Jackson County, Missouri
Revised Pension Plan

Jackson County, Missouri
www.jacksongov.org

Comprehensive Annual Financial Report
A Pension Trust Fund of
Jackson County, Missouri

For the Years Ended
June 30, 2016 and 2015

Jackson County, Missouri
Revised Pension Plan

Comprehensive Annual Financial Report
A Pension Trust Fund of
Jackson County, Missouri

For the Years Ended
June 30, 2016 and 2015

Prepared by:

Cheryl Colter
Assistant Director of Accounting/Finance

Under the Direction of:

Troy Thomas
Chief Financial Officer

Dennis Dumovich
Director of Human Resources

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Revised Pension Plan
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Introductory Section

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jackson County

Missouri Revised Pension Plan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

JACKSON COUNTY
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Grants Management/
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Payroll
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Purchasing
(816) 881-3253

Risk Management
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Tax Refund/Distribution
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(816) 881-3358

December 29, 2016

Board of Trustees
Jackson County, Missouri
Revised Pension Plan

We are pleased to transmit to you the 2016 Comprehensive Annual Financial Report of the Jackson County, Missouri Revised Pension Plan for the fiscal year ended June 30, 2016. State law requires that divisions of all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The objective of this report is to inform the members of the Board of Trustees of the Jackson County, Missouri Revised Pension Plan of the financial condition of the Plan.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Plan. The Board of Trustees has delegated management to the Finance Department of Jackson County, Missouri. We believe that the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Plan as measured by the financial activity of its fund, and that all disclosures necessary to enable the reader to gain the maximum understanding of the Plan's financial affairs have been included.

The financial statements of the Plan have been audited by the independent auditors of RSM US LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Plan for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Plan's financial statements for the year ended June 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Governmental accounting standards require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

Frank White, Jr., County Executive

This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Jackson County, Missouri Revised Pension Plan's MD&A can be found immediately following the report of the independent auditors. The accuracy and completeness of the data contained in this report is the sole responsibility of the management of the Plan.

Profile of the Plan

The Jackson County, Missouri Revised Pension Plan (Plan) was created and established by ordinance of the Jackson County Legislature in 1967. The governance of the Plan was reorganized with an Ordinance dated February 17, 2009. This Ordinance created an independent Board of Trustees which holds the Plan assets in trust separate from the assets of Jackson County. The purpose of the Plan is to provide for the retirement of employees who become members of the Plan, to provide benefits for totally and permanently disabled members, and death benefits of spouses and beneficiaries of deceased members subject to Plan provisions.

At year-end (June 30, 2016), the Plan had 1,265 active members and a total of 1,236 members or their beneficiaries currently receiving benefits. The Plan covers those employees of Jackson County, Missouri, the Little Blue Valley Sewer District, the Jackson County Board of Election Commissioners, the Kansas City Board of Election Commissioners, the Jackson County Law Library, Inc., the Jackson County Sports Complex Authority, and the Eastern Jackson County Multi-Jurisdictional Anti-Drug Task Force.

Local Economy

It is the mission of the Jackson County Economic Development Department to create and maintain an attractive environment for the local economy to grow, businesses to thrive and people to live. We strive to inspire sustainable economic development by improving public transit infrastructure, enabling entrepreneurs and encouraging judicious use of taxpayer funds.

One of the many ways we have worked toward this goal is the newly acquired (in 2016) Rock Island Railroad Corridor. This transaction, which had been seven years in the making, provides opportunities for Jackson County, its residents, its business owners and the region as a whole. Corridor planning and design will focus on preservation of the national rail network corridor's integrity, most notably the railroad corridor's unencumbered continuity, and on multimodal transportation options as the corridor remains available for freight service. There are immediate plans to transform a portion of the corridor into hiking and biking trails with eventual connection to the Katy Trail, which will allow one continuous path from Kansas City to St. Louis. Developed as a trail alone, the County and its partners have enumerated some $75 million in property value benefits, health savings, and traffic crash, congestion, and pollution savings resulting from the build-out of the trail infrastructure.

Once the trail is complete, the focus will shift to high capacity transit along the corridor using the corridor for mass transit services throughout the county, which has the potential to provide transit services to the Truman Sports Complex and Downtown Kansas City. Jackson County is thrilled to have an innovative transportation and development partner in the project, the Kansas City Area Transportation Authority (KCATA), and a renewed regional and economic development focus. The corridor connects rural communities, suburban greenfield areas, inner-ring suburbs, and urban areas in Jackson County and offers unprecedented opportunities for regional, cooperative development organized toward sustainable and multimodal growth. For more information on the Rock Island Railroad Corridor please view the article posted on the Jackson County website at http://www.jacksongov.org/775/Jackson-County-Acquires-Rock-Island-Corr

There are two other proposed projects Jackson County is excited about which have the potential for regional impact. Paragon Star and Gateway Village are proposed sports complex projects located in Lee's Summit and Grandview, respectively, that will hopefully continue to build upon the metropolitan area's reputation as a youth sports hub.

Moving forward, we hope to foster even more economic activity. The team looks forward to generating revenue-creating opportunities through a variety of county resources. Our approach is to use our unique position at the county level to facilitate conversation and development with our regional partners.

Long-Term Financial Planning

The investment portfolio of the Plan is usually a major source of funds to the Plan. Net investment income from both long-term and short-term investments amounted to a loss of $519,751, representing -6.1% of total additions. This loss was primarily due to depreciation of $3,750,540 in the fair value of corporate stocks. Employer and employee contributions totaling $8,987,339 represent 106.1% of total additions. Interest, dividends, and contributions exceeded investment expenses and losses by $8,467,588. The supporting schedules reflect the changes in the portfolio during the year. The total yield on investments was -0.21%, down from the 2015 total yield of 3.7%. The Plan's investments are managed by independent investment managers and are held by the current custodian, BMO Harris Bank N.A. (BMO), except for the commingled investments which are held by the custodian chosen by such commingled fund, and maintained, for reporting purposes only, at BMO.

Employer contributions are subject to annual appropriation by the employers participating in the Plan. Annual contributions consist of the service cost and a payment toward funding past service liability. The ten year history of employer contributions as a percent of the actuarially determined contribution level ranged from a high of 110.2% in the fiscal year ended 2013 to a low of 73.8% in 2007. Employer contributions during this reporting period have decreased to 95.8% of the actuarially determined contribution level, due in part to a 12.4% increase in the actuarially determined contribution.

Relevant Financial Policies

Jackson County is responsible for establishing and maintaining internal control designed to ensure the protection of assets from loss, theft, or misuses, and to ensure the accounting information generated is adequate to prepare financial statements in conformity with accounting principles generally accepted in the United States of America. As a Pension Trust Fund of Jackson County, Missouri, the Revised Pension Plan is subject to this internal control. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. In addition, the County and the Plan are subject to annual audits.

This report is prepared in accordance with the principles of governmental accounting and reporting pronounced by the Governmental Accounting Standards Board (GASB). The accrual basis of accounting is used to record assets, liabilities, revenues and expenses. Revenue recognition occurs when earned without regard to the date of collection. Expense recognition occurs when the corresponding liabilities are incurred, regardless of payment date.

The Pension Plan Board of Trustees has set out the following investment objectives and policy guidelines:

Investment Objectives:

1. To earn a rate of return after all expenses that equals or exceeds the actuarial investment rate assumption of 7.0%, with a total return of at least GNP Deflator plus 4.5%.

2. A relative return objective to outperform a policy index comprised of the following:

22.5%	Standard & Poor's 500 Stock Index	10%	Russell 2500 Index
20%	MSCI ACWI ex U.S. Index	10%	MSCI ACWI
32.5%	Barclays Capital Aggregate Index	5%	NFI ODCE (net) Index

3. A relative Total Plan return objective of median or greater in a manager universe with comparable equity allocations.

4. Each manager's individual guidelines shall establish separate performance objectives consistent with this total performance objective. The expectation for each asset class is to rank in the upper half of its peer universe (except for Stabilized Fixed Income and Long/Short Equity) and meet or exceed its applicable benchmark as listed below. Long/Short Equity should also approximate the total return of the MSCI ACWI Index.

Asset Class	Performance Benchmark
Stabilized Fixed Income	90 Day T-Bill
Intermediate Fixed Income	Barclays Capital Intermediate Gov't/Credit Index
Core Plus Fixed Income	Barclays Capital Aggregate Index
Large Capitalization:	
Growth Equity	Russell 1000 Growth Index
Value Equity	Russell 1000 Value Index
Core Index Equity	S&P 500 Index
Small/Mid Capitalization Equity	Russell 2500 Index
International Equity	MSCI EAFE Index
International Equity Small Cap	MSCI World ex U.S. Small Cap Index
Emerging Markets Equity	MSCI Emerging Market Index
Long/Short Equity	HFRI Strategic Index
Real Estate	NFI ODCE (net) Index

Policies:

1. The Board has established the following asset-mix guidelines for the Plan:

Asset Class	Pension Plan Target	Range
Domestic Large Cap Equities	22.5%	17.5-27.5%
Domestic Small/Mid Cap Equities	10%	5-15%
International Equity Investments	15%	10-20%
Emerging Market Equity Investments	5%	0-10%
Long/Short Equity	10%	5-15%
Fixed Income Investments	32.5%	27.5-37.5%
Real Estate	5%	0-10%

Should the fund move outside the ranges listed above, the Board, with the advice of the Investment Consultant, will review the allocations and shall have the authority to bring the asset allocation back within allowable ranges.

2. The portfolio will generally be invested in marketable securities.

3. Generally, equity portfolios will be comprised of common stocks or securities having characteristics of common stocks (such as convertible securities or warrants).

4. Fixed income portfolios will be comprised of treasury, agency, mortgage, corporate, asset-backed and full-faith-and-credit guaranteed loan securities of investment grade quality.

5. Assets may be held in commingled (mutual) funds as well as privately managed separate accounts. Assets held in commingled accounts should be managed in style/strategy consistent with the fund's stated objective and constraints. If assets are held in a commingled account, the Board will make its best efforts to utilize funds that are managed in strategies that are generally consistent with the investment policies adopted by the Board.

6. Derivative instruments will only be used in ways that reduce risk or transfer risk and not to increase risk and are consistent with the fund's investment objectives. They will not be used to add leverage to the fund. Counterparty risk arising from derivative transactions will be limited to credits rated "A" or better. Instruments used may include, but are not limited to, futures, options, swaps, and structured notes.

7. Each asset manager's portfolio should be fully invested at all times, although cash may be held briefly when a security is sold prior to deciding which new security should be purchased. In no case shall cash comprise more than ten (10) percent of the portfolio without prior written approval of the Board.

8. Not less than annually, the Board will review investment results, manager performance, asset allocations, and investment policies and objectives.

Funding:

The bottom line for a retirement plan is the level of funding. The better the level of funding, the larger the ratio of assets accumulated and investment income potential. A better level of funding gives the participants a higher degree of assurance that their pension benefits are secure. The advantage of a well-funded plan is that the participants can look at assets that are irrevocably committed to the payment of benefits. Although the historical level of funding for the Plan is good, the Board and the employers continue to make a constant effort of improving that level, thereby assuring the participants of a financially sound retirement plan. The Plan fiduciary net position as a percentage of total pension liability was 76.7% in 2016. This represents a decrease of 7.8% in the past ten years and a decrease of 4.5% from the 2015 ratio of 81.2%. Factors contributing to the 2016 decrease include a 4.6% increase in total pension liability and a 1.2% decrease in the fair value of plan assets. The liabilities for the years of 2007 through 2016 have increased 82.3%. Employer contributions have increased 34.3% in the past ten years, while actuarially determined contributions have increased 3.4%. Every effort is being made to increase employer contributions in order to match or exceed the actuarially determined contribution.

Professional Services:

Professional consultants retained by the Plan are essential to the effective and efficient operation of the Plan. The firm of Cheiron, Inc. provides actuarial consultation. The investment consulting firm of Asset Consulting Group, Inc. (ACG) has been retained as a professional co-fiduciary to assist the Board of Trustees with evaluating prospective investment managers, as well as risk and return potential within the investment portfolios. ACG also monitors the investment performance of the Plan and the capabilities of the investment managers retained by the Board.

Custodial services, ancillary plan administration, and cash management services are provided by the BMO Harris Bank N.A. (BMO).

Awards and Acknowledgments

Certificate of Achievement:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jackson County, Missouri for its comprehensive annual financial report (CAFR) of the Jackson County, Missouri Revised Pension Plan Trust Fund for the fiscal year ended June 30, 2015. This was the 23rd consecutive year that the Jackson County, Missouri Revised Pension Plan has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements:

The compilation of this report reflects the combined effort of the staff of Jackson County, Missouri, especially that of Cheryl Colter, Assistant Director of Accounting/Finance; Christy Curless, Accounting and Finance Administrator; Dennis Dumovich, Director of Human Resources; Michelle Chrisman, Deputy Director of Human Resources; and Carmen Hayes, Human Resources Specialist. The intent is to provide complete and reliable information as a basis for making management decisions, to present evidence of compliance with legal provisions and demonstrate responsible stewardship for the assets contributed by the members and their employers.

On behalf of the board, I would like to express our gratitude to the staff, the advisors, and to the many people who have worked so diligently to assure the successful operation of the Plan. I would also like to personally thank the members of the Jackson County, Missouri Pension Plan Board of Trustees, whose work has helped assure the members of the Plan can rely on future benefits.

Respectfully submitted,

Q. Troy Thomas
Chief Financial Officer
Jackson County

Jackson County, Missouri
Revised Pension Plan
Plan Administration
June 30, 2016

County ordinance provides that the administration of the plan be vested in a Pension Plan Board of Trustees appointed by the County Executive, subject to the disapproval of the County Legislature. The composition and membership of the Pension Plan Board of Trustees shall be established as follows:

(i) Jackson County Chief Administrative Officer

(ii) Jackson County Director of Human Resources

(iii) One (1) active Member of the Plan who is an employee of the Circuit Court

(iv) One (1) active Member of the Plan from the bargaining unit within the Office of the Prosecuting Attorney and with which the Office of the Prosecuting Attorney has a valid Memorandum of Understanding

(v) Two (2) other active Members of the Plan, but not more than one member from any one department

(vi) Four (4) independent business executives with special consideration to be given to those with investment experience

(vii) One (1) labor leader or union representative affiliated with a labor organization or union with which the Employer has a current Memorandum of Understanding

The Investment Section, Schedule of Brokerage Commissions Paid, provides information on investment professionals who provide services to the Plan (see page 48).

Jackson County, Missouri
Revised Pension Plan
Board of Trustees Members
June 30, 2016

Jackson County, Missouri
Revised Pension Plan
Consulting Services
June 30, 2016

Auditor
RSM US LLP
Certified Public Accountants
Kristen Hughes, Senior Manager
Kansas City, Missouri

Consultant/Actuary
Cheiron, Inc.
Stephen T. McElhaney, Principal Consulting Actuary
McLean, Virginia

Custodian
BMO Harris Bank N.A.
Tricia Zimmel
Kansas City, Missouri

Investment Advisor
Asset Consulting Group, LLC
Patricia Haffner, Vice President
St. Louis, Missouri

Investment Manager
ABS Investment Management, LLC
Jestine Roberts
Greenwich, Connecticut

Investment Manager
Atlanta Capital Management
Jimmy Stafford
Atlanta, Georgia

Investment Manager
BMO Harris Bank N.A.
Amanda Urban
Milwaukee, WI

Investment Manager
Brown Investment Advisory, Inc.
Mary Gregory
Baltimore, Maryland

Jackson County, Missouri
Revised Pension Plan
Consulting Services
June 30, 2016

Investment Manager
Financial Counselors, Inc.
Peter Greig
Kansas City, Missouri

Investment Manager
Hotchkis & Wiley Capital Management, LLC
Kristin Smith
Los Angeles, California

Investment Manager
Investec Asset Management
Alexandra Danielsson
New York, NY

Investment Manager
Loomis Sayles & Co., LP
Joseph Beauparlant
Boston, Massachusetts

Investment Manager
Mondrian Investment Partners (U.S.), Inc.
Patti Karolyi
Philadelphia, Pennsylvania

Investment Manager
Northern Trust Asset Management
Steve Yoon
Chicago, Illinois

Investment Manager
Principal Global Investors
Doug Vander Beek
Des Moines, Iowa

Investment Manager
Wells Capital Management
Joseph Conroy
San Francisco, California

Legal Counsel
Arnold, Newbold, Winter & Jackson, P.C.
Linda Winter, Attorney at Law
Kansas City, Missouri

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Jackson County, Missouri
Revised Pension Plan

Financial Section

RSM

RSM US LLP

Independent Auditor's Report

To the Plan Participants and Members of the Jackson County, Missouri
Pension Plan Board of Trustees of the
Jackson County, Missouri Revised Pension Plan
Kansas City, Missouri

Report on the Financial Statements
We have audited the accompanying financial statements of the Jackson County, Missouri Revised Pension Plan (the Plan), a pension trust fund of Jackson County, Missouri, which comprise the statements of fiduciary net position as of June 30, 2016 and 2015; the related statements of changes in fiduciary net position for the years 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.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 of 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 auditor's 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, the fiduciary net position of the Jackson County, Missouri Revised Pension Plan as of June 30, 2016 and 2015, and the changes in fiduciary net position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter
As described in Note 1, the financial statements present only a pension trust fund of Jackson County, Missouri, and do not purport to, and do not, present fairly the financial position of Jackson County, Missouri, as of June 30, 2016 and 2015, and the changes in its financial position for the years then ended.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of changes in net pension liability and related ratios, employer contributions and investment returns, 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 (GASB), who considers it to be an essential part of financial reporting for placing the basic 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 Supplementary Information
Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenses, listed in the table of contents as other supplementary information, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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 accompanying introductory section, investment section, actuarial section and statistical section, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or any assurance on them.

RSM US LLP

Kansas City, Missouri
December 29, 2016

Jackson County, Missouri
Revised Pension Plan
Management's Discussion and Analysis
June 30, 2016 and 2015

As management of the Jackson County, Missouri Revised Pension Plan, we offer readers of the Plan's financial statements this narrative overview and analysis of the financial activities of the Plan for the fiscal years ended June 30, 2016 and 2015.

Financial Highlights (in Thousands)

The Plan's fiduciary net position was $241,752; reflecting a decrease of $2,815. This change in fiduciary net position is the result of several key factors: depreciation of $2,085 in the fair value of assets; interest and dividend income of $2,666; contributions to the Plan of $8,987; benefits paid to participants of $11,068; and expenses of $1,315 (refer to page 21). The change in fiduciary net position reflects a decrease of $9,894 from the 2015 increase of $7,079; which is primarily due to depreciation of $8,565 in the fair value of corporate stocks and $3,677 in the fair value of the Long-Short Equity Fund. The Plan's fiduciary net position indicates the Plan will be able to meet ongoing obligations to Plan participants and their beneficiaries.

Revenues (additions to fiduciary net position) for the year were $8,467; this reflects a decrease of $8,932 from 2015. The net investment loss of $520 reflects a decrease of $9,415 from 2015. This is primarily due to the depreciation of the fair value of corporate stocks and the Long-Short Equity Fund, as discussed above. Employer contributions to the plan were $8,965, an increase of $485 from 2015 (refer to page 21).

Benefits and administrative expenses (deductions from fiduciary net position) increased $962 from $10,320 in 2015 to $11,282. Pension benefits paid to retirees, survivors, and disabled former employees was $11,068, an increase of $933 from 2015 (refer to page 21). Administrative expenses increased $29, primarily due to the increased cost of legal services (refer to page 42).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Jackson County, Missouri Revised Pension Plan. The financial section of the Jackson County, Missouri Revised Pension Plan is comprised of four components: (1) Basic Financial Statements, (2) Notes to Financial Statements, (3) Required Supplementary Information, and (4) Other Supplementary Information.

Basic Financial Statements: (1) The Statements of Fiduciary Net Position are a snapshot of account balances at fair value as of the end of the reporting period whereby fiduciary net position equals assets less liabilities at fiscal year end. It indicates the assets available for future payments to retirees. (2) The Statements of Changes in Fiduciary Net Position provide a view of current and prior year additions to and deletions from the Plan whereby the net change in fiduciary net position equals additions less deductions. Both statements are in compliance with all Government Accounting Standard Board (GASB) pronouncements for state and local governments.

Overview of the Financial Statements (continued)

Notes to Financial Statements: Provides additional information not readily evident in the statements themselves. The notes are an integral part of the financial statements.

Required Supplementary Information: Consists of a Schedule of Changes in Net Pension Liability and Related Ratios, a Schedule of Employer Contributions, and a Schedule of Investment Returns. The Schedules of Administrative Expenses, Investment Expenses and Payments to Vendors are presented immediately following the required supplementary information. These schedules provide historical and additional detailed information considered useful in evaluating the condition of the Plan.

Financial Analysis

Investments

Defined Benefit Pension Trust Fund Changes in Fiduciary Net Position

The investment policy is set by the Pension Plan Board of Trustees. The policy states the composition of investments of the fund will not exceed the range of 37.5% to 87.5% in equities, 27.5% to 37.5% in fixed income investments, and up to 10% in real estate. The following chart represents the composition of the fiduciary net position at June 30, 2016, 2015, and 2014, respectively. As of June 30, 2016, total corporate stocks were 28.1% of the portfolio, while the Bond Collective Trust Fund and the International Equity Fund accounted for 19.4% and 11.7%, respectively. The remaining funds were in U.S. government securities, a limited partnership, a long-short equity fund, an emerging markets equity fund, an S&P 500 index fund, corporate bonds and debentures, a money market fund, and a real estate pooled separate account.

Jackson County, Missouri
Revised Pension Plan
Management's Discussion and Analysis
June 30, 2016 and 2015

Summary Comparative Statements of Fiduciary Net Position (in Thousands)

	June 30,		Change		June 30,		Change	
	2016	2015	Amount	%	2015	2014	Amount	%
U.S. Government Securities	$ 14,521	15,649	(1,128)	-7.2%	$ 15,649	16,191	(542)	-3.4%
Bond Collective Trust Fund	46,827	44,593	2,234	5.0%	44,593	42,719	1,874	4.4%
Limited Partnership	4,576	4,757	(181)	-3.8%	4,757	4,893	(136)	-2.8%
International Equity Fund	28,275	-	28,275	100.0%	-	-		0.0%
Long-Short Equity Fund	22,840	24,982	(2,142)	-8.6%	24,982	23,447	1,535	6.6%
S&P 500 Index Fund	13,920	13,389	531	4.0%	13,389	-	13,389	100.0%
Emerging Markets	10,330	9,876	454	4.6%	9,876	10,531	(655)	-6.2%
Corporate Stocks:								
Common Stocks	40,409	42,014	(1,605)	-3.8%	42,014	53,623	(11,609)	-21.7%
Regional Stocks	27,502	26,272	1,230	4.7%	26,272	23,776	2,496	10.5%
International Stocks	4	30,404	(30,400)	-100.0%	30,404	30,583	(179)	-0.6%
Total Corporate Stocks	67,915	98,690	(30,775)	-31.2%	98,690	107,982	(9,292)	-8.6%
Corporate Bonds & Debentures	14,102	12,525	1,577	12.6%	12,525	12,456	69	0.6%
Municipal Bonds	-	-	-	0.0%	-	135	(135)	-100.0%
Money Market Fund	5,166	5,629	(463)	-8.2%	5,629	6,464	(835)	-12.9%
Real Estate Pooled Separate Account	13,333	14,481	(1,148)	-7.9%	14,481	12,707	1,774	14.0%
Total Investments	241,805	244,571	(2,766)	-1.1%	244,571	237,525	7,046	3.0%
Accrued Interest & Dividends	264	320	(56)	-17.5%	320	313	7	2.2%
Total Assets	242,069	244,891	(2,822)	-1.2%	244,891	237,838	7,053	3.0%
Accrued Expense	317	324	7	2.2%	324	350	26	7.4%
Fiduciary Net Position	$ 241,752	244,567	(2,815)	-1.2%	$ 244,567	237,488	7,079	3.0%

2016

Fiduciary net position decreased $2,815. The most significant factor was a decrease of $30,775 in the valuation of corporate stocks. This decrease was partially offset by an increase of $28,275 in the valuation of the International Equity Fund. International stocks were sold and reinvested in the International Equity Fund.

2015

Fiduciary net position increased $7,079. The most significant factors were increases of $13,389 and $1,874 in the valuation of the S&P 500 Index Fund and the Bond Collective Trust Fund, respectively, which were partially offset by a decrease of $9,292 in the valuation of corporate stocks.

Jackson County, Missouri
Revised Pension Plan
Management's Discussion and Analysis
June 30, 2016 and 2015

Summary Comparative Statements of Changes in Fiduciary Net Position (in Thousands)

	June 30,		Change		June 30,		Change	
	2016	2015	Amount	%	2015	2014	Amount	%
Net Appreciation (Depreciation)	$ (2,085)	7,154	(9,239)	-129.1%	$ 7,154	27,980	(20,826)	-74.4%
Interest & Dividends	2,666	2,891	(225)	-7.8%	2,891	3,800	(909)	-23.9%
Investment Expense	(1,101)	(1,150)	49	-4.3%	(1,150)	(1,198)	48	-4.0%
Net Investment Income (Loss)	(520)	8,895	(9,415)	-105.9%	8,895	30,582	(21,687)	-70.9%
Employee Contributions	22	24	(2)	-8.3%	24	23	1	4.4%
Employer Contributions	8,965	8,480	485	5.7%	8,480	8,117	363	4.5%
Total Additions	8,467	17,399	(8,932)	-51.3%	17,399	38,722	(21,323)	-55.1%
Benefits Paid	11,068	10,135	933	9.2%	10,135	9,238	897	9.7%
Administrative Expenses	214	185	29	15.7%	185	170	15	8.8%
Total Deductions	11,282	10,320	962	9.3%	10,320	9,408	912	9.7%
Net Increase (Decrease) in Fiduciary Net Position	(2,815)	7,079	(9,894)	-139.8%	7,079	29,314	(22,235)	-75.9%
Fiduciary Net Position								
Beginning of Year	244,567	237,488	7,079	3.0%	237,488	208,174	29,314	14.1%
End of Year	$ 241,752	244,567	(2,815)	-1.2%	$ 244,567	237,488	7,079	3.0%

2016

The appreciation of the fair value of investments decreased from $7,154 in 2015 to $(2,085) in 2016, a decrease of $9,239. This is most notably due to the depreciation of $8,565 in the fair value of corporate stocks between 2015 and 2016. As of June 30, 2016, the appreciation of the fair value of corporate stocks was $(3,751).

The decrease of $9,415 in net investment income (loss) is primarily due to the $9,239 depreciation of the fair value of investments. The appreciation of the fair value of corporate stocks decreased $8,565, the largest decrease by category from 2015 to 2016.

Employer contributions to the plan increased $485 and 5.7%.

Benefits paid to retirees, survivors, and disabled former employees increased $933 and 9.2%. Part of the increase was due to net increase of 70 participants receiving benefits during the reporting period. In addition, a cost of living adjustment (COLA) of 1.5% was implemented in July 2015.

Administrative expenses were $214 for 2016, an increase of $29 and 15.7% from 2015. The increase was primarily due to the increased cost of legal services.

Investment expenses decreased $49 and 4.3% from 2015. Investment fees are based on the fair value of each portfolio.

2015

Net appreciation of $7,154 is a decrease of $20,826 from 2014. This is most notably due to the decrease in appreciation of $16,425 and $3,513 in the fair value of the corporate stocks and the Bond Collective Trust Fund, respectively, between 2014 and 2015. The total appreciation of the corporate stocks was $4,814, comprised of realized and unrealized gains from 2014 to 2015.

The negative change of $21,687 in net investment income is primarily due to the $20,826 decrease in appreciation of the fair value of investments. The appreciation of the fair value of the Corporate Stocks decreased $16,425, the largest decrease by category from 2014 to 2015.

Employer contributions to the plan increased $363 and 4.5%.

Benefits paid to retirees, survivors, and for disability claims increased $897 and 9.7%. Part of the increase was due to a net increase of 67 participants receiving benefits during the reporting period.

Administrative expenses were $185 for 2015, an increase of $15 from 2014. The increase was primarily due to the increased cost of legal services.

Investment expenses decreased $48 and 4.0% from 2014. Investment fees are based on the fair value of each portfolio.

Economic Factors (in Thousands)

2016

Employer contributions to the Plan for the 2015-2016 fiscal year increased 5.7%.

The assets of Jackson County exceeded its liabilities at the close of fiscal year 2015 by $360,521 (net position). Of this amount, $335,914 was invested in capital assets (net of related debt), and the remainder was for park operations, workers' compensation claims, capital projects, and debt service.

The total debt of Jackson County decreased $9,631 in fiscal year 2015. The County issued $10,750 of bonds and entered into $1,514 of capital lease obligations during the fiscal year.

The real and personal property assessed value of $9,681,092 in 2015 reflected an increase in the base of $462,227 and 5.0% from 2014. Revenue for Jackson County in 2015 was $237,269, an increase of 2.7% from 2014.

2015

Employer contributions to the Plan for the 2014-2015 fiscal year increased 4.5%.

The assets of Jackson County exceeded its liabilities at the close of fiscal year 2014 by $373,221 (net position). Of this amount, $350,713 was invested in capital assets (net of related debt), and the remainder was for park operations, workers' compensation claims, capital projects, and debt service.

The total debt of Jackson County decreased $5,335 in the fiscal year 2014. The County issued $338,980 of bonds during the fiscal year.

The real and personal property assessed value of $9,218,865 in 2014 reflected a decrease in the base of $1,854 and 0.02% from 2014. Revenue for Jackson County in 2014 was $230,998, an increase of 3.4% from 2013.

Jackson County, Missouri
Revised Pension Plan
Statements of Fiduciary Net Position
June 30, 2016 and 2015

	2016	2015
Assets:		
Investments:		
U.S. Government Securities	$ 14,521,165	$ 15,649,032
Bond Collective Trust Fund	46,826,865	44,592,908
Limited Partnership	4,575,584	4,756,743
International Equity Fund	28,274,672	-
Long-Short Equity Fund	22,840,313	24,982,265
Corporate Stocks	67,915,111	98,690,415
Emerging Markets Equity Fund	10,330,380	9,876,028
S&P 500 Index Fund	13,919,640	13,389,250
Corporate Bonds & Debentures	14,102,209	12,524,897
Money Market	5,166,190	5,629,154
Real Estate Pooled Separate Account	13,332,738	14,481,031
Total Investments	241,804,867	244,571,723
Accrued Interest and Dividends	264,142	319,494
Total Assets	242,069,009	244,891,217
Liabilities:		
Accrued Expense	317,081	324,513
Net Position Restricted for Pensions	$ 241,751,928	$ 244,566,704

See Notes to Basic Financial Statements.

Jackson County, Missouri
Revised Pension Plan
Statements of Changes in Fiduciary Net Position
For the Fiscal Years Ended June 30, 2016 and 2015

	2016	2015
Additions:		
Net Investment Income:		
U.S. Government Securities	$ 240,474	$ (110,949)
Bond Collective Trust Fund	2,019,147	(69,783)
Limited Partnership	(266,332)	(219,986)
Long-Short Equity Fund	(2,141,953)	1,535,307
Corporate Stocks	(3,750,540)	4,814,130
Emerging Markets Equity Fund	(342,265)	(654,795)
S&P 500 Index Fund	534,358	390,941
Corporate Bonds and Debentures	170,591	(305,709)
Real Estate Pooled Separate Account	1,451,707	1,774,554
Net Appreciation/(Depreciation) of Fair Value	(2,084,813)	7,153,710
Interest and Dividends	2,666,494	2,890,717
Investment Expense	(1,101,432)	(1,150,070)
Net Investment Income/(Loss)	(519,751)	8,894,357
Employee Contributions	22,294	24,221
Employer Contributions	8,965,045	8,479,786
Total Contributions	8,987,339	8,504,007
Total Additions	8,467,588	17,398,364
Deductions:		
Benefits paid directly to participants	11,068,365	10,134,743
Administrative Expenses	213,999	185,094
Total Deductions	11,282,364	10,319,837
Net Increase/(Decrease) in Fiduciary Net Position	(2,814,776)	7,078,527
Net Position Restricted for Pensions:		
Beginning of Year	244,566,704	237,488,177
End of Year	$ 241,751,928	$ 244,566,704

See Notes to Basic Financial Statements.

Jackson County, Missouri
Revised Pension Plan
Notes to Basic Financial Statements
June 30, 2016 and 2015

(1) Summary of Significant Accounting Policies

Measurement Focus, Basis of Accounting, and Basis of Presentation

The Jackson County, Missouri Revised Pension Plan (The Plan) uses a fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The Plan's fund is classified as a Pension Trust Fund of fiduciary fund type. Pension Trust Funds account for assets held by the Plan in a trustee capacity or as an agent on behalf of others and are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Employer contributions are recognized when paid and the employer has made a formal commitment to provide the contributions. Interest and dividend income are recorded when earned. Expenses are recorded when the corresponding liabilities are incurred. Benefits are recognized when due and payable in accordance with the terms of the Plan.

Investment Valuation and Income Recognition

Investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity–specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same—that is, to determine the price at which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. See Note (3) for additional information regarding fair value measures.

Use of Estimates

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

Administrative Expense

Actuarial, investment management and bank trustee fees and expenses are included in the Plan's expenses when incurred. Expenses applicable to the Plan year that have not been paid, are accrued and reflected in the total expense reported.

(2) Plan Description

Plan Administration

The Jackson County, Missouri Revised Pension Plan (the Plan) is considered a cost-sharing multiple-employer defined benefit plan providing for retirement, disability and death benefits for all eligible employees of Jackson County (the County), the Little Blue Valley Sewer District, the Jackson County Board of Election Commissioners, the Kansas City Board of Election Commissioners, the Jackson County Sports Complex Authority, the Jackson County Law Library, Inc., and the Eastern Jackson County Multi-Jurisdictional Anti-Drug Task Force. The benefit provisions are provided under the authority of Section 50.337, RSMo. The Pension Plan Board of Trustees is responsible for the overall governance of the Pension Plan, including all administrative, operational, and investment functions. The Board shall have all the powers and duties that are necessary and proper to enable it to fully and effectively carry out its responsibilities. The Board consists of eleven members—the Jackson County Chief Administrative Officer, the Jackson County Director of Human Resources, one active plan member employed by the Circuit Court, one active plan member from the Prosecuting Attorney's bargaining unit, two other active plan members from other departments, four independent business executives, and a labor leader or union representative from one of the County's bargaining units (see page 8 for additional information). Day-to-day administration of the Plan is performed by employees of the Jackson County Human Resources and Finance Departments.

The employers listed in the paragraph above, have agreed to voluntarily contribute such amounts as are necessary to provide assets sufficient to meet benefits to be paid to Plan members. The Plan is included in the County's financial reports as a Pension Trust Fund, however, these financial statements present only the Pension Trust Fund. The County, by action of the County Legislature, has the right under the Plan to discontinue contributions at any time and terminate the Plan. In the event of Plan termination, the Plan's net position is to be distributed in the following order:

1. To provide for the distribution of non-refunded participants contributions.

2. To provide for the continuance of benefits to those receiving such prior to plan termination.

3. To provide benefits for those eligible, but not yet receiving benefits as of the plan termination date.

4. To provide benefits to participants at normal retirement date eligible for termination benefits whether or not they have actually terminated, without reference to the order they shall reach normal retirement date.

5. To provide for subsequent normal retirement benefits for members upon reaching normal retirement date.

(2) Plan Description (continued)

Plan Membership
As of June 30, 2016 and 2015, the Jackson County, Missouri Revised Pension Plan membership consisted of:

	2016	2015
Retirees and beneficiaries currently receiving benefits	1,236	1,167
Terminated employees entitled to benefits but not yet receiving them	1,126	1,117
Current employees:		
Vested	910	961
Non Vested	355	336
Total	3,627	3,581

Benefits Provided
Plan benefit terms may be amended by the Pension Plan Board of Trustees, subject to the approval of the Jackson County Legislature.

Eligibility: Employees become eligible for the plan on the January 1st after completion of one year of full-time service.

Vesting: The participant is 100% vested after five years of service. No partial vesting is allowed.

Normal Retirement: The Plan calls for the normal retirement benefit at age sixty-five of 1.5% of the average monthly earnings for each year of credited service (computed average monthly earnings for the highest thirty-six consecutive months, from the previous one hundred twenty months). Effective December 15, 1997, the Plan was amended to also provide a normal retirement benefit to those active employees who have reached the age of fifty-five and whose years of age and credited service total eighty years.

Normal Retirement (Elected Officials): Effective November 5, 2003, the Plan was amended to provide a benefit schedule applicable to Elected Officials. The Plan allows for a normal retirement benefit calculation of 4.167% of the Average Monthly Earnings for each year of the first twelve years of credited service plus 5% of Average Monthly Earnings times years of credited service from years 12 to 16.

Early Retirement: Early retirement is available at age fifty-five and five years of service, subject to certain reductions from the normal benefit. No benefits are available before age fifty-five, exclusive of disability benefits.

Disability Retirement: The participant shall receive the accrued benefit, if the participant has five years of service and the disability is total and permanent as defined by the Social Security Act.

(2) Plan Description (continued)

Pre-Retirement Death Benefit: If any active member should die being vested in the plan, a lump sum death benefit equal to the deceased member's current benefit at the time of death shall be payable.

Cost of Living Adjustments: The Plan provisions regarding cost of living adjustments (COLAs) allow for discretionary increases of up to 3.0% for members who have been retired for a full year.

IRS Determination

The Plan has received a favorable determination letter dated June 15, 2012, from the Internal Revenue Service indicating that it is qualified under the Internal Revenue Code. The Plan has been amended since receiving this determination letter. The Plan Administrator believes the Plan is currently designed, and is being operated, in compliance with the applicable requirements of the Code.

Contributions

Employer contributions are subject to annual appropriation by Jackson County, Missouri, and other participating employers. The only employee contributions are the 4% required to be contributed by elected officials for up to 16 years. No other employee contributions are allowed. The Plan receives an annual actuarial valuation for the purpose of determining the recommended contribution rates. The County's contribution rate was 14.4% of annual covered payroll for July 2014 to June 2016, except for the General Fund, which contributed 9% of annual covered payroll. All other employers' contribution rates were 14.4% of annual payroll for July to December 2014, 13.6% for January to December, 2015, and 15.46% for January to June, 2016, respectively.

Administrative costs of the pension plan are financed through investment earnings when incurred.

Funded Status and Changes in Net Pension Liability

As of July 1, 2016, the most recent actuarial valuation date, the Plan was 76.7% funded. The total pension liability was $315,021,758; and the plan fiduciary net position was $241,751,928; resulting in a net pension liability (NPL) of $73,269,830. The annual covered payroll (annual payroll of active employees covered by the Plan) was $60,503,534; and the ratio of the NPL to the annual covered payroll was 121.1%.

As of July 1, 2015, the Plan was 81.2% funded. The total pension liability was $301,023,680; and the plan fiduciary net position was $244,566,704; resulting in a net pension liability (NPL) of $56,456,976. The annual covered payroll (annual payroll of active employees covered by the Plan) was $61,267,909; and the ratio of the NPL to the annual covered payroll was 92.1%.

(3) Investments

Investment Policy

The Plan's investments are managed by independent investment managers and are held by the current custodian, BMO Harris Bank N.A. (BMO), except for the commingled investments which are held by the custodian chosen by such commingled fund, and maintained, for reporting purposes only, at BMO. In 2016, international stocks were sold and re-invested in an International Equity Fund that was added to the Plan's portfolio. A S&P 500 Index Fund was added to the Plan's portfolio in 2015. Equity securities are limited to 87.5% of total investments, with an allocation target of 62.5%. Fixed income investments, other than cash equivalents, are limited to 37.5% of total investments, with an allocation target of 32.5%. Real estate investments are limited to 10% of total investments, with an allocation target of 5%. Investment performance is monitored by a professional consultant and reviewed not less than annually by the Pension Board of Trustees, which has the authority to amend investment policy decisions, including asset allocation targets and acceptable asset classifications.

Concentration of Investments

At June 30, 2016, the investment in the Bond Collective Trust Fund represented 19.4% of the Plan's total investments, the International Equity Fund represented 11.7%, the Long-Short Equity Fund represented 9.5%, the S&P 500 Index Fund represented 5.8%, and the Real Estate Pooled Separate Account represented 5.5%. All other individual investments represented less than 5% of the Plan's total investments.

At June 30, 2015, the investment in the Bond Collective Trust Fund represented 18.2% of the Plan's total investments, the Long-Short Equity Fund represented 10.2%, the Real Estate Pooled Separate Account represented 5.9%, and S&P 500 Index Fund represented 5.5%. All other individual investments represented less than 5% of the Plan's total investments.

Rate of Return

For the years ended June 30, 2016 and 2015, the annual money weighted rates of return on pension plan investments, net of pension plan investment expense, were -0.16% and 3.68%, respectively. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Plan does not have a policy for interest rate risk.

(3) Investments (continued)

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity:

June 30, 2016

Security Description	Current Fair Value	Investment Maturities (in years) <1	1-5	5-10	10+
US Agencies	$ 4,855,672	2,212	863,263	2,262,244	1,727,953
Treasury Notes	9,665,493	989,885	2,736,803	5,938,805	-
Corporate Bonds	14,102,209	2,224,796	7,933,104	3,944,309	-
Total	$ 28,623,374	3,216,893	11,533,170	12,145,358	1,727,953

June 30, 2015

Security Description	Current Fair Value	Investment Maturities (in years) <1	1-5	5-10	10+
US Agencies	$ 6,713,087	510,630	942,529	2,957,242	2,302,686
Treasury Notes	8,935,945	-	2,157,202	6,778,743	-
Corporate Bonds	12,524,897	1,666,254	8,227,918	2,630,725	-
Total	$ 28,173,929	2,176,884	11,327,649	12,366,710	2,302,686

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan does not have a policy for credit risk.

(3) Investments (continued)

As of June 30, 2016, the Plan's investments were rated as follows:

Security Description	Moody's	Standard & Poor's
US Agencies:		
Farmer's Home Administration	Not Rated	Not Rated
Federal National Mortgage Association	AAA	AA+
Federal National Mortgage Association GTD PASSTHRU	Not Rated	Not Rated
Government National Mortgage Association	Not Rated	Not Rated
Small Business Administration GTD LN Pool	AAA	Not Rated
Corporate Bonds:		
Aon Plc Sr Glbl	BAA2	A-
Amazon.com, Inc.	BAA1	AA-
Bank of Nova Scotia	AA3	A+
BMO Bank of Montreal	AA3	A+
Capital One Financial Corp.	WR	BBB
Carnival Corp.	A3	BBB+
Celegene Corp.	BAA2	BBB+
Citigroup, Inc.	BAA1	BBB+
CVS Health Corp	BAA1	BBB+
Diamond 1 Financial	Not Rated	BBB-
Discover Financial Services	BA1	BBB-
Dominion Resources, Inc.	BAA2	BBB
Express Scripts Holding Co.	BAA2	BBB+
Fifth Thrid Bank of Cinncinati, Ohio	A3	A-
General Electric Capital Corp.	A1	AA+
KeyCorp	BAA1	BBB+
McDonalds Corp	BAA1	BBB+
MetLife	A3	A-
National Oilwell Varco Inc.	BAA1	BBB+
Prudential Financial, Inc.	BAA1	A
Rio Tinto Finance	BAA1	A-
Royal Bank of Canada	AA3	AA-
Schlumberger Investment	A1	AA-
Synchrony Financial	Not Rated	BBB-
Wellpoint, Inc.	BAA2	A
Wells Fargo & Co.	A2	A
Loomis Sayles Commingled Bonds Account	A2	A
BMO Prime Money Market	Not Rated	Not Rated

(3) Investments (continued)

As of June 30, 2015, the Plan's investments were rated as follows:

Security Description	Moody's	Standard & Poor's
US Agencies:		
Farmer's Home Administration	Not Rated	Not Rated
Federal Home Loan Bank	Aaa	AA+
Federal National Mortgage Association	Aaa	AA+
Federal National Mortgage Association GTD PASSTHRU	Not Rated	Not Rated
Government National Mortgage Association	Not Rated	Not Rated
Small Business Administration GTD LN Pool	AAA	Not Rated
US Department of Agriculture	Not Rated	Not Rated
Corporate Bonds:		
Amazon.com, Inc.	Baa1	AA-
Apple, Inc.	Aa1	AA+
AT&T, Inc.	Baa1	BBB+
Bank of Nova Scotia	Aa2	A+
BMO Bank of Montreal	Aa3	A+
Capital One Financial Corp.	Baa1	BBB
Carnival Corp.	Baa1	BBB+
Celegene Corp.	Baa1	BBB+
Citigroup, Inc.	Baa1	A-
Discover Financial Services	Ba1	BBB-
Dominion Resources, Inc.	Baa2	BBB+
Express Scripts Holding Co.	Baa3	BBB+
General Electric Capital Corp.	A1	AA+
Juniper Networks Inc.	Baa2	BBB
KeyCorp	Baa1	BBB+
MetLife	A3	A-
Prudential Financial, Inc.	Baa1	A
QualComm Inc.	A1	A+
Rio Tinto Finance	A3	A-
Royal Bank of Canada	Aa3	AA-
Schlumberger Investment	Aa3	AA-
Synchrony Financial	Not Rated	BBB-
Wellpoint, Inc.	Baa2	A
Loomis Sayles Commingled Bonds Account	A3	A-
BMO Prime Money Market	Not Rated	Not Rated

(3) Investments (continued)

Custodial Credit Risk
The custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g. Broker-Dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Plan does not have a policy for custodial credit risk.

At June 30, 2016, and 2015, the Plan's corporate bonds and debentures, corporate stocks, U.S. government securities, and money market funds were uninsured and unregistered investments with the securities held by the counterparty's trust department or agent in the name of the Plan. The Plan's investments during the years ended June 30, 2016, and 2015, did not differ significantly from these at the respective year-ends in amounts or level of risk, except that the Plan sold international stocks to add an international equity fund to the Plan's portfolio during 2016 and a S&P 500 Index Fund was added to the Plan's portfolio in 2015.

Fair Value Measurements
During the fiscal year ending June 30, 2016, the Plan adopted GASB Statement 72, *Fair Value Measurement and Application*, which provides guidance for determining a fair value measurement for financial reporting purposes. The plan categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 Input: Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 Input: Inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.

Level 3 Input: Inputs that are unobservable for the asset or liability which are typically based upon the Plan's own assumptions as there is little, if any, related market activity.

Hierarchy: The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs: If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The Plan has the following recurring fair value measurements as of June 30, 2016 and 2015:

(3) Investments (continued)

Investments Measured at Fair Value
($ in thousands)

		Fair Value Measurements Using		
	June 30, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities:				
U.S. Treasury securities	$ 9,665	$ 9,665	$ -	$ -
U.S. Agency securities	4,856	-	4,660	196
Corporate bonds and debentures	14,102	-	14,102	-
Total debt securities	28,623	9,665	18,762	196
Equity securities:				
Consumer discretionary	7,921	7,921	-	-
Consumer staples	3,686	3,686	-	-
Energy	2,419	2,415	4	-
Financials	11,189	11,189	-	-
Health care	10,717	10,717	-	-
Industrials	9,692	9,692	-	-
Information technology	18,126	18,126	-	-
Materials	2,328	2,328	-	-
Telecommunication services	931	931	-	-
Utilities	906	906	-	-
Total equity securities	67,915	67,911	4	-
Total investments by fair value level	96,538	$ 77,576	$ 18,766	$ 196
Investments measured at amortized cost				
Money market funds	5,166			
Total investments measured at amortized cost	5,166			
Investments measured at the net asset value (NAV)				
Bond Collective Trust Fund	46,827			
Limited Partnership	4,576			
International Equity Fund	28,275			
Long-Short Equity Fund	22,840			
Emerging Markets Equity Fund	10,330			
S&P 500 Index Fund	13,920			
Real Estate Pooled Separate Account	13,333			
Total investments measured at the NAV	140,101			
Total investments measured at fair value	$ 241,805			

(3) Investments (continued)

Investments Measured at Fair Value
($ in thousands)

		Fair Value Measurements Using		
	June 30, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities:				
U.S. Treasury securities	$ 8,936	$ 8,936	$ -	$ -
U.S. Agency securities	6,713	-	6,414	299
Corporate bonds and debentures	12,525	-	12,525	-
Total debt securities	28,174	8,936	18,939	299
Equity securities:				
Consumer discretionary	11,847	11,847	-	-
Consumer staples	6,487	5,705	782	-
Energy	5,626	5,281	345	-
Financials	18,809	17,378	1,431	-
Health care	13,317	13,027	290	-
Industrials	14,901	14,701	200	-
Information technology	17,956	17,956	-	-
Materials	5,435	5,132	303	-
Other	864	864	-	-
Telecommunication services	1,507	1,050	457	-
Utilities	1,075	1,075	-	-
Preferred stock - nonconvertible	867	496	371	-
Total equity securities	98,691	94,512	4,179	-
Total investments by fair value level	126,865	$ 103,448	$ 23,118	$ 299
Investments measured at amortized cost				
Money market funds	5,629			
Total investments measured at amortized cost	5,629			
Investments measured at the net asset value (NAV)				
Bond Collective Trust Fund	44,593			
Limited Partnership	4,757			
Long-Short Equity Fund	24,982			
Emerging Markets Equity Fund	9,876			
S&P 500 Index Fund	13,389			
Real Estate Pooled Separate Account	14,481			
Total investments measured at the NAV	112,078			
Total investments measured at fair value	$ 244,572			

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. U.S. Treasury securities classified in Level 1 of the fair value

(3) Investments (continued)

hierarchy are valued throughout the day using continuous feeds from a number of live data sources. U.S. Agency securities and corporate bonds classified in Level 2 of the fair value hierarchy are valued using either a price or spread basis as determined by the observed market data. Preferred Stocks-nonconvertible classified in Level 2 of the fair value hierarchy are valued daily by calculating the spread over a comparable security (benchmark). All other equity securities classified in Level 2 of the fair value hierarchy are American Depositary Receipts (ADRs) valued using the "best" price determined using the exchange's official close, the bid (if the close is not available), or the ask (if neither the close or the bid is available). U.S. agency securities classified in Level 3 of the fair value hierarchy are valued at estimated fair value, based on discounted cash flows. Money market funds are valued at amortized cost.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

Investments Measured at Net Asset Value (NAV)
($ in thousands)

	Fair Value		Redemption Frequency (if Currently Eligible)	Redemption Notice period
	June 30, 2016	June 30, 2015		
Bond Collective Trust Fund (1)	$ 46,827	$ 44,593	Daily	0 to 3 days
Limited Partnership (2)	4,576	4,757	1st business day of the month	15th day of the prior month
International Equity Fund (3)	28,275	-	Daily	1 day
Long-Short Equity Hedge Fund (4)	22,840	24,982	Quarterly	45 days
Emerging Markets Equity Fund (5)	10,330	9,876	Each Wednesday (or the next business day)/Last business day of each month	10 business days
S&P 500 Index Fund (6)	13,920	13,389	Daily	30 days for 100% redemption
Real Estate Pooled Separate Account (7)	13,333	14,481	Daily	1 day
Total investments measured at the NAV	$ 140,101	$ 112,078		

(3) Investments (continued)

Units of the Limited Partnership and the S&P 500 Index Fund are sold quarterly to pay the management fees of the respective investment managers. At June 30, 2016 and 2015, the Plan had no unfunded commitments and no other plans to order the sale of any investments.

1. *Bond Collective Trust Fund.* The fund is a core plus fixed income fund in a private placement collective trust. The objective of the fund is high total investment return through a combination of current income and capital appreciation. There are no requirements to give advanced notice of intent to redeem the investment, but three days' notice is preferred. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.

2. *Limited Partnership.* The investment is a small cap equity fund established as a limited partnership. The fund's objective is to achieve a long-term total return by investing in non-U.S. small capitalization companies. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in the partners' capital.

3. *International Equity Fund.* The investment is an international dynamic equity fund. The fund's objective is to achieve long term capital growth, primarily through investment in the equity securities of companies in all economic sectors in any part of the world except the United States. At least two-thirds of the fund's assets are to be invested in the equities of companies domiciled in Europe, Australia, Asia, and Latin America. The fund is traded daily and redemption normally occurs after one days' written notice. However, if the fund's requested withdrawals exceed 10 percent of the fund's net asset value, the fund may defer the excess of such withdrawals to the next dealing day. All withdrawal requests relating to an earlier dealing day will be completed before new requests are considered, subject to further deferral and to liquidity being raised with respect to the next or any subsequent dealing day. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.

4. *Long-Short Equity Hedge Fund.* The fund invests in other hedge funds that invest across liquid asset classes, primarily focusing on equity long/short in global markets. The underlying funds aim to invest primarily in companies in developed markets through equity and equity-related securities. Management of each underlying hedge fund has the ability to shift investments between value and growth strategies, between small and large capitalization stocks, and between net long and net short positions. The majority of the fund's underlying investments can only be redeemed on the first business day of each calendar quarter or each calendar month. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.

5. *Emerging Markets Equity Fund.* The objective of this private fund is to seek long-term capital appreciation by investing at least 80% of its assets in emerging market equity securities. The fund may invest in securities across all market capitalizations and styles.

(3) Investments (continued)

Under normal market conditions, redemptions occur weekly on Wednesday (or the next business day) or the last business day of the month, with 10 business days' advanced written notice. However, if the fund cannot obtain or set a price for a material portion of fund's investments, is unable to liquidate fund investments at prices representative of fair value, in otherwise unusual market conditions, or when it is in the best interest of fund and its remaining investors, redemption rights may be suspended until the foregoing conditions have abated. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.

6. *S&P 500 Index Fund.* The objective of the fund is to provide a vehicle to access the U.S. equity market and investment results that approximate the industry diversification and overall performance of the common stocks included in the Standard & Poor's Composite Stock Price Index. The fund requires 30 days' notice to redeem 100% of the Plan's investment. Notification of other planned transactions is to be provided as soon as practicable. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.

7. *Real Estate Pooled Separate Account.* The account is a diversified real estate equity account consisting primarily of high quality, well-leased real estate properties in the multifamily, industrial, office, retail, and hotel sectors. The objective of the account is to invest in a well-diversified real estate portfolio that reflects the overall performance of the U.S. commercial real estate market. Redemptions normally occur with one day of notice. However, the accountholder has the right to impose withdrawal limitations to pay withdrawal requests on a pro rata basis as cash becomes available for distribution. The fair value of this investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in the accountholder's capital.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan does not have a policy related to foreign currency risk.

At June 30, 2016, the Plan had invested in international stocks held in foreign currencies valued at $3,708,188 in U.S. Dollars, representing 1.54% of the portfolio:

Market Value (in US $)	Currency	Investment Type	% of Portfolio
$ 428,909	Australian Dollar	Common Stock	0.18%
1,622,446	Canadian Dollar	Common Stock	0.67%
1,129,463	Euro	Common Stock	0.47%
527,370	British Pound	Common Stock	0.22%
$ 3,708,188			1.54%

(3) Investments (continued)

The Plan had invested in a Limited Partnership, an International Equity Fund, a Long-Short Equity Fund, and an Emerging Markets Equity Fund, all of which invested in international stocks. The fair value of the Limited Partnership was $4,575,584 and 1.9% of the Plan's portfolio. The fair value of the International Equity Fund was $28,274,672 and 11.7% of the Plan's portfolio. The fair value of the Long-Short Equity Fund was $22,840,313 and 9.5% of the Plan's portfolio. The fair value of the Emerging Markets Equity Fund was $10,330,380 and 4.3% of the Plan's portfolio. The Bond Collective Trust Fund also had some international investments.

At June 30, 2015, the Plan had invested in international stocks held in foreign currencies valued at $16,742,502 in U.S. Dollars, representing 6.84% of the portfolio:

Market Value (in US $)	Currency	Investment Type	% of Portfolio
$ 1,254,347	Australian Dollar	Common Stock	0.51%
1,669,208	Swiss Franc	Common Stock	0.68%
5,337,157	Euro	Common Stock	2.18%
2,181,190	British Pound	Common Stock	0.89%
277,359	Hong Kong Dollar	Common Stock	0.11%
4,223,353	Japanese Yen	Common Stock	1.73%
485,315	Mexican Peso	Common Stock	0.20%
800,072	Swedish Krona	Common Stock	0.33%
514,501	South African Rand	Common Stock	0.21%
$ 16,742,502			6.84%

The Plan had invested in a Limited Partnership which invested in international stocks. The fair value of the Limited Partnership was $4,756,743; which represented 1.9% of the Plan's portfolio. The Plan had also invested in an Emerging Markets Equity Fund and a Long-Short Equity Fund, both of which contained international stocks. The fair value of the Emerging Markets Equity Fund was $9,876,028; which represented 4.0% of the Plan's portfolio. The Long-Short Equity Fund had a fair value of $24,982,265; which represented 10.2% of the Plan's portfolio. The Bond Collective Trust Fund also had some international investments.

(4) Net Pension Liability and Actuarial Assumptions

Net Pension Liability of the Employers

The components of the net pension liability of the employers at June 30, 2016 and 2015, were as follows:

	2016	2015
Total Pension Liability	$ 315,021,758	301,023,680
Plan Fiduciary Net Position	(241,751,928)	(244,566,704)
Net Pension Liability	$ 73,269,830	56,456,976
Plan Fiduciary Net Position as a % of the Total Pension Liability	76.7%	81.2%

Actuarial Methods and Assumptions

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. The actuarial methods and assumptions used are as follows:

Valuation date:	July 1, 2016
Actuarial cost method:	Individual Entry Age Normal Method
Amortization method:	Level Dollar, Open Period
Remaining amortization period:	30 years
Asset valuation method:	5 years smoothed fair value (reset to fair value 7/1/15)
Investment rate of return:	7% compounded annually, net of expenses
Projected salary increases:	4%
Assumed inflation rate:	2.5% per annum
Post retirement benefit increase:	2.0%
Mortality:	RP 2014 Combined Mortality Table with generational improvements, set forward 10 years for disabled lives.

The July 1, 2016 and 2015, actuarial valuations assume a 7.0% rate of return. The Board of Trustees has adopted an asset allocation strategy that structures the Plan's assets in such a way as to maximize the financial return to the retirement system consistent with the risks incumbent in each investment and the portfolio as a whole, while maintaining an appropriate level of diversification of the retirement system assets. The Board of Trustees, with assistance from Asset Consulting Group, our investment consultant, has reviewed the asset allocation of the Plan based on the long term capital market assumptions (including expected return, volatility and correlation among asset types) developed by the investment consultant. The Board of Trustees, upon the advice and consultation from the investment consultant, believe that there is a reasonable probability that the portfolio is structured in such a manner as to provide a 7.0% annualized rate of return over a long-term (20+ years) time horizon. There is also a reasonable probability of achieving a 7.0% rate of return in any given year; however, the range of potential outcomes around the median is much wider over shorter periods. Best estimates of arithmetic real rates of

(4) Net Pension Liability and Actuarial Assumptions (continued)

return for each major asset class as of June 30, 2016 and 2015, (see the discussion of the Plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	
	2016	2015
Core Bonds	2.80%	2.80%
Core Plus	3.07%	3.07%
U.S. Large Cap Equity	7.55%	7.80%
U.S. Small Cap Equity	8.76%	9.09%
International Developed Equity	8.51%	8.79%
Emerging Market Equity	9.78%	10.14%
Long-Short Equity	7.42%	7.64%
Core Real Estate	5.77%	5.51%

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that elected official contributions will continue at the current rate of 4.0%. Employer contributions were assumed to be made in accordance with the current contribution policy as follows:

- For Jackson County, a contribution is made based upon total budgeted payroll (i.e. not just pension payroll). The contribution is 9% of general employee payroll and a contribution rate to be determined annually for other employee payroll which may or may not be equal to the most recent actuarially determined employer contribution rate. For calendar year 2015, the rate for the other employee payroll was 14.40%, compared to the actuarially determined rate of 13.59% from the July 1, 2014 actuarial valuation. For calendar year 2016, the rate for the other employee payroll was 14.40%, compared to the actuarially determined rate of 15.46% from the July 1, 2015 actuarial valuation. For the cash flow projection, the County contribution rate for other employee payroll is assumed not to exceed the 2016 rate. However, after the County received the July 1, 2016 actuarial valuation, the County budgeted the calendar year 2017 contribution rate for other employee payroll at 16.53%, the actuarially determined rate from the July 1, 2016 actuarial valuation.
- For employers other than the County, contributions are made at the actuarially determined rate.

Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments for current members for all future years. Therefore, the single equivalent rate used to determine the Total Pension Liability as of June 30, 2016 is 7.0%, the long-term expected rate of return on Plan investments.

(5) New Pronouncements (continued)

Sensitivity
The following presents the net pension liability of the Plan, calculated using the discount rate of 7.0%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Net Pension Liability	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
2015	$ 79,988,305	56,456,976	8,242,335
2016	118,261,272	73,269,830	36,562,936

(5) New Pronouncements

The Plan implemented the following Governmental Accounting Standards Board (GASB) Statements during the year:

- GASB Statement No. 72, *Fair Value Measurement and Application.* This Statement addresses accounting and financial reporting issues related to fair value measurements. Information was added to Note (3) to comply with the requirements of this statement (refer to page 30).

- GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. This Statement had no effect on the Plan's financial statements in the current year.

- GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy

(5) New Pronouncements (continued)

of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement had no effect on the Plan's financial statements in the current year.

- GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price.

  Significant noncompliance prevents the external investment pool from measuring all of its investment at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant. This Statement had no effect on the Plan's financial statements in the current year.

The GASB has issued several Statements not yet required to be implemented by the Plan. The Plan's management has not yet determined the effect these Statements will have on the Plan's financial statements. However, the Plan plans to implement all standards by required dates. The Statements which may impact the Plan are as follows:

- GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement, issued in June 2015, will be effective for the Plan beginning with its year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod

(5) New Pronouncements (continued)

equity, and creating additional transparency. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*.

- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement, issued in June 2015, will be effective for the Plan beginning with its year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

- GASB Statement No. 77, *Tax Abatement Disclosures*. This Statement, issued in August 2015, will be effective for the Plan beginning with its year ending June 30, 2017. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly

(5) New Pronouncements (continued)

to encourage economic development. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

- GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This Statement, issued in December 2015, will be effective for the Plan beginning with its year ending June 30, 2017. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit plans and to state or local governmental employers whose employees are provided with such pensions.

- GASB Statement No. 80, *Blending Requirements for Certain Component Units – An amendment of GASB Statement No, 14*. This Statement, issued in January 2016, will be effective for the Plan beginning with its year ending June 30, 2017. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*.

- GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. This Statement, issued in March 2016, will be effective for the Plan beginning with its year ending June 30, 2018. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

- GASB Statement No. 82, *Pension Issues – An amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement, issued in March 2016, will be effective for the Plan beginning with its year ending June 30, 2017. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

(5) New Pronouncements (continued)

- GASB Statement No. 83, *Certain Asset Retirement Obligations,* issued December 2016, will be effective for the Plan beginning with its fiscal year ending June 30, 2019. Under Statement No. 83, a government that has legal obligations to perform future asset retirement activities related to its tangible capital assets is required to recognize a liability and a corresponding deferred outflow of resources. The Statement identifies the circumstances that trigger the recognition of these transactions. The Statement also requires the measurement of an asset retirement obligation to be based on the best estimate of the current value of outlays expected to be incurred while deferred outflow of resources associated with the asset retirement obligation will be measured at the amount of the corresponding liability upon initial measurement and generally recognized as an expense during the reporting periods that the asset provides service. The Statement requires disclosures including a general description of the asset retirement obligation and associated tangible capital assets; the source of the obligation to retire the assets; the methods and assumptions used to measure the liability; and other relevant information.

Jackson County, Missouri
Revised Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Ten Years Ended June 30, 2016

	2016	2015	2014	2013	2012
Total Pension Liability					
Service Cost	$ 4,159,756	$ 4,204,176	$ 3,949,773	3,855,964	3,825,433
Interest Cost	20,982,000	19,226,216	17,512,038	15,952,165	14,772,098
Changes in Benefits	-	-	-	10,349,101	-
Difference Between Expected and Actual Experience	(75,313)	(3,626,506)	(5,326,360)	543,322	6,021,843
Changes of Assumptions	-	15,831,115	18,073,697	-	-
Benefits Paid	(11,068,365)	(10,134,743)	(9,237,930)	(8,510,456)	(6,961,809)
Net Change in Total Pension Liability	13,998,078	25,500,258	24,971,218	22,190,096	17,657,565
Total Pension Liability-Beginning	301,023,680	275,523,422	250,552,204	228,362,108	210,704,543
Total Pension Liability-Ending (a)	315,021,758	301,023,680	275,523,422	250,552,204	228,362,108
Plan Fiduciary Net Position					
Contribution-Employer	8,965,045	8,479,786	8,117,005	7,874,681	7,759,015
Contribution-Employee	22,294	24,221	23,446	23,183	23,869
Net Investment Income (Loss)	(519,751)	8,894,357	30,581,746	27,058,828	168,243
Benefits Paid	(11,068,365)	(10,134,743)	(9,237,930)	(8,510,456)	(6,961,809)
Administrative Expenses	(213,999)	(185,094)	(169,630)	(149,714)	(168,321)
Net Change in Plan Fiduciary Net Position	(2,814,776)	7,078,527	29,314,637	26,296,522	820,997
Plan fiduciary Net Position-Beginning	244,566,704	237,488,177	208,173,540	181,877,018	181,056,021
Plan Fiduciary Net Position-Ending (b)	241,751,928	244,566,704	237,488,177	208,173,540	181,877,018
Net Pension Liability-Ending (a)-(b)	73,269,830	56,456,976	38,035,245	42,378,664	46,485,090
Plan Fiduciary net Position as a % of the Total Pension Liability	76.74%	81.25%	86.20%	83.09%	79.64%
Covered Payroll	60,503,534	61,267,909	62,914,553	65,032,372	62,080,643
Net Pension Liability as a % of Covered Payroll	121.10%	92.15%	60.46%	65.17%	74.88%

In 2015, the Plan incorporated the new RP-2014 mortality table, resulting in an increase of approximately 5.6% in plan liabilities over the RP-2000 table used in the prior valuation. The method of determining the funding value of assets was altered slightly to improve the smoothing of asset gains and losses going forward, and was reset to the fair value as of July 1, 2015.

In 2014, the retirement rate assumptions were updated as a result of an experience study to better reflect future anticipated retirement rates. In addition, the mortality table was updated to include generational improvements to future mortality.

In 2013, the Plan provisions regarding cost of living adjustments were changed to allow for discretionary increases of up to 3.0%. As a result of this change, the assumption regarding future annual increases was changed from 1.5% to 2.0%, effective July 1, 2013.

Jackson County, Missouri
Revised Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Ten Years Ended June 30, 2016

	2011	2010	2009	2008	2007
Total Pension Liability					
Service Cost	3,957,818	$ 4,050,425	$ 4,021,631	4,244,059	4,333,613
Interest Cost	14,381,276	13,844,249	13,972,037	13,266,859	12,210,257
Changes in Benefits	-	-	-	-	-
Difference Between Expected and Actual Experience	(5,964,406)	(4,272,180)	4,143,230	(2,434,214)	3,157,845
Changes of Assumptions	-	-	(18,481,342)	-	(254,003)
Benefits Paid	(6,259,129)	(5,758,072)	(5,259,892)	(4,780,297)	(4,263,848)
Net Change in Total Pension Liability	6,115,559	7,864,422	(1,604,336)	10,296,407	15,183,864
Total Pension Liability-Beginning	204,588,984	196,724,562	198,328,898	188,032,491	172,848,627
Total Pension Liability-Ending (a)	210,704,543	204,588,984	196,724,562	198,328,898	188,032,491
Plan Fiduciary Net Position					
Contribution-Employer	7,662,703	7,901,642	8,041,629	7,280,908	6,675,757
Contribution-Employee	21,097	21,368	31,434	20,570	8,673
Net Investment Income (Loss)	31,266,487	13,712,227	(20,533,474)	(10,654,403)	19,912,459
Benefits Paid	(6,259,129)	(5,758,072)	(5,259,892)	(4,780,297)	(4,263,848)
Administrative Expenses	(157,970)	(152,891)	(195,600)	(108,835)	(153,243)
Net Change in Plan Fiduciary Net Position	32,533,188	15,724,274	(17,915,903)	(8,242,057)	22,179,798
Plan fiduciary Net Position-Beginning	148,522,833	132,798,559	150,714,462	158,956,519	136,776,721
Plan Fiduciary Net Position-Ending (b)	181,056,021	148,522,833	132,798,559	150,714,462	158,956,519
Net Pension Liability-Ending (a)-(b)	29,648,522	56,066,151	63,926,003	47,614,436	29,075,972
Plan Fiduciary Net Position as a % of the Total Pension Liability	85.93%	72.60%	67.50%	75.99%	84.54%
Covered Payroll	63,795,534	65,865,654	62,259,758	63,302,290	66,491,224
Net Pension Liability as a % of Covered Payroll	46.47%	85.12%	102.68%	75.22%	43.73%

In 2009, the actuarial assumption for projected salary increases declined from 5.0% to 4.0%.

In 2007, the actuarial assumption for mortality changed from the 1983 Group Annuity Mortality Table to the RP 2000 Mortality Table, both of which were set forward ten years for disabled lives.

Jackson County, Missouri
Revised Pension Plan
Required Supplementary Information
Ten Years Ended June 30, 2016
Schedule of Employer Contributions

Year Ended June 30	Employer Contributions	Actuarially Determined Contribution*	Difference	Annual Covered Payroll	Employer Contributions as a % of Covered Payroll
2007	6,675,757	9,045,392	(2,369,635)	66,491,224	10.0%
2008	7,280,908	8,907,971	(1,627,063)	63,302,290	11.5%
2009	8,041,629	7,778,047	263,582	62,259,758	12.9%
2010	7,901,642	7,345,170	556,472	65,865,654	12.0%
2011	7,662,703	8,783,119	(1,120,416)	63,795,534	12.0%
2012	7,759,015	7,747,706	11,309	62,080,643	12.5%
2013	7,874,681	7,148,246	726,435	65,032,372	12.1%
2014	8,117,005	9,085,877	(968,872)	62,914,553	12.9%
2015	8,479,786	8,326,685	153,101	61,267,909	13.8%
2016	8,965,045	9,356,800	(391,755)	60,503,534	14.8%

*Includes service cost and amortization of unfunded past service liability over thirty years.

Schedule of Investment Returns

Year Ended June 30*	Annual Money Weighted Rate of Return (Net of Investment Expense)
2013	15.22%
2014	14.99%
2015	3.68%
2016	-0.16%

* Information for 2012 and prior was not available.

See Notes to Required Supplementary Information.

Jackson County, Missouri
Revised Pension Plan
Notes to Required Supplementary Information
June 30, 2016 and 2015

Actuarial Information

The information presented in the above schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest valuation follows:

Valuation date:	July 1, 2016
Actuarial cost method:	Individual Entry Age Normal Method
Amortization method:	Level Dollar, Open Period
Remaining amortization period:	30 years
Asset valuation method:	5 years smoothed fair value (reset to fair value 7/1/15)

Actuarial Assumptions

Investment rate of return:	7% compounded annually, net of expenses
Projected salary increases:	4%
Assumed inflation rate:	2.5% per annum
Post retirement benefit increase:	2.0%
Mortality	RP 2014 Combined Mortality Table with generational improvements, set forward 10 years for disabled lives.

Jackson County, Missouri
Revised Pension Plan
Schedule of Expenses
June 30, 2016 and 2015

Schedule of Administrative Expenses

Administrative Expense	2016	2015
Legal Services	$ 79,469	50,464
Investment Performance Review	80,000	80,000
Board Expenses	6,050	2,940
Actuarial Services	26,780	30,790
Audit Services	21,700	20,900
	$ 213,999	185,094

Schedule of Investment Expenses

Investment Service	2016	2015
Banking Fees	$ 102,485	$ 100,555
Investment Manager Fees	998,947	1,049,515
	$ 1,101,432	1,150,070

Schedule of Payments to Vendors

Individual or Firm	Commission/Fee	Nature of Service
Arnold, Newbold, Winter, & Jackson, PC	$ 79,469	Legal Services
Asset Consulting Group	80,000	Investment Performance Review
McCloud & Associates Inc.	26,780	Actuarial Services
RSM US LLP	21,700	Audit Services
Missouri Association of Public Employee Retirement Systems	324	Dues and Training
National Conference on Public Employee Retirement Systems	250	Dues
Gary Panethiere	197	Mileage for MAPERS Conference
Robbie Makinen	186	Mileage for MAPERS Conference
B. Stephen Gillis	198	Mileage for MAPERS Conference
Tan-Tar-A Resort	1,381	Lodging for Conference
McCloud & Associates Inc.	475	Pension Seminar
AlphaGraphics	438	Printing of CAFRs
United States Treasury	2,500	IRS Determination Letter
Dennis Dumovich	101	Luncheon
	$ 213,999	

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Jackson County, Missouri
Revised Pension Plan

Investment Section

ACG | ASSET CONSULTING GROUP

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Saint Louis, Missouri 63105
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www.acgnet.com

September 12, 2016

Jackson County, Missouri Revised Pension Plan
Kansas City, Missouri

The investment performance returns as shown in the five year investment performance review are all calculated using information derived from monthly statements provided by the Plan's custodial institution. Monthly returns are calculated using a time-weighted rate of return methodology based upon beginning and end of month market values and cash flows. Monthly returns are linked to provide compounded, annual, and annualized rates of return for periods of one, three, five years and beyond when available. The returns as shown in this report are gross of investment manager fees.

The investment performance of the Total Plan and its segments is compared to relevant benchmark returns and presented to the Jackson County, Missouri Revised Pension Plan Board of Trustees on a monthly basis. For the Total Plan, the benchmark is an index which reflects the asset mix policy established by the Board and is referred to as the Policy Index. Comparisons to the Policy Index and the median return of a universe of total funds with similar asset allocation are presented to the Board of Trustees on a quarterly basis.

All of the above comparisons are included in the Statement of Investment Policy and Objectives, and are also reported to the Board of Trustees on a quarterly basis. Investment objectives are spelled out for the Total Plan and each of the segments for one year time periods and longer (three - five years), and include protecting the fund corpus, both nominally and in terms of inflation, by achieving a return in excess of the 7% actuarial rate, the median return of a universe of funds with similar asset mix, and that of an unmanaged index return (constructed to reflect the asset mix of the Fund's assets). In addition, investment managers are monitored for adherence to style, both on a returns-based regression analysis as well as a holdings-based characteristic analysis versus the appropriate benchmarks specified in the Statement of Investment Policy and Objectives. Current asset allocation ranges and targets within those ranges are measured against target ranges established in the Statement of Investment Policy and Objectives on a monthly basis. The status of each is also presented on a monthly investment performance review submitted to the Board of Trustees.

The risk profile of the Total Plan and its segments is also measured quarterly for one, three, and five years, and includes the usual Modern Portfolio Theory statistics: alpha, beta, R^2, and standard deviation. To further reduce risk, Plan assets are diversified by asset class, security, and by investment manager style.

Respectfully submitted,

Patricia M. Haffner

Patricia M. Haffner, CFA
Asset Consulting Group
Investment Consultant to the Jackson County, Missouri Revised Pension Plan

Jackson County, Missouri
Revised Pension Plan
Summary of Investment Policies
June 30, 2016

This section of the report presents the investment policies of the Plan. The Pension Plan Board of Trustees has set out the following investment policy guidelines:

1. The Board has established the following asset-mix guidelines for the Plan:

Asset Class	Pension Plan Target	Range
Domestic Large Cap Equities	22.5%	17.5-27.5%
Domestic Small/Mid Cap Equities	10%	5-15 %
International Equity	15%	10-20%
Emerging Market Equity	5 %	0-10 %
Long/Short Equity	10%	5-15%
Fixed Income	32.5%	27.5-37.5%
Real Estate	5 %	0-10 %

   Should the fund move outside the ranges listed above, the Board, with the advice of the Investment Consultant, will review the allocations and shall have the authority to bring the asset allocation back within allowable ranges.

2. The portfolio will generally be invested in marketable securities.

3. Generally, equity portfolios will be comprised of common stocks or securities having characteristics of common stocks (such as convertible securities or warrants).

4. Fixed income portfolios will be comprised of treasury, agency, mortgage, corporate, asset-backed and full-faith-and-credit guaranteed loan securities of investment grade quality.

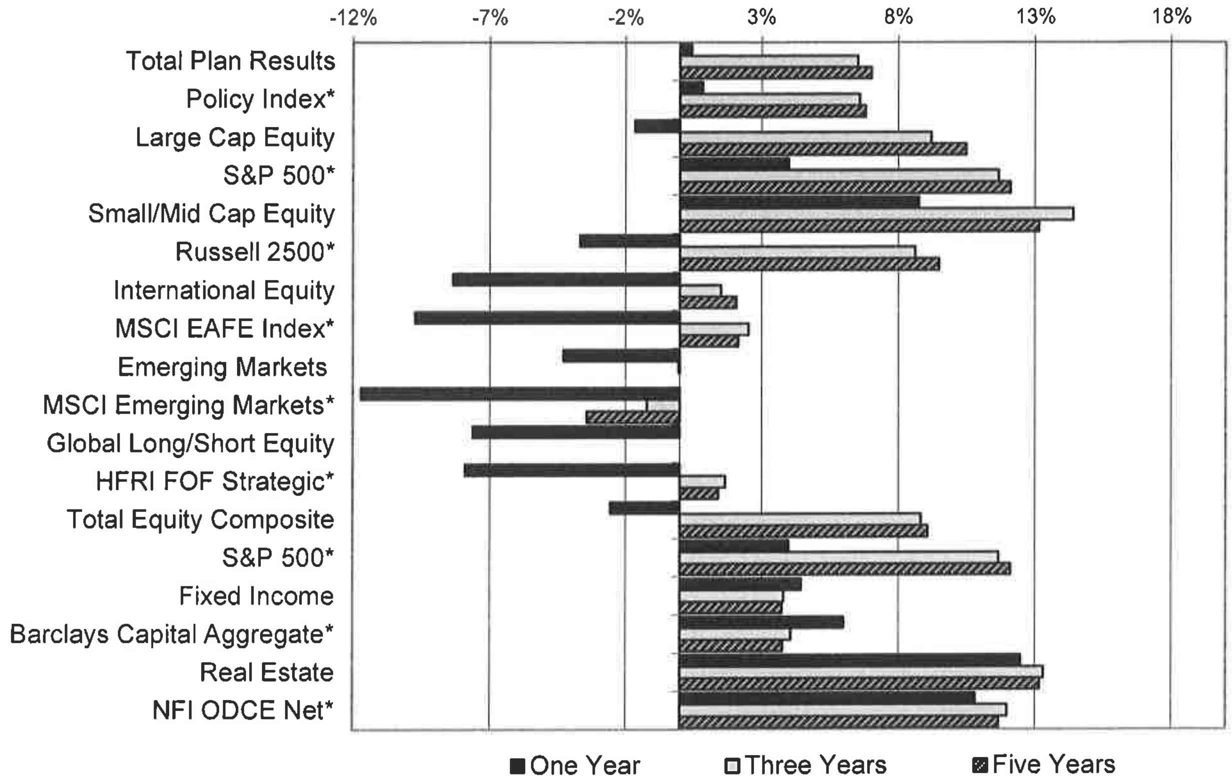
5. Assets may be held in commingled (mutual) funds as well as privately managed separate accounts. Assets held in commingled accounts should be managed in style/strategy consistent with the fund's stated objective and constraints. If assets are held in a commingled account, the Board will make its best efforts to utilize funds that are managed in strategies that are generally consistent with the investment policies adopted by the Board.

6. Derivative instruments will only be used in ways that reduce risk or transfer risk and not to increase risk and are consistent with the fund's investment objectives. They will not be used to add leverage to the fund. Counterparty risk arising from derivative transactions will be limited to credits rated "A" or better. Instruments used may include, but are not limited to, futures, options, swaps, and structured notes.

7. Each asset manager's portfolio should be fully invested at all times, although cash may be held briefly when a security is sold prior to deciding which new security should be purchased. In no case shall cash comprise more than ten (10) percent of the portfolio without prior written approval of the Board.

8. Not less than annually, the Board will review investment results, manager performance, asset allocations, and investment policies and objectives.

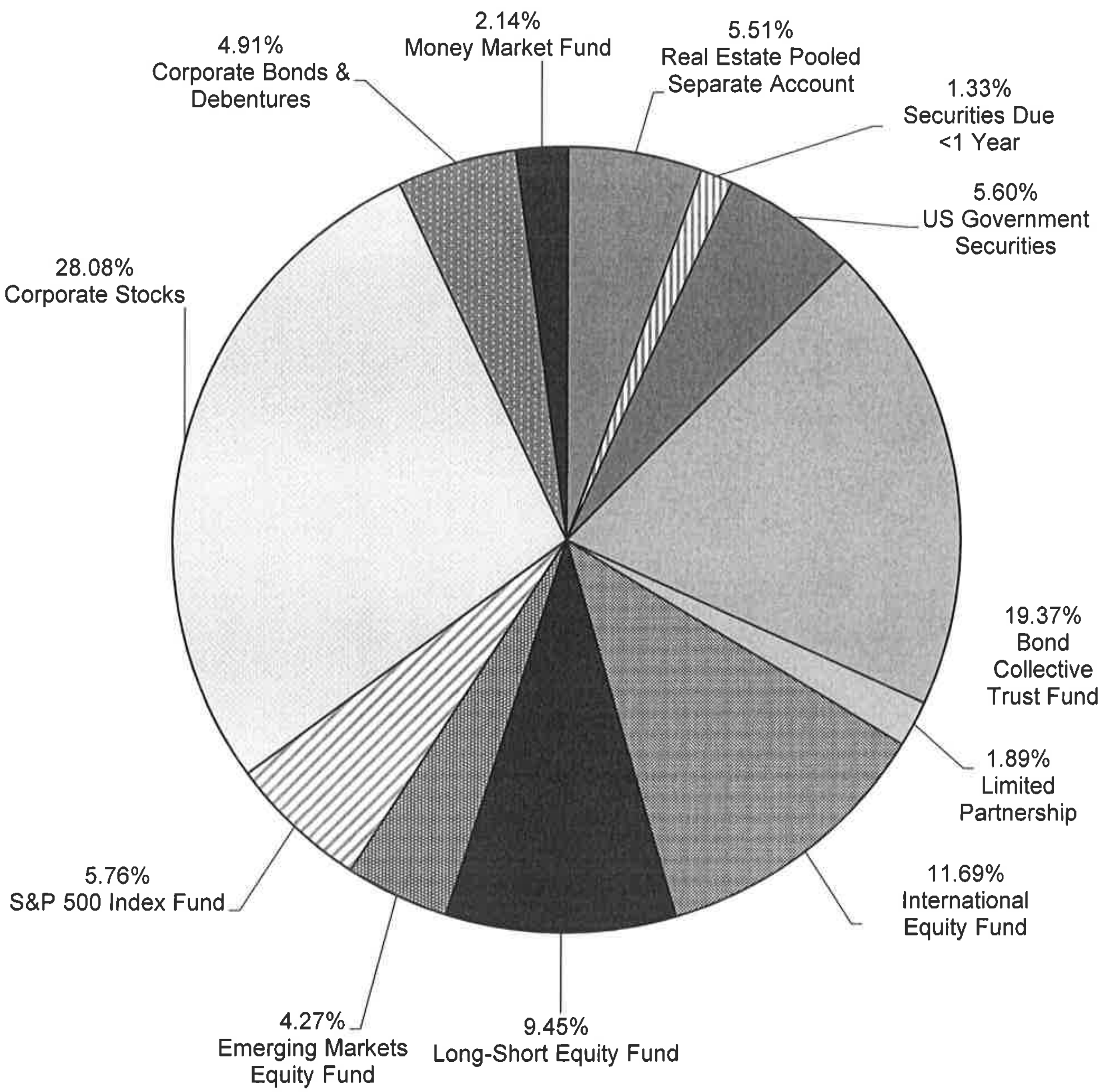
Jackson County, Missouri
Revised Pension Plan
Schedule of Investment Results
Year Ended June 30, 2016



	Annualized Return		
	One Year	Three Years	Five Years
Total Plan Results	0.45%	6.53%	7.02%
Policy Index*	0.85%	6.59%	6.80%
Large Cap Equity	-1.65%	9.21%	10.48%
S&P 500*	3.99%	11.66%	12.10%
Small/Mid Cap Equity	8.75%	14.40%	13.15%
Russell 2500*	-3.67%	8.61%	9.48%
International Equity	-8.34%	1.51%	2.08%
MSCI EAFE Index*	-9.72%	2.52%	2.15%
Emerging Markets Equity	-4.29%	-0.05%	N/A
MSCI Emerging Markets*	-11.71%	-1.21%	-3.44%
Global Long/Short Equity	-7.62%	N/A	N/A
HFRI FOF Strategic*	-7.90%	1.67%	1.42%
Total Equity Composite	-2.56%	8.83%	9.07%
S&P 500*	3.99%	11.66%	12.10%
Fixed Income	4.45%	3.80%	3.74%
Barclays Capital Aggregate Index*	6.00%	4.06%	3.76%
Real Estate	12.46%	13.29%	13.16%
NFI ODCE Net*	10.80%	11.97%	11.66%

* Benchmark
Returns provided by the Investment Consultants to Jackson County, Missouri.
Returns are time-weighted based on the market rate of return.

Jackson County, Missouri
Revised Pension Plan
Investment Allocation
June 30, 2016



Jackson County, Missouri
Revised Pension Plan
List of Largest Assets Held
June 30, 2016

Assets:	Fair Value	CUSIP	Units
Loomis Sayles Core Plus Trust	$ 46,826,865	MA1353030	3,363,999
Investec International Dynamic Equity Fund	28,274,672	46090A903	314,793
ABS Offshore Global Long-Short Equity Fund	22,840,313	00080A928	174,846
Northern Trust S&P 500 Index Fund	13,919,640	658991310	1,998
Principal U.S. Property Fund	13,332,738	RE1053280	298,898
Wells Fargo Emerging Markets Equity Fund	10,330,380	94973A921	995,721
BMO Prime Money Market Cl Y #200	5,166,188	999993116	5,166,188
Mondrian International Small Cap Equity Fund, Limited Partnership	4,575,584	55312A906	180,935

Top Ten Bonds:	Fair Value	CUSIP	Par	Coupon	Due
US Treasury Note	$ 1,827,269	912828B66	1,655,000.000	2.750%	02/15/2024
US Treasury Note	1,059,790	912828WY2	1,000,000.000	2.250%	07/31/2021
US Treasury Note	1,015,816	912828NT3	950,000.000	2.625%	08/15/2020
US Treasury Note	989,885	912828MV9	970,000.000	3.250%	03/31/2017
US Treasury Note	923,175	912828D23	900,000.000	1.625%	04/30/2019
Prudential Finl Inc Mtns Book Fr	812,112	74432QBG9	700,000.000	7.375%	06/15/2019
US Treasury Note	807,222	912828VS6	745,000.000	2.500%	08/15/2023
US Treasury Note	797,812	912828QN3	725,000.000	3.125%	05/15/2021
Metlife Inc SR NT	781,515	59156RAR9	700,000.000	6.817%	08/15/2018
Amazon Com Inc SR NT	672,498	023135AN6	600,000.000	3.800%	12/05/2024

Top Ten Stocks:	Fair Value	CUSIP	Shares	Ticker
Ansys Inc Com	$ 1,454,178	03662Q105	16,024	ANSS
Markel Corp Com	1,326,270	570535104	1,392	MKL
Amazon.Com Inc Com	1,056,971	023135106	1,477	AMZN
Sally Beauty Hldgs Inc Com	1,029,821	79546E104	35,016	SBH
Visa Inc Com Cl A	977,709	92826C839	13,182	V
Teleflex Inc Com	970,063	879369106	5,471	TFX
Facebook Inc Cl A	964,752	30303M102	8,442	FB
Dentsply Sirona Inc Com	957,153	24906P109	15,428	XRAY
Starbucks Corp Com	902,439	855244109	15,799	SBUX
Danaher Corp Com	899,102	235851102	8,902	DHR

Note: Due to space limitations and printing costs, a detailed listing of the investment holdings could not be provided in this annual report; however, the detailed reports are available for review at Jackson County.

Jackson County, Missouri
Revised Pension Plan
Schedule of Brokerage Commissions Paid
June 30, 2016

Brokerage Firm	Commissions Paid	Trade Activity	Shares/ Par Value	Commission Per Share
Abel Noser Corp	$ 240.82	785,410.18	22,071	0.0109
Ancora Securities Inc	20.00	10,292.04	500	0.0400
Banque Paribas	1,109.23	739,483.95	35,581	0.0312
Barclays Capital Le	1,279.21	2,840,101.01	59,461	0.0215
Berenberg Bank	719.98	479,993.53	3,449	0.2088
Bloomberg Tradebook LLC	527.72	1,350,486.39	26,386	0.0200
BMO Capital Markets	139.85	335,738.24	11,585	0.0121
BNY Convergex	5,317.15	1,948,377.93	186,303	0.0285
BNY Convergex / Fixed Income	1,873.37	1,248,970.48	59,895	0.0313
Broadcort Cap Corp/Sub of Mlpf	20.00	7,951.12	500	0.0400
Btig LLC	162.27	555,361.99	12,969	0.0125
Buckingham Research Group Inc	28.00	29,638.08	700	0.0400
CA Cheuvreux North America	1,133.88	95,574.75	37,796	0.0300
Canaccord Genuity Inc.	657.22	869,701.40	21,893	0.0300
Cantor Clearing Services	48.40	81,994.15	2,645	0.0183
Cantor Fitzgerald & Co	216.64	587,143.57	20,164	0.0107
Capstone	64.00	58,635.68	1,600	0.0400
Cf Global Trading, L.L.C.	1,972.27	4,740,639.16	145,829	0.0135
Citigroup Global Markets Inc	94.81	63,208.93	3,632	0.0261
Citigroup Global Markets Inc (Shd)	653.87	665,304.35	20,196	0.0324
Clsa Limited	8,451.56	5,634,374.00	221,414	0.0382
Convergex	870.15	902,807.93	29,005	0.0300
Cornerstone Macro LLC	106.71	88,444.98	3,557	0.0300
Cowen and Company, LLC	2,350.19	3,670,015.82	78,273	0.0300
Credit Suisse First Boston Corp	1,811.45	2,471,557.74	81,189	0.0223
D A Davidson & Co	40.16	44,743.12	1,004	0.0400
Dain Rauscher Incorporated	174.18	141,531.76	4,115	0.0423
Dematteo Monness LLC	56.00	63,357.37	1,400	0.0400
Deutsche Bank Securities Inc.	420.09	289,774.89	12,657	0.0332
Deutsche Bk/Alex Brown & Sons	48.64	117,857.56	1,471	0.0331
Deutsche Bank Alex Brown	310.20	266,890.61	10,340	0.0300
Fig Partners LLC	19.94	56,396.19	443	0.0450
First Clearing LLC	160.00	168,372.74	4,000	0.0400
Goldman Sachs & Co	208.71	271,673.09	6,493	0.0321
Goldman Sachs & Co/Courtesy Accts	321.69	537,171.30	11,683	0.0275
Guggenheim Capital Markets LLC	20.00	11,388.50	500	0.0400
HSBC Securities USA Inc	324.66	216,443.50	13,270	0.0245
Imperial Capital LLC	29.00	43,572.78	1,100	0.0264
Instinet	6,115.75	15,350,302.20	694,089	0.0088
Investment Technology Group Inc.	239.25	577,386.87	13,325	0.0180
Isi Group Inc	57.65	192,757.99	1,557	0.0370
Island Trader Securities Inc.	37.49	112,310.70	1,090	0.0344
Janney Montgomery Scott Inc	24.00	15,017.71	600	0.0400
Jefferies & Co	724.65	2,057,787.00	51,578	0.0140
PAGE TOTAL	$ 39,200.81	50,795,943.28	1,917,308	

Jackson County, Missouri
Revised Pension Plan
Schedule of Brokerage Commissions Paid
June 30, 2016

Brokerage Firm	Commissions Paid	Trade Activity	Shares/ Par Value	Commission Per Share
Jefferies LLC	$ 215.07	302,430.43	7,169	0.0300
Jonestrading Institutional Svcs	187.02	699,203.82	15,101	0.0124
JP Morgan Chase/JP Morgan Intl	742.66	495,107.46	83,204	0.0089
JP Morgan Clearing Corp	2,860.67	5,702,273.04	112,809	0.0254
Keefe Bruyette & Woods Inc	422.64	631,651.28	12,370	0.0342
Kepler Capital Markets Inc.	120.27	416,404.41	4,009	0.0300
Keybanc Capital Markets Inc	11.00	16,366.93	1,100	0.0100
Knight Equity Markets L.P.	1,331.49	2,061,812.68	62,523	0.0213
Leerink Swann and Company	67.20	149,986.18	2,069	0.0325
Liquidnet Inc	530.84	1,207,871.66	26,542	0.0200
Longbow Securities LLC	12.00	25,809.93	300	0.0400
Luminex Trading and Analytics LLC	1.20	12,800.21	479	0.0025
Macquarie Eqs LTD	16.47	10,976.87	549	0.0300
Macquarie Securities (USA) Inc	52.00	135,511.08	1,300	0.0400
Merrill Lynch	2,346.71	1,528,122.42	53,344	0.0440
Merrill Lynch Pierce Fenner & Smith	419.43	265,924.55	13,966	0.0300
Mizuho Securities USA Inc.	108.00	87,403.01	2,700	0.0400
Mkm Partners	1.00	13,691.38	100	0.0100
Morgan Stanley & Co Inc	627.76	658,544.87	16,594	0.0378
Morgan Stanley & Co Inc/BNY	553.05	1,983,539.58	38,485	0.0144
Oppenheimer & Co Inc	15.03	31,804.50	415	0.0362
Paradigm	77.73	51,820.21	768	0.1012
Parel	636.99	424,663.09	45,349	0.0140
Pershing LLC	132.94	88,628.28	909	0.1462
Piper Jaffray	91.43	204,832.56	2,584	0.0354
R W Baird & Co	1,302.48	2,976,400.70	55,193	0.0236
Raymond James & Associates	288.28	581,705.51	7,856	0.0367
Redburn Partners LLP	116.00	69,804.30	2,900	0.0400
Renaissance Macro Securities, LLC	34.65	39,570.84	1,155	0.0300
Sanford C Bernstein & Co	1,413.83	3,928,608.80	75,427	0.0187
SBC Warburg Dillon Reed Inc.	63.19	107,666.47	2,691	0.0235
Scotia McLeod Inc (USA)	24.66	28,360.15	822	0.0300
SG Americas Securities LLC	1,743.41	1,225,474.87	58,047	0.0300
State Street Global Markets LLC	55.07	283,780.11	5,507	0.0100
Stifel Nicolaus & Co	153.94	312,127.55	4,168	0.0369
Stuart Frankel & Co. Inc.	8.76	8,358.94	292	0.0300
Suntrust Capital Markets Inc	91.73	113,625.31	2,038	0.0450
UBS Securities LLC	165.02	110,020.40	21,979	0.0075
UBS Warburg LLC	426.84	512,631.32	13,989	0.0305
Wachovia Securities Capital Markets	542.75	1,121,959.41	16,174	0.0336
Weeden & Co	40.00	55,023.26	4,000	0.0100
Wells Fargo Securities, LLC	82.26	132,040.37	2,672	0.0308
William Blair & Company LLC	254.77	698,000.27	7,733	0.0329
PAGE TOTAL	18,388.24	29,512,339.01	787,381	
TOTAL	$ 57,589.05	80,308,282.29	2,704,689	

Commissions paid have reduced the net investment income reported on page 21.

Jackson County, Missouri
Revised Pension Plan
Investment Summary
June 30, 2016

	June 30, 2015				June 30, 2016		
	Cost	Fair Value (Book)	Purchases	Sales & Redemptions	Cost	Fair Value (Book)	% of Total Fair Value
U.S. Government Securities	$ 15,235,258	15,138,402	5,325,586	(7,365,105)	13,195,739	13,529,068	5.60%
Bond Collective Trust Fund	38,922,536	44,592,908	214,810	-	39,137,346	46,826,865	19.37%
Limited Partnership	2,885,275	4,756,743	-	(24,836)	2,860,439	4,575,584	1.89%
International Equity Fund	-	-	28,274,672	-	28,274,672	28,274,672	11.69%
Long-Short Equity Fund	23,000,000	24,982,265	-	-	23,000,000	22,840,313	9.45%
Emerging Markets Equity Fund	10,000,000	9,876,028	796,617	-	10,796,617	10,330,380	4.27%
S&P 500 Index Fund	12,998,374	13,389,250	-	(3,903)	12,994,471	13,919,640	5.76%
Corporate Stocks:							
Common Stocks	33,296,074	42,013,751	12,574,748	(10,337,711)	35,533,111	40,408,589	16.71%
Regional Stocks	19,785,579	26,272,368	5,950,902	(4,801,138)	20,935,343	27,502,506	11.37%
International Stocks	25,301,691	30,404,296	8,966,251	(34,267,942)	-	4,016	0.00%
Total Corporate Stocks	78,383,344	98,690,415	27,491,901	(49,406,791)	56,468,454	67,915,111	28.08%
Corporate Bonds & Debentures	10,741,384	10,858,643	5,208,935	(4,485,553)	11,464,766	11,877,413	4.91%
Securities Due <1 Year	2,173,293	2,176,884	3,276,610	(2,173,293)	3,276,610	3,216,893	1.33%
Money Market Fund	5,629,154	5,629,154	63,809,081	(64,272,045)	5,166,190	5,166,190	2.14%
Real Estate Pooled Separate Account	9,000,000	14,481,031	-	(1,555,028)	7,444,972	13,332,738	5.51%
Total	$ 208,968,618	244,571,723	134,398,212	(129,286,554)	214,080,276	241,804,867	100.00%

Note: Due to space limitations and printing costs, a detailed listing of the investment holdings and transactions could not be provided in this annual report; however, the detailed reports are available for review as an appendix to this report at Jackson County.

Jackson County, Missouri
Revised Pension Plan

Actuarial Section

October 28, 2016

Board of Trustees
Jackson County, Missouri Revised Pension Plan
Jackson County Courthouse
415 East 12th Street
Kansas City, Missouri 64106

Re: 2016 Certification of Actuarial Valuation

Dear Members of the Board:

We certify that the information presented herein is accurate and shows fairly the actuarial position of the Jackson County, Missouri Revised Pension Plan.

In preparing our valuations and the schedules for the Comprehensive Annual Financial Report (CAFR), we relied on information (some oral and some written) supplied by Jackson County staff. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice #23.

Actuarial valuations to determine the funding requirements of the Plan are performed annually. The most recent Actuarial Valuation was done as of July 1, 2016.

The Plan's current funding objective is to determine annual employer contributions which, over time, will gradually increase in dollar amounts and gradually decrease as a percent of payroll, if all actuarial assumptions are met and the annually determined amount is contributed. The actuarially determined employer contribution has been determined to provide for (1) the normal cost developed as a level percentage of payroll, plus (2) a level dollar amortization of the unfunded actuarial liability over a rolling 30-year period, plus (3) a provision for administrative expenses.

The following schedules shown in this Actuarial Section have been prepared using information within our July 1, 2016 actuarial valuation report.

- Summary of Actuarial Assumptions and Methods
- Schedule of Active Member Valuation Data
- Schedule of Retirees and Beneficiaries
- Short Term Solvency Test
- Analysis of Financial Experience
- Summary of Plan Provisions
- Schedule of Active Members by Attained Age and Service

We also provided information which appears in the Financial Section of the CAFR as follows:

- Change in Net Pension Liability
- Sensitivity of Net Pension Liability to Changes in Discount Rate
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Employer Contributions

Any figures shown for years prior to 2016 were prepared by the prior actuary.

The actuarial assumptions have been approved by the Board of Trustees upon recommendation from the experience study of the period July 1, 2008 to June 30, 2013, which had been prepared by the prior actuary.

To the best of our knowledge, this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

The nature of our relationship with the Jackson County, Missouri Revised Pension Plan is to provide actuarial services. Cheiron is independent from Jackson County and from the Board of Trustees and there is nothing in our relationship which would impair the objectivity of our work.

This letter was prepared exclusively for the Jackson County, Missouri Revised Pension Plan for the purpose described herein. This report is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

Sincerely,
Cheiron

Stephen T. McElhaney, FSA, FCA	Michael J. Noble, FSA, FCA
Principal Consulting Actuary	Principal Consulting Actuary

Jackson County, Missouri
Revised Pension Plan
Summary of Actuarial Assumptions
June 30, 2016

This section of the report presents the actuarial assumptions and methods used in the valuation, a summary of plan provisions, and participant data upon which the valuation of June 30, 2016, was based. The actuarial assumptions were selected by the Pension Plan Board of Trustees.

Actuarial Assumptions

Interest	7% per annum for the regular valuation in determining the range of contributions and also purposes of calculating the value of vested benefits and accrued benefits under the ongoing plan approach (as required by the Financial Accounting Standards Board). (Adopted 1994)
Amortization Method	Level dollar amount, Open Period
Mortality	RP-2014 Combined Mortality Table projected with MP-2014 on a generational basis, set forward 10 years for disabled lives.
Retirement Age	35% of participants not eligible for "80 and out" are assumed to retire at 62 and 75% at age 65 with 25% per year thereafter are assumed to retire with 100% retirement assumed at age 70. 25% of participants who are eligible to retire early with 80 points, are assumed to retire upon attaining eligibility, with 10% per year thereafter, 50% at age 62, and 100% retirement assumed at age 65. (Adopted 2014)
Turnover	Based on results of the experience study performed March 2014. Sample rates are as follows:

Age	Rate of Turnover
20	20.0%
25	19.5%
30	17.5%
35	10.2%
40	7.5%
45	4.5%
50	4.8%
55	2.1%
60	2.1%
65	2.1%

Jackson County, Missouri
Revised Pension Plan
Summary of Actuarial Assumptions
June 30, 2016

Actuarial Assumptions (continued)

Rates of Disablement	(Adopted 1992) Sample rates of disablement are as follows:

Age	Rate of Disablement
20	0.025%
25	0.025%
30	0.050%
35	0.075%
40	0.100%
45	0.200%
50	0.300%
55	0.400%
60	0.600%
65	0.600%

Salary Increases	Salaries will increase 4% per annum up to age 64 in the regular valuation. No salary increase assumption was used in the valuation of vested benefits. (Adopted 2009)
Inflation	2.5%
Incidence of Retirement	Normal Retirement date or valuation date, if later. (Adopted 1975)
Spouse's Benefit	For deaths in service, 90% of the males are assumed married, with the spouse three years younger, 65% of the female employees are assumed married, with the spouse three years older. (Adopted 1979)
Administrative Expenses	Estimated based on expenses paid in the prior year and any anticipated increases or decreases. The assumption for the 2016 plan year was $215,000. (Adopted 2010)
Cost of Living	2.0%

Jackson County, Missouri
Revised Pension Plan
Summary of Actuarial Assumptions
June 30, 2016

Asset Valuation Method (Adopted 2015)

A smoothed fair value of assets is used for the valuation. This method recognizes the annual difference between actual and expected investment returns over five years.

Assets at fair value were used in the comparison of plan assets to the actuarial value of accrued and vested accrued benefits under the ongoing plan approach.

Actuarial Cost Method (Adopted 1975)

Service Cost

Service cost and the allocation of actuarial present values between service rendered before and after the valuation date were determined using an individual entry age actuarial cost method having the following characteristics:

- The annual service costs for each individual active member, payable from date of hire to date of retirement, are sufficient to accumulate the value of the member's benefit at the time of retirement.

- Each annual service cost is a constant percentage of the member's year-by-year projected covered pay.

Financing of Unfunded Actuarial Accrued Liability

The excess of accrued liabilities over the funding value of assets was amortized as a level percent of payroll over 15, 20, and 30 years. All three periods are recognized as reasonable.

Jackson County, Missouri
Revised Pension Plan
Schedule of Active Member Valuation Data
Six Years Ended June 30, 2016

Valuation Data	Number	Annual Payroll	Annual Average Pay	(Decrease) in Average Pay
2011	1,499	63,795,534	42,559	-2.7%
2012	1,462	62,080,643	42,463	-0.2%
2013	1,388	65,032,372	46,853	10.3%
2014	1,338	62,914,553	47,021	0.4%
2015	1,297	61,267,909	47,238	0.5%
2016	1,265	60,503,534	47,829	1.3%

Active members include regular active members and postponed members.

Jackson County, Missouri
Revised Pension Plan
Schedule of Retirees and Beneficiaries
Added to and Removed From Rolls
Six Years Ended June 30, 2016

	Added to Rolls		Removed from Rolls		Roll - End of Year			
Year	No.	Annual Allowances	No.	Annual Allowances	No.	Annual Allowances	% Increase in Annual Allowances	Average Annual Allowances
2011	80	717,223	19	131,418	893	6,512,229	9.9%	7,293
2012	84	1,042,692	22	170,187	955	7,506,048	15.3%	7,860
2013	115	1,389,374	28	165,250	1,042	8,917,368	18.8%	8,558
2014	89	1,011,279	31	196,750	1,100	9,732,058	9.1%	8,847
2015	89	937,510	22	161,250	1,167	10,718,228	10.1%	9,184
2016	95	1,076,499	26	240,607	1,236	11,485,901	7.2%	9,293

Jackson County, Missouri
Revised Pension Plan
Short-Term Solvency Test
Six Years Ended June 30, 2016

Fiscal Year	Current Retirees and Beneficiaries	Members, Employer Financed Portion	Valuation Assets	Liabilities Covered by Net Assets Available	
	(1)	(2)		(1)	(2)
2011	69,088,294	141,616,249	165,355,791	100.0%	68.0%
2012	80,271,813	148,090,295	190,857,461	100.0%	74.7%
2013	100,341,980	150,210,224	192,022,046	100.0%	61.0%
2014	112,893,931	162,629,491	230,044,430	100.0%	72.0%
2015	130,241,292	170,782,388	244,566,704	100.0%	66.9%
2016	167,489,000	147,533,000	255,800,000	100.0%	59.9%

Jackson County, Missouri
Revised Pension Plan
Analysis of Financial Experience
Five Years Ended June 30, 2016

Gains (Losses) in Actuarial Accrued Liabilities during years ended 2012-2016 resulting from differences between assumed experience and actual experience.

Type of Activity	2016	2015	2014	2013*	2012*
Retirement	$ 39,016	12,495,791	(1,629,683)	9,310,000	(1,889,000)
Disability Retirement	(105,405)	574,349	(400,006)	279,000	161,000
Death Before Retirement	(47,019)	476,304	(495,760)	297,000	151,000
Turnover	1,050,154	2,476,945	438,749	654,000	2,482,000
Pay Increases	766,004	1,910,738	16,964,862	1,543,000	(3,927,000)
Investment Income	(3,512,091)	298,548	25,892,299	(11,406,000)	13,251,000
Death After Retirement	827,338	1,464,786	(8,379,322)	(2,248,000)	(1,368,000)
Continuing Payees	2,494,079	(1,777,523)	(1,023,976)	(1,643,000)	(948,000)
New Entrants (1)	(1,164,711)	-	-	-	-
Non-recurring items (2)	(3,548,174)	-	-	-	-
Other	(235,969)	(312,428)	(344,299)	(508,000)	(857,000)
Composite Gain (Loss) During Year	$ (3,436,778)	17,607,510	31,022,864	(3,722,000)	7,056,000

(1) This information was not provided prior to 2016.
(2) Change in Actuary in 2016
* Rounded to nearest one thousand.

Jackson County, Missouri
Revised Pension Plan
Summary of Plan Provisions

Effective Date	Originally effective April 1, 1967; as amended through June 1, 1981, as restated effective August 1, 1985, and as amended July 13, 1988; June 29, 1990; July 31, 1990; February 21, 1991; August 29, 1991; June 17, 1992; September 1, 1992; December 28, 1992; April 4, 1994; September 29, 1994; November 13, 1994; November 23, 1994; December 12, 1994; January 1, 1995; January 9, 1996; March 13,1997; October 30, 1997; December 16, 1997; July 1, 1999; January 1, 2002; November 5, 2003; August 5, 2004; April 5, 2005; August 1, 2006; August 23, 2006; February 17, 2009; November 1, 2010; February 23, 2011; September 10, 2012; January 22, 2013; August 4, 2014; December 8, 2014; June 1, 2015; and January 25, 2016.
Eligibility	On January 1 with 12 months credited service.
Employee	For purposes of the plan, an employee is one who has been elected or appointed to a County office, or who is regularly employed full-time by the County or other participating employers. However, certain job classifications are not covered by the plan.
Service and Credited Service	Service is equal to years and months of continuous employment. Credited service is equal to Service, except that only ¾ of the years and months prior to January 1, 1967, are included in credited service. A vested member of the Plan may opt to purchase individual years of Military Service up to four (4) years of service, one year for each year of military service. Such option must be exercised or declared within twelve (12) months of vesting.
Average Monthly Earnings	The highest 36 consecutive month average of monthly earnings. Monthly earnings are defined as regular monthly cash compensation, including overtime, but excluding fees, commissions, expense reimbursements, and other forms of extra ordinary compensation.
Accrued Benefit	The benefit the employee has earned based on average monthly earnings and credited service to date.
Normal Form	The normal form of payment is a lifetime annuity with five years certain. For members terminating and retiring after July 31, 1990, benefits may be adjusted by up to 3.0% per year for cost-of-living changes.
Normal Retirement Non-Elected	Age 65 or age 55 where the participant's years of age and credited service total eighty years. The normal retirement benefit is 1.5% of the average monthly earnings for each year of credited service, but in no event less than fifty dollars.
Normal Retirement Elected Officials	Age 65 or age 55 where the participant's years of age and credited service total eighty years. Pension equals 4.167% of the average monthly earnings for each year of first twelve years of credited service plus 5% of average monthly earnings times years of credited service from year 12 to year 16. Employee contributes 4% of salary, for up to sixteen years of service.

Jackson County, Missouri
Revised Pension Plan
Summary of Plan Provisions

Late Retirement — At actual retirement, the employee receives a monthly benefit based on credited service and average monthly earnings at the late retirement date.

Schedule of Active Members by Attained Age and Service
June 30, 2016

Age	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25	14	-	-	-	-	-	-	-	-
25-29	78	19	-	-	-	-	-	-	-
30-34	80	30	11	2	-	-	-	-	-
35-39	39	37	31	13	-	-	-	-	-
40-44	29	23	27	27	2	-	-	-	-
45-49	31	32	24	47	25	8	-	-	-
50-54	29	40	33	32	19	24	20	6	-
55-59	31	28	27	41	26	17	22	17	2
60-64	14	24	19	23	11	13	14	17	7
65-69	8	12	8	9	9	2	-	6	6
70+	2	1	3	8	3	1	-	1	1
Totals	355	246	183	202	95	65	56	47	16

	Summary		
	Male	Female	All
Average Age	48.0	48.8	48.4
Average Service Years	13.2	13.4	13.3
Number in Group	656	609	1,265

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Jackson County, Missouri
Revised Pension Plan

Statistical Section

Jackson County, Missouri
Revised Pension Plan
Statistical Section

This part of the 2016 Jackson County Revised Pension Plan Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the plan's overall financial health.

Contents

These schedules contain trend information to help the reader understand how the plan's financial performance and well-being have changed over time and to assess the plan's investment income and contributions.

These schedules offer operating indicators to help the reader understand the environment in which the plan's financial activities take place.

Jackson County, Missouri
Revised Pension Plan
Schedule of Changes in Fiduciary Net Position
Last Ten Fiscal Years
(In Thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Additions:										
Employee Contributions	9	20	31	21	21	24	23	23	24	22
Employer Contributions	6,676	7,281	8,042	7,902	7,663	7,759	7,875	8,117	8,480	8,965
Investment Income (net of expenses)	19,912	(10,654)	(20,533)	13,712	31,266	168	27,059	30,582	8,894	(520)
Total Additions to Fiduciary Net Position	26,597	(3,353)	(12,460)	21,635	38,950	7,951	34,957	38,722	17,398	8,467
Deductions:										
Benefits paid directly to participants	4,264	4,780	5,260	5,758	6,259	6,962	8,510	9,238	9,238	11,068
Administrative Expenses	153	109	196	153	158	168	150	170	170	214
Total Deductions from Fiduciary Net Position	4,417	4,889	5,456	5,911	6,417	7,130	8,660	9,408	9,408	11,282
Change in Fiduciary Net Position	22,180	(8,242)	(17,916)	15,724	32,533	821	26,297	29,314	7,990	(2,815)

Jackson County, Missouri
Revised Pension Plan
Six Years Ended June 30, 2016

Schedule of Additions by Source

Year Ended	Employer/ Employee Contributions	Employer/Employee Contributions a Percent of Annual Covered Payroll	Investment Income	Total
2011	7,683,800	12.0%	31,266,487	38,950,287
2012	7,782,884	12.5%	168,243	7,951,127
2013	7,897,864	12.1%	27,058,828	34,956,692
2014	8,140,451	12.9%	30,581,746	38,722,197
2015	8,504,007	13.9%	8,894,357	17,398,364
2016	8,987,339	14.9%	(519,751)	8,467,588

Schedule of Deductions by Type

Year Ended	Aggregate Benefit Payments	Administrative Expenses	Total
2011	6,259,129	157,970	6,417,099
2012	6,961,809	168,321	7,130,130
2013	8,510,456	149,714	8,660,170
2014	9,237,930	169,630	9,407,560
2015	10,134,743	185,094	10,319,837
2016	11,068,365	213,999	11,282,364

Jackson County, Missouri
Revised Pension Plan
Schedule of Benefit Expenses by Type
Six Years Ended June 30, 2016

Year Ending	Age & Service Benefits: Retirants	Age & Service Benefits: Survivors	Death in Service Benefits	Disability Benefits	Total
2011	5,598,338	425,842	-	234,949	6,259,129
2012	5,933,876	794,167	3,086	230,680	6,961,809
2013	7,202,777	881,164	210,428	216,087	8,510,456
2014	7,904,889	976,435	11,263	345,343	9,237,930
2015	8,731,577	1,003,855	48,142	351,169	10,134,743
2016	9,674,164	984,972	8,816	400,413	11,068,365

Source: Data provided by the Jackson County Human Resources Department.

Jackson County, Missouri
Revised Pension Plan
Schedule of Retired Members by Type of Benefit
June 30, 2016

Amount of Monthly Benefit	Number of Retirants	Type of Benefit* 1	2	3	4	5	6	7
$1 - 250	394	112	110	102	6	2	59	3
251 - 500	262	90	85	47	0	0	28	12
501 - 750	139	45	27	38	1	0	17	11
751 - 1,000	85	33	24	13	0	0	7	8
1,001 - 1,250	88	31	24	18	0	0	7	8
1,251 - 1,500	67	23	16	20	0	0	8	0
1,501 - 1,750	50	16	15	15	0	0	3	1
1,751 - 2,000	46	15	12	13	0	0	5	1
Over 2,000	105	30	31	37	0	0	6	1
Total	1,236	395	344	303	7	2	140	45

* Type of Benefit:
1) Annuity for Life - 5 Year Certain
2) Annuity for Life - 10 Year Certain
3) Joint Annuity for Life - 100% Sole Survivor
4) Annuity for Life
5) Joint Annuity for Life - 50% Sole Survivor
6) Survivor
7) Disability

Source: Data provided by the Jackson County Human Resources Department.

Jackson County, Missouri
Revised Pension Plan
Schedule of Average Benefit Payments
Six Years Ended June 30, 2016

Retirement Effective Dates	Years Credited Service					
July 1, 2010 to June 30, 2016	<10	10-15	15-20	20-25	25-30	30+
Period 7/1/10 to 6/30/11:						
Average Monthly Benefit	$ 181.21	292.05	568.80	848.23	1,271.93	1,862.50
Average Final Salary	2,274.43	2,179.87	2,649.48	2,928.61	3,238.98	3,764.72
Number of Active Retirants	276	195	150	108	79	85
Period 7/1/11 to 6/30/12:						
Average Monthly Benefit	$ 186.01	299.36	599.72	878.63	1,325.12	2,032.26
Average Final Salary	2,301.13	2,230.49	2,738.35	3,023.93	3,313.08	4,007.13
Number of Active Retirants	295	206	156	114	83	101
Period 7/1/12 to 6/30/13:						
Average Monthly Benefit	$ 193.06	328.39	626.62	932.19	1,357.20	2,094.34
Average Final Salary	2,357.45	2,374.16	2,878.14	3,062.40	3,366.72	4,085.22
Number of Active Retirants	310	222	170	124	87	129
Period 7/1/13 to 6/30/14:						
Average Monthly Benefit	$ 192.47	343.89	635.63	970.44	1,339.85	2,119.14
Average Final Salary	2,386.16	2,467.90	2,931.77	3,174.84	3,392.20	4,136.55
Number of Active Retirants	328	229	173	130	97	143
Period 7/1/14 to 6/30/15:						
Average Monthly Benefit	$ 197.23	350.10	659.19	989.18	1,373.98	2,207.25
Average Final Salary	2,423.69	2,482.95	2,953.26	3,255.43	3,441.60	4,216.14
Number of Active Retirants	343	243	189	137	99	156
Period 7/1/15 to 6/30/16:						
Average Monthly Benefit	$ 213.95	354.93	675.78	1,035.20	1,395.13	2,180.11
Average Final Salary	2,541.70	2,569.93	3,028.56	3,373.27	3,499.67	4,294.34
Number of Active Retirants	365	256	199	151	103	162

Source: Data provided by the Jackson County Human Resources Department.

Jackson County, Missouri
Revised Pension Plan
Schedule of Benefits Payable
June 30, 2016

Type of Benefit	Number		Annual Funded Benefit	Average Annual Benefit
Service Retirement:				
5 Year Certain Life	395	$	3,653,905	9,250
10 Year Certain Life	344		3,184,790	9,258
100% Joint and Survivor	303		3,240,956	10,696
Normal Annuity	7		17,092	2,442
50% Joint and Survivor	2		3,773	1,887
Survivor Beneficiary	140		984,972	7,036
Total Service Retirement	1,191		11,085,488	9,308
Disability Retirement	45		400,413	8,898
Grand Total	1,236	$	11,485,901	9,293

Source: Data provided by the Jackson County Human Resources Department.