

**PROJECTED COSTS UNDER GASB 45 FOR
ACCOUNTING AND FINANCIAL REPORTING FOR
POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS AS OF
DECEMBER 31, 2012**

**SAGINAW COUNTY
OTHER POSTEMPLOYMENT BENEFITS**

05/06/2013

Prepared By:



Tegrit Group Actuarial Consulting
13680 Cleveland Avenue
Uniontown, OH 44685
Phone (330) 644-2044
Fax (330) 644-2705

Saginaw County
Other Postemployment Benefits

INTRODUCTION

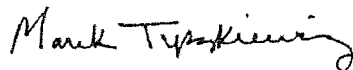
We are pleased to submit to Saginaw County this actuarial valuation report as of December 31, 2012 which provides the liability and annual required contribution for the Post-Retirement Medical Plan. This report reflects our understanding of the Governmental Accounting Standards Board Statement No. 45 (GASB 45) for Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. Below is an outline of the sections included in this report.

SECTION I: Management Summary	SECTION VI: Participant Demographics
SECTION II: Liabilities and Normal Cost	SECTION VII: Actuarial Methods & Assumptions
SECTION III: Unfunded Actuarial Accrued Liability	SECTION VIII: Plan Provisions
SECTION IV: Financial Statement Disclosures	SECTION IX: Age & Service Chart
SECTION V: Supplementary Information	SECTION X: Glossary

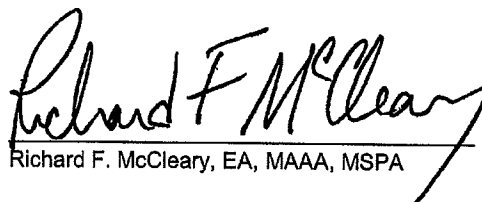
ACTUARIAL
STATEMENT OF OPINION

In preparing our report, we have relied on plan provisions, retirement eligibility, and employee census data provided by the

Respectfully submitted,



Marek Tyszkiewicz, ASA, MAAA



Richard F. McCleary, EA, MAAA, MSPA

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION I
Management Summary

Introduction

We have been retained by Saginaw County to provide a GASB 45 actuarial valuation of other postemployment benefits (OPEB). The following are contained in this report:

- Calculation of the present value of benefits
- Actuarial liability and normal cost
- Calculation of the Annual Required Contribution (ARC) for the fiscal year starting October 1, 2013
- Results showing liabilities for the Mental Health Authority only. No assets were assumed to be transferred.

Results

The valuation results are summarized as follows:

	<u>All Members</u>	<u>Mental Health Authority</u>	<u>All Members excluding MHA</u>
Actives	328	2	326
Beneficiaries	-	-	-
Retirees*	435	2	433
Total	763	4	759

* Of 435 participating retirees in Total, 128 have spousal coverage. Of 2 participating retirees in Mental Health Authority, 2 have spousal coverage. An additional 252 active members not shown above were valued with life insurance only.

	<u>All Members</u>	<u>Mental Health Authority</u>	<u>All Members excluding MHA</u>
Present Value of Projected Benefits	\$ 160,258,962	\$ 1,056,333	\$ 159,202,629
Actuarial Accrued Liability	\$ 148,984,488	\$ 989,691	\$ 147,994,797
Actuarial Value of Assets	12,794,484	-	12,794,484
Unfunded Actuarial Accrued Liability	136,190,004	989,691	135,200,313
Normal Cost	\$ 1,441,602	\$ 8,234	\$ 1,433,368
Amortization of Unfunded Liability	10,346,322	75,187	10,271,135
Interest to Fiscal Year	526,574	3,726	522,848
Annual Required Contribution	12,314,498	87,147	12,227,351

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION I
Management Summary (Continued)

Background Information

GASB 45 is a government accounting standard that requires public-sector employers to recognize OPEB obligations to retirees and their dependents. The accounting standard applies to two broad classifications of benefits, implicit employer subsidies and explicit employer benefits.

GASB 45 requires that OPEB be recognized over the working lifetime of an employee prior to actual retirement. GASB 45 also requires that an employer must recognize an implicit subsidy arising from retiree medical coverage, even if a retiree pays the full premium charged by an insurance carrier. The implicit subsidy arises because health care premiums do not typically increase with age, while health care costs typically do.

Actuarial and Demographic Assumptions

Saginaw County is responsible for the assumptions contained herein. These assumptions, developed in consultation with us, are summarized in Section VII. Key assumptions are also shown below.

Discount Rate

GASB requires that the interest rate used to discount future benefit payments to the current date be based on the expected rate of return on investments used to pay for OPEB. If no funds are reserved for this purpose, then the discount rate is based on the expected return of the employer's operating fund. This report is based on the understanding that the County has decided to establish a separate, irrevocable trust to fund the annual OPEB costs. Thus, the discount rate is 6.00%, based on long-term expectations of investment return for the Retiree Health Funding Vehicle for the Saginaw County. Further, it is our understanding that the Mental Health Authority division has decided to establish a separate, irrevocable trust.

Trend Rates

For current retirees, we have assumed that health care costs increase 9.00% in the first year (2013), graded down to 4.50% over a 10 year period.

Patient Protection and Affordable Care Act (PPACA)

Excise taxes on Cadillac plan benefits, if any, were not included in this valuation. Other legislative changes related to PPACA were included in the valuation to the extent they have already been implemented in the plan.

2011 Public Act 152

It is assumed in this valuation the County is not voluntarily capping medical benefits pursuant to Act 152.

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION I
Management Summary (Continued)

Other Comments

We believe the results shown represent reasonable OPEB costs for Saginaw County. Other reasonable methods or assumptions to determine future OPEB that could be used may result in estimates that vary significantly from the estimates contained in this report.

Finally, implicit subsidies, if applicable, are calculated as the difference between expected claims and expected premiums. A small percentage change to these figures can leverage the costs by a substantially higher percentage. As a result, GASB implicit subsidy liabilities are more volatile than pension liabilities.

SECTION II
Liabilities and Normal Cost

The table below shows the liabilities and normal cost for the plan as of December 31, 2012.

	All Members	Mental Health Authority	All Members excluding MHA
Present Value of Projected Benefits			
Actives	\$ 65,841,157	\$ 305,070	\$ 65,536,087
Retirees	94,417,805	751,263	93,666,542
Total	<u>160,258,962</u>	<u>1,056,333</u>	<u>159,202,629</u>
Actuarial Accrued Liability			
Actives	\$ 54,566,683	\$ 238,428	\$ 54,328,255
Retirees	94,417,805	751,263	93,666,542
Total	<u>148,984,488</u>	<u>989,691</u>	<u>147,994,797</u>
Normal Cost			
Total	\$ 1,441,602	\$ 8,234	\$ 1,433,368

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION III
Unfunded Actuarial Accrued Liability

The Unfunded Actuarial Accrued Liability (UAAL) is the excess, if any, of the Actuarial Accrued Liability over the assets of the plan. The resulting amount represents the value of OPEB accrued to date that has not been funded. The UAAL must be amortized over a period that does not exceed 30 years and this amortization must be included in the Annual Required Contribution.

The UAAL shown below has been amortized over a period of 25 years as a level dollar. Payment timing is assumed to be continuous for amortization purposes.

	All Members	Mental Health Authority	All Members excluding MHA
Unfunded Actuarial Accrued Liability (UAAL)			
Actuarial Accrued Liability	\$ 148,984,488	\$ 989,691	\$ 147,994,797
Actuarial Value of Assets	12,794,484	-	12,794,484
Unfunded Actuarial Accrued Liability	\$ 136,190,004	\$ 989,691	135,200,313
 Amortization of UAAL			
Amortization Amount	\$ 10,346,322	\$ 75,187	\$ 10,271,135

Key Assumptions	All Divisions
Amortization Factor	13.1631
Amortization Period:	25
Discount Rate	6.0%

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION IV
Financial Statement Disclosures

Determination of Annual Contribution Requirement for Fiscal Year Beginning 2013

All Members

1) Normal Cost as of the valuation date	\$ 1,441,602
2) Amortization of UAAL as of valuation date	10,346,322
3) Interest to Fiscal Year	<u>526,574</u>
4) Annual Required Contribution = (1) + (2) + (3)	\$ 12,314,498

Mental Health Authority

1) Normal Cost as of the valuation date	\$ 8,234
2) Amortization of UAAL as of valuation date	75,187
3) Interest to Fiscal Year	<u>3,726</u>
4) Annual Required Contribution = (1) + (2) + (3)	\$ 87,147

All Members excluding MHA

1) Normal Cost as of the valuation date	\$ 1,433,368
2) Amortization of UAAL as of valuation date	10,271,135
3) Interest to Fiscal Year	<u>522,848</u>
4) Annual Required Contribution = (1) + (2) + (3)	\$ 12,227,351

Funded Status and Funding Progress

As of December 31, 2012, the plan in aggregate was 8.59% funded. The actuarial accrued liability for benefits was \$148,984,488, and the actuarial value of assets was \$12,794,484, resulting in an unfunded accrued liability of \$136,190,004.

As of that same date, the Mental Health Authority plan was 0.00% funded. The actuarial accrued liability for benefits was \$989,691, and the actuarial value of assets was \$0, resulting in an unfunded accrued liability of \$989,691.

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION V
Supplementary Information (All Members)

The following table below shows a schedule of Funding Progress required under GASB 45.

<i>Actuarial Valuation Date</i>	<i>Actuarial Value of Assets</i>	<i>Actuarial Accrued Liability</i>	<i>UAAL</i>	<i>Funded Ratio</i>
12/31/2011	\$ 11,913,064	\$ 136,884,482	\$ 124,971,418	8.7%
12/31/2012	\$ 12,794,484	\$ 148,984,488	\$ 136,190,004	8.6%

<i>Actuarial Valuation Date</i>	<i>Covered Payroll*</i>	<i>UAAL as a % of Covered Payroll</i>
12/31/2011	\$ 15,109,758	827.09%
12/31/2012	\$ 15,639,762	870.79%

Valuation information shown prior to this year was provided by the prior actuary.

*Salary information shown is for members included in the retiree health care plan and excludes payroll for those eligible for life insurance only.

Supplementary Information (Mental Health Authority)

The following table below shows a schedule of Funding Progress required under GASB 45.

<i>Actuarial Valuation Date</i>	<i>Actuarial Value of Assets</i>	<i>Actuarial Accrued Liability</i>	<i>UAAL</i>	<i>Funded Ratio</i>
12/31/2011	-	-	-	-
12/31/2012	\$ -	\$ 989,691	\$ 989,691	0.0%

<i>Actuarial Valuation Date</i>	<i>Covered Payroll</i>	<i>UAAL as a % of Covered Payroll</i>
12/31/2011	-	-
12/31/2012	\$ 90,003	1099.62%

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION VI
Participant Demographics (All Members)

Number of Participants		Actives	
Actives	328	Average Age	52.0
Beneficiaries	-	Average Service	19.0
Retirees	435		
Spouses of Retirees	128		
Total	891		

An additional 252 active members not reflected in the statistics above were valued with life insurance only.

Participant Demographics (Mental Health Authority)

Number of Participants		Actives	
Actives	2	Average Age	50.0
Beneficiaries	-	Average Service	16.2
Retirees	2		
Spouses of Retirees	2		
Total	6		

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION VII
Actuarial Methods and Assumptions
(Continued)

- Participation: 100% of future retirees are assumed to elect coverage for both themselves and their spouse. 60% of active participants are assumed to elect two-person coverage, if eligible. 40% of active participants are assumed to elect single coverage.
- Mortality: MERS mortality assumption used for 12/31/2012 pension valuation
 Regular: 1994 GAM (loaded) 50% M / 50% F
 Disabled: 1994 GAM (loaded) 50% M / 50% F Set-Forward 10 Years
 There is no margin for future mortality improvements explicitly incorporated in this valuation.
- Withdrawal: MERS withdrawal assumption used for 12/31/2012 pension valuation
- Disability: MERS disability assumption used for 12/31/2012 pension valuation
- Salary Scale: MERS merit and longevity salary scale used for 12/31/2012 pension valuation in addition to a 4.5% wage base.
- Early Retirement: MERS early retirement assumptions were not used in this valuation. Instead, the MERS withdrawal assumption was allowed to operate during periods of early retirement.

Rates of Retirement

Service	Rates of Retirement
1	0.0300
2	0.0500
3 to 4	0.0900
5	0.1300
6	0.1500
7	0.1700
8 to 9	0.1900
10 to 21	0.2000
22 to 24	0.2100
25 to 27	0.2200
28 to 30	0.2400
31	0.2500
32 or more	0.2600

The service based retirement table used in this valuation is consistent with the MERS retirement rates used in the 12/31/2012 pension valuation which are based on retirement income replacement.

The County's 12/31/2012 MERS pension benefit provisions were used to develop these service based rates.

Illustrative rates for MERS pension assumptions used in this report may be found on the MERS website at:
<http://www.mersofmich.com/Portals/0/Assets/Resources/MERS-2011AnnualActuarialValuation-Appendix.pdf>

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION VIII
Plan Provisions

This description of retiree benefits is intended to be only a brief summary. Details are contained in Summary Plan Descriptions, Plan Documents, labor agreements, and employee booklets, as applicable. This summary describes our understanding of the essential features of the OPEB used in our report. All eligibility requirements and benefits shall be determined in strict accordance with relevant plan documents. To the extent that this summary does not accurately reflect OPEB provisions, the results of this valuation report may be inaccurate.

Participation: Members of the County of Saginaw Retirement System hired prior to March 1, 2005 who have not opted out of coverage and satisfy the following requirements are eligible to receive retiree health care.

Retirement Eligibility: OPEIU (A), SCDPH COA (D), Pub. H. Nurses (E), Animal (J), TPOAM (O), and Pros.(R):

Age 50 with 25 years of service, or
at age 55 with 20 years of service, or
at age 60 with 6 years of service.

POLC Unit II Sgt's (C), POAM Unit III Cpt & Lt's (F), UAW Mgr's (U), Non-Union (blank),
Upper Mgmt. (blank), Elec. (blank), and Judges (blank):

Age 55 with 15 years of service, or
at age 60 with 6 years of service, or
at any age with 25 years of service.

POAM Unit I (G), and POAM Non-312(Y):

Age 60 with 6 years of service, or
at any age with 25 years of service.

Juv. Dent. & Supr. (I & T):

Age 50 with 25 years of service, or
at age 55 with 15 years of service, or
at age 60 with 6 years of service.

Juv. Prob. (P), and Dist. Ct. Prob. Office (Q):

Age 55 with 20 years of service, or
at age 60 with 6 years of service, or
at any age with 25 years of service.

UAW Prof. (V), and UAW Tech's (W):

Age 50 with 25 years of service, or
at age 55 with 15 years of service, or
at age 60 with 6 years of service.

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION VIII
Plan Provisions (Continued)

ELIGIBILITY

- Early Retirement:** Members retiring with a reduced pension are not eligible for retiree health care coverage through the County.
- Deferred Retirement:** Members retiring under deferred retirement conditions are not eligible for retiree health care coverage through the County.
- Disability Retirement:** Members retiring under a disability (duty or non-duty) with 6 or more years of service are immediately eligible for subsidized retiree health care coverage.
- Death-In-Service:** Surviving spouses of active members who die while in active employment with the County are not eligible for retiree health care coverage through the County.
- Spouse Coverage:** Subsidized retiree health care coverage is provided to the beneficiary of retirees hired prior to the dates shown below. Beneficiaries of deceased retirees hired prior to the dates shown below are eligible for subsidized retiree health care. Spouses of retirees hired on or after the dates shown below are not eligible for retiree health care coverage.

Change Date	Division
3/31/1996	OPEIU (A)
1/1/1999	POLC Unit II (C), Pub. H. Nurses (E), POAM Unit I (G), TPOAM (O), Dist. Ct. Prob. Office (Q), and POAM Non-312(Y)
1/1/1998	SCDPH COA (D)
1/1/2001	POAM Unit III Cpt & Lt's (F)
1/1/1996	Juv. Dent. & Supr. (I & T)
1/1/1997	Animal (J)
10/1/1999	Juv. Prob. (P), and Pros. (R)
1/1/1993	UAW Mgr's (U), UAW Prof. (V), UAW Tech's (W), Non-Union (blank), Upper Mgmt. (blank), Elec. (blank), and Judges (blank)

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION VIII
Plan Provisions (Continued)

Medicare Enrollment: The County of Saginaw provides complementary retiree health care benefits at age 65 when a member becomes Medicare eligible. Member and spouse are required to enroll in Medicare parts A and B when eligible. Member is responsible for payment of Medicare B premiums.

Retiree Health Savings Plan: Employees hired on or after March 1, 2005 will not be eligible for retirement health insurance. They will be offered an employer sponsored health benefit savings plan. The County will contribute 1% of employee's gross wages to this Plan, while participants of the union enrolled in the plan have an option of not contributing or agreeing to a certain percentage. This decision is irrevocable and can only be changed at time of labor agreement negotiations.

Payment in Lieu of Retiree Health Insurance: Employees hired prior to March 1, 2005 may make an irrevocable election to refuse retirement health insurance and choose the employer sponsored health benefit savings plan. They will be offered a onetime incentive of \$15,000 by the County, and will not be eligible for retiree health insurance or a stipend in lieu of retiree health insurance. Once opting out of retiree health insurance, the County will contribute 1% of the employee's gross wages to this Plan.

Members who retire are eligible to receive a monthly cash benefit in place of County subsidized retiree health care coverage (\$150 monthly for all divisions except POLC Unit II - C whom receive \$75 monthly). If a retiree chooses the cash dollar monthly benefit, they are not eligible to opt back into the County's retiree health care plan.

Cash benefits are not considered OPEB benefits and are not valued in this valuation.

Medical Subsidy: The tables on the next page illustrate the service-related medical subsidy for members retiring after January 1, 1991 in the retiree health care program depending on the group. The County provides fully subsidized retiree health care for members who retired prior to January 1, 1991. OPEIU (A) members hired prior to March 29, 1986 follow the chart on the following page except that members with over 20 years of service receive 100% County paid retiree health care coverage. Pub. H. Nurses (E) members follow slightly different service-related medical subsidy tables depending on their date of retirement.

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION VIII
Plan Provisions (Continued)

Service Related Medical Subsidy Percent								
Years of Service	A	C	D	E	E	F	G	I & T
	OPEIU	POLC UNIT II Sgt's	SCDPH COA	Pub. H. Nurses b.f. 10/14	Pub. H. Nurses aft 10/14	COAM Unit III Cpt. & Lt's.	POAM Unit I	Juv., Dent, & Supr.
0-5	0	0	0	0	0	0	0	0
6	25	25	25	25	20	20	20	20
7	30	30	30	30	25	25	25	25
8	35	35	35	35	30	30	30	30
9	40	40	40	40	35	35	35	35
10	45	45	45	45	40	40	40	40
11	50	50	50	50	45	45	45	45
12	55	55	55	55	50	50	50	50
13	60	60	60	60	55	55	55	55
14	65	65	65	65	60	60	60	60
15	70	70	70	70	65	65	65	65
16	75	75	75	75	70	70	70	70
17	80	80	80	80	75	75	75	75
18	85	85	85	85	80	80	80	80
19	90	90	90	90	85	85	85	85
20+	95	95	95	95	90	90	90	90

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013

Measurement Date: December 31, 2012

SECTION VIII
Plan Provisions (Continued)

Service Related Medical Subsidy Percent								
Years of Service	J	O	P	Q	R	U	V	W
	Animal	TPOAM	Juv. Prob.	Dist. Ct. Prob. Office	Pros.	UAW Mgr's	UAW Prof.	UAW Tech
0-5	0	0	0	0	0	0	0	0
6	20	20	20	20	25	25	25	25
7	25	25	25	25	30	30	30	30
8	30	30	30	30	35	35	35	35
9	35	35	35	35	40	40	40	40
10	40	40	40	40	45	45	45	45
11	45	45	45	45	50	50	50	50
12	50	50	50	50	55	55	55	55
13	55	55	55	55	60	60	60	60
14	60	60	60	60	65	65	65	65
15	65	65	65	65	70	70	70	70
16	70	70	70	70	75	75	75	75
17	75	75	75	75	80	80	80	80
18	80	80	80	80	85	85	85	85
19	85	85	85	85	90	90	90	90
20+	90	90	90	90	95	95	95	95

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
 Measurement Date: December 31, 2012

SECTION VIII
Plan Provisions (Continued)

Service Related Medical Subsidy Percent					
Years of Service	Y				
	POAM	Non-Union	Upper Mgmt	Elect.	Judges
0-5	0	0	0	0	0
6	20	25	25	25	25
7	25	30	30	30	30
8	30	35	35	35	35
9	35	40	40	40	40
10	40	45	45	45	45
11	45	50	50	50	50
12	50	55	55	55	55
13	55	60	60	60	60
14	60	65	65	65	65
15	65	70	70	70	70
16	70	75	75	75	75
17	75	80	80	80	80
18	80	85	85	85	85
19	85	90	90	90	90
20+	90	95	95	95	95

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION IX
Age and Service Chart (All Members)

Active Members								
Attained Age	Service to Valuation Date (Years)							Grand Total
	0-4	5-9	10-14	15-19	20-24	25-29	30+	
18-24	-	-	-	-	-	-	-	-
25-29	-	1	-	-	-	-	-	1
30-34	-	7	3	-	-	-	-	10
35-39	-	2	20	5	-	-	-	27
40-44	-	2	5	33	3	-	-	43
45-49	-	4	20	14	13	2	-	53
50-54	-	5	16	10	16	11	6	64
55-59	-	1	14	14	11	11	10	61
60-64	-	1	11	14	10	2	9	47
65-69	-	1	2	-	2	1	5	11
70-74	-	-	2	3	1	-	2	8
75-79	-	-	-	1	1	-	-	2
80-84	-	-	-	-	-	-	1	1
85-89	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-
95+	-	-	-	-	-	-	-	-
Total	-	24	93	94	57	27	33	328

Retirees	
Attained Age	Total
45-49	7
50-54	21
55-59	55
60-64	76
65-69	69
70-74	52
75-79	47
80-84	55
85-89	30
90-94	19
95+	4
Total	435

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION IX
Age and Service Chart (Mental Health Authority)

Active Members								
Attained Age	Service to Valuation Date (Years)							Grand Total
	0-4	5-9	10-14	15-19	20-24	25-29	30+	
18-24								-
25-29								-
30-34								-
35-39								-
40-44			1					1
45-49								-
50-54								-
55-59				1				1
60-64								-
65-69								-
70-74								-
75-79								-
80-84								-
85-89								-
90-94								-
95+								-
Total	-	-	1	1	-	-	-	2

Retirees	
Attained Age	Grand Total
50-54	
55-59	
60-64	2
65-69	
70-74	
75-79	
80-84	
85-89	
90-94	
95+	
Total	2

Saginaw County
Other Postemployment Benefits

Projected Costs under GASB 45 for Accounting and Financial Reporting

Fiscal Year Start: October 1, 2013
Measurement Date: December 31, 2012

SECTION X
Glossary

Actuarial Accrued Liability. The portion of Present Value of Future benefits attributed to prior service periods.

Actuarial Cost Method. A procedure for determining the Actuarial Present Value of plan benefits and for developing an actuarially equivalent allocation of such value to time periods, usually in the form of a Normal Cost and Actuarial Accrued Liability.

Amortization Payment. The portion of the Annual Required Contribution that is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Actuarial Present Value. The value of a benefit or series of benefits payable or receivable at various times, determined as of a given date by the application of a particular set of actuarial assumptions.

Annual Required Contribution. The employer's periodic required contributions to an OPEB Plan, calculated in accordance with parameters set forth by GASB.

OPEB Plan. An OPEB plan having terms that specify the amount of benefits to be provided at a future date or after a certain period of time. The amount of the benefit specified usually is a function of one or more factors such as years of service and compensation.

Normal Cost. The portion of the Actuarial Present Value of OPEB plan benefits that is allocated to a valuation year by the Actuarial Cost Method.

Other Postemployment Benefits (OPEB). Postemployment benefits other than pension benefits. Other postemployment benefits (OPEB) include Postemployment Healthcare Benefits, regardless of the type of plan that provides them, but excludes benefits defined as termination offers and benefits.

Postemployment Healthcare Benefits. Medical, dental, vision and other health-related benefits provided to terminated or retired employees and their dependents and beneficiaries.

Present Value of Benefits. Discounted value of benefits expected to be paid for all retirees and covered employees and eligible dependents.

Substantive Plan. The terms of the OPEB plan as understood by the employer and plan members.

Unfunded Actuarial Accrued Liability. The excess, if any, of the Actuarial Accrued Liability over the assets of the plan.