

# Ross Township General Employees' Pension Plan

## Actuarial Report: January 1, 2017

### SUMMARY OF ACTUARIAL VALUATION RESULTS

Valuation Date:	1/1/2015	1/1/2017			
Mortality assumption:	UP-94	RP2014 bc	RP2014 bc	RP2014 bc	UP-94
Actuarial value of assets:	Gen.Rule	Gen.Rule	Gen.Rule	Gen.Rule	Gen.Rule
Valuation Rate of Interest:	7.25%	7.125%	8.125%	6.125%	7.25%
			<i>+1% PER GASB 68</i>	<i>-1% PER GASB 68</i>	<i>Prior Assumptions</i>
<b>A. Actuarial Accrued Liability:</b>					
1. Actuarial Accrued Liability	\$ 11,546,180	\$ 12,000,698	\$ 11,041,862	\$ 13,106,275	\$ 11,827,898
2. Actuarial Value of Assets	12,364,266	12,778,293	12,778,293	12,778,293	12,778,293
3. Unfunded Actuarial Liability = (1) - (2)	\$ (818,086)	\$ (777,595)	\$ (1,736,431)	\$ 327,982	\$ (950,395)
4. Funded Percentage = (2)/(1)	107.09%	106.48%	115.73%	97.50%	108.04%
<b>Distress level (based on distress score)</b>					
5. Amortization Contribution (Advanced Funding Credit)	\$ (81,809)	\$ (77,760)	\$ (173,643)	\$ 32,081	\$ (95,040)
<b>B. Components of Normal Cost:</b>					
1. Entry Age Normal Cost %	11.312%	11.909%	9.563%	14.864%	11.331%
2. Administrative expense percentage	0.705%	0.665%	0.665%	0.665%	0.665%
3. Employee Contribution percentage	3.000%	3.000%	3.000%	3.000%	3.000%
<b>C. Minimum Obligation of Municipality:</b>					
1. Estimated Minimum Municipal Obligation (2018)					
a. Estimated payroll [see c/]		\$ 2,402,510	\$ 2,402,510	\$ 2,402,510	\$ 2,402,510
b. Normal Cost (entry age)		286,115	229,752	357,109	272,228
c. Expenses [see c/]		14,100	14,100	14,100	14,100
d. Employee contributions		(72,075)	(72,075)	(72,075)	(72,075)
e. Past Service Amortization (Advance Funding Credit)	<u>2017 MMO</u>	(77,760)	(173,643)	32,081	(95,040)
f. Total	\$ 127,937	\$ 150,380	\$ 0	\$ 331,215	\$ 119,213
2. Estimated Minimum Municipal Obligation (2019)					
a. Estimated payroll = C(1a) x 1.0450		\$ 2,510,623	\$ 2,510,623	\$ 2,510,623	\$ 2,510,623
b. Normal Cost (entry age)		298,990	240,091	373,179	284,479
c. Expenses		16,696	16,696	16,696	16,696
d. Employee contributions		(75,319)	(75,319)	(75,319)	(75,319)
e. Past Service Amortization (Advance Funding Credit)		(77,760)	(173,643)	32,081	(95,040)
f. Total		\$ 162,607	\$ 7,825	\$ 346,637	\$ 130,816
<b>D. Actuarial Accrued Liability:</b>					
1. Actuarial Accrued Liability	\$ 11,546,180	\$ 12,000,698	\$ 11,041,862	\$ 13,106,275	\$ 11,827,898
2. Market Value of Assets	12,364,266	12,609,756	12,609,756	12,609,756	12,609,756
3. Unfunded Actuarial Liability = (1) - (2)	\$ (818,086)	\$ (609,058)	\$ (1,567,894)	\$ 496,519	\$ (781,858)
4. Funded Percentage = (2)/(1)	107.09%	105.08%	114.20%	96.21%	106.61%

2018 MMO w/ 2015 AVR
\$ 2,402,510
271,772
14,100
(72,075)
(81,809)
\$ 131,988

**NOTES:**

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

c/ Payroll, as well as estimated expense, were supplied by Feaster Pension Consulting, Inc. for the 2018 MMO.

# units at 1/1/2017: 41

2018 estimated MMO using 2015 AVR: \$131,988

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, 2017

### SUMMARY OF ACTUARIAL VALUATION RESULTS

Valuation Date:	1/1/2015		1/1/2017		
Mortality assumption:	UP-94	RP2014 bc	RP2014 bc	RP2014 bc	UP-94
Actuarial value of assets:	Gen.Rule	Gen.Rule	Gen.Rule	Gen.Rule	Gen.Rule
Valuation Rate of Interest:	7.25%	7.125%	8.125%	6.125%	7.25%
			<i>+1% PER GASB 68</i>	<i>-1% PER GASB 68</i>	<i>Prior Assumptions</i>
<b>A. Actuarial Accrued Liability:</b>					
1. Actuarial Accrued Liability	\$ 26,805,506	\$ 29,362,640	\$ 26,486,146	\$ 32,781,492	\$ 29,024,906
2. Actuarial Value of Assets	24,781,831	26,419,994	26,419,994	26,419,994	26,419,994
3. Unfunded Actuarial Liability = (1) - (2)	\$ 2,023,675	\$ 2,942,646	\$ 66,152	\$ 6,361,498	\$ 2,604,912
4. Funded Percentage = (2)/(1)	92.45%	89.98%	99.75%	80.59%	91.03%
<b>Distress level (based on distress score)</b>	Not distressed	Minimal	Not distressed	Minimal	Not distressed
5. Amortization Contribution (Advanced Funding Credit)	\$ 221,363	\$ 339,239	\$ 29,601	\$ 673,295	\$ 304,606
<b>B. Components of Normal Cost:</b>					
1. Entry Age Normal Cost %	16.175%	16.608%	13.160%	21.080%	16.142%
2. Administrative expense percentage	0.682%	0.677%	0.677%	0.677%	0.677%
3. Employee Contribution percentage	5.000%	5.000%	5.000%	5.000%	5.000%
<b>C. Minimum Obligation of Municipality:</b>					
1. Estimated Minimum Municipal Obligation (2018)					
a. Estimated payroll [see c/]		\$ 4,059,084	\$ 4,059,084	\$ 4,059,084	\$ 4,059,084
b. Normal Cost (entry age)		674,133	534,175	855,655	655,217
c. Expenses [see c/]		23,300	23,300	23,300	23,300
d. Employee contributions		(202,954)	(202,954)	(202,954)	(202,954)
e. Past Service Amortization (Advance Funding Credit)	<u>2017 MMO</u>	339,239	29,601	673,295	304,606
<b>f. Total</b>	<b>\$ 683,268</b>	<b>\$ 833,718</b>	<b>\$ 384,122</b>	<b>\$ 1,349,296</b>	<b>\$ 780,169</b>
2. Estimated Minimum Municipal Obligation (2019)					
a. Estimated payroll = C(1a) x 1.0450		\$ 4,241,743	\$ 4,241,743	\$ 4,241,743	\$ 4,241,743
b. Normal Cost (entry age)		704,469	558,213	894,159	684,702
c. Expenses		28,717	28,717	28,717	28,717
d. Employee contributions		(212,087)	(212,087)	(212,087)	(212,087)
e. Past Service Amortization (Advance Funding Credit)		339,239	29,601	673,295	304,606
<b>f. Total</b>		<b>\$ 860,338</b>	<b>\$ 404,444</b>	<b>\$ 1,384,084</b>	<b>\$ 805,938</b>
<b>D. Actuarial Accrued Liability:</b>					
1. Actuarial Accrued Liability	\$ 26,805,506	\$ 29,362,640	\$ 26,486,146	\$ 32,781,492	\$ 29,024,906
2. Market Value of Assets	24,781,831	26,086,754	26,086,754	26,086,754	26,086,754
3. Unfunded Actuarial Liability = (1) - (2)	\$ 2,023,675	\$ 3,275,886	\$ 399,392	\$ 6,694,738	\$ 2,938,152
4. Funded Percentage = (2)/(1)	92.45%	88.84%	98.49%	79.58%	89.88%

2018 MMO w/ 2015 AVR
\$ 4,059,084
656,557
23,300
(202,954)
221,363
<b>\$ 698,266</b>

**NOTES:**

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

c/ Payroll, as well as estimated expense, were supplied by Feaster Pension Consulting, Inc. for the 2018 MMO.

# units at 1/1/2017: 78

2018 estimated MMO using 2015 AVR: \$698,266

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
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