

Mendocino County Employees' Retirement Association

**Report on the
Actuarial Valuation
as of June 30, 2009**



1801 Century Park East, Suite 500
Los Angeles, CA 90067



January 20, 2010

Board of Retirement
Mendocino County
Employees' Retirement Association
625 B, Kings Court
Ukiah, CA 95482

We are pleased to present our report on the actuarial valuation of the Mendocino County Employees' Retirement Association as of June 30, 2009. The actuarial valuation is based on audited financial information and member data provided by the Retirement Association and summarized in this report.

All costs, liabilities and other factors used for the valuation were determined in accordance with generally accepted actuarial principles and procedures using an actuarial cost method that we believe are reasonable. This report fully and fairly discloses the actuarial position of the Association.

In our opinion, the actuarial assumptions used are reasonable, taking into account the experience of the Association and reasonable expectations, and represent our best estimate of the anticipated experience under the Association. A summary of the actuarial assumptions and methods used in this actuarial valuation is shown in Section VI.

We are members of the American Academy of Actuaries and meet the Academy's qualification standards to issue the statement of actuarial opinion.

We look forward to discussing this report with the Board and wish to express our appreciation for the invaluable cooperation extended to us by the Retirement Staff during the course of this study.

Respectfully submitted,

Harold A. Loeb, A.S.A., E.A., M.A.A.A.
Principal and Consulting Actuary

Paul Obedencio, E.A., M.A.A.A.
Senior Consultant

Table of Contents

<u>Section</u>	<u>Page</u>
I EXECUTIVE SUMMARY	1
II STATISTICAL HIGHLIGHTS	6
III SUMMARY OF ACTUARIAL ASSUMPTIONS	8
Noneconomic Assumptions	8
Economic Assumptions.....	15
IV CONTRIBUTION RATES.....	18
Member Contribution Rates	19
Employer Contribution Rates	21
Recommendations	22
V ASSETS AND LIABILITIES.....	24
Actuarial Value of Assets	24
Actuarial Balance Sheet.....	25
Funding Ratio - GASB 25.....	27
VI APPENDIX.....	28
Schedule 1 - Summary of Actuarial Assumptions	29
Schedule 2 - Summary of Major Plan Provisions	30
Schedule 3 - Age and Service Distributions.....	32
Schedule 4 - Summary of Annual Retirement Allowances.....	40
Schedule 5 - Members' Contribution Rates.....	42
Schedule 6 - Probabilities of Separation from Active Service	48
Schedule 7 - Years of Life Expectancy	53
Schedule 8 - Glossary of Terms.....	56
Schedule 9 - Ratio of Compensation	58
Schedule 10 – Asset Statement (Market Value)	59

Section I: Executive Summary

We have been commissioned by the Retirement Board to perform an actuarial valuation of the retirement system as of June 30, 2009, using the statistical information available for the active, inactive and retired membership, and the financial statements as of June 30, 2009.

The results presented herein are based upon the unaudited data supplied by the Retirement Office and the benefits for General Tier 1, Tier 2, and Tier 3, and Safety Tier 1 and Tier 2 members under Sections 31676.11, 31676.1 and 31664, of the County Employees Retirement Law of 1937.

Effective July 2009, the contribution rates reflect the change in the funding agreement with the County Board of Supervisors. Previously, the County was required to amortize the portion of the Unfunded Actuarial Accrued Liability (UAAL) that was in excess of the target balance. Presently, the County is required to amortize the UAAL over a 30 year period. Furthermore, in determining the Actuarial Value of Assets, the corridor limit around Market Value of Assets was expanded from 20% to 25%.

A brief summary of the results of our valuation is presented below. More comprehensive information on each topic is presented in the relevant section of the report.

Section II - Statistical Highlights

Total Association membership increased in 2009 to 2,789 from 2,783 in 2008. Active membership decreased by 2.94 and total covered payroll increased by 1.9%. The number of retired members increased by 4.8%, and the pension benefits paid to retired members increased by 7.4%.

Section III - Summary of Actuarial Assumptions

A triennial experience study was conducted coincident with the June 30, 2008 valuation. At that time, we analyzed the data for the previous three years regarding service retirements, deaths, disabilities and terminations of employment and compared the number of actual terminations to the incidence expected using the then current actuarial assumptions. Where the results differed materially, we modified the assumptions. We will continue to use these revised actuarial assumptions until the next experience analysis, which is due to be performed at the time of the June 30, 2011 actuarial study.

As part of that study, we reviewed the investment return and salary increase assumptions. No changes to these assumptions were made at that time.

A summary of the actuarial assumptions used in this year's valuation is presented in Schedule 1 of the Appendix. Details can be found in Schedule 6.

Section IV - Contribution Rates

A comparison between the current contribution rates and the rates determined in this valuation is shown below. In accordance with the new funding methodology, the Unfunded Actuarial Accrued Liability (UAAL) will be amortized over a 30 year period.

	EMPLOYER		EMPLOYEE	
	% of Payroll*	Annual Amount	% of Payroll	Annual Amount
1) Prior year recommended rates*	8.53%	\$ 6,046,000	9.85%	\$ 6,982,000
2) Prior year adopted rates*	10.35%	\$ 7,336,000	9.85%	\$ 6,982,000
3) Current year recommended rates**	13.25%	\$ 9,571,000	9.84%	\$ 7,108,000

* Based on June 30, 2008 payroll.

** Based on June 30, 2009 payroll.

The increase in the recommended rate is attributable to the negative investment performance during the past plan year, the increase in active covered payroll, and the increase in retired members' benefits, offset by the changes in the method for amortizing the UAAL, and determining the actuarial value of assets.

Section V - Assets and Liabilities

Actuarial Value of Assets

A new smoothed market value of the Fund's assets was adopted as of June 30, 2005. Under this method, the difference between the expected and actual investment returns, net of expenses, are spread over five years, i.e. only 20% is recognized in any one year. This smoothed value, the Actuarial Value of Assets, could not be more 120% or less than 80% of the market value. This year, the corridor limit around Market Value of Assets was expanded from 20% to 25%. As of June 30, 2009, the actuarial value of assets was \$338,985,606. The net market value of assets was \$271,188,485. The return on investments, net of expenses, was -16.3% on a market value basis.

The value of assets used to determine the unfunded actuarial accrued liability (UAAL) and the County's UAAL contribution rates is called the valuation assets and is equal to the actuarial value of assets less special reserves. As of June 30, 2009, the valuation assets were \$336,262,500.

Actuarial Balance Sheet

The actuarial balance sheet compares the present value of all benefits anticipated to be paid for the current membership with the sources of funds to be used to provide these benefits. It illustrates that, if all assumptions are met, contributions at the “total rate” levels plus current assets will be adequate to meet future benefit payments for the current membership. The actuarial balance sheet is presented in Section V.

Funded Ratio - GASB 25

The Governmental Accounting Standards Board Statement No. 25 (GASB 25) requires that the funding progress be shown based on the same funding method that was used to develop the system’s contribution requirements. The table below shows the funded ratios based on the Entry Age Normal Cost funding method.

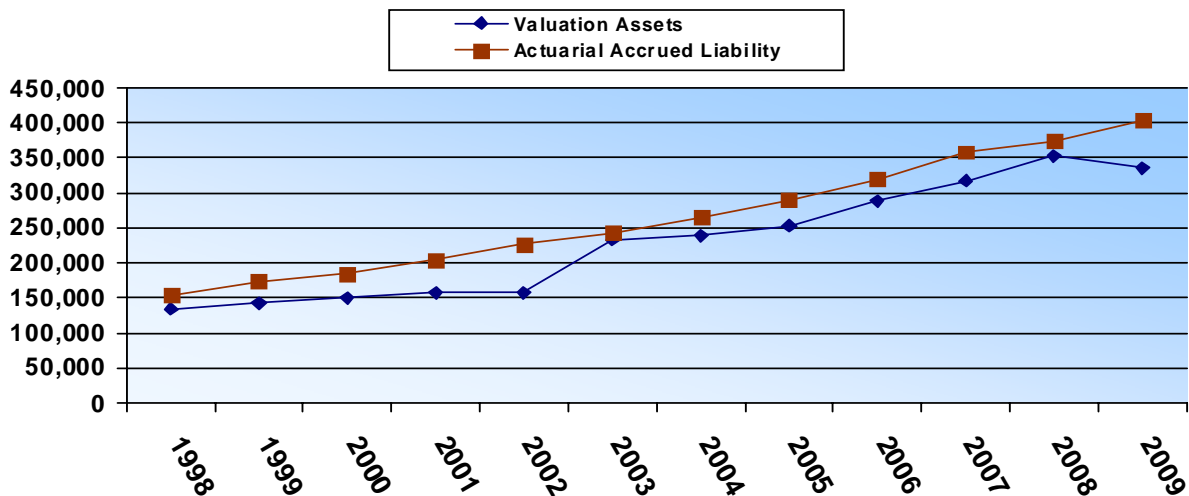
**SCHEDULE OF FUNDING PROGRESS
GASB 25
(dollar amounts in thousands)**

Actuarial Valuation Date	Valuation Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll
7/1/93*	\$ 72,062	\$ 105,866	\$ 33,804	68.1%	\$ 25,930	130.4%
7/1/94	\$ 75,976	\$ 112,535	\$ 36,559	67.5%	\$ 27,185	134.5%
7/1/95	\$ 79,322	\$ 121,027	\$ 41,705	65.5%	\$ 29,603	140.9%
7/1/96	\$ 84,992	\$ 130,036	\$ 45,044	65.4%	\$ 29,587	152.2%
7/1/97	\$ 124,286	\$ 140,783	\$ 16,497	88.3%	\$ 32,481	50.8%
7/1/98	\$ 134,836	\$ 154,263	\$ 19,427	87.4%	\$ 35,586	54.6%
7/1/99	\$ 142,775	\$ 173,250	\$ 30,475	82.4%	\$ 39,209	77.7%
7/1/00	\$ 150,056	\$ 185,423	\$ 35,367	80.9%	\$ 44,132	80.1%
7/1/01	\$ 157,545	\$ 204,699	\$ 47,154	77.0%	\$ 53,188	88.7%
7/1/02	\$ 158,115**	\$ 226,883	\$ 68,768	69.7%	\$ 57,701	119.2%
7/1/03	\$ 233,764***	\$ 243,342	\$ 9,578	96.1%	\$ 59,865	16.0%
7/1/04	\$ 239,191	\$ 265,141	\$ 25,950	90.2%	\$ 59,075	43.9%
7/1/05	\$ 253,487	\$ 289,467	\$ 35,980	87.6%	\$ 57,664	62.4%
7/1/06	\$ 288,461	\$ 320,123	\$ 31,662	90.1%	\$ 57,665	54.9%
7/1/07	\$ 317,937	\$ 358,259	\$ 40,322	88.7%	\$ 65,899	61.2%
7/1/08	\$ 353,421	\$ 373,832	\$ 20,411	94.5%	\$ 70,880	28.8%
7/1/09	\$ 336,263	\$ 403,196	\$ 66,933	83.4%	\$ 72,235	92.7%

* Prepared by the prior actuary and unaudited by Buck Consultants.

** Excludes proceeds from Pension Obligation Bonds issued in December 2002.

*** Includes proceeds from Pension Obligation Bonds issued in December 2002 in the amount of \$76,299,000.



Section VI - Appendix

A summary of the major provisions of the Plan, and detailed information on the actuarial assumptions, demographic information, General and Safety member contribution rates by entry age, and plan assets is included in the Appendix.

Section II: Statistical Highlights

Our June 30, 2009 actuarial valuation of your Association was based on the following data. For comparison, we also show a summary of the June 30, 2008 statistical information.

SUMMARY OF ACTIVE MEMBERSHIP			
	June 30, 2008	June 30, 2009	Percentage Change During the Period
TIER 1			
Number	56	49	(12.5) %
Annual Payroll*	\$ 3,598,118	\$ 3,162,586	(12.1) %
Average Monthly Salary	\$ 5,354	\$ 5,379	0.5 %
Average Age	56.73	57.16	0.8 %
Average Service**	26.26	26.87	2.3 %
TIER 2			
Number	200	202	1.0 %
Annual Payroll*	\$ 11,406,470	\$ 11,915,256	4.5 %
Average Monthly Salary	\$ 4,753	\$ 4,916	3.4 %
Average Age	42.27	42.09	(0.4) %
Average Service**	8.98	9.34	4.0 %
TIER 3			
Number	1,154	1,118	(3.1) %
Annual Payroll*	\$ 55,875,745	\$ 57,157,255	2.3 %
Average Monthly Salary	\$ 4,035	\$ 4,260	5.6 %
Average Age	47.87	48.28	0.9 %
Average Service**	7.43	7.86	5.8 %
TOTAL			
Number	1,410	1,369	(2.9) %
Annual Payroll	\$ 70,880,333	\$ 72,235,097	1.9 %
Average Monthly Salary	\$ 4,189	\$ 4,397	5.0 %
Average Age	47.43	47.74	0.7 %
Average Service	8.40	8.76	4.3 %

* Represents the annualization of active members' pay rates on June 30

**Included Purchased Service

Section II: Statistical Highlights

Summary of Inactive Membership*

	June 30, 2008	June 30, 2009	Percentage Change During the Period
TOTAL			
Number	411	412	0.2 %

*Included pending contribution withdrawals and pending disability claims

Summary of Retired Membership

	June 30, 2008	June 30, 2009	Percentage Change During the Period
TOTAL			
Number	962	1,008	4.8 %
Annual Allowance	\$ 16,199,000	\$ 17,768,000	9.7 %
Average Monthly Allowance	\$ 1,403	\$ 1,469	4.7 %

Section III: Summary of Actuarial Assumptions

To conduct an actuarial valuation of the assets and liabilities of your Association, the actuary must first adopt assumptions with respect to each of the following items:

- Noneconomic Assumptions:
 - The probabilities of members separating from active service on account of nonvested and vested withdrawal, retirement for service, death, and disability, and
 - The mortality rates to be experienced among retired persons.
- Economic Assumptions:
 - Investment earnings to be realized on the funds over many years in the future, and
 - The increases in members' salaries from the date of the valuation to the date of separation from active service.

We discuss each of the above items in the following paragraphs of this Section.

Noneconomic Assumptions

Rates of Separation from Active Service

In connection with the June 30, 2008 valuation, we compared the expected number of terminations from active service to the number actually experienced during the three-year period beginning July 1, 2005 and ending June 30, 2008. Based on this comparison, the probabilities of separation were adjusted accordingly. We are using the probabilities developed in the June 30, 2008 study to determine the costs shown in this report.

A complete listing of the rates of separation from active service can be found in Schedule 6 of the Appendix. These rates should be viewed in the aggregate rather than examining each of them separately. This is due to the interdependency of the rates. For example, if turnover were to increase, there would be fewer retirements.

On the following pages, we show the number of members expected to eventually separate from active service for each of the various causes of termination based on the current assumptions. We also show the percentage of members expected to eventually separate from the system, in pie chart format. For purposes of the chart, we have grouped the following:

- service retirement and terminated vested "Service",
- ordinary and duty disability "Disability", and
- ordinary death, duty death, and death while eligible "Death".

Section III: Summary of Actuarial Assumptions

GENERAL MALE MEMBERS

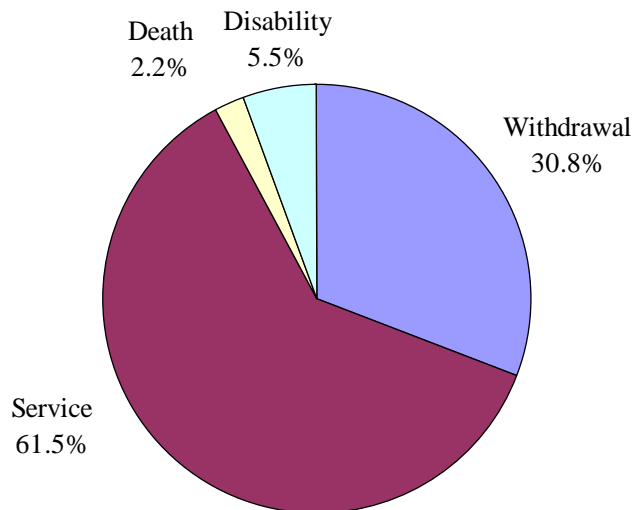
Recommended Assumptions

Expected Number to Eventually Separate for Indicated Cause*

Age	Number of Actives	Withdrawal	Service	Terminated Vested	Ordinary Death	Death While Eligible	Duty Death	Ordinary Disability	Duty Disability
20-24	4	3	0	1	0	0	0	0	0
25-29	18	13	0	5	0	0	0	0	0
30-34	23	15	1	6	0	0	0	0	0
35-39	22	13	2	6	0	0	0	0	0
40-44	36	15	7	11	0	0	0	1	1
45-49	48	15	16	13	1	1	0	1	2
50-54	73	17	40	8	1	1	0	2	4
55-59	71	15	47	2	1	1	0	2	4
60-64	55	5	45	1	1	1	0	1	2
65 & OVER	10	0	10	0	0	0	0	0	0
TOTAL	360	111	168	53	4	4	0	7	13
		30.8%	46.8%	14.7%	1.1%	1.1%	0.0%	1.9%	3.6%

* The individual numbers in the columns may not add to the total shown due to rounding.

Expected Percentage to Eventually Separate for Indicated Cause



Section III: Summary of Actuarial Assumptions

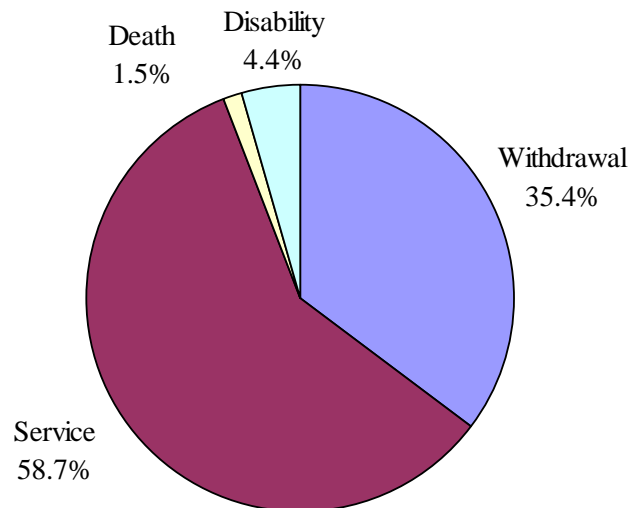
GENERAL FEMALE MEMBERS

Recommended Assumptions
Expected Number to Eventually Separate for Indicated Cause*

Age	Number of Actives	Withdrawal	Service	Terminated Vested	Ordinary Death	Death While Eligible	Duty Death	Ordinary Disability	Duty Disability
20-24	16	13	0	3	0	0	0	0	0
25-29	43	32	1	10	0	0	0	0	0
30-34	66	43	2	19	0	0	0	0	0
35-39	79	45	7	24	1	0	0	1	1
40-44	91	44	16	27	1	0	0	2	2
45-49	111	38	38	26	1	1	0	3	3
50-54	142	35	73	21	2	1	0	5	5
55-59	153	29	101	10	2	1	0	5	5
60-64	86	6	72	2	1	1	0	2	2
65 & OVER	17	0	16	0	0	0	0	0	0
TOTAL	804	285	326	142	8	4	0	18	18
		35.4%	41.0%	17.7%	1.0%	0.5%	0.0%	2.2%	2.2%

* The individual numbers in the columns may not add to the total shown due to rounding.

Expected Percentage to Eventually Separate for Indicated Cause



Section III: Summary of Actuarial Assumptions

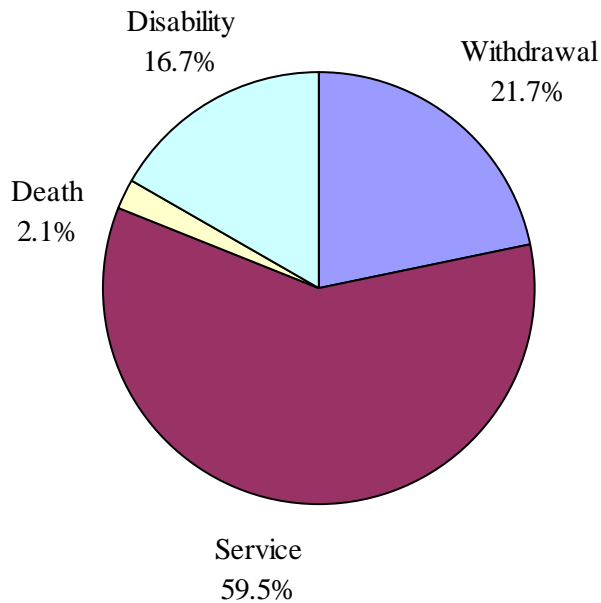
PROBATION MEMBERS

Recommended Assumptions
Expected Number to Eventually Separate for Indicated Cause*

Age	Number of Actives	Withdrawal	Service	Terminated Vested	Ordinary Death	Death While Eligible	Duty Death	Ordinary Disability	Duty Disability
20-24	3	2	0	1	0	0	0	0	0
25-29	8	5	0	3	0	0	0	0	0
30-34	12	4	1	5	0	0	0	0	1
35-39	7	2	1	3	0	0	0	0	1
40-44	4	0	1	1	0	0	0	0	1
45-49	7	0	3	1	0	0	0	1	2
50-54	6	0	4	0	0	0	0	0	1
55 & OVER	15	0	13	0	0	0	0	0	1
TOTAL	62	13	23	14	0	0	1	2	8
		21.7%	36.7%	22.8%	0.7%	0.5%	0.9%	3.6%	13.1%

* The individual numbers in the columns may not add to the total shown due to rounding.

Expected Percentage to Eventually Separate for Indicated Cause



Section III: Summary of Actuarial Assumptions

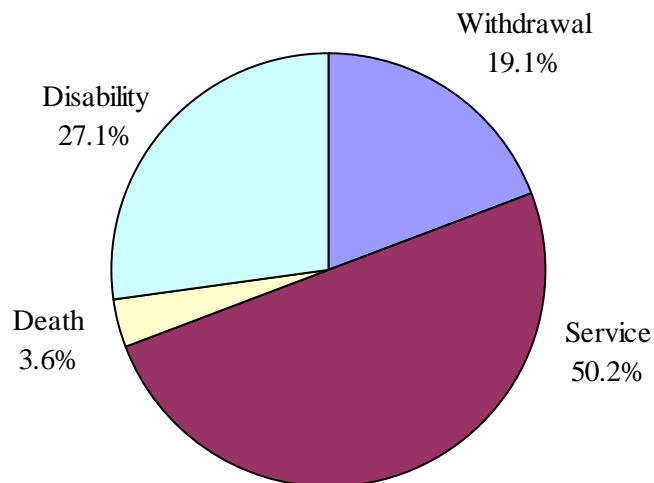
SAFETY MEMBERS

Recommended Assumptions
Expected Number to Eventually Separate for Indicated Cause*

Age	Number of Actives	Withdrawal	Service	Terminated Vested	Ordinary Death	Death While Eligible	Duty Death	Ordinary Disability	Duty Disability
20-24	5	4	0	0	0	0	0	0	0
25-29	7	4	0	1	0	0	0	0	1
30-34	13	6	2	3	0	0	0	0	2
35-39	28	8	6	5	0	0	0	1	7
40-44	37	5	13	5	1	0	1	2	11
45-49	23	1	11	1	0	0	0	1	7
50-54	17	0	11	0	0	0	0	1	4
55 & OVER	13	0	12	0	0	0	0	0	1
TOTAL	143	27	55	16	2	1	2	5	34
		19.1%	38.8%	11.4%	1.2%	0.9%	1.5%	3.4%	23.7%

* The individual numbers in the columns may not add to the total shown due to rounding.

Expected Percentage to Eventually Separate for Indicated Cause



Mortality after Service Retirement

At the time of the June 30, 2005 actuarial valuation, we also reviewed mortality rates after retirement. The following mortality tables were recommended for use at that time:

Service Retirement Mortality Tables:

- General Males — 1994 Group Annuity Mortality Table for Males, with no setback
- General Females — 1994 Group Annuity Mortality Table for Females, with no setback
- Safety — 1994 Group Annuity Mortality Table for Males, with no setback

A full listing of the life expectancies based on these tables is shown in Schedule 7 of the Appendix.

Mortality after Disability Retirement

In addition, the following mortality tables were recommended for use at the time of the June 30, 2006 actuarial valuation:

Disability Retirement Mortality Tables:

- General Males — 1981 Disability Table for General Members, setback 5 years
- General Females — 1981 Disability Table for General Members, setback 2 years
- Safety — 1981 Disability Table for Safety Members, setback 4 years

A full listing of the life expectancies based on these tables is shown in Schedule 7 of the Appendix.

Mortality Tables for Employee Contribution Rates

Employee contribution rates continue to be based on the following unisex mortality tables:

- General — 1994 Group Annuity Mortality Table for Males, set back 3 years
- Safety — 1994 Group Annuity Mortality Table for Males, with no setback

The full set of employee contribution rates is shown in Schedule 5 of the Appendix.

Economic Assumptions

In setting the economic assumptions, we take a building block approach. Specifically, we first look at the rate of inflation, which underlies both the total rate of return and the salary scale assumptions. To aid us in determining an appropriate inflation rate for your Association, we have reviewed long-term historical inflation averages, recent trends, and the assumptions adopted by other public retirement systems governed by the 1937 Act. It should be noted

Section III: Summary of Actuarial Assumptions

that we have placed more emphasis on long-term historical averages than on the more recent, short-term trends. This helps to minimize fluctuations that are more apparent in the short term.

Secondly, we review the anticipated real rate of return on investments. The real rate of return is dependent on the anticipated returns on classes of investments and the asset allocation of the Association's funds. To develop the individual real rates of return we utilize various empirical studies. By applying the results of these studies to the Association's target asset allocation, we develop the real rate of return. This rate may then be adjusted for any known or anticipated changes in the economy or the asset mix. Using our building block approach, we combine the underlying inflation assumption with the real rate of return to develop the total rate of return assumption (investment return assumption).

The salary scale assumption is developed in a similar manner. The inflation rate is combined with anticipated merit and longevity increases to produce a total salary scale assumption.

Inflation

Our inflation rate was reduced from 4.75% to 4.00% effective with the June 30, 2008 valuation. This assumption as well as all other economic and demographic assumptions will be reviewed again when we conduct our June 30, 2011 experience analysis

Real Rate of Return

The first step in developing a real rate of return is to analyze how the Association's assets are allocated among the various investment classes. Based on this information, we can then apply the anticipated rate of return to the respective classes and develop an overall estimated real rate of return. The Association has adopted the following target asset allocation:

Asset Allocation as of June 30, 2009 (Market Value)	
	Target
Equity*	55%
Fixed Income/Bonds	37%
Real Estate	8%
Short Term Cash Equivalents	0%

* Domestic and International.

There have been numerous studies that analyze the expected long-term real rates of return for use in asset allocation models. Roger Ibbotson and Rex A. Sinquefeld produced one of these studies for the period 1926-2005 called, Stocks, Bonds and Inflation: Simulations of the Future. The results of this study are presented below.

Section III: Summary of Actuarial Assumptions

Ibbotson-Sinquefield Real Rates of Return (1926 – 2005)	
Stocks	7.1%
Long-term government bonds	2.4%
Long-term corporate bonds	2.8%
Treasury bills	0.7%

Applying the Association's target asset allocation to the real rates of return produces a rate of approximately 5.19% (assuming an equal proportion of government and corporate bonds and a 4% return on real estate). After adjusting for potential adverse future experience, we believe that a real rate of return of 4.00% provides a reasonable degree of conservatism when used with a 4.00% inflation rate. This leads to an 8.00% investment return assumption.

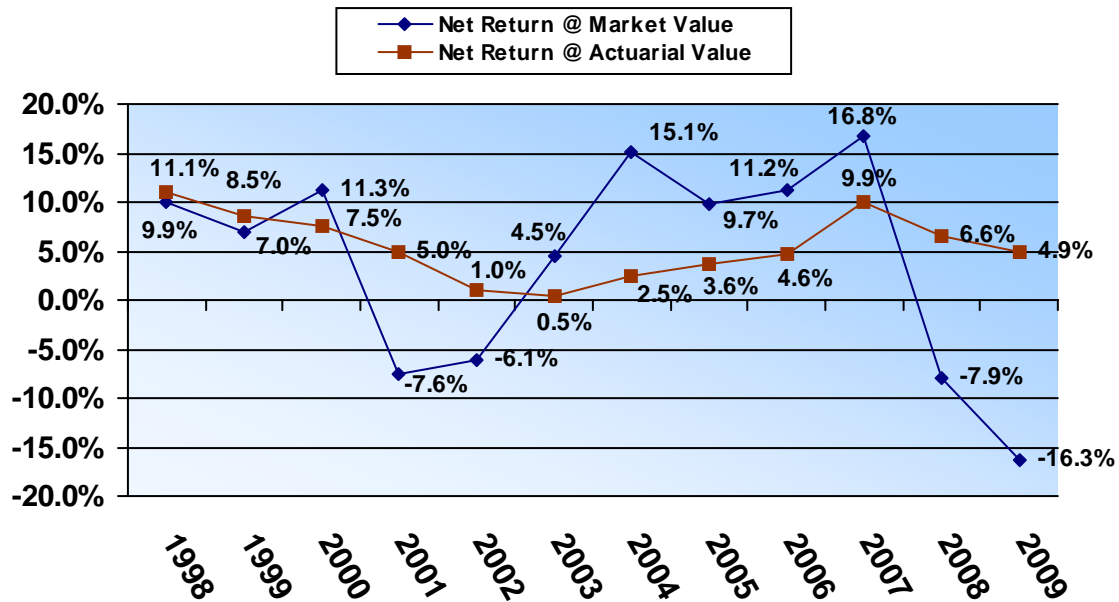
The return on assets, net of expenses, experienced by the Fund since 1981 is shown below. The increase in the Consumer Price Index is also shown for comparative purposes.

Section III: Summary of Actuarial Assumptions

Net Return on Assets vs. Increase in Consumer Price Index				
Year Ending	Net Return @ Book Value	Net Return @ Market Value	Net Return @ Actuarial Value	Increase in CPI*
December 31, 1981	9.0%			8.9%
December 31, 1982	10.0%			3.8%
December 31, 1983	10.7%			3.8%
December 31, 1984	10.2%			3.9%
December 31, 1985	9.7%			3.8%
December 31, 1986	10.7%			1.1%
December 31, 1987	10.1%			4.4%
December 31, 1988	11.6%			4.4%
December 31, 1989	4.8%			4.8%
December 31, 1990	9.2%			6.2%
December 31, 1991	10.1%			3.1%
December 31, 1992	13.0%			2.9%
December 31, 1993	9.8%			2.8%
June 30, 1995	6.6%			3.0%
June 30, 1996	9.2%			2.8%
June 30, 1997	7.9%	16.3%	10.9%	2.3%
June 30, 1998	10.4%	9.9%	11.1%	1.7%
June 30, 1999	6.4%	7.0%	8.5%	2.0%
June 30, 2000	14.3%	11.3%	7.4%	3.7%
June 30, 2001	9.5%	(7.6)%	5.0%	3.2%
June 30, 2002	0.0%	(6.1)%	1.0%	1.1%
June 30, 2003	1.7%	4.5%	0.5%	2.1%
June 30, 2004	1.8%	15.1%	2.5%	3.3%
June 30, 2005	2.5%	9.7%	3.6%	2.5%
June 30, 2006	4.4%	11.2%	4.6%	4.3%
June 30, 2007	10.0%	16.8%	9.9%	2.7%
June 30, 2008	4.8%	-7.9%	6.6%	5.0%
June 30, 2009	1.1%	-16.3%	4.9%	-1.4%
28.5-year Compound Avg.	7.6%	N/A	N/A	3.4%
13-year Compound Avg.	5.7%	4.4%	5.8%	2.5%

* Based on All Urban Consumers - U.S. City Average, December indices (June indices starting in 1995).

Section III: Summary of Actuarial Assumptions



Merit and Longevity Increases

The merit and longevity component of the total salary scale assumption reflects increases in members' salaries due to promotions, advances in pay grades, etc. These increases are dependent on an individual's membership and are graded downward as the member ages.

The overall effect of the merit and longevity increases is to add approximately 1.75% to the total salary scale assumption. Combined with the 4.00% inflation rate, the total recommended salary scale assumption is 5.75%.

Section IV: Contribution Rates

A comparison between the current contribution rates and the rates determined in this valuation is shown below.

- 1) *Prior year recommended rates*: The rates as recommended in the actuarial valuation as of June 30, 2008. These rates include all the benefit enhancements under the Memoranda of Understanding between the County and the bargaining units.
- 2) *Prior year adopted rates*: Rates adopted by the Board of Supervisors.
- 3) *Current year recommended rates*: In accordance with the new methodology, the County will amortize the Unfunded Actuarial Accrued Liability (UAAL) over a 30 year period.

	EMPLOYER		EMPLOYEE	
	% of Payroll*	Annual Amount	% of Payroll	Annual Amount
1) Prior year recommended rates*	8.53%	\$ 6,046,000	9.85%	\$ 6,982,000
2) Prior year adopted rates*	10.35%	\$ 7,336,000	9.85%	\$ 6,982,000
3) Current year recommended rates**	13.25%	\$ 9,571,000	9.84%	\$ 7,108,000

Based on June 30, 2008 payroll.

** Based on June 30, 2009 payroll.

The following table shows the impact on the employer recommended contribution of demographic changes and investment performance during the 2009 plan year, and changes in methodology.

Contribution under prior agreement (6/30/08)	\$ 6,046,000
Increase in payroll	116,000
Investment loss	4,952,000
Active employee demographic/salary losses	379,000
Inactive participant demographic/benefit losses	<u>2,810,000</u>
Contribution under prior agreement (6/30/09)	\$14,303,000
Change in amortization method	(4,038,000)
Change of asset valuation method	<u>(694,000)</u>
Contribution under current methodology	\$ 9,571,000

Member Contribution Rates

Member Basic Contributions

Sections 31621.1 and 31621 set forth the basis for the determination of the normal rates of contribution for General Tier 1, Tier 2 and Tier 3 members. Section 31639.25 sets forth the basis for the normal rates of contribution for Probation and Safety Tier 1 and Tier 2 members.

The law further provides that the contribution rates of members will be based on the age nearest birthday at the time of entry into the Retirement Association. Section 31453 states that no adjustment will be included in the rates of contribution for time prior to the effective date of any amendments or changes in actuarial assumptions.

The basic employee contribution rates for General members were determined using the 1994 Group Annuity Mortality Table for Males with a 3-year setback. The Probation and Safety basic employee rates are based upon the 1994 Group Annuity Mortality Table for Males with no adjustment.

Cost of Living Contributions

The employee portion of the cost-of-living provision is expressed as a percentage of the employees' normal contribution rates. We are recommending that the cost of living percentage be decreased from 30.39% to 30.30% for General members, decreased from 57.62% to 56.06% for the 31664.2 benefit for Safety members and decreased from 59.57% to 58.79% for Probation members.

A summary of the average employee contribution rates and rates at sample ages, with the cost-of-living, are shown below.

Average Member Basic And Cost-Of-Living Contribution Rates*						
	GENERAL		SAFETY		PROBATION	
	Tier 1	Tier 2/3	Tier 1	Tier 2	Tier 1	Tier 2
Current Rates	8.42%	9.38%	2.05%	12.47%	12.00%	13.22%
Recommended Rates	8.58%	9.38%	0.00%	12.48%	10.05%	12.82%

* Based on current ages of the populations

Section IV: Contribution Rates

Sample General Member Contribution Rates – Section 31676.12*

Entry Age	Tier 1		Tier 2 & 3	
	Current	Recommended	Current	Recommended
25	8.37%	8.37%	7.95%	7.95%
35	9.35%	9.34%	8.88%	8.87%
45	10.73%	10.72%	10.21%	10.20%
59	12.92%	12.91%	12.27%	12.26%

Sample Safety Member Contribution Rates – Section 31664.2*

Entry Age	Tier 1		Tier 2	
	Current	Recommended**	Current	Recommended**
25	10.93%	10.89%	10.30%	10.26%
35	12.42%	12.37%	11.71%	11.67%
45	14.42%	14.37%	13.62%	13.57%
49	15.27%	15.21%	14.42%	14.37%

Sample Probation Member Contribution Rates – Section 31664*

Entry Age	Tier 1		Tier 2	
	Current	Recommended	Current	Recommended
25	12.80%	12.73%	12.16%	12.10%
35	14.31%	14.24%	13.60%	13.53%
45	16.36%	16.28%	15.54%	15.47%
49	17.22%	17.13%	16.36%	16.28%

* Contribution rates for the first \$161.54 of bi-weekly salary are one-third lower for members covered by Social Security.

** COL rate offset by 1.63% paid by the County

Schedule 5 in the Appendix shows the complete set of members' basic and cost-of-living contribution rates. The interest rate, mortality table, inflation rate, and cost-of-living benefit are indicated on the bottom of the schedules.

Employer Contribution Rates

Employer contributions have been determined under the Entry Age Normal Cost method, permitted by Section 31453.5. The Entry Age Normal Cost method defines the Normal Cost as the level percentage of salary necessary to fund the member's projected benefits over the period from his date of entry to his projected separation from active service. The Actuarial Accrued Liability is the cost allocated to years prior to the actuarial valuation date; it is the excess of the total value of benefits over the value of future member contributions and the

Section IV: Contribution Rates

value of future County Normal Costs. The difference between the Actuarial Accrued Liability and the plan assets is called the Unfunded Actuarial Accrued Liability (UAAL). The UAAL amortization period is 30 years from June 30, 2009.

The following chart specifies the prior year's funding agreement employer contribution rates and components thereof (expressed as a percentage of payroll). The chart shows a breakdown between basic and cost of living benefits.

Total Employer Contribution Rates – Prior Funding Agreement Based on 6/30/2008 Payroll						
	GENERAL		SAFETY		PROBATION	
	Tier 1	Tier 2/3	Tier 1	Tier 2	Tier 1	Tier 2
Basic	2.94%	5.85%	13.00%	13.42%	9.55%	15.62%
Cost of Living	-0.05%	1.16%	3.69%	3.38%	1.74%	4.24%
Total	2.89%	7.01%	16.69%	16.80%	11.29%	19.86%
Average Rate for Total Group:	Basic		7.03%			
	COL		<u>1.50%</u>			
	Total		8.53%			

Based on the current funding methodology, the contribution rates are shown below.

Total Employer Contribution Rates – Current Methodology Based on 6/30/2009 Payroll						
	GENERAL		SAFETY		PROBATION	
	Tier 1	Tier 2/3	Tier 1	Tier 2	Tier 1	Tier 2
Basic	5.16%	8.19%	21.66%	21.06%	11.70%	14.49%
Cost of Living	1.33%	2.59%	9.04%	8.15%	3.21%	4.03%
Total	6.49%	10.78%	30.70%	29.21%	14.91%	18.52%
Average Rate for Total Group:	Basic		9.95%			
	COL		<u>3.30%</u>			
	Total		13.25%			

Recommendations

The funding agreement between the County and the Association was discontinued as of June 30, 2009. The new funding methodology includes the provision that the County amortize the UAAL over a 30 year period.

The above rates are comprised of the normal cost rate and amortization of the UAAL under the new funding methodology. The rates reflect all current plan provisions, and reflect the current noneconomic and economic assumptions. They are also based on the Entry Age Normal Cost method, a smoothed market value of assets, and assume no sharing of cost of living (COL) costs among different tiers. This combination of assumptions and methods reflects our best judgment of future experience for the Association.

We show recommended rates in the table below.

Total Employer Contribution Rates Based on 6/30/2009 Payroll						
	GENERAL		SAFETY		PROBATION	
	Tier 1	Tier 2/3	Tier 1	Tier 2	Tier 1	Tier 2
Basic	5.16%	8.19%	21.66%	21.06%	11.70%	14.49%
Cost of Living	1.33%	2.59%	9.04%	8.15%	3.21%	4.03%
Total	6.49%	10.78%	30.70%	29.21%	14.91%	18.52%
Average Rate for Total Group:	Basic		9.95%			
	COL		<u>3.30%</u>			
	Total		13.25%			

Section IV: Contribution Rates

Below we show the normal cost and UAAL cost portions of the employer rates.

Total Employer Contribution Rates – Recommended Contribution Based on 6/30/2009 Payroll						
	GENERAL		SAFETY		PROBATION	
	Tier 1	Tier 2/3	Tier 1	Tier 2	Tier 1	Tier 2
Normal Cost	2.66%	7.00%	18.74%	17.25%	13.23%	16.84%
UAAL Amortization	3.78%	3.78%	11.96%	11.96%	1.68%	1.68%
Total	6.44%	10.78%	30.70%	29.21%	14.91%	18.52%
Average Rate for Total Group:						
	Normal Cost		8.54%			
	UAAL		<u>4.71%</u>			
	Total		13.25%			

The recommended employee contribution rates are shown in Schedule 5 of the Appendix.

Section V: Assets and Liabilities

Actuarial Value Of Assets

The Association adopted a new smoothed market value of assets policy as of June 30, 2005. Under this method, the difference between the expected and the actual investment return, net of expenses, is spread over *five* years. In other words, only 20% of this difference is being recognized in any one year. The corridor limit around Market Value was expanded from 20% to 25% effective as of June 30, 2009. The June 30, 2009 actuarial value of assets under this method is developed as follows:

1.	Year Ending 6/30	Contributions	Benefit Payments	Expected Investment Return	Actual Investment Return	Earnings Above/(Below) Expected	Portion Deferred	Deferred Earnings	
	2006	\$13,504,121	\$18,368,170	\$22,219,384	\$30,976,463	8,757,079	20%	1,751,416	
	2007	13,738,923	18,361,712	24,317,842	50,991,137	26,673,295	40%	10,669,318	
	2008	13,838,980	20,708,074	27,967,796	(28,174,415)	(56,142,211)	60%	(33,685,327)	
	2009	15,377,201	22,976,920	26,278,512	(53,511,078)	(79,789,590)	80%	(63,831,672)	
	Total							(85,096,265)	
2.	Market Value of Assets as of June 30, 2009								\$271,188,485
3.	Actuarial Value of Assets as of June 30, 2009: (2)-(1)								\$356,284,750
4.	Corridor Limit								
	a.	75% of Net Market Value							203,391,364
	b.	125% of Net Market Value							338,985,606
5.	Actuarial Value of Assets After corridor as of June 30, 2009								\$338,985,606
6.	Current Retiree Health Insurance Reserve								0
	Other Miscellaneous Reserves								7,335
	1% Contingency Reserve								2,715,771
	Total Special Reserves								\$2,723,106
7.	Net Actuarial Value of Assets as of June 30, 2009: (5)-(6)								\$336,262,500

The total valuation assets are therefore \$336,262,500.

Actuarial Balance Sheet

The Actuarial Balance Sheet provides insight into the ongoing employer and employee financial commitment necessary to fund the benefits provided by the Association.

Section V: Assets and Liabilities

We first determine the amount and timing of all future payments that will be made by the Association. We then discount these payments at 8.00% per annum to June 30, 2009, the date of the valuation, thereby determining their present value.

Second, we determine how this liability will be met. Item 1 in the Balance Sheet represents the amount of assets already accumulated by the Association at Actuarial Value. Item 2 is the present value of the contributions anticipated to be received in the future from the current members. Item 3 is the present value of future employer normal costs with respect to current members, using the Entry Age Normal Cost method. The Entry Age Normal Cost percentage is the employer's level percentage of payroll needed to fund benefits from entry to expected termination dates for each active member.

Finally, we compare the existing assets plus the present value of the future normal costs and future member contributions to the present value of the benefits to be paid from the Association. This shortfall (or balancing item) is known as the Unfunded Actuarial Accrued Liability (UAAL).

Actuarial Balance Sheet as of June 30, 2009

Assets

1	Valuation assets	\$	336,262,500
2	Present value of future contributions by members		38,767,823
3	Present value of future employer contributions for normal cost		34,158,145
4	Present value of other future employer contributions (UAAL)		66,933,480
5	Total actuarial assets	\$	476,121,948

Liabilities

6	Present value of retirement allowances payable to retired members and their survivors	\$	218,612,963
7	Present value of service retirement allowances payable to presently active members and their survivors		145,007,504
8	Present value of allowances payable to vested terminated members and their survivors		49,598,731
9	Present value of disability retirement allowances payable to presently active members and their survivors		39,067,335
10	Present value of death benefits payable on behalf of presently active members		4,559,847
11	Present value of members' contributions to be returned upon withdrawal		19,275,568
12	Retirees health insurance reserve		0
13	Miscellaneous insurance reserve		0
14	Total actuarial liabilities	\$	476,121,948

Funding Ratio – GASB 25

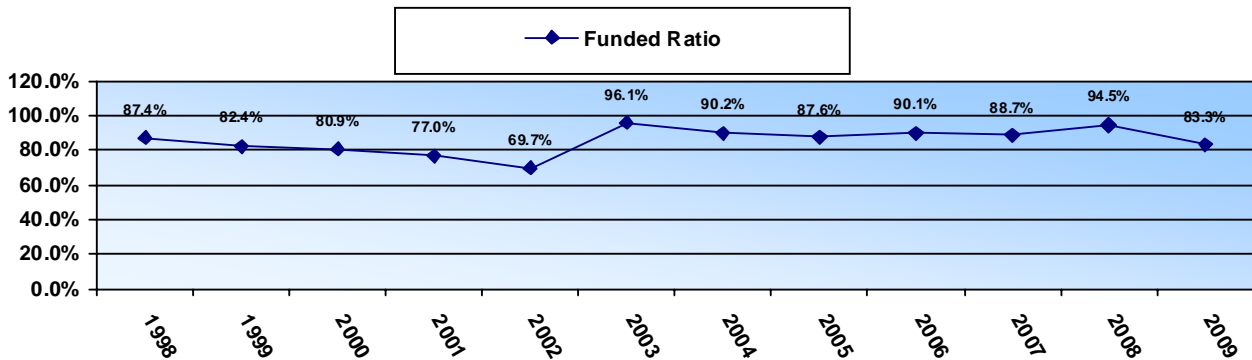
Schedule of Funding Progress
GASB 25
(dollar amounts in thousands)

Actuarial Valuation Date	Valuation Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll
7/1/93*	\$ 72,062	\$ 105,866	\$ 33,804	68.1%	\$ 25,930	130.4%
7/1/94	\$ 75,976	\$ 112,535	\$ 36,559	67.5%	\$ 27,185	134.5%
7/1/95	\$ 79,322	\$ 121,027	\$ 41,705	65.5%	\$ 29,603	140.9%
7/1/96	\$ 84,992	\$ 130,036	\$ 45,044	65.4%	\$ 29,587	152.2%
7/1/97	\$ 124,286	\$ 140,783	\$ 16,497	88.3%	\$ 32,481	50.8%
7/1/98	\$ 134,836	\$ 154,263	\$ 19,427	87.4%	\$ 35,586	54.6%
7/1/99	\$ 142,775	\$ 173,250	\$ 30,475	82.4%	\$ 39,209	77.7%
7/1/00	\$ 150,056	\$ 185,423	\$ 35,367	80.9%	\$ 44,132	80.1%
7/1/01	\$ 157,545	\$ 204,699	\$ 47,154	77.0%	\$ 53,188	88.7%
7/1/02	\$ 158,115**	\$ 226,883	\$ 68,768	69.7%	\$ 57,701	119.2%
7/1/03	\$ 233,764***	\$ 243,342	\$ 9,578	96.1%	\$ 59,865	16.0%
7/1/04	\$ 239,191	\$ 265,141	\$ 25,950	90.2%	\$ 59,075	43.9%
7/1/05	\$ 253,487	\$ 289,467	\$ 35,980	87.6%	\$ 57,664	62.4%
7/1/06	\$ 288,461	\$ 320,123	\$ 31,662	90.1%	\$ 57,665	54.9%
7/1/07	\$ 317,937	\$ 358,259	\$ 40,322	88.7%	\$ 65,879	61.2%
7/1/08	\$ 353,421	\$ 373,832	\$ 20,411	94.5%	\$ 70,880	28.8%
7/1/09	\$ 336,263	\$ 403,196	\$ 66,933	83.4%	\$ 72,235	92.7%

* Prepared by the prior actuary and unaudited by Buck Consultants.

** Excludes proceeds from Pension Obligation Bonds issued in December 2002.

*** Includes proceeds from Pension Obligation Bonds issued in December 2002 in the amount of \$76,299,000.

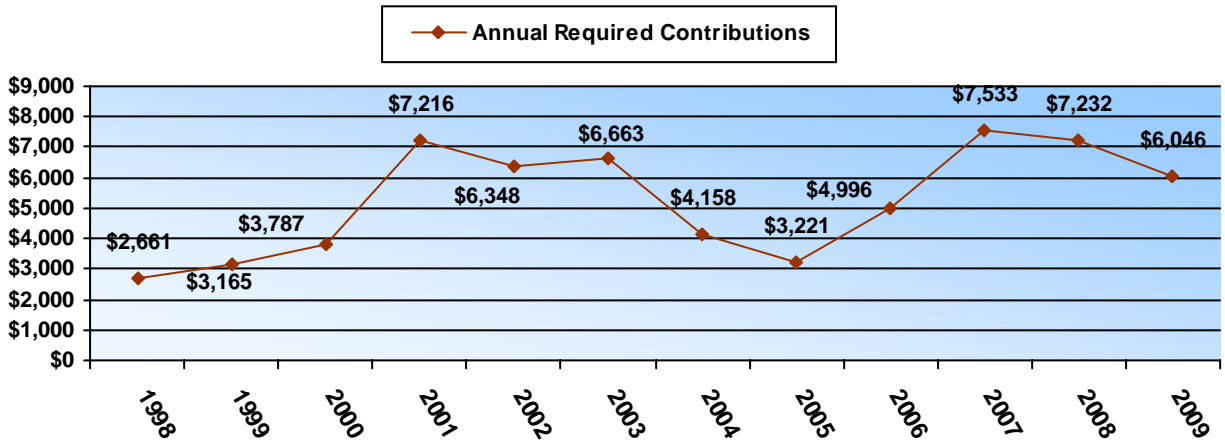


**Schedule of Employer Contributions
GASB 25
(dollar amounts in thousands)**

Year Ended	Annual Required Contribution	Percentage Contributed
12/31/92	\$ 2,939	100%
12/31/93	\$ 2,939	100%
6/30/95*	\$ 5,182	100%
6/30/96	\$ 4,348	100%
6/30/97	\$33,691**	100%
6/30/98	\$ 2,661	100%
6/30/99	\$ 3,165	100%
6/30/00	\$ 3,787	100%
6/30/01	\$ 7,216	100%
6/30/02	\$ 6,348	100%
6/30/03	\$ 6,663	100%
6/30/04	\$ 4,158	63%
6/30/05	\$ 3,221	47%
6/30/06	\$ 4,996	79%
6/30/07	\$ 7,533	100%
6/30/08	\$ 7,232	100%
6/30/09	\$ 6,046	141%

* Reflects 18 months of contributions due to a change in the financial reporting year.

** Includes proceeds from Pension Obligation Bonds.



Section VI - Appendix

Schedule 1

Summary of Actuarial Assumptions

The Entry Age Normal Cost Method was used in conjunction with the following actuarial assumptions. The Unfunded Actuarial Accrued Liability amortization period is 30 years from the June 30, 2009 valuation date.

- | | |
|--|--|
| 1. Investment Return: | 8.00% per annum. |
| 2. Interest Credited to Employee Accounts: | 8.00% per annum. |
| 3. Inflation: | 4.00% per annum. |
| 4. Salary Scale: | See Schedule 9. |
| 5. Asset Valuation: | Smoothed market value. |
| 6. Spouses and Dependents: | 90% of male employees and 50% of female employees assumed married at retirement, with wives assumed three years younger than husbands. |
| 7. Rates of Termination of Employment: | See Schedule 6. |
| 8. Years of Life Expectancy after Retirement: | See Schedule 7. |
| 9. Years of Life Expectancy after Disability: | See Schedule 7. |
| 10. Life Expectancy after Retirement
for Employee Contribution Rate Purposes: | |
| ♦ General Members: | 1994 Group Annuity Table for Males, set back 3 years. |
| ♦ Safety Members: | 1994 Group Annuity Table for Males, with no setback. |
| 11. Reciprocity Assumption: | 50% of members who terminate with a vested benefit are assumed to enter a reciprocal system. |
| 12. Deferral Age for Vested Terminations: | 62 for General members; 55 for Safety. |
| 13. Sex: | All Safety members are assumed to be male. |

Schedule 2

Summary of Major Plan Provisions

1. Eligibility

First day of pay period following date of employment.

2. Definition Of Salary

Highest 12 consecutive months of compensation earned for Tier 1 members and highest 36 consecutive months of compensation earned for Tier 2 and Tier 3 members.

3. Service Retirement

Normal retirement –

Ages 57, 50 and 55 for Sections 31676.12, 31664, and 31664.2 respectively.

Early retirement –

Age 50 and 10 years of service, or any age with 30 years of service for General and any age with 20 years of service for Safety.

Benefit –

1/50 times salary per year of service for General, Probation, and Safety members (3% for Safety Section 31664.2 members)

Benefit Adjustments -

Reduced for retirements before 57, 50 and 55 for Sections 31676.12, 31664, and 31664.2 respectively.

Increased for retirements after 57, and 50 for Sections 31676.12, and 31664, respectively.

4. Disability Retirement

Nonservice connected (five years of service required) -

1.8% of salary per year of service, with a maximum of 33-1/3% if projected service is used (ages 65 for General, age 55 for Safety), or 90% of the accrued service retirement benefit without a benefit adjustment, or service retirement benefit (if eligible).

Service connected -

Greater of 50% of salary and service retirement benefit (if eligible).

5. Death Before Retirement

Refund of contributions plus 1/12 of salary per year of service up to 6 years.

If eligible for disability or service retirement -
60% of member's accrued allowance.

If service connected -
50% of salary.

6. Death After Retirement

Service retirement or ordinary disability -
60% of member's allowance payable to an eligible spouse.

Service disability -
100% of member's allowance payable to an eligible spouse.

7. Vesting

After five years of service.
Must leave contributions on deposit.

8. Members' Contributions

Based on entry age.

9. Cost-Of-Living

Maximum 3% COLA for all members depending on changes in prior year's CPI for the San Francisco-Oakland-San Jose Area.

Schedule 3

Age and Service Distribution with Annual Average Salary of Active General Members as of June 30, 2009

MALES

CURRENT AGE	YEARS OF SERVICE							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 19	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
20-24	4	0	0	0	0	0	0	4
	39,000	0	0	0	0	0	0	39,000
25-29	16	2	0	0	0	0	0	18
	40,515	45,563	0	0	0	0	0	41,076
30-34	18	3	2	0	0	0	0	23
	44,257	49,296	47,476	0	0	0	0	45,194
35-39	14	5	3	0	0	0	0	22
	49,427	68,490	50,537	0	0	0	0	53,911
40-44	20	11	5	0	0	0	0	36
	52,187	67,672	59,076	0	0	0	0	57,875
45-49	25	12	7	2	2	0	0	48
	51,953	65,255	54,309	61,880	55,443	0	0	56,181
50-54	21	24	17	4	3	4	0	73
	42,317	58,293	70,240	73,882	96,639	64,366	0	59,242
55-59	21	16	11	10	7	4	2	71
	59,796	51,214	60,725	65,887	64,818	54,195	47,299	58,691
60-64	11	18	15	5	3	2	1	55
	58,700	51,029	63,272	59,471	61,554	68,214	75,171	58,308
65-69	3	1	3	0	0	0	0	7
	46,273	44,845	55,952	0	0	0	0	50,217
70 & Over	1	2	0	0	0	0	0	3
	47,507	63,297	0	0	0	0	0	58,034
TOTAL	154	94	63	21	15	10	3	360
	49,427	57,631	61,922	65,501	69,279	61,067	56,590	55,904

Schedule 3 (continued)**Age and Service Distribution with Annual Average Salary of Active General Members
as of June 30, 2009****FEMALES**

CURRENT AGE	YEARS OF SERVICE							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 19	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
20-24	16	0	0	0	0	0	0	16
	32,897	0	0	0	0	0	0	32,897
25-29	40	3	0	0	0	0	0	43
	39,404	51,466	0	0	0	0	0	40,246
30-34	40	20	6	0	0	0	0	66
	41,670	52,777	44,082	0	0	0	0	45,255
35-39	32	30	14	3	0	0	0	79
	39,692	51,059	52,320	54,427	0	0	0	46,806
40-44	40	30	7	11	3	0	0	91
	46,609	45,796	46,333	54,772	63,974	0	0	47,879
45-49	43	24	25	9	8	1	1	111
	42,440	50,496	51,494	47,288	65,476	53,123	105,830	48,942
50-54	50	39	25	13	12	2	1	142
	48,601	51,047	54,806	66,480	56,392	50,326	60,070	52,765
55-59	47	41	29	13	11	6	6	153
	50,546	50,116	51,443	65,373	59,970	62,830	70,484	53,802
60-64	22	23	21	10	5	3	2	86
	45,254	58,553	49,691	55,093	72,667	66,692	51,667	53,529
65-69	3	7	2	1	0	1	1	15
	45,746	53,664	56,878	61,506	0	36,504	57,470	52,141
70 & Over	1	0	0	0	1	0	0	2
	43,680	0	0	0	35,942	0	0	39,811
TOTAL	334	217	129	60	40	13	11	804
	44,045	51,131	51,379	58,632	61,285	59,026	68,146	49,652

Schedule 3 (continued)**Age and Service Distribution with Annual Average Salary of Active Probation Members
as of June 30, 2009****TOTAL**

CURRENT AGE	YEARS OF SERVICE							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 19	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
20-24	3	0	0	0	0	0	0	3
	37,787	0	0	0	0	0	0	37,787
25-29	7	1	0	0	0	0	0	8
	45,677	49,899	0	0	0	0	0	46,205
30-34	9	3	0	0	0	0	0	12
	40,835	48,318	0	0	0	0	0	42,706
35-39	3	3	1	0	0	0	0	7
	41,891	55,196	55,016	0	0	0	0	49,468
40-44	0	0	3	1	0	0	0	4
	0	0	54,142	49,899	0	0	0	53,081
45-49	2	3	0	2	0	0	0	7
	46,707	53,310	0	66,966	0	0	0	55,325
50-54	2	0	1	0	2	1	0	6
	45,708	0	45,157	0	57,845	87,006	0	56,545
55-59	3	1	2	0	1	0	0	7
	65,277	55,016	66,123	0	60,674	0	0	63,395
60-64	2	3	1	0	1	0	0	7
	42,027	53,616	55,016	0	55,016	0	0	50,705
65-69	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
70 & Over	0	1	0	0	0	0	0	1
	0	52,695	0	0	0	0	0	52,695
TOTAL	31	15	8	3	4	1	0	62
	44,871	52,595	56,233	61,277	57,845	87,006	0	50,516

Schedule 3 (continued)**Age and Service Distribution with Annual Average Salary of Active Safety Members as of June 30, 2009****TOTAL**

CURRENT AGE	YEARS OF SERVICE							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 19	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
20-24	5	0	0	0	0	0	0	5
	46,758	0	0	0	0	0	0	46,758
25-29	7	0	0	0	0	0	0	7
	47,287	0	0	0	0	0	0	47,287
30-34	8	3	2	0	0	0	0	13
	51,280	61,533	61,953	0	0	0	0	55,288
35-39	8	8	12	0	0	0	0	28
	52,115	58,851	65,581	0	0	0	0	59,811
40-44	4	10	15	5	3	0	0	37
	48,225	60,216	67,485	75,571	90,473	0	0	66,395
45-49	8	3	4	2	5	1	0	23
	57,660	54,018	68,536	71,781	93,458	86,154	0	69,325
50-54	4	2	0	2	7	2	0	17
	52,801	54,018	0	78,395	83,123	86,154	0	72,365
55-59	2	2	2	1	1	0	0	8
	64,980	61,142	63,076	54,018	70,886	0	0	62,913
60-64	2	0	1	0	0	0	1	4
	59,929	0	66,019	0	0	0	70,138	64,004
65-69	0	1	0	0	0	0	0	1
	0	58,365	0	0	0	0	0	58,365
70 & Over	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
TOTAL	48	29	36	10	16	3	1	143
	52,233	58,907	66,374	73,223	86,966	86,154	70,138	63,337

Schedule 3 (continued)**Average Annual Benefit and Membership Distribution of Retired General Members as of June 30, 2009****MALES**

CURRENT AGE	YEARS OF RETIREMENT							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 45	3	1	0	0	0	0	0	4
	5,278	6,390	0	0	0	0	0	5,556
45-49	2	0	0	0	0	0	0	2
	14,753	0	0	0	0	0	0	14,753
50-54	16	2	1	1	2	0	0	22
	11,798	14,169	20,066	14,223	14,625	0	0	12,757
55-59	26	13	2	2	0	0	0	43
	22,463	10,811	20,308	17,291	0	0	0	18,600
60-64	43	18	13	4	0	1	1	80
	33,306	11,633	11,206	21,185	0	14,630	16,362	23,787
65-69	18	18	11	8	2	0	1	58
	28,718	19,196	17,789	15,515	19,676	0	14,828	21,318
70-74	5	10	11	8	7	1	0	42
	13,116	23,466	23,517	27,390	11,457	31,225	0	21,178
75-79	3	4	16	17	6	1	1	48
	8,914	5,407	20,766	26,369	11,901	13,716	8,616	19,222
80-84	3	0	3	6	8	7	1	28
	4,458	0	7,268	18,022	20,859	18,733	15,416	16,312
85 & Over	2	2	1	2	6	7	12	32
	3,873	13,807	11,381	17,863	28,436	19,245	18,612	19,098
TOTAL	121	68	58	48	31	17	16	359
	23,807	14,913	17,693	22,269	17,990	19,142	17,410	19,921

Schedule 3 (continued)**Average Annual Benefit and Membership Distribution of Retired General Members as of June 30, 2009****FEMALES**

CURRENT AGE	YEARS OF RETIREMENT							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 45	2	0	0	1	0	0	0	3
	9,781	0	0	16,086	0	0	0	11,883
45-49	6	1	2	1	0	0	0	10
	9,742	16,980	13,949	18,688	0	0	0	12,202
50-54	32	6	1	1	1	0	0	41
	11,133	16,610	12,870	15,220	7,101	0	0	11,978
55-59	50	25	6	1	0	0	0	82
	16,299	10,447	17,723	20,973	0	0	0	14,676
60-64	61	23	14	0	2	0	1	101
	18,721	9,137	9,827	0	16,435	0	47,516	15,546
65-69	28	14	11	9	0	0	0	62
	13,082	19,445	11,212	7,173	0	0	0	13,329
70-74	4	19	11	16	6	1	0	57
	11,329	13,415	8,796	10,466	5,220	10,975	0	10,644
75-79	9	4	13	16	6	8	1	57
	18,046	10,771	19,262	13,083	11,759	5,962	18,453	14,069
80-84	1	3	5	12	9	12	1	43
	31,562	20,521	10,963	15,127	11,103	9,673	8,318	12,879
85 & Over	7	3	6	1	9	14	10	50
	12,153	8,471	8,815	51,801	13,072	9,338	6,554	10,582
TOTAL	200	98	69	58	33	35	13	506
	15,409	12,706	12,506	12,856	10,892	8,728	10,756	13,321

Schedule 3 (continued)

Average Annual Benefit and Membership Distribution of Retired Probation Members
as of June 30, 2009

TOTAL								
CURRENT AGE	YEARS OF RETIREMENT							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 45	0	1	0	0	0	0	0	1
	0	23,315	0	0	0	0	0	23,315
45-49	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
50-54	3	0	0	0	0	0	0	3
	12,357	0	0	0	0	0	0	12,357
55-59	8	1	0	0	0	0	0	9
	25,522	21,719	0	0	0	0	0	25,099
60-64	5	3	0	0	0	0	0	8
	38,699	30,657	0	0	0	0	0	35,683
65-69	1	0	0	0	0	0	0	1
	21,102	0	0	0	0	0	0	21,102
70-74	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
85 & Over	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
TOTAL	17	5	0	0	0	0	0	22
	26,814	27,401	0	0	0	0	0	26,948

Schedule 3 (continued)**Average Annual Benefit and Membership Distribution of Retired Safety Members as of June 30, 2009****TOTAL**

CURRENT AGE	YEARS OF RETIREMENT							TOTAL
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Below 45	3	0	0	0	0	0	0	3
	19,742	0	0	0	0	0	0	19,742
45-49	3	1	1	1	0	0	0	6
	23,579	22,611	24,652	20,477	0	0	0	23,080
50-54	3	1	1	0	0	0	0	5
	16,140	26,600	16,332	0	0	0	0	18,270
55-59	10	0	3	2	0	2	0	17
	50,026	0	16,847	18,291	0	16,963	0	36,548
60-64	4	10	8	1	3	1	0	27
	47,185	30,284	26,694	18,329	24,900	21,626	0	30,362
65-69	6	4	10	4	8	0	1	33
	23,371	31,294	23,658	24,810	23,140	0	27,453	24,660
70-74	3	1	1	3	2	1	1	12
	52,290	27,198	28,938	26,071	32,866	34,282	13,425	33,722
75-79	0	2	3	0	1	6	0	12
	0	27,453	18,783	0	14,922	20,576	0	20,803
80-84	1	0	0	0	1	0	1	3
	17,157	0	0	0	18,005	0	24,990	20,051
85 & Over	0	0	0	0	1	0	2	3
	0	0	0	0	7,509	0	8,654	8,272
TOTAL	33	19	27	11	16	10	5	121
	35,807	29,438	23,220	22,986	22,874	21,329	16,635	27,134

Schedule 4

Summary of Annual Retirement Allowances as of June 30, 2009

GENERAL MEMBERS		
	Number	Annual Allowance
Service		
Males	280	\$ 5,982,214
Females	370	4,826,210
Total	<u>650</u>	<u>\$ 10,808,424</u>
Disability		
Males	52	\$ 926,830
Females	58	887,672
Total	<u>110</u>	<u>\$ 1,814,502</u>
Beneficiaries		
Males	27	\$ 242,431
Females	78	1,026,376
Total	<u>105</u>	<u>\$ 1,268,807</u>
Total	<u>865</u>	<u>\$ 13,891,733</u>
PROBATION MEMBERS		
	Number	Annual Allowance
Service		
Males	10	\$ 329,473
Females	9	228,954
Total	<u>19</u>	<u>\$ 558,427</u>
Disability		
Males	1	\$ 5,806
Females	1	23,315
Total	<u>2</u>	<u>\$ 29,121</u>
Beneficiaries		
Males	0	\$ 0
Females	1	5,299
Total	<u>1</u>	<u>\$ 5,299</u>
Total	<u>19</u>	<u>\$ 592,847</u>

Schedule 4 (continued)

Summary of Annual Retirement Allowances as of June 30, 2009

SAFETY MEMBERS			
	Number		Annual Allowance
Service			
Males	39		\$ 1,170,668
Females	4		70,150
Total	<u>43</u>		<u>\$ 1,240,818</u>
Disability			
Males	48		\$ 1,522,402
Females	5		102,870
Total	<u>53</u>		<u>\$ 1,625,272</u>
Beneficiaries			
Males	2		\$ 40,987
Females	23		376,130
Total	<u>25</u>		<u>\$ 417,117</u>
Total	<u>121</u>		<u>\$ 3,283,207</u>
TOTAL			
	Number		Annual Allowance
Service			
Males	329		\$ 7,482,355
Females	383		5,125,314
Total	<u>712</u>		<u>\$ 12,607,669</u>
Disability			
Males	101		\$ 2,455,038
Females	64		1,013,857
Total	<u>165</u>		<u>\$ 3,468,895</u>
Beneficiaries			
Males	29		\$ 283,418
Females	102		1,407,805
Total	<u>131</u>		<u>\$ 1,691,223</u>
Total	<u>1,008</u>		<u>\$ 17,767,787</u>

Schedule 5

General Members' Contribution Rates (expressed as a percentage of biweekly compensation)

CURRENT

Entry Age	Tier 1 - Section 31676.12 FAS = 1 year				Tier 2 & 3 - Section 31676.12 FAS = 3 year			
	Basic		COL		Basic		COL	
	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54
16	4.10	6.15	1.25	1.87	3.90	5.85	1.19	1.78
17	4.11	6.17	1.25	1.88	3.91	5.86	1.19	1.78
18	4.12	6.18	1.25	1.88	3.92	5.88	1.19	1.79
19	4.13	6.20	1.26	1.88	3.93	5.90	1.19	1.79
20	4.15	6.23	1.26	1.89	3.95	5.92	1.20	1.80
21	4.17	6.26	1.27	1.90	3.97	5.95	1.21	1.81
22	4.19	6.29	1.27	1.91	3.99	5.98	1.21	1.82
23	4.22	6.33	1.28	1.92	4.01	6.01	1.22	1.83
24	4.25	6.37	1.29	1.94	4.04	6.06	1.23	1.84
25	4.28	6.42	1.30	1.95	4.07	6.10	1.24	1.85
26	4.31	6.47	1.31	1.97	4.10	6.15	1.25	1.87
27	4.35	6.53	1.32	1.98	4.13	6.20	1.26	1.88
28	4.39	6.59	1.33	2.00	4.17	6.26	1.27	1.90
29	4.43	6.65	1.35	2.02	4.21	6.32	1.28	1.92
30	4.49	6.73	1.36	2.05	4.26	6.39	1.29	1.94
31	4.53	6.80	1.38	2.07	4.31	6.47	1.31	1.97
32	4.59	6.89	1.39	2.09	4.37	6.55	1.33	1.99
33	4.65	6.97	1.41	2.12	4.42	6.63	1.34	2.01
34	4.71	7.07	1.43	2.15	4.48	6.72	1.36	2.04
35	4.78	7.17	1.45	2.18	4.54	6.81	1.38	2.07
36	4.85	7.27	1.47	2.21	4.61	6.91	1.40	2.10
37	4.91	7.37	1.49	2.24	4.67	7.01	1.42	2.13
38	4.99	7.48	1.52	2.27	4.74	7.11	1.44	2.16
39	5.05	7.58	1.53	2.30	4.81	7.21	1.46	2.19
40	5.13	7.69	1.56	2.34	4.87	7.31	1.48	2.22
41	5.20	7.80	1.58	2.37	4.94	7.41	1.50	2.25
42	5.27	7.90	1.60	2.40	5.01	7.51	1.52	2.28
43	5.34	8.01	1.62	2.43	5.08	7.62	1.54	2.32
44	5.41	8.12	1.64	2.47	5.15	7.72	1.57	2.35
45	5.49	8.23	1.67	2.50	5.22	7.83	1.59	2.38
46	5.57	8.35	1.69	2.54	5.29	7.93	1.61	2.41
47	5.64	8.46	1.71	2.57	5.36	8.04	1.63	2.44
48	5.72	8.58	1.74	2.61	5.43	8.15	1.65	2.48
49	5.79	8.69	1.76	2.64	5.51	8.26	1.67	2.51
50	5.87	8.81	1.78	2.68	5.58	8.37	1.70	2.54
51	5.95	8.93	1.81	2.71	5.65	8.48	1.72	2.58
52	6.03	9.05	1.83	2.75	5.73	8.60	1.74	2.61
53	6.11	9.17	1.86	2.79	5.81	8.71	1.77	2.65
54	6.19	9.29	1.88	2.82	5.89	8.83	1.79	2.68
55	6.27	9.41	1.91	2.86	5.96	8.94	1.81	2.72
56	6.35	9.53	1.93	2.90	6.04	9.06	1.84	2.75
57	6.44	9.66	1.96	2.94	6.12	9.18	1.86	2.79
58	6.52	9.78	1.98	2.97	6.20	9.30	1.88	2.83
59	6.61	9.91	2.01	3.01	6.27	9.41	1.91	2.86
& over								

INTEREST:	8.00%
INFLATION:	4.00%
COLA:	3.00%
MORTALITY:	94 GA (Male, -3)

* 30.39% of basic rates.

Schedule 5 (continued)

Probation Members' Contribution Rates (expressed as a percentage of biweekly compensation)

CURRENT

Entry Age	Tier 1 - Section 31664 FAS = 1 year				Tier 2 - Section 31664 FAS = 3 year			
	Basic		COL		Basic		COL	
	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54
18	5.07	7.60	3.02	4.53	4.82	7.23	2.87	4.31
19	5.10	7.65	3.04	4.56	4.85	7.27	2.89	4.33
20	5.13	7.70	3.06	4.59	4.88	7.32	2.91	4.36
21	5.17	7.76	3.08	4.62	4.91	7.37	2.92	4.39
22	5.21	7.82	3.10	4.66	4.95	7.43	2.95	4.43
23	5.25	7.88	3.13	4.69	4.99	7.49	2.97	4.46
24	5.30	7.95	3.16	4.74	5.03	7.55	3.00	4.50
25	5.35	8.02	3.19	4.78	5.08	7.62	3.03	4.54
26	5.39	8.09	3.21	4.82	5.13	7.69	3.06	4.58
27	5.45	8.17	3.25	4.87	5.18	7.77	3.09	4.63
28	5.51	8.26	3.28	4.92	5.23	7.85	3.12	4.68
29	5.56	8.34	3.31	4.97	5.29	7.93	3.15	4.72
30	5.63	8.44	3.35	5.03	5.35	8.02	3.19	4.78
31	5.69	8.53	3.39	5.08	5.41	8.11	3.22	4.83
32	5.76	8.64	3.43	5.15	5.47	8.21	3.26	4.89
33	5.83	8.74	3.47	5.21	5.54	8.31	3.30	4.95
34	5.90	8.85	3.51	5.27	5.61	8.41	3.34	5.01
35	5.98	8.97	3.56	5.34	5.68	8.52	3.38	5.08
36	6.06	9.09	3.61	5.41	5.76	8.64	3.43	5.15
37	6.14	9.21	3.66	5.49	5.84	8.76	3.48	5.22
38	6.23	9.34	3.71	5.56	5.92	8.88	3.53	5.29
39	6.31	9.47	3.76	5.64	6.00	9.00	3.57	5.36
40	6.39	9.59	3.81	5.71	6.08	9.12	3.62	5.43
41	6.48	9.72	3.86	5.79	6.16	9.24	3.67	5.50
42	6.57	9.85	3.91	5.87	6.24	9.36	3.72	5.58
43	6.65	9.98	3.96	5.95	6.33	9.49	3.77	5.65
44	6.74	10.11	4.02	6.02	6.41	9.61	3.82	5.72
45	6.83	10.25	4.07	6.11	6.49	9.74	3.87	5.80
46	6.92	10.38	4.12	6.18	6.58	9.87	3.92	5.88
47	7.01	10.52	4.18	6.27	6.67	10.00	3.97	5.96
48	7.10	10.65	4.23	6.34	6.75	10.12	4.02	6.03
49	7.19	10.79	4.28	6.43	6.83	10.25	4.07	6.11
& over								
INTEREST:		8.00%						
INFLATION:		4.00%						
COLA:		3.00%						

MORTALITY: 94 GA (Male,0)

*59.57% of basic rates.

Schedule 5 (continued)

Safety Members' Contribution Rates (expressed as a percentage of biweekly compensation)

CURRENT

Entry Age	Tier 1 - Section 31664.2 FAS = 1 year				Tier 2 - Section 31664.2 FAS = 3 year			
	Basic		COL		Basic		COL	
	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54
18	5.07	7.60	1.24	2.67	4.82	7.23	1.10	2.46
19	5.10	7.65	1.26	2.70	4.85	7.27	1.12	2.49
20	5.13	7.70	1.27	2.73	4.88	7.32	1.13	2.51
21	5.17	7.76	1.30	2.76	4.91	7.37	1.15	2.54
22	5.21	7.82	1.32	2.80	4.95	7.43	1.17	2.58
23	5.25	7.88	1.34	2.83	4.99	7.49	1.20	2.61
24	5.30	7.95	1.37	2.87	5.03	7.55	1.22	2.64
25	5.35	8.02	1.40	2.91	5.08	7.62	1.25	2.68
26	5.39	8.09	1.42	2.95	5.13	7.69	1.27	2.72
27	5.45	8.17	1.46	3.00	5.18	7.77	1.30	2.77
28	5.51	8.26	1.49	3.05	5.23	7.85	1.33	2.81
29	5.56	8.34	1.52	3.09	5.29	7.93	1.37	2.86
30	5.63	8.44	1.56	3.15	5.35	8.02	1.40	2.91
31	5.69	8.53	1.59	3.20	5.41	8.11	1.43	2.96
32	5.76	8.64	1.63	3.26	5.47	8.21	1.47	3.02
33	5.83	8.74	1.67	3.32	5.54	8.31	1.51	3.08
34	5.90	8.85	1.71	3.38	5.61	8.41	1.55	3.13
35	5.98	8.97	1.76	3.45	5.68	8.52	1.59	3.19
36	6.06	9.09	1.80	3.52	5.76	8.64	1.63	3.26
37	6.14	9.21	1.85	3.58	5.84	8.76	1.68	3.33
38	6.23	9.34	1.90	3.66	5.92	8.88	1.72	3.40
39	6.31	9.47	1.94	3.73	6.00	9.00	1.77	3.47
40	6.39	9.59	1.99	3.80	6.08	9.12	1.81	3.53
41	6.48	9.72	2.04	3.87	6.16	9.24	1.86	3.60
42	6.57	9.85	2.09	3.95	6.24	9.36	1.90	3.67
43	6.65	9.98	2.14	4.02	6.33	9.49	1.95	3.74
44	6.74	10.11	2.19	4.09	6.41	9.61	2.00	3.81
45	6.83	10.25	2.24	4.17	6.49	9.74	2.04	3.88
46	6.92	10.38	2.29	4.25	6.58	9.87	2.10	3.96
47	7.01	10.52	2.34	4.33	6.67	10.00	2.15	4.03
48	7.10	10.65	2.39	4.40	6.75	10.12	2.19	4.10
49	7.19	10.79	2.44	4.48	6.83	10.25	2.24	4.17
& over								

INTEREST:	8.00%
INFLATION:	4.00%
COLA:	3.00%
MORTALITY:	94 GA (Male,0)

56.62% of basic rates.

* COL Rate offset by 1.63% - picked up by the County.

Schedule 5 (continued)**General Members' Contribution Rates (expressed as a percentage of biweekly compensation)****RECOMMENDED**

Entry Age	Tier 1 – Section 31676.12 FAS = 1 year				Tier 2 & Tier 3 – Section 31676.12 FAS = 3 years			
	Basic		COL*		Basic		COL*	
	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54
16	4.10	6.15	1.24	1.86	3.90	5.85	1.18	1.77
17	4.11	6.17	1.25	1.87	3.91	5.86	1.18	1.78
18	4.12	6.18	1.25	1.87	3.92	5.88	1.19	1.78
19	4.13	6.20	1.25	1.88	3.93	5.90	1.19	1.79
20	4.15	6.23	1.26	1.89	3.95	5.92	1.20	1.79
21	4.17	6.26	1.26	1.90	3.97	5.95	1.20	1.80
22	4.19	6.29	1.27	1.91	3.99	5.98	1.21	1.81
23	4.22	6.33	1.28	1.92	4.01	6.01	1.22	1.82
24	4.25	6.37	1.29	1.93	4.04	6.06	1.22	1.84
25	4.28	6.42	1.30	1.95	4.07	6.10	1.23	1.85
26	4.31	6.47	1.31	1.96	4.10	6.15	1.24	1.86
27	4.35	6.53	1.32	1.98	4.13	6.20	1.25	1.88
28	4.39	6.59	1.33	2.00	4.17	6.26	1.26	1.90
29	4.43	6.65	1.34	2.01	4.21	6.32	1.28	1.91
30	4.49	6.73	1.36	2.04	4.26	6.39	1.29	1.94
31	4.53	6.80	1.37	2.06	4.31	6.47	1.31	1.96
32	4.59	6.89	1.39	2.09	4.37	6.55	1.32	1.98
33	4.65	6.97	1.41	2.11	4.42	6.63	1.34	2.01
34	4.71	7.07	1.43	2.14	4.48	6.72	1.36	2.04
35	4.78	7.17	1.45	2.17	4.54	6.81	1.38	2.06
36	4.85	7.27	1.47	2.20	4.61	6.91	1.40	2.09
37	4.91	7.37	1.49	2.23	4.67	7.01	1.42	2.12
38	4.99	7.48	1.51	2.27	4.74	7.11	1.44	2.15
39	5.05	7.58	1.53	2.30	4.81	7.21	1.46	2.18
40	5.13	7.69	1.55	2.33	4.87	7.31	1.48	2.21
41	5.20	7.80	1.58	2.36	4.94	7.41	1.50	2.25
42	5.27	7.90	1.60	2.39	5.01	7.51	1.52	2.28
43	5.34	8.01	1.62	2.43	5.08	7.62	1.54	2.31
44	5.41	8.12	1.64	2.46	5.15	7.72	1.56	2.34
45	5.49	8.23	1.66	2.49	5.22	7.83	1.58	2.37
46	5.57	8.35	1.69	2.53	5.29	7.93	1.60	2.40
47	5.64	8.46	1.71	2.56	5.36	8.04	1.62	2.44
48	5.72	8.58	1.73	2.60	5.43	8.15	1.65	2.47
49	5.79	8.69	1.75	2.63	5.51	8.26	1.67	2.50
50	5.87	8.81	1.78	2.67	5.58	8.37	1.69	2.54
51	5.95	8.93	1.80	2.71	5.65	8.48	1.71	2.57
52	6.03	9.05	1.83	2.74	5.73	8.60	1.74	2.61
53	6.11	9.17	1.85	2.78	5.81	8.71	1.76	2.64
54	6.19	9.29	1.88	2.81	5.89	8.83	1.78	2.68
55	6.27	9.41	1.90	2.85	5.96	8.94	1.81	2.71
56	6.35	9.53	1.92	2.89	6.04	9.06	1.83	2.75
57	6.44	9.66	1.95	2.93	6.12	9.18	1.85	2.78
58	6.52	9.78	1.98	2.96	6.20	9.30	1.88	2.82
59	6.61	9.91	2.00	3.00	6.27	9.41	1.90	2.85
& over								
INTEREST:			8.00%					
INFLATION:			4.00%					
COLA:			3.00%					
MORTALITY:		94 GA (Male, -3)						
* 30.30% of basic rates.								

Schedule 5 (continued)

Probation Members' Contribution Rates (expressed as a percentage of biweekly compensation)

RECOMMENDED

Entry Age	Tier 1 – Section 31664 FAS = 1 year				Tier 2 – Section 31664 FAS = 3 years			
	Basic		COL*		Basic		COL*	
	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54
18	5.07	7.60	2.98	4.47	4.82	7.23	2.83	4.25
19	5.10	7.65	3.00	4.50	4.85	7.27	2.85	4.27
20	5.13	7.70	3.02	4.53	4.88	7.32	2.87	4.30
21	5.17	7.76	3.04	4.56	4.91	7.37	2.89	4.33
22	5.21	7.82	3.06	4.60	4.95	7.43	2.91	4.37
23	5.25	7.88	3.09	4.63	4.99	7.49	2.93	4.40
24	5.30	7.95	3.12	4.67	5.03	7.55	2.96	4.44
25	5.35	8.02	3.15	4.71	5.08	7.62	2.99	4.48
26	5.39	8.09	3.17	4.76	5.13	7.69	3.02	4.52
27	5.45	8.17	3.20	4.80	5.18	7.77	3.05	4.57
28	5.51	8.26	3.24	4.86	5.23	7.85	3.07	4.62
29	5.56	8.34	3.27	4.90	5.29	7.93	3.11	4.66
30	5.63	8.44	3.31	4.96	5.35	8.02	3.15	4.71
31	5.69	8.53	3.35	5.01	5.41	8.11	3.18	4.77
32	5.76	8.64	3.39	5.08	5.47	8.21	3.22	4.83
33	5.83	8.74	3.43	5.14	5.54	8.31	3.26	4.89
34	5.90	8.85	3.47	5.20	5.61	8.41	3.30	4.94
35	5.98	8.97	3.52	5.27	5.68	8.52	3.34	5.01
36	6.06	9.09	3.56	5.34	5.76	8.64	3.39	5.08
37	6.14	9.21	3.61	5.41	5.84	8.76	3.43	5.15
38	6.23	9.34	3.66	5.49	5.92	8.88	3.48	5.22
39	6.31	9.47	3.71	5.57	6.00	9.00	3.53	5.29
40	6.39	9.59	3.76	5.64	6.08	9.12	3.57	5.36
41	6.48	9.72	3.81	5.71	6.16	9.24	3.62	5.43
42	6.57	9.85	3.86	5.79	6.24	9.36	3.67	5.50
43	6.65	9.98	3.91	5.87	6.33	9.49	3.72	5.58
44	6.74	10.11	3.96	5.94	6.41	9.61	3.77	5.65
45	6.83	10.25	4.02	6.03	6.49	9.74	3.82	5.73
46	6.92	10.38	4.07	6.10	6.58	9.87	3.87	5.80
47	7.01	10.52	4.12	6.18	6.67	10.00	3.92	5.88
48	7.10	10.65	4.17	6.26	6.75	10.12	3.97	5.95
49	7.19	10.79	4.23	6.34	6.83	10.25	4.02	6.03
& over								
INTEREST:			8.00%					
INFLATION:			4.00%					
COLA:			3.00%					
MORTALITY:		94 GA (Male, 0)						
* 58.79% of basic rates.								

Schedule 5 (continued)

Safety Members' Contribution Rates (expressed as a percentage of biweekly compensation)

RECOMMENDED

Entry Age	Tier 1 – Section 31664 FAS = 1 year				Tier 2 – Section 31664 FAS = 3 years			
	Basic		COL*		Basic		COL*	
	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54	First \$161.54	Over \$161.54
18	5.07	7.60	1.21	2.63	4.82	7.23	1.07	2.42
19	5.10	7.65	1.23	2.66	4.85	7.27	1.09	2.45
20	5.13	7.70	1.25	2.69	4.88	7.32	1.11	2.47
21	5.17	7.76	1.27	2.72	4.91	7.37	1.12	2.50
22	5.21	7.82	1.29	2.75	4.95	7.43	1.14	2.54
23	5.25	7.88	1.31	2.79	4.99	7.49	1.17	2.57
24	5.30	7.95	1.34	2.83	5.03	7.55	1.19	2.60
25	5.35	8.02	1.37	2.87	5.08	7.62	1.22	2.64
26	5.39	8.09	1.39	2.91	5.13	7.69	1.25	2.68
27	5.45	8.17	1.43	2.95	5.18	7.77	1.27	2.73
28	5.51	8.26	1.46	3.00	5.23	7.85	1.30	2.77
29	5.56	8.34	1.49	3.05	5.29	7.93	1.34	2.82
30	5.63	8.44	1.53	3.10	5.35	8.02	1.37	2.87
31	5.69	8.53	1.56	3.15	5.41	8.11	1.40	2.92
32	5.76	8.64	1.60	3.21	5.47	8.21	1.44	2.97
33	5.83	8.74	1.64	3.27	5.54	8.31	1.48	3.03
34	5.90	8.85	1.68	3.33	5.61	8.41	1.51	3.08
35	5.98	8.97	1.72	3.40	5.68	8.52	1.55	3.15
36	6.06	9.09	1.77	3.47	5.76	8.64	1.60	3.21
37	6.14	9.21	1.81	3.53	5.84	8.76	1.64	3.28
38	6.23	9.34	1.86	3.61	5.92	8.88	1.69	3.35
39	6.31	9.47	1.91	3.68	6.00	9.00	1.73	3.42
40	6.39	9.59	1.95	3.75	6.08	9.12	1.78	3.48
41	6.48	9.72	2.00	3.82	6.16	9.24	1.82	3.55
42	6.57	9.85	2.05	3.89	6.24	9.36	1.87	3.62
43	6.65	9.98	2.10	3.96	6.33	9.49	1.92	3.69
44	6.74	10.11	2.15	4.04	6.41	9.61	1.96	3.76
45	6.83	10.25	2.20	4.12	6.49	9.74	2.01	3.83
46	6.92	10.38	2.25	4.19	6.58	9.87	2.06	3.90
47	7.01	10.52	2.30	4.27	6.67	10.00	2.11	3.98
48	7.10	10.65	2.35	4.34	6.75	10.12	2.15	4.04
49	7.19	10.79	2.40	4.42	6.83	10.25	2.20	4.12
& over								

INTEREST: 8.00%

INFLATION: 4.00%

COLA: 3.00%

MORTALITY: 94 GA (Male, 0)

* 56.06% of basic rates.

* COL Rate offset by 1.63% - picked up by the County.

Schedule 6

Probabilities of Separation From Active Service

The following pages indicate the probability of separation from active service for each of eight separate sources of termination:

Withdrawal:	member terminates and elects refund of member contributions.
Vested termination:	member terminates and contributions are left on deposit.
Ordinary death:	member dies prior to eligibility for retirement; death not employment-related.
Ordinary disability:	member becomes disabled prior to retirement; disability not employment-related.
Service retirement:	member retires for reasons other than duty disability.
Duty disability:	member becomes disabled prior to retirement; disability is employment-related.
Duty death:	member dies prior to retirement; death is employment-related.
Death while eligible:	member dies while eligible for retirement ; death not duty related

The probabilities shown for each cause of termination represent the probability that a given member will terminate at a particular age for the indicated reason. For example, if the probability of withdrawal at age 25 is .1410, then we are assuming that 14.10% of the active members at age 25 will terminate without vested rights during the next year.

Schedule 6 (continued)

Probabilities of Separation From Active Service

GENERAL MEMBERS – MALES (CURRENT)

Age	Withdrawal	Ordinary Death	Ordinary Disability	Service	Death While Eligible	Duty Death	Duty Disability	Terminated Vested
20	0.21120	0.00040	0.00000	0.00000	0.00000	0.00010	0.00014	0.01800
21	0.20724	0.00040	0.00000	0.00000	0.00000	0.00010	0.00014	0.02700
22	0.20196	0.00040	0.00000	0.00000	0.00000	0.00010	0.00014	0.02880
23	0.19668	0.00050	0.00000	0.00000	0.00000	0.00010	0.00014	0.03060
24	0.19140	0.00050	0.00000	0.00000	0.00000	0.00010	0.00014	0.03240
25	0.18612	0.00050	0.00003	0.00000	0.00010	0.00010	0.00029	0.03420
26	0.17952	0.00050	0.00003	0.00000	0.00010	0.00010	0.00029	0.03600
27	0.17292	0.00050	0.00006	0.00000	0.00010	0.00010	0.00029	0.04050
28	0.16500	0.00060	0.00006	0.00000	0.00010	0.00010	0.00043	0.04500
29	0.15576	0.00060	0.00009	0.00000	0.00010	0.00010	0.00043	0.04950
30	0.14520	0.00060	0.00013	0.00000	0.00020	0.00010	0.00043	0.05400
31	0.13332	0.00060	0.00016	0.00000	0.00020	0.00010	0.00058	0.05400
32	0.12276	0.00060	0.00020	0.00000	0.00020	0.00010	0.00058	0.05220
33	0.11484	0.00070	0.00026	0.00000	0.00020	0.00010	0.00072	0.04860
34	0.11220	0.00070	0.00032	0.00000	0.00030	0.00010	0.00072	0.04320
35	0.11088	0.00080	0.00038	0.00000	0.00030	0.00020	0.00072	0.03780
36	0.10956	0.00080	0.00048	0.00000	0.00030	0.00020	0.00072	0.03060
37	0.10956	0.00090	0.00058	0.00000	0.00030	0.00020	0.00087	0.02520
38	0.10824	0.00090	0.00067	0.00000	0.00040	0.00020	0.00101	0.02520
39	0.10692	0.00100	0.00077	0.00000	0.00040	0.00020	0.00116	0.02520
40	0.10296	0.00100	0.00086	0.00000	0.00040	0.00020	0.00130	0.05040
41	0.09504	0.00110	0.00099	0.00000	0.00050	0.00020	0.00145	0.05040
42	0.08712	0.00110	0.00111	0.00000	0.00050	0.00020	0.00159	0.05040
43	0.07920	0.00120	0.00124	0.00000	0.00050	0.00020	0.00173	0.05040
44	0.07260	0.00120	0.00140	0.00000	0.00050	0.00020	0.00202	0.05040
45	0.06600	0.00120	0.00156	0.00000	0.00060	0.00020	0.00231	0.04680
46	0.05940	0.00130	0.00173	0.00000	0.00070	0.00020	0.00260	0.04320
47	0.05280	0.00130	0.00185	0.00000	0.00080	0.00020	0.00289	0.03960
48	0.04752	0.00140	0.00201	0.00000	0.00090	0.00020	0.00332	0.04680
49	0.04356	0.00140	0.00220	0.00000	0.00100	0.00020	0.00376	0.05400
50	0.03960	0.00150	0.00239	0.03000	0.00110	0.00020	0.00434	0.06120
51	0.03696	0.00150	0.00258	0.03000	0.00130	0.00020	0.00491	0.06120
52	0.03564	0.00160	0.00275	0.03000	0.00150	0.00020	0.00549	0.05400
53	0.03432	0.00170	0.00293	0.03000	0.00170	0.00020	0.00607	0.03600
54	0.03300	0.00180	0.00309	0.03000	0.00190	0.00020	0.00665	0.00900
55	0.03168	0.00190	0.00328	0.09000	0.00210	0.00020	0.00723	0.02160
56	0.02904	0.00200	0.00348	0.06000	0.00230	0.00020	0.00780	0.00540
57	0.02640	0.00210	0.00364	0.06000	0.00250	0.00020	0.00853	0.00360
58	0.02376	0.00220	0.00379	0.06000	0.00270	0.00020	0.00925	0.00180
59	0.06336	0.00230	0.00392	0.07500	0.00290	0.00020	0.00997	0.00180
60	0.05544	0.00240	0.00405	0.07500	0.00310	0.00020	0.01069	0.00900
61	0.07920	0.00250	0.00415	0.09750	0.00330	0.00020	0.01156	0.01800
62	0.06600	0.00260	0.00427	0.11250	0.00350	0.00020	0.01243	0.00180
63	0.01056	0.00270	0.00437	0.05625	0.00370	0.00020	0.01329	0.00180
64	0.00792	0.00280	0.00446	0.09375	0.00390	0.00020	0.01416	0.00180
65	0.00000	0.00290	0.00452	0.26250	0.00410	0.00020	0.00000	0.00000
66	0.00000	0.00300	0.00462	0.30000	0.00430	0.00020	0.00000	0.00000
67	0.00000	0.00310	0.00468	0.31875	0.00450	0.00020	0.00000	0.00000
68	0.00000	0.00320	0.00475	0.33750	0.00470	0.00020	0.00000	0.00000
69	0.00000	0.00330	0.00478	0.35625	0.00490	0.00020	0.00000	0.00000
70	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000

Schedule 6 (continued)

Probabilities of Separation From Active Service

GENERAL MEMBERS – FEMALES (CURRENT)

Age	Withdrawal	Ordinary Death	Ordinary Disability	Service	Death While Eligible	Duty Death	Duty Disability	Terminated Vested
20	0.25000	0.00026	0.00000	0.00000	0.00000	0.00010	0.00028	0.01699
21	0.22500	0.00026	0.00000	0.00000	0.00000	0.00010	0.00028	0.01714
22	0.20000	0.00026	0.00000	0.00000	0.00000	0.00010	0.00028	0.01728
23	0.17500	0.00026	0.00000	0.00000	0.00000	0.00010	0.00028	0.01742
24	0.16000	0.00026	0.00000	0.00000	0.00000	0.00010	0.00028	0.01771
25	0.15000	0.00039	0.00008	0.00000	0.00010	0.00010	0.00028	0.01800
26	0.14000	0.00039	0.00008	0.00000	0.00010	0.00010	0.00028	0.01829
27	0.13500	0.00039	0.00008	0.00000	0.00010	0.00010	0.00028	0.01858
28	0.13200	0.00039	0.00008	0.00000	0.00010	0.00010	0.00028	0.01886
29	0.13000	0.00039	0.00008	0.00000	0.00010	0.00010	0.00028	0.01901
30	0.12900	0.00052	0.00017	0.00000	0.00010	0.00010	0.00028	0.03888
31	0.12700	0.00052	0.00017	0.00000	0.00010	0.00010	0.00028	0.03974
32	0.12500	0.00052	0.00025	0.00000	0.00010	0.00010	0.00028	0.04060
33	0.12000	0.00052	0.00025	0.00000	0.00010	0.00010	0.00028	0.04176
34	0.11500	0.00052	0.00034	0.00000	0.00010	0.00010	0.00028	0.04262
35	0.11000	0.00065	0.00034	0.00000	0.00020	0.00010	0.00028	0.04464
36	0.10500	0.00065	0.00042	0.00000	0.00020	0.00010	0.00028	0.04580
37	0.10000	0.00065	0.00042	0.00000	0.00020	0.00010	0.00028	0.04608
38	0.09500	0.00078	0.00050	0.00000	0.00020	0.00010	0.00028	0.04550
39	0.09200	0.00078	0.00059	0.00000	0.00020	0.00010	0.00058	0.04492
40	0.09000	0.00078	0.00067	0.00000	0.00020	0.00010	0.00058	0.04464
41	0.08800	0.00078	0.00076	0.00000	0.00020	0.00010	0.00058	0.04464
42	0.08600	0.00078	0.00084	0.00000	0.00020	0.00010	0.00058	0.04464
43	0.08400	0.00091	0.00101	0.00000	0.00020	0.00010	0.00087	0.04608
44	0.08100	0.00091	0.00126	0.00000	0.00030	0.00010	0.00087	0.04608
45	0.07800	0.00091	0.00151	0.00000	0.00030	0.00010	0.00115	0.04608
46	0.07400	0.00104	0.00176	0.00000	0.00030	0.00010	0.00145	0.04464
47	0.06900	0.00104	0.00210	0.00000	0.00040	0.00010	0.00173	0.04320
48	0.06300	0.00104	0.00235	0.00000	0.00040	0.00010	0.00200	0.04176
49	0.05700	0.00117	0.00252	0.00000	0.00050	0.00010	0.00230	0.04032
50	0.05100	0.00117	0.00269	0.03000	0.00050	0.00010	0.00258	0.03744
51	0.04000	0.00130	0.00286	0.03000	0.00060	0.00010	0.00288	0.03168
52	0.03300	0.00130	0.00302	0.03000	0.00070	0.00010	0.00315	0.02592
53	0.02900	0.00143	0.00336	0.03000	0.00080	0.00010	0.00345	0.03456
54	0.02600	0.00143	0.00361	0.03000	0.00090	0.00010	0.00375	0.03024
55	0.02400	0.00143	0.00378	0.03000	0.00100	0.00010	0.00403	0.02721
56	0.02200	0.00156	0.00403	0.03000	0.00110	0.00010	0.00432	0.02376
57	0.06000	0.00156	0.00428	0.03000	0.00120	0.00010	0.00460	0.02031
58	0.05400	0.00169	0.00454	0.06000	0.00130	0.00010	0.00490	0.01686
59	0.04800	0.00169	0.00487	0.06000	0.00140	0.00010	0.00518	0.01296
60	0.04200	0.00182	0.00512	0.06000	0.00150	0.00010	0.00547	0.00864
61	0.03600	0.00182	0.00546	0.10000	0.00160	0.00010	0.00575	0.00864
62	0.03000	0.00195	0.00580	0.15000	0.00170	0.00010	0.00603	0.01152
63	0.02400	0.00195	0.00613	0.07500	0.00180	0.00010	0.00633	0.01152
64	0.01800	0.00208	0.00647	0.07500	0.00190	0.00010	0.00662	0.01152
65	0.00000	0.00208	0.00680	0.25000	0.00200	0.00010	0.00690	0.00000
66	0.00000	0.00221	0.00714	0.30000	0.00210	0.00010	0.00718	0.00000
67	0.00000	0.00221	0.00756	0.30000	0.00220	0.00010	0.00748	0.00000
68	0.00000	0.00234	0.00840	0.45000	0.00230	0.00010	0.00777	0.00000
69	0.00000	0.00234	0.00924	0.47500	0.00240	0.00010	0.00805	0.00000
70	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000

Schedule 6 (continued)**PROBABILITIES OF SEPARATION FROM ACTIVE SERVICE****PROBATION MEMBERS (CURRENT)**

Age	Withdrawal	Ordinary Death	Ordinary Disability	Service	Death While Eligible	Duty Death	Duty Disability	Terminated Vested
20	0.18750	0.00030	0.00010	0.00000	0.00000	0.00100	0.00238	0.00000
21	0.18000	0.00030	0.00010	0.00000	0.00000	0.00100	0.00270	0.00000
22	0.17250	0.00030	0.00020	0.00000	0.00000	0.00100	0.00302	0.00000
23	0.16500	0.00030	0.00030	0.00000	0.00000	0.00100	0.00335	0.00000
24	0.15600	0.00030	0.00030	0.00000	0.00000	0.00100	0.00367	0.00000
25	0.14400	0.00040	0.00040	0.00000	0.00010	0.00100	0.00400	0.01350
26	0.13200	0.00040	0.00050	0.00000	0.00010	0.00100	0.00432	0.02025
27	0.12150	0.00040	0.00060	0.00000	0.00010	0.00100	0.00475	0.02700
28	0.11250	0.00040	0.00080	0.00000	0.00010	0.00100	0.00518	0.03375
29	0.10650	0.00040	0.00080	0.00000	0.00010	0.00100	0.00562	0.04050
30	0.10350	0.00050	0.00090	0.00000	0.00020	0.00100	0.00605	0.04725
31	0.09750	0.00050	0.00090	0.00000	0.00020	0.00100	0.00659	0.05400
32	0.08850	0.00050	0.00100	0.00000	0.00020	0.00100	0.00734	0.06075
33	0.08100	0.00050	0.00110	0.00000	0.00020	0.00110	0.00810	0.06750
34	0.07350	0.00060	0.00130	0.00000	0.00020	0.00110	0.00896	0.07425
35	0.06600	0.00060	0.00150	0.00000	0.00030	0.00110	0.00983	0.07425
36	0.06000	0.00060	0.00170	0.00000	0.00030	0.00110	0.01069	0.07761
37	0.05550	0.00060	0.00200	0.00000	0.00030	0.00120	0.01166	0.08100
38	0.05100	0.00070	0.00250	0.00000	0.00030	0.00120	0.01264	0.08100
39	0.04650	0.00070	0.00300	0.00000	0.00040	0.00120	0.01382	0.08100
40	0.04350	0.00080	0.00350	0.00000	0.00040	0.00130	0.01512	0.08100
41	0.04050	0.00090	0.00400	0.00000	0.00050	0.00130	0.01652	0.08100
42	0.03600	0.00100	0.00450	0.00000	0.00060	0.00140	0.01804	0.08100
43	0.03000	0.00110	0.00520	0.00000	0.00070	0.00150	0.01912	0.07761
44	0.02550	0.00120	0.00590	0.00000	0.00080	0.00160	0.02074	0.07425
45	0.02100	0.00130	0.00660	0.00000	0.00090	0.00170	0.02246	0.06750
46	0.01650	0.00140	0.00730	0.00000	0.00100	0.00180	0.02430	0.06075
47	0.01200	0.00150	0.00800	0.00000	0.00110	0.00180	0.02624	0.05400
48	0.00750	0.00160	0.00880	0.00000	0.00120	0.00190	0.02830	0.04050
49	0.00300	0.00170	0.00940	0.00000	0.00130	0.00200	0.03046	0.03375
50	0.00300	0.00180	0.01020	0.04000	0.00140	0.00210	0.03283	0.02700
51	0.00300	0.00190	0.01100	0.04000	0.00150	0.00220	0.03553	0.02025
52	0.00300	0.00200	0.01180	0.04000	0.00160	0.00220	0.03834	0.01350
53	0.00300	0.00210	0.01260	0.08000	0.00170	0.00230	0.04126	0.01350
54	0.00300	0.00220	0.01340	0.09000	0.00180	0.00240	0.04428	0.00675
55	0.00000	0.00230	0.01420	0.12500	0.00190	0.00250	0.04752	0.00000
56	0.00000	0.00240	0.01500	0.03750	0.00200	0.00260	0.05130	0.00000
57	0.00000	0.00250	0.01580	0.05000	0.00210	0.00270	0.05562	0.00000
58	0.00000	0.00260	0.01640	0.06250	0.00220	0.00280	0.06048	0.00000
59	0.00000	0.00270	0.01720	0.09375	0.00230	0.00290	0.06588	0.00000
60	0.00000	0.00000	0.00000	0.25000	0.00000	0.00000	0.00000	0.00000

Schedule 6 (continued)

Probabilities of Separation From Active Service

SAFETY MEMBERS (CURRENT)

Age	Withdrawal	Ordinary Death	Ordinary Disability	Service	Death While Eligible	Duty Death	Duty Disability	Terminated Vested
20	0.18750	0.00030	0.00005	0.00000	0.00000	0.00100	0.00238	0.00000
21	0.18000	0.00030	0.00005	0.00000	0.00000	0.00100	0.00270	0.00000
22	0.17250	0.00030	0.00010	0.00000	0.00000	0.00100	0.00302	0.00000
23	0.16500	0.00030	0.00015	0.00000	0.00000	0.00100	0.00335	0.00000
24	0.15600	0.00030	0.00015	0.00000	0.00000	0.00100	0.00367	0.00000
25	0.14400	0.00040	0.00020	0.00000	0.00010	0.00100	0.00400	0.00450
26	0.13200	0.00040	0.00025	0.00000	0.00010	0.00100	0.00432	0.00675
27	0.12150	0.00040	0.00030	0.00000	0.00010	0.00100	0.00475	0.00900
28	0.11250	0.00040	0.00040	0.00000	0.00010	0.00100	0.00518	0.01125
29	0.10650	0.00040	0.00040	0.00000	0.00010	0.00100	0.00562	0.01350
30	0.10350	0.00050	0.00045	0.00000	0.00020	0.00100	0.00605	0.01575
31	0.09750	0.00050	0.00045	0.00000	0.00020	0.00100	0.00659	0.01800
32	0.08850	0.00050	0.00050	0.00000	0.00020	0.00100	0.00734	0.02025
33	0.08100	0.00050	0.00055	0.00000	0.00020	0.00110	0.00810	0.02250
34	0.07350	0.00060	0.00065	0.00000	0.00020	0.00110	0.00896	0.02475
35	0.06600	0.00060	0.00075	0.00000	0.00030	0.00110	0.00983	0.02475
36	0.06000	0.00060	0.00085	0.00000	0.00030	0.00110	0.01069	0.02587
37	0.05550	0.00060	0.00100	0.00000	0.00030	0.00120	0.01166	0.02700
38	0.05100	0.00070	0.00125	0.00000	0.00030	0.00120	0.01264	0.02700
39	0.04650	0.00070	0.00150	0.00000	0.00040	0.00120	0.01382	0.02700
40	0.04350	0.00080	0.00175	0.00000	0.00040	0.00130	0.01512	0.02700
41	0.04050	0.00090	0.00200	0.00000	0.00050	0.00130	0.01652	0.02700
42	0.03600	0.00100	0.00225	0.00000	0.00060	0.00140	0.01804	0.02700
43	0.03000	0.00110	0.00260	0.00000	0.00070	0.00150	0.01912	0.02587
44	0.02550	0.00120	0.00295	0.00000	0.00080	0.00160	0.02074	0.02475
45	0.02100	0.00130	0.00330	0.00250	0.00090	0.00170	0.02246	0.02250
46	0.01650	0.00140	0.00365	0.00288	0.00100	0.00180	0.02430	0.02025
47	0.01200	0.00150	0.00400	0.00331	0.00110	0.00180	0.02624	0.01800
48	0.00750	0.00160	0.00440	0.00380	0.00120	0.00190	0.02830	0.01350
49	0.00300	0.00170	0.00470	0.00438	0.00130	0.00200	0.03046	0.01125
50	0.00300	0.00180	0.00510	0.02300	0.00140	0.00210	0.03283	0.00900
51	0.00300	0.00190	0.00550	0.02300	0.00150	0.00220	0.03553	0.00675
52	0.00300	0.00200	0.00590	0.02300	0.00160	0.00220	0.03834	0.00450
53	0.00300	0.00210	0.00630	0.04600	0.00170	0.00230	0.04126	0.00450
54	0.00300	0.00220	0.00670	0.05175	0.00180	0.00240	0.04428	0.00225
55	0.00000	0.00230	0.00710	0.06313	0.00190	0.00250	0.04752	0.00000
56	0.00000	0.00240	0.00750	0.07500	0.00200	0.00260	0.05130	0.00000
57	0.00000	0.00250	0.00790	0.10000	0.00210	0.00270	0.05562	0.00000
58	0.00000	0.00260	0.00820	0.12500	0.00220	0.00280	0.06048	0.00000
59	0.00000	0.00270	0.00860	0.37500	0.00230	0.00290	0.06588	0.00000
60	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000

Schedule 7

Years of Life Expectancy After Service Retirement

CURRENT

Age	General		Safety	Age	General		Safety
	Male	Female			Male	Female	
50	30.69	34.89	30.69	85	6.19	7.54	6.19
51	29.77	33.94	29.77	86	5.80	7.06	5.80
52	28.85	32.99	28.85	87	5.43	6.59	5.43
53	27.95	32.05	27.95	88	5.07	6.15	5.07
54	27.04	31.11	27.04	89	4.73	5.73	4.73
55	26.15	30.17	26.15	90	4.42	5.34	4.42
56	25.27	29.24	25.27	91	4.13	4.98	4.13
57	24.39	28.31	24.39	92	3.86	4.64	3.86
58	23.52	27.40	23.52	93	3.61	4.33	3.61
59	22.67	26.49	22.67	94	3.37	4.04	3.37
60	21.83	25.59	21.83	95	3.16	3.76	3.16
61	21.00	24.70	21.00	96	2.98	3.51	2.98
62	20.18	23.82	20.18	97	2.81	3.28	2.81
63	19.39	22.96	19.39	98	2.66	3.06	2.66
64	18.60	22.11	18.60	99	2.52	2.86	2.52
65	17.84	21.28	17.84	100	2.39	2.67	2.39
66	17.10	20.46	17.10	101	2.26	2.50	2.26
67	16.37	19.65	16.37	102	2.15	2.34	2.15
68	15.66	18.86	15.66	103	2.04	2.19	2.04
69	14.97	18.08	14.97	104	1.93	2.06	1.93
70	14.29	17.31	14.29	105	1.84	1.94	1.84
71	13.63	16.54	13.63	106	1.75	1.83	1.75
72	12.98	15.78	12.98	107	1.68	1.74	1.68
73	12.34	15.04	12.34	108	1.62	1.66	1.62
74	11.72	14.31	11.72	109	1.57	1.59	1.57
75	11.12	13.60	11.12	110	1.52	1.54	1.52
76	10.53	12.90	10.53	111	1.50	1.51	1.50
77	9.96	12.22	9.96	112	1.48	1.49	1.48
78	9.40	11.57	9.40	113	1.47	1.49	1.47
79	8.88	10.93	8.88	114	1.43	1.48	1.43
80	8.37	10.31	8.37	115	1.37	1.46	1.37
81	7.89	9.71	7.89	116	1.23	1.41	1.23
82	7.44	9.14	7.44	117	1.07	1.35	1.07
83	7.00	8.58	7.00	118	0.83	1.21	0.83
84	6.59	8.05	6.59	119	0.50	1.00	0.50
				120	--	0.50	--

1994 GA (x, y) for General Members

1994 GA (x) for Safety Members

Schedule 7 (continued)**Years of Life Expectancy After Disability Retirement****GENERAL MEMBERS (CURRENT)**

Age	General		Age	General		Age	General	
	Male	Female		Male	Female		Male	Female
20	42.92	40.28	51	23.06	21.57	81	8.76	7.41
21	41.92	39.49	52	22.56	21.08	82	8.28	7.00
22	41.09	38.73	53	22.06	20.59	83	7.83	6.63
23	40.28	37.98	54	21.57	20.11	84	7.41	6.27
24	39.49	37.26	55	21.08	19.63	85	7.00	5.94
25	38.73	36.56	56	20.59	19.16	86	6.63	5.63
26	37.98	35.87	57	20.11	18.68	87	6.27	5.34
27	37.26	35.19	58	19.63	18.22	88	5.94	5.06
28	36.56	34.53	59	19.16	17.75	89	5.63	4.80
29	35.87	33.87	60	18.68	17.29	90	5.34	4.55
30	35.19	33.23	61	18.22	16.83	91	5.06	4.31
31	34.53	32.60	62	17.75	16.37	92	4.80	4.09
32	33.87	31.98	63	17.29	15.91	93	4.55	3.87
33	33.23	31.37	64	16.83	15.45	94	4.31	3.66
34	32.60	30.76	65	16.37	14.99	95	4.09	3.46
35	31.98	30.17	66	15.91	14.53	96	3.87	3.26
36	31.37	29.58	67	15.45	14.07	97	3.66	3.07
37	30.76	29.00	68	14.99	13.60	98	3.46	2.89
38	30.17	28.43	69	14.53	13.13	99	3.26	2.71
39	29.58	27.87	70	14.07	12.66	100	3.07	2.54
40	29.00	27.31	71	13.60	12.18	101	2.89	2.37
41	28.43	26.76	72	13.13	11.70	102	2.71	2.20
42	27.87	26.21	73	12.66	11.21	103	2.54	2.04
43	27.31	25.67	74	12.18	10.72	104	2.37	1.88
44	26.76	25.14	75	11.70	10.22	105	2.20	1.72
45	26.21	24.61	76	11.21	9.73	106	2.04	1.55
46	25.67	24.09	77	10.72	9.24	107	1.88	1.38
47	25.14	23.57	78	10.22	8.76	108	1.72	1.21
48	24.61	23.06	79	9.73	8.28	109	1.55	1.04
49	24.09	22.56	80	9.24	7.83	110	1.38	0.88
50	23.57	22.06						

1981 Disability General (x-5, x-2)

Schedule 7 (continued)**Years Of Life Expectancy After Disability Retirement****PROBATION AND SAFETY MEMBERS (CURRENT)**

Age	Years of Life Expectancy	Age	Years of Life Expectancy	Age	Years of Life Expectancy
20	52.96	51	25.99	81	8.28
21	52.03	52	25.18	82	7.83
22	51.12	53	24.38	83	7.41
23	50.20	54	23.59	84	7.00
24	49.29	55	22.80	85	6.63
25	48.39	56	22.03	86	6.27
26	47.48	57	21.26	87	5.94
27	46.58	58	20.50	88	5.63
28	45.68	59	19.77	89	5.34
29	44.79	60	19.06	90	5.06
30	43.89	61	18.40	91	4.80
31	43.01	62	17.78	92	4.55
32	42.12	63	17.20	93	4.31
33	41.24	64	16.64	94	4.09
34	40.36	65	16.11	95	3.87
35	39.48	66	15.59	96	3.66
36	38.61	67	15.08	97	3.46
37	37.74	68	14.58	98	3.26
38	36.88	69	14.09	99	3.07
39	36.02	70	13.61	100	2.89
40	35.16	71	13.13	101	2.71
41	34.31	72	12.66	102	2.54
42	33.46	73	12.18	103	2.37
43	32.61	74	11.70	104	2.20
44	31.77	75	11.21	105	2.04
45	30.93	76	10.72	106	1.88
46	30.09	77	10.22	107	1.72
47	29.26	78	9.73	108	1.55
48	28.43	79	9.24	109	1.38
49	27.61	80	8.75	110	1.21
50	26.80				

1981 Disability Safety (x-4)

Schedule 8

Glossary of Terms

Following is a glossary of some of the commonly used actuarial terms.

Actuarial Accrued Liability	The portion, as determined by a particular cost method, of the total present value of benefits that is attributable to past service credit.
Actuarial Gain (Loss)	A measure of the difference between actual and expected experience based upon a set of actuarial assumptions. Examples include higher than expected salary increases (loss) and a higher return on fund assets than anticipated (gain).
Actuarial Present Value	Also referred to as the present value of benefits. It is the value, as of a specified date, of an amount payable in the future, where the amount has been adjusted to reflect both the time value of money and the probability that the payment is actually made.
Amortization of UAAL Payment	That portion of the pension plan contribution which is designed to pay off (amortize) the unfunded actuarial accrued liability in a systematic fashion. Equivalently, it is a series of periodic payments required to pay off a debt.
Annual Amount	Estimated contributions due for the year in order to ensure the orderly funding of the pension plan (equal to the contribution rate multiplied by the annual payroll). The annual amount is comprised of normal cost and UAAL payments.
Entry Age Normal Cost Method	This method assumes that the annual costs are the level amounts needed from entry age until retirement age to fund the ultimate retirement benefit. These amounts are expressed as a percentage of salary. The portion of this actuarial present value allocated to a valuation year is called the normal cost.

Final Average Salary	The average amount of compensation earned over a specified number of consecutive months preceding retirement during which compensation was highest.
Funding Policy	The policy for the amounts and timing of contributions to be made by the employer, members, and any other sources to provide the benefits promised by the pension plan.
Noneconomic Actuarial Assumptions	Probabilities that members will separate from active service for causes such as retirement, disability, death and withdrawal, as well as rates of post-retirement mortality. The probabilities reflect the experience of the Association membership.
Normal Cost	The ongoing annual cost allocated to a plan year by a particular actuarial cost method for providing benefits (future cost). Normal cost payments are made during the working lifetime of the member.
Unfunded Actuarial Accrued Liability	The excess of the actuarial accrued liability over the actuarial value of assets.

Schedule 9

Ratio of Current Compensation to Compensation Anticipated at Retirement

Age	General Members	Safety Members	Age	General Members	Safety Members
20	0.539	0.659	46	0.887	0.933
21	0.564	0.678	47	0.892	0.937
22	0.587	0.696	48	0.896	0.942
23	0.612	0.715	49	0.901	0.947
24	0.635	0.733	50	0.905	0.951
25	0.658	0.750	51	0.910	0.956
26	0.681	0.766	52	0.914	0.961
27	0.702	0.780	53	0.919	0.966
28	0.723	0.795	54	0.923	0.971
29	0.744	0.810	55	0.928	0.975
30	0.766	0.824	56	0.933	0.980
31	0.783	0.837	57	0.937	0.985
32	0.800	0.849	58	0.942	0.990
33	0.818	0.860	59	0.947	0.995
34	0.835	0.872	60	0.951	1.000
35	0.840	0.883	61	0.956	
36	0.844	0.887	62	0.961	
37	0.848	0.892	63	0.966	
38	0.852	0.896	64	0.971	
39	0.857	0.901	65	0.975	
40	0.861	0.905	66	0.980	
41	0.865	0.910	67	0.985	
42	0.870	0.914	68	0.990	
43	0.874	0.919	69	0.995	
44	0.878	0.923	70	1.000	
45	0.883	0.928			

Note: Salary scale assumption reflects 4.00% for inflation and graded merit and longevity.

Schedule 10**Asset Statement (Market Value)**

June 30, 2009 Final	
1000G Cash - General	\$ 14,252,018.64
1000B Cash Reserved - Bradford	\$ 586,927.79
1000D Cash Reserved – Dodge & Cox	\$ 909,352.86
1200 Accounts Receivable	\$ 1,088,488.47
1250 Prepaid Expense	\$ (62,874.10)
1430 Accrued Interest Receivable	\$ 0.00
1600 Office Equipment	\$ 3,786.40
 Investments	
1400 Par Value (B&M)	\$ 0.00
1400A Par Value (D&C)	\$ 99,493,127.00
Total Bonds	\$ 99,493,127.00
1600 Equities	\$ 0.00
1800 International Equities	\$ 45,196,570.00
1900 Small Cap Equities	\$ 15,245,039.00
1910 Mid Cap Equities	\$ 23,831,818.00
1920 Large Cap Equities	\$ 49,728,486.00
1930 Real Estate	\$ <u>21,241,752.00</u>
 1700 Short Term Investment (LAIF)	 \$ 0.00
 Total Assets	 \$ 271,514,492.06
 Net Assets	 \$ 271,188,485.06