

**CITY OF LINCOLN PARK POLICE AND FIRE RETIREMENT SYSTEM
SUMMARY ANNUAL REPORT FOR 2016**

The Michigan Public Employee Retirement System Investment Act, Public Act 314 of 1965, as amended by Public Act 485 of 1996, requires the City of Lincoln Park Police and Fire Retirement System to prepare and issue a Summary Annual Report. The following information is provided for the year ended June 30, 2015.

I. RETIREMENT SYSTEM INFORMATION.

- A. The name of the Retirement System is the City of Lincoln Park Police and Fire Retirement System.
- B. The names of the Retirement System's Investment Fiduciaries are:
1. Patrick Culter, Chairperson and Trustee
Steve Martin, Secretary and Trustee
Tom Jankowski, Trustee
Thomas Karnes, Trustee
Larry Kelsey, Trustee
 2. Investment Consultant: Morgan Stanley/Graystone Consulting
 3. Investment Managers: iShares R1000G
iShares R1000V
SPDR Dividend
iShares R2000
Vanguard EAFE
Vanguard EM
Vanguard REIT
PNC Fixed Income
Templeton
- C. The names of the Retirement System's Service Providers are:
1. The Retirement System's Actuary is Gabriel, Roeder, Smith & Company.
 2. The Retirement System's Legal Counsel is VanOverbeke, Michaud & Timmony, P.C.
 3. The Retirement System's Auditor/Accountant is Plante & Moran, LLP.
 4. The Retirement System's Medical Director is Consulting Physicians.
 5. The Retirement System's Custodial Bank is PNC Bank.

II. ASSET/INVESTMENT INFORMATION.

A. Assets and Liabilities as of June 30, 2015

Assets: \$18,192,000 Liabilities: \$60,567,000

B. Investment Performance

The Retirement System's investment performance 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 are as follows:

<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>
2.11%	8.29%	8.03%	4.66%	4.45%

C. Expenditures

1. Administrative: \$41,822
2. Investment: \$51,704
3. Professional Training/Education: \$4,027

III. ACTUARIAL INFORMATION.

A. Membership

1. Active Members: 56
2. Retirees/Beneficiaries: 146
3. The Retirement System is currently an open plan.

B. Benefits

1. Average Annual Retirement Allowance: \$34,778
2. Total Annual Retirement Allowances Being Paid: \$5,077,537

C. Contributions

1. Valuation Payroll: \$3,767,886
2. Employer's Normal Cost of Benefits as a Percentage of Valuation Payroll: 19.60%

3. Employer's Total Contribution Rate as a Percentage of Valuation Payroll: 169.11%
4. Weighted average of member contributions: 8.18%
5. The Retirement System provides for the payment of the required employer contribution and the Retirement System has received said required employer contribution

D. Assumptions

1. Assumed Rate of Investment Return: 6.5%
2. Assumed rate of long-term wage inflation: 3.0%
3. The Retirement System uses a 5-year smoothing method to determine the funding value of assets.
4. The Retirement System's unfunded actuarial accrued liabilities were amortized by level percent-of-payroll contributions (principal and interest combined) over a closed period of 20 years. The impact of the early retirement window in 2004 was also amortized over a closed period of 20 years.
5. The actuarial cost method used for the valuation was that the normal cost and the allocation of the actuarial present values between service rendered before and after the valuation date were determined using an individual entry-age actuarial cost method.

E. Funded Ratio

1. Valuation assets to actuarial accrued liabilities on a plan-year basis: 23.1%

IV. ITEMIZED BUDGET.

A. Projected Expenditures

1. Administrative: \$50,000
2. Investment: \$75,000
3. Professional Training/Education: \$5,000