Michigan Department of Treasury
5597 (Rev. 10-19)

Protecting Local Government Retirement and Benefits Act Corrective Action Plan: Retirement Health Benefit Systems

Issued under authority of Public Act 202 of 2017 (the Act).

1. LOCAL GOVERNMENT INFORMATION

Local Government Name: City of Grosse Pointe Park Six-Digit Muni Code: 822130

Retirement Health Benefit System Name: Blue Cross/Blue Cross

Contact Name (Administrative Officer): Nick Sizeland

Title if not Administrative Officer: City Manager Telephone: (313) 822-4375

Email (Communication will be sent here): blahutj@grossepointepark.org

Fiscal Year System was Determined to be Underfunded: 2018

2. GENERAL INFORMATION

Corrective Action Plan: An underfunded local government shall develop and submit for approval a corrective action plan for the local government. The local government shall determine the components of the corrective action plan. This corrective action plan shall be submitted by any local government with at least one retirement health benefit system that has been determined to have an underfunded status. Underfunded status for a retirement health system is defined as being less than 40% funded according to the most recent audited financial statements, and, if the local government is a city, village, township, or county, the actuarially determined contribution (ADC) for all of the retirement health systems of the local government is greater than 12% of the local government's annual governmental fund revenues, based on the most recent fiscal year.

Due Date: The local government has **180 days from the date of notification** to submit a corrective action plan to the Municipal Stability Board (the Board). The Board may extend the 180-day deadline by up to an additional 45 days if the local government submits a reasonable draft of a corrective action plan and requests an extension.

Filing: Per Sec. 10(1) of the Act, this corrective action plan must be approved by the local government's administrative officer and its governing body. ***You must provide proof of your governing body approving this corrective action plan and attach the documentation as a separate PDF document.*** Failure to provide documentation that demonstrates approval from your governing body will automatically result in a disapproval of the corrective action plan.

The submitted plan must demonstrate through distinct supporting documentation how and when the local government will reach the 40% funded ratio. Or, if the local government is a city, village, township, or county, the submitted plan may demonstrate how and when the ADC for all retirement health systems will be less than 12% of annual governmental fund revenues, as defined by the Act. Supporting documentation for the funding ratio and/or ADC must include an actuarial projection, an actuarial valuation, or an internally developed analysis. The local government must project governmental fund revenues using a reasonable forecast based on historical trends and projected rates of inflation.

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

The subject line of the email(s) should be in the following format: **Corrective Action Plan-20XX, Local Government Name, Retirement System Name** (e.g. Corrective Action Plan-2019, City of Lansing, Employees' Retirement System OPEB Plan). Treasury will send an automatic reply acknowledging receipt of the email. Your individual email settings must allow for receipt of Treasury's automatic reply. This will be the only notification confirming receipt of the application(s).

Municipal Stability Board: The Board shall review and vote on the approval of a corrective action plan submitted by a local government. If a corrective action plan is approved, the Board will monitor the corrective action plan and report on the local government's compliance with the Act not less than every two years.

Review Process: Following receipt of the email by Treasury, the Board will receive the corrective action plan submission at the Board's next scheduled meeting. The Board shall then approve or reject the corrective action plan within 45 days from the date of the meeting.

Considerations for Approval: A successful corrective action plan will demonstrate the actions for correcting underfunded status as set forth in Sec. 10(7) of the Act (listed below), as well as any additional solutions to address the underfunded status. Please also include steps already taken to address your underfunded status, as well as the date prospective actions will be taken. A local government may also include in its corrective action plan a review of the local government's budget and finances to determine any alternative methods available to address its underfunded status. A corrective action plan under this section may include the development and implementation of corrective options for the local government to address its underfunded status. The corrective options as described in Sec. 10(7) may include, but are not limited to, any of the following:

(i) Requiring cost sharing of premiums and sufficient copays;
(ii) Capping employer costs.

Implementation: The local government has up to 180 days after the approval of a corrective action plan to begin to implement the corrective action plan to address its underfunded status. The Board shall monitor each underfunded local government's compliance with this act and any corrective action plan. The Board shall adopt a schedule, not less than every 2 years, to certify that the underfunded local government is in substantial compliance with the Act. If the Board determines that an underfunded local government is not in substantial compliance under this subsection, the Board shall within 15 days provide notification and report to the local government detailing the reasons for the determination of noncompliance with the corrective action plan. The local government has 60 days from the date of the notification to address the determination of noncompliance.

3. DESCRIPTION OF PRIOR ACTIONS

Prior actions are separated into three categories below: System Design Changes, Additional Funding, and Other Considerations. Please provide a brief description of the prior actions implemented by the local government to address the retirement system's underfunded status within the appropriate category section. Within each category are sample statements that you may choose to use to indicate the changes to your system that will positively affect your funded status. For retirement systems that have multiple divisions, departments, or plans within the same retirement system, please indicate how these changes impact the retirement system as a whole.

- If applicable, prior actions listed within your waiver application(s) may also be included in your corrective action plan.

Please indicate where in the attached supporting documentation these changes are described and the impact of those changes (i.e. what has the local government done to improve its underfunded status, and which attachment(s) supports your actions).

- Please provide the name of the system impacted, the date you made the change, the relevant page number(s) within the supporting documentation, and the resulting change to the system's funded ratio.

Category of Prior Actions:

☒ **System Design Changes -** System design changes may include the following: changes to coverage levels (including retiree co-payments, deductibles, and Medicare eligibility), changes to premium cost-sharing, eligibility changes, switch to defined contribution retiree health care plan, changes to retiree health care coverage for new hires, etc.

Sample Statement: *Benefit levels of the retired membership mirrors the current collective bargaining agreement for each class of employee. On **January 1, 2019**, the local government entered into new collective bargaining agreements with the **Command Officers Association** and **Internal Association of Firefighters** that increased employee co-payments and deductibles for health care. These coverage changes resulted in an improvement to the retirement system's funded ratio. Please see page **12** of the attached actuarial analysis that indicates the system is **40%** funded as of **June 30, 2019**.*

Dispatch Union retiree coverage was limited to a two-person contract effective 7/1/07. DPW employees retiree coverage was reduced to a two-person contract effective 7/1/09. Administration and non-union employees follow the DPW/Clerical Contract for active employees. Non-union employees will not receive coverage at retirement. There are 6 admin who will receive coverage Public Safety was reduced from family coverage to a two-person contract effective 7/1/12 All employees hired 4/1/14, will not receive coverage upon retirement. DPW employees will receive coverage until they reach Medicare age at 65 with 30 years of service. Employee must have at least 25 years of service and for each year deficient of 30 years would be responsible for 5% per year of such permium, once 65 is reached, coverage is terminated. Currently there are 68 full time employees, of those 26 will not receive coverage, and 12 will receive coverage until 65. Employees eligible for coverage contribute 1.5% annually hired prior to 4/1/14.

☐ **Additional Funding –** Additional funding may include the following: paying the ADC in addition to retiree premiums, voluntary contributions above the ADC, bonding, millage increases, restricted funds, etc.

Sample Statement: *The local government created a qualified trust to receive, invest, and accumulate assets for retirement health care on **June 23, 2016**. The local government adopted a policy to change its funding methodology from Pay-Go to full funding of the ADC. Furthermore, the local government committed to contributing **$500,000** annually, in addition to the ADC for the next five fiscal years. The additional contributions will increase the retirement system's funded ratio to **40%** by **2022.** Please see page **10** of the attached resolution from our governing body demonstrating the commitment to contribute the ADC and additional **$500,000** for the next five years.*

☐ **Other Considerations** – Other considerations may include the following: outdated Form 5572 information, actuarial assumption changes, amortization policy changes, etc.

Sample Statement: *The information provided on the Form 5572 from the audit used actuarial data from **2017**. Attached is an updated actuarial valuation from **2019** that shows our funded ratio has improved to **42%** as indicated on page **13**.*

4. DESCRIPTION OF PROSPECTIVE ACTIONS

The corrective action plan allows you to submit a plan of prospective actions which are separated into three categories below: System Design Changes, Additional Funding, and Other Considerations. Please provide a brief description of the prospective actions implemented by the local government to address the retirement system's underfunded status within the appropriate category section. Within each category are sample statements that you may choose to use to indicate the changes to your system that will positively affect your funded status. For retirement systems that have multiple divisions, departments, or plans within the same retirement system, please indicate how these changes impact the retirement system as a whole.

Please indicate where in the attached supporting documentation these changes are described and the impact of those changes (i.e. what will the local government do to improve its underfunded status, and which attachment(s) supports your actions).

Category of Prospective Actions:

☐ **System Design Changes** - System design changes may include the following: changes to coverage levels (including retiree co-payments, deductibles, and Medicare eligibility), changes to premium cost-sharing, eligibility changes, switch to defined contribution retiree health care plan, changes to retiree health care coverage for new hires, etc.

Sample Statement: *The local government will seek to align benefit levels for the retired membership with each class of active employees. Beginning with* ***summer 2020*** *contract negotiations, the local government will seek revised collective bargaining agreements with the* ***Command Officers Association*** *and* ***Internal Association of Firefighters*** *to increase employee co-payments and deductibles for health care. These coverage changes would result in an improvement to the retirement system's funded ratio. Please see page* ***12*** *of the attached actuarial analysis that indicates the system would be* ***40%*** *funded by* ***fiscal year 2030*** *if these changes were adopted and implemented by* ***fiscal year 2021****.*

☒ **Additional Funding –** Additional funding may include the following: meeting the ADC in addition to retiree premiums, voluntary contributions above the ADC, bonding, millage increases, restricted funds, etc.

Sample Statement: *The local government will create a qualified trust to receive, invest, and accumulate assets for retirement health care by* ***December 31, 2020****. The local government will adopt a policy to change its funding methodology from Pay-Go to full funding of the ADC by* ***December 31, 2020****. Additionally, beginning in fiscal year 2021, the local government will contribute* ***$500,000*** *annually in addition to the ADC for the next five fiscal years. The additional contributions will increase the retirement system's funded ratio to* ***40%*** *by* ***2023****. Please see page* ***10*** *of the attached resolution from our governing body demonstrating the commitment to contribute the ADC and additional* ***$500,000*** *for the next five years.*

The City established a qualified trust through Municipal Employees Retirement System to receive, invest, and accumulate assets for retirement health care on January 1, 2020 and has committed to an annual contribution to the trust. Please see attached the resolution adopting the trust along with the Council Meeting minutes approving the trust and the commitment of funds to be deposited annually into the Trust.

☒ **Other Considerations** – Other considerations may include the following: outdated Form 5572 information, actuarial assumption changes, amortization policy changes, etc.

Sample Statement: *Beginning in* ***fiscal year 2020****, the local government will begin amortizing the unfunded portion of the health care liability using a* ***level-dollar amortization method over a closed period of 10 years****. This will allow the health system to reach a funded status of* ***42%*** *by* ***2023*** *as shown in the attached actuarial analysis on page* ***13****.*

The information on Form 5572 for fiscal year ending June 30, 2019 determined that total ARC for benefits is below 12% of the City's total governmental fund revenues. Attached is form 5572 for 2019 and Fiscal Year End June 30, 2019 Audit information. Enclosed is a supplemental report from GRS projecting the required contributions for the City of Grosse Pointe Park to reach the required 40% funding level for retiree health care.

5. CONFIRMATION OF FUNDING

Please check the applicable answer:

Do the corrective actions listed in this plan allow for your local government to make, at a minimum, the retiree premium payment, as well as the normal cost payments for all new hires (if applicable), for the retirement health benefit system according to your long-term budget forecast?

☒ **Yes**

☐ **No, Explain:**

6. DOCUMENTATION ATTACHED TO THIS CORRECTIVE ACTION PLAN

Documentation should be attached as a PDF to this corrective action plan. The documentation should detail the corrective action plan that would be implemented to adequately address the local government's underfunded status. Please check all documents that are included as part of this plan and attach in successive order as provided below:

Naming Convention: When attaching documents. please use the naming convention shown below. If there is more than one document in a specific category that needs to be submitted, include a, b, or c for each document. For example, if you are submitting two supplemental valuations, you would name the first document "Attachment 2a" and the second document "Attachment 2b".

Naming Convention:	**Type of Document:**
☒ Attachment – 1	**This corrective action plan (required);**
☒ Attachment – 1a	**Documentation from the governing body approving this corrective action plan (required);**
☒ Attachment – 2a	**An actuarial projection, an actuarial valuation, or an internally developed analysis (in accordance with GASB and/or actuarial standards of practice), which illustrates how and when the local government will reach the 40% funded ratio. Or, if the local government is a city, village, township, or county, how and when the ADC will be less than 12% of governmental fund revenues, as defined by the Act (required);**
☐ Attachment – 3a	Documentation of additional payments in past years that are not reflected in your audited financial statements (e.g. enacted budget, system provided information);
☒ Attachment – 4a	Documentation of commitment to additional payments in future years (e.g. resolution, ordinance);
☒ Attachment – 5a	A separate corrective action plan that the local government has approved to address its underfunded status, which includes documentation of prior actions, prospective actions, and the positive impact on the system's funded ratio;
☒ Attachment – 6a	Other documentation, not categorized above.

7. CORRECTIVE ACTION PLAN CRITERIA

Please confirm that each of the three corrective action plan criteria listed below have been satisfied when submitting this document. Specific detail on corrective action plan criteria can be found in the Corrective Action Plan Development: Best Practices and Strategies document.

Corrective Action Plan Criteria:	Description:
☒ Underfunded Status	Is there a description and adequate supporting documentation of how and when the retirement system will reach the 40% funded ratio? Or, if your local government is a city, village, township, or county, how and when the ADC of all retirement health care systems will be less than 12% of governmental fund revenues? Do the corrective actions address the underfunded status in a reasonable timeframe?
☒ Legality	Does the corrective action plan follow all applicable laws? Are all required administrative certifications and governing body approvals included?
☒ Affordability	Do the corrective action(s) listed allow the local government to make the retiree health care premium payment, as well as normal cost payments for new hires now and into the future without additional changes to this corrective action plan?

8. LOCAL GOVERNMENT'S ADMINISTRATIVE OFFICER APPROVAL OF CORRECTIVE ACTION PLAN

I, Nick Sizeland, as the government's administrative officer (Ex. City/Township Manager, Executive Director, Chief Executive Officer, etc.) **(insert title)** City Manager approve this corrective action plan and will implement the prospective actions contained in this corrective action plan.

I confirm to the best of my knowledge that because of the changes listed above, one of the following statements will occur:

☐ The _____ **(insert retirement health system name)** will achieve a funded status of at least 40% by fiscal year _____ as demonstrated by the required supporting documentation listed in Section 6.

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

☒ The ADC for all the retirement health benefit systems of the local government will be less than 12% of the local government's annual governmental fund revenues by fiscal year 2019 as demonstrated by required supporting documentation listed in Section 6.

Signature: Nick Sizeland Date: 2/12/2020

City of Grosse Pointe Park
15115 EAST JEFFERSON AVENUE • GROSSE POINTE PARK, MICHIGAN 48230 • PHONE: 822-6200

1A

JANE M. BLAHUT
Finance Director/City Clerk

STATE OF MICHIGAN – BENEFITS PLAN PA 202
CORRECTIVE ACTION PLAN

Mayor Pro-tem Robson presented to Council for consideration the Corrective Action Plan for 2018 for OPEB liabilities for retiree health care provided to employees prior to April 1, 2014.

City Manager stated the City of Grosse Pointe Park has always maintained a "pay as you go" program and continues to do so. He also noted there have been significant changes to the plan design including eliminating health care for retirees at retirement for anyone hired after April 1, 2014.

At the January 13, 2020, Council Meeting, the Mayor and Council authorized Trust No. 115 to be established with Municipal Employees Retirement System for the purpose of allocating funds for the OPEB liabilities. Initially $50,000 was approved and $60,000 will be budgeted for f/y 2021 and for the next 30 years to achieve 40% funding level within the fund. GRS has provided a projection schedule to reach 40% funding level in the year 2048.

Motion by Councilmember Read, supported by Councilmember Grano, to approve the adoption of the Corrective Action Plan for 2018 for OPEB liabilities.

AYES: Councilmembers Grano, Relan, Read, Hodges, and Fluitt, and Mayor Pro-tem Robson

NAYS: None

Excused Absence: Mayor Denner

I hereby certify this is a true and accurate copy of action taken by Mayor Pro-tem Robson and City Council at a regular Council Meeting held on Monday, February 10, 2020.

Jane M. Blahut, City Clerk

TREE CITY USA

2A

City of Grosse Pointe Park Retiree Health Care Plan

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

June 30, 2018

GRS

GRS Retirement Consulting

800.521.0498 | P: 248.799.9000 | F: 248.799.9020 | www.grsconsulting.com

October 5, 2018

Ms. Jane Blahut
Finance Director
City of Grosse Pointe Park
15115 East Jefferson Avenue
Grosse Pointe Park, Michigan 48230

Dear Ms. Blahut:

This report provides information on behalf of the City of Grosse Pointe Park Retiree Health Care Plan (the Plan) in connection with the Governmental Accounting Standards Board (GASB) Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

The calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 75. The Net OPEB Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net OPEB Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. The calculation of the plan's liability for this report is not applicable for funding purposes of the plan. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 75 may produce significantly different results. This report may be provided to parties other than the City of Grosse Pointe Park Retiree Health Care Plan only in its entirety and only with the permission of the City. GRS is not responsible for unauthorized use of this report.

This report complements the actuarial valuation report prepared as of December 31, 2016, and information herein should be considered along with the information from that report, especially for additional discussions of the nature of actuarial calculations and for more information related to participant data, economic, demographic, health care trend, morbidity assumptions, and benefit provisions.

This report is based upon information, furnished to us by the City, concerning other postemployment benefits (OPEB), active members, deferred vested members, retirees and beneficiaries, and financial data. This information was checked for internal consistency, but it was not audited.

Based on the available data, the information contained in this report is accurate and fairly represents the actuarial position of the City of Grosse Pointe Park Retiree Health Care Plan as of the reporting date. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as the Actuarial Standards of Practice. If you have reason to believe that the information provided in this report is inaccurate, or is in any way incomplete, or if you need further information in order to make an informed decision on the subject matter of this report, please contact the authors of the report prior to making such decision.

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

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; and changes in plan provisions or applicable law.

The signing individuals are independent of the plan sponsor.

Shana M. Neeson and Mark Buis are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,

Shana M Neeson

Shana M. Neeson, ASA, FCA, MAAA

Mark Buis

Mark Buis, FSA, EA, FCA, MAAA

SMN/MB:sc

Auditor's Note – This information is intended to assist in preparation of the financial statements of the City of Grosse Pointe Park Retiree Health Care Plan. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

Table of Contents

Page

Section A Executive Summary

Executive Summary 1
Discussion 2

Section B Financial Schedules

Statement of OPEB Expense under GASB Statement No. 75 7
Statement of Outflows and Inflows Arising from Current Reporting Period 8
Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods 9
Schedule of Changes in Net OPEB Liability and Related Ratios Current Reporting Period 10
Schedule of Changes in Net OPEB Liability and Related Ratios Multiyear 11
Schedule of Contributions Multiyear 12
Notes to Schedule of Contributions 13
Single Discount Rate 14
Plan Assets 14
Summary of Membership Information 14
Sensitivity of Net OPEB Liability 15

Section C Summary of Benefits 16

Section D Development of Baseline Claims Costs 17

Section E Summary of Participant Data 18

Section F Valuation Methods and Actuarial Assumptions

Valuation Methods and Actuarial Assumptions 19
Miscellaneous and Technical Assumptions 20

Section G Discussion of the Single Discount Rate

Discussion of the Single Discount Rate 21

Section H Glossary of Terms 22

SECTION A

EXECUTIVE SUMMARY

Executive Summary
as of June 30, 2018

	2018
Actuarial Valuation Date	December 31, 2016
Measurement Date of the Net OPEB Liability	June 30, 2018
Employer's Fiscal Year Ending Date (Reporting Date)	June 30, 2018
Membership	
Number of#	
- Retirees and Beneficiaries	54
- Inactive, Nonretired Members	0
- Active Members	50
- Total	104
Covered Payroll^	$ 3,731,451
Net OPEB Liability	
Total OPEB Liability	$ 26,176,863
Plan Fiduciary Net Position	0
Net OPEB Liability	$ 26,176,863
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00 %
Net OPEB Liability as a Percentage of Covered Payroll	701.52 %
Development of the Single Discount Rate	
Single Discount Rate	3.62 %
Long-Term Municipal Bond Rate*	3.62 %
Total OPEB Expense	$ 1,185,655

Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future OPEB Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 0	$ 120,794
Changes in assumptions	0	176,471
Net difference between projected and actual earnings on OPEB plan investments	0	0
Total	$ 0	$ 297,265

\# *As of the actuarial valuation date. GRS does not have membership counts as of June 30, 2018. City staff and auditors may decide that providing membership counts as of the valuation date is sufficient to meet GASB disclosure requirements. Alternatively, the City may decide to update the membership counts to be as of the Plan's fiscal year end.*

^ *Payroll separately provided by the employer.*

* *Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year GO AA Index" as of June 29, 2018. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.*

Discussion

Accounting Standard

GASB Statement No. 75 replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployments Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB.

Reporting under GASB 75 is effective for fiscal years commencing after June 15, 2017.

The following discussion provides a summary of the information that is required to be disclosed under this new accounting standard. A number of these disclosure items are provided in this report. However, certain information, such as notes regarding accounting policies and investments, is not included in this report. As a result, the employer is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 75 requires state and local government employers to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. The net OPEB liability is the difference between the total OPEB liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets.

GASB Statement No. 75 states the employer contributions made to the OPEB plan subsequent to the measurement date and before the end of the employer's reporting period should be reported as a deferred outflow of resources. The information contained in this report does not incorporate any employer contributions made subsequent to the measurement date of June 30, 2018.

Notes to Financial Statements

GASB Statement No. 75 requires the notes of the employer's financial statements to disclose the total OPEB expense, the OPEB plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to OPEB.

In addition, GASB Statement No. 75 requires the notes of the financial statements for employers to include certain additional information, including:

- **Plan Description:**
  - The name of the OPEB plan, the administrator of the OPEB plan, and the identification of whether the OPEB plan is a single-employer, agent, or cost-sharing OPEB plan.
  - A brief description of the types of benefits provided by the plan, automatic or ad hoc postemployment benefit changes including COLAs, and terms or policies regarding the sharing of benefit-related costs with inactive plan members.
  - The authority under which benefit terms are established or may be changed.
  - The number of plan members by category and if the plan is closed.
  - A brief description of contribution requirements, including a description of the plan's funding policy, as well as member and employer contribution requirements.
  - The availability of a stand-alone financial report for the OPEB plan.
- **Components of the net OPEB liability:**
  - The total OPEB liability, the fiduciary net position, and the net OPEB liability.
- **Significant assumptions and other inputs used to measure the total OPEB liability:**
  - Significant assumptions include: Inflation, healthcare cost trend rates, salary changes, ad hoc postemployment benefit changes, and the sharing of benefit-related costs with inactive plan members.
  - If applicable, the patterns of practice relied upon for projecting the sharing of benefit-related costs with inactive plan members.
  - Source of the assumptions for mortality and dates of experience studies.
- **Measure of the net OPEB liability using +/- 1% on the health care trend rate.**
- **On the discount rate:**
  - The discount rate used and the change in the discount rate since the prior fiscal year-end.
  - Assumptions about projected cash flows.
  - The long-term expected rate of return on OPEB investments and a description of how it was determined.
  - The municipal bond rate used and the source of that rate.
  - The periods of projected benefit payments to which the long-term expected rate of return are used.
  - The assumed asset allocation of the portfolio and the long-term expected real rate of return for each major asset class, and whether the returns are arithmetic or geometric.
  - Measure of the net OPEB liability using +/- 1% on the discount rate.
- **The measurement date, the date of the actuarial valuation, and if applicable the fact that update procedures were used to roll forward the total OPEB liability.**
- **A brief description of changes in benefit terms or assumptions that affected the measurement of the total OPEB liability since the prior measurement date.**
- **A brief description of changes made between the measurement date and reporting date.**
- **The employer's contributions made subsequent to the measurement date.**

Required Supplementary Information

GASB Statement No. 75 requires a 10-year fiscal history of:

- Sources of changes in the net OPEB liability.
- Information about the components of the net OPEB liability and related ratios, including the OPEB plan's fiduciary net position as a percentage of the total OPEB liability, and the net OPEB liability as a percent of covered-employee payroll.
- Comparison of the actual employer contributions to the actuarially determined contributions based on the plan's funding policy.
- For plans with an actuarially determined contribution, the schedule covering each of the 10 most recent fiscal years of the actuarially determined contribution, contributions to the OPEB plan and related ratios.

Timing and Frequency of the Actuarial Valuation

An actuarial valuation to determine the total OPEB liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net OPEB liability and OPEB expense should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year end-date. If the actuarial valuation used to determine the total OPEB liability is not calculated as of the measurement date, the total OPEB liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total OPEB liability shown in this report is based on an actuarial valuation performed as of December 31, 2016 and a measurement date of June 30, 2018.

Single Discount Rate

For plans that do not have formal assets, the single discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of determining the Total OPEB Liability as of June 30, 2017, the municipal bond rate used was 3.56% (based on the daily rate closest to but not later than June 30, 2017 of the Fidelity "20-Year Municipal GO AA Index"). For the purpose of determining the Total OPEB Liability as of June 30, 2018, the measurement date, the municipal bond rate is 3.62% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index").

Actuarial Assumptions

The actuarial assumptions used to value the liabilities are outlined in detail in Section F. The assumptions include details on the health care trend assumption, the aging factors as well as the cost method used to develop the OPEB expense. The assumptions were based on the experience study covering the five-year period ending December 31, 2008. All assumptions are expectations of future experience, not market measures.

Future Uncertainty or Risk

Future results may differ from those anticipated in this valuation. Reasons include, but are not limited to:

- Actual medical trend differing from expected;
- Changes in the healthcare plan designs offered to active and retired members; and
- Participant behavior differing from expected;
    - Elections at retirement;
    - One-person versus two-person coverage elections; and
    - Time of retirement or termination.

Benefits Valued

The benefit provisions that were valued are in Section C. The valuation is required to be performed on the current benefit terms and existing legal agreements. Consideration is to be given to the written plan document as well as other communications between the employer and plan members and an established pattern of practice for cost sharing. The summary of major plan provisions is designed to outline principal plan benefits. If the plan summary is not in accordance with the actual provisions, please alert the actuaries immediately so they can both be sure the proper provisions are valued.

Effective Date and Transition

GASB Statement No. 75 is effective for an employer's fiscal years beginning after June 15, 2017.

SECTION B

FINANCIAL SCHEDULES

Auditor's Note – This information is intended to assist in preparation of the financial statements of the City of Grosse Pointe Park Retiree Health Care Plan. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

Statement of OPEB Expense under GASB Statement No. 75
Fiscal Year Ended June 30, 2018

A. Expense

1. Service Cost	$	396,186
2. Interest on the Total OPEB Liability		917,288
3. Current-Period Benefit Changes		0
4. Employee Contributions (made negative for addition here)		(38,638)
5. Projected Earnings on Plan Investments (made negative for addition here)		0
6. OPEB Plan Administrative Expense		0
7. Other Changes in Plan Fiduciary Net Position		0
8. Recognition of Outflow (Inflow) of Resources due to Liabilities		(89,181)
9. Recognition of Outflow (Inflow) of Resources due to Assets		0
10. Total OPEB Expense	**$**	**1,185,655**

Recognition of Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in the OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, the expected remaining service lives of all active employees in the plan was approximately 451 years. Additionally, the total plan membership (active employees and inactive employees) was 104 as of the valuation date. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 4.3333 years.

Additionally, differences between projected and actual earnings on OPEB plan investments should be recognized in the OPEB expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the OPEB expense as a level dollar amount over the closed period identified above.

Statement of Outflows and Inflows Arising from Current Reporting Period Fiscal Year Ended June 30, 2018

A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total OPEB Liability (gains) or losses	$	(157,033)
2. Assumption Changes (gains) or losses	$	(229,413)
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}		4.3333
4. Outflow (Inflow) of Resources to be recognized in the current OPEB expense for the difference between expected and actual experience of the Total OPEB Liability	$	(36,239)
5. Outflow (Inflow) of Resources to be recognized in the current OPEB expense for assumption changes	$	(52,942)
6. Outflow (Inflow) of Resources to be recognized in the current OPEB expense due to Liabilities	$	(89,181)
7. Deferred Outflow (Inflow) of Resources to be recognized in future OPEB expenses for the difference between expected and actual experience of the Total OPEB Liability	$	(120,794)
8. Deferred Outflow (Inflow) of Resources to be recognized in future OPEB expenses for assumption changes	$	(176,471)
9. Deferred Outflow (Inflow) of Resources to be recognized in future OPEB expenses due to Liabilities	$	(297,265)

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on OPEB plan investments (gains) or losses	$	0
2. Recognition period for Assets {in years}		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current OPEB expense due to Assets	$	0
4. Deferred Outflow (Inflow) of Resources to be recognized in future OPEB expenses due to Assets	$	0

Statement of Outflows and Inflows
Arising from Current and Prior Reporting Periods
Fiscal Year Ended June 30, 2018

A. Outflows and Inflows of Resources by Source to be Recognized in Current OPEB Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	$ 0	$ 36,239	$ (36,239)
2. Assumption changes	0	52,942	(52,942)
3. Net difference between projected and actual earnings on OPEB plan investments	0	0	0
4. Total	$ 0	$ 89,181	$ (89,181)

B. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future OPEB Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	$ 0	$ 120,794	$ (120,794)
2. Assumption changes	0	176,471	(176,471)
3. Net difference between projected and actual earnings on OPEB plan investments	0	0	0
4. Total	$ 0	$ 297,265	$ (297,265)

C. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future OPEB Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2020	$ (89,181)
2021	(89,181)
2022	(89,181)
2023	(29,722)
2024	0
2025	0
Thereafter	0
Total	$ (297,265)

Employer contributions that were made subsequent to the measurement date of the net OPEB liability and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to OPEB. The information contained in this report does not incorporate any contributions made subsequent to the measurement date.

See paragraph 44 of GASB 75 for single and agent employers with trusted plans.

Also, Question 4.32 of Implementation Guide No. 2017-1 provides additional guidance for trusted plans.

Schedule of Changes in Net OPEB Liability and Related Ratios
Current Reporting Period
Fiscal Year Ended June 30, 2018

A. Total OPEB Liability		
1. Service cost	$	396,186
2. Interest on the Total OPEB Liability		917,288
3. Changes of benefit terms		0
4. Difference between expected and actual experience of the Total OPEB Liability		(157,033)
5. Changes of assumptions		(229,413)
6. Benefit payments, including refunds of employee contributions#		(637,176)
7. Net change in Total OPEB Liability		289,852
8. Total OPEB Liability – Beginning		25,887,011
9. Total OPEB Liability – Ending	$	26,176,863
B. Plan Fiduciary Net Position		
1. Contributions – employer#	$	598,538
2. Contributions – nonemployer contributing entities		0
3. Contributions – employee*		38,638
4. Net investment income		0
5. Benefit payments, including refunds of employee contributions#		(637,176)
6. OPEB plan administrative expense		0
7. Other		0
8. Net change in Plan Fiduciary Net Position		0
9. Plan Fiduciary Net Position – Beginning		0
10. Plan Fiduciary Net Position – Ending	$	0
C. Net OPEB Liability	$	26,176,863
D. Plan Fiduciary Net Position as a percentage of the Total OPEB Liability		0.00 %
E. Covered-employee payroll^	$	3,731,451
F. Net OPEB Liability as a percentage of covered-employee payroll		701.52 %

\# *Includes amounts being paid outside of the trust.*
* *PA 149 – Retiree Health Contribution.*
^ *Payroll separately provided by the employer.*

Schedules of Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios Multiyear

Fiscal Year Ending June 30,	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total OPEB Liability										
Service cost	$ 396,186									
Interest on the Total OPEB Liability	917,288									
Changes of benefit terms	0									
Difference between expected and actual experience	(157,033)									
Changes of assumptions	(229,413)									
Benefit payments, including refunds of employee contributions#	(637,176)									
Net change in Total OPEB Liability	289,852									
Total OPEB Liability - Beginning	25,887,011									
Total OPEB Liability - Ending (a)	$ 26,176,863									
Plan Fiduciary Net Position										
Employer contributions#	$ 598,538									
Nonemployer contributing entities contributions	0									
Employee contributions*	38,638									
OPEB plan net investment income	0									
Benefit payments, including refunds of employee contributions#	(637,176)									
OPEB plan administrative expense	0									
Other	0									
Net change in Plan Fiduciary Net Position	0									
Plan Fiduciary Net Position - Beginning	0									
Plan Fiduciary Net Position - Ending (b)	$ 0									
Net OPEB Liability - ending (a) - (b)	$ 26,176,863									
Plan Fiduciary Net Position as a percentage of Total OPEB Liability	0.00 %									
Covered-employee payroll^	$ 3,731,451									
Net OPEB Liability as a percentage of covered-employee payroll	701.52 %									

Notes to Schedule:

N/A

 # Includes amounts being paid outside of the trust.
** PA 149 – Retiree Health Contribution.*
^ Payroll separately provided by the employer.

Schedule of Contributions Multiyear

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution#	Contribution Deficiency (Excess)	Covered Payroll^	Actual Contribution as a % of Covered Payroll
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018	$ 2,052,693	$ 598,538	$ 1,454,155	$ 3,731,451	16.04 %

 # Includes amounts being paid outside of the trust.
^ Payroll separately provided by the employer.

Notes to Schedule of Contributions

Methods and Assumptions Used to Determine Contribution Amounts for the Fiscal Year Ending June 30, 2018*:

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Dollar
Remaining Amortization Period	25 years, closed
Asset Valuation Method	There are no assets as of the measurement date
Price Inflation	2.50%
Wage Inflation	3.50%
Salary Increases	3.50% to 16.50%
Investment Rate of Return	3.50%, net of OPEB plan investment expense
Retirement Age	Experience-based table of rates that are specific to the type of eligiblity condition
Mortality	The RP-2000 Mortality Combined Healthy Tables projected 20 years with U.S. Projection Scale BB.
Health Care Trend Rates	Initial trend of 9.00% gradually decreasing to an ultimate trend rate of 3.50% in year 10
Excise Tax	No load was applied in connection with the "Cadillac" tax
Aging factors	Based on an internal GRS study using several pricing manuals from National Health Care Consultant groups and incorporating analysis and data from an SOA survey regarding aging practices used in health care valuations

Other Information:

Notes	There were no benefit changes during the year.

** Based on valuation assumptions used in the December 31, 2013 actuarial valuation.*

Single Discount Rate

For plans that do not have formal assets, the single discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 3.62% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). As a result, the Single Discount Rate of 3.62% was used to measure the Total OPEB Liability as of June 30, 2018. Please note this represents a change in assumption. The Single Discount Rate used to measure the Total OPEB Liability as of June 30, 2017 was 3.52%. The Single Discount Rated changed due to changes in the municipal bond rate.

Plan Assets

As of the measurement date, there are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Summary of Membership Information#

The following table provides a summary of the number of participants in the plan:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	54
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	50
Total Plan Members	104

As of the actuarial valuation date. GRS does not have membership counts as of June 30, 2018. City staff and auditors may decide that providing membership counts as of the valuation date is sufficient to meet GASB disclosure requirements. Alternatively, the City may decide to update the membership counts to be as of the Plan's fiscal year end.

Sensitivity of Net OPEB Liability

Regarding the sensitivity of the Net OPEB Liability to changes in the Single Discount Rate, the following presents the plan's Net OPEB Liability, calculated using a Single Discount Rate of 3.62%, as well as what the plan's Net OPEB Liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of Net OPEB Liability to the Single Discount Rate Assumption

1% Decrease 2.62%	Current Single Discount Rate Assumption 3.62%	1% Increase 4.62%
$ 30,433,914	$ 26,176,863	$ 22,760,969

Regarding the sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates, the following presents the plan's Net OPEB Liability, calculated using the assumed trend rates as well as what the plan's Net OPEB Liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

Sensitivity of Net OPEB Liability to the Healthcare Cost Trend Rate Assumption

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
$ 22,649,346	$ 26,176,863	$ 30,397,958

SECTION C

SUMMARY OF BENEFITS

Summary of Benefits

This report complements the actuarial valuation report prepared as of December 31, 2016, and information herein should be considered along with the information from that report, especially for additional discussions of the nature of actuarial calculations and for more information related to benefit provisions.

SECTION D

DEVELOPMENT OF BASELINE CLAIMS COSTS

Development of Baseline Claims Costs

This report complements the actuarial valuation report prepared as of December 31, 2016, and information herein should be considered along with the information from that report, especially for additional discussions of the nature of actuarial calculations and for more information related to baseline claims costs.

SECTION E

SUMMARY OF PARTICIPANT DATA

Summary of Participant Data

This report complements the actuarial valuation report prepared as of December 31, 2016, and information herein should be considered along with the information from that report, especially for additional discussions of the nature of actuarial calculations and for more information related to participant data.

SECTION F

VALUATION METHODS AND ACTUARIAL ASSUMPTIONS

Valuation Methods and Actuarial Assumptions

This report complements the actuarial valuation report prepared as of December 31, 2016, and information herein should be considered along with the information from that report, especially for additional discussions of the nature of actuarial calculations and for more information related to valuation methods and actuarial assumptions.

The long-term rate of investment return used for GASB Statement No. 75 reporting purposes was 3.62%.

Miscellaneous and Technical Assumptions

This report complements the actuarial valuation report prepared as of December 31, 2016, and information herein should be considered along with the information from that report, especially for additional discussions of the nature of actuarial calculations and for more information related to miscellaneous and technical assumptions.

Experience Studies

Certain actuarial assumptions were based upon the results of an experience study for MERS. A report dated March 2, 2010 presented the results of this study.

The tables used to model the impact of aging on claims utilization were developed by the Society of Actuaries in 2013. The other OPEB specific assumptions (health care trend, plan elections, etc.) are reviewed during each OPEB valuation and updated as needed.

Roll Forward Disclosure

The total OPEB liability was determined by an actuarial valuation as of December 31, 2016 and a measurement date of June 30, 2018. The roll-forward procedure increases the December 31, 2016 actuarial accrued liability with normal cost and interest and decreases it with expected benefit payments.

SECTION G

DISCUSSION OF THE SINGLE DISCOUNT RATE

Discussion of the Single Discount Rate

GASB Statement No. 75 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total OPEB Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a municipal bond rate is required, as described in the following paragraph.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on OPEB plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For plans that do not have formal assets, projections are not needed. The single discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 3.62% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index").

SECTION H

GLOSSARY OF TERMS

Glossary of Terms

Accrued Service	Service credited under the system that was rendered before the date of the actuarial valuation.
Actuarial Accrued Liability (AAL)	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability."
Actuarial Assumptions	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption 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 the OPEB trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.
Actuarial Equivalent	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
Actuarial Gain (Loss)	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
Actuarial Present Value (APV)	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
Actuarial Valuation	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total OPEB liability, and related actuarial present value of projected benefit payments for OPEB.
Actuarial Valuation Date	The date as of which an actuarial valuation is performed.

Glossary of Terms

Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)	A calculated contribution into an OPEB plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.
Amortization Method	The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be "open" (meaning, reset each year) or "closed" (the number of years remaining will decline each year).
Amortization Payment	The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.
Cost-of-Living Adjustments	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
Cost-Sharing Multiple-Employer Defined Benefit OPEB Plan (cost-sharing OPEB plan)	A multiple-employer defined benefit OPEB plan in which the OPEB obligations to the employees of more than one employer are pooled and OPEB plan assets can be used to pay the benefits of the employees of any employer that provides benefits through the OPEB plan.
Covered-Employee Payroll	The payroll of employees that are provided with benefits through the OPEB plan.
Deferred Inflows and Outflows	The deferred inflows and outflows of OPEB resources are amounts used under GASB Statement No. 75 in developing the annual OPEB expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in the OPEB expense should be included in the deferred inflows or outflows of resources.
Discount Rate	For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically: 1. The benefit payments to be made while the OPEB plans' fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and 2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

Glossary of Terms

Entry Age Actuarial Cost Method (EAN)	The EAN is a cost method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit ages(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.
Fiduciary Net Position	The fiduciary net position is the market value of the assets of the trust dedicated to the defined benefit provisions.
GASB	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
Long-Term Expected Rate of Return	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
Money-Weighted Rate of Return	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 74, the money-weighted rate of return is calculated as the internal rate of return on OPEB plan investments, net of OPEB plan investment expense.
Multiple-Employer Defined Benefit OPEB Plan	A multiple-employer plan is a defined benefit OPEB plan that is used to provide OPEB payments to the employees of more than one employer.
Municipal Bond Rate	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
Net OPEB Liability (NOL)	The NOL is the liability of employers and non-employer contributing entities to plan members for benefits provided through a defined benefit OPEB plan.
Non-Employer Contributing Entities	Non-employer contributing entities are entities that make contributions to an OPEB plan that is used to provide OPEB payments to the employees of other entities. For purposes of the GASB accounting statements, plan members are not considered non-employer contributing entities.

Glossary of Terms

Normal Cost	The portion of the actuarial present value allocated to a valuation year is called the normal cost. For purposes of application to the requirements of this Statement, the term normal cost is the equivalent of service cost.
Other Postemployment Benefits (OPEB)	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits regardless of the manner in which they are provided. Other post-employment benefits do not include termination benefits.
Real Rate of Return	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
Service Cost	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
Total OPEB Expense	The total OPEB expense is the sum of the following items that are recognized at the end of the employer's fiscal year: 1. Service Cost 2. Interest on the Total OPEB Liability 3. Current-Period Benefit Changes 4. Employee Contributions (made negative for addition here) 5. Projected Earnings on Plan Investments (made negative for addition here) 6. OPEB Plan Administrative Expense 7. Other Changes in Plan Fiduciary Net Position 8. Recognition of Outflow (Inflow) of Resources due to Liabilities 9. Recognition of Outflow (Inflow) of Resources due to Assets
Total OPEB Liability (TOL)	The TOL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.
Unfunded Actuarial Accrued Liability (UAAL)	The UAAL is the difference between actuarial accrued liability and valuation assets.
Valuation Assets	The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of GASB Statement Nos. 74 and 75, the valuation assets are equal to the market value of assets.

MERS Retiree Health Funding Vehicle Uniform Resolution

1134 Municipal Way Lansing, MI 48917 | 800.767.6377 | Fax 517.703.9707 www.mersofmich.com

WHEREAS, Section 36(2)(a) of the Municipal Employees' Retirement Act ("MERA"), 1984 PA 427, MCL 38.1536(2)(a), and Section 71(2)(a) of the MERS Plan Document, authorized the Municipal Employees' Retirement Board ("Board") to establish additional programs;

WHEREAS, the Board has authorized MERS' establishment of a retiree health funding vehicle ("RHFV"), which a participating municipality or court, or another eligible public employer that constitutes a "municipality" under Section 2(23) of the Municipal Employees' Retirement System ("MERS") Plan Document and Section 2b(2) of MERA, MCL 38.1502b(2) ("Eligible Employer"), may adopt.

WHEREAS, the Board has established a governmental trust ("Trust Fund") under Section 115 of the Internal Revenue Code ("IRC") to hold the assets of the RHFV, which Trust Fund shall be administered under the discretion of the Board as fiduciary, directly by (or through a combination of) MERS or MERS duly-appointed Program Administrator (as defined in the MERS RHFV Plan Document), and is tax-exempt under Section 115 as confirmed by MERS' Private Letter Ruling from the Internal Revenue Service dated January 13, 2004;

WHEREAS, the Public Employee Health Care Fund Investment Act, 1999 PA 149, MCL 38.1211 et seq. ("PA 149") allows a public corporation to create a public employee health care fund, and provides for its administration, investment, and management, in order to accumulate funds to provide for the funding of health benefits for retirees and beneficiaries;

WHEREAS, a MERS RHFV health care trust fund created under PA 149 constitutes a governmental trust established by an Eligible Employer under IRC Section 115; provided that the PA 149 trust does not accept assets from any defined benefit health account established under IRC Section 401(h);

WHEREAS, the Board is the investment fiduciary of the Trust Fund under PA 149 and the Public Employee Retirement System Investment Act ("PERSIA"), 1965 PA 314, MCL 38.1132 et seq., and is responsible for the custody of assets in the Trust Fund, as well as the establishment and monitoring of the investment options that comprise the investment menu among which a participating Eligible Employer of the RHFV may select one or more for the investment of its assets;

WHEREAS, each participating Eligible Employer is also a fiduciary of the assets in the RHFV under PA 149, and is responsible for the allocation of its assets by use of the investment options offered within the RHFV investment menu, establishment of an investment policy for its RHFV assets, and compliance with PERSIA.

WHEREAS, adoption of this MERS Retiree Health Funding Vehicle Uniform Resolution ("Uniform Resolution") by the Eligible Employer is necessary and required in order that the benefits available under the RHFV may be extended to the Eligible Employer; and

WHEREAS, this Uniform Resolution has been approved by the Board under the authority of Section 36(2)(a) of MERA and Section 71(2)(a) of the MERS Plan Document. The RHFV shall not be implemented with respect to any Eligible Employer unless in strict compliance with the terms and conditions of this Uniform Resolution, the RHFV Plan Document, and Trust Agreement.

MERS Retiree Health Funding Vehicle Uniform Resolution

NOW, THEREFORE, BE IT RESOLVED that the governing body adopts the MERS Retiree Health Funding Vehicle as provided below, with an effective date of: 01/01/2020 (MM/DD/YYYY)

for the following covered employees: Eligible retirees hired before March 1, 2014 (List covered employee groups).

I. MERS RETIREE HEALTH FUNDING VEHICLE

CONTRIBUTIONS shall be made only by the Eligible Employer, remitted to MERS by the Eligible Employer, and credited to the Eligible Employer's account as a bookkeeping entry within the Trust Fund for the RHFV. As this RHFV account is funded solely by the Eligible Employer on a cash or actuarial basis as determined by the Eligible Employer, there is no requirement for an agreement establishing the schedule of contributions. Amounts in an Eligible Employer's RHFV account shall be used to provide or subsidize the provision of health insurance for eligible retirees or their beneficiaries, to provide health benefits as defined by IRC Section 213 and are excludable from income under IRC Sections 105 and 106 as amended from time to time.

INVESTMENT of funds accumulated and held in the Trust Fund shall be held in a separate reserve and invested on a pooled basis by MERS subject to PERSIA, as provided by Section 76 of the MERS Plan Document, Section 39 of MERA, MCL 38.1539, and PA 149. However, each participating Eligible Employer shall be responsible for the asset allocation of its assets within the RHFV investment menu, in accordance with PERSIA as required by PA 149.

THE ELIGIBLE EMPLOYER shall abide by the terms of the RHFV, including the MERS RHFV Plan Document, RHFV Trust Agreement, all investment, administration, and service agreements, and all applicable provisions of the IRC, PERSIA, PA 149 and other law. It is affirmed that no assets from any defined benefit health account established under IRC Section 401(h) shall be transferred to, or accepted by MERS.

DISTRIBUTIONS In order to receive a distribution for allowable expenses, an Eligible Employer must complete the applicable form approved by MERS. The Program Administrator shall establish any procedures necessary to process distribution requests and transfer funds within the period set by the Program Administrator.

II. IMPLEMENTATION DIRECTIONS

(A) The governing body of the Eligible Employer desires that all assets placed in its RHFV account (as a sub-fund of the pooled Trust Fund) be administered by MERS with respect to maintaining appropriate custody of the assets, and the establishment and monitoring of investment options included in the RHFV investment menu among which options the governing body may select one or more to invest its assets, and shall do so in compliance with PERSIA, PA 149, all applicable provisions of the IRC and other relevant law.

(B) The RHFV is designed as an IRC Section 115 and PA 149 compliant trust. All assumptions, including the rate of investment return used in any OPEB valuation, are the responsibility of the Eligible Employer. The Eligible Employer acknowledges and affirms its fiduciary responsibility for selecting the investment allocation for its RHFV assets from the options in MERS' RHFV investment menu, and its obligation to comply with all applicable provisions of PERSIA as a co-fiduciary of its RHFV account.

(C) All allocations must use a whole percentage, and the total percentage of allocated assets must equal 100%.

(D) The Eligible Employer makes the following initial investment allocation election from MERS' RHFV investment menu:

Portfolios Built for You *(Stocks/Bonds)*	
MERS Total Market Portfolio	100 %
MERS Global Stock Portfolio (100/0)	%
MERS Capital Appreciation Portfolio (80/20)	%
MERS Established Market Portfolio (60/40)	%
MERS Balanced Income Portfolio (40/60)	%
MERS Capital Preservation Portfolio (20/80)	%
MERS Diversified Bond Portfolio (0/100)	%

Funds to Build Your Own Portfolio	
Large Cap Stock Index	%
Mid Cap Stock Index	%
Small Cap Stock Index	%
International Stock Index	%
Emerging Market Stock	%
Short-Term Income	%

Please refer to the Fund Summary Sheets for information regarding each investment option, including potential redemption fees, and restrictions (www.mersofmich.com).

(E) Changes in the investment option(s) selected or allocations made in paragraph (D) may be made by the Eligible Employer in writing using the form approved and provided by MERS and submitted to the RHFV Program Administrator or online via the Eligible Employer's online RHFV account. The Eligible Employer chooses the following method to change its investment option(s) and/or allocation (choose only 1):

- ☒ Fund election changes will be made by submitting a completed RHFV Investment Change Form (RH-602) and supporting certified minutes identifying governing body approval.
- ☐ The employer will designate the RHFV Investment Contact in the manner required by MERS to make ongoing fund election changes through the online RHFV account.

(F) All monies in the RHFV Trust Fund (and any earnings thereon, positive or negative) shall be held and invested for the sole purpose of paying health care benefits for the exclusive benefit of Eligible Employees who shall constitute "qualified persons" who have retired or separated from employment with the Eligible Employer or their beneficiaries, and for any administration expenses. RHFV Trust Fund monies shall not be used for any other purpose and shall not be distributed to the State.

(G) Participation in and any coverage under the RHFV shall not constitute nor be construed to constitute an "accrued financial benefit" under Article 9, Section 24 of the Michigan Constitution of 1963, nor shall any contribution method for Eligible Employer funding other than "pay as you go" cash funding be required or imposed, and all benefits, rights, and obligations conferred by or arising under the RHFV shall be as provided under this Uniform Resolution and the RHFV Plan Document.

(H) The Eligible Employer will determine who constitutes an "Eligible Employee" to receive retiree health care benefits subsidized under its RHFV account. The Eligible Employer will provide proof of liability for retiree health care benefits by way of the collective bargaining agreement and/or personnel policy, OPEB valuation, or most recent and active contract with its health insurer.

(I) The Eligible Employer designates in writing an employer contact person who may request distributions of fund monies for the benefit of the Eligible Employees; makes investment allocations of the Eligible Employer's assets within the RHFV investment menu to the extent authorized in paragraph (D); receive necessary reports, notices, etc. using the MERS Contact Form and this document.

(J) The Eligible Employer acknowledges its responsibility to create and comply with an investment policy with respect to its RHFV account assets, as required by PA 149.

(K) It is expressly agreed and understood as an integral and nonseverable part of, extension or continuation of coverage under this Uniform Resolution Adopting MERS Retiree Health Funding Vehicle, that Section 43 of the MERS Plan Document regarding collective bargaining agreements shall not apply to this Uniform Resolution, the RHFV Plan Document, the Trust Agreement, or any administration or interpretation.

(L) In the event any alteration of the language, terms or conditions stated in this Uniform Resolution is made or occurs under Section 43 of the MERS Plan Document, other plan provision or other law, it is expressly recognized that MERS and the Board, as fiduciary of the MERS Plan and its trust reserves, and whose authority is nondelegable, shall have no obligation or duty to administer (or to have administered) the RHFV or its Trust Fund, or to continue administration.

III. PLAN TERMINATION

Plan Termination may occur for any of the following reasons provided for in the RHFV Plan Document: Automatic Termination, Plan Asset Transfer, or Satisfaction of RHFV Liabilities. The Program Administrator shall determine what documentation is necessary to demonstrate termination of any of the above circumstances. After receipt of such documentation, and approval of the termination, the Program Administrator shall supply the Eligible Employer with the necessary forms to complete the termination.

IV. EFFECTIVE DATE OF THIS RHFV UNIFORM RESOLUTION

This Uniform Resolution shall have no legal effect until an executed copy is filed with MERS, and MERS determines that all necessary requirements under Section 71 of the MERS Plan Document, PA 149, this Uniform Resolution, and other relevant laws, have been met. Upon MERS' determination that all necessary documents have been completed (if necessary) and submitted, MERS shall execute this Uniform Resolution and return a copy to the Eligible Employer's designated contact person.

In the event an amendatory resolution or other action by the Eligible Employer is required by MERS, such resolution or action may be deemed effective as of the date of this Uniform Resolution or such action, if agreed to in writing by all of the parties, including, the Program Administrator, if necessary. Section 86 of the MERS Plan Document shall apply to this Uniform Resolution and all acts performed under MERS' authority. The terms and conditions of this Uniform Resolution supersede any prior resolution, and its terms are controlling on the parties.

MERS Retiree Health Funding Vehicle Uniform Resolution

This MERS Retiree Health Funding Vehicle Uniform Resolution is hereby adopted and approved

on the 13th **day of** January **, 20** 20

by the governing body of

City of Grosse Pointe Park

(Eligible Employer)

Authorized Signature: [signature]

Name: Jane m Blahut

Title: Finance Director / City Clerk

Received and Approved by the Municipal Employees' Retirement System of Michigan

Dated: January 23, 20 20

Dawn Galinski

(Authorized MERS signatory)

COUNCIL MEETING – JANUARY 13, 2020
7:00 P.M.

A regular meeting of the Council for the City of Grosse Pointe Park was held on Monday, January 13, 2020, and opened with the Pledge of Allegiance to the Flag.

The following were present: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

Also, present: Nick Sizeland, City Manager, Jane M. Blahut, Finance Director/Clerk and Dennis J. Levasseur, City Attorney

MANAGER'S REPORT

City Manager Sizeland presented a report summarizing the work ongoing in the City.

- Dog Park
- Outreach event scheduled for 1-14-20 at the Cracked Egg at 8:00 AM
- Outreach event scheduled for 2-11-20 at the Tompkins Centers at 1:00 PM
- Completed interviewing for Assistant to the City Manager Position
- DTE Gas Main Replacement
- DPW Facility update
- Bus Turn Around update
- Website
- Smart Cone
- Stonyfield Grant
- Water Levels
- Mack Avenue resurfacing

MINUTES – DECEMBER 9, 2019

Mayor Denner presented to Council for consideration the minutes of December 9, 2019.

Councilmember Hodges stated the motion to return to open session was not included in the minutes.

Councilmember Fluitt stated the top paragraph, page 6 was duplicated.

Councilmember Read stated she provided that correction to the Clerk by email and noted the third paragraph the word hear should be heal.

Motion by Councilmember Robson, supported by Councilmember Hodges, to approve the minutes of December 9, 2019, with the corrections noted.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt and Mayor Denner

NAYS: None

RESOLUTION HONORING
DANIEL E. CLARK

Mayor Denner presented to Council for consideration adoption of a resolution honoring former Councilmember Daniel E. Clark.

The resolution reads as follows:

City of Grosse Pointe Park
A RESOLUTION HONORING
DANIEL E. CLARK

WHEREAS, Daniel E. Clark served on the City Council from 1987-1991, and 1993-2019, serving a total of 32 years;

WHEREAS, Daniel E. Clark is being recognized for his leadership, vision, and dedication and commitment to Grosse Pointe Park that has contributed to the betterment of the lives of the residents of Grosse Pointe Park;

WHEREAS, Daniel E. Clark has been a Grosse Pointe Park resident for 42 years, whereby he and his wife Susan raised four children;

WHEREAS, Daniel E. Clark is an active member of St. Ambrose Parish;

WHEREAS, Daniel E. Clark was employed as a Manager for the United States Government Social Security Administration;

WHEREAS, Daniel E. Clark served as Mayor Pro-Tem, Chairman of the Ordinance Review Committee, Chairman of the Personnel Review Committee, Council representative on the Planning Commission and Detroit's East Side Community Network;

WHEREAS, Daniel E. Clark had served as a Councilman for Finance, Beautification Commission Member, TIFA Board Member serving as secretary, and Chairman of TIFA Committee on Lighting;

WHEREAS, Daniel E. Clark was instrumental in the development of the City Hall building improvements, the construction of a separate stormwater system, the first recycling system in the Pointes, the development of Pemberton and Jefferson office construction, development of the Lakepointe Jefferson condominiums, the Kercheval, Charlevoix, and Mack Avenue business district developments, Jefferson Avenue islands, the many parks and recreation programs, as well as the Splash Pad at Patterson Park, and removal of the floodplain designation; and supporting the public safety millage and road millage, and the bond for infrastructure construction at City Hall and Public Safety;

WHEREAS, Daniel E. Clark was instrumental in supporting the Grosse Pointe Park Foundation for its many projects that offered amenities to the residents of Grosse Pointe Park. Improvements at Windmill Pointe Park including the Lavin's Center, the Meade Fitness Center, the Okulski Theatre, Golden Family Gymnasium, the Tompkins Center, the wading pool, the Carol C. Schaap Theatre, the McKeever Lounge, the fountain and the zero-depth children's pool, the expansion of the gate house and parking facilities, and most recently the Atrium. Improvements at Patterson Park include the Playscape, the Lindell Lodge, the Hutton Reflective Ice Pond, the George Helm Boardwalk, the Denner Fireplace, and the putting/chipping facility,

RESOLVED, That the Mayor and members of the City Council of the City of Grosse Pointe Park join in acknowledging Daniel E. Clark for his years of dedicated service to the residents of Grosse Pointe Park as Councilmember for the City of Grosse Pointe Park.

Mayor Denner and members of City Council expressed their gratitude to Daniel E. Clark for his dedicated service to the City of Grosse Pointe Park.

Motion by Mayor Denner, supported by Councilmember Robson, to adopt the resolution honoring Daniel E. Clark for his dedicated years of service to the City of Grosse Pointe Park.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

Daniel E. Clark expressed his gratitude to Mayor Denner, members of City Council and administration for their part in the accomplishments made throughout the City.

RESOLUTION HONORING
JOHN E. CHOUINARD

Mayor Denner presented to Council for consideration the resolution honoring John E. Chouinard for his dedicated service to the City of Grosse Pointe Park.

The resolution reads as follows:

WHEREAS, John E. Chouinard served on the City Council from 2015-2019;

WHEREAS, John E. Chouinard has been a Grosse Pointe Park resident for 44 years, with his wife Sharon where they raised their five children;

WHEREAS, John E. Chouinard was an employee of Mass Mutual Life Insurance for 41 years and was licensed as a Financial Planner in 1990;

WHEREAS, John E. Chouinard is being recognized for his leadership, vision, dedication and commitment to Grosse Pointe Park that has contributed to the betterment of the lives of the residents of Grosse Pointe Park;

WHEREAS, John E. Chouinard was involved in the development of the Kercheval, Charlevoix, and Mack Avenue Business District Improvements, supporting the public safety millage and road millage, and the bond construction for improvements to infrastructure at the City Hall and Public Safety Buildings;

WHEREAS, John E. Chouinard served on the Recreation Commission and was active in the plans for the proposed dog park, and implementing pickle ball;

WHEREAS, John E. Chouinard supported the Grosse Pointe Park Foundation for the many contributions made to the City of Grosse Pointe Park allowing for the placement of the Carol C. Schaap Theater, and the Atrium at the Tompkins Center;

RESOLVED, that the Mayor and members of City Council of the City of Grosse Pointe Park join in acknowledging John E. Chouinard for his years of dedicated service to the residents of Grosse Pointe Park as Councilmember for the City of Grosse Pointe Park.

Mayor Denner and members of City Council expressed their gratitude to John E. Chouinard for his dedicated years of service to the City of Grosse Pointe Park.

Motion by Mayor Denner, supported by Councilmember Robson, to adopt the resolution honoring John E. Chouinard for his dedicated years of service to the City of Grosse Pointe Park.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

John E. Chouinard thanked the Council.

RESOLUTION HONORING
BARBARA DETWILER

Mayor Denner presented to Council for consideration adoption of a resolution honoring Barbara Detwiler for her dedicated years of service.

The resolution reads as follows:

WHEREAS, Barbara Detwiler served on the City Council from March, 2015 – November, 2019;

WHEREAS, Barbara Detwiler has been a Grosse Pointe Park resident for 27 years, with her husband Fred where they raised two children;

WHEREAS, Barbara Detwiler is the owner of a CPA Firm;

WHEREAS, Barbara Detwiler is being recognized for her leadership, vision, dedication and commitment to Grosse Pointe Park that has contributed to the betterment of the lives of the residents of Grosse Pointe Park;

WHEREAS, Barbara Detwiler was involved in the development of the Kercheval, Charlevoix, and Mack Avenue Business District Improvements, supporting the Public Safety Millage and Road Millage, and the bond for the infrastructure construction improvements to City Hall and Public Safety Buildings and the proposed dog park

WHEREAS, Barbara Detwiler served as the Councilmember for Finance and provided stewardship resulting in balanced budgets and an increased fund balance which improved the City's financial position, the Communication Committee whereby she spearheaded the implementation of the new City Website, and served on the Real Estate Development Committee;

WHEREAS, Barbara Detwiler has been a Trustee of the Grosse Pointe Park Foundation since 2008. Barbara served as Vice-President in 2012 and President from 2013 through 2015, and she has been the Treasurer since 2014. The many projects that were completed while serving on the Foundation Board included the Fountain and Zero Depth Pool at Windmill Pointe Park, the Putting/Chipping Green at Patterson Park, the Gatehouse at Patterson Park, the lighting on Kercheval, the Carol C. Schaap Theatre, and the Atrium at the Tompkins Center;

RESOLVED, that the Mayor and members of City Council of the City of Grosse Pointe Park join in acknowledging Barbara Detwiler for her years of dedicated service to the residents of Grosse Pointe Park as Councilmember for the City of Grosse Pointe Park for 4-1/2 years.

Mayor Denner and members of City Council expressed their gratitude to Barbara Detwiler for her dedicated years of service to the City of Grosse Pointe Park.

Motion by Mayor Denner, supported by Councilmember Robson, to adopt the resolution honoring Barbara Detwiler for her dedicated years of service to the City of Grosse Pointe Park.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

Barbara Detwiler thanked the Council.

663 PEMBERTON – VARIANCE

Mayor Denner presented to Council for consideration, acting as the Zoning Board of Appeals, a request by Mr. De Mattio of 663 Pemberton for a variance Sec. 27-23 of the of the Zoning Ordinance which prohibits private pools/jacuzzi tubs in the side yard.

City Manager Sizeland stated the two immediate neighbors are in favor of the request and there were no letters of opposition.

Motion by Councilmember Grano, supported by Councilmember Robson, to grant the variance request by Mr. De Mattio of 663 Pemberton for a variance to Sec. 27-23 of the Zoning Ordinance for a side yard jacuzzi.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

663 PEMBERTON – PERMIT FEE REFUND

Motion by Councilmember Robson, supported by Councilmember Relan, to refund Mr. De Mattio of 663 Pemberton the permit fee for the variance request for a side yard jacuzzi in the amount of $300.00.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

PROPOSED ORDINANCE NO. 214

Mayor Denner presented to Council for consideration an ordinance to amend the code of the City of Grosse Pointe Park by revising and amending chapter two, article III, of the city code of the City of Grosse Pointe Park to add div. 6 – Beautification Commission.

Mayor Denner stated the ordinance would provide for fourteen members consisting of twelve commissioners, the city forester and a member of Council. The terms would be staggered and the Commission would meet a minimum of six times per year.

The proposed ordinance reads as follows:

Ordinance No. 214

City of Grosse Pointe Park

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF GROSSE POINTE PARK BY REVISING AND AMENDING CHAPTER TWO, ARTICLE III, OF THE CODE OF THE CITY OF GROSSE POINTE PARK TO ADD DIV. 6 – BEAUTIFICATION COMMISSION

THE CITY OF GROSSE POINTE PARK ORDAINS:

Section I. The City of Grosse Pointe Park Code of Ordinances, Chapter 2, Article III, is amended to add Division 6 as follows:

Beautification Commission.

(1) *Intent.* The Beautification Commission is to consider, report and recommend to the City Council, from time to time, on matters concerning beautification and aesthetic concerns as well as to promote and coordinate beautification efforts within the City of Grosse Pointe Park. The Beautification Commission will only act as an advisory group, and does not have any regulatory authority. The creation of the Beautification Commission shall in no way be interpreted as diminishing the role,

responsibilities, or charge of any currently existing board, commission, task force, or committee including, but not limited to, the Planning Commission.

(2) *General.*

(a) The Beautification Commission shall consist of no fewer than fourteen (14) members. One (1) member shall be a member of the City Council appointed by the Mayor subject to approval by a majority vote of the City Council. A City Councilmember shall cease to be a member of the Beautification Commission if she/he ceases to be a member of the City Council. Twelve (12) members shall be residents of the City appointed by the Mayor subject to approval by a majority vote of the City Council. A resident member shall cease to be a member of the Beautification Commission if he/she ceases to be a resident of the City. One (1) member shall be a member of the City Administration selected by the Mayor. The terms of the resident members shall be staggered so that 1/3 expire each year. Beginning with January 2020, four (4) resident members shall be appointed for an initial term of one (1) year to expire in January 2021; four (4) resident members shall be appointed for an initial term of two (2) years to expire in January 2022; and four (4) resident members shall be appointed for an initial term of three (3) years to expire on January 2023. Thereafter, such resident members shall serve for three (3) year terms.

(b) Resident members must demonstrate a genuine interest in beautification activities of the Beautification Commission. Resident members must be a resident of the City of Grosse Pointe Park for two (2) years or more prior to the day of his/her appointment.

(c) The Beautification Commission shall appoint, from among the resident members of the Beautification Commission, a Chairperson, a Vice-Chairperson, and a Secretary. The Chairperson, or in his/her absence, the Vice-Chairperson, shall preside at all meetings. The Secretary shall record true and accurate minutes of each meeting and file the same with the City Clerk within the time as provided by law.

(d) Regular meetings of the Beautification Commission shall be held at least six times a year and be open to the public. Special meetings may be called by the Chairperson. The Beautification Commission shall determine its rules and order of business for the conduct of its meetings, provided that a majority of the members present of the Beautification Commission shall constitute a quorum for the transaction of business at all meetings.

(3) *Powers and Duties.* The Beautification Commission shall have the following powers and duties:

(a) To advise and make recommendations to the City Council and City Manager on matters concerning beautification and aesthetic concerns as well as to promote and conduct beautification efforts within the City of Grosse Pointe Park.

(b) To work collaboratively with other city commissions and committees which have responsibilities for specific issues.

(c) To hold public hearings on beautification programs and facilities issues and concerns.

(d) To meet with and advise the City Manager and any other city personnel involved in beautification matters.

(e) To create subcommittees and working groups to help conduct the work of the Beautification Commission, provided that a member of the Beautification Commission chairs each such committee and working group.

(f) To have all other powers and duties granted by the City Council by resolution.

Motion by Mayor Denner, supported by Councilmember Relan, to adopt Ordinance No. 214, an ordinance to amend the Code of the City of Grosse Pointe Park by revising and amending Chapter 2, Article III, of the Code of the City of Grosse Pointe Park to add Div. 6 – Beautification Commission.

AYES: Councilmembers Grano, Relan, Read, Hodges, and Fluitt, and Mayor Denner

NAYS: None

BEAUTIFICATION RE-APPOINTMENTS

Mayor Denner presented to Council for consideration the re-appointments to the Beautification Commission with staggered terms.

The appointments are as follows:

1 Year Term

Anne Billiu
Bradley C. Etheridge
Armen Gulian
Jennifer Munson

2 Year Term

Laura S. Orme
Dee Cimini
Pat Deck
Barbara Miller

3 Year Term

Kimberly Clexton
Lisa Kyle
Shellie Hansen
Alicia D. Klein

Motion by Mayor Denner, supported by Councilmember Read, to re-appoint the Beautification Commissioners with staggered terms.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

MERS – RETIREE HEALTH FUNDING VEHICLE (RHVF)

Mayor Denner presented to Council for consideration adoption of a resolution creating a Government Trust Fund under Section 115 of the Internal Revenue Code for the purpose of funding the OPEB – Other Post Employment Benefits, retiree health care.

The resolution reads as follows:

WHEREAS, Section 36(2)(a) of the Municipal Employees' Retirement Act ("MERA"), 1984 PA 427, MCL 38.1536(2)(a), and Section 71(2)(a) of the MERS Plan Document, authorized the Municipal Employees'

Retirement Board ("Board") to establish additional programs;

WHEREAS, the Board has authorized MERS' establishment of a retiree health funding vehicle ("RHFV"), which a participating municipality or court, or another eligible public employer that constitutes a "municipality" under Section 2(23) of the Municipal Employees' Retirement System ("MERS") Plan Document and Section 2b(2) of MERA, MCL 38.1502b(2) ("Eligible Employer"), may adopt.

WHEREAS, the Board has established a governmental trust ("Trust Fund") under Section 115 of the Internal Revenue Code ("IRC") to hold the assets of the RHFV, which Trust Fund shall be administered under the discretion of the Board as fiduciary, directly by (or through a combination of) MERS or MERS duly-appointed Program Administrator (as defined in the MERS RHFV Plan Document), and is tax-exempt under Section 115 as confirmed by MERS' Private Letter Ruling from the Internal Revenue Service dated January 13, 2004;

WHEREAS, the Public Employee Health Care Fund Investment Act, 1999 PA 149, MCL 38.1211 et seq. ("PA 149") allows a public corporation to create a public employee health care fund, and provides for its administration, investment, and management, in order to accumulate funds to provide for the funding of health benefits for retirees and beneficiaries;

WHEREAS, a MERS RHFV health care trust fund created under PA 149 constitutes a governmental trust established by an Eligible Employer under IRC Section 115; provided that the PA 149 trust does not accept assets from any defined benefit health account established under IRC Section 401(h);

WHEREAS, the Board is the investment fiduciary of the Trust Fund under PA 149 and the Public Employee Retirement System Investment Act ("PERSIA"), 1965 PA 314, MCL 38.1132 et seq., and is responsible for the custody of assets in the Trust Fund, as well as the establishment and monitoring of the investment options that comprise the investment menu among which a participating Eligible Employer of the RHFV may select one or more for the investment of its assets;

WHEREAS, each participating Eligible Employer is also a fiduciary of the assets in the RHFV under PA 149, and is responsible for the allocation of its assets by use of the investment options offered within the RHFV investment menu, establishment of an investment policy for its RHFV assets, and compliance with PERSIA.

WHEREAS, adoption of this MERS Retiree Health Funding Vehicle Uniform Resolution ("Uniform Resolution") by the Eligible Employer is necessary and required in order that the benefits available under the RHFV may be extended to the Eligible Employer; and

WHEREAS, this Uniform Resolution has been approved by the Board under the authority of Section 36(2)(a) of MERA and Section 71(2)(a) of the MERS Plan Document. The RHFV shall not be implemented with respect to any Eligible Employer unless in strict compliance with the terms and conditions of this Uniform Resolution, the RHFV Plan Document, and Trust Agreement.

NOW, THEREFORE, BE IT RESOLVED that the governing body adopts the MERS Retiree Health

Funding Vehicle as provided below, with an effective date of: 01/01/2020
(MM/DD/YYYY)

for the following covered employees: Eligible retirees hired before March 1, 2014.
(List covered employee groups)

I. MERS RETIREE HEALTH FUNDING VEHICLE

CONTRIBUTIONS shall be made only by the Eligible Employer, remitted to MERS by the Eligible Employer, and credited to the Eligible Employer's account as a bookkeeping entry within the Trust Fund for the RHFV. As this RHFV account is funded solely by the Eligible Employer on a cash or actuarial basis as determined by the Eligible Employer, there is no requirement for an agreement establishing the schedule of contributions. Amounts in an Eligible Employer's RHFV account shall be used to provide or subsidize the provision of health insurance for eligible retirees or their beneficiaries, to provide health benefits as defined by IRC Section 213 and are excludable from income under IRC Sections 105 and 106 as amended from time to time.

INVESTMENT of funds accumulated and held in the Trust Fund shall be held in a separate reserve and invested on a pooled basis by MERS subject to PERSIA, as provided by Section 76 of the MERS Plan Document, Section 39 of MERA, MCL 38.1539, and PA 149. However, each participating Eligible Employer shall be responsible for the asset allocation of its assets within the RHFV investment menu, in accordance with PERSIA as required by PA 149.

THE ELIGIBLE EMPLOYER shall abide by the terms of the RHFV, including the MERS RHFV Plan Document, RHFV Trust Agreement, all investment, administration, and service agreements, and all applicable provisions of the IRC, PERSIA, PA 149 and other law. It is affirmed that no assets from any defined benefit health account established under IRC Section 401(h) shall be transferred to, or accepted by MERS.

DISTRIBUTIONS In order to receive a distribution for allowable expenses, an Eligible Employer must complete the applicable form approved by MERS. The Program Administrator shall establish any procedures necessary to process distribution requests and transfer funds within the period set by the Program Administrator.

II. IMPLEMENTATION DIRECTIONS

(A) The governing body of the Eligible Employer desires that all assets placed in its RHFV account (as a sub-fund of the pooled Trust Fund) be administered by MERS with respect to maintaining appropriate custody of the assets, and the establishment and monitoring of investment options included in the RHFV investment menu among which options the governing body may select one or more to invest its assets, and shall do so in compliance with PERSIA, PA 149, all applicable provisions of the IRC and other relevant law.

(B) The RHFV is designed as an IRC Section 115 and PA 149 compliant trust. All assumptions, including the rate of investment return used in any OPEB valuation, are the responsibility of the Eligible Employer. The Eligible Employer acknowledges and affirms its fiduciary responsibility for selecting the investment allocation for its RHFV assets from the options in MERS' RHFV investment menu, and its obligation to comply with all applicable provisions of PERSIA as a co-fiduciary of its RHFV account.

(C) All allocations must use a whole percentage, and the total percentage of allocated assets must equal 100%.

(D) The Eligible Employer makes the following initial investment allocation election from MERS' RHFV investment menu:

Portfolios Built for You *(Stocks/Bonds)*		Funds to Build Your Own Portfolio	
MERS Total Market Portfolio	100 %	Large Cap Stock Index	%
MERS Global Stock Portfolio (100/0)	%	Mid Cap Stock Index	%
MERS Capital Appreciation Portfolio (80/20)	%	Small Cap Stock Index	%
MERS Established Market Portfolio (60/40)	%	International Stock Index	%
MERS Balanced Income Portfolio (40/60)	%	Emerging Market Stock	%
MERS Capital Preservation Portfolio (20/80)	%	Short-Term Income	%
MERS Diversified Bond Portfolio (0/100)	%		

Please refer to the Fund Summary Sheets for information regarding each investment option, including potential redemption fees, and restrictions (www.mersofmich.com).

(E) Changes in the investment option(s) selected or allocations made in paragraph (D) may be made by the Eligible Employer in writing using the form approved and provided by MERS and submitted to the RHFV Program Administrator or online via the Eligible Employer's online RHFV account. The Eligible Employer chooses the following method to change its investment option(s) and/or allocation (choose only 1):

- ● Fund election changes will be made by submitting a completed RHFV Investment Change Form (RH-602) and supporting certified minutes identifying governing body approval.
- ☐ The employer will designate the RHFV Investment Contact in the manner required by MERS to make ongoing fund election changes through the online RHFV account.

(F) All monies in the RHFV Trust Fund (and any earnings thereon, positive or negative) shall be held and invested for the sole purpose of paying health care benefits for the exclusive benefit of Eligible Employees who shall constitute "qualified persons" who have retired or separated from employment with the Eligible Employer or their beneficiaries, and for any administration expenses. RHFV Trust Fund monies shall not be used for any other purpose and shall not be distributed to the State.

(G) Participation in and any coverage under the RHFV shall not constitute nor be construed to constitute an "accrued financial benefit" under Article 9, Section 24 of the Michigan Constitution of 1963, nor shall any contribution method for Eligible Employer funding other than "pay as you go" cash funding be required or imposed, and all benefits, rights, and obligations conferred by or arising under the RHFV shall be as provided under this Uniform Resolution and the RHFV Plan Document.

(H) The Eligible Employer will determine who constitutes an "Eligible Employee" to receive retiree health care benefits subsidized under its RHFV account. The Eligible Employer will provide proof of liability for retiree health care benefits by way of the collective bargaining agreement and/or personnel policy, OPEB valuation, or most recent and active contract with its health insurer.

(I) The Eligible Employer designates in writing an employer contact person who may request distributions of fund monies for the benefit of the Eligible Employees; makes investment allocations of the Eligible Employer's assets within the RHFV investment menu to the extent authorized in paragraph (D); receive necessary reports, notices, etc. using the MERS Contact Form and this document.

(J) The Eligible Employer acknowledges its responsibility to create and comply with an investment policy with respect to its RHFV account assets, as required by PA 149.

(K) It is expressly agreed and understood as an integral and nonseverable part of, extension or continuation of coverage under this Uniform Resolution Adopting MERS Retiree Health Funding Vehicle, that Section 43 of the MERS Plan Document regarding collective bargaining agreements shall not apply to this Uniform Resolution, the RHFV Plan Document, the Trust Agreement, or any administration or interpretation.

(L) In the event any alteration of the language, terms or conditions stated in this Uniform Resolution is made or occurs under Section 43 of the MERS Plan Document, other plan provision or other law, it is expressly recognized that MERS and the Board, as fiduciary of the MERS Plan and its trust reserves, and whose authority is nondelegable, shall have no obligation or duty to administer (or to have administered) the RHFV or its Trust Fund, or to continue administration.

III. PLAN TERMINATION

Plan Termination may occur for any of the following reasons provided for in the RHFV Plan Document: Automatic Termination, Plan Asset Transfer, or Satisfaction of RHFV Liabilities. The Program Administrator shall determine what documentation is necessary to demonstrate termination of any of the above circumstances. After receipt of such documentation, and approval of the termination, the Program Administrator shall supply the Eligible Employer with the necessary forms to complete the termination.

IV. EFFECTIVE DATE OF THIS RHFV UNIFORM RESOLUTION

This Uniform Resolution shall have no legal effect until an executed copy is filed with MERS, and MERS determines that all necessary requirements under Section 71 of the MERS Plan Document, PA 149, this Uniform Resolution, and other relevant laws, have been met. Upon MERS' determination that all necessary documents have been completed (if necessary) and submitted, MERS shall execute this Uniform Resolution and return a copy to the Eligible Employer's designated contact person.

In the event an amendatory resolution or other action by the Eligible Employer is required by MERS, such resolution or action may be deemed effective as of the date of this Uniform Resolution or such action, if agreed to in writing by all of the parties, including, the Program Administrator, if necessary. Section 86 of the MERS Plan Document shall apply to this Uniform Resolution and all acts performed under MERS' authority. The terms and conditions of this Uniform Resolution supersede any prior resolution, and its terms are controlling on the parties.

This MERS Retiree Health Funding Vehicle Uniform Resolution is hereby adopted and approved on the 13th **day of** 2020

By the governing body of

City of Grosse Pointe Park

Motion by Councilmember Hodges, supported by Councilmember Read, to adopt the resolution authorizing the

City of Grosse Pointe Park to establish a governmental trust under Section 115 of the Internal Revenue Code to hold the assets of the RHFV.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

City Manager Sizeland stated $50,000 will be deposited to establish the account. This item will have to be a budget amendment and going forward will dedicate $50,000 annually to be deposited in the Trust 115 for the purpose of Other Post-Employment Benefits.

MERS RESOLUTION AUTHORIZING
SIGNATURES ON THE TRUST 115 ACCOUNT

Mayor Denner presented to Council for consideration a resolution authorizing the City Manager and Finance Director as signatories on the Trust 115 account established for the purpose of dedicating funds for OPEB costs.

The resolution reads as follows:

WHEREAS, MERS requires signatures of an authorized representative of the Employer to execute contracts with MERS, the entry of which is authorized by the governing body and permitted under the applicable MERS Plan Document(s);

WHEREAS, the Employer wishes to designate certain job position(s), the holder(s) of which may sign MERS' contracts relating to the adoption, amendment and termination of MERS' products, and defined benefit service credit purchase approvals on behalf of Employer to implement decisions and actions of the governing body;

WHEREAS, this Resolution is not intended to apply to MERS forms or any other MERS document except as specifically mentioned herein,

Therefore, the Governing Body resolves:

The holders of the following job position(s) are hereby *Authorized Officials* that can sign: (1) MERS Adoption Agreements, Resolutions, Participation Agreements, Administrative Services Agreements, Withdrawal Agreements and any other contracts between MERS and the Employer with respect to Employer's participation in any MERS-administered product and any amendments and addendums thereto, and (2) MERS Defined Benefit service credit purchase approvals:

1. City Manager

Optional additional job positions:

2. Finance Director

This Resolution may be revoked in writing or amended by the Governing Body at any time, provided that it will not be effective until such writing or amended Resolution is received by MERS. The Governing Body agrees that MERS may rely upon this Resolution as conferring signing authority upon the holders of the above job position(s) to bind Employer with respect to MERS.

Adopted at a regular/special meeting of the Governing Body on January 13th, 20 20

Authorized signature (must be currently in a position named above): _____

Name: Nick Sizeland

Title: City Manager

Witness signature: _____

Witness name: Jane Blahut

Witness title: Finance Director

Motion by Mayor Denner, supported by Councilmember Hodges, to authorize the City Manager, Nick Sizeland, and Finance Director, Jane M. Blahut, as signatories on the Trust 115 documents for OPEB costs.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

RECYCLE RATES

Mayor Denner presented to Council for consideration increasing the recycling rates. An extended contract was authorized by the City Managers of the Grosse Pointe Communities for recycling to continue. This spring the contract will be let out for bid and if the bids received are less than the current rates billed, the fee will be adjusted at that time.

The resolution reads as follows:

WHEREAS, the current recycling fee is $4.64 per household, and

WHEREAS, the City of Grosse Pointe, Grosse Pointe Shores, Grosse Pointe Farms, and Grosse Pointe Park participate in a joint recycling contract, and

WHEREAS, Grosse Pointe Farms administers the contract and will be seeking new competitive bids for the communities this spring, and

WHEREAS, the City of Grosse Pointe Park received an additional billing for increased service charges through Green for Life for the fiscal year, and

WHEREAS, these fees will be required to be assessed to the homeowners, and such rates will be reviewed and possibly reduced depending on bid outcome for fiscal year 2021, and

WHEREAS, the monthly fee provided by Green for Life is $3.99 or $7.98 bi-monthly, and

NOW, THEREFORE, BE IT RESOLVED, Mayor Denner and Councilmembers authorize the increase of recycling service fees effective March 1, 2020 of $8.71 to be collected on a bi-monthly bill to continue recycling services

Motion by Mayor Denner, supported by Councilmember Robson, to approve the recycling rate of $8.71 to go into effect immediately.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

Councilmember Robson excused himself from the meeting.

MASTER PLAN

Mayor Denner presented to Council for consideration the draft Master Plan. He noted at the last Planning Commission meeting, it was voted unanimously to submit the draft Master Plan to Council. Once Council adopts the draft, it would be sent to the neighboring communities and those communities would have 63 days to respond. It would then go back to the Planning Commission for their approval and presented to Council for final approval.

Councilmember Relan stated the Master Plan requires more work to be done, noting there is room for improvement.

Councilmember Read stated she has received comments from residents recommending the process be slowed down. Once this plan is adopted the City would be locked in for a period of five years.

Councilmember Fluitt stated she has received comments from residents who work in this field stating more work needs to be done. She recommended a certified consultant be hired to granulize the details with a professional evaluation.

Mayor Denner stated resident Malik Goodwin is a certified urban planner and he serves on the Planning Commission and was heavily involved in the Master Plan.

Councilmember Hodges concurred with the other Councilmembers that more data and research need to be acquired. She recommended a professional consultant be hired and directed the administration to come up with a feasible plan and cost.

Planning Commission member David Gaskin stated a lot of work and time has been put into this plan. He noted Grosse Pointe Park is a community that is basically 100% developed. The city is 90% residential and that is not going to change the Master Plan.

Councilmember Read recommended a review of the neighboring communities process should be considered and more time provided to develop a Master Plan.

Motion by Mayor Denner, supported by Councilmember Grano, to adopt the draft Master Plan. The draft would then be forwarded to neighboring communities for a timeframe not to exceed 63 days for their response. It would then go back to the Planning Commission for approval and presented to Council for final approval.

AYES: Councilmember Grano, and Mayor Denner

NAYS: Councilmembers Relan, Read, Hodges, and Fluitt

Absent: Councilmember Robson

Motion by Councilmember Read, supported by Councilmember Fluitt, to request an extension from the State for submission of the Master Plan and direct the administration to obtain a professional consultant that includes planning proposals to assist in finalizing the Master Plan.

AYES: Councilmembers Grano, Relan, Read, Hodges, Robson, and Fluitt, and Mayor Denner

NAYS: None

FINANCE REPORT – DECEMBER, 2019

Councilmember for Finance Hodges presented to Mayor Denner and Council for consideration the invoices exceeding $5,000 for the month of December, 2019 for approval as presented.

The invoices are as follows:

Vendor	Description	Payment
Apollo Fire	Fire gear for new hires	$ 5,150
Bodman	Pros. Attorney & retainer fee	10,000
Build Safe	Building Inspector – November	9,600
Bendzinski & Co.	Consulting fees for bond (reimbursed)	22,800
Compass Minerals	Salt for streets	6,619
Great Lakes Water	Waste water – November	151,000
Great Lakes Water	Water usage – October	125,500
State of Michigan	Kercheval to Mack – Cadieux grant	112,610
Green for Life	Recycling for November	18,756
Green for Life	Rubbish for November	36,848
GP Clinton Refuse	July-Oct. transfer fee	38,872
Signature Ford	2020 Ford F250	26,264
State of Michigan	Marina lease	20,241
Green for Life	Recycle charge July-Oct.	28,770
GP Clinton Refuse	Refuse disposal – October	9,359
Premier Truck Sales	Truck rental for leaf pick up	7,550
Green for Life	Recycling for December	18,756

Motion by Councilmember Hodges, supported by Councilmember Read, to approve the invoices exceeding $5,000 for the month of December, 2019, for approval as presented in accordance with Section 2.249 of the Charter.

AYES: Councilmembers Grano, Relan, Read, Hodges, and Fluitt, and Mayor Denner

NAYS: None

Absent: Councilmember Robson

COMMITTEE MEETINGS

COMMUNICATIONS COMMITTEE:
Councilmember Read presented an overview of the Communications Committee meeting held on December 11, 2019. The committee discussed the timeline for the new website which was launched around the first of the year. Residents will be able to sign up for classes, make payments, submit concerns, and access city forms and documents online.

The committee discussed opportunities for community engagement, including the potential for a Public Safety Facebook page. The committee also encouraged administration to expand Nixle to include DPW alerts.

Administration will be working on a more detailed agenda, including a consent agenda as well as moving public comment on action items before a council vote. The City Manager will be working on presenting a revised agenda and making the packet available on the website.

The committee is also exploring livestreaming of meetings through the use of PEG fees in addition to other options.

PLANNING COMMISSION:
Councilmember Grano stated the topic of discussion was the proposed draft Master Plan

PUBLIC SERVICE COMMITTEE:
Councilmember Grano stated the Public Service Committee met on December 16, 2019. Topics of discussion were the following:

- DTE update
- Update on roads and plans going forward
- Infrastructure plans for the next five years, lead service lines, aging water and sewer plan

ORDINANCE REVIEW:
The Ordinance Review Committee is scheduled to meet January 27, 2020 at 6:00 PM

BEAUTIFICATION COMMISSION:
Councilmember Relan presented a brief overview of the Beautification Commission Meeting that was held on January 8, 2020. Topics of discussion were the following:

- 2020 meeting schedule will be on the city calendar online soon.
- 2019 Holiday awards will be mailed out shortly
- Next meeting is scheduled for February 5, 2020 at 7:30 PM in the Grosse Pointe Park Council Chambers at city hall

PUBLIC SAFETY COMMITTEE:
Councilmember Relan presented a brief overview of the Public Safety Committee meeting. Topics of discussion were the following:

- Update on staffing, 5 retirements, 5 new hires. Staffing still down by two, hiring is in the planning stages
- Training is ongoing for current staff and new hires
- Body cams are being replaced, coordinating with the other Grosse Pointe communities
- Community outreach, two CPR classes for the public are coming this spring. A new fire prevention program for schools, homes, and businesses is underway. Nixle protocols are being reviewed for better efficiency
- The annual Public Safety report will be presented in February
- Many yield signs and crosswalk updates have been undertaken
- SMART CONES on Kercheval and St. Paul are currently being installed
- Safe routes to schools are progressing and data is currently being collected. City Manager Sizeland and Director Poloni are working diligently in preparing for influx in traffic at Pierce and

Defer this fall. Congestion is the biggest challenge. Public Safety Committee will convene in June to review plans and implementations

SUSTAINABILITY COMMITTEE:
Councilmember Fluitt presented a brief overview of the Sustainability Committee meeting held on January 8, 2020. The topics of discussion were the following:

- Discussed mission statement
- Draft ordinance to convert the Committee into a Commission
- Proposal to audit all city functions
- Implementing a website page dedicated to sustainability –
- StoneyField Grant – City applied for organic lawn care at Patterson Park
- The next two meetings are scheduled for February 6th and March 12th
-
-

PERSONNEL COMMITTEE:
Councilmember Robson presented a brief overview of the Personnel Committee held on January 8, 2020.
The topics of discussion were the following:

- Performance review for City Manager and Finance Director/Clerk at the March 9th meeting by the Council

SCHOOL AD HOC COMMITTEE:
City Attorney Levasseur presented a brief overview of the developments, namely that:

- The GPPSS Administration plan to utilize Trombley School, first floor, for an Early Childhood Development Center
- Phased approach – 3 to 4 rooms for three to four- year old children. As things progress, remaining five rooms at Trombley could be utilized for infants, one and two- year old children and a class for young fives.
- There has been $1,000,000 pledged/committed and $400,000 more is needed

Councilmember Read inquired if the School Board was going to spend the money that was geared for Trombly School. Would they be required to spend their money if the school is re-purposed?

NEW/OLD BUSINESS

Ordinance Draft:
Councilmember Fluitt stated City Attorney Levasseur has prepared a draft ordinance to convert the Sustainability Committee into a Commission. Can this be voted on this evening?

Mayor Denner stated he wants the Ordinance to go through the proper channels of going to Ordinance Review Committee with a recommendation to City Council.

DDA VACANCY:
Councilmember Read stated there is a vacancy on the DDA Board.

Mayor Denner stated he is in the process of reviewing the applications received and will place on a future agenda.

AIR QUALITY RELATED TO NEW FCA PLANT
Councilmember Fluitt stated there was voluntary monitoring by FCA, however, there are no future meetings scheduled.

EASTSIDE COMMUNITY NETWORK:

Mayor Denner stated Malik Goodwin has attended those meetings and keeps the Council updated.

CHILLLY FEST:
Councilmember Relan stated the Charlie and the Chocolate Factory play is scheduled for the same day as the Chilly Fest at the park and encouraged everyone to attend both events.

JOE'S GARAGE UPDATE:
Mayor Denner stated Joe's Garage is currently being utilized for storage. This building is owned by Urban Renewal Initiative Foundation. Once there is a new facility to move to, pubic works will transfer all of the items currently stored at Joe's Garage to the new facility. The new building will be financed through the TIFA and will built as green as possible.

DPW FACILITY:
Councilmember Relan recommended posting the financing terms on the city website.

Mayor Denner stated architects are currently being interviewed.

PUBLIC COMMENT

ART CENTER/DPW BUILDING:
Resident of Lakepointe expressed concerns regarding the Art Center and the proposed DPW building

Councilmember Fluitt stated the sign for the Art Center has been displayed and inquired when a meeting will be held to discuss the details of the Art Center.

Mayor Denner stated there have been organizational meetings. Public comment on this project will be before the Planning Commission. There will be plans presented to the Planning Commission by Urban Renewal Initiative Foundation.

Councilmember Relan inquired if there will be citizen input. The community needs to understand the plan.

Mayor Denner stated that citizen input will be at the Planning Commission.

Resident of Westchester expressed concern of the cost to taxpayers for the Art Center

MASTER PLAN:
Resident of Nottingham thanked the Council and volunteers for their efforts dedicated to the Master Plan.

NIXLE:

Resident of Wayburn recommended utilizing Nixle for water main breaks.

TIFA/DDA MEETING SCHEDULE:
Resident of Pemberton expressed concern of the meeting times for TIFA and DDA.

Resident of Lakepointe expressed concern of the process for the proposed DPW building.

Mayor Denner stated the meeting times have been modified to evening hours. The TIFA is in the process of amending their Master Plan and it will come before Council for approval.

FACEBOOK:
Resident of Middlesex expressed concern of the Facebook responses he received from the City Attorney.

With no further business, motion by Mayor Denner, supported by Councilmember Read, to adjourn the meeting at l0:30 PM

Attachments

5a **Dispatchers Union Contract July 1, 2007 – June 30, 2010**
Retiree health care limited to a two-person contact.

5b **D.P.W. & Clerical union Contract July 1, 2009 – June 30, 2011**
Retiree health care limited to employee and spouse.

5c **Administrative Employee Benefits**
Retiree health care limited to employee and spouse with 30 years of service and age 55. Retiree to pay 5% of premium for each year deficient of 30 years of service.

5d **Supervisors/Non-Union Benefits**
Supervisors with 30 years of service and age 55 retiree health care limited to employee and spouse. Retiree to pay 5% of premium for each year deficient of 30 years of service. Employees hired after March 1, 2014 no health care at retirement.

5e **Command Officers union Contract January 1, 2012 – June 30, 2014**
Effective January 1, 2012 retiree health care limited to employee and spouse.

5f **Public Safety Officers Union Contract January 1, 2012 – June 30, 2014**
Effective January 1, 2012 retiree health care limited to employee and spouse.

5g **D.P.W. & Clerical Contract July 1, 2014 – June 30, 2017**
Employees hired prior to April 1, 2014 must work 30 tears with age 55 to qualify for fully paid retiree health care. Retiree to pay 5% of premium for each year deficient of 30 years of service. Retiree coverage limited to employee and spouse and terminates at age 65. Employees hired after April 1, 2014 no health care at retirement.

5h **Dispatchers Union Contract January 1, 2014 – June 30, 2017**
Employees hired after April 1, 2014 no health care at retirement.

5i **Command Officers Union Contract July 1, 2014 – June 30, 2017**
Employees hired after March 1, 2014 no health care at retirement.

5j **Public Safety Officers Union Contract July 1, 2014 – June 30, 2017**
Employees hired after March 1, 2014 no health care at retirement.

I hereby certify the attached documentation is a true photocopy of union contracts and benefits.

5A

AGREEMENT

BETWEEN

CITY OF GROSSE POINTE PARK

AND

POLICE OFFICERS LABOR COUNCIL DISPATCHERS

JULY 01, 2007 THROUGH JUNE 30, 2010

G. Retiree Health Care: Retiree Health Care shall be provided for employee's with 25 years of service and age 55 for a two person contract with a $500.00 deductible per person and $1000.00 per family with the same drug provisions as active employees until age 65.

ARTICLE XXI - PENSION

A. The City has adopted an improved pension plan for full-time members of the Union, being Option B-3 (2.25 multiplier) and FAC 5 of 10 and will maintain same during the life of this Agreement.

B. The City will maintain the pension provisions which provide that full-time employees covered by this Agreement who have twenty-five years of service and who have attained age 55 may retire with full pension rights.

C. The employee's contribution to this plan shall be 4.5% of pay.

ARTICLE XXII – DUTY RELATED INJURY

Any full time employee who is injured in the line of duty, such injury defined as compensable by the Workers' Compensation Law, shall be carried on the City payroll at no loss of net pay for his classification for a period not to exceed twelve months from the date of injury. The employee shall continue to earn his sick leave, vacation leave and longevity pay, hospitalization and life insurance and shall have continuous service for purposes of seniority. The purpose of this paragraph is to make an employee who suffers an on-the-job injury financially whole, to the extent possible. Part-time employees shall be compensated according to the provisions of the Workers' Compensation Law.

ARTICLE XXIII - CLOTHING AND EQUIPMENT

A. The City agrees to provide each new dispatcher with the required amount of public safety uniforms and equipment at the start of his employment.

B. The City will pay each full-time employee $275.00 cleaning allowance payable within the first pay period of July of each year of the contract.

C. This benefit will be Pro-rated for the first year of employment.

5B

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

CITY OF GROSSE POINTE PARK

AND

DEPARTMENT OF PUBLIC WORKS & CLERICAL EMPLOYEES

CHAPTER OF LOCAL UNION NO. 214 TEAMSTERS

JULY 1, 2009 THROUGH JUNE 30, 2011

co-pay out of pocket expense, $1,000.00 single person contract, $2,000.00 two person/family contract.

C. Dental Insurance The City will provide for all active employees covered by this Agreement 100/50/50/50 Dental Insurance for the full family with a cap of $1,000 per year per person.

D. Optical Coverage The City will participate in a plan (jointly approved by the City and the Union) to replace and/or provide eyeglasses for active employees, his spouse and children under age eighteen (18), provided that this Agreement shall not require the City to contribute more than fifty-six dollars ($56) per employee per year to such plan, except for annual increases to maintain the same.

E. Life Insurance The City will also maintain group life insurance coverage of fifty thousand dollars ($50,000) per employee covered by this Agreement.

F. Insurance Option: Any employee may elect not to receive health, drug and dental, insurance coverage provided in Sections A, B, & C above through the City. An employee making such election shall receive an annual payment of fifty (50%) percent of premium up to three thousand dollars ($3,000.00) from the City. If an employee, after making the election not to receive any such insurance coverage through the City, wishes to resume such coverage, the annual payment shall be adjusted on a pro rated basis, with any unearned portion to be returned to the City as a requirement for resumption of such coverage.

G. Retiree Insurance: The City shall maintain and bear the entire premium cost for hospital, medical, and surgical insurance for the employee and spouse:

1 The Plan shall include a five hundred dollar ($500.00) deductible;

2. The Prescription Drug Coverage Rider shall be the same as active employees; $10.00 mandatory generic and $40.00 name brand/formulary. If a retiree elects the name brand/formulary drug when a generic is available, the retiree shall pay the cost difference of the drug.

5C

ADMINISTRATIVE EMPLOYEE

BENEFITS

INSURANCE:

Hospital Medical Insurance – Blue Cross Blue Shield Flexible Blue Plan 3 Medical Coverage $2,000 deductible for a single person and $4,000 for a two person/family deductible

Employees may elect to contribute to the H.S.A. account through payroll deduction. IRS limits change per calendar year.

A. Fully paid while employed
B. For an employee who retires having reached retirement age with 30 years of service, the City will pay 100% of the premium cost for the employee and his (her) spouse for the life of the employee and life of the surviving spouse provided the spouse is married to employee prior to retirement and marriage is not dissolved by divorce, annulment, etc. and so long as the surviving spouse does not remarry. Furthermore, minor dependents may be retained on such policy subject to employee reimbursement. For employees with less than 30 years of service, but a minimum of 25 complete years of service, the employee shall receive continued health coverage at an employee cost of 5% of such premium per year for each year of service less than 30 years. (Ex. If an employee retired with 25 years of service, the employee would be responsible for reimbursing the City 25% of such health cost premium) At age 65, the employee/spouse must make proper application and enroll in Medicare Part A & B Program, and will be transferred to a suffix which includes a $500 deductible, $10 Preferred Generic Mandatory and $40 Formulary drug copays on prescription drugs.
C. Any active employee electing to forego health insurance will receive 50%, not to exceed $3,000 of such premium savings to the City.

RETIREE HEALTH INSURANCE FOR EMPLOYEES HIRED AFTER MARCH 1, 2014:

A Health Care Savings Program (HCSP) through Municipal Employees Retirement System (MERS) has been established to create funding for retirement health care. Employee is required to contribute 2% of base wage, Employer is required to contribute 2% of base wage into a HCSP administered by MERS. Health insurance provided by the City of Grosse Pointe Park while an active employee, will be terminated at retirement.

DENTAL INSURANCE:

100/50/50/50 participation fully paid by the City

2017 updated 5D

SUPERVISORS/NON-UNION PERSONNEL

BENEFITS

Supervisors consist of the following:

Supervisor of Parks – Maintenance	Supervisor of Parks & Rec
City Forrester	Court Administrator
Landscape Architect – Supervisor	Deputy Treasurer
P & R Lavins Manager	Public Works Supervisor

Non-Union Personnel consist of the following:

PSO Executive Secretary	P & R Maintenance
Court Personnel	P & R Office Staff
Assistant to the City Manager	

INSURANCE: Hospital Medical Insurance – Blue Cross Blue Shield
Flexible Blue Plan 3 Medical Coverage $2,000 deductible for a single person and $4,000 for a two person/family deductible

A. Fully paid while employed

B. For an employee who is considered a supervisor having reached the age of 55 with 30 years of service, (public safety age 50 with 25 years of service) the City will pay 100% of the premium cost for the employee and his/her spouse for the life of the employee and life of the surviving spouse provided the spouse is married to employee prior to retirement and marriage is not dissolved by divorce, annulment, etc, and so long as the surviving spouse does not remarry. Furthermore, minor dependents may be retained on such policy subject to employee reimbursement. For employees with less than 30 years of service, but a minimum of 25 complete years of service, the employee shall receive continued health coverage at an employee cost of 5% of such premium per year for each year of service less than 30 years. (Ex. If an employee retired with 25 years of service, the employee would be responsible for

reimbursing the City 25% of such health cost premium) At age 65, the employee/spouse must make proper application and enroll in Medicare Part B Program, and will be transferred to suffix which includes a $500 deductible, $10.00 Preferred Generic Mandatory and $40.00 Formulary drug co-pay on prescription drugs.

C. Any active employee electing to forego health insurance will receive 50% not to exceed $4,000 of such premium savings to the City.

RETIREE HEALTH INSURANCE ACT 149

Each employee who retires with 30 years of service and is age 55 is entitled to health insurance benefits. To contribute to the escalating health costs, each employee shall contribute 1.5% of base pay effective July 1, 2002. If an employee resigns prior to eligibility of receiving health insurance (30,55) such employee shall receive his/her 1.5% retro to July 1, 2002, in their final check.

RETIREE HEALTH INSURANCE FOR EMPLOYEES HIRED AFTER 3/1/2014

A Health Care Savings Program (HCSP) through Municipal Employees Retirement System (MERS) has been established to create funding for retirement health care. Employee is required to contribute 2% of base wage, Employer is required to contribute 2% of base wage into a HCSP administered by MERS. Health insurance provided by the City of Grosse Pointe Park while an active employee, will be terminated at retirement.

5E

AGREEMENT

BETWEEN

CITY OF GROSSE POINTE PARK
AND
GROSSE POINTE PARK

COMMAND OFFICERS ASSOCIATION OF MICHIGAN

JANUARY 1, 2012 THROUGH JUNE 30, 2014

under the age of 19. The City will also provide coverage for dependents from age 19 through 25 provided such dependents are regular students. This coverage shall terminate if the spouse remarries or receives health insurance from an employer or other source.

ARTICLE XVI
RETIREMENT HEALTH INSURANCE

16.1: RETIREE COVERAGE DEFINED.

* For purposes of health insurance, the term "retire" includes both length of service (25 years and age 50) and permanent duty disability retirees. Permanent duty disability retirees are those persons who can no longer perform job duties because of an injury or illness compensable under workers' compensation laws and who are eligible for duty disability retirement under the city's retirement plan. Health insurance continuation is not provided for persons unable to perform job duties because of non-duty disability

* Permanent duty disability retirees are not eligible to receive health insurance during any time period when equivalent hospital, medical, surgical insurance coverage is obtained through subsequent re-employment.

* Only the retiree, his/her spouse and qualifying dependents at the time of retirement are eligible for health insurance coverage and no persons shall be added for coverage after retirement. Additional coverage for new spouse or subsequent children can be obtained through the City plan at the retiree's expense. If a retiree divorces his/her spouse after retirement, coverage for the divorced spouse will immediately terminate upon divorce. **Effective January 1, 2012, healthcare benefits will be retained for the retiree and spouse only.** An employee who retires will continue to be carried under the Active Employee Insurance Program until the end of the plan year (January 1-December 1) in which he/she retired. At that point, the retiree may elect to switch to the Retirement Health Insurance by the end of the initial 6-month period of the plan year.

16.1: Health Insurance: The City will maintain hospital, medical, drug and surgical coverage, for all retirees and pay the entire premium along with any rate increases for such coverage

5F

AGREEMENT

BETWEEN

THE CITY OF GROSSE POINTE PARK

AND

GROSSE POINTE PARK PSOA

AND

POLICE OFFICERS ASSOCIATION OF MICHIGAN

1/1/12 - 6/30/14

Permanent duty disability retirees are not eligible to receive health insurance during any time period when equivalent hospital, medical, surgical insurance coverage is obtained through subsequent re-employment.

Only the retiree, his or her spouse and qualifying dependents at the time of retirement are eligible for health insurance coverage and no persons shall be added for coverage after retirement. Additional coverage for new spouse or subsequent children can be obtained through the City plan at the retiree's expense. If a retiree divorces his or her spouse after retirement, coverage for the divorced spouse will immediately terminate upon divorce. Effective January 1, 2012, Health Care Benefits will be retained for the Retiree and spouse only. An employee who retires will continue to be carried under the Active Employee Insurance program until the end of the plan year (January 1 to December 31) in which he/she retired. At that point, the retiree may elect to switch to the Retirement Health Insurance by the end of the first six month period of the plan year, if he/she chooses.

A. Health Insurance. The City will maintain hospital, medical, drug and surgical coverage, for all retirees and pay the entire premium along with any rate increases for such coverage which shall consist of the City of Grosse Pointe Park Modified Community Blue PPO-Plan 1(50453-967) $500.00 Deductible with an accompanying $10/$40 (mandatory generic) drug rider. Coverage for dependents except as limited above will be the same as it is for active employees.

Drugs: Express Scripts. RA 10/40 no cap

B. Dental Insurance. The City will provide each retiree and eligible family member with a 100-50-50-50 Dental Insurance Coverage to include dentures and braces with an annual cap of $1,000 for class I, II and III services and a $1,000 lifetime cap for class IV (orthodontic) services. Plan specifics are in the Employee benefits guide provided by BCBS.

5G

AGREEMENT

BETWEEN

THE CITY OF GROSSE POINTE PARK
DEPARTMENT OF PUBLIC WORKS
AND
CLERICAL EMPLOYEES

AND

TEAMTERS STATE, COUNTY AND
MUNICIPAL WORKERS
LOCAL 214

JULY 1, 2014 THROUGH JUNE 30, 2017

co-pay out of pocket expense, $1,000.00 single person contract, $2,000.00 two person/family contract.

C. Dental Insurance: The City will provide for all active employees covered by this Agreement 100/50/50/50 Dental Insurance for the full family with a cap of $1,000 per year per person.

D. Optical Coverage: The City will participate in a plan (jointly approved by the City and the Union) to replace and/or provide eyeglasses for active employees, his spouse and children under age eighteen (18), provided that this Agreement shall not require the City to contribute more than fifty-six dollars ($56) per employee per year to such plan, except for annual increases to maintain the same.

E. Life Insurance: The City will also maintain group life insurance coverage of fifty thousand dollars ($50,000) per employee covered by this Agreement.

F. Insurance Option: Any employee may elect not to receive health, drug and dental, insurance coverage provided in Sections A, B, & C above through the City. An employee making such election shall receive an annual payment of fifty (50%) percent of premium up to three thousand dollars ($3,000.00) from the City. If an employee, after making the election not to receive any such insurance coverage through the City, wishes to resume such coverage, the annual payment shall be adjusted on a pro rated basis, with any unearned portion to be returned to the City as a requirement for resumption of such coverage. This option shall be made available to retirees for as long as they are eligible to receive coverage from the City.

G. Retiree Insurance (hired prior to April 1, 2014): The City shall maintain and bear the entire premium cost for hospital, medical, and surgical insurance for the employee and spouse, provided that the employee retires with thirty (30) years of service. Employees with twenty-five (25) years of service, or with twenty (20) years of service and ten (10) years of part-time service, shall be eligible for retiree health care, but will be responsible for 5% per year of the premium cost for every year less than 30.

1 The Plan shall include a five hundred dollar ($500.00) deductible;

2. The Prescription Drug Coverage Rider shall be the same as active employees; $10.00 mandatory generic and $40.00 name brand/formulary. If a retiree elects

the name brand/formulary drug when a generic is available, the retiree shall pay the cost difference of the drug.

3. Each retiree shall have 100/50/50/50 dental coverage;

4. Coverage for the employee and spouse shall continue until the retiree is eligible for Medicare under federal law or attains age sixty-five (65), whichever occurs first.

5. Employees who, at the time of retirement, are covered by the Blue Cross Blue Shield Flexible Blue 3 Plan must remain in that plan until the time they would have received their next HSA portion from the City.

H. Retiree Insurance (hired on or after April 1, 2014): Employees hired on or after April 1, 2014 will be provided a retirement Health Care Savings Account (HCSA) through MERS in lieu of retirement health insurance. Both the City and the employee will contribute 2% of the employee's base wage into the account. The employee may contribute an additional 4% of base wage into the account, with no additional City contribution.

Section 2 – Long Term Disability - Insurance

The City will provide long term disability insurance for active employees, which would engage after 180 days of disability and be offset when eligible for social security. Payment shall equal 66% of base pay. A leave of absence up to six months shall be granted if sick time is exhausted during illness.

Section-3 - Pension Plan

A. The City has adopted an improved pension plan for the members of the Union, being Option B-4, F55-25 and will maintain same during the life of this Agreement.

B. The City will maintain the pension in accordance with MERS Pension Plan, which provide for employees covered by this Agreement. Final average compensation shall be five (5) of the last ten (10) years of service and withholding allowance shall be four and one-half percent(4.5%) annually.

C. Employees hired on or after April 1, 2014, will be provided a MERS Pension Plan Option B-2 (2% multiplier) and a 4.5% employee contribution.

D. Employees retiring on or after January 1, 2012 shall receive an annual Park Admittance Pass.

5H

AGREEMENT

Between

CITY OF GROSSE POINTE PARK

AND

FRATERNAL ORDER OF POLICE LABOR COUNCIL

Representing

DISPATCHERS

JANUARY 1ST, 2014

THROUGH

JUNE 30th, 2017

F. Insurance Option: Any full-time employee may elect not to receive health, dental and dru insurance coverage through the City. An employee making such election shall receive an annual payment of 50% of premium up to $3,000.00 from the City, to be paid the first pay period after such election. If an employee, after making the election not to receive any health and dental insurance coverage through the City, wishes to resume such coverage, the annual payment shall be adjusted on a pro-rated basis, with an unearned portion to be returned to the City as a requirement for resumption of such coverage.

G. Long Term Disability Insurance: The City will provide long term disability insurance for full-time employees which would engage after 180 days of disability and be offset when eligible for social security. Payment shall equal 66% of base pay. A leave of absence up to six months shall be granted if sick time is exhausted during illness.

H. Retiree Health Care: Retiree Health Care shall be provided for employees with 25 years of service and at age 55 for a two person contract with a $500.00 deductible until the retiree is eligible for Medicare under federal law or attain age sixty-five (65), whichever occurs first. The Prescription Drug Coverage Rider shall be the same as active employees; $10.00 mandatory generic and $40.00 name brand/formulary. If a retiree elects the name brand/formulary drug when a generic is available, the retiree shall pay the cost difference of the drug. Each retiree shall have 100/50/50/50 dental coverage.

1. **Employees hired on or after April 1, 2014, will be provided an individual Retiree Health Saving Account (RHSA) Plan in lieu of City provided health insurance. The City will contribute 2% of the base wage into the RHSA plan and the employee will contribute 2% of their base wage into the plan. Employees may add up to an additional 4% of his/her base wage to boost his/her balance. The City will not match this extra (up to 4% contribution).**

ARTICLE XX1 – PENSION

A. The City has adopted an improved pension plan for full-time members of the union, being Option B-3 (2.25 multiplier) and FAC 5 of 10 and will maintain same during the life to this Agreement. (Addition) Employees hired after April 1, 2014, will have a 2% multiplier with a 4.5% employee contribution.

A. The City will maintain the pension provisions which provide that full-time employees covered by this Agreement who have twenty-five years of service and who have attained age 55 may retire with full pension rights.

B. The employee's contribution to this plan shall be 4.5% of pay.

57

AGREEMENT

BETWEEN

CITY OF GROSSE POINTE PARK
AND
GROSSE POINTE PARK

COMMAND OFFICERS ASSOCIATION OF MICHIGAN

JULY 1, 2014 THROUGH JUNE 30, 2017

should bring this to the attention of the Director of Public Safety. If mutual agreement cannot be reached concerning this information, the employee may prepare a written statement explaining the employee's position and attach copies of all disputed materials. This will become a part of the employee's file.

ARTICLE X
WAGES

10.1: The salary of all Lieutenants shall be based on a fixed percent over that of the maximum base wage of a PSO I, reflected in the following annual rates:

Effective July 1, 2014	(23%)	$82,872.27
Effective July 1, 2015	(23%)	$85,358.43
Effective July 1, 2016	(23%)	$87.919.18

10.2: The salary of all Sergeants shall be based on a fixed percent over that of the maximum base wage of a PSO I, reflected in the following annual rates:

Effective July 1, 2014	(17%)	$78.829.72
Effective July 1, 2015	(17%)	$81,194.61
Effective July 1, 2016	(17%)	$83,630.44

The above salaries reflect a 2% increase in annual salaries. An additional 1% increase was added in recognition of union concessions, which are:

- Employees hired after March 1, 2014 shall have a pension multiplier of 2.00%.
- Employees hired after March 1, 2014 will not be provided with health insurance upon retirement.
- The City has established a Health Savings Program for said new employees. The City will contribute 2% of base wage, the employee will contribute 2% of base wage. The employee may contribute an additional 4% of base wage without additional contributions from the City.

55

AGREEMENT

BETWEEN

THE CITY OF GROSSE POINTE PARK

AND

GROSSE POINTE PARK PSOA/
POLICE OFFICERS ASSOCIATION OF MICHIGAN

JULY 1, 2014 through JUNE 30, 2017

copies. Before copies of documents may be given to an employee, a list of the documents photocopied will be signed by the Director of Public Safety or his designate and by the employee.

9.2: Grievance. If any employee believes any information contained in the personnel file is inaccurate, the employee should bring this to the attention of the Director of Public Safety. If mutual agreement cannot be reached concerning this information, the employee may prepare a written statement explaining the employee's position and attach copies of all disputed materials. This will become a part of the employee's file.

ARTICLE X
RESIDENCY

10.1: There is no residency requirement for members of the Association.

ARTICLE XI
PAY SCALE

11.1: Salary. The salaries of Public Safety Officers in the Association shall be:

	July 1, 2014	July 1, 2015	July 1, 2016
0-12 months	$47,163.07	$48,577.96	$50,035.29
13-24 months	54,951.37	56,599.91	58,297.90
25-36 months	60,638.34	62,457.37	64,331.09
37-48 months	64,007.02	65,927.23	67,905.04
59 months	67,375.83	69,397.10	71,479.01

The above salaries reflect a 2% increase in annual salaries. An additional 1% increase was added in recognition of union concessions, which are:

- Employees hired after March 1, 2014 shall have a pension multiplier of 2.00%.

- Employees hired after March 1, 2014 will not be provided with health insurance upon retirement.

69

Michigan Department of Treasury
Form 5572 (2-19)

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report

Enter Local Unit Name	City of Grosse Pointe Park
Enter Six-Digit Municode	822120
Unit Type	City
Fiscal Year End Month	June
Fiscal Year (four-digit year only, e.g. 2019)	2019
Contact Name (Chief Administrative Officer)	Jane M. Blahut
Title if not CAO	Finance Director
CAO (or designee) Email Address	blahutj@grossepointepark.org
Contact Telephone Number	313-822-4375

Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting.

Questions: For questions, please email LocalRetirementReporting@michigan.gov. Return this original Excel file. Do not submit a scanned image or PDF.

OPEB System Name (not division) 1	Blue Cross Blue Shield
OPEB System Name (not division) 2	
OPEB System Name (not division) 3	
OPEB System Name (not division) 4	
OPEB System Name (not division) 5	

If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary unit (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement health care system	Calculated from above	Blue Cross Blue Shield				
3	Financial Information						
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	-				
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	30,305,092				
6	Funded ratio	Calculated	0.0%				
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	2,064,895				
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	YES				
8	Governmental Fund Revenues	Most Recent Audit Report	17,482,188				
9	All systems combined ADC/Governmental fund revenues	Calculated	11.8%				
10	Membership						
11	Indicate number of active members	Most Recent Actuarial Funding Valuation	43				
12	Indicate number of inactive members	Most Recent Actuarial Funding Valuation	-				
13	Indicate number of retirees and beneficiaries	Most Recent Actuarial Funding Valuation	54				
14	Provide the amount of premiums paid on behalf of the retirants	Most Recent Audit Report or Accounting Records	637,176				
15	Investment Performance						
16	Enter actual rate of return - prior 1-year period	Most Recent Actuarial Funding Valuation or System Investment Provider	0.00%				
17	Enter actual rate of return - prior 5-year period	Most Recent Actuarial Funding Valuation or System Investment Provider	0.00%				
18	Enter actual rate of return - prior 10-year period	Most Recent Actuarial Funding Valuation or System Investment Provider	0.00%				
19	Actuarial Assumptions						
20	Assumed Rate of Investment Return	Most Recent Actuarial Funding Valuation	3.62%				
21	Enter discount rate	Most Recent Actuarial Funding Valuation	3.62%				
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Most Recent Actuarial Funding Valuation	Level Dollar				
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Most Recent Actuarial Funding Valuation	24				
24	Is each division within the system closed to new employees?	Most Recent Actuarial Funding Valuation	Yes				
25	Health care inflation assumption for the next year	Most Recent Actuarial Funding Valuation	8.50%				
26	Health care inflation assumption - Long-Term Trend Rate	Most Recent Actuarial Funding Valuation	4.50%				
27	Uniform Assumptions						
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Most Recent Actuarial Funding Valuation					
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Most Recent Actuarial Funding Valuation	30,601,931				
30	Funded ratio using uniform assumptions	Calculated	0.0%				
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Most Recent Actuarial Funding Valuation	2,046,287				
32	All systems combined ADC/Governmental fund revenues	Calculated	11.7%				
33	Summary Report						
34	Did the local government pay the retiree insurance premiums for the year?	Accounting Records	YES				
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	YES				
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	**Primary unit triggers:** Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. **Non-Primary unit triggers:** Less than 40% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
Local units must post the current year report on their website or in a public place
The local unit of government must electronically submit the form to its governing body.
Local units must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years
Local units must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local unit of government acknowledges that this report is complete and accurate in all known respects.

6a

City of Grosse Pointe Park, Michigan
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2019

	Major Fund - General Fund	Major Fund - Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenue				
Property taxes	$ 7,928,082	$ -	$ 2,564,898	$ 10,492,980
License and permits	38,124	-	-	38,124
Federal sources	-	-	8,500	8,500
State sources	1,121,697	-	1,240,327	2,362,024
Charges for services	746,363	-	493,287	1,239,650
Fines and forfeitures	404,467	-	-	404,467
Interest and rent	320,347	-	-	320,347
Sale of Assets	235,054	-	-	235,054
Other	2,381,042	-	-	2,381,042
Total revenue	13,175,176	-	4,307,012	17,482,188
Expenditures				
Current:				
General government	1,309,924	-	-	1,309,924
Public safety	6,798,089	-	16,621	6,814,710
Public works	587,962	-	3,602,922	4,190,884
Recreation and culture	1,999,127	18,709	-	2,017,836
Capital outlay	-	673,250	-	673,250
Debt service:				
Principal	-	-	400,000	400,000
Interest	-	-	192,550	192,550
Total expenditures	10,695,102	691,959	4,212,093	15,599,154
Excess of Revenue Over(Under) Expenditures	2,480,074	(691,959)	94,919	1,883,034
Other Financing Sources (Uses)				
Transfers in (Note 5)	-	691,959	2,100,636	2,792,595
Transfers out (Note 5)	(1,691,959)	-	(1,100,636)	(2,792,595)
Total other financing (uses) sources	(1,691,959)	691,959	1,000,000	-
Net Change in Fund Balances	788,115	-	1,094,919	1,883,034
Fund Balances - Beginning of year	1,673,760	-	703,791	2,377,551
Fund Balances - End of year	$ 2,461,875	$ -	$ 1,798,710	$ 4,260,585

The Notes to Financial Statements are an Integral Part of this Statement.

6a

Note 10 - Other Postemployment Benefits (Continued)

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019 the city recognized OPEB expenses of $2,046,287.

At June 30, 2019 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,345,619
Assumption changes	4,799,094	123,529
Total	$ 4,799,094	$ 2,469,148

Amounts reported as deferred outflows and deferred inflows of resources by year to be recognized in future OPEB expense:

Years Ending June 30	Amount
2020	$ 816,999
2021	816,999
2022	695,948
2023	-
2024	-
2025	-
Thereafter	-
Total	$ 2,329,946

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

GA

800.521.0498 | P: 248.799.9000 | www.grsconsulting.com

January 30, 2020

Ms. Jane Blahut, Finance Director
City of Grosse Pointe Park Retiree Health Care Plan
15115 East Jefferson Avenue
Grosse Pointe Park, Michigan 48230

Re: Other Postemployment Benefits (OPEB) Projection for the City of Grosse Pointe Park Retiree Health Care Plan

Dear Ms. Blahut:

As requested, enclosed is a supplemental report containing a projection which estimates the level of funding necessary for the City of Grosse Pointe Park Retiree Health Care Plan, in addition to pay-go, to reach a 40% funded status within 28 years, under certain assumptions.

The results of this projection were developed based on the December 31, 2018 OPEB valuation (utilizing a 7.00% investment return assumption) and the City having no formal assets as of June 30, 2019.

Please call if you have any questions regarding the calculations enclosed.

Sincerely,

Kurt Dosson, ASA, MAAA

KD:dj
Enclosure

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

City of Grosse Pointe Park Retiree Health Care Plan

Requested By: Ms. Jane Blahut, Finance Director
City of Grosse Pointe Park Retiree Health Care Plan

Date: January 30, 2020

Submitted By: Kurt Dosson, ASA, MAAA and Shana M. Neeson, ASA, FCA, MAAA
Gabriel, Roeder, Smith & Company (GRS)

The following projection uses the same actuarial methods and assumptions as the December 31, 2018 City of Grosse Pointe Park Retiree Health Care Plan valuation report dated August 21, 2019, unless otherwise noted; in particular, a 7.00% investment return assumption was used, consistent with an anticipated investment return expectation under the recently established MERS Retiree Health Funding Vehicle.

The projection was based upon information furnished by the City of Grosse Pointe Park Retiree Health Care Plan for the December 31, 2018 actuarial valuation concerning retiree health benefits, plan provisions and active members, terminated members, retirees and beneficiaries. In addition, the projection was based upon the City having no formal assets set aside as of June 30, 2019 and annual additional payments beginning with the fiscal year ending June 30, 2021.

The projection schedule provided in this report is based on the following assumptions:

1. The City contributes the pay-go cost (estimated premiums paid for retirees) annually;
2. The City contributes an additional contribution of $50,000 starting with the fiscal year ending June 30, 2021 and $60,000 annually thereafter;
3. The City will be willing and able to afford the combined pay-go cost and additional contribution as discussed in items 1 and 2 above; and
4. A 7.00% investment return assumption.

Under the current set of projection assumptions, including the above items, a 40% funded ratio is projected to be achieved by the end of fiscal year 2048 (year 28 in the projection) based on additional annual contributions of $60,000 ($50,000 for the first year) as shown on the following page. The 28-year period was selected in accordance with the July 2019 memo issued by the Municipal Stability Board titled, *Corrective Action Plan Development: Best Practices and Strategies*, issued in connection with Michigan's Public Act 202 of 2017. The memo suggests that a local unit of government with a severely underfunded retirement health care system should reach a 40% funded ratio within 30 years.

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

Kurt Dosson and Shana M. Neeson are independent of the plan sponsor and are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

City of Grosse Pointe Park Retiree Health Care Plan

Projection Schedule

		Actuarial Accrued Liability (AAL) Projection				Market Value of Asset Projection						
Fiscal Year	Years Since First Funding	Normal Cost	Benefit Payments	Interest	AAL End of Year (EOY)	Pay-Go Contribution	Additional Contribution	Benefit Payments	Interest	Asset Value* EOY	Unfunded Liability (EOY)	Funded Percentage
					(a)					(b)	(c) = (a) - (b)	(d) = (b) / (a)
7/1/2019 - 6/30/2020	0				$ 18,721,587					$ 0	$ 18,721,587	0.0%
7/1/2020 - 6/30/2021	1	$ 157,769	$ 921,331	$ 1,283,786	19,241,811	$ 921,331	$50,000	$ 921,331	$ 1,750	51,750	19,190,061	0.3%
7/1/2021 - 6/30/2022	2	148,642	1,004,031	1,316,988	19,703,410	1,004,031	60,000	1,004,031	5,723	117,473	19,585,937	0.6%
7/1/2022 - 6/30/2023	3	139,068	1,089,503	1,345,973	20,098,948	1,089,503	60,000	1,089,503	10,323	187,796	19,911,152	0.9%
7/1/2023 - 6/30/2024	4	130,566	1,172,975	1,370,442	20,426,981	1,172,975	60,000	1,172,975	15,246	263,042	20,163,939	1.3%
7/1/2024 - 6/30/2025	5	123,283	1,262,122	1,390,029	20,678,171	1,262,122	60,000	1,262,122	20,513	343,555	20,334,616	1.7%
7/1/2025 - 6/30/2026	6	115,756	1,337,288	1,404,718	20,861,357	1,337,288	60,000	1,337,288	26,149	429,704	20,431,653	2.1%
7/1/2026 - 6/30/2027	7	106,999	1,402,526	1,414,952	20,980,782	1,402,526	60,000	1,402,526	32,179	521,883	20,458,899	2.5%
7/1/2027 - 6/30/2028	8	97,240	1,472,896	1,420,507	21,025,633	1,472,896	60,000	1,472,896	38,632	620,515	20,405,118	3.0%
7/1/2028 - 6/30/2029	9	86,812	1,519,677	1,421,644	21,014,412	1,519,677	60,000	1,519,677	45,536	726,051	20,288,361	3.5%
7/1/2029 - 6/30/2030	10	76,368	1,584,517	1,418,224	20,924,487	1,584,517	60,000	1,584,517	52,924	838,975	20,085,512	4.0%
7/1/2030 - 6/30/2031	11	66,674	1,686,007	1,408,037	20,713,191	1,686,007	60,000	1,686,007	60,828	959,803	19,753,388	4.6%
7/1/2031 - 6/30/2032	12	58,291	1,748,218	1,390,776	20,414,040	1,748,218	60,000	1,748,218	69,286	1,089,089	19,324,951	5.3%
7/1/2032 - 6/30/2033	13	51,114	1,764,861	1,369,002	20,069,295	1,764,861	60,000	1,764,861	78,336	1,227,425	18,841,870	6.1%
7/1/2033 - 6/30/2034	14	44,704	1,783,948	1,343,977	19,674,028	1,783,948	60,000	1,783,948	88,020	1,375,445	18,298,583	7.0%
7/1/2034 - 6/30/2035	15	38,933	1,801,382	1,315,496	19,227,075	1,801,382	60,000	1,801,382	98,381	1,533,826	17,693,249	8.0%
7/1/2035 - 6/30/2036	16	33,578	1,791,100	1,284,382	18,753,935	1,791,100	60,000	1,791,100	109,468	1,703,294	17,050,641	9.1%
7/1/2036 - 6/30/2037	17	28,739	1,753,426	1,252,411	18,281,659	1,753,426	60,000	1,753,426	121,331	1,884,625	16,397,034	10.3%
7/1/2037 - 6/30/2038	18	24,625	1,720,547	1,220,359	17,806,096	1,720,547	60,000	1,720,547	134,024	2,078,649	15,727,447	11.7%
7/1/2038 - 6/30/2039	19	21,277	1,719,975	1,186,972	17,294,370	1,719,975	60,000	1,719,975	147,605	2,286,254	15,008,116	13.2%
7/1/2039 - 6/30/2040	20	18,362	1,717,608	1,151,132	16,746,256	1,717,608	60,000	1,717,608	162,138	2,508,392	14,237,864	15.0%
7/1/2040 - 6/30/2041	21	15,400	1,672,802	1,114,229	16,203,083	1,672,802	60,000	1,672,802	177,687	2,746,079	13,457,004	16.9%
7/1/2041 - 6/30/2042	22	12,566	1,618,548	1,078,006	15,675,107	1,618,548	60,000	1,618,548	194,326	3,000,405	12,674,702	19.1%
7/1/2042 - 6/30/2043	23	10,067	1,591,473	1,041,908	15,135,609	1,591,473	60,000	1,591,473	212,128	3,272,533	11,863,076	21.6%
7/1/2043 - 6/30/2044	24	7,905	1,557,244	1,005,266	14,591,536	1,557,244	60,000	1,557,244	231,177	3,563,710	11,027,826	24.4%
7/1/2044 - 6/30/2045	25	6,176	1,503,315	969,008	14,063,405	1,503,315	60,000	1,503,315	251,560	3,875,270	10,188,135	27.6%
7/1/2045 - 6/30/2046	26	4,803	1,471,687	933,097	13,529,618	1,471,687	60,000	1,471,687	273,369	4,208,639	9,320,979	31.1%
7/1/2046 - 6/30/2047	27	3,706	1,467,044	895,856	12,962,136	1,467,044	60,000	1,467,044	296,705	4,565,344	8,396,792	35.2%
7/1/2047 - 6/30/2048	28	2,880	1,445,031	856,874	12,376,859	1,445,031	60,000	1,445,031	321,674	4,947,018	7,429,841	40.0%

** Projected values. There may be cases where the schedule does not add due to rounding.*

Assuming all assumptions are met (including but not limited to the following), the Plan is projected to obtain a 40% funded level, on a market value basis, by the fiscal year ending June 30, 2048.

- Empoyer Contributions are assumed to be equal to the sum of the estimated premiums paid for retirees and an additional contribution of $60,000 annually ($50,000 for the first year);
- The assumed rate of investment return was 7.00%; and
- Contributions, normal cost accruals, and benefit payments occur halfway though the year.

A projection is not a prediction. The analysis assumed the ability and willingness of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is able and willing to do so is outside our scope of expertise and was not performed.

City of Grosse Pointe Park Retiree Health Care Plan

Comments

Comment 1: 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. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Comment 2: Except where otherwise indicated, the actuarial assumptions, methods, and plan provisions were consistent with those used in the December 31, 2018 actuarial valuation of the City of Grosse Pointe Park Retiree Health Care Plan, dated August 21, 2019.

Comment 3: Consistent with the recently established Retiree Health Funding Vehicle for the City of Grosse Pointe Park Retiree Health Care Plan, the calculations in this report were performed based on an interment return assumption of 7.00%. This assumption is consistent with the current expected return on investments.

Comment 4: The AAL was determined by an actuarial valuation as of December 31, 2018. The results of the valuation were rolled-forward. The roll-forward procedure increases the December 31, 2018 actuarial accrued liability with normal cost and interest and decreases it with expected benefit payments.

Comment 5: This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the City of Grosse Pointe Park Retiree Health Care Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board, and with applicable statutes.

Comment 6: If you have reason to believe that the information provided in this report is inaccurate, or is in any way incomplete, or if you need further information in order to make an informed decision on the subject matter of this report, please contact the authors of the report prior to making such decision.

Comment 7: Please note that we are not attorneys or investment experts and no statement in this report should be construed to provide tax advice, legal advice or investment advice.

Comment 8: Given the importance of benefit security to any retirement program, decision makers may wish to contribute more to the retiree health care trust than the projection shows in this report.