



Pamela Colestock – *Mayor*
William Steele – *Mayor Pro Tem*
Deb Malewski – *Council Member*
Rick Loftus – *Council Member*
Ken Nicholas – *Council Member*

Yvonne Ridge – *City Manager*
Larry Joe Weeks – *Police Chief*
Roger McNutt – *Fire Chief*
LeRoy Hummel – *Building Official*
Rob Pierce – *Public Works/Utilities Director*
Genny Allen – *Treasurer/Finance Director*
Robin Webb – *City Clerk*
Corey Cagle – *Director of Parks, Recreation and Events*
Lisa Barna – *Community and Economic Development Specialist*
Randy Jewell – *City Assessor*
Cullen Harkness – *City Attorney*

**CITY OF EATON RAPIDS
WORK SESSION AGENDA**

October 14, 2024
5:00 pm
200 S. Main Street

This meeting will be streamed live for viewing only at:

<https://us06web.zoom.us/j/85394331944>

Meeting ID: 853 9433 1944

Please note all public comments must be made in person.

Call to Order

Public Comments

Unfinished and Special Business

New Business

- 1. Intent to create and provide operation of a Brownfield Redevelopment Authority (BRA).**
- 2. Noise Ordinance Amendments to Section 15.26 and Section 18.72.**
- 3. Urban Air Event Application**
- 4. Christmas Tree/Donations - Discussion**
- 5. Budget Amendment – Dewpoint Contract**
- 6. General Accounting Standards Board (GASB) 74 & 75 Report for Other Post Retirement Benefits (OPEB)**

Closed Session under 8(e) of the Open Meetings Act, to consider a matter of Attorney Client privilege (MCL - 15.268)

Closed Session under 8(a) of the Open Meetings Act, for annual personnel evaluation (MCL - 15.268)

Board and Committee Reports

Public Comments

Adjourn



MEETING DATE: OCTOBER 14, 2024

CITY MANAGER

To: Mayor and City Council Work Session

From: Yvonne Ridge, City Manager Regular Meeting

Submitted: September 30, 2024

Subject: Create and Provide operation of a Brownfield Redevelopment Authority (BRA)

SUMMARY

EGLE's Brownfield Program collaborates within communities to create economic opportunities by putting contaminated properties back into productive use while protecting human health and the environment.

Effective July 2023, Housing Tax Increment Financing (TIF) is allowed under the Brownfield Redevelopment Financing Act. The TIF program allows tax revenues captured through BRAs to fund affordable housing cost. This program gives MSHDA oversight of work plans or combined brownfield plans if the development includes housing to be rented or sold market rate or subsidized. The TIF program will help BRA's and developers to increase attainable and affordable housing on the local scale.

There are two (2) housing developers interested in utilizing a BRA for Housing Development. Since the City does not have a BRA, it relies on the County or State to serve as its Brownfield Authority. The City can create and operate its own BRA, which I am recommending. By creating a BRA, it will streamline processes for both the developer and the City.

STAFF RECOMMENDATION/MOTION

Adopt Resolution 2024-35 to approve the intent to create and provide for the operation of a Brownfield Redevelopment Authority for the City of Eaton Rapids pursuant to and in accordance with the provisions of Act 381 of the Public Acts of the State of Michigan of 1996, as amended.

LIST OF SUPPORTING DOCUMENTS

Resolution 2024-35
Brownfield Act 381 TIF Fact Sheet
Brownfield Grant and Loan Fact Sheet
Brownfield Site Assessment Fact Sheet

Act 381 Brownfield Tax Increment Financing

Tax Increment Financing (TIF) is a powerful funding tool that can help cover additional costs associated with redeveloping a brownfield property. The premise of brownfield TIF is simple:

- When a vacant, blighted, contaminated, or otherwise challenged property is redeveloped it becomes more valuable.
- The increase in value results in an increase in property taxes paid to the municipality, school district, or other taxing authorities for that property.
- The additional tax paid due to the increased property value is referred to as the increment.
- The increment is “captured” by the taxing authority and used to reimburse the developer for the cost of addressing brownfield conditions on the property during construction.
- The brownfield activities eligible for reimbursement are defined in the Brownfield Redevelopment Financing Act (Act 381). They require local and sometimes state approval.
- Once the developer has been reimbursed for the approved eligible brownfield activities on a project, the taxing authority begins retaining all taxes collected for the property, fully realizing the increase in tax revenue from the development.

LOCAL APPROVAL

All projects seeking to use Act 381 TIF must prepare a Brownfield Plan for the project. The plan must identify the brownfield activities to be performed as well as the estimated taxes to be generated and captured. The plan must be approved by the local unit of government and the local Brownfield Redevelopment Authority (BRA). Public hearings and notifications are required as part of this process.

STATE APPROVAL

Projects seeking to capture state education and school operating taxes must submit an Act 381 Work Plan to the appropriate state agency for approval. The Act 381 Work Plan must include a copy of the locally approved Brownfield Plan. Environmental activities typically associated with known or suspected soil and groundwater contamination require review and approval by the Michigan Department of Environment, Great Lakes, and Energy (EGLE). Non-environmental brownfield activities including demolition, site work, and infrastructure are reviewed by the Michigan Economic Development Corporation (MEDC).



ELIGIBLE ACTIVITIES

Activities reviewed by EGLE can be divided into two categories:

1. Activities that require approval to use state taxes **before** they take place, including:
 - Due Care Activities
 - Documentation of due care compliance
 - Activities performed to make the property safe for its intended use, such as removing contaminated soil or installing vapor mitigation systems or exposure barriers
 - Response Activities
 - Remediation Activities
 - Demolition; lead, mold, and asbestos abatement under some circumstances
 - And many more (refer to the [Act 381 Work Plan Guidance](#) for additional eligible environmental activities)
2. Exempt activities that can take place **prior** to or without approval to use state taxes, including:
 - Phase I and Phase II Environmental Site Assessments and Baseline Environmental Assessments (BEAs)
 - Asbestos, mold, and lead surveys; hazardous materials and pre-demolition surveys
 - Due care investigations, planning, and reporting

Reach out to your [local EGLE Brownfield Coordinator](#) to discuss a specific project.

USING TIF WITH OTHER EGLE BROWNFIELD INCENTIVES

EGLE Brownfield Loans are often used in conjunction with Brownfield TIF. EGLE loans can provide the capital often needed on the front end of development projects. The loans provide a 5-year payment-free and interest-free grace period to help with the back end of a project. The 5-year window is typically sufficient time to complete the development and generate a tax increment large enough to cover the amount of the loan payment.

EGLE Brownfield Grants can be used with Brownfield TIF. However, grant-funded activities must be clearly identified and separated from activities that will utilize Brownfield TIF to ensure the developer is not being reimbursed for costs that were paid for with the EGLE grant.

CONTACT US

Dan Gough, Brownfield Specialist
GoughD1@Michigan.gov | 517-281-8253
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#MiBrownfields



EGLE does not discriminate on the basis of race, sex, religion, age, national origin, color, marital status, disability, political beliefs, height, weight, genetic information, or sexual orientation in the administration of any of its programs or activities, and prohibits intimidation and retaliation, as required by applicable laws and regulations.

To request this material in an alternate format, contact EGLE-Accessibility@Michigan.gov or call 800-662-9278.

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) offers grants and loans for projects that promote the reuse of contaminated properties and provide economic benefit to the community. These grants and loans can help to:

- Revitalize abandoned properties and return them to the tax rolls.
- Attract developers to brownfield properties.
- Avoid sprawl by reusing properties with existing infrastructure.

ELIGIBLE ACTIVITIES

EGLE Brownfield Grants and Loans can be used to address environmental costs associated with the contaminated property being redeveloped, including:

- Environmental investigations and Baseline Environmental Assessments
- Due care planning and implementation
- Underground storage tank removal
- Response activities
- Demolition, lead, mold, and asbestos abatement, when certain criteria are met

GRANT REQUIREMENTS AND FUNDING

- Grants are available to address environmental activities at contaminated properties with a specific redevelopment. The economic benefit of the project must exceed the grant amount.
- The maximum award amount is \$1 million. Recipients are limited to one grant per year.

LOAN REQUIREMENTS AND FUNDING

- Loans may be used to address environmental activities at properties with known or suspected contamination and that have economic development potential.
- The maximum award amount is \$1 million. Communities are limited to one loan per year.



LOAN TERMS

- 1.5 percent interest rate
- 15-year payback, beginning with a 5-year interest-free, payment-free grace period
- Loans may be repaid through a BRA using tax increment financing

LIABILITY

Grants and loans cannot benefit a party responsible for an activity causing contamination at the property.

WHO CAN APPLY?

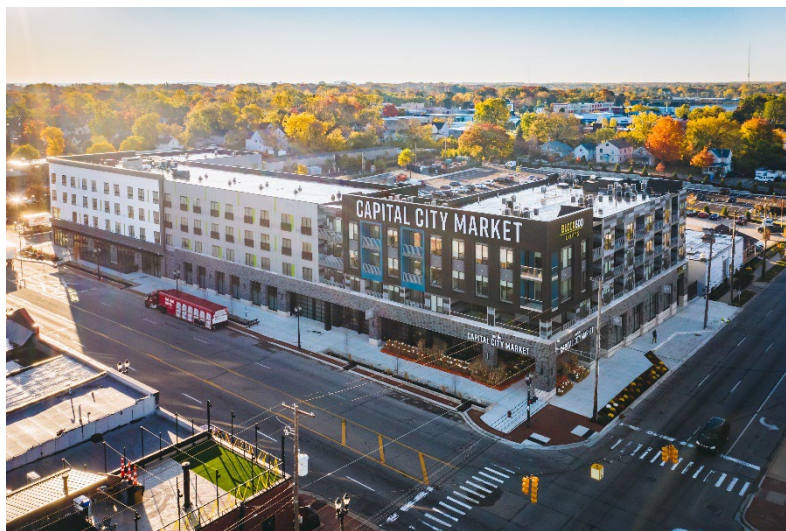
Local units of government, including brownfield redevelopment authorities (BRAs), economic development corporations, or other public bodies created pursuant to state law. Applications are accepted year-round.

HOW TO APPLY

EGLE Brownfield Redevelopment staff collaborate with communities to determine eligibility and the optimal mix of project funding prior to application. Please contact an EGLE Grant Coordinator to discuss your project.

CONTACT US

Jeff Hukill, Brownfield Coordinator
HukillJ@Michigan.gov | 517-242-9276
Michigan.gov/EGLEBrownfields
#MiBrownfields



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The Michigan Department of Environment, Great Lakes, and Energy (EGLE) offers environmental assessments at no cost to qualified applicants through its Brownfield Site Assessment (BSA) Program.

These assessments can be used to evaluate the environmental condition of a property, and when contamination is identified, help to determine if additional work is necessary to make the property safe for reuse. Brownfield Assessments can be utilized to:

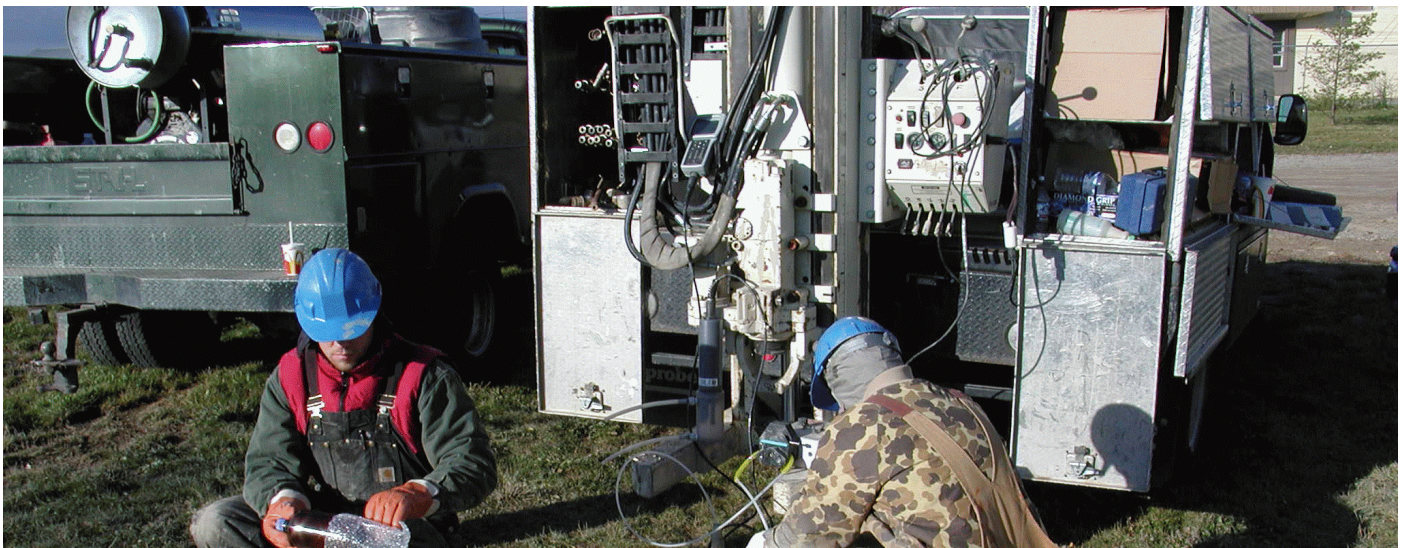
- Market a stagnant property
- Facilitate real-estate transactions
- Provide much needed data to support redevelopment projects

WHAT PROPERTIES QUALIFY?

Most properties with known or suspected contamination are eligible. Priority is given to properties with a proposed or active redevelopment project. Assessments can also be provided for properties being marketed for sale or lease. In all cases, the current property owner must sign an access agreement prior to EGLE performing the assessment.

WHAT CAN WE FUND?

EGLE's BSA program provides a range of environmental assessments to support both project needs and community development goals. This can include one or more of the following: Phase I and Phase II Environmental Site Assessments (ESAs), Asbestos and Hazardous Materials Surveys, Baseline Environmental Assessments, due care planning and cleanup options. BSAs are conducted directly by EGLE and our contractors on behalf of an eligible entity.

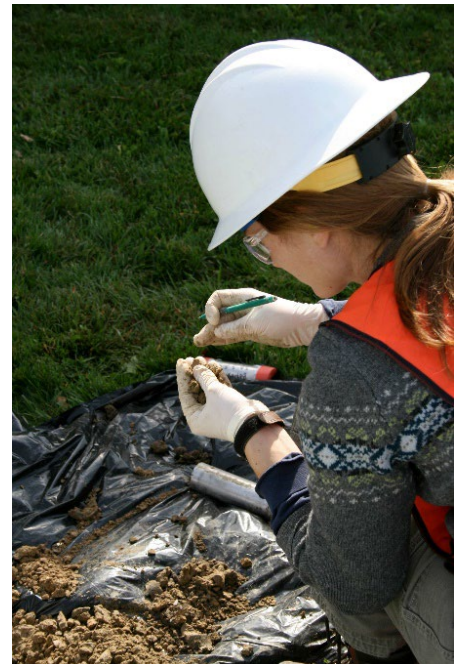


WHO CAN APPLY?

Any public entity, non-profit, property owner, developer, or Tribe can contact EGLE to apply. EGLE will seek support for the project from the local municipality before proceeding with the assessment.

HOW TO APPLY

An eligible applicant can nominate a property at any time – there is no application deadline. The application process is quick and EGLE staff usually determine the project's eligibility within a few weeks.



CONTACT US

To nominate a property, reach out to the EGLE [brownfield coordinator in your area](#).

Michigan.gov/EGLEBrownfields

#MiBrownfields

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MEETING DATE: OCTOBER 14, 2024

CITY MANAGER

To: Mayor and City Council

Work Session

From: Yvonne Ridge, City Manager

Regular Meeting

Submitted: September 30, 2024

Subject: Noise Ordinance Amendments to Section 15.26 and Section 18.72

SUMMARY

The Planning Commission held a Public Hearing on October 7, 2024, at 7:00 p.m. to consider adoption of a Zoning Ordinance to amend Section 15.26 to Article II, Noise and Section 18.72 to Article XVIII, General Standards and Exceptions, of the codified ordinances of the City of Eaton Rapids, Eaton County, Michigan, to protect the public health, safety, and welfare of the City of Eaton Rapids; and update the noise ordinance.

At the meeting, Building Official Hummel provided an overview of the changes and discussion was held by the Planning Commission. There was one member of the public that provided comment during the Public Hearing.

The Planning Commission voted unanimously to recommend the adoption of the Zoning Ordinance to amend Section 15.26 to Article II, Noise and Section 18.72 to Article XVIII, General Standards and Exceptions, of the codified ordinances of the City of Eaton Rapids, Eaton County, Michigan to protect the public health, safety, and welfare of the City of Eaton Rapids; and update the noise ordinance.

STAFF RECOMMENDATION/MOTION

First Reading of Section 15.26 to Article II, Noise and Section 18.72 to Article XVIII, General Standards and Exceptions, of the codified ordinances of the City of Eaton Rapids, Eaton County, Michigan to protect the public health, safety, and welfare of the City of Eaton Rapids; and update the noise ordinance.

LIST OF SUPPORTING DOCUMENTS

Section 15.26 to Article II, Noise – Redlined

Section 15.26 to Article II, Noise – Clean

Section 18.72 to Article XVIII, General Standards and Exceptions – Redlined

Section 18.72 to Article XVIII, General Standards and Exceptions – Clean

Notice of Public Hearing

Sec. 15-26. Loud noises prohibited.

Definitions

The following words, terms and phrases, when used in this article, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

Animal means any living creature other than human beings, including, but not limited to, reptiles, amphibians, insects, fish, birds and mammals.

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Audible means being heard or the capability of being heard by a person with ordinary hearing.

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Construction means any site preparation building assembly, building erection, building repair, building alteration, building maintenance, or similar action, but excludes demolition for or of public or private right-of-way, structures, utilities or similar property.

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dB(A) means the intensity of sound expressed in decibels read from calibrated sound level meter that utilizes the A-level weighing scale and the fast meter response, as specified by the American National Standard Institute (ANSI) S1.4-1971

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Decibel means a unit to express the magnitude of sound pressure and sound intensity, equal to 20 times the logarithm to the base then of the ratio of the pressure of the sound measured to the reference pressure which is 20 micropascals.

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Emergency means any situation or set of circumstances involving actual or imminent physical trauma or property damage which demands immediate action.

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Emergency work means any work performed for the purpose of preventing or alleviating physical trauma or property damage threatened or caused by an emergency following a public or private calamity or accident.

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Noise or noise disturbance means any sound that is more than the maximum decibel limits according to the regulations set forth in section 18-72 or which is loud, unnecessary, unusual, or unreasonable and which either annoys, disturbs injures or endangers the comfort, repose, health, peace or safety of person with normal sensitivities.

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Person means any individual, association, partnership or corporation, and includes any officer, employee, department, Agency or instrumentality of the state or any political subdivision thereof.

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(a) It shall be unlawful, and it shall be deemed a public nuisance, for any person to unreasonably make, continue, or cause to be made or continued any noise that annoys or disturbs the quiet, comfort, or repose of a reasonable person of normal sensitivities or that injures or endangers the health, peace, or safety of the public within the city. The following acts, among others, are declared to be unlawful noises in violation of this section and are deemed to be public nuisances per se, namely:

- (1) *Animal and bird noises.* The keeping of any animal or bird which, by causing frequent or long continued noise, shall disturb the comfort or repose of any person.
- (2) *Construction noises.* Construction noises and the excavation of streets and highways, except between the hours of 7:00 a.m. and ~~8:00~~ 9:00 p.m.
- (3) *Engines and engine exhausts.* Operating or permitting the operation of any steam engine or internal combustion engine, or the discharge into the open air of the exhaust of any steam engine or internal combustion engine, whether stationary or mobile, so as to annoy or disturb the quiet, comfort, or repose of a person of normal sensitivities in any office, dwelling, hotel, hospital, or residence.

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- (4) *Handling merchandise.* The creation of a loud and excessive noise in connection with loading or unloading any vehicle or the opening and destruction of bales, boxes, crates and containers.
- (5) *Blowers.* The noise created from the discharge into the open air from any blower or power fan unless the noise from the blower or fan is muffled sufficiently to deaden the noise.
- (6) *Hawking.* The hawking of goods, merchandise or newspapers in a loud and boisterous manner.
- (7) *Horns and signal devices.* The sounding of any horn or signal device on any automobile, motorcycle, bus or other vehicle while not in motion, except when reasonably applied as a danger signal if another vehicle is approaching, apparently out of control, or to give warning of intent to go into motion, or if in motion, only as a danger signal after or as brakes are being applied and deceleration of the vehicle is intended.
- (8) *Radio, phonographs, etc.* The using, operating or permitting to be played, used or operated any radio receiving set, musical instrument, phonograph or other machine or device for the producing or reproducing of sound in such manner as to disturb the peace, quiet and comfort of the neighboring inhabitants or at any time with louder volume than is necessary for convenient hearing for the persons who are in the room, vehicle or chamber in which such machine or device is operated and who are voluntary listeners thereto. The operation of any such set, instrument, phonograph, machine or device in such a manner as to be plainly audible at a distance of ~~forty (50)~~ one hundred (100) feet from the building, structure or vehicle in which it is located shall be prima facie evidence of a violation of this section.
- (9) *Shouting and whistling.* Yelling, shouting, hooting, whistling or singing or the making of any other loud noise on the public street, between the hours of 11:00 p.m. and 7:00 a.m., or the making of any such noise at any time so as to annoy or disturb the quiet, comfort or repose of any persons in the vicinity.

- (b) None of the terms or prohibitions of subsection (a) shall apply to or be enforced against:
 - (1) Any police or fire vehicle or any ambulance, while engaged in emergency business.
 - (2) Excavations or repairs of bridges, streets or highways by or on behalf of the city, county or the state during the night, when the public safety, welfare and convenience renders it impossible to perform such work during the day.
 - (3) Emergencies and or emergency work shall be excluded from this subsection upon authorization of the city.
- (c) The provisions of this section may be temporarily waived by the issuance of a special event permit approved by the city council.
- (d) The acts listed under subsection (a) shall be a non-exclusive and non-exhaustive list of nuisances per se for purposes of this section.

- ~~(14) Noises usually created by industrial, manufacturing, assembly, electrical power plants and similar uses when located on property zoned industrial under city ordinance.~~
- ~~(25) Noises usually created by agricultural operations, including animals, birds, etc., usually kept on property zoned agricultural under city ordinance.~~
- ~~(36) Noises of public or governmental safety signals, warning devices, and emergency devices when used as intended for warnings in case of emergency or danger or when tested, and noises of all fire alarms.~~
- ~~(47) Noises resulting from any authorized public service department responding to an emergency or acting in an emergency or while performing emergency work.~~
- ~~(58) Noise resulting from the operation of snow removal equipment either public or private.~~

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Sec. 15-26. Loud noises prohibited.

Definitions

The following words, terms and phrases, when used in this article, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

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Audible means being heard or the capability of being heard by a person with ordinary hearing.

Construction means any site preparation building assembly, building erection, building repair, building alteration, building maintenance, or similar action, but excludes demolition for or of public or private right-of-way, structures, utilities or similar property.

dB(A) means the intensity of sound expressed in decibels read from calibrated sound level meter that utilizes the A-level weighing scale and the fast meter response, as specified by the American National Standard Institute (ANSI) S1.4-1971

Decibel means a unit to express the magnitude of sound pressure and sound intensity, equal to 20 times the logarithm to the base then of the ratio of the pressure of the sound measured to the reference pressure which is 20 micropascals.

Emergency means any situation or set of circumstances involving actual or imminent physical trauma or property damage which demands immediate action.

Emergency work means any work performed for the purpose of preventing or alleviating physical trauma or property damage threatened or caused by an emergency following a public or private calamity or accident.

Noise or noise disturbance means any sound that is more than the maximum decibel limits according to the regulations set forth in section 18-72 or which is loud, unnecessary, unusual, or unreasonable and which either annoys, disturbs injures or endangers the comfort, repose, health, peace or safety of person with normal sensitivities.

Person means any individual, association, partnership or corporation, and includes any officer, employee, department. Agency or instrumentality of the state or any political subdivision thereof.

- (a) It shall be unlawful, and it shall be deemed a public nuisance, for any person to unreasonably make, continue, or cause to be made or continued any noise that annoys or disturbs the quiet, comfort, or repose of a reasonable person of normal sensitivities or that injures or endangers the health, peace, or safety of the public within the city. The following acts, among others, are declared to be unlawful noises in violation of this section and are deemed to be public nuisances per se, namely:
- (1) *Animal and bird noises.* The keeping of any animal or bird which, by causing frequent or long continued noise, shall disturb the comfort or repose of any person.
 - (2) *Construction noises.* Construction noises and the excavation of streets and highways, except between the hours of 7:00 a.m. and ~~8:00~~ 9:00 p.m.
 - (3) *Engines and engine exhausts.* Operating or permitting the operation of any steam engine or internal combustion engine, or the discharge into the open air of the exhaust of any steam engine or internal combustion engine, whether stationary or mobile, so as to annoy or disturb the quiet, comfort, or repose of a person of normal sensitivities in any office, dwelling, hotel, hospital, or residence.

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- (4) *Handling merchandise.* The creation of a loud and excessive noise in connection with loading or unloading any vehicle or the opening and destruction of bales, boxes, crates and containers.
 - (5) *Blowers.* The noise created from the discharge into the open air from any blower or power fan unless the noise from the blower or fan is muffled sufficiently to deaden the noise.
 - (6) *Hawking.* The hawking of goods, merchandise or newspapers in a loud and boisterous manner.
 - (7) *Horns and signal devices.* The sounding of any horn or signal device on any automobile, motorcycle, bus or other vehicle while not in motion, except when reasonably applied as a danger signal if another vehicle is approaching, apparently out of control, or to give warning of intent to go into motion, or if in motion, only as a danger signal after or as brakes are being applied and deceleration of the vehicle is intended.
 - (8) *Radio, phonographs, etc.* The using, operating or permitting to be played, used or operated any radio receiving set, musical instrument, phonograph or other machine or device for the producing or reproducing of sound in such manner as to disturb the peace, quiet and comfort of the neighboring inhabitants or at any time with louder volume than is necessary for convenient hearing for the persons who are in the room, vehicle or chamber in which such machine or device is operated and who are voluntary listeners thereto. The operation of any such set, instrument, phonograph, machine or device in such a manner as to be plainly audible at a distance of ~~fifty (50)~~ one hundred (100) feet from the building, structure or vehicle in which it is located shall be prima facie evidence of a violation of this section.
 - (9) *Shouting and whistling.* Yelling, shouting, hooting, whistling or singing or the making of any other loud noise on the public street, between the hours of 11:00 p.m. and 7:00 a.m., or the making of any such noise at any time so as to annoy or disturb the quiet, comfort or repose of any persons in the vicinity.
- (b) None of the terms or prohibitions of subsection (a) shall apply to or be enforced against:
- (1) Any police or fire vehicle or any ambulance, while engaged in emergency business.
 - (2) Excavations or repairs of bridges, streets or highways by or on behalf of the city, county or the state during the night, when the public safety, welfare and convenience renders it impossible to perform such work during the day.
 - (3) Emergencies and or emergency work shall be excluded from this subsection upon authorization of the city.
- (c) The provisions of this section may be temporarily waived by the issuance of a special event permit approved by the city council.
- (d) The acts listed under subsection (a) shall be a non-exclusive and non-exhaustive list of nuisances per se for purposes of this section.
- (1) Noises usually created by industrial, manufacturing, assembly, electrical power plants and similar uses when located on property zoned industrial under city ordinance.
 - ~~(2)~~ Noises usually created by agricultural operations, including animals, birds, etc., usually kept on property zoned agricultural under city ordinance.
 - ~~(3)~~ Noises of public or governmental safety signals, warning devices, and emergency devices when used as intended for warnings in case of emergency or danger or when tested, and noises of all fire alarms.
 - ~~(4)~~ Noises resulting from any authorized public service department responding to an emergency or acting in an emergency or while performing emergency work.
 - ~~(5)~~ Noise resulting from the operation of snow removal equipment either public or private.

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(69) Any vehicle of the city while engaged upon necessary public business.

(710) Noise caused by lawn mowing and garden equipment with mufflers between the hours of 7:00 a.m. and ~~10:00 a.m.~~ 9:00 p.m.

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(814) Athletic activities or events, including practices, conducted by or under the auspices of public or private schools.

(912) The use for noncommercial purposes of one or more bells or chimes which does not exceed 90 seconds in duration in an hour.

~~(1003)~~ Parades, concerts, musical activities, cultural events, festivals, fairs, or similar activities subject to the approval of a special permit subject to any sound limitations provided in the approval for such activity by the city.

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(114) Public parks and public recreational areas.

(125) Any aircraft operated in conformity with or pursuant to federal law, federal air regulations, and air traffic control instruction used pursuant to and within the duly adopted federal air regulations.

(136) Legal firework displays.

(147) All railroad operations.

(158) Noise caused by construction between the hours of 7:00 a.m. and ~~10:00~~ 9:00 p.m. provided it does not exceed ~~90~~ 75 dB(A) at ~~50~~ 100 feet from the source of the noise. Emergencies and/or emergency work shall be excluded from the limitations of this subsection.

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(169) Noise caused by demolition between the hours of 7:00 a.m. and ~~10:00~~ 9:00 p.m. provided it does not exceed ~~90~~ 75 dB(A) at ~~50~~ 100 feet from the source of the noise. Emergencies and/or emergency work shall be excluded from the limitations of this subsection.

(1720) Noise caused by home repair between the hours of 7:00 a.m. and ~~10:00~~ 9:00 p.m. ~~Monday through Satup.m. rday~~ excluding all holidays, provided it does not exceed ~~90~~ 75 dB(A) at the property line or at ~~50~~ 100 feet, whichever is furthest from the source of the noise. Emergencies and/or emergency work shall be excluded from the limitations of this subsection.

(1824) Noise caused by the removal of solid waste, recyclables, or similar material from any premises between the hours of 7:00 a.m. and ~~10:00~~ 9:00 p.m. provided it does not exceed ~~90~~ 75 dB(A) at ~~50~~ 100 feet from the source of the noise.

(1922) Noise caused by stationary air conditioners, generators, and pool pumps and similar equipment provided it does not exceed ~~75~~ 90 dB(A) as measured at the property line.

(Code 1966, §§ 9.75, 9.76; Ord. No. 1999-6, 6-28-99; Ord. No. 2016-2, 5-9-16; Ord. No. 2018-5, § 1, 8-20-18; Ord. No. 2021-7, § 1, 8-9-21)

Editor's note(s)—Ord. No. 2016-2, adopted May 9, 2016, changed the title of § 15-26 from "Loud noises prohibited; enumeration of prohibited noises; exceptions" to read as herein set out.

Sec. 18.72. Performance Standards.

Any use permitted by this Ordinance, including conditional uses, is subject to compliance with the performance standards set forth in this section. No use hereafter established shall exceed the limits set forth in this section, except as provided in this Ordinance.

- A. *Noise.* No operation or activity shall be carried out in any zoning district, which operation or activity causes or creates measurable noise levels exceeding the maximum sound pressure levels described in this section, as measured on or beyond the boundary lines of such district. Sound measurements shall be made with industry accepted equipment and methodology.
1. The maximum permitted sound pressure levels, in decibels, are as follows:

Noise levels shall not exceed ~~sixty (60)~~ **seventy five (75)** decibels measured at the property line during the hours of 7:00 a.m. through 9:00 p.m. and shall not exceed ~~forty five (45)~~ **sixty five (65)** decibels during the hours of 9:00 p.m. through 7:00 a.m.
- B. *Dust, soot, dirt, fly ash, and products of wind erosion.* No person shall operate or cause to be operated or maintained any process for any purpose, a furnace or a combustion device for the burning of coal and/or natural or synthetic fuels without maintaining and operating while using the process, furnace, combustion device, recognized and approved equipment, means, methods, devices, or contrivances to reduce the quality of gas-borne or air-borne solids carried in fumes emitted, directly or indirectly, into the open air, to a concentration level (per cubic foot of the carrying medium at a temperature of five hundred (500) degrees Fahrenheit) not exceeding two-tenths (0.20) grains. These standards are not intended to apply to residential uses, such as chimneys for fireplaces or wood/coal burning stoves.
- C. *Smoke.* No person shall discharge into the atmosphere, from any single source of emission, excepting smoke from a chimney for a fireplace or wood/coal burning stove in a residential structure, any smoke of a density or equivalent capacity which exceeds for any period of time, the density designated as No. 1 on the Ringelmann Chart or twenty (20) per cent opacity, which is hereby incorporated into this Ordinance by reference, except when the emission consists only of water vapors, or the shade, or appearance of which is equal to, but not darker than No. 2 of the Ringelmann Chart, for a period, or periods aggregating four (4) minutes in any thirty (30) minutes.
- D. *Vibration.* Machines or operations which cause vibration shall be permitted, but no operations shall be permitted to produce ground transmitted oscillations which cause a displacement exceeding that specified in the following tables and/or as measured at the property line. These vibrations shall be measured with a seismograph or accelerometer, preferably the former.
1. The maximum permitted steady state vibration, in inches, is as follows:

Frequency (Cycles per second)	Permitted Vibration
10 and below	0.0010
10 to 19	0.0008
20 to 29	0.0005
30 to 39	0.0003
40 and above	0.0001

2. The maximum permitted impact vibration, in inches, is as follows:

Frequency (Cycles per second)	Permitted Vibration
10 and below	0.0020
10 to 19	0.0015
20 to 29	0.0010
30 to 39	0.0005
40 and above	0.0002

Between ~~8:00~~ 9:00 p.m. and ~~6:00~~ 7:00 a.m. of the following day, all maximum vibration levels, as measured at the boundary line of residentially used areas adjacent to non-residentially zoned districts, shall be reduced to one-half (½) the indicated permissible values by those activities causing the vibration.

- E. *Odor.* The emission of noxious, odorous matter in such quantities as to be readily detectable at a point along any property line, when diluted in the ratio of one (1) volume of odorous air to four (4) or more volumes of clean air, so as to produce a public nuisance or hazard beyond lot lines is prohibited.
- F. *Glare, heat, and light.* Any operation producing intense glare or heat (such as or similar to arc welding or acetylene torch cutting) which emits harmful rays shall be preformed within an enclosure so as to completely obscure and shield such operation from direct view from any point along the lot lines and as not to create a public nuisance or hazard along such lot lines, except during the period of construction of the facilities to be used and occupied. Bare bulbs in or near a residentially used area shall be not greater than ten (10) watts. Within five hundred (500) feet of a residentially zoned area, bare bulbs which are visible in the residential area may not exceed fifteen (15) watts. Exterior lighting shall be so installed that the surface of the source of light shall not be visible from the nearest residential district boundary and it shall be so arranged to reflect light away from any residential use. In no case, shall more than one (1) footcandle power of light cross a lot line five (5) feet or more above the ground. In no case shall more than ten (10) footcandle power of light exist at any given point on site. Exterior spot lighting or other illumination shall be so installed as to eliminate any nuisance to adjoining business and industrial districts or the creation of a traffic hazard on public highways.
- G. *Fire and safety hazards.* The storage and handling of flammable liquids, liquefied petroleum gases, and explosives, ranging from free or active burning to intense burning, as determined by the fire chief, and highly toxic and highly radioactive materials shall comply with all state rules and regulations, regulations as established by the Fire Prevention Act, Act 207 of the Public Acts of 1941, as amended (MCLA 29.1 et seq.), the Flammable and Combustible Liquids Code (pursuant to Act 154 of the Public Acts of 1974, as amended, 29 CFR 1910.106, NfiPA prevention codes, and the requirements of the state fire marshal.

Further, such materials or products, if stored, utilized, or produced within completely enclosed buildings or structures, shall have incombustible exterior walls and meet the requirements of the applicable building code. All such buildings or structures shall be set back at least forty (40) feet from lot lines and all such buildings or structures.

Further, all exterior above-ground storage tanks for flammable liquid materials, liquefied petroleum gases, explosives, and highly toxic and highly radioactive materials shall be completely surrounded by earth embankments, dikes, and other types of retaining walls which will contain the total capacity of all tanks so enclosed. Below-ground bulk storage tanks of flammable liquids shall be located not closer to the property line than twice the depth to the bottom of the buried tank.

- H. *Open fires.* No person operating a permitted or conditional use shall cause to be burned any combustible refuse in an open outdoor fire.

-
- I. *Sewage wastes.* Sewage wastes shall comply with the City of Eaton Rapids Code regarding sewer use and the performance measures established therein.
 - J. *Gases.* The escape or emission of any gas which is injurious, destructive, or explosive is unlawful and may be summarily caused to be abated. Sulphur dioxide gas, as measured at the property line at ground elevation, shall not exceed an average of three-tenths (0.3) ppm; hydrogen sulfide shall not exceed one (1.0) ppm; fluorine shall not exceed one-tenth (0.1) ppm; nitrous fumes shall not exceed five (5.0) ppm; and carbon monoxide shall not exceed fifteen (15.0) ppm, all measured as the average intensity during any twenty-four (24) hour sampling period.
 - K. *Radio transmissions, explosives, and radioactive materials.* For electronic equipment required in an industrial operation, the equipment shall be shielded so that its operation will not interfere with radio, television, or other electronic equipment. All explosives and radioactive materials shall be stored and/or used in a manner which does not endanger abutting properties. Radioactive materials and wastes, and including electromagnetic radiation, such as X-ray machine operation, shall not be emitted to exceed quantities established as safe y the U.S. Bureau of Standards, when measured at the property line. All transportation, including by rail, of radioactive materials, hazardous waste, and toxic waste shall be within permissible standards set by the federal government. Applicable regulations of the Federal Communications Commission regarding electromagnetic radiation are hereby incorporated into this Ordinance by reference.
 - L. *Drifting and air-borne matter.* The drifting or air-borne transmission beyond the lot line, of dust, particles, or debris from any open stockpile is unlawful and shall be summarily caused to be abated.
 - M. *Nuisances.* A person or industry shall not discharge from any source whatsoever such quantities of air contaminants or other materials which cause injury, detriment, or nuisance to the public, which endanger the comfort, repose, health, or safety of the public, or which cause or have natural tendency to cause injury or damage to business or property.
 - N. *Stormwater.* All stormwater generated by a use and/or structure shall be managed and discharged in accordance with all applicable local, state, federal, and county drain commission standards and requirements.

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1. The maximum permitted sound pressure levels, in decibels, are as follows:

Noise levels shall not exceed seventy-five (75) decibels measured at the property line during the hours of 7:00 a.m. through 9:00 p.m. and shall not exceed sixty-five (65) decibels during the hours of 9:00 p.m. through 7:00 a.m.
- B. *Dust, soot, dirt, fly ash, and products of wind erosion.* No person shall operate or cause to be operated or maintained any process for any purpose, a furnace or a combustion device for the burning of coal and/or natural or synthetic fuels without maintaining and operating while using the process, furnace, combustion device, recognized and approved equipment, means, methods, devices, or contrivances to reduce the quality of gas-borne or air-borne solids carried in fumes emitted, directly or indirectly, into the open air, to a concentration level (per cubic foot of the carrying medium at a temperature of five hundred (500) degrees Fahrenheit) not exceeding two-tenths (0.20) grains. These standards are not intended to apply to residential uses, such as chimneys for fireplaces or wood/coal burning stoves.
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Between 9:00 p.m. and 7:00 a.m. of the following day, all maximum vibration levels, as measured at the boundary line of residentially used areas adjacent to non-residentially zoned districts, shall be reduced to one-half (½) the indicated permissible values by those activities causing the vibration.

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Further, all exterior above-ground storage tanks for flammable liquid materials, liquefied petroleum gases, explosives, and highly toxic and highly radioactive materials shall be completely surrounded by earth embankments, dikes, and other types of retaining walls which will contain the total capacity of all tanks so enclosed. Below-ground bulk storage tanks of flammable liquids shall be located not closer to the property line than twice the depth to the bottom of the buried tank.

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 - N. *Stormwater.* All stormwater generated by a use and/or structure shall be managed and discharged in accordance with all applicable local, state, federal, and county drain commission standards and requirements.

NOTICE OF PUBLIC HEARING

**CITY OF EATON RAPIDS PLANNING COMMISSION
EATON COUNTY, MICHIGAN**

PLEASE TAKE NOTICE that the City of Eaton Rapids Planning Commission will hold a public hearing at the regular meeting scheduled for Monday, October 7, 2024, at 7:00 p.m. at the Eaton Rapids City Hall, 200 S. Main St., Eaton Rapids, MI.

Said Public Hearing will be to consider adoption of a Zoning Ordinance to amend Section 15.26 to Article II, Noise, and Section 18.72 to Article XVIII, General Standards and Exceptions, of the codified ordinances of the City of Eaton Rapids, Eaton County, Michigan, to protect the public health, safety, and welfare of the City of Eaton Rapids; and update the Noise Ordinance.

Questions concerning this matter may be directed to the Building Official, LeRoy Hummel, 200 S. Main St., Eaton Rapids, MI. 48827. The office phone number is 517-237-3799.

Robin Webb
City Clerk



Reservation and Special Event Permit Application

Complete this application and return it to City Hall at least 21 calendar days prior to the starting date of a type 1 event (less than 100 attendees), or 60 calendar days prior to the starting date of a type 2 event (greater than 100 attendees).

A \$20 deposit for a type 1 event, or \$50 deposit for a type 2 event must be paid at this time. The City of Eaton Rapids will schedule all events on a first-come, first-served basis. Where applicable, the City will notify the applicant of any additional deposit required. The event will not be confirmed until the City of Eaton Rapids approves this event.

1. Date of Event: 10/2/2025-10/5/2024 Location: Downtown Eaton Rapids
2. Starting time of event: 10/2/25 - 8:00AM Ending time of event: 10/5/25 - 8:00PM
3. Sponsoring Organization: City of Eaton Rapids
Address: 200 S Main St Phone: 517-663-8118
Web Site: cityofeatonrapids.gov
4. Contact Person: Corey Cagle Title: Director of Parks, Recreation & Events
Address: 200 S Main St Phone: 517-663-8118
E-mail: ccagle@cityofeatonrapids.gov
5. Type of Event: City Operated Event Non-Profit Event
 Co-Sponsored Event For-Profit Event
 Political or Ballot Issue Event

Describe the planned event: Urban Air is back to where it all began in 2025! Campers will arrive Thursday to park throughout downtown Eaton Rapids. The weekend will be packed full of events and entertainment for the campers and community. A final schedule of events will be provided closer to event for Council Review. Plans for Police/Fire/DPW will be communicated closer to the event.

Anticipated number of attendees: Less than 100 attendees

Greater than 100 attendees

6. Annual Event: Is this event expected to occur next year? Yes No

If yes, you may reserve a date for next year with this application. To reserve dates for next year, please provide the following information: 10/1/2026-10/5/2026

Normal event schedule (e.g., third weekend in July):

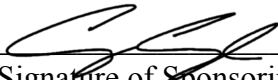
Next year's specific dates: 10/1/2026-10/5/2026

7. An Event Map must be attached. If your event will use streets and/or sidewalks or will use multiple locations, please attach a complete map showing assembly and dispersal locations and the route plan. Also show streets or parking lots that you are requesting to be blocked off.
8. Vendors: Food/Beverage Concessions? Yes No
Other Vendors? Yes No
If yes, refer to the Rules and Regulations for requirements.
9. Event Signs: Will this event include the use of signs? Yes No
If yes, refer to the Rules and Regulations for requirements.
10. Parking: Are you requesting to charge for parking? Yes No
If Yes, list the lots or locations where this parking is requested.
11. Alcoholic Beverages: Will alcoholic beverages be served? Yes No
Who holds the Liquor Control Commission License? (Copy must be provided)
Liquor License will be applied for closer to event
12. Other Requests: Main Street Closure for Camper Parking on 10/2/2025 - Hamlin St Closure throughout full weekend.
13. Noise Ordinance: Request to be Waived? Yes No
14. Location: Permission has been granted by owner? Yes No
15. Certification and Signature: I understand and agree on behalf of the sponsoring organization that:
- A certificate of insurance must be provided which names the City of Eaton Rapids as an additional named insured party on the policy. (See the Rules and Regulations for insurance requirements)
 - Event sponsors and participants will be required to sign Indemnification Agreement forms.
 - If the event includes solicitation by workers standing in parking lots, the required safety requirements and use of traffic cones will be maintained at all times in accordance with the City's general policies and practices. The City does not allow standing in the street or making any solicitations from the street.
 - All food vendors must be approved by the Eaton County Health Department, and each food and/or other vendor must provide the City with a certificate of insurance in an amount approved by the City which names the City as an additional insured party on the policy.
 - The approval of this Special Event Permit may include additional requirements and/or limitations, based on the City's review of this application. The event will be operated in conformance within the Written Confirmation of Approval.

- f. The Sponsoring Organization will provide a security deposit for the estimated fees as may be required by the City and will promptly pay any billing for City Services which may be rendered.
- g. INDEMNIFICATION: I agree and bind my organization to hold the City of Eaton Rapids harmless from any claim for damage or injury arising out of our activities in connection with this event. I understand that this agreement to indemnify is for any and all liability of the City of Eaton Rapids, including costs of defense and attorney fees arising from any activity on our part which is legally negligent, reckless or a violation of a legal duty owed by us to the City of Eaton Rapids or any third person.

As an authorized agent of the sponsoring organization, I hereby apply for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with City's Special Events Review Committee, the terms of the Written Confirmation of Approval, and all other City requirements, ordinances and other laws which may apply to this Special Event.

10/2/2024
Date


Signature of Sponsoring Organization's Agent

Corey Cagle
Please Print Sponsoring Organization's Agent

Return this form to:

City of Eaton Rapids
200 S. Main St.
Eaton Rapids, MI 48827
PH: 517-663-8118
FX: 517-663-1116

Date Deposit Paid WAIVED CER Account #208-253-694.00

Date Rec'd by City of Eaton Rapids 10/2/2024

Date Approved by City of Eaton Rapids _____



MEETING DATE: OCTOBER 14, 2024

CITY MANAGER

To: Mayor and City Council

Work Session

From: Yvonne Ridge, City Manager

Regular Meeting

Submitted: October 9, 2024

Subject: Christmas Tree – Hamlin Square

SUMMARY

As the holidays approach, there is a need to finalize how the City would like to proceed for the 2024 Holiday season regarding the Christmas Tree at Hamlin Square. In previous years, the Christmas Tree transformed into a Giving Tree, where gently used appeared beneath the tree. Last year, the council had an extensive discussion about maintaining the spirit of giving without cluttering the area under the tree. Some suggestions included setting up designated drop-off points or partnering with local charities to manage the collection and distribution of donations.



STAFF RECOMMENDATION/MOTION

Discussion

LIST OF SUPPORTING DOCUMENTS

N/A

THE CITY OF
Eaton Rapids
MICHIGAN

Pamela Colestock – *Mayor*
William Steele – *Mayor Pro Tem*
Deb Malewski – *Council Member*
Stacey Robison – *Council Member*
Ken Nicholas – *Council Member*

Yvonne Ridge – *City Manager*
Larry Joe Weeks – *Police Chief*
Roger McNutt – *Fire Chief*
LeRoy Hummel – *Building Official*
Rob Pierce – *Public Works/Utilities Director*
Genny Allen – *Treasurer/Finance Director*
Robin Webb – *City Clerk*
Corey Cagle – *Director of Parks, Recreation and Events*
Randy Jewell – *City Assessor*
Cullen Harkness – *City Attorney*

MEETING DATE: OCTOBER 14, 2024

TREASURER/FINANCE DIRECTOR

To: Mayor and City Council

Work Session

From: Genny Allen

Regular Meeting

Submitted: 10/09/2024

Subject: Budget Amendment for Fiscal Year End 2024-2025

SUMMARY

Budget amendments are used periodically to adjust accounts to the appropriate levels as no fund may have a budget deficit or exceed amended appropriations at fiscal year-end. Budget amendments must be made prior to the end of the fiscal year.

Any changes to budget numbers require approval from the City Council.

The Budget Amendment Resolution, included with this memo, is to accommodate the increase in expenses of \$17,025 per the Dewpoint contract approved by the City Council at the September 23, 2024 meeting.

STAFF RECOMMENDATION/MOTION

Motion to amend the Budget for the general municipal purposes of the City of Eaton Rapids for the Fiscal year of 2024-2025.

LIST OF SUPPORTING DOCUMENTS

Resolution 2024-36



MEETING DATE: OCTOBER 14, 2024

CITY MANAGER

To: Mayor and City Council Work Session

From: Yvonne Ridge, City Manager Regular Meeting

Submitted: October 9, 2024

Subject: City of Eaton Rapids Other Post-Employment Benefits Plan (OPEB)

SUMMARY

The information in the annual valuation is intended to assist in complying with Governmental Accounting Standards Board Statement No. 74 (GASB 74) Financial Reporting for Post-Employment Benefit Plans Other than Pension Plans, and Statement No. 75 (GASB 75) Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions.

Under the GASB guidelines, it is mandated that OPEB valuations are conducted biennially. However, GASB recommends annual Actuarial Valuations to ensure up-to-date and accurate financial reporting. To comply with these recommendations, a full Actuarial Valuation is undertaken in even-numbered years. In contrast, an update is performed in odd-numbered years. This approach helps maintain a comprehensive understanding of the financial commitments associated with OPEB, ensuring fiscal responsibility.

OPEB's are considered pre-funded when the employer makes annual contributions to the irrevocable trust (an account whose funds can only be used for retiree health benefits). The account balance of the trust offsets the actuarial accrued liability, reducing the unfunded liability. The City has a Retiree Health Funding Vehicle through the Municipal Employees' Retirement System of Michigan (MERS) and has committed to contributing \$25,000 per year to decrease the City's unfunded liability.

STAFF RECOMMENDATION/MOTION

Review and Discussion

LIST OF SUPPORTING DOCUMENTS

City of Eaton Rapids Other Post-Employment Benefits Plan Annual Valuation

City of Eaton Rapids Other Post-Employment Benefits Plan

Accounting Report

for the Period Ending June 30, 2024
under GASB Statement 74 & 75



WATKINS ROSS | 200 OTTAWA AVE N.W. | SUITE 600 | GRAND RAPIDS, MI 49503 | 616.456.9696

Report presented by:



September 2024

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INTRODUCTION AND CERTIFICATION

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

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

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

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

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

Reviewed by:



Glen W. Bradley
Senior Pension Analyst

Prepared & Certified by:



Joseph Shackelford, ASA, MAAA
Actuary

COMMENTS

Purpose of Governmental Accounting Standards Board (GASB) Reporting

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

State of Michigan Public Act 202

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

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

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

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

Changes in Actuarial Assumptions, Plan Changes and Expected Actuarial Experience

There was an actuarial loss (increase in liability) of \$230,035, due primarily to a remeasurement of the magnitude of the union contribution change reflected in the 2022 actuarial valuation. The combination of actuarial assumption changes, described in the "Assumptions and Methods for Calculation of Actuarially Determined Contribution" section of this report, generated an increase in liability of \$1,324. Also, there was a decrease in liability of \$60,563 due to a change in the benefit terms of the City's OPEB plan, highlighted in the Plan Provisions section of the report.

Peer Review and rotation of Certifying Actuary

Current year Certifying Actuary: Joey Shackelford

Peer reviewed/change in Actuary: 06/30/2022

PLAN DESCRIPTION

Summary of Significant Accounting Policies

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

Plan Description

City of Eaton Rapids Other Post-Employment Benefits Plan is a single employer plan established and administered by **City of Eaton Rapids** and can be amended at its discretion.

Benefits Provided

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

Summary of Plan Participants

As of June 30, 2024, Retirement Plan membership consisted of the following:

	06/30/2022	06/30/2024
Active members	17	13
Inactive members	0	0
Retirees and beneficiaries	22	22
Total members	39	35

Contributions

The City of Eaton Rapids Other Post-Employment Benefits Plan was established and is being funded under the authority of the City and under agreements with the unions representing various classes of employees. The plan's funding policy is that The City plans to make annual contributions of \$25,000 into the OPEB Trust for the foreseeable future. Currently, benefit payments are made from general operating funds – pay-as-you-go. There are no long-term contracts for contributions to the plan.

ASSUMPTIONS AND METHODS

The City of Eaton Rapids's OPEB liability was measured as of June 30, 2024.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024. The following actuarial assumptions were used in the measurement:

Inflation	2.50
Salary increases	3.25% (for purpose of allocating liability)
Investment rate of return	7.00% (including inflation)
20-year Aa Municipal bond rate	4.00%
Mortality	2010 Public General Employees and Healthy Retirees, Headcount weighted
Improvement Scale	IRS 2024 Adjusted Scale MP-2021

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	60.0%	4.50%
Global Fixed Income	20.0%	2.00%
Private Assets	20.0%	7.00%

The sum of each target allocation times its long-term expected real rate, plus inflation, is 7.00%.

Discount Rate

The discount rate used to measure the total OPEB liability was **7.00%**. The projection of cash flows used to determine the discount rate assumed that the City will make annual contributions of \$25,000 into the OPEB trust for the foreseeable future and continue to pay benefits from general operating funds. Based on this assumption, the retirement plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets, the depletion date (not applicable to your plan), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the Total OPEB Liability. As of June 30, 2023 the discount rate used to value OPEB liabilities was 7.00%.

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023	\$1,752,725	\$415,419	\$1,337,306
Changes during the Year			
Service Cost	32,892		32,892
Interest	119,632		119,632
Experience (Gains)/Losses	230,035		230,035
Change in plan terms	(60,563)		(60,563)
Change in actuarial assumptions	(1,324)		(1,324)
Contributions to OPEB trust		25,000	(25,000)
Contributions/benefit from general operating funds		153,158	(153,158)
Employee Contributions		0	0
Net Investment Income		43,762	(43,762)
Benefit Payments;			
Including Refunds of Employee Contributions	(153,158)	(153,158)	0
Administrative Expenses		(937)	937
Other Changes		0	0
Total Changes	167,514	67,825	99,689
Balance at June 30, 2024	\$1,920,239	\$483,244	\$1,436,995

Net OPEB Liability – Discount and Trend Rate Sensitivities

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

Discount	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$2,066,993	\$1,920,239	\$1,790,655
Plan Fiduciary Net Position	483,244	483,244	483,244
Net OPEB Liability	\$1,583,749	\$1,436,995	\$1,307,411
Trend	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$1,872,554	\$1,920,239	\$1,974,944
Plan Fiduciary Net Position	483,244	483,244	483,244
Net OPEB Liability	\$1,389,310	\$1,436,995	\$1,491,700

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

OPEB Expense

Below are the components of the Total OPEB Expense:

	Fiscal Year Ending 06/30/2024
Service Cost	\$32,892
Interest on Total OPEB Liability	119,632
Experience (Gains)/Losses	(38,990)
Changes in Plan Terms	(60,563)
Changes in Assumptions	(126,183)
Employee Contributions	0
Projected Earnings on OPEB Plan Investments	(29,921)
Investment Earnings (Gains)/Losses	778
Administrative Expenses	937
Other Changes in Fiduciary Net Position	0
Total OPEB Expense	\$(101,418)

OPEB Plan Fiduciary Net Position

The OPEB Plan Fiduciary Net Position as of June 30, 2024 is \$483,244.

Deferred Inflows and Outflows of Resources Related to OPEB Plan

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Experience (Gains)/Losses	843,714	540,109
Changes of Assumptions	319,687	534,729
Investment Earnings (Gains)/Losses	66	0
Total	\$1,163,467	\$1,074,838

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

Year Ended June 30,	Amount Recognized
2025	\$(166,687)
2026	(157,570)
2027	175,151
2028	173,541
2029	64,194
Thereafter	0

RECONCILIATION AND RECOGNITION OF NET OPEB LIABILITY

Reconciliation of Net OPEB Liability

	Net OPEB Liability
Net OPEB Liability June 30, 2023	\$1,337,306
Total OPEB expense	(101,418)
Contributions	(178,158)
Change in deferred outflows of resources	(76,434)
Change in deferred inflows of resources	455,699
Net OPEB Liability June 30, 2024	\$1,436,995

Total OPEB Liability by Participant Status

	Total OPEB Liability
Active participants	\$788,991
Inactive participants	0
Retirees and beneficiaries	1,131,248
Total OPEB Liability	\$1,920,239

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Description of Actuarially Determined Contributions

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

Actuarially Determined Contribution (ADC) ¹	Fiscal Year Ending June 30,	
	2025	2024
Discount rate	7.00%	7.00%
Amortization period	11 years	11 years
Amortization method	Level \$	Level \$
Normal cost	32,452	32,892
Amortization of Net OPEB Liability	179,096	166,672
Interest to end of year	14,809	13,969
Total ADC	\$226,357	\$213,533

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

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

The first of these contributions as shown above, \$213,533, is an amount required to be reported to the State of Michigan and may be used to determine whether a Corrective Action Plan (CAP) must be adopted if one hasn't yet been implemented. *It is not a required contribution.*

The second of these numbers is the actual minimum amount the State of Michigan requires you to deposit into a trust and it is based on the normal cost (actuarially calculated) for those covered by your plan and hired after June 30, 2018. Because the plan has no eligible employees hired after that date, this requirement is not applicable to your plan.

You must continue to pay retiree OPEB benefits from general operating funds. That amount was \$153,158 for 2024.

¹ ADC for 2024 and 2025 is based on actuarial assumptions consistent with reporting as of June 30, 2023, and June 30, 2024.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

State of Michigan Public Acts 530 and 202 Information

Financial information	2024
Assets (Fiduciary net position)	483,244
Liabilities (Total OPEB Liability)	1,920,239
Funded ratio for the Plan Year	25.17%
Actuarially Determined Contribution	\$213,533
Is ADC calculated in compliance with No. Letter 2018-3?	Yes

Membership	2024
Number of active members	13
Number of inactive members	0
Number of retirees and beneficiaries	22
Premiums paid on behalf of the retirants	\$153,158

Investment Performance
This information is available from the Investment Manager

Actuarial Assumptions	2024
Actuarially assumed rate of investment return	7.00%
Discount rate	7.00%
Amortization method used for funding unfunded liability	Level \$
Amortization period used for funding unfunded liability	11 years
Is each division closed to new employees	Yes
Healthcare inflation assumption next year	7.25%
Healthcare inflation assumption - long term	4.50%

Uniform Assumptions	2024
Actuarial value of assets using uniform assumptions	483,244
Actuarial accrued liability using uniform assumptions	1,915,950
Funded ratio using uniform assumptions	25.22%
Actuarially Determined Contribution (ADC) using uniform assumptions	\$205,328

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ending	06/30/2024	06/30/2023	06/30/2022	06/30/2021
Total OPEB Liability				
Service Cost	\$32,892	\$31,759	\$181,255	\$127,993
Interest	119,632	121,415	97,481	152,862
Changes of Benefit Terms	(60,563)	0	(540,474)	0
Difference between Expected and Actual Experience	230,035	(30,582)	(1,243,928)	27,243
Change of Assumptions	(1,324)	4,940	(906,046)	648,483
Benefit Payments (Including Refunds of Employee Contributions)	(153,158)	(155,111)	(155,947)	(310,380)
Net Change in Total OPEB Liability	167,514	(27,579)	(2,567,659)	646,201
Total OPEB Liability – Beginning	1,752,725	1,780,304	4,347,963	3,701,762
Total OPEB Liability – Ending (a)	\$1,920,239	\$1,752,725	\$1,780,304	\$4,347,963
Plan Fiduciary Net Position				
Contributions to OPEB trust	\$25,000	\$69,662	\$0	\$0
Contributions/benefit payments made from general operating funds	153,158	155,111	155,947	310,380
Net Investment Income	43,762	27,184	(28,683)	66,350
Benefit Payments (Including Refunds of Employee Contributions)	(153,158)	(155,111)	(155,947)	(310,380)
Administrative Expenses	(937)	(677)	(625)	(578)
Other	0	0	0	0
Net Change in Fiduciary Net Position	67,825	96,169	(29,308)	65,772
Plan Fiduciary Net Position – Beginning	415,419	319,250	348,558	282,786
Plan Fiduciary Net Position – Ending (b)	483,244	415,419	319,250	348,558
Net OPEB Liability – Ending (a)-(b)	\$1,436,995	\$1,337,306	\$1,461,054	\$3,999,405
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	25.17%	23.70%	17.93%	8.02%
Covered Employee Payroll	\$910,786	\$722,623	\$1,141,514	\$1,639,787
Net OPEB Liability as Percentage of Payroll	157.8%	185.1%	128.0%	243.9%
Actuarially Determined Contribution	\$213,533	\$217,932	\$397,608	\$377,342
Employer Contribution/benefit payments	(178,158)	(224,773)	(155,947)	(310,380)
Contribution Deficiency/(Excess)	\$35,375	\$(6,841)	\$241,661	\$66,962
ADC as a Percentage of Covered Payroll	23.4%	30.2%	34.8%	23.0%
Employer Contribution as a Percentage of Covered Payroll	19.6%	31.1%	13.7%	18.9%

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ending	06/30/2020	06/30/2019	06/30/2018
Total OPEB Liability			
Service Cost	\$364,251	\$353,279	\$342,989
Interest	312,942	302,250	288,279
Changes of Benefit Terms	(7,931,229)	0	0
Difference between Expected and Actual Experience	1,377,195	28,012	0
Change of Assumptions	(326,210)	0	0
Benefit Payments (Including Refunds of Employee Contributions)	(324,644)	(351,649)	(310,031)
Net Change in Total OPEB Liability	(6,527,695)	331,892	321,237
Total OPEB Liability – Beginning	10,229,457	9,897,565	9,576,328
Total OPEB Liability – Ending (a)	\$3,701,762	\$10,229,457	\$9,897,565
Plan Fiduciary Net Position			
Contributions to OPEB trust	\$140,000	\$140,000	\$0
Contributions/benefit payments made from general operating funds	324,644	351,649	310,031
Net Investment Income	470	2,328	0
Benefit Payments (Including Refunds of Employee Contributions)	(324,644)	(351,649)	(310,031)
Administrative Expenses	0	(12)	0
Other	0	0	0
Net Change in Fiduciary Net Position	140,470	142,316	0
Plan Fiduciary Net Position – Beginning	142,316	0	0
Plan Fiduciary Net Position – Ending (b)	282,786	142,316	0
Net OPEB Liability – Ending (a)-(b)	\$3,418,976	\$10,087,141	\$9,897,565
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	7.64%	1.39%	0.00%
Covered Employee Payroll	\$1,475,429	\$2,826,837	\$2,171,316
Net OPEB Liability as Percentage of Payroll	231.7%	356.8%	455.8%
Actuarially Determined Contribution	\$1,178,224	\$1,115,623	\$996,959
Employer Contribution/benefit payments	(464,644)	(491,649)	(310,031)
Contribution Deficiency/(Excess)	\$713,580	\$623,974	\$686,928
ADC as a Percentage of Covered Payroll	79.9%	39.5%	45.9%
Employer Contribution as a Percentage of Covered Payroll	31.5%	17.4%	14.3%

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Assumptions and Methods for Calculation of Actuarially Determined Contribution

Valuation date June 30, 2024

Measurement date June 30, 2024

Reporting date June 30, 2024

Actuarial Methods

Cost method Entry Age Normal (level percentage of compensation)

Asset valuation method Market value

Actuarial Assumptions

Discount Rate – 7.00% for 2024 contribution, liability and 2025 contribution

Rationale – Blended rate based on long term expected return and the 20-year Aa Municipal Bond rate

20-year Aa Municipal Bond Rate – 4.21% (S&P Municipal Bond 20-Year High Grade Rate Index)

Rationale – S&P Municipal Bond 20-Year High Grade Rate Index as of June 30, 2023

Salary Scale – 3.00% (for purpose of allocating liability)

Rationale – Per employer experience and expectations

Return on Plan Assets – 7.00% (including inflation)

Rationale – Provided by investment manager

Mortality Rates – 2010 Public General and Public Safety Employees and Healthy Retirees, Headcount weighted, IRS 2024 Adjusted Scale MP-2021

Rationale – Most current mortality rates available for municipalities

Utilization – 100% of future retirees will elect coverage at retirement; actual coverage used for non-active

Rationale – Conservative estimate based on plan experience

Termination Rates – None

Rationale – Subsequent coverage for terminated employees upon attaining retirement age

Retirement Rates – See rates below:

Age	Rates
50-54	3%
55	55
56-58	4
59-61	15
62	30
63	50
64	70
65	100

Rationale – SOA retirement study by city size, region and male/female ratio with adjustment for experience

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Marital Assumption – 60% of future retirees will have a covered spouse at retirement with males three years older than females; actual single/double coverage used for retirees

Rationale – Consistent with experience

Claims Costs – See rates (annual) below:

Age	Medical	Dental	Vision
50	\$10,379.28	\$416.88	\$52.08
51	10,838.40	424.80	52.56
52	11,343.96	432.60	52.92
53	11,855.40	440.76	53.28
54	12,407.52	449.04	53.52
55	12,959.64	457.44	53.76
56	13,558.20	466.08	53.88
57	14,162.52	475.08	53.88
58	14,807.64	483.96	53.88
59	15,127.32	493.20	53.76
60	15,772.32	502.56	53.52
61	16,330.20	512.04	53.28
62	16,696.44	521.76	52.8
63	17,155.44	531.84	52.32
64	17,434.44	541.79	51.72

Rationale – Actual premium rates effective 2022 for pre-65 retirees; fixed stipend set by the City for post-65 retirees

Implicit Subsidy – Not applicable; premiums are age-rated

Medical Trend

Pre-65 – Medical, 7.25% graded down to 4.5% by 0.25% per year; Dental and Vision, 3.00%

Medicare eligible – N/A; fixed stipend provided at retirement

Rationale – Based on State of Michigan trend survey

Data Collection

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

Assumption changes since prior valuation

- Medical Trend rates updated to those prescribed by PA 202 for year 2024
- 3.00% Trend applied to Dental and Visions premiums separate from Medical Premiums

Assumptions used for PA 202 Reporting

Discount rate – 6.90%

Salary Scale – 3.75%

All other assumptions are the same as used for GASB

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Difference between Actual and Expected Experience

Year	Difference between expected and actual Experience	Recognition period (years)	Amount Recognized in Year Ended June 30,							Deferred Outflow of Resources	Deferred Inflow of Resources
			2024	2025	2026	2027	2028	2029	2030+		
2019	28,012	8.31	3,371	3,371	3,371	1,044				7,786	-
2020	1,377,195	9.44	145,889	145,889	145,889	145,889	145,889	64,194		647,750	-
2021	27,243	7.82	3,484	3,484	3,484	3,484	2,855			13,307	-
2022	(1,243,928)	5.17	(240,605)	(240,605)	(240,605)	(40,903)				-	(522,113)
2023	(30,582)	4.86	(6,293)	(6,293)	(6,293)	(5,410)	-	-	-	-	(17,996)
2024	230,035	4.17	55,164	55,164	55,164	55,164	9,379	-	-	174,871	-
Net recognized in OPEB expense			\$ (38,990)	\$ (38,990)	\$ (38,990)	\$ 159,268	\$ 158,123	\$ 64,194	\$ -	\$ 843,714	\$ (540,109)

Schedule of Changes in Assumptions

Year	Changes in Assumptions	Recognition period (years)	Amount Recognized in Year Ended June 30,							Deferred Outflow of Resources	Deferred Inflow of Resources
			2024	2025	2026	2027	2028	2029	2030+		
2020	(326,210)	9.44	(34,556)	(34,556)	(34,556)	(34,556)	(49,762)			-	(153,430)
2021	648,483	7.82	82,926	82,926	82,926	82,926	68,001			316,779	-
2022	(906,046)	5.17	(175,251)	(175,251)	(175,251)	(29,791)	-			-	(380,293)
2023	4,940	4.86	1,016	1,016	1,016	876	-	-	-	2,908	-
2024	(1,324)	4.17	(318)	(318)	(318)	(318)	(52)	-	-	-	(1,006)
Net recognized in OPEB expense			\$ (126,183)	\$ (126,183)	\$ (126,183)	\$ 19,137	\$ 18,187	\$ -	\$ -	\$ 319,687	\$ (534,729)

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

Year	Difference between expected and actual earnings on OPEB assets	Recognition period (years)	Amount Recognized in Year Ended June 30,							Deferred Outflow of Resources	Deferred Inflow of Resources
			2024	2025	2026	2027	2028	2029	2030+		
2020	11,463	5	2,291							-	-
2021	(45,586)	5	(9,117)	(9,118)						-	(9,118)
2022	54,279	5	10,856	10,856	10,855					21,711	-
2023	(2,422)	5	(484)	(484)	(484)	(486)				-	(1,454)
2024	(13,841)	5.00	(2,768)	(2,768)	(2,768)	(2,768)	(2,769)			-	(11,073)
Net recognized in OPEB expense			\$ 778	\$ (1,514)	\$ 7,603	\$ (3,254)	\$ (2,769)			\$ 21,711	\$ (21,645)

Total Deferred Outflow/(Inflow) of Resources

	Amount Recognized in Year Ended June 30,						
	2025	2026	2027	2028	2029	2030+	
Total Deferred Outflow/(Inflow) of Resources	(166,687)	(157,570)	175,151	173,541	64,194	-	

TRUSTEE AND FORM 5720 INFORMATION

Projected benefit payments and contributions

Form 5720 (the Form) – Corrective Action Plan Monitoring: Application for Certification of Compliance, Section 4 asks for supporting documentation that shows projected benefit payments and contributions as a percentage of projected governmental fund revenues over the next five years. A link to a spreadsheet is provided with the Form, and within the spreadsheet, there is a link to instructions on how to complete the spreadsheet.

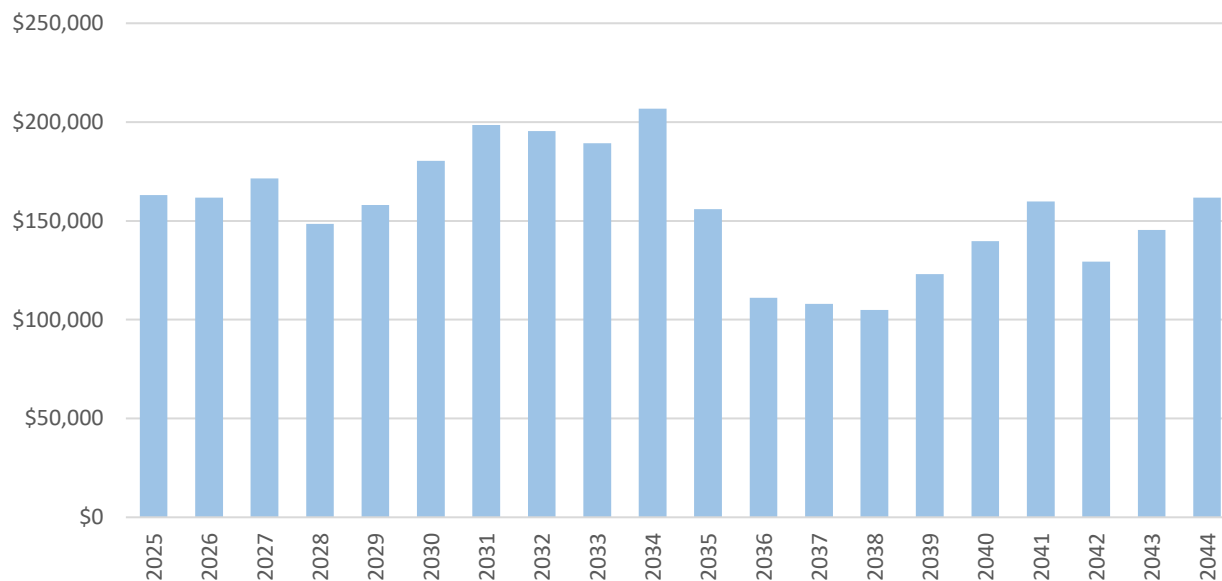
To assist in completing that section of the Form, below is a table of benefit payments as shown for the current fiscal year and projected for the next four. In addition, if a Corrective Action Plan (CAP) has been adopted that includes scheduled contributions to an OPEB trust, those are shown for the same period as either reported to us or developed with assistance from Watkins Ross:

Fiscal Year	Total OPEB Benefit Payment Amount (All Systems)	Additional OPEB Contributions (All Systems)
2024	\$153,158	\$25,000
2025	163,089	25,000
2026	161,746	25,000
2027	171,427	25,000
2028	148,510	25,000

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

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

20-Year Expected Payouts



SUMMARY OF PLAN PROVISIONS

Plan name City of Eaton Rapids Other Post-Employment Benefits Plan

Benefit eligibility

Administration – Hired on or before 1/1/2019, and attainment of Age 55 with 20 years of service (with adjustment for earlier ages or fewer years of service – see ‘benefit’ description below)

Police – Hired on or before 7/1/2019, and attainment of Age 50 with 25 years of service

Union – Hired before 7/1/2018, and Age 50 with 25 years of service

Benefit – Medical, Dental and Vision

Administration

Normal retirement – Retiree must pay 2.5% of the premium with the employer paying 97.5% of the full premium for an employee and spouse

Early retirement

1. If employee has not reached the age of 55 but has 20 years of service at retirement, the percent of premium paid by the employer will be the employee’s age at retirement divided by 55
2. If employee is age 55 but has less than 20 years of service at retirement, the percent of premium paid by the employer will be the employee’s years of service divided by 20

Police

Hired before 7/1/2013 – Retiree must pay 20% of the premium with the employer paying 80%

Hired on or after 7/1/2013 but on or before 7/1/2019 – Retiree must pay 50% of the premium with the employer paying 50%

TPOAM

Hired before 6/30/2018 – Retiree must pay 30% of the premium with the employer paying 70%

Medicare – Fixed stipend amount provided secondary to Medicare is available to the retiree and spouse provided that retiree and spouse are enrolled in Medicare at retiree’s expense and continue to pay the percent of premium/stipend as summarized above. The retiree must enroll in Medicare when eligible. Payments of \$285 per month will be made on behalf of the retiree and spouse, if married, into a Health Care Savings Account at MERS.

Changes since prior report – The union decertified in January 2024. The City operated without a Union from February 1, 2024, through August 31, 2024. The City honored the tentative agreement through August 2024 without a Union. Therefore, the changes to the City’s retiree healthcare plan provisions have been reflected in the report. The new Union is Technical, Professional and Office workers Association of Michigan (TPOAM).

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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