

**KENT COUNTY EMPLOYEES' RETIREMENT PLAN**  
**SUMMARY ANNUAL REPORT**  
**Required by MCL 38.1140h(6)**  
**December 31, 2020**

a) Name of System (Pension Plan): **Kent County Employees' Retirement Plan**

b) Investment Fiduciaries: **Board of Trustees, Kent County Employees' Retirement Plan**  
**Bill Walker, Citizen and Chairman**  
**Kevin Bramble, Participant**  
**Jim Laramy, Citizen**  
**Stan Ponstein, Commissioner**  
**Lindsey Thiel, Commissioner**  
**Adam Waskelis, Participant and Vice Chairman**  
**Matt Woolford, Participant**

c) Service Providers:

**Asset Consulting Group, Inc.**  
**Blackrock**  
**Brandes Investment Partners LP**  
**Brandywine Global Investment Management, LLC**  
**Eanest Partners**  
**JP Morgan Investment Management, Inc**

**Loomis Sayles & Company**  
**Mondrian Investment Group**  
**Northern Trust Company**  
**Victory Capital Management, Inc**  
**Wells Capital Management, Inc**  
**William Blair & Company**

**Beene Garter**  
**Cohen Milstein Sellers & Toll PLLC**  
**Gabriel Roeder Smith & Co**

**Miller Johnson**  
**Rehmann Robson**

d) Assets and Liabilities:

<b>Assets:</b>	<b>Valuation Basis -</b>	<b>\$978,021,904</b>
	<b>Market Value -</b>	<b>\$1,031,217,515</b>
<b>Actuarial Accrued Liabilities:</b>		<b>\$980,510,456</b>

## Statement of Fiduciary Net Position

December 31, 2020

### Assets

#### Receivables:

Accrued interest receivable	\$ 689,663	
Contributions receivable	1,210,481	
Due from brokers	<u>847,787</u>	
Total receivables		\$ 2,747,931

#### Investments, at fair value:

U.S. government obligations	34,940,815	
U.S. government agency obligations	489,730	
Municipal obligations	659,845	
Corporate obligations	42,776,427	
Common stock	433,494,153	
Foreign obligations	10,652,282	
Foreign common stock	4,096,689	
Money market funds	21,868,992	
International equity mutual funds	196,311,629	
International fixed income mutual funds	147,842,935	
Real estate and infrastructure securities	70,304,162	
Asset-backed securities	10,125,368	
Mortgage-backed securities fund	<u>61,228,703</u>	
Total investments		<u>1,034,791,730</u>

### Total assets

1,037,539,661

### Liabilities

Accounts payable	775,942	
Due to brokers	<u>5,546,204</u>	

### Total liabilities

6,322,146

### Net position restricted for pension benefits

\$ 1,031,217,515

## Statement of Changes in Fiduciary Net Position

For the Year Ended December 31, 2020

### Additions

#### Contributions:

Employer	\$ 12,005,262	
Employee	<u>10,603,354</u>	
Total contributions		\$ 22,608,616

#### Investment earnings:

Net appreciation in fair value of securities	94,794,628	
Interest	62,131	
Dividends	<u>11,730,050</u>	
Total investment income	106,586,809	
Investment expense	<u>(3,194,878)</u>	
Net investment earnings		<u>103,391,931</u>

### Total additions

126,000,547

### Deductions

Benefit payments	45,596,530	
Administrative expenses	672,716	
Refunds of contributions	<u>423,931</u>	

### Total deductions

46,693,177

### Change in net position

79,307,370

Net position, beginning of year

951,910,145

### Net position, end of year

\$ 1,031,217,515

e) Funded Ratio:

**Valuation Basis: 99.7 %**  
**Market Value: 105.2%**

f) Investment Performance (net of fees):

<b>December 31, 2020</b>	<b>1 Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>7Yr</b>	<b>10Yr</b>
	<b>11.19%</b>	<b>7.69%</b>	<b>9.37%</b>	<b>7.49%</b>	<b>8.51%</b>

g) System Administrative and Investment Expenditures:

<b>Investment</b>	<b>Administrative</b>	<b>BoT Education</b>	<b>TOTAL</b>
<b>\$3,194,878</b>	<b>\$672,716</b>	<b>\$0</b>	<b>\$3,867,594</b>

h) Forecasted Expenditures for Year End 2021:

<b>Investment Management</b>	<b>\$3,500,000<sup>1</sup></b>
<b>Investment Consulting</b>	<b>190,000<sup>1</sup></b>
<b>Actuarial Services</b>	<b>60,000</b>
<b>Legal Services</b>	<b>30,000<sup>2</sup></b>
<b>Custodial Services</b>	<b>175,000<sup>1</sup></b>
<b>Recordkeeping Services</b>	<b>18,000</b>
<b>Accounting</b>	<b>13,000</b>
<b>Salaries and Benefits</b>	<b>230,000</b>
<b>Professional Training and Travel</b>	<b>84,000<sup>3</sup></b>
<b>Fiduciary Liability Insurance</b>	<b>26,000</b>
<b>Administrative Services</b>	<b>35,000</b>
<b>Equipment</b>	<b>5,000</b>
<b>Total</b>	<b>\$4,366,500</b>

<sup>1</sup>Fluctuates with market value of plan assets

<sup>2</sup>Needs vary from year to year

<sup>3</sup>Maximum allowance

i) Annual Actuarial Valuation Data:

Active Members .....	1,585
Retirees & Beneficiaries .....	1,560
Average Annual Retirement Allowance .....	\$29,755
Total Annual Retirement Allowances .....	\$46,417,588
Valuation Payroll .....	\$104,840,613
Employer's Computed Normal Cost .....	8.65%
Employer's Total Contribution Rate .....	8.82%
Weighted Average Member Contribution Rate .....	9.66%
Actuarial Assumed Rate of Return .....	6.75%
Actuarial Assumed Rate of Wage Inflation .....	3.50%
Smoothing Method .....	4 Year
Amortization Period .....	18 Years – Closed
Actuarial Cost Method .....	Individual Entry Age
System Membership .....	Open to Eligible Positions

j) System Contributions:

Based on review and analysis of the Plan by the actuary, the contribution required to be made in 2020 by the employer was 12,005,262 in addition to contributions of \$10,603,354 from plan participants.

The Plan has received the required contribution set forth above for 2020.

Board of Trustees,  
Kent County Employees' Retirement Plan  
August 2021