

CIRCUIT COURT COMMISSIONERS BAILIFFS DIVISION
WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM
FORTY-FIFTH ANNUAL ACTUARIAL VALUATION AND PROJECTION
OF FUND ACTIVITY
SEPTEMBER 30, 2008

September 15, 2009

The Retirement Commission
Wayne County Employees' Retirement System
Detroit, Michigan

The results of the **Forty-Fifth Annual Actuarial Valuation** of the actuarial liabilities associated with benefits provided by the Wayne County Employees' Retirement System for the Bailiffs of Wayne County Circuit Court Commissioners are presented in this report. Also included in the report are projections of fund activity to determine cash flow patterns and the potential effect of variations between actual and assumed experience.

The valuation and projections were based upon data, furnished by your Executive Director and his Staff, concerning individual bailiffs, retirees and financial data.

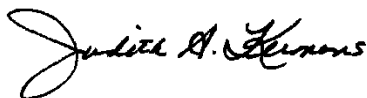
The date of the valuation and beginning of the projection period was September 30, 2008.

The report is divided into five sections:

- Section A: Projection of fund activity
- Section B: Results of the annual valuation
- Section C: Data submitted by the Retirement System
- Section D: Actuarial assumptions and methods
- Section E: Financial reporting

To the best of our knowledge, this report is complete and accurate and was made in accordance with standards of practice prescribed by the Actuarial Standards Board and in compliance with the Retirement System Ordinance. The actuarial assumptions used for the valuation produce results which, in the aggregate, are reasonable. The actuaries submitting this report are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,



Judith A. Kermans, EA, MAAA



Norman L. Jones, FSA, EA, MAAA

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SECTION A

PROJECTION OF FUND ACTIVITY

PURPOSE OF ACTUARIAL PROJECTIONS

Population and cash flow projections provide annual estimates of:

- i) Number of retirements.
- ii) Pension benefit payroll.
- iii) Number of active members and covered payroll.
- iv) Revenues and expenditures, including fee income, member contributions, contribution refunds, investment income, and benefit payout.
- v) System assets.

A particularly useful feature of actuarial projections (compared with actuarial valuations) is the ability to vary the group size (the Bailiffs Division is a closed group which will gradually diminish) and quantify, year by year, the effect of changes in variables such as investment income rates, volume of retirements, incidence of retirement, contribution levels, etc. The traditional actuarial valuation is a snapshot of the current condition. Year by year effects of variable changes are not produced.

Fee income is now more than sufficient to meet the recommended contribution level, but will dwindle as the present active members retire. Although unlikely, future shortfalls are possible, particularly if the actual investment return is substantially lower than the assumed return.

PROJECTIONS INCLUDED IN THIS REPORT

PROJECTION A

Projection A is based on the market value of assets and the same assumptions as used in the actuarial valuation (Section B). These assumptions are described in Section D. In particular:

- 1) Investment return is assumed to be 7% per year.
- 2) Member terminations for events other than death or retirement were set equal to zero.
- 3) Average final compensation of members will increase 3% annually.
- 4) Fee income will continue in proportion with the number of remaining active members.

PROJECTION B

Projection B is based on the same assumptions as Projection A, except that the market value rate of return was assumed to be 0% for the year ending September 30, 2009, and 2% for the year ending September 30, 2010. These differences illustrate the potential long-term effect of investment return below 7% per year, even during only a short time frame.

The recognized rate of return, net of administrative expenses, for the year ended September 30, 2008 was 3.6%. The corresponding market value rate of return was (27.2)%.

COMMENTS

Several years ago an inflation equity fund was established for the Bailiff Divisions. Each year, at the discretion of the Board, the product of (i) recognized investment return over 8.0% (or other threshold decided upon by the Retirement Board), and (ii) the actuarial present value of pensions is added to a reserve for inflation equity that may later be disbursed to retirees in the form of 13th check payments.

A 13th check was not paid to the Bailiffs in the last few years. In the previous few years, investment gains provided for an addition to the Inflation Equity fund. However since the return was less than 8.0% as of September 30, 2008, there was no addition to the Inflation Equity fund. If investment return averages 7% per year, but fluctuates between 4% and 10% (the 7% mean \pm 3%), recognized gains will occur in about half of the years. However, the portion of investment return available to finance base benefits would then fluctuate between 4% and 7% and therefore average less than 7%, since some of the investment return would be shared with retirees.

CASH FLOW PROJECTION A
7.0% NET INVESTMENT RETURN

Year	No. Active	Payroll	Beginning Assets	Contributions		Regular Benefits Pd.	Investment Return	Ending Assets
				Employer	Employee			
2008*	5.0	\$650,730	\$ 6,931,225	\$ 36,135	\$31,423	\$144,742	\$(1,895,842)	\$ 4,958,199
2009	0.0	0	4,958,199	0	0	328,426	335,579	4,965,352
2010	0.0	0	4,965,352	0	0	497,678	330,156	4,797,830
2011	0.0	0	4,797,830	0	0	468,431	319,453	4,648,852
2012	0.0	0	4,648,852	0	0	437,984	310,090	4,520,958
2013	0.0	0	4,520,958	0	0	406,636	302,235	4,416,557
2014	0.0	0	4,416,557	0	0	374,728	296,044	4,337,873
2015	0.0	0	4,337,873	0	0	342,645	291,659	4,286,887
2016	0.0	0	4,286,887	0	0	310,789	289,204	4,265,302
2017	0.0	0	4,265,302	0	0	279,544	288,787	4,274,545
2022	0.0	0	4,638,890	0	0	143,989	319,683	4,814,584
2027	0.0	0	5,862,894	0	0	58,667	408,349	6,212,576
2032	0.0	0	7,978,758	0	0	19,042	557,847	8,517,563
2037	0.0	0	11,115,102	0	0	5,297	777,872	11,887,677
2042	0.0	0	15,569,173	0	0	1,316	1,089,796	16,657,653
2047	0.0	0	21,831,644	0	0	293	1,528,205	23,359,556
2052	0.0	0	30,618,982	0	0	47	2,143,327	32,762,262
2057	0.0	0	42,944,559	0	0	5	3,006,119	45,950,673
2058	0.0	0	45,950,673	0	0	2	3,216,547	49,167,218

* Actual, based on market value of assets.

CASH FLOW PROJECTION B
MARKET VALUE RATE OF RETURN OF 0% IN 2009 AND 2% IN 2010

Year	No. Active	Payroll	Beginning Assets	Contributions		Regular Benefits Pd.	Investment Return	Ending Assets
				Employer	Employee			
2008*	5.0	\$650,730	\$6,931,225	\$36,135	\$31,423	\$144,742	\$(1,828,284)	\$ 4,958,199
2009	0.0	0	4,958,199	0	0	328,426	1,870	4,631,643
2010	0.0	0	4,631,643	0	0	497,678	87,678	4,221,643
2011	0.0	0	4,221,643	0	0	468,431	279,120	4,032,332
2012	0.0	0	4,032,332	0	0	437,984	266,934	3,861,282
2013	0.0	0	3,861,282	0	0	406,636	256,057	3,710,703
2014	0.0	0	3,710,703	0	0	374,728	246,634	3,582,609
2015	0.0	0	3,582,609	0	0	342,645	238,790	3,478,754
2016	0.0	0	3,478,754	0	0	310,789	232,635	3,400,600
2017	0.0	0	3,400,600	0	0	279,544	228,258	3,349,314
2022	0.0	0	3,426,100	0	0	143,989	234,787	3,516,898
2027	0.0	0	4,161,892	0	0	58,667	289,279	4,392,504
2032	0.0	0	5,593,015	0	0	19,042	390,845	5,964,818
2037	0.0	0	7,768,975	0	0	5,297	543,643	8,307,321
2042	0.0	0	10,876,057	0	0	1,316	761,278	11,636,019
2047	0.0	0	15,249,306	0	0	293	1,067,441	16,316,454
2052	0.0	0	21,386,912	0	0	47	1,497,082	22,883,947
2057	0.0	0	29,996,104	0	0	5	2,099,727	32,095,826
2058	0.0	0	32,095,826	0	0	2	2,246,708	34,342,532

* Actual, based on market value of assets.

COMMENTS

COMMENT A: Based on regular valuation assumptions (Projection A), the Circuit Court Bailiffs Division will remain solvent for 50 years. In fact, a considerable surplus develops by the end of the 50-year forecast. Under Projection B, the fund will also remain solvent for 50 years, but with a much smaller ending balance.

COMMENT B: The financial picture appears very stable. However, the future ability of the division to pay benefits without additional revenues is sensitive to actual experience over the next several decades. A relatively small change in the assumed rate of investment return makes a large difference in projected balances.

COMMENT C: Overall Plan experience for the year ended September 30, 2008 was favorable. This was mainly because no active members retired. However, investment experience was unfavorable. The recognition of gains and losses from this and prior years were phased in, resulting in a 3.6% rate of return on a Funding Value basis, which is lower than the assumed 7.0% (see page C-5). The market rate of return was (27.2)%, which means that substantial investment losses will be phased in over the next few years.

COMMENT D: The public-financed contribution requirement for the Circuit Court Commissioners Bailiffs Division of the Wayne County Employees' Retirement System has been computed to be \$0 for the year beginning October 1, 2008. This requirement is lower than the actual contributions during the 2008/2009 fiscal year of \$36,135. The current contribution sufficiency could be disrupted if one or more of the following occurred:

- 1) Investment return is substantially below the assumed rate of return for a sustained period.
- 2) Active Bailiff annual pays began to increase at a much greater rate than assumed.
- 3) Substantially all investment gains are paid out in 13th check payments.

SECTION B

RESULTS OF THE ANNUAL VALUATION

**COMPUTED PUBLIC-FINANCED CONTRIBUTIONS
EXCLUSIVE OF BAILIFFS CONTRIBUTIONS**

Public-Financed Contributions for	Computed Annual Contributions for Fiscal Year Beginning 10/1/2008
Normal Cost:	
Age and service pensions	\$42,027
Casualty pensions	3,420
Total normal cost	45,447
Unfunded Actuarial Accrued Liabilities (Fully funded)	(45,447)
Total Computed Contributions	\$NONE

**CIRCUIT COURT COMMISSIONERS BAILIFFS DIVISION
COMPARATIVE STATEMENT**

Valuation Date September 30+	Fiscal Year	Active Bailiffs		Retirees and Beneficiaries		Active Per Retired	Public-Financed Contributions	
		No.	Annual Pays@	No.	Annual Pensions		Computed	Actual
1985	'85-'86	11	\$ 696,216	6	\$ 43,635	1.8	\$ 60,115 #	\$ 61,271
1990	'90-'91	10	682,529	5	54,008	2.0	0	62,002
1995	'95-'96	9	808,644	6	87,321	1.5	0 #	64,425
1999	'99-'00	7	838,131	7	134,507	1.0	0	66,718
2000	'00-'01	6	714,125	8	179,050	0.8	0	61,159
2001	'01-'02	6	714,125	7	174,678	0.9	0	68,063
2002	'02-'03	6	714,125	6	144,740	1.0	0	63,133
2003	'03-'04	6	714,125	6	144,742	1.0	0	44,023
2004	'04-'05	6	714,125	6	144,742	1.0	0	28,850
2005	'05-'06	5	600,321	6	144,742	0.8	0 #	50,441
2006	'06-'07	5	600,321	6	144,742	0.8	0	38,117
2007	'07-'08	5	700,300	6	144,742	0.8	0	36,135
2008	'08-'09	5	650,730	6	144,742	0.8	0	N/A

+ November valuation date prior to 1998.

Revised actuarial assumptions and/or methods.

@ In 1985 through 2006, estimated average final compensation is shown instead of reported annual pay.

**ACTUARIAL ACCRUED LIABILITIES AND RESERVE BALANCES
COMPARATIVE STATEMENT**

Valuation Date September 30@	Actuarial Accrued Liabilities (AAL)	Applied Reserve Balances	Unfunded AAL	Ratio of Reserve Balances to AAL
1986#	\$1,293,239	\$1,394,933	\$(101,694)	107.9 %
1987	1,383,748	1,587,177	(203,429)	114.7 %
1988+	1,580,781	1,790,605	(209,824)	113.3 %
1989	1,634,473	1,992,759	(358,286)	121.9 %
1990	1,772,509	2,183,563	(411,054)	123.2 %
1991#	1,786,273	2,293,329	(507,056)	128.4 %
1992	1,946,587	2,474,379	(527,792)	127.1 %
1993	2,163,646	2,707,184	(543,538)	125.1 %
1994	2,341,006	2,894,773	(553,767)	123.7 %
1995#	2,922,911	3,113,506	(190,595)	106.5 %
1996	3,216,948	3,359,397	(142,449)	104.4 %
1997	3,408,809	3,616,737	(207,928)	106.1 %
1998	3,454,538	3,852,227	(397,689)	111.5 %
1999	3,730,418	4,096,555	(366,137)	109.8 %
2000	3,788,833	4,323,921	(535,088)	114.1 %
2001	3,788,652	4,390,571	(601,919)	115.9 %
2002	3,527,492	4,366,518	(839,026)	123.8 %
2003	3,556,522	4,403,045	(846,523)	123.8 %
2004	3,583,641	4,437,440	(853,799)	123.8 %
2005#	3,313,863	4,660,906	(1,347,043)	140.6 %
2006	3,278,490	5,056,487	(1,777,997)	154.2 %
2007	3,613,961	5,626,241	(2,012,280)	155.7 %
2008	3,366,833	5,859,443	(2,492,610)	174.0 %

@ November valuation date prior to 1998.
Revised actuarial assumptions and/or methods.
+ Reflects 2% benefit formula.

ACTUARIAL LIABILITIES SEPTEMBER 30, 2008

Present Value, September 30, 2008, of	Actuarial Liabilities		
	Bailiff- Financed	Public- Financed	Totals
Accrued portions of pensions likely to be paid present Bailiffs, based upon service rendered prior to October 1, 2008	\$1,648,046	\$832,153	\$2,480,199
Expected future refunds of members' contributions made prior to October 1, 2008	0		0
Total member accrued liabilities	1,648,046	832,153	2,480,199
Pensions being paid retirees and beneficiaries			886,634
Total Actuarial Accrued Liabilities			\$3,366,833
Prospective portions of age and service pensions likely to be paid present Bailiffs, based upon service to be rendered after September 30, 2008	\$ 16,062	\$ 28,596	\$ 44,658

RECOMMENDATIONS

RECOMMENDATION A: A transfer between the Reserve for Defined Benefit Employer Contributions and the Reserve for Undistributed Investment Income and Administrative Expense is required in order for the latter reserve to equal 5% of the sum of the balances in the Reserve for Accumulated Member Contributions, Reserve for Defined Benefit Employer Contributions, and the Reserve for Pension Payments (\$236,105). The actuarial valuation was based on the assumption that such a transfer was completed.

RECOMMENDATION B: We recommend a transfer of \$108,107 from the Reserve for Defined Benefit Employer Contributions to the Reserve for Pension Payments in order to make the latter reserve exactly 100% funded on the valuation date. The actuarial valuation was based on the assumption that such a transfer would be made.

RECOMMENDATION C: As shown on page B-2, the ratio of System assets to actuarial accrued liabilities is now 174%. In the absence of sustained poor experience, this ratio is likely to remain over 100% as the System continues to wind down. We recommend that a study be undertaken to (i) determine ways to maintain a closer balance between assets and liabilities without materially increasing the risk of a funding shortfall, and (ii) work with the Retirement System to determine the final disposition of assets after there are no remaining participants.

SECTION C

DATA SUBMITTED BY THE RETIREMENT SYSTEM

BRIEF SUMMARY OF BENEFIT PROVISIONS
(SEPTEMBER 30, 2008)

Regular Retirement (no reduction factor for age):

Eligibility - Age 50 with 25 years of service or age 60 with 5 years of service.

Mandatory Retirement Age - None.

Annual Amount - Total service times 2.0% of average final compensation (AFC).
Maximum County-financed portion is 75% of AFC.

Type of Average Final Compensation - Highest 5 years of service.

Deferred Retirement (vested benefit):

Eligibility - 8 years of service. Benefit begins at age 60.

Annual Amount - Computed as regular retirement but based upon service and AFC at
time of termination.

Duty Disability Retirement:

Eligibility - No age or service requirements.

Annual Amount - Computed as regular retirement with additional service credit
granted from date of retirement to age 60. Minimum benefit is the smaller of \$4,800 or
3/4 of AFC. Worker's compensation payments are offset.

Non-Duty Disability Retirement:

Eligibility - 10 years of service.

Annual Amount - Computed as regular retirement.

BRIEF SUMMARY OF BENEFIT PROVISIONS (SEPTEMBER 30, 2008)

Duty Death Before Retirement:

Eligibility - No age or service requirements.

Annual Amount - Benefit to the spouse is computed as a regular retirement but actuarially reduced in accordance with a 100% joint and survivor election. Additional service credit is granted from date of death to date the deceased member would have attained 60 years of age. If there is no eligible spouse, unmarried children under 18 receive equal shares of 50% of regular retirement benefit. Spouse's benefit shall not be less than the lesser of \$4,800, or 3/4 of AFC. Worker's compensation payments are offset.

Non-Duty Death Before Retirement:

Eligibility - 10 years of service.

Annual Amount - Benefit to the spouse is computed as a regular retirement but actuarially reduced in accordance with a 100% joint and survivor election. If there is no eligible spouse, unmarried children under 18 receive equal shares of 50% of regular retirement benefit.

Member Contributions:

3.0% of the first \$4,200 of annual compensation plus 5.0% of annual compensation in excess of \$4,200.

Post-Retirement Cost-of-Living Adjustments:

Eligible for distributions from Reserve for Inflation Equity.

DERIVATION OF RESERVE FOR INFLATION EQUITY

	September 30	
	2008	2007
Rate of investment return		
(1) Actual return on funding value of assets	3.60 %	13.90 %
(2) Threshold return	8.00 %	8.00 %
(3) Excess, if any, of (1) over (2)	-	5.90 %
Actuarial present value of pensions		
(4) Total	\$886,634	\$923,269
Addition to reserve - current year		
(5) line (3) times line (4)	0	54,473
Reserve balance - start of year	78,357	23,884
Disbursements during year	0	0
Current year addition	0	54,473
Reserve balance - end of year	\$ 78,357	\$ 78,357

The reserve balances of the Circuit Court Commissioners Bailiffs Division, as of September 30, 2008, were reported to total \$5,036,556 distributed as follows, after year-end interest credits, transfers to exactly fully fund the Reserve for Pension Payments and setting the Reserve for Undistributed Investment Income and Expense equal to 5% of the other reserves (see recommendations on page B-4):

Reserves for	Reserve Balances	
	September 30, 2008	September 30, 2007
Accumulated Member Contributions	\$1,648,046	\$1,566,416
Defined Benefit Employer Contributions	2,187,414	4,111,482
Pension Payments	886,634	923,269
Undist. Investment Income & Expense	236,105	330,058
Inflation Equity	78,357	78,357
Totals	\$5,036,556	\$7,009,582

In financing the actuarial accrued liabilities, the reserve balances of \$5,036,556 were distributed as follows:

Reserves for	Reserve Balances Applied to *			
	Active Member Liabilities	Retiree and Beneficiary Liabilities	Contingency Reserves	Totals
Accumulated Member Contributions	\$1,648,046	\$	\$	\$1,648,046
Defined Benefit Employer Contributions	2,187,414		78,357	2,265,771
Pension Payments		886,634		886,634
Undist. Investment Income & Expenses			236,105	236,105
Totals	\$3,835,460	\$886,634	\$314,462	\$5,036,556

* Based on Market Value.

DEVELOPMENT OF FUNDING VALUE OF ASSETS

Year Ended September 30	2006	2007	2008	2009	2010	2011
A. Funding Value Beginning of Year	\$4,907,150	\$5,346,196	\$6,034,656			
B. Market Value End of Year	5,606,215	7,009,582	5,036,556			
C. Market Value Beginning of Year	5,077,569	5,606,215	7,009,582			
D. Non-Investment Net Cash Flow	(47,092)	(50,789)	(77,184)			
E. Investment Income						
E1. Market Total: B-C-D	575,738	1,454,156	(1,895,842)			
E2. Amount for Immediate Recognition (7.0%)	341,852	372,456	419,724			
E3. Amount for Phased-In Recognition: E1-E2	233,886	1,081,700	(2,315,566)			
F. Phased-In Recognition of Investment Return						
F1. Current Year: 0.25 x E3	58,472	270,425	(578,892)			
F2. First Prior Year	46,704	58,472	270,425	\$ (578,892)		
F3. Second Prior Year	(8,808)	46,704	58,472	270,425	\$ (578,892)	
F4. Third Prior Year	47,918	(8,808)	46,704	58,474	270,425	\$ (578,889)
F5. Total Recognized Investment Gain	144,286	366,793	(203,291)	(249,993)	(308,467)	(578,889)
G. Funding Value End of Year: A+D+E2+F5	5,346,196	6,034,656	6,173,905			
H. Difference between Market & Funding Value	260,019	974,926	(1,137,349)	(887,356)	(578,889)	0
I. Recognized Rate of Return	10.0%	13.9%	3.6%			
J. Market Value Rate of Return	11.4%	26.1%	(27.2)%			

The Funding Value of Assets recognizes assumed investment return (line E2) fully each year. Differences between actual and assumed investment return (line E3) are phased-in over a closed 4-year period. During periods when investment performance exceeds the assumed rate, Funding Value of Assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, Funding Value of Assets will tend to be greater than market value. The Funding Value of Assets is *unbiased* with respect to Market Value. At any time it may be either greater or less than Market Value. If assumed rates are exactly realized for three consecutive years, it will become equal to Market Value.

**RETIREES ADDED TO AND REMOVED FROM ROLLS
COMPARATIVE STATEMENT**

Year Ended Sep. 30+	Added to Rolls		Removed from Rolls		Net Increase		Rolls End of Year	
	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions
1976							2	\$ 6,298.92
1977							2	6,298.92
1978							2	6,298.92
1979	1	\$ 13,007.40			1	\$ 13,007.40	3	19,306.32
1980	2	13,704.72			2	13,704.72	5	33,011.04
1981	2	11,810.28	1	\$ 1,395.96	1	10,414.32	6	43,425.36
1982			1	11,021.04	(1)	(11,021.04)	5	32,404.32
1983							5	32,404.32
1984							5	32,404.32
1985	1	11,230.56			1	11,230.56	6	43,634.88
1986							6	43,634.88
1987			1	698.04	(1)	(698.04)	5	42,936.84
1988							5	42,936.84
1989	2	33,720.84	2	22,649.76		11,071.08	5	54,007.92
1990							5	54,007.92
1991	2	52,443.48	1	20,622.24	1	31,821.24	6	85,829.16
1992							6	85,829.16
1993		1,440.12 #				1,440.12	6	87,269.28
1994		51.60 #				51.60	6	87,320.88
1995							6	87,320.88
1996			1	4,902.96	(1)	(4,902.96)	5	82,417.92
1997	1	30,118.00		34.68 #	1	30,083.32	6	112,501.24
1998	1	22,006.68			1	22,006.68	7	134,507.92
1999		0.44 #				0.44	7	134,508.36
2000	1	44,541.96			1	44,541.96	8	179,050.32
2001			1	4,372.20	(1)	(4,372.20)	7	174,678.12
2002		180.00 #	1	30,118.44	(1)	(29,938.44)	6	144,739.68
2003		2.76 #				2.76	6	144,742.44
2004							6	144,742.44
2005							6	144,742.44
2006							6	144,742.44
2007							6	144,742.44
2008							6	144,742.44

Adjustments.

+ November valuation date prior to 1998.

RETIREES - SEPTEMBER 30, 2008
TABULATED BY TYPE OF PENSIONS BEING PAID

Type of Allowances	Number	Annual Allowances
Age and Service Pensions		
Regular - life of member	2	\$ 55,789
Option 2 - 100% joint & survivor	1	32,353
Survivor beneficiary	3	56,600
Casualty Pensions	0	0
Totals	6	\$144,742

RETIREES AND BENEFICIARIES - SEPTEMBER 30, 2008
TABULATED BY ATTAINED AGE

Attained Ages	No.	Annual Pensions
65	1	\$ 20,657
77	1	22,155
81	1	44,542
84	1	13,788
89	1	32,353
93	1	11,247
Totals	6	\$144,742

Average Age at Retirement: 71.6 years
Average Age Now: 82.1 years

ACTIVE MEMBERS - SEPTEMBER 30, 2008
BY ATTAINED AGE AND YEARS OF SERVICE

Attained Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
72						1		1	\$131,244
73						1		1	121,511
77						1		1	136,746
78						1		1	126,225
79 & Up						1		1	135,004
Totals						5		5	\$650,730

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 76.1 years
Service: 28.7 years
Annual Pay: \$130,146

SECTION D

ACTUARIAL ASSUMPTIONS AND METHODS

INVESTMENT INCOME & MORTALITY ASSUMPTIONS

The actuarial assumptions regarding the INFLATION rate and the REAL INVESTMENT RETURN rate are used in combination with the other assumptions to (i) project year by year investment income and (ii) determine the present value of amounts expected to be paid in the future.

Assumed Rate of Investment Return. 7% per year, net after administrative and investment expenses.

The mortality table used to measure post-retirement mortality was the RP-2000 Mortality Table.

The assumption is used to measure the probabilities of members dying before retirement and the probabilities of each retirement allowance payment being made after retirement.

Sample Attained Ages	Single Life Retirement Values			
	Present Value of \$1 Monthly for Life		Future Life Expectancy (years)	
	Men	Women	Men	Women
45	\$155.95	\$159.14	35.51	38.35
50	148.88	153.00	30.80	33.59
55	139.65	144.94	26.18	28.91
60	128.17	134.76	21.74	24.38
65	114.66	122.67	17.61	20.12
70	99.62	108.97	13.88	16.23
75	83.30	93.94	10.57	12.74
80	66.63	77.98	7.75	9.68
Ref:	506 x 1.00	507 x 1.00		

EXPERIENCE ASSUMPTIONS (OTHER THAN INVESTMENT & MORTALITY)

Rates of Separation from Active Employment Before Retirement: None.

SAMPLE PAY ADJUSTMENT FACTORS USED TO PROJECT CURRENT PAYS

Sample Ages	Percent Increase in Pay During Next Year
20	3.0%
25	3.0%
30	3.0%
35	3.0%
40	3.0%
45	3.0%
50	3.0%
55	3.0%
60	3.0%
Ref	1 + 3%

Probabilities of retirement for members eligible to retire were:

Retirement Ages	Percent of Active Members Retiring Within Next Year
50	5%
51	5%
52	5%
53	5%
54	5%
55	5%
56	5%
57	5%
58	5%
59	5%
60	5%
61	5%
62	30%
63	10%
64	10%
65	60%
66	30%
67	40%
68	50%
69	90%
70	100%
Ref	568

A member was assumed to be eligible for retirement after attaining age 50 with 25 years of service or after attaining age 60 with 5 or more years of service.

The actuarial valuation method used was the entry age normal cost method.

SECTION E

FINANCIAL REPORTING

STATEMENT OF MARKET VALUE OF PLAN NET ASSETS

	September 30, 2008	September 30, 2007
Assets		
Cash and short-term investments	\$ 214,946	\$ 296,450
Other: Demand Obligations	137,520	115,929
Other: Due from other Wayne County Funds	0	0
Receivables		
Accrued interest & contributions rec.	593	2,058
Other receivables	0	0
Investments		
U.S. Government Bonds	53,168	61,806
Stock Mutual Funds	4,595,075	6,498,473
Common Stocks	0	0
Foreign Government Bonds	35,254	34,866
Mortgages	0	0
	\$4,683,497	\$6,595,145
Total Assets	5,036,556	7,009,582
Liabilities		
Payables	0	0
Net Assets held in trust for pension benefits (A schedule of funding progress for the plan is presented on page E-5).	\$5,036,556	\$7,009,582

STATEMENT OF CHANGES IN MARKET VALUE OF PLAN NET ASSETS

	Reconciliation	
	September 30, 2008	September 30, 2007
Additions		
Contributions		
Employer	\$ 36,135	\$ 38,117
Plan members	31,423	33,682
Total contributions	\$ 67,558	\$ 71,799
Investment Income	(1,868,623)	1,466,706
Total additions	(1,801,065)	1,538,505
Deductions		
Benefits	144,742	122,588
Refunds of contributions	0	0
Expenses	27,219	12,550
Total deductions	171,961	135,138
Net Increase	(1,973,026)	1,403,367
Net assets held in trust for pension benefits		
Beginning of year	\$7,009,582	\$5,606,215
End of year	\$5,036,556	\$7,009,582

Plan Description. The Wayne County – Circuit Court Commissioners Bailiffs Division is a single-employer defined benefit pension plan that covers Circuit Court Bailiffs of Wayne County.

The plan provides retirement, disability, and death benefits to plan members and their beneficiaries.

Contributions. Plan members’ contributions are in accordance with the information on page C-2.

The employer’s funding policy provides for periodic employer contributions based upon a *fundamental financial objective of having rates of contribution which remain relatively level from generation to generation of Wayne County citizens*. To determine the employer contribution rates and to assess the extent to which the fundamental financial objective is being achieved, the System has actuarial valuations prepared annually. In preparing those valuations, the entry age actuarial cost method is used to determine normal cost and actuarial accrued liabilities.

Unfunded actuarial accrued liabilities, if any, are amortized by level percent-of-payroll contributions over a period not to exceed 30 years. The full funding credit is currently more than sufficient to offset the computed normal cost.

On the basis of the September 30, 2008 actuarial valuation, the employer rates were determined to be as follows:

Contributions for	Dollar Amount
Normal Cost	\$45,447
Accrued Liabilities	(45,447)
Total Employer Rate	\$ 0

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
(DOLLAR AMOUNTS IN THOUSANDS)

Valuation Date September 30@	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b)-(a)]/(c)
1990	\$2,184	\$1,773	\$ (411)	123.2%	\$683	-
1991#	2,293	1,786	(507)	128.4%	644	-
1992	2,474	1,947	(527)	127.1%	672	-
1993	2,707	2,164	(543)	125.1%	706	-
1994	2,895	2,341	(554)	123.7%	744	-
1995#	3,114	2,923	(191)	106.5%	808	-
1996	3,359	3,217	(142)	104.4%	889	-
1997	3,617	3,409	(208)	106.1%	827	-
1998	3,854	3,455	(399)	111.5%	768	-
1999	4,097	3,730	(367)	109.8%	838	-
2000	4,324	3,789	(535)	114.1%	714	-
2001	4,391	3,789	(602)	115.9%	714	-
2002	4,367	3,527	(840)	123.8%	714	-
2003	4,403	3,557	(846)	123.8%	714	-
2004	4,437	3,584	(853)	123.8%	714	-
2005#	4,661	3,314	(1,347)	140.6%	600	-
2006	5,056	3,278	(1,778)	154.2%	600	-
2007	5,626	3,614	(2,012)	155.7%	700	-
2008	5,859	3,367	(2,492)	174.0%	651	-

After changes in actuarial assumptions.

@ Valuation date of November 30, prior to 1998.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending September 30@	Annual@ Required Contribution	Actual Contributions	Percent Contributed
1990	\$0	\$45,129	-
1991#	0	62,002	-
1992	0	66,721	-
1993	0	62,881	-
1994	0	71,222	-
1995#	0	71,809	-
1996	0	64,425	-
1997	0	72,675	-
1998	0	42,051	-
1999	0	71,046	-
2000	0	66,718	-
2001	0	61,159	-
2002	0	68,063	-
2003	0	63,133	-
2004	0	44,023	-
2005#	0	28,850	-
2006	0	50,441	-
2007	0	38,117	-
2008	0	36,135	-

After changes in actuarial assumptions.

@ Valuation date of November 30, prior to 1998.

This information is presented in draft form for review by the Plan's auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the Plan's financial statements.

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	September 30, 2008
Actuarial cost method	Entry age actuarial cost method
Amortization method	Level percent of pay
Remaining amortization period	Fully funded
Asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return*	7.0%
Projected salary increases*	3.0%
Cost-of-living adjustments	Inflation Equity Reserve distributions

* Includes inflation at	3.0%
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MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

Marriage Assumption:	100% of members are assumed to be married for purposes of valuing death-in-service benefits. Male spouses are assumed to be three years older than female spouses.
Pay Increase Timing:	Beginning of (fiscal) year.
Decrement Timing:	All decrements are assumed to occur mid-year.
Eligibility Testing:	Eligibility for benefits is determined based upon the age nearest birthday and exact fractional service on the date the decrement is assumed to occur.
Benefit Service:	Exact fractional service is used to determine the amount of benefit payable.
Decrement Relativity:	Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.
Adjustments:	The calculated Normal Cost and Accrued Liability for age and service benefits were increased by 5% to account for potential lump sums included in AFC.
Other:	Disability and withdrawal decrements do not operate after member reaches retirement eligibility.

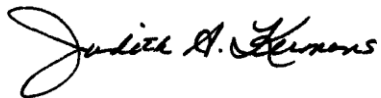
September 15, 2009

Mr. Ronald Yee
Executive Director
Wayne County Employees' Retirement System
28 W. Adams, Suite 1900
Detroit, Michigan 48226

Dear Ron:

Enclosed please find 35 copies of the report of the Forty-Fifth Annual Actuarial Valuation and Projection of Fund Activity, as of September 30, 2008, of the Circuit Court Commissioners Bailiffs Division of the Wayne County Employees' Retirement System.

Sincerely,

A handwritten signature in black ink, reading "Judith A. Kermans". The signature is written in a cursive style with a large, looping initial "J".

Judith A. Kermans

JAK:sac
Enclosures