

San Diego County Employees Retirement Association

*Actuarial Valuation and Review
as of June 30, 2004*

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October 14, 2004

*Board of Retirement
San Diego County Employees Retirement Association
401 West A Street, Suite 1300
San Diego, CA 92101-7906*

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review as of June 30, 2004. It summarizes the actuarial data used in the valuation, establishes the funding requirements for fiscal 2005-2006 and analyzes the preceding year's experience.

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

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

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

Sincerely,

THE SEGAL COMPANY

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

*Andy Yeung, ASA, MAAA
Associate Actuary*

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SECTION 1: Valuation Summary for the San Diego County Employees Retirement Association

Purpose

This report has been prepared by The Segal Company to present a valuation of the San Diego County Employees Retirement Association as of June 30, 2004. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits. The contribution requirements presented in this report are based on:

- The benefit provisions of the Retirement Association, as administered by the Board of Retirement;
- The characteristics of covered active members, inactive vested members, and retired members and beneficiaries as of June 30, 2004, provided by the Retirement Office;
- The assets of the Plan as of June 30, 2004, provided by the Retirement Office;
- Economic assumptions regarding future salary increases and investment earnings; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc.

San Diego County Employees Retirement Association's basic financial goal is to establish contributions which fully fund the Association's liabilities, and which, as a percentage of payroll, remain as level as possible for each generation of active members. Annual actuarial valuations measure the progress toward this goal, as well as test the adequacy of the contribution rates.

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

The contribution requirements are determined as a percentage of payroll. The Association's employer rates provide for both normal cost and a contribution to amortize any unfunded or overfunded actuarial accrued liabilities. Effective with this valuation, we have modified our calculations to reflect the Board's new funding policy to amortize the Association's unfunded actuarial accrued liability as 20-year fixed (i.e., decreasing) layered amortization periods. Please note that the initial 20-year amortization layer as of June 30, 2004 consists of the outstanding balance of the UAAL from the June 30, 2003 valuation reduced by the issuance of \$450 million in Pension Obligation Bonds, plus all actuarial gains or losses emerging during the 2003-2004 plan year. Any new actuarial gains or losses after June 30, 2004 will be amortized over separate 20-year fixed amortization periods. The aggregate employer contribution rate calculated using the new 20-year amortization period is 23.03% of payroll.

SECTION 1: Valuation Summary for the San Diego County Employees Retirement Association

The rates calculated in this report may be adopted by the Board for the fiscal year that extends from July 1, 2005 through June 30, 2006.

Significant Issues in This Valuation

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

- The ratio of the valuation value of assets to actuarial accrued liabilities increased from 75.5% to 81.1%. The Association's unfunded actuarial accrued liability has decreased from \$1,435.3 million as of June 30, 2003 to \$1,202.7 million as of June 30, 2004. A complete reconciliation of the Association's unfunded actuarial accrued liability is provided in Section 3, Exhibit H.
- The aggregate employer rate calculated in this valuation has decreased from 27.64% of payroll to 23.03% of payroll. The contribution rate for the employer decreased because of the issuance of \$450 million in Pension Obligation Bonds. However this decrease is offset by unfavorable actuarial experience, including (i) higher than expected salary increases, (ii) lower than expected return on the actuarial value of assets, and (iii) other actuarial losses. A complete reconciliation of the Association's aggregate employer rate is provided in Section 2, Subsection D (see Chart 15).
- The average member rate calculated in this valuation has decreased from 9.89% of payroll to 9.85% of payroll. The decrease in member rate is primarily due to the change in the aggregate demographic profile of the employee group. A complete reconciliation of the Association's average member rate is provided in Section 2, Subsection D (see Chart 16).
- The economic and non-economic assumptions used in this valuation are the same as those adopted by the Board for the June 30, 2003 valuation.
- As indicated in Section 2, Subsection B (see Chart 7) of this report, the total unrecognized investment loss as of June 30, 2004 is \$16,162,492 (versus loss of \$672,887,090 in the June 30, 2003 valuation). This investment loss will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years, to the extent it is not offset by recognition of investment gains derived from future experience. This implies that earning the assumed rate of investment return of 8.25% per year (net of expenses) on a **market value** basis will result in investment losses on the actuarial value of assets in the next few years. Therefore, if the actual market return is equal to the assumed 8.25% rate and all other actuarial assumptions are met, the contribution requirements would still increase in each of the next few years.

SECTION 1: Valuation Summary for the San Diego County Employees Retirement Association

Impact of Future Experience on Contribution Rates

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

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

Association's CAFR Report

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

1. Schedules of active member valuation data;
2. Historical summary of average payroll;
3. Retirees and beneficiaries added to and removed from retiree payroll;
4. Solvency test;
5. Historical summary of assumptions;
6. History of employer contribution rates;
7. Schedule of benefit expenses by type;
8. Schedule of retiree members by type of benefit; and
9. Schedule of funding progress.

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

SECTION 1: Valuation Summary for the San Diego County Employees Retirement Association

Summary of Key Valuation Results (Dollar amounts in thousands)

	June 30, 2004		June 30, 2003	
Employer Contribution Rates:⁽¹⁾				
	Total Rate	Estimated Annual Amount ⁽²⁾	Total Rate	Estimated Annual Amount ⁽²⁾
General Combined	21.34%	\$153,334	25.59%	\$181,212
Safety	29.19%	57,957	34.99%	69,281
All Categories combined	23.03%	211,291	27.64%	250,493
Average Member Contribution Rates:				
	Total Rate ⁽¹⁾	Estimated Annual Amount ⁽²⁾	Total Rate ⁽¹⁾	Estimated Annual Amount ⁽²⁾
General Tier 1	9.06%	\$275	8.92%	\$ 298
General Tier A	9.46%	67,686	9.49%	66,885
Safety Members	11.28%	22,396	11.31%	22,394
All Categories combined	9.85%	90,357	9.89%	89,577
Funded Status:				
Actuarial accrued liability ⁽³⁾	\$6,369,490		\$5,853,125	
Valuation value of assets ⁽⁴⁾	5,166,759		4,417,766	
Funded percentage	81.1%		75.5%	
Unfunded Actuarial Accrued Liability	1,202,731		1,435,359	
Key Assumptions:				
Interest rate	8.25%		8.25%	
Inflation rate	4.00%		4.00%	

⁽¹⁾ Before reflection of any member rate that may be "picked-up" by the employer.

⁽²⁾ Based on June 30, 2004 projected annual compensation.

⁽³⁾ Excludes liabilities for STAR COLA and Health Benefit Reserves

⁽⁴⁾ Excludes assets for STAR COLA and Health Benefit Reserves.

SECTION 1: Valuation Summary for the San Diego County Employees Retirement Association

Summary of Key Valuation Demographic and Financial Data

	June 30, 2004	June 30, 2003	Percentage Change
Active Members:			
Number of members	17,717	18,466	-4.1%
Average age	44.5	43.9	N/A
Average service	10.2	9.7	N/A
Projected total compensation	\$917,081,000	\$906,139,000	1.2%
Average projected compensation	\$51,763	\$49,071	5.5%
Retired Member and Beneficiaries:			
Number of members:			
Service retired	8,233	7,782	5.8%
Disability retired	1,360	1,320	3.0%
Beneficiaries	1,177	1,151	2.3%
Total	10,770	10,253	5.0%
Average age	69.0	69.1	N/A
Average monthly benefit*	\$1,796	\$1,669	7.6%
Vested Terminated Members:			
Number of terminated vested members**	4,280	3,910	9.5%
Average age	44.3	44.6	N/A
Summary of Financial Data (dollar amounts in thousands):			
Market value of assets	\$5,508,639	\$4,103,348	34.2%
Return on market value of assets	22.57%	3.68%	N/A
Actuarial value of assets	\$5,524,801	\$4,776,235	15.7%
Return on actuarial value of assets	5.69%	3.69%	N/A
Valuation value of assets	\$5,166,759	\$4,417,766	17.0%
Return on valuation value of assets	5.28%	3.05%	N/A

* Excludes monthly benefits for STAR COLA.

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

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

A. MEMBER DATA

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

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

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

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

CHART 1
Member Population: 1995 – 2004

Year Ended June 30	Active Members	Vested Terminated Members	Retired Members and Beneficiaries	Ratio of Non-Actives to Actives
1995	16,500	1,401	7,294	0.53
1996	16,524	1,588	7,499	0.55
1997	16,635	1,929	7,692	0.58
1998	16,443	2,271	7,955	0.62
1999	16,579	2,653	8,292	0.66
2000	16,669	3,081	8,703	0.71
2001	17,346	3,290	8,921	0.70
2002	18,276	3,323	9,657	0.71
2003	18,466	3,910	10,253	0.77
2004	17,717	4,280	10,770	0.85

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

Active Members

Plan costs are affected by the age, years of service and compensation of active members. In this year's valuation, there were 17,717 active members with an average age of 44.5, average years of service of 10.2 years and average compensation of \$51,763. The 18,466 active members in the prior valuation had an average age of 43.9, average service of 9.7 years and average compensation of \$49,071.

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

Inactive Members

In this year's valuation, there were 4,280 members with a vested right to a deferred or immediate vested benefit or entitled to a return of their member contributions versus 3,910 in the prior valuation

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

CHART 2
Distribution of Active Members by Age as of June 30, 2004

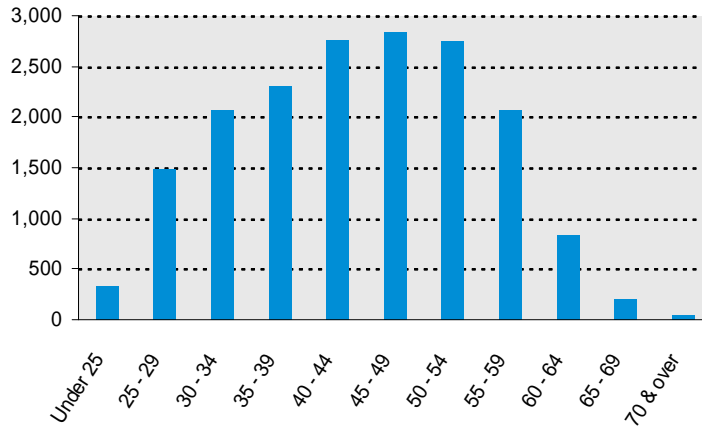
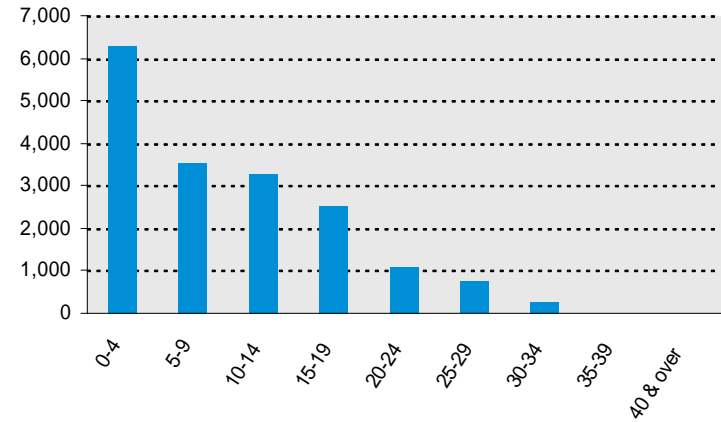


CHART 3
Distribution of Active Members by Years of Service as of June 30, 2004



SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

Retired Members and Beneficiaries

As of June 30, 2004, 9,593 retired members and 1,177 beneficiaries were receiving total monthly benefits of \$19,338,820. For comparison, in the previous valuation, there were 9,102 retired members and 1,151 beneficiaries receiving monthly benefits of \$17,117,466. These monthly benefits exclude benefits for STAR COLA.

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

CHART 4
Distribution of Retired Members by Type and by Monthly Amount as of June 30, 2004

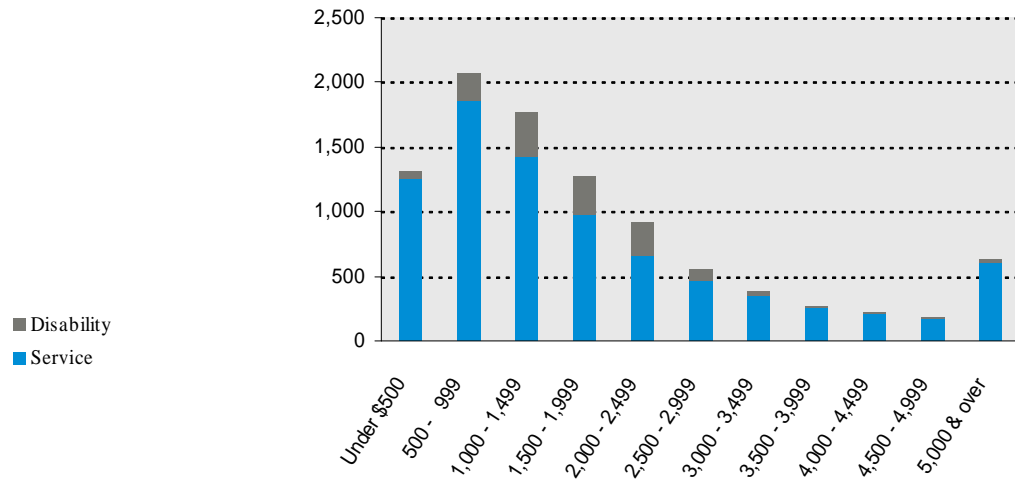
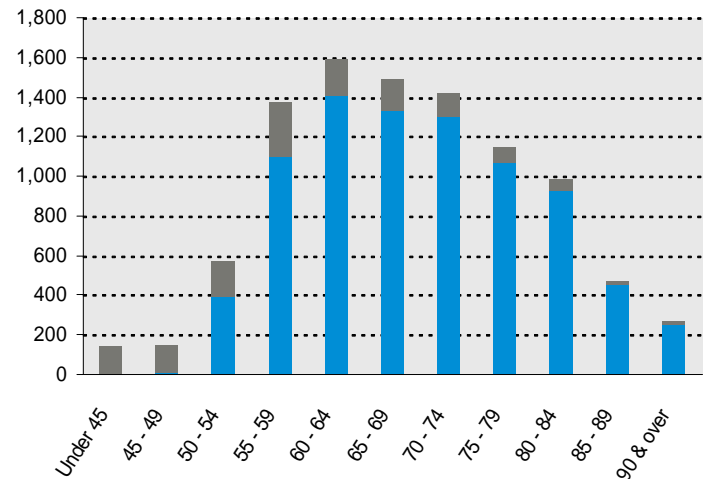


CHART 5
Distribution of Retired Members by Type and by Age as of June 30, 2004



SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

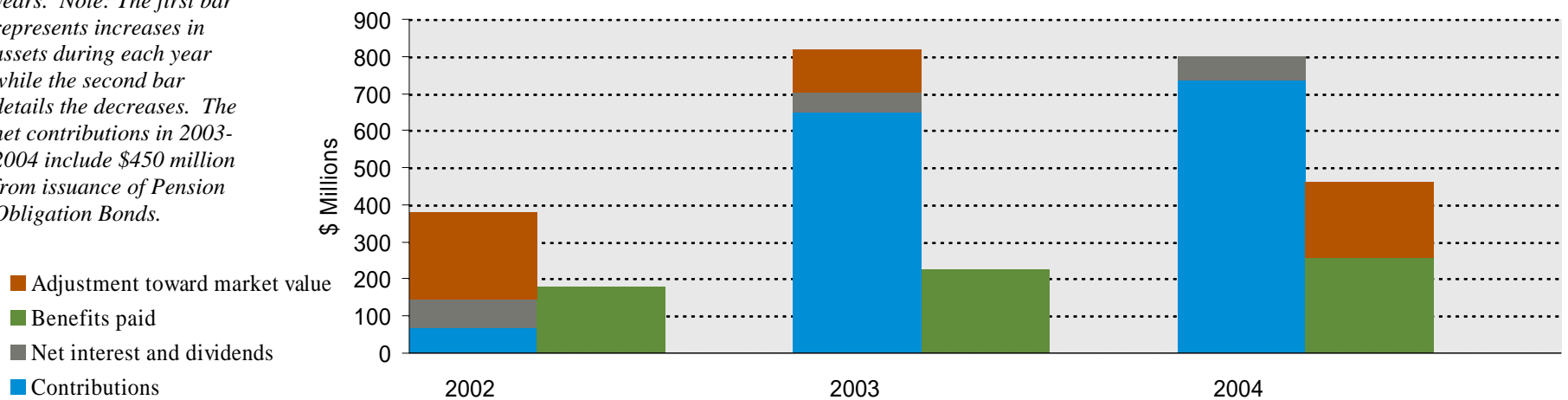
B. FINANCIAL INFORMATION

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

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

The chart depicts the components of changes in the actuarial value of assets over the last three years. Note: The first bar represents increases in assets during each year while the second bar details the decreases. The net contributions in 2003-2004 include \$450 million from issuance of Pension Obligation Bonds.

CHART 6
Comparison of Increases and Decreases in the Actuarial Value of Assets for Years Ended June 30, 2002 – 2004



SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

It is desirable to have level and predictable plan costs from one year to the next. For this reason, the Board of Retirement has approved an asset valuation method that gradually adjusts to market value. The actuarial value of assets is determined by phasing in the actual return on the market value of assets that is in excess/below the expected return on the valuation value of assets over a five-year period. Under this method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable.

The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value.

The determination of the actuarial value of assets is provided on the following page.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

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

CHART 7

Determination of Actuarial and Valuation Value of Assets for Year Ended June 30, 2004

	Date of Actuarial Valuation	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004
A	Valuation Value of Assets (Beginning of Year)					\$4,417,766,210
B	Market Value (End of Year)					\$5,508,638,982
C	Market Value (Beginning of Year)					\$4,103,348,121
D1a	Pension Obligation Bond					\$450,000,000
D1b	Fraction of Year Pension Obligation Bonds Deposited with Association					0.00
D2	Non-investment Cash Flow (Including Pension Obligation Bond Provided in D1)					\$476,227,238
E	Investment Income					
E1	Actual Return on Market Value (B-C-D2)					\$929,063,623
E2	Expected Return on Valuation Value, Adjusted for Timing (A*0.0825+(D2-D1a)*0.0825*.5+D1a*0.0825*D1b)					\$365,547,586
E3	Portion Subject to Smoothing	\$349,957,881	(\$599,291,580)	(\$605,090,394)	(\$175,134,747)	\$563,516,037
E4	Percentage Deferred	0%	20%	40%	60%	80%
E5	Amount Deferred (E3*E4)	\$0	(\$119,858,316)	(\$242,036,158)	(\$105,080,848)	\$450,812,830
E6	Total of Amount Deferred (Sum of E5 From Last 5 Years)					(\$16,162,492)
E7	Actuarial Value of Assets (B-E6)					\$5,524,801,474
F	Phased-in Amount Recognized					
F1	Current Year					\$112,703,207
F2	First Prior Year					(\$35,026,949)
F3	Second Prior Year					(\$121,018,079)
F4	Third Prior Year					(\$119,858,316)
F5	Fourth Prior Year					\$69,991,576
F6	Total Phased-in Amount Recognized					(\$93,208,561)
G	Non-valuation Reserves					
G1	Health Benefit Reserve					\$230,461,000
G2	401(h) Reserve					\$15,641,000
G3	Star COLA					\$56,854,000
G4	Contingency Reserve					\$55,086,000
G5	Undistributed Reserve					\$0
G6	Non-valuation Reserves (End of Year)					\$358,042,000
G7	Non-valuation Reserves (Beginning of Year)					\$358,469,000
G8	Change in Non-Valuation Reserve (G6-G7)					(\$427,000)
H	Valuation Value of Assets (End of Year) (A+D2+E2+F6-G8)					\$5,166,759,473

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

CHART 8

Allocation of Valuation Value of Assets as of June 30, 2004

The allocation of the valuation reserves between General and Safety is provided below:

	General	Safety	Total
1 Beginning of Year Asset Allocation	\$3,270,180,626	\$1,147,585,584	\$4,417,766,210
2 Estimated Percentage of Total Employee Contributions Including Pickups	75.00%	25.00%	100.00%
3 Employee Contributions Less Refunds, Allocated in Proportion to (2)	\$24,055,001	\$8,018,334	\$32,073,335
4 Employer Contributions			
4a Proceeds from Pension Obligation Bond	\$332,244,464	\$117,755,536	\$450,000,000
4b Employer Contributions Including Pickups but Excluding Proceeds from Pension Obligation Bonds, Allocated in Proportion to Er rate	\$181,276,644	\$69,305,964	\$250,582,608
5 Annual Allowances for Retired Members (From Last Year's Valuation Report)	\$160,870,560	\$44,539,032	\$205,409,592
6 Benefit Payments Allocated in Proportion to (5)	\$171,278,665	\$47,420,646	\$218,699,311
7 Subtotal = (1) + (3) + (4a) + (4b) - (6)	\$3,636,478,070	\$1,295,244,772	\$4,931,722,842
8 Total Valuation Value of Assets			\$5,166,759,473
9 Residual to Allocate			\$235,036,631
10 Allocate Residual in Proportion to (7)	\$173,307,702	\$61,728,929	\$235,036,631
11 End of Year Asset Allocation = (7) + (10)	\$3,809,785,772	\$1,356,973,701	\$5,166,759,473

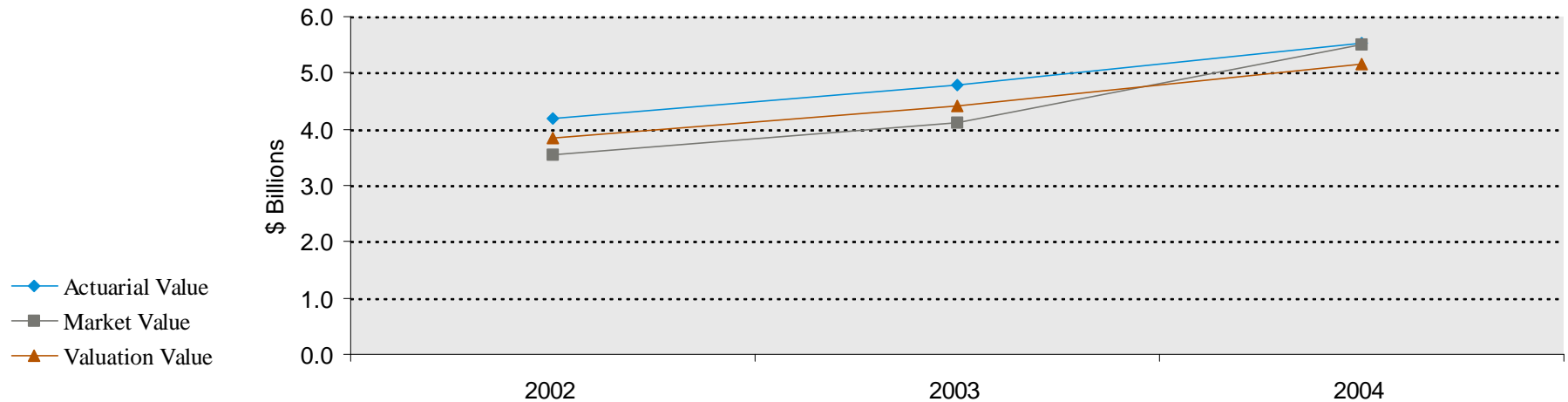
SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

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

This chart shows the change in market value, actuarial value and valuation value over the past three years.

CHART 9

Market Value, Actuarial Value and Valuation Value of Assets as of June 30, 2002 –2004



SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

C. ACTUARIAL EXPERIENCE

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

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

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

The total experience gain was \$276.5 million, a loss of \$130.5 million from investments, a “gain” of \$450 million from issuance of Pension Obligation Bonds, and a loss of \$43.0 million from all other sources. The net experience variation from individual sources other than investments and issuance of Pension Obligation Bonds was 0.7% of the actuarial accrued liability. A discussion of the major components of the actuarial experience is on the following pages.

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

CHART 10
Actuarial Experience for Year Ended June 30, 2004

1. Net gain/(loss) from investments (on valuation value of assets)*	-\$130,511,000
2. Proceeds from Pension Obligation Bonds	450,000,000
3. Net gain/(loss) from other experience**	<u>-43,009,000</u>
4. Net experience gain/(loss): (1) + (2) + (3)	\$276,480,000

** Details in Chart 11*

*** See Exhibit H. Includes \$59.3 million in losses due to delay in implementation of contribution rates calculated in the June 30, 2003 valuation.*

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

Investment Rate of Return

A major component of projected asset growth is the assumed rate of return. The assumed return should represent the expected long-term rate of return, based on the SDCERA’s investment policy. For valuation purposes, the assumed rate of return on the valuation value of assets was 8.25% (based on June 30, 2003 valuation). The actual rate of return on a valuation basis for the 2003/2004 plan year was 5.28%.

Since the actual return for the year was less than the assumed return, the SDCERA experienced an actuarial loss during the year ended June 30, 2004 with regard to its investments.

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

CHART 11
Investment Experience for Year Ended June 30, 2004 – Valuation Value and Actuarial Value of Assets

	Valuation Value	Actuarial Value
1. Actual return	\$ 235,037,000	\$ 272,339,000
2. Average value of assets	4,449,745,000	4,789,349,000
3. Actual rate of return: (1) ÷ (2)	5.28%	5.69%
4. Assumed rate of return	8.25%	8.25%
5. Expected return: (2) x (4)	365,548,000	395,121,000
6. Actuarial gain/(loss): (1) – (5)	<u>-\$130,511,000</u>	<u>-\$122,782,000</u>

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

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

Based upon the June 30, 2004 Review of Economic Assumptions, we have maintained the assumed rate of return at 8.25%

CHART 12

Investment Return – Actuarial Value, Valuation Value and Market Value: 2002 – 2004 (Dollar amount in thousands)

Year Ended June 30	Net Interest, Dividend and Other Income		Recognition of Capital Appreciation		Valuation Value Investment Return		Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
2002	\$79,758	2.03%	\$234,181	5.97%	\$173,066	4.68%	\$313,759	8.00%	-\$172,418	-4.58%
2003	50,447	1.11%	116,766	2.58%	128,191	3.05%	167,213	3.69%	142,954	3.68%
2004	66,132	1.38%	206,207	4.31%	235,037	5.28%	272,339	5.69%	929,064	22.57%

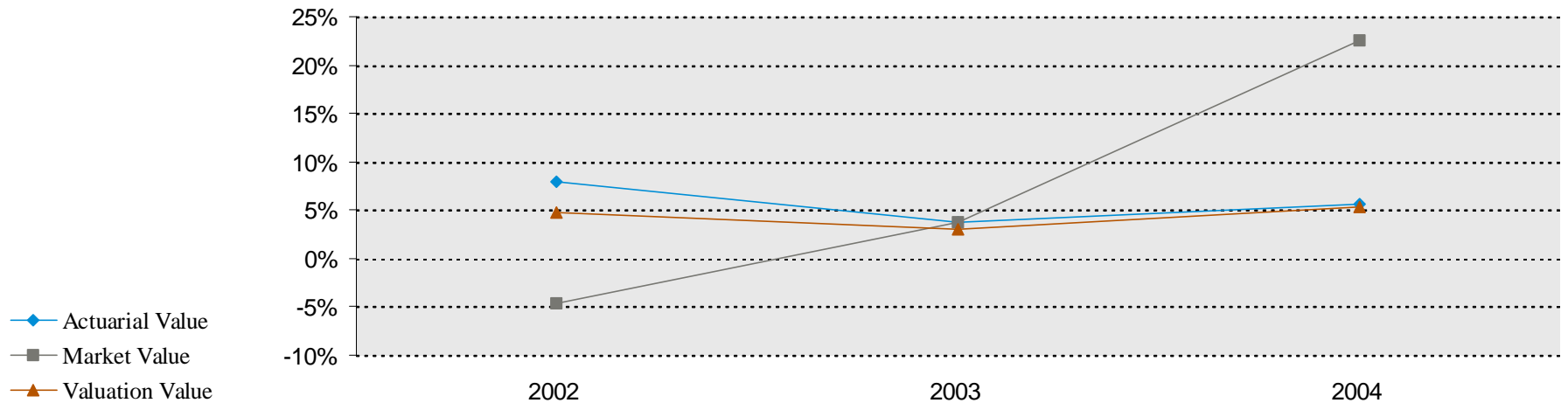
SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

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

This chart illustrates how this leveling effect has actually worked over the years 2002 - 2004.

CHART 13

Market, Actuarial and Valuation Rates of Return for Years Ended June 30, 2002 - 2004



SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

Other Experience

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

These include:

- the extent of turnover among the participants,
- retirement experience (earlier or later than expected),
- mortality (more or fewer deaths than expected),

- the number of disability retirements, and
- salary increases different than assumed.

The net loss from this other experience for the year ended June 30, 2004 amounted to \$43.0 million which is 0.7% of the actuarial accrued liability. See Exhibit H for a detailed development of the Unfunded Actuarial Accrued Liability.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

D. EMPLOYER AND MEMBER CONTRIBUTIONS

Employer contributions consist of two components:

Normal Cost

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

Contribution to the Unfunded

Actuarial Accrued Liability (UAAL)

The annual contribution rate that, if paid annually over the UAAL amortization period, would accumulate to the amount necessary to fully fund the UAAL. Accumulation includes annual crediting of interest at the assumed investment earning rate. The contribution (or rate credit in the case of a negative unfunded actuarial accrued liability) is calculated to remain as a level percentage of future active member payroll (including payroll for new members as they enter the Association) assuming a constant number of active members. In order to remain as a level percentage of payroll, amortization payments (credits) are scheduled to increase at the annual inflation rate of 4.00%. Effective with the June 30, 2004 actuarial valuation, the Association's UAAL will be amortized over 20-year fixed layered amortization periods.

The recommended employer contributions are provided on Charts 14a and 14b.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

Member Contributions

Articles 6 and 6.8 of the 1937 Act define the methodology to be used in the calculation of member basic contribution rates for General members and Safety members, respectively. The basic contribution rate is determined so that the accumulation of a member's basic contributions made in a given year until a certain age will be sufficient to fund an annuity at that age that is equal to 1/100 of Final Average Compensation for General and Safety members. That age is 60 for General Tier 1 members, 55 for General Tier A members and 50 for Safety members. It is assumed that contributions are made annually at the same rate, starting at entry age. In addition to their basic contributions, members pay one-half of the total normal cost necessary to fund their cost-of-living benefits. Accumulation includes semi-annual crediting of interest at half of the assumed investment earning rate. The member contribution rates are provided in Appendix A. Please note that the member rates provided in the report are the full rate before reflecting any employer pickup.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

CHART 14a

Recommended Employer Contribution Rates (Dollar Amounts in Thousands)

	June 30, 2004 Actuarial Valuation		June 30, 2003 Actuarial Valuation	
	Rate	Estimated Annual Amount*	Rate	Estimated Annual Amount*
General Members				
Normal Cost - Basic Only	9.38%	\$67,398	9.36%	\$67,255
Normal Cost - COLA Only	2.66%	\$19,113	2.65%	\$19,043
Normal Cost - Total**	12.04%	\$86,511	12.01%	\$86,298
UAAL (Basic and COLA)**	9.30%	\$66,823	13.58%	\$97,577
Total Contribution	21.34%	\$153,334	25.59%	\$183,875
Safety Members				
Normal Cost - Basic Only	13.76%	\$27,320	13.76%	\$27,320
Normal Cost - COLA Only	4.03%	\$8,002	4.02%	\$7,983
Normal Cost - Total**	17.79%	\$35,322	17.78%	\$35,303
UAAL (Basic and COLA)**	11.40%	\$22,635	17.21%	\$34,170
Total Contribution	29.19%	\$57,957	34.99%	\$69,473
All Categories Combined				
Normal Cost - Basic Only	10.33%	\$94,718	10.32%	\$94,575
Normal Cost - COLA Only	2.95%	\$27,115	2.95%	\$27,026
Normal Cost - Total**	13.28%	\$121,833	13.27%	\$121,601
UAAL (Basic and COLA)**	9.75%	\$89,458	14.37%	\$131,747
Total Contribution	23.03%	\$211,291	27.64%	\$253,348

* Amounts are in thousands and are based on June 30, 2004 projected annual payroll (Also in thousands):

General Tier 1	\$3,038
General Tier A	\$715,494
Subtotal	\$718,532
Safety	\$198,549
Total	\$917,081

** A breakdown of the employer's total Normal Cost and UAAL to fund for each type of benefit is provided in Chart 14b.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

CHART 14b

Breakdown of the Employer's Normal Cost and UAAL Contributions to Fund for Each Type of Benefit (% of Payroll)

Normal Cost	Elements of Normal Cost		
	General	Safety	Overall
Service Retirement*	6.56%	7.47%	6.76%
Vested Termination and Ordinary Withdrawal	3.08%	2.76%	3.01%
Non Service and Service Connected Disability	1.99%	6.62%	2.99%
Non Service and Service Connected Death	0.41%	0.94%	0.52%
Total Employer Normal Cost	12.04%	17.79%	13.28%
Total Employee Normal Cost*	9.45%	11.28%	9.85%
Employer Plus Employee Normal Cost	21.49%	29.07%	23.13%

* Assuming that employee normal cost is only used to fund service retirement benefit.

Unfunded Actuarial Accrued Liability**	Elements of UAAL**		
	General	Safety	Overall
Service Retirement	8.82%	9.96%	9.06%
Vested Termination and Ordinary Withdrawal	0.05%	0.10%	0.06%
Non Service and Service Connected Disability	0.31%	1.19%	0.50%
Non Service and Service Connected Death	0.12%	0.15%	0.13%
Total Employer Unfunded Actuarial Accrued Liability	9.30%	11.40%	9.75%

** Assuming that the liability for all inactive members are fully funded.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

The contribution rates as of June 30, 2004 are based on all of the data described in the previous sections, the actuarial assumptions described in Section 4, and the Plan provisions adopted at the time of preparation of the Actuarial Valuation. They include all changes affecting future costs, adopted benefit changes, actuarial gains and losses and changes in the actuarial assumptions.

Reconciliation of Recommended Contribution

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

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

CHART 15

Reconciliation of Recommended Contribution from June 30, 2003 to June 30, 2004 (Dollar Amounts in Thousands)

	<u>Aggregate</u>	<u>Estimated Annual Dollar Cost*</u>
Recommended Employer Contribution Rate as of June 30, 2003, Before Reflecting Any Employer Pickups	27.64%	\$253,348
Effect of investment loss ⁽¹⁾	1.36%	\$12,472
Effect of difference in actual versus expected total and individual salary increases	0.76%	\$7,002
Effect of proceeds from Pension Obligation Bonds	-4.69%	-\$43,011
Effect of one-year delay in implementation of contribution rates calculated in June 30, 2003 valuation	0.62%	\$5,658
Effect of change to 20-year amortization schedule	-2.77%	-\$25,403
Effect of net other changes ⁽²⁾	0.11%	\$1,225
Subtotal	-4.61%	-\$42,057
Recommended Employer Contribution Rate as of June 30, 2004, Before Reflecting Any Employer Pickups	23.03%	\$211,291

* Based on June 30, 2004 projected annual payroll of \$917,081.

(1) Return on valuation assets was 5.28% and less than the 8.25% assumed in the valuation.

(2) Other differences in actual versus expected actuarial experience.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

The member contribution rates as of June 30, 2003 are based on all of the data, were redetermined actuarial assumptions and Plan provisions adopted at that time. They include all changes affecting future costs, adopted benefit changes, actuarial gains and losses and changes in the actuarial assumptions as of that date. Because there are no changes in actuarial assumptions in this report, the individual member contributions are unchanged from June 30, 2003.

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

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

CHART 16
Reconciliation of Recommended Member Contribution from June 30, 2003 to June 30, 2004 (Dollar Amounts in Thousands)

	<u>Contribution</u> Rate	<u>Estimated Annual</u> Dollar Cost*
Recommended Contribution Rate as of June 30, 2003, Before Reflecting Any Employer Pickups	9.89%	\$90,699
Effect of changes in demographic profile of employee group	-0.04%	-\$367
Recommended Contribution Rate as of June 30, 2004, Before Reflecting Any Employer Pickups	9.85%	\$90,332

* Based on June 30, 2004 projected annual payroll of \$917,081.

SECTION 2: Valuation Results for the San Diego County Employees Retirement Association

E. INFORMATION REQUIRED BY THE GASB

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

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

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

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

These graphs show key GASB factors.

CHART 17
Required Versus Actual Contributions

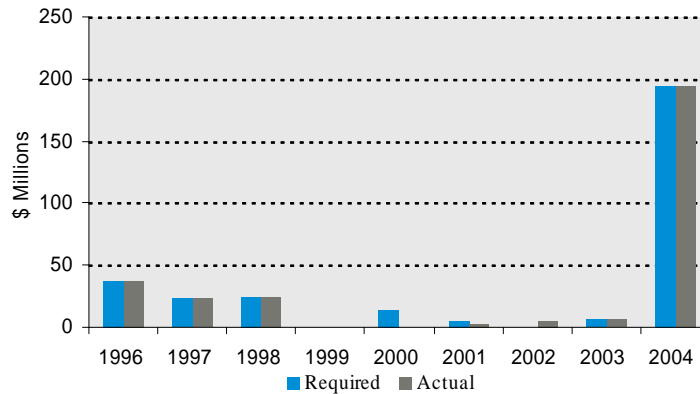
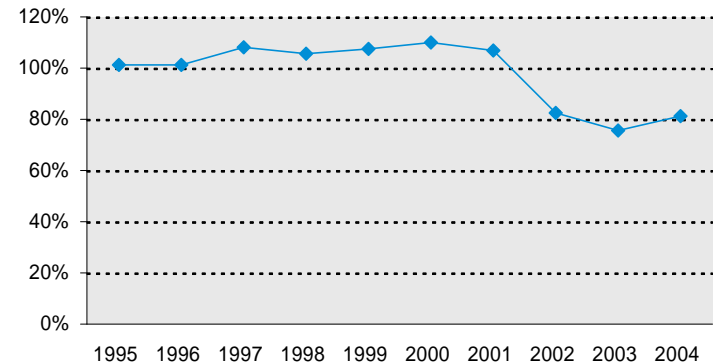


CHART 18
Funded Ratio



SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT A

Table of Plan Coverage

i. General

Category	Year Ended June 30		Change From Prior Year
	2004	2003	
Active members in valuation			
Number	14,446	15,057	-4.1%
Average age	45.4	44.9	N/A
Average service	10.0	9.5	N/A
Projected total compensation ⁽¹⁾	\$718,532,641	\$708,136,533	1.5%
Projected average compensation	\$49,739	\$47,030	5.8%
Account balances	\$150,812,470	\$133,024,057	13.4%
Total active vested members	8,991	8,908	0.9%
Vested terminated members	3,885	3,561	9.1%
Retired members			
Number in pay status	7,507	7,148	5.0%
Average age	70.5	70.7	N/A
Average monthly benefit ⁽²⁾	\$1,726	\$1,603	7.7%
Disabled members			
Number in pay status	873	855	2.1%
Average age	62.1	61.8	N/A
Average monthly benefit ⁽²⁾	\$1,329	\$1,268	4.8%
Beneficiaries			
Number in pay status	1,091	1,074	1.6%
Average age	75.2	74.9	N/A
Average monthly benefit ⁽²⁾	\$831	\$804	3.4%

(1) Compensation calculated by increasing annualized compensation rates as of valuation date by one-half year of inflation. An annual amount of \$42,000 was used for members without a salary.

(2) Excludes Star COLA.

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT A

Table of Plan Coverage

ii. Safety

Category	Year Ended June 30		Change From Prior Year
	2004	2003	
Active members in valuation			
Number	3,271	3,409	-4.0%
Average age	40.4	39.9	N/A
Average service	11.3	10.7	N/A
Projected total compensation ⁽¹⁾	\$198,549,001	\$198,003,165	0.3%
Projected average compensation	\$60,700	\$58,082	4.5%
Account balances	\$60,050,205	\$59,964,722	0.1%
Total active vested members	2,461	2,406	2.3%
Vested terminated members	395	349	13.2%
Retired members			
Number in pay status	726	634	14.5%
Average age	62.8	63.1	N/A
Average monthly benefit ⁽²⁾	\$4,150	\$3,970	4.5%
Disabled members			
Number in pay status	487	465	4.7%
Average age	55.4	54.7	N/A
Average monthly benefit ⁽²⁾	\$2,441	\$2,268	7.6%
Beneficiaries			
Number in pay status	86	77	11.7%
Average age	63.6	62.2	N/A
Average monthly benefit ⁽²⁾	\$1,851	\$1,818	1.8%

(1) Calculated by increasing annualized compensation rates as of valuation date by one-half year of inflation. An annual amount of \$50,000 was used for members without a salary.

(2) Excludes STAR COLA.

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT B

**Members in Active Service During Year Ended June 30, 2004
By Age, Years of Service and Average Projected Compensation ⁽¹⁾**

i. General Tier 1

Age	Total	Years of Service								
		0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & over
Under 25	1	1	--	--	--	--	--	--	--	--
	\$28,493	\$28,493	--	--	--	--	--	--	--	--
25 - 29	5	5	--	--	--	--	--	--	--	--
	44,314	44,314	--	--	--	--	--	--	--	--
30 - 34	10	8	2	--	--	--	--	--	--	--
	54,746	50,287	\$72,580	--	--	--	--	--	--	--
35 - 39	6	5	1	--	--	--	--	--	--	--
	52,386	55,102	38,804	--	--	--	--	--	--	--
40 - 44	6	4	1	1	--	--	--	--	--	--
	38,744	35,341	39,971	\$51,131	--	--	--	--	--	--
45 - 49	4	2	1	--	1	--	--	--	--	--
	36,921	34,073	38,804	--	\$40,735	--	--	--	--	--
50 - 54	18	15	3	--	--	--	--	--	--	--
	36,835	36,859	36,711	--	--	--	--	--	--	--
55 - 59	13	10	1	1	--	1	--	--	--	--
	31,504	29,457	43,493	29,490	--	\$42,000	--	--	--	--
60 - 64	9	5	2	1	1	--	--	--	--	--
	37,401	35,456	43,408	34,815	37,701	--	--	--	--	--
65 - 69	4	2	--	1	1	--	--	--	--	--
	44,755	40,512	--	50,834	47,163	--	--	--	--	--
70 & over	--	--	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--	--	--
Total	76	57	11	4	3	1	--	--	--	--
	\$39,976	\$39,353	\$45,744	\$41,567	\$41,866	\$42,000	--	--	--	--

(1) Includes 1 member without a compensation rate for June 2004. An annual amount of \$42,000 was used for this member.

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT B

**Members in Active Service During Year Ended June 30, 2004
By Age, Years of Service and Average Projected Compensation ⁽¹⁾**

ii. General Tier A

Age	Total	Years of Service									
		0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & over	
Under 25	272	272	--	--	--	--	--	--	--	--	--
	\$30,458	\$30,458	--	--	--	--	--	--	--	--	--
25 - 29	1,122	1,021	100	1	--	--	--	--	--	--	--
	39,750	39,280	\$44,056	\$49,073	--	--	--	--	--	--	--
30 - 34	1,426	982	364	78	2	--	--	--	--	--	--
	46,318	44,431	51,392	46,450	\$43,747	--	--	--	--	--	--
35 - 39	1,650	715	447	356	130	2	--	--	--	--	--
	49,764	44,881	55,049	53,233	48,949	\$49,454	--	--	--	--	--
40 - 44	2,189	696	441	546	410	90	6	--	--	--	--
	50,063	42,548	49,621	55,034	56,233	51,915	\$52,683	--	--	--	--
45 - 49	2,404	644	452	485	498	221	94	10	--	--	--
	52,424	42,661	49,819	54,306	60,637	61,839	55,616	\$60,506	--	--	--
50 - 54	2,401	526	402	476	431	242	243	80	1	--	--
	53,289	44,417	50,716	51,442	59,639	56,586	61,951	64,946	\$60,572	--	--
55 - 59	1,884	361	301	361	363	192	178	121	7	--	--
	53,200	43,869	49,818	51,954	55,956	55,967	63,306	65,922	48,400	--	--
60 - 64	779	150	142	208	151	64	49	14	1	--	--
	51,316	45,351	48,216	49,776	56,783	55,399	56,132	73,097	79,093	--	--
65 - 69	194	34	61	50	29	8	7	4	--	1	--
	44,957	41,183	47,041	42,287	47,803	51,629	39,392	50,563	--	\$60,275	--
70 & over	49	11	10	10	10	2	5	1	--	--	--
	44,331	33,278	44,335	54,954	42,440	46,102	47,689	58,217	--	--	--
Total	14,370	5,412	2,720	2,571	2,024	821	582	230	9	1	1
	\$49,803	\$42,307	\$50,611	\$52,613	\$57,364	\$57,159	\$60,363	\$65,483	\$53,163	\$60,275	\$60,275

(1) Includes 4 members without a compensation rate for June 2004. An annual amount of \$42,000 was used for these members.

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT B

**Members in Active Service During Year Ended June 30, 2004
By Age, Years of Service and Average Projected Compensation ⁽¹⁾**

iii. Safety

Age	Years of Service								
	Total	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & over
Under 25	61	61	--	--	--	--	--	--	--
	\$39,567	\$39,567	--	--	--	--	--	--	--
25 - 29	358	266	92	--	--	--	--	--	--
	45,719	43,618	\$51,793	--	--	--	--	--	--
30 - 34	630	214	332	81	3	--	--	--	--
	53,764	45,299	56,695	\$63,754	\$63,366	--	--	--	--
35 - 39	646	99	178	292	76	1	--	--	--
	60,220	45,168	58,189	64,099	69,722	\$57,220	--	--	--
40 - 44	575	75	91	171	186	50	2	--	--
	64,069	50,923	57,037	63,669	70,613	73,716	\$61,403	--	--
45 - 49	438	57	55	52	109	114	49	2	--
	68,202	49,512	57,055	65,473	69,040	76,209	84,079	\$87,316	--
50 - 54	332	19	47	45	58	80	71	12	--
	71,778	45,406	56,350	67,500	70,441	76,188	85,378	86,598	--
55 - 59	177	17	19	39	32	29	25	15	1
	71,953	68,951	62,261	67,978	65,904	75,649	80,268	89,173	\$82,481
60 - 64	46	2	7	7	11	6	4	9	--
	66,922	39,238	53,920	54,491	69,037	73,778	75,234	82,008	--
65 - 69	8	--	2	3	2	--	1	--	--
	79,805	--	121,907	67,240	67,845	--	57,220	--	--
Total	3,271	810	823	690	477	280	152	38	1
	\$60,700	\$45,601	\$56,776	\$64,413	\$69,681	\$75,580	\$83,351	\$86,565	\$82,481

(1) Includes 2 members without a compensation rate for June 2004. An annual amount of \$50,000 was used for these members.

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT C

Reconciliation of Member Data

	Active Members	Deferred Vested Members	Disabled Pensioners	Retired Members	Beneficiaries	Total
Number as of July 1, 2003	18,466	3,910	1,320	7,782	1,151	32,629
New members	590	122	N/A	N/A	103	815
Terminations – with vested rights	-500	500	0	0	0	0
Refunds	-257	N/A	N/A	N/A	N/A	-257
Retirements	-560	-149	N/A	709	N/A	0
New disabilities	-65	-6	71	N/A	N/A	0
Return to work	27	-24	0	-3	N/A	0
Deaths	-29	-10	-24	-236	-76	-375
Data adjustments	<u>45</u>	<u>-63</u>	<u>-7</u>	<u>-19</u>	<u>-1</u>	<u>-45</u>
Number as of June 30, 2004	17,717	4,280	1,360	8,233	1,177	32,767

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT D

Summary Statement of Income and Expenses on an Actuarial Value Basis

	Year Ended June 30, 2004	Year Ended June 30, 2003
Contribution income:		
Employer contributions	\$700,582,608	\$616,112,726
Employee contributions	<u>33,609,422</u>	<u>34,666,576</u>
Net contribution income	\$734,192,030	\$650,779,302
Investment income:		
Interest, dividends and other income	\$125,430,954	\$105,545,520
Adjustment toward market value	206,206,808	116,765,897
Less investment fees and administrative expenses	<u>-59,298,738</u>	<u>-55,098,288</u>
Net investment income	<u>272,339,024</u>	<u>167,213,129</u>
Total income available for benefits	\$1,006,531,054	\$817,992,431
Less benefit payments:		
Service retirement and disability benefits	-\$217,551,560	-\$189,779,897
Death benefits	-1,147,750	-1,307,322
Health benefits	-26,447,152	-19,963,751
STAR cost of living allowance	-11,282,242	-11,463,122
Member refunds	<u>-1,536,087</u>	<u>-1,451,436</u>
Net benefit payments	-\$257,964,791	-\$223,965,528
Change in assets held for future benefits	\$748,566,263	\$594,026,903

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT E

Summary Statement of Plan Assets

	Year Ended June 30, 2004	Year Ended June 30, 2003
Cash equivalents	\$68,949,544	\$87,952,309
Accounts receivable:		
Contributions	\$15,508,323	\$ 4,409,797
Accrued interest and dividends	19,038,555	14,826,962
Settlement of securities sold	<u>35,542,802</u>	<u>28,626,750</u>
Total accounts receivable	70,089,680	47,863,509
Investments:		
Domestic equity securities and cash	\$2,221,305,597	\$1,451,800,076
International equity securities and cash	1,188,889,164	975,909,709
Bonds and cash	1,508,150,921	1,176,215,264
Other investments	504,218,620	473,983,598
Securities lending collateral	<u>375,484,551</u>	<u>329,126,483</u>
Total investments at market value	<u>5,798,048,853</u>	<u>4,407,035,130</u>
Total assets	\$5,937,088,077	\$4,542,850,948
Less accounts payable:		
Securities lending & settlement of securities purchased	-\$419,236,996	-\$427,357,989
Professional service	-5,933,000	-7,994,703
Cash in transit	-390,524	-2,472,451
Others	<u>-2,888,575</u>	<u>-1,677,684</u>
Total accounts payable	-\$428,449,095	-\$439,502,827
Net assets at market value	<u>\$5,508,638,982</u>	<u>\$4,103,348,121</u>
Net assets at actuarial value	<u>\$5,524,801,474</u>	<u>\$4,776,235,211</u>
Net assets at valuation value	<u>\$5,166,759,473</u>	<u>\$4,417,766,210</u>

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT F

Actuarial Balance Sheet

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

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

Actuarial Balance Sheet (Dollar Amounts in Thousands)

Assets	<u>General</u>	<u>Safety</u>	<u>Total</u>
1 Total valuation assets	\$3,809,786	\$1,356,974	\$5,166,760
2 Present value of future contributions by members	\$504,524	\$178,998	\$683,522
3 Present value of future employer contributions for:			
a entry age normal cost	\$598,161	\$264,505	\$862,666
b unfunded actuarial accrued liability	\$898,323	\$304,408	\$1,202,731
4 Total current and future assets	\$5,810,794	\$2,104,885	\$7,915,679
Liabilities			
5 Present value of benefits for retirees and beneficiaries	\$2,147,819	\$742,757	\$2,890,576
6 Present value of benefits for terminated vested members	\$203,905	\$29,833	\$233,738
7 Present value of benefits to be granted	\$3,459,070	\$1,332,295	\$4,791,365
8 Total liabilities	\$5,810,794	\$2,104,885	\$7,915,679

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT G

Summary of Reported Reserve Information as of June 30, 2004

Reserves	
(Dollar Amounts in Thousands)	
Member contributions ⁽¹⁾	\$ 235,851
County contributions ⁽¹⁾	1,471,110
Retired member reserve ⁽¹⁾	2,883,450
Heath benefit reserve ⁽²⁾	246,102
Star Cost-of-Living reserve ⁽²⁾	56,854
Undistributed excess earnings ⁽²⁾	0
Contingency reserve ⁽²⁾	55,086
	<hr/>
Total reserves	\$4,948,453
Net unrealized earnings ⁽¹⁾	560,186
Net market value	\$5,508,639

⁽¹⁾ Included in development of valuation value of assets.

⁽²⁾ Not included in development of valuation value of assets.

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT H

Development of Unfunded Actuarial Accrued Liability for Year Ended June 30, 2004

		<u>(Dollar Amounts in Thousands)</u>
1	Unfunded Actuarial Accrued Liability as of June 30, 2003	\$1,435,359
2	Normal Cost	211,045
3	Total employer and member contributions (excluding Pension Obligation Bonds, see 6c)	-282,656
4	Interest	115,463
5	Expected Unfunded Actuarial Accrued Liability	\$1,479,211
6	Changes due to:	
	(a) Investment return	\$130,511
	(b) Higher than expected salary increase	33,680
	(c) Issuance of \$450 million in Pension Obligation Bonds	-450,000
	(d) Other experience	<u>9,329</u>
	(e) Total changes	<u>-276,480</u>
7	<u>Unfunded Actuarial Accrued Liability as of June 30, 2004</u>	<u>\$1,202,731</u>

Please note that included in Item 5 is a \$59,256 increase in UAAL due to the delay until June 30, 2004 in implementation of contribution rates calculated in the June 30, 2003 valuation.

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT I

Section 415 Limitations

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

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

In particular, Section 415(b) of the IRC limits the maximum annual benefit payable at the Normal Retirement Age to a dollar indexed for inflation. That limit is \$165,000 for 2004. Normal Retirement Age for these purposes is age 62. These are the limits in simplified terms. They must be adjusted based on each participant's circumstances, for such things as age at retirement, form of benefits chosen and after tax contributions.

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

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

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

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

EXHIBIT J

Definitions of Pension Terms

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

Assumptions or Actuarial

Assumptions:

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

- (a) Investment return — the rate of investment yield that the Plan will earn over the long-term future;
- (b) Mortality rates — the death rates of employees and pensioners; life expectancy is based on these rates;
- (c) Retirement rates — the rate or probability of retirement at a given age;
- (d) Turnover rates — the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement.

Normal Cost:

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

Actuarial Accrued Liability

For Actives:

The equivalent of the accumulated normal costs allocated to the years before the valuation date.

Actuarial Accrued Liability

For Pensioners:

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

Unfunded Actuarial Accrued

Liability:

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

SECTION 3: Supplemental Information for the San Diego County Employees Retirement Association

**Amortization of the Unfunded
(Overfunded) Actuarial
Accrued Liability:**

Payments made over a period of years equal in value to the Plan's unfunded or overfunded actuarial accrued liability.

Investment Return:

The rate of earnings of the Plan from its investments, including interest, dividends and capital gain and loss adjustments, computed as a percentage of the average value of the fund. For actuarial purposes, the investment return often reflects a smoothing of the market gains and losses to avoid significant swings in the value of assets from one year to the next.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

EXHIBIT I

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

Plan Year Ended June 30	Annual Required Contributions	Actual Contributions*	Percentage Contributed
1995	\$33,305	\$33,305	100.0%
1996	37,577	37,577	100.0%
1997	23,269	23,269	100.0%
1998	24,320	24,320	100.0%
1999	0	0	N/A
2000	14,341	0	0.0%
2001	4,927	2,035	41.3%
2002	0	5,338	100.0%
2003**	6,538	6,538	100.0%
2004	194,970	194,970	100.0%

* Excludes County pickup of member contributions and proceeds from Pension Obligation Bonds.

** As of June 30, 2002, there was a Net Pension Obligation(NPO) of \$7,686. That NPO was eliminated when the County issued Pension Obligation Bonds in October 2002.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

EXHIBIT II

Supplementary Information Required by the GASB – Schedule of Funding Progress

Actuarial Valuation Date	Valuation Value of Assets* (a)	Actuarial Accrued Liability (AAL)** (b)	Unfunded/ (Overfunded) AAL (UAAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b) - (a)] / (c)
06/30/1996	2,370,519,000	2,340,663,000	-29,856,000	101.28%	561,692,000	-5.32%
06/30/1997	2,688,098,000	2,487,917,000	-200,181,000	108.05%	581,453,000	-34.40%
06/30/1998	2,834,571,000	2,677,593,000	-156,978,000	105.86%	599,847,000	-26.17%
06/30/1999	3,211,872,000	2,990,111,000	-221,761,000	107.42%	642,780,000	-34.50%
06/30/2000	3,568,671,000	3,248,822,000	-319,849,000	109.85%	672,477,000	-47.56%
06/30/2001	3,745,600,000	3,506,828,000	-238,772,000	106.81%	731,130,000	-32.66%
06/30/2002	3,831,334,000	5,078,067,000	1,246,733,000	75.45%	810,389,000	153.80%
10/02/2002***	4,278,240,000	5,183,340,000	905,100,000	82.54%	818,704,000	110.55%
06/30/2003	4,417,766,000	5,853,125,000	1,435,359,000	75.48%	906,140,000	158.40%
06/30/2004***	5,166,759,000	6,369,490,000	1,202,731,000	81.12%	917,081,000	131.15%

* Excludes assets for STAR COLA.

** Excludes liabilities held for STAR COLA.

*** Reflects the issuance of Pension Obligation Bonds.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

EXHIBIT III

Supplementary Information Required by the GASB

Valuation date	June 30, 2004
Actuarial cost method	Entry Age Normal Actuarial Cost Method
Amortization method	Level percent of payroll for total unfunded liability
Remaining amortization period	20-year fixed (decreasing) layered amortization periods for all UAAL
Asset valuation method	The Actuarial Value of Assets is determined by phasing in actual return on market value of assets that is in excess/below expected return on valuation value of assets over a five-year period. The Actuarial Value of Assets is reduced by the value of the non-valuation reserves and designations.

Actuarial assumptions:

Investment rate of return	8.25%
Inflation rate	4.00%
Projected salary increases (5+ years of service)	5.00%*
Cost of living adjustments	3.00% of retirement income

Plan membership:

Retired members and beneficiaries receiving benefits	10,770
Terminated members entitled to, but not yet receiving benefits	4,280
Active members	<u>17,717</u>
Total	32,767

* Includes inflation at 4.00%, plus merit and longevity increases. See Exhibit IV for increases during the first 5 years of employment.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

**EXHIBIT IV
Actuarial Assumptions and Actuarial Cost Method**

Post-Retirement Mortality Rates:

Healthy Retirement: 1994 Group Annuity Mortality Table.

Disabled Retirement: For General - 1994 Group Annuity Mortality Table set forward seven years. For Safety – same as Healthy Retirement.

The following are sample rates (%).

Age	Healthy Life Mortality		Disabled Life Mortality	
	General and Safety*		General	
	Male	Female	Male	Female
30	0.08	0.04	0.09	0.06
35	0.09	0.05	0.13	0.08
40	0.11	0.07	0.19	0.11
45	0.16	0.10	0.32	0.17
50	0.26	0.14	0.56	0.29
55	0.44	0.23	1.01	0.58
60	0.80	0.44	1.80	1.08

* Includes Disabled Retirement

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Employee Contribution Rates:

General – 1994 Group Annuity Mortality Table for Females set forward two years.
Safety – 1994 Group Annuity Mortality Table for Males set back one year.

Termination Rates Before Retirement:

Mortality Rates:

1994 Group Annuity Mortality Table.

For General members, out of the total probability of mortality before retirement, 100% is assumed to be ordinary death and death while eligible for service retirement or disability retirement.

For Safety and Probation members, 100% is assumed to be service connected death.

The following are sample rates (%).

Healthy Life Mortality		
General and Safety		
Age	Male	Female
30	0.08	0.04
35	0.09	0.05
40	0.11	0.07
45	0.16	0.10
50	0.26	0.14
55	0.44	0.23
60	0.80	0.44

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Disability Rates:

Age	Rate (%)					
	Non Service Connected Disability			Service Connected Disability		
	General		Safety	General		Safety
	Male	Female		Males	Female	
20	0.01	0.00	0.00	0.01	0.00	0.01
25	0.01	0.00	0.02	0.01	0.01	0.04
30	0.01	0.01	0.05	0.02	0.07	0.20
35	0.03	0.06	0.08	0.04	0.11	0.48
40	0.08	0.16	0.12	0.11	0.13	0.72
45	0.13	0.22	0.15	0.19	0.16	0.92
50	0.20	0.25	0.17	0.30	0.20	1.36
55	0.29	0.28	0.18	0.43	0.26	1.84
60	0.33	0.36	0.19	0.38	0.29	2.00

SECTION 4: Report Information for the San Diego County Employees Retirement Association

Withdrawal Rates:

Rate (%)

Years of Service	Ordinary Withdrawals (< 5 Years of Service)		
	General-Male	General-Female	Safety
0	17.00	19.00	12.00
1	11.00	12.00	11.00
2	7.00	8.00	5.00
3	6.00	7.00	4.50
4	5.00	6.50	4.00

Age	Ordinary Withdrawal (5+ Years of Service) *		
	General-Male	General-Female	Safety
20	1.80	1.80	1.66
25	1.80	1.80	1.50
30	1.73	1.53	1.30
35	1.51	1.19	1.06
40	1.34	0.86	0.86
45	1.00	0.61	0.70
50	0.79	0.54	0.54
55	0.61	0.54	0.48
60	0.54	0.54	0.19

* No withdrawal is assumed after a member is eligible for retirement.

SECTION 4: Report Information for the San Diego County Employees Retirement Association

Age	Rate (%)		
	Vested Termination (5+ Years of Service) *		Safety
	General-Male	General-Female	
20	7.95	9.33	3.56
25	7.27	8.22	2.99
30	6.39	6.44	2.41
35	5.36	4.89	1.67
40	4.33	3.78	1.30
45	3.18	2.67	1.11
50	2.09	1.56	0.53
55	1.01	0.78	0.21
60	0.56	0.56	0.08

* No vested termination is assumed after a member is eligible for retirement.

SECTION 4: Report Information for the San Diego County Employees Retirement Association

Retirement Rates:

Age	Rate (%)	
	Retirement Probability	
	General	Safety
48	-	4.0
49	-	4.0
50	6.0	15.0
51	3.0	15.0
52	5.0	15.0
53	6.0	15.0
54	6.0	15.0
55	12.0	25.0
56	13.0	30.0
57	15.0	30.0
58	17.0	35.0
59	20.0	35.0
60	20.0	45.0
61	25.0	45.0
62	25.0	50.0
63	25.0	50.0
64	25.0	50.0
65	30.0	100.0
66	30.0	100.0
67	30.0	100.0
68	30.0	100.0
69	40.0	100.0
70	100.0	100.0

SECTION 4: Report Information for the San Diego County Employees Retirement Association

Retirement Age and Benefit for Deferred Vested Members:	<u>Reciprocal and Non-reciprocal Members</u> General: Age 58; Safety: Age 53. 35% of General and 40% of Safety (including Probation) deferred vested members are assumed to be reciprocal. For reciprocals, we assume 5.0% compensation increases per annum.
Future Benefit Accruals:	1.0 year of service per year.
Unknown Data for Members:	Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male.
Definition of Active Members:	First day of pay period following employment.
Exclusion of Deferred Vested Members:	All deferred vested members are included in the valuation.
Percent Married:	80% of male members; 65% of female members.
Age of Spouse:	Females (or male) spouses are 3 years younger (older) than their spouses
Net Investment Return:	8.25%

SECTION 4: Report Information for the San Diego County Employees Retirement Association

**Employee Contribution
Crediting Rate:**

½ of the net investment return credited semi-annually.

Consumer Price Index:

Increase of 4.0% per year; benefit increases due to CPI subject to 3.0% maximum.

Salary Scale:

Annual Rate of Compensation Increase

Inflation: 4.0% plus the following additional merit and longevity increases:

Years of Service	General	Safety
0	4.00%	7.00%
1	3.50	6.00
2	3.00	4.75
3	2.50	3.50
4	2.00	2.50
5+	1.00	1.00

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

SECTION 4: Report Information for the San Diego County Employees Retirement Association

Actuarial Value of Assets:	The Actuarial Value of Assets is determined by phasing in actual return on market value of assets that is in excess/below expected return on valuation value of assets over a five-year period.
Valuation Value of Assets	The actuarial value of assets reduced by the following reserves: (1) Health Benefit; (2) STAR COLA; (3) Undistributed Excess Earnings; and (4) Contingency Reserve.
Actuarial Cost Method:	Entry Age Normal Actuarial Cost Method. Entry Age is the age at the member's hire date. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by salaries, with Normal Cost determined as a level percentage of aggregate salary, as if the current benefit accrual rate had always been in effect. The total unfunded Actuarial Accrued is amortized over a 20-year fixed (decreasing) layered amortization period
Member COLA Contribution Rates:	Consistent with the Board's past practice, the member COLA contribution rates will be reviewed (and modified if necessary) at the next triennial experience study as of June 30, 2006.
Changes in Assumption and Methods:	With the exception of the adoption of 20-year fixed amortization period, there have been no other changes in actuarial assumptions and methods since the previous valuation.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

EXHIBIT V

Summary of Plan Provisions

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

Membership Eligibility:

	All permanent employees of the County of San Diego or contracting district, scheduled to work 20 or more hours weekly, are eligible to become a member of the Retirement Association subject to classification below:
<i>General Tier 1</i>	All General members hired before March 8, 2002 who made a specific and irrevocable election to opt out of Tier A. This also included those General Members in deferred status on March 8, 2002.
<i>General Tier A</i>	All General members hired or continuing employment on or after March 8, 2002 except as noted above.
<i>Safety</i>	All Safety members.

Final Compensation for Benefit Determination:

<i>General and Safety</i>	Highest consecutive 26 bi-weekly pay periods of compensation earnable (§31462.1) (FAC)
---------------------------	--

Service: Years of service. (Yrs)

Service Retirement Eligibility:

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

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Benefit Formula:

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

	Retirement Age	Benefit Formula
<i>General Tier A</i> (§31676.17)	50	$(2.00\% \times \text{FAC} - 1/3 \times 2.00\% \times \$350 \times 12) \times \text{Yrs}$
	55	$(2.50\% \times \text{FAC} - 1/3 \times 2.50\% \times \$350 \times 12) \times \text{Yrs}$
	60	$(3.00\% \times \text{FAC} - 1/3 \times 3.00\% \times \$350 \times 12) \times \text{Yrs}$
	62	$(3.00\% \times \text{FAC} - 1/3 \times 3.00\% \times \$350 \times 12) \times \text{Yrs}$
	65	$(3.00\% \times \text{FAC} - 1/3 \times 3.00\% \times \$350 \times 12) \times \text{Yrs}$

	Retirement Age	Benefit Formula
<i>Safety (Non-Integrated)</i> (§31664.1)	50	$(3.00\% \times \text{FAC} \times \text{Yrs})$
	55	$(3.00\% \times \text{FAC} \times \text{Yrs})$
	60	$(3.00\% \times \text{FAC} \times \text{Yrs})$

Maximum Benefit: 100% of Final Average Compensation (§31676.12, §31676.17, §31664.1)

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Non Service Connected Disability:

General Members

Eligibility

Five years of service (§31720).

Benefit Formula

1.8% of FAC per year of service. If the benefit does not exceed one-third of Final Compensation, the service is projected to 62, and the total benefit cannot be more than one-third of Final Compensation (§31727.1).

Safety Members

Eligibility

Five years of service (§31720).

Benefit Formula

1.8% of FAC per year of service. If the benefit does not exceed one-third of Final Compensation, the service is projected to 55, and the total benefit cannot be more than one-third of Final Compensation (§31727.2).

Service Connected Disability:

All Members

Eligibility

No age or service requirements (§31720).

Benefit Formula

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

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Pre-Retirement Death:

Non Service Connected (Not Vested) Before Eligible to Retire

Eligibility None.

Benefit Refund of employee contributions with interest plus one month's eligible compensation for each year of service to a maximum of six month's compensation (§31781).

OR

Non Service Connected (Vested)

Eligibility Five years of service.

Benefit 60% of the greater of Service or Non Service Connected Disability Retirement benefit payable to surviving eligible spouse or eligible children (§31765.1, §31781.1), in lieu of above. Additionally, the spouse may choose a combined benefit of:

- A lump sum payment of up to 6 month's compensation (see above), and
- A monthly (60%) benefit reduced by actuarial equivalent of the lump sum payment (31781.3).

Service Connected Death 50% of Final compensation or 100% of Service Retirement benefit, if greater, payable to spouse or minor children (§31787). In addition, safety members are entitled to benefits under sections 31787.5 and 31787.6.

Death After Retirement:

All Members

Service or Non Service Connected Disability Retirement

Unless another option was selected at retirement, 60% of member's unmodified allowance continued to eligible spouse (§31760.1) and \$3,500 lump sum benefit payable to member's beneficiary (§31789.3). An eligible spouse is a surviving spouse who was married to the member at least one year prior to the day of retirement (31760.1), or, at least two years prior to the date of death and has attained age 55 on or prior to the date of death (§31760.2).

Service Connected Disability Retirement

Unless another option was selected at retirement, 100% of member's unmodified allowance continued to eligible spouse (§31786).

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Withdrawal Benefits:

*Less than Five Years of SDCERA/
Reciprocal Service Credit*

Refund of accumulated employee contributions with interest or eligible for a retirement benefit at age 70 if actively working (§31628, 31629.5).

*Five or More Years of SDCERA/
Reciprocal Service Credit*

If accumulated employee contributions left on deposit, eligible for retirement benefits at any time after meeting eligibility criteria to retire (§31700).

**Post-retirement
Cost-of-Living Benefits:**

General and Safety

Future changes based on changes to the Consumer Price Index for the San Diego area to a maximum of 3% per year, excess “banked.” (§31870.1)

County Contributions:

Effective with the June 30, 2004 actuarial valuation, the amortization period for Unfunded Actuarial Accrued Liability has changed to a 20-year fixed (decreasing) layered amortization period.

Supplemental Benefit:

The Association provides a non-vested minimum 80% STAR COLA and health insurance allowance for eligible retirees. These programs do not provide funded benefits and are excluded from this valuation.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Member Contributions:

Please refer to Appendix A for the specific rates.

General Tier 1

Basic

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

Cost-of-Living

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

General Tier A

Basic

Provide for an average annuity at age 55 equal to 1/100 of FAC. (§31621.8)

Cost-of-Living

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

Safety

Basic

Provide for an average annuity at age 50 equal to 1/100 of FAC. (§31639.25)

Cost-of-Living

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

Other Information:

General and Safety members with 30 or more years of qualifying service credit are exempt from paying member contributions (31625.2 and 31625.3).

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

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix A

Member Contribution Rates

General Tier 1 Members' Contribution Rates from the June 30, 2004 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)

Calculated Under Recommended Assumptions

Entry Age	Basic		COLA		Total	
	First \$350	Over \$350	First \$350	Over \$350	First \$350	Over \$350
15	3.15%	4.72%	0.97%	1.46%	4.12%	6.18%
16	3.15%	4.72%	0.97%	1.46%	4.12%	6.18%
17	3.21%	4.81%	0.99%	1.48%	4.20%	6.29%
18	3.27%	4.90%	1.01%	1.51%	4.28%	6.41%
19	3.33%	4.99%	1.03%	1.54%	4.36%	6.53%
20	3.39%	5.08%	1.05%	1.57%	4.44%	6.65%
21	3.45%	5.18%	1.07%	1.60%	4.52%	6.78%
22	3.51%	5.27%	1.09%	1.63%	4.60%	6.90%
23	3.58%	5.37%	1.11%	1.66%	4.69%	7.03%
24	3.65%	5.47%	1.13%	1.69%	4.78%	7.16%
25	3.71%	5.57%	1.15%	1.72%	4.86%	7.29%
26	3.78%	5.67%	1.17%	1.75%	4.95%	7.42%
27	3.85%	5.77%	1.19%	1.78%	5.04%	7.55%
28	3.92%	5.88%	1.21%	1.82%	5.13%	7.70%
29	3.99%	5.98%	1.23%	1.85%	5.22%	7.83%
30	4.06%	6.09%	1.25%	1.88%	5.31%	7.97%
31	4.13%	6.20%	1.27%	1.91%	5.40%	8.11%
32	4.21%	6.31%	1.30%	1.95%	5.51%	8.26%
33	4.28%	6.42%	1.32%	1.98%	5.60%	8.40%
34	4.36%	6.54%	1.35%	2.02%	5.71%	8.56%
35	4.43%	6.65%	1.37%	2.05%	5.80%	8.70%
36	4.51%	6.77%	1.39%	2.09%	5.90%	8.86%
37	4.59%	6.89%	1.42%	2.13%	6.01%	9.02%
38	4.67%	7.01%	1.44%	2.16%	6.11%	9.17%

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

General Tier 1 Members' Contribution Rates from the June 30, 2004 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)

Calculated Under Recommended Assumptions

Entry Age	Basic		COLA		Total	
	First \$350	Over \$350	First \$350	Over \$350	First \$350	Over \$350
39	4.75%	7.13%	1.47%	2.20%	6.22%	9.33%
40	4.84%	7.26%	1.49%	2.24%	6.33%	9.50%
41	4.92%	7.38%	1.52%	2.28%	6.44%	9.66%
42	5.01%	7.51%	1.55%	2.32%	6.56%	9.83%
43	5.09%	7.64%	1.57%	2.36%	6.66%	10.00%
44	5.19%	7.78%	1.60%	2.40%	6.79%	10.18%
45	5.27%	7.91%	1.63%	2.44%	6.90%	10.35%
46	5.37%	8.05%	1.66%	2.49%	7.03%	10.54%
47	5.46%	8.19%	1.69%	2.53%	7.15%	10.72%
48	5.56%	8.34%	1.71%	2.57%	7.27%	10.91%
49	5.66%	8.49%	1.75%	2.62%	7.41%	11.11%
50	5.76%	8.64%	1.78%	2.67%	7.54%	11.31%
51	5.87%	8.80%	1.81%	2.72%	7.68%	11.52%
52	5.98%	8.97%	1.85%	2.77%	7.83%	11.74%
53	6.10%	9.15%	1.88%	2.82%	7.98%	11.97%
54	6.23%	9.35%	1.93%	2.89%	8.16%	12.24%
55	6.32%	9.48%	1.95%	2.93%	8.27%	12.41%
56	6.39%	9.58%	1.97%	2.96%	8.36%	12.54%
57	6.43%	9.65%	1.99%	2.98%	8.42%	12.63%
58	6.46%	9.69%	1.99%	2.99%	8.45%	12.68%
59 & Over	6.47%	9.70%	1.99%	2.99%	8.46%	12.69%

Interest: 8.25%
 Inflation: 4.00%
 COLA: 3.00%
 COLA Loading Factor: 30.87%
 Mortality: 1994 Group Annuity Mortality Table for females (with ages set forward two years)
 Salary Increase: 5 Year Select and Ultimate Salary Increase Assumptions (see Exhibit IV)
 Note: These rates are determined before any pickups by the employer.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

General Tier A Members' Contribution Rates from the June 30, 2004 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)

Calculated Under Recommended Assumptions

Entry Age	Basic		COLA		Total	
	First \$350	Over \$350	First \$350	Over \$350	First \$350	Over \$350
15	3.68%	5.52%	1.33%	2.00%	5.01%	7.52%
16	3.68%	5.52%	1.33%	2.00%	5.01%	7.52%
17	3.75%	5.63%	1.36%	2.04%	5.11%	7.67%
18	3.82%	5.73%	1.39%	2.08%	5.21%	7.81%
19	3.89%	5.83%	1.41%	2.12%	5.30%	7.95%
20	3.96%	5.94%	1.44%	2.16%	5.40%	8.10%
21	4.03%	6.05%	1.47%	2.20%	5.50%	8.25%
22	4.11%	6.16%	1.49%	2.24%	5.60%	8.40%
23	4.18%	6.27%	1.52%	2.28%	5.70%	8.55%
24	4.25%	6.38%	1.55%	2.32%	5.80%	8.70%
25	4.33%	6.50%	1.57%	2.36%	5.90%	8.86%
26	4.41%	6.61%	1.60%	2.40%	6.01%	9.01%
27	4.49%	6.73%	1.63%	2.44%	6.12%	9.17%
28	4.57%	6.85%	1.66%	2.49%	6.23%	9.34%
29	4.65%	6.97%	1.69%	2.53%	6.34%	9.50%
30	4.73%	7.10%	1.72%	2.58%	6.45%	9.68%
31	4.81%	7.22%	1.75%	2.62%	6.56%	9.84%
32	4.90%	7.35%	1.78%	2.67%	6.68%	10.02%
33	4.99%	7.48%	1.81%	2.71%	6.80%	10.19%
34	5.07%	7.61%	1.84%	2.76%	6.91%	10.37%
35	5.16%	7.74%	1.87%	2.81%	7.03%	10.55%
36	5.25%	7.88%	1.91%	2.86%	7.16%	10.74%
37	5.34%	8.01%	1.94%	2.91%	7.28%	10.92%
38	5.43%	8.15%	1.97%	2.96%	7.40%	11.11%
39	5.53%	8.30%	2.01%	3.01%	7.54%	11.31%
40	5.63%	8.44%	2.04%	3.06%	7.67%	11.50%
41	5.73%	8.59%	2.08%	3.12%	7.81%	11.71%
42	5.83%	8.74%	2.11%	3.17%	7.94%	11.91%

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

General Tier A Members' Contribution Rates from the June 30, 2004 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)

Calculated Under Recommended Assumptions

Entry Age	Basic		COLA		Total	
	First \$350	Over \$350	First \$350	Over \$350	First \$350	Over \$350
43	5.93%	8.90%	2.15%	3.23%	8.08%	12.13%
44	6.04%	9.06%	2.19%	3.29%	8.23%	12.35%
45	6.15%	9.22%	2.23%	3.35%	8.38%	12.57%
46	6.26%	9.39%	2.27%	3.41%	8.53%	12.80%
47	6.38%	9.57%	2.31%	3.47%	8.69%	13.04%
48	6.51%	9.76%	2.36%	3.54%	8.87%	13.30%
49	6.65%	9.97%	2.41%	3.62%	9.06%	13.59%
50	6.74%	10.11%	2.45%	3.67%	9.19%	13.78%
51	6.81%	10.22%	2.47%	3.71%	9.28%	13.93%
52	6.86%	10.29%	2.49%	3.73%	9.35%	14.02%
53	6.89%	10.34%	2.50%	3.75%	9.39%	14.09%
54 & Over	6.90%	10.35%	2.51%	3.76%	9.41%	14.11%
Interest:	8.25%					
Inflation:	4.00%					
COLA:	3.00%					
COLA Loading Factor:	36.29%					
Mortality:	1994 Group Annuity Mortality Table for females (with ages set forward two years)					
Salary Increase:	5 Year Select and Ultimate Salary Increase Assumptions (see Exhibit IV)					
Note:	These rates are determined before any pickups by the employer.					

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Safety Members' Contribution Rates from the June 30, 2004 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)

Calculated Under Recommended Assumptions

Entry Age	Basic	COLA	Total
15	6.89%	3.57%	10.46%
16	6.89%	3.57%	10.46%
17	6.89%	3.57%	10.46%
18	6.89%	3.57%	10.46%
19	6.89%	3.57%	10.46%
20	6.89%	3.57%	10.46%
21	6.89%	3.57%	10.46%
22	7.01%	3.63%	10.64%
23	7.14%	3.70%	10.84%
24	7.26%	3.76%	11.02%
25	7.39%	3.83%	11.22%
26	7.53%	3.90%	11.43%
27	7.66%	3.97%	11.63%
28	7.80%	4.04%	11.84%
29	7.94%	4.12%	12.06%
30	8.08%	4.19%	12.27%
31	8.22%	4.26%	12.48%
32	8.37%	4.34%	12.71%
33	8.52%	4.42%	12.94%
34	8.67%	4.49%	13.16%
35	8.83%	4.58%	13.41%
36	8.99%	4.66%	13.65%
37	9.16%	4.75%	13.91%
38	9.33%	4.84%	14.17%
39	9.51%	4.93%	14.44%
40	9.70%	5.03%	14.73%
41	9.90%	5.13%	15.03%
42	10.12%	5.25%	15.37%
43	10.35%	5.37%	15.72%

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Safety Members' Contribution Rates from the June 30, 2004 Actuarial Valuation (Expressed as a Percentage of Monthly Payroll)

Calculated Under Recommended Assumptions

Entry Age	Basic	COLA	Total
44	10.61%	5.50%	16.11%
45	10.77%	5.58%	16.35%
46	10.87%	5.64%	16.51%
47	10.89%	5.65%	16.54%
48	10.82%	5.61%	16.43%
49 & Over	10.68%	5.54%	16.22%

Interest:	8.25%
Inflation:	4.00%
COLA:	3.00%
COLA Loading Factor:	51.84%
Mortality:	1994 Group Annuity Mortality Table for Males (with ages set back one year)
Salary Increase:	5 Year Select and Ultimate Salary Increase Assumptions (see Exhibit IV)
Note:	These rates are determined before any pickups by the employer.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report

Schedule of Active Member Valuation Data*

Valuation Date	Employees	Total Payroll(\$)	% Change	Annual Average Pay(\$)	% Increase in Average Pay*
06/30/1995	16,500	550,737,347	--	33,378	--
06/30/1996	16,524	561,691,535	2.0	33,992	1.8
06/30/1997	16,635	581,453,449	3.5	34,954	2.8
06/30/1998	16,441	598,971,557	3.0	36,432	4.2
06/30/1999	16,579	642,780,304	7.3	38,771	6.4
06/30/2000	16,669	672,476,730	4.6	40,343	4.1
06/30/2001	17,346	731,130,021	8.7	42,150	4.5
06/30/2002	18,276	810,388,635	10.8	44,342	5.2
06/30/2003	18,466	906,139,698	11.8	49,071	10.7
06/30/2004	17,717	917,081,642	1.2	51,763	5.5

* Data through June 30, 2002 was from Association's June 30, 2003 CAFR.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report

Historical Summary of Average Payroll*

Valuation Date	Plan Type	Number	Annual Average Pay(\$)
06/30/1995	General	14,485	32,180
	Safety	2,015	41,990
	Total	16,500	33,378
06/30/1996	General	14,507	32,814
	Safety	2,017	42,469
	Total	16,524	33,992
06/30/1997	General	14,528	33,375
	Safety	2,107	44,476
	Total	16,635	34,954
06/30/1998	General	13,309	35,039
	Safety	3,132	43,144
	Total	16,441	36,432
06/30/1999	General	13,263	36,968
	Safety	3,316	45,981
	Total	16,579	38,771
06/30/2000	General	13,287	38,480
	Safety	3,382	47,660
	Total	16,669	40,343
06/30/2001	General	13,970	40,109
	Safety	3,376	50,593
	Total	17,346	42,150

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Historical Summary of Average Payroll (continued)

Valuation Date	Plan Type	Number	Annual Average Pay(\$)
06/30/2002	General	14,914	42,303
	Safety	3,362	53,384
	Total	18,276	44,342
06/30/2003	General	15,057	46,108
	Safety	3,409	56,943
	Total	18,466	49,071
06/30/2004	General	14,446	48,764
	Safety	3,271	59,510
	Total	17,717	51,763

* Data through June 30, 2002 was from Association's June 30, 2003 CAFR.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Retirees and Beneficiaries Added To and Removed From Retiree Payroll*

Plan Year	Added to Rolls		Removed from Rolls		Rolls at End of Year				
	Number	Annual Allowance** (in 000's)	Number	Annual Allowance (in 000's)	Number	Annual Allowance (in 000's)	% Increase in Retiree Allowance	Average Annual Allowance	Change in Average Benefit
1995	486		298		7,294	86,660,001	--%	11,881	--%
1996	434		229		7,499	93,627,577	8.0%	12,485	5.1%
1997	316		123		7,692	99,998,279	6.8%	13,000	4.1%
1998	447		184		7,955	107,752,376	7.8%	13,545	4.2%
1999	640		303		8,292	118,154,737	9.7%	14,249	5.2%
2000	543		132		8,703	131,163,025	11.0%	15,071	5.8%
2001	549	\$11,012,689	331	\$2,497,970	8,921	139,677,744	6.5%	15,657	3.9%
2002	1,028	38,298,383	292	2,208,194	9,657	175,767,933	25.8%	18,201	16.2%
2003	1,168	34,998,385	572	5,369,873	10,253	205,396,444	16.9%	20,033	10.1%
2004	900	32,384,224	383	5,714,843	10,770	232,065,825	13.0%	21,547	7.6%

* Data through June 30, 2000 was from Association's June 30, 2003 CAFR.

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

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Solvency Test*
(dollar amount in thousands)

Aggregate Accrued Liabilities for				Portion of Accrued Liabilities Covered by Reported Assets				
Valuation Date	Active Member Contributions**	Liability for Retired Members	Active Members (Employer Financed Portion)	Total	Valuation Value of Assets	Active Member Contributions	Liability for Retired Members	Active Members (Employer Financed Portion)
06/30/1995	195,588	983,481	974,537	2,153,606	2,172,890	100%	100%	100.0%
06/30/1996	190,164	1,023,047	1,127,452	2,340,663	2,370,519	100%	100%	100.0%
06/30/1997	193,072	1,093,600	1,201,245	2,487,917	2,688,098	100%	100%	100.0%
06/30/1998	198,968	1,193,667	1,284,958	2,677,593	2,834,571	100%	100%	100.0%
06/30/1999	201,234	1,313,729	1,345,249	2,860,212	3,211,872	100%	100%	100.0%
06/30/2000	202,531	1,463,827	1,582,464	3,248,822	3,568,671	100%	100%	100.0%
06/30/2001	214,146	1,549,361	1,743,321	3,506,828	3,745,600	100%	100%	100.0%
06/30/2002***	204,572	2,046,485	2,827,010	5,078,067	3,831,334	100%	100%	75.4%
06/30/2003	216,908	2,552,755	3,083,462	5,853,125	4,417,766	100%	100%	53.4%
06/30/2004	235,851	2,890,576	3,243,063	6,369,490	5,166,759	100%	100%	62.9%

* Data through June 30, 2002 was from the Association's June 30, 2003 CAFR.

** Beginning in 1998, vested deferred members are included in Active Member Contributions.

*** 2002 liabilities reflect enhanced benefits approved by the County Board of Supervisors in March 2002, experience losses, projected earlier retirement trends and increased transfers to reserves not included as valuation assets (\$117.2 million for health benefits and STAR COLA).

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Historic Summary of Assumptions Year Ended June 30*

Assumption	Year Ended					3 Year Average	5 Year Average
	06/30/2004	06/30/2003	06/30/2002	06/30/2001	06/30/2000		
Inflation ¹	3.70%	4.10%	2.90%	5.70%	4.70%	3.57%	4.22%
Assumed ³						4.00	4.00
Average Pay increase	5.5	8.5	5.2	4.5	4.1	6.40	5.56
Assumed ³						4.00	4.00
Merit & Longevity Pay Increase	0.6	2.4	2.3	(1.2)	(0.6)	1.77	0.70
Assumed						0.83	0.70
Total Payroll	1.2	9.6	10.8	8.7	4.6	7.20	6.98
Assumed ³						4.00	4.00
Investment Return Rate ²	5.7	3.7	5.8	10.5	16.3	5.07	8.40
Assumed ⁴						8.25	8.25
Real Rate of investment Return	2.0	(0.4)	2.9	4.8	11.6	1.50	4.18
Assumed ⁵						4.25	4.25
Admin. Expenses (% of Assets)	0.2	0.2	0.0	0.0	0.0	0.13	0.08
Assumed						0.13	0.08

1 Based on Consumer Price Index for San Diego, All Items, 1982-84=100, changed from June to June, different from the measure used to determine retiree COLA.

2 Based on actuarial value of assets, not market value or book value.

3 Effective with June 30, 1997 valuation, this assumption has been reduced from 4.5% to 4.0%.

4 Effective with June 30, 2003 valuation, this assumption has been increased from 0.5% to 1.0%.

5 Effective with June 30, 1997 valuation, this assumption has been increased from 8.0% to 8.25%.

* Data through June 30, 2002 was from the Association's June 30, 2003 CAFR.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

History of Employer Contribution Rates*

Year Ended	General Members			Probation Members**			Safety Members		
	Normal %	UAAL %	Total %	Normal %	UAAL %	Total %	Normal %	UAAL %	Total %
06/30/1995	3.89	(0.98)	2.91				11.57	(0.33)	11.24
06/30/1996	4.18	(0.70)	3.48				10.91	(3.07)	7.84
06/30/1997	5.70	(6.30)	(0.60)				12.21	(9.93)	2.28
06/30/1998	6.17	(4.58)	1.59	10.46	(4.58)	5.88	12.45	(8.50)	3.95
06/30/1999	5.81	(7.17)	(1.36)				11.72	(6.04)	5.68
06/30/2000	5.90	(9.72)	(3.82)				11.82	(8.86)	2.96
06/30/2001	5.96	(6.99)	(1.03)				11.90	(5.03)	6.87
06/30/2002 ***	10.77	18.21	28.98				19.61	23.36	42.97
06/30/2003	12.01	13.58	25.59				17.78	17.21	34.99
06/30/2004	12.04	9.30	21.34				17.79	11.40	29.19

* Contribution rates through June 30, 2002 were from Association's June 30, 2003 CAFR.

** Probation members changed to separate status in fiscal year 1998. Probation members are included with safety members beginning in 1999.

*** Increased contribution requirements reflect enhancement benefits approved by the County Board of Supervisors in March 2002, experience losses, expected projected earlier retirement trends and increased transfers to reserves not included as valuation assets (\$117.2 million for health benefits and STAR COLA).

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Benefit Expenses by Type (dollar amount in millions)*

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Service Retirement	\$69.9	\$74.5	\$79.2	\$83.8	\$91.9	\$102.9	\$109.0	\$141.4	\$167.7	\$191.1
Disability Retirement	12.2	13.1	14.1	15.5	17.6	18.8	20.3	22.5	25.7	28.2
Beneficiaries	4.5	6.0	6.7	6.9	8.7	9.6	10.4	11.9	12.1	12.8
Total	\$86.6	\$93.6	\$100.0	\$106.2	\$118.2	\$131.3	\$139.7	\$175.8	\$205.5	\$232.1

* Data through June 30, 2002 was from Association's June 30, 2003 CAFR.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Retiree Members by Type of Benefit

Summary of Monthly Allowances Being Paid for the Month of June 30, 2004

	Number	Monthly Allowance		Total
		Basic	Cost of Living	
GENERAL MEMBERS				
Service Retirement				
Unmodified	1,142	\$776,137	\$593,093	\$1,369,230
Option 1*	55	80,041	8,883	88,924
Option 2*	89	85,846	17,668	103,514
Option 3*	6	4,845	2,905	7,750
Option 4	25	90,475	9,322	99,797
Automatic Joint and 60% Survivor	4,835	6,211,811	1,900,490	8,112,301
Temporary Supplement**	1,355	2,797,460	331,660	3,129,121
Total	7,507	10,046,615	2,864,023	12,910,638
Disability				
Unmodified	208	142,557	97,514	240,070
Option 1	5	3,127	912	4,038
Option 2	6	1,662	409	2,072
Option 3	2	1,114	523	1,636
Option 4	0	0	0	0
Automatic Joint and 60% Survivor	235	199,837	59,741	259,578
Automatic Joint and 100% Survivor	417	501,832	150,942	652,774
Total	873	850,128	310,040	1,160,168
Beneficiaries	1,091	502,714	402,394	905,108
Total General	9,471	11,399,457	3,576,458	14,975,915

* Members who have chosen the Temporary Supplement option along with Option 2 or 3 are included under Temporary Supplement

** Members who have chosen the Temporary Supplement option and currently over age 62 are included under Temporary Supplement

Note: Results may not add due to rounding.

SECTION 4: Reporting Information for the San Diego County Employees Retirement Association

Appendix B

Supplemental Schedules Required to Complete the CAFR Report (Continued)

Schedule of Retiree Members by Type of Benefit (continued)

Summary of Monthly Allowances Being Paid for the Month of June 30, 2004

	Number	Monthly Allowance		Total
		Basic	Cost of Living	
SAFETY MEMBERS				
Service Retirement				
Unmodified	37	\$53,518	\$38,512	\$92,030
Option 1*	4	13,007	463	13,470
Option 2*	7	21,135	2,865	24,001
Option 3*	1	2,342	1,032	3,375
Option 4	7	26,531	2,458	28,989
Automatic Joint and 60% Survivor	549	1,905,626	380,752	2,286,377
Temporary Supplement**	121	521,551	45,399	566,950
Total	726	2,543,711	471,481	3,015,192
Disability				
Unmodified	65	81,927	50,837	132,764
Option 1	1	2,025	123	2,149
Option 2	1	2,078	284	2,363
Option 3	0	0	0	0
Option 4	4	11,765	1,778	13,543
Automatic Joint and 60% Survivor	41	90,917	15,913	106,830
Automatic Joint and 100% Survivor	375	713,860	217,041	930,901
Total	487	902,573	285,976	1,188,549
Beneficiaries	86	94,636	64,527	159,163
Total Safety	1,299	3,540,919	821,985	4,362,904
Total General and Safety	10,770	\$14,940,376	\$4,398,443	\$19,338,819

* Members who have chosen the Temporary Supplement option along with Option 2 or 3 are included under Temporary Supplement

** Members who have chosen the Temporary Supplement option and currently over age 62 are included under Temporary Supplement

Note: Results may not add due to rounding.

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Data Section (do not touch)

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

Data Section (do not touch)

OptCategory2
OptRow
InactNonText

Disableds
Optional
Inactive non-vested

Data Section (do not touch)

Florida	0	“#”
FundingMethod	2	“#”
AssetMethod	8	“#”
IntVal	0.0825	“#.00%”
IntActual	-0.0353	“#.00%”
IntActual1	0.0335	“#.00%”
MVIntActual	0.0406	“#.00%”
MVIntActual1	-0.0718	“#.00%”
DollarLimit	160,000	“#,###”
DollarLimit1	160,000	“#,###”
Valcycle	1	“#”
Fiscal	0	“#”
ActNumTot	7,717	“#,###”
ActNumTot1	7,704	“#,###”
ActNumUnknown	0	“#,###”
AveSalary	59,063	“#,###”
AveSalary1	55,525	“#,###”
ActAge	43.8	“#,###”
ActAge1	00.0	“#,###”
ActSvc	09.6	“#,###”
ActSvc1	09.3	“##.##”
Payroll	455,789,408	“#,###”
Payroll1	427,767,072	“#,###”
BenNum	477	“#,###”
BenNum1	450	“#,###”
BenBft	520,721	“#,###”
BenBft1	475,851	“#,###”
RDNum	3,380	“#,###”

Data Section (do not touch)

RNum1	3,232	"#,###"
SuspendedPens	0	"#,###"
SuspendedPens1	0	"#,###"
RDBft	6,474,989	"#,###"
RDBft1	5,746,231	"#,###"
InactNum	1,155	"#,###"
TotalCount	12,729	"#,###"
TotalCount1	12,304	"##.##"
AstMkt	1,966,910,460	"#,###"
AstAct	2,110,215,252	"#,###.##"
AstAct1	2,255,115,072	"#,###"
InvGL	-261,669,044	"#,###"
AstActAve	2,221,848,436	"#,###"
UpCorridor	1.2000	"#.00%"
LowCorridor	0.8000	"#.00%"
CalcUal	-46,866,680	"#,###"
OtherGL	-72,252,870	"#,###"
ExpGL	0	"#,###"
TotalGl	-333,921,914	"#,###"
AdminExp	0	"#"
ActAL	2,063,348,572	"#,###"
ActOPExpDol	0	"#,###"
AsmExpDolPer	0	"#,###"
AsmExpDolPer1	0	"#,###"
SchAmtYrs	10	"#,###"
FCRate	0.0653	"#.00%"
FCRate1	-0.0371	"#.00%"
RecCont	29,770,557	"#,###"
RecContDec	55,607,808	"#,###"

Data Section (do not touch)

RecContInc	3,933,305	"#,###"
RecContPct	0.0653	"#.00%"
RecContPctDec	0.1220	"#.00%"
RecContPctInc	0.0086	"#.00%"

	First
Chart1First	2001
Chart6First	2002
Chart8First	2001
Chart11First	2002
Chart12First	2002

	Last
Chart1Last	2003
Chart6Last	2003
Chart8Last	2003
Chart11Last	2003
Chart12Last	2003

	Num
Chart1Num	3
Chart6Num	2
Chart8Num	3
Chart11Num	2
Chart12Num	2

Results of last import: **Error! No document variable supplied.**
Type of import: **Error! No document variable supplied.**
Spreadsheet imported from: **Error! No document variable supplied.**
Date and time of import: **Error! No document variable supplied.**

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