

City of St. Clair Shores Police & Fire Retirement System

27600 Jefferson Circle Drive St. Clair Shores, MI 48081-2093
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Chairman
James Haddad
Vice Chairman
Douglas M. Haag

Trustees
Joseph Chomiak
Ronald Frederick
Shayne F. Gleason
Counsel
Thomas C. Michaud

SUMMARY ANNUAL REPORT FY ENDING JUNE 30, 2015

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 – Morgan Stanley, The Brice Group

3. Investment Managers

Loomis Sayles-LCV

Loomis Sayles - International

INVESCO - International

Winslow Capital

Earnest Partners

Atlanta Capital

Western Asset

Herndon Capital

TCW-LCV

Causeway - International

Delaware-LCV

Federated - International

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, 2015:

<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>
3.5%	11.3%	10.2 %	5.5%	6.7%

C. Expenditures (GASB Compliant)

1. Administrative
2. Investment
 - a. including soft dollars – N/A
3. Professional Training/Education
 - a. including travel - \$5,139.64

III. ACTUARIAL INFORMATION

A. Membership

1. Active members: 130
2. Retirees/beneficiaries: 203
3. Open/closed plan: Open

B. Benefits

1. Average annual retirement allowance: \$47,919
2. Total annual retirement allowances being paid: \$9,727,589

C. Contributions

1. Valuation payroll: \$10,636,062
2. Employer's normal cost of benefits as a percentage of valuation payroll: 18.06%
3. Employer's total contribution rate as a percentage of valuation payroll: 48.24%
4. Weighted average of member contributions, if any: 4.61%

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

E. Funded Ratio

1. Valuation assets to actuarial accrued liabilities on a plan-year basis = 62.3

IV. ITEMIZED BUDGET

A. Projected Expenditures

1. Including professional training/education and travel expenditures

2015/2016 PROJECTED BUDGET

<u>ITEM</u>	<u>AMOUNT</u>
Benefit Payments	\$10,077,983.00
Trustee & Custodial Fees	761,461.00
Training	8,000.00
Actuarial Fees	25,500.00
Legal Fees	<u>11,000.00</u>
 Total Expenses	 \$10,883,944.00