

Protecting Local Government Retirement and Benefits Act Corrective Action Plan Monitoring: Application for Certification of Compliance

Issued under the authority of Public Act 202 of 2017

LOCAL GOVERNMENT INFORMATION

Local Government Name: City of Madison Heights Six-Digit Muni Code: 632110

Defined Benefit Retirement System Name: Police and Fire Pension System

System Type: ☒ Pension ☐ Retirement Health Care (OPEB)

Contact Name (Administrative Officer): Melissa Marsh

Title (if not Administrative Officer): City Manager Telephone: 248-583-0829

Email (Communication will be sent here): melissamarsh@madison-heights.org

Fiscal Year System was Determined to be Underfunded: 06/30/2022

I. GENERAL INFORMATION

Corrective Action Plan Monitoring: The Municipal Stability Board (the Board) shall monitor each underfunded local government's compliance with Public Act 202 of 2017 (the Act) and any approved corrective action plan (CAP). The Board shall adopt a schedule, not less than every 2 years, to certify that the underfunded local government is in substantial compliance with the Act.

Due Date: The local government has **90 days from the date the CAP Monitoring Form is sent** to return the form to the Board.

Filing: The submitted monitoring form must demonstrate through distinct supporting documentation that the local government is addressing its underfunded status in accordance with its CAP and the Act. Consistent with the Board's best practices document, supporting documentation utilized should include a projection within their annual valuation that includes, but is not limited to, actuarially determined contributions (ADC), retirement benefit payments, assets, liabilities, and discount rates.

The completed monitoring form must be submitted via email to Treasury at LocalRetirementReporting@michigan.gov for review by the Board. **If you have CAPs for multiple systems, you are required to complete separate monitoring forms and send a separate email for each CAP.** Please attach each plan as a separate PDF document in addition to all applicable supporting documentation.

The subject line of each email should be in the following format: **Corrective Action Plan Monitoring, Local Government Name, Retirement System Name, System Type** (e.g. Corrective Action Plan Monitoring, City of Lansing, Employee Retirement System, Pension). Treasury will send an automatic reply acknowledging receipt of the email. Your individual email settings must allow for receipt of Treasury's automatic reply. This will be the only notification confirming receipt of the form.

Municipal Stability Board: The Board shall certify and vote whether each local government is compliant with their CAP and the Act. If a CAP is certified as compliant, the Board will continue to monitor the CAP and review the local government's compliance with the Act not less than every two years.

Review Process: After receiving your submitted CAP monitoring form, Treasury will provide it to the Board to review and certify the local government for compliance with the Act.

CAP Monitoring Approval Criteria: A CAP may be certified as compliant by meeting the Board approved CAP monitoring criteria. In general, certification of compliance by the Board will occur if a local government is able to demonstrate through distinct supporting documentation that the CAP addresses:

- 1) **Underfunded Status:** The local government continues to address underfunded status in a reasonable timeframe (60% funded for pension systems or 40% funded for OPEB systems OR; if the local government is a city, village, township, or county, the ADC as a percentage of governmental fund revenues is less than 10% for pensions or 12% for OPEB);
- 2) **Substantial Changes:** The actions documented in the CAP remain substantially the same, OR alternative actions have been implemented to address underfunded status;
- 3) **Sustainability:** The local government and the Board certify that the projected payments remain sustainable and affordable both now and into the future.

Certification of Compliance: Following a review of the monitoring process for each CAP, the Board will certify a local government as one of the following:

- **Compliant:** A local government certified as compliant has met all published criteria from the Board.
- **Complaint with Conditions:** A local government certified as compliant with conditions has met the published criteria, but the Board has determined that the local government's plan(s) may not be sustainable or the Board is unable to reasonably confirm future sustainability. With this certification, the local government will have until the next monitoring period to address the stated concerns regarding the plan(s).
- **Noncompliant:** A local government certified as noncompliant failed to meet one or more of the Board's published criteria for monitoring certification of compliance or failed to file the monitoring form. If voted noncompliant, the Board shall notify the local government within 15 days, detailing the reasons for the determination for noncompliance. The local government has 60 days to address the determination of noncompliance.

2. UNDERFUNDED STATUS CERTIFICATION

Previously, local governments demonstrated that they would be addressing their underfunded status within a reasonable timeframe in accordance with the Board's Corrective Action Plan Development: Best Practices and Strategies guide. The purpose of this section is for the local government to certify that their plan is still addressing its underfunded status within this approved timeframe.

Please check the applicable answer:

- I. Referencing supporting documentation, is the local government addressing its underfunded status in the same timeframe or less than the CAP?

☒ **Yes, we are addressing underfunded status by fiscal year 2031 as originally approved.**

☐ **No, underfunded status will be now be addressed by fiscal year _____, which is within the Board's required timeframe.**

Required timeframe: As general guidance, a local government with a severely underfunded pension system (45% funded or less) should reach a funded ratio of 60% within 20 years of the original determination of underfunded status. A local government with a severely underfunded retirement health care system (25% funded or less) should reach a funded ratio of 40% within 30 years of the original determination of underfunded status.

If no, provide additional explanation:

3. SUBSTANTIAL CHANGES CERTIFICATION

The Board recognizes that as a local government implements the prospective actions in their CAP, specific solutions may need to be adjusted to continue to address its underfunded status. This section asks the local government to certify that the corrective actions documented in the plan to address underfunded status remain substantially the same.

Please check the applicable answer:

Does the CAP remain substantially the same as the originally approved submission?

☒ **Yes**

☐ **No** (If no, please complete a revised Form 5597 for OPEB or Form 5598 for pension and attach to this form)

Please check all that apply:

☒ **Actions Implemented from CAP** – What actions included in the CAP has the local government implemented?

Sample Statement: In **June 2019**, our local government began making additional payments of \$100,000 per year above its ADC to the **General Employees' Retirement System**, as stated in our CAP. Page **8** of our actuarial valuation (attachment 2a) shows our pension will be **62%** funded by **fiscal year 2028**.

The City negotiated with Police & Fire unions to: 1) Reduce multiplier for employees hired after 7/01/2009 from 2.8% to 2.5%; 2) Final Average Compensation (FAC) includes base pay only; 3) Mandatory minimum retiree age of 55 years with 25 years of service; 4) Employee contribution was increased to 8.9% 5) The City contributes above the actuarial required contributions.

☐ **Actions Not Implemented from CAP** – What corrective actions has the local government failed to implement since the plan was approved?

Sample Statement: In the **June 2019** contract negotiations, our local government sought to lower the system's multiplier for current employees from 2.5X to 2X for the **General Employees' Retirement System**. We were able to negotiate to a 2.25X multiplier. On page **8** of our actuarial valuation (attachment 2a), it shows we will be **62%** funded by **fiscal year 2028** instead of **2024**, as outlined in our CAP. The revised fiscal year remains within the Board's required timeline.

☒ **Additional Actions Approved** – What additional actions has the local government implemented or planned to implement to supplement the CAP since the plan was originally approved? (**Provide proof of governing body approval for all additional actions**)

Sample Statement: Since our local government was unable to lower the multiplier to 2X as outlined in our CAP, we implemented additional actions to address our underfunded status within the Board's required timeframe. Beginning in **fiscal year 2020**, we will begin amortizing the unfunded portion of the pension liability using a **level-dollar amortization method over a closed period of 10 years**. This will allow the retirement system to reach a funded status of **62%** by **fiscal year 2028** as shown on page 8 of the actuarial analysis (attachment 2a).

The City negotiated with Police & Fire unions to: 1) Freeze annuity: 12/31/20 for employees hired before 6/30/2009; 07/01/2019 for employees hired after 7/1/2009; 2) Eliminate annuity withdrawal on contributions made after 6/30/2020; 3) Eliminate annuity withdrawal for employees hired after 6/30/2020; 4) Eliminate interest on annuity effective 01/01/2020. Additionally, the Pension Board has taken steps to address the underfunding status by changing the assumptions used to calculate the annual required contribution: 1) Reduce assumed rate of return from 7.5% to 6.75% 06/30/2019; 2) reduce wage inflation from 4% to 3.5% 06/30/2019 3) Changed amortization period to closed, 27 years, 06/30/2017.

4. SUSTAINABILITY CERTIFICATION

The local government must certify the plan is still affordable through detailed supporting documentation. This includes documentation that the local government's retirement costs are not increasing at a rate greater than what can be afforded through reasonable revenue growth. Retirement costs also must not have substantially increased above the original projection in the CAP.

The Board recommends that supporting documentation include a projection of all annual retirement payments (Pension ADC(s) + OPEB Benefit Payment(s) + all additional contributions) as a percentage of projected governmental fund revenues over the next five years. A local government should project governmental fund revenues using a reasonable forecast based on historical trends and projected rates of inflation. This analysis may include projected enterprise funds specifically allocated to pay retirement costs.

What is the highest combined annual retirement payment as a percentage of your projected governmental revenues over the next five fiscal years? (Examples)

Fiscal year: 2023

1. Total pension ADC(s): \$4,460,561
2. Total OPEB benefit payment(s): \$0
3. Total additional contributions for pension: \$2,366,680
4. Total additional contributions for OPEB: \$0
5. Total governmental fund revenues: \$41,391,648
6. Enterprise funds used to pay retirement costs (if applicable): \$36,380

Total percentage [(Payments #1-4)/(Revenues #5-6)]: 16.48%

Do the projected annual payments increase by an amount greater than an average of 5% per year over the next five fiscal years?

- ☐ **Yes** (Explain and list actions implemented or planned to implement to address increased payments)
- ☒ **No**

Utilizing a projection of all annual retirement payments, do the approved corrective actions listed in this plan allow for the local government to continue to make, at a minimum, the ADC payment for the defined benefit pension system(s) and/or any applicable statutorily required payments for retirement health benefit system(s), according to your long-term budget forecast? Note: For retirement health benefit systems, local governments are required to make all retiree premium payments, as well as any applicable normal cost payments for employees first hired after June 30, 2018 in accordance with Section 4(1) of Public Act 202 of 2017.

- ☒ **Yes**
- ☐ **No** (Explain and list actions implemented or planned to implement to address increased payments)

5. REQUIRED DOCUMENTATION

Documentation should be attached as a PDF with this monitoring form. The documentation should detail and confirm the claims made in this document regarding the CAP that is being implemented to adequately address the local government's underfunded status. Please check all documents that are included as part of this form and attach in successive order as provided below. When attaching documents, please use the naming convention below:

Naming Convention

Type of Document

☒ Attachment – 1

(Required) This CAP monitoring form;

☒ Attachment – 2a

(Required) An actuarial projection, an actuarial valuation, or an internally developed analysis (in accordance with GASB and/or actuarial standards of practice), which illustrates how and when the local government will reach the Act's required funded ratio. Or, if the local government is a city, village, township, or county, how and when the ADC as a percentage of governmental revenues will be less than the Act's requirements. The Board recommends that supporting documentation show a projection for the duration of the CAP that includes, but is not limited to, assets, liabilities, funded ratios, normal cost payments (if applicable), actuarial assumptions, and retiree benefit payments, using reasonable calculations;

☒ Attachment – 2b

(Required) An actuarial projection, an actuarial valuation, or an internally developed analysis (in accordance with GASB and/or actuarial standards of practice), which projects all annual retirement payments (Pension ADC(s) + OPEB Benefit Payments(s) + all additional contributions) as a percentage of projected governmental fund revenues over the next five fiscal years. A local government should project governmental fund revenues using a reasonable forecast based on historical trends and projected rates of inflation. This analysis *may* include projected enterprise funds specifically allocated to pay retirement costs;

☐ Attachment – 3

(Required if applicable) Documentation from the governing body approving additional corrective actions including documentation of commitment to additional payments or actions not previously included in the CAP (e.g. resolution, ordinance);

☐ Attachment – 4

(Required if applicable) In the event that the previous plan is no longer substantially in effect, a separate CAP to address its underfunded status which includes documentation of prior actions, prospective actions, governing body approval, and the positive impact on the system's funded ratio;

☐ Attachment – 5

Other documentation not categorized above.

6. CORRECTIVE ACTION PLAN CRITERIA

Please confirm that each of the CAP monitoring criteria listed below have been satisfied when submitting this document. Specific detail on CAP criteria can be found in the Corrective Action Plan Monitoring: Policy and Procedures document.

CAP Monitoring Criteria

Description

- | | |
|---|---|
| <input checked="" type="checkbox"/> Underfunded Status | The local government certifies that there is adequate supporting documentation showing that the CAP will continue to address the local government's underfunded status in a reasonable timeframe; |
| <input checked="" type="checkbox"/> Substantial Changes | The local government certifies that the corrective actions documented in the CAP remain substantially the same OR; the local government has implemented or planned to implement additional actions to continue to address their underfunded status; |
| <input checked="" type="checkbox"/> Sustainability | The CAP continues to allow the local government to make all required annual retirement payments, without increasing to a level that is unsustainable. |

7. LOCAL GOVERNMENT'S ADMINISTRATIVE OFFICER APPROVAL OF CORRECTIVE ACTION PLAN MONITORING FORM

I, Melissa Marsh, as the government's administrative officer (Ex. City/Township Manager, Executive Director, Chief Executive Officer, etc.) **(insert title)** City Manager approve this *Corrective Action Plan Monitoring: Application for Certification of Compliance* and will continue to implement the actions of the CAP.

I confirm to the best of my knowledge that because of the actions referenced within this form, one of the following statements will occur:

- ☒ The Police and Fire Retirement System **(insert retirement system name)** will achieve a funded status (60% for pension or 40% for OPEB) by fiscal year 2031 as demonstrated by required supporting documentation listed in Section 5.

OR, if the local government is a city, village, township, or county:

- ☐ The ADC for all defined benefit pension or retirement health benefit (OPEB) systems as a percentage of governmental fund revenues will be less than the Act's underfunded status threshold (10% for pension or 12% for OPEB) by fiscal year _____ as demonstrated by required supporting documentation listed in Section 5.

Signature: _____

Date: _____

City of Madison Heights, Municipal Code 632110
Police and Fire Employees Pension
Estimated Net Pension Liability and Related Ratios
as of January 5, 2023

Actual	2017	2018	2019	2020	2021	2022
Total Pension Liability						
Service Cost	1,221,339	1,021,457	1,014,229	1,190,766	1,203,148	1,251,785
Interest	5,759,221	5,661,631	5,799,600	5,940,810	6,029,900	6,069,108
Changes in Benefits	0	0	0	0	0	0
Differences between expected and actual experience	480,722	2,222,080	(214,338)	(155,915)	(447,752)	(1,193,668)
Changes in assumption	(2,339,247)	1,636,099	7,007,328	0	0	(88,303)
Benefits Payments	(6,205,145)	(6,441,460)	(5,621,703)	(5,733,434)	(5,590,570)	(6,866,957)
Net Change	(1,083,110)	4,099,807	7,985,116	1,242,227	1,194,726	(828,035)
Total Pension Begin	79,281,521	78,198,411	82,298,218	90,283,334	91,525,561	92,720,287
Total Pension Ending	78,198,411	82,298,218	90,283,334	91,525,561	92,720,287	91,892,252
Plan Fiduciary Net Position						
Contribution - Employer	2,830,764	3,074,446	3,612,291	3,549,842	4,321,033	4,341,057
Contribution - Members	510,712	500,066	509,736	501,956	489,122	488,745
Net Investment Income	3,818,238	3,338,762	2,446,283	1,195,897	10,305,094	(6,385,281)
Administrative expenses	(196,670)	(168,621)	(170,409)	(192,181)	(189,439)	(207,327)
Benefit payments	(6,205,145)	(6,441,457)	(5,621,703)	(5,733,434)	(5,590,570)	(6,866,957)
Other	800	(3,568)	0	(52,317)	(44,937)	(50,780)
Net Change in Plan Net Position	758,699	299,628	776,198	(730,237)	9,290,303	(8,680,543)
Plan Fiduciary Net Position - Beginning of year	41,606,219	42,364,918	42,664,546	43,440,744	42,710,507	52,000,810
Plan Fiduciary Net Position - End of year	42,364,918	42,664,546	43,440,744	42,710,507	52,000,810	43,320,267
Net Pension Liability - Ending	35,833,493	39,633,672	46,842,590	48,815,054	40,719,477	48,571,985
Plan Fiduciary Net Position as a % of Total Pension Liability	54.18%	51.84%	48.12%	46.67%	56.08%	47.14%

City of Madison Heights, Municipal Code 632110
Police and Fire Employees Pension
Estimated Net Pension Liability and Related Ratios
as of January 5, 2023

	Estimate					2023	2024	2025	2026	2027	2028
Total Pension Liability											
Service Cost						994,994	947,158	890,290	838,832	789,993	734,102
Interest						6,768,740	6,531,365	6,249,550	6,132,342	5,820,688	5,670,992
Changes in Benefits						0	0	0	0	0	0
Differences between expected and actual experience						0	0	0	0	0	0
Changes in assumptions						0	0	0	0	0	0
Benefits Payments						(6,167,325)	(6,404,700)	(6,686,515)	(6,803,723)	(7,115,377)	(7,265,073)
Net Change						1,596,409	1,073,823	453,325	167,451	(504,696)	(859,979)
Total Pension Begin						91,892,252	93,488,661	94,562,484	95,015,809	95,183,260	94,678,564
Total Pension Ending						93,488,661	94,562,484	95,015,809	95,183,260	94,678,564	93,818,585
Plan Fiduciary Net Position											
Contribution - Employer						6,321,914	4,465,641	4,579,871	4,676,751	4,960,407	4,524,405
Contribution - Members						505,327	491,972	470,602	450,483	431,847	407,335
Net Investment Income						2,933,519	3,007,770	3,079,147	3,157,649	3,224,715	3,276,450
Administrative expenses						(402,432)	(392,871)	(377,531)	(636,237)	(350,140)	(332,726)
Benefit payments						(6,182,634)	(6,402,044)	(6,629,301)	(6,685,977)	(6,938,740)	(7,064,379)
Other						0	0	0	0	0	0
Net Change in Plan Net Position						3,175,694	1,170,468	1,122,788	962,669	1,328,089	811,085
Plan Fiduciary Net Position - Beginning of year						43,320,267	46,495,961	47,666,430	48,789,218	49,751,888	51,079,976
Plan Fiduciary Net Position - End of year						46,495,961	47,666,430	48,789,218	49,751,888	51,079,976	51,891,062
Net Pension Liability - Ending						46,992,700	46,896,054	46,226,591	45,431,372	43,598,588	41,927,523
Plan Fiduciary Net Position as a % of Total Pension Liability						49.73%	50.41%	51.35%	52.27%	53.95%	55.31%

City of Madison Heights, Municipal Code 632110
Police and Fire Employees Pension
Estimated Net Pension Liability and Related Ratios
as of January 5, 2023

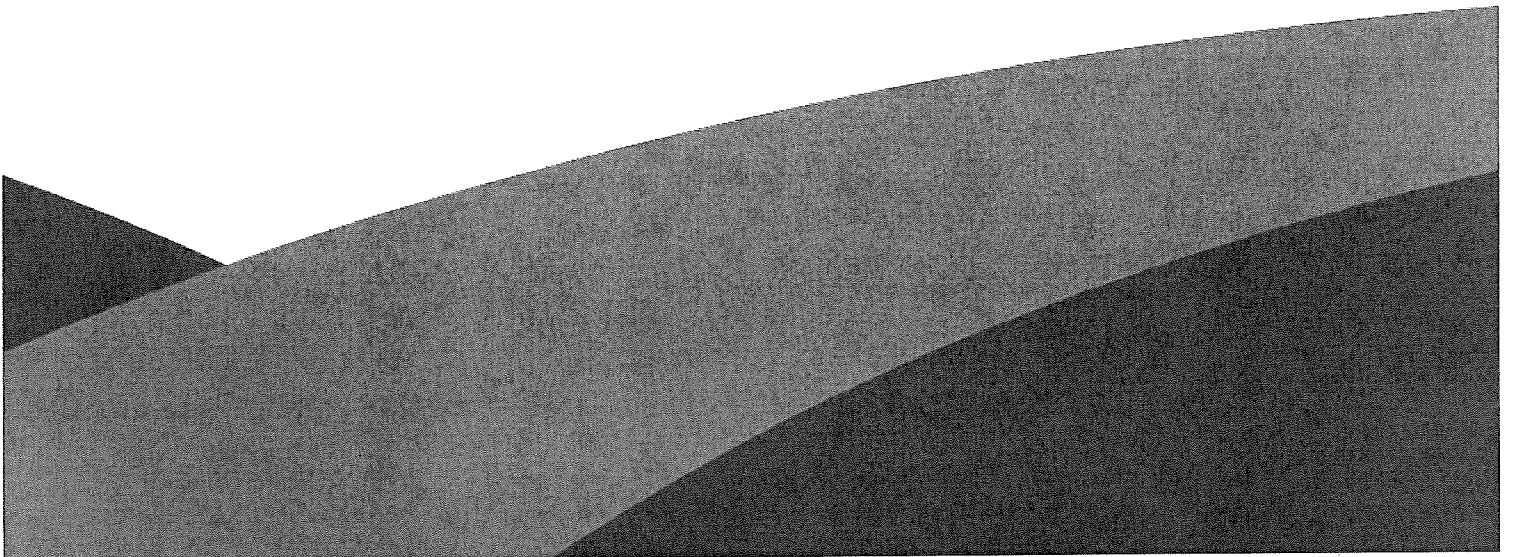
as on January 3, 2023

	Estimate					
	2029	2030	2031	2032	2033	2034
Total Pension Liability						
Service Cost	693,040	649,825	594,957	546,453	514,774	499,244
Interest	5,603,626	5,390,337	5,224,654	5,123,243	5,191,446	5,268,691
Changes in Benefits	0	0	0	0	0	0
Differences between expected and actual experience	0	0	0	0	0	0
Changes in assumptions	0	0	0	0	0	0
Benefits Payments	(7,332,439)	(7,545,728)	(7,711,411)	(7,812,822)	(7,744,619)	(7,667,374)
Net Change	(1,035,773)	(1,505,566)	(1,891,800)	(2,143,126)	(2,038,399)	(1,899,439)
Total Pension Begin	93,818,585	92,782,812	91,277,246	89,385,446	87,242,320	85,203,921
Total Pension Ending	92,782,812	91,277,246	89,385,446	87,242,320	85,203,921	83,304,482
Plan Fiduciary Net Position						
Contribution - Employer	4,598,591	4,684,240	4,765,093	4,847,020	4,951,938	5,079,734
Contribution - Members	385,736	367,570	344,483	319,963	305,133	299,545
Net Investment Income	3,331,574	3,367,390	3,418,984	3,472,287	3,539,187	3,624,282
Administrative expenses	(317,475)	(304,780)	(288,459)	(271,095)	(260,606)	(256,840)
Benefit payments	(7,132,995)	(7,553,481)	(7,430,914)	(7,532,350)	(7,481,987)	(7,402,779)
Other	0	0	0	0	0	0
Net Change in Plan Net Position	865,431	560,939	809,187	835,825	1,053,665	1,343,942
Plan Fiduciary Net Position - Beginning of year	51,891,062	52,756,493	53,317,432	54,126,618	54,962,443	56,016,108
Plan Fiduciary Net Position - End of year	52,756,493	53,317,432	54,126,618	54,962,443	56,016,108	57,360,050
Net Pension Liability - Ending	40,026,319	37,959,814	35,258,828	32,279,877	29,187,813	25,944,432
Plan Fiduciary Net Position as a % of Total Pension Liability	56.86%	58.41%	60.55%	63.00%	65.74%	68.86%

City of Madison Heights, Municipal Code 632110
Sustainability Certification
Estimated Net Pension Liability and Related Ratios
as of January 5, 2023

	Estimate					
	2020	2021	2022	2023	2024	2025
Actual	2020	2021	2022	2023	2024	2025
Annual Retirement Payments						
ADC Pension Contribution - Employer	3,166,521	3,923,348	3,910,244	3,955,234	3,965,641	4,079,871
ADC Pension Contribution - Members	501,956	529,295	526,296	505,327	491,972	470,602
Subtotal Total Pension ADC(s)	3,668,477	4,452,643	4,436,540	4,460,561	4,457,613	4,550,473
ADC OPEB - Police & Fire	377,310	396,600	0	0	0	0
ADC OPEB - General	118,949	135,530	0	0	0	0
Subtotal Total OPEB Benefit Payments	496,259	532,130	0	0	0	0
Additional Pension Contributions - Employer	383,321	23,127	43,303	2,366,680	500,000	500,000
Total Annual Retirement Payments	4,548,057	5,007,900	4,479,843	6,827,241	4,957,613	5,050,473
Governmental Fund Revenues	36,383,950	41,188,832	40,580,047	41,391,648	42,219,481	43,063,871
Enterprise Fund specifically allocated to pay retirement cost	34,432	25,274	36,380	36,380	36,380	36,380
Net Pension Liability - Ending	36,418,382	41,214,106	40,616,427	41,428,028	42,255,861	43,100,251
Plan Fiduciary Net Position as a % of Total Pension Liability	12.49%	12.15%	11.03%	16.48%	11.73%	11.72%
						12.03%

City of Madison Heights
Police and Fire Retirement System
GASB Statement Nos. 67 and 68 Accounting and
Financial Reporting for Pensions
June 30, 2022



Schedules of Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

(Ultimately 10 Fiscal Years Will Be Displayed)

Fiscal year ending June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 1,251,785	\$ 1,203,148	\$ 1,190,766	\$ 1,014,229	\$ 1,021,457	\$ 1,221,339	\$ 1,170,017	\$ 1,169,632	\$ 1,172,250
Interest on the Total Pension Liability	6,069,108	6,029,900	5,940,810	5,799,600	5,661,631	5,759,221	5,560,318	5,006,630	4,942,746
Benefit Changes	-	-	-	-	-	-	827,410	-	-
Difference between Expected and Actual Experience	(1,193,668)	(447,752)	(155,915)	(214,338)	2,222,080	480,722	1,192,693	1,601,211	-
Assumption Changes	(88,303)	-	-	7,007,328	1,636,099	(2,339,247)	-	5,460,062	-
Benefit Payments	(5,716,495)	(5,540,761)	(5,555,009)	(5,608,206)	(5,456,958)	(5,281,950)	(4,969,535)	(4,688,700)	(4,311,787)
Refunds	(1,150,462)	(49,809)	(178,425)	(13,497)	(984,499)	(923,195)	(1,073,439)	(978,759)	(544,552)
Net Change in Total Pension Liability	(828,035)	1,194,726	1,242,227	7,985,116	4,099,810	(1,083,110)	2,707,464	7,570,076	1,258,657
Total Pension Liability - Beginning	92,720,290	91,525,564	90,283,337	82,298,221	78,198,411	79,281,521	76,574,057	69,003,981	67,745,324
Total Pension Liability - Ending (a)	\$ 91,892,255	\$ 92,720,290	\$ 91,525,564	\$ 90,283,337	\$ 82,298,221	\$ 78,198,411	\$ 79,281,521	\$ 76,574,057	\$ 69,003,981
Plan Fiduciary Net Position									
Employer Contributions	\$ 4,341,057	\$ 4,321,033	\$ 3,549,842	\$ 3,612,291	\$ 3,074,446	\$ 2,830,764	\$ 2,093,912	\$ 1,860,442	\$ 2,010,461
Employee Contributions	488,745	489,122	501,956	509,736	500,066	510,712	490,999	501,899	549,025
Pension Plan Net Investment Income	(6,385,281)	10,305,094	1,195,897	2,446,283	3,338,762	3,818,238	(626,150)	(184,705)	6,688,276
Benefit Payments	(5,716,495)	(5,540,761)	(5,555,009)	(5,608,206)	(5,456,958)	(5,281,950)	(4,969,534)	(4,688,700)	(4,311,787)
Refunds	(1,150,462)	(49,809)	(178,425)	(13,497)	(984,499)	(923,195)	(1,073,439)	(978,759)	(544,552)
Pension Plan Administrative Expense	(207,327)	(189,439)	(192,181)	(170,409)	(168,621)	(196,670)	(231,781)	(232,668)	(188,011)
Other	(50,780)	(44,937)	(52,317)	-	(3,568)	800	-	-	-
Net Change in Plan Fiduciary Net Position	(8,680,543)	9,290,303	(730,237)	776,198	299,628	758,699	(4,315,993)	(3,722,491)	4,203,412
Plan Fiduciary Net Position - Beginning^a	52,000,810	42,710,507	43,440,744	42,664,542	42,364,918	41,606,219	45,922,212	49,644,532	45,451,011
Plan Fiduciary Net Position - Ending (b)	\$ 43,320,267	\$ 52,000,810	\$ 42,710,507	\$ 43,440,740	\$ 42,664,546	\$ 42,364,918	\$ 41,606,219	\$ 45,922,041	\$ 49,654,423
Net Pension Liability - Ending (a) - (b)	48,571,988	40,719,480	48,815,057	46,842,597	39,633,675	35,833,493	37,675,302	30,652,016	19,349,558
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	47.14 %	56.08 %	46.67 %	48.12 %	51.84 %	54.18 %	52.48 %	59.97 %	71.96 %
Covered-Employee Payroll[#]	\$ 6,190,826	\$ 5,923,918	\$ 5,744,170	\$ 5,352,132	\$ 5,618,718	\$ 5,399,773	\$ 5,188,855	\$ 5,408,591	\$ 5,672,836
Net Pension Liability as a Percentage of Covered-Employee Payroll	784.58 %	687.37 %	849.82 %	875.21 %	705.39 %	663.61 %	726.08 %	566.73 %	341.09 %

Notes to Schedule:

^a After any post-report adjustments.

[#] Valuation payroll as reported in the June 30, 2021 actuarial valuation is shown for the fiscal year ending June 30, 2022.



Single Discount Rate Development

Projection of Contributions

Ending June 30 for 2023 to 2072

Year	Projected Payroll for Current Employees	Projected Contributions from Current Employees	Projected Service Cost and Expense Contributions	Projected UAL Contributions	Projected Total Contributions
2022	\$ 6,190,826				
2023	6,268,410	\$ 505,327	\$ 1,060,087	\$ 2,895,147	\$ 4,460,561
2024	6,119,492	491,972	1,031,007	2,934,634	4,457,613
2025	5,880,543	470,602	986,843	3,093,028	4,550,473
2026	5,657,893	450,483	945,742	3,231,009	4,627,234
2027	5,453,891	431,847	906,085	3,554,322	4,892,254
2028	5,182,643	407,335	854,568	3,669,837	4,931,741
2029	4,945,098	385,736	809,484	3,789,107	4,984,327
2030	4,747,353	367,570	771,987	3,912,253	5,051,810
2031	4,493,136	344,483	725,692	4,039,401	5,109,576
2032	4,222,669	319,963	676,338	4,170,682	5,166,982
2033	4,059,278	305,133	645,709	4,306,229	5,257,071
2034	4,000,622	299,545	633,553	4,446,181	5,379,279
2035	3,979,181	296,840	629,237	4,590,682	5,516,759
2036	3,986,290	296,541	629,609	4,739,879	5,666,029
2037	3,981,688	296,176	627,342	4,893,925	5,817,443
2038	3,931,274	292,828	616,449	5,052,978	5,962,255
2039	3,885,025	289,923	606,304	5,217,200	6,113,427
2040	3,817,273	285,226	593,571	5,386,759	6,265,555
2041	3,662,457	273,859	566,916	5,561,829	6,402,603
2042	3,462,740	259,243	532,287	5,742,588	6,534,118
2043	3,216,672	241,982	490,152	5,929,222	6,661,356
2044	2,926,140	221,087	441,802	6,121,922	6,784,810
2045	2,706,233	204,455	406,079	6,320,884	6,931,419
2046	2,493,070	187,927	371,885	-	559,811
2047	2,161,700	163,397	318,404	-	481,802
2048	1,837,410	140,308	266,364	-	406,672
2049	1,545,724	117,715	223,475	-	341,190
2050	1,125,581	84,500	163,560	-	248,060
2051	730,676	53,581	107,446	-	161,027
2052	465,636	33,538	68,776	-	102,314
2053	274,685	19,656	40,123	-	59,780
2054	171,650	12,111	25,000	-	37,111
2055	85,656	5,952	12,544	-	18,496
2056	20,371	1,397	3,150	-	4,547
2057	8,155	548	1,280	-	1,829
2058	-	-	-	-	-
2059	-	-	-	-	-
2060	-	-	-	-	-
2061	-	-	-	-	-
2062	-	-	-	-	-
2063	-	-	-	-	-
2064	-	-	-	-	-
2065	-	-	-	-	-
2066	-	-	-	-	-
2067	-	-	-	-	-
2068	-	-	-	-	-
2069	-	-	-	-	-
2070	-	-	-	-	-
2071	-	-	-	-	-
2072	-	-	-	-	-



Single Discount Rate Development

Projection of Plan Fiduciary Net Position

Ending June 30 for 2023 to 2072

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 6.750%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
2023	\$ 43,320,267	\$ 4,460,561	\$ 6,182,634	\$ 402,432	\$ 2,853,587	\$ 44,049,349
2024	44,049,349	4,457,613	6,402,044	392,871	2,895,735	44,607,782
2025	44,607,782	4,550,473	6,629,301	377,531	2,929,477	45,080,900
2026	45,080,900	4,627,234	6,685,977	363,237	2,962,554	45,621,474
2027	45,621,474	4,892,254	6,938,740	350,140	2,999,884	46,224,732
2028	46,224,732	4,931,741	7,064,379	332,726	3,038,322	46,797,689
2029	46,797,689	4,984,327	7,132,995	317,475	3,076,971	47,408,517
2030	47,408,517	5,051,810	7,253,481	304,780	3,116,863	48,018,929
2031	48,018,929	5,109,576	7,430,914	288,459	3,154,635	48,563,768
2032	48,563,768	5,166,982	7,532,350	271,095	3,190,527	49,117,831
2033	49,117,831	5,257,071	7,481,987	260,606	3,232,937	49,865,246
2034	49,865,246	5,379,279	7,402,779	256,840	3,290,199	50,875,105
2035	50,875,105	5,516,759	7,326,840	255,463	3,365,496	52,175,057
2036	52,175,057	5,666,029	7,229,119	255,920	3,461,427	53,817,473
2037	53,817,473	5,817,443	7,148,468	255,624	3,580,004	55,810,828
2038	55,810,828	5,962,255	7,091,474	252,388	3,721,363	58,150,584
2039	58,150,584	6,113,427	7,007,275	249,419	3,887,209	60,894,526
2040	60,894,526	6,265,555	6,943,652	245,069	4,079,732	64,051,093
2041	64,051,093	6,402,603	6,923,830	235,130	4,298,339	67,593,075
2042	67,593,075	6,534,118	6,917,017	222,308	4,542,440	71,530,308
2043	71,530,308	6,661,356	6,951,503	206,510	4,811,807	75,845,459
2044	75,845,459	6,784,810	7,001,509	187,858	5,106,138	80,547,040
2045	80,547,040	6,931,419	7,008,553	173,740	5,428,596	85,724,763
2046	85,724,763	559,811	7,016,662	160,055	5,566,747	84,674,604
2047	84,674,604	481,802	7,086,905	138,781	5,491,646	83,422,366
2048	83,422,366	406,672	7,143,598	117,962	5,403,435	81,970,913
2049	81,970,913	341,190	7,186,343	99,235	5,302,491	80,329,017
2050	80,329,017	248,060	7,300,706	72,262	5,185,669	78,389,779
2051	78,389,779	161,027	7,376,947	46,909	5,050,192	76,177,141
2052	76,177,141	102,314	7,371,393	29,894	4,899,639	73,777,806
2053	73,777,806	59,780	7,308,544	17,635	4,738,765	71,250,173
2054	71,250,173	37,111	7,181,780	11,020	4,571,826	68,666,309
2055	68,666,309	18,496	7,050,890	5,499	4,401,325	66,029,741
2056	66,029,741	4,547	6,895,782	1,308	4,228,183	63,365,381
2057	63,365,381	1,829	6,694,234	524	4,054,965	60,727,417
2058	60,727,417	-	6,486,941	-	3,883,741	58,124,217
2059	58,124,217	-	6,271,842	-	3,715,166	55,567,542
2060	55,567,542	-	6,057,641	-	3,549,702	53,059,603
2061	53,059,603	-	5,844,347	-	3,387,497	50,602,753
2062	50,602,753	-	5,629,938	-	3,228,778	48,201,593
2063	48,201,593	-	5,417,407	-	3,073,756	45,857,942
2064	45,857,942	-	5,207,361	-	2,922,532	43,573,113
2065	43,573,113	-	5,000,472	-	2,775,175	41,347,816
2066	41,347,816	-	4,797,382	-	2,631,710	39,182,144
2067	39,182,144	-	4,598,589	-	2,492,127	37,075,681
2068	37,075,681	-	4,404,416	-	2,356,387	35,027,652
2069	35,027,652	-	4,215,055	-	2,224,431	33,037,028
2070	33,037,028	-	4,030,581	-	2,096,188	31,102,636
2071	31,102,636	-	3,850,923	-	1,971,581	29,223,294
2072	29,223,294	-	3,675,914	-	1,850,536	27,397,916



Single Discount Rate Development

Present Values of Projected Benefits

Ending June 30 for 2023 to 2072

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Projected Benefit Payments	Unfunded Portion of Projected Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of All Benefit Payments using Single Discount Rate (SDR)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^a ((a)-.5)	(g)=(e)*vf ^a ((a)-.5)	(h)=(c)/((1+SDR) ^a ((a)-.5)
2023	\$ 43,320,267	\$ 6,182,634	\$ 6,182,634	\$ -	\$ 5,983,973	\$ -	\$ 5,983,973
2024	44,049,349	6,402,044	6,402,044	-	5,804,527	-	5,804,527
2025	44,607,782	6,629,301	6,629,301	-	5,630,514	-	5,630,514
2026	45,080,900	6,685,977	6,685,977	-	5,319,579	-	5,319,579
2027	45,621,474	6,938,740	6,938,740	-	5,171,603	-	5,171,603
2028	46,224,732	7,064,379	7,064,379	-	4,932,313	-	4,932,313
2029	46,797,689	7,132,995	7,132,995	-	4,665,312	-	4,665,312
2030	47,408,517	7,253,481	7,253,481	-	4,444,136	-	4,444,136
2031	48,018,929	7,430,914	7,430,914	-	4,264,962	-	4,264,962
2032	48,563,768	7,532,350	7,532,350	-	4,049,819	-	4,049,819
2033	49,117,831	7,481,987	7,481,987	-	3,768,376	-	3,768,376
2034	49,865,246	7,402,779	7,402,779	-	3,492,723	-	3,492,723
2035	50,875,105	7,326,840	7,326,840	-	3,238,308	-	3,238,308
2036	52,175,057	7,229,119	7,229,119	-	2,993,084	-	2,993,084
2037	53,817,473	7,148,468	7,148,468	-	2,772,546	-	2,772,546
2038	55,810,828	7,091,474	7,091,474	-	2,576,525	-	2,576,525
2039	58,150,584	7,007,275	7,007,275	-	2,384,949	-	2,384,949
2040	60,894,526	6,943,652	6,943,652	-	2,213,859	-	2,213,859
2041	64,051,093	6,923,830	6,923,830	-	2,067,952	-	2,067,952
2042	67,593,075	6,917,017	6,917,017	-	1,935,286	-	1,935,286
2043	71,530,308	6,951,503	6,951,503	-	1,821,953	-	1,821,953
2044	75,845,459	7,001,509	7,001,509	-	1,719,025	-	1,719,025
2045	80,547,040	7,008,553	7,008,553	-	1,611,948	-	1,611,948
2046	85,724,763	7,016,662	7,016,662	-	1,511,769	-	1,511,769
2047	84,674,604	7,086,905	7,086,905	-	1,430,354	-	1,430,354
2048	83,422,366	7,143,598	7,143,598	-	1,350,629	-	1,350,629
2049	81,970,913	7,186,343	7,186,343	-	1,272,797	-	1,272,797
2050	80,329,017	7,300,706	7,300,706	-	1,211,290	-	1,211,290
2051	78,389,779	7,376,947	7,376,947	-	1,146,547	-	1,146,547
2052	76,177,141	7,371,393	7,371,393	-	1,073,240	-	1,073,240
2053	73,777,806	7,308,544	7,308,544	-	996,805	-	996,805
2054	71,250,173	7,181,780	7,181,780	-	917,580	-	917,580
2055	68,666,309	7,050,890	7,050,890	-	843,894	-	843,894
2056	66,029,741	6,895,782	6,895,782	-	773,142	-	773,142
2057	63,365,381	6,694,234	6,694,234	-	703,087	-	703,087
2058	60,727,417	6,486,941	6,486,941	-	638,234	-	638,234
2059	58,124,217	6,271,842	6,271,842	-	578,053	-	578,053
2060	55,567,542	6,057,641	6,057,641	-	523,007	-	523,007
2061	53,059,603	5,844,347	5,844,347	-	472,686	-	472,686
2062	50,602,753	5,629,938	5,629,938	-	426,552	-	426,552
2063	48,201,593	5,417,407	5,417,407	-	384,496	-	384,496
2064	45,857,942	5,207,361	5,207,361	-	346,219	-	346,219
2065	43,573,113	5,000,472	5,000,472	-	311,441	-	311,441
2066	41,347,816	4,797,382	4,797,382	-	279,899	-	279,899
2067	39,182,144	4,598,589	4,598,589	-	251,335	-	251,335
2068	37,075,681	4,404,416	4,404,416	-	225,502	-	225,502
2069	35,027,652	4,215,055	4,215,055	-	202,161	-	202,161
2070	33,037,028	4,030,581	4,030,581	-	181,089	-	181,089
2071	31,102,636	3,850,923	3,850,923	-	162,077	-	162,077
2072	29,223,294	3,675,914	3,675,914	-	144,929	-	144,929



Single Discount Rate Development

Present Values of Projected Benefits

Ending June 30 for 2073 to 2122 (Concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Projected Benefit Payments	Unfunded Portion of Projected Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of All Benefit Payments using Single Discount Rate (SDR)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^(a-.5)	(g)=(e)*vf^(a-.5)	(h)=(c)/((1+SDR)^(a-.5))
2073	\$ 27,397,916	\$ 3,505,340	\$ 3,505,340	\$ -	\$ 129,465	\$ -	\$ 129,465
2074	25,625,561	3,338,978	3,338,978	-	115,523	-	115,523
2075	23,905,458	3,176,559	3,176,559	-	102,954	-	102,954
2076	22,237,059	3,017,754	3,017,754	-	91,622	-	91,622
2077	20,620,120	2,862,179	2,862,179	-	81,404	-	81,404
2078	19,054,778	2,709,408	2,709,408	-	72,187	-	72,187
2079	17,541,619	2,559,025	2,559,025	-	63,869	-	63,869
2080	16,081,696	2,410,689	2,410,689	-	56,362	-	56,362
2081	14,676,489	2,264,104	2,264,104	-	49,588	-	49,588
2082	13,327,883	2,118,984	2,118,984	-	43,475	-	43,475
2083	12,038,183	1,975,167	1,975,167	-	37,962	-	37,962
2084	10,810,020	1,832,666	1,832,666	-	32,996	-	32,996
2085	9,646,188	1,691,637	1,691,637	-	28,531	-	28,531
2086	8,549,508	1,552,450	1,552,450	-	24,528	-	24,528
2087	7,522,610	1,415,703	1,415,703	-	20,953	-	20,953
2088	6,567,684	1,282,101	1,282,101	-	17,776	-	17,776
2089	5,686,337	1,152,446	1,152,446	-	14,968	-	14,968
2090	4,879,459	1,027,591	1,027,591	-	12,502	-	12,502
2091	4,147,117	908,275	908,275	-	10,352	-	10,352
2092	3,488,619	795,188	795,188	-	8,490	-	8,490
2093	2,902,513	689,016	689,016	-	6,891	-	6,891
2094	2,386,542	590,339	590,339	-	5,531	-	5,531
2095	1,937,697	499,662	499,662	-	4,385	-	4,385
2096	1,552,241	417,382	417,382	-	3,432	-	3,432
2097	1,225,779	343,723	343,723	-	2,647	-	2,647
2098	953,384	278,769	278,769	-	2,011	-	2,011
2099	729,714	222,449	222,449	-	1,503	-	1,503
2100	549,135	174,480	174,480	-	1,105	-	1,105
2101	405,929	134,376	134,376	-	797	-	797
2102	294,492	101,505	101,505	-	564	-	564
2103	209,495	75,136	75,136	-	391	-	391
2104	146,006	54,454	54,454	-	265	-	265
2105	99,600	38,597	38,597	-	176	-	176
2106	66,444	26,727	26,727	-	114	-	114
2107	43,314	18,067	18,067	-	72	-	72
2108	27,571	11,915	11,915	-	45	-	45
2109	17,122	7,656	7,656	-	27	-	27
2110	10,367	4,789	4,789	-	16	-	16
2111	6,118	2,915	2,915	-	9	-	9
2112	3,519	1,729	1,729	-	5	-	5
2113	1,971	999	999	-	3	-	3
2114	1,072	562	562	-	1	-	1
2115	564	305	305	-	1	-	1
2116	287	160	160	-	0	-	0
2117	141	82	82	-	0	-	0
2118	66	40	40	-	0	-	0
2119	29	18	18	-	0	-	0
2120	13	8	8	-	0	-	0
2121	5	5	5	-	0	-	0
2122	0	-	0	-	0	-	-
Totals	\$				\$ 102,267,582	\$ -	\$ 102,267,582

