

9.1



TO: Plymouth District Library Board DATE: 04/09/2025
RE: Blanket PO Adjustments FROM: Melanie Bell,
Assistant Director

We have had a few unexpected costs in the Facilities. This is our first year with B&C Ten Air and they've had to make a number of repairs to both our HVAC, and snow melt system. We have been spending more with Amazon and less with LSS for building supplies. We have had to continue our contract with Otis for elevator maintenance and with the interior refreshes we need to do some work with Green Electrical Solutions. We have built in buffers for emergencies and we are reducing spending with other vendors to ensure that all costs fit within our current budget. We are asking the board to approve the following modifications to blanket PO's approved in December 2024.

VENDOR	Approved in Dec 2024	Requesting Approval
B&C Ten Air	\$18,000	\$35,000
Amazon - Building Supplies	\$6,000	\$12,000
Otis - Replacing Five Star	\$9,000	\$12,000
Green Electrical Solutions	\$0	\$8,000

RESOLVED BY _____, SECONDED BY _____, TO APPROVE THE ADDITION AND MODIFICATION OF THE PROPOSED LIST OF BLANKET PURCHASE ORDERS FOR FISCAL YEAR 2025.

9.2



TO: Plymouth District Library Board **DATE:** April 9, 2025
RE: VEBA Actuarial Report **FROM:** Shauna Anderson,
Director

This year, actuaries at Watkins Ross conducted a rollover assessment of our VEBA funding. This assessment unfortunately recommends a significant Actuarially-Defined Contribution (ADC) to the VEBA Trust, but there are a few caveats to this assessment.

This assessment does not take into account the plan changes, requiring Medicare-eligible retirees to secure Medicare supplemental coverage and be compensated to an HCSP account on their behalf. This setup has increased coverage and financial support to our retirees while also saving the trust considerable money going forward. This process only officially began in January 2025, so we expect this to be included in the next full Actuarial Report that will be conducted next year.

Additionally, we were made aware of an error in how active staff salaries were represented to the actuarial firm in prior full reporting years. This year, for the rollover, that number was corrected, but we believe that this is an inflated number, as it includes a number of staff members who are currently ineligible for the VEBA program.

Which brings me to the most important point: **I will be recommending at the next VEBA Committee Meeting in May that we officially close the VEBA program to any staff members who are not currently vested for VEBA benefits.** Those who *are* currently vested (over 10 years of service) can continue earning credit toward years of service in the plan. Those who *are not* currently vested, will be able to take advantage of either an annual HSA or HRA contribution on their behalf, paid for by employee insurance savings from the VEBA plan updates. We are still working out the details of our insurance renewal options with insurance brokers at Kapnick, but we anticipate that both our insurance renewal updates and the final update to close the VEBA will be ready by the May board meeting.

March 31, 2025

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, 2024. 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.

The actuarial values shown in this report are based on December 31, 2023 results rolled forward to December 31, 2024.

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

Sincerely,



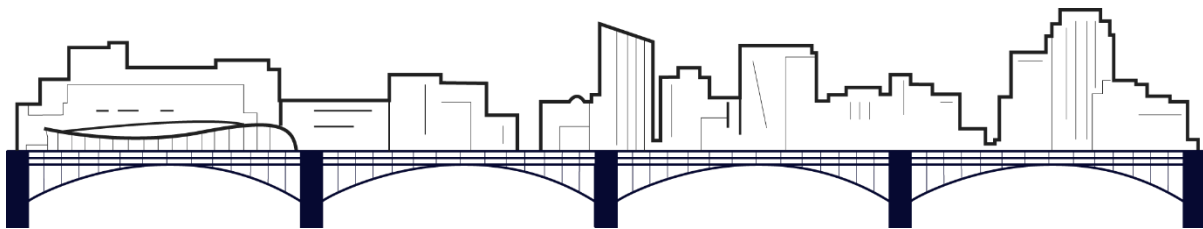
Christian R. Veenstra, FCA, ASA, MAAA
President / Enrolled Actuary

Enclosure

Plymouth District Library Voluntary Employees Beneficiary Association

Accounting Report

for the Period Ending December 31, 2024
under GASB Statement 74 & 75



Report presented by:



March 2025

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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:



Leah A. Dudley, FCA, ASA, MAAA
Health Actuary

Prepared and Certified by:



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 because the Plan has fewer than 100 members

Changes in Actuarial Assumptions, Plan Changes and Expected Actuarial Experience

The actuarial liability increased by \$69,684 due to an experience loss arising from a correction to how the retirement assumption was implemented, as well as benefit payments exceeding expected levels during the year. Additionally, assumption changes detailed in the 'Assumptions and Methods for Calculation of Actuarially Determined Contribution' section resulted in a further increase in the actuarial liability of \$83,247.

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	15
Total members	36

Contributions

The Plymouth District Library Voluntary Employees Beneficiary Association (VEBA) was established and is funded pursuant to the employer's authority. The plan's funding policy stipulates that employer contributions are determined based on an annual actuarial valuation; however, these valuations serve as a guide rather than a strict mandate. Due to the plan's current funded status, benefit payments are disbursed directly from the plan's trust assets. There are no contractual obligations for future employer contributions.

ASSUMPTIONS AND METHODS

The Plymouth District Library's OPEB liability was measured as of December 31, 2024.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. The following actuarial assumptions were used in the measurement:

Inflation	Included in Investment Rate of Return
Salary increases	3.50% (for purpose of allocating liability)
Investment rate of return	6.10% (including inflation)
20-year Aa Municipal bond rate	4.28%
Mortality	Public General 2010 Employee and Healthy Retiree, 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 real rates of return (expected returns, net of retirement plan investment expense and inflation) 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 real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real 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 Rate of Return
Global Equity	73.9%	6.20%
Global Fixed Income	24.0%	6.00%
Cash	2.1%	3.50%

The sum of each target allocation times its long-term expected rate, plus inflation, 6.10%.

Discount Rate

The discount rate used to measure the total OPEB liability was **6.10%**. 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, 2023 the discount rate used to value OPEB liabilities was 6.30%.

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, 2023	\$1,993,858	\$2,744,256	\$(750,398)
Changes during the Year			
Service Cost	124,515		124,515
Interest	128,682		128,682
Experience (Gains)/Losses	69,684		69,684
Change in plan terms	0		0
Change in actuarial assumptions	83,247		83,247
Contributions to OPEB trust		0	0
Contributions/benefit from general operating funds		91,572	(91,572)
Employee Contributions		0	0
Net Investment Income		389,277	(389,277)
Benefit Payments;			
Including Refunds of Employee Contributions	(151,572)	(151,572)	0
Administrative Expenses		(16,085)	16,085
Other Changes		0	0
Total Changes	254,556	313,192	(58,636)
Balance at December 31, 2024	\$2,248,414	\$3,057,448	\$(809,034)

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	\$2,589,420	\$2,248,414	\$1,973,543
Plan Fiduciary Net Position	3,057,448	3,057,448	3,057,448
Net OPEB Liability	\$(468,028)	\$(809,034)	\$(1,083,905)
Trend	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$1,917,616	\$2,248,414	\$2,664,972
Plan Fiduciary Net Position	3,057,448	3,057,448	3,057,448
Net OPEB Liability	\$(1,139,832)	\$(809,034)	\$(392,476)

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

OPEB Expense

Below are the components of the Total OPEB Expense:

	Fiscal Year Ending 12/31/2024
Service Cost	\$124,515
Interest on Total OPEB Liability	128,682
Experience (Gains)/Losses	24,461
Changes in Plan Terms	0
Changes in Assumptions	41,684
Employee Contributions	0
Projected Earnings on OPEB Plan Investments	(172,381)
Investment Earnings (Gains)/Losses	(38,138)
Administrative Expenses	16,085
Other Changes in Fiduciary Net Position	0
Total OPEB Expense	\$124,908

OPEB Plan Fiduciary Net Position

The OPEB Plan Fiduciary Net Position as of December 31, 2024 is \$3,057,448.

Deferred Inflows and Outflows of Resources Related to OPEB Plan

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Experience (Gains)/Losses	248,840	62,916
Changes of Assumptions	315,718	56,716
Investment Earnings (Gains)/Losses	0	100,331
Total	\$564,558	\$219,963

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
2025	\$82,704
2026	129,784
2027	(5,374)
2028	63,670
2029	70,808
Thereafter	3,003

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

Reconciliation of Net OPEB Liability

	Net OPEB Liability
Net OPEB Liability December 31, 2023	\$(750,398)
Total OPEB expense	124,908
Contributions	(91,572)
Change in deferred outflows of resources	(51,494)
Change in deferred inflows of resources	(40,478)
Net OPEB Liability December 31, 2024	\$(809,034)

Total OPEB Liability by Participant Status

	Total OPEB Liability
Active participants	\$942,918
Inactive participants	121,003
Retirees and beneficiaries	1,184,493
Total OPEB Liability	\$2,248,414

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,	
	2025	2024
Discount rate	6.10%	6.30%
Amortization period	9 years	10 years
Amortization method	Level % of pay	Level % of pay
Service cost	131,733	124,515
Amortization of Net OPEB Liability	(99,068)	(84,369)
Interest to end of year	1,993	2,529
Total ADC	\$34,658	\$42,675

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, \$42,675, 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 service 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 2024 and 2025 is based on actuarial assumptions consistent with reporting as of December 31, 2023, and December 31, 2024, respectively.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

State of Michigan Public Acts 530 and 202 Information

Financial information	2024
Assets (Fiduciary net position)	3,057,448
Liabilities (Total OPEB Liability)	2,248,414
Funded ratio for the Plan Year	135.98%
Actuarially Determined Contribution	\$42,675
Is ADC calculated in compliance with No. Letter 2018-3?	Yes

Membership	2024
Number of active members	20
Number of inactive members	1
Number of retirees and beneficiaries	15
Premiums paid on behalf of the retirants	\$91,572

Investment Performance
This information is available from the Investment Manager

Actuarial Assumptions	2024
Actuarially assumed rate of investment return	6.10%
Discount rate	6.10%
Amortization method used for funding unfunded liability	Level % of Pay
Amortization period used for funding unfunded liability	10 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	2024
Actuarial value of assets using uniform assumptions	3,057,448
Actuarial accrued liability using uniform assumptions	2,248,414
Funded ratio using uniform assumptions	135.98%
Actuarially Determined Contribution (ADC) using uniform assumptions	\$40,892

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ending	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020
Total OPEB Liability					
Service Cost	\$124,515	\$66,418	\$72,848	\$53,832	\$52,819
Interest	128,682	105,933	96,879	102,602	95,954
Changes of Benefit Terms	0	(30,816)	0	0	0
Difference between Expected and Actual Experience	69,684	209,841	80,758	(140,832)	43,964
Change of Assumptions	83,247	354,715	(80,019)	(27,209)	0
Benefit Payments (Including Refunds of Employee Contributions)	(151,572)	(116,515)	(138,938)	(80,457)	(91,210)
Net Change in Total OPEB Liability	254,556	589,576	31,528	(92,064)	101,257
Total OPEB Liability – Beginning	1,993,858	1,404,282	1,372,754	1,464,818	1,363,561
Total OPEB Liability – Ending (a)	\$2,248,414	\$1,993,858	\$1,404,282	\$1,372,754	\$1,464,818
Plan Fiduciary Net Position					
Contributions to OPEB trust	\$0	\$0	\$0	\$0	\$62,723
Contributions/benefit payments made from general operating funds	91,572	58,515	50,243	58,153	47,391
Net Investment Income	389,277	423,943	(466,460)	413,689	321,137
Benefit Payments (Including Refunds of Employee Contributions)	(151,572)	(116,515)	(138,938)	(80,457)	(91,210)
Administrative Expenses	(16,085)	(15,013)	(15,136)	(15,575)	(13,545)
Other	0	0	0	0	0
Net Change in Fiduciary Net Position	313,192	350,930	(570,291)	375,810	326,496
Plan Fiduciary Net Position – Beginning	2,744,256	2,393,326	2,963,617	2,587,807	2,261,311
Plan Fiduciary Net Position – Ending (b)	3,057,448	2,744,256	2,393,326	2,963,617	2,587,807
Net OPEB Liability – Ending (a)-(b)	\$ (809,034)	\$ (750,398)	\$ (989,044)	\$ (1,590,863)	\$ (1,122,989)
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	135.98%	137.64%	170.43%	215.89%	176.66%
Covered Employee Payroll	\$1,530,964	\$780,417	Not available	Not available	\$1,680,051
Net OPEB Liability as Percentage of Payroll	(52.8)%	(96.2)%	Not available	Not available	(66.6)%
Actuarially Determined Contribution	\$42,675	\$0	\$0	\$0	\$0
Employer Contribution/benefit payments	(91,572)	(58,515)	(50,243)	(58,153)	(62,723)
Contribution Deficiency/(Excess)	\$(48,897)	\$(58,515)	\$(50,243)	\$(58,153)	\$(62,723)
ADC as a Percentage of Covered Payroll	2.8%	0%	Not available	Not available	(3.2)%
Employer Contribution as a Percentage of Covered Payroll	6.0%	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, 2024

Reporting date December 31, 2024

Actuarial Methods

Cost method Entry Age Normal (level percentage of compensation)

Asset valuation method Market value

Actuarial Assumptions

Discount Rate – 6.30% for 2024 contribution; 6.10% for 2024 Liability and 2025 contribution
Rationale – Blended rate based on long term expected return and the 20-year Aa Municipal Bond rate

20-year Aa Municipal Bond Rate – 4.28%
Rationale – Based on information from the S&P High Grade Municipal Bond index as of December 31, 2024

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

Return on Plan Assets – 6.10% (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 Rates¹ – 100% assumed to retire at the earlier of: Attaining age 55 with at least 25 years of service, or attaining age 60 with at least 10 years of service
Rationale – Consistent with experience

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

¹ This assumption was misstated in the 2023 report.

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

Monthly reimbursement rates for HRA option

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% for two years, then graded down to 4.5% by 0.25% per year; Post-Medicare, 5.5% for two years, then 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 6.30% to 6.10%
- Medical trend updated such that the initial trend does not decrease by the anticipated 0.25% after the first year

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
			2024	2025	2026	2027	2028	2029	2030+		
2017	(13,595)	6.27								-	-
2018	(11,433)	4.68								-	-
2019	(257,855)	5.29	(14,135)							-	-
2020	38,845	4.29	2,625							-	-
2021	(140,832)	7.23	(19,479)	(19,479)	(19,479)	(19,479)	(4,479)			-	(62,916)
2022	80,758	6.77	11,929	11,929	11,929	11,929	9,184			44,971	-
2023	209,841	6.53	32,135	32,135	32,135	32,135	32,135	17,031		145,571	-
2024	69,684	6.12	11,386	11,386	11,386	11,386	11,386	11,386	1,368	58,298	-
Net recognized in OPEB expense			\$ 24,461	\$ 35,971	\$ 35,971	\$ 35,971	\$ 48,226	\$ 28,417	\$ 1,368	\$ 248,840	\$ (62,916)

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
			2024	2025	2026	2027	2028	2029	2030+		
2020	(162,658)	5.00	(32,530)							-	-
2021	(235,409)	5.00	(47,082)	(47,081)						-	(47,081)
2022	671,444	5.00	134,289	134,289	134,288					268,577	-
2023	(247,182)	5.00	(49,436)	(49,436)	(49,436)	(49,438)				-	(148,310)
2024	(216,896)	5.00	(43,379)	(43,379)	(43,379)	(43,379)	(43,380)			-	(173,517)
Net recognized in OPEB expense			\$ (38,138)	\$ (5,607)	\$ 41,473	\$ (92,817)	\$ (43,380)			\$ 268,577	\$ (368,908)

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Total Deferred Outflow/(Inflow) of Resources

	Amount Recognized in Year Ended December 31,						
	2025	2026	2027	2028	2029	2030+	
Total Deferred Outflow/(Inflow) of Resources	\$ 91,850	\$ 138,930	\$ 3,772	\$ 72,816	\$ 79,954	\$ 4,099	

TRUSTEE INFORMATION

Projected benefit payments

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. HRA reimbursement options are now available to eligible retirees and spouses regardless of where they live. Previously only out-of-state retirees could utilize this option.
Retiree contribution	The retiree is required to pay the balance between the actual premiums and the Library's contribution
Changes since prior valuation	No

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.