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# MEMORANDUM

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Date: June 15, 2020

To: The Honorable Chairman and Members  
Pima County Board of Supervisors

From: C.H. Huckelberry,  
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Adoption of Pension Funding Policy**

Please see the attached memorandum from the Finance Director regarding the retirement plan balances and obligations as of June 30, 2019. The Board is required to adopt a Pension Funding Policy that will be on the June 23, 2020 Agenda for consideration and adoption.

A number of options are being explored statewide regarding funding pension obligations of each county for our various retirement plans. Some plans are better funded than others. The plan that has the largest positive funding is the Arizona State Retirement System, which covers 90 percent of County employees, with a funding ratio of 73 percent. The lowest funded plan is the Elected Officials Retirement Plan that has a funding ratio of 31 percent. The retirement plan that has dramatically increased in premium costs for the County relates to the Public Safety Personnel Retirement System, which has a funding ratio of 41 percent.

CHH/anc

Attachment

c: Jan Leshar, Chief Deputy County Administrator  
Michelle Campagne, Director, Finance and Risk Management



Date: June 8, 2020

To: C.H. Huckelberry  
County Administrator

From: Michelle Campagne  
Director

Thru: Jan Leshner   
Chief Deputy County Administrator

Re: Retirement Plan Balances as of June 30, 2019

In accordance with A.R.S. §38-863.01, the updated Board of Supervisor’s Public Safety Personnel Retirement System (PSPRS) Funding Policy D 22.11 is on the June 23, 2020, Board of Supervisors Agenda for approval. To comply with state law, the County shall annually adopt a pension funding policy that includes the assets, liabilities, and current funding ratio of the County’s PSPRS trust funds as reported by the most recent PSPRS actuarial valuation reports.

Since Pima County contributes to six retirement plans, below please find the assets, liabilities, and current funding ratio for all of the County’s retirement plans per the applicable Retirement Plan’s Actuarial Reports as of June 30, 2019.

Retirement Plan	Assets	Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio
Arizona State Retirement System*	\$ 905,791,026	\$ 1,236,745,599	\$ 330,954,573	73%
Corrections Officer Retirement Plan	66,696,720	143,985,706	77,288,986	46%
Corrections Officer Retirement Plan - Administrative Office of the Courts*	54,330,095	101,119,625	46,789,530	54%
Public Safety Personnel Retirement System	172,144,279	422,680,948	250,536,669	41%
Public Safety Personnel Retirement System - Attorney Investigators	2,067,443	4,147,054	2,079,611	50%
Elected Officials Retirement Plan*	30,592,194	97,155,773	66,563,579	31%
<b>Total</b>	<b>\$ 1,231,621,757</b>	<b>\$ 2,005,834,705</b>	<b>\$ 774,212,948</b>	<b>61%</b>

\* The amount presented represents Pima County's proportionate share of the pension liability.