

CHARTER TOWNSHIP OF REDFORD



DEFINED BENEFIT PENSION PLAN
2018 SUMMARY ANNUAL REPORT
REDFORD TOWNSHIP POLICE AND FIRE
PENSION SYSTEM

REDFORD TOWNSHIP POLICE AND FIRE RETIREMENT SYSTEM
SUMMARY ANNUAL REPORT 2018

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 most recent actuary report is as of March 31, 2018, therefore, the financial information below relates to 3/31/18.

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
Christopher Lisak, Secretary and Trustee
Scott Byrnes, Trustee
John Cubba, Trustee
 2. Investment Consultant - **AndCo**
 3. Investment Managers
American Realty
Clarkston Capital Partners
Franklin Templeton
Highland REIT
Loomis Sayles
Orleans Capital Management
Seizert Capital Partners
Southern Sun Asset Management
TerraCap
WCM Investment Management
World Asset Management
 4. Custodial Bank - **Comerica Bank**
- 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
Kelly Rau, Finance Director (Hired 12-18-17)
Jaclyn Harper, Chief Accountant (Hired 03-14-18)

5. Medical Director **n/a**

II. ASSET/INVESTMENT INFORMATION+

- A. Assets and Liabilities **Assets = \$64,502,879 Liabilities = \$123,093,002**
1. Including changes in net plan assets on a plan-year basis: **Net change (\$4,930,207)**
- B. Investment Performance
1. Net of fees on a rolling calendar year basis for the prior 1, 3, 5, 7 and 10 years
1: 9.98; 3: 7.63; 5: 8.73; 7: 7.32; 10: 6.21
- C. Expenditures (GASB compliant)
1. Administrative **\$82,603**
2. Investment
- a. including soft dollars **(\$355,497)**
3. Professional Training/Education
- a. including travel **\$5,629.46**

III. ACTUARIAL INFORMATION

- A. Membership
1. Active members **98**
2. Retirees/beneficiaries **183**
3. Open/closed Plan **Open**
- B. Benefits
1. Average annual retirement allowance **\$44,857**
2. Total annual retirement allowances being paid **\$7,894,823**
- C. Contributions
1. Valuation payroll **\$6,689,410**
2. Employer's normal cost of benefits as a percentage of valuation payroll **24.83%**
3. Employer's total contribution rate as a percentage of valuation payroll **84.43%**
4. Weighted average of member contributions **1.15%**
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 confirm 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 19, 2018 in the amount of \$4,428,716.**
- 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 percent of payroll
5. Actuarial cost method **Entry age normal**

- E. Funded Ratio
 - 1. Valuation assets to actuarial accrued liabilities on a plan-year basis **52.4%**

IV. ITEMIZED BUDGET

- A. Projected Expenditures
 - 1. Including professional training/education and travel expenditures **\$9,000**