

**Public Act 530 of 2017 – Mackinac County Road Commission  
Retirement Annual Summary Report**

<b>Sec. 13 (1)(d)</b>	<b>Item</b>	<b>Information and Location</b>
(i)	Name of system	Mackinac County Road Commission
(ii)	Names Investment Fiduciaries	MERS of Michigan
(iii)	Systems service providers	MERS of Michigan, CBIZ Retirement Plan Services (actuary)
(iv)	System's assets and liabilities/ changes	\$4,994,297/\$348,907
(v)	System's funded ratio	51%
(vi)	Investment performance	Investment performance net of fees: 1 year: 13.20% 3 years: 7.45% 5 years: 8.67% 7 years: 8.03% 10 years: 5.56%
(vii)	System admin & invest expenses	At December 31, 2017, the cost of the Defined Benefit Plan was 0.32% (0.19% for administration and 0.13% for investments)
(viii)	System's budget	Not applicable to the local government
(ix)		
(A)	Number of actives	9
(B)	Number of retirees/beneficiaries	34
(C)	The average annual retirement allowance	14,951
(D)	Total annual retirement allowance	642,906
(E)	Valuation payroll for active employees	440,784
(F)	Normal cost and /or percentage	Division 10 14.61% normal Flat 5,245 monthly totaling 62,940 annually
(G)	Total computed employer contribution	90.50%
(H)	Weighted average member contributions	0
(I)	Actuarial investment return	7.75%
(J)	Actuarial long term inflation rate	3.75%
(K)	Smoothing method	5 years
(L)	Amortization method	Closed Division 9-year layered amortization Open Division 23-year layered amortization
(M)	Actuarial cost method	Entry Age Normal Method
(N)	Open or closed membership	Benefit Provision History in the the Annual Actuarial Valuation
(O)	Health care inflation	Attached separately
(x)	Travel report	Not applicable to local governments within MERS
<b>Sec. 20h (1)</b>	<b>Item</b>	<b>Information and Location</b>

7	If below 60% funded, actions taken to reduce the system's UAL	<p><b>MERS adheres to the following fiscal best practices:</b></p> <ul style="list-style-type: none"><li>• Conducts an Experience Study every five years to ensure assumptions match actual experience and make adjustments where necessary</li><li>• Use a fixed Amortization period</li><li>• MERS implements checks and balances to eliminate unexpected pension spikes. Actuarial loads are applied to groups that have demonstrated a history of Final Average Compensation increases.</li><li>• UAL amortization schedule is on track to be paid off in 23 years.</li></ul> <p><b>Other actions Mackinac CRC has taken:</b></p> <ul style="list-style-type: none"><li>• Lower benefit offered to new hires</li><li>• Defined Contribution Plan for new hires</li><li>• Additional contributions above the Annual Required Contribution</li></ul>
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