

April Lynch, Deputy County Executive

TO: David Woodward, Chairperson - Board of Commissioners
FROM: Carly Webster, Retirement Administrator
DATE: March 22, 2022
RE: Required Reporting for State of Michigan PA 202 of 2017

Attached is a copy of the 2021 annual report that was submitted to the State of Michigan, Treasury Department, regarding the funding levels of the County's pension and retiree health care programs. This is a requirement of PA 202 of 2017 and is due to the State within six months after the end of the fiscal year. The local unit of government is required to submit the report to the local governing body but does not require a formal vote of approval or resolution. Please forward this report to the Board of Commissioners as an informational item. No further action is required.

If you have any questions please contact me at 248-520-9727 or Lynn Sonkiss, Fiscal Services Officer at 248-858-0940. Thank you.

cc: file

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	Oakland County	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	630000	
Unit Type	County	
Fiscal Year End Month	September	
Fiscal Year (four-digit year only, e.g. 2019)	2021	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Contact Name (Chief Administrative Officer)	Carly Webster	
Title if not CAO	Retirement Administrator	
CAO (or designee) Email Address	websterc@oakgov.com	
Contact Telephone Number	248-520-9727	
Pension System Information		
Pension System Name (not division) 1	Oakland County Employees' Retirement System	If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
Pension System Name (not division) 2		
Pension System Name (not division) 3		
Pension System Name (not division) 4		
Pension System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement pension system	Calculated from above	Oakland County Employees' Retirement				
3 Financial Information							
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	790,825,096				
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	718,911,003				
6	Funded ratio	Calculated	110.0%				
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	-				
8	Governmental Fund Revenues	Most Recent Audit Report	699,615,876				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
10 Membership							
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	128				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	52				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	1,966				
14 Investment Performance							
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	19.58%				
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.56%				
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.69%				
18 Actuarial Assumptions							
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	7.25%				
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Dollar				
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	10				
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes				
23 Uniform Assumptions							
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	745,563,847				
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	735,659,567				
26	Funded ratio using uniform assumptions	Calculated	101.3%				
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	-				
28	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
29 Pension Trigger Summary							
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 60% funded <u>AND</u> greater than 10% ADC/Governmental fund revenues. Non-Primary government triggers: Less than 60% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
 Local governments must post the current year report on their website or in a public place.
 The local government must electronically submit the form to its governing body.
 Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
 Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report

Enter Local Government Name	Oakland County	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	630000	
Unit Type	County	
Fiscal Year End Month	September	
Fiscal Year (four-digit year only, e.g. 2019)	2021	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Contact Name (Chief Administrative Officer)	Carly Webster	
Title if not CAO	Retirement Administrator	
CAO (or designee) Email Address	websterc@oakgov.com	
Contact Telephone Number	248-520-9727	
OPEB System Name (not division) 1	Oakland County Retirees' Health Care Trust	If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
OPEB System Name (not division) 2		
OPEB System Name (not division) 3		
OPEB System Name (not division) 4		
OPEB System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement health care system	Calculated from above	Oakland County Retirees' Health Care				
3	Financial Information						
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	1,337,506,311				
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	953,168,072				
6	Funded ratio	Calculated	140.3%				
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	-				
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	YES				
8	Governmental Fund Revenues	Most Recent Audit Report	699,615,876				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
10	Membership						
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	1,673				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	198				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	2,634				
14	Provide the amount of premiums paid on behalf of the retirants	Most Recent Audit Report or Accounting Records	37,509,924				
15	Investment Performance						
16	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	19.90%				
17	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.66%				
18	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	10.37%				
19	Actuarial Assumptions						
20	Assumed Rate of Investment Return	Actuarial Funding Valuation used in Most Recent Audit Report	7.25%				
21	Enter discount rate	Actuarial Funding Valuation used in Most Recent Audit Report	7.25%				
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Dollar				
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	10				
24	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes				
25	Health care inflation assumption for the next year	Actuarial Funding Valuation used in Most Recent Audit Report	8.00%				
26	Health care inflation assumption - Long-Term Trend Rate	Actuarial Funding Valuation used in Most Recent Audit Report	3.50%				
27	Uniform Assumptions						
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	1,381,203,422				
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	959,468,845				
30	Funded ratio using uniform assumptions	Calculated	144.0%				
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	-				
32	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
33	Summary Report						
34	Did the local government pay the retiree insurance premiums for the year?	Accounting Records	YES				
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	YES				
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. Non-Primary government triggers: Less than 40% funded	NO	NO	NO	NO	NO

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