

**Calhoun County Community Mental Health Authority
(Summit Pointe)**

**Summit Pointe DB Pension Plan
Summary Annual Report for 2017**

In compliance with Public Act 314 of 1965, as amended, this is a summary of the annual report of the Summit Pointe DB Pension Plan (herein “the Plan”). The contents below came from Summit Pointe and the 2017 Actuarial Valuation Report (as of December 31, 2017) prepared by Watkins Ross, the actuary for the Plan. Unless otherwise specifically stated, the contents below relate to the Plan year of January 1, 2017 through December 31, 2017.

1. Plan Name and Plan Sponsor.

Summit Pointe DB Pension Plan sponsored by the Calhoun County Community Mental Health Authority

2. Plan’s investment fiduciaries.

Municipal Employees Retirement System (MERS)
Executive Wealth Management, LLC

3. Plan's service providers.

The Plan actuary is Watkins Ross. The Plan record-keeper is Municipal Employees Retirement System (MERS). Alerus Financial, N.A., is the Plan's primary custodian. T.D. Ameritrade also serves as custodian of certain limited Plan assets (those directed by Executive Wealth Management, LLC). Legal counsel for Plan related matters is Fraser Trebilcock.

4. Plan assets and liabilities and changes in net plan assets on a plan-year basis.

Assets total \$22,260,699 (up from \$21,857,009 as of December 31, 2015)
Liabilities total \$8,206,451

5. Plan's funded ratio based upon the ratio of valuation assets to actuarial accrued liabilities on a plan-year basis.

271.3%

6. Investment performance of the Plan's current investment fund (as of 6/30/18) net of fees on a rolling calendar-year basis for the previous 1-, 3-, 5-, and 10-year periods.

1-year Annualized Total Return of 0.44%
 3-year Annualized Total Return of 0.69%
 5-year Annualized Total Return of 0.59%
 10-year Annualized Total Return of 1.15%

7. Plan's itemized budget containing all projected expenditures.

There were no budgeted or projected expenditures for 2017.

8. Reconciliation of Participant Data. This section provides detailed information about plan participants who were included in the 12/31/16 valuation report:

Reconciliation of Participant Data

This section provides detailed information about plan participants who were included in the current valuation.

	Terminated		Beneficiaries		Total
	Active	Vested	Retired	In Pay	
Participants included in the 12/31/2016 valuation	8	2	5	0	15
Data Corrections	-	1 ¹	-	-	-
Terminated Vested	(1)	1	-	-	-
Retired	-	(1)	6	-	-
Died with Beneficiary	-	-	-	-	-
Died without Beneficiary	-	-	-	-	-
Lump Sum	-	-	-	-	-
Terminated non-vested	-	-	-	-	(1)
Waived benefit	-	-	-	-	-
New Participants	1	-	-	-	-
Participants included in the 12/31/2017 valuation	8	3	6	0	17

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9. Participant Summaries.

Participant Summaries

Active Participant Summary

Total participants	8
Average current age	56
Average past service	22
Average projected monthly benefit at normal retirement	4,066
Average accrued monthly benefit	4,066

Inactive Participant Summary

	Participants Entitled to:	
	Deferred Benefits	Current Benefits
Total participants	3	6
Average current age	53	67
Average monthly benefit	2,388	3,761

Valuation Results Summaries

Payroll of employees included in valuation	-0-
Annual normal cost	-0-
Annual normal cost as a percentage of payroll	0%
Recommended employer contribution	-0-
Recommended contribution as a percentage of payroll	0%
Weighted average of member contributions	N/A

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10. Actuarial Assumptions, Data Collections, and Changes Since Prior Valuation:

Actuarial assumptions:

Retirement age - Age 65

Rationale - Normal retirement age for the plan.

Interest rate - 5.0%

Rationale - Based on long-term expected return on plan assets.

Salary scale - Not Applicable

Rationale - Plan is frozen to future benefit accruals for years after the valuation date.

Mortality table - No pre-commencement mortality assumed; Post-commencement mortality based on the RP-2014 adjusted to 2006 White Collar Mortality table, with generational improvements using scale MP-2017

Rationale – Reflects current expectations of population mortality

Turnover rates - None assumed

Rationale - Small block of participants.

Data collection:

Date and form of data

All personnel and asset data was prepared by the plan sponsor or a representative and was generally relied upon as being correct and complete without audit by Watkins Ross

Changes since prior valuation

Post-commencement mortality updated from the RP-2014 White Collar table projected using Scale MP-2016 to RP-2014 adjusted to 2006 White Collar table projected using Scale MP-2017

11. Actuarial assumed rate of long-term wage inflation.

Not applicable. The Plan is frozen.

12. The smoothing method utilized to determine the funding value of assets.

The Plan is frozen; assets are valued at market value.

13. The amortization method and period utilized for funding the system's unfunded actuarial accrued liabilities, if any.

Not applicable. The Plan is frozen and there are no unfunded actuarial accrued liabilities.

14. Plan's actuarial cost method.

Pure Unit Credit

15. Whether system membership is open or closed to specific groups of employees.

The Plan covers all nonunion employees who have attained age 21, but accruals are frozen.

16. Summary of Plan Provisions (see pages 6-7)

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SUMMARY OF PLAN PROVISIONS

Plan name	Summit Pointe DB Pension Plan
Plan sponsor	Calhoun County Community Mental Health Authority
Plan documents:	
Plan Counsel	Fraser Trebilcock
Latest determination letter	February 6, 2012
Most recent amendment	Signed August 4, 2015 (effective August 4, 2015)
Plan effective date	September 30, 2008
Eligibility provisions:	
Participation	Participation on the date of hire or the attainment of age 21, whichever is later. Collectively bargained employees, leased employees and deemed employees are not eligible to participate.
Normal retirement	Age 65
Early retirement	Age 60 and 8 years of service
Late retirement	Retirement after normal retirement date
Vesting schedule	100% vested at the earlier of attainment of 8 years of service or Normal Retirement Age
Pre-retirement death:	
Beneficiary Benefit	Death benefit payable if participant has completed at least 8 years of service at the time of death
Benefit amounts:	
Normal retirement:	A credit of 7% of compensation was earned by each participant for the years beginning after 1999 and ending before 2013; A credit of 1.6% of compensation was earned by each participant for the years 2013 and 2014. A participant's monthly benefit is equal to the sum of their benefit credits, divided by 12.
Minimum benefit	None
Maximum benefit	IRC Section 415 limits

SUMMARY OF PLAN PROVISIONS

Early retirement	Accrued benefit payable at normal retirement date; or a reduced benefit if payment commences prior to such date. Benefit reduced by 4/10ths of 1% for each month the annuity beginning date precedes the participant's Normal Retirement Age.
Late retirement	Greater of accrued benefit based on compensation and service to actual retirement date or actuarial equivalent of the normal retirement benefit
Vested termination	Applicable percentage of accrued benefit payable at normal retirement date or reduced by ½ of 1% for each month the annuity beginning date precedes the participant's Normal Retirement Age.
Pre-retirement death:	
Annuity to spouse	Actuarial equivalent of the participant's accrued retirement benefit.
Definitions:	
Accrued benefit	An amount equal to the normal retirement benefit calculated based on compensation earned during the years when benefit credits were accumulating.
Actuarial equivalence:	
For lump sums	Same as mortality and interest below, subject to 415(b) benefit limitations. Not payable for retirements after 01/01/15
For all other purposes	5% interest; no Pre-Commencement Mortality; 1994 Group Annuity Reserving Unisex Table Projected to 2002 Post-Commencement Mortality
Entry dates	Date of employment with the employer or attainment of age 21, if later.
Year of service	Any year in which an employee is credited with at least 10 months of service. A month of service is credited for each month in which an employee is credited with at least 10 days of service.
Unreduced payment form	Life annuity
Optional payment forms	Period certain and life or Joint and Survivor. Prior to January 1, 2015 a lump sum option was offered. Lump sums are not available for retirements on or after January 1, 2015.
Changes since prior valuation	None