

Alameda County Employees' Retirement Association

*Actuarial Valuation and Review
as of December 31, 2003*

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May 27, 2004

*Board of Retirement
Alameda County Employees' Retirement Association
475 – 14th Street, Suite 1000
Oakland, CA 94612*

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review as of December 31, 2003. It summarizes the actuarial data used in the valuation, establishes the funding requirements for fiscal 2004-2005 and analyzes the preceding year's experience.

The census information on which our calculations were based was prepared by the ACERA and the financial information was provided by the Retirement Office. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Andy Yeung, MAAA, Enrolled Actuary.

This actuarial valuation has been completed in accordance with generally accepted actuarial principles and practices. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate. Further, in our opinion, the assumptions as approved by the Board of Retirement are reasonably related to the experience of and the expectations for the Plan.

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

Sincerely,

THE SEGAL COMPANY

*By: _____
Andy Yeung, ASA, MAAA
Associate Actuary*

Drew James, FSA, MAAA
Actuary

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SECTION 1

VALUATION SUMMARY

Purpose	i
Significant Issues in Valuation Year.....	ii
Summary of Key Valuation Results.....	v
Summary of Key Valuation Demographic and Financial Data.....	vi

SECTION 2

VALUATION RESULTS

A. Member Data	1
B. Financial Information.....	4
C. Actuarial Experience.....	8
D. Employer and Member Contributions.....	13
E. Information Required by the GASB	21

SECTION 3

SUPPLEMENTAL INFORMATION

EXHIBIT A Table of Plan Coverage	
i. General Tier 1.....	22
ii. General Tier 2	23
iii. Safety Tier 1.....	24
iv. Safety Tier 2.....	25
EXHIBIT B Members in Active Service During Year Ended December 31, 2003	
i. General Tier 1.....	26
ii. General Tier 2	27
iii. Safety Tier 1.....	28
iv. Safety Tier 2.....	29
EXHIBIT C Reconciliation of Member Data – December 31, 2002 to December 31, 2003	30
EXHIBIT D Summary Statement of Income and Expenses on an Actuarial Value Basis.....	31
EXHIBIT E Table of Financial Information.....	32
EXHIBIT F Actuarial Balance Sheet.....	33
EXHIBIT G Summary of Reported Asset Infor- mation as of December 31, 2003.....	34
EXHIBIT H Development of Unfunded/(Overfunded) Actuarial Accrued Liability for Year Ended December 31, 2003	35
EXHIBIT I Section 415 Limitations.....	36
EXHIBIT J Definitions of Pension Terms	37

SECTION 4

REPORTING INFORMATION

EXHIBIT I Supplementary Information Required by the GASB – Schedule of Employer Contributions	39
EXHIBIT II Supplementary Information Required by the GASB – Schedule of Funding Progress.....	40
EXHIBIT III Supplementary Information Required by the GASB	41
EXHIBIT IV Actuarial Assumptions and Actuarial Cost Method.....	42
EXHIBIT V Summary of Plan Provisions.....	52
Appendix A Member Contribution Rates.....	58
i. General Tier 1.....	60
ii. General Tier 2.....	62
iii. Safety Tier 1	64
iv. Safety Tier 2.....	66
Appendix B Supplemental Schedules Required for the CAFR Report.....	68

SECTION 1: Valuation Summary for the Alameda County Employees' Retirement Association

Purpose

This report has been prepared by The Segal Company to present a valuation of the Alameda County Employees' Retirement Association as of December 31, 2003. 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 Association, as administered by the Board of Retirement. In particular, we assume in this report that all Safety members will continue to receive a benefit pursuant to Section 31664 (2% at 50).
- The characteristics of covered active members, inactive vested members, and retired members and beneficiaries as of November 30, 2003, provided by the Retirement Office;
- The assets of the Plan as of December 31, 2003, provided by the Retirement Office;
- Economic assumptions regarding future salary increases and investment earnings; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc.

We understand that the County has agreed to improve the benefit for Safety members pursuant to Section 31664.1 (3% at 50) effective January 1, 2005 (or the date when all the Safety employee organizations have settled their MOU's, if later). The rates associated with providing Safety benefits under Section 31664.1 is included in a separate special study report. Those rates would go into effect when the new benefits become effective.

Alameda County Employees' Retirement Association's basic financial goal is to establish contributions which fully fund the Association's liabilities, and which, 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 to evaluate the Association's assets, liabilities and future contribution requirements. Our calculations are based upon member data and financial information provided to us by the Association'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.

SECTION 1: Valuation Summary for the Alameda County Employees' Retirement Association

The contribution requirements are determined as a percentage of payroll. The Association'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 Association's entire unfunded actuarial accrued liability as of December 31, 2003 over a declining 29-year period. Also, we have continued the current 8% investment return assumption. The aggregate employer contribution rate calculated using the declining 29-year amortization period is 14.00% of payroll.

The rates calculated in this report may be adopted by the Board for the fiscal year that extends from July 1, 2004 through June 30, 2005, subject to increase when the new Safety member benefits are adopted.

Significant Issues in This Valuation

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

- The ratio of the valuation value of assets to actuarial accrued liabilities decreased from 92.5% to 86.9%. The Association's unfunded actuarial accrued liability has changed from \$265.6 million as of December 31, 2002 to \$508.3 million as of December 31, 2003. The increase is mainly due to a combination of actual investment return less than the 8% assumed in the current valuation and higher than expected salary increases. A reconciliation of the Association's unfunded actuarial accrued liability is provided in Section 3, Exhibit H.
- The aggregate employer rate calculated in this valuation has increased from 12.23% of payroll to 14.00% of payroll. The reasons for the changes are: (i) lower than expected return on investment, (ii) higher than expected salary increases, (iii) other actuarial losses, (iv) change in membership demographics, and (v) change in actuarial methods and actuarial assumptions. A reconciliation of the Association's aggregate employer rate is provided in Section 2, Subsection D (see Chart 15).
- The aggregate member rate calculated in this valuation has decreased from 8.47% of payroll to 8.26% of payroll. The change in member rate is primarily due to the adoption of new terminal pay assumptions, changes in actuarial assumptions, and other actuarial experience. A reconciliation of the Association's aggregate member rate is provided in Section 2, Subsection D (see Chart 16).
- The results of this valuation reflect the following changes in economic assumptions: (i) reduction in the annual inflation assumption from 4.5% to 4.0%, (ii) the introduction of a 0.25% real across-the-board salary increase assumption and (iii) increase in terminal pay assumption. As of the date of this report, the Board had not yet adopted these assumption changes nor had the Board adopted the 7.75% investment return assumption that was recommended. The impact of the assumption

SECTION 1: Valuation Summary for the Alameda County Employees' Retirement Association

changes is provided in Section 2, Subsection D (see Charts 15 and 16). The specific assumption changes can be found in Section 4, Exhibit IV.

- In determining the contribution rate to the Unfunded Actuarial Accrued Liability, we increased the annualized 2003 calendar year compensation (assuming every employee will work full time) by one year of inflation. The assumption that every employee will work full time should be reviewed as part of the triennial experience study as of December 31, 2004. If the current part time employees do not increase their hours worked during their future working career, the UAAL rate calculated in this report may be understated by about 0.15% of payroll.
- As indicated in Section 2, Subsection B (see Chart 7) of this report, the total unrecognized investment loss as of December 31, 2003 is \$8,005,178. This investment loss will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years, and will offset any investment gains that may be achieved after December 31, 2003. This implies that if the Association earns the assumed rate of investment return of 8.00% per year (net of expenses) on a **market value** basis, it will result in investment losses on the actuarial value of assets in the next few years. So, if the actual market return is equal to the assumed 8.00% rate and all other actuarial assumptions are met, the contribution requirements would still increase in each of the next few years.

Impact of Future Experience on Contribution Rates

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

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

Association's CAFR Report

A listing of supporting schedules we prepared for inclusion in the actuarial, statistical and financial sections of the Association's CAFR report is provided below:

1. Schedules of active member valuation data;
2. Retirees and beneficiaries added to and removed from retiree payroll.
3. Solvency test;

SECTION 1: Valuation Summary for the Alameda County Employees' Retirement Association

4. Actuarial analysis of financial experience;
5. Schedules of average benefit payments for retirees and beneficiaries;
6. Schedule of participating employers and active members statistics;
7. Schedule of benefit expenses by type;
8. Schedule of retiree members by type of benefit; and
9. Schedule of funding progress.

Please note that items 1 through 8 are provided in Appendix B. Item 9 is provided in Exhibit II.

SECTION 1: Valuation Summary for the Alameda County Employees' Retirement Association

Summary of Key Valuation Results (Dollar amounts in thousands)

	December 31, 2003		December 31, 2002	
		Estimated		Estimated
Employer Contribution Rates:				
<u>County</u>	Total Rate	Annual Amount*	Total Rate	Annual Amount*
General Tier 1	14.63%	\$15,855	12.78%	\$13,850
General Tier 2	12.10%	58,427	10.53%	50,846
Safety Tier 1	21.51%	5,886	17.40%	4,761
Safety Tier 2	20.91%	18,384	18.76%	16,494
<u>County Combined</u>	13.95%	98,552	12.16%	85,951
District – General Tier 1	19.21%	1,502	17.37%	1,358
<u>County and District Combined</u>	14.00%	100,054	12.23%	87,309
Average Member Contribution Rates****:				
	Total Rate*	Annual Amount*	Total Rate*	Annual Amount*
General Tier 1	9.05%	\$10,516	8.96%	\$10,411
General Tier 2	7.58%	36,601	7.88%	38,050
Safety Tier 1	9.66%	2,643	9.84%	2,692
Safety Tier 2	10.53%	9,258	10.61%	9,328
All Categories combined	8.26%	59,018	8.47%	60,481
Funded Status:				
Actuarial accrued liability**	\$3,890,043		\$3,559,613	
Valuation value of assets***	3,381,757		3,294,053	
Funded percentage	86.9%		92.5%	
Unfunded Actuarial Accrued Liability	\$ 508,286		\$ 265,560	
Key Assumptions:				
Interest rate	8.00%		8.00%	
Inflation rate	4.00%		4.50%	
Across-the-board real salary increase	0.25%		0.00%	

* Based on December 31, 2003 projected annual compensation.
 ** Excludes liabilities held for SRBR and other non-valuation reserves.
 *** Excludes assets for SRBR and other non-valuation reserves.
 **** December 31, 2002 Safety member rates have been revised to reflect 30 year cap on member contributions.

SECTION 1: Valuation Summary for the Alameda County Employees' Retirement Association

Summary of Key Valuation Demographic and Financial Data

	December 31, 2003	December 31, 2002	Percentage Change
Active Members:			
Number of members	11,220	11,338	-1.0%
Average age	45.7	44.7	N/A
Average service	10.4	9.4	N/A
Projected total compensation	\$714,344,000	\$640,777,000	11.5%
Average projected compensation	\$63,667	\$56,516	12.7%
Retired Member and Beneficiaries:			
Number of members:			
Service retired	4,644	4,481	3.6%
Disability retired	573	535	7.1%
Beneficiaries	1,070	980	9.2%
Total	6,287	5,996	4.9%
Average age	71.7	71.0	N/A
Average monthly benefit*	\$1,968	\$1,858	5.9%
Vested Terminated Members:			
Number of terminated vested members**	1,224	1,141	7.3%
Average age	48.0	47.5	N/A
Summary of Financial Data (dollar amounts in thousands):			
Market value of assets	\$3,920,004	\$3,182,940	23.2%
Return on market value of assets	25.46%	-7.26%	N/A
Actuarial value of assets	\$3,928,009	\$3,819,528	2.8%
Return on actuarial value of assets	4.58%	-1.22%	N/A
Valuation value of assets	\$3,381,757	\$3,294,053	2.7%
Return on valuation value of assets	3.93%	1.08%	N/A

* Excludes monthly benefits payable from the SRBR.

** Effective January 1, 2003, this includes members who chose to leave their contributions on deposit even though they have less than five years of service.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 three valuations can be seen in this chart.

CHART 1
Member Population: 2001 – 2003

Year Ended December 31	Active Members	Vested Terminated Members*	Retired Members and Beneficiaries	Ratio of Non-Actives to Actives
2001	10,974	1,025	5,867	0.63
2002	11,338	1,141	5,996	0.63
2003	11,220	1,224	6,287	0.67

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

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

Active Members

Plan costs are affected by the age, years of service and compensation of active members. In this year's valuation, there were 11,220 active members with an average age of 45.7, average years of service of 10.4 years and average compensation of \$63,667. The 11,338 active members in the prior valuation had an average age of 44.7, average service of 9.4 years and average compensation of \$56,516.

Among the active members, there were none with unknown age.

Inactive Members

In this year's valuation, there were 1,224 members with a vested right to a deferred or immediate vested benefit or entitled to a return of their member contributions versus 1,141 in the prior valuation

These graphs show a distribution of active members by age and by years of service. Age and years of service have been projected to December 31, 2003 based on census data collected as of November 30, 2003.

CHART 2
Distribution of Active Members by Age as of December 31, 2003

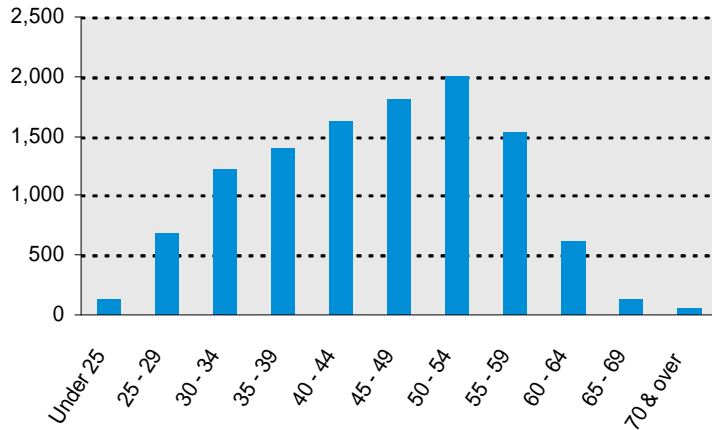
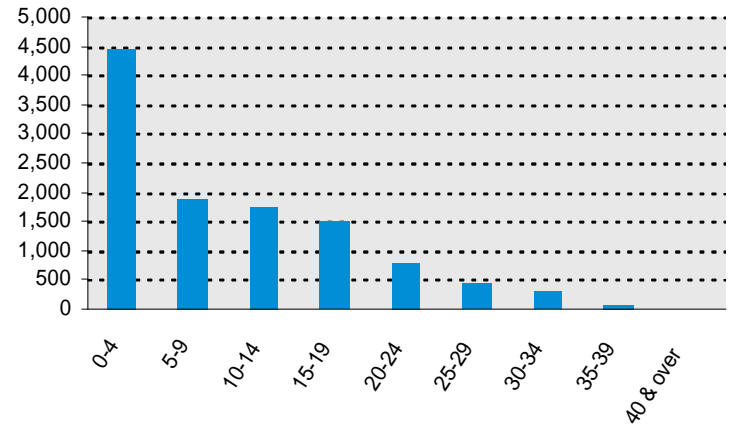


CHART 3
Distribution of Active Members by Years of Service as of December 31, 2003



SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

Retired Members and Beneficiaries

As of December 31, 2003, 5,217 retired members and 1,070 beneficiaries were receiving total monthly benefits of \$12,376,865. For comparison, in the previous valuation, there were 5,016 retired members and 980 beneficiaries receiving monthly benefits of \$11,141,417. These monthly benefits exclude supplemental COLA benefits payable from the SRBR.

These graphs show a distribution of the current retired members based on their monthly amount and age, by type of pension. Age has been projected to December 31, 2003 based on census data collected as of November 30, 2003.

- Service
- Disability
- Beneficiary

CHART 4
Distribution of Retired Members and Beneficiaries by Type and by Monthly Amount as of December 31, 2003

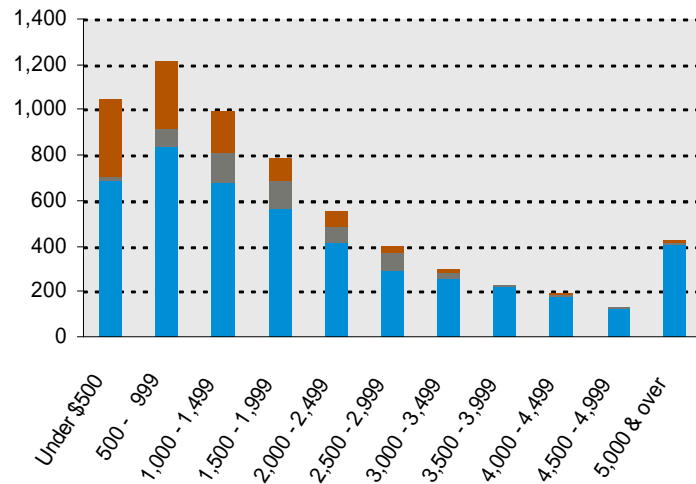
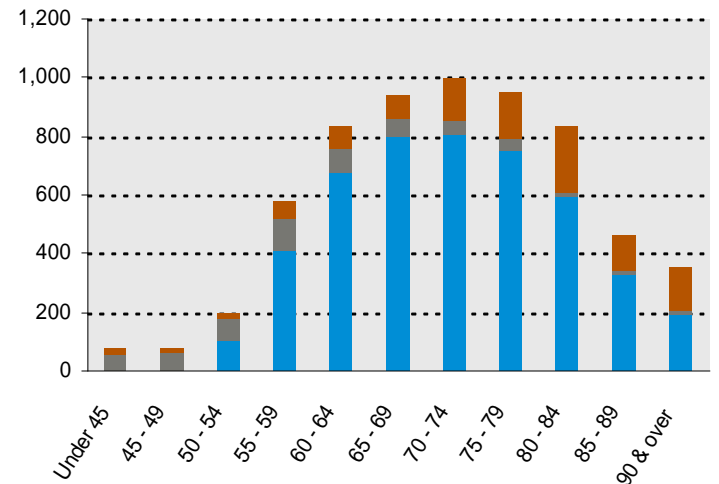


CHART 5
Distribution of Retired Members and Beneficiaries by Type and by Age as of December 31, 2003



SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

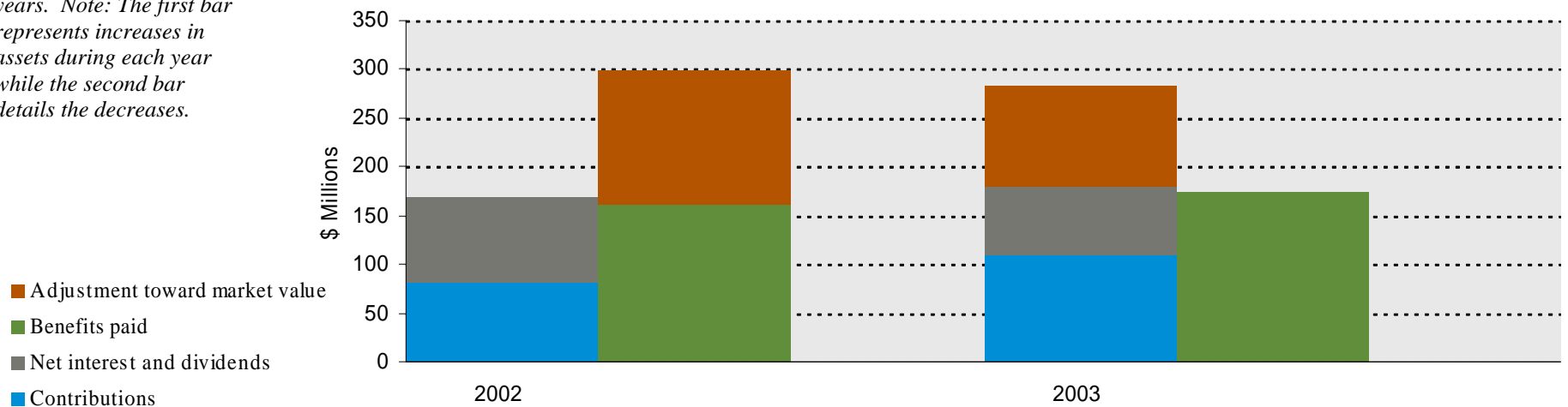
B. FINANCIAL INFORMATION

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 two 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, 2002 and 2003



SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 has an immediate effect on the actuarial value of assets.

The determination of the Actuarial Value of Assets is provided on the following page.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

CHART 7

Determination of Actuarial Value of Assets for Year Ended December 31, 2003

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

Six Month Period		Total Actual Market Return (net)	Expected Market Return (net)	Investment Gain (Loss)	Deferred Factor	Deferred Return
From	To					
07/1999	12/1999	\$297,386,717	\$146,683,006	\$150,703,711	0.1	\$15,070,371
01/2000	06/2000	75,158,786	157,462,253	(82,303,467)	0.2	(16,460,693)
07/2000	12/2000	(83,147,325)	158,464,713	(241,612,038)	0.3	(72,483,612)
01/2001	06/2001	(76,028,101)	153,144,503	(229,172,605)	0.4	(91,669,042)
07/2001	12/2001	(52,912,745)	148,172,548	(201,085,293)	0.5	(100,542,647)
01/2002	06/2002	(111,719,793)	144,243,116	(255,962,909)	0.6	(153,577,745)
07/2002	12/2002	(140,700,812)	137,930,598	(66,464,719) *	0.7	(46,525,303)
01/2003	06/2003	343,293,215	130,468,435	212,824,779	0.8	170,259,823
07/2003	12/2003	458,724,045	138,808,857	319,915,188	0.9	287,923,669
1. Total Deferred Return						(\$8,005,178)
2. Net Market Value						3,920,004,126
3. Actuarial Value of Assets						3,928,009,304
4. Actuarial Value of Assets - Corridor Limits:						
a. Lower Limit - 80% of Net Market Value						3,136,003,301
b. Upper Limit - 120% of Net Market Value						4,704,004,951
5. Actuarial Value of Assets (within corridor)						3,928,009,304
6. Non-valuation reserves and designations:						
a. Reserve for Interest Fluctuations (Contingency Reserve)						42,167,248
b. Supplemental Retirees Benefits Reserve						497,083,390
c. Other Non-Valuation Reserves (Death Benefit-Burial & 401(h) Reserves)						7,000,829
d. Subtotal						\$546,251,466
7. Actuarial Value of Assets for Valuation (Item 5 - Item 6)						\$3,381,757,839

* Limited so that total deferred losses would be no greater than 20% of market value as of 12/31/2002.

Note: Results may be slightly off due to rounding.

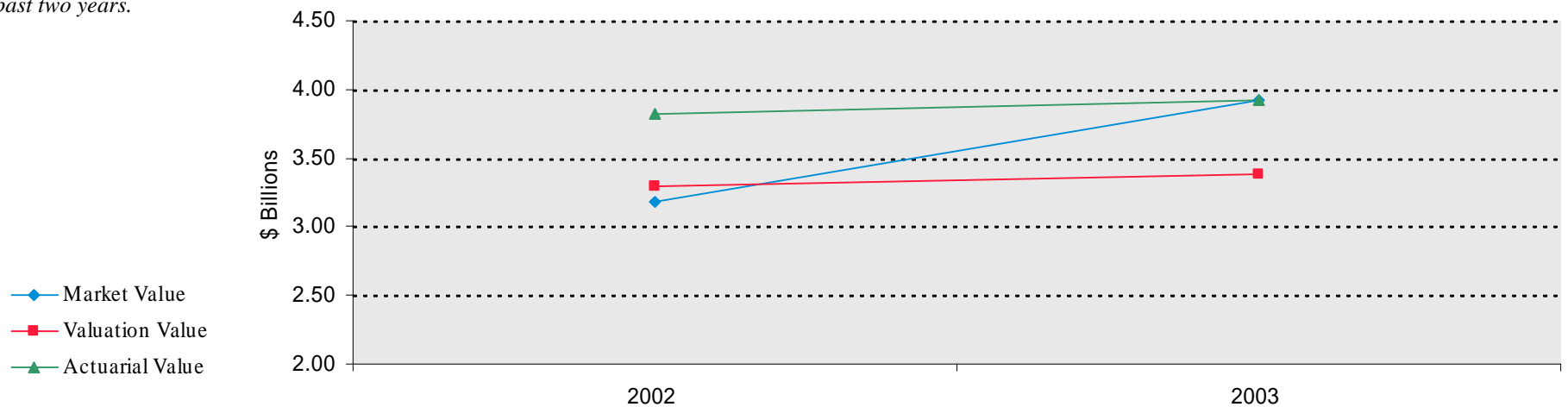
SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

The market value, actuarial value, and valuation value of assets are representations of the ACERA's 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 asset value is significant because the ACERA's 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 two years.

CHART 8

Market Value, Actuarial Value and Valuation Value of Assets as of December 31, 2002 – 2003



SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 \$212.5 million, \$133.3 million from investments and \$79.2 million from all other sources. The net experience variation from individual sources other than investments was 2.0% of the actuarial accrued liability. 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, 2003

1. Net gain/(loss) from investments*	-\$133,292,000
2. Net gain/(loss) from other experience**	<u>-79,195,000</u>
3. Net experience gain/(loss): (1) + (2)	-\$212,487,000

* Details in Chart 10.

** See Section 3, Exhibit H.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 the ACERA's investment policy. For valuation purposes, the assumed rate of return on the valuation value of assets was 8.00% (based on December 31, 2002 valuation). The actual rate of return on a valuation basis for the 2003 plan year was 3.93%.

Since the actual return for the year was less than the assumed return, the ACERA experienced an actuarial loss during the year ended December 31, 2003 with regard to its investments.

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

CHART 10
Investment Experience for Year Ended December 31, 2003 – Valuation Value and Actuarial Value of Assets

	Valuation Value	Actuarial Value
1. Actual return	\$ 128,596,000	\$ 173,434,000
2. Average value of assets	3,273,607,000	3,787,052,000
3. Actual rate of return: (1) ÷ (2)	3.93%	4.58%
4. Assumed rate of return	8.00%	8.00%
5. Expected return: (2) x (4)	261,888,000	302,964,000
6. Actuarial gain/(loss): (1) – (5)	<u>-\$133,292,000</u>	<u>-\$129,530,000</u>

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 two years.

Based on our discussions with the Actuarial Committee, we understand that they may retain the current 8% interest rate assumptions for the December 31, 2003 valuation.

CHART 11

Investment Return – Actuarial Value, Valuation Value and Market Value: 2002 - 2003

Year Ended December 31	Net Interest and Dividend Income		Recognition of Capital Appreciation		Valuation Value Investment Return		Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
2002	\$89,044,743	2.28%	-\$136,687,849	-3.50%	\$ 35,537,359	1.08%	-\$47,643,106	-1.22%	-\$252,420,614	-7.26%
2003	69,292,248	1.83	104,142,156	2.75	128,596,301	3.93%	173,434,404	4.58%	802,017,260	25.46%

Note: Each year's yield is weighted by the average asset value in that year.

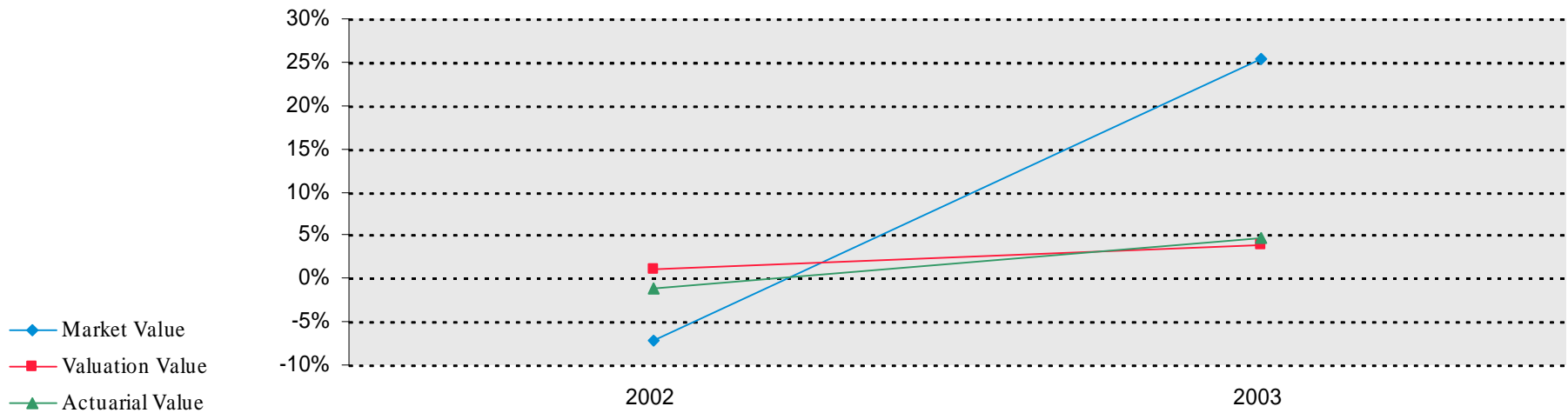
SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 2002 - 2003 .

CHART 12

Market, Actuarial and Valuation Rates of Return for Years Ended December 31, 2002 - 2003



SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 loss from this other experience for the year ended December 31, 2003 amounted to \$79.2 million which is 2.0% of the actuarial accrued liability. See Exhibit H for a detailed development of the Unfunded Actuarial Accrued Liability.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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.

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 Association) 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 4.25% (i.e., 4.00% inflation plus 0.25% real across-the-board salary increase). The current UAAL is being recognized over a declining 29-year period.

The recommended employer contributions are provided on Chart 13.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 1/100 of Final Average Salary for General Tier 1 and all Safety members and 1/120 of Final Average Salary for General Tier 2 members. That age is 60 for all General and 50 for all Safety members. It is assumed that contributions are made annually at the same rate, starting at entry age. In addition to their basic contributions, members pay one-half of the total normal cost necessary to fund their cost-of-living benefits. Accumulation includes semi-annual crediting of interest at the assumed investment earning rate. Following the procedure established by the Board last year, basic member rates have been adjusted to anticipate conversion of terminal pay at retirement.

The member contribution rates provided in Appendix A.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

CHART 13

Recommended Employer Contribution Rates (Dollar Amounts in Thousands)

County Only ⁽¹⁾	December 31, 2003			December 31, 2002				
	BASIC	COLA	TOTAL	BASIC AND COLA COMBINED**				
	Estimated Annual Rate	Estimated Annual Amount*	Estimated Annual Rate	Estimated Annual Rate	Estimated Annual Rate	Estimated Annual Amount*		
General Tier 1 Members ⁽²⁾								
Normal Cost	8.77%	\$9,505	2.55%	\$2,763	11.32%	\$12,268	11.23%	\$12,171
UAAL (Before POB Credit)	5.29%	5,733	2.60%	2,818	7.89%	8,551	6.14%	6,654
Pension Obligation Bond credit	<u>-2.42%</u>	<u>-2,623</u>	<u>-2.16%</u>	<u>-2,341</u>	<u>-4.58%</u>	<u>-4,964</u>	<u>-4.59%</u>	<u>-4,975</u>
Total Contribution	11.64%	\$12,615	2.99%	\$3,240	14.63%	\$15,855	12.78%	\$13,850
General Tier 2 Members ⁽²⁾								
Normal Cost	7.42%	\$35,828	1.37%	\$6,616	8.79%	\$42,444	8.98%	\$43,361
UAAL (Before POB Credit)	5.29%	25,543	2.60%	12,555	7.89%	38,098	6.14%	29,648
Pension Obligation Bond credit	<u>-2.42%</u>	<u>-11,685</u>	<u>-2.16%</u>	<u>-10,430</u>	<u>-4.58%</u>	<u>-22,115</u>	<u>-4.59%</u>	<u>-22,163</u>
Total Contribution	10.29%	\$49,686	1.81%	\$8,741	12.10%	\$58,427	10.53%	\$50,846
Safety Tier 1 Members								
Normal Cost	10.96%	\$2,999	3.19%	\$873	14.15%	\$3,872	12.35%	\$3,379
UAAL (Before POB Credit)	6.70%	1,833	5.04%	1,379	11.74%	3,212	9.44%	2,583
Pension Obligation Bond credit	<u>-0.67%</u>	<u>-183</u>	<u>-3.71%</u>	<u>-1,015</u>	<u>-4.38%</u>	<u>-1,198</u>	<u>-4.39%</u>	<u>-1,201</u>
Total Contribution	16.99%	\$4,649	4.52%	\$1,237	21.51%	\$5,886	17.40%	\$4,761
Safety Tier 2 Members								
Normal Cost	11.22%	\$9,865	2.33%	\$2,048	13.55%	\$11,913	13.71%	\$12,054
UAAL (Before POB Credit)	6.70%	5,891	5.04%	4,431	11.74%	10,322	9.44%	8,300
Pension Obligation Bond credit	<u>-0.67%</u>	<u>-589</u>	<u>-3.71%</u>	<u>-3,262</u>	<u>-4.38%</u>	<u>-3,851</u>	<u>-4.39%</u>	<u>-3,860</u>
Total Contribution	17.25%	\$15,167	3.66%	\$3,217	20.91%	\$18,384	18.76%	\$16,494
All County Categories Combined								
Normal Cost	8.24%	\$58,197	1.74%	\$12,300	9.98%	\$70,497	10.04%	\$70,965
UAAL (Before POB Credit)	5.52%	39,000	3.00%	21,183	8.52%	60,183	6.68%	47,185
Pension Obligation Bond credit	<u>-2.13%</u>	<u>-15,080</u>	<u>-2.42%</u>	<u>-17,048</u>	<u>-4.55%</u>	<u>-32,128</u>	<u>-4.56%</u>	<u>-32,199</u>
Total Contribution	11.63%	\$82,117	2.32%	\$16,435	13.95%	\$98,552	12.16%	\$85,951

⁽¹⁾ Includes Hospital Authority and Court employees.

⁽²⁾ Both Hospital Authority and Courts pay the same rate as the County plus Pension Obligation Bond debt service.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

CHART 13 (Continue)
Recommended Employer Contribution Rates (Dollar Amounts in Thousands)

District Only	December 31, 2003						December 31, 2002	
	BASIC		COLA		TOTAL		BASIC AND COLA COMBINED**	
	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*
General Tier 1 Members								
Normal Cost	8.77%	\$686	2.55%	\$199	11.32%	\$885	11.23%	\$878
UAAL	5.29%	414	2.60%	203	7.89%	617	6.14%	480
Total Contribution	14.06%	\$1,100	5.15%	\$402	19.21%	\$1,502	17.37%	\$1,358
County & District Categories Combined								
Normal Cost	8.24%	\$58,883	1.75%	\$12,499	9.99%	\$71,382	10.06%	\$71,843
UAAL (Net)	3.41%	24,334	0.61%	4,338	4.01%	28,672	2.17%	15,466
Total Contribution	11.65%	\$83,217	2.36%	\$16,837	14.00%	\$100,054	12.23%	\$87,309

* Amounts are in thousands and are based on December 31, 2003 annual payroll (Also in thousands):

	County Only	District Only	Total
General Tier 1	\$ 108,378	\$ 7,821	\$ 116,199
General Tier 2	482,863		482,863
Safety Tier 1	27,362		27,362
Safety Tier 2	87,920		87,920
Total	\$ 706,523	\$ 7,821	\$ 714,344

** Breakdown between basic and cola was not provided in the December 31, 2002 valuation report.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

CHART 14

Breakdown of Employer Contribution Rate by Types of Benefit (For information purposes only)

A breakdown of the portion of the employer contribution rate by the various types of benefit is as follows:

	<u>General</u>	<u>Safety</u>
Service and non-service connected disability benefits	15%	20%
Service retirement and other benefits	<u>85%</u>	<u>80%</u>
	100%	100%

Note: In developing these percentages, we made the simplifying assumption that the liability for active and inactive members (including members who have already retired) can be approximated by the proportion of the normal cost required to fund disability and non-disability benefits.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

The contribution rates as of December 31, 2003 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.

Reconciliation of Recommended Contribution

The chart below details the changes in the recommended contribution from the prior valuation to the current year's valuation.

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

CHART 15

Reconciliation of Recommended Contribution from December 31, 2002 to December 31, 2003 (Dollars in Thousands)

	Contribution Rate	Estimated Amount*
Recommended Contribution Rate as of December 31, 2002	12.23%	\$87,309
Effect of actuarial experience during 2003:		
1 Effect of investment loss	1.05%	\$7,501
2 Effect of higher than expected salary increase	0.74%	\$5,286
3 Effect of higher normal cost from change in membership demographics	0.13%	\$929
4 Effect of other experience (gain)/loss	-0.07%	-\$400
Subtotal	1.85%	\$13,316
Effect of method and assumptions changes during 2003:		
5 Effect of difference between Segal and Mercer valuation programs	0.37%	\$2,643
6 Effect of change in actuarial assumptions	-0.61%	-\$4,357
7 Effect of change in funding method for Safety employer normal cost calculation	0.16%	\$1,143
Subtotal	-0.08%	-\$571
Total change	1.77%	\$12,745
Recommended Contribution Rate as of December 31, 2003	14.00%	\$100,054

*Based on December 31, 2003 projected compensation of \$714,344. See next page for detailed explanation of each of these items.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

Explanation of each item from prior page:

- 1 Return on valuation value of assets was 3.93% and less than the 8.00% assumed in the valuation.
- 2 For Safety members, average salary increased by about 12.4% during 2003. Based on MOU's provided by the Association, we understand that employees covered by the Deputy Sheriff Assoc. received a 7% increase granted around November 2002 (retroactive to July 2002) and a 5% increase effective August 2003.

For General members, Mercer did not use the actual salary reported for calendar year 2002 in their last valuation. This was because the 2002 salaries included one-time retroactive pay adjustments. Since revised data was not available, they applied the 5.6% annual increase anticipated by the salary increase assumption to the salaries used in the December 31, 2001 valuation as an interim measure of the salaries for 2002.

This year, the Association provided Segal with the salary earned during calendar year 2003 as well as the one-time retroactive pay adjustments. After we netted out the one-time adjustments, we concluded that the 2003 salaries were about 10.5% higher than the estimated salaries used in the last valuation.

Both of these actual increases were higher than those anticipated by the salary increase assumptions.

- 3 This includes increases in cost as a result of change in membership demographics.
- 4 Other differences in actual versus expected actuarial experience.
- 5 There were some difference in normal costs calculated by the Segal and the Mercer valuation programs.
- 6 This includes in the change in the inflation and real-across-the board salary increase and terminal pay assumptions.
- 7 In previous valuations, the cost of the 30-year contribution cap for Safety members was treated as a pick-up by the employer in the years subsequent to a member reaching 30 years of service. This method will cause the employer's normal cost to increase over time if there is an increase in the proportion of members with over 30 years of service.

The new method anticipates the cap throughout the members' career, and will produce a more stable employer normal cost.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

The member contribution rates as of December 31, 2003 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.

Reconciliation of Recommended Contribution Rate
 The chart below details the changes in the 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 Recommended Member Contribution from December 31, 2002 to December 31, 2003 (Dollar Amounts in Thousands)

	Contribution Rate	Estimated Amount*
Average Contribution Rate as of December 31, 2002 **	8.47%	\$60,481
1 Effect of change in actuarial assumptions	-0.20%	-\$1,429
2 Effect of other experience gain/(loss)	-0.01%	-\$34
Average Contribution Rate as of December 31, 2003	8.26%	\$59,018

* Based on December 31, 2003 projected compensation of \$714,344.

** Revised to reflect new funding method (see reconciliation of employer rates in Section 2, Chart 15).

- 1 This includes in the change in the inflation, and real-across-the board salary increase and terminal pay assumptions.
- 2 Other differences in actual versus expected actuarial experience.

SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

E. INFORMATION REQUIRED BY THE 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 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 the 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. This ratio compares the actuarial value of assets to the actuarial accrued liabilities of the plan as calculated under 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 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 factors.

CHART 17
Required Versus Actual Contributions

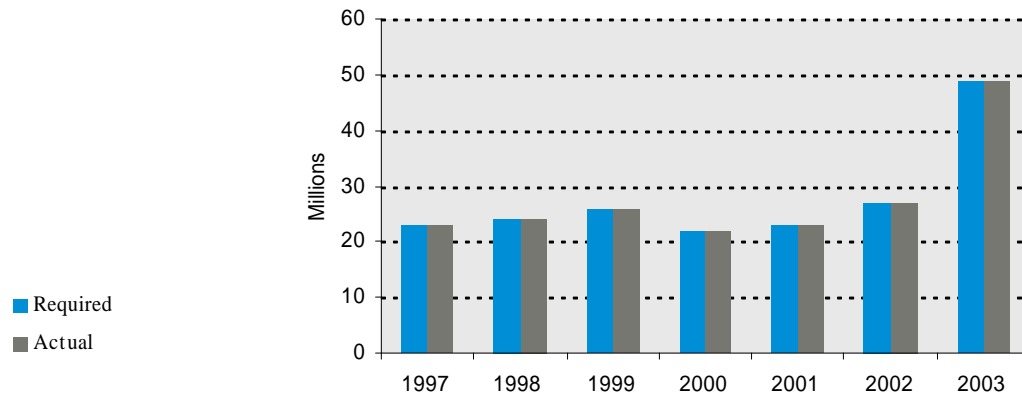
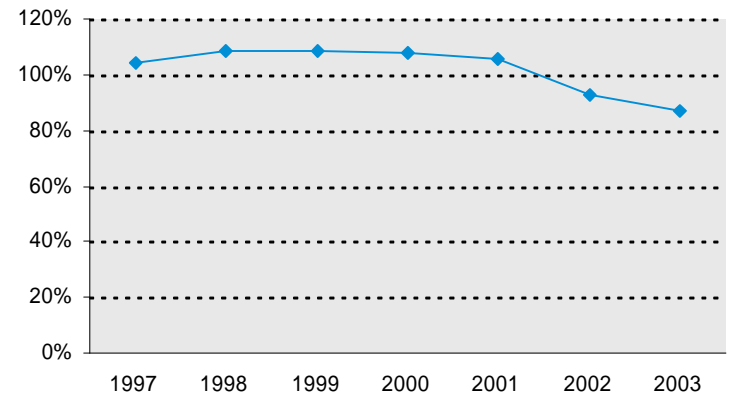


CHART 18
Funded Ratio



SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT A

Table of Plan Coverage

i. General Tier 1

Category	Year Ended December 31		Change From Prior Year
	2003	2002	
Active members in valuation			
Number	1,653	1,775	-6.9%
Average age	53.8	52.8	N/A
Average service	23.5	22.2	N/A
Projected total compensation ⁽¹⁾	\$116,199,000	\$115,437,239	0.7%
Projected average compensation	\$70,296	\$65,046	8.1%
Total calendar year compensation ⁽²⁾	\$109,358,885	Not Available	N/A
Average calendar year compensation	\$66,158	Not Available	N/A
Account balances	\$331,756,660	\$356,355,456	-6.9%
Total active vested members	1,572	1,690	-7.0%
Vested terminated members			
Number	304	312	-2.6%
Average age	54.4	53.7	N/A
Retired members			
Number in pay status	3,670	3,616	1.5%
Average age	73.8	73.5	N/A
Average monthly benefit ⁽³⁾	\$2,071	\$1,936	7.0
Disabled members			
Number in pay status	234	225	4.0%
Average age	67.7	67.8	N/A
Average monthly benefit ⁽³⁾	\$1,595	\$1,503	6.1%
Beneficiaries			
Number in pay status	886	814	8.8%
Average age	78.7	77.8	N/A
Average monthly benefit ⁽³⁾	\$991	\$979	1.2%

(1) 2004 calendar year projected compensation was calculated by increasing the annualized the 2003 calendar year compensation (assuming every employee will work full time) by one year of inflation.

(2) For members without a salary reported for the December 31, 2003 valuation, we have assigned them an annual salary of \$53,000.

(3) Excludes supplemental benefits paid from SRBR.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT A

Table of Plan Coverage

ii. General Tier 2

Category	Year Ended December 31		Change From Prior Year
	2003	2002	
Active members in valuation			
Number	8,072	8,064	0.1%
Average age	44.7	43.5	N/A
Average service	7.5	6.3	N/A
Projected total compensation ⁽¹⁾	\$482,863,000	\$421,788,316	14.5%
Projected average compensation	\$59,819	\$52,305	14.4%
Total annualized calendar year compensation ⁽²⁾	\$441,651,033	Not Available	N/A
Average annualized calendar compensation	\$54,714	Not Available	N/A
Account balances	\$288,352,400	\$271,825,732	6.1%
Total active vested members	4,187	3,922	6.8%
Vested terminated members			
Number	756	678	11.5%
Average age	46.4	45.7	N/A
Retired members			
Number in pay status	438	374	17.1%
Average age	65.6	65.4	N/A
Average monthly benefit ⁽³⁾	\$1,063	\$993	7.0%
Disabled members			
Number in pay status	198	176	12.5%
Average age	54.4	53.8	N/A
Average monthly benefit ⁽³⁾	\$1,675	\$1,648	1.6%
Beneficiaries			
Number in pay status	59	53	11.3%
Average age	62.6	62.1	N/A
Average monthly benefit ⁽³⁾	\$802	\$716	12.0%

(1) 2004 calendar year projected compensation was calculated by increasing the annualized the 2003 calendar year compensation (assuming every employee will work full time) by one year of inflation.

(2) For members without a salary reported for the December 31, 2003 valuation, we have assigned them an annual salary of \$53,000.

(3) Excludes supplemental benefits paid from SRBR.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT A

Table of Plan Coverage

iii. Safety Tier 1

Category	Year Ended December 31		Change From Prior Year
	2003	2002	
Active members in valuation			
Number	294	346	-15.0%
Average age	51.9	51.1	N/A
Average service	24.7	23.4	N/A
Projected total compensation ⁽¹⁾	\$27,362,000	\$29,793,430	-8.2%
Projected average compensation	\$93,068	\$86,108	8.1%
Total annualized calendar year compensation ⁽²⁾	\$26,110,139	Not Available	N/A
Average annualized calendar year compensation	\$88,810	Not Available	N/A
Account balances	\$99,132,199	\$116,544,270	-14.9%
Total active vested members	294	344	-14.5%
Vested terminated members			
Number	51	48	6.3%
Average age	48.7	48.2	N/A
Retired members			
Number in pay status	498	459	8.5%
Average age	65.1	65.1	N/A
Average monthly benefit ⁽³⁾	\$4,057	\$3,742	8.4%
Disabled members			
Number in pay status	91	88	3.4%
Average age	59.5	58.9	N/A
Average monthly benefit ⁽³⁾	\$2,970	\$2,857	4.0%
Beneficiaries			
Number in pay status	114	104	9.6%
Average age	71.0	70.6	N/A
Average monthly benefit ⁽³⁾	\$1,696	\$1,658	2.3%

(1) 2004 calendar year projected compensation was calculated by increasing the annualized the 2003 calendar year compensation (assuming every employee will work full time) by one year of inflation.

(2) For members without a salary reported for the December 31, 2003 valuation, we have assigned them an annual salary of \$73,000.

(3) Excludes supplemental benefits paid from SRBR.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT A

Table of Plan Coverage

iv. Safety Tier 2

Category	Year Ended December 31		Change From Prior Year
	2003	2002	
Active members in valuation			
Number	1,201	1,153	4.2%
Average age	40.0	39.1	N/A
Average service	8.4	7.4	N/A
Projected total compensation ⁽¹⁾	\$87,920,000	\$73,738,321	19.2%
Projected average compensation	\$73,206	\$63,953	14.5%
Total annualized calendar year compensation ⁽²⁾	\$82,539,634	Not Available	N/A
Average annualized calendar year compensation	\$68,726	Not Available	N/A
Account balances	\$83,200,930	\$76,976,797	8.1%
Total active vested members	743	653	13.8%
Vested terminated members			
Number	113	103	9.7%
Average age	41.6	40.7	N/A
Retired members			
Number in pay status	38	32	18.8%
Average age	60.2	59.9	N/A
Average monthly benefit ⁽³⁾	\$1,953	\$1,773	10.2%
Disabled members			
Number in pay status	50	46	8.7%
Average age	50.1	49.0	N/A
Average monthly benefit ⁽³⁾	\$2,270	\$2,220	2.3%
Beneficiaries			
Number in pay status	11	9	22.2%
Average age	71.3	68.3	N/A
Average monthly benefit ⁽³⁾	\$729	\$769	-5.2%

(1) 2004 calendar year projected compensation was calculated by increasing the annualized the 2003 calendar year compensation (assuming every employee will work full time) by one year of inflation.

(2) For members without a salary reported for the December 31, 2003 valuation, we have assigned them an annual salary of \$73,000.

(3) Excludes supplemental benefits paid from SRBR.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT B

**Members in Active Service During Year Ended December 31, 2003
By Age, Years of Service, and Average Calendar Year Compensation ⁽¹⁾ for 2003.**

i. General Tier 1

Age	Years of Service									
	Total	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & over
Under 25	--	--	--	--	--	--	--	--	--	--
25 - 29	8	8	--	--	--	--	--	--	--	--
30 - 34	12	10	2	--	--	--	--	--	--	--
35 - 39	23	15	2	1	3	2	--	--	--	--
40 - 44	70	11	6	5	13	34	1	--	--	--
45 - 49	290	13	10	17	59	130	46	15	--	--
50 - 54	61,513	45,441	44,325	60,391	62,088	64,154	61,138	\$64,179	--	--
55 - 59	501	8	7	10	54	149	131	114	28	--
60 - 64	71,618	45,697	83,174	61,053	64,976	67,382	81,639	71,203	70,075	--
65 - 69	197	1	2	7	22	54	43	49	19	--
70 & over	71,462	64,259	38,145	48,041	63,614	66,858	73,084	84,509	68,827	--
	33	1	--	--	2	7	4	9	9	1
	64,122	38,376	--	--	61,927	50,157	55,879	67,922	79,325	\$53,972
	9	--	--	--	--	3	2	1	3	--
	44,010	--	--	--	--	34,876	50,668	47,424	47,569	--
Total	1,653	81	36	60	223	571	359	262	60	1
	\$66,158	\$41,747	\$53,150	\$55,553	\$60,983	\$64,998	\$74,660	\$72,411	\$69,814	\$53,972

(1) An annual salary of \$53,000 was used for those members without a salary reported for the December 31, 2003 valuation.

Note: Age and years of service was projected from November 30, 2003 to December 31, 2003.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT B

**Members in Active Service During Year Ended December 31, 2003
By Age, Years of Service, and Average Calendar Year Compensation ⁽¹⁾ for 2003**

ii. General Tier 2

Age	Total	Years of Service							
		0-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & over
Under 20	1	1	--	--	--	--	--	--	--
	\$40,677	\$40,677	--	--	--	--	--	--	--
20 - 24	116	115	1	--	--	--	--	--	--
	34,046	33,937	\$46,572	--	--	--	--	--	--
25 - 29	545	498	47	--	--	--	--	--	--
	41,240	40,862	45,242	--	--	--	--	--	--
30 - 34	966	716	196	53	1	--	--	--	--
	50,073	48,260	57,133	\$48,777	\$32,983	--	--	--	--
35 - 39	1,121	589	272	206	53	1	--	--	--
	54,223	50,211	61,785	55,522	54,763	\$64,243	--	--	--
40 - 44	1,328	577	245	297	206	3	--	--	--
	54,924	50,506	56,118	59,520	59,175	60,354	--	--	--
45 - 49	1,314	527	239	304	231	12	1	--	--
	58,214	53,240	58,328	60,778	64,277	92,750	\$57,309	--	--
50 - 54	1,274	450	241	311	261	10	--	1	--
	59,013	54,174	59,866	59,516	64,769	90,644	--	\$55,869	--
55 - 59	876	284	168	229	174	16	3	2	--
	58,169	53,668	61,243	59,181	59,454	75,916	50,166	81,368	--
60 - 64	404	111	72	114	99	8	--	--	--
	58,084	52,362	56,873	60,220	61,962	69,951	--	--	--
65 - 69	91	19	16	27	25	3	1	--	--
	56,719	60,822	49,716	63,827	50,330	60,922	45,991	--	--
70 & Over	36	14	5	10	6	1	--	--	--
	50,924	54,080	46,100	44,835	60,389	34,964	--	--	--
Total	8,072	3,901	1,502	1,551	1,056	54	5	3	--
	\$54,714	\$49,466	\$58,391	\$58,849	\$61,532	\$78,828	\$50,760	\$72,868	--

(1) An annual salary of \$53,000 was used for those members without a salary reported for the December 31, 2003 valuation.

Note: Age and years of service was projected from November 30, 2003 to December 31, 2003.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT B

**Members in Active Service During Year Ended December 31, 2003
By Age, Years of Service, and Average Calendar Year Compensation ⁽¹⁾ for 2003**

iii. Safety Tier 1

Age	Total	Years of Service							
		0-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & over
Under 25	--	--	--	--	--	--	--	--	--
25 - 29	--	--	--	--	--	--	--	--	--
30 - 34	--	--	--	--	--	--	--	--	--
35 - 39	--	--	--	--	--	--	--	--	--
40 - 44	20	--	--	1	3	16	--	--	--
	\$89,007	--	--	\$92,273	\$79,233	\$90,636	--	--	--
45 - 49	79	--	2	3	6	57	11	--	--
	86,457	--	\$54,826	96,715	79,572	86,650	\$92,164	--	--
50 - 54	115	--	--	1	5	42	47	20	--
	88,079	--	--	81,737	82,529	81,423	87,807	\$104,398	--
55 - 59	71	--	1	2	5	20	25	16	2
	92,288	--	76,547	73,119	71,722	82,872	88,995	116,845	\$109,623
60 - 64	7	--	--	--	2	2	2	1	--
	98,692	--	--	--	55,383	78,035	145,946	132,116	--
65 - 69	2	--	--	--	--	1	--	--	1
	63,765	--	--	--	--	67,333	--	--	60,198
Total	294	--	3	7	21	138	85	37	3
	\$88,810	--	\$62,066	\$87,199	\$76,055	\$84,709	\$90,089	\$110,529	\$93,148

(1) An annual salary of \$73,000 was used for those members without a salary reported for the December 31, 2003 valuation.

Note: Age and years of service was projected from November 30, 2003 to December 31, 2003.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT B

**Members in Active Service During Year Ended December 31, 2003
By Age, Years of Service, and Average Calendar Year Compensation ⁽¹⁾ for 2003**

iv. Safety Tier 2

Age	Years of Service						
	Total	0-4	5-9	10-14	15-19	20-24	25-29
Under 25	18	18	--	--	--	--	--
	\$56,301	\$56,301	--	--	--	--	--
25 - 29	142	117	25	--	--	--	--
	59,364	57,088	\$70,017	--	--	--	--
30 - 34	247	143	103	1	--	--	--
	62,922	58,241	69,285	\$76,770	--	--	--
35 - 39	254	96	100	24	34	--	--
	68,244	59,527	69,961	73,095	\$84,385	--	--
40 - 44	218	29	57	45	79	8	--
	74,368	61,494	70,472	75,537	79,948	\$87,129	--
45 - 49	126	17	23	21	57	8	--
	72,993	60,336	65,961	76,260	77,862	76,831	--
50 - 54	97	18	20	24	26	8	1
	72,963	66,036	69,562	76,522	74,964	78,293	\$85,608
55 - 59	73	17	18	20	14	4	--
	77,456	77,969	81,700	72,845	79,538	71,954	--
60 - 64	21	3	6	4	8	--	--
	75,831	95,965	81,276	81,799	61,214	--	--
65 - 69	5	--	1	2	1	1	--
	97,460	--	78,766	60,646	219,910	67,333	--
Total	1,201	458	353	141	219	29	1
	\$68,726	\$59,709	\$70,383	\$74,990	\$79,431	\$79,075	\$85,608

(1) An annual salary of \$73,000 was used for those members without a salary reported for the December 31, 2003 valuation.

Note: Age and years of service was projected from November 30, 2003 to December 31, 2003.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT C

Reconciliation of Member Data – December 31, 2002 to December 31, 2003

	Active Members	Vested Former Members	Pensioners	Disableds	Beneficiaries	Total
Number as of December 31, 2002	11,338	1,141	4,481	535	980	18,475
New members	538	0	0	0	0	538
Terminations – with vested rights	-159	159	0	0	0	0
Contributions Refunds	-235	-80	0	0	0	-315
Retirements	-235	-32	267	0	0	0
New disabilities	-32	-3	-8	43	0	0
Return to work	21	-21	0	0	0	0
Died with or without beneficiary	-17	-1	-125	-7	89	-61
Data adjustments	1	61	29	2	1	94
Number as of December 31, 2003	11,220	1,224	4,644	573	1,070	18,731

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT D

Summary Statement of Income and Expenses on an Actuarial Value Basis

	Year Ended December 31, 2003	Year Ended December 31, 2002
Contribution income:		
Employer contributions	\$49,091,005	\$26,985,360
Employee contributions	<u>60,159,279</u>	<u>53,285,988</u>
Contribution income	\$109,250,284	\$80,271,348
Investment income:		
Interest, dividends and other income	\$93,662,025	\$111,136,546
Adjustment toward market value	104,142,156	-136,687,849
Less investment and administrative fees	<u>-24,369,777</u>	<u>-22,091,803</u>
Net investment income	<u>173,434,404</u>	<u>-47,643,106</u>
Total income available for benefits	\$282,684,688	\$32,628,242
Less benefit payments:		
Service retirement	\$142,270,330	\$132,563,991
Death payments	2,020,305	2,055,948
Supplemental cost of living	6,324,807	6,842,323
Members refunds	6,585,186	6,448,010
Health insurance subsidies	<u>17,002,962</u>	<u>14,082,662</u>
Benefit payments	\$174,203,590	\$161,992,934
Change in reserve for future benefits	\$108,481,098	-\$129,364,692

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT E

Table of Financial Information

	Year Ended December 31, 2003	Year Ended December 31, 2002
Cash equivalents	\$1,947,146	\$3,579,596
Accounts receivable:		
Contributions	\$10,746,915	\$5,301,787
Accrued interest	14,554,105	17,468,803
Sales of securities	33,655,614	5,173,335
Others	<u>2,025,854</u>	<u>1,646,290</u>
Total accounts receivable	60,982,488	29,590,215
Investments:		
Equities	\$2,432,533,146	\$1,694,248,118
Fixed income investments (incl short term investments)	1,153,407,193	1,122,771,516
Real estate	251,948,442	280,388,368
Housing Trust	65,148,310	62,780,559
Securities lending collateral	240,979,054	211,962,069
Capital assets	<u>9,778,981</u>	<u>9,420,704</u>
Total investments at market value	<u>4,153,795,126</u>	<u>3,381,571,335</u>
Total assets	\$4,216,724,760	\$3,414,741,146
Less accounts payable:		
Securities lending & settlement of securities purchased	-\$287,809,160	-\$225,748,649
Members benefits & refund, stock dividends, and retirement payroll deductions payable	-2,609,512	-2,209,977
Professional service	-5,830,166	-3,842,348
Others	<u>-471,798</u>	<u>0</u>
Total accounts payable	-\$296,720,636	-\$231,800,974
Net assets at market value	<u>\$3,920,004,126</u>	<u>\$3,182,940,172</u>
Net assets at actuarial value	<u>\$3,928,009,304</u>	<u>\$3,819,528,206</u>
Net assets at valuation value	<u>\$3,381,757,839</u>	<u>\$3,294,052,875</u>

Note: Results may be slightly off due to rounding.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT F

Actuarial Balance Sheet

An overview of your 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.

Actuarial Balance Sheet (Dollar Amounts in Thousands)

Assets	<u>Basic</u>	<u>Cola</u>	<u>Total</u>
1 Total valuation assets	\$2,300,640	\$1,081,117	\$3,381,757
2 Present value of future contributions by members	\$409,515	\$103,690	\$513,205
3 Present value of future employer contributions for:			
a entry age normal cost	\$477,068	\$97,313	\$574,381
b unfunded actuarial accrued liability	\$431,234	\$77,052	\$508,286
4 Total current and future assets	\$3,618,457	\$1,359,172	\$4,977,629
 Liabilities			
5 Present value of benefits already granted	\$1,050,243	\$689,376	\$1,739,619
6 Present value of benefits to be granted	\$2,568,214	\$669,796	\$3,238,010
7 Total liabilities	\$3,618,457	\$1,359,172	\$4,977,629

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT G

Summary of Reported Asset Information as of December 31, 2003

Reserves

Used in Development of Valuation Value of Assets

Members deposit-basic	\$712,761,562
Members cost-of-living	179,850,776
Employer advance	544,483,591
Pension reserve-current	640,657,829
Pension reserve-prior	2,729,821
Annuity reserve	397,657,376
Cost-of-living reserve	901,266,551
Survivor death benefit	2,350,333
Subtotal	<u>\$3,381,757,839</u>

Not Used in Development of Valuation Value of Assets

401(h) account	\$2,161,072
Death benefit-burial	4,839,757
Supplemental retirees benefit reserve	497,083,390
Contingency reserve	42,167,248
Market stabilization reserve	<u>(8,005,178)</u>
Subtotal	<u>\$538,246,287</u>

Total \$3,920,004,126

Note: Results may be slightly off due to rounding.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT H

Development of Unfunded/(Overfunded) Actuarial Accrued Liability and for Year Ended December 31, 2003

	(Dollar Amounts in Thousands)
1 Unfunded actuarial accrued liability at beginning of year	\$265,560
2 Gross Normal Cost at middle of year	\$127,065
3 Actual employer and member contributions	-\$109,250
4 Interest (whole year on (1) plus half year on (2) + (3))	\$21,958
5 Expected unfunded actuarial accrued liability at end of year	\$305,333
6 Actuarial (gain)/loss due to all changes:	
a Loss from investment	\$133,292
b Higher than expected salary increase	\$93,203
c Change in assumptions	-\$9,534
d Other experience (gain)/loss	-\$14,008
h Subtotal	\$202,953
7 Actual unfunded actuarial accrued liability at end of year	\$508,286

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

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 \$160,000 for 2003 and \$165,000 for 2004. 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.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

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;
- (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 is a wide range of 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.

SECTION 3: Supplemental Information for the Alameda County Employees' Retirement Association

**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.

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT I

Supplementary Information Required by the GASB – Schedule of Employer Contributions (Dollar Amounts in Millions)

Plan Year Ended December 31	Annual Required Contributions	Actual Contributions	Percentage Contributed
1997	\$23	\$23	100.0%
1998	24	24	100.0%
1999	26	26	100.0%
2000	22	22	100.0%
2001	23	23	100.0%
2002	27	27	100.0%
2003	49	49	100.0%

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT II

Supplementary Information Required by the GASB – Schedule of Funding Progress

Actuarial Valuation Date	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)]
12/31/1997	\$2,313,787,000	\$2,218,319,000	\$(95,468,000)	104.3	\$413,045,000	-23.1
12/31/1998	2,830,438,000	2,613,012,000	(217,426,000)	108.3	462,465,000	-47.0
12/31/1999	2,997,932,000	2,762,524,000	(235,408,000)	108.5	487,986,000	-48.2
12/31/2000	3,169,178,000	2,936,631,000	(232,547,000)	107.9	532,305,000	-43.7
12/31/2001	3,321,794,000	3,140,216,000	(181,579,000)	105.8	590,392,000	-30.8
12/31/2002	3,294,053,000	3,559,613,000	265,560,000	92.5	640,777,000	41.4
12/31/2003	3,381,757,000	3,890,043,000	508,286,000	86.9	714,344,000	71.2

* Excludes assets for SRBR and other non-valuation reserves.

** Excludes liabilities for SRBR and other non-valuation reserves.

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT III

Supplementary Information Required by the GASB

Valuation date	December 31, 2003
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll for total unfunded liability
Remaining amortization period	29 years (declining) for all UAAL
Asset valuation method	The Actuarial Value of Assets is determined by phasing in any difference between actual and expected market return over 10 six-month interest crediting periods. The Actuarial Value of Assets is reduced by the value of the non-valuation reserves.
Actuarial assumptions:	
Investment rate of return	8.00%
Inflation rate	4.00%
Real across-the-board salary increase	0.25%
Projected salary increases	5.65%*
Cost of living adjustments	3.00% of Tier 1 retirement income, and 2.00% of Tier 2 retirement income
Plan membership:	
Retired members and beneficiaries receiving benefits	6,287
Terminated members entitled to, but not yet receiving benefits	1,224
Active members	<u>11,220</u>
Total	18,731

* Includes inflation at 4.00%, plus real across-the-board salary increase of 0.25% plus merit and longevity increases. See Exhibit IV for these increases.

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

EXHIBIT IV

Actuarial Assumptions and Actuarial Cost Method

Post – Retirement Mortality Rates:

Healthy: General Males - 1994 Male Uninsured Pensioner Mortality Table set back two years.
General Females – 1994 Female Uninsured Pensioner Mortality Table set back one year.

Safety Members: Safety members – 1994 Male Uninsured Pensioner Mortality Table set back two years.
Beneficiaries – 1994 Female Uninsured Pensioner Mortality Table set back one year.

Disabled: For General members, the 1981 General Disability Mortality Table set back three years. For Safety members, the 1981 Safety Disability Mortality Table.

Employee Contribution Rates and Optional Benefits: For General members, 1994 Male Uninsured Pensioner Mortality Table set back four years.
For Safety members, 1994 Male Uninsured Pensioner Mortality Table set back two years.

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

Termination Rates Before Retirement:

General Tier 1 - Male									
<u>Age</u>	<u>Ordinary Withdrawal</u>				<u>Vested Termination</u>	<u>Ordinary Disability</u>	<u>Duty Disability</u>	<u>Ordinary Death</u>	<u>Duty Death</u>
	<u>0<X<3</u>	<u>3<=X<4</u>	<u>4<=X<5</u>	<u>5<=X</u>					
25	12.75%	11.73%	5.25%	5.25%	0.10%	0.02%	0.01%	0.06%	0.01%
30	12.75%	11.73%	5.25%	5.25%	0.46%	0.02%	0.01%	0.08%	0.01%
35	12.75%	11.73%	5.25%	5.25%	0.84%	0.04%	0.01%	0.09%	0.01%
40	12.75%	11.73%	5.25%	2.85%	0.87%	0.07%	0.04%	0.10%	0.01%
45	7.28%	6.70%	3.00%	0.37%	0.72%	0.11%	0.07%	0.15%	0.01%
50	7.28%	6.70%	3.00%	0.25%	0.66%	0.14%	0.14%	0.23%	0.01%
55	7.28%	6.70%	3.00%	0.16%	0.20%	0.18%	0.34%	0.39%	0.01%
60	7.28%	6.70%	3.00%	0.00%	0.08%	0.26%	0.34%	0.68%	0.01%
65	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.23%	0.01%

General Tier 1 - Female									
<u>Age</u>	<u>Ordinary Withdrawal</u>				<u>Vested Termination</u>	<u>Ordinary Disability</u>	<u>Duty Disability</u>	<u>Ordinary Death</u>	<u>Duty Death</u>
	<u>0<X<3</u>	<u>3<=X<4</u>	<u>4<=X<5</u>	<u>5<=X</u>					
25	16.31%	10.50%	5.25%	5.25%	0.09%	0.03%	0.01%	0.03%	0.00%
30	16.31%	10.50%	5.25%	5.15%	0.64%	0.04%	0.02%	0.04%	0.00%
35	16.31%	10.50%	5.25%	4.64%	1.50%	0.07%	0.05%	0.05%	0.01%
40	16.31%	10.50%	5.25%	1.22%	2.00%	0.10%	0.08%	0.08%	0.01%
45	10.87%	7.00%	3.00%	0.33%	0.91%	0.12%	0.11%	0.10%	0.01%
50	10.87%	7.00%	3.00%	0.24%	0.67%	0.20%	0.29%	0.15%	0.01%
55	10.87%	7.00%	3.00%	0.12%	0.32%	0.20%	0.49%	0.25%	0.01%
60	10.87%	7.00%	3.00%	0.00%	0.21%	0.20%	0.89%	0.48%	0.01%
65	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.00%	0.93%	0.01%

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

Termination Rates Before Retirement (Continued):

Age	Ordinary Withdrawal					General Tier 2 - Male Vested Termination			Ordinary Disability	Duty Disability	Ordinary Death	Duty Death
	0<=X<1	1<=X<2	2<=X<3	3<=X<4	4<=X<5	5<=X	0<=X<5	5<=X				
25	14.52%	9.53%	7.36%	6.70%	3.00%	3.00%	1.47%	2.94%	0.02%	0.01%	0.06%	0.01%
30	14.52%	9.53%	7.36%	6.70%	3.00%	3.00%	1.05%	2.11%	0.02%	0.01%	0.08%	0.01%
35	14.52%	9.53%	7.36%	6.70%	3.00%	2.61%	1.00%	2.00%	0.10%	0.03%	0.09%	0.01%
40	14.52%	8.66%	7.36%	6.70%	3.00%	2.23%	0.88%	1.75%	0.12%	0.13%	0.10%	0.01%
45	14.52%	8.66%	6.70%	6.70%	3.00%	1.84%	0.88%	1.75%	0.10%	0.23%	0.15%	0.01%
50	14.52%	8.66%	6.70%	6.70%	3.00%	1.32%	0.88%	1.75%	0.14%	0.30%	0.23%	0.01%
55	14.52%	8.66%	6.70%	6.70%	3.00%	1.00%	1.66%	1.66%	0.35%	0.67%	0.39%	0.01%
60	14.52%	8.66%	6.70%	6.70%	3.00%	1.00%	0.63%	0.63%	0.70%	1.05%	0.68%	0.01%
65	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.34%	0.34%	0.00%	0.00%	1.23%	0.01%

Age	Ordinary Withdrawal					General Tier 2 - Female Vested Termination			Ordinary Disability	Duty Disability	Ordinary Death	Duty Death
	0<=X<1	1<=X<2	2<=X<3	3<=X<4	4<=X<5	5<=X	0<=X<5	5<=X				
25	10.00%	10.00%	10.00%	7.00%	6.00%	5.00%	0.89%	2.55%	0.01%	0.01%	0.03%	0.00%
30	10.00%	10.00%	10.00%	7.00%	6.00%	4.00%	0.89%	2.55%	0.02%	0.07%	0.04%	0.00%
35	10.00%	10.00%	10.00%	7.00%	5.00%	3.00%	0.70%	2.00%	0.02%	0.22%	0.05%	0.01%
40	10.00%	10.00%	10.00%	6.00%	3.00%	2.00%	0.70%	2.00%	0.02%	0.30%	0.08%	0.01%
45	10.00%	8.00%	8.00%	6.00%	3.00%	1.41%	0.70%	2.00%	0.03%	0.37%	0.10%	0.01%
50	10.00%	8.00%	8.00%	6.00%	3.00%	1.00%	1.62%	1.62%	0.05%	0.42%	0.15%	0.01%
55	10.00%	8.00%	8.00%	6.00%	3.00%	0.87%	1.05%	1.05%	0.10%	0.47%	0.25%	0.01%
60	10.00%	8.00%	8.00%	6.00%	3.00%	0.40%	1.05%	1.05%	0.26%	0.50%	0.48%	0.01%
65	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.06%	0.00%	0.00%	0.93%	0.01%

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

Termination Rates Before Retirement (Continued):

Age	Ordinary Withdrawal			Safety Tier 1				
	0<X<3	3<=X<5	5<=X	Vested	Ordinary	Duty	Ordinary	Duty
	<u>0<X<3</u>	<u>3<=X<5</u>	<u>5<=X</u>	<u>Termination</u>	<u>Disability</u>	<u>Disability</u>	<u>Death</u>	<u>Death</u>
25	9.70%	9.70%	9.70%	10.00%	0.01%	0.01%	0.07%	0.04%
30	6.90%	6.90%	6.90%	4.42%	0.02%	0.02%	0.09%	0.04%
35	6.10%	6.10%	3.91%	0.76%	0.03%	0.30%	0.09%	0.04%
40	4.00%	4.00%	0.91%	0.50%	0.06%	0.40%	0.12%	0.05%
45	2.00%	2.00%	0.38%	0.18%	0.08%	0.50%	0.17%	0.06%
50	0.00%	0.00%	0.00%	0.05%	0.10%	0.57%	0.28%	0.07%
55	0.00%	0.00%	0.00%	0.00%	0.13%	0.90%	0.48%	0.08%
60	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
65	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Age	Ordinary Withdrawal			Safety Tier 2				
	0<X<3	3<=X<5	5<=X	Vested	Ordinary	Duty	Ordinary	Duty
	<u>0<X<3</u>	<u>3<=X<5</u>	<u>5<=X</u>	<u>Termination</u>	<u>Disability</u>	<u>Disability</u>	<u>Death</u>	<u>Death</u>
25	4.00%	3.00%	1.00%	0.85%	0.01%	0.01%	0.07%	0.04%
30	4.00%	3.00%	1.00%	0.85%	0.02%	0.27%	0.09%	0.04%
35	4.00%	3.00%	1.00%	0.85%	0.03%	0.42%	0.09%	0.04%
40	4.00%	3.00%	1.00%	0.85%	0.06%	0.65%	0.12%	0.05%
45	4.00%	3.00%	0.64%	0.85%	0.08%	0.90%	0.17%	0.06%
50	0.00%	0.00%	0.00%	0.85%	0.10%	1.10%	0.28%	0.07%
55	0.00%	0.00%	0.00%	0.00%	0.13%	1.10%	0.48%	0.08%
60	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
65	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

Retirement Rates:

<u>Age</u>	<u>General Tier 1</u>		<u>General Tier 2</u>		<u>Safety</u>	<u>Safety</u>
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Tier 1</u>	<u>Tier 2</u>
41	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%
42	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%
43	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%
44	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%
45	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%
46	0.00%	0.00%	0.00%	0.00%	0.15%	0.15%
47	0.00%	0.00%	0.00%	0.00%	0.15%	0.15%
48	0.00%	0.00%	0.00%	0.00%	0.19%	0.21%
49	0.00%	0.00%	0.00%	0.00%	0.22%	0.27%
50	3.00%	3.45%	1.66%	1.99%	6.70%	4.25%
51	1.30%	2.42%	1.86%	1.78%	2.23%	1.58%
52	1.80%	2.14%	2.06%	2.01%	2.48%	1.97%
53	2.20%	2.32%	2.26%	2.00%	4.09%	2.94%
54	2.70%	2.86%	2.46%	2.28%	12.39%	8.11%
55	9.07%	7.15%	3.34%	4.72%	27.62%	14.92%
56	7.67%	6.24%	2.93%	3.85%	22.29%	11.11%
57	7.48%	7.37%	2.96%	4.26%	23.87%	25.00%
58	8.09%	9.87%	4.22%	5.60%	23.55%	10.67%
59	10.44%	10.17%	6.76%	5.67%	61.92%	27.49%
60	18.09%	19.64%	8.00%	8.49%	100.00%	100.00%
61	17.72%	18.59%	10.02%	10.50%	100.00%	100.00%
62	40.64%	21.02%	25.00%	21.24%	100.00%	100.00%
63	20.38%	18.49%	18.65%	18.01%	100.00%	100.00%
64	16.81%	8.45%	10.00%	19.67%	100.00%	100.00%
65	27.67%	25.41%	24.58%	32.93%	100.00%	100.00%
66	31.13%	22.30%	18.55%	31.49%	100.00%	100.00%
67	23.94%	31.49%	14.61%	45.49%	100.00%	100.00%
68	41.04%	19.72%	25.04%	64.99%	100.00%	100.00%
69	54.72%	46.26%	33.39%	77.98%	100.00%	100.00%
70	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

**Retirement Age and Benefit for
Deferred Vested Members:**

For current deferred vested members, we make the following retirement assumption:

General Age: 62

Safety Age: 55

We assume that 50% of future General and Safety deferred vested members will continue to work for a reciprocal employer. For reciprocals, we assume 5.65% compensation increases per annum.

Future Benefit Accruals:

1.0 year of service per year of employment plus 0.008 year of additional service to anticipate conversion of unused sick leave for each year of employment.

Unknown Data for Members:

Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male.

**Inclusion of Deferred Vested
Members:**

All deferred vested members are included in the valuation.

Percent Married:

80% of male members; 55% of female members.

Age of Spouse:

Female (or male) spouses are 3 years younger (or older) than their spouses.

Net Investment Return:

8.00%

**Employee Contribution
Crediting Rate:**

8.00%, compounded semi-annually.

Consumer Price Index:

Increase of 4.0% per year; Retiree COLA increases due to CPI subject to a 3.0% maximum change per year for General and Safety Tier 1 and 2% for General and Safety Tier 2.

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

Salary Increases:

Annual Rate of Compensation Increase		
Inflation: 4.0%; plus the following Merit and Longevity increases based age.		
Age	General	Safety
25	3.68%	3.61%
30	2.82%	2.70%
35	2.31%	1.57%
40	1.99%	1.15%
45	1.60%	1.13%
50	1.40%	0.95%
55	1.12%	0.73%
60	0.86%	0.26%
65	0.73%	0.00%

There is also an additional 0.25% “across the board” salary increases (other than inflation).

Actuarial Value of Assets:

The Actuarial Value of Assets is determined by phasing in any difference between actual and expected market return over 10 six-month interest crediting periods. The Actuarial Value of Assets is reduced by the value of the non-valuation reserves.

Actuarial Cost Method:

Entry Age Normal Actuarial Cost Method. Entry Age is the age at the member’s hire date. 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 aggregate salary, as if the current benefit accrual rate had always been in effect. The total unfunded Actuarial Accrued Liability is amortized over a declining 29-year period.

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

Terminal Pay Assumptions:

Additional pay elements are expected to be received during a member's final average earnings period. The percentages used in this valuation are:

	<u>Service Retirement</u>	<u>Disability Retirement</u>
General Tier 1	8.8%	7.0%
General Tier 2	3.0%	2.8%
Safety Tier 1	11.7%	8.5%
Safety Tier 2	3.0%	2.8%

SECTION 4: Supplemental Information for the Alameda County Employees' Retirement Association

Changes in Actuarial

Assumptions:

Based on the March 10, 2004 review of economic assumptions, several assumptions were changed. Previously, those assumptions were as follow:

Consumer Price Index:

Increase of 4.5% per year; Retiree COLA increases due to CPI subject to a 3.0% maximum change per year for General and Safety Tier 1 and 2% for General and Safety Tier 2.

Salary Increases:

Annual Rate of Compensation Increase		
Inflation: 4.5%; plus the following Merit and Longevity increases based age.		
Age	General	Safety
25	3.68%	3.61%
30	2.82%	2.70%
35	2.31%	1.57%
40	1.99%	1.15%
45	1.60%	1.13%
50	1.40%	0.95%
55	1.12%	0.73%
60	0.86%	0.26%
65	0.73%	0.00%

There are assumed to be no “across the board” salary increases (other than inflation).

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Terminal Pay Assumptions:

Additional pay elements are expected to be received during a member's final average earnings period. The percentages used in this valuation are:

	<u>Service Retirement</u>	<u>Disability Retirement</u>
General Tier 1	8.4%	7.0%
General Tier 2	2.8%	2.8%
Safety Tier 1	11.1%	8.5%
Safety Tier 2	2.8%	2.8%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

EXHIBIT V

Summary of Plan Provisions

This exhibit summarizes the major provisions of the ACERA 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 ACERA usually begins with the second pay period following appointment to a full time County or member District position. ACERA members who change from full time to part time may elect to continue membership at ACERA.
<i>General and Safety Tier 1</i>	All General and Safety members hired on or before June 30, 1983.
<i>General and Safety Tier 2</i>	All General and Safety members hired after June 30, 1983.

Final Compensation for Benefit Determination:

<i>General and Safety Tier 1</i>	Highest consecutive twelve months of compensation earnable (§31462.1) (FAS1)
<i>General and Safety Tier 2</i>	Highest consecutive thirty-six months of compensation earnable. (§31462) (FAS3)

Service: Years of service. (Yrs)

Service Retirement Eligibility:

<i>General</i>	Age 50 with 10 years of service, or age 70 regardless of service, or after 30 years, regardless of age (§31672).
<i>Safety</i>	Age 50 with 10 years of service, or after 20 years, regardless of age (§31663.25).

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Benefit Formula:

	Retirement Age	Benefit Formula
<i>General Tier 1 (§31676.12)</i>	50	$(1.34\% \times \text{FAS1} - 1/3 \times 1.34\% \times \$350 \times 12) \times \text{Yrs}$
	55	$(1.77\% \times \text{FAS1} - 1/3 \times 1.77\% \times \$350 \times 12) \times \text{Yrs}$
	60	$(2.34\% \times \text{FAS1} - 1/3 \times 2.34\% \times \$350 \times 12) \times \text{Yrs}$
	62	$(2.62\% \times \text{FAS1} - 1/3 \times 2.62\% \times \$350 \times 12) \times \text{Yrs}$
	65	$(2.62\% \times \text{FAS1} - 1/3 \times 2.62\% \times \$350 \times 12) \times \text{Yrs}$

	Retirement Age	Benefit Formula
<i>General Tier 2 (§31676.1)</i>	50	$(1.18\% \times \text{FAS3} \times \text{Yrs} - 1/3\% \times 1.18\% \times \$350 \times 12) \times \text{Yrs}$
	55	$(1.49\% \times \text{FAS3} \times \text{Yrs} - 1/3\% \times 1.49\% \times \$350 \times 12) \times \text{Yrs}$
	60	$(1.92\% \times \text{FAS3} \times \text{Yrs} - 1/3\% \times 1.92\% \times \$350 \times 12) \times \text{Yrs}$
	62	$(2.09\% \times \text{FAS3} \times \text{Yrs} - 1/3\% \times 2.09\% \times \$350 \times 12) \times \text{Yrs}$
	65	$(2.43\% \times \text{FAS3} \times \text{Yrs} - 1/3\% \times 2.43\% \times \$350 \times 12) \times \text{Yrs}$

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

	Retirement Age	Benefit Formula
<i>Safety Tier 1 (Non-Integrated)</i> (§31664)	50	(2.00% x FAS1 x Yrs)
	55	(2.62% x FAS1 x Yrs)
	60	(2.62% x FAS1 x Yrs)
<i>Safety Tier 2 (Non-Integrated)</i> (§31664)	50	(2.00% x FAS3 x Yrs)
	55	(2.62% x FAS3 x Yrs)
	60	(2.62% x FAS3 x Yrs)
Maximum Benefit:	100% of Highest Average Compensation (§31676.1, §31676.12, §31664)	
<hr/>		
Ordinary Disability:		
<i>General Tier 1 and Tier 2</i>		
<i>Eligibility</i>	Five years of service (§31720).	
<i>Benefit Formula</i>	1.8% per year of service for General Tier 1 and 1.5% per year of service for General Tier 2. If the benefit does not exceed one-third of Final Compensation, the service is projected to 62 for General Tier 1 and 65 for General Tier 2, but the total benefit cannot be more than one-third of Final Compensation (§31727 and §31727.2).	
<i>Per Year of Service</i>		
 <i>Safety Tier 1 and Tier 2</i>		
<i>Eligibility</i>	Five years of service (§31720).	
<i>Benefit Formula</i>	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).	
<i>Per Year of Service</i>		

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Line-of-Duty Disability:

All Members

Eligibility

No age or service requirements (§31720).

Benefit Formula

Per Year of Service

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).

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%⁽¹⁾ of the greater of Service or Ordinary Disability Retirement benefit payable to surviving eligible spouse (§31765.1, §31781.1), in lieu of above.

Death in line of duty

50% of Final compensation or 100% of Service Retirement benefit, if greater, payable to spouse or minor children (§31787).

⁽¹⁾ The Retirement Board also provides an ADEB benefit that increases the 60% continuance to 100% continuance. The ADEB benefit is funded by the SRBR and the cost associated with the ADEB is excluded from this valuation.

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Death After Retirement:

All Members

Service or

Ordinary Disability Retirement

60% of member's unmodified allowance continued to eligible spouse (§31760.1). \$5,000⁽¹⁾ lump sum benefit payable to member's beneficiary (§31789.3). 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).

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 their 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:

General and Safety Tier 1

Future changes based on Consumer Price Index to a maximum of 3% per year, excess "banked." (§31870.1)

General and Safety Tier 2

Future changes based on Consumer Price Index to a maximum of 2% per year, excess "banked". (§31870)

County Contributions:

The amortization period for Unfunded Actuarial Accrued Liability is amortized over a declining 29-year period.

⁽¹⁾ \$750 is funded by the employer. \$4,250 is funded by the Supplement Retiree Benefit Reserve. This benefit is excluded from the valuation.

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Supplemental Benefit:

Non-vested supplemental COLA and medical benefits are also paid from the Supplemental Retiree Benefit Reserve to eligible retirees and survivors. These benefits have been excluded from this valuation.

Member Contributions:

Please refer to Appendix A for the specific rates.

General Tier 1

Basic

Provide for an average annuity at age 60 equal to 1/100 of FAS1. (§31621.2)

Cost-of-Living

Provide for one-half of future Cost-of-Living costs.

General Tier 2

Basic

Provide for an average annuity at age 60 equal to 1/120 of FAS3. (§31621)

Cost-of-Living

Provide for one-half of future Cost-of-Living costs.

Safety

Basic

Provide for an average annuity at age 50 equal to 1/100 of FAS1 (FAS3 for Tier 2). (§31639.25)

Cost-of-Living

Provide for one-half of future Cost-of-Living costs.

Other Information:

Safety members with 30 or more years of service are exempt from paying member contributions. The same applies for General members hired on or before March 7, 1973.

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

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

**Appendix A
Member Contribution Rates**

Breakdown of member rate between basic and cola calculated in the December 31, 2003 and December 31, 2002 valuations is as follows:

	December 31, 2003 Actuarial Valuation						December 31, 2002 Actuarial Valuation					
	BASIC		COLA		TOTAL		BASIC		COLA		TOTAL	
	Estimated Annual Rate	Estimated Annual Amount*	Estimated Annual Rate	Estimated Annual Amount*	Estimated Annual Rate	Estimated Annual Amount*	Estimated Annual Rate	Estimated Annual Amount*	Estimated Annual Rate	Estimated Annual Amount*	Estimated Annual Rate	Estimated Annual Amount*
General Tier 1 Members	6.67%	\$7,750	2.38%	\$2,766	9.05%	\$10,516	6.65%	\$7,727	2.31%	\$2,684	8.96%	\$10,411
General Tier 2 Members	6.18%	\$29,841	1.40%	\$6,760	7.58%	\$36,601	6.44%	\$31,096	1.44%	\$6,954	7.88%	\$38,050
Safety Tier 1 Members	6.70%	\$1,833	2.96%	\$810	9.66%	\$2,643	6.95%	\$1,902	2.89%	\$790	9.84%	\$2,692
Safety Tier 2 Members	8.30%	\$7,297	2.23%	\$1,961	10.53%	\$9,258	8.42%	\$7,403	2.19%	\$1,925	10.61%	\$9,328
All Member Categories Combined	6.54%	\$46,721	1.72%	\$12,297	8.26%	\$59,018	6.74%	\$48,128	1.73%	\$12,353	8.47%	\$60,481

* Amounts are in thousands and are based on December 31, 2003 annual payroll (Also in thousands):

	County Only	District Only	Total
General Tier 1	\$ 108,378	\$ 7,821	\$ 116,199
General Tier 2	482,863		482,863
Safety Tier 1	27,362		27,362
Safety Tier 2	87,920		87,920
Total	\$ 706,523	\$ 7,821	\$ 714,344

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

Comparison of Total Member Rate* from December 31, 2002 and December 31, 2003 Valuations

General Tier 1			General Tier 2				
Entry Age	Current	New	New-Curr	Entry Age	Current	New	New-Curr
25	10.59%	10.28%	-0.31%	25	7.22%	6.98%	-0.24%
35	11.32%	11.14%	-0.18%	35	7.72%	7.57%	-0.15%
45	12.39%	12.35%	-0.04%	45	8.47%	8.38%	-0.09%

Safety Tier 1			Safety Tier 2				
Entry Age	Current	New	New-Curr	Entry Age	Current	New	New-Curr
25	13.44%	13.39%	-0.05%	25	10.52%	10.33%	-0.19%
30	13.90%	13.94%	0.04%	30	10.88%	10.75%	-0.13%
35	14.58%	14.71%	0.13%	35	11.43%	11.36%	-0.07%

* Contributions for the first \$161 of biweekly payroll are based on 2/3 of the above rates for integrated members.

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

**General Tier 1 Members' Contribution Rates from the December 31, 2003 Actuarial Valuation
as a percentage of payroll**

<u>Entry Age</u>	<u>Basic Only</u>		<u>COLA Only</u>		<u>Total</u>	
	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>
15	4.81%	7.21%	1.71%	2.57%	6.52%	9.78%
16	4.81%	7.21%	1.71%	2.57%	6.52%	9.78%
17	4.84%	7.26%	1.73%	2.59%	6.57%	9.85%
18	4.87%	7.31%	1.74%	2.61%	6.61%	9.92%
19	4.90%	7.35%	1.75%	2.62%	6.65%	9.97%
20	4.93%	7.39%	1.75%	2.63%	6.68%	10.02%
21	4.95%	7.42%	1.76%	2.64%	6.71%	10.06%
22	4.97%	7.45%	1.77%	2.66%	6.74%	10.11%
23	4.99%	7.49%	1.78%	2.67%	6.77%	10.16%
24	5.02%	7.53%	1.79%	2.69%	6.81%	10.22%
25	5.05%	7.58%	1.80%	2.70%	6.85%	10.28%
26	5.09%	7.63%	1.81%	2.72%	6.90%	10.35%
27	5.12%	7.68%	1.83%	2.74%	6.95%	10.42%
28	5.16%	7.74%	1.84%	2.76%	7.00%	10.50%
29	5.20%	7.80%	1.85%	2.78%	7.05%	10.58%
30	5.24%	7.86%	1.87%	2.80%	7.11%	10.66%
31	5.28%	7.93%	1.89%	2.83%	7.17%	10.76%
32	5.33%	7.99%	1.90%	2.85%	7.23%	10.84%
33	5.38%	8.06%	1.92%	2.88%	7.30%	10.94%
34	5.43%	8.14%	1.93%	2.90%	7.36%	11.04%
35	5.48%	8.21%	1.95%	2.93%	7.43%	11.14%
36	5.53%	8.29%	1.97%	2.96%	7.50%	11.25%
37	5.58%	8.37%	1.99%	2.98%	7.57%	11.35%
38	5.64%	8.46%	2.01%	3.01%	7.65%	11.47%
39	5.69%	8.54%	2.03%	3.04%	7.72%	11.58%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

<u>Entry Age</u>	<u>Basic Only</u>		<u>COLA Only</u>		<u>Total</u>	
	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>
40	5.75%	8.63%	2.05%	3.08%	7.80%	11.71%
41	5.81%	8.72%	2.07%	3.11%	7.88%	11.83%
42	5.87%	8.81%	2.09%	3.14%	7.96%	11.95%
43	5.94%	8.91%	2.12%	3.18%	8.06%	12.09%
44	6.00%	9.00%	2.14%	3.21%	8.14%	12.21%
45	6.07%	9.10%	2.17%	3.25%	8.24%	12.35%
46	6.14%	9.21%	2.19%	3.28%	8.33%	12.49%
47	6.21%	9.31%	2.21%	3.32%	8.42%	12.63%
48	6.28%	9.42%	2.24%	3.36%	8.52%	12.78%
49	6.35%	9.52%	2.26%	3.39%	8.61%	12.91%
50	6.42%	9.63%	2.29%	3.43%	8.71%	13.06%
51	6.49%	9.73%	2.31%	3.47%	8.80%	13.20%
52	6.56%	9.84%	2.34%	3.51%	8.90%	13.35%
53	6.63%	9.95%	2.37%	3.55%	9.00%	13.50%
54	6.70%	10.05%	2.39%	3.58%	9.09%	13.63%
55	6.77%	10.15%	2.41%	3.62%	9.18%	13.77%
56	6.82%	10.24%	2.43%	3.65%	9.25%	13.89%
57	6.86%	10.30%	2.45%	3.67%	9.31%	13.97%
58	6.86%	10.29%	2.45%	3.67%	9.31%	13.96%
59 & Over	6.66%	10.00%	2.37%	3.56%	9.03%	13.56%

* Use these rates for Integrated Members

** Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 3.00%
 Mortality: 94 Uninsured Pensioner Mortality Table for Males (with ages set back four years)
 Salary Increase: Inflation (4.0%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 35.65%
 Terminal Pay: 8.8%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

**General Tier 2 Members' Contribution Rates from the December 31, 2003 Actuarial Valuation
as a percentage of payroll**

<u>Entry Age</u>	<u>Basic Only</u>		<u>COLA Only</u>		<u>Total</u>	
	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>
15	3.61%	5.41%	0.81%	1.22%	4.42%	6.63%
16	3.61%	5.41%	0.81%	1.22%	4.42%	6.63%
17	3.63%	5.45%	0.82%	1.23%	4.45%	6.68%
18	3.66%	5.49%	0.83%	1.24%	4.49%	6.73%
19	3.68%	5.52%	0.83%	1.25%	4.51%	6.77%
20	3.70%	5.55%	0.83%	1.25%	4.53%	6.80%
21	3.71%	5.57%	0.84%	1.26%	4.55%	6.83%
22	3.73%	5.59%	0.85%	1.27%	4.58%	6.86%
23	3.75%	5.62%	0.85%	1.27%	4.60%	6.89%
24	3.77%	5.65%	0.85%	1.28%	4.62%	6.93%
25	3.79%	5.69%	0.86%	1.29%	4.65%	6.98%
26	3.82%	5.73%	0.87%	1.30%	4.69%	7.03%
27	3.84%	5.77%	0.87%	1.30%	4.71%	7.07%
28	3.87%	5.81%	0.87%	1.31%	4.74%	7.12%
29	3.90%	5.85%	0.88%	1.32%	4.78%	7.17%
30	3.93%	5.90%	0.89%	1.34%	4.82%	7.24%
31	3.97%	5.95%	0.90%	1.35%	4.87%	7.30%
32	4.00%	6.00%	0.91%	1.36%	4.91%	7.36%
33	4.04%	6.05%	0.91%	1.37%	4.95%	7.42%
34	4.07%	6.11%	0.92%	1.38%	4.99%	7.49%
35	4.11%	6.17%	0.93%	1.40%	5.04%	7.57%
36	4.15%	6.22%	0.94%	1.41%	5.09%	7.63%
37	4.19%	6.28%	0.95%	1.42%	5.14%	7.70%
38	4.23%	6.35%	0.96%	1.44%	5.19%	7.79%
39	4.27%	6.41%	0.97%	1.45%	5.24%	7.86%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

<u>Entry Age</u>	<u>Basic Only</u>		<u>COLA Only</u>		<u>Total</u>	
	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>
40	4.32%	6.48%	0.98%	1.47%	5.30%	7.95%
41	4.36%	6.54%	0.99%	1.48%	5.35%	8.02%
42	4.41%	6.61%	1.00%	1.50%	5.41%	8.11%
43	4.46%	6.68%	1.01%	1.51%	5.47%	8.19%
44	4.51%	6.76%	1.02%	1.53%	5.53%	8.29%
45	4.56%	6.83%	1.03%	1.55%	5.59%	8.38%
46	4.61%	6.91%	1.04%	1.56%	5.65%	8.47%
47	4.66%	6.99%	1.05%	1.58%	5.71%	8.57%
48	4.71%	7.07%	1.07%	1.60%	5.78%	8.67%
49	4.76%	7.14%	1.08%	1.62%	5.84%	8.76%
50	4.82%	7.22%	1.09%	1.63%	5.91%	8.85%
51	4.87%	7.30%	1.10%	1.65%	5.97%	8.95%
52	4.92%	7.38%	1.11%	1.67%	6.03%	9.05%
53	4.97%	7.46%	1.13%	1.69%	6.10%	9.15%
54	5.03%	7.54%	1.14%	1.71%	6.17%	9.25%
55	5.07%	7.61%	1.15%	1.72%	6.22%	9.33%
56	5.12%	7.68%	1.16%	1.74%	6.28%	9.42%
57	5.15%	7.72%	1.17%	1.75%	6.32%	9.47%
58	5.35%	8.02%	1.21%	1.81%	6.56%	9.83%
59 & Over	5.55%	8.33%	1.26%	1.89%	6.81%	10.22%

* Use these rates for Integrated Members

** Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 2.00%
 Mortality: 94 Uninsured Pensioner Mortality Table for Males (with ages set back four years)
 Salary Increase: Inflation (4.0%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 22.63%
 Terminal Pay: 3.0%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

**Safety Tier 1 Members' Contribution Rates from the December 31, 2003 Actuarial Valuation
as a Percentage of Payroll (Under 2% at 50 formula)**

Entry Age	Basic Only		COLA Only		Total	
	First \$161*	Over \$161**	First \$161*	Over \$161**	First \$161*	Over \$161**
15	5.87%	8.81%	2.60%	3.90%	8.47%	12.71%
16	5.87%	8.81%	2.60%	3.90%	8.47%	12.71%
17	5.92%	8.88%	2.62%	3.93%	8.54%	12.81%
18	5.96%	8.94%	2.64%	3.96%	8.60%	12.90%
19	6.00%	9.00%	2.65%	3.98%	8.65%	12.98%
20	6.03%	9.04%	2.67%	4.00%	8.70%	13.04%
21	6.06%	9.08%	2.68%	4.02%	8.74%	13.10%
22	6.08%	9.13%	2.69%	4.04%	8.77%	13.17%
23	6.12%	9.17%	2.71%	4.06%	8.83%	13.23%
24	6.15%	9.23%	2.72%	4.08%	8.87%	13.31%
25	6.19%	9.28%	2.74%	4.11%	8.93%	13.39%
26	6.23%	9.35%	2.76%	4.14%	8.99%	13.49%
27	6.28%	9.42%	2.78%	4.17%	9.06%	13.59%
28	6.33%	9.49%	2.80%	4.20%	9.13%	13.69%
29	6.38%	9.57%	2.83%	4.24%	9.21%	13.81%
30	6.44%	9.66%	2.85%	4.28%	9.29%	13.94%
31	6.50%	9.76%	2.88%	4.32%	9.38%	14.08%
32	6.57%	9.86%	2.91%	4.36%	9.48%	14.22%
33	6.64%	9.97%	2.94%	4.41%	9.58%	14.38%
34	6.72%	10.08%	2.97%	4.46%	9.69%	14.54%
35	6.80%	10.20%	3.01%	4.51%	9.81%	14.71%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

<u>Entry Age</u>	<u>Basic Only</u>		<u>COLA Only</u>		<u>Total</u>	
	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>
36	6.88%	10.32%	3.05%	4.57%	9.93%	14.89%
37	6.96%	10.44%	3.08%	4.62%	10.04%	15.06%
38	7.05%	10.57%	3.12%	4.68%	10.17%	15.25%
39	7.13%	10.70%	3.16%	4.74%	10.29%	15.44%
40	7.22%	10.82%	3.19%	4.79%	10.41%	15.61%
41	7.30%	10.95%	3.23%	4.85%	10.53%	15.80%
42	7.38%	11.07%	3.27%	4.90%	10.65%	15.97%
43	7.46%	11.19%	3.30%	4.95%	10.76%	16.14%
44	7.53%	11.30%	3.33%	5.00%	10.86%	16.30%
45	7.60%	11.40%	3.37%	5.05%	10.97%	16.45%
46	7.65%	11.47%	3.39%	5.08%	11.04%	16.55%
47	7.67%	11.51%	3.40%	5.10%	11.07%	16.61%
48	7.62%	11.44%	3.37%	5.06%	10.99%	16.50%
49 & Over	7.31%	10.97%	3.24%	4.86%	10.55%	15.83%

* Use these rates for Integrated Members

** Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 3.00%
 Mortality: 94 Uninsured Pensioner Mortality Table for Males (with ages set back two years)
 Salary Increase: Inflation (4.0%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 44.27%
 Terminal Pay: 11.7%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

**Safety Tier 2 Members' Contribution Rates from the December 31, 2003 Actuarial Valuation
as a Percentage of Payroll (Under 2% at 50 formula)**

<u>Entry Age</u>	<u>Basic Only</u>		<u>COLA Only</u>		<u>Total</u>	
	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>
15	5.15%	7.72%	1.39%	2.08%	6.54%	9.80%
16	5.15%	7.72%	1.39%	2.08%	6.54%	9.80%
17	5.19%	7.78%	1.39%	2.09%	6.58%	9.87%
18	5.23%	7.84%	1.41%	2.11%	6.64%	9.95%
19	5.26%	7.89%	1.41%	2.12%	6.67%	10.01%
20	5.29%	7.93%	1.42%	2.13%	6.71%	10.06%
21	5.31%	7.96%	1.43%	2.14%	6.74%	10.10%
22	5.34%	8.00%	1.43%	2.15%	6.77%	10.15%
23	5.36%	8.04%	1.44%	2.16%	6.80%	10.20%
24	5.39%	8.09%	1.45%	2.18%	6.84%	10.27%
25	5.43%	8.14%	1.46%	2.19%	6.89%	10.33%
26	5.46%	8.20%	1.47%	2.20%	6.93%	10.40%
27	5.50%	8.26%	1.48%	2.22%	6.98%	10.48%
28	5.55%	8.32%	1.49%	2.24%	7.04%	10.56%
29	5.60%	8.40%	1.51%	2.26%	7.11%	10.66%
30	5.65%	8.47%	1.52%	2.28%	7.17%	10.75%
31	5.71%	8.56%	1.53%	2.30%	7.24%	10.86%
32	5.77%	8.65%	1.55%	2.33%	7.32%	10.98%
33	5.83%	8.74%	1.57%	2.35%	7.40%	11.09%
34	5.90%	8.84%	1.59%	2.38%	7.49%	11.22%
35	5.96%	8.95%	1.61%	2.41%	7.57%	11.36%
36	6.04%	9.06%	1.63%	2.44%	7.67%	11.50%
37	6.11%	9.17%	1.64%	2.46%	7.75%	11.63%
38	6.19%	9.28%	1.67%	2.50%	7.86%	11.78%
39	6.26%	9.39%	1.69%	2.53%	7.95%	11.92%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix A

Member Contribution Rates (Continued)

<u>Entry Age</u>	<u>Basic Only</u>		<u>COLA Only</u>		<u>Total</u>	
	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>	<u>First \$161*</u>	<u>Over \$161**</u>
40	6.34%	9.51%	1.71%	2.56%	8.05%	12.07%
41	6.41%	9.62%	1.73%	2.59%	8.14%	12.21%
42	6.48%	9.73%	1.75%	2.62%	8.23%	12.35%
43	6.56%	9.83%	1.76%	2.64%	8.32%	12.47%
44	6.63%	9.94%	1.78%	2.67%	8.41%	12.61%
45	6.69%	10.03%	1.80%	2.70%	8.49%	12.73%
46	6.74%	10.11%	1.81%	2.72%	8.55%	12.83%
47	6.78%	10.16%	1.82%	2.73%	8.60%	12.89%
48	7.04%	10.56%	1.89%	2.84%	8.93%	13.40%
49 & Over	7.31%	10.97%	1.97%	2.95%	9.28%	13.92%

* Use these rates for Integrated Members

** Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 2.00%
 Mortality: 94 Uninsured Pensioner Mortality Table for Males (with ages set back two years)
 Salary Increase: Inflation (4.0%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 26.89%
 Terminal Pay: 3.0%

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report

Schedule of Active Member Valuation Data

Valuation Date	Plan Type	Number	Annual Payroll(\$)	Annual Average Pay(\$)	% Increase in Average Pay*
12/31/1990	General	7,689	264,710,135	34,427	8.55%
	Safety	1,298	54,927,313	42,317	11.75%
	Total	8,987	319,637,448	35,567	9.00%
12/31/1991	General	7,766	285,172,127	36,721	6.66%
	Safety	1,203	56,369,693	46,858	10.73%
	Total	8,969	341,541,820	38,080	7.07%
12/31/1992	General	7,916	309,059,921	39,042	6.32%
	Safety	1,172	58,467,579	49,887	6.46%
	Total	9,088	367,527,500	40,441	6.20%
12/31/1993	General	7,738	301,833,734	39,007	-0.09%
	Safety	1,120	55,540,749	49,590	-0.60%
	Total	8,858	357,374,483	40,345	-0.24%
12/31/1994	General	7,933	310,459,574	39,135	0.33%
	Safety	1,128	55,445,811	49,154	-0.88%
	Total	9,061	365,905,385	40,382	0.09%
12/31/1995	General	7,861	314,376,236	39,992	2.19%
	Safety	1,196	59,227,940	49,522	0.75%
	Total	9,057	373,604,176	41,250	2.15%
12/31/1996	General	7,859	326,703,539	41,571	3.95%
	Safety	1,195	62,992,218	52,713	6.44%
	Total	9,054	389,695,757	43,041	4.34%

* Reflects the increase in average salary for members at the beginning of the year versus those at the end of the year, it does not reflect the average salary increases received by members who worked the full year

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Active Member Valuation Data (continued)

Valuation Date	Plan Type	Number	Annual Payroll(\$)	Annual Average Pay(\$)	% Increase in Average Pay*
12/31/1997	General	7,969	344,339,885	43,210	3.94%
	Safety	1,278	68,705,274	53,760	1.99%
	Total	9,247	413,045,159	44,668	3.78%
12/31/1998	General	8,173	387,930,299	47,465	9.85%
	Safety	1,326	74,534,770	56,210	4.56%
	Total	9,499	462,465,069	48,686	8.99%
12/31/1999	General	8,445	407,628,000	48,269	1.69%
	Safety	1,414	80,358,000	56,830	1.10%
	Total	9,859	487,986,000	49,497	1.67%
12/31/2000	General	9,027	446,911,072	49,508	2.57%
	Safety	1,429	85,394,052	59,758	5.15%
	Total	10,456	532,305,124	50,909	2.85%
12/31/2001**	General	9,502	498,299,521	52,442	5.92%
	Safety	1,472	92,092,614	62,563	4.69%
	Total	10,974	590,392,135	53,799	5.68%
12/31/2002**	General	9,839	537,245,555	54,604	4.12%
	Safety	1,499	103,531,751	69,067	10.40%
	Total	11,338	640,777,306	56,516	5.05%
12/31/2003***	General	9,725	599,062,000	61,600	12.81%
	Safety	1,495	115,282,000	77,111	11.64%
	Total	11,220	714,344,000	63,667	12.65%

* Reflects the increase in average salary for members at the beginning of the year versus those at the end of the year, it does not reflect the average salary increases received by members who worked the full year.

** Salary projected from 11/30 to 12/31

*** Projected compensation was calculated by increasing the prior calendar year's compensation (assuming every employee will work full time) by one year of inflation.

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Retirees and Beneficiaries Added To and Removed From Retiree Payroll

Plan Year	Added to Rolls		Removed from Rolls		Rolls at End of Year		% Increase in Retiree Allowance	Average Annual Allowance
	Number	Annual Allowance (in 000's)	Number	Annual Allowance (in 000's)	Number	Annual Allowance (in 000's)		
1990	N/A*		N/A*		4,509	\$46,891	5.39%	\$10,399
1991	N/A*		N/A*		4,557	50,588	7.88%	11,101
1992	N/A*		N/A*		4,642	54,450	7.63%	11,730
1993	355		(121)		4,876	63,511	16.64%	13,025
1994	241		(191)		4,926	66,392	4.54%	13,478
1995	284		(190)		5,020	71,426	7.58%	14,228
1996	248		(157)		5,111	75,966	6.36%	14,863
1997	220		(129)		5,202	81,868	7.77%	15,738
1998	324		(146)		5,380	89,724	9.60%	16,677
1999	364		(139)		5,605	101,158	12.74%	18,048
2000	381		(287)		5,699	115,261	13.94%	20,225
2001	303	\$10,548**	(135)	\$(1,723)	5,867	124,086	7.66%	21,150
2002	335	12,671	(206)	(3,060)	5,996	133,697	7.75%	22,298
2003	447	17,558***	(156)	(2,732)	6,287	148,523	11.09%	23,624

* Not available

** Includes data adjustment

*** Includes data adjustments and automatic cost-of-living adjustments granted on April 1.

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

**Solvency Test
(dollar amount in thousands)**

Aggregate Accrued Liabilities for				Portion of Accrued Liabilities Covered by Reported Assets				
Valuation Date	Active Member Contributions	Retired/Vested Members	Active Members	Total	Valuation Value of Assets	Active Member Contributions	Retired/Vested Members	Active Members
			(Employer Financed Portion)					(Employer Financed Portion)
12/31/1996	\$452,253	\$945,276	\$670,387	\$2,067,916	\$2,113,009	100%	100%	100%
12/31/1997	510,381	1,041,268	666,670	2,218,319	2,313,787	100%	100%	100%
12/31/1998	537,895	1,316,570	758,546	2,613,011	2,830,437	100%	100%	100%
12/31/1999	640,623	1,326,463	795,438	2,762,524	2,997,932	100%	100%	100%
12/31/2000	735,101	1,435,302	766,227	2,936,631	3,169,178	100%	100%	100%
12/31/2001	802,356	1,503,393	834,467	3,140,216	3,321,794	100%	100%	100%
12/31/2002	821,702	1,664,465	1,073,446	3,559,613	3,294,053	100%	100%	75%
12/31/2003	802,442	1,833,917	1,253,684	3,890,043	3,381,757	100%	100%	59%

Notes: This exhibit includes actuarially funded liabilities and assets. The non-valuation reserves such as Supplemental Retirees Benefit Reserve, Death Benefit, and Reserve for Interest Fluctuation, etc., are not included.

Events affecting year to year comparability:

- 12/31/92 - Investment return assumption reduced from 8.50% to 8.25%; inflation assumption dropped from 5.5% to 5%; changes to non-economic assumptions.
- 12/31/93 - Investment return assumption reduced from 8.25% to 8%; inflation assumption dropped from 5% to 4.75%; golden handshake offered in 1993.
- 12/31/94 - Includes \$307,923 Pension Obligation Bond contribution made on 4/29/95.
- 12/31/95 - Inflation assumption dropped from 4.75% to 4.5%; changes to non-economic assumptions; change in actuarial asset valuation methodology.
- 12/31/01 - Change in non-economic assumptions.
- 12/31/02 - Investment return assumption reduced from 8.25% to 8.00%; salary increase assumption increased from 5.6% to 5.9%; increase in terminal pay assumption; and implementation of 80% - 120% market value corridor.
- 12/31/03 - Inflation assumption decreased from 4.5% to 4.0%; across-the-board salary increase increased from 0.00% to 0.25%; and increase in terminal pay assumption.

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

**Actuarial Analysis of Financial Experience
(Dollar amounts in millions)**

	Plan Years						
	2003	2002	2001	2000	1999	1998	1997
Prior Valuation Unfunded/(Prefunded) Actuarial Accrued Liability	\$266	\$(182)	\$(233)	\$(235)	\$(217)	\$(95)	\$(45)
Expected Increase from Prior Valuation							(1)
Salary Increase Greater (Less) than Expected	93	17	10	(5)	5	36	(8)
Asset Return Less (Greater) than Expected	133	207	34	(5)	26	(110)	(61)
Other Experience (Including Scheduled UAAL Payment)	26	20	13	12	12	6	10
Ventura Litigation					(69)	259	
Conversion of Sick Leave Service					8		
Actuarial Value of Assets Method Change						(259)	
Economic Assumption Changes		190				(54)*	
Non-economic Assumption Changes	(10)	14	35			- *	-
Data Corrections			(41)			-	10
Dilution of Rate Credit from Surplus Assets							
Ending Unfunded/Prefunded Actuarial Accrued Liability	\$508	\$266	\$(182)	\$(233)	\$(235)	\$(217)	\$(95)

* \$30 million is the combined impact of changes in economic and non-economic assumptions in 1998.

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Average Benefit Payments

Retirement Effective Dates 1/1/1992 - 12/31/2003	Years Since Retirement						
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over
Period 1/1/92 - 12/31/92							
Average Monthly Benefit	\$1,634	\$1,185	\$881	\$391	\$566	\$401	\$377
Number of Active Retirants	893	895	1,109	922	484	218	121
Period 1/1/93 - 12/31/93							
Average Monthly Benefit	\$1,804	\$1,420	\$956	\$768	\$584	\$432	\$379
Number of Active Retirants	837	1,108	1,034	967	556	236	138
Period 1/1/94 - 12/31/94							
Average Monthly Benefit	\$1,793	\$1,463	\$1,065	\$823	\$623	\$473	\$196
Number of Active Retirants	898	1,052	965	1,039	600	245	127
Period 1/1/95 - 12/31/95							
Average Monthly Benefit	\$1,758	\$1,494	\$1,111	\$878	\$716	\$550	\$425
Number of Active Retirants	1,110	1,132	928	979	553	210	100
Period 1/1/96 - 12/31/96							
Average Monthly Benefit	\$1,670	\$1,564	\$1,181	\$954	\$758	\$616	\$428
Number of Active Retirants	1,110	1,126	912	959	612	245	110
Period 1/1/97 - 12/31/97							
Average Monthly Benefit	\$1,956	\$1,739	\$1,303	\$972	\$778	\$600	\$431
Number of Active Retirants	1,100	999	845	1,021	728	331	178

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Average Benefit Payments (continued)

Retirement Effective Dates 1/1/1992 - 12/31/2003	Years Since Retirement						
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over
Period 1/1/98 - 12/31/98							
Average Monthly Benefit	\$1,918	\$1,978	\$1,373	\$1,052	\$815	\$684	\$451
Number of Active Retirants	1,047	1,173	817	995	790	363	195
Period 1/1/99 - 12/31/99							
Average Monthly Benefit	\$2,226	\$1,971	\$1,635	\$1,136	\$897	\$692	\$475
Number of Active Retirants	1,195	950	1,028	933	823	446	230
Period 1/1/00 - 12/31/00							
Average Monthly Benefit	\$2,394	\$2,439	\$1,810	\$1,342	\$1,000	\$770	\$512
Number of Active Retirants	1,304	1,023	964	872	862	441	233
Period 1/1/01 - 12/31/01							
Average Monthly Benefit	\$2,261	\$2,047	\$1,951	\$1,455	\$1,092	\$861	\$597
Number of Active Retirants	1,569	1,203	991	774	751	403	176
Period 1/1/02 - 12/31/02							
Average Monthly Benefit	\$2,365	\$2,166	\$2,014	\$1,544	\$1,210	\$911	\$649
Number of Active Retirants	1,571	1,304	1,004	755	744	430	188
Period 1/1/03 - 12/31/03							
Average Monthly Benefit	\$2,692	\$2,223	\$2,237	\$1,582	\$1,267	\$943	\$705
Number of Active Retirants	1,487	1,210	1,248	778	779	512	273

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Participating Employers and Active Members Statistics

	2003	2002	2001	2000	1999	1998
County of Alameda						
General Members	7,367	7,550	7,266	7,077	6,787	8,043
Safety Members	1,495	1,499	1,472	1,429	1,414	1,326
Total	8,862	9,049	8,738	8,506	8,201	9,369
Participating Agencies (General Membership)						
Livermore Area Recreation & Park District	78	76	76	65	61	61
Housing Authority of Alameda County	74	75	69	66	65	64
Alameda County Schools	5	5	5	5	5	5
Alameda County Medical Center	2,201	2,133	2,086	1,814	1,527	-
Total	2,358	2,289	2,236	1,950	1,658	130
Total Active Membership						
General Members	9,725	9,839	9,502	9,027	8,445	8,173
Safety Members	1,495	1,499	1,472	1,429	1,414	1,326
Total	11,220	11,338	10,974	10,456	9,859	9,499

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Benefit Expenses by Type

	2003	2002	2001	2000	1999	1998
Service Retirement Payroll						
Basic	\$92,689,067	\$82,721,678	\$77,819,944	\$74,128,258	\$65,248,080	\$57,750,840
COLA	29,245,633	27,025,690	24,838,053	22,486,337	19,781,227	17,761,164
Total	121,934,700	109,747,368	102,657,997	96,614,595	85,029,307	75,512,004
Disability Retiree Payroll						
Basic	\$10,540,547	\$9,540,646	\$8,800,266	\$7,733,362	\$6,095,553	\$5,106,996
COLA	2,523,517	2,241,082	2,013,020	1,750,675	1,461,187	1,263,576
Total	13,064,064	11,781,728	10,813,286	9,484,037	7,556,740	6,370,572
Beneficiaries and Survivors						
Basic	\$8,289,339	\$7,550,165	\$6,576,312	\$5,651,133	\$5,273,837	\$4,904,460
COLA	5,234,278	4,617,487	4,038,493	3,510,459	3,298,252	2,937,072
Total	13,523,617	12,167,652	10,614,805	9,161,592	8,572,089	7,841,532
Total	\$148,522,381	\$133,696,748	\$124,086,088	\$115,260,224	\$101,158,136	\$89,724,108

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Retiree Members by Type of Benefit

Summary of Monthly Allowances Being Paid for the Month of November 30, 2003

	Number	Monthly Allowance		Total
		Basic	Cost of Living	
GENERAL MEMBERS				
Service Retirement				
Unmodified	3,827	\$5,699,470	\$1,903,625	\$7,603,095
Option 1	100	119,437	48,613	168,051
Option 2, 3, & 4	181	225,223	70,520	295,742
Total	4,108	6,044,131	2,022,757	8,066,888
Ordinary Disability				
Unmodified	137	106,937	38,790	145,726
Option 1	9	4,778	3,136	7,914
Option 2, 3, & 4	0	0	0	0
Total	146	111,715	41,925	153,640
Duty Disability				
Unmodified	277	451,674	86,466	538,139
Option 1	8	8,579	2,203	10,782
Option 2, 3, & 4	1	2,220	90	2,309
Total	286	462,472	88,758	551,230
Beneficiaries				
Ex-Spouse	67	43,177	13,048	56,224
Death	878	518,658	350,719	869,377
Total	945	561,835	363,767	925,601
Total General	5,485	\$7,180,152	\$2,517,208	\$9,697,360

SECTION 4: Reporting Information for the Alameda County Employees' Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Retiree Members by Type of Benefit (continued)

Summary of Monthly Allowances Being Paid for the Month of November 30, 2003

	Number	Monthly Allowance		Total
		Basic	Cost of Living	
SAFETY MEMBERS				
Service Retirement				
Unmodified	447	\$1,316,636	\$398,730	\$1,715,367
Option 1	2	4,267	1,911	6,178
Option 2, 3, & 4	87	359,055	13,738	372,792
Total	536	1,679,958	414,379	2,094,337
Ordinary Disability				
Unmodified	4	3,995	643	4,638
Option 1	0	0	0	0
Option 2, 3, & 4	0	0	0	0
Total	4	3,995	643	4,638
Duty Disability				
Unmodified	125	275,074	74,597	349,671
Option 1	4	8,329	1,250	9,579
Option 2, 3, & 4	8	16,793	3,120	19,914
Total	137	300,196	78,967	379,163
Beneficiaries				
Ex-Spouse	26	33,904	5,744	39,649
Death	99	95,039	66,679	161,718
Total	125	128,944	72,423	201,367
Total Safety	802	\$2,113,094	\$566,411	\$2,679,505
Total Retiree Members	6,287	\$9,293,246	\$3,083,619	\$12,376,865

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Data Section (do not touch)

StringBookmarks	
PlanNameLong	Ventura County Employees' Retirement Association
PlanNameShort	VCERA
OfficeAddr1	1190 S. Victoria Avenue, Suite 200
OfficeAddr2	Ventura, CA 93003-6572
ClientContact	Board of Retirement
FinanSource	Retirement Office
ActuaryName	Drew James
ActuaryTitle	Consulting Actuary
ActuaryCredential	FSA, MAAA
ActuaryNumber	99-1234
Assumptions	Board of Retirement
ConsultantName	Paul Angelo
ConsultantTitle	Vice President and Actuary
SegalAddr1	120 Montgomery Street, Suite 500
SegalAddr2	San Francisco, CA 94104
SegalPhone	415.263.8200
SegalFax	415.263.8290
ParticipantName	Member
ParticipantPlural	Members
RetireeName	Retired member
RetireePlural	Retired members
AuditorCompany	
FMWording	Entry Age Normal
ValDate	"7/1/2003"
ValDateEOY	"6/30/2004"
FiscalDate	"6/30/2003"
CensusDate	"7/1/2003"
CensusDateEOY	"6/30/2003"
ValDate1	"7/1/2002"
ValDateEOY1	"6/30/2003"
ValDateMinusOne	"6/30/2003"
ValDate1MinusOne	"6/30/2002"
FiscalDate1	"7/1/2002"
CreditRef	Years of Service
CreditRefSingle	Year of Service
PayRef	Compensation
PayRefSingle	Compensation
GLText	loss
GLAdminText	loss
OtherGLText	loss
GLInvText	loss
HistYearsText	three
OptCategory1	Optional

Data Section (do not touch)

OptCategory2
OptRow
InactNonText

Disableds
Optional
Inactive non-vested

Data Section (do not touch)

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AssetMethod	8	“#”
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MVIntActual1	-0.0718	“#.00%”
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DollarLimit1	160,000	“#,###”
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Fiscal	0	“#”
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ActNumTot1	7,704	“#,###”
ActNumUnknown	0	“#,###”
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AveSalary1	55,525	“#,###”
ActAge	43.8	“#,###”
ActAge1	00.0	“#,###”
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ActSvc1	09.3	“##.##”
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Payroll1	427,767,072	“#,###”
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BenNum1	450	“#,###”
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BenBft1	475,851	“#,###”
RDNum	3,380	“#,###”
RDNum1	3,232	“#,###”
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SuspendedPens1	0	“#,###”
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RDBft1	5,746,231	“#,###”
InactNum	1,155	“#,###”
TotalCount	12,729	“#,###”
TotalCount1	12,304	“##.##”
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AstAct	2,110,215,252	“#,###.##”
AstAct1	2,255,115,072	“#,###”
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Data Section (do not touch)

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TotalGl	-333,921,914	"#,###"
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ActAL	2,063,348,572	"#,###"
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AsmExpDolPer	0	"#,###"
AsmExpDolPer1	0	"#,###"
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FCRate1	-0.0371	"#.00%"
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RecContDec	55,607,808	"#,###"
RecContInc	3,933,305	"#,###"
RecContPct	0.0653	"#.00%"
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RecContPctInc	0.0086	"#.00%"

	First
Chart1First	2001
Chart6First	2002
Chart8First	2001
Chart11First	2002
Chart12First	2002

	Last
Chart1Last	2003
Chart6Last	2003
Chart8Last	2003
Chart11Last	2003
Chart12Last	2003

	Num
Chart1Num	3
Chart6Num	2
Chart8Num	3
Chart11Num	2
Chart12Num	2

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