>25</b>	<b>4</b>	<b>29</b>

## General Retired Members

Attained Age	Number of Retirees		
	Male	Female	Totals
Under 65	4	11	15
65 & Over	15	50	65
<b>Totals</b>	<b>19</b>	<b>61</b>	<b>80</b>

## Other Funds A Retired Members

Attained Age	Number of Retirees		
	Male	Female	Totals
Under 65	9	6	15
65 & Over	51	18	69
<b>Totals</b>	<b>60</b>	<b>24</b>	<b>84</b>

## Other Funds B Retired Members

Attained Age	Number of Retirees		
	Male	Female	Totals
Under 65	8	4	12
65 & Over	51	18	69
<b>Totals</b>	<b>59</b>	<b>22</b>	<b>81</b>

**City of Wyoming**  
**Retired Members as of June 30, 2023**  
**by Attained Age and Years of Service (Concluded)**

**Police Retired Members**

Attained Age	Number of Retirees		
	Male	Female	Totals
Under 65	16	4	20
65 & Over	41	10	51
<b>Totals</b>	<b>57</b>	<b>14</b>	<b>71</b>

The number counts above only include those retirees who are currently receiving retiree health care coverage through the City's plan.

# Summary of Reported Financial Information

## Year Ended June 30, 2023

	<b>2023</b>
<b>Additions</b>	
Contributions	
Employer	\$ 2,158,590
Nonemployer contributing entities - Medicare D	0
Active Employees	0
Other	0
Total Contributions	\$ 2,158,590
Investment Income	
Net Appreciation in Fair Value of Investments	\$ 3,453,021
Interest and Dividends	1,737,030
Miscellaneous Investment Income	0
Less Investment Expense	(176,587)
Net Investment Income	\$ 5,013,464
Other	\$ 0
<b>Total Additions</b>	<b>\$ 7,172,054</b>
 <b>Deductions</b>	
Benefit Payments	\$ 2,556,642
OPEB Plan Administrative Expense	20,508
Other	0
<b>Total Deductions</b>	<b>\$ 2,577,150</b>
<b>Change in Market Value of Assets</b>	<b>\$ 4,594,904</b>
 <b>Market Value of Assets for OPEB</b>	
Beginning of Year	\$ 56,252,501
End of Year	\$ 60,847,405

## Development of Valuation Assets Year Ended June 30, 2023

	2020	2021	2022	2023	2024	2025	2026	2027
Beginning of Year:								
(1) Market Value	\$43,556,729	\$48,099,025	\$64,065,688	\$56,252,501				
(2) Valuation Assets	43,556,729	48,542,879	56,574,869	61,228,282				
End of Year:								
(3) Market Value	48,099,025	64,065,688	56,252,501	60,847,405				
(4) Net Additions to Assets, Excluding Investment Income	1,871,411	2,694,709	1,452,769	(418,560)				
(5) Total Investment Income = (3) - (1) - (4)	2,670,885	13,271,954	(9,265,956)	5,013,464				
(6) Projected Rate of Return	7.25%	7.00%	7.00%	7.00%	7.00%			
(7) Projected Investment Income = (6) x [(2) + .5 x (4)]	3,225,702	3,492,316	4,011,088	4,271,330				
(8) Investment Income in Excess of Projected Income = (5)-(7)	(554,817)	9,779,638	(13,277,044)	742,134				
(9) Excess Investment Income Recognized This Year (5-year recognition)								
(9a) From This Year	(110,963)	1,955,928	(2,655,409)	148,427				
(9b) From One Year Ago	0	(110,963)	1,955,928	(2,655,409)	\$ 148,427			
(9c) From Two Years Ago	0	0	(110,963)	1,955,928	(2,655,409)	\$ 148,427		
(9d) From Three Years Ago	0	0	0	(110,963)	1,955,928	(2,655,409)	\$ 148,427	
(9e) From Four Years Ago	0	0	0	0	(110,965)	1,955,926	(2,655,408)	\$148,426
(10) Total Recognized Investment Gain	(110,963)	1,844,965	(810,444)	(662,017)	(662,019)	(551,056)	(2,506,981)	148,426
(11) Change in Valuation Assets = (4) + (7) + (10)	4,986,150	8,031,990	4,653,413	3,190,753				
End of Year:								
(3) Market Value	48,099,025	64,065,688	56,252,501	60,847,405				
(12) Valuation Assets = (2)+(10)	48,542,879	56,574,869	61,228,282	64,419,035				
Rate of Return Based on Smoothed Method	7.0%	10.7%	5.6%	5.9%				
Ratio of Market Value to Valuation Assets	99.1%	113.2%	91.9%	94.5%				
Market Value Rate of Return	6.0%	26.8%	(14.3)%	8.9%				
Difference between MVA and FVA	\$ (443,854)	\$ 7,490,819	\$ (4,975,781)	\$ (3,571,630)				



## SECTION E

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### VALUATION METHODS AND ACTUARIAL ASSUMPTIONS

## Entry Age Actuarial Cost Method

The entry age actuarial cost method consists of *two* components:

*Normal Cost* (the present value of future benefits assigned to members' service rendered in the current year),

**PLUS**

Amortization of the *Unfunded Actuarial Accrued Liability* (the difference between the present value of future benefits assigned to members' past service and the value of the plan's accumulated assets).

***The normal cost*** was computed as follows:

The series of contributions necessary to accumulate the present value at time of retirement of an employee's health benefits was computed so that each contribution in the series, from entry age to retirement, was a constant percentage of the employee's year-by-year projected covered compensation.

***The accrued liability*** was computed as follows:

**Retirees:** The discounted value of health benefits likely to be paid for retirees was computed using the investment return, health cost increase and mortality assumptions on the following pages.

**Active Employees:** The discounted value of health benefits likely to be paid for active employees was computed using the assumptions outlined on the following pages and was reduced by the value of normal costs to be paid for service after the valuation date.

***Asset Valuation Method.*** The valuation assets are developed using a five-year smoothing technique. The difference between the expected return on assets (using the valuation interest rate assumption) and the actual return on assets is phased-in over a five-year period.

## Actuarial Assumptions Used for the Valuation

The salary increase assumption used in this actuarial valuation projects annual salary increases of 3.25% plus a percentage based on an age-related scale to reflect merit, longevity and promotional salary increases.

**Pay Projections.** This assumption is used to project current pays to those upon which future contributions will be based.

As of the valuation date, the Plan provisions specify that new hires do not participate in this retiree health program (they receive instead a 4% contribution into a DC type health plan). Since the plan is closed to new entrants, total payroll is not expected to grow at the 3.25% payroll growth assumption. We have, therefore, used a “level dollar” method for amortizing the unfunded actuarial accrued liability as opposed to a “level percent of pay” method.

**Investment return** (net of investment expenses). 7.00% per year compounded annually. This rate consists of a real rate of return of 3.75% a year plus a long-term rate of wage inflation of 3.25% a year. This assumption is used to equate the value of payments due at different points in time. In an unfunded program the investment return assumption must be commensurate with potential earnings on the employers’ general asset accounting.

**Medicare coverage** was assumed to be available for all covered employees on attainment of age 65.

**Non-investment administration expenses:** None.

## Actuarial Assumptions Used for the Valuation (Continued)

The pay increase assumption used in the actuarial valuation projects pay increases based on an age-related scale to reflect merit, longevity, and promotional pay increases as well as wage inflation.

The pay increase assumption for selected ages is shown below:

Sample Ages	Percent Increase in Salary During Next Year	
	General	Police & Fire
20	7.09%	6.25%
25	6.37%	6.25%
30	5.93%	5.85%
35	5.62%	4.35%
40	5.39%	3.45%
45	4.93%	3.45%
50	4.39%	3.45%
55	3.91%	3.35%
60	3.41%	3.25%
65	3.25%	3.25%

## Actuarial Assumptions Used for the Valuation (Continued)

*The mortality tables (a risk assumption)* are used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement. The mortality rates described below were first used for the June 30, 2021 valuation.

### General

- **Healthy Pre-Retirement:** The Pub-2010 Amount-Weighted, General, Employee, Male and Female tables, a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Healthy Post-Retirement:** The Pub-2010 Amount-Weighted, General, Healthy Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Disability Retirement:** The Pub-2010 Amount-Weighted, General, Disabled Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.

Sample Attained Ages	Healthy Pre-Retirement		Healthy Post-Retirement		Disabled Retirement	
	Future Life		Future Life		Future Life	
	Expectancy (Years)		Expectancy (Years)		Expectancy (Years)	
	Men	Women	Men	Women	Men	Women
50	39.62	41.82	35.81	38.76	26.29	28.99
55	34.57	36.66	30.91	33.77	22.84	25.55
60	29.62	31.58	26.18	28.89	19.73	22.35
65	24.80	26.60	21.65	24.13	16.82	19.11
70	20.09	21.70	17.36	19.56	13.99	15.76
75	15.49	16.93	13.39	15.28	11.22	12.48
80	11.02	12.31	9.88	11.42	8.64	9.54

## Actuarial Assumptions Used for the Valuation (Continued)

### Police/Fire

- **Healthy Pre-Retirement:** The Pub-2010 Amount-Weighted, Safety, Employee, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Healthy Post-Retirement:** The Pub-2010 Amount-Weighted, Safety, Healthy Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.
- **Disability Retirement:** The Pub-2010 Amount-Weighted, Safety, Disabled Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2019 on a fully-generational basis.

Sample Attained Ages	Healthy Pre-Retirement Future Life Expectancy (Years)		Healthy Post-Retirement Future Life Expectancy (Years)		Disabled Retirement Future Life Expectancy (Years)	
	Men	Women	Men	Women	Men	Women
	50	38.96	41.46	35.85	37.85	34.40
55	33.83	36.31	30.77	32.73	29.53	31.64
60	28.78	31.21	25.87	27.82	24.84	27.02
65	23.87	26.17	21.24	23.15	20.46	22.67
70	19.10	21.19	16.92	18.73	16.39	18.52
75	14.57	16.39	12.97	14.63	12.64	14.59
80	10.34	11.88	9.52	11.00	9.39	11.00

## Actuarial Assumptions Used for the Valuation (Continued)

A schedule of retirement rates is used to measure the probability of eligible members retiring during the next year. The uniform retirement rates in use for each category are shown below:

### Age-Based Retirement Table

Retirement Ages	Percent of Eligible Active Members Retiring within Next Year	
	General*	Police & Fire
50	-	27.0%
51	-	18.0%
52	-	13.5%
53	-	13.5%
54	-	13.5%
55	20.0%	9.0%
56	10.0%	9.0%
57	10.0%	13.5%
58	10.0%	22.5%
59	10.0%	27.0%
60	30.0%	100.0%
61	20.0%	100.0%
62	30.0%	100.0%
63	20.0%	100.0%
64	20.0%	100.0%
65	30.0%	100.0%
66	30.0%	100.0%
67	40.0%	100.0%
68	50.0%	100.0%
69	60.0%	100.0%
70	100.0%	100.0%

*\* Includes General, Other Funds A, and Other Funds B members.*

The General rates were first used for the June 30, 2015 valuation; Police and Fire rates were first used for the June 30, 2021 valuation.

## Actuarial Assumptions Used for the Valuation (Continued)

Disability rates are used in the valuation to estimate the incidence of member disability in future years.

The assumed rates of disablement at various ages are shown below:

Sample Ages	Percent Becoming Disabled within Next Year		
	General*	Police	Fire
20	0.15%	0.12%	0.12%
25	0.18%	0.18%	0.18%
30	0.20%	0.30%	0.30%
35	0.29%	0.36%	0.36%
40	0.42%	0.84%	0.84%
45	0.65%	0.96%	0.96%
50	1.05%	1.14%	1.14%
55	1.84%	1.32%	1.32%
60	3.06%	1.44%	1.44%

*\* Includes General, Other Funds A, and Other Funds B members.*

50% of Fire disabilities are assumed to be duty disabilities.

Rates for General were first used for the June 30, 2001 valuation; Police and Fire rates were first used for the June 30, 2021 valuation.

## Actuarial Assumptions Used for the Valuation (Concluded)

The withdrawal rates are used to estimate the number of employees at each age that are expected to terminate employment before qualifying for retirement benefits. The withdrawal rates do not apply to members eligible to retire, and do not include separation on account of death or disability. The assumed rates of withdrawal applied in the current valuation are based on years of service for members with less than 5 years of service, and based on age for members with 5 or more years of service.

Sample rates of withdrawal from active employment are below:

Sample Ages	Years of Service	% of Active Members Separating within Next Year	
		General*	Police & Fire
ALL	0	15.00%	8.00%
	1	10.00%	6.00%
	2	8.00%	4.50%
	3	7.00%	3.00%
	4	6.00%	2.00%
25	5 & Over	6.00%	3.00%
30		5.50%	2.50%
35		4.50%	1.50%
40		1.75%	0.50%
45		1.00%	0.50%
50		1.00%	0.50%
55		1.00%	0.50%
60		1.00%	0.50%
65		1.00%	0.50%

\* Includes General, Other Funds A, and Other Funds B members.

Rates for General, Police and Fire were first used for the June 30, 2021 valuation.

## Supplementary Information

Valuation Date	June 30, 2023
Actuarial Cost Method	Individual Entry Age Normal Cost
Amortization Method	Level Dollar Closed
Remaining Amortization Periods	16 Years
Asset Valuation Method	5-Year Smoothed Market Value
Actuarial Assumptions:	
Discount Rate	7.00% Per Year
Valuation Health Care Cost Trend Rate Medical and Prescription Drug Pre-65	7.25% in 2024, Grading to 3.5% in 2038
Valuation Health Care Cost Trend Rate Medical and Prescription Drug Post-65	6.50% in 2024, Grading to 3.5% in 2038

**This information has not been reviewed by the City’s auditor. If there are any items that the auditor changes, please let us know so that we may maintain consistency with the City’s financial statements.**

# Sample GASB Schedules

## Schedule of Funding Progress Rounded to the Nearest \$1,000

Actuarial Valuation Date June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b)-(a)	Funded Ratio (a)/(b)	Active Member Covered Payroll (c)	Unfunded AAL as a Percentage of Active Member Covered Payroll ((b-a)/c)
2011	\$ 20,370	\$ 71,343	\$ 50,973	28.6 %	\$18,978	268.6 %
2013	25,312	100,065	74,753	25.3	17,610	424.5
2015	30,213	151,832	121,618	19.9	15,740	772.7
2017	36,651	152,138	115,487	24.1	12,156	950.1
2019	43,557	73,309	29,753	59.4	11,005	270.4
2021	56,575	68,021	11,446	83.2	8,959	127.8
<b>2023</b>	<b>64,419</b>	<b>65,153</b>	<b>734</b>	<b>98.9</b>	<b>6,491</b>	<b>11.3</b>

## Schedule of Employer Contributions

Actuarial Valuation Date June 30	Fiscal Year Ending	Actuarially Computed Employer Contribution
2013	6/30/2013	\$ 7,715,174
	6/30/2014	7,688,860
	6/30/2015	7,678,535
2015	6/30/2016	11,069,038
	6/30/2017	10,954,379
2017	6/30/2018	10,076,828
	6/30/2019	10,061,933
	6/30/2020	9,878,994
2019	6/30/2021	3,432,888
	6/30/2022	3,445,217
2021	6/30/2023	1,737,271
	6/30/2024	1,739,975
2023	6/30/2025	835,074
	6/30/2026	834,186

This information has not been reviewed by the City's auditor. If there are any items that the auditor changes, please let us know so that we may maintain consistency with the City's financial statements.



## Miscellaneous and Technical Assumptions

<b>Decrement Operation:</b>	Disability and death-in-service decrements do not operate during the first 5 years of service. Disability and withdrawal do not operate during retirement eligibility.
<b>Decrement Relativity:</b>	Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.
<b>Decrement Timing:</b>	Decrements of all types are assumed to occur mid-year.
<b>Election Percentage:</b>	Ninety percent of future retirees were assumed to receive retiree health care coverage from the City. Of the 90% receiving benefits, 78% of males and 78% of females were assumed to elect two-person coverage, if eligible. For those that elect two-person coverage, it was assumed that 80% of the eligible spouses would elect to continue coverage upon death of the retiree.
<b>Eligibility Testing:</b>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<b>Future Service:</b>	Members are assumed to earn 1.0 years of service in each future year.
<b>Marriage Assumption:</b>	100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than the female spouses.
<b>Opt-Out Assumption:</b>	It was assumed that any eligible retirees who are currently opting-out of employer paid health care coverage would continue to opt-out indefinitely.
<b>Pay Increase Timing:</b>	Beginning of valuation year. This is equivalent to assuming that reported pays represent amounts paid to member during the year ended on the valuation date.
<b>Pre-60 Opt-Outs:</b>	There are numerous retirees under the age of 60 who are currently opting-out of coverage but are eligible for City paid coverage upon reaching age 60. For purposes of this valuation, it was assumed that 100% of these pre-60 opt-outs would elect coverage upon reaching age 60.

## **APPENDIX**

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### **GLOSSARY**

## Glossary

**Accrued Service.** The service credited under the plan which was rendered before the date of the actuarial valuation.

**Actuarial Accrued Liability.** The difference between: (i) the actuarial present value of future plan benefits; and (ii) the actuarial present value of future normal cost. Sometimes referred to as "accrued liability" or "past service liability."

**Actuarial Assumptions.** Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

**Actuarial Cost Method.** A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future plan benefits" between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the "actuarial funding method."

**Actuarial Equivalent.** A single amount or series of amounts of equal value to another single amount or series of amounts, computed on the basis of the rate(s) of interest and mortality tables used by the plan.

**Actuarial Present Value.** The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

**Actuarially Computed Employer Contribution.** The Actuarially Computed Employer Contribution is the normal cost plus the portion of the unfunded actuarial accrued liability to be amortized in the current period. The Actuarially Computed Employer Contribution is an amount that is actuarially determined in accordance with the requirements so that, if paid on an ongoing basis, it would be expected to provide sufficient resources to fund both the normal cost for each year and the amortized unfunded liability.

**Amortization.** Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

**Governmental Accounting Standards Board (GASB).** GASB is the private, nonpartisan, nonprofit organization that works to create and improve the rules U.S. state and local governments follow when accounting for their finances and reporting them to the public.

**Medical Trend Rate (Health Inflation).** The increase in the plan's cost over time. Trend includes all elements that may influence a plan's cost, assuming that enrollments and the plan benefits do not change. Trend includes such elements as, pure price inflation, changes in utilization, advances in medical technology, and cost shifting.

**Normal Cost.** The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as "current service cost." Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.



## Glossary (Concluded)

**Other Post-Employment Employee Benefits (OPEB).** OPEB are post-employment benefits other than pensions. OPEB generally takes the form of health insurance and dental, vision, prescription drugs or other health care benefits.

**Reserve Account.** An account used to indicate that funds have been set aside for a specific purpose and are not generally available for other uses.

**Unfunded Actuarial Accrued Liability.** The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as "unfunded accrued liability."

**Valuation Assets.** The value of current plan assets recognized for valuation purposes.

# Fiscal Year 2025 Budget



# Today's Topics

Process and Timeline

Fee Updates

Personnel Plan

Capital Improvement Plan





# Process and Timeline



# Budget RESPONSIBILITIES

## COUNCIL Vision

## STAFF Execution

1

MISSION  
VISION  
(PILLARS)

2

PRIORITIES  
(LONG-TERM)

3

OBJECTIVES  
AND  
STRATEGIES

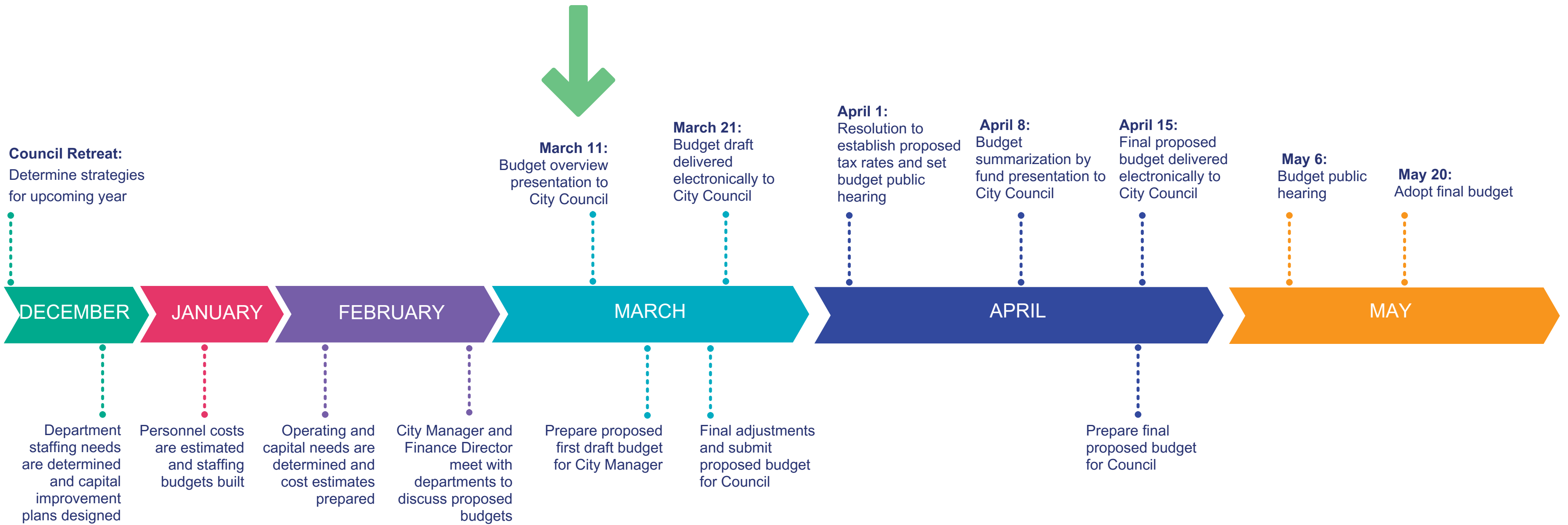
4

DETERMINE  
AVAILABLE  
REVENUE

5

DETERMINE  
NECESSARY  
RESOURCES AND  
ESTIMATE COSTS

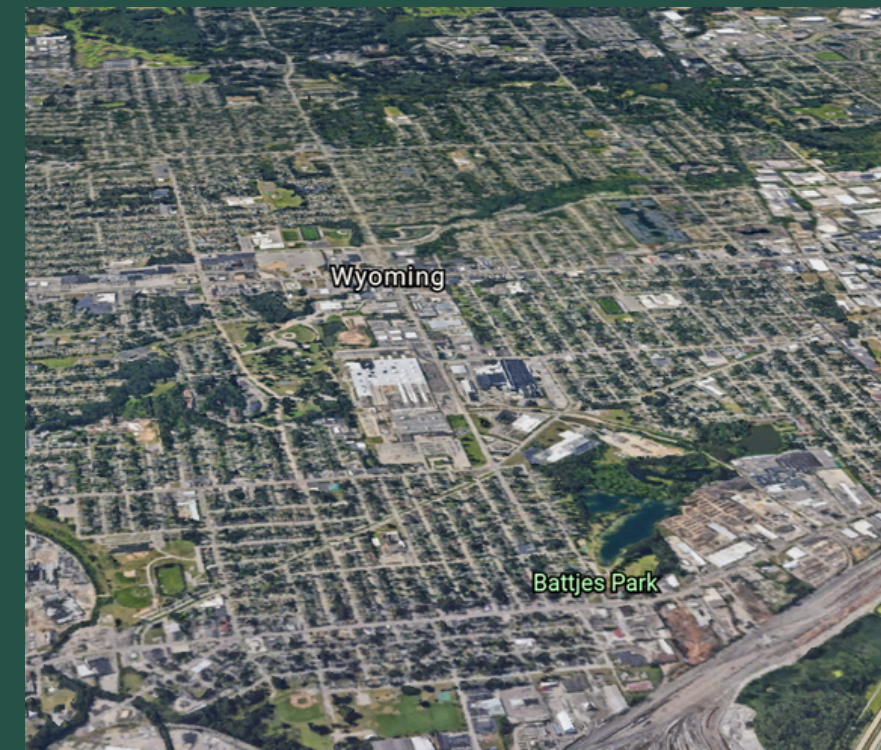
# Budget **TIMELINE**



Questions?



# Fee Updates



# FEE Updates

- **Water and Sewer Rates** as previously approved
  - Water: 9% increase
  - Sewer: 15% increase
- **Engineering Department\***
  - Standard Special Assessment Rates
  - Stormwater Fees
  - Street Permits - Telecommunications Permits

*\*As detailed in the Fee Schedule Updates document provided in the agenda packet*

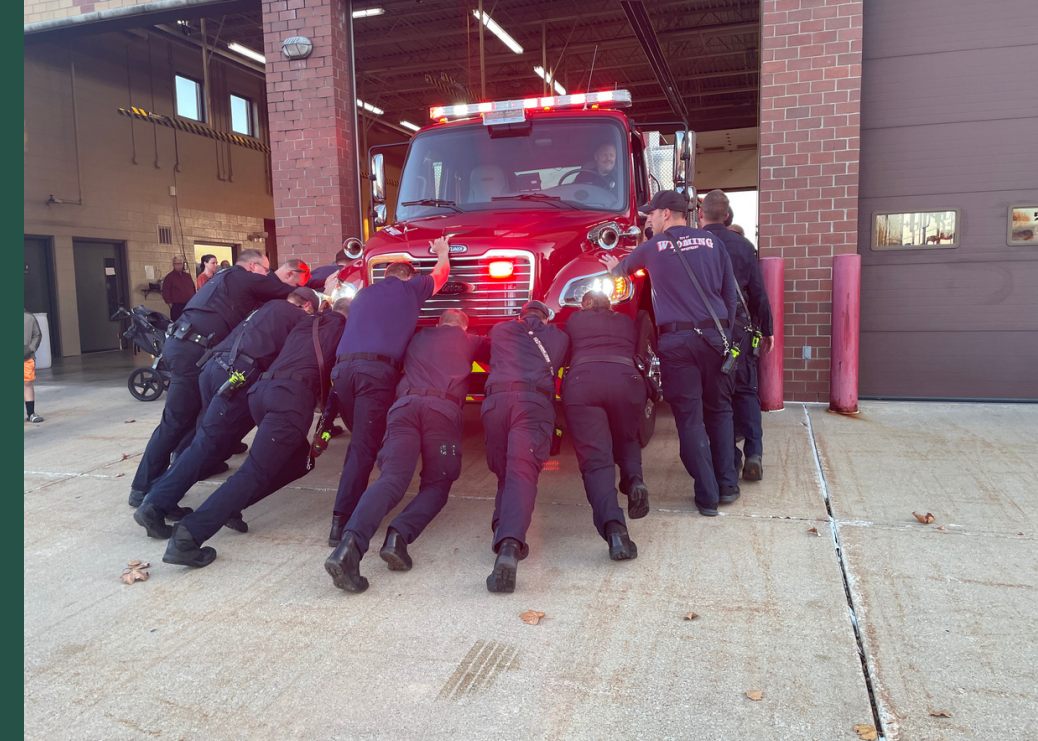
# FEE Updates

- **Utilities\***
  - Wastewater Surcharge Rates
- **Parks and Recreation\***
  - Soccer/Football Fields
  - Senior Center
  - Library Meeting Room Rental

*\*As detailed in the Fee Schedule Updates document provided in the agenda packet*



Questions?



# Personnel Plan



# Personnel Plan **HOW WE BUILD THE BUDGET**

## **Preliminary personnel costs**

- Current approved positions
- Scheduled adjustments for settled contracts
  - Pay scale increases
  - Other wages (shift premium, longevity, etc.)
- Estimated adjustments for contracts in negotiation
- Employer payroll taxes
- Fringe benefits
  - Defined Contribution rates (per contract/Plan), etc.
  - Insurance funds - department expense rates
  - Pension/OPEB contribution allocations

# **PENSION** and **OPEB** Contributions

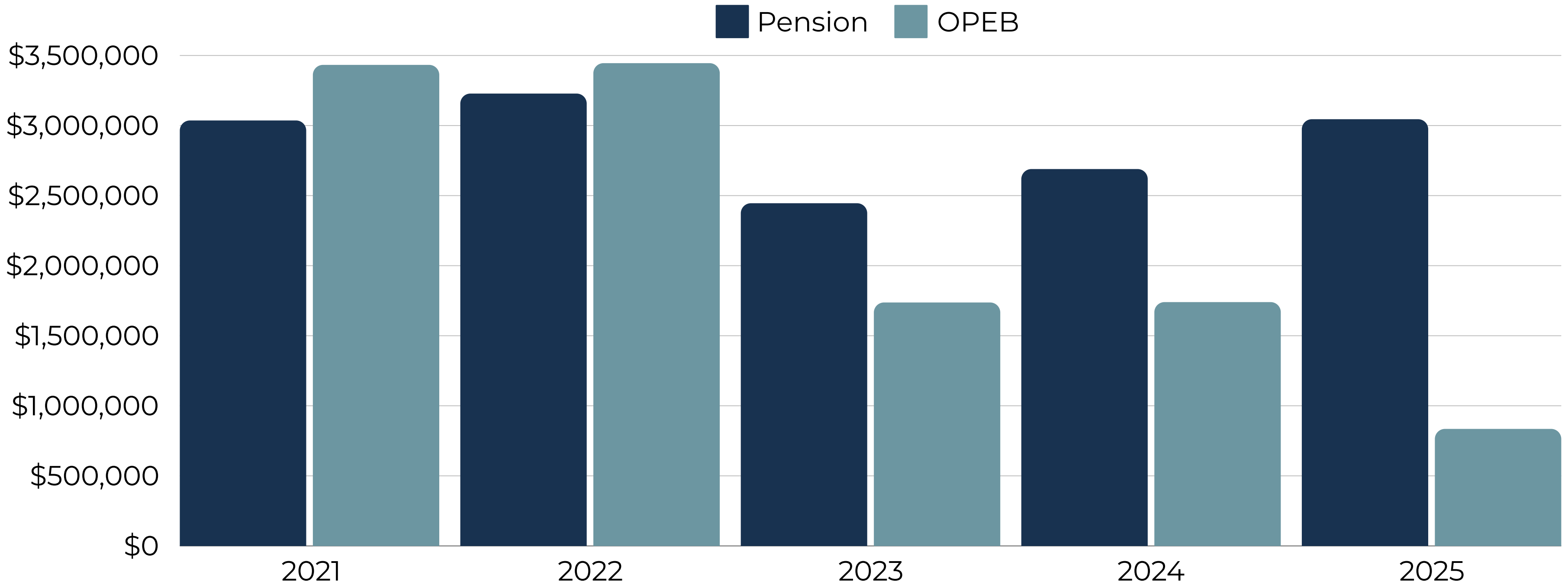
## Defined Benefit Pension

- Actuarial valuation - annually
- Required employer contribution

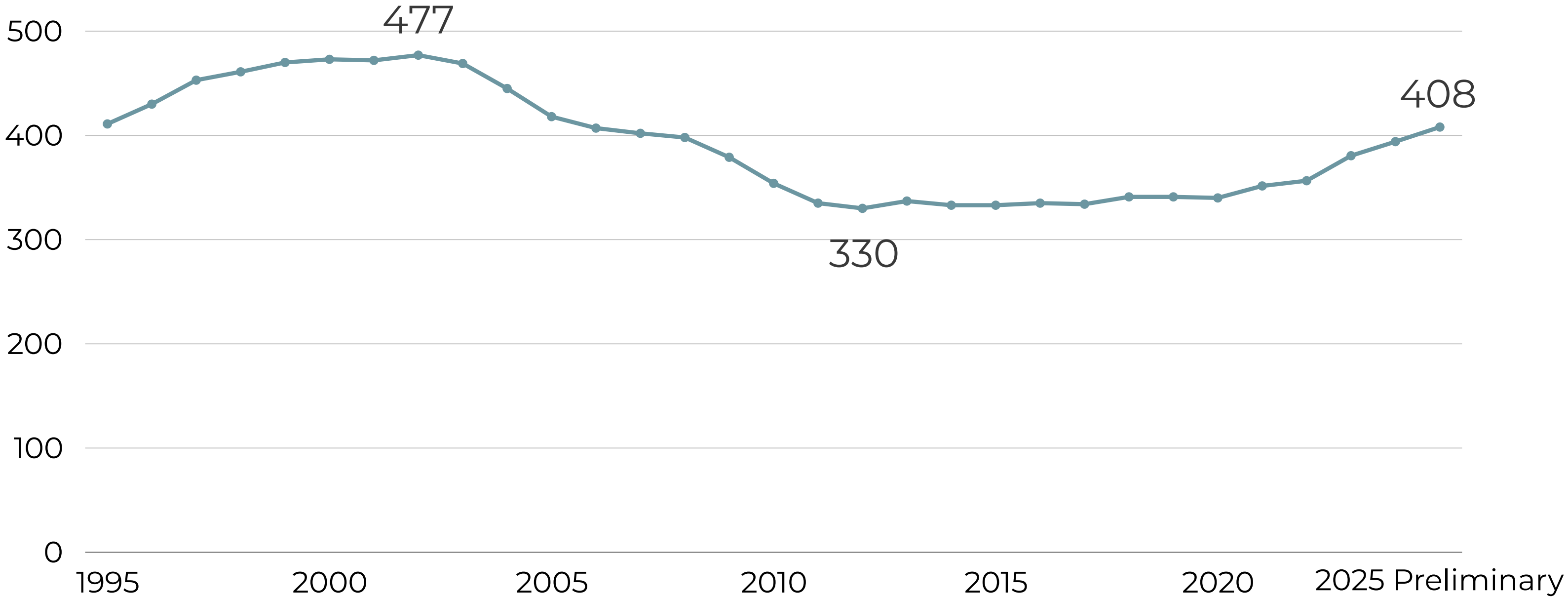
## Defined Benefit Retiree Healthcare (OPEB)

- Actuarial valuation - every two years
- Calculated employer contribution

# PENSION and OPEB Contributions



# STAFFING Levels



# Authorized **POSITIONS** (Full-Time Equivalent FTE)

## General Fund (6.5 FTEs)

- (1) City Clerk: Office Specialist II
- (1) Public Safety-Police-Records Unit: Office Specialist II
- (1) Public Safety-Police-Administration: Behavioral Health Specialist
- (3) Public Safety-Fire-Suppression: (3) Battalion Chief
- (0.5) Treasury: Permanent Part-Time Office Specialist\*

\*This position will be partially funded by the Water Fund

- (PENDING) Information Technology: Awaiting results of organizational assessment

*As detailed in the Authorized Positions document provided in the agenda packet*

# Authorized **POSITIONS** (Full-Time Equivalent FTE)

## **Water Fund (1 FTE)**

- (1) Drinking Water Plant: Maintenance Technician 1

## **Capital Improvement, Major Streets, Water, Sewer Funds (1.5 FTEs)**

- (1) Public Works-Engineering: Civil Engineer
- (0.5) Public Works-Engineering: Senior Engineering Technician (PT to FT)

*As detailed in the Authorized Positions document provided in the agenda packet*

# Authorized **POSITIONS** (Full-Time Equivalent FTE)

## **Building Inspections Fund (2 FTEs)**

- (2) Housing Inspector

## **Parks Fund (3 FTEs)**

- (1) Parks Technician 2
- (1) Parks Technician 3
- (1) Recreational Programmer I

*As detailed in the Authorized Positions document provided in the agenda packet*

A group of approximately 15 children and two police officers are posing on a blue and purple playground structure. The children are of various ages and are sitting on the structure, standing on the ground, or climbing. The police officers are standing in the center and on the right side of the structure. The background shows a brick building and bare trees under a grey sky. The word "Questions?" is overlaid in the center of the image.

Questions?



# Capital Improvement Plan



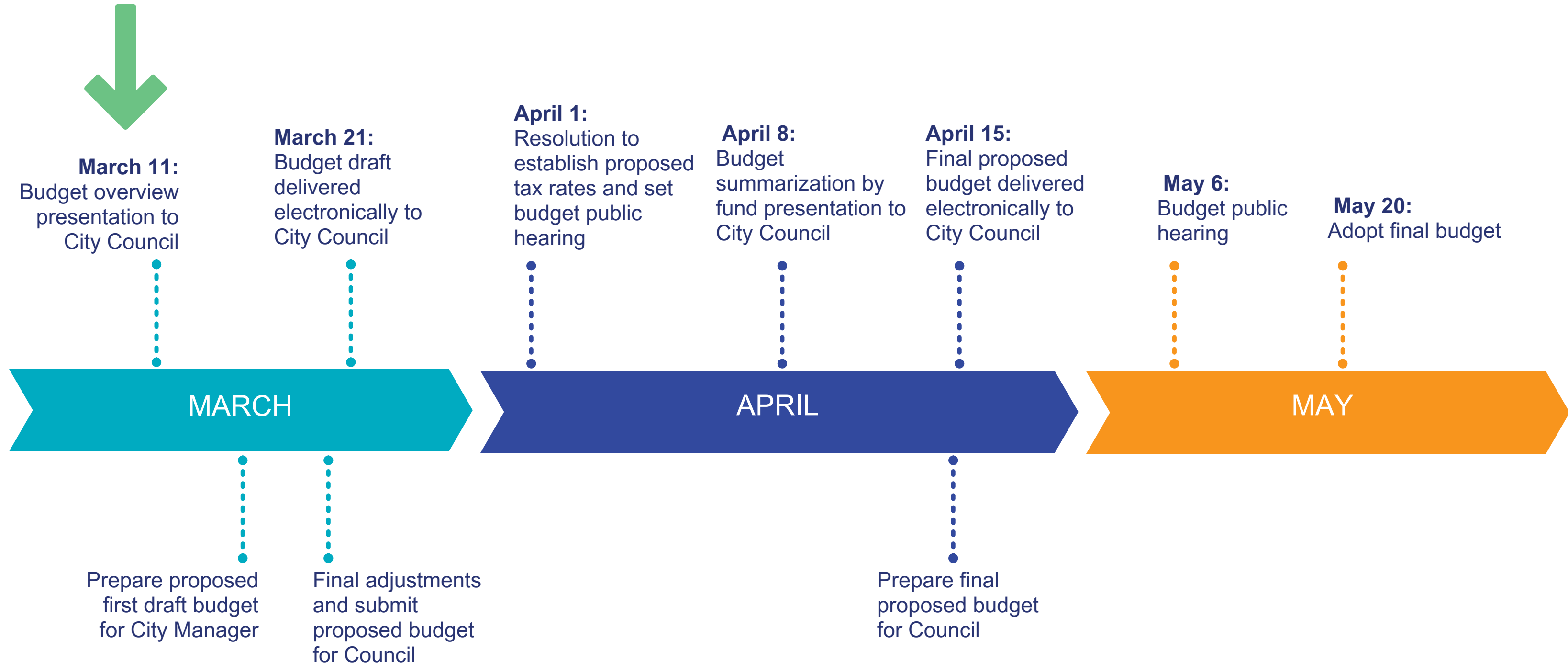
# CAPITAL Improvement Plan

The 2025 proposed budget includes the following capital projects:

\$4,318,261	<b>Buildings</b>
\$709,239	<b>Equipment</b>
\$13,555,200	<b>Infrastructure</b>
\$760,000	<b>Parks</b>
\$800,000	<b>Sewer</b>
\$2,084,000	<b>Vehicles</b>
\$92,570,000	<b>Water (\$75M funded through bond sale)</b>
<hr/>	
\$114,796,700	<b>Total</b>

*As detailed in the Capital Improvement Plan document provided in the agenda packet*

# Budget **NEXT STEPS**



# FEE SCHEDULE UPDATES

**Proposed for Fiscal Year 2025 – Effective July 1, 2024**

**Provided to City Council: March 11, 2024**

## IV - ENGINEERING DEPARTMENT

### STANDARD SPECIAL ASSESSMENT RATES

Whenever the City Council decides to levy Special Assessments to defray the costs of any improvements, the following Standard Special Assessment Rates shall govern:

<u>Street</u>	<u>Current Rate</u>	<u>Proposed Rate</u>
Rural Improvement – Residential	\$56.30 lf	<b>\$57.90 lf</b>
Full Improvement – Residential	90.80 lf	<b>93.50 lf</b>
Full Improvement – Commercial	114.60 lf	<b>118.00 lf</b>
<u>Sanitary Sewer</u>		
Main – Residential	37.10 lf	<b>38.10 lf</b>
Main – Commercial	54.40 lf	<b>56.00 lf</b>
6 inch Service	2,390.00 ea	<b>2,460.00 ea</b>
8 inch Service	3,520.00 ea	<b>3,620.00 ea</b>
<u>Watermain</u>		
Main – Residential	22.80 lf	<b>23.40 lf</b>
Main – Commercial	27.30 lf	<b>28.10 lf</b>
1 inch Service	1,360.00 ea	<b>1,400.00 ea</b>
1 ½ inch Service	1,360.00 ea	<b>1,400.00 ea</b>
2 inch Service	1,600.00 ea	<b>1,640.00 ea</b>
6 inch Service	3,950.00 ea	<b>4,060.00 ea</b>
8 inch Service	4,810.00 ea	<b>4,950.00 ea</b>
<u>Storm Sewer</u>		
12 inch Lateral	1,370.00 ea	<b>1,410.00 ea</b>
15 inch Lateral	1,550.00 ea	<b>1,590.00 ea</b>
18 inch Lateral	1,810.00 ea	<b>1,860.00 ea</b>
<u>Sidewalk</u>		
4 inch - Residential	17.60 lf	<b>18.10 lf</b>
6 inch – Commercial	24.60 lf	<b>25.30 lf</b>
8 inch – Industrial	28.90 lf	<b>29.70 lf</b>
<u>Drive Approach</u>		
Standard 4 inch – Residential	29.30 sy	<b>30.10 sy</b>
Standard 6 inch – Commercial	41.80 sy	<b>43.00 sy</b>
Standard 8 inch – Industrial	51.50 sy	<b>53.00 sy</b>
Curb Return	2,800.00 ea	<b>2,880.00 ea</b>
Tapered Curb Return	5,020.00 ea	<b>5,170.00 ea</b>

## STORMWATER FEES

<u>Percent Impervious</u>	<u>Current Stormwater Fee (\$/ac)</u>	<u>Proposed Stormwater Fee (\$/ac)</u>
5%	1,850.00	2,040.00
10%	2,010.00	2,220.00
15%	2,160.00	2,380.00
20%	2,330.00	2,570.00
25%	2,480.00	2,730.00
30%	2,640.00	2,910.00
35%	2,790.00	3,070.00
40%	2,950.00	3,250.00
45%	3,110.00	3,430.00
50%	3,260.00	3,590.00
55%	3,420.00	3,770.00
60%	3,580.00	3,940.00
65%	3,740.00	4,120.00
70%	3,980.00	4,280.00
75%	4,040.00	4,450.00
80%	4,210.00	4,640.00
85%	4,360.00	4,800.00
90%	4,520.00	4,980.00
95%	4,670.00	5,140.00
100%	4,840.00	5,330.00

## STREET PERMITS

### Telecommunications Permit

#### Proposed additions:

	<u>Proposed Rate</u>
Wireless facility installation permit	220.00
Wireless facility and new utility pole installation permit	330.00
Wireless facility annual fee	22.00
Wireless facility on pole added after March 12, 2019	138.00

Note: The Wireless facility fees are set by others and change annually in March

X – UTILITIES

**WASTEWATER SURCHARGE RATES**

	<u>Current Rate</u>	<u>Proposed Rate</u>
SS Rate/lb.	>260 mg/L \$0.340	>260 mg/L \$0.500
Phosphorus Rate/lb.	>12 mg/L \$4.760	>12 mg/L \$4.800
Oil and Grease Rate/lb.	>91 mg/L \$0.110	>91 mg/L \$0.210

VI – PARKS AND RECREATION

**SOCCER/FOOTBALL FIELDS**

Current:

	<u>Day</u>	<u>Time</u>	<u>Resident</u>	<u>Non-Resident</u>
	Mon-Sun	1 hour block	30.00	45.00
Lighting		Per game	50.00	50.00
Field Prep-Line, rake, drag		Per game	50.00	50.00

Proposed:

<u>Day</u>	<u>Time</u>		<u>Resident</u>	<u>Non-Resident</u>
All Days	1 hour block	Practice	30.00	45.00
		Games	50.00	50.00

**SENIOR CENTER**

Current:

<u>Day</u>	<u>Time</u>	<u>Resident</u>	<u>Non-Resident</u>
M-F	1 hour block	51.00	76.50
Sat.	1 hour block	75.00	112.50
Sun	1 hour block	100.00	150.00

Proposed:

<u>Day</u>	<u>Time</u>	<u>Resident</u>	<u>Non-Resident</u>	<u>Technology Fee</u>	<u>Deposit</u>
Mon-Sat	1 hour block	100.00	150.00	75.00	200.00

## LIBRARY MEETING ROOM RENTAL

Current:

Meeting Room	Resident Base Rate	Non-Resident Base Rate	Additional Hour Rate	Technology Fee	Deposit Required
A	25.00	50.00	20.00	0.00	50.00
B	50.00	75.00	20.00	25.00	50.00
C	25.00	50.00	20.00	0.00	50.00
A & B	75.00	125.00	20.00	25.00	100.00
B & C	75.00	125.00	20.00	25.00	100.00
A, B, & C	100.00	175.00	50.00	25.00	100.00
Conference Room	25.00	50.00	0.00	25.00	0.00
Bookmark	30.00	60.00	20.00	0.00	50.00

Proposed:

Meeting Room	Resident 1 hour block	Non-Resident 1 hour block	Technology Fee	Deposit Required
A	25.00	<b>37.50</b>	0.00	50.00
B	50.00	75.00	25.00	50.00
C	25.00	<b>37.50</b>	0.00	50.00
A & B	75.00	<b>112.50</b>	25.00	100.00
B & C	75.00	<b>112.50</b>	25.00	100.00
A, B, & C	100.00	<b>150.00</b>	<b>75.00</b>	100.00
Conference Room	<b>(REMOVE)</b>			
Bookmark	<b>25.00</b>	<b>37.50</b>	0.00	50.00

# AUTHORIZED POSITIONS

Proposed for Fiscal Year 2025

Provided to City Council: March 11, 2024

## GENERAL FUND (6.5 FTEs)

### City Clerk: **Office Specialist II**

The Clerk's Office has seen an increase in the volume and complexity of many tasks, including election and non-election duties. Over the past several years, election laws have changed, sometimes with little notice for Clerks to prepare. The significant increase in absentee ballots and the nine day early voting time requirements are examples of only two of the items that have contributed to the increased workload in the department. We are currently supplementing full-time staffing with part-time variable staff during election periods, but even with the part-time staff, it's difficult to keep up with election work as well as non-election duties. The additional position will allow the department to keep up with the ever-increasing workload as well as allow for cross-training, realignment of duties, and time for the department to review processes, research and implement requirements of legislation, and explore and implement process improvements and efficiencies. An additional position will allow for increased training time and preparation for succession planning.

### Public Safety-Police-Records Unit: **Office Specialist II**

Demands of the Records Unit continue to increase each year, with significant demands being attributed to FOIA responses and requests from attorneys related to body and in-car camera footage. The department began deploying body worn cameras in 2020 and this added to the complexity and time commitment associated with fulfilling FOIA requests. Each FOIA request takes between 2 and 10 hours to complete, depending on the amount of video associated with it. It is expected that the increase in the Records Unit demands will be even more drastic in 2024 due to new legislation, specifically a package of bills associated with firearms. The new legislation went into effect on February 13, 2024, and requires long guns to be registered with the State. Historically, the Records Unit has processed approximately 20 license to purchase permits for firearms per month. For the month of February, with the new law only being effect for two weeks, the Records Unit processed 62 license to purchase permits. This position will provide support needed to respond to these rising demands.

### Public Safety-Police-Administration: **Behavioral Health Specialist**

This position will be responsible for professional social work at the police department in which support to members of the general public and police personnel is provided to those who require victims advocate and crisis intervention services. This includes delivering short-term intensive crisis therapy screening and services as well as long-term mental health wellness programming for police personnel. Other responsibilities include education and prevention activities and critical incident stress debrief. Externally, this person will follow up with community members during or after police calls for service related to drug overdoses, suicide, and other mental health issues, providing resources and referrals to individuals with mental health concerns. This position would impact the

department by enhancing and strengthening our wellness program by having an in-house mental health expert and resource for employees. It would serve the City by addressing increasing concerns related to law enforcement response to mental health issues in society.

**Public Safety-Fire-Suppression: Battalion Chief (3)**

The suppression unit of the Fire Department consists of three shifts which each include a Lieutenant, Equipment Operators, and Firefighters. The Battalion Chief position will represent the formal leader for each of the three shifts. These positions will assume the primary administrative and operational shift liaison for both internal and external communication and will act as primary command at complex fire and medical events. These positions will be responsible for daily oversight and will play a significant role in mentoring and fostering employees and in succession planning.

**Treasury: Permanent Part-Time Office Specialist II**

The Treasurer's Office currently employs a temporary part-time office specialist to assist during tax season and other anticipated busy times of the year. This request is to change this to a permanent part-time position. This change will provide more hours of support consistently throughout the year. With a permanent fixed schedule, this position will also be trained to assist with processing payments and providing customer service. This position will be partially funded by the Water Fund.

**Information Technology: Pending**

The Information Technology Department entered into a contract with a consultant in January to perform an organizational assessment of the department. Results and recommendations from this assessment are expected to direct staffing needs which may result in additional requests.

**BUILDING INSPECTIONS FUND (2 FTEs)**

**Housing Inspector (2)**

The City of Wyoming rental inspection program is responsible for inspecting nearly 5,000 units. Current staffing levels only allow dedication of one full-time inspector to this role. In 2023, approximately 1,700 units were due for recertification. It is anticipated that this amount will increase to an estimated 4,600 units in 2024. The addition of two housing inspectors will allow us to accommodate this drastic increase and provide support to the other inspection areas.

**WATER FUND (1 FTE)**

**Drinking Water Plant: Maintenance Technician 2**

The department historically had a custodian position. When the most recent employee in this position retired in 2019, it was not filled. Since that time, the department has used existing staff to perform these duties. As staff capacity has decreased and needs have increased, it is now necessary to dedicate a full-time employee to perform these maintenance activities. This position will maintain the drinking water plant and ancillary sites.

## **MULTIPLE FUNDS: CAPITAL IMPROVEMENT, MAJOR STREETS, WATER, SEWER (1.5 FTE)**

### **Civil Engineer**

The Engineering Department currently includes one Senior Civil Engineer and one Civil Engineer. Increases in federal and state regulations require significant time to develop and administer MDOT Local Agency Projects. This has resulted in contracting with outside consultants for the design and construction administration of those projects. This position will allow this work to be completed by City staff with MDOT project experience and eliminate the need for a consultant. This position will also assist with design for watermain replacement projects. Watermain projects are expected to rise from four in 2025 to eleven in 2027 which highlights the need for this position.

### **Senior Engineering Technician**

The Engineering Department currently includes two Senior Engineering Technicians, one Engineering Technician, and two part-time Engineering Technicians. One of the part-time Engineering Technician positions has been filled for many years by the same individual. The second part-time position was created in fiscal year 2024 but has not yet been filled. As the number and scope of projects continues to rise, support is needed in a full-time capacity. Changing this position from part-time to full-time will provide those necessary resources.

## **PARKS FUND (3 FTE)**

### **Parks Technician 2**

Staff in the Facilities Department are responsible for maintaining various City buildings, including City Hall, District Court, Police Building, Fire Stations, and Library. Maintenance of the library building is funded from a dedicated millage that also provides funding for Parks capital projects. As overall City facilities-related needs increase, and due to the opening of two additional fire stations in the next year, Facilities staff will no longer have capacity to maintain the library building. This position will be managed by the Parks Department and will be solely funded by the millage to provide maintenance for the Library building and will also perform general activities for Parks.

### **Parks Technician 3**

This is a highly skilled position which requires a significant amount of experience in parks maintenance, grounds, recreational facilities, programs, and equipment. The position has a variety of responsibilities including irrigation, plumbing, small engine repair, construction, turf management, playground inspection and maintenance, landscape maintenance, and horticulture. Current department structure provides one person in this position. This is a key leadership role in the department and this additional position will help strengthen the leadership structure for the team and support the high demand in the park system.

### **Recreation Programmer**

This position will be responsible for managing programming for seniors, fitness programs, and facility rentals. This will allow us to return to being open weekend hours and accept facility rentals to better serve our residents. This position will also be available to coordinate with weekend rental parties, Parks maintenance staff, and the

Recreation Facilities Manager at the Wyoming Senior Center. The community has expressed a desire to return the Wyoming Senior Center to being available additional days and this position will help us meet this demand.



**CAPITAL IMPROVEMENT PLAN**  
**Proposed for Fiscal Year 2025**  
 Provided to City Council: March 11, 2024

<u>Type</u>	<u>Fund</u>	<u>Location</u>	<u>Project description</u>	<u>2025 Proposed</u>
Building	Building Inspections Fund	CED	I-Plan Table	17,432
Building	Capital Projects Fund	City Hall	Treasurers drive through	500,000
Building	Capital Projects Fund	Fire Station	Fire Station Alerting System (all stations)	292,600
Building	Capital Projects Fund	City Hall	Furniture (West Wing)	225,000
Building	Capital Projects Fund	Fire Station	Parking lot replacement	146,341
Building	Capital Projects Fund	Veterans Memorial	Veterans Memorial wall	125,000
Building	Capital Projects Fund	District Court	Prisoner-Attorney meeting space remodel	100,000
Building	Capital Projects Fund	Police	Downstairs kitchen remodel	100,000
Building	Capital Projects Fund	Police	Furniture (Detective work area)	94,000
Building	Capital Projects Fund	City Hall	Carpet (West Wing)	90,000
Building	Capital Projects Fund	Fire Station	Fire Station 1 Renovation	88,000
Building	Capital Projects Fund	Fire Station	Parking lot replacement	70,000
Building	Capital Projects Fund	Fire Station	Security System Upgrades (all stations)	53,226
Building	Capital Projects Fund	Fire Station	Flooring: carpet & base	50,225
Building	Capital Projects Fund	Facilities	Miscellaneous requests under \$10K	50,000
Building	Capital Projects Fund	Police	HVAC controls	50,000
Building	Capital Projects Fund	Fire Station	Training Center Tables and Chairs	37,000
Building	Capital Projects Fund	Fire Station	Flooring: carpet & base	29,213
Building	Capital Projects Fund	City Hall	Interior lighting - council chambers	25,000
Building	Capital Projects Fund	Police	Landscaping- Rear entry area	25,000
Building	Capital Projects Fund	Police	Overhead doors	25,000
Building	Capital Projects Fund	Police	Sealant	21,892
Building	Capital Projects Fund	Fire Station	Furniture- Beds for fire stations	17,250
Building	Capital Projects Fund	Fire Station	Furniture- Recliners for fire stations	15,300
Building	Capital Projects Fund	City Hall	Convert HR conference room to office	15,000
Building	Capital Projects Fund	Police	South doors- interior and exterior	15,000
Building	Capital Projects Fund	Police	Furniture (Detective Conference Room)	12,500
Building	Capital Projects Fund	Police	Furniture (Chiefs Conference Room)	12,000
Building	Capital Projects Fund	Police	Interior Lighthing	11,220
Building	Capital Projects Fund	City Hall	East shipping doors	10,000
Building	Capital Projects Fund	District Court	East Door Replacement	10,000
Building	Capital Projects Fund	Police	Lobby lighting	10,000
Building	Capital Projects Fund	Police	Mortar, sealant, powerwashing	10,000
Building	Capital Projects Fund	City Hall	Plumbing for Mothers Room	5,000
Building	Library Building Fund	Library	6 Rooftop HVAC Units	75,000
Building	Library Building Fund	Library	Boilers	41,000
Building	Library Building Fund	Library	Furniture	35,000
Building	Library Building Fund	Library	Community room doors	30,000
Building	Library Building Fund	Library	Joint Sealant	12,849
Building	Library Building Fund	Library	Chairs	12,500
Building	Library Building Fund	Library	Flooring and staff entrance	10,000
Building	Library Building Fund	Library	Exterior community room ground lights	5,000
Building	Motor Pool Reserve Fund	Public Works	PW Building: Phased expansion/improvement plan	200,000
Building	Motor Pool Reserve Fund	Public Works	PW Building: Generators	76,875
Building	Parks Fund	Parks	Cabinets & countertops	105,575
Building	Parks Fund	Parks	Drinking fountain replacements (Kville, Frog, Prairie)	34,275
Building	Parks Fund	Parks	Aluminum entrances	27,163
Building	Parks Fund	Parks	Electronic entrance sign	19,825
Building	Sewer Fund	Clean Water Plant	Parking lot phase 1 (gate loops)	425,000
Building	Sewer Fund	Clean Water Plant	Main Building Elevator Update	275,000
Building	Sewer Fund	Clean Water Plant	Headworks Roof Replacement & Lightning Protection	250,000
Building	Sewer Fund	Clean Water Plant	Office remodel - men's locker room	125,000
Building	Water Fund	Drinking Water Plant	WTP Generator Control Upgrade	200,000
<b>Total Building</b>				<b>4,318,261</b>
Equipment	Building Inspections Fund	CED	Modems for cars	23,140
Equipment	Building Inspections Fund	CED	Color plotter	6,630
Equipment	City Center	City Center	Fence installation at Hook water tank	75,000
Equipment	General Fund	Police	Annual Axon agreement	150,000
Equipment	General Fund	Police	Portable Scanner for FSU and Accident Reconstruction	65,069
Equipment	General Fund	City Hall	IT: Backup Server Refresh	50,000
Equipment	General Fund	Police	Upgrade Reality Based Training Simulator	50,000
Equipment	General Fund	City Hall	IT: City Hall MDF Switch Stack	24,000
Equipment	General Fund	City Hall	IT: City Hall Data Center UPS Replacement	18,000
Equipment	General Fund	Police	Axon Body Cameras (5)	16,666
Equipment	General Fund	Police	Simunition Safety Equipment	14,500
Equipment	General Fund	Police	Dual Long Gun Mounts for cruisers	13,000
Equipment	General Fund	Police	Police Bicycles for Tactical Bike Team (4)	13,000
Equipment	General Fund	Police	Cellebrite digital evidence analyzer	11,000
Equipment	General Fund	City Hall	IT: City Hall 2nd Floor Switch Stack	8,500
Equipment	General Fund	City Hall	Copy Machine Replacement (2nd floor)	7,500

Equipment	General Fund	City Hall	Folder/inserter machine	5,535	
Equipment	Major Streets Fund	Public Works	Arrow board replacement (2)	10,500	
Equipment	Motor Pool Reserve Fund	Motor Pool	PW-Concrete Saw	38,000	
Equipment	Motor Pool Reserve Fund	Motor Pool	Parks-Mower	16,000	
Equipment	Parks Fund	Parks	John Deere Utility Gator (2)	20,200	
Equipment	Parks Fund	Parks	Security camera equipment	15,000	
Equipment	Parks Fund	Parks	Pottery kiln for Senior Center program	15,000	
Equipment	Sewer Fund	Clean Water Plant	Mercury Analyzer in samplings	25,000	
Equipment	Sewer Fund	Clean Water Plant	Refrigerated sampler for wastewater monitoring	6,000	
Equipment	Water Fund	Drinking Water Plant	Incubator for Lab	12,000	
				<b>Total Equipment</b>	<b>709,239</b>
Infrastructure	Capital Improvement Fund	Public Works	Wyoming Watermain Replacements	3,250,000	
Infrastructure	Capital Improvement Fund	Public Works	Storm Sewer Site 36	600,000	
Infrastructure	Capital Improvement Fund	Public Works	Storm Sewer cost share agreement	100,000	
Infrastructure	Major Streets Fund	Public Works	Wyoming Resurfacing	5,100,000	
Infrastructure	Major Streets Fund	Public Works	Burlingame Ave Reconstructions	437,200	
Infrastructure	Major Streets Fund	Public Works	Byron Center Reconstruction	300,000	
Infrastructure	Major Streets Fund	Public Works	Bridge Maintenance	100,000	
Infrastructure	Major Streets Fund	Public Works	Burton St Reconstruction (Clyde Park to Burlingame)	100,000	
Infrastructure	Major Streets Fund	Public Works	Cleveland Ave Storm Sewer Pipe Lining	18,000	
Infrastructure	Sewer Fund	Public Works	Advanced Metering Infrastructure for Water Meters	550,000	
Infrastructure	Sewer Fund	Public Works	Collection System Sliplining/Replacement	450,000	
Infrastructure	Water Fund	Public Works	Watermain replacements	2,000,000	
Infrastructure	Water Fund	Public Works	Advanced Metering Infrastructure for Water Meters	550,000	
				<b>Total Infrastructure</b>	<b>13,555,200</b>
Parks	Library Building Fund	Parks	Pinery Park Playground (Central)	165,000	
Parks	Library Building Fund	Parks	Jackson Park resurfacing and pickleball conversion	125,000	
Parks	Library Building Fund	Parks	Lemery Park pickleball court conversion	125,000	
Parks	Library Building Fund	Parks	Parks sign replacements, with City rebranding	100,000	
Parks	Library Building Fund	Parks	Lamar Park Permanent Stage Design	30,000	
Parks	Library Building Fund	Parks	Softball infield repair	20,000	
Parks	Library Building Fund	Parks	Softball Scoreboards (2)	20,000	
Parks	Library Building Fund	Library	Field Repairs Batters Box	15,000	
Parks	Parks Fund	Parks	Lamar Park Tennis Court Resurfacing	150,000	
Parks	Parks Fund	Parks	Tree Planting	10,000	
				<b>Total Parks</b>	<b>760,000</b>
Sewer	Sewer Fund	Clean Water Plant	Headworks improvement design	450,000	
Sewer	Sewer Fund	Clean Water Plant	Lift Station Controller/Instrument Update	150,000	
Sewer	Sewer Fund	Clean Water Plant	Primary Tank & Pumps Rehab Investigation	150,000	
Sewer	Sewer Fund	Clean Water Plant	Digester Design	50,000	
				<b>Total Sewer</b>	<b>800,000</b>
Vehicles	General Fund	Police	Car #54 future value increase	35,000	
Vehicles	Building Inspections Fund	CED	(5) new vehicles	225,000	
Vehicles	Drug Forfeiture Fund	Police	Vehicles for MPACT Detectives (2 pre-owned)	30,000	
Vehicles	General Fund	Police	Armored Response Vehicle	350,000	
Vehicles	Insurance Funds	Motor Pool	Purchase car from other department	10,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	PD-3 Durangos (Patrol)	156,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	Engineering-Blazer (2)	74,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	WTP-Blazer	74,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	PD-Tahoe (K9 officer)	72,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	PW-Ford F350 with dump bed	60,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	PW-Van	58,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	CWP-Ford F250 with plow	56,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	PW-Ford F250	45,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	Parks-Ford F150	38,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	Engineering-Ford F150	37,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	Inspections-Blazer	37,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	PW-Blazer	37,000	
Vehicles	Motor Pool Reserve Fund	Motor Pool	Vehicle price increase contingency (5% total)	35,000	
Vehicles	Multiple	Public Works	Jet flusher/hydro excavator	100,000	
			Major St	100,000	
			Solid Waste	260,000	
			Sewer	195,000	
			Water	655,000	
				<b>Total Vehicles</b>	<b>2,084,000</b>
Water	Water Fund	Drinking Water Plant	3rd Transmission Main	75,000,000	
Water	Water Fund	Drinking Water Plant	Surge Suppression System	9,000,000	
Water	Water Fund	Drinking Water Plant	Treatment Process Filter Renovation	5,000,000	
Water	Water Fund	Drinking Water Plant	Discharge Valve & Actuators(4) Phase II	1,800,000	
Water	Water Fund	Drinking Water Plant	Gezon HVAC Upgrade	1,000,000	
Water	Water Fund	Drinking Water Plant	Study- High Service Pumps and Peak Hour Demand	300,000	
Water	Water Fund	Drinking Water Plant	Roof Coating on Gezon Tank	225,000	
Water	Water Fund	Drinking Water Plant	Rebuild Low Service Pump 3	130,000	

Water	Water Fund	Drinking Water Plant	IT: Virtual Machine Host for treatment process	70,000	
Water	Water Fund	Drinking Water Plant	Hypochlorite Tank	30,000	
Water	Water Fund	Drinking Water Plant	Backup server	15,000	
			<b>Total Water</b>	<b>92,570,000</b>	
<b>Total 2025 Proposed Capital:</b>				<b>114,796,700</b>	