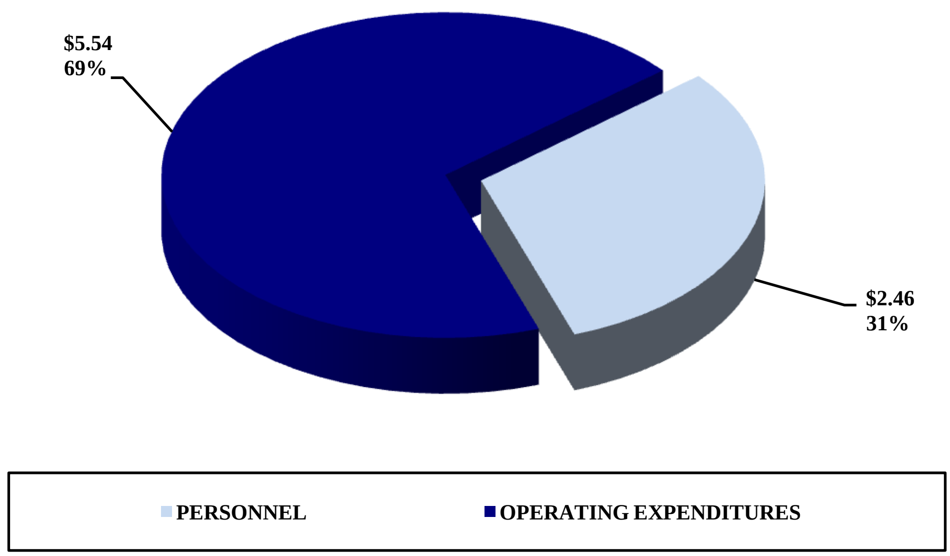
RETIREMENT COMMISSION

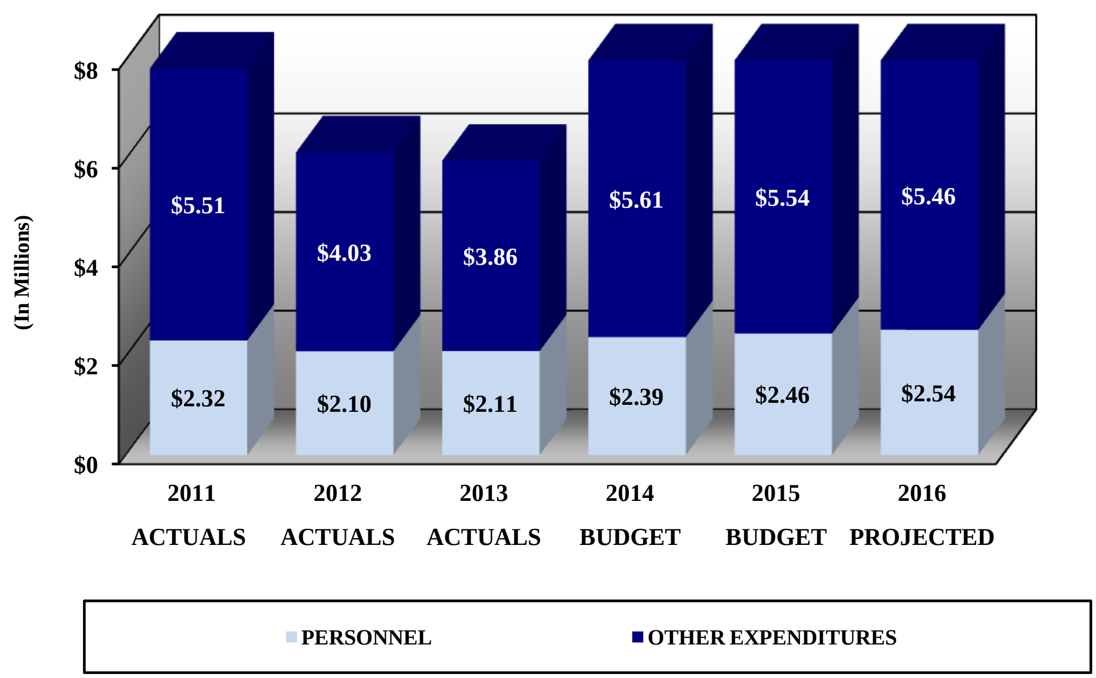
The Wayne County Employees' Retirement System (WCERS) is a public employee retirement system that was established by the County of Wayne on December 1, 1944. WCERS is administered by the Board of Retirement ("Board") to provide retirement, disability, death, and survivor benefits for its employees' under the authority of the Home Rule Charter for the County and Section 12a of Act No. 156 of the Public Acts of Michigan of 1851 (MCL 46.12a, MSA 5.333(1)), as amended.

WAYNE COUNTY
RETIREMENT COMMISSION

EXPENDITURE ANALYSIS
FISCAL YEAR 2014-2015
In Millions



EXPENDITURE TREND ANALYSIS
FISCAL YEARS 2010-2011 THROUGH 2015-2016



RETIREMENT COMMISSION

MISSION

The Mission of the Wayne County Employees' Retirement System (WCERS) is to provide secure retirement benefits that are due to the members and beneficiaries of the WCERS, and to administer such benefits by complying with the Wayne County Retirement Ordinance, collective bargaining agreements and other regulatory requirements with the highest ethical standards and fiduciary responsibility so that members and beneficiaries receive the benefits they earn on a timely basis.

BUDGET SUMMARY ALL FUNDS

	FY 2012-2013 Budget	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Projected Budget
Total Departmental Expenditures	**$8,002,000**	**$8,002,000**	**$8,002,000**	**$8,002,000**
Departmental Revenue				
Interest and Dividends	8,002,000	8,002,000	8,002,000	8,002,000
Total Revenues	**$8,002,000**	**$8,002,000**	**$8,002,000**	**$8,002,000**
General Fund General Purpose	**$0**	**$0**	**$0**	**$0**
Total Budgeted Positions	**25**	**26**	**26**	**26**

Contact: **Robert J. Grden**, Director
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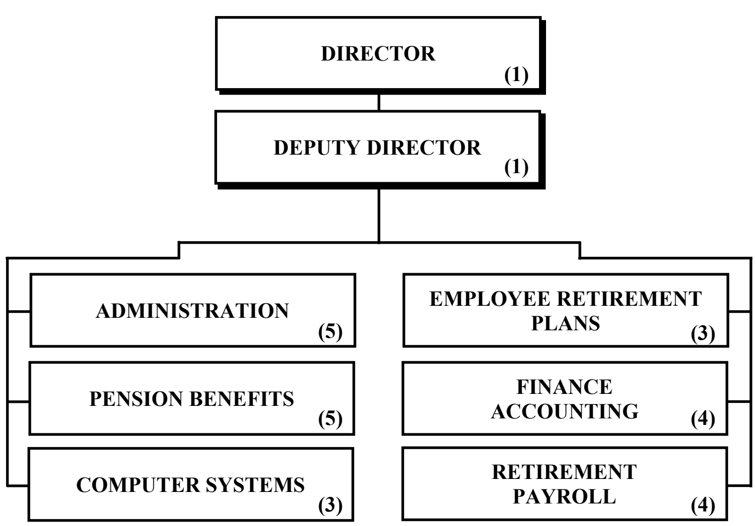

RETIREMENT COMMISSION

MAJOR ACTIVITIES AND DESCRIPTIONS

RETIREMENT BOARD OF COMMISSIONERS: The Retirement Commission establishes General Policy for the Administration of the Retirement System, reviews actions taken by the staff in regard to the administration of the system and hears appeals of actions taken by staff in regard to the administration of the system.

ADMINISTRATION: The Administration Division is responsible for the day-to-day operation of the fund.

PENSION BENEFITS: The Benefits Division is responsible for ensuring that the administration and disbursement of benefits are properly managed including determining eligibility for retirement and computation of pension benefits.

COMPUTER SYSTEMS: The Computer Systems Division is responsible for maintaining the operating efficiency of all hardware and software in the Retirement Office.

EMPLOYEE RETIREMENT PLANS: The Defined Contribution and Deferred Compensation Division is responsible for the administration of the Defined Contribution Plan 4, Hybrid Plan 5 and the Deferred Compensation Plan.

FINANCE ACCOUNTING: The Finance Accounting Division is responsible for the fund's general accounting, cash flow and investment management.

RETIREMENT PAYROLL: The Retirement Payroll Division is responsible for the administration of retirement system benefit payments.

FISCAL YEAR 2013-2014 ACCOMPLISHMENTS AND HIGHLIGHTS

Continued the analysis of employees' performance in their Defined Contribution portfolios.

Reviewed of all Defined Contribution accounts, looking for low balances and inactive accounts. Removal of these accounts resulted in further cost savings.

Mailing to all Defined Contribution members that had more than 20% of their portfolio in a self directed option encouraging diversification.

Added new content to www.WCERS.org website offering more information for active and retired employees.

Retirement Commission continued a review of all Commission policies and procedures, 14 completed for the fiscal year, more being reviewed and added.

Implemented new Public Act 314 requirements into Summary Annual Report.

Retirement Commission continued it's Asset Allocation review with the Investment Consultant of the Defined Benefit Portfolio.

Completed an internal audit of all time purchased by employees in the Defined Benefit portfolio.

Internal Compliance Officer hired, began review of all internal processes and procedures.

Won Request for Proposal to become the Administrator of the Detroit Wayne Mental Health Authority Retirement plans.

NEW INITIATIVES FOR FISCAL YEAR 2014-2015

Review office procedures in an effort to become more "green" and create further cost savings for the Retirement Office.

Create a master plan document for all Defined Contribution Plans.

Consolidate all Defined Contribution records.

Implement GASB 67 and GASB 68 rules for the Retirement Office. These represent new governmental accounting standards for financial reporting for pension plans (67) and for employer's accounting and financial reporting for pensions (68).

Continue review of Retirement Commission governance policies.

IMPACT ON OPERATIONS

The Fiscal Year 2014-2015 budget for the Retirement Commission represents a status quo budget .

RETIREMENT COMMISSION
Financial Report

	FY 2012-2013 Budget	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Projected Budget
00731 Retire Sys Fund-Employee				
237 Retirement System Fund				
Revenues				
Interest and Dividends	8,002,000	8,002,000	8,002,000	8,002,000
Total Revenues	**$8,002,000**	**$8,002,000**	**$8,002,000**	**$8,002,000**
Expenditures				
Personnel	1,293,344	1,227,520	1,278,274	1,278,274
Fringe Benefits	578,098	652,805	680,682	740,677
Pension	375,846	508,915	503,887	519,003
Materials and Supplies	122,500	122,500	122,500	122,500
Services and Contractual Serv	5,160,816	4,988,568	4,914,047	4,837,274
Travel	75,500	96,000	96,000	96,000
Operating Expenses	80,696	82,492	83,410	85,072
Rentals	206,000	211,000	211,000	211,000
Other Charges	4,200	10,200	10,200	10,200
Depreciation	5,000	2,000	2,000	2,000
Non Capital Assets	100,000	100,000	100,000	100,000
Total Expenditures	**$8,002,000**	**$8,002,000**	**$8,002,000**	**$8,002,000**
TOTAL DEPARTMENTAL REVENUES	**$8,002,000**	**$8,002,000**	**$8,002,000**	**$8,002,000**
TOTAL DEPARTMENTAL EXPENDITURES	**$8,002,000**	**$8,002,000**	**$8,002,000**	**$8,002,000**

Summary of Positions

	FY 2012-2013 Budget	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Projected Budget
731 RETIRE SYS FUND-EMPLOYEE				
237 RETIREMENT				
ELECTED AND EXECUTIVE	3	3	3	3
SUPERVISORY AND PROFESSIONAL	9	11	12	12
SUPPORT STAFF	13	12	11	11
TOTAL POSITIONS	**25**	**26**	**26**	**26**
TOTAL DEPARTMENTAL POSITIONS	**25**	**26**	**26**	**26**

RETIREMENT COMMISSION

BUDGET CHANGE AND HIGHLIGHTS FY 2014-2015

	Increase / (Decrease) from 2013-2014 Adopted Budget	Description of Change
REVENUES		
Interest & Dividends	0	
TOTAL REVENUES	**$0**	
EXPENDITURES		
Personnel	50,754	Salary concession eliminated in FY 2015
Fringe Benefits	27,877	Based on published fringe rates.
Pension	(5,028)	Based on published fringe rates.
Services and Contractual Services	(74,521)	Reallocation of resources in order to better meet needs of the department.
Operating Expenses	918	Increase in Liability Rate.
TOTAL EXPENDITURES	**$0**	

RETIREMENT COMMISSION

LONG-TERM DEPARTMENTAL GOALS

Departmental Goal 1: Reduction of Defined Benefit Plan Expenses	ALIGNED WITH STRATEGIC PRIORITY 2 (SP2)
Wayne County Employees' Retirement System continue to look for expense reductions in the Defined Benefit Plan.	**Departmental Goal 1 (DG1)**
Departmental Goal 2: Technology Use and Integration	**ALIGNED WITH STRATEGIC PRIORITY 3 (SP3)**
Customers of the Wayne County Employees' Retirement System, including retirees, employees and other users of information, will benefit from technology integration and improvements that lower costs as evidenced by at least: • 92% of retirees will utilize direct deposit and 25% of retirees will receive direct deposit advices via email. • 30% increase in visits to the Wayne County Employees' Retirement System website at www.wcers.org. • Publication of approved board minutes for the Wayne County Retirement Commission within 3 days of approval.	**Departmental Goal 2 (DG2)**
Departmental Goal 3: Employee Retirement Investment Education	**ALIGNED WITH STRATEGIC PRIORITY 3 (SP5)**
Employees will benefit from retirement investment education to encourage savings and diversification through the Wayne County Employees' Retirement System as evidenced by at least: • 45% of employees utilizing the voluntary deferred compensation plans. • 85% of employees in the Defined Contribution Plans will have diversified portfolios by investing in more than a single fund. • 25% of employees in the Defined Contribution Plans will participate in Goalmaker lifestyle funds.	**Departmental Goal 3 (DG3)**

RETIREMENT COMMISSION

PERFORMANCE REPORT

DEFINED BENEFIT

Purpose Statement
The purpose of the Defined Benefit Plan is to provide retirement, survivor and disability benefits for substantially all Wayne County, Airport Authority, and Court employees, so they will be assured of receiving pension benefits after retirement from active employment.

MEASURE	2012-2013 ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 PROJECTED BUDGET	ALIGNED WITH DEPT. GOAL
RESULT: Percentage of retirees utilizing direct deposit for pension payments	89%	91%	91%	91%	DG2
RESULT: Percentage of retirees receiving direct deposit advices via electronic mail delivery	45%	25%	25%	50%	DG2
OUTPUT: Number of retirees receiving pension payments via direct deposit	4,994	5,585	5,585	5,585	DG2
OUTPUT: Number of pension checks (written) processed annually	7,331	7,452	7,452	7,300	DG2
OUTPUT: Number of pension payments via direct deposit annually	59,928	37,020	37,020	60,000	DG2
DEMAND: Number of retirees entitled to monthly pensions	5,605	6,206	6,206	5,600	DG2
EFFICIENCY: Internal cost per pension payment per month	$4.07	$3.26	$3.26	$4.10	DG2

DEFINED CONTRIBUTION

Purpose Statement
The purpose of the Defined Contribution Plan is to administer the Defined Contribution Plan 4, Hybrid Plan 5 and the Deferred Compensation Plan for substantially all Wayne County, Airport Authority and Court employees, so they will be entitled to receive retirement benefit distributions after retirement from employment.

MEASURE	2012-2013 ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 PROJECTED BUDGET	ALIGNED WITH DEPT. GOAL
RESULT: Percentage of eligible employees enrolled in Deferred Compensation Plan	36%	43%	43%	43%	DG2
OUTPUT: Number of employees enrolled in Deferred Compensation Plan	1,744	2,150	2,150	2,150	DG2
DEMAND: Number of employees eligible for Deferred Compensation Plan	4,887	5,000	5,000	5,000	DG2
EFFICIENCY: Internal cost per employee enrolled in Deferred Compensation Plan	$80.65	$54.04	$54.04	$81.00	DG2

RESULT: Percentage of employees in Defined Contribution Plan invested in a single fund	13%	15%	15%	13%	DG3
OUTPUT: Number of employees enrolled in Defined Contribution Plan (PL4 and PL5/6)	5,997	5,800	5,700	5,700	DG3
DEMAND: Administrative costs	$411,383	$405,305	$405,305	$416,000	DG3
EFFICIENCY: Internal cost per employee enrolled in Defined Contribution Plan	$68.60	$71.74	$71.74	$68.00	DG3