

Ross Township General Employees' Pension Plan

Actuarial Report: January 1, 2015

SUMMARY OF ACTUARIAL VALUATION RESULTS

Valuation Date:	1/1/2013		1/1/2015		
	UP-94	UP-94	UP-94	UP-94	RP2014 bc
Mortality assumption:	UP-94	UP-94	UP-94	UP-94	RP2014 bc
Actuarial value of assets:	Gen.Rule	Gen.Rule	Gen.Rule	Gen.Rule	Gen.Rule
Valuation Rate of Interest:	7.50%	7.25%	8.25%	6.25%	7.25%
			<i>+1% PER GASB 68</i>	<i>-1% PER GASB 68</i>	<i>INFORMATIONAL</i>
A. Actuarial Accrued Liability:					
1. Actuarial Accrued Liability	\$ 11,168,315	\$ 11,546,180	\$ 10,622,297	\$ 12,610,787	\$ 12,095,819
2. Actuarial Value of Assets	11,834,141	12,364,266	12,364,266	12,364,266	12,364,266
3. Unfunded Actuarial Liability = (1) - (2)	\$ (665,826)	\$ (818,086)	\$ (1,741,969)	\$ 246,521	\$ (268,447)
4. Funded Percentage = (2)/(1)	105.96%	107.09%	116.40%	98.05%	102.22%
Distress level (based on distress score)	Not distressed	Not distressed	Not distressed	Not distressed	Not distressed
5. Amortization Contribution (Advanced Funding Credit)	\$ (66,583)	\$ (81,809)	\$ (174,197)	\$ 24,281	\$ (26,845)
B. Components of Normal Cost:					
1. Entry Age Normal Cost %	11.627%	11.312%	9.096%	14.099%	12.165%
2. Administrative expense percentage	0.864%	0.705%	0.705%	0.705%	0.705%
3. Employee Contribution percentage	3.000%	3.000%	3.000%	3.000%	3.000%
C. Minimum Obligation of Municipality:					
1. Estimated Minimum Municipal Obligation (2016)					
a. Estimated payroll {see c/}		\$ 2,326,293	\$ 2,326,293	\$ 2,326,293	\$ 2,326,293
b. Normal Cost (entry age)		263,150	211,600	327,984	282,994
c. Expenses		16,400	16,400	16,400	16,400
d. Employee contributions		(69,789)	(69,789)	(69,789)	(69,789)
e. Past Service Amortization (Advance Funding Credit)	<u>2015 MMO</u>	(81,809)	(174,197)	24,281	(26,845)
f. Subtotal	\$ 136,014	\$ 127,952	\$ 0	\$ 298,876	\$ 202,760
2. Estimated Minimum Municipal Obligation (2017)					
a. Estimated payroll = C(1a) x 1.0450		\$ 2,430,976	\$ 2,430,976	\$ 2,430,976	\$ 2,430,976
b. Normal Cost (entry age)		274,992	221,122	342,743	295,728
c. Expenses		17,138	17,138	17,138	17,138
d. Employee contributions		(72,929)	(72,929)	(72,929)	(72,929)
e. Past Service Amortization (Advance Funding Credit)		(81,809)	(174,197)	24,281	(26,845)
f. Subtotal		\$ 137,392	\$ 0	\$ 311,233	\$ 213,092
D. Actuarial Accrued Liability:					
1. Actuarial Accrued Liability	\$ 11,168,315	\$ 11,546,180	\$ 10,622,297	\$ 12,610,787	\$ 12,095,819
2. Market Value of Assets	10,772,232	12,364,266	12,364,266	12,364,266	12,364,266
3. Unfunded Actuarial Liability = (1) - (2)	\$ 396,083	\$ (818,086)	\$ (1,741,969)	\$ 246,521	\$ (268,447)
4. Funded Percentage = (2)/(1)	96.45%	107.09%	116.40%	98.05%	102.22%

NOTES:

b/ "Units" = 2 for each active uniformed participant, 1 for each non-uniformed active participant.

c/ Payroll estimated by The Phoenix Benefits Group, Inc. based on 2014 payroll + 1 year's increase @ salary scale.

units at 1/1/2015: 42

2016 estimated MMO using 2013 AVR: \$154,205

Act 44 of 2009 distress score table:			Amortization contribution reduction
Ratio	Score	Distress level	The election of this relief measure initiates the fixed period of relief.
90% or more	0	Not distressed	Fixed period of relief
70 - 89%	1	Minimal distress	→ 2 years
50 - 69%	2	Moderate distress	→ 4 years
<50%	3	Severe distress	→ 6 years

Ross Township Police Pension Plan

Actuarial Report: January 1, 2015

SUMMARY OF ACTUARIAL VALUATION RESULTS

Valuation Date:	1/1/2013		1/1/2015		
	UP-94 Gen.Rule	UP-94 Gen.Rule	UP-94 Gen.Rule	UP-94 Gen.Rule	RP2014 bc Gen.Rule
Mortality assumption:					
Actuarial value of assets:					
Valuation Rate of Interest:	7.50%	7.25%	8.25%	6.25%	7.25%
			<i>+1% PER GASB 68</i>	<i>-1% PER GASB 68</i>	<i>INFORMATIONAL</i>
A. Actuarial Accrued Liability:					
1. Actuarial Accrued Liability	\$ 23,100,011	\$ 26,805,506	\$ 24,173,450	\$ 29,936,771	\$ 27,547,673
2. Actuarial Value of Assets	22,574,229	24,781,831	24,781,831	24,781,831	24,781,831
3. Unfunded Actuarial Liability = (1) - (2)	\$ 525,782	\$ 2,023,675	\$ (608,381)	\$ 5,154,940	\$ 2,765,842
4. Funded Percentage = (2)/(1)	97.72%	92.45%	102.52%	82.78%	89.96%
Distress level (based on distress score)	Not distressed	Not distressed	Not distressed	Minimal	Minimal
5. Amortization Contribution (Advanced Funding Credit)	\$ 49,358	\$ 221,363	\$ (60,838)	\$ 548,412	\$ 305,338
B. Components of Normal Cost:					
1. Entry Age Normal Cost %	16.384%	16.175%	12.841%	20.489%	16.499%
2. Administrative expense percentage	0.677%	0.629%	0.629%	0.629%	0.629%
3. Employee Contribution percentage	5.000%	5.000%	5.000%	5.000%	5.000%
C. Minimum Obligation of Municipality:					
1. Estimated Minimum Municipal Obligation (2016)					
a. Estimated payroll [see c/]		\$ 4,266,503	\$ 4,266,503	\$ 4,266,503	\$ 4,266,503
b. Normal Cost (entry age)		690,107	547,862	874,164	703,930
c. Expenses		26,836	26,836	26,836	26,836
d. Employee contributions		(213,325)	(213,325)	(213,325)	(213,325)
e. Past Service Amortization (Advance Funding Credit)		221,363	(60,838)	548,412	305,338
f. Subtotal	\$ 515,830	\$ 724,981	\$ 300,535	\$ 1,236,087	\$ 822,779
2. Estimated Minimum Municipal Obligation (2017)					
a. Estimated payroll = C(1a) x 1.0450		\$ 4,458,496	\$ 4,458,496	\$ 4,458,496	\$ 4,458,496
b. Normal Cost (entry age)		721,162	572,515	913,501	735,607
c. Expenses		28,044	28,044	28,044	28,044
d. Employee contributions		(222,925)	(222,925)	(222,925)	(222,925)
e. Past Service Amortization (Advance Funding Credit)		221,363	(60,838)	548,412	305,338
f. Subtotal		\$ 747,644	\$ 316,796	\$ 1,267,032	\$ 846,064
D. Actuarial Accrued Liability:					
1. Actuarial Accrued Liability	\$ 23,100,011	\$ 26,805,506	\$ 24,173,450	\$ 29,936,771	\$ 27,547,673
2. Market Value of Assets	20,727,915	24,781,831	24,781,831	24,781,831	24,781,831
3. Unfunded Actuarial Liability = (1) - (2)	\$ 2,372,096	\$ 2,023,675	\$ (608,381)	\$ 5,154,940	\$ 2,765,842
4. Funded Percentage = (2)/(1)	89.73%	92.45%	102.52%	82.78%	89.96%

NOTES:

b/ "Units" = 2 for each active uniformed participant, 1 for each non-uniformed active participant.

c/ Payroll estimated by The Phoenix Benefits Group, Inc. based on 2014 payroll + 1 year's increase @ salary scale.

units at 1/1/2015: 84

2016 estimated MMO using 2013 AVR: \$563,941

Act 44 of 2009 distress score table:			Amortization contribution reduction
Ratio	Score	Distress level	The election of this relief measure initiates the fixed period of relief.
90% or more	0	Not distressed	Fixed period of relief
70 - 89%	1	Minimal distress	→ 2 years
50 - 69%	2	Moderate distress	→ 4 years
<50%	3	Severe distress	→ 6 years