

RESOLUTION

NO: 2023-

LIVINGSTON COUNTY

DATE: Click or tap to enter a date.

**Resolution Authorizing an Additional Contribution to MERS in Fiscal Year 2023 – Administration**

**WHEREAS,** a fundamental objective of the Livingston County Board of Commissioners as an employer that offers pension benefits, is to fund the long- term cost of the benefits promised to our employees: and

**WHEREAS,** eliminating or reducing long term liabilities by making additional payments to MERS is a priority as it affects both the financial health and sustainability of Livingston County; and

**WHEREAS,** there are several advantages to making additional payments to MERS including: 1) reducing our total unfunded pension liability 2) potential to reduce our future annual required contributions (ARC) and 3) additional assets to invest with the potential of a greater return than one would expect to earn in a traditional municipal operating investment; and

**WHEREAS,** MERS of Michigan allows employers making additional voluntary contributions to the Defined Benefit Plan to accelerate the funding by allocating the additional funds to a surplus division that is not associated with any employee group: and

**WHEREAS,** by allocating voluntary contributions more than the annual required contribution to a surplus division these funds will not be included in determining the annual employer contribution requirement for any employee group but will be included in determining the employers overall funded status; and

**WHEREAS,** projects in the amount of \$5 million were identified to move from General Fund to the ARPA grant as general operations expenses in the lost revenue category, freeing up an equal amount in the general fund in the current year; and

**WHEREAS,** these General Fund dollars can be redistributed and dedicated to paying down the unfunded pension liability.

**THEREFORE, BE IT RESOLVED** that the Board of Commissioners hereby authorizes an additional payment in the amount of \$5,000,000 be made from Fund 101 General Fund the County’s Surplus Division in MERS to increase the funding of the overall County pension liability.

**BE IT FURTHER RESOLVED** that the Board of Commissioners hereby authorizes any budget amendments needed to effectuate this payment.

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**MOVED:  
SECONDED:  
CARRIED:**