

City of Kalamazoo

Postretirement Welfare Benefits Plan

Actuarial Valuation Report
as of January 1, 2024



Table of Contents

<u>Section</u>	<u>Page</u>	
	--	Cover Letter
	1	Executive Summary
A		Valuation Results
	1	Total Plan
	2	Experience Gain/(Loss)
	3	Development of Valuation Assets
	4-5	Comments
B	1-4	Retiree Premium Rate Development
C	1-6	Summary of Benefits
D		Summary of the Information Submitted for the Valuation
	1	Financial Information
	2	Schedule of Active Members
	3	Schedule of Inactive Members
E		Actuarial Cost Method and Actuarial Assumptions
	1	Actuarial Methods
	2-7	Actuarial Assumptions
	8	Miscellaneous and Technical Assumptions
Appendix A	1-2	Glossary
Appendix B	1-2	Valuation Results by Fund





June 12, 2024

Mr. Steve Vicenzi
Director of Management Services/CFO
City of Kalamazoo
241 W. South Street
Kalamazoo, Michigan 49007

**Re: City of Kalamazoo Postretirement Welfare Benefits Plan Actuarial Valuation as of
January 1, 2024 Actuarial Disclosures**

Dear Mr. Vicenzi:

The results of the January 1, 2024 Actuarial Valuation of the City of Kalamazoo Postretirement Welfare Benefits Plan are presented in this report.

This report was prepared at the request of the City of Kalamazoo and is intended for use by the City of Kalamazoo and those designated or approved by the City. This report may be provided to parties other than the Plan sponsor only in its entirety, and only with the permission of the plan sponsor. 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 employer contribution for the fiscal year ending December 31, 2024. 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.

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.

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.

Mr. Steve Vicenzi
City of Kalamazoo
June 12, 2024
Page 2

The findings in this report are based on information furnished by the City concerning retiree health care 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.

This report was prepared using assumptions adopted by the City. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. 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 Actuarial Cost Method and Actuarial Assumptions.

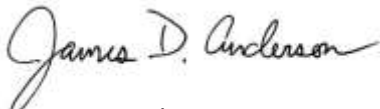
This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that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

This report has been prepared by actuaries who have substantial experience valuing public retiree health programs. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the City of Kalamazoo Postretirement Welfare Benefits 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 Michael D. Kosciuk are Members 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, and all actuarial assumptions used in this report are reasonable for the purposes of this valuation.

Gabriel, Roeder, Smith & Company will be pleased to answer any questions pertaining to the valuation.

Respectfully submitted,
Gabriel, Roeder, Smith & Company



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



Michael D. Kosciuk, FSA, EA, FCA, MAAA

JDA/MDK:rmn

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EXECUTIVE SUMMARY

Executive Summary

Actuarially Determined Contribution

For fiscal years beginning after June 15, 2016, GASB Statement No. 74 replaced GASB Statement No. 43. Similarly, for fiscal years beginning after June 15, 2017, GASB Statement No. 75 replaced GASB Statement No. 45. It is our understanding that the Plan is required to comply with both GASB Statement Nos. 74 and 75, and as such required a separate GASB Statement Nos. 74 and 75 report at the completion of each fiscal year.

We have calculated the Actuarially Determined Contribution for the calendar year beginning January 1, 2024 under an interest rate assumption of 7.25%. Below is a summary of the results. The Actuarially Determined Contributions and estimated retiree claims and premiums shown below are net of any premium payments expected to be made by retirees (retiree cost sharing).

	Actuarially Determined Contribution	Estimated Claims and Premiums Paid for Retirees
2024 Calendar Year	\$ 565,456	\$ 8,193,931

For additional details please see the section titled "Valuation Results."

Liabilities and Assets

1. Present Value of Future Benefit Payments	\$117,088,834
2. Actuarial Accrued Liability	113,454,919
3. Smoothed Plan Assets	115,790,495
4. Unfunded Actuarial Accrued Liability (2) – (3)	(2,335,576)
5. Funded Ratio (3)/(2)*	102.1%

* The funded ratio on a market value basis is 100.3%.

The Present Value of Future Benefit Payments (PVFB) is the present value of all benefits projected to be paid from the Plan for past and future service. The Actuarial Accrued Liability is the portion of the PVFB allocated to past service by the Plan's funding method (see the section titled "Actuarial Cost Method and Actuarial Assumptions").



SECTION A

VALUATION RESULTS

Valuation Results – Total Plan

Development of the Actuarially Determined Contribution

Contributions for	2024 Calendar Year
Employer Normal Cost	\$693,672
Administrative Expense Allowance	100,000
Amortization of Unfunded Actuarial Accrued Liability	<u>(228,216)</u>
Actuarially Determined Contribution	\$565,456

The unfunded actuarial accrued liabilities were amortized as a level dollar amount over a period of 18 years for the 2024 calendar year.

Determination of Unfunded Actuarial Accrued Liabilities as of January 1, 2024

A. Present Value of Future Benefits	
i) Retirees and Beneficiaries*	\$ 87,576,169
ii) DROP Members	3,107,269
iii) Vested Terminated Members	0
iv) Active Members	<u>26,405,396</u>
Total Present Value of Future Benefits	\$117,088,834
B. Present Value of Future Normal Costs	3,633,915
C. Actuarial Accrued Liability (A.-B.)	113,454,919
D. Actuarial Value of Assets	115,790,495
E. Unfunded Actuarial Accrued Liability (C.-D.)	(2,335,576)
F. Funded Ratio (D./C.)	102.1%

* Includes additional liability due to Early Retirement Incentive (ERI) Retirees currently waiving retiree health care through the City, but assumed to return to coverage at a later date.

The long-term rate of investment return used in this valuation was 7.25%.



Experience Gain/(Loss)

Gains/(Losses) During the Year Ended December 31, 2023 Resulting from Differences between Assumed and Actual Experience

A. Derivation of Actuarial Gain/(Loss):	
1. Unfunded Actuarial Accrued Liability (UAAL) - Previous Valuation	\$1,334,633
2. Total Normal Cost (employer) for Year Ending 12/31/2023	839,745
3. Total Contributions (employer) for Year Ending 12/31/2023	3,500,000
4. Interest on:	
a. UAAL: Discount Rate * x (1)	96,761
b. Normal Cost and Contributions: Discount Rate/2 x [(2) - (3)]	(96,434)
c. Net Total: (a) + (b)	327
5. Change in UAAL due to Benefit Changes	(637,191)
6. Change in UAAL due to Assumptions	4,838,598
7. Expected UAAL Current Year:	
(1) + (2) - (3) + (4c) + (5) + (6)	2,876,112
8. Actual UAAL Current Year	\$(2,335,576)
9. Experience Gain/(Loss): (7) - (8)	5,211,688
B. Approximate Portion of Gain/(Loss) due to Investments	1,884,096
C. Approximate Portion of Gain/(Loss) due to Liabilities: (A.9) - (B)	3,327,592

* Based on a discount rate of 7.25%.

Type of Activity

	<u>Gain/(Loss)</u>
Premiums. Gains and losses resulting from actual premiums in valuation year versus that assumed from prior valuation.	\$259,493
Investment Income. If there is greater investment income than assumed, there is a gain. If less income, a loss.	1,884,096
Demographic and Other. Gains and losses resulting from demographic experience, data adjustments, timing of financial transactions, excess contributions, etc.	3,068,099
Composite Gain/(Loss) During Year.	\$5,211,688



Development of Valuation Assets

Year Ended December 31:	2022	2023	2024	2025	2026	2027
A. Valuation Assets Beginning of Year	\$ 108,473,828	\$109,815,367				
B. Market Value End of Year	101,891,367	113,790,146				
C. Market Value Beginning of Year	120,744,769	101,891,367				
D. Non-Investment Net Cash Flow	(3,815,653)	(3,735,182)				
E. Investment Income						
E1. Market Total: B - C - D	(15,037,749)	15,633,961				
E2. Assumed Rate of Investment Return	7.25%	7.25%				
E3. Amount for Immediate Recognition	7,726,035	7,826,214				
E4. Amount for Phased-In Recognition: E1 - E3	(22,763,784)	7,807,747				
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	(4,552,757)	1,561,549				
F2. First Prior Year	2,554,540	(4,552,757)	\$ 1,561,549			
F3. Second Prior Year	302,645	2,554,540	(4,552,757)	\$1,561,549		
F4. Third Prior Year	2,018,117	302,645	2,554,540	(4,552,757)	\$1,561,549	
F5. Fourth Prior Year	(2,891,388)	2,018,119	302,643	2,554,540	(4,552,756)	\$1,561,551
F6. Total Phased-In Recognition	(2,568,843)	1,884,096	(134,025)	(436,668)	(2,991,207)	1,561,551
G. Valuation Assets End of Year: A + D + E3 + F6	109,815,367	115,790,495				
H. Difference between Market & Valuation Assets: B - G	(7,924,000)	(2,000,349)	(1,866,324)	(1,429,656)	1,561,551	0
I. Valuation Asset Recognized Rate of Return	4.84%	9.00%				
J. Market Value Recognized Rate of Return	(12.65)%	15.63%				

In the year of implementation (2015), the Valuation Assets Beginning of Year was set equal to the Market Value at the Beginning of Year.

The Valuation Assets recognizes assumed investment income (line E2) fully each year. Differences between actual and assumed investment income (line E3) are phased-in over a closed five-year period. During periods when investment performance exceeds the assumed rate, Valuation Assets will tend to be less than Market Value. During periods when investment performance is less than the assumed rate, Valuation Assets will tend to be greater than Market Value. The Valuation Assets are unbiased with respect to Market Value. At any time, it may be either greater or less than Market Value. If assumed rates are exactly realized for four consecutive years, it will become equal to Market Value.



Comments

Comment A: The Actuarially Determined Contribution calculated has decreased from the prior valuation.

Factors contributing to this decrease include, but are not limited to:

- Slightly more favorable premium experience than expected;
- Benefit changes:
 - Monthly cost share for new retirees increased from \$115.09 to \$124.78 for one-person coverage and from \$276.21 to \$299.47 for two-person coverage;
 - AFSCME members retiring after January 1, 2024 will pay the same increases as an active employee to a maximum of 80% above the contributions the retiree paid during the last month of the retiree's employment;
- More favorable investment experience than expected; and
- Higher employer contribution levels (\$3,500,000 – fixed contribution amount) than the calculated \$966,755.

Factors partially offsetting this decrease include, but are not limited to:

- Updating the health care cost trend assumption.

Comment B: The ratio of the Funding Value to Market Value of Assets was 102% at the end of 2023. In the next four years, if experience matches expectations, the funded status will generally decrease and the Actuarially Determined Contribution will generally increase as net investment losses are recognized.

Comment C: One of the key assumptions used in any valuation of the cost of postemployment benefits is the rate of return on the assets that will be used to pay Plan benefits. Higher assumed investment returns will result in a lower Actuarially Determined Contribution. Lower returns will tend to increase the Actuarially Determined Contribution. We have calculated the liability and the resulting Actuarially Determined Contribution using an assumed long-term rate of investment return of 7.25%.

Comment D: The health plan closed to new hires for most groups at various dates between 2009 and 2011 (see section titled "Summary of Benefits" for more details). The Unfunded Actuarial Accrued Liabilities (UAAL) are financed over a closed 18-year period using a level dollar amortization method. A shorter amortization period would increase the Actuarially Determined Contribution.

Comment E: The CCTA has a side fund (not included in the Plan's assets) with a market value of \$1,499,979 as of the valuation date. The side fund is noted in the illustrative "Valuation Results by Fund" in Appendix B of this report, and does not impact the determination of the Actuarially Determined Contribution for the Plan in total.

Comment F: It is our understanding that the Plan reimburses certain members for Medicare Part B premiums and, effective January 1, 2021, for Medicare Part D premiums. For purposes of this valuation, it was assumed that the level of member income in retirement does not require the member to pay any income-adjustment premiums in addition to plan premiums for Medicare Part B or Medicare Part D.



Comments (Concluded)

Comment G: The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 74 for plan OPEB disclosures effective for fiscal years beginning after June 15, 2016 and GASB Statement No. 75 for employer OPEB disclosures effective for employer fiscal years beginning after June 15, 2017. It is our understanding that the City needs to comply with GASB Statement Nos. 74 and 75 for each fiscal year ending December 31. The basis for the December 31, 2024 GASB information is expected to be this valuation (as of December 31, 2023), where roll-forward techniques will be applied. GASB information for the fiscal year ending December 31, 2023 was provided to the City in a report dated April 26, 2024.

Comment H: 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:

- The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the Plan's benefit obligations;
- A funded status measurement 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); and
- The measurement is inappropriate for assessing the need for or the amount of future employer contributions.

Comment I: 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 December 31, 2023. GRS provided the necessary PA 202 uniform assumption information as part of the December 31, 2023 GASB Statement Nos. 74 and 75 report dated April 26, 2024.



SECTION B

RETIREE PREMIUM RATE DEVELOPMENT

Retiree Premium Rate Development

Rate Development

Currently, eligible City retirees (and eligible spouses) receive benefits from a number of health care plans, including the self-insured Blue Cross Blue Shield (BCBS) Traditional plans and the self-insured Community Blue PPO plans. For these self-insured medical plans, initial per capita costs were developed separately for pre-65 retirees using medical and prescription drug claims experience from October 2020 to September 2023 from BCBS in conjunction with exposure data for the active and retired members of the health care program. These medical and prescription drug claims were projected on an incurred claim basis, adjusted for plan design changes (including changes to Medicare Part B coverage for current and future retirees), large claims and loaded for administrative and stop-loss expenses. The initial medical and drug premium rates used in the valuation are a weighted average cost of the three-year experience period (10/2020 – 9/2023) to smooth out any large year-to-year fluctuations.

Most retiree plans are closed to future retirees. The plans that remain open include suffixes 0022, 0023, 0025, 0026, 0030, 0031, 0036, 0037, 0049, 0050, 0053, 0054, 0055, and 0056. Depending on age (pre-65 or post-65) and active group membership, future retirees will be placed into one of these suffixes. Separate premium rates are developed for these future retirees in order to reflect the benefit differences.

For the post-65 retirees, the fully-insured Medicare Advantage premium rates are used as the basis of the initial per capita cost since the rate reflects the demographics of the post-65 retiree group. The coverage available to members who retired prior to 2008 differs from that available to those retiring in 2008 or later; most notably, members retiring in 2008 or later do not receive additional medical coverage through the Medicare Advantage plan. 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 initial costs 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 costs in the retired population over the projection period.



Retiree Premium Rate Development (Continued)

The tables below show the resulting combined medical and prescription drug one-person monthly premiums at select ages. The premium (or per capita costs) rates shown below were used in this valuation of the Plan and reflect the use of age grading.

For Those Not Eligible for Medicare (Pre-65)				
Age	Future Retirees		Current Retirees	
	Male	Female	Male	Female
40	\$ 441.84	\$ 717.97	\$ 451.76	\$ 734.08
50	716.23	882.32	732.30	902.12
60	1,217.26	1,198.58	1,244.57	1,225.47
64	1,480.22	1,396.92	1,513.43	1,428.27

For Those Eligible for Medicare (Post-65)				
Age	Future Retirees		Current Retirees	
	Male	Female	Male	Female
65	\$ 138.45	\$ 130.59	\$ 313.11	\$ 295.32
75	161.99	158.07	366.33	357.46
85	171.29	173.31	387.37	391.94

In addition, the Plan reimburses certain members for Medicare Part B premiums. The monthly Medicare Part B premium applied in this valuation (as of January 1, 2024) was \$174.70.



Retiree Premium Rate Development (Continued)

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 twelve years, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in this valuation. See below for further details regarding the trend vector used 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 healthcare benefit consulting firms) are used in conjunction with a group's historical experience to establish the trend assumptions.

Year after Valuation	Health Care Trend Inflation Rates		
	Pre-65 Health Care	Post-65 Health Care	Medicare Part B
1	7.25%	6.50%	5.50%
2	7.00	6.25	5.50
3	6.75	6.00	5.50
4	6.50	5.75	5.50
5	6.25	5.75	5.50
6	6.00	5.50	5.50
7	5.75	5.25	5.25
8	5.50	5.00	5.00
9	5.00	4.75	4.75
10	4.75	4.50	4.50
11	4.50	4.25	4.25
12	3.75	4.25	4.25
13	4.00	3.50	3.50
14	3.75	3.50	3.50
15 +	3.50	3.50	3.50




Retiree Premium Rate Development (Concluded)

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 on the previous page.



James E. Pranschke, FSA, FCA, MAAA

SECTION C

SUMMARY OF BENEFITS

Summary of Benefit Provisions for the Postretirement Welfare Benefits Plan

Group Name AFSCME employees - City of Kalamazoo

(A)	(B)	(C)	(D)	(E) Coverage Provided by Employer		(F)	(G)	(H)	(I)	(J) Retiree Share of Cost for		
Leaving Employment as a Result of	Eligibility for Pension Benefit	Eligibility for Retiree Health Benefit (if different from pension benefit)	When do Retiree Health Benefits Commence?	Retiree	Spouse	Retiree Health Care Provider(s)	Type of Insurance	Third Party Administrator	Retiree	Spouse (while Retiree is alive)	Spouse (after Retiree's death)	
Normal Retirement (Unreduced pension benefits)	Age 57 with 25 years of service,	Retiree & spouse if hired < 1/1/09	Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year	
	age 60 with 20 years of service, or age 62 with 9 years. (10 years if hired after 10/2/16)	Retiree only if hired 1/1/09-9/12/11 Healthcare savings program if hired after 9/12/11 (% of employer contributions based on vesting)	Upon retirement Upon retirement	Medical & Drug	n/a	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	n/a	n/a	
Early Retirement (Reduced pension benefits)	Age 55 with at least 15 years of service, then for each year increase in age, years of service can reduce by one year, to age 61 with 9 years of service. (10 years if hired after 10/2/16)	None. If hired < 9/12/11, must receive FULL pension benefit for retiree health	n/a	Life								
		Healthcare savings program if hired after 9/12/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement	Life								
Deferred Vested Termination	At age 62 with at least 9 years (10 years if hired after 10/2/16)	None. If hired < 9/12/11, must receive FULL pension benefit for retiree health Healthcare savings program if hired after 9/12/11 & eligible to draw a pension (% of employer contributions based on vesting)	n/a Upon retirement									
Non-Duty Disability	After 9 years of service (10 years if hired after 10/2/16)	Must meet normal age & service requirements: Retiree & spouse if hired < 1/1/09	Upon Pension Board Approval if eligible Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year	
		Retiree only if hired 1/1/09-9/12/11 Healthcare savings program if hired after 9/12/11 & eligible to draw a pension (% of employer contributions based on vesting)	Pension Board Approval Pension Board Approval	Medical & Drug	n/a	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	n/a	n/a	
Duty Disability	Given credit to voluntary age & service requirements	Retiree & spouse if hired < 1/1/09	Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year	
		Retiree only if hired 1/1/09-9/12/11 Healthcare savings program if hired after 9/12/11 & eligible to draw a pension (100% vesting in full account value)	Pension Board Approval Pension Board Approval	Medical & Drug	n/a	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	n/a	n/a	
Non-Duty Death-in-Service	If vested	Must meet normal age & service requirements for full pension Spouse is retiree hired < 9/7/11	Day prior to death		Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS			100% after one year	
Duty Death-in-Service	Same as Duty Disability											

Comment A: Employees retiring effective 10/1/16 and later at 57 years of age and 25 years of service will pay the same as active employees to a maximum of 50% above the contribution the retiree paid during the last month of the retiree's employment. Persons retiring with less than 25 years of service will pay the same increases as active employees to a maximum of 50% above the contribution paid at the time of retirement. Employees retiring after 1/1/24 will pay the same as active employees to a maximum of 80% above the contribution the retiree paid during the last month of the retiree's employment.

Comment B: Retirees are not reimbursed by the City for Medicare Part A or Part B Premiums. Post-Medicare retiree cost-sharing remains the same as pre-65.

Comment C: There are retirees currently opting out of the retiree health care plan, they may re-enroll at open enrollment or with a qualifying insurance event, there is no stipend for waiving coverage.

Comment D: There are retirees whose benefit is not described above, data was provided individually by the City for the valuation.

Comment E: This is a brief summary of the City of Kalamazoo's Postretirement Welfare Plan 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.

Comment F: Effective 1/1/2021, retirees & spouses move to the Medicare Advantage Plan based on retiree enrollment in Medicare. If retiree is not yet enrolled in Medicare, the spouse remains in the commercial plan until retiree is enrolled in Medicare. Both retiree and spouse will then be moved to the Medicare Advantage plan.

Comment G: Beginning 1/1/2021, with the implementation of the MAPD plans, the City reimburses any income-adjustment amount, if applicable, for Medicare Part D.



Summary of Benefit Provisions for the Postretirement Welfare Benefits Plan

Group Name CSO Union (KPSOA non-sworn) employees - City of Kalamazoo											
(A) Leaving Employment as a Result of	(B) Eligibility for Pension Benefit	(C) Eligibility for Retiree Health Benefit (if different from pension benefit)	(D) When do Retiree Health Benefits Commence?	(E) Coverage Provided by Employer		(G) Retiree Health Care Provider(s)	(H) Type of Insurance	(I) Third Party Administrator	(J) Retiree Share of Cost for		
				Retiree	Spouse				Retiree	Spouse (while Retiree is alive)	Spouse (after Retiree's death)
Normal Retirement (Unreduced pension benefits)	Age 57 with 25 years of service, or age 62 with 10 years.	Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Early Retirement (Reduced pension benefits)	Age 55 with at least 15 years of service, then for each year increase in age, years of service can reduce by one year, to age 61 with 10 years of service.	Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	When they would have completed 25 years of service Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Deferred Vested Termination	At age 62 with at least 10 years	None for retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	n/a Upon retirement								
Non-Duty Disability	After 10 years of service	Must meet normal age & service requirements: Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon Pension Board Approval if eligible Pension Board Approval Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Duty Disability	Given credit to voluntary age & service requirements	Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 (based on 25 years vesting = 100% of account value)	Pension Board Approval Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Non-Duty Death-in-Service	If vested	If age or service eligible	Day prior to death		Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS			100% after one year
Duty Death-in-Service	Same as Duty Disability										

Comment A: The retiree pays the active contribution rates in the year they retire. For retirements on or after 1/1/2007, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 50% above the contribution rate at the time of retirement. For retirements 12/1/2017 - 11/30/2018, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 75% above the contribution rate at the time of retirement. For retirements 12/1/2018 - 11/30/2019, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 80% above the contribution rate at the time of retirement. For retirements 12/1/2019 - 11/30/2020, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 85% above the contribution rate at the time of retirement. For retirements 12/1/2020 - 11/30/2021, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 90% above the contribution rate at the time of retirement. For retirements on or after 12/1/2021, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 95% above the contribution rate at the time of retirement.

Comment B: Retirees are not reimbursed by the City for Medicare Part A or Part B Premiums. Post-Medicare retiree cost-sharing remains the same as pre-65.

Comment C: There are retirees currently opting out of the retiree health care plan, they may re-enroll at open enrollment or with a qualifying insurance event, there is no stipend for waiving coverage.

Comment D: There are retirees whose benefit is not described above, data was provided individually by the City for the valuation.

Comment E: This is a brief summary of the City of Kalamazoo's Postretirement Welfare Plan 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.

Comment F: Effective 1/1/2021, retirees & spouses move to the Medicare Advantage Plan based on retiree enrollment in Medicare. If retiree is not yet enrolled in Medicare, the spouse remains in the commercial plan until retiree is enrolled in Medicare. Both retiree and spouse will then be moved to the Medicare Advantage plan.

Comment G: Beginning 1/1/2021, with the implementation of the MAPD plans, the City reimburses any income-adjustment amount, if applicable, for Medicare Part D.



Summary of Benefit Provisions for the Postretirement Welfare Benefits Plan

Group Name Non-Union Employees - City of Kalamazoo (Including CCTA Transit Exempt Employees)										(J)	(K)	(L)
(A) Leaving Employment as a Result of	(B) Eligibility for Pension Benefit	(C) Eligibility for Retiree Health Benefit (if different from pension benefit)	(D) When do Retiree Health Benefits Commence?	(E) Coverage Provided by Employer		(G) Retiree Health Care Provider(s)	(H) Type of Insurance	(I) Third Party Administrator	Retiree Share of Cost for			
				Retiree	Spouse				Retiree	Spouse (while Retiree is alive)	Spouse (after Retiree's death)	
Normal Retirement (Unreduced pension benefits)	Age 57 with 25 years of service, or age 62 with 5 years (10 years for CCTA)	Retiree & spouse if hired < 6/1/06 Retiree only if hired 6/1/06 - 5/31/09 Healthcare savings program if hired after 6/1/09 (% of employer contributions based on vesting)	Upon retirement Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year	
Early Retirement (Reduced pension benefits)	Age 55 with at least 15 years of service then for each year increase in age, years of service can reduce by one year to age 61 with 5 years of service and to age 61 with 10 years (for CCTA if hired on or after 9/1/10)	Retiree & spouse if hired < 6/1/06 Retiree only if hired 6/1/06 - 5/31/09 Healthcare savings program if hired after 6/1/09 (% of employer contributions based on vesting)	Upon retirement Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year	
Deferred Vested Termination	At age 62 with at least 5 years (10 years for CCTA)	None for retiree & spouse if hired < 6/1/09 Healthcare savings program if hired after 6/1/09 (% of employer contributions based on vesting)	n/a Upon retirement									
Non-Duty Disability	After 5 years of service (10 years for CCTA)	Must meet normal age & service requirements: Retiree & spouse if hired < 6/1/09 Healthcare savings program if hired after 6/1/09 (% of employer contributions based on vesting)	Upon Pension Board Approval if eligible Pension Board Approval Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year	
Duty Disability	Given credit to voluntary age & service requirements	Retiree & spouse if hired < 6/1/09 Healthcare savings program if hired after 6/1/09 (% of employer contributions based on vesting)	Pension Board Approval Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year	
Non-Duty Death-in-Service	If vested	If age or service eligible	Day prior to death		Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS			100% after one year	
Duty Death-in-Service	Same as Duty Disability											

Comment A: The retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 50% above the contribution rate paid in the last month of employment.

Comment B: Retirees are not reimbursed by the City for Medicare Part A or Part B Premiums. Post-Medicare retiree cost-sharing remains the same as pre-65.

Comment C: There are retirees currently opting out of the retiree health care plan, they may re-enroll at open enrollment or with a qualifying insurance event, there is no stipend for waiving coverage.

Comment D: There are retirees whose benefit is not described above, data was provided individually by the City for the valuation.

Comment E: This is a brief summary of the City of Kalamazoo's Postretirement Welfare Plan 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.

Comment F: Effective 1/1/2021, retirees & spouses move to the Medicare Advantage Plan based on retiree enrollment in Medicare. If retiree is not yet enrolled in Medicare, the spouse remains in the commercial plan until retiree is enrolled in Medicare. Both retiree and spouse will then be moved to the Medicare Advantage plan.

Comment G: Beginning 1/1/2021, with the implementation of the MAPD plans, the City reimburses any income-adjustment amount, if applicable, for Medicare Part D.



Summary of Benefit Provisions for the Postretirement Welfare Benefits Plan

Group Name Public Safety (sworn employees) - KPSA & KPSOA - City of Kalamazoo											
(A)	(B)	(C)	(D)	(E)		(G)	(H)	(I)	(J) (K) (L)		
				Coverage Provided by Employer					Retiree Health Care Provider(s)	Type of Insurance	Third Party Administrator
Leaving Employment as a Result of	Eligibility for Pension Benefit	Eligibility for Retiree Health Benefit (if different from pension benefit)	When do Retiree Health Benefits Commence?	Retiree	Spouse						
Normal Retirement (Unreduced pension benefits)	25 years of service or age 50 with 10 years.	Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Early Retirement (Reduced pension benefits)	20 years of service	Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	When they would have completed 25 years of service Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Deferred Vested Termination	At age 50 with at least 10 years or when then would have reached 25 years of service if they had remained employed	None for retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	n/a Upon retirement								
Non-Duty Disability	After 10 years of service	Must meet normal age & service requirements: Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon Pension Board Approval if eligible Pension Board Approval Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Duty Disability	Given credit needed to reach 25 years of service	Retiree & spouse if hired < 9/7/11 Healthcare savings program if hired after 9/6/11 (based on 25 years vesting = 100% of account value)	Pension Board Approval Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Non-Duty Death-in-Service	If vested	If age or service eligible	Day prior to death		Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS			100% after one year
Duty Death-in-Service	Same as Duty Disability										

Comment A: The retiree pays the active contribution rates in the year they retire. For retirements on or after 1/1/2007, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 50% above the contribution rate at the time of retirement. For KPSA retirements 12/1/2017 - 12/31/2020, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 75% above the contribution rate at the time of retirement.

For KPSA retirements on or after 1/1/2021, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 95% above the contribution rate at the time of retirement.

For KPSOA (sworn) retirements 12/1/2017 - 11/30/2018, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 75% above the contribution rate at the time of retirement.

For KPSOA (sworn) retirements 12/1/2018 - 11/30/2019, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 80% above the contribution rate at the time of retirement.

For KPSOA (sworn) retirements 12/1/2019 - 11/30/2020, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 85% above the contribution rate at the time of retirement.

For KPSOA (sworn) retirements 12/1/2020 - 11/30/2021, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 90% above the contribution rate at the time of retirement.

For KPSOA (sworn) retirements on or after 12/1/2021, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 95% above the contribution rate at the time of retirement.

Comment B: Retirees after 1/1/2010 and certain existing retirees are reimbursed for Medicare Part B premiums. Certain retirees electing the incentive are also eligible for reimbursement of late enrollment penalties. Post-Medicare retiree cost-sharing remains the same as pre-65.

Comment C: There are retirees currently opting out of the retiree health care plan, they may re-enroll at open enrollment or with a qualifying insurance event, there is no stipend for waiving coverage.

Comment D: There are retirees whose benefit is not described above, data was provided individually by the City for the valuation.

Comment E: This is a brief summary of the City of Kalamazoo's Postretirement Welfare Plan 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.

Comment F: Effective 1/1/2021, retirees & spouses move to the Medicare Advantage Plan based on retiree enrollment in Medicare. If retiree is not yet enrolled in Medicare, the spouse remains in the commercial plan until retiree is enrolled in Medicare. Both retiree and spouse will then be moved to the Medicare Advantage plan.

Comment G: Beginning 1/1/2021, with the implementation of the MAPD plans, the City reimburses any income-adjustment amount, if applicable, for Medicare Part D.



Summary of Benefit Provisions for the Postretirement Welfare Benefits Plan

Group Name ATU Union Employees - CCTA											
(A)	(B)	(C)	(D)	(E)		(G)	(H)	(I)	(J) (K) (L)		
				Coverage Provided by Employer					Retiree Share of Cost for		
Leaving Employment as a Result of	Eligibility for Pension Benefit	Eligibility for Retiree Health Benefit (if different from pension benefit)	When do Retiree Health Benefits Commence?	Retiree	Spouse	Retiree Health Care Provider(s)	Type of Insurance	Third Party Administrator	Retiree	Spouse (while Retiree is alive)	Spouse (after Retiree's death)
Normal Retirement (Unreduced pension benefits)	Age 57 with 25 years of service, or age 62 with 10 years.	Retiree & spouse if hired < 9/7/11	Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$ 124.78/mo See Comment A	\$ 174.69/mo See Comment A	100% after one year
		Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement								
Early Retirement (Reduced pension benefits)	Age 55 with at least 15 years of service, then for each year increase in age, years of service can reduce by one year, to age 61 with 10 years of service.	None if hired < 9/7/11. Must receive full pension benefit for retiree health, unless - retired before age 62 without retiree health eligibility, may enroll in retiree health supplemental coverage for retiree only at age 65	n/a			Community Blue-BCBS See Comment F	PPO	BCBS	\$ 124.78/mo See Comment A	n/a	n/a
		Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement	Age 65, if elected	Medical & Drug	Medical & Drug					
Deferred Vested Termination	Age 62 with at least 10 years	None if hired before < 9/7/11. Must receive full pension benefit for retiree health, unless - retired before age 62 without retiree health eligibility, may enroll in retiree health supplemental coverage for retiree only at age 65	n/a			Community Blue-BCBS See Comment F	PPO	BCBS	\$ 124.78/mo See Comment A	n/a	n/a
		Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement	Age 65, if elected	Medical & Drug	Medical & Drug					
Non-Duty Disability	After 10 years of service	Must meet normal age & service requirements: Retiree & spouse if hired < 9/7/11	Upon Pension Board Approval if eligible			Community Blue-BCBS See Comment F	PPO	BCBS	\$ 124.78/mo See Comment A	\$ 174.69/mo See Comment A	100% after one year
		Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (% of employer contributions based on vesting)	Pension Board Approval		Medical & Drug	Medical & Drug					
Duty Disability	Given credit to voluntary age & service requirements	Retiree & spouse if hired < 9/7/11	Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$ 124.78/mo See Comment A	\$ 174.69/mo See Comment A	100% after one year
		Healthcare savings program if hired after 9/6/11 & eligible to draw a pension (100% vesting in full account value)	Pension Board Approval								
Non-Duty Death-in-Service	If vested	If age or service eligible	Day prior to death		Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS			100% after one year
Duty Death-in-Service	Same as Duty Disability										

Comment A: The retiree pays the active contribution rates in the year they retire. For retirements on or after 2/14/2007, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 50% above the contribution rate at the time of retirement. For retirements on or after 12/1/2017, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 75% above the contribution rate at the time of retirement.

Comment B: Retirees are not reimbursed by the City for Medicare Part A or Part B Premiums. Post-Medicare retiree cost-sharing remains the same as pre-65.

Comment C: There are retirees currently opting out of the retiree health care plan, they may re-enroll at open enrollment or with a qualifying insurance event, there is no stipend for waiving coverage. For retirements on or after 2/10/2020, if the retiree waives coverage, they can't opt back in at a later date.

Comment D: There are retirees whose benefit is not described above, data was provided individually by the City for the valuation.

Comment E: This is a brief summary of the City of Kalamazoo's Postretirement Welfare Plan 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.

Comment F: Effective 1/1/2021, retirees & spouses move to the Medicare Advantage Plan based on retiree enrollment in Medicare. If retiree is not yet enrolled in Medicare, the spouse remains in the commercial plan until retiree is enrolled in Medicare. Both retiree and spouse will then be moved to the Medicare Advantage plan.

Comment G: Beginning 1/1/2021, with the implementation of the MAPD plans, the City reimburses any income-adjustment amount, if applicable, for Medicare Part D.



Summary of Benefit Provisions for the Postretirement Welfare Benefits Plan

Group Name KMEA Union Employees - City of Kalamazoo											
(A) Leaving Employment as a Result of	(B) Eligibility for Pension Benefit	(C) Eligibility for Retiree Health Benefit (if different from pension benefit)	(D) When do Retiree Health Benefits Commence?	(E) Coverage Provided by Employer		(G) Retiree Health Care Provider(s)	(H) Type of Insurance	(I) Third Party Administrator	(J) Retiree Share of Cost for		
				Retiree	Spouse				Retiree	Spouse (while Retiree is alive)	Spouse (after Retiree's death)
Normal Retirement (Unreduced pension benefits)	Age 57 with 25 years of service, or age 62 with 10 years.	Retiree & spouse if hired < 6/1/09 Healthcare savings program if hired after 6/1/09 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Early Retirement (Reduced pension benefits)	Age 55 with at least 15 years of service then for each year increase in age, years of service can reduce by one year to age of service can reduce by one year to age 61 with 8 years of service (if hired before 1/1/09) and to age 61 with 10 years (if hired on or after 1/1/09)	If hired < 6/1/09: Retiree & spouse if retired between ages 57 and 61 and meet early age and svc. requirements Retiree only if retired before age 57 Healthcare savings program if hired after 6/1/09 & eligible to draw a pension (% of employer contributions based on vesting)	Upon retirement	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Deferred Vested Termination	At age 62 with at least 10 years (8 years if hired before 1/1/09)	None for retiree & spouse if hired before 6/1/09 Healthcare savings program if hired after 6/1/09 & eligible to draw a pension (% of employer contributions based on vesting)	n/a Upon retirement								
Non-Duty Disability	After 10 years of service (8 years if hired before 1/1/09)	Must meet normal age & service requirements. Retiree & spouse if hired < 6/1/09 Healthcare savings program if hired after 6/1/09 & eligible to draw a pension (% of employer contributions based on vesting)	Upon Pension Board Approval if eligible Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Duty Disability	Given credit to voluntary age & service requirements	Retiree & spouse if hired < 6/1/09 Healthcare savings program if hired after 6/1/09 & eligible to draw a pension (100% vesting in full account value)	Pension Board Approval Pension Board Approval	Medical & Drug	Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS	\$124.78/mo See Comment A	\$174.69/mo See Comment A	100% after one year
Non-Duty Death-in-Service	If vested	If age or service eligible	Day prior to death		Medical & Drug	Community Blue-BCBS See Comment F	PPO	BCBS			100% after one year
Duty Death-in-Service	Same as Duty Disability										

Comment A: The retiree pays the active contribution rates in the year they retire. For retirements on or after 1/1/2002, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 50% above the contribution rate at the time of retirement. For retirements 12/1/2017 - 6/30/2020, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 75% above the contribution rate at the time of retirement. For retirements on or after 7/1/2020, the retiree will receive the same coverage as active employees and continue to pay the increasing active contribution rate to a maximum of 80% above the contribution rate at the time of retirement.

Comment B: Retirees are not reimbursed by the City for Medicare Part A or Part B Premiums. Post-Medicare retiree cost-sharing remains the same as pre-65.

Comment C: There are retirees currently opting out of the retiree health care plan, they may re-enroll at open enrollment or with a qualifying insurance event, there is no stipend for waiving coverage. For retirements on or after 1/1/2018, if the retiree waives coverage, they can't opt back in at a later date.

Comment D: There are retirees whose benefit is not described above, data was provided individually by the City for the valuation.

Comment E: This is a brief summary of the City of Kalamazoo's Postretirement Welfare Plan 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.

Comment F: Effective 1/1/2021, retirees & spouses move to the Medicare Advantage Plan based on retiree enrollment in Medicare. If retiree is not yet enrolled in Medicare, the spouse remains in the commercial plan until retiree is enrolled in Medicare. Both retiree and spouse will then be moved to the Medicare Advantage plan.

Comment G: Beginning 1/1/2021, with the implementation of the MAPD plans, the City reimburses any income-adjustment amount, if applicable, for Medicare Part D.



SECTION D

SUMMARY OF THE INFORMATION SUBMITTED FOR THE VALUATION

Reported Financial Information for the Year Ended December 31, 2023 (Market Value)

Revenues and Expenditures During the Year

Revenues:

a. Retiree contributions	\$ 1,060,906	
b. Employer contributions	3,500,000	
c. Interest and dividends	3,097,173	
d. Net Appreciation in Fair Value of Investments	<u>12,831,613</u>	
e. Total		\$20,489,692

Expenditures:

a. Benefits paid*	8,178,030	
b. Administrative expenses	118,058	
c. Investment expenses	<u>294,825</u>	
d. Total		<u>8,590,913</u>

Reserve Increase:

Total revenues minus total expenditures		<u><u>\$11,898,779</u></u>
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* Includes amounts paid by retirees.

Assets and Reserves

Assets:

a. Cash or equivalents	\$ 27,697
b. Receivables net of payables	(382,014)
c. Stocks	80,619,139
d. Fixed income	28,067,322
e. Real Estate Investment Fund	5,458,002
f. Funding Value Adjustment	<u>0</u>
Total	<u><u>\$113,790,146</u></u>

Reserves for Employer Contributions:

a. General Fund	\$ 113,790,146
b. Metro Fund	0
c. Water Fund	0
d. Wastewater Fund	0
Total	<u><u>\$113,790,146</u></u>



Active Members as of January 1, 2024 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.
30-34			3					3
35-39			7	8	1			16
40-44				29	5			34
45-49			2	4	21	7		34
50-54			1	6	18	10	6	41
55-59			3	3	8	10	6	30
60-64				1	6	1	6	14
65 & Over				1	1		2	4
Totals			16	52	60	28	20	176

* Excludes 562 individuals who are not eligible for retiree health insurance at retirement. A Health Savings Account is available instead.

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: 22.4 years



Inactive Members as of January 1, 2024 by Age and Coverage Type

Number of Retiree Health Contracts*

	Opt-Out/ Ineligible	One-Person Coverage	Two-Person Coverage	Total
Male	172	154	332	658
Female	193	116	46	355
Total	365	270	378	1,013

* Members receiving more than one pension were only counted once for purposes of OPEB benefits.

Notes:

- Opt-Out/Ineligible:** Includes 24 retirees who waived coverage and 9 DROP members. These members are assumed to begin drawing benefits in the future.
- One-Person Coverage:** Includes surviving spouses who receive City paid coverage for one year following the member's death.
- Two-Person Coverage:** Includes family coverage.

Age	Number of Those Covered
	Retiree Health
0-44	1
45-49	2
50-54	26
55-59	48
60-64	99
65-69	144
70-74	127
75-79	92
80-84	63
85-89	36
90-94	9
95 +	1
Totals	648

Number of Terminated Vested Contracts

Terminated vested members are not eligible for Plan benefits.



SECTION E

ACTUARIAL COST METHOD AND ACTUARIAL ASSUMPTIONS

Actuarial Methods

The actuarial assumptions used for this report were based upon the results of an Experience Study for the City of Kalamazoo Employees Retirement System covering the period January 1, 2014 through December 31, 2018. A report dated January 7, 2020 presented the results of this Experience Study.

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 Actuarial Cost Method** having the following characteristics:

- (i) The annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is 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.

Actuarial gains (losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

Financing of Unfunded Actuarial Accrued Liabilities. Unfunded Actuarial Accrued Liability (UAAL) (full funding credit if assets exceed liabilities) were amortized as a level dollar over a 18-year period.

Amortization of Unfunded Actuarial Accrued Liability. The following amortization factor was used in developing the Actuarially Determined Contribution for the year shown:

	2024 Calendar Year
Amortization Period	18
Level Dollar	10.2341

Asset Valuation Method. Last year's valuation assets are increased by contributions and expected investment income on last year's valuation assets and non-investment net cash flow and reduced by refunds, benefit payments and expenses. To this amount is added the phased-in recognition of investment income. The phased-in recognition is the sum over the five years ending on the valuation date of 20% of the difference between each year's expected return and actual market return.



Actuarial Assumptions

Investment Return. The rate of investment return is compounded annually net of investment expenses.

Investment Return	7.25%
Wage Inflation	3.50%
Price Inflation	2.25%
Spread Between Investment Return and Wage Inflation	3.75%
Spread Between Investment Return and Price Inflation	4.75%

The rates of salary increase used for individual members are in accordance with the following table.

The annual rate of pay increases consists of two parts:

- (i) A long-term rate of pay inflation equal to 3.50%; and
- (ii) Merit and longevity increases which vary according to age or length of service. These rates are illustrated below:

Years of Service	KMEA	AFSCME	General Exempt	Non-Sworn Public Safety	CCTA Union	CCTA Exempt	Public Safety
1	6.0%	8.0%	6.0%	8.0%	7.0%	6.0%	12.0%
2	5.0	3.0	6.0	7.0	7.0	6.0	12.0
3	4.0	3.0	1.0	6.0	6.0	0.5	5.5
4	2.0	2.0	1.0	4.0	5.0	0.5	4.5
5	1.0	2.0	1.0	3.0	4.0	0.5	4.5
6	1.0	1.0	1.0	1.5	0.0	0.3	4.0
7	1.0	0.0	0.5	1.5	0.0	0.3	4.0
8	1.0	0.0	0.5	1.5	0.0	0.3	4.0
9	0.0	0.0	0.5	1.5	0.0	0.3	1.5
10	0.0	0.0	0.5	1.5	0.0	0.3	1.3
11	0.0	0.0	0.3	0.5	0.0	0.3	1.0
12	0.0	0.0	0.3	0.3	0.0	0.3	1.0
13	0.0	0.0	0.3	0.3	0.0	0.3	0.5
14	0.0	0.0	0.3	0.3	0.0	0.3	0.5
thereafter	0.0	0.0	0.3	0.3	0.0	0.3	0.5



Actuarial Assumptions (Continued)

The mortality tables (a risk assumption) used in the valuation are described below:

Non-Public Safety

- **Healthy Pre-Retirement:** The Pub-2010 Amount-Weighted, General, Employee, Male and Female tables, with future mortality improvements projected to 2025 using scale MP-2019.
- **Healthy Post-Retirement:** The Pub-2010 Amount-Weighted, General, Healthy Retiree, Male and Female tables, with future mortality improvements projected to 2025 using scale MP-2019.
- **Disability Retirement:** The Pub-2010 Amount-Weighted, General, Disabled Retiree, Male and Female tables, with future mortality improvements projected to 2025 using scale MP-2019.

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
55	32.90	34.92	29.19	31.95	21.41	23.96
60	28.28	30.17	24.84	27.44	18.65	21.11
65	23.77	25.48	20.67	23.03	16.03	18.18
70	19.34	20.87	16.67	18.76	13.44	15.08
75	14.99	16.36	12.94	14.75	10.86	12.04
80	10.73	11.98	9.63	11.12	8.43	9.29

Public Safety

- **Healthy Pre-Retirement:** The Pub-2010 Amount-Weighted, Safety, Employee, Male and Female tables, with future mortality improvements projected to 2025 using scale MP-2019.
- **Healthy Post-Retirement:** The Pub-2010 Amount-Weighted, Safety, Healthy Retiree, Male and Female tables, with future mortality improvements projected to 2025 using scale MP-2019.
- **Disability Retirement:** The Pub-2010 Amount-Weighted, Safety, Disabled Retiree, Male and Female tables, with future mortality improvements projected to 2025 using scale MP-2019.

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
55	32.15	34.54	29.07	30.90	27.84	29.83
60	27.45	29.78	24.56	26.38	23.55	25.62
65	22.85	25.04	20.27	22.06	19.52	21.61
70	18.37	20.36	16.25	17.95	15.74	17.75
75	14.09	15.83	12.54	14.12	12.23	14.09
80	10.08	11.56	9.28	10.71	9.16	10.71

100% of deaths are assumed to be non-duty for all members.



Actuarial Assumptions (Continued)

The rates of retirement used to measure the probability of eligible members retiring during the next year were as follows:

Retirement Ages	KMEA	AFSCME	General Exempt	Non-Sworn Public Safety	CCTA Union	CCTA Exempt
55	2%	5%	7%	7%	10%	10%
56	2	5	7	7	10	10
57	5	8	20	20	25	25
58	5	5	20	20	25	25
59	10	5	15	15	20	20
60	20	25	20	20	25	25
61	20	20	20	20	30	30
62	50	55	25	25	30	30
63	15	25	15	15	15	15
64	10	25	15	15	15	15
65	100	100	100	100	100	100

Years of Service	Public Safety
20	2%
21	2
22	2
23	2
24	2
25	80
26	30
27	45
28	25
29	25
30	100

Retirement probabilities were applied for General and CCTA members after both attaining age 55 and completing 15 years of service, or age 62 with 10 years of service (5 years for General Exempt, 5 years for Transit Exempt hired before 9/1/2010, 9 years for AFSCME and 8 years for KMEA hired before 1/1/2009). AFSCME members are also considered eligible for retirement at age 60 with 20 or more years of service. Retirement probabilities were applied for Public Safety members upon completion of 20 years of service with 100% retirement probability assumed at age 60 with 10 years of service.



Actuarial Assumptions (Continued)

Rates of separation from active membership were as shown below (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	% of Active Members Separating within Next Year						
		KMEA	AFSCME	General Exempt	Non-Sworn Public Safety	CCTA Union	CCTA Exempt	Public Safety
	0	16.0%	16.0%	16.0%	16.0%	15.0%	15.0%	7.5%
	1	15.0	15.0	15.0	15.0	14.0	14.0	5.0
	2	12.0	12.0	12.0	12.0	9.0	9.0	3.8
	3	10.0	10.0	10.0	10.0	8.0	8.0	3.0
	4	8.0	8.0	8.0	8.0	7.0	7.0	3.0
25	5 or Over	8.0	8.0	8.0	8.0	7.4	7.4	2.5
30		7.0	7.0	7.0	7.0	5.8	5.8	2.2
35		6.0	6.0	6.0	6.0	5.0	5.0	1.4
40		5.0	5.0	5.0	5.0	4.0	4.0	1.1
45		4.0	4.0	4.0	4.0	3.3	3.3	0.8
50		3.0	3.0	3.0	3.0	2.5	2.5	0.6
55		2.4	2.4	2.4	2.4	2.0	2.0	0.4
60		2.4	2.4	2.4	2.4	2.0	2.0	0.4



Actuarial Assumptions (Continued)

Disability Rates

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	% of Active Members Becoming Disabled within Next Year	
	Public Safety	KMEA
	CCTA Union AFSCME	All Exempt CSO
20	0.23%	0.04%
25	0.27	0.04
30	0.32	0.04
35	0.40	0.04
40	0.55	0.10
45	0.76	0.13
50	1.45	0.25
55	2.84	0.45
60	0.00	0.71



Actuarial Assumptions (Concluded)

Health Care Coverage at Retirement as described in the table below, shows the assumed portion of future retirees currently waiving coverage, electing one-person or two-person/family coverage, or opting-out of coverage entirely. It was also assumed active employees currently opting-out of health care would elect health care based on the following table:

	One-Person	Two-Person/Family		Opt-Out
		Electing	Continuing*	
All Groups	25%	70%	100%	5%

* Continuation period for surviving spouses is one year.

Current Waivers:

Non-ERI retirees who are opting-out of health care were assumed to continue opting-out of health care indefinitely. If current non-ERI retirees choose to opt back in for coverage, if allowed, there would be a loss in future valuations.

ERI retirees currently waiving coverage are assumed to return to coverage at age 62.

DROP members are assumed to remain in the DROP for two years after the valuation date.

Miscellaneous and Technical Assumptions

Administrative Expenses	\$100,000 per year.
Decrement Operation	Death-in-service decrement does not operate until member becomes vested. Withdrawal does not operate during retirement eligibility.
Decrement Timing	Decrements are assumed to occur at the middle of the fiscal year.
Decrement Relativity	Decrement Rates are used directly from the experience study of the pension retirement system, without adjustment for multiple decrement effects.
Eligibility Testing	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.
Incidence of Contributions	Contributions are assumed to be received continuously throughout the year based upon the computed dollar amount shown in this report.
Marriage Assumption	100% of males and 100% of females are assumed to be married at time of in-service death. Male spouses are assumed to be three years older than female spouses for active valuation purposes.
Surviving Spouse Benefit	Surviving spouses of active and retired members of the plan are given one year of benefit at the cost the retiree has to pay; after one year the spouse must pay 100% of premium. Liabilities have been loaded 1.00% to account for this benefit.
Medicare Coverage	Assumed to be available for all covered employees on attainment of age 65. Disabled retirees were assumed to be eligible for Medicare coverage at age 65.
Other	Plan liabilities were loaded by 10% to account for the fluctuation in medical and prescription drug claims volatility.



APPENDIX A

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 Determined Contribution. The Actuarially Determined Contribution is the normal cost plus the portion of the unfunded actuarial accrued liability to be amortized in the current period. The Actuarially Determined 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 actuarial accrued 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.

Implicit Rate Subsidy. It is common practice for employers to allow retirees to continue in the employer’s group health insurance plan (which also covers active employees), often charging the retiree some portion of the premium charged for active employees. Under the theory that retirees have higher utilization of services, the difference between the true cost of providing retiree coverage and what the retiree is being charged is known as the implicit rate subsidy.



Glossary (Concluded)

Medical Trend Rate (Health Care Inflation). The increase in the cost of providing health care benefits over time. 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.

Other Postemployment Benefits (OPEB). OPEB are Postemployment Benefits Other Than Pensions. OPEB generally takes the form of health insurance, dental, vision, prescription drugs, life insurance 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 actuarial accrued liability.”

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



APPENDIX B

VALUATION RESULTS BY FUND

Valuation Results by Fund

The purpose of this appendix is to segregate the results of the January 1, 2024 valuation of the Postretirement Welfare Benefits Plan for the City of Kalamazoo by OPEB fund.

The Actuarially Determined Contribution (ADC) is developed on a Plan-wide basis, and could be significantly different than the results as determined for each individual fund.

The following **additional data** was provided by the City for use in this study:

- Allocation percentages for Funding Sources within General-PublicWorks
 - 11%: General-PublicWorks
 - 43%: Major Streets
 - 33%: Local Streets
 - 13%: Solid Waste
- Asset Allocation Method: Use of equal funded ratio for each fund
- General-PublicWorks results are grouped under the “General” heading



Restatement of January 1, 2024 Valuation Results by Fund

Fund:	<u>Total</u>	<u>Total Governmental</u>					<u>Wastewater</u>	<u>Water</u>	<u>CCTA</u>
Governmental Sub-Fund:			<u>General^{&}</u>	<u>Major Streets</u>	<u>Local Streets</u>	<u>Solid Waste</u>			
Development of the Actuarially Determined Contribution									
<u>Contributions for Calendar Year 2024</u>									
1. Employer Normal Cost	\$ 693,672	\$ 624,372	\$ 613,236	\$ 5,380	\$ 4,129	\$ 1,627	\$ 18,170	\$ 6,669	\$ 44,461
2. Administrative Expense Allowance	100,000	79,400	76,112	1,588	1,219	481	8,175	6,503	5,922
3. Amortization of Unfunded Actuarial Accrued Liability [^]	\$ (228,216)	\$ (181,204)	\$ (173,702)	\$ (3,624)	\$ (2,782)	\$ (1,096)	\$ (18,656)	\$ (14,842)	\$ (13,514)
4. Actuarially Determined Contribution (ADC)	\$ 565,456	\$ 522,568	\$ 515,646	\$ 3,344	\$ 2,566	\$ 1,012	\$ 7,689	\$ 0	\$ 36,869
Determination of the Unfunded Actuarial Accrued Liability as of January 1, 2024									
5. Present Value of Future Benefits									
i. Retirees and Beneficiaries*	\$ 87,576,169	\$ 67,635,247	\$ 64,706,285	\$ 1,415,117	\$ 1,086,020	\$ 427,825	\$ 8,233,899	\$ 6,829,489	\$ 4,877,534
ii. DROP Members	3,107,269	3,107,269	3,107,269	0	0	0	0	0	0
iii. Vested Terminated Members	0	0	0	0	0	0	0	0	0
iv. Active Members	\$ 26,405,396	\$ 22,649,783	\$ 21,792,345	\$ 414,268	\$ 317,927	\$ 125,243	\$ 1,111,709	\$ 597,251	\$ 2,046,653
v. Total Present Value of Future Benefits (5.i. + 5.ii. + 5.iii. + 5.iv.)	\$ 117,088,834	\$ 93,392,299	\$ 89,605,899	\$ 1,829,385	\$ 1,403,947	\$ 553,068	\$ 9,345,608	\$ 7,426,740	\$ 6,924,187
6. Present Value of Future Normal Costs	\$ 3,633,915	\$ 3,308,712	\$ 3,251,869	\$ 27,463	\$ 21,076	\$ 8,304	\$ 70,985	\$ 48,443	\$ 205,775
7. Actuarial Accrued Liability (5.v. - 6.)	\$ 113,454,919	\$ 90,083,587	\$ 86,354,030	\$ 1,801,922	\$ 1,382,871	\$ 544,764	\$ 9,274,623	\$ 7,378,297	\$ 6,718,412
8. Actuarial Value of Assets	\$ 115,790,495	\$ 91,938,042	\$ 88,131,708	\$ 1,839,015	\$ 1,411,337	\$ 555,982	\$ 9,465,550	\$ 7,530,186	\$ 6,856,717
9. Unfunded Actuarial Accrued Liability (7. - 8.)	\$ (2,335,576)	\$ (1,854,455)	\$ (1,777,678)	\$ (37,093)	\$ (28,466)	\$ (11,218)	\$ (190,927)	\$ (151,889)	\$ (138,305)
10. Funded Ratio (8. / 7.)	102.1%	102.1%	102.1%	102.1%	102.1%	102.1%	102.1%	102.1%	102.1%

[^] A 18-year amortization period is utilized for the 2024 calendar year.

* Includes additional liability due to Early Retirement Incentive (ERI) retirees currently waiving retiree health care through the City, but assumed to return to coverage at a later date.

[&] Includes "General-PublicWorks."

Notes:

- The CCTA has a side fund containing additional market value assets of \$1,499,979 as of the valuation date. While neither used in the calculations above nor elsewhere in this report, reflecting the side fund in CCTA assets on a market value basis would reduce the Actuarially Determined Contribution for CCTA to \$0.
- The results displayed above were developed using the census/claims data, benefits, and actuarial methods/assumptions used in the January 1, 2024 valuation, including an interest rate of 7.25%.
- As the Plan cannot contribute back to the employer, the Actuarially Determined Contribution is limited to \$0, where applicable.
- The Actuarially Determine Contribution dollar amount, summed across all funds, my be different that the Actuarially Determined Contribution for the Plan in Total.

