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***City of Marine City
Employees Retirement System***

Actuarial Valuation as of June 30, 2013



July 14, 2014

The Retirement Board
City of Marine City Employees Retirement System
Marine City, Michigan

Dear Board Members:

The purpose of the annual actuarial valuation of the City of Marine City Employees Retirement System as of June 30, 2013, is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and active members of the Retirement System,
- Compare accrued assets with accrued liabilities to assess the funded condition of the Retirement System, and
- Compute the City's recommended contribution rate for the Fiscal Year beginning July 1, 2014.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. Data concerning active members, retirees, beneficiaries and assets was provided by the City of Marine City. This data has been reviewed for reasonableness, but no attempt has been made to audit such information. The valuation was based on the provisions of the Retirement System as amended through June 30, 2013. The actuarial assumptions used in this valuation represent reasonable expectations of future experience under the System. This valuation has been prepared under the supervision of a Member of the American Academy of Actuaries who meets the qualification standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,

A handwritten signature in black ink that reads 'Denise M. Jones'.

Denise M. Jones

A handwritten signature in black ink that reads 'Sandra W. Rodwan'.

Sandra W. Rodwan, M.A.A.A.

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Section One:
Valuation Summary



Purpose of Valuation

The purpose of the annual actuarial valuation of the City of Marine City Employees Retirement System as of June 30, 2013 is to:

- ❖ Compute the liabilities associated with benefits likely to be paid on behalf of current retired and active members of the retirement system,
- ❖ Compare accrued assets with accrued liabilities to assess the funded condition of the retirement system, and
- ❖ Compute the City's recommended contribution rate for the Fiscal Year beginning July 1, 2014.

Liabilities and Funded Condition of Retirement System

Accrued liabilities of the Retirement System as of June 30, 2013, were computed to be \$7,053,090. The funding value of assets was \$5,740,146. The ratio of the funding value of assets to accrued liabilities was 81.4%.

Funding Value of Assets

A smoothed market value of assets was used for the June 30, 2013 valuation. This method credits the assumed rate to the funding value of assets and spreads the difference between the actual and assumed return over 4 years.

City's Computed City Contribution

The City's normal cost contribution rate was computed to be \$63,069. The unfunded accrued liabilities were amortized as a level dollar amount over 19 years. The amortization of the unfunded accrued liabilities was \$124,946. The total contribution for FY 2014/2015 was computed to be \$188,015 less member's contributions of \$23,972 results in the City's total contribution of \$164,043.

Benefit Provision Changes

There were no benefit changes during the year.

Assumption and Method Changes

There were no significant changes in assumptions and methods during the year. To the extent possible, assumptions were consistent with those used by the prior actuary.

Participant Data

	<u>06/30/2013</u>	<u>06/30/2012</u>
Active Members	9	12
Active Member Payroll	\$479,446	\$647,948
Retirees and Beneficiaries	23	23
Annual Pensions	\$415,753	\$383,081
Vested Inactive Members	4	4
Deferred Annual Pensions	\$105,148	\$105,148

Financial Data

	<u>06/30/2013</u>	<u>06/30/2012</u>
Funding Value of Assets	\$5,740,146	\$5,738,741
Market Value of Assets	5,684,998	5,530,364



Section Two:

***Actuarial Calculations –
Funding***



Computed Contribution Rates for Fiscal Year 2014/2015

Accrued liabilities exceeded accrued assets as of June 30, 2013. The unfunded actuarial accrued liability was amortized as a level dollar amount, over a closed period of 19 years. The 19 year amortization period is a one year decrease from the prior valuation. This amortization payment was added to the normal cost contribution.

Normal Cost	
Regular Retirement	\$45,585
Pre-retirement Death	1,997
Disability	3,925
Termination Benefits - Refunds	<u>11,562</u>
Total Normal Cost	63,069
Unfunded Actuarial Accrued Liability	124,946
Total Computed Contribution	188,015
Member portion	23,972
City portion	\$164,043

Unfunded Actuarial Accrued Liability

	June 30, 2013	June 30, 2012
Actuarial accrued liability	\$7,053,090	\$7,239,777
Assets allocated to funding	<u>5,740,146</u>	<u>5,738,741</u>
Unfunded actuarial accrued Liability	\$1,312,944	\$1,501,036

Recommended City Contributions

Valuation Date June 30,	Fiscal Year	Computed City Contributions	
		Estimated Dollar Contrib.	Actual Dollar Contrib.
1996	97/98	\$88,652	\$97,430
1997	98/99	81,304	83,597
1998	99/00	52,176	52,432
1999(a)	00/01	46,273	43,795
2000(a)	01/02	39,852	40,921
2001	02/03	54,415	50,414
2002	03/04	66,463	58,921
2003	04/05	153,022	161,159
2004#	05/06	159,563	164,557
2005	06/07	187,759	172,895
2006	07/08	177,626	155,056
2007	08/09	171,139	138,971
2008	09/10	136,676	95,469
2009	10/11	149,956	97,480
2010(a)	11/12	157,716	110,871
2011	12/13	168,317	171,849
2012	13/14	190,302	
2013	14/15	164,043	

#After changes in benefit provisions

(a) After changes in assumptions and methods.

Note: Results prior to 2013 are based on reports provided by previous actuarial firm.

History of Assets and Accrued Liabilities

Valuation Date June 30,	Valuation Assets	Actuarial Accrued Liabilities	Funded Ratio	Unfunded Actuarial Accrued Liabilities
2002	\$5,464	\$4,854	112.6%	\$(610)
2003	5,397	5,901	91.4	505
2004	5,384	5,952	90.5	568
2005	5,575	6,358	87.7	784
2006	5,911	6,536	90.4	625
2007	6,395	6,868	93.1	473
2008	6,649	6,907	96.3	258
2009	6,624	7,326	90.4	702
2010	6,257	7,309	85.6	1,052
2011	6,001	7,326	81.9	1,324
2012	5,739	7,240	79.3	1,501
2013	5,740	7,053	81.4	1,313

Results shown throughout this report, for years prior to 2013, were prepared by the previous actuarial firm.

Comments

Comment 1: The City's computed contribution for the fiscal year beginning July 1, 2014 has been computed to be \$164,043.

Comment 2: During the year ended June 30, 2013 aggregate retirement System was more favorable than assumed. The favorable experience produced an increase in the funding ratio (81.4% vs 79.2% last year) and a decrease in the computed contribution.



Section Three:

***Retirement System
Benefit Provisions***



Benefit Provision Summary

Regular Retirement

Eligibility:

Age 55 with 25 or more years of service or age 60 and 10 or more years of service.

Final Average Compensation (FAC): Average of best 5 consecutive years out of the last 10. Compensation excludes lump sums.

Annual Benefit:

Straight life pension equals 2.25% of FAC times years of service.

Mandatory Retirement:

Age 70½ (age 75 with employer's consent). No benefit accrues after age 70½. Upon retirement after age 70½ the amount payable is the actuarial equivalent of the benefit payable at age 70½.

The Retirement System is closed to new hires.

Deferred Retirement

Eligibility:

10 or more years of credited service.

Annual Benefit:

Computed as regular retirement at age 60 but based upon credited service, FAC and benefit provisions in effect at termination. An employee may withdraw the employee contributions which will result in the monthly retirement benefit being reduced.

Disability Retirement

Eligibility:

Total and permanent disability after 10 or more years of service. If duty related, the 10 year service requirement is waived.

Annual Benefit:

Computed as a regular retirement based on credited service at the date of disability. Benefits may be reduced for earnings from gainful employment and/or Worker's Compensation or Unemployment Compensation payments attributable to City employment.

Death in Service Survivors Pension

Eligibility:

10 or more years of service. Payable to any named beneficiary (if no named beneficiary, benefit is payable to spouse, if any).

Annual Benefit:

Computed as a regular retirement benefit but actuarially reduced to reflect the election of a 100% joint and survivor benefit. In lieu of a monthly benefit the beneficiary may elect to receive a lump sum equal to the actuarial equivalent of the monthly benefit.

Member Contributions

5% of pay.



Section Four:

***Actuarial Assumptions
And Methods***



Actuarial Assumptions

Economic Assumptions

- (i) Interest Rate 7.25% (net of expenses)
- (ii) Salary Increases 3.75%

Sample Annual Rates of Salary Increase

Age	Base	Merit and Longevity	Total
20	3.75%	3.99%	7.74%
25	3.75	3.25	7.00
30	3.75	2.79	6.54
35	3.75	2.47	6.22
40	3.75	2.22	5.97
45	3.75	1.75	5.50
50	3.75	1.18	4.93
55	3.75	0.69	4.44
60	3.75	0.17	3.92

Demographic Assumptions

(i) Mortality

RP2000 Projected improvements through 2010.

Sample Ages	Actuarial Present Value of \$1 Monthly for Life		Future Life Expectancy (Years)	
	Male	Female	Male	Female
55	\$139.34	\$143.00	27.17	29.44
60	128.79	133.55	22.66	24.89
65	116.19	122.25	18.44	20.61
70	101.87	109.34	14.60	16.69
75	85.69	94.94	11.12	13.15
80	68.68	79.22	8.13	10.00

(ii) Disability

Sample Ages	Percent Becoming Disabled Within Next Year
20	0.05%
25	0.07
30	0.08
35	0.10
40	0.16
45	0.24
50	0.39
55	0.69
60	1.15
65	1.15

(iii) Termination of employment

Service related rates for first 5 years of employment. Age related rates after first 5 years of employment.

Sample Ages	Years of Service	Percent Terminating
All	0	30.00%
	1	20.00
	2	15.00
	3	10.00
	4	7.00
25	5 and over	6.00
30		5.50
35		4.40
40		1.85
45		1.25
50		1.25
55		1.25
60	1.25	

(iv) Retirement Rates

Retirement Ages	Percents of Active Members Retiring Within Next Year
55	30.00%
56	25.00
57	20.00
58	15.00
59	20.00
60	20.00
61	40.00
62	70.00
63	50.00
64	50.00
65	80.00
66	70.00
67	60.00
68	60.00
69	70.00
70	100.00

Actuarial Method Used for the Valuation

Normal Cost. Normal 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 normal 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.

Financing of Unfunded Actuarial Accrued Liability. The excess of actuarial accrued liability over actuarial accrued assets was amortized as a level dollar amount over a period of 19 years, a one year decrease from last year.



Section Five:
Valuation Data



Asset Summary**Statement of Assets**

As of June 30, 2013, the market value of assets was reported to be \$5,684,998.

Reconciliation of the Reported Market Value of Assets

a. Market Value as of July 1, 2012	\$5,530,364
b. Income	
(i) Member Contributions	30,293
(ii) Employer Contributions	171,849
(iii) Investment Income (Net of Expenses)	<u>512,412</u>
(iv) Total Income	714,554
c. Disbursements to Members	
(i) Benefits	499,884
(ii) Administrative Expenses	<u>60,036</u>
(iii) Total Disbursements	559,920
 Market Value as of June 30, 2013	 \$5,684,998

Funding Value of Assets – June 30,

	2012	2013
A. Funding Value Beginning of Year	\$6,001,454	\$5,738,741
B. Market Value End of Year	5,530,364	5,684,998
C. Market Value Beginning of Year	5,891,633	5,530,364
D. Non-Investment Net Cash Flow	(349,930)	(357,778)
E. Investment Income		
E1. Market Total B-C-D	(11,339)	512,412
E2. Amount for Immediate Recognition 7.25%	422,420	403,089
E3. Amount for Phased-In Recognition: E1-E2	(433,759)	109,323
F. Phased-In Recognition of Investment Income		
F1. Current Year: 0.25 x E3	(108,440)	27,331
F2. First Prior Year	79,739	(108,440)
F3. Second Prior Year	(42,537)	79,739
F4. Third Prior Year	(263,965)	(42,537)
F5. Total Phased-In Amount	(335,203)	(43,907)
G. Funding Value End of Year: A+D+E2+F6+H	5,738,741	5,740,146
H. Difference Between Market and Gross Funding Value	\$(208,377)	\$(55,148)
I. Nominal Rate of Return	1.5%	7.3%

Participant Summary

Retirees and Beneficiaries Included in the Valuation

There were 23 retirees and beneficiaries included in the valuation, with annual pensions totaling \$415,753. Two new retirees were added during the year and two were removed.

History of Pensions Being Paid

Valuation Date June 30	No.	Annual Pensions	% of Active Payroll	Average Pension	Discounted Value of Pensions	
					Total	Average
1996	7	\$67,527	6.2%	\$9,647	\$676,514	\$96,645
1997	7	67,527	6.2	9,647	662,402	94,629
1998	7	67,527	5.2	9,647	647,894	92,556
1999	7	67,527	4.8	9,647	633,017	90,431
2000	9	106,286	7.9	11,810	1,041,980	115,776
2001	9	93,955	6.4	10,439	939,802	104,422
2002	9	93,955	6.4	10,439	912,721	101,413
2003	15	187,411	14.2	12,494	2,051,715	136,781
2004	18	233,952	17.1	12,997	2,527,123	140,396
2005	19	243,028	16.1	12,791	2,579,090	135,742
2006	18	229,364	15.2	12,742	2,431,838	135,102
2007	18	229,364	15.4	12,742	2,391,901	132,883
2008	18	229,364	17.7	12,742	2,350,972	130,610
2009	19	264,076	22.4	13,899	2,795,951	147,155
2010	21	339,918	36.5	16,187	3,727,005	177,476
2011	22	361,414	45.5	16,428	3,796,174	172,553
2012	23	383,081	59.1	16,656	4,004,970	174,129
2013	23	415,753	86.7	18,076	4,567,807	198,600

Results shown throughout this report, for years prior to 2013, were prepared by the previous actuarial firm.

Retired Members - June 30, 2013

Age & Service Retirees			Disability Retirees		Survivor Beneficiaries		Totals	
Attained Age	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions
55	4	\$90,548				\$ -	4	\$90,548
56	2	32,985					2	32,985
58	2	42,118					2	42,118
60	2	41,940					2	41,940
61	1	29,871					1	29,871
62	1	34,712					1	34,712
65	2	22,320					2	22,320
66	1	27,301					1	27,301
67	1	16,346					1	16,346
68	1	9,076					1	9,076
69	1	16,812					1	16,812
70	1	7,971					1	7,971
75	1	10,081					1	10,081
80	1	16,106					1	16,106
83					1	5,695	1	5,695
84					1	11,871	1	11,871
Totals	21	\$398,187			2	\$17,566	23	\$415,753

Active Member Summary**Active Members - June 30, 2013
Age and Service Distribution**

Attained Age	10-14	15-19	20-24	25-29	No.	Totals Payroll
40-44	1	1			2	\$154,613
45-49	1	1		1	3	145,820
50-54	1		1		2	71,240
55-59			1	1	2	107,773
Totals	3	2	2	2	9	\$479,446

Group Averages:

Age: 49.7 years
Service: 19.4 years
Annual Pay: \$53,272

Active Members – Three-Year Summary

	2013	2012	2011
Active Members	9	12	14
Valuation Payroll	\$479,446	\$647,948	\$794,716
Average Compensation	\$53,272	\$53,996	\$56,765
Average Age (yrs.)	49.7	50.1	49.6
Average Service (yrs.)	19.4	19.5	19.2

Vested Inactive Members

There were four vested terminated members eligible for estimated deferred pensions totaling \$105,148.

Inactive Members - June 30, 2013

Attained Age	No.	Estimated Annual Benefit
44	1	\$14,444
45	1	11,655
51	2	79,049
Totals	4	\$105,148



Section Six:
Accounting Disclosures



GASB Statement No. 25 Supplementary Information

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

Valuation Date:	June 30, 2013
Actuarial Cost Method:	Individual Entry Age
Amortization method:	Level dollar, closed
Remaining amortization period:	19 years
Asset valuation method:	4-year smoothed market value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	3.9% - 7.7%

Membership data as of June 30, 2013 is indicated in Section Five of this report.

Analysis of Funding Progress
(\$ amounts +000)

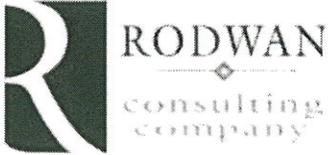
Valuation Date 06/30	(1) Valuation Value of Assets	(2) Actuarial Accrued Liability*	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) UAAL As a % Of Covered Payroll
2003	\$5,464	\$4,854	112.6%	\$(610)	\$1,471	-%
2004	5,397	5,901	91.4	505	1,317	38.3
2005	5,384	5,952	90.5	568	1,370	41.5
2006	5,575	6,358	87.7	784	1,510	51.9
2007	5,911	6,536	90.4	625	1,513	41.3
2008	6,395	6,868	93.1	473	1,493	31.7
2009	6,649	6,907	96.3	258	1,294	19.9
2010	6,624	7,326	90.4	702	1,181	59.4
2011	6,257	7,309	85.6	1,052	931	113.0
2012	6,001	7,326	81.9	1,324	795	166.5
2013	5,739	7,240	79.3	1,501	648	231.6
2014	5,740	7,053	81.4	1,313	479	274.1

**Required Supplementary Information
Schedule of Employer Contributions**

Fiscal Year Beginning July 1	Annual Required Contribution	Amount Contributed
2003	\$66,463	\$58,921
2004	153,022	161,159
2005	159,563	164,557
2006	187,759	172,895
2007	177,626	155,056
2008	171,139	138,971
2009	136,676	95,469
2010	149,956	97,480
2011	157,716	110,871
2012	168,317	171,849
2013	190,302	
2014	164,043	

City of Marine City Employees Retirement System
Actuarial Information for GASB Statement 67
June 30, 2014





November 18, 2014

The Board of Trustees
City of Marine City Employees Retirement System
Marine City, Michigan

Dear Board Members:

This document contains actuarial information required for Plan reporting purposes pursuant to Governmental Accounting Standards Board Statement No. 67 effective for the Fiscal Year ended June 30, 2014.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Denise M. Jones'.

Denise M. Jones
Senior Consultant

A handwritten signature in cursive script that reads 'Sandra W. Rodwan'.

Sandra W. Rodwan
Member, American Academy of Actuaries

Net Pension Liability

The components of the net pension liability at June 30, 2014 were as follows:

Total pension liability	\$7,124,819
Plan fiduciary net position	6,092,591
City's net pension liability	1,032,228
Plan fiduciary net position as a percentage of the total pension liability	85.51%
Covered payroll	\$479,446
City's net pension liability as a percentage of covered payroll	215.3%

Actuarial assumptions. The total pension liability was determined based on the annual actuarial valuation as of June 30, 2013, rolled forward to June 30, 2014. The following actuarial assumptions were applied to compute the total pension liability:

Actuarial cost method	Entry Age
Inflation	3.75%
Salary Increases	7.74%-3.75% (includes inflation)
Cost of living assumption adjustments	None

Mortality rates were based on the RP 2000 Mortality with projected improvements through 2010.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City Contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the 7.25% discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the actuarial present values determined in conformity with GASB 67, paragraph 44.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the City's net pension liability, calculated using the discount rate of 7.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Decrease Rate 6.25%	Computed GASB 67 Rate 7.25%	1% Increase Rate 8.25%
City's net pension liability	\$1,842,491	\$1,032,228	\$343,323

Schedule of Changes in the City's Net Pension Liability and Related Ratios

	<u>Year Ended</u> <u>6/30/2014</u>
Total pension liability	
Service cost	\$63,069
Interest	491,659
Changes in benefit terms	-
Differences between expected and actual experience	123,250
Changes of assumptions	-
Benefit payments, including refunds of member contributions	(606,249)
Net change in total pension liability	\$71,729
Total pension liability-beginning	7,053,090
Total pension liability-ending (a)	7,124,819
Plan fiduciary net position	
Contributions-employer	190,302
Contributions-member	22,046
Net investment income	809,302
Benefit payments, including refunds of member contributions	(606,249)
Administrative Expense	(7,806)
Other	-
Net change in plan fiduciary net position	407,595
Plan fiduciary net position-beginning	5,684,996
Plan fiduciary net position-ending (b)	6,092,591
City's net pension liability-ending (a)-(b)	1,032,228
Plan fiduciary net position as a percentage of the total pension liability	85.51%
Covered-employee payroll	\$479,446
City's net pension liability as a percentage of covered-employee payroll	215.3%

**SCHEDULE OF CITY CONTRIBUTIONS
LAST 10 FISCAL YEARS**

	Year Ended June 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially determined contribution	\$190,302	\$168,317	\$157,716	\$149,956	\$136,676	\$171,139	\$177,626	\$187,759	\$159,563	\$153,022
Contributions in relation to the actuarially determined contribution	190,302	171,849	110,871	97,480	95,469	138,971	155,056	172,895	164,557	161,159
Contribution excess (deficiency)	0	3,532	(46,845)	(52,476)	(41,207)	(32,168)	(22,570)	(14,864)	4,994	8,137
Covered-employee payroll	N/A	\$479,446	\$647,948	\$824,677	\$930,742	\$1,181,481	\$1,293,609	\$1,492,983	\$1,512,922	\$1,509,919
Actuarially determined contributions as a percentage of covered employee payroll	N/A	35.84%	17.11%	11.82%	10.26%	11.76%	11.99%	11.58%	10.88%	10.67%

Notes to Schedule

Valuation date: Actuarially determined contribution rates are calculated as of the June 30, two years prior to the end of the fiscal year in which contributions are reported. Covered employee payroll is as of June 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	19 years as of the June 30, 2013 regular actuarial valuation
Asset valuation method	4 years smoothed market
Inflation	3.25%
Salary increases	7.74% - 3.75%, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Table 1

**Projection of Total Contributions
Assuming 18 Year Closed Amortization of 06/30/2014 UAAL**

Valuation Date June 30	Projected Payroll Current EE*	Unfunded Act. Accr. Liab.	18 Year Closed Amortization	Employer Normal Cost**	Employer Contribution	Employee Contribution***	Total Contributions
2014	\$503,768	\$1,278,657	\$124,941	\$38,426	\$163,367	\$25,189	\$188,556
2015	481,780	1,241,889	124,936	36,287	161,223	24,089	185,312
2016	463,223	1,202,461	124,930	34,456	159,386	23,161	182,547
2017	466,303	1,160,181	124,925	34,513	159,438	23,316	182,754
2018	458,620	1,114,841	124,919	33,638	158,557	22,931	181,488
2019	435,960	1,066,220	124,913	31,820	156,733	21,799	178,532
2020	417,632	1,014,080	124,906	30,236	155,142	20,882	176,024
2021	404,496	958,167	124,899	29,022	153,921	20,224	174,145
2022	375,618	898,207	124,892	26,727	151,619	18,782	170,401
2023	349,311	833,908	124,884	24,568	149,452	17,466	166,918
2033	61,908	-	-	4,165	4,165	3,095	7,260
2043	-	-	-	-	-	-	-

Table 2: Projection of the Pension Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expense* (d)	Projected Investment Earnings** (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) + (e)
1	\$6,092,591	\$188,556	\$411,195	\$7,806	\$433,359	\$6,295,505
2	6,295,505	185,312	426,766	8,040	447,380	6,493,391
3	6,493,391	182,547	435,411	8,281	461,304	6,693,550
4	6,693,550	182,754	440,616	8,530	475,626	6,902,784
5	6,902,784	181,488	453,657	8,786	490,267	7,112,096
6	7,112,096	178,532	470,608	9,049	504,711	7,315,681
7	7,315,681	176,024	484,771	9,321	518,857	7,516,471
8	7,516,471	174,145	573,552	9,600	530,118	7,637,581
9	7,637,581	170,401	590,042	9,888	538,154	7,746,206
10	7,746,206	166,918	606,218	10,185	545,306	7,842,027
20	7,866,297	7,260	730,443	13,688	543,595	7,673,021
30	6,009,407	-	506,922	18,395	416,639	5,900,728
40	6,194,928	-	213,844	24,722	440,484	6,396,846
50	10,119,620	-	43,019	33,224	730,909	10,774,286
60	19,547,891	-	1,931	44,650	1,415,534	20,916,844
70	38,622,892	-	24	60,006	2,797,984	41,360,845

Table 3: Actuarial Present Values of Projected Benefit Payments

Year	Projected Beginning Fiduciary Net Position*	Projected Benefit Payments*	Projected Benefit Payments		Actuarial Present Values of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	Present Value of "Funded" Benefit Payments	Present Value of "Unfunded" Benefit Payments	Present Value of Benefit Payments Using the Single Discount Rate**
(a)	(b)	(c)	(d)	(e)	(f) = (d) / (1+7.25%)^(a)	(g) = (e) / (1+3.8%)^(a)	(h) = c / (1 + 7.25%)^(a)
1	\$6,092,591	\$411,195	\$411,195	\$ -	\$383,399	\$ -	\$383,399
2	6,295,505	426,766	426,766	-	371,018	-	371,018
3	6,493,391	435,411	435,411	-	352,945	-	352,945
4	6,693,550	440,616	440,616	-	333,021	-	333,021
5	6,902,784	453,657	453,657	-	319,699	-	319,699
6	7,112,096	470,608	470,608	-	309,226	-	309,226
7	7,315,681	484,771	484,771	-	296,999	-	296,999
8	7,516,471	573,552	573,552	-	327,638	-	327,638
9	7,637,581	590,042	590,042	-	314,273	-	314,273
10	7,746,206	606,218	606,218	-	301,062	-	301,062
20	7,866,297	730,443	730,443	-	180,153	-	180,153
30	6,009,407	506,922	506,922	-	62,090	-	62,090
40	6,194,928	213,844	213,844	-	13,008	-	13,008
50	10,119,620	43,019	43,019	-	1,300	-	1,300
60	19,547,891	1,931	1,931	-	29	-	29
70	38,622,892	24	24	-	0	-	0
Total					\$7,110,343	\$0	\$7,110,343

* From Table 2.

** The long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.