



# Summary Annual Report For the Plan Year Ending September 30, 2017

## Plan Information

### Retirement Commission (Fiduciaries)

Tina Turner, Chair  
Henry Wilson  
Francesco Simone  
Tom Yee  
Hugh Macdonald  
Elizabeth Misuraca  
Tony Saunders  
Gary Woronchak

### Financial Institutions

Bank of America  
JP Morgan Chase  
Northern Trust

### Auditor

George Johnson & Company

### Medical Director

Dr. Andrew Vosburgh, M.D.

### Investment Consultants

AndCo Consulting  
UBS Financial Services, Inc.

### Defined Contribution Record Keeper

Prudential Financial

### Actuary

Gabriel Roeder Smith & Company

### Custodian of Assets

Northern Trust

### Attorneys

Allen Brothers P.L.L.C.  
Kilpatrick and Associates P.C.  
Kirby McInerney L.L.P.  
Labaton Sucharow L.L.P.  
Miller Law P.C.  
Plunkett Cooney P.C.  
Robbins Geller Rudman and Dowd L.L.P.  
VanOverbeke, Michaud & Timmony P.C.  
Wayne County Corporation Counsel  
Zwerling, Schachter & Zwerling, L.L.P.

### Investment Managers

AEW Capital Management, L.P.  
Capital Dynamics, Inc  
Crescent Capital Group, L.P.  
Deroy & Devereaux  
Dune Real Estate Manager, L.L.C.  
Earnest Partners, L.L.C.  
Entrust Capital  
Fisher Investments Institutional Group  
Frankenmuth Real Estate  
HGK Asset Management Inc.  
Landmark Realty Advisors, L.L.C.

Lazard Asset Management, L.L.C.  
Lee Munder Capital Group  
Lightstone REIT  
Loomis, Sayles & Company  
Mesirov Financial Services, Inc  
Morgan Stanley Real Estate Advisor, Inc.  
Mt. Lucas Management Corp.  
MMA Capital Management, L.L.C.  
Northern Trust Investments  
Northpointe Capital, L.L.C.  
Providence/Benefit Street Partners, L.L.C.

Reinhart Partners  
Rizvi Traverse Management, L.L.C.  
Seizert Capital Partners, L.L.C.  
Seminole Advisory Services, L.L.C.  
SIT Investment Associates, Inc.  
Stepstone Group, L.P.  
Steward Capital Management  
TerraCap Management, L.L.C.  
Tortoise Capital Advisors, L.L.C.  
UBS Financial Services, Inc.  
Valstone Partners, L.L.C.  
World Asset Management

## Asset and Investment Information

**Assets: \$923,073,290**

**Liabilities: \$2,321,457**

### Changes in Plan Net Assets – 2017

<u>Additions:</u>	Contributions	
	Employer (County)	\$60,306,187
	Members (County)	\$8,831,917
	Employer (WCAA)	\$10,745,861
	Participants (WCAA)	<u>\$367,168</u>
	<b>Total Contributions</b>	<b>\$80,251,133</b>
	Net Investment Income	<u>\$102,026,371</u>
	<b>Total Additions</b>	<b>\$182,277,504</b>
<u>Deductions:</u>	Benefits Paid	\$139,888,098
	Administrative expenses	<u>\$2,676,532</u>
	<b>Total Deductions</b>	<b>\$142,564,630</b>
<u>Change in net position:</u>		\$39,712,874
<u>Net position restricted for pensions:</u>		
	Beginning of year	\$881,038,959
	End of year	\$920,751,833
<u>Actuarial Value of Assets:</u>		\$899,207,789

### **Average Annual Market Rate of Return - Net**

	<i>Ending 12/31/17</i>	<i>Ending 9/30/17 (fiscal)</i>
1 year	13.58%	11.78%
3 Years	7.90%	7.30%
5 Years	9.19%	8.78%
7 Years	7.44%	8.06%
10 Years	4.47%	4.00%

### **Detailed Expenses:**

Personnel Services	\$1,543,475
Building / Equipment	\$220,773
Professional Services	\$3,711,918
Travel	\$64,269
Miscellaneous	<u>\$292,743</u>
<b>Total</b>	<b>\$5,833,178</b>

### **Budget for 2018:**

Personnel Services	\$2,377,148
Building / Equipment	\$416,000
Professional Services	\$4,218,032
Travel	\$96,000
Miscellaneous	<u>\$519,720</u>
<b>Total</b>	<b>\$7,626,900</b>



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### Actuarial Information

#### Contributions for Fiscal Year Ending September 30, 2017

Valuation Payroll	
County	\$102,579,319
WCAA	\$29,022,520
Employer Normal Cost	
County	2.07%
WCAA	6.93%
Employee Contribution	
County	6.98%
WCAA	1.10%
Total Employer Contribution	
County	52.26%
WCAA	25.61%
Annual Required Contributions	
County	\$47,467,616
WCAA	\$6,082,195
Actual Employer Contributions	
County	\$57,430,334
WCAA	\$10,745,861
Percent of Payroll Contributed	
County	57.63%
WCAA	36.27%

#### Plan Membership

Active Members	
Count: County	3,204
WCAA	670
Payroll: County	\$180,549,254
WCAA	\$56,005,672
Retirees/Beneficiaries	
Count: County	4,923
WCAA*	215
Average Annual Benefit:	
County	\$25,588
WCAA*	\$40,215
Total Annual Benefit:	
County	\$125,968,082
WCAA	\$8,646,252
Deferred Vested Members	
Count: County	251
WCAA	12
Total Annual Benefits:	
County	\$2,557,332
WCAA	\$200,740

*\*Includes only members that retired from WCAA after September 2002*

#### Funded Status – Pension Benefits

	County	WCAA
Actuarial Accrued Liabilities	\$1,416,753,774	\$167,298,836
Actuarial Value of Assets	\$780,642,077	\$118,565,712
Percent Funded	55%	71%

#### Actuarial Assumptions

Assumed Rate of Investment Return:	7.25%	Amortization Method:	
Assumed Rate of Long-Term Wage Inflation:	3.00%	County	Level Percent of Payroll
Asset Valuation Method:	4-year smoothed market, 20% corridor	WCAA	Level Dollar
Weighted Average of Member Contributions:		Base UAAL Amortization Period:	18 years (closed)
County	6.98%	Actuarial Cost Method:	Entry Age Normal
WCAA	1.10%	Status of System Membership	
		Defined Benefit	Open
		Defined Contribution	Open