



## COUNTY OF BERRIEN, MICHIGAN

Berrien County Administration Center

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### **Berrien County Employees Amended Retirement Plan** **Corrective Action Plan**

Pursuant Public Act 530 of 2016, section 20h(7), the following is the corrective action plan for the Retirement System Summary Annual Report of December 31, 2016.

#### **Issue: Retiree Healthcare Funded below the 60% thresh hold established by the State of Michigan**

**Description of Condition and Effect.** While management actively monitors plan results, seeks opportunities to maximize return on investment, while minimizing cost, current funded ratio is falls short of state guidelines of a 60% funded level. Berrien County has met historic funding requirements and does not foresee difficulty in meeting future funding obligations.

Over the course of 2016, the plan funded level has increased by 3.09% to 46.30% while meeting its spending requirements. However, current assets fall short of the state established guidelines by \$9.447 million.

**Corrective Action.** Berrien County has met historic funding requirements and does not foresee difficulty in meeting future obligations of the plan. However, in response to the requirements Public Act 530, it establishes Corrective action steps are as follows:

Action	Contact Person	Due Date	Status
Close system to new hires.	Plan Administrator	December 31, 2014	Completed
Review asset allocation with investment consultant.	Plan Administrator	Annually	Corrective Action in Process
Contribute annual required contribution rate	Plan Administrator	Annually	Corrective Action in Process
Review funding level.	Plan Administrator	Annually	Corrective Action in Process
Enlist independent firm to review investment consultant performance.	Plan Administrator	December 31, 2017	Corrective Action in Process