Summary Annual Report

For the Plan Year Ending September 30, 2021

Wayne County
Employees' Retirement System
Robert J. Grden, Executive Director

July 21, 2022

The Honorable Wayne County Executive, Honorable Wayne County Commission, Wayne County Airport Authority Chief Executive Officer, Honorable Third Circuit Court Chief Judge, Members, Participants, Beneficiaries, and Retirement Commission.

Ladies and Gentlemen:

On behalf of the Retirement Commission, I am pleased to present the Wayne County Employees' Retirement System (WCERS) Summary Annual Report for the fiscal year ending September 30, 2021. Although this report covers only the 2021 fiscal year, it is important to view the growth and progress of the Retirement System in historical context. To help understand how far the system has come over the last decade, I have completed a ten-year historical review of the Retirement System with the period ending September 30, 2021, that may be viewed on www.wcers.org reporting tab.

As the Executive Director of the Retirement System, I have the esteemed privilege of working with the Retirement Commissioners to oversee the management and operations of the Retirement System. Together, we work tirelessly to find new and innovative ways to help our members, participants, retirees and beneficiaries while improving the overall fiscal health of the Retirement System, increasing transparency and reducing costs. It is our honor to administer the Defined Benefit Plan, Defined Contribution Plan, 457 Deferred Compensation Plan, and 457 FICA Alternative Plan for Wayne County, the Third Circuit Judicial Court, and the Wayne County Airport Authority.

In 2020, COVID-19 severely disrupted the financial sector in ways no one, not even the investment experts working on Wall Street, could have predicted. Worldwide, market volatility created a sense of uncertainty for investors financially, physically, and emotionally. Americans experienced job losses, premature deaths of loved ones, and many quit their jobs. In 2020-21 we saw what experts have referred to as "The Great Resignation" or the "Big Quit" as significant numbers of employees around the Country quit their jobs. The U.S. Bureau of Labor Statistics reported an unprecedented 47 million

Americans voluntarily left the workforce. However, at the same time, optimism for the future increased as Covid vaccine approvals and rollouts began across the globe. As more Americans were vaccinated, pandemic lockdown mandates were lifted and businesses reopened, allowing many employees to return to the workplace. The sense of optimism and return to normalcy helped pull the economy forward and created opportunities for prudent investors.

The strategic investment strategy implemented by the Retirement Commission allowed the Retirement System to participate in the bull market and earn significant returns on its investments. As of the fiscal year end, September 30, 2021, the DB Plan's market value rate of return was 26.6%, and the fund gained $247.9 million in investment income. The $247.9 million in investment income is the largest single year investment return this century. It is important to note, these significant investment returns were earned while the Retirement System continued to pay over $11.0 million in monthly pension payments (over $134 million annually) to roughly 5,000 retirees and beneficiaries without interruption. To put those returns into perspective, while paying over $134 million the Retirement System's net position grew to over $1.1 billion.

The overall success of the DB Plan's performance is indicative of the dedication and collaboration of the team the Retirement Commission had assembled: the Executive Director, Legal Counsel, Investment Consultants, Retirement Education Counselor, and the Retirement System's staff who perform the day-to-day operations within the retirement office. Everyone utilizes a unique set of skills and talents that work harmoniously to execute and achieve the goals and tasks as directed by the Retirement Commission.

As we are excited to see asset growth in our retirement plans, there is still much work to be done. Each year, a valuation of retirement assets in the DB Plan is conducted by the actuary (Gabriel, Roeder, Smith & Company) at the direction of the Retirement Commission. The purpose of the valuation is to measure the System's funding progress and to determine the employers' annual required contribution. The Retirement Commission approved demographic assumption changes pursuant to GRS' 2015-2020 Experience Study dated August 24, 2021, and lowered the assumed rate of investment return from 7.25% to 6.75%. The changes were implemented in the Annual Actuarial Valuation Report for September 30, 2021, and the assumptions changes alone resulted in a 3% decrease in the overall funding level for the Wayne County and WCAA DB Plan funding level. The actuarial recognized rate of return on investments was 9.6% for the year which was over the 6.75% assumed rate of investment return. In spite of the significant increase in liabilities created by lowering the assumed rate of return by 0.50%, the DB Plan's funding level held steady at 65% in 2021 for Wayne County and increased from 79% in 2020 to 81% in 2021 for the WCAA. Although it is never easy to increase the total assets of the plan while paying out nearly $11 million every month in pension benefits, we are dedicated to making sure that we continue to make prudent decisions and diligently work to keep increasing the funding level of the DB Plan.

Consistent with the Retirement Commission's Retiree Signature and Information Verification Policy, in December of 2020 the Retirement System staff began contacting pension benefit recipients to verify that the retiree or beneficiary remains eligible to continue receiving pension payments and to verify that their current personal information on record with the Retirement System is correct. Retirement System staff contacts all 4,778 pension benefit recipients to ensure there is no fraud being perpetrated against the individual or Retirement System.

Normally, this project is completed within six months however, COVID-19 profoundly impacted the project. United States Postal Services mail delivery operations were interrupted and delayed due to an unprecedented number of employee absences. As a result, many retirees and beneficiaries received their mailed verification forms months after they were sent. Other recipients were hospitalized, put under the care of a Conservator or Legal Guardian, relocated, or died. Sadly, the WCERS recorded over 275 deaths at the 2021 fiscal year end. Understanding the unique challenges facing our retirees, the Retirement Commissioners extended the time for retirees to respond to allow them an opportunity to complete the information verification form and return it to the WCERS. While we always aim for a 100% compliance rate, as June 01, 2022, I am pleased to report that only 23 pension recipients (less than .005 percent) were deemed noncompliant.

We also took steps to engage and inform our active members/participants by continuing to offer online professional services for members/participants via Zoom and WebEx. Members and participants enjoy the ability to schedule one-on-one meetings for financial advice, assistance with investment enrollment options, financial planning, and to participate in educational webinars. This platform remains popular with the members/participants because it is safe and provides flexibility to schedule remote meetings at a time and date that is convenient for them regardless of their location.

On July 21, 2021, an important announcement was made that captured the attention of the Retirement System and its' members/participants. Prudential Financial, Inc., the recordkeeper for the DC, 457 and FICA Alternative plan participants, announced that it had entered into an agreement for Empower Retirement to acquire Prudential's full-service retirement business subject to regulatory approval. The Retirement Commissioners discussed the news with their Investment Consultant and met with representatives from Prudential and Empower, monitoring the situation as it evolved over the next several months. On April 01, 2022, Empower officially acquired Prudential and mailed notifications regarding the acquisition to those impacted. The Retirement System can now report that Empower Retirement has assumed the recordkeeper role for the DC, 457, and FICA Alternative Plans. There were no changes to members/participants accounts, website access, investment options, or fees associated with participation in any plan. Titan Wealth Advisors will continue to provide financial advice and Kandie Myers remains the Retirement Counselor available to help participants with fiscal planning and financial wellness. We are pleased to report a seamless transition that does not require participants to take any action, although all participants are encouraged to login to each of their respective accounts to review and update contact and beneficiary information.

This report is being submitted by the Retirement Commission in accordance with the Wayne County Code of Ordinances and Michigan Public Act 314 of 1965, as amended, setting forth the various activities of the Retirement System as on September 30, 2021.

For ease of reading, where applicable the WCAA data has been combined within this report unless otherwise noted. The Third Circuit Court data is always included with Wayne County in this report. The WCAA Valuation includes only the post-2002 retiree liability. Both the County and the WCAA valuations now include a schedule detailing the shared responsibility for the pre-2002 retiree liability. This report contains information on both the Defined Benefit and the Defined Contribution Plans.

Trust is the foundation of any meaningful partnership, and Wayne County, Third Circuit Court and the WCAA depend on the hardworking men and women who carry out essential functions. We will continue to work diligently to ensure that each Member and Participant of the Retirement System can retire in dignity with economic security.

Sincerely,

Robert J. Grden

Robert J. Grden, Executive Director
Wayne County Employees' Retirement System

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FIDUCIARIES OF THE RETIREMENT COMMISSION

Elected Employee Members

Tom Yee	Term Expires December 31, 2021
Frank Simone, Vice-Chair	Term Expires December 31, 2022
Henry Wilson, Chair	Term Expires December 31, 2023
Cassandra MacDonald	Term Expires December 31, 2024

Elected Retiree Members

Hugh S. Macdonald	Term Expires December 31, 2022
Elizabeth Misuraca	Term Expires December 31, 2024

Ex-Officio Members

Assad Turfe (Beginning August 2021) **Richard Kaufman (Thru May 2021)**	Wayne County Executive Designee
Alisha Bell	Chairperson, Wayne County Commission

RETIREMENT STAFF (NON-FIDUCIARIES)

Executive Director………………………………………………………………..…Robert J. Grden

Deputy Director……………………………………………………………….....Gerard J. Grysko

Department Executive………………………………………………………………...Todd J. Pickett

Division Director…………………………………………………………………...Tina Turner

Compliance Officer…………………………...……………...…………………Annie Hussein, Esq.

RETIREMENT SYSTEM SERVICE PROVIDERS

Actuary……………………………………………………………………...….Gabriel, Roeder, Smith & Company

Attorneys……………………………………………………………………………..

Allen Brothers, P.L.L.C.	Miller Law P.C.
Bleichmar Fonti & Auld, L.L.P.	Robbins Geller Rudman and Dowd, L.L.P.
Kirby McInerney L.L.P.	VanOverbeke, Michaud & Timmony, P.C.
Labaton Sucharow L.L.P.	Wayne County Corporation Counsel
Levi & Korsinsky, L.L.P.	

Auditor…………………………………………………………………………......…George Johnson & Company

Investment Consultants……………………...……………..AndCo Consulting
Titan Wealth Advisors, L.L.C.

Custodian of Assets……………………………………….…………….………………...……Northern Trust

Defined Contribution Record keeper……………………………….….....…....……………...……. Prudential Financial

Financial Institutions….…………………………………………………………………...………Bank of America
JP Morgan Chase
Northern Trust

Medical Director………....………………………………………………........................Dr. Andrew Vosburgh, M.D.

Investment Managers ......………………………………...………………………………………………………

Abbott Capital Management, L.L.C.	Mesirow Financial Services, Inc
ABS Investment Management, L.L.C.	Morgan Stanley Real Estate Advisor, Inc.
AEW Capital Management, L.P.	Mt. Lucas Management Corp.
Capital Dynamics, Inc.	National Investment Services of America, L.L.C.
Cooke & Bieler, L.P.	Northern Trust Investments
Crescent Capital Group, L.P.	Providence/Benefit Street Partners, L.L.C.
Deroy & Devereaux	Raven Capital Management, L.L.C.
Dune Real Estate Manager, L.L.C.	Reinhart Partners
Earnest Partners, L.L.C.	Rizvi Traverse Management, L.L.C.
Edgewood Management L.L.C	Seizert Capital Partners, L.L.C.
Entrust Capital	Seminole Advisory Services, L.L.C.
First Eagle Investment Management, L.L.C.	SIT Investment Associates, Inc.
Garcia Hamilton & Associates, L.P.	Stepstone Group, L.P.
Hardman Johnston Global Advisors, L.L.C.	Steward Capital Management
HGK Asset Management Inc.	Taurus Private Markets, L.L.C.
Landmark Realty Advisors, L.L.C.	TerraCap Management, L.L.C.
Lightstone REIT	Tortoise Capital Advisors, L.L.C.
Loomis, Sayles & Company	Valstone Partners, L.L.C.
Marathon Asset Management, L.P.	Winslow Capital Management, L.L.C.

FINANCIAL SECTION & REQUIRED SUPPLEMENTARY INFORMATION

FINANCIAL SECTION - PREFACE

The independent auditing firm of George Johnson & Company has audited the financial statements of the following plans:

- Wayne County Employees' Retirement System Defined Benefit Plan
- Wayne County Employees' Retirement System Defined Contribution Plan

An electronic version of the complete financial statements can be found at www.wcers.org on the reporting tab.

The financial section of this annual report will include Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position for each of the retirement plans noted above. Additionally, this section will highlight financial activity for the fiscal year ended September 30, 2021 for each set of financial statements. The financial information was obtained from the audited financial statements dated January 28, 2022, but these summaries were not audited by the independent auditors. Governmental Accounting Standards Board required supplementary information follows the financial statements as necessary.

The Wayne County, Third Circuit Court, and Wayne County Airport Authority data are all combined unless otherwise noted. The Third Circuit Court data is always included with Wayne County in this report.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN

Statements of Fiduciary Net Position

The Wayne County Employees' Defined Benefit Plan's (DB Plan) total net position increased by $185.1 million, or 19.2% over the course of the plan year. The DB Plan total assets as of September 30, 2021 were $1.2 billion and mostly comprised of cash and investments. The increase of total net position was primarily attributable to net appreciation of investments. The overall rate of return on investments gross of fees was a gain of 26.74%, 3.38% and 3.46% for the years ended September 30, 2021, 2020, and 2019, respectively. Assets are held in trust and restricted to meet future benefit payments.

Statements of Changes in Fiduciary Net Position

- The DB Plan's benefits are funded by contributions from Wayne County (County), Wayne County Airport Authority (WCAA) and the DB Plan's members/participants, as well as by the investment income earned on the DB Plan's assets.
- Total additions to net position, excluding appreciation in the fair value of investments, increased by $1.4 million from $99.5 million for the year ended September 30, 2020 to $100.9 million for the year ended September 30, 2021.
- Total contributions for 2021 decreased by $3.0 million from those of the prior year. The combined employer contributions were made at the actual rate of 55.26% (63.4 million), 51.11% ($65.2 million), and 58.81% ($78.0 million) of covered payroll during the years ended September 30, 2021, 2020, and 2019, respectively. Member contributions were consistent and totaled $9.8 million, $11.0 million, and $11.1 for the years ended September 30, 2021, 2020, and 2019, respectively. The County also made contributions totaling $1.6 million, $1.7 million, and $1.8 million to fund a stipend benefit paid to pre-Medicare retirees for the years ended September 30, 2021, 2020, and 2019, respectively.
- The County's employer contribution rate decreased from 47.66% in 2020 to 45.75% in 2021. The County contributed an additional $5.1 million and $5.3 million above the required contribution for the years ended September 30, 2021 and 2020, respectively. The WCAA's actuarially determined contribution rate decreased from 26.79% for 2020 to 24.41% for 2021. The WCAA made an additional $0.2 million in employer contributions above the required contribution for the year ended September 30, 2021, consistent with the contribution for the year ended September 20, 2020.
- Other investment income is composed of interest, dividends, securities lending, other income, and investment expenses. Interest and dividends totaled $29.7 million, $24.4 million, and $24.3 million for the years ended September 30, 2021, 2020, and 2019, respectively. Other income (including securities lending income) totaled $0.2 million, $0.1 million, and $0.4 million for the years ended September 30, 2021, 2020, and 2019, respectively. Investment expense totaled $3.7 million, $2.8 million, and $2.9 million for the years ended September 30, 2021, 2020, and 2019, respectively.
- The change in the fair value of investments was favorable for the current year. The fair value of investments had a net appreciation of $221.8 million, $5.7 million, and $12.6 million for the years ending September 30, 2021, 2020 and 2019, respectively. The net appreciation is attributable to the improving financial markets and the resultant investment performance at the end of the year.
- The deductions of the DB Plan include the payment of pension benefits to members and beneficiaries and the costs of administering the DB Plan. Total deductions of $137.6 million for the year ended September 30, 2021 were consistent with the prior year's deductions of $138.0 million.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
STATEMENTS OF FIDUCIARY NET POSITION
September 30, 2021 and 2020

	2021	2020
Assets		
Investments, at fair value or net asset value:		
Equity investments	$728,170,091	$567,035,028
Fixed income investments	120,063,873	127,883,484
Short-term investments	37,330,957	31,406,822
Other investments	265,617,721	235,722,862
Total Investments	1,151,182,642	962,048,196
Other Assets		
Equity in Wayne County pooled cash	946,513	1,714,187
Accounts receivable	14,480	13,332
Due from broker for securities sold	116,188	477,983
Accrued interest and dividends	2,444,184	338,626
Prepaid expenses	19,284	18,955
Total Other Assets	3,540,649	2,563,083
Total Assets	**1,154,723,291**	**964,611,279**
Liabilities		
Accounts and contracts payable	867,748	719,751
Due to broker for securities purchased	5,194,284	426,282
Accrued wages and benefits	263,337	199,567
Total Liabilities	**6,325,369**	**1,345,600**
Net Position Restricted for Pensions	**$1,148,397,922**	**$963,265,679**

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
For the Years Ended September 30, 2021 and 2020

	2021	**2020**
Additions		
Contributions:		
Employer	$65,035,776	$66,914,695
Members	9,800,842	10,961,257
Total Contributions	74,836,618	77,875,952
Investment income:		
Net appreciation in fair value of investments	221,806,257	5,676,478
Interest	22,001,051	17,346,841
Dividends	7,688,218	7,097,084
Securities lending income	110,320	22,928
Other investment income	42,047	38,763
Total Investment income	251,647,893	30,182,094
Less: Investment expenses	(3,733,603)	(2,842,116)
Net Investment income	247,914,290	27,339,978
Total Additions	**322,750,908**	**105,215,930**
Deductions		
Participant benefit payments and distributions	134,736,360	135,363,556
Administrative expenses	2,882,305	2,678,259
Total Deductions	**137,618,665**	**138,041,815**
Change in Net Position Restricted for Pensions	**185,132,243**	**(32,825,885)**
Net Position Restricted for Pensions		
Beginning of Year	963,265,679	996,091,564
End of Year	**$ 1,148,397,922**	**$963,265,679**

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION BY EMPLOYER
For the Year Ended September 30, 2021

	Charter County of Wayne, Michigan	Wayne County Airport Authority	Total
Additions:			
Contributions:			
Employer (see Notes B)	$ 58,341,620	$ 6,694,156	$ 65,035,776
Members	9,485,275	315,567	9,800,842
Total Contributions	67,826,895	7,009,723	74,836,618
Net investment income	212,746,142	35,168,148	247,914,290
Total Additions	**280,573,037**	**42,177,871**	**322,750,908**
Deductions:			
Participant benefit payments and distributions	123,642,469	11,093,891	134,736,360
Administrative expenses	2,473,433	408,872	2,882,305
Total Deductions	**126,115,902**	**11,502,763**	**137,618,665**
Changes in Net Position Restricted for Pensions	**154,457,135**	**30,675,108**	**185,132,243**
Net Position Restricted for Pensions			
Beginning of year	828,827,077	134,438,602	963,265,679
End of the year	**$ 983,284,212**	**$ 165,113,710**	**$ 1,148,397,922**

Note A: The accompanying schedule of changes in fiduciary net position by employer (the "Schedule) is prepared on the accrual basis of accounting using the economic resources measurement focus. Member contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Wayne County Retirement Ordinance. Administrative expenses are financed through investment earnings.

Note B: Employer contributions from the Charter County of Wayne, Michigan (the "County") and the Wayne County Airport Authority ("WCAA") on the Schedule include an additional $5.1 million in employer contributions made by the County and an additional $0.2 million in employer contributions made by WCAA to apply to their respective unfunded liability for the year ended September 30, 2021.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
GASB STATEMENT 67 REQUIRED SUPPLEMENTARY INFORMATION
Last Eight Years (ultimately building to ten years)

	2014	2015	2016	2017	2018
Change in Total Pension Liability					
Service cost	$16,358,829	$15,000,163	$10,431,838	$10,891,944	$10,524,448
Interest	122,810,391	122,200,908	111,275,067	110,167,298	112,568,204
Changes of benefit terms	9,798,361	-	(141,296,225)	-	-
Differences between expected and actual experience	-	(21,264,821)	(532,795)	50,758,944	(4,104,803)
Changes of assumptions and other changes	-	-	-	101,352,130	2,131,112
Benefit payments, including refunds of member contributions	(133,394,978)	(136,008,966)	(139,863,597)	(139,888,098)	(136,432,380)
Change in Total Pension Liability	**15,572,603**	**(20,072,716)**	**(159,985,712)**	**133,282,218**	**(15,313,419)**
Total Pension Liability, Beginning	1,644,843,098	1,660,415,701	1,640,342,985	1,480,357,273	1,613,639,491
Total Pension Liability, Ending (a)	**1,660,415,701**	**1,640,342,985**	**1,480,357,273**	**1,613,639,491**	**1,598,326,072**
Change in Plan Fiduciary Net Position					
Contributions – employer	80,180,620	111,718,544	103,337,465	71,052,048	153,719,388
Contributions – member	8,521,719	11,370,680	10,734,600	9,199,085	10,286,435
Net investment income	80,199,536	25,164,638	79,649,792	102,026,371	62,294,433
Benefit payments, including refunds of member contributions	(133,394,978)	(136,008,966)	(139,863,597)	(139,888,098)	(136,432,380)
Administrative expense	(2,811,484)	(3,014,195)	(2,321,879)	(2,676,532)	(2,525,172)
Change in Plan Fiduciary Net Position Before Asset Transfer	**32,695,413**	**9,230,701**	**51,536,381**	**39,712,874**	**87,342,704**
Transfer of Bailiffs' Plan Assets	-	-	5,670,643	-	-
Change in Plan Fiduciary Net Position	**32,695,413**	**9,230,701**	**57,207,024**	**39,712,874**	**87,342,704**
Plan Fiduciary Net Position, Beginning	782,382,430	815,077,843	824,308,544	881,515,568	921,228,442
Plan Fiduciary Net Position, Ending (b)	**815,077,843**	**824,308,544**	**881,515,568**	**921,228,442**	**1,008,571,146**
Employers' Net Pension Liability, Ending (a)-(b)	**$845,337,858**	**$816,034,441**	**$598,841,705**	**$692,411,049**	**$589,754,926**
Ratio Information:					
Plan fiduciary net position as a percentage of the total pension liability	49.09%	50.25%	59.55%	57.09%	63.10%
Covered-employee payroll	151,536,413	147,363,016	140,222,696	129,283,884	$132,030,801
Employers' net pension liability as a percentage of the Covered payroll	557.84%	553.76%	427.06%	535.57%	446.68%

***GASB 67 was effective for the financial statements for fiscal years beginning after June 15, 2013**

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
GASB STATEMENT 67 REQUIRED SUPPLEMENTARY INFORMATION
Last Eight Years (ultimately building to ten years)

	2019	2020	2021
Change in Total Pension Liability			
Service cost	$10,746,337	$10,649,616	$9,635,303
Interest	111,556,453	110,132,335	108,417,531
Changes of benefit terms	1,805,747	(1,948,585)	1,067,339
Differences between expected and actual experience	(9,788,235)	(9,474,507)	(11,455,759)
Changes of assumptions and other changes	2,736,461	2,711,309	64,010,422
Benefit payments, including refunds of member contributions	(135,314,829)	(135,363,556)	(134,736,360)
Change in Total Pension Liability	**(18,258,066)**	**(23,293,388)**	**36,938,476**
Total Pension Liability, Beginning	1,598,326,072	1,580,068,006	1,556,774,618
Total Pension Liability, Ending (a)	**1,580,068,006**	**1,556,774,618**	**1,593,713,094**
Change in Plan Fiduciary Net Position			
Contributions – employer	79,800,443	66,914,695	65,035,776
Contributions – member	11,122,528	10,961,257	9,800,842
Net investment income	34,431,034	27,339,978	247,914,290
Benefit payments, including refunds of member contributions	(135,314,829)	(135,363,556)	(134,736,360)
Administrative expense	(2,518,758)	(2,678,259)	(2,882,305)
Change in Plan Fiduciary Net Position Before Asset Transfer	**(12,479,582)**	**(32,825,885)**	**185,132,243**
Transfer of Bailiffs' Plan Assets	-	-	-
Change in Plan Fiduciary Net Position	**(12,479,582)**	**(32,825,885)**	**185,132,243**
Plan Fiduciary Net Position, Beginning	1,008,571,146	996,091,564	963,265,679
Plan Fiduciary Net Position, Ending (b)	**996,091,564**	**963,265,679**	**1,148,397,922**
Employers' Net Pension Liability, Ending (a)-(b)	**$583,976,442**	**$593,508,939**	**$445,315,172**
Ratio Information:			
Plan fiduciary net position as a percentage of the total pension liability	63.04%	61.88%	72.06%
Covered-employee payroll	$132,578,605	$127,561,562	114,839,984
Employers' net pension liability as a percentage of the Covered payroll	440.48%	465.27%	387.77%

***GASB 67 was effective for the financial statements for fiscal years beginning after June 15, 2013**

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
GASB STATEMENT 67 REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Investment Returns
Last Nine Fiscal Years (ultimately building to ten years)

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense*
2013	14.09%
2014	8.33%
2015	0.70%
2016	9.82%
2017	11.95%
2018	6.12%
2019	2.98%
2020	2.86%
2021	26.47%

*As calculated by our Custodian, Northern Trust. (Internal Rate of Return)

Schedule of Employer Contributions
Last Eight Fiscal Years (ultimately building to ten years)

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
9/30/2014	$68,772,171	$80,180,620	$(11,408,449)	$151,536,413	52.91%
9/30/2015	65,289,481	79,505,999	(14,216,518)	147,363,016	53.95%
9/30/2016	70,708,723	101,264,065	(30,555,342)	140,222,696	72.22%
9/30/2017	53,549,811	68,176,195	(14,626,384)	129,283,884	52.73%
9/30/2018	62,347,690	151,905,122	(89,557,432)	132,030,801	115.05%
9/30/2019	64,211,390	77,975,445	(13,764,055)	132,578,605	58.81%
9/30/2020	59,598,643	65,193,269	(5,594,626)	127,561,562	51.11%
9/30/2021	58,130,071	63,464,841	(5,334,770)	114,839,984	55.26%

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
FUNDING NOTES COMBINED PLANS

The Retirement System funding rate remained consistent at 65% from 2020 and 2021 for Wayne County and increased from 79% in 2020 to 81% in 2021 for the Wayne County Airport Authority. The following factors that have impacted the DB Plans are:

- The Retirement System's Actuary completed an Experience Study for the DB Plans encompassing the time period from October 1, 2015 to September 30, 2020. The Study is a review of past experience of economic assumptions and demographics. The Study can be found on www.wcers.org reporting tab. Based on the results of the experience Study, the Actuary recommended changes to several assumptions, including;
    - Withdrawal Rate
    - Merit & Longevity Pay
    - Mortality Rates for Active and Retired Members and Participants
    - Assumed Investment Return
- The adoption of 105% of the new PubG-2010 Retiree Mortality table for males and females, as determined by applying the MP-2020 Mortality Improvement scale, which was recommended by the Actuary, caused an increase to plan liabilities resulting in a decrease of funded rate.
- The Assumed Rate of Return was also decreased from 7.25% to 6.75%, which increased the plan liabilities and decreased the funding rate.
- The Retirement System's Actuary calculated Recognized Rate of Return was 9.6% and above the 7.25% Assumed Rate of Return.
- Detail investment activity for 2021 can be found starting on page 25.
- The increasing rate of longevity of members in our DB Plan continues to impact the current and future funding levels.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
FUNDING NOTES BY EMPLOYER

Wayne County / Third Circuit

- The County Administration, using its authority under the Consent Agreement entered into by and between Wayne County and Michigan State Treasurer N.A. Khouri on August 21, 2015 negotiated and imposed new contractual terms and conditions of employment on represented employees effective October 1, 2015. The contract terms reduced the multiplier from as high as 2.65% to 1.25% for all future years post October 1, 2015.
- For all years of County service earned post October 1, 2015, the Average Final Compensation (AFC) shall be computed using the last 10 years of base wage pay history, instead of utilizing the highest years of service with overtime, sick, and vacation accruals included.
- The County eligibility for 25 years of service or 30 years of service without an age requirement was changed to a minimum age requirement of age 62, although an early pickup at age 55 is available at an actuarial reduced rate.
- The County police unions can retire at age 55 with the service eligibility without a reduced actuarially rate.
- A change in the County maximum duty disability pension benefit from a flat rate of 75% of the best 4 years of average final compensation to an accelerated rate at 1.25% of AFC to age 60 with a maximum benefit of 60% with a pre October 1, 2015 benefit and a post October 1, 2015 benefit. Non-duty disabilities were also capped at 60% of AFC.
- The County received $22 million into its plan between 2016 and 2019 from the WCAA for the theoretical portion of the unfunded liability of the combined pre-2002 retiree liability.
- The County reduced the required employee contribution rate by 1% for 3317 and POAM members during FY 2021.
- Wayne County Third Circuit Court employees in JAA and GAA unions were frozen as of October 1, 2016.
- Wayne County included an additional $5.1 million in employer contributions to the DB Plan for 2021.
- Wayne County included an additional $5.3 million in employer contributions to the DB Plan for 2020.
- Wayne County included an additional $5.2 million in employer contributions to the DB Plan for 2019.
- Wayne County included an additional $83.0 million in employer contributions to the DB Plan for 2018.
- Wayne County included an additional $10.0 million in employer contributions to the DB Plan for 2017.
- Wayne County included an additional $22.2 million in employer contributions to the DB Plan for 2016.

Wayne County Airport Authority

- The Wayne County Airport Authority (WCAA) had its 7th separate Annual Actuarial Valuation done as of September 30, 2021; prior to the September 30, 2015 report all reports were a combined County/Airport report.
- WCAA made additional employer contributions totaling $22 million into the County's Plan from 2016 to 2019 to apply to the theoretical portion of the unfunded liability of the combined pre-2002 retirees liability related to WCAA retirees as calculated by the Plan's actuary. The combined pre-2002 retiree liability is recorded by the County and included in the County's contribution rates.
- WCAA increased the pension multiplier and the employee required contribution for Local 741 during FY 2019.
- WCAA offered an early retirement incentive during FY 2020.
- WCAA included an additional $0.2 million in employer contributions to the DB Plan for 2021.
- WCAA included an additional $0.2 million in employer contributions to the DB Plan for 2020.
- WCAA included an additional $2.0 million in employer contributions to the DB Plan for 2019.
- WCAA included an additional $0.0 million in employer contributions to the DB Plan for 2018.
- WCAA included an additional $0.3 million in employer contributions to the DB Plan for 2017.
- WCAA included an additional $4.0 million in employer contributions to the DB Plan for 2016.

A historical DB Plan review with further details can be found at www.wcers.org on the reporting tab.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
SUMMARY OF ACTUARIAL ASSUMPTIONS
September 30, 2021

The information presented in the accompanying required supplementary schedules was determined as part of the actuarial valuations as of the dates indicated additional information as of the latest actuarial valuation is as follows:

Valuation date……………………………..……………………………………………September 30, 2021

Actuarial cost method……………………………………………………..……………..Entry Age Normal

Amortization method

County ………………………………………………………..…....Level percent of payroll

WCAA ……………………………………………………..................................Level dollar

Base UAAL remaining amortization period…………………………………...……….13 years (closed)

Asset valuation method……………………………………..………4-year smoothed market, 20% corridor

Actuarial assumptions:

Investment rate of return

County and WCAA...……………………………………...……………..…….6.75%*

Projected salary increases

County……………..………………………………………..……………...3.00%–11.35%*

WCAA……………..……………………………………..…………..…3.00%–13.15%*

Cost-of-living adjustments……………………………..N/A

Actuarial assumed rate of long-term wage inflation………………..………………..…………...……..3.00%

*Includes wage inflation at 3.00%

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
CONTRIBUTION RATES

	Valuation Measurement Date 9/30/2019 Rate Used During FYE 9/30/21		Valuation Measurement Date 9/30/2020 Rate Used During FYE 9/30/22		Valuation Measurement Date 9/30/2021 Rate Used During FYE 9/30/23	
	County	**WCAA**	**County**	**WCAA**	**County**	**WCAA**
Normal Cost	9.41%	8.83%	9.50%	8.82%	9.31%	9.56%
Less Portion Paid by Members *	-7.25%	-2.01%	-7.60%	-1.94%	-6.87%	-1.61%
Employer Defined Benefit Normal Cost	2.16%	6.82%	1.90%	6.88%	2.44%	7.95%
Unfunded Actuarial Accrued Liability	43.59%	17.59%	49.33%	19.70%	53.25%	24.06%
Total Computed Employer Rate	45.75%	24.41%	51.23%	26.58%	55.69%	32.01%

Contribution Type	Contribution Rates			Valuation Projected Payroll		
	County	**WCAA**	**Combined**	**County**	**WCAA**	**Combined**
Employer's Normal Cost	2.44%	7.95%	3.38%	$99,187,180	$20,434,131	$119,621,311
Employer's Total Rate	55.69%	32.01%	51.64%	$99,187,180	$20,434,131	$119,621,311
Weighted Average of Member Contribution*	6.87%	1.61%	5.97%	$99,187,180	$20,434,131	$119,621,311

WCAA - Wayne County Airport Authority
* Weighted average of the various contribution rates.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
ADMINISTRATIVE EXPENSES
For the Years Ended September 30, 2021 and 2020

	2021	**2020**
Personnel Services:		
Staff Salaries	$884,939	$798,811
Other Fringe Benefits	372,557	321,415
Retirement Benefits	258,741	300,197
Total	1,516,237	1,420,423
Building and Equipment:		
Building Rent	227,928	217,754
Equipment, Equipment Rent and Maintenance	12,780	22,819
Utilities	5,153	5,296
Total	245,861	245,869
Professional Service		
Actuary Fees	302,267	173,225
Audit Fees	20,660	22,215
Consultant Fees	270,555	270,672
Fiduciary Insurance	181,035	165,485
Medical Director	10,200	8,425
Miscellaneous Fees	2,897	2,871
Total	787,614	642,893
Miscellaneous		
Office Supplies	11,044	12,848
Postage, Dues, Membership, and Other	33,845	19,604
Printing	13,140	8,537
Training, Travel and Board Meeting - Trustees	18,030	12,793
Training, Travel and Board Meeting - Staff	6,827	9,405
Wayne County Chargebacks	340,137	408,067
Operating Expenses Allocated to other Plans	(90,430)	(102,180)
Total	332,593	369,074
Total Administrative Expenses	**$2,882,305**	**$2,678,259**

The Retirement System is not aware of paying for any fees with the use of soft dollars.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
INVESTMENT EXPENSES
For the Years Ended September 30, 2021 and 2020

	2021	2020
Professional Service		
Attorney Fees	$248,280	$257,837
Consultant Fees	250,000	250,000
Custodian Fees	137,619	124,834
Management Fees	3,097,704	2,209,445
Total Investment Expenses	**$3,733,603**	**$2,842,116**

The Retirement System is not aware of paying for any fees with the use of soft dollars.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
BUDGETS

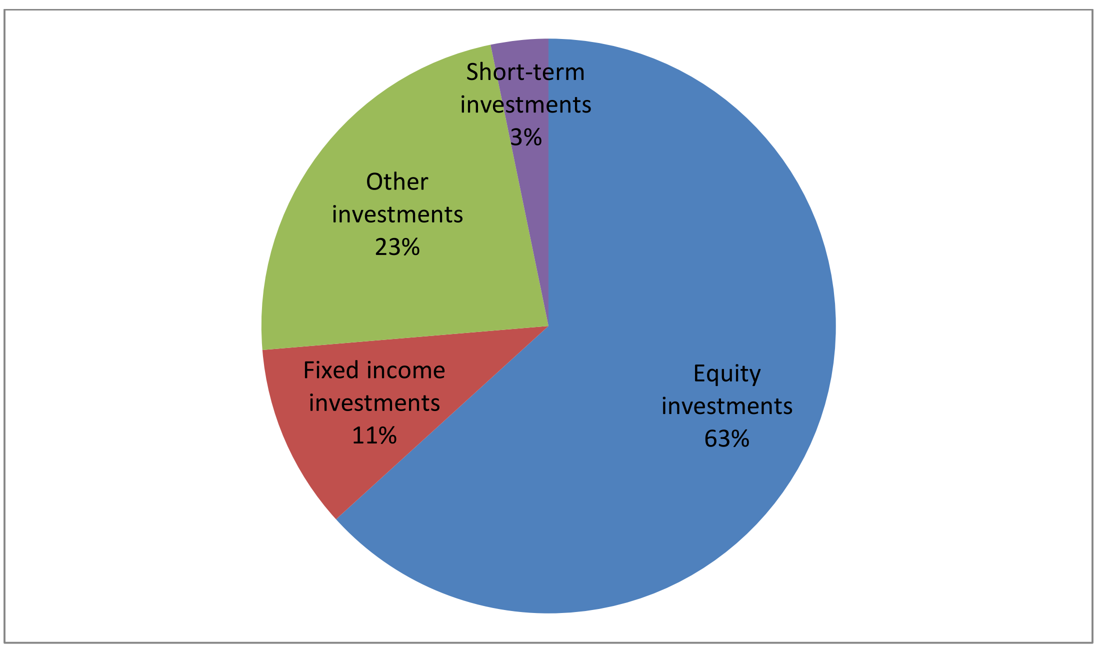
	FY 2021 Budget	FY 2021 Actual	Variance Favorable (Unfavorable)	FY 2022 Budget
Revenue				
Interest & Dividends	$7,626,900	$29,689,269	$22,062,369	$7,626,900
Total Budgeted Revenue	**$7,626,900**	**$29,689,269**	**$22,062,369**	**$7,626,900**
Expense				
Personnel Services:				
Staff Salaries	$1,170,712	$1,080,769	$89,943	$1,652,937
Other Fringe Benefits	495,594	440,432	55,162	553,757
Retirement Benefits	400,767	333,058	67,709	420,344
Reimbursed Expenses *	-	(338,022)	338,022	-
Total	2,067,073	1,516,237	550,836	2,627,038
Building and Equipment:				
Building Rent	240,000	227,928	12,072	240,000
Equipment, Equipment Rent and Maintenance	46,000	12,780	33,220	66,000
Utilities	8,000	5,153	2,847	8,000
Depreciation	-	-	-	-
Total	294,000	245,861	48,139	314,000
Professional Service				
Investment & Miscellaneous Expenses	4,227,197	4,288,632	(61,435)	3,745,371
Actuary	325,000	302,267	22,733	175,000
Medical Director	15,000	10,200	4,800	15,000
Reimbursed Expenses *	-	(79,882)	79,882	-
Total	4,567,197	4,521,217	45,980	3,935,371
Miscellaneous				
Office Supplies	30,000	11,044	18,956	30,000
Postage, Dues, Membership, and Other	109,894	33,845	76,049	77,200
Printing	30,000	13,140	16,860	30,000
Training, Education & Travel - Trustees	70,500	18,030	52,470	70,500
Training, Education & Travel - Other	27,500	6,827	20,673	27,500
Wayne County Chargebacks	430,736	340,137	90,599	515,291
Reimbursed Expenses *	-	(90,430)	90,430	-
Total	698,630	332,593	366,037	750,491
Total Budgeted Expenses	**$7,626,900**	**$6,615,908**	**$1,010,992**	**$7,626,900**
Change in Budgeted Net Assets	**$ -**	**$23,073,361**	**$23,073,361**	**$ -**

*Administrative expenses reimbursed by the Defined Contribution Plan.

WAYNE COUNTY EMPLOYEE'S RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
MARKET VALUE BY INVESTMENT TYPE
As of September 30, 2021

Investment Type	**Market Value at 9/30/2021**
Equity investments	$728,170,091
Fixed income investments	120,063,873
Other investments	265,617,721
Short-term investments	37,330,957
Total Investments	**$1,151,182,642**

WAYNE COUNTY EMPLOYEE'S RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
ASSET ALLOCATION BY INVESTMENT TYPE
As of September 30, 2021



WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED BENEFIT PLAN
INVESTMENT PERFORMANCE
RATE OF RETURN-NET OF FEES

	Rolling Calendar - Year Basis	**Fiscal Year Basis**
1 Year	17.10%	26.19%
3 Year	14.27%	10.25%
`5 Year	10.08%	9.80%
7 Year	8.65%	8.44%
10 Year	9.36%	9.67%

Returns calculated by our Custodian, Northern Trust

The Retirement System is required by the State of Michigan under Michigan Public Act 314 to show market rate rolling calendar year returns. Because we are based on a fiscal year end of September 30 we have included those numbers for continuity as of September 30, 2021.

WAYNE COUNTY EMPLOYEES' RETRIREMENT SYSTEM
DEFINED BENEFIT PLAN
REPORT ON INVESTMENT ACTIVITY

The Retirement Commission (Board) for the Wayne County Employees' Retirement System (WCERS) is a fiduciary of the WCERS in accordance with state law. Investment decisions, including investment policies and procedures, are subject to statutory regulations imposed by the Michigan Public Employee Retirement System Investment Act, Public Act 314 of 1965, as amended.

As the fiduciary of the WCERS, the Board's responsibilities include, but are not limited to: (1) establishing an investment policy and asset allocation for the pension fund; (2) prudently selecting investment managers and consultants, and (3) conducting periodic reviews to ensure that its policies are followed and that its investment professionals perform satisfactorily in accordance with established standards and goals.

The WCERS' primary investment objective is to provide a real rate of return, net of inflation, sufficient to support its ability to meet its obligations to DB Plan participants and beneficiaries without undue exposure to risk. In absolute terms, this return objective should approximate the WCERS' actuarial assumed rate of return, which is 6.75%. The WCERS seeks to attain investment results over a full market cycle. It does not expect that all investment objectives will be attained in each year and recognizes that over various periods of time the WCERS' investment results may produce "over" or "under" performance relative to broad markets. For this reason, the Retirement Commission takes a LONG-TERM perspective and will measure quantitative investment returns over a 5-year moving period. Investment managers are also expected to meet qualitative performance objectives (adherence to its investment philosophy and the WCERS' policies, continuity of firm personnel and practices, etc.) as established by the Retirement Commission in consultation with its investment consultants and advisors.

The fiscal year ending September 30, 2021, was a year of gains across markets despite the continued impact of the COVID-19 pandemic. Returns over the trailing 1-year were strong across all broad US equity markets. The continuation of supportive monetary policy from the Fed and the reopening of local economies as the pandemic receded were the primary performance drivers during the period. Domestic small cap stocks posted highest return for the trailing 1-year period, returning 47.7%. US large cap performance was also stellar with a return of 30.0% over the trailing 1-year period.

International markets also performed well but lagged relative to their domestic counterparts. Over the trailing 1-year period, the MSCI EAFE Index returned 25.7% while the MSCI Emerging Markets Index returned a lower 18.2%. The combination of rising inflation and developed market interest rates were the primary headwinds during the period.

Bond market returns over the trailing 1-year period were muted with the Bloomberg US Aggregate Index returning -0.9%. US TIPS continued to lead the way as investors remain concerned about the potential for rising inflation. The TIPS Index returned 5.2% for the period while investment grade corporate bonds returned 1.7%

On the alternative investment front, Private Real Estate, as measured by the NCREIF Property Index, gained +12.15%. Hedge Funds, given their conservative nature and focus on global markets, returned +13.61% for the year.

WAYNE COUNTY EMPLOYEE'S RETIREMENT SYSTEM
MARKET PERFORMANCE

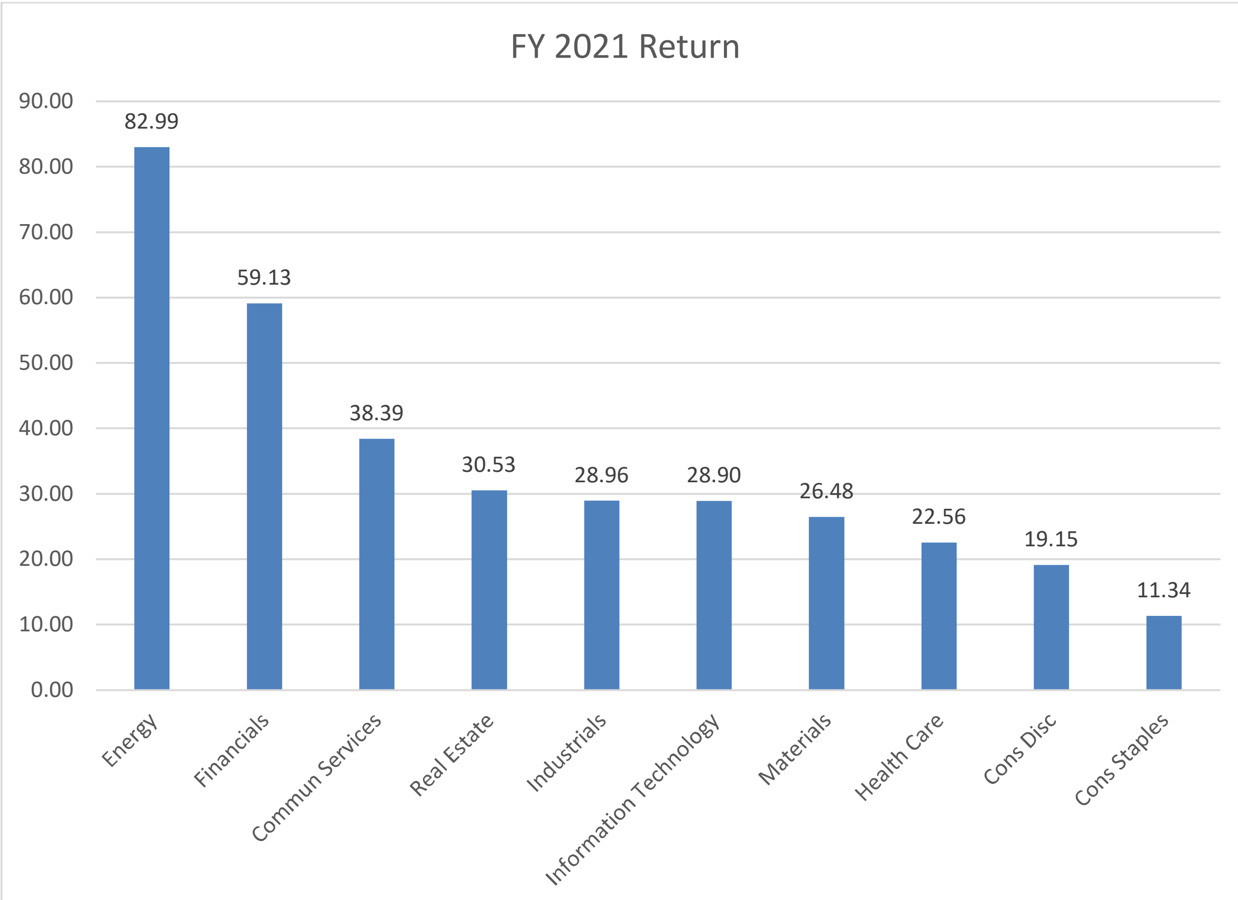
Equities	Index Returns (%) Month	3 M	YTD	1 Year	3 Yr. Ann	5 Yr. Ann
S&P 500 Total Return	(4.65)	0.58	15.92	30.00	15.99	16.90
Russell Midcap Index	(4.12)	(0.93)	15.17	38.11	14.22	14.39
Russell 2000 Index	(2.95)	(4.36)	12.41	47.68	10.54	13.45
Russell 1000 Growth Index	(5.60)	1.16	14.30	27.32	22.00	22.84
Russell 1000 Value Index	(3.48)	(0.78)	16.14	35.01	10.07	10.94
Russell 3000 Index	(4.49)	(0.10)	14.99	31.88	16.00	16.85
MSCI EAFE NR	(2.90)	(0.45)	8.35	25.73	7.62	8.81
MSCI EM NR	(3.97)	(8.09)	(1.25)	18.20	8.58	9.23

Real Estate	Index Returns (%) 3 M	1 Year	3 Year	5 Year	7 Year	10 Year
NCREIF Index	5.23	12.15	6.72	6.87	8.10	8.99

Fixed Income	Index Returns (%) Month	3 M	YTD	1 Year	Mod. Adj. Duration	Yield to Worst
U.S. Aggregate	-0.87	0.05	-1.56	-0.90	6.71	1.56
U.S. Corporate Investment Grade	-1.05	-0.00	-1.27	1.74	8.71	2.13
U.S. Corporate High Yield	-0.01	0.89	4.53	11.28	3.97	4.04
Global Aggregate	-1.78	-0.88	-4.06	-0.91	7.53	1.17

Key Rates	Levels (%) 9/30/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
3 Month	0.03	0.06	1.54	2.35	1.38
US 2 Year	0.28	0.12	1.57	2.49	1.88
US 10 Year	1.49	0.91	1.92	2.68	2.41
US 30 Year	2.04	1.64	2.39	3.01	2.74
ICE LIBOR USD 3M	0.13	0.24	1.91	2.81	1.69
Euribor 3 Month ACT/360	(0.55)	(0.55)	(0.38)	(0.31)	(0.33)
Bankrate 30Y Mortgage Rates Na	3.18	2.87	3.86	4.51	3.85
Prime	3.25	3.25	4.75	5.50	4.50

WAYYNE COUNTY EMPLOYEE’S RETIREMENT SYSTEM
MARKET PERFORMANCE



WAYNE COUNTY EMPLOYEE'S RETIREMENT SYSTEM
MARKET PERFORMANCE

Currencies	Levels 09/30/2021	12/31/2020	12/31/2019
Euro Spot	1.16	1.22	1.12
British Pound Spot	1.35	1.37	1.33
Japanese Yen Spot	111.29	103.25	108.61
Swiss Franc Spot	0.93	0.89	0.97

Commodities	Levels 09/30/2021	12/31/2020	12/31/2019
Oil	75.03	47.85	53.24
Gasoline	3.19	2.25	2.59
Natural Gas	2.53	5.87	2.80
Gold	1,757.00	1,911.20	1,187.30
Silver	22.05	26.66	16.50
Copper	408.90	352.40	284.55
Corn	536.75	434.75	410.50
BBG Commodity TR Idx	151.22	172.00	215.17

Russell Indices Style Returns

	V	B	G
L	**35.01**	**30.96**	**27.32**
M	**42.40**	**38.11**	**30.45**
S	**63.92**	**47.68**	**33.27**

Fiscal Year (10/1/2020 – 9/30/2021)

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
OVERVIEW

The Wayne County Employees' Retirement System (WCERS) administers a participant directed Defined Contribution Plan (DC Plan) to provide savings and retirement benefits for County and Wayne County Airport Authority (WCAA) employees participating in the DC Plan. The DC Plan provides a vehicle for employees to save for retirement through payroll deductions, employer contributions, and investment earnings. The DC Plan is structured to take advantage of tax regulations that allow for the tax-deferred accumulation of earnings and asset growth.

The Retirement Commission continued to retain the services of Prudential as the DC Plan recordkeeper and the services of Titan Wealth Advisors, LLC as an investment consultant. Titan Wealth Advisors served as a fiduciary and gave the Retirement Commission advice while consulting on vendor management, plan design enhancements, investment menu design and continuous fee negotiations, along with executing an investment education and retirement planning structure for the participants in the DC Plan and the 457(b) and FICA alternative plans as well. In July 2021, Prudential announced its intent to sell its Retirement Plan recordkeeping business to Empower Retirement. This transaction is scheduled to close in the first quarter 2022. The Retirement Commission has begun planning its enhanced due diligence of Empower, and the impact it may have on the participants of the DC plan(s) should the deal close in early 2022.

As part of its ongoing due diligence and review of its service structure and service providers, WCERS, with the assistance of their consultant, made several Plan enhancements during the fiscal year. County and WCAA employees and participants remained limited by the presence of COVID virus, both directly and in-directly. WCERS remained in a hybrid model of periodic on-site personnel, and remotely located service personnel for participants that were also working remotely.

Specifically, some highlights WCERS made or asked vendors servicing the DC Plan and 457(b) plan to adjust included the following:

- WCERS continued to request its main vendors (Prudential and Titan Wealth Advisors) to offer and conduct virtual education meetings in lieu of normal face to face education opportunities. This included newly eligible meetings as well, as part of the on-boarding process. WCERS team and vendors met with multiple hundreds of participants virtually during this time.

- WCERS continued to enhance its on-line and traditional mailing campaigns and initiatives to help compensate for less face-to-face contact. WCERS also created a monthly webinar program for all participants and supplemented it with 4 investment related webinars led by our investment consultant and fund manager resources. These webinars reach multiple hundreds of participants and typically averaged around 30 attendees per session.

- WCERS concluded the special CARES ACT distributions and relaxed new loan rules in accordance with regulations on Dec. 31, 2020.

- To further supplement our participant contact, WCERS worked with our investment consultant and advice provider to develop a pro-active reach out to participants in the Plan. Over one thousand contacts were made in efforts to keep participants aware of the availability of WCERS resources during this unique period of time.

- The 457 Deferred Compensation Plan was amended to allow for “in-plan” ROTH conversions for both active and terminated participants.

- One primary initiative of WCERS is to educate participants regarding the availability of the ROTH provision in the 457 Deferred Compensation Plan. WCERS created and offered multiple webinars comparing the ROTH contribution tax treatment to traditional Voluntary after-tax contributions tax treatment. This effort along with other mailing campaigns has contributed to over 100 participants now participating in the ROTH provisions of the 457 Plan.

WCERS has developed and implemented a rigorous process and procedure protocol to use in the selection, monitoring, removal and replacement of funds offered in the DC Plan. The intent has always been to work with an open architecture platform that allows WCERS to choose a variety of asset classes from any mutual fund company or collective investment trust, thereby ensuring the ability to offer best-in-class, lowest-cost investment options to members and participants. This process was reviewed each quarter during the past year by the Retirement Commission in consultation with its investment consultant. At the recommendation of the consultant, there were no investment manager changes during the year. However, there was continuous pricing negotiations that led to several price reductions in all DC Plans:

- WCERS negotiated a lower recordkeeping fee paid by Plan participants by over 5%, and now stands at .085% annually.
- WCERS was able to negotiate away the $5 “per installment” distribution fee paid by participants receiving recurring distributions from the Plan.
- WCERS, with the assistance of its investment consultant negotiated lower asset management fees for two its existing fund managers:
    - American Century Mid Cap Value management was reduced from .58% to .47%
    - MFS International Growth management was reduced from .56% to .48%

The record keeping firm for the Defined Contribution and Deferred Compensation Plans, Prudential Financial, continues to offer this well diversified set of 26 investment options ranging in scope from low risk to higher risk, including a robust Guaranteed Fund and an option that guarantees a lifetime income. They also offer an asset allocation program to all participants known as Goal Maker. This program is an age-based and risk-based asset allocation model with three different risk categories; conservative, moderate and aggressive. Participants make their own election in this program.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN

Statements of Fiduciary Net Position

The Defined Contribution Plan's (DC Plan) total net position increased by approximately $60.6 million, or 13.8 percent, over the course of the plan year. The DC Plan's total assets as of September 30, 2021 were $498.2 million and mostly comprised of investments in mutual funds. Assets are restricted to provide future benefit payments to plan participants.

Statements of Changes in Fiduciary Net Position

- The DC Plan's benefits are funded by contributions from Wayne County (County), the Wayne County Airport Authority (WCAA) and the DC Plan's participants, as specified by the plan option selected, as well as by the investment income earned on the DC Plan's assets.

- Additions to net position, excluding appreciation (depreciation) in the fair value of investments, include contributions made to the DC Plan by the County, WCAA and the Plan's participants, as well as investment income, both of which amounted to $21.1 million and $21.8 as of September 30, 2021 and 2020, respectively.

- The fair value of investments was favorable at the end of the year. Net appreciation in the fair value of investments was $80.5 million and $29.3 million for the years ended September 30, 2021, and 2020, respectively. The net appreciation in the fair value of investments for the current year is attributable to the improving financial markets and the resultant investment performance for the current year.

- Total deductions from net position decreased by approximately $20.5 million, from $61.6 million for the year ended September 30, 2020 to $41.1 million for the year ended September 30, 2021, which is attributable to lower participant distributions and withdrawals during the current year due to retirements, terminations and distributions pursuant to the provisions of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), which ended in December of 2020.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
STATEMENTS OF FIDUCIARY NET POSITION
September 30, 2021 and 2020

	2021	2020
Assets:		
Participant-directed investments, at fair value:		
Equity mutual funds	$ 337,651,047	$277,744,908
Bond mutual funds	47,623,447	45,048,219
Guaranteed income funds	100,694,949	100,178,556
Total investments	485,969,443	422,971,683
Other assets:		
Notes receivable from participants	12,170,972	14,618,903
Accounts receivable	14,481	13,332
Total Other Assets	12,185,453	14,632,235
Total Assets	**498,154,896**	**437,603,918**
Liabilities:		
Accounts payable	62,643	62,805
Net position restricted for pensions	**$ 498,092,253**	**$437,541,113**

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
For the Years Ended September 30, 2021 and 2020

	2021	2020
Additions		
Contributions:		
Employer, net of certain forfeitures	$10,534,958	$11,131,043
Participants	6,364,776	6,488,553
Total contributions	16,899,734	17,619,596
Investment income:		
Net appreciation in fair value of investments	80,483,003	29,345,193
Interest and dividends	3,768,145	4,073,985
Other investment income	532,692	193,754
Total investment income	84,783,840	33,612,932
Less: Investment expenses	(66,975)	(97,337)
Net investment income	84,716,865	33,515,595
Total additions	**101,616,599**	**51,135,191**
Deductions		
Participant distributions and withdrawals	40,336,195	60,888,644
Administrative expenses	729,264	697,364
Total deductions	**41,065,459**	**61,586,008**
Change in net position restricted for pensions	**60,551,140**	**(10,450,817)**
Net position restricted for pensions		
Beginning of year	437,541,113	447,991,930
End of year	**$498,092,253**	**$437,541,113**

WAYNE COUNTY EMPLOYEES’ RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION BY EMPLOYER
For the Year Ended September 30, 2021

	Charter County of Wayne, Michigan	Wayne County Airport Authority	Totals
Additions			
Contributions:			
Employer, net of certain forfeitures	$6,956,470	$3,578,488	$10,534,958
Participants	4,138,170	2,226,606	6,364,776
Total Contributions	11,094,640	5,805,094	16,899,734
Net Investment Income	63,881,302	20,835,563	84,716,865
Total Additions	**74,975,942**	**26,640,657**	**101,616,599**
Deductions			
Participant distributions and withdrawals	29,449,843	10,886,352	40,336,195
Administrative expenses	569,392	159,872	729,264
Total deductions	**30,019,235**	**11,046,224**	**41,065,459**
Changes in net position restricted for pensions	**44,956,707**	**15,594,433**	**60,551,140**
Transfer of participant account	(670,158)	670,158	-0-
Net position restricted for pensions			
Beginning of year	332,594,310	104,946,803	437,541,113
End of year	**$376,880,859**	**$121,211,394**	**$498,092,253**

Note A: The accompanying schedule of changes in fiduciary net position by employer is prepared on the accrual basis of accounting using the economic resources measurement focus. Participant contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Distributions and refunds are recognized when due and payable in accordance with the terms of the Wayne County Retirement Ordinance. Administrative expenses are paid from Plan assets, unless paid by the employer.

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
ADMINISTRATIVE EXPENSES
For the Years Ended September 30, 2021 and 2020

	2021	2020
Personnel Services:		
Staff Salaries	$195,830	$186,854
Other Fringe Benefits	67,875	65,828
Retirement Benefits	74,317	66,987
Total	338,022	319,669
Professional Service		
Administrative Consultant Fee	60,492	59,246
Education Consultant Fee	111,305	66,241
Audit Fees	19,390	22,835
Total	191,187	148,322
Miscellaneous		
Miscellaneous Fees	109,625	127,193
Allocated Operating Expenses	90,430	102,180
Total	200,055	229,373
Total Administrative Expenses	**$729,264**	**$697,364**

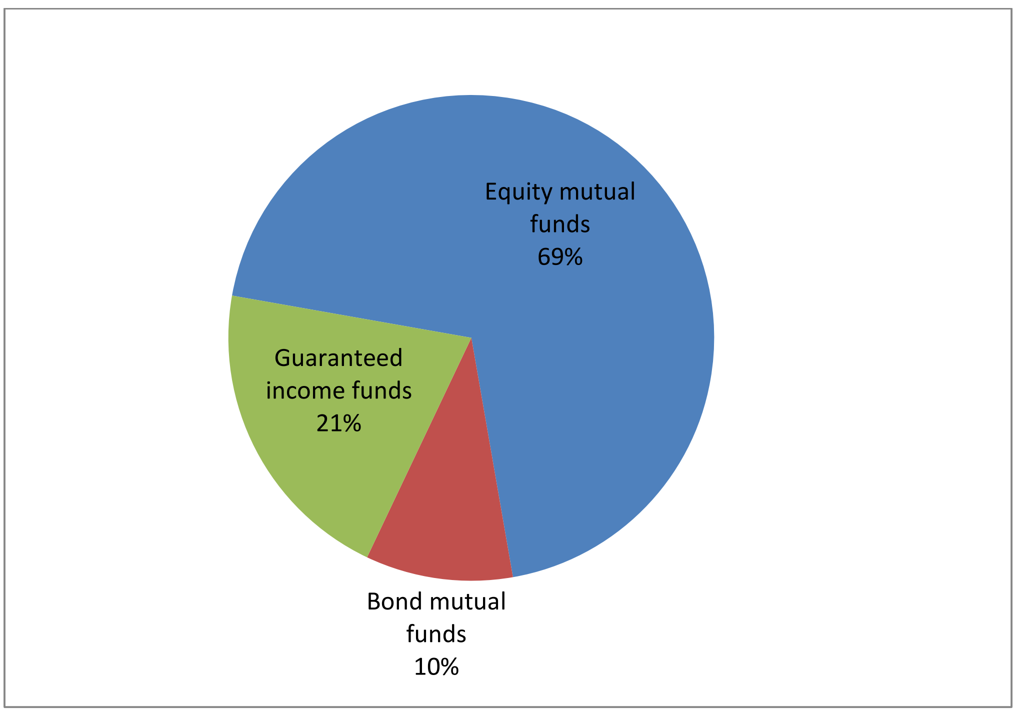
WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
INVESTMENT EXPENSES
For the Years Ended September 30, 2021 and 2020

	2021	2020
Professional Service		
Consultant Fees	$66,975	$97,337
Total Investment Expenses	**$66,975**	**$97,337**

WAYNE COUNTY EMPLOYEE'S RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
MARKET VALUE BY INVESTMENT TYPE
As of September 30, 2021

Investment Type	Market Value at 9/30/2021
Equity mutual funds	$ 337,651,047
Bond mutual funds	47,623,447
Guaranteed income funds	100,694,949
Total Investments	**$ 485,969,443**

WAYNE COUNTY EMPLOYEE'S RETIREMENT SYSTEM
DEFINED CONTRIBUTION PLAN
ASSET ALLOCATION BY INVESTMENT TYPE
As of September 30, 2021



WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
ADDITIONAL STATE OF MICHIGAN REQUIRED INFORMATION

Type of Plan	Open/Closed	Number of Active Members			Valuation Payroll		
		County	WCAA	Combined	County	WCAA	Combined
Defined Benefit	Open - County Closed - WCAA	1,688	240	1,928	$93,493,430	$21,904,359	$115,397,789
Defined Contribution	Open	966	364	1,330	$67,728,891	$30,269,951	$97,998,842
Totals		2,654	604	3,258	$161,222,321	$52,174,310	$213,396,631

Number of Retirees and Beneficiaries

County……………………………………………………………………………………4,369
WCAA*..…………………………………………………………………………………..298
Combined…………………………………………………………………..………………..4,667

Average Annual Retirement Allowance

County……………………………………………………………………………………$27,392
WCAA*...……………………………………………………………………………...…$38,146
Combined……………………………………………………………………..…………..…$28,079

Annual Retirement Allowances Being Paid

County……………………………...………………………………………………$119,676,349
WCAA*……………………………...………………………………………………$11,367,534
Combined………………………………………………………………………..………$131,043,883

Funding Level			
	County	WCAA	Combined
Actuarial Accrued Liabilities	$1,370,542,713	$186,963,987	$1,557,506,700
Actuarial Value of Assets	$896,348,199	$150,515,360	$1,046,863,559
Unfunded Actuarial Accrued Liabilities	$474,194,514	$36,448,627	$510,643,141
Funded Ratio	65%	81%	67%

*Includes only members that retired from WCAA after September 2002

Further information about the Retirement System can be found at www.wcers.org on the reporting tab, including Audited Financials, Annual Actuarial Valuation, Historical Plan Review and previous years' reports.