

CITY OF RIVER ROUGE EMPLOYEES' RETIREMENT COMMISSION

2022 Summary Annual Report

The Public Employee Retirement System Investment Act requires the City of River Rouge Employees' Retirement Commission to prepare and issue a summary annual report and to publish and make available a list of all expenses paid by soft dollars annually. The following information is provided for the year 2022.

The name of the retirement system is the City of River Rouge Employees Retirement Commission. The Retirement Commission's investment fiduciaries are:

Trustees of the City of River Rouge Employees' Retirement Commission
Calamos Investments
DeRoy & Devereaux
Mesirow Financial
Polen Capital
RK Asset Management

The names of the System's service providers are:

AsherKelly, PLLC, Legal Advisor
Foster & Foster, Actuary
Comerica, Custodian
Wells Fargo Advisors, Investment Consultant

The System's changes in net plan assets on a plan-year basis:

	<u>6/30/2021</u>	<u>6/30/2022</u>	
Assets:	\$20,233,280	\$20,572,950	Net increase of \$339,670

As reported in the actuarial valuation for the annual period ending June 30, 2022, the Retirement System's valuation assets were \$20,572,950 and its actuarial accrued liabilities were \$17,994,362 which produced a funded ratio of 114.3%. The Retirement System received the required employer contribution for the fiscal year ending June 30, 2022.

CITY OF RIVER ROUGE EMPLOYEES' RETIREMENT COMMISSION
 2022 Summary Annual Report
 Page 2

The System's investment performance net of fees on a rolling calendar year basis for the previous one, three, five, seven and ten year periods are:

1 year: -10.44% 3 year: 6.12% 5 year: 6.44% 7 year: 8.24% 10 year: 8.86%

The System's administrative and investment expenditures pursuant to the Standards of the Governmental Accounting Board, including, but not limited to, a list of all expenditures made with soft dollars and all expenditures for professional training and education, including travel expenditures, by or on behalf of System board members that are paid by the System are:

2022 list of expenditures:

Actuary Services	\$17,450.00
Bank Fees	\$3,856.97
Conferences	\$7,372.70
Insurance	\$5,385.00
Investment Consulting fees	\$65,635.86
Investment Management Services	\$116,421.29
Legal Services	\$10,832.41
Membership Dues	\$0
Postage	\$0
Printing Fees	\$0
Travel Expense	\$4,000.00
Miscellaneous	\$0
TOTAL EXPENSES	\$230,954.23

There were no soft dollars expenses. The System's itemized budget containing all projected expenditures, including, but not limited to, expenditures for professional training and education, including travel expenditures, by or on behalf of System board members that are paid by the System for 2022 are:

CITY OF RIVER ROUGE EMPLOYEES' RETIREMENT COMMISSION
 2022 Summary Annual Report
 Page 3

2023 proposed budget:

Actuary Services	\$18,000
Bank Fees	\$5,000
Conferences	\$8,000
Insurance	\$6,000
Investment Consulting fees	\$67,000
Investment Management Services	\$118,000
Legal Services	\$15,000
Membership Dues	\$1,000
Postage	\$1,000
Printing Fees	\$1,000
Travel Expense	\$5,000
Miscellaneous	\$0
TOTAL EXPENSES	\$245,000

The following information as provided in the System's most recent annual actuarial valuation report:

1. The number of active members – 9
2. The number of retirees and beneficiaries – 84
3. The average annual retirement allowance – \$20,749 average annual benefit
4. The total annual retirement allowances being paid - \$1,587,220
5. The valuation payroll – \$533,406.
6. The employer's computed normal cost of benefits expressed as a percentage of valuation payroll is: 48.15%
7. The employer's total contribution rate expressed as a percentage of valuation payroll is: 44.26%
8. The weighted average of member contributions is: 3.89%
9. The actuarial assumed rate of investment return is: 7.0% net of expenses
10. The actuarial assumed rate of long-term wage inflation is: Normal Cost
11. The smoothing method utilized to determine the funding value of assets is: 4 years smoothing.
12. The amortization method and period utilized for funding the System's unfunded actuarial accrued liability, if any: The amortization method is level dollars. The amortization period is 1 year.
13. The System's actuarial cost method is commonly referred to as the individual entry-age actuarial cost method.
14. Whether System membership is open or closed to specific groups of employees: The System is closed to new hires.