

REDFORD TOWNSHIP POLICE AND FIRE RETIREMENT SYSTEM
SUMMARY ANNUAL REPORT 2015

The Michigan Public Employee Retirement System Investment Act, Public Act 314 of 1965, as amended by Public Act 485 of 1996, requires the Redford Township Police and Fire Retirement System to prepare and issue a Summary Annual Report. The following information is provided for the year 2015.

I. RETIREMENT SYSTEM INFORMATION

- A. Name of the Retirement System
The Redford Township Police and Fire Retirement System
- B. Names of the Retirement System's investment fiduciaries
1. Board of Trustees:
John Buck, President and Trustee
Lily Cavanagh, Trustee and Treasurer/Ex-Officio
Frank Arbour, Secretary and Trustee
Scott Byrnes, Trustee
Christine Wilson, Trustee (Resigned 09-08-14)
 2. Investment Consultant - **Merrill Lynch, The Brice Group**
The Bogdahn Group (Hired 02-01-15)
 3. Investment Managers
Eaton Vance Investment Managers
Inland Real Estate Investment Corporation
Loomis Sayles
Neuberger Berman
NFJ - Small Cap Value
NFJ - International
Orleans Capital Management
Seizert Capital Partners
 4. Custodial Bank - **PNC Institutional Investments**
- C. Names of the Retirement System's service providers
1. Plan Administrator - **Sheryl Klotz**
 2. Actuary - **Rodwan Consulting Company**
 3. Attorney(s) - **VanOverbeke, Michaud & Timmony, P.C.**
 4. Auditors/Accountants
Plante Moran
Suzanne Moreno, Finance Director (Resigned 06-2014)
Katie Loding, Chief Accountant
 5. Medical Director **n/a**

II. ASSET/INVESTMENT INFORMATION

- A. Assets and Liabilities **Assets = \$67,311,579 Liabilities = \$697,833**
1. including changes in net plan assets on a plan-year basis: **Net change (\$1,119,809)**
- B. Investment Performance
1. net of fees on a rolling calendar year basis for the prior 1, 3, 5, 7 and 10 years
1 - 7.30; 3 - 9.22; 5 - 7.66; 7 - 5.42; 10 - 5.95
The reported returns are a combination of net and gross of fee returns for the investment managers; fee information for several of the investment managers was not available. Prior to 1/1/15 the returns were calculated by our prior consulting firm and we cannot attest to their methodology.
- C. Expenditures (GASB compliant)
1. Administrative **\$53,162**
 2. Investment
 - a. including soft dollars **(\$409,737)**
 3. Professional Training/Education
 - a. including travel **\$1,169**

III. ACTUARIAL INFORMATION

- A. Membership
- | | |
|---------------------------|-------------|
| 1. active members | 90 |
| 2. retirees/beneficiaries | 165 |
| 3. open/closed Plan | Open |
- B. Benefits
1. average annual retirement allowance **\$43,231**
 2. total annual retirement allowances being paid **\$7,133,186**
- C. Contributions
1. valuation payroll **\$5,781,299**
 2. employer's normal cost of benefits as a percentage of valuation payroll **22.94%**
 3. employer's total contribution rate as a percentage of valuation payroll **74.74%**
 4. weighted average of member contributions **0.51%**
 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 contribution: **The Board of Trustees of the Redford Township Police and Fire Retirement System hereby confirms that the Retirement System provides for the payment of the required employer contribution and further confirms that the Retirement System received the required employer contribution on March 27, 2016 in the amount of \$3,963,149.**
- 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 **4-year**
4. amortization method and period used for funding actuarial accrued liabilities
Level percentage of payroll, closed
5. actuarial cost method **Entry age**

E. Funded Ratio

1. valuation assets to actuarial accrued liabilities on a plan-year basis **57.3%**

IV. ITEMIZED BUDGET

A. Projected Expenditures

1. including professional training/education and travel expenditures **\$9,000**