

CITY OF ST. CLAIR SHORES POLICE & FIRE RETIREMENT SYSTEM

SUMMARY ANNUAL REPORT

FY ENDING JUNE 30, 2013

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

Douglas M. Haag, Secretary

Joseph Chomiak, Trustee

Ronald Frederick, Trustee

Shayne Gleason, Trustee

2. Investment Consultant – Merrill Lynch, The Brice Group

3. Investment Managers

Loomis Sayles

PIMCO

INVESCO

Winslow

Earnest Partners

Atlanta Capital

MFS

Herndon

TCW-LCV

4. Custodial Bank - Comerica Bank

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

1. Plan Administrator – Douglas M. Haag, 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, 2013:

<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>
12.0%	9.7%	3.9%	3.50%	5.3%

C. Expenditures (GASB Compliant)

1. Administrative

2. Investment

a. including soft dollars – N/A

3. Professional Training/Education

a. including travel - \$7,273.59

III. ACTUARIAL INFORMATION

A. Membership

1. Active members: 130

2. Retirees/beneficiaries: 202

3. Open/closed plan: Open

B. Benefits

1. Average annual retirement allowance: \$45,556

2. Total annual retirement allowances being paid: \$9,202,234

C. Contributions

1. Valuation payroll: \$9,955,027

2. Employer's normal cost of benefits as a percentage of valuation payroll: 13.91%

3. Employer's total contribution rate as a percentage of valuation payroll: 47.25%

4. Weighted average of member contributions, if any: 4.31%

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, 26
years if underfunded
5. Actuarial cost method – entry age

E. Funded Ratio

1. Valuation assets to actuarial accrued liabilities on a plan-year
basis = 59.8

IV. ITEMIZED BUDGET

A. Projected Expenditures

1. Including professional training/education and travel
expenditures

2013/2014 PROJECTED BUDGET

<u>ITEM</u>	<u>AMOUNT</u>
*Benefit Payments	\$9,520,000.00
Trustee & Custodial Fees	734,535.00
Training	8,000.00
Actuarial Fees	13,000.00
Legal Fees	<u>12,000.00</u>
 Total Expenses	 \$10,287,535.00

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