

RETIREMENT SYSTEMS DIVISION

STEVEN C. TOOLE
EXECUTIVE DIRECTOR**MEMORANDUM**

DATE: April 20, 2017

TO: Local Governmental Employees' Retirement System Board of Trustees

FROM: Shannon Wharry, Employer Compliance Manager *SW*

SUBJECT: New Local Unit(s) Applying for Participation in the Local Governmental Employees' Retirement System and their Election to Pick-Up Employee Contributions

Pursuant to N.C.G.S. § 128-23(c), this memorandum details the requests from four (4) new units that desire to join the Local Governmental Employees' Retirement System. The following units have elected participation for general employees in the Local Governmental Employees' Retirement System with an effective date of July 1, 2017. This action requires a vote from the Board of Trustees.

Unit	Net Employer Contribution Rate upon Entrance	Number of Eligible Employees	Pick-Up Date
Clay County ABC Board	7.50%	3	July 1, 2017
Cramerton ABC Board	7.50%	5	July 1, 2017
Jackson County Tourism Development Authority	7.50%	15	N/A
Town of Bolton	7.50%	2	July 1, 2017

The following units that employ law enforcement officers will be added to the Local Governmental Employees' Retirement System pursuant to N.C.G.S. § 128-23(g). This action does not require a vote from the Board of Trustees.

Unit	Net Employer Contribution Rate upon Entrance	Number of Eligible Employees	Pick-Up Date
------	--	------------------------------	--------------

None at this time.

RETIREMENT SYSTEMS DIVISION**STEVEN C. TOOLE**
EXECUTIVE DIRECTOR**MEMORANDUM**

DATE: April 20, 2017

TO: Local Governmental Employees' Retirement System Board of Trustees

FROM: Shannon Wharry, Employer Compliance Manager *SW*

SUBJECT: New Local Unit Applying for Participation in the Local Governmental Employees' Retirement System

The following employer has requested participation in the Local Governmental Employees' Retirement System effective July 1, 2017:

- Clay County ABC Board

Retirement Systems Division staff recommends the approval of Clay County ABC Board for participation in the Local Governmental Employees' Retirement System.

Clay County ABC Board

The Clay County ABC Board has 3 eligible general employees. The employer contribution rate will be 7.50%.

Financial Note:

The independent auditor's report attached to the audited financial statements for the fiscal year that ended June 30, 2016, indicates an unmodified financial opinion for the Clay County ABC Board (the "Board").

The Board's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$708,515 (net position) at fiscal year end June 30, 2016, which is an increase of \$36,693 from fiscal year end June 30, 2015. The increase is attributed to increase in sales the 2016 fiscal year.

The Board's end of year Cash/Investments on hand were \$294,905.

Notes to the Financial Statements disclose no finding that the entity had any significant statutory violations or budgetary issues.

The unit's independent audit report indicates no significant internal control findings or budget violations.



RETIREMENT SYSTEMS DIVISION

STEVEN C. TOOLE
EXECUTIVE DIRECTOR

Staff Recommendation:

Based on the submitted financial data, the Clay County ABC Board is financially fit to participate in and fulfill the obligations under Chapter 128 for participation in the Local Governmental Employees' Retirement System.

RETIREMENT SYSTEMS DIVISION**STEVEN C. TOOLE**
EXECUTIVE DIRECTOR**MEMORANDUM**

DATE: April 20, 2017

TO: Local Governmental Employees' Retirement System Board of Trustees

FROM: Shannon Wharry, Employer Compliance Manager *Shw*

SUBJECT: New Local Unit Applying for Participation in the Local Governmental Employees' Retirement System

The following employer has requested participation in the Local Governmental Employees' Retirement System effective July 1, 2017:

- Cramerton ABC Board

Retirement Systems Division staff recommends the approval of the Cramerton ABC Board for participation in the Local Governmental Employees' Retirement System.

Cramerton ABC Board

The Cramerton ABC Board has 5 eligible general employees. The employer contribution rate will be 7.50%.

Financial Note:

The independent auditor's report attached to the audited financial statements for the fiscal year that ended June 30, 2016, indicates an unmodified financial opinion for the Cramerton ABC Board (the "Board").

The Board's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$696,571 (net position) at fiscal year end June 30, 2016, which is an increase of \$124,482 from fiscal year end June 30, 2015. The increase is attributed to increase in sales the 2016 fiscal year.

The Board's end of year Cash/Investments on hand were \$305,742.

Notes to the Financial Statements disclose no finding that the entity had any significant statutory violations or budgetary issues.

The unit's independent audit report indicates no significant internal control findings or budget violations.

RETIREMENT SYSTEMS DIVISION

STEVEN C. TOOLE
EXECUTIVE DIRECTOR

Staff Recommendation:

Based on the submitted financial data, the Cramerton ABC Board is financially fit to participate in and fulfill the obligations under Chapter 128 for participation in the Local Governmental Employees' Retirement System.

RETIREMENT SYSTEMS DIVISION**STEVEN C. TOOLE**
EXECUTIVE DIRECTOR**MEMORANDUM**

DATE: April 20, 2017

TO: Local Governmental Employees' Retirement System Board of Trustees

FROM: Shannon Wharry, Employer Compliance Manager *SW*

SUBJECT: New Local Unit Applying for Participation in the Local Governmental Employees' Retirement System

The following employer has requested participation in the Local Governmental Employees' Retirement System effective July 1, 2017:

- Jackson County Tourism Development Authority

Retirement Systems Division staff recommends the approval of the Jackson County Tourism Development Authority for participation in the Local Governmental Employees' Retirement System.

Jackson County Tourism Development Authority

The Jackson County Tourism Development Authority has 15 eligible general employees. The employer contribution rate will be 7.50%.

Financial Note:

The independent auditor's report attached to the audited financial statements for the fiscal year that ended June 30, 2016 indicates an unmodified financial opinion for the Jackson County Tourism Development Authority (the "Authority").

The Authority's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$546,117 (net position) at fiscal year end June 30, 2016, which is an increase of \$120,853 from fiscal year end June 30, 2015. The increase is attributed to an increase in sales the 2016 fiscal year.

The Authority's end of year Cash/Investments on hand were \$435,407.

Notes to the Financial Statements disclose no finding that the entity had any significant statutory violations or budgetary issues.

The unit's independent audit report indicates no significant internal control findings or budget violations.



RETIREMENT SYSTEMS DIVISION

STEVEN C. TOOLE
EXECUTIVE DIRECTOR

Staff Recommendation:

Based on the submitted financial data, the Jackson County Tourism Development Authority is financially fit to participate in and fulfill the obligations under Chapter 128 for participation in the Local Governmental Employees' Retirement System.