

**Mackinac County Road Commission**

**Employee Retirement and Benefit Systems  
Required Supplementary Information  
Changes in the OPEB Liability  
For the Year Ended December 31, 2019**

	2018	2019
<b>Total OPEB Liability - Beginning of Year</b>	\$ 1,630,239	\$ 1,774,036
Service cost	76,059	83,525
Interest	58,739	56,783
Change in assumptions	98,237	(569,529)
Differences between actual and expected experience	(23,586)	10,069
Benefit payments	(65,652)	(63,557)
<b>Total OPEB Liability - End of Year</b>	<u>1,774,036</u>	<u>1,291,327</u>
<b>Plan fiduciary net position</b>		
Contributions - employer	265,652	603,557
Net investment income	(795)	64,755
Benefits payments, including refunds of member contributions	(65,652)	(63,557)
Administrative expense	(20)	(755)
<b>Net change in plan fiduciary net position</b>	199,185	604,000
<b>Plan fiduciary net position - Beginning of Year</b>	-	199,185
<b>Plan fiduciary net position - End of Year</b>	<u>199,185</u>	<u>803,185</u>
<b>Net OPEB liability - End of Year</b>	<u>\$ 1,574,851</u>	<u>\$ 488,142</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	11%	62%
<b>Covered Payroll</b>	\$ 1,260,707	\$ 1,260,707
<b>Net OPEB liability as a percentage of covered payroll</b>	125%	39%
<b>Schedule of Employer Contributions</b>		
Actuarially determined contribution (ADC)	\$ 142,814	\$ 245,761
Employer contribution	(265,652)	(603,557)
<b>Contribution deficiency/(excess)</b>	<u>\$ (122,838)</u>	<u>\$ (357,796)</u>
<b>Covered Payroll</b>	\$ 1,260,707	\$ 1,021,649
<b>ADC as percentage of covered payroll</b>	11%	24%
<b>Employer contribution as percentage of covered payroll</b>	21%	59%

**Notes to Schedule:**

Actuarially determined contribution rates are calculated as of December 31, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Asset valuation method	Market value
Inflation	2.10%
Discount rate	7.35%
Salary increases	3.50%
Investment rate of return	7.35%
20 year Aa municipal bond rate	3.26%
Mortality rate	2010 Public General Employees and Healthy Retirees with MP-2019 mortality rate