Comprehensive Annual Financial Report

Funds of the State of Washington
for the Year Ended June 30, 2015

DRS
WASHINGTON STATE
Department of
Retirement Systems

Comprehensive Annual Financial Report

Funds of the State of Washington
for the Fiscal Year Ended June 30, 2015

Prepared by:

The Washington State Department of Retirement Systems

PO Box 48380
Olympia, WA 98504-8380
www.drs.wa.gov

DRS
WASHINGTON STATE
Department of
Retirement Systems

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Performance Excellence

At DRS, we firmly believe "what gets measured gets managed." Our performance management system promotes team member engagement by connecting core work to outcome targets — all in support of high levels of customer satisfaction.

Introductory Section

Director's Message

This past year has seen a continued focus on operational excellence at the Department of Retirement Systems (DRS). As always, our value system is driven by high levels of customer satisfaction supported by high levels of team member engagement.

To that end, we firmly believe in the adage "what gets measured gets managed." At the center of this belief is our performance management system, which establishes a clear connection between the core work of the agency and how that work measures up with outcome targets. This connection is the key to accountability and engagement.

DRS has made a significant investment in engaging team members in problem solving and process improvement, including the development of a common language and a new tool set to encourage, identify and implement ideas that reduce waste and enhance services to better serve our customers. By the end of this year, we will have expanded to 35 the number of team members trained and certified as Lean/Six Sigma Green Belts, plus another five at the higher Black Belt level.

Team members are encouraged to submit ideas for improvement through a variety of channels, including the online platform IdeaScale. They can see how their suggestions are evaluated through a "priority quadrant" measurement that gives precedence to ideas that offer high customer value and low implementation cost. By generating a single, prioritized list of work items, the priority quadrant reduces waste and speeds up implementation.

Because leadership behaviors determine the culture of an organization, we have continued to strengthen the development of DRS leaders at all levels, ensuring they are equipped to support and engage team members through coaching and mentoring. This past year saw more training on facilitative leadership, focusing on further development of problem-solving skills for people who work closest with our customers and processes. As we measure team member satisfaction through one-to-one interviews, we've seen significant improvement in how team members rate DRS on the criterion of "supportive and engaged leadership."

At DRS, we all take pride in meeting and exceeding customer expectations. Each month, team leaders and Green and Black Belts each conduct at least one direct interview with a customer who retired in the previous month. Interview responses are scored on the criteria of "respectful, responsive and right" (the Three R's), and the results are analyzed for possible process improvements, team member recognition and strategic opportunities.

Since these interviews produce actionable data, team members are able to take direct input and improve specific processes immediately. For instance, the DRS online retirement application was updated in several ways to ensure customers receive timely notifications on the status of their applications.

Two years into doing customer satisfaction interviews, DRS has maintained a 90 percent satisfaction rating based on the Three R's of customer expectations. We highly value the trust and confidence our customers place in us. There's always room for improvement, and we look forward to continuing our journey of performance excellence in the coming year. It's how we provide the best possible service to Washington's public employees.

In the following pages, we offer our annual financial report for your review.

Sincerely,

Marcie Frost
Director
October 16, 2015

Washington State Department of Retirement Systems' Organization

Pension System Roles and Responsibilities

Pension System Roles and Responsibilities — Page 1 of 3

Organization and Contact Information	Responsibility	Membership
Department of Retirement Systems PO Box 48380 Olympia, WA 98504-8380 Phone: 360.664.7000 or 800.547.6657 Website: *www.drs.wa.gov*	Collects and accounts for employer and employee contributions, maintains retirement records, pays benefits, communicates pension information, provides investment education, and administers the Deferred Compensation Program	The governor appoints the director of DRS.
Washington State Investment Board PO Box 40916 Olympia, WA 98504-0916 Phone: 360.956.4600 Website: *www.sib.wa.gov*	Invests and accounts for pension funds	The board consists of 10 voting and five nonvoting members. **Voting members:** James L. McIntire – State treasurer Rep. Timm Ormsby Sen. Mike Hewitt Marcie Frost (chair) – Director, Department of Retirement Systems Joel Sacks – Director, Department of Labor and Industries George Masten – Retired members Kelly Fox (vice chair) – LEOFF Arlista Holman – SERS Judy Kuschel – PERS Stephen Miller – TRS **Nonvoting members – investment professionals:** William A. Longbrake Richard Muhlebach Robert S. Nakahara David Nierenberg Jeffrey T. Seely
Office of Financial Management PO Box 43113 Olympia, WA 98504-3113 Phone: 360.902.0555 Website: *www.ofm.wa.gov*	Advises the governor on pension and funding policies and issues	The governor appoints the director of OFM.
Office of the State Actuary PO Box 40914 Olympia, WA 98504-0914 Phone: 360.786.6140 Website: *osa.leg.wa.gov*	Acts as an advisory agency to the Legislature and to the director of DRS; performs actuarial studies and reports on retirement bills; and creates factors used to compute benefit payment adjustments that are based on early retirement, Cost-of-Living Adjustments or long-term survivor benefits	The State Actuary Appointment Committee appoints the state actuary.
Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board PO Box 40918 Olympia, WA 98504-0918 Phone: 360.586.2320 Website: *www.leoff.wa.gov*	Policy-making board that studies pension issues, acts as fiduciary of LEOFF Plan 2, sets contribution rates and recommends pension policy to the Legislature for LEOFF Plan 2 members	**Fire fighter representatives:** Kelly Fox (chair) Pat Hepler Mark Johnston **Law enforcement representatives:** Rep. Jeff Holy Wally Loucks Jack L. Simington (vice chair) **Employer representatives:** David Cline Dave Upthegrove Paul Golnik **Legislators:** Rep. Kevin Van De Wege Sen. Sharon Brown

Pension System Roles and Responsibilities (cont.)

Pension System Roles and Responsibilities — Page 2 of 3

Organization and Contact Information	Responsibility	Membership
Select Committee on Pension Policy Contact through the Office of the State Actuary	Studies pension issues and retirement finances, develops pension policies, and recommends pension legislation	**Legislators:** Rep. Timm Ormsby (vice chair) Rep. Bruce Chandler Rep. Matt Manweller Rep. Pat Sullivan Sen. Barbara Bailey (chair) Sen. Steve Conway Sen. Steve Hobbs Sen. Mark Schoesler **Agency directors:** David Schumacher – Office of Financial Management Marcie Frost – Department of Retirement Systems **Retiree representatives:** Bev Hermanson – PERS Bob Thurston – WSPRS **Active member representatives:** Randy Davis – TRS Bob Keller – PERS J. Pat Thompson – PERS David Westberg – SERS **Employer representatives:** John Boesenberg – PERS/Higher Education Patricia Bosmans – PERS Annette Creekpaum – PERS Beverly Freeman – PERS
DRS Advisory Committee Contact through DRS	Serves in an advisory role to the director of DRS	**PERS:** Bev Hermanson – Retired Mary L. Sherman – Active **SERS:** Jacques Meddles – Active Cheri Ingersoll – Retired **LEOFF:** Mark J. Mears – Active Richard Warbrouck – Retired **TRS:** Nancy Baldwin – Retired (chair) Darrell Heisler – Active **PSERS:** William Copland – Active **WSPRS:** Travis Matheson – Active Rick Jensen – Retired **JRS:** Judge Richard McDermott – Active **DCP:** Kathy Whitlock – Participant **Defined Contribution Plan Administration:** Deirdre Walker – Weyerhaeuser

Pension System Roles and Responsibilities (cont.)

Pension System Roles and Responsibilities — Page 3 of 3

Organization and Contact Information	Responsibility	Membership
Pension Funding Council Contact through DRS	Adopts economic assumptions for pension funding and member and employer pension contribution rates for LEOFF Plan 1, PERS, PSERS, SERS, TRS and WSPRS	**Legislators:** Rep. Bruce Chandler – Ranking minority member, House Appropriations Committee Rep. Ross Hunter – Chair, House Appropriations Committee Sen. Andy Hill – Chair, Senate Ways and Means Committee Sen. Jim Hargrove – Ranking minority member, Senate Ways and Means Committee **Agency directors:** David Schumacher – Office of Financial Management Marcie Frost (chair) – Department of Retirement Systems
Legislative Fiscal Committees **House Appropriations Committee** PO Box 40600 Olympia, WA 98504-0600 **Senate Ways and Means Committee** PO Box 40482 Olympia, WA 98504-0482 Phone: 360.786.7155 or 800.562.6000 Website: *www.leg.wa.gov*	Reviews and reports on retirement bills to the full Legislature	The legislative fiscal committees are the House Appropriations Committee and the Senate Ways and Means Committee.

Letter of Transmittal

STATE OF WASHINGTON
DEPARTMENT
OF RETIREMENT SYSTEMS
PO Box 48380 • Olympia, WA 98504-8380

October 16, 2015

The Honorable Jay Inslee, Governor
Members of the Sixty-Fourth Legislature
Members of the Select Committee on Pension Policy
State of Washington
Olympia, WA 98504

We are pleased to present our *Comprehensive Annual Financial Report* (CAFR) for the fiscal year ended June 30, 2015. This report is intended to provide complete and reliable information that can be used to make management decisions and evaluate responsible stewardship of the retirement systems' funds.

This CAFR is also designed to comply with the requirements of RCW 41.50.050(4).

Responsibility for the accuracy of the data and the fairness and completeness of this presentation, including all disclosures, rests with the management of the Department of Retirement Systems (DRS). To the best of our knowledge, the enclosed information is accurate in all material respects and is reported in a manner designed to provide a fair representation of the financial position and results of the operations of the department.

CliftonLarsonAllen LLP, certified public accountants, have issued an unqualified ("clean") opinion on DRS' financial statements for the year ended June 30, 2015. The independent auditor's report is located at the beginning of the Financial Section of this CAFR.

"Management's Discussion and Analysis" (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Agency Description and History

DRS was established to administer pension plans for state employees, teachers and classified educational employees, law enforcement officers and fire fighters, and other employees of participating political subdivisions. DRS was also given administrative responsibility for the state's Deferred Compensation Program.

As of June 30, 2015, 1,325 employers were covered, 157 of which were component units of the state. They participated in the eight statewide retirement systems DRS administers. Those retirement systems are composed of 15 defined benefit plans, three of which include a defined contribution component.

Additionally, DRS is responsible for the accounting, reporting and collection of contributions for the Judicial Retirement Account (JRA), a defined contribution pension plan the Washington State Administrative Office of the Courts administers.

Departmental Initiatives

DRS' activities are highlighted in the "Director's Message" on page 3 of this Introductory Section.

Accounting System and Internal Control

This CAFR has been prepared to conform to the principles of accounting and reporting established by the Governmental Accounting Standards Board (GASB). The basic financial statements are presented in accordance with guidelines established by GASB Statement No. 67, Financial Reporting for Pension Plans and other authoritative accounting criteria, as

appropriate. Specific accounting policies are detailed in the "Notes to the Financial Statements."

DRS' management is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the retirement plans are protected from loss, theft and misuse and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments.

Funding

The intent of public pension funding in Washington state is to provide a dependable and systematic process for financing the benefits the retirement systems provide. Measurements of funding status indicate how well that goal is being met.

There are two standard indicators of funding status: the funding ratio and the existence of an unfunded liability. Both measure the benefit obligations, or liabilities, of a plan against its assets. If the funding level is adequate, the ratio of total accumulated assets to total liabilities will be larger and more funds will be available for investment purposes. Also, an adequate funding level gives members assurance that their pension benefits are secure.

The actuarial value of assets available as of the latest actuarial date for all systems is $68,783 million. The accrued liability is $78,909 million.

The accrued liability exceeds the net actuarial value of assets available for benefits by $10,126 million. The ratio of assets to liabilities is 87 percent, compared to 88 percent last year. Current contribution rates remain in keeping with the goal of attaining a funding ratio of 100 percent by the amortization dates applicable to each plan, as required by chapter 41.45 RCW. Valuations are performed for all DRS-administered retirement systems on a yearly (July 1 through June 30) basis. The Office of the State Actuary prepares these calculations. Additional actuarial information is included in the Actuarial Section of this CAFR.

Investments

In accordance with RCW 43.33A.110, the Washington State Investment Board (WSIB) manages the pension trust fund portfolio to achieve maximum return at a prudent level of risk.

The WSIB establishes asset allocation targets that must be considered when making investment decisions. The asset mix might deviate from the target; deviations greater than predetermined acceptable levels require rebalancing. The goal of rebalancing is to meet the target allocation within consideration of the other remaining asset classes.

Most pension trust funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments. For fiscal year 2015, the CTF investments provided a 4.9 percent rate of return. The annualized rate of return was 11.3 percent over the past three years and 11.1 percent over the past five years.

Further investment information, including investment professionals who provide services to the WSIB, is included in the Investment Section of this CAFR.

Professional Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DRS for its CAFR for the fiscal year ended June 30, 2014.

This was the 20th consecutive year DRS has earned this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized report that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current CAFR continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility.

Acknowledgments

This report was made possible by the employees of DRS, based in part on information provided by the Office of Financial Management, the Office of the State Actuary, the Office of the State Treasurer and the Washington State Investment Board. We appreciate their assistance.

Respectfully submitted,

Marcie Frost
Director

Significant Events in State Retirement History

1930s-1940s
The PERS, TRS, WSPRS, JRF and many local police and fire fighters' retirement systems were created.

1970
Local police and fire fighters' retirement systems were consolidated into LEOFF.

1976
The Department of Retirement Systems was created to administer state retirement systems.

The Office of the State Actuary was created to provide pension cost estimates.

1977
LEOFF, PERS and TRS Plans 2 were created.

1981
The Washington State Investment Board was created to manage the investment of state trust funds.

1987
The Joint Committee on Pension Policy was established.

1995
TRS Plan 3 was created.

1996
The state Deferred Compensation Program (DCP) was transferred to DRS.

DRS assumed accounting and reporting responsibility for JRA.

1998
School Employees' Retirement System (SERS) Plans 2 and 3 were created.

The Pension Funding Council was created.

2000
PERS Plan 3 was created. It became effective March 1, 2002, for state and higher education employees and September 1, 2002, for local government employees.

2001
WSPRS Plan 2 was created.

2003
The LEOFF 2 Board was established.

The Joint Committee on Pension Policy became the Select Committee on Pension Policy.

2004
The Public Safety Employees' Retirement System (PSERS) was created.

Professional Award

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Washington State

Department of Retirement Systems

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

2015 Washington State Legislative Actions

In 2015, the Washington State Legislature passed three pension-related bills that were signed into law by Gov. Jay Inslee. These bills are described below.

Public Employees' Retirement System (PERS)

HB 1168: A law passed in 2011 modified return-to-work rules for retirees from the state's Public Employees' Retirement System (PERS). A bill approved this year and signed into law corrects some unintended consequences of those modifications to ensure:

- Retired public employees who return to work in positions that would be ineligible for system membership would not be subject to the hourly return-to-work limitation

- Retirees from the current open plans who return to work in positions eligible for membership in other DRS-administered systems would be eligible to work up to the hourly limitation before their benefits are suspended

Washington State Patrol Retirement System (WSPRS)

SB 5210: This law allows Washington State Patrol Retirement System (WSPRS) members to use funds from certain tax-qualified plans to purchase life annuities from the WSPRS trust fund at the time of retirement.

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) and WSPRS

HB 1194: A surviving spouse of a LEOFF 2 or WSPRS 1 or 2 member who is killed in the line of duty is entitled to receive a monthly benefit of at least 60 percent of the member's wages from the state workers' compensation program. However, this benefit was terminated if the survivor remarries. This legislation allows a qualifying surviving spouse of a police or fire fighter member killed in the course of employment to remarry and receive a benefit from the retirement plan equal to his or her terminated workers' compensation survivor benefit.

Team Engagement & Problem Solving

DRS engages team members in problem solving and process improvement, providing tools and encouragement to identify and implement ideas that reduce waste and enhance services to better serve our customers.

GUIDING TEAM

Financial Section

CliftonLarsonAllen LLP
www.CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Ms. Marcie Frost, Director
Washington State Department of Retirement Systems
Olympia, Washington

Report on the Financial Statements

We have audited the accompanying financial statements (including the individual fund financial statements) of the Washington State Department of Retirement Systems (DRS), which comprise the statement of fiduciary net position as of June 30, 2015, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, DRS' fiduciary net position as of June 30, 2015, and the changes in its fiduciary net position for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the financial statements present fairly in all material respects, the fiduciary net position of each of the individual funds of DRS as of June 30, 2015, and the changes in fiduciary net position of such funds for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Independent Auditors' Report (cont.)

Report on Summarized Comparative Information

We have previously audited the DRS' 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 22, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Required Supplementary Schedules of Changes in Net Pension Liability, Net Pension Liability, Employer Contributions and Investment Returns and the related Notes to Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the DRS' basic financial statements. The Schedules of Administrative Expenses, Investment Expenses – Pension Trust Funds and Payments to Consultants (Supporting Schedules), as listed in the table of contents, are presented for the purpose of additional analysis and are not a required part of the financial statements.

The Supporting Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Introductory, Investment, Actuarial and Statistical Sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

CliftonLarsonAllen LLP

Baltimore, Maryland
October 15, 2015

Management's Discussion and Analysis

This discussion and analysis provides an overview of financial activities of the Washington State Department of Retirement Systems (DRS) for the fiscal year ended June 30, 2015. Please read it in conjunction with the "Letter of Transmittal," beginning on page 8, and the financial statements, beginning on page 20.

Financial Highlights

- The overall financial position of DRS improved during the year; the fiduciary net position of all the pension funds increased $2,381.6 million.
- The covered payroll requiring both employee and employer pension contributions reported during the year totaled $17,785.3 million, representing a 1 percent increase over the previous year.
- Employer contributions totaled $1,611.1 million, and member contributions (including restorations) totaled $1,146.5 million, representing increases of 5 percent and 4 percent, respectively, over the previous fiscal year.
- Net investment earnings (net appreciation/depreciation in the fair value of investments plus interest and dividend income less investment expenses) decreased $9,896.2 million to $3,727 million.
- Pension benefits paid to retirees and beneficiaries increased $195.8 million, bringing the total benefit payments to $3,651.7 million. Refunds of contributions paid to former retirement system members increased 11 percent to $731.7 million.
- Administrative expenses totaled $31.7 million and represented a 3 percent increase over the last fiscal year.

Overview of the Financial Statements

DRS' financial statements consist of the following components: basic financial statements, notes to the financial statements, required supplementary information and other supporting schedules.

Basic Financial Statements: The basic financial statements are fund financial statements and include a "Statement of Fiduciary Net Position" and a "Statement of Changes in Fiduciary Net Position." The fiduciary funds include defined benefit and defined contribution pension trust funds and the Deferred Compensation Program trust fund.

The "Statement of Fiduciary Net Position," beginning on page 20, reports the assets, liabilities and resulting net position available for pension and other benefits as of June 30, 2015. The "Statement of Changes in Fiduciary Net Position," beginning on page 24, reports the additions to, deductions from and resulting change in net fiduciary position for the fiscal year.

Notes to the Financial Statements: The notes to the financial statements, beginning on page 28, of this report, are an integral part of the financial statements and include additional information not readily evident in the statements themselves. Note 1 provides a summary of significant accounting policies and plan asset matters. Note 2 provides a general description of the retirement plans, membership, employer net pension liability and actuarial assumptions.

Required Supplementary Information

Two years of financial statements alone cannot provide sufficient information to properly evaluate the long-term financial position of the plans. The required supplementary information enhances that perspective and consists of four schedules built prospectively to present 10-year historical trend schedules.

The "Schedule of Net Pension Liability" presents each pension plan's net pension liability. The "Schedules of Changes in Net Pension Liability" include current fiscal year and prior fiscal year information about the changes in the net pension liability of each pension plan. The "Schedule of Investment Returns" presents the annual money-weighted rate of return, net of investment expense, for each pension plan. The "Schedule of Contributions" presents information about the annual required contributions of employers, the contributions made in relation to that requirement, covered employee payroll, and the contributions as a percentage of covered payroll. The required supplementary information schedules begin on page 77.

Supporting Schedules and Other Financial Information

The supporting schedules, which begin on page 93, provide additional detailed information that is useful in evaluating the condition of the plans DRS administers. These schedules include information on administrative expenses, investment expenses and payments to consultants.

Financial Analysis of DRS Funds

Analysis of Fiduciary Net Position
Dollars in Millions

Fiduciary Net Position	Fiscal Year 2015	Fiscal Year 2014	Increase (Decrease) Amount	Increase (Decrease) Percentage
Assets				
Cash and Pooled Investments	$ 40.8	$ 59.3	$ (18.5)	(31)%
Receivables	2,641.3	1,780.3	861.0	48%
Capital Assets, Net of Depreciation	0.2	0.3	(0.1)	(33)%
Investments, Noncurrent	90,284.2	88,208.6	2,075.6	2%
Other Assets	1.3	1.4	(0.1)	(7)%
Total Assets	92,967.8	90,049.9	2,917.9	3%
Liabilities				
Obligations Under Securities Lending Agreements	843.1	1,091.6	(248.5)	(23)%
Other Short-Term Liabilities	2,648.9	1,864.1	784.8	42%
Long-Term Obligations	1.4	1.4	–	0%
Total Liabilities	3,493.4	2,957.1	536.3	18%
Fiduciary Net Position	**$ 89,474.4**	**$ 87,092.8**	**$ 2,381.6**	3%

The fiduciary net position increased by $2,381.6 million in fiscal year 2015 and totaled $89,474.4 million at fiscal year-end. The increase was mostly due to market movements in the investment portfolio. Total trust-fund assets as of June 30, 2015, were $92,967.8 million, representing an increase of $2,917.9 million, or 3 percent over the previous fiscal year. The trust-fund asset growth was primarily due to alternative investment gains. Total investments increased by $2,075.6 million, or 2 percent. Total trust-fund liabilities as of June 30, 2015, were $3,493.4 million, representing an increase of $536.3 million, or 18 percent, over the previous year. The increase in liabilities is mostly attributable to pending investment trades.

Analysis of Changes in Fiduciary Net Position
Dollars in Millions

Changes in Fiduciary Net Position	Fiscal Year 2015	Fiscal Year 2014	Increase (Decrease) Amount	Increase (Decrease) Percentage
Additions				
Employer Contributions	$ 1,611.1	$ 1,527.4	$ 83.7	5%
Member Contributions	1,146.5	1,102.4	44.1	4%
State Contributions	68.9	66.1	2.8	4%
Participant Contributions	208.4	190.5	17.9	9%
Net Investment Income (Loss)	3,727.4	13,623.6	(9,896.2)	(73)%
Charges for Services	34.4	32.3	2.1	7%
Transfers from Other Pension Plans	4.8	4.8	–	0%
Other Additions	–	0.4	(0.4)	(100)%
Total Additions	6,801.5	16,547.5	(9,746.0)	(59)%
Deductions				
Benefits	3,651.7	3,455.9	195.8	6%
Refunds of Contributions	731.7	661.9	69.8	11%
Transfers to Other Pension Plans	4.8	4.8	–	0%
Transfers to Other Funds	–	–	–	0%
Administrative Expenses	31.7	30.8	0.9	3%
Total Deductions	4,419.9	4,153.4	266.5	6%
Net Increase/ (Decrease)	2,381.6	12,394.1	(10,012.5)	(81)%
Fiduciary Net Position Beginning of Year	87,092.8	74,698.7	12,394.1	17%
Fiduciary Net Position End of Year	**$ 89,474.4**	**$ 87,092.8**	**$ 2,381.6**	3%

Additions to the retirement trust funds primarily consist of contributions from employers, active system members, the state and investment earnings. Additions to the deferred compensation trust fund consist of participant contributions and investment earnings.

Total trust-fund additions (excluding plan transfers) for fiscal year 2015 totaled $6,796.7 million, a decrease of $9,746.0 million from fiscal year 2014. This was primarily due to the $9,896.2 million decrease in net income from investment activities. The investment performance yielded a 4.9 percent total return for

the retirement funds' Commingled Trust Fund (CTF), compared to the 17.1 percent return of the previous year.

Employer contributions increased $83.7 million, or 5 percent, and totaled $1,611.1 million. This increase was the result of increased employment and salaries. Total covered payroll was $17,785.3 million and represented a 1 percent increase over the previous year.

Member contributions include both regular and restoration contributions as well as service credit purchases. Total contributions increased $44.1 million, or 4 percent, over the previous year and totaled $1,146.5 million for fiscal year 2015.

- Regular member contributions increased $41 million to $1,090.8 million and reflected increased employment and salaries.
- Other contributions increased $3.1 million to $55.6 million during the current year.

State contributions increased $2.8 million to $68.9 million in fiscal year 2015. The increase was in state general-fund allocations for LEOFF Plan 2, which moved from $55.5 million to $58.3 million. State contributions to JRS remained at $10.6 million during the current year.

Participant contributions to the Deferred Compensation Program (DCP) increased 9 percent over the prior year and totaled $208.4 million in fiscal year 2015. As of June 30, 2015, the number of active and contributing DCP participants was 36,829 and represented an increase of 465, or 1 percent over the previous year.

Transfers from and to other pension plans remained at $4.8 million in fiscal year 2015. Other additions decreased by $0.4 million to $0.07 million in fiscal year 2015.

Deductions to the retirement trust funds consist of the payment of benefits to retirees and beneficiaries, the refund of contributions to former retirement system members, and the cost of administering the retirement systems. Benefit payments to members include both pension and annuity benefits.

Deductions to the deferred compensation trust fund consist of payments to plan participants and administrative expenses.

Expenses incurred by the Washington State Investment Board (WSIB) for the investment of trust funds are funded from earnings on investments.

Total trust fund deductions (excluding plan transfers) for fiscal year 2015 were $4,419.9 million, an increase of $266.5 million, or 6 percent, over fiscal year 2014. This growth resulted primarily from an increase in benefits paid to retirees and beneficiaries. Benefit payments increased $195.8 million, or 6 percent, due to an increase in the number of retirees during the year, the annual cost-of-living adjustments that increased benefit payouts and the higher salaries of those newly retired.

Total refunds for fiscal year 2015 were $731.7 million, representing a $69.8 million increase from the previous year. Of this increase, $56.8 million can be attributed to employees withdrawing their plan contributions upon terminating public employment and $13 million can be attributed to additional distributions from DCP for mandatory distributions and other withdrawals from program participants.

Capital Assets

DRS' investment in capital assets includes furnishings, equipment and improvements other than buildings. As of June 30, 2015, total investment was $2.5 million, with accumulated depreciation of $2.3 million, leaving a net book value of $0.2 million. Additional information can be found in Note 1 to the financial statements.

Other Long-Term Obligations

At year-end, DRS had $1.4 million in outstanding general long-term obligations. These long-term obligations represent DRS' liability for employees' accumulated annual and sick leave. Additional information can be found in Note 1 to the financial statements.

Contacting DRS' Financial Management

This CAFR is designed to provide a general overview of DRS' finances. If you have questions about this report or need additional financial information, contact the Department of Retirement Systems' Fiscal Office, PO Box 48380, Olympia, WA 98504-8380.

Statement of Fiduciary Net Position

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 1 of 4

Expressed in Thousands	Pension Trust				
	PERS Plan 1	PERS Plan 2/3	PERS Plan 3 Defined Contribution	SERS Plan 2/3	SERS Plan 3 Defined Contribution
Assets					
Cash and Pooled Investments	$ 3,266	$ 6,149	$ 215	$ 2,812	$ 788
Receivables					
Due from Other Governments	3,380	62,087	4,912	15,106	5,421
Member Accounts Receivable (Net of Allowance)	533	220	–	17	–
Interest and Dividends	21,325	83,051	4,028	11,421	3,545
Investment Trades Pending Receivable — Short Term	202,252	788,154	38,225	108,368	33,647
Due from Pension Funds	18,573	13,276	576	3,066	–
Due from Other Washington State Agencies	12	14	–	2	–
Other Receivables — Short Term	–	–	–	–	–
Total Receivables	246,075	946,802	47,741	137,980	42,613
Capital Assets, Net of Depreciation	44	51	–	9	–
Investments, Noncurrent					
Equity in CTF	7,380,443	28,802,244	1,394,918	3,989,870	1,227,900
Liquidity	190,948	705,220	41,484	68,177	35,452
Other Noncurrent Investments	–	–	982,994	–	425,627
Collateral Held Under Securities Lending Agreements	78,478	304,608	14,756	41,952	12,989
Total Investments, Noncurrent	7,649,869	29,812,072	2,434,152	4,099,999	1,701,968
Other Assets	283	328	–	59	–
Total Assets	7,899,537	30,765,402	2,482,108	4,240,859	1,745,369
Liabilities					
Obligations Under Securities Lending Agreements	78,478	304,608	14,756	41,952	12,989
Accounts Payable	1,818	5,589	4,557	761	4,095
Investment Trades Pending Payable — Short Term	236,014	919,722	44,606	126,458	39,264
Due to Other Governments	5,950	3,075	–	646	–
Due to Pension Funds	15,567	16,374	–	3,077	549
Due to Other Washington State Agencies	103	142	–	20	–
Other Short-Term Liabilities	1	1	–	–	–
Other Long-Term Obligations	283	328	–	59	–
Accrued Salaries	142	164	–	30	–
Unearned Revenues	103	238	–	1	–
Total Liabilities	338,459	1,250,241	63,919	173,004	56,897
Fiduciary Net Position					
Pension Plans	7,561,078	29,515,161	2,418,189	4,067,855	1,688,472
Deferred Compensation Program	–	–	–	–	–
Total Fiduciary Net Position	**$ 7,561,078**	**$ 29,515,161**	**$ 2,418,189**	**$ 4,067,855**	**$ 1,688,472**

The accompanying notes are an integral part of this statement.

Statement of Fiduciary Net Position (cont.)

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 2 of 4

Expressed in Thousands	Pension Trust				
	PSERS Plan 2	TRS Plan 1	TRS Plan 2/3	TRS Plan 3 Defined Contribution	LEOFF Plan 1
Assets					
Cash and Pooled Investments	$ 276	$ 2,894	$ 4,802	$ 3,510	$ 2,089
Receivables					
Due from Other Governments	2,419	1,347	39,194	24,796	654
Member Accounts Receivable (Net of Allowance)	–	187	40	–	131
Interest and Dividends	979	17,126	29,132	12,423	15,824
Investment Trades Pending Receivable — Short Term	9,284	162,420	276,427	117,886	150,123
Due from Pension Funds	369	9,548	7,386	–	215
Due from Other Washington State Agencies	–	10	8	–	6
Other Receivables — Short Term	–	–	–	–	–
Total Receivables	13,051	190,638	352,187	155,105	166,953
Capital Assets, Net of Depreciation	–	38	28	–	21
Investments, Noncurrent					
Equity in CTF	338,792	5,926,929	10,216,135	4,301,996	5,478,182
Liquidity	12,064	154,676	141,463	129,100	140,997
Other Noncurrent Investments	–	–	–	2,787,808	–
Collateral Held Under Securities Lending Agreements	3,594	63,007	106,976	45,509	58,091
Total Investments, Noncurrent	354,450	6,144,612	10,464,574	7,264,413	5,677,270
Other Assets	4	243	180	–	138
Total Assets	367,781	6,338,425	10,821,771	7,423,028	5,846,471
Liabilities					
Obligations Under Securities Lending Agreements	3,594	63,007	106,975	45,509	58,092
Accounts Payable	64	1,339	1,964	7,655	1,436
Investment Trades Pending Payable — Short Term	10,834	189,533	322,572	137,565	175,183
Due to Other Governments	1	5,899	1,260	–	1
Due to Pension Funds	486	5,995	9,756	1,121	5
Due to Other Washington State Agencies	2	79	59	–	48
Other Short-Term Liabilities	–	1	–	–	–
Other Long-Term Obligations	3	243	180	–	138
Accrued Salaries	2	120	89	–	68
Unearned Revenues	–	243	125	–	–
Total Liabilities	14,986	266,459	442,980	191,850	234,971
Fiduciary Net Position					
Pension Plans	352,795	6,071,966	10,378,791	7,231,178	5,611,500
Deferred Compensation Program	–	–	–	–	–
Total Fiduciary Net Position	**$ 352,795**	**$ 6,071,966**	**$ 10,378,791**	**$ 7,231,178**	**$ 5,611,500**

The accompanying notes are an integral part of this statement.

Statement of Fiduciary Net Position (cont.)

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 3 of 4

Expressed in Thousands	Pension Trust			
	LEOFF Plan 2	WSPRS Plan 1/2	JRS	JRF
Assets				
Cash and Pooled Investments	$ 1,854	$ 866	$ 6,363	$ 517
Receivables				
Due from Other Governments	15,884	562	–	–
Member Accounts Receivable (Net of Allowance)	54	2	–	–
Interest and Dividends	27,647	3,128	3	1
Investment Trades Pending Receivable — Short Term	262,356	29,685	–	–
Due from Pension Funds	155	27	1	–
Due from Other Washington State Agencies	104	1	–	–
Other Receivables — Short Term	–	–	–	–
Total Receivables	306,200	33,405	4	1
Capital Assets, Net of Depreciation	16	3	–	–
Investments, Noncurrent				
Equity in CTF	9,573,736	1,083,228	–	–
Liquidity	260,932	28,403	–	–
Other Noncurrent Investments	–	–	–	–
Collateral Held Under Securities Lending Agreements	101,382	11,501	182	14
Total Investments, Noncurrent	9,936,050	1,123,132	182	14
Other Assets	100	18	–	–
Total Assets	10,244,220	1,157,424	6,549	532
Liabilities				
Obligations Under Securities Lending Agreements	101,382	11,501	182	14
Accounts Payable	2,220	226	1	–
Investment Trades Pending Payable — Short Term	306,152	34,640	–	–
Due to Other Governments	26	214	29	2
Due to Pension Funds	253	9	–	–
Due to Other Washington State Agencies	66	7	–	–
Other Short-Term Liabilities	–	–	–	–
Other Long-Term Obligations	100	18	1	–
Accrued Salaries	57	9	–	–
Unearned Revenues	315	1	–	–
Total Liabilities	410,571	46,625	213	16
Fiduciary Net Position				
Pension Plans	9,833,649	1,110,799	6,336	516
Deferred Compensation Program	–	–	–	–
Total Fiduciary Net Position	**$ 9,833,649**	**$ 1,110,799**	**$ 6,336**	**$ 516**

The accompanying notes are an integral part of this statement.

Statement of Fiduciary Net Position (cont.)

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 4 of 4

Expressed in Thousands	Pension Trust		Totals	
	JRA Defined Contribution	Deferred Compensation Program	June 30, 2015	June 30, 2014
Assets				
Cash and Pooled Investments	$ 9	$ 4,369	$ 40,779	$ 59,332
Receivables				
Due from Other Governments	–	–	175,762	162,908
Member Accounts Receivable (Net of Allowance)	2	2,569	3,755	2,325
Interest and Dividends	–	1	229,634	238,360
Investment Trades Pending Receivable — Short Term	–	–	2,178,827	1,367,681
Due from Pension Funds	–	–	53,192	9,024
Due from Other Washington State Agencies	–	–	157	33
Other Receivables — Short Term	–	–	–	–
Total Receivables	2	2,570	2,641,327	1,780,331
Capital Assets, Net of Depreciation	–	–	210	279
Investments, Noncurrent				
Equity in CTF	–	–	79,714,373	77,619,741
Liquidity	–	–	1,908,916	1,810,277
Other Noncurrent Investments	12,234	3,609,107	7,817,770	7,686,961
Collateral Held Under Securities Lending Agreements	–	123	843,162	1,091,552
Total Investments, Noncurrent	12,234	3,609,230	90,284,221	88,208,531
Other Assets	–	–	1,353	1,413
Total Assets	12,245	3,616,169	92,967,890	90,049,886
Liabilities				
Obligations Under Securities Lending Agreements	–	123	843,162	1,091,551
Accounts Payable	–	633	32,358	29,892
Investment Trades Pending Payable — Short Term	–	–	2,542,543	1,803,067
Due to Other Governments	–	–	17,103	16,451
Due to Pension Funds	–	–	53,192	9,024
Due to Other Washington State Agencies	–	15	541	478
Other Short-Term Liabilities	–	1,432	1,435	4,186
Other Long-Term Obligations	–	–	1,353	1,413
Accrued Salaries	–	43	724	707
Unearned Revenues	–	–	1,026	311
Total Liabilities	–	2,246	3,493,437	2,957,080
Fiduciary Net Position				
Pension Plans	12,245	–	85,860,530	83,513,566
Deferred Compensation Program	–	3,613,923	3,613,923	3,579,240
Total Fiduciary Net Position	**$ 12,245**	**$ 3,613,923**	**$ 89,474,453**	**$ 87,092,806**

The accompanying notes are an integral part of this statement.

Statement of Changes in Fiduciary Net Position

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 1 of 4

Expressed in Thousands	Pension Trust				
	PERS Plan 1	PERS Plan 2/3	PERS Plan 3 Defined Contribution	SERS Plan 2/3	SERS Plan 3 Defined Contribution
Additions					
Retirement Contributions					
Employer	$ 462,100	$ 446,127	$ –	$ 97,386	$ –
Plan Member	15,806	355,350	110,936	34,939	62,645
State	–	–	–	–	–
Plan Member Restorations	5,811	19,475	–	506	–
Total Retirement Contributions	483,717	820,952	110,936	132,831	62,645
Participant Contributions	–	–	–	–	–
Investment Income					
Net Appreciation (Depreciation) in Fair Value of Investments	191,781	756,342	53,628	104,381	39,102
Interest and Other Investment Income	124,259	462,292	24,040	63,317	20,682
Dividends	49,798	186,704	9,085	25,581	8,078
Less: Investment Expenses	(29,522)	(110,018)	(6,215)	(15,237)	(5,041)
Total Net Investment Income	336,316	1,295,320	80,538	178,042	62,821
Charges for Services	2,834	11,681	255	1,925	224
Transfers from Other Pension Plans	22	206	1,708	49	825
Miscellaneous	5	20	–	4	–
Total Additions	822,894	2,128,179	193,437	312,851	126,515
Deductions					
Benefits	1,198,965	665,408	–	96,184	–
Contribution Refunds	4,029	35,497	92,086	2,891	86,293
Annuity Payments	–	–	2,641	–	1,526
Transfers to Other Pension Plans	30	1,823	387	630	270
Transfers to Other Funds	–	–	–	–	–
Administrative Expenses	2,707	10,591	255	1,644	224
Total Deductions	1,205,731	713,319	95,369	101,349	88,313
Net Increase (Decrease)	(382,837)	1,414,860	98,068	211,502	38,202
Fiduciary Net Position					
Beginning of Year: July 1	7,943,915	28,100,301	2,320,121	3,856,353	1,650,270
End of Year: June 30	**$ 7,561,078**	**$ 29,515,161**	**$ 2,418,189**	**$ 4,067,855**	**$ 1,688,472**

The accompanying notes are an integral part of this statement.

Statement of Changes in Fiduciary Net Position (cont.)

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 2 of 4

Expressed in Thousands	Pension Trust				
	PSERS Plan 2	TRS Plan 1	TRS Plan 2/3	TRS Plan 3 Defined Contribution	LEOFF Plan 1
Additions					
Retirement Contributions					
Employer	$ 18,704	$ 223,886	$ 267,038	$ –	$ 60
Plan Member	18,650	6,846	47,206	286,156	47
State	–	–	–	–	–
Plan Member Restorations	14	3,478	5,507	–	969
Total Retirement Contributions	37,368	234,210	319,751	286,156	1,076
Participant Contributions	–	–	–	–	–
Investment Income					
Net Appreciation (Depreciation) in Fair Value of Investments	8,991	152,938	266,235	174,524	142,982
Interest and Other Investment Income	5,212	100,468	161,144	73,042	90,884
Dividends	2,118	40,219	65,125	28,073	36,519
Less: Investment Expenses	(1,239)	(23,879)	(38,969)	(18,922)	(21,589)
Total Net Investment Income	15,082	269,746	453,535	256,717	248,796
Charges for Services	132	2,275	5,760	789	2,098
Transfers from Other Pension Plans	1	–	41	1,372	237
Miscellaneous	–	5	11	–	4
Total Additions	52,583	506,236	779,098	545,034	252,211
Deductions					
Benefits	444	913,741	183,212	–	358,411
Contribution Refunds	2,612	1,555	2,840	269,378	334
Annuity Payments	–	13,274	–	5,924	–
Transfers to Other Pension Plans	–	–	659	717	–
Transfers to Other Funds	–	–	–	–	–
Administrative Expenses	116	1,985	4,909	788	1,822
Total Deductions	3,172	930,555	191,620	276,807	360,567
Net Increase (Decrease)	49,411	(424,319)	587,478	268,227	(108,356)
Fiduciary Net Position					
Beginning of Year: July 1	303,384	6,496,285	9,791,313	6,962,951	5,719,856
End of Year: June 30	**$ 352,795**	**$ 6,071,966**	**$ 10,378,791**	**$ 7,231,178**	**$ 5,611,500**

The accompanying notes are an integral part of this statement.

Statement of Changes in Fiduciary Net Position (cont.)

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 3 of 4

Expressed in Thousands	Pension Trust			
	LEOFF Plan 2	WSPRS Plan 1/2	JRS	JRF
Additions				
Retirement Contributions				
Employer	$ 89,122	$ 6,679	$ –	$ –
Plan Member	146,679	5,561	–	–
State	58,339	–	10,600	–
Plan Member Restorations	19,093	762	–	–
Total Retirement Contributions	313,233	13,002	10,600	–
Participant Contributions	–	–	–	–
Investment Income				
Net Appreciation (Depreciation) in Fair Value of Investments	251,748	28,387	9	1
Interest and Other Investment Income	153,148	17,732	30	3
Dividends	61,892	7,139	–	–
Less: Investment Expenses	(36,378)	(4,212)	–	–
Total Net Investment Income	430,410	49,046	39	4
Charges for Services	3,677	416	2	–
Transfers from Other Pension Plans	–	293	–	–
Miscellaneous	6	1	–	–
Total Additions	747,326	62,758	10,641	4
Deductions				
Benefits	151,486	49,772	9,336	444
Contribution Refunds	8,541	303	–	–
Annuity Payments	–	–	–	–
Transfers to Other Pension Plans	238	–	–	–
Transfers to Other Funds	–	–	–	–
Administrative Expenses	4,668	425	2	–
Total Deductions	164,933	50,500	9,338	444
Net Increase (Decrease)	582,393	12,258	1,303	(440)
Fiduciary Net Position				
Beginning of Year: July 1	9,251,256	1,098,541	5,033	956
End of Year: June 30	**$ 9,833,649**	**$ 1,110,799**	**$ 6,336**	**$ 516**

The accompanying notes are an integral part of this statement.

Statement of Changes in Fiduciary Net Position (cont.)

Pension Trust Funds by Plan
June 30, 2015, with Comparative Totals for June 30, 2014 — Page 4 of 4

Expressed in Thousands	Pension Trust		Totals	
	JRA Defined Contribution	Deferred Compensation Program	June 30, 2015	June 30, 2014
Additions				
Retirement Contributions				
Employer	$ 20	$ –	$ 1,611,122	$ 1,527,405
Plan Member	20	–	1,090,841	1,049,876
State	–	–	68,939	66,151
Plan Member Restorations	–	–	55,615	52,473
Total Retirement Contributions	40	–	2,826,517	2,695,905
Participant Contributions	–	208,424	208,424	190,538
Investment Income				
Net Appreciation (Depreciation) in Fair Value of Investments	129	45,658	2,216,836	12,130,265
Interest and Other Investment Income	21	4,457	1,300,731	1,248,832
Dividends	16	5,957	526,304	559,669
Less: Investment Expenses	(16)	(5,219)	(316,456)	(315,210)
Total Net Investment Income	150	50,853	3,727,415	13,623,556
Charges for Services	–	2,347	34,415	32,295
Transfers from Other Pension Plans	–	–	4,754	4,763
Miscellaneous	–	11	67	432
Total Additions	190	261,635	6,801,592	16,547,489
Deductions				
Benefits	976	–	3,628,379	3,433,780
Contribution Refunds	–	225,334	731,693	661,923
Annuity Payments	–	–	23,365	22,114
Transfers to Other Pension Plans	–	–	4,754	4,763
Transfers to Other Funds	–	–	–	–
Administrative Expenses	–	1,618	31,754	30,809
Total Deductions	976	226,952	4,419,945	4,153,389
Net Increase (Decrease)	(786)	34,683	2,381,647	12,394,100
Fiduciary Net Position				
Beginning of Year: July 1	13,031	3,579,240	87,092,806	74,698,706
End of Year: June 30	**$ 12,245**	**$ 3,613,923**	**$ 89,474,453**	**$ 87,092,806**

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

Note 1: Summary of Significant Accounting Policies and Plan Asset Matters

A. Reporting Entity

The state of Washington, through DRS, administers eight retirement systems for public employees of the state and political subdivisions:

- Public Employees' Retirement System (PERS)
- School Employees' Retirement System (SERS)
- Public Safety Employees' Retirement System (PSERS)
- Teachers' Retirement System (TRS)
- Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)
- Washington State Patrol Retirement System (WSPRS)
- Judicial Retirement System (JRS)
- Judges' Retirement Fund (JRF)

DRS also administers the state's Deferred Compensation Program (DCP).

Since DRS is part of the primary government of the state of Washington, it is considered part of the state's financial reporting entity and is included in the state's *Comprehensive Annual Financial Report* (CAFR).

The state of Washington's CAFR can be obtained from the Office of Financial Management's website at *www.ofm.wa.gov/cafr.*

B. Basic Financial Statements

The financial statements provided in this report are fiduciary statements. Fiduciary funds report assets held for others in a trustee or agency capacity and, therefore, cannot be used to support the government's own programs. DRS' fiduciary funds are the retirement pension trust funds.

DRS' financial statements have been prepared in conformity with generally accepted accounting principles (GAAP). The statements include a "Statement of Fiduciary Net Position" (SFNP) and a "Statement of Changes in Fiduciary Net Position" (SCFNP).

The SFNP includes information about the assets, liabilities and net fiduciary position for each plan. The SCFNP includes information about the additions to, deductions from and net increase (or decrease) in fiduciary net position for each plan for the year. The statements provide a separate column for each retirement plan DRS administers.

C. Measurement Focus and Basis of Accounting

The retirement plans are accounted for in pension trust funds using the flow-of-economic-resources measurement focus and the accrual basis of accounting.

The members of the retirement systems, their employers and the state provide funding for the systems based on actuarial valuations. The Legislature establishes benefit levels and approves the actuarial assumptions used in determining contribution levels.

Plan member contributions are recognized as revenues in the period in which the contributions are earned. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

The Deferred Compensation Program (DCP) is accounted for in a pension trust fund using the flow-of-economic-resources measurement focus and the accrual basis of accounting. Participant contributions are recognized as revenues in the period in which the contributions are due. Refunds are recognized when due and payable in accordance with the terms of the plan.

DRS maintains an administrative fund to account for the revenues and operating expenditures incurred in administering DCP. Since these costs are incurred in the administration of the program, they have been reported within the program.

D. Method Used to Value Investments

Investments are reported at fair value. Unrealized gains and losses are included as investment income in the "Statement of Changes in Fiduciary Net Position."

The net assets of the retirement funds are valued using the publicly traded securities, limited partnerships, private equity limited partnerships and real estate limited partnerships.

Publicly Traded Securities (corporate stock, commingled funds, exchange-traded derivatives and fixed income): Fair values are based on published market prices, quotations from national security exchanges and security-pricing services.

Limited Partnerships: The Washington State Investment Board (WSIB) determines the fair value of investments (such as private equity, real estate, innovation and tangible assets) that are organized as limited partnerships and have no readily ascertainable fair value based on the individual investment's capital account balance. The general partner reports at fair value the closest available reporting period, adjusted for subsequent contributions, distributions, management fees, changes in value of foreign currency and published market prices for certain securities.

Independent auditors audit the limited partnerships' annual financial statements. These investments are valued at $32.1 billion (39 percent of total investments) as of June 30, 2015. Because of the inherent uncertainties in estimating fair values, it is at least reasonably possible that the estimates will change in the near-term.

Private Equity Limited Partnerships: The fair value of individual capital account balances is based on the valuations private equity partnerships reported using the following methodologies to value the underlying portfolio companies:

- Valuations of publicly traded portfolio companies are based on active exchanges using quoted market prices as of the close of trading for each month end.
- When a portfolio company investment does not have a readily available market price but has a return that is determined by reference to an asset for which a market price is readily available, valuations are based on the closing market price of the reference asset on the valuation date, adjusted for factors that affect the fair value of the investment held.
- When the portfolio company's investments are private holdings and are not traded on active security exchanges, valuation methodologies used consist primarily of income and market approaches. The income approach involves a discounted cash-flow analysis based on the portfolio company's projections. The market approach involves valuing a company at a multiple of a specified financial measure, generally Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) based on multiples at which comparable companies trade.

Real Estate Limited Partnerships: Real estate partnerships provide the WSIB with quarterly valuations based on the most recent capital account balances. The partnerships value individual properties at least annually and adjust them as frequently as quarterly if material market or operational changes have occurred. Properties are generally externally valued every one to five years, depending on the partnership. Structured finance investments receive quarterly value adjustments; the partners generally apply the assumption that all such positions will be held to maturity. Annual audits of most partnerships include a review of compliance with the partnerships' valuation policies.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from the estimated amounts.

F. Revenue Recognition

Interest and dividend income is recognized when earned. Capital gains and losses are recognized on a trade-date basis. Purchases and sales of investments are also recorded on a trade-date basis.

G. Allocations

DRS maintains a fund to account for the administrative additions and deductions incurred in administering the pension plans. These additions and deductions have been allocated to the pension plans.

DRS maintains a general capital assets fund to account for the capital assets used in administering the pension plans. These capital assets have been allocated to the pension plans based on asset balance. DRS also maintains a general long-term obligation fund to account for accumulated compensated absences incurred in administering the pension plans. These general long-term obligations have also been allocated to the pension plans based on asset balance.

H. Deposits, Investments, and Securities Lending

Deposits: The Office of the State Treasurer (OST) manages DRS' deposits, which consist of securities AAA-rated issuers issue or deposits in financial institutions the Federal Deposit Insurance Corporation (FDIC) partially insures or the Washington Public Deposit Protection Commission (PDPC) collateralizes up to legal limitations. The PDPC constitutes a multiple financial institution collateral pool. The PDPC's agent holds pledged securities under the pool in the name of the collateral pool.

State law (43.84.080 RCW) specifies that whenever a fund or cash balance in the state treasury is more than sufficient to meet the current expenditures properly payable therefrom, the OST may invest or reinvest such portion of the funds or balances as the OST deems expedient. Statute authorizes the OST to buy and sell the following types of instruments: U.S. government and agency securities, bankers' acceptances, commercial paper and deposits with qualified public depositories.

Securities underlying repurchase and reverse repurchase agreements are limited to those same instruments. DRS receives its proportionate share of investment earnings from surplus balances in the state treasury based on its daily balance for the period. DRS' deposits are separately displayed on the "Statement of Fiduciary Net Position" as cash and pooled investments.

Deposits — Custodial Credit Risk: "Custodial credit risk" is the risk that deposits might not be returned in the event of the failure of a financial institution. Statutes minimize custodial credit risk by restricting the OST to deposit funds in financial institutions that are physically located in Washington state unless otherwise expressly permitted by statute and authorized by the PDPC. As of June 30, 2015, the carrying amount of DRS' cash and pooled investment deposits is $40.8 million, all of which is insured or collateralized.

Investments: The WSIB has been authorized by statute as having the investment management responsibility for retirement and DCP funds. The WSIB may invest as provided by statute (chapter 43.33A RCW) and WSIB policy in the following: U.S. Treasury Bills; discount notes; repurchase agreements; reverse repurchase agreements; bankers' acceptances; commercial paper; guaranteed investment contracts; U.S. government and agency (government-sponsored corporations eligible for collateral purposes at the Federal Reserve) securities; non-U.S. dollar bonds; investment grade corporate bonds; noninvestment grade corporate bonds; publicly traded mortgage-backed securities; privately placed mortgages; private placements of corporate debt; U.S. and foreign common stock; U.S. preferred stock; convertible securities; private equity, including but not limited to investment corporations, partnerships and limited liability companies for venture capital, leveraged buyouts, real estate and other tangible assets, or other forms of private equity; asset-backed securities; and derivative securities, including futures, options, options on futures, forward contracts and swap transactions.

There were no violations of these investment restrictions during fiscal year 2015.

Investments — Interest Rate Risk: "Interest rate risk" is the risk that changes in interest rates over time will adversely affect the fair value of an investment. This risk is managed within the portfolios using effective duration, which is the measure of a debt investment's exposure to fair value changes arising from changes in interest rates. Increases in prevailing interest rates generally translate into decreases in the fair values of those investments.

Investment Maturities
As of June 30, 2015 — Expressed in Thousands

Investment Type	Total Fair Value	Maturity: Less Than One Year	Maturity: 1-5 Years	Maturity: 6-10 Years	Maturity: More Than 10 Years	Effective Duration
Mortgage- and Other Asset-Backed Securities	$ 1,581,456	$ 536,065	$ 1,010,753	$ 19,914	$ 14,724	2.42
Corporate Bonds	9,102,942	449,050	4,091,458	3,117,844	1,444,590	5.97
U.S. Government and Agency Securities	6,044,705	559,064	4,418,588	762,700	304,353	4.09
Foreign Government and Agency Securities	1,081,668	–	477,468	398,258	205,942	5.76
Total Retirement Funds Investment Categorized	**$ 17,810,771**	**$ 1,544,179**	**$ 9,998,267**	**$ 4,298,716**	**$ 1,969,609**	**5.01**
Investments Not Required to Be Categorized						
Cash and Cash Equivalents	2,147,020					
Equity Securities	29,696,325					
Alternative Investments	31,969,173					
Total Investments Not Categorized	**$ 63,812,518**					
DCP, JRA and Defined Contribution — SELF Plan Assets						
Retirement Strategy Funds (Target Date Funds)	3,617,057					
Equity Index Funds	1,968,142					
Guaranteed Investment Contracts	867,135					
Bond Funds	646,894					
Short-Term Investment Funds	482,781					
Balanced Fund	235,755					
Life Annuity	56					
Total DCP, JRA and Defined Contribution — SELF Plan Assets	**$ 7,817,770**					
Securities Under Lending Agreements	843,162					
Total Investments Noncurrent — June 30, 2015	**$ 90,284,221**					

Investments Credit Ratings
As of June 30, 2015 — Expressed in Thousands

Moody's Equivalent Rating	Mortgage- and Other Asset-Backed Securities	Corporate Bonds	U.S. Government and Agency Securities	Foreign Government and Agency Securities	Total Debt Securities
Aaa	$ 1,572,415	$ 447,671	$ 6,044,705	$ 154,207	$ 8,218,998
Aa1	–	17,642	–	58,086	75,728
Aa2	–	107,878	–	53,599	161,477
Aa3	–	683,697	–	161,265	844,962
A1	763	547,927	–	–	548,690
A2	–	681,324	–	–	681,324
A3	–	833,624	–	79,421	913,045
Baa1	–	1,186,613	–	45,713	1,232,326
Baa2	7,186	1,324,738	–	303,533	1,635,457
Baa3	–	2,268,429	–	169,400	2,437,829
Ba1 or Lower	1,092	1,003,399	–	56,444	1,060,935
Total Fair Value	**$ 1,581,456**	**$ 9,102,942**	**$ 6,044,705**	**$ 1,081,668**	**$ 17,810,771**

The retirement funds' fixed income investments are to be actively managed to meet or exceed the return of the Barclays Capital Universal Index, with volatility similar to or less than the index. As of June 30, 2015, the retirement funds' duration was within the duration target of this index.

The schedule on page 31 provides information about the interest rate risks associated with the categorized investments in the Commingled Trust Fund (CTF) as of June 30, 2015. The schedule displays asset classes held by maturity in years and effective durations. Residential mortgage-backed, commercial mortgage-backed and asset-backed securities are reported using the average life within the portfolio.

The "average life" is a calculated estimate of the average time until maturity for these securities, taking into account possible prepayments of principal. All other categorized securities on this schedule are reported using the stated maturity date.

Investments — Credit Risk: "Credit risk" is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The WSIB's investment policies for the retirement funds limit the fixed-income securities to investment grade or higher at the time of purchase. Investment-grade securities are those fixed income securities with a Moody's rating of Aaa to Baa, or a Standard and Poor's rating of AAA to BBB. The retirement funds' rated debt investments as of June 30, 2015, were rated by Moody's and/or an equivalent national rating organization.

Credit ratings for the retirement funds' rated debt investments as of June 30, 2015, are presented in the schedule on page 31.

Investments — Concentration of Credit Risk: "Concentration of credit risk" is the risk of loss attributed to the magnitude of an investment in a single issuer.

The retirement funds' policy states that no corporate fixed income issue shall exceed 3 percent of cost at the time of purchase or 6 percent of fair value of the fund thereafter and that no high-yield issues shall exceed 1 percent of cost or 2 percent of the fair value of the fund.

There was no concentration of credit risk exceeding these policy guidelines as of June 30, 2015. Additionally, no single investment (other than any issued or explicitly guaranteed by the U.S. government or involving mutual funds or investment pools) comprised more than 5 percent of DRS' net investments at the end of fiscal year 2015.

Investments — Custodial Credit Risk: "Custodial credit risk" is the risk that, in the event that a depository institution or counterparty fails, the WSIB would not be able to recover the value of its deposits, investments or collateral securities.

As of June 30, 2015, investment securities (excluding cash, cash equivalents and repurchase agreements held as securities lending collateral) were registered and held in the name of the WSIB for the benefit of the retirement funds and were not exposed to custodial credit risk. The WSIB has no general policies relating to custodial credit risk.

Investments — Foreign Currency Risk: "Foreign currency risk" is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The WSIB does not have a formal policy to limit the retirement funds' foreign currency risk.

The WSIB manages exposure to fair value loss by requiring its international securities investment managers to maintain diversified portfolios by sector and by issuer to limit foreign currency and security risk.

The retirement funds' exposure to foreign currency risk as of June 30, 2015, is presented in the schedule on page 33. The schedule, stated in U.S. dollars, provides information on deposits and investments held in various foreign currencies. Private equity and real estate are presented according to the financial reporting currency of the individual funds and is not a presentation of currency exposure relating to the underlying holdings.

Foreign Currency Exposure by Country
As of June 30, 2015 — Expressed in Thousands
Investment Type in U.S. Dollar Equivalent

Foreign Currency Denomination	Cash and Cash Equivalents	Debt Securities	Equity Securities	Alternative Assets	Open Foreign Exchange Contracts — Net	Total
Australian Dollar	$ 7,114	$ 291,875	$ 469,348	$ 26,058	$ 253	$ 794,648
Brazilian Real	232	242,146	130,490	–	–	372,868
Canadian Dollar	11,463	–	723,710	–	(1,401)	733,772
Chilean Peso	–	63,808	5,314	–	–	69,122
Chinese Yuan Renminbi	277	57,458	–	–	–	57,735
Colombian Peso	–	101,760	–	–	–	101,760
Danish Krone	286	–	205,880	–	(627)	205,539
Euro	1,815	–	3,096,083	2,373,350	4,126	5,475,374
Hong Kong Dollar	1,980	–	661,046	–	–	663,026
Indian Rupee	250	109,228	147,205	–	–	256,683
Indonesian Rupiah	137	50,482	62,556	–	–	113,175
Japanese Yen	16,054	–	2,335,962	–	(2,761)	2,349,255
Malaysian Ringgit	7	56,374	62,754	–	–	119,135
Mexican Peso	65	102,588	64,248	–	(18)	166,883
New Israeli Sheqel	218	–	43,597	–	(153)	43,662
New Zealand Dollar	120	–	12,808	–	13	12,941
Norwegian Krone	1,039	–	64,184	–	127	65,350
Philippine Peso	4	38,883	24,548	–	–	63,435
Pound Sterling	12,241	–	2,277,742	–	5,739	2,295,722
Singapore Dollar	1,237	–	171,038	–	(4)	172,271
South African Rand	506	–	121,093	–	13	121,612
South Korean Won	288	–	223,134	–	–	223,422
Swedish Krona	798	–	439,090	–	(370)	439,518
Swiss Franc	(24)	–	940,189	–	186	940,351
Taiwan Dollar	1,269	–	166,342	–	–	167,611
Thai Baht	(1)	45,713	53,216	–	–	98,928
Turkish Lira	–	51,459	72,806	–	–	124,265
Other	127	76,969	54,169	–	(3)	131,262
Total Foreign Currency Exposure	**$ 57,502**	**$ 1,288,743**	**$ 12,628,552**	**$ 2,399,408**	**$ 5,120**	**$ 16,379,325**

Source: Washington State Investment Board

Securities Lending and Repurchase Agreements: Management responsibilities for securities lending and repurchase agreements are as follows:

WSIB: Washington state law and WSIB policy permit the WSIB to participate in securities lending transactions to augment the investment income of the retirement funds. The WSIB has entered into an agreement with State Street Corporation (SSC) to act as agent for the WSIB in securities lending transactions. Because SSC is the custodian bank for the WSIB, it is a counterparty to these transactions.

The fair value of the securities on loan as of June 30, 2015, was about $1.4 billion. The securities on loan remain in the "Statement of Fiduciary Net Position" in their respective categories. Cash collateral received totaling $843.1 million is reported as a securities lending obligation, and the fair value of the reinvested cash collateral totaling $843.1 million is reported as securities lending collateral in the "Statement of Fiduciary Net Position."

Securities received as collateral that the WSIB does not have the ability to pledge or sell unless the borrower defaults are not reported as assets and liabilities. Securities received as collateral as of June 30, 2015, totaled $638.4 million.

The WSIB's agent loaned and collateralized debt and equity securities with cash and U.S. government or U.S. agency securities, including U.S. agency mortgage-backed securities (excluding letters of credit). When the loaned securities had collateral denominated in the same currency, the collateral requirement was 102 percent of the fair value, including accrued interest of the securities loaned. All other securities were required to be collateralized at 105 percent of the fair value, including accrued interest on the loaned securities.

The following table summarizes the securities held from reinvestment of cash collateral and securities received as collateral as of June 30, 2015:

Cash and Securities Held as Collateral As of June 30, 2015 — Expressed in Millions	
Repurchase Agreements	$ 293
Yankee CD	196
Treasuries	62
Cash Equivalents and Other	292
Total Collateral Held	**$ 843**

During fiscal year 2015, securities lending transactions could be terminated on demand by either the WSIB or the borrower.

As of June 30, 2015, the collateral held had an average duration of 22.5 days and an average weighted final maturity of 79.7 days. Because the securities lending agreements were terminable at will, their duration did not generally match the duration of the investments made with the cash collateral. Non-cash collateral could not be pledged or sold, absent borrower default. A specific borrower could hold no more than 20 percent of the total-on-loan value. Collateral investment guidelines specifically prohibit European domiciled holdings. There were no restrictions on the amount of securities that can be lent.

Securities were lent with the agreement that they would be returned in the future for exchange of the collateral. SSC indemnified the WSIB by agreeing to purchase replacement securities or return the cash collateral in the event a borrower failed to return the loaned securities or pay distributions thereon. SSC's responsibilities included performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable federal regulations concerning securities lending.

During fiscal year 2015, there were no significant violations of legal or contractual provisions or failures by any borrowers to return loaned securities or to pay distributions thereon. Further, the retirement funds incurred no losses during the fiscal year resulting from a default by either borrowers or securities lending agents.

Credit Risk: The WSIB mitigates credit risk in securities lending with a policy that strictly limits the types of collateral that may be used to secure these transactions.

OST: State statues permit the OST to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The OST, which has contracted with Citibank as lending agent, receives earnings for this activity.

The OST lending agent lends U.S. government and U.S. agency securities and receives collateral, which can be in the form of cash or other securities. The collateral, which must be valued at 102 percent of the fair market value of the loaned securities, is priced daily and, if necessary, action is taken to maintain the collateralization level at 102 percent.

The lending agent invests the cash in accordance with investment guidelines the OST approved. The custodian holds the securities held as collateral and the securities underlying the cash collateral. One option available to the lending agent is to invest cash collateral into an OST account in the Local Government Investment Pool (LGIP).

The contract with the lending agent requires indemnification of the OST if the borrowers fail to return the securities (or if the collateral is inadequate to replace the securities lent) or if the borrower fails to pay the OST for income distribution by the securities' issuers while the securities are on loan. The OST cannot pledge or sell collateral securities received unless the borrower defaults. As of June 30, 2015, securities lent totaled $2 million. Collateral held under securities lending agreements and obligations under securities lending agreements each totaled $2.1 million, which was invested in the LGIP.

State law also permits the OST to enter into reverse repurchase agreements (that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest). The fair value of the securities underlying reverse repurchase agreements normally exceeds the cash received, providing the dealers a margin against a decline in the fair value of the securities.

If the dealers default on their obligations to resell these securities to the OST or provide securities or cash of equal value, the retirement funds would suffer an economic loss equal to the difference between the fair value plus accrued interest of the underlying securities and the agreement obligation, including accrued interest.

During fiscal year 2015, the OST did not engage in reverse repurchase activity and it incurred no losses by default, nor recovered prior period losses, from these transactions. As of June 30, 2015, no obligations were under reverse repurchase agreements.

Credit Risk: The OST limits its credit risk with an investment policy that restricts the types of investments in which the OST can participate. Additionally, the OST investment policy requires that any securities on loan be made available by the lending agent for next day liquidity at the option of the OST. During fiscal year 2015, the OST had no credit-risk exposure to borrowers because the amounts owed to the borrowers exceeded the amounts the borrowers owed the OST.

Custodial Credit Risk: The OST investment policy requires that securities purchased be held by the master custodian, acting as an independent third party, in its safekeeping or trust department. Securities-utilized repurchase agreements are subject to additional restrictions. These restrictions are designed to limit the OST's exposure to risk and ensure the safety of the investment.

During fiscal year 2015, there were no violations of legal or contractual provisions or any losses resulting from a default by either borrowers or securities lending agent.

Derivatives: Derivative management responsibilities are as follows:

WSIB: The WSIB is authorized to use various derivative financial instruments, including financial futures, forward contracts, interest rate swaps, credit default swaps, equity swaps and options. Derivative transactions involve, to varying degrees, market and credit risk. As of June 30, 2015, the retirement funds held investments in financial futures and forward currency contracts that are recorded at fair value with changes in value recognized in investment income in the "Statement of Changes in Fiduciary Net Position" in the period of change. For accounting and reporting purposes, the derivative instruments are considered investment derivatives, not hedging derivatives.

Derivatives are generally used to achieve the desired market exposure of a security, index or currency; adjust portfolio duration; or rebalance the total portfolio to the target asset allocation. Derivative contracts are instruments that derive their value from underlying assets, indices, reference interest rates or a combination of these factors. A derivative instrument could be a contract negotiated on behalf of the retirement funds and a specific counterparty. This would typically be referred to as an "over-the-counter (OTC) contract," such as forward contracts. Alternatively, derivative instruments, such as futures, could be listed and traded on an exchange and referred to as "exchange traded."

Derivatives that are exchange traded are not subject to credit risk.

Derivatives Schedule
Significant Terms for Derivatives Held As Investments by the WSIB — Expressed in Thousands

	Classification	Changes in Fair Value — Included in Investment Income Amount	Fair Value As of June 30, 2015 – Investment Derivative Amount	Notional
Futures Contracts				
Bond Index Futures	Investment	$ 25,611	$ (3,547)	$ 839,369
Equity Index Futures	Investment	(3,756)	(8,457)	18,006
Total		**$ 21,855**	**$ (12,004)**	**$ 857,375**
Forward Currency Contracts Total	Investment	**$ 55,804**	**$ 5,134**	**$ 1,956,126**

Inherent in the use of OTC derivatives, the retirement funds are exposed to counterparty credit risk on all open OTC positions. "Counterparty credit risk" is the risk that a derivative counterparty might fail to meet its payment obligation under the derivative contract. As of June 30, 2015, the retirement funds' counterparty risk was deemed insignificant.

Futures contracts are standardized, exchange-traded contracts to purchase or sell a specific financial instrument at a predetermined price. Gains and losses on futures contracts are settled daily based on an underlying principal value and do not involve an actual transfer of the specific instrument. The exchange assumes the risk that the counterparty will not pay and generally requires margin payments to minimize such risk. Futures are generally used to achieve the desired market exposure of a security or index or to rebalance the total portfolio.

Forward currency contracts are agreements to exchange the currency of one country for the currency of another country at an agreed-upon price and settlement date. These forward commitments are not standardized and carry credit risk due to the possible nonperformance of one of the counterparties. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened; however, the likelihood of such a loss is remote.

As of June 30, 2015, the retirement funds had outstanding forward currency contracts with a net unrealized gain of $5.1 million, which is included in the accompanying "Statement of Changes in Fiduciary Net Position." The contracts have varying maturity dates ranging from August 12, 2015, through September 16, 2015.

As of June 30, 2015, the counterparties' credit ratings for forward currency contracts that are subject to credit risk had a credit rating of no less than A3 using Moody's rating scale.

As of June 30, 2015, the retirement funds' fixed income portfolio held derivative securities consisting of collateralized mortgage obligations of $91.9 million. Domestic and foreign passive equity index fund managers may also use various derivative securities to manage exposure to risk and increase portfolio returns. Information on passive equity index fund managers' use and holdings of derivative securities is unavailable.

The schedule at the top of the page presents the significant terms for derivatives held as investments by the WSIB.

OST: The OST did not engage in derivative transactions during fiscal year 2015.

Certain investment types in DRS' portfolio cannot be categorized within the guidelines GASB Statement No. 3 established. These investments total about $63.8 billion in both carrying value and fair value.

Deferred Compensation Program (DCP), Judicial Retirement Account (JRA) and Defined Contribution — SELF Plan Assets: The assets within DCP, JRA and SELF investments total $7.8 billion and represent less than 9 percent of the total investments DRS administers. (Please refer to the "Investment Maturities" schedule on page 31 of this report). Participation and membership in these options are voluntary. Although withdrawals from the options are restricted to those who have left employment (except in the case of hardship withdrawals from DCP), the participants/members own these assets, have full control over their investment choices and assume the responsibility for the results of those choices.

The composition of these assets is as follows:

- **46 Percent Retirement Strategy Funds (Target Date Funds):** These funds are customized asset allocation portfolios that WSIB-contracted investment professionals manage. They offer investors a diversified mix of equities, bonds and global REITs in five-year increments. Each of these funds has both actively and passively managed investments. The investment mix becomes progressively more conservative over time as the fund approaches and passes through its target date for retirement. These funds are not publicly traded and, thus, have no ratings. Foreign credit risk and fixed income exposure are deemed immaterial for these funds as of June 30, 2015.
- **25 Percent Equity Index Funds:** Four funds are in this category. All are passively managed, and all seek to meet or surpass the returns of established benchmarks.
- **11 Percent Guaranteed Investment Contracts (GIC):** GICs are valued at contract value as the respective insurance companies or investment managers estimate. GICs provide a guaranteed return on the principal invested over a specified time period. The GIC pool has no credit rating because it is not a publicly traded fund. The pool has no duration since GICs are priced at par. The GIC pool contained no foreign currency exposure as of June 30, 2015.
- **6 Percent Short-Term Investment Fund:** This fund is not publicly traded.
- **3 Percent U.S. Socially Responsible Fund:** This is a balanced fund containing both equities and fixed-income components.
- **9 Percent Bond Fund:** The Washington State Bond Fund has no rating because it is not publicly traded. Refer to the tables below for the maturities, effective duration and credit ratings of its underlying securities.

Investment Maturities
As of June 30, 2015 — Expressed in Thousands

Investment Type	Total Fair Value	Maturity: Less Than 1 Year	Maturity: 1-5 Years	Maturity: 6-10 Years	Maturity: More Than 10 Years	Effective Duration
Corporate Bonds	$ 601,611	$ 50,748	$ 313,502	$ 233,788	$ 3,573	4.54
Foreign Government and Agency Securities	45,283	7,006	21,860	16,417	–	4.36
Total Categorized Investments	**$ 646,894**	**$ 57,754**	**$ 335,362**	**$ 250,205**	**$ 3,573**	

Credit Ratings (Moody's Equivalent)
As of June 30, 2015 — Expressed in Thousands

Investment Type	Fair Value	Moody's Equivalent Credit Rating: Aaa	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Ba1 or lower
Corporate Bonds	$ 601,611	$ 31,994	$ 1,590	$ 5,350	$ 70,719	$ 41,693	$ 93,571	$ 83,206	$ 85,970	$ 94,422	$ 84,127	$ 8,969
Foreign Government and Agency Securities	45,283	6,208	2,219	5,787	18,279	2,231	–	–	3,589	3,399	3,571	–
Total	**$ 646,894**	**$ 38,202**	**$ 3,809**	**$ 11,137**	**$ 88,998**	**$ 43,924**	**$ 93,571**	**$ 83,206**	**$ 89,559**	**$ 97,821**	**$ 87,698**	**$ 8,969**

Management Fees: The fees the WSIB paid are accounted for as a reduction of investment income or are netted directly from the asset value of the retirement funds' investments. These fees include investment management fees and commissions, investment consultant fees, and legal fees.

As of June 30, 2015, total investment management fees paid were $316.4 million and total netted fees were $26.6 million. For a detailed disclosure, refer to the "Schedule of Investment Expenses" in the "Supporting Schedules" of the Financial Section of this report.

Unfunded Commitments: The WSIB has entered into agreements that commit the DRS pension funds, upon request, to make additional investment purchases up to a predetermined amount. As of June 30, 2015, the retirement funds had the following unfunded investment commitments in millions of dollars:

Unfunded Commitments As of June 30, 2015 — Expressed in Millions		
Private Equity	$	11,233.1
Real Estate	$	7,374.0
Innovation Portfolio	$	21.9
Tangible Assets	$	1,963.5

I. Reserves

Member Reserves: Member reserves reflect the total liability for all contributions members make. Employee contributions and interest earnings increase these reserves; contribution refunds and transfers to the benefit reserves for current-year retirees decrease these reserves. The member reserves are considered fully funded.

Because PERS Plan 3, SERS Plan 3 and TRS Plan 3 defined contribution plans each offer two separate investment programs to members, DRS maintains two separate member reserves for each defined contribution plan. The WSIB reserves account for members who participate in the WSIB's Total Allocation Portfolio (TAP). The SELF reserves account for members who participate in the self-directed investment offerings.

Member reserves as of June 30, 2015 and 2014, are as follows:

Member Reserves As of June 30, 2015 and 2014 Expressed in Thousands		June 30, 2015		June 30, 2014
PERS Plan 1	$	592,792	$	675,887
PERS Plan 2/3		5,739,362		5,415,618
PERS Plan 3 — WSIB		1,431,839		1,355,131
PERS Plan 3 — SELF		986,350		964,990
SERS Plan 2/3		444,825		416,841
SERS Plan 3 — WSIB		1,259,742		1,226,442
SERS Plan 3 — SELF		428,729		423,828
PSERS Plan 2		146,187		123,513
TRS Plan 1		295,734		358,205
TRS Plan 2/3		623,425		590,989
TRS Plan 3 — WSIB		4,429,634		4,232,176
TRS Plan 3 — SELF		2,801,545		2,730,775
LEOFF Plan 1		16,987		23,420
LEOFF Plan 2		2,411,042		2,266,386
WSPRS Plan 1/2		86,466		84,325
Total Member Reserves	**$**	**21,694,659**	**$**	**20,888,526**

Benefit Reserves: The benefit reserves reflect the funded liability associated with all retired members of DRS-administered systems. These reserves are increased by employer contributions, state contributions, investment earnings and employee contributions that are attributable to current year retirees. These reserves are decreased by the amounts of pensions actually paid in the current year, interest payments transferred to the member reserves and administrative expenses in support of the trust funds.

Benefit reserves as of June 30, 2015 and 2014, are as follows:

Benefit Reserves As of June 30, 2015 and 2014
Expressed in Thousands

	June 30, 2015	June 30, 2014
PERS Plan 1	$ 6,965,520	$ 7,265,678
PERS Plan 2/3	23,772,597	22,683,199
SERS Plan 2/3	3,622,452	3,439,248
PSERS Plan 2	206,574	179,857
TRS Plan 1	5,773,853	6,136,035
TRS Plan 2/3	9,753,606	9,199,514
LEOFF Plan 1	5,593,163	5,695,389
LEOFF Plan 2	7,409,453	6,975,121
LEOFF Plan 2 — Medical	12,173	9,296
WSPRS Plan 1/2	1,024,084	1,014,045
WSPRS Plan 1/2 — Medical	76	58
JRS	6,333	5,035
JRF	514	956
Total Benefit Reserves	**$ 64,140,398**	**$ 62,603,431**

The funded status of each of the benefit reserves is the same as the funded status of each of the respective pension plans, which is shown in the "Solvency Test" schedules in the Actuarial Section of this CAFR.

J. Capital Assets

All capital assets with a unit cost (including ancillary costs) of $5,000 or greater are capitalized and reported in the accompanying financial statements. Capital leases with a net present value or fair market value, whichever is less, of $10,000 or more are capitalized and also included in these financial statements. All purchased capital assets are valued at cost when historical records exist. Donated capital assets are valued at their estimated fair market value on the date of donation. Where necessary, estimates of original cost and fair market value are derived by factoring price levels from the current period to the time of acquisition.

Capital asset costs include the purchase price or construction cost plus those costs necessary to place the asset in its intended location and condition for use. Normal maintenance and repair costs that do not materially add to the value or extend the life of the asset are not capitalized.

Depreciation is calculated using the Straight-Line Method with estimated useful lives of five to 50 years for buildings and three to 50 years for furnishings and equipment, other improvements, and miscellaneous capital assets.

The following is a summary of changes in capital assets for fiscal year 2015:

Changes in Capital Assets
For Fiscal Year 2015 — Expressed in Thousands

Assets	Beginning Balance	Acquisition/ Increase Depreciation	Disposal	Ending Balance
Improvements (Other Than Buildings)	$ 645	$ –	$ –	$ 645
Furnishings and Equipment	1,796	55	–	1,851
Accumulated Depreciation	(2,162)	(124)	–	(2,286)
Total	**$ 279**	**$ (69)**	**$ –**	**$ 210**

K. Leases

DRS leases office facilities and office and computer equipment. Lease terms vary. Leases are considered non-cancelable for financial reporting purposes. All DRS leases are classified as operating leases with the lease payments recorded as expenditures or expenses during the life of the lease. Certain operating leases are renewable for specified periods. In most cases, management expects that the leases will be renewed or replaced by other leases.

The following schedule presents future minimum payments for operating leases as of June 30, 2015:

Future Minimum Payments for Operating Leases
As of June 30, 2015 — Expressed in Thousands

Fiscal Year	Payments
2015	$ 1,495
2016	1,411
2017	1,237
2018	1,236
2019	822
2020 and Beyond	–
Total Future Minimum Payments	**$ 6,201**

The total operating lease rental expenditure for fiscal year 2015 was $1.5 million.

L. Other Long-Term Obligations

Annual Leave: DRS employees accrue annual leave at a variable rate based on years of service. In general, accrued annual leave cannot exceed 30 days at the employee's anniversary date. The expense and accrued liability is recognized when the annual leave is earned. DRS' liability for accumulated annual leave was $0.9 million as of June 30, 2015.

Sick Leave: Employees accrue sick leave at the rate of one day per month without limitation on the amount that can be accumulated. Sick leave is not vested (that is, the department does not pay employees for unused sick leave upon termination except in the event of the employee's death or retirement; at such time, DRS is liable for 25 percent of the employee's accumulated sick leave).

In addition, the state has a sick-leave buyout option. Each January, employees who have accumulated sick leave in excess of 60 days may redeem sick leave earned but not taken during the previous year at the rate of one day's pay in exchange for four days of sick leave. The expense and accrued liability is recognized when the sick leave is earned. DRS' liability for accumulated sick leave was $0.4 million as of June 30, 2015.

The following is a summary of changes in compensated absences for the fiduciary funds for fiscal year 2015:

Changes in Compensated Absences
For Fiscal Year 2015 — Expressed in Thousands

Compensated Absences	Beginning Balance	Additions	Deletions	Ending Balance
Annual Leave	$ 973	$ 1,067	$ (1,107)	$ 933
Sick Leave	440	150	(170)	420
Total	**$ 1,413**	**$ 1,217**	**$ (1,277)**	**$ 1,353**

M. Transfers

Transfers from and to other pension plans, as reported in the financial statements, typically reflect routine transfers among the various trust funds resulting from plan membership changes and member-directed defined contribution plan selections. In fiscal year 2015, these transfers totaled $4.8 million and represented a slight decrease from the previous year.

N. Contingencies — Litigation

As a state agency, DRS is party to legal proceedings that normally occur in governmental operations. There are pending legal actions involving DRS. For each pending legal action, DRS has good defenses and will continue to bring a vigorous defense to each case.

Note 2: General Description of the Retirement Systems

A. General

The state Legislature establishes and amends laws pertaining to the creation and administration of all public retirement systems. As established in the Revised Code of Washington (RCW) chapter 41.50, the Department of Retirement Systems (DRS) administers eight retirement systems covering eligible employees of the state and local governments.

The governor appoints the director of DRS.

Administration of the retirement systems is funded by a current employer rate of 0.18 percent of reported compensation.

The retirement systems are composed of 12 defined benefit pension plans and three combination defined benefit plans that have defined contribution components.

They include:

Cost-sharing, multiple-employer plans

Public Employees' Retirement System (PERS)
- Plan 1: Defined benefit
- Plan 2: Defined benefit
- Plan 3: Defined benefit/defined contribution

School Employees' Retirement System (SERS)
- Plan 2: Defined benefit
- Plan 3: Defined benefit/defined contribution

Public Safety Employees' Retirement System (PSERS)
- Plan 2: Defined benefit

Teachers' Retirement System (TRS)
- Plan 1: Defined benefit
- Plan 2: Defined benefit
- Plan 3: Defined benefit/defined contribution

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)
- Plan 1: Defined benefit
- Plan 2: Defined benefit

Single-employer plans

Washington State Patrol Retirement System (WSPRS)
- Plan 1: Defined benefit
- Plan 2: Defined benefit

Judicial Retirement System (JRS)
- Defined benefit

Judges' Retirement Fund (JRF)
- Defined benefit

Number of Participating Members

Plan	Retirees and Beneficiaries Receiving Benefits	Terminated Members Entitled to But Not Yet Receiving Benefits	Active Plan Members Vested	Active Plan Members Nonvested	Total
PERS Plan 1	51,070	1,178	4,548	234	57,030
PERS Plan 2	35,142	25,963	87,567	29,418	178,090
PERS Plan 3	2,634	4,575	12,869	17,825	37,903
SERS Plan 2	5,796	5,357	13,583	9,367	34,103
SERS Plan 3	4,825	6,963	20,111	10,721	42,620
PSERS Plan 2	62	213	3,014	1,806	5,095
TRS Plan 1	35,639	323	1,809	15	37,786
TRS Plan 2	3,894	2,357	6,558	7,074	19,883
TRS Plan 3	6,094	7,655	35,637	16,200	65,586
LEOFF Plan 1	7,605	2	120	–	7,727
LEOFF Plan 2	3,235	749	14,487	2,286	20,757
WSPRS Plan 1	996	124	609	–	1,729
WSPRS Plan 2	–	15	259	176	450
JRS	108	–	–	–	108
JRF	12	–	–	–	12
Total	**157,112**	**55,474**	**201,171**	**95,122**	**508,879**

The latest actuarial valuation date for all plans was June 30, 2014.

Source: Washington State Office of the State Actuary

Number of Participating Employers

Plan	Component Units of the State of Washington	Counties/Municipalities	School Districts	Other Political Subdivisions	Total
PERS Plan 1	123	132	200	140	595
PERS Plan 2	157	276	–	510	943
PERS Plan 3	149	211	–	323	683
SERS Plan 2	–	–	302	–	302
SERS Plan 3	–	–	300	–	300
PSERS Plan 2	9	65	–	1	75
TRS Plan 1	34	–	217	–	251
TRS Plan 2	26	–	295	–	321
TRS Plan 3	41	–	303	–	344
LEOFF Plan 1	–	27	–	6	33
LEOFF Plan 2	8	205	–	157	370
WSPRS Plan 1	1	–	–	–	1
WSPRS Plan 2	1	–	–	–	1
JRS	–	–	–	–	–
JRF	–	–	–	–	–
Total	**549**	**916**	**1,617**	**1,137**	**4,219**

Employers can participate in multiple systems and/or plans. The actual total number of participating employers as of June 30, 2015, is 1,325. Of that number, 157 are component units of the state.

For a list of covered employers, refer to the Statistical Section of this report.

B. System and Plan Descriptions

Public Employees' Retirement System (PERS)

Administration: PERS was established in 1947, and its retirement benefit provisions are contained in chapters 41.34 and 41.40 RCW. PERS is a cost-sharing, multiple-employer retirement system composed of three separate pension plans for membership purposes. PERS Plan 1 and PERS Plan 2 are defined benefit plans, and PERS Plan 3 is a defined benefit plan with a defined contribution component.

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the Legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs (HERPs).

PERS is composed of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3 and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefits of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of Plan 2/3 may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as the terms of the plans define. Therefore, Plan 2/3 is considered a single plan for accounting purposes.

PERS Plan 1

As of June 30, 2015, 511 employers and 649 nonemployer contributing entities were participating in PERS Plan 1. The plan is closed to new entrants.

Plan Membership: As of June 30, 2014, the date of the latest valuation, PERS Plan 1 membership consisted of the following:

PERS Plan 1	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	51,070
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	1,178
Active Plan Members	4,782
Total Membership	**57,030**

Vesting: PERS 1 members were vested after the completion of five years of eligible service.

Benefits Provided: PERS Plan 1 provides retirement, disability and death benefits. Retirement benefits are calculated using 2 percent of the member's Average Final Compensation (AFC) times the member's years of service. AFC is the average of the member's 24 consecutive highest-paid service credit months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service.

PERS Plan 1 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Members retiring from inactive status before the age of 65 may also receive actuarially reduced benefits. Other benefits include duty and nonduty disability payments, an optional Cost-of-Living Adjustment (COLA), and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries.

Contributions: The PERS Plan 1 member contribution rate is established by statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary (OSA) and includes an administrative expense component that is currently set at 0.18 percent.

The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

PERS Plan 1		
Actual Contribution Rates	**Employer**	**Employee**
State Agencies	9.21%	6.00%
Local Governmental Units	9.21%	6.00%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on PERS Plan 1 pension investments, net of pension plan investment expense, was 4.45 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of PERS 1 as of June 30, 2015, were as follows:

PERS Plan 1 Dollars in Thousands		
Total Pension Liability	$	12,789,242
Plan Fiduciary Net Position		(7,558,312)
Participating Employers' Net Pension Liability	**$**	**5,230,930**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		59.10%

Actuarial Assumptions[2]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

PERS Plan 1	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

[1] The Washington State Investment Board provided the money-weighted rates of return.

[2] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

PERS Plan 1

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually required rates (including PERS Plan 2/3, PSERS Plan 2 and SERS Plan 2/3 employers, whose rates include a component for the PERS Plan 1 liability). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

PERS Plan 1
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$6,368,671	$5,230,930	$4,252,577

PERS Plan 2/3

As of June 30, 2015, 818 employers were participating in PERS Plan 2/3.

Plan membership: As of June 30, 2014, the date of the latest valuation, PERS Plan 2/3 membership consisted of the following:

PERS Plan 2/3

	Plan 2	Plan 3
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	35,142	2,634
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	25,963	4,575
Active Plan Members	116,985	30,694
Total Membership	**178,090**	**37,903**

Vesting: PERS Plan 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service or after five years of service if 12 months of that service are earned after age 44.

Benefits Provided: PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits for Plan 2 are calculated using 2 percent of the member's

Average Final Compensation (AFC) times the member's years of service. Retirement defined benefits for Plan 3 are calculated using 1 percent of AFC times the member's years of service. AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. PERS Plan 2/3 has no cap on years of service credit.

Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by a factor that varies according to age for each year before age 65.

PERS Plan 2/3 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit.

Other PERS Plan 2/3 benefits include duty and nonduty disability payments; a Cost-of-Living Adjustment (COLA) based on the Consumer Price Index, capped at 3 percent annually; and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries

Contributions: The PERS Plan 2/3 employer and employee contribution rates are developed by the Office of the State Actuary (OSA) to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 unfunded actuarial accrued liability and an administrative expense that is currently set at 0.18 percent.

The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

PERS Plan 2/3

Actual Contribution Rates	Employer	Employee Plan 2	Employee Plan 3
State Agencies	9.21%	4.92%	0%
Local Governmental Units	9.21%	4.92%	0%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on PERS Plan 2/3 pension investments, net of pension plan investment expense, was 4.63 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of PERS 2/3 as of June 30, 2015, were as follows:

PERS Plan 2/3
Dollars in Thousands

Total Pension Liability	$	33,085,016
Plan Fiduciary Net Position		(29,511,959)
Participating Employers' Net Pension Liability	**$**	**3,573,057**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		89.20%

[1] The Washington State Investment Board provided the money-weighted rates of return.

Actuarial Assumptions[1]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

PERS Plan 2/3	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

PERS Plan 2/3		
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually

[1] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

PERS Plan 2/3
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$10,447,804	$3,573,057	$(1,690,679)

PERS Plan 3

As of June 30, 2015, 550 employers were participating in PERS Plan 3.

Plan Membership: As of June 30, 2014, the date of the latest valuation, PERS Plan 3 membership consisted of the following:

PERS Plan 3	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	2,634
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	4,575
Active Plan Members	30,694
Total Membership	**37,903**

Vesting: PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Benefits Provided: PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions.

Contributions: PERS Plan 3 members choose their contribution rate when joining membership and can change rates only when changing employers. As established by chapter 41.34 RCW, Plan 3 defined contribution rates are set at a minimum of 5 percent and a maximum of 15 percent; members have six rate options to choose from. Employers do not contribute to the defined contribution benefits.

School Employees' Retirement System (SERS)

Administration: The Legislature created SERS in 1998, and the plan became effective in 2000. SERS retirement benefit provisions are established in chapters 41.34 and 41.35 RCW. SERS members include classified employees of school districts and educational service districts. SERS is a cost-sharing, multiple-employer retirement system composed of two separate plans for membership purposes. SERS Plan 2 is a defined benefit plan, and SERS Plan 3 is a defined benefit plan with a defined contribution component.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

SERS Plan 2/3

As of June 30, 2015, 304 employers were participating in SERS Plan 2/3.

Plan Membership: As of June 30, 2014, the date of the latest valuation, SERS Plan 2/3 membership consisted of the following:

SERS Plan 2/3	Plan 2	Plan 3
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	5,796	4,825
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	5,357	6,963
Active Plan Members	22,950	30,832
Total Membership	**34,103**	**42,620**

Vesting: SERS 2 members are vested after completing five years of eligible service. SERS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service or after five years of service if 12 months of that service are earned after age 44.

Benefits Provided: SERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits for Plan 2 are calculated using 2 percent of the member's Average Final Compensation (AFC) times the member's years of service for Plan 2. Retirement benefits for Plan 3 are calculated using 1 percent of AFC times the member's years of service. AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. SERS Plan 2/3 has no cap on years of service credit.

Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. SERS members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by a factor that varies according to age for each year before age 65.

SERS Plan 2/3 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit.

Other SERS Plan 2/3 benefits include duty and nonduty disability payments; a Cost-of-Living Adjustment (COLA) based on the Consumer Price Index, capped at 3 percent annually; and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries

Contributions: The SERS Plan 2/3 employer and employee contribution rates are developed by the Office of the State Actuary (OSA) to fully fund the defined benefits of Plan 2/3. The employer rate includes components to address the PERS Plan 1 unfunded actuarial accrued liability and an administrative expense currently set at 0.18 percent.

The SERS Plan 2/3 required defined benefit contribution rates (expressed as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

SERS Plan 2/3

Actual Contribution Rates	Employer	Employee Plan 2	Employee Plan 3
State Agencies	9.82%	4.64%	0%
Local Governmental Units	9.82%	4.64%	0%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on SERS Plan 2/3 pension investments, net of pension plan investment expense, was 4.64 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

[1] The Washington State Investment Board provided the money-weighted rates of return.

Net Pension Liability of Participating Employers
The components of the net pension liability of SERS 2/3 as of June 30, 2015, were as follows:

SERS Plan 2/3 Dollars in Thousands		
Total Pension Liability	$	4,473,428
Plan Fiduciary Net Position		(4,067,277)
Participating Employers' Net Pension Liability	**$**	**406,151**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		90.92%

Actuarial Assumptions[1]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

SERS Plan 2/3	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

SERS Plan 2/3		
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future

[1] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from members and employers are assumed to continue to be made at contractually required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

SERS Plan 2/3
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$1,282,039	$406,151	$(273,474)

SERS Plan 3

As of June 30, 2015, 301 employers were participating in SERS Plan 3.

Plan Membership: As of June 30, 2014, the date of the latest valuation, SERS Plan 3 membership consisted of the following:

SERS Plan 3	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	4,825
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	6,963
Active Plan Members	30,832
Total Membership	**42,620**

Vesting: SERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Benefits Provided: SERS Plan 3 defined contributions benefits are totally dependent on employee contributions and the investment earnings on those contributions.

Contributions: SERS Plan 3 members choose their contribution rate when joining membership and can change rates only when changing employers. As established by chapter 41.34 RCW, Plan 3 defined contribution rates are set at a minimum of 5 percent and a maximum of 15 percent; members have six rate options to choose from. Employers do not contribute to the defined contribution benefits.

Public Safety Employees' Retirement System (PSERS)

Administration: The Legislature created PSERS in 2004, and the plan became effective July 1, 2006. PSERS retirement benefit provisions are established in chapter 41.37 RCW. PSERS is a cost-sharing, multiple-employer retirement system composed of a single defined benefit plan, PSERS Plan 2.

PSERS membership includes:

- PERS 2 and 3 employees hired before July 1, 2006, who met at least one of the PSERS eligibility criteria and elected membership during the period of July 1, 2006, to September 30, 2006
- Employees hired on or after July 1, 2006, who meet at least one of the PSERS eligibility criteria
- Covered employers of PSERS include:
  - Certain Washington state agencies (for example, Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol)
  - Washington state counties
  - Washington state cities (except for the first-class cities of Seattle, Spokane and Tacoma)
  - Correctional entities PSERS employers formed under the Interlocal Cooperation Act

To be eligible for PSERS, an employee must work full time and meet at least one of the following criteria:

- Have completed a certified criminal-justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington and carry a firearm as part of the job
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals
- Function as a limited authority Washington peace officer, as defined in RCW 10.93.020
- Have primary responsibility to supervise eligible members who meet the above criteria

PSERS is composed of one plan for accounting purposes: Plan 2. Plan 2 accounts for the defined benefits of PSERS members.

PSERS Plan 2

As of June 30, 2015, 67 employers were participating in PSERS Plan 2.

Plan Membership: As of June 30, 2014, the date of the latest valuation, PSERS Plan 2 membership consisted of the following:

PSERS Plan 2	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	62
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	213
Active Plan Members	4,820
Total Membership	**5,095**

Vesting: PSERS members are vested after completing five years of eligible service.

Benefits Provided: PSERS Plan 2 provides retirement, disability and death benefits. Retirement benefits are calculated using 2 percent of the member's Average Final Compensation (AFC) times the member's years of service. AFC is based on the member's 60 consecutive highest-paid months of service credit.

Members are eligible for retirement at age 65 with five years of service, at age 60 with at least 10 years of PSERS service credit or at age 53 with 20 years of service. Benefits are actuarially reduced for each year the member's age is less than 60 (with 10 or more service credit years in PSERS) or less than 65 (with fewer than 10 service credit years). There is no cap on years of service credit. Retirement before age 60 is considered an early retirement. PSERS members who retire before turning 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a 3 percent per year reduction for each year between age at retirement and age 60 applies. PSERS retirement benefits are actuarially reduced to reflect the choice of a survivor benefit.

Other PSERS Plan 2 benefits include duty and nonduty disability payments, an optional Cost-of-Living Adjustment (COLA), and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries.

Contributions: The PSERS Plan 2 employer and employee contribution rates are developed by the Office of the State Actuary (OSA) to fully fund Plan 2. The employer rate includes a component to address the PERS Plan 1 unfunded actuarial accrued liability and an administrative expense that is currently set at 0.18 percent.

The PSERS Plan 2 required contribution rates (expressed as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

PSERS Plan 2		
Actual Contribution Rates	**Employer**	**Employee**
State Agencies	10.54%	6.36%
Local Governmental Units	10.54%	6.36%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic

Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on PSERS Plan 2 pension investments, net of pension plan investment expense, was 4.76 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of PSERS 2 as of June 30, 2015, were as follows:

PSERS Plan 2 Dollars in Thousands		
Total Pension Liability	$	371,013
Plan Fiduciary Net Position		(352,761)
Participating Employers' Net Pension Liability	**$**	**18,252**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		95.08%

Actuarial Assumptions[2]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

PSERS Plan 2	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

[1] The Washington State Investment Board provided the money-weighted rates of return.

[2] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

PSERS Plan 2

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually required rates (including PERS Plan 2/3, PSERS Plan 2 and SERS Plan 2/3 employers whose rates include a component for the PERS Plan 1 liability). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

PSERS Plan 2
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$138,690	$18,252	$(67,421)

Teachers' Retirement System (TRS)

Administration: TRS was established in 1938, and its retirement benefit provisions are contained in chapters 41.32 and 41.34 RCW. TRS eligibility for membership requires service as a certificated public school employee working in an instructional, administrative or supervisory capacity. TRS is a cost-sharing, multiple-employer retirement system composed of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans, and Plan 3 is a defined benefit plan with a defined contribution component.

TRS is composed of three separate plans for accounting purposes: Plan 1, Plan 2/3 and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as the terms of the plans define. Therefore, Plan 2/3 is considered a single plan for accounting purposes.

TRS Plan 1

As of June 30, 2015, 227 employers and 91 nonemployer contributing entities were participating in TRS Plan 1. The plan is closed to new entrants.

Plan Membership: As of June 30, 2014, the date of the latest valuation, TRS Plan 1 membership consisted of the following:

TRS Plan 1	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	35,639
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	323
Active Plan Members	1,824
Total Membership	**37,786**

Vesting: TRS 1 members were vested after the completion of five years of eligible service.

Benefits Provided: TRS Plan 1 provides retirement, disability and death benefits. Retirement benefits are calculated using 2 percent of the member's Average Final Compensation (AFC) times the member's years of service — up to a maximum of 60 percent. AFC is the average of the member's 24 consecutive highest-paid service credit months.

Members are eligible for retirement at any age after 30 years of service, at age 60 with five years of service or at age 55 with 25 years of service. Other benefits include temporary and permanent disability payments, an optional Cost-of-Living Adjustment (COLA), and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries.

Contributions: The TRS Plan 1 member contribution rate is set by statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary (OSA) and includes an administrative expense component currently set at 0.18 percent.

The TRS Plan 1 required contribution rates (expressed as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

TRS Plan 1		
Actual Contribution Rates	**Employer**	**Employee**
State Agencies	10.39%	6.00%
Local Governmental Units	10.39%	6.00%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on TRS Plan 1 pension investments, net of pension plan investment expense, was 4.41 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of TRS 1 as of June 30, 2015, were as follows:

TRS Plan 1 Dollars in Thousands		
Total Pension Liability	$	9,237,730
Plan Fiduciary Net Position		(6,069,588)
Participating Employers' Net Pension Liability	**$**	**3,168,142**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		65.70%

[1] The Washington State Investment Board provided the money-weighted rates of return.

Actuarial Assumptions[1]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

TRS Plan 1	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

TRS Plan 1		
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually

[1] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

required rates (including TRS Plan 2/3 employers, whose rates include a component for the TRS Plan 1 liability). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

TRS Plan 1
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$3,982,571	$3,168,142	$2,467,801

TRS Plan 2/3

As of June 30, 2015, 304 employers were participating in TRS Plan 2/3.

Plan Membership: As of June 30, 2014, the date of the latest valuation, TRS Plan 2/3 membership consisted of the following:

TRS Plan 2/3

	Plan 2	Plan 3
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	3,894	6,094
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	2,357	7,655
Active Plan Members	13,632	51,837
Total Membership	**19,883**	**65,586**

Vesting: TRS Plan 2 members are vested after completing five years of eligible service. TRS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service or after five years of service if 12 months of that service are earned after age 44.

Benefits Provided: TRS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits for Plan 2 are calculated using 2 percent of the member's Average Final Compensation (AFC) times the member's years of service. Retirement defined benefits for Plan 3 are calculated using 1 percent of AFC times the member's years of service. AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. TRS Plan 2/3 has no cap on years of service credit.

Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. TRS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by a factor that varies according to age for each year before age 65. TRS Plan 2/3 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit.

Other TRS Plan 2/3 benefits include duty and nonduty disability payments; a Cost-of-Living Adjustment (COLA) based on the Consumer Price Index, capped at 3 percent annually; and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries.

Contributions: The TRS Plan 2/3 member and employer contribution rates are developed by the Office of the State Actuary (OSA) to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include components to address the TRS Plan 1 unfunded actuarial accrued liability and an administrative expense that is currently set at 0.18 percent.

The TRS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

TRS Plan 2/3

Actual Contribution Rates	Employer	Employee Plan 2	Employee Plan 3
State Agencies	10.39%	4.96%	0%
Local Governmental Units	10.39%	4.96%	0%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on TRS Plan 2/3 pension investments, net of pension plan investment expense, was 4.65 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of TRS 2/3 as of June 30, 2015, were as follows:

TRS Plan 2/3 Dollars in Thousands		
Total Pension Liability	$	11,220,833
Plan Fiduciary Net Position		(10,377,031)
Participating Employers' Net Pension Liability	**$**	**843,802**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		92.48%

Actuarial Assumptions[2]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

TRS Plan 2/3	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

[1] The Washington State Investment Board provided the money-weighted rates of return.

[2] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

TRS Plan 2/3

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

TRS Plan 2/3
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$3,570,229	$843,802	$(1,183,066)

TRS Plan 3

As of June 30, 2015, 302 employers were participating in TRS Plan 3.

Plan Membership: As of June 30, 2014, the date of the latest valuation, TRS Plan 3 membership consisted of the following:

TRS Plan 3

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	6,094
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	7,655
Active Plan Members	51,837
Total Membership	**65,586**

Vesting: TRS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Benefits Provided: TRS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions.

Contributions: TRS Plan 3 members choose their contribution rate when joining membership and can change rates only when changing employers. As established by chapter 41.34 RCW, the Plan 3 defined contribution rates are set at a minimum of 5 percent and a maximum of 15 percent; members have six rate options to choose from. Employers do not contribute to the defined contribution benefits.

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

Administration: LEOFF was established in 1970, and its retirement benefit provisions are contained in chapters 41.26 RCW. LEOFF membership includes all of the state's full-time, fully compensated, local law enforcement commissioned officers, fire fighters and, as of July 24, 2005, emergency medical technicians.

LEOFF is a cost-sharing, multiple-employer retirement system composed of two separate pension plans for both membership and accounting purposes. Both LEOFF plans are defined benefit plans.

LEOFF Plan 1

As of June 30, 2015, 48 employers were participating in LEOFF Plan 1. The plan is closed to new entrants.

Plan Membership: As of June 30, 2014, the date of the latest valuation, LEOFF Plan 1 membership consisted of the following:

LEOFF Plan 1	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	7,605
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	2
Active Plan Members	120
Total Membership	**7,727**

Vesting: LEOFF Plan 1 members were vested after the completion of five years of eligible service.

Benefits Provided: LEOFF Plan 1 provides retirement, disability and death benefits. Retirement benefits are determined per year of service and are calculated as a percent of Final Average Salary (FAS) as follows:

LEOFF Plan 1	
Terms of Service	**% of FAS**
20+	2%
10-19	1.5%
5-9	1.0%

FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the consecutive highest-paid 24 months' salary within the last 10 years of service. Members are eligible for retirement with five years of service at age 50.

Other benefits include duty and nonduty disability payments, a Cost-of-Living Adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries.

Contributions: LEOFF Plan 1 had no required employer or employee contributions for fiscal year 2015. Employers paid only the administrative expense of 0.18 percent of covered payroll.

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on LEOFF Plan 1 pension investments, net of pension plan investment expense, was 4.51 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

[1]The Washington State Investment Board provided the money-weighted rates of return.

Net Pension Liability of Participating Employers
The components of the net pension liability of LEOFF 1 employers as of June 30, 2015, were as follows:

LEOFF Plan 1 Dollars in Thousands		
Total Pension Liability	$	4,404,928
Plan Fiduciary Net Position		(5,610,149)
Participating Employers' Net Pension Liability	**$**	**(1,205,221)**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		127.36%

Actuarial Assumptions[1]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

LEOFF Plan 1	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

LEOFF Plan 1		
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was

[1]The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

LEOFF Plan 1
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$(771,044)	$(1,205,221)	$(1,575,276)

LEOFF Plan 2

As of June 30, 2015, 368 employers were participating in LEOFF Plan 2.

Plan Membership: As of June 30, 2014, the date of the latest valuation, LEOFF Plan 2 membership consisted of the following:

LEOFF Plan 2	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	3,235
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	749
Active Plan Members	16,773
Total Membership	**20,757**

Vesting: LEOFF Plan 2 members are vested after the completion of five years of eligible service.

Benefits Provided: LEOFF Plan 2 provides retirement, disability and death benefits. Retirement benefits are calculated using 2 percent of the member's Final Average Salary (FAS) times the member's years of service. FAS is the monthly average of the member's 60 consecutive highest-paid service credit months. Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire before age 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year before age 53. Otherwise, the benefits are actuarially reduced for each year before age 53. LEOFF Plan 2 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit.

Other LEOFF Plan 2 benefits include duty and nonduty disability payments; a Cost-of-Living Allowance (based on the Consumer Price Index), capped at 3 percent annually; and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries.

Contributions: The LEOFF Plan 2 employer and employee contribution rates are developed by the Office of the State Actuary (OSA) to fully fund Plan 2. The employer rate includes an administrative expense component set at 0.18 percent.

The LEOFF Plan 2 required contribution rates (expressed

as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

LEOFF Plan 2		
Actual Contribution Rates	**Employer**	**Employee**
State Agencies	5.23%	8.41%
Local Governmental Units	8.59%	8.41%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on LEOFF Plan 2 pension investments, net of pension plan investment expense, was 4.64 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of the participating LEOFF 2 employers as of June 30, 2015, were as follows:

LEOFF Plan 2 Dollars in Thousands		
Total Pension Liability	$	8,804,869
Plan Fiduciary Net Position		(9,832,669)
Participating Employers' Net Pension Liability	**$**	**(1,027,800)**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		111.67%

Actuarial Assumptions[2]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

LEOFF Plan 2	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block

[1] The Washington State Investment Board provided the money-weighted rates of return.

[2] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

LEOFF Plan 2

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.50 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

LEOFF Plan 2
Dollars in Thousands

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employers' Net Pension Liability	$1,029,275	$(1,027,800)	$(2,575,827)

Washington State Patrol Retirement System (WSPRS)

Administration: WSPRS was established by the Legislature in 1947, and its retirement benefit provisions are contained in chapter 43.43 RCW. WSPRS is a single-employer retirement system composed of two separate pension plans, and membership includes only commissioned employees of the Washington State Patrol.

WSPRS Plan 1 and WSPRS Plan 2 are defined benefit

plans. The plans are reported together for financial reporting and investment purposes in the same pension fund. All assets of this combined Plan 1/2 may legally be used to pay the defined benefits of any WSPRS members or beneficiaries, as the terms of the plans define.

WSPRS Plan 1/2

As of June 30, 2015, one employer was participating in WSPRS.

Plan Membership: As of June 30, 2014, the date of the latest valuation, membership consisted of the following:

WSPRS Plan 1/2	Plan 1	Plan 2
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	996	0
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	124	15
Active Plan Members	609	435
Total Membership	**1,729**	**450**

Vesting: Active WSPRS Plan 1 and Plan 2 members do not have to meet a vesting requirement. Inactive WSPRS members are vested after the completion of five years of eligible service.

Plan 1 is closed to new entrants. All new WSPRS members are enrolled in Plan 2.

Benefits Provided: WSPRS Plans 1 and 2 provide retirement, disability and death benefits. Retirement benefits are calculated using 2 percent of the member's Average Final Salary (AFS) times the member's years of service, capped at 75 percent. For Plan 1 members, AFS is based on the average of the member's 24 consecutive highest-paid service credit months. For Plan 2 members, AFS is based on the average of the member's 60 consecutive highest-paid service credit months.

Active members are eligible for retirement at age 55 with no minimum required service credit or at any age with 25 years of service credit. Members must retire no later than the first of the month following the month they reach age 65, unless the member is chief of the Washington State Patrol. WSPRS retirement benefits are actuarially reduced to reflect the choice of a survivor benefit.

Other benefits include a Cost-of-Living Adjustment (COLA), death benefits and a one-time, duty-related death benefit, if found eligible by the Washington State Department of Labor & Industries.

Contributions: The WSPRS Plans 1 and 2 employer and employee contribution rates are developed by the Office of the State Actuary (OSA) to fully fund WSPRS. The employer rate includes an administrative expense component currently set a 0.18 percent.

The WSPRS required contribution rates (expressed as a percentage of covered payroll) at the close of fiscal year 2015 were as follows:

WSPRS Plan 1/2		
Actual Contribution Rates	**Employer**	**Employee**
State Agencies	8.09%	6.59%

Investments

Investment Policy: The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of WSIB-adopted investment policies for the various asset classes.

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on WSPRS Plan 1/2 pension investments, net of pension plan investment expense, was 4.56 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of WSPRS as of June 30, 2015, were as follows:

WSPRS Plan 1/2 Dollars in Thousands		
Total Pension Liability	$	1,130,177
Plan Fiduciary Net Position		(1,110,626)
Participating Employers' Net Pension Liability	**$**	**19,551**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		98.27%

Actuarial Assumptions[2]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

WSPRS Plan 1/2	
Inflation	3.0% total economic inflation, 3.75% salary inflation
Salary Increases	In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment Rate of Return	7.50%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the WSIB develops a best estimate of expected future rates of return (expected returns net of pension plan investment expense but including inflation) for each major asset class. Those expected returns make up one component of WSIB's Capital Market Assumptions (CMAs).

The CMAs contain three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.50 percent approximately equals the median of the simulated investment returns over a 50-year time horizon, adjusted to remove or dampen any short-term changes to WSIB's CMAs that aren't expected over the entire 50-year measurement period.

[1] The Washington State Investment Board provided the money-weighted rates of return.

[2] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

WSPRS Plan 1/2		
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Fixed Income	20.00%	1.70%
Tangible Assets	5.00%	4.40%
Real Estate	15.00%	5.80%
Global Equity	37.00%	6.60%
Private Equity	23.00%	9.60%

The inflation component used to create the table above is 2.20 percent and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test.

Contributions from plan members and employers are assumed to continue to be made at contractually required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The table below presents the net pension liability of the employers calculated using the discount rate of 7.50 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

WSPRS Plan 1/2 Dollars in Thousands			
	1% Decrease (6.50%)	**Current Discount Rate (7.50%)**	**1% Increase (8.50%)**
Employers' Net Pension Liability	$208,202	$19,551	$(128,553)

Judicial Retirement System (JRS)

Administration: JRS was established by the Legislature in 1971, and its retirement benefit provisions are contained in chapter 2.10 RCW. JRS is a single-employer retirement system, and membership includes judges elected or appointed to the Supreme Court, Court of Appeals and Superior Courts on or after August 9, 1971.

JRS is composed of and reported as one plan for accounting purposes. JRS is closed to new entrants.

Plan Membership: As of June 30, 2014, the date of the latest valuation), JRS membership consisted of the following:

JRS	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	108
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	0
Total Membership	**108**

Vesting: JRS members were vested after the completion of 15 years of eligible service or 12 years if the member left office involuntarily.

Benefits Provided: JRS provides retirement, disability and death benefits. Retirement benefits are calculated using 3 1/2 percent of the member's Final Average Salary (FAS) for members with 15 years of eligible service and 3 percent of FAS for members with 10 to 14 years of eligible service.

JRS members are eligible for retirement at the age of 60 with 15 years of service or with 12 years of service (if the member left office involuntarily and at least 15 years have passed from the beginning of judicial service).

Contributions: JRS had no active plan members during fiscal year 2015; therefore, no employer and employee contributions were required. JRS retirement benefits are financed on a pay-as-you-go basis from a combination of investment earnings and funding from the state.

Investments

The Office of the State Treasurer (OST) manages all pension assets for JRS.

Investment Policy: The overall objective of the OST investment policy is to construct an investment portfolio that is optimal, or efficient. An optimal, or efficient, portfolio is one that provides the greatest expected return for a given expected level of risk, or the lowest expected risk for a given expected return.

Eligible investments are only those securities and deposits authorized by statute (chapters 39.58, 39.59, 43.250 and 43.84.080 RCW) and include:

- Obligations of the U.S. government
- Obligations of U.S. government agencies or of corporations wholly owned by the U.S. government
- Obligations of government-sponsored enterprises that are or might become eligible as collateral for advances to member banks as determined by the board of governors of the Federal Reserve
- Banker's acceptances purchased on the secondary market rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase (if the banker's acceptance is rated by more than two NRSROs, it must have the highest rating from all the organizations)
- Commercial paper as long as the OST adheres to policies and procedures of the WSIB regarding commercial paper [RCW 43.84.080(7)]
- Certificates of deposit with financial institutions the Washington Public Deposit Protection Commission has qualified
- The Local Government Investment Pool
- Obligations of Washington state or its political subdivisions

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on JRS pension investments, net of pension plan investment expense, was 0.40 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of JRS as of June 30, 2015, were as follows:

JRS Dollars in Thousands		
Total Pension Liability	$	101,312
Plan Fiduciary Net Position		(6,333)
Participating Employers' Net Pension Liability	**$**	**94,979**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		6.25%

Actuarial Assumptions[2]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

JRS	
Inflation	3.0% total economic inflation
Salary Increases	None; only inactive participants
Investment Rate of Return	4.00%

For JRS, mortality rates were set equal to those used for PERS. Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries

[1] The Washington State Investment Board provided the money-weighted rates of return.

[2] The Washington State Investment Board provided the CMAs and expected rates of return. The Office of the State Actuary relied on the CMAs in its selection of the long-term expected rate of return for purposes of GASB Statement No. 67.

publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

Discount Rate: Contributions are made to JRS to ensure cash is available to make benefit payments. Since this plan is operated on a pay-as-you-go basis, the discount rate used to measure the total pension liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index, or 3.80 percent for the June 30, 2015, measurement date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the employers calculated using the discount rate of 3.80 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.80 percent) or 1 percentage point higher (4.80 percent) than the current rate.

JRS
Dollars in Thousands

	1% Decrease (2.80%)	Current Discount Rate (3.80%)	1% Increase (4.80%)
Employers' Net Pension Liability	$104,498	$94,979	$86,846

Judges' Retirement Fund (JRF)

Administration: The Judges' Retirement Fund (JRF) was established in 1937, and its retirement benefit provisions are contained in chapter 2.12 RCW. JRF is a single-employer retirement system composed of a single defined benefit plan. Members include judges of the Supreme Court, Court of Appeal and Superior Courts of Washington state. JRF has been closed to new entrants since 1971.

JRF is composed of and reported as one plan for accounting purposes.

Plan Membership: As of June 30, 2014, the date of the latest valuation, JRF membership consisted of the following:

JRF	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	12
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	0
Total Membership	**12**

Vesting: JRF members were vested after the completion of 18 years of eligible service at any age or 10 years of eligible service at age 70.

Benefits Provided: JRF provides disability and retirement benefits.

Contributions: No active plan members were in JRF during fiscal year 2015; therefore, no employer and employee contributions were required. JRF retirement benefits are financed on a pay-as-you-go basis from a combination of investment earnings and funding from the state.

Investments

OST manages all pension assets for JRF.

Investment Policy: The overall objective of the OST investment policy is to construct an investment portfolio that is optimal, or efficient. An optimal, or efficient, portfolio is one that provides the greatest expected return for a given expected level of risk, or the lowest expected risk for a given expected return.

Eligible investments are only those securities and deposits authorized by statute (chapters 39.58, 39.59, 43.250 and 43.84.080 RCW) and include:

- Obligations of the U.S. government
- Obligations of U.S. government agencies or of corporations wholly owned by the U.S. government
- Obligations of government-sponsored enterprises that are or might become eligible as collateral for advances to member banks as determined by the board of governors of the Federal Reserve
- Banker's acceptances purchased on the secondary market rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase (if the banker's acceptance is rated by more than two NRSROs, it must have the highest rating from all the organizations)
- Commercial paper as long as the OST adheres to policies and procedures of the WSIB regarding commercial paper [RCW 43.84.080(7)]
- Certificates of deposit with financial institutions the Washington Public Deposit Protection Commission has qualified
- The Local Government Investment Pool
- Obligations of Washington state or its political subdivisions

General information about the retirement funds' investments, valuation, classifications, concentrations and maturities can be found in "Note 1: Summary of Significant Accounting Policies and Plan Asset Matters."

Rate of Return[1]: For the year ended June 30, 2015, the annual money-weighted rate of return on JRF pension investments, net of pension plan investment expense, was 0.40 percent. This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

Net Pension Liability of Participating Employers

The components of the net pension liability of JRF as of June 30, 2015, were as follows:

JRF Dollars in Thousands		
Total Pension Liability	$	3,117
Plan Fiduciary Net Position		(515)
Participating Employers' Net Pension Liability	**$**	**2,602**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability		16.52%

Actuarial Assumptions[2]: The total pension liability was determined by an actuarial valuation as of June 30, 2014, with the results rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

JRF	
Inflation	3.0% total economic inflation
Salary Increases	None; only inactive participants
Investment Rate of Return	4.00%

For JRF, mortality rates were set equal to those used for PERS. Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, which the Society of Actuaries publishes. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetimes.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the 2007-2012 *Experience Study Report*. Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

Discount Rate: Contributions are made to the Judges' Retirement Fund to ensure cash is available to make benefit payments. Since this plan is operated on a pay-

[1] The Washington State Investment Board provided the money-weighted rates of return.

as-you-go basis, the discount rate used to measure the total pension liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index, or 3.80 percent for the June 30, 2015, measurement date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the employers calculated using the discount rate of 3.80 percent as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.80 percent) or 1 percentage point higher (4.80 percent) than the current rate.

JRF
Dollars in Thousands

	1% Decrease (2.80%)	Current Discount Rate (3.80%)	1% Increase (4.80%)
Employers' Net Pension Liability	$2,594	$2,602	$2,399

Recent Legislation Affecting Pension Systems/Plans
DRS-Administered During Fiscal Year 2015
Arranged Chronologically by Effective Date — Page 1 of 2

Legal Reference	Effective Date	Systems/Plans Affected	Description
Chapter 521, Laws of 2009 (ESSSB 5688)	Varies per section from 7/26/09 to 1/1/14	All systems and plans	Domestic partners registered with the state will be treated as married spouses, to the extent that treatment is not in conflict with federal laws.
Chapter 362, Laws of 2011 (SHB 2021)	6/30/11	PERS 1 and TRS 1	The automatic, annual benefit increase for retirees/beneficiaries in PERS 1 and TRS 1 is eliminated, and the Adjusted Minimum Benefit limit is increased to $1,545 per month. Additionally, the minimum employer contribution rates for the unfunded liability of both these plans are lowered.
Chapter 5, Laws of 2011 (HB 2070)	7/1/11	LEOFF 2, PERS, PSERS, SERS, TRS and WSPRS	DRS is required to include the qualifying foregone compensation during the 2011-2013 biennium in the benefit calculation of retiring government employees in LEOFF Plan 2, PERS, PSERS, SERS, TRS and WSPRS.
Chapter 47, Laws of 2011 (ESHB 1981)	Varies per section from 7/1/11 to 1/1/12	PERS, PSERS, SERS and TRS	This multifaceted law: • Limits to 867 the post-retirement hours a PERS 1 or TRS 1 retiree may work before suspension of the pension benefit • Applies the return-to-work provision of the applicable retirement system to higher education positions eligible for a Higher Education Retirement Plan (HERP) • Prohibits higher education institutions and entities from offering participation in a HERP to any newly hired employee who has retired or is eligible to retire from a DRS-administered retirement plan • Provides, for newly hired employees eligible to participate in a HERP, the option at time of hire to participate in PERS 3, TRS 3 or a HERP • Requires institutions to contribute a percentage of their HERP-covered employees' salary to DRS to be invested by the WSIB; these funds are intended to be used to pay required supplemental benefits to eligible HERP retirees
Chapter 68, Laws of 2011 (HB 1263)	7/22/11	PSERS	The employer definition within PSERS is modified to include correctional entities formed by PSERS employers under the Interlocal Cooperation Act (RCW 39.34).
Chapter 80, Laws of 2011 (HB 1625)	7/22/11	PERS 3, SERS 3 and TRS 3	The investment option for new employees who default into membership in PERS 3, SERS 3 or TRS 3 by failing to choose a retirement plan within the allotted 90 days is changed from the Total Allocation Portfolio to a Retirement Strategy Fund, based on the member's birth year and an assumed retirement at age 65.
Chapter 3, Laws of 2012 (ESSB 6239)	6/7/12	All systems and plans	This law allows same-gender couples to marry and automatically converts certain domestic partnerships into marriages unless the couple marries or dissolves the partnership before June 30, 2014. Under the provisions of this law, survivor benefits could be available sooner to certain members of the state's retirement systems.
Chapter 72, Laws of 2012 (ESB 5159)	6/7/12	WSPRS	Current WSPRS members who have service credit earned as commercial vehicle enforcement officers within PERS 2 may transfer said credit into WSPRS. The member must pay the full actuarial cost of the transfer.
Chapter 236, Laws of 2012 (EHB 2771)	6/7/12	LEOFF, PERS, PSERS, SERS and TRS	This law amends the retirement statutes to clarify that governmental contractors are not employers under the system, unless otherwise qualifying, and that the determination of whether an employee/employer relationship has been established shall be based solely on the relationship between the contracted employee and the governmental employer.
Chapter 248, Laws of 2012 (SB 6134)	6/7/12	LEOFF 2	The initial timeline to transfer service credit under RCW 41.26.435 is moved from June 30, 2014, to June 30, 2012.

Recent Legislation Affecting Pension Systems/Plans
DRS-Administered During Fiscal Year 2015
Arranged Chronologically by Effective Date — Page 2 of 2

Legal Reference	Effective Date	Systems/Plans Affected	Description
Chapter 22, Laws of 2013 (SB 5046)	7/28/13	PERS	The mandatory retirement criteria for district court judges is changed to require retirement after the end of the term of office in which they turn age 75, instead of at the end of the calendar year in which they turn age 75.
Chapter 287, Laws of 2013 (SHB 1868)	7/28/13	LEOFF 2	This law allows catastrophically disabled LEOFF 2 members to be reimbursed for premiums of medical insurance other than those the employer, COBRA, or Medicare A and/or B provide. The reimbursement is limited to payments made after June 30, 2013, that do not exceed the premium reimbursement amounts COBRA authorized.
Chapter 95, Laws of 2014 (SB 6321)	6/12/14	PERS 3, SERS 3 and TRS 3	This law removes annual rate flexibility in Plans 3. A TRS 3 member no longer has the option to change contribution rates each year during the month of January. This bill amends RCW 41.34.040, removing the annual change option, and became effective after January 2015. Even though this statutory option applies to PERS 3 and SERS 3 members as well, it has never been implemented in those plans. This modification is deemed necessary by the Internal Revenue Service to ensure Plans 3 retain favorable tax qualification.
Chapter 145, Laws of 2014 (HB 2456)	6/12/14	LEOFF	This law eliminates the expiration date on the statutory provision in the LEOFF definition of fire fighter that includes emergency medical technicians (EMTs). This correction allows EMTs continued eligibility for membership in LEOFF.
Chapter 91, Laws of 2014 (SB 6201)	6/12/14	LEOFF 2	This law allows LEOFF 2 members to use funds from certain tax-qualified plans to purchase life annuities from the LEOFF 2 trust fund at the time of retirement.
Chapter 172, Laws of 2014 (SB 6328)	6/12/14	Deferred Compensation Program	This law allows the state and other local government authorizing entities the option to allow employees participating in the employer-sponsored Deferred Compensation Program to purchase individual securities within the plan investment options. It does not require plans to make this option available; it only allows it.
Chapter 75, Laws of 2015 (HB 1168)		PERS 2 and 3	ESHB 1981 of the 2011 session modified the return-to-work rules for PERS retirees. This law corrects some unintended consequences of those statute changes to ensure: • PERS retirees who return to work in ineligible positions would not be subject to the 867-hour limitation • PERS 2 and 3 retirees who return to work in eligible positions covered by other DRS-administered systems would be eligible to work up to 867 hours before their benefits are suspended
Chapter 111, Laws of 2015 (SB 5210)		WSPRS	This law allows WSPRS members to use funds from certain tax-qualified plans to purchase life annuities from the WSPRS trust fund at the time of retirement.
Chapter 78, Laws of 2015 (HB 1194)		LEOFF 2 and WSPRS	A surviving spouse of a LEOFF 2 or WSPRS member who is killed in the line of duty is entitled to receive a monthly benefit of at least 60 percent of the member's wages from the state workers' compensation program. However, this benefit was terminated if the survivor remarries. This legislation allows the surviving spouse of a LEOFF 2 or WSPRS member killed in the course of employment to remarry and continue receiving a workers' compensation survivor benefit.

C. Funding Policy

All employers are required to contribute at the level the Legislature established. Plan-specific tables presented in Note 2 Section B provide the required contributions rates for each plan at the close of fiscal year 2015.

PERS: Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range between 5 percent and 15 percent.

The methods used to determine PERS contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

SERS: Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 employer contribution rates. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under SERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range between 5 percent and 15 percent.

The methods used to determine SERS contribution requirements are established under state statute in accordance with chapters 41.35 and 41.45 RCW.

PSERS: Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2.

The methods used to determine PSERS contribution requirements are established under state statute in accordance with chapters 41.37 and 41.45 RCW.

TRS: Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under TRS Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range between 5 percent and 15 percent.

The methods used to determine the TRS contribution requirements are established under state statute in accordance with chapters 41.32 and 41.45 RCW.

LEOFF: Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plans. Since July 1, 2000, Plan 1 employers and employees contribute zero percent, as long as the plan remains fully funded. Plan 2 employers and employees pay at the level the LEOFF Plan 2 Retirement Board adopts.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board.

This special funding situation is not mandated by the state constitution and could be changed by statute. For fiscal year 2015, the state contributed $58.3 million to LEOFF Plan 2.

The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.26 and 41.45 RCW.

WSPRS: Each biennium, the state Pension Funding Council adopts the employee and the state contribution rates, subject to revision by the Legislature. The employee and the state contribution rates are developed by the Office of the State Actuary to fully fund the plan.

The methods used to determine the contribution requirements are established under state statute in accordance with chapters 43.43 and 41.45 RCW.

JRS: There are no active members in the Judicial Retirement System. The state guarantees the solvency of JRS on a pay-as-you-go basis. Each biennium, the Legislature, through appropriations from the state General Fund, contributes amounts sufficient to meet benefit payment requirements. For fiscal year 2015, the state contributed $10.6 million.

JRF: There are no active members in the Judges' Retirement Fund. The state guarantees the solvency of the Judges' Retirement fund on a pay-as-you-go basis. Each biennium, the Legislature, through appropriations from the state General Fund, contributes amounts sufficient to meet benefit payment requirements. For fiscal year 2015, however, no such appropriations were needed.

D. Judicial Retirement Account

The Judicial Retirement Account (JRA) was established by the Legislature in 1988 to provide supplemental retirement benefits. It is a defined contribution plan administered by the state of Washington Administrative Office of the Courts (AOC), under the direction of the Board for Judicial Administration. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals and superior courts who are members of PERS for their services as a judge. Vesting is full and immediate.

Since January 1, 2007, any newly elected or appointed Supreme Court justice, Court of Appeals judge or superior court judge may no longer participate in JRA. As of June 30, 2015, five active members and 147 inactive members were in JRA. The state, through the AOC, is the sole participating employer in JRA.

JRA plan members are required to contribute 2.5 percent of covered salary. The state, as employer, contributes an equal amount on a monthly basis. The employer and employee obligations to contribute are established in chapter 2.14 RCW. Plan provisions and contribution requirements are established in state statute, and only the state Legislature can amend them.

A JRA member who separates from judicial service for any reason is entitled to receive a lump sum distribution of the accumulated contributions. The administrator of JRA may adopt rules establishing other payment options. If a member dies, the amount of accumulated contributions standing to the member's credit at the time of the member's death is to be paid to the member's estate or such person or persons, trust, or organization as the member has nominated by written designation.

The administrator of JRA has entered into an agreement for services with DRS and with the Washington State Investment Board (WSIB). Under this agreement, DRS is responsible for all record keeping, accounting and reporting of member accounts and WSIB is granted the full power to establish investment policy, develop participant investment options and manage the investment funds for the JRA plan, consistent with the provisions of RCW 2.14.080 and 43.84.150.

E. Deferred Compensation Program

The state of Washington offers its employees and employees of those political subdivisions that elect to participate the Deferred Compensation Program, (DCP) pursuant to RCW 41.50.770, in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, disability, death or unforeseeable financial emergency. DRS administers the state Deferred Compensation Program.

The intent of the program is to provide additional income to participants upon retirement. By deferring part of their income, participants can reduce their taxable income each year. The investments remain tax-free until they are withdrawn. The program provides participants with a means to easily save money and help supplement their other retirement income.

Employees participating in DCP self-direct their investments through options WSIB provides. WSIB has the full power to invest monies in DCP in accordance with RCW 43.84.150, 43.33A.140, and 41.50.770.

The program offers two investment options: the **One-Step Investing** option and the **Build and Monitor** option.

The **One-Step Investing** option is designed for those who do not have the desire, comfort level and/or time to select, monitor and rebalance, as needed, their own allocation mix of funds. Each Retirement Strategy Fund is diversified and automatically rebalances, adjusting the participant's allocation mix as the participant moves toward a retirement date and continuing for 15 years beyond the person's target date.

The funds in this option include:

- Retirement Maturity Strategy
- 2005 Retirement Strategy
- 2010 Retirement Strategy
- 2015 Retirement Strategy
- 2020 Retirement Strategy
- 2025 Retirement Strategy
- 2030 Retirement Strategy
- 2035 Retirement Strategy
- 2040 Retirement Strategy
- 2045 Retirement Strategy
- 2050 Retirement Strategy
- 2055 Retirement Strategy
- 2060 Retirement Strategy

The **Build and Monitor** option requires the participant to:

- Select fund(s) from any or all of the following funds:
  - Emerging Market Equity Index Fund
  - Global Equity Index Fund
  - Savings Pool
  - Socially Responsible Balanced Fund
  - U.S. Large Cap Equity Index Fund
  - U.S. Small Cap Value Equity Index Fund
  - Washington State Bond Fund
- Monitor account activity
- Rebalance the allocation mix as necessary to maintain desired investment objectives

DCP participants may adjust or suspend their participation in the program at any time. Upon separation from employment, DCP participants have the option of withdrawing some or all of the balance in their account or leaving their balance in place to continue to benefit from market fluctuations.

The IRS requires a DCP participant to start receiving mandatory account distributions at retirement or by April of the year after the participant turns 70½ years old, whichever comes later.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts are held in trust by WSIB, as set forth under RCW 43.33A.030, for the exclusive benefit of DCP participants and their beneficiaries. Neither a participant nor the participant's beneficiary or beneficiaries, nor any other designee, has any right to commute, sell, assign, transfer or otherwise convey the right to receive any payments under the plan. These payments and rights are nonassignable and nontransferable.

Required Supplementary Information: Schedule of Changes in Net Pension Liability

PERS Plan 1
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 28,685	$ 37,503
Interest	933,978	945,296
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	27,130	–
Changes in Assumptions	23,339	–
Benefit Payments, Including Refunds of Member Contributions	(1,202,994)	(1,193,715)
Net Change in Total Pension Liability	(189,862)	(210,915)
Total Pension Liability — Beginning	12,979,104	13,190,019
Total Pension Liability — Ending (a)	**$ 12,789,242**	**$ 12,979,104**
Plan Fiduciary Net Position*		
Contributions — Employers	462,100	448,895
Contributions — Members	21,617	28,087
Net Investment Income	336,310	1,311,995
Benefit Payments, Including Refunds of Member Contributions	(1,202,994)	(1,193,715)
Administrative Expense	(269)	(506)
Other	(9)	36
Net Change in Plan Fiduciary Net Position	(383,245)	594,792
Plan Fiduciary Net Position — Beginning	7,941,557	7,346,765
Plan Fiduciary Net Position — Ending (b)	**$ 7,558,312**	**$ 7,941,557**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 5,230,930**	**$ 5,037,547**

PERS Plan 2/3
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 864,319	$ 934,401
Interest	2,302,454	2,057,556
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	491,528	–
Changes in Assumptions	7,450	–
Benefit Payments, Including Refunds of Member Contributions	(700,905)	(600,862)
Net Change in Total Pension Liability	2,964,846	2,391,094
Total Pension Liability — Beginning	30,120,170	27,729,076
Total Pension Liability — Ending (a)	**$ 33,085,016**	**$ 30,120,170**
Plan Fiduciary Net Position*		
Contributions — Employers	446,127	430,345
Contributions — Members	374,825	368,251
Net Investment Income	1,295,301	4,444,930
Benefit Payments, Including Refunds of Member Contributions	(700,905)	(600,862)
Administrative Expense	(581)	(617)
Other	(1,617)	(2,299)
Net Change in Plan Fiduciary Net Position	1,413,150	4,639,748
Plan Fiduciary Net Position — Beginning	28,098,809	23,459,061
Plan Fiduciary Net Position — Ending (b)	**$ 29,511,959**	**$ 28,098,809**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 3,573,057**	**$ 2,021,361**

*Plan fiduciary net position does not include the administrative fund allocations to the trust funds noted in Note 1, section G of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data. Before 2015, interest on service cost was included in the service cost category.

Required Supplementary Information: Schedule of Changes in Net Pension Liability (cont.)

SERS Plan 2/3
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 128,806	$ 138,228
Interest	311,044	277,012
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	66,049	–
Changes in Assumptions	600	–
Benefit Payments, Including Refunds of Member Contributions	(99,075)	(83,948)
Net Change in Total Pension Liability	407,424	331,292
Total Pension Liability — Beginning	4,066,004	3,734,712
Total Pension Liability — Ending (a)	**$ 4,473,428**	**$ 4,066,004**
Plan Fiduciary Net Position*		
Contributions — Employers	97,386	88,783
Contributions — Members	35,445	31,856
Net Investment Income	178,038	607,982
Benefit Payments, Including Refunds of Member Contributions	(99,075)	(83,948)
Administrative Expense	(20)	(30)
Other	(580)	(462)
Net Change in Plan Fiduciary Net Position	211,194	644,181
Plan Fiduciary Net Position — Beginning	3,856,083	3,211,902
Plan Fiduciary Net Position — Ending (b)	**$ 4,067,277**	**$ 3,856,083**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 406,151**	**$ 209,921**

PSERS Plan 2
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 40,546	$ 42,679
Interest	24,553	17,264
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	19,951	–
Changes in Assumptions	131	–
Benefit Payments, Including Refunds of Member Contributions	(3,056)	(2,450)
Net Change in Total Pension Liability	82,125	57,493
Total Pension Liability — Beginning	288,888	231,395
Total Pension Liability — Ending (a)	**$ 371,013**	**$ 288,888**
Plan Fiduciary Net Position*		
Contributions — Employers	18,704	17,124
Contributions — Members	18,664	17,446
Net Investment Income	15,081	45,143
Benefit Payments, Including Refunds of Member Contributions	(3,056)	(2,450)
Administrative Expense	(2)	(8)
Other	1	5
Net Change in Plan Fiduciary Net Position	49,392	77,260
Plan Fiduciary Net Position — Beginning	303,369	226,109
Plan Fiduciary Net Position — Ending (b)	**$ 352,761**	**$ 303,369**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 18,252**	**$ (14,481)**

*Plan fiduciary net position does not include the administrative fund allocations to the trust funds noted in Note 1, section G of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data. Before 2015, interest on service cost was included in the service cost category.

Required Supplementary Information: Schedule of Changes in Net Pension Liability (cont.)

TRS Plan 1
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 15,630	$ 21,932
Interest	676,915	690,297
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	23,516	–
Changes in Assumptions	6,552	–
Benefit Payments, Including Refunds of Member Contributions	(928,571)	(928,237)
Net Change in Total Pension Liability	(205,958)	(216,007)
Total Pension Liability — Beginning	9,443,688	9,659,695
Total Pension Liability — Ending (a)	**$ 9,237,730**	**$ 9,443,688**
Plan Fiduciary Net Position*		
Contributions — Employers	223,886	200,674
Contributions — Members	10,324	14,626
Net Investment Income	269,742	1,079,804
Benefit Payments, Including Refunds of Member Contributions	(928,571)	(928,237)
Administrative Expense	(28)	(143)
Other	1	51
Net Change in Plan Fiduciary Net Position	(424,646)	366,775
Plan Fiduciary Net Position — Beginning	6,494,234	6,127,459
Plan Fiduciary Net Position — Ending (b)	**$ 6,069,588**	**$ 6,494,234**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 3,168,142**	**$ 2,949,454**

TRS Plan 2/3
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 352,315	$ 374,257
Interest	776,944	684,861
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	163,251	–
Changes in Assumptions	896	–
Benefit Payments, Including Refunds of Member Contributions	(186,052)	(151,510)
Net Change in Total Pension Liability	1,107,354	907,609
Total Pension Liability — Beginning	10,113,479	9,205,870
Total Pension Liability — Ending (a)	**$ 11,220,833**	**$ 10,113,479**
Plan Fiduciary Net Position*		
Contributions — Employers	267,038	249,342
Contributions — Members	52,713	44,012
Net Investment Income	453,524	1,539,895
Benefit Payments, Including Refunds of Member Contributions	(186,052)	(151,510)
Administrative Expense	(64)	(76)
Other	(618)	(401)
Net Change in Plan Fiduciary Net Position	586,541	1,681,262
Plan Fiduciary Net Position — Beginning	9,790,490	8,109,228
Plan Fiduciary Net Position — Ending (b)	**$ 10,377,031**	**$ 9,790,490**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 843,802**	**$ 322,989**

*Plan fiduciary net position does not include the administrative fund allocations to the trust funds noted in Note 1, section G of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data. Before 2015, interest on service cost was included in the service cost category.

Required Supplementary Information: Schedule of Changes in Net Pension Liability (cont.)

LEOFF Plan 1
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 3,270	$ 4,279
Interest	319,945	326,717
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	(65,557)	–
Changes in Assumptions	–	–
Benefit Payments, Including Refunds of Member Contributions	(358,745)	(355,988)
Net Change in Total Pension Liability	(101,087)	(24,992)
Total Pension Liability — Beginning	4,506,015	4,531,007
Total Pension Liability — Ending (a)	**$ 4,404,928**	**$ 4,506,015**
Plan Fiduciary Net Position*		
Contributions — Employers	60	98
Contributions — Members	1,016	844
Net Investment Income	248,793	934,123
Benefit Payments, Including Refunds of Member Contributions	(358,745)	(355,988)
Administrative Expense	(18)	(44)
Other	237	–
Net Change in Plan Fiduciary Net Position	(108,657)	579,033
Plan Fiduciary Net Position — Beginning	5,718,806	5,139,773
Plan Fiduciary Net Position — Ending (b)	**$ 5,610,149**	**$ 5,718,806**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ (1,205,221)**	**$ (1,212,791)**

LEOFF Plan 2
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 286,031	$ 301,625
Interest	609,818	536,534
Changes of Benefit Terms	34,746	–
Differences Between Expected and Actual Experience	107,309	–
Changes in Assumptions	3,233	–
Benefit Payments, Including Refunds of Member Contributions	(160,027)	(133,949)
Net Change in Total Pension Liability	881,110	704,210
Total Pension Liability — Beginning	7,923,759	7,219,549
Total Pension Liability — Ending (a)	**$ 8,804,869**	**$ 7,923,759**
Plan Fiduciary Net Position*		
Contributions — Employers	89,122	85,532
Contributions — State	58,339	55,551
Contributions — Members	165,772	151,041
Net Investment Income	430,403	1,456,267
Benefit Payments, Including Refunds of Member Contributions	(160,027)	(133,949)
Administrative Expense	(1,504)	(1,268)
Other	(238)	241
Net Change in Plan Fiduciary Net Position	581,867	1,613,415
Plan Fiduciary Net Position — Beginning	9,250,802	7,637,387
Plan Fiduciary Net Position — Ending (b)	**$ 9,832,669**	**$ 9,250,802**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ (1,027,800)**	**$ (1,327,043)**

*Plan fiduciary net position does not include the administrative fund allocations to the trust funds noted in Note 1, section G of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data. Before 2015, interest on service cost was included in the service cost category.

Required Supplementary Information: Schedule of Changes in Net Pension Liability (cont.)

WSPRS Plan 1/2
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ 16,633	$ 18,041
Interest	80,037	75,249
Changes of Benefit Terms	2,258	–
Differences Between Expected and Actual Experience	8,883	–
Changes in Assumptions	17	–
Benefit Payments, Including Refunds of Member Contributions	(50,075)	(47,510)
Net Change in Total Pension Liability	57,753	45,780
Total Pension Liability — Beginning	1,072,424	1,026,644
Total Pension Liability — Ending (a)	**$ 1,130,177**	**$ 1,072,424**
Plan Fiduciary Net Position*		
Contributions — Employers	6,679	6,587
Contributions — Members	6,323	6,555
Net Investment Income	49,046	176,856
Benefit Payments, Including Refunds of Member Contributions	(50,075)	(47,510)
Administrative Expense	(67)	(84)
Other	293	509
Net Change in Plan Fiduciary Net Position	12,199	142,913
Plan Fiduciary Net Position — Beginning	1,098,427	955,514
Plan Fiduciary Net Position — Ending (b)	**$ 1,110,626**	**$ 1,098,427**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 19,551**	**$ (26,003)**

JRS
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ –	$ –
Interest	4,382	4,319
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	1,590	–
Changes in Assumptions	4,335	–
Benefit Payments, Including Refunds of Member Contributions	(9,336)	(9,480)
Net Change in Total Pension Liability	971	(5,161)
Total Pension Liability — Beginning	100,341	105,502
Total Pension Liability — Ending (a)	**$ 101,312**	**$ 100,341**
Plan Fiduciary Net Position*		
Contributions — Employers	–	–
Contributions — State	10,600	10,600
Contributions — Members	–	–
Net Investment Income	38	25
Benefit Payments, Including Refunds of Member Contributions	(9,336)	(9,480)
Administrative Expense	–	–
Other	–	–
Net Change in Plan Fiduciary Net Position	1,302	1,145
Plan Fiduciary Net Position — Beginning	5,031	3,886
Plan Fiduciary Net Position — Ending (b)	**$ 6,333**	**$ 5,031**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 94,979**	**$ 95,310**

*Plan fiduciary net position does not include the administrative fund allocations to the trust funds noted in Note 1, section G of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data. Before 2015, interest on service cost was included in the service cost category.

Required Supplementary Information: Schedule of Changes in Net Pension Liability (cont.)

JRF Dollars in Thousands	6/30/15**	6/30/14
Total Pension Liability		
Service Cost	$ –	$ –
Interest	138	137
Changes of Benefit Terms	–	–
Differences Between Expected and Actual Experience	182	–
Changes in Assumptions	95	–
Benefit Payments, Including Refunds of Member Contributions	(444)	(444)
Net Change in Total Pension Liability	(29)	(307)
Total Pension Liability — Beginning	3,146	3,453
Total Pension Liability — Ending (a)	**$ 3,117**	**$ 3,146**
Plan Fiduciary Net Position*		
Contributions — Employers	–	–
Contributions — Members	–	–
Net Investment Income	4	7
Benefit Payments, Including Refunds of Member Contributions	(444)	(444)
Administrative Expense	–	–
Other	–	–
Net Change in Plan Fiduciary Net Position	(440)	(437)
Plan Fiduciary Net Position — Beginning	955	1,392
Plan Fiduciary Net Position — Ending (b)	**$ 515**	**$ 955**
Plan Net Pension Liability (Asset) — Ending (a) - (b)	**$ 2,602**	**$ 2,191**

*Plan fiduciary net position does not include the administrative fund allocations to the trust funds noted in Note 1, section G, of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data. Before 2015, interest on service cost was included in the service cost category.

Required Supplementary Information: Schedule of Net Pension Liability

PERS Plan 1
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 12,789,242	$ 12,979,104
Plan Fiduciary Net Position*	7,558,312	7,941,557
Plan Net Pension Liability (Asset)	**$ 5,230,930**	**$ 5,037,547**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	59.10%	61.19%
Covered-Employee Payroll	$ 260,894	$ 309,665
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	2,005.00%	1,626.77%

PERS Plan 2/3
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 33,085,016	$ 30,120,170
Plan Fiduciary Net Position*	29,511,959	28,098,809
Plan Net Pension Liability (Asset)	**$ 3,573,057**	**$ 2,021,361**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	89.20%	93.29%
Covered-Employee Payroll	$ 8,876,898	$ 8,607,757
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	40.25%	23.48%

SERS Plan 2/3
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 4,473,428	$ 4,066,004
Plan Fiduciary Net Position*	4,067,277	3,856,083
Plan Net Pension Liability (Asset)	**$ 406,151**	**$ 209,921**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	90.92%	94.84%
Covered-Employee Payroll	$ 1,720,489	$ 1,616,447
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	23.61%	12.99%

PSERS Plan 2
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 371,013	$ 288,888
Plan Fiduciary Net Position*	352,761	303,369
Plan Net Pension Liability (Asset)	**$ 18,252**	**$ (14,481)**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	95.08%	105.01%
Covered-Employee Payroll	$ 293,007	$ 270,102
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	6.23%	(5.36)%

TRS Plan 1
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 9,237,730	$ 9,443,688
Plan Fiduciary Net Position*	6,069,588	6,494,234
Plan Net Pension Liability (Asset)	**$ 3,168,142**	**$ 2,949,454**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	65.70%	68.77%
Covered-Employee Payroll	$ 113,313	$ 148,430
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	2,795.92%	1,987.10%

TRS Plan 2/3
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 11,220,833	$ 10,113,479
Plan Fiduciary Net Position*	10,377,031	9,790,490
Plan Net Pension Liability (Asset)	**$ 843,802**	**$ 322,989**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	92.48%	96.81%
Covered-Employee Payroll	$ 4,681,511	$ 4,436,592
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	18.02%	7.28%

* Plan Fiduciary Net Position does not include the administrative fund allocations to the trust funds noted in Note 1, section G of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data.

Required Supplementary Information: Schedule of Net Pension Liability (cont.)

LEOFF Plan 1
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 4,404,928	$ 4,506,015
Plan Fiduciary Net Position*	5,610,149	5,718,806
Plan Net Pension Liability (Asset)	**$ (1,205,221)**	**$ (1,212,791)**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	127.36%	126.91%
Covered-Employee Payroll	$ 10,583	$ 13,888
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	(11,388.27)%	(8,732.65)%

LEOFF Plan 2
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 8,804,869	$ 7,923,759
Plan Fiduciary Net Position*	9,832,669	9,250,802
Plan Net Pension Liability (Asset)	**$ (1,027,800)**	**$ (1,327,043)**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	111.67%	116.75%
Covered-Employee Payroll	$ 1,744,180	$ 1,674,432
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	(58.93)%	(79.25)%

WSPRS Plan 1/2
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 1,130,177	$ 1,072,424
Plan Fiduciary Net Position*	1,110,626	1,098,427
Plan Net Pension Liability (Asset)	**$ 19,551**	**$ (26,003)**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	98.27%	102.42%
Covered-Employee Payroll	$ 84,379	$ 83,282
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	23.17%	(31.22)%

JRS
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 101,312	$ 100,341
Plan Fiduciary Net Position*	6,333	5,031
Plan Net Pension Liability (Asset)	**$ 94,979**	**$ 95,310**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	6.25%	5.01%
Covered-Employee Payroll	$ –	$ –
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	n/a	n/a

JRF
Dollars in Thousands

	6/30/15**	6/30/14
Total Pension Liability	$ 3,117	$ 3,146
Plan Fiduciary Net Position*	515	955
Plan Net Pension Liability (Asset)	**$ 2,602**	**$ 2,191**
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	16.52%	30.36%
Covered-Employee Payroll	$ –	$ –
Plan Net Pension Liability (Asset) As a Percentage of Covered-Employee Payroll	n/a	n/a

* Plan Fiduciary Net Position does not include the administrative fund allocations to the trust funds noted in Note 1, section G of the Financial Section.

**This schedule will be built prospectively until it contains 10 years of data.

Required Supplementary Information: Schedule of Employer Contributions

PERS Plan 1
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 454,010	$ 439,067	$ 534,200	$ 508,000	$ 439,300	$ 627,800	$ 620,200	$ 453,100	$ 397,300	$ 438,500
Contributions in Relation to the Actuarially Determined Contributions	462,100	448,895	266,270	257,197	145,585	154,023	325,248	221,787	118,660	29,601
Contribution Deficiency (Excess)	**$ (8,090)**	**$ (9,828)**	**$ 267,930**	**$ 250,803**	**$ 293,715**	**$ 473,777**	**$ 294,952**	**$ 231,313**	**$ 278,640**	**$ 408,899**
Covered-Employee Payroll**	$ 260,894	$ 309,665	$ 352,909	$ 399,564	$ 493,559	$ 571,969	$ 654,711	$ 713,421	$ 761,800	$ 830,602
Contributions As a Percentage of Covered-Employee Payroll	177.12%	144.96%	75.45%	64.37%	29.50%	26.93%	49.68%	31.09%	15.58%	3.56%

Portions of the above contributions were assessed on the covered payrolls of PERS Plan 2/3, SERS Plan 2/3 and PSERS Plan 2.

PERS Plan 2/3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 462,098	$ 441,677	$ 408,300	$ 407,700	$ 408,600	$ 383,100	$ 369,700	$ 363,300	$ 331,300	$ 307,600
Contributions in Relation to the Actuarially Determined Contributions	446,127	430,345	389,020	385,253	328,258	327,460	439,744	318,740	242,544	149,579
Contribution Deficiency (Excess)	**$ 15,971**	**$ 11,332**	**$ 19,280**	**$ 22,447**	**$ 80,342**	**$ 55,640**	**$ (70,044)**	**$ 44,560**	**$ 88,756**	**$ 158,021**
Covered-Employee Payroll**	$ 8,876,898	$ 8,607,757	$ 8,265,361	$ 8,125,656	$ 8,139,901	$ 8,151,255	$ 8,108,034	$ 7,697,892	$ 7,019,718	$ 6,687,536
Contributions As a Percentage of Covered-Employee Payroll	5.03%	5.00%	4.71%	4.74%	4.03%	4.02%	5.42%	4.14%	3.46%	2.24%

* Prior to 2014, the annual required contribution (ARC) amounts were presented for the actuarially determined contributions. The ARC changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses.

** "Covered-employee payroll" includes employee compensation, as defined by statute, that employers reported to DRS. Employer-reported employee compensation is also used to calculate retirement contributions due to the retirement systems. Total salary or wages employers pay to employees eligible for retirement-system coverage might not be reportable to DRS.

Required Supplementary Information: Schedule of Employer Contributions (cont.)

SERS Plan 2/3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 94,736	$ 90,064	$ 86,600	$ 85,200	$ 88,600	$ 82,300	$ 71,500	$ 75,800	$ 71,500	$ 81,400
Contributions in Relation to the Actuarially Determined Contributions	97,386	88,783	78,400	74,640	62,316	62,090	63,526	52,139	45,950	30,419
Contribution Deficiency (Excess)	**$ (2,650)**	**$ 1,281**	**$ 8,200**	**$ 10,560**	**$ 26,284**	**$ 20,210**	**$ 7,974**	**$ 23,661**	**$ 25,550**	**$ 50,981**
Covered-Employee Payroll**	$ 1,720,489	$ 1,616,447	$ 1,549,224	$ 1,638,675	$ 1,650,375	$ 1,619,245	$ 1,585,931	$ 1,515,966	$ 1,407,307	$ 1,336,634
Contributions As a Percentage of Covered-Employee Payroll	5.66%	5.49%	5.06%	4.55%	3.78%	3.83%	4.01%	3.44%	3.27%	2.28%

PSERS Plan 2
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 18,545	$ 17,053	$ 15,100	$ 14,700	$ 14,700	$ 14,800	$ 14,300	$ 12,400	$ 7,100	n/a
Contributions in Relation to the Actuarially Determined Contributions	18,704	17,124	15,650	15,285	15,591	15,238	14,510	11,700	6,612	n/a
Contribution Deficiency (Excess)	**$ (159)**	**$ (71)**	**$ (550)**	**$ (585)**	**$ (891)**	**$ (438)**	**$ (210)**	**$ 700**	**$ 488**	**n/a**
Covered-Employee Payroll**	$ 293,007	$ 270,102	$ 249,022	$ 236,495	$ 232,044	$ 232,826	$ 222,044	$ 178,767	$ 101,789	$ –
Contributions As a Percentage of Covered-Employee Payroll	6.38%	6.34%	6.28%	6.46%	6.72%	6.54%	6.53%	6.54%	6.50%	n/a

* Prior to 2014, the annual required contribution (ARC) amounts were presented for the actuarially determined contributions. The ARC changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses.

** "Covered-employee payroll" includes employee compensation, as defined by statute, that employers reported to DRS. Employer-reported employee compensation is also used to calculate retirement contributions due to the retirement systems. Total salary or wages employers pay to employees eligible for retirement-system coverage might not be reportable to DRS.

Required Supplementary Information: Schedule of Employer Contributions (cont.)

TRS Plan 1
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 218,542	$ 208,119	$ 275,400	$ 254,000	$ 205,900	$ 406,100	$ 391,000	$ 294,700	$ 249,800	$ 287,500
Contributions in Relation to the Actuarially Determined Contributions	223,886	200,674	118,569	111,937	96,803	112,731	178,850	113,089	60,462	15,077
Contribution Deficiency (Excess)	**$ (5,344)**	**$ 7,445**	**$ 156,831**	**$ 142,063**	**$ 109,097**	**$ 293,369**	**$ 212,150**	**$ 181,611**	**$ 189,338**	**$ 272,423**
Covered-Employee Payroll**	$ 113,313	$ 148,430	$ 192,532	$ 280,366	$ 349,660	$ 418,353	$ 480,118	$ 525,223	$ 586,394	$ 646,830
Contributions As a Percentage of Covered-Employee Payroll	197.58%	135.20%	61.58%	39.93%	27.68%	26.95%	37.25%	21.53%	10.31%	2.33%

Portions of the above contributions were assessed on the covered payrolls of TRS Plan 2/3.

TRS Plan 2/3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 269,160	$ 255,277	$ 231,600	$ 232,200	$ 232,300	$ 221,100	$ 186,900	$ 208,900	$ 167,700	$ 166,400
Contributions in Relation to the Actuarially Determined Contributions	267,038	249,341	228,974	213,852	168,264	164,959	160,793	109,523	102,180	75,353
Contribution Deficiency (Excess)	**$ 2,122**	**$ 5,936**	**$ 2,626**	**$ 18,348**	**$ 64,036**	**$ 56,141**	**$ 26,107**	**$ 99,377**	**$ 65,520**	**$ 91,047**
Covered-Employee Payroll**	$ 4,681,511	$ 4,436,592	$ 4,203,893	$ 4,162,779	$ 4,171,447	$ 4,056,271	$ 3,950,376	$ 3,664,646	$ 3,375,160	$ 3,152,152
Contributions As a Percentage of Covered-Employee Payroll	5.70%	5.62%	5.45%	5.14%	4.03%	4.07%	4.07%	2.99%	3.03%	2.39%

* Prior to 2014, the annual required contribution (ARC) amounts were presented for the actuarially determined contributions. The ARC changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses.

** "Covered-employee payroll" includes employee compensation, as defined by statute, that employers reported to DRS. Employer-reported employee compensation is also used to calculate retirement contributions due to the retirement systems. Total salary or wages employers pay to employees eligible for retirement-system coverage might not be reportable to DRS.

Required Supplementary Information: Schedule of Employer Contributions (cont.)

LEOFF Plan 1
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Contributions in Relation to the Actuarially Determined Contributions	60	98	555	2	3	49	216	8	56	70
Contribution Deficiency (Excess)	**$ (60)**	**$ (98)**	**$ (555)**	**$ (2)**	**$ (3)**	**$ (49)**	**$ (216)**	**$ (8)**	**$ (56)**	**$ (70)**
Covered-Employee Payroll**	$ 10,583	$ 13,888	$ 16,521	$ 21,456	$ 27,171	$ 32,110	$ 41,040	$ 41,384	$ 46,327	$ 54,804
Contributions As a Percentage of Covered-Employee Payroll	0.57%	0.71%	3.36%	0.01%	0.01%	0.15%	0.53%	0.02%	0.12%	0.13%

LEOFF Plan 2
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 147,438	$ 141,696	$ 94,700	$ 97,300	$ 84,000	$ 112,200	$ 105,300	$ 102,100	$ 94,900	$ 101,300
Contributions in Relation to the Actuarially Determined Contributions	147,461	141,082	136,643	133,250	131,757	128,374	128,986	119,290	96,119	80,138
Contribution Deficiency (Excess)	**$ (23)**	**$ 614**	**$ (41,943)**	**$ (35,950)**	**$ (47,757)**	**$ (16,174)**	**$ (23,686)**	**$ (17,190)**	**$ (1,219)**	**$ 21,162**
Covered-Employee Payroll**	$ 1,744,180	$ 1,674,432	$ 1,605,364	$ 1,569,051	$ 1,542,269	$ 1,515,925	$ 1,455,623	$ 1,343,558	$ 1,221,223	$ 1,154,897
Contributions As a Percentage of Covered-Employee Payroll	8.45%	8.43%	8.51%	8.49%	8.54%	8.47%	8.86%	8.88%	7.87%	6.94%

* Prior to 2014, the annual required contribution (ARC) amounts were presented for the actuarially determined contributions. The ARC changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses.

** "Covered-employee payroll" includes employee compensation, as defined by statute, that employers reported to DRS. Employer-reported employee compensation is also used to calculate retirement contributions due to the retirement systems. Total salary or wages employers pay to employees eligible for retirement-system coverage might not be reportable to DRS.

Required Supplementary Information: Schedule of Employer Contributions (cont.)

WSPRS Plan 1/2
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 6,810	$ 6,677	$ 2,500	$ 2,900	$ 2,300	$ 6,600	$ 5,000	$ 6,800	$ 5,300	$ 6,100
Contributions in Relation to the Actuarially Determined Contributions	6,679	6,587	6,478	6,454	5,251	5,271	6,371	6,064	3,278	3,133
Contribution Deficiency (Excess)	**$ 131**	**$ 90**	**$ (3,978)**	**$ (3,554)**	**$ (2,951)**	**$ 1,329**	**$ (1,371)**	**$ 736**	**$ 2,022**	**$ 2,967**
Covered-Employee Payroll**	$ 84,379	$ 83,282	$ 81,895	$ 81,578	$ 81,882	$ 82,764	$ 82,719	$ 78,781	$ 72,688	$ 69,515
Contributions As a Percentage of Covered-Employee Payroll	7.92%	7.91%	7.91%	7.91%	6.41%	6.37%	7.70%	7.70%	4.51%	4.51%

JRS
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 9,132	$ 9,205	$ 21,700	$ 22,600	$ 18,600	$ 20,400	$ 21,200	$ 26,600	$ 37,300	$ 27,700
Contributions in Relation to the Actuarially Determined Contributions	10,600	10,600	10,112	8,131	10,906	11,649	10,305	9,712	9,650	6,716
Contribution Deficiency (Excess)	**$ (1,468)**	**$ (1,395)**	**$ 11,588**	**$ 14,469**	**$ 7,694**	**$ 8,751**	**$ 10,895**	**$ 16,888**	**$ 27,650**	**$ 20,984**
Covered-Employee Payroll**	$ –	$ –	$ 160	$ 407	$ 611	$ 1,053	$ 1,394	$ 1,496	$ 1,478	$ 1,534
Contributions As a Percentage of Covered-Employee Payroll	n/a	n/a	6,320.00%	1,997.79%	1,784.94%	1,106.27%	739.24%	649.20%	652.91%	437.81%

No active members are in JRS. Contributions related to the actuarially determined contributions are based on state contributions.

* Prior to 2014, the annual required contribution (ARC) amounts were presented for the actuarially determined contributions. The ARC changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses.

** "Covered-employee payroll" includes employee compensation, as defined by statute, that employers reported to DRS. Employer-reported employee compensation is also used to calculate retirement contributions due to the retirement systems. Total salary or wages employers pay to employees eligible for retirement-system coverage might not be reportable to DRS.

Required Supplementary Information: Schedule of Employer Contributions (cont.)

JRF
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Actuarially Determined Contributions*	$ 539	$ 425	$ 400	$ 300	$ 100	$ –	$ –	$ –	$ –	$ 100
Contributions in Relation to the Actuarially Determined Contributions	–	–	–	–	–	–	–	300	300	300
Contribution Deficiency (Excess)	**$ 539**	**$ 425**	**$ 400**	**$ 300**	**$ 100**	**$ –**	**$ –**	**$ (300)**	**$ (300)**	**$ (200)**
Covered-Employee Payroll	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Contributions As a Percentage of Covered-Employee Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

No active members are in JRF. Contributions related to the actuarially determined contributions are based on state contributions.

* Prior to 2014, the annual required contribution (ARC) amounts were presented for the actuarially determined contributions. The ARC changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses.

Required Supplementary Information: Schedule of Investment Returns

Annual Money-Weighted Rates of Return Net of Investment Expenses		
Plan	**6/30/15***	**6/30/14**
PERS Plan 1	4.45%	18.76%
PERS Plan 2/3	4.63%	18.94%
SERS Plan 2/3	4.64%	18.96%
PSERS Plan 2	4.76%	18.91%
TRS Plan 1	4.41%	18.73%
TRS Plan 2/3	4.65%	18.96%
LEOFF Plan 1	4.51%	18.82%
LEOFF Plan 2	4.64%	18.93%
WSPRS Plan 1/2	4.56%	18.87%
JRS	0.40%	0.16%
JRF	0.40%	0.16%

*This schedule will be built prospectively until it contains 10 years of data.

Notes to Required Supplementary Information for the Year Ended June 30, 2015

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions for PERS, SERS, TRS, LEOFF and WSPRS: The Office of the State Actuary (OSA) calculates the actuarially determined contributions (ADC) based on the results of an actuarial valuation consistent with the state's funding policy defined in Chapter 41.45 RCW.

Consistent with the state's contribution-rate adoption process, the results of an actuarial valuation with an odd-numbered year valuation date determine the ADC for the biennium that ensues two years later. For example, the actuarial valuation with a June 30, 2013, valuation date, completed in the fall of 2014, determines the ADC for the period beginning July 1, 2015, and ending June 30, 2017.

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions for JRS and JRF: OSA calculates the actuarially determined contributions (ADC) based on the results of an actuarial valuation and sets it equal to the expected benefit payments from the plan. Consistent with the state's funding policy defined in Chapters 2.10.90 and 2.12.60 RCW, the Legislature makes biennial appropriations to ensure the fund is solvent so it can make the necessary benefit payments.

Additional plan-specific actuarial method and assumption information is located in Note 2, section B, of the Financial Section.

Supporting Schedules

Schedule of Administrative Expenses
For the Year Ended June 30, 2015 — Expressed in Thousands

	Retirement Pension Trust Funds	Deferred Compensation Pension Trust Fund	Totals June 30, 2015	Totals June 30, 2014
Current Personnel				
Salaries and Wages	$ 12,401	$ 926	$ 13,327	$ 13,021
Employee Benefits	3,880	300	4,180	4,441
Professional Service Contracts	1,514	53	1,567	1,528
Total Personnel Expenses	**17,795**	**1,279**	**19,074**	**18,990**
Goods and Services				
Actuary Services	1,610	–	1,610	1,727
Archives and Records Management	39	3	42	44
Attorney General Services	120	12	132	178
Audit Services	683	10	693	71
Bad Debts Expense	98	–	98	37
Collections	41	–	41	40
Communications	396	4	400	552
Data Processing Services	2,172	51	2,223	1,950
Employee Professional Development and Training	202	2	204	167
Facilities and Services	327	13	340	372
Insurance	8	–	8	11
Legal Fees	1,242	–	1,242	1,690
LEOFF 2 Board Governance	1,144	–	1,144	995
Medical Consultant Services	28	–	28	15
Other Contractual Services	693	10	703	661
Other Goods and Services	11	–	11	21
Personnel Services	41	3	44	30
Printing and Reproduction	195	4	199	241
Rental and Leases	1,423	99	1,522	1,561
Repairs and Alterations	133	5	138	147
Subscriptions	32	–	32	29
Supplies and Materials	55	3	58	68
Utilities	113	9	122	135
Total Goods and Services	**10,806**	**228**	**11,034**	**10,742**
Miscellaneous Expenses				
Noncapitalized Equipment	1,237	75	1,312	718
Travel	123	33	156	107
Total Miscellaneous Expenses	**1,360**	**108**	**1,468**	**825**
Total Current Expenses	**29,961**	**1,615**	**31,576**	**30,557**
Capital Outlays				
Furnishings, Equipment and Software	51	3	54	119
Total Capital Outlays	**51**	**3**	**54**	**119**
Depreciation and Loss — Capital Assets	124	–	124	133
Total Administrative Expenses	**$ 30,136**	**$ 1,618**	**$ 31,754**	**$ 30,809**

Supporting Schedules (cont.)

Schedule of Investment Expenses — Pension Trust Funds
For the Year Ended June 30, 2015 — Expressed in Thousands

	Fees Paid	Netted Fees*	Total Fees and Expenses
Equity Securities			
Public Equity Active Management	$ 50,365	$ –	$ 50,365
Public Equity Passive Management	2,360	2,867	5,227
Alternative Investments			
Private Equity	170,824	11,736	182,560
Real Estate	20,269	12,046	32,315
Tangible Assets	38,915	–	38,915
Cash Management	2,012	–	2,012
Debt Securities	–	–	–
Other Fees			
Consultants and Accounting	1,869	–	1,869
Legal Fees	1,330	–	1,330
Research Services	2,017	–	2,017
Securities Lending Rebates and Fees	3,720	–	3,720
Miscellaneous Fees	189	–	189
DCP Management Fees	5,219	–	5,219
JRA Management Fees	16	–	16
PERS Plan 3 Management Fees	1,093	–	1,093
SERS Plan 3 Management Fees	475	–	475
TRS Plan 3 Management Fees	3,079	–	3,079
WSIB Operating Costs	12,704	–	12,704
Total Investment Expenses	**$ 316,456**	**$ 26,649**	**$ 343,105**

* Netted fees are included in unrealized gains (losses) in the accompanying financial statements.

Supporting Schedules (cont.)

Schedule of Payments to Consultants
For the Year Ended June 30, 2015 — Expressed in Thousands

	Commission/Fee
Computer/Technology	
Aetea Information Technology Inc.	$ 175
Martin Analysis and Programming Inc.	276
Total Computer/Technology	**451**
Legal	
Buell Realtime Reporting LLC	1
Calfo Harrigan Leyh & Eakes LLP	6
Freimund Jackson Tardif & Benedict Garratt PLLC	215
Gallitano & O'Connor LLP	39
Ice Miller LLP	21
Total Legal	**282**
Management	
Business Coaching & Consulting	7
CEM Benchmarking Inc.	45
Charles W. Cammack Associates Inc.	106
CliftonLarsonAllen LLP	134
Kelly Services Inc.	17
Milliman Inc.	135
The Caughlin Group	1
Wonderful World Washington LLC	11
Total Management	**456**
Record Keeping	
ICMA Retirement Corp.	1,267
Total Record Keeping	**1,267**
Total Payments to Consultants	**$ 2,456**

For fees paid to investment professionals, refer to the Investment Section of this report.

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Efficient & Standard Processes

LEAN

We use a 90/10 approach to problem solving. That is, 90 percent of the time is used to identify and understand the problem, and 10 percent is focused on how to solve it. This means we're addressing the root cause, not just the symptoms.

Investment Section

Report on Investment Activity

Prepared by the Washington State Investment Board

Overview

The Washington State Investment Board (WSIB) manages retirement fund assets to maximize return at a prudent level of risk (Chapter 43.33A.110 RCW). Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB-adopted investment policies for the various asset classes in which the WSIB invests.

The Retirement Funds, collectively called the Commingled Trust Fund (CTF), increased in value by $2.4 billion to $80.5 billion during fiscal 2015. The CTF return was 4.9 percent for the fiscal year.

Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Additional general information about the CTF includes:

- **Participant Concentration:** The DRS Retirement Funds make up 99.7 percent of the CTF. Their respective concentrations are:
  - PERS 1 (9.3%)
  - PERS 2/3 defined benefit (DB) and defined contribution (DC) plans (37.8%)
  - SERS 2/3 DB and DC plans (6.5%)
  - PSERS 2 (0.4%)
  - TRS 1 (7.4%)
  - TRS 2/3 DB and DC plans (18.1%)
  - WSPRS 1/2 (1.3%)
  - LEOFF 1 (6.9%)
  - LEOFF 2 (12.0%)
- **External Managers:** The WSIB engages about 140 partnerships and external managers to assist in the management of the CTF's investments.
- **Risk:** The various risks of the CTF portfolio include interest rate risk, credit risk, concentration risk, and foreign currency risk, as described in Note 1 of the Financial Section of this report. The WSIB has not created a total fund risk profile for the CTF.
- **Leverage:** The WSIB does not leverage the CTF portfolio as a whole. Individual securities within the CTF do have leverage; however, the WSIB does not capture this information on a total basis.
- **Earnings:** The CTF does not distribute earnings directly to the owner funds. The retirement fund plans are allowed to purchase or sell units in the pool, based on the fair value of the underlying assets, on the first business day of each month. The net asset value includes interest and dividend income, which is recognized on a trade-date basis, and purchases and sales of investments, which are recorded on a trade-date basis.
- **Expense:** The CTF's expense ratio for the year ended June 30, 2015, was 0.39331 percent.
- **Yield:** The CTF's fixed income portfolio has a yield of 3.12 percent.
- **Weighted Average Maturity:** The CTF fixed income portfolio has a weighted average maturity of 6.8 years. Additional maturity information is available in Note 1 of the Financial Section of this report.

Basis of Presentation of Investment Data

Investments are reported at fair value. Unrealized gains and losses are included as investment income.

The net assets of the retirement funds are valued on a monthly basis using publicly traded securities, limited partnerships, private equity limited partnerships and real estate limited partnerships.

Publicly Traded Securities (Corporate Stock, Commingled Funds, Investment Derivatives and Fixed Income): Fair values are based on published market prices, quotations from national security exchanges and security pricing services as of each month-end closing of the New York Stock Exchange.

Limited Partnerships: The fair value of investments that are organized as limited partnerships and have no readily ascertainable fair value (such as private equity, real estate and tangible assets) has been determined by management based on the individual investment's capital account balance, reported at fair value by the general partner, at the closest available reporting period, adjusted for subsequent contributions, distributions, management fees, changes in value

of foreign currency and published market prices for certain securities. Independent auditors audit the limited partnership's annual financial statements.

Private Equity Limited Partnerships: The fair value of individual capital account balances is based on the valuations private equity partnerships report using the following methodologies to value the underlying portfolio companies:

- Valuations of publicly traded portfolio companies are based on active exchanges using quoted market prices as of the close of trading for each month-end.
- When a portfolio company investment does not have a readily available market price but has a return that is determined by reference to an asset for which a market price is readily available, valuations are based on the closing market price of the reference asset on the valuation date, adjusted for factors that affect the fair value of the investment held.
- When the portfolio company investments are private holdings and are not traded on active security exchanges, valuation methodologies used consist primarily of income and market approaches. The income approach involves a discounted cash-flow analysis based on portfolio companies' projections. The market approach involves valuing a company at a multiple of a specified financial measure (generally EBITDA, or earnings before interest, taxes, depreciation and amortization) based on multiples at which comparable companies trade.

Real Estate Limited Partnerships: Real estate partnerships provide quarterly valuations, based on the most recent capital account balance, to WSIB management. Individual properties are valued by the partnerships at least annually and are adjusted as frequently as quarterly if material market or operational changes have occurred.

Properties are generally externally valued every one to five years, depending on the partnership. Structured finance investments receive quarterly value adjustments by the partners, generally applying the assumption that all such positions will be held to maturity.

Annual audits of most partnerships include a review of compliance with the partnership's valuation policies.

Interest and dividend income is recognized when earned. Capital gains and losses are recognized on a trade-date basis. Purchases and sales of investments are also recorded on a trade-date basis. The investment results reported for these asset classes in the Investment Section reflect these practices.

Performance

The chart below shows the returns for the CTF on a total fund basis as well as by asset class. Appropriate benchmark returns are provided for comparison purposes.

Returns for the CTF Based on Total Fund and Asset Class — Periods Ending June 30, 2015

	1-Year	3-Year	5-Year	10-Year
Total Fund	4.93%	11.34%	11.13%	7.55%
Passive Benchmark	1.34%	10.12%	9.91%	6.25%
Fixed Income	0.30%	2.32%	3.97%	5.32%
Barclays Capital Universal	1.61%	2.33%	3.81%	4.68%
Tangible	3.63%	2.25%	3.08%	n/a
CPI Lagged One Quarter + 400 bp	3.98%	4.99%	5.64%	n/a
Real Estate	14.29%	15.03%	13.58%	8.76%
8% Return Over Rolling 10 Years	n/a	n/a	n/a	8.00%
NCREIF Lagged One Quarter (for Comparison Purposes)	12.72%	11.47%	12.75%	8.39%
Public Equity	1.37%	14.05%	12.85%	6.71%
Dow Jones Wilshire Global Index	1.11%	13.68%	12.49%	6.76%
Private Equity	11.24%	14.88%	14.69%	12.15%
Russell 3000 Lagged One Quarter + 300 bp	15.37%	19.43%	17.71%	11.38%
Innovation	(10.38)%	17.58%	13.25%	n/a
Custom Benchmark	(9.99)%	0.68%	3.51%	n/a
Cash	0.10%	0.13%	0.14%	1.56%
90-Day T-Bills	0.03%	0.08%	0.10%	1.46%

Performance information is compiled by the custodian, State Street Bank. Performance numbers are reported net of management fees and are prepared using a time-weighted rate of return based on the current market value.

Asset Allocation

Investment performance is a result of two primary factors: individual asset selection and the allocation of the portfolio among asset classes (for example, stocks, fixed income and real estate). Studies suggest that more than 90 percent of investment performance can be explained by asset allocation decisions.

Accordingly, the WSIB sets a specific, long-term target asset mix and adopts tight ranges around those targets to control the overall risk and return of the CTF. On a daily basis, the WSIB reviews the asset allocation in relation to the established ranges. Its staff shifts assets whenever the allocation range for an asset exceeds the approved range or when cash is needed elsewhere.

The WSIB reviews changes to the overall asset mix every three to four years.

The chart below shows the CTF's asset allocation as of June 30, 2015, as well as the long-term target allocations.

Current Asset Allocation and Long-Term Target Allocations — As of June 30, 2015

Asset Type	Target Allocation	Actual Allocation
Fixed Income	20.00%	23.76%
Tangible Assets	5.00%	1.95%
Real Estate	15.00%	14.45%
Public Equity	37.00%	37.27%
Private Equity	23.00%	22.04%
Innovation	0.00%	0.32%
Cash	0.00%	0.21%
Total	**100.00%**	**100.00%**

Public Equity

The public equity program uses a global benchmark, the Morgan Stanley All Country World with USA Gross Investable Market Index, reflecting the globalization of capital markets. In a world in which American companies like Coca-Cola get most of their revenue from overseas and many so-called foreign companies serve mainly the U.S., distinctions between "U.S. stocks" and "international stocks" have become increasingly blurred. The WSIB believes the future success of the program depends on investment managers finding the most attractive opportunities wherever they are in the world.

Because U.S. equity markets are generally efficient and international equity markets are increasingly efficient, most of the WSIB's public equity investments are in low-cost, broad-based passive index funds.

We employ both passive U.S. equity and passive international equity to maintain policy weights in both areas. All the global equity mandates in which investment firms can pick the most attractive stocks wherever they are in the world (U.S. or international) and all the emerging markets equity mandates are actively managed.

Retirement Funds' 10 Largest Public Equities As of June 30, 2015

Holdings		Exposure by Country	
Apple Inc.	1.36%	United States	52.58%
Microsoft Corp.	0.84%	United Kingdom	8.75%
Wells Fargo & Co.	0.73%	Japan	7.24%
Exxon Mobil Corp.	0.72%	Germany	3.22%
Nestle SA	0.65%	Switzerland	3.20%
Oracle Corp.	0.63%	France	3.16%
Novartis AG	0.60%	Canada	2.92%
Google Inc.	0.58%	Australia	1.94%
Sanofi	0.57%	China	1.70%
Intel Corp.	0.55%	Hong Kong	1.26%

U.S. Equity

The U.S. equity portfolio is structured to capture the returns of the broad U.S. equity market as measured by the Dow Jones Total Stock Market Index (TSMI). The index is composed of all U.S. domiciled common equities for which pricing information is readily available and currently represents about 5,000 companies. The portfolio is managed externally using a passive management strategy that tracks the index.

Non-U.S Equity

The non-U.S. equity portfolio is benchmarked to a broad non-U.S. equity benchmark, currently the MSCI All Country World ex U.S. Investable Market Index. About 35 percent of the public equity portfolio is invested in non-U.S. markets, 75 percent of which is invested in developed markets with the remaining portion invested in the emerging markets.

Portfolios are managed by external managers employing primarily a passive approach in developed markets and solely active strategies in emerging markets.

Global Equity

The global equity portfolio is benchmarked to a broad global equity benchmark, currently the MSCI All Country World Index Investable Market Index with U.S. Gross.

About 28 percent of the public equity portfolio is invested in global equity strategies, which includes U.S. and non-U.S. markets. External managers employing active strategies manage these strategies.

Fixed Income

WSIB staff members internally manage the fixed income portfolio using Barclays Capital Universal Index as the performance benchmark. The management strategy is primarily one of sector selection.

The portfolio is structured to be over- or under-weighted relative to the benchmark's sectors: primarily treasuries, agencies, credit, mortgage-backed securities and asset-backed securities. The duration of the portfolio is slightly shorter than that of the Barclays Capital Universal Index.

Retirement Funds' Fixed Income Sector Distribution As of June 30, 2015

Investment Type	WSIB Fixed Income	Barclays Capital Universal Index
Cash	0.60%	0.00%
Treasury Inflation Protected Securities (TIPS)	0.00%	0.00%
U.S. Treasury	34.22%	30.18%
U.S. Agency	0.00%	2.67%
U.S. Credit	58.25%	41.02%
Pass-Through Mortgages	4.87%	23.89%
Collateral Mortgage Obligations (CMO)	0.52%	0.00%
Commercial Mortgage-Backed Securities (CMBS)	1.26%	1.77%
Asset-Backed Securities (ABS)	0.28%	0.48%

Private Equity

The private equity portfolio, originated in 1981, is primarily invested in partnerships that acquire or create ongoing businesses or operating companies. The WSIB has investments in all stages of the business life cycle, from private startup technology companies to large multinational public concerns. These are long-term investments, typically 10 to 12 years in life. They are expected to generate investment returns well in excess of public equity securities.

Real Estate

The real estate portfolio is invested in a diversified group of properties, including office buildings, retail facilities, apartments, warehouses and specialty properties. The majority of these investments have been made in partnerships with operating management groups. The WSIB invests in real estate both in the United States and internationally.

Tangible Assets

The board added Tangible Assets to its asset allocation in November 2007 and adopted an investment policy for the new assets class in January 2008.

The long-term allocation target is 5 percent, plus or minus 2 percent, and the benchmark is the Consumer Price Index (CPI) lagged one quarter plus 400 basis points. The categories of investments in this asset class are agriculture, commodities, infrastructure, natural resource rights and timber. Because this is a new asset class, the WSIB is still working toward building to its allocated target.

Portfolio Holdings

A complete list of portfolio holdings is available by contacting:

Washington State Investment Board
2100 Evergreen Park Drive SW
PO Box 40916
Olympia, WA 98504-0916
360-956-4600

Summary of Investment Policies

The Washington State Investment Board (WSIB), as authorized by statute, has the investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk (RCW 43.33A.110).

Retirement Fund Asset Allocation

The WSIB establishes asset allocation targets that must be considered at all times when making investment decisions. The asset mix might deviate from the target.

Deviations greater than predetermined, acceptable levels require rebalancing back to the target. If an asset class exceeds its range, the goal of rebalancing is to meet the target allocation within consideration of the other remaining asset classes.

Retirement funds are invested in the Commingled Trust Funds (CTF). The CTF's performance benchmark objective is to exceed the return of a policy benchmark consisting of public market indices weighted according to asset allocation targets. The asset allocation for the CTF is formally reviewed every three or four years.

The WSIB periodically reviews the asset allocation in relation to the established ranges.

Public Markets Equity

The Public Markets equity program seeks to:

- Achieve the highest return possible from active management with passive as the default consistent with prudent risk management and the desire for downside protection
- Maintain liquidity and transparency in public equity, given the WSIB's allocation to illiquid markets and investment structures in other strategies and/or asset classes
- Provide diversification to the WSIB's overall investment program

The public markets equity portion of the retirement funds invests in publicly traded equities globally, including equity securities in the U.S., developed non-U.S. and emerging markets. The program has a global benchmark, currently the MSCI All Country World Investable Market Index with U.S. Gross (MSCI ACWI IMI w/ U.S. Gross).

Fixed Income

The WSIB's fixed income investments are actively managed with the goal of exceeding the return of the Barclays Capital Universal Index over the long term. The major permissible investments include U.S. Treasuries and government agencies, Treasury Inflation Protection Securities (TIPS), mortgage-backed securities, asset-backed securities, and credit bonds, both investment grade in quality and below investment grade.

Policy constrains the portfolio from investing more than 1 percent of the portfolio's par holdings in any single issuer with a quality rating below investment grade and from having a duration (the sensitivity of the portfolio's market value to changes in the level of interest rates) that is more than 20 percent different from the duration of the Universal Index. In addition, the major sector allocations are limited to the following ranges:

Range Limitations of Major Sector Allocations	
U.S. Treasuries and Government Agencies	10-45%
Credit Bonds	10-60%
Asset-Backed Securities	0-10%
Commercial Mortgage-Backed Securities	0-10%
Mortgage-Backed Securities	5-45%

Private Equity Investing

The WSIB can invest in any appropriate private equity investment opportunity that has the potential for returns superior to traditional investment opportunities and that is not prohibited by law or the WSIB's policies.

These investment types are divided into venture capital investments, corporate finance (including leveraged, management and employee buyouts), distressed, international and mezzanine investments. Private equity investments are made through limited partnership vehicles.

To meet the return and plan objectives, the private equity portfolio has diversified investments in companies in a variety of stages of growth. The portfolio also includes a broad cross-section of opportunities in different industries and geographic regions.

Real Estate Program

The WSIB's real estate program is an externally managed pool of selected partnership investments, intended to provide alternative portfolio characteristics when compared to traditional stock and bond investments.

The majority of the WSIB's partnerships invest in institutional-quality real estate assets that are leased to third parties. Income generated from bond-like lease payments coupled with the hard asset qualities of real estate combine to generate returns that are expected to fall between the return expectations for fixed income and equities.

The real estate portfolio is managed to deliver risk-adjusted returns that are consistent with the board's long-term return expectations for the asset class. The WSIB's real estate partnerships typically invest in private real estate assets that are held for long-term income and appreciation.

Many of the WSIB's investment partnerships do not involve co-investment with other financial entities, thereby providing the WSIB with control provisions related to liquidation, acquisition and ongoing operational decisions for annual capital expenditures.

Volatility within the real estate portfolio is minimized through a combination of factors. First, the majority of the WSIB's partners own real estate assets in a private investment form, which is not subject to public market volatility. Second, real estate capital is diversified among a host of partners with varying investment styles. Third, partnership assets are invested in numerous economic regions, including foreign markets, and in various property types. Fourth, the WSIB's partners invest at different points within the properties' capital structures and life cycles.

The WSIB's current benchmark for real estate is an 8 percent return over a rolling 10 years. The National Council of Real Estate Investment Fiduciaries (NCREIF) property index lagged one quarter is still used for comparison purposes but is no longer the policy benchmark.

Tangible Assets

The WSIB can invest in any tangible asset investment opportunity that demonstrates acceptable risk-adjusted returns as long as law and board policy do not prohibit such opportunities. The WSIB seeks a prudent and disciplined approach to achieving a well-diversified portfolio of tangible asset investments targeting appropriate risk-adjusted returns for the asset class. Staff members make best efforts to obtain significant co-investment from their investment partners to improve alignment of interests.

Staff members prudently seek to diversify the portfolio cognizant of each partner's strategy and business plan. Investments are not made solely to achieve product type or geographic diversification.

Investment Professionals

For the Year Ended June 30, 2015 — Page 1 of 2

These investment professionals provided service to the retirement funds during fiscal year 2015:

Private Equity Partners

Accel Partners
Actis
Advent International
Affinity Equity Partners
Alta Communications
Ampersand Ventures
Apax Partners
Apex Investment Partners
Austin Ventures
Avenue Capital Group
Banc Funds
Battery Ventures
BC Partners
Blackstone Group
Boston Ventures
Bridgepoint Capital
Butler Capital Partners
Canaan Partners
Capital Resource Partners
CDH Investments
Charterhouse Capital Partners
Cinven Ltd.
Clayton, Dubilier & Rice
Code, Hennessy & Simmons
Collinson Howe & Lennox
Cypress Group
Denham Capital
Doughty Hanson & Co.
Edgewater Funds
EIG Global Energy Partners
El Dorado Ventures
Elevation Partners
Endeavour Capital
Essex Woodlands
Evercore Capital Partners
First Reserve Corp.
Evergreen Pacific Partners
Fisher Lynch Capital
Fortress Investment Group
FountainVest Partners
Francisco Partners

Private Equity Partners (cont.)

Frazier & Co.
Friedman Fleischer & Lowe
GGV Capital
GI Partners
Gilbert Global Equity Partners
Great Hill Partners
Gryphon Investors
GTCR
H.I.G. Ventures
HarbourVest Partners
Healthcare Ventures
Hellman & Friedman
Indigo Capital Partners
Insight Venture Partners
Intersouth Partners
JMI Equity
Kohlberg Kravis Roberts & Co.
KSL Capital Partners
Leonard Green & Partners
M/C Venture Partners
Madison Dearborn Partners
MatlinPatterson Global Advisors
Menlo Ventures
Mobius Venture Capital
Morgan Stanley Venture Partners
New Enterprise Associates
Nordic Capital
Oaktree Capital Management
Oak Investment Partners
OVP Venture Partners
Palamon Capital Partners
Permira
Polaris Venture Partners
Providence Equity Partners
Roark Capital Group
Rhone Capital
Silver Lake Partners
Southern Cross Group
Spark Management Partners
Sprout Group

Private Equity Partners (cont.)

TA Associates
Tailwind Capital Partners
Technology Crossover Ventures
The Riverside Company
Three Arch Partners
TowerBrook Capital Partners
TPG Partners
Trident Capital Partners
Triton Partners
U.S. Venture Partners
Union Square Ventures
Unitas Capital
VantagePoint Venture Partners
Vestar Capital Partners
Vision Capital
Vivo Ventures
Warburg Pincus
Welsh, Carson, Anderson & Stowe
Worldview Technology Partners

Real Estate Partners

Aevitas Property Partners
Alere Property Group
Calzada Capital Partners
Cherokee
Emerging Markets Fund of Funds
Evergreen Investment Advisors
Fillmore Capital Partners
Global Co-Investment
Hemisferio Sul
Hudson Advisors
Morgan Stanley
Pacific Realty
Principal Enterprise Capital
Proprium
Warburg Pincus
Washington Holdings

Investment Professionals (cont.)

For the Year Ended June 30, 2015 — Page 2 of 2

Tangible Partners

Agriculture Capital Management
Alinda Capital Partners
Campbell Global
EnerVest Ltd.
Fortress Investment Group
Global Infrastructure Partners
Highstar Capital
International Farming Corporation
Lime Rock Resource
Orion Resource Partners
Prostar Capital
Reservoir Resource Partners
Sheridan Production Partners
Stonepeak Advisors
UBS AgriVest
Wood Creek Capital Management

Public Equity Fund Managers

Aberdeen Asset Management PLC
Arrowstreet Capital, LP
BlackRock Institutional Trust Co.
D.E. Shaw Investment Management
Brandes Investment Partners
AQR Capital Management
Lazard Asset Management LLC
Longview
Magellan Asset Management Ltd.
Mondrian Investment Partners Ltd.
State Street Global Advisors
Wentworth, Hauser & Violich
William Blair & Co.

Overlay

State Street Global Advisors

Schedule of Investment Management Fees and Commissions

For the Year Ended June 30, 2015
Expressed in Thousands

	Fees Paid	Netted Fees*	Total Fees and Expenses	Net Assets Under Management
Equity Securities				
Public Equity Active Management	$ 50,365	$ –	$ 50,365	$ 13,838,523
Public Equity Passive Management	2,360	2,867	5,227	16,327,844
Alternative Investments				
Private Equity	170,824	11,736	182,560	18,437,965
Real Estate	20,269	12,046	32,315	11,952,176
Tangible Assets	38,915	–	38,915	1,627,730
Cash Management	2,012	–	2,012	1,605,001
Debt Securities	–	–	–	17,718,568
Other Fees				
Consultants and Accounting	1,869	–	1,869	–
Legal Fees	1,330	–	1,330	–
Research Services	2,017	–	2,017	–
Securities Lending Rebates and Fees	3,720	–	3,720	–
Miscellaneous Fees	189	–	189	–
DCP Management Fees	5,219	–	5,219	–
JRA Management Fees	16	–	16	–
PERS Plan 3 Management Fees	1,093	–	1,093	–
SERS Plan 3 Management Fees	475	–	475	–
TRS Plan 3 Management Fees	3,079	–	3,079	–
WSIB Operating Costs	12,704	–	12,704	–
Total Investment Expenses	**$ 316,456**	**$ 26,649**	**$ 343,105**	**$ 81,507,807**

* Netted fees are included in unrealized gains (losses) in the accompanying financial statements.

Schedule of Broker Volume and Equity Commissions Paid

For the Year Ended June 30, 2015
Expressed in Thousands — Page 1 of 5

	Equity				Fixed Income	
Broker	Volume Transacted	Buy Cost	Proceeds	Commission	Long-Term Volume Transacted	Short-Term Volume Transacted
Agora Corde Titul E Val Mob	$ 53	$ 847	$ –	$ 1	$ –	$ –
Baader Bank AG	2	–	6,881	10	–	–
Banco Itau SA	312	1,036	1,647	5	–	–
Banco Pactual SA	1,197	4,875	10,493	22	–	–
Banco Santander Central Hispano	2,471	3,400	2,609	6	–	–
Banco Santander Serfin SA	368	–	1,830	1	–	–
Bank J Vontobel Und Co. AG	2	9,504	–	14	–	–
Bank of America International NY United States	–	–	–	–	1,174,468	–
Bank of America Securities LLC	–	–	–	–	49,345,648	–
Bank of New York	–	–	–	–	16,959	–
Bank of New York/Barclays London	–	–	–	–	53,869	–
Barclays Bank PLC	–	–	–	–	1,765,477	–
Barclays Bank PLC London Branch	–	–	–	–	53,869	–
Barclays Capital	2,996	55,913	9,585	61	14,964	–
Barclays Capital Inc.	–	–	–	–	199,513	–
Barclays Capital Inc./LE	18,843	479,075	464,577	2	–	–
Barclays Capital LE	5,062	98,193	75,195	13	–	–
Barclays CTVM SA	1,067	1,366	321	2	–	–
BlackRock	9,310	–	159,538	–	–	–
Bloomberg Tradebook Europe Ltd.	14	–	4,595	2	–	–
BMO Capital Markets	281	24,282	–	11	–	–
BMO Capital Markets Corp. Bonds	–	–	–	–	341,168	–
BNP Paribas Securities Corp./Fixed Income	–	–	–	–	99,757	–
BNP Paribas Securities Service	1,043	6,750	1,128	11	–	–
BNY ConvergeEx Execution Solutions LLC	2,496	27,065	29,149	17	–	–
BTIG Hong Kong Ltd.	533	2,556	–	2	–	–
Cabrera Capital Markets	1	–	34	–	–	–
Calyon Securities	35	1,076	–	1	–	–
Canaccord Genuity Inc.	52	–	6,110	2	–	–
Cantor Fitzgerald & Co.	697	–	24,286	27	5,985	–
Cantor Fitzgerald Europe	1,052	6,435	3,125	7	–	–
China International Capital Co.	7,430	4,286	18,736	12	–	–
CIBC World Markets Corp.	32	1,824	–	–	–	–
CICC U.S. Securities Inc.	1,582	4,285	–	9	–	–
CIMB-GK Securities Pte. Ltd.	531	230	–	–	–	–
Citibank NA	9	–	528	1	22,944	–
Citibank NA London	–	–	–	–	19,951	–
Citigroup Global Markets Australia Pty. Ltd.	185	727	5	–	–	–
Citigroup Global Markets Inc.	125,338	704,603	330,911	276	118,817	–
Citigroup Global Markets Inc. Salomon Brothers	–	–	–	–	2,959,988	–
Citigroup Global Markets India	2,283	14,235	8,480	24	–	–
Citigroup Global Markets Korea Securities Ltd.	2,046	113,758	–	90	–	–
Citigroup Global Markets Ltd.	28,245	144,975	155,518	162	–	–

Schedule of Broker Volume and Equity Commissions Paid (cont.)

For the Year Ended June 30, 2015
Expressed in Thousands — Page 2 of 5

	Equity				Fixed Income	
Broker	Volume Transacted	Buy Cost	Proceeds	Commission	Long-Term Volume Transacted	Short-Term Volume Transacted
Citigroup Global Markets Taiwan	$ 44,487	$ 53,127	$ 810	$ 45	$ –	$ –
Clearstream Unpubl Client	–	–	–	–	9,976	–
CLSA Securities Korea Ltd.	38	5,717	872	7	–	–
CLSA Singapore Pte. Ltd.	2,944	39,233	20,200	33	–	–
ConvergeEx Execution Solutions LLC	6	38	44	–	–	–
Credit Agricole Securities (USA) Inc.	25	–	1,302	1	3,990	–
Credit Lyonnais Securities (Asia)	17,767	19,445	26,072	25	–	–
Credit Lyonnais Securities (India)	14,782	8,243	5,149	18	–	–
Credit Suisse Securities (Europe) Ltd.	16,167	59,667	85,216	113	–	–
Credit Suisse Securities (India) Pvt. Ltd.	132	433	3,979	10	–	–
Credit Suisse Securities (USA) LLC	85,056	503,168	512,839	188	1,955,830	–
CS First Boston (Hong Kong) Ltd.	954	6,401	506	14	–	–
CSFB Australia Equities Ltd.	1,365	1,331	133	1	–	–
D. Carnegie AG	300	9,269	–	14	–	–
Daiwa Securities (Hong Kong) Ltd.	6,855	39,367	31,399	21	–	–
Daiwa Securities America Inc.	27	1,578	–	2	–	–
Daiwa Securities SB Capital Markets	548	18,391	1,014	17	–	–
Danske Bank AS	88	–	2,956	3	–	–
Davy Stockbrokers	25	–	1,659	1	–	–
Deutsche Bank AG London	21,545	109,320	64,125	53	–	–
Deutsche Bank AG New York	–	–	–	–	1,083,348	–
Deutsche Bank Securities Inc.	8,908	105,728	204,451	99	648,419	–
Deutsche Equities India Pvt. Ltd. DB	292	1,245	2,870	8	–	–
Deutsche Morgan Grenfell Securities	103	2,414	–	1	–	–
Edelweiss Securities Pvt. Ltd.	317	10,056	–	11	–	–
Euroclear Bank SA/NV	–	81	–	–	–	–
Exane SA	1,903	31,429	23,185	60	–	–
G-Trade Services Ltd.	5,371	51,548	21,160	24	–	–
Goldman Sachs & Co.	26,575	197,909	328,361	180	660,098	–
Goldman Sachs (Asia) LLC	1,573	5,422	–	6	–	–
Goldman Sachs (India)	557	1,307	3,691	7	–	–
Goldman Sachs Equity Securities (UK) Ltd.	82	–	3,608	2	–	–
Goldman Sachs International	44,903	114,240	101,260	86	–	–
Goodbody Stockbrokers	53	248	1,746	3	–	–
Hongkong and Shanghai Banking Corp.	10,359	14,156	4,263	25	1,496,350	–
HSBC Bank Brasil SA Banco Multiplo	850	7,276	–	4	–	–
HSBC Bank PLC	47,536	333,291	293,383	134	–	–
HSBC Securities (USA) Inc.	21,794	170,793	170,821	98	–	–
ICICI Brokerage Services	5,145	25,271	12,168	37	–	–
IM Trust SA Corredores de Bolsa	940	594	–	–	–	–
India Infoline Ltd.	33	–	1,149	3	–	–
Instinet	9	–	261	–	–	–
Instinet Australia Clearing Services Pty. Ltd.	415	14,566	407	6	–	–

Schedule of Broker Volume and Equity Commissions Paid (cont.)

For the Year Ended June 30, 2015
Expressed in Thousands — Page 3 of 5

	Equity				Fixed Income	
Broker	Volume Transacted	Buy Cost	Proceeds	Commission	Long-Term Volume Transacted	Short-Term Volume Transacted
Instinet LLC	$ 8,596	$ 139,595	$ 167,882	$ 76	$ –	$ –
Instinet Pacific Ltd.	69,570	44,613	62,624	59	–	–
Instinet Singapore Services Pte.	7	423	–	1	–	–
Instinet UK Ltd.	47,855	360,965	279,695	229	–	–
Investment Technology Group Inc.	11,403	218,504	233,483	107	–	–
Investment Technology Group Ltd.	34,582	302,543	248,992	173	–	–
ISI Group Inc.	23	1,139	–	1	–	–
ITG Australia Ltd.	4,652	11,278	3,670	6	–	–
ITG Canada	1,894	7,057	7,368	10	–	–
ITG Inc.	1,693	10,351	8,963	7	–	–
ITG Securities (HK) Ltd.	20,144	6,776	20,329	10	–	–
Jefferies & Co. Inc.	14	2,456	37	3	–	–
Jefferies India Pvt. Ltd.	342	–	2,909	6	–	–
Jefferies International Ltd.	1,472	19,741	–	15	–	–
JPMorgan Chase Bank	–	–	–	–	1,527,484	–
JPMorgan Chase Bank NA London	26	–	1,101	–	–	–
JPMorgan Chase Bank/HSBC SI	–	–	–	–	566,618	–
JPMorgan Chase Bank/RBS Securities Inc.	–	–	–	–	628,467	–
JPMorgan Chase/JPMorgan International	–	–	–	–	60,519	–
JPMorgan Clearing Corp.	22,882	311,645	210,038	213	56,861	–
JPMorgan India Pvt. Ltd.	4,480	12,281	8,583	21	–	–
JPMorgan Securities (Asia Pacific) Ltd.	10,859	24,257	20,731	22	–	–
JPMorgan Securities (Far East) Ltd. Seoul	44	–	5,081	6	–	–
JPMorgan Securities (Taiwan) Ltd.	5,288	7,316	293	8	–	–
JPMorgan Securities (Australia) Ltd.	367	991	317	–	–	–
JPMorgan Securities Inc.	18,233	71,869	185,263	113	465,665	–
JPMorgan Securities PLC	14,199	112,186	106,988	88	–	–
JPMorgan Securities Singapore	7,218	4,101	7,524	13	–	–
Keefe, Bruyette & Woods Inc.	268	–	21,257	11	–	–
Kepler Equities Paris	444	6,211	8,539	22	–	–
Knight Clearing Services LLC	415	–	7,622	9	–	–
Knight Equity Markets LP	655	23,278	31,217	16	–	–
Knight Securities International	297	862	–	1	–	–
Kotak Securities Ltd.	–	–	9	–	–	–
Leerink, Swann and Co.	13	–	243	1	–	–
Liquidnet Asia Ltd.	1,186	3,052	544	4	–	–
Liquidnet Inc.	2,812	119,017	36,287	64	–	–
Loop Capital Markets	2,134	52,826	51,899	26	–	–
Macquarie Bank Ltd.	12,045	11,042	11,402	21	–	–
Macquarie Capial (Europe) Ltd.	111	3,965	–	6	–	–
Macquarie Equities Ltd. (Sydney)	98	535	–	–	–	–
Macquarie Securities (India) Pvt. Ltd.	792	3,395	6,471	3	–	–
Macquarie Securities (NZ) Ltd.	183	–	435	–	–	–

Schedule of Broker Volume and Equity Commissions Paid (cont.)

For the Year Ended June 30, 2015
Expressed in Thousands — Page 4 of 5

	Equity				Fixed Income	
Broker	Volume Transacted	Buy Cost	Proceeds	Commission	Long-Term Volume Transacted	Short-Term Volume Transacted
Macquarie Securities (Singapore)	$ 155	$ –	$ 561	$ 1	$ –	$ –
Macquarie Securities (USA) Inc.	214	–	13,057	9	–	–
Macquarie Securities Ltd. (Seoul)	–	292	–	–	–	–
Merrill Lynch Canada Inc.	1,909	29,066	30,667	–	–	–
Merrill Lynch Corredores de Bolsa SA	128	64	–	–	–	–
Merrill Lynch International	163,693	397,230	206,132	300	–	–
Merrill Lynch, Pierce, Fenner & Smith Inc.	60,219	515,228	520,092	278	–	–
Mizuho International PLC	1,676	4,072	–	3	–	–
Mizuho Securities USA Inc.	56	2,507	–	3	–	–
Mizuho Securities USA/Fixed Income	–	–	–	–	14,996	–
Morgan Stanley & Co. International	126,079	232,559	225,604	215	1,594,462	–
Morgan Stanley DW Inc.	555	–	18,369	26	–	–
Morgan Stanley India Co. Pvt. Ltd.	777	284	7,160	7	–	–
Morgan Stanley Securities Ltd.	5,080	7,368	1,303	3	–	–
Motilal Oswal Securities Ltd.	15,211	39,675	74,324	116	–	–
Nomura Financial Advisory & Securities India	5	21	18	–	–	–
Nomura Securities International Inc.	–	–	–	–	3,990	–
Nomura Securities/Fixed Income	–	–	–	–	3,990	–
Numis Securities Inc.	269	–	4,165	6	–	–
Numis Securities Ltd.	518	1,510	–	2	–	–
Oppenheimer & Co. Inc.	20	961	–	1	–	–
Pacific Crest Securities	29	2,534	–	1	–	–
Pavilion Global Markets Ltd.	9,819	198,560	161,796	90	–	–
Penserra Securities LLC	5,031	90,050	72,009	38	–	–
Pershing LLC	765	31,934	2,197	16	17,956	–
Pershing Securities Ltd.	179	5,151	724	5	–	–
Raymond James & Associates Inc.	342	26,139	–	14	–	–
RBC Capital Markets LLC	97	–	9,850	15	163,601	–
RBC Dominion Securities Inc.	311	2,230	8,834	12	–	–
Redburn Partners LLP	470	8,523	7,349	24	–	–
Renaissance Capital Ltd.	108	409	–	–	–	–
Robert W. Baird Co. Inc.	–	–	2	–	–	–
Royal Bank of Canada Europe Ltd.	995	37,544	–	56	–	–
Sanford C. Bernstein & Co. LLC	30,828	445,551	424,266	253	–	–
Sanford C. Bernstein Ltd.	34,412	271,155	179,812	170	–	–
Scotia Capital (USA) Inc.	300	4,720	7,170	11	1,995	–
Scotia Capital Markets	237	14,539	–	8	–	–
SG Americas Securities LLC	12,361	220,580	184,771	100	–	–
SG Asia Securities (India) Pvt. Ltd.	8,528	20,449	17,614	38	–	–
SG Securities (London) Ltd.	1,465	–	5,284	3	–	–
SG Securities HK	22,970	45,549	28,942	28	–	–
Sinopac Securities Corporation	6,193	3,902	15,405	11	–	–
Skandinaviska Enskilda Banken London	75	3,376	–	5	–	–

Schedule of Broker Volume and Equity Commissions Paid (cont.)

For the Year Ended June 30, 2015
Expressed in Thousands — Page 5 of 5

	Equity				Fixed Income	
Broker	**Volume Transacted**	**Buy Cost**	**Proceeds**	**Commission**	**Long-Term Volume Transacted**	**Short-Term Volume Transacted**
SMBC Securities Inc.	$ 148	$ 4,356	$ 10,381	$ 11	$ –	$ –
Societe Generale London Branch	21,890	157,982	101,151	83	–	–
Standard CT AIG	–	–	–	–	22,944	–
State Street Bank & Trust	–	–	–	–	–	20,601,269
Stephens Inc.	18	1,028	–	1	–	–
Sterne, Agee & Leach Inc.	323	–	12,596	13	–	–
Stifel, Nicolaus & Co. Inc.	720	20,277	15	1	–	–
Svenska Handelsbanken	7	238	–	–	–	–
TD Securities (USA) LLC	50	4,476	–	2	–	–
Tera Menkul Degerler AS	937	1,595	644	2	–	–
UBS AG	51,857	113,070	115,848	87	–	–
UBS Ltd.	23,164	184,971	175,650	151	–	–
UBS Securities Asia Ltd.	20,288	78,791	47,722	56	–	–
UBS Securities Canada Inc.	129	1,878	3,318	2	–	–
UBS Securities India Pvt. Ltd.	320	371	1,418	2	–	–
UBS Securities LLC	10,331	216,749	353,246	131	657,397	–
UBS Securities Pte. Ltd.	315	3,888	180	5	–	–
UBS Warburg Australia Equities	4,010	11,596	759	4	–	–
Weeden & Co.	11,123	174,143	249,002	108	–	–
Wells Fargo Securities LLC	–	–	–	–	175,427	–
Woori Investment & Securities	52	2,163	–	1	–	–
XP Investimentos CCTVM SA	533	2,815	2,655	3	–	–
Total	**$ 1,571,987**	**$ 9,211,987**	**$ 8,306,198**	**$ 6,053**	**$ 68,013,760**	**$ 20,601,269**

Summary of Investments Owned — Pension Trust Funds

Schedule of Investments Owned As of June 30, 2015
Expressed in Thousands — Page 1 of 7

Description	Rate	Maturity	Market Value	% of Total Market Value
Asset-Backed Securities				
Citibank Credit Card Issuance	1.02	2/22/2019	$ 49,907	0.06%
Total Asset-Backed Securities			**49,907**	**0.06%**
Residential Mortgage-Backed Securities				
FNMA Pool AL5255	2.50	7/1/2028	83,210	0.09%
GNMA II TBA 30 YR 3.5	3.50	7/20/2045	79,781	0.09%
FHLMC TBA 30 YR 3.5	3.50	7/14/2045	75,429	0.08%
FNMA TBA 30 YR 5	5.00	7/14/2045	69,609	0.08%
FNMA TBA 30 YR 4	4.00	7/14/2045	67,570	0.07%
FNMA TBA 15 YR 2.5	2.50	7/16/2030	65,682	0.07%
FNMA Pool AB8447	2.50	2/1/2028	51,570	0.06%
FNMA Pool AW8713	2.50	8/1/2029	51,080	0.06%
FED HM LN PC Pool G18540	2.50	2/1/2030	48,970	0.05%
FED HM LN PC Pool G18529	2.50	10/1/2029	46,213	0.05%
Other	–	–	661,214	0.73%
Total Residential Mortgage-Backed Securities			**1,300,328**	**1.44%**
Commercial Mortgage-Backed Securities				
GS Mortgage Securities Trust	5.55	4/10/2038	40,118	0.04%
Morgan Stanley Capital I Trust	5.60	3/12/2044	35,579	0.04%
Bear Sterns Commercial Mortgage	5.54	9/11/2041	32,452	0.04%
Citigroup Commercial Mortgage	5.43	10/15/2049	31,044	0.03%
CD Commercial Mortgage Trust	5.48	1/15/2046	26,571	0.03%
GS Mortgage Securities Trust	3.52	6/10/2047	15,700	0.02%
Citigroup Commercial Mortgage	2.79	3/10/2047	13,270	0.01%
UBS Barclays Commercial Mortgage	3.09	8/10/2049	10,055	0.01%
Wells Fargo Commercial Mortgage	3.17	2/15/2048	9,812	0.01%
Master Asset Securitization Trust	5.25	9/25/2033	7,186	0.01%
Other	–	–	9,435	0.01%
Total Commercial Mortgage-Backed Securities			**231,222**	**0.26%**
Corporate Bonds — Domestic Dollar Denominated				
Verizon Communications	5.15	9/15/2023	71,016	0.08%
Bank of America NA	1.13	11/14/2016	69,826	0.08%
Anheuser Busch Inbev Worldwide	6.88	11/15/2019	59,122	0.07%
Reliance Holdings USA	4.50	10/19/2020	58,097	0.06%
JPMorgan Chase & Co.	1.70	3/1/2018	49,678	0.06%
HSBC USA Inc.	1.70	3/5/2018	39,794	0.04%
Bayer U.S. Finance LLC	3.38	10/8/2024	39,682	0.04%
Citigroup Inc.	4.00	8/5/2024	39,340	0.04%
China Merchants Bank/NY	2.38	5/14/2018	35,110	0.04%
JPMorgan Chase & Co.	1.35	2/15/2017	34,912	0.04%
Other	–	–	1,051,913	1.17%
Total Corporate Bonds — Domestic Dollar Denominated			**1,548,490**	**1.72%**

Schedule of Investments Owned As of June 30, 2015
Expressed in Thousands — Page 2 of 7

Description	Rate	Maturity	Market Value	% of Total Market Value
Corporate Bonds — Domestic Nondollar Denominated				
Anheuser Busch Inbev Worldwide	9.75	11/17/2015	$ 12,540	0.01%
Total Corporate Bonds — Domestic Nondollar Denominated			**12,540**	**0.01%**
Corporate Bonds — Foreign Nondollar Denominated				
Petroleos Mexicanos	7.19	9/12/2024	33,780	0.04%
SACI Falabella	6.50	4/30/2023	26,236	0.03%
America Movil SAB de CV	8.46	12/18/2036	24,595	0.03%
Petroleos Mexicanos	7.65	11/24/2021	21,167	0.02%
Ambev International Finance Co. Ltd.	9.50	7/24/2017	18,300	0.02%
Empresas Public Medellin	7.63	9/10/2024	18,011	0.02%
CCBL Funding PLC	3.20	11/29/2015	16,050	0.02%
Turkiye Garanti Bankasi	7.38	3/7/2018	13,260	0.01%
Akbank TAS	7.50	2/5/2018	12,732	0.01%
Cia de Eletricidade do Estado da Bahia	11.75	4/27/2016	12,636	0.01%
Other	–	–	89,439	0.10%
Total Corporate Bonds — Foreign Nondollar Denominated			**286,206**	**0.32%**
Corporate Bonds — Foreign Dollar Denominated				
Perusahaan Gas Negara	5.13	5/16/2024	75,225	0.08%
National Australia Bank	1.30	6/30/2017	74,833	0.08%
Inversiones CMPC SA	6.13	11/5/2019	72,371	0.08%
Petronas Capital Ltd.	3.50	3/18/2025	64,131	0.07%
APT Pipelines Ltd.	4.20	3/23/2025	58,520	0.06%
Ecopetrol SA	7.63	7/23/2019	57,843	0.06%
Canadian Oil Sands Ltd.	7.75	5/15/2019	55,320	0.06%
Bank of China Hong Kong	5.55	2/11/2020	54,554	0.06%
Bank of Nova Scotia	2.05	6/5/2019	54,485	0.06%
Mega Advance Investments	5.00	5/12/2021	53,540	0.06%
Other	–	–	6,196,890	6.86%
Total Corporate Bonds — Foreign Dollar Denominated			**6,817,712**	**7.55%**
U.S. Government Treasuries				
U.S. Treasury N/B	1.25	10/31/2018	600,397	0.67%
U.S. Treasury N/B	0.88	6/15/2017	500,984	0.55%
U.S. Treasury N/B	1.13	5/31/2019	445,236	0.49%
U.S. Treasury N/B	2.38	8/15/2024	436,130	0.48%
U.S. Treasury N/B	0.88	1/31/2017	300,884	0.33%
U.S. Treasury N/B	0.38	5/31/2016	299,373	0.33%
U.S. Treasury N/B	1.00	9/30/2016	256,252	0.28%
U.S. Treasury N/B	1.75	9/30/2019	252,312	0.28%
U.S. Treasury N/B	0.50	6/30/2016	249,774	0.28%
U.S. Treasury N/B	2.63	8/15/2020	208,599	0.23%
Other	–	–	2,494,764	2.76%
Total U.S. Government Treasuries			**6,044,705**	**6.70%**

Schedule of Investments Owned As of June 30, 2015
Expressed in Thousands — Page 3 of 7

Description	Rate	Maturity	Market Value	% of Total Market Value
Foreign Governments and Agencies — Dollar Denominated				
Republic of Indonesia	5.38	10/17/2023	$ 53,667	0.06%
Province of Ontario	2.00	1/30/2019	30,393	0.03%
Export Import Bank China	3.63	7/31/2024	30,305	0.03%
State of Qatar	5.25	1/20/2020	28,018	0.03%
Republic of Colombia	5.00	6/15/2045	27,675	0.03%
Province of Manitoba	3.05	5/14/2024	25,581	0.03%
Republic of Korea	7.13	4/16/2019	23,718	0.03%
Province of Quebec	7.50	7/15/2023	23,137	0.03%
Federal Republic of Brazil	5.00	1/27/2045	21,504	0.02%
Republic of Indonesia	5.13	1/15/2045	14,268	0.02%
Other	–	–	82,173	0.09%
Total Foreign Governments and Agencies — Dollar Denominated			**360,439**	**0.40%**
Foreign Governments and Agencies — Nondollar Denominated				
New S. Wales Treasury Corp.	5.50	3/1/2017	80,955	0.09%
Malaysian Government	4.01	9/15/2017	56,374	0.06%
Thailand Government Bond	3.25	6/16/2017	45,713	0.05%
Republic of Colombia	4.38	3/21/2023	43,323	0.05%
Republica Orient Uruguay	4.38	12/15/2028	42,063	0.05%
Queensland Treasury Corp.	6.00	9/14/2017	41,430	0.05%
Queensland Treasury Corp.	4.25	7/21/2023	40,678	0.05%
Republic of Chile	5.50	8/5/2020	37,572	0.04%
Federal Republic of Brazil	10.25	1/10/2028	37,152	0.04%
Republic of Philippines	6.25	1/14/2036	30,125	0.03%
Other	–	–	265,844	0.29%
Total Foreign Governments and Agencies — Nondollar Denominated			**721,229**	**0.80%**
Supranational — Nondollar Denominated				
Asian Development Bank	2.00	1/22/2025	47,812	0.05%
International Bank for Reconstruction & Development	5.75	10/21/2019	42,939	0.05%
International American Development Bank	4.38	1/24/2044	40,713	0.05%
International Finance Corp.	5.00	12/21/2015	30,846	0.03%
Asian Development Bank	1.88	4/12/2019	30,409	0.03%
International American Development Bank	6.50	8/20/2019	26,362	0.03%
International Bank for Reconstruction & Development	13.63	5/9/2017	25,468	0.03%
International Finance Corp.	1.75	9/4/2018	25,363	0.03%
Asian Development Bank	0.20	5/13/2016	24,928	0.03%
International Finance Corp.	8.25	6/10/2021	24,851	0.03%
Other	–	–	118,302	0.13%
Total Supranational — Nondollar Denominated			**437,993**	**0.49%**

Schedule of Investments Owned As of June 30, 2015
Expressed in Thousands — Page 4 of 7

Description	Market Value	% of Total Market Value
Corporate Stock — Domestic Dollar Denominated		
Yum Brands Inc.	$ 147,828	0.16%
Oracle Corp.	129,964	0.14%
Microsoft Corp.	109,633	0.12%
Intel Corp.	106,734	0.12%
Apple Inc.	105,020	0.12%
Wells Fargo & Co.	104,291	0.12%
International Business Machines Corp.	97,050	0.11%
HCA Holdings Inc.	96,678	0.11%
Bank of New York Mellon Corp.	96,087	0.11%
eBay Inc.	93,909	0.10%
Other	4,335,165	4.80%
Total Corporate Stock — Domestic Dollar Denominated	**5,422,359**	**6.01%**
Corporate Stock — Domestic Nondollar Denominated		
Ormat Technologies Inc.	–	0.00%
Total Corporate Stock — Domestic Nondollar Denominated	**0**	**0.00%**
Corporate Stock — Foreign Nondollar Denominated		
Nestle SA-Reg	190,809	0.21%
Novartis AG-Reg	174,490	0.19%
Sanofi SA	170,015	0.19%
Royal Dutch Shell PLC-B	145,811	0.16%
Lloyds Banking Group PLC	138,942	0.15%
Roche Holdings AG-Genusschein	122,251	0.13%
SAP SE	115,783	0.13%
AIA Group Ltd.	92,450	0.10%
HSBC Holdings PLC	91,285	0.10%
Novo Nordisk A/S-B	90,777	0.10%
Other	11,295,769	12.51%
Total Corporate Stock — Foreign Nondollar Denominated	**12,628,382**	**13.98%**
Corporate Stock — Foreign Dollar Denominated		
Delphi Automotive PLC	75,089	0.08%
Taiwan Semiconductor SP ADR	66,555	0.07%
Aon PLC	66,386	0.07%
Accenture PLC-CL A	64,872	0.07%
Schlumberger Ltd.	64,701	0.07%
TE Connectivity Ltd.	55,309	0.06%
Teva Pharmaceutical SP ADR	51,341	0.06%
Banco Bradesco ADR	49,541	0.05%
Fomento Economico Mex-SP ADR	43,909	0.05%
Tenaris SA ADR	41,435	0.05%
Other	735,881	0.82%
Total Corporate Stock — Foreign Dollar Denominated	**1,315,019**	**1.46%**

Summary of Investments Owned — Pension Trust Funds (cont.)

Schedule of Investments Owned As of June 30, 2015
Expressed in Thousands — Page 5 of 7

Description	Market Value	% of Total Market Value
Commingled Index Funds — Domestic		
BTC U.S. IMI Fund	$ 9,899,902	10.97%
Total Commingled Index Funds — Domestic	**9,899,902**	**10.97%**
Commingled Index Funds — Foreign		
Lazard Freres Capital Management	422,447	0.47%
HSBC Bank PLC	5,575	0.01%
SPDR S&P 500 ETF Trust	2,641	0.00%
Total Commingled Index Funds — Foreign	**430,663**	**0.48%**
Cash and Money Market		
State Street Bank & Trust	1,942,316	2.15%
BlackRock Liquidity Funds	113,948	0.13%
U.S. Dollar	33,255	0.04%
Total Cash and Money Market	**2,089,519**	**2.31%**
Private Equity		
Fisher Lynch Co-Investment Partnership II LP	325,261	0.36%
Advent International GPE VII-B LP	319,953	0.35%
Fortress Investment Fund V LP	313,951	0.35%
Hellman and Friedman Capital Partners VII LP	299,841	0.33%
GTCR Fund X LP	293,721	0.32%
Blackstone Capital Partners V LP	280,181	0.31%
Blackstone Capital Partners VI LP	223,433	0.25%
First Reserve Fund XII LP	211,504	0.23%
Green Equity Investors VI LP	196,423	0.22%
Advents International GPE VI LP	161,896	0.18%
Other	15,781,151	17.48%
Total Private Equity	**18,407,315**	**20.38%**
Real Estate		
Evergreen Real Estate Partners LP	3,030,336	3.36%
Calzada Capital Partners LLC	2,449,016	2.71%
Principal Enterprise Capital Holdings	2,344,326	2.60%
Fillmore Strategic Investors	1,144,994	1.27%
Union Square LP	520,812	0.58%
PacTrust Realty Association	298,345	0.33%
Emerging Markets Fund of Funds	285,056	0.32%
Morgan Stanley Special Situations Fund III LP	247,952	0.27%
Washington Holdings Structured Finance LP	221,079	0.24%
Washington Real Estate Holdings	180,309	0.20%
Other	1,212,553	1.34%
Total Real Estate	**11,934,778**	**13.22%**

Schedule of Investments Owned As of June 30, 2015
Expressed in Thousands — Page 6 of 7

Description	Market Value	% of Total Market Value
Tangible Assets		
Alinda Infrastructure Fund II LP	$ 440,875	0.49%
Hawthorne Timber	203,191	0.22%
Alinda Infrastructure Fund I LP	160,125	0.18%
Global Infrastructure Partners II LP	143,303	0.16%
Highstar Capital III LP	103,537	0.11%
Fortress Worldwide Transportation & Infrastructure Investors LP	96,467	0.11%
Stonepeak Infrastructure Fund LP	95,850	0.11%
Orion Mine Finance Fund I	80,029	0.09%
Sheridan Production Partners II-B	52,744	0.06%
Sheridan Production Partners I-B	51,324	0.06%
Other	199,635	0.22%
Total Tangible Assets	**1,627,080**	**1.80%**
Foreign Currency		
Japanese Yen	16,053	0.02%
Pound Sterling	12,241	0.01%
Canadian Dollar	11,464	0.01%
Australian Dollar	7,114	0.01%
Hong Kong Dollar	1,980	0.00%
Euro	1,815	0.00%
New Taiwan Dollar	1,269	0.00%
Singapore Dollar	1,237	0.00%
Norwegian Krone	1,039	0.00%
Swedish Krona	798	0.00%
Other	2,492	0.00%
Total Foreign Currency	**57,502**	**0.06%**
Plan 3 Defined Contribution and Deferred Compensation Program		
Retirement Strategy Funds (Target Date Funds)		
Retirement Strategy 2020	846,435	0.94%
Retirement Strategy 2025	735,968	0.82%
Retirement Strategy 2015	585,582	0.65%
Retirement Strategy 2030	490,411	0.54%
Retirement Strategy 2035	331,260	0.37%
Retirement Strategy 2010	185,091	0.20%
Retirement Strategy 2040	177,299	0.20%
Retirement Strategy 2045	88,039	0.10%
Retirement Strategy 2005	61,320	0.07%
Other	115,652	0.13%
Total Retirement Strategy Funds (Target Date Funds)	**3,617,057**	**4.00%**

Summary of Investments Owned — Pension Trust Funds (cont.)

Schedule of Investments Owned As of June 30, 2015
Expressed in Thousands — Page 7 of 7

Description	Rate	Maturity	Market Value	% of Total Market Value
Equity Index Funds				
U.S. Large Cap Equity Index			$ 1,190,871	1.32%
U.S. Small Cap Value Equity Index			397,400	0.44%
Global Equity Index			259,518	0.29%
Emerging Market Index			120,353	0.13%
Total Equity Index Funds			**1,968,142**	**2.18%**
Guaranteed Investment Contracts				
Savings Pool			867,135	0.96%
Total Guaranteed Investment Contracts			**867,135**	**0.96%**
Bond Funds				
Washington State Bond Fund			646,894	0.72%
U.S. Socially Responsible Fund			235,755	0.26%
Total Bond Funds			**882,649**	**0.98%**
Short-Term Investment Funds (in Defined Contribution Plans)				
Washington State Money Market Fund			482,251	0.53%
WSIB Short-Term Investment Fund			530	0.00%
Total Short-Term Investment Funds (in Defined Contribution Plans)			**482,781**	**0.53%**
Life Annuity				
GE Capital Assurance			5	0.00%
Total Life Annuity			**5**	**0.00%**
Securities Under Lending Agreements				
Collateral Held Under Securities Lending Agreements			843,162	0.93%
Total Securities Under Lending Agreements			**843,162**	**0.93%**
Total Investments			**$ 90,284,221**	**100.00%**

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Effective Leadership

Because leadership behaviors determine the culture of an organization, we emphasize the development of all DRS leaders, ensuring they are equipped to support and engage team members through effective coaching and mentoring.

Actuarial Section

Office of the State Actuary

"Securing tomorrow's pensions today."

October 2, 2015

Ms. Marcie Frost
Director
Department of Retirement Systems
PO Box 48380
Olympia, Washington 98504-8380

SUBJECT: ACTUARIAL CERTIFICATION LETTER

Dear Marcie:

At your request, we prepared the following information for inclusion in the *2015 Comprehensive Annual Financial Report* (CAFR):

1. Introductory Section.
   - Financial Information – Funding Paragraph.
2. Financial Section.
   - Number of Participating Members.
   - Note 2C: Funding Policy.
   - Components for the Schedule of Changes in Net Pension Liability (NPL):
     - Service Cost; Interest; Changes of Benefit Terms; Differences between Expected and Actual Experience; Changes in Assumptions.
   - NPL component for the Schedule of NPL.
   - Actuarially Determined Contributions (ADC) component for the Schedule of Contributions.
   - Note 2B: Actuarial components of Governmental Accounting and Standards Board (GASB) 67 requirements.
   - GASB 67 Notes for Required Supplementary Information:
     - Methods and Assumptions.
3. Actuarial Section.
   - Funded Status and Funding Progress (one year).
   - Schedules of Funding Progress.

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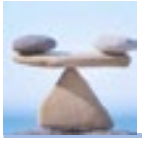

- Additional Information for the Defined Benefit Plans.
- Schedule of Contributions from Employers and Others.
- Schedules of Active Member Valuation Data.
- Schedules of Retirees and Beneficiaries Added to and Removed from Rolls.
- Summary of Actuarial Assumptions and Methods.
- Solvency Tests.
- Analyses of Selected Experience.

4. Statistical Section.
   - Distribution of Membership.
   - Schedule of Benefit Recipients by Type of Benefit.
   - Schedule of Average Benefit Payments to Service Retirees in Year of Retirement.

The primary purpose of this information is to satisfy the actuarial reporting requirements of GASB and the Government Finance Officers Association (GFOA). Readers should not use this information for other purposes. Please replace this information with more recent information from next year's CAFR when available.

We also prepare annual actuarial valuations for determining contribution requirements and funding progress (a "funding" valuation) consistent with the state's funding policy. The funding valuations serve a different purpose from accounting valuations or measurements, and the results of the funding valuations may not match these accounting disclosures.

We performed the most recent actuarial valuation in 2015 with a valuation date of June 30, 2014. The Total Pension Liability (TPL) was calculated as of the valuation date and projected to the measurement date of June 30, 2015. Plan liabilities were rolled forward from June 30, 2014, to June 30, 2015, reflecting each plan's normal cost (using the Entry Age cost method), assumed interest, and actual benefit payments.

GASB 67 requires an "asset sufficiency test" to determine whether (or how long) we can use the long-term expected rate of return on assets to measure the present value of plan liabilities for accounting purposes. For this test, we made the following assumptions to determine projected employee and employer contributions:

- A 7.7 percent long-term discount rate to determine funding liabilities consistent with current law for calculating future contribution rate requirements (for all plans except the Law Enforcement Officers' and Fire Fighters' Plan 2, Judicial Retirement System (JRS), and Judges).

- We reflected actual asset returns through June 30, 2015, and assumed a 7.5 percent rate of investment return on invested assets thereafter consistent with the long-term expected rate of return (for all plans except JRS and Judges).
- With the exception of determining future Plan 1 Unfunded Actuarial Accrued Liability (UAAL) contributions from employers of the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), School Employees' Retirement System (SERS), and Public Safety Employees' Retirement System (PSERS), we assumed no new entrants for purposes of the asset sufficiency test.
- Consistent with current law, employers of PERS, TRS, SERS, and PSERS would continue to pay the minimum Plan 1 UAAL contribution rate until the applicable Plan 1 is fully funded.
- The Legislature would continue the current contribution rate phase-in for the new mortality assumptions until the end of the 2019-21 Biennium.

For the asset sufficiency test, we also reviewed the resulting contribution projections for reasonability and found them to be reasonable for purposes of performing this test.

Otherwise, we used the same data, assumptions, and methods for the asset sufficiency test as we disclosed in our *2014 Actuarial Valuation Report*.

As of this measurement, all plans—with the exception of JRS and Judges ("pay-as-you-go" plans)—are expected to retain sufficient assets to pay all future benefits for current members using current assumptions, current plan provisions, and assuming the continuation of current state funding policy in Chapter 41.45 RCW (the actuarial funding chapter).

We relied on participant data provided by your department to perform the latest actuarial valuation. The Washington State Investment Board, your department, and the Office of the State Treasurer provided financial and asset information. We reviewed the data and the assets for reasonableness as appropriate based on the purpose of the valuation. We relied on all the information provided as complete and accurate. In our opinion, this information is adequate and substantially complete for purposes of this valuation. Please see the **Actuarial Certification Letter** in the *2014 Actuarial Valuation Report* for additional information on the certification of the latest actuarial valuation results.

We prepared the required accounting disclosures in accordance with GASB Statement 67. Please see the *DRS 2015 Participating Employer Financial Information* (PEFI) report for our actuarial certification of disclosures that are unique to GASB 68. We relied on the same participant data, assumptions, and methods for the GASB 67 disclosures as we did for the GASB 68 disclosures.

At your request, we also prepared accounting disclosures under the prior GASB Statements 25, 27, and 50. We prepared all items in accordance with generally accepted actuarial principles and actuarial standards of practice as of the date of this letter.

We certify, to the best of our knowledge, that the actuarial submissions in the 2015 CAFR meet the GFOA standards for actuarial reporting.

The undersigned, with actuarial credentials, meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. We are available to provide extra advice and explanations as needed.

Sincerely,

Matthew M. Smith, FCA, EA, MAAA
State Actuary

Luke Masselink, ASA, EA, MAAA
Actuary

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Summary of Plan Provisions

A narrative summary of retirement plans DRS manages is provided in Section B of Note 2 in the Financial Section of this CAFR. A tabular summary of key plan provisions as of June 30, 2015, is provided below.

As of June 30, 2015 — Page 1 of 2

Plan	Membership Eligibility	Vesting	Retirement Eligibility	Benefit
PERS Plan 1	State employees, elected officials, employees of local governments, legislative committees, community/technical colleges, classified employees of school districts, district/municipal court judges, and some employees of the supreme, appeals and superior courts (by 9/30/77)	After five years of eligible service	After 30 years of service, at age 60 with five years of service, or at age 55 with 25 years of service	2% of Average Final Compensation (AFC) per year of service, capped at 60% of AFC Judicial Benefit Multiplier (JBM) participants: 3.5% of AFC per year of service, capped at 75% of AFC
PERS Plan 2	New members who met the same employer membership eligibility requirements as PERS Plan 1 and were hired on or after 10/1/77, new state agency and higher education members hired on or after 3/1/02 who chose Plan 2, and new members for all other employers hired on or after 9/1/02 who chose Plan 2 PERS Plan 2 excludes classified employees of school districts.	After five years of eligible service	At age 65 with five years of service or an actuarially reduced benefit at age 55 with 20 years of service	2% of AFC per year of service JBM participants: 3.5% of AFC per year of service, capped at 75% of AFC
PERS Plan 3*	New members who met the same employer membership eligibility requirements as PERS Plan 2, new state agency and higher education members hired on or after 3/1/02 who chose Plan 3, new members for all other employers hired on or after 9/1/02 who chose Plan 3, and PERS Plan 2 members hired on or after 10/1/77 who met transfer eligibility requirements and made an irrevocable choice to transfer to PERS Plan 3	Varies	At age 65 if vested or an actuarially reduced benefit at age 55 with 10 years of service (defined benefit portion)	1% of AFC per year of service (defined benefit portion) JBM participants: 1.6% of AFC per year of service, capped at 37.5% of AFC The defined contribution portion depends on the member's contribution level and on investment performance
SERS Plan 2	All classified employees of school districts or educational service districts (by 8/31/00 and employees on or after 7/1/07 with no past PERS Plan 2 service who chose Plan 2)	After five years of eligible service	After age 65 with five years of service or an actuarially reduced benefit at age 55 with 20 years of service	2% of AFC per year of service
SERS Plan 3*	All classified employees of school districts or educational service districts (on or after 9/1/00 and employees on or after 7/1/07 with no past PERS Plan 2 service who chose Plan 3)	Varies	At age 65 if vested or an actuarially reduced benefit at age 55 with 10 years of service (defined benefit portion)	1% of AFC per year of service (defined benefit portion) The defined contribution portion depends on the member's contribution level and on investment performance
PSERS Plan 2	All full-time public safety officers at select state agencies, counties and cities except the cities of Seattle, Spokane and Tacoma (on or after 7/1/06)	After five years of eligible service	At age 65 with five years of service, at age 60 with 10 years of PSERS service or at age 53 with 20 years of service reduced 3% for each year younger than age 60	2% of AFC per year of service

Summary of Plan Provisions (cont.)

As of June 30, 2015 — Page 2 of 2

Plan	Membership Eligibility	Vesting	Retirement Eligibility	Benefit
TRS Plan 1	All certificated public school employees who worked in an instructional, administrative or supervisory capacity (by 9/30/77)	After five years of eligible service	Any age with 30 years of service, at age 60 with five years of service or at age 55 with 25 years of service	2% of AFC per year of service, capped at 60% of AFC JBM participants: 3.5% of AFC per year of service, capped at 75% of AFC
TRS Plan 2	All certificated public school employees who worked in an instructional, administrative or supervisory capacity (on or after 10/1/77 and by 6/30/96 and employees on or after 7/1/07 who chose Plan 2)	After five years of eligible service	At age 65 with five years of service or an actuarially reduced benefit at age 55 with 20 years of service	2% of AFC per year of service
TRS Plan 3*	All certificated public school employees who worked in an instructional, administrative or supervisory capacity (on or after 7/1/96 and employees on or after 7/1/07 who chose Plan 3)	Varies	At age 65 if vested or an actuarially reduced benefit at age 55 with 10 years of service (defined benefit portion)	1% of AFC per year of service (defined benefit portion) The defined contribution portion depends on the member's contribution level and on investment performance
LEOFF Plan 1	All full-time, fully compensated law enforcement officers and fire fighters (by 9/30/77)	After five years of eligible service	At age 50 with five years of service	20 or more years of service: 2% of Final Average Salary (FAS) per year of service 10-19 years of service: 1.5% of FAS per year of service 5-9 years of service: 1% of FAS per year of service
LEOFF Plan 2	All full-time, fully compensated law enforcement officers, fire fighters and emergency medical technicians (on or after 10/1/77)	After five years of eligible service	At age 53 with five years of service, or a benefit at age 50 with 20 years of service reduced 3% for each year under age 53	2% of FAS per year of service
WSPRS Plan 1	Commissioned employees of the Washington State Patrol (on or after 8/1/47 and by 12/31/02)	No requirement for active members; after five years of eligible service for inactive members	At age 55 or after 25 years of service	2% of Average Final Salary (AFS) per year of service, capped at 75% of AFS
WSPRS Plan 2	Commissioned employees of the Washington State Patrol (on or after 1/1/03)	No requirement for active members; after five years of eligible service for inactive members	At age 55 or after 25 years of service	2% of AFS per year of service, capped at 75% of AFS
JRS	Judges elected or appointed to the Supreme Court, the Court of Appeals and Superior Courts (on or after 8/9/71 and by 6/30/88; new judges on or after 7/1/88 join PERS)	After 15 years of service	At age 60	15 years of service: 3.5% of FAS per year of service, capped at 75% of FAS 10-14 years of service: 3% of FAS per year of service, capped at 75% of FAS
JRF	Judges elected or appointed to the Supreme Court, the Court of Appeals and Superior Courts (by 8/8/71)	After 12 years of service	At age 70 with 10 years of service or any age with 18 years of service	Half the monthly salary

* Members who are eligible to choose PERS, SERS or TRS Plan 2 or Plan 3 who do not make a plan choice within 90 days of hire default into PERS, SERS or TRS Plan 3.

Note: DRS publishes handbooks describing the rights and benefits for each system and plan, including disability and survivor benefits. They are available from DRS and are on the DRS website at *drs.wa.gov*.

Summary of Actuarial Assumptions and Methods

1. Actuarial Assumptions and Methods Selection

Economic Assumptions and Methods: These were developed in accordance with Washington state law and the Pension Funding Council.

Demographic Assumptions and Methods: They were derived from Washington's Office of the State Actuary and are based on the 2007-2012 Experience Studies (adopted July 2014). Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report.

2. Investment Return

The investment return is 7.8 percent per annum for all systems except LEOFF 2 (7.5 percent) and JRS/JRF (4.0 percent).

3. Mortality Tables

Mortality rates are based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table (except LEOFF 1), which the Society of Actuaries publishes. JRS uses the PERS mortality rates.

The healthy and disabled mortality rates displayed by system have been projected to the valuation date for illustrative purposes only. We use the *RP-2000* report's mortality rates combined with 100 percent of Scale BB on a generational basis in the valuation.

	RP-2000 Mortality Rates				100% Scale BB	
	Combined Healthy		Disabled			
Age	Male	Female	Male	Female	Male	Female
20	0.0345%	0.0191%	2.2571%	0.7450%	0.3000%	0.3000%
25	0.0376%	0.0207%	2.2571%	0.7450%	0.3000%	0.3000%
30	0.0444%	0.0264%	2.2571%	0.7450%	0.3000%	0.3000%
35	0.0773%	0.0475%	2.2571%	0.7450%	0.3000%	0.3000%
40	0.1079%	0.0706%	2.2571%	0.7450%	0.3000%	0.3000%
45	0.1508%	0.1124%	2.2571%	0.7450%	0.3000%	0.3000%
50	0.2138%	0.1676%	2.8975%	1.1535%	0.3000%	0.3000%
55	0.3624%	0.2717%	3.5442%	1.6544%	0.3000%	0.5000%
60	0.6747%	0.5055%	4.2042%	2.1839%	0.7000%	1.0000%
65	1.2737%	0.9706%	5.0174%	2.8026%	1.2000%	1.2000%
70	2.2206%	1.6742%	6.2583%	3.7635%	1.5000%	1.2000%
75	3.7834%	2.8106%	8.2067%	5.2230%	1.5000%	1.2000%
80	6.4368%	4.5879%	10.9372%	7.2312%	1.5000%	1.2000%
85	11.0757%	7.7446%	14.1603%	10.0203%	1.5000%	1.2000%
90	18.3408%	13.1682%	18.3408%	14.0049%	1.1000%	1.1000%
95	26.7491%	19.4509%	26.7491%	19.4509%	0.6000%	0.6000%
100	34.4556%	23.7467%	34.4556%	23.7467%	0.3000%	0.3000%
105	39.7886%	29.3116%	39.7886%	29.3116%	0.0000%	0.0000%
110	40.0000%	36.4617%	40.0000%	36.4617%	0.0000%	0.0000%
115	40.0000%	40.0000%	40.0000%	40.0000%	0.0000%	0.0000%
120	100.0000%	100.0000%	100.0000%	100.0000%	0.0000%	0.0000%

Summary of Actuarial Assumptions and Methods (cont.)

3. Mortality Tables (cont.)

Healthy Mortality Projected to 2014

	PERS, SERS, PSERS Plans		TRS Plans		LEOFF, WSPRS Plans	
Offsets	**-1**	**-1**	**-3**	**-2**	**-1**	**1**
Age	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
20	0.0317%	0.0182%	0.0289%	0.0180%	0.0317%	0.0184%
25	0.0361%	0.0193%	0.0351%	0.0189%	0.0361%	0.0205%
30	0.0395%	0.0238%	0.0366%	0.0225%	0.0395%	0.0294%
35	0.0673%	0.0417%	0.0539%	0.0378%	0.0673%	0.0493%
40	0.0979%	0.0621%	0.0867%	0.0573%	0.0979%	0.0742%
45	0.1339%	0.0987%	0.1165%	0.0898%	0.1339%	0.1173%
50	0.1913%	0.1486%	0.1663%	0.1375%	0.1913%	0.1776%
55	0.3064%	0.2260%	0.2557%	0.2057%	0.3064%	0.2881%
60	0.5388%	0.3858%	0.4253%	0.3408%	0.5388%	0.5051%
65	0.9526%	0.7279%	0.7395%	0.6459%	0.9526%	0.9251%
70	1.6026%	1.2549%	1.3009%	1.1354%	1.6026%	1.5690%
75	2.7435%	2.1499%	2.2078%	1.9398%	2.7435%	2.6151%
80	4.6880%	3.5052%	3.7961%	3.1749%	4.6880%	4.2883%
85	8.0751%	5.8707%	6.5137%	5.2786%	8.0751%	7.2944%
90	14.2546%	10.2060%	11.6526%	9.1909%	14.2546%	12.3859%
95	23.0437%	16.8029%	19.9103%	15.6662%	23.0437%	18.8784%
100	31.6606%	22.1856%	28.7501%	21.4722%	31.6606%	23.4749%
105	39.2003%	27.9055%	37.1685%	26.6044%	39.2003%	30.7811%
110	40.0000%	35.1544%	40.0000%	33.7441%	40.0000%	37.6246%
115	40.0000%	39.8308%	40.0000%	39.3507%	40.0000%	40.0000%
120	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

Disabled Mortality Projected to 2014

	All Plans Except LEOFF Plan 1		LEOFF Plan 1*	
Offsets	**0**	**0**	**2**	**2**
Age	**Male**	**Female**	**Male**	**Female**
20	2.1641%	0.7143%	0.0351%	0.0186%
25	2.1641%	0.7143%	0.0366%	0.0214%
30	2.1641%	0.7143%	0.0539%	0.0336%
35	2.1641%	0.7143%	0.0867%	0.0531%
40	2.1641%	0.7143%	0.1165%	0.0817%
45	2.1641%	0.7143%	0.1663%	0.1271%
50	2.7781%	1.1060%	0.2557%	0.1935%
55	3.3982%	1.5423%	0.4500%	0.3242%
60	3.8104%	1.8973%	0.7937%	0.5783%
65	4.2372%	2.3668%	1.3575%	1.0272%
70	5.0648%	3.1783%	2.2078%	1.7451%
75	6.6416%	4.4108%	3.7961%	2.8802%
80	8.8514%	6.1067%	6.5137%	4.7540%
85	11.4599%	8.4621%	11.0099%	8.1356%
90	15.7096%	11.9958%	18.5531%	13.5006%
95	24.5877%	17.8792%	27.5624%	19.7848%
100	33.0363%	22.7686%	35.6375%	24.4015%
105	39.7886%	29.3116%	40.0000%	32.2725%
110	40.0000%	36.4617%	40.0000%	38.6015%
115	40.0000%	40.0000%	40.0000%	40.0000%
120	100.0000%	100.0000%	100.0000%	100.0000%

*LEOFF 1 uses the *RP-2000* healthy mortality table.

Summary of Actuarial Assumptions and Methods (cont.)

4. Retirement

Probability of Service Retirement — Members Hired Before May 1, 2013

	PERS Plan 1		PERS Plan 2/3				SERS Plan 2/3				PSERS Plan 2	
			Service Less Than 30 Years		Service Greater Than or Equal to 30 Years		Service Less Than 30 Years		Service Greater Than or Equal to 30 Years			
Age	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
45	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
46	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
47	46%	54%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
48	55%	46%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
49	50%	38%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
50	45%	30%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
51	40%	30%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
52	40%	30%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
53	40%	30%	0%	0%	0%	0%	0%	0%	0%	0%	2%	2%
54	40%	40%	0%	0%	0%	0%	0%	0%	0%	0%	2%	2%
55	17%	28%	2%	2%	12%	12%	1%	2%	12%	12%	2%	2%
56	17%	16%	3%	2%	12%	12%	2%	2%	12%	12%	5%	4%
57	17%	16%	4%	2%	12%	12%	3%	2%	12%	12%	8%	6%
58	17%	16%	5%	2%	12%	12%	4%	3%	12%	12%	11%	8%
59	20%	30%	6%	4%	16%	24%	5%	4%	16%	25%	14%	10%
60	16%	16%	7%	6%	12%	12%	6%	5%	12%	12%	30%	34%
61	23%	21%	8%	13%	20%	20%	15%	13%	21%	20%	26%	26%
62	30%	26%	24%	20%	28%	28%	24%	21%	30%	28%	30%	34%
63	22%	20%	22%	18%	26%	26%	22%	20%	28%	26%	50%	52%
64	28%	28%	56%	56%	56%	56%	56%	52%	57%	48%	70%	70%
65	34%	36%	40%	40%	40%	40%	39%	36%	39%	36%	50%	35%
66	30%	22%	24%	24%	24%	24%	22%	24%	22%	24%	30%	35%
67	26%	22%	24%	24%	24%	24%	22%	23%	22%	23%	30%	35%
68	22%	22%	24%	24%	24%	24%	22%	22%	22%	22%	30%	35%
69	22%	22%	24%	24%	24%	24%	22%	21%	22%	21%	30%	35%
70	22%	22%	24%	24%	24%	24%	22%	20%	22%	20%	100%	100%
71	22%	22%	24%	24%	24%	24%	20%	19%	20%	19%	100%	100%
72	22%	22%	24%	24%	24%	24%	18%	18%	18%	18%	100%	100%
73	22%	22%	24%	24%	24%	24%	16%	17%	16%	17%	100%	100%
74	22%	22%	24%	24%	24%	24%	16%	17%	16%	17%	100%	100%
75	22%	22%	24%	24%	24%	24%	16%	17%	16%	17%	100%	100%
76	22%	22%	24%	24%	24%	24%	16%	17%	16%	17%	100%	100%
77	22%	22%	24%	24%	24%	24%	16%	17%	16%	17%	100%	100%
78	22%	22%	24%	24%	24%	24%	16%	17%	16%	17%	100%	100%
79	22%	22%	24%	24%	24%	24%	16%	17%	16%	17%	100%	100%
80	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

4. Retirement (cont.)

Probability of Service Retirement — Members Hired Before May 1, 2013

	TRS Plan 1				TRS Plan 2/3						LEOFF Plan 1		LEOFF Plan 2	WSPRS Plan 1/2
	Service Not Equal to 30 Years		Service Equal to 30 Years		Service Less Than 30 Years		Service Equal to 30 Years		Service Greater Than 30 Years		Service Less Than 30 Years	Service Greater Than or Equal to 30 Years		
Age	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male & Female	Male & Female	Male & Female	Male & Female
45	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	50%
46	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	33%
47	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	33%
48	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	33%
49	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	30%
50	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	7%	12%	3%	27%
51	0%	0%	0%	30%	0%	0%	0%	0%	0%	0%	7%	12%	4%	24%
52	0%	20%	36%	30%	0%	0%	0%	0%	0%	0%	7%	12%	5%	24%
53	22%	20%	36%	30%	0%	0%	0%	0%	0%	0%	7%	12%	10%	24%
54	22%	20%	36%	30%	0%	0%	0%	0%	0%	0%	10%	16%	10%	24%
55	22%	20%	36%	30%	2%	2%	22%	19%	13%	12%	10%	20%	10%	20%
56	22%	20%	36%	30%	2%	3%	22%	21%	15%	14%	10%	20%	10%	20%
57	22%	20%	36%	30%	2%	4%	22%	23%	17%	16%	13%	20%	10%	20%
58	22%	20%	39%	30%	2%	5%	28%	25%	19%	18%	13%	20%	15%	20%
59	22%	26%	42%	30%	4%	6%	34%	27%	21%	22%	13%	20%	15%	33%
60	22%	20%	42%	30%	6%	7%	41%	29%	23%	20%	23%	25%	15%	33%
61	22%	23%	42%	40%	14%	15%	48%	41%	25%	22%	23%	25%	19%	33%
62	35%	26%	56%	50%	22%	23%	55%	53%	36%	32%	23%	25%	23%	33%
63	30%	22%	48%	46%	20%	21%	50%	49%	33%	30%	23%	25%	20%	33%
64	25%	29%	40%	46%	55%	48%	55%	53%	55%	49%	23%	25%	20%	33%
65	36%	36%	70%	55%	48%	40%	48%	40%	48%	40%	23%	25%	25%	100%
66	36%	36%	70%	55%	41%	32%	41%	32%	41%	32%	23%	25%	25%	100%
67	32%	28%	70%	55%	34%	24%	34%	24%	34%	24%	23%	25%	25%	100%
68	28%	28%	70%	55%	27%	24%	27%	24%	27%	24%	23%	25%	25%	100%
69	28%	28%	70%	55%	27%	42%	27%	42%	27%	42%	23%	25%	25%	100%
70	22%	28%	100%	55%	27%	30%	27%	30%	27%	30%	100%	100%	100%	100%
71	22%	28%	100%	55%	41%	30%	41%	30%	41%	30%	100%	100%	100%	100%
72	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
73	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
74	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
75	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
76	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
77	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
78	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
79	22%	21%	100%	100%	55%	30%	55%	30%	55%	30%	100%	100%	100%	100%
80	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

4. Retirement (cont.)

Probability of Service Retirement — Members Hired on or After May 1, 2013

	PERS Plan 2/3				SERS Plan 2/3				TRS Plan 2/3					
	Service Less Than 30 Years		Service Greater Than or Equal to 30 Years		Service Less Than 30 Years		Service Greater Than or Equal to 30 Years		Service Less Than 30 Years		Service Equal to 30 Years		Service Greater Than 30 Years	
Age	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
45	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
46	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
47	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
48	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
49	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
50	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
51	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
52	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
53	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
54	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
55	2%	2%	9%	9%	1%	2%	8%	9%	2%	2%	16%	14%	9%	9%
56	3%	2%	9%	8%	2%	2%	8%	8%	2%	3%	15%	15%	10%	10%
57	4%	2%	9%	8%	3%	2%	9%	8%	2%	4%	14%	16%	11%	11%
58	5%	2%	9%	8%	4%	3%	9%	8%	2%	5%	17%	17%	12%	13%
59	6%	4%	12%	15%	5%	4%	11%	16%	4%	6%	21%	18%	14%	15%
60	7%	6%	10%	9%	6%	5%	9%	9%	6%	7%	25%	19%	15%	14%
61	8%	13%	15%	17%	15%	13%	18%	17%	14%	15%	33%	29%	20%	19%
62	24%	20%	26%	24%	24%	21%	27%	25%	22%	23%	40%	39%	30%	28%
63	22%	18%	24%	22%	22%	20%	25%	23%	20%	21%	35%	35%	27%	26%
64	56%	56%	56%	56%	56%	52%	56%	50%	55%	48%	55%	50%	55%	48%
65	40%	40%	40%	40%	39%	36%	39%	36%	48%	40%	48%	40%	48%	40%
66	24%	24%	24%	24%	22%	24%	22%	24%	41%	32%	41%	32%	41%	32%
67	24%	24%	24%	24%	22%	23%	22%	23%	34%	24%	34%	24%	34%	24%
68	24%	24%	24%	24%	22%	22%	22%	22%	27%	24%	27%	24%	27%	24%
69	24%	24%	24%	24%	22%	21%	22%	21%	27%	42%	27%	42%	27%	42%
70	24%	24%	24%	24%	22%	20%	22%	20%	27%	30%	27%	30%	27%	30%
71	24%	24%	24%	24%	20%	19%	20%	19%	41%	30%	41%	30%	41%	30%
72	24%	24%	24%	24%	18%	18%	18%	18%	55%	30%	55%	30%	55%	30%
73	24%	24%	24%	24%	16%	17%	16%	17%	55%	30%	55%	30%	55%	30%
74	24%	24%	24%	24%	16%	17%	16%	17%	55%	30%	55%	30%	55%	30%
75	24%	24%	24%	24%	16%	17%	16%	17%	55%	30%	55%	30%	55%	30%
76	24%	24%	24%	24%	16%	17%	16%	17%	55%	30%	55%	30%	55%	30%
77	24%	24%	24%	24%	16%	17%	16%	17%	55%	30%	55%	30%	55%	30%
78	24%	24%	24%	24%	16%	17%	16%	17%	55%	30%	55%	30%	55%	30%
79	24%	24%	24%	24%	16%	17%	16%	17%	55%	30%	55%	30%	55%	30%
80	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Summary of Actuarial Assumptions and Methods (cont.)

5. Disablement

Probability of Disablement — Table 1 of 2

	PERS Plan 1*		PERS Plan 2/3		SERS Plan 2/3		PSERS Plan 2			
							Service Less Than 10 Years		Service Greater Than 10 Years	
Age	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
20	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
25	0.0000%	0.0000%	0.0052%	0.0000%	0.0000%	0.0000%	0.0052%	0.0000%	0.0052%	0.0000%
30	0.0000%	0.0000%	0.0115%	0.0056%	0.0000%	0.0048%	0.0115%	0.0056%	0.0115%	0.0056%
35	0.0310%	0.0319%	0.0156%	0.0194%	0.0081%	0.0176%	0.0156%	0.0194%	0.0158%	0.0197%
40	0.0762%	0.0710%	0.0235%	0.0275%	0.0258%	0.0164%	0.0235%	0.0275%	0.0298%	0.0348%
45	0.1481%	0.1431%	0.0476%	0.0467%	0.0528%	0.0214%	0.0476%	0.0467%	0.0607%	0.0596%
50	0.2542%	0.3023%	0.0922%	0.1003%	0.1213%	0.0611%	0.0922%	0.1003%	0.1182%	0.1285%
55	0.8240%	0.6411%	0.2630%	0.2782%	0.2787%	0.1742%	0.2630%	0.2782%	0.3409%	0.3606%
60	0.7541%	0.3458%	0.7863%	0.7681%	0.6404%	0.4971%	0.7863%	0.7681%	0.0000%	0.0000%
65	0.2204%	0.0386%	0.6146%	0.5257%	0.5928%	0.4121%	0.6146%	0.5257%	0.0000%	0.0000%
70	0.0644%	0.0043%	0.1358%	0.1315%	0.1271%	0.1816%	0.0000%	0.0000%	0.0000%	0.0000%
75	0.0188%	0.0005%	0.0300%	0.0329%	0.0272%	0.0800%	0.0000%	0.0000%	0.0000%	0.0000%
80	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

*10 percent of all PERS Plan 1 disabilities are assumed to be duty related.

Probability of Disablement — Table 2 of 2

	TRS Plan 1		TRS Plan 2/3		LEOFF Plan 1	LEOFF Plan 2	WSPRS Plan 1/2
Age	Male	Female	Male	Female	Male & Female	Male & Female	Male & Female
20	0.0013%	0.0014%	0.0003%	0.0003%	0.1000%	0.0074%	0.0052%
25	0.0091%	0.0092%	0.0024%	0.0019%	0.1000%	0.0191%	0.0094%
30	0.0187%	0.0190%	0.0048%	0.0040%	0.7968%	0.0467%	0.0169%
35	0.0321%	0.0326%	0.0083%	0.0068%	1.4888%	0.0807%	0.0306%
40	0.0428%	0.0434%	0.0111%	0.0091%	2.3471%	0.1360%	0.0551%
45	0.0944%	0.0957%	0.0244%	0.0201%	4.0000%	0.1796%	0.0995%
50	0.1634%	0.1656%	0.0422%	0.0347%	7.0000%	0.3236%	0.1794%
55	0.3347%	0.3393%	0.1118%	0.0750%	9.0000%	0.5534%	0.3237%
60	0.4686%	0.4750%	0.2500%	0.1875%	10.0000%	0.9462%	0.0560%
65	0.5633%	0.5681%	0.2362%	0.1552%	10.0000%	1.6180%	0.0000%
70	0.1485%	0.1486%	0.0334%	0.0283%	0.0000%	0.0000%	0.0000%
75	0.0391%	0.0389%	0.0047%	0.0052%	0.0000%	0.0000%	0.0000%
80	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

Rates have been rounded for display purposes.

Summary of Actuarial Assumptions and Methods (cont.)

6. Other Terminations of Employment

Probability of Termination

Years of Service	PERS		SERS		PSERS		TRS		LEOFF	WSPRS
	Male	Female	Male	Female	Male	Female	Male	Female	Male & Female	Male & Female
0	26.2397%	26.2397%	24.4766%	19.9030%	26.2397%	26.2397%	11.1014%	11.1340%	10.7033%	4.2261%
1	15.4534%	16.7747%	15.8775%	13.1281%	15.4534%	16.7747%	9.0312%	9.4565%	4.8058%	2.0000%
2	10.0683%	11.7007%	11.6915%	10.2908%	10.0683%	11.7007%	5.9789%	7.1731%	2.4484%	2.0000%
3	7.5236%	9.2904%	9.9510%	7.8600%	7.5236%	9.2904%	4.5105%	6.1285%	1.9350%	2.0000%
4	6.3052%	7.6024%	8.1055%	6.7558%	6.3052%	7.6024%	4.1402%	5.3084%	1.8700%	2.0000%
5	5.4443%	6.6544%	6.6418%	6.2423%	5.4443%	6.6544%	3.6847%	4.7057%	1.8050%	2.0000%
6	4.4874%	5.7856%	6.0762%	5.5595%	4.4874%	5.7856%	2.9510%	4.0862%	1.7400%	1.9000%
7	4.1778%	5.3301%	5.5588%	5.2581%	4.1778%	5.3301%	2.7214%	3.6698%	1.6750%	1.7000%
8	3.8895%	4.9105%	5.0854%	4.9707%	3.8895%	4.9105%	2.5097%	3.2957%	1.6100%	1.6000%
9	3.6211%	4.5239%	4.6524%	4.7491%	3.6211%	4.5239%	2.3144%	2.9598%	1.5450%	1.5113%
10	3.3712%	4.1677%	4.2562%	4.5725%	3.3712%	4.1677%	2.1343%	2.6581%	1.4800%	1.3426%
11	3.1386%	3.8396%	3.8938%	4.4832%	3.1386%	3.8396%	1.9683%	2.3872%	1.4150%	1.2000%
12	2.9220%	3.5373%	3.5622%	4.4156%	2.9220%	3.5373%	1.8151%	2.1439%	1.3500%	1.0765%
13	2.7204%	3.2588%	3.2589%	4.4032%	2.7204%	3.2588%	1.6739%	1.9254%	1.2850%	0.9676%
14	2.5327%	3.0023%	2.9814%	4.2560%	2.5327%	3.0023%	1.5437%	1.7291%	1.2200%	0.8701%
15	2.3579%	2.7659%	2.7275%	4.2740%	2.3579%	2.7659%	1.4235%	1.6000%	1.1550%	0.7819%
16	2.1952%	2.5482%	2.4952%	3.9160%	2.1952%	2.5482%	1.3128%	1.5500%	1.0900%	0.7015%
17	2.0437%	2.3475%	2.4500%	3.6424%	2.0437%	2.3475%	1.2106%	1.5000%	1.0250%	0.6274%
18	1.9027%	2.1627%	2.4000%	3.4565%	1.9027%	2.1627%	1.1500%	1.4500%	0.9600%	0.5589%
19	1.7714%	1.9925%	2.3500%	3.2224%	1.7714%	1.9925%	1.1250%	1.4000%	0.8950%	0.4951%
20	1.5311%	1.8001%	2.3000%	3.0000%	1.5311%	1.8001%	1.0000%	1.3000%	0.8300%	0.4354%
21	1.3244%	1.5807%	2.2500%	2.8000%	1.3244%	1.5807%	0.9500%	1.2607%	0.7650%	0.3793%
22	1.1457%	1.3880%	2.2000%	2.7000%	1.1457%	1.3880%	0.9250%	1.1837%	0.7000%	0.3264%
23	0.9910%	1.2188%	2.0870%	2.6000%	0.9910%	1.2188%	0.9000%	1.1115%	0.6350%	0.2764%
24	0.8573%	1.0702%	1.8198%	2.4750%	0.8573%	1.0702%	0.8809%	1.0436%	0.5700%	0.2289%
25	0.7415%	0.9397%	1.5868%	2.2530%	0.7415%	0.9397%	0.8213%	0.9799%	0.5050%	0.0000%
26	0.6415%	0.8252%	1.3836%	2.0508%	0.6415%	0.8252%	0.7658%	0.9201%	0.4400%	0.0000%
27	0.5549%	0.7246%	1.2065%	1.8668%	0.5549%	0.7246%	0.7140%	0.8639%	0.3750%	0.0000%
28	0.4800%	0.6363%	1.0520%	1.6993%	0.4800%	0.6363%	0.6657%	0.8111%	0.3100%	0.0000%
29	0.4152%	0.5587%	0.9173%	1.5469%	0.4152%	0.5587%	0.6207%	0.7616%	0.2450%	0.0000%
30+	0.3591%	0.4906%	0.7999%	1.4081%	0.3591%	0.4906%	0.5788%	0.7151%	0.1800%	0.0000%

Rates have been rounded for display purposes.

7. Future Salaries

The table below and the table on page 137 indicate the scale of relative salary values used to estimate future salaries for valuation purposes. In addition to increases in salary due to promotions and longevity, there is an assumed 3.75 percent per annum rate of increase in the general salary level of the membership. The salary ratio describes the final salary over the current salary.

Step Salary Increases

Years of Service	PERS		SERS		PSERS		TRS		LEOFF		WSPRS	
	% Increase	Salary Ratio	% Increase	Salary Ratio	% Increase	Salary Ratio	% Increase	Salary Ratio	% Increase	Salary Ratio	% Increase	Salary Ratio
0	6.00%	1.367	6.60%	1.382	6.00%	1.367	5.10%	1.573	10.70%	1.827	8.50%	1.642
1	6.00%	1.290	6.60%	1.297	6.00%	1.290	5.10%	1.496	10.70%	1.650	8.50%	1.513
2	4.70%	1.217	3.90%	1.217	4.70%	1.217	3.90%	1.424	7.50%	1.491	6.00%	1.395
3	3.60%	1.162	2.80%	1.171	3.60%	1.162	3.90%	1.370	5.90%	1.387	5.00%	1.316
4	2.90%	1.122	2.30%	1.139	2.90%	1.122	3.50%	1.319	3.70%	1.310	5.00%	1.253
5	2.20%	1.090	2.10%	1.113	2.20%	1.090	3.00%	1.274	2.60%	1.263	5.00%	1.194
6	1.50%	1.067	1.60%	1.090	1.50%	1.067	2.70%	1.237	1.80%	1.231	3.50%	1.137
7	1.20%	1.051	1.20%	1.073	1.20%	1.051	2.70%	1.205	1.40%	1.209	0.60%	1.098
8	0.90%	1.039	1.20%	1.061	0.90%	1.039	2.60%	1.173	1.30%	1.192	0.60%	1.092
9	0.70%	1.029	0.90%	1.048	0.70%	1.029	2.40%	1.143	1.20%	1.177	0.60%	1.085
10	0.50%	1.022	0.90%	1.039	0.50%	1.022	2.20%	1.116	1.70%	1.163	0.60%	1.079
11	0.40%	1.017	0.70%	1.029	0.40%	1.017	2.00%	1.092	1.20%	1.144	0.60%	1.072
12	0.30%	1.013	0.50%	1.022	0.30%	1.013	1.80%	1.071	1.20%	1.130	0.40%	1.066
13	0.30%	1.010	0.40%	1.017	0.30%	1.010	1.50%	1.052	1.20%	1.117	0.40%	1.062
14	0.20%	1.007	0.30%	1.013	0.20%	1.007	1.20%	1.037	1.20%	1.104	0.40%	1.057
15	0.20%	1.005	0.20%	1.010	0.20%	1.005	0.90%	1.024	1.20%	1.090	0.40%	1.053
16	0.20%	1.003	0.20%	1.008	0.20%	1.003	0.50%	1.015	1.00%	1.078	0.40%	1.049
17	0.10%	1.001	0.20%	1.006	0.10%	1.001	0.20%	1.010	1.00%	1.067	0.40%	1.045
18	0.00%	1.000	0.20%	1.004	0.00%	1.000	0.10%	1.008	1.00%	1.056	0.40%	1.041
19	0.00%	1.000	0.10%	1.002	0.00%	1.000	0.10%	1.007	1.00%	1.046	0.40%	1.037
20	0.00%	1.000	0.10%	1.001	0.00%	1.000	0.10%	1.006	1.00%	1.036	0.40%	1.032
21	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.10%	1.005	0.50%	1.025	0.40%	1.028
22	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.10%	1.004	0.50%	1.020	0.40%	1.024
23	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.10%	1.003	0.50%	1.015	0.40%	1.020
24	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.10%	1.002	0.50%	1.010	0.40%	1.016
25	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.10%	1.001	0.50%	1.005	0.40%	1.012
26	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.40%	1.008
27	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.40%	1.004
28	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000
29	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000
30+	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000	0.00%	1.000

Summary of Actuarial Assumptions and Methods (cont.)

7. Future Salaries (cont.)

Relative Salary Values

	PERS, SERS, PSERS	TRS	LEOFF	WSPRS
Annual Percent Increase	4.74%	4.58%	5.05%	4.74%
Attributed to Growth in Active Group Size	0.95%	0.80%	1.25%	0.95%
Attributed to the Effects of Inflation on Salaries	3.75%	3.75%	3.75%	3.75%

8. Other Specific Assumptions That Have a Material Impact on Valuation Results

Members of the following plans increase their Average Final Compensation by an average stated below by cashing out sick leave or annual leave pay or by increasing overtime:

- **PERS 1:** Up to 4.0 percent
- **TRS 1:** Up to 0.75 percent
- **LEOFF 1:** Up to 4.5 percent
- **WSPRS 1:** Up to 7.0 percent

Post-retirement cost-of-living increases are assumed to be 3.0 percent each year for all plans, including:

- **LEOFF 1:** 3.0 percent
- **Qualifying PERS 1 and TRS 1 members:** COLA on minimum benefit levels

LEOFF 2 members are assumed to become disabled or die due to duty-related injury or illness at a rate that varies with age. For more details, contact the Office of the State Actuary.

Other assumptions include the probability of a vested terminated member not withdrawing his or her contributions from the plan, being married, military service, a single-life annuity refund upon death and beneficiary age. More details on these and other assumptions can be obtained from the Office of the State Actuary.

9. Change in Assumptions

Assumption Changes: We updated the demographic assumptions, consistent with the changes from the 2007-2012 *Experience Study Report*, used when we valued the PERS 1 and TRS 1 Basic Minimum COLA, which is calculated outside our valuation software.

Method Changes: We corrected how our valuation software calculates a member's entry age under the Entry Age Normal Actuarial Cost Method. Before the correction, the funding age was rounded, resulting in an entry age one year higher in some cases.

For purposes of calculating the Plan 2/3 Entry Age Normal Cost (EANC) contribution rates, we now use the current blend of Plan 2 and Plan 3 salaries rather than using a long-term membership assumption of two-thirds Plan 2 members and one-third Plan 3 members.

We changed the way we apply salary limits, as described in the 2007-2012 *Experience Study Report*.

10. Actuarial Cost Method

Valuation assets are at market value with annual gains and losses recognized on a graded scale over an eight-year period. Additionally, the actuarial value of assets may not exceed 130 percent nor drop below 70 percent of the market value of assets. JRS and JRF use the market value of assets for valuation assets.

PERS Plan 1, TRS Plan 1, LEOFF Plan 1, JRS and JRF:

- **Funding (Actual Contributions):** A variation of the Entry Age Normal (EAN) Cost Method is used for PERS 1 and TRS 1. The contribution toward the UAAL has been developed in the valuation as a level percentage of expected future covered payrolls, which will amortize the UAAL over a rolling 10-year period. PERS 1 amortizes the UAAL over all PERS, SERS and PSERS payroll, including projected system growth. TRS 1 amortizes the UAAL over all TRS payroll, including projected system growth. PERS 1 has a minimum UAAL rate of 3.50 percent, and TRS 1 has a minimum UAAL rate of 5.75 percent. No contributions are required when LEOFF 1 is fully funded. JRS and JRF are funded on a pay-as-you-go basis.

- **Disclosure (Annual Required Contributions):** The funding method described in the previous paragraph for PERS 1 and TRS 1 is not an acceptable method for GASB Statement No. 25 disclosures because it includes payroll outside the plan. To meet GASB Statement No. 25 requirements, the Entry Age Cost Method has been used for these plans. The UAAL is amortized as a level dollar amount over the applicable amortization period. PERS and TRS Plans 1 use a rolling 10-year amortization period. We report annual required contributions for JRS and JRF under the Entry Age Cost Method with a rolling five-year amortization period. For all other plans that use the Aggregate Funding Method, we calculate the annual required contributions as the contribution rate under the Aggregate Method (excluding minimum contribution rates) collected over covered payroll.

PERS Plan 2/3, SERS Plan 2/3, TRS Plan 2/3, PSERS Plan 2, LEOFF Plan 2 and WSPRS Plan 1/2: The Aggregate Actuarial Cost Method is used to calculate contribution rates. Under this method, the unfunded actuarial present value of fully projected benefits is amortized over the projected earnings of the active group. The entire contribution is normal cost, and no UAAL exists. All gains and losses are amortized over future salaries of current active members.

PERS 2/3, TRS 2/3, SERS 2/3 and PSERS 2 minimum contribution rates are based on 80 percent of the Entry Age Normal Cost Rate (EANC). WSPRS 1/2 minimum contribution rates are based on 70 percent of the EANC. Similarly, LEOFF 2 minimum contribution rates are based on 90 percent of the EANC.

11. Change in Funding Policy

None.

12. Material Changes in Benefit Provisions and Contribution Rates

The GASB disclosure contribution rates are based on the latest actuarial valuations as of June 30, 2014.

The following law enacted in 2014 had an impact on the latest actuarial valuation (that is, legislation that produced supplemental contribution rate impacts):

- **Supplemental Survivor Benefits (C 78 L 15):** The substitute bill states that when certain death benefits paid to a surviving spouse cease due to remarriage, an identical benefit will be paid from the LEOFF 2 or WSPRS 1/2 trust fund.

Schedule of Active Member Valuation Data

PERS Plan 1

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	4,782	$ 276.8	$ 57,884	3.0%
6/30/13	5,653	317.8	56,224	0.6%
6/30/12	6,635	370.8	55,878	0.1%
6/30/11	7,733	431.8	55,842	(0.9)%
6/30/10	9,007	507.3	56,324	0.5%
6/30/09	10,354	580.2	56,034	2.4%
6/30/08	11,663	638.5	54,743	5.0%
6/30/07	12,975	676.4	52,130	2.1%
9/30/06	14,213	725.5	51,042	3.6%
9/30/05	15,962	786.1	49,248	1.8%

PERS Plan 2

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	116,985	$ 7,023.3	$ 60,036	2.8%
6/30/13	115,751	6,758.5	58,388	1.2%
6/30/12	115,877	6,688.2	57,718	1.2%
6/30/11	117,096	6,679.4	57,042	1.3%
6/30/10	119,826	6,748.3	56,317	2.0%
6/30/09	121,800	6,723.9	55,204	4.1%
6/30/08	123,285	6,537.5	53,028	6.5%
6/30/07	120,625	6,004.6	49,779	2.9%
9/30/06	118,341	5,726.6	48,391	4.3%
9/30/05	118,400	5,493.7	46,399	3.0%

PERS Plan 3

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	30,694	$ 1,695.4	$ 55,235	2.4%
6/30/13	29,302	1,580.8	53,948	0.7%
6/30/12	28,078	1,504.4	53,579	0.6%
6/30/11	27,588	1,468.9	53,245	1.1%
6/30/10	27,693	1,458.0	52,647	1.2%
6/30/09	27,081	1,408.4	52,006	4.3%
6/30/08	26,720	1,331.7	49,840	5.7%
6/30/07	24,422	1,152.0	47,172	1.5%
9/30/06	22,473	1,043.9	46,452	3.6%
9/30/05	21,216	950.8	44,817	1.1%

Schedule of Active Member Valuation Data (cont.)

SERS Plan 2

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	22,950	$ 670.0	$ 29,195	2.0%
6/30/13	21,760	622.8	28,620	0.4%
6/30/12	20,846	594.0	28,494	0.1%
6/30/11	20,784	591.4	28,453	0.6%
6/30/10	20,358	576.0	28,293	0.8%
6/30/09	20,197	567.0	28,072	3.5%
6/30/08	19,264	522.4	27,118	2.2%
6/30/07	17,767	471.4	26,531	4.3%
9/30/06	18,464	469.5	25,426	3.8%
9/30/05	19,387	474.9	24,494	3.8%

SERS Plan 3

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	30,832	$ 920.7	$ 29,861	2.3%
6/30/13	30,535	891.5	29,195	1.3%
6/30/12	30,712	884.8	28,810	1.1%
6/30/11	31,548	898.6	28,483	1.3%
6/30/10	31,981	899.0	28,110	0.9%
6/30/09	32,277	899.5	27,869	5.7%
6/30/08	32,510	857.1	26,364	7.4%
6/30/07	33,058	811.4	24,544	2.7%
9/30/06	32,354	773.4	23,905	1.9%
9/30/05	30,963	726.5	23,462	0.6%

PSERS Plan 2

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	4,820	$ 275.3	$ 57,115	1.9%
6/30/13	4,513	253.1	56,075	0.1%
6/30/12	4,250	238.0	55,999	0.7%
6/30/11	4,187	232.8	55,597	3.0%
6/30/10	4,210	227.4	54,003	4.9%
6/30/09	4,340	223.4	51,476	2.5%
6/30/08	3,981	200.0	50,231	3.1%
6/30/07	2,755	134.2	48,710	(2.0)%
9/30/06	2,073	103.1	49,714	n/a
9/30/05	–	–	–	n/a

Schedule of Active Member Valuation Data (cont.)

TRS Plan 1

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	1,824	$ 143.3	$ 78,549	2.6%
6/30/13	2,393	183.2	76,549	1.1%
6/30/12	3,019	228.5	75,681	(0.4)%
6/30/11	3,740	284.2	75,994	1.4%
6/30/10	4,591	344.0	74,930	0.3%
6/30/09	5,204	388.8	74,707	4.7%
6/30/08	6,061	432.4	71,340	6.0%
6/30/07	6,331	426.1	67,310	3.9%
9/30/06	7,382	478.3	64,796	2.0%
9/30/05	8,592	545.9	63,531	1.7%

TRS Plan 2

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	13,632	$ 838.9	$ 61,538	0.4%
6/30/13	12,071	740.2	61,320	(0.5)%
6/30/12	10,849	668.8	61,648	(2.2)%
6/30/11	10,285	648.2	63,025	(0.6)%
6/30/10	9,442	598.8	63,423	(1.3)%
6/30/09	9,174	589.3	64,239	1.9%
6/30/08	8,103	510.8	63,043	1.3%
6/30/07	6,752	420.1	62,213	5.2%
9/30/06	7,205	413.1	59,164	3.1%
9/30/05	7,470	413.4	57,379	3.3%

TRS Plan 3

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	51,837	$ 3,611.5	$ 69,670	3.0%
6/30/13	51,471	3,482.7	67,664	2.2%
6/30/12	51,489	3,408.1	66,191	50.0%
6/30/11	52,178	3,436.7	65,866	2.3%
6/30/10	52,292	3,366.7	64,382	1.3%
6/30/09	53,010	3,367.9	63,534	6.9%
6/30/08	52,360	3,110.6	59,408	6.3%
6/30/07	51,856	2,897.6	55,879	6.1%
9/30/06	53,371	2,812.0	52,689	2.5%
9/30/05	51,473	2,645.0	51,386	2.9%

Schedule of Active Member Valuation Data (cont.)

LEOFF Plan 1

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	120	$ 12.6	$ 105,385	2.0%
6/30/13	143	14.8	103,362	2.5%
6/30/12	186	18.8	100,828	2.8%
6/30/11	250	24.5	98,078	1.4%
6/30/10	301	29.1	96,686	3.2%
6/30/09	356	33.3	93,679	6.4%
6/30/08	421	37.1	88,070	5.8%
6/30/07	513	42.7	83,262	3.3%
9/30/06	596	48.1	80,630	4.5%
9/30/05	723	55.8	77,139	2.5%

LEOFF Plan 2

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	16,773	$ 1,661.3	$ 99,048	3.5%
6/30/13	16,687	1,596.8	95,694	2.6%
6/30/12	16,720	1,560.1	93,308	2.2%
6/30/11	16,805	1,534.7	91,322	2.8%
6/30/10	16,775	1,490.1	88,828	4.4%
6/30/09	16,951	1,442.5	85,097	5.2%
6/30/08	16,626	1,344.9	80,889	5.6%
6/30/07	16,099	1,233.7	76,632	2.8%
9/30/06	15,718	1,172.0	74,562	3.5%
9/30/05	15,168	1,092.3	72,015	4.2%

WSPRS Plan 1

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	609	$ 51.6	$ 84,804	4.1%
6/30/13	657	53.5	81,465	1.5%
6/30/12	712	57.1	80,263	0.4%
6/30/11	767	61.3	79,983	(0.3)%
6/30/10	806	64.6	80,197	0.1%
6/30/09	830	66.5	80,115	4.4%
6/30/08	851	65.3	76,751	6.7%
6/30/07	885	63.6	71,907	3.3%
9/30/06	906	63.1	69,606	6.7%
9/30/05	941	61.4	65,254	5.2%

Schedule of Active Member Valuation Data (cont.)

WSPRS Plan 2

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	435	$ 30.1	$ 69,226	6.4%
6/30/13	409	2.6	65,058	(0.2)%
6/30/12	354	23.1	65,165	1.7%
6/30/11	315	20.2	64,103	0.7%
6/30/10	281	17.9	63,660	1.7%
6/30/09	264	16.5	62,583	9.3%
6/30/08	234	13.4	57,233	5.7%
6/30/07	152	8.2	54,162	3.6%
9/30/06	116	6.1	52,278	8.3%
9/30/05	81	3.9	48,250	9.1%

JRS

Valuation Data	Active Members	Annual Payroll in Millions	Average Annual Pay	Annualized % Increase in Average Pay
6/30/14	–	$ –	$ –	n/a
6/30/13	–	–	–	(100.0)%
6/30/12	2	0.3	148,832	(3.3)%
6/30/11	3	0.5	153,962	1.4%
6/30/10	5	0.8	151,908	0.7%
6/30/09	9	1.4	150,870	6.0%
6/30/08	10	1.4	142,328	5.9%
6/30/07	11	1.5	134,386	2.2%
9/30/06	11	1.4	131,436	3.0%
9/30/05	13	1.7	127,647	2.3%

Averages are based on actual amounts, not rounded amounts.
Source: Washington State Office of the State Actuary

Schedule of Retirees and Beneficiaries Added to and Removed from Rolls

PERS Plan 1

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	1,446	$ 36,218,524	2,236	$ 36,578,459	51,070	$ 1,183,089,117	$ 23,166	0.5%
6/30/13	1,596	40,451,809	2,408	38,081,771	51,860	1,177,115,047	22,698	0.7%
6/30/12	1,643	42,344,185	2,235	33,066,677	52,672	1,169,187,194	22,198	1.5%
6/30/11	1,829	49,678,585	2,307	31,131,283	53,264	1,151,599,650	21,621	3.6%
6/30/10	1,891	48,714,779	2,296	30,635,880	53,742	1,112,108,596	20,693	3.5%
6/30/09	1,824	47,679,971	2,258	28,065,463	54,147	1,073,997,138	19,835	3.7%
6/30/08	2,138	54,916,521	2,243	27,122,179	54,581	1,035,876,249	18,979	4.6%
6/30/07	1,555	41,444,329	1,703	19,287,556	54,686	989,949,533	18,102	2.5%
9/30/06	2,345	58,991,956	2,306	25,314,598	54,834	966,044,139	17,618	5.3%
9/30/05	2,453	59,678,441	2,226	23,265,522	54,795	917,109,978	16,737	5.8%

PERS Plan 2

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	4,500	$ 98,401,222	687	$ 8,476,109	35,142	$ 573,268,436	$ 16,313	21.5%
6/30/13	4,167	82,479,614	658	7,214,843	31,329	472,011,858	15,066	22.1%
6/30/12	3,685	67,895,490	576	5,893,503	27,820	386,547,451	13,895	20.6%
6/30/11	3,206	59,754,016	538	5,248,298	24,711	320,615,736	12,975	23.2%
6/30/10	2,732	45,416,589	479	4,302,408	22,043	260,152,502	11,802	21.8%
6/30/09	2,461	37,668,755	469	3,848,756	19,790	213,544,944	10,791	22.0%
6/30/08	2,215	27,458,079	376	2,944,525	17,798	175,102,432	9,838	19.4%
6/30/07	1,363	16,027,735	285	2,398,926	15,959	146,703,879	9,193	10.3%
9/30/06	1,753	19,273,543	343	2,418,970	14,881	132,989,872	8,937	17.9%
9/30/05	1,667	17,489,923	302	2,004,746	13,471	112,808,257	8,374	18.2%

PERS Plan 3

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	527	$ 5,973,884	32	$ 179,191	2,634	$ 24,801,688	$ 9,416	33.6%
6/30/13	414	4,231,693	25	175,440	2,139	18,566,461	8,680	31.1%
6/30/12	377	3,768,015	15	95,645	1,750	14,165,571	8,095	36.6%
6/30/11	289	2,750,573	15	115,610	1,388	10,366,918	7,469	36.8%
6/30/10	211	1,847,618	17	105,335	1,114	7,575,590	6,800	33.1%
6/30/09	188	1,431,296	11	68,324	920	5,691,504	6,186	34.6%
6/30/08	153	973,585	9	39,824	743	4,227,474	5,690	31.2%
6/30/07	120	767,458	7	36,995	599	3,222,482	5,380	29.4%
9/30/06	149	788,987	6	28,021	486	2,490,907	5,125	48.2%
9/30/05	124	603,358	3	10,266	343	1,681,231	4,902	57.4%

Schedule of Retirees and Beneficiaries Added to and Removed from Rolls (cont.)

SERS Plan 2

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	796	$ 8,658,343	84	$ 710,331	5,796	$ 56,703,435	$ 9,783	19.2%
6/30/13	729	7,922,612	82	669,493	5,084	47,586,513	9,360	21.1%
6/30/12	685	7,196,654	71	556,280	4,437	39,304,032	8,858	22.0%
6/30/11	560	5,481,726	48	331,627	3,823	32,224,861	8,429	21.8%
6/30/10	482	4,325,732	41	339,774	3,311	26,455,961	7,990	20.9%
6/30/09	454	3,836,380	32	197,969	2,870	21,890,772	7,627	23.0%
6/30/08	450	3,526,561	28	186,696	2,448	17,799,193	7,271	26.1%
6/30/07	231	1,721,633	20	112,108	2,026	14,110,609	6,965	13.0%
9/30/06	410	2,890,809	21	120,279	1,815	12,492,085	6,883	32.2%
9/30/05	345	2,373,320	16	83,179	1,426	9,452,517	6,629	34.4%

SERS Plan 3

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	875	$ 5,235,885	45	$ 185,272	4,825	$ 25,178,188	$ 5,218	28.1%
6/30/13	803	4,385,800	22	91,177	3,995	19,657,323	4,920	31.1%
6/30/12	636	3,285,871	27	105,484	3,214	14,992,908	4,665	28.5%
6/30/11	553	3,038,825	21	73,455	2,605	11,667,747	4,479	37.2%
6/30/10	332	1,614,718	18	51,140	2,073	8,504,426	4,102	25.6%
6/30/09	346	1,552,969	12	36,518	1,759	6,768,866	3,848	31.9%
6/30/08	325	1,370,967	15	57,309	1,425	5,130,021	3,600	37.5%
6/30/07	178	695,857	6	14,025	1,115	3,730,124	3,345	22.7%
9/30/06	246	830,604	8	24,025	943	3,040,090	3,224	39.5%
9/30/05	231	738,686	7	15,225	705	2,179,342	3,091	52.2%

PSERS Plan 2*

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	19	$ 137,777	–	$ –	62	$ 325,492	$ 5,250	76.0%
6/30/13	16	98,050	–	–	43	184,938	4,301	116.0%
6/30/12	12	46,142	–	–	27	85,628	3,171	117.6%
6/30/11	8	25,844	–	–	15	39,355	2,624	192.3%
6/30/10	5	10,383	–	–	7	13,645	1,924	339.7%
6/30/09	1	2,409	–	–	2	3,062	1,531	368.9%
6/30/08	1	653	–	–	1	653	653	0.0%
6/30/07	–	–	–	–	–	–	–	0.0%
9/30/06	–	–	–	–	–	–	–	0.0%
9/30/05	–	–	–	–	–	–	–	0.0%

*PSERS 2 became effective July 1, 2006.

Schedule of Retirees and Beneficiaries Added to and Removed from Rolls (cont.)

TRS Plan 1

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	834	$ 27,345,364	1,107	$ 21,680,225	35,639	$ 894,749,810	$ 25,106	0.8%
6/30/13	889	28,516,769	1,031	19,814,149	35,912	887,718,032	24,719	1.2%
6/30/12	1,007	32,011,915	1,071	19,959,639	36,054	877,408,017	24,336	1.6%
6/30/11	1,161	37,444,310	1,058	18,622,578	36,118	863,605,633	23,911	4.0%
6/30/10	947	27,363,548	964	16,376,709	36,015	829,998,363	23,046	3.2%
6/30/09	1,193	33,860,034	1,040	16,463,852	36,032	804,572,786	22,329	3.9%
6/30/08	1,564	43,927,319	1,069	16,443,154	35,879	774,340,924	21,582	5.2%
6/30/07	370	6,636,490	731	11,088,213	35,384	735,750,464	20,793	(0.7)%
9/30/06	1,522	41,976,669	1,041	15,570,734	35,745	740,789,520	20,724	5.1%
9/30/05	1,599	43,037,533	959	13,226,439	35,264	704,678,752	19,983	5.8%

TRS Plan 2

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	493	$ 12,353,083	44	$ 699,410	3,894	$ 79,974,743	$ 20,538	20.0%
6/30/13	422	10,037,156	37	626,458	3,445	66,622,927	19,339	19.6%
6/30/12	424	9,371,702	21	336,553	3,060	55,682,494	18,197	20.8%
6/30/11	362	7,470,573	25	307,667	2,657	46,085,043	17,345	21.3%
6/30/10	249	5,208,999	33	383,886	2,320	37,984,977	16,373	17.7%
6/30/09	246	4,939,050	21	265,215	2,104	32,273,082	15,339	20.2%
6/30/08	244	4,076,287	29	323,867	1,879	26,844,925	14,287	19.5%
6/30/07	105	1,426,931	15	141,168	1,664	22,470,949	13,504	6.2%
9/30/06	239	3,646,802	16	140,601	1,574	21,157,013	13,442	23.5%
9/30/05	233	3,546,914	9	96,832	1,351	17,129,967	12,679	27.9%

TRS Plan 3

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	1,271	$ 18,346,307	40	$ 361,104	6,094	$ 71,957,258	$ 11,808	36.5%
6/30/13	1,083	13,777,247	24	234,999	4,863	52,704,816	10,838	38.0%
6/30/12	896	10,668,293	26	207,788	3,804	38,191,899	10,040	39.3%
6/30/11	714	8,168,048	15	132,216	2,934	27,425,422	9,347	44.5%
6/30/10	454	4,632,283	10	73,282	2,235	18,983,833	8,494	34.9%
6/30/09	408	4,058,520	9	60,319	1,791	14,073,479	7,858	43.2%
6/30/08	360	3,056,652	11	78,741	1,392	9,828,264	7,061	47.1%
6/30/07	115	826,838	5	17,533	1,043	6,680,207	6,405	13.9%
9/30/06	233	1,707,380	6	34,323	933	5,863,113	6,284	44.0%
9/30/05	172	1,203,187	7	17,172	706	4,070,809	5,766	44.0%

Schedule of Retirees and Beneficiaries Added to and Removed from Rolls (cont.)

LEOFF Plan 1

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	124	$ 6,809,466	248	$ 10,922,714	7,605	$ 356,280,207	$ 46,848	0.0%
6/30/13	146	7,890,561	262	10,485,897	7,729	356,229,923	46,090	1.7%
6/30/12	162	9,325,170	249	9,732,437	7,845	350,199,616	44,640	3.0%
6/30/11	136	7,331,503	212	8,121,870	7,932	340,160,704	42,885	0.5%
6/30/10	167	9,065,821	246	9,545,410	8,008	338,503,613	42,271	0.3%
6/30/09	156	8,226,656	203	7,267,042	8,087	337,505,287	41,734	4.7%
6/30/08	189	9,377,706	216	7,617,139	8,134	322,365,013	39,632	4.3%
6/30/07	153	7,238,334	164	5,380,231	8,161	309,181,019	37,885	4.2%
9/30/06	229	10,517,551	206	6,565,445	8,172	296,662,837	36,302	4.2%
9/30/05	221	9,390,330	182	5,893,176	8,149	284,639,305	34,929	2.8%

LEOFF Plan 2

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	478	$ 23,448,749	25	$ 779,746	3,235	$ 130,428,517	$ 40,318	24.0%
6/30/13	457	21,512,439	19	571,580	2,782	105,193,996	37,812	28.5%
6/30/12	355	16,447,618	26	705,284	2,344	81,874,896	34,930	25.1%
6/30/11	389	15,718,562	13	333,059	2,015	65,459,659	32,486	33.8%
6/30/10	285	10,278,954	13	332,332	1,639	48,926,257	29,851	29.2%
6/30/09	243	8,478,268	10	216,179	1,367	37,876,404	27,708	31.0%
6/30/08	227	6,985,801	17	279,908	1,134	28,904,921	25,489	33.7%
6/30/07	153	4,353,299	8	144,930	924	21,611,590	23,389	24.3%
9/30/06	211	5,655,854	6	89,270	779	17,388,315	22,321	51.4%
9/30/05	151	3,758,745	9	103,594	574	11,487,120	20,012	49.2%

WSPRS Plan 1

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/04	51	$ 2,304,665	19	$ 597,779	996	$ 47,829,447	$ 48,022	6.5%
6/30/13	67	3,124,867	18	587,613	964	44,897,586	46,574	9.1%
6/30/12	59	2,674,231	19	715,514	915	41,147,922	44,970	6.6%
6/30/11	42	1,918,898	18	476,475	875	38,597,849	44,112	5.1%
6/30/10	33	1,549,594	16	489,562	851	36,718,045	43,147	6.0%
6/30/09	15	710,502	12	377,080	834	34,636,899	41,531	4.0%
6/30/08	28	1,152,618	18	541,668	831	33,303,079	40,076	4.8%
6/30/07	22	801,594	9	182,796	821	31,779,147	38,708	2.1%
9/30/06	28	1,101,085	12	321,334	808	31,134,976	38,533	6.3%
9/30/05	49	1,781,905	19	443,543	792	29,291,456	36,984	7.5%

Schedule of Retirees and Beneficiaries Added to and Removed from Rolls (cont.)

JRS

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	–	$ –	6	$ 366,825	108	$ 9,308,919	$ 86,194	(1.4)%
6/30/13	7	476,184	12	877,160	114	9,440,927	82,815	(1.5)%
6/30/12	4	317,799	9	670,577	119	9,584,381	80,541	(1.7)%
6/30/11	4	285,689	5	400,572	124	9,745,840	78,595	0.1%
6/30/10	10	700,776	9	626,362	125	9,733,805	77,870	3.5%
6/30/09	4	276,433	7	497,241	124	9,401,392	75,818	0.4%
6/30/08	4	267,383	7	374,274	127	9,359,660	73,698	1.7%
6/30/07	3	160,260	5	392,686	130	9,201,726	70,783	(2.5)%
9/30/06	6	385,845	5	376,793	132	9,434,152	71,471	3.0%
9/30/05	8	631,467	4	217,950	131	9,163,352	69,949	7.5%

JRF

	Added to Rolls		Removed from Rolls		Rolls — End of Year			
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	Average Annual Allowance	% Increase in Annual Allowance
6/30/14	–	$ –	–	$ –	12	$ 444,282	$ 37,024	0.0%
6/30/13	–	–	–	–	12	444,282	37,024	(7.7)%
6/30/12	–	–	1	18,329	12	481,389	40,116	(3.7)%
6/30/11	–	–	–	–	13	499,719	38,440	0.0%
6/30/10	–	–	–	–	13	499,719	38,440	0.0%
6/30/09	–	–	–	–	13	499,719	38,440	0.0%
6/30/08	–	–	2	–	13	499,719	38,440	(13.6)%
6/30/07	–	–	–	75,233	15	578,135	38,542	0.0%
9/30/06	1	18,033	2	75,234	15	578,135	38,542	(9.0)%
9/30/05	1	16,763	1	7,011	16	635,336	39,709	1.6%

Source: Washington State Office of the State Actuary

Solvency Tests

PERS Plan 1
Dollars in Millions

Accrued Liabilities (Entry Age Cost Method)					Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 589.2	$ 11,387.8	$ 743.3	$ 12,720.4	$ 7,761.5	100%	63%	0%
6/30/13	662.6	11,371.1	613.4	12,647.1	8,053.1	100%	65%	0%
6/30/12	740.8	10,685.6	707.0	12,133.4	8,520.6	100%	73%	0%
6/30/11	818.7	10,677.5	852.1	12,348.4	8,883.4	100%	76%	0%
6/30/10	912.6	10,232.0	1,096.0	12,240.7	9,293.0	100%	82%	0%
6/30/09	989.9	11,269.4	1,703.2	13,962.6	9,775.6	100%	78%	0%
6/30/08	1,055.8	10,963.4	1,881.7	13,901.0	9,852.9	100%	80%	0%
6/30/07	1,120.4	10,575.9	2,044.2	13,740.5	9,715.5	100%	81%	0%
9/30/06	1,186.4	9,473.0	2,470.1	13,129.4	9,591.0	100%	89%	0%
9/30/05	1,271.5	9,455.7	2,976.5	13,703.7	9,706.9	100%	89%	0%

PERS Plan 2/3
Dollars in Millions

Accrued Liabilities (Entry Age Cost Method)					Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 4,357.1	$ 9,925.2	$ 12,104.0	$ 26,386.3	$ 26,386.3	100%	100%	100%
6/30/13	4,121.6	8,388.8	11,824.2	24,334.6	24,334.6	100%	100%	100%
6/30/12	3,878.2	6,710.3	12,064.0	22,652.6	22,652.6	100%	100%	100%
6/30/11	3,605.7	5,756.8	11,634.2	20,996.7	20,996.7	100%	100%	100%
6/30/10	3,388.0	4,753.4	11,332.7	19,474.1	19,474.1	100%	100%	100%
6/30/09	3,132.0	4,038.0	11,090.4	18,260.4	18,260.4	100%	100%	100%
6/30/08	2,760.9	3,447.1	10,484.7	16,692.7	16,692.7	100%	100%	100%
6/30/07	2,464.6	2,966.5	9,456.7	14,887.9	14,887.9	100%	100%	100%
9/30/06	2,294.7	2,470.0	8,764.2	13,528.9	13,528.9	100%	100%	100%
9/30/05	2,154.9	2,131.4	7,987.7	12,274.0	12,274.0	100%	100%	100%

SERS Plan 2/3
Dollars in Millions

Accrued Liabilities (Entry Age Cost Method)					Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 328.0	$ 1,492.9	$ 1,803.0	$ 3,623.8	$ 3,623.8	100%	100%	100%
6/30/13	309.2	1,267.1	1,758.3	3,334.6	3,334.6	100%	100%	100%
6/30/12	295.3	1,018.0	1,787.0	3,100.3	3,100.3	100%	100%	100%
6/30/11	279.8	862.1	1,730.3	2,872.1	2,872.1	100%	100%	100%
6/30/10	266.2	713.8	1,684.1	2,664.1	2,664.1	100%	100%	100%
6/30/09	251.5	613.7	1,637.9	2,503.2	2,503.2	100%	100%	100%
6/30/08	226.5	523.7	1,552.4	2,302.6	2,302.6	100%	100%	100%
6/30/07	207.1	431.4	1,494.9	2,133.4	2,133.4	100%	100%	100%
9/30/06	188.7	350.1	1,395.5	1,934.3	1,934.3	100%	100%	100%
9/30/05	178.2	288.1	1,281.1	1,747.4	1,747.4	100%	100%	100%

Solvency Tests (cont.)

PSERS Plan 2
Dollars in Millions

	Accrued Liabilities (Entry Age Cost Method)				Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 109.5	$ 21.5	$ 147.2	$ 278.2	$ 278.2	100%	100%	100%
6/30/13	92.5	14.7	117.1	224.2	224.2	100%	100%	100%
6/30/12	76.5	9.2	94.8	180.5	180.5	100%	100%	100%
6/30/11	62.0	6.1	72.6	140.7	140.7	100%	100%	100%
6/30/10	46.9	4.2	51.7	102.9	102.9	100%	100%	100%
6/30/09	32.4	2.0	34.8	69.2	69.2	100%	100%	100%
6/30/08	18.1	0.9	19.7	38.7	38.7	100%	100%	100%
6/30/07	6.7	0.2	6.9	13.7	13.7	100%	100%	100%
9/30/06	0.6	–	0.5	1.1	1.1	100%	100%	100%
9/30/05	–	–	–	–	–	0%	0%	0%

TRS Plan 1
Dollars in Millions

	Accrued Liabilities (Entry Age Cost Method)				Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 347.4	$ 8,530.4	$ 372.3	$ 9,250.1	$ 6,352.8	100%	70%	0%
6/30/13	433.7	8,511.5	441.0	9,386.1	6,717.1	100%	74%	0%
6/30/12	509.9	7,952.4	534.4	8,996.7	7,144.5	100%	83%	0%
6/30/11	598.1	7,934.2	662.4	9,194.7	7,485.0	100%	87%	0%
6/30/10	663.6	7,586.5	870.0	9,120.0	7,791.3	100%	94%	0%
6/30/09	725.6	8,821.7	1,264.8	10,812.1	8,146.2	100%	84%	0%
6/30/08	790.2	8,564.6	1,399.1	10,753.9	8,262.3	100%	87%	0%
6/30/07	766.4	8,670.1	1,389.0	10,825.6	8,302.3	100%	87%	0%
9/30/06	839.3	7,831.8	1,687.5	10,358.6	8,275.5	100%	95%	0%
9/30/05	915.5	7,848.6	2,129.9	10,894.0	8,449.7	100%	96%	0%

TRS Plan 2/3
Dollars in Millions

	Accrued Liabilities (Entry Age Cost Method)				Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 448.5	$ 2,858.6	$ 5,885.9	$ 9,193.0	$ 9,193.0	100%	100%	100%
6/30/13	424.4	2,335.8	5,645.8	8,406.1	8,406.1	100%	100%	100%
6/30/12	402.9	1,831.7	5,523.4	7,757.9	7,757.9	100%	100%	100%
6/30/11	382.6	1,516.3	5,241.7	7,140.6	7,140.6	100%	100%	100%
6/30/10	366.3	1,224.5	5,002.5	6,593.3	6,593.3	100%	100%	100%
6/30/09	349.7	1,032.2	4,778.1	6,160.0	6,160.0	100%	100%	100%
6/30/08	322.2	883.1	4,475.8	5,681.0	5,681.0	100%	100%	100%
6/30/07	302.6	790.8	4,183.7	5,277.0	5,277.0	100%	100%	100%
9/30/06	285.5	653.4	3,896.4	4,835.3	4,835.3	100%	100%	100%
9/30/05	275.8	548.4	3,587.0	4,411.2	4,411.2	100%	100%	100%

Solvency Tests (cont.)

LEOFF Plan 1
Dollars in Millions

Accrued Liabilities (Entry Age Cost Method)					Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 23.4	$ 4,188.6	$ 110.6	$ 4,322.6	$ 5,499.3	100%	100%	100%
6/30/13	27.1	4,254.5	119.4	4,401.0	5,516.4	100%	100%	100%
6/30/12	33.5	3,945.9	134.5	4,113.9	5,561.6	100%	100%	100%
6/30/11	43.3	3,898.6	196.2	4,138.0	5,565.3	100%	100%	100%
6/30/10	49.5	4,090.6	245.9	4,386.0	5,560.9	100%	100%	100%
6/30/09	55.4	4,149.8	281.2	4,486.5	5,612.1	100%	100%	100%
6/30/08	62.3	3,997.4	308.0	4,367.7	5,592.5	100%	100%	100%
6/30/07	72.4	3,916.3	351.5	4,340.2	5,297.7	100%	100%	100%
9/30/06	80.7	3,826.1	402.1	4,309.0	5,017.8	100%	100%	100%
9/30/05	92.8	3,763.8	386.7	4,243.3	4,799.9	100%	100%	100%

LEOFF Plan 2
Dollars in Millions

Accrued Liabilities (Entry Age Cost Method)					Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 2,179.6	$ 2,287.3	$ 4,171.1	$ 8,637.9	$ 8,637.9	100%	100%	100%
6/30/13	2,054.4	1,862.4	3,945.5	7,862.3	7,862.3	100%	100%	100%
6/30/12	1,925.9	1,427.7	3,868.3	7,221.9	7,221.9	100%	100%	100%
6/30/11	1,782.2	1,166.1	3,672.3	6,620.7	6,620.7	100%	100%	100%
6/30/10	1,615.0	924.7	3,503.0	6,042.7	6,042.7	100%	100%	100%
6/30/09	1,479.5	682.5	3,402.1	5,564.2	5,564.2	100%	100%	100%
6/30/08	1,319.7	547.5	3,185.5	5,052.7	5,052.7	100%	100%	100%
6/30/07	1,178.3	451.7	2,729.6	4,359.6	4,359.6	100%	100%	100%
9/30/06	1,087.8	355.6	2,400.3	3,843.8	3,843.8	100%	100%	100%
9/30/05	980.4	264.7	2,084.0	3,329.1	3,329.1	100%	100%	100%

WSPRS Plan 1/2
Dollars in Millions

Accrued Liabilities (Entry Age Cost Method)					Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ 74.1	$ 703.2	$ 266.9	$ 1,044.2	$ 1,044.2	100%	100%	100%
6/30/13	71.6	663.3	274.4	1,009.4	1,009.4	100%	100%	100%
6/30/12	70.8	576.1	334.9	981.7	981.7	100%	100%	100%
6/30/11	69.0	541.2	339.3	949.5	949.5	100%	100%	100%
6/30/10	66.4	496.5	356.7	919.6	919.6	100%	100%	100%
6/30/09	62.4	474.5	363.5	900.4	900.4	100%	100%	100%
6/30/08	56.0	460.5	353.2	869.7	869.7	100%	100%	100%
6/30/07	50.8	444.2	304.9	799.9	799.9	100%	100%	100%
9/30/06	48.7	413.3	281.5	743.5	743.5	100%	100%	100%
9/30/05	46.2	392.9	255.0	694.1	694.1	100%	100%	100%

Solvency Tests (cont.)

JRS
Dollars in Millions

	Accrued Liabilities (Entry Age Cost Method)				Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ –	$ 105.0	$ –	$ 105.0	$ 5.0	n/a	5%	n/a
6/30/13	–	108.2	–	108.2	3.9	n/a	4%	n/a
6/30/12	1.0	100.4	2.5	103.9	3.5	100%	2%	0%
6/30/11	1.5	104.3	3.6	109.3	5.1	100%	3%	0%
6/30/10	2.2	78.5	3.1	83.8	3.8	100%	2%	0%
6/30/09	3.7	76.1	9.5	89.3	1.8	50%	0%	0%
6/30/08	3.7	78.2	9.7	91.5	1.0	26%	0%	0%
6/30/07	3.7	75.3	6.0	85.0	0.5	15%	0%	0%
9/30/06	3.5	78.7	5.8	88.0	0.3	7%	0%	0%
9/30/05	3.8	78.7	6.9	89.4	1.7	46%	0%	0%

This relatively small fund, which DRS administers, is funded on a pay-as-you-go basis.

JRF
Dollars in Millions

	Accrued Liabilities (Entry Age Cost Method)				Portion of Accrued Liabilities Covered by Assets			
Valuation Date	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability	(1+2+3) Total Accrued Liability	Valuation Assets	(1) Active Member Contributions	(2) Inactive Member Liability	(3) Excess Accrued Liability
6/30/14	$ –	$ 3.3	$ –	$ 3.3	$ 1.0	n/a	29%	n/a
6/30/13	–	3.5	–	3.5	1.4	n/a	40%	n/a
6/30/12	–	3.6	–	3.6	1.9	n/a	52%	n/a
6/30/11	–	3.9	–	3.9	2.3	n/a	61%	n/a
6/30/10	–	3.2	–	3.2	2.8	n/a	87%	n/a
6/30/09	–	3.4	–	3.4	3.3	n/a	97%	n/a
6/30/08	–	3.5	–	3.5	3.6	n/a	100%	n/a
6/30/07	–	3.9	–	3.9	4.0	n/a	100%	n/a
9/30/06	–	4.0	–	4.0	4.1	n/a	100%	n/a
9/30/05	–	4.5	–	4.5	4.2	n/a	93%	n/a

This relatively small fund, which DRS administers, is funded on a pay-as-you-go basis.

Totals might not agree due to rounding, and percentages are based on actual, not rounded, totals.

PERS Plan 2/3, SERS Plan 2/3, PSERS Plan 2, TRS Plan 2/3, LEOFF Plan 2 and WSPRS Plan 1/2: The actuarial liability (AAL) presented in these charts reflects the actual actuarial valuation method (Aggregate Cost) used to calculate the annual required contributions for these plans. This Aggregate Actuarial Cost Method doesn't separately amortize unfunded actuarial liabilities and, by definition, sets the accrued liabilities equal to the assets. Therefore, the funded status is always 100 percent. These AAL amounts differ from those presented in the schedules of funded status and funding progress included in the "Notes to the Financial Statements" in the Financial Section, where a different valuation method (Entry Age) is used as a surrogate.

Source: Washington State Office of the State Actuary

Analysis of Selected Experience

PERS Plan 1: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ (308.7)	$ (417.4)	$ (340.4)	$ (397.7)	$ (668.0)	$ (298.2)	$ 151.6	$ 186.0	$ 5.6	$ (163.9)
Salary Gains	(1.4)	25.8	47.9	59.9	54.2	10.9	(59.2)	30.7	(7.6)	63.3
Termination of Employment	(0.3)	1.1	0.5	0.1	1.2	(0.2)	(0.4)	7.2	6.1	5.4
Return to Work from Terminated Status	(3.9)	(2.8)	(3.2)	(6.4)	(8.0)	(9.7)	(49.1)	(14.4)	(25.1)	(25.1)
Gain (or Loss) During Year from Selected Experience	**$ (314.3)**	**$ (393.3)**	**$ (295.2)**	**$ (344.1)**	**$ (620.6)**	**$ (297.2)**	**$ 42.9**	**$ 209.5**	**$ (21.0)**	**$ (120.3)**

PERS Plan 2/3: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ (323.2)	$ (302.6)	$ (295.6)	$ (404.3)	$ (619.2)	$ (134.3)	$ 273.4	$ 327.6	$ 97.0	$ (112.4)
Salary Gains	60.7	481.1	663.9	731.7	577.8	185.9	(326.1)	124.2	12.1	178.4
Termination of Employment	116.6	131.8	129.3	118.3	18.0	21.1	47.8	131.1	155.5	57.9
Return to Work from Terminated Status	(64.7)	(66.3)	(58.3)	(44.1)	(50.2)	(47.8)	(97.1)	(86.8)	(92.6)	(87.9)
Gain (or Loss) During Year from Selected Experience	**$ (210.6)**	**$ 244.0**	**$ 439.3**	**$ 401.6**	**$ (73.6)**	**$ 24.9**	**$ (102.0)**	**$ 496.1**	**$ 172.0**	**$ 36.0**

SERS Plan 2/3: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ (64.0)	$ (66.4)	$ (69.6)	$ (80.5)	$ (115.1)	$ (33.2)	$ 39.1	$ 46.3	$ 11.3	$ (18.7)
Salary Gains	9.1	53.1	94.1	75.1	84.5	(27.4)	(27.5)	9.6	23.8	25.4
Termination of Employment	27.0	18.0	20.3	8.3	3.1	5.8	11.0	16.1	11.7	9.8
Return to Work from Terminated Status	(6.5)	(4.7)	(3.5)	(5.2)	(5.5)	(6.2)	(8.4)	(74.3)	(27.1)	(13.8)
Gain (or Loss) During Year from Selected Experience	**$ (34.4)**	**$ –**	**$ 41.3**	**$ (2.3)**	**$ (33.0)**	**$ (61.0)**	**$ 14.2**	**$ (2.3)**	**$ 19.7**	**$ 2.7**

*Actuarial value of assets

Analysis of Selected Experience (cont.)

PSERS Plan 2: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ 1.3	$ 0.8	$ (0.4)	$ 0.4	$ (1.2)	$ 0.4	$ (0.3)	$ –	$ –	$ –
Salary Gains	6.1	14.1	17.7	14.9	10.3	8.5	(5.1)	1.3	–	–
Termination of Employment	6.9	3.7	7.7	4.2	4.7	(7.4)	0.4	(1.0)	–	–
Return to Work from Terminated Status	(0.5)	(0.9)	–	–	–	–	(0.9)	–	–	–
Gain (or Loss) During Year from Selected Experience	**$ 13.8**	**$ 17.7**	**$ 25.0**	**$ 19.5**	**$ 13.8**	**$ 1.5**	**$ (5.9)**	**$ 0.3**	**$ –**	**$ –**

TRS Plan 1: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ (311.3)	$ (324.0)	$ (262.3)	$ (247.3)	$ (502.1)	$ (287.8)	$ 26.1	$ 24.9	$ (111.7)	$ (260.0)
Salary Gains	4.4	20.6	45.5	36.5	60.7	(17.4)	(28.9)	4.3	45.6	59.1
Termination of Employment	(0.2)	0.3	(0.3)	0.2	0.9	1.5	0.7	(7.5)	0.8	2.6
Return to Work from Terminated Status	(0.9)	(1.6)	(2.2)	(4.4)	(7.3)	(6.0)	(23.6)	(6.8)	(22.9)	(19.4)
Gain (or Loss) During Year from Selected Experience	**$ (308.0)**	**$ (304.7)**	**$ (219.3)**	**$ (215.0)**	**$ (447.8)**	**$ (309.7)**	**$ (25.7)**	**$ 14.9**	**$ (88.2)**	**$ (217.7)**

TRS Plan 2/3: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ (120.4)	$ (122.3)	$ (142.0)	$ (180.6)	$ (266.8)	$ (120.1)	$ 66.8	$ 88.5	$ (1.7)	$ (79.0)
Salary Gains	148.9	226.6	389.0	252.6	341.3	(67.3)	(52.7)	20.6	70.1	62.0
Termination of Employment	152.6	120.7	130.0	85.5	92.9	71.7	54.8	56.5	33.6	33.7
Return to Work from Terminated Status	(78.0)	(56.5)	(39.9)	(43.7)	(37.5)	(63.0)	(85.4)	(139.7)	(43.1)	(47.5)
Gain (or Loss) During Year from Selected Experience	**$ 103.1**	**$ 168.5**	**$ 337.1**	**$ 113.8**	**$ 129.9**	**$ (178.7)**	**$ (16.5)**	**$ 25.9**	**$ 58.9**	**$ (30.8)**

*Actuarial value of assets

Analysis of Selected Experience (cont.)

LEOFF Plan 1: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ (75.9)	$ (118.6)	$ (86.9)	$ (84.2)	$ (144.8)	$ (88.1)	$ 196.4	$ 217.8	$ 134.2	$ 54.0
Salary Gains	4.0	3.5	4.3	6.2	1.9	(4.5)	(2.2)	4.8	2.3	10.5
Termination of Employment	(0.2)	(0.1)	–	(0.1)	(0.1)	0.1	(0.1)	(0.1)	(0.7)	(1.6)
Return to Work from Terminated Status	(1.2)	–	–	(0.2)	0.5	(4.3)	(2.7)	(1.0)	–	(1.0)
Gain (or Loss) During Year from Selected Experience	**$ (73.3)**	**$ (115.2)**	**$ (82.6)**	**$ (78.3)**	**$ (142.5)**	**$ (96.8)**	**$ 191.4**	**$ 221.5**	**$ 135.8**	**$ 61.9**

LEOFF Plan 2: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ 88.0	$ 16.7	$ (4.5)	$ (1.9)	$ (68.7)	$ 19.4	$ 135.8	$ 159.7	$ 95.2	$ 39.4
Salary Gains	6.9	117.5	186.3	164.7	91.1	6.5	(29.7)	61.2	48.3	28.0
Termination of Employment	6.5	3.4	9.0	2.5	25.8	11.8	2.9	4.4	5.2	4.0
Return to Work from Terminated Status	(5.4)	(6.6)	(4.5)	(16.8)	(12.6)	(7.9)	(22.6)	(43.9)	(25.8)	(0.3)
Gain (or Loss) During Year from Selected Experience	**$ 96.0**	**$ 131.0**	**$ 186.3**	**$ 148.5**	**$ 35.6**	**$ 29.8**	**$ 86.4**	**$ 181.4**	**$ 122.9**	**$ 71.1**

WSPRS Plan 1/2: Selected Gains and Losses During Fiscal Years Ended June 30, 2005–2014

Resulting from Differences Between Assumed Experience and Actual Experience
Dollars in Millions

	$ Gain (or Loss) for Year									
Type of Activity	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Investment Gains*	$ (10.0)	$ (10.2)	$ (6.7)	$ (8.5)	$ (20.5)	$ (6.2)	$ 28.4	$ 32.0	$ 19.6	$ 8.0
Salary Gains	(1.3)	8.6	12.5	18.8	19.0	(0.7)	(5.9)	5.5	(1.9)	2.3
Termination of Employment	2.8	(0.3)	2.5	0.1	(1.0)	1.2	1.1	0.1	1.2	1.4
Return to Work from Terminated Status	–	(0.4)	(0.3)	(0.2)	(0.5)	(0.5)	–	(49.7)	(0.7)	(0.5)
Gain (or Loss) During Year from Selected Experience	**$ (8.5)**	**$ (2.3)**	**$ 8.0**	**$ 10.2**	**$ (3.0)**	**$ (6.2)**	**$ 23.6**	**$ (12.1)**	**$ 18.2**	**$ 11.2**

*Actuarial value of assets

Schedules of Funding Progress

PERS Plan 1
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 7,761	$ 8,053	$ 8,521	$ 8,883	$ 9,293	$ 9,776	$ 9,853	$ 9,715	$ 9,591	$ 9,707
Actuarial Accrued Liability	$ 12,720	$ 12,874	$ 12,360	$ 12,571	$ 12,538	$ 13,984	$ 13,901	$ 13,740	$ 13,129	$ 13,704
Unfunded Actuarial Liability	$ 4,959	$ 4,821	$ 3,839	$ 3,688	$ 3,245	$ 4,209	$ 4,048	$ 4,025	$ 3,538	$ 3,997
Funded Ratio	61%	63%	69%	71%	74%	70%	71%	71%	73%	71%
Covered Payroll	$ 277	$ 318	$ 371	$ 432	$ 507	$ 580	$ 638	$ 676	$ 725	$ 786
Unfunded Actuarial Liability As a Percentage of Covered Payroll	1,792%	1,517%	1,035%	854%	640%	725%	634%	595%	488%	509%

PERS Plan 2/3
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 26,386	$ 24,335	$ 22,653	$ 20,997	$ 19,474	$ 18,260	$ 16,693	$ 14,888	$ 13,529	$ 12,274
Actuarial Accrued Liability	$ 29,321	$ 26,540	$ 22,780	$ 21,627	$ 20,029	$ 18,398	$ 16,508	$ 14,661	$ 12,770	$ 11,495
Unfunded Actuarial Liability	$ 2,935	$ 153	$ 127	$ 630	$ 555	$ 137	$ (185)	$ (227)	$ (759)	$ (779)
Funded Ratio	90%	99%	99%	97%	97%	99%	101%	102%	106%	107%
Covered Payroll	$ 8,719	$ 8,339	$ 8,193	$ 8,148	$ 8,206	$ 8,132	$ 7,869	$ 7,157	$ 6,771	$ 6,444
Unfunded Actuarial Liability As a Percentage of Covered Payroll	34%	2%	2%	8%	7%	2%	(2)%	(3)%	(11)%	(12)%

SERS Plan 2/3
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 3,624	$ 3,335	$ 3,100	$ 2,872	$ 2,664	$ 2,503	$ 2,303	$ 2,133	$ 1,934	$ 1,747
Actuarial Accrued Liability	$ 3,965	$ 3,581	$ 3,103	$ 2,956	$ 2,706	$ 2,493	$ 2,207	$ 1,998	$ 1,787	$ 1,601
Unfunded Actuarial Liability	$ 341	$ 247	$ 3	$ 84	$ 41	$ (10)	$ (95)	$ (136)	$ (147)	$ (146)
Funded Ratio	91%	93%	100%	97%	98%	100%	104%	107%	108%	109%
Covered Payroll	$ 1,591	$ 1,514	$ 1,479	$ 1,490	$ 1,475	$ 1,467	$ 1,379	$ 1,283	$ 1,243	$ 1,201
Unfunded Actuarial Liability As a Percentage of Covered Payroll	21%	16%	0%	6%	3%	(1)%	(7)%	(12)%	(12)%	(12)%

Schedules of Funding Progress (cont.)

PSERS Plan 2
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 278	$ 224	$ 180	$ 141	$ 103	$ 69	$ 39	$ 14	*	*
Actuarial Accrued Liability	$ 291	$ 218	$ 159	$ 126	$ 94	$ 64	$ 37	$ 19	*	*
Unfunded Actuarial Liability	$ 13	$ (7)	$ (22)	$ (14)	$ (9)	$ (5)	$ (2)	$ 6	*	*
Funded Ratio	96%	103%	114%	111%	109%	108%	106%	71%	*	*
Covered Payroll	$ 275	$ 253	$ 238	$ 233	$ 227	$ 223	$ 200	$ 134	*	*
Unfunded Actuarial Liability As a Percentage of Covered Payroll	5%	(3)%	(9)%	(6)%	(4)%	(2)%	(1)%	4%	*	*

*Data not available

TRS Plan 1
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 6,353	$ 6,717	$ 7,145	$ 7,485	$ 7,791	$ 8,146	$ 8,262	$ 8,302	$ 8,275	$ 8,450
Actuarial Accrued Liability	$ 9,250	$ 9,429	$ 9,038	$ 9,232	$ 9,201	$ 10,820	$ 10,754	$ 10,826	$ 10,359	$ 10,894
Unfunded Actuarial Liability	$ 2,897	$ 2,712	$ 1,894	$ 1,747	$ 1,410	$ 2,674	$ 2,492	$ 2,524	$ 2,084	$ 2,444
Funded Ratio	69%	71%	79%	81%	85%	75%	77%	77%	80%	78%
Covered Payroll	$ 143	$ 183	$ 228	$ 284	$ 344	$ 389	$ 432	$ 426	$ 478	$ 546
Unfunded Actuarial Liability As a Percentage of Covered Payroll	2,022%	1,481%	829%	615%	410%	688%	576%	592%	436%	448%

TRS Plan 2/3
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 9,193	$ 8,406	$ 7,758	$ 7,141	$ 6,593	$ 6,160	$ 5,681	$ 5,277	$ 4,835	$ 4,411
Actuarial Accrued Liability	$ 9,819	$ 8,794	$ 7,478	$ 7,194	$ 6,558	$ 6,048	$ 5,264	$ 4,682	$ 4,030	$ 3,594
Unfunded Actuarial Liability	$ 626	$ 388	$ (280)	$ 53	$ (36)	$ (112)	$ (417)	$ (594)	$ (806)	$ (818)
Funded Ratio	94%	96%	104%	99%	101%	102%	108%	113%	120%	123%
Covered Payroll	$ 4,450	$ 4,223	$ 4,077	$ 4,085	$ 3,966	$ 3,957	$ 3,621	$ 3,318	$ 3,225	$ 3,058
Unfunded Actuarial Liability As a Percentage of Covered Payroll	14%	9%	(7)%	1%	(1)%	(3)%	(12)%	(18)%	(25)%	(27)%

Schedules of Funding Progress (cont.)

LEOFF Plan 1
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 5,499	$ 5,516	$ 5,562	$ 5,565	$ 5,561	$ 5,612	$ 5,592	$ 5,298	$ 5,018	$ 4,800
Actuarial Accrued Liability	$ 4,323	$ 4,409	$ 4,120	$ 4,145	$ 4,393	$ 4,492	$ 4,368	$ 4,340	$ 4,309	$ 4,243
Unfunded Actuarial Liability	$ (1,177)	$ (1,108)	$ (1,441)	$ (1,421)	$ (1,168)	$ (1,120)	$ (1,225)	$ (958)	$ (709)	$ (557)
Funded Ratio	127%	125%	135%	134%	127%	125%	128%	122%	116%	113%
Covered Payroll	$ 13	$ 15	$ 19	$ 25	$ 29	$ 33	$ 37	$ 43	$ 48	$ 56
Unfunded Actuarial Liability As a Percentage of Covered Payroll	(9,304)%	(7,496)%	(7,685)%	(5,794)%	(4,012)%	(3,360)%	(3,303)%	(2,243)%	(1,475)%	(995)%

LEOFF Plan 2
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 8,638	$ 7,862	$ 7,222	$ 6,621	$ 6,043	$ 5,564	$ 5,053	$ 4,360	$ 3,844	$ 3,329
Actuarial Accrued Liability	$ 8,069	$ 7,220	$ 6,353	$ 5,941	$ 5,164	$ 4,641	$ 3,998	$ 3,626	$ 3,486	$ 3,074
Unfunded Actuarial Liability	$ (569)	$ (643)	$ (869)	$ (679)	$ (879)	$ (923)	$ (1,054)	$ (734)	$ (358)	$ (255)
Funded Ratio	107%	109%	114%	111%	117%	120%	126%	120%	110%	108%
Covered Payroll	$ 1,661	$ 1,597	$ 1,560	$ 1,535	$ 1,490	$ 1,442	$ 1,345	$ 1,234	$ 1,172	$ 1,092
Unfunded Actuarial Liability As a Percentage of Covered Payroll	(34)%	(40)%	(56)%	(44)%	(59)%	(64)%	(78)%	(59)%	(31)%	(23)%

WSPRS Plan 1/2
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 1,044	$ 1,009	$ 982	$ 949	$ 920	$ 900	$ 870	$ 800	$ 743	$ 694
Actuarial Accrued Liability	$ 1,042	$ 987	$ 884	$ 859	$ 812	$ 790	$ 745	$ 702	$ 671	$ 621
Unfunded Actuarial Liability	$ (2)	$ (22)	$ (97)	$ (90)	$ (107)	$ (110)	$ (124)	$ (98)	$ (72)	$ (73)
Funded Ratio	100%	102%	111%	110%	113%	114%	117%	114%	111%	112%
Covered Payroll	$ 82	$ 80	$ 80	$ 82	$ 83	$ 83	$ 79	$ 72	$ 69	$ 65
Unfunded Actuarial Liability As a Percentage of Covered Payroll	(3)%	(28)%	(121)%	(111)%	(130)%	(133)%	(158)%	(136)%	(105)%	(112)%

Schedules of Funding Progress (cont.)

JRS
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 5	$ 4	$ 3	$ 5	$ 4	$ 2	$ 1	$ 1	$ –	$ 2
Actuarial Accrued Liability	$ 105	$ 108	$ 104	$ 109	$ 84	$ 89	$ 92	$ 85	$ 88	$ 89
Unfunded Actuarial Liability	$ 100	$ 104	$ 101	$ 104	$ 80	$ 87	$ 91	$ 85	$ 88	$ 87
Funded Ratio	5%	4%	3%	5%	5%	2%	1%	1%	0%	2%
Covered Payroll	$ –	$ –	$ 0.3	$ 0.5	$ 0.7	$ 0.9	$ 1.3	$ 1.3	$ 1.4	$ 1.7
Unfunded Actuarial Liability As a Percentage of Covered Payroll	n/a	n/a	33,779%	22,574%	11,565%	9,216%	7,141%	6,374%	6,071%	5,118%

JRF
Dollars in Millions

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/14	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08	6/30/07	9/30/06	9/30/05
Actuarial Value of Plan Assets	$ 1.0	$ 1.4	$ 1.9	$ 2.3	$ 2.8	$ 3.3	$ 3.6	$ 4.0	$ 4.1	$ 4.2
Actuarial Accrued Liability	$ 3.3	$ 3.5	$ 3.6	$ 3.9	$ 3.2	$ 3.4	$ 3.5	$ 3.9	$ 4.0	$ 4.5
Unfunded Actuarial Liability	$ 2.3	$ 2.1	$ 1.7	$ 1.5	$ 0.4	$ 0.1	$ (0.1)	$ (0.1)	$ (0.1)	$ 0.3
Funded Ratio	29%	40%	52%	61%	87%	97%	104%	103%	103%	93%
Covered Payroll	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Unfunded Actuarial Liability As a Percentage of Covered Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Liability amounts and ratios/percentages are based on actual not rounded figures.

PERS Plan 2/3, SERS Plan 2/3, PSERS Plan 2, TRS Plan 2/3, LEOFF Plan 2 and WSPRS Plan 1/2: These plans all use the Aggregate Actuarial Cost Method, which does not identify or separately amortize unfunded actuarial accrued liabilities. For this reason, the information about funded status and funding progress shown above for these plans has been prepared using the Entry Age Actuarial Cost Method and is intended to serve as a surrogate for the funded status and funding progress information of these plans, as required by GASB 50.

Source: Washington State Office of the State Actuary

Funded Status and Funding Progress

Funded Status of Each Plan as of June 30, 2014, the Most Recent Actuarial Valuation Date
Dollars in Millions

Plan	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As a % of Covered Payroll [(b-a)/c]
PERS 1	$ 7,761.5	$ 12,720.4	$ 4,959.0	61%	$ 276.8	1,792%
PERS 2/3*	$ 26,386.3	$ 29,321.3	$ 2,935.0	90%	$ 8,718.7	34%
TRS 1	$ 6,352.8	$ 9,250.1	$ 2,897.3	69%	$ 143.3	2,022%
TRS 2/3*	$ 9,193.0	$ 9,819.1	$ 626.1	94%	$ 4,450.4	14%
SERS 2/3*	$ 3,623.8	$ 3,965.0	$ 341.2	91%	$ 1,590.7	21%
LEOFF 1	$ 5,499.3	$ 4,322.6	$ (1,176.6)	127%	$ 12.6	(9,304)%
LEOFF 2*	$ 8,637.9	$ 8,069.0	$ (568.9)	107%	$ 1,661.3	(34)%
PSERS 2*	$ 278.2	$ 290.8	$ 12.6	96%	$ 275.3	5%
WSPRS 1/2*	$ 1,044.2	$ 1,042.0	$ (2.2)	100%	$ 81.8	(3)%
JRS	$ 5.0	$ 105.0	$ 99.9	5%	$ –	n/a
JRF	$ 1.0	$ 3.3	$ 2.3	29%	$ –	n/a

* These plans use the Aggregate Actuarial Cost Method, which does not separately amortize UAAL outside the normal cost. Therefore, as required by GASB 50, the Entry Age Cost Method was used to determine UAAL. This method is intended to serve as a surrogate for the funded status and funding progress of these plans.

Note: Totals might not agree due to rounding. Percentages are calculated using unrounded totals.

Source: Washington State Office of the State Actuary

The Schedules of Funding Progress in the Actuarial Section present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Additional Information for the Defined Benefit Pension Plans

Additional Information
For the Fiscal Year Ended June 30, 2015 — Page 1 of 2

	PERS Plan 1	PERS Plan 2/3	TRS Plan 1	TRS Plan 2/3	SERS Plan 2/3	PSERS Plan 2
Valuation Date	6/30/2014	6/30/2014	6/30/2014	6/30/2014	6/30/2014	6/30/2014
Actuarial Cost Method	entry age normal[1]	aggregate[2]	entry age normal[1]	aggregate[2]	aggregate[2]	aggregate[2]
Amortization Method						
Funding	level %[4]	n/a	level %[4]	n/a	n/a	n/a
GASB	level $	n/a	level $	n/a	n/a	n/a
Remaining Amortization Years (Closed)	10-year rolling	n/a	10-year rolling	n/a	n/a	n/a
Remaining Amortization Period (Closed)	n/a	n/a	n/a	n/a	n/a	n/a
Asset Valuation Method	8-year graded smoothed fair value[5]	8-year graded smoothed fair value[5]	8-year graded smoothed fair value[5]	8-year graded smoothed fair value[5]	8-year graded smoothed fair value[5]	8-year graded smoothed fair value[5]
Actuarial Assumptions						
Investment Rate of Return[7]	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%
Projected Salary Increases: Salary Inflation at 3.75% Plus the Service-Based Increase Described Below						
Initial Increases (Grades Down to 0%)	6.0%	6.0%	5.1%	5.1%	6.6%	6.0%
Applied for X Years of Service	17 years	17 years	25 years	25 years	20 years	17 years
Includes Inflation at	n/a	3.00%	n/a	3.00%	3.00%	3.00%
Cost-of-Living Adjustments	minimum COLA[6]	CPI increase, maximum 3%	minimum COLA[6]	CPI increase, maximum 3%	CPI increase, maximum 3%	CPI increase, maximum 3%

Annual Gain/Loss[5]

Rate of Return	Smoothing Period	Annual Recognition
14.8% and up	8 years	12.50%
13.8-14.8%	7 years	14.29%
12.8-13.8%	6 years	16.67%
11.8-12.8%	5 years	20.00%
10.8-11.8%	4 years	25.00%
9.8-10.8%	3 years	33.33%
8.8-9.8%	2 years	50.00%
6.8-8.8%	1 year	100.00%
5.8-6.8%	2 years	50.00%
4.8-5.8%	3 years	33.33%
3.8-4.8%	4 years	25.00%
2.8-3.8%	5 years	20.00%
1.8-2.8%	6 years	16.67%
0.8-1.8%	7 years	14.29%
0.8% and lower	8 years	12.50%

Source: Office of the State Actuary

Additional Information for the Defined Benefit Pension Plans (cont.)

Additional Information
For the Fiscal Year Ended June 30, 2015 — Page 2 of 2

	LEOFF Plan 1	LEOFF Plan 2	WSPRS Plan 1/2	JRS	JRF
Valuation Date	6/30/2014	6/30/2014	6/30/2014	6/30/2014	6/30/2014
Actuarial Cost Method	frozen initial liability[1]	aggregate[2]	aggregate[2]	entry age[3]	entry age[3]
Amortization Method					
Funding	level %[4]	n/a	n/a	n/a	n/a
GASB	level $	n/a	n/a	level $	level $
Remaining Amortization years (Closed)	10.00	n/a	n/a	5-year rolling	5-year rolling
Remaining Amortization Period (Closed)	6/30/2024	n/a	n/a	n/a	n/a
Asset Valuation Method	8-year graded smoothed fair value[5]	8-year graded smoothed fair value[5]	8-year graded smoothed fair value[5]	market	market
Actuarial Assumptions					
Investment Rate of Return[7]	7.80%	7.50%	7.80%	4.00%	4.00%
Projected Salary Increases: Salary Inflation at 3.75% Plus the Service-Based Increase Described Below					
Initial Increases (Grades Down to 0%)	10.7%	10.7%	8.5%	0.0%	0.0%
Applied for X Years of Service	25 years	25 years	27 years	n/a	n/a
Includes Inflation at	3.00%	3.00%	3.00%	3.00%	3.00%
Cost-of-Living Adjustments	CPI increase	CPI increase, maximum 3%	CPI increase, maximum 3%	CPI increase, maximum 3%	none

[1] PERS and TRS Plans 1 use a variation of the Entry Age Cost Method. LEOFF 1 uses a variation of the Frozen Initial Liability (FIL) Cost Method.

[2] The Aggregate Actuarial Cost Method does not identify or separately amortize unfunded actuarial accrued liabilities.

[3] Pay as You Go basis for funding

[4] Level percent of the system's payroll, including assumed system growth

[5] Asset Valuation Method: Eight-year, smoothed, fair value
The actuarial value of assets is calculated using an adjusted market value method by starting with the market value of assets. For subsequent years, the actuarial value of assets is determined by adjusting the market value of assets to reflect the difference between the actual investment return and the expected investment return during each of the past eight years — or, if fewer, the completed years since adoption — at the rates per year (annual recognition) shown above. The LEOFF 2 Annual Gain/Loss is centered around its 7.5% expected rate of return instead of 7.8%.

[6] The PERS 1 and TRS 1 COLA
Qualifying retirees receive an increase in their monthly benefit once a year. The COLA on minimum benefit levels is calculated as the last unrounded COLA amount increased by 3%, rounded to the nearest penny. Below are some historical monthly COLA amounts per year of service.

[7] The Legislature prescribes the assumed rate of investment return for all plans except JRS and JRF.

Historical Monthly COLA Amounts per Year of Service[6]

Date	COLA Type	Amount
7/1/2015	minimum	$2.18
7/1/2014	minimum	$2.12
7/1/2013	minimum	$2.06
7/1/2012	minimum	$2.00
7/1/2011	minimum	$1.94
7/1/2010	uniform	$1.88
7/1/2009	uniform	$1.83

Required Contribution Rates

Required Contribution Rates
Expressed as a Percentage of Current-Year Covered Payroll at the Close of Fiscal Year 2015

	Employer Actual Contribution Rates			Employee Actual Contribution Rates		
	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3
PERS						
Members Not Participating in JBM						
State Agencies[1]	9.21%	9.21%	9.21%[2]	6.00%	4.92%	varies[3]
Local Governmental Units[1]	9.21%	9.21%	9.21%[2]	6.00%	4.92%	varies[3]
State Government Elected Officials[1]	13.73%	9.21%	9.21%[2]	7.50%	4.92%	varies[3]
Members Participating in JBM						
State Agencies[1]	11.71%	11.71%	11.71%[2]	9.76%	9.80%	7.50%[4]
Local Governmental Uunits[1]	9.21%	9.21%	9.21%[2]	12.26%	12.30%	7.50%[4]
SERS						
State Agencies[1]	n/a	9.82%	9.82%[2]	n/a	4.64%	varies[3]
Local Governmental Units[1]	n/a	9.82%	9.82%[2]	n/a	4.64%	varies[3]
PSERS						
State Agencies[1]	n/a	10.54%	n/a	n/a	6.36%	n/a
Local Governmental Units[1]	n/a	10.54%	n/a	n/a	6.36%	n/a
TRS						
Members Not Participating in JBM						
State Agencies[1]	10.39%	10.39%	10.39%[2]	6.00%	4.96%	varies[3]
Local Governmental Units[1]	10.39%	10.39%	10.39%[2]	6.00%	4.96%	varies[3]
State Government Eelected Officials[1]	10.39%	10.39%	10.39%[2]	7.50%	4.96%	varies[3]
Members Participating in JBM						
State Agencies[1]	10.39%	n/a	n/a	9.76%	n/a	n/a
LEOFF						
Local Governmental Units[1]	0.18%	5.23%	n/a	n/a	8.41%	n/a
Ports and Universities[1]	n/a	8.59%	n/a	n/a	8.41%	n/a
State of Washington	n/a	3.36%	n/a	n/a	n/a	n/a
WSPRS						
State Agencies[1]	8.09%	8.09%	n/a	6.59%	6.59%	n/a

[1] Employer rates include an administrative expense rate of 0.18 percent

[2] Plan 3 defined benefit portion only

[3] Variable from 5 percent to 15 percent based on rate selected by the member

[4] Minimum rate

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Customer Satisfaction

At DRS, we all take pride in meeting and exceeding customer expectations. We interview scores of customers every month and analyze their responses for possible process improvements, team member recognition and strategic opportunities.

Statistical Section

Statistical Section Table of Contents

This section of the Department of Retirement Systems' *Comprehensive Annual Financial Report* presents detailed information that expands on the financial statements, note disclosures and required supplementary information that speak to the overall financial health of DRS.

FINANCIAL TRENDS

168 These schedules contain trend information about how the financial performance and well-being of DRS have changed over time.

DEMOGRAPHIC INFORMATION

184 These schedules contain demographic and historical information regarding membership and employer participation in the pension plans DRS offers.

OPERATING INFORMATION

204 These schedules contain detailed payment information about the benefit services DRS provides.

DEFERRED COMPENSATION INFORMATION

232 These schedules contain comprehensive information about the state's Deferred Compensation Program.

Sources: Unless otherwise noted, the information in this section's schedules comes from the *Comprehensive Annual Financial Report* for the year being discussed.

Schedule of Changes in Fiduciary Net Position

PERS Plan 1
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 462,100	$ 448,895	$ 266,270	$ 257,197	$ 145,585	$ 154,023	$ 325,248	$ 221,787	$ 118,660	$ 29,601
Employee Contributions	15,806	18,797	21,362	24,317	28,767	33,152	37,791	41,925	44,775	48,457
Investment Income (Loss)[1]	336,316	1,312,000	863,182	86,377	1,523,415	980,360	(2,373,373)	(114,595)	2,086,563	1,534,382
Transfers	22	36	38	97	90	1	1	343	519	68
Miscellaneous[2]	8,650	12,189	12,024	10,269	12,705	11,566	10,700	13,262	9,513	7,719
Total Additions	822,894	1,791,917	1,162,876	378,257	1,710,562	1,179,102	(1,999,633)	162,722	2,260,030	1,620,227
Deductions by Type										
Benefits	1,198,965	1,189,496	1,181,380	1,173,683	1,149,522	1,111,386	1,070,929	1,027,934	978,995	929,423
Refunds	4,029	4,219	3,998	4,554	3,470	4,946	5,071	5,573	6,215	6,553
Transfers	30	–	710	265	362	140	2,021	159	31	369
Administrative Expenses	2,707	3,016	4,773	3,522	3,213	3,885	4,401	4,739	4,763	4,754
Total Deductions	1,205,731	1,196,731	1,190,861	1,182,024	1,156,567	1,120,357	1,082,422	1,038,405	990,004	941,099
Total Changes in Fiduciary Net Position	**$ (382,837)**	**$ 595,186**	**$ (27,985)**	**$ (803,767)**	**$ 553,995**	**$ 58,745**	**$ (3,082,055)**	**$ (875,683)**	**$ 1,270,026**	**$ 679,128**
Fiduciary Net Position										
Beginning of Year	7,943,915	7,348,729	7,376,714	8,180,481	7,626,486	7,567,741	10,649,796	11,525,479	10,255,453	9,576,325
End of Year	**$ 7,561,078**	**$ 7,943,915**	**$ 7,348,729**	**$ 7,376,714**	**$ 8,180,481**	**$ 7,626,486**	**$ 7,567,741**	**$ 10,649,796**	**$ 11,525,479**	**$ 10,255,453**
Employer Contributions: % of Covered Payroll	177.1%	145.0%	75.5%	64.4%	29.5%	26.9%	49.7%	31.1%	15.6%	3.6%

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

PERS Plan 2/3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 446,127	$ 430,345	$ 389,020	$ 385,253	$ 328,258	$ 327,460	$ 439,744	$ 318,740	$ 242,544	$ 149,579
Employee Contributions	355,350	346,270	315,755	310,160	263,885	264,231	368,127	268,573	207,144	127,800
Investment Income (Loss)[1]	1,295,320	4,444,937	2,556,131	284,681	3,468,458	1,868,154	(4,058,631)	(224,724)	3,054,707	2,020,702
Transfers	206	141	293	270	4,036	11,611	722	316	292	239
Miscellaneous[2]	31,176	32,830	29,922	24,765	26,818	15,749	14,157	17,245	11,825	10,655
Total Additions	2,128,179	5,254,523	3,291,121	1,005,129	4,091,455	2,487,205	(3,235,881)	380,150	3,516,512	2,308,975
Deductions by Type										
Benefits	665,408	565,660	460,074	376,999	310,943	251,765	207,319	170,317	143,802	121,096
Refunds	35,497	35,202	35,679	35,716	33,686	31,425	26,442	26,574	26,465	26,476
Transfers	1,823	2,441	5,538	2,180	8,528	5,407	8,903	70,935	3,904	4,296
Administrative Expenses	10,591	9,977	10,560	9,082	8,325	8,643	8,277	9,889	7,344	6,599
Total Deductions	713,319	613,280	511,851	423,977	361,482	297,240	250,941	277,715	181,515	158,467
Total Changes in Fiduciary Net Position	**$ 1,414,860**	**$ 4,641,243**	**$ 2,779,270**	**$ 581,152**	**$ 3,729,973**	**$ 2,189,965**	**$ (3,486,822)**	**$ 102,435**	**$ 3,334,997**	**$ 2,150,508**
Fiduciary Net Position										
Beginning of Year	28,100,301	23,459,058	20,679,788	20,098,636	16,368,663	14,178,698	17,665,520	17,563,085	14,228,088	12,077,580
End of Year	**$ 29,515,161**	**$ 28,100,301**	**$ 23,459,058**	**$ 20,679,788**	**$ 20,098,636**	**$ 16,368,663**	**$ 14,178,698**	**$ 17,665,520**	**$ 17,563,085**	**$ 14,228,088**
Employer Contributions: % of Covered Payroll	6.2%	6.1%	5.8%	5.8%	4.0%	4.0%	5.4%	4.1%	3.5%	2.2%

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

PERS Plan 3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Employee Contributions	110,936	105,183	99,007	95,172	94,129	92,665	90,808	82,707	71,712	64,776
Investment Income (Loss)[1]	80,538	338,668	202,907	5,375	279,224	135,026	(277,949)	(46,281)	208,475	127,023
Transfers	1,708	1,871	1,539	1,432	1,546	4,926	2,095	68,408	1,572	1,213
Miscellaneous[2]	255	251	248	259	246	197	199	201	231	219
Total Additions	193,437	445,973	303,701	102,238	375,145	232,814	(184,847)	105,035	281,990	193,231
Deductions by Type										
Benefits	2,641	1,435	697	322	164	80	51	23	–	–
Refunds	92,086	81,924	68,671	66,245	59,143	41,723	40,202	38,291	35,254	35,539
Transfers	387	326	428	338	612	4,926	429	261	439	239
Administrative Expenses	255	251	248	258	246	197	199	201	231	220
Total Deductions	95,369	83,936	70,044	67,163	60,165	46,926	40,881	38,776	35,924	35,998
Total Changes in Fiduciary Net Position	**$ 98,068**	**$ 362,037**	**$ 233,657**	**$ 35,075**	**$ 314,980**	**$ 185,888**	**$ (225,728)**	**$ 66,259**	**$ 246,066**	**$ 157,233**
Fiduciary Net Position										
Beginning of Year	2,320,121	1,958,084	1,724,427	1,689,352	1,374,372	1,188,484	1,414,212	1,347,953	1,101,887	944,654
End of Year	**$ 2,418,189**	**$ 2,320,121**	**$ 1,958,084**	**$ 1,724,427**	**$ 1,689,352**	**$ 1,374,372**	**$ 1,188,484**	**$ 1,414,212**	**$ 1,347,953**	**$ 1,101,887**
Employer Contributions: % of Covered Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

SERS Plan 2/3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 97,386	$ 88,783	$ 78,400	$ 74,640	$ 62,316	$ 62,090	$ 63,526	$ 52,139	$ 45,950	$ 30,419
Employee Contributions	34,939	31,305	26,018	24,095	19,247	20,105	26,062	20,726	17,371	11,818
Investment Income (Loss)[1]	178,042	607,984	348,956	38,452	473,113	255,525	(560,165)	(29,922)	435,696	287,224
Transfers	49	42	6	11	413	431	2,050	2,118	1,998	2,589
Miscellaneous[2]	2,435	2,334	782	1,635	1,719	1,521	1,517	1,398	1,301	1,313
Total Additions	312,851	730,448	454,162	138,833	556,808	339,672	(467,010)	46,459	502,316	333,363
Deductions by Type										
Benefits	96,184	81,216	66,426	53,630	43,338	34,449	28,307	22,627	17,641	13,500
Refunds	2,891	2,732	2,655	2,516	2,492	2,125	2,125	2,045	2,516	2,477
Transfers	630	504	330	454	423	8,141	956	89,481	275	434
Administrative Expenses	1,644	1,543	137	1,403	1,484	1,384	1,327	1,267	1,124	1,069
Total Deductions	101,349	85,995	69,548	58,003	47,737	46,099	32,715	115,420	21,556	17,480
Total Changes in Fiduciary Net Position	**$ 211,502**	**$ 644,453**	**$ 384,614**	**$ 80,830**	**$ 509,071**	**$ 293,573**	**$ (499,725)**	**$ (68,961)**	**$ 480,760**	**$ 315,883**
Fiduciary Net Position										
Beginning of Year	3,856,353	3,211,900	2,827,286	2,746,456	2,237,385	1,943,812	2,443,537	2,512,498	2,031,738	1,715,855
End of Year	**$ 4,067,855**	**$ 3,856,353**	**$ 3,211,900**	**$ 2,827,286**	**$ 2,746,456**	**$ 2,237,385**	**$ 1,943,812**	**$ 2,443,537**	**$ 2,512,498**	**$ 2,031,738**
Employer Contributions: % of Covered Payroll	12.9%	12.9%	12.1%	12.2%	3.8%	3.8%	4.0%	3.4%	3.3%	2.3%

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

SERS Plan 3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Employee Contributions	62,645	60,766	59,257	59,021	60,313	60,328	59,422	58,381	54,175	49,767
Investment Income (Loss)[1]	62,821	245,336	147,193	10,372	209,367	108,480	(230,415)	(27,970)	169,969	105,308
Transfers	825	682	466	407	500	445	455	89,449	239	334
Miscellaneous[2]	224	227	230	245	238	193	196	202	225	213
Total Additions	126,515	307,011	207,146	70,045	270,418	169,446	(170,342)	120,062	224,608	155,622
Deductions by Type										
Benefits	1,526	854	463	302	182	91	62	8	–	–
Refunds	86,293	73,826	65,643	60,929	53,242	33,916	42,041	39,815	32,077	24,946
Transfers	270	302	190	163	597	416	520	183	289	121
Administrative Expenses	224	227	230	245	237	193	195	202	225	212
Total Deductions	88,313	75,209	66,526	61,639	54,258	34,616	42,818	40,208	32,591	25,279
Total Changes in Fiduciary Net Position	**$ 38,202**	**$ 231,802**	**$ 140,620**	**$ 8,406**	**$ 216,160**	**$ 134,830**	**$ (213,160)**	**$ 79,854**	**$ 192,017**	**$ 130,343**
Fiduciary Net Position										
Beginning of Year	1,650,270	1,418,468	1,277,848	1,269,442	1,053,282	918,452	1,131,612	1,051,758	859,741	729,398
End of Year	**$ 1,688,472**	**$ 1,650,270**	**$ 1,418,468**	**$ 1,277,848**	**$ 1,269,442**	**$ 1,053,282**	**$ 918,452**	**$ 1,131,612**	**$ 1,051,758**	**$ 859,741**
Employer Contributions: % of Covered Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

PSERS Plan 2
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006[3]
Additions by Source										
Employer Contributions	$ 18,704	$ 17,124	$ 15,650	$ 15,285	$ 15,591	$ 15,238	$ 14,510	$ 11,700	$ 6,612	$ –
Employee Contributions	18,650	17,344	15,798	15,228	15,353	15,213	14,557	11,740	6,664	–
Investment Income (Loss)[1]	15,082	45,144	22,468	2,778	21,255	7,358	(9,383)	(765)	813	–
Transfers	1	5	4	8	5	32	–	3	–	–
Miscellaneous[2]	146	212	81	141	124	45	30	14	6	–
Total Additions	52,583	79,829	54,001	33,440	52,328	37,886	19,714	22,692	14,095	–
Deductions by Type										
Benefits	444	256	148	70	35	17	5	–	–	–
Refunds	2,612	2,194	2,186	1,921	1,780	928	466	152	23	–
Transfers	–	–	4	6	3	2	3	2	–	–
Administrative Expenses	116	104	1	70	82	50	40	26	27	–
Total Deductions	3,172	2,554	2,339	2,067	1,900	997	514	180	50	–
Total Changes in Fiduciary Net Position	**$ 49,411**	**$ 77,275**	**$ 51,662**	**$ 31,373**	**$ 50,428**	**$ 36,889**	**$ 19,200**	**$ 22,512**	**$ 14,045**	**$ –**
Fiduciary Net Position										
Beginning of Year	303,384	226,109	174,447	143,074	92,646	55,757	36,557	14,045	–	–
End of Year	**$ 352,795**	**$ 303,384**	**$ 226,109**	**$ 174,447**	**$ 143,074**	**$ 92,646**	**$ 55,757**	**$ 36,557**	**$ 14,045**	**–**
Employer Contributions: % of Covered Payroll	6.4%	6.3%	6.3%	6.5%	6.7%	6.5%	6.5%	6.5%	6.5%	n/a

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

[3] PSERS Plan 2 became effective July 1, 2006.

Schedule of Changes in Fiduciary Net Position (cont.)

TRS Plan 1
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 223,886	$ 200,674	$ 118,569	$ 111,937	$ 96,803	$ 112,731	$ 178,850	$ 113,089	$ 60,462	$ 15,077
Employee Contributions	6,846	9,039	11,369	14,098	17,631	20,930	23,810	26,480	29,995	33,790
Investment Income (Loss)[1]	269,746	1,079,807	720,704	73,203	1,279,513	813,504	(1,979,081)	(93,982)	1,762,480	1,292,574
Transfers	–	51	–	38	1	5	27	5	84	78
Miscellaneous[2]	5,758	7,956	8,207	6,228	10,792	6,827	7,011	7,870	8,546	8,941
Total Additions	506,236	1,297,527	858,849	205,504	1,404,740	953,997	(1,769,383)	53,462	1,861,567	1,350,460
Deductions by Type										
Benefits	927,015	925,975	914,610	913,864	899,819	859,250	850,262	844,986	802,344	763,613
Refunds	1,555	2,262	1,989	1,552	1,820	1,504	1,260	1,000	1,878	1,042
Transfers	–	–	578	223	159	118	1,449	82	3	314
Administrative Expenses	1,985	2,195	3,965	2,699	2,686	3,125	3,266	3,646	3,752	3,790
Total Deductions	930,555	930,432	921,142	918,338	904,484	863,997	856,237	849,714	807,977	768,759
Total Changes in Fiduciary Net Position	**$ (424,319)**	**$ 367,095**	**$ (62,293)**	**$ (712,834)**	**$ 500,256**	**$ 90,000**	**$ (2,625,620)**	**$ (796,252)**	**$ 1,053,590**	**$ 581,701**
Fiduciary Net Position										
Beginning of Year	6,496,285	6,129,190	6,191,483	6,904,317	6,404,061	6,314,061	8,939,681	9,735,933	8,682,343	8,100,642
End of Year	**$ 6,071,966**	**$ 6,496,285**	**$ 6,129,190**	**$ 6,191,483**	**$ 6,904,317**	**$ 6,404,061**	**$ 6,314,061**	**$ 8,939,681**	**$ 9,735,933**	**$ 8,682,343**
Employer Contributions: % of Covered Payroll	197.6%	135.2%	61.6%	47.7%	27.7%	26.9%	37.3%	21.5%	10.3%	2.3%

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

TRS Plan 2/3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 267,038	$ 249,342	$ 228,974	$ 213,852	$ 168,264	$ 164,959	$ 160,793	$ 109,523	$ 102,180	$ 75,353
Employee Contributions	47,206	41,081	34,494	29,829	21,881	21,126	23,277	14,739	12,227	8,990
Investment Income (Loss)[1]	453,535	1,539,901	877,562	96,411	1,175,293	629,396	(1,383,054)	(73,457)	1,078,134	712,495
Transfers	41	45	34	16	850	724	547	339	201	261
Miscellaneous[2]	11,278	8,260	4,178	5,476	5,416	4,551	4,429	4,432	3,951	3,385
Total Additions	779,098	1,838,629	1,145,242	345,584	1,371,704	820,756	(1,194,008)	55,576	1,196,693	800,484
Deductions by Type										
Benefits	183,212	149,522	116,662	91,400	72,138	55,654	44,795	36,016	28,534	22,351
Refunds	2,840	1,988	2,914	2,169	2,281	2,868	2,189	2,190	2,726	2,399
Transfers	659	445	858	652	390	369	2,670	168,866	440	963
Administrative Expenses	4,909	4,585	2,830	4,020	4,273	3,932	3,824	3,629	3,067	2,781
Total Deductions	191,620	156,540	123,264	98,241	79,082	62,823	53,478	210,701	34,767	28,494
Total Changes in Fiduciary Net Position	**$ 587,478**	**$ 1,682,089**	**$ 1,021,978**	**$ 247,343**	**$ 1,292,622**	**$ 757,933**	**$ (1,247,486)**	**$ (155,125)**	**$ 1,161,926**	**$ 771,990**
Fiduciary Net Position										
Beginning of Year	9,791,313	8,109,224	7,087,246	6,839,903	5,547,281	4,789,348	6,036,834	6,191,959	5,030,033	4,258,043
End of Year	**$ 10,378,791**	**$ 9,791,313**	**$ 8,109,224**	**$ 7,087,246**	**$ 6,839,903**	**$ 5,547,281**	**$ 4,789,348**	**$ 6,036,834**	**$ 6,191,959**	**$ 5,030,033**
Employer Contributions: % of Covered Payroll	28.1%	29.8%	30.9%	32.0%	4.0%	4.1%	4.1%	3.0%	3.0%	2.4%

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

TRS Plan 3
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Employee Contributions	286,156	273,656	262,293	255,867	257,718	254,197	247,891	234,661	213,878	195,910
Investment Income (Loss)[1]	256,717	1,044,040	627,742	34,065	866,178	424,811	(864,630)	(177,645)	630,495	371,615
Transfers	1,372	1,115	839	618	650	598	971	168,817	581	619
Miscellaneous[2]	789	784	775	811	767	610	605	597	712	639
Total Additions	545,034	1,319,595	891,649	291,361	1,125,313	680,216	(615,163)	226,430	845,666	568,783
Deductions by Type										
Benefits	5,924	3,084	1,569	1,149	542	257	128	45	18	–
Refunds	269,378	235,635	176,052	150,404	115,571	71,665	76,166	84,776	62,810	41,908
Transfers	717	721	522	520	1,368	1,084	550	512	254	296
Administrative Expenses	788	784	775	811	767	610	605	597	712	639
Total Deductions	276,807	240,224	178,918	152,884	118,248	73,616	77,449	85,930	63,794	42,843
Total Changes in Fiduciary Net Position	**$ 268,227**	**$ 1,079,371**	**$ 712,731**	**$ 138,477**	**$ 1,007,065**	**$ 606,600**	**$ (692,612)**	**$ 140,500**	**$ 781,872**	**$ 525,940**
Fiduciary Net Position										
Beginning of Year	6,962,951	5,883,580	5,170,849	5,032,372	4,025,307	3,418,707	4,111,319	3,970,819	3,188,947	2,663,007
End of Year	**$ 7,231,178**	**$ 6,962,951**	**$ 5,883,580**	**$ 5,170,849**	**$ 5,032,372**	**$ 4,025,307**	**$ 3,418,707**	**$ 4,111,319**	**$ 3,970,819**	**$ 3,188,947**
Employer Contributions: % of Covered Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

LEOFF Plan 1
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 60	$ 98	$ 555	$ 2	$ 3	$ 49	$ 216	$ 8	$ 56	$ 70
Employee Contributions	47	–	–	–	–	1	154	–	50	61
State Contributions	–	–	–	–	–	–	–	–	–	–
Investment Income (Loss)[1]	248,796	934,125	586,475	61,152	937,507	566,844	(1,353,904)	(68,055)	1,152,792	818,343
Transfers	237	–	–	–	–	112	173	–	–	102
Miscellaneous[2]	3,071	2,931	4,300	3,393	3,130	3,913	2,658	3,185	3,109	2,736
Total Additions	252,211	937,154	591,330	64,547	940,640	570,919	(1,350,703)	(64,862)	1,156,007	821,312
Deductions by Type										
Benefits	358,411	355,740	351,796	343,438	338,775	338,231	327,033	313,530	300,452	288,209
Refunds	334	248	14	435	48	14	193	150	11	3
Transfers	–	–	484	176	331	83	998	56	2	201
Administrative Expenses	1,822	1,851	2,882	2,064	1,891	2,146	2,339	2,417	2,544	2,405
Total Deductions	360,567	357,839	355,176	346,113	341,045	340,474	330,563	316,153	303,009	290,818
Total Changes in Fiduciary Net Position	**$ (108,356)**	**$ 579,315**	**$ 236,154**	**$ (281,566)**	**$ 599,595**	**$ 230,445**	**$ (1,681,266)**	**$ (381,015)**	**$ 852,998**	**$ 530,494**
Fiduciary Net Position										
Beginning of Year	5,719,856	5,140,541	4,904,387	5,185,953	4,586,358	4,355,913	6,037,179	6,418,194	5,565,196	5,034,702
End of Year	**$ 5,611,500**	**$ 5,719,856**	**$ 5,140,541**	**$ 4,904,387**	**$ 5,185,953**	**$ 4,586,358**	**$ 4,355,913**	**$ 6,037,179**	**$ 6,418,194**	**$ 5,565,196**
Employer Contributions: % of Covered Payroll	0.6%	0.7%	3.4%	0.0%	0.0%	0.2%	0.5%	0.0%	0.1%	0.1%

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

LEOFF Plan 2
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 89,122	$ 85,532	$ 82,397	$ 80,480	$ 79,733	$ 76,998	$ 77,849	$ 73,364	$ 58,191	$ 48,472
Employee Contributions	146,679	140,921	135,797	132,584	131,252	128,154	128,206	115,567	95,552	79,780
State Contributions	58,339	55,551	54,246	52,770	52,024	51,376	51,137	45,926	37,928	31,666
Investment Income (Loss)[1]	430,410	1,456,269	825,071	92,867	1,084,240	568,518	(1,223,154)	(70,257)	892,480	576,139
Transfers	–	265	1,833	10	2,936	1,010	1,218	117	–	1
Miscellaneous[2]	22,776	13,496	9,351	9,220	7,754	7,447	4,466	2,987	3,905	4,273
Total Additions	747,326	1,752,034	1,108,695	367,931	1,357,939	833,503	(960,278)	167,704	1,088,056	740,331
Deductions by Type										
Benefits	151,486	124,921	100,532	78,153	61,876	46,158	36,615	27,505	20,813	14,433
Refunds	8,541	9,028	8,677	11,214	8,181	10,947	7,223	7,639	7,995	7,115
Transfers	238	24	226	282	147	205	1,146	49	32	250
Administrative Expenses	4,668	4,192	2,566	3,672	3,309	3,416	2,288	2,298	2,073	1,842
Total Deductions	164,933	138,165	112,001	93,321	73,513	60,726	47,272	37,491	30,913	23,640
Total Changes in Fiduciary Net Position	**$ 582,393**	**$ 1,613,869**	**$ 996,694**	**$ 274,610**	**$ 1,284,426**	**$ 772,777**	**$ (1,007,550)**	**$ 130,213**	**$ 1,057,143**	**$ 716,691**
Fiduciary Net Position										
Beginning of Year	9,251,256	7,637,387	6,640,693	6,366,083	5,081,657	4,308,880	5,316,430	5,186,217	4,129,074	3,412,383
End of Year	**$ 9,833,649**	**$ 9,251,256**	**$ 7,637,387**	**$ 6,640,693**	**$ 6,366,083**	**$ 5,081,657**	**$ 4,308,880**	**$ 5,316,430**	**$ 5,186,217**	**$ 4,129,074**
Employer Contributions: % of Covered Payroll	5.1%	5.1%	5.1%	5.1%	5.2%	5.1%	5.3%	5.5%	4.8%	4.2%

[1]"Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2]"Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

WSPRS Plan 1/2
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 6,679	$ 6,587	$ 6,478	$ 6,454	$ 5,251	$ 5,271	$ 6,371	$ 6,064	$ 3,278	$ 3,133
Employee Contributions	5,561	5,489	5,396	5,376	4,166	4,173	5,501	5,239	3,278	3,134
Investment Income (Loss)[1]	49,046	176,856	106,664	11,481	158,571	91,335	(210,676)	(10,992)	171,393	118,855
Transfers	293	510	574	54	415	10	331	89	163	8
Miscellaneous[2]	1,179	1,467	1,692	2,010	1,385	1,399	500	478	385	409
Total Additions	62,758	190,909	120,804	25,375	169,788	102,188	(197,973)	878	178,497	125,539
Deductions by Type										
Benefits	49,772	47,143	43,521	40,368	38,387	36,116	34,522	32,963	31,393	30,666
Refunds	303	367	304	262	315	127	211	269	291	125
Transfers	–	–	88	32	22	14	160	8	–	29
Administrative Expenses	425	431	538	392	356	364	354	391	381	408
Total Deductions	50,500	47,941	44,451	41,054	39,080	36,621	35,247	33,631	32,065	31,228
Total Changes in Fiduciary Net Position	**$ 12,258**	**$ 142,968**	**$ 76,353**	**$ (15,679)**	**$ 130,708**	**$ 65,567**	**$ (233,220)**	**$ (32,753)**	**$ 146,432**	**$ 94,311**
Fiduciary Net Position										
Beginning of Year	1,098,541	955,573	879,220	894,899	764,191	698,624	931,844	964,597	818,165	723,854
End of Year	**$ 1,110,799**	**$ 1,098,541**	**$ 955,573**	**$ 879,220**	**$ 894,899**	**$ 764,191**	**$ 698,624**	**$ 931,844**	**$ 964,597**	**$ 818,165**
Employer Contributions: % of Covered Payroll	7.9%	7.9%	7.9%	7.9%	6.4%	6.4%	7.7%	7.7%	4.5%	4.5%

[1]"Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2]"Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

JRS
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ –	$ –	$ 12	$ 31	$ 46	$ 79	$ 105	$ 112	$ 111	$ 115
Employee Contributions	–	–	12	31	46	79	104	112	111	115
State Contributions	10,600	10,600	10,100	8,100	10,860	11,570	10,200	9,600	9,539	6,601
Investment Income (Loss)[1]	39	26	(11)	13	8	11	48	98	139	61
Transfers	–	–	–	–	–	–	–	–	–	–
Miscellaneous[2]	2	2	2	1	2	2	1	1	–	–
Total Additions	10,641	10,628	10,115	8,176	10,962	11,741	10,458	9,923	9,900	6,892
Deductions by Type										
Benefits	9,336	9,480	9,697	9,764	9,738	9,723	9,583	9,514	9,356	9,247
Refunds	–	–	–	–	–	–	7	–	–	–
Transfers	–	–	–	–	–	–	–	–	–	–
Administrative Expenses	2	2	2	2	2	2	1	–	–	–
Total Deductions	9,338	9,482	9,699	9,766	9,740	9,725	9,591	9,514	9,356	9,247
Total Changes in Fiduciary Net Position	**$ 1,303**	**$ 1,146**	**$ 416**	**$ (1,590)**	**$ 1,222**	**$ 2,016**	**$ 867**	**$ 409**	**$ 544**	**$ (2,355)**
Fiduciary Net Position										
Beginning of Year	5,033	3,887	3,471	5,061	3,839	1,823	956	547	3	2,358
End of Year	**$ 6,336**	**$ 5,033**	**$ 3,887**	**$ 3,471**	**$ 5,061**	**$ 3,839**	**$ 1,823**	**$ 956**	**$ 547**	**$ 3**
Employer Contributions: % of Covered Payroll	n/a	n/a	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

JRF
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Employee Contributions	–	–	–	–	–	–	–	–	–	–
State Contributions	–	–	–	–	–	–	–	–	300	300
Investment Income (Loss)[1]	4	8	(5)	19	11	48	141	179	184	139
Transfers	–	–	–	–	–	–	–	–	–	–
Miscellaneous[2]	–	–	–	1	1	1	2	1	2	2
Total Additions	4	8	(5)	20	12	49	143	180	486	441
Deductions by Type										
Benefits	444	444	474	482	499	500	501	545	581	624
Refunds	–	–	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	–	–	1	–	–	–
Administrative Expenses	–	–	1	1	1	1	1	2	1	2
Total Deductions	444	444	475	483	500	501	503	547	582	626
Total Changes in Fiduciary Net Position	**$ (440)**	**$ (436)**	**$ (480)**	**$ (463)**	**$ (488)**	**$ (452)**	**$ (360)**	**$ (367)**	**$ (96)**	**$ (185)**
Fiduciary Net Position										
Beginning of Year	956	1,392	1,872	2,335	2,823	3,275	3,635	4,002	4,098	4,283
End of Year	**$ 516**	**$ 956**	**$ 1,392**	**$ 1,872**	**$ 2,335**	**$ 2,823**	**$ 3,275**	**$ 3,635**	**$ 4,002**	**$ 4,098**
Employer Contributions: % of Covered Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

JRA
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Employer Contributions	$ 20	$ 25	$ 32	$ 38	$ 43	$ 43	$ 42	$ 70	$ 427	$ 635
Employee Contributions	20	25	32	38	43	43	42	71	430	635
Investment Income (Loss)[1]	150	1,372	1,015	(29)	1,940	985	(1,910)	(906)	2,452	1,532
Transfers	–	–	–	–	–	–	–	–	–	–
Miscellaneous[2]	–	(2)	2	5	5	3	12	6	5	11
Total Additions	190	1,420	1,081	52	2,031	1,074	(1,814)	(759)	3,314	2,813
Deductions by Type										
Benefits	976	668	1,071	810	445	389	461	6,540	110	207
Refunds	–	–	–	–	–	1	–	–	–	–
Transfers	–	–	–	–	–	–	–	–	–	–
Administrative Expenses	–	–	–	–	–	–	–	–	–	–
Total Deductions	976	668	1,071	810	445	390	461	6,540	110	207
Total Changes in Fiduciary Net Position	**$ (786)**	**$ 752**	**$ 10**	**$ (758)**	**$ 1,586**	**$ 684**	**$ (2,275)**	**$ (7,299)**	**$ 3,204**	**$ 2,606**
Fiduciary Net Position										
Beginning of Year	13,031	12,279	12,269	13,027	11,441	10,757	13,032	20,331	17,127	14,521
End of Year	**$ 12,245**	**$ 13,031**	**$ 12,279**	**$ 12,269**	**$ 13,027**	**$ 11,441**	**$ 10,757**	**$ 13,032**	**$ 20,331**	**$ 17,127**
Employer Contributions: % of Covered Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Schedule of Changes in Fiduciary Net Position (cont.)

DCP
Dollars in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Additions by Source										
Participant Contributions	$ 208,424	$ 190,538	$ 182,305	$ 178,449	$ 186,734	$ 185,120	$ 184,544	$ 188,735	$ 175,055	$ 168,000
Investment Income (Loss)[1]	50,853	397,083	263,381	(12,292)	451,033	203,075	(344,592)	(169,322)	314,273	204,021
Charges for Services	2,347	1,949	1,566	1,677	1,610	1,780	1,405	838	689	1,079
Transfers	–	–	–	–	–	–	–	–	–	–
Miscellaneous[2]	11	314	527	794	1,461	1,145	690	833	854	1,536
Total Additions	261,635	589,884	447,779	168,628	640,838	391,120	(157,953)	21,084	490,871	374,636
Deductions by Type										
Refunds	225,334	212,298	178,638	171,741	149,010	108,578	106,645	135,877	127,198	109,318
Transfers	–	–	–	–	–	–	2	–	3	–
Administrative Expenses	1,618	1,651	1,568	1,594	1,735	1,512	1,468	1,488	1,445	1,256
Total Deductions	226,952	213,949	180,206	173,335	150,745	110,090	108,115	137,365	128,646	110,574
Total Changes in Fiduciary Net Position	**$ 34,683**	**$ 375,935**	**$ 267,573**	**$ (4,707)**	**$ 490,093**	**$ 281,030**	**$ (266,068)**	**$ (116,281)**	**$ 362,225**	**$ 264,062**
Fiduciary Net Position										
Beginning of Year	3,579,240	3,203,305	2,935,732	2,940,439	2,450,346	2,169,316	2,435,384	2,551,665	2,189,440	1,925,378
End of Year	**$ 3,613,923**	**$ 3,579,240**	**$ 3,203,305**	**$ 2,935,732**	**$ 2,940,439**	**$ 2,450,346**	**$ 2,169,316**	**$ 2,435,384**	**$ 2,551,665**	**$ 2,189,440**
Employer Contributions: % of Covered Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[1] "Investment income" reflects dividends, interest, realized capital gains, and unrealized gains and losses.

[2] "Miscellaneous additions" include restorations of employee contributions.

Distribution of Membership by System and Plan

Active Members
For the Years Ended June 30, 2008–2014, and September 30, 2005–2007

Plan		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
PERS 1	Percent	1.61%	1.94%	2.29%	2.64%	3.03%	3.43%	3.86%	4.41%	4.85%	5.50%
	Individuals	4,782	5,653	6,635	7,733	9,007	10,354	11,663	12,975	14,213	15,962
	Avg. Age	63	62	61	61	60	59	59	58	57	57
PERS 2	Percent	39.47%	39.73%	40.00%	39.92%	40.27%	40.35%	40.81%	41.00%	40.39%	40.81%
	Individuals	116,985	115,751	115,877	117,096	119,826	121,800	123,285	120,625	118,341	118,400
	Avg. Age	48	48	48	48	48	47	47	46	46	46
PERS 3	Percent	10.36%	10.06%	9.69%	9.41%	9.31%	8.97%	8.85%	8.30%	7.67%	7.31%
	Individuals	30,694	29,302	28,078	27,588	27,693	27,081	26,720	24,422	22,473	21,216
	Avg. Age	43	44	44	43	43	42	42	42	42	42
SERS 2	Percent	7.75%	7.47%	7.20%	7.09%	6.84%	6.69%	6.38%	6.04%	6.30%	6.68%
	Individuals	22,950	21,760	20,846	20,784	20,358	20,197	19,264	17,767	18,464	19,387
	Avg. Age	51	51	51	51	51	51	51	51	51	50
SERS 3	Percent	10.40%	10.48%	10.60%	10.76%	10.75%	10.69%	10.76%	11.24%	11.04%	10.67%
	Individuals	30,832	30,535	30,712	31,548	31,981	32,277	32,510	33,058	32,354	30,963
	Avg. Age	51	51	50	50	49	49	48	47	47	46
PSERS 2	Percent	1.63%	1.55%	1.47%	1.43%	1.42%	1.44%	1.32%	0.94%	0.71%	n/a
	Individuals	4,820	4,513	4,250	4,187	4,210	4,340	3,981	2,755	2,073	–
	Avg. Age	40	40	40	40	39	38	37	38	39	n/a
TRS 1	Percent	0.62%	0.82%	1.04%	1.27%	1.54%	1.72%	2.01%	2.15%	2.52%	2.96%
	Individuals	1,824	2,393	3,019	3,740	4,591	5,204	6,061	6,331	7,382	8,592
	Avg. Age	64	63	62	62	61	60	59	58	58	57
TRS 2	Percent	4.60%	4.14%	3.74%	3.51%	3.17%	3.04%	2.68%	2.30%	2.38%	2.48%
	Individuals	13,632	12,071	10,849	10,285	9,442	9,174	8,103	6,752	6,983	7,205
	Avg. Age	43	44	46	46	48	48	49	52	51	51
TRS 3	Percent	17.50%	17.67%	17.77%	17.79%	17.57%	17.56%	17.33%	17.63%	18.22%	17.74%
	Individuals	51,837	51,471	51,489	52,178	52,292	53,010	52,360	51,856	53,371	51,473
	Avg. Age	46	46	46	45	45	44	43	43	42	42
LEOFF 1	Percent	0.04%	0.05%	0.06%	0.08%	0.10%	0.12%	0.14%	0.17%	0.20%	0.25%
	Individuals	120	143	186	250	301	356	421	513	596	723
	Avg. Age	63	62	61	60	60	59	58	57	56	56
LEOFF 2	Percent	5.66%	5.73%	5.77%	5.73%	5.64%	5.62%	5.50%	5.47%	5.37%	5.23%
	Individuals	16,773	16,687	16,720	16,805	16,775	16,951	16,626	16,099	15,718	15,168
	Avg. Age	44	44	43	43	42	42	41	41	41	41
WSPRS 1	Percent	0.21%	0.22%	0.25%	0.26%	0.27%	0.28%	0.28%	0.30%	0.31%	0.33%
	Individuals	609	657	712	767	806	830	851	885	906	941
	Avg. Age	46	46	45	45	44	43	42	41	41	40
WSPRS 2	Percent	0.15%	0.14%	0.12%	0.11%	0.09%	0.09%	0.08%	0.05%	0.04%	0.03%
	Individuals	435	409	354	315	281	264	234	152	116	81
	Avg. Age	33	33	32	32	32	31	30	31	30	30
JRS	Percent	n/a	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
	Individuals	–	–	2	3	5	9	10	11	11	13
	Avg. Age	n/a	n/a	66	69	69	69	67	66	66	65
JRF	Percent	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Individuals	–	–	–	–	–	–	–	–	–	–
	Avg. Age	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Totals	**Percent**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
	Individuals	**296,293**	**291,345**	**289,729**	**293,279**	**297,568**	**301,847**	**302,089**	**294,201**	**293,001**	**290,124**

Distribution of Membership by System and Plan (cont.)

Inactive and Retired Members
For the Years Ended June 30, 2008–2014, and September 30, 2005–2007

Plan		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
PERS 1	Percent	24.57%	26.14%	27.70%	29.18%	30.63%	31.87%	33.11%	34.34%	35.47%	37.53%
	Individuals	52,248	53,244	54,266	55,053	55,721	56,272	56,852	57,342	57,509	57,628
	Avg. Age	75	74	74	74	74	73	73	73	73	72
PERS 2	Percent	28.73%	27.84%	26.93%	26.06%	25.04%	24.14%	23.23%	22.34%	21.88%	20.46%
	Individuals	61,105	56,712	52,773	49,167	45,556	42,614	39,890	37,302	35,485	31,412
	Avg. Age	63	63	62	62	61	60	60	59	59	59
PERS 3	Percent	3.39%	3.15%	2.92%	2.69%	2.46%	2.29%	2.12%	1.91%	1.74%	1.39%
	Individuals	7,209	6,419	5,718	5,068	4,482	4,045	3,647	3,183	2,817	2,136
	Avg. Age	59	58	57	56	55	54	53	52	51	50
SERS 2	Percent	5.25%	5.04%	4.81%	4.61%	4.44%	4.26%	3.99%	3.61%	3.36%	2.93%
	Individuals	11,153	10,274	9,429	8,697	8,069	7,514	6,845	6,019	5,442	4,499
	Avg. Age	63	62	62	61	60	58	58	57	56	56
SERS 3	Percent	5.55%	5.10%	4.67%	4.24%	3.86%	3.57%	3.28%	2.87%	2.60%	2.08%
	Individuals	11,788	10,393	9,142	7,993	7,015	6,308	5,628	4,796	4,210	3,196
	Avg. Age	62	61	60	60	59	58	57	56	56	55
PSERS 2	Percent	0.13%	0.08%	0.04%	0.01%	0.01%	0.00%	0.00%	n/a	n/a	n/a
	Individuals	275	162	87	16	7	2	1	–	–	–
	Avg. Age	46	47	48	59	58	63	66	n/a	n/a	n/a
TRS 1	Percent	16.92%	17.82%	18.65%	19.45%	20.18%	20.88%	21.45%	22.41%	22.80%	23.83%
	Individuals	35,962	36,303	36,531	36,699	36,716	36,875	36,839	37,420	36,969	36,592
	Avg. Age	74	74	73	73	72	72	71	71	71	70
TRS 2	Percent	2.94%	2.84%	2.76%	2.69%	2.63%	2.59%	2.57%	2.57%	2.54%	2.53%
	Individuals	6,251	5,775	5,408	5,080	4,787	4,576	4,418	4,288	4,116	3,887
	Avg. Age	65	65	64	63	62	61	60	59	58	57
TRS 3	Percent	6.47%	5.88%	5.37%	4.84%	4.41%	4.04%	3.84%	3.48%	3.07%	2.52%
	Individuals	13,749	11,965	10,524	9,134	8,017	7,136	6,592	5,811	4,978	3,864
	Avg. Age	61	60	59	58	58	57	56	55	54	53
LEOFF 1	Percent	3.58%	3.80%	4.00%	4.20%	4.40%	4.58%	4.74%	4.89%	5.04%	5.31%
	Individuals	7,607	7,730	7,845	7,933	8,009	8,089	8,135	8,165	8,177	8,156
	Avg. Age	72	72	71	70	70	69	68	68	67	67
LEOFF 2	Percent	1.87%	1.71%	1.55%	1.42%	1.33%	1.16%	1.04%	0.93%	0.85%	0.74%
	Individuals	3,984	3,480	3,033	2,670	2,420	2,039	1,783	1,553	1,376	1,144
	Avg. Age	58	58	57	56	55	54	54	53	52	52
WSPRS 1	Percent	0.53%	0.53%	0.53%	0.53%	0.53%	0.54%	0.55%	0.56%	0.56%	0.58%
	Individuals	1,120	1,083	1,035	992	970	956	947	933	918	894
	Avg. Age	66	66	66	65	65	65	64	64	64	63
WSPRS 2	Percent	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	n/a	n/a
	Individuals	15	10	8	6	6	4	2	1	–	–
	Avg. Age	38	36	36	37	35	33	32	29	n/a	n/a
JRS	Percent	0.05%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.08%	0.08%	0.09%
	Individuals	108	114	119	124	125	124	128	131	133	133
	Avg. Age	80	80	80	80	79	79	79	78	77	77
JRF	Percent	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
	Individuals	12	12	12	13	13	13	13	15	15	16
	Avg. Age	84	83	83	83	82	81	80	79	79	78
Totals	**Percent**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
	Individuals	**212,586**	**203,676**	**195,930**	**188,645**	**181,913**	**176,567**	**171,720**	**166,959**	**162,145**	**153,557**

Source: Office of the State Actuary

Figures are as of the latest valuation date for each year.

Principal Participating Employers by Plan

PERS Plan 1
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
State of Washington*	1,777	1	44.4%	State of Washington	7,609	1	49.4%
King County	233	2	5.8%	King County	441	2	2.9%
Seattle SD 001	86	3	2.2%	KC Metro	413	3	2.7%
Snohomish County	45	4	1.1%	Seattle SD 001	230	4	1.5%
Pierce County	44	5	1.1%	Pierce County	182	5	1.2%
Spokane Public Schools	33	6	0.8%	Snohomish County	165	6	1.1%
Tacoma SD 010	30	7	0.8%	Spokane County	112	7	0.7%
Spokane County	28	8	0.7%	Tacoma SD 010	103	8	0.7%
City of Everett	23	9	0.6%	Spokane Public Schools	102	9	0.7%
Yakima County	21	10	0.5%	Thurston County	98	10	0.6%
All Other**	1,682		42.0%	All Other	5,939		38.5%
Total (473 Employers)	**4,002**		**100.0%**	**Total (675 Employers)**	**15,394**		**100.0%**

Type	Number	Employees
State of Washington	–	–
School Districts	197	895
Counties/Municipalities	126	454
Other Political Subdivisions	140	333
Total	**463**	**1,682**

*Includes 123 component units of the state

**In 2015, "all other" consisted of the employers at left.

PERS Plan 2
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
State of Washington*	62,221	1	51.8%	State of Washington	67,705	1	52.9%
King County	9,898	2	8.3%	King County	5,023	2	3.9%
Pierce County	2,022	3	1.7%	KC Metro	4,405	3	3.4%
Snohomish County	1,831	4	1.5%	Pierce County	2,635	4	2.1%
Spokane County	1,351	5	1.1%	Snohomish County	2,383	5	1.9%
Clark County	1,136	6	1.0%	Spokane County	1,594	6	1.2%
Seattle Port of	922	7	0.8%	Clark County	1,348	7	1.1%
Snohomish County PUD 01	879	8	0.7%	King County Public Health Dept.	1,166	8	1.0%
Bellevue City of	847	9	0.7%	Thurston County	929	9	0.7%
Energy Northwest	820	10	0.7%	Energy Northwest	923	10	0.7%
All Other**	38,100		31.7%	All Other	39,832		31.1%
Total (787 Employers)	**120,027**		**100.0%**	**Total (738 Employers)**	**127,943**		**100.0%**

Type	Number	Employees
State of Washington	–	–
School Districts	–	–
Counties/Municipalities	270	20,687
Other Political Subdivisions	507	17,413
Total	**777**	**38,100**

*Includes 157 component units of the state

**In 2015, "all other" consisted of the employers at left.

Principal Participating Employers by Plan (cont.)

PERS Plan 3
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
State of Washington*	19,939	1	63.8%	State of Washington	16,232	1	64.4%
King County	1,891	2	6.0%	King County	748	2	3.0%
Pierce County	451	3	1.4%	KC Metro	561	3	2.2%
Metropolitan Park Dist. of Tacoma	399	4	1.3%	Pierce County	399	4	1.6%
Energy Northwest	337	5	1.1%	Energy Northwest	329	5	1.3%
Snohomish County	329	6	1.1%	Snohomish County	258	6	1.0%
Spokane County	253	7	0.8%	King County Public Health Dept.	245	7	1.0%
Kitsap County	201	8	0.6%	Yakima County	216	8	0.9%
Clark County	198	9	0.6%	Spokane County	198	9	0.8%
Port of Seattle	188	10	0.6%	Clark County	179	10	0.7%
All Other**	7,083		22.7%	All Other	5,836		23.1%
Total (535 Employers)	**31,269**		**100.0%**	**Total (432 Employers)**	**25,201**		**100.0%**

Type	Number	Employees
State of Washington	–	–
School Districts	–	–
Counties/Municipalities	205	3,947
Other Political Subdivisions	320	3,136
Total	**525**	**7,083**

*Includes 149 component units of the state

**In 2015, "all other" consisted of the employers at left.

SERS Plan 2
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
Seattle SD 001	1,222	1	4.7%	Seattle SD 001	996	1	5.1%
Tacoma SD 010	679	2	2.6%	Tacoma SD 010	722	2	3.7%
Highline SD 401	590	3	2.2%	Spokane Public Schools	538	3	2.7%
Spokane Public Schools	549	4	2.1%	Vancouver SD 037	503	4	2.6%
Kent SD 415	542	5	2.1%	Kent SD 415	464	5	2.4%
Vancouver SD 037	525	6	2.0%	Highline SD 401	449	6	2.3%
Bellevue SD 405	494	7	1.9%	Federal Way SD 210	373	7	1.9%
Evergreen SD 114	456	8	1.7%	Edmonds SD 015	368	8	1.9%
Puyallup SD 003	436	9	1.7%	Northshore SD 417	343	9	1.7%
Lake Washington SD 414	414	10	1.6%	Lake Washington SD 414	341	10	1.7%
All Other*	20,219		77.4%	All Other	14,542		74.0%
Total (302 Employers)	**26,126**		**100.0%**	**Total (325 Employers)**	**19,639**		**100.0%**

Type	Number	Employees
State of Washington	–	–
School Districts	292	20,219
Counties/Municipalities	–	–
Other Political Subdivisions	–	–
Total	**292**	**20,219**

*In 2015, "all other" consisted of the employers at left.

Principal Participating Employers by Plan (cont.)

SERS Plan 3
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
Seattle SD 001	1,206	1	3.7%	Seattle SD 001	1,067	1	3.1%
Kent SD 415	959	2	2.9%	Kent SD 415	1,016	2	2.9%
Spokane Public Schools	803	3	2.4%	Evergreen SD 114	918	3	2.6%
Evergreen SD 114	780	4	2.4%	Spokane Public Schools	905	4	2.6%
Tacoma SD 010	743	5	2.3%	Vancouver SD 037	760	5	2.2%
Lake Washington SD 414	713	6	2.2%	Tacoma SD 010	743	6	2.1%
Vancouver SD 037	706	7	2.2%	Northshore SD 417	717	7	2.0%
Edmonds SD 015	682	8	2.1%	Lake Washington SD 414	716	8	2.0%
Federal Way SD 210	655	9	2.0%	Federal Way SD 210	677	9	1.9%
Northshore SD 417	622	10	1.9%	Edmonds SD 015	675	10	1.9%
All Other*	24,801		75.9%	All Other	26,823		76.7%
Total (300 Employers)	**32,670**		**100.0%**	**Total (304 Employers)**	**35,017**		**100.0%**

*In 2015, "all other" consisted of the employers at left.

Type	Number	Employees
State of Washington	–	–
School Districts	290	24,801
Counties/Municipalities	–	–
Other Political Subdivisions	–	–
Total	**290**	**24,801**

PSERS Plan 2
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
State of Washington*	2,890	1	55.5%				
King County	358	2	6.9%				
Pierce County	208	3	4.0%				
Snohomish County	198	4	3.8%				
Spokane County	162	5	3.1%				
Thurston County	124	6	2.4%				
South Correctional Entity	112	7	2.2%				
Clark County	102	8	2.0%				
Benton County	96	9	1.8%				
Yakima County	94	10	1.8%				
All Other**	863		16.5%				
Total (67 Employers)	**5,207**		**100.0%**				

This data is unavailable for PSERS 2, because this retirement plan was established July 1, 2006.

*Includes nine component units of the state

**In 2015, "all other" consisted of the employers at left.

Type	Number	Employees
State of Washington	–	–
School Districts	–	–
Counties/Municipalities	57	863
Other Political Subdivisions	–	–
Total	**57**	**863**

Principal Participating Employers by Plan (cont.)

TRS Plan 1
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
Seattle SD 001	76	1	5.4%	Seattle SD 001	495	1	5.6%
State of Washington*	70	2	5.0%	State of Washington	454	2	5.2%
Tacoma SD 010	57	3	4.1%	Tacoma SD 010	333	3	3.8%
Northshore SD 417	40	4	2.8%	Spokane Public Schools	260	4	3.0%
Lake Washington SD 414	36	5	2.6%	Northshore SD 417	220	5	2.5%
Spokane Public Schools	32	6	2.3%	Lake Washington SD 414	216	6	2.5%
Evergreen SD 114	27	7	1.9%	Vancouver SD 037	181	7	2.1%
Puyallup SD 003	27	8	1.9%	Evergreen SD 114	173	8	2.0%
Everett SD 002	26	9	1.9%	Kent SD 415	162	9	1.9%
Kent SD 415	24	10	1.7%	Puyallup SD 003	149	10	1.7%
All Other**	990		70.4%	All Other	6,099		69.7%
Total (218 Employers)	**1,405**		**100.0%**	**Total (295 Employers)**	**8,742**		**100.0%**

Type	Number	Employees
State of Washington	–	–
School Districts	208	990
Counties/Municipalities	–	–
Other Political Subdivisions	–	–
Total	**208**	**990**

*Includes 34 component units of the state

**In 2015, "all other" consisted of the employers at left.

TRS Plan 2
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
Seattle SD 001	1,237	1	7.5%	Seattle SD 001	551	1	7.6%
Tacoma SD 010	543	2	3.3%	Tacoma SD 010	357	2	5.0%
Kent SD 415	420	3	2.5%	Spokane Public Schools	271	3	3.8%
Spokane Public Schools	411	4	2.5%	Kent SD 415	150	4	2.1%
Evergreen SD 114	402	5	2.4%	Edmonds SD 015	138	5	1.9%
Lake Washington SD 414	386	6	2.3%	Highline SD 401	138	6	1.9%
Highline SD 401	382	7	2.3%	Lake Washington SD 414	138	7	1.9%
Federal Way SD 210	366	8	2.2%	Bethel SD 403	137	8	1.9%
Vancouver SD 037	360	9	2.2%	Vancouver SD 037	137	9	1.9%
Bellevue SD 405	344	10	2.1%	Federal Way SD 210	136	10	1.9%
All Other*	11,697		70.7%	All Other	5,045		70.1%
Total (296 Employers)	**16,548**		**100.0%**	**Total (276 Employers)**	**7,198**		**100.0%**

Type	Number	Employees
State of Washington**	1	82
School Districts	285	11,615
Counties/Municipalities	–	–
Other Political Subdivisions	–	–
Total	**286**	**11,697**

*In 2015, "all other" consisted of the employers at left.

**Includes 26 component units of the state

Principal Participating Employers by Plan (cont.)

TRS Plan 3
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
Seattle SD 001	2,656	1	4.8%	Seattle SD 001	2,591	1	4.7%
Spokane Public Schools	1,819	2	3.3%	Spokane Public Schools	1,800	2	3.2%
Tacoma SD 010	1,629	3	2.9%	Kent SD 415	1,553	3	2.8%
Kent SD 415	1,475	4	2.7%	Evergreen SD 114	1,541	4	2.8%
Evergreen SD 114	1,453	5	2.6%	Tacoma SD 010	1,511	5	2.7%
Lake Washington SD 414	1,426	6	2.6%	Lake Washington SD 414	1,302	6	2.3%
Federal Way SD 210	1,211	7	2.2%	Federal Way SD 210	1,266	7	2.3%
Vancouver SD 037	1,183	8	2.1%	Vancouver SD 037	1,210	8	2.2%
Bellevue SD 405	1,131	9	2.1%	Bellevue SD 405	1,186	9	2.1%
Edmonds SD 015	1,094	10	2.0%	Edmonds SD 015	1,160	10	2.1%
All Other*	40,214		72.7%	All Other	40,402		72.8%
Total (304 Employers)	**55,291**		**100.0%**	**Total (305 Employers)**	**55,522**		**100.0%**

Type	Number	Employees
State of Washington**	1	568
School Districts	293	39,646
Counties/Municipalities	–	–
Other Political Subdivisions	–	–
Total	**294**	**40,214**

*In 2015, "all other" consisted of the employers at left.

**Includes 41 component units of the state

LEOFF Plan 1
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
City of Seattle	32	1	39.0%	City of Seattle	156	1	22.6%
City of Bellevue	4	2	4.9%	City of Tacoma	48	2	7.0%
City of Spokane	4	3	4.9%	City of Spokane	47	3	6.8%
King County	3	4	3.7%	City of Bellevue	28	4	4.1%
South King Fire & Rescue	3	5	3.7%	City of Bellingham	27	5	3.9%
Snohomish County FPD 01	3	6	3.7%	City of Everett	21	6	3.1%
City of Bellingham	2	7	2.4%	King County	20	7	2.9%
City of Everett	2	8	2.4%	City of Renton	15	8	2.2%
City of Olympia	2	9	2.4%	Spokane County	15	9	2.2%
City of Pasco	2	10	2.4%	Pierce County FPD 02	14	10	2.0%
All Other*	25		30.5%	All Other	297		43.2%
Total (33 Employers)	**82**		**100.0%**	**Total (108 Employers)**	**688**		**100.0%**

Type	Number	Employees
State of Washington	–	–
School Districts	–	–
Counties/Municipalities	19	20
Other Political Subdivisions	4	5
Total	**23**	**25**

*In 2015, "all other" consisted of the employers at left.

Principal Participating Employers by Plan (cont.)

LEOFF Plan 2
Current Year and Nine Years Prior

For Fiscal Year Ended June 30, 2015				2006 (calendar year statistics)			
Employer	**Covered Employees**	**Rank**	**% of Total Plan**	**Employer**	**Covered Employees**	**Rank**	**% of Total Plan**
City of Seattle	2,296	1	13.4%	City of Seattle	2,100	1	13.6%
King County	734	2	4.3%	City of Tacoma	735	2	4.7%
City of Tacoma	691	3	4.0%	King County	733	3	4.7%
City of Spokane	584	4	3.4%	City of Spokane	514	4	3.3%
City of Bellevue	368	5	2.2%	City of Vancouver	359	5	2.3%
City of Vancouver	362	6	2.1%	City of Bellevue	345	6	2.2%
City of Everett	330	7	1.9%	City of Everett	330	7	2.1%
Pierce County	298	8	1.8%	Pierce County	312	8	2.0%
Snohomish County	273	9	1.6%	City of Kent	257	9	1.7%
City of Renton	258	10	1.5%	Snohomish County	241	10	1.6%
All Other*	10,916		63.8%	All Other	9,577		61.8%
Total (363 Employers)	**17,110**		**100.0%**	**Total (370 Employers)**	**15,503**		**100.0%**

Type	Number	Employees
State of Washington**	1	248
School Districts	–	–
Counties/Municipalities	195	6,607
Other Political Subdivisions	157	4,061
Total	**353**	**10,916**

*In 2015, "all other" consisted of the employers at left.

**Includes 8 component units of the state

Employers Covered by DRS-Administered Retirement Systems

As of June 30, 2015 — Page 1 of 12

Air Quality Agencies

Benton Clean Air Agency
NW Clean Air Agency
Olympic Region Clean Air Agency
Puget Sound Clean Air Agency
Spokane Regional Clean Air Agency
SW Clean Air Agency
Yakima Regional Clean Air Agency

Airports, Airport Boards

Snohomish Co. Airport
Spokane International Airport
Walla Walla Regional Airport

Area Agencies on Aging

Aging & Long-Term Care of Eastern WA
Olympic Area Agency on Aging
SE WA Aging & Long-Term Care

Associations, Unions

Inlandboatmen's Union of the Pacific
King Co. Directors' Association
Public School Employees of WA
Sound Cities Association
WA Association of County Officials
WA Federation of State Employees

Cemetery Districts

Cowlitz Co. Cemetery Dists. 1, 2 & 5
Pend Oreille Cemetery Dist. 1
Skagit Co. Cemetery Dist. 2

Cities and Towns

Aberdeen
Airway Heights
Algona
Anacortes
Arlington
Asotin
Auburn
Bainbridge Island
Battle Ground
Beaux Arts Village
Bellevue
Bellingham
Benton City
Bingen
Black Diamond
Blaine
Bonney Lake
Bothell
Bremerton
Brewster
Bridgeport
Brier
Buckley
Burien
Burlington
Camas
Carbonado (Town of)
Carnation
Cashmere
Castle Rock
Cathlamet (Town of)
Centralia
Chehalis
Chelan
Cheney
Chewelah
Clarkston
Cle Elum
Clyde Hill
Colfax
College Place
Colton (Town of)
Colville

Cities and Towns (cont.)

Conconully (Town of)
Concrete (Town of)
Connell
Cosmopolis
Coulee City (Town of)
Coulee Dam (Town of)
Coupeville (Town of)
Creston (Town of)
Cusick (Town of)
Darrington (Town of)
Davenport
Dayton
Deer Park
Des Moines
DuPont
Duvall
East Wenatchee
Eatonville (Town of)
Edgewood
Edmonds
Electric City
Ellensburg
Elma
Elmer City (Town of)
Entiat
Enumclaw
Ephrata
Everett
Everson
Federal Way
Ferndale
Fife
Fircrest
Forks
Friday Harbor (Town of)
Garfield (Town of)
George
Gig Harbor
Gold Bar
Goldendale
Grand Coulee
Grandview
Granger (Town of)

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 2 of 12

Cities and Towns (cont.)	Cities and Towns (cont.)	Cities and Towns (cont.)
Granite Falls	Montesano	Reardan (Town of)
Hamilton (Town of)	Morton	Redmond
Harrington (Town of)	Moses Lake	Renton
Hoquiam	Mossyrock	Republic
Hunts Point (Town of)	Mount Vernon	Richland
Ilwaco	Mountlake Terrace	Ridgefield
Issaquah	Moxee	Ritzville
Kalama	Mukilteo	Riverside (Town of)
Kelso	Naches (Town of)	Rock Island
Kenmore	Napavine	Rosalia (Town of)
Kennewick	Newcastle	Roslyn
Kent	Newport	Roy
Kettle Falls	Nooksack	Royal City
Kirkland	Normandy Park	Ruston (Town of)
Kittitas	North Bend	Sammamish
La Center	North Bonneville	SeaTac
La Conner (Town of)	Northport (Town of)	Seattle
Lacey	Oak Harbor	Sedro-Woolley
Lake Forest Park	Oakesdale (Town of)	Selah
Lake Stevens	Oakville	Sequim
Lakewood	Ocean Shores	Shelton
Langley	Odessa (Town of)	Shoreline
Leavenworth	Okanogan	Skykomish (Town of)
Liberty Lake	Olympia	Snohomish
Lind (Town of)	Omak	Snoqualmie
Long Beach	Oroville	Soap Lake
Longview	Orting	South Bend
Lynden	Othello	South Cle Elum (Town of)
Lynnwood	Pacific	Spangle (Town of)
Mabton	Palouse	Spokane
Mansfield (Town of)	Pasco	Spokane Valley
Maple Valley	Pateros	Sprague
Marysville	Pe Ell (Town of)	Springdale (Town of)
Mattawa (City of)	Port Angeles	Stanwood
McCleary	Port Orchard	Steilacoom (Town of)
Medical Lake	Port Townsend	Stevenson
Medina	Poulsbo	Sultan
Mercer Island	Prosser	Sumas
Metaline Falls (Town of)	Pullman	Sumner
Mill Creek	Puyallup	Sunnyside
Millwood (Town of)	Quincy	Tacoma
Milton	Rainier	Tekoa
Monroe	Raymond	Tenino

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 3 of 12

Cities and Towns (cont.)

Tieton
Toledo
Tonasket
Toppenish
Tukwila
Tumwater
Twisp (Town of)
Union Gap
Uniontown (Town of)
University Place
Vancouver
Waitsburg
Walla Walla
Wapato
Warden
Washougal
Washtucna (Town of)
Waterville (Town of)
Wenatchee
West Richland
Westport
White Salmon
Wilbur (Town of)
Winlock
Winthrop (Town of)
Woodinville
Woodland
Woodway (Town of)
Yacolt (Town of)
Yakima
Yarrow Point (Town of)
Yelm
Zillah

Conservation Districts

Cascadia
Clallam
Columbia
Cowlitz
Grays Harbor
King
Kittitas

Conservation Districts (cont.)

Okanogan
Pacific
Pend Oreille
Snohomish
Spokane Co.
Stevens Co.
Thurston
Wahkiakum

Councils

Columbia River Council of Governments
Cowlitz-Wahkiakum Council of Governments
Grays Harbor Council of Governments
Lewis, Mason, Thurston Council of Governments
Northwest Regional Council
Pacific Mountain Workforce Development Council
Puget Sound Regional Council
Skagit Council of Governments
South Central Workforce Council
Spokane Area Workforce Development Council
SW WA Council of Governments on Aging & Disabilities
Thurston Regional Planning Council
Whatcom Council of Governments

Counties

Adams
Asotin
Benton
Chelan
Clallam
Clark
Columbia
Cowlitz
Douglas
Ferry
Franklin
Garfield
Grant
Grays Harbor
Island
Jefferson
King
Kitsap
Kittitas
Klickitat
Lewis
Lincoln
Mason
Okanogan
Pacific
Pend Oreille
Pierce
San Juan
Skagit
Skamania
Snohomish
Spokane
Stevens
Thurston
Wahkiakum
Walla Walla
Whatcom
Whitman
Yakima

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 4 of 12

Development Authorities/Districts

Cultural Development Auth. of King Co.
North Bonneville Public Development Auth.
Tricounty Economic Development Dist.
Walla Walla Valley Metro Planning Org.

Educational Service Districts

E.S.D. 105
E.S.D. 112
E.S.D. 113
E.S.D. 123
North Central WA E.S.D.
Northeast WA E.S.D. 101
Northwest Regional E.S.D.
Olympic E.S.D.
Puget Sound E.S.D.

Emergency Services and Communications Districts

Emergency Services Coordinating Agency
Franklin Co. Emergency Management
Grays Harbor Communications
Island Co. Emergency Services Communication Ctr.
Jefferson Co. 911 Communications
KITTCOM
Mason Co. Emergency Communications
Multi Agency Communications Center
NORCOM 911
North Country Emergency Medical Service
RIVERCOM

Emergency Services and Communications Districts (cont.)

San Juan Island Emergency Medical Service
Skagit 911 (SECOM)
SNOCOM 911
Snohomish Co. Emergency Radio System
South Beach Ambulance Service
South Sound 911
Thurston 911 Communications
Valley Communication Center

Fire Protection Districts

Adams Co. FPD 5
Asotin Co. FPD 1
Bainbridge Island Fire Dept.
Benton Co. FPDs 1, 2, 4 & 6
Central Kitsap Fire & Rescue
Central Whidbey Island Fire & Rescue
Chelan Co. FPDs 1, 3, 5, 6, 7 & 9
Clallam Co. FPDs 2, 3 & 5
Clark Co. Fire & Rescue
Clark Co. FPDs 3, 5, 6, 10 & 13
Columbia Co. FPD 3
Cowlitz Co. FPDs 1, 2, 3, 5 & 6
Cowlitz-Skamania Co. FPD 7
Douglas Co. FPD 2
Douglas-Okanogan Co. FPD 15
East County Fire & Rescue
East Pierce Co. Fire & Rescue
Franklin Co. FPD 3
Garfield Co. FPD 1
Grant Co. FPDs 3, 5, 8 & 10
Grays Harbor Co. FPDs 2 & 5
Island Co. FPD 1
Jefferson Co. FPDs 1, 2, 3 & 4
Kent Fire Dept. Regional Fire Auth.

Fire Protection Districts (cont.)

King Co. FPDs 2, 10, 16, 20, 27, 28, 34, 40, 43, 44, 45 & 50
Kitsap Co. FPD 18
Kittitas Co. FPDs 1 & 2
Klickitat Co. FPDs 3 & 7
Lake Stevens Fire
Lewis Co. FPDs 2, 3, 5, 6, 10, 14 & 15
Mason Co. FPDs 3, 4, 5, 6, 11, 13 & 16
North County Regional Fire Auth.
North Highline Fire Dist.
North Kitsap Fire & Rescue
North Mason Regional Fire Auth.
North Whidbey Fire & Rescue
Okanogan Co. FPD 6
Pacific Co. FPD 1
Pend Oreille FPDs 2 & 4
Pierce Co. FPDs 3, 5, 6, 10, 13, 14, 16, 17, 18, 21, 23 & 27
Riverside Fire Auth.
San Juan Co. FPDs 2, 3 & 4
Shoreline Fire Dept.
Skagit Co. FPDs 6 & 8
Snohomish Co. FPDs 1, 3, 4, 5, 7, 12, 15, 17, 19, 21, 22, 26 & 28
Snoqualmie Pass Fire & Rescue
South East Thurston Fire Auth.
South King Fire & Rescue
South Kitsap Fire & Rescue
South Pend Oreille Fire & Rescue
South Whatcom Fire Auth.
South Whidbey Fire & EMS
Spokane Co. FPDs 3, 4, 8, 9, 10 & 13
Spokane Valley Fire Dept.
Stevens Co. FPD 1
Thurston Co. FPDs 3, 5, 6, 8, 9, 12, 13 & 17

Employers Covered by DRS-Administered Retirement Systems (cont.)

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Fire Protection Districts (cont.)

Valley Regional Fire Auth.
Vashon Island Fire & Rescue
Walla Walla Co. FPDs 4 & 5
West Benton Regional Fire Auth.
West Thurston Regional Fire Auth.
Whatcom Co. FPDs 1, 7, 8, 11, 14, 17 & 21
Woodinville Fire & Rescue
Yakima Co. FPDs 4, 5 & 12

Housing Authorities

Anacortes
Asotin Co.
Bellingham
Bremerton
Chelan Co. Wenatchee
Everett
Grant Co.
Grays Harbor Co.
Island Co.
Kelso
Kennewick
King Co.
Kitsap Co. Consolidated
Kittitas Co.
Longview
Okanogan Co.
Othello
Pasco/Franklin Co.
Peninsula
Pierce Co.
Renton
Seattle
Skagit Co.
Snohomish Co.
Spokane
Tacoma
Thurston Co.
Vancouver
Walla Walla

Insurance Authorities

Enduris Washington
Health Benefit Exchange
Transit Insurance Pool of WA
WA Cities Insurance Auth.
WA Counties Insurance Fund
WA Counties Risk Pool
Water & Sewer Insurance Pool

Irrigation, Sewer and Water Districts

Agnew Irrigation Dist.
Ahtanum Irrigation Dist.
Alderwood Water Dist.
Beacon Hill Water & Sewer Dist.
Belfair Water Dist.
Benton Irrigation Dist.
Birch Bay Water & Sewer Dist.
Brewster Flat Irrigation Dist.
Cascade Irrigation Dist.
Cedar River Water & Sewer Dist.
Chinook Water Dist.
Clark Regional Wastewater Dist.
Clinton Water Dist.
Coal Creek Utility Dist.
Coalition for Clean Water
Columbia Irrigation Dist.
Columbia Valley Water Dist.
Consolidated Diking Improvement Dists. 1 & 2
Consolidated Irrigation Dist. 19
Covington Water Dist.
Cross Valley Water Dist.
Dallesport Water Dist.
Diamond Lake Water & Sewer Dist.
Douglas Co. Sewer Dist. 1
East Columbia Basin Irrigation Dist.
East Spokane Water Dist. 1
East Wenatchee Water Dist.
Eastsound Sewer & Water Dist.
Fall City Water Dist.

Irrigation, Sewer and Water Districts (cont.)

Franklin Co. Irrigation Dist. 1
Gardena Farms Dist. 13
Glacier Water Dist.
Grays Harbor Co. Water Dist. 1
Greater Wenatchee Irrigation Dist.
Highland Irrigation Dist.
Highline Water Dist.
Holmes Harbor Sewer Dist.
Icicle Irrigation Dist.
Irvin Water Dist. 6
Kennewick Irrigation Dist.
King Co. Water Dists. 19, 20, 45, 49, 54, 90, 111, 119 & 125
Kiona Irrigation Dist.
Kittitas Reclamation Dist.
Lake Chelan Reclamation Dist.
Lake Forest Park Water Dist.
Lake Stevens Sewer Dist.
Lake Whatcom Water & Sewer Dist.
Lakehaven Utility Dist.
Lakewood Water Dist.
Loon Lake Sewer Dist. 4
Lopez Solid Waste Disposal Dist.
LOTT Clean Water Alliance
Malaga Water Dist.
Manchester Water Dist.
Midway Sewer Dist.
Moab Irrigation Dist. 20
Model Irrigation Dist. 18
Moses Lake Irrigation & Rehabilitation Dist.
Mukilteo Water & Wastewater Dist.
Naches-Selah Irrigation Dist.
NE Sammamish Sewer & Water Dist.
North City Water Dist.
North Beach Water Dist.
North Perry Ave. Water Dist.

Employers Covered by DRS-Administered Retirement Systems (cont.)

Irrigation, Sewer and Water Districts (cont.)

North Spokane Irrigation Dist. 8
Northshore Utility Dist.
Okanogan Irrigation Dist.
Olympic View Water Dist.
Orchard Ave. Irrigation Dist.
Oroville-Tonasket Irrigation Dist.
Pasadena Park Irrigation Dist. 17
Point Roberts Water Dist. 4
Quincy Columbia Basin Irrigation Dist.
Ronald Wastewater Dist.
Roza Irrigation Dist.
Samish Water Dist.
Sammamish Plateau Water & Sewer Dist.
Seaview Sewer Dist.
Selah-Moxee Irrigation Dist.
Silver Lake Water Dist.
Silverdale Water Dist. 16
Skyway Water & Sewer Dist.
Snoqualmie Pass Utility Dist.
Soos Creek Water & Sewer Dist.
South Columbia Basin Irrigation Dist.
Spokane Co. Water Dist. 3
Stemilt Irrigation Dist.
Stevens Pass Sewer Dist.
Sunland Water Dist.
Sunnyside Valley Irrigation Dist.
SW Suburban Sewer Dist.
Terrace Heights Sewer Dist.
Three Rivers Reg. Wastewater Plant
Trentwood Irrigation Dist. 3
Valley View Sewer Dist.
Valley Water Dist.
Vera Water & Power
Walla Walla Watershed Management
Wenatchee Reclamation Dist.
Whatcom Co. Water Dists. 2 & 7
Whitestone Reclamation Dist.

Irrigation, Sewer and Water Districts (cont.)

Whitworth Water Dist. 2
Willapa Valley Water Dist.
Woodinville Water Dist.
Yakima-Tieton Irrigation Dist.

Libraries, Library Districts

Central Skagit Rural Library Dist.
Columbia Co. Rural Library Dist.
Fort Vancouver Regional Library
Jefferson Co. Rural Library Dist.
King Co. Law Library
King Co. Rural Library Dist.
Kitsap Regional Library
La Conner Regional Library
Lopez Island Library Dist.
Mid-Columbia Regional Library
North Central Regional Library
North Olympic Library System
Orcas Island Library Dist.
Pend Oreille Library
Pierce Co. Law Library
Pierce Co. Rural Library Dist.
San Juan Island Co. Library
Sno-Isle Regional Library
Spokane Co. Law Library
Spokane Co. Library Dist.
Stevens Co. Rural Library
Timberland Regional Library
Upper Skagit Library Dist.
Walla Walla Co. Rural Library Dist.
Whatcom Co. Public Library
Whitman Co. Rural Library
Yakima Valley Regional Library

Mosquito Districts

Adams Co. Mosquito Control Dist.
Benton Co. Mosquito Control Dist.
Columbia Mosquito Control Dist.
Franklin Co. Mosquito Control Dist.
Yakima Co. Mosquito Control

Parks and Recreation Districts

Bainbridge Island Metro Parks & Recreation Dist.
Eastmont Metropolitan Parks Dist.
Fidalgo Pool & Fitness Center
Key Peninsula Metro Park Dist.
Manson Parks & Recreation Dist.
Metropolitan Park Dist. of Tacoma
Peninsula Metropolitan Park Dist.
San Juan Island Park & Recreation Dist.
Si View Metropolitan Park Dist.
South Whidbey Parks & Recreation Dist.

Ports

Allyn
Anacortes
Bellingham
Benton
Bremerton
Brownsville
Camas-Washougal
Centralia
Chehalis
Chelan Co.
Clarkston
Columbia
Douglas Co.
Edmonds
Everett
Friday Harbor

Employers Covered by DRS-Administered Retirement Systems (cont.)

Ports (cont.)

Grant Co. 1 & 9
Grays Harbor
Ilwaco
Kalama
Kennewick
Kingston
Klickitat
Longview
Mattawa
Moses Lake
Olympia
Orcas
Othello
Pasco
Peninsula
Port Angeles
Port Townsend
Ridgefield
Royal Slope
Seattle
Shelton
Skagit Co.
Skamania Co.
Sunnyside
Tacoma
Vancouver
Walla Walla
Wahkiakum Co. 1
Whitman Co.
Willapa Harbor
Woodland

Public Facility Districts

Asotin Co. Public Facilities Dist.
Edmonds Public Facilities Dist.
Lynnwood Public Facilities
Public Stadium Auth.
Spokane Public Facility Dist.

Public Health

Asotin Co. Health Dist.
Benton-Franklin Health Dist.
Chelan-Douglas Health Dist.
Garfield Co. Health Dist.
Grant Co. Health Dist.
Greater Columbia Behavioral Health
Kittitas Co. Public Hospital Dist. 2
Kitsap Public Health Dist.
North Sound Regional Support Network
Snohomish Health Dist.
Spokane Regional Health Dist.
SW Washington Behavioral Health Regional Support Network
Timberlands Regional Support Network
Yakima Co. Health Dist.

Public Utility Districts

Asotin Co. PUD 1
Benton Co. PUD 1
Chelan Co. PUD 1
Clallam Co. PUD 1
Clark Co. PUD
Cowlitz Co. PUD
Douglas Co. PUD 1
Energy Northwest
Ferry Co. PUD 1
Franklin Co. Public Works 1
Franklin Co. PUD 1
Grand Coulee Project Hydroelectric Auth.
Grant Co. Public Works
Grant Co. PUD 2
Grays Harbor Co. PUD 1
Jefferson Co. PUD 1
Kitsap Co. PUD 1
Kittitas Co. PUD 1
Klickitat Co. PUD 1
Lewis Co. PUD 1

Public Utility Districts (cont.)

Mason Co. PUDs 1 & 3
Okanogan Co. PUD 1
Pacific Co. PUD 2
Pend Oreille Co. PUD 1
Skagit Co. PUD 1
Skamania Co. PUD 1
Snohomish Co. PUD 1
Stevens Co. PUD
Thurston Co. PUD 1
Wahkiakum Co. PUD 1
West Sound Utility Dist.

Road Departments

Chelan Co. Roads
Lincoln Co. Highway Dept.

School Districts

Aberdeen
Adna
Almira
Anacortes
Arlington
Asotin-Anatone
Auburn
Bainbridge Island
Battle Ground
Bellevue
Bellingham
Benge
Bethel
Bickleton
Blaine
Boistfort
Bremerton
Brewster
Bridgeport
Brinnon
Burlington-Edison
Camas
Cape Flattery

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 8 of 12

School Districts (cont.)	School Districts (cont.)	School Districts (cont.)
Carbonado Historical	Ellensburg	Kiona-Benton City
Cascade	Elma	Kittitas
Cashmere	Endicott	Klickitat
Castle Rock	Entiat	La Center
Centerville	Enumclaw	La Conner
Central Kitsap	Ephrata	LaCrosse
Central Valley	Evaline	Lake Chelan
Centralia	Everett	Lake Stevens
Chehalis	Evergreen (Clark Co.)	Lake Washington
Cheney	Evergreen (Stevens Co.)	Lakewood
Chewelah	Federal Way	Lamont
Chimacum	Ferndale	Liberty
Clarkston	Fife	Lind
Cle Elum-Roslyn	Finley	Longview
Clover Park	Franklin Pierce	Loon Lake
Colfax	Freeman	Lopez
College Place	Garfield	Lyle
Colton	Glenwood	Lynden
Columbia (Stevens Co.)	Goldendale	Mabton
Columbia (Walla Walla Co.)	Grand Coulee Dam	Mansfield
Colville	Grandview	Manson
Concrete	Granger	Mary M. Knight
Conway	Granite Falls	Mary Walker
Cosmopolis	Grapeview	Marysville
Coulee Hartline	Great Northern	McCleary
Coupeville	Green Mountain	Mead
Crescent	Griffin	Medical Lake
Creston	Harrington	Mercer Island
Curlew	Highland	Meridian
Cusick	Highline	Methow Valley
Damman	Hockinson	Mill A
Darrington	Hood Canal	Monroe
Davenport	Hoquiam	Montesano
Dayton	Inchelium	Morton
Deer Park	Index	Moses Lake
Dieringer	Issaquah	Mossyrock
Dixie	Kahlotus	Mount Adams
East Valley (Spokane Co.)	Kalama	Mount Baker
East Valley (Yakima Co.)	Keller	Mount Pleasant
Eastmont	Kelso	Mount Vernon
Easton	Kennewick	Mukilteo
Eatonville	Kent	Naches Valley
Edmonds	Kettle Falls	Napavine

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 9 of 12

School Districts (cont.)

Naselle-Grays River Valley
Nespelem
Newport
Nine Mile Falls
Nooksack Valley
North Beach
North Franklin
North Kitsap
North Mason
North River
North Thurston
Northport
Northshore
Oak Harbor
Oakesdale
Oakville
Ocean Beach
Ocosta
Odessa
Okanogan
Olympia
Omak
Onalaska
Onion Creek
Orcas Island
Orchard Prairie
Orient
Orondo
Oroville
Orting
Othello
Palisades
Palouse
Pasco
Pateros
Paterson
Pe Ell
Peninsula
Pioneer
Pomeroy
Port Angeles
Port Townsend
Prescott

School Districts (cont.)

Prosser
Pullman
Puyallup
Queets-Clearwater
Quilcene
Quillayute
Quinault Lake
Quincy
Rainier
Raymond
Reardan-Edwall
Renton
Republic
Richland
Ridgefield
Ritzville
Riverside
Riverview
Rochester
Roosevelt
Rosalia
Royal
Saint John
San Juan Island
Satsop
Seattle
Sedro-Woolley
Selah
Selkirk
Sequim
Shaw Island
Shelton
Shoreline
Skamania
Skykomish
Snohomish
Snoqualmie Valley
Soap Lake
South Bend
South Kitsap
South Whidbey
Southside
Spokane Public Schools

School Districts (cont.)

Sprague
Stanwood-Camano
Star
Starbuck
Stehekin
Steilacoom Historical
Steptoe
Stevenson-Carson
Sultan
Summit
Sumner
Sunnyside
Tacoma
Taholah
Tahoma
Tekoa
Tenino
Thorp
Toledo
Tonasket
Toppenish
Touchet
Toutle Lake
Trout Lake
Tukwila
Tumwater
Union Gap
University Place
Valley
Vancouver
Vashon Island
Wahkiakum
Wahluke
Waitsburg
Walla Walla
Wapato
Warden Jr. Consolidated
Washougal
Washtucna
Waterville
Wellpinit
Wenatchee
West Valley (Spokane Co.)

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 10 of 12

School Districts (cont.)

West Valley (Yakima Co.)
White Pass
White River
White Salmon
Wilbur
Willapa Valley
Wilson Creek
Winlock
Wishkah Valley
Wishram
Woodland
Yakima
Yelm
Zillah

Transportation Authorities, Transportation Districts

Asotin Co.
Ben Franklin Transit
Chelan-Douglas P.T.B.A.
Chelan-Douglas Transportation Council
Clallam Transit System
Clark Co. P.T.B.A.
Columbia Co. Public Transportation
Grant Transit Auth.
Grays Harbor Transportation Auth.
Intercity Transit
Island Transit
Jefferson Transit Auth.
Kitsap Transit
Lewis P.T.B.A.
Mason Co. P.T.B.A.
Okanogan Co. Transit Auth.
Pacific Transit System
Pierce Co. P.T.B.A.
Snohomish Co. P.T.B.A.
Spokane Regional Transportation Council
Spokane Transit Auth.

Transportation Authorities, Transportation Districts (cont.)

Valley Transit
Whatcom Transportation Auth.

Weed Control Districts

Grant Co. Noxious Weed Control Board
Grant Co. Weed Dists. 1 & 3
Pierce Co. Noxious Weed Control Board
Spokane Co. Noxious Weed Control Board

Other Government Entities

Lower Columbia Fish Recovery Board
Snohomish Co. Police Staff Auxiliary
South Correctional Entity
Tacoma-Pierce Co. Employment & Training Consortium
WA School Information Processing Cooperative

State Agencies

Administrative Office of the Courts
Archaeology-Historic Preservation
Board for Volunteer Firefighters
Board of Industrial Insurance Appeals
Board of Tax Appeals
Center for Childhood Deafness & Hearing Loss
Child Study & Treatment Center
Civil Legal Aide
Consolidated Support Services
Consolidated Technology Services

State Agencies (cont.)

Corrections Health Services
County Road Administration Board
Court of Appeals
Dept. of Agriculture
Dept. of Commerce
Dept. of Corrections
- Corrections Northeast Region
- Corrections Northwest Region
- Corrections Southeast Region
- Corrections Southwest Region

Dept. of Early Learning
Dept. of Ecology
Dept. of Employment Security
Dept. of Enterprise Services
Dept. of Financial Institutions
Dept. of Fish & Wildlife
Dept. of Health
Dept. of Labor & Industries
Dept. of Licensing
Dept. of Natural Resources
Dept. of Retirement Systems
Dept. of Revenue
Dept. of Services for the Blind
Dept. of Social & Health Services (8)
Dept. of Transportation
Dept. of Veterans Affairs
Eastern State Hospital
Eastern WA State Historical Society
Echo Glen Children's Center
Economic Development Finance Auth.
Environmental & Land Use Hearings Office
Fircrest School
Green Hill School
Health Care Facilities Auth.
House of Representatives
Indian Advisory Council
Innovate Washington

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 11 of 12

State Agencies (cont.)

Joint Legislative Audit & Review Committee
Joint Legislative Systems Committee
Joint Transportation Committee
Lakeland Village
Law Library
LEAP Committee
LEOFF Plan 2 Retirement Board
Liquor Control Board
Military Dept.
Naselle Youth Camp
Office of Administrative Hearings
Office of Financial Management
Office of Minority & Women's Business Enterprises
Office of Public Defense
Office of the Attorney General
Office of Forecast Council
Office of the Governor
Office of the Insurance Commissioner
Office of Legislative Support Services
Office of the Lieutenant Governor
Office of the Secretary of State
Office of the State Actuary
Office of the State Auditor
Office of the State Treasurer
Puget Sound Partnership
Rainier School
Recreation & Conservation Office
Senate
Special Commitment Center
State Board for Community & Technical Colleges
State Board of Accountancy
Statute Law Committee
Student Achievement Council
Superintendent of Public Instruction
Supreme Court

State Agencies (cont.)

Transportation Improvement Board
Veterans Home — Spokane
WA Pollution Liability Insurance Agency
WA Soldiers Home & Colony
WA State Bar Association
WA State Caseload Forecast Council
WA State Ferries
WA State Health Care Auth.
WA State Historical Society
WA State Investment Board
WA State Patrol
WA State School Directors' Association
WA State School for the Blind
WA Veterans Home
Western State Hospital
Workforce Training & Education Coordinating Board
Yakima Valley School

Technical Colleges, Community Colleges

Bates Technical College
Bellevue Community College
Bellingham Technical College
Big Bend Community College
Cascadia Community College
Centralia College
Clark Community College
Clover Park Technical College
Columbia Basin Community College
Edmonds Community College
Everett Community College
Grays Harbor College
Green River College
Highline Community College
Lake Washington Institute of Technology

Technical Colleges, Community Colleges (cont.)

Lower Columbia Community College
Olympic College
Peninsula College
Pierce College
Renton Technical College
Seattle Community College
Shoreline Community College
Skagit Valley College
South Puget Sound Community College
Spokane Community College
Tacoma Community College
Walla Walla Community College
Wenatchee Valley College
Whatcom Community College
Yakima Valley College

State Commissions

African American Affairs
Apple
Arts
Asian Pacific American Affairs
Beef
Charter School
Columbia River Gorge
Conservation
Criminal Justice Training
Dairy Products
Fruit
Gambling
Grain
Hispanic Affairs
Hop
Horse Racing
Housing Finance
Human Rights
Judicial Conduct
Lottery
Parks & Recreation

Employers Covered by DRS-Administered Retirement Systems (cont.)

As of June 30, 2015 — Page 12 of 12

State Commissions (cont.)
Potato
Public Disclosure
Public Employment Relations
Puget Sound Pilotage
Salaries for Elected Officials
Traffic Safety
Tree Fruit Research
Utilities & Transportation
Wine

Universities
Central Washington University
Eastern Washington University
Evergreen State College
University of Washington
Washington State University
Western Washington University

Schedule of Benefit Recipients by Type of Benefit

PERS Plan 1
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100**	224	212	2	1	9	180	36	7	1
101-200	265	212	–	16	37	192	43	27	3
201-300	917	665	1	56	195	614	199	93	11
301-400	1,258	931	6	70	251	813	313	127	5
401-500	1,382	969	1	84	328	885	305	176	16
501-600	1,549	1,086	–	77	386	981	348	198	22
601-700	1,685	1,208	–	83	394	1,061	367	234	23
701-800	1,773	1,215	–	83	475	1,088	337	315	33
801-900	1,772	1,262	1	87	422	1,113	347	281	31
901-1,000	1,801	1,331	2	88	380	1,171	321	285	24
Over 1,000	38,444	35,117	2	428	2,897	25,132	6,575	4,924	1,813
Total	**51,070**	**44,208**	**15**	**1,073**	**5,774**	**33,230**	**9,191**	**6,667**	**1,982**

***1 (Life):** Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

**Includes L&I holdoffs

PERS Plan 2
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	456	299	–	108	49	298	125	21	12
101-200	1,487	1,001	–	316	170	1,036	353	73	25
201-300	1,904	1,432	–	259	213	1,285	485	107	27
301-400	1,947	1,466	–	229	252	1,304	475	109	59
401-500	1,911	1,482	–	199	230	1,260	486	119	46
501-600	1,875	1,470	–	180	225	1,165	499	143	68
601-700	1,754	1,442	–	122	190	1,109	470	125	50
701-800	1,772	1,493	–	120	159	1,147	415	137	73
801-900	1,746	1,517	–	83	146	1,144	401	131	70
901-1,000	1,615	1,445	–	60	110	1,069	349	129	68
Over 1,000	18,675	17,900	–	198	577	12,234	2,967	2,355	1,119
Total	**35,142**	**30,947**	**–**	**1,874**	**2,321**	**23,051**	**7,025**	**3,449**	**1,617**

***1 (Life):** Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

Schedule of Benefit Recipients by Type of Benefit (cont.)

PERS Plan 3
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	26	11	–	6	9	10	15	1	–
101-200	166	112	–	28	26	94	62	9	1
201-300	343	289	–	21	33	224	92	17	10
301-400	284	243	–	12	29	176	76	16	16
401-500	277	249	–	7	21	187	58	24	8
501-600	227	210	–	6	11	150	49	22	6
601-700	195	188	–	1	6	138	31	21	5
701-800	150	141	–	4	5	104	28	8	10
801-900	129	122	–	–	7	77	26	20	6
901-1,000	119	117	–	–	2	73	27	10	9
Over 1,000	718	712	–	1	5	467	108	93	50
Total	**2,634**	**2,394**	**–**	**86**	**154**	**1,700**	**572**	**241**	**121**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

SERS Plan 2
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	62	25	–	25	12	32	22	6	2
101-200	400	304	–	60	36	280	102	8	10
201-300	546	458	–	47	41	386	126	22	12
301-400	589	519	–	36	34	437	114	25	13
401-500	575	520	–	32	23	419	98	40	18
501-600	541	497	–	24	20	416	85	29	11
601-700	468	430	–	10	28	328	88	38	14
701-800	378	357	–	8	13	272	72	24	10
801-900	337	325	–	5	7	262	42	22	11
901-1,000	316	304	–	2	10	237	42	27	10
Over 1,000	1,584	1,548	–	7	29	1,140	190	179	75
Total	**5,796**	**5,287**	**–**	**256**	**253**	**4,209**	**981**	**420**	**186**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

Schedule of Benefit Recipients by Type of Benefit (cont.)

SERS Plan 3
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	176	152	–	15	9	125	41	7	3
101-200	899	814	–	29	56	610	242	32	15
201-300	1,014	952	–	19	43	736	208	50	20
301-400	817	786	–	10	21	639	120	37	21
401-500	491	478	–	3	10	355	84	35	17
501-600	359	349	–	1	9	265	54	26	14
601-700	270	263	–	2	5	196	35	27	12
701-800	221	217	–	2	2	163	29	21	8
801-900	161	159	–	1	1	112	23	20	6
901-1,000	130	128	–	–	2	92	16	16	6
Over 1,000	287	285	–	1	1	216	27	33	11
Total	**4,825**	**4,583**	**–**	**83**	**159**	**3,509**	**879**	**304**	**133**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

PSERS Plan 2
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	8	5	–	2	1	7	1	–	–
101-200	5	3	–	1	1	3	2	–	–
201-300	5	3	–	2	–	4	–	–	1
301-400	12	11	–	1	–	8	3	1	–
401-500	10	8	–	–	2	4	4	–	2
501-600	7	7	–	–	–	6	1	–	–
601-700	4	3	–	–	1	1	3	–	–
701-800	3	3	–	–	–	3	–	–	–
801-900	4	4	–	–	–	4	–	–	–
901-1,000	1	1	–	–	–	1	–	–	–
Over 1,000	3	3	–	–	–	3	–	–	–
Total	**62**	**51**	**–**	**6**	**5**	**44**	**14**	**1**	**3**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

Schedule of Benefit Recipients by Type of Benefit (cont.)

TRS Plan 1
For the 12 Months Ended June 30, 2014

		Retirement Type				Option Selected*			
Monthly Benefit Amount	Number of Retirees	Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	53	52	–	–	1	41	11	1	–
101-200	120	112	–	1	7	84	29	6	1
201-300	412	368	–	4	40	293	88	26	5
301-400	454	376	–	16	62	313	106	30	5
401-500	458	377	–	22	59	307	113	32	6
501-600	448	347	–	25	76	289	112	42	5
601-700	515	359	–	30	126	311	104	93	7
701-800	612	420	–	18	174	334	131	136	11
801-900	653	382	–	44	227	333	127	182	11
901-1,000	648	412	–	24	212	319	122	197	10
Over 1,000	31,266	29,070	–	401	1,795	19,763	6,275	3,821	1,407
Total	**35,639**	**32,275**	**–**	**585**	**2,779**	**22,387**	**7,218**	**4,566**	**1,468**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

TRS Plan 2
For the 12 Months Ended June 30, 2014

		Retirement Type				Option Selected*			
Monthly Benefit Amount	Number of Retirees	Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	42	36	–	3	3	33	8	1	–
101-200	56	43	–	8	5	35	15	3	3
201-300	83	75	–	6	2	64	12	6	1
301-400	117	100	–	8	9	81	32	3	1
401-500	128	114	–	3	11	85	33	7	3
501-600	139	119	–	8	12	94	25	12	8
601-700	142	117	–	9	16	93	33	5	11
701-800	142	123	–	4	15	85	37	14	6
801-900	151	135	–	7	9	93	36	16	6
901-1,000	136	106	–	11	19	84	36	9	7
Over 1,000	2,758	2,683	–	18	57	1,876	437	279	166
Total	**3,894**	**3,651**	**–**	**85**	**158**	**2,623**	**704**	**355**	**212**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

Schedule of Benefit Recipients by Type of Benefit (cont.)

TRS Plan 3
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%	3 50%	4 66%
$0-100	59	37	–	10	12	32	25	2	–
101-200	199	142	–	22	35	112	74	6	7
201-300	395	327	–	14	54	232	127	26	10
301-400	451	390	–	12	49	305	116	16	14
401-500	444	413	–	7	24	329	79	24	12
501-600	417	385	–	3	29	290	85	26	16
601-700	426	404	–	5	17	289	86	28	23
701-800	369	350	–	1	18	265	72	23	9
801-900	324	313	–	1	10	218	52	39	15
901-1,000	329	322	–	–	7	213	66	35	15
Over 1,000	2,681	2,649	–	3	29	1,822	419	282	158
Total	**6,094**	**5,732**	**–**	**78**	**284**	**4,107**	**1,201**	**507**	**279**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

LEOFF Plan 1
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*				
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%**	3 50%**	4 66%**	A (Standard)
$0-100	3	3	–	–	–	–	–	–	–	3
101-200	7	7	–	–	–	–	–	1	–	6
201-300	–	–	–	–	–	–	–	–	–	–
301-400	7	4	–	–	3	–	1	–	–	6
401-500	5	4	–	–	1	–	–	–	–	5
501-600	10	6	–	–	4	–	–	–	–	10
601-700	10	8	–	–	2	–	–	–	–	10
701-800	8	5	–	–	3	–	2	–	–	6
801-900	11	10	–	–	1	–	–	–	–	11
901-1,000	16	10	–	–	6	1	1	1	–	13
Over 1,000	7,528	2,542	3,024	436	1,526	53	482	58	66	6,869
Total	**7,605**	**2,599**	**3,024**	**436**	**1,546**	**54**	**486**	**60**	**66**	**6,939**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life; or **A (Standard):** Standard option, 100% joint and survivor, with additional benefits to eligible children

**Joint and survivor options are available for post-retirement marriages.

Schedule of Benefit Recipients by Type of Benefit (cont.)

LEOFF Plan 2
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*			
		Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%**	3 50%**	4 66%**
$0-100	13	13	–	–	–	9	4	–	–
101-200	16	7	1	1	7	6	8	2	–
201-300	19	9	3	2	5	8	11	–	–
301-400	31	18	4	1	8	17	11	3	–
401-500	23	15	2	–	6	9	10	3	1
501-600	43	31	5	–	7	16	24	2	1
601-700	36	24	3	–	9	15	19	1	1
701-800	34	23	3	1	7	15	16	2	1
801-900	46	31	7	1	7	18	22	4	2
901-1,000	47	37	6	–	4	23	17	3	4
Over 1,000	2,927	2,530	237	40	120	1,282	939	391	315
Total	**3,235**	**2,738**	**271**	**46**	**180**	**1,418**	**1,081**	**411**	**325**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; or **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life

**Joint and survivor options are available for post-retirement marriages.

WSPRS Plan 1
For the 12 Months Ended June 30, 2014

Monthly Benefit Amount	Number of Retirees	Retirement Type				Option Selected*		
		Service	Duty Disability	Nonduty Disability	Survivor Payment	A	B	Life
$0-100	–	–	–	–	–	–	–	–
101-200	2	2	–	–	–	2	–	–
201-300	–	–	–	–	–	–	–	–
301-400	1	1	–	–	–	–	1	–
401-500	1	1	–	–	–	–	1	–
501-600	–	–	–	–	–	–	–	–
601-700	1	–	–	–	1	1	–	–
701-800	5	2	–	–	3	3	2	–
801-900	6	1	–	–	5	6	–	–
901-1,000	5	1	–	–	4	5	–	–
Over 1,000	975	839	–	–	136	459	506	10
Total	**996**	**847**	**–**	**–**	**149**	**476**	**510**	**10**

*__A:__ 100% joint and survivor, with initial pension equal to the lesser of 50% AFC and 100% member's accrued benefit; **B:** 100% joint and survivor, with initial pension being the actuarial equivalent of the single-life annuity — this option is available for post-retirement marriages; or **Life:** Single-life annuity, joint annuitant removed post-retirement

Schedule of Benefit Recipients by Type of Benefit (cont.)

JRS
For the 12 Months Ended June 30, 2014

		Retirement Type				Option Selected*				
Monthly Benefit Amount	Number of Retirees	Service	Duty Disability	Nonduty Disability	Survivor Payment	1 Life	2 100%**	3 50%**	4 66%**	A (Standard)
$0-100	–	–	–	–	–	–	–	–	–	–
101-200	–	–	–	–	–	–	–	–	–	–
201-300	–	–	–	–	–	–	–	–	–	–
301-400	–	–	–	–	–	–	–	–	–	–
401-500	–	–	–	–	–	–	–	–	–	–
501-600	–	–	–	–	–	–	–	–	–	–
601-700	–	–	–	–	–	–	–	–	–	–
701-800	–	–	–	–	–	–	–	–	–	–
801-900	–	–	–	–	–	–	–	–	–	–
901-1,000	–	–	–	–	–	–	–	–	–	–
Over 1,000	108	70	–	–	38	–	6	–	1	101
Total	**108**	**70**	**–**	**–**	**38**	**–**	**6**	**–**	**1**	**101**

*__1 (Life):__ Retiree's lifetime; **2 (100%):** Beneficiary receives same monthly benefit for life; **3 (50%):** Beneficiary receives half the monthly benefit for life; **4 (66%):** Beneficiary receives two-thirds the monthly benefit for life; or **A (Standard):** Standard option, 50% joint and survivor, for eligible spouses

**Joint and survivor options are available for post-retirement marriages.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees

PERS Plan 1

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 528.85	$ 1,112.60	$ 1,690.84	$ 2,097.07	$ 2,838.69	$ 3,414.25
Average Final Salary (Monthly)	$ 4,065.76	$ 3,942.11	$ 4,645.48	$ 4,592.51	$ 5,163.22	$ 5,511.91
Number of Active Retirees	163	98	127	173	165	377
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 517.46	$ 1,039.77	$ 1,830.73	$ 2,210.82	$ 2,944.52	$ 3,496.40
Average Final Salary (Monthly)	$ 4,096.87	$ 4,051.23	$ 4,622.29	$ 4,716.57	$ 5,296.58	$ 5,653.00
Number of Active Retirees	188	113	139	169	180	420
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 542.78	$ 1,027.23	$ 1,523.69	$ 2,158.86	$ 3,070.71	$ 3,387.70
Average Final Salary (Monthly)	$ 4,003.50	$ 3,927.11	$ 4,023.64	$ 4,625.35	$ 5,559.31	$ 5,635.18
Number of Active Retirees	160	145	125	187	198	474
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 437.37	$ 1,018.91	$ 1,636.44	$ 2,316.51	$ 3,120.62	$ 3,438.97
Average Final Salary (Monthly)	$ 3,781.19	$ 3,960.69	$ 4,554.22	$ 5,012.80	$ 5,735.43	$ 5,673.74
Number of Active Retirees	162	111	143	188	261	585
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 456.42	$ 1,100.41	$ 1,426.42	$ 2,003.96	$ 2,931.01	$ 3,388.27
Average Final Salary (Monthly)	$ 3,755.10	$ 4,211.26	$ 4,053.07	$ 4,439.81	$ 5,328.15	$ 5,679.56
Number of Active Retirees	158	126	169	215	228	596
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 496.59	$ 943.47	$ 1,430.86	$ 2,171.94	$ 2,965.90	$ 3,381.04
Average Final Salary (Monthly)	$ 3,983.17	$ 3,711.90	$ 4,081.31	$ 4,766.33	$ 5,372.21	$ 5,660.85
Number of Active Retirees	143	122	160	182	263	590
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 429.94	$ 909.29	$ 1,433.77	$ 1,964.39	$ 2,841.80	$ 3,106.71
Average Final Salary (Monthly)	$ 3,765.12	$ 3,592.11	$ 4,037.55	$ 4,346.86	$ 5,062.40	$ 5,346.47
Number of Active Retirees	153	123	169	200	459	653
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 440.05	$ 826.24	$ 1,377.09	$ 2,026.97	$ 2,968.26	$ 3,044.75
Average Final Salary (Monthly)	$ 3,734.14	$ 3,282.95	$ 3,951.49	$ 4,478.61	$ 5,257.35	$ 5,270.50
Number of Active Retirees	73	78	105	122	456	420
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 393.64	$ 855.83	$ 1,297.98	$ 1,792.25	$ 2,753.99	$ 2,916.86
Average Final Salary (Monthly)	$ 3,495.56	$ 3,576.91	$ 3,776.29	$ 4,016.80	$ 4,933.84	$ 5,003.15
Number of Active Retirees	150	104	171	173	770	587
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 409.58	$ 855.17	$ 1,203.75	$ 1,726.20	$ 2,692.95	$ 2,810.89
Average Final Salary (Monthly)	$ 3,688.81	$ 3,350.51	$ 3,557.55	$ 3,814.38	$ 4,836.00	$ 4,832.86
Number of Active Retirees	142	122	144	193	834	586

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

PERS Plan 2

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 506.78	$ 1,079.98	$ 1,589.12	$ 1,966.73	$ 2,823.53	$ 3,690.55
Average Final Salary (Monthly)	$ 3,952.36	$ 4,301.58	$ 4,735.08	$ 5,044.72	$ 5,602.89	$ 6,184.80
Number of Active Retirees	852	592	527	777	710	655
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 486.05	$ 1,082.39	$ 1,525.94	$ 1,947.79	$ 2,681.87	$ 3,529.08
Average Final Salary (Monthly)	$ 3,934.94	$ 4,373.18	$ 4,574.85	$ 4,996.22	$ 5,328.35	$ 5,938.56
Number of Active Retirees	823	653	544	724	546	492
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 480.30	$ 1,074.08	$ 1,491.74	$ 1,869.00	$ 2,561.98	$ 3,266.37
Average Final Salary (Monthly)	$ 3,701.65	$ 4,256.13	$ 4,532.75	$ $4,857.44	$ 5,227.28	$ 5,651.05
Number of Active Retirees	735	556	526	679	446	372
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 462.97	$ 957.39	$ 1,570.18	$ 1,779.72	$ 2,645.09	$ 3,149.46
Average Final Salary (Monthly)	$ 3,651.50	$ 3,916.39	$ 4,754.82	$ 4,662.49	$ 5,270.42	$ 5,560.87
Number of Active Retirees	606	420	478	545	523	305
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 476.80	$ 891.24	$ 1,407.69	$ 1,646.55	$ 2,529.93	$ 3,002.36
Average Final Salary (Monthly)	$ 3,592.08	$ 3,644.54	$ 4,246.31	$ 4,405.77	$ 5,011.27	$ 5,291.83
Number of Active Retirees	461	403	489	430	435	157
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 424.97	$ 952.70	$ 1,323.26	$ 1,620.48	$ 2,440.27	$ 2,885.16
Average Final Salary (Monthly)	$ 3,322.80	$ 3,831.80	$ 4,055.40	$ 4,246.60	$ 4,820.87	$ 5,267.21
Number of Active Retirees	510	331	408	414	409	73
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 428.50	$ 867.23	$ 1,264.67	$ 1,531.82	$ 2,071.13	$ 2,835.47
Average Final Salary (Monthly)	$ 3,337.39	$ 3,555.64	$ 3,875.64	$ 4,225.02	$ 4,490.65	$ 6,197.09
Number of Active Retirees	538	347	432	362	235	1
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 429.68	$ 817.10	$ 1,261.88	$ 1,561.89	$ 1,850.45	$ –
Average Final Salary (Monthly)	$ 3,251.50	$ 3,407.38	$ 3,902.20	$ 4,152.54	$ 4,176.21	$ –
Number of Active Retirees	303	225	239	223	131	–
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 381.31	$ 840.64	$ 1,153.19	$ 1,443.59	$ 1,861.25	$ –
Average Final Salary (Monthly)	$ 3,096.35	$ 3,495.45	$ 3,599.48	$ 4,014.82	$ 4,159.12	$ –
Number of Active Retirees	397	289	318	308	130	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 371.37	$ 815.79	$ 1,182.15	$ 1,441.42	$ 1,778.30	$ 2,157.26
Average Final Salary (Monthly)	$ 3,005.28	$ 3,321.68	$ 3,659.92	$ 3,939.40	$ 4,158.20	$ 5,347.53
Number of Active Retirees	352	346	317	262	81	1

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

PERS Plan 3

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 326.31	$ 506.34	$ 796.50	$ 1,123.54	$ 1,383.54	$ 1,690.94
Average Final Salary (Monthly)	$ 4,499.32	$ 4,640.98	$ 5,090.91	$ 5,678.77	$ 5,511.32	$ 5,758.12
Number of Active Retirees	93	65	69	97	90	78
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 349.56	$ 464.15	$ 732.71	$ 1,079.98	$ 1,456.36	$ 1,701.71
Average Final Salary (Monthly)	$ 4,695.89	$ 4,418.39	$ 4,744.94	$ 5,710.41	$ 5,865.60	$ 5,987.62
Number of Active Retirees	84	56	68	67	48	52
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 287.76	$ 435.93	$ 704.13	$ 940.02	$ 1,415.65	$ 1,796.37
Average Final Salary (Monthly)	$ 4,436.89	$ 4,220.74	$ 4,816.97	$ 5,293.55	$ 5,929.81	$ 6,378.63
Number of Active Retirees	58	60	61	70	61	37
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 241.09	$ 404.62	$ 682.89	$ 935.99	$ 1,393.48	$ 1,664.84
Average Final Salary (Monthly)	$ 4,045.67	$ 3,928.43	$ 4,681.79	$ 4,828.04	$ 5,589.99	$ 6,199.43
Number of Active Retirees	30	45	64	56	49	18
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 206.96	$ 372.48	$ 650.80	$ 898.92	$ 1,237.32	$ 1,399.82
Average Final Salary (Monthly)	$ 3,977.34	$ 3,840.32	$ 4,624.96	$ 4,778.36	$ 5,284.05	$ 5,238.95
Number of Active Retirees	14	41	50	40	30	17
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 203.00	$ 370.16	$ 590.03	$ 868.92	$ 1,140.46	$ 959.19
Average Final Salary (Monthly)	$ 3,144.81	$ 3,813.15	$ 4,340.40	$ 5,186.33	$ 5,312.97	$ 3,803.49
Number of Active Retirees	22	39	40	38	32	1
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 221.06	$ 345.57	$ 542.98	$ 800.74	$ 1,220.33	$ –
Average Final Salary (Monthly)	$ 3,288.42	$ 4,204.58	$ 4,249.64	$ 4,623.07	$ 5,530.27	$ –
Number of Active Retirees	23	32	44	22	15	–
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 248.25	$ 355.02	$ 492.07	$ 825.20	$ 1,066.43	$ –
Average Final Salary (Monthly)	$ 3,227.02	$ 4,094.89	$ 3,994.40	$ 4,749.23	$ 5,518.83	$ –
Number of Active Retirees	9	24	34	25	11	–
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 250.54	$ 330.93	$ 430.38	$ 781.75	$ 848.25	$ –
Average Final Salary (Monthly)	$ 4,241.98	$ 3,707.32	$ 4,000.23	$ 4,518.98	$ 4,933.97	$ –
Number of Active Retirees	12	34	51	21	10	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 285.06	$ 297.72	$ 483.21	$ 675.71	$ 1,070.36	$ –
Average Final Salary (Monthly)	$ 3,613.75	$ 3,779.45	$ 4,041.78	$ 4,262.63	$ 5,475.22	$ –
Number of Active Retirees	14	35	36	18	2	–

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

SERS Plan 2

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 268.86	$ 551.46	$ 859.70	$ 1,074.79	$ 1,574.79	$ 2,109.51
Average Final Salary (Monthly)	$ 2,311.08	$ 2,199.65	$ 2,605.06	$ 2,729.61	$ 3,057.53	$ 3,485.55
Number of Active Retirees	119	142	159	164	97	55
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 295.83	$ 547.42	$ 867.06	$ 984.72	$ 1,587.72	$ 2,455.16
Average Final Salary (Monthly)	$ 2,552.68	$ 2,277.65	$ 2,634.94	$ 2,549.87	$ 3,178.29	$ 4,042.17
Number of Active Retirees	109	137	132	151	97	43
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 277.30	$ 561.49	$ 773.26	$ 1,081.18	$ 1,519.44	$ 2,026.86
Average Final Salary (Monthly)	$ 2,044.49	$ 2,295.27	$ 2,292.04	$ 2,755.05	$ 3,061.83	$ 3,424.90
Number of Active Retirees	77	141	143	145	79	42
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 325.48	$ 534.80	$ 792.65	$ 980.32	$ 1,455.60	$ 2,150.54
Average Final Salary (Monthly)	$ 2,239.23	$ 2,126.03	$ 2,341.99	$ 2,488.89	$ 2,963.79	$ 3,471.57
Number of Active Retirees	83	105	135	95	75	22
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 329.64	$ 499.38	$ 697.76	$ 959.01	$ 1,466.33	$ 1,877.92
Average Final Salary (Monthly)	$ 2,325.81	$ 2,018.06	$ 2,147.60	$ 2,636.97	$ 2,910.30	$ 3,246.34
Number of Active Retirees	76	102	94	86	56	18
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 306.14	$ 490.36	$ 717.17	$ 982.85	$ 1,597.73	$ 2,427.76
Average Final Salary (Monthly)	$ 1,974.14	$ 2,020.86	$ 2,133.43	$ 2,542.47	$ 3,044.62	$ 3,936.89
Number of Active Retirees	97	91	86	89	47	1
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 264.20	$ 507.62	$ 746.45	$ 894.39	$ 1,357.45	$ –
Average Final Salary (Monthly)	$ 1,758.78	$ 2,124.83	$ 2,279.37	$ 2,301.53	$ 2,921.83	$ –
Number of Active Retirees	93	86	98	99	39	–
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 235.84	$ 463.48	$ 688.93	$ 1,068.36	$ 1,199.69	$ –
Average Final Salary (Monthly)	$ 1,673.42	$ 1,807.94	$ 2,101.47	$ 2,811.31	$ 2,836.34	$ –
Number of Active Retirees	43	52	43	43	18	–
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 227.30	$ 481.10	$ 700.31	$ 807.10	$ 1,220.00	$ –
Average Final Salary (Monthly)	$ 1,624.78	$ 1,907.18	$ 2,240.95	$ 2,255.18	$ 3,008.47	$ –
Number of Active Retirees	84	84	93	81	32	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 231.01	$ 446.11	$ 677.70	$ 808.30	$ 1,134.52	$ –
Average Final Salary (Monthly)	$ 1,747.89	$ 1,799.64	$ 2,082.32	$ 2,173.51	$ 2,455.74	$ –
Number of Active Retirees	62	67	58	91	23	–

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

SERS Plan 3

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 195.52	$ 292.50	$ 434.43	$ 565.35	$ 758.22	$ 1,115.16
Average Final Salary (Monthly)	$ 2,650.92	$ 2,682.89	$ 2,755.34	$ 2,798.40	$ 3,080.10	$ 3,628.01
Number of Active Retirees	126	161	143	200	122	71
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 177.27	$ 265.79	$ 355.84	$ 568.30	$ 814.29	$ 1,043.69
Average Final Salary (Monthly)	$ 2,488.97	$ 2,326.54	$ 2,309.34	$ 2,813.97	$ 3,255.70	$ 3,449.99
Number of Active Retirees	132	138	162	184	106	48
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 162.22	$ 264.03	$ 350.01	$ 557.10	$ 748.97	$ 946.98
Average Final Salary (Monthly)	$ 2,333.34	$ 2,426.20	$ 2,244.00	$ 2,853.50	$ 2,945.74	$ 3,105.56
Number of Active Retirees	107	81	150	160	78	31
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 199.62	$ 265.46	$ 347.98	$ 527.52	$ 801.12	$ 970.47
Average Final Salary (Monthly)	$ 2,644.80	$ 2,303.44	$ 2,351.06	$ 2,730.05	$ 3,289.12	$ 3,223.70
Number of Active Retirees	76	81	133	131	86	28
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 179.29	$ 250.79	$ 345.57	$ 504.72	$ 737.83	$ 1,141.89
Average Final Salary (Monthly)	$ 2,441.66	$ 2,254.72	$ 2,330.69	$ 2,659.54	$ 2,888.18	$ 4,035.92
Number of Active Retirees	41	46	77	92	39	5
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 142.97	$ 253.20	$ 325.52	$ 458.37	$ 660.37	$ 851.43
Average Final Salary (Monthly)	$ 2,070.97	$ 2,338.58	$ 2,190.72	$ 2,412.90	$ 2,879.59	$ 2,972.85
Number of Active Retirees	43	50	106	88	47	3
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 179.78	$ 222.28	$ 309.46	$ 448.52	$ 688.02	$ –
Average Final Salary (Monthly)	$ 2,549.16	$ 2,011.46	$ 2,321.32	$ 2,566.71	$ 3,084.89	$ –
Number of Active Retirees	25	62	100	80	35	–
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 120.59	$ 215.61	$ 327.88	$ 370.12	$ 803.06	$ –
Average Final Salary (Monthly)	$ 2,141.06	$ 2,086.67	$ 2,413.29	$ 2,203.55	$ 3,744.44	$ –
Number of Active Retirees	12	37	56	42	15	–
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 158.83	$ 209.91	$ 294.67	$ 345.13	$ 533.98	$ –
Average Final Salary (Monthly)	$ 2,050.86	$ 2,042.36	$ 2,119.57	$ 2,091.65	$ 2,833.81	$ –
Number of Active Retirees	18	56	74	57	16	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 170.25	$ 223.05	$ 255.66	$ 372.45	$ 411.51	$ –
Average Final Salary (Monthly)	$ 2,422.04	$ 2,030.62	$ 1,944.44	$ 2,217.29	$ 2,113.99	$ –
Number of Active Retirees	11	52	88	46	10	–

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

PSERS Plan 2*

	Years of Credited Service					
Retirement Effective Dates**	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 666.76	$ –	$ –	$ –	$ –	$ –
Average Final Salary (Monthly)	$ 5,168.06	$ –	$ –	$ –	$ –	$ –
Number of Active Retirees	15	–	–	–	–	–
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 510.68	$ –	$ –	$ –	$ –	$ –
Average Final Salary (Monthly)	$ 5,261.25	$ –	$ –	$ –	$ –	$ –
Number of Active Retirees	16	–	–	–	–	–
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 339.82	$ –	$ –	$ –	$ –	$ –
Average Final Salary (Monthly)	$ 4,376.32	$ –	$ –	$ –	$ –	$ –
Number of Active Retirees	9	–	–	–	–	–
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 324.12	$ –	$ –	$ –	$ –	$ –
Average Final Salary (Monthly)	$ 4,822.01	$ –	$ –	$ –	$ –	$ –
Number of Active Retirees	6	–	–	–	–	–
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 271.60	$ –	$ –	$ –	$ –	$ –
Average Final Salary (Monthly)	$ 5,230.39	$ –	$ –	$ –	$ –	$ –
Number of Active Retirees	3	–	–	–	–	–

*PSERS Plan 2 became effective July 1, 2006.

**Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

TRS Plan 1

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 509.01	$ 1,156.89	$ 1,984.68	$ 2,661.17	$ 3,231.48	$ 3,794.79
Average Final Salary (Monthly)	$ 3,485.83	$ 4,498.77	$ 5,693.54	$ 6,148.49	$ 6,303.26	$ 6,705.36
Number of Active Retirees	38	36	37	89	125	317
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 470.00	$ 1,123.24	$ 1,894.30	$ 2,644.85	$ 3,539.29	$ 3,775.79
Average Final Salary (Monthly)	$ 3,065.75	$ 4,277.86	$ 5,538.86	$ 6,107.19	$ 6,783.63	$ 6,667.23
Number of Active Retirees	59	51	61	94	102	350
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 536.53	$ 1,127.71	$ 1,649.43	$ 2,643.64	$ 3,191.03	$ 3,629.98
Average Final Salary (Monthly)	$ 3,395.33	$ 4,447.26	$ 5,174.59	$ 5,944.53	$ 6,243.29	$ 6,622.17
Number of Active Retirees	60	50	69	122	134	406
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 438.41	$ 977.55	$ 1,754.50	$ 2,556.44	$ 3,356.41	$ 3,665.13
Average Final Salary (Monthly)	$ 2,703.33	$ 3,893.89	$ 5,064.15	$ 5,972.05	$ 6,503.81	$ 6,557.94
Number of Active Retirees	63	63	82	143	165	475
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 438.54	$ 989.00	$ 1,631.06	$ 2,361.44	$ 3,124.49	$ 3,493.23
Average Final Salary (Monthly)	$ 3,228.12	$ 3,923.42	$ 4,939.54	$ 5,582.54	$ 6,092.38	$ 6,401.14
Number of Active Retirees	74	56	72	128	132	330
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 453.06	$ 1,006.59	$ 1,618.97	$ 2,354.28	$ 2,904.77	$ 3,314.77
Average Final Salary (Monthly)	$ 3,243.52	$ 4,073.33	$ 5,030.12	$ 5,709.31	$ 5,870.41	$ 6,261.55
Number of Active Retirees	66	69	90	164	176	443
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 418.90	$ 1,013.91	$ 1,591.61	$ 2,227.52	$ 2,928.20	$ 2,893.41
Average Final Salary (Monthly)	$ 2,808.31	$ 4,134.13	$ 4,821.23	$ 5,317.30	$ 5,904.30	$ 5,809.84
Number of Active Retirees	66	57	114	192	408	531
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 348.74	$ 839.10	$ 1,321.85	$ 1,820.11	$ 2,848.13	$ 2,588.78
Average Final Salary (Monthly)	$ 2,641.07	$ 3,364.49	$ 4,122.54	$ 4,444.75	$ 5,736.18	$ 5,917.60
Number of Active Retirees	39	35	45	40	55	24
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 367.34	$ 1,011.54	$ 1,519.99	$ 2,017.00	$ 2,817.52	$ 2,880.89
Average Final Salary (Monthly)	$ 2,936.42	$ 4,174.56	$ 4,765.76	$ 5,018.16	$ 5,632.88	$ 5,640.67
Number of Active Retirees	61	58	100	157	486	465
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 389.23	$ 870.30	$ 1,416.79	$ 2,105.47	$ 2,726.57	$ 2,727.08
Average Final Salary (Monthly)	$ 3,167.27	$ 3,608.64	$ 4,393.83	$ 4,973.52	$ 5,501.61	$ 5,466.36
Number of Active Retirees	62	72	117	153	551	484

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

TRS Plan 2

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 484.37	$ 1,142.52	$ 1,850.92	$ 2,509.87	$ 3,200.19	$ 3,986.80
Average Final Salary (Monthly)	$ 3,682.29	$ 4,621.38	$ 5,436.82	$ 6,290.13	$ 6,282.34	$ 6,753.01
Number of Active Retirees	88	50	88	126	65	53
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 483.41	$ 1,029.99	$ 1,904.03	$ 2,302.44	$ 2,928.52	$ 3,588.57
Average Final Salary (Monthly)	$ 3,666.26	$ 4,265.74	$ 5,590.87	$ 5,843.14	$ 5,920.89	$ 6,298.04
Number of Active Retirees	53	40	129	97	53	37
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 469.38	$ 1,098.85	$ 1,815.96	$ 2,256.40	$ 2,970.89	$ 3,762.08
Average Final Salary (Monthly)	$ 3,553.53	$ 4,411.40	$ 5,558.73	$ 5,771.40	$ 6,059.92	$ 6,219.80
Number of Active Retirees	79	54	98	97	48	33
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 417.71	$ 1,147.78	$ 1,783.60	$ 2,052.93	$ 3,094.93	$ 3,559.00
Average Final Salary (Monthly)	$ 3,507.78	$ 4,578.42	$ 5,406.28	$ 5,582.93	$ 6,034.27	$ 6,283.35
Number of Active Retirees	59	66	92	54	52	19
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 511.71	$ 1,228.38	$ 1,902.99	$ 2,012.05	$ 3,025.53	$ 3,167.60
Average Final Salary (Monthly)	$ 3,830.95	$ 4,964.28	$ 5,759.54	$ 5,413.19	$ 5,762.55	$ 5,520.72
Number of Active Retirees	42	47	47	42	41	13
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 520.28	$ 1,146.03	$ 1,602.18	$ 2,141.67	$ 2,938.41	$ 3,665.93
Average Final Salary (Monthly)	$ 3,516.21	$ 4,585.47	$ 5,136.98	$ 5,467.87	$ 5,809.95	$ 6,295.83
Number of Active Retirees	35	44	62	46	43	2
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 537.82	$ 1,086.65	$ 1,606.56	$ 1,966.69	$ 2,706.92	$ –
Average Final Salary (Monthly)	$ 3,638.09	$ 4,523.98	$ 5,073.16	$ 5,226.25	$ 5,376.41	$ –
Number of Active Retirees	37	52	67	42	20	–
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 375.95	$ 970.16	$ 1,585.44	$ 1,911.48	$ 2,622.91	$ –
Average Final Salary (Monthly)	$ 3,634.96	$ 4,054.58	$ 4,891.30	$ 5,337.42	$ 5,601.05	$ –
Number of Active Retirees	24	28	20	16	5	–
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 515.76	$ 1,042.26	$ 1,516.39	$ 1,875.65	$ 2,282.00	$ –
Average Final Salary (Monthly)	$ 3,562.09	$ 4,270.10	$ 4,672.24	$ 4,924.09	$ 4,870.42	$ –
Number of Active Retirees	47	49	48	53	18	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 512.93	$ 1,041.49	$ 1,465.30	$ 1,971.26	$ 2,102.62	$ –
Average Final Salary (Monthly)	$ 3,572.31	$ 4,406.34	$ 4,563.44	$ 5,059.40	$ 4,870.05	$ –
Number of Active Retirees	51	49	57	47	15	–

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

TRS Plan 3

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 354.31	$ 628.17	$ 946.36	$ 1,274.12	$ 1,661.82	$ 1,944.26
Average Final Salary (Monthly)	$ 4,564.18	$ 5,273.10	$ 5,799.82	$ 6,236.91	$ 6,569.09	$ 6,484.91
Number of Active Retirees	130	198	208	231	193	269
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 345.92	$ 593.34	$ 961.44	$ 1,242.35	$ 1,572.79	$ 1,909.04
Average Final Salary (Monthly)	$ 4,553.37	$ 5,264.59	$ 5,891.15	$ 6,152.65	$ 6,282.97	$ 6,453.23
Number of Active Retirees	150	179	165	227	167	140
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 331.43	$ 570.43	$ 863.21	$ 1,139.55	$ 1,610.39	$ 1,737.76
Average Final Salary (Monthly)	$ 4,727.90	$ 5,068.13	$ 5,473.33	$ 5,966.01	$ 6,235.28	$ 6,143.64
Number of Active Retirees	108	164	151	184	131	105
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 336.03	$ 545.30	$ 831.33	$ 1,125.89	$ 1,568.81	$ 1,686.38
Average Final Salary (Monthly)	$ 4,553.15	$ 4,830.15	$ 5,435.01	$ 5,780.35	$ 6,160.69	$ 6,065.22
Number of Active Retirees	106	113	122	136	120	68
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 319.39	$ 545.45	$ 786.31	$ 1,078.33	$ 1,453.56	$ 1,699.32
Average Final Salary (Monthly)	$ 4,468.37	$ 4,766.92	$ 5,254.99	$ 5,634.96	$ 5,839.55	$ 5,992.94
Number of Active Retirees	79	73	91	75	79	22
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 303.61	$ 547.01	$ 796.81	$ 993.91	$ 1,500.99	$ 1,419.21
Average Final Salary (Monthly)	$ 4,534.11	$ 5,211.68	$ 5,389.18	$ 5,394.30	$ 5,833.52	$ 5,397.36
Number of Active Retirees	76	53	84	77	83	5
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 267.19	$ 514.88	$ 753.87	$ 923.79	$ 1,207.54	$ –
Average Final Salary (Monthly)	$ 3,949.74	$ 4,680.85	$ 5,313.06	$ 5,444.54	$ 5,366.59	$ –
Number of Active Retirees	62	60	89	78	48	–
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 254.63	$ 452.49	$ 712.80	$ 1,061.00	$ 1,243.51	$ –
Average Final Salary (Monthly)	$ 4,146.59	$ 4,575.87	$ 4,909.18	$ 5,447.02	$ 5,750.52	$ –
Number of Active Retirees	19	22	24	22	4	–
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 297.95	$ 448.22	$ 666.82	$ 869.07	$ 1,101.94	$ –
Average Final Salary (Monthly)	$ 4,392.04	$ 4,659.35	$ 4,950.00	$ 5,187.16	$ 5,239.94	$ –
Number of Active Retirees	32	45	73	41	20	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 234.33	$ 447.08	$ 690.49	$ 959.64	$ 985.06	$ –
Average Final Salary (Monthly)	$ 3,873.88	$ 4,905.43	$ 4,783.98	$ 5,249.36	$ 4,894.49	$ –
Number of Active Retirees	31	42	31	44	5	–

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

LEOFF Plan 1

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ 3,690.28	$ 7,788.21
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ 6,219.60	$ 9,665.96
Number of Active Retirees	–	–	–	–	1	23
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ –	$ 7,105.97
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ –	$ 9,171.69
Number of Active Retirees	–	–	–	–	–	42
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ –	$ 6,776.58
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ –	$ 8,906.14
Number of Active Retirees	–	–	–	–	–	63
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ –	$ 2,608.42	$ –	$ –	$ 3,770.38	$ 6,799.27
Average Final Salary (Monthly)	$ –	$ 12,347.54	$ –	$ –	$ 6,693.02	$ 9,117.73
Number of Active Retirees	–	1	–	–	1	49
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ 5,846.14	$ 6,727.58
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ 9,964.96	$ 9,156.08
Number of Active Retirees	–	–	–	–	1	56
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ 8,876.88	$ 5,773.59
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ 13,656.74	$ 8,293.04
Number of Active Retirees	–	–	–	–	1	67
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ –	$ 737.71	$ –	$ 4,083.42	$ 3,717.62	$ 5,275.22
Average Final Salary (Monthly)	$ –	$ 2,147.00	$ –	$ 8,695.24	$ 6,687.05	$ 7,715.25
Number of Active Retirees	–	1	–	2	9	85
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ –	$ 1,086.32	$ –	$ –	$ 3,785.27	$ 5,086.57
Average Final Salary (Monthly)	$ –	$ 5,203.92	$ –	$ –	$ 6,727.37	$ 7,548.05
Number of Active Retirees	–	1	–	–	20	63
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 3,627.67	$ –	$ –	$ 3,307.40	$ 3,999.96	$ 4,870.88
Average Final Salary (Monthly)	$ 6,595.75	$ –	$ –	$ 6,549.30	$ 7,140.56	$ 7,484.82
Number of Active Retirees	1	–	–	1	47	80
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ –	$ 770.99	$ 3,204.91	$ 2,402.75	$ 3,702.10	$ 4,478.06
Average Final Salary (Monthly)	$ –	$ 2,796.81	$ 6,409.82	$ 5,085.81	$ 6,565.39	$ 6,917.86
Number of Active Retirees	–	1	1	2	45	76

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

LEOFF Plan 2

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ 803.11	$ 1,600.48	$ 2,477.29	$ 3,531.18	$ 4,758.98	$ 5,607.91
Average Final Salary (Monthly)	$ 6,199.64	$ 6,603.23	$ 7,405.91	$ 7,967.27	$ 8,837.62	$ 9,087.48
Number of Active Retirees	27	18	30	107	100	149
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ 751.29	$ 1,612.33	$ 2,510.38	$ 3,404.26	$ 4,547.01	$ 5,529.49
Average Final Salary (Monthly)	$ 5,948.81	$ 6,336.73	$ 7,145.42	$ 7,691.69	$ 8,400.58	$ 9,100.80
Number of Active Retirees	27	25	32	63	123	132
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 918.50	$ 1,913.13	$ 2,270.71	$ 3,261.72	$ 4,377.04	$ 5,398.33
Average Final Salary (Monthly)	$ 5,730.21	$ 7,272.37	$ 6,685.73	$ 7,510.37	$ 8,172.98	$ 8,963.58
Number of Active Retirees	21	17	30	61	82	112
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ 786.80	$ 1,346.38	$ 2,628.43	$ 3,229.83	$ 4,442.23	$ 5,010.17
Average Final Salary (Monthly)	$ 6,436.60	$ 5,505.96	$ 7,191.87	$ 7,200.29	$ 8,131.03	$ 8,349.92
Number of Active Retirees	21	17	31	71	104	73
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ 802.80	$ 1,430.37	$ 2,176.26	$ 2,935.73	$ 4,107.79	$ 4,329.19
Average Final Salary (Monthly)	$ 5,885.87	$ 5,662.91	$ 6,203.07	$ 6,911.64	$ 7,594.47	$ 7,264.63
Number of Active Retirees	24	17	21	43	99	33
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ 826.57	$ 1,481.13	$ 2,064.59	$ 2,981.51	$ 3,846.34	$ 4,459.60
Average Final Salary (Monthly)	$ 6,372.71	$ 5,884.19	$ 5,940.37	$ 6,704.73	$ 7,298.28	$ 7,742.83
Number of Active Retirees	15	17	29	42	83	13
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 782.60	$ 1,146.25	$ 2,063.68	$ 2,806.54	$ 3,455.45	$ –
Average Final Salary (Monthly)	$ 5,913.15	$ 5,141.47	$ 6,100.96	$ 6,573.92	$ 6,853.86	$ –
Number of Active Retirees	16	18	26	47	81	–
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ 730.74	$ 1,419.11	$ 2,036.97	$ 2,944.90	$ 3,301.90	$ 3,326.98
Average Final Salary (Monthly)	$ 5,214.92	$ 5,723.21	$ 6,063.32	$ 6,574.48	$ 6,490.35	$ 6,032.87
Number of Active Retirees	10	15	24	37	37	1
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ 603.71	$ 1,133.58	$ 1,965.38	$ 2,733.20	$ 3,186.75	$ –
Average Final Salary (Monthly)	$ 4,482.80	$ 4,740.11	$ 5,532.82	$ 6,249.84	$ 6,319.38	$ –
Number of Active Retirees	16	19	24	65	41	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ 691.80	$ 1,256.62	$ 1,922.51	$ 2,575.48	$ 2,965.91	$ –
Average Final Salary (Monthly)	$ 4,885.48	$ 5,170.23	$ 5,657.35	$ 5,805.46	$ 6,128.98	$ –
Number of Active Retirees	15	12	18	45	30	–

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

WSPRS Plan 1

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ –	$ 2,075.14	$ 2,290.15	$ 3,490.49	$ 4,335.50	$ 4,441.61
Average Final Salary (Monthly)	$ –	$ 5,791.02	$ 4,655.27	$ 7,110.57	$ 7,755.76	$ 7,017.09
Number of Active Retirees	–	1	1	14	20	4
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ –	$ 1,946.46	$ 3,228.52	$ 3,916.57	$ 4,033.93	$ 5,808.61
Average Final Salary (Monthly)	$ –	$ 7,447.17	$ 9,971.82	$ 8,046.79	$ 7,561.30	$ 8,363.83
Number of Active Retirees	–	2	2	12	30	9
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ 332.19	$ 1,371.65	$ 1,641.71	$ 4,047.82	$ 4,524.91	$ 3,944.59
Average Final Salary (Monthly)	$ 4,280.74	$ 5,911.76	$ 5,475.29	$ 7,926.38	$ 8,487.26	$ 6,294.76
Number of Active Retirees	1	2	2	19	20	3
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ –	$ –	$ 1,300.91	$ 3,981.43	$ 4,307.44	$ 3,807.43
Average Final Salary (Monthly)	$ –	$ –	$ 5,279.73	$ 7,767.77	$ 7,696.70	$ 6,534.53
Number of Active Retirees	–	–	1	14	20	1
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ –	$ –	$ –	$ 3,603.10	$ 5,653.44	$ 5,437.71
Average Final Salary (Monthly)	$ –	$ –	$ –	$ 7,241.18	$ 9,302.30	$ 8,000.30
Number of Active Retirees	–	–	–	9	10	3
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ –	$ –	$ –	$ 3,205.87	$ 3,984.48	$ 5,748.34
Average Final Salary (Monthly)	$ –	$ –	$ –	$ 6,495.52	$ 7,139.94	$ 8,014.31
Number of Active Retirees	–	–	–	2	7	3
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ 395.27	$ –	$ –	$ 3,166.53	$ 4,129.05	$ 4,313.40
Average Final Salary (Monthly)	$ 5,784.65	$ –	$ –	$ 6,685.85	$ 7,573.82	$ 6,621.25
Number of Active Retirees	1	–	–	5	6	6
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ –	$ 1,385.52	$ 2,000.54	$ –	$ 3,887.12	$ 4,422.67
Average Final Salary (Monthly)	$ –	$ 5,980.57	$ 5,755.62	$ –	$ 7,254.30	$ 6,698.61
Number of Active Retirees	–	1	1	–	5	6
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ 3,488.08	$ 3,996.14
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ 6,559.78	$ 6,112.68
Number of Active Retirees	–	–	–	–	15	7
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ –	$ –	$ –	$ 3,235.65	$ 3,459.02	$ 3,777.55
Average Final Salary (Monthly)	$ –	$ –	$ –	$ 6,646.16	$ 6,515.54	$ 5,821.81
Number of Active Retirees	–	–	–	11	17	9

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Average Benefit Payments to Service Retirees (cont.)

JRS

	Years of Credited Service					
Retirement Effective Dates*	**5-10**	**11-15**	**16-20**	**21-25**	**26-30**	**31+**
Period 7/1/13 to 6/30/14						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ –	$ –
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ –	$ –
Number of Active Retirees	–	–	–	–	–	–
Period 7/1/12 to 6/30/13						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ 9,302.01	$ –
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ 12,402.68	$ –
Number of Active Retirees	–	–	–	–	2	–
Period 7/1/11 to 6/30/12						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ –	$ 10,263.81
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ –	$ 13,685.08
Number of Active Retirees	–	–	–	–	–	1
Period 7/1/10 to 6/30/11						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ 7,376.49	$ 9,302.01
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ 12,402.68	$ 12,402.68
Number of Active Retirees	–	–	–	–	1	1
Period 7/1/09 to 6/30/10						
Average Monthly Benefit	$ –	$ –	$ –	$ 7,904.34	$ 8,292.69	$ 9,770.51
Average Final Salary (Monthly)	$ –	$ –	$ –	$ 13,027.34	$ 12,402.60	$ 13,027.34
Number of Active Retirees	–	–	–	1	2	1
Period 7/1/08 to 6/30/09						
Average Monthly Benefit	$ –	$ –	$ 5,286.59	$ 9,301.95	$ –	$ –
Average Final Salary (Monthly)	$ –	$ –	$ 10,367.60	$ 12,402.60	$ –	$ –
Number of Active Retirees	–	–	1	1	–	–
Period 7/1/07 to 6/30/08						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ –	$ 9,255.00
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ –	$ 12,340.00
Number of Active Retirees	–	–	–	–	–	1
Period 10/1/06 to 6/30/07						
Average Monthly Benefit	$ –	$ –	$ –	$ –	$ –	$ –
Average Final Salary (Monthly)	$ –	$ –	$ –	$ –	$ –	$ –
Number of Active Retirees	–	–	–	–	–	–
Period 10/1/05 to 9/30/06						
Average Monthly Benefit	$ –	$ –	$ 6,242.30	$ –	$ 8,412.38	$ –
Average Final Salary (Monthly)	$ –	$ –	$ 9,987.16	$ –	$ 11,216.50	$ –
Number of Active Retirees	–	–	2	–	1	–
Period 10/1/04 to 9/30/05						
Average Monthly Benefit	$ –	$ –	$ 6,599.62	$ 7,561.62	$ –	$ –
Average Final Salary (Monthly)	$ –	$ –	$ 9,920.07	$ 10,724.95	$ –	$ –
Number of Active Retirees	–	–	3	3	–	–

*Average monthly benefit and average final salary (monthly) figures include members at retirement who might not be audited. Retirees with missing or invalid data elements were excluded.

Source: Office of the State Actuary

Schedule of Benefit Expenses and Refunds by Type

PERS Plan 1
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 1,104,025	$ 1,095,467	$ 1,088,705	$ 1,082,344	$ 1,059,536	$ 1,024,555	$ 987,383	$ 947,353	$ 901,730	$ 854,882
Disability	12,222	13,240	13,496	13,810	14,431	14,718	14,871	15,121	14,950	15,171
Survivor	82,718	80,789	79,180	77,529	75,555	72,113	68,675	65,460	62,315	59,370
Refunds										
Separations	3,171	3,373	3,365	3,667	2,930	3,997	3,612	4,011	4,194	4,796
Death	858	846	633	887	540	949	1,459	1,562	2,021	1,757
Total	**$ 1,202,994**	**$ 1,193,715**	**$ 1,185,379**	**$ 1,178,237**	**$ 1,152,992**	**$ 1,116,332**	**$ 1,076,000**	**$ 1,033,507**	**$ 985,210**	**$ 935,976**

PERS Plan 2/3
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 626,959	$ 531,509	$ 430,352	$ 350,550	$ 287,560	$ 230,776	$ 188,971	$ 154,388	$ 129,890	$ 109,007
Disability	13,217	12,417	11,695	10,901	10,140	9,795	9,014	8,294	7,669	6,871
Survivor	25,232	21,734	18,028	15,548	13,243	11,194	9,334	7,635	6,243	5,218
Refunds										
Separations	28,494	28,119	28,286	30,148	27,956	25,005	22,798	24,498	21,866	22,378
Death	7,004	7,083	7,393	5,568	5,730	6,420	3,644	2,076	4,599	4,098
Total	**$ 700,906**	**$ 600,862**	**$ 495,754**	**$ 412,715**	**$ 344,629**	**$ 283,190**	**$ 233,761**	**$ 196,891**	**$ 170,267**	**$ 147,572**

Schedule of Benefit Expenses and Refunds by Type (cont.)

PERS Plan 3
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ –	$ –	$ 697	$ 322	$ 164	$ 80	$ 51	$ 23	$ –	$ –
Disability	–	–	–	–	–	–	–	–	–	–
Survivor	–	–	–	–	–	–	–	–	–	–
Refunds										
Separations	92,086	81,924	68,671	66,095	56,974	40,215	38,856	35,702	33,724	34,854
Death	–	–	–	150	2,169	1,508	1,346	2,589	1,530	685
Total	**$ 92,086**	**$ 81,924**	**$ 69,368**	**$ 66,567**	**$ 59,307**	**$ 41,803**	**$ 40,253**	**$ 38,314**	**$ 35,254**	**$ 35,539**

SERS Plan 2/3
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 91,986	$ 77,320	$ 63,134	$ 50,597	$ 40,753	$ 32,202	$ 26,468	$ 20,944	$ 16,230	$ 12,352
Disability	1,549	1,553	1,457	1,387	1,198	1,068	1,037	928	781	736
Survivor	2,649	2,343	1,835	1,646	1,387	1,179	802	755	630	412
Refunds										
Separations	2,084	2,076	1,984	1,947	1,916	1,779	1,693	1,752	2,148	1,970
Death	807	656	671	569	576	346	432	293	368	507
Total	**$ 99,075**	**$ 83,948**	**$ 69,081**	**$ 56,146**	**$ 45,830**	**$ 36,574**	**$ 30,432**	**$ 24,672**	**$ 20,157**	**$ 15,977**

Schedule of Benefit Expenses and Refunds by Type (cont.)

SERS Plan 3
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ –	$ –	$ 464	$ 302	$ 182	$ 91	$ 62	$ 8	$ –	$ –
Disability	–	–	–	–	–	–	–	–	–	–
Survivor	–	–	–	–	–	–	–	–	–	–
Refunds										
Separations	86,293	73,826	65,643	60,929	51,431	31,383	40,501	39,438	30,539	24,104
Death	–	–	–	–	1,811	2,533	1,540	377	1,538	842
Total	**$ 86,293**	**$ 73,826**	**$ 66,107**	**$ 61,231**	**$ 53,424**	**$ 34,007**	**$ 42,103**	**$ 39,823**	**$ 32,077**	**$ 24,946**

PSERS Plan 2*
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 411	$ 237	$ 129	$ 63	$ 30	$ 14	$ 1	$ –	$ –	$ –
Disability	12	12	17	5	4	3	4	–	–	–
Survivor	21	7	2	2	1	–	–	–	–	–
Refunds										
Separations	2,520	2,107	2,142	1,868	1,747	895	450	151	22	–
Death	92	87	44	53	33	33	16	1	1	–
Total	**$ 3,056**	**$ 2,450**	**$ 2,334**	**$ 1,991**	**$ 1,815**	**$ 945**	**$ 471**	**$ 152**	**$ 23**	**$ –**

*PSERS Plan 2 became effective July 1, 2006.

Schedule of Benefit Expenses and Refunds by Type (cont.)

TRS Plan 1
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006*
Benefit Expenses										
Service	$ 870,547	$ 871,366	$ 860,631	$ 860,848	$ 847,353	$ 809,214	$ 801,974	$ 798,668	$ 757,896	$ 720,921
Disability	10,013	10,074	10,606	10,618	11,111	10,905	11,068	11,186	11,301	11,379
Survivor	46,455	44,535	43,372	42,398	41,355	39,131	37,220	35,132	33,147	31,313
Refunds										
Separations	915	1,348	1,512	1,120	1,389	574	930	827	841	714
Death	640	914	478	432	431	930	330	173	1,037	328
Total	**$ 928,570**	**$ 928,237**	**$ 916,599**	**$ 915,416**	**$ 901,639**	**$ 860,754**	**$ 851,522**	**$ 845,986**	**$ 804,222**	**$ 764,655**

*June 30, 2006: The service amount was adjusted to include $49,165 in annuity payments.

TRS Plan 2/3
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 177,689	$ 144,464	$ 112,521	$ 87,707	$ 68,782	$ 52,921	$ 42,587	$ 33,984	$ 26,770	$ 20,716
Disability	1,176	1,126	1,117	1,071	1,118	921	838	882	732	796
Survivor	4,347	3,932	3,024	2,622	2,238	1,812	1,370	1,150	1,032	839
Refunds										
Separations	2,401	1,460	2,115	1,652	1,584	2,092	1,423	1,712	2,284	2,023
Death	439	528	799	517	697	776	766	478	442	376
Total	**$ 186,052**	**$ 151,510**	**$ 119,576**	**$ 93,569**	**$ 74,419**	**$ 58,522**	**$ 46,984**	**$ 38,206**	**$ 31,260**	**$ 24,750**

Schedule of Benefit Expenses and Refunds by Type (cont.)

TRS Plan 3

For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ –	$ –	$ 1,569	$ 1,149	$ 542	$ 257	$ 128	$ 45	$ 18	$ –
Disability	–	–	–	–	–	–	–	–	–	–
Survivor	–	–	–	–	–	–	–	–	–	–
Refunds										
Separations	269,378	235,635	176,052	150,404	110,425	67,158	74,586	82,756	59,658	40,397
Death	–	–	–	–	5,146	4,507	1,580	2,020	3,152	1,511
Total	**$ 269,378**	**$ 235,635**	**$ 177,621**	**$ 151,553**	**$ 116,113**	**$ 71,922**	**$ 76,294**	**$ 84,821**	**$ 62,828**	**$ 41,908**

LEOFF Plan 1

For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 147,957	$ 146,285	$ 143,906	$ 138,884	$ 134,321	$ 132,450	$ 126,562	$ 119,464	$ 112,073	$ 105,527
Disability	143,951	145,666	146,643	146,207	147,653	150,521	148,846	145,795	143,468	140,552
Survivor	66,503	63,789	61,247	58,347	56,801	55,260	51,625	48,271	44,911	42,130
Refunds										
Separations	330	248	14	4	48	11	43	–	1	3
Death	4	–	–	431	–	3	150	150	10	–
Total	**$ 358,745**	**$ 355,988**	**$ 351,810**	**$ 343,873**	**$ 338,823**	**$ 338,245**	**$ 327,226**	**$ 313,680**	**$ 300,463**	**$ 288,212**

Schedule of Benefit Expenses and Refunds by Type (cont.)

LEOFF Plan 2

For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 134,364	$ 110,170	$ 87,232	$ 67,331	$ 52,547	$ 39,100	$ 30,694	$ 23,096	$ 16,889	$ 11,801
Disability	12,340	10,599	9,693	7,318	6,710	5,356	4,632	3,480	3,204	2,139
Survivor	4,782	4,152	3,607	3,504	2,619	1,702	1,289	929	720	493
Refunds										
Separations	6,798	7,730	8,117	9,774	7,155	6,739	6,112	6,350	7,557	6,238
Death	1,743	1,298	560	1,440	1,026	4,208	1,111	1,289	438	877
Total	**$ 160,027**	**$ 133,949**	**$ 109,209**	**$ 89,367**	**$ 70,057**	**$ 57,105**	**$ 43,838**	**$ 35,144**	**$ 28,808**	**$ 21,548**

WSPRS Plan 1

For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 45,034	$ 42,805	$ 39,537	$ 36,687	$ 35,073	$ 33,015	$ 31,643	$ 30,293	$ 29,048	$ 27,619
Disability	–	–	–	–	–	–	–	–	–	–
Survivor	4,738	4,338	3,984	3,681	3,314	3,101	2,879	2,670	2,345	3,047
Refunds										
Separations	119	344	98	46	148	97	68	269	291	125
Death	–	–	88	216	99	–	138	–	–	–
Total	**$ 49,891**	**$ 47,487**	**$ 43,707**	**$ 40,630**	**$ 38,634**	**$ 36,213**	**$ 34,728**	**$ 33,232**	**$ 31,684**	**$ 30,791**

Schedule of Benefit Expenses and Refunds by Type (cont.)

WSPRS Plan 2

For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Disability	–	–	–	–	–	–	–	–	–	–
Survivor	–	–	–	–	–	–	–	–	–	–
Refunds										
Separations	184	23	118	–	63	30	5	–	–	–
Death	–	–	–	–	5	–	–	–	–	–
Total	**$ 184**	**$ 23**	**$ 118**	**$ –**	**$ 68**	**$ 30**	**$ 5**	**$ –**	**$ –**	**$ –**

JRS

For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 7,178	$ 7,388	$ 7,504	$ 7,569	$ 7,678	$ 7,704	$ 7,811	$ 7,719	$ 7,696	$ 7,732
Disability	–	–	–	–	–	–	–	–	–	–
Survivor	2,158	2,092	2,193	2,195	2,060	2,019	1,772	1,795	1,660	1,515
Refunds										
Separations	–	–	–	–	–	–	–	–	–	–
Death	–	–	–	–	–	–	7	–	–	–
Total	**$ 9,336**	**$ 9,480**	**$ 9,697**	**$ 9,764**	**$ 9,738**	**$ 9,723**	**$ 9,590**	**$ 9,514**	**$ 9,356**	**$ 9,247**

Schedule of Benefit Expenses and Refunds by Type (cont.)

JRF
For the Years Ended 2006-2015 — Expressed in Thousands

	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006
Benefit Expenses										
Service	$ 346	$ 346	$ 402	$ 421	$ 420	$ 421	$ 422	$ 466	$ 483	$ 497
Disability	–	–	72	–	–	–	–	–	–	–
Survivor	98	98	–	61	79	79	79	79	98	127
Refunds										
Separations	–	–	–	–	–	–	–	–	–	–
Death	–	–	–	–	–	–	–	–	–	–
Total	**$ 444**	**$ 444**	**$ 474**	**$ 482**	**$ 499**	**$ 500**	**$ 501**	**$ 545**	**$ 581**	**$ 624**

Deferred Compensation Program Status Report

DCP Status Report
Dollars in Thousands — Page 1 of 2

	June 30, 2015		June 30, 2014		June 30, 2013		June 30, 2012	
Funding Media	**Plan Balance**	**%**	**Plan Balance**	**%**	**Plan Balance**	**%**	**Plan Balance**	**%**
Active U.S. Core Stock Fund[1]	$ –	–%	$ –	–%	$ –	–%	$ –	–%
Active U.S. Value Stock Fund[1]	–	–%	–	–%	–	–%	–	–%
Emerging Market Equity Index[2]	56,912	1.58%	59,894	1.68%	54,693	1.71%	52,542	1.79%
Fidelity Growth Company Fund[1]	–	–%	–	–%	–	–%	–	–%
Global Equity Index[2]	121,679	3.37%	114,142	3.19%	84,495	2.64%	65,500	2.23%
International Stock Fund[1]	–	–%	–	–%	–	–%	–	–%
Savings Pool	863,001	23.91%	937,359	26.21%	1,000,437	31.27%	1,045,569	35.66%
U.S. Large Cap Equity Index[2]	364,343	10.09%	312,282	8.74%	227,917	7.12%	178,250	6.08%
U.S. Small Cap Equity Index[2]	188,368	5.22%	199,588	5.58%	150,240	4.69%	109,915	3.75%
U.S. Small Stock Index Fund[1]	–	–%	–	–%	–	–%	–	–%
U.S. Stock Market Index Fund[1]	–	–%	–	–%	–	–%	–	–%
Washington State Bond Fund[3]	230,429	6.38%	222,168	6.21%	257,135	8.04%	267,316	9.12%
Washington State Long-Horizon Fund	–	–%	–	–%	–	–%	–	–%
Washington State Mid-Horizon Fund	–	–%	–	–%	–	–%	–	–%
Washington State Short-Horizon Fund	–	–%	–	–%	–	–%	–	–%
Washington State Socially Responsible Balanced Fund	132,229	3.66%	128,312	3.59%	109,148	3.41%	101,014	3.45%
Retirement Strategy 2000[4]	23,772	0.66%	24,999	0.70%	25,468	0.80%	24,435	0.83%
Retirement Strategy 2005[4]	37,874	1.05%	39,905	1.12%	38,443	1.20%	35,891	1.22%
Retirement Strategy 2010[4]	111,130	3.08%	121,329	3.39%	117,647	3.68%	115,133	3.93%
Retirement Strategy 2015[4]	313,588	8.69%	332,310	9.29%	290,316	9.07%	253,859	8.66%
Retirement Strategy 2020[4]	401,305	11.12%	380,889	10.65%	308,468	9.64%	256,143	8.74%
Retirement Strategy 2025[4]	313,852	8.70%	288,862	8.08%	223,555	6.99%	179,951	6.14%
Retirement Strategy 2030[4]	197,681	5.48%	183,453	5.13%	143,763	4.49%	114,916	3.92 %
Retirement Strategy 2035[4]	129,075	3.58%	120,809	3.38%	91,183	2.85%	73,173	2.50%
Retirement Strategy 2040[4]	68,789	1.90%	61,489	1.72%	44,745	1.40%	35,038	1.19%
Retirement Strategy 2045[4]	32,737	0.91%	28,288	0.79%	19,892	0.62%	14,996	0.51%
Retirement Strategy 2050[4]	10,782	0.30%	9,694	0.27%	5,706	0.18%	4,355	0.15%
Retirement Strategy 2055[5]	9,760	0.27%	9,964	0.28%	6,358	0.20%	3,868	0.13%
Retirement Strategy 2060[6]	1,801	0.05%	–	–%	–	–%	–	–%
Total	**$3,609,107**	**100.00%**	**$3,575,736**	**100.00%**	**$3,199,609**	**100.00%**	**$2,931,864**	**100.00%**

[1]This investment option was discontinued in October 2011.

[2]This investment option was added in October 2011.

[3]This fund replaced the Fidelity Intermediate Bond Fund as of September 1, 2000.

[4]This investment option was added in October 2008. Retirement Maturity Strategy Fund replaced Retirement Strategy 2000 in January 2015.

[5]This investment option was added in January 2010.

[6]This investment option was added in January 2015.

Deferred Compensation Program Status Report (cont.)

DCP Status Report
Dollars in Thousands — Page 2 of 2

June 30, 2011		June 30, 2010		June 30, 2009		June 30, 2008		June 30, 2007		June 30, 2006	
Plan Balance	%	Plan Balance	%	Plan Balance	%	Plan Balance	%	Plan Balance	%	Plan Balance	%
$ 238,087	8.11%	$ 192,558	7.87%	$ 180,558	8.34%	$ 267,879	11.02%	$ 352,142	13.82%	$ 318,035	14.56%
299,662	10.20%	245,272	10.03%	213,669	9.87%	326,400	13.43%	500,501	19.65%	412,711	18.89%
–	–%	–	–%	–	–%	–	–%	–	–%	–	–%
366,490	12.48%	268,855	10.99%	224,090	10.35%	315,284	12.97%	279,402	10.97%	262,555	12.02%
–	–%	–	–%	–	–%	–	–%	–	–%	–	–%
123,184	4.20%	97,897	4.00%	89,981	4.16%	140,526	5.78%	167,724	6.58%	95,487	4.37%
1,013,313	34.51%	959,255	39.21%	954,969	44.10%	819,272	33.71%	723,624	28.41%	696,006	31.86%
–	–%	–	–%	–	–%	–	–%	–	–%	–	–%
–	–%	–	–%	–	–%	–	–%	–	–%	–	–%
116,776	3.98%	77,248	3.16%	52,854	2.44%	64,641	2.66%	87,907	3.45%	75,769	3.47%
163,011	5.55%	124,866	5.10%	102,935	4.75%	134,940	5.55%	152,066	5.97%	119,714	5.48%
179,032	6.10%	178,187	7.28%	134,101	6.19%	132,298	5.44%	87,000	3.42%	72,714	3.33%
–	–%	–	–%	–	–%	64,478	2.65%	62,784	2.46%	35,668	1.63%
–	–%	–	–%	–	–%	72,182	2.97%	61,143	2.40%	38,058	1.74%
–	–%	–	–%	–	–%	34,602	1.42%	24,892	0.98%	15,218	0.70%
73,021	2.49%	58,828	2.41%	49,115	2.27%	58,317	2.40%	48,082	1.89%	42,519	1.95%
6,312	0.21%	3,973	0.16%	3,458	0.16%	–	–%	–	–%	–	–%
11,313	0.39%	9,269	0.38%	6,919	0.32%	–	–%	–	–%	–	–%
48,294	1.64%	38,435	1.57%	29,057	1.34%	–	–%	–	–%	–	–%
100,846	3.43%	69,852	2.86%	44,406	2.05%	–	–%	–	–%	–	–%
81,120	2.76%	51,674	2.11%	34,220	1.58%	–	–%	–	–%	–	–%
50,278	1.71%	30,265	1.24%	19,402	0.90%	–	–%	–	–%	–	–%
29,300	1.00%	17,133	0.70%	10,986	0.51%	–	–%	–	–%	–	–%
17,332	0.59%	10,869	0.44%	7,444	0.34%	–	–%	–	–%	–	–%
10,251	0.35%	6,417	0.26%	4,163	0.19%	–	–%	–	–%	–	–%
5,554	0.19%	3,301	0.14%	2,215	0.10%	–	–%	–	–%	–	–%
2,228	0.08%	1,491	0.06%	882	0.04%	–	–%	–	–%	–	–%
1,023	0.03%	769	0.03%	–	–%	–	–%	–	–%	–	–%
–	–%	–	–%	–	–%	–	–%	–	–%	–	–%
$2,936,427	**100.00%**	**$2,446,414**	**100.00%**	**$2,165,424**	**100.00%**	**$2,430,819**	**100.00%**	**$2,547,267**	**100.00%**	**$2,184,454**	**100.00%**

Deferred Compensation Program Performance

DCP Performance
Performance Periods Ending June 30, 2015

Fund Name *Benchmark*	Quarter Ending 6/30/2015	Performance History[1] Average Annual Total Returns 1 Year	3 Years[2]	5 Years[2]	10 Years/ Since Inception
Emerging Market Equity Index Fund	**1.12%**	**(4.57)%**	**3.84%**	**–**	**6.26%**
MSCI Emerging Markets Investable Market Index	*1.19%*	*(4.41)%*	*4.24%*	*–*	*6.54%*
Global Equity Index Fund	**0.62%**	**1.24%**	**13.76%**	**–**	**14.79%**
MSCI ACWI Investable Market Index	*0.54%*	*0.81%*	*13.34%*	*–*	*14.27%*
Savings Pool	**0.15%**	**0.50%**	**0.94%**	**1.69%**	**3.10%**
U.S. Large Cap Equity Index Fund	**0.34%**	**7.53%**	**17.38%**	**17.42%**	**8.02%**
S&P 500 Index	*0.28%*	*7.42%*	*17.31%*	*17.34%*	*7.89%*
U.S. Small Cap Value Equity Index Fund	**(1.09)%**	**1.13%**	**15.78%**	**14.79%**	**6.88%**
Russell 2000 Value Index	*(1.20)%*	*0.78%*	*15.50%*	*14.81%*	*6.87%*
Washington State Bond Fund	**(0.67)%**	**1.83%**	**3.02%**	**4.26%**	**5.50%**
Barclays Capital Intermediate Credit Index	*(0.94)%*	*1.51%*	*2.88%*	*4.19%*	*4.80%*
Washington State Socially Responsible Balanced Fund	**(0.24)%**	**3.29%**	**9.51%**	**10.36%**	**6.78%**
Custom Benchmark[3]	*(0.44)%*	*3.42%*	*9.99%*	*10.94%*	*6.57%*
Retirement Maturity Strategy Fund[4]	**(0.57)%**	**0.97%**	**5.83%**	**6.92%**	**6.77%**
2000 Composite Benchmark[3]	*(0.84)%*	*0.71%*	*5.78%*	*7.10%*	*6.31%*
2005 Retirement Strategy	**(0.49)%**	**0.99%**	**7.25%**	**8.14%**	**7.58%**
2005 Composite Benchmark	*(0.77)%*	*0.68%*	*7.26%*	*8.46%*	*7.17%*
2010 Retirement Strategy	**(0.41)%**	**0.95%**	**8.69%**	**9.32%**	**8.24%**
2010 Composite Benchmark	*(0.69)%*	*0.65%*	*8.76%*	*9.79%*	*8.02%*
2015 Retirement Strategy	**(0.34)%**	**1.04%**	**10.01%**	**10.18%**	**8.68%**
2015 Composite Benchmark	*(0.62)%*	*0.66%*	*10.11%*	*10.75%*	*8.50%*
2020 Retirement Strategy	**(0.23)%**	**1.14%**	**11.02%**	**10.80%**	**8.86%**
2020 Composite Benchmark	*(0.51)%*	*0.78%*	*11.15%*	*11.42%*	*8.76%*
2025 Retirement Strategy	**(0.11)%**	**1.24%**	**11.98%**	**11.37%**	**9.01%**
2025 Composite Benchmark	*(0.40)%*	*0.89%*	*12.18%*	*12.10%*	*9.02%*
2030 Retirement Strategy	**0.06%**	**1.30%**	**12.72%**	**11.75%**	**8.99%**
2030 Composite Benchmark	*(0.28)%*	*0.97%*	*13.02%*	*12.58%*	*9.12%*
2035 Retirement Strategy	**0.23%**	**1.21%**	**13.12%**	**11.88%**	**8.75%**
2035 Composite Benchmark	*(0.03)%*	*0.99%*	*13.55%*	*12.84%*	*9.01%*
2040 Retirement Strategy	**0.40%**	**1.26%**	**13.36%**	**11.97%**	**8.81%**
2040 Composite Benchmark	*0.15%*	*1.06%*	*13.89%*	*13.00%*	*9.12%*
2045 Retirement Strategy	**0.40%**	**1.26%**	**13.38%**	**11.98%**	**8.85%**
2045 Composite Benchmark	*0.16%*	*1.07%*	*13.89%*	*13.00%*	*9.12%*
2050 Retirement Strategy	**0.40%**	**1.26%**	**13.36%**	**12.00%**	**8.87%**
2050 Composite Benchmark	*0.16%*	*1.07%*	*13.89%*	*13.00%*	*9.12%*
2055 Retirement Strategy	**0.32%**	**1.24%**	**13.34%**	**11.98%**	**8.38%**
2055 Composite Benchmark	*0.16%*	*1.07%*	*13.89%*	*13.00%*	*9.68%*
2060 Retirement Strategy[5]	**0.39%**	**–**	**–**	**–**	**3.40%**
2060 Composite Benchmark	*0.16%*	*–*	*–*	*–*	*3.21%*

[1]Current performance might be lower or higher than the performance data shown. Quoted performance data represents past performance and is not a guarantee or prediction of future results. For performance data current to the most recent month-end, visit *www.drs.wa.gov/dcp*. The investment return and principal value of an investment will fluctuate so that, when redeemed, shares/units might be worth more or less than their original costs. All returns are calculated in U.S. dollars.

[2]Dashed spaces indicate that data is not available. These funds have not been in existence long enough to have performance history for these periods.

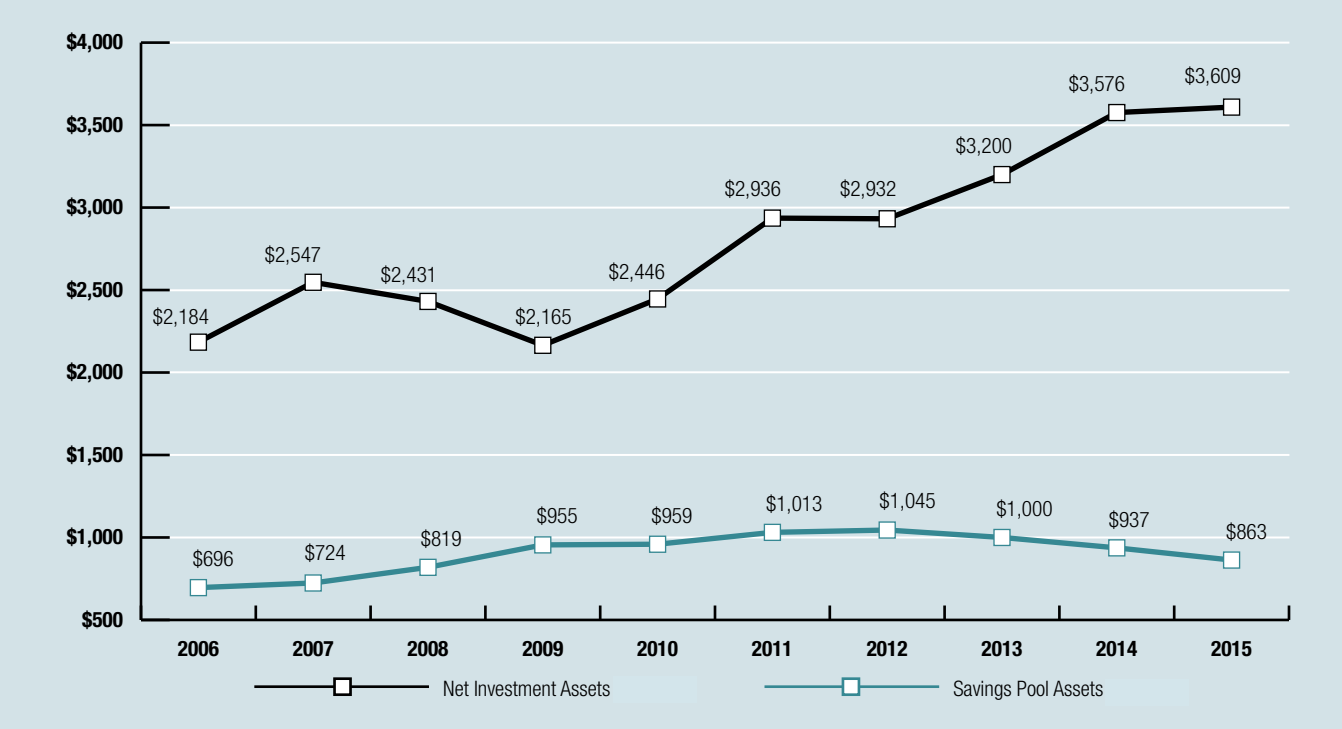
[3]For the Washington State Socially Responsible Balanced Fund Custom Benchmark and all Composite Benchmark years 2000 through 2060, the benchmark returns are estimated based on what the portfolio would have earned using the return data from the various components.

[4]Retirement Maturity Strategy Fund replaced Retirement Strategy 2000 in January 2015.

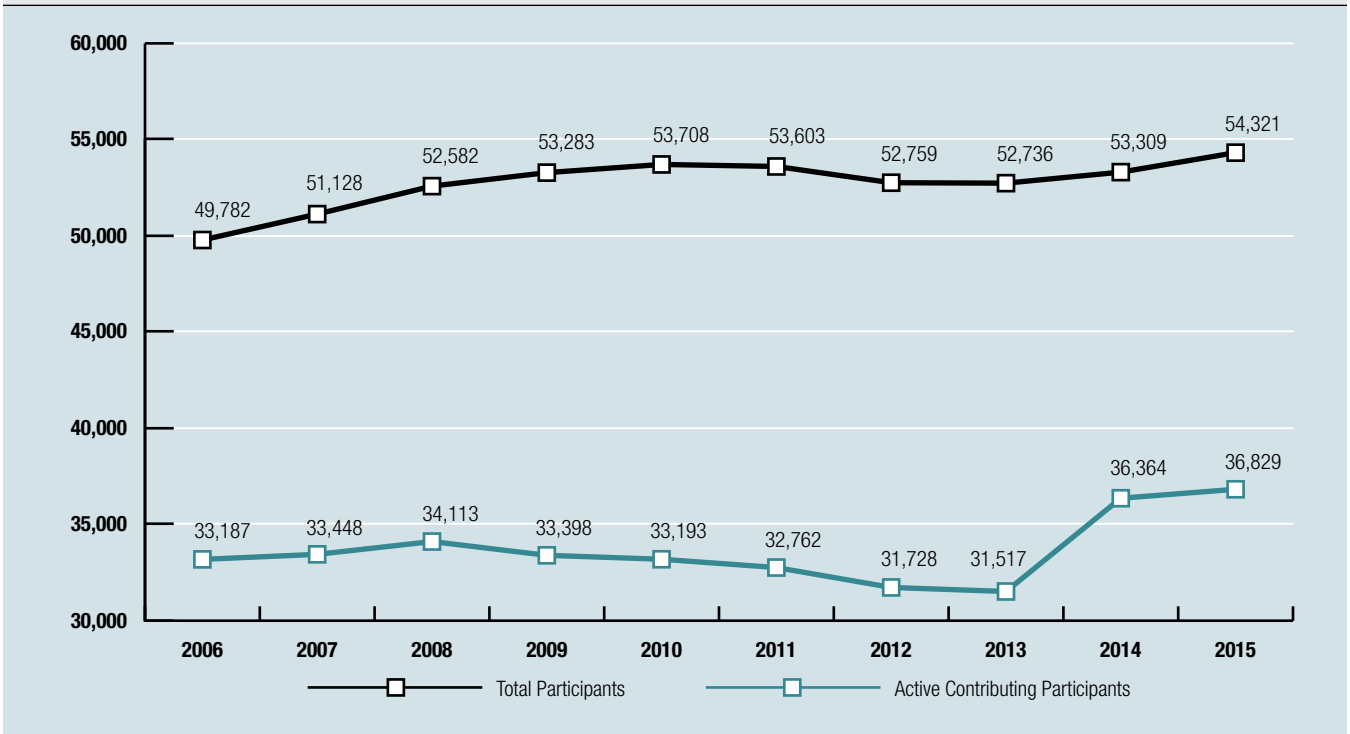
[5]This investment option was added in January 2015.

Deferred Compensation Program Performance (cont.)

DCP Net Investment Asset Growth
For the Fiscal Years Ended June 30, 2006-2015 — Expressed in Millions



DCP Participation
For the Fiscal Years Ended June 30, 2006-2015



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