



STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

MEMORANDUM

TO: Member of the MARB
FROM: Robert Dakers, OPM
SUBJECT: City of Hartford Recovery Plan
DATE: April 3, 2018

Attached is the City of Hartford's Five-Year Recovery Plan. This plan is required to apply to OPM for Municipal Restructuring Funds. The plan will also help guide both the City and the MARB in its review of the FY2018-19 City budget and other matters impacting the City's finances. The attached plan reflects both the Municipal Restructuring Funds plans to seek, the recent Contract Assistance Agreement between the State and the City and the other actions taken to date and proposed by the City to bring budgetary stability.

The Ad-Hoc MARB Committee for Hartford is in the process of meeting with the City and reviewing the plan for completeness, feasibility and other opportunities to further enhance the City's organizational and structural efficiency and sustainability. The Committee will provide to the full board with its findings and any recommendations in this regard. The other members of the MARB can attend these meetings or provide any comments or questions they may have in regard to the plan.

Below are some dates related to the City's budget process.

City tentative timeline

- April 16th – Mayor's Budget submitted to Council
- April 24, 25 or 26th – City budget public hearings required by charter
- Monday April 30th – May 9th – budget hearings
- On or before May 21st – Council provides amended budget to Mayor for adoption or veto, etc
- On or before May 23rd – Mayor has 48 hours from estimated May 21st to provide his response.
- On or before May 29th - Council meeting to adopt final budget, Appropriations Ordinance and Tax Levy Ordinance

BOE Tentative Timeline

- May 8th - BOE budget presentation to Council
- May 15th – Public hearing
- June 1st – submittal to MARB
- June X – BOE adopts budget

The MARB's review and actions, by the Ad-hoc Committee and full board, on both the recovery plan and the annual budget will need to be incorporated into this timeline. This can be discussed more at the board meeting.

Attachment

**Assessed Value and Estimated Actual Value of Taxable Property - Unaudited
Last Ten Fiscal Years
(In Thousands)**

Fiscal Year	Grand List Year	Land and Buildings	Personal Property	Motor Vehicle	Gross Taxable	Less Tax Exempt Property	Net Taxable Grand List	Total Direct Tax Rate (in mills)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2017	2015	\$ 6,440,703	\$ 741,215	\$ 307,830	\$ 7,489,748	\$ 3,787,843	\$ 3,701,905	74.29%	\$ 6,691,444	(3)
2016	2014	6,352,555	732,125	298,349	7,383,029	3,759,957	3,623,072	74.29%	6,664,914	(3)
2015	2013	6,309,174	697,908	292,686	7,299,767	3,764,364	3,535,403	74.29%	6,640,460	(3)
2014	2012	6,252,718	666,455	284,621	7,203,794	3,716,013	3,487,781	74.29%	6,605,457	(3)
2013	2011	6,180,974	636,333	276,070	7,093,377	3,675,437	3,417,940	74.29%	6,550,210	(3)
2012	2010	6,454,818	663,558	264,267	7,382,643	3,644,266	3,738,377	71.79%	7,739,104	(3)
2011	2009	5,990,870	639,547	257,817	6,888,234	3,302,820	3,585,414	71.79%	7,088,777	(3)
2010	2008	5,981,880	639,564	259,922	6,881,366	3,302,820	3,578,546	72.79%	7,646,419	(3)
2009	2007	5,187,321	678,893	258,996	6,125,210	2,678,393	3,446,817	68.34%	(3)	(3)
2008	2006	4,751,126	672,107	268,835	5,692,068	2,355,636	3,336,432	63.39%	(2)	(2)

Source: City of Hartford, Assessor's Office

Notes:

- (2) Assessed Value is 70% of Estimated Actual Value from 2001 to 2005
- (3) Beginning in 2006 Assessed Value-not all property at 70%

**Property Tax Levies and Collections - Unaudited
Last Ten Fiscal Years
(In Thousands)**

Fiscal Year Ended June 30,	Grand List Year	Net Taxable Grand List	Mill Rate	Original Tax Levy	Adjusted Tax Levy	Amount	Percentage of Levy	Tax Collections in Subsequent Years	Amount	Percentage of Levy
2017	2015	\$ 3,748,677	74.29	\$ 264,387	\$ 257,563	\$ 247,432	96.07%	\$ 5,238	\$ 252,670	98.10% *
2016	2014	3,623,072	74.29	271,647	262,887	255,035	97.01%	9,026	264,061	97.21% *
2015	2013	3,520,695	74.29	264,923	253,545	247,414	93.39%	8,568	255,982	96.63% *
2014	2012	3,484,647	74.29	262,101	250,935	247,432	94.40%	7,533	254,965	97.28% *
2013	2011	3,395,085	74.29	256,455	247,519	234,215	91.33%	11,103	245,318	95.66% **
2012	2010	3,743,726	71.79	285,281	278,481	261,285	91.59%	7,680	268,965	94.28%
2011	2009	3,604,167	72.79	277,997	268,745	256,253	92.18%	7,104	263,357	94.73%
2010	2008	3,578,546	72.79	252,509	262,987	241,828	95.77%	7,358	249,186	98.68%
2009	2007	3,465,777	68.34	244,858	242,777	233,628	95.41%	5,184	238,812	97.53%
2008	2006	3,704,353	63.39	233,705	221,445	213,260	91.25%	6,154	219,414	93.89%

Source: City of Hartford Tax Collector's Office.

* Net Taxable Grand list is per State of CT Assessor's M-13

**Both Percentage of Levy figures for 2013 were updated due to how lien sales were treated

City of Hartford, Connecticut

TABLE 6

Principal Taxpayers - Unaudited
Current Year and Nine Years Ago
(In Thousands)

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Connecticut Light & Power	\$ 164,445	1	4.44%	\$ 110,265	3	3.04%
Hartford Fire Ins. & Twin City Ins.	108,883	2	2.94%	143,490	1	3.96%
Aetna Life Ins. Co.	102,996	3	2.78%	71,787	2	1.98%
Travelers Indemnity Co. Affiliate	91,620	4	2.47%	131,910	4	3.64%
RP Asylum LLC	48,978	5	1.32%	-	-	-
Talcott II Gold, LLC	45,395	6	2.23%	53,599	8	1.48%
Mac-State Square LLC	44,450	7	1.20%	-	-	-
Conn Natural Gas Corp.	33,683	8	0.91%	-	-	-
Hartford Steam Boiler	33,658	9	0.91%	-	-	-
FGA 280 Trumbull LLC	31,360	10	0.85%	-	-	-
City Place I LTD Ptnshp	-	-	-	58,120	7	1.60%
FGA Trumbull LLC	-	-	-	45,532	10	1.26%
State House Financial	-	-	-	60,722	6	1.67%
Bank of Boston, CT	-	-	-	50,465	9	1.39%
Northland Properties	-	-	-	89,037	4	2.45%
	<u>\$ 705,468</u>		<u>20.05%</u>	<u>\$ 814,927</u>		<u>22.47%</u>

Source: City of Hartford Assessor's Office

Governor's Mid-Term Adjustments**Hartford**

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
PILOT State-Owned Real Property	\$ 13,560,353	\$ 10,162,953	\$ 9,924,360
PILOT Colleges and Hospitals	\$ 23,664,027	\$ 20,009,758	\$ 19,533,085
Mashantucket Pequot & Mohegan Fund Grant	\$ 6,263,314	\$ 6,263,314	\$ 6,136,523
Town Aid Road	\$ 1,198,978	\$ 1,198,978	\$ 1,194,825
Local Capital Improvement (LOCIP)	\$ -	\$ 3,533,046	\$ 2,248,301
Grants for Municipal Projects	\$ 1,419,161	\$ 1,419,161	\$ 1,419,161
Municipal Revenue Sharing	\$ 13,908,437	\$ 11,883,205	\$ 11,883,205
Additional PILOT	\$ 11,883,205	\$ -	\$ -
Municipal Transition Grant	\$ -	\$ 12,177,213	\$ 8,724,489
Education Cost Sharing	\$ 200,518,244	\$ 200,268,244	\$ 203,631,925
Adult Education	\$ 1,819,933	\$ 1,861,480	\$ 1,870,796
Municipal Stabilization Grant	\$ -	\$ 4,456,568	\$ 3,243,513
TOTAL	\$ 274,235,652	\$ 273,233,920	\$ 269,810,183

Hartford

DEMOGRAPHIC STATISTICS

FY 2016 ENGLPC (\$)	52,709	Intergov. Revenue as a % of Total Revenue	50.0%
FY 2017 Mill Rate	74.3	Total Fund Balance as a % of Total Revenue	4.4%
FY 2016 Equalized Mill Rate	40.5	Education Expenditures as a % of Total Expenditures	57.1%
Debt Per Capita (\$)	5,669	Tax Exempt Property as % of 2014 Grand List	51.0%
Moody's Bond Rating	Caa1	SDE - Alliance District	Yes
Moody's Rating Outlook ¹	NEG	DECD - Distressed Municipality	Yes
Standard & Poor's Bond Rating	BBB-	Municipal Gap ²	1,407
Standard & Poor's Rating Outlook	NOT MEANINGFUL	State Contribution to Teachers' Retirement	40,141,798

EDUCATION STATISTICS

<u>School Enrollment</u> ³	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2011-2015 % Change</u>
Hartford School District	21,297	21,965	21,820	21,953	21,463	0.78%

<u>2014-2015 Education Spending Per Pupil (\$)</u> ³	<u>Instructional Staff</u>	<u>Student Support Svcs</u>	<u>Admin & Support Svcs</u>	<u>Plant Operation</u>	<u>Students Tuitioned Out</u>	<u>Other</u> ⁴	<u>Total</u>
Hartford School District	8,853	1,392	2,424	1,774	2,530	2,090	19,063

HISTORICAL STATISTICS

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2011 - 2016 % Change</u>
State Aid Per Capita (\$)	1,922	1,922	1,920	1,925	1,936	1,948	1.3%
Total Fund Balance (\$)	25,086,000	30,113,000	30,378,000	16,881,000	21,926,000	14,131,000	(43.7%)
Total Expenditures (\$)	523,968,000	532,626,000	521,577,000	554,418,000	571,021,000	565,754,000	8.0%
Total Revenue (\$)	562,686,000	573,734,000	549,643,000	557,359,000	566,606,000	565,580,000	0.5%
Population	124,867	124,893	125,017	124,705	124,006	123,243	(1.3%)
Mill Rate	71.8	71.8	74.3	74.3	74.3	74.3	3.5%

STATUTORY FORMULA AID - FY 2011 - FY 2019

	<u>FY 2011 Actual</u>	<u>FY 2017 Actual</u>	<u>FY 2018 Appropriated</u>	<u>FY 2018 Post-Holdbacks</u>	<u>FY 2019 Appropriated</u>	<u>FY 2011 - 2018 % Change</u>
PILOT: State-Owned Real Property	12,356,406	13,560,353	10,162,953	10,162,953	10,162,953	(17.8%)
PILOT: Colleges & Hospitals	25,661,374	23,664,027	20,009,758	20,009,758	20,009,758	(22.0%)
Mashantucket Pequot	8,215,507	6,263,314	6,263,314	6,263,314	6,136,523	(23.8%)
Town Aid Road Grant ⁵	611,143	1,198,978	1,198,978	1,198,978	1,198,978	96.2%
LoCIP ⁵	1,991,022	-	3,546,687	3,546,687	2,256,983	78.1%
Grants for Municipal Projects ⁵	-	1,419,161	1,419,161	1,419,161	1,419,161	-
MRSF: Municipal Revenue Sharing	-	13,908,437	11,883,205	11,883,205	12,422,113	-
MRSF: Additional PILOT	-	11,883,205	-	-	-	-
Municipal Transition Grant (Car Tax)	-	-	12,177,213	12,177,213	10,106,845	-
Municipal Stabilization Grant	-	-	4,456,568	4,456,568	3,370,519	-
Public School Transportation	1,648,591	-	-	-	-	(100.0%)
Non-Public School Transportation	87,611	-	-	-	-	(100.0%)
Education Cost Sharing	187,529,518	200,518,244	200,518,244	200,268,244	202,231,881	6.8%
Adult Education	1,937,553	1,819,933	1,909,449	1,861,480	1,909,449	(3.9%)
TOTAL STATUTORY FORMULA AID	240,038,724	274,235,652	273,545,530	273,247,561	271,225,162	13.8%

Sources: Office of Policy and Management, Department of Education, Department of Economic & Community Development, November 2017

¹STA = Stable Outlook; NOO = No Outlook; NEG = Negative Outlook

²Calculated by New England Public Policy Center in a 2015 report on municipal fiscal disparities. The gap represents the difference between a municipality's economic costs and its revenue-raising capacity. A positive municipal gap can be interpreted as the theoretical amount of intergovernmental aid needed by a municipality to meet its non-educational economic costs.

³Regional school districts include data from all municipalities within the district.

⁴Including, but not limited to: Instructional supplies, improvement of instruction, & transportation.

⁵Administration of Town Aid Road, LoCIP, and Grants for Municipal Projects requires action from the Bond Commission.

FY2017 Actuals

FY2018 Adopted

FY2018 Projected

FY2019 Projected Budget

	Active	Retiree	Total City	Active	Retiree	Total City	Active	Retiree	Total City	Active	Retiree	Total City
Claims-Medical & Pharmacy	24,138,454	18,887,058	42,825,512	25,185,374	19,495,000	44,680,374	23,803,724	18,519,989	42,323,713	26,538,504	20,020,515	46,559,019
Employer/Retiree Fully Insured	0	0	0	0	0	0	0	0	0	0	0	0
Admin Costs	789,256	831,617	1,620,873	858,776	899,935	1,758,711	794,757	780,994	1,575,751	773,676	800,519	1,574,195
LTU (Life Insurance Premiums on Rate)	0	0	0	0	0	0	390,900	46,700	437,600	729,000	0	729,000
Health Allowance (Pensioners ADD)	0	0	0	0	0	0	0	416,483	416,483	0	459,000	459,000
MISC	(681,577)	0	(681,577)	0	0	(681,577)	0	0	(681,577)	0	0	(681,577)
GRIM MARGIN	24,245,148	19,948,842	44,193,990	27,027,050	21,327,930	48,354,980	24,908,524	19,769,668	44,678,192	29,740,049	21,920,536	51,660,585
COI Contributions	0	0	0	0	0	0	0	0	0	0	0	0
Contributions - Employee	(3,077,351)	(4,796,610)	(7,873,961)	(2,150,560)	(4,609,015)	(6,759,575)	(3,487,720)	(5,613,781)	(9,101,501)	(3,487,720)	(5,011,781)	(8,500,501)
Contributions - CPA	0	0	0	0	0	0	0	0	0	0	0	0
COBRA	(23,616)	0	(23,616)	(5,000)	(5,000)	(10,000)	(4,483)	(4,483)	(8,966)	(71,733)	(71,733)	(71,733)
State Reimbursement for LTU	(409,920)	(413,000)	(822,920)	(413,000)	(413,000)	(826,000)	(414,202)	(414,202)	(828,404)	(414,202)	(414,202)	(828,404)
Pharmaceutical Rebates	(1,613,587)	(1,613,587)	(3,227,174)	(1,613,587)	(1,613,587)	(3,227,174)	(1,450,000)	(1,450,000)	(2,900,000)	(1,445,000)	(1,445,000)	(4,345,000)
Miscellaneous Term Ins. Income	(16,345)	(16,345)	(32,690)	(16,345)	(16,345)	(32,690)	(16,345)	(16,345)	(32,690)	(16,345)	(16,345)	(32,690)
New Hire Trust Revenue (Fund 8201)	0	0	0	(860,000)	0	(860,000)	0	0	0	0	0	0
From 1001-820:	0	0	0	0	0	0	0	0	0	0	0	0
Health Allowance Pensioners	0	0	0	0	0	0	0	0	0	0	0	0
New Hire Employee Contribution	0	0	0	0	0	0	0	0	0	0	0	0
Misc. (STIP)	0	0	0	0	0	0	0	0	0	0	0	0
Other Contributions	(4,413,371)	(5,284,371)	(9,697,742)	(4,556,520)	(5,613,015)	(10,169,535)	(5,044,112)	(6,050,571)	(11,094,683)	(4,903,893)	(5,951,781)	(10,855,674)
UB GF Cont. To Risk	(10,148,282)	(14,250,095)	(24,398,377)	0	0	0	0	0	0	0	0	0
Overbank Transfer - OPEB	0	0	0	0	0	0	0	0	0	0	0	0
MISC REV. REIMB. AND INCENTIVE	(19,148,329)	(14,269,095)	(33,417,424)	(4,556,520)	(5,613,015)	(10,169,535)	(5,044,112)	(6,050,571)	(11,094,683)	(4,903,893)	(5,951,781)	(10,855,674)
Total Rev. Subtotal	(24,862,124)	(19,444,265)	(44,306,389)	(4,556,520)	(5,613,015)	(10,169,535)	(5,044,112)	(6,050,571)	(11,094,683)	(4,903,893)	(5,951,781)	(10,855,674)
Net Expense	(716,976)	(464,076)	(1,181,052)	(21,470,490)	(15,724,495)	(37,194,985)	(19,864,499)	(13,713,115)	(33,577,554)	(24,836,132)	(15,969,735)	(40,804,307)

	FY2018	FY2019	FY2018 PF Projection	FY2019	FY2019 Submitted Budget
Pensioners Allowance	505,000	505,000	505,000	505,000	455,000
Risk Contribution (to Health)	37,697,436	37,697,436	33,072,554	33,072,554	40,349,907
TOTAL FY2018 BUDGET	38,202,436	38,202,436	33,577,554	33,577,554	40,804,907
Health Insurance Whivers	0	0	50,000.00	50,000.00	51,500.00
Contract Consultant Sacs	0	0	150,000.00	150,000.00	154,500.00
Total City Net Variance	33,827,854	33,827,854	33,777,554	33,777,554	41,010,907
			Additional Savings noted in Recovery Plan		(1,500,000)
			Adjust to Current Services		96,510,907

Estimates for FY2019
 *Projection above reflects actuals and trend thru FY 17.
 *There are 2,817 total lives, including all actives, retired, under and over 65.
 *Projected lives for FY2019 is based on the lives for December 2017 plus new hires.
 *The actuarial valuation date for the period January 1st, 2017 - December 31st, 2017, and the Annual Trend assumption of 7.5% for Active & Retiree after adjusting for additional savings identified in the Recovery Plan.
 *Claims has been adjusted to account for the filling of police and fire classes. \$1,259,235 Per Contract Per Month is used to calculate classes.
 *Claims Margin is based on 3% on Active & Retiree Claims.

City of Hartford - Medicare Retirees

Proposed Change: Medicare Advantage through Partnership 2.0

January 1, 2018 through December 31, 2018

Self-Funded Program - CY2018	
CIGNA Self-Funded Medical	\$2,096,300
CVS/Caremark Self-Funded Prescription Drug	\$2,529,200
Medical/Prescription Drug Self-Funded Expense Total	\$4,625,500
Medicare Retiree Medical/Rx Contributions	\$1,906,900
Net Medicare Retiree Expenses	\$2,718,600

Medicare Advantage - CY2018	
Premium	\$2,077,000
Medicare Retiree Contributions	\$1,504,500
Net Medicare Retiree Expenses	\$572,500

Estimated Annual Savings (\$)	(\$2,146,100)
Estimated Annual Savings (%)	-78.9%

Notes:

1. Projections are based on 768 Medicare retirees and spouses.
2. Cigna self-funded medical expenses include claims, administration, ACA fees, and 3% claims margin.
3. CVS/Caremark self-funded prescription drug expenses include claims, rebates, Medicare Part D RDS Subsidy, and 3% claims margin.
4. Medicare Advantage premium is based on Partnership 2.0 rates effective January 1, 2018. Rates are guaranteed through December 31, 2019.
5. Net savings reflect current contributions as reported by IPI and assume retirees will contribute the same percentage of the cost for the Medicare Advantage plan as currently being paid for the Major Medical plan (0% for Embers and 100% for all others). Aggregate contributions decrease for the Medicare Advantage plan since the cost of the plan is lower and retirees cannot be charged more than the cost of the plan.

The projections in this report are estimates of future costs and are based on information available to Segal Consulting at the time the projections were made. Segal Consulting has not audited the information provided. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, health trend rates and claims volatility. The accuracy and reliability of health projections decrease as the projection period increases. The projections do not reflect the potential impact of any future changes due to health care reform legislation, other than those noted or previously adopted.

Projection of retiree costs takes into account only the dollar value of providing benefits for current retirees during the period referred to in the projection. It does not reflect the present value of any future retiree benefits for active, disabled or terminated employees during a period other than that which is referred to in the projection, nor does it reflect any anticipated increase in the number of those eligible for retiree benefits, or any changes that may occur in the nature of benefits over time.

City of Hartford Municipal Employees' Retirement Fund
Projected Contributions for Fiscal Year 2017/2018 through 2021/2022

Fiscal Year 2017/2018 at 7.5% (based on <i>actual July 1, 2016</i> valuation results)	Funded Percent					74.8%
	Police	Fire	Board of Education	Municipal Services	Library	Total
Estimated Payroll	39,891,740	30,727,835	49,322,318	24,185,576	3,957,788	148,085,257
Gross City Contribution	16,848,003	10,904,517	4,686,058	11,421,934	907,794	44,768,306
Contribution as a % of Payroll	42.23%	35.49%	9.50%	47.23%	22.94%	30.23%
Net City Contribution (after offsets)	16,797,098	10,872,513	4,370,446	11,419,878	907,794	44,367,729

Fiscal Year 2018/2019 at 7.375% (based on <i>estimated July 1, 2017</i> valuation results)	Estimated Funded Percent					73.2%
	Police	Fire	Board of Education	Municipal Services	Library	Total
Estimated Payroll	40,690,000	31,342,000	50,309,000	24,669,000	4,037,000	151,047,000
Gross City Contribution	18,473,000	12,169,000	5,449,000	12,452,000	999,000	49,542,000
Contribution as a % of Payroll	45.40%	38.83%	10.83%	50.48%	24.75%	32.80%
Net City Contribution (after offsets)	18,430,000	12,142,000	5,136,000	12,450,000	999,000	49,157,000

Fiscal Year 2019/2020 at 7.25% (based on <i>estimated July 1, 2018</i> valuation results)	Estimated Funded Percent					71.6%
	Police	Fire	Board of Education	Municipal Services	Library	Total
Estimated Payroll	41,504,000	31,969,000	51,315,000	25,162,000	4,118,000	154,068,000
Gross City Contribution	20,179,000	13,445,000	6,250,000	13,416,000	1,088,000	54,378,000
Contribution as a % of Payroll	48.62%	42.06%	12.18%	53.32%	26.42%	35.29%
Net City Contribution (after offsets)	20,142,000	13,437,000	5,945,000	13,393,000	1,088,000	54,005,000

Fiscal Year 2020/2021 at 7.25% (based on <i>estimated July 1, 2019</i> valuation results)	Estimated Funded Percent					70.5%
	Police	Fire	Board of Education	Municipal Services	Library	Total
Estimated Payroll	42,334,000	32,608,000	52,341,000	25,665,000	4,200,000	157,149,000
Gross City Contribution	21,349,000	14,346,000	6,794,000	14,127,000	1,153,000	57,768,000
Contribution as a % of Payroll	50.43%	44.00%	12.98%	55.04%	27.45%	36.76%
Net City Contribution (after offsets)	21,317,000	14,339,000	6,793,000	14,107,000	1,153,000	57,709,000

Fiscal Year 2021/2022 at 7.25% (based on <i>estimated July 1, 2020</i> valuation results)	Estimated Funded Percent					70.5%
	Police	Fire	Board of Education	Municipal Services	Library	Total
Estimated Payroll	43,181,000	33,260,000	53,388,000	26,178,000	4,284,000	160,292,000
Gross City Contribution	21,938,000	14,776,000	7,119,000	14,459,000	1,184,000	59,476,000
Contribution as a % of Payroll	50.80%	44.43%	13.33%	55.23%	27.64%	37.10%
Net City Contribution (after offsets)	21,911,000	14,771,000	7,118,000	14,442,000	1,184,000	59,426,000

Fiscal Year 2022/2023 at 7.25% (based on <i>estimated July 1, 2021</i> valuation results)	Estimated Funded Percent					71.7%
	Police	Fire	Board of Education	Municipal Services	Library	Total
Estimated Payroll	44,045,000	33,925,000	54,456,000	26,702,000	4,370,000	163,498,000
Gross City Contribution	3,448,000	3,513,000	2,987,000	1,500,000	178,000	11,626,000
Contribution as a % of Payroll	7.83%	10.36%	5.49%	5.62%	4.07%	7.11%
Net City Contribution (after offsets)	22,044,000	14,782,000	7,151,000	14,477,000	1,188,000	59,642,000

Notes:

1. The July 1, 2016 results are based on actual valuation data and liabilities as of that date.
2. The July 1, 2017 and later estimated results are based on data as of July 1, 2016 projected to each valuation date. Plan provisions are consistent with those outlined in the 2015 MERF Actuarial Survey with any changes effective through 7/1/2016.
3. The Net City Contribution reflects offsets for payments made by the City directly for Local 566 and Old Plan COLA payments.
4. Asset values were projected from 7/1/2016 assuming a 7.50% annual return.
Asset projections assume the City makes the recommended contribution each year.
5. Future projected payrolls after the July 1, 2016 valuation are assumed to increase at 2.0% per year.