

SCHEDULE B

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

The decremental assumptions used in the valuation were adopted by the Board in April, 2011.

INTEREST RATE: 5.25% per annum, compounded annually (net after all System expenses).

HEALTH CARE COST TREND RATES: Following is a chart detailing trend assumptions:

Calendar Year	Non-Medicare	Medicare
2015	7.50%	5.50%
2016	6.75	5.25
2017	6.25	5.00
2018	5.75	5.00
2019	5.25	5.00
2020 and beyond	5.00	5.00

AGE RELATED MORBIDITY: Per capita costs are adjusted to reflect expected cost changes related to age. The increase to the net incurred claims was assumed to be:

Participant Age	Annual Increase	
	Medical	Prescription Drug
Under 41	0.00%	0.00%
41 – 45	2.50	1.25
46 – 50	2.60	1.30
51 – 55	3.20	1.60
56 – 60	3.40	1.70
61 – 65	3.70	1.85
66 – 70	3.20	1.60
71 – 75	2.40	1.20
76 – 80	1.80	0.90
81 – 85	1.30	0.65
85 and over	0.00	0.00

ANTICIPATED PLAN PARTICIPATION: The assumed annual rates of retiree participation and spouse coverage are as follows:

Retiree Gender	Spouse Coverage	Dependent Child Coverage
Male	50.0%	0.0%
Female	40.0%	0.0%

Wives are assumed to be three years younger than husbands.



ANTICIPATED PLAN PARTICIPATION (continued):

Years of Service	Service Retiree Participation	Disabled Retiree Participation	Deferred Vested Retiree Participation	Death in Service Surviving Spouse Participation
1.5 – 5	N/A	N/A	N/A	100.0%
5 – 9	N/A	100.0%	N/A	100.0
10 – 14	25.0%	100.0	50.0%	100.0
15 – 19	45.0	100.0	50.0	100.0
20 – 24	70.0	100.0	50.0	100.0
25 – 29	75.0	100.0	50.0	100.0
30 – 34	80.0	100.0	50.0	100.0
35 and over	90.0	100.0	50.0	100.0

ANTICIPATED PLAN ELECTIONS: The assumed annual rates of member plan elections are as follows:

Plan Type	Future Retirees	
	Non-Medicare	Medicare
PPO	94.4%	94.0%
HMO	5.6%	6.0%

Anticipated plan elections within the above plan types are further expanded below:

Plan Type	Future Retirees*	
	Non-Medicare	Medicare
<u>PPO</u>		
Aetna Choice POS II	95.8%	0.0%
Aetna Medicare SM Plan	0.0%	100.0%
AultCare PPO	4.2%	0.0%
<u>HMO</u>		
PrimeTime	0.0%	69.5%
HealthSpan	87.9%	0.0%
Paramount HMO	12.1%	30.5%

* Future disabled retirees are assumed to have 85% Non-Medicare coverage and 15% Medicare coverage before age 65.

ANTICIPATED MEDICARE COVERAGE AT AGE 65: The assumed annual rates of future retirees obtaining Medicare coverage at age 65 are as follows:

Medicare Coverage	Percent Covered
No Medicare at age 65	1.0%
Medicare Part A	98.0%
Medicare Part B Only	1.0%

Current service retirees, disabled benefit recipients, spouses and dependent children under age 65 were assumed to have similar Medicare coverage at age 65 as their post-Medicare counterparts.



HEALTH CARE PREMIUM DISCOUNT PROGRAM PARTICIPATION: Current service retirees, disabled benefit recipients, spouses and dependent children reported as qualifying for the health care Premium Discount Program were assumed to continue participating in the program for their lifetime.

MONTHLY EXPECTED MEDICAL/PRESCRIPTION DRUG CLAIMS COSTS (INCLUDES ADMINISTRATIVE EXPENSES): Following are charts detailing expected claims for the year following the valuation date:

Retiree Costs					
Medicare Status	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Non-Medicare	\$1,182	n/a	\$930	\$1,014	\$1,421
Medicare A	\$195	\$694	\$219	\$326	\$247
Medicare B Only	\$560	n/a	\$930	\$1,263	\$559

Spouse Costs					
Medicare Status	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Non-Medicare	\$1,064	n/a	\$743	\$814	\$1,145
Medicare A	\$195	\$694	\$219	\$326	\$247
Medicare B Only	\$560	n/a	\$743	\$1,263	\$559

Children Costs					
Medicare Status	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Non-Medicare	\$296	n/a	\$164	\$181	\$254
Medicare A	\$195	\$694	\$219	\$326	\$247

The above amounts are shown as average costs and represent premiums paid to insurers.



ANNUAL EXPECTED MEDICAL/PRESCRIPTION DRUG COSTS (INCLUDES ADMINISTRATIVE EXPENSES) (continued): In the valuation, the premium costs are converted to age 65 amounts, age adjusted and blended based on actual elections for current retirees, current disabled retirees, current retiree spouses and current dependent children, and based on projected elections for future retirees and future spouses. The age adjusted and blended amounts are as follows:

Annual Pre-65 Blended Costs Age Adjusted to 65							
Pre-65 Cost Type	Future Service Retirees	Future Disabled Retirees	Future Spouses	Current Service Retires	Current Disabled Retirees	Current Retiree Spouses	Current Dependent Children
Medical	\$13,032	\$11,182	\$11,580	\$12,912	\$10,392	\$7,464	\$4,908
Prescription Drug	2,496	2,329	2,232	2,496	2,244	1,932	924

Annual 65 & Older Blended Costs Age Adjusted to 65						
65 & Older Cost Type	Future Service Retirees	Future Disabled Retirees	Future Spouses	Current Service Retires	Current Disabled Retirees	Current Retiree Spouses
Medical	\$696	\$696	\$672	\$720	\$840	\$624
Prescription Drug	1,380	1,380	1,368	1,380	1,404	1,356



SEPARATIONS FROM ACTIVE SERVICE: Representative values of the assumed rates of separation from active service are as follows:

Service	Annual Rates of Withdrawal
0	45.00%
1	31.00
2	23.00
3	17.00
4	13.00
5	9.00
10	4.00
15	2.00
20	2.00
25	1.50

Age	Annual Rates of			
	Death		Disability	
	Male	Female	Male	Female
20	.013%	.007%	.020%	.020%
25	.017	.007	.038	.020
30	.020	.009	.068	.026
35	.021	.012	.122	.054
40	.027	.018	.210	.100
45	.040	.024	.310	.168
50	.065	.036	.410	.260
55	.111	.057	.510	.360
60	.199	.111	.550	.400
65	.363	.216	.550	.400
70	.593	.343	.550	.400
74	.851	.510	.550	.400

Annual Rates of Normal Retirements		
Age	Male	Female
50	28.0%	25.0%
55	20.0	21.0
60	18.0	17.0
62	20.0	20.0
65	25.0	25.0
70	14.0	14.0
75	100.0	100.0

For members retiring after August 1, 2017 under the new eligibility requirements, the rates of retirement in the first year of eligibility are assumed to increase to 28% at age 67 and the assumed rates of early retirement are 8.5% for males aged 60 to 66, and 9.5% for females aged 60 to 66. The assumed rates of early retirement for members who retire prior to August 1, 2017 are 14% for males and 13% for females aged 55 to 59, and 8.5% for males and 9.5% for females aged 60 to 64.



SALARY INCREASES: Representative values of the assumed annual rates of salary increases are as follows:

Service	Annual Rates of		
	Merit & Seniority	Base (Economy)	Increase Next Year
0	17.31%	4.00%	22.00%
1	7.69	4.00	12.00
2	5.29	4.00	9.50
3	3.85	4.00	8.00
4	2.88	4.00	7.00
5	1.92	4.00	6.00
6	1.20	4.00	5.25
7	0.96	4.00	5.00
8	0.48	4.00	4.50
9	0.24	4.00	4.25
10-14	0.00	4.00	4.00
15 & over	0.00	4.00	4.00

PAYROLL GROWTH: 4.00% per annum, compounded annually.

PRICE INFLATION: 3.25% per annum, compounded annually.

DEATH AFTER RETIREMENT: The mortality table, for post-retirement mortality, used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table, set back one year for both men and women. Special tables are used for the period after disability retirement. This assumption is used to measure the probabilities of each benefit payment being made after retirement. There is sufficient margin in the current mortality tables for possible future improvement in mortality rates and that margin will be reviewed again when the next experience investigation is conducted.

VALUATION METHOD: Entry age normal cost method. Entry age is established on an individual basis.

ASSET VALUATION METHOD: Market value.



SCHEDULE C

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO Summary of Main Plan Provisions as of June 30, 2015

ELIGIBILITY FOR ACCESS TO RETIREE HEALTH CARE:

Normal Retirement:

Retire before August 1, 2017 or have 25 years of service or more on or before August 1, 2017: Attainment of age 65 with at least ten years of creditable service, or completion of 30 years of creditable service, regardless of age.

Members attaining 25 years of service after August 1, 2017: Attainment of age 67 with at least ten years of creditable service, or attainment of age 57 with at least 30 years of creditable service. Buy-up option available.

Early Retirement:

Retire before August 1, 2017 or have 25 years of service or more on or before August 1, 2017: Not eligible for unreduced service retirement but has attained age 55 with at least 25 years of service, or age 60 with ten years of service.

Members attaining 25 years of service after August 1, 2017: Attainment of age 62 with at least ten years of creditable service, or attainment of age 60 with at least 25 years of creditable service.

Disability Retirement: Permanently disabled after completion of at least 5 years of total service credit.

Survivor Allowances: Beneficiary must be receiving monthly benefits due to the death of a member, age and service retiree or disability benefit recipient.

Termination: Members that terminated with at least ten years of creditable service and have attained age 60 (age 62 for those becoming members after May 13, 2008 and for members retiring after August 1, 2017).

PREMIUM PAYMENTS:

Retirees, spouses and dependent children pay either all or a portion of the cost of health care and prescription drug coverage as well as a \$35 monthly surcharge. The remainder of the cost is paid by SERS.

Retirees, spouses and dependent children may qualify for the health care Premium Discount Program if their household income falls at or below a specified level. Income limits are updated annually and those wishing to participate in the program must apply every year. Retirees, spouses and dependent children qualifying for the program will receive a 25% discount in their monthly health care premiums.



PREMIUM PAYMENTS (Continued):

The following schedule lists the percentage of the retiree premium paid by service retirees:

Years of Service	Retirement Date on or before July 1, 1989	Retirement Date August 1, 1989 through July 1, 2008	Retirement Date on or after August 1, 2008
	Service Retiree Premium Contribution Percentage		
5 – 9	50.0%	N/A	N/A
10 – 14	17.5	100.0%	100.0%
15 – 19	17.5	50.0	100.0
20 – 24	17.5	25.0	50.0
25 – 29	17.5	17.5	30.0
30 – 34	17.5	17.5	20.0
35 and over	17.5	17.5	15.0*

* Additional 1% reduction for each year over 35.

The following schedule lists the percentage of the retiree premium paid by disability benefit recipients:

Years of Service	Disabled Benefit Recipient Premium Contribution Percentage
5 – 9	50.0%
10 – 24	33.0
25 and over	17.5

The following schedule lists the percentage of the spouse premium paid by spouses of retirees:

Service Retiree, Disability Recipient, or Member's Qualified Service	Spouse Premium Contribution Percentage
1.5 – 24	100.0%
25 – 29	90.0
30 and over	80.0

Dependent children pay 70.0% of the child premium.

OTHER POST-EMPLOYMENT BENEFITS: Health care and prescription drug coverage is provided in all post-employment group health care plan options. Dental and vision coverage are made available to retirees, spouses and dependent children at the full cost.



2016 RETIREE GROUP HEALTH CARE PLAN OPTIONS:

Options available to members without Medicare

- ◇ Aetna Choice POS II with Express Scripts prescription drug coverage
- ◇ AultCare PPO with AultCare prescription drug coverage
- ◇ HealthSpan with HealthSpan prescription drug coverage
- ◇ Paramount HMO with Express Scripts prescription drug coverage

Options available to members with Medicare:

- ◇ Aetna MedicareSM Plan (PPO) with Express Scripts Medicare Part D Prescription Drug Plan
- ◇ Aetna Indemnity Plan with Express Scripts Medicare Part D Prescription Drug Plan (only available to members with special circumstances)
- ◇ AultCare PPO with AultCare prescription drug coverage (only available to members with Part B Only)
- ◇ HealthSpan HMO with HealthSpan Medicare Part D prescription drug coverage (not available to new members in 2016)
- ◇ Paramount Elite Medicare Advantage with Express Scripts Medicare Part D Prescription Drug Plan
- ◇ PrimeTime Health Plan through AultCare with PrimeTime Medicare Part D prescription drug coverage

The following pages contain information that was provided by SERS in the 2016 Open Enrollment Guide and the 2016 Member Health Care Guide.



2016 Contribution Rates

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Service Retirement Date on or before July 1, 1989 Premiums					
5-9.999 years					
Without Medicare	\$638		\$500	\$542	\$746
With Medicare A & B	\$144	\$382	\$145	\$198	\$158
With Medicare B Only	\$315		\$500	\$667	\$314
10-24.999 years & over					
Without Medicare	\$246		\$198	\$212	\$284
With Medicare A & B	\$73	\$156	\$73	\$92	\$78
With Medicare B Only	\$133		\$198	\$256	\$133
25 years & over					
Without Medicare	\$246		\$198	\$212	\$284
With Medicare A & B	\$73	\$156	\$73	\$92	\$78
With Medicare B Only	\$73		\$73	\$92	\$78

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Service Retirement Date August 1, 1989 through July 1, 2008 Premiums					
10-14.999 years					
Without Medicare	\$1,241		\$965	\$1,049	\$1,456
With Medicare A & B	\$253	\$729	\$254	\$361	\$282
With Medicare B Only	\$594		\$965	\$1,298	\$594
15-19.999 years					
Without Medicare	\$638		\$500	\$542	\$746
With Medicare A & B	\$144	\$382	\$145	\$198	\$158
With Medicare B Only	\$315		\$500	\$667	\$314
20-24.999 years					
Without Medicare	\$337		\$267	\$288	\$390
With Medicare A & B	\$89	\$209	\$90	\$117	\$97
With Medicare B Only	\$175		\$267	\$351	\$175
25 years & over					
Without Medicare	\$246		\$198	\$212	\$284
With Medicare A & B	\$73	\$156	\$73	\$92	\$78
With Medicare B Only	\$73		\$73	\$92	\$78



**2016 Contribution Rates
(continued)**

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Service Retirement Date on or after August 1, 2008 Premiums*					
10-19.999 years					
Without Medicare	\$1,241		\$965	\$1,049	\$1,456
With Medicare A & B	\$253	\$729	\$254	\$361	\$282
With Medicare B Only	\$594		\$965	\$1,298	\$594
20-24.999 years					
Without Medicare	\$638		\$500	\$542	\$746
With Medicare A & B	\$144	\$382	\$145	\$198	\$158
With Medicare B Only	\$315		\$500	\$667	\$314
25-29.999 years					
Without Medicare	\$397		\$314	\$339	\$461
With Medicare A & B	\$100	\$243	\$101	\$133	\$109
With Medicare B Only	\$100		\$101	\$133	\$109
30-34.999 years*					
Without Medicare	\$276		\$221	\$238	\$319
With Medicare A & B	\$79	\$174	\$79	\$100	\$84
With Medicare B Only	\$79		\$79	\$100	\$84

* Further reductions for each year over 35.

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Disability Benefit Recipient Premiums					
5-9.999 years					
Without Medicare	\$638		\$500	\$542	\$746
With Medicare A & B	\$144	\$382	\$145	\$198	\$158
With Medicare B Only	\$315		\$500	\$667	\$314
10-24.999 years & over					
Without Medicare	\$433		\$342	\$370	\$504
With Medicare A & B	\$107	\$264	\$107	\$143	\$116
With Medicare B Only	\$220		\$342	\$452	\$219
25 years & over					
Without Medicare	\$246		\$198	\$212	\$284
With Medicare A & B	\$73	\$156	\$73	\$92	\$78
With Medicare B Only	\$73		\$73	\$92	\$78



**2016 Contribution Rates
(continued)**

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Spouse Premiums (Service Retiree, Disability Recipient, or Member's Qualified Service)					
Up to 25 years					
Without Medicare	\$1,099		\$778	\$849	\$1,180
With Medicare A & B	\$253	\$729	\$254	\$361	\$282
With Medicare B Only	\$594		\$778	\$1,298	\$594
25-29.999 years					
Without Medicare	\$993		\$703	\$767	\$1,066
With Medicare A & B	\$231	\$660	\$232	\$328	\$257
With Medicare B Only	\$231		\$232	\$328	\$257
30 years & over					
Without Medicare	\$886		\$629	\$686	\$951
With Medicare A & B	\$209	\$590	\$210	\$296	\$232
With Medicare B Only	\$209		\$210	\$296	\$232

Years of Service	Aetna Choice POS II and Aetna Medicare SM	Aetna Indemnity	AultCare PPO and PrimeTime	HealthSpan	Paramount HMO
Child Premiums					
Child w/o Medicare A	\$242		\$150	\$162	\$213
Child with Medicare A & B	\$187	\$521	\$188	\$263	\$208



SERS' Non-Medicare Plans

2016 Aetna Choice POS II

The Aetna Choice POS II plan is a Preferred Provider Organization (PPO) plan. Prescription drug coverage is administered through Express Scripts. The Aetna Choice POS II plan is available throughout the United States.

2016 AultCare PPO

The AultCare PPO plan is available to a benefit recipient if the benefit recipient is under age 65 and not eligible for Medicare and lives in an AultCare PPO service area. The AultCare PPO plan is a Preferred Provider Organization (PPO) plan. Recipients enrolled in the AultCare PPO plan may use out-of network providers at a potentially increased cost. Prescription drug coverage is administered through AultCare.

The AultCare PPO plan is available in the following Ohio counties: Ashland, Belmont, Carroll, Columbiana, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Knox, Mahoning, Medina, Muskingum, Portage, Richland, Stark, Summit, Tuscarawas, and Wayne.

2016 HealthSpan HMO

The HealthSpan HMO plan is available to a benefit recipient if the benefit recipient is under age 65 and not eligible for Medicare and lives in a HealthSpan HMO service area. The HealthSpan HMO plan is a Health Maintenance Organization (HMO) plan. Recipients enrolled in the HealthSpan HMO plan must use HealthSpan HMO providers. Prescription drug coverage is administered through HealthSpan Pharmacy.

The HealthSpan HMO plan is available in the following Ohio counties: Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, Stark, Summit, and Wayne.

2016 Paramount HMO

The Paramount HMO plan is available to a benefit recipient if the benefit recipient is under age 65 and not eligible for Medicare and lives in a Paramount HMO service area. The Paramount HMO plan is a Health Maintenance Organization (HMO) plan. Recipients enrolled in the Paramount HMO plan must use Paramount HMO providers. Prescription drug coverage is administered through Express Scripts.

The Paramount HMO plan is available in the following Ohio counties: Allen, Defiance, Erie, Fulton, Hancock, Henry, Huron, Lucas, Ottawa, Paulding, Putnam, Sandusky, Seneca, Williams, and Wood, and in the following Michigan counties: Lenawee and Monroe.



SERS' Medicare Plans

2016 Aetna MedicareSM Plan (PPO)

The Aetna MedicareSM Plan (PPO) is available to a benefit recipient if the benefit recipient has Medicare Part A and/or Medicare Part B. The Aetna MedicareSM Plan (PPO) is a Medicare Advantage (MA) plan. MA plans have a contract with Medicare to provide Medicare coverage. This plan is a Preferred Provider Organization (PPO) plan with an Extended Service Area (ESA) that allows members to use medical providers, such as doctors and hospitals, which may or may not be in the Aetna provider network as long as the provider accepts Medicare patients, and the provider will file claims with Aetna. Medicare Part D prescription drug coverage is administered through Express Scripts.

The Aetna MedicareSM Plan (PPO) is available throughout the U.S.

2016 Aetna Indemnity Plan

The Aetna Indemnity Plan is not available for optional enrollment. It is available only under special circumstances. SERS determines when enrollment is appropriate. Medicare Part D prescription drug coverage is administered through Express Scripts.

2016 AultCare PPO

The AultCare PPO plan is available to a benefit recipient if the recipient has Medicare Part B only and lives in an AultCare PPO service area. The AultCare PPO plan is not a Medicare Advantage plan. Prescription drug coverage is administered through AultCare.

The AultCare PPO plan is available in the following Ohio counties: Ashland, Belmont, Carroll, Columbiana, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Knox, Mahoning, Medina, Muskingum, Portage, Richland, Stark, Summit, Tuscarawas, and Wayne.



SERS' Medicare Plans (continued)

2016 HealthSpan Plan

The HealthSpan Plan is available to a benefit recipient if the recipient has Medicare Part A and/or Medicare Part B and lives in a HealthSpan service area. No new enrollees are being accepted into this plan for 2016. This plan allows members to use HealthSpan HMO providers or out-of-network providers who accept Original Medicare. Out-of-network claims must be submitted directly to Medicare by the provider. Medicare Part D prescription drug coverage is administered through HealthSpan Pharmacy.

The HealthSpan Plan is available in the following Ohio counties: Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, and Summit.

2016 Paramount Elite Medicare Advantage

The Paramount Elite Medicare Advantage plan is available to a benefit recipient if the recipient has Medicare Part A and Medicare Part B and lives in a Paramount Elite Medicare Advantage service area. The Paramount Elite plan is a Medicare Advantage plan. Recipients enrolled in the Paramount Elite Medicare Advantage must use Paramount HMO providers. Medicare Part D prescription drug coverage is administered through Express Scripts.

The Paramount Elite Medicare Advantage plan is available in the following Ohio counties: Fulton, Henry, Lucas, Ottawa, Williams, and Wood, and in the following Michigan counties: Lenawee and Monroe.

2016 PrimeTime Health Plan

The PrimeTime Health Plan is available to a benefit recipient if the recipient has Medicare Part A and Part B and lives in a PrimeTime Health Plan service area. The PrimeTime Health Plan is a Medicare Advantage plan through AultCare. Recipients enrolled in the PrimeTime Health Plan must use PrimeTime HMO providers. Medicare Part D prescription drug coverage is administered through PrimeTime.

The PrimeTime Health Plan is available in the following Ohio counties: Carroll, Columbiana, Harrison, Holmes, Jefferson, Mahoning, Stark, Summit, Tuscarawas, and Wayne.



Prescription Drug Coverage

Express Scripts Prescription Plan

Prescription drug coverage is administered through Express Scripts for members enrolled in the following health plans:

- ◇ Aetna Choice POS II (members without Medicare)
- ◇ Paramount HMO (members without Medicare)
- ◇ Aetna MedicareSM Plan (PPO) (members with both Medicare Part A and Medicare Part B and members with Medicare Part B only)
- ◇ Aetna Indemnity Plan (members with both Medicare Part A and Medicare Part B)
- ◇ Paramount Elite Medicare Advantage (members with both Medicare Part A and Medicare Part B and members with Medicare Part B only)

Members that are enrolled in a Non-Medicare plan may receive up to a 30-day supply per retail prescription. Members enrolled in a Medicare plan (members who have Medicare Part A and/or Medicare Part B) may receive up to a 90-day supply per retail prescription. Members pay \$7.50 for generic, 25% of formulary (\$25 minimum and \$100 maximum) for preferred brand. Members may also receive a 90-day supply of their prescriptions via mail-order with a co-pay of \$15 for generic, 25% of formulary (minimum \$45 and maximum \$200) for preferred brand.

Members pay special co-payments for insulin prescriptions. Members pay 25% or \$30 maximum for preferred brand, and 25% or \$45 maximum for a non-preferred brand retail 30-day supply prescription. Mail-order copayments are 25% or \$60 maximum for preferred brand, and 25% or \$115 maximum for a non-preferred brand 90-day supply prescription.

Members filling prescriptions at a pharmacy outside of the Express Scripts network are required to pay 100% of SERS' cost of the drug.

Members with Medicare Part B that are enrolled in the Aetna MedicareSM Plan (PPO) or Paramount Elite Medicare Advantage may have some supplies and medicines covered through their health plan rather than the Express Scripts prescription drug plan.



Prescription Drug Coverage (continued)

AultCare and PrimeTime Pharmacy

Members enrolled in the AultCare PPO plan (members without Medicare and members with Medicare Part B only) and members enrolled in the PrimeTime Health Plan (members with both Medicare Part A and Medicare Part B), may receive up to a 30-day supply per retail prescription. The co-pay is \$7.50 for generic, 25% of formulary (\$25 minimum and \$100 maximum) for preferred brand and 100% for a non-preferred brand prescription (50% if enrolled in a Medicare plan). Members may also receive a 90-day supply of their prescriptions via mail-order with a co-pay of \$15 for generic, 25% of formulary (minimum \$45 and maximum \$200) for preferred brand, and 100% of the cost for a non-preferred brand prescription (50% if enrolled in a Medicare plan).

Members pay special co-payments for insulin prescriptions. Members pay \$30 for preferred brand, and \$45 for a non-preferred brand retail 30-day supply prescription. Mail-order copayments are \$60 for preferred brand, and \$115 for a non-preferred brand 90-day supply prescription.

HealthSpan Pharmacy

Members enrolled in the HealthSpan (members without Medicare) plan may receive up to a 30-day supply per retail prescription with a co-pay of \$10 for generic and a co-pay of \$25 for preferred brand prescriptions. Members may also receive a 60-day supply of their prescriptions via mail-order with a co-pay of \$10 for generic and a co-pay of \$25 for preferred brand prescriptions.

Members enrolled in HealthSpan plan (members with both Medicare Part A and Medicare Part B and members with Medicare Part B only) may receive up to a 30-day supply per retail prescription. The co-pay is \$15 for generic and \$30 for preferred brand prescriptions. Members may also receive a 60-day supply of their prescriptions via mail-order with a co-pay of \$15 for generic and a co-pay of \$30 for preferred brand prescriptions.

Medicare Part D Prescription Drugs

SERS' health plan participants enrolled in a Medicare plan are automatically covered under a Medicare Part D prescription drug plan through SERS and should not enroll in a separate Medicare Part D plan. Enrolling in another Part D plan would cause cancellation of SERS coverage for both medical and prescription drug benefits per federal law.



Non-Medicare Plan Benefits

	Aetna Choice POS II (In-Network)	AultCare PPO	HealthSpan	Paramount HMO
Annual Medical & Prescription Drug	\$4,250/person \$8,500/family &	\$4,250/person \$8,500/family &	\$4,250/person \$8,500/family &	\$4,250/person \$8,500/family &
Out-of-Pocket Maximum	\$2,600/person \$5,200/family	\$2,600/person \$5,200/family	\$2,600/person \$5,200/family	\$2,600/person \$5,200/family
Deductible	\$1,500/person \$3,000/family	\$1,500/person \$3,000/family	\$1,500/person \$3,000/family	\$1,500/person \$3,000/family
Primary Care Office Visit	\$20 co-pay	\$20 co-pay	\$20 co-pay	\$20 co-pay
Specialist Office Visit	\$40 co-pay	\$40 co-pay	\$40 co-pay	\$40 co-pay
Outpatient Diagnostic X-Ray and Lab	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Retail Walk-In Clinic	\$20 co-pay	Not covered	Not covered	Not covered
Urgent Care	\$40 co-pay	\$40 co-pay	\$40 co-pay	\$40 co-pay
Emergency Room	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Ambulance	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Inpatient Hospital	20% coinsurance after \$250 co-pay	20% coinsurance after \$250 co-pay	20% coinsurance after \$250 co-pay	20% coinsurance
Outpatient Surgery	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Skilled Nursing Facility (100-day max)	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Home Health Care	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Hospice Health Care	100% coverage	Inpatient: 100% coverage (30-day lifetime limit) Outpatient: 20% coinsurance	100% coverage	20% coinsurance
Outpatient Short-Term Rehab	20% coinsurance	20% coinsurance	20% coinsurance	\$40 co-pay
Chiropractic	20% coinsurance	20% coinsurance	\$20 co-pay (20 visit limit)	20% coinsurance
Durable Medical Equipment	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Prescription Drugs	Express Scripts <i>Retail 30-day max:</i> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) <i>Mail order 90-day max:</i> \$15 generic, 25% preferred brand (\$45 min, \$200 max) <i>Insulin Retail</i> 25% or \$30 max preferred brand, \$45 max non-preferred brand <i>Insulin Mail Order</i> 25% or \$60 preferred brand, \$115 max non-preferred brand	AultCare <i>Retail 30-day max:</i> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) <i>Mail order 90-day max:</i> \$15 generic, 25% preferred brand (\$45 min, \$200 max) Non-preferred at 100% <i>Insulin Retail</i> \$30 preferred brand, \$45 non-preferred brand <i>Insulin Mail Order</i> \$60 preferred brand, \$115 non-preferred brand	HealthSpan <i>Retail 30-day max:</i> \$10 generic, \$25 preferred brand <i>Mail order 60-day max:</i> \$10 generic, \$25 preferred brand	Express Scripts <i>Retail 30-day max:</i> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) <i>Mail order 90-day max:</i> \$15 generic, 25% preferred brand (\$45 min, \$200 max) <i>Insulin Retail</i> 25% or \$30 max preferred brand, \$45 max non-preferred brand <i>Insulin Mail Order</i> 25% or \$60 preferred brand, \$115 max non-preferred brand



Medicare Plan Benefits

	Aetna Medicare SM Plan (PPO)	PrimeTime Health Plan	HealthSpan	Paramount Elite Medicare Advantage
Annual Out-of-Pocket Maximum	\$3,000 per person	\$3,000 per person	\$3,400 per person	\$3,000 per person
Deductible	None	None	None	None
Primary Care Office Visit	\$20 co-pay	\$20 co-pay	\$20 co-pay	\$20 co-pay
Specialist Office Visit	\$40 co-pay	\$40 co-pay	\$40 co-pay	\$40 co-pay
Outpatient Diagnostic X-Ray	\$25 co-pay	100% coverage	100% coverage	100% coverage
Outpatient Diagnostic Lab	100% coverage	100% coverage	100% coverage	100% coverage
Retail Walk-In Clinic	\$20 co-pay	Not covered	Not covered	Not covered
Urgent Care	\$40 co-pay	\$40 co-pay	\$40 co-pay	\$40 co-pay
Emergency Room	\$75 co-pay	\$75 co-pay	\$75 co-pay	\$75 co-pay
Ambulance	20% coinsurance	\$75 co-pay	\$50 co-pay	100% coverage
Inpatient Hospital	\$150 co-pay per day 1-5, then 100%	\$150 co-pay per day 1-5, then 100%	\$100 co-pay per day 1-5, then 100%	\$150 co-pay per day 1-5, then 100%
Outpatient Surgery	\$200 co-pay	\$200 co-pay	\$200 co-pay	\$200 co-pay
Skilled Nursing Facility (100-day max)	Co-pay: \$0 per day 1-10, \$25 per day 11-20, \$50 per day 21-100	Co-pay: \$0 per day 1-15, \$20 per day 16-30, \$0 per day 31-100	100% coverage for days 1-100	Co-pay: \$0 per day 1-20, \$95 per day 21-100
Home Health Care	100% coverage	100% coverage	100% coverage	100% coverage
Hospice	Covered per Medicare	Covered per Medicare	Covered per Medicare	Covered per Medicare
Outpatient Short-Term Rehab	\$25 co-pay	\$5 co-pay (cardiac at 100% coverage)	\$20 co-pay	\$20 co-pay
Chiropractic	\$15 co-pay limited to Medicare coverage	\$15 co-pay limited to Medicare coverage	\$20 co-pay for manual manipulations/sublux	\$20 co-pay limited to Medicare coverage
Durable Medical Equipment	20% coinsurance	20% coinsurance	20% coinsurance	20% coinsurance
Prescription Drugs	Express Scripts Medicare D PDP <u>Retail 30-day max:</u> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) <u>Mail order 90-day max:</u> \$15 generic, 25% preferred brand (\$45 min, \$200 max) <u>Insulin Retail</u> 25% or \$30 max preferred brand, \$45 max non-preferred brand <u>Insulin Mail Order</u> 25% or \$60 preferred brand, \$115 max non-preferred brand	PrimeTime <u>Retail 30-day max:</u> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max), 50% non-preferred brand <u>Mail order 90-day max:</u> \$15 generic, 25% preferred brand (\$45 min, \$200 max), 50% non-preferred brand <u>Insulin Retail</u> \$30 preferred brand, \$45 non-preferred brand <u>Insulin Mail Order</u> \$60 preferred brand, \$115 non-preferred brand	HealthSpan <u>Retail 30-day max:</u> \$15 generic, \$30 preferred brand <u>Mail order 60-day max:</u> \$15 generic, \$30 preferred brand	Express Scripts Medicare D PDP <u>Retail 30-day max:</u> \$7.50 generic, 25% preferred brand (\$25 min, \$100 max) <u>Mail order 90-day max:</u> \$15 generic, 25% preferred brand (\$45 min, \$200 max) <u>Insulin Retail</u> 25% or \$30 max preferred brand, \$45 max non-preferred brand <u>Insulin Mail Order</u> 25% or \$60 preferred brand, \$115 max non-preferred brand



SCHEDULE D

DETAILED TABULATIONS OF THE DATA

**All Retirees, Spouses and Dependents Receiving Health Care
Male and Female Demographic Breakdown
As of June 30, 2015
Tabulated by Attained Ages**

Attained Age	Number of		Total Number
	Males	Females	
Under 20	79	80	159
20-24	86	85	171
25-29	32	26	58
30-34	1	3	4
35-39	5	6	11
40-44	8	1	9
45-49	35	56	91
50-54	225	214	439
55-59	716	928	1,644
60-64	1,200	2,184	3,384
65-69	1,791	4,651	6,442
70-74	2,270	5,481	7,751
75-79	2,555	5,764	8,319
80-84	2,045	4,704	6,749
85-89	1,307	3,864	5,171
90-94	572	2,259	2,831
95-99	112	650	762
100	2	41	43
101	3	28	31
102	2	9	11
103	1	14	15
104	2	3	5
105 & Over	0	7	7
Total	13,049	31,058	44,107



**Schedule of Retiree Members Added to and Removed From Rolls
Last Six Fiscal Years**

Year Ended	Added to Rolls		Removed from Rolls*		Rolls at Year-End		% Increase in Projected Benefits	Average Projected Benefits
	Number	Projected Benefits	Number	Projected Benefits	Number	Projected Benefits		
6/30/2010	1,779	5,931,864	3,039	6,978,743	50,605	88,077,033	n/a	1,740
6/30/2011	1,842	6,078,819	4,296	6,244,776	48,151	81,358,997	(7.63)%	1,690
6/30/2012	2,073	9,280,779	3,785	5,391,796	46,439	90,708,513	11.49%	1,953
6/30/2013	2,110	8,977,566	3,217	4,370,993	45,332	100,514,730	10.81%	2,217
6/30/2014	2,251	8,658,731	2,873	4,834,922	44,710	87,007,272	(13.44)%	1,946
6/30/2015	2,329	8,897,861	2,932	4,682,901	44,107	90,855,858	4.42%	2,060

* The benefits removed from rolls do not include subsidies that were changed due to premium changes, plan election changes or reductions due to members obtaining Medicare eligibility.

**Terminated Vested Members Eligible for Health Care
Male and Female Demographic Breakdown
As of June 30, 2015
Tabulated by Attained Ages**

Attained Age	Number of		Total Number
	Males	Females	
Under 35	10	8	18
35-39	55	64	119
40-44	74	174	248
45-49	142	386	528
50-54	215	850	1,065
55-59	284	1,339	1,623
60 & Over	168	882	1,050
Total	948	3,703	4,651



**Total Active Members as of June 30, 2015
Tabulated by Attained Ages and Years of Service**

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	814							814
Avg Pay	\$5,875							\$4,782,232
20-24	5,766	65						5,831
Avg Pay	\$8,753	\$19,976						\$51,768,311
25-29	6,014	747	38					6,799
Avg Pay	\$13,610	\$27,283	\$33,039					\$103,484,755
30-34	5,421	1,433	437	65				7,356
Avg Pay	\$15,671	\$29,483	\$37,156	\$42,738				\$146,218,176
35-39	5,901	1,870	972	452	24			9,219
Avg Pay	\$14,947	\$26,526	\$36,226	\$40,861	\$48,988			\$192,661,071
40-44	6,851	3,036	1,834	1,030	294	51		13,096
Avg Pay	\$14,324	\$24,314	\$31,525	\$39,485	\$44,520	\$45,905		\$285,868,486
44-49	6,320	3,970	3,006	2,170	703	344	40	16,553
Avg Pay	\$14,688	\$22,446	\$28,507	\$34,004	\$44,738	\$49,056	\$51,455	\$391,801,198
50-54	5,162	3,877	4,345	4,242	1,733	1,013	379	20,751
Avg Pay	\$15,352	\$22,802	\$26,951	\$30,779	\$36,603	\$44,397	\$51,119	\$543,098,620
55-59	3,984	2,998	3,703	4,754	3,112	1,621	729	20,901
Avg Pay	\$15,540	\$23,372	\$27,454	\$29,431	\$32,126	\$38,273	\$46,729	\$569,637,552
60-64	2,417	1,801	1,923	2,564	2,161	1,937	831	13,634
Avg Pay	\$14,410	\$22,717	\$28,399	\$29,831	\$31,734	\$34,134	\$39,588	\$374,432,643
65-69	1,183	790	765	660	642	750	680	5,470
Avg Pay	\$10,174	\$20,064	\$26,263	\$29,502	\$33,446	\$32,417	\$32,854	\$135,575,615
70 & over	563	477	364	223	187	189	428	2,431
Avg Pay	\$8,690	\$13,793	\$19,140	\$24,143	\$26,464	\$26,855	\$28,665	\$46,115,143
Totals	50,396	21,064	17,387	16,160	8,856	5,905	3,087	122,855
Avg Pay	\$13,774	\$23,655	\$28,564	\$31,406	\$34,341	\$37,550	\$39,846	\$23,161

Averages:
Age: 48.5
Service: 9.7
Annual Pay: \$23,161



**Male Active Members as of June 30, 2015
Tabulated by Attained Ages and Years of Service**

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	460							460
Avg Pay	\$6,203							\$2,853,493
20-24	2,717	38						2,755
Avg Pay	\$8,839	\$22,749						\$24,880,456
25-29	2,655	376	30					3,061
Avg Pay	\$13,538	\$30,832	\$34,463					\$48,570,273
30-34	2,128	640	239	37				3,044
Avg Pay	\$16,668	\$33,630	\$44,387	\$50,684				\$69,476,964
35-39	1,871	601	355	204	14			3,045
Avg Pay	\$16,481	\$33,436	\$47,454	\$49,089	\$56,295			\$78,579,914
40-44	2,095	749	436	336	133	29		3,778
Avg Pay	\$15,100	\$32,502	\$46,361	\$51,166	\$51,419	\$49,365		\$101,655,028
44-49	2,085	795	512	458	264	166	16	4,296
Avg Pay	\$15,617	\$30,569	\$43,065	\$50,746	\$57,238	\$53,848	\$55,095	\$127,085,221
50-54	1,823	933	686	611	344	371	194	4,962
Avg Pay	\$17,070	\$29,642	\$39,757	\$47,613	\$52,554	\$52,773	\$53,222	\$163,121,014
55-59	1,572	949	769	649	411	369	317	5,036
Avg Pay	\$17,360	\$28,352	\$39,178	\$43,663	\$48,086	\$50,484	\$53,697	\$168,074,725
60-64	1,178	787	638	473	361	290	242	3,969
Avg Pay	\$15,412	\$26,728	\$35,924	\$41,107	\$45,468	\$49,179	\$51,140	\$124,605,712
65-69	616	414	322	157	128	96	93	1,826
Avg Pay	\$11,667	\$22,876	\$31,445	\$38,983	\$42,236	\$44,610	\$44,912	\$46,768,664
70 & over	291	245	204	95	49	33	35	952
Avg Pay	\$10,281	\$17,451	\$22,040	\$29,749	\$31,061	\$35,470	\$38,580	\$18,632,436
Totals	19,491	6,527	4,191	3,020	1,704	1,354	897	37,184
Avg Pay	\$14,369	\$29,426	\$39,535	\$45,742	\$49,250	\$50,438	\$51,429	\$26,202

Averages:
Age: 46.4
Service: 7.7
Annual Pay: \$26,202



**Female Active Members as of June 30, 2015
Tabulated by Attained Ages and Years of Service**

Attained Age	Years of Service to Valuation Date							Totals
	0-4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	354							354
Avg Pay	\$5,448							\$1,928,739
20-24	3,049	27						3,076
Avg Pay	\$8,676	\$16,074						\$26,887,855
25-29	3,359	371	8					3,738
Avg Pay	\$13,666	\$23,686	\$27,700					\$54,914,481
30-34	3,293	793	198	28				4,312
Avg Pay	\$15,027	\$26,136	\$28,427	\$32,238				\$76,741,212
35-39	4,030	1,269	617	248	10			6,174
Avg Pay	\$14,234	\$23,254	\$29,766	\$34,092	\$38,759			\$114,081,157
40-44	4,756	2,287	1,398	694	161	22		9,318
Avg Pay	\$13,982	\$21,632	\$26,898	\$33,829	\$38,820	\$41,344		\$184,213,459
44-49	4,235	3,175	2,494	1,712	439	178	24	12,257
Avg Pay	\$14,230	\$20,412	\$25,518	\$29,525	\$37,221	\$44,587	\$49,029	\$264,715,977
50-54	3,339	2,944	3,659	3,631	1,389	642	185	15,789
Avg Pay	\$14,415	\$20,634	\$24,551	\$27,946	\$32,652	\$39,557	\$48,913	\$379,977,606
55-59	2,412	2,049	2,934	4,105	2,701	1,252	412	15,865
Avg Pay	\$14,354	\$21,065	\$24,381	\$27,181	\$29,698	\$34,673	\$41,367	\$401,562,827
60-64	1,239	1,014	1,285	2,091	1,800	1,647	589	9,665
Avg Pay	\$13,458	\$19,604	\$24,662	\$27,280	\$28,980	\$31,485	\$34,841	\$249,826,931
65-69	567	376	443	503	514	654	587	3,644
Avg Pay	\$8,553	\$16,967	\$22,497	\$26,543	\$31,258	\$30,627	\$30,944	\$88,806,950
70 & over	272	232	160	128	138	156	393	1,479
Avg Pay	\$6,987	\$9,929	\$15,442	\$19,982	\$24,832	\$25,033	\$27,782	\$27,482,707
Totals	30,905	14,537	13,196	13,140	7,152	4,551	2,190	85,671
Avg Pay	\$13,398	\$21,064	\$25,080	\$28,111	\$30,789	\$33,716	\$35,102	\$21,841

Averages:

Age: 49.4
 Service: 10.6
 Annual Pay: \$21,841



**Active Members as of June 30, 2015
Tabulated by Annual Pay**

Annual Pay	Number of Active Members			Portion of Total Number	
	Men	Women	Totals	Group	Cumulative
Less than \$1,000	197	225	422	0.3%	0.3%
\$1,000 - 1,999	1,160	1,130	2,290	1.9%	2.2%
2,000 - 2,999	2,169	1,874	4,043	3.3%	5.5%
3,000 - 3,999	2,306	2,201	4,507	3.7%	9.2%
4,000 - 4,999	1,778	2,278	4,056	3.3%	12.5%
5,000 - 5,999	1,350	2,172	3,522	2.9%	15.3%
6,000 - 6,999	1,075	2,224	3,299	2.7%	18.0%
7,000 - 7,999	880	2,146	3,026	2.5%	20.5%
8,000 - 8,999	705	2,250	2,955	2.4%	22.9%
9,000 - 9,999	646	2,335	2,981	2.4%	25.3%
10,000 - 11,999	1,219	4,584	5,803	4.7%	30.0%
12,000 - 13,999	1,226	4,759	5,985	4.9%	34.9%
14,000 - 15,999	1,183	5,240	6,423	5.2%	40.1%
16,000 - 17,999	1,245	6,031	7,276	5.9%	46.1%
18,000 - 19,999	1,147	5,965	7,112	5.8%	51.8%
20,000 - 24,999	2,459	12,795	15,254	12.4%	64.3%
25,000 - 29,999	2,066	7,942	10,008	8.1%	72.4%
30,000 - 35,999	2,984	6,812	9,796	8.0%	80.4%
36,000 and over	11,389	12,708	24,097	19.6%	100.0%
Totals	37,184	85,671	122,855		



SCHEDULE E

GLOSSARY

Actuarial Accrued Liability. The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as "accrued liability" or "past service liability".

Accrued Service. The service credited under the plan which was rendered before the date of the actuarial valuation.

Actuarial Assumptions. Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future plan benefits" between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the "actuarial funding method".

Actuarial Equivalent. A series of payments is called an actuarial equivalent of another series of payments if the two series have the same actuarial present value.

Actuarial Present Value. The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

Age-Related Morbidity. Assumed increase to the net incurred claims related to increase in age.

Amortization. Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

Experience Gain (Loss). A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.

Health Care Cost Trend Rates. The annual assumed rate of increase for both claims and contributions.

Normal Cost. The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as "current service cost". Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

Plan Termination Liability. The actuarial present value of future plan benefits based on the assumption that there will be no further accruals for future service and salary. The termination liability will generally be less than the liabilities computed on a "going concern" basis and is not normally determined in a routine actuarial valuation.

Reserve Account. An account used to indicate that funds have been set aside for a specific purpose and are not generally available for other uses.



Unfunded Actuarial Accrued Liability. The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as "unfunded accrued liability".

Valuation Assets. The value of current plan assets recognized for valuation purposes. Generally based on book value plus a portion of unrealized appreciation or depreciation.