

**Marin County
Employees' Retirement Association**

Actuarial Review and Analysis as of June 30, 2007

February 26, 2009

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Contents

Executive Summary	1
Introduction	4
Summary of Results (County of Marin)	5
Summary of Results (Novato Fire Protection District)	8
Summary of Results (City of San Rafael)	11
Other Issues	14
Actuarial Certification	18
Section 1: Summary of Plan Provisions and Actuarial Assumptions	19
1.1: Brief Outline of Plan Provisions	20
1.2: Actuarial Methods and Assumptions	33
1.3: Glossary of Actuarial Terms	42
Section 2: Asset Information	44
2.1: Balance Sheet as of June 30, 2007 and 2006	45
2.2: Computation of Actuarial Value of Assets	46
2.3: Income Statement (Total Fund) For the Year Ended June 30, 2007 and 2006	47
2.4: Summary of Reserves and Other Liabilities	48
2.5: Historical Returns	49
Section 3: Actuarial Computations	50
3.1: Present Value of Benefits by Agency	51
3.2: Accrued Liability by Agency	52
3.3: Asset Allocation by Agency	53
3.4: Comparison of Employer Contribution Rate by Agency	54

3.5: Normal Cost – Employee and Employer	55
3.6: Employer Cost – Base vs. COLA	56
3.7: Employer Cost – Normal Cost and Unfunded Amortization.....	57
3.8: Computation of Annual Contribution Rate (County of Marin).....	58
3.9: Computation of Annual Contribution Rate (Novato Fire Protection District)	59
3.10: Computation of Annual Contribution Rate (City of San Rafael)	60
3.11: Actuarial Balance Sheet.....	61
Section 4: Disclosure Information.....	62
4.1: Schedules of Funding Status and Employer Contributions Required Under GASB Statement No. 25.....	63
4.2: GASB Schedules - County of Marin.....	64
4.3: GASB Schedules – Novato Fire Protection District	65
4.4: GASB Schedules – City of San Rafael	66
Section 5: Summary of Member Statistics	68
5.1: Participant Data as of June 30, 2007: County of Marin.....	69
5.2: Participant Data as of June 30, 2007: Novato Fire Protection District.....	92
5.3: Participant Data as of June 30, 2007: City of San Rafael	104

Executive Summary

This report presents the results of an actuarial review and analysis of the Marin County Employees' Retirement Association (MCERA, the Plan) as of June 30, 2007. Employer contribution rates for the Fiscal Year beginning July 1, 2008 have been re-determined based on actual demographic and asset information as of June 30, 2007; these rates are compared to the rates that were previously recommended as part of a projection valuation based on member data as of June 30, 2006.

The employer contribution rates shown in this Report are as follows:

Valuation Date	County of Marin	Novato Fire Protection District	City of San Rafael
June 30, 2006			
As computed by GRS	19.74%	42.57%	43.82%
As recomputed by EFI	19.76%	41.44%	44.70%
June 30, 2007			
Projection Valuation (Based on 2006 GRS Rates, Adjusted for Asset Performance)	17.76%	38.16%	40.97%
This Report	17.30%	39.22%	41.18%

A summary of the current status of the MCERA Plan as a whole is as follows:

	June 30, 2006 (GRS)	June 30, 2007 (EFI)
Plan Membership		
Active	2,692	2,767
Inactive	700	751
Receiving Benefits	2,161	2,247
Total	5,555	5,765
Average Pay	\$ 66,172	\$ 70,263
Assets (\$ millions)		
Market Value	\$ 1,276.3	\$ 1,502.0
Valuation Assets	\$ 1,211.0	\$ 1,352.0
Valuation Results (\$ millions)		
Actuarial Accrued Liability	\$ 1,505.4	\$ 1,582.9
Unfunded Accrued Liability	\$ 294.6	\$ 231.0
Funding Ratio	80.4%	85.4%

More detailed information on the contributions by Agency and Tier, as well as a description of the reasons for the changes in cost by plan, is shown in each of the individual plan summaries, as well as in the detailed cost calculations shown later in the report.

The main points in this Report are as follows:

- The overall employer contribution rates determined as part of this actuarial valuation are very close to those proposed as part of the projection valuation completed last year: Actual experience was in line with our assumptions. Therefore, we do not propose any adjustment to the rates currently in place.
- There are some relatively large cost changes *within Agencies and Tiers*, in most cases due to small member populations and associated volatility in these valuation groups.
- There are several policy issues that the Board needs to address before the next actuarial valuation (as of June 30, 2008) is completed. These issues include the treatment of contingency reserves, the methodology for allocating assets among agencies, and amortization policy.
- In the absence of any unexpected changes, we anticipate that the level of cost determined for the June 30, 2008 valuation will be relatively stable, but costs are expected to increase substantially as of June 30, 2009 due to the recent extreme losses in the investment markets.

Purpose of the Report

This Report presents the results of an actuarial review and analysis of the Marin County Employees' Retirement Association as of June 30, 2007. The purposes of this Report are:

- To review the experience of the Plan over the past year and to discuss reasons for changes in Plan cost;
- To compute the annual contribution required to fund the Plan in accordance with actuarial principles, and compare it to the rates proposed as part of the *projection* valuation as of June 30, 2007;
- To discuss other issues associated with the determination of Plan and Agency costs; and
- To present those items required for disclosure under Statement No. 25 of the Governmental Accounting Standards Board (GASB).

Organization of the Report

This Report is organized in five sections:

- This Summary presents the conclusions of the Report and discusses the reasons for changes since the last valuation.
- Section 1 below contains an outline of the Plan provisions on which our calculations are based and a summary of the actuarial assumptions used to compute liabilities and costs. A glossary of actuarial terms is also included.
- Section 2 presents information concerning Plan assets, including balance sheets and income statements from July 1, 2006 to June 30, 2007. The actuarial value of Plan assets is also computed in this Section.
- Section 3 contains the calculation of actuarial liabilities and the employer contribution rate, as well as the actuarial balance sheet and development of gain and loss.
- Section 4 contains pension plan information required under Statement No. 25 of the Governmental Accounting Standards Board.
- Section 5 contains statistical data concerning Plan participants.

Introduction

Due to a change in the enterprise software systems of the County, the member data needed to perform a full actuarial valuation as of June 30, 2007 was unavailable in time to produce employer contribution rates for the fiscal year that began on July 1, 2008. As a result, a *projected actuarial valuation* was performed. This valuation computed Plan liabilities and costs based on Plan member information from the June 30, 2006 valuation, projected to June 30, 2007, and *actual* June 30, 2007 asset information.

As a result of the projection valuation, a set of employer contribution rates was determined for the fiscal year ending June 30, 2009 by adjusting the recommended rates for the fiscal year ending June 30, 2008 (as determined in the GRS June 30, 2006 actuarial valuation) for the impact of investment gains actually realized during the 2006-2007 Plan year. The recommended rates did *not* include the impact of changes resulting from the transition to a new actuary based on the change in actuarial systems, nor did they include changes resulting from the projection of the populations from 2006 to 2007.

While the projection valuation was being prepared, we proposed that an actuarial valuation as of June 30, 2007 should be produced once the member information as of June 30, 2007 was available. This Report presents the results of an actuarial valuation using the actual member data. Several reasons were identified for performing this valuation:

- First, and most importantly, the use of actual member information reveals any gains or losses that have occurred due to member behavior differing from that anticipated by the 2006 valuation assumptions.
- The actual valuation results are based solely upon EFI systems, rather than reflecting prior GRS calculations. Therefore the computed rates include the impact of systems changes, as well as any changes in methodologies that were thought to be appropriate and reasonable.
- Due to ongoing issues with the personnel systems, it is possible that there may be a delay in the completion in the valuation as of June 30, 2008. It is therefore desirable to be able to produce employer contribution rates that are based on actual member information reasonably close to this date, in order to avoid future drastic changes to employer contribution rates because of accumulated demographic gains and losses.
- Plan liabilities based on actual, rather than projected, member data will be more accurate estimates for financial statements.

The actuarial review and analysis in this Report is *not* expected to form the basis for new contribution rates to be effective for the fiscal year 2009. The results of this Report confirm that the rates recommended in projection valuation as of June 30, 2007 represented an appropriate and responsible evaluation of the actuarial cost of the Plan.

Summary of Results (County of Marin)

A summary of the current status of the County and Special Districts portion of the MCERA Plan is as follows:

	June 30, 2006 (GRS)	June 30, 2007 (EFI)
Plan Membership		
Active	2,224	2,280
Inactive	523	562
Receiving Benefits	1,723	1,762
Total	4,470	4,604
Average Pay	\$ 67,233	\$ 71,612
Assets (\$ millions)		
Market Value	\$ 957.8	\$ 1,126.1
Valuation Assets	\$ 908.8	\$ 1,013.5
Valuation Results (\$ millions)		
Actuarial Accrued Liability	\$ 1,090.3	\$ 1,141.7
Unfunded Accrued Liability	\$ 181.6	\$ 128.2
Funding Ratio	83.3%	88.8%
Employer Normal Cost Rate	10.81%	11.09%
Amortization of Unfunded Liability	8.97%	6.21%
Employer Contribution Rate	19.78%	17.30%

The rate of 17.30% shown for 2007 represents the actuarial cost determined using the actual demographic and asset information as of June 30, 2007. This can be compared to the recommended rate of 17.76%, which was determined under the *projection* valuation and was used to determine the contributions for FY 2009.

Change in Plan Cost from June 30, 2006 to June 30, 2007

The employer contribution rate determined based on actual demographic and asset information has dropped by 2.48% of active member payroll. The actuarial assumptions and benefit provisions of the Plan remained unchanged from the prior valuation. The narrative and table below summarize the impact of actuarial experience and other changes on Plan cost.

- Costs were unaffected by the change in actuary.

The systems and methodologies employed by EFI differ from those of the prior actuary. However, for the County and Special Districts plans, the impact of any changes made offset each other. As a

result, there was practically no net impact (about 0.1%) on the employer contribution rate computed as a percentage of payroll.

Employer Contribution Rate (% Payroll)	
June 30, 2006	19.78%
Change in Cost Due to:	
Change in Actuary / Software / Methods	0.10%
Demographic Experience during 2006-2007	(0.04%)
Salary Experience during 2006-2007	0.20%
New Entrants to the Plan	(0.76%)
Investment Experience during 2006-2007	(1.98%)
Total Change	(2.48%)
Total Cost as of June 30, 2007	17.30%

- Demographic experience caused a decrease in the contribution rate.

Demographic experience includes rates of retirement, disability, termination, and death - as well as other factors, such as transfers, sick leave credit and COL assumptions. The demographic experience of the Plan was in close accord with the actuarial assumptions, even a little better than expected. Consequently, the net effect of demographic changes was a small decrease in cost.

- Pay increases were higher than expected.

Increases in pay among active members during 2006-2007 were slightly above those anticipated by the actuarial assumptions. The impact of the higher than expected salary increases was an actuarial loss, increasing employer contribution rate by 0.20% of payroll.

- New members entered the Plan.

Active participation in the Plan increased by about 2.5% from June 30, 2006 to June 30, 2007. There were approximately 250 new hires (or rehires) entering the Plan to replace departing members.

In general, new hires have a lower Plan cost as a percentage of payroll than current members, but they increase the payroll on which contributions are based when they are hired. Therefore, due to the new hires, the employer contribution rate declined by 0.76% of payroll, but the addition of these new members will increase overall member payroll, thus increasing the Plan cost in dollar terms.

- Investment returns produced an actuarial gain.

The investment return on the actuarial value of all Plan assets – including reserves – was about 12.1% during 2007, as a result of gains during the current and prior valuation years. This return was above the 8.00% assumed return, producing an actuarial gain that decreased Plan costs by 1.98% of

active member payroll.

The above sources of actuarial gains and losses combined to decrease Plan cost by 2.48% of payroll, as noted above.

There are a number of factors that can be expected to impact costs in the future:

- The liabilities and contribution rates determined in this Report are based on a set of actuarial assumptions. Despite the care and effort expended in determining the most accurate possible set of assumptions, the future experience of the Plan will certainly differ from what we assume. As a result, actuarial gains or losses will occur annually, and the employer contribution rate will fluctuate.
- There are investment gains that are deferred by the actuarial smoothing method and not included in the actuarial value of assets used to determine the employer contribution rate. The ratio of the actuarial value of Plan assets to the market value is about 90%; that means that about 10% of Plan assets are available to offset future losses.

Investment losses experienced during 2007-2008 and 2008-2009 appear likely to reverse this position. The losses anticipated through June 30, 2008 will likely be largely offset by the deferred investment gains from the current and prior years, and thus the cost is unlikely to change significantly due to assets. However, the valuation as of June 30, 2009 is likely to show large investment losses (even recognizing the impact of smoothing), and will almost certainly result in a large increase in contribution rates.

- Based on the assumptions and cost method, Plan assets are currently below the target level of assets determined by the cost method; consequently, there is an unfunded actuarial accrued liability. As a result, the employer contribution consists of two components: The normal cost and the amortization of the unfunded actuarial accrued liability.

The employer normal cost of 11.09% of payroll represents the cost of the additional benefits earned each year by active Plan members. The balance of the employer contribution rate represents the amortization of the unfunded liability, which is a payment designed to bring the Plan's assets up to the target level set by the actuarial cost method.

As the unfunded actuarial accrued liability is amortized, the employer contribution rate will gradually decrease to a level near the normal cost of about 11.09% of payroll. A more detailed projection of future Plan costs and funding ratios will be provided in future studies.

Summary of Results (Novato Fire Protection District)

A summary of the current status of the Novato portion of the MCERA Plan is as follows:

	June 30, 2006 (GRS)	June 30, 2007 (EFI)
Plan Membership		
Active	88	85
Inactive	17	16
Receiving Benefits	79	83
Total	184	184
Average Pay	\$ 90,798	\$ 94,228
Assets (\$ millions)		
Market Value	\$ 97.4	\$ 114.1
Valuation Assets	\$ 92.4	\$ 102.7
Valuation Results (\$ millions)		
Actuarial Accrued Liability	\$ 109.1	\$ 116.0
Unfunded Accrued Liability	\$ 16.7	\$ 13.3
Funding Ratio	84.7%	88.5%
Employer Normal Cost Rate	24.78%	24.87%
Amortization of Unfunded Liability	17.79%	14.35%
Employer Contribution Rate	42.57%	39.22%

The rate shown for 2007 represents the actuarial cost determined using the actual demographic and asset information as of June 30, 2007. This can be compared to the recommended rate of 38.16%, which was determined under the *projection* valuation and was used to determine the contributions for FY 2009.

Change in Plan Cost from June 30, 2006 to June 30, 2007

The employer contribution rate determined based on actual demographic and asset information has dropped by 3.35% of active member payroll. The actuarial assumptions and benefit provisions of the Plan remained unchanged from the prior valuation. The table and narrative below summarize the impact of actuarial experience and other changes on Plan cost.

- Costs dropped slightly due to the change in Actuary.

The systems and methodologies employed by EFI differ from those of the prior actuary. For Novato, these changes resulted in a relatively small decrease of 1.05% in the employer contribution rate.

Employer Contribution Rate (% Payroll)	
June 30, 2006	42.57%
Change in Cost Due to:	
Change in Actuary / Software / Methods	(1.05%)
Demographic Experience during 2006-2007	2.19%
Salary Experience during 2006-2007	0.03%
New Entrants to the Plan	0.00%
Investment Experience during 2006-2007	(4.52%)
Total Change	(3.35%)
Total Cost as of June 30, 2007	39.22%

- Demographic experience caused an increase in the contribution rate.

Demographic experience includes rates of retirement, disability, termination, and death - as well as other factors, such as transfers, sick leave credit and COL assumptions. The relatively small size of the Novato group makes it more susceptible to year-to-year fluctuations from demographic experience: For example, a single early retirement can cause a noticeable increase in the employer contribution rate. In fact, the demographic experience of the Plan for the year ending June 30, 2007 was less positive than was assumed in the actuarial assumptions, causing an actuarial loss and an increase in cost of 2.19% of payroll.

- Pay increases were close to those expected.

Increases in pay among active members during 2006-2007 were in line with those anticipated by the actuarial assumptions. The impact of the higher than expected salary increases was practically negligible, increasing the employer contribution rate by only 0.03% of payroll.

- No new members entered the Plan.

Active participation in the Plan decreased from June 30, 2006 to June 30, 2007, as there were no new hires (or rehires) entering the Plan to replace departing members. Therefore new entrants had no impact on the cost from 2006 to 2007.

In general, new hires have a lower Plan cost as a percentage of payroll than current members, but they increase the payroll on which contributions are based when they are hired.

- Investment returns produced an actuarial gain.

The investment return on the actuarial value of all Plan assets – including reserves – was about 12.1% during 2007, as a result of gains during the current and prior valuation years. This return was

above the 8.00% assumed return, producing an actuarial gain that decreased Plan costs by 4.52% of active member payroll.

The above sources of actuarial gains and losses combined to decrease the Novato FPD employer contribution by 3.35% of payroll, as noted above.

The same factors expected to impact County and Special District costs are also expected to affect Novato's costs in the future:

- Future experience of the Plan will certainly differ from what we assume. As a result, actuarial gains or losses will occur annually, and the employer contribution rate will fluctuate. This is particularly true for Novato, as it has the smallest active population, and therefore is subject larger swings from changes in Plan membership.
- There are investment gains that are deferred by the actuarial smoothing method and not included in the actuarial value of assets used to determine the employer contribution rate. The ratio of the actuarial value of Plan assets to the market value is about 90%; that means that about 10% of Plan assets are available to offset future losses.

Investment losses experienced during 2007-2008 and 2008-2009 appear likely to reverse this position, and begin to cause significant cost increases for a number of years.

- Based on the assumptions and cost method, Plan assets are currently below the target level of assets determined by the cost method; consequently, there is an unfunded actuarial accrued liability. As a result, the employer contribution consists of two components: The normal cost and the amortization of the unfunded actuarial accrued liability.

The employer normal cost of 24.87% of payroll represents the cost of the additional benefits earned each year by active Plan members. The balance of the employer contribution rate represents the amortization of the unfunded liability, which is a payment designed to bring the Plan's assets up to the target level set by the actuarial cost method.

As the unfunded actuarial accrued liability is amortized, the employer contribution rate will gradually decrease to a level near the normal cost of about 24.87% of payroll.

Summary of Results (City of San Rafael)

A summary of the current status of the San Rafael portion of the MCERA Plan is as follows:

	June 30, 2006 (GRS)	June 30, 2007 (EFI)
Plan Membership		
Active	380	402
Inactive	160	173
Receiving Benefits	359	402
Total	899	977
Average Pay	\$ 75,279	\$ 77,463
Assets (\$ millions)		
Market Value	\$ 221.1	\$ 261.9
Valuation Assets	\$ 209.8	\$ 235.8
Valuation Results (\$ millions)		
Actuarial Accrued Liability	\$ 306.0	\$ 325.2
Unfunded Accrued Liability	\$ 96.3	\$ 89.5
Funding Ratio	68.5%	72.5%
Employer Normal Cost Rate	15.24%	16.01%
Amortization of Unfunded Liability	28.58%	25.17%
Employer Contribution Rate	43.82%	41.18%

The rate shown for 2007 represents the actuarial cost determined using the actual demographic and asset information as of June 30, 2007. This can be compared to the "Recommended" rate of 40.97%, which was determined under the *projection* valuation and was used to determine the contributions for FY 2009.

Change in Plan Cost from June 30, 2006 to June 30, 2007

The employer contribution rate determined based on actual demographic and asset information has dropped by 2.64% of active member payroll. The actuarial assumptions and benefit provisions of the Plan remained unchanged from the prior valuation. The narrative and table below summarize the impact of actuarial experience and other changes on Plan cost.

- Costs increased slightly due to the change in Actuary.

The systems and methodologies employed by EFI differ from those of the prior actuary. For San Rafael, these changes resulted in a relatively small increase of 0.88% in the employer contribution rate.

Employer Contribution Rate (% Payroll)	
June 30, 2006	43.82%
Change in Cost Due to:	
Change in Actuary / Software / Methods	0.88%
Demographic Experience during 2006-2007	2.54%
Salary Experience during 2006-2007	0.07%
New Entrants to the Plan	(3.42%)
Investment Experience during 2006-2007	(2.71%)
Total Change	(2.64%)
Total Cost as of June 30, 2007	41.18%

- Demographic experience caused an increase in the contribution rate.

Demographic experience includes rates of retirement, disability, termination, and death – as well as other factors, such as transfers, sick leave credit and COL assumptions. The demographic experience of the Plan was less positive than was assumed in the actuarial assumptions, producing actuarial losses and an increase in the employer contribution rate.

Significant demographic losses were also present in the prior year valuation. The assumptions used to predict the behavior of the San Rafael members will be closely studied as part of the experience study to be completed in conjunction with the next actuarial valuation.

- Pay increases were close to those expected.

Increases in pay among active members during 2006-2007 were slightly above those anticipated by the actuarial assumptions. The impact of the higher than expected salary increases was small, increasing the employer contribution rate by 0.07% of payroll.

- New members entered the Plan.

Active participation in the Plan increased by nearly 6% from June 30, 2006 to June 30, 2007. There were around 60 new hires (or rehires) entering the Plan to replace departing members.

New hires typically have a lower Plan cost as a percentage of payroll than current members, but they increase the payroll on which contributions are based when they are hired. Therefore, due to the new hires, the employer contribution rate declined by 3.42% of payroll, but the addition of these new members will increase overall member payroll, thus increasing the Plan cost in dollar terms.

- Investment returns produced an actuarial gain.

The investment return on the actuarial value of all Plan assets – including reserves – was about 12.1% during 2007, as a result of gains during the current and prior valuation years. This return was

above the 8.00% assumed return, producing an actuarial gain that decreased Plan costs by 2.71% of active member payroll.

The above sources of actuarial gains and losses combined to decrease the City of San Rafael employer contribution by 2.64% of payroll, as noted above.

The same factors expected to impact County and Special District costs are also expected to impact San Rafael's costs in the future:

- Future experience of the Plan will certainly differ from what we assume. As a result, actuarial gains or losses will occur annually, and the employer contribution rate will fluctuate.
- There are investment gains that are deferred by the actuarial smoothing method and not included in the actuarial value of assets used to determine the employer contribution rate. The ratio of the actuarial value of Plan assets to the market value is about 90%; that means that about 10% of Plan assets are available to offset future losses.

Investment losses experienced during 2007-2008 and 2008-2009 appear likely to reverse this position, and will begin to cause significant cost increases for a number of years.

- Based on the assumptions and cost method, Plan assets are currently below the target level of assets determined by the cost method; consequently, there is an unfunded actuarial accrued liability. As a result, the employer contribution consists of two components: The normal cost and the amortization of the unfunded actuarial accrued liability.

The employer normal cost of 16.01% of payroll represents the cost of the additional benefits earned each year by active Plan members. The balance of the employer contribution rate represents the amortization of the unfunded liability, which is a payment designed to bring the Plan's assets up to the target level set by the actuarial cost method.

As the unfunded actuarial accrued liability is amortized, the employer contribution rate will gradually decrease to a level near the normal cost of about 16.01% of payroll. However, this is a very long-term trend; there is currently a very substantial unfunded liability that will take many years to pay off before the cost will approach the normal cost. The unfunded liability is associated with prior actuarial losses (from various sources such as demographic experience, investments, etc.), as well as any improvements that have impacted benefits based on prior service.

Other Issues

The results presented in this Report will not form the immediate basis for any employer contribution rates: Those rates were already set under the *projection* valuation and were found to be reasonable. However, there are a number of policy decisions that the Board should address before the completion of the next actuarial valuation, which *will* form the basis for future employer contributions.

Contingency and Other Reserves

The assets held in trust for the pension plan are allocated into various reserve accounts. The assets held in most of these reserve accounts are available as an offset to the liabilities of the Plan, and are therefore included in the valuation assets and used to reduce the employer's required contribution to the Plan. However, some reserve accounts are designated for a specific use other than offsetting the basic pension liabilities. For example, the assets held in the Health Insurance Reserve are designated to be used only for post-retirement healthcare benefits, and are therefore not available to offset the pension liabilities of the Plan, and are designated as non-valuation assets.

One type of reserve account – the Contingency Reserve (or those based on Excess Earnings) – receives special attention under the '37 Act. The Act specifies that each system should hold some of these "excess" earnings to act as "*a reserve against deficiencies in interest earnings in other years, losses in investments, and other contingencies...*" The Act specifies that these funds (if available) should represent at least one percent of the total assets, and most Plans exclude these amounts from valuation assets.

MCERA's past practice has differed from this approach. Although there are designated Contingency Reserves for each of the valuation groups, these assets (currently at least 4% of total assets for each of the County, Novato and San Rafael groups) have been included in the valuation assets, and thus have been used to offset the unfunded liabilities of the plan and thereby reduce the cost to the employers.

The Board must decide whether it wishes to continue the policy of including the Contingency Reserve assets as part of the valuation assets, or to hold these assets as a non-valuation reserve. There are several important issues to consider before a decision is made:

- The issue will almost certainly be moot for June 30, 2009 actuarial valuation, and could be for the June 30, 2008 valuation as well. This is because the investment losses from these years - expected to be extremely heavy for FY '09, and present but not as large for FY '08 – will eliminate any remaining Contingency Reserve balance, actually causing it to become negative. However, a decision will be required regarding the policy in future years, when the return on assets will (hopefully) exceed the assumed return in some years, and the Contingency Reserve can be reconstituted.
- In the event that the contingency reserve is NOT zero or negative as of June 30, 2008, the Board could decide to exclude all or some of this reserve from the valuation assets. This will result in an

increase in the employer contribution rates. Based on the current valuation, the exclusion of 1% of the current assets would result in a 0.5 - 1.25% of pay cost increase, depending on the valuation group.

In addition to the above issues concerning the Contingency Reserve in particular, there is also an issue encompassing ALL the different reserves. The current reserve accounts (including the 4-5% "Contingency Reserves" for each group now being included in the valuation assets) are based on prior procedures and structures that have led the Actuary and Staff to question their accuracy and appropriateness. The amounts in each reserve account were established years ago, and are adjusted annually, but have not been reconciled with the actuarial valuation to account for Plan experience or changes in benefits and assumptions. In addition, the prior procedures used to split the employer contribution into its various components (basic benefits vs. COLA, etc.) were not set on an actuarial basis. As a result, the reserves may not represent an accurate estimate of the amount needed to pay for the intended benefits.

Staff has initiated discussion with EFI with the goal of performing a "true-up" study of the various accounting reserves to resolve these issues. As part of this study, EFI will assist in developing methodologies for determination of the appropriate starting balances, as well as the ongoing administration and adjustment of the reserve accounts. The results of this study may impact the Contingency Reserve issue, as the true-up of the reserve accounts could affect the level of the Contingency Reserve (if any) present as of June 30, 2008. However, reallocations among the other reserve accounts will not affect the valuation results, as they are all considered a single pool of assets for purposes of determining the employer contribution rates.

Asset Allocation

MCERA relies on a complex procedure to estimate the allocation between the various agencies. It has been noted in prior valuation reports that this process adds significant time to the valuation process, as well as increasing the administrative burdens for the MCERA staff.

The current methodology involves first fully funding all current retiree liabilities, then projecting hypothetical asset balances for each Tier and Special District based on the contribution rates in effect for each agency, and finally adjusting for actual returns. The methodology is acceptable from a theoretical standpoint. However, in practice the methodology creates a number of issues, in addition to the operational concerns identified above.

In the table below, notice how the *active liability* funding ratios across the various Tiers and Special Districts in the County plan have changed since the implementation of this methodology:

Active Funding Ratio		
	As of June 30, 2003	As of June 30, 2007
County Miscellaneous Tier 1	98.2%	81.8%
County Miscellaneous Tier 2	98.2%	73.5%
County Miscellaneous Tier 3	98.2%	71.1%
County Safety Tier 1 (A)	98.2%	97.0%
County Safety Tier 2 (A)	98.2%	67.3%
Courts Tier 1	65.3%	66.1%
Courts Tier 2	N / A	27.1%
Courts Tier 3	65.3%	76.4%
South Marin Fire Safety	65.3%	85.9%
Mosquito Abatement	65.3%	49.6%
LAFCO	65.3%	77.0%
Tamalpais CSD	65.3%	52.4%
Marin City CSD	65.3%	75.3%

At the time of the split between the various agencies, all groups had the same funding ratio (with the exception of the County Tiers, as they were the sole recipients of the proceeds from the Pension Obligation Bond issued at that time). The funding ratios have obviously changed and diverged over time. Some of these changes are natural and to be expected, due to factors such as differences in amortization policy, benefit changes, and differences in demographic experience. However, these changes can lead to extremely volatile contribution rates, especially for the smaller groups.

There is the potential for an additional practical issue under the current allocation policy: The poor asset returns expected for FY 2009 could reduce assets below the level necessary to fully fund the retiree liabilities. If this occurs, the current methodology will need to be replaced or supplemented, as this method lacks consideration for how to distribute responsibility for any unfunded retiree benefits, and the current retired member databases lack accurate agency assignments. This database issue should be corrected with the implementation of the new benefits administration system.

There are numerous approaches that could be considered as a replacement allocation method. We list a number of possibilities here; each has its own advantages and disadvantages. It should be kept in mind that any change to these allocation methods will not affect the total overall contribution rate for each plan, but only the distribution of these costs between the various agencies and Tiers.

- Full cash flow-based strategy: Under this approach, detailed accounting procedures would be implemented to track separately all cash flows associated with each agency. This approach would represent an accounting, rather than actuarial, solution to the problem. It would have the advantage of representing an exact solution to the allocation issue.

However, it is likely that this strategy will prove impossible to implement retroactively (due to the difficulties in identifying retiree agency information as noted above), therefore the issue of

establishing appropriate starting balances would still exist. In addition, maintaining the strategy going forward would also be difficult (due to the large number of agencies, transfer issues, etc.) and would do nothing to reduce the volatility of cost experienced by the smaller agencies.

- The current approach could be maintained, but a new set of initial asset balances could be computed. These new starting balances could be based on a similar approach to that used at the time of the disaggregation, using the active liability funding ratio for each agency, with an adjustment for the pension bond groups. In a few years, however, this approach would develop the same problems identified with the current approach.
- Another possibility would be to reduce the overall number of valuation groups by using a risk-pooling approach. Under this approach, the valuation groups are determined using a reasonable criterion – such as one rate group for each benefit formula. Each employer in the rate group would be charged the same contribution rate, with an adjustment surcharge if their members receive additional benefits or more favorable plan provisions.

For example, some members of a given rate pool might be eligible to receive a 2% maximum COLA, while others could receive a maximum of 4%. The employer of those eligible for the 4% COLA would pay an additional contribution for the higher benefit.

The advantages of this approach would be to simplify both the administration and actuarial analysis of the plan. Complicated asset and income statement accounting would be avoided. In addition, the smaller agencies would benefit from the reduced volatility that would accompany having their demographic experience pooled with that of the other agencies.

Of course, this could also represent a disadvantage to some employers, particularly if they expect their demographic experience to be better than that of other groups (for instance, having a relatively high number of non-vested terminations before retirement). However, this is likely to be a small and temporary benefit, and outweighed by the simplifications in accounting and analysis.

Amortization

The unfunded liability amortization period for several of the Special Districts has declined to 10 years, and will continue to decline each year in the absence of any Board policy changes. It is reasonable to consider changes to the amortization period for these groups; allowing the period to continually decline will result in increasing volatility in the employer contribution rates.

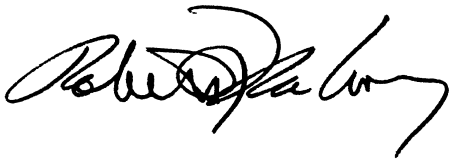
Moreover, the investment losses expected for FY 2009 will bring amortization and other funding policy issues to the forefront for ALL employers. Therefore, in addition to determining an updated amortization policy for these Special Districts, the trustees will also need to develop plan-wide strategies; which could include lengthening amortization periods, the development of special bases for one-time charges, etc.

EFI looks forward to assisting the Board in addressing these funding policy issues in the coming months, as we move from the "What happened?" questions that form the basis for the annual actuarial valuation, to the "What's next?" questions that will incorporate projections of the plan's future.

Actuarial Certification

We certify that the valuation was performed in accordance with generally accepted actuarial principles and practices. In particular, the assumptions and methods used for funding purposes meet the parameters of the Governmental Accounting Standards Board Statement No. 25.

Respectfully Submitted,



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Section 1:

Summary of Plan Provisions and Actuarial Assumptions

1.1: Brief Outline of Plan Provisions

Definitions

Compensation

Compensation means the cash remuneration for services paid by the employer. It includes base pay and certain differential, incentive, and special pay allowances defined by the Board of Retirement. Overtime is excluded, with the exception of overtime paid under the Fair Labor Standards Act that is regular and recurring.

Credited Service

In general, Credited Service is earned for the period during which Member Contributions are paid.

Temporary service for which the Member was not credited, or service for which the Member withdrew his or her Member Contributions, may be purchased by paying or repaying the Member Contributions with interest. The categories of services that credit may be purchased for are listed below:

- Leave Without Pay (Member's illness and education): Member may purchase only up to twelve months of service per incident.
- Re-deposits: Member may only purchase the amount of service previously withdrawn.
- Service Prior to Membership: Member must pay employee portion and applicable interest.
- Military Leave without Pay Leave: Member, who has taken a leave without pay in order to serve in the military, will be given a one-time option to buy the service time.
- Service In-Between: Member may purchase up to twelve months of service per incident.
- Public Service: Member must have been employed by the date as indicated below and cannot be receiving a benefit from the other entity:

April 16, 1979:

Novato Fire Protection District

May 1, 1979:

County of Marin

Marin County Courts

Marin City Community Service District

Tamalpais Community Service District

Southern Marin Fire Protection District

Marin/Sonoma Mosquito and Vector Control District

Local Agency Foundation Commission (LAFCO)

May 7, 1979:

City of San Rafael
San Rafael Redevelopment

In all cases of service buybacks, repayment terms for most payment plans may not exceed the length of the period of service being purchased, with a maximum of five years. Payment for public service purchases may also not exceed five years. In the event of an active Member's death, the beneficiary is given the opportunity to pay off any service purchase agreements at the time of death.

A percentage of credited sick leave may be credited according to the Member's applicable bargaining unit.

Final Compensation

For County employees hired after June 30, 1980 and Local 535, Final Compensation means the highest Compensation earned during any thirty six consecutive months of the Member's employment. For all others, it is the highest Compensation earned during any twelve months of employment.

Miscellaneous Member

Any Member who is not a Safety Member is a Miscellaneous Member.

Safety Member

Any sworn Member engaged in law enforcement, probation, or fire suppression is a Safety Member.

Membership

Eligibility

All full-time, permanent employees of City of San Rafael, Novato Fire Protection Districts, Marin County and other participating special districts become Members on their date of appointment.

Service Retirement

Eligibility

Miscellaneous County Members hired after July 1, 2008 are eligible to retire at age 55 if they have earned ten years of Credited Service. All other Miscellaneous Members are eligible to retire at age 50 if they have earned ten years of Credited Service. Alternatively, Miscellaneous Members are eligible to retire at any age after having earned 30 years of Credited Service, or upon reaching age 70 with no service requirement.

Safety Members are eligible to retire at age 50 if they have earned ten years of Credited Service. Alternatively, Safety Members are eligible to retire at any age after having earned 20 years of Credited Service, or upon reaching age 70 with no service requirement.

Benefit Amount

The Service Retirement Benefit payable to the Member is equal to the Member's Final Compensation multiplied by credited service, the benefit factor from Table 1 and the age factor from Table 2 corresponding to the Member's code section. The age factor multiplied by the benefit factor for each code section is also shown in Table 2. The appropriate code sections for each group are listed in Table 1.

The percentage of Final Compensation may not exceed 100%.

Table 1: Member Group Descriptions

Description	Class	Tier	Agency	FAP	COLA	Code Section	Normal Retirement Age	Benefit Factor
Special Districts Courts Tier 1	Miscellaneous	1	14	1	4	31676.14	55.50	2.0%
Special Districts Courts Tier 2	Miscellaneous	2	14	3	2	31676.1	61.00	2.0%
Special Districts Courts Tier 3	Miscellaneous	3	14	3	2	31676.16	55.00	2.0%
Special Districts LAFCO Tier 3	Miscellaneous	3	25	3	2	31676.16	55.00	2.0%
Special Districts LAFCO Tier 7	Miscellaneous	7	25	1	4	31676.11	58.50	2.0%
Special Districts Marin City CSD	Miscellaneous	7	40	1	4	31676.11	58.50	2.0%
Special Districts Mosquito Abatement	Miscellaneous	1	3	1	4	31676.14	55.50	2.0%
Special Districts Tamalpais CSD	Miscellaneous	7	6	1	4	31676.11	58.50	2.0%
Special Districts South Marin Fire Miscellaneous	Miscellaneous	6	8	1	4	31676.16	55.00	2.0%
Special Districts South Marin Fire Safety Date of Employment>7/1/05	Safety	1	8	1	4	31664.2	55.00	3.0%
Special Districts South Marin Fire Safety Date of Employment<7/1/05	Safety	6	8	1	4	31664.1	50.00	3.0%
County Miscellaneous Tier 1	Miscellaneous	1	10	1	4	31676.14	55.50	2.0%
County Miscellaneous Tier 2	Miscellaneous	2	10	3	2	31676.1	61.00	2.0%
County Miscellaneous Tier 3	Miscellaneous	3	10	3	2	31676.16	55.00	2.0%
County Safety Tier 1	Safety	1	10	1	4	31664.2	55.00	3.0%
County Safety Tier 1A	Safety	A	10	1	4	31664.1	50.00	3.0%
County Safety Tier 2	Safety	2	10	3	2	31664.2	55.00	3.0%
County Safety Tier 2B	Safety	B	10	3	2	31664.1	50.00	3.0%
Novato Miscellaneous	Miscellaneous	6	17	1	4	31676.16	55.00	2.0%
Novato Safety	Safety	6	17	1	4	31664.1	50.00	3.0%
San Rafael Miscellaneous Tier C	Miscellaneous	C	12	1	3	31676.19	55.00	2.7%
San Rafael Redevelopment	Miscellaneous	C	13	1	3	31676.19	55.00	2.7%
San Rafael Tier 5	Miscellaneous	5	12	1	3	31676.11	58.50	2.0%
San Rafael Fire	Safety	5	12	1	3	31664.2	55.00	3.0%
San Rafael Safety	Safety	D	12	1	3	31664.2	55.00	3.0%

Table 2: Age & Service Factors

Miscellaneous

Age	Misc 2% at Age 61 CERL §: 31676.1		Misc 2% at Age 58.5 CERL §: 31676.11		Misc 2% at Age 55.5 CERL §: 31676.14		Misc 2% at Age 55 CERL §: 31676.16		Misc 2.7% at Age 55 CERL §: 31676.19	
	Age Factor	Age x Benefit	Age Factor	Age x Benefit	Age Factor	Age x Benefit	Age Factor	Age x Benefit	Age Factor	Age x Benefit
50.00	0.7091	1.18%	0.7454	1.24%	0.8850	1.48%	0.7130	1.43%	1.0000	2.00%
51.00	0.7457	1.24%	0.7882	1.31%	0.9399	1.57%	0.7610	1.52%	1.0700	2.14%
52.00	0.7816	1.30%	0.8346	1.39%	1.0000	1.67%	0.8140	1.63%	1.1400	2.28%
53.00	0.8181	1.36%	0.8850	1.48%	1.0447	1.74%	0.8710	1.74%	1.2100	2.42%
54.00	0.8556	1.43%	0.9399	1.57%	1.1048	1.84%	0.9330	1.87%	1.2800	2.56%
55.00	0.8954	1.49%	1.0000	1.67%	1.1686	1.95%	1.0000	2.00%	1.3500	2.70%
56.00	0.9382	1.56%	1.0447	1.74%	1.2365	2.06%	1.0260	2.05%	1.3500	2.70%
57.00	0.9846	1.64%	1.1048	1.84%	1.3093	2.18%	1.0520	2.10%	1.3500	2.70%
58.00	1.0350	1.73%	1.1686	1.95%	1.3608	2.27%	1.0780	2.16%	1.3500	2.70%
59.00	1.0899	1.82%	1.2365	2.06%	1.4123	2.35%	1.1050	2.21%	1.3500	2.70%
60.00	1.1500	1.92%	1.3093	2.18%	1.4638	2.44%	1.1310	2.26%	1.3500	2.70%
61.00	1.1947	1.99%	1.3608	2.27%	1.5153	2.53%	1.1570	2.31%	1.3500	2.70%
62.00	1.2548	2.09%	1.4123	2.35%	1.5668	2.61%	1.1830	2.37%	1.3500	2.70%
63.00	1.3186	2.20%	1.4638	2.44%	1.5668	2.61%	1.2090	2.42%	1.3500	2.70%
64.00	1.3865	2.31%	1.5153	2.53%	1.5668	2.61%	1.2090	2.42%	1.3500	2.70%
65.00+	1.4593	2.43%	1.5668	2.61%	1.5668	2.61%	1.2090	2.42%	1.3500	2.70%

Safety

Age	Safety 2% at Age 50 CERL §: 31664		Safety 3% at Age 50 CERL §: 31664.1		Safety 3% at Age 55 CERL §: 31664.2	
	Age Factor	Age x Benefit	Age Factor	Age x Benefit	Age Factor	Age x Benefit
41.00	0.6258	1.25%	0.6258	1.88%	0.4777	1.43%
42.00	0.6625	1.33%	0.6625	1.99%	0.5058	1.52%
43.00	0.7004	1.40%	0.7004	2.10%	0.5347	1.60%
44.00	0.7397	1.48%	0.7397	2.22%	0.5647	1.69%
45.00	0.7805	1.56%	0.7805	2.34%	0.5958	1.79%
46.00	0.8226	1.65%	0.8226	2.47%	0.6280	1.88%
47.00	0.8678	1.74%	0.8678	2.60%	0.6625	1.99%
48.00	0.9085	1.82%	0.9085	2.73%	0.6936	2.08%
49.00	0.9522	1.90%	0.9522	2.86%	0.7269	2.18%
50.00	1.0000	2.00%	1.0000	3.00%	0.7634	2.29%
51.00	1.0516	2.10%	1.0000	3.00%	0.8028	2.41%
52.00	1.1078	2.22%	1.0000	3.00%	0.8457	2.54%
53.00	1.1692	2.34%	1.0000	3.00%	0.8926	2.68%
54.00	1.2366	2.47%	1.0000	3.00%	0.9418	2.83%
55.00+	1.3099	2.62%	1.0000	3.00%	1.0000	3.00%

Form of Benefit

The Service Retirement Benefit will be paid monthly beginning at retirement and for the life of the Member. If the member selects the unmodified benefit form, in the event of the Member's death 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms are also available.

Annually on April 1, benefits are increased to reflect increases in the CPI for the San Francisco Bay Area. Annual increases may not exceed the COLA figures shown in Table 1, but CPI increases above this figure are "banked" and used for future increases when the CPI increases by less than the figures shown.

In addition, ad hoc cost of living adjustments have been granted in the past and may be granted in the future.

A lump sum benefit of \$5,000 will be payable upon the death of a retired member.

Service-Connected Disability

Eligibility

Members are eligible for Service-Connected Disability Retirement benefits at any age if they are permanently disabled as a result of injuries or illness sustained in the line of duty.

Benefit Amount

The Service-Connected Disability Retirement Benefit payable to Members is equal to the greater of 50% of their Final Compensation or – if the Member is eligible at disability for a Service Retirement Benefit – the Service Retirement Benefit accrued on the date of disability.

Form of Benefit

The Service-Connected Disability Retirement Benefit will be paid monthly beginning at the effective date of disability retirement and for the life of the Member; in the event of the Member's death, 100% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms and COLA increases (as described for the Service Retirement benefit) are also available. A lump sum benefit of \$5,000 will be payable upon the death of the member.

Nonservice-Connected Disability

Eligibility

Members are eligible to for Nonservice-Connected Disability Retirement benefits if they are permanently disabled at any age after earning five years of Credited Service.

Benefit Amount

The Nonservice-Connected Disability Retirement Benefit payable to Miscellaneous Members is equal to the greatest of:

- 1.5% of Final Compensation at disability multiplied by years of Credited Service at disability;
- 1.5% of Final Compensation at disability multiplied by years of Credited Service projected to age 65, but not to exceed one-third of Final Compensation; or
- If the Member is eligible at disability for a Service Retirement Benefit, the Service Retirement Benefit accrued on the date of disability.

The Nonservice-Connected Disability Retirement Benefit payable to Safety Members is equal to the greatest of:

- 1.8% of Final Compensation at disability multiplied by years of Credited Service at disability;
- 1.8% of Final Compensation at disability multiplied by years of Credited Service projected to age 55, but not to exceed one-third of Final Compensation; or
- If the Member is eligible at disability for a Service Retirement Benefit, the Service Retirement Benefit accrued on the date of disability.

Form of Benefit

The Nonservice-Connected Disability Retirement Benefit will be paid monthly beginning at the effective date of disability retirement, and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms and COLA increases (as described for the Service Retirement benefit) are also available. A lump sum benefit of \$5,000 will be payable upon the death of the member.

Pre-Retirement Death

Eligibility

A Member's survivors are eligible to receive different Death benefits dependent on the Member's cause of death and retirement eligibility.

Benefit Amount

In the event the Member's death resulted from injury or illness sustained in connection with the Member's duties, the Death Benefit payable to a surviving spouse or domestic partner will be 50% of the Member's Final Compensation.

In the event the Member was eligible for Service Retirement or Non-Service Connected Disability, the Death Benefit payable to the survivor will be 60% of the survivor benefit based on benefit due on Member's date of death.

In all other cases, the eligible survivor will receive a refund of the Member's contributions with interest plus one month of Final Compensation for each year of service to a maximum of six years.

Form of Benefit

The Service-Connected Death Benefit will be paid monthly beginning at the Member's death and for the life of the surviving spouse or to the age of majority of dependent minor children if there is no spouse.

COLA increases (as described for the Service Retirement benefit) are also available.

Withdrawal Benefit

Eligibility

A Member is eligible for a Withdrawal Benefit upon termination of employment.

Benefit Amount

The Withdrawal Benefit is a refund of the Member's accumulated Contributions with interest. Upon receipt of the Withdrawal Benefit the Member forfeits all Credited Service. Alternatively, the Member can leave contributions on deposit and retire at age 70.

Form of Benefit

The Withdrawal Benefit is paid in a lump sum upon election by the Member.

Deferred Vested Benefit

Eligibility

A Member is eligible for a Deferred Vested Benefit upon termination of employment after earning five years of Credited Service, including reciprocity service from another system. The Member must leave his or her Member Contributions with interest on deposit with the Plan.

Benefit Amount

The Deferred Vested Benefit is computed in the same manner as the Service Retirement Benefit, but it is based on Credited Service and Final Compensation on the date of termination.

Form of Benefit

The Deferred Vested Benefit will be paid monthly beginning at retirement and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms and COLA increases (as described for the Service Retirement benefit) are also available. A lump sum benefit of \$5,000 will be payable upon the death of the member.

Reciprocal Benefit

Eligibility

A Member is eligible for a Reciprocal Benefit upon termination of employment and entry, within a specified period of time, into another retirement system recognized as a reciprocal system by the Plan. In addition, the Member must leave his or her Member Contributions with interest on deposit with the Plan.

Benefit Amount

The Reciprocal Benefit is computed in the same manner as the Service Retirement Benefit, but it is based on Credited Service on the date of termination and Final Compensation on the date of retirement; Final Compensation is based on the highest of the Compensation earned under this Plan or the reciprocal plan.

Form of Benefit

The Reciprocal Benefit will be paid monthly beginning at retirement and for the life of the Member; in the event of the Member's death, 60% of the benefit will continue for the life of the Member's spouse or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the Member's accumulated contributions will be paid to the Member's designated beneficiary.

Actuarially equivalent optional benefit forms and COLA increases (as described for the Service Retirement benefit) are also available.

A lump sum benefit may be payable upon the death of a retired Member by the last system the Member worked under.

Optional Benefit Forms

Prior to retirement, a member may elect to convert his retirement allowance into a benefit of equivalent actuarial value in accordance with one of the optional forms described below.

1. A reduced retirement allowance payable during his life with the provision that on his death the excess, if any, of his accumulated deductions at the time of retirement over the annuity payments made to him will be paid to his designated beneficiary or estate; or
2. A reduced retirement allowance payable during his life with the provision that after his death the reduced allowance will be continued for life to the beneficiary designated by him at the time of his retirement; or
3. A reduced retirement allowance payable during his life with the provision that after his death an allowance of one-half of his reduced allowance will be continued for life to the beneficiary designated by him at the time of his retirement.

Member Contributions

Each Member contributes a percentage of Compensation to the Plan through payroll deduction. The percentage contributed depends on the Member's age upon joining the Plan. Contribution rates are shown in the tables below. Members do not contribute after earning 30 years of Credited Service.

Interest is credited semiannually to each Member's accumulated contributions. The crediting rate is set by the Board; the current annual rate is 8.00% (annual) or 3.92% (semiannual).

Contribution Rates

Entry Age	San Rafael			County and Special Districts				
	Miscellaneous (31676.19)			Safety Tier 2				
	Basic	COL	Total	Basic	COL	COL Limited to 3.10%	Cost Sharing Under Enhanced Formula	Total
16	6.41%	2.32%	8.73%	6.38%	1.49%	1.49%	3.64%	11.51%
17	6.46%	2.33%	8.79%	6.50%	1.52%	1.52%	3.64%	11.66%
18	6.50%	2.35%	8.85%	6.62%	1.55%	1.55%	3.64%	11.81%
19	6.54%	2.36%	8.90%	6.74%	1.58%	1.58%	3.64%	11.96%
20	6.57%	2.37%	8.94%	6.86%	1.60%	1.60%	3.64%	12.10%
21	6.59%	2.38%	8.97%	6.98%	1.63%	1.63%	3.64%	12.25%
22	6.61%	2.39%	9.00%	7.10%	1.66%	1.66%	3.64%	12.40%
23	6.63%	2.39%	9.02%	7.23%	1.69%	1.69%	3.64%	12.56%
24	6.64%	2.40%	9.04%	7.36%	1.72%	1.72%	3.64%	12.72%
25	6.64%	2.40%	9.04%	7.49%	1.75%	1.75%	3.64%	12.88%
26	6.77%	2.44%	9.21%	7.62%	1.78%	1.78%	3.64%	13.04%
27	6.90%	2.49%	9.39%	7.75%	1.81%	1.81%	3.64%	13.20%
28	7.03%	2.54%	9.57%	7.88%	1.84%	1.84%	3.64%	13.36%
29	7.16%	2.59%	9.75%	8.02%	1.88%	1.88%	3.64%	13.54%
30	7.30%	2.64%	9.94%	8.16%	1.91%	1.91%	3.64%	13.71%
31	7.44%	2.69%	10.13%	8.30%	1.94%	1.94%	3.64%	13.88%
32	7.58%	2.74%	10.32%	8.44%	1.98%	1.98%	3.64%	14.06%
33	7.72%	2.79%	10.51%	8.59%	2.01%	2.01%	3.64%	14.24%
34	7.87%	2.84%	10.71%	8.74%	2.04%	2.04%	3.64%	14.42%
35	8.01%	2.89%	10.90%	8.89%	2.08%	2.08%	3.64%	14.61%
36	8.16%	2.95%	11.11%	9.04%	2.12%	2.12%	3.64%	14.80%
37	8.32%	3.00%	11.32%	9.19%	2.15%	2.15%	3.64%	14.98%
38	8.47%	3.06%	11.53%	9.35%	2.19%	2.19%	3.64%	15.18%
39	8.63%	3.12%	11.75%	9.52%	2.23%	2.23%	3.64%	15.39%
40	8.78%	3.17%	11.95%	9.68%	2.27%	2.27%	3.64%	15.59%
41	8.95%	3.23%	12.18%	9.85%	2.31%	2.31%	3.64%	15.80%
42	9.11%	3.29%	12.40%	10.03%	2.35%	2.35%	3.64%	16.02%
43	9.28%	3.35%	12.63%	10.21%	2.39%	2.39%	3.64%	16.24%
44	9.45%	3.41%	12.86%	10.40%	2.43%	2.43%	3.64%	16.47%
45	9.62%	3.47%	13.09%	10.58%	2.48%	2.48%	3.64%	16.70%
46	9.80%	3.54%	13.34%	10.74%	2.51%	2.51%	3.64%	16.89%
47	9.98%	3.61%	13.59%	10.75%	2.51%	2.51%	3.64%	16.90%
48	10.17%	3.67%	13.84%	11.31%	2.65%	2.65%	3.64%	17.60%
49	10.37%	3.74%	14.11%	12.29%	2.88%	2.88%	3.64%	18.81%
50	10.58%	3.82%	14.40%	12.29%	2.88%	2.88%	3.64%	18.81%
51	10.81%	3.90%	14.71%	12.29%	2.88%	2.88%	3.64%	18.81%
52	11.04%	3.99%	15.03%	12.29%	2.88%	2.88%	3.64%	18.81%
53	11.22%	4.05%	15.27%	12.29%	2.88%	2.88%	3.64%	18.81%
54+	11.36%	4.10%	15.46%	12.29%	2.88%	2.88%	3.64%	18.81%

County and Special Districts Tier 2 & 3						
Entry Age	Tier 2 & Tier3			Tier 2	Tier 3	
	Basic	COL	COL	Total	Cost Sharing Under Enhanced Formula	Total
			Limited to 1.58%			
16	4.59%	0.91%	0.91%	5.50%	1.14%	6.64%
17	4.63%	0.92%	0.92%	5.55%	1.14%	6.69%
18	4.68%	0.93%	0.93%	5.61%	1.14%	6.75%
19	4.72%	0.94%	0.94%	5.66%	1.14%	6.80%
20	4.76%	0.95%	0.95%	5.71%	1.14%	6.85%
21	4.79%	0.95%	0.95%	5.74%	1.14%	6.88%
22	4.83%	0.96%	0.96%	5.79%	1.14%	6.93%
23	4.86%	0.97%	0.97%	5.83%	1.14%	6.97%
24	4.88%	0.97%	0.97%	5.85%	1.14%	6.99%
25	4.91%	0.98%	0.98%	5.89%	1.14%	7.03%
26	4.93%	0.98%	0.98%	5.91%	1.14%	7.05%
27	4.94%	0.98%	0.98%	5.92%	1.14%	7.06%
28	4.95%	0.99%	0.99%	5.94%	1.14%	7.08%
29	4.96%	0.99%	0.99%	5.95%	1.14%	7.09%
30	4.96%	0.99%	0.99%	5.95%	1.14%	7.09%
31	5.06%	1.01%	1.01%	6.07%	1.14%	7.21%
32	5.15%	1.03%	1.03%	6.18%	1.14%	7.32%
33	5.25%	1.05%	1.05%	6.30%	1.14%	7.44%
34	5.35%	1.07%	1.07%	6.42%	1.14%	7.56%
35	5.45%	1.09%	1.09%	6.54%	1.14%	7.68%
36	5.56%	1.11%	1.11%	6.67%	1.14%	7.81%
37	5.66%	1.13%	1.13%	6.79%	1.14%	7.93%
38	5.77%	1.15%	1.15%	6.92%	1.14%	8.06%
39	5.88%	1.17%	1.17%	7.05%	1.14%	8.19%
40	5.99%	1.19%	1.19%	7.18%	1.14%	8.32%
41	6.10%	1.22%	1.22%	7.32%	1.14%	8.46%
42	6.21%	1.24%	1.24%	7.45%	1.14%	8.59%
43	6.33%	1.26%	1.26%	7.59%	1.14%	8.73%
44	6.44%	1.28%	1.28%	7.72%	1.14%	8.86%
45	6.56%	1.31%	1.31%	7.87%	1.14%	9.01%
46	6.68%	1.33%	1.33%	8.02%	1.14%	9.15%
47	6.81%	1.36%	1.36%	8.16%	1.14%	9.31%
48	6.93%	1.38%	1.38%	8.31%	1.14%	9.45%
49	7.06%	1.41%	1.41%	8.47%	1.14%	9.61%
50	7.19%	1.43%	1.43%	8.62%	1.14%	9.76%
51	7.32%	1.46%	1.46%	8.78%	1.14%	9.92%
52	7.46%	1.49%	1.49%	8.94%	1.14%	10.09%
53	7.60%	1.51%	1.51%	9.11%	1.14%	10.25%
54	7.73%	1.54%	1.54%	9.28%	1.14%	10.41%
55	7.85%	1.56%	1.56%	9.41%	1.14%	10.55%
56	7.96%	1.59%	1.58%	9.54%	1.14%	10.68%
57	8.08%	1.61%	1.58%	9.66%	1.14%	10.80%
58	8.47%	1.69%	1.58%	10.05%	1.14%	11.19%
59+	8.86%	1.77%	1.58%	10.44%	1.14%	11.58%

County Tier 1, San Rafael (31676.11), Novato, Special Districts							
Miscellaneous							
All		San Rafael		County, Special Districts, Novato	Special Districts, Novato	County	
Entry Age	Basic	COL	Total	COL	Total	COL Limited to 1.58%	Total
16	5.35%	1.93%	7.28%	2.63%	7.98%	1.58%	6.93%
17	5.38%	1.94%	7.32%	2.65%	8.03%	1.58%	6.96%
18	5.42%	1.96%	7.38%	2.67%	8.09%	1.58%	7.00%
19	5.45%	1.97%	7.42%	2.68%	8.13%	1.58%	7.03%
20	5.47%	1.98%	7.45%	2.69%	8.16%	1.58%	7.05%
21	5.49%	1.98%	7.47%	2.70%	8.19%	1.58%	7.07%
22	5.51%	1.99%	7.50%	2.71%	8.22%	1.58%	7.09%
23	5.52%	2.00%	7.52%	2.72%	8.24%	1.58%	7.10%
24	5.53%	2.00%	7.53%	2.72%	8.25%	1.58%	7.11%
25	5.53%	2.00%	7.53%	2.72%	8.25%	1.58%	7.11%
26	5.64%	2.04%	7.68%	2.77%	8.41%	1.58%	7.22%
27	5.75%	2.08%	7.83%	2.83%	8.58%	1.58%	7.33%
28	5.86%	2.12%	7.98%	2.88%	8.74%	1.58%	7.44%
29	5.97%	2.16%	8.13%	2.94%	8.91%	1.58%	7.55%
30	6.08%	2.20%	8.28%	2.99%	9.07%	1.58%	7.66%
31	6.20%	2.24%	8.44%	3.05%	9.25%	1.58%	7.78%
32	6.32%	2.28%	8.60%	3.11%	9.43%	1.58%	7.90%
33	6.44%	2.32%	8.76%	3.17%	9.61%	1.58%	8.02%
34	6.56%	2.37%	8.93%	3.23%	9.79%	1.58%	8.14%
35	6.68%	2.41%	9.09%	3.29%	9.97%	1.58%	8.26%
36	6.80%	2.46%	9.26%	3.35%	10.15%	1.58%	8.38%
37	6.93%	2.50%	9.43%	3.41%	10.34%	1.58%	8.51%
38	7.06%	2.55%	9.61%	3.47%	10.53%	1.58%	8.64%
39	7.19%	2.60%	9.79%	3.54%	10.73%	1.58%	8.77%
40	7.32%	2.64%	9.96%	3.60%	10.92%	1.58%	8.90%
41	7.45%	2.69%	10.14%	3.67%	11.12%	1.58%	9.03%
42	7.59%	2.74%	10.33%	3.74%	11.33%	1.58%	9.17%
43	7.73%	2.79%	10.52%	3.80%	11.53%	1.58%	9.31%
44	7.87%	2.84%	10.71%	3.87%	11.74%	1.58%	9.45%
45	8.02%	2.90%	10.92%	3.95%	11.97%	1.58%	9.60%
46	8.17%	2.95%	11.12%	4.02%	12.19%	1.58%	9.75%
47	8.32%	3.00%	11.32%	4.09%	12.41%	1.58%	9.90%
48	8.48%	3.06%	11.54%	4.17%	12.65%	1.58%	10.06%
49	8.64%	3.12%	11.76%	4.25%	12.89%	1.58%	10.22%
50	8.81%	3.18%	11.99%	4.34%	13.15%	1.58%	10.39%
51	9.01%	3.25%	12.26%	4.43%	13.44%	1.58%	10.59%
52	9.20%	3.32%	12.52%	4.53%	13.73%	1.58%	10.78%
53	9.35%	3.38%	12.73%	4.60%	13.95%	1.58%	10.93%
54+	9.46%	3.42%	12.88%	4.66%	14.12%	1.58%	11.04%

County Tier 1, San Rafael (31676.11), Novato, Special Districts								
Safety								
All		San Rafael		County, Special Districts, Novato	Special Districts, Novato	County		
Entry Age	Basic	COL	Total	COL	Total	COL Limited to 3.10%	Cost Sharing Under Enhanced Formula	Total
16	6.68%	2.57%	9.25%	3.52%	10.20%	3.10%	3.64%	13.42%
17	6.80%	2.62%	9.42%	3.59%	10.39%	3.10%	3.64%	13.54%
18	6.93%	2.67%	9.60%	3.65%	10.58%	3.10%	3.64%	13.67%
19	7.05%	2.71%	9.76%	3.72%	10.77%	3.10%	3.64%	13.79%
20	7.18%	2.76%	9.94%	3.78%	10.96%	3.10%	3.64%	13.92%
21	7.30%	2.81%	10.11%	3.85%	11.15%	3.10%	3.64%	14.04%
22	7.43%	2.86%	10.29%	3.92%	11.35%	3.10%	3.64%	14.17%
23	7.57%	2.91%	10.48%	3.99%	11.56%	3.10%	3.64%	14.31%
24	7.70%	2.96%	10.66%	4.06%	11.76%	3.10%	3.64%	14.44%
25	7.84%	3.02%	10.86%	4.13%	11.97%	3.10%	3.64%	14.58%
26	7.97%	3.07%	11.04%	4.20%	12.17%	3.10%	3.64%	14.71%
27	8.11%	3.12%	11.23%	4.28%	12.39%	3.10%	3.64%	14.85%
28	8.25%	3.18%	11.43%	4.35%	12.60%	3.10%	3.64%	14.99%
29	8.40%	3.23%	11.63%	4.43%	12.83%	3.10%	3.64%	15.14%
30	8.54%	3.29%	11.83%	4.50%	13.04%	3.10%	3.64%	15.28%
31	8.69%	3.35%	12.04%	4.58%	13.27%	3.10%	3.64%	15.43%
32	8.84%	3.40%	12.24%	4.66%	13.50%	3.10%	3.64%	15.58%
33	8.99%	3.46%	12.45%	4.74%	13.73%	3.10%	3.64%	15.73%
34	9.15%	3.52%	12.67%	4.82%	13.97%	3.10%	3.64%	15.89%
35	9.30%	3.58%	12.88%	4.91%	14.21%	3.10%	3.64%	16.04%
36	9.46%	3.64%	13.10%	4.99%	14.45%	3.10%	3.64%	16.20%
37	9.63%	3.71%	13.34%	5.08%	14.71%	3.10%	3.64%	16.37%
38	9.79%	3.77%	13.56%	5.16%	14.95%	3.10%	3.64%	16.53%
39	9.96%	3.84%	13.80%	5.25%	15.21%	3.10%	3.64%	16.70%
40	10.13%	3.90%	14.03%	5.34%	15.47%	3.10%	3.64%	16.87%
41	10.31%	3.97%	14.28%	5.44%	15.75%	3.10%	3.64%	17.05%
42	10.50%	4.04%	14.54%	5.54%	16.04%	3.10%	3.64%	17.24%
43	10.69%	4.12%	14.81%	5.64%	16.33%	3.10%	3.64%	17.43%
44	10.90%	4.20%	15.10%	5.75%	16.65%	3.10%	3.64%	17.64%
45	11.12%	4.28%	15.40%	5.86%	16.98%	3.10%	3.64%	17.86%
46	11.37%	4.38%	15.75%	6.00%	17.37%	3.10%	3.64%	18.11%
47	11.64%	4.48%	16.12%	6.14%	17.78%	3.10%	3.64%	18.38%
48	11.96%	4.60%	16.56%	6.31%	18.27%	3.10%	3.64%	18.70%
49+	12.29%	4.73%	17.02%	6.48%	18.77%	3.10%	3.64%	19.03%

1.2: Actuarial Methods and Assumptions

Actuarial Method

Annual contributions to the Marin County Employees' Retirement Association (the Plan) are computed under the Entry Age Normal Actuarial Cost Method.

Under this Cost Method, the Normal Cost is calculated as the amount necessary to fund Members' benefits as a level percentage of total payroll over their projected working lives. At each valuation date, the Actuarial Accrued Liability is equal to the difference between the liability for the Members' total projected benefit and the present value of future Normal Cost contributions.

The excess of the Actuarial Accrued Liability over Plan assets is the Unfunded Actuarial Accrued Liability, and the liability for each valuation group is amortized as a level percentage of payroll according to the amortization schedule for that entity.

Group	Amortization Period	Period Type
Marin County	19 years	Closed
Marin Courts	19 years	Closed
Southern Marin Fire (Miscellaneous and Safety)	19 years	Closed
LAFCO	19 years	Closed
Marin City CSD	10 years	Closed
Mosquito Abatement	10 years	Closed
Tamalpais CSD	10 years	Closed
City of San Rafael	16 years	Open
Novato Fire Protection District	16 years	Open

Amounts may be added to or subtracted from the Unfunded Actuarial Accrued Liability due to Plan amendments, changes in actuarial assumptions, and actuarial gains and losses.

The total Plan cost is the sum of the Normal Cost and the amortization of the Unfunded Actuarial Accrued Liability.

Actuarial Value of Plan Assets

The actuarial value of Plan assets is modified market-related value. The market value of assets is adjusted to recognize, over a five-year period, differences between actual investment earnings and the assumed investment return. The actuarial value of assets is limited to no less than 80% and no more than 120% of the market value.

The detailed calculation of the actuarial value of Plan assets is shown in Section 2.2.

Actuarial Assumptions

The assumptions shown below are based on experience studies conducted as of June 30, 2006 for the period covering July 1, 2004 till June 30, 2006.

Summary of Actuarial Assumptions

Valuation Date	All assets and liabilities are computed as of June 30, 2007.
Rate of Return	The annual rate of return on all Plan assets is assumed to be 8.00%, net of investment and administrative expenses.
Cost of Living	The cost of living as measured by the Consumer Price Index (CPI) will increase at the rate of 4.00% per year.
Increases in Pay	<p>Current Rate: 4.00% Base salary increases</p> <p>Assumed pay increases for active Members consist of increases due to base salary adjustments (as noted above), plus service-based increases due to longevity and promotion, as shown below. No merit increases are assumed upon attainment of age 60.</p>

Service	Miscellaneous	Safety
0	3.00%	8.00%
1	2.25%	3.00%
2	1.50%	1.50%
3	0.75%	1.00%
4+	0.50%	0.75%

Active Member Mortality

Rates of mortality for active Members are specified by the RP-2000 Combined Healthy Male and Female Mortality Basic tables published by the Society of Actuaries with ages set back three years for all members.

Age	Male	Female
20	0.03%	0.02%
25	0.04%	0.02%
30	0.04%	0.02%
35	0.06%	0.04%
40	0.09%	0.06%
45	0.12%	0.09%
50	0.17%	0.13%
55	0.27%	0.20%
60	0.47%	0.35%
65	0.88%	0.67%

Retired Member Mortality

Rates of mortality for retired Members and their beneficiaries are given by the RP-2000 Combined Healthy Mortality Basic tables published by the Society of Actuaries with ages set back one year for male members and two years for female members.

Age	Male	Female
45	0.14%	0.09%
50	0.20%	0.14%
55	0.32%	0.22%
60	0.59%	0.39%
65	1.13%	0.76%
70	1.98%	1.34%
75	3.39%	2.30%
80	5.79%	3.76%
85	9.98%	6.25%
90	16.64%	10.73%

Disabled Member Mortality

Rates of mortality among disabled Members are given by the RP-2000 Combined Healthy Mortality Table published by the Society of Actuaries with ages set forward three years for all members. Sample rates are as follows:

Age	Rate
45	0.19%
50	0.29%
55	0.53%
60	1.00%
65	1.79%
70	3.04%
75	5.21%
80	8.97%

Service Retirement

Retirement is assumed to occur among eligible members in accordance with the table below. Those members, whose accrued benefit is 100% of their final compensation, are assumed to retire immediately.

Age	Miscellaneous	Safety 3% at 55	Safety 3% at 50
50	7.8%	7.0%	33.0%
51	2.6%	6.0%	25.0%
52	2.6%	12.0%	25.0%
53	2.6%	25.0%	33.0%
54	3.9%	25.0%	33.0%
55	5.2%	50.0%	50.0%
56	7.8%	50.0%	50.0%
57	10.4%	50.0%	50.0%
58	11.7%	50.0%	50.0%
59	15.6%	50.0%	50.0%
60	19.0%	100.0%	100.0%
61	16.0%	100.0%	100.0%
62	24.0%	100.0%	100.0%
63	20.0%	100.0%	100.0%
64	23.0%	100.0%	100.0%
65	44.0%	100.0%	100.0%
66	30.0%	100.0%	100.0%
67	31.0%	100.0%	100.0%
68	29.0%	100.0%	100.0%
69	34.0%	100.0%	100.0%
70	100.0%	100.0%	100.0%

Service-Connected Disability

Separate rates of duty disability are assumed among Safety and Miscellaneous Members; rates for both sexes are combined. Below are sample rates:

Age	Miscellaneous	Safety
20	0.050%	0.121%
25	0.080%	0.165%
30	0.130%	0.396%
35	0.160%	0.605%
40	0.210%	1.298%
45	0.260%	1.254%
50	0.310%	1.408%
55	0.330%	4.290%
60	0.370%	0.000%
65	0.390%	0.000%

Non Service-Connected Disability

Separate rates of ordinary disability are assumed among Safety and Miscellaneous Members; rates for both sexes are combined. Below are sample rates:

Age	Miscellaneous	Safety
20	0.000%	0.020%
25	0.005%	0.030%
30	0.010%	0.050%
35	0.015%	0.070%
40	0.025%	0.160%
45	0.045%	0.260%
50	0.090%	0.360%
55	0.155%	0.460%
60	0.255%	0.000%
65	0.395%	0.000%

Withdrawal

Rates of withdrawal apply to active Members who terminate their employment and withdraw their member contributions, forfeiting entitlement to future Plan benefits.

Separate rates of withdrawal are assumed among Safety and Miscellaneous Members.

Current Rates (less than five years of service)

Service	Miscellaneous	Safety
0	21%	14%
1	9%	5%
2	7%	4%
3	6%	4%
4	6%	4%

Current Rates (with at least five years of service)

Age	Miscellaneous	Safety
20	2.3%	1.13%
25	2.3%	1.13%
30	2.3%	0.75%
35	2.0%	0.56%
40	1.2%	0.56%
45	0.8%	0.0%
50	0.0%	0.0%
55	0.0%	0.0%

Vested Termination

Rates of vested termination apply to active Members who terminate their employment after five years of service and leave their member contributions on deposit with the Plan. Alternatively, those who terminate their employment with less than five years of service can leave their member contributions with the Plan and transfer to a reciprocal employer, therefore retaining entitlement to future Plan benefits.

Separate rates of withdrawal are assumed among Safety and Miscellaneous Members. The rates shown in the sample table below are applied after five Years of Service.

Age	Miscellaneous	Safety
20	3.00%	2.06%
25	3.00%	2.24%
30	3.00%	3.53%
35	2.50%	3.41%
40	2.00%	1.14%
45	1.70%	1.70%
50	1.40%	0.27%
55	0.80%	0.00%
60	0.80%	0.00%
65	0.00%	0.00%

Vested terminated Miscellaneous Members are assumed to begin receiving benefits at age 55; terminated Safety Members are assumed to begin receiving benefits at age 50. 40% of vested terminated members are assumed to be reciprocal.

Accumulated Sick Time Load

Active members' accrued liabilities are loaded by a percentage, in accordance with the table below, for conversion to sick leave to retirement service credit.

	Rate
Marin County	1.0%
Marin Courts	0.0%
Marin Special Districts	0.0%
Novato Fire Protection District	3.0%
City of San Rafael	2.2%

Post Retirement COLA

COLA at the rate of 3.8% is assumed for Tier 1, Special Districts and Novato Fire Protection District. It is assumed to be 3% for the City of San Rafael and 2% for Tiers 2 and 3.

Family Composition

50% of female members and 80% of male members are assumed to be married. Male spouses are assumed to be three years older than their wives.

Employment Status

No future transfers among member groups are assumed.

Participant Data

Data on active and inactive Members and their beneficiaries as of the valuation date was supplied by the Plan Administrator on electronic media. As is usual in studies of this type, Member data was neither verified nor audited.

1.3: Glossary of Actuarial Terms

Actuarial Accrued Liability

A plan's actuarial accrued liability is the level of assets estimated by the system actuary to be needed as of the valuation date to

- Finance all previously earned benefits for actively employed members of the plan (and their beneficiaries, if applicable) for when they eventually retire, die or terminate with deferred vested benefits, and
- Finance all currently payable benefits of current pensioners and their beneficiaries (if applicable).

It is important to note that the Actuarial Accrued Liability is not a debt; instead, it is an asset target set by the actuarial cost method to produce an orderly accumulation of assets to pay for the plan's obligations.

Actuarial Assumptions

The actuarial assumptions are the actuary's anticipated rates of future termination, death, disability and retirement for each member of the plan as well as the actuary's anticipated rate of investment return on underlying assets. To the extent that these assumptions are not in exact accord with actual events (which they never are), actuarial gains and losses will materialize.

Actuarial Value of Assets

The actuarial value of assets, used for funding purposes, is computed using an asset smoothing technique in which investment gains and losses are not fully recognized in the year they occur, but are spread out. Use of an actuarial value of assets (rather than market value) helps avoid large fluctuations in recognized value of the underlying assets and, in turn, avoids large fluctuations in required contribution rates.

Actuarial Present Value of Benefits

The actuarial present value of benefits is the Actuarial Accrued Liability plus actuarial present value of future Normal Costs. The actuarial present value of benefits is also the actuarial present value of all future benefits expected to be paid to the Plan's current members, whether accrued on the valuation data or after.

Actuarial Funding Policy

The plan's actuarial funding policy is the scheduled program of accumulating assets to fund the plan's obligations, typically, but not necessarily, as a level percentage of payroll. The funding policy includes:

- The Normal Cost, and
- Amortization of the Unfunded or Overfunded Actuarial Accrued Liability (whichever is applicable).

Investment Gains and Losses

When the investment return on assets exceeds the assumed rate of return (the actuarial assumption as to investment return), this difference is identified as an investment gain. Correspondingly, when the returns are less than expected, this difference is identified as an investment loss. These investment gains and losses are either recognized immediately to produce the market value of assets or are spread out to produce the Actuarial Value of Assets.

Normal Cost

The Normal Cost is calculated as the amount necessary to fund each Member's benefits from that Member's Plan entry date to the end of his or her projected working life.

Unfunded Actuarial Accrued Liabilities

When the actuarial value of assets is below the Actuarial Accrued Liability, there is an Unfunded Actuarial Accrued Liability which must be paid off or amortized on a schedule. When the actuarial value of assets is in excess of the Actuarial Accrued Liability, this can lead to a reduction in future contributions on an amortization schedule.

Section 2:

Asset Information

2.1: Balance Sheet as of June 30, 2007 and 2006

	June 30, 2007	June 30, 2006
<u>Assets</u>		
Cash and Short Term Investments		
Cash and Cash Equivalents	\$ 65,447,652	\$ 39,001,160
Short Term Investments	0	0
Collateral held for Securities Loaned	<u>108,163,050</u>	<u>117,019,857</u>
Total Cash and Short Term Investments	<u>\$173,610,702</u>	<u>\$156,021,017</u>
Receivables		
Contributions	1,418,324	2,335,161
Interest and Dividends	2,172,237	2,514,181
Due from Brokers and Securities Sold	5,260,254	23,689,696
Other Receivables	<u>135,796</u>	<u>440,866</u>
Total Receivables	<u>\$8,986,611</u>	<u>\$28,979,904</u>
Investments at Fair Value		
Domestic Fixed Income	144,698,157	255,477,460
International Fixed Income	7,682,522	8,435,870
Domestic Equities	725,665,541	560,341,451
International Equities	401,029,249	347,381,092
Real Estate	178,869,801	145,992,241
First Deeds of Trust	<u>0</u>	<u>3,755</u>
Total Investments	<u>\$1,457,945,270</u>	<u>\$1,317,631,869</u>
Prepaid Insurance	<u>\$757,380</u>	<u>\$753,896</u>
<u>Total Assets</u>	<u>\$1,641,299,963</u>	<u>\$1,503,386,686</u>
<u>Liabilities</u>		
Accounts Payable and Accrued Expenses	2,067,681	2,982,698
Prepaid Contributions	0	5,144,448
Due to Brokers for Securities Purchased	7,450,271	89,432,911
Rental Security Deposits	753,740	723,647
Retiree Payroll Payable	6,301,836	0
Collateral Held for Securities Loaned	108,163,050	117,019,857
<u>Total Liabilities</u>	<u>\$124,736,578</u>	<u>\$215,303,561</u>
<u>Net Assets Held in Trust for Pension Benefits</u>	<u>\$ 1,516,563,385</u>	<u>\$1,288,083,125</u>

2.2: Computation of Actuarial Value of Assets

	(a)	(b)	(c)	(d)	(e) = (d) - (c)	(f) Percentage Not Recognized	(g) = (e) x (f) Unrecognized Dollars
	Contributions	Benefits	Expected Return	Actual Return	Additional Earnings		
2004	37,138,007	57,897,146	77,430,983	168,120,437	90,689,454	20%	18,137,891
2005	42,496,610	65,546,226	89,658,250	102,192,962	12,534,712	40%	5,013,885
2006	56,669,378	71,025,384	97,072,088	140,443,027	43,370,939	60%	26,022,563
2007	63,605,781	67,950,243	104,877,553	232,824,722	127,947,169	80%	102,357,735
(1) Total Unrecognized Dollars							151,532,074
(2) Market Value of Assets as of June 30, 2007							1,516,563,385
(3) Actuarial Value of Assets as of June 30, 2007 [(2) - (1)]							1,365,031,311
(4) Corridor Limits							
a. 80% of Net Market Value							1,213,250,708
b. 120% of Net Market Value							1,819,876,062
(5) Actuarial Value of Assets after Corridor							1,365,031,311

Division of Actuarial Value amongst Plans / Reserves

	Actuarial Value	Exclude 1% for Contingency Reserve	Exclude 3% for Contingency Reserve
County	1,013,543,102	1,002,282,537	979,761,407
Novato	102,658,331	101,517,786	227,898,036
San Rafael	235,755,849	233,136,578	99,236,698
Health Insurance	13,074,029	12,928,776	12,638,268
Excluded Contingency	0	15,165,634	45,496,902
Total	1,365,031,311	1,365,031,311	1,365,031,311

2.3: Income Statement (Total Fund)

For the Year Ended June 30, 2007 and 2006

	June 30, 2007	June 30, 2006
<u>Additions</u>		
Contributions		
Employer's Contribution	\$ 50,177,033	\$ 43,626,549
Members' Contributions	<u>13,488,748</u>	<u>13,042,829</u>
Total Contributions	<u>\$63,605,781</u>	<u>\$56,669,378</u>
Investment Income		
Net Appreciation/(Depreciation) in Fair Value of Investments	218,376,915	122,701,339
Interest and Dividends	19,640,737	18,067,858
Real Estate Operating Income, net	4,722,322	6,163,610
Other Investment Income	<u>65,002</u>	<u>75,464</u>
Total Investment Income	<u>\$242,804,976</u>	<u>\$147,008,271</u>
Investment Expenses	<u>(8,190,180)</u>	<u>(6,413,222)</u>
Net Investment Income	<u>\$234,614,796</u>	<u>\$140,595,049</u>
Securities Lending Activities		
Securities Lending Income	5,994,754	5,675,698
Expenses from Securities Lending Activities	<u>(5,786,241)</u>	<u>(5,452,448)</u>
Net Securities Lending Income	<u>\$208,513</u>	<u>\$223,250</u>
Total Net Investment Income	<u>\$234,823,309</u>	<u>\$140,818,299</u>
Total Additions	<u>\$298,429,090</u>	<u>\$197,487,677</u>
<u>Deductions</u>		
Benefits	67,322,500	70,203,377
Refunds	627,743	821,943
Interest Paid on Prepayment	0	204,109
Administrative Costs	1,830,955	1,262,844
Legal Expense- Applicant	36,504	10,730
Actuarial Expenses	<u>131,128</u>	<u>104,774</u>
Total Deductions	<u>\$69,948,830</u>	<u>\$72,607,777</u>
Net increase (Decrease)	<u>\$228,480,260</u>	<u>\$124,879,900</u>
Transfer	<u>\$0</u>	<u>\$0</u>
Net Assets Beginning of Year	<u>\$1,288,083,125</u>	<u>\$1,163,203,225</u>
Net Assets End of Year	<u>\$1,516,563,385</u>	<u>\$1,288,083,125</u>

2.4: Summary of Reserves and Other Liabilities

	June 30, 2007	June 30, 2006
Employer Reserves	\$1,160,239	\$2,059,837
Employee Reserves	\$126,246,588	\$113,364,109
Death Benefit Reserves	\$2,299,651	\$668,657
Article 15.5 Reserves	\$1,869,446	\$1,780,735
Reserve for Pre 7/1/77 San Rafael Retirees	\$13,640,511	\$12,260,812
Retired Employees Reserve	\$379,951,462	\$361,455,221
Cost of Living Adjustment Reserves	\$316,240,074	\$278,301,792
Health Insurance Reserves	\$14,525,377	\$11,799,690
Contingency and other Reserves	\$64,404,156	\$64,404,156
Unrestricted Reserves	\$596,225,882	\$441,988,116
Security Deposits Payable	\$0	\$723,647
Health Insurance Payable	\$1,066,516	\$918,385
Prepaid Contribution	\$0	\$5,144,448
Investments Payable & Collateral	\$0	\$206,452,768
Other Payables	\$0	\$2,064,315
Total Reserves and Liabilities	\$1,517,629,902	\$1,503,386,688

2.5: Historical Returns

Year Ended June 30	Annualized Rate of Return (Market Value)	Annualized Rate of Return (Actuarial Value)	CPI*
2002	N/A	4.7%	1.2%
2003	N/A	1.6%	1.6%
2004	N/A	3.5%	1.4%
2005	N/A	4.3%	1.1%
2006	N/A	7.4%	3.9%
2007	18.1%	12.1%	3.3%
Compounded 15 Year Average	N/A	N/A	2.8%
Compounded 10 Year Average	N/A	N/A	3.1%
Compounded 5 Year Average	N/A	5.7%	2.3%

* Based on Consumer Price Index for San Francisco-Oakland-San Jose Area (1982-1984 base period)

Section 3:

Actuarial Computations

3.1: Present Value of Benefits by Agency

In the table below, the total Present Value of Future Benefits produced by the GRS and EFI actuarial systems is shown as of June 30, 2006, using the same member data and assumptions, and as of June 30, 2007. Information on the active members is shown by individual Agency. Information on the total membership, actives and inactive (i.e. retirees, beneficiaries, etc.) is shown combined for each Plan.

Plan	Group	GRS 2006	EFI 2006	EFI 2007
Present Value of Benefits - Active Members Only				
County	Miscellaneous Tier 1	87,342,915	88,704,969	79,570,263
	Miscellaneous Tier 2	27,457,907	28,214,596	29,042,221
	Miscellaneous Tier 3	319,284,064	322,801,005	335,499,520
	Safety Tier 1	6,694,379	6,826,031	6,548,484
	Safety Tier 1A	19,968,158	20,093,600	21,173,572
	Safety Tier 2	24,738,410	25,281,610	32,638,794
	Safety Tier 2A	102,674,940	104,586,792	125,010,299
	Courts Tier 1	6,716,763	6,742,807	6,205,562
	Courts Tier 2	1,965,747	1,990,584	2,423,792
	Courts Tier 3	25,242,263	25,451,619	25,085,489
	South Marin Fire General	403,338	429,410	-
	South Marin Fire Safety	19,844,939	20,680,206	21,276,094
	Mosquito Abatement	10,643,670	10,787,471	12,255,026
	LAFCO	522,086	525,089	614,622
	Tamalpais CSD	3,108,484	3,132,853	3,487,169
	Marin City CSD	442,950	431,957	457,613
Novato	Miscellaneous	2,107,403	2,153,474	1,683,749
	Safety	54,274,867	55,507,046	58,061,019
San Rafael	Miscellaneous	81,498,073	81,963,111	84,135,698
	Fire	59,427,610	61,603,280	65,636,336
	Safety (Police)	44,158,659	45,500,071	48,163,208
Total Present Value of Benefits - Active and Inactive Members				
County		1,307,078,343	1,296,657,229	1,381,501,499
Novato		133,288,057	134,031,820	139,896,625
San Rafael		360,699,877	359,735,989	386,596,743

3.2: Accrued Liability by Agency

In the table below, the total Entry Age Normal Accrued Liability produced by the GRS and EFI actuarial systems is shown as of June 30, 2006, using the same member data and assumptions, and as of June 30, 2007. Information on the active members is shown by individual group. Information on the total membership (actives and inactive) is shown combined for each Plan.

Plan	Group	GRS 2006	EFI 2006	EFI 2007
Accrued Liabilities - Active Members Only				
County	Miscellaneous Tier 1	80,354,189	81,408,253	73,252,282
	Miscellaneous Tier 2	20,920,430	21,261,524	22,721,602
	Miscellaneous Tier 3	179,325,727	178,847,967	195,213,521
	Safety Tier 1	6,535,359	6,666,341	6,307,696
	Safety Tier 1A	19,408,646	19,491,459	20,353,618
	Safety Tier 2	16,368,491	16,967,288	20,679,443
	Safety Tier 2A	71,160,898	72,068,335	77,689,523
	Courts Tier 1	5,708,520	5,722,620	5,199,547
	Courts Tier 2	1,551,243	1,565,556	2,003,698
	Courts Tier 3	13,278,528	13,194,994	13,495,540
	South Marin Fire General	263,671	282,620	-
	South Marin Fire Safety	15,795,722	16,469,638	13,489,506
	Mosquito Abatement	6,959,541	7,036,076	8,071,570
	LAFCO	234,169	221,363	276,876
	Tamalpais CSD	2,228,262	2,235,360	2,523,407
	Marin City CSD	223,440	210,658	245,044
Novato	Miscellaneous	398,094	421,491	576,751
	Safety	31,827,064	32,627,716	35,245,781
San Rafael	Miscellaneous	51,069,158	49,934,660	53,081,949
	Fire	48,344,084	50,766,938	52,347,334
	Safety (Police)	31,049,919	32,407,444	31,128,269
Total Accrued Liabilities - Active and Inactive Members				
County		1,090,344,165	1,073,626,680	1,141,735,852
Novato		109,130,945	109,420,507	115,974,392
San Rafael		306,078,695	303,778,569	325,219,053

3.3: Asset Allocation by Agency

In the table below, the allocation of the assets among the various agency groups is shown as of June 30, 2007, and compared to the accrued liability from the previous page. Information on the inactive assets and liabilities is shown at the bottom of the table combined for each Plan.

Plan	Group	Actuarial Assets	Accrued Liability	Funding Ratio
Actuarial Assets and Accrued Liabilities - Active Members Only				
County	Miscellaneous Tier 1	59,889,860	73,252,282	81.8%
	Miscellaneous Tier 2	16,708,192	22,721,602	73.5%
	Miscellaneous Tier 3	138,689,608	195,213,521	71.0%
	Safety Tier 1	6,307,696	6,307,696	100.0%
	Safety Tier 1A	19,735,532	20,353,618	97.0%
	Safety Tier 2	8,093,203	20,679,443	39.1%
	Safety Tier 2A	52,307,338	77,689,523	67.3%
	Courts Tier 1	5,199,547	5,199,547	66.1%
	Courts Tier 2	2,003,698	2,003,698	27.1%
	Courts Tier 3	13,495,540	13,495,540	76.4%
	South Marin Fire General	-	-	N / A
	South Marin Fire Safety	11,588,360	13,489,506	85.9%
	Mosquito Abatement	4,006,517	8,071,570	49.6%
	LAFCO	213,048	276,876	77.0%
	Tamalpais CSD	1,322,004	2,523,407	52.4%
	Marin City CSD	184,426	245,044	75.3%
Novato	Miscellaneous	322,791	576,751	56.0%
	Safety	22,183,680	35,245,781	62.9%
San Rafael	Miscellaneous	26,363,638	53,081,949	49.7%
	Fire	13,919,264	52,347,334	26.6%
	Safety (Police)	6,811,447	31,128,269	21.9%
Actuarial Assets and Accrued Liabilities - Inactive Members				
County		680,212,979	680,212,979	100.0%
Novato		80,151,860	80,151,860	100.0%
San Rafael		188,661,501	188,661,501	100.0%

3.4: Comparison of Employer Contribution Rate by Agency

In the table below, the employer contribution rates determined under the 2006 valuation (by GRS) and the 2007 valuation (by EFI) are presented – exclusive of employer “pickups”. The *projected* rates used as the basis for the FY 2009 contributions are also shown, along with the number of active participants for each group. This should help put the high degree of volatility of cost associated with some of the smaller groups into proper context.

Plan	Group	# of Active Members	2006 - GRS	2007 - EFI (Projected)	2007 - EFI (Actual)
County	Miscellaneous Tier 1	96	39.84%	31.48%	30.42%
	Miscellaneous Tier 2	128	18.09%	16.23%	17.11%
	Miscellaneous Tier 3	1,447	15.40%	13.94%	14.05%
	Safety Tier 1	3	20.43%	20.43%	27.38%
	Safety Tier 1A	13	34.64%	34.64%	27.05%
	Safety Tier 2	83	30.16%	28.79%	28.55%
	Safety Tier 2A	266	23.90%	21.46%	20.75%
	Total County Misc/Safety		19.07%	16.93%	16.82%
	Courts Tier 1	8	38.00%	33.80%	31.70%
	Courts Tier 2	9	26.84%	25.52%	29.74%
	Courts Tier 3	140	14.72%	13.43%	12.47%
	Total Courts		17.76%	15.78%	15.16%
	South Marin Fire Misc	0	24.94%	23.56%	N / A
	South Marin Fire Safety	34	44.04%	40.18%	31.35%
	Mosquito Abatement	36	34.26%	31.30%	34.53%
	LAFCO	3	13.96%	12.89%	14.21%
	Tamalpais CSD	11	34.92%	31.61%	37.16%
	Marin City CSD	3	18.02%	16.83%	15.23%
	Total Special Districts		N/A	34.46%	32.24%
	Total County		19.78%	17.76%	17.30%
Novato	Miscellaneous	8	16.70%	15.41%	16.24%
	Safety	77	44.33%	39.70%	40.88%
	Total Novato		25.25%	38.16%	39.22%
San Rafael					
	Miscellaneous	260	30.32%	27.43%	27.19%
	Fire	70	64.38%	60.76%	66.17%
	Safety (Police)	72	53.93%	52.01%	48.94%
	Total San Rafael		43.82%	40.97%	41.18%

3.5: Normal Cost – Employee and Employer

In the table below, the net employer contribution rate for each group is shown as of June 30, 2007. The employee contributions rates shown are the average “weighted” rate for each Agency. All rates are exclusive of picked up employee contributions.

Plan	Group	Total Normal Cost	Employee Contribution	Employer Normal Cost
County	Miscellaneous Tier 1	20.17%	3.20%	16.96%
	Miscellaneous Tier 2	18.70%	7.82%	10.88%
	Miscellaneous Tier 3	17.60%	7.81%	9.79%
	Safety Tier 1	34.14%	6.75%	27.38%
	Safety Tier 1A	30.52%	7.34%	23.18%
	Safety Tier 2	26.51%	13.33%	13.18%
	Safety Tier 2A	27.99%	16.13%	11.86%
	Total County Misc/Safety	19.87%	9.04%	10.83%
	Courts Tier 1	20.78%	5.61%	15.18%
	Courts Tier 2	19.01%	8.34%	10.68%
	Courts Tier 3	17.23%	7.73%	9.50%
	Total Courts	17.64%	7.59%	10.05%
	South Marin Fire General	N / A	N / A	N / A
	South Marin Fire Safety	38.95%	12.76%	26.19%
	Mosquito Abatement	21.97%	9.17%	12.80%
	LAFCO	21.60%	9.77%	11.83%
	Tamalpais CSD	23.38%	9.54%	13.84%
	Marin City CSD	19.11%	9.48%	9.63%
	Total Special Districts	29.85%	10.89%	18.96%
	Total County	20.12%	9.03%	11.09%
Novato	Miscellaneous	23.12%	10.94%	12.18%
	Safety	38.38%	12.59%	25.79%
	Total Novato	37.35%	12.48%	24.87%
San Rafael	Miscellaneous	23.77%	10.45%	13.32%
	Fire	30.74%	10.79%	19.95%
	Safety (Police)	29.36%	10.97%	18.39%
	Total San Rafael	26.65%	10.65%	16.01%

3.6: Employer Cost – Base vs. COLA

In the table below, the net employer contribution for each group produced is shown as of June 30, 2007. The employer contribution rates are also split into the Basic vs. COLA components, used in the development of the employer reserve balances.

Plan	Group	Base Contribution Rate	COLA Contribution Rate	Total Employer Contribution
County	Miscellaneous Tier 1	20.89%	9.53%	30.42%
	Miscellaneous Tier 2	14.37%	2.74%	17.11%
	Miscellaneous Tier 3	11.47%	2.58%	14.05%
	Total County Misc	12.27%	3.05%	15.31%
	Safety Tier 1	17.96%	9.42%	27.38%
	Safety Tier 1A	17.41%	9.64%	27.05%
	Safety Tier 2	22.70%	5.85%	28.55%
	Safety Tier 2A	16.13%	4.63%	20.75%
	Total County Safety	17.59%	5.15%	22.74%
	Total County Misc/Safety	13.35%	3.47%	16.82%
	Courts Tier 1	21.31%	10.40%	31.70%
	Courts Tier 2	25.09%	4.65%	29.74%
	Courts Tier 3	10.16%	2.31%	12.47%
	Total Courts	12.02%	3.14%	15.16%
	South Marin Fire General	N / A	N / A	N / A
	South Marin Fire Safety	19.82%	11.53%	31.35%
	Mosquito Abatement	23.31%	11.21%	34.53%
	LAFCO	10.46%	3.76%	14.21%
	Tamalpais CSD	25.67%	11.50%	37.16%
	Marin City CSD	10.46%	4.77%	15.23%
	Total Special Districts	23.15%	9.09%	32.24%
	Total County	13.57%	3.74%	17.30%
Novato	Miscellaneous	11.15%	5.09%	16.24%
	Safety	25.87%	15.01%	40.88%
	Total Novato	24.88%	14.34%	39.22%
San Rafael	Miscellaneous	20.12%	7.07%	27.19%
	Fire	47.18%	18.98%	66.17%
	Safety (Police)	34.83%	14.11%	48.94%
	Total San Rafael	29.75%	11.43%	41.18%

3.7: Employer Cost – Normal Cost and Unfunded Amortization

In the table below, the net employer contribution rate for each group produced is shown as of June 30, 2007. The rates are also split into the normal cost and amortization components.

Plan	Group	Employer Normal Cost	Unfunded Amortization	Total Employer Contribution
County	Miscellaneous Tier 1	16.96%	13.45%	30.42%
	Miscellaneous Tier 2	10.88%	6.23%	17.11%
	Miscellaneous Tier 3	9.79%	4.26%	14.05%
	Total County Misc	10.33%	4.98%	15.31%
	Safety Tier 1	27.38%	0.00%	27.38%
	Safety Tier 1A	23.18%	3.87%	27.05%
	Safety Tier 2	13.18%	15.37%	28.55%
	Safety Tier 2A	11.86%	8.89%	20.75%
	Total County Safety	12.79%	9.95%	22.74%
	Total County Misc/Safety	10.83%	5.99%	16.82%
	Courts Tier 1	15.18%	16.53%	31.70%
	Courts Tier 2	10.68%	19.06%	29.74%
	Courts Tier 3	9.50%	2.97%	12.47%
	Total Courts	10.05%	5.10%	15.16%
	South Marin Fire General	N / A	N / A	N / A
	South Marin Fire Safety	26.19%	5.16%	31.35%
	Mosquito Abatement	12.80%	21.73%	34.53%
	LAFCO	11.83%	2.39%	14.21%
	Tamalpais CSD	13.84%	23.32%	37.16%
	Marin City CSD	9.63%	5.60%	15.23%
	Total Special Districts	18.96%	13.27%	32.24%
	Total County	11.09%	6.21%	17.30%
Novato	Miscellaneous	12.18%	4.05%	16.24%
	Safety	25.79%	15.09%	40.88%
	Total Novato	24.87%	14.35%	39.22%
San Rafael	Miscellaneous	13.32%	13.87%	27.19%
	Fire	19.95%	46.21%	66.17%
	Safety (Police)	18.39%	30.55%	48.94%
	Total San Rafael	16.01%	25.17%	41.18%

3.8: Computation of Annual Contribution Rate (County of Marin)

		6/30/2006 (GRS)	6/30/2007 (EFI)
Fully Projected Liability			
	Actives	657,051,014	701,288,520
	Vested Deferred & Transfers	40,545,091	40,583,712
	Retirees and Beneficiaries	<u>609,482,238</u>	<u>639,629,267</u>
Total Fully Projected Liability		1,307,078,343	1,381,501,499
Actuarial Accrued Liability			
	Actives	440,316,836	461,522,873
	Vested Deferred & Transfers	40,545,091	40,583,712
	Retirees and Beneficiaries	<u>609,482,238</u>	<u>639,629,267</u>
Total Actuarial Accrued Liability		1,090,344,165	1,141,735,852
Projected Pay		N / A	159,177,143
Valuation Assets		908,766,584	1,013,543,102
Unfunded Actuarial Accrued Liability		181,577,581	128,192,750
Amortization of Unfunded Liability (MOY)		13,189,177	9,892,061
Amortization as a % of Payroll		8.97%	6.21%
Total Normal Cost (MOY)		N / A	32,019,780
Total Normal Cost as a % of Payroll		20.14%	20.12%
Weighted Employee Contribution Rate		9.33%	9.03%
Net Employer Normal Cost as a % of Pay		10.81%	11.09%
Total Employer Contribution Rate		19.78%	17.30%

3.9: Computation of Annual Contribution Rate (Novato Fire Protection District)

	6/30/2006 (GRS)	6/30/2007 (EFI)
Fully Projected Liability		
Actives	56,382,270	59,744,765
Vested Deferred & Transfers	1,189,961	888,451
Retirees and Beneficiaries	<u>75,715,826</u>	<u>79,263,409</u>
Total Fully Projected Liability	133,288,057	139,896,625
Actuarial Accrued Liability		
Actives	32,225,158	35,822,532
Vested Deferred & Transfers	1,189,961	888,451
Retirees and Beneficiaries	<u>75,715,826</u>	<u>79,263,409</u>
Total Actuarial Accrued Liability	109,130,945	115,974,392
Projected Pay	N / A	7,881,195
Valuation Assets	92,390,122	102,658,331
Unfunded Actuarial Accrued Liability	16,740,823	13,316,062
Amortization of Unfunded Liability (MOY)	1,421,492	1,130,689
Amortization as a % of Payroll	17.79%	14.35%
Total Normal Cost (MOY)	N / A	2,943,412
Total Normal Cost as a % of Payroll	37.06%	37.35%
Weighted Employee Contribution Rate	12.28%	12.48%
Net Employer Normal Cost as a % of Pay	24.78%	24.87%
Total Employer Contribution Rate	42.57%	39.22%

3.10: Computation of Annual Contribution Rate (City of San Rafael)

		6/30/2006 (GRS)	6/30/2007 (EFI)
Fully Projected Liability			
	Actives	185,084,342	197,935,243
	Vested Deferred & Transfers	20,564,708	18,607,460
	Retirees and Beneficiaries	<u>154,960,827</u>	<u>170,054,040</u>
Total Fully Projected Liability		360,699,877	386,596,743
Actuarial Accrued Liability			
	Actives	130,463,160	136,557,553
	Vested Deferred & Transfers	20,564,708	18,607,460
	Retirees and Beneficiaries	<u>154,960,827</u>	<u>170,054,040</u>
Total Actuarial Accrued Liability		306,078,695	325,219,053
Projected Pay		N / A	30,179,723
Valuation Assets		209,785,157	235,755,849
Unfunded Actuarial Accrued Liability		96,293,538	89,463,204
Amortization of Unfunded Liability (MOY)		7,867,791	7,596,473
Amortization as a % of Payroll		28.58%	25.17%
Total Normal Cost (MOY)		N / A	8,044,252
Total Normal Cost as a % of Payroll		25.84%	26.65%
Weighted Employee Contribution Rate		10.60%	10.65%
Net Employer Normal Cost as a % of Pay		15.24%	16.01%
Total Employer Contribution Rate		43.82%	41.18%

3.11: Actuarial Balance Sheet

	County	Novato	San Rafael	Total MCERA
Assets				
Actuarial value of assets	\$1,013,543,102	\$102,658,331	\$235,755,849	\$1,351,957,282
Present value of future contributions by members	110,012,842	8,007,187	24,679,924	142,699,953
Present value of future employer contributions for normal cost	129,752,805	15,915,045	36,697,766	182,365,616
Present value of other future employer contributions (UAAL)	128,192,750	13,316,062	89,463,204	230,972,016
Total actuarial assets	\$1,381,501,499	\$139,896,625	\$386,596,743	\$1,907,994,867
Liabilities				
Present value of retirement allowances payable to retired/disabled members and their survivors	\$639,629,267	\$79,263,409	\$170,054,040	\$888,946,716
Present value of allowances payable to current and future vested terminated and their survivors	40,583,712	888,451	18,607,460	60,079,623
Present value of allowances payable to current active members – allocated to service rendered prior to valuation date	461,522,873	35,822,532	136,557,552	633,902,957
Present value of allowances payable to current active members – allocated to service likely to be rendered after valuation date	239,765,647	23,922,233	61,377,691	325,065,571
Total actuarial liabilities	\$1,381,501,499	\$139,896,625	\$386,596,743	\$1,907,994,867

Section 4:

Disclosure Information

4.1: Schedules of Funding Status and Employer Contributions Required Under GASB Statement No. 25

The Governmental Accounting Standards Board (GASB) Statements No. 25 and 27 relate to the disclosure of pension liabilities on a public employer's financial statements. For accounting periods beginning after June 15, 1996, information required under these statements must be prepared for a public employer who seeks compliance with generally accepted accounting principles (GAAP) on behalf of its public employee retirement system.

GASB Statement No. 25 requires preparation of schedules of funding status and employer contributions, as well as the disclosure of plan provisions, actuarial assumptions, and other information. The required schedules are shown below. In each case, we have relied upon information from our files and contained in the reports of other actuaries employed by the employer in completing the schedules. While we have no reason to believe the information in our files or in other actuaries' reports is inaccurate, we strongly recommend that employer personnel verify the schedules below before they are included in Plan or employer financial statements.

These schedules have been prepared using the actuarial methodologies and Board policies currently in place. If a change to these policies is made impacting the valuation results as of June 30, 2007, then the schedules will require a revision. For instance, if the Board elects to withhold a portion of the Contingency Reserves from the valuation assets, then these schedules should be updated to reflect the lower available asset value and funding ratios.

4.2: GASB Schedules - County of Marin

Schedule of Funding Status (Dollar Amounts in Thousands)						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percent of Payroll
6/30/1999	557,216	583,890	28,674	95.4%	107,689	26.6%
6/30/2000	634,412	644,262	9850	98.5%	114,700	8.6%
6/30/2001	690,320	701,223	10,903	98.4%	122,253	8.9%
6/30/2002	711,789	798,404	86,615	89.2%	136,974	63.2%
6/30/2003	828,438	848,984	20,545	97.6%	138,004	14.9%
6/30/2004	843,169	938,211	95,042	89.9%	143,107	66.4%
6/30/2005	858,183	992,226	134,043	86.5%	141,272	94.9%
6/30/2006	908,767	1,090,344	181,578	83.3%	149,527	121.4%
6/30/2007 ¹	1,013,170	1,102,807	89,637	91.9%	151,793	59.1%
6/30/2007 ²	1,013,543	1,141,736	128,193	88.8%	159,177	80.5%

Schedule of Employer Contributions (Dollar Amounts in Thousands)			
Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
6/30/1999	13,714	13,714	100%
6/30/2000	15,768	15,768	100%
6/30/2001	15,576	15,576	100%
6/30/2002	18,723	18,723	100%
6/30/2003	21,632	21,632	100%
6/30/2004	21,254	21,254	100%
6/30/2005	22,085	22,085	100%
6/30/2006	36,870	36,870	100%
6/30/2007	42,416	42,416	100%

¹ The funded status as of 6/30/2007 was initially computed using projected demographic data from 6/30/2006 and asset information as of 6/30/2007. The funded status was later recomputed using updated demographic information as of 6/30/2007. The Annual Required Contribution for the FYE 6/30/2009 (to be shown in future valuation reports) is based on the initial projected results.

² As recomputed using demographic information as of 6/30/2007.

4.3: GASB Schedules – Novato Fire Protection District

Schedule of Funding Status (Dollar Amounts in Thousands)						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percent of Payroll
6/30/1999	68,394	48,570	(19,824)	140.8%	5,199	(381.3%)
6/30/2000	77,643	56,197	(21,446)	138.2%	5,726	(374.5%)
6/30/2001	84,806	71,471	(13,335)	118.7%	6,331	(210.6%)
6/30/2002	87,497	78,164	(9,333)	111.9%	6,119	(152.5%)
6/30/2003	84,866	84,842	(24)	100.0%	6,811	(0.4%)
6/30/2004	84,814	90,861	6,047	93.3%	7,616	79.4%
6/30/2005	86,839	98,787	11,948	87.9%	7,889	151.5%
6/30/2006	92,390	109,131	16,741	84.7%	7,990	209.5%
6/30/2007 ³	102,494	111,942	9,448	91.6%	8,087	116.8%
6/30/2007 ⁴	102,658	115,974	13,316	88.5%	7,881	169.0%

Schedule of Employer Contributions (Dollar Amounts in Thousands)			
Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
6/30/1999	252	252	100%
6/30/2000	273	273	100%
6/30/2001	301	301	100%
6/30/2002	383	383	100%
6/30/2003	1,125	1,125	100%
6/30/2004	2,259	2,259	100%
6/30/2005	2,343	2,343	100%
6/30/2006	2,526	2,526	100%
6/30/2007	3,612	3,612	100%

³ The funded status as of 6/30/2007 was initially computed using projected demographic data from 6/30/2006 and asset information as of 6/30/2007. The funded status was later recomputed using updated demographic information as of 6/30/2007. The Annual Required Contribution for the FYE 6/30/2009 (to be shown in future valuation reports) is based on the initial projected results.

⁴ As recomputed using demographic information as of 6/30/2007.

4.4: GASB Schedules – City of San Rafael

Schedule of Funding Status (Dollar Amounts in Thousands)						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percent of Payroll
6/30/1999	151,466	134,247	(17,219)	112.8%	23,293	(73.9%)
6/30/2000	171,663	156,806	(14,857)	109.5%	23,372	(63.6%)
6/30/2001	186,085	172,939	(13,146)	107.6%	25,650	(51.3%)
6/30/2002	190,563	187,118	(3,445)	101.8%	27,223	(12.7%)
6/30/2003	185,632	219,845	34,213	84.4%	27,453	124.6%
6/30/2004	188,956	248,665	59,709	76.0%	29,299	203.8%
6/30/2005	195,698	265,205	69,507	73.8%	28,357	245.1%
6/30/2006	209,785	306,079	96,294	68.5%	28,606	336.6%
6/30/2007 ⁵	234,931	314,604	79,673	74.7%	28,730	277.3%
6/30/2007 ⁶	235,756	325,219	89,463	72.5%	30,180	296.4%

Schedule of Employer Contributions (Dollar Amounts in Thousands)			
Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
6/30/1999	2,480	2,480	100%
6/30/2000	2,358	2,358	100%
6/30/2001	2,187	2,187	100%
6/30/2002	2,880	2,880	100%
6/30/2003	4,134	4,134	100%
6/30/2004	7,364	7,364	100%
6/30/2005	7,653	7,653	100%
6/30/2006	4,231	4,231	100%
6/30/2007	11,187	11,187	100%

⁵ The funded status as of 6/30/2007 was initially computed using projected demographic data from 6/30/2006 and asset information as of 6/30/2007. The funded status was later recomputed using updated demographic information as of 6/30/2007. The Annual Required Contribution for the FYE 6/30/2009 (to be shown in future valuation reports) is based on the initial projected results.

⁶ As recomputed using demographic information as of 6/30/2007.

The table below summarizes certain information about this actuarial report.

Valuation date	June 30, 2007
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll (open/closed varies by Agency)
Remaining amortization period	10 - 19 Years (varies by Agency)
Asset valuation method	Actuarial value: Excess earnings smoothed over five years, 80%/120% corridor around market value
Actuarial assumptions:	
Investment rate of return*	8.00%
Projected salary increases*	4.00%, plus service-based rates
*Includes inflation at	4.00%
Cost of living adjustments	100% of CPI up to 2/3/4% annually with banking

Section 5:

Summary of Member Statistics

5.1: Participant Data as of June 30, 2007: County of Marin

	Marin County						Marin Special Districts						Total County and Special Districts	
	Miscellaneous		Safety		Total		Miscellaneous		Safety		Total			
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants														
Number	1,616	1,671	357	365	1,973	2,036	215	210	35	34	250	244	2,223	2,280
Average Age	48.74	48.67	40.41	40.90	47.23	47.28	46.70	46.65	40.15	40.61	45.78	45.81	47.07	47.12
Average Service	10.05	9.63	10.12	11.20	10.06	9.91	8.95	8.79	10.25	9.39	9.13	8.87	9.96	9.80
Average Pay*	\$ 65,842	\$ 70,238	\$ 78,192	\$ 82,284	\$ 68,077	\$ 72,398	\$ 56,681	\$ 62,081	\$ 85,330	\$ 83,425	\$ 60,692	\$ 65,055	\$ 67,246	\$ 71,612
Service Retired														
Number	1,117	1,099	133	136	1,250	1,235	3	49	14	16	17	65	1,267	1,300
Average Age	71.22	71.77	62.13	62.43	70.25	70.74	59.22	63.92	57.40	57.62	57.72	62.37	70.08	70.32
Average Total Benefit*	\$ 25,324	\$ 26,657	\$ 55,669	\$ 56,266	\$ 28,553	\$ 29,918	\$ 4,325	\$ 28,760	\$ 58,829	\$ 67,158	\$ 49,211	\$ 38,211	\$ 28,830	\$ 30,332
Beneficiaries														
Number	188	195	42	41	230	236	1	1	6	5	7	6	237	242
Average Age	73.47	73.62	70.53	70.93	72.93	73.15	50.08	51.11	67.82	68.71	65.29	65.78	72.70	72.97
Average Total Benefit*	\$ 16,186	\$ 17,227	\$ 27,781	\$ 29,579	\$ 18,303	\$ 19,374	\$ 10,506	\$ 10,821	\$ 30,455	\$ 37,441	\$ 27,605	\$ 33,004	\$ 18,578	\$ 19,711
Duty Disabled														
Number	81	81	84	85	165	166	0	3	14	15	14	18	179	184
Average Age	58.89	59.96	56.43	57.26	57.64	58.58	0.00	61.13	57.83	57.21	57.83	57.86	57.65	58.51
Average Total Benefit*	\$ 28,376	\$ 29,238	\$ 34,418	\$ 36,247	\$ 31,452	\$ 32,827	\$ 0	\$ 23,419	\$ 31,982	\$ 33,062	\$ 31,982	\$ 31,455	\$ 31,493	\$ 32,693
Ordinary Disabled														
Number	37	31	3	3	40	34	0	2	0	0	0	2	40	36
Average Age	67.50	66.83	49.44	50.48	66.15	65.39	0.00	76.32	0.00	0.00	0.00	76.32	66.15	66.00
Average Total Benefit*	\$ 14,735	\$ 15,279	\$ 22,382	\$ 22,948	\$ 15,309	\$ 15,956	\$ 0	\$ 20,685	\$ 0	\$ 0	\$ 0	\$ 20,685	\$ 15,309	\$ 16,218
Total In Pay														
Number	1,423	1,406	262	265	1,685	1,671	4	55	34	36	38	91	1,723	1,762
Average Age	70.72	71.24	61.50	61.95	69.28	69.76	56.94	63.99	59.42	58.99	59.16	62.01	69.06	69.36
Average Total Benefit*	\$ 24,015	\$ 25,247	\$ 44,004	\$ 45,339	\$ 27,123	\$ 28,434	\$ 5,870	\$ 27,848	\$ 42,767	\$ 48,824	\$ 38,883	\$ 36,146	\$ 27,383	\$ 28,832
Terminated Vested														
Number	202	233	18	23	220	256	21	32	2	2	23	34	243	290
Average Age	46.08	46.64	39.95	40.51	45.58	46.09	43.22	42.38	48.46	49.51	43.68	42.80	45.40	45.70
Average Service	6.15	6.10	4.70	5.11	6.03	6.01	4.39	4.75	5.33	6.10	4.47	4.83	5.88	5.87
Transfers														
Number	171	191	56	54	227	245	21	16	10	11	31	27	258	272
Average Age	47.56	48.14	42.46	42.66	46.30	46.93	48.40	48.53	43.43	43.15	46.80	46.34	46.36	46.87
Average Service	4.70	4.80	4.73	4.82	4.71	4.80	5.15	4.87	6.03	5.80	5.43	5.25	4.80	4.84
Total Inactive														
Number	373	424	74	77	447	501	42	48	12	13	54	61	501	562
Average Age	46.76	47.32	41.85	42.02	45.95	46.50	45.81	44.43	44.27	44.13	45.47	44.37	45.89	46.27
Average Service	5.49	5.51	4.72	4.91	5.36	5.42	4.77	4.79	5.91	5.85	5.02	5.02	5.32	5.37

*All payroll and benefit figures shown are annual

Marin County

	Tier 1 (Misc)		Tier 2 (Misc)		Tier 3 (Misc)	
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants						
Number	108	96	138	128	1370	1447
Average Age	58.02	58.64	60.31	60.51	46.84	46.96
Average Service	27.19	26.42	11.62	12.45	8.54	8.27
Average Pay*	\$ 81,620	\$ 83,824	\$ 57,220	\$ 61,992	\$ 65,467	\$ 70,066
Service Retired						
Number	741	713	229	232	147	154
Average Age	73.76	74.43	70.34	71.02	59.80	60.55
Average Total Benefit*	\$ 29,621	\$ 31,427	\$ 13,734	\$ 14,600	\$ 21,715	\$ 22,736
Beneficiaries						
Number	158	161	25	27	5	7
Average Age	76.14	76.43	59.79	61.69	57.37	55.07
Average Total Benefit*	\$ 16,601	\$ 17,801	\$ 11,684	\$ 12,472	\$ 25,598	\$ 22,389
Duty Disabled						
Number	31	29	31	30	19	22
Average Age	66.07	68.02	55.69	56.34	52.41	54.26
Average Total Benefit*	\$ 30,665	\$ 32,214	\$ 23,209	\$ 23,721	\$ 33,072	\$ 32,837
Ordinary Disabled						
Number	23	20	13	10	1	1
Average Age	72.03	70.88	60.99	60.49	48.08	49.14
Average Total Benefit*	\$ 15,329	\$ 15,353	\$ 13,788	\$ 15,294	\$ 13,379	\$ 13,647
Total In Pay						
Number	953	923	298	299	172	184
Average Age	73.86	74.50	67.52	68.35	58.84	59.53
Average Total Benefit*	\$ 27,151	\$ 28,727	\$ 14,550	\$ 15,346	\$ 23,034	\$ 23,881
Terminated Vested						
Number	13	10	8	10	181	213
Average Age	58.04	59.14	53.74	56.69	44.88	45.58
Average Service	9.62	9.57	5.43	6.29	5.93	5.93
Transfers						
Number	19	17	10	10	142	164
Average Age	58.35	59.53	51.09	52.14	45.87	46.71
Average Service	5.41	5.10	2.98	3.01	4.73	4.88
Total Inactive						
Number	32	27	18	20	323	377
Average Age	58.22	59.39	52.27	54.42	45.32	46.07
Average Service	7.12	6.76	4.07	4.65	5.40	5.47

*All payroll and benefit figures shown are annual

Marin County

	Tier 1 (Safety)		Tier 2 (Safety)		Tier 1A (Safety)		Tier 2B (Safety)	
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants								
Number	3	3	81	83	13	13	260	266
Average Age	54.08	55.14	41.98	42.49	51.20	52.35	39.22	39.68
Average Service	32.61	27.50	7.52	11.10	29.02	29.22	9.73	10.17
Average Pay*	\$ 150,170	\$ 162,519	\$ 69,858	\$ 76,867	\$ 101,756	\$ 105,994	\$ 78,780	\$ 81,911
Service Retired								
Number	91	88	20	20	15	16	7	12
Average Age	64.92	65.63	59.17	60.21	52.65	53.76	54.63	54.19
Average Total Benefit*	\$ 58,721	\$ 61,020	\$ 33,782	\$ 34,374	\$ 75,646	\$ 74,353	\$ 35,722	\$ 33,773
Beneficiaries								
Number	39	38	3	3	0	0	0	0
Average Age	72.40	72.79	46.25	47.31	0.00	0.00	0.00	0.00
Average Total Benefit*	\$ 27,214	\$ 29,083	\$ 35,155	\$ 35,858	\$ 0	\$ 0	\$ 0	\$ 0
Duty Disabled								
Number	46	45	35	36	1	2	2	2
Average Age	63.66	64.78	47.51	48.53	51.58	52.90	48.46	49.53
Average Total Benefit*	\$ 37,443	\$ 38,700	\$ 28,401	\$ 29,419	\$ 99,534	\$ 101,861	\$ 37,600	\$ 38,352
Ordinary Disabled								
Number	1	1	2	2	0	0	0	0
Average Age	59.67	60.72	44.33	45.36	0.00	0.00	0.00	0.00
Average Total Benefit*	\$ 17,775	\$ 18,486	\$ 24,685	\$ 25,179	\$ 0	\$ 0	\$ 0	\$ 0
Total In Pay								
Number	177	172	60	61	16	18	9	14
Average Age	66.21	66.96	51.23	52.20	52.58	53.66	53.26	53.52
Average Total Benefit*	\$ 46,018	\$ 47,877	\$ 30,409	\$ 31,221	\$ 77,139	\$ 77,409	\$ 36,139	\$ 34,427
Terminated Vested								
Number	0	0	5	4	1	1	12	18
Average Age	0.00	0.00	39.13	41.25	61.50	62.51	38.50	39.12
Average Service	0.00	0.00	1.67	2.25	6.25	6.33	5.84	5.68
Transfers								
Number	1	2	3	3	4	3	48	46
Average Age	52.00	51.52	38.33	39.37	50.92	50.49	41.82	41.98
Average Service	4.17	2.96	4.25	4.30	1.83	1.46	5.01	5.15
Total Inactive								
Number	1	2	8	7	5	4	60	64
Average Age	52.00	51.52	38.83	40.44	53.04	53.50	41.16	41.18
Average Service	4.17	2.96	2.64	3.13	2.71	2.68	5.18	5.30

*All payroll and benefit figures shown are annual

Marin Special Districts

	Court Tier 1 (Misc)		Court Tier 2 (Misc)		Court Tier 3 (Misc)		Marin City CSD (Misc)	
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants								
Number	10	8	9	9	139	140	3	3
Average Age	54.86	54.88	61.43	62.47	45.36	45.04	44.69	45.72
Average Service	22.47	21.62	9.78	10.85	7.93	7.44	6.42	7.17
Average Pay*	\$ 88,280	\$ 102,032	\$ 63,914	\$ 72,942	\$ 53,571	\$ 59,038	\$ 44,520	\$ 45,321
Service Retired								
Number	0	15	0	2	0	20	0	2
Average Age	0.00	65.60	0.00	76.00	0.00	62.47	0.00	80.83
Average Total Benefit*	\$ 0	\$ 41,372	\$ 0	\$ 27,967	\$ 0	\$ 24,760	\$ 0	\$ 19,513
Beneficiaries								
Number	0	0	0	0	0	0	0	0
Average Age	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Total Benefit*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Duty Disabled								
Number	0	1	0	0	0	0	0	0
Average Age	0.00	57.22	0.00	0.00	0.00	0.00	0.00	0.00
Average Total Benefit*	\$ 0	\$ 38,814	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Ordinary Disabled								
Number	0	0	0	1	0	0	0	0
Average Age	0.00	0.00	0.00	60.71	0.00	0.00	0.00	0.00
Average Total Benefit*	\$ 0	\$ 0	\$ 0	\$ 11,356	\$ 0	\$ 0	\$ 0	\$ 0
Total In Pay								
Number	0	16	0	3	0	20	0	2
Average Age	0.00	65.08	0.00	70.90	0.00	62.47	0.00	80.83
Average Total Benefit*	\$ 0	\$ 41,212	\$ 0	\$ 22,430	\$ 0	\$ 24,760	\$ 0	\$ 19,513
Terminated Vested								
Number	0	0	1	0	13	25	2	1
Average Age	0.00	0.00	27.58	0.00	42.20	41.56	35.83	38.86
Average Service	0.00	0.00	4.00	0.00	4.29	4.85	2.33	0.57
Transfers								
Number	0	0	3	3	12	10	0	0
Average Age	0.00	0.00	51.78	52.82	46.56	47.48	0.00	0.00
Average Service	0.00	0.00	3.11	3.15	3.65	4.19	0.00	0.00
Total Inactive								
Number	0	0	4	3	25	35	2	1
Average Age	0.00	0.00	45.73	52.82	44.29	43.25	35.83	38.86
Average Service	0.00	0.00	3.33	3.15	3.98	4.66	2.33	0.57

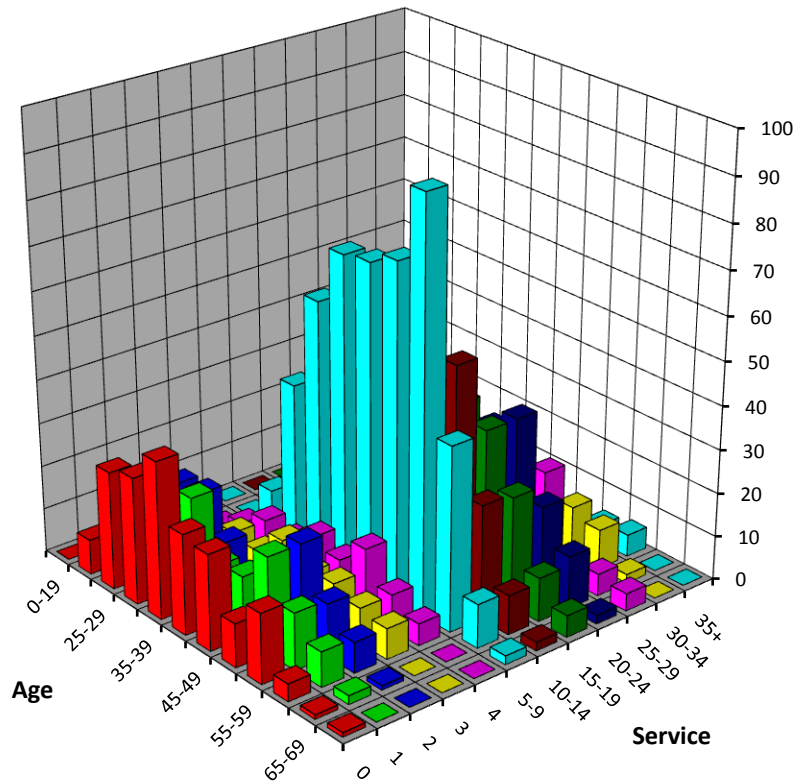
*All payroll and benefit figures shown are annual

Marin Special Districts

	Southern Marin Fire (Misc)		Mosquito Abatement (Misc)		LAFCO (Misc)		Tamalpais CSD (Misc)		Southern Marin Fire (Safety)	
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants										
Number	2	0	37	36	3	3	12	11	35	34
Average Age	51.13	0.00	44.23	45.08	45.22	46.25	52.14	53.70	40.15	40.61
Average Service	6.92	0.00	9.15	10.03	3.25	5.30	10.64	12.25	10.25	9.39
Average Pay*	\$ 58,460	\$ 0	\$ 58,976	\$ 64,174	\$ 62,240	\$ 66,671	\$ 55,232	\$ 59,330	\$ 85,330	\$ 83,425
Service Retired										
Number	1	1	0	6	0	1	2	2	14	16
Average Age	61.33	62.35	0.00	65.56	0.00	1.07	58.17	64.24	57.40	57.62
Average Total Benefit*	\$ 2,500	\$ 2,550	\$ 0	\$ 26,833	\$ 0	\$ 8,098	\$ 5,237	\$ 13,412	\$ 58,829	\$ 67,158
Beneficiaries										
Number	0	0	0	0	0	0	1	1	6	5
Average Age	0.00	0.00	0.00	0.00	0.00	0.00	50.08	51.11	67.82	68.71
Average Total Benefit*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,506	\$ 10,821	\$ 30,455	\$ 37,441
Duty Disabled										
Number	0	1	0	1	0	0	0	0	14	15
Average Age	0.00	63.27	0.00	62.91	0.00	0.00	0.00	0.00	57.83	57.21
Average Total Benefit*	\$ 0	\$ 3,350	\$ 0	\$ 28,094	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,982	\$ 33,062
Ordinary Disabled										
Number	0	0	0	1	0	0	0	0	0	0
Average Age	0.00	0.00	0.00	91.92	0.00	0.00	0.00	0.00	0.00	0.00
Average Total Benefit*	\$ 0	\$ 0	\$ 0	\$ 30,014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total In Pay										
Number	1	2	0	8	0	1	3	3	34	36
Average Age	61.33	62.81	0.00	68.52	0.00	1.07	55.47	59.86	59.42	58.99
Average Total Benefit*	\$ 2,500	\$ 2,950	\$ 0	\$ 27,388	\$ 0	\$ 8,098	\$ 6,993	\$ 12,548	\$ 42,767	\$ 48,824
Terminated Vested										
Number	2	1	0	2	1	1	2	2	2	2
Average Age	59.08	56.41	0.00	38.58	52.41	53.50	44.58	45.61	48.46	49.51
Average Service	6.79	4.75	0.00	5.52	6.50	6.56	3.83	3.88	5.33	6.10
Transfers										
Number	1	0	1	1	0	0	4	2	10	11
Average Age	61.17	0.00	40.00	41.03	0.00	0.00	50.29	51.08	43.43	43.15
Average Service	15.42	0.00	10.92	10.99	0.00	0.00	7.15	7.77	6.03	5.80
Total Inactive										
Number	3	1	1	3	1	1	6	4	12	13
Average Age	59.78	56.41	40.00	39.40	52.41	53.50	48.39	48.35	44.27	44.13
Average Service	9.67	4.75	10.92	7.34	6.50	6.56	6.04	5.83	5.91	5.85

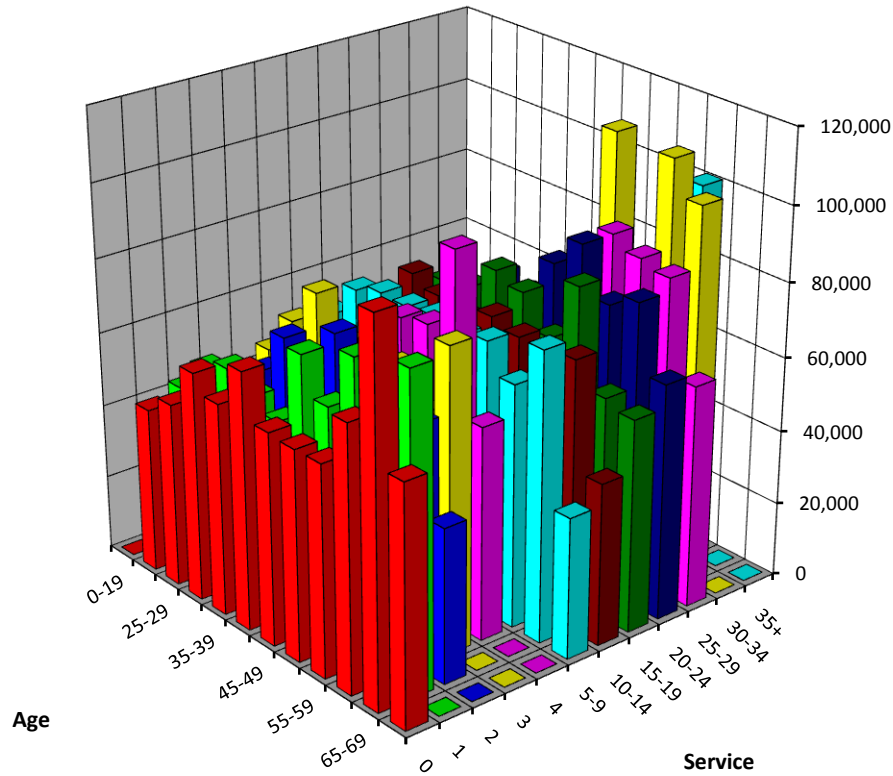
*All payroll and benefit figures shown are annual

**Marin County
Miscellaneous Active Members
by Age and Service
as of July 1, 2007**



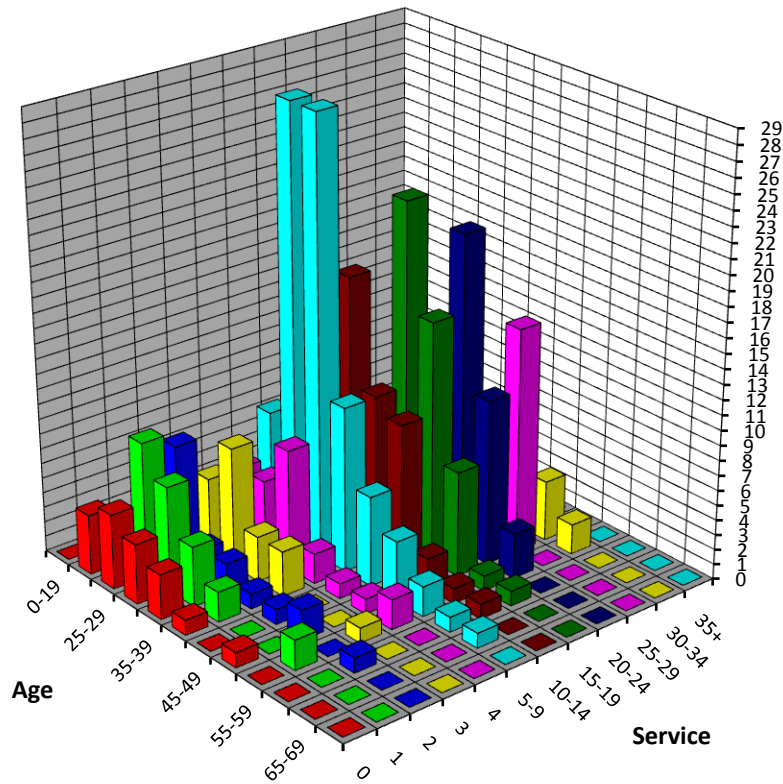
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	8	4	2	0	0	0	0	0	0	0	0	0	14
25-29	27	16	19	4	4	9	0	0	0	0	0	0	79
30-34	29	20	20	8	8	37	3	0	0	0	0	0	125
35-39	36	25	12	7	7	59	24	4	0	0	0	0	174
40-44	23	13	8	13	11	72	40	21	4	1	0	0	206
45-49	22	14	11	9	9	73	43	27	17	10	0	0	235
50-54	10	22	22	10	15	76	42	40	32	18	5	0	292
55-59	16	13	12	8	8	93	54	37	37	22	11	4	315
60-64	4	8	7	7	5	42	26	25	20	5	9	5	163
65-69	1	2	1	0	0	10	9	10	12	5	2	0	52
70+	1	0	0	0	0	2	2	5	2	4	0	0	16
Total	177	137	114	66	67	473	243	169	124	65	27	9	1,671

**Marin County
Miscellaneous Active Members
Payroll by Age and Service
as of July 1, 2007**



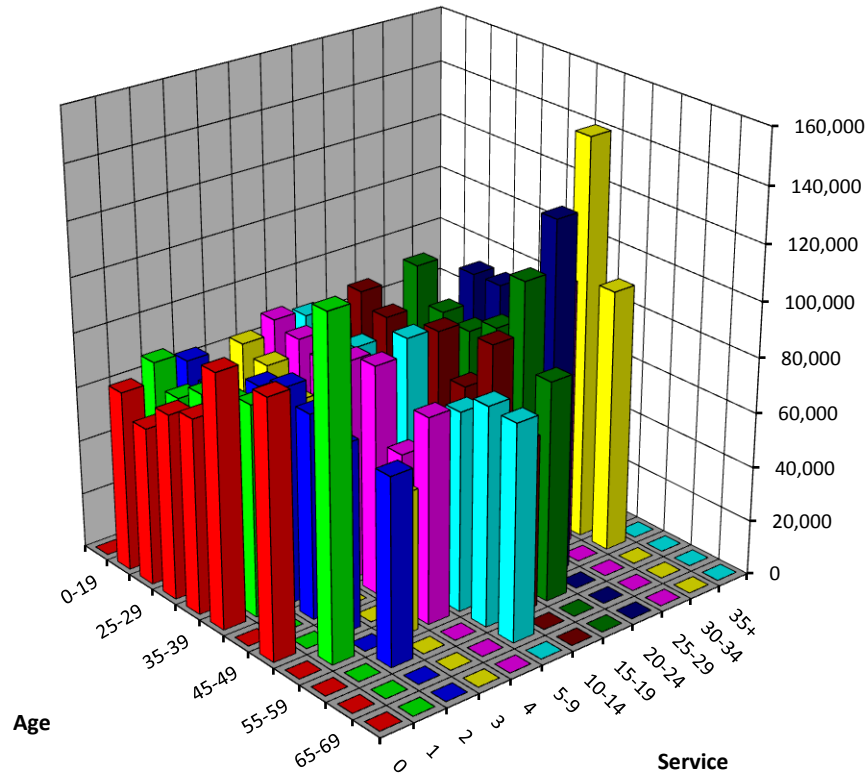
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	44,605	47,670	48,725	0	0	0	0	0	0	0	0	0	46,069
25-29	49,740	56,707	51,688	55,808	54,718	59,839	0	0	0	0	0	0	53,329
30-34	61,931	60,182	56,523	66,943	57,917	69,763	58,997	0	0	0	0	0	63,098
35-39	57,341	56,246	68,866	77,776	60,734	72,347	74,795	70,085	0	0	0	0	66,726
40-44	69,530	53,283	63,566	68,216	60,987	72,004	72,118	71,624	72,748	64,292	0	0	69,352
45-49	57,383	74,481	76,944	66,199	75,323	72,908	69,524	79,382	63,557	65,428	0	0	70,703
50-54	56,854	64,628	68,648	68,994	76,974	71,374	73,275	76,824	81,708	79,165	111,109	0	73,682
55-59	57,016	80,897	58,191	60,308	99,356	73,206	71,301	68,191	89,986	89,948	71,014	66,341	74,527
60-64	71,214	72,571	64,309	81,392	57,391	65,424	68,481	84,934	77,366	86,778	109,986	100,447	75,443
65-69	101,557	85,229	41,633	0	0	77,901	72,440	59,366	81,380	84,934	100,932	0	75,796
70+	64,231	0	0	0	0	38,050	43,712	57,364	63,512	59,952	0	0	55,088
Average	58,492	63,268	62,207	68,605	70,038	71,311	71,169	74,128	80,375	80,319	93,646	85,289	70,238

**Marin County
Safety Active Members
by Age and Service
as of July 1, 2007**



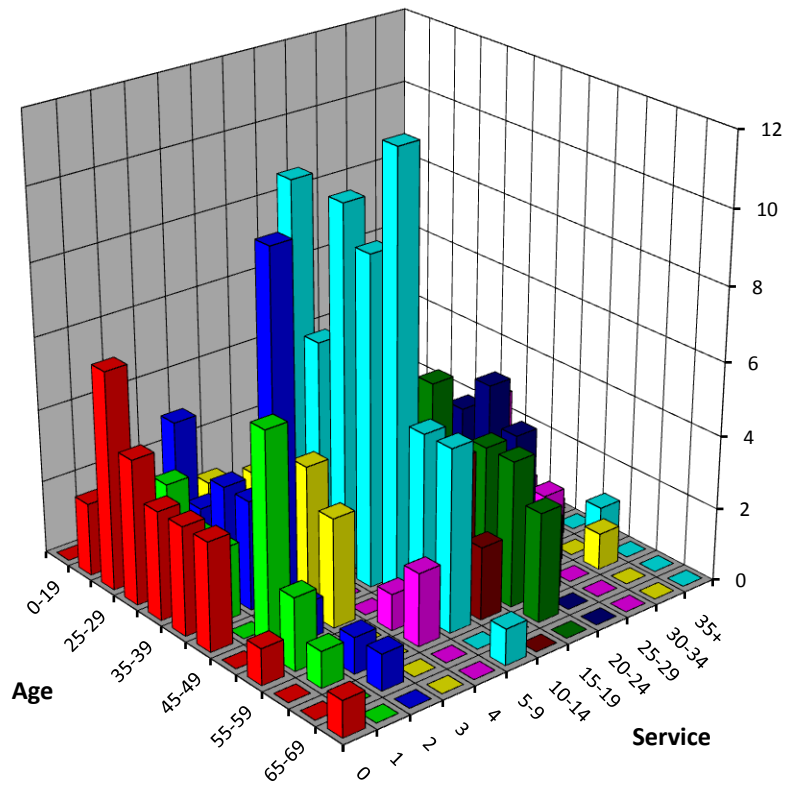
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	4	1	1	0	0	0	0	0	0	0	0	0	6
25-29	5	9	8	5	5	8	0	0	0	0	0	0	40
30-34	4	7	2	8	5	29	2	0	0	0	0	0	57
35-39	3	4	2	3	8	29	18	9	0	0	0	0	76
40-44	1	2	1	3	2	11	11	23	5	0	0	0	59
45-49	0	0	1	0	1	6	10	16	21	6	0	0	61
50-54	1	0	2	0	1	4	2	7	11	15	4	0	47
55-59	0	2	0	1	2	2	1	1	3	0	2	0	14
60-64	0	0	1	0	0	1	1	1	0	0	0	0	4
65-69	0	0	0	0	0	1	0	0	0	0	0	0	1
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	18	25	18	20	24	91	45	57	40	21	6	0	365

**Marin County
Safety Active Members
Payroll by Age and Service
as of July 1, 2007**



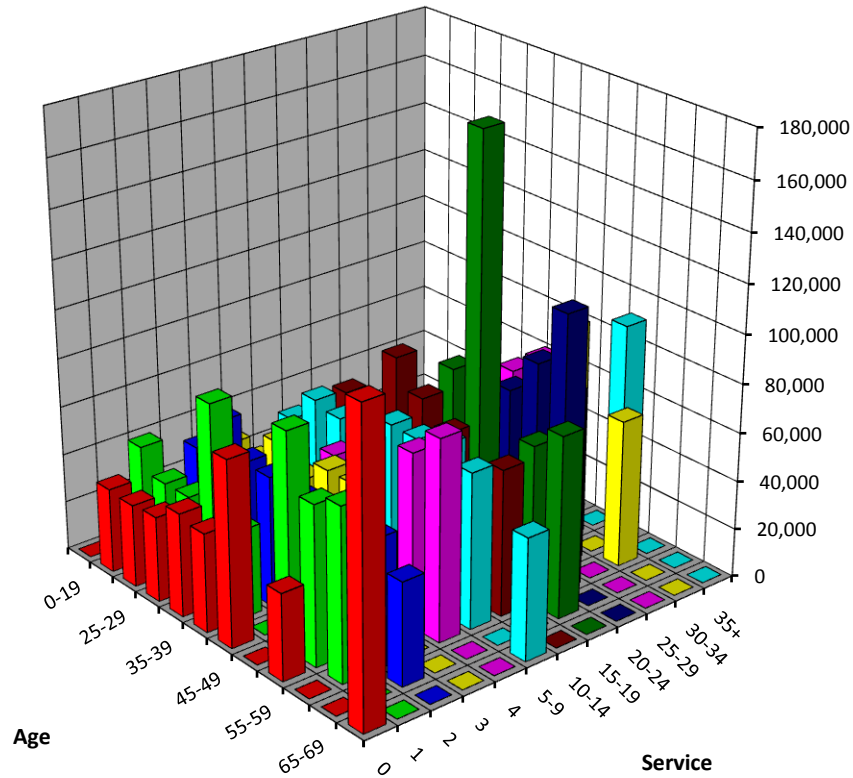
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	65,980	72,926	69,593	0	0	0	0	0	0	0	0	0	67,740
25-29	57,714	64,703	64,675	76,558	81,545	79,261	0	0	0	0	0	0	70,323
30-34	67,759	71,029	57,083	73,380	79,050	78,389	88,777	0	0	0	0	0	75,711
35-39	71,311	73,396	74,734	64,813	75,912	76,806	83,875	98,857	0	0	0	0	80,073
40-44	92,415	77,072	79,109	66,103	80,538	73,620	79,001	86,437	96,473	0	0	0	81,937
45-49	0	0	74,644	0	83,425	89,304	87,903	84,127	96,772	92,253	0	0	90,241
50-54	93,674	0	68,171	0	56,722	63,561	72,769	89,845	89,052	96,716	146,414	0	92,158
55-59	0	122,985	0	51,418	75,003	72,769	92,414	110,683	128,539	0	95,885	0	98,101
60-64	0	0	68,162	0	0	79,753	62,616	80,113	0	0	0	0	72,661
65-69	0	0	0	0	0	78,853	0	0	0	0	0	0	78,853
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Average	67,975	73,846	67,160	70,700	77,563	77,349	83,020	88,483	96,994	95,441	129,571	0	82,284

**Marin Special Districts
 Miscellaneous Active Members
 by Age and Service
 as of July 1, 2007**



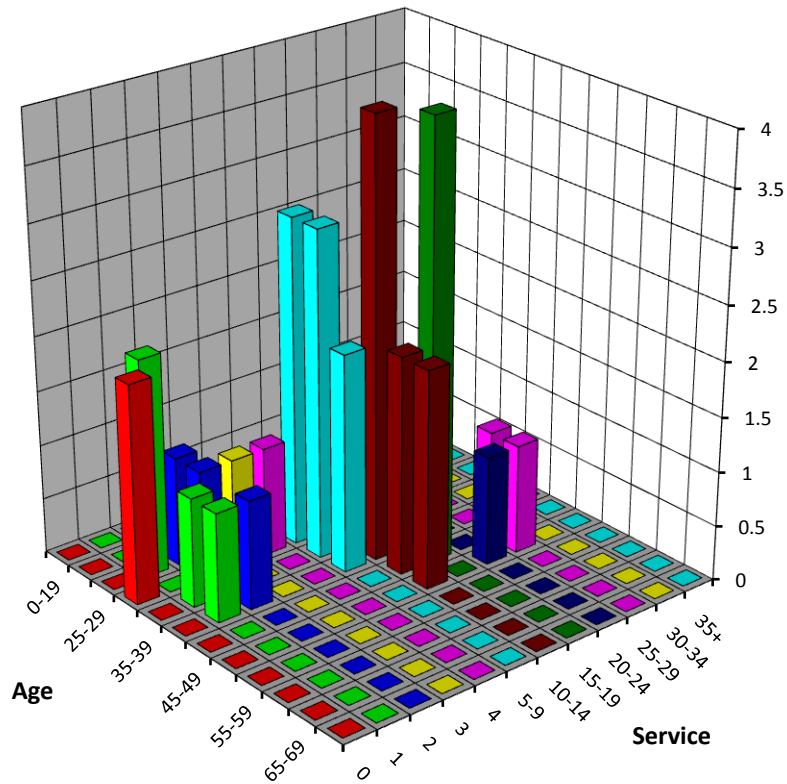
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	2	2	0	0	0	0	0	0	0	0	0	0	4
25-29	6	1	4	2	0	1	0	0	0	0	0	0	14
30-34	4	3	2	2	0	10	1	0	0	0	0	0	22
35-39	3	2	3	3	0	6	0	0	0	0	0	0	17
40-44	3	2	3	1	1	10	3	3	1	0	0	0	27
45-49	3	0	10	4	0	9	4	5	4	4	0	0	43
50-54	0	6	1	3	0	12	4	1	5	2	1	0	35
55-59	1	2	0	0	1	5	4	4	4	2	0	1	24
60-64	0	1	1	0	2	5	2	4	2	0	1	0	18
65-69	0	0	1	0	0	0	0	3	0	0	0	0	4
70+	1	0	0	0	0	1	0	0	0	0	0	0	2
Total	23	19	25	15	4	59	18	20	16	8	2	1	210

**Marin Special Districts
Miscellaneous Active Members
Payroll by Age and Service
as of July 1, 2007**



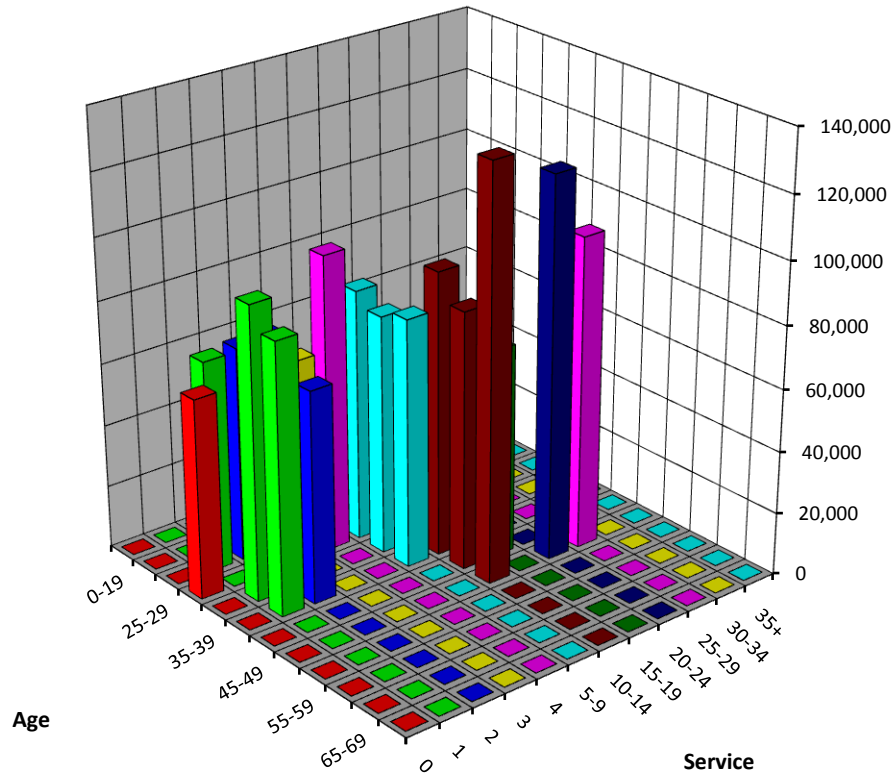
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	34,749	47,622	0	0	0	0	0	0	0	0	0	0	41,186
25-29	34,033	38,217	48,328	45,240	0	46,293	0	0	0	0	0	0	40,893
30-34	35,106	38,483	64,933	43,897	0	59,801	58,369	0	0	0	0	0	51,360
35-39	42,671	82,307	53,782	57,227	0	57,549	0	0	0	0	0	0	57,115
40-44	40,674	36,346	53,510	47,541	52,655	61,194	83,659	59,870	56,726	0	0	0	57,581
45-49	76,311	0	51,347	57,278	0	66,247	72,215	79,650	57,161	69,991	0	0	64,266
50-54	0	88,417	52,938	57,482	0	65,975	63,644	178,589	71,911	79,742	88,500	0	73,951
55-59	35,666	65,540	0	0	71,011	69,492	52,600	48,435	88,122	70,866	0	90,154	65,572
60-64	0	70,970	52,803	0	82,475	64,028	60,202	64,974	113,119	0	60,665	0	70,893
65-69	0	0	42,335	0	0	0	0	74,651	0	0	0	0	66,572
70+	126,086	0	0	0	0	50,213	0	0	0	0	0	0	88,150
Average	45,863	64,146	52,264	53,270	72,154	62,835	65,755	71,702	76,478	72,648	74,583	90,154	62,081

**Marin Special Districts
Safety Active Members
by Age and Service
as of July 1, 2007**

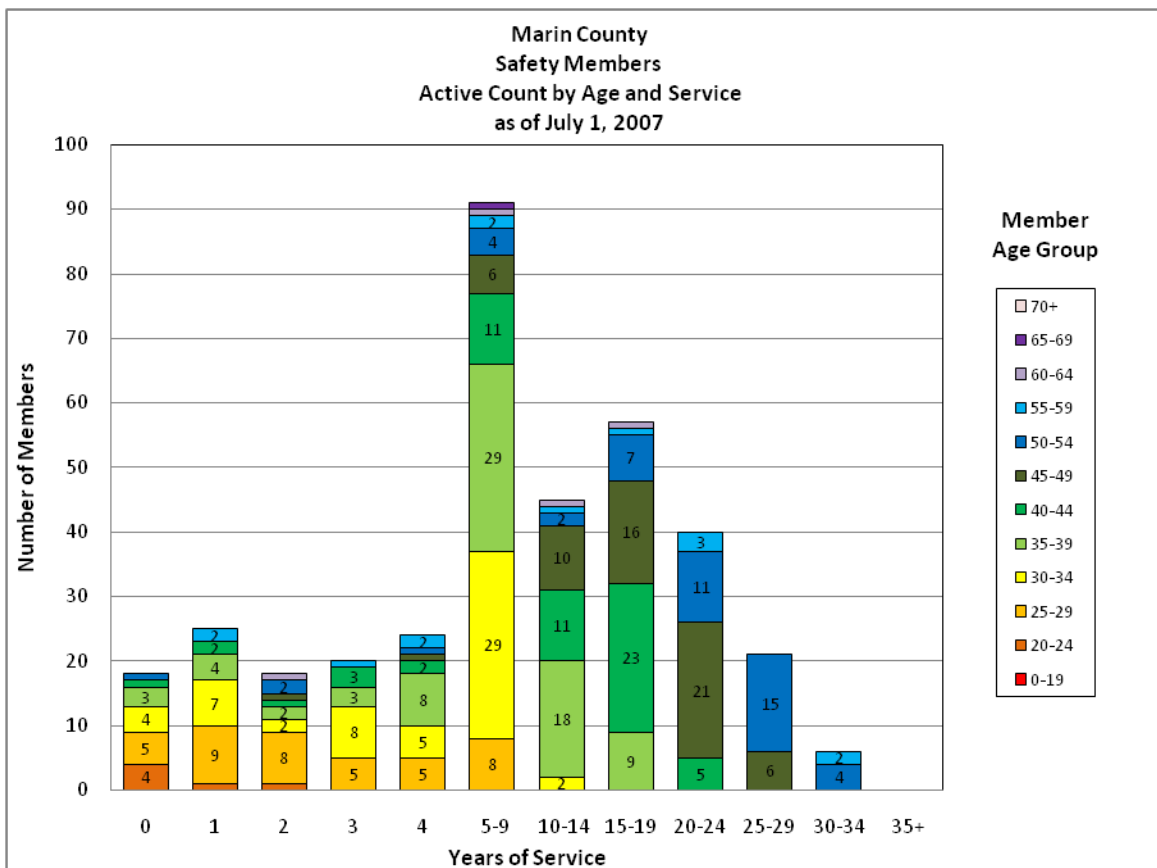
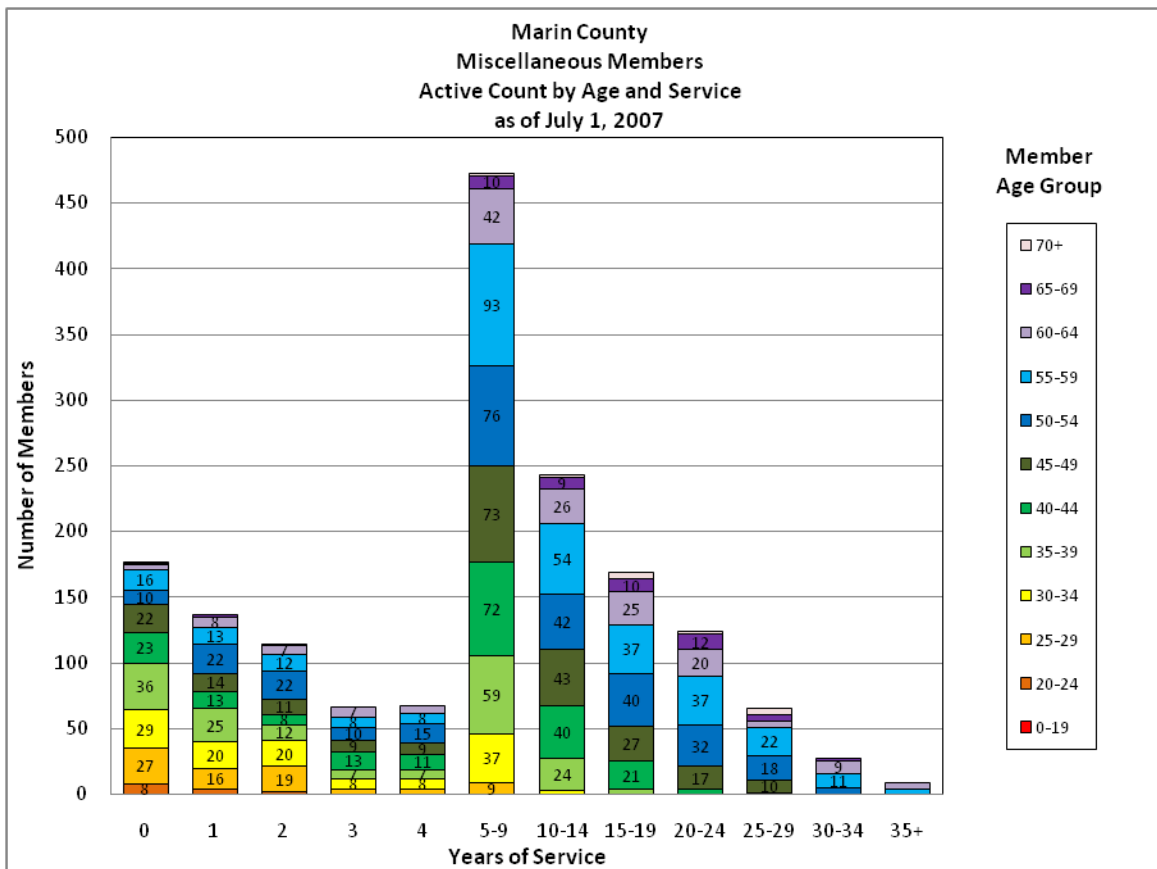


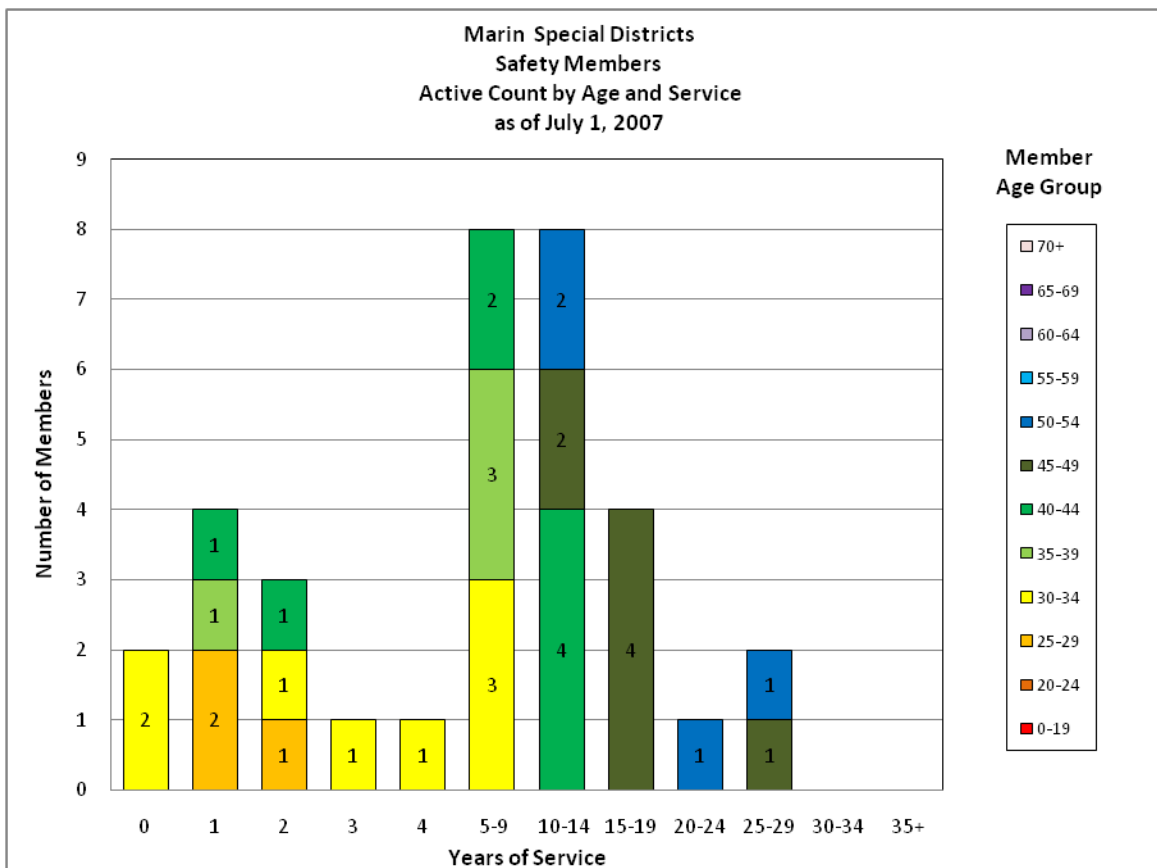
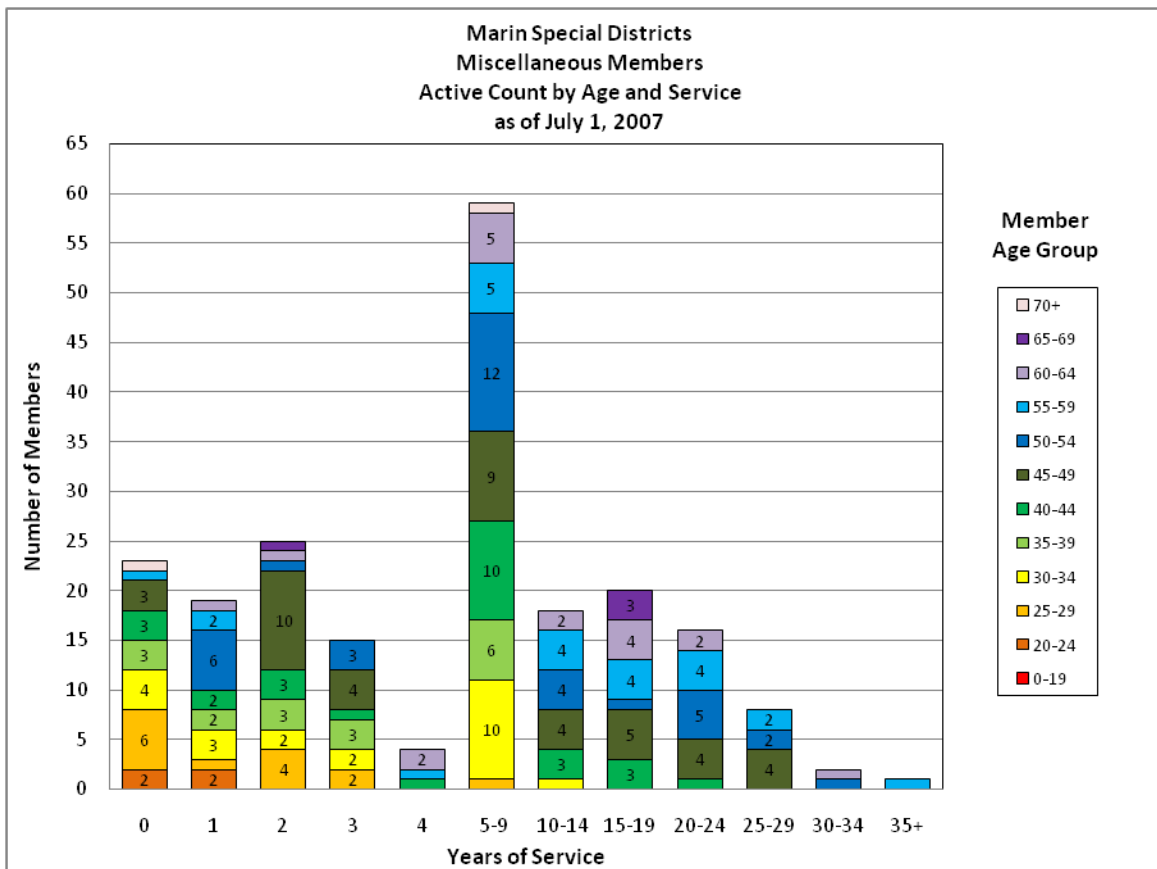
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	2	1	0	0	0	0	0	0	0	0	0	3
30-34	2	0	1	1	1	3	0	0	0	0	0	0	8
35-39	0	1	0	0	0	3	0	0	0	0	0	0	4
40-44	0	1	1	0	0	2	4	0	0	0	0	0	8
45-49	0	0	0	0	0	0	2	4	0	1	0	0	7
50-54	0	0	0	0	0	0	2	0	1	1	0	0	4
55-59	0	0	0	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	2	4	3	1	1	8	8	4	1	2	0	0	34

**Marin Special Districts
Safety Active Members
Payroll by Age and Service
as of July 1, 2007**



Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	68,039	68,938	0	0	0	0	0	0	0	0	0	68,339
30-34	63,993	0	76,716	65,281	95,371	81,004	0	0	0	0	0	0	76,046
35-39	0	93,856	0	0	0	76,809	0	0	0	0	0	0	81,071
40-44	0	86,822	68,071	0	0	79,899	91,505	0	0	0	0	0	85,089
45-49	0	0	0	0	0	0	82,972	67,281	0	95,472	0	0	75,791
50-54	0	0	0	0	0	0	132,316	0	122,530	100,385	0	0	121,887
55-59	0	0	0	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Average	63,993	79,189	71,242	65,281	95,371	79,155	99,575	67,281	122,530	97,929	0	0	83,425





Changes in Plan Membership: Marin County Miscellaneous

	Actives	Active Inactives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	1,616	20	171	0	202	37	81	1,117	188	3,432
New Entrants	191	-	-	-	-	-	-	-	-	191
Rehires	7	(2)	-	-	(2)	-	-	-	-	3
Duty Disabilities	(2)	-	-	-	-	-	2	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	-	0
Retirements	(47)	-	(1)	-	(4)	-	-	51	1	0
Retirements from Safety with Miscellaneous Service	-	-	-	-	-	-	-	-	-	0
Vested Terminations	(43)	(5)	(2)	-	50	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	(2)	-	-	-	-	-	(1)	(9)	12	0
Died, Without Beneficiary, and Other Terminations	(15)	(12)	-	27	-	(4)	-	(21)	-	(25)
Transfers	(19)	-	22	-	(3)	-	-	-	-	0
Beneficiary Deaths	-	-	-	-	-	-	-	-	(7)	(7)
Domestic Relations Orders	-	-	-	-	-	-	-	-	1	1
Withdrawals Paid	(15)	(1)	(1)	-	(11)	-	-	-	-	(28)
Data Corrections	-	-	2	1	1	(2)	(1)	(39)	-	(38)
June 30, 2007	1,671	0	191	28	233	31	81	1,099	195	3,529

Changes in Plan Membership: Marin County Safety

	Actives	Active Inactives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	357	2	56	0	18	3	84	133	42	695
New Entrants	20	-	-	-	-	-	-	-	-	20
Rehires	1	-	(1)	-	-	-	-	-	-	0
Duty Disabilities	(1)	-	-	-	-	-	1	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	-	0
Retirements	(4)	-	(3)	-	-	-	-	7	-	0
Retirements from Miscellaneous with Safety Service	-	-	-	-	-	-	-	-	-	0
Vested Terminations	(6)	-	(1)	-	7	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	-	-	-	-	-	-	-	(1)	1	0
Died, Without Beneficiary, and Other Terminations	(2)	(2)	-	4	-	-	(1)	(1)	-	(2)
Transfers	1	-	3	-	(1)	-	-	-	-	3
Beneficiary Deaths	-	-	-	-	-	-	-	-	(3)	(3)
Domestic Relations Orders	-	-	-	-	-	-	-	-	-	0
Withdrawals Paid	(1)	-	-	-	-	-	-	-	-	(1)
Data Corrections	-	-	-	-	(1)	-	1	(2)	1	(1)
June 30, 2007	365	0	54	4	23	3	85	136	41	711

Changes in Plan Membership: Marin Special Districts Miscellaneous

	Actives	Active Inactives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	215	0	21	0	21	0	0	3	1	261
New Entrants	31	-	-	-	-	-	-	-	-	31
Rehires	-	-	-	-	-	-	-	-	-	0
Duty Disabilities	-	-	-	-	-	-	-	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	-	0
Retirements	(9)	-	-	-	-	-	-	9	-	0
Retirements from Miscellaneous with Safety Service	-	-	-	-	-	-	-	-	-	0
Vested Terminations	(13)	-	(2)	-	15	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	-	-	-	-	-	-	-	-	-	0
Died, Without Beneficiary, and Other Terminations	(6)	-	-	6	-	-	-	-	-	0
Transfers	1	-	-	-	-	-	-	-	-	1
Beneficiary Deaths	-	-	-	-	-	-	-	-	-	0
Domestic Relations Orders	-	-	-	-	-	-	-	-	-	0
Withdrawals Paid	(7)	-	-	-	(3)	-	-	-	-	(10)
Data Corrections	(2)	-	(3)	-	(1)	2	3	37	-	36
June 30, 2007	210	0	16	6	32	2	3	49	1	319

Changes in Plan Membership: Marin Special Districts Safety

	Actives	Active Inactives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	35	0	10	0	2	0	14	14	6	81
New Entrants	4	-	-	-	-	-	-	-	-	4
Rehires	-	-	-	-	-	-	-	-	-	0
Duty Disabilities	(1)	-	-	-	-	-	1	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	-	0
Retirements	(2)	-	-	-	-	-	-	2	-	0
Retirements from Miscellaneous with Safety Service	-	-	-	-	-	-	-	-	-	0
Vested Terminations	-	-	-	-	-	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	-	-	-	-	-	-	-	-	-	0
Died, Without Beneficiary, and Other Terminations	(1)	-	-	1	-	-	-	-	-	0
Transfers	(1)	-	1	-	-	-	-	-	-	0
Beneficiary Deaths	-	-	-	-	-	-	-	-	(1)	(1)
Domestic Relations Orders	-	-	-	-	-	-	-	-	-	0
Withdrawals Paid	-	-	-	-	-	-	-	-	-	0
Data Corrections	-	-	-	-	-	-	-	-	-	0
June 30, 2007	34	0	11	1	2	0	15	16	5	84

Changes in Plan Membership: Marin County and Special Districts All Groups

	Actives	Active Inactives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	2,223	22	258	0	243	40	179	1,267	237	4,469
New Entrants	246	0	0	0	0	0	0	0	0	246
Rehires	8	(2)	(1)	0	(2)	0	0	0	0	3
Duty Disabilities	(4)	0	0	0	0	0	4	0	0	0
Ordinary Disabilities	0	0	0	0	0	0	0	0	0	0
Retirements	(62)	0	(4)	0	(4)	0	0	69	1	0
Retirements from Miscellaneous with Safety Service	0	0	0	0	0	0	0	0	0	0
Vested Terminations	(62)	(5)	(5)	0	72	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	(2)	0	0	0	0	0	(1)	(10)	13	0
Died, Without Beneficiary, and Other Terminations	(24)	(14)	0	38	0	(4)	(1)	(22)	0	(27)
Transfers	(18)	0	26	0	(4)	0	0	0	0	4
Beneficiary Deaths	0	0	0	0	0	0	0	0	(11)	(11)
Domestic Relations Orders	0	0	0	0	0	0	0	0	1	1
Withdrawals Paid	(23)	(1)	(1)	0	(14)	0	0	0	0	(39)
Data Corrections	(2)	0	(1)	1	(1)	0	3	(4)	1	(3)
June 30, 2007	2,280	0	272	39	290	36	184	1,300	242	4,643

Service Retired

Age	Marin County				Marin Special Districts				Total	
	Miscellaneous		Safety		Miscellaneous		Safety		Number	Annual Average Benefit
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit		
35-39	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
40-44	0	0	0	0	0	0	1	16,993	1	16,993
45-49	1	990	2	26,158	0	0	0	0	3	17,769
50-54	18	13,946	25	52,784	3	33,211	7	80,368	53	42,129
55-59	93	22,845	30	56,118	8	23,251	4	66,015	135	31,542
60-64	196	32,257	30	60,675	16	28,941	2	52,278	244	35,698
65-69	208	32,395	26	68,038	15	33,515	1	120,322	250	36,521
70-74	183	26,754	17	45,625	3	24,127	0	0	203	28,295
75-79	156	26,574	5	35,710	1	31,401	0	0	162	26,886
80-84	138	20,127	1	53,281	1	16,169	1	6,020	141	20,234
85-89	72	19,072	0	0	1	6,732	0	0	73	18,903
90-94	25	19,822	0	0	1	31,118	0	0	26	20,256
95+	9	18,979	0	0	0	0	0	0	9	18,979
All Ages	1,099	\$ 26,657	136	\$ 56,266	49	\$ 28,760	16	\$ 67,158	1,300	\$30,332

Duty Disabled

Age	Marin County				Marin Special Districts				Total	
	Miscellaneous		Safety		Miscellaneous		Safety		Number	Annual Average Benefit
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit		
25-29	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
30-34	1	24,213	1	30,294	0	0	1	34,749	3	29,752
35-39	2	23,973	2	24,624	0	0	0	0	4	24,298
40-44	2	26,447	13	32,458	0	0	1	44,083	16	32,434
45-49	9	26,712	10	29,261	0	0	0	0	19	28,053
50-54	13	22,665	11	43,192	0	0	2	20,107	26	31,153
55-59	15	32,452	11	34,026	1	38,814	3	20,475	30	32,044
60-64	13	30,782	15	43,145	2	15,722	5	44,649	35	37,201
65-69	11	29,394	9	42,438	0	0	3	30,739	23	34,673
70-74	9	40,600	7	31,738	0	0	0	0	16	36,723
75-79	4	21,316	4	34,065	0	0	0	0	8	27,690
80-84	2	23,592	2	24,986	0	0	0	0	4	24,289
85-89	0	0	0	0	0	0	0	0	0	0
90-94	0	0	0	0	0	0	0	0	0	0
95+	0	0	0	0	0	0	0	0	0	0
All Ages	81	\$ 29,238	85	\$ 36,247	3	\$ 23,419	15	\$ 33,062	184	\$ 32,693

Ordinary Disabled

Age	Marin County				Marin Special Districts				Total	
	Miscellaneous		Safety		Miscellaneous		Safety		Number	Annual Average Benefit
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit		
35-39	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
40-44	0	0	1	22,241	0	0	0	0	1	22,241
45-49	2	15,236	1	28,116	0	0	0	0	3	19,529
50-54	3	20,062	0	0	0	0	0	0	3	20,062
55-59	1	14,631	0	0	0	0	0	0	1	14,631
60-64	12	16,989	1	18,486	1	11,356	0	0	14	16,693
65-69	2	14,426	0	0	0	0	0	0	2	14,426
70-74	2	16,298	0	0	0	0	0	0	2	16,298
75-79	3	7,297	0	0	0	0	0	0	3	7,297
80-84	4	15,569	0	0	0	0	0	0	4	15,569
85-89	2	9,441	0	0	0	0	0	0	2	9,441
90-94	0	0	0	0	1	30,014	0	0	1	30,014
95+	0	0	0	0	0	0	0	0	0	9,725
All Ages	31	\$ 15,279	3	\$ 22,948	2	\$ 20,685	0	\$ 0	36	\$ 16,218

Surviving Beneficiaries (all benefit types)

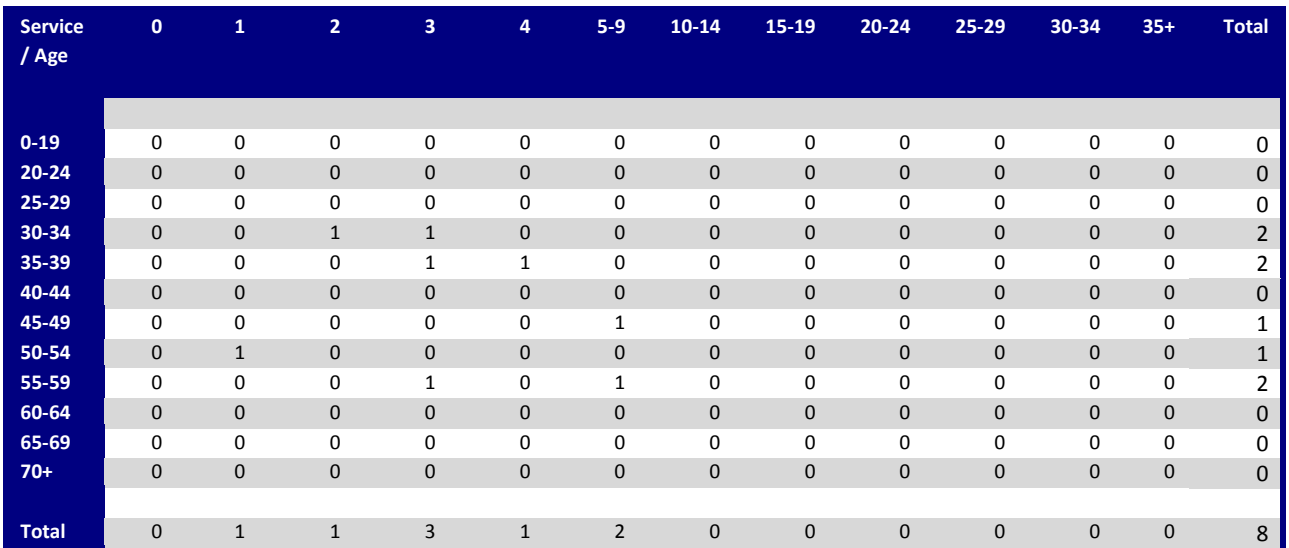
Age	Marin County				Marin Special Districts				Total	
	Miscellaneous		Safety		Miscellaneous		Safety		Number	Annual Average Benefit
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit		
0-24	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
25-29	0	0	1	22,686	0	0	0	0	1	22,686
30-34	2	5,944	0	0	0	0	0	0	2	5,944
35-39	1	4,295	0	0	0	0	0	0	1	4,295
40-44	2	12,322	3	41,854	0	0	0	0	5	30,041
45-49	5	18,548	0	0	0	0	0	0	5	18,548
50-54	8	20,509	0	0	1	10,821	1	46,580	10	22,148
55-59	15	27,553	4	41,848	0	0	0	0	19	30,562
60-64	17	22,602	4	23,228	0	0	1	39,134	22	23,467
65-69	19	20,291	6	24,936	0	0	1	24,735	26	21,534
70-74	26	19,849	3	39,184	0	0	1	37,334	30	22,366
75-79	31	16,995	7	30,127	0	0	0	0	38	19,414
80-84	27	12,076	7	31,619	0	0	0	0	34	16,099
85-89	31	13,409	6	17,465	0	0	1	39,420	38	14,734
90-94	6	9,488	0	0	0	0	0	0	6	9,488
95+	5	7,413	0	0	0	0	0	0	5	7,413
All Ages	195	\$ 17,227	41	\$ 29,579	1	\$ 10,821	5	\$ 37,441	242	\$ 19,711

Benefit Form Elections: Marin County and Special Districts

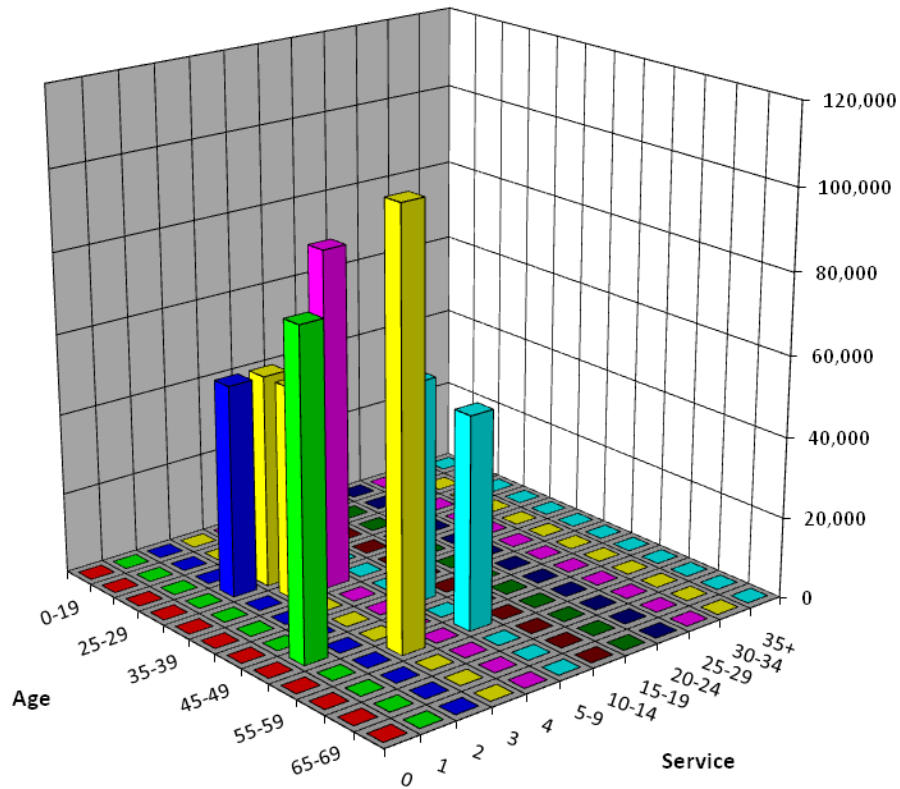
	Marin County		Marin Special Districts		Total
	<u>Misc</u>	<u>Safety</u>	<u>Misc</u>	<u>Safety</u>	
Service Retired					
Unmodified (No Continuance)	413	33	24	5	475
Unmodified (60% to Spouse)	618	94	22	10	744
Option #1 (Cash Refund)	43	2	3	0	48
Option #2 (100% Continuance)	22	5	0	0	27
Option #3 (50% Continuance)	3	2	0	1	6
Total Service Retired	1,099	136	49	16	1,300
Ordinary Disability					
Unmodified (No Continuance)	12	0	2	0	14
Unmodified (60% to Spouse)	16	3	0	0	19
Option #1 (Cash Refund)	2	0	0	0	2
Option #2 (100% Continuance)	1	0	0	0	1
Option #3 (50% Continuance)	0	0	0	0	0
Total Ordinary Disability	31	3	2	0	36
Duty Disability					
Unmodified (No Continuance)	39	24	0	5	68
Unmodified (60% to Spouse)	40	58	2	10	110
Option #1 (Cash Refund)	1	2	1	0	4
Option #2 (100% Continuance)	1	0	0	0	1
Option #3 (50% Continuance)	0	1	0	0	1
Total Duty Disability	81	85	3	15	184
Total	1,211	224	54	31	1,520

5.2: Participant Data as of June 30, 2007: Novato Fire Protection District

	Miscellaneous		Safety		Total	
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants						
Number	8	8	80	77	88	85
Average Age	43.39	44.43	38.01	39.13	38.50	39.63
Average Service	3.15	4.22	8.93	10.05	8.41	9.51
Average Pay	\$64,189	\$66,903	\$93,459	\$97,067	\$90,798	\$94,228
Service Retired						
Number	2	2	45	47	47	49
Average Age	65.79	66.85	60.90	61.46	61.11	61.68
Average Annual Total Benefit	\$46,340	\$47,730	\$72,480	\$74,081	\$71,368	\$73,006
Beneficiaries						
Number	0	0	5	7	5	7
Average Age	0.00	0.00	61.27	58.99	61.27	58.99
Average Annual Total Benefit	\$0	\$0	\$35,436	\$32,990	\$35,436	\$32,990
Duty Disabled						
Number	0	0	27	27	27	27
Average Age	0.00	0.00	59.64	60.68	59.64	60.68
Average Annual Total Benefit	\$0	\$0	\$42,539	\$43,796	\$42,539	\$43,796
Ordinary Disabled						
Number	0	0	0	0	0	0
Average Age	0.00	0.00	0.00	0.00	0.00	0.00
Average Annual Total Benefit	\$0	\$0	\$0	\$0	\$0	\$0
Total In Pay						
Number	2	2	77	81	79	83
Average Age	65.79	66.85	60.48	60.99	60.61	61.13
Average Annual Total Benefit	\$46,340	\$47,730	\$59,576	\$60,435	\$59,241	\$60,129
Terminated Vested						
Number	2	1	7	6	9	7
Average Age	53.17	48.56	36.14	35.14	39.93	37.06
Average Service	4.71	6.23	3.42	2.43	3.70	2.98
Transfers						
Number	2	2	6	7	8	9
Average Age	44.04	45.08	35.17	35.17	37.39	37.37
Average Service	3.75	3.80	1.78	2.27	2.27	2.61
Total Inactive						
Number	4	3	13	13	17	16
Average Age	48.60	46.24	37.79	35.16	39.85	37.23
Average Service	4.23	4.61	2.98	2.34	3.21	2.77

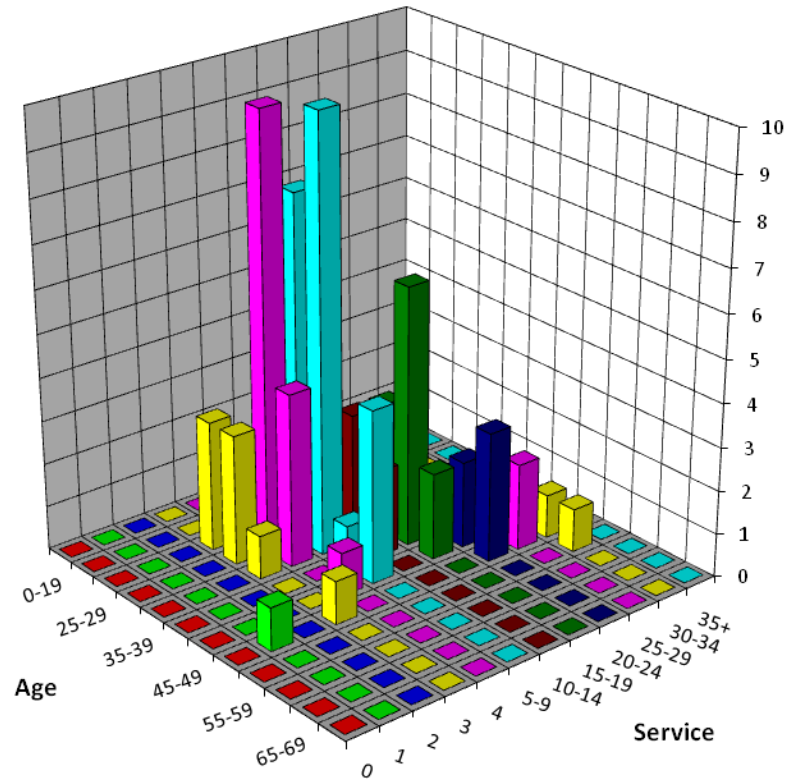


**Miscellaneous Active Members
Payroll by Age and Service
as of July 1, 2007**



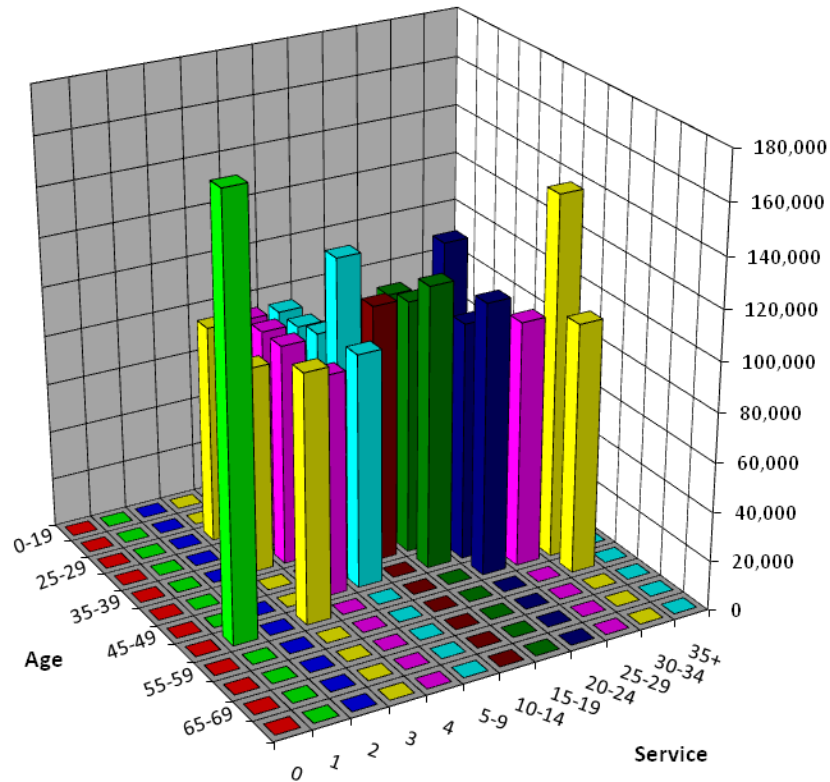
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	52,661	52,661	0	0	0	0	0	0	0	0	52,661
35-39	0	0	0	52,661	83,675	0	0	0	0	0	0	0	68,168
40-44	0	0	0	0	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	54,743	0	0	0	0	0	0	54,743
50-54	0	80,277	0	0	0	0	0	0	0	0	0	0	80,277
55-59	0	0	0	105,883	0	52,661	0	0	0	0	0	0	79,272
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Average	0	80,277	52,661	70,402	83,675	53,702	0	0	0	0	0	0	66,903

**Safety Active Members
by Age and Service
as of July 1, 2007**

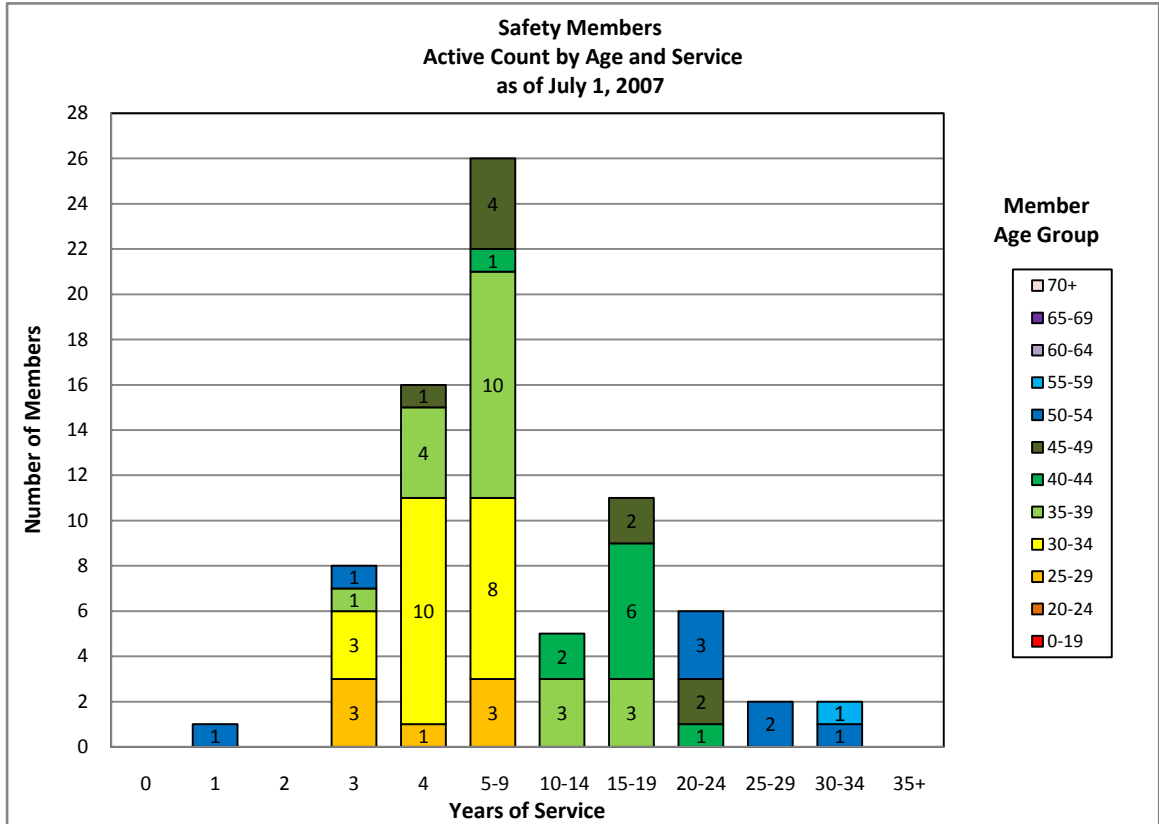
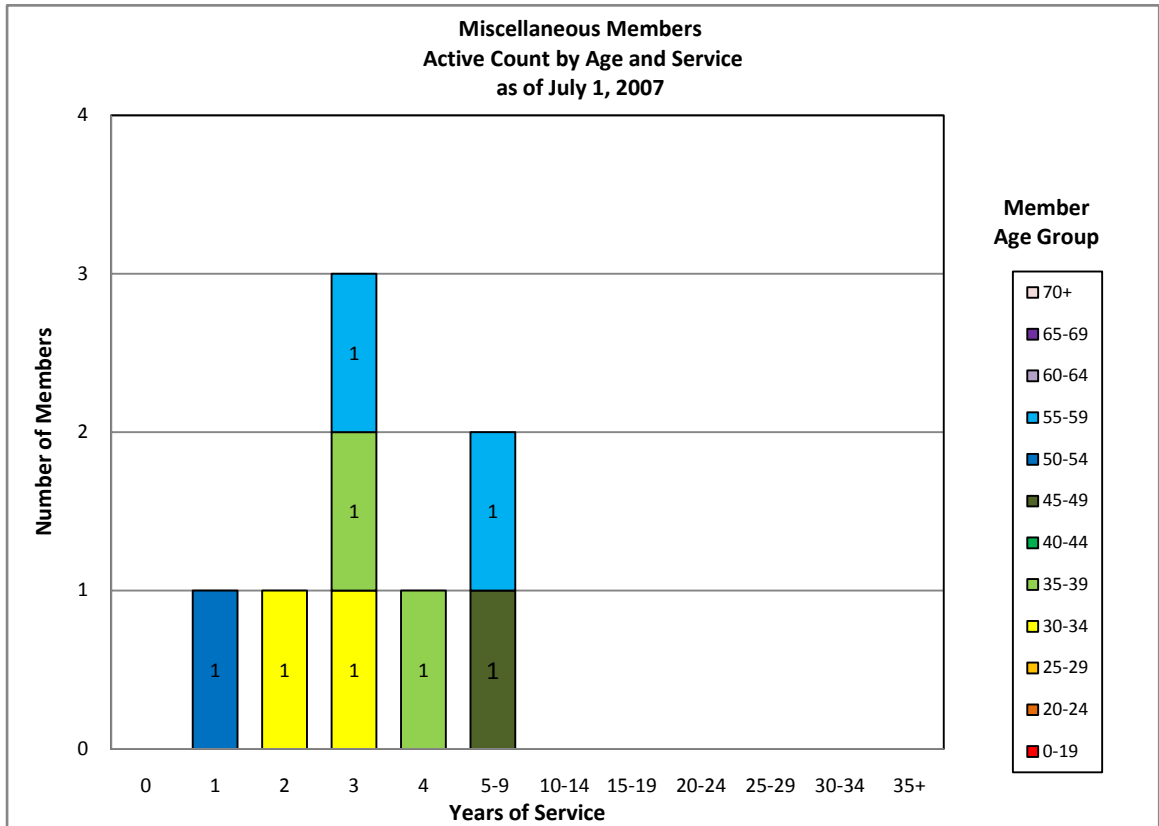


Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	3	1	3	0	0	0	0	0	0	7
30-34	0	0	0	3	10	8	0	0	0	0	0	0	21
35-39	0	0	0	1	4	10	3	3	0	0	0	0	21
40-44	0	0	0	0	0	1	2	6	1	0	0	0	10
45-49	0	0	0	0	1	4	0	2	2	0	0	0	9
50-54	0	1	0	1	0	0	0	0	3	2	1	0	8
55-59	0	0	0	0	0	0	0	0	0	0	1	0	1
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	1	0	8	16	26	5	11	6	2	2	0	77

**Safety Active Members
Payroll by Age and Service
as of July 1, 2007**



Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	88,811	88,811	88,722	0	0	0	0	0	0	88,773
30-34	0	0	0	88,811	89,771	88,461	0	0	0	0	0	0	89,135
35-39	0	0	0	84,050	89,893	91,454	96,641	100,475	0	0	0	0	92,834
40-44	0	0	0	0	0	126,966	104,838	103,342	123,524	0	0	0	108,022
45-49	0	0	0	0	89,808	94,913	0	115,141	96,928	0	0	0	99,289
50-54	0	175,524	0	100,853	0	0	0	0	110,892	99,941	146,969	0	119,488
55-59	0	0	0	0	0	0	0	0	0	0	101,695	0	101,695
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Average	0	175,524	0	89,721	89,744	92,116	99,920	104,705	108,343	99,941	124,332	0	97,067



Changes in Plan Membership: Novato Fire Protection District Miscellaneous

	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	8	2	0	2	0	0	2	0	14
New Entrants	-	-	-	-	-	-	-	-	0
Rehires	-	-	-	-	-	-	-	-	0
Duty Disabilities	-	-	-	-	-	-	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	0
Retirements	-	-	-	-	-	-	-	-	0
Retirements from Safety with Miscellaneous Service	-	-	-	-	-	-	-	-	0
Vested Terminations	-	-	-	-	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	-	-	-	-	-	-	-	-	0
Died, Without Beneficiary, and Other Terminations	-	-	-	-	-	-	-	-	0
Transfers	-	-	-	-	-	-	-	-	0
Beneficiary Deaths	-	-	-	-	-	-	-	-	0
Domestic Relations Orders	-	-	-	-	-	-	-	-	0
Withdrawals Paid									0
Data Corrections	-	-	1	(1)	-	-	-	-	0
June 30, 2007	8	2	1	1	0	0	2	0	14

Changes in Plan Membership: Novato Fire Protection District Safety

Error! Reference source not found.	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	80	6	0	7	0	27	45	5	170
New Entrants	-	-	-	-	-	-	-	-	0
Rehires	-	-	-	-	-	-	-	-	0
Duty Disabilities	-	-	-	-	-	-	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	0
Retirements	(1)	-	-	(1)	-	-	2	-	0
Retirements from Safety with Miscellaneous Service	-	-	-	-	-	-	-	-	0
Vested Terminations	(1)	-	-	1	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	-	-	-	-	-	-	-	-	0
Died, Without Beneficiary, and Other Terminations	-	-	-	-	-	-	-	-	0
Transfers	(1)	1	-	-	-	-	-	-	0
Beneficiary Deaths	-	-	-	-	-	-	-	-	0
Domestic Relations Orders	-	-	-	-	-	-	-	1	1
Withdrawals Paid	-	-	-	(1)	-	-	-	-	(1)
Data Corrections	-	-	1	-	-	-	-	1	2
June 30, 2007	77	7	1	6	0	27	47	7	172

Changes in Plan Membership: Novato Fire Protection District All Groups

	Actives	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	88	8	0	9	0	27	47	5	184
New Entrants	0	0	0	0	0	0	0	0	0
Rehires	0	0	0	0	0	0	0	0	0
Duty Disabilities	0	0	0	0	0	0	0	0	0
Ordinary Disabilities	0	0	0	0	0	0	0	0	0
Retirements	(1)	0	0	(1)	0	0	2	0	0
Retirements from Miscellaneous with Safety Service	0	0	0	0	0	0	0	0	0
Vested Terminations	(1)	0	0	1	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	0	0	0	0	0	0	0	0	0
Died, Without Beneficiary, and Other Terminations	0	0	0	0	0	0	0	0	0
Transfers	(1)	1	0	0	0	0	0	0	0
Beneficiary Deaths	0	0	0	0	0	0	0	0	0
Domestic Relations Orders	0	0	0	0	0	0	0	1	1
Withdrawals Paid	0	0	0	(1)	0	0	0	0	(1)
Data Corrections	0	0	2	(1)	0	0	0	1	2
June 30, 2007	85	9	2	7	0	27	49	7	186

Service Retired

Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
35-39	0	\$0	0	\$0	0	\$ 0
40-44	0	0	0	-	0	-
45-49	0	0	0	-	0	-
50-54	0	0	6	74,282	6	74,282
55-59	0	0	13	73,427	13	73,427
60-64	0	0	17	84,317	17	84,317
65-69	2	47,730	9	66,164	11	62,813
70-74	0	0	1	7,326	1	7,326
75-79	0	0	0	-	0	-
80-84	0	0	1	45,390	1	45,390
85-89	0	0	0	-	0	-
90-94	0	0	0	-	0	-
95+	0	0	0	-	0	-
All Ages	2	\$ 47,730	47	\$ 74,081	49	\$ 73,006

Duty Disabled

Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
30-34	0	\$0	0	\$0	0	\$0
35-39	0	0	0	0	0	0
40-44	0	0	0	0	0	0
45-49	0	0	2	36,954	2	36,954
50-54	0	0	3	35,015	3	35,015
55-59	0	0	7	47,609	7	47,609
60-64	0	0	6	50,761	6	50,761
65-69	0	0	7	39,351	7	39,351
70-74	0	0	2	45,126	2	45,126
75-79	0	0	0	0	0	0
80-84	0	0	0	0	0	0
85-89	0	0	0	0	0	0
90-94	0	0	0	0	0	0
95+	0	0	0	0	0	0
All Ages	0	\$ 0	27	\$ 43,796	27	\$ 43,796

Ordinary Disabled

Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
35-39	0	\$0	0	\$0	0	\$0
40-44	0	0	0	0	0	0
45-49	0	0	0	0	0	0
50-54	0	0	0	0	0	0
55-59	0	0	0	0	0	0
60-64	0	0	0	0	0	0
65-69	0	0	0	0	0	0
70-74	0	0	0	0	0	0
75-79	0	0	0	0	0	0
80-84	0	0	0	0	0	0
85-89	0	0	0	0	0	0
90-94	0	0	0	0	0	0
95+	0	0	0	0	0	0
All Ages	0	\$0	0	\$0	0	\$0

Surviving Beneficiaries (all benefit types)

Age	General		Safety		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
0-24	0	\$0	0	\$0	0	\$0
25-29	0	0	0	0	0	0
30-34	0	0	0	0	0	0
35-39	0	0	1	58,351	1	58,351
40-44	0	0	1	19,918	1	19,918
45-49	0	0	0	0	0	0
50-54	0	0	0	0	0	0
55-59	0	0	2	29,578	2	29,578
60-64	0	0	1	35,630	1	35,630
65-69	0	0	0	0	0	0
70-74	0	0	0	0	0	0
75-79	0	0	2	28,937	2	28,937
80-84	0	0	0	0	0	0
85-89	0	0	0	0	0	0
90-94	0	0	0	0	0	0
95+	0	0	0	0	0	0
All Ages	0	\$0	7	\$32,990	7	\$32,990

Benefit Form Elections: Novato Fire Protection District

	Miscellaneous	Safety	Total
Service Retired			
Unmodified (No Continuance)	1	7	8
Unmodified (60% to Spouse)	1	39	40
Option #1 (Cash Refund)	0	0	0
Option #2 (100% Continuance)	0	1	1
Option #3 (50% Continuance)	0	0	0
Total Service Retired	2	47	49
Ordinary Disability			
Unmodified (No Continuance)	0	0	0
Unmodified (60% to Spouse)	0	0	0
Option #1 (Cash Refund)	0	0	0
Option #2 (100% Continuance)	0	0	0
Option #3 (50% Continuance)	0	0	0
Total Ordinary Disability	0	0	0
Duty Disability			
Unmodified (No Continuance)	0	5	5
Unmodified (60% to Spouse)	0	22	22
Option #1 (Cash Refund)	0	0	0
Option #2 (100% Continuance)	0	0	0
Option #3 (50% Continuance)	0	0	0
Total Duty Disability	0	27	27
Total	2	74	76

5.3: Participant Data as of June 30, 2007: City of San Rafael

	City (31676.19)		City (31676.11)		Redevelopment		Total Miscellaneous	
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants								
Number	199	255	43	0	4	5	246	260
Average Age	47.63	46.90	42.01	0.00	50.54	51.00	46.70	46.98
Average Service	10.69	9.74	6.91	0.00	8.74	9.90	10.00	9.74
Average Pay*	\$67,013	\$63,489	\$37,161	\$0	\$91,250	\$95,297	\$62,189	\$64,101
Service Retired								
Number	30	39	107	102	0	0	137	141
Average Age	59.77	60.09	72.11	72.75	0.00	0.00	69.41	69.24
Average Total Benefit*	\$34,489	\$33,232	\$18,060	\$19,157	\$0	\$0	\$21,658	\$23,050
Beneficiaries								
Number	1	2	25	25	0	0	26	27
Average Age	54.33	58.05	76.21	76.89	0.00	0.00	75.37	75.49
Average Total Benefit*	\$65,083	\$69,901	\$7,761	\$8,697	\$0	\$0	\$9,966	\$13,231
Duty Disabled								
Number	0	0	19	19	0	0	19	19
Average Age	0.00	0.00	58.16	59.20	0.00	0.00	58.16	59.20
Average Total Benefit*	\$0	\$0	\$20,722	\$21,343	\$0	\$0	\$20,722	\$21,343
Ordinary Disabled								
Number	0	0	3	3	0	0	3	3
Average Age	0.00	0.00	67.89	68.93	0.00	0.00	67.89	68.93
Average Total Benefit*	\$0	\$0	\$12,208	\$12,575	\$0	\$0	\$12,208	\$12,575
Total In Pay								
Number	31	41	154	149	0	0	185	190
Average Age	59.59	59.99	70.97	71.64	0.00	0.00	69.07	69.12
Average Total Benefit*	\$35,476	\$35,021	\$16,602	\$17,549	\$0	\$0	\$19,765	\$21,319
Terminated Vested								
Number	25	45	15	1	0	0	40	46
Average Age	47.65	44.41	34.13	48.31	0.00	0.00	42.58	44.49
Average Service	4.89	4.06	3.19	0.56	0.00	0.00	4.25	3.98
Transfers								
Number	50	66	9	0	7	6	66	72
Average Age	47.83	45.84	35.94	0.00	49.21	50.53	46.35	46.43
Average Service	4.42	4.41	1.17	0.00	3.83	2.01	3.91	4.21
Total Inactive								
Number	75	111	24	1	7	6	106	118
Average Age	47.77	45.26	34.01	48.31	49.21	50.53	44.93	45.55
Average Service	4.57	4.27	2.43	0.56	3.83	2.01	4.04	4.12

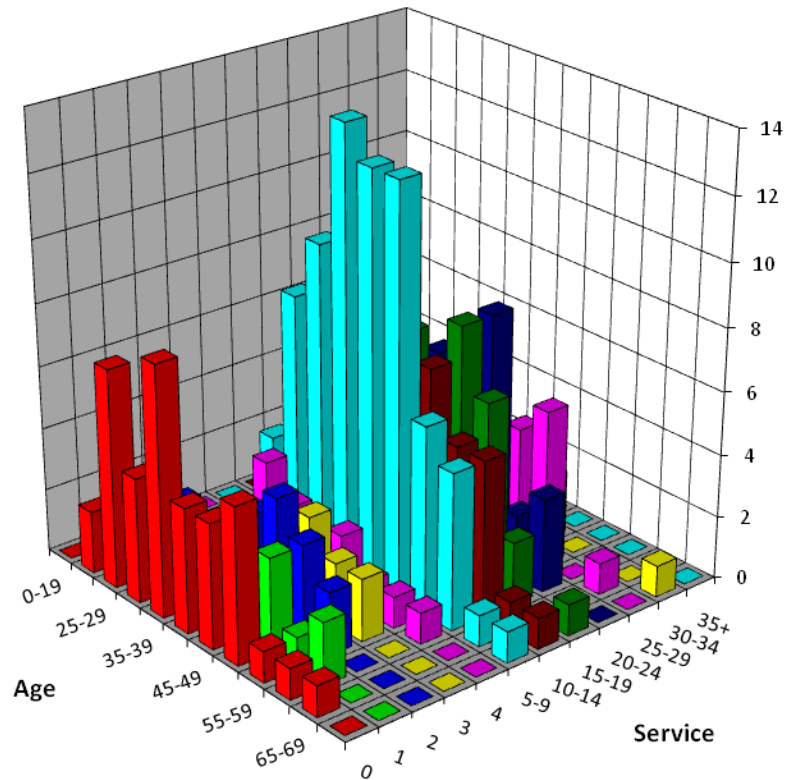
*All payroll and benefit figures shown are annual

City of San Rafael

	Police		Fire		Total Safety		All Members	
	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07	6/30/06	6/30/07
Active Participants								
Number	66	72	68	70	134	142	380	402
Average Age	39.64	38.79	45.31	45.24	42.51	41.97	45.22	45.21
Average Service	11.93	10.86	17.14	16.49	14.58	13.64	11.61	11.12
Average Pay*	\$95,990	\$97,757	\$102,531	\$106,222	\$99,309	\$101,930	\$75,279	\$77,463
Service Retired								
Number	15	16	85	89	100	105	237	246
Average Age	55.41	56.14	64.86	65.48	63.44	64.05	66.89	67.03
Average Total Benefit*	\$87,205	\$85,053	\$45,734	\$50,310	\$51,954	\$55,604	\$34,441	\$36,945
Beneficiaries								
Number	0	0	26	27	26	27	52	54
Average Age	0.00	0.00	73.17	71.92	73.17	71.92	74.27	73.71
Average Total Benefit*	\$0	\$0	\$20,434	\$24,377	\$20,434	\$24,377	\$15,200	\$18,804
Duty Disabled								
Number	3	3	45	45	48	48	67	67
Average Age	37.25	38.29	56.78	57.82	55.56	56.60	56.30	57.34
Average Total Benefit*	\$50,899	\$52,426	\$38,385	\$39,537	\$39,167	\$40,342	\$33,937	\$34,955
Ordinary Disabled								
Number	0	0	0	0	0	0	3	3
Average Age	0.00	0.00	0.00	0.00	0.00	0.00	67.89	68.93
Average Total Benefit*	\$0	\$0	\$0	\$0	\$0	\$0	\$12,208	\$12,575
Total In Pay								
Number	18	19	156	161	174	180	359	370
Average Age	52.38	53.33	63.91	64.42	62.72	63.25	65.99	66.26
Average Total Benefit*	\$51,154	\$79,901	\$39,397	\$42,950	\$43,717	\$46,851	\$31,374	\$33,740
Terminated Vested								
Number	15	12	4	2	19	14	59	60
Average Age	40.66	43.04	43.81	52.31	41.32	44.36	42.18	44.46
Average Service	5.94	7.82	2.63	2.59	5.25	7.07	4.57	4.70
Transfers								
Number	33	37	2	4	35	41	101	113
Average Age	42.79	43.01	40.63	44.73	42.66	43.17	45.08	45.12
Average Service	6.31	6.14	6.08	3.31	6.30	5.86	4.74	4.81
Total Inactive								
Number	48	49	6	6	54	55	160	173
Average Age	42.12	43.01	42.75	47.25	42.19	43.48	44.01	44.89
Average Service	6.20	6.55	3.78	3.07	5.93	6.17	4.68	4.77

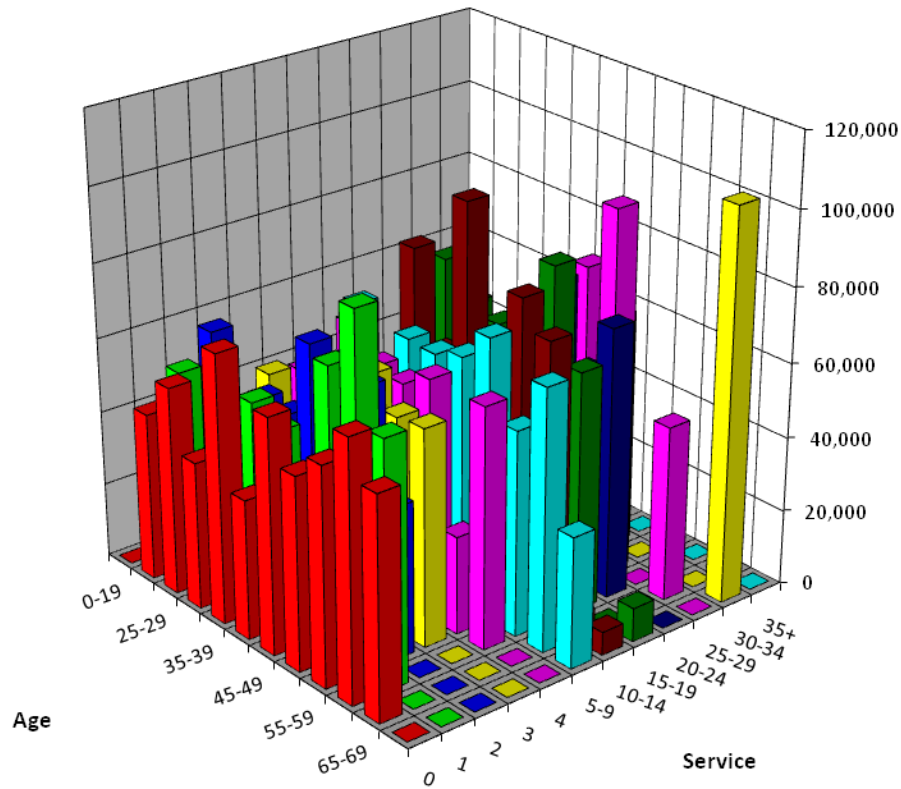
*All payroll and benefit figures shown are annual

**Miscellaneous Active Members
by Age and Service
as of July 1, 2007**



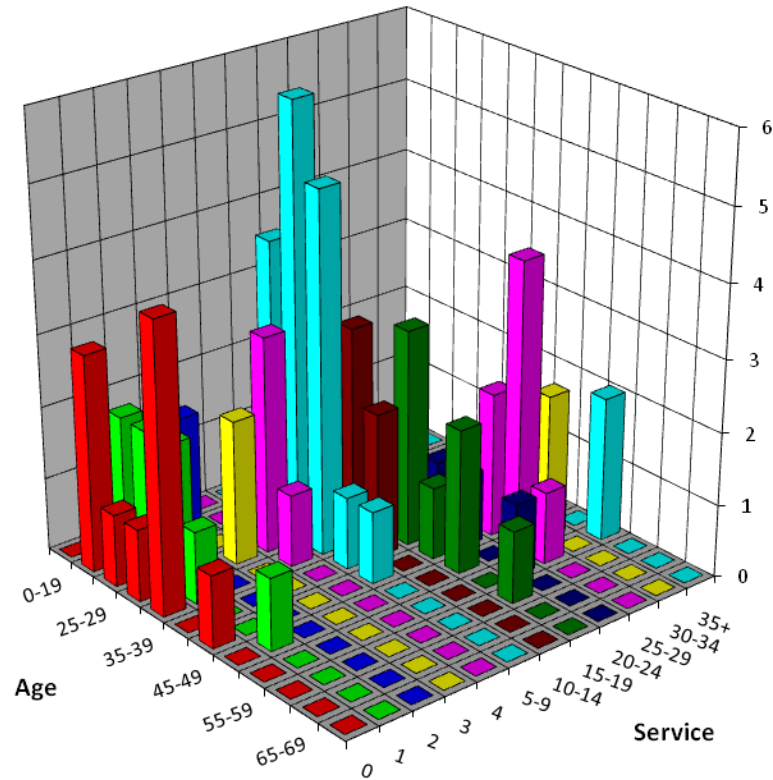
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	2	1	1	0	0	0	0	0	0	0	0	0	4
25-29	7	1	2	1	1	3	0	0	0	0	0	0	15
30-34	4	2	1	1	3	8	0	0	0	0	0	0	19
35-39	8	1	2	0	2	10	1	2	0	0	0	0	26
40-44	4	2	3	0	1	14	3	7	6	0	0	0	40
45-49	4	0	4	3	2	13	6	6	2	2	0	0	42
50-54	5	3	3	2	1	13	7	8	8	4	2	0	56
55-59	1	1	2	2	1	6	5	6	2	5	0	0	31
60-64	1	2	0	0	1	5	5	2	3	0	0	0	19
65-69	1	0	0	0	0	1	1	0	0	1	0	0	4
70+	0	0	0	0	0	1	1	1	0	0	1	0	4
Total	37	13	18	9	12	74	29	32	21	12	3	0	260

**Miscellaneous Active Members
Payroll by Age and Service
as of July 1, 2007**



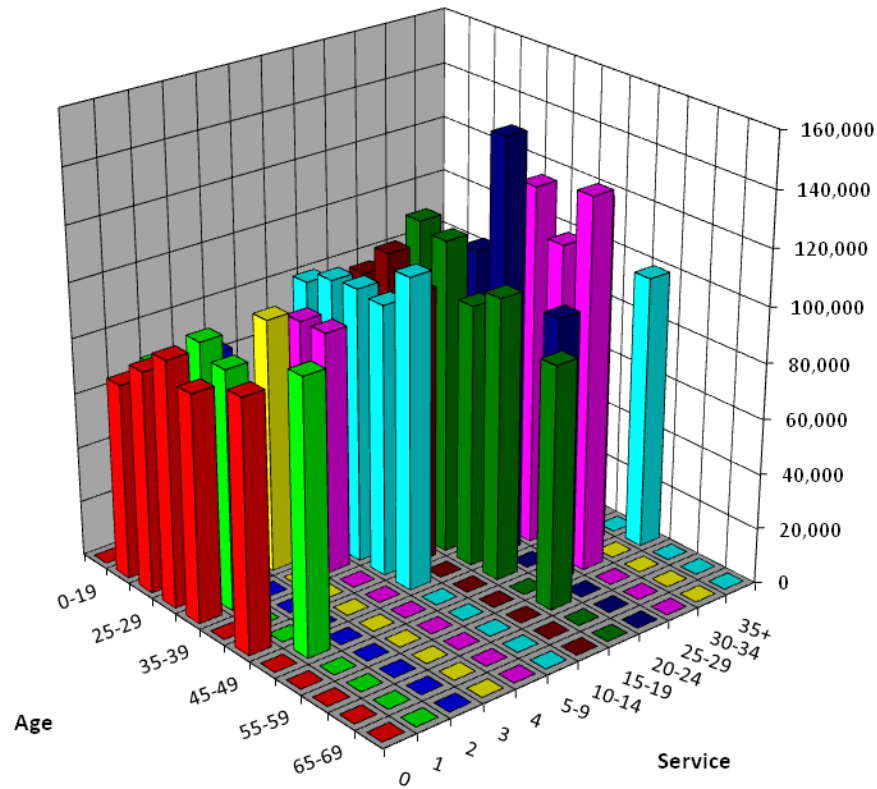
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	45,084	53,448	61,541	0	0	0	0	0	0	0	0	0	51,289
25-29	55,953	28,977	43,676	50,669	48,645	34,270	0	0	0	0	0	0	47,342
30-34	39,648	36,380	50,686	34,127	52,546	67,307	0	0	0	0	0	0	53,277
35-39	72,112	56,342	49,979	0	68,405	47,722	82,662	77,089	0	0	0	0	60,926
40-44	37,538	52,464	72,229	0	60,609	64,779	58,465	68,818	59,393	0	0	0	61,319
45-49	63,084	0	70,736	64,861	59,455	64,248	100,944	66,355	67,170	67,133	0	0	70,390
50-54	51,795	76,661	68,214	57,393	64,249	66,983	63,231	64,216	78,258	79,258	63,066	0	67,303
55-59	58,480	94,198	40,571	58,215	26,307	75,468	82,820	88,217	57,814	97,549	0	0	76,650
60-64	69,381	65,803	0	0	64,466	55,060	75,124	64,084	72,620	0	0	0	66,442
65-69	59,219	0	0	0	0	69,951	6,223	0	0	47,069	0	0	45,616
70+	0	0	0	0	0	35,129	6,223	9,049	0	0	104,986	0	38,847
Average	55,834	59,403	60,275	56,733	56,470	61,684	72,707	69,196	69,060	82,176	77,039	0	64,101

**Police Active Members
by Age and Service
as of July 1, 2007**



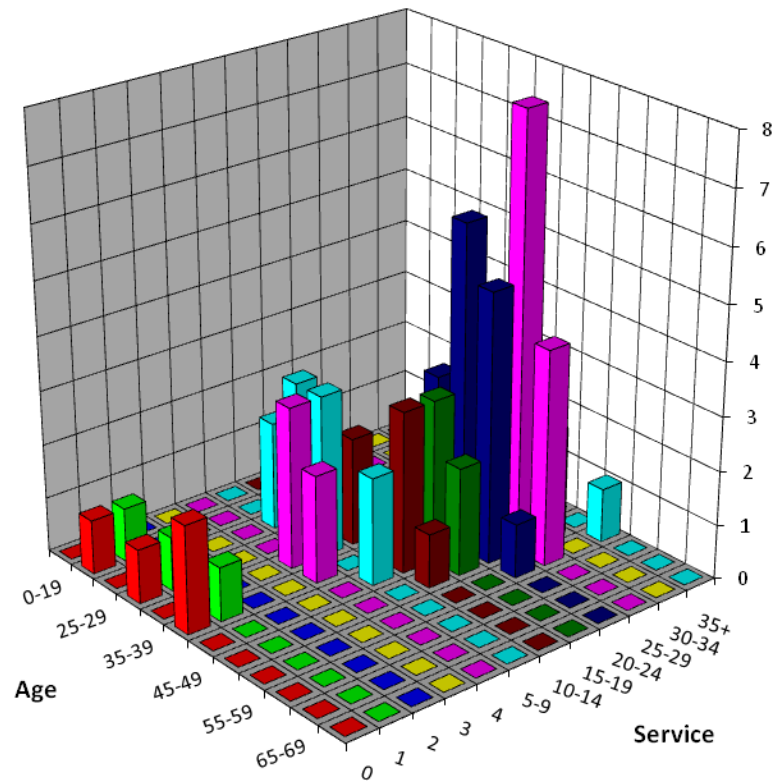
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	3	2	0	0	0	0	0	0	0	0	0	0	5
25-29	1	2	2	0	0	4	0	0	0	0	0	0	9
30-34	1	2	0	2	3	6	2	0	0	0	0	0	16
35-39	4	1	0	0	1	5	3	1	0	0	0	0	15
40-44	0	0	0	0	0	1	2	3	1	0	0	0	7
45-49	1	0	0	0	0	1	0	1	1	2	0	0	6
50-54	0	1	0	0	0	0	0	2	0	4	2	0	9
55-59	0	0	0	0	0	0	0	0	1	1	0	2	4
60-64	0	0	0	0	0	0	0	1	0	0	0	0	1
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	10	8	2	2	4	17	7	8	3	7	2	2	72

**Police Active Members
 Payroll by Age and Service
 as of July 1, 2007**



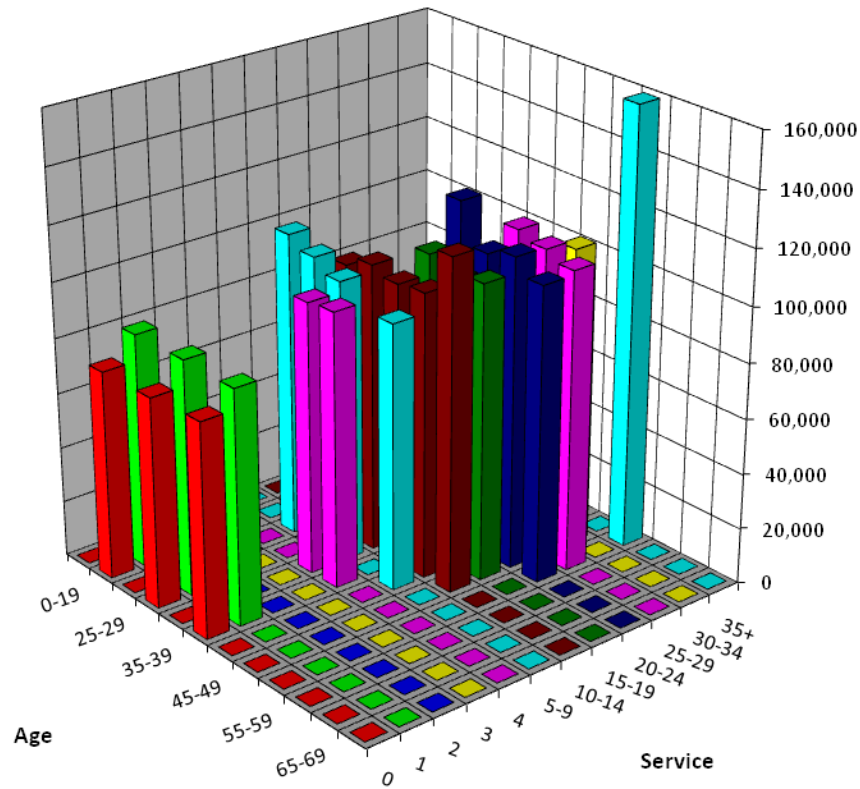
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	70,887	74,269	0	0	0	0	0	0	0	0	0	0	72,240
25-29	80,409	76,155	78,597	0	0	93,216	0	0	0	0	0	0	84,753
30-34	89,163	91,561	0	91,614	87,448	98,211	96,997	0	0	0	0	0	93,820
35-39	82,332	86,698	0	0	87,765	99,570	108,323	116,295	0	0	0	0	96,194
40-44	0	0	0	0	0	98,241	98,698	113,391	106,483	0	0	0	106,042
45-49	90,900	0	0	0	0	112,296	0	94,822	149,861	129,558	0	0	117,833
50-54	0	98,671	0	0	0	0	0	102,025	0	113,342	124,910	0	111,768
55-59	0	0	0	0	0	0	0	0	95,715	134,300	0	98,674	106,841
60-64	0	0	0	0	0	0	0	87,933	0	0	0	0	87,933
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Average	80,246	83,667	78,597	91,614	87,527	98,266	102,337	105,409	117,353	120,969	124,910	98,674	97,757

**Fire Active Members
by Age and Service
as of July 1, 2007**

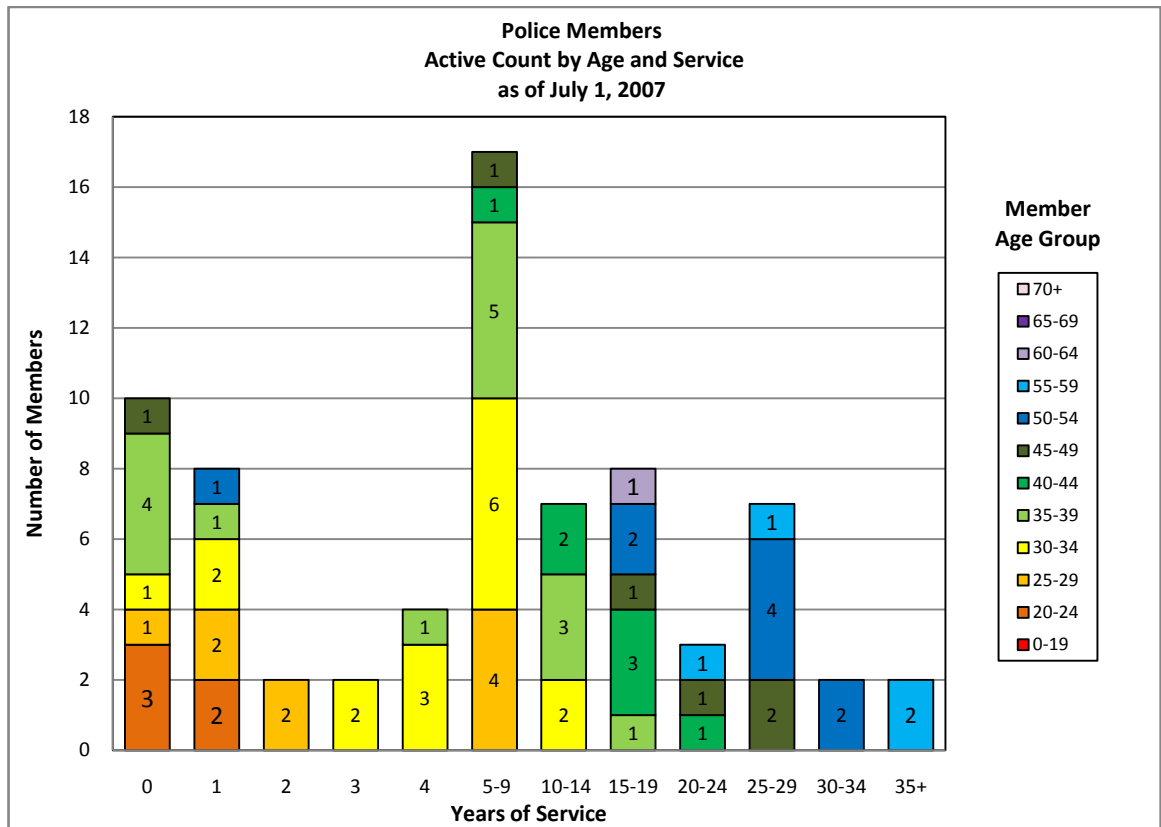
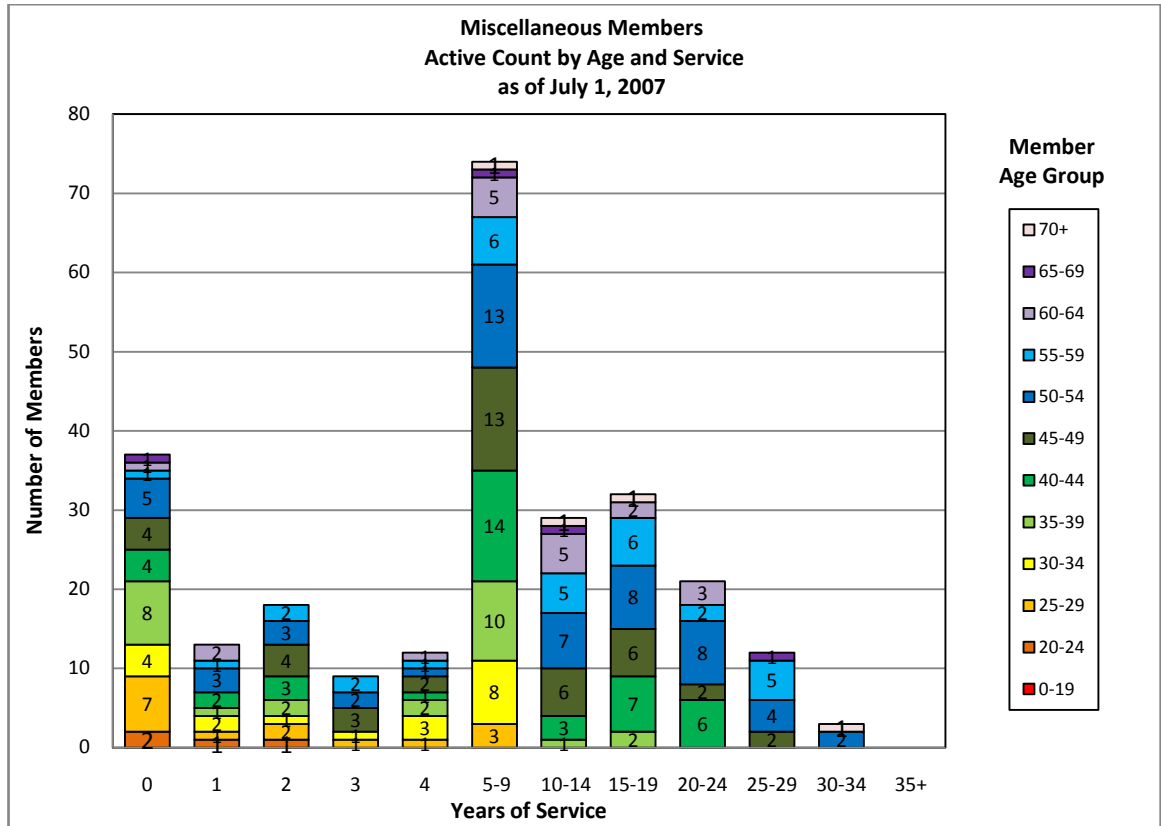


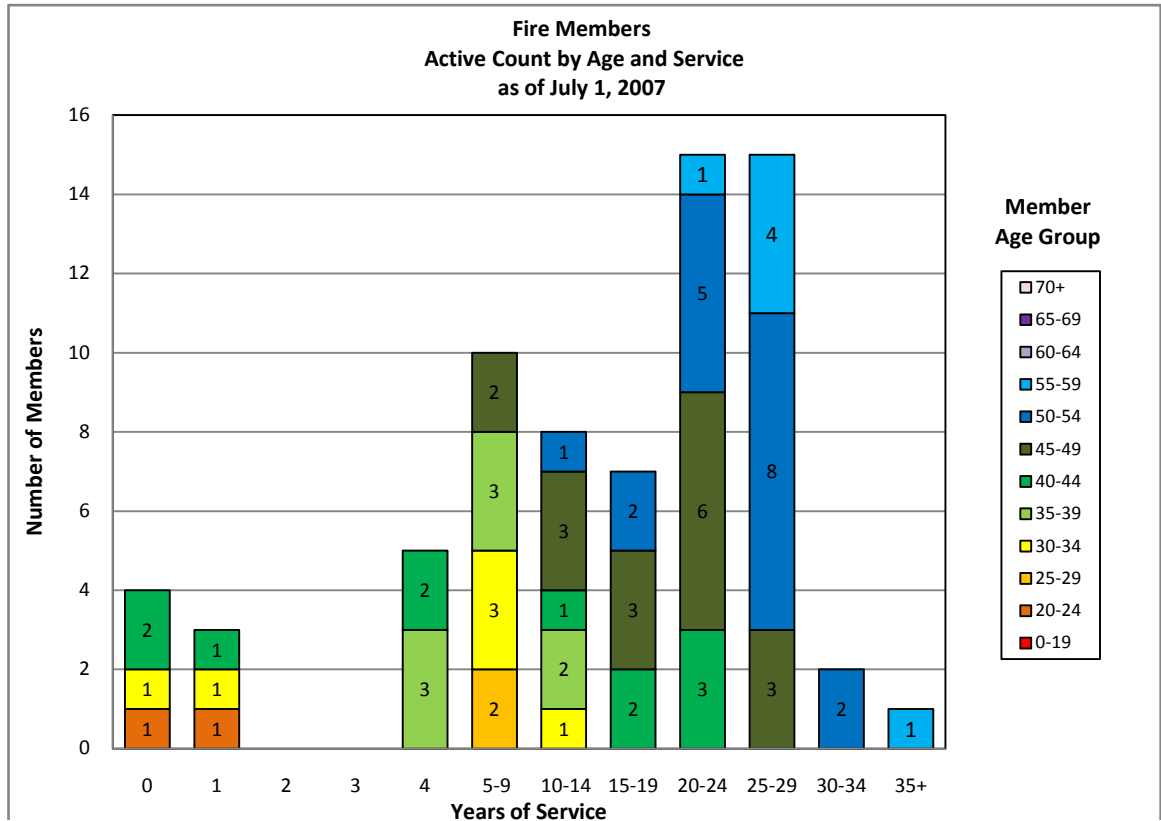
Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	1	1	0	0	0	0	0	0	0	0	0	0	2
25-29	0	0	0	0	0	2	0	0	0	0	0	0	2
30-34	1	1	0	0	0	3	1	0	0	0	0	0	6
35-39	0	0	0	0	3	3	2	0	0	0	0	0	8
40-44	2	1	0	0	2	0	1	2	3	0	0	0	11
45-49	0	0	0	0	0	2	3	3	6	3	0	0	17
50-54	0	0	0	0	0	0	1	2	5	8	2	0	18
55-59	0	0	0	0	0	0	0	0	1	4	0	1	6
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	4	3	0	0	5	10	8	7	15	15	2	1	70

**Fire Active Members
Payroll by Age and Service
as of July 1, 2007**



Service / Age	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Average
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	75,624	85,024	0	0	0	0	0	0	0	0	0	0	80,324
25-29	0	0	0	0	0	110,258	0	0	0	0	0	0	110,258
30-34	76,142	85,434	0	0	0	106,454	100,071	0	0	0	0	0	96,835
35-39	0	0	0	0	98,536	102,195	104,396	0	0	0	0	0	101,373
40-44	77,644	85,037	0	0	99,673	0	101,973	108,916	124,112	0	0	0	102,892
45-49	0	0	0	0	0	96,311	103,234	104,337	109,711	114,656	0	0	106,916
50-54	0	0	0	0	0	0	120,095	107,199	112,875	111,985	108,397	0	111,752
55-59	0	0	0	0	0	0	0	0	107,292	108,817	0	158,919	116,913
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Average	76,764	85,165	0	0	98,991	103,909	105,079	106,463	113,485	111,674	108,397	158,919	106,222





Changes in Plan Membership: City of San Rafael Miscellaneous

	Actives	Actives in Inactive Status	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	246	2	66	0	40	3	19	137	26	539
New Entrants	39	-	-	-	-	-	-	-	-	39
Rehires	3	-	(1)	-	(1)	-	-	-	-	1
Duty Disabilities	-	-	-	-	-	-	-	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	-	0
Retirements	(5)	-	(2)	-	(1)	-	-	8	-	0
Retirements from Safety with Miscellaneous Service	-	-	-	-	-	-	-	-	-	0
Vested Terminations	(11)	(1)	(1)	-	13	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	-	-	(1)	-	-	-	-	(3)	3	(1)
Died, Without Beneficiary, and Other Terminations	(5)	(1)	-	5	-	-	-	(2)	-	(3)
Transfers	(5)	-	8	-	(1)	-	-	-	-	2
Beneficiary Deaths	-	-	-	-	-	-	-	-	(3)	(3)
Domestic Relations Orders	-	-	-	-	-	-	-	-	-	0
Withdrawals Paid	(4)	-	-	-	(2)	-	-	-	-	(6)
Data Corrections	2	-	3	2	(2)	-	-	1	1	7
June 30, 2007	260	0	72	7	46	3	19	141	27	575

Changes in Plan Membership: City of San Rafael Police

	Actives	Actives in Inactive Status	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	66	0	33	0	15	0	3	15	0	132
New Entrants	14	-	-	-	-	-	-	-	-	14
Rehires	1	-	-	-	(1)	-	-	-	-	0
Duty Disabilities	-	-	-	-	-	-	-	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	-	0
Retirements	-	-	(1)	-	-	-	-	1	-	0
Retirements from Miscellaneous with Safety Service	-	-	-	-	-	-	-	-	-	0
Vested Terminations	(1)	-	-	-	1	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	-	-	-	-	-	-	-	-	-	0
Died, Without Beneficiary, and Other Terminations	(1)	-	-	1	-	-	-	-	-	0
Transfers	(2)	-	5	-	(2)	-	-	-	-	1
Beneficiary Deaths	-	-	-	-	-	-	-	-	-	0
Domestic Relations Orders	-	-	-	-	1	-	-	-	-	1
Withdrawals Paid	(1)	-	-	-	(2)	-	-	-	-	(3)
Data Corrections	(4)	-	-	-	-	-	-	-	-	(4)
June 30, 2007	72	0	37	1	12	0	3	16	0	141

Changes in Plan Membership: City of San Rafael Fire

	Actives	Actives in Inactive Status	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	68	0	2	0	4	0	45	85	26	230
New Entrants	5	-	-	-	-	-	-	-	-	5
Rehires	-	-	-	-	-	-	-	-	-	0
Duty Disabilities	-	-	-	-	-	-	-	-	-	0
Ordinary Disabilities	-	-	-	-	-	-	-	-	-	0
Retirements	(4)	-	-	-	-	-	-	4	-	0
Retirements from Miscellaneous with Safety Service	-	-	-	-	-	-	-	-	-	0
Vested Terminations	-	-	-	-	-	-	-	-	-	0
Died, With Beneficiaries' Benefit Payable	(1)	-	-	-	-	-	-	-	1	0
Died, Without Beneficiary, and Other Terminations	(1)	-	-	1	-	-	-	-	-	0
Transfers	(1)	-	1	-	-	-	-	-	-	0
Beneficiary Deaths	-	-	-	-	-	-	-	-	(1)	(1)
Domestic Relations Orders	-	-	-	-	-	-	-	-	-	0
Withdrawals Paid	-	-	-	-	-	-	-	-	-	0
Data Corrections	4	-	1	4	(2)	-	-	-	1	8
June 30, 2007	70	0	4	5	2	0	45	89	27	242

Changes in Plan Membership: City of San Rafael All Groups

	Actives	Actives in Inactive Status	Transfers	Non Vested Terminations due Refunds	Vested Terminations	Ordinary Disabled	Duty Disabled	Retired	Beneficiaries	Total
June 30, 2006	380	2	101	0	59	3	67	237	52	901
New Entrants	58	0	0	0	0	0	0	0	0	58
Rehires	4	0	(1)	0	(2)	0	0	0	0	1
Duty Disabilities	0	0	0	0	0	0	0	0	0	0
Ordinary Disabilities	0	0	0	0	0	0	0	0	0	0
Retirements	(9)	0	(3)	0	(1)	0	0	13	0	0
Retirements from Miscellaneous with Safety Service	0	0	0	0	0	0	0	0	0	0
Vested Terminations	(12)	(1)	(1)	0	14	0	0	0	0	0
Died, With Beneficiaries' Benefit Payable	(1)	0	(1)	0	0	0	0	(3)	4	(1)
Died, Without Beneficiary, and Other Terminations	(7)	(1)	0	7	0	0	0	(2)	0	(3)
Transfers	(8)	0	14	0	(3)	0	0	0	0	3
Beneficiary Deaths	0	0	0	0	0	0	0	0	(4)	(4)
Domestic Relations Orders	0	0	0	0	1	0	0	0	0	1
Withdrawals Paid	(5)	0	0	0	(4)	0	0	0	0	(9)
Data Corrections	2	0	4	6	(4)	0	0	1	2	11
June 30, 2007	402	0	113	13	60	3	67	246	54	958

Service Retired

Age	Miscellaneous		Police		Fire		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
35-39	0	\$0	0	\$0	0	\$0	0	\$0
40-44	0	0	0	0	0	0	0	0
45-49	0	0	1	12,082	1	12,172	2	12,127
50-54	6	27,443	5	55,935	4	69,778	15	48,230
55-59	25	29,187	9	102,935	13	53,095	47	49,922
60-64	29	26,436	1	142,677	30	57,025	60	43,668
65-69	21	26,050	0	0	16	40,066	37	32,111
70-74	19	24,046	0	0	13	47,177	32	33,443
75-79	13	18,390	0	0	10	44,080	23	29,560
80-84	15	9,530	0	0	1	48,689	16	11,978
85-89	9	15,232	0	0	1	41,506	10	17,860
90-94	2	15,934	0	0	0	0	2	15,934
95+	2	17,096	0	0	0	0	2	17,096
All Ages	141	\$ 23,050	16	\$ 85,053	89	\$ 50,310	246	\$ 36,945

Duty Disabled

Age	Miscellaneous		Police		Fire		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
25-29	0	\$0	1	\$46,158	0	\$0	1	\$46,158
30-34	0	0	1	45,253	0	0	1	45,253
35-39	1	27,444	0	0	4	37,347	5	35,366
40-44	0	0	0	0	2	37,376	2	37,376
45-49	1	8,173	0	0	2	33,972	3	25,372
50-54	2	11,876	1	65,867	5	29,414	8	29,586
55-59	5	23,478	0	0	9	37,596	14	32,554
60-64	4	23,760	0	0	14	47,905	18	42,540
65-69	5	22,590	0	0	6	42,908	11	33,673
70-74	1	20,773	0	0	3	24,506	4	23,573
75-79	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0
85-89	0	0	0	0	0	0	0	0
90-94	0	0	0	0	0	0	0	0
95+	0	0	0	0	0	0	0	0
All Ages	19	\$ 21,343	3	\$ 52,426	45	\$ 39,537	67	\$ 34,955

Ordinary Disabled

Age	Miscellaneous		Police		Fire		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
35-39	0	\$0	0	\$0	0	\$0	0	\$0
40-44	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	0	0
55-59	1	19,044	0	0	0	0	1	19,044
60-64	0	0	0	0	0	0	0	0
65-69	1	12,579	0	0	0	0	1	12,579
70-74	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0
80-84	1	6,101	0	0	0	0	1	6,101
85-89	0	0	0	0	0	0	0	0
90-94	0	0	0	0	0	0	0	0
95+	0	0	0	0	0	0	0	0
All Ages	3	\$ 12,575	0	\$ 0	0	\$ 0	3	\$ 12,575

Surviving Beneficiaries (all benefit types)

Age	Miscellaneous		Police		Fire		Total	
	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit	Number	Annual Average Benefit
0-24	0	\$0	0	\$0	0	\$0	0	\$0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0
35-39	0	0	0	0	1	16,533	1	16,533
40-44	0	0	0	0	1	42,563	1	42,563
45-49	1	10,638	0	0	0	0	1	10,638
50-54	0	0	0	0	2	53,987	2	53,987
55-59	2	41,280	0	0	2	45,937	4	43,609
60-64	3	32,380	0	0	1	7,699	4	26,210
65-69	1	16,356	0	0	4	36,594	5	32,546
70-74	4	11,691	0	0	3	13,058	7	12,277
75-79	6	5,828	0	0	7	18,022	13	12,394
80-84	6	8,665	0	0	1	16,113	7	9,729
85-89	3	5,246	0	0	2	20,446	5	11,326
90-94	1	1,080	0	0	3	7,611	4	5,978
95+	0	0	0	0	0	0	0	1,641
All Ages	27	\$ 13,231	0	\$ 0	27	\$ 24,377	54	\$ 18,804

Benefit Form Elections: City of San Rafael

	Miscellaneous	Police	Fire	Total
Service Retired				
Unmodified (No Continuance)	44	3	25	72
Unmodified (60% to Spouse)	83	11	59	153
Option #1 (Cash Refund)	6	0	1	7
Option #2 (100% Continuance)	8	2	4	14
Option #3 (50% Continuance)	0	0	0	0
Total Service Retired	141	16	89	246
Ordinary Disability				
Unmodified (No Continuance)	1	0	0	1
Unmodified (60% to Spouse)	2	0	0	2
Option #1 (Cash Refund)	0	0	0	0
Option #2 (100% Continuance)	0	0	0	0
Option #3 (50% Continuance)	0	0	0	0
Total Ordinary Disability	3	0	0	3
Duty Disability				
Unmodified (No Continuance)	6	1	13	20
Unmodified (60% to Spouse)	12	2	30	44
Option #1 (Cash Refund)	1	0	1	2
Option #2 (100% Continuance)	0	0	1	1
Option #3 (50% Continuance)	0	0	0	0
Total Duty Disability	19	3	45	67
Total	163	19	134	316

