PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

ACTUARIAL VALUATION
As of July 1, 2013

Prepared By

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and

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August 15, 2013

Trustees
Pension Plan for Bargaining Unit
Employees of TriMet

Dear Trustees:

As requested, we performed an actuarial valuation of the Pension Plan for Bargaining Unit Employees of TriMet as of July 1, 2013, for the plan year ending June 30, 2014. The results of the valuation are contained in the following report and are summarized in Section 2.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by TriMet. This includes, but is not limited to, Plan provisions, employee data, and financial information. We believe the employee data and financial information to be sufficient and reliable for the purposes of our calculations. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete, our results may be different and our calculations may need to be revised.

All costs, liabilities, rates of interest, and other factors for the Plan have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the Plan and reasonable expectations); and which, in combination, is a reasonable estimate of anticipated experience affecting the Plan.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The Board of Trustees has the final decision regarding the appropriateness of the assumptions.

Actuarial computations presented in this report are for purposes of determining the recommended funding amounts for the Pension Plan for Bargaining Unit Employees of TriMet. Actuarial computations under GASB Statements No. 25, No. 27 and No. 50 are for purposes of fulfilling financial accounting requirements. The computations in this report have been made on a basis consistent with our understanding of the Trustees' funding policies and GASB Statements No. 25, No 27 and No. 50. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. The effects of GASB Statements No. 67 and No. 68 have not been included in this valuation report.

Milliman's work is prepared solely for the internal business use of the Board of Trustees of the Pension Plan for Bargaining Unit Employees of TriMet. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exception(s):

(a) The Board of Trustees may provide a copy of Milliman's work, in its entirety, to the District, and the District's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the District.

(b) The Board of Trustees may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

Milliman has been engaged by the Board of Trustees as an independent actuary. The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Sincerely,

Nina Lantz

Nina Lantz, ASA, EA, MAAA
Principal and Consulting Actuary

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PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

ACTUARIAL VALUATION AS OF JULY 1, 2013

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PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

SECTION 1

SCOPE OF THE REPORT

This report presents the results of our actuarial valuation of the Plan as of July 1, 2013. The purpose of this report is to:

- determine the funded status of the Plan as of July 1, 2013,
- calculate a recommended contribution to fund the Plan's benefits for the fiscal year beginning July 1, 2014, and
- develop the disclosure information required by the Government Accounting Standards Board as of June 30, 2013.

A summary of the findings resulting from this valuation is presented in Section 2 of the report. The discussion found in Section 3 describes the actuarial concepts and methods upon which the findings are based. Tables 1 through 6 of that section summarize the calculations that led to our findings.

Appendix A outlines the benefit and contribution provisions of the Plan.

All of the calculations of the valuation were carried out using certain assumptions as to the future experience of the Plan in matters affecting the actuarial cost. Appendix B summarizes the most important of these assumptions and describes the actuarial procedures used to calculate costs.

Appendix C contains figures which the auditors may require for the preparation of the Plan's financial statements.

The participant data that was supplied to us is summarized in Appendix D.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

SECTION 2

SUMMARY OF THE FINDINGS

The following is a summary of the more important figures developed in this valuation, together with comparable figures from the prior valuation report.

	July 1, 2013	July 1, 2012
Covered Active Participants*	1,938	2,019
Average Age	50.8	50.5
Average Years of Vesting Service	13.2	12.8
Plan Assets		
Market Value	$ 365,989,374	$ 280,856,410
Actuarial Value	$ 350,669,731	$ 290,641,515
Investment Rate of Return		
Market Value	14.0%	0.0%
Actuarial Value	5.5%	2.0%
Valuation Contribution Amount		
Beginning of Year	$ 32,335,996	$ 34,997,842
Amortization Period (Open)	20	20
Fiscal Year	*2014-2015*	*2013-2014*
Recommended Contribution	$ 32,335,996	$ 35,553,324

*Excluding Management Transfers

The valuation contribution is the annual contribution calculated as of July 1, 2013 and is equal to the sum of the Plan's normal cost, assumed administrative expenses, and an amortization payment to pay off the unfunded actuarial accrued liability over a 20-year amortization period.

The recommended contribution is equal to the valuation contribution amount.

The recommended contribution is subject to change if plan experience is different from that assumed (as it almost certainly will be) or if the Plan is amended or revised as a result of ongoing labor negotiations. It is also subject to change as past investment gains and losses are reflected in the actuarial value of assets. Under the current funding policy, the recommended contribution is expected to be lower next year if the market value of assets earns 7.50% for the plan year ending June 30, 2014 and all other actuarial assumptions are met. A portion of the $15.3 million in net investment gains will be reflected in the actuarial value of assets. Also, the normal cost should decrease because the Plan is closed to new entrants.

We understand that the current funding policy is being reevaluated following the changes to the reporting and accounting requirements of the Plan under Governmental Accounting Standards Board (GASB) Statements No. 67 and 68. That information will be provided in a separate report. The effects of GASB Statements No. 67 and No. 68 have not been included in this valuation report.

The reconciliation of the Plan's funding measurements since the last valuation is shown below:

Reconciliation	Unfunded Actuarial Accrued Liability	Normal Cost	Valuation Contribution
July 1, 2012 Amount	$ 266,489,026	$ 10,274,405	$34,997,842
Expected July 1, 2013 Amount	$ 225,020,637	$ 9,565,997	$30,442,217
Changes to Amount			
Changes Due to Experience (Gains) / Losses			
Asset (gain) / loss	$ 6,970,500	$ 0	$ 646,686
Demographic (gain) / loss	(9,039,973)	347,209	(831,751)
Expense (gain) / loss	(27,868)	0	(2,585)
Interest on Medicare Reimbursement Payments	43,493	0	4,035
Changes in Methods and Assumptions			
Interest Rate Assumption	$ 16,381,697	$ 582,588	$ 2,077,394
July 1, 2013 Amount	$ 239,348,486	$ 10,495,794	$32,335,996

Experience Gains and Losses

Experience gains and losses occur due to Plan experience that is different from the actuarial assumptions used to value the Plan's liabilities and assets. Since actual experience will never exactly match the Plan's assumptions, it is certain that the Plan will experience actuarial gains and losses each year. These gains and losses arise from three sources: investment experience, expense experience, and demographic experience. During the 2012-2013 plan year, the total experience gain was approximately $2.1 million.

<u>Investment Experience</u>

The investment rate of return on a market value basis for the plan year ending June 30, 2013 was approximately 14.0%. Compared to the assumed rate of 7.75%, there was an investment gain of approximately $18.9 million. However, the valuation uses an asset smoothing technique intended to reduce the volatility of the Plan's recommended contribution. For the actuarial value of assets, gains and losses are spread over 5 years, with the resulting value not less than 80% or greater than 120% of the market value. The investment return on an actuarial value basis for the plan year ending June 30, 2013 was 5.5%. Compared to the assumed rate of 7.75%, the Plan experienced an actuarial loss of approximately $7.0 million and increased the valuation contribution by about $647,000.

<u>Expense Experience</u>

There was an experience gain of $28,000 due to lower than expected administrative expenses paid during the 2012-2013 plan year. This gain decreased the valuation contribution by about $3,000.

Demographic Experience

The Plan experienced a net gain on the unfunded actuarial accrued liability of approximately $9.0 million from demographic experience different than assumed. There was a loss on the normal cost of about $347,000, of which approximately $298,000 was due to new entrants, including new entrants that replaced active participants who terminated or retired during the year. Combined, these demographic gains and losses decreased the valuation contribution by about $832,000.

Demographic gains and losses occur when the Plan's actual demographic experience differs from our valuation assumptions. The primary source of demographic gains for the 2012-2013 plan year was cost-of-living adjustments (COLAs) coming in below the valuation assumption (3.0% for participants who retired before August 1, 2012 and 2.7% for participants who retired on or after August 1, 2012). The actual COLA was 2.10% and 1.89%, respectively. In addition, no increase was made to the benefit rate effective on February 1, 2013 due to ongoing labor negotiations. Combined, these lower than expected increases resulted in a gain of about $10.2 million.

Other demographic experience resulted in a loss of about $1.2 million. The following table compares expected demographic experience for participants as of July 1, 2012 with the Plan's actual demographic experience for those participants in the plan year ending June 30, 2013:

Assumption	Expected	Actual
Actives		
Normal or Early Retirements	109	78
Disability Retirements	9	19
Pre-retirement Deaths	7	4
Other Terminations	30	25
Terminated Vested Deaths	1	0
Retirees and Beneficiary Deaths	37	29

New entrants contributed about $438,000 to the loss. The remaining $728,000 in net losses included more disabilities than expected, and fewer terminations and retirements than expected. The workforce continues to age and work past the age at which they are first eligible for unreduced retirement benefits (58). The average age of the active group has increased from 49.6 to 50.8 over the past 6 years. About 60% of the active population is age 50 and older.

We recommend performing an experience study in conjunction with the July 1, 2014 actuarial valuation.

Interest on Medicare Reimbursement Payments

Medicare eligible retirees and beneficiaries have an amount added to their monthly pension check each month to reimburse the payee for their Medicare monthly premium. The District reimburses the Trust for these payments after the end of the plan year. There was a loss of about $43,000 in interest due to the timing of the Medicare reimbursement payments made during the 2012-2013 plan year. This loss increased the valuation contribution by about $4,000.

Actuarial Assumption/Method Changes

This report reflects the following change to the actuarial assumptions or methods:

- The interest rate assumption was lowered from 7.75% to 7.50% based on recent plan experience and future expectations. This change increased the unfunded actuarial liability by about $16.4 million, increased the normal cost by about $583,000, and increased the valuation contribution by about $2.1 million.

Plan Provisions

Plan provisions used were based on the plan document restated effective January 1, 2008, as amended through Amendment 2013-1, and TriMet staff interpretations and implementations of certain other pension related provisions included in the interest arbitration award issued on July 12, 2012 by the Oregon Employment Relations Board related to the Working and Wage Agreement between TriMet and ATU 757 in effect from December 1, 2009 through November 30, 2012.

- The benefit rate for active participants was not adjusted on February 1, 2013 due to ongoing labor negotiations. Any adjustment that comes from these negotiations will be included in subsequent actuarial valuations.

The following amendments were adopted since the last valuation.

- Amendment 2012-1 amended the Plan to provide vesting service and pre-retirement death benefits to participants who die while performing military service. These changes were to comply with the requirements of the Heroes Earnings Assistance and Relief Tax ("HEART") Act of 2008. They did not impact the results of the valuation.
- Amendment 2013-1 was adopted to reflect Plan changes from the interest arbitration award involving the ATU and TriMet dated July 12, 2012. Plan changes related to Amendment 2013-1 and the interest arbitration award were reflected in the July 1, 2012 actuarial valuation.

GASB Information

The Government Accounting Standards Board requires certain disclosures of both the Plan and the Employer. The effects of GASB Statements No. 67 and No. 68 are not reflected below.

GASB DISCLOSURE SUMMARY

Fiscal Year Ending	June 30, 2014	June 30, 2013
Annual Required Contribution (ARC)	$ 32,335,996	$ 35,553,324
Annual Pension Contribution (APC)	32,335,996	35,553,324
Employer Contribution*	TBD	35,553,324
Net Pension Obligation (NPO)		
Fiscal Year Ending	June 30, 2013	June 30, 2012
NPO	$ 0	$ 0

* Excluding contributions for Medicare reimbursement payments.

The APC is equal to sum of the ARC, one year's interest on the NPO, and an adjustment to the ARC. The NPO is the cumulative difference between the APC and annual employer contributions since the inception of GASB 27.

Sensitivity of Results

The results presented in this report are dependent upon the actuarial assumptions being realized in the future. To the extent that actual Plan experience differs from the assumptions, future actuarial costs will differ from those presented in this report. For example, actuarial gains and losses emerge in plan years where actual contribution amounts differ from those anticipated by our assumptions.

SECTION 3

DISCUSSION OF THE VALUATION

A fundamental principle in financing the liabilities of a retirement program is that the cost of its benefits should be related to when those benefits are earned, rather than to when they are paid. There are a number of methods in use for making such a determination.

The method used for this valuation is technically referred to as the Individual Entry Age Normal Actuarial Cost Method with Normal Cost expressed as a level dollar amount.

Under this method, the total Actuarial Present Value of Projected Benefits is allocated over the service for each active member from their date of entry into the Plan until their assumed date of exit from the Plan, as a level dollar amount. This level amount is referred to as the Normal Cost, and is calculated for each active member. It is calculated by dividing the total Actuarial Present Value of Projected Benefits at entry age by the Actuarial Present Value of Projected Service at entry age. An annual Normal Cost is calculated for service accruals expected to be earned by current disabled participants between the date of disability and age 62. The Normal Cost equals $0 for non-active members. The sum of the individual Normal Costs is the Normal Cost for the Plan.

The Unfunded Actuarial Accrued Liability is determined as the total Actuarial Present Value of Projected Benefits less the sum of the Actuarial Value of Assets and the Actuarial Present Value of Future Normal Costs. An Unfunded Actuarial Accrued Liability less than zero indicates a Surplus.

Changes in the Unfunded Actuarial Accrued Liability due to plan changes, changes in actuarial assumptions and actuarial gains and losses are explicitly recognized and amortized over the number of years selected by the Board of Trustees within the terms of the Working and Wage Agreement.

MARKET VALUE OF ASSETS

Table 1 details the change in the Plan's Market Value of Assets since the last valuation. Included in the Market Value of Assets on July 1, 2012 is a receivable equal to the Medicare reimbursement payments that were made to retired participants and beneficiaries during the previous plan year. There is no Medicare reimbursement receivable as of June 30, 2013 as the reimbursement was made prior to June 30.

ACTUARIAL VALUE OF ASSETS

Table 2 shows the derivation of the Actuarial Value of Assets. The Plan's investment return on market value for the period July 1, 2012 through June 30, 2013 was approximately 14.0%, compared to the expected return of 7.75% per annum. This resulted in an asset gain of about $18.9 million over the period on a market value basis.

For purposes of determining the recommended contribution, the valuation uses a smoothing technique that recognizes differences in the actual investment return and the assumed investment return at 7.75% over a five-year period. As of July 1, 2013, the Market Value of

Assets exceeded the Actuarial Value of Assets by about $15.3 million. This indicates that $15.3 million in net market value investment gains have yet to be recognized in the Actuarial Value of Assets. The Plan's investment return on the Actuarial Value of Assets for the period July 1, 2012 through June 30, 2013 was approximately 5.5%.

ACTUARIAL BALANCE SHEET

Table 3 shows the development of the Plan's Unfunded Actuarial Accrued Liability as of July 1, 2013.

Table 4 contains information on the magnitude of the Plan's requirements and the resources available to cover those requirements. The Plan's requirements are referred to as the Actuarial Present Value of Benefits and can be thought of as the single sum required on July 1, 2013 which, together with future investment returns, would accumulate to provide all benefits due to current members under the Plan in the future (based on the assumptions outlined in Appendix B). The Resources equal the Requirements and consist of:

(1) the Plan's current Actuarial Value of Assets, plus

(2) the Actuarial Present Value of Future Normal Costs to be contributed by the District in the future, plus

(3) the actuarial present value of future payments to amortize the Plan's Unfunded Actuarial Accrued Liability.

NORMAL COST

Table 5 shows the Normal Cost for this actuarial valuation, determined under the Individual Entry Age Normal Actuarial Cost Method.

The Normal Cost calculated in this report is expected to decline in future years as current active participants terminate or retire. The contract between the ATU 757 and TriMet provides that all ATU 757 bargaining unit employees of TriMet hired on or after August 1, 2012 will only participate in TriMet's Defined Contribution Plan.

RECOMMENDED CONTRIBUTION

Table 6 develops the recommended contribution for the Plan. The recommended annual contribution consists of two pieces:

(1) Normal Cost

(2) Amortization of the Unfunded Actuarial Accrued Liability (UAAL)

At each valuation date, the Plan's UAAL is reamortized over 20 years.

ACCOUNTING STANDARDS

Appendix C contains figures which your auditors may require for the preparation of the Plan's financial statements under the following standard issued by the Governmental Accounting Standards Board (GASB):

***GASB Statement No. 25 - Financial Reporting by Plans*.** Generally, Statement No. 25 requires a summary of the funded status of the Plan, and a statement on the relationship of the actual annual contributions to an annual required contribution (ARC).

***GASB Statement No. 27 – Employer's Accounting for Pension*.** Disclosures are required in the employer's financial statements including the annual pension cost (APC). Generally, the APC will equal to the employer's ARC, as actuarially determined by the funding methods and assumptions. If the actual contribution is either more or less than the ARC, than a Net Pension Obligation must be determined, and this amount may be required to be disclosed in the District's financial statements.

GASB Statement No. 50. The Government Accounting Standards Board issued GASB Statement No. 50 in May 2007, which amended GASB 25 and GASB 27. This new statement requires defined benefit plans and employers to present additional disclosure information. To the best of our knowledge, the information in this report contains sufficient information to comply with the requirements of GASB 50.

GASB Statement No. 67 – Financial Reporting for Pension Plans. The Government Accounting Standards Board issued GASB Statement No. 67 in June 2012, which amended GASB 25. This statement is effective for fiscal years beginning after June 15, 2013. The effects of these accounting changes have not been included in this valuation report.

GASB Statement No. 68 – Accounting and Financial Reporting for Pensions. The Government Accounting Standards Board issued GASB Statement No. 68 in June 2012, which amended GASB 27. This statement is effective for fiscal years beginning after June 15, 2014. The effects of these accounting changes have not been included in this valuation report.

ACTUARIAL ASSUMPTIONS

The actuarial assumptions were chosen on the basis of recent experience of the Plan and are summarized in Appendix B. The recommended contribution is based on assumptions that are reasonable estimates of future Plan experience. However, the recommended contribution is subject to change as past investment gains and losses are reflected in the actuarial value of assets, plan experience is different from that assumed or if the Plan is amended.

We will monitor the actual experience of the Plan and will recommend changes to the assumptions as needed in the future.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

MARKET VALUE OF ASSETS[1]
(June 30, 2013)

Summary of Statement of Changes in Net Assets Available for Benefits

(1)	Market Value of Assets July 1, 2012		$ 280,856,410
(2)	Employer Contributions		
	Pension Plan Funding	$ 70,379,741	
	Medicare Reimbursement	2,234,778	72,614,519
(3)	Benefit Payments		
	Pension Payments	$ (27,372,519)	
	Medicare Reimbursement	(1,208,483)	(28,581,002)
(4)	Administrative Expenses[2]		(222,824)
(5)	Medicare Reimbursement Payable[3]		(1,026,295)
(6)	Medicare Reimbursement Receivable[4]		0
(7)	Investment Income Net of Investment Expenses		42,348,566
(8)	Market Value of Assets June 30, 2013 (1)+(2)+(3)+(4)+(5)+(6)+(7)		$ 365,989,374

[1] Based on the financial information supplied by TriMet.

[2] Includes actuarial, legal, investment monitor fees. Excludes all investment management and custodial fees.

[3] A contribution equal to the Medicare reimbursement payments for the prior year was included in the July 1, 2012 Market Value of Assets.

[4] There is no Medicare reimbursement receivable as of July 1, 2013 as the amount was made prior to June 30.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

ACTUARIAL VALUE OF ASSETS (July 1, 2013)

Asset Reconciliation

Plan Year End June 30	(1) Market Value of Assets July 1	(2) Employer Contributions [1]	(3) Benefit Payments	(4) Administration Expenses	(5) Cash Flow (2)+(3)+(4)	(6) Actual Investment Income	(7) Market Value of Assets End of Year (1)+(5)+(6)
2013	$280,856,410	$ 71,588,224	$ (28,581,002)	$ (222,824)	$42,784,398	$ 42,348,566	$ 365,989,374
2012	285,393,073	20,648,945	(24,890,095)	(289,032)	(4,530,182)	(6,481)	280,856,410
2011	212,842,828	48,333,670	(22,869,255)	(271,534)	25,192,881	47,357,364	285,393,073
2010	180,928,078	28,777,331	(22,703,842)	(113,947)	5,959,542	25,955,208	212,842,828

Actuarial Value of Assets

Plan Year End June 30	Actual Investment Rate of Return [2]	Actual Investment Return	Expected Investment Return [3]	Difference between Actual and Expected
2013	14.0%	$ 42,348,566	$ 23,455,973	$ 18,892,593
2012	0.0%	(6,481)	22,493,032	(22,499,513)
2011	20.6%	47,357,364	18,360,671	28,996,693
2010	13.5%	25,955,208	15,422,206	10,533,002

(1) Market Value of Assets on July 1, 2013		$ 365,989,374
(2) Unrecognized Gain/(Loss)		
80% of $18,892,593 gain	$ 15,114,074	
60% of $22,499,513 loss	(13,499,708)	
40% of $28,996,693 gain	11,598,677	
20% of $10,533,002 gain	2,106,600	
Total Unrecognized Gain/(Loss)		15,319,643
(3) Preliminary Actuarial Value of Assets (1) – (2)		$ 350,669,731
(4) 80% of Market Value of Assets on July 1, 2013		$ 292,791,500
(5) 120% of Market Value of Assets on July 1, 2013		$ 439,187,248
(6) Actuarial Value of Assets on July 1, 2013 Lesser of (3) and (5), not less than (4)		$ 350,669,731
(7) Actuarial Value as a Percentage of Market Value (6)/(1)		96%

[1] Net of payable and receivable contributions equal to Medicare reimbursement payments.

[2] Based on market values.

[3] 8% investment assumption through June 30, 2011; 7.75% for fiscal years through June 30, 2013. Using simple interest from the date the contribution is made and assuming benefit payments (including Medicare reimbursement payments) and expenses occur at mid-year.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

DEVELOPMENT OF UNFUNDED ACTUARIAL ACCRUED LIABILITY (July 1, 2013)

(1)	Unfunded Actuarial Accrued Liability as of 7/1/2012	$ 266,489,026	
(2)	Normal Cost Including Expenses for 2012-2013	10,274,405	
(3)	Interest at 7.75% to 6/30/2013 on (1) and (2)	21,449,166	
(4)	Employer Pension Contributions Received for the Plan Year Ending 6/30/2013*	70,379,741	
(5)	Interest on (4) at 7.75% from Date Paid to 6/30/2013	2,812,219	
(6)	Expected Unfunded Actuarial Accrued Liability 6/30/2013 (1)+(2)+(3)-(4)-(5)		$ 225,020,637
(7)	*Changes Due to Experience Gains and Losses*		
	Asset Loss	$ 6,970,500	
	Demographic Gain	(9,039,973)	
	Expense Gain	(27,868)	
	Interest on Medicare Reimbursement Payments	43,493	
	Total Gains and Losses		$ (2,053,848)
(8)	*Changes in Methods and Assumptions*		
	Interest Rate Assumption	$ 16,381,697	
	Total Change in Methods and Assumptions		$ 16,381,697
(9)	Unfunded Actuarial Accrued Liability 7/1/2013		$ 239,348,486

* Net of Medicare reimbursement payments.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

ACTUARIAL BALANCE SHEET (July 1, 2013)

REQUIREMENTS

Actuarial Present Value of Benefits	
Active Participants (1,938)	
Retirement Benefits	$ 304,110,023
Death Benefits	3,228,014
Disability Benefits	15,413,406
Termination Benefits (Vesting)	9,781,502
Subtotal	$ 332,532,945
Retirees and Beneficiaries (1,266)	267,887,975
Disabled Participants (165)	42,774,456
Vested Terminated Participants (149)	10,121,874
Management Transfers (61)	5,154,780
Total Requirements	$ 658,472,030

RESOURCES

Actuarial Value of Assets	$ 350,669,731
Actuarial Present Value of Future Normal Costs	68,453,813
Unfunded Actuarial Accrued Liability	239,348,486
Total Resources	$ 658,472,030

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

NORMAL COST
(July 1, 2013)

(1)	Retirement Benefits	$ 8,984,482	
	Death Benefits	129,490	
	Disability Benefits	643,465	
	Termination Benefits	497,393	
	Subtotal		$ 10,254,830
(2)	Anticipated Non-Investment Expenses ($250,000 payable mid-year)		240,964
(3)	Total Annual Normal Cost, Payable at Beginning of the year (1) + (2)		$ 10,495,794

Normal Cost Reconciliation

July 1, 2012 Normal Cost	$ 10,274,405
Expected July 1, 2013 Normal Cost	$ 9,565,997
Demographic Loss	347,209
Interest Rate Assumption	582,588
July 1, 2013 Normal Cost	$ 10,495,794

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

RECOMMENDED CONTRIBUTION (July 1, 2013)

Valuation Contribution, as of July 1, 2013

(1)	Total Annual Normal Cost		$ 10,495,794
(2)	20-Year Amortization of UAAL		21,840,202
(3)	Total Contribution for Year	(1) + (2)	$ 32,335,996

Recommended Contribution as of July 1, 2013 **$ 32,335,996**
(for the July 1, 2014 – June 30, 2015 fiscal year)

The recommended contribution is equal to the valuation contribution amount.

The recommended contribution is subject to change if plan experience is different from that assumed or if the Plan is amended or revised as a result of ongoing labor negotiations. It is also subject to change as past investment gains and losses are reflected in the actuarial value of assets. Under the current funding policy, the recommended contribution is expected to be lower next year if the market value of assets earns 7.50% for the plan year ending June 30, 2014 and all other actuarial assumptions are met. A portion of the $15.3 million in net investment gains will be reflected in the actuarial value of assets. Also the normal cost should decrease because the Plan is closed to new entrants.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

PLAN PROVISIONS

Plan provisions used were based on the plan document restated effective January 1, 2008, as amended through Amendment 2013-1, and TriMet staff interpretations and implementations of certain other pension related provisions included in the arbitration decision issued on July 12, 2012 by the Oregon Employment Relations Board related to the Working and Wage Agreement between TriMet and ATU 757 in effect from December 1, 2009 through November 30, 2012.

1. NAME

Pension Plan for Bargaining Unit Employees of TriMet.

2. EFFECTIVE DATE

September 19, 1984 as last restated effective January 1, 2008. The most recent Plan Amendment 2013-1 was signed June 27, 2013.

3. ELIGIBILITY

All ATU 757 bargaining unit employees of TriMet (TriMet Union employees) hired before August 1, 2012. TriMet Union employees who transfer to a management position continue to earn service for vesting purposes and retirement eligibility. However, no additional benefits are earned for continuous service as a management employee.

TriMet Union employees hired on or after August 1, 2012 are not eligible to participate in this Plan.

TriMet Union employees who transfer to a non-union position retain seniority in the last bargaining unit position or classification worked for five years from the date of transfer.

4. CONTINUOUS SERVICE

All periods of service during which the employee is a member of the bargaining unit represented by ATU 757, working either as a full-time employee or mini-run operator, is entitled to payment for services rendered to TriMet and is eligible to participate in this Plan. Continuous service includes service while serving as an officer of the ATU 757.

5. VESTING SERVICE

All continuous service plus any period of service (not already counted as continuous service) when an employee is entitled to payment for services rendered to TriMet, excluding service preceding a permanent break in service.

6. NORMAL RETIREMENT

(a) Eligibility

For participants who earn at least 10 years of vesting service, the Normal Retirement Age is determined from the following schedule:

Severance from Service Date	Normal Retirement Age
December 1, 1994 to November 30, 1998	62
December 1, 1998 to November 30, 2000	61
December 1, 2000 to November 30, 2002	60
December 1, 2002 to November 30, 2004	59
On or after December 1, 2004	58

(b) Benefit

The normal retirement benefit for participants retiring or terminating after February 1, 1992 is determined by multiplying continuous service times the benefit rate in effect on the date of retirement or termination of employment, whichever is earlier. Mini-run operators receive 75% of the benefit rate shown below.

Effective Beginning	Benefit Rate	Effective Beginning	Benefit Rate
February 1, 1992	$ 42.00	September 1, 2003	60.64
September 1, 1992	43.26	September 1, 2004	62.45
September 1, 1993	44.13	September 1, 2005	64.33
September 1, 1994	44.57	September 1, 2006	66.26
September 1, 1995	47.02	September 1, 2007	68.25
September 1, 1996	48.43	September 1, 2008	70.84
September 1, 1997	50.27	September 1, 2009	72.96
September 1, 1998	51.93	February 1, 2010	72.96
September 1, 1999	53.49	February 1, 2011	75.52
September 1, 2000	55.49	February 1, 2012	78.97
September 1, 2001	57.15	February 1, 2013	78.97
September 1, 2002	58.87		

Beginning December 1, 2009, benefit rates are adjusted on February 1 each year by the amount of any specified general wage adjustment under the Working and Wage Agreement. The annual increase will not be more than 7%. No adjustment was made on February 1, 2013 due to ongoing labor negotiations. Any adjustment that comes from these negotiations will be included in subsequent actuarial valuations.

A benefit derived from unused sick leave is added to the above benefit as described in (c) below.

(c) Unused Sick Leave

Vested participants who terminate after becoming eligible for early retirement will have unused accumulated sick leave up to the maximum accumulated sick leave converted to a monthly benefit at a rate of $.25 per hour for each hour of unused accrued sick leave.

Effective	Maximum Accumulated Sick Leave
December 1, 1999	1,400 hours
December 1, 2003	1,450 hours
December 1, 2004	1,500 hours
December 1, 2005	1,550 hours
December 1, 2006	1,600 hours
December 1, 2007	1,650 hours
December 1, 2008	1,700 hours

7. EARLY RETIREMENT

(a) Eligibility

A participant may retire prior to his normal retirement date if he has 10 years of vesting service and is at least 55 years of age.

30 & Out: From December 1, 2003 through July 12, 2012, an active participant may retire with unreduced benefits after he has earned 30 years of Continuous Service, regardless of age. The 30 & Out was eliminated effective July 13, 2012.

(b) Benefit

The monthly basic benefit is calculated as described in item 6 above. The benefit will be reduced according to the following table:

Age at	Percent Reduction from Normal Retirement Age				
Retirement	62	61	60	59	58
Effective	12/01/1994 through 11/30/1998	12/01/1998 through 11/30/2000	12/01/2000 through 11/30/2002	12/01/2002 through 11/30/2004	12/01/2004 to Current
62	0.00%	0.00%	0.00%	0.00%	0.00%
61	10.12	0.00	0.00	0.00	0.00
60	19.06	9.95	0.00	0.00	0.00
59	26.98	18.76	9.78	0.00	0.00
58	34.01	26.59	18.48	9.63	0.00
57	40.28	33.56	26.22	18.21	9.49
56	45.87	39.78	33.13	25.87	17.97
55	50.87	45.34	39.31	32.72	25.55

8. FORMS OF PAYMENT

(a) Single Life Annuity

(b) 66 2/3% Joint and Survivor Annuity

9. DISABILITY BENEFIT

(a) Eligibility

An active participant who becomes disabled after 10 years of continuous service may receive a disability benefit if he becomes permanently disabled from performing the participant's occupation while employed with TriMet prior to reaching Social Security retirement age (62). Disability benefits are paid from the Plan until the participant reaches age 62.

(b) Benefit

A benefit payable during the period of disability is determined from the table below. If the participant is entitled to disability insurance benefits under Title II of the Federal Social Security Act, the benefits shown below are doubled.

Effective	10 Years of Continuous Service	15 Years of Continuous Service	20 Years of Continuous Service
February 1, 1992	$388.60	$468.38	$544.07
February 1, 1993	400.26	482.43	560.39
February 1, 1994	406.27	492.08	571.60
February 1, 1995	434.80	524.06	608.75
February 1, 1996	441.76	532.45	618.49
February 1, 1997	457.22	551.08	640.14
February 1, 1998	472.31	569.27	661.26
February 1, 1999	481.76	580.66	674.49
February 1, 2000	502.72	605.92	703.83
February 1, 2001	519.71	626.40	727.62
February 1, 2002	533.90	643.50	747.48
February 1, 2003	545.01	656.88	763.03
February 1, 2004	569.92	686.90	797.90
February 1, 2005	586.50	706.89	821.12
February 1, 2006	602.28	725.91	843.21
February 1, 2007	620.47	747.83	868.67
February 1, 2008	643.37	775.42	900.72
February 1, 2009	669.62	807.06	937.47
February 1, 2010	674.51	812.95	944.31
February 1, 2011	698.19	841.49	977.46
February 1, 2012	730.10	879.95	1,022.13
May 1, 2013	745.43	898.43	1,043.59

Disability benefits increase at the same time and percentage as post-retirement benefit increases for participants who retired before August 1, 2012. See item 13.

The disabled participant's retirement benefit at age 62 is calculated using service that includes continuous service during disability as if the participant remained in active employment from the date of disability to age 62, and the benefit rate in effect at age 62.

10. VESTING

A participant who terminates employment with at least ten years of vesting service as of the date of termination will be 100% vested.

11. CONTRIBUTIONS

Contributions are made to the Trust Fund by TriMet. TriMet intends to contribute the amounts calculated by the actuary to adequately fund the benefits provided in the Plan.

12. PRE-RETIREMENT DEATH BENEFIT

(a) Married Employee or Domestic Partner

If a vested participant, the participant's spouse or domestic partner will receive 50% of the normal retirement benefit. The benefit is paid to the spouse when the spouse attains age 62. The payment to the domestic partner must commence no later than the December 31 of the year following the participant's death. The benefit is actuarially adjusted for the earlier commencement.

(b) Disability

If a participant receiving disability benefits dies on or after age 55 but prior to age 62, the surviving spouse or domestic partner may elect to receive either the benefits in (a) above or the survivor portion of the 66 2/3% joint and survivor annuity.

13. POST-RETIREMENT BENEFIT INCREASES

Prior to August 1, 2012, post-retirement benefits were increased each February 1 by the aggregate amount of any specified general wage adjustment under the Working and Wage Agreement during the preceding twelve months.

Effective August 1, 2012, post-retirement benefits are increased each May 1 during the period of the agreement as follows:

- For participants who retired before August 1, 2012, the post-retirement benefit increase is 100% of the percentage increase in the U.S. Urban Wage Earners and Clerical Workers Consumer Price Index (CPI-W) (annual average) for the previous calendar year. Annual increases will not be more than 7% per year.
- For participants who retire on or after August 1, 2012, the post-retirement benefit increase is 90% of the percentage increase in the U.S. Urban Wage Earners and Clerical Workers Consumer Price Index (CPI-W) (annual average) for the previous calendar year. Annual increases will not be more than 7% per year.

14. PLAN AMENDMENTS SINCE THE PRIOR VALUATION

Amendment 2012-1 amended the Plan to provide vesting service and pre-retirement death benefits to participants who die while performing military service. These changes were to comply with the requirements of the Heroes Earnings Assistance and Relief Tax ("HEART") Act of 2008.

Amendment 2013-1 was adopted to reflect Plan changes from the interest arbitration award involving the ATU and TriMet dated July 12, 2012.

**PENSION PLAN FOR BARGAINING UNIT
EMPLOYEES OF TRIMET**

ACTUARIAL ASSUMPTIONS AND COST METHOD

This section of the report describes the actuarial procedures and assumptions used in this valuation. These procedures and assumptions have been chosen on the basis of recent experience of the Plan and on current expectations as to future economic conditions.

The assumptions are intended to estimate the future experience of the participants of the Plan and of the Plan itself in areas which affect the projected benefit flow and anticipated investment earnings. Any variations in future experience from that expected from these assumptions will result in corresponding changes in the estimated costs of the Plan's benefits.

1. RECORDS AND DATA

The data used in the valuation consist of employee data and financial information furnished by TriMet. All data for valuation purposes was accepted without audit.

2. ADJUSTMENT FOR INCOMPLETE DATA

If necessary, active participants are assumed to have a hire age equal to the average hire age of the active participants with complete data.

3. ACTUARIAL COST METHOD (effective July 1, 2004)

The accruing costs of all benefits are measured by the Individual Entry Age Normal Actuarial Cost Method. The Normal Cost expressed as a level dollar amount.

Under this method, the total Actuarial Present Value of Projected Benefits is allocated over the service for each active member from their date of entry into the Plan until their assumed date of exit from the Plan, as a level dollar amount. This level amount is referred to as the Normal Cost, and is calculated for each active member. It is calculated by dividing the total Actuarial Present Value of Projected Benefits at entry age by the Actuarial Present Value of Projected Service at entry age. The Normal Cost equals $0 for non-active members. The sum of the individual Normal Costs is the Normal Cost for the Plan.

Effective July 1, 2008, an annual normal cost is calculated for currently disabled participants who continue to earn service between the date of disability and age 62.

4. ACTUARIAL VALUE OF ASSETS (effective July 1, 2004)

The actuarial value of assets on the valuation date is equal to (1) – (2) – (3) – (4) – (5), with the resulting value not less than 80% nor greater than 120% of the market value of assets on the valuation date.

(1) Market Value of Assets*.

(2) 80% of the difference between actual investment return and expected investment return for the plan year prior to the valuation date.

(3) 60% of the difference between actual investment return and expected investment return for the plan year prior to the plan year in (2) above.

(4) 40% of the difference between actual investment return and expected investment return for the plan year prior to the plan year in (3) above.

(5) 20% of the difference between actual investment return and expected investment return for the plan year prior to the plan year in (4) above.

* The Market Value of Assets includes a receivable equal to the Medicare reimbursement payments to retired participants and beneficiaries made during the plan year.

Actual and expected investment returns are calculated net of investment management and custodial fees using simple interest from the date the contribution is made, and assuming benefit payments and expenses occur midyear.

The asset valuation method is described in IRS Revenue Procedure 2000-40.

5. INVESTMENT EARNINGS (effective July 1, 2013)

7.50% per annum compounded annually, net of investment management and custodial fees.

6. ADMINISTRATIVE EXPENSES (effective July 1, 2012)

Annual administrative expenses of $250,000 payable midyear are assumed.

7. PRE- AND POST-RETIREMENT BENEFIT INCREASES (effective July 1, 2012)

The benefit multiplier and disability benefits for active participants who terminate or retire after July 1, 2013 are assumed to increase 3% per year. For terminations, disabilities and retirements assumed to occur in the 2013-2014 plan year, the benefit rates used in the valuation are as shown below.

	2013 – 2014
Benefit Multiplier	$81.34
Disability Benefit	
10 Years of Continuous Service	$767.79
15 Years of Continuous Service	925.38
20 Years of Continuous Service	1,074.90

Benefits for participants who retired prior to August 1, 2012 are assumed to increase 3% per year into the future.

Benefits for participants who retire on or after August 1, 2012 are assumed to increase 2.7% (90% of 3%) per year into the future.

8. AMORTIZATION PERIOD

The valuation rate is equal to the normal cost plus the level dollar amortization of the UAAL over 20 years on the valuation date. At each valuation date, the Plan's UAAL will be reamortized over 20 years.

9. MORTALITY

Healthy Lives Mortality (effective July 1, 2010)

RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment for males and females, projected to 2010 using Scale AA. This assumption includes a margin for future mortality improvement based on recent Plan experience.

Disabled Lives Mortality (effective July 1, 2008)

Males - Annual rates of mortality are based on 70% of the Post-1994 Disability Mortality developed by the IRS (in IRS Revenue Ruling 96-7) for participants who become eligible for Social Security disability benefits, plus 30% of the RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment for males.

Females - Annual rates of mortality are based on 70% of the Post-1994 Disability Mortality developed by the IRS (in IRS Revenue Ruling 96-7) for participants who become eligible for Social Security disability benefits, plus 30% of the RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment for females.

This assumption includes a margin for future mortality improvement based on recent Plan experience.

10. FUTURE SERVICE CREDITS

Active and disabled participants are assumed to earn one year of vesting service and one year of continuous service credit each year into the future. Management transfers are assumed to earn one year vesting service and no continuous service each year in the future.

11. MINI-RUN TO FULL TIME (effective July 1, 2011)

20% of active mini-run participants as of the valuation date are assumed to transfer to full time during the current year and remain full time in the future.

12. FORM OF BENEFIT (effective July 1, 2006)

All non-retired participants with a spouse or domestic partner are assumed to elect the following form of payment at retirement:

Probability	Form of Payment
50%	Single Life Annuity
50%	66 2/3% Joint & Survivor Annuity

Retired participants are valued according to the benefit form elected at retirement.

13. RETIREMENT FROM ACTIVE STATUS (effective July 1, 2012)

All active participants and management transfers are assumed to retire by age 70. A certain percentage of active participants are assumed to elect retirement beginning at age 55. The rates of retirement are as follows:

Age	Annual Rate
55 - 57	5%
58	15
59 - 60	12
61	15
62	45
63	25
64	30
65	50
66 - 69	25
70	100

Retirement rates prior to age 55 were removed due to the elimination of the 30 & Out early retirement benefit.

14. RETIREMENT FROM INACTIVE STATUS

Terminated vested participants are assumed to retire at their earliest unreduced retirement age. Disabled participants are assumed to retire at age 62.

15. DISABLEMENT

The rates of disablement used in this valuation are illustrated below.

Age	Number of Participants Becoming Disabled During the Year (per 1,000 Actives)
30	1
35	1
40	2
45	3
50	5
55	8
60	12

It is assumed that 70% of disabled participants will become eligible for Social Security disability benefits. (effective July 1, 2008)

Tabular disability benefits are assumed to be paid to age 62. At age 62, the benefit is converted to a retirement benefit based on the participant's projected service and projected benefit level at age 62.

16. OTHER TERMINATIONS OF EMPLOYMENT (effective July 1, 2008)

The rates of assumed future withdrawal from active service for reasons other than death, disability or retirement are based on a study of withdrawal experience for this Plan from July 1, 2004 through June 30, 2008. Sample withdrawal rates are shown below:

Years of Vesting Service	Number of Participants Withdrawing During the Year (per 1,000 Actives)	
	Males	Females
Less than 1	50.0	100.0
1	25.0	50.0
2	22.5	45.0
3-6	20.0	40.0
7 and more	10.0	25.0

17. UNUSED SICK LEAVE BENEFITS

Active participants are assumed to accumulate a percentage of the maximum accumulated sick leave hours in effect at retirement, based on the following schedule:

Years of Vesting Service	Sick Hours Percentage
Less than 10	0%
10	20%
11	25%
12 – 15	30%
16 – 18	35%
19 – 20	40%
21 – 23	45%
24 and more	50%

Active Management Transfers are not assumed to return to the Union Plan following their transfer date and are not assumed to receive the unused sick leave benefit. (effective July 1, 2012)

The schedule of maximum accumulated sick leave hours is shown in Appendix A.

18. SPOUSE'S AGE

Females are assumed to be four years younger than their spouses.

19. PROBABILITY OF MARRIAGE/DOMESTIC PARTNER

75% of participants are assumed to be married or have a domestic partner.

20. ANNUALIZATION OF BENEFITS (effective July 1, 2012)

Benefits for participants who retired prior to August 1, 2012 are annualized using a factor of 12.06 to incorporate the anticipated 3% post-retirement benefit increase occurring May 1.

Benefits for participants who retire on or after August 1, 2012 annualized using a factor of 12.054 to incorporate 90% of the anticipated 3% retiree post-retirement benefit increase occurring May 1.

21. CHANGES IN ACTUARIAL METHODS AND ASSUMPTIONS

The investment earnings assumption was lowered from 7.75% to 7.50% per annum compounded annually, net of investment management and custodial fees, based on recent plan experience and future expectations.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

SCHEDULE OF EMPLOYER CONTRIBUTIONS

(Dollar Amounts in Thousands)

Fiscal Year Ending	Employer Contributions[1]	Annual Required Contribution (ARC)[3]	Percentage of ARC Contributed
6/30/08	$0 [2]	$26,154	0%
6/30/09	$0 [2]	$28,051	0%
6/30/10	$0 [2]	$34,028	0%
6/30/11	$13,400	$32,224	42%
6/30/12	$0 [2]	$34,638	0%
6/30/13	$35,553	$35,553	100%
6/30/14	TBD	$32,336	TBD

1 Contributions made in relation to the ARC by the fiscal year end.

2 Contributions related to the ARC were made within the first three months following the fiscal year end.

3 The ARC is the amount accrued for the following fiscal year. For example, the amount as of June 30, 2013 is the ARC accrued for the 2013-2014 fiscal year.

Medicare reimbursements are excluded the ARC and contribution amounts above.

The effects of GASB Statements No. 67 and No. 68 are not reflected on this schedule.

**PENSION PLAN FOR BARGAINING UNIT
EMPLOYEES OF TRIMET**

ANNUAL PENSION COST AND NET PENSION OBLIGATION

For Fiscal Year Ending June 30, 2013

Annual Required Contribution *(Accrued for 2013-2014 fiscal year)*	$ 35,553,324
Interest on Net Pension Obligation	0
Adjustment to Annual Required Contribution	0
Annual Pension Cost	$ 35,553,324
Contribution Made by June 30, 2013	35,553,324
Increase (Decrease) in Net Pension Obligation	$ 0
Net Pension Obligation Beginning of Year	0
Net Pension Obligation End of Year	$ 0

The effects of GASB Statements No. 67 and No. 68 are not reflected.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

SCHEDULE OF FUNDING PROGRESS

(Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)[1]	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2008	$ 238,883	$ 427,305	$ 188,422	56%	$ 116,418	162%
July 1, 2009	217,113	460,333	243,220	47	123,784	196
July 1, 2010	255,279	491,495	236,216	52	121,124	195
July 1, 2011	289,425	533,236	243,811	54	119,166	205
July 1, 2012	290,642	557,131	266,489	52	125,142	213
July 1, 2013	350,670	590,018	239,348	59	125,143	191

(1) Actuarial Accrued Liabilities less the Actuarial Value of Assets.

The effects of GASB Statements No. 67 and No. 68 are not reflected on this schedule.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

PARTICIPANT INFORMATION

The current actuarial valuation was based upon the participant data provided by TriMet.

The following table shows the number of participants included in the current actuarial valuation and the comparable numbers from the previous valuation.

	July 1, 2013	July 1, 2012	Change
Active			
Vested Participants	1,147	1,177	-2.5%
Non-Vested Participants	791	842	-6.1%
Management Transfers*	61	60	1.7%
TOTAL ACTIVE	1,999	2,079	-3.8%
Inactive			
Retirees & Beneficiaries**	1,431	1,347	6.2%
Vested Terminations***	149	150	-0.7%
TOTAL INACTIVE	1,580	1,497	5.5%
TOTAL PARTICIPANTS	3,579	3,576	0.1%

More detailed information on current plan participants is shown on the following pages.

* These participants no longer accrue continuous service under the Plan but continue to accrue service for vesting purposes.

** Includes participants receiving a disability benefit.

*** Includes deferred beneficiaries.

**PENSION PLAN FOR BARGAINING UNIT
EMPLOYEES OF TRIMET**

PARTICIPANT INFORMATION

The following is a summary of the significant data for the participants included in this valuation, together with comparable figures from the last two years.

	July 1, 2013	July 1, 2012	July 1, 2011
Active Full-Time Participants			
Number	1,759	1,726	1,711
Average Age	50.7	51.0	50.8
Average Years of Continuous Service	13.6	14.0	14.1
Active Mini-Run Participants			
Number	179	293	305
Average Age	52.3	47.5	49.6
Average Years of Continuous Service	9.7	6.1	6.8
Management Transfers			
Number	61	60	65
Average Age	53.0	52.9	52.3
Vested Terminations (including deferred beneficiaries)			
Number	149	150	158
Average Age	53.4	53.0	52.7
Average Monthly Benefit payable at the Participant's applicable Normal Retirement Age	$ 681	$ 663	$ 647
Retirees and Beneficiaries (including disabled)			
Number in pay status	1,431	1,347	1,257
Average Age	68.0	67.7	67.7
Average Monthly Benefit	$ 1,605	$ 1,582	$ 1,515

**PENSION PLAN FOR BARGAINING UNIT
EMPLOYEES OF TRIMET**

ACTIVE PARTICIPANTS

Summary by Age and Years of Continuous Service as of July 1, 2013

YEARS OF CONTINUOUS SERVICE

AGE	UNDER 1	1 TO 4	5 TO 9	10 TO 14	15 TO 19	20 TO 24
Under 25	0	7	0	0	0	0
25 to 29	1	40	11	0	0	0
30 to 34	1	36	40	5	0	0
35 to 39	0	42	59	26	12	0
40 to 44	1	44	72	52	47	3
45 to 49	1	40	84	63	61	26
50 to 54	2	43	84	66	78	51
55 to 59	0	32	60	88	84	43
60 to 64	0	12	49	73	72	39
65 & Up	0	5	25	17	19	13
Totals	6	301	484	390	373	175

YEARS OF CONTINUOUS SERVICE

AGE	25 TO 29	30 TO 34	35 TO 39	40 AND OVER	ALL YEARS
Under 25	0	0	0	0	7
25 to 29	0	0	0	0	52
30 to 34	0	0	0	0	82
35 to 39	0	0	0	0	139
40 to 44	0	0	0	0	219
45 to 49	4	2	0	0	281
50 to 54	31	9	0	0	364
55 to 59	35	35	4	0	381
60 to 64	23	39	12	0	319
65 & Up	2	8	5	0	94
Totals	95	93	21	0	1,938
Active Participants without Complete Data					0
Grand Total					1,938

**PENSION PLAN FOR BARGAINING UNIT
EMPLOYEES OF TRIMET**

ACTIVE MANAGEMENT TRANSFERS

Summary by Age and Years of Continuous Service as of July 1, 2013

YEARS OF CONTINUOUS SERVICE

AGE	UNDER 1	1 TO 4	5 TO 9	10 TO 14	15 TO 19	20 TO 24
Under 25	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0
35 to 39	0	0	2	2	0	0
40 to 44	0	0	2	0	1	1
45 to 49	0	0	1	1	5	2
50 to 54	0	0	0	1	6	2
55 to 59	0	0	0	2	2	1
60 to 64	0	1	0	1	2	0
65 & Up	0	0	0	0	0	0
Totals	0	1	5	7	16	6

YEARS OF CONTINUOUS SERVICE

AGE	25 TO 29	30 TO 34	35 TO 39	40 AND OVER	ALL YEARS
Under 25	0	0	0	0	0
25 to 29	0	0	0	0	0
30 to 34	0	0	0	0	0
35 to 39	0	0	0	0	4
40 to 44	0	0	0	0	4
45 to 49	2	0	0	0	11
50 to 54	3	1	0	0	13
55 to 59	3	4	3	0	15
60 to 64	2	2	4	0	12
65 & Up	0	0	2	0	2
Totals	10	7	9	0	61

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

RETIREES AND BENEFICIARIES (July 1, 2013)

Service Retirees

Age	Number	Total Monthly Benefit
Under 55	6	$ 9,751
55 to 59	64	96,468
60 to 64	242	400,638
65 to 69	351	584,433
70 to 74	233	381,698
75 to 79	123	199,608
80 to 84	48	70,794
85 & Up	28	62,468
Total	1,095	$1,805,858

Disability

Age	Number	Total Monthly Benefit
Under 55	42	$ 62,318
55 to 59	35	63,214
60 to 64	39	68,910
65 to 69	40	80,707
70 to 74	9	20,024
75 to 79	0	0
80 to 84	0	0
85 & Up	0	0
Total	165	$ 295,173

Survivors & Beneficiaries

Age	Number	Total Monthly Benefit
Under 55	8	$ 11,572
55 to 59	12	15,480
60 to 64	17	20,498
65 to 69	36	39,913
70 to 74	37	36,906
75 to 79	20	19,398
80 to 84	19	23,879
85 & Up	22	27,840
Total	171	$ 195,486

**PENSION PLAN FOR BARGAINING UNIT
EMPLOYEES OF TRIMET**

**NEW RETIREES AND DISABILITIES
(July 1, 2013)**

Service Retirees*

Age at Retirement	Number	Total Monthly Benefit
Under 55	0	$ 0
55	5	5,003
56	2	1,699
57	6	8,991
58	7	10,456
59	10	15,908
60	4	9,699
61	5	7,817
62	16	31,658
63	11	21,842
64	4	7,268
65	5	4,575
66	7	9,170
67	1	571
68	2	2,133
69	1	2,476
70 & Up	2	2,299
Total	88	$ 141,565

*Excludes beneficiaries and QDROs

Disability

Age at Disability	Number	Total Monthly Benefit
Under 50	3	$ 2,621
50	0	0
51	4	5,375
52	1	2,087
53	2	1,603
54	2	2,833
55	0	0
56	1	2,087
57	1	1,797
58	1	1,491
59	3	4,622
60	1	745
61	0	0
62	0	0
Total	19	$ 25,261

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

VESTED TERMINATED PARTICIPANTS*
(July 1, 2013)

Age	Number	Total Monthly Benefit**
Under 40	4	$ 2,148
40 to 44	12	10,155
45 to 49	20	14,313
50 to 54	41	27,322
55 to 59	49	32,532
60 & Up	23	15,022
Total	149	$101,492

* Includes deferred beneficiaries.

** Amounts shown are payable at the Participant's applicable Normal Retirement Age.

PENSION PLAN FOR BARGAINING UNIT EMPLOYEES OF TRIMET

ESTIMATED BENEFIT PAYMENTS*
July 1, 2013

YEAR ENDING 6/30	PAYMENT	YEAR ENDING 6/30	PAYMENT	YEAR ENDING 6/30	PAYMENT
2014	$ 28,774,000	2045	$ 59,159,000	2076	$ 4,736,000
2015	31,494,000	2046	57,437,000	2077	4,030,000
2016	34,186,000	2047	55,604,000	2078	3,400,000
2017	36,824,000	2048	53,712,000	2079	2,842,000
2018	39,394,000	2049	51,736,000	2080	2,355,000
2019	42,080,000	2050	49,650,000	2081	1,932,000
2020	44,753,000	2051	47,478,000	2082	1,570,000
2021	47,239,000	2052	45,266,000	2083	1,264,000
2022	49,646,000	2053	43,013,000	2084	1,007,000
2023	52,075,000	2054	40,728,000	2085	795,000
2024	54,366,000	2055	38,441,000	2086	621,000
2025	56,489,000	2056	36,176,000	2087	482,000
2026	58,445,000	2057	33,931,000	2088	370,000
2027	60,366,000	2058	31,722,000	2089	282,000
2028	62,066,000	2059	29,565,000	2090	213,000
2029	63,518,000	2060	27,468,000	2091	159,000
2030	64,773,000	2061	25,434,000	2092	118,000
2031	65,812,000	2062	23,471,000	2093	87,000
2032	66,813,000	2063	21,583,000	2094	64,000
2033	67,561,000	2064	19,776,000	2095	46,000
2034	67,995,000	2065	18,049,000	2096	33,000
2035	68,206,000	2066	16,406,000	2097	23,000
2036	68,203,000	2067	14,848,000	2098	16,000
2037	67,943,000	2068	13,376,000	2099	11,000
2038	67,418,000	2069	11,994,000	2100	7,000
2039	66,739,000	2070	10,699,000	2101	5,000
2040	65,909,000	2071	9,492,000	2102	3,000
2041	64,845,000	2072	8,372,000	2103	2,000
2042	63,622,000	2073	7,337,000	2104	1,000
2043	62,228,000	2074	6,388,000	2105	1,000
2044	60,760,000	2075	5,521,000		

* This is a closed group projection of benefit payments based on the plan participants as of the valuation date.