

City of Wyoming

Retiree Health Care Plan

GASB Statement Nos. 74 and 75, Accounting and Financial
Reporting for Postemployment Benefits Other Than Pensions
June 30, 2018



August 24, 2018

Board of Trustees
City of Wyoming Retiree Health Care Plan

Dear Trustees:

This report provides information on behalf of the City of Wyoming Retiree Health Care Plan in connection with the Governmental Accounting Standards Board (GASB) Statement Nos. 74 and 75. GASB Statement No. 74 is the accounting standard, which applies to other postemployment benefits (OPEB) plans that are administered through trusts or equivalent arrangements. GASB Statement No. 75 establishes accounting and financial reporting requirements for state and local government employers that provide their employees with 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 Nos. 74 and 75. 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 Nos. 74 and 75 may produce significantly different results. This report may be provided to parties other than the City of Wyoming 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 June 30, 2017, 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. For additional discussions regarding the nature of the development of baseline claims costs, please refer to the City of Wyoming Retiree Health Care Plan supplemental valuation as of June 30, 2017 dated November 15, 2017.

This report is based upon information, furnished to us by the City of Wyoming Retiree Health Care Plan, 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 Wyoming 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 author of the report prior to making such decision.

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.

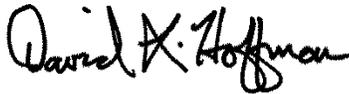
Section J of the report details the calculation of the single discount rate and is not required to be included in your financial statements. However, this information may be requested by your auditors, therefore, we have included it in this report.

The signing individuals are independent of the plan sponsor.

James D. Anderson and Richard C. Koch, Jr. 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,


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



David L. Hoffman



Richard C. Koch, Jr., ASA, MAAA

JDA/MB/RCK:sc

Auditor's Note – This information is intended to assist in preparation of the financial statements of the City of Wyoming 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.

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SECTION A

EXECUTIVE SUMMARY

Executive Summary as of June 30, 2018

Actuarial Valuation Date	June 30, 2017
Measurement Date of the Net OPEB Liability	June 30, 2018
Employer's Fiscal Year Ending Date (Reporting Date)	June 30, 2018

Membership (as of valuation date)

Number of		
- Retirees and Beneficiaries	333	
- Inactive, Nonretired Members	54	
- Active Members	193	
- Total	580	
Covered Payroll ⁽¹⁾	\$ 13,970,286	

Net OPEB Liability

Total OPEB Liability	\$ 78,069,629
Plan Fiduciary Net Position	39,710,641
Net OPEB Liability	\$ 38,358,988
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	50.87 %
Net OPEB Liability as a Percentage of Covered Payroll	274.58 %

Development of the Single Discount Rate

Single Discount Rate	7.25 %
Long-Term Expected Rate of Investment Return	7.25 %
Long-Term Municipal Bond Rate ⁽²⁾	3.62 %
Last year ending June 30 in the 2019 to 2118 projection period for which projected benefit payments are fully funded	2118

Total OPEB Expense \$ (21,916,975)

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	\$ 550,097	\$ 0
Changes in assumptions	0	0
Net difference between projected and actual earnings on OPEB plan investments	0	377,696
Total	\$ 550,097	\$ 377,696

⁽¹⁾ The amount provided represents the annual pays for members active on the valuation date who are eligible for future retiree health benefits and does not necessarily represent Covered Payroll as defined in GASB Statement Nos. 74 and 75.

⁽²⁾ 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 Municipal 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

For post-employment (OPEB) benefit plans that are administered through trusts or equivalent arrangements, Governmental Accounting Standards Board (GASB) Statement No. 74, “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,” replaces the requirements of GASB Statement No. 43, “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans”. Similarly, GASB Statement No. 75 establishes standards for state and local government employers (as well as non-employer contributing entities) to account for and disclose net OPEB liability, OPEB expense, and other information associated with providing OPEB to their employees (and former employees) on their financial statements.

GASB Statement Nos. 74 and 75 are effective for fiscal years beginning after June 15, 2016 and June 15, 2017, respectively.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. 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 plan sponsor will be 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.

The OPEB expense recognized each fiscal year is equal to the change in the net OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the liability and investment experience.

GASB Statement No. 74 requires defined benefit OPEB plans which are administered as trusts or equivalent arrangements to present two financial statements: a statement of fiduciary net position and a statement of changes in fiduciary net position. The statement of fiduciary net position presents the assets and liabilities of the OPEB plan at the end of the OPEB plan's reporting period. The statement of changes in fiduciary net position presents the additions, such as contributions and investment income, and deductions, such as benefit payments and expense, and net increase or decrease in the fiduciary net position.

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.

GASB Statement Nos. 74 and 75 require the notes of the financial statements for employers and OPEB plans to include certain additional information. The list of disclosure items should include:

- 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 description of the benefits provided by the plan;
- a brief description of changes in benefit terms or assumptions that affected the measurement of the total OPEB liability since the prior measurement date;
- the number of plan members by category and if the plan is closed;
- a description of the plan's funding policy, which includes member and employer contribution requirements;
- the OPEB plan's investment policies;
- the OPEB plan's fiduciary net position and the net OPEB liability;
- the net OPEB liability using +/- 1% on the discount rate;
- the net OPEB liability using +/- 1% on the healthcare trend rate;
- significant assumptions and methods used to calculate the total OPEB liability;
- inputs to the discount rates; and
- certain information about mortality assumptions and the dates of experience studies.

OPEB plans that are administered through trusts or equivalent arrangements are required to disclose additional information in accordance with GASB Statement No. 74. This information includes:

- the composition of the OPEB plan's Board and the authority under which benefit terms may be amended;
- a description of how fair value is determined;
- information regarding certain reserves and investments, which include concentrations of investments greater than or equal to 5%, receivables, and insurance contracts excluded from plan assets; and
- annual money-weighted rate of return.

Required Supplementary Information

GASB Statement No. 74 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; and
- for plans with an actuarially determined contribution, the schedule covering each of the ten most recent fiscal years of the actuarially determined contribution, contributions to the OPEB plan and related ratios.

Frequency and Timing 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 pension 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 June 30, 2017 and a measurement date of June 30, 2018.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's 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 the purpose of this valuation, the expected rate of return on OPEB plan investments is 7.25%; 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"); and the resulting Single Discount Rate is 7.25%.

Actuarial Assumptions

The actuarial assumptions used to value the liabilities are outlined in detail in Section I. The assumptions include details on the healthcare trend assumption, the aging factors, as well as the cost method used to develop the OPEB expense.

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, e.g.,
 - 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 described in Section F. 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 Nos. 74 and 75 are effective for fiscal years beginning after June 15, 2016, and June 15, 2017, respectively.

SECTION B

FINANCIAL STATEMENTS

Auditor's Note – This information is intended to assist in preparation of the financial statements of the City of Wyoming 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	\$	978,411
2. Interest on the Total OPEB Liability		7,158,129
3. Current-Period Benefit Changes		(27,648,799)
4. Employee Contributions (made negative for addition here)		0
5. Projected Earnings on Plan Investments (made negative for addition here)		(2,654,767)
6. OPEB Plan Administrative Expense		56,330
7. Other Changes in Plan Fiduciary Net Position		0
8. Recognition of Outflow (Inflow) of Resources due to Liabilities		288,145
9. Recognition of Outflow (Inflow) of Resources due to Assets		(94,424)
10. Total OPEB Expense	\$	(21,916,975)

Recognition of Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in 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 1,687 years. Additionally, the total plan membership (active employees and inactive employees) was 580. 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 2.9091 years.

Additionally, differences between projected and actual earnings on OPEB plan investments should be recognized in 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	\$	838,242
2. Assumption Changes (gains) or losses	\$	0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}		2.9091
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	\$	288,145
5. Outflow (Inflow) of Resources to be recognized in the current OPEB expense for assumption changes	\$	0
6. Outflow (Inflow) of Resources to be recognized in the current OPEB expense due to Liabilities	\$	288,145
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	\$	550,097
8. Deferred Outflow (Inflow) of Resources to be recognized in future OPEB expenses for assumption changes	\$	0
9. Deferred Outflow (Inflow) of Resources to be recognized in future OPEB expenses due to Liabilities	\$	550,097

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on OPEB plan investments (gains) or losses	\$	(472,120)
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	\$	(94,424)
4. Deferred Outflow (Inflow) of Resources to be recognized in future OPEB expenses due to Assets	\$	(377,696)

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	\$ 288,145	\$ 0	\$ 288,145
2. Assumption changes	0	0	0
3. Net difference between projected and actual earnings on OPEB plan investments	0	94,424	(94,424)
4. Total	\$ 288,145	\$ 94,424	\$ 193,721

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	\$ 550,097	\$ 0	\$ 550,097
2. Assumption changes	0	0	0
3. Net difference between projected and actual earnings on OPEB plan investments	0	377,696	(377,696)
4. Total	\$ 550,097	\$ 377,696	\$ 172,401

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
2019	\$ 193,721
2020	167,528
2021	(94,424)
2022	(94,424)
2023	0
Thereafter	0
Total	\$ 172,401

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.

Statement of Fiduciary Net Position as of June 30, 2018

	2018
Assets	
Cash and Short-Term Investments	\$ (265,901)
Receivables	
Accounts Receivable - Sale of Investments	\$ 0
Accrued Interest and Other Dividends	0
Contributions	0
Accounts Receivable - Federal Gov't	453
Total Receivables	\$ 453
Investments	
Fixed Income	\$ 0
Domestic Equities	0
International Equities	0
Real Estate	0
Managed Portfolio	39,978,089
Total Investments	\$ 39,978,089
Total Assets	\$ 39,712,641
 Liabilities	
Payables	
Accounts Payable - Purchase of Investments	\$ 0
Accrued Expenses	0
Securities Lending Liability	2,000
Total Liabilities	\$ 2,000
Net Position Restricted for OPEB	\$ 39,710,641

Statement of Changes in Fiduciary Net Position for Year Ended June 30, 2018

	2018
Additions	
Contributions	
Employer	\$ 2,881,849
Nonemployer contributing entities - Medicare D	106,977
Active Employees	0
Other	0
Total Contributions	\$ 2,988,826
Investment Income	
Net Appreciation in Fair Value of Investments	\$ 2,388,745
Interest and Dividends	865,140
Less Investment Expense	(126,998)
Net Investment Income	\$ 3,126,887
Other	\$ 0
Total Additions	\$ 6,115,713
 Deductions	
Benefit Payments	\$ 2,999,929
OPEB Plan Administrative Expense	56,330
Other	0
Total Deductions	\$ 3,056,259
Net Increase in Net Position	\$ 3,059,454
 Net Position Restricted for OPEB	
Beginning of Year	\$ 36,651,187
End of Year	\$ 39,710,641

SECTION C

REQUIRED SUPPLEMENTARY INFORMATION

Auditor's Note – This information is intended to assist in preparation of the financial statements of the City of Wyoming 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.

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	\$ 978,411
2. Interest on the total OPEB liability	7,158,129
3. Changes of benefit terms	(27,648,799)
4. Difference between expected and actual experience of the total OPEB liability	838,242
5. Changes of assumptions	0
6. Benefit payments, including refunds of employee contributions	(2,999,929)
7. Net change in total OPEB liability	(21,673,946)
8. Total OPEB liability – beginning	99,743,575
9. Total OPEB liability – ending	\$ 78,069,629
B. Plan fiduciary net position	
1. Contributions – employer	\$ 2,881,849
2. Contributions – nonemployer contributing entities	106,977
3. Contributions – employee	0
4. Net investment income	3,126,887
5. Benefit payments, including refunds of employee contributions	(2,999,929)
6. OPEB plan administrative expense	(56,330)
7. Other	0
8. Net change in plan fiduciary net position	3,059,454
9. Plan fiduciary net position – beginning	36,651,187
10. Plan fiduciary net position – ending	\$ 39,710,641
C. Net OPEB liability	\$ 38,358,988
D. Plan fiduciary net position as a percentage of the total OPEB liability	50.87 %
E. Covered-employee payroll⁽¹⁾	\$ 13,970,286
F. Net OPEB liability as a percentage of covered-employee payroll	274.58 %

⁽¹⁾ The amount provided represents the annual pays for members active on the valuation date who are eligible for future retiree health benefits and does not necessarily represent Covered Payroll as defined in GASB Statement Nos. 74 and 75.

Schedules of Required Supplementary Information

Schedule of Changes in Net OPEB Liability and Related Ratios Multiyear

Last 10 Fiscal Years

Fiscal year ending June 30,	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total OPEB liability										
Service cost	\$ 978,411	\$ 1,382,496								
Interest on the total OPEB liability	7,158,129	6,874,321								
Changes of benefit terms	(27,648,799)	(131,545)								
Difference between expected and actual experience	838,242	(760,390)								
Changes of assumptions	0	0								
Benefit payments, including refunds of employee contributions	(2,999,929)	(3,496,545)								
Net change in total OPEB liability	(21,673,946)	3,868,336								
Total OPEB liability - beginning	99,743,575	95,875,239								
Total OPEB liability - ending (a)	\$ 78,069,629	\$ 99,743,575								
Plan fiduciary net position										
Employer contributions	\$ 2,881,849	\$ 2,078,616								
Nonemployer contributing entities contributions	106,977	164,032								
Employee contributions	0	0								
OPEB plan net investment income	3,126,887	3,630,321								
Benefit payments, including refunds of employee contributions	(2,999,929)	(3,496,545)								
OPEB plan administrative expense	(56,330)	(34,503)								
Other	0	0								
Net change in plan fiduciary net position	3,059,454	2,341,921								
Plan fiduciary net position - beginning	36,651,187	34,309,266								
Plan fiduciary net position - ending (b)	\$ 39,710,641	\$ 36,651,187								
Net OPEB liability - ending (a) - (b)	\$ 38,358,988	\$ 63,092,388								
Plan fiduciary net position as a percentage of total OPEB liability	50.87 %	36.75 %								
Covered-employee payroll ⁽¹⁾	\$ 13,970,286	\$ 13,970,286								
Net OPEB liability as a percentage of covered-employee payroll	274.58 %	451.62 %								

Notes to Schedule:

⁽¹⁾ The amount provided represents the annual pays for members active on the valuation date who are eligible for future retiree health benefits and does not necessarily represent Covered Payroll as defined in GASB Statement Nos. 74 and 75.

Schedules of Required Supplementary Information

Schedule of the Net OPEB Liability Multiyear

Last 10 Fiscal Years

FY Ending June 30,	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as a % of Total OPEB Liability	Covered Payroll ⁽¹⁾	Net OPEB Liability as a % of Covered Payroll
2009						
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017	\$ 99,743,575	\$ 36,651,187	\$ 63,092,388	36.75 %	\$ 13,970,286	451.62 %
2018	78,069,629	39,710,641	38,358,988	50.87 %	13,970,286	274.58 %

⁽¹⁾ The amount provided represents the annual pays for members active on the valuation date who are eligible for future retiree health benefits and does not necessarily represent Covered Payroll as defined in GASB Statement Nos. 74 and 75.

Schedule of Contributions Multiyear

Last 10 Fiscal Years

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll ⁽¹⁾	Actual Contribution as a % of Covered Payroll
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017	\$ 10,954,379	\$ 2,242,648	\$ 8,711,731	\$ 13,970,286	16.05 %
2018	10,076,828	2,988,826	7,088,002	13,970,286	21.39 %

⁽¹⁾ The amount provided represents the annual pays for members active on the valuation date who are eligible for future retiree health benefits and does not necessarily represent Covered Payroll as defined in GASB Statement Nos. 74 and 75.

Notes to Schedule of Contributions

Methods and Assumptions Used to Determine Contribution Amounts for the Fiscal Year Ending June 30, 2018⁽¹⁾:

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	23 Years
Asset Valuation Method	Market Value
Inflation	2.75%
Salary Increases	3.5% to 7.3%, including 3.5% wage inflation
Investment Rate of Return	4.0%, net of OPEB plan investment expense, including inflation for all pay-as-you-go groups 7.25%, net of OPEB plan investment expense, including inflation for all fully-funding groups.
Retirement Age	Age-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2015 valuation.
Mortality	RP-2014 Healthy Annuitant Mortality Table projected to 2020 using the MP-2014 mortality improvement scale; the mortality tables for disabled lives to the RP-2014 Disabled Retirees projected to 2020 using the MP-2014 mortality improvement scale; and the mortality tables for current active employees to the RP-2014 Mortality Tables for Employees projected to 2020 using the MP-2014 mortality improvement scale.
Health Care Trend Rates	Initial trend of 9.0% gradually decreasing to an ultimate trend rate of 3.5% in year 10.
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Excise Tax	A 2.0% load was applied to liabilities in connection with the "Cadillac" tax.

Other Information:

Notes	There were plan changes during the year effective January 1, 2018. Effective January 1, 2018, all post-65 retirees will switch over to a Medicare Advantage Prescription Drug Plan (excluding ten retirees explicitly reported as remaining on the City's self-insured post-65 plan). There is no change to pre-65 health care options. The impact of these plan changes were not reflected in the June 30, 2017 actuarial valuation for determining contributions, but are reflected in the June 30, 2018 GASB 74/75 valuation.
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⁽¹⁾ Based on valuation assumptions used in the June 30, 2017 actuarial valuation.

SECTION D

SCHEDULES BY EMPLOYER

Auditor's Note – This information is intended to assist in preparation of the financial statements of the City of Wyoming 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.

Schedule of Employer Allocations of Net OPEB Liability (Including Sensitivity Analysis)

Employer	Present Value of Future Benefits	Proportionate Share ⁽¹⁾	Net OPEB Liability - Single Discount Rate Sensitivity			Net OPEB Liability - Trend Rate Sensitivity		
			1% Decrease 6.25%	Current Single Discount Rate 7.25%	1% Increase 8.25%	1% Trend Decrease	Current Healthcare Cost Trend Rate	1% Trend Increase
			Fire	\$ 8,206,074	10.12690017%	\$ 4,900,862	\$ 3,884,576	\$ 3,039,650
General	16,660,908	20.56078851%	9,950,290	7,886,910	6,171,444	5,983,309	7,886,910	10,202,127
Other Funds A	14,667,459	18.10072552%	8,759,755	6,943,255	5,433,041	5,267,416	6,943,255	8,981,460
Other Funds B	21,209,730	26.17437015%	12,666,954	10,040,224	7,856,394	7,616,894	10,040,224	12,987,549
Police	20,288,266	25.03721565%	12,116,634	9,604,023	7,515,070	7,285,975	9,604,023	12,423,301
Total⁽²⁾	\$ 81,032,437	100.00000000%	\$ 48,394,495	\$ 38,358,988	\$ 30,015,599	\$ 29,100,581	\$ 38,358,988	\$ 49,619,338

⁽¹⁾ The proportionate shares determined above have been made on the basis of present value of future benefits as of the valuation date.

⁽²⁾ Employer-level numbers may not add to collective-development numbers due to rounding.

Schedule of OPEB Amounts by Employer

	<u>Fire</u>	<u>General</u>	<u>Other Funds A</u>	<u>Other Funds B</u>	<u>Police</u>	<u>Total ⁽¹⁾</u>
Net Pension Liability	\$ 3,884,576	\$ 7,886,910	\$ 6,943,255	\$ 10,040,224	\$ 9,604,023	\$ 38,358,988
Proportionate Share	10.12690017%	20.56078851%	18.10072552%	26.17437015%	25.03721565%	100.00000000%
Deferred Outflows of Resources						
1. Differences Between Expected and Actual Experience	\$ 55,708	\$ 113,104	\$ 99,572	\$ 143,984	\$ 137,729	\$ 550,097
2. Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-	-	-	-	-	-
3. Changes of Assumptions	-	-	-	-	-	-
4. Changes in Proportion and Differences Between Employer Contributions and Share of Contributions	-	-	338,150	199,128	-	537,278
5. Total Deferred Outflows of Resources	55,708	113,104	437,722	343,112	137,729	1,087,375
Deferred Inflows of Resources						
1. Differences Between Expected and Actual Experience	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	(38,249)	(77,657)	(68,366)	(98,860)	(94,565)	(377,697)
3. Changes of Assumptions	-	-	-	-	-	-
4. Changes in Proportion and Differences Between Employer Contributions and Share of Contributions	(82,934)	(280,947)	-	-	(173,397)	(537,278)
5. Total Deferred Inflows of Resources	(121,183)	(358,604)	(68,366)	(98,860)	(267,962)	(914,975)
OPEB Expense						
1. Proportionate Share of Plan OPEB Expense	\$ (2,219,510)	\$ (4,506,303)	\$ (3,967,132)	\$ (5,736,630)	\$ (5,487,401)	\$ (21,916,976)
2. Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	(43,441)	(147,162)	177,125	104,305	(90,826)	1
3. Total Employer OPEB Expense	(2,262,951)	(4,653,465)	(3,790,007)	(5,632,325)	(5,578,227)	(21,916,975)

⁽¹⁾ Employer-level numbers may not add to collective-development numbers due to rounding.

Schedule of Deferred Resources by Employer by Year

Schedule of Deferred (Inflows) and Outflows

Employer	2019	2020	2021	2022
Fire	\$ (23,823)	\$ (22,528)	\$ (9,562)	\$ (9,562)
General	(107,332)	(99,340)	(19,414)	(19,414)
Other Funds A	212,190	191,349	(17,091)	(17,092)
Other Funds B	155,010	138,673	(24,715)	(24,716)
Police	(42,324)	(40,626)	(23,641)	(23,642)
Total ⁽¹⁾	\$ 193,721	\$ 167,528	\$ (94,423)	\$ (94,426)

⁽¹⁾ Employer-level numbers may not add to collective-development numbers due to rounding.

SECTION E

NOTES TO FINANCIAL STATEMENTS

Auditor's Note – This information is intended to assist in preparation of the financial statements of the City of Wyoming 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.

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total OPEB liability. This Single Discount Rate was based on the expected rate of return on OPEB plan investments of 7.25%. The projection of cash flows used to determine this Single Discount Rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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	333
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	54
Active Plan Members	193
Total Plan Members	<u>580</u>

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 7.25%, 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	Current Single Discount Rate Assumption	1% Increase
6.25%	7.25%	8.25%
\$ 48,394,495	\$ 38,358,988	\$ 30,015,598

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
\$ 29,100,582	\$ 38,358,988	\$ 49,619,339

SECTION F

SUMMARY OF BENEFITS

Summary of Benefits

This report complements the actuarial valuation report prepared as of June 30, 2017, 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 G

DEVELOPMENT OF BASELINE CLAIMS COSTS

Development of Baseline Claims Costs

This report complements the City of Wyoming Retiree Health Care supplemental valuation report prepared as of June 30, 2017 dated November 15, 2017, 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 H

SUMMARY OF PARTICIPANT DATA

Summary of Participant Data

This report complements the actuarial valuation report prepared as of June 30, 2017, 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 I

VALUATION METHODS AND ACTUARIAL ASSUMPTIONS

Valuation Methods and Actuarial Assumptions

This report complements the actuarial valuation report prepared as of June 30, 2017, 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. Differences from the actuarial report are noted below:

- The rate of investment return was 7.25% per year, compounded annually net after investment expenses.

Miscellaneous and Technical Assumptions

Experience Studies

The demographic and economic assumptions used herein are generally based on the Experience Study for the Retirement System performed by Gabriel, Roeder, Smith & Company and dated October 5, 2015.

Roll-Forward Disclosure

The total OPEB liability shown in this report is based on an actuarial valuation performed as of June 30, 2017 and a measurement date of June 30, 2018. The roll-forward procedure increases the June 30, 2017 actuarial accrued liability with normal cost and interest and decreases it with expected benefit payments.

SECTION J

CALCULATION OF THE SINGLE DISCOUNT RATE

Calculation of the Single Discount Rate

GASB Statement No. 74 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 the purpose of this valuation, the expected rate of return on OPEB plan investments is 7.25%; the municipal bond rate is 3.62%; and the resulting Single Discount Rate is 7.25%.

The tables in this section provide background for the development of the Single Discount Rate.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the Single Discount Rate (SDR). It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

There may be cases where schedules do not add or where they do not exactly balance to other related schedules due to rounding.

The projection of cash flows used to determine the SDR assumed the following:

- In all years, the total contributions will be equal to the projected benefit payments;
- No explicit assumption has been made for administrative expenses; and
- Contributions and benefit payments occur halfway through the year.

Single Discount Rate Development

Projection of Contributions Ending June 30 for 2019 to 2118

Year	Projected Contributions from Current Employees	Projected Employer Contributions	Projected Total Contributions
1	\$ 0	\$ 4,059,359	\$ 4,059,359
2	0	4,218,285	4,218,285
3	0	4,343,394	4,343,394
4	0	4,432,180	4,432,180
5	0	4,559,748	4,559,748
6	0	4,812,798	4,812,798
7	0	5,138,596	5,138,596
8	0	5,509,935	5,509,935
9	0	6,002,977	6,002,977
10	0	6,483,108	6,483,108
20	0	8,473,601	8,473,601
30	0	6,612,047	6,612,047
40	0	4,705,786	4,705,786
50	0	2,180,352	2,180,352
60	0	430,840	430,840
70	0	26,204	26,204
80	0	329	329
90	0	0	0
100	0	0	0

Single Discount Rate Development

Projection of Plan Net Position Ending June 30 for 2019 to 2118

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 7.250%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$ 39,710,641	\$ 4,059,359	\$ 4,059,359	\$ 0	\$ 2,879,021	\$ 42,589,662
2	42,589,662	4,218,285	4,218,285	0	3,087,751	45,677,413
3	45,677,413	4,343,394	4,343,394	0	3,311,612	48,989,025
4	48,989,025	4,432,180	4,432,180	0	3,551,704	52,540,730
5	52,540,730	4,559,748	4,559,748	0	3,809,203	56,349,933
6	56,349,933	4,812,798	4,812,798	0	4,085,370	60,435,303
7	60,435,303	5,138,596	5,138,596	0	4,381,559	64,816,862
8	64,816,862	5,509,935	5,509,935	0	4,699,223	69,516,085
9	69,516,085	6,002,977	6,002,977	0	5,039,916	74,556,001
10	74,556,001	6,483,108	6,483,108	0	5,405,310	79,961,311
20	150,125,896	8,473,601	8,473,601	0	10,884,127	161,010,024
30	302,293,370	6,612,047	6,612,047	0	21,916,269	324,209,639
40	608,697,658	4,705,786	4,705,786	0	44,130,580	652,828,238
50	1,225,673,057	2,180,352	2,180,352	0	88,861,297	1,314,534,353
60	2,468,014,165	430,840	430,840	0	178,931,027	2,646,945,192
70	4,969,591,103	26,204	26,204	0	360,295,355	5,329,886,458
80	10,006,764,175	329	329	0	725,490,403	10,732,254,578
90	20,149,611,344	0	0	0	1,460,846,822	21,610,458,166
100	40,573,239,280	0	0	0	2,941,559,848	43,514,799,127

Single Discount Rate Development

Present Values of Projected Benefits Ending June 30 for 2019 to 2118

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Projected Benefit Payments	Unfunded Portion of Projected Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of All Benefit Payments using Single Discount Rate (SDR)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^{(a)-.5}	(g)=(e)*vf ^{(a)-.5}	(h)=((c)/(1+SDR)) ^{(a)-.5}
1	\$ 39,710,641	\$ 4,059,359	\$ 4,059,359	\$ -	\$ 3,919,754	\$ -	\$ 3,919,754
2	42,589,662	4,218,285	4,218,285	-	3,797,869	-	3,797,869
3	45,677,413	4,343,394	4,343,394	-	3,646,162	-	3,646,162
4	48,989,025	4,432,180	4,432,180	-	3,469,180	-	3,469,180
5	52,540,730	4,559,748	4,559,748	-	3,327,767	-	3,327,767
6	56,349,933	4,812,798	4,812,798	-	3,275,009	-	3,275,009
7	60,435,303	5,138,596	5,138,596	-	3,260,334	-	3,260,334
8	64,816,862	5,509,935	5,509,935	-	3,259,618	-	3,259,618
9	69,516,085	6,002,977	6,002,977	-	3,311,232	-	3,311,232
10	74,556,001	6,483,108	6,483,108	-	3,334,333	-	3,334,333
20	150,125,896	8,473,601	8,473,601	-	2,164,316	-	2,164,316
30	302,293,370	6,612,047	6,612,047	-	838,717	-	838,717
40	608,697,658	4,705,786	4,705,786	-	296,441	-	296,441
50	1,225,673,057	2,180,352	2,180,352	-	68,212	-	68,212
60	2,468,014,165	430,840	430,840	-	6,694	-	6,694
70	4,969,591,103	26,204	26,204	-	202	-	202
80	10,006,764,175	329	329	-	1	-	1
90	20,149,611,344	0	0	-	0	-	0
100	40,573,239,280	-	-	-	-	-	-
Totals⁽¹⁾					\$ 83,016,241	\$ 0	\$ 83,016,241

⁽¹⁾ These totals are values that are summed over a period of 100 years. However, only select values from this 100-year period are shown above.

SECTION K

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: <ol style="list-style-type: none">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; and2. 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: <ol style="list-style-type: none">1. Service Cost2. Interest on the Total OPEB Liability3. Current-Period Benefit Changes4. Employee Contributions (made negative for addition here)5. Projected Earnings on Plan Investments (made negative for addition here)6. OPEB Plan Administrative Expense7. Other Changes in Plan Fiduciary Net Position8. Recognition of Outflow (Inflow) of Resources due to Liabilities9. 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.

August 24, 2018

Ms. Rosa R. Ooms
Finance Director
City of Wyoming
1155 28th Street, S.W.
Wyoming, Michigan 49509

Dear Rosa,

Please find enclosed nine copies of the GASB Statements Nos. 74 and 75 report of the City of Wyoming Retiree Health Care Plan.

GASB Statement No. 74 is the accounting standard, which applies to other postemployment benefits (OPEB) plans that are administered through trusts or equivalent arrangements. GASB Statement No. 75 establishes accounting and financial reporting requirements for OPEB that are provided to employees of state and local governments.

Sincerely,



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

JDA:sc
Enclosures

cc: Rehmann Robson
Attn: Peter Woldman (+1 report copy)

