

*Employees' Retirement System of the
County of Milwaukee*

Actuarial Valuation Report

January 1, 2014

May 2014

May 6, 2014

The Retirement Board
Employees' Retirement System of the
County of Milwaukee
901 N. 9th St.
Milwaukee, WI 53233

Ladies and Gentlemen:

This report presents the results of the annual actuarial valuation of the Employees' Retirement System of the County of Milwaukee as of January 1, 2014. The valuation takes into account all of the promised benefits to which members are entitled as of January 1, 2014, including pension and survivor benefits; and as required by the Retirement Code is the basis for the Budget Contribution for fiscal year 2015.

The valuation was based on the actuarial assumptions and methods as adopted by the Board of Trustees, including a valuation interest rate of 8% per annum compounded annually. Based on our recommendations in November 2012, the Board adopted revised actuarial assumptions effective with the January 1, 2013 valuation.

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. Because of limited scope, Buck performed no analysis of the potential range of such future differences.

In our opinion, the actuarial assumptions used are reasonable, taking into account the experience of the Plan and reasonable long-term expectations, and represent our best estimate of the anticipated long-term experience under the Plan. The actuary performs an analysis of Plan experience periodically and recommends changes if, in the opinion of the actuary, assumption changes are needed to more accurately reflect expected future experience. The Experience Study for the period January 1, 2007 to December 31, 2011 was prepared by Buck Consultants and approved by the Board for use beginning with the January 1, 2013 actuarial valuation and will remain in effect for valuation purposes until such time as the Board adopts revised assumptions. The next Experience Study will be based on the period from January 1, 2012 to December 31, 2016 and upon approval by the Board will be the basis of valuations performed from January 1, 2018 through January 1, 2022. A summary of the actuarial assumptions and methods used in this actuarial valuation are shown in Table 15.

Assets and Membership Data

The Retirement System reported the individual data for members of the System as of the valuation date to the actuary. For 2014 we received the data in multiple files. Missing information was updated with either supplemental information sent or by using assumptions based on the prior year's data. While we did not verify the data at their source, we did perform tests for internal consistency and reasonableness. The amount of assets in the trust fund taken into account in the valuation was based on statements prepared for us by the Retirement System.

Funding Adequacy

The 2013 valuation performed last year resulted in an Actual Funding Contribution of \$28,270,045 against which \$21,998,256 (adjusted for interest shown on Table 11) and \$8,954,525 member contributions were actually contributed. The excess of \$2,682,736 will be amortized over five years.

The Actual Funding Contribution for 2014, based on the results of this valuation, is \$29,564,925. It is expected that \$29,057,000 (\$29,057,000 in expected contribution plus \$0 interest) will be contributed during 2015 on behalf of the 2014 plan year. The excess contribution of \$(507,925) will be amortized over five years.

Budget Contribution

The 2015 Budget Contribution, expected to be contributed in 2016, is \$38,305,000.

Financial Results and Membership Data

Detailed summaries of the financial results of the valuation and membership data used in preparing the valuation are shown in the valuation report. The actuary prepared supporting schedules and required supplementary information included in the County of Milwaukee Annual Report of the Pension Board.

Qualifications

Qualified actuaries completed the valuation in accordance with accepted actuarial procedures as prescribed by the Actuarial Standards Board. The qualified actuaries are members of the American Academy of Actuaries and are experienced in performing actuarial valuations of public employee retirement systems. To the best of our knowledge, this report is complete and accurate and has been prepared in accordance with generally accepted actuarial principles and practice. The undersigned with actuarial designations are qualified to render the opinions contained in this report.

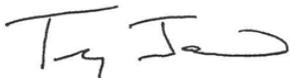
Respectfully submitted,



Larry Langer, ASA, EA, MAAA
Principal, Consulting Actuary



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A
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LL/EU:pl

EMPLOYEES’ RETIREMENT SYSTEM OF THE COUNTY OF MILWAUKEE
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Executive Summary

This report presents the actuarial valuation as of January 1, 2014 for the Employees' Retirement System of the County of Milwaukee. The principal valuation results include:

- The Actual Funding Contribution for fiscal year 2014, which is \$29,564,925.
- The Actuarially Required Contribution for fiscal year 2014 in accordance with GASB requirements, which is \$33,757,773. GASB requires that the unfunded liability be amortized over a period of not more than thirty years. Typically the Actuarially Required Contribution and the Actual Funding Contribution are the same. Because the effective amortization period of the Actual Funding Contribution is over thirty years, the Actuarially Required Contribution cannot be the same as the Actual Funding Contribution. We have independently calculated the Actuarially Required Contribution as the normal cost plus interest plus a thirty year amortization of the unfunded liability.
- The Budget Contribution for fiscal year 2015, which is \$38,305,000.
- The total funded ratio of the plan determined as of January 1, 2014, which is 85.7% based on the accrued liability and the actuarial value of assets. On a market value basis, the plan is 90.8% funded.
- The determination of the actuarial gain or loss as of January 1, 2014, which is a loss of \$32,919,613.
- Annual disclosure as of January 1, 2014 as required by Statement No. 25 of the Governmental Accounting Standards Board – only to be used for comparison of relevant Statement No. 27 and 67 information.

The valuation was based on membership and financial data submitted by the Retirement System.

Changes Since Last Year

Legislative and Administrative Changes

No legislative or administrative changes have been adopted since the previous valuation.

Note that for purposes of the contribution rates shown in the report, these amounts are gross contribution amounts. It is our understanding that County staff will net out the amount of employee contributions that are collected to arrive at a net County contribution. The benefit and contribution provisions are outlined in Table 16.

Actuarial Assumptions and Methods

No actuarial assumptions or methods have changed since the previous valuation. The actuarial assumptions and methods are outlined in Table 15.

Contribution Amounts

The results of the valuation as of January 1, 2014 determine the Actual Funding Contribution and Actuarially Required Contribution for fiscal year 2014 and the Budget Contribution for fiscal year 2015. The Actual Funding Contribution for fiscal year 2014 is \$29,564,925. The Actuarially Required Contribution for GASB purposes for fiscal year 2014 is \$33,757,773. The Budget Contribution for fiscal year 2015 is \$38,305,000. The actual 2014 contribution and budgeted 2015 contribution were based on assumptions and methods as adopted by the Board and participant data as of January 1, 2014.

Reasons for Change in Budget Contribution Calculated by the Actuary

The Budget Contribution calculated by the actuary increased from \$29,062,000 for fiscal year 2014 to \$38,305,000 for fiscal year 2015. A reconciliation of the increase of \$9,243,000 is shown in the following table:

Item	Amount
1. 2014 Budget Contribution	\$ 29,062,000
2. Increase / (Decrease) during 2013 due to	
a. Unanticipated liability loss (gain)	\$ 1,359,000
b. Asset experience other than expected	(738,000)
c. 2013 reimbursable expenses other than assumed	(25,000)
d. 2013 contribution variance other than assumed	(93,000)
e. Full recognition of bases	-
f. Increase due to assumption/method/plan changes	-
g. Total	<u>503,000</u>
3. 2014 Actual Contribution (1 + 2)	\$ 29,565,000
4. Expected Increase / (Decrease) during 2014 due to	
a. Normal cost and existing amortization schedule	\$ 1,379,000
b. Phase-in of deferred asset (gains) losses	(532,000)
c. Amortization of 2014 reimbursable expenses	213,000
d. Expected contribution variance for 2014	127,000
e. Full recognition of bases	7,553,000
f. Increase due to plan changes	-
g. Total	<u>8,740,000</u>
5. 2015 Budget Contribution (3 + 4)	\$ 38,305,000

Summary of Principal Results

Summarized below are the principal financial results for the Employees' Retirement System of the County of Milwaukee based upon the actuarial valuation as of January 1, 2014. Comparable results from the January 1, 2013 valuation are also shown.

Item	January 1, 2014	January 1, 2013
Demographics		
<u>Active Members</u>		
• Number	3,911	3,934
• Average Annual Pay	\$ 48,224	\$ 48,076
<u>Inactive Members</u>		
• Members Receiving Benefits		
• Number	7,940	7,867
• Average Annual Benefit Payment	\$ 20,440	\$ 20,089
• Members With Deferred Benefits		
• Number	1,411	1,196
• Average Annual Benefit Payment	\$ 7,742	\$ 6,980
Actual Funding Contribution		
	(Fiscal Year 2014)	(Fiscal Year 2013)
• Normal Cost with Interest	\$ 15,235,436	\$ 16,105,425
• Net Amortization Payments	<u>14,329,489</u>	<u>12,164,620</u>
• Total Contribution	\$ 29,564,925	\$ 28,270,045
Actuarial Funded Status		
• Accrued Liability	\$ 2,069,546,764	\$ 2,025,319,368
• Actuarial Value of Assets	<u>1,772,749,644</u>	<u>1,768,434,628</u>
• Unfunded Accrued Liability	\$ 296,797,120	\$ 256,884,740
• Funded Ratio	85.7 %	87.3 %

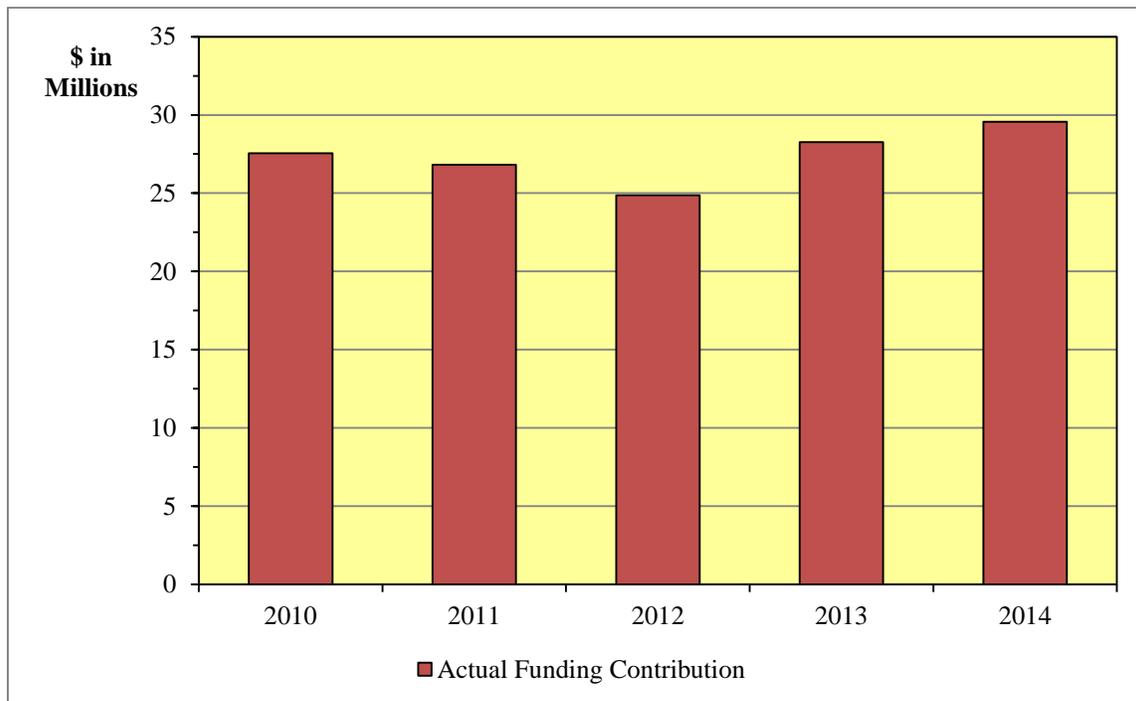
Five-Year History of Principal Financial Results

Five-Year History of Contribution Amounts

Valuation as of January 1	Actual Funding Contributions		
	Normal Cost with Interest	Net Amortization Payments	Total
2014	\$ 15,235,436	\$ 14,329,489	\$ 29,564,925
2013	16,105,425	12,164,620	28,270,045
2012	14,488,711	10,386,482	24,875,193
2011	19,480,089	7,327,948	26,808,037
2010	20,736,844	6,813,146	27,549,990

The following chart shows a five-year history of employer contribution amounts:

Five-Year History of Actual Funding Contributions



Funded Ratio

The financing objective of the System is to:

- Fully fund all current costs based on the normal contribution rate determined under the funding method; and
- Liquidate the unfunded accrued liability based on the amortization schedules as required by the retirement code, i.e., a schedule of 5, 10, or 30 years for each change in the unfunded accrued liability according to Section 3.1.

The total Actual Funding Contribution of \$29,564,925, when taken together with the contributions payable by the members and asset returns, is the amount sufficient to achieve the financing objective for 2014.

The System's total funded ratio on the funding basis is measured by comparing the actuarial value of assets (based on a 10-year moving average market value) with the accrued liability. The accrued liability for pensions is the present value of benefits accumulated to date under the System's funding method and reflects future pay increases for active employees.

On this basis, the System's funded ratio is 85.7% as of January 1, 2014. This funded ratio is based on an actuarial value of assets of \$1,772,749,644 and an accrued liability of \$2,069,546,764.

Reasons for Change in the Total Funded Ratio

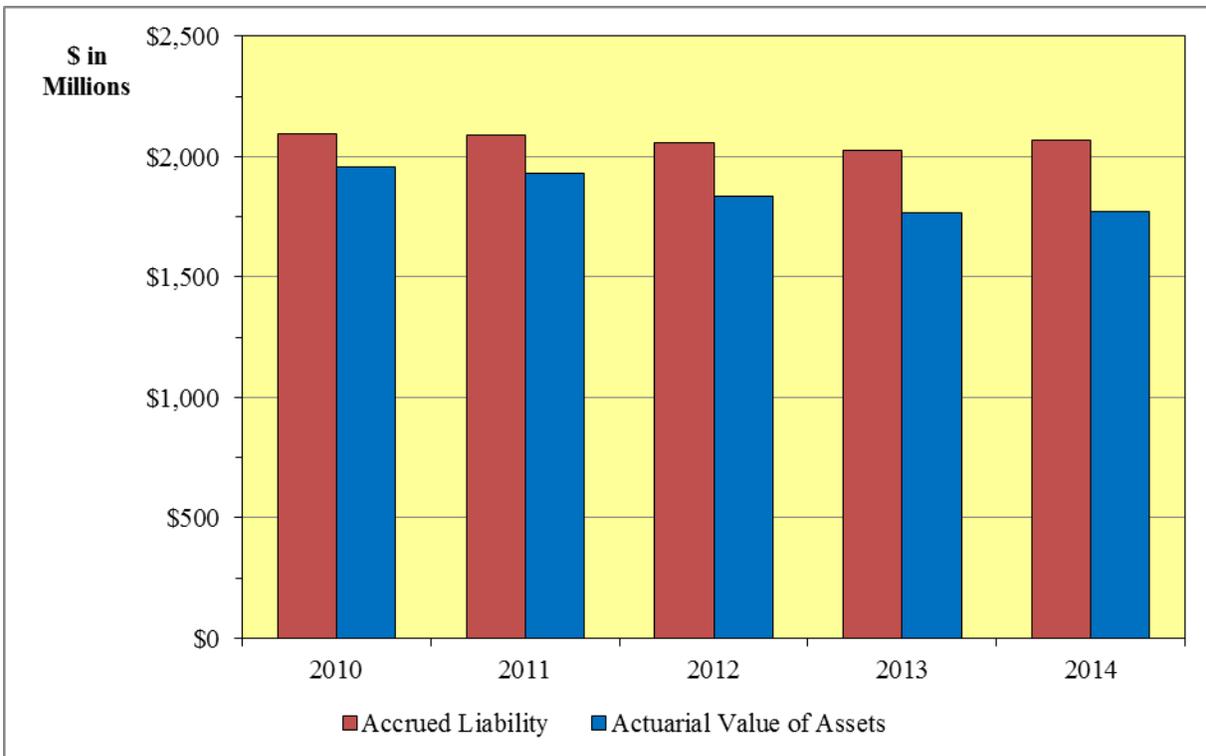
The total funded ratio decreased from 87.3% as of January 1, 2013 to 85.7% as of January 1, 2014. Returns from 2013 were better than the expected return assumption of 8.0%. Overall liability experience was worse than expected, which was offset by favorable asset experience.

Five-Year History of Total Funded Ratio
(\$ Amounts in Thousands)

Valuation as of January 1	Accrued Liability	Actuarial Value of Assets	Unfunded Accrued Liability	Funded Ratio
2014	\$ 2,069,547	\$ 1,772,750	\$ 296,797	85.7%
2013	2,025,319	1,768,435	256,884	87.3
2012	2,059,554	1,836,543	223,011	89.2
2011	2,091,927	1,929,428	162,499	92.2
2010	2,097,332	1,956,444	140,888	93.3

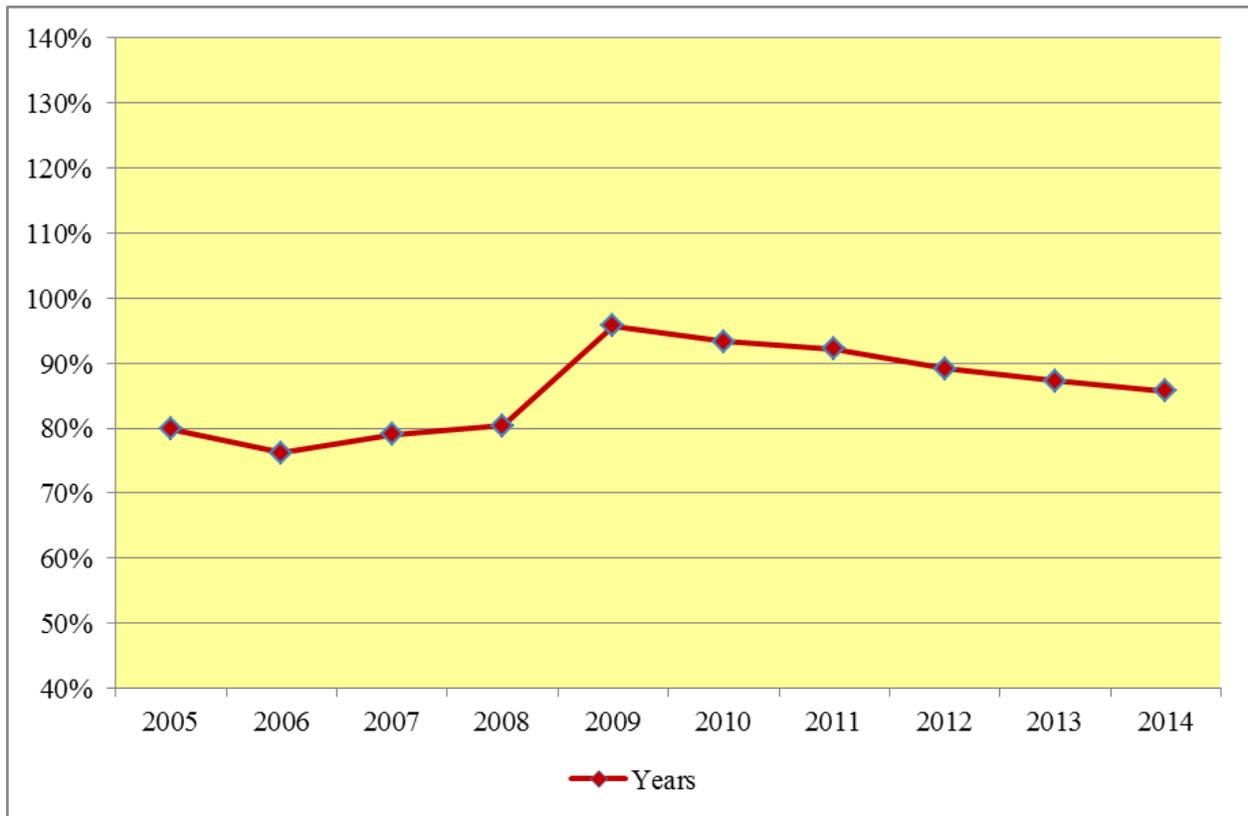
The following chart shows a five-year history of the accrued liability and the actuarial value of assets:

Five-Year History of Accrued Liability and Actuarial Value of Assets



The following chart shows a ten-year history of the total funded ratio:

Ten-Year History of Total Funded Ratio
(2005 - 2014)



GASB No. 25 Disclosure

Statement No. 25 of the Governmental Accounting Standards Board established reporting standards for the annual financial reports of defined benefit pension plans. The System complied with Statement No. 25 beginning with the January 1, 1997 valuation. The statement requires disclosure of the “schedule of funding progress” and the “schedule of employer contributions” in the System’s financial statements. Statement No. 25 is no longer applicable beginning with the January 1, 2014 valuation and will be replaced by Statement No. 67. Any results displayed throughout this report with reference to Statement No. 25 are strictly for comparison purposes for any relevant Statement No. 27 or Statement No. 67 results.

The “schedule of funding progress” shows historical trend information about the System’s actuarial value of assets, the actuarial accrued liability and the unfunded actuarial accrued liability. The actuarial funded ratio is measured by comparing the actuarial value of assets (based on a 10-year moving average market value) with the accrued liability. The accrued liability is the present value of benefits accumulated to date under the System’s funding method and reflects future pay increases for active employees. On this basis, the System’s funded ratio is 85.7% as of January 1, 2014. This funded ratio is based on an actuarial value of assets of \$1,772,749,644 and an accrued liability of \$2,069,546,764.

The “schedule of employer contributions” shows historical trend information about the annual required contribution (ARC) for pensions of the employer and the percentage of the ARC contributed to the System. The ARC is equal to the normal cost for pensions plus amortization of the unfunded actuarial accrued liability for pensions. The maximum period of amortizing the unfunded actuarial accrued liability permitted by GASB No. 25 is 30 years. The maximum amortization period decreased from 40 years to 30 years in 2007. The employer contributions to the System are equal to the normal cost plus a payment towards each change in the unfunded accrued liability, which are amortized over 5, 10 or 30-year periods, depending on the source of the changes. In 2013 and 2014, the ARC was set at the normal cost plus interest plus a thirty year amortization of the unfunded liability. Please refer to page one of this report for more details. The ARC and the actual employer percentage contributed for the five fiscal years ending December 31, 2014 are shown in Table 14.

Rate of Return

The investment return of the trust fund (i.e. total return including both realized and unrealized gains and losses) for fiscal years 2009 through 2013 is shown in the table below. The return based on the actuarial value of assets used for determining annual contribution rates is also shown.

The rate of return on market value reflects the investment earnings on the market value of assets from the beginning of the fiscal year to the end of the fiscal year. The actuarial assets are the assets recognized for valuation purposes. Actuarial assets are based on a smoothed market value that spreads the difference between the actual and expected return over a period of ten years. The rate of return on the actuarial value of assets is a measure of the increase in the actuarial value of assets from the beginning of the fiscal year to the end of the fiscal year. The rates of return shown below have been developed by the actuary for illustrative purposes only. They are based on simplifying assumptions and as such, likely will not exactly match the returns presented by your investment consultants. The reader is encouraged to use the returns developed by the investment consultants.

Five Year History of Asset Returns

As of 12/31	Asset Values		Estimated Rates of Return		
	Market	Actuarial	Market	Actuarial	Assumed
2013	\$ 1,879,234,430	\$ 1,772,749,644	15.0%	8.7%	8.0%
2012	1,768,434,628	1,768,434,628	10.8%	4.8%	8.0%
2011	1,742,106,887	1,836,542,926	0.2%	3.5%	8.0%
2010	1,895,166,843	1,929,427,864	11.7%	5.5%	8.0%
2009	1,822,539,885	1,956,443,729	20.4%	3.9%	8.0%

Compound Rate of Return (five years): 11.4% 5.3%

TABLE 1**SUMMARY OF RESULTS OF ACTUARIAL VALUATION**

Item	January 1, 2014	January 1, 2013
Participant Data		
1. Number of Participants		
a) Active Participants	3,911	3,934
b) Participants with Deferred Benefits	1,411	1,196
c) Participants Receiving Benefits	7,940	7,867
d) Total	13,262	12,997
2. Annualized Salaries	\$ 188,605,492	\$ 189,131,711
3. Annual Annuities	\$ 162,296,676	\$ 158,040,281
Valuation Results		
4. Present Value of Future Benefits		
a) Active Participants	\$ 625,424,284	\$ 631,414,550
b) Participants with Deferred Benefits	62,251,854	53,055,044
c) Participants Receiving Benefits	1,485,465,588	1,450,921,437
d) Total	\$ 2,173,141,726	\$ 2,135,391,031
5. Present Value of Future Normal Cost	\$ 103,594,962	\$ 110,071,663
6. Actuarial Accrued Liability: (4 - 5)	\$ 2,069,546,764	\$ 2,025,319,368
7. Actuarial Value of Assets	\$ 1,772,749,644	\$ 1,768,434,628
8. Funded Status: (7 / 6)	85.7 %	87.3 %
9. Unfunded Actuarial Accrued Liability: (6 - 7)	\$ 296,797,120	\$ 256,884,740
10. Normal Cost Rate	7.773 %	8.194 %
11. Normal Cost for the Plan Year	\$ 14,660,305	\$ 15,497,452
Actual Funding Contribution and Annual Required Contribution for Fiscal Year *		
12. Actual Funding Contribution Calculated by Actuary		
a) Normal Cost with Interest	\$ 15,235,436	\$ 16,105,425
b) Net Annual Amortization Payments	14,329,489	12,164,620
c) Total Contribution: ((a + b), not less than zero)	\$ 29,564,925	\$ 28,270,045

* Effective January 1, 2011 Elected Officials and Non-Represented employees contributed 2% of compensation. For all Non-Represented employees (other than elected officials), the contribution rate increased to 4% of compensation effective December 11, 2011. During 2011, State mandated contributions were implemented. The amounts shown above are gross of member contributions.

TABLE 2
SECURITY OF PROMISED BENEFITS
UNFUNDED ACTUARIAL ACCRUED LIABILITY
FUNDED STATUS

Item	January 1, 2014	January 1, 2013
1. Actuarial Accrued Liability		
a. Active Participants		
Retirement Benefits	\$ 485,283,111	\$ 482,086,893
Withdrawal Benefits	28,152,806	31,247,071
Disability Benefits	4,963,594	3,155,488
Death Benefits	3,429,811	4,853,435
Total Active	521,829,322	521,342,887
b. Participants with Deferred Benefits	62,251,854	53,055,044
c. Participants Receiving Benefits	1,485,465,588	1,450,921,437
d. Total All Participants	\$2,069,546,764	\$2,025,319,368
2. Actuarial Value of Assets	1,772,749,644	1,768,434,628
3. Unfunded Actuarial Accrued Liability (1d - 2)	\$ 296,797,120	\$ 256,884,740
4. Funded Status: (2 / 1d)	85.7%	87.3%

The interest rate used as of January 1, 2014 and January 1, 2013 was 8.00%

TABLE 3**ACTUARIAL GAIN/(LOSS) FOR PLAN YEAR ENDING**

Item	December 31, 2013	December 31, 2012
1. Actuarial Accrued Liability at the Beginning of the Year	\$ 2,025,319,368	\$ 2,059,553,667
2. Increases/(Decreases) During the Year		
a. Normal Cost for the Year	15,497,452	13,941,769
b. Member Contributions	-	-
c. Benefit Payments and Refunds	(172,248,723)	(178,769,275)
d. Assumed Interest to End of Year	156,227,411	158,652,700
e. Plan and Assumption Changes	-	90,929,244
f. Total: (a + b + c + d + e)	(523,860)	84,754,438
3. Expected Liability at the End of the Year: (1 + 2)	2,024,795,508	2,144,308,105
4. Actuarial Accrued Liability at the End of the Year	2,069,546,764	2,025,319,368
5. Liability Gain/(Loss): (3 - 4)	\$ (44,751,256)	\$ 118,988,737
6. Actuarial Value of Assets at the Beginning of the Year	\$ 1,768,434,628	\$ 1,836,542,926
7. Increases/(Decreases) During the Year		
a. County Contributions	21,998,256	18,410,496
b. Member Contributions for Service Purchases	8,954,525	9,040,652
c. Pension Obligation Bond Proceeds	-	-
d. Benefit Payments and Refunds	(172,248,723)	(178,769,275)
e. Administrative Expenses payable to the County	(1,289,344)	(1,187,236)
f. Assumed Interest to End of Year	135,068,659	140,264,898
g. Total: (a + b + c + d + e + f)	(7,516,627)	(12,240,465)
8. Expected Actuarial Assets at the End of the Year (6 + 7)	1,760,918,001	1,824,302,461
9. Actuarial Value of Assets at the End of the Year	1,772,749,644	1,751,697,074*
10. Actuarial Asset Gain/(Loss): (9 - 8)	\$ 11,831,643	\$ (72,605,387)
11. Total Gain/(Loss): (5 + 10)	\$ (32,919,613)	\$ 46,383,350

* Actuarial value prior to the method change

Effective January 1, 2012, the normal retirement age was increased to age 64 for future hires only for DC48, Building Trades and FNHP. The multiplier was decreased from 2.0% to 1.6% for current members' future service and future hires' total service for the DC48, Building Trades and FNHP effective August 1, 2011, January 1, 2012 and January 1, 2012, respectively.

Note that for purposes of the contribution rates shown in the report, these amounts are gross contribution amounts. It is our understanding that County staff will net out the amount of employee contributions that are collected to arrive at a net County contribution.

TABLE 4**AMORTIZATION SCHEDULE FOR ACTUAL FUNDING CONTRIBUTION
FOR 2014 PLAN YEAR**

Type of Payment	Amortization Period				Balances		Payment
	Date Created	Initial Years	Remaining Years	Last Payment	Initial	Outstanding	
1. Charges							
Reestablished unfunded	1/1/2004	30	20	2033	\$ 257,960,162	\$ 301,284,774	\$ 23,657,211
Expense	1/1/2005	10	1	2014	1,053,714	145,656	157,308
Loss	1/1/2005	30	21	2034	88,729,863	101,786,404	7,751,781
Expense	1/1/2006	10	2	2015	972,805	258,527	144,977
Assumption Change	1/1/2006	30	22	2035	95,861,177	107,770,939	7,977,405
Expense	1/1/2007	10	3	2016	988,048	379,477	147,248
Expense	1/1/2008	10	4	2017	915,868	452,079	136,491
Method Change	1/1/2008	30	24	2037	48,020,858	52,386,779	3,683,902
Expense	1/1/2009	10	5	2018	1,031,291	613,648	153,693
Loss	1/1/2009	30	25	2038	70,007,095	75,519,345	5,188,956
Expense	1/1/2010	10	6	2019	1,312,156	904,003	195,550
Loss	1/1/2010	30	26	2039	84,943,001	90,476,284	6,083,102
Expense	1/1/2011	10	7	2020	1,310,356	1,016,707	195,282
Loss	1/1/2011	30	27	2040	21,412,971	22,490,229	1,481,610
Expense	1/1/2012	10	8	2021	1,548,921	1,326,525	230,835
Loss	1/1/2012	30	28	2041	58,347,601	60,355,246	3,900,675
Expense	1/1/2013	10	9	2022	1,187,236	1,105,282	176,933
Assumption Change	1/1/2013	30	29	2042	101,180,610	102,960,640	6,535,424
Expense	1/1/2014	10	10	2023	1,289,344	1,289,344	192,150
Loss	1/1/2014	30	30	2043	32,919,613	32,919,613	2,054,427
Total Charges						\$ 955,441,501	70,044,960
2. Credits							
Gain	1/1/2006	30	22	2035	\$ 12,975,497	\$ 14,587,566	\$ 1,079,799
Gain	1/1/2007	30	23	2036	55,348,557	60,965,098	4,394,656
Assumption Change	1/1/2007	30	23	2036	26,558,457	29,253,502	2,108,731
Gain	1/1/2008	30	24	2037	61,342,303	66,919,371	4,705,852
Pension Obligation Bond Proceeds	1/1/2009	30	25	2038	363,950,833	392,607,778	26,976,187
Variance	1/1/2010	5	1	2014	30,784,078	7,138,955	7,710,071
Plan Change	1/1/2010	30	26	2039	1,589,892	1,693,459	113,858
Variance	1/1/2011	5	2	2015	5,343,718	2,386,664	1,338,369
Plan Change	1/1/2011	30	27	2040	227,128	238,557	15,714
Variance	1/1/2012	5	3	2016	4,781,394	3,086,154	1,197,531
Plan Change	1/1/2012	30	28	2041	275,129	284,596	18,393
Variance	1/1/2013	5	4	2017	2,575,955	2,136,866	645,165
Gain	1/1/2013	30	29	2042	46,383,350	47,199,354	2,995,977
Method Change	1/1/2013	30	29	2042	16,737,554	17,032,011	1,081,106
Plan Change	1/1/2013	30	29	2042	10,251,366	10,431,714	662,153
Variance	1/1/2014	5	5	2018	2,682,736	2,682,736	671,909
Total Credits						\$ 658,644,381	\$ 55,715,471
3. Net Amount						\$ 296,797,120	\$ 14,329,489
(1 - 2)							

Annual amortization payments of the reestablished unfunded actuarial accrued liability (UAAL), and changes to the UAAL arising from plan changes, assumption changes, and actuarial gains/losses are amortized as a level percentage of payroll, assuming payroll growth of 3.5% per year over a 30-year period.

Administrative expenses incurred by the County related to the System are payable by the System to the County. The County then reimburses the System for this payment on a level dollar basis over 10 years.

The variance between the amount contributed to the System for a plan year, and the actual contribution requirement for that year is amortized on a level dollar basis over 5 years. As the result of the sale of \$397,797,000 in Pension Obligation Bonds, all existing bases at January 1, 2009 arising from variances between amounts contributed to the System and actual contribution requirements were considered fully recognized. This reduced the net outstanding balance of amortizations by \$33,846,167.

The recognized balances have been offset against the proceeds of the sale of the Pension Obligation Bonds.

The remaining amount of \$363,950,833 has been amortized as a level percent of payroll over a period of 30 years.

TABLE 5

**DEVELOPMENT OF NORMAL COST
FOR CURRENT AND PRIOR PLAN YEAR ACTUAL FUNDING CALCULATIONS**

Item	January 1, 2014	January 1, 2013
1. Present Value of Projected Benefits		
a. Active Participants		
Retirement Benefits	\$ 570,309,896	\$ 569,036,237
Withdrawal Benefits	40,616,108	45,914,783
Disability Benefits	6,767,529	9,903,960
Death Benefits	<u>7,730,751</u>	<u>6,559,570</u>
Total Active	625,424,284	631,414,550
b. Participants with Deferred Benefits	62,251,854	53,055,044
c. Participants Receiving Benefits	<u>1,485,465,588</u>	<u>1,450,921,437</u>
d. Total All Participants	2,173,141,726	2,135,391,031
2. Actuarial Value of Assets	1,772,749,644	1,768,434,628
3. Unfunded Actuarial Accrued Liability	296,797,120	256,884,740
4. Present Value of Future Normal Costs (1d - 2 - 3)	103,594,962	110,071,663
5. Present Value of Future Salaries	1,332,747,651	1,343,305,928
6. Normal Cost Rate (4 / 5)	7.773%	8.194%
7. Expected Salaries for the Plan Year*	188,605,492	189,131,711
8. Normal Cost for the Plan Year (6 x 7)	14,660,305	15,497,452

* Prior-year earnings increased by the salary assumption and limited by the IRS compensation limit for those under the mandatory retirement age.

TABLE 6

COUNTY AND MEMBERS CONTRIBUTION REQUIREMENTS
COUNTY CONTRIBUTION REQUIREMENTS

Item	2015 Budget	2014	
		Actual	Budget
1. Normal Cost with Interest	\$ 15,769,000	\$ 15,235,436	\$ 16,669,000
2. Net Annual Amortizations	<u>22,536,000</u>	<u>14,329,489</u>	<u>12,393,000</u>
3. Total Contribution (1 + 2, not less than zero)	\$ 38,305,000	\$ 29,564,925	\$ 29,062,000

Note that for purposes of the contribution rates shown in the report, these amounts are gross contribution amounts. It is our understanding that County staff will net out the amount of employee contributions that are collected to arrive at a net County contribution.

STATE MANDATED MEMBER CONTRIBUTIONS

Item	Results Based on Current Contributions			
	Non-Contributors	Public Safety	General	All Members
Valuation Results as of January 1, 2014				
1. Present Value of Future Benefits				
a) Active Participants *	\$ -	\$ 89,565,363	\$ 535,858,921	\$ 625,424,284
b) Participants with Deferred Benefits	62,251,854	-	-	62,251,854
c) Participants Receiving Benefits	<u>1,485,465,588</u>	<u>-</u>	<u>-</u>	<u>1,485,465,588</u>
d) Total	\$ 1,547,717,442	\$ 89,565,363	\$ 535,858,921	\$ 2,173,141,726
2. Present Value of Future Normal Cost	\$ -	\$ 10,127,148	\$ 93,467,814	\$ 103,594,962
3. Actuarial Accrued Liability: (1 - 2)	\$ 1,547,717,442	\$ 79,438,215	\$ 442,391,107	\$ 2,069,546,764
4. Actuarial Value of Assets	\$ 1,325,756,727	\$ 68,045,850	\$ 378,947,067	\$ 1,772,749,644
5. Funded Status: (4 / 3)	85.7%	85.7%	85.7%	85.7%
6. Unfunded Actuarial Accrued Liability: (3 - 4)	\$ 221,960,715	\$ 11,392,365	\$ 63,444,040	\$ 296,797,120
7. Normal Cost Rate	0.000%	7.424%	7.813%	7.773%
8. Total Normal Cost for the Plan Year	\$ -	\$ 1,447,029	\$ 13,213,276	\$ 14,660,305
Projected Employee Contribution for 2015				
1. Actual Contribution for 2014				
a) Normal Cost with Interest	\$ -	\$ 1,503,797	\$ 13,731,639	\$ 15,235,436
b) Net Annual Amortization Payments **	<u>10,716,356</u>	<u>550,028</u>	<u>3,063,105</u>	<u>14,329,489</u>
c) Total Contribution: ((a + b), not less than zero)	\$ 10,716,356	\$ 2,053,825	\$ 16,794,744	\$ 29,564,925
2. Employee Contribution (50% of 1c for Contributors)	N/A	\$ 1,026,913	\$ 8,397,372	N/A
3. Expected Salaries in 2015	0	19,491,607	169,113,885	188,605,492
4. Employee Contribution Rate (2÷3)	N/A	5.3%	5.0%	N/A

* The actives in the Public Safety group include 293 members comprised of Represented Firefighters and Sheriffs and Non-Represented Firefighters and Sheriffs.

** The Net Annual Amortization Payments for the Contributors was prorated based on the contributors' actuarial accrued liability compared to total actuarial accrued liability of the Retirement System. These payments include amortization payments for administrative expenses.

TABLE 7**SUMMARY STATEMENT OF MARKET VALUE OF PLAN ASSETS**

Asset Category	December 31, 2013	December 31, 2012
1. Cash and Cash Equivalents	\$ 81,248,096	\$ 56,933,710
2. Investments at Fair Value		
a. Domestic common and preferred stocks	638,670,311	408,643,021
b. Futures Contracts	-	-
c. Corporate bonds	368,539,958	445,499,443
d. International common and preferred stocks	206,675,087	348,646,991
e. Federal agency and mortgage-backed certificates	-	-
f. International fixed income	-	-
g. U.S. Government and state obligations	-	-
h. Real estate investment trusts	166,037,665	127,429,416
i. Long/Short Hedge Funds	193,376,665	181,417,205
j. Infrastructure	134,856,078	130,214,951
k. Private Equity	48,311,010	49,843,970
l. Total Investments	\$ 1,756,466,774	\$ 1,691,694,997
3. Contributions Receivable for OBRA and ERS	22,358,256	19,290,496
4. (Payable) to OBRA Pension Plan	(1,592,289)	(1,631,303)
5. Net All Other Receivables (Liabilities)	20,753,593	2,146,728
6. Net Assets Held in Trust for ERS Pension Benefits (1 + 2l + 3 + 4 + 5)	\$ 1,879,234,430	\$ 1,768,434,628

TABLE 8**SUMMARY RECONCILIATION OF MARKET VALUE OF PLAN ASSETS**

Item	For Year Ending December 31, 2013	For Year Ending December 31, 2012
1. Market Value of Assets at the Beginning of the Year	\$ 1,768,434,628	\$ 1,742,106,887
2. Contributions for Plan Year		
a. County	\$ 21,998,256	\$ 18,410,496
b. Member	<u>8,954,525</u>	<u>9,040,652</u>
c. Total	30,952,781	27,451,148
3. Disbursements for Plan Year		
a. Benefit payments and refunds	\$ 172,248,723	\$ 178,769,275
b. Administrative expenses payable to County	<u>1,289,344</u>	<u>1,187,236</u>
c. Total	173,538,067	179,956,511
4. Proceeds of Pension Obligation Bonds	-	-
5. Market Value of Assets at the End of the Year	1,879,234,430	1,768,434,628
6. Net Investment Income *	253,385,088	178,833,104
(5 - 1 - 2c + 3c - 4)		
7. Expected Net Investment Income (8.00% per annum)	135,068,659	132,710,015
8. Gain (Loss) on Market Value of Assets	118,316,429	46,123,089
(6 - 7)		
9. Estimated Rate of Return	15.0%	10.8%

* Net Investment Income is the change in the value of assets for reasons other than contributions and disbursements.

TABLE 9

**DERIVATION OF ACTUARIAL VALUE OF PLAN ASSETS
AS OF DECEMBER 31, 2013**

1. Market Value of Assets as of December 31, 2013			\$ 1,879,234,430
2. Determination of Deferred Gain (Loss)			
Year	Gain/(Loss)	Percentage Deferred	Amount Deferred
2013	\$ 118,316,429	90%	\$ 106,484,786
2012	-	80%	-
2011	-	70%	-
2010	-	60%	-
2009	-	50%	-
2008	-	40%	-
2007	-	30%	-
2006	-	20%	-
2005	-	10%	-
2004	-	0%	-
Total			106,484,786
3. Actuarial Value of Assets			\$ 1,772,749,644
(1 - 2)			

Assets were re-established at market value on January 1, 2013, so actual Gain/(Loss) amounts prior to 2013 are not applicable.

TABLE 10

**SUMMARY RECONCILIATION OF ACTUARIAL VALUE OF PLAN ASSETS
AS OF DECEMBER 31, 2013**

Item	For Year Ending December 31, 2013	For Year Ending December 31, 2012
1. Actuarial Value of Assets at the Beginning of the year	\$ 1,768,434,628	\$ 1,836,542,926
2. Contributions for Plan Year		
a. County	\$ 21,998,256	\$ 18,410,496
b. Member	8,954,525	9,040,652
c. Total	30,952,781	27,451,148
3. Disbursements for Plan Year		
a. Benefit payments and refunds	\$ 172,248,723	\$ 178,769,275
b. Administrative expenses payable to County	1,289,344	1,187,236
c. Total	173,538,067	179,956,511
4. Proceeds of Pension Obligation Bonds	-	-
5. Actuarial Value of Assets at the End of the Year	1,772,749,644	1,768,434,628
6. Net Investment Income * (5 - 1 - 2c + 3c - 4)	146,900,302	84,397,065
7. Expected Net Investment Income (8.00% per annum)	135,068,659	140,264,898
8. Gain (Loss) on Actuarial Value of Assets (6 - 7)	11,831,643	(55,867,833)
9. Estimated Rate of Return	8.7%	4.8%

* Net Investment Income is the change in the value of assets for reasons other than contributions and disbursements.

TABLE 11
CONTRIBUTIONS FOR 2013 PLAN YEAR
AND VARIANCE FROM THE FUNDING CALCULATION CONTRIBUTION

Item	Amount																																													
1. Total Funding Calculation, End-of-Year Basis, for 2013 Plan Year (from January 1, 2013 actuarial valuation report)	\$ 28,270,045																																													
2. Total Employer Contributions Made, End-of-Year Basis																																														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Contribution Made</th> <th style="text-align: center;">Fraction of a Year Invested</th> <th style="text-align: center;">Contribution Amount</th> <th style="text-align: center;">Interest to Year End*</th> <th style="text-align: center;">End of Year Amount</th> </tr> </thead> <tbody> <tr> <td>Bi-weekly</td> <td style="text-align: center;">50.0%</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>2/15/2014</td> <td style="text-align: center;">0.0%</td> <td style="text-align: right;">3,000,000</td> <td style="text-align: right;">-</td> <td style="text-align: right;">3,000,000</td> </tr> <tr> <td>3/15/2014</td> <td style="text-align: center;">0.0%</td> <td style="text-align: right;">3,000,000</td> <td style="text-align: right;">-</td> <td style="text-align: right;">3,000,000</td> </tr> <tr> <td>4/15/2014</td> <td style="text-align: center;">0.0%</td> <td style="text-align: right;">3,000,000</td> <td style="text-align: right;">-</td> <td style="text-align: right;">3,000,000</td> </tr> <tr> <td>5/15/2014</td> <td style="text-align: center;">0.0%</td> <td style="text-align: right;">3,000,000</td> <td style="text-align: right;">-</td> <td style="text-align: right;">3,000,000</td> </tr> <tr> <td>6/15/2014</td> <td style="text-align: center;">0.0%</td> <td style="text-align: right;">6,000,000</td> <td style="text-align: right;">-</td> <td style="text-align: right;">6,000,000</td> </tr> <tr> <td>7/15/2014</td> <td style="text-align: center;">0.0%</td> <td style="text-align: right;">3,998,256</td> <td style="text-align: right;">-</td> <td style="text-align: right;">3,998,256</td> </tr> <tr> <td style="text-align: center;">Total</td> <td></td> <td style="text-align: right;">\$ 21,998,256</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ 21,998,256</td> </tr> </tbody> </table>	Contribution Made	Fraction of a Year Invested	Contribution Amount	Interest to Year End*	End of Year Amount	Bi-weekly	50.0%	\$ -	\$ -	\$ -	2/15/2014	0.0%	3,000,000	-	3,000,000	3/15/2014	0.0%	3,000,000	-	3,000,000	4/15/2014	0.0%	3,000,000	-	3,000,000	5/15/2014	0.0%	3,000,000	-	3,000,000	6/15/2014	0.0%	6,000,000	-	6,000,000	7/15/2014	0.0%	3,998,256	-	3,998,256	Total		\$ 21,998,256	\$ -	\$ 21,998,256	
Contribution Made	Fraction of a Year Invested	Contribution Amount	Interest to Year End*	End of Year Amount																																										
Bi-weekly	50.0%	\$ -	\$ -	\$ -																																										
2/15/2014	0.0%	3,000,000	-	3,000,000																																										
3/15/2014	0.0%	3,000,000	-	3,000,000																																										
4/15/2014	0.0%	3,000,000	-	3,000,000																																										
5/15/2014	0.0%	3,000,000	-	3,000,000																																										
6/15/2014	0.0%	6,000,000	-	6,000,000																																										
7/15/2014	0.0%	3,998,256	-	3,998,256																																										
Total		\$ 21,998,256	\$ -	\$ 21,998,256																																										
3. Total Member Contributions	\$ 8,954,525																																													
4. Variance from Funding Calculation Amount** (2 + 3 - 1)	\$ 2,682,736																																													

* Interest to 12/31/2013 at 8.00% per annum

** Variance will be amortized on a level dollar basis over five years.

Note that for purposes of the contribution rates shown in the report, these amounts are gross contribution amounts. It is our understanding that County staff will net out the amount of employee contributions that are collected to arrive at a net County contribution.

TABLE 12**GASB NOS. 25 AND 27 DISCLOSURE INFORMATION
FOR CURRENT AND PRIOR PLAN YEAR****Equivalent Single Amortization Period**

Item	January 1, 2014	January 1, 2013
1. Covered Payroll	\$ 188,605,492	\$ 189,131,711
2. Unfunded Amount	296,797,120	256,884,740
3. Amortization Payment	14,329,489	12,164,620
4. Payment as a Level Percentage of Payroll (3 / 1)	7.60%	6.43%
5. Weighted Average Amortization Period (2 / 3)	20.71	21.12
6. Equivalent Single Amortization Period (Nearest Whole Year)	63	71

Net Pension Obligation

Item	January 1, 2014	January 1, 2013
1. Annual Required Contribution (ARC)	\$ 33,757,773	\$ 32,136,934
2. Interest on Net Pension Obligation	(34,062,772)	(33,566,974)
3. Adjustment to ARC	<u>26,572,114</u>	<u>26,185,346</u>
4. Annual Pension Cost (APC)	26,267,115	24,755,306
5. Contributions made*	<u>(29,057,000)</u>	<u>(30,952,781)</u>
6. Increase (Decrease) in Net Pension Obligation	(2,789,885)	(6,197,475)
7. Net Pension Obligation at Beginning of Year	<u>(425,784,653)</u>	<u>(419,587,178)</u>
8. Net Pension Obligation at End of Year**	(428,574,538)	(425,784,653)
9. Percent of APC Contributed	110.62%	125.03%

* Contributions for 2014 are estimated based on the County budget

** NPO at December 31, 2014 is estimated based on expected contributions to be made for the year

TABLE 13

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS**
(\$ Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Funded Ratio (a / b)	(Overfunded) Unfunded Actuarial Accrued Liability (b - a)	Covered Payroll (c)	(Overfunded) Unfunded as a Percentage of Covered Payroll [(b - a) / c]
1/1/2014	\$ 1,772,750	\$ 2,069,547	85.7%	\$ 296,797	\$ 188,605	157.4%
1/1/2013	1,768,435	2,025,319	87.3%	256,884	189,132	135.8%
1/1/2012	1,836,543	2,059,554	89.2%	223,011	190,748	116.9%
1/1/2011	1,929,428	2,091,927	92.2%	162,499	221,647	73.3%
1/1/2010	1,956,444	2,097,332	93.3%	140,888	237,040	59.4%

TABLE 14

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
GASB STATEMENT NO. 25 DISCLOSURE**

Fiscal Year Ended December 31	Annual Required Contribution	Percentage Contributed
2014	\$ 33,757,773	86.1 % *
2013	32,136,934	96.3
2012	28,406,232	96.5
2011	29,621,216	106.3
2010	29,529,322	106.0

* Contributions for 2014 are estimated based on the County budget

The information presented above was determined as part of the actuarial valuation as of the dates indicated (i.e., the contribution determined by the valuation completed as of January 1, 2014 was contributed in the fiscal year ending December 31, 2013).

Additional information as of the latest actuarial valuation follows:

Valuation Date:	01/01/2014
Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level percent of payroll, closed
Remaining Amortization Period:	5-30 Years
Asset Valuation Method:	10-year smoothed market

Actuarial Assumptions:

- Investment Rate of Return	8.00%
- Payroll Growth	3.50%

TABLE 15**DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS****ASSUMPTIONS**

Interest Rate: 8.0% per annum, compounded annually. The components are 3.0% for inflation and 5.0% for the real rate of return.

Separation From Service: Illustrative rates of assumed separation from service are shown in the following tables.

Annual Rates per 100 Participants

Mortality*				
Attained Age	Healthy Pensioners		Disabled Pensioners	
	Males	Females	Males	Females
45	0.09	0.05	2.26	0.75
50	0.14	0.08	2.90	1.15
55	0.23	0.15	3.54	1.65
60	0.44	0.30	4.20	2.18
65	0.84	0.59	5.02	2.80
70	1.34	0.94	6.26	3.76
75	2.14	1.47	8.21	5.22
80	3.86	2.59	10.94	7.23
85	6.40	4.55	14.16	10.02

* Healthy pensioners: The sex-distinct UP-1994 Mortality Table with projection scale AA to 2012 and then fully generational thereafter using scale AA.

Active members: 70% of the rates applicable to healthy pensioners.

Disabled pensioners: RP2000 Disabled Mortality Table.

TABLE 15

DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS
(Continued)

Annual Rates per 100 Participants

Attained Age	Withdrawal – Ultimate			Disability
	General Employees	Elected Officials*	Deputy Sheriffs	
20	20.00	2.00	20.00	0.00
25	18.10	2.00	18.10	0.04
30	8.10	2.00	8.10	0.05
35	5.20	2.00	5.20	0.07
40	4.00	2.00	4.00	0.12
45	3.70	2.00	3.70	0.16
50	3.70	2.00	3.70	0.16
55	1.00	2.00	1.00	0.16
60	0.00	0.00	0.00	0.16
65	0.00	0.00	0.00	0.16

* Select rates for elected officials assume no turnover for first four years.

TABLE 15

DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS
(Continued)

Annual Rates per 100 Participants

Retirement Rates				
Attained Age	General Employees (backdrop eligible)	General Employees (not backdrop eligible)	Elected Officials	Deputy Sheriffs
45-49	14.0	0.0	0.0	15.0
50-54	14.0	14.0	0.0	30.0
55	14.0	14.0	19.8	30.0
56	15.0	15.0	19.8	30.0
57	16.0	16.0	23.0	30.0
58	17.0	17.0	20.4	30.0
59	17.0	17.0	24.8	30.0
60	17.0	17.0	19.4	30.0
61	25.0	25.0	22.5	50.0
62	30.0	30.0	28.4	50.0
63	30.0	30.0	26.6	50.0
64	30.0	30.0	24.3	50.0
65	40.0	40.0	30.4	100.0
66	40.0	40.0	22.5	100.0
67	40.0	40.0	25.7	100.0
68	40.0	40.0	34.2	100.0
69	40.0	40.0	36.0	100.0
70	100.0	100.0	100.0	100.0

TABLE 15

DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS
(Continued)

Salary Increase: Effective average of 3.5% per annum, compounded annually. Representative values are as follows:

Annual Rate of Salary Increase

Age	General Employees	Elected Officials	Deputy Sheriffs
20	9.5%	3.0%	9.5%
25	5.0	3.0	8.0
30	4.0	3.0	6.1
35	3.7	3.0	4.6
40	3.5	3.0	3.7
45	3.0	3.0	3.3
50	3.0	3.0	3.0
55	3.0	3.0	3.0
60	3.0	3.0	3.0
Average	3.3	3.0	4.3

Payroll Growth: 3.5% per annum.

MISCELLANEOUS

Percentage Married/Age Difference: Male 80%, female 80%. Beneficiaries are assumed to be the same age as the participant.

Percentage Married with at Least One Dependent Child: 21.6% for General Employees, 43.2% for Deputy Sheriffs and Elected Officials. For those who die prior to age 60, it is assumed at least one child will remain a dependent until the member would have turned age 60.

Backdrop Rate: 75% of eligible retirees are assumed to elect a backdrop. Of those electing, 75% are assumed to take the maximum period available to them and 25% take half the maximum period available based on eligibility for an unreduced retirement benefit.

Assumed Type of Disability: For represented employees the assumption is 50% Ordinary and 50% Accidental and for non-represented employees, the assumption is 100% Ordinary and 0% Accidental.

TABLE 15**DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS**

(Continued)

METHODS

Calculations: The actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system, and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

Actuarial Cost Method: Liabilities and contributions shown in this report are computed using the Aggregate Entry Age Normal Cost Method. The outstanding balance of the unfunded actuarial accrued liability (UAAL) as of January 1, 2004 and any changes to the UAAL arising from plan changes, assumption changes, and actuarial gains/losses are amortized as a level percentage of payroll over a 30-year period.

Administrative expenses incurred by the County related to the System are payable by the System to the County. The County then reimburses the System for this payment on a level dollar basis over 10 years.

The variance between the amount contributed to the System for a plan year, and the actual contribution requirement for that year is amortized on a level dollar basis over 5 years. POB proceeds were not subject to the contribution variance requirements.

Asset Valuation Method: A ten-year moving market average value of assets that recognizes the actuarial expected investment return immediately and spreads the difference between the actual and expected return over a period of ten years. Assets were re-established at market value on January 1, 2013.

DATA

Census and Assets: The valuation was based on members of the System as of January 1, 2014 and does not take into account future members. All census data was supplied by the System and was subject to reasonable consistency checks. Asset data was supplied by the System.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS****MEMBERSHIP**

Any person regularly employed by the County at an annual wage or salary, including any person employed by the State of Wisconsin, but receiving part of his compensation from the County.

VESTING SERVICE

Service during period of employment in the County or in any department in any town, village, city or metropolitan sewerage commission in the County, which department has by consolidation or merger been absorbed by the County.

Creditable service shall consist of “prior service”, “military service”, and “membership service”, for which service credit is allowable under Section 4, Chapter 201, Laws of 1937, as well as service under Executive Order 11231, July 8, 1965, for Vietnam. Additional credit for periods of military service will be earned in accordance with the following chart:

Years of Service with Milwaukee County	Maximum Years of Military Service Granted
0-4	0
5-9	1
10-14	2
15-19	3
20+	4

BENEFIT SERVICE

Same as vesting service except service prior to becoming a participant does not count.

EARNINGS

Earnable compensation is the full rate of compensation payable to member if he worked the full normal working time for his position, including authorized overtime payments and the compensation rate assumed to have been received while the member is on authorized leave of absence. In cases where compensation includes maintenance, the Pension Board shall fix the value of that part of the compensation not payable in

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

money. Compensation shall not exceed \$260,000 in the pension calculation as indexed for changes in the cost of living.

For all members except certain deputy sheriffs hired on or after January 1, 1982, the final average salary means the average annual salary for the highest three (3) consecutive years of service. For deputy sheriffs hired on or after January 1, 1982, excluding DA Investigators and non-represented deputy sheriffs, the final average salary means the average annual salary for the highest five (5) consecutive years of service. For DA Investigators and non-represented deputy sheriffs hired before July 1, 1995 and all non-deputy sheriff members hired before January 1, 1982, the final average salary is increased 7.5% for each year worked after January 1, 2001 to a maximum of 25%.

**VOLUNTARY
EMPLOYEE
CONTRIBUTION**

Up to 10% of earnings, provided that the employee was contributing on January 1, 1971.

**MANDATORY
EMPLOYEE
CONTRIBUTION**

Effective January 1, 2011 Elected Officials and Non-Represented employees contributed 2% of compensation. For all Non-Represented employees (other than elected officials), the contribution rate increased to 4% of compensation effective December 11, 2011.

BENEFITS

Normal Retirement

Eligibility

Elected Officials:

Age 60, or age 55 with 30 years of service. For elected officials hired before January 1, 2006, the combination of age and service adding up to 75 (Rule of 75) also applies.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**
(Continued)General Employees:

For firefighters, Federated Nurses, and Machinists:

Age 60 with 5 years of service, or age 55 with 30 years of service. For firefighters hired before December 1, 1996, Federated Nurses hired before January 1, 1997, and Machinists hired before January 1, 1994, Rule of 75 also applies. For Federated Nurses and Machinists hired after January 1, 2012, age 64 or age 55 with 30 years of service.

For Attorneys, Skilled Trades, non-represented employees, DC48, and Teamco:

Age 60, or age 55 with 30 years of service. For attorneys, Skilled Trades, and non-represented employees hired before January 1, 2006 and DC48 and Teamco hired before January 1, 1994, Rule of 75 also applies.

For attorneys, Skilled Trades, non-represented employees, and TEAMCO hired after January 1, 2010, age 64 or age 55 with 30 years of service.

For DC48 hired after August 1, 2011, age 64 or age 55 with 30 years of service.

For non-represented employees (excluding Elected Officials, Deputy Sheriffs), attorneys, machinists and TEAMCO hired after January 1, 2010, retirement age is 64.

Deputy Sheriffs:

Age 57, or age 55 with 15 years of service. For deputy sheriffs, DA Investigators, and non-represented deputy sheriffs hired before January 1, 1994, Rule of 75 also applies.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

Amount

Elected Officials:

For elected officials hired before March 15, 2002, 2.5% of final average salary per year of service before October 14, 2010 and 1.6% of final average salary per year of service thereafter, not greater than 80%. For elected officials hired on or after March 15, 2002, 2.0% of final average salary per year of service before October 14, 2010 and 1.6% of final average salary per year of service thereafter, not greater than 80%.

General Employees:

2.0% of final average salary per year of service, not greater than 80%. For non-represented employees (excluding Elected Officials and Deputy Sheriffs), 1.6% of final average salary per year of service from January 1, 2010; for attorneys and TEAMCO, the 1.6% provision is effective May 1, 2010; for machinists, June 1, 2010; for DC48, effective August 1, 2011; for building trades and FNHP, effective January 1, 2012.

Deputy Sheriffs:

For deputy sheriffs hired before July 1, 1995 and DA Investigators and non-represented deputy sheriffs, 2.5% of final average salary per year of service, not greater than 80%. For deputy sheriffs hired on or after July 1, 1995, 2.0% of final average salary per year of service, not greater than 80%.

For all members, 1.6% of final average salary per year of service after 80% of final average salary has been reached.

In addition to the pension portion, the benefit includes any voluntary contribution balance. Benefits should not be less than under previous system.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS
(Continued)****Early Retirement**

Eligibility	Age 55 with 15 years of service.
Amount	Benefits reduced by 5/12 of 1% for each month by which commencement of payments precedes Normal Retirement Age. For deputy sheriffs, DA Investigators, and non-represented deputy sheriffs, benefit reduction does not apply.

Ordinary Disability Benefit

Eligibility	After 15 years of service.
Amount	Benefits calculated as for normal retirement benefits. Minimum benefit is 25% of final average salary.

Accidental Disability Benefit

Eligibility	Immediate.
Amount	Benefits are the same as normal retirement benefits if the employee has attained the minimum Normal Retirement Age. If less than Normal Retirement Age at time of disability, the benefit is computed the same as for normal retirement but is not less than 75% or 60% of final average salary.

Elected Officials

For elected officials hired before February 19, 1987, the benefit is not less than 75% of final average salary. For all other elected officials, the benefit is not less than 60% of final average salary.

General Employees

For non-represented employees hired before February 19, 1987, attorneys hired on or after January 1, 1987, Skilled Trades hired before October 30, 1987, Federated Nurses hired before January 1, 1987, Machinists hired before May 18, 1988, DC48 hired before July 24, 1987, and Teamco hired before January 12, 1988, the benefit is not less than 75% of final

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**
(Continued)

average salary. For all other general employees, the benefit is not less than 60% of final average salary.

Deputy Sheriffs

For all deputy sheriffs, the benefit is not less than 75% of final average salary. For DA Investigators and non-represented deputy sheriffs hired on or after February 19, 1987, the benefit is not less than 60% of final average salary.

Ordinary Death Benefit

Upon the death of a deputy sheriff in active service for any cause other than accidental, the surviving spouse or child shall be entitled to receive the benefit under the provision of survivor benefits if the deceased member has completed at least one (1) year of service and is not eligible for normal retirement.

Accidental Death Benefit

Upon the death of a deputy sheriff caused by an accident in active duty, a survivorship benefit equal to fifty (50) percent of final average salary shall be granted to the following members:

- 1) A surviving spouse for life or until remarriage, or
- 2) If there is no spouse or spouse dies or remarries before the youngest child has attained age 18, the benefit is payable to his child(ren) under age 18 until the youngest child attains said age, or
- 3) If there is no spouse or child(ren) under age 18, the benefit is payable to his dependent father or mother to continue for life.

The monthly benefit aforementioned shall not be less than the benefit under ordinary death benefit section if death had not occurred in performance of duty.

Lump Sum Benefit Upon Death

Upon a death of members, a lump sum benefit of one-half the final average salary of the deceased member, not greater than two thousand dollars (\$2,000) shall be paid to designated beneficiary if such member has completed one (1) year of service and no survivors' benefits payable under any other survivorship benefits.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

Deferred Vested Benefit

Upon termination of employment, a member who does not elect to withdraw any part of his membership account shall be eligible for a deferred vested benefit if:

- 1) The accrued benefit at age 60 is at least \$10 per month
- 2) 5 years of service

The benefit is computed the same as for a normal retirement benefit considering earnings and service prior to date of termination.

Survivor Benefit

Upon the death of a member prior to age 60 and after completing at least one (1) year of service, a monthly benefit equal to 40% of the member's salary for the year of his death less monthly survivor benefits payable under the Social Security law shall be payable to his surviving spouse if she has at least one dependent child and was married to the member at least one (1) year prior to his death. Upon attainment of age 60 the dependent spouse shall be paid a benefit equal to 50% of the normal pension which the member would have received assuming service had continued to accrue to age 60 and the final average salary determined at death. In addition, a monthly benefit equal to 10% of the member's monthly salary less the benefits payable to child under Social Security law shall be payable to each eligible children until he attains age 18 or marries, or until attainment of age 22 if he is a student and not married.

Any member eligible for normal retirement may elect the protective survivorship option by selecting option 2 or 3 under the Optional Benefit section. This survivorship option shall become effective at the death of the member. If any member eligible to elect an option shall die in active service, without selecting an option, his surviving spouse shall be paid a survivorship benefit equal to the amount that would have been payable if such member had retired under option 3 immediately prior to his death.

Optional Benefit

In lieu of the full retirement benefit, any member at retirement may elect to receive an actuarial equivalent reduced retirement benefit in accordance with the following options:

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

- Option 1. In case of death before benefits attributable to his mandatory account have equaled the amount of his membership account at the date of retirement, the balance shall be paid to a designated beneficiary or to his estate; or
- Option 2. At the death of the member, one-half of the reduced benefit shall be continued throughout the life of designated beneficiary; or
- Option 3. At the death of the member, the same reduced benefit shall be continued throughout the life of designated beneficiary.

Other Benefits

Simple COLA	2% of original benefit increase per year to retired employees (surviving beneficiary receives proportionate amount based on survivorship percentage).
Contribution Refund	Refund of employee voluntary contribution upon severance.
Backdrop Benefit	<p>Employee may opt to receive a monthly benefit earned as of a specific date in the past (backdrop date). The backdrop date may not be prior to the earliest date that the member was eligible to retire and shall not be less than one (1) year prior to the date the member leaves active County service. Employee receives a cash payment equal to monthly benefits that would have been paid between backdrop date and actual retirement date plus interest earned.</p> <p>Effective with backdrop dates on or after April 1, 2013, the monthly drop benefit shall be based on the salary, service and multipliers as of April 1, 2013, except for Elected Officials, Skilled Trades, Machinists, Federated Nurses and Firefighters.</p> <p>Members not eligible for backdrop benefits are Elected Officials, non-represented employees and deputy sheriffs hired on or after March 15, 2002, Machinists and Teamco hired on or after November 4, 2005, Attorneys hired on or after January 1, 2006, Federated Nurses hired on or after December 15, 2005, Firefighters hired on or after June 19, 2007 and DC48 hired on or after February 1, 2007.</p>

TABLE 17**SUMMARY OF MEMBERSHIP DATA
AS OF JANUARY 1, 2014****Active Participants**

Item	General Employees	Deputy Sheriffs *	Elected Officials	Total
Number of Participants	3,616	275	20	3,911
Average Annual Salaries **	\$ 46,669	\$ 66,850	\$ 67,897	\$ 48,224
Average Age	45.9	45.6	51.4	46.0
Average Service	11.1	18.5	11.2	11.6

* Includes 5 non-represented deputy sheriffs.

** The salaries shown in the table above represent a rate of pay increased by the salary assumption.

Inactive Participants

Item	Number	Annual Annuities	Average Annuities	Average Age
Participants with Deferred Benefits	1,411	\$ 10,923,962	\$ 7,742	50.6
Retired Participants	6,830	143,876,961	21,065	70.9
Beneficiaries	841	12,672,628	15,069	76.9
Disability Retirees	<u>269</u>	<u>5,747,087</u>	<u>21,365</u>	<u>64.3</u>
Total	9,351	\$ 173,220,638	\$ 18,524	68.2

TABLE 18**ACTIVE MEMBERSHIP STATISTICS (UNAUDITED)**

	<u>2013</u>
Members as of January 1	5,130 *
Changes during the year:	
New enrollments	420
Nonvested terminations	(262)
Retirements	(238)
Deaths in active service	(1)
New deferred beneficiaries	0
Data Adjustment	273
Members as of December 31	<u>5,322</u> *
*This total includes vested inactive members.	

RETIREMENTS AND SURVIVORS (UNAUDITED)

	Retirements granted							Survivors & Benefi- ciaries	Total	
	Maxi- mum Pension	Options								
		Refund	100%	75%	50%	25%	10-yr			Other
January 1, 2013	3,211	398	1,383	241	1,077	443	197	49	868	7,867
Changes during the year:										
Adjustments (actuary) *	10	-	-	-	-	2	-	-	-	12
Retirements	190	-	58	13	22	20	19	-	-	322
Pensioner deaths	(127)	(32)	(23)	(2)	(47)	-	(3)	-	(27)	(261)
December 31, 2013	3,284	366	1,418	252	1,052	465	213	49	841	7,940

* Adjustments as a result of reclassifications made to beginning balances by the actuary:

EXHIBIT I**ACTIVE MEMBERSHIP DATA – ALL EMPLOYEES****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2014**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	60 \$18,584									60 \$18,584
25-29	232 \$28,514	32 \$40,536								264 \$29,971
30-34	218 \$33,236	104 \$45,643	18							340 \$37,899
35-39	223 \$42,808	109 \$48,235	115 \$49,178	21 \$61,284						468 \$46,466
40-44	166 \$38,029	120 \$51,458	140 \$50,632	115 \$59,511	27 \$56,963					568 \$49,222
45-49	117 \$37,595	80 \$49,776	122 \$48,350	116 \$56,544	144 \$57,804	30 \$57,516	2			611 \$50,818
50-54	88 \$39,308	80 \$53,177	110 \$50,160	93 \$54,671	183 \$54,118	88 \$59,586	9			651 \$52,065
55-59	94 \$41,061	70 \$53,546	89 \$49,442	75 \$54,173	119 \$55,231	88 \$62,700	32 \$58,140	3		570 \$52,942
60-64	37 \$50,503	43 \$53,172	50 \$50,297	46 \$56,620	55 \$54,983	42 \$65,070	15	9		297 \$57,662
Over 64	9	18	16	11	12	9	5	2		82 \$56,497
Total	1,244 \$35,840	656 \$49,974	660 \$49,685	477 \$56,700	540 \$56,046	257 \$61,883	63 \$65,532	14		3,911 \$48,224

* Compensation in cells with fewer than 20 records has been suppressed.

EXHIBIT II**ACTIVE MEMBERSHIP DATA – GENERAL EMPLOYEES****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2014**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	60 \$18,584									60 \$18,584
25-29	231 \$28,411	32 \$40,536								263 \$29,887
30-34	218 \$33,236	102 \$45,246	16							336 \$37,577
35-39	219 \$42,018	107 \$48,030	95 \$46,361	11						432 \$44,867
40-44	166 \$38,029	118 \$51,384	120 \$48,511	62 \$53,181	17					483 \$46,333
45-49	116 \$36,769	79 \$49,692	107 \$46,331	82 \$52,699	106 \$54,287	26 \$54,575	2			518 \$47,886
50-54	87 \$39,159	80 \$53,177	108 \$49,873	78 \$52,506	154 \$51,873	79 \$57,359	9			595 \$50,579
55-59	94 \$41,061	70 \$53,546	88 \$48,455	72 \$52,942	115 \$55,083	86 \$62,662	31 \$56,560	3		559 \$52,443
60-64	37 \$50,503	43 \$53,172	49 \$49,563	46 \$56,620	54 \$54,785	39 \$65,308	15	9		292 \$57,493
Over 64	9	17	15	10	12	8	5	2		78 \$ 56,280
Total	1,237 \$35,572	648 \$49,865	598 \$48,157	361 \$53,515	458 \$54,198	238 \$60,859	62 \$64,861	14		3,616 \$46,669

* Compensation in cells with fewer than 20 records has been suppressed.
Five non-represented deputy sheriffs are included with Deputy Sheriffs exhibit.

EXHIBIT III**ACTIVE MEMBERSHIP DATA – DEPUTY SHERIFFS****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2014**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25										
25-29										
30-34		1	2							3
35-39	1	1	20	10						32
			\$62,558							\$67,342
40-44		1	20	53	10					84
			\$63,354	\$66,915						\$65,798
45-49		1	14	34	38	4				91
				\$65,820	\$67,615					\$66,584
50-54			2	15	29	9				55
					\$66,042					\$68,139
55-59				2	2	2	1			7
60-64					1	2				3
Over 64										
Total	1	4	58	114	80	17	1			275
			\$63,219	\$66,346	\$66,722					\$66,850

* Compensation in cells with fewer than 20 records has been suppressed.
Includes 5 non-represented deputy sheriffs.

EXHIBIT IV**ACTIVE MEMBERSHIP DATA – ELECTED OFFICIALS****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2014**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25										
25-29	1									1
30-34		1								1
35-39	3	1								4
40-44		1								1
45-49	1		1							2
50-54	1									1
55-59			1	1	2					4
60-64			1				1			2
Over 64		1	1	1			1			4
Total	6	4	4	2	2	2				20 \$67,897

* Compensation in cells with fewer than 20 records has been suppressed.

EXHIBIT V**ACTIVE AND DEFERRED VESTED MEMBERS OBTAINING
RETIREMENT ELIGIBILITY OVER NEXT FIVE CALENDAR YEARS****Actives Reaching Retirement Eligibility**

Year	General Employees	Elected Officials	Deputy Sheriffs	Total
Eligible at Valuation Date	568	9	10	587
2014	121	0	3	124
2015	112	0	5	117
2016	163	1	13	177
2017	131	0	6	137
2018	148	0	16	164
Total Over Next 5 Years	675	1	43	719
Grand Total Eligible	1,243	10	53	1,306

Deferred Vesteds Reaching Retirement Age

Year	Total
2014	81
2015	71
2016	70
2017	73
2018	76
Total Over Next 5 Years	371

EXHIBIT VI**RETIREE AND BENEFICIARY MEMBERSHIP DATA
AS OF JANUARY 1, 2014****NUMBER AND AVERAGE ANNUAL BENEFIT**

Age Last Birthday	Number	Annual Benefit	Average Annual Benefit
Retired Participants			
Under 60	693	\$ 19,848,847	\$ 28,642
60 - 64	1,537	32,891,607	21,400
65 - 69	1,482	32,937,938	22,225
70 - 74	955	20,412,377	21,374
75 - 79	763	15,466,557	20,271
Over 79	1,400	22,319,635	15,943
<u>Total</u>	<u>6,830</u>	<u>\$ 143,876,961</u>	<u>\$ 21,065</u>
Beneficiary Participants			
Under 60	83	\$ 1,215,680	\$ 14,647
60 - 64	57	947,125	16,616
65 - 69	81	1,569,788	19,380
70 - 74	73	1,151,016	15,767
75 - 79	121	1,962,344	16,218
Over 79	426	5,826,675	13,678
<u>Total</u>	<u>841</u>	<u>\$ 12,672,628</u>	<u>\$ 15,069</u>
Disabled Participants			
Under 60	108	\$ 2,663,521	\$ 24,662
60 - 64	42	1,001,841	23,853
65 - 69	33	586,891	17,785
70 - 74	28	556,307	19,868
75 - 79	20	322,861	16,143
Over 79	38	615,666	16,202
<u>Total</u>	<u>269</u>	<u>\$ 5,747,087</u>	<u>\$ 21,365</u>
Grand Total	7,940	\$ 162,296,676	\$ 20,440

EXHIBIT VII**5-YEAR HISTORY OF MEMBERSHIP DATA****Active Participants**

Valuation as of January 1	Number of Active Participants	Percentage Change in Membership	Total Annual Payroll	Percentage Change in Payroll
2014	3,911	(0.58)%	\$ 188,605,492	(0.28)%
2013	3,934	(0.96)%	189,131,711	(0.85)%
2012	3,972	(10.70)%	190,747,973	(13.94)%
2011	4,448	(7.49)%	221,647,443	(6.49)%
2010	4,808	(0.60)%	237,040,117	1.38 %

Retired, Disabled, and Beneficiary Participants

Valuation as of January 1	Number on roll	Additions	Deletions	Percentage Change in Membership	Annual Annuities	Percentage Change in Annuities
2014	7,940	319	246	0.93 %	162,296,676	2.69 %
2013	7,867	412	292	1.55 %	158,040,281	6.18 %
2012	7,747	576	270	4.11 %	148,838,576	3.95 %
2011	7,441	368	219	2.04 %	143,188,151	4.23 %
2010	7,292	283	299	(0.22)%	137,374,794	2.24 %

EXHIBIT VIII

DETAILED TABULATIONS OF THE DATA

TABLE VIII-A

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2014
ALL EMPLOYEES**

(Compensation in cells with fewer than 20 records has been suppressed)

Age	Men		Women	
	Number	Compensation	Number	Compensation
19	1			
20			1	
21	1			
22	6		11	
23	9		7	
24	15		9	
25	16		26	\$ 556,281
26	19		25	645,560
27	33	\$ 1,097,610	30	803,981
28	28	974,873	22	540,495
29	31	1,081,235	34	978,021
30	27	1,105,127	31	706,162
31	32	1,162,719	41	1,524,314
32	31	1,254,326	34	1,033,006
33	33	1,582,970	36	1,401,116
34	39	1,697,015	36	1,419,024
35	31	1,186,123	54	2,356,523
36	46	2,220,918	41	1,711,282
37	41	1,944,333	51	2,289,561
38	58	3,285,547	46	1,995,344
39	46	2,388,541	54	2,367,993
40	30	1,491,733	46	1,770,487
41	54	2,644,702	52	2,467,466
42	56	2,892,508	57	2,392,109
43	59	3,452,796	67	3,237,703
44	69	3,828,284	78	3,780,117
45	45	2,442,071	59	2,857,417
46	56	3,262,620	69	3,215,833
47	65	3,646,339	77	3,727,824
48	57	3,070,594	67	3,015,425
49	47	2,633,374	69	3,178,257

TABLE VIII-A

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2014
ALL EMPLOYEES**

(Compensation in cells with fewer than 20 records has been suppressed)

Age	Men		Women	
	Number	Compensation	Number	Compensation
50	46	\$ 2,759,351	76	\$ 3,835,428
51	69	3,554,563	75	3,580,722
52	44	2,345,394	60	3,092,252
53	63	3,610,694	88	4,281,680
54	57	3,368,138	73	3,574,850
55	54	2,693,426	78	3,733,928
56	54	2,853,226	65	3,358,160
57	53	3,252,034	65	3,072,807
58	61	3,829,745	59	2,695,842
59	44	2,766,529	37	1,921,229
60	46	2,789,415	44	2,411,032
61	21	1,204,277	43	2,203,227
62	34	2,352,713	28	1,297,501
63	23	1,677,978	21	1,032,026
64	13		24	1,378,554
65	17		13	
66	5		11	
67	12		4	
68			1	
69	2		1	
70	1		2	
71	1		4	
72	2			
75			4	
77	1			
79			1	
Total	1,804	\$ 94,720,380	2,107	\$ 93,885,112

TABLE VIII-B

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2014
ALL EMPLOYEES**

(Compensation in cells with fewer than 20 records has been suppressed)

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
0	167	\$ 3,461,037	258	\$ 4,399,305
1	130	6,027,000	172	6,829,211
2	117	5,702,761	129	5,427,647
3	63	2,951,165	65	2,890,782
4	63	3,162,969	80	3,733,063
5	96	4,537,727	103	4,601,093
6	43	2,296,713	60	2,895,053
7	58	3,240,263	55	2,842,736
8	56	2,946,741	92	4,583,077
9	45	2,571,870	48	2,267,395
10	33	1,659,942	53	2,584,283
11	60	3,138,594	43	1,800,538
12	82	4,297,539	70	3,039,937
13	75	4,054,048	90	4,236,722
14	74	4,007,081	80	4,081,970
15	51	2,798,117	52	2,529,866
16	54	3,143,870	45	2,530,553
17	50	3,208,112	50	2,634,427
18	46	3,015,675	25	1,310,862
19	53	3,154,471	51	2,719,896
20	42	2,399,699	48	2,548,181
21	64	4,092,301	70	3,543,387
22	59	3,742,406	56	2,917,701
23	45	2,791,056	46	2,107,624
24	35	2,026,021	75	4,096,451
25	32	2,048,010	51	2,931,623
26	23	1,811,399	29	1,644,894
27	17		25	1,414,090
28	24	1,551,169	27	1,477,081
29	9		20	1,202,521
30	9		10	
31	7		4	
32	4		12	
33	5		5	
34	4		3	
35	2		1	
36	2		2	
37	2		1	
38	2		1	
39	1			
Total	1,804	\$ 94,720,380	2,107	\$ 93,885,112

TABLE VIII-C

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2014
GENERAL EMPLOYEES**

(Compensation in cells with fewer than 20 records has been suppressed)

Age	Men		Women	
	Number	Compensation	Number	Compensation
19	1			
20			1	
21	1			
22	6		11	
23	9		7	
24	15		9	\$
25	16		26	556,281
26	19	\$	25	645,560
27	32	1,045,411	30	803,981
28	28	974,873	22	540,495
29	31	1,081,235	34	978,021
30	27	1,105,127	31	706,162
31	32	1,162,719	41	1,524,314
32	31	1,254,326	34	1,033,006
33	32	1,524,759	35	1,327,562
34	37	1,568,853	36	1,419,024
35	28	1,038,835	52	2,104,903
36	44	2,088,666	40	1,648,685
37	38	1,745,669	50	2,223,909
38	45	2,482,411	44	1,868,863
39	40	1,996,371	51	2,184,096
40	26	1,233,568	45	1,704,232
41	43	1,910,501	51	2,394,866
42	40	1,893,786	51	1,990,082
43	39	2,112,066	63	2,984,124
44	50	2,573,279	75	3,582,210
45	25	1,134,543	53	2,462,730
46	43	2,403,146	63	2,819,536
47	47	2,376,131	75	3,595,948
48	45	2,263,492	62	2,683,512
49	39	2,081,566	66	2,984,278

TABLE VIII-C

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2014
GENERAL EMPLOYEES**

(Compensation in cells with fewer than 20 records has been suppressed)

Age	Men		Women	
	Number	Compensation	Number	Compensation
50	37	\$ 2,138,470	71	\$ 3,465,118
51	56	2,665,416	71	3,319,591
52	39	2,023,340	60	2,983,441
53	55	3,084,215	83	3,938,561
54	50	2,901,442	73	3,574,850
55	52	2,559,989	78	3,733,928
56	51	2,627,748	65	3,358,160
57	49	2,864,456	65	3,072,807
58	60	3,777,546	59	2,695,842
59	43	2,704,057	37	1,921,229
60	44	2,657,892	44	2,411,032
61	21	1,204,277	43	2,203,227
62	34	2,352,713	28	1,297,501
63	21	1,557,887	21	1,032,026
64	12		24	1,378,554
65	17		13	
66	5		10	
67	10		4	
68			1	
69	2		1	
70			2	
71	1		4	
72	2			
75			4	
77	1			
79			1	
Total	1,571	\$ 79,210,340	2,045	\$ 89,544,620

TABLE VIII-D

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2014
GENERAL EMPLOYEES**

(Compensation in cells with fewer than 20 records has been suppressed)

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
0	167	\$ 3,461,037	258	\$ 4,399,305
1	126	5,818,202	172	6,829,211
2	115	5,517,063	129	5,427,647
3	63	2,951,165	64	2,703,282
4	63	3,162,969	80	3,733,063
5	94	4,419,342	103	4,601,093
6	43	2,296,713	59	2,842,853
7	58	3,240,263	55	2,842,736
8	55	2,890,353	92	4,583,077
9	43	2,454,176	46	2,141,641
10	29	1,447,425	53	2,584,283
11	53	2,634,424	42	1,629,129
12	74	3,818,590	68	2,915,704
13	63	3,284,635	84	3,859,188
14	56	2,806,884	76	3,817,905
15	39	2,034,023	45	2,068,080
16	33	1,745,895	41	2,266,301
17	33	2,071,232	46	2,372,588
18	26	1,652,119	19	
19	31	1,648,045	48	2,510,944
20	27	1,412,078	43	2,225,614
21	37	2,283,086	63	3,076,298
22	47	2,949,560	55	2,851,508
23	39	2,405,522	45	2,027,969
24	29	1,626,283	73	3,964,745
25	27	1,710,948	48	2,755,003
26	21	1,696,727	28	1,517,070
27	15		24	1,305,878
28	20	1,216,091	27	1,477,081
29	8		20	1,202,521
30	8		10	
31	7		4	
32	4		12	
33	5		5	
34	4		3	
35	2		1	
36	2		2	
37	2		1	
38	2		1	
39	1			
Total	1,571	\$ 79,210,340	2,045	\$ 89,544,620

TABLE VIII-E

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2014
DEPUTY SHERIFFS**

(Compensation in cells with fewer than 20 records has been suppressed)

Age	Men		Women	
	Number	Compensation	Number	Compensation
33	1			
34	2			
35	3		2	
36	2		1	
37	3		1	
38	9		2	
39	6		3	
40	4		1	
41	11		1	
42	16		6	
43	20	\$ 1,340,730	3	
44	19		3	
45	20	1,307,529	6	
46	13		6	
47	16		2	
48	12		5	
49	8		3	
50	9		5	
51	13		4	
52	5			
53	8		5	
54	6			
55	2			
56	2			
57	2			
59	1			
60	2			
63	1			
Total	216	\$ 14,330,058	59	\$ 4,053,728

TABLE VIII-F

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2014
DEPUTY SHERIFFS**

(Compensation in cells with fewer than 20 records has been suppressed)

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
4			1	
6	1			
9	1			
10	2			
11	3			
12	5		1	
13	8		2	
14	11		6	
15	18		4	
16	11	\$	7	
17	21	1,397,975	4	
18	17		4	
19	19		6	
20	22	1,506,425	3	
21	15		5	
22	25	1,704,817	7	
23	12		1	
24	6		1	
25	6		2	
26	5		3	
27	1		1	
28	1		1	
29	4			
30	1			
31	1			
Total	216	\$ 14,330,058	59	\$ 4,053,728

TABLE VIII-G

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2014
ELECTED OFFICIALS**

(Compensation in cells with fewer than 20 records has been suppressed)

Age	Men		Women	
	Number	Compensation	Number	Compensation
27	1			
33			1	
38	4			
43			1	
47	2			
54	1			
56	1			
57	2			
58	1			
63	1			
64	1			
66			1	
67	2			
70	1			
Total	17		3	

TABLE VIII-H

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2014
ELECTED OFFICIALS**

(Compensation in cells with fewer than 20 records has been suppressed)

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
1	4			
2	2			
5	1			
6			1	
9			2	
10	1			
11	2			
13	1			
15	1			
18	1			
21	2			
26	1			
27	1			
Total	17		3	

TABLE VIII-I

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
ALL MEMBERS RECEIVING BENEFITS
AS OF JANUARY 1, 2014**

Age	Men		Women	
	Number	Annuities	Number	Annuities
15	2	\$ 8,409		
17	1	3,997		
19	1	4,001		
20	1			
24	1	21,678		
25			1	\$ 6,827
30			1	
31	1	21,678		
33	1	19,663	1	9,578
35	1	2,283	1	15,747
36	1	33,623	1	32,124
37			2	41,901
38	2	28,781	1	16,702
39	1	7,880		
40	2	11,594		
41			1	9,578
42	5	134,929	3	65,343
43	4	137,892		
44	6	159,132		
45	2	50,902		
46	3	107,298	3	44,366
47			2	64,636
48	2	52,316	4	116,864
49	9	364,495	13	339,883
50	2	62,196	17	389,893
51	9	290,291	6	220,219
52	11	356,383	24	625,409
53	13	325,539	33	828,903
54	21	693,041	39	1,045,732
55	31	1,131,995	40	1,122,978
56	36	1,015,095	79	2,074,523
57	54	1,518,523	77	1,773,184
58	71	1,975,211	83	1,949,596
59	72	2,195,039	86	2,200,198
60	113	2,795,632	153	2,715,440
61	124	3,531,274	175	3,106,138
62	133	3,388,643	192	3,700,135
63	181	4,607,464	187	3,091,426
64	170	4,269,741	208	3,634,680
65	155	4,328,176	191	3,493,436

TABLE VIII-I

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
ALL MEMBERS RECEIVING BENEFITS
AS OF JANUARY 1, 2014**

Age	Men		Women	
	Number	Annuities	Number	Annuities
66	183	\$ 4,347,405	222	\$ 4,161,796
67	149	4,073,417	194	4,043,573
68	119	2,845,302	137	2,578,197
69	104	2,528,275	142	2,695,040
70	99	2,601,394	144	2,483,392
71	103	2,855,765	140	2,471,078
72	75	1,812,016	115	1,991,536
73	86	2,270,417	101	1,688,434
74	82	1,984,756	111	1,960,912
75	68	1,587,193	118	2,106,012
76	76	1,820,590	114	1,601,711
77	76	1,901,223	115	1,903,608
78	53	1,357,375	123	2,165,062
79	59	1,627,571	102	1,681,417
80	55	1,518,208	91	1,403,295
81	71	1,527,303	102	1,653,775
82	72	1,721,013	95	1,595,367
83	50	1,060,984	133	1,933,766
84	40	770,353	115	1,537,260
85	49	1,020,972	103	1,421,152
86	52	1,091,299	116	1,440,647
87	28	609,245	91	1,154,473
88	37	754,893	71	861,215
89	27	495,713	72	925,189
90	19	331,163	65	730,164
91	18	293,096	54	588,692
92	18	274,555	45	430,325
93	12	129,045	37	349,304
94	10	110,797	30	246,147
95	5	80,703	34	285,468
96	1	43,121	12	61,210
97	2	50,482	13	105,785
98			7	66,142
99	1	5,993	6	48,934
100	1	15,616	1	3,594
101			1	6,415
102			1	569
104			1	8,534
Total	3,142	\$ 79,172,047	4,798	\$ 83,124,629

TABLE VIII-J

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
RETIRED MEMBERS
AS OF JANUARY 1, 2014**

Age	Men		Women	
	Number	Annuities	Number	Annuities
43	1	\$ 43,733		
47			1	\$ 21,081
48			1	50,460
49	5	212,582	1	21,301
50	2	62,196	8	205,684
51	4	156,398	6	220,219
52	9	322,753	16	490,168
53	8	269,884	27	744,684
54	16	548,682	34	931,002
55	26	1,046,390	37	1,072,656
56	31	924,411	66	1,823,824
57	46	1,325,935	70	1,671,364
58	67	1,903,947	70	1,717,980
59	67	2,109,643	74	1,951,870
60	105	2,575,916	144	2,541,807
61	116	3,317,457	164	2,901,211
62	128	3,346,553	176	3,398,791
63	174	4,453,853	172	2,800,005
64	164	4,165,043	194	3,390,971
65	149	4,230,803	171	3,132,577
66	180	4,305,030	200	3,723,904
67	145	3,954,622	179	3,749,463
68	111	2,758,490	123	2,249,835
69	97	2,436,916	127	2,396,298
70	93	2,504,904	123	2,164,489
71	97	2,754,162	120	2,113,500
72	73	1,765,350	101	1,722,672
73	81	2,182,063	82	1,395,900
74	80	1,963,460	105	1,845,877
75	63	1,542,972	95	1,610,431
76	67	1,699,110	95	1,357,985
77	68	1,789,051	89	1,454,602
78	52	1,345,883	98	1,719,042
79	58	1,619,317	78	1,328,164
80	52	1,471,642	68	1,077,539
81	65	1,500,095	73	1,016,008
82	64	1,600,108	67	1,048,932
83	47	1,029,820	89	1,309,505
84	36	750,019	78	1,032,303

TABLE VIII-J
THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
RETIRED MEMBERS
AS OF JANUARY 1, 2014

Age	Men		Women	
	Number	Annuities	Number	Annuities
85	48	\$ 1,017,432	67	\$ 841,591
86	49	1,051,282	73	870,918
87	27	587,274	56	625,873
88	33	723,752	48	599,796
89	20	446,316	45	500,359
90	18	327,190	43	435,966
91	16	269,413	35	393,511
92	16	261,583	30	219,839
93	10	109,147	26	235,254
94	9	108,166	25	196,492
95	5	80,703	25	213,148
96	1	43,121	8	42,390
97	2	50,482	12	99,835
98			5	53,502
99	1	5,993	5	45,592
100	1	15,616	1	3,594
104			1	8,534
Total	2,903	\$ 75,086,663	3,927	\$ 68,790,298

TABLE VIII-K

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
BENEFICIARY MEMBERS
AS OF JANUARY 1, 2014**

Age	Men		Women	
	Number	Annuities	Number	Annuities
15	2	\$ 8,409		
17	1	3,997		
19	1	4,001		
20	1			
24	1	21,678		
25			1	\$ 6,827
30			1	
31	1	21,678		
33			1	9,578
35	1	2,283	1	15,747
36			1	32,124
37			2	41,901
38	1	5,120	1	16,702
39	1	7,880		
40	2	11,594		
41			1	9,578
42	2	19,793	2	33,443
44	2	19,664		
45	1	6,234		
46			1	5,304
48			1	8,017
49			3	32,071
50			3	95,393
51	1	8,139		
52			3	61,422
53	5	55,655	5	65,935
54			2	36,685
55			2	29,289
56			5	74,705
57	2	61,219	2	22,962
58			10	160,195
59	1	5,137	9	195,321
60	1		7	128,335
61			9	170,076
62	1	992	10	141,618
63	4	87,450	12	234,773

TABLE VIII-K

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
BENEFICIARY MEMBERS
AS OF JANUARY 1, 2014**

Age	Men		Women	
	Number	Annuities	Number	Annuities
64	3	\$ 18,102	10	\$ 165,779
65	3	25,212	17	317,733
66	2	10,033	18	373,528
67	1	23,527	14	284,631
68	2	29,049	12	268,832
69	3	16,527	9	220,716
70	4	43,278	18	264,118
71	3	32,223	14	262,131
72			10	181,737
73	2	31,356	16	237,341
74	1	3,914	5	94,918
75	4	18,909	22	481,158
76	5	59,238	17	205,297
77	5	46,356	24	425,215
78	1	11,492	24	423,969
79			19	290,710
80	1	10,137	19	268,386
81	6	27,208	24	553,745
82	5	35,789	25	510,422
83	3	31,164	41	539,781
84	4	20,334	32	439,888
85	1	3,540	32	532,295
86	3	40,017	42	556,580
87			34	515,423
88	4	31,141	22	249,268
89	6	38,974	26	405,736
90	1	3,973	21	278,810
91	2	23,683	18	186,583
92	2	12,972	15	210,486
93	2	19,898	11	114,050
94	1	2,631	5	49,655
95			9	72,320
96			4	18,820
98			2	12,640
99			1	3,342
101			1	6,415
102			1	569
Total	112	\$ 1,021,600	729	\$ 11,651,028

TABLE VIII-L
THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
DISABLED MEMBERS
AS OF JANUARY 1, 2014

Age	Men		Women	
	Number	Annuities	Number	Annuities
36	1	\$ 33,623		
38	1	23,661		
42	3	115,136	1	\$ 31,900
43	3	94,159		
44	4	139,468		
45	1	44,668		
46	3	107,298	2	39,062
47			1	43,555
48	2	52,316	2	58,387
49	4	151,913	9	286,511
50			6	88,816
51	4	125,754		
52	2	33,630	5	73,819
53			1	18,284
54	5	144,359	3	78,045
55	5	85,605	1	21,033
56	5	90,684	8	175,994
57	6	131,369	5	78,858
58	4	71,264	3	71,421
59	4	80,259	3	53,007
60	7	219,716	2	45,298
61	8	213,817	2	34,851
62	4	41,098	6	159,726
63	3	66,161	3	56,648

TABLE VIII-L

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
DISABLED MEMBERS
AS OF JANUARY 1, 2014**

Age	Men		Women	
	Number	Annuities	Number	Annuities
64	3	\$ 86,596	4	\$ 77,930
65	3	72,161	3	43,126
66	1	32,342	4	64,364
67	3	95,268	1	9,479
68	6	57,763	2	59,530
69	4	74,832	6	78,026
70	2	53,212	3	54,785
71	3	69,380	6	95,447
72	2	46,666	4	87,127
73	3	56,998	3	55,193
74	1	17,382	1	20,117
75	1	25,312	1	14,423
76	4	62,242	2	38,429
77	3	65,816	2	23,791
78			1	22,051
79	1	8,254	5	62,543
80	2	36,429	4	57,370
81			5	84,022
82	3	85,116	3	36,013
83			3	84,480
84			5	65,069
85			4	47,266
86			1	13,149
87	1	21,971	1	13,177
88			1	12,151
89	1	10,423	1	19,094
90			1	15,388
91			1	8,598
97			1	5,950
Total	127	\$ 3,063,784	142	\$ 2,683,303

EXHIBIT IX**GLOSSARY**

Accrued Liability	The difference between (a) the present value of future plan benefits, and (b) the present value of future normal cost. It is the portion of the present value of future plan benefits attributable to service accrued as of the valuation date. Sometimes referred to as “actuarial accrued liability.”
Accrued Service	The service credited under the plan, which was rendered before the date of the actuarial valuation.
Actual Funding Contribution	The Actual Funding Contribution for a plan year is calculated using census and asset information as of the first day of the plan year, and includes Normal Cost, with interest to the end of the plan year, and a net amortization payment.
Actuarial Assumptions	Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
Actuarial Cost Method	A mathematical budgeting procedure for allocating the dollar amount of the “present value of future plan benefits” between the present value of future normal cost and the accrued liability. Sometimes referred to as the “actuarial funding method.”
Actuarial Equivalent	A series of payments is called an actuarial equivalent of another series of payments if the two series have the same actuarial present value.
Actuarial Value of Assets	The value of current plan assets recognized for valuation purposes. Based on a smoothed market value that recognizes investment gains and losses over a period of ten years.
Amortization	Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

EXHIBIT IX**GLOSSARY**

(Continued)

Annual Required Contribution	The Annual Required Contribution, or ARC, is the amount determined in accordance with Governmental Accounting Standards Board Statements Nos. 25 and 27.
Budget Contribution	The Budget Contribution for a year is based on census and asset information as of the first day of the PRIOR plan year, rolled forward to the next plan year based on all actuarial assumptions being met. For example, the Budget Contribution for 2012 is based on census and asset information as of January 1, 2010, rolled forward to January 1, 2011.
Contribution Variance	The difference between the Actual Contribution and the Budget Contribution for a plan year is referred to as the Contribution Variance. A Contribution Variance resulting from an overpayment is amortized over 5 years as a level dollar credit. A Contribution Variance resulting from an underpayment is amortized over 5 years as a level dollar charge.
Experience Gain (Loss)	A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.
Normal Cost	The annual cost assumed, under the actuarial funding method, for current and subsequent plan years. Sometimes referred to as “current service cost.”
Present Value	The amount of funds presently required to provide a payment or series of payments in the future. The present value is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.
Unfunded Accrued Liability	The difference between the actuarial accrued liability and valuation assets.