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CONNECTICUT PROBATE JUDGES AND EMPLOYEES RETIREMENT SYSTEM

REPORT OF THE ACTUARY ON THE VALUATION PREPARED AS OF DECEMBER 31, 2011

Cavanaugh Macdonald
CONSULTING, LLC
The experience and dedication you deserve

May 22, 2012

State of Connecticut
State Employees Retirement Commission
55 Elm Street
Hartford, CT 06106

Members of the Commission:

Connecticut General Statutes Title 45a, Chapter 801, Part III governs the operation of the Connecticut Probate Judges and Employees Retirement System. The actuary makes periodic valuations of the contingent assets and liabilities of the Retirement System at the direction of the Commission. We have submitted the report giving the results of the actuarial valuation of the Retirement System prepared as of December 31, 2011. The report indicates that annual employer contributions at the rate of 3.29% of compensation for the fiscal year ending June 30, 2013 are sufficient to support the benefits of the System.

In preparing the valuation, the actuary relied on data provided by the Comptroller's Office. While not verifying data at the source, the actuary performed tests for consistency and reasonableness.

The System is funded on an actuarial reserve basis. The actuarial assumptions recommended by the actuary and adopted by the Board are in the aggregate reasonably related to the experience under the System and to reasonable expectations of anticipated experience under the System. The assumptions and methods used for funding purposes meet the parameters set for the disclosures presented in the financial section by Governmental Accounting Standards Board (GASB) Statement Nos. 25 and 27. The funding objective of the plan is that contribution rates over time will remain level as a percent of payroll. The valuation method used is the projected unit credit method. Gains and losses are reflected in the unfunded accrued liability which is being amortized as a level dollar amount within a 17-year period.

This is to certify that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

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Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

The undersigned meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely yours,

Thomas J. Cavanaugh, FSA, FCA, MAAA, EA
Chief Executive Officer

John J. Garrett, ASA, FCA, MAAA
Principal and Consulting Actuary

Edward J. Koebel, FCA, MAAA, EA
Principal and Consulting Actuary

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TABLE OF CONTENTS

CONNECTICUT PROBATE JUDGES AND EMPLOYEES RETIREMENT SYSTEM
REPORT OF THE ACTUARY
ON THE VALUATION
PREPARED AS OF DECEMBER 31, 2011

SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the current and preceding valuations are summarized below:

Valuation Date	December 31, 2011	December 31, 2009
Number of active members	330	412
Annual compensation	$ 15,403,932	$ 17,959,094
Retired members and beneficiaries:		
Number	342	288
Annual allowances	$ 4,416,866	$ 3,155,812
Deferred Vested Members:		
Number	32	22
Annual allowances	$ 357,252	$ 175,165
Assets:		
Market Value	$ 75,955,020	$ 73,857,244
Actuarial Value	85,154,310	86,776,445
Unfunded actuarial accrued liability	$ (12,026,962)	$ (25,462,490)
Amortization period (years)	17	19
Funded Ratio	116.4%	141.5%
For Fiscal Year Ending	**June 30, 2013**	**June 30, 2011**
Annual Required Employer Contribution (ARC):		
Normal	$ 1,745,147	1,966,260
Accrued liability	(1,238,407)	(2,493,501)
Total (not less than zero)	$ 506,740	$ 0
Annual Required Employer Contribution Rates (ARC):		
Normal	11.33%	10.95%
Accrued liability	(8.04)	(13.88)
Total (not less than zero)	3.29%	0.00%

2. All amounts shown as of December 31, 2009 were developed before membership changes were implemented on January 4, 2011.

3. The results of the valuation are given in Schedule A.

4. Comments on the valuation results are given in Section IV, comments on the experience and actuarial gains and losses during the valuation year are given in Section VII and the rates of contribution payable by employers are given in Section V.

5. There were no changes made to the actuarial assumptions, actuarial methods or benefit provisions since the last valuation. However, on January 4, 2011, there was a consolidation of the Probate Courts in Connecticut that resulted in more than half of the sitting probate judges retiring from PJERS active status. In addition, a new salary structure was put into place for the remaining active probate judges.

6. Schedule B of this report presents the development of the actuarial value of assets. Schedule D details the actuarial assumptions and methods employed. Schedule F gives a summary of the benefit and contribution provisions of the plan.

7. The table on the following page provides a history of some pertinent figures.

Connecticut Probate Judges and Employees Retirement System

Comparative Schedule*

	Active Members				Retired Lives				Valuation Results ($ thousands)		
Valuation Date December 31	Number	Payroll ($ thousands)	Average Salary	% increase from previous valuation	Number	Active/ Retired Ratio	Annual Benefits ($ thousands)	Benefits as % of Payroll	Accrued Liability	Valuation Assets	UAAL
2005	386	$15,147	$39,241	6.3%	263	1.5	2,733	18.0	N/A	N/A	N/A
2006	389	15,781	40,567	3.4	258	1.5	2,717	17.2	N/A	N/A	N/A
2007	409	16,915	41,357	1.9	277	1.5	2,979	17.6	$60,631	$86,325	$(25,694)
2008	418	17,683	42,305	2.3	283	1.5	3,137	17.7	59,437	78,213	(18,776)
2009	412	17,959	43,590	3.0	288	1.4	3,156	17.6	61,314	86,776	(25,462)
2011	330	15,404	46,679	7.1	342	1.0	4,417	28.7	73,127	85,154	(12,027)

*All amounts prior to 2009 reported by prior actuarial firm.

SECTION II - MEMBERSHIP

Data regarding the membership of the System for use as a basis for the valuation were furnished by the Comptroller's office. The following tables summarize the membership of the Retirement System as of December 31, 2011 upon which the valuation was based. Detailed tabulations of the data are given in Schedule G.

Active Members

			Group Averages		
Group	Number	Payroll	Salary	Age*	Service*
Judges	52	$ 5,047,349	$ 97,064	57.0	13.6
Employees	278	10,356,583	37,254	49.6	10.2
Total	330	$ 15,403,932	$ 46,679	50.8	10.8

*Years

Of the 330 active members, 154 are vested and 176 are non-vested.

Retired Lives

			Group Averages	
Type of Benefit Payment	No.	Annual Benefits	Benefit	Age*
Retirement	306	$ 4,109,915	$ 13,431	73.1
Survivor	36	306,951	8,526	76.2
Total	342	$ 4,416,866	$ 12,915	72.2

*Years

This valuation also includes 32 deferred vested members with estimated annual benefits of $357,252 and 99 non-vested inactive members with employee contribution account balances totaling $101,155.

SECTION III - ASSETS

1. As of December 31, 2011, the total market value of assets amounted to $75,955,020 as reported by the Comptroller's Office. This amount includes $4,435 of receivables as of the valuation date. The actuarial value of assets used for the current valuation was $85,154,310. Schedule B shows the development of the actuarial value of assets as of December 31, 2011.

2. Schedule C shows receipts and disbursements of the System for the two years preceding the valuation date and a reconciliation of the fund balances at market value.

SECTION IV – COMMENTS ON VALUATION

1. Schedule A of this report outlines the results of the valuation of the Retirement System as of December 31, 2011. The valuation was prepared in accordance with the actuarial assumptions and methods set forth in Schedule D and the actuarial cost method which is described in Schedule E.

2. The valuation shows that the System has a total actuarial accrued liability of $73,127,348, of which $45,581,087 is for the benefits payable on account of present retired members, beneficiaries of deceased members, and members entitled to deferred vested benefits, and $27,546,261 is for the benefits expected to be payable on account of present active members, based on service to the valuation date. Against these liabilities, the System has total present assets for valuation purposes of $85,154,310 as of December 31, 2011. When this amount is deducted from the actuarial accrued liability of $73,127,348, there remains $(12,026,962) as the unfunded actuarial accrued liability. A negative unfunded accrued liability reflects an excess of actuarial value of assets over accrued liability.

3. The employer's contributions to the System consist of normal contributions and accrued liability contributions. The normal cost represents the ultimate cost of the benefits and the accrued liability contribution is an addition (reduction in case of an excess) due to the amortization of the unfunded

accrued liability. The valuation indicates that annual employer normal contributions at the rate of 11.33% of active members' compensation are required to provide the currently accruing benefits of the System.

4. Accrued liability contributions of (8.04)% of payroll are to be made toward amortizing the unfunded accrued liability. Annual accrued liability credits at the rate of (8.04)% of payroll will amortize the negative unfunded accrued liability within 17 years from the valuation date.

SECTION V – CONTRIBUTIONS PAYABLE BY EMPLOYER

The following table shows the amount and rate of contribution payable by the employer as determined from the present valuation for the 2012/2013 fiscal year.

Contribution for	Contribution Amount	Contribution Rate
Normal Cost:		
Service retirement benefits	$1,869,434	12.14%
Disability benefits	97,819	0.63%
Survivor benefits	12,034	0.08%
Total	$1,979,287	12.85%
Less Member Contributions:	234,140	1.52%
Employer Normal Cost	$1,745,147	11.33%
Unfunded Actuarial Accrued Liabilities (17 year level dollar amortization)	$(1,238,407)	(8.04)%
Total (not less than zero)	$506,740	3.29%

The following table shows the estimated rates of contributions payable by the employer for the next two fiscal years following the valuation date. These results assume an 8.25% investment return on actuarial value of assets for the two years following the valuation date, and 3.75% annual growth in the compensation of active members.

Contribution for	2013/2014		2014/2015	
	As % of Pay	$	As % of Pay	$
Employer Normal Cost	11.33%	$1,810,590	11.33%	$1,878,487
Unfunded Actuarial Accrued Liabilities	(3.93)%	$(627,409)	(3.20)%	$(529,874)
Total (not less than zero)	7.40%	$1,183,181	8.13%	$1,348,613

Due to the continued recognition of the investment losses that occurred in 2008 and again in 2011, the excess of $12,026,962 in the Unfunded Accrued Liability as of December 31, 2011 is expected to decrease in the next few years. This will cause the expected employer contribution rates over the next 4 or 5 years to increase as can be seen from the table above, unless of course, higher than expected investment returns are achieved in the near future.

SECTION VI – ACCOUNTING INFORMATION

1. Governmental Accounting Standards Board Statements 25 and 27 set forth certain items of required supplementary information to be disclosed in the financial statements of the System and the employer. One such item is a distribution of the number of employees by type of membership, as follows:

NUMBER OF ACTIVE AND RETIRED MEMBERS
AS OF DECEMBER 31, 2011

GROUP	NUMBER
Retirees and beneficiaries currently receiving benefits	342
Terminated employees entitled to benefits but not yet receiving benefits	131
Active plan members	330
Total	803

2. Another such item is the schedule of funding progress as shown below.

SCHEDULE OF FUNDING PROGRESS
(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b – a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b – a) / c)
12/31/2008	$78,213	$59,437	$(18,776)	131.6%	$17,683	(106.2)%
12/31/2009	86,776	61,314	(25,462)	141.5	17,959	(141.8)
12/31/2011	85,154	73,127	(12,027)	116.4	15,404	(78.1)

All figures prior to 12/31/2009 were reported by the prior actuarial firm.

3. The following shows the schedule of employer contributions (all dollar amounts are in thousands).

Fiscal Year Ending June 30	Valuation Date Ending December 31	Annual Required Contribution	Percentage Contributed
2011	2009	$0	∞
2012*	2009	$100,613	
2013	2011	$506,740	
2014	2011	$1,183,181	

*Annual required contribution revised due to consolidation of Probate Courts on January 4, 2011.

4. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at December 31, 2011. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/2011
Actuarial cost method	Projected Unit Credit
Amortization method	Level dollar, closed
Remaining amortization period	17 years
Asset valuation method	5-year smoothed actuarial value
Actuarial assumptions:	
Investment rate of return*	8.25%
Projected salary increases*	5.00%
Cost-of-living adjustments	2.50%
Social Security Wage Base	3.00%
*Includes inflation at	3.00%

SECTION VII – EXPERIENCE

Actual experience will never (except by coincidence) coincide exactly with assumed experience. It is assumed that gains and losses will be in balance over a period of years, but sizable year to year fluctuations are common. Detail on the derivation of the experience gain/(loss) for the year ended December 31, 2011 is shown below.

		$ Thousands
(1)	UAAL* as of December 31, 2009	$ (25,462.5)
(2)	Total normal cost from last valuation	2,293.2
(3)	Total actual contributions for 2010	307.3
(4)	Interest accrual: (1) x .0825 + [[(2) – (3)] x .0404]	(2,020.4)
(5)	Expected UAAL as of December 31, 2010: (1) + (2) – (3) + (4)	$ (25,497.0)
(6)	Total normal cost from last valuation	2,293.2
(7)	Total actual contributions for 2011	500.7
(8)	Interest accrual: (5) x .0825 + [[(6) – (7)] x .0404]	(2,031.1)
(9)	Expected UAAL as of December 31, 2011 before changes: (5) + (6) – (7) + (8)	$ (25,735.6)
(10)	Change due to plan amendments	0.0
(11)	Change due to actuarial assumptions or methods	0.0
(12)	Expected UAAL as of December 31, 2011 after changes: (9) + (10) + (11)	$ (25,735.6)
(13)	Actual UAAL as of December 31, 2011	$ (12,027.0)
(14)	Gain/(loss): (12) – (13)	$ (13,708.6)
(15)	Gain/(loss) as percent of actuarial accrued liabilities at start of year ($61,314.0)	(22.4)%

*Unfunded actuarial accrued liability.

Valuation Date December 31	Actuarial Gain/(Loss) as a % of Beginning Accrued Liabilities
2011	(22.4)%
2009	12.2%

SCHEDULE A

RESULTS OF VALUATION

PREPARED AS OF DECEMBER 31, 2011

		DECEMBER 31, 2011
1.	**ACTUARIAL ACCRUED LIABILITY**	
	Present value of prospective benefits payable in respect of:	
	(a) Present active members	
	- Service retirement benefits	$26,163,325
	- Disability retirement benefits	1,220,596
	- Death and survivor benefits	162,340
	- Total	$27,546,261
	(b) Present inactive members and members entitled to deferred vested benefits:	$3,102,914
	(c) Present annuitants and beneficiaries	$42,478,173
	(d) Total actuarial accrued liability [1(a) + 1(b) + 1(c)]	$73,127,348
2.	**ACTUARIAL VALUE OF ASSETS**	$85,154,310
3.	**UNFUNDED ACTUARIAL ACCRUED LIABILITY [1(d) – 2]**	$(12,026,962)

SCHEDULE B

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

For the Year Ending December 31			2011	2010
(1)	Actuarial Value Beginning of Year*		$ 87,361,900	$ 86,776,445
(2)	Market Value End of Year**		$ 75,955,020	$ 79,298,631
(3)	Market Value Beginning of Year		$ 79,298,631	$ 73,857,244
(4)	Cash Flow			
	(a)	Contributions	$ 500,668	$ 307,253
	(b)	Disbursements	(4,192,493)	(3,180,223)
	(c)	Net: (4)(a) + (4)(b)	$ (3,691,825)	$ (2,848,277)
(5)	Investment Income			
	(a)	Market Total: (2) – (3) – (4)(c)	$ 343,779	$ 8,285,345
	(b)	Assumed Rate	8.25%	8.25%
	(c)	Amount for Immediate Recognition: [(1) x (5)(b)] + [(4)(c) x (5)(b) x 0.5]	$ 7,055,069	$ 7,041,565
	(d)	Amount for Phased-In Recognition: (5)(a) – (5)(c)	(6,711,290)	1,243,780
(6)	Phased-In Recognition of Investment Income			
	(a)	Current Year: (5)(d) / 5	$ (1,342,258)	$ 248,756
	(b)	First Prior Year	248,756	880,767
	(c)	Second Prior Year	880,767	(5,178,791)
	(d)	Third Prior Year	(5,178,791)	(183,743)
	(e)	Fourth Prior Year	(183,743)	620,859
	(h)	Total Recognized Investment Gain	$ (5,575,269)	$ (3,612,152)
(7)	Preliminary Actuarial Value End of Year: (1) + (4)(c) + (5)(c) + (6)(h)		$ 85,154,310	$ 87,361,900
(8)	Final Actuarial Value End of Year Using 20% Corridor: Greater of [(7) and .8 x (2)], but no more than 1.2 x (2)		$ 85,154,310	$ 87,361,900
(9)	Difference Between Market & Actuarial Values: (2) – (8)		$ (9,199,290)	$ (8,063,269)
(10)	Rate of Return on Actuarial Value		1.73%	4.02%

* Before corridor constraints, if applicable and adjusted.
** Includes additional receivables of $4,435 in 2011 and $4,319 in 2010.

SCHEDULE C

SUMMARY OF RECEIPTS AND DISBURSEMENTS
(Market Value)

	YEAR ENDING	
Receipts for the Year	December 31, 2011 ($1,000's)	December 31, 2010 ($1,000's)
Contributions:		
Members	$ 301	$ 307
Employer	200	0
Subtotal	$ 501	$ 307
Investment Earnings	344	8,285
Health Services Allowance	2,072	2,804*
Other	4	78
TOTAL	$ 2,921	$ 11,474
Disbursements for the Year		
Benefit Payments	$ 4174	$ 3,158
Refunds to Members	19	10
Health Services Cost	2,072	2,852*
Other	0	12
TOTAL	$ 6,265	$ 6,032
Excess of Receipts over Disbursements	$ (3,344)	$ 5,442
Reconciliation of Asset Balances		
Asset Balance as of the Beginning of Year	$ 79,299	$ 73,905
Excess of Receipts over Disbursements	(3,344)	5,442
Asset Balance as of the End of Year	$ 75,955	$ 79,299
Rate of Return	0.44%	11.44%

*Difference reflects the previous year's excess of health services receipts over disbursements of $47.7 thousand.

SCHEDULE D

OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

Adopted or reaffirmed by the Commission for the December 31, 2008 and later valuations.

VALUATION INTEREST RATE: 8.25% per annum, compounded annually, net of expenses.

SALARY INCREASES: 5.00% per annum.

COST OF LIVING ADJUSTMENTS: 2.50% per annum.

SOCIAL SECURITY WAGE BASE INCREASES: 3.00% per annum.

SEPARATIONS BEFORE SERVICE RETIREMENT: Representative values of the assumed annual rates of separation before service retirement are as follows:

	Annual Rates of		
Age	Withdrawal	Death	Disability
Men			
20	5.00%	.026%	.03%
25	5.00	.032	.04
30	2.50	.041	.06
35	1.25	.072	.08
40	0.75	.096	.12
45	0.38	.124	.19
50	0.00	.163	.31
55	0.00	.272	.52
60	0.00	.530	.73
65	0.00	1.031	.00
Women			
20	7.50%	.013%	.03%
25	7.50	.015	.04
30	3.75	.021	.06
35	1.88	.036	.08
40	1.25	.048	.12
45	0.63	.075	.19
50	0.00	.109	.31
55	0.00	.222	.52
60	0.00	.446	.73
65	0.00	.856	.00

RETIREMENT: The assumed annual rates of retirement are shown below.

Age	Annual Rates of Retirement*
55 – 61	3%
62 – 64	10
65 – 69	16
70 +	100

DEATHS AFTER RETIREMENT: The RP2000 Mortality Table projected with Scale AA 15 years for men and 25 years for women is used for the period after retirement and for dependent beneficiaries. Representative values of the assumed annual rates of mortality are as follows:

Age	Men	Women	Age	Men	Women
40	.096%	.048%	65	1.031%	.856%
45	.124	.075	70	1.770	1.477
50	.163	.109	75	3.062	2.299
55	.272	.222	80	5.536	3.849
60	.530	.446	85	9.968	6.663

75% (men) and 115% (women) of the RP-2000 Disability Mortality Table is used for the period after disability.

ASSET METHOD: Actuarial Value, as developed in Schedule B. The actuarial value of assets recognizes a portion of the difference between the market value of assets and the expected value of assets, based on the assumed valuation rate of return. The amount recognized each year is 1/5 of the difference between market value and expected actuarial value. In addition, the actuarial value of assets cannot be less than 80% or more than 120% of the market value of assets.

VALUATION METHOD: Projected Unit Credit cost method. See Schedule E for a brief description of this method.

SPOUSES: For members who have elected spouse coverage, husbands are assumed to be three years older than their wives.

NON-VESTED INACTIVE MEMBERS: The employee contribution account balances as of the valuation date is used as a liability for these members.

SCHEDULE E

ACTUARIAL COST METHOD

The valuation is prepared on a projected benefit basis, under which the present value, at the interest rate assumed to be earned in the future (currently 8.25%), of each member's expected benefits at retirement or death is determined, based on age, service and sex. The calculations take into account the probability of a member's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his terminating with a service, disability or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable on account of the active members is added to the present value of the expected future payments to retired members, beneficiaries and members entitled to deferred vested benefits to obtain the present value of all expected benefits payable from the System on account of the present group of members and beneficiaries.

The Projected Unit Credit cost method is used to develop employer contributions. The employer contributions required to support the benefits of the System consist of a normal contribution and an unfunded actuarial accrued liability contribution.

The Actuarial Accrued Liability is determined as the present value of benefits accrued to the valuation date, where the accrued benefit for each active member is the pro-rata portion (based on service to the valuation date) of the projected benefit payable at termination, death, disability or retirement. The Actuarial Accrued Liability for deferred vested and inactive members is the present value as of the valuation date of their remaining benefit payments.

The normal contribution is determined as the present value of the portion of the projected benefit attributable to the year following the valuation date.

The Unfunded Actuarial Accrued Liability is determined by subtracting the Actuarial Value of Assets from the Actuarial Accrued Liability.

SCHEDULE F

SUMMARY OF MAIN SYSTEM PROVISIONS AS INTERPRETED FOR VALUATION PURPOSES

The Connecticut Probate Judges and Employees Retirement System (CT PJERS) is a defined benefit pension plan established by the Connecticut General Assembly for the purpose of providing retirement allowances and other benefits for Probate judges and employees of probate courts in Connecticut, and their survivors and other beneficiaries. Special retirement provisions apply to a judge whose probate district is merged with another district and who has not been elected to a term which begins or is subsequent to such consolidation.

Eligibility Requirements

Judges	All Judges of Probate (provided one full term is served by age 70).
Employees	All persons who are employed by any probate court for more than 430 hours per year.
Credited Service	All periods as a Judge of Probate, Acting Judge of Probate, Employee of any probate court, plus a period of not more than 3 years of service as a member of the General Assembly or in the military.
Final Average Compensation	*Judges* – average annual compensation for the 3 highest paid years of service in the probate court, provided the compensation for any year does not exceed the maximum net income allowed by law. *Employees* – the average annual rate of pay during the employee's 3 highest paid years of employment.

Normal Retirement Benefit

Eligibility	*Judges* - Age 62 and 10 years of service (age 70 mandatory retirement provided one full term is served). *Employees* - Age 62 and 10 years of service (age 70 mandatory retirement regardless of service).
Benefit	*Judges and Employees not covered by Social Security* – 2% of Final Average Compensation times years of Credited Service, minimum \$360 annually. *Judges and Employees covered by Social Security* – 1% of Final Average Compensation up to \$4,800 plus 2% of Final Average Compensation above \$4,800, times years of Credited Service, minimum \$360 annually.

Early Retirement Benefit	
Eligibility	*Judges and Employees* - 10 years of creditable service.
Benefit	Accrued benefit actuarially reduced unless separation occurs after age 60 in which case the reduction is .25% for each month that separation precedes age 62.
Disability Retirement Benefit	
Eligibility	10 years of creditable service.
Benefit	Calculated as a normal retirement benefit
Deferred Vested Retirement Benefit	
Eligibility	10 years of creditable service.
Benefit	Accrued benefit deferred to age 62.
Pre-Retirement Spouse's Benefit	
Eligibility	10 years of service and married for at least one year.
Benefit	Average of 50% of life annuity benefit and 50% of joint and 50% survivor benefit which member would have received had he retired on the date of his death.
Termination Benefit	
Eligibility	Termination with less than 10 years of creditable service.
Benefit	Return of the member's accumulated contributions with interest (no interest paid if the termination is due to death).
Payment Options	Straight life annuity; 50% or 100% joint and last survivor annuity; 10 or 20 year certain and life annuity.
Cost of Living Adjustments	The COLA percentage is based on the average monthly change in the nationwide Consumer Price Index and it is applied annually on July 1 to the previous July 1 benefit amount. The COLA is limited to 3% and no adjustment is made if the change in the CPI is less than 1%.

Contributions

By Members	*Judges and Employees not covered by Social Security* – 3.75% of Compensation *Judges and Employees covered by Social Security* – 1% of Compensation up to the current Social Security Wage Base plus 3.75% of Compensation above the current Social Security Wage Base.
By Employers	Employer contributions are actuarially determined and approved and certified by the Commission.

SCHEDULE G

TABLES OF MEMBERSHIP DATA

STATUS RECONCILIATION OF ACTIVE MEMBERS

	Judges	Employees	Total
Actives as of December 31, 2009	113	299	412
A. Retirements	(58)		(58)
B. Terminated Vested	(11)		(11)
C. New Participants	9		9
Actives as of Consolidation Date	53	299	352
A. Retirements		(19)	(19)
B. Terminated Vested		(7)	(7)
C. Terminated Non-Vested		(16)	(16)
D. Deaths	(1)		(1)
E. Rehires			0
F. New Participants		33	33
G. Refunds		(12)	(12)
Actives as of December 31, 2011	52	278	330

STATUS RECONCILIATION OF INACTIVE MEMBERS

	Retirees	Survivors	Deferred Vesteds	Inactives	Total
Inactives as of December 31, 2009	253	35	22	73	383
A. Retirements	58				58
B. Terminated Vested			11		11
C. New Participants				1	1
Inactives as of Consolidation Date	311	35	33	74	453
A. Retirements	25		(6)		19
B. Terminated Vested	(8)		16	(1)	7
C. Terminated Non-Vested	0		(8)	24	16
D. Deaths	(19)	(6)			(25)
E. Beneficiaries	(4)	5	(1)		
F. Rehires					0
F. Data Corrections	1	3		8	12
G. Refunds		(1)	(2)	(6)	(9)
Inactives as of December 31, 2011	306	36	32	99	473

SCHEDULE G
(Continued)

The Number and Average Annual Compensation of Active Judges By Age and Service as of December 31, 2011

	Years of Service									
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	Total
Under 25	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0
35 to 39	1	0	0	0	0	0	0	0	0	1
Avg. Pay	110,085	0	0	0	0	0	0	0	0	110,085
40 to 44	0	0	2	0	0	0	0	0	0	2
Avg. Pay	0	0	85,685	0	0	0	0	0	0	85,685
45 to 49	2	0	1	3	1	0	0	0	0	7
Avg. Pay	90,949	0	107,672	107,017	79,196	0	0	0	0	98,546
50 to 54	2	1	2	1	3	2	0	0	0	11
Avg. Pay	86,352	107,672	100,144	97,682	102,768	94,201	0	0	0	97,732
55 to 59	2	1	0	1	3	1	0	0	0	8
Avg. Pay	100,744	64,903	0	107,342	96,423	107,672	0	0	0	96,334
60 to 64	1	0	2	3	2	3	2	0	0	13
Avg. Pay	102,742	0	100,750	88,047	93,071	102,472	103,450	0	0	97,603
65 to 69	0	0	3	2	0	2	1	1	1	10
Avg. Pay	0	0	89,634	82,928	0	108,721	108,638	107,500	93,171	96,151
70 & Up	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0
Total	8	2	10	10	9	8	3	1	1	52
Avg. Pay	96,115	86,287	94,973	95,607	95,879	102,617	105,179	107,500	93,171	97,064

Average Age: 57.0
Average Service: 13.6

SCHEDULE G
(Continued)

The Number and Average Annual Compensation of Active Employees By Age and Service as of December 31, 2011

	Years of Service									
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	Total
Under 25	1	4	0	0	0	0	0	0	0	5
Avg. Pay	29,540	23,101	0	0	0	0	0	0	0	24,389
25 to 29	0	11	5	1	0	0	0	0	0	17
Avg. Pay	0	29,346	29,440	33,171	0	0	0	0	0	29,599
30 to 34	2	7	8	0	0	0	0	0	0	17
Avg. Pay	26,592	36,359	40,212	0	0	0	0	0	0	37,023
35 to 39	1	6	3	5	1	0	0	0	0	16
Avg. Pay	16,575	26,669	49,436	38,747	43,361	0	0	0	0	35,125
40 to 44	2	9	6	6	4	0	0	0	0	27
Avg. Pay	29,929	37,933	36,479	44,975	36,004	0	0	0	0	38,296
45 to 49	4	12	7	12	4	2	3	0	0	44
Avg. Pay	23,997	35,612	32,585	38,313	51,395	54,864	52,719	0	0	38,288
50 to 54	1	15	17	11	4	5	1	1	0	55
Avg. Pay	29,170	30,936	33,541	37,191	49,053	53,646	58,392	45,978	0	37,115
55 to 59	1	9	6	9	12	5	0	0	2	44
Avg. Pay	14,540	37,536	38,135	36,854	43,393	51,019	0	0	60,717	41,139
60 to 64	1	3	6	6	6	5	1	1	1	30
Avg. Pay	17,867	17,641	35,954	31,871	32,557	46,276	48,880	62,826	68,492	36,155
65 to 69	0	2	6	5	3	4	1	1	0	22
Avg. Pay	0	28,963	29,314	42,972	41,211	41,139	66,855	71,726	0	39,793
70 & Up	0	1	0	0	0	0	0	0	0	1
Avg. Pay	0	9,905	0	0	0	0	0	0	0	9,905
Total	13	79	64	55	34	21	6	3	3	278
Avg. Pay	24,363	31,913	35,231	38,243	42,025	48,999	55,381	60,176	63,309	37,254

Average Age: 49.6
Average Service: 10.2

SCHEDULE G
(Continued)

NUMBER OF RETIRED MEMBERS AND THEIR BENEFITS BY AGE

Age	Number	Total Annual Benefits	Average Annual Benefits
Under 50	6	$ 26,514	$ 4,419
50 - 54	5	28,488	5,698
55 - 59	19	191,690	10,089
60 - 64	29	416,343	14,357
65 - 69	58	933,902	16,102
70 - 74	60	947,125	15,785
75 - 79	39	477,584	12,246
80 - 84	41	539,316	13,154
85 - 89	33	391,150	11,853
90 - 94	13	146,477	11,267
95 & Over	3	11,326	3,775
Total	306	$ 4,109,915	$ 13,431

NUMBER OF BENEFICIARIES AND THEIR BENEFITS BY AGE

Age	Number	Total Annual Benefits	Average Annual Benefits
Under 50	3	$ 17,403	$ 5,801
50 - 54	1	612	612
55 - 59	0	0	0
60 - 64	2	24,971	12,486
65 - 69	2	17,686	8,843
70 - 74	3	10,064	3,355
75 - 79	3	32,907	10,969
80 - 84	13	94,809	7,293
85 - 89	5	66,024	13,205
90 - 94	2	15,640	7,820
95 & Over	2	26,835	13,418
Total	36	$ 306,951	$ 8,526

SCHEDULE G
(Continued)

NUMBER OF DEFERRED VESTED MEMBERS AND THEIR BENEFITS BY AGE

Age	Number	Total Annual Benefits	Average Annual Benefits
Under 50	6	$ 55,156	$ 9,193
50 - 54	6	75,207	12,535
55 - 59	7	103,320	14,760
60 - 64	4	28,852	7,213
65 - 69	0	0	0
70 - 74	6	40,357	6,726
75 - 79	3	54,360	18,120
80 - 84	0	0	0
85 - 89	0	0	0
90 - 94	0	0	0
95 & Over	0	0	0
Total	32	$ 357,252	$ 11,164

SCHEDULE H

ANALYSIS OF FINANCIAL EXPERIENCE

Gains & Losses in Accrued Liabilities
Resulting from Difference Between
Assumed Experience & Actual Experience
($ Thousands)

Type of Activity	$ Gain (or Loss) For Two Year Period Ending 12/31/2011	$ Gain (or Loss) For Year Ending 12/31/2009
Age & Service Retirements. If members retire at older ages, there is a gain. If younger ages, a loss.	$ (4,194.1)	$ 207.1
Disability Retirements. If disability claims are less than assumed, there is a gain. If more claims, a loss.	0.6	3.4
Death-in Service Benefits. If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	33.9	(94.3)
Withdrawal From Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	228.4	196.0
Pay Increases. If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	1,035.2	1,160.7
New Members. Additional unfunded accrued liability will produce a loss.	(587.4)	(769.0)
Investment Income. If there is a greater investment income than assumed, there is a gain. If less income, a loss.	(9,178.7)	4,947.9
Death After Retirement. If retirants live longer than assumed, there is a loss. If not as long, a gain.	(34.3)	175.4
Other. Miscellaneous gains and losses resulting from changes in valuation software, data adjustments, timing of financial transactions, etc.	(1,012.2)	1,429.5
Gain (or Loss) During Year From Financial Experience	$ (13,708.6)	$ 7,256.7
Non-Recurring Items. Adjustments for plan amendments, assumption changes, or method changes.	0.0	0.0
Composite Gain (or Loss) During Year	$ (13,708.6)	$ 7,256.7