

**Los Angeles County Employees
Retirement Association**

**ACTUARIAL VALUATION
June 30, 2003**



By

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January 5, 2004

Board of Investments
Los Angeles County Employees Retirement Association
300 North Lake Avenue, Suite 820
Pasadena, CA 91101-4199

Dear Members of the Board:

As requested, we have made an actuarial valuation of the Los Angeles County Employees Retirement Association (LACERA). The major findings of the valuation are contained in this report. This report reflects the benefit provisions and contribution rates in effect as of June 30, 2003, and both the Interim Funding Policy and the Retirement Benefit Enhancement Agreement. In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by the LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board (ASB) and the Code of Professional Conduct and Qualification Standards for Public Statements of Actuarial Opinion of the American Academy of Actuaries.

We further certify that all costs, liabilities, rates of interest, and other factors for LACERA have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of LACERA and reasonable expectations) and which, in combination, offer our best estimate of anticipated experience affecting LACERA. Nevertheless, the emerging costs will vary from those presented in this report to the extent that actual experience differs from that projected by the actuarial assumptions. The Board of Investments has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in Appendix A.

Actuarial computations presented in this report are for purposes of determining the recommended funding amounts for LACERA. Actuarial computations under GASB Statement No. 25 are for purposes of fulfilling financial accounting requirements. The computations prepared for this purpose may differ as disclosed in our report. The calculations in the enclosed report have been made on a basis consistent with our understanding of LACERA's funding requirements as stated under their Interim Funding Policy, the Retirement Benefit Enhancement Agreement, and of GASB Statement No. 25.

This work product was prepared solely to provide assistance to LACERA. It may not be appropriate to use for other purposes.
Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.



Board of Investments
Los Angeles County Employees Retirement Association
January 5, 2004
Page Two

Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. Any distribution of the enclosed report must be in its entirety including this cover letter, unless prior written consent is obtained from Milliman USA.

We would like to express our appreciation to Ms. Marsha Richter, Chief Executive Officer of LACERA, and to members of her staff, who gave substantial assistance in supplying the data on which this report is based.

I, Karen I. Steffen, am a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

I, Nick J. Collier, am a member of the American Academy of Actuaries and an Associate of the Society of Actuaries, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

We respectfully submit the following report, and we look forward to discussing it with you.

Sincerely,

Karen I. Steffen, F.S.A., M.A.A.A.
Consulting Actuary

Nick J. Collier, A.S.A. M.A.A.A.
Associate Actuary

KIS/NJC/mla

Click on a topic below to go to the page.
Click on the arrow in the toolbar above to return.

**Los Angeles County Employees
Retirement Association**

Table of Contents

	Page
Section 1: Summary of the Findings	1
Exhibit 0: Summary of Significant Valuation Results.....	9
Section 2: Scope of the Report	10
Section 3: Assets.....	12
Exhibit 1: Statement of Plan Net Assets For Years Ended June 30, 2002 and 2003.....	16
Exhibit 2: Statement of Changes in Plan Net Assets For the Years Ended June 30, 2002 and 2003.....	17
Exhibit 3: Allocation of Assets by Accounting Reserve Amounts	18
Exhibit 4: 3-Year Smoothing of Gains and Losses on Market Value.....	19
Exhibit 5: Allocation of Valuation and Non-Valuation Assets	20
Section 4: Actuarial Liabilities.....	21
Exhibit 6: Actuarial Balance Sheet – June 30, 2003	22
Exhibit 7: Analysis of Change in Unfunded Actuarial Accrued Liability	28
Section 5: Member Contributions	29
Exhibit 8: Sample Member Contribution Rates	31
Section 6: County Contributions.....	32
Exhibit 9: Calculated Normal Cost Contribution Rates – June 30, 2003	34
Exhibit 10: County Normal Cost Contributions	35
Section 7: Accounting Information	36
Exhibit 11: Schedule of Funding Progress	37
Exhibit 12: Schedule of Contributions from the Employer	38
Exhibit 13: Solvency Test.....	39
Section 8: Supplemental Information	40
Exhibit 14A: Cash Flow History and Projections - Dollars	41
Exhibit 14B: Cash Flow History and Projections - Charts.....	42

**Los Angeles County Employees
Retirement Association**

Table of Contents

	Page
Appendix A: Actuarial Procedures and Assumptions.....	A-1
Appendix B: Summary of Plan Provisions.....	B-1
Appendix C: Valuation Data and Schedules	C-1
Appendix D: Member Contribution Rates	D-1
Appendix E: Glossary	E-1

Los Angeles County Employees Retirement Association

Section 1: Summary of the Findings



Overview

2003 Valuation Results

We are pleased to present the results of the June 30, 2003 actuarial valuation. Several key points are summarized as follows:

- **Investment Returns:** LACERA, like almost every other retirement system, has been impacted by poor investment markets over the last three years. However, due to the smoothing of gains and losses, this is the first year that these losses have had a significant effect on the funding of the system.

For the fiscal year ending in 2003, the fund returned just under 4% on a market basis. This small loss (as compared to the actuarial assumption of 8%) combined with the recognition of larger losses deferred from 2001 and 2002 resulted in a \$3.35 billion loss on actuarial assets. This loss is the key factor in this year's valuation results.

Note that current deferred asset losses of \$1.95 billion will be reflected over the next two valuations.

- **Funding:** The Funded Ratio decreased from 99.4% to 87.2%. All but 1.2% of the decrease is due to the asset loss.
- **Contribution Rates:** The normal cost rate (9.99%) decreased slightly due to experience. There is now an Unfunded Actuarial Accrued Liability (UAAL) of \$3.91 billion. We are recommending the County contribute 4.66% of payroll, the amount necessary to finance the UAAL over 30 years from the current valuation date. The result is an increase in the recommended total contribution rate from the prior valuation of 4.41% (from 10.24% to 14.65% of payroll). Once again, the single most important factor causing this increase was the asset loss.
- **Liability Increases:** On a year-to-year basis, it is expected that there will be some increase in the liabilities of LACERA due to the accrual of benefits. This year, there were some additional factors that caused a greater increase in liabilities than we would have expected based on last year's valuation. Although far less significant than the asset loss, the additional increase in liabilities was about \$430 million. Of this amount, about half was due to the recognition of the final Ventura decision with regard to retroactive payments. See the end of Section 4 for further discussion.

Summary of the Findings (continued)

Recommended Change We recommend that the Board of Investments change the County contribution rate to reflect this valuation. County contributions for the fiscal year beginning July 1, 2004 would be equal to the total contribution rate of 14.65%. The recommended contribution rate of 14.65% is currently adequate to maintain the funding of the retirement system benefits based on the actuarial methods and assumptions used and satisfies the funding policies adopted by the Board.

However, the asset smoothing method has delayed recognition of \$1.95 billion of investment return losses. Therefore, future increases in the UAAL and the total contribution rate should be expected for at least the next year.

Funding Progress Based on the 2002 valuation, the expected funding status as of June 30, 2003 was a UAAL amount of \$0.13 billion. The total net experience loss on assets was \$3.35 billion. Additionally, there was an approximate \$0.43 billion increase in liabilities (in addition to the expected accrual of benefits), about half of which was due to the recognition of the final Ventura decision on retroactive payments, as estimated from a prior study in 2000. Thus, there was a net change in the UAAL from \$0.18 billion to \$3.91 billion for the fiscal year ending June 30, 2003.

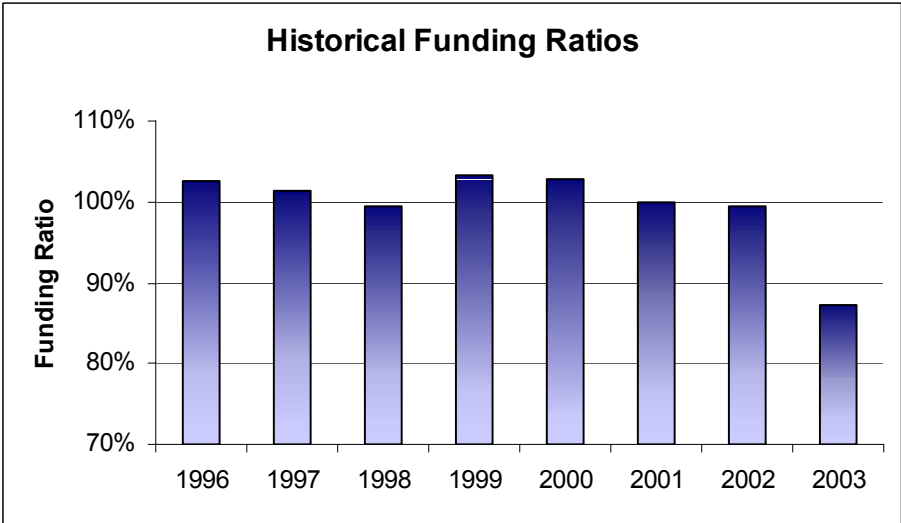
**Summary of the Findings
(continued)**

**Funding Progress
(continued)**

One measure of the funding adequacy of the plan is the Funded Ratio which compares the value of the Actuarial Value of Assets (net of certain non-valuation reserves) to the Actuarial Accrued Liability, for all LACERA plans combined. LACERA had maintained a Funded Ratio of approximately 100% for 1996-2002. Due to asset losses recognized in 2003, the current funding has decreased significantly to 87.2%, as shown below.

All dollar amounts in billions

	Market Value of Total Assets	Actuarial Value		Actuarial Accrued Liability	Funded Ratio
		Non-Valuation Reserves	Valuation Reserves		
1996	\$20.2	\$1.6	\$17.7	\$17.3	102.6%
1997	22.9	1.8	19.6	19.3	101.3
1998	25.5	3.5	20.9	21.0	99.5
1999	28.0	3.7	23.5	22.8	103.3
2000	31.6	4.3	25.4	24.7	102.9
2001	28.4	4.4	26.5	26.5	100.0
2002	26.0	2.0	28.3	28.4	99.4
2003	26.2	1.6	26.6	30.5	87.2



Summary of the Findings (continued)

Association Assets

Market Value: The market value of assets has increased over the past five years, as a result of contributions and investment earnings, offset by benefit payments. The average return for the fund over that period has been 3.8%. The values shown in the market value column are total assets net of liabilities, and include all reserves.

Actuarial Assets: The market value of total assets is used to determine the gross actuarial value of assets. This value reflects some smoothing of the fluctuations found in the market value.

Valuation Reserves: The reserves represent the ownership of LACERA's assets. The reserves are established in compliance with the County Employees Retirement Law of 1937 as administered by the Board of Investments. These assets also reflect smoothing.

Non-Valuation Reserves: The non-valuation reserves are set aside for obligations or contingencies. They are not used to fund the retirement benefits unless explicitly stated. These assets also reflect smoothing.

Valuation Assets. This is the combination of the valuation reserves and the portion of the non-valuation reserves that are recognized for funding purposes only as allowed under the new Retirement Benefits Enhancement Agreement.

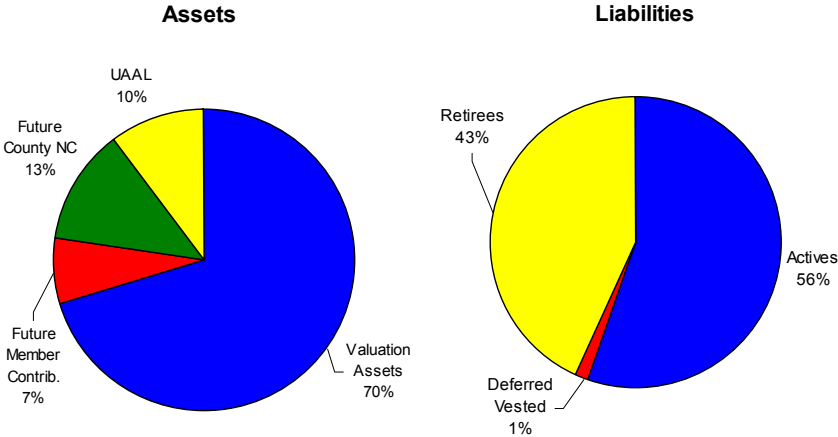
Actuarial Balance Sheet

The first step in the valuation process is to compare the total actuarial assets of LACERA with its total liabilities for all plans. In this analysis, assets equal those currently on hand, at the actuarial value, and also expected future contributions by both the County and members. Liabilities reflect benefits already earned in the past and those expected to be earned in the future by current members. This relationship is shown in the following chart. The Actuarial Accrued Liability (AAL) is the total of these liabilities less expected future normal cost contributions.

Comparing the current and future assets to the current and future liabilities, we then determine the annual contribution amount for the coming fiscal year.

**Actuarial Balance Sheet
(continued)**

The 2003 actuarial valuation indicates that LACERA’s Valuation Assets are less than its AAL. The difference between these two values is the UAAL. It is discussed, along with the effect of the experience gains and losses, in detail in Section 4, Actuarial Liabilities.



Funding Agreement

In 1994, the County and LACERA entered into a Funding Agreement that determined how the excess earnings were to be allocated for 1994-1998 and how County contributions were to be computed if a UAAL existed. Since LACERA met the funding requirements of the funding agreement in 1994-1998, County contributions consisted of the Normal Cost contribution only during that period.

Funding Policy

The 1994 Funding Agreement indicated the funding policy to be followed in 1994 through 1998. It only describes the amortization of any UAAL amounts for 1999-2008. During 2000, the Board discussed a long-term funding policy and established a method of allocating earnings on the various reserve funds under their Interim Funding Policy. In 2003, along with adopting the new MOU benefit enhancements, a Retirement Benefits Enhancement Agreement set up a new funding policy for the 2002- 2008 valuations. Under the new 2002 Retirement Benefits Enhancement Agreement, all of the funds in the Contingency Reserve in excess of 1% of the actuarial value of assets of the entire fund is considered as part of the Valuation Assets. In addition, in any year in which the Funded Ratio is less than 100% prior to its inclusion, a portion of the STAR Reserve is also to be considered as part of the Valuation Assets. The portion that is not available for treatment as Valuation Assets is the amount determined to be sufficient to fund the STAR benefits until July 1, 2009.

**Funding Policy
(continued)**

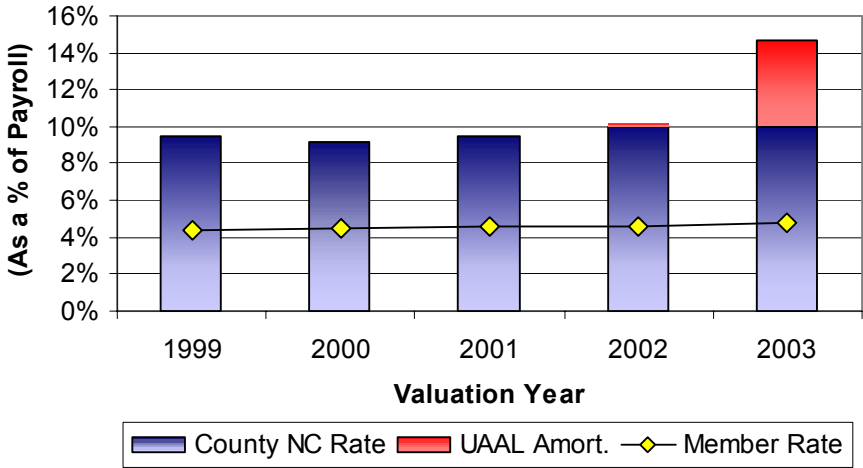
Note that, if the entire STAR reserve of \$657 million was excluded from the Valuation Assets, the UAAL would increase by \$587 million. Under this hypothetical scenario, the recommended County contribution rate would increase by 0.70% to 15.35%, and the Funded Ratio would decrease to 85.5%.

The Retirement Benefits Enhancement Agreement was adopted as a short term funding policy, applicable through the 2008 actuarial valuation.

Contribution Rates

Based on the results of the valuation, the Interim Funding Policy, and the Retirement Benefits Enhancement Agreement, it is expected that the County contributions will increase for fiscal year beginning in 2004 to a rate of 14.65%. Member contribution rates are discussed in Section 5 and the rates are shown in detail in Appendix D. Since this is not a triennial valuation, we have not recommended any changes in the member rates. A historical perspective of the County contribution rates is shown in the following graph.

Recommended Contribution Rates



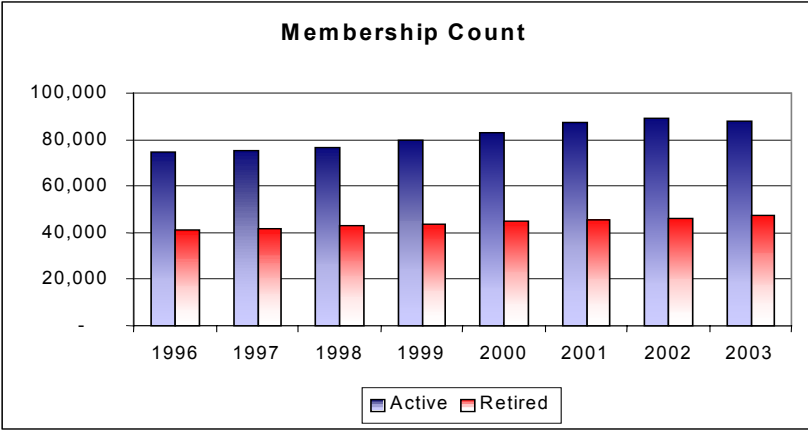
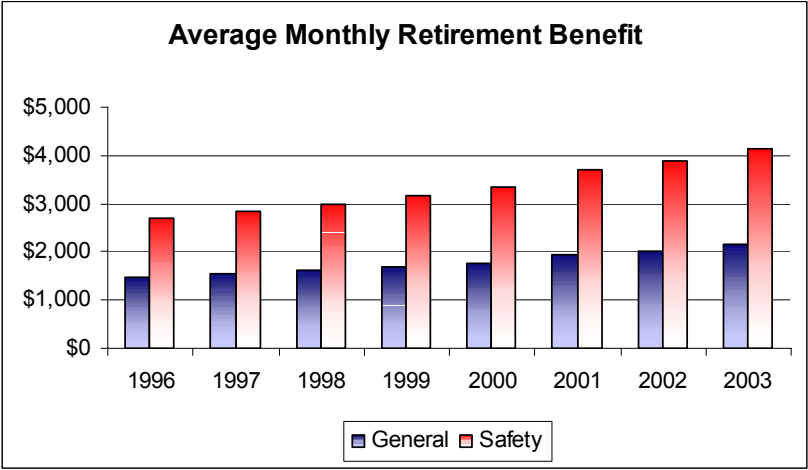
Member Information

Payroll has increased since 2002. For 2003, payroll is \$4.93 billion for 87,760 active members. This represents a 2.5% increase in payroll and a 1.7% decrease in active members.

Retired member counts and average retirement benefit amounts continue to increase steadily. For 2003, there were 47,232 retired members with an average benefit of \$2,518 per month. This represents a 2.1% increase in count and a 6.1% increase in the average monthly benefit.

**Summary of the Findings
(continued)**

**Member Information
(continued)**



**Summary of the Findings
(continued)**

**Analysis of Change in
Member Population**

The following table summarizes the year-to-year change in member population. There was an additional shift in the population this year. 1,759 members transferred from Plan D to Plan E during the past year; and 633 members transferred from Plan E to Plan D.

	Active Contributing Members	Deferred Vested Members	Retirees, Disabilities, & Beneficiaries
June 30, 2002 Valuation	89,252	6,002	46,242
Termination without Refund	(670)	670	-
Termination with Refund	(1,734)	(50)	-
Active/Deferred Death with Annuity	(83)	(30)	113
Service Retirement	(1,735)	(172)	1,907
Disability Retirement	(258)	(3)	261
Retiree Death without Beneficiary	-	-	(1,290)
New Entrants	2,964	-	-
Rehires	24	(23)	(1)
Total Change	(1,492)	392	990
June 30, 2003 Valuation	87,760	6,394	47,232

**Summary Valuation
Results**

The following Exhibit 0 presents a summary of key data elements on June 30, 2003 and June 30, 2002, and how they changed over the past year. More detail on each of these elements can be found in the following Sections and Exhibits of this report.

Los Angeles County Employees Retirement Association

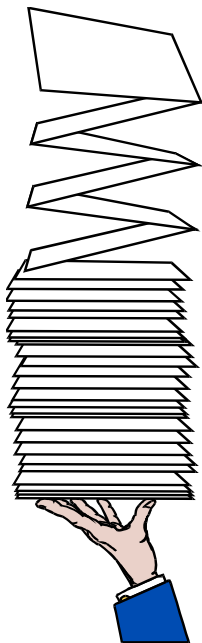
Exhibit 0: Summary of Significant Valuation Results

	<u>June 30, 2003</u>	<u>June 30, 2002</u>	<u>Percentage Change</u>
I. Total Membership			
A. Active Members	87,760	89,252	(1.7)%
B. Retired Members	47,232	46,242	2.1%
C. Vested Terminated Members	<u>6,394</u>	<u>6,002</u>	6.5%
D. Total	141,386	141,496	(0.1)%
II. Pay Rate as of June 30, 2003			
A. Annual Total (\$millions)	\$ 4,934	\$ 4,815 *	2.5%
B. Monthly Average	\$ 4,685	\$ 4,496 *	4.2%
III. Average Monthly Benefit to Current Retirees and Beneficiaries			
A. Service Retirement	\$ 2,586	\$ 2,449	5.6%
B. Disability Retirement	\$ 3,022	\$ 2,850	6.0%
C. Surviving Spouse and Dependents	\$ 1,568	\$ 1,430	9.6%
D. Total	\$ 2,518	\$ 2,374	6.1%
IV. Actuarial Accrued Liability (\$millions)			
A. Active Members	\$ 13,630	\$ 13,013	4.7%
B. Retired Members	\$ 16,387	\$ 15,026	9.1%
C. Vested Terminated Members	<u>\$ 458</u>	<u>\$ 398</u>	15.0%
D. Total	\$ 30,474	\$ 28,437	7.2%
V. Assets (\$millions)			
A. Market Value of Fund	\$ 26,248	\$ 26,047	0.8%
B. Actuarial Value			
a. Valuation Reserves	\$ 26,564	\$ 28,262	(6.0)%
b. Non-valuation Reserves	\$ 1,632	\$ 1,962	(16.8)%
VI. Unfunded Actuarial Accrued Liability or Surplus Funding (\$millions)	\$ 3,910	\$ 175	2,129.5%
VII. County contribution rate for all plans combined as a percent of total Association payroll			
A. Normal Cost	9.99%	10.03%	(0.4)%
B. UAAL Amortization	<u>4.66%</u>	<u>0.21%</u>	2,119.7%
C. Total Contribution	14.65%	10.24%	43.1%
VIII. Funding Ratio	87.2%	99.4%	(12.3)%

* Effective with the June 30, 2003 valuation, pay figures are reported as the annualized pay rate on the valuation date. In the prior valuation, the figure was the average pay rate for the prior fiscal year. We have restated the June 30, 2002 pay numbers to be on a consistent basis.

Los Angeles County Employees Retirement Association

Section 2: Scope of the Report



This report presents the actuarial valuation of the Los Angeles County Employees Retirement Association as of June 30, 2003. This valuation was requested by the Board. Section 31453 of the County Employees Retirement Law of 1937 (the 37 Act) requires an actuarial valuation to be performed at least every three years for the purposes of setting contribution rates. The 2002 valuation met this requirement. However, under the Retirement Benefit Enhancement Agreement, annual valuations redetermine the County Contribution rates each year through 2008.

In reading our cover letter, please pay particular attention to the guidelines employed in the preparation of this report. We also comment on the sources and reliability of both the data and the actuarial assumptions upon which our findings depend. Those comments are the basis for our certification that this report is complete and accurate to the best of our knowledge and belief.

A summary of the findings resulting from this valuation is presented in the previous section. Section 3 describes the assets and investment experience of the System. The assets and investment income are presented in Exhibits 1-3. Exhibit 4 develops the Actuarial Value of Assets as of June 30, 2003. Exhibit 5 develops the Valuation Assets used for funding benefits.

Section 4 describes the benefit obligations of LACERA. Exhibit 6 is the Actuarial Balance Sheet and Exhibit 7 analyzes the change in UAAL (Surplus Funding).

Section 5 discusses the Member contribution rates.

Section 6 discusses the County contributions needed to fund the benefits under the actuarial cost method in use.

Section 7 discloses the information required under Statement No. 25 of the Governmental Accounting Standards Board (GASB).

Section 8 shows the estimated cash flow of the system, including a projection of both contributions and benefit payments.

Scope of The Report (continued)

This report includes several appendices:

- Appendix A A summary of the actuarial procedures, and assumptions used to estimate liabilities and contributions.
- Appendix B A summary of the current benefit structure, as determined by the provisions of governing law on June 30, 2003.
- Appendix C Schedules of valuation data classified by various categories of plan members.
- Appendix D Member contribution rates by plan.
- Appendix E A glossary of actuarial terms used in this report.

Los Angeles County Employees Retirement Association

Section 3: Assets



In many respects, an actuarial valuation can be thought of as an inventory process. The inventory is taken as of the actuarial valuation date, which for this valuation is June 30, 2003. On that date, the assets available for the payment of retirement benefits are appraised. These assets are compared with the actuarial liabilities, which are generally well in excess of the actuarial assets. The purpose of the valuation is to determine what future contributions by the members and County are needed to pay all expected future benefits.

This section of the report deals with the determination of assets used for funding purposes. In the next section, the actuarial liabilities will be discussed. Sections 5 and 6 deal with the process for determining required contributions based on the relationship between the actuarial assets and the actuarial liabilities.

A historical summary of the system's assets is presented below:

All dollar amounts in billions

	Market Value of <u>Total Assets</u>	Actuarial Value		Total Fund <u>Return*</u>
		<u>Non- Valuation Reserves</u>	<u>Valuation Reserves</u>	
1996	\$20.2	NA	\$17.7	N/A
1997	22.9	NA	19.6	17.7%
1998	25.5	NA	20.9	15.5
1999	28.0	3.7	23.5	12.9
2000	31.6	4.3	25.4	15.2
2001	28.4	4.4	26.5	-5.2
2002	26.1	2.0	28.3	-5.6
2003	26.2	1.6	26.6	3.6

*As reported in the Investment Section of the CAFR.

On June 30, 2003, the total market value of the fund, less current liabilities, was \$26.2 billion. The actuarial value of the fund was determined to be \$28.2 billion, including the non-valuation reserves. The System's market value of assets grew considerably in the years prior to 2001. These positive returns were followed by two years of negative returns and a slightly positive return in 2003, resulting in an average total fund return for the last five years of 3.8%.

Financial Exhibits

Exhibit 1 presents a Statement of Plan Net Assets and Exhibit 2 presents a Statement of Changes in Plan Net Assets. Exhibit 3 describes the allocation of LACERA's assets by the various reserve values determined for accounting purposes as disclosed in the comprehensive annual financial report (CAFR).

Exhibits 1-3 are taken directly from data furnished to us by LACERA in their annual financial report. We have accepted these tables for use in this report without audit, but we have reviewed them for reasonableness and consistency with previous reports.

Actuarial Asset Method

The current actuarial asset method was adopted for the June 30, 1999 valuation but applied only to the valuation reserves; all reserves set aside for other purposes were held at book value. Since the June 30, 2000 valuation, the method has been applied to all reserve values.

The actuarial asset method computes the expected market value of assets based on the prior year's market value of assets, the actual cash flow of contributions and benefit payments, and the assumed investment rate of return. The current assumed rate of return is 8.00%, net of all expenses. The difference between the actual market value and the computed expected market value is smoothed, or recognized over a three-year period.

Actuarial Value of Assets

The development of the June 30, 2003 actuarial value of assets is shown in Exhibit 4. Note, the smoothing process is deferring significant investment losses from 2002 and 2003. The result is an actuarial value of assets greater than the June 30, 2003 market value by \$1.95 billion.

**Interim Actuarial
Funding Policy**

At the February 14, 2001 Board meeting, the following Interim Actuarial Funding Policy was adopted:

Earnings for a Plan Year, together with the prior balances in the Contingency Reserve will be allocated as of the Valuation Date in the following order of priority:

- Priority 1: Allocate to the Member Reserve an amount equal to one year's interest at the assumed interest rate used in the actuarial valuation as of the preceding Valuation Date.
- Priority 2: Allocate to the Employer Reserve an amount equal to one year's interest at the assumed interest rate used in the actuarial valuation as of the preceding Valuation Date.
- Priority 3: Allocate to the Contingency Reserve an amount equal to 1% of Actuarial Value of Assets.
- Priority 4: Allocate to the Contribution Credit Reserve an amount equal to one year's interest at the assumed interest rate used in the actuarial valuation as of the preceding Valuation Date.
- Priority 5: Allocate to the Employer Reserve an amount, if necessary, when combined with other valuation Reserves, to provide 100% funding of the Actuarial Accrued Liability as of the Valuation Date.
- Priority 6: Allocate any remaining Earnings as directed by the Board of Investments.

There were enough earnings for the year and assets in the contingency reserve to satisfy Priorities 1-4. The remainder was credited to the Employer Reserve (Priority 5); however, this was not enough to provide 100% funding of the AAL.

Valuation Assets

Valuation Assets are the actuarial value of the fund, less the value of any reserves which have been set aside for current liabilities and special benefits that are to be funded outside of the actuarially determined contribution rates. The 37 Act requires the Contingency Reserve be set at a minimum of 1.0% of assets.

**Valuation Assets
(continued)**

The Retirement Benefits Enhancement Agreement allows a portion of the STAR Reserve to also be allocated to the Valuation Assets, if needed. The estimated value of approving a permanent STAR benefit through July 1, 2009 is \$70 million and should be excluded from the Valuation Assets. Thus, all but \$70 million of the June 30, 2003 accounting value of the \$657 million STAR Reserve was used to determine the contribution rates for fiscal year commencing July 1, 2004. The non-valuation reserve allocations for funding purposes shown in Exhibit 5 are not the same as those shown in the annual report and in Exhibit 3.

Note that the County Contribution Credit Reserve is credited with interest under the Interim Funding Policy as shown in Exhibit 5, the allocation of Valuation Assets, and is greater than the accounting value shown in Exhibit 3.

Los Angeles County Employees Retirement Association

**Exhibit 1: Statement of Plan Net Assets
For Years Ended June 30, 2002 and 2003
(Dollars in Thousands)**

	2003	2002
Assets		
Cash	\$46,995	\$26,361
Collateral on Loaned Securities	2,485,458	1,775,499
Receivables		
Accounts Receivable - Sale of Investments	622,747	220,075
Accrued Interest and Dividends	94,745	115,530
Accounts Receivable - Other	103,561	104,721
Total Receivables	821,053	440,326
Investments at Fair Value - Note M		
Stocks	13,526,826	13,047,752
Bonds	7,368,548	7,705,426
Short Term Investments	1,417,584	1,345,595
Real Estate	3,143,473	3,099,180
Alternative Assets	1,269,916	1,277,040
Mortgages	331,778	268,386
Total Investments	27,058,125	26,743,379
Capital Assets Net of Depreciation	42	135
Total Assets	30,411,673	28,985,700
Liabilities		
Accounts Payable - Purchase of Investments	1,612,982	1,097,055
Retiree Payroll and Other Payables	50	79
Accrued Expenses	19,288	24,313
Tax Withholding Payable	12,838	12,170
Obligations under Securities Lending Program	2,485,458	1,775,499
Accounts Payable - Other	33,251	29,344
Total Liabilities	4,163,867	2,938,460
Net Assets Held in Trust for Pension Benefits	\$26,247,806	\$26,047,240

(A Schedule of Funding Progress is presented in the Required Supplementary Information in this Financial Section.)

The accompanying notes are an integral part of these financial statements.

Los Angeles County Employees Retirement Association

Exhibit 2: Statement of Changes in Plan Net Assets For the Years Ended June 30, 2002 and 2003 (Dollars in Thousands)

	2003	2002
Additions		
Contributions		
Employer	\$325,524	\$297,928
Member	233,192	265,573
Total Contributions	558,716	563,501
Investment Income		
<i>From Investing Activities</i>		
Net Appreciation(Depreciation) in Fair Value of Investments	405,272	(2,214,241)
Investment Income	580,296	734,949
Total Investing Activity Income/(Loss)	985,568	(1,479,292)
Less Expenses From Investing Activities	(68,258)	(60,282)
Net Investing Activity Income/(Loss)	917,310	(1,539,574)
<i>From Securities Lending Activities</i>		
Securities Lending Income	40,995	39,159
Less Expenses From Securities Lending Activities	(33,314)	(33,210)
Net Securities Lending Income	7,681	5,949
Total Net Investment Income/(Loss)	924,991	(1,533,625)
Miscellaneous	151,215	133
Total Additions/(Declines)	1,634,922	(969,991)
Deductions		
Retiree Payroll	1,320,775	1,222,657
Administrative Expense - Note B	41,523	37,402
Refunds	16,756	16,259
Lump Sum Death Benefits	1,671	1,455
Retiree Healthcare Program	53,407	57,654
Miscellaneous	224	604
Total Deductions	1,434,356	1,336,031
Net Increase/(Decrease)	200,566	(2,306,022)
Net Assets Held in Trust for Pension Benefits		
Beginning of Year	26,047,240	28,353,262
End of Year	\$26,247,806	\$26,047,240

The accompanying notes are an integral part of these financial statements.

**Los Angeles County Employees
Retirement Association**

**Exhibit 3: Allocation of Assets by Accounting Reserve Amounts
(Dollars in Thousands)**

	<u>June 30, 2003</u>	<u>June 30, 2002</u>
1. Member Reserves		
a. Active Members	\$ 9,289,062	\$ 8,819,576
b. Unclaimed Deposits	<u> -</u>	<u> -</u>
c. Total Member Reserves	\$ 9,289,062	\$ 8,819,576
2. Employer Reserves		
a. Actual Employer Contributions	\$ 13,364,507	\$ 13,543,051
b. Advanced Employer Contributions	<u> 26,897</u>	<u> 216,775</u>
c. Total Employer Contributions	\$ 13,391,404	\$ 13,759,826
3. County Contribution Credit Reserve	\$ 1,153,018	\$ 1,221,256
4. STAR Reserve	657,037	657,055
5. Contingency Reserve	<u> 5,079</u>	<u> 242,593</u>
6. Total Reserves at Book Value	\$ 24,495,600	\$ 24,700,306
7. Unrealized Investment Portfolio Appreciation	<u> 1,752,206</u>	<u> 1,346,934</u>
8. Total Reserves at Fair Value	\$ 26,247,806	\$ 26,047,240

Note: These amounts were determined for accounting purposes and were reported in the June 30, 2003 CAFR.

**Los Angeles County Employees
Retirement Association**

**Exhibit 4: 3-Year Smoothing of Gains and Losses on Market Value
(Dollars in Thousands)**

June 30, 2003 Valuation						
Plan Year Ending	Contributions	Benefits + Expenses	Expected Market Value	Actual Market Value	Phase-Out of Gain / (Loss)	
6/30/2003	\$ 558,716	\$ 1,392,609	\$ 27,264,412	\$ 26,247,806	67% x	\$ (1,016,606) = \$ (677,737)
6/30/2002	563,501	1,298,025	29,858,183	26,047,240	33% x	(3,810,943) = (1,270,314)
6/30/2001	409,947	1,208,387	33,260,813	28,353,262	0% x	(4,907,551) = 0
6/30/2000				31,565,348		= 0
					Total Phase-Out of Gain / (Loss) =	\$ (1,948,051)
					Total Market Value of Assets =	26,247,806
					Total Actuarial Value of Assets =	\$ 28,195,857
<p>Total Actuarial Value of Assets = Total Market Value of Assets less the Total Phase-Out amount Phase-Out amounts will be recognized in future years.</p>						

**Los Angeles County Employees
Retirement Association**

**Exhibit 5: Allocation of Valuation and Non-Valuation Assets
(Dollars in Thousands)**

	<u>June 30, 2003</u>	<u>June 30, 2002</u>
1. Total Market Value of Assets	\$ 30,411,673	\$ 28,985,700
2. Current Liabilities	<u>4,163,867</u>	<u>2,938,460</u>
3. Net Assets Held in Trust for Pension Benefits	\$ 26,247,806	\$ 26,047,240
4. Market Stabilization Reserve ⁽¹⁾	<u>(1,948,051)</u>	<u>(4,176,479)</u>
5. Actuarial Value of Fund Assets	\$ 28,195,857	\$ 30,223,719
6. Non-Valuation Reserves ⁽²⁾		
a. Unclaimed Deposits	\$ -	\$ -
b. Contingency Reserve	281,959	302,237
c. Advanced Employer Contributions	26,897	216,775
d. County Contribution Credit Reserve	1,252,673	1,342,578
e. Reserve for STAR Program	<u>70,000</u>	<u>100,000</u>
f. Total	\$ 1,631,529	\$ 1,961,590
7. Valuation Assets ⁽²⁾		
a. Member Reserves	\$ 9,289,062	\$ 8,819,576
b. Employer Reserves for Funding Purposes	<u>\$ 17,275,266</u>	<u>\$ 19,442,553</u>
c. Total	\$ 26,564,328	\$ 28,262,129

(1) The Market Stabilization Reserve represents the difference between the Market Value of the fund, less Current Liabilities, and the Actuarial Value of the fund as determined in Exhibit 4.

(2) The values used for funding purposes for all reserves are based on the Board's Interim Funding Policy. Amounts used for funding purposes may differ from those reported in the financial report as shown in Exhibit 3.

Los Angeles County Employees Retirement Association

Section 4: Actuarial Liabilities



In the previous section, an actuarial valuation was compared with an inventory process, and an analysis was given of the inventory of LACERA's assets as of the valuation date, June 30, 2003. In this section, the discussion will focus on the commitments of LACERA for retirement benefits, which are referred to as its actuarial liabilities.

In an active system, the actuarial liabilities will almost always exceed the actuarial assets. This is usually expected in all but a fully closed down fund, where no further contributions of any sort are anticipated. This deficiency has to be provided by future contributions and investment returns. An actuarial valuation method sets out a schedule of future contributions that will deal with this deficiency in an orderly fashion. The determination of the level of future contributions needed is discussed in the next section.

Actuarial Balance Sheet – Liabilities

First, we need to determine the amount of the deficiency. We compare the Actuarial Value of the Valuation Assets to the Actuarial Liabilities. The difference is the amount that needs to be funded by the Member and County contributions in the future. Both the current and future assets (contributions) are compared to the actuarial liabilities in the Actuarial Balance Sheet.

Exhibit 6 contains an analysis of the actuarial present value of all future benefits for inactive members, (both retired and deferred vested members), and active members. The analysis is given by class of membership, by plan and by type of benefit.

The actuarial liabilities include the actuarial present value of all future benefits expected to be paid with respect to each member. For an active member, this value includes measures of both benefits already earned and future benefits to be earned. For all members, active and inactive, the value extends over benefits yet to be earned and payable for the rest of their lives and for the lives of any surviving beneficiaries.

The actuarial assumptions used to determine the liabilities are based on the results of the 2001 Investigation of Experience Report. New assumptions were adopted by the Board effective June 30, 2001. One revision to these assumptions was made in 2003 to the probability of marriage rates. This assumption was change to reflect the revised definition of eligible survivor, which now includes eligible domestic partners.

**Los Angeles County Employees
Retirement Association**

**Exhibit 6: Actuarial Balance Sheet – June 30, 2003
(Dollars in millions)**

	General					Safety		All Plans
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan A	Plan B	
LIABILITIES								
Present Value of Benefits - Inactives								
- Retirees	\$ 9,440	\$ 84	\$ 48	\$ 595	\$ 360	\$ 5,348	\$ 512	\$ 16,387
- Vested Terminated	75	16	7	191	119	2	48	458
- Inactive Total	9,515	100	55	786	479	5,350	560	16,845
Present Value of Benefits - Actives								
- Service Retirement	\$ 3,341	\$ 202	\$ 122	\$ 5,402	\$ 3,803	\$ 851	\$ 2,735	\$ 16,456
- Transfer Service (prior LACERA plan)	75	5	1	12	121	8	7	229
- Disability Retirement	126	8	5	581	N/A	378	2,119	3,217
- Death	47	3	2	201	N/A	4	43	300
- Termination (No Refund)	*	*	*	295	220	*	49	564
- Refund of Member Contributions	*	*	*	126	N/A	*	2	128
- Active Total	3,589	218	130	6,617	4,144	1,241	4,955	20,894
Total Actuarial Liabilities	\$ 13,104	\$ 318	\$ 185	\$ 7,403	\$ 4,623	\$ 6,591	\$ 5,515	\$ 37,739
ASSETS								
Valuation Assets	\$ 9,722	\$ 299	\$ 174	\$ 3,948	\$ 3,962	\$ 4,881	\$ 3,578	\$ 26,564
PV Future Member Contributions	45	13	8	1,596	*	10	859	2,531
PV Future County Normal Cost Contribs.	248	13	8	1,734	1,278	85	1,368	4,734
UAAL or (Surplus Funding)	3,089	(7)	(5)	125	(617)	1,615	(290)	3,910
Total Current and Future Assets	\$ 13,104	\$ 318	\$ 185	\$ 7,403	\$ 4,623	\$ 6,591	\$ 5,515	\$ 37,739

* Less than \$0.5 million

Actuarial Liabilities (continued)

Actuarial Balance Sheet – Liabilities (continued)

All liabilities reflect the benefits effective through June 30, 2003. This includes the permanent STAR COLA adopted for 2003, the estimated retroactive benefit payments pursuant to the final Ventura settlement, and the new domestic partners provision. No further benefit increases are considered in determining the liabilities shown.

Actuarial Balance Sheet – Assets

For the purpose of the Actuarial Balance Sheet, LACERA's assets are equal to the sum of:

- (a) assets currently available to pay benefits and considered for funding purposes, the Valuation Assets,
- (b) the present value of future contributions expected to be made by current active Members, and
- (c) the present value of future contributions expected to be made by the County.

Actuarial Cost Method

The Actuarial Balance sheet determines the amount of future contributions that are needed, but the method used to determine the incidence of when those future contributions are yet to be made in future years is called the "actuarial cost method". For this valuation, the entry age actuarial cost method has been used. Under this method – or essentially any actuarial cost method – the contributions required to meet the difference between current assets and current actuarial liabilities are allocated each year between two elements:

- A normal cost amount; and
- Whatever amount is left over, which is used to amortize what is called the UAAL.

The two items described above – the normal cost and UAAL – are the keys to understanding the actuarial cost method.

Normal Cost

The normal cost is the theoretical contribution rate that will meet the ongoing costs of a group of average new employees. Suppose that a group of new employees was covered under a separate fund from which all benefits and to which all contributions and associated investment returns was paid.

Under the entry age actuarial cost method, the normal cost contribution rate maintains the funding of benefits as a level percentage of pay. If experience follows the actuarial assumptions precisely, the fund would be completely liquidated when the last payment to the last survivor of the group was made.

**Actuarial Liabilities
(continued)**

**Normal Cost
(continued)**

By applying the normal cost contribution rate to the present value of salaries expected to be paid in the future, we determine the present value of future normal cost contributions. Future contributions are expected to be made by both the Members and the County. The member contribution rates are determined based upon requirements established in the 37 Act and the actuarial assumptions. Based on these member contribution rates, we determine the present value of future member contributions. We subtract that value from the total future normal cost contributions expected, based on the entry age cost method. The remaining difference is the County's portion of the future normal cost contributions.

Actuarial Accrued Liability

The difference between the present value of all future obligations and the present value of the future normal cost contributions is referred to as the "actuarial accrued liability". The Actuarial Accrued Liability is then compared to the value of assets available to fund benefits, and the difference is referred to as the UAAL. The results for LACERA for all plans is summarized below:

(Dollars in millions)	2003	2002	Percent Change
A. Actuarial present value of all future benefits for contributing members, former contributing members, and their survivors	\$ 37,739	\$ 35,364	6.7%
B. Actuarial present value of total future normal costs for current members	\$ 7,265	\$ 6,927	4.9%
C. Actuarial accrued liability [A-B]	\$ 30,474	\$ 28,437	7.2%
D. Valuation Assets	\$ 26,564	\$ 28,262	(6.0)%
E. UAAL or Surplus Funding [C-D]	\$ 3,910	\$ 175	2,129.5%
F. Funded Ratio [D/C]	87.2%	99.4%	(12.3)%

**Actuarial Accrued
Liability
(continued)**

It is interesting to note the maturity of LACERA's fund. Nearly one half, 44%, of the total actuarial obligations are for retired and deferred vested members. Of the \$20.9 billion in obligations for the active members, the cost method allocates almost 70% to service already rendered. Of course, Plans A-C for general members and Plan A for safety members are no longer open for new employees. To the extent those older plans represent more costly plan benefits, this adds to the weighting for accrued obligations.

**Unfunded Actuarial
Accrued Liability/
Surplus Funding**

The portion allocated to service already rendered or accrued is called the Actuarial Accrued Liability. The difference between the Actuarial Accrued Liability and the Valuation Assets is called the UAAL. If a UAAL amount exists, it usually results from prior years' benefit or assumption changes and the net effect of accumulated gains and losses. If the County had always contributed the current Normal Cost, if there were no prior benefit or assumption changes and if actual experience exactly matched the actuarial assumptions, the present value of all future Normal Cost contributions would be sufficient to fund all benefits and there would be no UAAL.

The term "fully funded" is often applied to a system in which contributions for everyone at the normal cost rate are sufficient to pay for the benefits of existing employees. More often than not, systems are not fully funded, either because of past benefit improvements that have not been completely paid for or because of actuarial deficiencies that have occurred because experience has not been as favorable as anticipated. Under these circumstances, a UAAL exists, implying that past experience has varied from what was assumed to have occurred based on the current benefit levels and actuarial assumptions.

However, even if a system does not have a positive UAAL, a portion or all of the normal cost contribution payments will need to be continued in order to have sufficient funds to pay future benefits. The use of the term "fully funded" may seem to imply no further contributions are required. Therefore, a better term is a "well-funded" plan. This occurs when the value of the assets equals or exceeds the Actuarial Accrued Liability and the difference can be referred to as the Surplus Funding.

Exhibit 6 shows how the UAAL, or Surplus Funding, was derived for each level of plan benefits. In the Actuarial Balance sheet, the total actuarial accrued liability for all future benefits must be equal to the current and future assets.

Actuarial Liabilities (continued)

Unfunded Actuarial Accrued Liability/ Surplus Funding (continued)

The Actuarial Balance Sheet for each plan, as well as its UAAL, or Surplus Funding amount, is based on an estimated allocation of the total LACERA Valuation Assets, as disclosed in Exhibit 6. The allocation is based on the relative value of each plan's employer and member reserves as reported to us by LACERA. Note that only the older, closed off, Plan A for both General and Safety members have a positive UAAL amount, based on this allocation of the assets. These allocations are shown for illustrative purposes only, as the UAAL contribution rates are assumed paid by the County based on the valuation results in aggregate.

Funding Adequacy

A key consideration in determining the adequacy of the funding of LACERA is how the UAAL is being funded. If the UAAL amount is positive, that is, the actuarial accrued liability to be funded is greater than the Valuation Assets, then the UAAL is amortized. Under the new Retirement Benefits Enhancement Agreement with the County, any positive amount as of June 30, 2002 through 2008 must be amortized over a rolling 30-year period.

If future experience is more favorable than expected based on the actuarial assumptions, then LACERA may move to a Surplus Funding position. Conversely, if experience is less favorable, a larger UAAL will develop.

Funding Policy

The 1994 Funding Agreement applied to valuations in 1994 through 1998. In 2000, an Interim Funding Policy was adopted as described more fully in Section 3, Assets, and has been applied since then. The current Retirement Benefits Enhancement Agreement applies to the 2002 – 2008 valuations. This valuation reflects the combined funding policy as directed by those three agreements.

Analysis of Change in Unfunded Actuarial Accrued Liability

The UAAL, at any date after establishment of a system, is affected by any actuarial gains or losses arising when the actual experience of the system varies from the experience anticipated by the actuarial assumptions used in the valuations. To the extent actual experience, as it develops, differs from that expected according to the assumptions used, so also will the emerging costs differ from the estimated costs.

**Analysis of Change
in Unfunded
Actuarial Accrued
Liability
(continued)**

The funded status of LACERA from 1996 to 2002 remained at approximately 100%. This funding level was the result of asset returns in excess of the assumed rate, positive actuarial experience and the infusion of approximately \$2 billion into the fund, due to the issuance of Pension Obligation Bonds by the County in 1994. In 2003, the funding level decreased significantly due to asset losses recognized in this valuation.

The 2003 actuarial valuation reflects an actuarial experience loss of \$3.57 billion for the fiscal year just ended. The loss was primarily due to a \$3.35 billion loss on actuarial assets. The effect of the experience gains and losses on the UAAL or Surplus Funding is shown in Exhibit 7. Some other factors which impacted the liabilities are:

- ✓ **Ventura Decision (Retroactive Payments)** – This follow-up to the original Ventura settlement requires LACERA to make back pension payments to current retirees. This factor had biggest impact on liabilities, with an increase of \$190 million. This amount represents an estimate of the financial impact of the retroactive payments based on a study performed in 2000.
- ✓ **Mortality Losses** – An actuarial loss due to mortality indicates that retired members are living longer than the current assumption would predict.
- ✓ **Transfers Between Plans D & E** – 1,759 members transferred from Plan D to Plan E during the past year. 633 members transferred from Plan E to Plan D. This resulted in a small increase in liabilities.
- ✓ **Domestic Partners** – New legislation adopted by the Board of Supervisors allows for eligible domestic partners to receive the same survivor benefits as eligible spouses. This resulted in a small increase in LACERA's liabilities.
- ✓ **Active Experience Losses** – There were small losses due to terminations, service retirements and disabilities during the year.
- ✓ **Salary Increases** - Individual salaries increased at a rate less than the valuation assumption. This resulted in a gain.
- ✓ **Retired Valuation Methodology** - We revised our valuation methodology to incorporate additional data on retirement benefits this year. This resulted in a small increase in the retired liabilities.

Los Angeles County Employees Retirement Association

Exhibit 7: Analysis of Change in Unfunded Actuarial Accrued Liability (Dollars in millions)

	Amount	As a Percent of June 30, 2003 Actuarial Acc. Liability
Unfunded Actuarial Accrued Liability - June 30, 2002	\$ 175	0.6%
Increase in UAAL due to new benefit provisions (domestic partner)	17	0.1%
Increase due to Ventura Settlement (estimated retroactive payments)	190	0.6%
Interest Accrued	15	0.0%
Benefits Accrued (Normal Cost)	722	2.4%
Contributions (with Assumed Interest)		
Employer - Cash	(338)	-1.1%
Employer - Contribution Credit	(202)	-0.7%
Member	(242)	-0.8%
Total	(782)	-2.6%
Expected Unfunded Actuarial Acc. Liability - June 30, 2003	\$ 337	1.1%
Source of Change		
Asset (Gains) and Losses		
(Gain)/Loss due to investment income	3,381	11.1%
(Gain)/Loss due to recognition of other reserves	(30)	-0.1%
Total	3,351	11.0%
Actuarial (Gains) and Losses		
Salary Increases	(66)	-0.2%
Retiree Mortality	90	0.3%
Transfers Between Plan D & Plan E	29	0.1%
CPI Less than Expected	-	0.0%
New Member Liability	19	0.1%
Service Retirements & Disabilities	34	0.1%
Terminations	11	0.0%
Other	65	0.2%
Total	182	0.6%
Change in Methodology	40	
Change in Assumptions	-	0.0%
Total Changes	3,573	11.7%
Unfunded Actuarial Accrued Liability - June 30, 2003	\$ 3,910	12.8%

Los Angeles County Employees Retirement Association

Section 5: Member Contributions

Normal Contributions

Member contributions are of two types: Normal contributions and cost-of-living contributions.

Normal contributions for each plan are defined in the following sections of the County Employees' Retirement Law:

	General	Safety
Plan A	31621.3	31639.5
Plan B	31621.1	31639.25
Plans C and D	31621	N/A

There are no member contributions under Plan E.

Normal member contributions are determined using the Entry Age Normal Funding Method and the following actuarial assumptions:

1. Expected rate of return on assets
2. Individual salary increase rate
3. Mortality for members on service retirement

Effective with the 2001 valuation, the individual salary increase assumption was changed, necessitating a change in the member normal rates. In general, member rates decreased at younger entry ages under the new assumptions, and increased at older entry ages. These changes to the normal rates were small, with most changes less than 0.20%.

Cost-of-Living Contributions

The determination of the member cost-of-living contributions is based on Section 31873 of the County Employees' Retirement Law. This section requires that the cost of this benefit be shared equally between members and the County. Unlike the member normal contributions, these rates are based on the actuarial cost of the benefits, and reflect all assumptions used in the valuation of liabilities. As this is not a triennial valuation, we are not recommending a change in the member cost-of-living contribution rates. The cost-of-living contributions, expressed as a percentage of the normal rates, are based on the June 30, 2001 MOU Valuation and are as follows:

General Plan A:	75.92%
General Plan B:	21.72%
General Plan C:	23.24%
General Plan D:	21.27%
Safety Plan A	103.60%
Safety Plan B	32.90%

Member Contributions (continued)

Cost-of-Living Contributions (continued)

The relative magnitude of these amounts reflects the differences in the normal contribution rates for each plan and the different cost-of-living benefits offered by the different plans.

A sample of the current member contribution rates (normal plus cost-of-living) can be found in Exhibit 8.

Full disclosure of the member rates, showing both the normal and the total (normal plus cost-of-living) contribution rates, can be found in Appendix D.

Los Angeles County Employees Retirement Association

Exhibit 8: Sample Member Contribution Rates

Current Rates (Based on 2001 MOU Valuation)				
	Entry Age	Normal	Cost of Living	Total as a % of Pay
General Members				
Plan A	25	2.85%	2.16%	5.01%
	35	3.42%	2.60%	6.02%
	45	4.13%	3.14%	7.27%
	55	4.46%	3.39%	7.85%
Plan B	25	5.70%	1.24%	6.94%
	35	6.84%	1.49%	8.33%
	45	8.26%	1.79%	10.05%
	55	8.92%	1.94%	10.86%
Plan C	25	4.88%	1.13%	6.01%
	35	5.86%	1.36%	7.22%
	45	7.06%	1.64%	8.70%
	55	8.31%	1.93%	10.24%
Plan D	25	4.88%	1.04%	5.92%
	35	5.86%	1.25%	7.11%
	45	7.06%	1.50%	8.56%
	55	8.31%	1.77%	10.08%
Safety Members				
Plan A	25	3.85%	3.99%	7.84%
	35	4.64%	4.81%	9.45%
	45	5.47%	5.67%	11.14%
	55	5.51%	5.71%	11.22%
Plan B	25	7.71%	2.54%	10.25%
	35	9.28%	3.05%	12.33%
	45	10.93%	3.60%	14.53%
	55	11.01%	3.62%	14.63%

Note: A portion of some of the member contribution rates is paid for (“picked up”) by the County and is not considered part of the member’s contribution account for refund purposes. Such contributions are referred to as the surcharge amount and are subject to change each year. The rates shown in the table are prior to any surcharge payments.

Los Angeles County Employees Retirement Association

Section 6: County Contributions



Contributions to LACERA are determined using the Entry Age Normal Cost Funding Method. The portion of the actuarial present value of retirement benefits allocated to a valuation year by the Actuarial Cost Method is called the Normal Cost. These amounts are usually expressed as a percentage of payroll and called the Normal Cost Contribution Rate. Exhibit 9 illustrates the Normal Cost Rates by type of benefit and for each plan based on this valuation. A comparison with last year is also shown.

During the fiscal year 1994-1995, a Retirement Association Funding Agreement was negotiated with the County. This agreement resulted in the issuance of approximately \$2 billion in Pension Obligation Bonds, the proceeds of which were used to fund the UAAL of the Association. The agreement also allowed that surplus earnings on Association assets for the period July 1, 1994 through June 30, 1998 would be split between the County (75%) and the STAR program (25%). Those excess earnings were used to create the County Contribution Credit Reserve, which can be used by the County to meet its required contribution requirement without adding in new cash deposits to the fund.

Under the 1994 Funding Agreement, the County's contribution rate is set equal to the County's portion of the Normal Cost contribution not payable by the member contributions and some payment towards the UAAL, but only under certain conditions. From 1995 to 2001, no UAAL contributions were required and the County contributed only their portion of the Normal Cost contribution. Under the new 2002 Retirement Benefits Enhancement Agreement, the County must also pay their portion of the Normal Cost contribution adjusted for either a positive UAAL or a positive Surplus Funding.

The total calculated County contribution rates for each plan, along with a comparison to the prior year's computed rates, can be found in Exhibit 10. These results are expressed as a percentage of payroll and annual contribution dollars. Note that LACERA's UAAL contribution rate is not determined separately for each plan, but is funded evenly as a percentage of pay over salaries for all members. The total County Contribution rate was 10.24% for the fiscal year beginning in 2003.

For the fiscal year beginning in 2004, we are recommending this rate be increased to 14.65%. This is equal to the aggregate calculated normal cost contribution rate, of 9.99% based on the 2003 valuation, plus a 30-year amortization payment of the UAAL.

**County Contributions
(continued)**

County Contribution Rate
(all values as a % of Payroll)

County Normal Cost	9.99%
30-year Amortization of UAAL	<u>4.66</u>
Total County Contribution	14.65%

The increase in the total County contribution rate was primarily due to the asset losses which caused the increase in the UAAL rate. The UAAL rate reflects a 30-year amortization from the valuation date and the 1-year deferral in the implementation of the new County contribution rate effective July 1, 2004.

The change in the calculated normal cost contribution rates from year-to-year is generally due to two factors:

- (1) Normal experience from year-to-year, reflecting differences in both the weighting between membership groups and in their characteristics, as well as on what was assumed to occur during the past fiscal year and what actually occurred, particularly with respect to salary increases. Based on current plan provisions, the aggregate normal cost rate is expected to decrease as a greater number of members are covered by General Plans D and E and Safety B. Additionally, as members transfer between Plan D and Plan E, this will also have an impact.
- (2) For general members hired prior to April 1973 and all safety members, member contributions are not collected after the member has 30 years of service. Therefore, the member contributions towards the total annual normal cost is zero, resulting in a sizable increase in the County's share of the normal cost contributions for the years when the member has more than 30 years of service. The County's share of the normal cost rates for those groups can be expected to increase rather than remain level, as otherwise expected under the entry age cost method. As most general members hired prior to April 1973 have now attained 30 years of service, this statement applies mainly to Safety groups.

Los Angeles County Employees Retirement Association

Exhibit 9: Calculated Normal Cost Contribution Rates – June 30, 2003

A. Normal Cost Contribution Rate	General						Safety			Grand
	Plan A	Plan B	Plan C	Plan D	Plan E	Total	Plan A	Plan B	Total	Total
Service Retirement	14.59%	13.32%	12.17%	11.08%	7.01%	9.83%	11.24%	11.24%	11.24%	10.10%
Disability Retirement	1.39%	1.29%	1.26%	1.69%	0.00%	0.99%	14.02%	13.68%	13.72%	3.37%
Death	0.44%	0.41%	0.39%	0.50%	0.00%	0.30%	0.30%	0.28%	0.28%	0.29%
Termination (No Refund)	0.32%	0.22%	0.21%	0.98%	0.71%	0.80%	0.58%	0.53%	0.54%	0.75%
Refund of Member Contributions	0.11%	0.14%	0.12%	0.63%	0.00%	0.33%	0.09%	0.11%	0.11%	0.29%
Total	16.85%	15.38%	14.15%	14.88%	7.72%	12.25%	26.23%	25.84%	25.89%	14.80%
B. Member Contributions	(2.20)%	(6.97)%	(6.14)%	(6.82)%	0.00%	(3.72)%	(4.29)%	(10.28)%	(9.55)%	(4.81)%
C. Net County Normal Cost as of June 30, 2003 (A) - (B)	14.65%	8.41%	8.01%	8.06%	7.72%	8.53%	21.94%	15.56%	16.34%	9.99%
C. Net County Normal Cost as of June 30, 2002	14.39%	8.38%	8.00%	8.10%	7.49%	8.51%	21.87%	15.56%	16.55%	10.03%
E. Increase (Decrease) as a Percentage of Payroll (C) - (D)	0.26%	0.03%	0.01%	(0.04)%	0.23%	0.02%	0.07%	0.00%	(0.21)%	(0.04)%

**Los Angeles County Employees
Retirement Association**

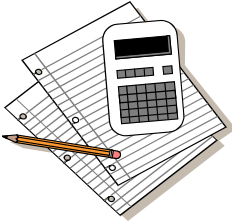
Exhibit 10: Total County Contributions

	<u>General</u>						<u>Safety</u>			<u>All Plans</u>
	<u>Plan A</u>	<u>Plan B</u>	<u>Plan C</u>	<u>Plan D</u>	<u>Plan E</u>	<u>Total</u>	<u>Plan A</u>	<u>Plan B</u>	<u>Total</u>	
A. Normal Cost										
1. Basic Benefits	9.69%	6.78%	6.57%	6.67%	7.72%	7.36%	14.93%	13.15%	13.37%	7.90%
2. Cost-of-Living Benefits	4.96%	1.63%	1.44%	1.39%	0.00%	1.17%	7.01%	2.41%	2.97%	2.09%
3. Total June 30, 2003	14.65%	8.41%	8.01%	8.06%	7.72%	8.53%	21.94%	15.56%	16.34%	9.99%
B. UAAL Contribution Rate	4.66%	4.66%	4.66%	4.66%	4.66%	4.66%	4.66%	4.66%	4.66%	4.66%
C. Total June 30, 2003 Contribution Rate (A) + (B)	19.31%	13.07%	12.67%	12.72%	12.38%	13.19%	26.60%	20.22%	21.00%	14.65%
D. Total June 30, 2002 Contribution Rate	14.60%	8.59%	8.21%	8.31%	7.70%	8.72%	22.08%	15.77%	16.76%	10.24%
E. Estimated Payroll for fiscal year beginning July 1, 2004	\$ 380	\$ 33	\$ 23	\$ 2,100	\$ 1,639	\$ 4,175	\$ 117	\$ 841	\$ 958	\$ 5,133
F. Estimated Annual Contribution* (C x E)	73	4	3	267	203	551	31	170	201	752

* Based upon annualized salary rate as of June 30, 2003 increased by 4% inflation. Dollar figures in millions.

Los Angeles County Employees Retirement Association

Section 7: Accounting Information



For fiscal years beginning after June 15, 1996, revised GASB reporting standards are required for defined benefit pension plan reporting and disclosures (Statement No. 25). The System adopted the revised reporting standards beginning in 1996. The new reporting requirements for Statement No. 25 include certain supplementary information that must be added to the financial statements. These include:

- (1) A Schedule of Funding Progress
- (2) A Schedule of Employer Contributions

The Schedule of Funding Progress, Exhibit 11, compares actuarial assets and liabilities of the System, based on the actuarial funding method used. The required Schedule of Employer Contributions, Exhibit 12, compares the employer contributions required based on the actuarial valuation (the actuarial required contribution, or ARC) with the employer contributions actually made. The ARC must be calculated based on certain parameters required for disclosure purposes.

We believe the actuarial methods and assumptions used in this valuation to determine the employer's contribution for funding purposes satisfy the new GASB reporting requirements.

For fiscal years beginning after June 15, 1997, GASB Statement No. 27 is required for pension accounting by state and local governmental employers.

The comparability of the data from year to year can be affected by changes in actuarial assumptions, benefit provisions, accounting policies, etc. For example, between June 30, 2000 and June 30, 2001, many actuarial assumptions were changed based on the 2001 triennial Investigation of Experience Study. Between the 2002 and 2003 valuations, benefits were enhanced under the MOU package.

Exhibit 13 compares the Actuarial Value of Valuation Assets to the types of Actuarial Accrued Liabilities, applying them first to Active Member contributions, then to retirees and beneficiaries, and then the remaining amount to the Active Members benefits. This is referred to as the Solvency Test. Although not required under GASB, this test is part of the CAFR guidelines specified by the Government Finance Officers Association (GFOA).

Los Angeles County Employees Retirement Association

Exhibit 11: Schedule of Funding Progress (All Dollars In Thousands)

Actuarial Valuation Date	(a) Actuarial Value of Valuation Assets	(b) Actuarial Accrued Liabilities	(b-a) Unfunded Actuarial Accrued Liabilities (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll ⁽¹⁾	[(b-a)/c] UAAL as a Percentage of Covered Payroll
June 30, 1994	\$ 15,542,200	\$ 15,573,829	\$ 31,629	99.8%	\$ 3,391,441	0.9%
June 30, 1995	16,503,672	16,391,833	(111,839)	100.7%	3,442,231	-3.2%
June 30, 1996	17,724,744	17,277,651	(447,093)	102.6%	3,355,551	-13.3%
June 30, 1997	19,642,355	19,383,641	(258,714)	101.3%	3,373,314	-7.7%
June 30, 1998	20,851,133	20,959,946	108,813	99.5%	3,562,416	3.1%
June 30, 1999	23,536,116	22,784,706	(751,410)	103.3%	3,858,090	-19.5%
June 30, 2000	25,426,507	24,720,380	(706,127)	102.9%	4,107,964	-17.2%
June 30, 2001	26,490,000	26,489,976	(24)	100.0%	4,398,443	0.0%
June 30, 2002	28,262,129	28,437,493	175,364	99.4%	4,744,340	3.7%
June 30, 2003	26,564,328	30,474,025	3,909,697	87.2%	4,933,615	79.2%

(1) Covered Payroll includes compensation paid to all active employees on which contributions are calculated. Covered Payroll differs from the Active Member Valuation Payroll shown in Table C-1, which is an annualized compensation of only those members who were active on the actuarial valuation date. For years prior to 1999, Covered Payroll is estimated.

**Los Angeles County Employees
Retirement Association**

**Exhibit 12: Schedule of Contributions from the Employer
(All Dollars In Thousands)**

<u>Fiscal Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Actual Employer Contributions</u>			<u>Percentage of ARC Contributed</u>
		<u>Cash Payment</u>	<u>Transfer from Reserve Accounts</u>	<u>Total</u>	
6/30/1996	\$287,548	\$132,452	\$146,309	\$278,761	97%
6/30/1997	277,929	1,168	277,151	278,319	100%
6/30/1998	243,489	9,420	239,777	249,197	102%
6/30/1999	317,285	84,226	248,403	332,629	105%
6/30/2000	342,060	130,319	211,832	342,151	100%
6/30/2001	390,679	193,650	197,029	390,679	100%
6/30/2002	414,708	258,884	155,824	414,708	100%
6/30/2003	518,922	324,709	194,213	518,922	100%

**Los Angeles County Employees
Retirement Association**

**Exhibit 13: Solvency Test
(Dollars In Millions)**

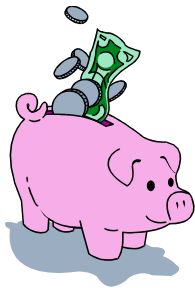
Actuarial Valuation Date	Actuarial Value of Valuation Assets	Actuarial Accrued Liabilities for			Portion of Actuarial Accrued Liabilities Covered by Assets		
		Active Member Contributions (A)	Retirees and Beneficiaries ⁽¹⁾ (B)	Active Members (Employer Financed Portion) (C)	(A)	(B)	(C)
June 30, 1998	\$ 20,851	\$ 2,710	\$ 11,268	\$ 7,049	100%	100%	98%
June 30, 1999	23,536	2,710	11,863	8,211	100%	100%	109%
June 30, 2000	25,427	3,190	12,922	8,609	100%	100%	108%
June 30, 2001	26,490	3,320	14,368	8,802	100%	100%	100%
June 30, 2002	28,262	3,596	15,424	9,417	100%	100%	98%
June 30, 2003	26,564	3,790	16,844	9,840	100%	100%	60%

(1) Includes deferred vested members.

Los Angeles County Employees Retirement Association

Section 8: Supplemental Information

Cash Flow Projection



Exhibits 14a and 14b are a chart and graph that illustrate both the cash flow history for the past 10 years and a projection on the valuation basis for the next 10 years.

Contributions include both employer and member contributions. The table shows that net cash flow has decreased over the last 10 years, except for 1995 when the Pension Obligation Bond funds were received. It has leveled off somewhat for the past five years, but it is expected to begin to significantly decrease for the next 10 years. This is a typical pattern for a mature retirement system where it is expected that contributions will be less than benefits and that the system will begin drawing on the fund that has been built up over prior years. The projection shows that the negative projected cash flow is expected to more than double in size from 2004 to 2013.

Note that the actual cash contributions since 1996 do not reflect the transfers made between reserve funds, but only cash coming into the System. Starting in 2004, we assumed no further transfers, only full cash contributions. Thus, the actual contributions in 2003 are significantly less than those in the projections for 2004 and later.

The projected cash flows include contributions, statutory benefits and administrative expenses only. They are based on the actuarial assumptions as stated in Appendix A of this valuation report. The total County contribution rate is assumed to be 14.65% for the entire 10-year projection. This rate is equal to the County normal cost rate plus a contribution to finance the UAAL, as calculated and recommended in the 2003 valuation. The aggregate Member rate is assumed to stay at the calculated rate for June 30, 2003 of 4.81% of payroll. Expenses are based on the expenses for the year ended June 30, 2003, increased annually with the actuarial inflation assumption of 4.00%.

Any increases or reductions in future contribution rates will increase or decrease the net cash flow. The projected cash flows do not include:

- Projected STAR benefits. STAR benefits that were vested as of March 2003 are included.
- Projected benefits payable under certain insurance contracts for a group of retired members. These payments are netted against the total expected retiree benefits.

**Los Angeles County Employees
Retirement Association**

Exhibit 14A: Cash Flow History and Projections - Dollars

Cash Flow History⁽¹⁾

Plan Year Ending	Contributions	Benefits & Administrative Expenses ⁽³⁾	Net Cash Flow
1994	\$ 546	\$ 749	\$ (203)
1995	2,212	798	1,414
1996	316	857	(541)
1997	172	910	(738)
1998	189	968	(779)
1999	288	1,024	(736)
2000	329	1,094	(765)
2001	410	1,187	(777)
2002	564	1,276	(712)
2003	559	1,379	(820)

Cash Flow Projections⁽²⁾

Plan Year Ending	Contributions	Benefits & Administrative Expenses ⁽³⁾	Net Cash Flow
2004	\$ 962	\$ 1,478	\$ (515)
2005	1,001	1,577	(576)
2006	1,041	1,682	(641)
2007	1,083	1,791	(708)
2008	1,126	1,907	(781)
2009	1,171	2,026	(855)
2010	1,218	2,151	(933)
2011	1,267	2,282	(1,015)
2012	1,317	2,418	(1,101)
2013	1,370	2,560	(1,190)

⁽¹⁾ 1995 Contributions reflect income from Pension Obligation Bond.

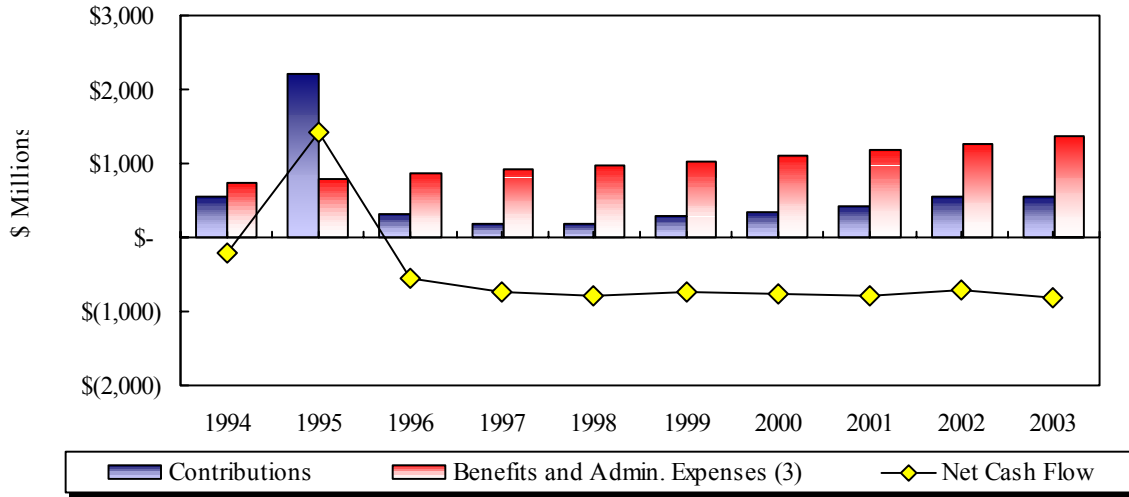
⁽²⁾ Future contributions are assumed to be at the 9.99% normal cost rate plus a UAAL payment of 4.66%.

⁽³⁾ Investment expenses are assumed to be covered by investment return.

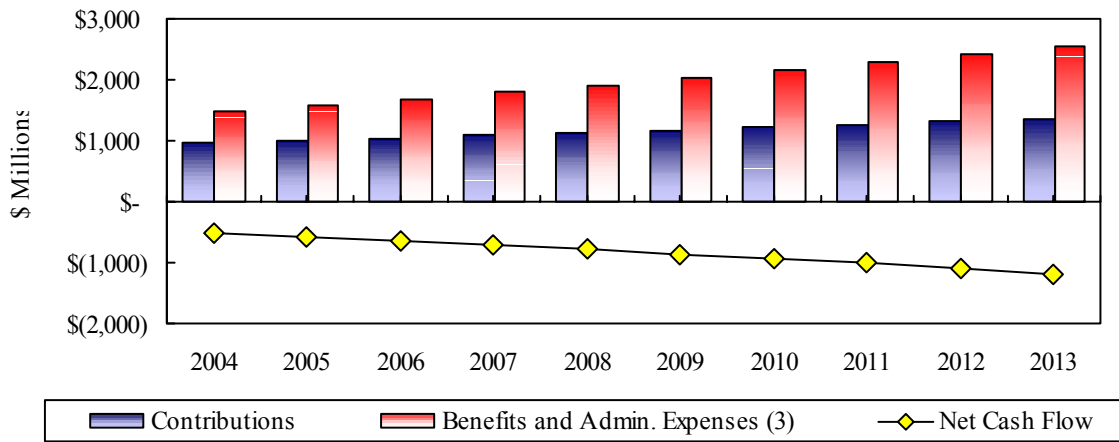
Los Angeles County Employees Retirement Association

Exhibit 14B: Cash Flow History and Projections - Charts

Cash Flow History⁽¹⁾



Cash Flow Projections⁽²⁾



⁽¹⁾ 1995 Contributions reflect income from Pension Obligation Bond.

⁽²⁾ Future contributions are assumed to be at the 9.99% normal cost rate plus a UAAL payment of 4.66%.

⁽³⁾ Investment expenses are assumed to be covered by investment return.

Los Angeles County Employees Retirement Association

Appendix A: Actuarial Procedures and Assumptions



The actuarial procedures and assumptions used in this valuation are described in this section. The assumptions were reviewed and changed June 30, 2001 as a result of the 2001 triennial Investigation of Experience Study. A slight modification was made to the probability of marriage assumption for the June 30, 2003 actuarial valuation to reflect the inclusion of domestic partners. (The County adopted CERL Section 31780.2 as of August 26, 2003.)

The actuarial assumptions used in the valuations are intended to estimate the future experience of the members of LACERA and of LACERA itself in areas that affect the projected benefit flow and anticipated investment earnings. Any variations in future experience from that expected from these assumptions will result in corresponding changes in the estimated costs of LACERA's benefits.

Table A-1 summarizes the assumptions. The mortality rates are taken from the sources listed.

Tables A-2 and A-3 show how members are expected to leave retired status due to death.

Table A-4 presents the probability of refund of contributions upon termination of employment while vested.

Table A-5 presents the expected annual percentage increase in salaries.

Tables A-6 to A-17 were developed from the experience as measured by the 2001 Investigation of Experience Study. The rates are the probabilities a member will leave the system for various reasons.

Actuarial Cost Method

The actuarial valuation is prepared using the entry age actuarial cost method (CERL 31453.5). Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of the individual's projected compensation between entry age and assumed exit (until maximum retirement age).

For members who transferred between plans, entry age is based on original entry into the system.

The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future normal costs is called the Unfunded Actuarial Accrued Liability (UAAL). The UAAL (or Surplus Funding) is amortized as a level percentage of the projected salaries of present and future members of LACERA over a 30-year period from the valuation date.

Records and Data

The data used in this valuation consist of financial information and the age, service, and income records for active and inactive members and their survivors. All of the data were supplied by LACERA and are accepted for valuation purposes without audit.

Replacement of Terminated Members

The ages and relative salaries at entry of future members are assumed to follow a new entrant distribution based on the pattern of current members. Under this assumption, the normal cost rates for active members will remain fairly stable in future years unless there are changes in the governing law, the actuarial assumptions or the pattern of the new entrants. For Plans which no longer have new members entering (Plan A for safety members, Plans A, B & C for general members), the increasing normal cost rate reflects the maturing of the group.

Growth in Membership

For benefit determination purposes, no growth in the membership of LACERA is assumed. For funding purposes, if amortization is required, the total payroll of covered members is assumed to grow due to the combined effects of future wage increases of current active members and the replacement of the current active members by new employees. No growth in the total number of active members is assumed.

Internal Revenue Code Section 415 Limit

The Internal Revenue Code Section 415 maximum benefit limitations are not reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit after retirement.

County Contributions	The County contribution rate is set by the Retirement Board based on actuarial valuations.
Member Contributions	<p>The member contribution rates vary by entry age and are described in the law. Code references are shown in Appendix B of this report. The methods and assumptions used are detailed later in this section.</p> <p>The individual member rates by entry age, plan and class are illustrated in Appendix D.</p>
Valuation of Assets	The assets are valued using a three-year smoothed method based on the difference between the expected market value and the actual market value of the assets as of the valuation date. The expected market value is the prior year's market value increased with the net increase in the cash flow of funds, all increased with interest during the past fiscal year at the expected investment return rate assumption. The expected market-value, with three-year smoothing valuation basis for all assets was adopted effective June 30, 2000.
Investment Earnings and Expenses	The future investment earnings of the assets of LACERA are assumed to accrue at an annual rate of 8.00%, compounded annually, net of both investment and administrative expenses.
Post-retirement Benefit Increases	Post-retirement increases are assumed for the valuation in accordance with the benefits provided as described in Appendix B. These adjustments are assumed payable each year in the future as they are less than the expected increase in the Consumer Price Index of 4.0% per year.
Interest on Member Contributions	The annual credited interest rate on member contributions is assumed to be 8.0% compounded semi-annually.
Future Salaries	<p>The rates of annual salary increase assumed for the purpose of the valuation are illustrated in Table A-5. In addition to increases in salary due to promotions and longevity, this scale includes an assumed 4.0% per annum rate of increase in the general wage level of the membership. These rates were adopted June 30, 2001.</p> <p>Effective June 30, 2000, increases are assumed to occur mid-year (i.e., January 1) and only apply to base salary, excluding megaflex compensation. The mid-year timing reflects that salary increases occur throughout the year, or on average mid-year.</p>

**Future Salaries
(Continued)**

For contributory plans, actual prior year annual compensation is used. For Plan E, annual information was not available. Due to irregular compensation payments now included as pensionable earnings, actual annual pay is preferred over annualizing a single monthly payment amount.

**Social Security
Wage Base**

Plan E members have their benefits offset by an assumed Social Security Benefit. For valuation funding purposes, we need to project the Social Security Benefit. We assume the current Social Security provisions will continue and the annual Wage Base will increase at the rate of 4% per year. Note, statutory provisions describe exactly how to compute the offset for purposes of determining a member's offset amount at time of termination or retirement.

Retirement

After members attain age 50 (55 for Plan E members) and have ten years of service, they may retire with a benefit commencing immediately. All members except Plan E members, may also retire regardless of age after 20 years of service for safety members and after 30 years of service for general members. The retirement rates vary by age and are shown by plan in Tables A-6 through A-17.

All general members who attain or who have attained age 75 in active service and all safety members who have attained age 60 in active service are assumed to retire immediately.

All deferred vested members are assumed to retire at the later of age 50 and earliest eligibility, except for Plan E who are assumed to retire at 65.

The assumptions regarding termination of employment, early retirement, and unreduced service retirement are treated as a single set of decrements in regards to a particular member. For example, a general member hired at age 30 has a probability to withdraw from LACERA due to death, disability or *other termination of employment* until age 50. After age 50, the member could still withdraw due to death, disability or *retirement*. Thus, in no year during the member's projected employment would they be eligible for both a probability of other termination of employment and a probability of retirement.

The retirement probabilities were revised June 30, 2001.

Disablement

The rates of disablement used in the valuation are also illustrated in Tables A-6 through A-17. These rates were revised June 30, 2001.

Mortality – Other Than Disabled Members

The same post-retirement mortality rates are used in the valuation for active members, members retired for service, and beneficiaries. These rates are illustrated in Table A-2. Beneficiary mortality is assumed to be the same assumption as healthy members. Beneficiaries are assumed to be of the opposite sex, and have the same mortality as General members.

Males General members: 1983 Group Annuity Mortality Table for males, multiplied by 85%.
Safety members: 1983 Group Annuity Mortality Table for males, multiplied by 80%.

Females General members: 1983 Group Annuity Mortality Table for females, multiplied by 95%.
Safety members: 1983 Group Annuity Mortality Table for males, multiplied by 95%.

Mortality – Disabled Members

For disabled members, the mortality rates used in the valuation rates are illustrated in Table A-3. These rates were adopted June 30, 2001.

Males General members: RP-2000 Combined Mortality Table for Males, with ages set forward three years.
Safety members: RP-2000 Combined Mortality Table for Males, with no age adjustment.

Females General members: RP-2000 Combined Table for Females with ages set forward one year.
Safety members: RP-2000 Combined Mortality Table for Females with ages set forward three years.

Other Employment Terminations

Tables A-6 to A-17 show, for all ages, the rates assumed in this valuation for future termination from active service other than for death, disability or retirement. These rates do not apply to members eligible for service retirement. These rates were revised June 30, 2001.

Other Employment Terminations
(Continued)

Terminating employees may withdraw their contributions immediately upon termination of employment and forfeit the right to further benefits, or they may leave their contributions with LACERA. Former contributing members whose contributions are on deposit may later elect to receive a refund, may return to work or may remain inactive until becoming eligible to receive a retirement benefit under either LACERA or a reciprocal retirement system. All terminating members who are not eligible for vested benefits are assumed to withdraw their contributions immediately.

All terminating members are assumed to not be rehired. Table A-4 gives the assumed probabilities that vested members will withdraw their contributions and elect a refund immediately upon termination and the probability the remaining members will elect a deferred vested benefit. All non-vested members are assumed to elect a refund and withdraw their contributions. These rates were adopted June 30, 1998.

Probability of Marriage, Dependent Children, and Eligible Survivor

For members not currently in pay status, 85% of all males and 60% of all females are assumed to have eligible spouses. Spouses are assumed to be four years younger than male members and four years older than female members. There is no explicit assumption for children's benefits. We believe the survivor benefits based on this marriage assumption are sufficient to cover children's benefits as they occur.

The probability of having an eligible survivor upon death is equal to the probability of marriage discussed above, increased by the following factors to recognize the inclusion of certain qualified domestic partners.

Probability of Having an Eligible Domestic Partner		
Attained Age	Future Retirees	
	General	Safety
25	3.0%	1.7%
35	1.8%	1.4%
45	1.3%	0.9%
55	0.9%	0.5%
62	2.1%	1.2%
65	1.8%	1.2%
75	1.5%	1.2%
85	1.5%	1.2%

Valuation of Vested Terminated Members

Complete Final Compensation data is not available to estimate the amount of vested benefit for these members. For valuation purposes, we assume the value of their deferred benefit is equal to three times their accumulated normal contributions plus one times their accumulated COLA contributions as of the valuation date.

Since Plan E is non-contributory, the value of the deferred benefit cannot be estimated under this method. Therefore, for Plan E members who are missing compensation data, Final Compensation is estimated as the average amount for all Plan E members who terminated during the same year and had a valid compensation amount. The retirement benefit is then calculated. The value of the deferred benefit is the value of this benefit deferred to age 65.

Valuation of Annuity Purchases

Over 20 years ago, LACERA purchased single life annuities from two insurance companies for some retired members (currently less than 5% of the retired population). The total liability for these members is calculated and then offset by the expected value of the benefit to be paid by the insurance companies.

For affected members, the insurance companies are responsible for:

- (1) Straight life annuity payments
- (2) Statutory COLAs

LACERA is responsible for:

- (1) Benefit payments payable to any beneficiary
- (2) STAR COLAs

Member Contribution Rate Assumptions

The following assumptions summarize the procedures used to compute member contribution rates based on entry age:

In general, the member rate is determined by the present value of the future benefit (PVFB) payable at retirement age, divided by the present value of all future salaries payable between age at entry and retirement age. For these purposes, per the CERL, the:

- A. Annuity factor used for general members is based on a 50% / 50% blend of the male and female annuity factors using current valuation assumptions. For Safety members it is based on the male annuity factor, as 90% of all Safety members are male.
- B. The annuity factor used in determining the present value of future benefits (PVFB) at entry age is equal to the life only annuity factor at 8%.

**Member
Contribution Rate
Assumptions**

(continued)

- C. The Final Compensation is based on the salary paid in the year prior to attaining the retirement age.

Example: For a Plan C Member who enters at age 59 or earlier, the Final Compensation at retirement (age 60) will be the monthly average of the annual salaries during age 59.

- D. Member Rates are assumed to increase with entry age. There are a few exceptions at the higher entry ages where the calculated rate is less than the previous entry age (for example, age 53 for General A). In these cases the member contribution rate is adjusted so that it is no less than the value for the previous entry age.

Los Angeles County Employees Retirement Association

Table A-1: Summary of Valuation Assumptions as of June 30, 2003

I.	Economic assumptions																
	A. General wage increases	4.00%															
	B. Investment earnings	8.00															
	C. Growth in membership	0.00															
	D. Post-retirement benefit increases (varies by plan)	Plan COLA not greater than CPI assumption.															
	E. CPI inflation assumption	4.00															
II.	Demographic assumptions																
	A. Salary increases due to service	Table A-5															
	B. Retirement	Tables A-6 to A-17															
	C. Disablement	Tables A-6 to A-17															
	D. Mortality for active members after termination and service retired members.	Table A-2															
	Basis – 1983 Group Annuity Mortality Table for respective sexes for general members, as adjusted:																
	<table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Class of Members</u></th> <th style="text-align: center;"><u>Age Adjustment</u></th> <th style="text-align: center;"><u>Percentage Rate Adjustment</u></th> </tr> </thead> <tbody> <tr> <td>General – males</td> <td style="text-align: center;">0 years</td> <td style="text-align: center;">85%</td> </tr> <tr> <td>General – females</td> <td style="text-align: center;">0 years</td> <td style="text-align: center;">95%</td> </tr> <tr> <td>Safety – males</td> <td style="text-align: center;">0 years</td> <td style="text-align: center;">80%</td> </tr> <tr> <td>Safety – females</td> <td style="text-align: center;">0 years</td> <td style="text-align: center;">95%</td> </tr> </tbody> </table>	<u>Class of Members</u>	<u>Age Adjustment</u>	<u>Percentage Rate Adjustment</u>	General – males	0 years	85%	General – females	0 years	95%	Safety – males	0 years	80%	Safety – females	0 years	95%	
<u>Class of Members</u>	<u>Age Adjustment</u>	<u>Percentage Rate Adjustment</u>															
General – males	0 years	85%															
General – females	0 years	95%															
Safety – males	0 years	80%															
Safety – females	0 years	95%															
	E. Mortality among disabled members	Table A-3															
	Basis – RP-2000 Combined Mortality Table, as adjusted:																
	<table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tbody> <tr> <td>General - males</td> <td style="text-align: center;">+3 years</td> <td style="text-align: center;">None</td> </tr> <tr> <td>General - females</td> <td style="text-align: center;">+1 year</td> <td style="text-align: center;">None</td> </tr> <tr> <td>Safety - males</td> <td style="text-align: center;">0 years</td> <td style="text-align: center;">None</td> </tr> <tr> <td>Safety - females</td> <td style="text-align: center;">+3 years</td> <td style="text-align: center;">None</td> </tr> </tbody> </table>	General - males	+3 years	None	General - females	+1 year	None	Safety - males	0 years	None	Safety - females	+3 years	None				
General - males	+3 years	None															
General - females	+1 year	None															
Safety - males	0 years	None															
Safety - females	+3 years	None															
	F. Mortality for beneficiaries.	Table A-2															
	Basis – Beneficiaries are assumed to have the same mortality as a general member of the opposite sex who has taken a service retirement.																
	G. Other terminations of employment	Tables A-6 to A-17															
	H. Refund of contributions on vested termination	Table A-4															

Los Angeles County Employees Retirement Association

Table A-2: Mortality for Members Retired for Service and Beneficiaries

<u>Age</u>	<u>Safety Male</u>	<u>Safety Female</u>	<u>General Male</u>	<u>General Female</u>
20	0.030%	0.018%	0.032%	0.018%
25	0.037%	0.024%	0.039%	0.024%
30	0.049%	0.033%	0.052%	0.033%
35	0.069%	0.045%	0.073%	0.045%
40	0.099%	0.063%	0.105%	0.063%
45	0.175%	0.096%	0.186%	0.096%
50	0.313%	0.157%	0.332%	0.157%
55	0.490%	0.241%	0.521%	0.241%
60	0.733%	0.403%	0.778%	0.403%
65	1.247%	0.671%	1.325%	0.671%
70	2.202%	1.177%	2.340%	1.177%
75	3.568%	2.279%	3.791%	2.279%
80	5.926%	4.080%	6.296%	4.080%
85	9.187%	6.642%	9.761%	6.642%
90	13.305%	10.616%	14.136%	10.616%

Los Angeles County Employees Retirement Association

Table A-3: Mortality for Members Retired for Disability

<u>Age</u>	<u>Safety Male</u>	<u>Safety Female</u>	<u>General Male</u>	<u>General Female</u>
20	0.035%	0.020%	0.037%	0.019%
25	0.038%	0.023%	0.039%	0.021%
30	0.044%	0.039%	0.063%	0.031%
35	0.077%	0.060%	0.096%	0.051%
40	0.108%	0.094%	0.130%	0.077%
45	0.151%	0.143%	0.186%	0.122%
50	0.214%	0.221%	0.292%	0.185%
55	0.362%	0.392%	0.527%	0.309%
60	0.675%	0.765%	1.001%	0.581%
65	1.274%	1.345%	1.787%	1.095%
70	2.221%	2.297%	3.039%	1.858%
75	3.783%	3.760%	5.212%	3.097%
80	6.437%	6.251%	8.972%	5.078%
85	11.076%	10.730%	15.059%	8.638%
90	18.341%	17.043%	23.366%	14.460%

**Los Angeles County Employees
Retirement Association**

Table A-4: Immediate Refund of Contributions Upon Termination of Employment While Vested

Age	Safety Male	Safety Female	General Male	General Female
25	0%	0%	35%	35%
30	0%	0%	35%	35%
35	0%	0%	35%	35%
40	0%	0%	35%	35%
45	0%	0%	35%	35%
50	0%	0%	35%	35%
55	0%	0%	35%	35%

Los Angeles County Employees Retirement Association

Table A-5a: Annual Increase in Salary Due to Promotions and Longevity

Years of Service	Safety	Plan A	Plan B&C	Plan D	Plan E
<1	6.00%	6.00%	6.00%	6.00%	6.00%
1	5.25%	5.25%	5.25%	5.25%	5.25%
2	4.50%	4.50%	4.50%	4.50%	4.50%
3	3.75%	3.75%	3.75%	3.75%	3.75%
4	3.00%	3.00%	3.00%	3.00%	3.00%
5	2.50%	2.50%	2.50%	2.50%	2.50%
6	2.00%	2.00%	2.00%	2.00%	2.00%
7	1.75%	1.75%	1.75%	1.75%	1.75%
8	1.50%	1.50%	1.50%	1.50%	1.50%
9	1.30%	1.30%	1.30%	1.30%	1.30%
10	1.10%	1.10%	1.10%	1.10%	1.10%
11	1.00%	1.00%	1.00%	1.00%	1.00%
12	0.90%	0.90%	0.90%	0.90%	0.90%
13	0.85%	0.85%	0.85%	0.85%	0.85%
14	0.80%	0.80%	0.80%	0.80%	0.80%
15 or more	0.75%	0.75%	0.75%	0.75%	0.75%

Table A-5b: Total Annual Increase in Salary*

Years of Service	Safety	Plan A	Plan B&C	Plan D	Plan E
<1	10.24%	10.24%	10.24%	10.24%	10.24%
1	9.46%	9.46%	9.46%	9.46%	9.46%
2	8.68%	8.68%	8.68%	8.68%	8.68%
3	7.90%	7.90%	7.90%	7.90%	7.90%
4	7.12%	7.12%	7.12%	7.12%	7.12%
5	6.60%	6.60%	6.60%	6.60%	6.60%
6	6.08%	6.08%	6.08%	6.08%	6.08%
7	5.82%	5.82%	5.82%	5.82%	5.82%
8	5.56%	5.56%	5.56%	5.56%	5.56%
9	5.35%	5.35%	5.35%	5.35%	5.35%
10	5.14%	5.14%	5.14%	5.14%	5.14%
11	5.04%	5.04%	5.04%	5.04%	5.04%
12	4.94%	4.94%	4.94%	4.94%	4.94%
13	4.88%	4.88%	4.88%	4.88%	4.88%
14	4.83%	4.83%	4.83%	4.83%	4.83%
15 or more	4.78%	4.78%	4.78%	4.78%	4.78%

* The total expected increase in salary is the increase due to promotions and longevity, shown in Table A-5a, adjusted for an assumed 4.00% per annum increase in the general wage level of the membership. The total result is compounded rather than additive.

Los Angeles County Employees Retirement Association

Appendix A: Rates of Separation From Active Service Tables A-6 to A-17

A schedule of the probabilities of termination of employment due to the following causes can be found on the following pages:

Service Retirement:	Member retires after meeting age and service requirements for reasons other than disability.
Withdrawal:	Member terminates and elects a refund of member contributions, or a deferred vested retirement benefit.
Service Disability:	Member receives disability retirement; disability is service related.
Ordinary Disability:	Member receives disability retirement; disability is not service related.
Service Death:	Member dies before retirement; death is service related.
Ordinary Death:	Member dies before retirement; death is not service related.

Each rate represents the probability that a member will separate from service at each age due to the particular cause. For example, a rate of 0.0300 for a member's service retirement at age 50 means we assume that 30 out of 1,000 members who are age 50 will retire at that age.

Each table represents the detailed rates needed for each LACERA plan by sex:

Table A-6: General Plan A Males	A-14: General Plan E Males
A-7: General Plan A Females	A-15: General Plan E Females
A-8: General Plan B Males	A-16: Safety Plan A Males
A-9: General Plan B Females	A-17: Safety Plan A Females
A-10: General Plan C Males	A-18: Safety Plan B Males
A-11: General Plan C Females	A-17: Safety Plan B Females
A-12: General Pan D Males	
A-13: General Plan D Females	

Los Angeles County Employees Retirement Association

**Tables A-6: Rate of Separation From Active Service for General Members
Plan A – Male**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0003	0.0002	N/A	0.0003
19	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
20	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
21	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
22	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
23	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
24	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
25	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
26	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
27	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
28	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
29	0.0000	0.0050	0.0003	0.0002	N/A	0.0005
30	0.0000	0.0050	0.0004	0.0002	N/A	0.0006
31	0.0000	0.0050	0.0004	0.0002	N/A	0.0006
32	0.0000	0.0050	0.0004	0.0002	N/A	0.0007
33	0.0000	0.0050	0.0005	0.0002	N/A	0.0008
34	0.0000	0.0050	0.0005	0.0002	N/A	0.0008
35	0.0000	0.0050	0.0007	0.0002	N/A	0.0009
36	0.0000	0.0050	0.0007	0.0002	N/A	0.0010
37	0.0000	0.0050	0.0008	0.0002	N/A	0.0010
38	0.0000	0.0050	0.0009	0.0002	N/A	0.0011
39	0.0000	0.0050	0.0011	0.0002	N/A	0.0011
40	0.0300	0.0050	0.0011	0.0003	N/A	0.0012
41	0.0300	0.0050	0.0012	0.0003	N/A	0.0013
42	0.0300	0.0050	0.0014	0.0003	N/A	0.0014
43	0.0300	0.0050	0.0015	0.0004	N/A	0.0015
44	0.0300	0.0050	0.0016	0.0004	N/A	0.0016
45	0.0300	0.0050	0.0019	0.0005	N/A	0.0017
46	0.0300	0.0050	0.0020	0.0005	N/A	0.0019
47	0.0300	0.0050	0.0022	0.0005	N/A	0.0020
48	0.0300	0.0050	0.0023	0.0007	N/A	0.0021
49	0.0300	0.0050	0.0024	0.0008	N/A	0.0023
50	0.0300	0.0050	0.0027	0.0009	N/A	0.0024
51	0.0300	0.0050	0.0028	0.0010	N/A	0.0026
52	0.0300	0.0050	0.0030	0.0012	N/A	0.0028
53	0.0300	0.0050	0.0032	0.0013	N/A	0.0030
54	0.0450	0.0050	0.0034	0.0015	N/A	0.0033
55	0.0600	0.0050	0.0036	0.0016	N/A	0.0036
56	0.0900	0.0050	0.0038	0.0018	N/A	0.0040
57	0.1200	0.0050	0.0041	0.0019	N/A	0.0044
58	0.1200	0.0050	0.0046	0.0022	N/A	0.0049
59	0.1500	0.0050	0.0051	0.0024	N/A	0.0054
60	0.1800	0.0050	0.0057	0.0026	N/A	0.0059
61	0.2100	0.0050	0.0062	0.0028	N/A	0.0065
62	0.3000	0.0050	0.0065	0.0031	N/A	0.0070
63	0.2100	0.0050	0.0066	0.0032	N/A	0.0076
64	0.2800	0.0050	0.0067	0.0033	N/A	0.0081
65	0.3500	0.0050	0.0068	0.0034	N/A	0.0086
66	0.2500	0.0050	0.0069	0.0035	N/A	0.0091
67	0.2500	0.0050	0.0070	0.0036	N/A	0.0095
68	0.2500	0.0050	0.0071	0.0037	N/A	0.0099
69	0.2500	0.0050	0.0071	0.0038	N/A	0.0104
70	0.2500	0.0050	0.0071	0.0039	N/A	0.0112
71	0.2500	0.0050	0.0071	0.0040	N/A	0.0123
72	0.2500	0.0050	0.0071	0.0041	N/A	0.0137
73	0.2500	0.0050	0.0071	0.0042	N/A	0.0151
74	0.2500	0.0050	0.0071	0.0043	N/A	0.0169
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0000

Los Angeles County Employees Retirement Association

**Tables A-7: Rate of Separation From Active Service for General Members
Plan A – Female**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
19	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
20	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
21	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
22	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
23	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
24	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
25	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
26	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
27	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
28	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
29	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
30	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
31	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
32	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
33	0.0000	0.0050	0.0005	0.0001	N/A	0.0004
34	0.0000	0.0050	0.0007	0.0001	N/A	0.0004
35	0.0000	0.0050	0.0007	0.0001	N/A	0.0005
36	0.0000	0.0050	0.0007	0.0001	N/A	0.0005
37	0.0000	0.0050	0.0007	0.0001	N/A	0.0006
38	0.0000	0.0050	0.0007	0.0002	N/A	0.0006
39	0.0000	0.0050	0.0007	0.0002	N/A	0.0006
40	0.0300	0.0050	0.0008	0.0002	N/A	0.0007
41	0.0300	0.0050	0.0009	0.0002	N/A	0.0008
42	0.0300	0.0050	0.0010	0.0003	N/A	0.0009
43	0.0300	0.0050	0.0010	0.0003	N/A	0.0009
44	0.0300	0.0050	0.0011	0.0004	N/A	0.0010
45	0.0300	0.0050	0.0011	0.0004	N/A	0.0011
46	0.0300	0.0050	0.0012	0.0005	N/A	0.0012
47	0.0300	0.0050	0.0012	0.0005	N/A	0.0013
48	0.0300	0.0050	0.0014	0.0006	N/A	0.0014
49	0.0300	0.0050	0.0015	0.0006	N/A	0.0016
50	0.0300	0.0050	0.0017	0.0008	N/A	0.0017
51	0.0300	0.0050	0.0017	0.0009	N/A	0.0018
52	0.0300	0.0050	0.0018	0.0010	N/A	0.0020
53	0.0400	0.0050	0.0019	0.0011	N/A	0.0021
54	0.0700	0.0050	0.0020	0.0012	N/A	0.0023
55	0.0800	0.0050	0.0021	0.0013	N/A	0.0025
56	0.0900	0.0050	0.0023	0.0015	N/A	0.0028
57	0.1100	0.0050	0.0026	0.0015	N/A	0.0030
58	0.1200	0.0050	0.0027	0.0019	N/A	0.0033
59	0.1400	0.0050	0.0030	0.0021	N/A	0.0036
60	0.1600	0.0050	0.0033	0.0024	N/A	0.0039
61	0.1600	0.0050	0.0037	0.0027	N/A	0.0043
62	0.2400	0.0050	0.0042	0.0030	N/A	0.0047
63	0.2200	0.0050	0.0047	0.0031	N/A	0.0050
64	0.2200	0.0050	0.0053	0.0032	N/A	0.0054
65	0.3000	0.0050	0.0059	0.0033	N/A	0.0058
66	0.2400	0.0050	0.0066	0.0034	N/A	0.0062
67	0.2400	0.0050	0.0073	0.0035	N/A	0.0066
68	0.2400	0.0050	0.0082	0.0036	N/A	0.0069
69	0.2400	0.0050	0.0094	0.0037	N/A	0.0073
70	0.2400	0.0050	0.0094	0.0038	N/A	0.0076
71	0.2400	0.0050	0.0094	0.0039	N/A	0.0079
72	0.2400	0.0050	0.0094	0.0040	N/A	0.0085
73	0.2400	0.0050	0.0094	0.0041	N/A	0.0093
74	0.2400	0.0050	0.0094	0.0042	N/A	0.0103
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0000

Los Angeles County Employees Retirement Association

**Tables A-8: Rate of Separation From Active Service for General Members
Plan B – Male**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0003	0.0002	N/A	0.0003
19	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
20	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
21	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
22	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
23	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
24	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
25	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
26	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
27	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
28	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
29	0.0000	0.0050	0.0003	0.0002	N/A	0.0005
30	0.0000	0.0050	0.0004	0.0002	N/A	0.0006
31	0.0000	0.0050	0.0004	0.0002	N/A	0.0006
32	0.0000	0.0050	0.0004	0.0002	N/A	0.0007
33	0.0000	0.0050	0.0005	0.0002	N/A	0.0008
34	0.0000	0.0050	0.0005	0.0002	N/A	0.0008
35	0.0000	0.0050	0.0007	0.0002	N/A	0.0009
36	0.0000	0.0050	0.0007	0.0002	N/A	0.0010
37	0.0000	0.0050	0.0008	0.0002	N/A	0.0010
38	0.0000	0.0050	0.0009	0.0002	N/A	0.0011
39	0.0000	0.0050	0.0011	0.0002	N/A	0.0011
40	0.0300	0.0050	0.0011	0.0003	N/A	0.0012
41	0.0300	0.0050	0.0012	0.0003	N/A	0.0013
42	0.0300	0.0050	0.0014	0.0003	N/A	0.0014
43	0.0300	0.0050	0.0015	0.0004	N/A	0.0015
44	0.0300	0.0050	0.0016	0.0004	N/A	0.0016
45	0.0300	0.0050	0.0019	0.0005	N/A	0.0017
46	0.0300	0.0050	0.0020	0.0005	N/A	0.0019
47	0.0300	0.0050	0.0022	0.0005	N/A	0.0020
48	0.0300	0.0050	0.0023	0.0007	N/A	0.0021
49	0.0300	0.0050	0.0024	0.0008	N/A	0.0023
50	0.0300	0.0050	0.0027	0.0009	N/A	0.0024
51	0.0300	0.0050	0.0028	0.0010	N/A	0.0026
52	0.0300	0.0050	0.0030	0.0012	N/A	0.0028
53	0.0300	0.0050	0.0032	0.0013	N/A	0.0030
54	0.0450	0.0050	0.0034	0.0015	N/A	0.0033
55	0.0600	0.0050	0.0036	0.0016	N/A	0.0036
56	0.0900	0.0050	0.0038	0.0018	N/A	0.0040
57	0.1200	0.0050	0.0041	0.0019	N/A	0.0044
58	0.1200	0.0050	0.0046	0.0022	N/A	0.0049
59	0.1500	0.0050	0.0051	0.0024	N/A	0.0054
60	0.1800	0.0050	0.0057	0.0026	N/A	0.0059
61	0.2100	0.0050	0.0062	0.0028	N/A	0.0065
62	0.3000	0.0050	0.0065	0.0031	N/A	0.0070
63	0.2100	0.0050	0.0066	0.0032	N/A	0.0076
64	0.2800	0.0050	0.0067	0.0033	N/A	0.0081
65	0.3500	0.0050	0.0068	0.0034	N/A	0.0086
66	0.2500	0.0050	0.0069	0.0035	N/A	0.0091
67	0.2500	0.0050	0.0070	0.0036	N/A	0.0095
68	0.2500	0.0050	0.0071	0.0037	N/A	0.0099
69	0.2500	0.0050	0.0071	0.0038	N/A	0.0104
70	0.2500	0.0050	0.0071	0.0039	N/A	0.0112
71	0.2500	0.0050	0.0071	0.0040	N/A	0.0123
72	0.2500	0.0050	0.0071	0.0041	N/A	0.0137
73	0.2500	0.0050	0.0071	0.0042	N/A	0.0151
74	0.2500	0.0050	0.0071	0.0043	N/A	0.0169
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0000

Los Angeles County Employees Retirement Association

**Tables A-9: Rate of Separation From Active Service for General Members
Plan B – Female**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
19	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
20	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
21	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
22	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
23	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
24	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
25	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
26	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
27	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
28	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
29	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
30	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
31	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
32	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
33	0.0000	0.0050	0.0005	0.0001	N/A	0.0004
34	0.0000	0.0050	0.0007	0.0001	N/A	0.0004
35	0.0000	0.0050	0.0007	0.0001	N/A	0.0005
36	0.0000	0.0050	0.0007	0.0001	N/A	0.0005
37	0.0000	0.0050	0.0007	0.0001	N/A	0.0006
38	0.0000	0.0050	0.0007	0.0002	N/A	0.0006
39	0.0000	0.0050	0.0007	0.0002	N/A	0.0006
40	0.0300	0.0050	0.0008	0.0002	N/A	0.0007
41	0.0300	0.0050	0.0009	0.0002	N/A	0.0008
42	0.0300	0.0050	0.0010	0.0003	N/A	0.0009
43	0.0300	0.0050	0.0010	0.0003	N/A	0.0009
44	0.0300	0.0050	0.0011	0.0004	N/A	0.0010
45	0.0300	0.0050	0.0011	0.0004	N/A	0.0011
46	0.0300	0.0050	0.0012	0.0005	N/A	0.0012
47	0.0300	0.0050	0.0012	0.0005	N/A	0.0013
48	0.0300	0.0050	0.0014	0.0006	N/A	0.0014
49	0.0300	0.0050	0.0015	0.0006	N/A	0.0016
50	0.0300	0.0050	0.0017	0.0008	N/A	0.0017
51	0.0300	0.0050	0.0017	0.0009	N/A	0.0018
52	0.0300	0.0050	0.0018	0.0010	N/A	0.0020
53	0.0400	0.0050	0.0019	0.0011	N/A	0.0021
54	0.0700	0.0050	0.0020	0.0012	N/A	0.0023
55	0.0800	0.0050	0.0021	0.0013	N/A	0.0025
56	0.0900	0.0050	0.0023	0.0015	N/A	0.0028
57	0.1100	0.0050	0.0026	0.0015	N/A	0.0030
58	0.1200	0.0050	0.0027	0.0019	N/A	0.0033
59	0.1400	0.0050	0.0030	0.0021	N/A	0.0036
60	0.1600	0.0050	0.0033	0.0024	N/A	0.0039
61	0.1600	0.0050	0.0037	0.0027	N/A	0.0043
62	0.2400	0.0050	0.0042	0.0030	N/A	0.0047
63	0.2200	0.0050	0.0047	0.0031	N/A	0.0050
64	0.2200	0.0050	0.0053	0.0032	N/A	0.0054
65	0.3000	0.0050	0.0059	0.0033	N/A	0.0058
66	0.2400	0.0050	0.0066	0.0034	N/A	0.0062
67	0.2400	0.0050	0.0073	0.0035	N/A	0.0066
68	0.2400	0.0050	0.0082	0.0036	N/A	0.0069
69	0.2400	0.0050	0.0094	0.0037	N/A	0.0073
70	0.2400	0.0050	0.0094	0.0038	N/A	0.0076
71	0.2400	0.0050	0.0094	0.0039	N/A	0.0079
72	0.2400	0.0050	0.0094	0.0040	N/A	0.0085
73	0.2400	0.0050	0.0094	0.0041	N/A	0.0093
74	0.2400	0.0050	0.0094	0.0042	N/A	0.0103
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0000

Los Angeles County Employees Retirement Association

**Tables A-10: Rate of Separation From Active Service for General Members
Plan C – Male**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0003	0.0002	N/A	0.0003
19	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
20	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
21	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
22	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
23	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
24	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
25	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
26	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
27	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
28	0.0000	0.0050	0.0003	0.0002	N/A	0.0004
29	0.0000	0.0050	0.0003	0.0002	N/A	0.0005
30	0.0000	0.0050	0.0004	0.0002	N/A	0.0006
31	0.0000	0.0050	0.0004	0.0002	N/A	0.0006
32	0.0000	0.0050	0.0004	0.0002	N/A	0.0007
33	0.0000	0.0050	0.0005	0.0002	N/A	0.0008
34	0.0000	0.0050	0.0005	0.0002	N/A	0.0008
35	0.0000	0.0050	0.0007	0.0002	N/A	0.0009
36	0.0000	0.0050	0.0007	0.0002	N/A	0.0010
37	0.0000	0.0050	0.0008	0.0002	N/A	0.0010
38	0.0000	0.0050	0.0009	0.0002	N/A	0.0011
39	0.0000	0.0050	0.0011	0.0002	N/A	0.0011
40	0.0300	0.0050	0.0011	0.0003	N/A	0.0012
41	0.0300	0.0050	0.0012	0.0003	N/A	0.0013
42	0.0300	0.0050	0.0014	0.0003	N/A	0.0014
43	0.0300	0.0050	0.0015	0.0004	N/A	0.0015
44	0.0300	0.0050	0.0016	0.0004	N/A	0.0016
45	0.0300	0.0050	0.0019	0.0005	N/A	0.0017
46	0.0300	0.0050	0.0020	0.0005	N/A	0.0019
47	0.0300	0.0050	0.0022	0.0005	N/A	0.0020
48	0.0300	0.0050	0.0023	0.0007	N/A	0.0021
49	0.0300	0.0050	0.0024	0.0008	N/A	0.0023
50	0.0300	0.0050	0.0027	0.0009	N/A	0.0024
51	0.0300	0.0050	0.0028	0.0010	N/A	0.0026
52	0.0300	0.0050	0.0030	0.0012	N/A	0.0028
53	0.0300	0.0050	0.0032	0.0013	N/A	0.0030
54	0.0450	0.0050	0.0034	0.0015	N/A	0.0033
55	0.0600	0.0050	0.0036	0.0016	N/A	0.0036
56	0.0900	0.0050	0.0038	0.0018	N/A	0.0040
57	0.1200	0.0050	0.0041	0.0019	N/A	0.0044
58	0.1200	0.0050	0.0046	0.0022	N/A	0.0049
59	0.1500	0.0050	0.0051	0.0024	N/A	0.0054
60	0.1800	0.0050	0.0057	0.0026	N/A	0.0059
61	0.2100	0.0050	0.0062	0.0028	N/A	0.0065
62	0.3000	0.0050	0.0065	0.0031	N/A	0.0070
63	0.2100	0.0050	0.0066	0.0032	N/A	0.0076
64	0.2800	0.0050	0.0067	0.0033	N/A	0.0081
65	0.3500	0.0050	0.0068	0.0034	N/A	0.0086
66	0.2500	0.0050	0.0069	0.0035	N/A	0.0091
67	0.2500	0.0050	0.0070	0.0036	N/A	0.0095
68	0.2500	0.0050	0.0071	0.0037	N/A	0.0099
69	0.2500	0.0050	0.0071	0.0038	N/A	0.0104
70	0.2500	0.0050	0.0071	0.0039	N/A	0.0112
71	0.2500	0.0050	0.0071	0.0040	N/A	0.0123
72	0.2500	0.0050	0.0071	0.0041	N/A	0.0137
73	0.2500	0.0050	0.0071	0.0042	N/A	0.0151
74	0.2500	0.0050	0.0071	0.0043	N/A	0.0169
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0000

Los Angeles County Employees Retirement Association

**Tables A-11: Rate of Separation From Active Service for General Members
Plan C – Female**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
19	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
20	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
21	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
22	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
23	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
24	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
25	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
26	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
27	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
28	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
29	0.0000	0.0050	0.0001	0.0001	N/A	0.0002
30	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
31	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
32	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
33	0.0000	0.0050	0.0005	0.0001	N/A	0.0004
34	0.0000	0.0050	0.0007	0.0001	N/A	0.0004
35	0.0000	0.0050	0.0007	0.0001	N/A	0.0005
36	0.0000	0.0050	0.0007	0.0001	N/A	0.0005
37	0.0000	0.0050	0.0007	0.0001	N/A	0.0006
38	0.0000	0.0050	0.0007	0.0002	N/A	0.0006
39	0.0000	0.0050	0.0007	0.0002	N/A	0.0006
40	0.0300	0.0050	0.0008	0.0002	N/A	0.0007
41	0.0300	0.0050	0.0009	0.0002	N/A	0.0008
42	0.0300	0.0050	0.0010	0.0003	N/A	0.0009
43	0.0300	0.0050	0.0010	0.0003	N/A	0.0009
44	0.0300	0.0050	0.0011	0.0004	N/A	0.0010
45	0.0300	0.0050	0.0011	0.0004	N/A	0.0011
46	0.0300	0.0050	0.0012	0.0005	N/A	0.0012
47	0.0300	0.0050	0.0012	0.0005	N/A	0.0013
48	0.0300	0.0050	0.0014	0.0006	N/A	0.0014
49	0.0300	0.0050	0.0015	0.0006	N/A	0.0016
50	0.0300	0.0050	0.0017	0.0008	N/A	0.0017
51	0.0300	0.0050	0.0017	0.0009	N/A	0.0018
52	0.0300	0.0050	0.0018	0.0010	N/A	0.0020
53	0.0400	0.0050	0.0019	0.0011	N/A	0.0021
54	0.0700	0.0050	0.0020	0.0012	N/A	0.0023
55	0.0800	0.0050	0.0021	0.0013	N/A	0.0025
56	0.0900	0.0050	0.0023	0.0015	N/A	0.0028
57	0.1100	0.0050	0.0026	0.0015	N/A	0.0030
58	0.1200	0.0050	0.0027	0.0019	N/A	0.0033
59	0.1400	0.0050	0.0030	0.0021	N/A	0.0036
60	0.1600	0.0050	0.0033	0.0024	N/A	0.0039
61	0.1600	0.0050	0.0037	0.0027	N/A	0.0043
62	0.2400	0.0050	0.0042	0.0030	N/A	0.0047
63	0.2200	0.0050	0.0047	0.0031	N/A	0.0050
64	0.2200	0.0050	0.0053	0.0032	N/A	0.0054
65	0.3000	0.0050	0.0059	0.0033	N/A	0.0058
66	0.2400	0.0050	0.0066	0.0034	N/A	0.0062
67	0.2400	0.0050	0.0073	0.0035	N/A	0.0066
68	0.2400	0.0050	0.0082	0.0036	N/A	0.0069
69	0.2400	0.0050	0.0094	0.0037	N/A	0.0073
70	0.2400	0.0050	0.0094	0.0038	N/A	0.0076
71	0.2400	0.0050	0.0094	0.0039	N/A	0.0079
72	0.2400	0.0050	0.0094	0.0040	N/A	0.0085
73	0.2400	0.0050	0.0094	0.0041	N/A	0.0093
74	0.2400	0.0050	0.0094	0.0042	N/A	0.0103
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0000

Los Angeles County Employees Retirement Association

**Tables A-12: Rate of Separation From Active Service for General Members
Plan D – Male**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Withdrawal
18	0.0000	0.0003	0.0002	N/A	0.0003	1	0.0600
19	0.0000	0.0003	0.0002	N/A	0.0004	2	0.0520
20	0.0000	0.0003	0.0002	N/A	0.0004	3	0.0460
21	0.0000	0.0003	0.0002	N/A	0.0004	4	0.0400
22	0.0000	0.0003	0.0002	N/A	0.0004	5	0.0340
23	0.0000	0.0003	0.0002	N/A	0.0004	6	0.0327
24	0.0000	0.0003	0.0002	N/A	0.0004	7	0.0313
25	0.0000	0.0003	0.0002	N/A	0.0004	8	0.0300
26	0.0000	0.0003	0.0002	N/A	0.0004	9	0.0296
27	0.0000	0.0003	0.0002	N/A	0.0004	10	0.0292
28	0.0000	0.0003	0.0002	N/A	0.0004	11	0.0288
29	0.0000	0.0003	0.0002	N/A	0.0005	12	0.0284
30	0.0000	0.0004	0.0002	N/A	0.0006	13	0.0280
31	0.0000	0.0004	0.0002	N/A	0.0006	14	0.0280
32	0.0000	0.0004	0.0002	N/A	0.0007	15	0.0280
33	0.0000	0.0005	0.0002	N/A	0.0008	16	0.0280
34	0.0000	0.0005	0.0002	N/A	0.0008	17	0.0280
35	0.0000	0.0007	0.0002	N/A	0.0009	18	0.0280
36	0.0000	0.0007	0.0002	N/A	0.0010	19	0.0280
37	0.0000	0.0008	0.0002	N/A	0.0010	20 & Up	0.0280
38	0.0000	0.0009	0.0002	N/A	0.0011		
39	0.0000	0.0011	0.0002	N/A	0.0011		
40	0.0300	0.0011	0.0003	N/A	0.0012		
41	0.0300	0.0012	0.0003	N/A	0.0013		
42	0.0300	0.0014	0.0003	N/A	0.0014		
43	0.0300	0.0015	0.0004	N/A	0.0015		
44	0.0300	0.0016	0.0004	N/A	0.0016		
45	0.0300	0.0019	0.0005	N/A	0.0017		
46	0.0300	0.0020	0.0005	N/A	0.0019		
47	0.0300	0.0022	0.0005	N/A	0.0020		
48	0.0300	0.0023	0.0007	N/A	0.0021		
49	0.0300	0.0024	0.0008	N/A	0.0023		
50	0.0300	0.0027	0.0009	N/A	0.0024		
51	0.0300	0.0028	0.0010	N/A	0.0026		
52	0.0300	0.0030	0.0012	N/A	0.0028		
53	0.0300	0.0032	0.0013	N/A	0.0030		
54	0.0300	0.0034	0.0015	N/A	0.0033		
55	0.0300	0.0036	0.0016	N/A	0.0036		
56	0.0300	0.0038	0.0018	N/A	0.0040		
57	0.0300	0.0041	0.0019	N/A	0.0044		
58	0.0300	0.0046	0.0022	N/A	0.0049		
59	0.0300	0.0051	0.0024	N/A	0.0054		
60	0.0700	0.0057	0.0026	N/A	0.0059		
61	0.1000	0.0062	0.0028	N/A	0.0065		
62	0.1200	0.0065	0.0031	N/A	0.0070		
63	0.1000	0.0066	0.0032	N/A	0.0076		
64	0.1000	0.0067	0.0033	N/A	0.0081		
65	0.2500	0.0068	0.0034	N/A	0.0086		
66	0.1700	0.0069	0.0035	N/A	0.0091		
67	0.1700	0.0070	0.0036	N/A	0.0095		
68	0.1700	0.0071	0.0037	N/A	0.0099		
69	0.1700	0.0071	0.0038	N/A	0.0104		
70	0.2500	0.0071	0.0039	N/A	0.0112		
71	0.2500	0.0071	0.0040	N/A	0.0123		
72	0.2500	0.0071	0.0041	N/A	0.0137		
73	0.2500	0.0071	0.0042	N/A	0.0151		
74	0.2500	0.0071	0.0043	N/A	0.0169		
75	1.0000	0.0000	0.0000	N/A	0.0000		

Los Angeles County Employees Retirement Association

**Tables A-13: Rate of Separation From Active Service for General Members
Plan D – Female**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Withdrawal
18	0.0000	0.0001	0.0001	N/A	0.0002	1	0.0600
19	0.0000	0.0001	0.0001	N/A	0.0002	2	0.0520
20	0.0000	0.0001	0.0001	N/A	0.0002	3	0.0460
21	0.0000	0.0001	0.0001	N/A	0.0002	4	0.0400
22	0.0000	0.0001	0.0001	N/A	0.0002	5	0.0340
23	0.0000	0.0001	0.0001	N/A	0.0002	6	0.0327
24	0.0000	0.0001	0.0001	N/A	0.0002	7	0.0313
25	0.0000	0.0001	0.0001	N/A	0.0002	8	0.0300
26	0.0000	0.0001	0.0001	N/A	0.0002	9	0.0296
27	0.0000	0.0001	0.0001	N/A	0.0002	10	0.0292
28	0.0000	0.0001	0.0001	N/A	0.0002	11	0.0288
29	0.0000	0.0001	0.0001	N/A	0.0002	12	0.0284
30	0.0000	0.0004	0.0001	N/A	0.0003	13	0.0280
31	0.0000	0.0004	0.0001	N/A	0.0003	14	0.0280
32	0.0000	0.0004	0.0001	N/A	0.0003	15	0.0280
33	0.0000	0.0005	0.0001	N/A	0.0004	16	0.0280
34	0.0000	0.0007	0.0001	N/A	0.0004	17	0.0280
35	0.0000	0.0007	0.0001	N/A	0.0005	18	0.0280
36	0.0000	0.0007	0.0001	N/A	0.0005	19	0.0280
37	0.0000	0.0007	0.0001	N/A	0.0006	20 & Up	0.0280
38	0.0000	0.0007	0.0002	N/A	0.0006		
39	0.0000	0.0007	0.0002	N/A	0.0006		
40	0.0200	0.0008	0.0002	N/A	0.0007		
41	0.0200	0.0009	0.0002	N/A	0.0008		
42	0.0200	0.0010	0.0003	N/A	0.0009		
43	0.0200	0.0010	0.0003	N/A	0.0009		
44	0.0200	0.0011	0.0004	N/A	0.0010		
45	0.0200	0.0011	0.0004	N/A	0.0011		
46	0.0200	0.0012	0.0005	N/A	0.0012		
47	0.0200	0.0012	0.0005	N/A	0.0013		
48	0.0200	0.0014	0.0006	N/A	0.0014		
49	0.0200	0.0015	0.0006	N/A	0.0016		
50	0.0200	0.0017	0.0008	N/A	0.0017		
51	0.0200	0.0017	0.0009	N/A	0.0018		
52	0.0200	0.0018	0.0010	N/A	0.0020		
53	0.0200	0.0019	0.0011	N/A	0.0021		
54	0.0200	0.0020	0.0012	N/A	0.0023		
55	0.0400	0.0021	0.0013	N/A	0.0025		
56	0.0400	0.0023	0.0015	N/A	0.0028		
57	0.0400	0.0026	0.0015	N/A	0.0030		
58	0.0400	0.0027	0.0019	N/A	0.0033		
59	0.0500	0.0030	0.0021	N/A	0.0036		
60	0.0500	0.0033	0.0024	N/A	0.0039		
61	0.0800	0.0037	0.0027	N/A	0.0043		
62	0.1000	0.0042	0.0030	N/A	0.0047		
63	0.1100	0.0047	0.0031	N/A	0.0050		
64	0.1200	0.0053	0.0032	N/A	0.0054		
65	0.2300	0.0059	0.0033	N/A	0.0058		
66	0.1800	0.0066	0.0034	N/A	0.0062		
67	0.1300	0.0073	0.0035	N/A	0.0066		
68	0.2500	0.0082	0.0036	N/A	0.0069		
69	0.2500	0.0094	0.0037	N/A	0.0073		
70	0.2500	0.0094	0.0038	N/A	0.0076		
71	0.2500	0.0094	0.0039	N/A	0.0079		
72	0.2500	0.0094	0.0040	N/A	0.0085		
73	0.2500	0.0094	0.0041	N/A	0.0093		
74	0.2500	0.0094	0.0042	N/A	0.0103		
75	1.0000	0.0000	0.0000	N/A	0.0000		

Los Angeles County Employees Retirement Association

**Tables A-14: Rate of Separation From Active Service for General Members
Plan E – Male**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Withdrawal
18	0.0000	N/A	N/A	N/A	0.0004	1	0.1300
19	0.0000	N/A	N/A	N/A	0.0004	2	0.0700
20	0.0000	N/A	N/A	N/A	0.0004	3	0.0600
21	0.0000	N/A	N/A	N/A	0.0004	4	0.0500
22	0.0000	N/A	N/A	N/A	0.0004	5	0.0400
23	0.0000	N/A	N/A	N/A	0.0004	6	0.0373
24	0.0000	N/A	N/A	N/A	0.0004	7	0.0347
25	0.0000	N/A	N/A	N/A	0.0004	8	0.0320
26	0.0000	N/A	N/A	N/A	0.0004	9	0.0306
27	0.0000	N/A	N/A	N/A	0.0005	10	0.0292
28	0.0000	N/A	N/A	N/A	0.0006	11	0.0278
29	0.0000	N/A	N/A	N/A	0.0006	12	0.0264
30	0.0000	N/A	N/A	N/A	0.0007	13	0.0250
31	0.0000	N/A	N/A	N/A	0.0008	14	0.0250
32	0.0000	N/A	N/A	N/A	0.0008	15	0.0250
33	0.0000	N/A	N/A	N/A	0.0009	16	0.0250
34	0.0000	N/A	N/A	N/A	0.0010	17	0.0250
35	0.0000	N/A	N/A	N/A	0.0010	18	0.0250
36	0.0000	N/A	N/A	N/A	0.0011	19	0.0250
37	0.0000	N/A	N/A	N/A	0.0011	20 & Up	0.0250
38	0.0000	N/A	N/A	N/A	0.0012		
39	0.0000	N/A	N/A	N/A	0.0013		
40	0.0000	N/A	N/A	N/A	0.0014		
41	0.0000	N/A	N/A	N/A	0.0015		
42	0.0000	N/A	N/A	N/A	0.0016		
43	0.0000	N/A	N/A	N/A	0.0017		
44	0.0000	N/A	N/A	N/A	0.0019		
45	0.0000	N/A	N/A	N/A	0.0020		
46	0.0000	N/A	N/A	N/A	0.0021		
47	0.0000	N/A	N/A	N/A	0.0023		
48	0.0000	N/A	N/A	N/A	0.0024		
49	0.0000	N/A	N/A	N/A	0.0026		
50	0.0000	N/A	N/A	N/A	0.0028		
51	0.0000	N/A	N/A	N/A	0.0030		
52	0.0000	N/A	N/A	N/A	0.0033		
53	0.0000	N/A	N/A	N/A	0.0036		
54	0.0000	N/A	N/A	N/A	0.0040		
55	0.0300	N/A	N/A	N/A	0.0044		
56	0.0300	N/A	N/A	N/A	0.0049		
57	0.0300	N/A	N/A	N/A	0.0054		
58	0.0300	N/A	N/A	N/A	0.0059		
59	0.0300	N/A	N/A	N/A	0.0065		
60	0.0300	N/A	N/A	N/A	0.0070		
61	0.0600	N/A	N/A	N/A	0.0076		
62	0.1100	N/A	N/A	N/A	0.0081		
63	0.0700	N/A	N/A	N/A	0.0086		
64	0.1400	N/A	N/A	N/A	0.0091		
65	0.2600	N/A	N/A	N/A	0.0095		
66	0.1700	N/A	N/A	N/A	0.0099		
67	0.1700	N/A	N/A	N/A	0.0104		
68	0.1700	N/A	N/A	N/A	0.0112		
69	0.1700	N/A	N/A	N/A	0.0123		
70	0.2500	N/A	N/A	N/A	0.0137		
71	0.2500	N/A	N/A	N/A	0.0151		
72	0.2500	N/A	N/A	N/A	0.0169		
73	0.2500	N/A	N/A	N/A	0.0188		
74	0.2500	N/A	N/A	N/A	0.0208		
75	1.0000	N/A	N/A	N/A	0.0000		

Los Angeles County Employees Retirement Association

**Tables A-15: Rate of Separation From Active Service for General Members
Plan E – Female**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Withdrawal
18	0.0000	N/A	N/A	N/A	0.0002	1	0.1300
19	0.0000	N/A	N/A	N/A	0.0002	2	0.0700
20	0.0000	N/A	N/A	N/A	0.0002	3	0.0600
21	0.0000	N/A	N/A	N/A	0.0002	4	0.0500
22	0.0000	N/A	N/A	N/A	0.0002	5	0.0400
23	0.0000	N/A	N/A	N/A	0.0002	6	0.0373
24	0.0000	N/A	N/A	N/A	0.0002	7	0.0347
25	0.0000	N/A	N/A	N/A	0.0002	8	0.0320
26	0.0000	N/A	N/A	N/A	0.0002	9	0.0306
27	0.0000	N/A	N/A	N/A	0.0002	10	0.0292
28	0.0000	N/A	N/A	N/A	0.0003	11	0.0278
29	0.0000	N/A	N/A	N/A	0.0003	12	0.0264
30	0.0000	N/A	N/A	N/A	0.0003	13	0.0250
31	0.0000	N/A	N/A	N/A	0.0004	14	0.0250
32	0.0000	N/A	N/A	N/A	0.0004	15	0.0250
33	0.0000	N/A	N/A	N/A	0.0005	16	0.0250
34	0.0000	N/A	N/A	N/A	0.0005	17	0.0250
35	0.0000	N/A	N/A	N/A	0.0006	18	0.0250
36	0.0000	N/A	N/A	N/A	0.0006	19	0.0250
37	0.0000	N/A	N/A	N/A	0.0006	20 & Up	0.0250
38	0.0000	N/A	N/A	N/A	0.0007		
39	0.0000	N/A	N/A	N/A	0.0008		
40	0.0000	N/A	N/A	N/A	0.0009		
41	0.0000	N/A	N/A	N/A	0.0009		
42	0.0000	N/A	N/A	N/A	0.0010		
43	0.0000	N/A	N/A	N/A	0.0011		
44	0.0000	N/A	N/A	N/A	0.0012		
45	0.0000	N/A	N/A	N/A	0.0013		
46	0.0000	N/A	N/A	N/A	0.0014		
47	0.0000	N/A	N/A	N/A	0.0016		
48	0.0000	N/A	N/A	N/A	0.0017		
49	0.0000	N/A	N/A	N/A	0.0018		
50	0.0000	N/A	N/A	N/A	0.0020		
51	0.0000	N/A	N/A	N/A	0.0021		
52	0.0000	N/A	N/A	N/A	0.0023		
53	0.0000	N/A	N/A	N/A	0.0025		
54	0.0000	N/A	N/A	N/A	0.0028		
55	0.0400	N/A	N/A	N/A	0.0030		
56	0.0400	N/A	N/A	N/A	0.0033		
57	0.0400	N/A	N/A	N/A	0.0036		
58	0.0400	N/A	N/A	N/A	0.0039		
59	0.0400	N/A	N/A	N/A	0.0043		
60	0.0400	N/A	N/A	N/A	0.0047		
61	0.0600	N/A	N/A	N/A	0.0050		
62	0.0900	N/A	N/A	N/A	0.0054		
63	0.0600	N/A	N/A	N/A	0.0058		
64	0.1500	N/A	N/A	N/A	0.0062		
65	0.2500	N/A	N/A	N/A	0.0066		
66	0.1500	N/A	N/A	N/A	0.0069		
67	0.1500	N/A	N/A	N/A	0.0073		
68	0.1500	N/A	N/A	N/A	0.0076		
69	0.1500	N/A	N/A	N/A	0.0079		
70	0.2500	N/A	N/A	N/A	0.0085		
71	0.2500	N/A	N/A	N/A	0.0093		
72	0.2500	N/A	N/A	N/A	0.0103		
73	0.2500	N/A	N/A	N/A	0.0112		
74	0.2500	N/A	N/A	N/A	0.0124		
75	1.0000	N/A	N/A	N/A	0.0000		

Los Angeles County Employees Retirement Association

**Tables A-16: Rate of Separation From Active Service for Safety Members
Plan A & B – Male**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
19	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
20	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
21	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
22	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
23	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
24	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
25	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
26	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
27	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
28	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
29	0.0000	0.015	0.0050	0.0003	0.0001	0.0003
30	0.0000	0.014	0.0060	0.0003	0.0001	0.0004
31	0.0000	0.013	0.0070	0.0003	0.0001	0.0004
32	0.0000	0.012	0.0080	0.0003	0.0001	0.0004
33	0.0000	0.011	0.0090	0.0003	0.0001	0.0004
34	0.0000	0.010	0.0100	0.0003	0.0001	0.0004
35	0.0000	0.009	0.0110	0.0004	0.0001	0.0004
36	0.0000	0.008	0.0120	0.0004	0.0001	0.0004
37	0.0000	0.007	0.0125	0.0004	0.0001	0.0004
38	0.0000	0.006	0.0130	0.0004	0.0001	0.0004
39	0.0000	0.005	0.0135	0.0004	0.0001	0.0004
40	0.0100	0.005	0.0140	0.0005	0.0001	0.0005
41	0.0100	0.005	0.0145	0.0005	0.0001	0.0006
42	0.0100	0.005	0.0150	0.0005	0.0001	0.0006
43	0.0100	0.005	0.0155	0.0005	0.0001	0.0007
44	0.0100	0.005	0.0160	0.0006	0.0001	0.0008
45	0.0100	0.005	0.0165	0.0006	0.0001	0.0008
46	0.0100	0.005	0.0170	0.0007	0.0001	0.0009
47	0.0100	0.005	0.0175	0.0007	0.0001	0.0010
48	0.0100	0.005	0.0180	0.0008	0.0001	0.0010
49	0.0100	0.005	0.0185	0.0010	0.0001	0.0011
50	0.0100	0.005	0.0190	0.0011	0.0001	0.0011
51	0.0200	0.005	0.0300	0.0013	0.0001	0.0012
52	0.0250	0.005	0.0350	0.0014	0.0001	0.0013
53	0.0300	0.005	0.0400	0.0017	0.0001	0.0014
54	0.1300	0.005	0.0450	0.0020	0.0001	0.0015
55	0.2300	0.005	0.0700	0.0024	0.0001	0.0016
56	0.1500	0.005	0.1200	0.0027	0.0001	0.0017
57	0.1500	0.005	0.1200	0.0030	0.0001	0.0019
58	0.1500	0.005	0.1200	0.0033	0.0001	0.0020
59	0.1500	0.005	0.1200	0.0036	0.0001	0.0021
60	1.0000	0.000	0.0000	0.0000	0.0000	0.0000

Los Angeles County Employees Retirement Association

**Tables A-17: Rate of Separation From Active Service for Safety Members
Plan A & B – Female**

Age	Service Retirement	Withdrawal	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
19	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
20	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
21	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
22	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
23	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
24	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
25	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
26	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
27	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
28	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
29	0.0000	0.020	0.0050	0.0003	0.0001	0.0002
30	0.0000	0.019	0.0060	0.0003	0.0001	0.0003
31	0.0000	0.018	0.0070	0.0003	0.0001	0.0003
32	0.0000	0.017	0.0080	0.0003	0.0001	0.0003
33	0.0000	0.016	0.0090	0.0003	0.0001	0.0004
34	0.0000	0.015	0.0100	0.0003	0.0001	0.0004
35	0.0000	0.014	0.0110	0.0004	0.0001	0.0005
36	0.0000	0.013	0.0120	0.0004	0.0001	0.0005
37	0.0000	0.012	0.0125	0.0004	0.0001	0.0006
38	0.0000	0.011	0.0130	0.0004	0.0001	0.0006
39	0.0000	0.010	0.0135	0.0004	0.0001	0.0006
40	0.0100	0.009	0.0140	0.0005	0.0001	0.0007
41	0.0100	0.008	0.0145	0.0005	0.0001	0.0008
42	0.0100	0.007	0.0150	0.0005	0.0001	0.0009
43	0.0100	0.006	0.0155	0.0005	0.0001	0.0009
44	0.0100	0.005	0.0160	0.0006	0.0001	0.0010
45	0.0100	0.005	0.0165	0.0006	0.0001	0.0011
46	0.0100	0.005	0.0170	0.0007	0.0001	0.0012
47	0.0100	0.005	0.0175	0.0007	0.0001	0.0013
48	0.0100	0.005	0.0180	0.0008	0.0001	0.0014
49	0.0100	0.005	0.0185	0.0010	0.0001	0.0016
50	0.0100	0.005	0.0190	0.0011	0.0001	0.0017
51	0.0200	0.005	0.0300	0.0013	0.0001	0.0018
52	0.0250	0.005	0.0350	0.0014	0.0001	0.0020
53	0.0300	0.005	0.0400	0.0017	0.0001	0.0021
54	0.1600	0.005	0.0450	0.0020	0.0001	0.0023
55	0.2000	0.005	0.0700	0.0024	0.0001	0.0025
56	0.0800	0.005	0.1200	0.0027	0.0001	0.0028
57	0.1600	0.005	0.1200	0.0030	0.0001	0.0030
58	0.2200	0.005	0.1200	0.0033	0.0001	0.0033
59	0.2900	0.005	0.1200	0.0036	0.0001	0.0036
60	1.0000	0.000	0.0000	0.0000	0.0000	0.0000

Los Angeles County Employees Retirement Association

Appendix B: Summary of Plan Provisions

All actuarial calculations are based on our understanding of the statutes governing the LACERA as contained in the County Employees Retirement Plan (CERL) of 1937, with provisions adopted by the LACERA Board, effective through July 1, 2002. The benefit and contribution provisions of this law are summarized briefly below, along with corresponding references to the State Code. This summary does not attempt to cover all the detailed provisions of the law. In addition to those benefits in effect through July 1, 2003, we have also reflected the new domestic partner provisions in this valuation.

Government Code Sections or Board of Investments Bylaws

MEMBERSHIP

Permanent employees of Los Angeles County (County) and participating districts who work $\frac{3}{4}$ time or more are eligible for membership in LACERA.	(31551, 31552, Bylaws)
Employees eligible for safety membership (law enforcement, fire fighting and lifeguards) become safety members on the first day of the month after date of hire.	(31558)
All other employees become general members on the first day of the month after date of hire, or the first day of the month after they make an election of either Plan D or Plan E, depending on the law in effect at that time.	(31493, 31493.5, 31493.6, Bylaws)
Elective officers become members on the first day of the month after filing a declaration with the Board of Retirement (Board).	(31553, 31562)
General members in Plan E may transfer all their Plan E service credit to Plan D during an approved transfer period by making the required contributions. Transferred members relinquish, waive, and forfeit any and all vested or accrued benefits available under any other retirement plan and are entitled only to the benefits of Plan D.	

RETIREMENT PLANS

The County has established seven defined benefit plans (General Plans A, B, C, D and E and Safety Plans A and B) and two defined contribution plans (General Plan F and Safety Plan F) based on a member's date of entry into LACERA. (31494.1, 31494.3)

Plan A: General and safety members - prior to September 1977.

Plan B: General members – September 1977 through September 1978. Safety members – September 1977 to present.

Plan C: General members – October 1978 through May 1979.

RETIREMENT PLANS (Continued)

- Plan D:** General members – Hired June 1979 through January 3, 1982; and those hired on or after January 4, 1982 and elect Plan D instead of Plan E; or, former Plan E general members who elected to transfer to Plan D.
- Plan E:** General members – hired on or after January 4, 1982, unless they elect Plan D; or, former general members in Plans A-D who elected to transfer to Plan E. (31487, 31496)
- Plan F:** General members in Plan D and safety members in Plan B who first became members on or after January 1, 1990, and are subject to the limitations set forth in Section 415 of the Internal Revenue Code of 1986. Currently there are no members participating in Plan F. No further description of Plan F is included here. (31510)

MEMBER CONTRIBUTIONS

- Plans A-D:** Contributions are based on the entry age and class of each member and are required of all members in Plans A, B, C, and D. Current member rates are shown in Appendix D.
- Contributions cease when general members are credited with 30 years of service in a contributory plan provided they were members of LACERA or a reciprocal system on March 7, 1973, and continuously thereafter. All safety member are eligible for the 30-year cessation of contributions. (31625.2, 31836.1)
- (31591, 31700)
- Interest is credited to contributions semiannually on June 30 and December 31 at an interest rate set by the Board of Investments on amounts that have been on deposit for at least six months.

EMPLOYER CONTRIBUTIONS

- The employer (County or district) contributes to the retirement fund a percent of the total compensation provided for all members based on an actuarial investigation, valuation and recommendation of the actuary. (31453, 31454 31581)

SERVICE RETIREMENT ALLOWANCE

Eligibility:		(31672)
Plans A- D:	General members: Age 50 with 10 years of County service; Any age with 30 years of service; or Age 70 regardless of service.	
	Safety members: Age 50 with 10 years of County service; Any age with 20 years of service; or Age 60 regardless of service (Mandatory retirement age for members hired before April 1, 1997). No mandatory retirement for members hired on or after April 1, 1997.	(31662.4, 31662.6, 31663.25)
Plan E:	Age 65 with 10 years of service. A reduced benefit is also payable at age 55 with 10 years of service.	(31491) .
Final Compensation:		
Plans A-D:	Monthly average of a member's compensation during the last year of service.	(31462.3, 31461.45)
Plan E:	Monthly average of a member's compensation for the last three years of service.	(31676.11)
The amount of compensation that is taken into account in computing benefits payable to any person who first becomes a member on or after July 1, 1996, shall not exceed the dollar limitations in Section 401(a)(17) of Title 26 of the US Code.		(31671)
Monthly Allowance:		
	Safety members: 1/50 x Final Compensation x Safety age factor x Years of service. (The Safety Plan A and Safety Plan B age factors are the same.)	(31664)
Plans A-D:	General members: 1/60 x Final Compensation x a Plan specific age factor x years of service.	(31676.1) (31676.11) (31676.14)

SERVICE RETIREMENT ALLOWANCE (Continued)

- Plan E:** **General members: (a)+(b)-(c) where:**
- (a) 2% x Final Compensation x (Years of Service, (up to 35 years), plus (31491,
 - (b) 1 % x Final Compensation x Years of Service in excess of 35 (up to 10) 31491.3 (b)&(c))
 - (c) Estimated Primary Insurance Amount (PIA) x Years of Covered Service (up to 35) divided by 35.

The PIA is calculated based on certain assumptions specified by statute, and an assumed Social Security retirement age of 62.

If retirement occurs prior to age 65, benefit amount is adjusted by an actuarial equivalent factor (see Sample Plan Age Factors).

Social Security Integration:

- Plans A-C:** **General Members:** (31808)
- For County service covered by Social Security prior to January 1, 1983, the 1/60 factor is replaced by 1/90 for the first \$350 of compensation.

- Plan D:** The 1/90 factor is applied to the first \$1,050 of compensation.

Sample Plan Age Factors

Plan	Age 50	Age 55	Age 60	Age 65 & Up	
General A	0.885	1.169	1.464	1.567	(31676.14)
General B	0.745	1.000	1.309	1.567	(31676.15)
General C&D	0.709	0.895	1.150	1.459	(31676.1)
General E	N/A	0.375	0.601	1.000	(31491.3(a))
Safety A&B	1.000	1.310	1.310	1.310	(31664)

Maximum Allowance:

- Plans A-D:** Allowance may not exceed 100% of final compensation.
- Plan E:** The sum of the normal retirement allowance and the estimated PIA cannot exceed 70% of Final Compensation for a member with 35 or less years of service, and cannot exceed 80% of Final Compensation if service exceeds 35 years. (31491)

SERVICE RETIREMENT ALLOWANCE (Continued)

Unmodified Retirement Allowance (Normal Form):

Plans A-D:	Life Annuity payable to retired member with 65% continuance to an eligible survivor (or eligible children).	(31760.12, 31785.4)
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Plan E:	Life Annuity payable to retired member with 55% continuance to an eligible survivor (or eligible children).	(31491, 31492.1)
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Eligible survivor includes certain domestic partners.	(31780.2)
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Optional Retirement Allowance:

A member may elect to have the actuarial equivalent of the service or disability retirement allowance applied to a lesser retirement allowance during the retired member's life in order to provide an optional survivor allowance.	(31760.1, 31785) (31492)
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Option 1:	Member's allowance is reduced to pay a cash refund of any unpaid annuity payments (up to the amount of the member's contributions at retirement) to the member's estate or to a beneficiary having an insurable interest in the life of the member.	(31761)
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Option 2:	100% of member's reduced allowance is payable to a surviving spouse or beneficiary having an insurable interest in the life of the member.	(31762)
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Option 3:	50% of member's reduced allowance is payable to a surviving spouse or beneficiary having an insurable interest in the life of the member.	(31763)
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Option 4:	Other % of member's reduced allowance is payable to a surviving spouse or beneficiary(ies) having an insurable interest in the life of the member.	(31764)
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A member may not revoke and name another beneficiary if the member elects Option 2, 3 or 4.	(31782)
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SERVICE RETIREMENT ALLOWANCE (Continued)

Pension: Advance Option	The Pension Advance Option is available to members who are fully insured under Social Security for the purpose of coordinating a member's retirement allowance with benefits receivable from Social Security. It is not available to disability retirees or members who elect Option 2, 3 or 4. The allowance is increased prior to age 62 and then reduced after 62 by amounts which have equivalent actuarial values. The automatic 65% continuance for eligible spouses of members who elect the Pension Advance Option is based on the unmodified allowance the member would have received if the member had not elected the option.	(31810, 31811)
	All allowances are made on a pro-rata basis (based on the number of days in that month) if not in effect for the entire month as in the month of death or the month of retirement.	(31600)
 SERVICE-CONNECTED DISABILITY RETIREMENT ALLOWANCE		
Eligibility: Plans A-D:	Any age or years of service; disability must result from occupational injury or disease, and member must be permanently incapacitated for the performance of duty.	(31720, 31720.5)
Plan E:	Not available under Plan E.	(31487)
Monthly Allowance:	Greater of (1) 50% of final compensation, and (2) the service retirement allowance, if eligible to retire.	(31727.4)
Normal Form Of Payment:	Life Annuity with 100% continuance to a surviving spouse (or eligible children).	(31760, 31786)

NONSERVICE-CONNECTED DISABILITY RETIREMENT ALLOWANCE

Eligibility:		
Plans A-D:	Any age with 5 years of service, and permanently incapacitated for the performance of duty.	(31720, 31836)
Plan E:	Not available under Plan E.	(31487)
Monthly Allowance:		
	The monthly allowance is equal to a service retirement allowance if the member is eligible to retire, otherwise allowance equals (a) or (b) where:	(31726, 31726.5)
General Members:	(a) 90% of 1/60 of Final Compensation x years of service, if member must rely on service in another retirement system in order to be eligible to retire, or allowance exceeds 1/3 of final compensation. (b) 90% 1/60 of Final Compensation x years of service projected to age 65, not to exceed 1/3 of Final Compensation.	(31727(a)) (31727(b))
Safety Members:	1/60 is replaced by 1/50 and age 65 is replaced by age 55 in (a) and (b) above.	(31727.2)
Normal Form Of Payment:	Life Annuity with 65% continuance to a surviving spouse (or eligible children)	(31760, 31760.1, 31760.12, 31785, 31785.4)

SERVICE-CONNECTED DEATH BENEFITS

Eligibility:		
Plans A-D:	Active members who die in service as a result of injury or disease arising out of and in the course of employment.	(31787)
Plan E:	Not available under Plan E.	(31487)
Monthly Allowance:		
	An annual death allowance is payable monthly to an eligible survivor (or eligible children) equal to 50% of the member's Final Compensation.	(31787)

SERVICE-CONNECTED DEATH BENEFITS (Continued)

Optional Combined Benefit: (31781.3)

In lieu of the monthly allowance above, a surviving spouse may elect:

- (a) A lump sum equal to 1/12 of the compensation earned in the preceding 12 months x years of service (benefit not to exceed 50% of the 12 months' compensation), plus
- (b) A monthly payment equal to 50% of the member's Final Compensation, reduced by a monthly amount, which is the actuarial equivalent of (a) above based on the age of surviving spouse.

Death Benefit (Lump Sum): (31781)

The member's normal contributions and interest, plus 1/12 of the compensation earned in the preceding 12 months x years of service (benefit not to exceed 50% of the 12 months' compensation).

Additional Allowance for Children: (31787.5)

25% of death allowance (whether or not the monthly allowance or combined benefit is chosen) for one child, 40% for two children, and 50% for three or more children

(31787.6)

Additional Amount for Spouse of Safety Member:

A surviving spouse of a safety member is also entitled to receive a lump-sum death benefit equal to 12 x monthly rate of compensation at the time of member's death in addition to all other benefits.

Note: For valuation purposes, an unmarried member is assumed to take the lump sum benefit. A married member is assumed to take the monthly allowance or the lump sum, whichever is more valuable.

NONSERVICE-CONNECTED DEATH BENEFITS

Eligibility: (31780)

Plans A-D: Active members who die while in service or while physically or mentally incapacitated for the performance of duty.

Plan E: Not available under Plan E.

NONSERVICE-CONNECTED DEATH BENEFITS (Continued)

Death Benefit (Lump Sum): (31498)

The member's normal contributions and interest, plus 1/12 of the Compensation earned in preceding 12 months x the number of completed years of service (benefit not to exceed 50% of the 12 months' compensation).

Optional Death Benefit: (31781)

In lieu of the lump-sum death benefit, the following several optional death benefits are available to provide flexibility to survivors:

First Optional Death Benefit:

If a member who would have been entitled to a non-service-connected disability retirement allowance dies prior to retirement as a result of such disability, the surviving spouse (or eligible children) may elect to receive an optional death allowance equal to 65% of the monthly retirement allowance to which the member would have been entitled as of the date of death. (31781.1, 31781.12)

Second Optional Death Benefit:

if a member dies prior to reaching the minimum retirement age but has 10 or more years of County service, a surviving spouse (or eligible children) may elect to leave the amount of the death benefit on deposit until the earliest date the member could have retired and at that time receive the allowance provided for in Section 31765 (an Option 3 benefit) or 31765.2 (a 65% continuance). (31781.2, 31765.2)

Third Optional Death Benefit:

A surviving spouse of a member who dies after five years of County service may elect a combined benefit equal to:

(a) A lump sum equal to 1/12 of the compensation earnable in the preceding 12 months x the number of completed years of service (benefit not to exceed 50% of the 12 months' compensation), plus (31781.3)

(b) A monthly payment equal to 65% of the monthly retirement allowance to which the member have been entitled if the member retired or been retired for a non-service-connected disability as of the date of death, reduced by a monthly amount which is the actuarial equivalent of (a) above based on the age of surviving spouse. (31781.1, 31781.12)

NONSERVICE-CONNECTED DEATH BENEFITS (Continued)

Fourth Optional Death Benefit:

If a member dies while eligible for a service retirement and the surviving spouse is designated as beneficiary, the spouse (or eligible children) may elect to receive 65% of the monthly retirement allowance to which the member would have been entitled as of the date of death. (31765.1, 31765.2)

Fifth Optional Death Benefit:

If a member dies while eligible for a service retirement and the surviving spouse is designated as beneficiary and survives the member by not less than 30 days the spouse (or eligible children) may elect to receive the same retirement allowance as the spouse would have received had the member retired on the date of death and selected Option 3. (31765)

Note: For valuation purposes, an unmarried member is assumed to take the lump sum benefit. A married member is assumed to take the first optional death benefit or the lump sum, whichever is more valuable.

POST-RETIREMENT DEATH BENEFIT

Plans A-D: A one-time lump-sum benefit of \$5,000 is payable to the estate or to the beneficiary designated by the member upon the death of any member while receiving a retirement allowance. This is in addition to any other death or survivor benefits. The amount may be paid from surplus earnings of the retirement system, if any, but is currently paid by the County based on agreement with LACERA. It is not included for valuation purposes. (31789.1)

Plan E: The only death benefits payable after retirement are the continuance allowances described above under Unmodified and Optional Retirement Allowances. There is no \$5,000 lump-sum payment under Plan E. (31492)

DEFERRED VESTED BENEFITS

Eligibility:		(31700)
Plans A-D:	5 years of county or reciprocal service. member contributions must be left on deposit.	
Plan E:	Age 55 with 10 years of service.	(31491)
Monthly Allowance:		(31703, 31704, 31705)
Plans A-D:	Same as service retirement allowance; payable anytime after the member would have been eligible for service retirement.	
	If a terminated member dies before the effective date of the deferred retirement allowance, the member's accumulated contributions are paid to the estate or to the named beneficiary.	(31702)
Plan E:	Same as service retirement allowance at normal retirement age 65 or in an actuarially equivalent reduced amount at early retirement, after age 55.	(31491)

TRANSFERS BETWEEN PLAN D AND PLAN E

Members in Plan D may transfer to Plan E on a prospective basis. Members in Plan E may transfer to Plan D on a prospective basis. (31494.2, 31494.5)

RECIPROCITY:

Plans A-E:

Reciprocal benefits are may be granted to members who are entitled to retirement benefits from two or more retirement systems established under the CERL or from a County retirement system and the California Public Employees' Retirement System (CalPERS). Reciprocity also applies to the members of the State Teachers' Retirement System Defined Benefit Plan. (31830, 31840.4, 31840.8)

Final Compensation may be based on service with CalPERS or another County retirement system, if greater. (31835)

Deferred members are eligible for disability and death benefits from LACERA, if disabled while a member of CalPERS or another County retirement system, but combined benefits are limited.

TRANSFER FROM CALPERS

Whenever firefighting or law enforcement functions performed by a city of the state subject to the California Public Employees Retirement Law are transferred to the County, fire authority, or district, employees performing those functions become members of LACERA. LACERA and CalPERS may enter into an agreement whereby the members' service credit plus the members' and the cities' or states' retirement contributions are transferred from CalPERS to LACERA. (31657)

COST OF LIVING INCREASES

Cost-of-living increases (or decreases) are applied to all retirement allowances (service and disability), optional death allowances, and annual death allowances effective April 1, based on changes in the Consumer Price Index (CPI) from the previous January 1 to the current January 1, to the nearest ½ of 1%. (31870, 31870.1)

Plan A: Members (and their beneficiaries) are limited to a maximum 3% cost-of-living increase.

Plans B-D: Members (and their beneficiaries) are limited to a maximum 2% cost-of-living increase. (31870, 31870.1)

When the CPI exceeds 2 or 3%, the difference between the actual CPI and the maximum cost-of-living increase given in any year is credited to the COLA Accumulation. It may be used in future years to provide cost-of-living increases when the CPI falls below 2 or 3%, depending on the retirement plan.

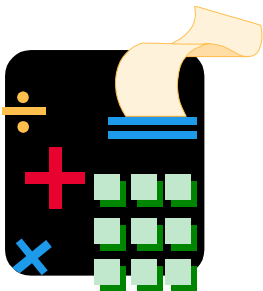
Plan E: Members (and their beneficiaries) are limited to a maximum 2% cost of living increase. The 2% is pro-rated based on service earned after June 4, 2002. “Elective COLA” increases for service earned prior to June 4, 2002 may be purchased by the member. (31495.5)

STAR PROGRAM

Members who have a COLA Accumulation of more than 20% resulting from CPI increases that exceeded the maximum cost-of-living increases that could be granted are eligible for a supplemental cost-of-living increase effective January 1 known as the Supplemental Targeted Adjustment for Retirees Cost-of-Living Adjustment (STAR COLA). These benefits are not evaluated in this report, or as part of the actuarially required funding amount, unless they have been vested by the Board of Investments. (318874.3(b))

Los Angeles County Employees Retirement Association

Appendix C: Valuation Data and Schedules



Data on LACERA membership as of June 30, 2003 was supplied to us by the system staff. On the following table, Exhibit C-1, we present a summary of LACERA membership at June 30, 2003 for active members. Similar information is shown in Exhibit C-2Ret for retired members and C-2Def for deferred vested members.

The number of total active members decreased by 1.7% and the total salary increased by 2.7% since the last valuation. The total number of retired members and their beneficiaries increased by 2.1%, while the average retirement benefit amount increased by 6.1%.

Note that salary amounts shown are the prior year annual pensionable earnings for those members of plans with a one-year final compensation period. For plans with a three-year final compensation period (Plan E only), the monthly rate of pay at June 2003 is shown.

Additional statistical data on both active and retired members is shown in the following tables. Additional detailed summaries are supplied to the system staff in a supplementary report.

Exhibit C-3: Age Distribution of Active Members

Exhibit C-4: Age, Service, Compensation Distribution of Active Members

Exhibit C-5: Age, Retirement Year, Benefit Amount and Plan Distribution of Retired Members

Exhibits C-4 and C-5 are shown for all plans combined as well as for each plan separately.

Los Angeles County Employees Retirement Association

Exhibit C-1: LACERA Membership – Active Members as of June 30, 2003

	Sex	Vested	NonVested	Total Number	Annual Salary	Average Age	Average Monthly Salary	Average Credited Service
General Members								
Plan A	M	2,090	3	2,093	\$ 163,348,164	57.2	\$ 6,504	30.9
	F	3,209	9	3,218	196,433,016	56.0	5,087	30.4
Plan B	M	153	-	153	11,647,740	55.4	6,344	25.7
	F	317	1	318	19,137,624	54.6	5,015	25.2
Plan C	M	112	-	112	8,014,476	54.7	5,963	24.7
	F	241	-	241	13,326,228	54.9	4,608	24.4
Plan D	M	7,937	5,601	13,538	743,455,452	43.3	4,576	8.6
	F	14,798	10,425	25,223	1,219,120,116	42.3	4,028	8.8
Plan E	M	6,489	7,496	13,985	743,182,128	44.6	4,428	11.5
	F	13,167	3,947	17,114	836,851,848	47.4	4,075	16.8
Total		48,513	27,482	75,995	\$ 3,954,516,792	45.2	\$ 4,336	12.7
Safety Members								
Plan A	M	1,040	-	1,040	\$ 101,333,400	53.8	\$ 8,120	29.7
	F	107	-	107	9,799,020	52.7	7,632	29.6
Plan B	M	7,211	2,158	9,369	700,876,728	38.9	6,234	12.2
	F	863	386	1,249	87,298,428	36.7	5,825	10.0
Total		9,221	2,544	11,765	\$ 899,307,576	40.1	\$ 6,370	13.7
Grand Total		57,734	30,026	87,760	\$ 4,853,824,368	44.5	\$ 4,609	12.9

**Los Angeles County Employees
Retirement Association**

Exhibit C-2Ret: LACERA Membership – Retired Members as of June 30, 2003

	Sex	Number	Annual Allowance	Average Age	Average Monthly Benefit
General Members					
Plan A	M	12,753	\$ 466,389,950	72.1	\$ 3,048
	F	18,269	415,066,636	74.0	1,893
Plan B	M	121	2,998,844	68.0	2,065
	F	275	4,820,249	68.8	1,461
Plan C	M	93	1,766,012	66.8	1,582
	F	196	2,693,080	68.3	1,145
Plan D	M	1,141	21,792,168	63.3	1,592
	F	1,883	28,659,778	63.7	1,268
Plan E	M	1,317	17,680,695	68.6	1,119
	F	2,235	22,074,453	67.8	823
Total		38,283	\$ 983,941,865	71.9	\$ 2,142
Safety Members					
Plan A	M	6,191	\$ 352,508,162	65.9	\$ 4,745
	F	1,668	57,178,903	68.8	2,857
Plan B	M	807	25,630,300	45.8	2,647
	F	283	7,982,511	43.6	2,351
Total		8,949	\$ 443,299,876	63.9	\$ 4,128
Grand Total		47,232	\$ 1,427,241,741	70.4	\$ 2,518

**Los Angeles County Employees
Retirement Association**

**Exhibit C-2Def: LACERA Membership – Deferred Vested Members as of June 30, 2003
Subtotaled by Plan and Retirement Type**

	<u>Sex</u>	<u>Number</u>	<u>Average Age</u>
General Members			
Plan A	M	247	58.1
	F	354	55.2
Plan B	M	19	55.4
	F	47	52.1
Plan C	M	10	55.7
	F	24	51.1
Plan D	M	589	45.8
	F	1,045	44.3
Plan E	M	1,236	50.8
	F	2,558	49.8
Total		6,129	49.4
 Safety Members			
Plan A	M	23	55.1
	F	-	
Plan B	M	193	39.3
	F	49	39.9
Total		265	40.8
 Grand Total		 6,394	 49.1

**Los Angeles County Employees
Retirement Association**

**Exhibit C-2a: LACERA Membership – Retired Members as of June 30, 2003
Subtotaled by Plan and Retirement Type**

<u>Plan</u>	<u>Retirement Type</u>	<u>Number</u>	<u>Annual Benefits in Thousands</u>	<u>Average Monthly Benefit</u>
General Plans:				
Plan A				
	Healthy	22,801	\$ 725,295	\$ 2,651
	Disabled	3,084	68,937	1,863
	Beneficiaries	<u>5,137</u>	<u>87,224</u>	<u>1,415</u>
	Total	31,022	\$ 881,456	\$ 2,368
Plan B				
	Healthy	308	\$ 6,447	\$ 1,744
	Disabled	66	1,121	1,415
	Beneficiaries	<u>22</u>	<u>251</u>	<u>951</u>
	Total	396	\$ 7,819	\$ 1,645
Plan C				
	Healthy	204	\$ 3,202	\$ 1,308
	Disabled	58	1,033	1,484
	Beneficiaries	<u>27</u>	<u>224</u>	<u>691</u>
	Total	289	\$ 4,459	\$ 1,286
Plan D				
	Healthy	1,920	\$ 30,870	\$ 1,340
	Disabled	840	17,014	1,688
	Beneficiaries	<u>264</u>	<u>2,568</u>	<u>811</u>
	Total	3,024	\$ 50,452	\$ 1,390
Plan E				
	Healthy	3,351	\$ 38,535	\$ 958
	Disabled	0	0	N/A
	Beneficiaries	<u>201</u>	<u>1,220</u>	<u>506</u>
	Total	3,552	\$ 39,755	\$ 933
Safety Plans:				
Plan A				
	Healthy	2,896	\$ 172,773	\$ 4,972
	Disabled	3,771	199,877	4,417
	Beneficiaries	<u>1,192</u>	<u>37,037</u>	<u>2,589</u>
	Total	7,859	\$ 409,687	\$ 4,344
Plan B				
	Healthy	83	\$ 2,442	\$ 2,452
	Disabled	945	29,826	2,630
	Beneficiaries	<u>62</u>	<u>1,345</u>	<u>1,808</u>
	Total	1,090	\$ 33,613	\$ 2,570
Grand Totals		47,232	1,427,241	2,518

**Los Angeles County Employees
Retirement Association**

**Exhibit C-2b: LACERA Membership – Retired Members as of June 30, 2003
Subtotaled by Retirement Type and Plan**

<u>Type</u>	<u>Plan</u>	<u>Number</u>	<u>Annual Benefits in Thousands</u>	<u>Average Monthly Benefit</u>
Healthy Retirees				
	General A	22,801	\$ 725,295	\$ 2,651
	General B	308	6,447	1,744
	General C	204	3,202	1,308
	General D	1,920	30,870	1,340
	General E	3,351	38,535	958
	Safety A	2,896	172,773	4,972
	Safety B	83	2,442	2,452
	Total	31,563	\$ 979,564	\$ 2,586
Disabled Retirees				
	General A	3,084	\$ 68,937	\$ 1,863
	General B	66	1,121	1,415
	General C	58	1,033	1,484
	General D	840	17,014	1,688
	Safety A	3,771	199,877	4,417
	Safety B	945	29,826	2,630
	Total	8,764	\$ 317,808	\$ 3,022
Beneficiaries				
	General A	5,137	\$ 87,224	\$ 1,415
	General B	22	251	951
	General C	27	224	691
	General D	264	2,568	811
	General E	201	1,220	506
	Safety A	1,192	37,037	2,589
	Safety B	62	1,345	1,808
	Total	6,905	\$ 129,869	\$ 1,567
Grand Totals		47,232	\$ 1,427,241	\$ 2,518

Los Angeles County Employees Retirement Association

Exhibit C-3: Age Distribution of Active Members as of June 30, 2003

	Age Groups						Total
	0-29	30-39	40-49	50-59	60-69	70+	
General Plans:							
Plan A							
Male	-	-	59	1,472	520	42	2,093
Female	-	-	244	2,268	655	51	3,218
Plan B							
Male	-	-	15	105	32	1	153
Female	-	-	79	163	70	6	318
Plan C							
Male	-	-	16	78	13	5	112
Female	-	-	64	116	52	9	241
Plan D							
Male	1,393	4,063	4,088	2,912	971	111	13,538
Female	2,903	7,989	7,821	4,987	1,404	119	25,223
Plan E							
Male	1,375	3,592	4,045	3,583	1,256	134	13,985
Female	606	3,181	5,939	5,560	1,670	158	17,114
Safety Plans:							
Plan A							
Male	-	-	73	955	12	-	1,040
Female	-	-	15	92	-	-	107
Plan B							
Male	1,073	3,945	3,642	695	14	-	9,369
Female	235	582	374	57	1	-	1,249
Grand Totals:	<u>7,585</u>	<u>23,352</u>	<u>26,474</u>	<u>23,043</u>	<u>6,670</u>	<u>636</u>	<u>87,760</u>

Los Angeles County Employees Retirement Association

**Exhibit C-4: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003
All Plans**

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	321	489	289	160	62	6	0	0	0	0	0	0	1,327
25-29	711	1,220	1,416	1,345	795	764	7	0	0	0	0	0	6,258
30-34	555	991	1,350	1,528	1,419	3,304	1,303	29	0	0	0	0	10,479
35-39	324	784	1,027	1,025	915	2,988	4,372	1,416	22	0	0	0	12,873
40-44	269	565	831	780	709	2,111	3,619	3,188	1,180	32	0	0	13,284
45-49	226	445	636	602	525	1,696	2,653	2,609	2,681	1,003	114	0	13,190
50-54	144	307	460	442	414	1,278	1,974	1,788	2,043	2,365	1,693	66	12,974
55-59	98	209	272	254	270	884	1,363	1,199	1,250	1,553	2,065	652	10,069
60-64	35	82	106	121	133	488	811	706	648	608	705	479	4,922
65 & Over	9	30	44	39	48	271	459	374	395	316	224	175	2,384
Total Count	2,692	5,122	6,431	6,296	5,290	13,790	16,561	11,309	8,219	5,877	4,801	1,372	87,760

Average Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	32,356	32,486	32,805	37,735	33,607	40,306	-	-	-	-	-	-	33,245
25-29	39,049	38,412	39,769	41,835	42,542	47,371	38,805	-	-	-	-	-	41,146
30-34	44,390	42,231	43,188	46,574	47,528	54,218	54,310	48,089	-	-	-	-	49,117
35-39	42,686	43,507	43,832	45,005	46,319	55,774	60,926	55,037	49,711	-	-	-	53,874
40-44	47,999	42,109	43,151	45,624	46,799	55,119	61,324	65,181	63,666	63,737	-	-	57,556
45-49	48,769	44,055	43,337	45,216	45,152	53,316	57,966	66,088	65,713	61,551	56,807	-	58,388
50-54	53,747	43,912	45,105	46,270	45,259	52,679	56,537	61,718	64,060	68,968	61,934	60,956	59,604
55-59	57,566	52,213	43,132	48,507	48,117	52,223	53,927	60,031	61,548	68,335	70,499	67,647	61,375
60-64	50,097	52,076	47,643	50,714	43,727	53,303	53,149	58,363	58,029	58,134	64,812	68,797	57,891
65 & Over	57,497	48,481	65,123	51,106	54,405	53,021	49,901	56,029	55,288	60,504	57,925	65,516	55,818
Avg. Annual Compensation	43,166	41,434	42,440	44,998	45,892	53,870	58,223	62,254	63,225	65,930	65,732	67,455	55,308

Los Angeles County Employees Retirement Association

Exhibit C-4a: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003 General Plan A

Count														
Age	Years of Service												Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45-49	0	0	0	1	0	1	2	7	11	226	55	0	0	303
50-54	0	1	0	0	1	4	19	30	41	713	774	31	0	1,614
55-59	0	0	0	1	1	7	21	39	46	603	1,062	346	0	2,126
60-64	0	0	2	1	3	9	11	24	37	233	380	227	0	927
65 & Over	0	0	1	0	0	3	3	8	8	113	122	83	0	341
Total Count	0	1	3	3	5	24	56	108	143	1,888	2,393	687	0	5,311

Compensation														
Age	Years of Service												Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	83,220	-	74,028	34,170	59,950	52,184	57,008	58,500	-	-	57,163
50-54	-	26,880	-	-	127,476	77,592	66,796	65,762	64,361	63,761	62,306	60,732	-	63,144
55-59	-	-	-	29,496	35,772	61,498	84,467	71,812	67,910	70,012	71,996	68,755	-	70,866
60-64	-	-	107,502	25,836	49,216	64,043	73,823	92,859	81,532	63,236	72,005	73,371	-	70,953
65 & Over	-	-	60,624	-	-	48,532	81,140	85,363	75,375	69,107	66,978	77,058	-	70,709
Avg. Annual Compensation	-	26,880	91,876	46,184	62,179	64,036	74,406	75,044	69,625	65,205	68,297	70,922	-	67,743

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14 003 LAC 38/14.003.LAC.10.2003 / KIS/kjk

Los Angeles County Employees Retirement Association

**Exhibit C-4b: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003
General Plan B**

Count														
Age	Years of Service												Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0	2	4	0	0	0	6
45-49	0	0	0	0	0	0	2	2	10	74	0	0	0	88
50-54	0	0	0	0	0	0	1	3	11	134	3	0	0	152
55-59	0	0	0	0	1	0	1	3	11	98	2	0	0	116
60-64	0	0	0	0	0	0	0	1	7	59	2	0	0	69
65 & Over	0	0	0	0	0	0	0	0	2	38	0	0	0	40
Total Count	0	0	0	0	1	0	4	9	43	407	7	0	0	471

Compensation														
Age	Years of Service												Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	48,378	50,268	-	-	-	49,638
45-49	-	-	-	-	-	-	106,800	55,914	52,876	58,310	-	-	-	58,740
50-54	-	-	-	-	-	-	67,620	69,020	71,401	70,036	72,628	-	-	70,150
55-59	-	-	-	-	82,224	-	28,836	77,392	79,430	67,684	86,034	-	-	69,155
60-64	-	-	-	-	-	-	-	37,800	64,371	60,135	49,092	-	-	59,921
65 & Over	-	-	-	-	-	-	-	-	47,238	63,275	-	-	-	62,473
Avg. Annual Compensation	-	-	-	-	82,224	-	77,514	65,429	65,808	65,077	69,734	-	-	65,362

Los Angeles County Employees Retirement Association

**Exhibit C-4c: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003
General Plan C**

Count														
Age	Years of Service												Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0	13	1	0	0	0	14
45-49	0	0	0	0	0	0	0	1	62	3	0	0	0	66
50-54	0	0	0	0	0	0	1	2	96	13	0	0	0	112
55-59	0	0	0	0	0	0	0	1	74	6	1	0	0	82
60-64	0	0	0	0	0	0	0	0	32	8	0	0	0	40
65 & Over	0	0	0	0	0	0	0	2	29	8	0	0	0	39
Total Count	0	0	0	0	0	0	1	6	306	39	1	0	0	353

Compensation														
Age	Years of Service												Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	45,848	59,352	-	-	-	46,813
45-49	-	-	-	-	-	-	-	40,884	54,573	55,700	-	-	-	54,417
50-54	-	-	-	-	-	-	67,344	86,010	67,420	105,373	-	-	-	72,157
55-59	-	-	-	-	-	-	-	85,740	56,058	80,778	201,108	-	-	59,998
60-64	-	-	-	-	-	-	-	-	57,589	42,985	-	-	-	54,669
65 & Over	-	-	-	-	-	-	-	65,622	48,871	44,643	-	-	-	48,863
Avg. Annual Compensation	-	-	-	-	-	-	67,344	71,648	58,367	71,333	201,108	-	-	60,455

Los Angeles County Employees Retirement Association

**Exhibit C-4d: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003
General Plan D**

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	214	261	155	68	38	4	0	0	0	0	0	0	740
25-29	476	766	806	694	447	363	4	0	0	0	0	0	3,556
30-34	387	617	783	908	862	1,647	510	7	0	0	0	0	5,721
35-39	237	540	631	628	575	1,616	1,635	460	9	0	0	0	6,331
40-44	196	397	517	496	446	1,244	1,672	954	270	3	0	0	6,195
45-49	160	309	410	398	334	1,047	1,389	971	621	69	6	0	5,714
50-54	92	212	316	282	262	815	1,161	731	571	143	88	4	4,677
55-59	65	154	171	174	174	548	836	530	393	87	75	15	3,222
60-64	23	52	52	76	77	296	507	366	216	32	11	6	1,714
65 & Over	6	14	25	17	26	154	298	180	150	17	2	2	891
Total Count	1,856	3,322	3,866	3,741	3,241	7,734	8,012	4,199	2,230	351	182	27	38,761

Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	32,167	28,147	30,442	33,822	31,020	35,562	-	-	-	-	-	-	30,499
25-29	38,236	36,690	37,880	39,410	40,985	41,884	40,713	-	-	-	-	-	38,772
30-34	43,830	40,892	41,593	45,370	46,009	50,386	46,151	43,562	-	-	-	-	45,874
35-39	41,132	42,975	43,834	44,626	45,867	53,377	53,943	50,715	51,636	-	-	-	49,480
40-44	44,940	42,396	43,946	44,917	47,184	54,271	57,405	59,677	54,336	50,056	-	-	52,773
45-49	41,785	43,155	44,783	46,595	48,199	54,177	56,726	63,694	60,832	58,602	55,610	-	54,697
50-54	44,947	44,216	46,444	47,747	48,173	53,215	57,366	63,336	61,196	70,335	58,054	68,184	55,789
55-59	46,588	51,707	43,297	50,050	48,982	53,639	54,354	63,012	63,843	73,733	77,876	73,631	56,582
60-64	47,766	52,144	48,897	49,840	43,568	53,911	52,932	60,025	59,189	67,764	64,061	69,606	55,037
65 & Over	49,544	51,902	65,490	57,500	55,228	54,656	50,506	55,999	60,731	77,672	55,266	115,500	55,436
Avg. Annual Compensation	40,866	40,587	42,115	44,543	45,853	52,491	54,992	60,528	60,466	68,818	66,474	75,031	50,633

Los Angeles County Employees Retirement Association

Exhibit C-4e: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003 General Plan E

Count														
Age	Years of Service												Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	79	133	95	58	15	1	0	0	0	0	0	0	0	381
25-29	169	272	372	383	216	185	3	0	0	0	0	0	0	1,600
30-34	123	233	340	398	348	869	413	19	0	0	0	0	0	2,743
35-39	66	173	280	303	259	871	1,400	666	12	0	0	0	0	4,030
40-44	65	141	261	241	231	663	1,277	1,341	491	18	0	0	0	4,729
45-49	65	127	215	197	180	579	1,036	1,194	1,150	463	49	0	0	5,255
50-54	51	93	138	159	149	433	768	914	997	829	665	29	0	5,225
55-59	33	53	96	77	92	305	499	602	654	574	684	249	0	3,918
60-64	12	29	52	44	51	175	291	314	354	275	306	242	0	2,145
65 & Over	3	16	18	22	22	114	158	184	206	140	100	90	0	1,073
Total Count	666	1,270	1,867	1,882	1,563	4,195	5,845	5,234	3,864	2,299	1,804	610	0	31,099

Compensation														
Age	Years of Service												Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	29,144	30,820	29,288	34,045	29,774	45,900	-	-	-	-	-	-	-	30,580
25-29	38,118	35,699	35,117	36,686	36,764	39,892	36,260	-	-	-	-	-	-	36,685
30-34	44,483	39,825	37,551	42,157	41,658	48,523	44,481	45,682	-	-	-	-	-	43,820
35-39	45,453	40,972	37,928	41,418	40,868	51,425	52,557	46,270	45,920	-	-	-	-	48,035
40-44	56,774	39,086	38,308	44,193	43,191	51,324	57,327	56,158	49,144	56,175	-	-	-	52,339
45-49	65,673	45,054	39,519	41,785	38,287	49,253	54,967	60,868	52,931	52,258	52,852	-	-	53,169
50-54	69,478	43,337	41,229	43,458	39,310	50,334	54,381	57,656	57,653	55,798	53,688	57,722	-	54,239
55-59	79,189	52,667	40,574	44,567	45,619	47,309	51,404	55,761	57,824	57,381	56,772	58,313	-	54,794
60-64	54,563	51,486	44,086	52,788	42,552	49,910	52,564	53,816	54,688	52,563	55,027	62,964	-	53,964
65 & Over	73,404	45,488	64,863	46,166	53,434	50,930	48,169	54,679	51,527	51,630	46,935	53,762	-	51,407
Avg. Annual Compensation	48,358	39,726	37,907	41,400	40,779	49,510	53,470	55,960	54,561	54,842	54,687	59,459	-	50,807

Los Angeles County Employees Retirement Association

**Exhibit C-4f: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003
Safety Plan A**

Count														
Age	Years of Service												Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	1	4	82	1	0	0	88
50-54	0	0	0	0	0	0	2	1	10	425	163	2	0	603
55-59	0	0	0	0	0	0	1	1	1	158	241	42	0	444
60-64	0	0	0	0	0	1	0	0	0	1	6	4	0	12
65 & Over	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Count	0	0	0	0	0	1	3	3	15	666	411	48	0	1,147

Compensation														
Age	Years of Service												Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	80,364	85,635	94,425	93,408	-	-	93,854
50-54	-	-	-	-	-	-	68,436	74,220	90,648	95,366	95,705	96,852	-	95,260
55-59	-	-	-	-	-	-	63,636	95,088	78,732	94,482	99,894	111,721	-	98,947
60-64	-	-	-	-	-	69,600	-	-	-	96,384	114,966	160,893	-	124,946
65 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Avg. Annual Compensation	-	-	-	-	-	69,600	66,836	83,224	88,517	95,042	98,437	115,199	-	96,890

Los Angeles County Employees Retirement Association

Exhibit C-4g: Age & Service Distribution of Active Members by Count and Average Compensation as of June 30, 2003 Safety Plan B

Count

Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	28	95	39	34	9	1	0	0	0	0	0	0	206
25-29	66	182	238	268	132	216	0	0	0	0	0	0	1,102
30-34	45	141	227	222	209	788	380	3	0	0	0	0	2,015
35-39	21	71	116	94	81	501	1,337	290	1	0	0	0	2,512
40-44	8	27	53	43	32	204	670	893	404	6	0	0	2,340
45-49	1	9	11	6	11	69	224	433	823	86	3	0	1,676
50-54	1	1	6	1	2	26	22	107	317	108	0	0	591
55-59	0	2	5	2	2	24	5	23	71	27	0	0	161
60-64	0	1	0	0	2	7	2	1	2	0	0	0	15
65 & Over	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Count	170	529	695	670	480	1,836	2,640	1,750	1,618	227	3	0	10,618

Compensation

Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	42,864	46,739	50,767	51,857	50,917	53,688	-	-	-	-	-	-	48,036
25-29	47,303	49,711	53,437	55,472	57,270	62,997	-	-	-	-	-	-	55,282
30-34	48,956	52,070	57,129	59,414	63,565	68,510	75,944	73,892	-	-	-	-	65,536
35-39	51,523	53,731	58,073	59,101	66,960	71,068	78,230	82,025	77,868	-	-	-	74,314
40-44	51,640	53,675	59,250	61,803	67,483	72,619	78,722	84,610	88,198	102,974	-	-	80,848
45-49	67,452	60,840	64,081	60,042	64,970	74,034	79,302	86,021	88,338	97,542	80,540	-	85,827
50-54	61,032	49,980	63,762	76,752	65,502	71,089	77,143	83,460	87,221	93,030	-	-	86,080
55-59	-	79,182	86,614	75,426	76,956	79,653	109,042	78,234	81,740	92,924	-	-	83,633
60-64	-	65,676	-	-	71,586	96,300	79,350	70,416	74,010	-	-	-	84,006
65 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-
Avg. Annual Compensation	47,934	50,879	56,206	57,642	62,561	69,503	78,167	84,350	87,770	94,989	80,540	-	74,230

Los Angeles County Employees Retirement Association

**Exhibit C-5: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003
All Plans**

Age	Retirement Year										Total Count	Average Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	1	2	0	14	39	73	129	\$ 1,408
35-39	0	0	0	0	1	0	1	44	108	83	237	2,421
40-44	0	0	0	0	0	2	24	90	156	109	381	2,357
45-49	0	0	0	0	5	33	70	129	170	133	540	2,155
50-54	0	0	0	4	40	97	122	167	283	503	1,216	2,115
55-59	0	0	2	18	170	273	225	376	1,249	2,299	4,612	3,201
60-64	0	1	12	53	214	266	340	1,216	2,634	2,349	7,085	3,303
65-69	0	4	32	96	222	402	1,016	2,308	2,294	1,554	7,928	2,787
70-74	5	18	71	125	355	1,157	1,664	2,364	1,497	665	7,921	2,513
75-79	5	47	86	204	1,068	1,654	1,671	1,485	699	386	7,305	2,207
80-84	4	31	71	389	1,280	1,494	936	496	396	285	5,382	1,941
85-89	10	28	130	490	1,023	615	139	160	183	134	2,912	1,648
90-94	19	31	177	361	397	37	5	60	72	38	1,197	1,327
95-99	15	34	83	150	3	1	0	10	14	10	320	1,146
100 & Over	16	16	25	4	1	0	1	3	0	1	67	867
Total Count	74	210	689	1,894	4,780	6,033	6,214	8,922	9,794	8,622	47,232	
Avg Monthly Benefit	\$ 914	\$ 1,052	\$ 1,240	\$ 1,475	\$ 1,863	\$ 1,980	\$ 2,357	\$ 2,803	\$ 2,684	\$ 3,272		\$ 2,518

Los Angeles County Employees Retirement Association

Exhibit C-5a: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003 General Plan A

Age	Retirement Year										Total Count	Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	1	0	0	7	13	16	37	\$ 1,002
35-39	0	0	0	0	1	0	1	1	0	3	6	982
40-44	0	0	0	0	0	0	2	2	5	3	12	1,585
45-49	0	0	0	0	2	6	7	4	17	21	57	1,379
50-54	0	0	0	2	25	39	32	38	89	218	443	1,741
55-59	0	0	1	8	82	98	77	163	652	902	1,983	2,716
60-64	0	1	4	31	119	123	167	847	1,292	1,427	4,011	3,221
65-69	0	0	15	59	140	239	789	1,518	1,440	693	4,893	2,861
70-74	2	7	27	77	243	874	1,166	1,897	791	278	5,362	2,553
75-79	2	20	49	123	810	1,271	1,471	1,093	390	241	5,470	2,162
80-84	2	16	45	301	1,080	1,437	841	368	295	225	4,610	1,876
85-89	1	23	80	426	1,008	609	117	126	155	114	2,659	1,609
90-94	8	24	139	348	397	36	4	58	67	33	1,114	1,262
95-99	8	33	76	150	3	1	0	9	14	9	303	1,119
100 & Over	13	15	25	4	1	0	1	3	0	0	62	846
Total Count	36	139	461	1,529	3,912	4,733	4,675	6,134	5,220	4,183	31,022	
Avg Monthly Benefit	\$ 721	\$ 885	\$ 958	\$ 1,217	\$ 1,621	\$ 1,711	\$ 2,162	\$ 2,814	\$ 2,741	\$ 3,559		\$ 2,368

Los Angeles County Employees Retirement Association

Exhibit C-5b: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003 General Plan B

Age	Retirement Year										Total Count	Average Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	0	0	0	0	0	0	0	\$ -
35-39	0	0	0	0	0	0	0	0	0	0	0	-
40-44	0	0	0	0	0	0	0	0	0	0	0	-
45-49	0	0	0	0	0	0	0	2	1	0	3	1,457
50-54	0	0	0	0	0	1	4	5	2	9	21	1,493
55-59	0	0	0	0	0	3	4	4	22	17	50	1,533
60-64	0	0	0	0	0	2	3	4	15	32	56	2,337
65-69	0	0	0	0	0	2	5	11	26	23	67	1,870
70-74	0	0	0	0	0	3	11	25	38	12	89	1,647
75-79	0	0	0	0	0	2	18	33	13	8	74	1,298
80-84	0	0	0	0	0	4	15	7	4	3	33	1,106
85-89	0	0	0	0	0	1	1	0	0	0	2	471
90-94	0	0	0	0	0	0	0	0	1	0	1	2,949
95-99	0	0	0	0	0	0	0	0	0	0	0	-
100 & Over	0	0	0	0	0	0	0	0	0	0	0	-
Total Count	0	0	0	0	0	18	61	91	122	104	396	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 823	\$ 792	\$ 1,300	\$ 1,781	\$ 2,432		\$ 1,645

Los Angeles County Employees Retirement Association

Exhibit C-5c: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003 General Plan C

Age	Retirement Year										Total Count	Average Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	0	0	0	0	1	0	1	\$ 1,204
35-39	0	0	0	0	0	0	0	0	0	0	0	-
40-44	0	0	0	0	0	0	0	0	0	1	1	1,059
45-49	0	0	0	0	0	1	4	1	1	0	7	713
50-54	0	0	0	0	1	3	2	2	3	12	23	1,573
55-59	0	0	0	0	0	2	3	4	8	11	28	1,461
60-64	0	0	0	0	0	0	4	8	11	16	39	1,410
65-69	0	0	0	0	0	0	5	12	15	21	53	1,459
70-74	0	0	0	0	0	2	9	19	23	8	61	1,396
75-79	0	0	0	0	0	3	10	25	3	3	44	847
80-84	0	0	0	0	0	3	11	6	1	2	23	1,066
85-89	0	0	0	0	0	0	5	1	2	1	9	884
90-94	0	0	0	0	0	0	0	0	0	0	0	-
95-99	0	0	0	0	0	0	0	0	0	0	0	-
100 & Over	0	0	0	0	0	0	0	0	0	0	0	-
Total Count	0	0	0	0	1	14	53	78	68	75	289	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ 1,175	\$ 682	\$ 719	\$ 1,014	\$ 1,501	\$ 1,888		\$ 1,286

Los Angeles County Employees Retirement Association

Exhibit C-5d: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003 General Plan D

Age	Retirement Year										Total Count	Average Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	0	0	0	3	7	18	28	\$ 806
35-39	0	0	0	0	0	0	0	7	11	13	31	1,418
40-44	0	0	0	0	0	0	1	9	36	25	71	1,557
45-49	0	0	0	0	0	3	9	30	50	32	124	1,520
50-54	0	0	0	0	1	3	18	35	65	141	263	1,342
55-59	0	0	0	0	0	4	13	38	193	205	453	1,448
60-64	0	0	0	0	0	4	18	73	201	226	522	1,556
65-69	0	0	0	0	0	4	21	69	218	308	620	1,429
70-74	0	0	0	0	0	6	25	89	241	155	516	1,354
75-79	0	0	0	0	0	10	23	101	109	37	280	1,143
80-84	0	0	0	0	1	3	12	47	22	11	96	1,011
85-89	0	0	0	0	0	0	4	11	2	2	19	837
90-94	0	0	0	0	0	0	0	0	0	1	1	458
95-99	0	0	0	0	0	0	0	0	0	0	0	-
100 & Over	0	0	0	0	0	0	0	0	0	0	0	-
Total Count	0	0	0	0	2	37	144	512	1,155	1,174	3,024	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ 3,691	\$ 1,183	\$ 1,055	\$ 1,160	\$ 1,364	\$ 1,561		\$ 1,390

Los Angeles County Employees Retirement Association

Exhibit C-5e: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003 General Plan E

Age	Retirement Year										Total Count	Average Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	0	0	0	0	2	2	4	\$ 632
35-39	0	0	0	0	0	0	0	0	0	1	1	-
40-44	0	0	0	0	0	0	0	0	0	1	1	-
45-49	0	0	0	0	0	0	0	0	0	4	4	532
50-54	0	0	0	0	0	0	0	0	5	5	10	522
55-59	0	0	0	0	0	0	0	2	50	335	387	489
60-64	0	0	0	0	0	0	0	17	356	322	695	759
65-69	0	0	0	0	0	0	12	152	386	474	1,024	1,199
70-74	0	0	0	0	0	4	52	167	361	163	747	1,057
75-79	0	0	0	0	0	8	56	210	132	57	463	894
80-84	0	0	0	0	0	10	56	51	34	24	175	732
85-89	0	0	0	0	0	5	12	11	9	2	39	661
90-94	0	0	0	0	0	1	1	0	0	0	2	155
95-99	0	0	0	0	0	0	0	0	0	0	0	-
100 & Over	0	0	0	0	0	0	0	0	0	0	0	-
Total Count	0	0	0	0	0	28	189	610	1,335	1,390	3,552	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313	\$ 384	\$ 702	\$ 875	\$ 1,177		\$ 933

Los Angeles County Employees Retirement Association

Exhibit C-5f: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003 Safety Plan A

Age	Retirement Year										Total Count	Average Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	0	2	0	1	5	3	11	\$ 1,039
35-39	0	0	0	0	0	0	0	1	1	1	3	2,758
40-44	0	0	0	0	0	0	1	2	0	1	4	3,640
45-49	0	0	0	0	3	9	11	7	13	7	50	2,778
50-54	0	0	0	2	13	46	44	52	85	88	330	3,213
55-59	0	0	1	10	88	159	121	146	296	799	1,620	5,030
60-64	0	0	8	22	95	136	147	263	755	313	1,739	5,111
65-69	0	4	17	37	82	157	182	542	207	35	1,263	4,562
70-74	3	11	44	48	112	267	399	163	43	47	1,137	3,944
75-79	3	27	37	81	258	359	93	23	52	40	973	3,521
80-84	2	15	26	88	199	37	1	17	40	20	445	3,403
85-89	9	5	50	64	15	0	0	11	15	15	184	2,565
90-94	11	7	38	13	0	0	0	2	4	4	79	2,261
95-99	7	1	7	0	0	0	0	1	0	1	17	1,622
100 & Over	3	1	0	0	0	0	0	0	0	0	4	1,027
Total Count	38	71	228	365	865	1,172	999	1,231	1,516	1,374	7,859	
Avg Monthly Benefit	\$ 1,096	\$ 1,378	\$ 1,809	\$ 2,555	\$ 2,958	\$ 3,177	\$ 4,071	\$ 4,776	\$ 5,214	\$ 6,204		\$ 4,344

Los Angeles County Employees Retirement Association

Exhibit C-5g: Distribution of Retired Members by Age and Retirement Year as of June 30, 2003 Safety Plan B

Age	Retirement Year										Total Count	Average Monthly Benefit
	Pre-1960	1960-64	1965-69	1970-74	1975-79	1980-84	1985-89	1990-94	1995-99	2000-03		
Under 35	0	0	0	0	0	0	0	3	11	34	48	\$ 2,225
35-39	0	0	0	0	0	0	0	35	96	65	196	2,631
40-44	0	0	0	0	0	2	20	77	115	78	292	2,579
45-49	0	0	0	0	0	14	39	85	88	69	295	2,530
50-54	0	0	0	0	0	5	22	35	34	30	126	2,498
55-59	0	0	0	0	0	7	7	19	28	30	91	2,952
60-64	0	0	0	0	0	1	1	4	4	13	23	2,852
65-69	0	0	0	0	0	0	2	4	2	0	8	2,313
70-74	0	0	0	0	0	1	2	4	0	2	9	1,064
75-79	0	0	0	0	0	1	0	0	0	0	1	848
80-84	0	0	0	0	0	0	0	0	0	0	0	-
85-89	0	0	0	0	0	0	0	0	0	0	0	-
90-94	0	0	0	0	0	0	0	0	0	0	0	-
95-99	0	0	0	0	0	0	0	0	0	0	0	-
100 & Over	0	0	0	0	0	0	0	0	0	1	1	1,488
Total Count	0	0	0	0	0	31	93	266	378	322	1,090	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,517	\$ 1,752	\$ 2,423	\$ 2,681	\$ 2,898		\$ 2,570

Los Angeles County Employees Retirement Association

Appendix D: Member Contribution Rates

This section illustrates the member normal contribution rates and the normal plus cost-of-living contribution rates by entry age.

Los Angeles County Employees Retirement Association

Exhibit D-1: Normal Member Contribution Rates

Entry Age	General*				Safety*	
	Plan A	Plan B	Plan C	Plan D	Plan A	Plan B
16	2.42%	4.84%	4.13%	4.13%	3.39%	6.79%
17	2.46%	4.93%	4.21%	4.21%	3.39%	6.79%
18	2.51%	5.02%	4.29%	4.29%	3.39%	6.79%
19	2.56%	5.11%	4.37%	4.37%	3.45%	6.91%
20	2.60%	5.20%	4.45%	4.45%	3.52%	7.04%
21	2.65%	5.30%	4.54%	4.54%	3.58%	7.17%
22	2.70%	5.40%	4.62%	4.62%	3.65%	7.30%
23	2.75%	5.50%	4.71%	4.71%	3.72%	7.43%
24	2.80%	5.60%	4.80%	4.80%	3.78%	7.57%
25	2.85%	5.70%	4.88%	4.88%	3.85%	7.71%
26	2.90%	5.81%	4.97%	4.97%	3.92%	7.85%
27	2.96%	5.91%	5.07%	5.07%	4.00%	7.99%
28	3.01%	6.02%	5.16%	5.16%	4.07%	8.14%
29	3.07%	6.13%	5.25%	5.25%	4.14%	8.29%
30	3.12%	6.24%	5.35%	5.35%	4.22%	8.44%
31	3.18%	6.36%	5.45%	5.45%	4.30%	8.60%
32	3.24%	6.48%	5.55%	5.55%	4.38%	8.77%
33	3.30%	6.59%	5.65%	5.65%	4.47%	8.93%
34	3.36%	6.72%	5.75%	5.75%	4.55%	9.11%
35	3.42%	6.84%	5.86%	5.86%	4.64%	9.28%
36	3.49%	6.97%	5.97%	5.97%	4.73%	9.46%
37	3.55%	7.10%	6.08%	6.08%	4.82%	9.64%
38	3.62%	7.24%	6.19%	6.19%	4.91%	9.83%
39	3.69%	7.38%	6.30%	6.30%	5.01%	10.01%
40	3.76%	7.52%	6.42%	6.42%	5.10%	10.19%
41	3.83%	7.67%	6.54%	6.54%	5.18%	10.37%
42	3.91%	7.81%	6.66%	6.66%	5.27%	10.53%
43	3.98%	7.96%	6.79%	6.79%	5.34%	10.69%
44	4.06%	8.11%	6.92%	6.92%	5.41%	10.83%
45	4.13%	8.26%	7.06%	7.06%	5.47%	10.93%
46	4.20%	8.40%	7.19%	7.19%	5.50%	11.00%
47	4.27%	8.53%	7.33%	7.33%	5.51%	11.01%
48	4.33%	8.66%	7.47%	7.47%	5.51%	11.01%
49	4.39%	8.77%	7.61%	7.61%	5.51%	11.01%
50	4.43%	8.86%	7.75%	7.75%	5.51%	11.01%
51	4.46%	8.91%	7.88%	7.88%	5.51%	11.01%
52	4.46%	8.92%	8.01%	8.01%	5.51%	11.01%
53	4.46%	8.92%	8.13%	8.13%	5.51%	11.01%
54	4.46%	8.92%	8.23%	8.23%	5.51%	11.01%
55	4.46%	8.92%	8.31%	8.31%	5.51%	11.01%
56	4.46%	8.92%	8.36%	8.36%	5.51%	11.01%
57	4.46%	8.92%	8.37%	8.37%	5.51%	11.01%
58	4.46%	8.92%	8.37%	8.37%	5.51%	11.01%
59	4.46%	8.92%	8.37%	8.37%	5.51%	11.01%
60	4.46%	8.92%	8.37%	8.37%	5.51%	11.01%

*For general members entering after age 60, the rate equals the rate at age 60. Likewise, for Safety members entering after age 50, the rate equals the rate at age 50

Los Angeles County Employees Retirement Association

Exhibit D-2: Normal Plus Cost-of-Living Member Contribution Rates

Entry Age	General*				Safety*	
	Plan A	Plan B	Plan C	Plan D	Plan A	Plan B
16	4.26%	5.89%	5.09%	5.01%	6.90%	9.02%
17	4.33%	6.00%	5.19%	5.11%	6.90%	9.02%
18	4.42%	6.11%	5.29%	5.20%	6.90%	9.02%
19	4.50%	6.22%	5.39%	5.30%	7.02%	9.18%
20	4.57%	6.33%	5.48%	5.40%	7.17%	9.36%
21	4.66%	6.45%	5.60%	5.51%	7.29%	9.53%
22	4.75%	6.57%	5.69%	5.60%	7.43%	9.70%
23	4.84%	6.69%	5.80%	5.71%	7.57%	9.87%
24	4.93%	6.82%	5.92%	5.82%	7.70%	10.06%
25	5.01%	6.94%	6.01%	5.92%	7.84%	10.25%
26	5.10%	7.07%	6.13%	6.03%	7.98%	10.43%
27	5.21%	7.19%	6.25%	6.15%	8.14%	10.62%
28	5.30%	7.33%	6.36%	6.26%	8.29%	10.82%
29	5.40%	7.46%	6.47%	6.37%	8.43%	11.02%
30	5.49%	7.60%	6.59%	6.49%	8.59%	11.22%
31	5.59%	7.74%	6.72%	6.61%	8.75%	11.43%
32	5.70%	7.89%	6.84%	6.73%	8.92%	11.66%
33	5.81%	8.02%	6.96%	6.85%	9.10%	11.87%
34	5.91%	8.18%	7.09%	6.97%	9.26%	12.11%
35	6.02%	8.33%	7.22%	7.11%	9.45%	12.33%
36	6.14%	8.48%	7.36%	7.24%	9.63%	12.57%
37	6.25%	8.64%	7.49%	7.37%	9.81%	12.81%
38	6.37%	8.81%	7.63%	7.51%	10.00%	13.06%
39	6.49%	8.98%	7.76%	7.64%	10.20%	13.30%
40	6.61%	9.15%	7.91%	7.79%	10.38%	13.54%
41	6.74%	9.34%	8.06%	7.93%	10.55%	13.78%
42	6.88%	9.51%	8.21%	8.08%	10.73%	13.99%
43	7.00%	9.69%	8.37%	8.23%	10.87%	14.21%
44	7.14%	9.87%	8.53%	8.39%	11.01%	14.39%
45	7.27%	10.05%	8.70%	8.56%	11.14%	14.53%
46	7.39%	10.22%	8.86%	8.72%	11.20%	14.62%
47	7.51%	10.38%	9.03%	8.89%	11.22%	14.63%
48	7.62%	10.54%	9.21%	9.06%	11.22%	14.63%
49	7.72%	10.67%	9.38%	9.23%	11.22%	14.63%
50	7.79%	10.78%	9.55%	9.40%	11.22%	14.63%
51	7.85%	10.85%	9.71%	9.56%	11.22%	14.63%
52	7.85%	10.86%	9.87%	9.71%	11.22%	14.63%
53	7.85%	10.86%	10.02%	9.86%	11.22%	14.63%
54	7.85%	10.86%	10.14%	9.98%	11.22%	14.63%
55	7.85%	10.86%	10.24%	10.08%	11.22%	14.63%
56	7.85%	10.86%	10.30%	10.14%	11.22%	14.63%
57	7.85%	10.86%	10.32%	10.15%	11.22%	14.63%
58	7.85%	10.86%	10.32%	10.15%	11.22%	14.63%
59	7.85%	10.86%	10.32%	10.15%	11.22%	14.63%
60	7.85%	10.86%	10.32%	10.15%	11.22%	14.63%

*For general members entering after age 60, the rate equals the rate at age 60. Likewise, for Safety members entering after age 50, the rate equals the rate at age 50.

Los Angeles County Employees Retirement Association

Appendix E: Glossary

The following definitions include excerpts from a list adopted by the major actuarial organizations in the United States. In some cases, the definitions have been modified for specific applicability to LACERA and include terms used exclusively by LACERA. Defined terms are capitalized throughout this Appendix.

Accrued Benefit	The amount of an individual's benefit (whether or not vested) as of a specific date, determined in accordance with the terms of a pension plan and based on compensation and service to that date.
Actuarial Accrued Liability	That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of pension plan benefits and expenses which is not provided for by future Normal Costs.
Actuarial Assumptions	Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, withdrawal, disablement, and retirement; changes in compensation; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; and other relevant items.
Actuarial Gain (Loss)	A measure of the difference between actual experience and that expected based on a set of Actuarial Assumptions during the period between two Actuarial Valuation dates, as determined in accordance with a particular Actuarial Cost Method.
Actuarial Present Value	The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions.
Actuarial Valuation	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a pension plan.
Actuarial Value of Assets	The value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purpose of an Actuarial Valuation.
Actuarially Equivalent	Of equal Actuarial Present Value, determined as of a given date with each value based on the same set of Actuarial Assumptions.
Amortization Payment	That portion of the pension plan contribution which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Contingency Reserve	Reserves accumulated for future earning deficiencies, investment losses, and other contingencies. Additions include investment income and other revenues; deductions include investment expense, administrative expense, interest allocated to other reserves, funding the STAR Reserve, and distributions to the Contribution Credit Reserve. The Contingency Reserve is used to satisfy the California Government Code requirement for (31592 and 31592.2) LACERA to reserve 1% of the assets against earning deficiencies, investment losses, and other contingencies.
County Contribution Credit Reserve	The accumulated balance of the County's proportionate share of excess earnings as stipulated in Retirement System Funding Agreement between LACERA and the County. Additions include distributions from excess earning during the fiscal years ending 1994 through 1998 and related earnings. Deductions include payments, as the County authorizes, for future employer contributions due LACERA and for funding a portion of the Retiree Healthcare Program under the provisions of Internal Revenue Code 401(h).
Employer Reserve	The accumulation of employer contributions for future retirement benefit payments. Additions include contributions from employers and related earnings. Deductions include annuity payments to retired members and survivors, lump sum death benefit payments to member survivors, and supplemental disability payments.
Entry Age Actuarial Cost Method	A method under which the Actuarial Present Value of the Projected Benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost. The portion of this Actuarial Present Value not provided for at a valuation date by the Actuarial Present Value of future Normal Costs is called the Actuarial Accrued Liability.
Funded Ratio	A measurement of the funded status of the system. The Funded Ratio is calculated by dividing the Valuation Assets by the Actuarial Accrued Liability. For example, a Funded Ratio of 90% indicates assets are 10% less than liabilities.
Member Reserve	The accumulation of member contributions. Additions include member contributions and related earnings. Deductions include annuity payments to retirees and refunds to members.
Non-Valuation Reserves	Reserves excluded from the calculation of contribution rates, including the Contingency Reserve, the STAR reserve, the County Contribution Credit Reserve, and any other reserves specifically excluded by the Board of Investments.

Normal Cost	That portion of the Actuarial Present Value of pension plan benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.
Plan Year	A twelve-month period beginning July 1 and ending June 30.
Projected Benefits	Those pension plan benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future compensation and service credits.
STAR Reserve	Reserves accumulated for the payment of cost-of-living benefits as defined in California Government Code Section 31874.3.
Supplemental Targeted Adjustment for Retirees (STAR) Benefits	Supplemental cost-of-living payments to retired members to restore purchasing power at a specified percentage level, as described in California Government Code Section 31874.3
Surplus Funding	The excess, if any, of the Actuarial Value of Assets over the Actuarial Accrued Liability. Standard actuarial terminology defines this as the "Funding Excess". LACERA uses the term "Surplus Funding".
Unfunded Actuarial Accrued Liability	The excess, if any, of the Actuarial Accrued Liability over the Actuarial Value of Assets.
Valuation Date	The date upon which the Normal Cost, Actuarial Accrued Liability, and Actuarial Value of Assets are determined. Generally, the Valuation Date will coincide with the ending of a Plan Year.
Valuation Reserves	All reserves excluding the Non-Valuation Reserves.