



**Finance and Budget Committee
Tuesday, August 27, 2024
Lorraine H. Morton Civic Center 5:00 PM**

Join Zoom Meeting

<https://us06web.zoom.us/j/83264592621?pwd=6Km0sKic7BQgxhEvQUky3965xcI7q.1>

Meeting ID: 832 6459 2621

Passcode: 848307

Dial by your location

• +1 312 626 6799 US (Chicago)

Meeting ID: 832 6459 2621

Passcode: 848307

AGENDA

Page

1. CALL TO ORDER/DECLARATION OF A QUORUM

2. PUBLIC COMMENT

3. APPROVAL OF MINUTES

M1. Approval of the July 9, 2024 Finance & Budget Committee Meeting Minutes.

3 - 4

For Action

4. DISCUSSION

- D1. **Discussion Regarding the Northwestern Stadium Permit Revenues** 5 - 6
Discussion Only.
For Discussion
[Discussion Regarding the Northwestern Stadium Permit Revenues - Attachment - Pdf](#)
- D2. **Discussion Regarding Mid-Year Financials** 7 - 18
Discussion Only.
For Discussion
[Discussion Regarding Mid-Year Financials - Attachment - Pdf](#)
- D3. **Discussion Regarding the Public Safety Pension** 19 - 22
Discussion Only.
For Discussion
[Discussion Regarding the Public Safety Pension - Attachment - Pdf](#)
- D4. **Discussion Regarding the 2023 IMRF Financial Data** 23 - 59
Discussion Only.
For Discussion
[Discussion Regarding the 2023 IMRF Financial Data - Attachment - Pdf](#)

5. ADJOURNMENT



City of
Evanston™
MINUTES

Finance and Budget Committee

Tuesday, July 9, 2024 @ 5:00 PM

Lorraine H. Morton Civic Center

**COMMITTEE MEMBER
PRESENT:**

David Livingston, Resident, Clare Kelly, Councilmember, Bobby Burns, Councilmember, Leslie McMillan, Committee Member, and Shari Reiches, Committee Member

**COMMITTEE MEMBER
ABSENT:**

Jonathan Nieuwsma, Councilmember, Devon Reid, Councilmember, and Melissa Wynne, Councilmember

STAFF PRESENT:

Jessica Tapia, Senior Financial Analyst, Hitesh Desai, Chief Financial Officer/Treasurer, Michael Van Dorpe, Financial Analyst, Clayton Black, Budget Manager, Carina E. Sánchez, Deputy City Manager, Lara Biggs, City Engineer, and Luke Stowe, City Manager

1. CALL TO ORDER/DECLARATION OF A QUORUM

The meeting was called to order at 5:02 PM

2. PUBLIC COMMENT

Mary Rosinski commented on the Policy for Unbudgeted Expenses and Cost Overruns.

Jack Mortel commented on the FY 2023 Budget and Audit.

3. APPROVAL OF MINUTES

M1. Approval of the June 17, 2024 Finance & Budget Committee meeting minutes.

4. PRESENTATIONS

P1. Presentation on City of Evanston Fund Structure, Fund Balances, and Finance Terminology

Clayton Black, Budget Manager, presented and facilitated conversation on this item.

Committee members asked clarifying questions about the terminology and examples used in the presentation.

5. CONSIDERATION

FB1. Recommendation to City Council to Accept and Place on File the 2023 Audit Report

Martha Trotter, CPA and Partner at Sikich LLP, presented on the Annual Comprehensive Financial Report for Fiscal Year 2023. Hitesh Desai, CFO, facilitated discussion on this item.

Committee members asked clarifying questions about the audit process conducted by Sikich, some specific financials within the audit, and some fund balance policies.

Councilmember Burns moved that the Finance & Budget Committee recommend to the City Council that they accept and place on file the FY 2023 Audit Report.

Moved by Councilmember Burns
Seconded by Committee Member Livingston

Ayes: Livingston, Kelly, Burns, McMillan, and Reiches
Motion Passed 5-0 on a recorded vote

Recommendation approved.

6. DISCUSSION

D1. Discussion Regarding Budgeting for CIP Projects

Clayton Black, Budget Manager, presented and facilitated discussion on this item.

Committee members indicated that they would prefer that staff begin budgeting CIP Projects based on the expected amount to be expensed in the fiscal year, rather than the total amount of a multi-year project.

D2. Update on 2024 Bond Issuance

Hitesh Desai, CFO, provided an update on the 2024 General Obligation Bond issuance.

7. ADJOURNMENT

The meeting was adjourned at 6:45 PM.



Memorandum

To: Members of the Finance and Budget Committee
From: Hitesh Desai, Chief Financial Officer/Treasurer
CC: Clayton Black, Sarah Flax
Subject: Discussion Regarding the Northwestern Stadium Permit Revenues
Date: August 27, 2024

Recommended Action:
Discussion Only.

Committee Action:
For Discussion

Summary:

Staff are seeking input from the Finance & Budget Committee on how the City should use one-time permit revenues received in 2024 from Northwestern University to construct the new stadium.

Background

Northwestern Permit Fee Revenues

When Northwestern University provided its initial plans for building the new Ryan Field on Central Street, it was estimated that the revenues generated from permit fees related to this project would be around \$11 million. As of August 23, the City has received approximately \$10.8 million. Some smaller permits remain, including those for the temporary stadium on the lakefront that will likely bring total permit revenues to the original \$11 million estimate by the end of 2024.

A portion of these funds will be needed to cover additional inspection and plan review costs, given the scope of the project. Additionally, a portion of these funds will be needed to make up for any lost gameday tax revenue during the new stadium's construction. With the planned construction of the smaller capacity temporary stadium, lost athletic, liquor, and hotel taxes will likely be minimized. For now, the City would estimate these amounts to be approximately \$1 million, leaving roughly \$10 million to be allocated by the City Council.

When the City Council adopted the FY 2024 Budget, the anticipated permit fee revenues and associated expenses were not included in the General Fund revenues, nor was there a decision or expense budget for how to use these one-time revenues.

Future Facility Needs

Earlier this year, the City Council authorized the City Manager to execute a lease agreement at 909 Davis Street to transition Civic Center operations to that location. Simultaneously, the City has significant facility needs with the relocation of Civic Center operations or the potential rehabilitation of the current building at 2100 Ridge Avenue, Police and Fire Headquarters, and the Service Center. The potential costs of any proposed options could be in the \$120M-\$150M range, and construction would occur over the next five to seven years.

Given these needs, one option for these funds would be to create a "Building Replacement Fund" as part of the 2025 budget intended to renovate or replace the Civic Center, Police Fire HQ, or Service Center. Alternatively, the City Council could direct staff to use the one-time permit revenues towards the General CIP, reducing the need for General Obligation (GO) Bonds in 2025. The City Council could also identify additional areas to invest the permit revenue, such as additional allocation for park investment.

The use of these funds will likely be addressed as part of the FY 2025 budget, and staff is seeking direction from the Finance and Budget Committee on how to use these one-time funds.



Memorandum

To: Members of the Finance and Budget Committee
From: Clayton Black, Budget Manager
Subject: Discussion Regarding Mid-Year Financials
Date: August 27, 2024

Recommended Action:
For Discussion Only.

Council Action:
For Discussion

Summary:
Staff will present on Mid-Year Financials through June 30, 2024.

Attachments:
[F&B Presentation - August 2024.pptx](#)

2024 Mid-Year Financial Update

August 27, 2024

2024 Mid-Year Summary General Fund

- **YTD Revenue** through June
 - \$67,801,300 = 51% of budget
 - \$1,235,772 is unbudgeted Ryan Field permit revenue
- **YTD Expenses** through June
 - \$68,824,833 = 48% of budget
 - \$2,711,226 is unbudgeted purchase of South End
- **YTD Net = (\$1,023,534)**
- **Fund Balance as of June 30, 2024, is \$48,042,938 or 33% of budgeted expenses.**
 - Fund balance was at 40% of budgeted expenses as of June 2023.

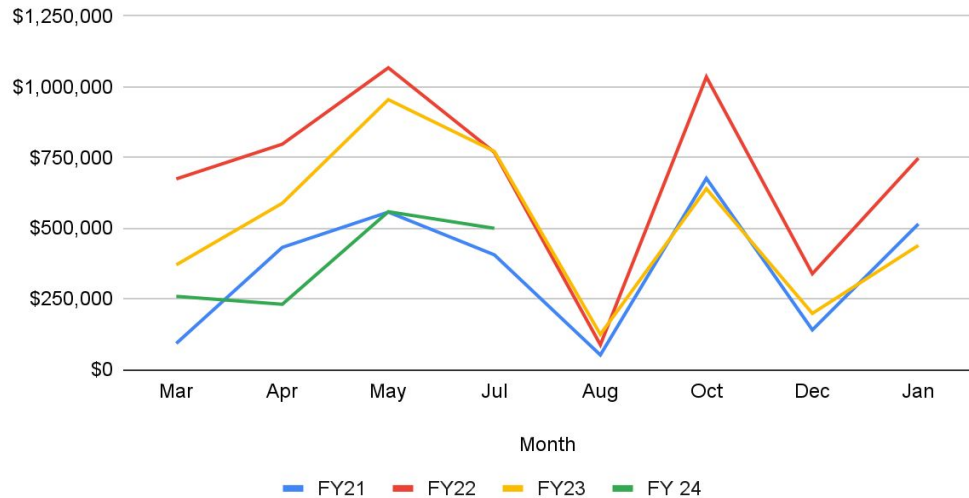
2024 Mid-Year Summary General Fund

- No slowdown in economy-based revenues.
 - Sales Taxes, Home Rule Sales Taxes, Income Taxes, and Property Taxes comprise 48% of General Fund revenues.
 - Sales Tax (4.7%) and Home Rule Taxes (4.2%) continue to trend up in 2024 compared to 2023 actuals through May.
 - Sales Taxes at 42% & Home Rule Sales Taxes at 39% of budget through May.
 - Smaller increases in April and May than earlier in the year.
 - Income Taxes up 9.0% in 2024 compared to 2023 actuals through July.
 - Elimination of the State Grocery Tax will reduce Sales Taxes by approximately \$2.4 million in 2026 unless City of Evanston implements a local tax effective 1/1/26.

2024 Mid-Year Summary General Fund

- Personal Property Replacement Taxes (PPRT) are down 42% compared to 2023 actuals through July.
- IML projecting that these decreases will continue throughout FY 24 and into FY 25.

Personal Property Replacement Tax (FY 21 - FY 24)



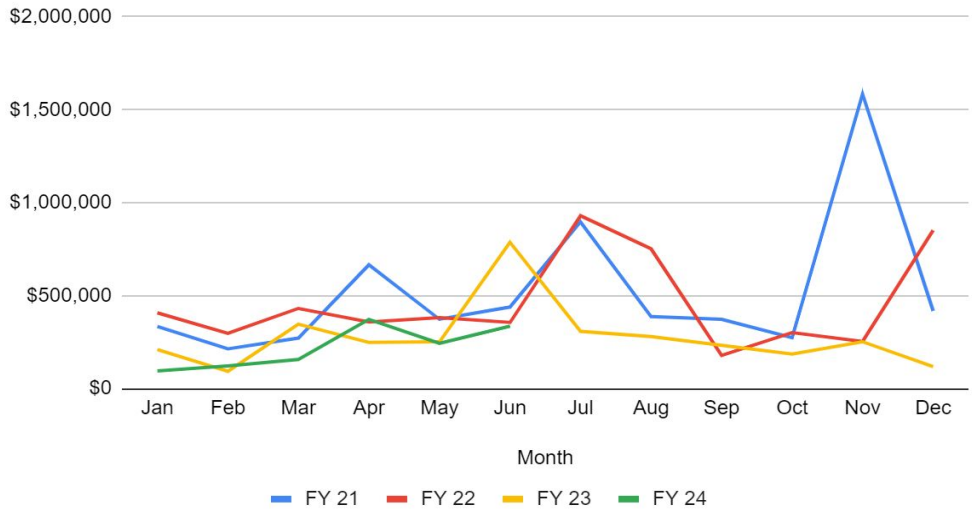
Illinois Department of Revenue (IDOR) explanation for decreases:

<https://tax.illinois.gov/localgovernments/replacementtaxestimate/replacement25.html>

2024 Mid-Year Summary General Fund

- Real Estate Transfer Taxes are down 31% compared to 2023 actuals through June and down 41% compared to 2022.
- The first \$1 million in 2024 has been deposited in the Reparatons Fund.

Real Estate Transfer Tax (FY 21 - FY 24)



2024 Mid-Year Summary General Fund

- Building permits exceeding budget due to Ryan Field project, while Amusement Taxes and Athletic Taxes may finish under budget given smaller lakefront stadium.
- Several local revenues on pace to meet or exceed budget including Recreation Program Fees, Ticket Fines-Parking, and Ambulance Fees.
- Some trending behind including State Use Tax, Natural Gas Utility Tax, and Telecom Taxes.
- Vacancy Rate was budgeted at 4% (\$3.7 million) but currently tracking around 8% (\$7.4 million).
- Only major unbudgeted expense in the General Fund in FY 2024 has been purchase of Little Beans (\$2.7 million).

2024 Mid-Year Summary General Fund

Row Labels	2023 Actual	2024 Actual	2024 Budget	2024 Low	2024 High
SALES TAX - BASIC	\$ 13,329,108	\$ 6,370,229	\$ 13,000,000	\$ 13,500,000	\$ 13,800,000
STATE INCOME TAX	\$ 12,558,980	\$ 7,444,161	\$ 11,500,000	\$ 13,000,000	\$ 13,600,000
SALES TAX - HOME RULE	\$ 10,396,123	\$ 4,946,510	\$ 10,600,000	\$ 10,500,000	\$ 10,700,000
RECREATION PROGRAM FEES	\$ 7,111,501	\$ 4,414,874	\$ 7,052,000	\$ 7,000,000	\$ 7,200,000
BUILDING PERMITS	\$ 4,058,773	\$ 7,114,927	\$ 4,225,100	\$ 4,225,100	\$ 5,000,000
PERSONAL PROPERTY REPLACEMENT TAX	\$ 3,482,124	\$ 1,547,657	\$ 3,500,000	\$ 2,500,000	\$ 2,900,000
STATE USE TAX	\$ 3,040,435	\$ 1,445,171	\$ 3,200,000	\$ 2,800,000	\$ 2,950,000
AMBULANCE SERVICE	\$ 2,595,001	\$ 2,723,166	\$ 3,200,000	\$ 3,200,000	\$ 3,500,000
TICKET FINES-PARKING	\$ 3,868,180	\$ 1,740,371	\$ 3,100,000	\$ 3,400,000	\$ 3,800,000
LIQUOR TAX	\$ 3,772,043	\$ 1,437,157	\$ 3,100,000	\$ 3,000,000	\$ 3,100,000
FROM PARKING FUND	\$ 2,972,388	\$ 1,981,592	\$ 2,972,390	\$ 2,972,390	\$ 2,972,390
ELECTRIC UTILITY TAX	\$ 2,734,420	\$ 1,285,684	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000
PARKING TAX	\$ 2,952,554	\$ 1,468,285	\$ 2,900,000	\$ 2,850,000	\$ 2,900,000
FROM WATER FUND-ROI	\$ 2,831,100	\$ 1,925,336	\$ 2,888,000	\$ 2,888,000	\$ 2,888,000
WHEEL TAX	\$ 2,875,749	\$ 228,082	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
REAL ESTATE TRANSFER TAX	\$ 310,770	\$ 624,644	\$ 2,750,000	\$ 1,400,000	\$ 1,700,000
GEMT SERVICE REVENUE	\$ 2,399,317	\$ 471,861	\$ 2,500,000	\$ 2,000,000	\$ 2,500,000
PENSION PROPERTY TAX	\$ 20,466,167	\$ 10,873,363	\$ 19,990,105	\$ 19,990,105	\$ 19,990,105
PROPERTY TAXES	\$ 9,392,325	\$ 4,987,282	\$ 9,057,297	\$ 9,000,000	\$ 9,200,000
ALL OTHER GENERAL FUND REVENUES	\$ 23,146,772	\$ 13,506,051	\$ 22,220,084	\$ 22,237,284	\$ 23,197,284
TOTAL	\$ 134,293,831	\$ 76,536,403	\$ 133,454,976	\$ 132,162,879	\$ 137,597,779
*2024 Actuals as of 8/12/24			Difference	\$ (1,292,097)	\$ 4,142,803



2024 Mid-Year Summary General Fund

	FY 24 Budget	FY 24 Low Projection	FY 24 High Projection
Beginning Fund Balance	\$49,066,471	\$49,066,471	\$49,066,471
Revenues	\$133,454,976	\$132,162,879	\$137,597,779
Expenses	-\$147,632,759	-\$146,700,760	-\$146,700,760
Purchase of Little Beans (Unbudgeted)		-\$2,711,226	-\$2,711,226
Staff Vacancy Savings	\$3,705,216	\$5,557,824	\$7,410,432
Surplus / (Deficit)	-\$10,472,567	-\$11,691,283	-\$4,403,775
Projected Ending Fund Balance	\$38,593,904	\$37,375,188	\$44,662,696
Reduce Transfer from Water Fund		-\$2,000,000	-\$2,000,000
Reduce Transfer from Parking Fund		-\$1,000,000	-\$1,000,000
Projected Ending Fund Balance	\$38,593,904	\$34,375,188	\$41,662,696
*Note this excludes \$11 million in permit revenue from the Ryan Field project.			

General Fund Items Moving into FY 2025 Budget

- Funds with significant capital needs and no dedicated revenue other than user fees and transfers from the General Fund
 - Parking - Capital needs to be presented in September.
 - Water - Need to address lead service and other capital needs.
 - Vehicles - Demand for more electric vehicles which cost more than gas powered vehicles.
- Ryan Field Permit Revenues - Staff recommends the City Council consider setting these \$10 million aside for major capital and facilities needs or to avoid/reduce needed General Obligation (GO) Bonds in the 2025 budget.
- Good Neighbor Fund - \$1.5 million was transferred to the General Fund in 2024, will need to determine how to allocate in 2025.
- Grocery Tax - No decision needed for 2025 budget but will want to eventually discuss how the City Council wants to address this loss of \$2.5 million starting 1/1/26.

Fund Balances As of 6/30/2024

Fund #	Fund	Revenue	Expense	Net	Fund Balance	Cash Balance
100	General	67,801,300	68,824,833	(1,023,534)	48,042,938	43,996,278
170	American Rescue Plan	726,193	2,369,997	(1,643,804)	391,167	23,671,336
175	General Assistance	759,125	596,137	162,989	1,457,834	1,458,241
176	Human Services	2,047,045	1,788,811	258,235	2,647,244	2,680,957
177	Reparations	1,025,840	2,152,394	(1,126,554)	427,522	427,522
178	Sustainability	913,221	460,391	452,831	1,240,131	1,240,131
180	Good Neighbor	3,009,390	1,500,707	1,508,683	1,697,008	1,697,007
185	Library	4,467,735	3,880,175	587,560	5,414,331	5,427,773
186	Library Debt Service	287,338	110,642	176,696	179,477	179,477
187	Library Capital Improvement FD	-	3,232	(3,232)	(491,746)	(491,746)
200	MFT	1,838,036	354,560	1,483,476	7,767,681	7,462,814
205	E911	510,629	616,303	(105,674)	1,455,100	1,095,590
210	Special Service Area (SSA) #9	351,476	325,032	26,443	39,695	39,695
215	CDBG	9,857	271,835	(261,978)	(202,655)	(202,031)
220	CD Loan	18,121	-	18,121	409,085	409,086
235	Neighborhood Improvement	385	1	384	23,269	23,269
240	Home	19,351	40,253	(20,902)	(13,047)	(13,047)
250	Affordable Housing	1,225,811	98,253	1,127,557	3,898,183	4,053,250
320	Debt Service	7,989,311	2,424,365	5,564,946	8,469,982	8,469,982
330	Howard Ridge	670,080	1,142,997	(472,916)	1,363,921	1,349,694
335	West Evanston	1,063,012	336,100	726,912	2,943,946	2,943,888
340	Dempster-Dodge-TIF	262,962	88,784	174,178	822,436	822,378
345	Chicago Main-TIF	691,708	407,453	284,255	506,301	506,242
350	Special Service Area (SSA) #6	114,728	101,639	13,089	47,315	269,176
355	Special Service Area (SSA) #7	77,626	71,826	5,800	20,136	20,135
360	Special Service Area (SSA) #8	33,148	30,974	2,174	9,326	9,326
365	Five-Fifth TIF	464,803	327,473	137,330	(59)	(117)
415	Capital Improvements	1,264,107	4,884,068	(3,619,961)	(11,793,371)	(3,006,855)
416	Crown Construction	403,188	316,728	86,460	4,890,566	4,890,567
417	Crown Community CTR Maintenance	87,498	-	87,498	752,539	752,539
420	Special Assessment	111,509	46,032	65,477	628,535	628,535
505	Parking	5,123,154	4,982,614	140,540	2,675,610	2,127,138
510-513	Water	15,301,286	16,580,473	(1,279,187)	4,151,864	1,046,831
515	Sewer	4,317,282	3,096,445	1,220,838	9,808,112	8,129,727
520	Solid Waste	3,153,477	2,887,398	266,079	3,197,231	2,056,240
600	Fleet	2,166,151	1,570,214	595,936	1,977,561	459,772
601	Equipment Replacement	459,826	961,063	(501,237)	2,948,741	458,286
605	Insurance	10,487,362	11,136,933	(649,571)	2,640,561	3,974,998



Fund Balances As of 6/30/2024

	Current Fund Balance (6/30/24)	Non-Spendable	Restricted	Assigned	Unassigned	Required Fund Balance	Excess/ (Deficit)	Notes
General Fund	48,042,939	4,407,258		12,830,347	30,805,334	23,891,972	6,913,362	
Motor Fuel Tax Fund	7,767,681		7,767,681			1,655,000	6,112,681	
Howard-Ridge TIF Fund	1,363,921		1,363,921			N/A	N/A	4,340,438 outstanding principal and interest
West Evanston TIF Fund	2,943,946		2,943,946			N/A	N/A	2,315,000 in CIP projects in 2024
Dempster-Dodge TIF Fund	822,435		822,435			N/A	N/A	2,052,090 outstanding principal and interest
Chicago-Main TIF	506,300		506,300			N/A	N/A	2,975,790 outstanding principal and interest
Five Fifths TIF	(59)				(137,389)	N/A	N/A	
Capital Improvements Fund	(11,793,371)				(11,793,371)	6,304,625	(18,097,996)	Cash is (\$3,006,855)
Parking System Fund	2,675,610				2,535,070	1,565,606	1,110,004	
Sewer Fund	9,808,111				8,587,274	1,893,440	7,914,671	
Solid Waste Fund	3,197,231				2,931,152	1,120,695	2,076,536	
Water Fund	4,151,864				5,431,051	5,810,000	(1,658,136)	
Fleet Services Fund*	1,977,561					-	459,772	Cash balance of \$459,772
Equipment Replacement Fund*	2,948,741					-	458,286	Cash balance of \$458,286
Insurance Fund*	2,640,561					3,593,960	381,038	Cash balance of \$3,974,998

* Policy applies to cash balance, not fund balance.



Memorandum

To: Members of the Finance and Budget Committee
From: Hitesh Desai, Chief Financial Officer/Treasurer
Subject: Discussion Regarding the Public Safety Pension
Date: August 27, 2024

Recommended Action:
Discussion Only.

Committee Action:
For Discussion

Summary:
Staff will provide some comparable community data related to Public Safety Pensions.

Additionally, Jason Franken, Actuary from Foster & Foster, will discuss the actuarial valuation reports for the Police and Fire Pension Funds.

Attachments:
[2024.08.27 F&B Peer Community Data](#)

Peer Community Benchmarking Data

For the Finance and Budget Committee



Michael Van Dorpe
Financial Analyst

August 27, 2024



City Manager's Office

Peer Community Benchmarking: Pension Contributions (Fire and Police)

Community	Fiscal Year	Police Pension Contribution	Fire Pension Contribution	Total Public Safety Pension Contribution
Evanston	1/1/23-12/31/23	\$13,544,556	\$12,020,942	\$25,565,498
Arlington Heights	1/1/23-12/31/23	\$3,986,418	\$5,372,130	\$9,358,548
Bloomington**	5/1/22-4/30/23	\$6,662,124	\$6,089,432	\$12,751,556
Des Plaines	1/1/23-12/31/23	\$8,497,495	\$7,840,984	\$16,338,479
Oak Park*	1/1/22-12/31/22*	\$7,205,753*	\$6,814,029	\$14,019,782
Palatine	1/1/23-12/31/23	\$5,962,356	\$5,987,516	\$11,949,872
Park Ridge	1/1/23-12/31/23	\$2,566,049	\$2,245,514	\$4,811,563
Skokie**	5/1/22-4/30/23	\$2,449,964	\$4,808,718	\$7,258,682

*Oak Park's FY 2023 ACFR is not yet available online

**Bloomington and Skokie's FY 2024 ACFR are not yet available

Peer Community Benchmarking: Discount Rate (Police and Fire)[^]

Community	Fiscal Year	FY 2019 Discount Rate	FY 2020 Discount Rate	FY 2021 Discount Rate	FY 2022 Discount Rate	FY 2023 Discount Rate
<i>Evanston</i>	Ending 12/31	6.50%	6.50%	6.50%	6.50%	6.50%
<i>Arlington Heights</i>	Ending 12/31	6.75%	6.75%	6.75%	6.75%	6.75%
<i>Bloomington</i>	Ending 4/30	7.00%	7.00%	7.00%	7.00%	n/a
<i>Des Plaines</i>	Ending 12/31	6.75%	6.75%	6.75%	6.75%	6.75%
<i>Oak Park</i>	Ending 12/31	6.75%	6.75%	6.75%	6.75%	n/a*
<i>Palatine</i>	Ending 12/31	7.25%	7.25%	7.25%	7.00%	7.00%
<i>Park Ridge</i> **	Ending 12/31**	6.75%	6.75%	6.75%	6.75%	6.75%
<i>Skokie</i>	Ending 4/30	7.38%	7.38%	7.38%	6.75%	n/a

[^]All of the Peer Communities used the same discount rate for their Police and Fire Pensions

*Oak Park's FY 2023 ACFR is not yet available online

**Park Ridge formerly used a 5/1-4/30 Fiscal Year, but changed to a 1/1-12/31 Fiscal Year in 2021 (Stub Year 2021)

Note: The Illinois Firefighters Pension Investment Fund uses a 7.125% Discount Rate and the Illinois Police Officers Pension Fund uses a 6.80% Discount Rate





Memorandum

To: Members of the Finance and Budget Committee
From: Hitesh Desai, Chief Financial Officer/Treasurer
Subject: Discussion Regarding the 2023 IMRF Financial Data
Date: August 27, 2024

Recommended Action:
Discussion Only.

Committee Action:
For Discussion

Summary:
Staff will present the City of Evanston Regular GASB 68 Statement no. 68 Employer Reporting Accounting Schedules for December 31, 2023.

Attachments:
[3349R City of Evanston GASB 68 2023](#)



FOR3S00-0001C6W

City of Evanston Regular

GASB Statement No. 68 Employer Reporting
Accounting Schedules
December 31, 2023



Table of Contents



FOR3S00-0001C6W

Page

Certification Letter

Section A Executive Summary

Executive Summary..... 1
Discussion..... 2 - 4
Other Observations..... 5 - 6

Section B Financial Statements

Pension Expense/(Income) under GASB Statement No. 68..... 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
Recognition of Deferred Outflows and Inflows of Resources..... 10
Schedule of Changes in Net Pension Liability and Related Ratios Current Period 11
Sensitivity of Net Pension Liability/(Asset) to the Single Discount Rate Assumption 11
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios 12
Multiyear Schedule of Contributions..... 13
Notes to Schedule of Contributions..... 14
Development of Market Value of Assets 15
Schedule of Contributions 15
Summary of Actuarial Methods and Assumptions Used in the Calculation of the
Total Pension Liability 16

Section C Calculation of the Single Discount Rate

Calculation of the Single Discount Rate..... 17
Projection of Contributions..... 18 - 19
Projection of Plan Fiduciary Net Position 20 - 21
Present Values of Projected Benefits..... 22 - 23
Projection of Plan Net Position and Benefit Payments 24

Section D Glossary of Terms..... 25 - 28



March 29, 2024

City of Evanston
Illinois Municipal Retirement Fund

Ladies and Gentlemen:

The accounting schedules submitted in this report are required under the Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions."

Our calculations for this report were prepared for the purpose of complying with the requirements of GASB Statement No. 68. These calculations have been made on a basis that is consistent with our understanding of these accounting standards. These results are subject to review by the fund's auditor and may be revised.

Our 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. 68. The Net Pension 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 Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 68 may produce significantly different results. This report may be provided to parties other than City of Evanston only in its entirety and only with the permission of City of Evanston. GRS is not responsible for unauthorized use of this report.

This report is based upon information, furnished to us by the Illinois Municipal Retirement Fund (IMRF), concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. If your understanding of this information is different than ours, please let us know and do not use or distribute this report until those differences have been resolved to your satisfaction. This information was checked for internal consistency, but it was not audited.

This report complements the actuarial valuation report that was provided to the IMRF and should be considered in conjunction with that report. Please see the actuarial valuation report as of December 31, 2023 for additional discussions of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.



FOR3S00-0001C6W

City of Evanston
Illinois Municipal Retirement Fund
March 29, 2024
Page 2

To the best of our knowledge, the information contained in this report is accurate, and fairly represents the GASB Statement No. 68 information related to City of Evanston. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. 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 IMRF.

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

Mark Buis, Francois Pieterse and Bonita J. Wurst are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the Academy of Actuaries to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Mark Buis, FSA, EA, FCA, MAAA

Francois Pieterse, ASA, FCA, MAAA

Bonita J. Wurst, ASA, EA, FCA, MAAA

MB/FP/BW:sc

C1200





FOR3S00-0001C6W

SECTION A

EXECUTIVE SUMMARY

Executive Summary as of December 31, 2023



FOR3S00-0001C6W

Actuarial Valuation Date	December 31, 2023
Measurement Date of the Net Pension Liability	December 31, 2023
Fiscal Year End	December 31, 2024

Membership

Number of	
- Retirees and Beneficiaries	742
- Inactive, Non-Retired Members	478
- Active Members	536
- Total	1,756
Covered Valuation Payroll ¹	\$ 47,138,914

Net Pension Liability

Total Pension Liability/(Asset)	\$ 296,356,862
Plan Fiduciary Net Position	297,943,250
Net Pension Liability/(Asset)	\$ (1,586,388)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.54%
Net Pension Liability as a Percentage of Covered Valuation Payroll	(3.37)%

Development of the Single Discount Rate as of December 31, 2023

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate ²	3.77%
Last year ending December 31 in the 2024 to 2123 projection period for which projected benefit payments are fully funded	2123
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2022 Measurement Date 7.25%

Total Pension Expense/(Income) \$ (5,722,276)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,034,667	\$ 244,316
Changes in assumptions	0	220,483
Net difference between projected and actual earnings on pension plan investments	39,242,819	23,957,562
Total	\$ 46,277,486	\$ 24,422,361

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

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 December 29, 2023. 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



FOR3S00-0001C6W

Accounting Standard

For state and local government employers (as well as certain non-employers) that contribute to a Defined Benefit (DB) pension plan administered through a trust or equivalent arrangement, Governmental Accounting Standards Board (GASB) Statement No. 68 establishes standards for pension accounting and financial reporting. Under GASB Statement No. 68, the employer must account for and disclose the net pension liability, pension expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements.

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 is not included in this report if it is not actuarial in nature, such as the notes to the financial statements regarding accounting policies and investments. As a result, the retirement fund and/or plan sponsor is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state and local government employers that contribute to DB pension plans to recognize the net pension liability and the pension expense on their financial statements, along with the related deferred outflows of resources and deferred inflows of resources. The net pension liability is the difference between the total pension 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 (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Paragraph 57 of GASB Statement No. 68 says, "Contributions to the pension plan from the employer subsequent to the measurement date of the collective net pension liability and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions." The information contained in this report does not incorporate any contributions made to the IMRF subsequent to the measurement date of December 31, 2023.

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





FOR3S00-0001C6W

Notes to Financial Statements

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total pension expense, the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions.

In addition, GASB Statement No. 68 requires the notes of the financial statements for the employers to include certain additional information, including (page numbers refer to page numbers from this report unless specified otherwise):

- A description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs (please see pages B-1 to B-5 of the December 31, 2023 Annual Actuarial Valuation report dated March 8, 2024);
- The number and classes of employees covered by the benefit terms (page 1);
- For the current year, sources of changes in the net pension liability (page 11);
- Significant assumptions and methods used to calculate the total pension liability (page 16);
- Inputs to the single discount rate (page 17);
- Certain information about mortality assumptions and the dates of experience studies (pages 14 and 16);
- The date of the valuation used to determine the total pension liability (page 1);
- Information about changes of assumptions or other inputs and benefit terms (pages 14 and 16);
- The basis for determining contributions to the plan, including a description of the plan's funding policy, as well as member and employer contribution requirements (please see page A-3, B-5 and Section D of the December 31, 2023 Annual Actuarial Valuation report dated March 8, 2024, as well as page 14);
- The total pension liability, fiduciary net position, net pension liability, and the pension plan's fiduciary net position as a percentage of the total pension liability (page 11);
- The net pension liability using a discount rate that is 1% higher and 1% lower than used to calculate the total pension liability and net pension liability for financial reporting purposes (page 11); and
- A description of the fund that administers the pension plan (to be provided by the IMRF).

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- Sources of changes in the net pension liability (page 12);
- Information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll (page 12); and
- Comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy (page 13).

These tables may be built prospectively as the information becomes available.





FOR3S00-0001C6W

Timing of the Valuation

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

The total pension liability shown in this report is based on an actuarial valuation performed as of December 31, 2023 and a measurement date of December 31, 2023.

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 pension 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 plan’s projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 3.77% (based on the daily rate closest to but not later than the measurement date of the “20-Year Municipal GO AA Index” described on page 1), and the resulting Single Discount Rate is 7.25%.



Other Observations



FOR3S00-0001C6W

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status

Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 7.25% on the actuarial value of assets), it is expected that:

- (1) The employer normal cost as a percentage of pay will decrease to the level of Tier 2 normal cost as time passes, as the majority of the active population will consist of Tier 2 members.
- (2) The unfunded liability will increase in dollar amount for several years before it begins to decrease.
- (3) The funded status of the plan will increase gradually towards a 100% funded ratio.

This funding policy results in a crossover date in 2123 and a discount rate of 7.25%. The projections in this report are strictly for the purposes of determining the GASB discount rate and are different from a funding projection for the ongoing plan.

Limitations of Assets as a Percent of Total Pension Liability Measurements

This report includes a measure of the plan fiduciary net position as a percent of total pension liability. Unless otherwise indicated, with regard to any such measurements presented in this report:

- (1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.
- (2) The measurement is inappropriate for assessing the need for or amount of future employer contributions.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded ratio measurement presented in this report is based upon the actuarial accrued liability and the market value of assets. Unless otherwise indicated, with regard to any funded status measurements presented in this report:

- (1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations; in other words, if transferring the obligations to an unrelated third party in an arm's length market value type transaction.
- (2) The measurement is dependent upon the actuarial cost method which, in combination with the plan's amortization policy, affects the timing and amounts of future contributions. The amount of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon actuarial assumptions. A funded ratio measurement in this report of 100% is not synonymous with no required future contributions. If the funded ratio were 100%, the plan would still require future normal cost contributions (i.e., contributions to cover the cost of the active membership accruing an additional year of service credit).





FOR3S00-0001C6W

Limitation of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entity to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.





FOR3S00-0001C6W

SECTION B

FINANCIAL STATEMENTS

Pension Expense/(Income) under GASB State Calendar Year Ended December 31, 2023



FOR3S00-0001C6W

A. Expense/(Income)

1. Service Cost	\$	3,824,107
2. Interest on the Total Pension Liability		19,885,915
3. Current-Period Benefit Changes		0
4. Employee Contributions (made negative for addition here)		(2,204,956)
5. Projected Earnings on Plan Investments (made negative for addition here)		(19,608,727)
6. Other Changes in Plan Fiduciary Net Position		(7,403,741)
7. Recognition of Outflow (Inflow) of Resources due to Liabilities		3,874,736
8. Recognition of Outflow (Inflow) of Resources due to Assets		(4,089,610)
9. Total Pension Expense/(Income)	\$	(5,722,276)

Recognition of Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in the pension 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 a retirement benefit through the pension 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 5,598 years. Additionally, the total plan membership (active employees and inactive employees) was 1,698. 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 3.2968 years.

Additionally, differences between projected and actual earnings on pension plan investments should be recognized in the pension 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 pension expense as a level dollar amount over the closed period identified above.



Statement of Outflows and Inflows Aris
Current Reporting Period
Calendar Year Ended December 31, 2023



FOR3S00-0001C6W

A. Outflows (Inflows) of Resources Due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$ 9,012,648
2. Assumption Changes (gains) or losses	\$ (316,479)
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}	3.2968
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$ 2,733,756
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$ (95,996)
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	<u>\$ 2,637,760</u>
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$ 6,278,892
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$ (220,483)
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	<u>\$ 6,058,409</u>

B. Outflows (Inflows) of Resources Due to Assets

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$ (10,710,589)
2. Recognition period for Assets {in years}	5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$ (2,142,118)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$ (8,568,471)

Please note that employer contributions made after the measurement date have not been reported as deferred outflows of resources. These employer contributions must be separately accounted for by the employer.



**Statement of Outflows and Inflows Arisi
Current and Prior Reporting Periods
Calendar Year Ended December 31, 2023**



FOR3S00-0001C6W

A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	\$ 4,716,894	\$ 842,158	\$ 3,874,736
2. Due to Assets	13,080,940	17,170,550	(4,089,610)
3. Total	\$ 17,797,834	\$ 18,012,708	\$ (214,874)

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$ 4,716,894	\$ 475,094	\$ 4,241,800
2. Assumption changes	0	367,064	\$ (367,064)
3. Net difference between projected and actual earnings on pension plan investments	13,080,940	17,170,550	(4,089,610)
4. Total	\$ 17,797,834	\$ 18,012,708	\$ (214,874)

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	\$ 7,034,667	\$ 244,316	\$ 6,790,351
2. Assumption changes	0	220,483	\$ (220,483)
3. Net difference between projected and actual earnings on pension plan investments	39,242,819	23,957,562	15,285,257
4. Total	\$ 46,277,486	\$ 24,422,361	\$ 21,855,125

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending December 31	Net Deferred Outflows of Resources
2024	\$ 4,552,129
2025	7,723,403
2026	11,721,710
2027	(2,142,117)
2028	0
Thereafter	0
Total	\$ 21,855,125



Recognition of Deferred Outflows and Inflows Reporting Date - December 31, 2023



FOR3S00-0001C6W

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow (Inflow) Due to Differences between Expected and Actual Experience on Liabilities					
2014	\$ 3,043,895	3.6163	\$ 0	\$ 0	0.0000
2015	1,465,442	3.5828	0	0	0.0000
2016	(2,905,680)	3.5499	0	0	0.0000
2017	(2,489,328)	3.8048	0	0	0.0000
2018	2,992,302	3.6475	0	0	0.0000
2019	(166,989)	3.6131	0	0	0.0000
2020	(2,056,346)	3.4720	(279,548)	0	0.0000
2021	6,705,189	3.3811	1,983,138	755,775	0.3811
2022	(635,408)	3.2494	(195,546)	(244,316)	1.2494
2023	9,012,648	3.2968	2,733,756	6,278,892	2.2968
Total			\$ 4,241,800	\$ 6,790,351	

Deferred Outflow (Inflow) Due to Assumption Changes

2014	\$ 7,927,038	3.6163	\$ 0	\$ 0	0.0000
2015	266,906	3.5828	0	0	0.0000
2016	(269,039)	3.5499	0	0	0.0000
2017	(7,652,648)	3.8048	0	0	0.0000
2018	6,567,349	3.6475	0	0	0.0000
2019	0	3.6131	0	0	0.0000
2020	(1,993,968)	3.4720	(271,068)	0	0.0000
2021	0	3.3811	0	0	0.3811
2022	0	3.2494	0	0	1.2494
2023	(316,479)	3.2968	(95,996)	(220,483)	2.2968
Total			\$ (367,064)	\$ (220,483)	

Deferred Outflow (Inflow) Due to Differences between Projected and Actual Earnings on Plan Investments

2019	\$ (27,218,768)	5.0000	\$ (5,443,752)	\$ 0	0.0000
2020	(18,901,367)	5.0000	(3,780,273)	(3,780,275)	1.0000
2021	(29,022,037)	5.0000	(5,804,407)	(11,608,816)	2.0000
2022	65,404,699	5.0000	13,080,940	39,242,819	3.0000
2023	(10,710,589)	5.0000	(2,142,118)	(8,568,471)	4.0000
Total			\$ (4,089,610)	\$ 15,285,257	



**Schedule of Changes in Net Pension Liab
Related Ratios Current Period
Calendar Year Ended December 31, 2023**



FOR3S00-0001C6W

A. Total pension liability	
1. Service Cost	\$ 3,824,107
2. Interest on the Total Pension Liability	19,885,915
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the Total Pension Liability	9,012,648
5. Changes of assumptions	(316,479)
6. Benefit payments, including refunds of employee contributions	(16,851,528)
7. Net change in Total Pension Liability	\$ 15,554,663
8. Total Pension Liability – beginning	280,802,199
9. Total Pension Liability – ending	<u><u>\$ 296,356,862</u></u>
B. Plan fiduciary net position	
1. Contributions – employer	\$ 1,560,298
2. Contributions – employee	2,204,956
3. Net investment income	30,319,316
4. Benefit payments, including refunds of employee contributions	(16,851,528)
5. Other (Net Transfer)	7,403,741
6. Net change in Plan Fiduciary Net Position	\$ 24,636,783
7. Plan Fiduciary Net Position – beginning	273,306,467
8. Plan Fiduciary Net Position – ending	<u><u>\$ 297,943,250</u></u>
C. Net pension liability/(asset)	<u><u>\$ (1,586,388)</u></u>
D. Plan Fiduciary Net Position as a percentage of the Total Pension Liability	100.54%
E. Covered Valuation payroll¹	\$ 47,138,914
F. Net Pension Liability as a percentage of covered valuation payroll	(3.37)%

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

**Sensitivity of Net Pension Liability/(Asset)
to the Single Discount Rate Assumption**

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 328,569,972	\$ 296,356,862	\$ 270,744,219
Plan Fiduciary Net Position	297,943,250	297,943,250	297,943,250
Net Pension Liability/(Asset)	\$ 30,626,722	\$ (1,586,388)	\$ (27,199,031)



Schedules of Required Supplementary Information

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Calendar Years

Calendar year ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 3,824,107	\$ 3,688,135	\$ 3,420,369	\$ 3,850,771	\$ 3,926,313	\$ 3,671,434	\$ 3,970,214	\$ 3,951,687	\$ 3,910,996	\$ 3,898,440
Interest on the Total Pension Liability	19,885,915	19,445,021	18,507,004	18,314,051	17,812,836	17,185,510	17,355,320	16,947,408	16,235,086	14,880,724
Benefit Changes	0	0	0	0	0	0	0	0	0	0
Difference between Expected and Actual Experience	9,012,648	(635,408)	6,705,189	(2,056,346)	(166,989)	2,992,302	(2,489,328)	(2,905,680)	1,465,442	3,043,895
Assumption Changes	(316,479)	0	0	(1,993,968)	0	6,567,349	(7,652,648)	(269,039)	266,906	7,927,038
Benefit Payments and Refunds	(16,851,528)	(16,117,334)	(15,539,235)	(14,936,529)	(14,305,617)	(13,674,160)	(12,922,439)	(12,270,564)	(11,928,345)	(11,468,097)
Net Change in Total Pension Liability	15,554,663	6,380,414	13,093,327	3,177,979	7,266,543	16,742,435	(1,738,881)	5,453,812	9,950,085	18,282,000
Total Pension Liability - Beginning	280,802,199	274,421,785	261,328,458	258,150,479	250,883,936	234,141,501	235,880,382	230,426,570	220,476,485	202,194,485
Total Pension Liability - Ending (a)	\$ 296,356,862	\$ 280,802,199	\$ 274,421,785	\$ 261,328,458	\$ 258,150,479	\$ 250,883,936	\$ 234,141,501	\$ 235,880,382	\$ 230,426,570	\$ 220,476,485
Plan Fiduciary Net Position										
Employer Contributions	\$ 1,560,298	\$ 2,000,416	\$ 3,245,589	\$ 3,235,547	\$ 2,379,845	\$ 3,634,209	\$ 3,702,271	\$ 3,963,856	\$ 4,018,268	\$ 3,963,983
Employee Contributions	2,204,956	1,891,800	1,806,941	1,684,700	1,845,576	1,847,906	1,693,912	1,705,636	1,767,523	1,710,168
Pension Plan Net Investment Income	30,319,316	(42,076,770)	49,648,106	37,552,547	43,379,549	(14,090,715)	39,438,193	14,441,739	1,062,353	12,425,190
Benefit Payments and Refunds	(16,851,528)	(16,117,334)	(15,539,235)	(14,936,529)	(14,305,617)	(13,674,160)	(12,922,439)	(12,270,564)	(11,928,345)	(11,468,097)
Other	7,403,741	(537,476)	(1,512,861)	1,390,447	647,604	3,915,577	(4,817,948)	(142,981)	737,427	2,322,043
Net Change in Plan Fiduciary Net Position	24,636,783	(54,839,364)	37,648,540	28,926,712	33,946,957	(18,367,183)	27,093,989	7,697,686	(4,342,774)	8,953,287
Plan Fiduciary Net Position - Beginning	273,306,467	328,145,831	290,497,291	261,570,579	227,623,622	245,990,805	218,896,816	211,199,130	215,541,904	206,588,617
Plan Fiduciary Net Position - Ending (b)	\$ 297,943,250	\$ 273,306,467	\$ 328,145,831	\$ 290,497,291	\$ 261,570,579	\$ 227,623,622	\$ 245,990,805	\$ 218,896,816	\$ 211,199,130	\$ 215,541,904
Net Pension Liability/(Asset) - Ending (a) - (b)	(1,586,388)	7,495,732	(53,724,046)	(29,168,833)	(3,420,100)	23,260,314	(11,849,304)	16,983,566	19,227,440	4,934,581
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.54%	97.33%	119.58%	111.16%	101.32%	90.73%	105.06%	92.80%	91.66%	97.76%
Covered Valuation Payroll¹	\$ 47,138,914	\$ 41,244,660	\$ 40,098,516	\$ 37,019,990	\$ 38,103,750	\$ 38,519,776	\$ 37,480,368	\$ 37,477,116	\$ 37,703,487	\$ 35,171,426
Net Pension Liability as a Percentage of Covered Valuation Payroll	(3.37)%	18.17%	(133.98)%	(78.79)%	(8.98)%	60.39%	(31.61)%	45.32%	51.00%	14.03%

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.



Multiyear Schedule of Contributio



FOR3S00-0001C6W

Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 3,928,648	\$ 3,963,983	\$ (35,335)	\$ 35,171,426	11.27%
2015	3,977,718	4,018,268	(40,550)	37,703,487	10.66%
2016	3,882,629	3,963,856	(81,227)	37,477,116	10.58%
2017	3,695,564	3,702,271	(6,707)	37,480,368	9.88%
2018	3,628,563	3,634,209	(5,646)	38,519,776	9.43%
2019	2,373,864	2,379,845	(5,981)	38,103,750	6.25%
2020	3,235,547	3,235,547	0	37,019,990	8.74%
2021	3,239,960	3,245,589	(5,629)	40,098,516	8.09%
2022	1,996,242	2,000,416	(4,174)	41,244,660	4.85%
2023	1,560,298 *	1,560,298	0	47,138,914	3.31%

* Estimated based on contribution rate of 3.31% and covered valuation payroll of \$47,138,914.
This number should be verified by the auditor.



Notes to Schedule of Contributor



FOR3S00-0001C6W

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate¹

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the calendar year in which contributions are reported.

Methods and Assumptions Used to Determine 2023 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 20-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 15 years for most employers (five employers were financed over 16 years; one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years and one employer was financed over 26 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	2.75%
Price Inflation	2.25%
Salary Increases	2.75% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes There were no benefit changes during the year.

¹ Based on Valuation Assumptions used in the December 31, 2021 actuarial valuation.



Development of Market Value of As



FOR3S00-0001C6W

Market Value of Assets as of December 31, 2023

1. Employee Contribution Reserve (MDF Assets from IMRF)	\$	45,642,850
2. Employer Contribution Reserve (EAF assets from IMRF)		77,873,555
3. Annuitant Reserve		169,035,753
4. Miscellaneous Adjustment ¹		5,391,092
5. Net Market Value	\$	297,943,250

¹ Includes an adjustment factor of 0.018427797 on Items 1 through 3 to ensure that Market Value of Assets for all employers balance to the total Market Value of the IMRF. Miscellaneous adjustments are due to various items such as suspended annuity reserve, disability benefit reserve, death benefit reserve, supplemental benefit reserve, employers with no assets, etc.

Schedule of Contributions

Total Contributions

1. Employer

a.) Wage Reporting	\$	1,560,298
b.) Accelerated Payments and Reserve Payments		0
Total Employer Contributions (a+b)	\$	1,560,298

2. Member

a.) Wage Reporting	\$	2,121,253
b.) Member Payments (i.e., ERI, Pension Payments)		83,703
Sub-total (Amount used for valuation on Schedule of Changes Page 11)	\$	2,204,956

c.) Voluntary Additional Plan	\$	518,076
Total Member Contributions (a+b+c)	\$	2,723,032

Total Employer and Member Contributions (1+2)	\$	4,283,330
--	-----------	------------------



Summary of Actuarial Methods and Assu Used in the Calculation of the Total Pension Liability



FOR3S00-0001C6W

Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return ¹	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Other Information:

Notes There were no benefit changes during the year.

¹ *There were no changes in the discount rate used to calculate the Total Pension Liability (TPL), since the December 31, 2022 valuation. Mortality and other demographic assumptions used to determine the TPL were updated after the December 31, 2022 valuation, based on the experience study results published in the January 4, 2024 experience study report for IMRF.*

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2023 IMRF annual actuarial valuation report.





FOR3S00-0001C6W

SECTION C

CALCULATION OF THE SINGLE DISCOUNT RATE

Calculation of the Single Discount R



FOR3S00-0001C6W

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension 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 “risk-free” 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 pension 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 pension plan investments is 7.25%; the municipal bond rate is 3.77%; and the resulting SDR is 7.25%.

The tables in this section provide background for the development of the SDR.

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).

Expected Contributions are developed based on the following:

- Member Contributions for current members
- Normal Cost contributions for current members
- Unfunded Liability contributions for current members

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 SDR. It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.



Single Discount Rate Developer Projection of Contributions



FOR3S00-0001C6W

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
2023	\$ 47,138,914				
2024	45,724,752	\$ 2,057,614	\$ 2,384,452	\$ (574,416)	\$ 3,867,650
2025	42,382,216	1,907,200	2,033,868	(388,989)	3,552,079
2026	39,615,484	1,782,697	1,877,557	(176,260)	3,483,994
2027	37,248,778	1,676,195	1,761,700	67,842	3,505,737
2028	35,149,889	1,581,745	1,655,470	(277,275)	2,959,940
2029	33,224,011	1,495,081	1,558,186	(284,206)	2,769,060
2030	31,480,924	1,416,642	1,467,084	(291,312)	2,592,413
2031	29,833,971	1,342,529	1,381,468	(298,594)	2,425,403
2032	28,284,295	1,272,793	1,301,307	(306,059)	2,268,042
2033	26,811,257	1,206,507	1,225,570	(313,711)	2,118,366
2034	25,344,026	1,140,481	1,148,462	(321,553)	1,967,390
2035	23,926,812	1,076,707	1,077,133	(329,592)	1,824,248
2036	22,507,010	1,012,815	1,004,301	(337,832)	1,679,285
2037	21,101,120	949,550	933,210	(346,278)	1,536,482
2038	19,760,367	889,216	864,130	(354,935)	1,398,411
2039	18,452,069	830,343	799,608	(363,808)	1,266,143
2040	17,155,478	771,996	734,927	(372,903)	1,134,020
2041	15,876,857	714,459	672,290	(382,226)	1,004,523
2042	14,648,121	659,165	613,008	(391,782)	880,391
2043	13,400,243	603,011	552,823	0	1,155,834
2044	12,138,764	546,244	493,569	0	1,039,813
2045	10,961,413	493,264	439,184	0	932,447
2046	9,866,242	443,981	389,442	0	833,423
2047	8,707,597	391,842	338,534	0	730,376
2048	7,474,948	336,373	286,910	0	623,282
2049	6,343,396	285,453	241,593	0	527,046
2050	5,384,692	242,311	203,480	0	445,792
2051	4,504,531	202,704	168,882	0	371,586
2052	3,655,642	164,504	135,608	0	300,112
2053	2,944,393	132,498	108,640	0	241,138
2054	2,306,572	103,796	84,878	0	188,674
2055	1,761,355	79,261	64,641	0	143,902
2056	1,304,928	58,722	47,632	0	106,353
2057	882,801	39,726	32,223	0	71,950
2058	586,760	26,404	21,592	0	47,996
2059	386,094	17,374	14,322	0	31,697
2060	238,317	10,724	8,935	0	19,659
2061	158,889	7,150	6,083	0	13,233
2062	122,910	5,531	4,766	0	10,297
2063	100,870	4,539	3,852	0	8,391
2064	76,665	3,450	2,874	0	6,324
2065	51,523	2,319	1,916	0	4,235
2066	29,386	1,322	1,090	0	2,412
2067	9,082	409	337	0	746
2068	3,185	143	131	0	275
2069	887	40	41	0	81
2070	97	4	4	0	9
2071	24	1	1	0	2
2072	6	0	0	0	0
2073	2	0	0	0	0

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.



Single Discount Rate Developer Projection of Contributions (Concluded)



FOR3S00-0001C6W

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
2074	\$ 0	\$ 0	\$ 0	\$ 0	0
2075	0	0	0	0	0
2076	0	0	0	0	0
2077	0	0	0	0	0
2078	0	0	0	0	0
2079	0	0	0	0	0
2080	0	0	0	0	0
2081	0	0	0	0	0
2082	0	0	0	0	0
2083	0	0	0	0	0
2084	0	0	0	0	0
2085	0	0	0	0	0
2086	0	0	0	0	0
2087	0	0	0	0	0
2088	0	0	0	0	0
2089	0	0	0	0	0
2090	0	0	0	0	0
2091	0	0	0	0	0
2092	0	0	0	0	0
2093	0	0	0	0	0
2094	0	0	0	0	0
2095	0	0	0	0	0
2096	0	0	0	0	0
2097	0	0	0	0	0
2098	0	0	0	0	0
2099	0	0	0	0	0
2100	0	0	0	0	0
2101	0	0	0	0	0
2102	0	0	0	0	0
2103	0	0	0	0	0
2104	0	0	0	0	0
2105	0	0	0	0	0
2106	0	0	0	0	0
2107	0	0	0	0	0
2108	0	0	0	0	0
2109	0	0	0	0	0
2110	0	0	0	0	0
2111	0	0	0	0	0
2112	0	0	0	0	0
2113	0	0	0	0	0
2114	0	0	0	0	0
2115	0	0	0	0	0
2116	0	0	0	0	0
2117	0	0	0	0	0
2118	0	0	0	0	0
2119	0	0	0	0	0
2120	0	0	0	0	0
2121	0	0	0	0	0
2122	0	0	0	0	0
2123	0	0	0	0	0

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.



Single Discount Rate Developer Projection of Plan Fiduciary Net Position



FOR3S00-0001C6W

Year	Projected Beginning	Projected Total	Projected Benefit	Projected	Projected Ending Plan
	Plan Net Position	Contributions	Payments	Investment Earnings at 7.25%	Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
2024	\$ 297,943,250	\$ 3,867,650	\$ 17,908,027	\$ 21,100,827	\$ 305,003,700
2025	305,003,700	3,552,079	18,622,758	21,576,015	311,509,036
2026	311,509,036	3,483,994	19,418,341	22,016,891	317,591,579
2027	317,591,579	3,505,737	20,024,212	22,437,072	323,510,177
2028	323,510,177	2,959,941	20,696,074	22,822,802	328,596,845
2029	328,596,845	2,769,060	21,332,343	23,162,126	333,195,687
2030	333,195,687	2,592,414	22,006,307	23,465,247	337,247,040
2031	337,247,040	2,425,403	22,661,117	23,729,700	340,741,026
2032	340,741,026	2,268,041	23,207,242	23,957,959	343,759,784
2033	343,759,784	2,118,366	23,790,525	24,150,714	346,238,340
2034	346,238,340	1,967,390	24,394,102	24,303,535	348,115,163
2035	348,115,163	1,824,247	24,875,892	24,417,347	349,480,866
2036	349,480,866	1,679,285	25,488,100	24,489,394	350,161,444
2037	350,161,444	1,536,482	25,984,929	24,515,955	350,228,953
2038	350,228,953	1,398,411	26,381,460	24,501,809	349,747,713
2039	349,747,713	1,266,143	26,715,636	24,450,306	348,748,526
2040	348,748,526	1,134,020	27,084,106	24,360,036	347,158,476
2041	347,158,476	1,004,523	27,392,789	24,229,151	344,999,361
2042	344,999,361	880,391	27,682,365	24,057,881	342,255,268
2043	342,255,268	1,155,834	28,051,919	23,855,582	339,214,765
2044	339,214,765	1,039,813	28,301,888	23,622,111	335,574,801
2045	335,574,801	932,447	28,417,556	23,350,270	331,439,963
2046	331,439,963	833,423	28,460,544	23,045,436	326,858,278
2047	326,858,278	730,376	28,672,628	22,702,041	321,618,067
2048	321,618,067	623,282	28,949,179	22,308,462	315,600,632
2049	315,600,632	527,046	29,084,035	21,863,967	308,907,609
2050	308,907,609	445,792	29,029,297	21,377,778	301,701,882
2051	301,701,882	371,586	28,974,121	20,854,685	293,954,032
2052	293,954,032	300,112	28,947,268	20,291,377	285,598,253
2053	285,598,253	241,138	28,838,527	19,687,356	276,688,220
2054	276,688,220	188,674	28,687,048	19,044,905	267,234,750
2055	267,234,750	143,902	28,362,636	18,369,488	257,385,504
2056	257,385,504	106,353	28,010,679	17,666,615	247,147,794
2057	247,147,794	71,950	27,625,480	16,936,875	236,531,139
2058	236,531,139	47,996	27,056,432	16,186,582	225,709,284
2059	225,709,284	31,697	26,429,509	15,423,745	214,735,217
2060	214,735,217	19,659	25,766,895	14,651,296	203,639,277
2061	203,639,277	13,233	24,952,458	13,875,618	192,575,670
2062	192,575,670	10,297	24,086,477	13,104,245	181,603,734
2063	181,603,734	8,391	23,189,439	12,340,660	170,763,346
2064	170,763,346	6,324	22,289,473	11,586,711	160,066,909
2065	160,066,909	4,235	21,365,854	10,844,041	149,549,330
2066	149,549,330	2,412	20,446,356	10,114,200	139,219,586
2067	139,219,586	746	19,500,175	9,398,933	129,119,090
2068	129,119,090	275	18,508,323	8,701,956	119,312,997
2069	119,312,997	81	17,507,857	8,026,640	109,831,861
2070	109,831,861	9	16,502,613	7,375,057	100,704,314
2071	100,704,314	2	15,497,929	6,749,092	91,955,478
2072	91,955,478	0	14,498,651	6,150,392	83,607,220
2073	83,607,220	0	13,508,860	5,580,395	75,678,755

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.



Single Discount Rate Developer

Projection of Plan Fiduciary Net Position (Concluded)



FOR3S00-0001C6W

Year	Projected Beginning	Projected Total	Projected Benefit	Projected	Projected Ending Plan
	Plan Net Position	Contributions	Payments	Investment Earnings at 7.25%	Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
2074	\$ 75,678,755	\$ 0	\$ 12,533,502	\$ 5,040,320	\$ 68,185,572
2075	68,185,572	0	11,577,427	4,531,115	61,139,260
2076	61,139,260	0	10,645,355	4,053,454	54,547,359
2077	54,547,359	0	9,741,823	3,607,721	48,413,257
2078	48,413,257	0	8,870,988	3,194,014	42,736,283
2079	42,736,283	0	8,036,434	2,812,157	37,512,006
2080	37,512,006	0	7,241,267	2,461,717	32,732,456
2081	32,732,456	0	6,488,039	2,142,027	28,386,444
2082	28,386,444	0	5,778,795	1,852,201	24,459,850
2083	24,459,850	0	5,115,135	1,591,160	20,935,875
2084	20,935,875	0	4,498,147	1,357,646	17,795,373
2085	17,795,373	0	3,928,482	1,150,249	15,017,140
2086	15,017,140	0	3,406,375	967,422	12,578,187
2087	12,578,187	0	2,931,532	807,510	10,454,165
2088	10,454,165	0	2,503,132	668,776	8,619,809
2089	8,619,809	0	2,119,951	549,432	7,049,290
2090	7,049,290	0	1,780,277	447,668	5,716,681
2091	5,716,681	0	1,481,959	361,678	4,596,400
2092	4,596,400	0	1,222,552	289,697	3,663,545
2093	3,663,545	0	999,271	230,017	2,894,291
2094	2,894,291	0	809,114	181,019	2,266,196
2095	2,266,196	0	648,954	141,186	1,758,428
2096	1,758,428	0	515,539	109,125	1,352,014
2097	1,352,014	0	405,631	83,574	1,029,958
2098	1,029,958	0	316,092	63,414	777,279
2099	777,279	0	243,954	47,664	580,990
2100	580,990	0	186,463	35,481	430,008
2101	430,008	0	141,139	26,149	315,018
2102	315,018	0	105,788	19,071	228,300
2103	228,300	0	78,494	13,756	163,562
2104	163,562	0	57,633	9,806	115,735
2105	115,735	0	41,848	6,900	80,788
2106	80,788	0	30,019	4,788	55,556
2107	55,556	0	21,247	3,271	37,580
2108	37,580	0	14,813	2,197	24,964
2109	24,964	0	10,155	1,448	16,257
2110	16,257	0	6,832	935	10,360
2111	10,360	0	4,502	591	6,449
2112	6,449	0	2,899	364	3,915
2113	3,915	0	1,820	219	2,314
2114	2,314	0	1,112	128	1,330
2115	1,330	0	660	73	743
2116	743	0	380	40	404
2117	404	0	211	22	214
2118	214	0	113	11	112
2119	112	0	59	6	60
2120	60	0	30	3	33
2121	33	0	14	2	21
2122	21	0	7	1	15
2123	15	0	3	1	13

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.



Single Discount Rate Developer Present Values of Projected Benefits



FOR3S00-0001C6W

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of 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 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}
2024	\$ 297,943,250	\$ 17,908,027	\$ 17,908,027	\$ 0	\$ 17,292,154	\$ 0	\$ 17,292,154
2025	305,003,700	18,622,758	18,622,758	0	16,766,717	0	16,766,717
2026	311,509,036	19,418,341	19,418,341	0	16,301,174	0	16,301,174
2027	317,591,579	20,024,212	20,024,212	0	15,673,460	0	15,673,460
2028	323,510,177	20,696,074	20,696,074	0	15,104,283	0	15,104,283
2029	328,596,845	21,332,343	21,332,343	0	14,516,216	0	14,516,216
2030	333,195,687	22,006,307	22,006,307	0	13,962,549	0	13,962,549
2031	337,247,040	22,661,117	22,661,117	0	13,406,072	0	13,406,072
2032	340,741,026	23,207,242	23,207,242	0	12,801,076	0	12,801,076
2033	343,759,784	23,790,525	23,790,525	0	12,235,724	0	12,235,724
2034	346,238,340	24,394,102	24,394,102	0	11,698,042	0	11,698,042
2035	348,115,163	24,875,892	24,875,892	0	11,122,687	0	11,122,687
2036	349,480,866	25,488,100	25,488,100	0	10,626,034	0	10,626,034
2037	350,161,444	25,984,929	25,984,929	0	10,100,851	0	10,100,851
2038	350,228,953	26,381,460	26,381,460	0	9,561,763	0	9,561,763
2039	349,747,713	26,715,636	26,715,636	0	9,028,329	0	9,028,329
2040	348,748,526	27,084,106	27,084,106	0	8,534,126	0	8,534,126
2041	347,158,476	27,392,789	27,392,789	0	8,047,917	0	8,047,917
2042	344,999,361	27,682,365	27,682,365	0	7,583,211	0	7,583,211
2043	342,255,268	28,051,919	28,051,919	0	7,164,984	0	7,164,984
2044	339,214,765	28,301,888	28,301,888	0	6,740,168	0	6,740,168
2045	335,574,801	28,417,556	28,417,556	0	6,310,224	0	6,310,224
2046	331,439,963	28,460,544	28,460,544	0	5,892,559	0	5,892,559
2047	326,858,278	28,672,628	28,672,628	0	5,535,170	0	5,535,170
2048	321,618,067	28,949,179	28,949,179	0	5,210,776	0	5,210,776
2049	315,600,632	29,084,035	29,084,035	0	4,881,165	0	4,881,165
2050	308,907,609	29,029,297	29,029,297	0	4,542,637	0	4,542,637
2051	301,701,882	28,974,121	28,974,121	0	4,227,509	0	4,227,509
2052	293,954,032	28,947,268	28,947,268	0	3,938,080	0	3,938,080
2053	285,598,253	28,838,527	28,838,527	0	3,658,076	0	3,658,076
2054	276,688,220	28,687,048	28,687,048	0	3,392,878	0	3,392,878
2055	267,234,750	28,362,636	28,362,636	0	3,127,747	0	3,127,747
2056	257,385,504	28,010,679	28,010,679	0	2,880,125	0	2,880,125
2057	247,147,794	27,625,480	27,625,480	0	2,648,502	0	2,648,502
2058	236,531,139	27,056,432	27,056,432	0	2,418,598	0	2,418,598
2059	225,709,284	26,429,509	26,429,509	0	2,202,850	0	2,202,850
2060	214,735,217	25,766,895	25,766,895	0	2,002,445	0	2,002,445
2061	203,639,277	24,952,458	24,952,458	0	1,808,067	0	1,808,067
2062	192,575,670	24,086,477	24,086,477	0	1,627,336	0	1,627,336
2063	181,603,734	23,189,439	23,189,439	0	1,460,821	0	1,460,821
2064	170,763,346	22,289,473	22,289,473	0	1,309,209	0	1,309,209
2065	160,066,909	21,365,854	21,365,854	0	1,170,125	0	1,170,125
2066	149,549,330	20,446,356	20,446,356	0	1,044,072	0	1,044,072
2067	139,219,586	19,500,175	19,500,175	0	928,444	0	928,444
2068	129,119,090	18,508,323	18,508,323	0	821,651	0	821,651
2069	119,312,997	17,507,857	17,507,857	0	724,696	0	724,696
2070	109,831,861	16,502,613	16,502,613	0	636,910	0	636,910
2071	100,704,314	15,497,929	15,497,929	0	557,702	0	557,702
2072	91,955,478	14,498,651	14,498,651	0	486,473	0	486,473
2073	83,607,220	13,508,860	13,508,860	0	422,622	0	422,622

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.



Single Discount Rate Developer

Present Values of Projected Benefits (Concluded)

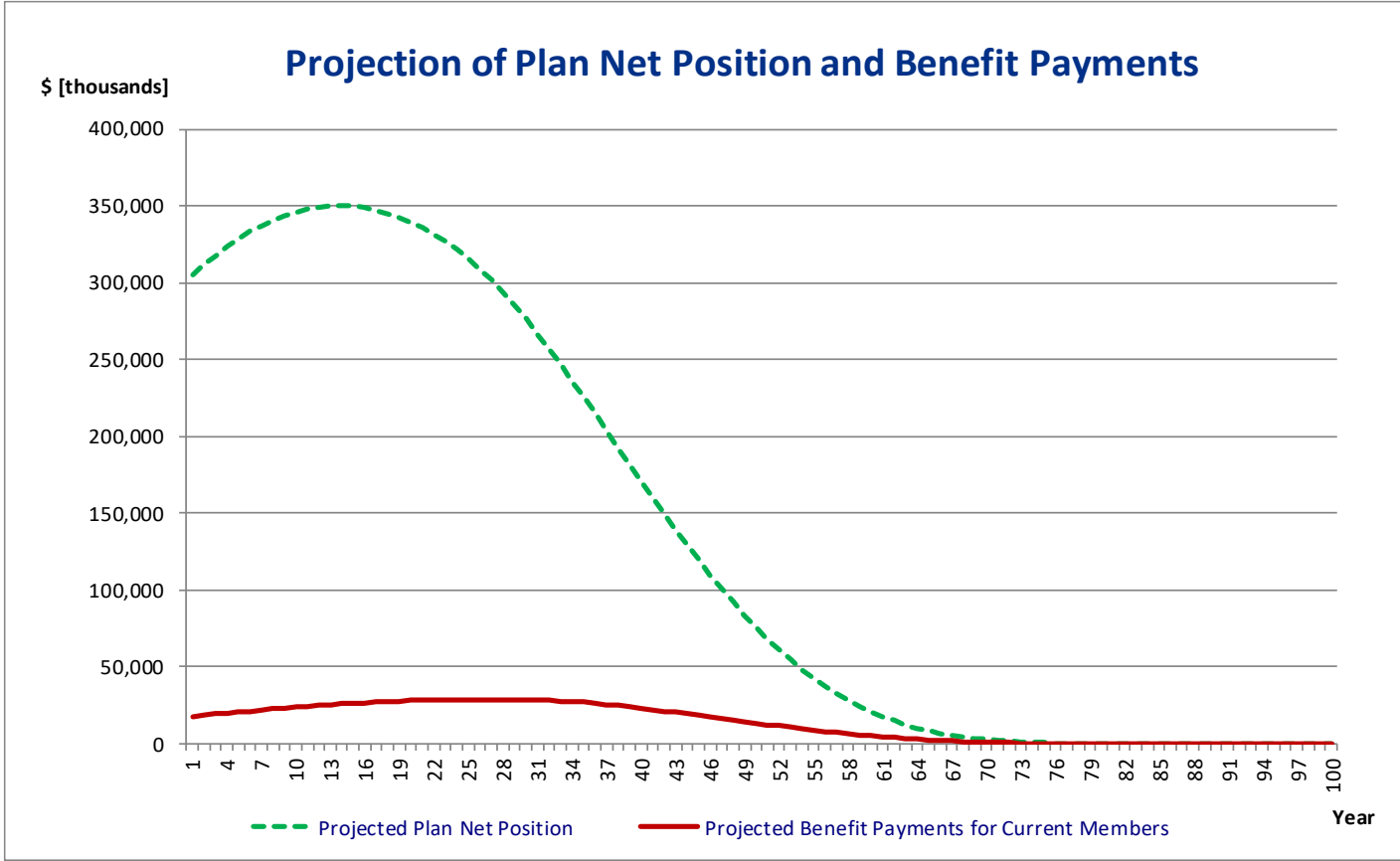


FOR3S00-0001C6W

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of 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 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)
2074	\$ 75,678,755	\$ 12,533,502	\$ 12,533,502	\$ 0	\$ 365,602	\$ 0	\$ 365,602
2075	68,185,572	11,577,427	11,577,427	0	314,884	0	314,884
2076	61,139,260	10,645,355	10,645,355	0	269,962	0	269,962
2077	54,547,359	9,741,823	9,741,823	0	230,348	0	230,348
2078	48,413,257	8,870,988	8,870,988	0	195,578	0	195,578
2079	42,736,283	8,036,434	8,036,434	0	165,201	0	165,201
2080	37,512,006	7,241,267	7,241,267	0	138,793	0	138,793
2081	32,732,456	6,488,039	6,488,039	0	115,949	0	115,949
2082	28,386,444	5,778,795	5,778,795	0	96,293	0	96,293
2083	24,459,850	5,115,135	5,115,135	0	79,473	0	79,473
2084	20,935,875	4,498,147	4,498,147	0	65,162	0	65,162
2085	17,795,373	3,928,482	3,928,482	0	53,063	0	53,063
2086	15,017,140	3,406,375	3,406,375	0	42,900	0	42,900
2087	12,578,187	2,931,532	2,931,532	0	34,424	0	34,424
2088	10,454,165	2,503,132	2,503,132	0	27,407	0	27,407
2089	8,619,809	2,119,951	2,119,951	0	21,642	0	21,642
2090	7,049,290	1,780,277	1,780,277	0	16,946	0	16,946
2091	5,716,681	1,481,959	1,481,959	0	13,153	0	13,153
2092	4,596,400	1,222,552	1,222,552	0	10,117	0	10,117
2093	3,663,545	999,271	999,271	0	7,710	0	7,710
2094	2,894,291	809,114	809,114	0	5,821	0	5,821
2095	2,266,196	648,954	648,954	0	4,353	0	4,353
2096	1,758,428	515,539	515,539	0	3,224	0	3,224
2097	1,352,014	405,631	405,631	0	2,366	0	2,366
2098	1,029,958	316,092	316,092	0	1,719	0	1,719
2099	777,279	243,954	243,954	0	1,237	0	1,237
2100	580,990	186,463	186,463	0	881	0	881
2101	430,008	141,139	141,139	0	622	0	622
2102	315,018	105,788	105,788	0	435	0	435
2103	228,300	78,494	78,494	0	301	0	301
2104	163,562	57,633	57,633	0	206	0	206
2105	115,735	41,848	41,848	0	139	0	139
2106	80,788	30,019	30,019	0	93	0	93
2107	55,556	21,247	21,247	0	62	0	62
2108	37,580	14,813	14,813	0	40	0	40
2109	24,964	10,155	10,155	0	26	0	26
2110	16,257	6,832	6,832	0	16	0	16
2111	10,360	4,502	4,502	0	10	0	10
2112	6,449	2,899	2,899	0	6	0	6
2113	3,915	1,820	1,820	0	3	0	3
2114	2,314	1,112	1,112	0	2	0	2
2115	1,330	660	660	0	1	0	1
2116	743	380	380	0	1	0	1
2117	404	211	211	0	0	0	0
2118	214	113	113	0	0	0	0
2119	112	59	59	0	0	0	0
2120	60	30	30	0	0	0	0
2121	33	14	14	0	0	0	0
2122	21	7	7	0	0	0	0
2123	15	3	3	0	0	0	0
Totals					\$ 326,421,174	\$ -	\$ 326,421,174

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.





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.



FOR3S00-0001C6W

SECTION D

GLOSSARY OF TERMS

Glossary of Terms



FOR3S00-0001C6W

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.

Accrued Service

Service credited under the fund which was rendered before the date of the actuarial valuation.

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 Cost Method

A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension 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 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 pension liability, and related actuarial present value of projected benefit payments for pensions.

Actuarial Valuation Date

The date as of which an actuarial valuation is performed.

Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)

A calculated contribution into a defined benefit pension 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.



Glossary of Terms (Continued)



FOR3S00-0001C6W

Amortization Payment

The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.

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).

Cost-of-Living Adjustments

Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.

Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)

A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

Covered Valuation Payroll

The earnings of covered employees for the year ended on the valuation date, which is typically only the pensionable pay and does not include pay above any pay cap. It is not necessarily the same as payroll actually paid because it excludes all pay for people who exited during the year.

Deferred Inflows and Outflows

The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension 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 pension 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.

Entry Age Actuarial Cost Method (EAN)

The EAN is a funding 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 age(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.



Glossary of Terms (Continued)



FOR3S00-0001C6W

<i>GASB</i>	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
<i>Fiduciary Net Position</i>	The fiduciary net position is the value of the assets of the trust.
<i>Long-Term Expected Rate of Return</i>	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.
<i>Money-Weighted Rate of Return</i>	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. 68, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
<i>Multiple-Employer Defined Benefit Pension Plan</i>	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
<i>Municipal Bond Rate</i>	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.
<i>Net Pension Liability (NPL)</i>	The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.
<i>Non-Employer Contribution Entities</i>	Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB Accounting statement plan members are not considered non-employer contribution entities.
<i>Normal Cost</i>	The actuarial present value of the pension trust benefits allocated to the current year by the actuarial cost method.
<i>Other Postemployment Benefits (OPEB)</i>	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.
<i>Real Rate of Return</i>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<i>Service Cost</i>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.



Glossary of Terms (Concluded)



FOR3S00-0001C6W

Total Pension Expense

The total pension 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 Pension 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. Pension Plan Administrative Expense;
7. Other Changes in Plan Fiduciary Net Position;
8. Recognition of Outflow (Inflow) of Resources due to Liabilities; and
9. Recognition of Outflow (Inflow) of Resources due to Assets.

Total Pension Liability (TPL)

The TPL 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 the GASB Statement No. 68, the valuation asset is equal to the market value of assets.

