



St. Clair County Employees' Retirement System Summary Annual Report

Year Ending: December 31, 2017

TABLE OF CONTENTS

INTRODUCTION

| | |
|--|---|
| Letter to Members | 2 |
| Investment Fiduciaries & Service Providers | 3 |

ACTUARIAL

| | |
|--------------------|---|
| Results Summary | 4 |
| Actuarial Methods | 5 |
| Plan Participation | 6 |
| Plan Results | 7 |

INVESTMENT

| | |
|------------------------|----|
| Investment Objectives | 8 |
| Asset Class Allocation | 9 |
| Fund Performance | 10 |

FINANCIAL

| | |
|--|----|
| Significant Accounting Policies | 11 |
| Statement of Fiduciary Net Position | 13 |
| Changes in Fiduciary Net Position | 14 |
| Administrative & Investment Expenses | 15 |
| Budgeted Expenditures for year ending 12/31/19 | 16 |

RETIREMENT BOARD OF TRUSTEES

| | |
|----------------------------------|--|
| Deborah Martin, Chairperson | Road Commission Employee |
| William Herpel, Vice Chairperson | Retiree |
| Michael Baranowski, Trustee | Citizen |
| William Blumerich, Trustee | Road Commission Board Member |
| Geoffrey Donaldson, Trustee | St. Clair County Employee |
| Karen Farr, Trustee | Community Mental Health Employee |
| Karry Hepting, Trustee | St. Clair County Administrator |
| Gregory McConnell, Trustee | St. Clair County Board of Commissioner |
| James Spadafore, Trustee | St. Clair County Employee |



WHERE TO WRITE FOR INFORMATION:

St. Clair County Employee's Retirement System

Attn: Tami Rumsey

200 Grand River Avenue, Ste. 206

Port Huron, MI 48060

Telephone: 810-989-6910

Fax: 810-985-3493

Email: trumsey@stclaircounty.org

Web site: www.stclaircounty.org

SUMMARY ANNUAL REPORT TO MEMBERS

DECEMBER 31, 2017

Dear Retirement System Members:

The Retirement System, which is managed by the Retirement Board of Trustees, is designed to help meet your financial needs due to disability, retirement or death. The Retirement Board's fiduciary responsibility is to oversee the general administration of the Retirement System and invest its assets. The Board retains professional advisors to assist in the fulfillment of these duties.

This summary report has been prepared to give you an overview of the Retirement Pension System and how it operates, which is governed by the provisions of the St. Clair County Retirement Ordinance and the Retirement Board's official rules and regulations. We hope you will find it useful and informative. As a summary cannot cover all the details of the System, additional information about the System, including the Retirement Ordinance, the actuarial valuation, and audited financials can be obtained from the St. Clair County Human Resource Office or accessed via the St. Clair County website at www.stclaircounty.org.

The County also provides postemployment health care benefits, which is separate from the Retirement System and managed by St. Clair County. Though this annual summary provides an overview of only the Pension System, some information regarding the County managed postemployment health care benefit can be found in the financial section of this summary. Additional information regarding postemployment benefits can be found on the County website at www.stclaircounty.org in the St. Clair County Comprehensive Annual Financial Report and the 2017 Actuarial Report for Retirement Health Care.

Respectfully submitted,

Board of Trustees

St. Clair County Employees' Retirement System

INVESTMENT FIDUCIARIES AND SERVICE PROVIDERS

BlueCrest Capital Management

Blue Cross Blue Shield of Michigan

Delta Dental

Cushing Asset Management

Fifth Third Institutional Services

First Eagle Investment Management, LLC

International Farming Corporation

JCR Capital

Lazard Asset Management

Loomis Sayles & Company, PC

LS Investment Advisors

MedSource Services

Morgan Stanley Real Estate

Nyhart

Pavilion Alternatives Group

Pension Benefit Information Research Services

Robbins, Geller, Rudman and Dowd

SS&C GlobeOp Financial Services

Silver Creek

State Street Global Markets, LLC

The Brice Group—Morgan Stanley Graystone Consulting

The Bank of New York Mellon

VanOverbeke, Michaud & Timmony, PC

WCM Investment Management

ACTUARIAL RESULTS SUMMARY

The Retirement System's financial objective is to accumulate the assets necessary to pay the promised benefits in an orderly manner. To accomplish this, contribution rates are established in a manner designed to keep those rates approximately level as a percentage of payroll or as a level dollar amount from year to year.

The Board of Trustees of the St. Clair County Employees' Retirement System provides for payment of the required employer contribution as described in Section 20m of Michigan Public Act No. 728.

To determine an appropriate employer contribution level for the ensuing year and to gauge how the System's funding is meeting this fundamental objective, an independent firm of actuaries and employee benefit consultants conducts annual actuarial valuations.

These valuations are based on the System's past experience, information about current participation and financial markets, and assumptions concerning the System's future demographic and economic activity.

It is generally recommended that actuarial assumptions be evaluated and reviewed every three to five years. An assumption study was performed, presented and accepted by the Board of Trustees to be applied beginning with the December 31, 2012 pension valuation report.

For 2017, the actuarial valuation was performed by Nyhart. The results are summarized on pages 5-7 of this annual report. Complete actuarial valuation reports for this and historical years can be reviewed via the St. Clair County website at www.stclaircounty.org.

ACTUARIAL METHODS

Name of plan

St. Clair County Employees Retirement System

Effective date

The plan was originally effective as of January 1, 1964.

Cost Method (CO)

Individual Entry Age Level Percent of Pay Cost Method

Amortization Method (CO)

Mental Health 18 year level dollar amortization of Unfunded Actuarial Accrued Liability

General County 15 year level dollar closed amortization of Unfunded Actuarial Accrued Liability

Road Commission 15 year level dollar closed amortization of Unfunded Actuarial Accrued Liability

Each subsequent year after an employer who has closed participation reaches a 15 year amortization period of their unfunded accrued liability, a new amortization base for any assumption changes, plan changes, or actuarial gain/loss will be set up which will be fully amortized in 15 years.

Asset Valuation Method

20% Phase-In Method: Expected actuarial value of assets, adjusted by 20% of the asset gain/ (loss from the previous five years. Where the asset gain/(loss) for a particular year is defined as the difference between the actual market value return and the expected actuarial value return. This method was first used for the December 31, 2005 valuation.

Interest Rates (CO)

7.50%

The interest rate is the expected long term rate of return on assets. This assumption is supported by the investment mix of the plan assets as of 12/31/2017.

Annual Pay Increases (FE)

Pay increase assumption applies to all groups and includes 3.5% inflation. Pay increases compounded with inflation are based on service as follows:

| <u>Service</u> | <u>Increase</u> |
|----------------|-----------------|
| 1 | 4.5% |
| 2 | 3.5% |
| 3 | 3.0% |
| 4 | 2.5% |
| 5 | 2.0% |
| 6-19 | 0.5% |
| 20+ | 0.0% |

FE indicates an assumption representing an estimate of future experience
CO indicates an assumption representing a combination of an estimate of future experience and observations of market data

PLAN PARTICIPATION

| Participants | County General | Mental Health | Road Commission | Plan Total |
|--------------------------|-------------------|------------------|--------------------|------------|
| Actives | 382 | 164 | 58 | 604 |
| Terminated Vested | 80 | 62 | 10 | 152 |
| Retirees & Beneficiaries | <u>480</u> | <u>117</u> | <u>136</u> | <u>733</u> |
| Total | 942 | 343 | 204 | 1489 |

Retirement Benefits

| | | | | |
|-------------------------|-----------|-----------|-----------|------------|
| Average monthly benefit | 1,719 | 1,506 | 1,658 | 1,674 |
| Average annual benefit | 20,628 | 18,072 | 19,896 | 20,088 |
| Total monthly benefit | 825,075 | 176,193 | 225,506 | 1,226,774 |
| Total annual benefit | 9,900,900 | 2,114,316 | 2,706,072 | 14,721,288 |

Participation

A county policeman, sheriff, or deputy sheriff who agrees to make required participant contributions shall become a participant on his/her date of hire.

Plan is closed to new hires for most of General County employees, Road Commission and Mental Health.

Changes since last valuation and key notes:

There have been no plan changes to the plan provisions since the last valuation.

The mortality table has been updated from the RP-2014 mortality table with generational improvements from 2006 based on the Social Security mortality improvement assumptions from the 2016 Trustee's Report to the RP-2014 mortality table with generational improvements from 2006 based on the Social Security mortality improvement assumptions from the 2017 Trustee's Report. This change resulted in a small decrease in the Accrued Liability, Normal Cost, and Recommended Contribution.

The assumed administrative expenses for the recommended Contribution have been updated from 0.2% of payroll to the preceding year's administrative expenses rounded up to the nearest \$10,000. Administrative expenses are allocated to employers based on each employer's proportional share of the total actuarial value of assets. This change resulted in an increase to the Recommended Contribution.

PLAN RESULTS

| Total Plan Results | General County | Mental Health | Road Commission | Plan Total |
|--|---------------------------|--------------------------|----------------------------|--------------------|
| Valuation Date | | | | 12/31/2017 |
| For Fiscal Year Beginning | | | | 01/01/2019 |
| <u>Funded Position</u> | | | | |
| Actuarial Accrued Liability | 171,632,705 | 46,395,290 | 41,731,796 | 259,759,791 |
| Actuarial Value of Assets | <u>159,475,539</u> | <u>43,096,355</u> | <u>38,179,284</u> | <u>240,751,178</u> |
| Unfunded actuarial accrued liability | 12,157,166 | 3,298,935 | 3,552,512 | 19,008,613 |
| | | | | |
| Funded Ratio | 92.9% | 92.9% | 91.5% | 92.7% |
| <u>Employer Contributions</u> | | | | |
| Total Normal Cost | 2,602,945 | 1,045,758 | 431,950 | 4,080,653 |
| Employee Contributions | <u>1,060,803</u> | <u>469,471</u> | <u>270,366</u> | <u>1,800,640</u> |
| Employer Normal Cost | 1,542,142 | 576,287 | 161,584 | 2,280,013 |
| | | | | |
| Administrative Expenses | 112,610 | 30,431 | 26,959 | 170,000 |
| Amortization Payment | 1,489,681 | 316,173 | 393,000 | 2,198,854 |
| Interest | <u>355,844</u> | <u>104,543</u> | <u>65,568</u> | <u>525,955</u> |
| Total Recommended Contribution | 3,500,277 | 1,027,434 | 647,111 | 5,174,822 |
| | | | | |
| Estimated Fiscal Year Payroll | 21,648,797 | 9,418,249 | 3,198,320 | 34,265,366 |
| Percent of estimated fiscal year payroll | 16.2% | 10.9% | 20.2% | 15.1% |
| | | | | |
| Actuarial Value of Assets, 12/31/2016 | \$ 152,281,293 | \$ 40,218,736 | \$ 36,630,085 | \$ 229,130,114 |
| Employer Contributions | 3,946,975 | 1,357,418 | 1,088,454 | 6,392,847 |
| Employee Contributions | 1,105,447 | 504,804 | 278,555 | 1,888,806 |
| Benefit Payments | (9,938,258) | (2,213,279) | (2,716,489) | (14,868,026) |
| Expenses | (111,350) | (29,409) | (26,785) | (167,544) |
| Investment Income | <u>12,191,432</u> | <u>3,258,085</u> | <u>2,925,464</u> | <u>18,374,981</u> |
| | | | | |
| Actuarial Value of Assets, 12/31/2017 | \$ 159,475,539 | \$ 43,096,355 | \$ 38,179,284 | \$ 240,751,178 |

TOTAL PLAN FUNDED RATIO 92.7%

INVESTMENT INFORMATION

PLAN INVESTMENT POLICY

The Retirement System is maintained to provide retirement benefits for the participants and their beneficiaries. The Retirement System is established in accordance with the laws of the State of Michigan whereby it operates and is controlled, as to its investments, by Act 314 and its amendments.

The Board of Trustees are authorized and permitted by the plan document and under Michigan law to engage the services of an investment manager(s), investment consultant and custodian and to set the direction for the investments. The Board requires that the investment manager(s), investment consultant and custodian comply with all applicable laws, rules and regulations. The investment manager will be given full discretion in managing the funds within the statement of investment policies, procedures and objectives.

PLAN INVESTMENT OBJECTIVES

The Board's attitude regarding Retirement System assets combines both growth of capital and appropriate risk-taking. The Board recognizes that risk (i.e., the uncertainty of future events), volatility (i.e., the potential for variability of asset values), and the potential of loss in purchasing power (due to inflation) are present to some degree with all types of investment vehicles. While high levels of risk are to be avoided, the assumption of an appropriate level of risk is warranted and encouraged in order to allow the opportunity to achieve satisfactory results consistent with the objectives and character of the Retirement System. The policies and restrictions contained in the Plan's Statement of Investment Policies, Procedures and Objectives should not impede the investment manager to attain the overall Retirement System objectives, nor should they exclude the investment manager from appropriate investment opportunities.

The Plan's overall investment objective is to earn an average, annual net return of 7.50% over five-year rolling periods. Subtracting the assumed rate of payroll inflation (3.5%) produces a net 4.00% real rate of return. Achievement of this objective is likely to ensure the ability to pay retirement benefits for all current plan participants.

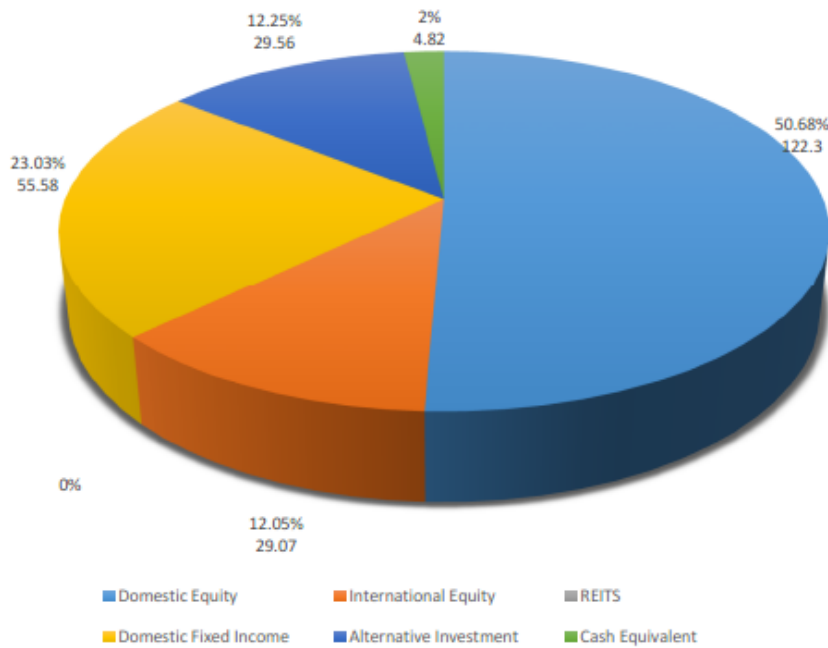
The Plan's objective is based on the expected returns under the strategic asset allocation policy. This asset allocation policy should result in normal fluctuation in the Plan's actual return, year to year. The expected level of volatility (return fluctuation) is appropriate given the Plan's current and expected tolerance for short-term return fluctuations. Appropriate diversification of Plan assets will reduce the Plan's investment return volatility.

ASSET CLASS ALLOCATION

ASSET ALLOCATION POLICY

The strategic asset allocation policy is consistent with the achievement of the Plan's financial needs and overall investment objectives. Asset classes are selected based on their expected long-term returns, individual reward/risk characteristics, correlation with other asset classes, manager roles, and fulfillment of the Plan's long-term financial needs. Conformance with P.A. 314 of 1965 and amendments thereof is also considered.

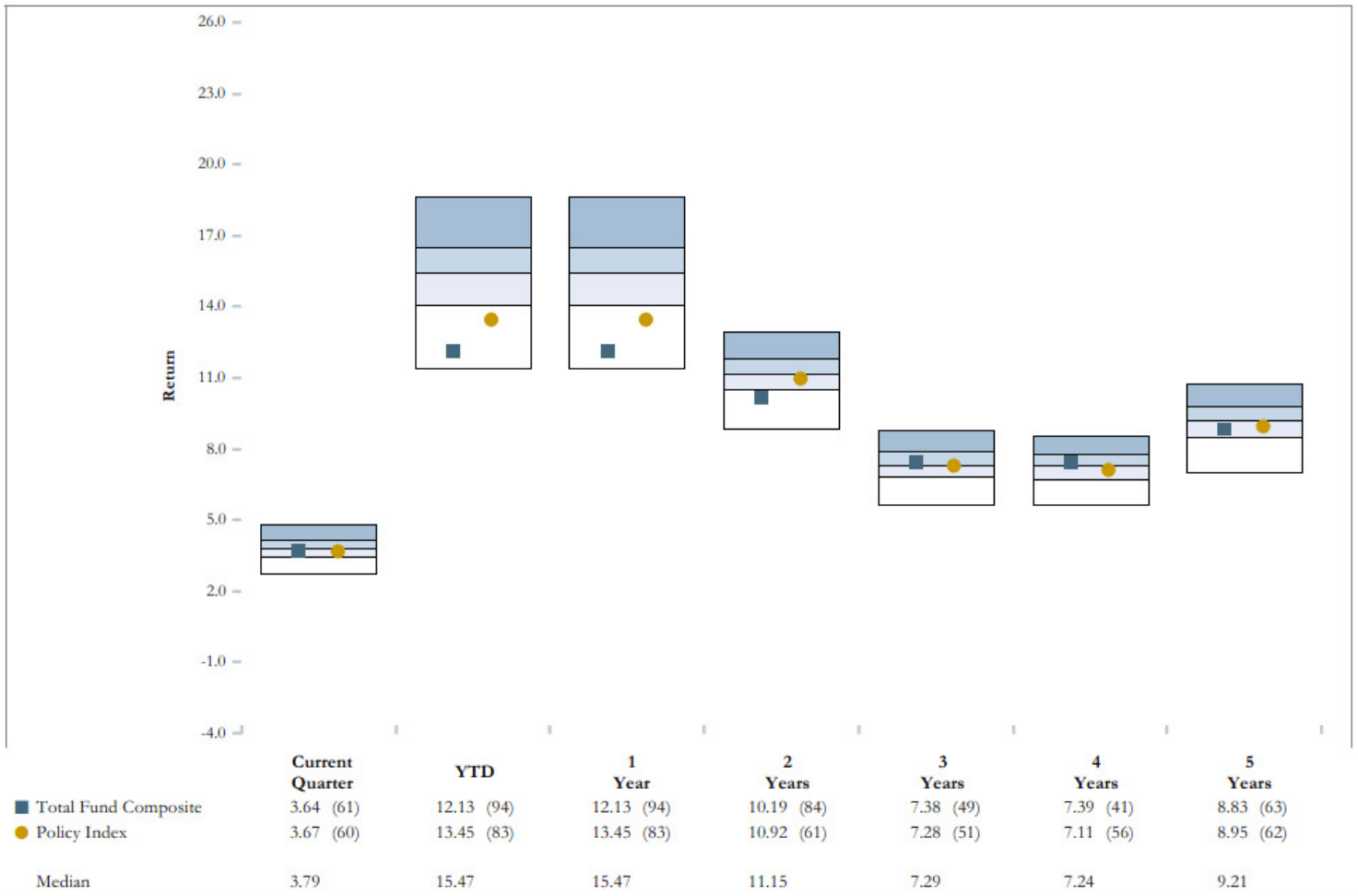
As of 12/31/2017



Asset Allocation Compliance

| | Asset Allocation (\$) | Current Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) | Target Allocation (%) |
|------------------------|-----------------------|------------------------|------------------------|------------------------|-----------------------|
| Domestic Equity | 122,304,746.86 | 50.68 | 11.00 | 51.00 | 40.00 |
| International Equity | 29,068,879.06 | 12.05 | 10.00 | 20.00 | 20.00 |
| REITS | - | 0.00 | 10.00 | 20.00 | 12.50 |
| Domestic Fixed Income | 55,578,444.00 | 23.03 | 20.00 | 45.00 | 25.00 |
| Alternative Investment | 29,558,074.48 | 12.25 | 0.00 | 10.00 | 2.50 |
| Cash Equivalent | 4,820,570.01 | 2.00 | 0.00 | 5.00 | 0.00 |
| Total Fund | 241,330,714.41 | 100.00 | - | - | 100.00 |

FUND PERFORMANCE



Financial Reconciliation Year to Date

| | Market Value As of 01/01/2017 | Net Transfers | Contributions | Distributions | Fees | Income | Capital Apprec/ Deprec | Market Value As of 12/31/2017 |
|----------------------|-------------------------------|---------------|----------------|------------------|--------------|--------------|------------------------|-------------------------------|
| Total Fund Composite | 255,157,769.13 | - | 169,432,879.05 | (179,322,842.19) | (650,100.68) | 1,368,480.07 | 25,344,529.03 | 241,330,714.41 |

Comparative Performance

| | Current Quarter | YTD | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | Since Inception | Inception Date |
|---|------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| TOTAL FUND COMPOSITE | 3.64 (61) | 12.13 (94) | 12.13 (94) | 7.38 (49) | 8.83 (63) | 8.19 (53) | 6.25 (49) | 5.68 (84) | 7/31/1998 |
| Benchmark: Policy Index | 3.67 (60) | 13.45 (83) | 13.45 (83) | 7.28 (51) | 8.95 (62) | 8.61 (35) | 6.17 (55) | 6.39 (39) | |
| Ranking: Public Plans < \$250 Million | 3.79 | 15.47 | 15.47 | 7.29 | 9.21 | 8.23 | 6.24 | 6.22 | |
| Total Fund Composite (Net of Fees) | 3.57 | 11.78 | 11.78 | 6.74 | 8.14 | 7.62 | 5.82 | 5.41 | 7/31/1998 |

2017 Gross Trailing Return + 12.13

2017 Net Trailing Return + 11.78

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DEFINED BENEFIT PLAN – PLAN DESCRIPTION

The St. Clair County Retirement System is a single employer, defined benefit pension plan, which was established by County ordinance in 1964 to provide retirement and pension benefits for eligible employees of St. Clair County, the St. Clair County Road Commission, and St. Clair County Community Mental Health Authority. Employees not in this plan are covered by a defined contribution plan. Effective January 1, 2016, the Plan is closed to all but the Sheriff deputies bargaining unit. The system is administered, managed and operated by a Board composed of 9 trustees, the chairperson of the Board of Commissioners, or their appointee, a member of the Board of Commissioners, a member of the St. Clair County Road Commission Board, one appointed citizen, four elected employees of the retirement system and one retired member elected by the retired members. The benefit provisions are governed by Act No. 427 of the Michigan Public Acts of 1984, as amended. The plan may be amended by the County Board of Commissioners. The plan is audited within the scope of the audit of the basic financial statements. Separate audited financial statements are not issued. Additional financial information can be reviewed in the Comprehensive Annual Financial Report year ending 12/31/2017 using the 2017 Audit/CAFR link in the on the St. Clair County website at www.stclaircounty.org.

Summary of Significant Accounting Policies

Basis of Accounting -

The St. Clair County Retirement System utilizes the accrual basis of accounting and is reported within the County's reporting entity as a separate Pension Trust Fund. Contributions from employees are recognized in the period in which contributions are paid. Employer contributions are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable, in accordance with the terms of the Plan.

Method Used to Value Investments -

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Contribution and Funding Policy -

The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as a level dollar amount designed to accumulate sufficient assets to pay benefits when due. During the year ended December 31, 2017, contributions totaling \$8,281,653 (\$6,392,847 employer and \$1,888,806 employee) were made in accordance with contribution requirements determined by an actuarial valuation for the Plan as of December 31, 2015. The required employer contributions were \$3,882,897 for General County, \$910,369 for the Road Commission and \$1,357,417 for Community Mental Health. Employee contributions represent 5.0% of covered payroll, except the Road Commission where the employees contributed 8%. The contribution requirement of a Plan member and the County are established by the St. Clair County Retirement Board and may be amended by the St. Clair County Board of Commissioners. Most administrative costs of the Plan are paid with retirement assets. The defined benefit Plan, excluding Sheriff Deputies is closed to new hires.

The required contribution rate was determined as part of the December 31, 2015 actuarial valuation using the individual entry age normal cost method. The actuarial assumptions included (a) 7.5% net investment rate of return, and (b) projected salary increases of 3.5% to 8.0% per year, which includes pay inflation at 3.5%. There are no projected cost of living adjustments. The actuarial value was determined using techniques that smooth the effect of short-term volatility in the market value of investments over a five-year period. The Plan's unfunded actuarial accrued liability is being amortized as a level dollar open period, with a remaining amortization period as of December 31, 2015, of 20 years for Community Mental Health and amortized as a level dollar on a closed period with a remaining amortization period, as of December 31, 2015, of 15 years for General Employees and 16 years for the Road Commission.

STATEMENT OF FIDUCIARY POSITION

ST. CLAIR COUNTY, MICHIGAN

STATEMENT OF FIDUCIARY NET POSITION PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS DECEMBER 31, 2017

| | Basic Retirement System | Other Postemployment Benefits | Total |
|--|-------------------------------|-------------------------------------|----------------|
| Assets: | | | |
| Cash and cash equivalents | \$ 14,509,742 | \$ 2,175,315 | \$ 16,685,057 |
| Investments, at fair value - | | | |
| Corporate Debt | - | 12,195,717 | 12,195,717 |
| Hedge Funds | 84,856 | - | 84,856 |
| Stocks | 112,490,129 | 12,513,589 | 125,003,718 |
| Mutual Funds | - | 18,321,156 | 18,321,156 |
| Partnerships | 114,222,511 | - | 114,222,511 |
| Municipal Bonds | - | 201,846 | 201,846 |
| Receivables - | | | |
| Interest and dividends | 167,586 | 96,458 | 264,044 |
| Other | 241,345 | 470,993 | 712,338 |
| Due from other funds | 199,258 | - | 199,258 |
| Total Assets | 241,915,427 | 45,975,074 | 287,890,501 |
| Liabilities: | | | |
| Accounts payable | 316,349 | 169,667 | 486,016 |
| Accrued liabilities | 4,039 | - | 4,039 |
| Due to other funds | - | 199,258 | 199,258 |
| Total Liabilities | 320,388 | 368,925 | 689,313 |
| Net Position: | | | |
| Restricted for pension benefits | 241,595,039 | - | 241,595,039 |
| Restricted for other postemployment benefits | - | 45,606,149 | 45,606,149 |
| | \$ 241,595,039 | \$ 45,606,149 | \$ 287,201,188 |

CHANGES IN FIDUCIARY NET POSITION

ST. CLAIR COUNTY, MICHIGAN

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION PENSION FOR THE YEAR ENDED DECEMBER 31, 2017

| | Basic Retirement System | | | |
|---|-------------------------|---------------------------|---------------------|----------------|
| | Member Contributions | Employer Contributions | Pension Payments | Total |
| Additions: | | | | |
| Contributions | | | | |
| Member contributions | \$ 1,888,806 | \$ - | \$ - | \$ 1,888,806 |
| Employer contributions | - | 6,392,847 | - | 6,392,847 |
| Total contributions | 1,888,806 | 6,392,847 | - | 8,281,653 |
| Investment income | | | | |
| Net appreciation in fair value of investments | - | 24,029,864 | - | 24,029,864 |
| Interest/Dividends | - | 2,400,737 | - | 2,400,737 |
| Less investment expense | - | (353,584) | - | (353,584) |
| Net investment income | - | 26,077,017 | - | 26,077,017 |
| Total Additions | 1,888,806 | 32,469,864 | - | 34,358,670 |
| Deductions: | | | | |
| Retirement payroll | - | - | 14,526,219 | 14,526,219 |
| Health/dental insurance | - | - | - | - |
| Death benefits | - | 31,500 | - | 31,500 |
| Employee refunds | 310,308 | - | - | 310,308 |
| Administration | - | 128,290 | - | 128,290 |
| Professional fees | - | 39,254 | - | 39,254 |
| Total Deductions | 310,308 | 199,044 | 14,526,219 | 15,035,571 |
| Net Increase (Decrease) before Transfers | 1,578,498 | 32,270,820 | (14,526,219) | 19,323,099 |
| Interfund Transfers In (Out): | | | | |
| Retirees obligation | (2,250,466) | (5,446,289) | 7,696,755 | - |
| Interest | 596,692 | (19,174,640) | 18,577,948 | - |
| Net Increase (Decrease) | (75,276) | 7,649,891 | 11,748,484 | 19,323,099 |
| Net Position Restricted for Pension Benefits | | | | |
| Beginning of year | 30,523,080 | 50,745,408 | 141,003,452 | 222,271,940 |
| End of year | \$ 30,447,804 | \$ 58,395,299 | \$ 152,751,936 | \$ 241,595,039 |

ADMINISTRATIVE & INVESTMENT EXPENSES

(YTD Activity through 12/31/2017)

Expenditures

| | |
|--------------------------------------|----------------------|
| Administration - | |
| Salaries and Fringes | 113,605.81 |
| Mileage and Travel | 5,503.48 |
| Food & Operating Supplies | 374.55 |
| Postage | 4,167.21 |
| Conferences and Training | 2,400.00 |
| Printing and Publishing | 943.10 |
| Miscellaneous | 273.32 |
| Medical Insurance - | |
| County | 1,840,105.80 |
| Community Mental Health | 354,612.65 |
| Road Commission | 531,138.86 |
| Professional Fees - | |
| Morgan Stanley | 38,530.21 |
| Stewart, Beauvais, & Whipple | - |
| Vanoverbeke | 35,343.00 |
| Howard Nyhart | 29,750.00 |
| Pension Benefit | 452.00 |
| AndCo Consulting (Bogdahn) | 37,476.01 |
| Medsource | 950.00 |
| St. Clair County RC (litigation exp) | 1,636.22 |
| Investment Fees - | |
| Fifth-Third Bank | 38,969.02 |
| Manager Fees | 252,730.66 |
| Retirement Benefits - | |
| Retirement Payroll | 14,525,606.93 |
| Employee Refunds - Principal | 298,567.67 |
| Employee Refunds - Interest | 40,637.85 |
| Death Benefits | 31,500.00 |
| Other Funds | 23,941.92 |
| Total Expenditures | <u>18,209,216.27</u> |

BUDGETED EXPENDITURES

(Calendar Year Ending 12/31/2019)

Expenditures

Administration -

| | |
|---------------------------|------------|
| Salaries and Fringes | 129,500.00 |
| Mileage and Travel | 5,500.00 |
| Food & Operating Supplies | 3,900.00 |
| Postage | 5,500.00 |
| Conferences and Training | 10,000.00 |
| Printing and Publishing | 1,200.00 |
| Miscellaneous | 1,500.00 |

Professional Fees -

| | |
|------------------------------|-----------|
| Nyhart Actuaries | 56,950.00 |
| Stewart, Beauvais, & Whipple | 3,000.00 |
| Vanoverbeke | 36,500.00 |
| Asset Strategies / Graystone | 85,000.00 |
| Pension Benefit | 3,500.00 |
| MedSource | 6,800.00 |

Investment Fees -

| | |
|------------------|------------|
| Fifth-Third Bank | 34,500.00 |
| Manager Fees | 556,000.00 |

Retirement Benefits -

| | |
|------------------------------|---------------|
| Retirement Payroll | 16,080,000.00 |
| Employee Refunds - Principal | 270,000.00 |

| | |
|-----------------------------|---------------|
| Total Budgeted Expenditures | 17,289,350.00 |
|-----------------------------|---------------|
