

Alameda County Employees' Retirement Association

*Actuarial Valuation and Review
as of December 31, 2007*

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May 28, 2008

*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, 2007. It summarizes the actuarial data used in the valuation, establishes the funding requirements for fiscal 2008-2009 and analyzes the preceding year's experience.


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

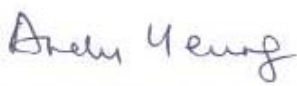
This actuarial valuation has been completed in accordance with generally accepted actuarial principles and practices. In our opinion, the combined operation of the assumptions and the methods applied in this valuation fairly represent past and anticipated future experience of the Association and meet the parameters required by GASB Statement 25. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate.

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

Sincerely,

THE SEGAL COMPANY

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


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

HEM/hy

SECTION 1

VALUATION SUMMARY

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

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.....	22

SECTION 3

SUPPLEMENTAL INFORMATION

EXHIBIT A

Table of Plan Coverage	
i. General Tier 1	23
ii. General Tier 2.....	24
iii. Safety Tier 1	25
iv. Safety Tier 2.....	26

EXHIBIT B

Members in Active Service and Projected Average Compensation as of December 31, 2007	
i. General Tier 1	27
ii. General Tier 2.....	28
iii. Safety Tier 1	29
iv. Safety Tier 2.....	30

EXHIBIT C

Reconciliation of Member Data – December 31, 2006 to December 31, 2007	31
--	----

EXHIBIT D

Summary Statement of Income and Expenses on an Actuarial Value Basis.....	32
---	----

EXHIBIT E

Summary Statement of Assets	33
-----------------------------------	----

EXHIBIT F

Actuarial Balance Sheet.....	35
------------------------------	----

EXHIBIT G

Summary of Reported Asset Infor- mation as of December 31, 2007.....	36
---	----

EXHIBIT H

Development of Unfunded Actuarial Accrued Liability as of December 31, 2007	37
---	----

EXHIBIT I

Section 415 Limitations.....	38
------------------------------	----

EXHIBIT J

Definitions of Pension Terms	39
------------------------------------	----

SECTION 4

REPORTING INFORMATION

EXHIBIT I

Supplementary Information Required by GASB – Schedule of Employer Contributions.....	41
--	----

EXHIBIT II

Supplementary Information Required by GASB – Schedule of Funding Progress	42
---	----

EXHIBIT III

Supplementary Information Required by GASB	43
---	----

EXHIBIT IV

Actuarial Assumptions and Actuarial Cost Method	44
--	----

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

Projected Employer Contributions by Each Participating Employer	68
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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, 2007. 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;
- The characteristics of covered active members, inactive vested members, retired members and beneficiaries as of November 30, 2007, provided by the Retirement Association;
- The assets of the Plan as of December 31, 2007, provided by the Retirement Association;
- Economic assumptions regarding future salary increases and investment earnings; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc. that the Board has adopted for the December 31, 2007 valuation.

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

In preparing this valuation, we have employed generally accepted actuarial methods and assumptions 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.

The contribution requirements are determined as a percentage of payroll. The Association's employer rates provide for both normal cost and a payment or credit 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, 2007 over a declining 25-year period. The aggregate employer contribution rate calculated using the declining 25-year amortization period is 14.88% of payroll. In this valuation, we have applied the 8.00% net investment earnings and 3.75% inflation assumptions adopted by the Board. The assumptions used in this valuation are the same as those that we used in the December 31, 2006 valuation.

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

The rates calculated in this report may be adopted by the Board for the fiscal year that extends from July 1, 2008 through June 30, 2009.

Significant Issues in Valuation Year

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

- Ref: Pg .42*

 - In the December 31, 2006 valuation, the ratio of the valuation value of assets to actuarial accrued liabilities was 85.5%. In this December 31, 2007 valuation, the funding ratio has improved to 89.2%.
 - The Association's unfunded actuarial accrued liability (UAAL) as of December 31, 2006 was \$697.3 million. In this year's valuation, the UAAL has decreased to \$552.2 million.
- Ref: Pg. 37*

 - The Plan has a net actuarial experience gain of about \$155.4 million. A reconciliation of the Association's UAAL is provided in Section 3, Exhibit H.
 - Employer rates for ACMC/Court/First 5 are higher than the County's rates to reflect that only the County has received a reimbursement of \$3.1 million for the implicit retiree health benefit subsidy paid by the County for 2007. The \$3.1 million together with the unused credit from prior years' transfer have been amortized over 25 years.
- Ref: Pg. 20*

 - The aggregate employer rate calculated in this valuation has decreased from 16.11% of payroll to 14.88% of payroll. The reasons for this change are: (i) higher than expected return on investments and (ii) lower than expected salary increase, net of (iii) other actuarial losses. A reconciliation of the Association's aggregate employer rate is provided in Section 2, Subsection D (see Chart 15). A schedule of the projected contributions by each participating employer is provided in Appendix B.
- Ref: Pg .21*

 - The aggregate member rate calculated in this valuation has increased from 8.63% of payroll to 8.64% of payroll. The change in member rate is due to change in membership demographic. A reconciliation of the Association's aggregate member rate is provided in Section 2, subsection D (see Chart 16).
- Ref: Pg. 6*

 - As indicated in Section 2, Subsection B (see Chart 7) of this report, the total unrecognized investment gains as of December 31, 2007 is \$257.1 million. These investment gains 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 losses that may occur after December 31, 2007. This implies that if the Association earns the assumed net rate of investment return of 8.00% per year on a **market value** basis, it will result in investment gains 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 decrease in each of the next few years.

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

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.

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

Summary of Key Valuation Results (Dollar amounts in thousands)

	December 31, 2007		December 31, 2006	
	Estimated		Estimated	
Employer Contribution Rates:				
<u>County</u>	Total Rate	Annual Amount ⁽¹⁾	Total Rate	Annual Amount ⁽¹⁾
General Tier 1	13.81%	\$8,060	14.36%	\$8,380
General Tier 2	11.89	44,928	13.19	49,841
Safety Tier 1	34.90	4,256	35.95	4,383
Safety Tier 2	27.46	32,692	28.98	34,502
County Combined	15.85	89,936	17.11	97,106
<u>ACMC/Court/First 5</u>				
General Tier 1	13.92	2,735	14.43	2,836
General Tier 2	12.00	23,707	13.26	26,196
<u>District – General Tier 1</u>	18.89	1,676	19.38	1,719
<u>All Combined</u>	14.88	118,054	16.11	127,857
Average Member Contribution Rates:				
	Total Rate	Annual Amount ⁽¹⁾	Total Rate ⁽²⁾	Annual Amount ⁽¹⁾
General Tier 1	9.57%	\$8,315	9.56%	\$8,306
General Tier 2	7.36	42,351	7.35	42,293
Safety Tier 1	14.70	1,793	14.70	1,793
Safety Tier 2	13.53	16,108	13.52	16,096
All categories combined	8.64	68,567	8.63	68,488
Funded Status:				
Actuarial accrued liability ⁽³⁾	\$5,112,403		\$4,825,157	
Valuation value of assets ⁽⁴⁾	4,560,213		4,127,841	
Funded percentage	89.2%		85.5%	
Unfunded Actuarial Accrued Liability	\$552,190		\$697,316	
Key Economic Assumptions:				
Interest rate	8.00%		8.00%	
Inflation rate	3.75%		3.75%	
Across-the-board salary increase	0.25%		0.25%	

(1) Based on December 31, 2007 projected annual compensation.

(2) Average rates have been recalculated by applying the individual entry age based member rates determined in the December 31, 2006 valuation to the Association membership as of December 31, 2007.

(3) Excludes liabilities held for SRBR and other non-valuation reserves.

(4) Excludes Reserve for Interest Fluctuations (Contingency Reserve), Supplemental Retirees Benefit Reserve, and other non-valuation reserves (Death Benefit – Burial & 401 (h) Reserves).

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

Summary of Key Valuation Demographic and Financial Data

	December 31, 2007	December 31, 2006	Percentage Change
Active Members:			
Number of members	10,912	10,662	2.3%
Average age	46.6	46.7	N/A
Average service	10.9	11.1	N/A
Projected total compensation	\$793,558,000	\$762,139,000	4.1%
Average projected compensation	\$72,723	\$71,482	1.7%
Retired Member and Beneficiaries:			
Number of members:			
Service retired	5,280	5,117	3.2%
Disability retired	774	746	3.8%
Beneficiaries	1,129	1,073	5.2%
Total	7,183	6,936	3.6%
Average age	70.8	70.7	N/A
Average monthly benefit ⁽¹⁾	\$2,630	\$2,493	5.5%
Vested Terminated Members:			
Number of vested terminated members ⁽²⁾	1,730	1,722	0.5%
Average age	47.2	46.8	N/A
Summary of Financial Data (dollar amounts in thousands):			
Market value of assets	\$5,574,780	\$5,210,100	7.0%
Return on market value of assets	8.10%	13.64%	N/A
Actuarial value of assets	\$5,317,636	\$4,750,819	11.9%
Return on actuarial value of assets	13.16%	10.19%	N/A
Valuation value of assets	\$4,560,214	\$4,127,841	10.5%
Return on valuation value of assets	11.03%	9.40%	N/A

⁽¹⁾ Excludes monthly benefits payable from the SRBR.

⁽²⁾ Includes members who left 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 seven valuations can be seen in this chart.

CHART 1
Member Population: 2001 – 2007

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
2004	10,556	1,361	6,475	0.74
2005	10,503	1,522	6,718	0.78
2006	10,662	1,722	6,936	0.81
2007	10,912	1,730	7,183	0.82

**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 10,912 active members with an average age of 46.6 years, average years of service of 10.9 and average compensation of \$72,723. The 10,662 active members in the prior valuation had an average age of 46.7 years, average service of 11.1 and average compensation of \$71,482.

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

Inactive Members

In this year's valuation, there were 1,730 members with a vested right to a deferred or immediate vested benefit or entitled to a return of their member contributions versus 1,722 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, 2007 based on census data collected as of November 30, 2007.

CHART 2
Distribution of Active Members by Age as of December 31, 2007

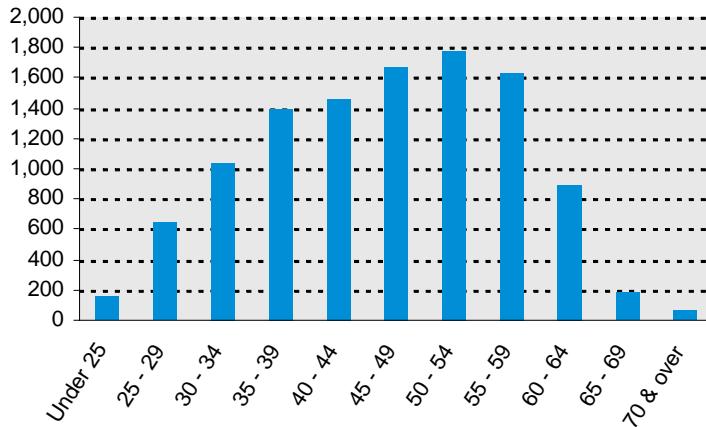
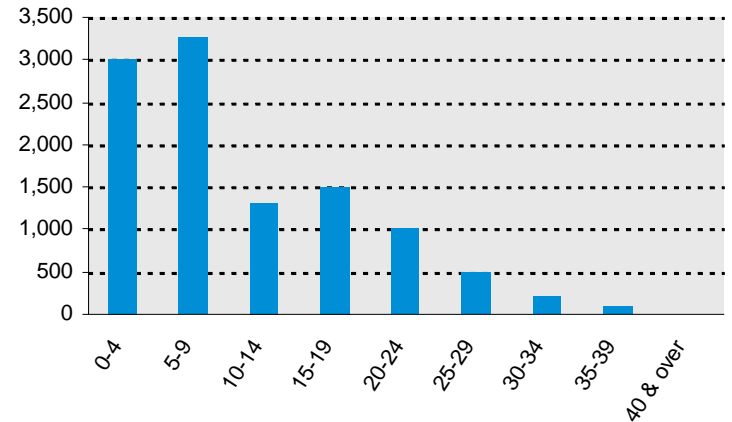


CHART 3
Distribution of Active Members by Years of Service as of December 31, 2007



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

Retired Members and Beneficiaries

As of December 31, 2007, 6,054 retired members and 1,129 beneficiaries were receiving total monthly benefits of \$18,901,954. For comparison, in the previous valuation, there were 5,863 retired members and 1,073 beneficiaries receiving monthly benefits of \$17,289,207. These monthly benefits exclude supplemental COLA benefits payable from the Supplemental Retirees Benefit Reserve (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, 2007 based on census data collected as of November 30, 2007.

CHART 4
Distribution of Retired Members (Excl. Beneficiaries) by Type and by Monthly Amount as of December 31, 2007

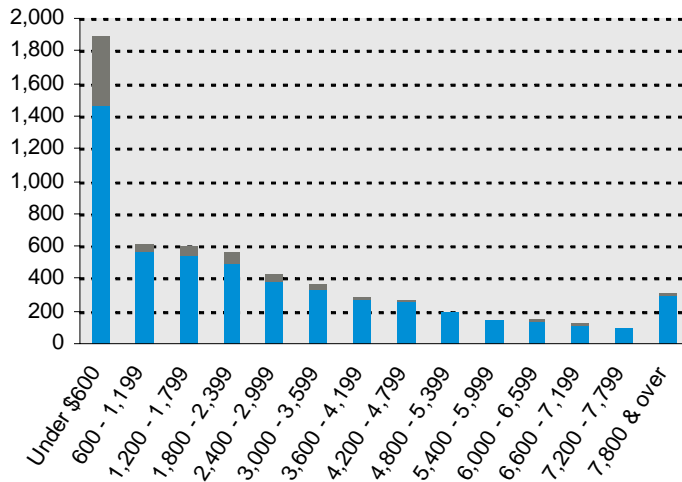
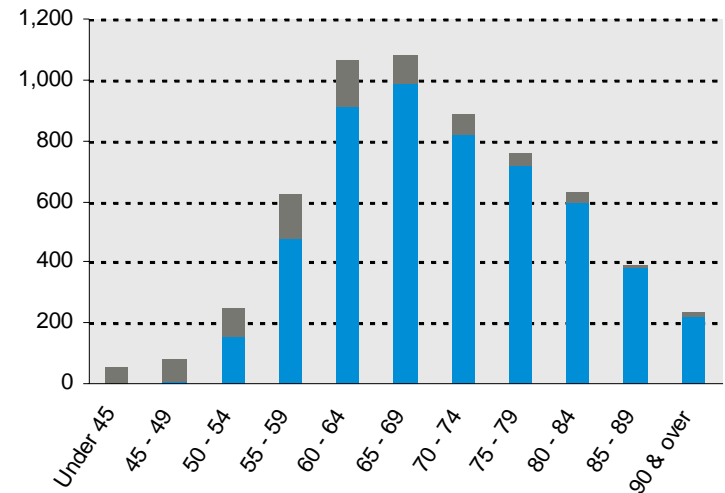


CHART 5
Distribution of Retired Members (Excl. Beneficiaries) by Type and by Age as of December 31, 2007



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

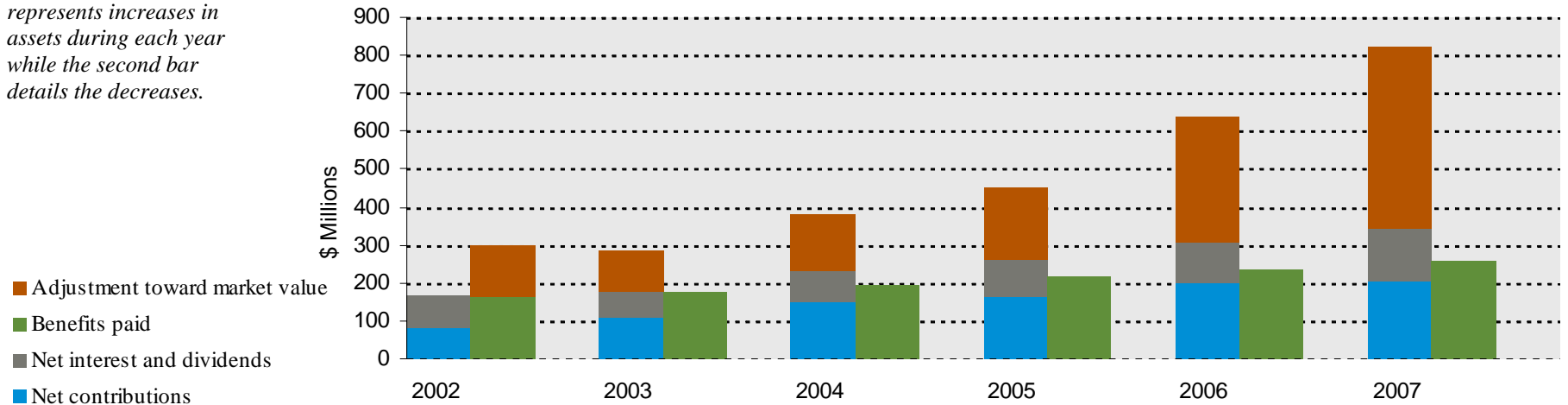
B. FINANCIAL INFORMATION

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 six 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 through 2007



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 no 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, 2007

Six Month Period		Total Actual Market	Expected Market	Investment	Deferred	Deferred
From	To	Return (net)	Return (net)	Gain (Loss)	Factor	Return
07/01/2003	12/31/2003	\$458,724,045	\$138,808,857	\$319,915,188	0.1	\$31,991,519
01/01/2004	06/30/2004	94,823,439	156,374,705	(61,551,266)	0.2	(12,310,253)
07/01/2004	12/31/2004	352,972,448	159,211,156	193,607,452 ⁽¹⁾	0.3	58,082,235
01/01/2005	06/30/2005	33,986,034	172,336,225	(138,350,191)	0.4	(55,340,076)
07/01/2005	12/31/2005	313,736,548	168,257,993	145,478,556	0.5	72,739,278
01/01/2006	06/30/2006	156,835,279	179,867,988	(23,032,709)	0.6	(13,819,625)
07/01/2006	12/31/2006	470,691,714	187,573,480	283,118,234	0.7	198,182,764
01/01/2007	06/30/2007	365,085,677	205,298,089	159,787,588	0.8	127,830,070
07/01/2007	12/31/2007	54,493,128	221,394,733	(166,901,605)	0.9	(150,211,445)
1. Total Deferred Return						\$257,144,467
2. Net Market Value						5,574,779,990
3. Actuarial Value of Assets (Item 2 – Item 1)						5,317,635,523
4. Actuarial Value of Assets – Corridor Limits:						
a. Lower Limit – 80% of Net Market Value						4,459,823,992
b. Upper Limit – 120% of Net Market Value						6,689,735,987
5. Actuarial Value of Assets (within corridor)						5,317,635,523
6. Non-valuation reserves and designations:						
a. Reserve for Interest Fluctuations (Contingency Reserve)						64,551,514
b. Supplemental Retirees Benefit Reserve (SRBR)						686,967,497
c. Other Non-Valuation Reserves (Death Benefit-Burial & 401(h) Reserves)						8,994,352
d. SRBR Transfer to Employer Advance Reserve						(3,091,493)
e. Subtotal						\$757,421,870
7. Valuation Value of Assets (Item 5 – Item 6)						\$4,560,213,653

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

⁽¹⁾After adjustment for change in accounting principle made by ACERA to the market value of assets as of 12/31/2004.

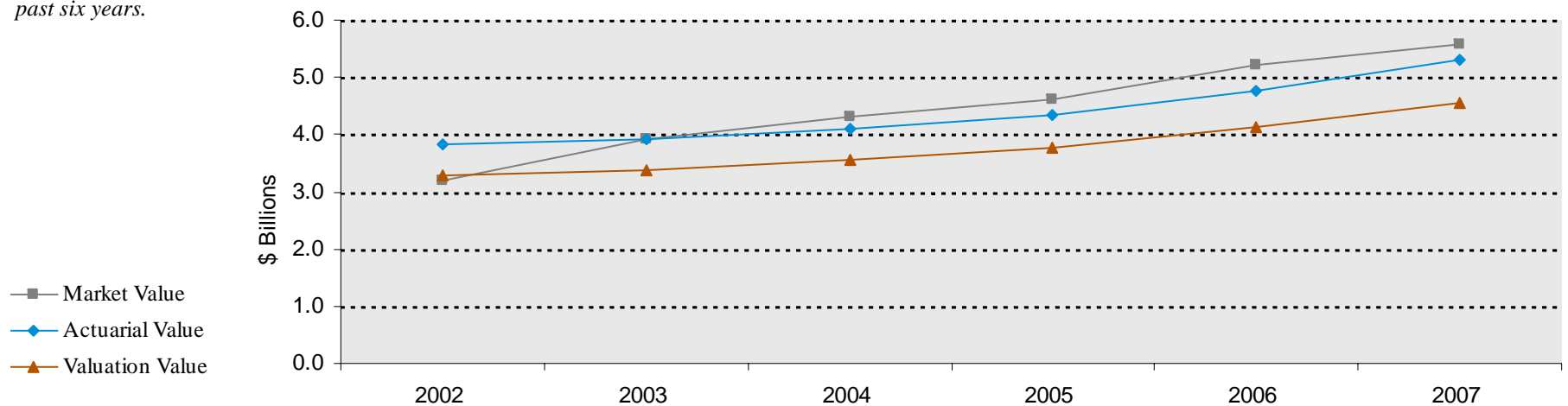
SECTION 2: Valuation Results for the Alameda County Employees' Retirement Association

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 six years.

CHART 8

Market Value, Actuarial Value and Valuation Value of Assets as of December 31, 2002 – 2007



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 gain was \$154.5 million, a gain of \$124.9 million from investments and a gain of \$30.5 million from all other sources. The net experience variation from individual sources other than investments was 0.60% 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, 2007

1. Net gain from investments ⁽¹⁾	\$124,872,000
2. Net loss from other experience ⁽²⁾	<u>30,539,000</u>
3. Net experience gain: (1) + (2)	\$155,411,000

⁽¹⁾ Details in Chart 10.

⁽²⁾ 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%. The actual rate of return on a valuation basis for the 2007 plan year was 11.03%.

Since the actual return for the year was more than the assumed return, the ACERA experienced an actuarial gain during the year ended December 31, 2007 with regard to its investments.

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

CHART 10

Investment Experience for Year Ended December 31, 2007 – Valuation Value and Actuarial Value of Assets

	Valuation Value	Actuarial Value
1. Actual return	\$454,105,997	\$621,715,716
2. Average value of assets	4,115,428,163	4,723,369,236
3. Actual rate of return: (1) ÷ (2)	11.03%	13.16%
4. Assumed rate of return	8.00%	8.00%
5. Expected return: (2) x (4)	329,234,253	377,869,539
6. Actuarial gain/(loss): (1) – (5)	<u>\$124,871,744</u>	<u>\$243,846,177</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 five years.

Based on the assumptions adopted by the Board for the December 31, 2007 valuation, the investment return assumption is 8.00%.

CHART 11

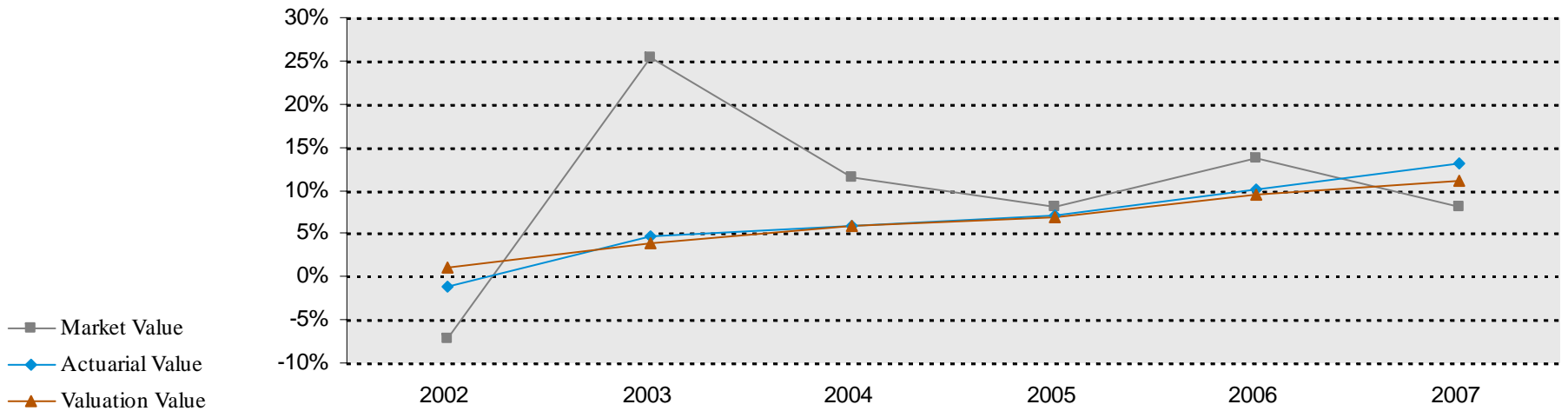
Investment Return –Valuation Value, Actuarial Value and Market Value: 2002 - 2007

Year Ended December 31	Valuation Value Investment Return		Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent	Amount	Percent
2002	\$ 35,537,359	1.08%	-\$47,643,106	-1.22%	-\$252,420,614	-7.26%
2003	128,596,301	3.93%	173,434,404	4.58%	802,017,260	25.46%
2004	195,406,503	5.79%	229,088,351	5.87%	447,795,887	11.49%
2005	247,067,988	6.97%	285,732,957	6.99%	347,722,582	8.09%
2006	355,019,495	9.40%	440,937,597	10.19%	627,526,993	13.64%
2007	454,105,997	11.03%	621,715,716	13.16%	419,578,805	8.10%
Total	\$1,415,733,643		\$1,703,265,919		\$2,392,220,913	

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.

CHART 12
Market, Actuarial and Valuation Rates of Return for Years Ended December 31, 2002 - 2007



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 gain from this other experience for the year ended December 31, 2007 amounted to \$30.5 million which is 0.60% 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 UAAL) 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 rate of 4.00% (i.e., 3.75% inflation plus 0.25% across-the-board salary increase). The current UAAL is being recognized over a declining 25-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 the basic contributions, members pay one-half of the total normal cost necessary to fund cost-of-living benefits. As instructed by ACERA, we have also included a 3% cost-sharing contribution that we understand will be paid by Safety members even after they attain 30 years of service. Accumulation includes semi-annual crediting of interest at the assumed investment earnings rate. Following the procedure established by the Board, 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	December 31, 2007						December 31, 2006	
	BASIC		COLA		TOTAL		BASIC AND COLA COMBINED**	
	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>
General Tier 1 Members								
Normal Cost	8.75%	\$5,107	2.70%	\$1,575	11.45%	\$6,682	10.71%	\$6,250
UAAL (Before POB Credit)	6.65%	3,881	0.79%	461	7.44%	4,342	8.67%	5,060
Pension Obligation Bond credit	-3.32%	-1,938	-1.65%	-962	-4.97%	-2,900	-4.95%	-2,889
Implicit Retiree Health Benefit Subsidy	<u>-0.11%</u>	<u>-64</u>	<u>0.00%</u>	<u>0</u>	<u>-0.11%</u>	<u>-64</u>	<u>-0.07%</u>	<u>-41</u>
Total Contribution	11.97%	\$6,986	1.84%	\$1,074	13.81%	\$8,060	14.36%	\$8,380
General Tier 2 Members								
Normal Cost	8.05%	\$30,418	1.48%	\$5,593	9.53%	\$36,011	9.54%	\$36,049
UAAL (Before POB Credit)	6.65%	25,128	0.79%	2,985	7.44%	28,113	8.67%	32,761
Pension Obligation Bond credit	-3.32%	-12,545	-1.65%	-6,235	-4.97%	-18,780	-4.95%	-18,704
Implicit Retiree Health Benefit Subsidy	<u>-0.11%</u>	<u>-416</u>	<u>0.00%</u>	<u>0</u>	<u>-0.11%</u>	<u>-416</u>	<u>-0.07%</u>	<u>-265</u>
Total Contribution	11.27%	\$42,585	0.62%	\$2,343	11.89%	\$44,928	13.19%	\$49,841
Safety Tier 1 Members								
Normal Cost	17.56%	\$2,141	6.19%	\$755	23.75%	\$2,896	23.28%	\$2,839
Member Cost Sharing contributions (Adjusted for Refunds)	-3.00%	-\$366	0.00%	0	-3.00%	-\$366	-3.00%	-\$366
UAAL (Before POB Credit)	16.21%	1,977	2.67%	325	18.88%	2,302	20.52%	2,502
Pension Obligation Bond credit	-2.89%	-352	-1.73%	-211	-4.62%	-563	-4.78%	-583
Implicit Retiree Health Benefit Subsidy	<u>-0.11%</u>	<u>-13</u>	<u>0.00%</u>	<u>0</u>	<u>-0.11%</u>	<u>-13</u>	<u>-0.07%</u>	<u>-9</u>
Total Contribution	27.77%	\$3,387	7.13%	\$869	34.90%	\$4,256	35.95%	\$4,383

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

CHART 13 (continued)

Recommended Employer Contribution Rates (Dollar Amounts in Thousands)

County Only	December 31, 2007						December 31, 2006	
	BASIC		COLA		TOTAL		BASIC AND COLA COMBINED**	
	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>
Safety Tier 2 Members								
Normal Cost	13.66%	\$16,263	2.60%	\$3,095	16.26%	\$19,358	16.27%	\$19,370
Member Cost Sharing contributions (Adjusted for Refunds)	-2.95%	-\$3,512	0.00%	0	-2.95%	-\$3,512	-2.96%	-\$3,524
UAAL (Before POB Credit)	16.21%	19,299	2.67%	3,178	18.88%	22,477	20.52%	24,430
Pension Obligation Bond credit	-2.89%	-3,441	-1.73%	-2,059	-4.62%	-5,500	-4.78%	-5,691
Implicit Retiree Health Benefit Subsidy	<u>-0.11%</u>	<u>-131</u>	<u>0.00%</u>	<u>0</u>	<u>-0.11%</u>	<u>-131</u>	<u>-0.07%</u>	<u>-83</u>
Total Contribution	23.92%	\$28,478	3.54%	\$4,214	27.46%	\$32,692	28.98%	\$34,502
All County Categories Combined								
Normal Cost	9.50%	\$53,929	1.94%	\$11,018	11.44%	\$64,947	11.37%	\$64,508
Member Cost Sharing contributions (Adjusted for Refunds)	-0.68%	-\$3,878	0.00%	0	-0.68%	-\$3,878	-0.69%	-\$3,890
UAAL (Before POB Credit)	8.86%	50,285	1.23%	6,949	10.09%	57,234	11.41%	64,753
Pension Obligation Bond credit	-3.22%	-18,276	-1.67%	-9,467	-4.89%	-27,743	-4.91%	-27,867
Implicit Retiree Health Benefit Subsidy	<u>-0.11%</u>	<u>-624</u>	<u>0.00%</u>	<u>0</u>	<u>-0.11%</u>	<u>-624</u>	<u>-0.07%</u>	<u>-398</u>
Total Contribution	14.35%	\$81,436	1.50%	\$8,500	15.85%	\$89,936	17.11%	\$97,106

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

CHART 13 (continued)

Recommended Employer Contribution Rates (Dollar Amounts in Thousands)

ACMC, Court & First 5 Only	December 31, 2007						December 31, 2006	
	BASIC		COLA		TOTAL		BASIC AND COLA COMBINED**	
	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>
General Tier 1 Members								
Normal Cost	8.75%	\$1,720	2.70%	\$530	11.45%	\$2,250	10.71%	\$2,105
UAAL (Before POB Credit)	6.65%	1,307	0.79%	155	7.44%	1,462	8.67%	1,704
Pension Obligation Bond credit	<u>-3.32%</u>	<u>-653</u>	<u>-1.65%</u>	<u>-324</u>	<u>-4.97%</u>	<u>-977</u>	<u>-4.95%</u>	<u>-973</u>
Total Contribution	12.08%	\$2,374	1.84%	\$361	13.92%	\$2,735	14.43%	\$2,836
General Tier 2 Members								
Normal Cost	8.05%	\$15,903	1.48%	\$2,924	9.53%	\$18,827	9.54%	\$18,847
UAAL (Before POB Credit)	6.65%	13,137	0.79%	1,561	7.44%	14,698	8.67%	17,128
Pension Obligation Bond credit	<u>-3.32%</u>	<u>-6,559</u>	<u>-1.65%</u>	<u>-3,259</u>	<u>-4.97%</u>	<u>-9,818</u>	<u>-4.95%</u>	<u>-9,779</u>
Total Contribution	11.38%	\$22,481	0.62%	\$1,226	12.00%	\$23,707	13.26%	\$26,196

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

CHART 13 (continued)

Recommended Employer Contribution Rates (Dollar Amounts in Thousands)

Other Districts	December 31, 2007						December 31, 2006	
	BASIC		COLA		TOTAL		BASIC AND COLA COMBINED**	
	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>	<u>Rate</u>	<u>Estimated Annual Amount*</u>
General Tier 1 Members								
Normal Cost	8.75%	\$776	2.70%	\$240	11.45%	\$1,016	10.71%	\$950
UAAL	<u>6.65%</u>	<u>590</u>	<u>0.79%</u>	<u>70</u>	<u>7.44%</u>	<u>660</u>	<u>8.67%</u>	<u>769</u>
Total Contribution	15.40%	\$1,366	3.49%	\$310	18.89%	\$1,676	19.38%	\$1,719
All Categories Combined								
Normal Cost (Net)	8.63%	\$68,450	1.85%	\$14,712	10.48%	\$83,162	10.40%	\$82,520
UAAL (Net)	<u>4.94%</u>	<u>39,207</u>	<u>-0.54%</u>	<u>-4,315</u>	<u>4.40%</u>	<u>34,892</u>	<u>5.71%</u>	<u>45,337</u>
Total Contribution	13.57%	\$107,657	1.31%	\$10,397	14.88%	\$118,054	16.11%	\$127,857

* Amounts are in thousands and are based on December 31, 2007 annual payroll (Also in thousands):

	<u>County Only</u>	<u>ACMC, Court & First 5</u>	<u>Other Districts</u>	<u>Total</u>
General Tier 1	\$ 58,360	\$ 19,655	\$ 8,873	\$ 86,888
General Tier 2	377,868	197,553		575,421
Safety Tier 1	12,195			12,195
Safety Tier 2	119,054			119,054
Total	\$ 567,477	\$ 217,208	\$ 8,873	\$ 793,558

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

	General	Safety
Service and non-service connected disability benefits	19%	20%
Service retirement and other benefits	<u>81%</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 employer contribution rates as of December 31, 2007 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 Employer Contribution

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

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

CHART 15

**Reconciliation of Recommended Employer Contribution from December 31, 2006 to December 31, 2007
(Dollars in Thousands)**

	Contribution Rate	Estimated Amount*
Recommended Contribution Rate as of December 31, 2006	16.11%	\$127,857
Effect of actuarial experience during 2007:		
1. Effect of investment gains	-0.96%	-\$7,618
2. Effect of lower than expected salary increases	-0.33	-2,619
3. Effect of other experience (gain)/loss	0.06	434
Subtotal	-1.23%	-\$9,803
Recommended Contribution Rate as of December 31, 2007	14.88%	\$118,054

* Based on December 31, 2007 projected compensation.

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

The member contribution rates as of December 31, 2007 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 Member Contribution Rate

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

CHART 16
Reconciliation of Recommended Member Contribution from December 31, 2006 to December 31, 2007 (Dollar Amounts in Thousands)

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

	Contribution Rate	Estimated Amount*
Average Contribution Rate as of December 31, 2006	8.63%	\$68,488
1. Effect of change in membership demographic	0.01%	79
Average Contribution Rate as of December 31, 2007	8.64%	\$68,567

* Based on December 31, 2007 projected compensation.

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

The other critical piece of information regarding the Plan's financial status is the funded ratio. This ratio compares the actuarial value of assets to the actuarial accrued liabilities of the plan as calculated under the GASB. High ratios indicate a well-funded plan with assets sufficient to pay most benefits. Lower ratios may indicate recent changes to benefit structures, funding of the plan below actuarial requirements, poor asset performance, or a variety of other changes. The funded ratio as of December 31, 2006 was 85.5%. This year's funded ratio increased to 89.2%.

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

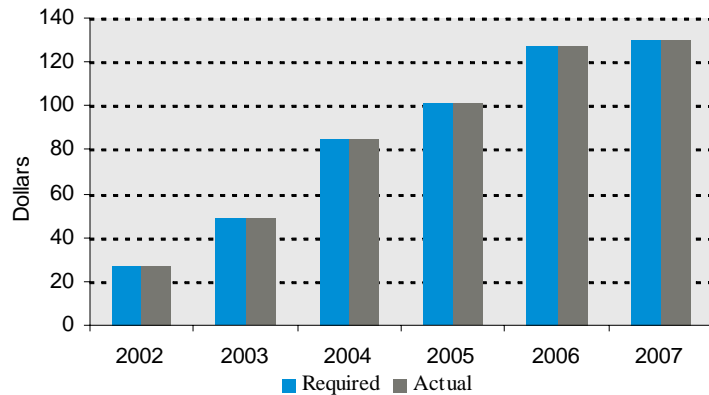
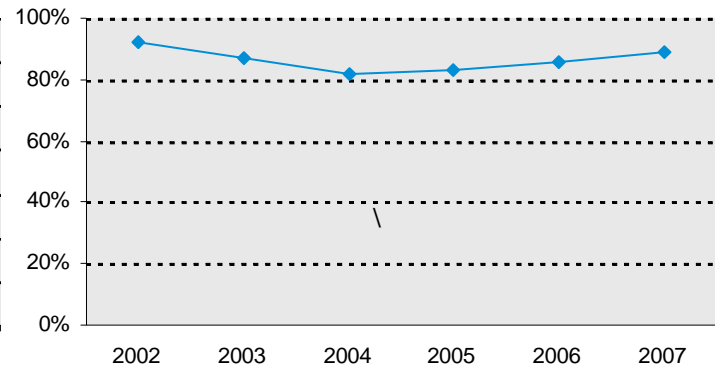


CHART 18
Funded Ratio



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
	2007	2006	
Active members in valuation			
Number	1,109	1,216	-8.8%
Average age	55.1	55.1	N/A
Average service	24.9	25.2	N/A
Projected total compensation	\$86,888,235	\$93,675,672	-7.2%
Projected average compensation	\$78,348	\$77,036	1.7%
Member account balances	\$279,263,747	\$288,108,939	-3.1%
Total active vested members	1,029	1,156	-11.0%
Vested terminated members			
Number	228	250	-8.8%
Average age	56.3	55.7	N/A
Retired members			
Number in pay status	3,661	3,656	0.1%
Average age	73.8	73.8	N/A
Average monthly benefit ⁽¹⁾	\$2,820	\$2,624	7.5%
Disabled members			
Number in pay status	246	260	-5.4%
Average age	67.8	67.5	N/A
Average monthly benefit ⁽¹⁾	\$2,117	\$1,998	6.0%
Beneficiaries			
Number in pay status	873	836	4.4%
Average age	79.0	78.8	N/A
Average monthly benefit ⁽¹⁾	\$1,267	\$1,222	3.7%

(1) Excludes supplemental benefits paid from SRBR.

Note: Based on the data provided for the December 31, 2007 actuarial valuation, the average age at retirement for the General Tier 1 service retirees and disabled retirees was 59.1 and 51.9, respectively.

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
	2007	2006	
Active members in valuation			
Number	8,306	8,063	3.0%
Average age	46.4	46.1	N/A
Average service	9.1	8.9	N/A
Projected total compensation	\$575,420,739	\$546,204,162	5.3%
Projected average compensation	\$69,278	\$67,742	2.3%
Member account balances	\$431,996,552	\$381,488,189	13.2%
Total active vested members	5,774	5,501	5.0%
Vested terminated members			
Number	1,328	1,288	3.1%
Average age	46.0	45.4	N/A
Retired members			
Number in pay status	871	755	15.4%
Average age	65.5	65.3	N/A
Average monthly benefit ⁽¹⁾	\$1,388	\$1,353	2.6%
Disabled members			
Number in pay status	335	309	8.4%
Average age	57.1	56.1	N/A
Average monthly benefit ⁽¹⁾	\$1,889	\$1,851	2.1%
Beneficiaries			
Number in pay status	94	87	8.0%
Average age	61.0	58.7	N/A
Average monthly benefit ⁽¹⁾	\$877	\$881	-0.5%

(1) Excludes supplemental benefits paid from SRBR.

Note: Based on the data provided for the December 31, 2007 actuarial valuation, the average age at retirement for the General Tier 2 service retirees and disabled retirees was 60.8 and 50.1, respectively.

For all the General Tiers combined, the average age at retirement for the service retirees and disabled retirees was 59.4 and 50.9, respectively.

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
	2007	2006	
Active members in valuation			
Number	109	139	-21.6%
Average age	53.5	52.9	N/A
Average service	25.6	25.3	N/A
Projected total compensation	\$12,195,327	\$15,005,374	-18.7%
Projected average compensation	\$111,884	\$107,952	3.6%
Member account balances	\$45,758,989	\$53,280,246	-14.1%
Total active vested members	106	137	-22.6%
Vested terminated members			
Number	38	45	-15.6%
Average age	51.7	51.1	N/A
Retired members			
Number in pay status	643	618	4.0%
Average age	65.2	64.7	N/A
Average monthly benefit ⁽¹⁾	\$5,740	\$5,418	5.9%
Disabled members			
Number in pay status	104	99	5.1%
Average age	61.5	61.0	N/A
Average monthly benefit ⁽¹⁾	\$4,166	\$3,794	9.8%
Beneficiaries			
Number in pay status	133	132	0.8%
Average age	70.8	70.6	N/A
Average monthly benefit ⁽¹⁾	\$2,127	\$2,054	3.6%

(1) Excludes supplemental benefits paid from SRBR.

Note: Based on the data provided for the December 31, 2007 actuarial valuation, the average age at retirement for the Safety Tier 1 service retirees and disabled retirees was 54.7 and 47.8, respectively.

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
	2007	2006	
Active members in valuation			
Number	1,388	1,244	11.6%
Average age	40.7	41.2	N/A
Average service	9.5	9.8	N/A
Projected total compensation	\$119,053,779	\$107,254,034	11.0%
Projected average compensation	\$85,774	\$86,217	-0.5%
Member account balances	\$141,301,784	\$119,601,547	18.1%
Total active vested members	1,007	927	8.6%
Vested terminated members			
Number	136	139	-2.2%
Average age	42.3	42.3	N/A
Retired members			
Number in pay status	105	88	19.3%
Average age	60.6	60.5	N/A
Average monthly benefit ⁽¹⁾	\$3,099	\$2,912	6.4%
Disabled members			
Number in pay status	89	78	14.1%
Average age	52.6	51.9	N/A
Average monthly benefit ⁽¹⁾	\$2,827	\$2,659	6.3%
Beneficiaries			
Number in pay status	29	18	61.1%
Average age	57.4	58.1	N/A
Average monthly benefit ⁽¹⁾	\$1,615	\$1,368	18.1%

(1) Excludes supplemental benefits paid from SRBR.

Note: Based on the data provided for the December 31, 2007 actuarial valuation, the average age at retirement for the Safety Tier 2 service retirees and disabled retirees was 56.6 and 46.0, respectively.

For all the Safety Tiers combined, the average age at retirement for the service retirees and disabled retirees was 55.0 and 46.7, respectively.

For all the General and Safety Tiers combined, the average age at retirement for the service retirees and disabled retirees was 58.8 and 49.9, respectively.

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

EXHIBIT B

**Members in Active Service and Projected Average Compensation
By Age, Years of Service as of December 31, 2007**

i. General Tier 1

Age	Total	Years of Service									
		0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & over	
Under 25	2	2	--	--	--	--	--	--	--	--	--
	\$42,898	\$42,898	--	--	--	--	--	--	--	--	--
25 - 29	10	9	1	--	--	--	--	--	--	--	--
	56,923	57,754	\$49,444	--	--	--	--	--	--	--	--
30 - 34	12	11	1	--	--	--	--	--	--	--	--
	60,185	62,668	32,871	--	--	--	--	--	--	--	--
35 - 39	18	12	5	1	--	--	--	--	--	--	--
	63,129	62,877	64,749	\$58,044	--	--	--	--	--	--	--
40 - 44	34	15	7	2	3	5	2	--	--	--	--
	59,838	59,777	53,383	52,663	\$62,965	\$58,710	\$88,187	--	--	--	--
45 - 49	83	4	5	6	4	21	43	--	--	--	--
	68,340	60,436	55,451	57,037	70,073	72,007	70,199	--	--	--	--
50 - 54	311	15	10	8	25	62	134	50	7	--	--
	76,133	67,265	61,603	71,415	67,327	77,114	78,779	\$79,202	\$71,468	--	--
55 - 59	423	8	8	9	20	66	151	104	56	1	--
	81,321	65,445	71,684	60,466	73,524	80,904	78,922	92,775	76,648	\$89,283	--
60 - 64	185	4	5	4	7	29	58	45	28	5	--
	89,617	71,016	83,537	62,719	96,097	66,408	84,743	105,314	106,497	78,378	--
65 - 69	22	--	--	1	1	2	6	6	6	--	--
	67,578	--	--	65,136	44,169	86,110	51,175	54,576	95,114	--	--
70 & over	9	--	1	--	1	--	1	1	2	3	--
	58,450	--	86,603	--	45,404	--	42,585	60,247	63,882	54,481	--
Total	1,109	80	43	31	61	185	395	206	99	9	--
	\$78,348	\$62,556	\$63,972	\$62,488	\$71,887	\$75,808	\$78,312	\$90,949	\$85,585	\$71,624	--

Note: Age and years of service were projected from November 30, 2007 to December 31, 2007.

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

EXHIBIT B

**Members in Active Service and Projected Average Compensation
By Age, Years of Service as of December 31, 2007**

ii. General Tier 2

Age	Years of Service								
	Total	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & over
Under 25	123	121	2	--	--	--	--	--	--
	\$49,812	\$49,834	\$48,525	--	--	--	--	--	--
25 - 29	482	390	92	--	--	--	--	--	--
	54,533	55,258	51,459	--	--	--	--	--	--
30 - 34	780	423	332	25	--	--	--	--	--
	62,555	64,266	60,790	\$57,035	--	--	--	--	--
35 - 39	1,104	412	506	137	48	1	--	--	--
	68,412	66,331	69,180	76,167	\$56,548	\$43,749	--	--	--
40 - 44	1,174	319	402	205	193	55	--	--	--
	70,041	69,672	68,538	74,718	70,037	65,757	--	--	--
45 - 49	1,349	279	431	195	299	145	--	--	--
	71,303	67,126	68,149	70,300	76,495	79,359	--	--	--
50 - 54	1,315	259	389	191	290	178	8	--	--
	73,120	70,337	71,442	72,766	73,338	79,671	\$99,627	--	--
55 - 59	1,115	198	338	157	259	152	10	1	--
	73,522	68,845	67,716	77,592	75,929	82,599	98,797	\$67,315	--
60 - 64	653	114	182	113	151	81	9	2	1
	72,915	76,593	71,513	73,855	69,851	74,928	73,999	81,539	\$75,202
65 - 69	161	17	51	34	41	17	1	--	--
	68,859	71,443	64,685	67,592	67,528	79,860	148,386	--	--
70 & Over	50	11	14	6	14	4	--	1	--
	68,860	66,917	70,689	55,548	78,951	57,250	--	49,654	--
Total	8,306	2,543	2,739	1,063	1,295	633	28	4	1
	\$69,278	\$65,111	\$67,516	\$73,324	\$72,941	\$78,294	\$92,834	\$70,012	\$75,202

Note: Age and years of service were projected from November 30, 2007 to December 31, 2007.

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

EXHIBIT B

**Members in Active Service and Projected Average Compensation
By Age, Years of Service as of December 31, 2007**

iii. Safety 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	--	--	--	--	--	--	--	--	--	--
30 - 34	--	--	--	--	--	--	--	--	--	--
35 - 39	--	--	--	--	--	--	--	--	--	--
40 - 44	--	--	--	--	--	--	--	--	--	--
45 - 49	31	--	--	--	3	12	15	1	--	--
50 - 54	\$127,630	--	--	--	\$126,921	\$117,618	\$137,063	\$108,419	--	--
55 - 59	38	3	--	1	3	7	22	2	--	--
60 - 64	114,728	\$112,684	--	\$68,401	112,629	90,005	124,101	127,528	--	--
65 - 69	31	--	--	1	1	6	18	5	--	--
70 & over	97,680	--	--	94,023	97,885	93,858	97,557	103,401	--	--
	8	--	--	--	--	2	2	3	1	--
	97,491	--	--	--	--	91,722	78,699	85,468	\$182,685	--
	--	--	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--	--	--
	1	--	--	--	--	--	--	--	--	1
	71,118	--	--	--	--	--	--	--	--	\$71,118
Total	109	3	--	2	7	27	57	11	1	1
	\$111,884	\$112,684	--	\$81,212	\$116,648	\$103,261	\$117,537	\$103,353	\$182,685	\$71,118

Note: Age and years of service were projected from November 30, 2007 to December 31, 2007.

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

EXHIBIT B

**Members in Active Service and Projected Average Compensation
By Age, Years of Service as of December 31, 2007**

iv. Safety Tier 2

Age	Years of Service							
	Total	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over
Under 25	34	34	--	--	--	--	--	--
	\$64,081	\$64,081	--	--	--	--	--	--
25 - 29	148	116	32	--	--	--	--	--
	72,056	67,279	\$89,375	--	--	--	--	--
30 - 34	243	89	136	18	--	--	--	--
	79,183	66,107	86,070	\$91,790	--	--	--	--
35 - 39	272	66	133	70	3	--	--	--
	83,466	69,283	84,663	93,978	\$97,201	--	--	--
40 - 44	251	28	94	60	43	26	--	--
	90,533	70,111	85,892	93,654	97,950	\$109,837	--	--
45 - 49	206	17	37	29	50	73	--	--
	94,544	74,005	88,461	89,375	100,276	100,537	--	--
50 - 54	113	13	16	21	25	35	3	--
	93,055	93,468	82,905	92,403	97,627	95,490	\$83,439	--
55 - 59	69	15	15	10	13	15	--	1
	95,381	100,770	98,726	87,185	91,969	94,501	--	\$103,909
60 - 64	45	3	14	7	11	7	3	--
	95,271	89,368	104,287	104,921	94,462	80,015	75,143	--
65 - 69	7	--	2	3	1	1	--	--
	97,565	--	80,013	111,255	112,747	76,421	--	--
70 & Over	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
Total	1,388	381	479	218	146	157	6	1
	\$85,774	\$69,961	\$86,848	\$93,222	\$97,982	\$99,307	\$79,291	\$103,909

Note: Age and years of service were projected from November 30, 2007 to December 31, 2007.

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

EXHIBIT C

Reconciliation of Member Data – December 31, 2006 to December 31, 2007

	Active Members	Vested Terminated Members	Pensioners	Disableds	Beneficiaries	Total
Number as of December 31, 2006	10,662	1,722	5,117	746	1,073	19,320
New members	946	0	0	0	0	946
Terminations – with vested rights	-198	198	0	0	0	0
Contributions refunds	-203	-113	0	0	0	-316
Retirements	-284	-55	339	0	0	0
New disabilities	-26	-9	-14	49	0	0
Return to work	39	-39	0	0	0	0
Died with or without beneficiary	-24	-11	-173	-23	56*	-175
Data adjustments	0	37**	11	2	0	50
Number as of December 31, 2007	10,912	1,730	5,280	774	1,129	19,825

* This is the net increase in the number of beneficiaries after subtracting the number of beneficiaries who died during the year.

** Out of the 37 data adjustments, 19 were for members who were hired and terminated employment during 2007.

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,	
	2007	2006
Contribution income:		
Employer contributions	\$130,039,582	\$127,095,644
Employee contributions	<u>72,342,267</u>	<u>70,174,363</u>
Contribution income	\$202,381,849	\$197,270,007
Investment income:		
Interest, dividends and other income	\$177,836,032	\$143,842,386
Adjustment toward market value	\$480,445,303	328,933,795
Less investment and administrative fees	<u>-\$36,565,619</u>	<u>-31,838,584</u>
Net investment income	<u>621,715,716</u>	<u>440,937,597</u>
Total income available for benefits	\$824,097,565	\$638,207,604
Less benefit payments:		
Service retirement	-\$217,646,365	-\$198,635,194
Death payments	-2,813,425	-2,587,472
Supplemental cost of living	-4,374,489	-4,622,406
Members refunds	-7,778,155	-5,817,064
Health insurance subsidies	<u>-24,668,273</u>	<u>-22,205,334</u>
Benefit payments	-\$257,280,707	-\$233,867,470
Change in reserve for future benefits	\$566,816,858	\$404,340,134

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

EXHIBIT E

Summary Statement of Assets

ASSETS	Year Ended December 31,	
	2007	2006
Cash	\$7,094,170	\$2,497,504
Securities Lending Collateral	754,202,310	687,288,970
Accounts Receivable:		
Contributions	\$15,203,213	\$16,263,269
Investment Receivables	139,198,395	138,518,586
Investments Sold	7,229,446	6,941,110
Others	<u>343,774</u>	<u>261,151</u>
Total Accounts Receivable	\$161,974,828	\$161,984,116
Prepaid Expenses	\$512,891	\$464,949
Investments:		
Short-Term Investments	\$164,744,862	\$123,331,645
Equities	3,559,090,862	3,412,049,918
Fixed Income Investments	1,423,689,353	1,373,843,658
Real Estate	376,960,832	274,410,635
Futures Contracts – Equity Index	0	129,900
Currency Swaps	4,417,236	484,894
Equity Swaps	476,410	0
Capital Assets	<u>1,987,677</u>	<u>3,085,116</u>
Total Investments at Market Value	<u>\$5,531,367,232</u>	<u>\$5,187,335,766</u>
Total Assets	\$6,455,151,431	\$6,039,571,304

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

EXHIBIT E (Continued)

Summary Statement of Assets

LIABILITIES	Year Ended December 31,	
	2007	2006
Less Accounts Payable:		
Securities Lending & Investments Purchased	-\$763,452,577	-\$712,459,673
Investment-Related Payables	-110,245,182	-107,559,635
Futures Contracts	-1,765,324	0
Currency Swaps	-89,357	-3,370,673
Equity Swaps	-528,024	0
Accrued Administration Expense	-1,693,206	-1,680,402
Members Benefits & Refunds, and Retirement Payroll	-1,800,537	-3,430,250
Deductions Payable		
Others	<u>-797,234</u>	<u>-970,628</u>
Total Accounts Payable	-\$880,371,441	-\$829,471,261
NET ASSETS		
Net Assets at Market Value	<u>\$5,574,779,990</u>	<u>\$5,210,100,043</u>
Net Assets at Actuarial Value	<u>\$5,317,635,523</u>	<u>\$4,750,818,665</u>
Net Assets at Valuation Value	<u>\$4,560,213,653</u>	<u>\$4,127,840,159</u>

Notes: (1) Results may not total properly due to rounding.

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

EXHIBIT F

Actuarial Balance Sheet

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

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

Actuarial Balance Sheet (Dollar Amounts in Thousands)

Assets	Basic	COLA	Total
1. Total valuation assets	\$3,002,778	\$1,557,435	\$4,560,213
2. Present value of future contributions by members	495,379	118,893	614,272
3. Present value of future employer contributions for:			
a. entry age normal cost	572,215	116,725	688,940
b. unfunded actuarial accrued liability	620,666	-68,476	552,190
4. Total current and future assets	\$4,691,038	\$1,724,577	\$6,415,615
Liabilities			
5. Present value of benefits already granted	\$1,655,986	\$992,556	\$2,648,542
6. Present value of benefits to be granted to present non-retired members	3,035,052	732,021	3,767,073
7. Total liabilities	\$4,691,038	\$1,724,577	\$6,415,615

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

EXHIBIT G

Summary of Reported Asset Information as of December 31, 2007

	Reserves
Used in Development of Valuation Value of Assets	
Members deposit-basic	\$878,856,494
Members cost-of-living	209,640,172
Employer advance (before transfer from SRBR to employer advance)	397,397,729
Pension reserve-current	1,080,380,740
Pension reserve-prior	3,208,112
Annuity reserve	631,099,985
Cost-of-living reserve	1,347,794,914
Survivor death benefit	8,744,014
SRBR transfer to employer advance	3,091,493
Subtotal	<u>\$4,560,213,653</u>
Not Used in Development of Valuation Value of Assets	
401(h) account	\$2,977,890
Death benefit-burial	6,016,462
Supplemental retirees benefit reserve (before transfer from SRBR to employer advance)	686,967,497
Contingency reserve	64,551,514
Market stabilization reserve	257,144,467
SRBR transfer to employer advance	-3,091,493
Subtotal	<u>\$1,014,566,337</u>
Total	\$5,574,779,990

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

EXHIBIT H

Development of Unfunded Actuarial Accrued Liability as of December 31, 2007

	(Dollar amounts in Thousands)
1 Unfunded actuarial accrued liability at beginning of year	\$697,316
2 Gross Normal Cost at middle of year	148,632
3 Actual employer and member contributions	-192,382
4 Interest (whole year on (1) plus half year on (2) + (3))	<u>54,035</u>
5 Expected unfunded actuarial accrued liability at end of year	\$707,601
6 Actuarial (gain)/loss due to all changes:	
a. Gain from investment	-\$124,872
b. Gain from lower than expected salary increases	-42,685
c. Other experience (gain)/loss	<u>12,146</u>
d. Subtotal	-\$155,411
7 Actual unfunded actuarial accrued liability at end of year (5) + (6d)	\$552,190

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 \$180,000 for 2007 and \$185,000 for 2008. Normal Retirement Age for these purposes is age 62. These are the limits in simplified terms. They must generally 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 net, in this case, of investment and administrative expenses.
- (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 (Overfunded) Actuarial Accrued Liability:

The extent to which the actuarial accrued liability of the Plan exceeds (or is exceeded by) the assets of the Plan. There are many approaches to paying off the unfunded or overfunded actuarial accrued liability, from meeting the interest accrual only to amortizing it over a specific period of time.

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: Reporting Information for the Alameda County Employees' Retirement Association

EXHIBIT I

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

Plan Year Ended December 31	Annual Required Contributions	Actual Contributions	Percentage Contributed
2002	\$27	\$27	100.0%
2003	49	49	100.0%
2004	85	85	100.0%
2005	101	101	100.0%
2006	127	127	100.0%
2007	130	130	100.0%

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

EXHIBIT II

Supplementary Information Required by GASB – Schedule of Funding Progress (Dollar Amounts in Thousands)

Actuarial Valuation Date	Valuation Value of Assets⁽¹⁾ (a)	Actuarial Accrued Liability (AAL)⁽²⁾ (b)	Unfunded/ (Overfunded) AAL (UAAL) (b) - (a)	Funded Ratio (%) (a) / (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (%) [(b) - (a)] / (c)
12/31/2002	\$3,294,053	\$3,559,613	\$265,560	92.5%	\$640,777	41.4%
12/31/2003	3,381,757	3,890,043	508,286	86.9	714,344	71.2
12/31/2004 ⁽³⁾	3,557,918	4,336,123	778,205	82.1	694,626	112.0
12/31/2005	3,781,843	4,548,213	766,370	83.2	709,783	108.0
12/31/2006	4,127,841 ⁽⁴⁾	4,825,157	697,316	85.5	762,139	91.5
12/31/2007	4,560,213 ⁽⁵⁾	5,112,403	552,190	89.2	793,558	69.6

⁽¹⁾ Excludes assets for SRBR and other non-valuation reserves.

⁽²⁾ Excludes liabilities for SRBR and other non-valuation reserves.

⁽³⁾ After reflecting Safety improvement for all active Safety members as of December 31, 2004. Before reflecting the improvement, the UAAL was \$682,635,000 and the funded ratio was 83.9%.

⁽⁴⁾ Includes \$6,303,514 in reimbursement of implicit retiree health benefit subsidy paid by the County for 2005 and 2006.

⁽⁵⁾ Includes \$3,091,493 in reimbursement of implicit retiree health benefit subsidy paid by the County for 2007.

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

EXHIBIT III

Supplementary Information Required by GASB

Valuation date	December 31, 2007
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll for total unfunded liability
Remaining amortization period	25 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 Valuation Value of Assets is the Actuarial Value of Assets reduced by the value of the non-valuation reserves.
Actuarial assumptions:	
Investment rate of return	8.00%
Inflation rate	3.75%
Real across-the-board salary increase	0.25%
Projected salary increases*	General: 4.73% to 7.68% and Safety: 4.26% to 7.61%
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	7,183
Terminated members entitled to, but not yet receiving benefits	1,730
Active members	<u>10,912</u>
Total	19,825

* Includes inflation at 3.75% plus real across-the-board salary increase of 0.25% plus merit and longevity increases. See Exhibit IV for these increases.

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

EXHIBIT IV

Actuarial Assumptions and Actuarial Cost Method

Post – Retirement Mortality Rates:

Healthy:

For General Members and Beneficiaries: 1994 Group Annuity Mortality Table.

For Safety Members and Beneficiaries: 1994 Group Annuity Mortality Table.

Disabled:

For General Members: 1981 General Disability Mortality Table set back seven years.

For Safety members: 1981 Safety Disability Mortality Table set back two years.

*Employee Contribution Rates
and Optional Benefits:*

For General members, 1994 Group Annuity Mortality Table weighted 30% male and 70% female.

For Safety members, 1994 Group Annuity Mortality Table weighted 75% male and 25% female.

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

Termination Rates Before Retirement:

Rate (%)		Mortality			
		General		Safety	
Age		Male	Female	Male	Female
25		0.07	0.03	0.07	0.03
30		0.08	0.04	0.08	0.04
35		0.09	0.05	0.09	0.05
40		0.11	0.07	0.11	0.07
45		0.16	0.10	0.16	0.10
50		0.26	0.14	0.26	0.14
55		0.44	0.23	0.44	0.23
60		0.80	0.44	0.80	0.44
65		1.45	0.86	1.45	0.86

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

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

Termination Rates Before Retirement (Continued):

Rate (%)

Disability

Age	General ⁽¹⁾	Safety ⁽²⁾
20	0.00	0.00
25	0.01	0.00
30	0.07	0.24
35	0.22	0.46
40	0.36	0.62
45	0.46	0.94
50	0.56	1.16
55	0.78	1.20
60	1.02	0.48

⁽¹⁾ 80% of General disabilities are assumed to be duty disabilities. The other 20% are assumed to be ordinary disabilities.

⁽²⁾ 100% of Safety disabilities are assumed to be duty disabilities.

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

Termination Rates Before Retirement (Continued):

Rate (%)

Withdrawal (< 5 Years of Service)

Years of Service	General	Safety
0	12.00	5.00
1	10.00	5.00
2	9.00	5.00
3	7.00	4.00
4	4.00	4.00

Withdrawal (5+ Years of Service) *

Age	General	Safety
20	4.00	3.00
25	4.00	3.00
30	4.00	3.00
35	4.00	2.10
40	3.40	1.20
45	2.40	1.00
50	2.00	1.00
55	2.00	1.00
60	1.40	0.40

** 25% of all terminated members will choose a refund of contributions and 75% will choose a deferred vested benefit. No withdrawal is assumed after a member is eligible for retirement.*

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

Retirement Rates:

Age	Rate(%)			
	General Tier 1	General Tier 2	Safety Tier 1	Safety Tier 2
50	3.00	2.00	33.00	4.00
51	2.00	2.00	25.00	2.00
52	2.00	2.00	25.00	2.00
53	3.00	2.00	33.00	3.00
54	3.00	2.00	33.00	8.00
55	7.00	3.00	50.00	15.00
56	7.00	4.00	50.00	12.00
57	8.00	5.00	50.00	25.00
58	10.00	6.00	50.00	11.00
59	15.00	6.00	50.00	27.00
60	20.00	8.00	100.00	100.00
61	20.00	10.00	100.00	100.00
62	30.00	20.00	100.00	100.00
63	25.00	16.00	100.00	100.00
64	25.00	20.00	100.00	100.00
65	30.00	25.00	100.00	100.00
66	25.00	20.00	100.00	100.00
67	25.00	35.00	100.00	100.00
68	25.00	45.00	100.00	100.00
69	50.00	55.00	100.00	100.00
70	100.00	100.00	100.00	100.00

Note: Retirement rate is 100% after a member attains 100% of FAS and this 100% retirement assumption is applied to both Safety Tier 1 and Tier 2 members.

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

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

For current deferred vested members, retirement assumptions are as follows:

General: Age 58
Safety: Age 55

We assume that 40% of future General and Safety deferred vested members will continue to work for a reciprocal employer. For these, we assume 5.40% 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:

Wives are 3 years younger than their husbands.

Net Investment Return:

8.00%, net of administration and investment expenses (approximately 1% of assets)

**Employee Contribution
Crediting Rate:**

8.00%, compounded semi-annually.

Consumer Price Index:

Increase of 3.75% per year, retiree COLA increases due to CPI subject to a 3% maximum change per year for General and Safety Tier 1 and 2% maximum change per year for General and Safety Tier 2.

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

Salary Increases:

Annual Rate of Compensation Increase		
Inflation: 3.75%; an additional 0.25% “across the board” salary increases (other than inflation); plus the following Merit and Longevity increases based on 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%

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.

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

Actuarial Cost Method: Entry Age Normal Actuarial Cost Method. Entry Age is the age at the member’s hire date. Actuarial Accrued Liability is calculated on an individual basis and is based on costs allocated as a level percentage of compensation. The Normal Cost is calculated on an aggregate basis by taking the Present Value of Future Normal Costs divided by the Present Value of Future Salaries to obtain a normal cost rate. This normal cost rate is then multiplied by the total of current salaries.

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, added to the final year salary, 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	9.5%	8.5%
Safety Tier 2	3.0%	2.8%

Changes in Actuarial Assumptions:

There were no changes in assumptions as of December 31, 2007.

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 or later	$(2.62\% \times \text{FAS1} - 1/3 \times 2.62\% \times \$350 \times 12) \times \text{Yrs}$

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

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

	Retirement Age	Benefit Formula
<i>Safety Tier 1 (Non-Integrated)</i> (§31664.1)	50	(3.00% x FAS1 x Yrs)
	55 or later	(3.00% x FAS1 x Yrs)
<i>Safety Tier 2 (Non-Integrated)</i> (§31664.1)	50	(3.00% x FAS3 x Yrs)
	55 or later	(3.00% x FAS3 x Yrs)
Maximum Benefit:	100% of Highest Average Compensation (§31676.1, §31676.12, §31664.1).	
<hr/>		
Ordinary Disability:		
<u><i>General Tier 1 and Tier 2</i></u>		
<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).	
 <u><i>Safety Tier 1 and Tier 2</i></u>		
<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).	

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

50% of the Final Compensation or 100% of Service Retirement benefit, if greater (§31727.4).

Pre-Retirement Death:

All Members

Eligibility

None.

Basic lump sum 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.

Basic 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 the basic lump sum benefit 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 Active Death Equity Benefit (ADEB) that increases the 60% continuance to 100% continuance. The ADEB benefit is funded by the Supplemental Retirees Benefit Reserve (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) and \$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 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 26-year period.

⁽¹⁾ \$750 is funded by the employer. \$4,250 is funded by the Supplement Retirees Benefit Reserve. These benefits are 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 Retirees Benefit Reserve to eligible retirees and survivors. These benefits have been excluded from this valuation.
Member Contributions:	Please refer to Appendix A for specific rates.
<i>General Tier 1</i>	
<i>Basic</i>	Provide for an average annuity at age 60 equal to 1/100 of FAS1 (§31621.2).
<i>Cost-of-Living</i>	Provide for one-half of future Cost-of-Living costs.
<i>General Tier 2</i>	
<i>Basic</i>	Provide for an average annuity at age 60 equal to 1/120 of FAS3 (§31621).
<i>Cost-of-Living</i>	Provide for one-half of future Cost-of-Living costs.
<i>Safety</i>	
<i>Basic</i>	Provide for an average annuity at age 50 equal to 1/100 of FAS1 (FAS3 for Tier 2) (§31639.25). As instructed by ACERA, we have also included a 3% cost sharing contribution that we understand will be paid by members even after they attain 30 years of service.
<i>Cost-of-Living</i>	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. This also applies for General members hired on or before March 7, 1973.

NOTE: *The summary of major plan provisions is designed to outline principal plan benefits as interpreted for purposes of the actuarial valuation. If the 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

Comparison of Total Member Rate⁽¹⁾ from December 31, 2007 (New) and December 31, 2006 (Current) Valuations

General Tier 1				General Tier 2			
Entry Age	Current	New	Change	Entry Age	Current	New	Change
25	9.99%	10.00%	0.01%	25	6.70%	6.71%	0.01%
35	10.97%	10.98%	0.01%	35	7.35%	7.36%	0.01%
45	12.31%	12.32%	0.01%	45	8.26%	8.27%	0.01%
Safety Tier 1				Safety Tier 2			
Entry Age	Current	New	Change	Entry Age	Current	New	Change
25	16.38%	16.37%	-0.01%	25	13.32%	13.32%	0.00%
30	17.02%	17.01%	-0.01%	30	13.81%	13.81%	0.00%
35	17.90%	17.89%	-0.01%	35	14.49%	14.49%	0.00%

(1) 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

Breakdown of member rate between basic and COLA calculated in the December 31, 2007 and December 31, 2006 valuations:

	December 31, 2007 Actuarial Valuation								December 31, 2006 Actuarial Valuation ⁽¹⁾							
	BASIC		COLA		COST SHARING CONTRIBUTIONS		TOTAL		BASIC		COLA		COST SHARING CONTRIBUTIONS		TOTAL	
	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*
General Tier 1 Members	6.92%	\$6,013	2.65%	\$2,302			9.57%	\$8,315	6.92%	\$6,013	2.64%	\$2,293			9.56%	\$8,306
General Tier 2 Members	5.97%	\$34,353	1.39%	\$7,998			7.36%	\$42,351	5.97%	\$34,353	1.38%	\$7,940			7.35%	\$42,293
Safety Tier 1 Members	7.70%	\$939	4.00%	\$488	3.00%	\$366	14.70%	\$1,793	7.70%	\$939	4.00%	\$488	3.00%	\$366	14.70%	\$1,793
Safety Tier 2 Members	8.05%	\$9,584	2.48%	\$2,952	3.00%	\$3,572	13.53%	\$16,108	8.05%	\$9,584	2.47%	\$2,940	3.00%	\$3,572	13.52%	\$16,096
All Member Categories Combined	6.41%	\$50,889	1.73%	\$13,740	0.50%	\$3,938	8.64%	\$68,567	6.41%	\$50,889	1.72%	\$13,661	0.50%	\$3,938	8.63%	\$68,488

* Amounts are in thousands and are based on December 31, 2007 annual payroll (Also in thousands):

	<u>County Only</u>	<u>ACMC, Court & First 5</u>	<u>Other Districts</u>	<u>Total</u>
General Tier 1	\$58,360	\$ 19,655	\$8,873	\$86,888
General Tier 2	377,868	\$ 197,553		575,421
Safety Tier 1	12,195			12,195
Safety Tier 2	119,054			119,054
Total	\$ 567,477	\$217,208	\$8,873	\$793,558

⁽¹⁾ These rates have been re-calculated by applying the individual entry age based member rates determined in December 31, 2006 valuation to the Association membership as of December 31, 2007.

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

Appendix A

Member Contribution Rates (Continued)

General Tier 1 Members' Contribution Rates Based on the December 31, 2007

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	4.53%	6.79%	1.73%	2.60%	6.26%	9.39%
16	4.53%	6.79%	1.73%	2.60%	6.26%	9.39%
17	4.57%	6.85%	1.75%	2.62%	6.32%	9.47%
18	4.60%	6.91%	1.76%	2.64%	6.36%	9.55%
19	4.64%	6.95%	1.77%	2.66%	6.41%	9.61%
20	4.67%	7.00%	1.79%	2.68%	6.46%	9.68%
21	4.69%	7.04%	1.79%	2.69%	6.48%	9.73%
22	4.72%	7.08%	1.81%	2.71%	6.53%	9.79%
23	4.75%	7.12%	1.82%	2.73%	6.57%	9.85%
24	4.78%	7.17%	1.83%	2.75%	6.61%	9.92%
25	4.82%	7.23%	1.85%	2.77%	6.67%	10.00%
26	4.85%	7.28%	1.86%	2.79%	6.71%	10.07%
27	4.89%	7.34%	1.87%	2.81%	6.76%	10.15%
28	4.94%	7.41%	1.89%	2.84%	6.83%	10.25%
29	4.98%	7.47%	1.91%	2.86%	6.89%	10.33%
30	5.03%	7.54%	1.93%	2.89%	6.96%	10.43%
31	5.08%	7.62%	1.95%	2.92%	7.03%	10.54%
32	5.13%	7.69%	1.97%	2.95%	7.10%	10.64%
33	5.18%	7.77%	1.99%	2.98%	7.17%	10.75%
34	5.23%	7.85%	2.01%	3.01%	7.24%	10.86%
35	5.29%	7.94%	2.03%	3.04%	7.32%	10.98%
36	5.35%	8.02%	2.05%	3.07%	7.40%	11.09%
37	5.41%	8.11%	2.07%	3.11%	7.48%	11.22%
38	5.47%	8.20%	2.09%	3.14%	7.56%	11.34%
39	5.53%	8.30%	2.12%	3.18%	7.65%	11.48%

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	5.60%	8.39%	2.14%	3.21%	7.74%	11.60%
41	5.66%	8.49%	2.17%	3.25%	7.83%	11.74%
42	5.73%	8.59%	2.19%	3.29%	7.92%	11.88%
43	5.80%	8.70%	2.22%	3.33%	8.02%	12.03%
44	5.87%	8.81%	2.25%	3.37%	8.12%	12.18%
45	5.94%	8.91%	2.27%	3.41%	8.21%	12.32%
46	6.02%	9.03%	2.31%	3.46%	8.33%	12.49%
47	6.09%	9.14%	2.33%	3.50%	8.42%	12.64%
48	6.17%	9.26%	2.36%	3.54%	8.53%	12.80%
49	6.25%	9.37%	2.39%	3.59%	8.64%	12.96%
50	6.33%	9.49%	2.42%	3.63%	8.75%	13.12%
51	6.40%	9.61%	2.45%	3.68%	8.85%	13.29%
52	6.48%	9.72%	2.48%	3.72%	8.96%	13.44%
53	6.56%	9.84%	2.51%	3.77%	9.07%	13.61%
54	6.64%	9.96%	2.54%	3.81%	9.18%	13.77%
55	6.71%	10.07%	2.57%	3.85%	9.28%	13.92%
56	6.78%	10.16%	2.59%	3.89%	9.37%	14.05%
57	6.82%	10.24%	2.61%	3.92%	9.43%	14.16%
58	6.83%	10.24%	2.61%	3.92%	9.44%	14.16%
59 & Over	6.64%	9.96%	2.54%	3.81%	9.18%	13.77%

* Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 3.00%
 Mortality: 94 Group Annuity Mortality Table weighted 30% male and 70% female
 Salary Increase: Inflation (3.75%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 38.29%
 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 Based on the December 31, 2007

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	3.41%	5.11%	0.79%	1.19%	4.20%	6.30%
16	3.41%	5.11%	0.79%	1.19%	4.20%	6.30%
17	3.44%	5.15%	0.80%	1.20%	4.24%	6.35%
18	3.46%	5.20%	0.81%	1.21%	4.27%	6.41%
19	3.49%	5.23%	0.81%	1.22%	4.30%	6.45%
20	3.51%	5.26%	0.82%	1.23%	4.33%	6.49%
21	3.53%	5.29%	0.82%	1.23%	4.35%	6.52%
22	3.55%	5.33%	0.83%	1.24%	4.38%	6.57%
23	3.57%	5.36%	0.83%	1.25%	4.40%	6.61%
24	3.60%	5.40%	0.84%	1.26%	4.44%	6.66%
25	3.62%	5.44%	0.85%	1.27%	4.47%	6.71%
26	3.65%	5.48%	0.85%	1.28%	4.50%	6.76%
27	3.68%	5.52%	0.86%	1.29%	4.54%	6.81%
28	3.71%	5.57%	0.87%	1.30%	4.58%	6.87%
29	3.75%	5.62%	0.87%	1.31%	4.62%	6.93%
30	3.78%	5.67%	0.88%	1.32%	4.66%	6.99%
31	3.82%	5.73%	0.89%	1.33%	4.71%	7.06%
32	3.86%	5.79%	0.90%	1.35%	4.76%	7.14%
33	3.90%	5.85%	0.91%	1.36%	4.81%	7.21%
34	3.94%	5.91%	0.92%	1.38%	4.86%	7.29%
35	3.98%	5.97%	0.93%	1.39%	4.91%	7.36%
36	4.02%	6.04%	0.93%	1.40%	4.95%	7.44%
37	4.07%	6.10%	0.95%	1.42%	5.02%	7.52%
38	4.11%	6.17%	0.96%	1.44%	5.07%	7.61%
39	4.16%	6.24%	0.97%	1.45%	5.13%	7.69%

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	4.21%	6.31%	0.98%	1.47%	5.19%	7.78%
41	4.26%	6.39%	0.99%	1.49%	5.25%	7.88%
42	4.31%	6.46%	1.00%	1.50%	5.31%	7.96%
43	4.36%	6.54%	1.01%	1.52%	5.37%	8.06%
44	4.42%	6.62%	1.03%	1.54%	5.45%	8.16%
45	4.47%	6.71%	1.04%	1.56%	5.51%	8.27%
46	4.53%	6.79%	1.05%	1.58%	5.58%	8.37%
47	4.58%	6.88%	1.07%	1.60%	5.65%	8.48%
48	4.64%	6.96%	1.08%	1.62%	5.72%	8.58%
49	4.70%	7.05%	1.09%	1.64%	5.79%	8.69%
50	4.76%	7.14%	1.11%	1.66%	5.87%	8.80%
51	4.82%	7.22%	1.12%	1.68%	5.94%	8.90%
52	4.87%	7.31%	1.13%	1.70%	6.00%	9.01%
53	4.93%	7.40%	1.15%	1.72%	6.08%	9.12%
54	4.99%	7.49%	1.16%	1.74%	6.15%	9.23%
55	5.04%	7.57%	1.17%	1.76%	6.21%	9.33%
56	5.09%	7.64%	1.19%	1.78%	6.28%	9.42%
57	5.13%	7.69%	1.19%	1.79%	6.32%	9.48%
58	5.33%	7.99%	1.24%	1.86%	6.57%	9.85%
59 & Over	5.54%	8.30%	1.29%	1.93%	6.83%	10.23%

* Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 2.00%
 Mortality: 94 Group Annuity Mortality Table weighted 30% male and 70% female
 Salary Increase: Inflation (3.75%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 23.28%
 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 Based on the December 31, 2007

Actuarial Valuation as a percentage of payroll

<u>Entry Age</u>	<u>Basic Only</u>		<u>Cost Sharing Contributions</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>	<u>First \$161</u>	<u>Over \$161*</u>
15	5.51%	8.26%	3.00%	3.00%	2.85%	4.28%	11.36%	15.54%
16	5.51%	8.26%	3.00%	3.00%	2.85%	4.28%	11.36%	15.54%
17	5.56%	8.34%	3.00%	3.00%	2.88%	4.32%	11.44%	15.66%
18	5.60%	8.41%	3.00%	3.00%	2.91%	4.36%	11.51%	15.77%
19	5.65%	8.47%	3.00%	3.00%	2.93%	4.39%	11.58%	15.86%
20	5.69%	8.53%	3.00%	3.00%	2.95%	4.42%	11.64%	15.95%
21	5.72%	8.58%	3.00%	3.00%	2.96%	4.44%	11.68%	16.02%
22	5.75%	8.63%	3.00%	3.00%	2.98%	4.47%	11.73%	16.10%
23	5.79%	8.68%	3.00%	3.00%	3.00%	4.50%	11.79%	16.18%
24	5.83%	8.74%	3.00%	3.00%	3.02%	4.53%	11.85%	16.27%
25	5.87%	8.81%	3.00%	3.00%	3.04%	4.56%	11.91%	16.37%
26	5.92%	8.88%	3.00%	3.00%	3.07%	4.60%	11.99%	16.48%
27	5.97%	8.96%	3.00%	3.00%	3.09%	4.64%	12.06%	16.60%
28	6.03%	9.04%	3.00%	3.00%	3.12%	4.68%	12.15%	16.72%
29	6.09%	9.13%	3.00%	3.00%	3.15%	4.73%	12.24%	16.86%
30	6.15%	9.23%	3.00%	3.00%	3.19%	4.78%	12.34%	17.01%
31	6.22%	9.33%	3.00%	3.00%	3.23%	4.84%	12.45%	17.17%
32	6.30%	9.44%	3.00%	3.00%	3.26%	4.89%	12.56%	17.33%
33	6.37%	9.56%	3.00%	3.00%	3.30%	4.95%	12.67%	17.51%
34	6.45%	9.68%	3.00%	3.00%	3.35%	5.02%	12.80%	17.70%
35	6.54%	9.81%	3.00%	3.00%	3.39%	5.08%	12.93%	17.89%
36	6.63%	9.94%	3.00%	3.00%	3.43%	5.15%	13.06%	18.09%
37	6.72%	10.08%	3.00%	3.00%	3.48%	5.22%	13.20%	18.30%
38	6.81%	10.21%	3.00%	3.00%	3.53%	5.29%	13.34%	18.50%
39	6.90%	10.35%	3.00%	3.00%	3.57%	5.36%	13.47%	18.71%

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

**Appendix A
Member Contribution Rates (Continued)**

Entry Age	Basic Only		Cost Sharing Contributions		COLA Only		Total	
	First \$161	Over \$161*	First \$161	Over \$161*	First \$161	Over \$161*	First \$161	Over \$161*
40	6.99%	10.49%	3.00%	3.00%	3.62%	5.43%	13.61%	18.92%
41	7.08%	10.63%	3.00%	3.00%	3.67%	5.51%	13.75%	19.14%
42	7.17%	10.76%	3.00%	3.00%	3.71%	5.57%	13.88%	19.33%
43	7.26%	10.89%	3.00%	3.00%	3.76%	5.64%	14.02%	19.53%
44	7.35%	11.02%	3.00%	3.00%	3.81%	5.71%	14.16%	19.73%
45	7.43%	11.14%	3.00%	3.00%	3.85%	5.77%	14.28%	19.91%
46	7.49%	11.24%	3.00%	3.00%	3.88%	5.82%	14.37%	20.06%
47	7.54%	11.31%	3.00%	3.00%	3.91%	5.86%	14.45%	20.17%
48	7.53%	11.29%	3.00%	3.00%	3.90%	5.85%	14.43%	20.14%
49 & Over	7.29%	10.94%	3.00%	3.00%	3.78%	5.67%	14.07%	19.61%

* Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 3.00%
 Mortality: 94 Group Annuity Mortality Table weighted 75% male and 25% female
 Salary Increase: Inflation (3.75%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 51.81%
 Terminal Pay: 9.5%

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

Appendix A

Member Contribution Rates (Continued)

Safety Tier 2 Members' Contribution Rates Based on the December 31, 2007

Actuarial Valuation as percentage of payroll

<u>Entry Age</u>	<u>Basic Only</u>		<u>Cost Sharing Contributions</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>	<u>First \$161</u>	<u>Over \$161*</u>
15	4.93%	7.40%	3.00%	3.00%	1.51%	2.27%	9.44%	12.67%
16	4.93%	7.40%	3.00%	3.00%	1.51%	2.27%	9.44%	12.67%
17	4.98%	7.47%	3.00%	3.00%	1.53%	2.30%	9.51%	12.77%
18	5.02%	7.53%	3.00%	3.00%	1.55%	2.32%	9.57%	12.85%
19	5.06%	7.59%	3.00%	3.00%	1.55%	2.33%	9.61%	12.92%
20	5.09%	7.64%	3.00%	3.00%	1.57%	2.35%	9.66%	12.99%
21	5.12%	7.68%	3.00%	3.00%	1.57%	2.36%	9.69%	13.04%
22	5.15%	7.73%	3.00%	3.00%	1.59%	2.38%	9.74%	13.11%
23	5.19%	7.78%	3.00%	3.00%	1.59%	2.39%	9.78%	13.17%
24	5.22%	7.83%	3.00%	3.00%	1.61%	2.41%	9.83%	13.24%
25	5.26%	7.89%	3.00%	3.00%	1.62%	2.43%	9.88%	13.32%
26	5.31%	7.96%	3.00%	3.00%	1.63%	2.45%	9.94%	13.41%
27	5.35%	8.03%	3.00%	3.00%	1.65%	2.47%	10.00%	13.50%
28	5.40%	8.10%	3.00%	3.00%	1.66%	2.49%	10.06%	13.59%
29	5.45%	8.18%	3.00%	3.00%	1.68%	2.52%	10.13%	13.70%
30	5.51%	8.27%	3.00%	3.00%	1.69%	2.54%	10.20%	13.81%
31	5.57%	8.36%	3.00%	3.00%	1.71%	2.57%	10.28%	13.93%
32	5.64%	8.46%	3.00%	3.00%	1.73%	2.60%	10.37%	14.06%
33	5.71%	8.57%	3.00%	3.00%	1.75%	2.63%	10.46%	14.20%
34	5.78%	8.68%	3.00%	3.00%	1.78%	2.67%	10.56%	14.35%
35	5.86%	8.79%	3.00%	3.00%	1.80%	2.70%	10.66%	14.49%
36	5.94%	8.91%	3.00%	3.00%	1.83%	2.74%	10.77%	14.65%
37	6.02%	9.03%	3.00%	3.00%	1.85%	2.78%	10.87%	14.81%
38	6.10%	9.15%	3.00%	3.00%	1.87%	2.81%	10.97%	14.96%
39	6.18%	9.28%	3.00%	3.00%	1.90%	2.85%	11.08%	15.13%

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

**Appendix A
Member Contribution Rates (Continued)**

Entry Age	Basic Only		Cost Sharing Contributions		COLA Only		Total	
	First \$161	Over \$161*	First \$161	Over \$161*	First \$161	Over \$161*	First \$161	Over \$161*
40	6.27%	9.40%	3.00%	3.00%	1.93%	2.89%	11.20%	15.29%
41	6.35%	9.52%	3.00%	3.00%	1.95%	2.93%	11.30%	15.45%
42	6.43%	9.64%	3.00%	3.00%	1.97%	2.96%	11.40%	15.60%
43	6.51%	9.76%	3.00%	3.00%	2.00%	3.00%	11.51%	15.76%
44	6.58%	9.88%	3.00%	3.00%	2.03%	3.04%	11.61%	15.92%
45	6.66%	9.98%	3.00%	3.00%	2.05%	3.07%	11.71%	16.05%
46	6.72%	10.08%	3.00%	3.00%	2.07%	3.10%	11.79%	16.18%
47	6.76%	10.14%	3.00%	3.00%	2.08%	3.12%	11.84%	16.26%
48	7.02%	10.53%	3.00%	3.00%	2.16%	3.24%	12.18%	16.77%
49 & Over	7.29%	10.94%	3.00%	3.00%	2.24%	3.36%	12.53%	17.30%

* Use these rates for Non-Integrated Members

Interest: 8.00% per annum
 COLA: 2.00%
 Mortality: 94 Group Annuity Mortality Table weighted 75% male and 25% female
 Salary Increase: Inflation (3.75%) + Across-the-Board Increase (0.25%) + Merit (See Exhibit IV)
 COLA Loading Factor: 30.74%
 Terminal Pay: 3.0%

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

Appendix B

Projected Employer Contributions By Each Participating Employer

Estimated Employer Contribution Requirement for Each Participating Employer in ACERA (\$000s)

Calculated Based on Projected Employer Compensation Used in the December 31, 2007 Actuarial Valuation

<u>Employer Name (Code)</u>	<u>Dollar Contribution⁽¹⁾ Based on December 31, 2007 Valuation</u>					<u>Dollar Contribution⁽¹⁾ Based on December 31, 2006 Valuation</u>				
	<u>General</u>		<u>Safety</u>		<u>Total</u>	<u>General</u>		<u>Safety</u>		<u>Total</u>
	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 1</u>	<u>Tier 2</u>		<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 1</u>	<u>Tier 2</u>	
Alameda County (101)	\$8,059	\$44,928	\$4,255	\$32,692	\$89,934	\$8,380	\$49,841	\$4,383	\$34,502	\$97,106
Medical Center (106)	\$1,507	\$17,617			\$19,124	\$1,562	\$19,466			\$21,028
Superior Court (632)	\$1,229	\$5,558			\$6,787	\$1,274	\$6,142			\$7,416
First 5 (714)		\$532			\$532		\$588			\$588
Housing Authority (103)	\$835				\$835	\$855				\$855
LARPD (104)	\$830				\$830	\$852				\$852
Office of Education (105)	\$11				\$11	\$12				\$12
Total	\$12,471	\$68,635	\$4,255	\$32,692	\$118,053	\$12,935	\$76,037	\$4,383	\$34,502	\$127,857

(1) Contribution calculated using projected compensation provided below for the December 31, 2007 valuation:

<u>Employer Name (Code)</u>	<u>December 31, 2007 Projected Total Compensation (\$000s)</u>				
	<u>General</u>		<u>Safety</u>		<u>Total</u>
	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 1</u>	<u>Tier 2</u>	
Alameda County (101)	\$58,361	\$377,868	\$12,195	\$119,054	\$567,478
Medical Center (106)	\$10,825	\$146,799			\$157,624
Superior Court (632)	\$8,830	\$46,320			\$55,150
First 5 (714)		\$4,434			\$4,434
Housing Authority (103)	\$4,417				\$4,417
LARPD (104)	\$4,395				\$4,395
Office of Education (105)	\$60				\$60
Total	\$86,888	\$575,421	\$12,195	\$119,054	\$793,558

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