Orange County Employees Retirement System

Actuarial Valuation and Review
as of December 31, 2011

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June 8, 2012

Board of Retirement
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review as of December 31, 2011. It summarizes the actuarial data used in the valuation, establishes the funding requirements for fiscal 2013-2014 and analyzes the preceding year's experience.

The census and the unaudited financial information were provided by the Retirement System. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Andy Yeung, ASA, MAAA, Enrolled Actuary.

This actuarial valuation has been completed in accordance with generally accepted actuarial principles and practices, including Actuarial Standards of Practice (ASOPs) Nos. 4, 27, 35, 44 and all other relevant ASOPs. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate. Further, in our opinion, the actuarial assumptions[(1)] are reasonably related to the experience of and the expectations for the Plan. The undersigned are Members of the American Academy of Actuaries and meet the qualification requirements to render the actuarial opinion contained herein.

We look forward to reviewing this report at your next meeting and to answering any questions.

Sincerely

THE SEGAL COMPANY

By:

Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President and Actuary

Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Associate Actuary

AW/gxk

[(1)] *Please refer to the fourth bullet on page ii of Section 1 for a discussion of those assumptions and in particular, the 7.75% investment return assumption prescribed by the Board.*

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Purpose

This report has been prepared by The Segal Company to present a valuation of the Orange County Employees Retirement System as of December 31, 2011. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits. The contribution requirements presented in this report are based on:

- The benefit provisions of the Retirement System, as administered by the Board of Retirement;
- The characteristics of covered active members, inactive vested members, retired members, and beneficiaries as of December 31, 2011, provided by the Retirement System;
- The assets of the Plan as of December 31, 2011, provided by the Retirement System;
- Economic assumptions regarding future salary increases and investment earnings; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc.

One of the general goals of an actuarial valuation is to establish contributions that fully fund the System's liabilities, and that, as a percentage of payroll, remain as level as possible for each generation of active members. Annual actuarial valuations measure the progress toward this goal, as well as test the adequacy of the contribution rates.

In preparing this valuation, we have employed generally accepted actuarial methods and assumptions[(1)] to evaluate the System's assets, liabilities and future contribution requirements. Our calculations are based upon member data and financial information provided to us by the System's staff. This information has not been audited by us, but it has been reviewed and found to be consistent, both internally and with prior year's information.

The contribution requirements are determined as a percentage of payroll. The System's employer rates provide for both normal cost and a contribution to amortize any unfunded or overfunded actuarial accrued liabilities. In this valuation, we have continued with the Board's funding policy to amortize the outstanding balance of the unfunded actuarial accrued liability (UAAL) from the December 31, 2004 valuation over a declining period, currently 23 years. The outstanding balance of the UAAL established in the December 31, 2009 valuation as a result of including additional premium pay items as pensionable salary and the new UAAL established in the December 31, 2010 valuation as a result of reallocating contributions and benefit payments among Rate Groups are also amortized over a 23-year period, in the December 31, 2010 valuation. Any increases or decreases in unfunded actuarial accrued liabilities that arise in future years due to actuarial gains or losses will be amortized over separate 15-year periods. Any increases or decreases in UAAL due to changes in actuarial assumptions are amortized over separate 30-year periods. The rates calculated in this report may be adopted by the Board for the fiscal year that extends from July 1, 2013 through June 30, 2014.

[(1)] *Please refer to the fourth bullet on page ii of Section 1 for a discussion of those assumptions and in particular, the 7.75% investment return assumption prescribed by the Board.*

Significant Issues in Valuation Year

The following key findings were the result of this actuarial valuation:

Ref: Pgs. 57 and 110

Ref: Pg. 52

- The ratio of the valuation value of assets to the actuarial accrued liabilities[1] has decreased from 69.79% to 67.03%. For informational purposes only, we have also prepared in Appendix C the funded ratio for each rate group. The System's unfunded actuarial accrued liability has increased from $3,753.2 million as of December 31, 2010 to $4,458.6 million as of December 31, 2011. The increase in unfunded actuarial accrued liability is mainly due to lower than expected investment return (after smoothing) and changes in actuarial assumptions. A reconciliation of the System's unfunded actuarial accrued liability is provided in Section 3, Exhibit H.

Ref: Pg. 22

Ref: Pg. 111

- The aggregate employer rate calculated in this valuation has increased from 31.12% of payroll to 34.69% of payroll. The reasons for the changes are: (i) unfavorable investment return (after smoothing), (ii) lower than expected individual salary increases, (iii) growth in total payroll less than expected, (iv) full-time equivalent salary provided by OCERS starting in 2011 valuation, (v) reclassification of retirees for automatic continuance benefits, (vi) reclassification of members previously reported as actives (some actually on leave of absence) to deferred members, (vii) changes in actuarial assumptions, and (viii) other experience losses. A reconciliation of the System's aggregate employer rate is provided in Section 2, Subsection D (see Chart 15). A reconciliation of the employer contribution rate by Rate Group is provided in Appendix D.

Ref: Pg. 23

Ref: Pg. 59

- The aggregate member rate calculated in this valuation has increased from 10.79% of payroll to 11.47% of payroll. The change in the aggregate member rate is due to the changes in actuarial assumptions and changes in membership demographics. A reconciliation of the System's aggregate member rate is provided in Section 2, Subsection D (see Chart 16).
- The results of this valuation were prepared using the actuarial assumptions and methods developed in the December 31, 2011 experience study and economic assumptions study. All of the assumptions recommended in those studies were adopted by the Board, except for the investment return assumption. Segal recommended lowering the current 7.75% investment return assumption to either 7.50% or 7.25%; however, the Board elected to maintain the current assumption of 7.75%. This 7.75% assumption prescribed by the Board and used in the December 31, 2011 valuation would have no margin under the risk adjusted model used by Segal to study the investment return assumption. This assumption will be reviewed again prior to the next valuation and the review will include the outcome of the asset liability study.
- Effective July 1, 2012, new General employees hired by the City of San Juan Capistrano will be covered under General Plan S (2.0% @ 57 under Section 31676.12).

[1] *Note that starting in this valuation we have also provided the ratio of the market value of assets to the actuarial accrued liabilities (see page 57).*

- Effective April 20, 2012, certain employees previously employed at the City of Santa Ana became employees of OCFA General and OCFA Safety eligible for benefits under 2.0% @ 55 (Plan N) and 3.0% @ 50 (Plan F), respectively.

Ref: Pgs. 14 – 18

- This report contains contribution rates for some new benefit formulas within some Rate Groups for which there were no active members (and no reported compensation) as of December 31, 2011. The Normal Cost rates for those benefit formulas have been updated in this report based on prior cost studies prepared using hypothetical membership profiles in conjunction with the adoption of those benefit formulas, updated to reflect the new assumptions adopted by the Board for the December 31, 2011 valuation.

Ref: Pg. 5

- As indicated in Section 2, Subsection B (see Chart 7) of this report, the total unrecognized investment loss as of December 31, 2011 is $598,987,000 (as compared to $315,638,000 as of December 31, 2010). This deferred investment loss will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years and will serve to offset any investment gains that may occur after December 31, 2011. The deferred losses will be recognized over the next four years as shown on Line 7 of Chart 7, along with any futures gains or losses that will occur if the System does not earn the assumed rate of investment return of 7.75% per year (net of expenses) on a market value basis.

  The deferred losses of $599 million represent about 7% of the market value of assets. Unless offset by future investment gains or other favorable experience, the recognition of the $599 million market losses is expected to have a material impact on the System's future funded percentage and contribution rate requirements. This potential impact may be illustrated as follows:

  - If the deferred losses were recognized immediately in the valuation value of assets, the funded percentage would decrease from 67.0% to 62.6%.
  - If the deferred losses were recognized immediately in the valuation value of assets, the aggregate employer rate would increase from 34.7% to about 37.9% of payroll.

- The actuarial valuation report as of December 31, 2011 is based on financial information as of that date. Changes in the value of assets subsequent to that date, to the extent that they exist, are not reflected. Declines in asset values will increase the actuarial cost of the plan, while increases will decrease the actuarial cost of the plan.

Impact of Future Experience on Contribution Rates

Future contribution requirements may differ from those determined in the valuation because of:

- difference between actual experience and anticipated experience;
- changes in actuarial assumptions or methods;
- changes in statutory provisions; and
- difference between the contribution rates determined by the valuation and those adopted by the Board.

Summary of Key Valuation Results (Dollar amounts in thousands)

	December 31, 2011		December 31, 2010	
Employer Contribution Rates:				
General	Total Rate	Estimated Annual Amount[1]	Total Rate	Estimated Annual Amount[1]
Rate Group #1 – Plans A and B (non-OCTA, non-OCSD)	18.94%	$11,606	16.85%	$10,326
Rate Group #2 – Plans I, J, O, P and S (2.7% @ 55, 1.62% @ 65 and 2.0% @ 57 combined)	32.95	325,821	28.34	280,192
Rate Group #3 – Plans B, G and H (2.5% @ 55 and 1.64% @ 57 combined)	31.91	20,803	27.45	17,891
Rate Group #5 – Plans A and B (OCTA)	23.65	24,519	20.96	21,731
Rate Group #9 – Plans M and N (TCA – 2.0% @ 55)	22.22	1,512	20.97	1,427
Rate Group #10 – Plans I, J, M and N (OCFA – 2.7% @ 55 and 2.0% @ 55 combined)	32.73	7,207	27.95	6,154
Rate Group #11 – Plans M and N, future service (Cemetery – 2.0% @ 55)	19.03	238	17.76	222
Safety				
Rate Group #6 – Plans E and F (Probation – 3.0% @ 50)	36.57%	$23,817	36.29%	$23,635
Rate Group #7 – Plans E, F, Q and R (Law Enforcement – 3.0% @ 50 and 3.0% @ 55 combined)	50.86	96,400	47.44	89,916
Rate Group #8 – Plans E, F, Q and R (Fire Authority – 3.0% @ 50 and 3.0% @ 55 combined)	43.15	49,943	45.46	52,617
All Groups Combined	34.69%	$561,866	31.12%	$504,111
Average Member Contribution Rates:				
General	Total Rate	Estimated Annual Amount[1]	Total Rate[2]	Estimated Annual Amount[1]
Rate Group #1 – Plans A and B (non-OCTA, non-OCSD)	7.88%	$4,829	7.37%	$4,516
Rate Group #2 – Plans I, J, O, P and S (2.7% @ 55, 1.62% @ 65 and 2.0% @ 57 combined)	11.33	112,037	10.64	105,214
Rate Group #3 – Plans B, G and H (2.5% @ 55 and 1.64% @ 57 combined)	11.48	7,484	10.75	7,008
Rate Group #5 – Plans A and B (OCTA)	8.71	9,030	8.29	8,595
Rate Group #9 – Plans M and N (TCA – 2.0% @ 55)	10.01	681	9.40	640
Rate Group #10 – Plans I, J, M and N (OCFA – 2.7% @ 55 and 2.0% @ 55 combined)	11.30	2,488	10.48	2,307
Rate Group #11 – Plans M and N, future service (Cemetery – 2.0% @ 55)	8.27	103	7.57	94
Safety				
Rate Group #6 – Plans E and F (Probation – 3.0% @ 50)	13.13%	$8,551	12.49%	$8,134
Rate Group #7 – Plans E, F, Q and R (Law Enforcement – 3.0% @ 50 and 3.0% @ 55 combined)	13.66	25,891	12.93	24,508
Rate Group #8 – Plans E, F, Q and R (Fire Authority – 3.0% @ 50 and 3.0% @ 55 combined)	12.61	14,595	11.92	13,797
All Groups Combined	11.47%	$185,689	10.79%	$174,813
Funded Status:				
Actuarial accrued liability	$13,522,978		$12,425,873	
Valuation value of assets	$9,064,355		$8,672,592	
Funded percentage	67.03%		69.79%	
Unfunded Actuarial Accrued Liability	$4,458,623		$3,753,281	
Key Assumptions:				
Interest rate	7.75%		7.75%	
Inflation rate	3.50%		3.50%	
Across-the-board real salary increase	0.25%		0.00%	

[1] *Based on December 31, 2011 projected annual compensation.*

[2] *Average rates have been recalculated by applying the individual entry age based rates determined in the December 31, 2010 valuation to the System membership as of December 31, 2011.*

Summary of Key Valuation Demographic and Financial Data

	December 31, 2011	December 31, 2010	Percentage Change
Active Members:			
Number of members	21,421	21,742	-1.5%
Average age	45.4	45.1	N/A
Average service	13.0	12.6	N/A
Projected total compensation	$1,619,474,479	$1,579,238,837	2.5%
Average projected compensation	$75,602	$72,635	4.1%
Retired Member and Beneficiaries:			
Number of members:			
Service retired	10,189	9,767	4.3%
Disability retired	1,291	1,281	0.8%
Beneficiaries	1,809	1,714	5.5%
Total	13,289	12,762	4.1%
Average age	69.0	68.8	N/A
Average monthly benefit [1]	$3,099	$2,988	3.7%
Vested Terminated Members:			
Number of vested terminated members [2]	4,406	4,308	2.3%
Average age	43.9	43.3	N/A
Summary of Financial Data (dollar amounts in thousands):			
Market value of assets [3]	$8,465,593	$8,357,835	1.3%
Return on market value of assets	0.04%	10.47%	N/A
Actuarial value of assets	$9,064,580	$8,673,473	4.5%
Return on actuarial value of assets	3.28%	5.02%	N/A
Valuation value of assets	$9,064,355	$8,672,592	4.5%
Return on valuation value of assets	3.29%	5.02%	N/A

(1) *Excludes monthly benefits payable from the RMBR and STAR COLA.*

(2) *This includes members who chose to leave their contributions on deposit even though they have less than five years of service.*

(3) *The December 31, 2011 market value excludes $97,767,000 in the County Investment Account and $162,873,000 in the prepaid employer contributions account. The December 31, 2010 market value excludes $108,531,000 in the County Investment Account and $29,545,000 in the prepaid employer contributions account.*

A. MEMBER DATA

The Actuarial Valuation and Review considers the number and demographic characteristics of covered members, including active members, vested terminated members, retired members and beneficiaries.

This section presents a summary of significant statistical data on these member groups.

More detailed information for this valuation year and the preceding valuation can be found in Section 3, Exhibits A, B, and C.

A historical perspective of how the member population has changed over the past ten valuations can be seen in this chart.

CHART 1

Member Population: 2002 – 2011

Year Ended December 31	Active Members	Vested Terminated Members*	Retired Members and Beneficiaries	Ratio of Non-Actives to Actives
2002	22,723	2,177	8,688	0.48
2003	22,672	2,278	9,079	0.50
2004	22,502	1,910	9,433	0.50
2005	22,467	2,466	10,218	0.56
2006	22,791	3,195	10,915	0.62
2007	23,618	3,646	11,421	0.64
2008	23,720	3,881	11,778	0.66
2009	22,633	4,094	12,243	0.72
2010	21,742	4,308	12,762	0.79
2011	21,421	4,406	13,289	0.83

**Includes terminated members due a refund of member contributions.*

Active Members
Plan costs are affected by the age, years of service and compensation of active members. In this year's valuation, there were 21,421 active members with an average age of 45.4, average years of service of 13.0 years, and average compensation of $75,602. The 21,742 active members in the prior valuation had an average age of 45.1, average service of 12.6 years, and average compensation of $72,635.

Inactive Members
In this year's valuation, there were 4,406 members with a vested right to a deferred or immediate vested benefit or entitled to a return of their member contributions versus 4,308 in the prior valuation.

These graphs show a distribution of active members by age and by years of service.

CHART 2

Distribution of Active Members by Age as of December 31, 2011

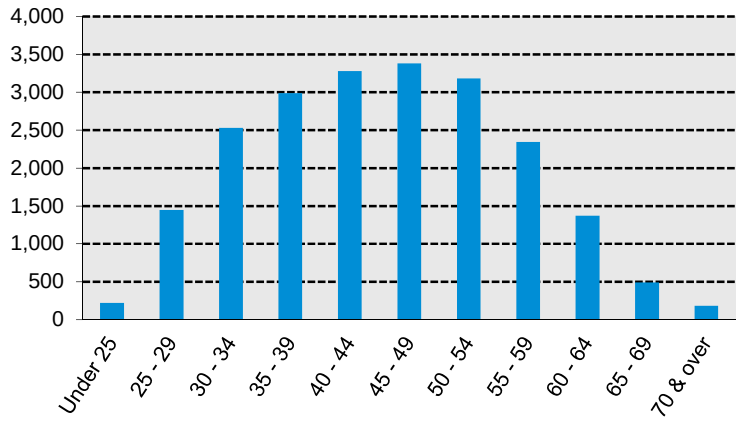
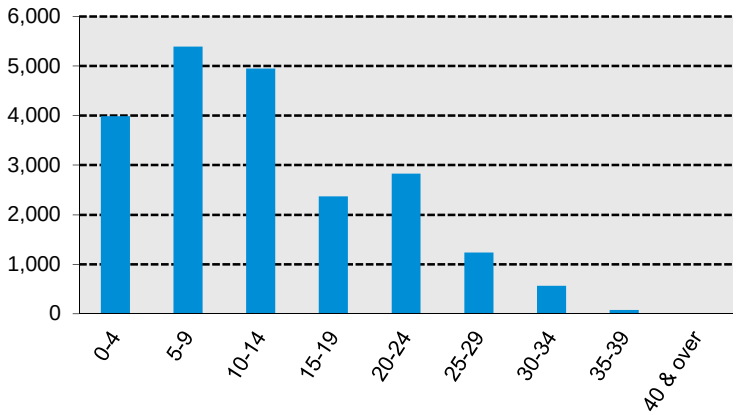


CHART 3

Distribution of Active Members by Years of Service as of December 31, 2011



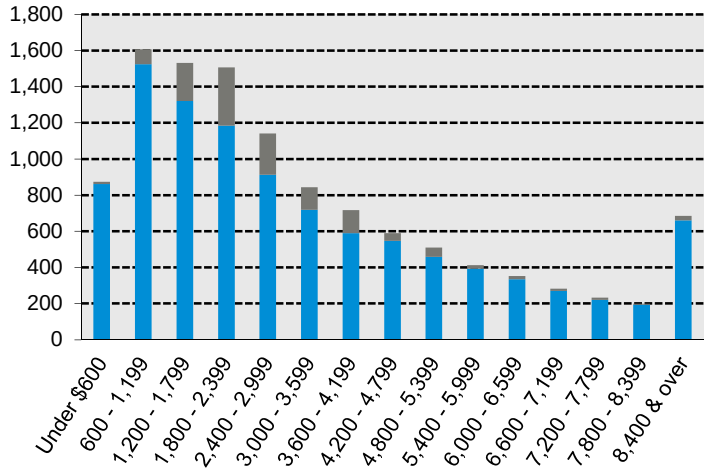
Retired Members and Beneficiaries

As of December 31, 2011, 11,480 retired members and 1,809 beneficiaries were receiving total monthly benefits of $41,183,112. For comparison, in the previous valuation, there were 11,048 retired members and 1,714 beneficiaries receiving total monthly benefits of $38,137,953. These monthly benefits exclude benefits payable from the Retired Member Benefit Reserve (RMBR) and Supplemental Targeted Adjustment for Retirees Cost of Living Adjustment (STAR COLA).

These graphs show a distribution of the current retired members based on their monthly amount and age, by type of pension.

CHART 4

Distribution of Retired Members (Excl. Beneficiaries) by Type and by Monthly Amount as of December 31, 2011

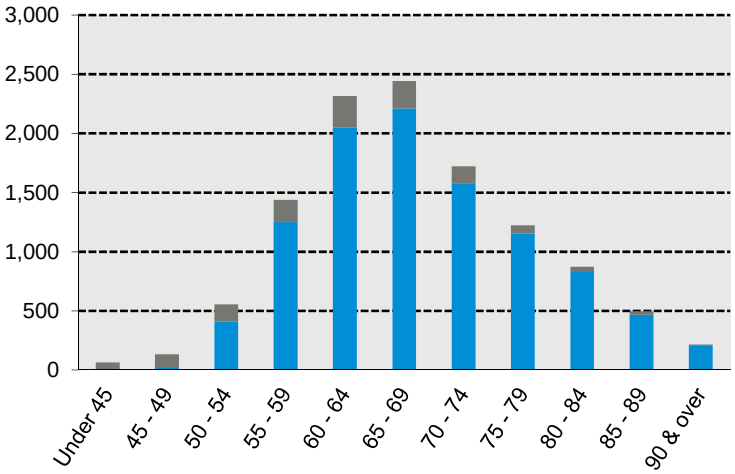


Disability

Regular

CHART 5

Distribution of Retired Members (Excl. Beneficiaries) by Type and by Age as of December 31, 2011



B. FINANCIAL INFORMATION

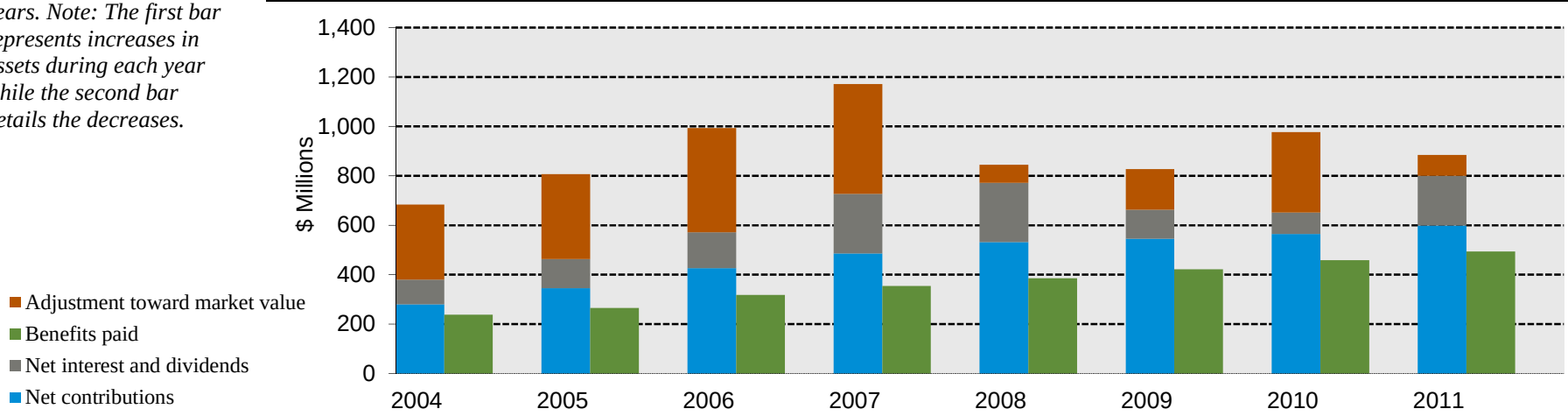
Retirement plan funding anticipates that, over the long term, both contributions and net investment earnings (less investment fees and administrative expenses) will be needed to cover benefit payments.

Retirement plan assets change as a result of the net impact of these income and expense components. The adjustment toward market value shown in the chart is the "non-cash" earnings on investments implicitly included in the actuarial value of assets. Additional financial information, including a summary of these transactions for the valuation year, is presented in Section 3, Exhibits D and E.

The chart depicts the components of changes in the actuarial value of assets over the last eight years. Note: The first bar represents increases in assets during each year while the second bar details the decreases.

CHART 6

Comparison of Increases and Decreases in the Actuarial Value of Assets for Years Ended December 31, 2004 – 2011



It is desirable to have level and predictable plan costs from one year to the next. For this reason, the Board of Retirement has approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable.

The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized and unrealized gains and losses are treated equally and, therefore, the sale of assets does not have an immediate effect on the actuarial value of assets. The determination of the Actuarial Value of Assets and Valuation Value of Assets is provided below.

The chart shows the determination of the actuarial value of assets as of the valuation date.

CHART 7

Determination of Actuarial and Valuation Value of Assets for Year Ended December 31, 2011

Plan Year Ending	Total Actual Market Return (net)	Expected Market Return (net)	Investment Gain / (Loss)	Deferred Factor	Deferred Return
2007	$769,613,000	$533,502,000	$236,111,000	0.0	$0
2008	(1,617,791,000)	603,959,000	(2,221,750,000)	0.2	(444,350,000)
2009	1,092,660,000	489,051,000	603,609,000	0.4	241,444,000
2010	787,215,000	582,621,000	204,594,000	0.6	122,756,000
2011	3,236,000	651,782,000	(648,546,000)	0.8	(518,837,000)

1.	Total Deferred Return	$(598,987,000)
2.	Net Market Value Of Assets (Excludes $97,767,000 in County Investment Account and $162,873,000 in Prepaid Employer Contributions)	$8,465,593,000[1]
3.	Actuarial Value of Assets (2) – (1)	$9,064,580,000
4.	Ratio of Actuarial Value To Market Value (3) / (2)	107%
5.	Non-valuation Reserves	
	(a) Unclaimed member deposit	$130,000
	(b) Medicare medical insurance reserve	95,000
	(c) Retired member benefit reserve (RMBR)	0
	(d) Subtotal	$225,000
6.	Valuation value of assets (3) – (5)(d)	$9,064,355,000
7.	Deferred Return Recognized in Each of the Next 4 years	
	(a) Amount recognized on 12/31/2012	$(412,418,583)
	(b) Amount recognized on 12/31/2013	31,931,417
	(c) Amount recognized on 12/31/2014	(88,790,584)
	(d) Amount recognized on 12/31/2015	(129,709,250)
	(e) Subtotal (may not total exactly due to rounding)	$(598,987,000)

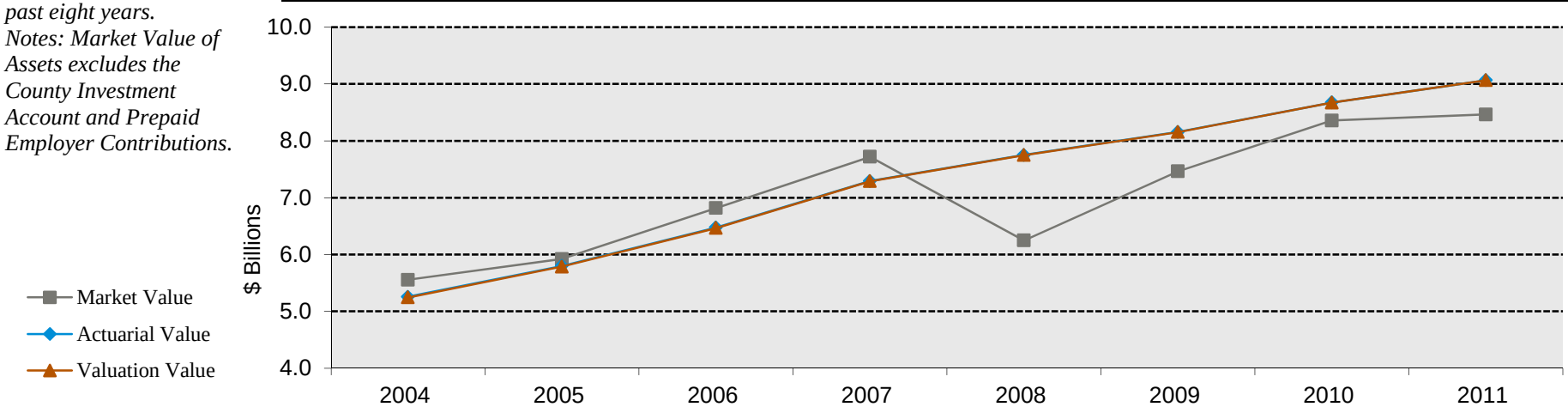
[1] Based on the unaudited financial statement originally provided by OCERS for this valuation. The value in the final audited financial statements is greater by about $8.5 million. As this change would not have a material effect on the valuation results, it will be reflected in the next valuation as of December 31, 2012.

The market value, actuarial value, and valuation value of assets are representations of OCERS' financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets, but with less volatility. The valuation value of assets is the actuarial value, excluding any non-valuation reserves. The valuation value of assets is significant because OCERS' liabilities are compared to these assets to determine what portion, if any, remains unfunded. Amortization of the unfunded actuarial accrued liability is an important element in determining the contribution requirement.

This chart shows the change in market value, actuarial value and valuation value over the past eight years.
Notes: Market Value of Assets excludes the County Investment Account and Prepaid Employer Contributions.

CHART 8

Market Value, Actuarial Value and Valuation Value of Assets as of December 31, 2004 – 2011



C. ACTUARIAL EXPERIENCE

To calculate the required contribution, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions. If overall experience is more favorable than anticipated (an actuarial gain), the contribution requirement will decrease from the previous year. On the other hand, the contribution requirement will increase if overall actuarial experience is less favorable than expected (an actuarial loss).

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term development and that, over the long term, experience will return to the original assumptions. For contribution requirements to remain stable, assumptions should approximate experience.

If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years.

The total experience loss was $272.1 million, a loss of $388.9 million from investments and a gain of $116.8 million from all other sources. A discussion of the major components of the actuarial experience is on the following pages.

This chart provides a summary of the actuarial experience during the past year.

CHART 9

Actuarial Experience for Year Ended December 31, 2011 (Dollar Amounts in Thousands)

1.	Net loss from investments[(1)]	$(388,935)
2.	Net gain from other experience[(2)]	116,787
3.	Net experience gain/(loss): (1) + (2)	$(272,148)

(1) *Details in Chart 10.*

(2) *See Section 3, Exhibit H.*

Investment Rate of Return
A major component of projected asset growth is the assumed rate of return. The assumed return should represent the expected long-term rate of return, based on OCERS' investment policy. For valuation purposes, the assumed rate of return on the valuation value of assets was 7.75%. The actual rate of return on a valuation basis for the 2011 plan year was 3.29%.

Since the actual return for the year was less than the assumed return, OCERS experienced an actuarial loss during the year ended December 31, 2011 with regard to its investments.

This chart shows the gain/(loss) due to investment experience.

CHART 10

Investment Experience for Year Ended December 31, 2011 – Valuation Value and Actuarial Value of Assets

	Valuation Value	Actuarial Value
1. Actual return	$287,241,000	$286,585,000
2. Average value of assets	$8,724,853,000	$8,725,734,000
3. Actual rate of return: (1) ÷ (2)	3.29%	3.28%
4. Assumed rate of return	7.75%	7.75%
5. Expected return: (2) x (4)	$676,176,000	$676,244,000
6. Actuarial gain/(loss): (1) – (5)	$(388,935,000)	$(389,659,000)

Because actuarial planning is long term, it is useful to see how the assumed investment rate of return has followed actual experience over time. The chart below shows the rate of return on an actuarial, valuation, and market basis for the last eight years.

Based upon this experience, future expectations, and direction from the Board, we maintain the assumed rate of return of 7.75%.

CHART 11

Investment Return – Actuarial Value, Valuation Value and Market Value: (Dollar Amounts in Thousands)

	Valuation Value Investment Return		Actuarial Value Investment Return		Market Value Investment Return	
Year Ended December 31	Amount	Percent	Amount	Percent	Amount	Percent
2004	$411,453	8.55%	$403,652	8.35%	$544,457	11.26%
2005	449,620	8.50%	461,972	8.72%	441,178	8.11%
2006	565,491	9.68%	568,254	9.71%	787,330	13.17%
2007	683,212	10.45%	685,780	10.49%	769,613	11.18%
2008	312,821	4.25%	311,887	4.23%	(1,617,791)	-20.76%
2009	282,764	3.62%	281,360	3.60%	1,092,660	17.32%
2010	412,046	5.02%	411,960	5.02%	787,215	10.47%
2011	287,241	3.29%	286,585	3.28%	3,236	0.04%
8-Year Average Return		6.64%		6.64%		5.67%

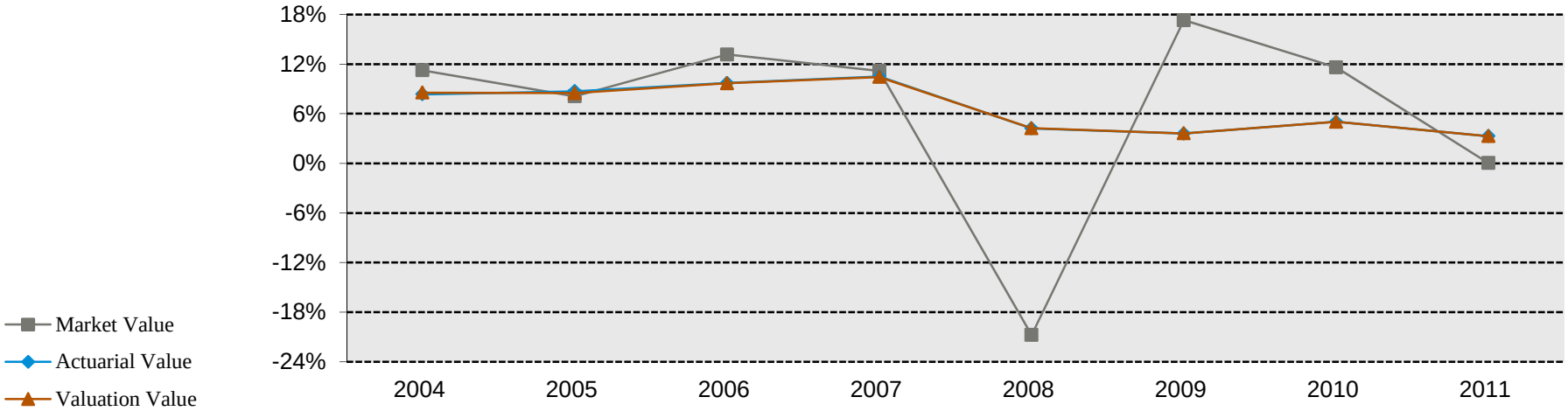
Note: The dollar amount of return on market value is net of the return on the County Investment Account and prepaid employer contributions account. Furthermore, due to differences in how returns are calculated, these market value rates of return will generally differ somewhat from the return reported by OCERS and its investment consultant. For example, the return for 2011 reported by OCERS is 0.74%.

Subsection B described the actuarial asset valuation method that gradually takes into account fluctuations in the market value rate of return. The effect of this is to stabilize the actuarial rate of return, which contributes to leveling pension plan costs.

This chart illustrates how this leveling effect has actually worked over the years 2004 – 2011.

CHART 12

Market, Actuarial, and Valuation Value Rates of Return for Years Ended December 31, 2004 – 2011



Other Experience

There are other differences between the expected and the actual experience that appear when the new valuation is compared with the projections from the previous valuation. These include:

- actual turnover among the participants,
- retirement experience (earlier or later than expected),
- mortality (more or fewer deaths than expected),
- the number of disability retirements, and
- salary increases different than assumed.

The net gain from this other experience for the year ended December 31, 2011 amounted to $116.8 million which is 0.86% of the actuarial accrued liability. See Exhibit H in Section 3 for a detailed development of the Unfunded Actuarial Accrued Liability.

D. EMPLOYER AND MEMBER CONTRIBUTIONS

Employer contributions consist of two components:

Normal Cost

The annual contribution rate that, if paid annually from a member's first year of membership through the year of retirement, would accumulate to the amount necessary to fully fund the member's retirement-related benefits. Accumulation includes annual crediting of interest at the assumed investment earning rate. The contribution rate is expressed as a level percentage of the member's compensation.

For Probation Safety members who have prior benefit service in the General OCERS plan, the normal cost rate for their current plan is calculated based on the entry date for their current plan.

Contribution to the Unfunded Actuarial Accrued Liability (UAAL)

The annual contribution rate that, if paid annually over the UAAL amortization period, would accumulate to the amount necessary to fully fund the UAAL. Accumulation includes annual crediting of interest at the assumed investment earning rate. The contribution (or rate credit in the case of a negative unfunded actuarial accrued liability) is calculated to remain as a level percentage of future active member payroll (including payroll for new members as they enter the System) assuming a constant number of active members. In order to remain as a level percentage of payroll, amortization payments (credits) are scheduled to increase at the annual inflation rate of 3.75%. The outstanding balance of the December 31, 2004 UAAL is being amortized over a declining 23-year period. The outstanding balance of the UAAL established in the December 31, 2009 valuation as a result of including additional premium pay items as pensionable salary and the new UAAL established in the December 31, 2010 valuation as a result of reallocating contributions and benefit payments among Rate Groups are also amortized over a 23-year period, in the December 31, 2011 valuation. Any new UAAL that arises in future years due to actuarial gains or losses will be amortized over separate 15-year periods. Any new UAAL resulting from changes in actuarial assumptions is amortized over separate 30-year periods.

The recommended employer contributions are provided in Chart 13.

Member Contributions

Articles 6 and 6.8 of the 1937 Act define the methodology to be used in the calculation of member basic contribution rates for General members and Safety members, respectively. The basic contribution rate is determined so that the accumulation of a member's basic contributions made in a given year until a certain age will be sufficient to fund an annuity at that age that is equal to:

- 1/200 of Final Average Salary for General Plan A;
- 1/120 of Final Average Salary for General Plan B;
- 1/100 of Final Average Salary for General Plans G, H, I, J, and S;
- 1/120 of Final Average Salary for General Plans M, N, O, and P;
- 1/200 of Final Average Salary for Safety Plan E and Q, and;
- 1/100 of Final Average Salary for Safety Plan F and R.

The annuity age is 60 for General Plans A, B, M, N, O, P and S, 55 for Plans G, H, I, and J, and 50 for Safety Plans E, F, Q, and R. It is assumed that contributions are made annually at the same rate, starting at entry age. In addition to the basic contributions, members pay one-half of the total normal cost necessary to fund cost-of-living benefits. Accumulation includes crediting of interest at the assumed investment earnings rate.

Consistent with the practice since the Ventura Settlement, for determining the cost of basic benefit (i.e., non-COLA component), the effect of the assumed annual payoffs are currently recognized in the valuation only as an employer cost and do not affect member contribution rates. The assumed annual payoffs are only used in establishing cost-of-living member contributions.

Member contribution rates are provided in Appendix B.

CHART 13

Recommended Employer Contribution Rates as of December 31, 2011 (Dollar Amounts in Thousands)

General Employers	December 31, 2011 Valuation		December 31, 2010 Valuation	
	Rate	Estimated Annual Amount [1]	Rate	Estimated Annual Amount [1]
Rate Group #1 – Plans A and B (non-OCTA, non-OCSD)				
Normal Cost	8.55%	$5,239	8.59%	$5,264
UAAL[2]	10.39%	6,367	8.26%	5,062
Total Contribution	18.94%	$11,606	16.85%	$10,326
Rate Group #2 – Plans I and J (2.7% @ 55 – non-OCFA) [3]				
Normal Cost	12.03%	$117,947	11.55%	$113,241
UAAL[2]	20.98%	205,697	16.84%	165,106
Total Contribution	33.01%	$323,644	28.39%	$278,347
Rate Group #2 – Plans O and P (1.62% @ 65)				
Normal Cost	4.91%	$413	5.10%	$429
UAAL[2]	20.98%	1,764	16.84%	1,416
Total Contribution	25.89%	$2,177	21.94%	$1,845
Rate Group #2 – Plan S (2.0% @ 57) [4]				
Normal Cost	10.99%	N/A	10.65%	N/A
UAAL[2]	20.98%	N/A	16.84%	N/A
Total Contribution	31.97%	N/A	27.49%	N/A
Rate Group #2 – Plans I, J, O, P and S Combined				
Normal Cost	11.97%	$118,360	11.50%	$113,670
UAAL[2]	20.98%	207,461	16.84%	166,522
Total Contribution	32.95%	$325,821	28.34%	$280,192

(1) *See page 16 for projected annual compensation.*
(2) *UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.*
(3) *For employers with future service only benefit improvements, refer to the employer rate adjustment on page 19.*
(4) *Applicable for members of the City of San Juan Capistrano hired on or after July 1, 2012.*

CHART 13 (Continued)

Recommended Employer Contribution Rates as of December 31, 2011 (Dollar Amounts in Thousands)

General Employers	December 31, 2011 Valuation		December 31, 2010 Valuation	
	Rate	Estimated Annual Amount [1]	Rate	Estimated Annual Amount [1]
Rate Group #3 – Plans G and H (2.5% @ 55) [3]				
Normal Cost	11.29%	$7,128	10.92%	$6,895
UAAL[2]	20.66%	13,044	16.55%	10,449
Total Contribution	31.95%	$20,172	27.47%	$17,344
Rate Group #3 – Plan B (1.64% @ 57 – OCSD) [4]				
Normal Cost	10.11%	$207	10.14%	$208
UAAL[2]	20.66%	424	16.55%	339
Total Contribution	30.77%	$631	26.69%	$547
Rate Group #3 – Plans B, G and H Combined				
Normal Cost	11.25%	$7,335	10.90%	$7,103
UAAL[2]	20.66%	13,468	16.55%	10,788
Total Contribution	31.91%	$20,803	27.45%	$17,891
Rate Group #5 – Plans A and B (OCTA)				
Normal Cost	10.57%	$10,958	10.96%	$11,363
UAAL[2]	13.08%	13,561	10.00%	10,368
Total Contribution	23.65%	$24,519	20.96%	$21,731
Rate Group #9 – Plans M and N (2.0% @ 55 – TCA)				
Normal Cost	13.11%	$892	12.56%	$855
UAAL[2]	9.11%	620	8.41%	572
Total Contribution	22.22%	$1,512	20.97%	$1,427

[1] *See page 16 for projected annual compensation.*
[2] *UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.*
[3] *For employers with future service only benefit improvements, refer to the employer rate adjustment on page 19.*
[4] *Applicable for members of the Sanitation District within the Supervisors and Professional unit hired on or after October 1, 2010.*

CHART 13 (Continued)

Recommended Employer Contribution Rates as of December 31, 2011 (Dollar Amounts in Thousands)

General Employers	December 31, 2011 Valuation		December 31, 2010 Valuation	
	Rate	Estimated Annual Amount [1]	Rate	Estimated Annual Amount [1]
Rate Group #10 – Plans I and J (2.7% @ 55 – OCFA)				
Normal Cost	12.18%	$2,532	11.85%	$2,463
UAAL[2]	20.43%	4,246	16.14%	3,355
Total Contribution	32.61%	$6,778	27.99%	$5,818
Rate Group #10 – Plans M and N (2.0% @ 55 – OCFA)				
Normal Cost	14.35%[3]	$177	11.11%	$137
UAAL[2]	20.43%	252	16.14%	199
Total Contribution	34.78%	$429	27.25%	$336
Rate Group #10 – Plans I, J, M and N Combined				
Normal Cost	12.30%[4]	$2,709	11.81%	$2,600
UAAL[2]	20.43%	4,498	16.14%	3,554
Total Contribution	32.73%	$7,207	27.95%	$6,154
Rate Group #11 – Plans M and N, future service (2.0% @ 55 – Cemetery)				
Normal Cost	10.80%	$135	10.90%	$136
UAAL[2]	8.23%	103	6.86%	86
Total Contribution	19.03%	$238	17.76%	$222

[1] *Based on December 31, 2011 projected annual compensation (also in thousands):*

Rate Group #1	*$61,278*
Rate Group #2 – Plans I and J	*980,442*
Rate Group #2 – Plans O and P	*8,410*
Rate Group #3 – Plans G and H	*63,138*
Rate Group #3 – Plan B	*2,050*
Rate Group #5	*103,675*
Rate Group #9	*6,807*
Rate Group #10 – Plans I and J	*20,785*
Rate Group #10 – Plans M and N	*1,232*
Rate Group #11	*1,247*
Total – General Members	*$1,249,064*

[2] *UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.*
[3] *The Normal Cost rate for non-Santa Ana employees is 11.70% and the Normal Cost rate for Santa Ana employees is 14.54%.*
[4] *The combined Normal Cost rate for Plans I, J, M and N for non-Santa Ana employees is 12.18%.*

CHART 13 (Continued)

Recommended Employer Contribution Rates as of December 31, 2011 (Dollar Amounts in Thousands)

Safety Employers	December 31, 2011 Valuation		December 31, 2010 Valuation	
	Rate	Estimated Annual Amount [1]	Rate	Estimated Annual Amount [1]
Rate Group #6 – Plans E and F (Probation)				
Normal Cost	19.31%	$12,576	20.07%	$13,071
UAAL[2]	17.26%	11,241	16.22%	10,564
Total Contribution	36.57%	$23,817	36.29%	$23,635
Rate Group #7 – Plans E and F (3% @ 50 – Law Enforcement)				
Normal Cost	21.48%	$40,049	21.05%	$39,247
UAAL[2]	29.38%	54,778	26.40%	49,222
Total Contribution	50.86%	$94,827	47.45%	$88,469
Rate Group #7 – Plans Q and R (3% @ 55 – Law Enforcement)				
Normal Cost	21.47%	$664	20.38%	$630
UAAL[2]	29.38%	909	26.40%	817
Total Contribution	50.85%	$1,573	46.78%	$1,447
Rate Group #7 – Plans E, F, Q and R Combined				
Normal Cost	21.48%	$40,713	21.04%	$39,877
UAAL[2]	29.38%	55,687	26.40%	50,039
Total Contribution	50.86%	$96,400	47.44%	$89,916

[1] *See page 18 for projected annual compensation.*
[2] *UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.*

CHART 13 (Continued)

Recommended Employer Contribution Rates as of December 31, 2011 (Dollar Amounts in Thousands)

Safety Employers	December 31, 2011 Valuation		December 31, 2010 Valuation	
	Rate	Estimated Annual Amount [1]	Rate	Estimated Annual Amount [1]
Rate Group #8 – Plans E and F (3% @ 50 – Fire Authority)				
Normal Cost	23.49%[3]	$27,188	21.54%	$24,931
UAAL[2]	19.66%	22,755	23.92%	27,686
Total Contribution	43.15%	$49,943	45.46%	$52,617
Rate Group #8 – Plans Q and R (3% @ 55 – Fire Authority)				
Normal Cost	18.58%	N/A	18.30%	N/A
UAAL[2]	19.66%	N/A	23.92%	N/A
Total Contribution	38.24%	N/A	42.22%	N/A
Rate Group #8 – Plans E, F, Q and R Combined				
Normal Cost	23.49%[4]	$27,188	21.54%	$24,931
UAAL[2]	19.66%	22,755	23.92%	27,686
Total Contribution	43.15%	$49,943	45.46%	$52,617
General and Safety Employers Combined				
Rate Groups #1 – #11				
Total Contributions	34.69%	$561,866	31.12%	$504,111

[1] *Based on December 31, 2011 projected annual compensation (also in thousands):*

Rate Group #6	*$65,127*
Rate Group #7 – Plans E and F	*186,447*
Rate Group #7 – Plans Q and R	*3,093*
Rate Group #8	*115,743*
Total – Safety Members	*$370,410*

[2] *UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.*
[3] *The Normal Cost rate for non-Santa Ana employees is 21.53% and the Normal Cost rate for Santa Ana employees is 31.88%.*
[4] *The combined Normal Cost rate for Plans E, F, Q and R for non-Santa Ana employees is 21.53%.*

CHART 13 (Continued)

Recommended Employer Contribution Rates as of December 31, 2011 (Dollar Amounts in Thousands)

December 31, 2011 Rate Adjustment for General Employers with 2.7% @ 55 – Rate Group #2 Future Service Only Benefit Improvement (Plans I and J)

Reduction to UAAL Rate Calculated in December 31, 2011 Valuation	Rate	Estimated Annual Amount[1]
Reduction to Total Contribution	-1.88%	-$82

[1] *Based on December 31, 2011 projected annual compensation (also in thousands):*

Retirement System	*$2,484*
Local Agency Formation Commission	*410*
Children & Family Commission	*1,478*
Total	*$4,372*

December 31, 2011 Rate Adjustment for General Employers with 2.5% @ 55 – Rate Group #3 Future Service Only Benefit Improvement (Plans G and H)

Reduction to UAAL Rate Calculated in December 31, 2011 Valuation	Rate	Estimated Annual Amount[2]
Reduction to Total Contribution	-3.47%	-$46

[2] *Based on December 31, 2011 projected annual compensation (also in thousands):*

Law Library	*$1,320*

CHART 14

"Pick – Up" - Discount Percentages

For every dollar of member contribution "picked up" by the employer and not deposited in the member's contribution account, the employer can contribute less than a dollar. This is because the "pick-up" amount is not deposited in the member's contribution account and so is not payable to a member who withdraws his or her contributions following termination of employment, and is not payable as an additional death benefit. The contribution discount percentages are as follows:

	December 31, 2011 Valuation Pick-Up Percentage		December 31, 2010 Valuation Pick-Up Percentage	
General Members				
Rate Group #1 Plan A/B (non-OCTA, non-OCSD)	Plan A: 97.87%	Plan B: 93.53%	Plan A: 100.00%	Plan B: 97.17%
Rate Group #2 (2.7% @ 55 – non-OCFA)	Plan I: 97.29%	Plan J: 94.44%	Plan I: 99.76%	Plan J: 97.46%
Rate Group #2 (1.62% @ 65)	Plan O: Not calculated	Plan P: 92.26%	Plan O: Not calculated	Plan P: 94.20%
Rate Group #2 (2.0% @ 57)		Plan S: 91.25%		Plan S: 96.31%
Rate Group #3 (2.5% @ 55)	Plan G: 96.89%	Plan H: 95.06%	Plan G: 99.69%	Plan H: 98.05%
Rate Group #3 (1.64% @ 57)		Plan B: 92.60%		Plan B: 96.30%
Rate Group #5 Plan A/B (OCTA)	Plan A: 98.21%	Plan B: 94.75%	Plan A: 99.82%	Plan B: 97.78%
Rate Group #9 (2.0% @ 55 – TCA)	Plan M: 95.32%	Plan N: 95.32%	Plan M: 98.06%	Plan N: 98.06%
Rate Group #10 (2.7% @ 55 – OCFA)	Plan I: 96.15%	Plan J: 94.79%	Plan I: 100.00%	Plan J: 97.80%
Rate Group #10 (2.0% @ 55 – OCFA)	Plan M: Not calculated	Plan N: 93.61%	Plan M: Not calculated	Plan N: 95.61%
Rate Group #11 (2.0% @ 55 – Cemetery)	Plan M: 94.29%	Plan N: 94.29%	Plan M: 97.49%	Plan N: 97.49%
Safety Members				
Rate Group #6 (3% @ 50 – Probation)	Plan E: 100.00%	Plan F: 95.75%	Plan E: 100.00%	Plan F: 96.84%
Rate Group #7 (3% @ 50 – Law Enforcement)	Plan E: 100.00%	Plan F: 99.32%	Plan E: 100.00%	Plan F: 99.75%
Rate Group #7 (3% @ 55 – Law Enforcement)	Plan Q: Not calculated	Plan R: 98.52%	Plan Q: Not calculated	Plan R: 99.32%
Rate Group #8 (3% @ 50 – Fire Authority)	Plan E: 100.00%	Plan F: 99.29%	Plan E: 100.00%	Plan F: 99.73%
Rate Group #8 (3% @ 55 – Fire Authority)	Plan Q: Not calculated	Plan R: 98.72%	Plan Q: Not calculated	Plan R: 99.41%

CHART 14 (Continued)

"Pick – Up" - Average Entry Age

The following table provides the average entry age by employer used in determining the "pick-up" contributions under Section 31581.1.

Employer	Code	Average Entry Age
General		
Orange County	101	33
Cemetery District	102	31
Law Library	103	44
Retirement System	105	35
Fire Authority	106	33
Department of Education	108	31
Transportation Corridor Agency	109	41
City of San Juan Capistrano	110	35
Sanitation District	111	35
OCTA	112	36
U.C.I. (Bi-weekly)	113	21
Children & Families Commission	118	31
Local Agency Formation Commission	119	36
Superior Court	121	33
IHSS Public Authority	122	39
Safety		
Probation	101	28
Law Enforcement	101	27
Fire Authority	106	28

The contribution rates as of December 31, 2011 are based on all of the data described in the previous sections, the actuarial assumptions described in Section 4, and the Plan provisions adopted at the time of preparation of the Actuarial Valuation. They include all changes affecting future costs, adopted benefit changes, actuarial gains and losses and changes in the actuarial assumptions or methods.

Reconciliation of Recommended Contribution
The chart below details the changes in the recommended contribution from the prior valuation to the current year's valuation, for the entire Retirement System. A reconciliation of the recommended contribution from the prior valuation to the current year's valuation by Rate Group is provided in Appendix D.

The chart reconciles the employer contribution from the prior valuation to the amount determined in this valuation.

CHART 15

Reconciliation of Recommended Employer Contribution Rate from December 31, 2010 to December 31, 2011 (Dollar Amounts in Thousands)

	Contribution Rate	Estimated Amount [1]
Aggregate Recommended Contribution Rate as of December 31, 2010	31.12%	$504,111
Effect of investment loss	2.21%	35,790
Effect of difference in actual versus expected salary increases[3]	-0.88%	-14,251
Effect of growth in total payroll less than expected	0.39%	6,316
Effect of full-time equivalent salary provided by OCERS starting in the 2011 valuation[3]	-0.07%	-1,134
Effect of reclassification of retirees for automatic continuance benefits	0.24%	3,887
Effect of reclassification of members previously reported as actives (some actually on leave of absence) as deferred members	0.06%	972
Effect of changes in actuarial assumptions	1.49%	24,130
Effect of other experience (gain)/loss[2]	0.13%	2,045
Subtotal	3.57%	$57,755
Aggregate Recommended Contribution Rate as of December 31, 2011	34.69%	$561,866

[1] *Based on December 31, 2011 projected compensation of $1,619,474,000.*

[2] *Includes adjustment of 0.44% to reflect 18-month delay between date of valuation and date of rate implementation.*

[3] *Relative to the results provided in our PowerPoint Presentation of the valuation, there is a reallocation between these two items so that the "effect of the full-time equivalent salary" only includes those members who are continuing to be reported as working less than full-time in both 2010 and 2011.*

The member contribution rates as of December 31, 2011 are based on all of the data described in the previous sections, the actuarial assumptions described in Section 4, and the Plan provisions adopted at the time of preparation of the Actuarial Valuation. They include all changes affecting future costs, adopted benefit changes, and changes in the actuarial assumptions or methods.

Reconciliation of Recommended Contribution Rate
The chart below details the changes in the aggregate recommended member contribution rate from the prior valuation to the current year's valuation.

The chart reconciles the member contribution from the prior valuation to the amount determined in this valuation.

CHART 16
Reconciliation of Average Recommended Member Contribution from December 31, 2010 to December 31, 2011 (Dollar Amounts in Thousands)

	Contribution Rate	Estimated Amount[1]
Average Recommended Contribution Rate as of December 31, 2010[2]	10.79%	$174,813
Effect of changes in actuarial assumptions	0.66%	10,689
Effect of change in demographics	0.02%	187
Average Recommended Contribution Rate as of December 31, 2011	11.47%	$185,689

(1) *Based on December 31, 2011 projected annual compensation of $1,619,474,000.*

(2) *Rates have been recalculated by applying the individual entry age based rates determined in the December 31, 2010 valuation to the System membership as of December 31, 2011.*

E. INFORMATION REQUIRED BY GASB

Governmental Accounting Standards Board (GASB) reporting information provides standardized information for comparative purposes of governmental pension plans. This information allows a reader of the financial statements to compare the funding status of one governmental plan to another on relatively equal terms.

Critical information to the GASB is the historical comparison of the GASB required contributions to the actual contributions. This comparison demonstrates whether a plan is being funded on an actuarially sound basis and in accordance with GASB funding requirements. Chart 17 below presents a graphical representation of this information for the Plan.

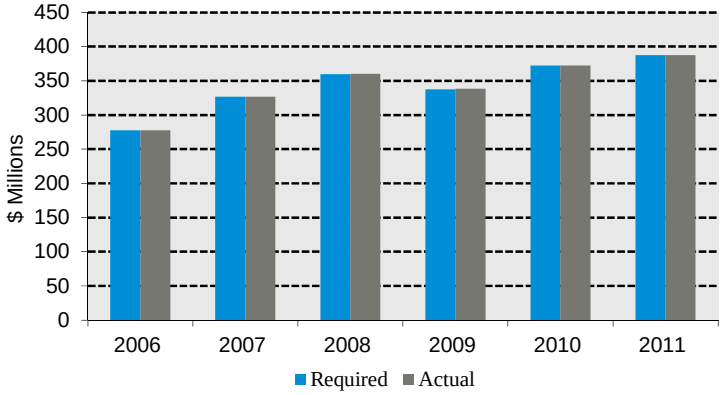
The other critical piece of information regarding the Plan's financial status is the funded ratio shown in Chart 18 below. This ratio compares the valuation value of assets to the actuarial accrued liabilities of the plan as calculated under the GASB. High ratios indicate a well-funded plan with assets sufficient to pay most benefits. Lower ratios may indicate recent changes to benefit structures, funding of the plan below actuarial requirements, poor asset performance, or a variety of other changes. The 2011 funded ratio is 67.03%, compared to 69.79% in 2010.

The details regarding the calculations of these values and other GASB numbers may be found in Section 4, Exhibits I, II, and III.

These graphs show key GASB information.

CHART 17

Required Versus Actual Contributions*



* *Actual contributions excludes transfers from County Investment Account. See page 44.*

CHART 18

Funded Ratio

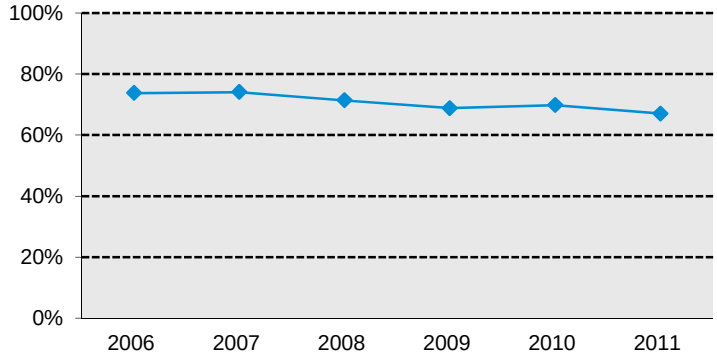


EXHIBIT A

Table of Plan Coverage

i. Rate Group #1 – General – Plans A & B (non-OCTA, non-OCSD)

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	1,232	1,165	5.8%
Average age	44.4	45.1	N/A
Average service	11.5	11.8	N/A
Projected total compensation	$61,277,590	$56,151,126	9.1%
Projected average compensation	$49,738	$48,198	3.2%
Account balances	$34,789,697	$32,924,809	5.7%
Total active vested members	957	916	4.5%
Vested terminated members			
Number	290	279	3.9%
Average age	44.6	43.7	N/A
Retired members			
Number in pay status	559	580	-3.6%
Average age	73.0	72.3	N/A
Average monthly benefit[1]	$2,379	$2,281	4.3%
Disabled members			
Number in pay status	33	37	-10.8%
Average age	66.8	65.6	N/A
Average monthly benefit[1]	$2,152	$2,029	6.1%
Beneficiaries			
Number in pay status	80[2]	126	-36.5%
Average age	73.0	72.6	N/A
Average monthly benefit[1]	$1,181	$1,438	-17.9%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

[2] *Reduction is primarily due to revision in Rate Group information provided by OCERS.*

EXHIBIT A

Table of Plan Coverage

ii. Rate Group #2 – General – 2.7% at 55, 1.62% at 65 and 2.0% at 57

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	13,971	14,388	-2.9%
Average age	45.7	45.3	N/A
Average service	12.6	12.1	N/A
Projected total compensation	$988,851,937	$980,093,688	0.9%
Projected average compensation	$70,779	$68,119	3.9%
Account balances	$1,240,681,149	$1,128,163,627	10.0%
Total active vested members	11,393	10,835	5.1%
Vested terminated members			
Number	2,993	2,918	2.6%
Average age	43.7	43.3	N/A
Retired members			
Number in pay status	7,267	7,009	3.7%
Average age	70.2	70.2	N/A
Average monthly benefit[1]	$3,026	$2,920	3.6%
Disabled members			
Number in pay status	563	562	0.2%
Average age	64.7	64.4	N/A
Average monthly benefit[1]	$2,194	$2,158	1.7%
Beneficiaries			
Number in pay status	1,242	1,204	3.2%
Average age	74.5	73.8	N/A
Average monthly benefit[1]	$1,486	$1,476	0.7%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

EXHIBIT A

Table of Plan Coverage

iii. Rate Group #3 – General – 2.5% at 55 and 1.64% at 57

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	616	614	0.3%
Average age	48.4	48.7	N/A
Average service	13.4	13.8	N/A
Projected total compensation	$65,188,958	$63,354,400	2.9%
Projected average compensation	$105,826	$103,183	2.6%
Account balances	$72,633,459	$69,963,345	3.8%
Total active vested members	491	494	-0.6%
Vested terminated members			
Number	77	73	5.5%
Average age	46.2	45.3	N/A
Retired members			
Number in pay status	245	217	12.9%
Average age	66.8	67.0	N/A
Average monthly benefit[(1)]	$4,266	$3,868	10.3%
Disabled members			
Number in pay status	14	16	-12.5%
Average age	66.3	64.0	N/A
Average monthly benefit[(1)]	$2,540	$2,411	5.4%
Beneficiaries			
Number in pay status	50	47	6.4%
Average age	68.9	68.7	N/A
Average monthly benefit[(1)]	$1,723	$1,693	1.8%

[(1)] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

EXHIBIT A

Table of Plan Coverage

iv. Rate Group #5 – General OCTA

Category	Year Ended December 31 2011	2010	Change From Prior Year
Active members in valuation			
Number	1,549	1,639	-5.5%
Average age	49.5	49.0	N/A
Average service	13.1	12.4	N/A
Projected total compensation	$103,674,469	$103,580,939	0.1%
Projected average compensation	$66,930	$63,198	5.9%
Account balances	$106,002,910	$101,020,472	4.9%
Total active vested members	1,390	1,387	0.2%
Vested terminated members			
Number	507	504	0.6%
Average age	48.4	47.8	N/A
Retired members			
Number in pay status	609	560	8.8%
Average age	68.2	68.0	N/A
Average monthly benefit[1]	$2,136	$2,122	0.7%
Disabled members			
Number in pay status	233	230	1.3%
Average age	62.4	61.8	N/A
Average monthly benefit[1]	$2,080	$2,056	1.2%
Beneficiaries			
Number in pay status	134	118	13.6%
Average age	68.0	68.6	N/A
Average monthly benefit[1]	$1,163	$1,136	2.4%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

EXHIBIT A

Table of Plan Coverage

v. Rate Group #9 – General – TCA

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	80	79	1.3%
Average age	49.2	48.2	N/A
Average service	8.2	7.7	N/A
Projected total compensation	$6,807,265	$7,054,944	-3.5%
Projected average compensation	$85,091	$89,303	-4.7%
Account balances	$4,720,543	$4,200,069	12.4%
Total active vested members	55	51	7.8%
Vested terminated members			
Number	40	44	-9.1%
Average age	40.9	41.0	N/A
Retired members			
Number in pay status	21	19	10.5%
Average age	65.6	64.8	N/A
Average monthly benefit[1]	$2,966	$3,112	-4.7%
Disabled members			
Number in pay status	0	0	N/A
Average age	N/A	N/A	N/A
Average monthly benefit[1]	N/A	N/A	N/A
Beneficiaries			
Number in pay status	1	1	0.0%
Average age	71.7	70.7	N/A
Average monthly benefit[1]	$91	$90	1.1%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

EXHIBIT A

Table of Plan Coverage

vi. Rate Group #10 – General – OCFA – 2.7% at 55 and 2.0% at 55

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	248[2]	249	-0.4%
Average age	46.2[2]	46.2	N/A
Average service	12.9[2]	12.6	N/A
Projected total compensation	$22,016,705	$21,262,246	3.5%
Projected average compensation	$88,777	$85,391	4.0%
Account balances	$21,254,872	$19,958,520	6.5%
Total active vested members	207	197	5.1%
Vested terminated members			
Number	88	84	4.8%
Average age	41.5	41.9	N/A
Retired members			
Number in pay status	88	73	20.5%
Average age	64.2	63.8	N/A
Average monthly benefit[1]	$3,601	$3,455	4.2%
Disabled members			
Number in pay status	10	10	0.0%
Average age	59.7	58.7	N/A
Average monthly benefit[1]	$2,402	$2,366	1.5%
Beneficiaries			
Number in pay status	4[3]	23	-82.6%
Average age	57.5	60.5	N/A
Average monthly benefit[1]	$1,624	$1,206	34.7%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

[2] *The breakdown between non-Santa Ana and Santa Ana employees is as follows:*

	Non-Santa Ana	*Santa Ana*
Number	*235*	*13*
Average Age	*46.3*	*44.3*
Average Service	*13.1*	*10.1*

Note that the average service shown for Santa Ana members is used for vesting purposes only. The average service for Santa Ana members for benefit purposes is 0.0.

[3] *Reduction is primarily due to revision in Rate Group information provided by OCERS.*

EXHIBIT A

Table of Plan Coverage

vii. Rate Group #11 – General – Cemetery District

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	21	21	0.0%
Average age	45.2	46.0	N/A
Average service	13.3	13.5	N/A
Projected total compensation	$1,247,172	$1,159,589	7.6%
Projected average compensation	$59,389	$55,219	7.6%
Account balances	$1,238,778	$1,215,910	1.9%
Total active vested members	17	17	0.0%
Vested terminated members			
Number	2	2	0.0%
Average age	33.1	32.1	N/A
Retired members			
Number in pay status	5	4	25.0%
Average age	73.3	73.9	N/A
Average monthly benefit[1]	$2,407	$2,312	4.1%
Disabled members			
Number in pay status	0	1	-100.0%
Average age	N/A	74.7	N/A
Average monthly benefit[1]	N/A	$1,944	N/A
Beneficiaries			
Number in pay status	3	3	0.0%
Average age	70.0	69.0	N/A
Average monthly benefit[1]	$1,554	$1,535	1.2%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

EXHIBIT A

Table of Plan Coverage

viii. Rate Group #6 – Safety – Probation Officers

Category	Year Ended December 31 2011	2010	Change From Prior Year
Active members in valuation			
Number	885	913	-3.1%
Average age	41.2	40.5	N/A
Average service	13.3	12.4	N/A
Projected total compensation	$65,127,165	$65,007,995	0.2%
Projected average compensation	$73,590	$71,203	3.4%
Account balances	$86,548,283	$78,414,340	10.4%
Total active vested members	854	796	7.3%
Vested terminated members			
Number	206	219	-5.9%
Average age	36.9	35.5	N/A
Retired members			
Number in pay status	205	181	13.3%
Average age	64.3	63.1	N/A
Average monthly benefit[(1)]	$5,318	$5,083	4.6%
Disabled members			
Number in pay status	18	13	38.5%
Average age	52.5	48.9	N/A
Average monthly benefit[(1)]	$2,528	$2,532	-0.2%
Beneficiaries			
Number in pay status	15	12	25.0%
Average age	59.6	56.4	N/A
Average monthly benefit[(1)]	$2,384	$1,989	19.9%

[(1)] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

EXHIBIT A

Table of Plan Coverage

ix. Rate Group #7 – Safety – Law Enforcement – 3.0% at 50 and 3.0% at 55

Category	Year Ended December 31 2011	2010	Change From Prior Year
Active members in valuation			
Number	1,823	1,859	-1.9%
Average age	42.3	42.1	N/A
Average service	15.4	15.3	N/A
Projected total compensation	$189,540,039	$191,060,266	-0.8%
Projected average compensation	$103,971	$102,776	1.2%
Account balances	$180,420,063	$167,750,873	7.6%
Total active vested members	1,573	1,585	-0.8%
Vested terminated members			
Number	172	159	8.2%
Average age	42.5	41.3	N/A
Retired members			
Number in pay status	916	871	5.2%
Average age	63.5	63.4	N/A
Average monthly benefit[1]	$6,140	$6,020	2.0%
Disabled members			
Number in pay status	313	311	0.6%
Average age	59.9	59.4	N/A
Average monthly benefit[1]	$4,070	$3,892	4.6%
Beneficiaries			
Number in pay status	233[2]	158	47.5%
Average age	66.6	68.0	N/A
Average monthly benefit[1]	$2,565	$2,476	3.6%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

[2] *Increase is primarily due to revision in Rate Group information provided by OCERS.*

EXHIBIT A

Table of Plan Coverage

x. Rate Group #8 – Safety – Fire Authority – 3.0% at 50 and 3.0% at 55

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	996[2]	815	22.2%
Average age	43.7[2]	43.3	N/A
Average service	15.6[2]	16.6	N/A
Projected total compensation	$115,743,179	$90,513,642	27.9%
Projected average compensation	$116,208	$111,060	4.6%
Account balances	$81,116,035	$76,789,389	5.6%
Total active vested members	820	687	19.4%
Vested terminated members			
Number	30	25	20.0%
Average age	38.1	39.8	N/A
Retired members			
Number in pay status	274	253	8.3%
Average age	62.0	61.5	N/A
Average monthly benefit[1]	$6,339	$6,155	3.0%
Disabled members			
Number in pay status	107	101	5.9%
Average age	62.1	61.2	N/A
Average monthly benefit[1]	$5,248	$5,094	3.0%
Beneficiaries			
Number in pay status	47[3]	22	113.6%
Average age	59.8	57.4	N/A
Average monthly benefit[1]	$2,553	$3,517	-27.4%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

[2] *The breakdown between non-Santa Ana and Santa Ana employees is as follows:*

	Non-Santa Ana	*Santa Ana*
Number	*812*	*184*
Average Age	*43.5*	*44.6*
Average Service	*16.6*	*11.0*

Note that the average service shown for Santa Ana members is used for vesting purposes only. The average service for Santa Ana members for benefit purposes is 0.0.

[3] *Increase is primarily due to revision in Rate Group information provided by OCERS.*

EXHIBIT A

Table of Plan Coverage

xi. Total

Category	Year Ended December 31 2011	Year Ended December 31 2010	Change From Prior Year
Active members in valuation			
Number	21,421	21,742	-1.5%
Average age	45.4	45.1	N/A
Average service	13.0	12.6	N/A
Projected total compensation	$1,619,474,479	$1,579,238,837	2.5%
Projected average compensation	$75,602	$72,635	4.1%
Account balances	$1,829,405,790	$1,680,401,354	8.9%
Total active vested members	17,757	16,965	4.7%
Vested terminated members			
Number	4,406	4,308	2.3%
Average age	43.9	43.3	N/A
Retired members			
Number in pay status	10,189	9,767	4.3%
Average age	69.2	69.1	N/A
Average monthly benefit[1]	$3,387	$3,262	3.8%
Disabled members			
Number in pay status	1,291	1,281	0.8%
Average age	62.8	62.3	N/A
Average monthly benefit[1]	$2,890	$2,797	3.3%
Beneficiaries			
Number in pay status	1,809	1,714	5.5%
Average age	72.2	72.1	N/A
Average monthly benefit[1]	$1,629	$1,574	3.5%

[1] *Excludes monthly benefits payable from the RMBR and STAR COLA.*

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

i. Rate Group #1- General – Plans A & B (non-OCTA, non-OCSD)

	Years of Service									
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	25	24	1	- -	- -	- -	- -	- -	- -	- -
	$52,970	$53,093	$50,024	- -	- -	- -	- -	- -	- -	- -
25-29	109	72	35	2	- -	- -	- -	- -	- -	- -
	48,335	47,662	49,645	$49,651	- -	- -	- -	- -	- -	- -
30-34	193	65	87	40	1	- -	- -	- -	- -	- -
	48,544	46,152	49,807	49,655	$49,786	- -	- -	- -	- -	- -
35-39	190	42	76	63	8	1	- -	- -	- -	- -
	49,110	46,676	49,954	49,627	49,715	$49,712	- -	- -	- -	- -
40-44	186	30	45	53	40	18	- -	- -	- -	- -
	49,519	46,124	49,603	49,521	51,458	50,651	- -	- -	- -	- -
45-49	120	15	38	26	13	22	6	- -	- -	- -
	48,409	40,552	48,240	49,916	49,085	51,640	$49,281	- -	- -	- -
50-54	128	16	28	23	23	30	4	4	- -	- -
	49,319	43,432	48,925	49,171	50,807	51,358	51,200	$50,736	- -	- -
55-59	125	9	20	16	22	38	6	3	11	- -
	51,010	41,801	50,320	49,448	49,571	51,192	50,448	50,893	$64,663	- -
60-64	101	4	14	17	16	32	4	4	6	4
	54,540	46,421	54,188	49,348	50,824	51,685	65,088	52,678	50,751	$120,655
65-69	32	2	1	3	11	13	2	- -	- -	- -
	50,255	47,414	50,158	50,063	49,854	50,472	54,221	- -	- -	- -
70 & over	23	1	2	3	4	9	1	3	- -	- -
	50,414	38,362	49,894	48,100	49,830	49,324	49,828	61,332	- -	- -
Total	1,232	280	347	246	138	163	23	14	17	4
	$49,738	$46,601	$49,762	$49,553	$50,463	$51,150	$53,121	$53,595	$59,753	$120,655

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

ii. Rate Group #2 – General – 2.7% at 55, 1.62% at 65 and 2.0% at 57

	Years of Service									
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	155	145	10	- -	- -	- -	- -	- -	- -	- -
	$45,333	$45,350	$45,098	- -	- -	- -	- -	- -	- -	- -
25-29	974	613	353	8	- -	- -	- -	- -	- -	- -
	52,473	52,924	51,707	$51,746	- -	- -	- -	- -	- -	- -
30-34	1,607	569	775	261	2	- -	- -	- -	- -	- -
	63,980	65,730	64,184	59,572	$62,516	- -	- -	- -	- -	- -
35-39	1,912	410	687	684	119	12	- -	- -	- -	- -
	69,125	66,289	70,242	70,060	67,265	$67,212	- -	- -	- -	- -
40-44	2,071	304	488	681	352	239	7	- -	- -	- -
	73,774	69,471	72,282	77,168	74,164	72,285	$65,515	- -	- -	- -
45-49	2,087	227	392	522	326	463	143	14	- -	- -
	74,838	72,725	70,675	74,469	77,559	77,845	73,686	$88,329	- -	- -
50-54	2,100	194	316	420	282	479	260	146	3	- -
	75,862	72,251	73,944	70,137	76,140	79,720	82,739	76,193	$58,634	- -
55-59	1,568	123	227	367	195	323	190	122	20	1
	76,218	74,806	65,387	71,731	77,026	80,027	86,270	83,902	78,620	$72,583
60-64	982	69	151	286	129	200	92	46	8	1
	74,791	68,414	76,004	71,610	73,772	78,860	78,136	79,326	74,644	43,598
65-69	375	21	61	103	59	75	26	19	7	4
	68,817	82,156	73,126	67,194	64,282	64,252	79,878	59,894	88,697	62,988
70 & over	140	8	20	34	21	33	12	10	2	- -
	62,076	63,356	70,467	66,129	60,563	59,139	57,980	49,353	56,691	- -
Total	13,971	2,683	3,480	3,366	1,485	1,824	730	357	40	6
	$70,779	$63,882	$67,597	$71,521	$74,473	$77,139	$80,631	$78,087	$76,993	$61,355

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

iii. Rate Group #3 – General – 2.5% at 55 and 1.64% at 57

	Years of Service									
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	4	4	- -	- -	- -	- -	- -	- -	- -	- -
	$69,899	$69,899	- -	- -	- -	- -	- -	- -	- -	- -
25-29	22	15	7	- -	- -	- -	- -	- -	- -	- -
	76,542	72,552	$85,092	- -	- -	- -	- -	- -	- -	- -
30-34	51	29	22	- -	- -	- -	- -	- -	- -	- -
	88,359	83,199	95,160	- -	- -	- -	- -	- -	- -	- -
35-39	52	19	27	4	2	- -	- -	- -	- -	- -
	90,817	87,821	88,017	$109,202	$120,313	- -	- -	- -	- -	- -
40-44	84	17	25	17	14	11	- -	- -	- -	- -
	107,392	108,530	101,667	111,847	119,063	$96,909	- -	- -	- -	- -
45-49	124	22	26	14	20	33	8	1	- -	- -
	109,489	88,668	110,798	113,771	117,460	118,466	$97,028	$117,519	- -	- -
50-54	112	19	18	12	15	34	7	7	- -	- -
	111,164	94,748	111,800	109,784	121,116	116,045	108,889	113,689	- -	- -
55-59	100	7	19	8	15	31	11	9	- -	- -
	115,622	76,088	110,429	120,285	115,469	121,234	111,551	139,094	- -	- -
60-64	39	1	8	7	9	10	3	1	- -	- -
	112,854	68,491	110,900	120,270	99,749	118,460	139,086	104,131	- -	- -
65-69	21	1	4	4	2	7	2	1	- -	- -
	105,784	140,135	90,546	111,178	85,828	110,274	121,247	88,370	- -	- -
70 & over	7	- -	- -	1	1	4	1	- -	- -	- -
	109,110	- -	- -	120,145	129,571	109,415	76,392	- -	- -	- -
Total	616	134	156	67	78	130	32	19	- -	- -
	$105,826	$87,958	$101,590	$113,693	$115,442	$115,949	$109,427	$124,089	- -	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

iv. Rate Group #5 – General OCTA

		Years of Service								
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	5	5	- -	- -	- -	- -	- -	- -	- -	- -
	$44,990	$44,990	- -	- -	- -	- -	- -	- -	- -	- -
25-29	44	25	19	- -	- -	- -	- -	- -	- -	- -
	51,533	48,561	$55,444	- -	- -	- -	- -	- -	- -	- -
30-34	110	29	62	19	- -	- -	- -	- -	- -	- -
	60,808	61,206	60,016	$62,786	- -	- -	- -	- -	- -	- -
35-39	137	15	73	42	7	- -	- -	- -	- -	- -
	63,357	86,992	60,083	61,922	$55,459	- -	- -	- -	- -	- -
40-44	187	27	78	58	9	15	- -	- -	- -	- -
	65,578	75,473	64,623	60,164	58,918	$77,660	- -	- -	- -	- -
45-49	251	23	101	71	15	32	8	1	- -	- -
	69,215	92,323	64,987	66,613	74,806	67,679	$74,147	$75,464	- -	- -
50-54	294	15	89	75	27	54	22	12	- -	- -
	69,324	80,372	64,818	63,366	83,038	73,622	72,718	69,751	- -	- -
55-59	297	22	67	58	26	47	26	41	10	- -
	69,741	84,524	64,514	66,556	71,568	71,332	72,160	66,811	$84,198	- -
60-64	168	8	47	34	14	30	15	13	7	- -
	67,990	126,769	67,844	57,567	64,120	63,888	70,471	69,427	69,756	- -
65-69	45	2	14	11	7	7	1	2	1	- -
	67,639	137,186	63,542	56,656	63,563	82,986	59,385	57,285	56,783	- -
70 & over	11	- -	5	4	- -	1	- -	1	- -	- -
	56,074	- -	55,950	53,382	- -	62,759	- -	60,778	- -	- -
Total	1,549	171	555	372	105	186	72	70	18	- -
	$66,930	$76,220	$63,449	$62,956	$71,295	$71,071	$72,022	$67,566	$77,059	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

v. Rate Group #9 – General – TCA

	Years of Service									
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
25-29	4	2	2	- -	- -	- -	- -	- -	- -	- -
	$40,063	$37,827	$42,299	- -	- -	- -	- -	- -	- -	- -
30-34	8	6	1	1	- -	- -	- -	- -	- -	- -
	51,771	52,598	42,281	$56,296	- -	- -	- -	- -	- -	- -
35-39	8	1	4	3	- -	- -	- -	- -	- -	- -
	59,789	70,060	65,151	49,217	- -	- -	- -	- -	- -	- -
40-44	5	2	2	- -	1	- -	- -	- -	- -	- -
	79,501	120,497	44,347	- -	$67,816	- -	- -	- -	- -	- -
45-49	16	5	5	4	1	1	- -	- -	- -	- -
	100,634	107,844	85,845	90,355	102,317	$177,963	- -	- -	- -	- -
50-54	14	6	2	4	2	- -	- -	- -	- -	- -
	100,317	101,439	81,215	92,121	132,444	- -	- -	- -	- -	- -
55-59	8	- -	2	2	3	1	- -	- -	- -	- -
	96,928	- -	102,512	83,634	110,490	71,664	- -	- -	- -	- -
60-64	12	2	8	2	- -	- -	- -	- -	- -	- -
	70,501	135,772	60,096	46,848	- -	- -	- -	- -	- -	- -
65-69	3	1	1	1	- -	- -	- -	- -	- -	- -
	147,672	253,687	53,915	135,414	- -	- -	- -	- -	- -	- -
70 & over	2	- -	1	1	- -	- -	- -	- -	- -	- -
	139,005	- -	205,150	72,859	- -	- -	- -	- -	- -	- -
Total	80	25	28	18	7	2	- -	- -	- -	- -
	$85,091	$95,015	$71,882	$77,949	$109,499	$124,813	- -	- -	- -	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

vi. Rate Group #10 – General – OCFA – 2.7% at 55 and 2.0% at 55

	Years of Service									
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	1	1	- -	- -	- -	- -	- -	- -	- -	- -
	$53,195	$53,195	- -	- -	- -	- -	- -	- -	- -	- -
25-29	18	13	5	- -	- -	- -	- -	- -	- -	- -
	64,533	66,645	$59,043	- -	- -	- -	- -	- -	- -	- -
30-34	23	15	6	2	- -	- -	- -	- -	- -	- -
	82,291	80,776	84,428	$87,243	- -	- -	- -	- -	- -	- -
35-39	27	6	10	10	1	- -	- -	- -	- -	- -
	80,153	63,696	84,198	84,185	$98,119	- -	- -	- -	- -	- -
40-44	29	6	7	10	5	1	- -	- -	- -	- -
	91,872	96,864	93,457	96,191	81,500	$59,511	- -	- -	- -	- -
45-49	61	3	12	17	9	16	4	- -	- -	- -
	90,258	95,605	80,600	85,440	94,966	92,060	$117,896	- -	- -	- -
50-54	43	7	9	9	2	5	8	3	- -	- -
	96,814	92,525	98,146	89,669	138,274	84,535	111,216	$78,681	- -	- -
55-59	31	3	7	8	3	5	4	1	- -	- -
	95,743	92,740	100,399	90,949	99,936	86,814	94,527	147,449	- -	- -
60-64	13	1	5	2	2	3	- -	- -	- -	- -
	102,767	141,227	103,319	134,180	73,906	87,328	- -	- -	- -	- -
65-69	1	- -	1	- -	- -	- -	- -	- -	- -	- -
	51,003	- -	51,003	- -	- -	- -	- -	- -	- -	- -
70 & over	1	- -	- -	1	- -	- -	- -	- -	- -	- -
	57,020	- -	- -	57,020	- -	- -	- -	- -	- -	- -
Total	248	55	62	59	22	30	16	4	- -	- -
	$88,777	$80,882	$87,401	$89,673	$94,749	$88,374	$108,714	$95,873	- -	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

vii. Rate Group #11 – General – Cemetery District

	Years of Service									
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
25-29	1	- -	1	- -	- -	- -	- -	- -	- -	- -
	$46,691	- -	$46,691	- -	- -	- -	- -	- -	- -	- -
30-34	4	3	- -	1	- -	- -	- -	- -	- -	- -
	55,487	$57,528	- -	$49,363	- -	- -	- -	- -	- -	- -
35-39	2	1	- -	1	- -	- -	- -	- -	- -	- -
	58,378	42,885	- -	73,872	- -	- -	- -	- -	- -	- -
40-44	2	- -	1	- -	- -	1	- -	- -	- -	- -
	49,308	- -	49,597	- -	- -	$49,019	- -	- -	- -	- -
45-49	6	- -	1	1	3	1	- -	- -	- -	- -
	68,776	- -	131,408	62,217	$56,686	48,971	- -	- -	- -	- -
50-54	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
55-59	5	- -	- -	- -	2	3	- -	- -	- -	- -
	59,583	- -	- -	- -	64,533	56,283	- -	- -	- -	- -
60-64	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
65-69	1	- -	1	- -	- -	- -	- -	- -	- -	- -
	52,591	- -	52,591	- -	- -	- -	- -	- -	- -	- -
70 & over	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total	21	4	4	3	5	5	- -	- -	- -	- -
	$59,389	$53,867	$70,071	$61,817	$59,825	$53,368	- -	- -	- -	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

viii. Rate Group #6 – Safety – Probation Officers

		Years of Service								
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	1	- -	1	- -	- -	- -	- -	- -	- -	- -
	$46,420	- -	$46,420	- -	- -	- -	- -	- -	- -	- -
25-29	54	12	42	- -	- -	- -	- -	- -	- -	- -
	59,152	$53,812	60,678	- -	- -	- -	- -	- -	- -	- -
30-34	175	11	125	39	- -	- -	- -	- -	- -	- -
	66,126	52,924	65,970	$70,351	- -	- -	- -	- -	- -	- -
35-39	216	9	56	139	12	- -	- -	- -	- -	- -
	72,598	45,669	67,879	75,232	$84,310	- -	- -	- -	- -	- -
40-44	192	- -	33	72	75	12	- -	- -	- -	- -
	76,395	- -	66,280	75,050	80,610	$85,930	- -	- -	- -	- -
45-49	101	1	6	31	20	35	8	- -	- -	- -
	82,357	46,918	69,945	73,576	82,235	84,598	$120,629	- -	- -	- -
50-54	74	- -	5	7	15	20	18	9	- -	- -
	80,916	- -	62,119	69,142	75,862	79,046	90,667	$93,593	- -	- -
55-59	50	- -	4	10	9	12	10	5	- -	- -
	79,624	- -	73,807	66,067	83,675	83,374	85,005	84,333	- -	- -
60-64	19	- -	- -	7	1	4	5	2	- -	- -
	74,475	- -	- -	62,065	45,285	78,682	85,052	97,647	- -	- -
65-69	3	- -	- -	- -	- -	- -	1	1	1	- -
	87,782	- -	- -	- -	- -	- -	75,621	93,863	$93,863	- -
70 & over	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total	885	33	272	305	132	83	42	17	1	- -
	$73,590	$51,086	$65,644	$73,654	$80,594	$82,990	$93,999	$91,362	$93,863	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

ix. Rate Group #7 – Safety – Law Enforcement – 3.0% at 50 and 3.0% at 55

		Years of Service								
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	26	24	2	- -	- -	- -	- -	- -	- -	- -
	$71,448	$70,793	$79,314	- -	- -	- -	- -	- -	- -	- -
25-29	154	113	41	- -	- -	- -	- -	- -	- -	- -
	83,413	81,323	89,172	- -	- -	- -	- -	- -	- -	- -
30-34	212	62	101	49	- -	- -	- -	- -	- -	- -
	92,532	83,349	95,059	$98,943	- -	- -	- -	- -	- -	- -
35-39	296	27	73	153	43	- -	- -	- -	- -	- -
	99,912	90,034	96,757	101,309	$106,504	- -	- -	- -	- -	- -
40-44	383	15	53	107	153	55	- -	- -	- -	- -
	104,388	90,575	103,798	102,133	106,192	$108,090	- -	- -	- -	- -
45-49	433	8	22	61	60	170	112	- -	- -	- -
	113,837	108,001	114,322	108,968	107,598	111,933	$123,042	- -	- -	- -
50-54	214	10	10	18	23	43	101	9	- -	- -
	114,081	116,878	115,036	109,702	116,239	107,979	114,827	$133,939	- -	- -
55-59	75	5	12	1	6	18	26	7	- -	- -
	112,597	144,332	112,765	119,025	108,200	107,884	108,828	118,614	- -	- -
60-64	25	2	5	5	2	6	4	1	- -	- -
	115,534	171,790	111,042	115,143	122,892	109,365	102,617	101,396	- -	- -
65-69	5	- -	1	1	2	- -	1	- -	- -	- -
	125,511	- -	120,916	119,025	121,482	- -	144,648	- -	- -	- -
70 & over	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total	1,823	266	320	395	289	292	244	17	- -	- -
	$103,971	$86,255	$98,984	$103,069	$107,593	$110,324	$117,881	$125,715	- -	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

x. Rate Group #8 – Safety – Fire Authority – 3.0% at 50 and 3.0% at 55

		Years of Service								
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	5	5	- -	- -	- -	- -	- -	- -	- -	- -
	$69,015	$69,015	- -	- -	- -	- -	- -	- -	- -	- -
25-29	69	59	10	- -	- -	- -	- -	- -	- -	- -
	88,221	85,206	$106,009	- -	- -	- -	- -	- -	- -	- -
30-34	148	84	55	9	- -	- -	- -	- -	- -	- -
	104,759	99,954	111,385	$109,104	- -	- -	- -	- -	- -	- -
35-39	147	60	53	29	5	- -	- -	- -	- -	- -
	109,421	104,683	112,606	111,744	$119,032	- -	- -	- -	- -	- -
40-44	140	33	31	30	29	17	- -	- -	- -	- -
	120,152	118,965	115,337	117,393	123,145	$131,000	- -	- -	- -	- -
45-49	179	35	13	28	32	45	26	- -	- -	- -
	123,302	125,862	113,568	118,185	119,734	126,541	$129,017	- -	- -	- -
50-54	205	44	5	11	29	37	43	36	- -	- -
	125,953	122,329	113,946	114,272	123,636	124,274	126,897	$138,082	- -	- -
55-59	85	16	1	4	15	11	9	29	- -	- -
	127,835	114,202	122,443	107,577	125,824	125,832	128,956	139,790	- -	- -
60-64	14	3	- -	2	2	2	2	3	- -	- -
	117,462	112,536	- -	111,497	113,733	105,823	126,320	130,703	- -	- -
65-69	4	1	- -	1	- -	- -	- -	2	- -	- -
	124,664	105,801	- -	121,864	- -	- -	- -	135,495	- -	- -
70 & over	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total	996	340	168	114	112	112	80	70	- -	- -
	$116,208	$105,981	$112,491	$114,786	$122,304	$126,029	$127,804	$138,399	- -	- -

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2011
By Age and Years of Service

xi. Total

	Years of Service									
Age	**Total**	**0-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 25	222	208	14	- -	- -	- -	- -	- -	- -	- -
	$50,260	$50,249	$50,432	- -	- -	- -	- -	- -	- -	- -
25-29	1,449	924	515	10	- -	- -	- -	- -	- -	- -
	57,850	58,421	56,952	$51,327	- -	- -	- -	- -	- -	- -
30-34	2,531	873	1,234	421	3	- -	- -	- -	- -	- -
	68,195	69,225	68,406	65,514	$58,273	- -	- -	- -	- -	- -
35-39	2,987	590	1,059	1,128	197	13	- -	- -	- -	- -
	73,318	70,730	72,475	74,775	77,745	$65,866	- -	- -	- -	- -
40-44	3,279	434	763	1,028	678	369	7	- -	- -	- -
	78,655	74,867	74,895	79,166	83,629	80,570	$65,515	- -	- -	- -
45-49	3,378	339	616	775	499	818	315	16	- -	- -
	82,935	80,629	72,924	78,202	85,076	88,799	97,695	$89,349	- -	- -
50-54	3,184	311	482	579	418	702	463	226	3	- -
	81,735	82,074	73,846	71,761	82,864	83,892	94,287	89,445	$58,634	- -
55-59	2,344	185	359	474	296	489	282	217	41	1
	79,136	79,982	69,494	71,823	80,248	81,608	88,708	91,397	76,236	$72,583
60-64	1,373	90	238	362	175	287	125	70	21	5
	74,950	78,699	75,057	71,032	73,094	76,556	80,093	79,360	66,188	105,243
65-69	490	28	84	124	81	102	33	25	9	4
	70,644	92,646	71,917	68,673	64,205	66,940	82,043	68,231	85,725	62,988
70 & over	184	9	28	44	26	47	14	14	2	- -
	62,858	60,579	71,215	64,915	61,566	61,615	58,713	52,736	56,691	- -
Total	21,421	3,991	5,392	4,945	2,373	2,827	1,239	568	76	10
	$75,602	$69,398	$70,420	$74,238	$81,175	$82,674	$91,561	$87,107	$73,374	$85,075

EXHIBIT C

Reconciliation of Member Data – December 31, 2010 to December 31, 2011

	Active Members	Vested Former Members	Pensioners	Disableds	Beneficiaries	Total
Number as of December 31, 2010	21,742	4,308	9,767	1,281	1,714	38,812
New members	782	39	0	0	168	989
Terminations – with vested rights	-353[1]	353	0	0	0	0
Contributions refunds	-147[2]	-124	0	0	0	-271
Retirements	-584	-108	692	0	0	0
New disabilities	-27	-1	-19	47	0	0
Return to work	53	-52	-1	0	0	0
Deaths	-36	-7	-250	-37	-73	-403
Data adjustments	-9	-2	0	0	0	-11
Number as of December 31, 2011	21,421	4,406	10,189	1,291	1,809	39,116

[1] *Includes 124 terminated before January 1, 2011.*
[2] *Includes 7 terminated before January 1, 2011.*

EXHIBIT D

Summary Statement of Income and Expenses on an Actuarial Value Basis

	Year Ended December 31, 2011		Year Ended December 31, 2010	
Contribution income:				
Employer contributions	$387,585,000		$372,437,000	
Employee contributions	183,820,000		177,929,000	
Discount for prepaid contributions	15,866,000		3,876,000	
Transfer from County Investment Account	11,000,000		11,000,000	
Net contribution income		$598,271,000		$565,242,000
Investment income:				
Interest, dividends and other income	$252,702,000		$164,058,000	
Recognition of capital appreciation	88,385,000		328,376,000	
Less investment and administrative fees	-54,502,000		-80,474,000	
Net investment income		$286,585,000		$411,960,000
Total income available for benefits		$884,856,000		$977,202,000
Less benefit payments		-$493,749,000		-$459,383,000
Change in reserve for future benefits		$391,107,000		$517,819,000

EXHIBIT E

Summary Statement of Assets

	Year Ended December 31, 2011		Year Ended December 31, 2010	
Cash equivalents		$444,193,000		$303,820,000
Accounts receivable:				
Contributions	$10,692,000		$37,180,000	
Investment income	23,755,000		22,681,000	
Securities settlements	245,108,000		32,851,000	
Other	1,287,000		485,431,000	
Total accounts receivable		$280,842,000		$578,143,000
Investments:				
Fixed income investments	$3,074,927,000		$2,737,643,000	
Equities	3,400,420,000		4,168,434,000	
Real estate	803,545,000		731,477,000	
Venture capital and limited partnership interests	1,209,504,000		676,602,000	
Security lending collateral	420,716,000		917,954,000	
Fixed assets net of accumulated depreciation	4,209,000		3,207,000	
Total investments at market value		$8,913,319,000		$9,235,317,000
Total assets		$9,638,354,000		$10,117,280,000
Less accounts payable:				
Securities settlements	-$438,368,000		-$643,937,000	
Security lending liability	-420,716,000		-917,954,000	
All other	-53,038,000		-59,478,000	
Total accounts payable		-$912,121,000		-$1,621,369,000
Net assets at market value		$8,465,593,000 (1)		$8,357,835,000 (2)
Net assets at actuarial value		$9,064,580,000		$8,673,473,000
Net assets at valuation value		$9,064,355,000		$8,672,592,000

(1) *The December 31, 2011 market value excludes $97,767,000 in the County Investment Account and $162,873,000 in the prepaid employer contributions account.*

(2) *The December 31, 2010 market value excludes $108,531,000 in the County Investment Account and $29,545,000 in the prepaid employer contributions account.*

Note: Results may not total exactly due to rounding.

EXHIBIT F

Actuarial Balance Sheet

An overview of the Plan's funding is given by an Actuarial Balance Sheet. In this approach, we first determine the amount and timing of all future payments that will be made by the Plan for current participants. We then discount these payments at the valuation interest rate to the date of the valuation, thereby determining their present value. We refer to this present value as the "liability" of the Plan.

Second, we determine how this liability will be met. These actuarial "assets" include the net amount of assets already accumulated by the Plan, the present value of future member contributions, the present value of future employer normal cost contributions, and the present value of future employer amortization payments.

Assets		
1.	Total valuation value of assets	$9,064,355,000
2.	Present value of future contributions by members	1,571,364,000
3.	Present value of future employer contributions for:	
	a. entry age normal cost	1,765,318,000
	b. unfunded actuarial accrued liability	4,458,623,000
4.	Total current and future assets	$16,859,660,000
Liabilities		
5.	Present value of retirement allowance payable to present retired members	$6,561,900,000
6.	Present value of retirement allowances to be granted to present non-retired members	10,297,760,000
7.	Total actuarial liabilities	$16,859,660,000

EXHIBIT G

Summary of Reported Asset Information as of December 31, 2011

Reserves		
Included in Valuation Value of Assets		
Active Members Reserve (Book Value)		$1,968,927,000
Retired Members Reserve (Book Value)		5,870,002,000
Employer Advanced Reserve (Book Value)		1,655,846,000
ERI Contribution Reserve		4,454,000
STAR COLA Contribution Reserve		0
Unrealized Appreciation Included in Valuation Value of Assets		-434,874,000
Subtotal: Valuation Value of Assets		$9,064,355,000
Not Included in Valuation Value of Assets		
RMBR	$0	
Unclaimed Member Deposit	130,000	
Medicare Medical Insurance Reserve	95,000	
Total	$225,000	
Subtotal: Actuarial Value of Assets		$9,064,580,000
Unrecognized Investment Income (Loss)		-598,987,000
Subtotal: Market Value of Assets (Net of County Investment Account and Prepaid Employer Contributions)		$8,465,593,000
County Investment Account		97,767,000
Prepaid Employer Contributions		162,873,000
Total: Gross Market Value of Assets		$8,726,233,000

EXHIBIT H

Development of Unfunded/(Overfunded) Actuarial Accrued Liability for Year Ended December 31, 2011

1.	Unfunded actuarial accrued liability at beginning of year		$3,753,281,000
2.	Total normal cost at middle of year		385,008,000
3.	Actual employer and member contributions		-598,271,000
4.	Interest		282,615,000
5.	Expected unfunded actuarial accrued liability		$3,822,633,000
6.	Actuarial (gain)/loss and other changes:		
	(a) Loss on investment return	$388,935,000	
	(b) Gain on lower than expected salary increase[1]	-154,946,000	
	(c) Full-time equivalent salary provided by OCERS starting in the 2011 valuation[1]	53,836,000	
	(d) Reclassification of retirees for automatic continuance benefits	42,619,000	
	(e) Reclassification of members previously reported as actives (some actually on leave of absence) as deferred members	-6,295,000	
	(f) Other experience (gain)/loss	-52,001,000	
	(g) Changes in actuarial assumptions	363,842,000	
	Total changes		$635,990,000
7.	Unfunded actuarial accrued liability at end of year		$4,458,623,000

Note: The sum of 6(b) through 6(f) is equal to the "other experience" gain of $116,787,000 provided on page 7.

[1] *Relative to the results provided in our PowerPoint Presentation of the valuation, there is a reallocation between these two items so that the "effect of the full-time equivalent salary" only includes those members who are continuing to be reported as working less than full-time in both 2010 and 2011.*

EXHIBIT I

Section 415 Limitations

Section 415 of the Internal Revenue Code (IRC) specifies the maximum benefits that may be paid to an individual from a defined benefit plan and the maximum amounts that may be allocated each year to an individual's account in a defined contribution plan.

A qualified pension plan may not pay benefits in excess of the Section 415 limits. The ultimate penalty for non-compliance is disqualification: active participants could be taxed on their vested benefits and the IRS may seek to tax the income earned on the plan's assets.

In particular, Section 415(b) of the IRC limits the maximum annual benefit payable at the Normal Retirement Age to a dollar indexed for inflation. That limit is $195,000 for 2011 and $200,000 for 2012. Normal Retirement Age for these purposes is age 62. These are the limits in simplified terms. They must be adjusted based on each participant's circumstances, for such things as age at retirement, form of benefits chosen and after tax contributions.

Benefits in excess of the limits may be paid through a qualified governmental excess plan that meets the requirements of Section 415(m).

Legal Counsel's review and interpretation of the law and regulations should be sought on any questions in this regard.

Contributions rates determined in this valuation have not been reduced for the Section 415 limitations. Actual limitations will result in gains as they occur.

EXHIBIT J

Definitions of Pension Terms

The following list defines certain technical terms for the convenience of the reader:

Assumptions or Actuarial Assumptions: The estimates on which the cost of the Plan is calculated including:

(a) Investment return — the rate of investment yield that the Plan will earn over the long-term future;

(b) Mortality rates — the death rates of employees and pensioners; life expectancy is based on these rates;

(c) Retirement rates — the rate or probability of retirement at a given age; and

(d) Turnover rates — the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement.

Normal Cost: The amount of contributions required to fund the level cost allocated to the current year of service.

Actuarial Accrued Liability For Actives: The equivalent of the accumulated normal costs allocated to the years before the valuation date.

Actuarial Accrued Liability For Pensioners: The single sum value of lifetime benefits to existing pensioners. This sum takes account of life expectancies appropriate to the ages of the pensioners and the interest that the sum is expected to earn before it is entirely paid out in benefits.

Unfunded Actuarial Accrued Liability:	The extent to which the actuarial accrued liability of the Plan exceeds (or is exceeded by) the assets of the Plan. There are many approaches to paying off the unfunded or overfunded actuarial accrued liability, from meeting the interest accrual only to amortizing it over a specific period of time.
Amortization of the Unfunded (Overfunded) Actuarial Accrued Liability:	Payments made over a period of years equal in value to the Plan's unfunded or overfunded actuarial accrued liability.
Investment Return:	The rate of earnings of the Plan from its investments, including interest, dividends and capital gain and loss adjustments, computed as a percentage of the average value of the fund. For actuarial purposes, the investment return often reflects a smoothing of the capital gains and losses to avoid significant swings in the value of assets from one year to the next.

EXHIBIT I

Supplementary Information Required by GASB – Schedule of Employer Contributions

Plan Year Ended December 31	Annual Required Contributions	Actual Contributions[1]	Percentage Contributed
2006	$277,368,000	$277,368,000	100.0%
2007	326,736,000	326,736,000	100.0%
2008	359,673,000	360,365,000[2]	100.2%
2009	337,496,000	338,387,000[3]	100.3%
2010	372,437,000	372,437,000	100.0%
2011	387,585,000	387,585,000	100.0%

[1] *Excludes transfers from County Investment Account. See below.*

Plan Year Ended December 31	*Transfers from County Investment Account*
2006	*$0*
2007	*0*
2008	*0*
2009	*34,900,000*
2010	*11,000,000*
2011	*11,000,000*

[2] *Includes $692,000 in additional contributions made by OCFA towards the reduction of their UAAL.*

[3] *Includes $891,000 in additional contributions made by OCFA towards the reduction of their UAAL.*

EXHIBIT II

Supplementary Information Required by GASB – Schedule of Funding Progress

Actuarial Valuation Date December 31	Valuation Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded/ (Overfunded) AAL (UAAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b) - (a)] / (c)
2006	$6,466,085,000	$8,765,045,000	$2,298,960,000	73.77%	$1,322,952,000	173.78%
2007	7,288,900,000	9,838,686,000	2,549,786,000	74.08%	1,457,159,000	174.98%
2008	7,748,380,000	10,860,715,000	3,112,335,000	71.34%	1,569,764,000	198.27%
2009	8,154,687,000	11,858,578,000	3,703,891,000	68.77%	1,618,491,000	228.85%
2010	8,672,592,000	12,425,873,000	3,753,281,000	69.79%	1,579,239,000	237.66%
2011	9,064,355,000	13,522,978,000	4,458,623,000	67.03%	1,619,474,000	275.31%

For informational purposes only, we have also developed the funded ratio determined using the historical market value of assets after adjustment for amounts in the County Investment Account, prepaid employer contributions, unclaimed member reserve, Medicare Medical Insurance Reserve and RMBR.

Actuarial Valuation Date December 31	Funded Ratio Based on Net Market Value of Assets
2006	77.69%
2007	78.43%
2008	57.51%
2009	62.94%
2010	67.25%
2011	62.60%

EXHIBIT III

Supplementary Information Required by GASB

Valuation date	December 31, 2011
Actuarial cost method	Entry Age Normal Actuarial Cost Method
Amortization method	Level percent of payroll for total unfunded liability (3.75% payroll growth assumed)
Remaining amortization period	23 years closed (declining) amortization of outstanding balance of December 31, 2004 UAAL. The outstanding balance of the UAAL established in the December 31, 2009 valuation as a result of including additional premium pay items as pensionable salary and the new UAAL established in the December 31, 2010 valuation as a result of reallocating contributions and benefit payments among Rate Groups are also amortized over a 23-year period, in the December 31, 2011 valuation. Any increases or decreases in UAAL that arise in future years due to actuarial gains or losses will be amortized over separate 15-year periods. Any increases or decreases in UAAL due to changes in actuarial assumptions are amortized over separate 30-year periods.
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual and the expected return on a market value basis, and is recognized over a five-year period. The Valuation Value of Assets is the Actuarial Value of Assets reduced by the value of the non-valuation reserves.
Actuarial assumptions:	
Investment rate of return	7.75%
Inflation rate	3.50%
Real across-the-board salary increase	0.25%
Projected salary increases *	4.75% to 13.75% for General members; 4.75% to 17.75% for Safety members based on service.
Cost of living adjustments	3.00%
Plan membership:	
Retired members and beneficiaries receiving benefits	13,289
Terminated members entitled to, but not yet receiving benefits	4,406
Active members	21,421
Total	39,116

* *See Exhibit IV for these increases, including inflation rate.*

EXHIBIT IV

Actuarial Assumptions and Actuarial Cost Method

Post – Retirement Mortality Rates:

Healthy:	For General Members and all Beneficiaries: RP-2000 Combined Healthy Mortality Table set back three years.
	For Safety Members: RP-2000 Combined Healthy Mortality Table set back two years.
Disabled:	For General Members: RP-2000 Combined Healthy Mortality Table set forward three years.
	For Safety Members: RP-2000 Combined Healthy Mortality Table set forward two years.
	The mortality tables shown above were determined to contain sufficient provision appropriate to reasonably reflect future mortality improvement, based on a review of the mortality experience in the January 1, 2008 through December 31, 2010 Actuarial Experience Study.
Employee Contribution Rates:	For General Members: RP-2000 Combined Healthy Mortality Table set back three years, weighted 40% male and 60% female.
	For Safety Members: RP-2000 Combined Healthy Mortality Table set back two years, weighted 80% male and 20% female.

Termination Rates Before Retirement:

	Rate (%)			
	Mortality			
	General		Safety	
Age	Male	Female	Male	Female
25	0.04	0.02	0.04	0.02
30	0.04	0.02	0.04	0.02
35	0.06	0.04	0.06	0.04
40	0.09	0.06	0.10	0.06
45	0.12	0.09	0.13	0.09
50	0.17	0.13	0.19	0.14
55	0.27	0.20	0.29	0.22
60	0.47	0.35	0.53	0.39
65	0.88	0.67	1.00	0.76

All pre-retirement deaths are assumed to be non-service connected.

Termination Rates Before Retirement (Continued):

	Rate (%)			
	Disability			
Age	General All Other[1]	General OCTA[2]	Safety - Law & Fire[3]	Safety - Probation[3]
20	0.00	0.00	0.01	0.00
25	0.00	0.00	0.04	0.06
30	0.02	0.03	0.08	0.16
35	0.06	0.08	0.22	0.20
40	0.11	0.28	0.36	0.20
45	0.14	0.46	0.52	0.20
50	0.15	0.56	0.96	0.20
55	0.18	0.84	1.68	0.20
60	0.32	1.30	3.80	0.08

(1) *50% of General All Other disabilities are assumed to be service connected disabilities. The other 50% are assumed to be non-service connected.*

(2) *70% of General - OCTA disabilities are assumed to be service connected disabilities. The other 30% are assumed to be non-service connected.*

(3) *100% of Safety – Law Enforcement, Fire and Probation disabilities are assumed to be service connected disabilities.*

Termination Rates Before Retirement (Continued):

	Rate (%) Termination (< 5 Years of Service)			
Years of Service	General All Other[1]	General OCTA[1]	Safety – Law & Fire[2]	Safety - Probation[2]
0	13.0	20.0	4.0	20.0
1	8.0	16.0	3.0	15.0
2	7.0	12.0	2.0	10.0
3	6.0	9.0	2.0	5.0
4	5.0	7.0	1.0	4.0

	Termination (5+ Years of Service)			
Age	General All Other[3]	General OCTA[3]	Safety – Law & Fire[3]	Safety – Probation[3]
20	5.0	4.0	1.0	4.0
25	4.4	4.0	1.0	4.0
30	4.0	4.0	1.0	3.4
35	3.4	4.0	0.9	3.0
40	3.0	3.4	0.6	2.4
45	2.4	3.0	0.5	2.0
50	2.3	3.0	0.2	2.0
55	2.5	3.0	0.0	1.4
60	2.5	3.0	0.0	0.4

(1) *50% of all terminated members will choose a refund of contributions and 50% will choose a deferred vested benefit.*

(2) *40% of all terminated members will choose a refund of contributions and 60% will choose a deferred vested benefit.*

(3) *30% of terminated members will choose a refund of contributions and 70% will choose a deferred vested benefit.*

Retirement Rates:

	Rate (%)							
Age	General - Enhanced	General - Non-Enhanced	General - SJC (31676.12)	Safety - Law (31664.1)[1]	Safety - Law (31664.2)[1]	Safety - Fire (31664.1)[1]	Safety - Fire (31664.2)[1]	Safety - Probation[1]
49	0.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0
50	3.0	2.0	3.0	14.0	11.5	7.0	8.0	4.0
51	2.0	2.0	3.0	14.0	12.0	9.0	10.0	4.0
52	2.0	2.0	3.0	14.0	12.7	11.0	11.0	4.0
53	2.0	2.0	3.0	14.0	17.9	12.0	12.0	4.0
54	5.0	2.0	3.0	20.0	18.8	16.0	14.0	8.0
55	15.0	3.0	4.0	20.0	30.7	20.0	24.0	12.0
56	9.0	4.0	5.0	20.0	20.0	20.0	23.0	12.0
57	9.0	6.0	6.0	20.0	20.0	25.0	27.0	16.0
58	9.0	8.0	7.0	20.0	25.0	25.0	27.0	25.0
59	9.0	8.0	9.0	25.0	30.0	30.0	36.0	25.0
60	12.0	8.0	11.0	60.0	100.0	60.0	100.0	25.0
61	12.0	8.0	13.0	60.0	100.0	60.0	100.0	25.0
62	17.0	16.0	15.0	60.0	100.0	60.0	100.0	25.0
63	15.0	16.0	15.0	60.0	100.0	60.0	100.0	50.0
64	18.0	16.0	20.0	60.0	100.0	60.0	100.0	100.0
65	20.0	20.0	20.0	100.0	100.0	100.0	100.0	100.0
66	25.0	25.0	24.0	100.0	100.0	100.0	100.0	100.0
67	21.0	21.0	24.0	100.0	100.0	100.0	100.0	100.0
68	21.0	21.0	24.0	100.0	100.0	100.0	100.0	100.0
69	21.0	21.0	24.0	100.0	100.0	100.0	100.0	100.0
70	60.0	40.0	100.0	100.0	100.0	100.0	100.0	100.0
71	60.0	40.0	100.0	100.0	100.0	100.0	100.0	100.0
72	60.0	40.0	100.0	100.0	100.0	100.0	100.0	100.0
73	60.0	40.0	100.0	100.0	100.0	100.0	100.0	100.0
74	60.0	40.0	100.0	100.0	100.0	100.0	100.0	100.0
75	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] *Retirement rate is 100% after a member accrues a benefit of 100% of final average earnings.*

Retirement Age and Benefit for Deferred Vested Members:	For deferred vested members, we make the following retirement age assumptions: General Age: 57 Safety Age: 53 We assume that 25% of future General and 30% of future Safety deferred vested members are reciprocal. For reciprocals, we assume 4.75% compensation increases per annum.
Liability Calculation for Current Deferred Vested Members:	Liability for a current deferred vested member is calculated based on salary, service, and eligibility for reciprocal benefit as provided by the Retirement System. For those members without salary and/or service information, we assumed a refund of account balance.
Future Benefit Accruals:	1.0 year of service per year of employment. There is no assumption to anticipate conversion of unused sick leave at retirement.
Unknown Data for Members:	Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male.
Percent Married:	80% of male members and 50% of female members are assumed to be married at retirement or time of pre-retirement death.
Age of Spouse:	Female (or male) three years younger (or older) than spouse.
Net Investment Return:	7.75%; net of investment and administrative expenses.
Employee Contribution Crediting Rate:	5.00%, compounded semi-annually.
Consumer Price Index:	Increase of 3.50% per year, retiree COLA increases due to CPI subject to a 3.0% maximum change per year.

Salary Increases:

Annual Rate of Compensation Increase (%)

Inflation: 3.50% per year, plus "across the board" salary increases of 0.25% per year, plus the following merit and promotion increases:

Years of Service	General	Safety
Less than 1	10.00%	14.00%
1	7.00	9.00
2	6.00	8.00
3	5.00	7.00
4	4.00	5.00
5	3.00	4.00
6	2.00	3.00
7	1.75	3.00
8	1.50	2.00
9	1.25	2.00
10	1.25	1.50
11	1.25	1.50
12	1.25	1.50
13	1.25	1.50
14	1.25	1.50
15	1.25	1.50
16	1.00	1.00
17	1.00	1.00
18	1.00	1.00
19	1.00	1.00
20 & over	1.00	1.00

Annual Payoffs Assumptions: Additional compensation amounts are expected to be received during a member's final average earnings period. The percentages used in this valuation are:

	Final One Year Salary	Final Three Year Salary
General Members	4.00%	2.70%
Safety - Probation	5.20%	2.70%
Safety - Law	6.60%	4.50%
Safety - Fire	4.00%	2.00%

The annual payoffs assumptions are the same for service and disability retirements.

Actuarial Value of Assets: Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual and the expected return on a market value basis, and is recognized over a five-year period.

Valuation Value of Assets: The Valuation Value of Assets is the Actuarial Value of Assets reduced by the value of the non-valuation reserves.

Actuarial Cost Method:	Entry Age Normal Actuarial Cost Method. Entry Age* is the current age minus Vesting Credit. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by salaries, with Normal Cost determined as a level percentage of individual salary, as if the current benefit accrual rate had always been in effect. The outstanding balance of the December 31, 2004 Unfunded Actuarial Accrued Liability is amortized over a declining 23-year period. The outstanding balance of the UAAL established in the December 31, 2009 valuation as a result of including additional premium pay items as pensionable salary and the new UAAL established in the December 31, 2010 valuation as a result of reallocating contributions and benefit payments among Rate Groups are also amortized over a 23-year period, in the December 31, 2011 valuation. Any increases or decreases in Unfunded Actuarial Accrued Liability that arise in future years due to actuarial gains or losses will be amortized over separate 15-year periods. Any increases or decreases in UAAL due to changes in actuarial assumptions are amortized over separate 30-year periods. Please note that for Probation members who have prior benefit service in another General OCERS plan, the normal cost rate for the current plan is calculated assuming their Entry Age is the date they entered service with their current plan.
Changes in Actuarial Assumptions:	Based on the Actuarial Experience Study and Review of Economic Actuarial Assumptions, the following assumptions were changed. Previously, these assumptions were as follows:
Post – Retirement Mortality Rates:	
Healthy:	For General Members and all Beneficiaries: RP-2000 Combined Healthy Mortality Table set back one year. For Safety Members: RP-2000 Combined Healthy Mortality Table set back two years.
Employee Contribution Rates:	For General Members: RP-2000 Combined Healthy Mortality Table set back one year, weighted 40% male and 60% female. For Safety Members: RP-2000 Combined Healthy Mortality Table set back two years, weighted 80% male and 20% female.

** For employees previously employed at the City of Santa Ana, we use their age as of the date of this valuation on December 31, 2011 for this calculation.*

Changes in Actuarial Assumptions (continued):

Termination Rates Before Retirement:

	Rate (%)			
	Mortality			
	General		Safety	
Age	Male	Female	Male	Female
25	0.04	0.02	0.04	0.02
30	0.04	0.02	0.04	0.02
35	0.07	0.04	0.06	0.04
40	0.10	0.06	0.10	0.06
45	0.14	0.10	0.13	0.09
50	0.20	0.16	0.19	0.14
55	0.32	0.24	0.29	0.22
60	0.59	0.44	0.53	0.39
65	1.13	0.86	1.00	0.76

All pre-retirement deaths are assumed to be non-service connected.

Changes in Actuarial Assumptions (continued):

Termination Rates Before Retirement (Continued):

	Rate (%)			
	Disability			
Age	General All Other[1]	General OCTA[2]	Safety - Law & Fire[3]	Safety - Probation[3]
20	0.00	0.00	0.03	0.00
25	0.00	0.00	0.08	0.06
30	0.03	0.03	0.16	0.16
35	0.08	0.08	0.32	0.20
40	0.13	0.28	0.52	0.20
45	0.17	0.49	0.72	0.20
50	0.19	0.64	0.98	0.20
55	0.23	0.88	2.24	0.20
60	0.34	1.30	3.60	0.08

(1) *50% of General All Other disabilities are assumed to be service connected disabilities. The other 50% are assumed to be non-service connected.*

(2) *70% of General - OCTA disabilities are assumed to be service connected disabilities. The other 30% are assumed to be non-service connected.*

(3) *100% of Safety – Law Enforcement, Fire and Probation disabilities are assumed to be service connected disabilities.*

Changes in Actuarial Assumptions (continued):

Termination Rates Before Retirement (Continued):

	Rate (%) Termination (< 5 Years of Service)			
Years of Service	General All Other[1]	General OCTA[1]	Safety – Law & Fire[1]	Safety - Probation[1]
0	13.0	17.0	4.0	17.0
1	9.0	9.0	3.0	10.0
2	8.0	8.0	2.0	8.0
3	7.0	7.0	2.0	6.0
4	5.0	6.0	1.0	5.0

	Termination (5+ Years of Service)			
Age	General All Other[2]	General OCTA[2]	Safety – Law & Fire[3]	Safety – Probation[2]
20	5.0	4.0	1.0	5.0
25	5.0	4.0	1.0	5.0
30	5.0	4.0	1.0	4.6
35	4.4	4.0	0.9	3.8
40	3.7	4.0	0.6	3.1
45	2.9	3.4	0.5	2.5
50	2.2	2.7	0.2	2.0
55	1.4	1.9	0.0	1.3
60	0.4	0.6	0.0	0.4

(1) *75% of all terminated members will choose a refund of contributions and 25% will choose a deferred vested benefit.*

(2) *20% of all terminated members will choose a refund of contributions and 80% will choose a deferred vested benefit.*

(3) *10% of terminated members will choose a refund of contributions and 90% will choose a deferred vested benefit.*

Changes in Actuarial Assumptions (continued):

Retirement Rates:

	Rate (%)							
Age	General - Enhanced	General - Non-Enhanced	General - SJC (31676.12)	Safety - Law (31664.1)[1]	Safety - Law (31664.2)[1]	Safety - Fire (31664.1)[1]	Safety - Fire (31664.2)[1]	Safety - Probation[1]
50	2.5	3.0	3.0	15.0	11.5	10.0	8.0	4.0
51	2.5	3.0	3.0	15.0	12.0	12.0	10.0	4.0
52	2.5	3.0	3.0	15.0	12.7	14.0	11.0	4.0
53	2.5	3.0	3.0	20.0	17.9	15.0	12.0	7.0
54	5.0	3.0	3.0	20.0	18.8	17.0	14.0	10.0
55	15.0	4.0	4.0	20.0	30.7	25.0	24.0	20.0
56	8.0	5.0	5.0	20.0	20.0	25.0	23.0	20.0
57	8.0	6.0	6.0	20.0	20.0	30.0	27.0	20.0
58	10.0	7.0	7.0	25.0	25.0	30.0	27.0	25.0
59	10.0	9.0	9.0	30.0	30.0	40.0	36.0	30.0
60	13.0	11.0	11.0	100.0	100.0	100.0	100.0	35.0
61	13.0	13.0	13.0	100.0	100.0	100.0	100.0	45.0
62	15.0	15.0	15.0	100.0	100.0	100.0	100.0	60.0
63	15.0	17.0	15.0	100.0	100.0	100.0	100.0	100.0
64	20.0	19.0	20.0	100.0	100.0	100.0	100.0	100.0
65	20.0	25.0	20.0	100.0	100.0	100.0	100.0	100.0
66	24.0	20.0	24.0	100.0	100.0	100.0	100.0	100.0
67	24.0	20.0	24.0	100.0	100.0	100.0	100.0	100.0
68	24.0	20.0	24.0	100.0	100.0	100.0	100.0	100.0
69	24.0	20.0	24.0	100.0	100.0	100.0	100.0	100.0
70	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] *Retirement rate is 100% after a member accrues a benefit of 100% of final average earnings.*

Changes in Actuarial Assumptions (continued):

Retirement Age and Benefit for Deferred Vested Members:

For deferred vested members, we make the following retirement age assumptions:

General Age: 57
Safety Age: 52

We assume that 30% of future General and Safety deferred vested members are reciprocal. For reciprocals, we assume 4.50% compensation increases per annum.

Age of Spouse:

Female (or male) four years younger (or older) than spouse.

Salary Increases:

Annual Rate of Compensation Increase (%)

Inflation: 3.50% per year, plus the following merit and promotion increases:

Years of Service	General	Safety
Less than 1	8.00%	10.00%
1	7.00	8.00
2	6.00	7.00
3	5.00	6.00
4	4.00	4.00
5	3.00	3.00
6	2.00	2.00
7	1.75	1.75
8	1.50	1.50
9	1.25	1.25
10	1.25	1.00
11	1.25	1.00
12	1.25	1.00
13	1.25	1.00
14	1.25	1.00
15	1.25	1.00
16	1.00	1.00
17	1.00	1.00
18	1.00	1.00
19	1.00	1.00
20 & over	1.00	1.00

Changes in Actuarial Assumptions (continued):

Annual Payoffs Assumptions: Additional compensation amounts are expected to be received during a member's final average earnings period. The percentages used in this valuation are:

	Final One Year Salary	Final Three Year Salary
General Members	4.50%	2.60%
Safety - Probation	4.80%	2.70%
Safety - Law	8.20%	5.60%
Safety - Fire	4.00%	3.60%

The annual payoffs assumptions are the same for service and disability retirements.

EXHIBIT V

Summary of Plan Provisions

This exhibit summarizes the major provisions of the OCERS included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Membership Eligibility: Membership with OCERS begins with the day of employment in an eligible position by the County or a participating employer.

General Plans

2.5% @ 55 Plans (Orange County Sanitation District and Law Library[(1)])

Plan G	General members hired before September 21, 1979.
Plan H	General members hired on or after September 21, 1979 (Sanitation District members within Supervisors and Professional unit hired on or after October 1, 2010 are in Plan B)

2.7% @ 55 Plans (City of San Juan Capistrano, Orange County Employees except bargaining unit AFSCME members, Orange County Superior Court, Orange County Local Agency Formation Commission[(1)], Orange County Employees Retirement System[(2)], Children and Family Commission[(3)] and Orange County Fire Authority)

Plan I	General members hired before September 21, 1979.
Plan J	General members hired on or after September 21, 1979.

[(1)] Improvement is prospective only for service after June 23, 2005.
[(2)] Improvement for management employees is prospective only for service after June 30, 2005.
[(3)] Improvement is prospective only for service after December 22, 2005.

2.0% @ 55 Plans (Transportation Corridor Agency, Cemetery District – future service effective December 7, 2007 and General OCFA employees effective July 1, 2011)

Plan M	General members hired before September 21, 1979.
Plan N	General members hired on or after September 21, 1979.

1.62% @ 65 Plans (Orange County Employees, Orange County Superior Court, Local Agency Formation Commission and County Managers unit)

Plan O	County OCEA members and Superior Court members rehired on or after May 7, 2010, LAFCO members rehired on or after July 1, 2010 and County Managers unit members rehired on or after August 17, 2010 and not electing to rejoin Plan I.
Plan P	County OCEA members and Superior Court members hired on or after May 7, 2010, LAFCO members hired on or after July 1, 2010 and County Managers unit members hired on or after August 17, 2010 and not electing Plan J.

2.0% @ 57 Plan (City of San Juan Capistrano)

Plan S	General members hired on or after July 1, 2012.

All Other General Employers

Plan A	General members hired before September 21, 1979.
Plan B	General members hired on or after September 21, 1979 and Sanitation District members within Supervisors and Professional unit hired on or after October 1, 2010

Safety Plans

3% @ 50 Plans (Law Enforcement, Fire Authority and Probation Members)

Plan E	Safety members hired before September 21, 1979.
Plan F	Safety members hired on or after September 21, 1979 and before April 9, 2010 for Law Enforcement, before July 1, 2011 for Safety employees of OCFA Executive Management, and before July 1, 2012 for other OCFA Safety employees.

3% @ 55 Plans (Law Enforcement, Fire Authority)

Plan Q	Safety Law Enforcement members rehired on or after April 9, 2010, Safety employees of OCFA Executive Management rehired on or after July 1, 2011, and other OCFA Safety employees rehired on or after July 1, 2012 and previously in Plan E.
Plan R	Safety Law Enforcement members hired on or after April 9, 2010, Safety employees of OCFA Executive Management hired on or after July 1, 2011, and other OCFA Safety employees hired on or after July 1, 2012.

Final Compensation for Benefit Determination:	
Plans A, E, G, I, M, O and Q	Highest consecutive twelve months of compensation earnable. (§31462.1) (FAS1)
Plans B, F, H, J, N, P, R and S	Highest consecutive thirty-six months of compensation earnable. (§31462) (FAS3)
Service:	Years of service. (Yrs)
Service Retirement Eligibility:	
General	Age 50 with 10 years of service, or age 70 regardless of service, or after 30 years, regardless of age. (§31672)
Safety and Probation	Age 50 with 10 years of service, or after 20 years, regardless of age. (§31663.25)
	All part time employees over age 55 with 10 years of employment may retire with 5 years of service.

Benefit Formula:

General Plans

2.5% @ 55	**Retirement Age**	**Benefit Formula**
Plan G (§31676.18)	50	(2.00% x FAS1 x Yrs)
	55	(2.50% x FAS1 x Yrs)
	60	(2.50% x FAS1 x Yrs)
	62	(2.62% x FAS1 x Yrs)*
	65	(2.62% x FAS1 x Yrs)*
Plan H (§31676.18)	50	(2.00% x FAS3 x Yrs)
	55	(2.50% x FAS3 x Yrs)
	60	(2.50% x FAS3 x Yrs)
	62	(2.50% x FAS3 x Yrs)
	65	(2.50% x FAS3 x Yrs)

* *Reflects benefit factors from Plan A as they provide a better benefit than those under 2.5% @ 55.*

Benefit Formula (continued):

2.7% @ 55	**Retirement Age**	**Benefit Formula**
Plan I (§31676.19)	50	(2.00% x FAS1 x Yrs)
	55	(2.70% x FAS1 x Yrs)
	60	(2.70% x FAS1 x Yrs)
	62	(2.70% x FAS1 x Yrs)
	65	(2.70% x FAS1 x Yrs)
Plan J (§31676.19)	50	(2.00% x FAS3 x Yrs)
	55	(2.70% x FAS3 x Yrs)
	60	(2.70% x FAS3 x Yrs)
	62	(2.70% x FAS3 x Yrs)
	65	(2.70% x FAS3 x Yrs)

Benefit Formula (continued):

2.0% @ 55	**Retirement Age**	**Benefit Formula**
Plan M (§31676.16)	50	(1.43% x FAS1 x Yrs)
	55	(2.00% x FAS1 x Yrs)
	60	(2.34% x FAS1 x Yrs)**
	62	(2.62% x FAS1 x Yrs)**
	65	(2.62% x FAS1 x Yrs)**
Plan N (§31676.16)	50	(1.43% x FAS3 x Yrs)
	55	(2.00% x FAS3 x Yrs)
	60	(2.26% x FAS3 x Yrs)
	62	(2.37% x FAS3 x Yrs)
	65	(2.43% x FAS3 x Yrs)***

** *Reflects benefit factors from Plan A as they provide a better benefit than those under 2.0% @ 55.*

*** *Reflects benefit factors from Plan B as they provide a better benefit than those under 2.0% @ 55.*

Benefit Formula (continued):

1.62% @ 65	**Retirement Age**	**Benefit Formula**
Plan O (§31676.01)	50	(0.79% x FAS1 x Yrs)
	55	(0.99% x FAS1 x Yrs)
	60	(1.28% x FAS1 x Yrs)
	62	(1.39% x FAS1 x Yrs)
	65	(1.62% x FAS1 x Yrs)
Plan P (§31676.01)	50	(0.79% x FAS3 x Yrs)
	55	(0.99% x FAS3 x Yrs)
	60	(1.28% x FAS3 x Yrs)
	62	(1.39% x FAS3 x Yrs)
	65	(1.62% x FAS3 x Yrs)

Benefit Formula (continued):

2.0% @ 57	**Retirement Age**	**Benefit Formula**
Plan S (§31676.12)	50	(1.34% x FAS3 x Yrs)
	55	(1.77% x FAS3 x Yrs)
	60	(2.34% x FAS3 x Yrs)
	62	(2.62% x FAS3 x Yrs)
	65	(2.62% x FAS3 x Yrs)

Benefit Formula (continued):

All Other General Members	**Retirement Age**	**Benefit Formula**
Plan A (§31676.12)	50	(1.34% x FAS1 x Yrs)
	55	(1.77% x FAS1 x Yrs)
	60	(2.34% x FAS1 x Yrs)
	62	(2.62% x FAS1 x Yrs)
	65	(2.62% x FAS1 x Yrs)
Plan B (§31676.1)	50	(1.18% x FAS3 x Yrs)
	55	(1.49% x FAS3 x Yrs)
	60	(1.92% x FAS3 x Yrs)
	62	(2.09% x FAS3 x Yrs)
	65	(2.43% x FAS3 x Yrs)

Benefit Formula (continued):

Safety Plans

3% @ 50	**Retirement Age**	**Benefit Formula**
Plan E (§31664.1)	50	(3.00% x FAS1 x Yrs)
	55	(3.00% x FAS1 x Yrs)
	60	(3.00% x FAS1 x Yrs)
Plan F (§31664.1)	50	(3.00% x FAS3 x Yrs)
	55	(3.00% x FAS3 x Yrs)
	60	(3.00% x FAS3 x Yrs)

3% @ 55	**Retirement Age**	**Benefit Formula**
Plan Q (§31664.2)	50	(2.29% x FAS1 x Yrs)
	55	(3.00% x FAS1 x Yrs)
	60	(3.00% x FAS1 x Yrs)
Plan R (§31664.2)	50	(2.29% x FAS3 x Yrs)
	55	(3.00% x FAS3 x Yrs)
	60	(3.00% x FAS3 x Yrs)

Maximum Benefit:	100% of Highest Average Compensation. (§31676.01, §31676.1, §31676.12, §31676.16, §31676.18, §31676.19, §31664.1, §31664.2)

Ordinary Disability:

General Plans

Plans A, B, G, H, I, J, M, N, O, P and S

Eligibility	Five years of service. (§31720)
Benefit Formula	Plans A, G, I, M and O: 1.8% per year of service. If the benefit does not exceed one-third of Final Compensation, the service is projected to 62, but the total benefit cannot be more than one-third of Final Compensation. (§31727.1) Plans B, H, J, N, P and S: 1.5% per year of service. If the benefit does not exceed one-third of Final Compensation, the service is projected to 65, but the total benefit cannot be more than one-third of Final Compensation. (§31727)

Safety Plans

Plans E, F, Q and R

Eligibility	Five years of service. (§31720)
Benefit Formula	1.8% per year of service. If the benefit does not exceed one-third of Final Compensation, the service is projected to 55, but the total benefit cannot be more than one-third of Final Compensation. (§31727.2) For all members, 100% of the Service Retirement benefit will be paid, if greater.

Line-of-Duty Disability:	
All Members	
Eligibility	No age or service requirements. (§31720)
Benefit Formula	50% of the Final Compensation or 100% of Service Retirement benefit, if greater. (§31727.4)
Pre-Retirement Death:	
All Members	
Eligibility	None.
Benefit	Refund of employee contributions with interest plus one month's compensation for each year of service to a maximum of six month's compensation. (§31781) A lump sum benefit in the amount of $1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary. (§31790)
Death in line of duty	50% of Final Compensation or 100% of Service Retirement benefit, if greater, payable to spouse or minor children. (§31787)
	OR
Vested Members	
Eligibility	Five years of service.
Benefit	60% of the greater of Service or Ordinary Disability Retirement benefit payable to eligible surviving spouse (§31765.1, §31781.1), in lieu of §31781.

Death After Retirement:	
All Members	
Service or Ordinary Disability Retirement	60% of member's unmodified allowance continued to eligible spouse. (§31760.1) A lump sum benefit in the amount of $1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary. (§31790) An eligible spouse is a surviving spouse who was married to the member at least one year prior to the date of retirement. (§31760.1)
Line-of-Duty Disability	100% of member's allowance continued to eligible spouse. (§31786) A lump sum benefit in the amount of $1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary. (§31790)
Withdrawal Benefits:	
Less than Five Years of Service	Refund of accumulated employee contributions with interest or earned benefit at age 70. (§31628) Effective January 1, 2003, a member may also elect to leave contributions on deposit in the retirement fund. (§31629.5)
Five or More Years of Service	If contributions left on deposit, entitled to earned benefits commencing at any time after eligible to retire. (§31700)
Post-retirement Cost-of-Living Benefits:	Future changes based on Consumer Price Index to a maximum of 3% per year, excess "banked." (§31870.1)
Supplemental Benefit:	Non-vested supplemental COLA and medical benefits are also paid by the System to eligible retirees and survivors. These benefits have been excluded from this valuation.

Member Contributions:	Please refer to Appendix B for the specific rates.
General Plans	
Plan A	
Basic	Provide for an average annuity payable at age 60 equal to 1/200 of FAS1. (§31621.5)
Cost-of-Living	Provide for 50% of future Cost-of-Living costs.
Plan B	
Basic	Provide for an average annuity payable at age 60 equal to 1/120 of FAS3. (§31621)
Cost-of-Living	Provide for 50% of future Cost-of-Living costs.
Plans G, H, I and J	
Basic	Provide for an average annuity payable at age 55 equal to 1/100 of FAS3 (FAS1 for Plans G and I). (§31621.8)
Cost-of-Living	Provide for 50% of future Cost-of-Living costs.
Plan M, N, O and P	
Basic	Provide for an average annuity payable at age 60 equal to 1/120 of FAS3 (FAS1 for Plans M and O). (§31621)
Cost-of-Living	Provide for 50% of future Cost-of-Living costs.
Plan S	
Basic	Provide for an average annuity at age 60 equal to 1/100 of FAS3. (§31621.2)
Cost-of-Living	Provide for 50% of future Cost-of-Living costs.

Member Contributions (Continued):

Safety Plans

Plans E and Q	
Basic	Provide for an average annuity payable at age 50 equal to 1/200 FAS1. (§31639.5)
Cost-of-Living	Provide for 50% of future Cost-of-Living costs.
Plans F and R	
Basic	Provide for an average annuity payable at age 50 equal to 1/100 of FAS3. (§31639.25)
Cost-of-Living	Provide for 50% of future Cost-of-Living costs.
Other Information:	Safety members with 30 or more years of service are exempt from paying member contributions. This also applies for General members hired on or before March 7, 1973.

NOTE: *The summary of major plan provisions is designed to outline principal plan benefits as interpreted for purposes of the actuarial valuation. If the System should find the plan summary not in accordance with the actual provisions, the System should alert the actuary so that both can be sure the proper provisions are valued.*

Appendix A

UAAL Amortization Schedule as of December 31, 2011

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
General Members						
Rate Group #1 – Plans A & B (non-OCTA, non-OCSD)						
	12/31/2004	Restart amortization	$44,613,000	23	$48,882,000	$3,252,000
	12/31/2005	Actuarial (gain) or loss	(3,774,000)	9	(3,110,000)	(417,000)
	12/31/2006	Actuarial (gain) or loss	2,619,000	10	2,274,000	279,000
	12/31/2007	Actuarial (gain) or loss	(4,903,000)	11	(4,441,000)	(504,000)
	12/31/2007	Assumption change	8,305,000	26	8,820,000	545,000
	12/31/2008	Actuarial (gain) or loss	10,802,000	12	10,122,000	1,072,000
	12/31/2009	Inclusion of Premium Pay	4,691,000	23	4,782,000	318,000
	12/31/2009	Actuarial (gain) or loss	14,681,000	13	14,136,000	1,407,000
	12/31/2010	Reallocation of assets	(9,260,000)	23	(9,342,000)	(621,000)
	12/31/2010	Actuarial (gain) or loss	(5,915,000)	14	(5,819,000)	(547,000)
	12/31/2011	Actuarial (gain) or loss	6,993,000	15	6,993,000	625,000
	12/31/2011	Assumption change	15,224,000	30	15,224,000	867,000
Subtotal					$88,521,000	$6,276,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #2 – 2.7% at 55, 1.62% at 65 and 2.0% at 57						
	12/31/2004	Restart amortization	$1,303,159,000	23	$1,427,867,000	$94,979,000
	12/31/2005	Actuarial (gain) or loss	85,000,000	9	70,055,000	9,384,000
	12/31/2006	Actuarial (gain) or loss	(18,810,000)	10	(16,332,000)	(2,004,000)
	12/31/2007	Actuarial (gain) or loss	9,539,000	11	8,639,000	981,000
	12/31/2007	Assumption change	68,025,000	26	72,245,000	4,461,000
	12/31/2008	Actuarial (gain) or loss	215,870,000	12	202,282,000	21,428,000
	12/31/2008	Assumption change	106,699,000	27	111,824,000	6,754,000
	12/31/2009	Inclusion of Premium Pay	53,005,000	23	54,037,000	3,594,000
	12/31/2009	Actuarial (gain) or loss	193,173,000	13	186,005,000	18,508,000
	12/31/2010	Reallocation of assets	69,988,000	23	70,609,000	4,697,000
	12/31/2010	Actuarial (gain) or loss	25,794,000	14	25,374,000	2,385,000
	12/31/2011	Actuarial (gain) or loss	210,577,000	15	210,577,000	18,796,000
	12/31/2011	Assumption change	312,871,000	30	312,871,000	17,822,000
Subtotal					$2,736,053,000	$201,785,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #3 – 2.5% at 55 and 1.64% at 57						
	12/31/2004	Restart amortization	$67,595,000	23	$74,064,000	$4,927,000
	12/31/2005	Actuarial (gain) or loss	9,864,000	9	8,130,000	1,089,000
	12/31/2006	Actuarial (gain) or loss	2,158,000	10	1,874,000	230,000
	12/31/2007	Actuarial (gain) or loss	(615,000)	11	(557,000)	(63,000)
	12/31/2007	Assumption change	7,781,000	26	8,264,000	510,000
	12/31/2008	Actuarial (gain) or loss	8,401,000	12	7,872,000	834,000
	12/31/2008	Assumption change	6,562,000	27	6,877,000	415,000
	12/31/2009	Inclusion of Premium Pay	8,458,000	23	8,623,000	574,000
	12/31/2009	Actuarial (gain) or loss	8,728,000	13	8,404,000	836,000
	12/31/2010	Reallocation of assets	(4,134,000)	23	(4,171,000)	(277,000)
	12/31/2010	Actuarial (gain) or loss	15,234,000	14	14,986,000	1,409,000
	12/31/2011	Actuarial (gain) or loss	19,474,000	15	19,474,000	1,738,000
	12/31/2011	Assumption change	15,300,000	30	15,300,000	872,000
Subtotal					$169,140,000	$13,094,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #5 – OCTA						
	12/31/2004	Restart amortization	$70,302,000	23	$77,030,000	$5,124,000
	12/31/2005	Actuarial (gain) or loss	1,340,000	9	1,104,000	148,000
	12/31/2006	Actuarial (gain) or loss	(5,778,000)	10	(5,017,000)	(616,000)
	12/31/2007	Actuarial (gain) or loss	(12,467,000)	11	(11,291,000)	(1,282,000)
	12/31/2007	Assumption change	11,504,000	26	12,218,000	754,000
	12/31/2008	Actuarial (gain) or loss	24,594,000	12	23,046,000	2,441,000
	12/31/2009	Inclusion of Premium Pay	26,400,000	23	26,914,000	1,790,000
	12/31/2009	Actuarial (gain) or loss	22,306,000	13	21,478,000	2,137,000
	12/31/2010	Reallocation of assets	95,000	23	96,000	6,000
	12/31/2010	Actuarial (gain) or loss	(2,073,000)	14	(2,039,000)	(192,000)
	12/31/2011	Actuarial (gain) or loss	20,064,000	15	20,064,000	1,791,000
	12/31/2011	Assumption change	19,530,000	30	19,530,000	1,113,000
Subtotal					$183,133,000	$13,214,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #9 – TCA						
	12/31/2004	Restart amortization	$6,061,000	23	$6,641,000	$442,000
	12/31/2005	Actuarial (gain) or loss	(250,000)	9	(206,000)	(28,000)
	12/31/2006	Actuarial (gain) or loss	(319,000)	10	(277,000)	(34,000)
	12/31/2007	Actuarial (gain) or loss	(149,000)	11	(135,000)	(15,000)
	12/31/2007	Assumption change	312,000	26	331,000	20,000
	12/31/2008	Actuarial (gain) or loss	578,000	12	542,000	57,000
	12/31/2008	Assumption change	172,000	27	180,000	11,000
	12/31/2009	Inclusion of Premium Pay	697,000	23	711,000	47,000
	12/31/2009	Actuarial (gain) or loss	1,071,000	13	1,031,000	103,000
	12/31/2010	Reallocation of assets	436,000	23	440,000	29,000
	12/31/2010	Actuarial (gain) or loss	(496,000)	14	(488,000)	(46,000)
	12/31/2011	Actuarial (gain) or loss	(350,000)	15	(350,000)	(31,000)
	12/31/2011	Assumption change	908,000	30	908,000	52,000
Subtotal					$9,328,000	$607,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #10 – OCFA – 2.7% at 55 and 2.0% at 55						
	12/31/2004	Restart amortization	$28,348,000	23	$31,061,000	$2,066,000
	12/31/2005	Actuarial (gain) or loss	1,849,000	9	1,524,000	204,000
	12/31/2006	Actuarial (gain) or loss	4,362,000	10	3,787,000	465,000
	12/31/2007	Actuarial (gain) or loss	(3,010,000)	11	(2,726,000)	(310,000)
	12/31/2007	Assumption change	2,975,000	26	3,160,000	195,000
	12/31/2008	Actuarial (gain) or loss	1,347,000	12	1,262,000	134,000
	12/31/2008	Assumption change	2,318,000	27	2,429,000	147,000
	12/31/2009	Inclusion of Premium Pay	2,955,000	23	3,013,000	200,000
	12/31/2009	Actuarial (gain) or loss	3,276,000	13	3,154,000	314,000
	12/31/2010	Reallocation of assets	(883,000)	23	(891,000)	(59,000)
	12/31/2010	Actuarial (gain) or loss	803,000	14	790,000	74,000
	12/31/2011	Actuarial (gain) or loss	7,465,000	15	7,465,000	666,000
	12/31/2011	Assumption change	4,710,000	30	4,710,000	268,000
Subtotal					$58,738,000	$4,364,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #11 – Cemetery District						
	12/31/2004	Restart amortization	$679,000	23	$744,000	$49,000
	12/31/2005	Actuarial (gain) or loss	(62,000)	9	(51,000)	(7,000)
	12/31/2006	Actuarial (gain) or loss	43,000	10	37,000	5,000
	12/31/2007	Actuarial (gain) or loss	83,000	11	75,000	9,000
	12/31/2007	Assumption change	25,000	26	27,000	2,000
	12/31/2008	Actuarial (gain) or loss	212,000	12	199,000	21,000
	12/31/2008	Assumption change	13,000	27	14,000	1,000
	12/31/2009	Inclusion of Premium Pay	9,000	23	9,000	1,000
	12/31/2009	Actuarial (gain) or loss	(37,000)	13	(36,000)	(4,000)
	12/31/2010	Reallocation of assets	(97,000)	23	(98,000)	(7,000)
	12/31/2010	Actuarial (gain) or loss	110,000	14	108,000	10,000
	12/31/2011	Actuarial (gain) or loss	104,000	15	104,000	9,000
	12/31/2011	Assumption change	217,000	30	217,000	12,000
Subtotal					$1,349,000	$101,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Safety Members						
Rate Group #6 – Probation Officers						
	12/31/2004	Restart amortization	$82,839,000	23	$90,766,000	$6,038,000
	12/31/2005	Actuarial (gain) or loss	10,520,000	9	8,670,000	1,161,000
	12/31/2006	Actuarial (gain) or loss	2,531,000	10	2,198,000	270,000
	12/31/2007	Actuarial (gain) or loss	(1,866,000)	11	(1,690,000)	(192,000)
	12/31/2007	Assumption change	12,945,000	26	13,748,000	849,000
	12/31/2008	Actuarial (gain) or loss	13,162,000	12	12,334,000	1,307,000
	12/31/2009	Inclusion of Premium Pay	1,793,000	23	1,828,000	122,000
	12/31/2009	Actuarial (gain) or loss	4,017,000	13	3,868,000	385,000
	12/31/2010	Reallocation of assets	8,698,000	23	8,775,000	584,000
	12/31/2010	Actuarial (gain) or loss	(404,000)	14	(397,000)	(37,000)
	12/31/2011	Actuarial (gain) or loss	7,523,000	15	7,523,000	671,000
	12/31/2011	Assumption change	75,000	30	75,000	4,000
Subtotal					$147,698,000	$11,162,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #7 – Law Enforcement – 3.0% at 50 and 3.0% at 55						
	12/31/2004	Restart amortization	$409,515,000	23	$448,704,000	$29,847,000
	12/31/2005	Actuarial (gain) or loss	1,092,000	9	900,000	121,000
	12/31/2006	Actuarial (gain) or loss	(18,681,000)	10	(16,220,000)	(1,990,000)
	12/31/2007	Actuarial (gain) or loss	(5,815,000)	11	(5,267,000)	(598,000)
	12/31/2007	Assumption change	88,601,000	26	94,097,000	5,810,000
	12/31/2008	Actuarial (gain) or loss	94,542,000	12	88,591,000	9,384,000
	12/31/2009	Inclusion of Premium Pay	67,939,000	23	69,262,000	4,607,000
	12/31/2009	Actuarial (gain) or loss	46,476,000	13	44,751,000	4,453,000
	12/31/2010	Reallocation of assets	(21,907,000)	23	(22,101,000)	(1,470,000)
	12/31/2010	Actuarial (gain) or loss	5,638,000	14	5,546,000	521,000
	12/31/2011	Actuarial (gain) or loss	42,226,000	15	42,226,000	3,769,000
	12/31/2011	Assumption change	7,424,000	30	7,424,000	423,000
Subtotal					$757,913,000	$54,877,000

Rate Groups	Date Established	Source	Initial Base	Years Remaining	Remaining Base	Amortization Amount
Rate Group #8 – Fire Authority – 3.0% at 50 and 3.0% at 55						
	12/31/2004	Restart amortization	$144,849,000	23	$158,711,000	$10,557,000
	12/31/2005	Actuarial (gain) or loss	2,796,000	9	2,304,000	309,000
	12/31/2006	Actuarial (gain) or loss	(4,791,000)	10	(4,160,000)	(511,000)
	12/31/2007	Actuarial (gain) or loss	2,047,000	11	1,854,000	211,000
	12/31/2007	Assumption change	36,674,000	26	38,949,000	2,405,000
	12/31/2008	Actuarial (gain) or loss	44,714,000	12	41,899,000	4,438,000
	12/31/2009	Inclusion of Premium Pay	79,778,000	23	81,331,000	5,410,000
	12/31/2009	Actuarial (gain) or loss	27,735,000	13	26,706,000	2,657,000
	12/31/2010	Reallocation of assets	(42,936,000)	23	(43,317,000)	(2,881,000)
	12/31/2010	Actuarial (gain) or loss	(5,353,000)	14	(5,266,000)	(495,000)
	12/31/2011	Actuarial (gain) or loss	20,158,000	15	20,158,000	1,799,000
	12/31/2011	Assumption change	(12,419,000)	30	(12,419,000)	(707,000)
Subtotal					$306,750,000	$23,192,000
Grand Total					$4,458,623,000	$328,672,000

Appendix B

Member Contribution Rates

General Tier 1 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)

Calculated Under Recommended Assumptions

	Plan I (2.7% @ 55 Non-OCFA)		Plan G (2.5% @ 55)		Plan M (2.0% @ 55)*		Plan A (OCTA)	
Entry Age	Normal	Total	Normal	Total	Normal	Total	Normal	Total
15	6.44%	8.84%	6.44%	8.72%	4.64%	6.64%	2.78%	4.55%
16	6.44%	8.84%	6.44%	8.72%	4.64%	6.64%	2.78%	4.55%
17	6.56%	8.99%	6.56%	8.87%	4.72%	6.75%	2.83%	4.63%
18	6.67%	9.15%	6.67%	9.02%	4.80%	6.87%	2.88%	4.72%
19	6.78%	9.31%	6.78%	9.18%	4.89%	6.99%	2.93%	4.80%
20	6.90%	9.47%	6.90%	9.34%	4.97%	7.12%	2.98%	4.88%
21	7.02%	9.63%	7.02%	9.50%	5.06%	7.24%	3.03%	4.97%
22	7.14%	9.80%	7.14%	9.66%	5.14%	7.36%	3.09%	5.05%
23	7.27%	9.97%	7.27%	9.83%	5.23%	7.49%	3.14%	5.14%
24	7.39%	10.14%	7.39%	10.00%	5.32%	7.62%	3.19%	5.23%
25	7.52%	10.31%	7.52%	10.17%	5.42%	7.75%	3.25%	5.32%
26	7.65%	10.49%	7.65%	10.35%	5.51%	7.89%	3.31%	5.41%
27	7.78%	10.67%	7.78%	10.53%	5.61%	8.02%	3.36%	5.51%
28	7.92%	10.86%	7.92%	10.71%	5.70%	8.16%	3.42%	5.60%
29	8.05%	11.05%	8.05%	10.89%	5.80%	8.30%	3.48%	5.70%
30	8.19%	11.24%	8.19%	11.08%	5.90%	8.45%	3.54%	5.80%
31	8.34%	11.43%	8.34%	11.28%	6.00%	8.59%	3.60%	5.90%
32	8.48%	11.64%	8.48%	11.48%	6.11%	8.74%	3.66%	6.00%
33	8.63%	11.84%	8.63%	11.68%	6.21%	8.89%	3.73%	6.10%
34	8.79%	12.05%	8.79%	11.89%	6.32%	9.05%	3.79%	6.21%
35	8.94%	12.27%	8.94%	12.10%	6.43%	9.21%	3.86%	6.32%
36	9.11%	12.49%	9.11%	12.32%	6.54%	9.37%	3.93%	6.43%
37	9.27%	12.72%	9.27%	12.55%	6.66%	9.53%	3.99%	6.54%
38	9.45%	12.96%	9.45%	12.78%	6.78%	9.70%	4.07%	6.66%
39	9.60%	13.17%	9.60%	12.99%	6.90%	9.87%	4.14%	6.77%

General Tier 1 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan I (2.7% @ 55 Non-OCFA)		Plan G (2.5% @ 55)		Plan M (2.0% @ 55)*		Plan A (OCTA)	
Entry Age	Normal	Total	Normal	Total	Normal	Total	Normal	Total
40	9.77%	13.40%	9.77%	13.21%	7.02%	10.05%	4.21%	6.90%
41	9.94%	13.63%	9.94%	13.44%	7.15%	10.23%	4.29%	7.02%
42	10.11%	13.87%	10.11%	13.68%	7.28%	10.42%	4.37%	7.15%
43	10.30%	14.13%	10.30%	13.94%	7.41%	10.61%	4.45%	7.28%
44	10.50%	14.40%	10.50%	14.21%	7.54%	10.79%	4.52%	7.40%
45	10.72%	14.70%	10.72%	14.50%	7.67%	10.97%	4.60%	7.53%
46	10.93%	14.99%	10.93%	14.78%	7.80%	11.16%	4.68%	7.66%
47	11.13%	15.27%	11.13%	15.06%	7.94%	11.36%	4.76%	7.80%
48	11.35%	15.56%	11.35%	15.35%	8.08%	11.57%	4.85%	7.94%
49	11.49%	15.76%	11.49%	15.55%	8.24%	11.80%	4.94%	8.09%
50	11.57%	15.87%	11.57%	15.65%	8.41%	12.04%	5.05%	8.26%
51	11.58%	15.88%	11.58%	15.66%	8.58%	12.28%	5.15%	8.42%
52	11.53%	15.81%	11.53%	15.59%	8.74%	12.51%	5.24%	8.58%
53	11.42%	15.67%	11.42%	15.45%	8.91%	12.75%	5.34%	8.75%
54	11.12%	15.25%	11.12%	15.05%	9.02%	12.91%	5.41%	8.86%
55	11.12%	15.25%	11.12%	15.05%	9.08%	13.00%	5.45%	8.92%
56	11.12%	15.25%	11.12%	15.05%	9.09%	13.01%	5.45%	8.93%
57	11.12%	15.25%	11.12%	15.05%	9.05%	12.95%	5.43%	8.89%
58	11.12%	15.25%	11.12%	15.05%	8.97%	12.83%	5.38%	8.81%
59	11.12%	15.25%	11.12%	15.05%	8.73%	12.50%	5.24%	8.57%
60	11.12%	15.25%	11.12%	15.05%	8.73%	12.50%	5.24%	8.57%
COLA Loading:		*37.16%*		*35.28%*		*43.15%*		*63.70%*

Interest: *7.75%*
Salary Increases: *See Exhibit IV, page 65*
Mortality: *See Exhibit IV, page 59*

* Payable by members in Rate Group #9 and Rate Group #11.

General Tier 1 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll) Calculated Under Recommended Assumptions

	Plan A (Non-OCTA)		Plan I (2.7% @ 55 OCFA)	
Entry Age	Normal	Total	Normal	Total
15	2.78%	4.40%	6.44%	8.87%
16	2.78%	4.40%	6.44%	8.87%
17	2.83%	4.47%	6.56%	9.02%
18	2.88%	4.55%	6.67%	9.18%
19	2.93%	4.63%	6.78%	9.34%
20	2.98%	4.71%	6.90%	9.50%
21	3.03%	4.80%	7.02%	9.66%
22	3.09%	4.88%	7.14%	9.83%
23	3.14%	4.96%	7.27%	10.00%
24	3.19%	5.05%	7.39%	10.17%
25	3.25%	5.14%	7.52%	10.35%
26	3.31%	5.23%	7.65%	10.53%
27	3.36%	5.32%	7.78%	10.71%
28	3.42%	5.41%	7.92%	10.89%
29	3.48%	5.50%	8.05%	11.08%
30	3.54%	5.60%	8.19%	11.28%
31	3.60%	5.69%	8.34%	11.47%
32	3.66%	5.79%	8.48%	11.68%
33	3.73%	5.89%	8.63%	11.88%
34	3.79%	5.99%	8.79%	12.09%
35	3.86%	6.10%	8.94%	12.31%
36	3.93%	6.20%	9.11%	12.53%
37	3.99%	6.31%	9.27%	12.76%
38	4.07%	6.43%	9.45%	13.00%
39	4.14%	6.54%	9.60%	13.22%
40	4.21%	6.66%	9.77%	13.44%
41	4.29%	6.78%	9.94%	13.68%
42	4.37%	6.90%	10.11%	13.92%

General Tier 1 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan A (Non-OCTA)		Plan I (2.7% @ 55 OCFA)	
Entry Age	**Normal**	**Total**	**Normal**	**Total**
43	4.45%	7.03%	10.30%	14.18%
44	4.52%	7.15%	10.50%	14.45%
45	4.60%	7.27%	10.72%	14.75%
46	4.68%	7.40%	10.93%	15.04%
47	4.76%	7.53%	11.13%	15.32%
48	4.85%	7.67%	11.35%	15.62%
49	4.94%	7.82%	11.49%	15.82%
50	5.05%	7.98%	11.57%	15.92%
51	5.15%	8.13%	11.58%	15.94%
52	5.24%	8.29%	11.53%	15.86%
53	5.34%	8.45%	11.42%	15.72%
54	5.41%	8.55%	11.12%	15.31%
55	5.45%	8.61%	11.12%	15.31%
56	5.45%	8.62%	11.12%	15.31%
57	5.43%	8.58%	11.12%	15.31%
58	5.38%	8.50%	11.12%	15.31%
59	5.24%	8.28%	11.12%	15.31%
60	5.24%	8.28%	11.12%	15.31%
COLA Loading:		*58.05%*		*37.63%*

Interest: *7.75%*
Salary Increases: *See Exhibit IV, page 65*
Mortality: *See Exhibit IV, page 59*

General Tier 2 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan J (2.7% @ 55 non-OCFA)		Plan H (2.5% @ 55)		Plan N (2.0% @ 55)*		Plan B (OCTA)		Plan B (non-OCTA, non-OCSD)	
Entry Age	Normal	Total	Normal	Total	Normal	Total	Normal	Total	Normal	Total
15	6.16%	8.44%	6.16%	8.33%	4.43%	6.34%	4.43%	6.12%	4.43%	5.97%
16	6.16%	8.44%	6.16%	8.33%	4.43%	6.34%	4.43%	6.12%	4.43%	5.97%
17	6.26%	8.59%	6.26%	8.47%	4.51%	6.45%	4.51%	6.23%	4.51%	6.08%
18	6.37%	8.74%	6.37%	8.62%	4.59%	6.57%	4.59%	6.34%	4.59%	6.18%
19	6.48%	8.89%	6.48%	8.77%	4.67%	6.68%	4.67%	6.45%	4.67%	6.29%
20	6.59%	9.04%	6.59%	8.92%	4.75%	6.80%	4.75%	6.56%	4.75%	6.40%
21	6.71%	9.20%	6.71%	9.07%	4.83%	6.92%	4.83%	6.68%	4.83%	6.51%
22	6.82%	9.36%	6.82%	9.23%	4.92%	7.04%	4.92%	6.79%	4.92%	6.63%
23	6.94%	9.52%	6.94%	9.39%	5.00%	7.16%	5.00%	6.91%	5.00%	6.74%
24	7.06%	9.69%	7.06%	9.55%	5.09%	7.28%	5.09%	7.03%	5.09%	6.86%
25	7.18%	9.85%	7.18%	9.72%	5.18%	7.41%	5.18%	7.15%	5.18%	6.98%
26	7.31%	10.02%	7.31%	9.89%	5.26%	7.54%	5.26%	7.28%	5.26%	7.10%
27	7.43%	10.20%	7.43%	10.06%	5.36%	7.67%	5.36%	7.40%	5.36%	7.22%
28	7.56%	10.37%	7.56%	10.23%	5.45%	7.80%	5.45%	7.53%	5.45%	7.35%
29	7.69%	10.55%	7.69%	10.41%	5.54%	7.93%	5.54%	7.66%	5.54%	7.47%
30	7.83%	10.74%	7.83%	10.59%	5.64%	8.07%	5.64%	7.79%	5.64%	7.60%
31	7.96%	10.92%	7.96%	10.77%	5.74%	8.21%	5.74%	7.93%	5.74%	7.73%
32	8.10%	11.12%	8.10%	10.96%	5.83%	8.35%	5.83%	8.06%	5.83%	7.87%
33	8.25%	11.31%	8.25%	11.16%	5.94%	8.50%	5.94%	8.20%	5.94%	8.00%
34	8.39%	11.51%	8.39%	11.36%	6.04%	8.64%	6.04%	8.35%	6.04%	8.14%
35	8.54%	11.72%	8.54%	11.56%	6.14%	8.79%	6.14%	8.49%	6.14%	8.28%
36	8.70%	11.93%	8.70%	11.77%	6.25%	8.95%	6.25%	8.64%	6.25%	8.43%
37	8.85%	12.14%	8.85%	11.98%	6.36%	9.11%	6.36%	8.79%	6.36%	8.58%
38	9.00%	12.35%	9.00%	12.18%	6.47%	9.27%	6.47%	8.95%	6.47%	8.73%
39	9.15%	12.56%	9.15%	12.38%	6.59%	9.43%	6.59%	9.11%	6.59%	8.88%
40	9.31%	12.77%	9.31%	12.59%	6.71%	9.60%	6.71%	9.27%	6.71%	9.04%
41	9.47%	12.99%	9.47%	12.81%	6.83%	9.77%	6.83%	9.44%	6.83%	9.21%
42	9.64%	13.22%	9.64%	13.04%	6.95%	9.95%	6.95%	9.60%	6.95%	9.37%

General Tier 2 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan J (2.7% @ 55 non-OCFA)		Plan H (2.5% @ 55)		Plan N (2.0% @ 55)*		Plan B (OCTA)		Plan B (non-OCTA, non-OCSD)	
Entry Age	Normal	Total	Normal	Normal	Normal	Total	Normal	Total	Normal	Total
43	9.82%	13.47%	9.82%	13.28%	7.07%	10.12%	7.07%	9.77%	7.07%	9.53%
44	10.00%	13.72%	10.00%	13.53%	7.18%	10.29%	7.18%	9.93%	7.18%	9.69%
45	10.18%	13.97%	10.18%	13.77%	7.31%	10.46%	7.31%	10.10%	7.31%	9.85%
46	10.36%	14.21%	10.36%	14.01%	7.43%	10.64%	7.43%	10.27%	7.43%	10.02%
47	10.51%	14.41%	10.51%	14.22%	7.57%	10.83%	7.57%	10.46%	7.57%	10.20%
48	10.61%	14.56%	10.61%	14.36%	7.71%	11.03%	7.71%	10.65%	7.71%	10.39%
49	10.66%	14.61%	10.66%	14.41%	7.85%	11.24%	7.85%	10.85%	7.85%	10.58%
50	10.63%	14.59%	10.63%	14.39%	7.99%	11.44%	7.99%	11.05%	7.99%	10.78%
51	10.55%	14.47%	10.55%	14.28%	8.13%	11.64%	8.13%	11.24%	8.13%	10.96%
52	10.36%	14.21%	10.36%	14.02%	8.25%	11.81%	8.25%	11.40%	8.25%	11.12%
53	10.73%	14.72%	10.73%	14.52%	8.33%	11.92%	8.33%	11.51%	8.33%	11.23%
54	11.12%	15.25%	11.12%	15.05%	8.36%	11.97%	8.36%	11.56%	8.36%	11.28%
55	11.12%	15.25%	11.12%	15.05%	8.35%	11.95%	8.35%	11.54%	8.35%	11.25%
56	11.12%	15.25%	11.12%	15.05%	8.28%	11.86%	8.28%	11.45%	8.28%	11.17%
57	11.12%	15.25%	11.12%	15.05%	8.13%	11.64%	8.13%	11.24%	8.13%	10.96%
58	11.12%	15.25%	11.12%	15.05%	8.42%	12.06%	8.42%	11.64%	8.42%	11.36%
59	11.12%	15.25%	11.12%	15.05%	8.73%	12.50%	8.73%	12.06%	8.73%	11.77%
60	11.12%	15.25%	11.12%	15.05%	8.73%	12.50%	8.73%	12.06%	8.73%	11.77%
COLA Loading:		*37.16%*		*35.28%*		*43.15%*		*38.22%*		*34.83%*

Interest: *7.75%*
Salary Increases: *See Exhibit IV, page 65*
Mortality: *See Exhibit IV, page 59*

* Payable by members in Rate Group #9 and Rate Group #11.

General Tier 2 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan J (2.7% @ 55 OCFA)		Plan P (1.62% @ 65)		Plan B (OCSD)		Plan N (OCFA)		Plan S (City of SJC)	
Entry Age	Normal	Total	Normal	Total	Normal	Total	Normal	Total	Normal	Total
15	6.16%	8.47%	4.43%	5.52%	4.43%	6.11%	4.43%	6.54%	5.32%	7.20%
16	6.16%	8.47%	4.43%	5.52%	4.43%	6.11%	4.43%	6.54%	5.32%	7.20%
17	6.26%	8.62%	4.51%	5.62%	4.51%	6.22%	4.51%	6.65%	5.41%	7.33%
18	6.37%	8.77%	4.59%	5.72%	4.59%	6.33%	4.59%	6.77%	5.50%	7.46%
19	6.48%	8.92%	4.67%	5.82%	4.67%	6.44%	4.67%	6.89%	5.60%	7.59%
20	6.59%	9.07%	4.75%	5.92%	4.75%	6.55%	4.75%	7.01%	5.70%	7.72%
21	6.71%	9.23%	4.83%	6.02%	4.83%	6.67%	4.83%	7.13%	5.80%	7.85%
22	6.82%	9.39%	4.92%	6.13%	4.92%	6.78%	4.92%	7.25%	5.90%	7.99%
23	6.94%	9.55%	5.00%	6.23%	5.00%	6.90%	5.00%	7.38%	6.00%	8.13%
24	7.06%	9.72%	5.09%	6.34%	5.09%	7.02%	5.09%	7.51%	6.10%	8.27%
25	7.18%	9.89%	5.18%	6.45%	5.18%	7.14%	5.18%	7.64%	6.21%	8.41%
26	7.31%	10.06%	5.26%	6.56%	5.26%	7.26%	5.26%	7.77%	6.32%	8.56%
27	7.43%	10.23%	5.36%	6.68%	5.36%	7.39%	5.36%	7.90%	6.43%	8.71%
28	7.56%	10.41%	5.45%	6.79%	5.45%	7.52%	5.45%	8.04%	6.54%	8.86%
29	7.69%	10.59%	5.54%	6.91%	5.54%	7.65%	5.54%	8.18%	6.65%	9.01%
30	7.83%	10.77%	5.64%	7.03%	5.64%	7.78%	5.64%	8.32%	6.77%	9.16%
31	7.96%	10.96%	5.74%	7.15%	5.74%	7.91%	5.74%	8.46%	6.88%	9.32%
32	8.10%	11.15%	5.83%	7.27%	5.83%	8.05%	5.83%	8.61%	7.00%	9.48%
33	8.25%	11.35%	5.94%	7.40%	5.94%	8.19%	5.94%	8.76%	7.12%	9.65%
34	8.39%	11.55%	6.04%	7.53%	6.04%	8.33%	6.04%	8.91%	7.25%	9.82%
35	8.54%	11.76%	6.14%	7.66%	6.14%	8.48%	6.14%	9.06%	7.37%	9.99%
36	8.70%	11.97%	6.25%	7.79%	6.25%	8.62%	6.25%	9.22%	7.50%	10.16%
37	8.85%	12.18%	6.36%	7.93%	6.36%	8.78%	6.36%	9.38%	7.63%	10.34%
38	9.00%	12.39%	6.47%	8.07%	6.47%	8.93%	6.47%	9.55%	7.77%	10.52%
39	9.15%	12.60%	6.59%	8.21%	6.59%	9.09%	6.59%	9.72%	7.91%	10.71%
40	9.31%	12.81%	6.71%	8.36%	6.71%	9.25%	6.71%	9.89%	8.05%	10.90%
41	9.47%	13.04%	6.83%	8.51%	6.83%	9.42%	6.83%	10.07%	8.19%	11.10%
42	9.64%	13.27%	6.95%	8.66%	6.95%	9.59%	6.95%	10.25%	8.34%	11.29%

General Tier 2 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan J (2.7% @ 55 OCFA)		Plan P (1.62% @ 65)		Plan B (OCSD)		Plan N (OCFA)		Plan S (City of SJC)	
Entry Age	Normal	Total	Normal	Normal	Normal	Total	Normal	Total	Normal	Total
43	9.82%	13.51%	7.07%	8.81%	7.07%	9.75%	7.07%	10.43%	8.48%	11.49%
44	10.00%	13.76%	7.18%	8.96%	7.18%	9.91%	7.18%	10.60%	8.62%	11.68%
45	10.18%	14.01%	7.31%	9.11%	7.31%	10.08%	7.31%	10.78%	8.77%	11.88%
46	10.36%	14.26%	7.43%	9.27%	7.43%	10.26%	7.43%	10.97%	8.92%	12.08%
47	10.51%	14.46%	7.57%	9.43%	7.57%	10.44%	7.57%	11.16%	9.08%	12.30%
48	10.61%	14.61%	7.71%	9.61%	7.71%	10.63%	7.71%	11.37%	9.25%	12.53%
49	10.66%	14.66%	7.85%	9.79%	7.85%	10.83%	7.85%	11.58%	9.42%	12.76%
50	10.63%	14.64%	7.99%	9.96%	7.99%	11.03%	7.99%	11.79%	9.59%	12.99%
51	10.55%	14.52%	8.13%	10.14%	8.13%	11.22%	8.13%	11.99%	9.76%	13.22%
52	10.36%	14.26%	8.25%	10.28%	8.25%	11.38%	8.25%	12.17%	9.90%	13.41%
53	10.73%	14.77%	8.33%	10.39%	8.33%	11.49%	8.33%	12.29%	10.00%	13.54%
54	11.12%	15.31%	8.36%	10.43%	8.36%	11.54%	8.36%	12.34%	10.04%	13.59%
55	11.12%	15.31%	8.35%	10.41%	8.35%	11.51%	8.35%	12.31%	10.02%	13.57%
56	11.12%	15.31%	8.28%	10.33%	8.28%	11.43%	8.28%	12.22%	9.94%	13.46%
57	11.12%	15.31%	8.13%	10.14%	8.13%	11.22%	8.13%	12.00%	9.76%	13.22%
58	11.12%	15.31%	8.42%	10.50%	8.42%	11.62%	8.42%	12.43%	10.11%	13.69%
59	11.12%	15.31%	8.73%	10.88%	8.73%	12.04%	8.73%	12.88%	10.47%	14.19%
60	11.12%	15.31%	8.73%	10.88%	8.73%	12.04%	8.73%	12.88%	10.47%	14.19%
COLA Loading:		*37.63%*		*24.68%*		*37.96%*		*47.54%*		*35.46%*

Interest: *7.75%*
Salary Increases: *See Exhibit IV, page 65*
Mortality: *See Exhibit IV, page 59*

Safety Tier 1 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll) Calculated Under Recommended Assumptions

	Plan E (Fire Authority)		Plan E (Law Enforcement)		Plan E (Probation)	
Entry Age	Normal	Total	Normal	Total	Normal	Total
15	3.71%	8.38%	3.71%	8.37%	3.71%	7.76%
16	3.71%	8.38%	3.71%	8.37%	3.71%	7.76%
17	3.77%	8.53%	3.77%	8.52%	3.77%	7.89%
18	3.84%	8.68%	3.84%	8.67%	3.84%	8.04%
19	3.91%	8.84%	3.91%	8.83%	3.91%	8.18%
20	3.98%	9.00%	3.98%	8.98%	3.98%	8.33%
21	4.05%	9.16%	4.05%	9.15%	4.05%	8.48%
22	4.12%	9.32%	4.12%	9.31%	4.12%	8.63%
23	4.20%	9.49%	4.20%	9.48%	4.20%	8.79%
24	4.28%	9.67%	4.28%	9.65%	4.28%	8.95%
25	4.35%	9.85%	4.35%	9.83%	4.35%	9.11%
26	4.44%	10.03%	4.44%	10.01%	4.44%	9.28%
27	4.52%	10.22%	4.52%	10.20%	4.52%	9.45%
28	4.60%	10.41%	4.60%	10.39%	4.60%	9.63%
29	4.69%	10.61%	4.69%	10.59%	4.69%	9.82%
30	4.78%	10.82%	4.78%	10.80%	4.78%	10.01%
31	4.88%	11.03%	4.88%	11.01%	4.88%	10.21%
32	4.98%	11.26%	4.98%	11.24%	4.98%	10.42%
33	5.08%	11.49%	5.08%	11.47%	5.08%	10.63%
34	5.17%	11.68%	5.17%	11.67%	5.17%	10.81%
35	5.26%	11.89%	5.26%	11.87%	5.26%	11.00%
36	5.35%	12.10%	5.35%	12.08%	5.35%	11.19%
37	5.45%	12.33%	5.45%	12.31%	5.45%	11.41%
38	5.56%	12.57%	5.56%	12.55%	5.56%	11.63%
39	5.68%	12.84%	5.68%	12.82%	5.68%	11.88%
40	5.78%	13.07%	5.78%	13.05%	5.78%	12.10%
41	5.90%	13.34%	5.90%	13.32%	5.90%	12.34%
42	5.98%	13.52%	5.98%	13.50%	5.98%	12.51%

Safety Tier 1 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll) Calculated Under Recommended Assumptions

	Plan E (Fire Authority)		Plan E (Law Enforcement)		Plan E (Probation)	
Entry Age	Normal	Total	Normal	Total	Normal	Total
43	6.07%	13.73%	6.07%	13.71%	6.07%	12.71%
44	6.14%	13.88%	6.14%	13.86%	6.14%	12.84%
45	6.17%	13.96%	6.17%	13.94%	6.17%	12.92%
46	6.13%	13.86%	6.13%	13.84%	6.13%	12.82%
47	6.06%	13.69%	6.06%	13.67%	6.06%	12.67%
48	5.97%	13.49%	5.97%	13.47%	5.97%	12.48%
49	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
50	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
51	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
52	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
53	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
54	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
55	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
56	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
57	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
58	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
59	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
60	5.71%	12.92%	5.71%	12.90%	5.71%	11.95%
COLA Loading:		*126.10%*		*125.76%*		*109.22%*

Interest: *7.75%*
Salary Increases: *See Exhibit IV, page 65*
Mortality: *See Exhibit IV, page 59*

Safety Tier 2 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan F (Fire Authority)		Plan F (Law Enforcement)		Plan F (Probation)		Plan R (Fire Authority)		Plan R (Law Enforcement)	
Entry Age	Normal	Total	Normal	Total	Normal	Total	Normal	Total	Normal	Total
15	7.08%	11.55%	7.08%	11.54%	7.08%	10.95%	7.08%	10.82%	7.08%	10.97%
16	7.08%	11.55%	7.08%	11.54%	7.08%	10.95%	7.08%	10.82%	7.08%	10.97%
17	7.21%	11.76%	7.21%	11.74%	7.21%	11.15%	7.21%	11.01%	7.21%	11.17%
18	7.34%	11.97%	7.34%	11.95%	7.34%	11.35%	7.34%	11.21%	7.34%	11.37%
19	7.47%	12.18%	7.47%	12.17%	7.47%	11.55%	7.47%	11.41%	7.47%	11.57%
20	7.60%	12.40%	7.60%	12.38%	7.60%	11.76%	7.60%	11.62%	7.60%	11.78%
21	7.74%	12.62%	7.74%	12.61%	7.74%	11.97%	7.74%	11.82%	7.74%	11.99%
22	7.88%	12.85%	7.88%	12.83%	7.88%	12.18%	7.88%	12.04%	7.88%	12.21%
23	8.02%	13.08%	8.02%	13.07%	8.02%	12.40%	8.02%	12.26%	8.02%	12.43%
24	8.17%	13.32%	8.17%	13.31%	8.17%	12.63%	8.17%	12.48%	8.17%	12.66%
25	8.32%	13.57%	8.32%	13.55%	8.32%	12.86%	8.32%	12.71%	8.32%	12.89%
26	8.47%	13.82%	8.47%	13.80%	8.47%	13.10%	8.47%	12.94%	8.47%	13.13%
27	8.63%	14.08%	8.63%	14.06%	8.63%	13.35%	8.63%	13.19%	8.63%	13.37%
28	8.80%	14.34%	8.80%	14.33%	8.80%	13.60%	8.80%	13.44%	8.80%	13.63%
29	8.97%	14.62%	8.97%	14.60%	8.97%	13.86%	8.97%	13.70%	8.97%	13.89%
30	9.14%	14.90%	9.14%	14.89%	9.14%	14.13%	9.14%	13.96%	9.14%	14.16%
31	9.32%	15.20%	9.32%	15.18%	9.32%	14.41%	9.32%	14.24%	9.32%	14.44%
32	9.50%	15.49%	9.50%	15.47%	9.50%	14.68%	9.50%	14.51%	9.50%	14.71%
33	9.67%	15.76%	9.67%	15.74%	9.67%	14.94%	9.67%	14.77%	9.67%	14.97%
34	9.83%	16.02%	9.83%	16.01%	9.83%	15.19%	9.83%	15.01%	9.83%	15.23%
35	10.00%	16.30%	10.00%	16.28%	10.00%	15.46%	10.00%	15.27%	10.00%	15.49%
36	10.18%	16.59%	10.18%	16.58%	10.18%	15.73%	10.18%	15.55%	10.18%	15.77%
37	10.37%	16.90%	10.37%	16.89%	10.37%	16.03%	10.37%	15.84%	10.37%	16.06%
38	10.56%	17.21%	10.56%	17.20%	10.56%	16.32%	10.56%	16.13%	10.56%	16.36%
39	10.75%	17.53%	10.75%	17.51%	10.75%	16.62%	10.75%	16.42%	10.75%	16.65%
40	10.91%	17.79%	10.91%	17.77%	10.91%	16.87%	10.91%	16.67%	10.91%	16.91%
41	11.07%	18.04%	11.07%	18.03%	11.07%	17.11%	11.07%	16.91%	11.07%	17.14%
42	11.18%	18.23%	11.18%	18.21%	11.18%	17.29%	11.18%	17.08%	11.18%	17.32%
43	11.26%	18.36%	11.26%	18.34%	11.26%	17.41%	11.26%	17.20%	11.26%	17.45%
44	11.25%	18.35%	11.25%	18.33%	11.25%	17.40%	11.25%	17.19%	11.25%	17.43%

Safety Tier 2 Members' Contribution Rates from the December 31, 2011 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)
Calculated Under Recommended Assumptions

	Plan F (Fire Authority)		Plan F (Law Enforcement)		Plan F (Probation)		Plan R (Fire Authority)		Plan R (Law Enforcement)	
Entry Age	Normal	Total	Normal	Total	Normal	Total	Normal	Total	Normal	Total
45	11.16%	18.19%	11.16%	18.17%	11.16%	17.25%	11.16%	17.04%	11.16%	17.28%
46	10.99%	17.91%	10.99%	17.89%	10.99%	16.99%	10.99%	16.78%	10.99%	17.02%
47	10.66%	17.38%	10.66%	17.36%	10.66%	16.48%	10.66%	16.29%	10.66%	16.52%
48	11.04%	17.99%	11.04%	17.97%	11.04%	17.06%	11.04%	16.86%	11.04%	17.10%
49	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
50	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
51	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
52	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
53	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
54	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
55	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
56	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
57	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
58	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
59	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
60	11.43%	18.63%	11.43%	18.61%	11.43%	17.67%	11.43%	17.46%	11.43%	17.70%
COLA Loading:		*63.05%*		*62.88%*		*54.61%*		*52.76%*		*54.92%*

Interest: *7.75%*
Salary Increases: *See Exhibit IV, page 65*
Mortality: *See Exhibit IV, page 59*

Appendix C
Funded Percentages

The funded percentages on a valuation value of assets basis by rate group provided for informational purposes only are as follows:

	Funded Percentage	
	December 31, 2011 Valuation	December 31, 2010 Valuation
General Members		
Rate Group #1 – Plans A and B (non-OCTA, non-OCSD)	76.89%	82.28%
Rate Group #2 – Plans I, J, O, P and S (2.7% @ 55, 1.62% @ 65 and 2.0% @ 57 combined)	65.02%	68.89%
Rate Group #3 – Plans B, G and H (2.5% @ 55 and 1.64% @ 57 combined)	63.22%	66.98%
Rate Group #5 – Plans A and B (OCTA)	72.20%	76.26%
Rate Group #9 – Plans M and N (TCA – 2.0% @ 55)	65.55%	65.74%
Rate Group #10 – Plans I, J, M and N (OCFA – 2.7% @ 55 and 2.0% @ 55 combined)	59.65%	64.38%
Rate Group #11 – Plans M and N, future service (Cemetery – 2.0% @ 55)	77.96%	81.53%
Safety Members		
Rate Group #6 – Plans E and F (Probation – 3.0% @ 50)	69.34%	67.52%
Rate Group #7 – Plans E, F, Q and R (Law Enforcement – 3.0% @ 50 and 3.0% @ 55 combined)	69.69%	70.23%
Rate Group #8 – Plans E, F, Q and R (Fire Authority – 3.0% @ 50 and 3.0% @ 55 combined)	70.46%	69.54%

Appendix D

Reconciliation of Employer Contribution Rates (by Rate Group)

The reconciliation of the employer contribution rates for the General rate groups are as follows:

	Rate Group						
	#1	#2	#3	#5	#9	#10	#11
Recommended Contribution Rate as of December 31, 2010	16.85%	28.34%	27.45%	20.96%	20.97%	27.95%	17.76%
Effect of investment loss	1.91%	2.04%	1.75%	1.81%	1.05%	1.53%	1.51%
Effect of actual individual salary increases more/(less) than expected[3]	-0.80%	-0.95%	-0.24%	-0.17%	-2.33%	-0.37%	-0.24%
Effect of growth in total payroll (more)/less than expected	-0.25%	0.81%	0.22%	0.45%	0.94%	-0.05%	-0.16%
Effect of full-time equivalent salary[3]	0.25%	-0.03%	-0.02%	0.08%	0.19%	-0.14%	0.01%
Effect of reclassification of retirees for automatic continuance benefits	0.13%	0.24%	0.17%	0.14%	0.00%	0.03%	0.28%
Effect of reclassification of active members	0.05%	0.06%	0.04%	0.00%	0.00%	0.21%	0.00%
Effect of changes in actuarial assumptions	1.68%	2.36%	1.66%	0.70%	1.04%	1.67%	1.27%
Effect of other experience (gain)/loss[1]	-0.88%[2]	0.08%	0.88%[2]	-0.32%	0.36%	1.90%[2]	-1.40%[2]
Subtotal	2.09%	4.61%	4.46%	2.69%	1.25%	4.78%	1.27%
Recommended Contribution Rate as of December 31, 2011	18.94%	32.95%	31.91%	23.65%	22.22%	32.73%	19.03%

(1) *Includes an adjustment to reflect 18-month delay between date of valuation and date of rate implementation.*

(2) *Effect of other experience (gain)/loss includes:*

Rate Group #1	*Turnover/Disability/ Mortality Gain*	*-0.32%*
Rate Group #3	*Retirement Loss*	*1.12%*
Rate Group #10	*Retirement Loss*	*1.19%*
	Santa Ana (NC)	*0.12%*
Rate Group #11	*Mortality Gain*	*-1.42%*

(3) *Relative to the results provided in our PowerPoint Presentation of the valuation, there is a reallocation between these two items so that the "effect of the full-time equivalent salary" only includes those members who are continuing to be reported as working less than full-time in both 2010 and 2011.*

Appendix D (Continued)

Reconciliation of Employer Contribution Rates (by Rate Group)

The reconciliation of the employer contribution rates for the Safety rate groups are as follows:

	Rate Group		
	#6	**#7**	**#8**
Recommended Contribution Rate as of December 31, 2010	36.29%	47.44%	45.46%
Effect of investment loss	2.03%	3.60%	2.48%
Effect of actual individual salary increases more/(less) than expected[3]	-1.23%	-1.60%	0.01%
Effect of growth in total payroll (more)/less than expected	0.78%	1.34%	-4.43%
Effect of full-time equivalent salary[3]	-0.10%	-0.05%	-0.04%
Effect of reclassification of retirees for automatic continuance benefits	0.06%	0.55%	0.13%
Effect of reclassification of active members	0.01%	0.01%	0.00%
Effect of changes in actuarial assumptions	-0.99%	-0.08%	-1.50%
Effect of other experience (gain)/loss[1]	-0.28%	-0.35%	1.04%[2]
Subtotal	0.28%	3.42%	-2.31%
Recommended Contribution Rate as of December 31, 2011	36.57%	50.86%	43.15%

(1) *Includes an adjustment to reflect 18-month delay between date of valuation and date of rate implementation.*

(2) *Effect of other experience (gain)/loss includes: Santa Ana (NC) 1.96%*

(3) *Relative to the results provided in our PowerPoint Presentation of the valuation, there is a reallocation between these two items so that the "effect of the full-time equivalent salary" only includes those members who are continuing to be reported as working less than full-time in both 2010 and 2011.*