

**City of Northville  
Summary Annual Report - OPEB Liability**

Name of System	City of Northville
Name of Investment Fiduciary	MERS of Michigan
System Service Provider	CBIZ Retirement Plan Systems (actuary)
Valuation Date	12/31/2016
System's Assets & Liabilities	Actuarial Accrued Liability - \$20,154,534 Valuation Assets - \$8,647,497
System's Asset Changes	Contributions - \$430,157 Gain/Loss - \$819,515 Admin Fees - \$19,743
System's Funded Ratio	42.90%
Investment Performance	1 Year: 8.82% 3 Years: 4.20% 5 Years: 6.73% 10 Years: 0.00%
System Admin & Investment Expenses	At December 31, 2016 the cost of the plan was 0.55% (0.30% for investment expense and 0.25% for Admin Expense).
System Budget	Not applicable to the City of Northville
Number of Actives	24
Number of Retirees/Beneficiaries	81
Average Annual Retirement Allowance	\$8,330.44
Total Annual Retirement Allowances	\$674,766
Valuation Payroll	\$3,399,337
Normal Cost and percentage	\$361,123
Annual Required Contributions (ARC)	\$882,853
Total Contribution Rate as a percentage	Not applicable as this is a closed plan
Weighted Average Member Contributions	\$2,362
Actuarial Investment Return	4%

Actuarial Long-Term Inflation Rate	2.50%
Smoothing Method	not applicable
Amortization Method	Level Percent of Payroll over a closed 27 year period
Actuarial Cost Method	Projected Unit Credit
Open or Closed Membership	Closed
Health Care Inflation	Medical 5.00%-8.50% Dental 5.00% Medicare Part B 5.00%
Travel Report	Not applicable to the City of Northville

**Actions Taken to Reduce System's UAL:**

- Eliminated dental and Medicare Part B reimbursement for actives who retire after December 31, 2016.
- Employees hired after July 1, 2008 are not eligible for retiree health care.
- Additional contributions above the Annual Required Contribution.
- Medicare-eligible retirees moved to a lower cost plan in 2014 resulting in 66% premium savings.