

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY SCHEDULES**

**YEAR ENDED JUNE 30, 2016**

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Harford County, Maryland  
Sheriff's Office Pension System

### ***Report on the Financial Statements***

We have audited the accompanying basic financial statements of the Harford County, Maryland Sheriff's Office Pension System (the Plan) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

To the Board of Directors  
Harford County, Maryland

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Harford County, Maryland Sheriff's Office Pension System as of June 30, 2016, and the respective changes in net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of changes in the County's net pension liability and related ratios, the schedule of County contributions, and the schedule of investment returns on pages 13-15, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
October 18, 2016

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
STATEMENT OF PLAN NET POSITION  
JUNE 30, 2016**

**ASSETS**

Equity in pooled cash and investments	\$ 187,144
Cash equivalents	879,887
Investments, at fair value:	
Debt securities	9,651,338
Fixed income funds	2,315,930
Equity securities	<u>36,405,697</u>
Total investments	<u>48,372,965</u>
Total Assets	<u>49,439,996</u>

**LIABILITIES**

Accounts payable	<u>59,802</u>
Net Position Held in Trust for Pension Benefits	<u>\$ 49,380,194</u>

*See accompanying Notes to Financial Statements.*

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
STATEMENT OF CHANGES IN PLAN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2016**

**ADDITIONS**

Contributions:		
Employer		\$ 2,489,555
Employee		<u>499,165</u>
Total Contributions		<u>2,988,720</u>
Investment earnings:		
Net loss in fair value of investments		(2,003,917)
Interest and dividends		886,452
Less: investment expense		<u>(183,480)</u>
Net investment loss		<u>(1,300,945)</u>
Total Additions		<u>1,687,775</u>

**DEDUCTIONS**

Administrative expenses		47,558
Benefits		<u>2,923,123</u>
Total deductions		<u>2,970,681</u>
Change in net position		(1,282,906)
Net Position Held in Trust for Pension Benefits, Beginning of Year		<u>50,663,100</u>
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR</b>		<b><u><u>\$ 49,380,194</u></u></b>

See accompanying Notes to Financial Statements.

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 1 PLAN DESCRIPTION**

**Plan Administration**

The Sheriff's Office Pension System (the SOPS or the Plan) is a single employer defined benefit pension plan, established by Harford County, Maryland (the County) effective July 1, 1997, for certain law enforcement and correctional employees of the Office of the Sheriff of Harford County. Bill No. 97-20 assigns the authority to establish and amend the benefit provisions of the Plan to Harford County Council by county ordinance. The SOPS provide retirement, disability and death benefits to plan members and their beneficiaries. The SOPS is considered part of the County's financial reporting entity and is included in the County's financial statements as a pension trust fund.

The Internal Revenue Service issued a determination letter on September 20, 2002, which stated that the Plan and its underlying trust qualify under the applicable provision of the Internal Revenue Code, and therefore the trust is exempt from Federal income taxes. In the opinion of the plan administrator, the Plan and its underlying trust have operated within the terms of the Plan and remain qualified under the applicable provisions of the Internal Revenue Code.

Management of the SOP is vested with the Trustees of the Plan. The County Plan has five trustees who shall be the County Treasurer or Acting Treasurer, The County Attorney or Acting County Attorney, the Director or Acting Director of Human Resources and two representatives who are each selected by the covered individuals of certified law enforcement employees and certified correctional service employees.

**Plan Membership**

The membership data related to the Harford County Sheriff's Office Pension Plan as of July 1, 2015, was as follows:

Plan Participants	
Retirees and beneficiaries currently receiving benefits	84
Terminated vested participants	6
Active plan members	135
Total	225

**Benefits Provided**

The SOP provides retirement, disability and death benefits to plan members and their beneficiaries. Effective May 20, 2013, per Bill 13-9, the cost of living adjustment shall not exceed 3 percent for a participant's benefit attributable to years of creditable service earned before July 1, 2013. Effective beginning with the cost of living adjustment (COLA) for July 1, 2014, with respect to the portion of a participants benefit attributable to years of creditable service earned on or after July 1, 2013, the COLA shall not exceed 2.5 percent, if the actual rate of return of the plan's assets is less than 7 percent the COLA shall not exceed 1 percent applied each July 1 for all participants in pay status for the requisite 12 months.

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 1 PLAN DESCRIPTION (CONTINUED)**

**Contributions**

Plan members are required to contribute 7% of their annual covered salary. The County is required to contribute at an actuarially determined rate, currently 35.0% of covered payroll. Per Bill 97-20, contribution requirements of the plan members and the County are established and may be amended by County legislature. Administrative costs of the SOPS are to be paid by the trust unless the County decides to do so.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The SOPS fund uses the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

**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 that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Method Used to Value Investments**

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. The County has hired an investment firm to manage the investments of the SOPS.

**NOTE 3 INVESTMENTS**

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on quoted prices for similar assets or liabilities in active markets or identical assets or liabilities in less active markets, such as dealer or broker markets; and

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 3 INVESTMENTS (CONTINUED)**

- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

Transactions are recorded on the trade date. Realized gains and losses are determined using the identified cost method. Any change in net unrealized gain or loss from the preceding period is reported in the statement of revenues, expenses and changes in net position. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis. Following is a description of the valuation methodologies used for assets measured at fair value.

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Balance as of June 30, 2016</u>
Equity in pooled cash and investments	\$ -	\$ 187,144	\$ -	\$ 187,144
Investments by fair value level:				
Debt Securities				
US Treasury Obligations	-	5,051,176	-	5,051,176
US Government Agencies	-	1,200	-	1,200
Corporate and Foreign Bonds	-	4,598,962	-	4,598,962
Fixed Income Funds	2,315,930	-	-	2,315,930
Equity Securities				
Common Stock	20,369,538	-	-	20,369,538
Equity Funds	16,036,159	-	-	16,036,159
Total investments at Fair Value	<u>38,721,627</u>	<u>9,651,338</u>	<u>-</u>	<u>48,372,965</u>
Total	<u>\$ 38,721,627</u>	<u>\$ 9,838,482</u>	<u>\$ -</u>	<u>\$48,560,109</u>

Equity and fixed income securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Equity in pooled cash and investments is comprised of shares or units in the Harford County cash pool, which are valued at its respective share of pooled cash and investments.

Interest Risk: The investment policy of the pension plan does not limit investment maturities. Fluctuating rates of return are characteristic of the securities markets; the fund's greatest concern is long-term appreciation of assets and consistency of portfolio returns. However, cash and cash equivalent investments, such as commercial paper, repurchase agreements, etc. are limited to maturities of one year or less.

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 3 INVESTMENTS (CONTINUED)**

Information about the sensitivity 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 as of June 30, 2016:

	<u>Investment Maturities (in Years)</u>			<u>Total</u>
	<u>Less than 1</u>	<u>1 - 5</u>	<u>More than 5</u>	
<b>Investments with maturities</b>				
U.S. Treasury Obligations	\$ 387,906	\$ 3,188,638	1,474,632	\$ 5,051,176
U.S. Governmental Agencies	-	506	694	1,200
Corporate & Foreign bonds	<u>577,785</u>	<u>2,141,027</u>	<u>1,880,150</u>	<u>4,598,962</u>
Total	<u>\$ 965,691</u>	<u>\$ 5,330,171</u>	<u>\$ 3,355,476</u>	<u>\$ 9,651,338</u>

Concentration of Credit Risk: As a means of minimizing risk and providing a consistent return, the investment policy requires diversification. U.S. corporate bonds shall be diversified by issuer type with no more than 5% of the portfolio invested in obligations of any one issuer and no more than 10% in any one outstanding debt issue. Investments by security type are to be diversified as follows:

<u>Asset Class</u>	<u>Minimum</u>	<u>Maximum</u>
U.S. Large cap equities	25%	47%
U.S. Mid cap equities	3%	13%
U.S. Small cap equities	3%	10%
International equities	14%	27%
Fixed income	21%	39%

Credit Risk: The investment manager is allowed substantial discretion within a broad framework of approved investment choices. Equity holdings may be selected from those listed on the major securities markets. The Manager(s) may invest in commercial paper, repurchase agreements, Treasury Bills, certificates of deposit, deposit accounts (with the custodian's bank) which are fully insured and/or fully collateralized, and money market funds to provide income, liquidity for expense payments, and preservation of the Plan's principal value. All such assets must represent maturities of one year or less at time of purchase. Standard & Poor's and Moody's must rate commercial paper assets A-2 or P-2 respectively. The fixed income portion of the portfolio will consist primarily of fixed income securities denominated in U.S. dollars issued by the U.S. Government or U.S. corporations rated investment grade or better and having a weighted average maturity of no longer than 10 years. The Manager(s) should maintain the fixed income portion of the portfolio at a risk level roughly equivalent to the Barclays Government/Credit Intermediate-Term Bond Index. The portfolio's maximum exposure to non-benchmark sectors including foreign issues, emerging market debt and high yield securities may not exceed 20% of its market value.

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 3 INVESTMENTS (CONTINUED)**

As of June 30, 2016 the ratings of the underlying investments of the Plan's debt securities were as follows:

	Rating					Total
	AAA	Aa1/Aa2/ Aa3	A1/A2/A3	Baa1/Baa2/ Baa3	Not Rated	
	U.S. Treasury Obligations	\$ 5,051,176	\$ -	\$ -	\$ -	
U.S. Governmental Agencies	1,200	-	-	-	-	1,200
Corporate & Foreign bonds	56,336	452,140	1,434,656	2,547,330	108,500	4,598,962
Total	<u>\$ 5,108,712</u>	<u>\$ 452,140</u>	<u>\$ 1,434,656</u>	<u>\$ 2,547,330</u>	<u>\$ 108,500</u>	<u>\$ 9,651,338</u>

**Foreign Currency Risk:** Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan does not maintain investments that are denominated in a currency other than the United States dollar; therefore, the Plan is not exposed to this risk.

**Custodial Credit Risk:** The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Plan's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. As of June 30, 2016 the Plan's investments were exposed to custodial credit risk as they were uninsured, unregistered and held by the Plan's custodian.

**Rate of Return**

For the year ended June 30, 2016, the annual money-weighted rate or return on pension plan investments, net of pension plan investment expense, was -1.93 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**NOTE 4 NET PENSION LIABILITY OF THE COUNTY**

**Net Pension Liability of the County**

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

Total pension liability	\$ 66,024,947
Plan fiduciary net position	(49,380,194)
County's net pension liability	<u>\$ 16,644,753</u>
Plan fiduciary net position as a percentage of the total pension liability	74.79%

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 4 NET PENSION LIABILITY OF THE COUNTY**

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2015 rolled forward to June 30, 2016 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary increases	Rates vary by participant service
Investment rate of return	7%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Healthy tables with generational projection using the Scale AA.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation (3%). The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	49%	10.8%
International equity	21%	9.9%
Fixed income	30%	5.0%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made at the current contribution rate and that the County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 4 NET PENSION LIABILITY OF THE COUNTY (CONTINUED)**

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the County, calculated using the discount rate of 7.0 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
County's net pension liability	<u>\$ 25,634,201</u>	<u>\$ 16,644,753</u>	<u>\$ 9,273,725</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
SCHEDULE OF CHANGES IN THE COUNTY'S NET LIABILITY  
AND RELATED RATIOS  
JUNE 30, 2016  
(INFORMATION FOR FY 2013 AND EARLIER IS NOT AVAILABLE)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b> (Rounded to the nearest thousand)			
Service cost	\$ 1,622,000	\$ 1,622,000	\$ 1,412,000
Interest	4,367,000	4,176,000	3,982,000
Charges of benefit terms	-	54,000	68,000
Differences between expected and actual experience	(886,000)	(1,025,000)	-
Changes of assumptions	-	776,000	-
Benefit payments, including refunds of member contributions	<u>(2,923,000)</u>	<u>(2,825,000)</u>	<u>(2,576,000)</u>
Net change in total pension liability	2,180,000	2,778,000	2,886,000
Total pension liability, beginning	<u>63,845,000</u>	<u>61,067,000</u>	<u>58,181,000</u>
<b>Total Pension Liability, Ending (a)</b>	<u>\$ 66,025,000</u>	<u>\$ 63,845,000</u>	<u>\$ 61,067,000</u>
<b>Plan Fiduciary Net Position</b>			
Contributions - employer	\$ 2,490,000	\$ 2,490,000	\$ 2,377,000
Contributions - member	499,000	485,000	452,000
Net investment (loss)/ income	(1,301,000)	1,995,000	7,089,000
Benefit payments, including refunds of member contributions	(2,923,000)	(2,825,000)	(2,576,000)
Administrative expenses	<u>(48,000)</u>	<u>(49,000)</u>	<u>(54,000)</u>
Net Changes in Plan Fiduciary Net Position	(1,283,000)	2,096,000	7,288,000
Plan fiduciary net position, beginning	<u>50,663,000</u>	<u>48,567,000</u>	<u>41,279,000</u>
<b>Plan Fiduciary Net Position, Ending (b)</b>	<u>\$ 49,380,000</u>	<u>\$ 50,663,000</u>	<u>\$ 48,567,000</u>
 County's Net Pension Liability - Ending (a) - (b)	 <u>\$ 16,645,000</u>	 <u>\$ 13,182,000</u>	 <u>\$ 12,500,000</u>
 Plan fiduciary Net Position as a Percentage of the Total Pension Liability	 74.79%	 79.35%	 79.53%
Covered-employee Payroll	\$ 7,110,000	\$ 7,185,000	\$ 6,813,000
County's Net Pension Liability as a Percentage of Covered-employee Payroll	234.11%	183.47%	183.47%
Expected average remaining service years of all participants	6	5	6

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
SCHEDULE OF COUNTY CONTRIBUTIONS  
JUNE 30, 2016  
(INFORMATION FOR FY 2013 AND EARLIER IS NOT AVAILABLE)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution (Rounded to the nearest thousand)	\$ 2,490,000	\$ 2,490,000	\$2,377,000
Contributions in relation of the actuarially determined contribution	<u>2,490,000</u>	<u>2,490,000</u>	<u>2,377,000</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered-employee payroll	 \$ 7,110,000	 \$ 7,185,000	 \$6,813,000
 Contributions as a Percentage of Covered-employee Payroll	 35.02%	 34.66%	 34.89%

**Notes to Schedule:**

Methods and assumptions used to determine contribution rates:

Valuation Date	Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year. Actuarial valuations are performed every year
Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of payroll
Remaining amortization period	15 years for gains and losses (open), 30 years for prior plan and assumption changes, 15 years for July 1, 2013 plan changes
Asset value method	5-year smoothed market
Inflation	3.0 percent
Salary increases	Rates vary by participant age and service
Investment rate of return	7.0%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by participant age and service
Mortality	RP-2000 Combined Healthy tables with general projection by Scale AA

**HARFORD COUNTY, MARYLAND  
SHERIFF'S OFFICE PENSION SYSTEM  
SCHEDULE OF INVESTMENT RETURNS  
JUNE 30, 2016  
(INFORMATION FOR FY 2013 AND EARLIER IS NOT AVAILABLE)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses	-1.93%	4.64%	17.11%