

Texas County & District Retirement System
GASB Compliance Data
For Employer's Fiscal Year Ending in 2012

Employer Number	280
Employer Name	Orange County

A. GASB 27 Calculation Information

	<u>2011</u> *	<u>2012</u> *
1 GASB 27 compliant contribution rate	12.01 %	12.44 %
2 Assumed return on employer funds**	9.00 %	9.00 %
3 Actuarial amortization factor	12.9447	12.9447
4 Contribution rate	12.01 %	12.44 %

B. Actuarial Information

1 Actuarial valuation date	12/31/2009	12/31/2010	12/31/2011
2 Actuarial cost method	entry age	entry age	entry age
3 Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
4 Amortization period in years	20.0	20.0	20.0
5 Asset valuation method			
Subdivision Accumulation Fund	10-yr smoothed value	10-yr smoothed value	10-yr smoothed value
Employees Saving Fund	Fund value	Fund value	Fund value
6 Assumptions:			
Investment return - includes inflation at the stated rate	8.0 %	8.0 %	8.0 %
Projected salary increases - includes inflation at the stated rate	5.4 %	5.4 %	5.4 %
Inflation	3.5 %	3.5 %	3.5 %
Cost-of-living adjustments	0.0 %	0.0 %	0.0 %

C. Schedule of Funding Information

1 Actuarial valuation date	12/31/2009	12/31/2010	12/31/2011
2 Actuarial value of assets	52,996,079	57,584,677	59,740,827
3 Actuarial accrued liability (AAL)	63,647,551	69,495,789	73,204,491
4 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)]	10,651,472	11,911,112	13,463,664
5 Funded ratio	83.26 %	82.86 %	81.61 %
6 Annual covered payroll (actuarial)	18,738,626	19,493,048	19,980,579
7 UAAL or (OAAL) as percentage of covered payroll	56.84 %	61.10 %	67.38 %

D. Note Disclosure Variables

1 Plan Description	<u>2011</u> *	<u>2012</u> *
1.1 - Number of participating employers	618	624
1.2 - Years required for vesting and retirement at age 60	8	8
1.3 - Rule of ___ for retirement eligibility	75	75
1.4 - Service years for retirement at any age	20	20
1.5 - Partial lump-sum payment option	No	No
2. Funding Policy		
2.1 - Contribution rate for employer	12.01 %	12.44 %
2.2 - Deposit rate for employees	7.00 %	7.00 %
3 Other		
3.1 - Elected rate in effect	No	No

* Relates to the calendar year

** TCDRS return assumption is 8%

Texas County & District Retirement System
GASB Compliance Data

Attached is the GASB 27 Compliance Data to help you comply with the reporting requirements of Statement No. 27 of the Governmental Accounting Standards Board (GASB 27), *Accounting for Pensions by State and Local Governmental Employers*.

You should comply with the GASB 27 provisions that pertain to agent multiple-employer defined benefit pension plans. Actual interpretation, application and disclosures required by GASB 27 must be based on circumstances specific to your employer and are your responsibility.

The conditions shown below may impact your disclosure requirements under GASB 27:

1. accounting year (whether using a calendar year or non-calendar year);
2. any optional lump-sum contributions made to TCDRS during the current or a previous year;
3. disclosure of a net pension obligation (NPO) in a previous year; and
4. any elected rate used to contribute higher than the actuarially calculated rate in a previous year.

Copies of GASB 27 and the Implementation Guide for GASB 27 may be purchased from GASB at 800-748-0659 or at <http://www.gasb.org/>.

Texas County & District Retirement System
GASB Compliance Data

GASB 50: Pension Disclosures

The following information is provided to help you comply with the reporting requirements of Statement No. 50 of the Governmental Accounting Standards Board (GASB 50), *Pension Disclosures*. GASB 50 discloses in the notes to the financial statements the following:

1. funded status for the most recent actuarial valuation, in addition to the multi-year funding progress information required by GASB 27 in the Required Supplementary Information; and
2. actuarial methods and assumptions used in the valuation.

You should comply with the GASB 50 provisions that pertain to agent multiple-employer defined benefit pension plans. Actual interpretation, application and disclosures required by GASB 50 must be based on circumstances specific to your employer and are your responsibility. For help complying with GASB 50 please see *Illustration 6: Notes to the Financial Statements for an Employer Contributing to an Agent Multiple-Employer Defined Benefit Pension Plan*, located in Appendix C of GASB 50.

Sample note disclosure wording for complying with GASB 50 (in addition to the requirements of GASB 27) is presented as follows:

Annual Pension Cost. The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 5.4 percent. Both (a) and (b) included an inflation component of 3.5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis [1]. The remaining amortization period at December 31, 2011 was xx [2] years.

Funded Status and Funding Progress. As of December 31, 2011, the most recent actuarial valuation date, the plan was xx.x [3] percent funded. The actuarial accrued liability for benefits was \$x,xxx [3], and the actuarial value of assets was \$x,xxx [3], resulting in an unfunded (or overfunded) actuarial accrued liability (UAAL) (or OAAL) of \$x,xxx [3]. The covered payroll (annual payroll of active employees covered by the plan) was \$x,xxx [3], and the ratio of the UAAL (or OAAL) to the covered payroll was xx.x [3] percent.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

[1] Plans with an underfunded actuarial accrued liability are amortized using a closed basis. Plans with an overfunded actuarial accrued liability are amortized using an open basis.

[2] The amortization period in years is located in section B. Actuarial Information, line 4 of the GASB Compliance Data sheet on page 1.

[3] The data for the funded status and funding progress paragraph is located in section C. Schedule of Funding Information on the GASB Compliance Data on page 1. Dollar amounts may be rounded.