

**Newaygo County 2016 Retiree Health Care Summary Annual Report**

Newaygo County  
Municode 62-0-000

*Information based on Actuarial Valuation of Retiree Medical Benefits as of 10-1-2015 (Milliman actuarial firm)*

Public Act 530 of 2016

Annual Summary Reporting Requirement - OPEB (Retiree Health Care)

Section 13 (3) (i)	Item	Information
(i)	The name of the system	Newaygo County
(ii)	The names of the system's investment fiduciaries	MERS of Michigan
(iii)	The names of the system's service providers	MERS of Michigan (administered by MERS who acts as investment fiduciary) - MERS Retiree Health Funding Vehicle (RHFV) Program; Milliman prepared the Actuarial Valuation of Retiree Medical Benefits as of October 1, 2015; Contribution requirements of the plan members and the County are established and may be amended by the Newaygo County Board of Commissioners.
(iv)	The system's assets and liabilities and changes in net plan assets on a plan-year basis:	<i>Plan Year October 1 - September 30</i>
	Balance as of 10-01-2013**	\$ 1,433,149.64
	Invoices and Other Contributions	\$ 2,280,245.00
	Transfers	\$ -
	Benefits Paid (Disbursements for retiree health insurance costs)	\$ (888,966.00)
	Net Investment Income	\$ 172,268.47
	Admin Expenses	\$ (6,357.98)
	Balance as of 10-01-2015**	\$ 2,990,339.13
	<i>**Retiree Medical Benefits (OPEB) actuarial is performed every two years. The actuarial report as of 10-1-2015 provided information for FY 2016 and FY 2017.</i>	
(v)	The system's funded ratio based on the ratio of valuation assets to actuarial accrued liabilities on a plan-year	22.79%
(vi)	The system's investment performance net of fees on a rolling calendar year basis for the previous 1,3,5,7, and 10 year periods	Investment performance net of fees:
		1 year: -1.29%
		3 years: 6.06%
		5 years: 7.30%
		7 years: N/A
		10 years: 5.00%
(vii)	The system's administrative and investment expenditures	At 10-01-2015 the cost of the MERS Retiree Health Funding Vehicle was 0.61% (0.25% for administration and 0.36% for investments)
(viii)	The system's itemized budget	not applicable to the local government
(ix)		
(A)	The number of active members	101
(B)	The number of retirees and beneficiaries	48
(C)	The average annual retirement allowance	N/A
(D)	The total annual retirement allowances being paid	N/A
(E)	The valuation payroll for active employees	N/A
(F)	The employer's computed normal cost of benefits expressed as a percentage of valuation payroll (FY 2016)	Employer Normal Cost \$52,642; percentage N/A
(F)	The employer's computed normal cost of benefits expressed as a percentage of valuation payroll (FY 2017)	Employer Normal Cost \$55,8012; percentage N/A
(G)	The employer's total contribution rate expressed as a percentage of valuation of payroll (FY 2016)	Employer Total Contribution Rate \$788,819; percentage N/A
(G)	The employer's total contribution rate expressed as a percentage of valuation of payroll (FY 2017)	Employer Total Contribution Rate \$745,750; percentage N/A
(H)	The weighted average of member contributions, if any	N/A
(I)	The actuarial assumed rate of investment return	6.00%
(J)	The actuarial assumed rate of long-term wage inflation	see Item (O) below for health care inflation
(K)	Smoothing method	N/A
(L)	The amortization method and period utilized for funding the system's unfunded actuarial accrued liabilities, if any	Open (or "rolling) Amortization Period using 30 Years
(M)	The system's actuarial cost method	Entry Age Normal Method
(N)	Whether the system membership is open or closed to specific groups of employees	All employee groups are CLOSED
(O)	The actuarial assumed rate of health care inflation:	
	Pre-65	6.70%
	Post-65	6.10%
(x)	Travel report	N/A
Sec 20h (1) (7)	If below 60% funded, actions taken to reduce the system's UAL	Please see the Newaygo County 2016 Retiree Health Care Informational Report submitted separately