



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
ANNUAL ACTUARIAL VALUATION REPORT DECEMBER 31, 2020
MERIDIAN CHTR TWP (3315)

MERIDIAN TOWNSHIP FUNDING LEVEL HISTORY

Valuation Date December 31	Percent Funded
1999	54%
2013	60%
2014	59%
2015	57%
2016	58%
2017	61%
2018	63%
2019	62%
2020	64%

2020 THE HIGHEST % OF FUNDED RATIO SINCE 1999

* Reflects assets from Surplus divisions, if any.

	12/31/1999 *	12/31/2020
Funded Ratio	54%	64%

MONTHLY CONTRIBUTIONS

2021=\$250,300

2022=\$271,613

	Percentage of Payroll				Monthly \$ Based on Projected Payroll			
	Phase-in	No Phase-in	Phase-in	No Phase-in	Phase-in	No Phase-in	Phase-in	No Phase-in
	Valuation Date: 12/31/2020	12/31/2020	12/31/2019	12/31/2019	12/31/2020	12/31/2020	12/31/2019	12/31/2019
Fiscal Year Beginning:	January 1, 2022	January 1, 2022	January 1, 2021	January 1, 2021	January 1, 2022	January 1, 2022	January 1, 2021	January 1, 2021
Division								
01 - DPW	-	-	-	-	\$ 12,832	\$ 14,140	\$ 11,965	\$ 13,093
02 - Police Patrol	-	-	26.74%	28.95%	38,551	44,380	40,027	43,330
05 - Firefighters	-	-	-	-	124,049	136,133	118,361	125,690
10 - Admin Professional	-	-	-	-	7,907	9,893	8,560	9,370
11 - Teamsters	-	-	-	-	1,516	1,882	1,267	1,516
12 - Admin Prof on/aft 1/1/17	3.78%	3.88%	2.40%	2.43%	1,055	1,082	481	487
13 - DPW on/aft 01/1/17	3.40%	3.50%	3.15%	3.19%	1,248	1,284	789	798
20 - Police Command	-	-	72.16%	77.29%	55,625	61,220	51,765	55,443
21 - Command/Patrol on/aft 1/1/20	1.35%	1.35%	-	-	316	316	0	0
50 - Fire on/aft 1/1/17	2.76%	3.24%	2.24%	2.18%	1,094	1,283	588	573
Total Municipality - Estimated Monthly Contribution					\$ 244,193	\$ 271,613	\$ 233,803	\$ 250,300
Total Municipality - Estimated Annual Contribution					\$ 2,930,316	\$ 3,259,356	\$ 2,805,636	\$ 3,003,600

100% FUNDING IN 10 YEARS?

\$434,788 X 12 = \$5,217,456

5.35% Rate of Return

MERS strongly encourages employers to contribute more than the minimum contribution shown above.

CAN WE RELY ON MERS 7.35 ROR? NO.

WE ARE USING THE 5.35 MODEL

12/31/2020 Valuation Results	Lower Future Annual Returns	Lower Future Annual Returns	Valuation Assumptions
Investment Return Assumption	5.35%	6.35%	7.35%
Accrued Liability	\$ 102,284,770	\$ 89,527,590	\$ 79,103,874
Valuation Assets ¹	\$ 50,849,504	\$ 50,849,504	\$ 50,849,504
Unfunded Accrued Liability	\$ 51,435,266	\$ 38,678,086	\$ 28,254,370
Funded Ratio	50%	57%	64%
Monthly Normal Cost	\$ 106,054	\$ 71,979	\$ 46,952
Monthly Amortization Payment	\$ 328,734	\$ 274,964	\$ 224,661
Total Employer Contribution²	\$ 434,788	\$ 346,943	\$ 271,613

Retiree Health Care (OPEB)

December 31, 2020

Executive Summary as of December 31, 2020

Actuarial Valuation Date	December 31, 2018
Measurement Date of the Net OPEB Liability	December 31, 2020
Employer's Fiscal Year Ending Date (Reporting Date)	December 31, 2020

Membership

Number of	
- Retirees and Beneficiaries	29
- Inactive, Nonretired Members	34
- Active Members	73
- Total	136
Covered Payroll @	NA

Net OPEB Liability

Total OPEB Liability	\$ 6,980,548
Plan Fiduciary Net Position	6,962,087
Net OPEB Liability	\$ 18,461
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	99.74 %
Net OPEB Liability as a Percentage of Covered Payroll	NA

OPEB Percent Funded

Fiscal Year	2020	2019	2018	2017
Percent Funded	99.74 %	88.58 %	54.14 %	54.60 %

OPEB Liability

<u>FY Ending December 31,</u>	<u>Total OPEB Liability</u>	<u>Plan Net Position</u>	<u>Net OPEB Liability</u>	<u>Plan Net Position as a % of Total OPEB Liability</u>	<u>Covered Payroll</u>	<u>Net OPEB Liability as a % of Covered Payroll</u>
2017	\$ 8,932,451	\$ 4,877,551	\$ 4,054,900	54.60 %	NA	NA
2018	9,214,871	4,988,733	4,226,138	54.14 %	NA	NA
2019	6,800,809	6,024,276	776,533	88.58 %	NA	NA
2020	6,980,548	6,962,087	18,461	99.74 %	NA	NA

2020 \$6,980,548 \$6,962,087 \$18,461 99.74%

OPEB Annual Contributions

Fiscal Year	Actual Contribution
2017	\$295,649
2018	\$450,136
2019	\$447,774
2020	\$447,018
2021	\$400,000
2022	\$88,841

Meridian Employee Pension Plan

December 31, 2020

Net Pension Liability



Funding Status

Actuarial Valuation Date	December 31, 2020
Measurement Date of the Net Pension Liability	December 31, 2020
Employer's Fiscal Year Ending Date (Reporting Date)	December 31, 2020

Membership

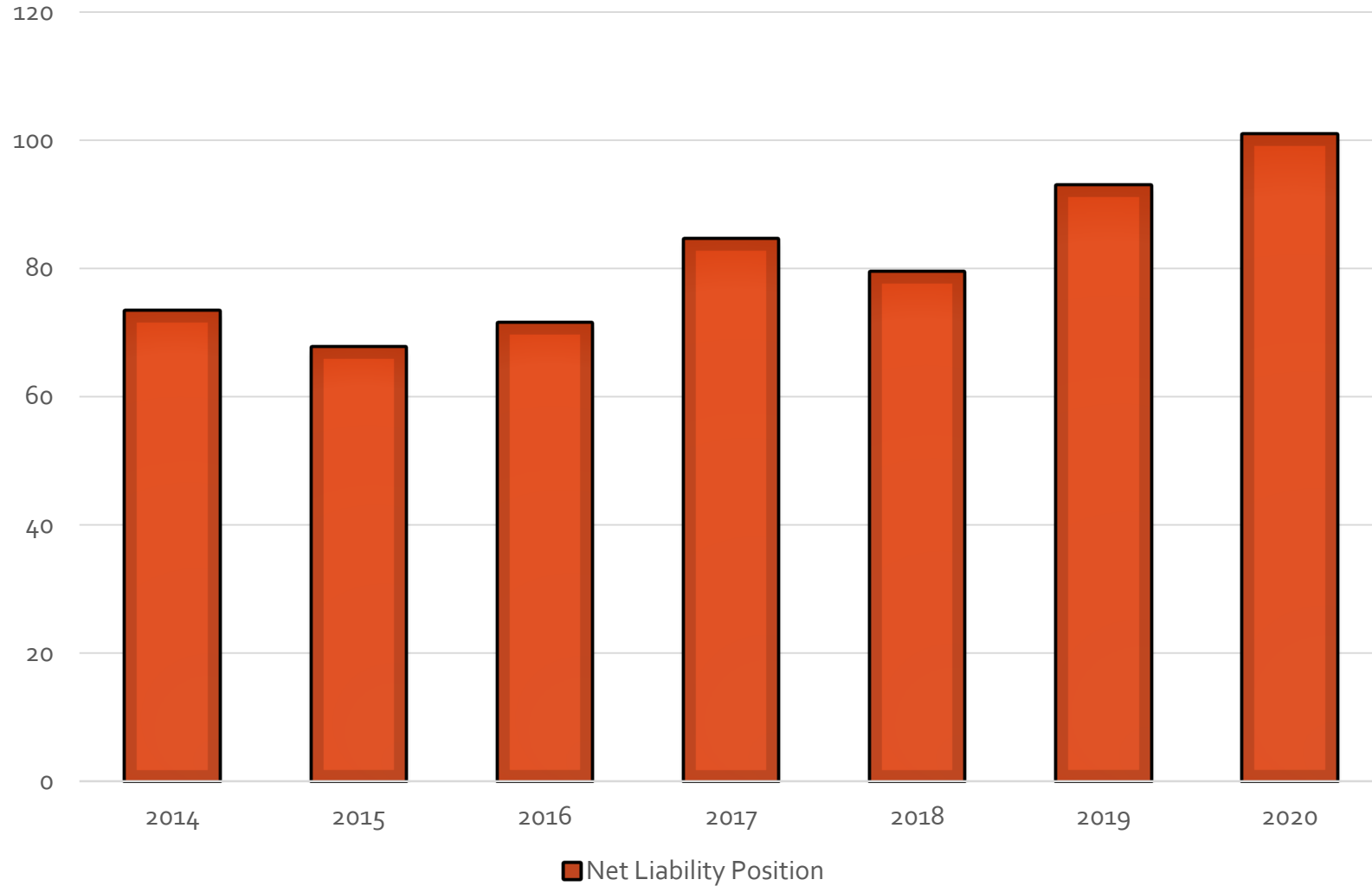
Number of	
- Retirees and Beneficiaries	44
- Inactive, Nonretired Members	15
- Active Members	1
- Total	<u>60</u>
Covered Payroll	\$ 112,521

Net Pension Liability

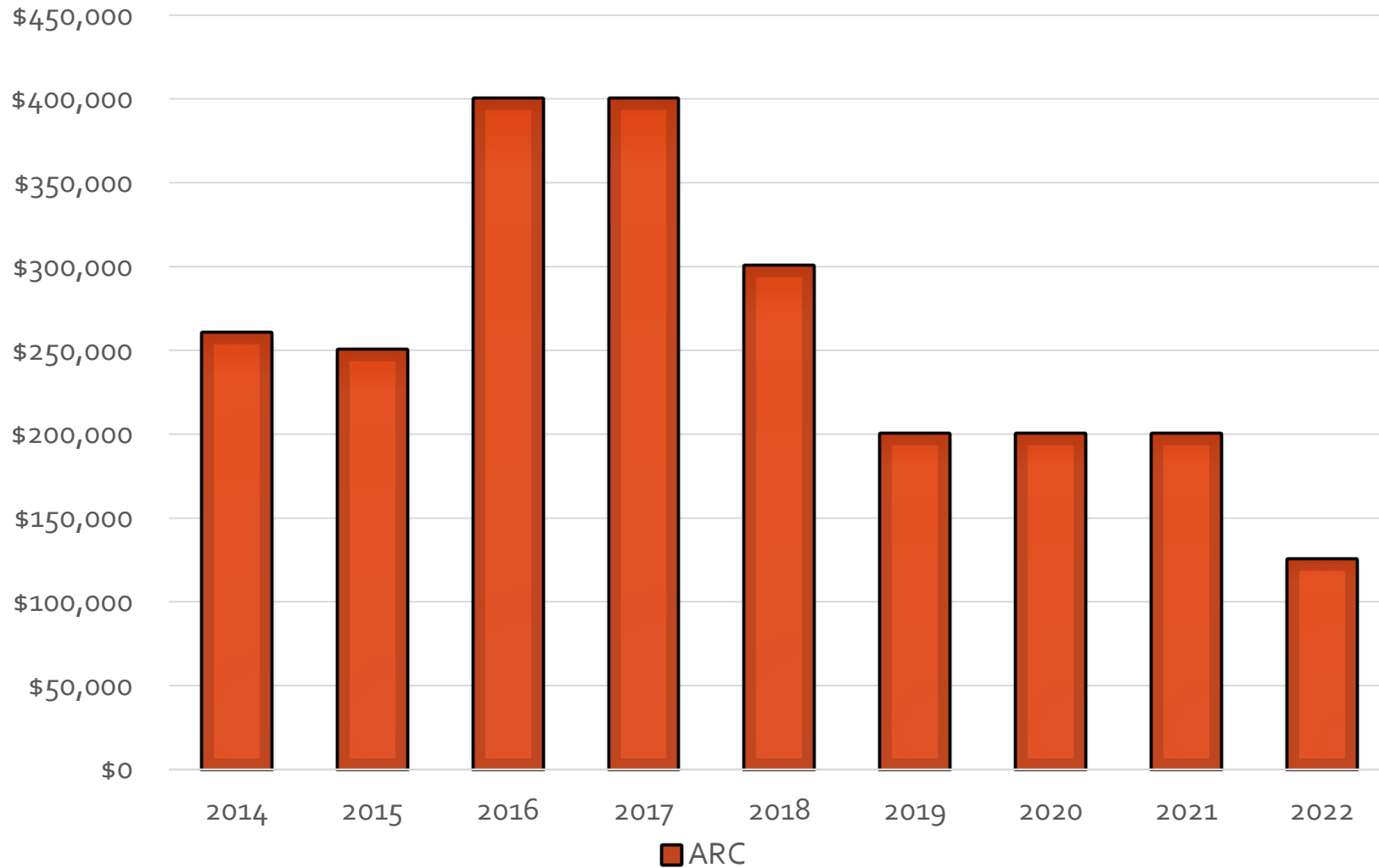
Total Pension Liability	\$ 5,138,314
Plan Fiduciary Net Position	<u>5,182,419</u>
Net Pension Liability	\$ (44,105)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	
Net Pension Liability as a Percentage of Covered Payroll	(39.20)%

100.86%

Percent Funded



Annual Required Contributions (ARC)



2022 MERS Contribution

Minimum Required
7.35%

\$2,930,316

Recommendation
5.35%

\$5,217,456

\$ 2,287,140 Additional

Not Fully Funded Scenario

MERS \$5,217,456

OPEB \$400,000

Township Plan \$200,000

\$5,817,456

2022 Actual Contribution

MERS \$5,217,456

OPEB \$88,841

Township Plan \$125,000

\$5,431,297

2021 vs 2022 Contributions

	Fully Funded	Not Fully Funded
2022	\$5,431,297	\$5,817,456
2021	\$5,165,744	\$5,165,744
	\$266,623	\$651,712

Township Financial Picture

General Fund Balance

