



SUMMARY ANNUAL REPORT TO MEMBERS DECEMBER 31, 2022

Dear Retirement System Member:

The Retirement Board's fiduciary responsibility to you is to oversee the general administration and investments of System assets. Our tasks include making sure trust assets are invested prudently, required City and member contributions are received and that benefits are paid in accordance with the Retirement System's provision. Various professionals are hired to help in the administration of the System. The names of Professional Advisors are listed at the end of this report.

The following is a summary of your Retirement System. Each year, an actuarial valuation is prepared to compare assets to liabilities. Assets are held and invested in a trust separate from other City assets. The only disbursements from this trust are to members who are retired or disabled, beneficiaries of members, and for Retirement System expenses.

Respectfully submitted,
Board of Trustees – City of Troy Employees Retirement System

Robert Maleszyk, Chairman
Thomas J. Gordon II, Vice Chairman
Mark Miller, City Manager
Theresa Brooks, City Council Member

Kurt Bovensiep, Trustee
Peter Dungjen, Trustee
John Foster, Trustee
Mark Owczarzak, Ex-Officio

SUMMARY RESULTS OF ACTUARIAL VALUATION

Gabriel, Roeder, Smith & Company Actuaries and Consultants were hired to prepare the December 31, 2022 Actuarial Valuation. These valuations are based on your System's past experience, information about current participation and financial markets, and assumptions concerning the System's future demographic and economic activity. The results of the valuation, based on the established funding objective, are summarized below:

Member Contributions – Expressed as percentages of compensation: 4.5% for clerical members/MAP and TCSA, 3.0% for T.F.S.O.A., 1.5% for classified and exempt members, 1.5% for AFSCME, 4.0% for T.P.O.A. and T.C.O.A.

Funded Status*	\$ Millions
• Actuarial accrued liabilities	\$160.8
• Applied assets (market related value)	\$214.4
• % funded	133.3%

Actuary's Opinion

It is the actuary's opinion that the required contribution rate determined by the most recent actuarial valuation is sufficient to meet the system's funding objective, presuming continued timely receipt of required contributions.

**Percent funded is for pension benefits only. The City adopted a Health Care Trust Plan to provide for retiree health care effective July 1, 2005.*

Revenues & Expenses

	<u>2022</u>
Fund Balance - January 1, 2022	\$250,455,246
Revenues	
Member contributions	105,347
Employer contributions	-0-
Investment income (net)	<u>(39,685,412)</u>
Total	<u>(39,580,065)</u>
Expenditures	
Benefit payments & refund contributions	\$ 12,328,332
Administrative expense	149,998
Investment expenses	<u>563,157</u>
Total	<u>\$ 13,041,487</u>
Net Increase (Decrease)	(52,621,552)
Fund Balance - December 31, 2022	<u>\$197,833,694</u>

The rate of return, net of expenses, on the System's assets for the year ended December 31, 2022 was (16.5)%.

Professional Advisors

Investment Advisors

Graystone Consulting
UBS Financial Services Inc.

Actuary

Gabriel, Roeder, Smith & Co.

Auditor

Rehman

Attorneys

Lori Griggs Bluhm, City Attorney
Thomas Michaud, Special Pension Attorney

Membership – Active & Retirees

Retirees/Beneficiaries - 343

- General 198
- Public Safety 145

Deferred Retirees – 4

Active Members – 24

- TPOA 7
- TCOA 7
- AFSCME/MAP 6
- Class/Exempt 4

Total Members - 371