TriMet Retirement Plan for Management & Staff Employees

Actuarial Report for Funding and Accounting Information

Valuation Date:	**June 30, 2012**
Plan Year Ending:	**June 30, 2012**
Fiscal Year Ending:	**June 30, 2012**
Date of Report:	**August 10, 2012**

Table of Contents

Section 1. Summary of Results

Funding Levels

	6/30/2012	6/30/2011	6/30/2010	Page
(1) Annual Required Contribution \1	$4,834,121 \2	$4,576,283 \2	$3,962,289	38
As % of Payroll	32.51%	29.74%	25.36%	
(2) Normal Cost	$1,290,204 \2	$1,456,325 \2	$1,146,132	37
As % of Payroll	8.68%	9.46%	7.33%	
(3) Contribution Received for the Fiscal Year \3	N/A	$4,607,677	$4,015,481	
(4) Market Value of Assets	$74,978,184	$73,745,229	$60,093,147	25
(5) Actuarial Value of Assets	$76,727,834	$72,169,599	$67,689,444	26
(6) Actuarial Accrued Liability	$113,749,891	$105,750,399	$98,833,566	36
(7) Actuarial Funded Ratio *(5)* ÷ *(6)*	67.5%	68.2%	68.5%	
(8) Advance Funding Ratio \4	37.62%	45.18%	46.90%	10
(9) Unfunded Actuarial Accrued Liability	$37,022,057	$33,580,800	$31,144,122	

\1 The contribution amounts shown are as of the end of the year (the valuation date) and include no additional interest. The 6/30/2010 UAAL was amortized over a closed 19-year period, the 6/30/2011 UAAL was amortized over a closed 18-year period, and the 6/30/2012 UAAL was amortized over a closed 17-year period.

\2 The 6/30/2011 and 6/30/2012 Annual Required Contribution and Normal Cost include a provision for expenses equal to 0.5% ($383,639for 2012) of the actuarial value of plan assets.

\3 Contribution amounts include 7% interest from the valuation date to the date the payment is made, and thus the amounts shown here are higher than the amounts of the required contributions.

\4 The Advance Funding Ratio is equal to (Actuarial Value of Assets - Liabilities for Inactive Participants) divided by (Liabilities for Active Participants).

Section 1. Summary of Results (cont.)

Benefit Security

		6/30/2012	6/30/2011	6/30/2010
(1)	Market Value of Assets	$74,978,184	$73,745,229	$60,093,147
(2)	Present Value of Accrued Benefits	$97,464,683	$88,734,750	$79,947,882
(3)	Excess of (1) over (2)	($22,486,499)	($14,989,521)	($19,854,735)
(4)	Ratio of (1) to (2)	76.93%	83.11%	75.17%
(5)	Present Value of Vested Accrued Benefits	$97,464,683	$88,734,750	$79,947,882
(6)	Excess of (1) over (5)	($22,486,499)	($14,989,521)	($19,854,735)
(7)	Ratio of (1) to (5)	76.93%	83.11%	75.17%
(8)	Assumed Discount Rate Used in (2) and (5)	7.0%	7.0%	7.0%

Section 1. Summary of Results (cont.)

Valuation Data

	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	Page
(1) Active Employees Submitted	407	407	390	432	435	
(a) Not Eligible	227	222	200	222	210	
(2) Number of Employees Valued						
(a) Active Employees						
(i) Participants Accruing Credited Services	163	168	173	192	205	
(ii) Frozen Credited Service	17	17	17	18	20	
(iii) Total	180	185	190	210	225	13
(b) Retirees and Beneficiaries						
(i) Receiving Pension	180	156	151	140	123	
(ii) Deferring Pension	3	3	4	4	3	
(iii) Total	183	159	155	144	126	
(c) Deferred Retirement Benefits						
(i) Terminated Employees	109	112	114	113	120	
(ii) Surviving Spouses	5	5	4	5	4	
(iii) Total	114	117	118	118	124	
(d) Transfers to Union	34	33	36	35	34	
(e) Leave of Absence	0	0	0	0	0	
(f) Disability	4	3	3	5	6	
(g) Total Participants Valued	515	497	502	512	515	13
(3) Payroll of Active Participants	$14,868,526	$15,390,172	$15,626,270	$17,129,704	$17,842,177	
Percent Increase	(3.39%)	(1.51%)	(8.78%)	(3.99%)	(9.17%)	
(4) Average Annual Earnings						
Active Participants	$82,603	$83,190	$82,244	$81,570	$79,299	13
Percent Increase	(0.71%)	1.15%	0.83%	1.73%	(1.10%)	

Section 1. Summary of Results (cont.)

Reconciliation of Participant Data

	Active Participants	Long Term Disability	Union with Management Service	Deferred Retirement Benefits	Retirees and Beneficiaries
From 6/30/2011 Valuation Report	185	3	33	117	159
Adjustments/Reclassifications	16	0	6	-1	1
6/30/2011 [/1]	201	3	39	116	160
Transfer to Union	0	0	0	0	0
Transfer to Management	0	1	-1	0	0
Reinstated	0	0	1	-1	0
Terminated	-4	0	0	4	0
Retired	-12	0	-1	0	13
Commenced Benefit	-3	0	-3	-5	11
Long Term Disability	0	0	0	0	0
Lump Sum Distribution	-1	0	-1	0	0
Died	-1	0	0	0	-1
Transferred Benefit to DC Plan	0	0	0	0	0
6/30/2012 [/1]	180	4	34	114	183

[1/] *Retiree count includes 3 retirees as of June 30, 2011 and June 30, 2012 who were deferring pension benefits and receiving retiree medical benefits.*

Section 2. Review and Analysis

Annual Required Contribution

The Annual Required Contribution (ARC) consists of two components: The Normal Cost for the year, and an amount to amortize the unfunded liabilities.

Prior to the June 30, 2009 actuarial valuation the ARC was determined using the Frozen Entry Age Normal method. In effect, this method amortized all Unfunded Liabilities, including actuarial gains and losses, over the working lifetime of the active participants. Because the Retirement Plan has been closed to new entrants since April 27, 2003, losses prior to the June 2009 valuation had been amortized over the working lifetime of a closed group which has been declining in number. This caused the Retirement Plan's Normal Cost (and hence the ARC) to fluctuate in a manner that has little or no meaning from a long-term perspective.

Effective with the June 30, 2009 actuarial valuation, the actuarial cost method is the individual Entry Age Normal Actuarial Cost Method. Under this method, the Retirement Plan's Normal Cost is the sum of the Normal Cost for each active participant. All annual actuarial gains or losses become part of the Unfunded Actuarial Accrued Liability and are amortized over a closed period of 20 years. Use of a closed 20-year amortization period commencing with the June 30, 2009 actuarial valuation implies that the Unfunded Actuarial Accrued Liabilities as of June 30, 2012 will be amortized over 17 years.

The ARC as of the end of the 2011/12 Plan Year (calculated using the remaing 17 years of a closed 20-year amortization period established June 30, 2009) is $4,834,121 or 32.51% of the payroll for active participants. This is an increase of $257,838 over the comparable figure from the prior valuation of $4,576,283. The Normal Cost decreased compared to the prior year, but this was more than offset by the increase in the amortization installment.

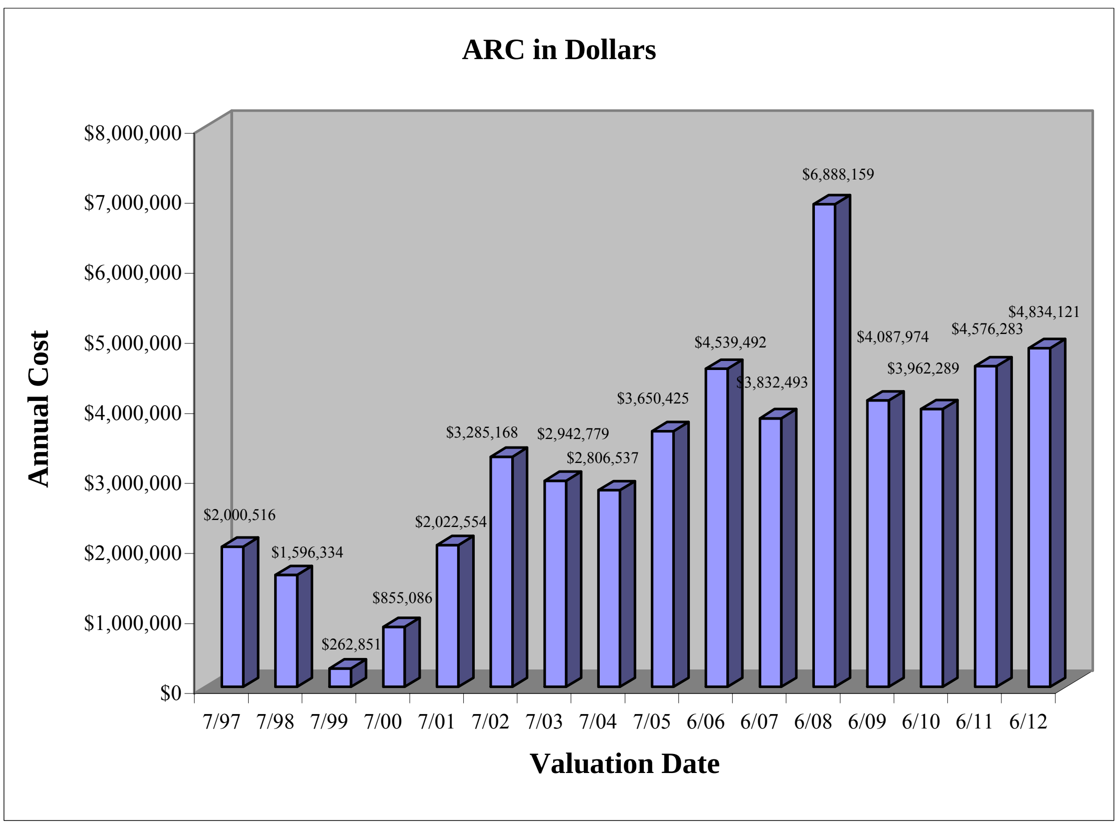
The decrease in the Normal Cost is the result of an increase in compensation that is less then the assumed 5% annual rate, as well as a decrease in the number of employees accruing credited service. The lower then assumed Cost of Living Adjustment (2.89% acutal compared to 3.6% assumed) also contributed to the decrease in the Normal Cost. The Normal Cost has been increased by an amount equal to 0.5% ($383,639) of the Actuarial Value of Plan Assets. This amount is an estimate of the annual expenses to be paid from Plan Assets as of the valuation date (June 30, 2012).

The second component of the ARC, an amount to amortize the unfunded liabilities, increased relative to the prior year's amortization amount. This was in part caused by an increase in liabilities due to data corrections and in part a result of the Actuarial Value of Plan Assets not keeping pace with the assumed 7% return. Plan investments earned an estimated return of -0.32% on a market value basis during the 2011/12 fiscal year and the Actuarial Value of Assets returned 4.13%. A net return of less than 7% on the Actuarial Value of Plan Assets is a component of the Retirement Plan's annual actuarial loss.

Section 2. Review and Analysis (cont.)

Annual Required Contribution (cont.)

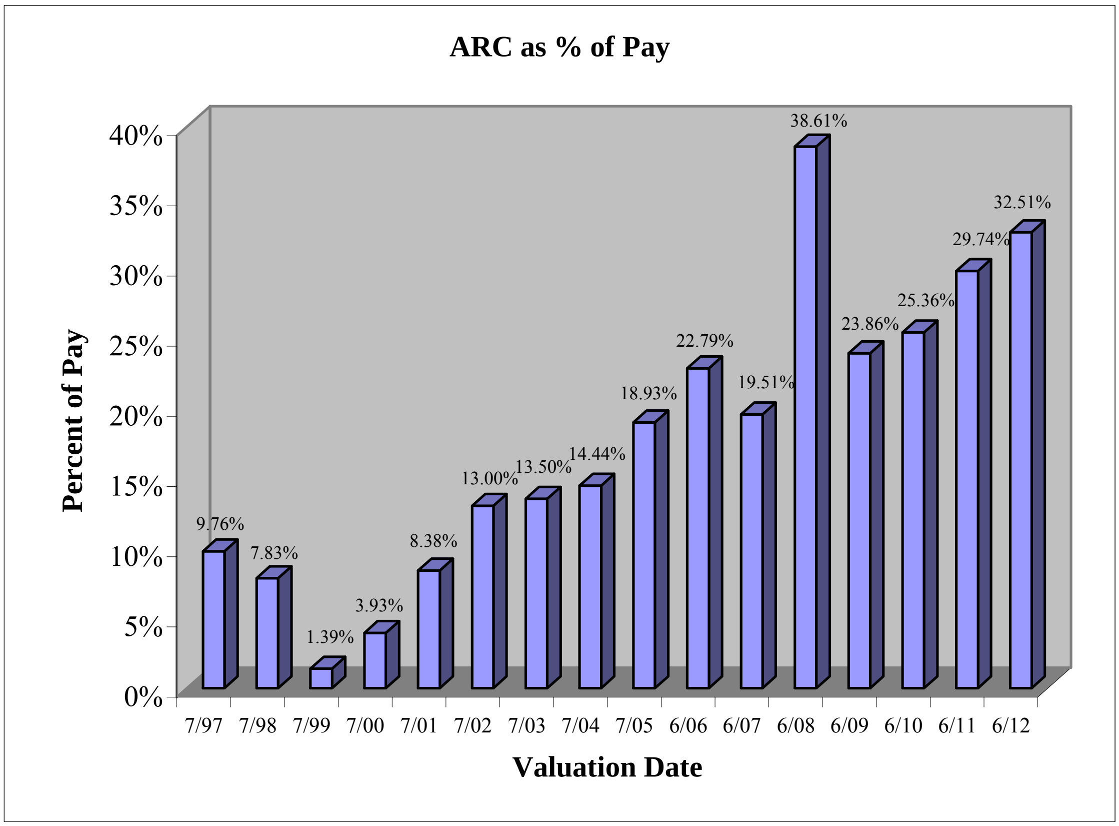
The following graph illustrates the history of the Management Plan ARC over the last 16 years. Figures prior to 2005 are based on a 40-year amortization of the frozen past service liability. For 2005 through 2008, the Plan Sponsor elected to amortize the frozen past service liability over the future working lifetime of active participants. The July 1, 2005, June 30, 2006, June 30, 2007, June 30, 2008 ARCs are based on 9-year, 8-year, 8-year, and 7-year amortizations, respectively, of the frozen past service liability. Beginning with the June 30, 2009 actuarial valuation, the ARC is based on a closed 20-year amortization of the Unfunded Entry Age Normal Accrued Liability. Beginning June 30, 2011 the ARC includes an annual provision for expenses equal to 0.5% of the Actuarial Value of Plan Assets. No expense provision was included in the ARC prior to 2011.



Section 2. Review and Analysis (cont.)

Annual Required Contribution (concluded)

The following graph displays the Plan's ARC as a percent of pay for active Plan participants as of the actuarial valuation date. Beginning with the July 1, 2005 actuarial valuation, the Plan sponsor elected to amortize the Unfunded Frozen Actuarial Accrued Liability over the expected working lifetime of the active Plan participants. The July 1, 2005, June 30, 2006, June 30, 2007, and June 30, 2008 ARCs are based on 9-year, 8-year, 8-year, and 7-year funding respectively; prior to those years the amortization was based on 40-year funding.



The combination of the prior actuarial cost method and the decreasing amortization period (due to the active participants comprising a closed group) caused the annual contributions to fluctuate in a manner that had little or no meaning from a long-term perspective. Effective with the June 30, 2009 actuarial valuation, the Plan sponsor is using a 20-year closed amortization period to determine the annual amount to amortize the Unfunded Actuarial Accrued Liability. The Plan's Annual Required Contribution is the sum of the annual Normal Cost, the annual amortization amount for the closed 20-year period, and 0.5% of the Actuarial Value of Plan Assets.

Section 2. Review and Analysis (cont.)

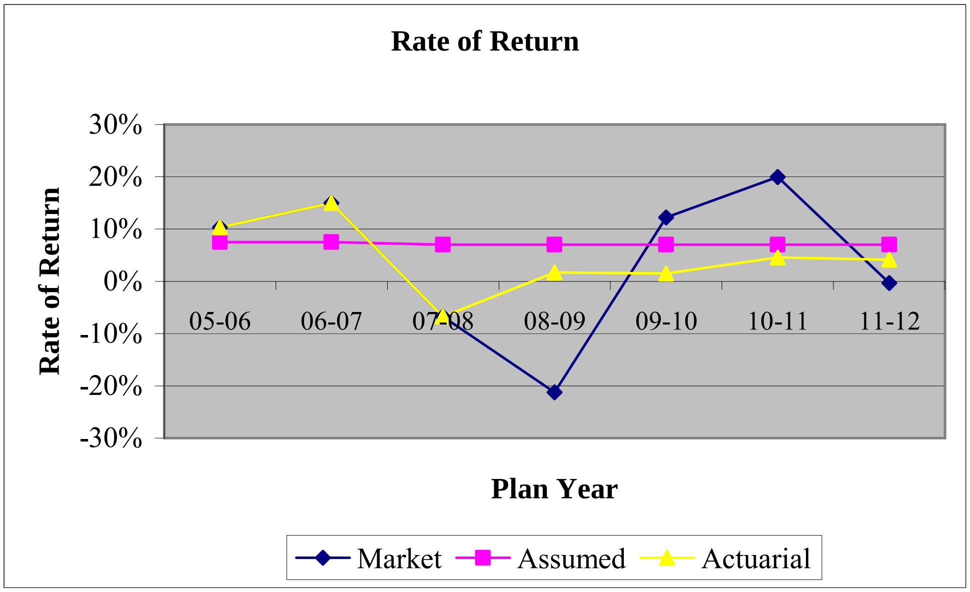
Plan Assets

Effective with the June 30, 2009 actuarial valuation, the actuarial value of Plan assets was changed from Market Value to a smoothed value that recognizes each year's investment gains or losses over a five-year period. Using a smoothed market-related valuation technique to determine the actuarial value of Plan assets moderates the short-term volatility of the annual contribution calculations.

Market value of Plan assets is used for determination of the "benefit security" for participants. Market value is the best estimate of Plan assets that would be available to cover the liability for accumulated pension benefits. Benefit security is a snapshot measure of the Plan's funded status and is not directly related to the long-term, on-going contribution requirements of the Retirement Plan.

The financial transactions for the Plan Year ending June 30, 2012 are summarized in Section 5 of this report. The overall rate of return on the Actuarial Value of Assets was approximately 4.13%. This is a decrease from last year's 4.59% and lower than the assumed net rate of return, which is 7.00% for 2011/12. The assumed net rate of return was 7.00% for the Plan Years 2007/08 through 2010/11 and 7.5% for the 2005/06 and 2006/07 Plan Years.

The graph below compares the rate of return on the Actuarial Value of Assets earned by the Plan with the Market Value of Assets and the assumed return on assets. For the 2005/06 and 2006/07 valuations an assumed return on assets of 7.50% was used, and subsequent valuations have used an assumed 7.00% return.



Section 2. Review and Analysis (cont.)

Plan Assets (cont.)

The following chart compares investment return, Plan cost as a percent of pay, and increases in average salaries. The 5-year average is based on actual results through June 30, 2012.

	Estimated	Actual					
	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08	5-Year Average
Investment Return							
Actuarial Value Basis	7.00%	4.13%	4.59%	1.49%	1.68%	(6.75%)	1.03%
Market Value Basis	N/A	(0.32%)	19.92%	12.21%	(21.26%)	(6.75%)	0.76%
S&P 500 Index	N/A	5.45%	30.69%	14.43%	(26.21%)	(13.10%)	2.25%
Plan Cost as % of Pay	30.96%	32.51%	29.74%	25.36%	23.86%	38.61%	30.02%
Change in Average Plan Compensation \1	5.00%	(0.71%)	1.15%	0.83%	1.73%	(1.10%)	0.38%

\1 The change in average Plan Compensation shown above is limited to active participants, and annual compensation for each individual is limited to the the applicable limitation under section 401(a)(17) of the Internal Revenue Code ($245,000 for the 2011/12 fiscal year).

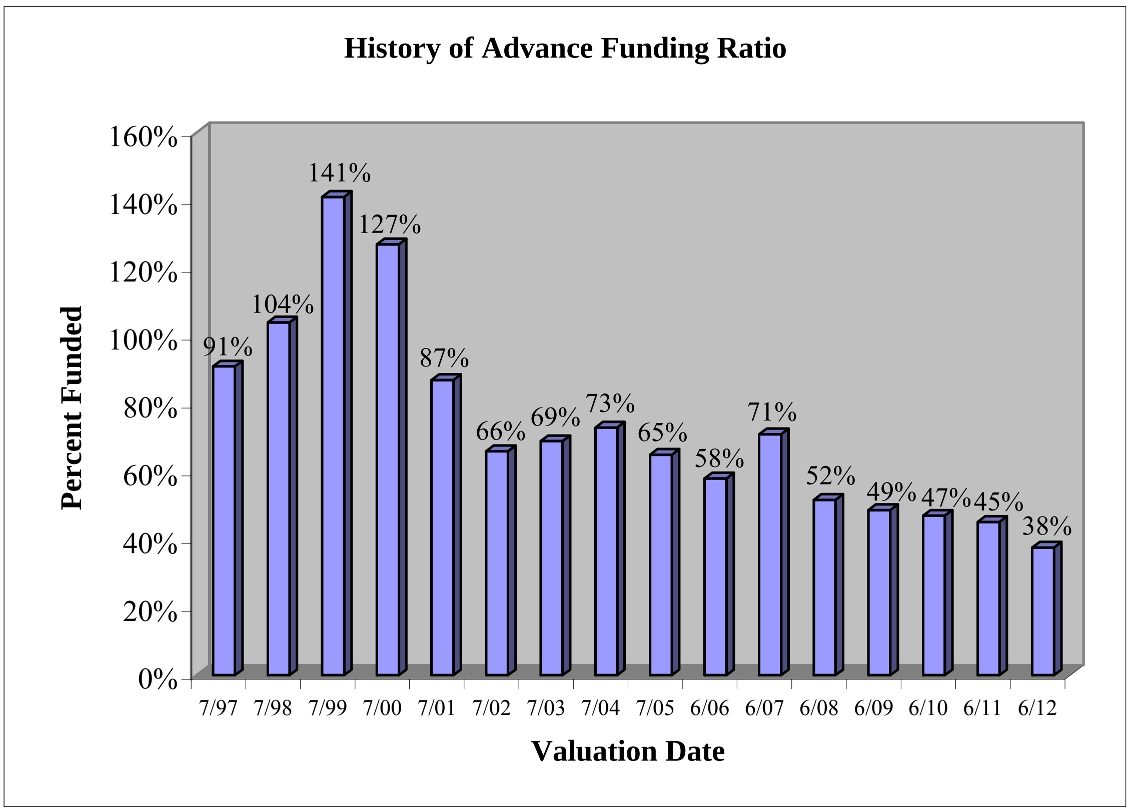
It is important to remember that the effect of the actuarial assumptions should be measured over a reasonable period of time. Deviations from the individual assumptions in any one year are expected; however, the effect on each valuation is usually small.

Section 2. Review and Analysis (cont.)

Funding Status

The advance funding ratio measures the Retirement Plan's progress towards meeting its long-term funding goals for active plan participants. A ratio of 100% or more indicates that the Retirement Plan is adequately meeting its on-going funding goals. The investment losses contributed to the current decrease in the advance funding ratio.

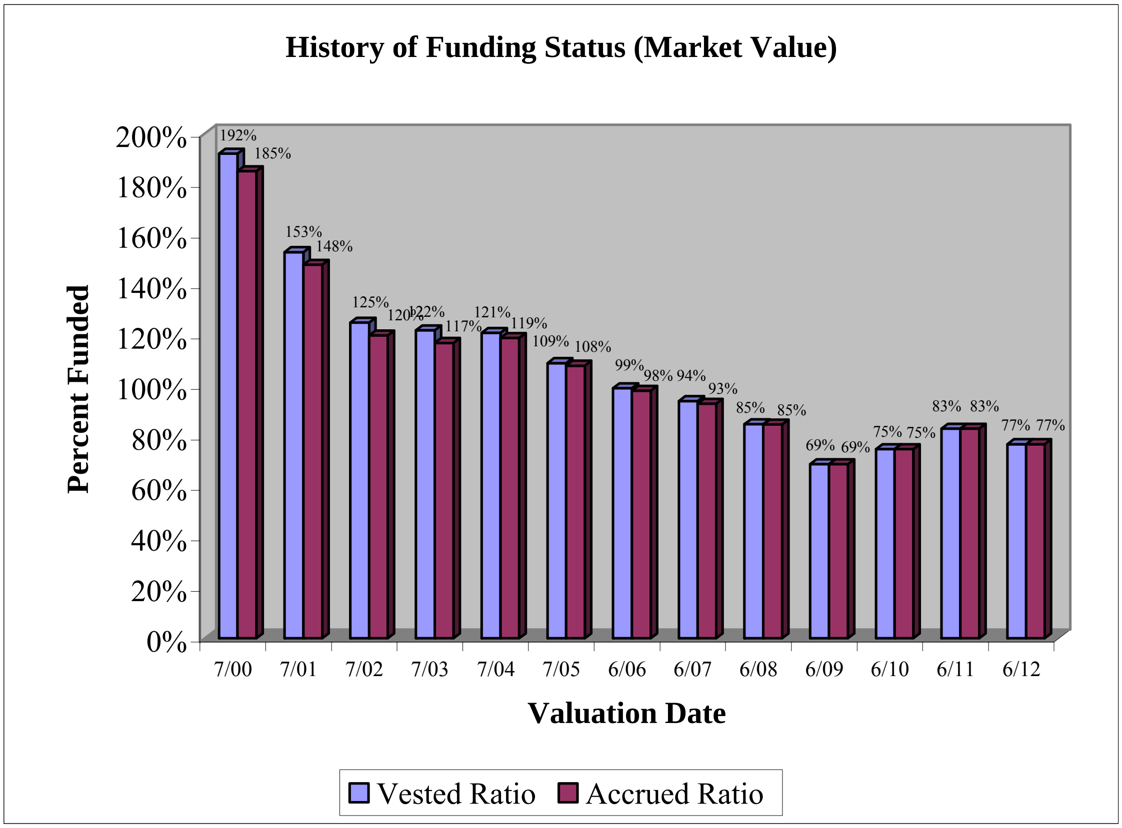
The advance funding ratio is calculated as the actuarial value of Plan assets available for the active participants divided by the actuarial accrued liability for those Plan participants. The actuarial value of Plan assets available for active participants is calculated as the Plan's actuarial value of assets minus the actuarial value of liabilities for all inactive Plan participants (retired participants or terminated participants with vested deferred pension benefits).

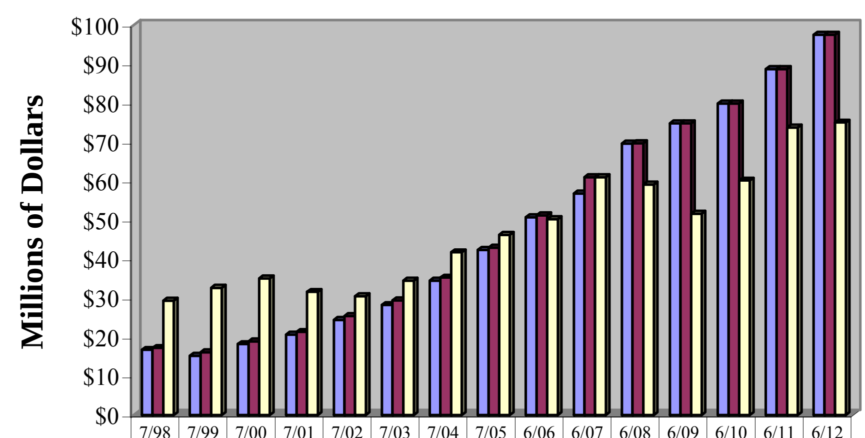


The next two graphs also illustrate the Retirement Plan's funding status. The first graph shows the ratio of the Plan's market value of assets to the actuarial value of benefits accrued through June 30, 2012. The actuarial value of the Plan's Accrued Benefits includes the portion of benefits expected to be paid as lump sums. A ratio of 100% or more indicates that it is likely that the Plan has sufficient assets (on a market value basis) to pay Accrued Benefits.

The second graph shows the historical growth of the Plan's actuarial value of Accrued and Vested Accrued Benefits compared to the market value of Plan assets.

Section 2. Review and Analysis (cont.)



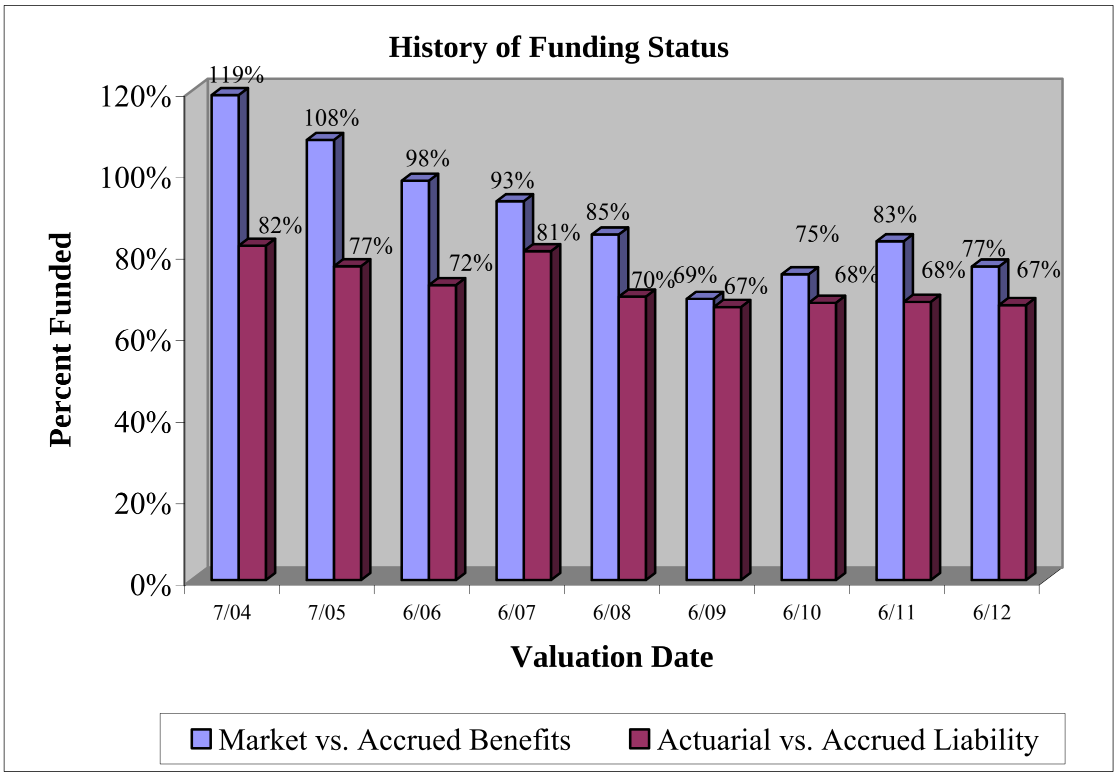


	7/98	7/99	7/00	7/01	7/02	7/03	7/04	7/05	6/06	6/07	6/08	6/09	6/10	6/11	6/12
Vested Liability $(million)	16.7	15.2	18.2	20.6	24.4	28.2	34.4	42.3	50.7	56.8	69.6	74.8	79.9	88.7	97.5
Accrued Liability $(million)	17.2	16.1	18.9	21.3	25.4	29.4	35.2	42.9	51.2	61.0	69.7	74.8	79.9	88.7	97.5
Assets at Market Value $(million)	29.3	32.6	35.0	31.6	30.5	34.4	41.7	46.2	50.2	61.0	59.1	51.6	60.1	73.7	75

Valuation Date

Section 2. Review and Analysis (cont.)

The graph below shows the Plan's funded status, calculated using two different methods. The first approach calculates the market value as a portion of the actuarial value of accrued benefits, and is the same series that is shown in the first graph of the previous page. The second approach calculates the funding status as the ratio of the actuarial value of assets to the actuarial accrued liability. The actuarial accrued liability is the present value of all benefits (accrued to date plus future accruals) minus the present value of future normal costs.



Section 2. Review and Analysis (cont.)

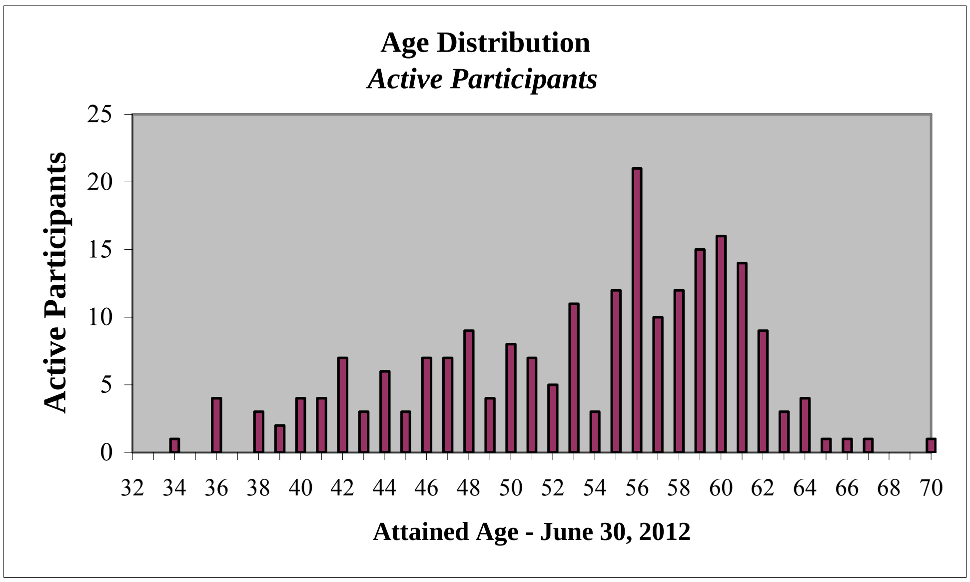
Characteristics of Population

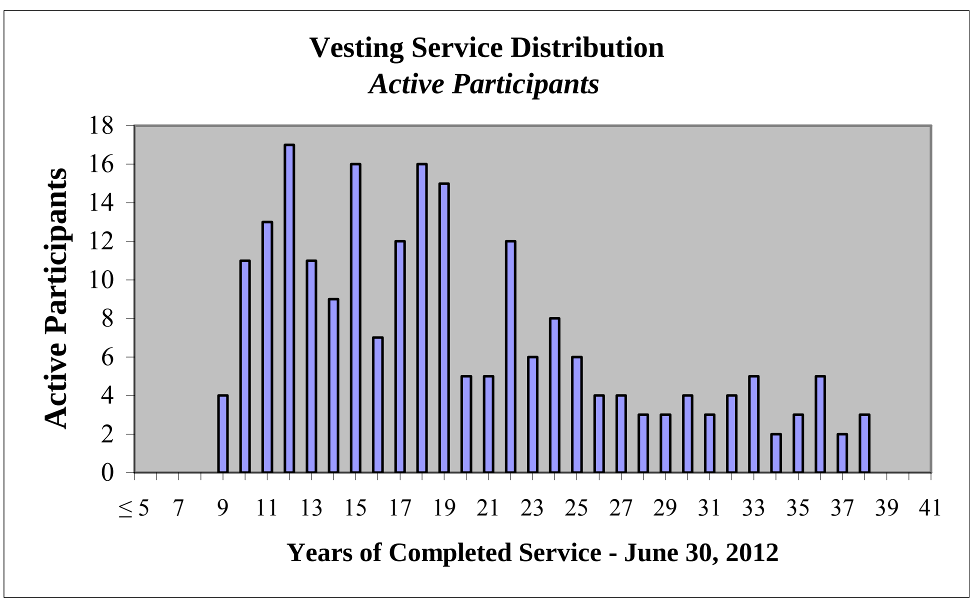
		2012	2011	2010	2009	2008
(1)	Active Participants					
	(a) Number	180	185	190	210	225
	(b) Vested Participants	180	185	190	210	225
	(c) Average Age	53.7	53.6	52.8	52.0	51.3
	(d) Average Continuous Service	19.3	18.7	17.9	16.9	16.0
	(e) Average Annual Earnings	$82,603	$83,190	$82,244	$81,570	$79,299
(2)	Deferred Retirement Pension Benefit					
	(a) Number	117	120	122	122	127
	(b) Average Age	55.2	54.6	54.0	53.4	53.5
	(c) Average Age at Termination	41.5	37.8	41.8	41.8	41.9
	(d) Average Deferred Monthly Benefit	$765	$711	$741	$704	$662
(3)	Union Employees With Management Service					
	(a) Number	34	33	36	35	34
	(b) Average Age	54.2	55.4	54.7	53.9	53.5
	(c) Average Years of Management Service	5.6	6.6	6.6	5.8	5.2
	(d) Average Annual Earnings	$63,553	$61,607	$56,247	$57,118	$55,553
(4)	Retired Participants and Beneficiaries Receiving Pension Benefit					
	(a) Number	180	156	151	140	123
	(b) Average Age	69.3	69.5	69.0	68.5	68.6
	(c) Average Age at Retirement	61.4	61.1	61.1	61.1	60.9
	(d) Average Monthly Benefit	$1,483	$1,368	$1,221	$1,117	$1,114
(5)	Other Inactive					
	(a) Leave of Absence	0	0	0	0	0
	(b) Disability	4	3	3	5	6
(6)	Total Costed Employees	515	497	502	512	515

Section 2. Review and Analysis (cont.)

Characteristics of Population (cont.)

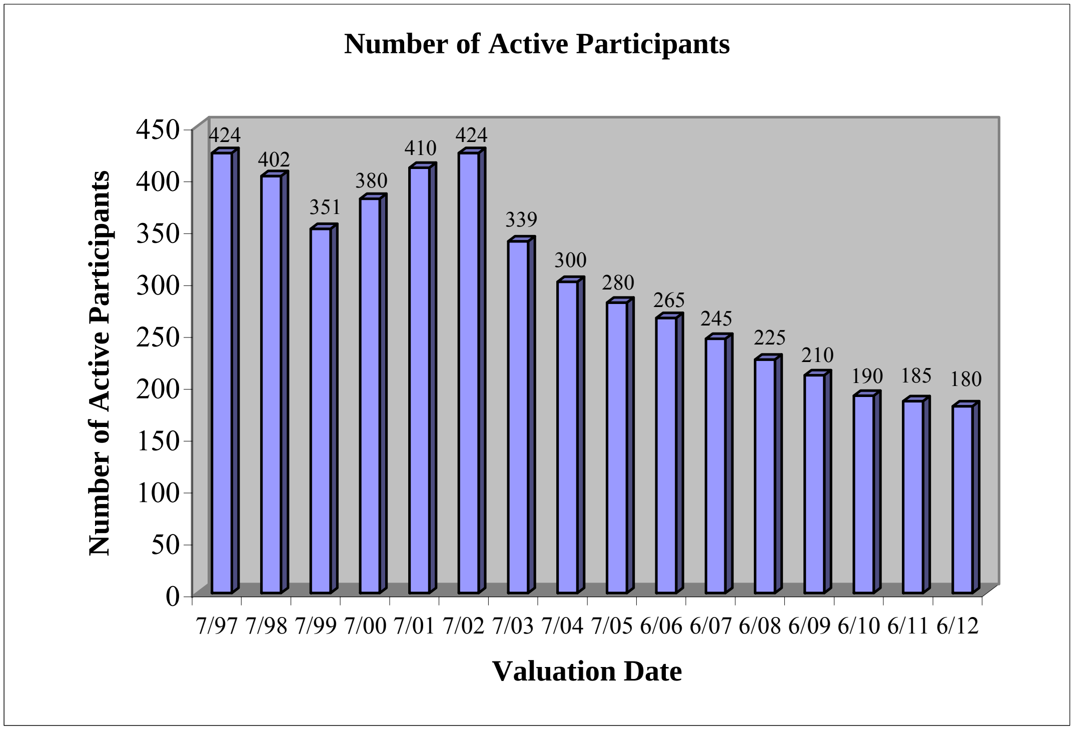
The graphs on the following three pages display demographic distributions for active and retired participants. These graphs show the distributions of age, vesting service, the history of active participants, annualized pay, and age and benefits data for current participants receiving retirement benefits.

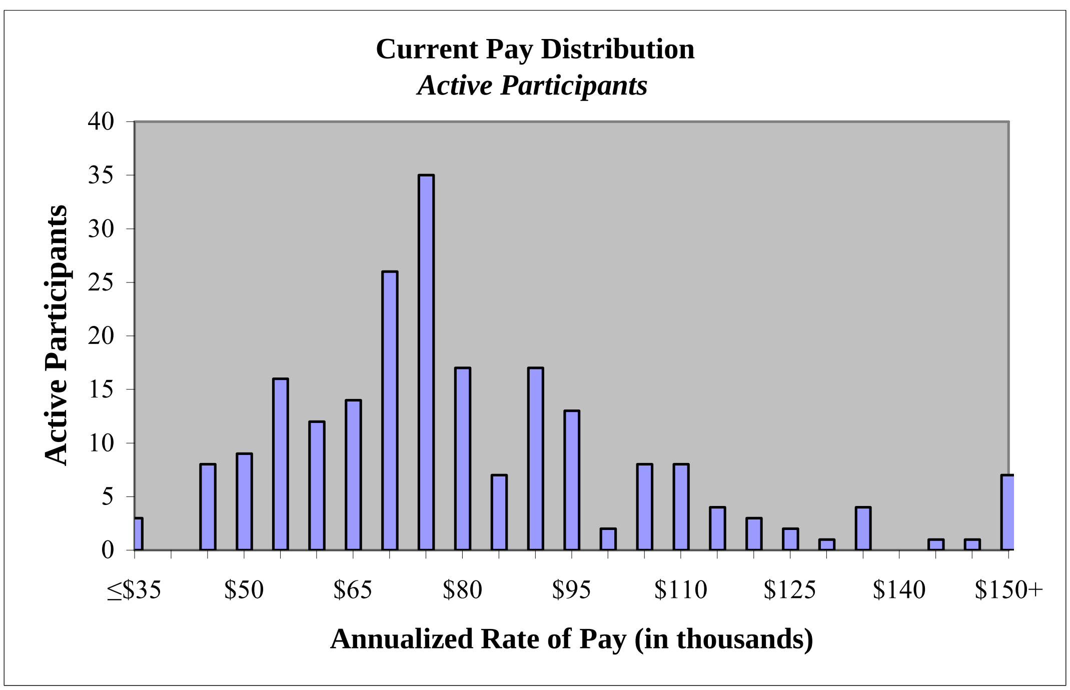




Section 2. Review and Analysis (cont.)

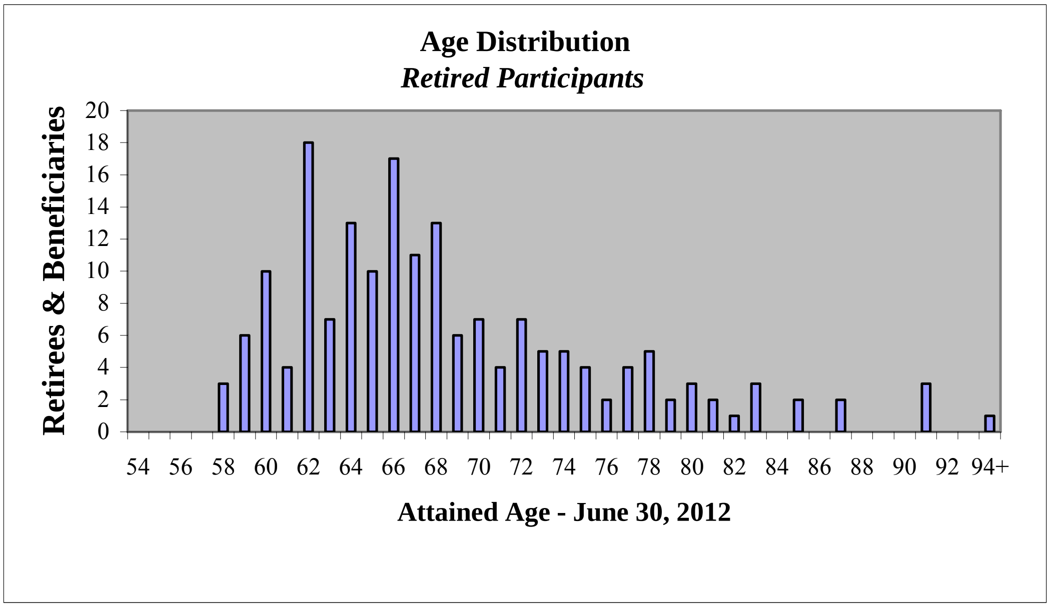
Characteristics of Population (cont.)

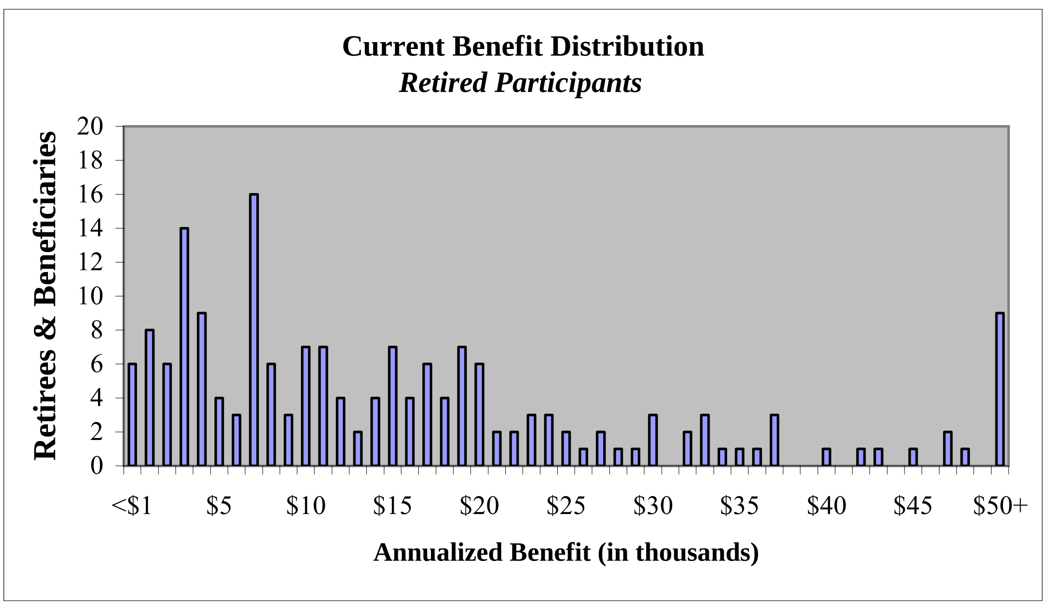




Section 2. Review and Analysis (cont.)

Characteristics of Population (cont.)





Section 2. Review and Analysis (cont.)

Regulatory Limits

	2012	2011	2010	2009
Maximum Defined Benefit Plan Annual Benefit	$200,000	$195,000	$195,000	$195,000
Maximum Annual Addition to a Defined Contribution Plan	$50,000	$49,000	$49,000	$49,000
Maximum Annual Salary Deferral to a 457 Plan	$17,000	$16,500	$16,500	$16,500
Annual 457 Catch Up Contribution	$5,500	$5,500	$5,500	$5,500
Maximum Compensation that can be Recognized in Qualified Plans	$250,000	$245,000	$245,000	$245,000
Highly Compensated Employee Definition	$115,000	$110,000	$110,000	$110,000
Social Security Taxable Wage Base	$110,100	$106,800	$106,800	$106,800

Section 2. Review and Analysis (cont.)

Payout Projections

Payout projections may be used to develop the liquidity requirements of your pension trust. In addition, the projections indicate the level of prefunding since any contributions in excess of the payout will be accumulated in advance for future benefit payments.

The projections shown below are estimates based on the assumption that all employees who work to retirement age will retire on their Normal Retirement Date and that 75% will elect to receive their benefits as an annuity, 25% will elect to receive their benefits as a lump sum.

It is assumed that 60% of employees who terminate prior to retirement elect to take a deferred annuity, while the remaining 40% are assumed to take a lump sum. Since actual benefit payments depend on future Plan experience, these projections will be updated annually. Disabled, transferred and leave of absence employees are assumed to take the Normal Retirement Benefit. Projections include current retirees and beneficiaries receiving annuity payments.

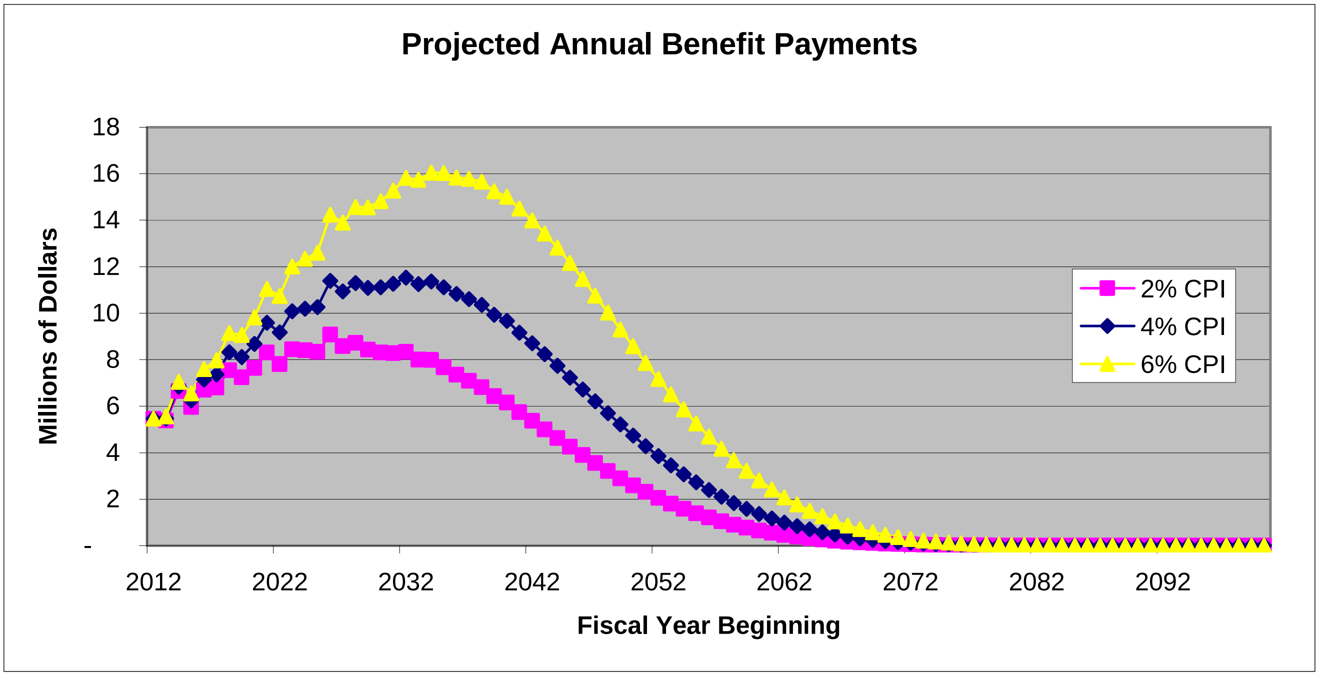
For comparison purposes, future payout projections are shown under an assumed CPI increase of 2% and 6% per year in addition to the primary assumption of a 4% annual increase in the CPI. The annual pension COLA is 90% of the annual change in the CPI, but in no event greater than 7%. For these payout projections, we assumed that future salary increases for active Plan participants would equal the annual CPI plus 1%.

Valuation Year		Amount	
From - To	**2% CPI**	**4% CPI**	**6% CPI**
07/01/2012 – 06/30/2013	$5,454,930	$5,463,678	$5,472,472
07/01/2013 – 06/30/2014	$5,387,306	$5,472,120	$5,557,367
07/01/2014 – 06/30/2015	$6,648,011	$6,847,071	$7,049,995
07//01/2015 – 06/30/2016	$5,964,497	$6,256,577	$6,559,094
07/01/2016 – 06/30/2017	$6,708,238	$7,143,909	$7,602,311
07/01/2017 – 06/30/2018	$6,800,588	$7,365,767	$7,970,432
07/01/2018 – 06/30/2019	$7,550,553	$8,311,975	$9,139,906
07/01/2019 – 06/30/2020	$7,250,042	$8,109,194	$9,059,493
07/01/2020 – 06/30/2021	$7,646,843	$8,672,496	$9,825,814
07/01/2021 – 06/30/2022	$8,297,809	$9,578,981	$11,043,558

Section 2. Review and Analysis (concluded)

Cash Flow Projections

The following graph shows the projected payouts based on an assumed 2%, 4%, and 6% annual rate of increase in the CPI. Projected payouts are shown for the next 88 years.



Section 3. Actuarial Certification

On behalf of Tri-County Metropolitan Transportation District of Oregon, we have made an actuarial valuation of this Plan as of June 30, 2012. We did not audit the employee data and financial information used in this valuation. Based on our review of the data, we believe that the information is sufficiently complete and reliable, and that it is appropriate for the purposes intended.

In our opinion, each assumption used in this valuation is reasonable taking into account the experience of the Plan and reasonable expectations, or would, in the aggregate, result in a total contribution equivalent to that which would be determined if each assumption were reasonable. The methods employed in this valuation are consistent with generally accepted actuarial principles and practices.

Therefore, the information as presented in this Actuarial Report for funding purposes fully and fairly discloses the actuarial position of the Plan.

The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein, and are available to answer any questions in connection with this report.

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August 14, 2012
Date Signed

Section 4. Valuation Method and Assumptions

Entry Age Normal Valuation Method

Prior to the June 30, 2009 actuarial valuation, the actuarial cost method used to value the Retirement Plan's liabilities was the Frozen Entry Age Normal valuation method. Beginning with the June 30, 2009 actuarial valuation, the actuarial cost method was changed to the Entry Age Normal Actuarial Cost Method.

Under this method, the actuarial present value of the projected benefits of each active employee included in the valuation is allocated on a level percent of pay basis over the service of the active employee between entry age and assumed exit age(s). The portion of this actuarial present value allocated to the valuation year is called the Normal Cost for that active employee. The sum of these individual normal costs is the Plan's Normal Cost for the valuation year.

The present value of benefits for current retirees and participants with deferred retirement benefits plus the accumulated value of prior Normal Costs for active employees is the Actuarial Accrued Liability. The excess of the Actuarial Accrued Liability over Plan Assets is the Unfunded Actuarial Accrued Liability (UAAL). The total UAAL is amortized as a level dollar amount over a closed 20-year amortization period commencing with the June 30, 2009 actuarial valuation.

Under this method, the actuarial gains (losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

Valuation of Assets

Prior to the June 30, 2009 actuarial valuation, the actuarial value of assets was calculated as the market value of assets reported by U.S. Bank plus any accrued income and accrued contributions for the prior Plan year. Beginning with the June 30, 2009 actuarial valuation, the actuarial value of each year's investment gains (or losses), is recognized over a five-year period. The difference between the actual return on the market value of Plan assets and the expected return on the market value is the actuarial gain (or loss) on Plan assets for the year. Twenty percent of each such annual amount is recognized annually over the next five Plan years thereafter.

Rates of return are calculated by reducing investment income by all expenses paid from Plan assets.

Employees Included in the Calculations

All active employees who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. This includes union employees with past management service. Former employees or their survivors who are entitled to an immediate or deferred benefit under the provisions of the Plan are also included. Employees that elected to be cashed out of the Plan and roll their lump sum to the TriMet Defined Contribution Plan have been excluded from the valuation.

Section 4. Valuation Method and Assumptions (cont.)

Actuarial Assumptions

1. Mortality used for determining:

a. Normal Funding:	RP 2000 Mortality Static Table updated to June 30, 2012 (IRS Notice 2008-85), – Separate Gender – Separate Annuitant and Non-Annuitant
b. Actuarial Equivalence for Lump Sums:	1994 Group Annuity Reserve Table projected to 2002 – Blended

2. Disability:	The probabilities are illustrated in the table on page 23.
3. Termination:	The probabilities are illustrated in the table on page 23.
4. Salary Progression:	5% compounded annually.

5. Interest rate used for determining:

a. Normal Funding (Investment Return):	
(1) Pre-retirement:	7.0% compounded annually (net of expenses)
(2) Post-retirement:	7.0% compounded annually (net of expenses)
b. Actuarial Equivalence:	
(1) Pre-retirement:	7.5% compounded annually
(2) Post-retirement:	7.5% compounded annually

6. Expenses:	0.5% of actuarial value of plan assets is added to the ARC.
7. Retirement Age:	All participants are assumed to retire at age 62 or present age, if greater.
8. Cost of Living:	The cost of living measured from CPI will increase 4% per year.
9. Sick Leave Supplement:	Participants with union service are assumed to receive a benefit for their accumulated sick leave under the union plan.

Section 4. Valuation Method and Assumptions (cont.)

Actuarial Assumptions (cont.)

10. Form of Payment:
    a. Retirees:
       (1) 75% of retirees are assumed to select a life annuity
       (2) 25% of retirees are assumed to elect a lump sum
    b. Vested Terminated Employees:
       (1) 60% of vested terminated employees are assumed to select a deferred life annuity
       (2) 40% of vested terminated employees are assumed to elect a lump sum

11. The following are examples of the probability that a participant will die, become disabled, or terminate employment within the year.

	Mortality Non-Annuitant		Mortality Annuitant		Disability		Termination	
Age	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
20	0.02%	0.01%	0.02%	0.01%	0.02%	0.02%	12.00%	12.00%
25	0.03%	0.01%	0.03%	0.01%	0.05%	0.05%	11.70%	11.70%
30	0.04%	0.02%	0.04%	0.02%	0.08%	0.08%	11.31%	11.31%
35	0.07%	0.04%	0.07%	0.04%	0.13%	0.13%	10.69%	10.69%
40	0.09%	0.05%	0.09%	0.05%	0.18%	0.18%	9.60%	9.60%
45	0.11%	0.07%	0.17%	0.07%	0.32%	0.32%	7.90%	7.90%
50	0.13%	0.11%	0.38%	0.17%	0.46%	0.46%	5.48%	5.48%
55	0.18%	0.20%	0.41%	0.30%	0.90%	0.90%	2.77%	2.77%
60	0.32%	0.34%	0.60%	0.56%	1.37%	1.37%	1.72%	1.72%

Changes in Actuarial Assumptions and Methods

1. The RP 2000 Static Mortality Table was updated to June 30, 2012 as described in Internal Revenue Notice 2008-85.

Section 4. Valuation Method and Assumptions (concluded)

Other considerations

1. Participant salaries are limited to the IRC Section 401(a)(17) limit that was in effect as of the beginning of the plan year. Projected benefits are limited to the IRC Section 415(b) limit for governmental plans that is in effect as of the Plan's actuarial valuation date.

2. For the purpose of valuing Death Benefits, 85% of the eligible employees are assumed to be married or have domestic partners. Males are assumed to have spouses or domestic partners that are female and four years younger. Females are assumed to have spouses or domestic partners that are male and four years older. The net impact on the actuarial calculations of same-gender domestic partners is minimal.

3. Employees (including part-time) are assumed to work 2080 hours per year in all future years.

4. Although we believe these to be accurate and complete, employee data supplied to us by TriMet and financial information supplied to us by the Trustee, US Bank, have not been audited by us.

5. We rely on the Employer to inform us of management service for union employees, any rehires into the Management & Staff Plan and average earnings for disabled employees.

Section 5. Financial Statements

Statement of Income, Disbursements, and Market Value of the Trust Fund for the Plan Year

(1) Market Value of Invested Assets as of June 30, 2011 \1		$75,345,229
(2) Income		
(a) 8/25/2011 Contribution for 2010-2011 plan year	$3,007,677	
(b) Early Contributions for Current Year	$0	
(c) Earnings on Investments		
(i) Interest, Dividends, and Income	$1,797,688	
(ii) Realized Gains (Losses)	$789,820	
(iii) Unrealized Gains (Losses) and Adjustments	($2,524,917)	
(iv) Investment Expense	($220,857)	
(d) Total Income		$2,849,411
(3) Disbursements		
(a) Benefits Paid Directly to Participants or their Beneficiaries		
(i) Monthly Retirement Benefits	($3,134,099)	
(ii) Lump Sum	$0	
(b) Administrative Expenses	($82,357)	
(c) Total Disbursements		($3,216,456)
(4) Market Value of Invested Assets as of June 30, 2012		$74,978,184
(5) Market Value of Invested Assets as of June 30, 2012 for valuation (4) - (2b)		$74,978,184
(6) Actuarial Value of Assets as of June 30, 2012		$76,727,834
(7) Investment Income (net of Expenses)		($240,623)

\1 *Market Value as of June 30, 2011 includes $1,600,000 that was contributed in June of 2011 and designated for the 2010-2011 fiscal year.*

Section 5. Financial Statements (cont.)

Actuarial Value of Assets

The Actuarial Value of Assets is used to determine the Plan's contribution requirements. See the Valuation Methods and Assumptions section for a description of the asset valuation method.

(1)	Actuarial Value of Invested Assets as of June 30, 2011 \1		$73,769,599
(2)	Contributions Received for Prior Fiscal Year		$3,007,677
(3)	Benefit Payments		($3,134,099)
(4)	Expected Return on Fair Market Value of Plan Assets		$5,343,286
(5)	Recognition of Prior Years' Investment Gains/(Losses)		($1,141,847)
(6)	Preliminary Actuarial Value of Plan Assets as of June 30, 2012		$77,844,616
(7)	Actual Net Return on Plan Assets as of June 30, 2012	($240,623)	
(8)	Current Year's Actuarial Gain/(Loss) = (7) - (4)	($5,583,909)	
(9)	Recognition of 20% of Current Year's Actuarial Gain/(Loss)		($1,116,782)
(9)	Actuarial Value of Plan Assets as of June 30, 2012 = (6) + 20%*(8)		$76,727,834

DEFERRED INVESTMENT GAINS/(LOSSES) FOR PREVIOUS YEARS

Date Established	Original Gain/(Loss)	Current Annual Recognition	Years Remaining	Remaining Future Recognition
6/30/2009	($16,975,786)	($3,395,157)	1	($3,395,158)
6/30/2010	$3,236,469	$647,294	2	$1,294,587
6/30/2011	$8,030,080	$1,606,016	3	$4,818,048
Totals		**($1,141,847)**		

		Market Value	Actuarial Value
(1)	Value of Assets as of June 30, 2011 \1	$75,345,229	$73,769,599
(2)	Contributions Received for Prior Fiscal Year	$3,007,677	$3,007,677
(3)	Benefit Payments	($3,134,099)	($3,134,099)
(4)	Time Weighted Average of Balance	$76,284,577	$74,708,947
(5)	Investment Income (Net of Expenses)	($240,623)	$3,084,657
(6)	Investment Return as Adjusted	(0.32%)	4.13%

\1 Asset Values as of June 30 2011 includes $1,600,000 that was contributed in June of 2011 and designated for the 2010-2011 fiscal year.

Section 5. Financial Statements (concluded)

Distribution of Assets as of June 30, 2012

	Cost Value		Market Value	
	$	%	$	%
Cash	$187,761	0.26%	$187,761	0.25%
Domestic Equities	$5,178	0.01%	$10,929	0.01%
Foreign Equities	$0	0.00%	$0	0.00%
Mutual Funds	$29,454,390	40.84%	$30,414,997	40.57%
Bonds	$15,872,904	22.01%	$16,013,758	21.36%
Collective Investment Funds	$16,230,935	22.50%	$17,177,067	22.91%
Accrued Income	$161,828	0.22%	$161,828	0.21%
Money Markets	$0	0.00%	$0	0.00%
Partnerships / Joint Ventures	$10,209,819	14.16%	$11,011,843	14.69%
Total Invested Assets - June 30, 2012	$72,122,815	100.00%	$74,978,183	100.00%

Contributions for the Prior Plan Year

The following contributions for the prior Plan year were made on the dates indicated:

Date	Amount
6/22/2011	$1,600,000
8/25/2011	$3,007,677

Section 6. Summary of Principal Plan Provisions

General Information

1. Original Effective Date: December 7, 1970
2. Restatement Effective Date: January 1, 2008
3. Effective Date of Last Amendment: July 1, 2008
4. Plan Year: July 1 to June 30
5. Employer Fiscal Year: July 1 to June 30

Eligibility

An employee of TriMet employed prior to April 27, 2003 became a participant upon employment or when the employee ceased to be covered by a Collective Bargaining Agreement, PERS or any other state mandated retirement program. Participants of the Plan made an irrevocable decision to stay in the Defined Benefit Plan, freeze service in the Defined Benefit Plan and participate in the Defined Contribution Plan, or rollover their Defined Benefit Plan Accrued Benefit to the Defined Contribution Plan and begin participating in the Defined Contribution Plan.

An employee hired on or after April 27, 2003 becomes a participant upon employment in the Defined Contribution Plan. Employees cannot be active members of the Retirement Plan for Management and Staff Employees and any of the aforementioned three plans simultaneously.

Vesting Service

Vesting Service shall equal total years of service with the Employer. This service includes time a participant may have participated in the Collective Bargaining Agreement. A year of Vesting Service is credited for each year in which an employee works full or part time.

Section 6. Summary of Principal Plan Provisions (cont.)

Credited Service

Credited Service shall equal total years of service with the Employer as a management or staff employee. A year of service is credited for each year in which an employee works full or part time. Service is expressed in years and months. Special Credited Service rules apply to the General Manager and the Executive Directors.

A break in service occurs at the start of any Plan year in which the employee works 500 hours or less for the Employer in such year. Service will not be interrupted by:

> A leave of absence not in excess of one year granted by the Employer;
>
> A period of service in the Armed Forces of the United States after which re-employment rights are granted;
>
> A period of long-term disability during which the participant is being paid directly or indirectly by the Employer and participant is under age 62; or,
>
> A period of maternity or paternity leave that is not in excess of one year.

Credited Service for part-time participants is prorated.

An employee will be given credit for their pre-break service if the employee has returned to work before the earliest of (1) the third anniversary of their last day of employment, or (2) an amount of time equal to their years of Credited Service.

Normal Retirement Date

Normal Retirement Date is the first day of the month coincident with or next following the attainment age of sixty-two.

Section 6. Summary of Principal Plan Provisions (cont.)

Normal Retirement Benefit

The amount of annual Normal Retirement Benefit to be paid in monthly installments for life, based on Credited Service to Normal Retirement Date, is the sum of the following two benefits:

1. Basic Normal Retirement Benefit

   A monthly Normal Retirement Benefit accrual that is one-twelfth (1/12) of 1.75% of Final Average Salary times Credited Service while a participant is under this plan.

   For certain Executives, the percent of Final Average Salary retirement benefit is determined by multiplying the Executive's days of TriMet employment after July 1, 2008 by the Daily Rate for that Executive and adding the product to the Percent of Final Average Salary as of July 1, 2008 for that Executive. However, in no case may the Executive's retirement benefit exceed 68.75% of the Executive's annual salary at employment termination.

2. Sick Leave Supplement

   For retirements that start on or after July 1, 2000, the hours of unused sick leave which have been accumulated under TriMet's sick leave policy to the date of actual retirement shall be converted to either a monthly annuity supplement or a lump sum distribution. The additional monthly amount is half of the participant's hours of unused sick leave, capped by sick leave maximum, multiplied by the final average hourly rate, divided by 101.9. The supplement can also be paid as a lump sum. The lump sum amount is 1.107 times the final average hourly rate, times one-half of unused sick time.

   The maximum number of sick leave hours that may be considered in calculating the sick leave supplement is shown in the table below:

Retirements Starting	**Maximum hours**
From July 1, 2000 through March 21, 2005	1,400
From March 22, 2005 through November 30, 2005	1,500
From December 1, 2005 through November 30, 2006	1,550
From December 1, 2006 through November 30, 2007	1,600
From December 1, 2007 through November 30, 2008	1,650
On or after December 1, 2008	1,700

Section 6. Summary of Principal Plan Provisions (cont.)

Delayed Retirement

A participant may continue in the employment of the Employer after their Normal Retirement date. In such event, they will receive at actual retirement the Normal Retirement Benefit earned to the date of Delayed Retirement.

Final Average Salary

One-third of the highest 36 consecutive months' salaries, including merit awards, paid to the participant for Credited Service. Payoff of unused sick leave or vacation time is not included in this average. Unused sick leave is used for a supplemental retirement benefit described on the previous page. In no event shall compensation for any year exceed the IRC limit on annual compensation includable in a defined benefit plan ($250,000 for 2012).

Accrued Benefit

The Accrued Benefit at any time prior to a participant's date shall be the Normal Retirement Benefit based on Credited Service at that date.

Section 6. Summary of Principal Plan Provisions (cont.)

Early Retirement Benefit

Upon the completion of five years of Credited Service and the attainment of age 55, a participant may elect to retire. They may receive a monthly benefit for life beginning at their Normal Retirement date equal to the benefit accrued at Early Retirement Date. Payments may begin immediately, with the benefit being reduced for each month by which the payment date precedes the Normal Retirement date. The table below displays the reduction for whole ages:

Early Retirement Age	Reduction of Benefit
61	92.75%
60	86.03%
59	79.80%
58	74.01%
57	68.65%
56	63.67%
55	59.06%

Benefit Accrual While Disabled

A participant who becomes totally and permanently disabled before their Normal Retirement Date and has five years of Credited Service is entitled to accrue Credited Service while they are disabled. The benefit will be calculated based on their Final Average Salary at time of disability and total Credited Service at their retirement date.

Section 6. Summary of Principal Plan Provisions (cont.)

Pre-Retirement Death Benefit

The spouse or domestic partner of a participant who dies while employed by TriMet and who has five years of Credited Service, or an inactive participant who terminates employment after June 30, 1988 with five years of Credited Service, is eligible for a pre-retirement Death Benefit. The benefit is two-thirds of the Normal Retirement Benefit earned to the date of death, actuarially reduced by joint annuity factors. If the benefit is payable before the date the participant would have been age 62, it will be actuarially reduced for early retirement.

If the participant was an active employee over age 55 at the time of death, the benefit begins the first of the month after the participant's death and continues for the rest of the spouse's or domestic partner's life. Benefits will be adjusted for cost of living in the same manner as Normal Retirement Benefits. Alternatively, the spouse or domestic partner may elect a one-time actuarially equivalent lump sum payment.

If the participant had terminated employment after June 30, 1988 and before death, or was an active employee less than 55 years of age, then the benefit begins the first of the month following what would have been the participant's 62nd birthday. The benefit continues for the rest of the spouse's or domestic partner's life. The spouse or domestic partner may choose to begin receipt of reduced monthly payments up to 7 years before the participant's Normal Retirement Date. Alternatively, the spouse or domestic partner may elect a one-time actuarially equivalent lump sum payment. The value of the COLA is not included in the lump sum payment.

Post-Retirement Death Benefit

Only as provided for in the form of retirement annuity elected.

Cost-of-Living Increases – Retirement after May 31, 1984

Participants who retire after May 31, 1984 shall receive a percentage increase in retirement benefit of 90% of the percentage increase in the cost of living, effective each April 1 following the date on which the participant first receives retirement benefits. Cost-of-living increases shall be computed on a calendar-year index based on changes in the U.S. Urban Wage Earners and Clerical Workers Consumers Price Index. All benefit increases shall be computed on the calendar-year basis and shall be effective the next April 1 and included in the May 1 pension check. The maximum percentage increase by the Plan during a calendar year shall not exceed 7%.

Section 6. Summary of Principal Plan Provisions (cont.)

Termination Benefit

Upon the termination of employment after five or more years of service, a participant shall have a vested interest in their Accrued Benefit which will be payable at Normal Retirement date. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 5	0%
5 or more	100%

In the event that the participant had met the service requirement at the date of termination, they may elect to receive their vested interest at age 55. Such benefit will be reduced as described under Early Retirement Benefit.

Optional Methods of Settlement

All optional methods of settlement are actuarially equivalent to the normal form of a life annuity. If a participant who is married or has a domestic partner does not elect the life annuity or does not elect one of the optional methods of settlement described below, then the participant's retirement benefit shall automatically be paid under option [2] below. The options are:

1. Single life annuity benefit to be paid during the participant's lifetime with no benefit to be continued to the participant's spouse (or domestic partner).

2. A reduced benefit to be paid during the participant's lifetime with two-thirds of the reduced benefit to be continued to the participant's spouse (or domestic partner) for the life after the participant's death.

3. Participants who have not started to receive monthly benefits may elect to receive a lump sum benefit in lieu of option [1] and option [2].

Automatic Lump Sum Settlement

A lump sum will automatically be paid if the actuarial equivalent of the Accrued Benefit is equal to or less than $1,000.

Section 6. Summary of Principal Plan Provisions (concluded)

Plan Amendments Since Last Valuation

None.

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time.

If the Plan is terminated, the Plan assets will be distributed among the Plan participants based upon a priority allocation procedure and the Employer shall be liable for any unfunded vested benefits to the extent required by law. Any funds remaining after satisfaction of all liabilities shall be returned to the Employer.

The above description is a summary only. For additional details, reference should be made to the formal Plan document.

Section 7. Appendices

Analysis of Actuarial Present Values as of June 30, 2012

	Accrued Benefits	Fully Projected Benefits	Entry Age Normal Accrued Liability
Active Participants			
Normal Retirement Benefit	$34,601,788	$52,369,111	$48,687,826
Termination	$4,085,452	$5,834,515	$5,225,373
Disability	$1,580,003	$2,327,111	$2,093,586
Survivor	$176,889	$345,456	$312,331
Subtotal	$40,444,132	$60,876,193	$56,319,116
Inactive Participants			
Receiving	$43,595,515	$43,595,515	$43,595,515
Deferred	$10,808,433	$10,808,433	$10,808,433
Transfers	$1,947,682	$2,249,897	$2,249,897
Disability	$668,921	$776,929	$776,929
Leave	$0	$0	$0
Subtotal	$57,020,551	$57,430,774	$57,430,774
Totals	$97,464,683	$118,306,967	$113,749,890

Development of 2011/12 Normal Cost – Entry Age Normal Cost Method

(1)	Actuarial Present Value of Fully Projected Benefits	$118,306,967
(2)	Actuarial Accrued Liability	$113,749,891
(3)	Actuarial Value of Assets	($76,727,834)
(4)	Unfunded Actuarial Accrued Liability	$37,022,057
(5)	Normal Cost Before Expense Provision	$906,565
(6)	Payroll of Active Participants	$14,868,526
(7)	Normal Cost (Before Expense Provision) as a % of Pay	6.10%
(8)	Expense Provision	$383,639
(9)	Adjusted Normal Cost	$1,290,204
(10)	Adjusted Normal Cost as a Percent of Pay	8.68%

Range in Annual Contributions for the Plan Year Ending June 30, 2012

		% of Payroll
Annual Required Contribution		
Normal Cost[/1]	$1,290,204	8.68%
17-Year Funding[/2] of Unfunded Actuarial Accrued Liability	$3,543,917	23.84%
Total on June 30, 2012	$4,834,121	32.51%
Ten Year Funding		
Normal Cost[/1]	$1,290,204	8.68%
10-Year Funding of Unfunded Actuarial Accrued Liability	$4,926,269	33.13%
Total on June 30, 2012	$6,216,473	41.81%
Funding over Future Working Lifetime (5 Years)		
Normal Cost[/1]	$1,290,204	8.68%
5-Year Funding of Unfunded Actuarial Accrued Liability	$8,438,631	56.75%
Total on June 30, 2012	$9,728,835	65.43%

/1 *Includes annual expense equal to 0.5% of the June 30, 2012 actuarial value of plan assets.*
/2 *20 year closed amortization period beginning with the 2008/09 Plan Year and ending June 30, 2029.*

History of Funding Levels

		6/30/2012	6/30/2011	6/30/2010
(1)	17-Year Funding [/1]	$4,834,121 [/2, /3]	$4,576,283	$3,962,289
	As % of Payroll	32.51%	29.74%	25.36%
(2)	10-Year Funding	$6,216,473 [/3]	$5,924,690	$5,290,265
	As % of Payroll	41.81%	38.50%	33.85%
(3)	Funding Over Future Working Lifetime (5 years) [/4]	$9,728,835 [/3]	$9,110,572	$7,252,586
	As % of Payroll	65.43%	59.20%	46.41%

[/1] The 6/30/2012 UAAL was amortized over a 17-year period

[/2] The Annual Required Contribution for the 2011/12 Fiscal Year (without interest)

[/3] The 6/30/2012 Annual Required Contribution and Normal Cost includes a provision for expenses equal to 0.5% of the actuarial value of plan assets.

[/4] The Future Working Lifetime was estimated to be 5 years on June 30, 2012, 5 years on June 30, 2011, and 6 years on June 30, 2010.

Section 7. Appendices (cont.)

Plan Accounting (GASB No. 25)

Effective for financial reports issued for fiscal years beginning after June 15, 1997, the Governmental Accounting Standards Board (GASB) requires the disclosure of pension information for governmental employee retirement plans. Disclosures must be in accordance with standards set forth in GASB Statement No. 25 (GASB25), "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans." GASB25 supersedes several previously issued statements, including GASB Statement No. 5. GASB25's objective is to enhance the understandability and usefulness of pension information included in the financial reports of state and local governmental pension plans.

Effective for periods beginning after June 15, 1997, GASB required additional standard information as set forth in GASB Statement No. 27 (GASB27), "Accounting for Pensions by State and Local Governmental Employers." GASB27 requires employers that participate in single-employer and agent multiple-employer defined benefit pension plans (sole and agent employers) to measure and disclose an amount for annual pension cost on the accrual basis of accounting, regardless of the amount recognized as pension expenditures/expense on the modified accrual or accrual basis. Annual pension cost (APC) should be equal to the employer's annual required contributions (ARC) to the plan, unless the employer has a net pension obligation (NPO) for past under- or over- contributions.

This report may not contain all of the information required by GASB. However, it provides all information normally required by the Retirement Plan's auditors.

Section 7. Appendices (cont.)

Entry Age Normal Accrued Liability

	6/30/2012	6/30/2011	6/30/2010	6/30/2009
Active Participants				
Retirement Benefits	$48,687,826	$49,931,167	$47,180,652	$49,095,065
Termination Benefits	$5,225,373	$5,521,660	$5,799,094	$6,642,803
Disability	$2,093,586	$2,236,841	$2,133,713	$2,367,753
Death Benefits	$312,331	$336,999	$350,026	$391,268
Subtotal	$56,319,116	$58,026,667	$55,463,485	$58,496,889
Inactive Participants				
Retired	$43,595,515	$34,387,414	$29,856,457	$25,680,705
Vested	$10,808,433	$10,103,975	$10,320,661	$9,589,154
Transferred	$2,249,897	$2,620,618	$2,630,654	$2,159,371
Disability	$776,929	$611,727	$562,309	$822,654
Subtotal	$57,430,774	$47,723,734	$43,370,081	$38,251,884
Totals	**$113,749,890**	**$105,750,401**	**$98,833,566**	**$96,748,773**
Assets Without Plan Year Contribution	$76,727,834	$72,169,599	$67,689,444	$65,201,818
Plan Year Contribution	N/A	$1,600,000	N/A	N/A
Total	$76,727,834	$73,769,599	$67,689,444	$65,201,818

Section 7. Appendices (cont.)

Schedule of Funding Progress

Actuarial Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability	(C) Unfunded Actuarial Accrued Liability = (A) - (B)	(D) Funded Ratio = (A)/(B)	(E) Covered Payroll	(F) UAAL as a % of Covered Payroll = (C)/(E)
07/01/2001	$31,565	$34,995	$3,430	90.20%	$24,127	14.2%
07/01/2002	$30,502	$41,392	$10,890	73.69%	$24,694	44.1%
07/01/2003	$34,419	$44,358	$9,939	77.59%	$31,799	31.3%
07/01/2004	$41,734	$50,639	$8,905	82.41%	$19,642	45.3%
07/01/2005	$46,241	$60,325	$14,084	76.65%	$19,355	72.8%
06/30/2006	$50,212	$69,383	$19,171	72.37%	$19,920	96.2%
06/30/2007	$61,016	$75,616	$14,600	80.69%	$19,644	74.3%
06/30/2008	$59,066	$84,974	$25,908	69.51%	$17,842	145.2%
06/30/2009	$65,202	$96,749	$31,547	67.39%	$17,130	184.2%
06/30/2010	$67,689	$98,834	$31,144	68.49%	$15,626	199.3%
06/30/2011	$72,170	$105,750	$33,581	68.25%	$15,390	218.2%
06/30/2012	$76,728	$113,750	$37,022	67.45%	$14,869	249.0%

Section 7. Appendices (cont.)

Experience Analysis

(1) Basis of Calculations

Unless otherwise noted below, the information in this section is based upon the same actuarial assumptions, Plan provisions, and employee data that are described in Sections 4, 6, and 2 of this report, respectively. Plan assets are valued at their fair market value plus accrued employer contributions.

(a) Actuarial Assumptions:	Same as Section 4, except: No Salary Scale
(b) Plan Provisions:	Same as Section 6
(c) Employee data:	Same as Section 2

	Number of Participants	Present Value
(2) Present Value of Accumulated Plan Benefits as of June 30, 2012		
(a) Vested Benefits for		
(i) Retired employees and beneficiaries	183	$43,595,515
(ii) Terminated and transferred employees with deferred vested benefits	152	$13,425,036
(iii) Employees eligible for normal or delayed retirement	28	$7,717,748
(iv) Fully Vested employees	152	$32,726,384
(v) Total Vested	515	$97,464,683
(b) Nonvested Benefits		$0
(c) Total Present Value of Accumulated Plan Benefits		$97,464,683
(d) Net Assets Available for Benefits (market value, accrual basis) as of the Valuation Date		$74,978,184
(e) Unfunded Present Value of Accumulated Plan Benefits = excess of (c) over (d)		$22,486,499
(f) Unfunded Present Value of Vested Accumulated Plan Benefits = excess of (a) over (d)		$22,486,499

Section 7. Appendices (concluded)

Experience Analysis (cont.)

				Present Value
(3)	Change in Present Value of Accumulated Plan Benefits			
	(a) Present Value of Accumulated Benefits as of July 1, 2011			$88,734,750
	(b) Increase (Decrease) Attributable to			
		(i) Benefits accumulated	$2,558,732	
		(ii) Decrease in the discount period	$5,593,764	
		(iii) Benefits paid	($3,134,099)	
		(iv) Change in actuarial assumptions	$263,570	
		(v) Actuarial (gain)/loss and data corrections	$3,447,966	
		(vi) Plan amendments	$0	
		(vii) Total Net Increase		$8,729,932
	(c) Present Value of Accumulated Plan Benefits as of June 30, 2012			$97,464,683

(4) Changes in the Past Year

Below are changes in significant items affecting the present values. (The impact, if any, is shown above)

(a) Plan provisions

None

(b) Actuarial Assumptions

- Mortality assumptions updated for an additional year of improved mortality