

Category: 200
Number: 232

Subject: **RETIREMENT FINANCING POLICY**

1. PURPOSE: The purpose of this policy is to:
 - 1.1 Formulate a written County Retirement Financing Policy which clearly defines how the Retirement Benefits are financed;
 - 1.2 Assure each employee that there are adequate reserves to pay their retirement when due;
 - 1.3 Accurately charge all funds and activities for their respective retirement costs;
 - 1.4 Identify and report the level of retirement system surpluses and deficits; and
 - 1.5 Communicate to County Elected Officials, Department Heads and the public the formal Retirement Financing Policy for the County of Saginaw.
2. AUTHORITY: Saginaw County Board of Commissioners.
3. APPLICATION: This policy applies to all County Employees and Elected Officials.
4. RESPONSIBILITY: The Controller/CAO shall be responsible for the implementation of this policy.
5. DEFINITION(S): NONE
6. POLICY:
 - 6.1 The Annual Actuarial Report(s) shall be annually conducted and reviewed by the Controller/CAO. The Controller/CAO shall review the report with the Finance Director and others to ascertain the soundness of the MERS retirement system.
 - 6.2 It is the policy of the County of Saginaw that all County funds and activities shall be charged for their respective current retirement cost based on their employee roster at actuarially determined rates, pursuant to the latest actuarial report as approved and supplied to the County by the Municipal Employees Retirement System (MERS) or other actuary, as appropriate. Each fund and activity, as applicable, will receive an "advanced funding credit" for their proportioned share of any surplus, if any, held by MERS as of the date of adoption of this policy, which MERS permits to be used to reduce current cash contributions to the retirement system.

- 6.3 The County Controller/CAO shall review and monitor the funding levels of the various retirement funds and make annual reports and more frequent reports, if required, to the Board of Commissioners apprising them of the financial condition and recommend changes in programs or plans. The Controller shall monitor the collection of all retirement funds.
- 6.4 It is the policy of the County of Saginaw that all County funds and activities shall be charged for their respective retirement cost based on their employee roster, only for employees in the Defined Contribution Plan, at percentages chosen by the employee. These percentages being 6% or 9% with the employee contributing 0% or 3%.
7. ADMINISTRATIVE PROCEDURES: The Controller's Office shall be responsible for developing, updating and implementing any associated administrative procedures not already stated in this policy.
8. CONTROLLER/CAO LEGAL COUNSEL REVIEW: The Controller/CAO has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. County Civil Counsel has determined that this policy as submitted contains content that appears to be legal activities of the Saginaw County Board of Commissioners.

Approved as to Substance:
Saginaw County Controller/CAO

Approved as to Legal Content:
Saginaw County Civil Counsel

ADOPTED: November 23, 1999