

# AGENDA

## BUDGET/AUDIT COMMITTEE

111 S. Michigan Ave., Room 200, Saginaw, MI 48602

**Thursday, March 4, 2021 – 4:00 p.m.**

**VIA ZOOM PER P.A. 254 of 2020 (MCL 15.263)**

Members: Dennis Krafft – Chair, Christopher Boyd – Vice-Chair, Jack Tany, James Theisen, Carl Ruth  
Others: Robert Belleman, Tim Novak, Civil Counsel, Koren Thurston, Board Staff, *Media*

*The Budget/Audit Committee meeting will be held via Zoom.*

*As the County Building is closed to the public, except by appointment, the meeting is open remotely to allow for participation during the public portion of the meeting, as follows:*

*Please utilize the “Raise Hand” option if on Zoom or \*9 if calling in.*

Topic: [See Agenda below](#)

Date/Time: [March 4, 2021 04:00 PM EST](#)

Join Zoom Meeting: <https://zoom.us/j/8024441727> Meeting ID: [802 444 1727](#)

**INSTRUCTIONS using ZOOM audio conferencing:**

Dial: 1 (877) 853-5257 or 1 (888) 475-4499 US Toll-free and enter Meeting ID: [802 444 1727](#)

- I. Call to order
- II. Welcome/Roll-call
- III. Correction/Approval of Minutes (*February 4, 2021 - Attached*)
- IV. Public comment
  - *Speakers limited to 3 minutes*
  - *Please utilize the “Raise Hand” option if on Zoom or \*9 if calling in*
- V. Agenda
  1. **Koren Thurston, Finance Director, re: Payment of Claims and Budget Adjustments**
    - **3-16-1** - Electronic Transactions December 1 – 31, 2020  
Voucher Payments December 1 – 31, 2020
    - **3-16-2** Electronic Transactions January 1 – 31, 2021  
Voucher Payments January 1 – 31, 2021
    - **3-16-3** - Requesting approval of the FY 2022 Budget Calendar
  2. **Timothy Novak, Treasurer, re:**
    - **3-16-\_\_** - Submitting the County Treasurer’s Investment Report  
(*To be distributed prior to committee*)
  3. **Christina Harrington, Director, Health Department, re:**
    - **3-16-6** - Requesting approval of \$53,000 from the Public Improvement Fund to engage WTA Architects for facility clinical design and bidding for the integration of primary care with public health

4. **Denise Babbitt, Director, Equalization, re:**
  - **3-16-7** - Requesting approval to increase its Computer Access Fee line item by \$2,600; Tax Rolls and Statement Prep line item by \$2,400; and Professional Services line item by \$5,000 in the FY 2021 Budget to hire someone to assist with data entry when needed
  
5. **Kyle Bostwick, Chief Deputy County Clerk, re:**
  - **3-16-8** - Requesting increased funding in the Clerk's Elections Printing and Binding account to cover up front costs associated with May and August Special Elections
  
6. **Mark J. Rankin, Dist. 9 Coordinator, MSU Extension, re:**
  - **3-16-9** - Requesting additional funding for the last six (6) months of fiscal year 2021
  
7. **John A. McColgan, Jr., Prosecutor, re:**
  - **3-16-10** - Requesting the funding necessary to maintain three (3) clerical/support positions that were initially cut in the FY 2021 Budget but were funded for six (6) months; further requesting funds be provided for temporary help to keep up with demands in the office
  
8. **Sheriff William Federspiel, re:**
  - **3-16-11** - Requesting increases to the following Budgets using fund balance to increase part-time wages: Jail Budget - \$112,000 for six (6) Master Control positions and 3 – 6 Corrections/Security Officer positions; PLUS Budget - \$10,000 for two (2) positions; and Law Enforcement Fund - \$190,336 for a total of fifteen (15) positions
  
9. **Bonnie Kanicki, Director, Animal Care and Control, re:**
  - **3-16-12** - Requesting an increase in its FY 2021 Budget by \$9,000 from fund balance for the purpose of providing preventative rabies shots for ten (10) employees
  
10. **Vanessa Guerra, County Clerk, re:**
  - **3-16-19** - Submitting a request for funding to allow the Circuit Court Records Office to hire four (4) temporary workers to improve efficiency and better serve constituents and judges
  
11. **Robert Belleman, Controller/CAO, re:**
  - **3-16-5** - Submitting the Municipal Employees' Retirement System of Michigan (MERS) Annual Actuarial Valuation Report for the County of Saginaw Defined Benefit Plan as of December 31, 2019, which establishes rates for the County's 2022 Fiscal Year (October 1, 2021 – September 3, 2022) *(Receive & File)*

- VI. Miscellaneous
- VII. Adjournment

# MINUTES

## BUDGET/AUDIT COMMITTEE

111 S. Michigan Ave., Room 200, Saginaw, MI 48602

**Thursday, February 4, 2021 – 4:00 p.m.**

**VIA TELECONFERENCE PER PA 228 & PA 254 of 2020**

Present: Dennis Krafft – Chair (*Frankenmuth, MI*), Christopher Boyd – Vice-Chair (*Saginaw Twp., MI*), Jack Tany (*Carrollton Twp., MI*), James Theisen (*Thomas Twp.*), Carl Ruth (*Saginaw, MI*)  
Others: Robert Belleman, Tim Novak, Dave Gilbert, Vanessa Guerra, Koren Thurston, Mark Rankin, Sue Arceo, Cindy Louchart, Suzy Koeplinger

*The Budget/Audit Committee meeting was held via Zoom.  
As the County Building is closed to the public, the meeting was open remotely to allow participation during the public portion of the meeting.*

- I. Call to order---**Krafft at 4:00 p.m.**
- II. Welcome---**Roll-Call w/ location was taken by the County Clerk**
- III. Correction/Approval of Minutes (*January 14, 2021 - Attached*)  
---**Boyd moved, seconded by Tany, to approve the January 14, 2021 Budget/Audit Minutes. Motion carried unanimously.**  
---**Boyd moved, seconded by Theisen, to approve all prior Budget/Audit Committee Minutes. Motion carried unanimously.**
- IV. Public comment (*Speakers limited to 3 minutes*)---**None**
- V. Agenda
  1. **Timothy Novak, Treasurer**, re:
    - **2-16-5** - Submitting a Resolution of Agency and a Resolution to Borrow Against Delinquent 2020 Real Property Taxes in the amount of \$16,500,000  
---**Moved by Theisen, seconded by Tany, to approve forwarding the Resolution of Agency to the full board for approval. Motion carried. (Board Report/Res.)**  
---**Moved by Tany, seconded by Boyd, to approve forwarding the Resolution to Borrow to the full board for approval. Motion carried. (Board Report/Res.)**

**(Cancelled – Treasurer will start presenting quarterly investment reports in March 2021)**

    - \* ~~**2-16-**~~ Submitting the County Treasurer’s Investment Report  
~~(To be distributed at committee)~~
  2. **Mark Rankin, District 9 Coordinator, MSU Extension**, re:
    - **2-16-6** - Requesting consideration of additional funding of MSUE for the last six (6) months of FY 2021  
---**Discussion was held with Mr. Rankin regarding MSUE services/programs in Saginaw County and fund balance. The committee requested Mr. Rankin provide more information on the direct benefit to Saginaw County residents and he will provide the report he presented last year with additional information.**  
---**Moved by Tany, seconded by Ruth, to table until the next Budget/Audit meeting. Motion carried unanimously.**

***---Unrelated to the request submitted, discussion was held with Mr. Rankin and Mr. Belleman regarding \$6,000 that MSUE recently received from the Sugar Beet Cooperative that pays expenses and mileage for those working with Sugar Beet Advancement. Saginaw County acts as fiduciary of these funds and a budget adjustment is necessary.***

***---Moved by Ruth, seconded by Boyd, to amend the MSUE Budget and increase the travel line item by \$6,000 for Sugar Beet Advancement. Motion carried unanimously. (Board Report)***

VI. Miscellaneous ***(Removed by Chair with approval of Commissioner Boyd)***

**Commissioner Boyd requesting consideration, re:**

- ~~Commissioner access to Saginaw County public records~~
- ~~Compliance with Board Rule 4.10~~
- ~~Review of purchasing evaluations on SCACC bidding process~~

***---The Controller announced that Amy Deford, Retirement Administrator, has arranged for MERS to present its annual Actuarial Report at the March Budget/Audit meeting. (Information in binders)***

***---The Controller announced that the OPEB actuarial evaluation on retiree healthcare will be presented to the April Budget/Audit meeting.***

VII. Adjournment***---Moved by Boyd, seconded by Tany, to adjourn. Motion carried; time being 4:42 p.m. Chair Krafft encouraged everyone to "Journey on to great success."***

Respectfully Submitted,  
Dennis Krafft, Committee Chair  
Vanessa Guerra, County Clerk  
Suzy Koeplinger, Committee Clerk

**BUDGET  
AUDIT**


COMMUNICATION NO. 3-16-1

**TO: SAGINAW COUNTY BOARD OF COMMISSIONERS**

Forwarding for review and approval the attached list of electronic transactions, as compiled by the Treasurer's Office; and voucher payments as compiled by the Controller's Office, Accounting Division.

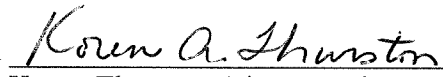
**ELECTRONIC TRANSACTIONS**

Date: 12-01-2020 through 12-31-2020 Amount: \$ 12,762,515.90

Signed   
Jana Barry, Deputy Treasurer/Financial Analyst

**VOUCHER PAYMENTS**

Date: 12-01-2020 through 12-31-2020 Amount: \$ 7,238,883.53

Signed   
Koren Thurston, Finance Director

**BUDGET AUDIT COMMITTEE**

Recommending the bills as listed above be approved for payment. Any exceptions are noted below.

Signed \_\_\_\_\_ Dated \_\_\_\_\_  
Dennis H. Krafft, Chair  
Christopher Boyd, Vice Chair

Certifying approval by the Saginaw County Board of Commissioners at a regular meeting held on \_\_\_\_\_.

Signed \_\_\_\_\_  
Vanessa Guerra, Saginaw County Clerk

**SEAL**

**BUDGET  
AUDIT**

COMMUNICATION NO. 3-16-2

**TO: SAGINAW COUNTY BOARD OF COMMISSIONERS**

Forwarding for review and approval the attached list of electronic transactions, as compiled by the Treasurer's Office; and voucher payments as compiled by the Controller's Office, Accounting Division.

**ELECTRONIC TRANSACTIONS**

Date: 01-01-2021 through 01-31-2021 Amount: \$ 8,142,882.75

Signed *Jana Barry*  
Jana Barry, Deputy Treasurer/Financial Analyst

**VOUCHER PAYMENTS**

Date: 01-01-2021 through 01-31-2021 Amount: \$ 7,756,538.36

Signed *Koren A. Thurston*  
Koren Thurston, Finance Director

**BUDGET AUDIT COMMITTEE**

Recommending the bills as listed above be approved for payment. Any exceptions are noted below.

Signed \_\_\_\_\_ Dated \_\_\_\_\_  
Dennis H. Krafft, Chair  
Christopher Boyd, Vice Chair

Certifying approval by the Saginaw County Board of Commissioners at a regular meeting held on \_\_\_\_\_.

Signed \_\_\_\_\_  
Vanessa Guerra, Saginaw County Clerk

**SEAL**



**COUNTY OF SAGINAW**  
**OFFICE OF COUNTY CONTROLLER**

111 SOUTH MICHIGAN AVENUE  
SAGINAW, MICHIGAN 48602

**BUDGET  
AUDIT**

**ROBERT V. BELLEMAN**

*Controller/Chief Administrative Officer*  
rbelleman@saginawcountymichigan.com

February 23, 2021

Carl E. Ruth, Chairman  
Board of Commissioners  
111 South Michigan Avenue  
Saginaw, Michigan 48602

RE: Fiscal Year 2021 Budget Calendar

Dear Chairman Webster,


Attached herewith is the Budget Calendar for FY 2022 (October 1, 2021-September 30, 2022) for review and approval by the Board of Commissioners. The Budget Calendar establishes key milestones for the budget preparation review and approval process. The Fiscal Year 2022 Budget Process resembles a similar timeline from the previous year's budget process. This allows the Controller's Office time to meet with departments to review their budgetary requests for operating and capital budgets.

The Budget Calendar, once approved by the Board of Commissioners, outlines the time table of events that will happen to cause the creation and approval of the budget. The Budget Calendar allows departments, elected officials and agencies to know when tasks related to building the budget must be completed.

I would also like to note that with the recent personnel changes in IT and the additional time needed to devote to the Mainframe Modernization project, County staff are feeling additional pressure. Our goal is to meet this timeline as presented, but adjustments may need to be made depending on the availability of County staff.

I plan on attending the Budget Audit Committee meeting of March 4, 2021 to answer any questions you or other committee members may have.

Sincerely,

  
Koren Thurston, CPA  
Finance Director

Attachment

c: Robert Belleman, Controller/CAO

3-16-3

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 24 AM 8:58

**COUNTY OF SAGINAW  
2022 BUDGET CALENDAR**

**OPERATING BUDGET FOR FISCAL YEAR 2022**

**CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2022 ~ 2026**

<u>Target Date</u>	<u>Action to be taken</u>
April 23, 2021	Controller's Office distributes information to all departments that outlines the budget process and provides instructions for their electronic entry of the data that is necessary for completion of their respective Operating Budgets for 2022 and Capital Improvement Plans.
April 30, 2021	Departments signify completion of the necessary electronic data entry for their respective Operating Budgets for 2022 and Capital Improvement Plans by signing off and submitting the appropriate excel spreadsheets to Financial Services.
Week of May 10, 2021	Controller's Office meets with Elected Officials, Judges, Department Heads and Agencies if necessary to review and discuss their respective Operating Budgets for 2022 and Capital Improvement Plan requests.
May 28, 2021	Controller's Office submits the first draft of a recommended Operating Budget to the Board of Commissioners for its Human Services, Courts & Public Safety, County Services, and Budget/Audit Committees to review and discuss.
Committee Meetings June-August, 2021	Human Services, Courts & Public Safety, County Services, and Budget/Audit Committees meet to consider Operating Budget matters. In addition, the Budget/Audit Committee also considers Capital Improvement Plan matters.
June 28, 2021	Committee of the Whole ( <i>Tentative</i> )
August 17, 2021	A recommended Operating Budget and Capital Improvement Plan is sent from the Budget/Audit Committee to the full Board and is laid on the table and a Public Hearing is held.
September 21, 2021	The final Operating Budget and a Capital Improvement Plan are formally adopted by the Board of Commissioners.



Christina A. Harrington, M.P.H.  
Health Officer



Saginaw County  
**HEALTH DEPARTMENT**  
Caring experts, advocates & champions.  
For health. For everyone.

Delicia J. Pruitt, M.D., F.A.A.F.P.  
Medical Director

**BUDGET  
AUDIT**

February 23, 2021

Honorable Carl Ruth, Chairman  
Board of Commissioners  
County of Saginaw  
111 S. Michigan Ave.  
Saginaw, MI 48602

3-16-6

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 23 AM 11:06

RE: **REQUEST TO APPROVE FUNDING FOR DEPARTMENT REMODEL ARCHITECTURE DRAWINGS**

Dear Chairman Ruth:

Please permit this letter to serve as my request for the Budget & Audit Committee to consider action at its March meeting regarding the following matters:

- **Request to approve \$53,000 from the Public Improvement Fund to engage WTA Architects for facility clinical design and bidding for the integration of primary care with public health**

I am kindly requesting use of the Public Improvement Fund to allow for the engineering and architectural services necessary to begin design, documentation, and procurement of renovations for the health department of the future. Based upon previous architectural studies performed by WTA, we have determined the need for combined clinical spaces within the Bennie T. Woodard Jr. Public Health Center.

Through partnership with CMU Health and SCHD, leadership at both organizations continue to engage in meaningful discussions on how better to serve our residents by providing quality health care services. Through these discussions Dr. Shaheen, Dr. Pruitt, and I have developed a phased approach for the integration of primary care into health department services. The phased approach for clinical integration of primary care into public health is moving Dr. Pruitt's primary care office into the SCHD building. The first step of integration is to better equip the health department facility to provide quality primary care to existing CMU patients and SCHD clients. We are looking to engage WTA to design the clinical space, provide architectural drawings and assist with the contract bidding process to begin this renovation. It is the anticipation that SCHD cost-based reimbursement funds from the family planning program will be used to complete the remodel because the Personal Health Center would occupy this clinical space in addition to CMU family medicine patients. I have engaged MDHHS Family Planning and STD program staff on this initiative to provide better wrap around health care services to existing family planning and STD clients. This is the first step for the health department of the future providing quality health care services to our clients.

I plan on attending the Budget & Audit meeting to answer any questions about this request. Thank you for your consideration in this matter.

Respectfully,

A handwritten signature in cursive script that reads "Christina Harrington".

Christina A. Harrington, MPH  
Health Officer



COUNTY OF SAGINAW  
EQUALIZATION DEPARTMENT  
111 SOUTH MICHIGAN AVENUE  
SAGINAW, MICHIGAN 48602-2019



DENISE M BABBITT  
Director

LIZ GOOCH  
Deputy Director

February 23, 2021

3-16-7

Mr. Carl E. Ruth  
Saginaw County Board of Commissioners  
111 S Michigan Ave  
Saginaw, MI 48602

Re: Budget Adjustment

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 24 AM 8:58

Chairman Ruth,

For the 2020/2021 budget year I was asked to reduce my budget by 4.69% which equaled out to \$31,169. The only option for the Equalization Department was to reduce one of the employee's hours from 40 hours per week to 20 hours per week. Our Office Coordinator position was reduced to 20 hours a week and she was then able to regain her lost 20 hours through a part time position within the IT department. This adjustment reduced the Equalization budget by \$38,303 which was a reduction of \$7,134 more than was originally requested.

Due to these reduced hours we are suffering in the ability to keep up with some of our data entry and I am asking the Budget and Audit Committee and the Board of Commissioners to consider amending my budget by increasing the "Computer Access Fee" line item by \$2,600 and "Tax Rolls and Statement Prep" line item by \$2,400 and increasing "Professional Services" line item by \$5,000 so I can hire someone to assist with data entry when needed. The additional revenue is in line with historical revenues and should be generated within the Fiscal Year 2021 budget.

Thank you for your consideration.

Sincerely,

  
Denise M Babbitt  
Equalization Director

FOR PROPERTY INFORMATION VISIT THE SAGINAW COUNTY WEB SITE AT  
[www.saginawcounty.com](http://www.saginawcounty.com)



# BUDGET AUDIT

111 S. MICHIGAN AVE.  
SAGINAW, MI 48602

**VANESSA GUERRA**  
COUNTY CLERK

DEPUTY COUNTY CLERK  
KYLE A. BOSTWICK

February 24, 2021

3-16-8

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 24 AM 11:05

To: Commissioner Krafft, Chair Budget/Audit Committee

From: Kyle Bostwick, Chief Deputy County Clerk

Dear Chairman Krafft,

I am requesting to be placed on the March Budget/Audit Agenda to discuss the need for increased funding in the clerks elections printing and binding account. The funds will be used to cover the upfront cost associated with the May and August Special Elections. All expenses for these elections are eligible for reimbursement from local municipalities and school districts.

Thank you for your attention to this request.

Respectfully,

Kyle Bostwick  
Chief Deputy Saginaw County Clerk

February 24, 2021

# BUDGET AUDIT

Honorable Chairman Ruth and Members of the Board of Commissioners  
County of Saginaw  
111 S. Michigan Avenue  
Saginaw, MI 48602

3-16-9

**RE: Request to appear before the Budget / Audit Committee**

Dear Chairman Ruth and Commissioners:

This is a formal letter requesting the opportunity for Michigan State University Extension to appear before the Budget / Audit Meeting on Thursday, March 4 @ 4 p.m. via zoom.

Michigan State University Extension would like to respectfully request the committee consider additional funding for the last six months of the 2021 fiscal year.

Michigan State University Extension's mission is to: **help people improve their lives through an educational process that applies knowledge to critical issues, needs, and opportunities.**

I would like to thank you in advance for the opportunity for MSU Extension to be on the agenda and continue to advocate for MSU Extension and the value it brings to the residents of Saginaw County. If you have any questions, please do not hesitate to call or email me.

Sincerely,

Mark J. Rankin

District 9 Coordinator  
Michigan State University Extension  
723 Emerson St.  
Saginaw, MI 48607  
Phone: (989) 758-2500  
Fax: (989) 758-2509  
Cell: (517) 937-7890  
Email: [rankinm1@msu.edu](mailto:rankinm1@msu.edu)

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 24 AM 11:05

MSU is an affirmative action/equal opportunity employer. Michigan State University Extension programs and materials are open to all without regard to race, color, national origin, gender, gender identity, religion, age, height, weight, disability, political beliefs, sexual orientation, marital status, family status, or veteran status.



**John A. McColgan Jr.**  
Saginaw County Prosecuting Attorney

COURT HOUSE  
111 SOUTH MICHIGAN AVENUE  
SAGINAW, MICHIGAN 48602

**BUDGET  
AUDIT**

**Mark J. Gaertner**  
Chief Assistant Prosecuting Attorney  
February 24, 2021,

Carl Ruth, Chairman  
Saginaw County Board of Commissioners

Re: Request for Funds

Dear Chairman Ruth,

I am requesting to be placed on the agenda for the Budget Audit Committee meeting to be held on March 4, 2021. I am requesting this Committee's support for additional funds for my budget. In developing the 2021 Budget Mr. Belleman requested that all departments make cuts in anticipation of budget shortfalls. In regard to my office Mr. Belleman proposed that 3 clerical/support positions be eliminated and cut the funding for same. Said positions have been occupied and utilized by my office for at least the past 35 years. This solution to the budget problems came at a time when the County was dealing with Covid and trying to implement a new computer system. This solution to the budget problems was proposed without any type of study to see if my office could function without these 3 individuals regardless of Covid and or the implementation of the new computer system. My office cannot provide the services we are mandated by law to provide without these 3 positions. The Board agreed that these cuts should not be made and added 6 months worth of funds to support these positions when it adopted the 2021 Budget. The demands on my office due to Covid and the implementation of the new computer system requires that these positions be funded for the remainder of 2021 so that we can perform our mandated functions. We would also ask that funds be provided for some temp help so that we can keep up with the demands on our office.

The above mentioned positions are necessary and essential in our fight against crime here in Saginaw County.

A full staff is needed for my office to fight the cases that come into the office on a daily basis. The positions are necessary, vital and essential to keep up our efforts towards making Saginaw County a safe desirable place to work, worship and live.

Please place this matter on the March 4, 2020 Budget Audit Committee agenda. Either I or a representative of my office will be in attendance to answer any questions.

Respectfully submitted  
John A. McColgan Jr.

3-16-10

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 24 PM 2:17



## SAGINAW COUNTY SHERIFF'S OFFICE

311 S. Harrison Street • Saginaw, MI 48602

PH: 989.790.5400 FAX: 989.790.5429

# BUDGET AUDIT

WILLIAM L. FEDERSPIEL  
Sheriff

February 24, 2021

MIGUEL GOMEZ  
Undersheriff

3-16-11

Dear Chairman Krafft,

I request the following increases to our respective budgets using fund balance. The request is to increase our part-time wages.

### Jail Budget:

Master Control six (6) temporary employees at \$12 per hours (a \$2 per hour increase). 6 temporary X \$12/HR X 28 hours per week X 36 weeks = \$72,864  
Corrections/Security Officers – 3 to 6 temporary employees. 6 temporary employees X \$18/HR X 28 hours per week X 36 weeks = \$108,864.

\$ 72,864

\$108,864

\$181,728

(\$ 69,728) current budget available

**\$112,000 needed**

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 24 PM 4: 23

### Plus Budget:

2 temporary employees. 2 X \$12/HR X 24 hours per week X 36 weeks = \$20,736  
\$20,736

(\$10,736) in PLUS Budget

**\$10,000 needed from PLUS Fund Balance**

### Law Enforcement Fund:

10 Temporary employees. 10 Temps X \$18/HR X 28 hours per week X 36 weeks = \$181,440

4 Support Services X \$10/HR X 10 events X 12 = \$4,800

1 Temporary employee (Janitorial). 1Temp X \$12/HR X 28 hours per week X 36 weeks = \$12,096

**\$190,336 needed from the Law Enforcement Fund, fund balance.**

- 1) FY 2021 Jail budget an increase of \$112,000 from General Fund, Fund Balance
- 2) FY 2021 Sheriff's Special Project Fund – PLUS Activity (Fund 280 Activity 34204) – an increase of \$10,000 from fund balance
- 3) FY 2021 Law Enforcement Fund increase \$190,336 use of fund balance.

Sheriff William L. Federspiel



COUNTY OF SAGINAW

Animal Care & Control

1312 Gratiot Avenue, Saginaw, MI 48602

Ph: (989)797-4500

[scacc@saginawcounty.com](mailto:scacc@saginawcounty.com)

Fax: (989)797-4509

# BUDGET AUDIT

February 24, 2021

Mr. Carl E. Ruth, Chairman  
Board of Commissioners  
County of Saginaw  
111 S. Michigan Avenue  
Saginaw, MI 48602

3-16-12

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 24 PM 4: 24

RE: Request to Increase FY 2021 SCACC Budget

Dear Chairman Ruth,

I am requesting the Budget Audit Committee recommend to the Board of Commissioners approval to increase the FY 2021 SCACC budget by \$9,000 from the fund balance.

This increase is specifically for preventative rabies shots for 10 employees who have the highest potential for rabies exposure due to directly handling animals. The 10 employees are: 4 Animal Control Officers, 4 Kennel Technicians, 1 Kennel Mgr., 1 Director (both the Manager and Director are also certified Animal Control Officers).

Rabies is an emerging disease more frequently found in wildlife (bats, skunks, racoons...etc.) which impact domestic animal populations our staff deals with. Frequently bats captured in homes are brought to SCACC for disposal. If still alive, our staff must humanely euthanize bats and send them for rabies testing at the Michigan Health and Human Services (MHHS) Lab.

Upon a positive rabies test, a supervisor from MHHS will reach out to members of a household a bat was found in and advise them regarding quarantine. Bats and skunks are the most frequent wildlife we encounter, although the potential exists for us dealing with other wildlife and rabies-impacted domestic animals.

These shots are a series of 3 injections per employee and cost \$300 each; \$900 total for each employee. 10 employees at \$900 for the series of 3 injections totals \$9,000. The injections are administered by medical staff at Covenant Healthcare.

I will be in attendance, via Zoom, at the March 4, 2021 Budget Audit Committee meeting to answer any questions you or other committee members may have.

Sincerely,

Bonnie Kanicki, Director

Cc: Mr. Robert Belleman, Controller/CAO

Koren Thurston, Finance Director, Financial Services



# BUDGET AUDIT

DEPUTY COUNTY CLERK  
NICOLE PEREZ

**VANESSA GUERRA**  
COUNTY CLERK

DEPUTY COUNTY CLERK  
KYLE A. BOSTWICK

February 24, 2021

Honorable Committee Chairman Dennis Krafft  
Saginaw County Board of Commissioners  
111 South Michigan Avenue  
Saginaw, MI 48602

3-16-19

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 25 AM 9:54

Dear Committee Chairman Krafft,

Please allow this letter to serve as my request to meet with the Budget/Audit Committee at its Thursday March 4, 2021 meeting regarding the following matter:

- Request for funding to allow the Circuit Court Records Office to hire four temporary workers.

Attached for your review is a memo outlining our plan for utilizing four temporary workers along with a memo from Chief Judge Jackson detailing some of the difficulties our judges have experienced in working with our office. I will be in attendance on Thursday March 4th along with Judge Borrello to answer any questions you or the committee may have.

Thank you for your time,

Vanessa Guerra  
Saginaw County Clerk

Enclosure





DEPUTY COUNTY CLERK  
NICOLE PEREZ

**VANESSA GUERRA**  
COUNTY CLERK

DEPUTY COUNTY CLERK  
KYLE A. BOSTWICK

## MEMORANDUM

**Date:** February 23, 2021

**To:** The Honorable Dennis Krafft, Budget/Audit Committee Chair

**From:** Vanessa Guerra, County Clerk

**Re:** Plan to Utilize Temporary Staff

### Background

Beginning in November of 2020 the Circuit Court Records Office was given the opportunity to hire four temporary employees to address some of the difficulties our Circuit Court Judges were experiencing. At different times over the last two months we have had between one and four of those positions filled as it has been difficult to find qualified candidates. We were fortunate to find two temporary employees who ultimately applied and have since been hired to fill two previously vacant positions in our office. We now seek funding to allow us to continue funding those four temporary positions. Currently we have one temporary position filled and have interviewed two qualified candidates we would like to have work with us.

### Proposed Plan & Overview of Services

Recognizing the high turnover rate and difficulty in training individuals, we have developed a different approach to utilizing temporary employees. In an effort to find applicants who may be more experienced in working with legal documents, I have established a relationship with the Professor & Coordinator of Delta College's Legal Support Professional Program. We have also started requesting the temporary employment agencies send us a pool of applicants so that we may filter and interview candidates on our own. This has been difficult as oftentimes the agencies are unable to provide more than one--if any--applicants. Finally, we have also planned to host a training day on a Saturday so that our temporary staff can learn uninterrupted from our Deputy Circuit Court Records Clerk Nicole Perez. This should improve the training process while simultaneously lessening the impact new staff can have on the daily work duties of our current staff members.

We have also developed a specific plan on how we will utilize these four temporary employees. Moving forward we will have one individual work solely on scanning older documents so that we may continue our goal of becoming completely digital in the future. This work is important not only to preserve essential court documents, but also to minimize the costs and liability to the county. We currently have around 1000 boxes of files stored at FileSafe, as well as nearly 400 boxes of files stored in our circuit court records office alone. This does not include the boxes of files we store in the annex or the files yet to be scanned on shelves in our

[www.saginawcounty.com/clerk](http://www.saginawcounty.com/clerk)

111 S. Michigan Avenue, Saginaw, MI 48602  
989-790-5244 • [vguerra@saginawcounty.com](mailto:vguerra@saginawcounty.com)

office. As the state moves closer towards e-filing we cannot afford to stray from the effort to digitize our circuit court record files.

The second temporary employee will focus solely on scanning the regular documents received by our office daily so as to ensure recent filings are easily accessible to the judges on our online database (OnBase). In a single day, a data entry clerk in our office can touch documents pertaining to anywhere between 20-100 different cases a day. Every single document must be reviewed, entered into the register of actions, and then scanned. Upon scanning, the document is then indexed according to the information on the document and the case it pertains to. This requires the staff member to understand the purpose of the document in front of them and to look up the case information in our system to confirm the document we received is indexed to the appropriate case.

The third and fourth temporary employees will train to serve as file clerks in our office. File clerks are responsible for ensuring the judges have the case files needed for their weekly docket. Additionally the file clerks prepare and gather documents for our court referees, the friend of the court, any out of county cases, cases being heard by the Court of Appeals & Michigan Supreme Court, and any other county department that may need access to a court file. Finally, they are often called upon by courtrooms to locate specific documents that may have been recently filed or misplaced.

### **Financial Component**

Temporary employees in our office are hired at an hourly rate of \$11.50. Part of the difficulty in finding adequate temporary staff is directly connected to the low wage. The temp. agencies will only send individuals who have noted they are willing to work for that wage. Naturally, nearly all the applications we receive are from individuals with no background in working with legal documents or working in an office setting. It is also important to note that the hiring agency charges the county 32% on top of the hourly rate amounting to a total cost to the county of \$15.18 an hour. A full 40-hour work week amounts to \$607.20 per week per temporary employee. Thus, four temporary employees at 40 hours a week for four weeks amounts to \$9,715.20 per month. We are requesting \$34,000 from fund balance and we will be contributing \$47,000 from vacancies to cover the total cost of \$81,000. This would allow us to cover the amount we have already spent on temporary employees for the fiscal year along with covering employment for four total temporary employees for the next four months.

I recognize this request is of no small cost to the county, but without these additional staff members we will continue to fall behind and thus be unable to ensure our judges have what they need to serve Saginaw County. We are grateful for the relationship we have with all the judges and the mercy they have shown us during this difficult time. If given the opportunity to hire four temporary employees, we will monitor their work performance and the impact these individuals have on our ability to serve our judges. We have met with Judge Borrello and have agreed to regroup in a month if given the temporary staff to analyze what improvements have been made and what other changes we can make.

Finally, I must give all the credit to our Deputy Circuit Court Records Clerk Nicole Perez. Ms. Perez has done a phenomenal job for as long as she has been there and has taken her time to teach me and bring me up to speed on how our office can better serve constituents and judges. With your assistance we can ensure our recently hired staff are able to receive appropriate training and ensure filings are timely entered and prepared for the judges.

## MEMORANDUM

To: Hon. Andre R. Borello  
From: Hon. Darnell Jackson  
Date: 2/17/2021  
Re: Improvement of Processes in Circuit Court Clerk's Office

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Judge Borrello, I want to acknowledge your willingness to take on this issue and seek ways to improve efficiency in the circuit court clerk's office. My staff and I have identified some areas of concern that are outlined below. Most of the listed issues appear to be related to understaffing and possibly inadequate training of the staff that is in place. However, I first want to emphasize that the circuit court clerk's office supervisor, Nicole Perez, is always available and works very hard to address issues as they arise. Her dedication is commendable and should be recognized. I am hopeful that you and Ms. Guerra will be able to identify collaborative solutions to further improve our processes and better serve our constituents. Please do not hesitate to contact me if there is anything that myself or my staff can do to assist in this endeavor.

Recording paperwork on register of actions in a timely manner. Due to the staffing shortages in the clerk's office, there have been significant delays in recording filings on the register of actions. The court staff relies on the register of actions to determine whether paperwork has been timely filed for upcoming motion hearings. Too often, filings are not recorded on the register of actions until 3-4 days after the documents were received by the clerk. In practice, this means that responses and/or replies to motions that were filed timely on a Thursday prior to the Monday motion hearing are often not recorded on the register of actions until sometime after the hearing takes place on Monday. As a result, the court is sometimes unaware of timely-filed responses until they are mentioned by an attorney at the time of the motion hearing. This leads to delayed decisions on matters that could have been decided at the time of the hearing if the filings had been docketed and forwarded to the court in a timely manner.

Ensuring court files are up to date with filings. When the data entry clerks do not record the filings in a timely manner, this also means that the necessary filings do not make it to the court file in time for the court to review them prior to a scheduled hearing. Once again, this creates delays and sometimes prevents the court from being fully apprised of all issues that it will need to decide when a hearing takes place. In addition, my staff continues to express frustration that they are spending most of their day on Friday "hunting down" missing filings rather than doing substantive court work.

Enforcement of MCR 2.119(C)(4). Under MCR 2.119(C)(4), "[u]nless the court sets a different time, a motion must be filed at least 7 days before the hearing, and any response to a motion must be filed . . . at least 3 days before the hearing." Therefore, regardless of when a motion was served or mailed, if it was not filed with the clerk at least 7 days before the date on the notice

of hearing, the clerk who receives the motion should contact the attorney who filed it to re-notice for a later date. The only exception would be if the notice of hearing indicates that the date and time have been approved by the court. In that situation, the clerk should contact the court staff to determine if the hearing can be set as indicated on the notice of hearing.

Enforcement of MCR 1.109(D). MCR 1.109(D) establishes filing standards for court documents. One of the requirements is that the first page of every document must contain: the name of the court, the names of the parties (or title of the action), and *the case number*. See MCR 1.109(D)(1)(b). The clerk may reject documents that do not comply with MCR 1.109(D)(1). See MCR 8.119(C). Instead of rejecting documents that do not contain a case number, the practice in the clerk's office has been for the clerk who receives the document to guess what case number the document pertains to, handwrite that number on the document, and then file it for further action by the court. Oftentimes, after the court receives the document, it becomes evident that the document does not pertain to the case number under which it was filed. All this confusion could be avoided if the clerk returned such documents to the individuals who filed them along with a form letter indicating that the document must be corrected to include the case number.

Enforcement of MCR 1.109(E). MCR 1.109(E) requires that “[e]very document filed shall be signed by the person filing it or by at least one attorney of record. A party who is not represented by an attorney must sign the document. . . .” Pursuant to MCR 8.119(C), the clerk may reject documents that are not signed as required by MCR 1.109(E). Instead of rejecting unsigned documents, the clerk's practice has been to accept the document and then to note on the register of actions that the document was unsigned. It is then left to the court to enforce the signature requirement by entering an order striking the unsigned document under MCR 1.109(E)(3). A more efficient practice would be for the clerk to return unsigned documents to the individuals who filed them with a form letter indicating that unsigned documents cannot be accepted for filing.

Issues with OnBase. Several years ago, the clerk's office began the process of scanning certain files to OnBase after storage space was lost at the Morley building. Some of the scanned files include older capital criminal cases involving defendants who remain incarcerated for their crimes. As a result, the court still needs access to these files to decide post judgment requests and motions filed by the defendants. Currently, there is no indexing of the OnBase files that would allow the court to quickly locate relevant documents within a file by searching by a key word or a filing date. Instead, the court staff must scan through several hundreds of pages of documents or transcripts to find relevant items. This process is frustrating and inefficient. If it is not possible to index the OnBase files, the clerk's office should print temporary files (from OnBase) for use by the court upon request.

In addition, OnBase is not being regularly updated with new filings. As an example, the court recently held a post judgment hearing in a 2007 criminal case. The file was transferred to

OnBase in 2016. Since 2016, there have been many documents filed in the case, but these documents have not been scanned to OnBase. As a result, when the court staff went to view the file on OnBase, none of the relevant paperwork needed for the hearing was available. Instead of scanning the necessary documents to OnBase, the clerk's office sent a stack of original filings to the courtroom. This is inefficient and could lead to original court filings being misplaced. Once a file is transferred to OnBase, the clerk's office should ensure that new filings are also scanned so that the complete file is in one location.

Entry of Sum Certain Default Judgments under MCR 2.603(B)(2)-The court rules allow for the clerk to enter a default judgment if the claim is for a sum certain, the defaulted defendant is not an infant or incompetent person, and the amount of damages requested is not greater than the amount stated in the complaint. MCR 2.603(B)(2). Despite the clerk's authority to enter sum certain default judgments under MCR 2.603(B)(2), the clerk's office practice is to forward all sum certain default judgment requests to the judge assigned to the case. Moreover, when the clerk's office forwards sum certain default judgments to the courtroom, they do not send the court file with it. As a result, the court staff must call down for the file to confirm that the amount sought in the default judgment is not greater than the amount sought in the complaint. Since the clerk already has the files, it would be more efficient for the clerk to enter sum certain default judgments as provided for under MCR 2.603(B)(2). If, after reviewing the request, it appears to the clerk that entry of default judgment is not proper under MCR 2.603(B)(2), then the file and proposed judgment could be sent to the judge at that point.

*Darnell Jackson*  
Chief Judge, Saginaw County Trial Courts



# COUNTY OF SAGINAW

OFFICE OF COUNTY CONTROLLER

111 SOUTH MICHIGAN AVENUE  
SAGINAW, MICHIGAN 48602

## BUDGET AUDIT

**ROBERT V. BELLEMAN**

*Controller/Chief Administrative Officer*  
*rbelleman@saginawcounty.com*

February 22, 2021

3-16-5

RECEIVED  
SAGINAW COUNTY  
BOARD OF COMMISSIONERS  
2021 FEB 23 AM 11:06

Carl E. Ruth, Chairman  
Board of Commissioners  
County of Saginaw  
111 S. Michigan Avenue  
Saginaw, Michigan 48602

**RE: DECEMBER 31, 2019 ANNUAL ACTUARIAL VALUATION**

Dear Chairman Ruth:

I am submitting to the Budget Audit Committee the Municipal Employees' Retirement System of Michigan (MERS) Annual Actuarial Valuation Report for the County of Saginaw Defined Benefit Plan as of December 31, 2019 ("Report"), which establishes rates for the County's 2022 Fiscal Year (October 1, 2021 – September 30, 2022). I previously provided you a copy of the Report.

MERS states "the report includes the determination of liabilities and contribution rates resulting from the participation in the Municipal Employees' Retirement System of Michigan ("MERS"). This report contains the minimum actuarially determined contribution requirement, in alignment with the MERS Plan Document, Actuarial Policy, and the Michigan Constitution and governing statutes. Saginaw Co is responsible for the employer contributions needed to provide MERS benefits for its employees and former employees.

The purpose of this valuation are to:

- Measure funding progress as of December 31, 2019,
- Establish contribution requirements for the fiscal year beginning October 1, 2021,
- Provide information regarding the identification and assessment risk,
- Provide actuarial information in connection with applicable Governmental Accounting Standards Board (GASB) statements, and
- Provide information to assist the local unit of government with state reporting requirements."

The Funded Ratio for the County's Plan decreased to 76% as of 12/31/2019 from 81% as of 12/31/2018.

The Report also states, "Effective this valuation, the MERS Retirement Board has adopted a reduction in the investment rate of return assumption from 7.75% to 7.35% and a reduction in the rate of wage

inflation from 3.75% to 3.00%.” Monthly contribution rates for Fiscal Year 2022 are \$454,982 (No Phase In) compared to \$351,599 for Fiscal Year 2021 (No Phase In), which is an increase of \$103,383 per month or \$1,240,596 for the year.

The Reports states, “a defined benefit plan is funded by employer contributions, participants contributions, and investment earnings. Investment earnings have historically provided a significant portion of the funding. The larger the share of benefits being provided from investment returns, the smaller the required contributions, and vice versa. Determining the contributions required to prefund the promised retirement benefits requires an assumption of what investment earnings are expected to add to the fund over a long period of time. This is called the **Investment Return Assumption.**”

The Report also states, “To avoid dramatic spikes and dips in annual contribution requirements due to short term fluctuations in asset markets, MERS applies a technique called **asset smoothing**. This spreads out each year’s investment gains or losses over the prior year and the following four years. This smoothing method is used to determine your actuarial value of assets (valuation assets), which is then used to determine both your funded ratio and your required contributions. The (smoothed) **actuarial rate of return for 2019 was 4.77%, while the actual market rate of return was 13.41%.**”

I would draw your attention to page 7 of the Report, which provides projections of the **Computed Annual Employer Contribution** with the following assumptions: 7.35% (Investment rate of return), 3.00% (rate of wage inflation) and Current Demographics Assumptions. The second set of **Computed Annual Employer Contributions** using 7.35%/3.00% and Adopted 2020 Demographic Assumptions reflects an employer contribution of \$6,239,760 for an increase of \$779,976 based on the changes in Demographic Assumptions.

The County allocates its annual debt service on the \$52 Million Pension Obligation Bonds Series 2013 along with MERS Actuarially Required Contribution and QEBA Payments to all departments and agencies as a percentage of payroll on the existing workforce. The percentage of payroll for FY 2021 is 32%.

The County's allocation of the MERS DB Pension for Fiscal Year 2021 is as follows:

TOTAL GENERAL FUND	4,247,627
LAW ENFORCEMENT	886,137
PARKS & RECREATION	99,065
GIS SYSTEM	37,499
FRIEND OF COURT	646,878
HEALTH SERVICES	977,107
COMMISSION ON AGING	466,052
MOSQUITO ABATEMENT COMMISS	164,248
PLANNING	34,620
ANIMAL CONTROL	143,233
CLERK-CONCEALED PISTOL LIC	9,305
MICHIGAN WORKS ADMINISTRAT	263,605
SWIFT & SURE SANCTIONS PRO	22,199
DRAIN DIVISION-MAINTENANCE	39,031
OFFICE OF EMERGENCY SERVIC	26,966
SHERIFF-SPECIAL PROJECTS	32,291
PROSECUTOR-SPECIAL PROJECT	44,212
CORRECTIONS-SPECIAL PROJEC	60,388
CHILD CARE	539,789
PARKING SYSTEM	-
DELINQUENT PROP TAX FORECL	50,389
INFORMATION TECHNOLOGY	258,892
EQUIPMENT REVOLVING FUND	-
SOIL EROSION	17,557
RISK MANAGEMENT	18,349
INVESTMENT SERVICES	5,033
EMPLOYEE BENEFITS	21,414
POSTEMPLOYMENT HEALTH BENE	7,785
DC PENSION TRUST FUND	<u>5,839</u>
GRAND TOTALS	<u>9,125,510</u>

Marne Carlson of MERS will be attending the March 4, 2021 Budget Audit Committee meeting to review the Report and answer any questions you or other members of the Committee may have.

Sincerely,

  
 Robert V. Belleman  
 Controller/CAO

C: Koren Thurston, Finance Director  
 Amy Deford, Retirement & Benefits Administrator





Spring 2020

Saginaw Co

In care of:  
Municipal Employees' Retirement System of Michigan  
1134 Municipal Way  
Lansing, Michigan 48917

**Re: Saginaw Co (7303) – December 31, 2019 Annual Actuarial Valuation QEBA Letter**

The Municipal Employees' Retirement System of Michigan (MERS) administers several employee benefit plans for the benefit of its participating municipalities and their members. This includes both a Qualified Plan designed to provide defined benefits subject to the limits of Section 415 of the Internal Revenue Code, and a Qualified Excess Benefit Arrangement (QEBA), designed to pay participants amounts in excess of the Section 415 limits.

MERS provides their member municipalities with annual actuarial valuation reports. The annual actuarial valuations provide information on the contributions and liabilities associated with funding the Qualified Plan, as well as the accounting liabilities required to be disclosed under the Governmental Accounting Standards Board (GASB) Statement No. 68. An annual actuarial report was prepared with a valuation date of December 31, 2019. All the liabilities presented in the December 31, 2019 annual report were subject to the limits of Section 415, and as such, did not include QEBA liability.

As a result, we have prepared this letter in order to disclose certain information about the liabilities associated with the retired member(s) who are receiving benefit payments from the QEBA as of December 31, 2019.

Because the QEBA has no qualified assets and cannot be prefunded, the GASB Statement No. 68 discount rate for the QEBA is the municipal bond rate of 2.75% as of December 31, 2019. The total pension liability for the QEBA as of December 31, 2019 is \$803,951. The change in TPL during the year as a result of assumption changes is \$366,470. The average expected remaining service life of QEBA retirees is 1.

Additional information can be found in the December 31, 2019 annual actuarial valuation report.

David T. Kausch, Rebecca L. Stouffer, and Mark Buis are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. This communication shall not be construed to provide tax advice or legal advice.

Sincerely,

Handwritten signature of David T. Kausch in black ink.

David T. Kausch, FSA, FCA, EA, MAAA

Handwritten signature of Rebecca L. Stouffer in black ink.

Rebecca L. Stouffer, ASA, FCA, MAAA

Handwritten signature of Mark Buis in black ink.

Mark Buis, FSA, FCA, EA, MAAA

Valuation Year Ending 12/31	Fiscal Year Beginning 10/1	Actuarial Accrued Liability	Valuation Assets <sup>2</sup>	Funded Percentage	Computed Annual Employer Contribution
<b>7.35%<sup>1</sup>/3.00% - Current Demographic Assumptions</b>					
<b>NO 5-YEAR PHASE-IN</b>					
2019	2021	\$ 149,628,941	\$ 113,744,801	76%	\$ 5,459,784
2020	2022	\$ 146,800,000	\$ 111,600,000	76%	\$ 5,650,000
2021	2023	\$ 143,700,000	\$ 109,900,000	76%	\$ 5,910,000
2022	2024	\$ 140,300,000	\$ 108,300,000	77%	\$ 6,270,000
2023	2025	\$ 136,700,000	\$ 109,000,000	80%	\$ 6,350,000
2024	2026	\$ 132,900,000	\$ 109,300,000	82%	\$ 4,790,000
<b>7.35%<sup>1</sup>/3.00% - Adopted 2020 Demographic Assumptions</b>					
<b>NO 5-YEAR PHASE-IN</b>					
2019	2021	\$ 155,231,654	\$ 113,744,801	73%	\$ 6,239,760
2020	2022	\$ 152,800,000	\$ 111,600,000	73%	\$ 6,460,000
2021	2023	\$ 150,100,000	\$ 110,000,000	73%	\$ 6,740,000
2022	2024	\$ 147,100,000	\$ 109,200,000	74%	\$ 7,130,000
2023	2025	\$ 144,000,000	\$ 110,800,000	77%	\$ 7,230,000
2024	2026	\$ 140,500,000	\$ 112,000,000	80%	\$ 5,700,000
<b>5.35%<sup>1</sup>/3.00% - Current Demographic Assumptions</b>					
<b>NO 5-YEAR PHASE-IN</b>					
2019	2021	\$ 179,521,737	\$ 113,744,801	63%	\$ 8,711,964
2020	2022	\$ 175,500,000	\$ 109,500,000	62%	\$ 9,000,000
2021	2023	\$ 171,100,000	\$ 106,300,000	62%	\$ 9,330,000
2022	2024	\$ 166,500,000	\$ 105,700,000	64%	\$ 9,780,000
2023	2025	\$ 161,600,000	\$ 107,700,000	67%	\$ 9,960,000
2024	2026	\$ 156,500,000	\$ 109,400,000	70%	\$ 8,590,000

<sup>1</sup> Represents both the interest rate for discounting liabilities and the future investment return assumption on the Market Value of assets.

<sup>2</sup> Valuation Assets do not include assets from Surplus divisions, if any.