

## RETIREMENT SYSTEMS DIVISION

STEVEN C. TOOLE  
EXECUTIVE DIRECTOR**MEMORANDUM**

DATE: July 26, 2018

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 and their Election to Pick-Up Employee Contributions

Pursuant to N.C.G.S. § 128-23(c), this memorandum details the requests from one (1) new unit that desires to join the Local Governmental Employees' Retirement System. The following unit has elected participation for general employees in the Local Governmental Employees' Retirement System with an effective date of October 1, 2018. This action requires a vote from the Board of Trustees.

Unit	Net Employer Contribution Rate upon Entrance	Number of Eligible Employees	Pick-Up Date
Town of Rhodhiss	7.75%	7	N/A

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:** July 26, 2018

**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 October 1, 2018:

- Town of Rhodhiss

Retirement Systems Division staff recommends the approval of the Town of Rhodhiss for participation in the Local Governmental Employees' Retirement System.

**Town of Rhodhiss**

The Town of Rhodhiss has 7 eligible general employees. The employer contribution rate will be 7.75%.

**Financial Note:**

The independent auditor's report attached to the audited financial statements for the fiscal year that ended June 30, 2017, indicates an unmodified financial opinion for the Town of Rhodhiss (the "Town").

The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$3,955,009 (net position) at fiscal year end June 30, 2017, which is an increase of \$370,939 from fiscal year end June 30, 2016. The increase is attributed to increases in net income of business type activities, such as charges for services and water and sewer sales to customers.

The Town's end of year Cash/Investments on hand were \$864,735.

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 Town of Rhodhiss is financially fit to participate in and fulfill the obligations under Chapter 128 for participation in the Local Governmental Employees' Retirement System.