

# CITY OF ST. CLAIR SHORES POLICE & FIRE RETIREMENT SYSTEM

## SUMMARY ANNUAL REPORT

**FY ENDING JUNE 30, 2012**

### I. RETIREMENT SYSTEM INFORMATION

#### A. Name of Retirement System

City of St. Clair Shores Police & Fire Retirement System, Act 345

#### B. Names of the Retirement System's investment fiduciaries:

##### 1. Board of Trustees

James Haddad, Chairman

Timothy P. Haney, Secretary

Joseph Chomiak, Trustee

Ronald Frederick, Trustee

##### 2. Investment Consultant – Merrill Lynch, The Brice Group

##### 3. Investment Managers

NWQ Investment Management

Loomis Sayles

PIMCO

INVESCO

Winslow

Neuberger Berman

Earnest Partners

Atlanta Capital

MFS

Lord Abbett

##### 4. Custodial Bank - Comerica Bank

#### C. Names of the Retirement System's service providers:

1. Plan Administrator – Timothy P. Haney, Secretary

2. Actuary - Gabriel, Roeder, Smith & Company

3. Attorney(s) - VanOverbeke, Michaud & Timmony, P.C.

4. Auditors/Accountants - Plante Moran

5. Medical Director - None Appointed

### II. ASSET/INVESTMENT INFORMATION

#### A. Assets and Liabilities

- 1. including changes in net plan assets on a plan-year basis -
- B. Investment Performance
  - 1. net of fees on a rolling calendar year basis for the prior 1,3,5,7 and 10 years through the quarter ending June 30, 2012:

<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>
-1.2%	9.7%	0.2%	3.05%	4.3%

- C. Expenditures (GASB Compliant)
  - 1. Administrative
  - 2. Investment
    - a. including soft dollars – N/A
  - 3. Professional Training/Education
    - a. including travel - \$5,193.98

### III. ACTUARIAL INFORMATION

- A. Membership
  - 1. Active members: 129
  - 2. Retirees/beneficiaries: 200
  - 3. Open/closed plan: Open
- B. Benefits
  - 1. Average annual retirement allowance: \$45,016
  - 2. Total annual retirement allowances being paid: \$9,003,298
- C. Contributions
  - 1. Valuation payroll: \$9,660,548
  - 2. Employer's normal cost of benefits as a percentage of valuation payroll: 14.02%
  - 3. Employer's total contribution rate as a percentage of valuation payroll: 42.81%
  - 4. Weighted average of member contributions, if any: 4.32%
  - 5. Confirmation that the Retirement System provides for the payment of the required employer contribution and that the Retirement System has received said required employer contributions: YES
- D. Assumptions
  - 1. Assumed rate of investment return - 7.5%
  - 2. Assumed rate of long-term wage inflation – 4.5%

3. Smoothing method used to determine the funding value of assets  
– 5 year smoothing method
4. Amortization method and period used for funding actuarial  
accrued liabilities – Level percent open 10 years if overfunded, 27  
years if underfunded
5. Actuarial cost method – entry age

E. Funded Ratio

1. Valuation assets to actuarial accrued liabilities on a plan-year  
basis = 64.7%

IV. ITEMIZED BUDGET

A. Projected Expenditures

1. Including professional training/education and travel  
expenditures

2012/2013 PROJECTED BUDGET

<u>ITEM</u>	<u>AMOUNT</u>
*Benefit Payments	\$8,756,905.51
Trustee & Custodial Fees	707,486.54
Training	5,193.98
Actuarial Fees	7,141.67
Legal Fees	<u>21,605.00</u>
 Total Expenses	 \$9,498,332.70

\*Includes participants' reimbursement for Medicare. Employer reimburses this cost on a quarterly basis. Figure does not include annuity withdrawals.