

# Economic Vitality Incentive Program/County Incentive Program FY 2014 Unfunded Accrued Liability Plan

Local Unit Name: Kent County

Local Unit Code: 410000

## PREVIOUS ACTION TAKEN TO REDUCE UNFUNDED ACCRUED LIABILITIES

Previous Actions Taken To Reduce Unfunded Accrued Liabilities		
	Unfunded Accrued Liability Type	Previous Action Taken
1.	Pension	Pension Board recommended, and the Board of Commissioners approved on February 13, 2014, changing the amortization period for the unfunded liability for the pension plan from 25-year open to 25-year closed, effective for contributions made on or after January 1, 2015 (based on the December 31, 2013 actuarial valuation). The County has always had an annual actuarial review and has always made timely contributions to the plan based on the actuary's recommendation.
2.	OPEB	On June 14, 2007, Kent County formed a Voluntary Employees' Benefit Association (VEBA) and, coupled with Public Act 149, began to fund its actuarially determined liability annually. All recommended contributions have been made on a timely basis.

### How Will The Local Unit Continue To Implement And Maintain Previous Actions Taken

**Pension:** On February 19, 2014, the *Kent County Employees Retirement Plan and Trust Traditional Plan Funding Policy* (copy attached) was adopted by the Pension Board to help ensure the systematic funding of future benefit payments for members of the Retirement Plan.

**OPEB:** The VEBA Board will prepare and implement a funding policy that parallels the policy adopted by the Pension Board.

### Additional Actions That Could Be Implemented

Note: Actuarial assumption changes and issuance of debt instruments do not qualify as a new action.

1.	The Pension Board could further reduce the closed amortization period for the Pension Plan, if it becomes necessary.
2.	The VEBA Board is evaluating the impact of changing the amortization period for the unfunded OPEB liability from a 30-year open to a 25-year closed.