

5.1



TO: PDL VEBA Committee

DATE: April 25, 2024

RE: Account Update from Alerus

FROM: Shauna Anderson,
Director

Alerus Account Representative, Stanton Shields, will be presenting remotely on the status of our VEBA account. Supplementary information is attached to this memo.

ACCOUNT STATEMENT

ACCOUNT NUMBER: 1050615699

STATEMENT PERIOD: MARCH 01, 2024 THROUGH MARCH 31, 2024






PLYMOUTH DISTRICT LIBRARY
ATTN: SHAUNA ANDERSON
223 S MAIN ST
PLYMOUTH, MI 48170

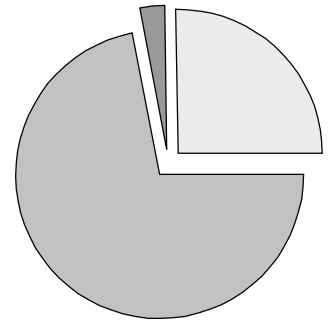
ACCOUNT NAME:	PLYMOUTH DISTRICT LIBRARY VEBA AGENCY
ACCOUNT NUMBER:	1050615699
ADVISOR:	STANTON SHIELDS 602-598-7960 stanton.shields@alerus.com
ASSOCIATE:	MORGAN BROWN MORGAN.BROWN@ALERUS.COM
INVESTMENT OBJECTIVE:	MICHIGAN ACCOUNT

FOR YOUR INFORMATION

THIS IS YOUR STATEMENT OF ASSETS AND TRANSACTIONS FOR THE PERIOD. PLEASE CONTACT YOUR FINANCIAL ADVISOR OR FINANCIAL ASSOCIATE IF YOU HAVE ANY QUESTIONS ABOUT YOUR STATEMENT.

PORTFOLIO SUMMARY

MARKET VALUE AS OF	03/01/24	03/31/24	% OF ACCOUNT
 BONDS	730,789.59	736,343.39	25.3%
 CASH & CASH EQUIVALENTS	73,175.61	82,984.10	2.9%
 EQUITIES	2,027,257.92	2,088,978.63	71.8%
Total	2,831,223.12	2,908,306.12	100.0%



ACTIVITY SUMMARY

	THIS PERIOD	YEAR TO DATE	REALIZED CAPITAL GAINS / LOSSES	
			THIS PERIOD	YEAR TO DATE
BEGINNING MARKET VALUE	2,831,223.12	2,744,255.55		
INCOME	9,808.49	15,311.98		
CASH DISBURSEMENTS	0.00	3,928.18		
CHANGE IN MARKET VALUE	67,274.51	152,666.77		
ENDING MARKET VALUE	2,908,306.12	2,908,306.12	TOTAL GAINS / LOSSES	0.00

ACCOUNT STATEMENT

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ACCOUNT NUMBER: 1050615699

STATEMENT PERIOD: MARCH 01, 2024 THROUGH MARCH 31, 2024

PORTFOLIO STATEMENT

QUANTITY	DESCRIPTION	MARKET VALUE	COST BASIS
CASH & CASH EQUIVALENTS			
82,984.100	ALERUS FINANCIAL MMKT	82,984.10	82,984.10
TOTAL	CASH & CASH EQUIVALENTS	82,984.10	82,984.10
BONDS			
MUTUAL FUND - BONDS			
33,715.001	VANGUARD TOTAL BOND INDEX ADMIRAL FUND #584	321,978.26	358,480.16
48,350.657	VANGUARD INTERMEDIATE TERM CORPORATE FUND ADMIRAL SHARES, FUND #571	414,365.13	448,658.27
TOTAL	MUTUAL FUND - BONDS	736,343.39	807,138.43
TOTAL	BONDS	736,343.39	807,138.43
EQUITIES			
MUTUAL FUND-EQUITY			
5,000.148	FIDELITY SMALL CAP INDEX	131,703.90	107,700.00
1,755.136	VANGUARD SMALL CAP INDEX ADMIRAL FUND #548	192,257.60	104,162.78
2,914.838	VANGUARD 500 INDEX ADMIRAL FD 540	1,413,200.91	559,998.63
TOTAL	MUTUAL FUND-EQUITY	1,737,162.41	771,861.41
MUTUAL FUNDS - INTERNATIONAL			
21,851.939	VANGUARD DEVELOPED MARKETS INDEX ADM	351,816.22	284,818.24
TOTAL	MUTUAL FUNDS - INTERNATIONAL	351,816.22	284,818.24
TOTAL	EQUITIES	2,088,978.63	1,056,679.65
GRAND TOTAL ASSETS		2,908,306.12	1,946,802.18

ACCOUNT STATEMENT

ACCOUNT NUMBER: 1050615699

STATEMENT PERIOD: MARCH 01, 2024 THROUGH MARCH 31, 2024

TRANSACTION SUMMARY

	CURRENT PERIOD		YEAR TO DATE	
	CASH	COST	CASH	COST
BEGINNING BALANCE	0.00	1,936,993.69	0.00	1,935,418.38
RECEIPTS				
INTEREST	308.17		921.32	
DIVIDENDS	9,500.32		14,390.66	
TOTAL RECEIPTS	9,808.49	0.00	15,311.98	0.00
CASH DISBURSEMENTS				
FEES			3,928.18-	
TOTAL CASH DISBURSEMENTS	0.00	0.00	3,928.18-	0.00
PURCHASES				
NET CASH MANAGEMENT	9,808.49-	9,808.49	11,383.80-	11,383.80
TOTAL PURCHASES	9,808.49-	9,808.49	11,383.80-	11,383.80
ENDING BALANCE	0.00	1,946,802.18	0.00	1,946,802.18

TRANSACTION DETAIL

DATE	QUANTITY	DESCRIPTION	TRANSACTION TYPE	CASH	COST BASIS
03/01/24		BEGINNING BALANCE		0.00	1,936,993.69
RECEIPTS					
INTEREST					
03/04/24		ALERUS FINANCIAL MMKT INTEREST ON ALERUS FINANCIAL MMKT PAYABLE 03/01/24	INTEREST RCVD	308.17	
		TOTAL INTEREST		308.17	0.00
DIVIDENDS					
03/01/24		VANGUARD TOTAL BOND INDEX ADMIRAL FUND #584 DIVIDEND ON VANGUARD TOTAL BOND INDEX ADMIRAL FUND #584 PAYABLE 03/01/24 EX DATE 02/29/24	DIVIDEND	900.32	
03/18/24		VANGUARD DEVELOPED MARKETS INDEX ADM DIVIDEND ON 21,851.939 SHS VANGUARD DEVELOPED MARKETS INDEX ADM AT .0913 PER SHARE PAYABLE 03/18/24 EX DATE 03/15/24	DIVIDEND	1,995.08	
03/01/24		VANGUARD INTERMEDIATE TERM CORPORATE FUND ADMIRAL SHARES, FUND #571 DIVIDEND ON VANGUARD INTERMEDIATE TERM CORPORATE FUND ADMIRAL SHARES, FUND #571 PAYABLE 03/01/24	DIVIDEND	1,538.31	
03/25/24		VANGUARD SMALL CAP INDEX ADMIRAL FUND #548 DIVIDEND ON 1,755.136 SHS VANGUARD SMALL CAP INDEX ADMIRAL FUND #548 AT .3242 PER SHARE PAYABLE 03/25/24 EX DATE 03/22/24	DIVIDEND	569.02	

ACCOUNT STATEMENT

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ACCOUNT NUMBER: 1050615699

STATEMENT PERIOD: MARCH 01, 2024 THROUGH MARCH 31, 2024

TRANSACTION DETAIL (CONTINUED)

DATE	QUANTITY	DESCRIPTION	TRANSACTION TYPE	CASH	COST BASIS
03/25/24		VANGUARD 500 INDEX ADMIRAL FD 540 DIVIDEND ON 2,914.838 SHS VANGUARD 500 INDEX ADMIRAL FD 540 AT 1.543 PER SHARE PAYABLE 03/22/24 EX DATE 03/22/24	DIVIDEND	4,497.59	
		TOTAL DIVIDENDS		9,500.32	0.00
		TOTAL RECEIPTS		9,808.49	0.00
		PURCHASES			
		NET CASH MANAGEMENT			
03/31/24	9,808.490	ALERUS FINANCIAL MMKT NET DEPOSIT ALERUS FINANCIAL MMKT	NET CASH MGMT	9,808.49-	9,808.49
		TOTAL NET CASH MANAGEMENT		9,808.49-	9,808.49
		TOTAL PURCHASES		9,808.49-	9,808.49
03/31/24		ENDING BALANCE		0.00	1,946,802.18

6.1



TO: Plymouth District Library Board **DATE:** April 25, 2024
RE: VEBA Amendment Proposal, **FROM:** Shauna Anderson,
Discussion Director

During the process for working on the 2023 VEBA Actuarial Report, it was discovered that two retirees currently receiving VEBA benefits did not meet the requirements for VEBA participation based on the plan documents. Those who retired before the age of 60 were required to have 25 years of service with the library, but this was not how the plan was administered or explained to employees.

To ensure that the retirees who planned on this benefit and have been receiving it as part of their retirement do not lose their benefits, I am proposing an amendment to the definition of a retiree in the VEBA plan allowing staff who are 55+ and have met the service requirements to receive benefits, back-dated to 2019.

The drafted language is attached to this memo. Our attorney, Mindi Johnson from Foster Swift, will be available to answer any questions.

**SECOND AMENDMENT TO THE
PLYMOUTH DISTRICT LIBRARY
RETIREE MEDICAL PLAN**

The Plymouth District Library Retiree Medical Plan (the “Plan”) is hereby amended effective December 1, 2019 by replacing Section 1.18 of the Plan in its entirety with the following:

1.18 **“Retiree”** means a former Employee of the Library if on the date such Employee terminates employment with the Library he or she has attained age 55 and has completed at least 10 years of Credited Service with the Library.

PLYMOUTH DISTRICT LIBRARY

Dated: _____, 2024

By: _____
Shauna Anderson, Director

6.2



TO: PDL VEBA Committee
RE: 2023 Actuarial Report,
Discussion

DATE: April 25, 2024
FROM: Shauna Anderson,
Director

We received the 2023 VEBA Actuarial Report from our contractors at Watkins Ross, which we are legally mandated to perform under regular intervals (by GASB and PA 202) to keep up with our long-term OPEB liabilities.

This report concludes that that our assets are sufficient to support our liabilities, suggesting an actuarially defined contribution rate of \$0 for this fiscal year. The full report is attached to this memo.

April 2, 2024

PERSONAL & CONFIDENTIAL

Shauna Anderson
Plymouth District Library
223 South Main Street
Plymouth, MI 48170-1687

RE: Plymouth District Library Voluntary Employees Beneficiary Association

Dear Shauna:

Transmitted via email, this is a copy of your OPEB accounting report for the fiscal year ending December 31, 2023. This information is intended to assist you in complying with Governmental Accounting Standards Board Statement No. 74 (GASB 74) Financial Reporting for Postemployment Benefit Plans Other than Pension Plans, and Statement No. 75 (GASB 75) Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.

If you have any questions about this report, please call me at (616) 742-9244.

Sincerely,



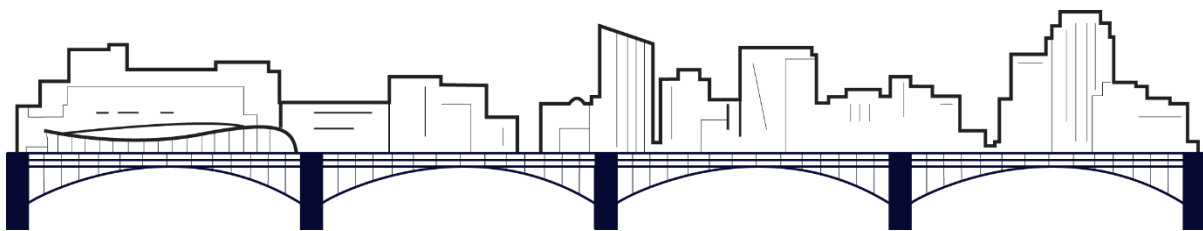
Christian R. Veenstra, FCA, ASA, MAAA
President / Enrolled Actuary

Enclosure

Plymouth District Library Voluntary Employees Beneficiary Association

Accounting Report

for the Period Ending December 31, 2023
under GASB Statement 74 & 75



Report presented by:



March 2024

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INTRODUCTION AND CERTIFICATION

The schedules included in this report have been prepared to provide the information necessary to comply with Governmental Accounting Standards Board (GASB) Statement Nos. 74 and 75. This information may, at the discretion of the management of the plan sponsor and its auditor, be used for the preparation of its financial statements. The calculations herein have been made based on our understanding of GASB 74 and 75 and may be inappropriate for other purposes.

The calculations summarized in this report involve actuarial calculations that require assumptions about future events. We believe that the assumptions used in the report are within the range of possible assumptions that are reasonable and appropriate for the purposes for which they have been used. However, other assumptions are also reasonable and appropriate, and their use would produce different results.

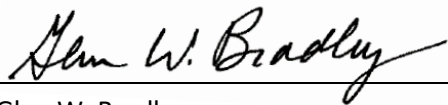
This report contains additional information and details related to plan provisions and recommended contribution calculations.

This report was prepared based on participant data and asset values as reported to us by the plan sponsor. Watkins Ross relied upon the data as submitted and has no reason to believe that any information which would have a material effect on the results of this valuation, was not considered in the preparation of the report.

The actuary certifying this report represents himself as meeting the Qualification Standards of the American Academy of Actuaries to render actuarial opinions contained in the report.

Reviewed by:

Prepared & Certified by:



Glen W. Bradley
Senior Pension Analyst



Joseph Shackelford, ASA, MAAA
Actuary

COMMENTS

Purpose of Governmental Accounting Standards Board (GASB) Reporting

The objective of GASB is to provide guidelines and requirements for accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). This statement establishes standards for recognizing and measuring liabilities, deferred inflows and outflows of resources and methods and assumptions that are required to be used to project benefit payments and discount those payments to their actuarial present value.

State of Michigan Public Act 202

Public Act 202 (PA 202) was drafted to address the underfunded status of pension and retiree healthcare plans of local governments in Michigan. Accordingly, PA 202 included transparency and funding requirements. In addition, in order that the plans' funded status be reported on a consistent basis, Uniform Assumptions were published. While all of the Uniform Assumptions have a sound and reasonable basis, some might not be appropriate for each plan and therefore may be different than what is used for funding. Additionally, some of the assumptions may differ from what is required for reporting under GASB.

PA 202 further requires that plans covering 100 or more Plan Members – active and inactive:

- 1. At least every 5 years, the local unit of government (city, village, township, county, county road commission or other districts, authorities created by the state or 1 or more these entities) shall have an actuarial experience study conducted by the plan actuary for each retirement system of the local unit of government and**
- 2. At least every 8 years, the local unit of government shall do at least 1 of the following:**
 - a. Have a peer actuarial audit conducted by an actuary that is not the plan actuary**
 - b. Replace the plan actuary**

Actuarial Experience Study – Not applicable; the plan has fewer than 100 members

Changes in Actuarial Assumptions, Plan Changes and Expected Actuarial Experience

There was an actuarial loss (increase in liability) of \$209,841, due primarily to two (2) participants beginning payments earlier than expected, and one former employee being valued as Terminated Vested while it is being decided if the Library will pay benefits on behalf of this former employee that has not yet retired. The combination of actuarial assumption changes, described in the "Assumptions and Methods for Calculation of Actuarially Determined Contribution" section of this report – in particular, derisking by moving more plan assets into lower returning, fixed income assets - generated an increase in liability of \$354,715.

Peer Review and rotation of Certifying Actuary

Current year Certifying Actuary: Joey Shackelford

Peer reviewed/change in Actuary: 12/31/2021

PLAN DESCRIPTION

Summary of Significant Accounting Policies

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, information about the fiduciary net position of the Plymouth District Library Voluntary Employees Beneficiary Association and additions to/deductions from the Employer's fiduciary net position have been determined on the same basis as they are reported by the Plymouth District Library. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description

Plymouth District Library Voluntary Employees Beneficiary Association is a single employer plan established and administered by **Plymouth District Library** and can be amended at its discretion.

Benefits Provided

A summary of the benefits provided is available in the Plan Provisions section of the report.

Summary of Plan Participants

As of December 31, 2023, Retirement Plan membership consisted of the following:

Active members	20
Inactive members	1
Retirees and beneficiaries	10
Total members	31

Contributions

The Plymouth District Library Voluntary Employees Beneficiary Association was established and is being funded under the authority of the Employer. The plan's funding policy is that the employer will contribute amounts as determined by an annual actuarial valuation as a reference but not as a definitive requirement. Because of the well-funded status of the plan, benefit payments are made from the plan trust. There are no long-term contracts for contributions to the plan.

ASSUMPTIONS AND METHODS

The Plymouth District Library’s OPEB liability was measured as of December 31, 2023.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2023. The following actuarial assumptions were used in the measurement:

Inflation	Included in Investment Rate of Return
Salary increases	3.5% (for purpose of allocating liability)
Investment rate of return	6.30%
20-year Aa Municipal bond rate	4.00%
Mortality	2010 Public General Employees and Healthy Retirees, Headcount weighted
Improvement Scale	IRS 2024 Adjusted Scale MP-2021

The long-term expected rate of return on retirement plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return (expected returns, net of retirement plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage (including expected inflation). Best estimates of arithmetic rates of return for each major asset class included in the retirement plan’s target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected of Return
Global Equity	44.0%	6.60%
Global Fixed Income	11.0%	7.80%
Foreign Equity	12.0%	7.70%
Fixed Income	28.0%	5.10%
Money Market	5.0%	3.8%

The sum of each target allocation times its long-term expected rate, including inflation, is 6.30%.

Discount Rate

The discount rate used to measure the total OPEB liability was **6.30%**. The projection of cash flows used to determine the discount rate assumed that the Employer will make no further contributions to the trust. Based on this assumption, the retirement plan’s fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the single equivalent discount rate was calculated to be equivalent to the investment rate of return. This discount rate is used to determine the Total OPEB Liability. As of December 31, 2022 the discount rate used to value OPEB liabilities was 7.50%.

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2022	\$1,404,282	\$2,393,326	\$(989,044)
Changes during the Year			
Service Cost	66,418		66,418
Interest	105,933		105,933
Experience (Gains)/Losses	209,841		209,841
Change in plan terms	(30,816)		(30,816)
Change in actuarial assumptions	354,715		354,715
Contributions to OPEB trust		0	0
Contributions/benefit from general operating funds		58,515	(58,515)
Employee Contributions		0	0
Net Investment Income		423,943	(423,943)
Benefit Payments;			
Including Refunds of Employee Contributions	(116,515)	(116,515)	0
Administrative Expenses		(15,013)	15,013
Other Changes		0	0
Total Changes	589,576	350,930	238,646
Balance at December 31, 2023	\$1,993,858	\$2,744,256	\$(750,398)

Net OPEB Liability – Discount and Trend Rate Sensitivities

The following presents the net OPEB liability (NOL) of the Employer, calculated using trend and discount rates 1% higher and lower than base assumptions:

Discount	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$2,288,128	\$1,993,858	\$1,755,937
Plan Fiduciary Net Position	2,744,256	2,744,256	2,744,256
Net OPEB Liability	\$(456,128)	\$(750,398)	\$(988,319)
Trend	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$1,724,904	\$1,993,858	\$2,329,201
Plan Fiduciary Net Position	2,744,256	2,744,256	2,744,256
Net OPEB Liability	\$(1,019,352)	\$(750,398)	\$(415,055)

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

OPEB Expense

Below are the components of the Total OPEB Expense:

	Fiscal Year Ending 12/31/2023
Service Cost	\$66,418
Interest on Total OPEB Liability	105,933
Experience (Gains)/Losses	(15,691)
Changes in Plan Terms	(30,816)
Changes in Assumptions	7,750
Employee Contributions	0
Projected Earnings on OPEB Plan Investments	(176,761)
Investment Earnings (Gains)/Losses	(53,018)
Administrative Expenses	15,013
Other Changes in Fiduciary Net Position	0
Total OPEB Expense	\$(81,172)

OPEB Plan Fiduciary Net Position

The OPEB Plan Fiduciary Net Position as of December 31, 2023 is \$2,744,256.

Deferred Inflows and Outflows of Resources Related to OPEB Plan

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Experience (Gains)/Losses	237,231	96,530
Changes of Assumptions	300,394	82,955
Investment Earnings (Gains)/Losses	78,427	0
Total	\$616,052	\$179,485

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Amount Recognized
2024	\$46,398
2025	101,095
2026	148,175
2027	13,017
2028	82,062
Thereafter	45,820

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

Reconciliation of Net OPEB Liability

	Net OPEB Liability
Net OPEB Liability December 31, 2022	\$(989,044)
Total OPEB expense	(81,172)
Contributions	(58,515)
Change in deferred outflows of resources	257,204
Change in deferred inflows of resources	121,129
Net OPEB Liability December 31, 2023	\$(750,398)

Total OPEB Liability by Participant Status

	Total OPEB Liability
Active participants	\$857,267
Inactive participants	106,511
Retirees and beneficiaries	1,030,080
Total OPEB Liability	\$1,993,858

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Description of Actuarially Determined Contributions

Although not required as part of GASB reporting, we have included an Actuarially Determined Contribution in order to provide information for funding. This recommended contribution is designed to eventually fund your plan enough that you can pay retiree benefits directly from the trust instead of general operating funds. The amortization period is based on average future working years for active employees.

Actuarially Determined Contribution (ADC) ¹	Fiscal Year Ending December 31,	
	2024	2023
Discount rate	8.80%	7.50%
Amortization period	10 years	11 years
Amortization method	Level % of pay	Level % of pay
Normal cost	74,345	66,418
Amortization of Net OPEB Liability	(157,074)	(110,336)
Interest to end of year	(7,281)	(3,294)
Total ADC	\$0	\$0

PA 202 was issued by the State of Michigan and requires the calculation of other “contribution” amounts. These are

1. The Actuarially Determined Contribution (ADC) using Assumptions for financial reporting and
2. The minimum required amount to be deposited into an OPEB trust

The first of these contributions as shown above, \$0, is an amount required to be reported to the State of Michigan and may be used to determine whether a Corrective Action Plan (CAP) must be adopted if one hasn't yet been implemented. *It is not a required contribution.*

The second of these numbers is the actual minimum amount the State of Michigan requires you to deposit into a trust and it is based on the normal cost (actuarially calculated) for those covered by your plan and hired after June 30, 2018.

Because past contributions have been sufficient to cover the past service liability and normal cost for those hired after June 30, 2018, and the plan is over 100% funded, this contribution requirement has been met and plan funds are sufficient to make benefit payments from the OPEB trust.

¹ ADC for 2023 and 2024 is based on actuarial assumptions consistent with reporting as of December 31, 2022, and December 31, 2023, respectively.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

State of Michigan Public Acts 530 and 202 Information

Financial information	2023
Assets (Fiduciary net position)	2,744,256
Liabilities (Total OPEB Liability)	1,993,858
Funded ratio for the Plan Year	137.64%
Actuarially Determined Contribution	\$0
Is ADC calculated in compliance with No. Letter 2018-3?	Yes

Membership	2023
Number of active members	20
Number of inactive members	1
Number of retirees and beneficiaries	15
Premiums paid on behalf of the retirants	\$58,515

Investment Performance
This information is available from the Investment Manager

Actuarial Assumptions	2023
Actuarially assumed rate of investment return	6.30%
Discount rate	6.30%
Amortization method used for funding unfunded liability	Level % of Pay
Amortization period used for funding unfunded liability	11 years
Is each division closed to new employees	No
Healthcare inflation assumption next year	7.25%
Healthcare inflation assumption - long term	4.50%

Uniform Assumptions	2023
Actuarial value of assets using uniform assumptions	2,744,256
Actuarial accrued liability using uniform assumptions	1,993,858
Funded ratio using uniform assumptions	137.64%
Actuarially Determined Contribution (ADC) using uniform assumptions	\$0

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ending	12/31/2023	12/31/2022	12/31/2021	12/31/2020
Total OPEB Liability				
Service Cost	\$66,418	\$72,848	\$53,832	\$52,819
Interest	105,933	96,879	102,602	95,954
Changes of Benefit Terms	(30,816)	0	0	0
Difference between Expected and Actual Experience	209,841	80,758	(140,832)	43,964
Change of Assumptions	354,715	(80,019)	(27,209)	0
Benefit Payments (Including Refunds of Employee Contributions)	(116,515)	(138,938)	(80,457)	(91,210)
Net Change in Total OPEB Liability	589,576	31,528	(92,064)	101,257
Total OPEB Liability – Beginning	1,404,282	1,372,754	1,464,818	1,363,561
Total OPEB Liability – Ending (a)	\$1,993,858	\$1,404,282	\$1,372,754	\$1,464,818
Plan Fiduciary Net Position				
Contributions to OPEB trust	\$0	\$0	\$0	\$62,723
Contributions/benefit payments made from general operating funds	58,515	50,243	58,153	47,391
Net Investment Income	423,943	(466,460)	413,689	321,137
Benefit Payments (Including Refunds of Employee Contributions)	(116,515)	(138,938)	(80,457)	(91,210)
Administrative Expenses	(15,013)	(15,136)	(15,575)	(13,545)
Other	0	0	0	0
Net Change in Fiduciary Net Position	350,930	(570,291)	375,810	326,496
Plan Fiduciary Net Position – Beginning	2,393,326	2,963,617	2,587,807	2,261,311
Plan Fiduciary Net Position – Ending (b)	2,744,256	2,393,326	2,963,617	2,587,807
Net OPEB Liability – Ending (a)-(b)	\$(750,398)	\$(989,044)	\$(1,590,863)	\$(1,122,989)
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	137.64%	170.43%	215.89%	176.66%
Covered Employee Payroll	\$780,417	Not available	Not available	\$1,680,051
Net OPEB Liability as Percentage of Payroll	(96.2)%	Not available	Not available	(66.6)%
Actuarially Determined Contribution				
Employer Contribution/benefit payments	(58,515)	(50,243)	(58,153)	(62,723)
Contribution Deficiency/(Excess)	\$(58,515)	\$(50,243)	\$(58,153)	\$(62,723)
ADC as a Percentage of Covered Payroll	0.0%	Not available	Not available	(3.2)%
Employer Contribution as a Percentage of Covered Payroll	7.5%	Not available	Not available	6.6%

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ending	12/31/2019	12/31/2018	12/31/2017
Total OPEB Liability			
Service Cost	\$75,405	\$94,042	\$97,344
Interest	103,600	92,131	85,860
Changes of Benefit Terms	0	0	(148,180)
Difference between Expected and Actual Experience	(257,855)	(11,433)	(13,595)
Change of Assumptions	(194,336)	(438,433)	133,476
Benefit Payments (Including Refunds of Employee Contributions)	(40,593)	(24,539)	(19,003)
Net Change in Total OPEB Liability	(313,779)	(288,232)	135,902
Total OPEB Liability – Beginning	1,677,340	1,965,572	1,829,670
Total OPEB Liability – Ending (a)	\$1,363,561	\$1,677,340	\$1,965,572
Plan Fiduciary Net Position			
Contributions to OPEB trust	\$117,100	\$118,216	\$38,000
Contributions/benefit payments made from general operating funds	0	0	0
Net Investment Income	400,655	(91,637)	245,450
Benefit Payments (Including Refunds of Employee Contributions)	(40,593)	(24,539)	(19,003)
Administrative Expenses	(12,814)	(11,321)	(11,207)
Other	0	0	0
Net Change in Fiduciary Net Position	464,348	(9,281)	253,240
Plan Fiduciary Net Position – Beginning	1,796,963	1,806,244	1,553,004
Plan Fiduciary Net Position – Ending (b)	2,261,311	1,796,963	1,806,244
Net OPEB Liability – Ending (a)-(b)	\$(897,750)	\$(119,623)	\$159,328
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	165.84%	107.13%	91.89%
Covered Employee Payroll	\$924,565	Not available	Not available
Net OPEB Liability as Percentage of Payroll	(97.1)%	Not available	Not available
Actuarially Determined Contribution	\$62,723	\$118,615	\$131,652
Employer Contribution/benefit payments	(117,100)	(118,216)	(38,000)
Contribution Deficiency/(Excess)	\$(54,377)	\$399	\$93,652
ADC as a Percentage of Covered Payroll	6.8%	Not available	Not available
Employer Contribution as a Percentage of Covered Payroll	12.7%	Not available	Not available

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Assumptions and Methods for Calculation of Actuarially Determined Contribution

Valuation date December 31, 2023

Measurement date December 31, 2023

Reporting date December 31, 2023

Actuarial Methods

Cost method Entry Age Normal (level percentage of compensation)

Asset valuation method Market value

Actuarial Assumptions

Discount Rate – 7.50% for 2023 contribution; 6.30% for 2023 Liability and 2024 contribution
Rationale – Blended rate based on long term expected return and the 20-year Aa Municipal Bond rate

20-year Aa Municipal Bond Rate – 4.00%
Rationale – Based on information from the S&P High Grade Municipal Bond index as of December 31, 2023

Salary Scale – 3.50% (for purpose of allocating liability)
Rationale – Per employer experience and expectations

Return on Plan Assets – 6.30% (including inflation)
Rationale – Provided by investment manager

Mortality Rates – 2010 Public General Employees Healthy Retirees and Terminated Vested, IRS 2024 Adjusted Scale MP-2021
Rationale – Most current mortality rates available for municipalities

Utilization – 28% of future retirees will elect The Medical Coverage option and 72% of future retirees will elect the HRA option at retirement; actual coverage used for non-active
Rationale – historical

Termination Rates – Crocker-Sarason-Straight T-5, sample rates below:

Age	Rates	Age	Rates
25	7.72%	45	3.98%
30	7.22	50	2.56
35	6.28	55	0.94
40	5.15	60	0.09

Rationale – Based on past employer experience

Retirement Rates – The earliest of age 50 with 25 years of service, age 55 with 15 years of service, or age 60 with 10 years of service

Rationale – These rates were chosen based on this plan’s historical experience and current provisions for eligibility

Marital Assumption – 70% of participants will have a covered spouse at retirement with males 3 years older than females; actual marital status used for retirees

Rationale – Consistent with experience

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Claims Costs – see rates (monthly) below:

Age	Rates	Age	Rates
55	\$744.73	61	\$938.43
56	779.13	62	959.47
57	813.86	63	985.85
58	850.93	64	1,001.88
59	869.30	65+	506.18
60	906.37		

Rationale – Actual age-graded premiums

Monthly retiree costs to stay on medical census –

Single: \$229 for 10-19 years of service; \$65 for 20+ years of service

Double: \$127 for 10-19 years of service; \$458 for 20+ years of service

Monthly retiree costs to stay on medical census –

Single: \$229 for 10-19 years of service; \$458 for 20+ years of service

Double: \$458 for 10-19 years of service; \$916 for 20+ years of service

Implicit Subsidy – Not applicable; premiums are age-graded

Medical Trend – Pre-Medicare 7.25% graded down to 4.5% by 0.25% per year; Post-Medicare, 5.75% graded down to 4.5% by 0.25% per year

Rationale – Based on State of Michigan trend survey

Data Collection

Date and form of data - All personnel and asset data was prepared by the plan sponsor or a representative and was generally relied upon as being correct and complete without audit by Watkins Ross

Assumption changes since prior valuation

- Discount rate updated from 7.50% to 6.30%
- Mortality Improvement Scale updated to the IRS 2024 Adjusted Scale MP-2021
- Retirement rates changed to reflect 100% retirement when first eligible for benefits
- Salary scale updated from 3.0% to 3.5%

Assumptions used for PA 202 Reporting

All assumptions are the same as used for GASB

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Difference between Actual and Expected Experience

Year	Difference between expected and actual Experience	Recognition period (years)	Amount Recognized in Year Ended December 31,							Deferred Outflow of Resources	Deferred Inflow of Resources
			2023	2024	2025	2026	2027	2028	2029+		
2017	(13,595)	6.27	(587)	-	-	-	-	-	-	-	
2018	(11,433)	4.68	-	-	-	-	-	-	-	-	
2019	(257,855)	5.29	(48,744)	(14,135)	-	-	-	-	-	(14,135)	
2020	38,845	4.29	9,055	2,625	-	-	-	-	2,625	-	
2021	(140,832)	7.23	(19,479)	(19,479)	(19,479)	(19,479)	(19,479)	(4,479)	-	(82,395)	
2022	80,758	6.77	11,929	11,929	11,929	11,929	11,929	9,184	-	56,900	
2023	209,841	6.53	32,135	32,135	32,135	32,135	32,135	32,135	17,031	177,706	
Net recognized in OPEB expense			\$ (15,691)	\$ 13,075	\$ 24,585	\$ 24,585	\$ 24,585	\$ 36,840	\$ 17,031	\$ 237,231	\$ (96,530)

Schedule of Changes in Assumptions

Year	Changes in Assumptions	Recognition period (years)	Amount Recognized in Year Ended December 31,							Deferred Outflow of Resources	Deferred Inflow of Resources
			2023	2024	2025	2026	2027	2028	2029+		
2017	133,476	6.27	5,748	-	-	-	-	-	-	-	
2018	(438,433)	4.68	-	-	-	-	-	-	-	-	
2019	(194,336)	5.29	(36,736)	(10,656)	-	-	-	-	-	(10,656)	
2020	-	4.29	-	-	-	-	-	-	-	-	
2021	(27,209)	7.23	(3,763)	(3,763)	(3,763)	(3,763)	(4,631)	-	-	(15,920)	
2022	(80,019)	6.77	(11,820)	(11,820)	(11,820)	(11,820)	(11,820)	(9,099)	-	(56,379)	
2023	354,715	6.53	54,321	54,321	54,321	54,321	54,321	54,321	28,789	300,394	
Net recognized in OPEB expense			\$ 7,750	\$ 28,082	\$ 38,738	\$ 38,738	\$ 37,870	\$ 45,222	\$ 28,789	\$ 300,394	\$ (82,955)

Schedule of Differences between Projected and Actual Earnings on OPEB Plan Investments

Year	Difference between expected and actual earnings on OPEB assets	Recognition period (years)	Amount Recognized in Year Ended December 31,							Deferred Outflow of Resources	Deferred Inflow of Resources
			2023	2024	2025	2026	2027	2028	2029+		
2019	-	5.00	(58,257)	-	-	-	-	-	-	-	
2020	-	5.00	(32,532)	(32,530)	-	-	-	-	-	(32,530)	
2021	-	5.00	(47,082)	(47,082)	(47,081)	-	-	-	-	(94,163)	
2022	671,444	5.00	134,289	134,289	134,289	134,288	-	-	402,866	-	
2023	(247,182)	5.00	(49,436)	(49,436)	(49,436)	(49,436)	(49,438)	-	-	(197,746)	
Net recognized in OPEB expense			\$ (53,018)	\$ 5,241	\$ 37,772	\$ 84,852	\$ (49,438)	-	\$ 402,866	\$ (324,439)	

Total Deferred Outflow/(Inflow) of Resources

Total Deferred Outflow/(Inflow) of Resources	Amount Recognized in Year Ended December 31,					
	2024	2025	2026	2027	2028	2029+
	46,398	101,095	148,175	13,017	82,062	45,820

TRUSTEE INFORMATION

Projected benefit payments

The benefit payments shown below are a graphic illustration of 20 years of projected benefit payments for the current group of covered lives is shown below. Plans open to new participants could see higher than expected payments if new members are hired and are eligible to retire during the projection period.

The chart below reflects expected cash flows to pay benefits for current plan participants.



SUMMARY OF PLAN PROVISIONS

Plan name	Plymouth District Library Voluntary Employees Beneficiary Association
Benefit eligibility	Retirement with a pension under the Municipal Employees' Retirement System of Michigan on or after age 60 with 10 years of service, or age 55 with 25 years of service
Employer benefits	The Plymouth District Library will contribute towards the cost of medical benefits for eligible retirees and their dependents based on the service earned at the time of retirement and the portion of costs currently paid by the Library for active employees; based on the current provisions, the Library will contribute 100% of the retiree premium for retirees who have earned 20 years of service; for retirees with at least 10 but less than 20 years of service, the Library will contribute 50% of the retiree premium; payment towards premiums continues conditional on enrollment for the life of the retiree and the life of the spouse.
Retiree contribution	The retiree is required to pay the balance between the actual premiums and the Library's contribution
Changes since prior valuation	Effective August 16, 2022, the Plan has been amended to provide all participants the option of electing (1) medical benefits provided through a contract with a Health Care Organization selected by the library (the "Medical Coverage Option") or (2) reimbursement of medical, dental, and vision insurance premiums up to a specified amount (the "HRA Option"). This election is permitted regardless of where the participant lives. If the participant elects the HRA option, the amount of premiums that may be reimbursed will be equivalent to the dollar value of the Library's contribution for coverage under the Medical Coverage option.

GLOSSARY

A number of special terms and concepts are used in connection with OPEB plans and the OPEB accounting report. The following list reviews a number of these terms and provides a brief discussion of their meaning.

Actuarially Determined Contribution (ADC) – A target or recommended contribution for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

Actuarial Cost Method – This is a mathematical formula which is used to allocate the present value of projected benefits to past and future plan years.

Amortization – The difference between actual and expected investment returns, the difference between actual and expected experience, and the impact of any plan or assumption changes will be amortized and paid over future years.

Depletion Date (Cross-over Point) – The projected date (if any) where plan assets, including future contributions, are no longer sufficient to pay Projected Benefit Payments to current members.

Long-term expected rate of return – The rate of return based on the nature and mix of current and expected plan investments and over the time period from when an employee is hired to when all benefits to the employee have been paid.

Market Value of Assets – The market value of all assets in the fund including any accrued contribution for the previous plan year, which was not paid by the end of the year.

Measurement Date – The date the Total OPEB Liability, Fiduciary Net Position, and Net OPEB Liability are determined.

Net OPEB Liability (NOL) – The Total OPEB Liability less the Plan Fiduciary Net Position.

Normal Cost – For GASB 74/75 purposes, normal cost is the equivalent of service cost (see definition of service cost).

Other Post-Employment Benefits (OPEB) – Benefits (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payments for sick leave.

OPEB Expense (OE) – The change in the Net OPEB Liability (NOL) recognized in the current measurement period. Changes to the NOL not fully recognized in a given year's OPEB expense will be maintained as deferred inflows and deferred outflows. These will be recognized incrementally in the OPEB expense over time.

GLOSSARY

Plan assets – Stocks, bonds and other investments that have been segregated and restricted (usually in a trust) to provide for post-retirement benefits. Assets not segregated in a trust, or otherwise effectively restricted so that they cannot be used by the employer for other purposes, are not plan assets, even though it may be intended that those assets be used to provide post-retirement benefits.

Plan Fiduciary Net Position – The market value of plan assets as of the measurement date.

Present Value – The present value of a future payment or a series of payments is the amount of each payment, discounted to recognize the time value of money, and further reduced for the probability that the payment might not be made because of death, disability or termination of employment.

Projected Benefit Payments – All benefits projected to be payable to current active and inactive participants as a result of their past service and their expected future service.

Real Rate of Return – The rate of return on an investment after the adjustment to eliminate inflation.

Reporting Date – The date that represents the fiscal year end for the plan or employer.

Service Cost – The value of portion of Total OPEB Liability earned during the current year computed in accordance with GAAP accounting rules.

Single Equivalent Discount Rate – The single rate that gives the same total present value as discounting the Projected Benefit Payments with the long-term expected rate of return until the Depletion Date and discounting any remaining Projected Benefit Payments with the yield on a 20-year AA/Aa tax-exempt municipal bond index.

Total OPEB Liability (TOL) – The actuarial present value of the accrued benefit determined under the Entry Age actuarial cost method calculated using the blended Single Equivalent Discount Rate.

Valuation Date – The date as of which an actuarial valuation is performed.