

September 25, 2012

The Retirement Commission
Village of Grosse Pointe Shores
Employees Retirement System
Grosse Pointe Shores, Michigan

Dear Commission Members:

The purpose of the annual actuarial valuation of the Village of Grosse Pointe Shores Employees Retirement System as of June 30, 2012, 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 Village's recommended contribution rate for the Fiscal Year beginning July 1, 2012.

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. 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, 2012. The actuarial assumptions used in this valuation are reasonably related to the past experience of the System and represent reasonable expectations of future long-term 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,



Denise M. Jones
Senior Consultant



Sandra W. Rodwan
Member, American Academy of Actuaries

***Village of
Grosse Pointe Shores
Employees Retirement System***

Actuarial Valuation as of June 30, 2012

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Section One:

Valuation Summary



Purpose of Valuation

The purpose of the annual actuarial valuation of the Village of Grosse Pointe Shores Employees Retirement System as of June 30, 2012 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, 2012.

Liabilities and Funded Condition of Retirement System

Accrued liabilities of the Retirement System as of June 30, 2012, were computed to be \$7,303,177 for General members and \$12,734,859 for Public Safety members for a total of \$20,038,036. The funding value of accrued assets was \$6,221,332 for General members and \$10,549,615 for Public Safety members for a total of \$16,770,946. The ratio of the funding value of accrued assets to accrued liabilities was 83.7%.

Funding Value of Assets

A smoothed market value of assets was used for the June 30, 2012, valuation. The method credits the assumed rate of return and smoothes the difference between the actual and assumed return over four years. This method is unchanged from last year's valuation.

Village's Computed Village Contribution Rate

The total normal cost for General members was computed to be 16.49% of active member payroll. Deducting the weighted average of member contributions, 4.77% of payroll, produced a net Village normal cost contribution rate of 11.72% of payroll. Unfunded actuarial accrued liability was amortized over 20 years as a percent of payroll, producing an amortization payment of 10.54% of member payroll. The City's net contribution rate is 22.26% of payroll. The dollar amount of the contributions for the City is \$156,134.

The total normal cost for Public Safety members was computed to be 24.20% of active member payroll. Deducting the member contributions, 6.00% of payroll, produced a net City normal cost contribution rate of 18.20% of payroll. Unfunded actuarial accrued liability was amortized over 20 years as a percent of payroll, producing an amortization payment of 13.10% of member payroll. The City's net contribution rate is 31.30% of payroll. The dollar amount of the contributions for the City is \$356,932. The 20 year amortization period is the same period used for the last valuation.

Retirement System Experience

The overall experience of the Retirement System was largely offsetting during the period since the last actuarial valuation as of June 30, 2012. The recognized rate of return on the smoothed valuation assets of 3.20% vs. the 7.5% long-term assumed rate. This unfavorable experience was offset by salary increases which were less than the long-term assumed rate.

Benefit Provision Changes

There were no benefit changes in the valuation.

Assumption and Method Changes

There were no changes in assumptions or methods used in the valuation.

Participant Data

	<u>6/30/2012</u>	<u>6/30/2011</u>
Active Members		
General, PS Clerks and DPW	14	19
Public Safety	<u>14</u>	<u>17</u>
Total	28	36
Active Member Payroll		
General, PS Clerks and DPW	\$701,409	\$1,010,774
Public Safety	<u>1,140,358</u>	<u>1,320,162</u>
Total	\$1,841,767	\$2,330,936
Retirees and Beneficiaries		
General, PS Clerks and DPW	14	13
Public Safety	<u>20</u>	<u>17</u>
Total	34	30
Annual Pensions		
General, PS Clerks and DPW	\$384,402	\$315,016
Public Safety	<u>754,433</u>	<u>642,635</u>
Total	\$1,138,835	\$957,651

Financial Data

	<u>06/30/2012*</u>	<u>06/30/2011*</u>
Market Value of Assets	\$17,258,776	\$17,353,934
Smoothed Valuation Assets	16,770,946	16,647,448
Reserve for Health Care	0	0
Net Smoothed Valuation Assets	16,770,946	16,647,448

*Net of Health Care Benefits Trust assets reported to be \$2,142,253 for June 30, 2012 and \$2,055,176 for June 30, 2011.

Conclusion

The accrued funding condition of the Retirement System is good. Maintenance of this condition is dependent upon continued receipt of future contributions as recommended. Unless offset by otherwise favorable experience, contribution rates are likely to increase in the future as carry forwards of negative experience from prior years are recognized in the funding value of assets.



Section Two:

***Actuarial Calculations –
Funding***



Computed Contribution Rates for Fiscal Year 2012/2013

The contribution rates shown below are expressed as percents of active member payroll.

The normal cost can be viewed as the long-term ongoing cost of the Retirement System.

The City’s computed contribution rate for the fiscal year beginning July 1, 2012 has been computed to be 22.26% for General and 31.30% for Public Safety of payroll. The amortization period was 20 years, the same period as used in last year’s annual actuarial valuation.

Contribution Recommendation:

	<u>General</u>	<u>Public Safety</u>
Normal Cost		
Regular Retirement	11.46%	16.33%
Pre-Retirement Death	0.66	1.65
Disability	1.01	3.84
Withdrawal	<u>3.36</u>	<u>2.38</u>
Total Normal Cost	16.49	24.20
Less: Employee Contribution	<u>4.77</u>	<u>6.00</u>
Net Employer Normal Cost	11.72	18.20
Unfunded Actuarial Accrued Liability	10.54	13.10
Total Computed Contribution	22.26	31.30
Employer Dollar Contribution	\$156,134	\$356,932

Unfunded Actuarial Accrued Liability

	<u>June 30, 2012</u>		<u>June 30, 2011</u>	
	<u>General</u>	<u>Public Safety</u>	<u>General</u>	<u>Public Safety</u>
Actuarial accrued liability	\$7,303,177	\$12,734,859	\$6,531,963	\$12,462,268
Assets allocated to funding	<u>6,221,331</u>	<u>10,549,615</u>	<u>5,718,088</u>	<u>10,929,360</u>
Unfunded actuarial accrued liability	\$1,081,846	\$2,185,244	\$813,875	\$1,532,908

Recommended and Actual Contributions

Valuation Date	Fiscal Year	Village Dollar Contributions		% of Payroll Contribution Rates	
		Computed	Actual	General	Public Safety
12/31/1974	1975	\$91,720	\$91,720	13.76%	17.07%
12/31/1979	1980	153,105	153,105	13.10	20.42
03/31/1985	85/86	182,572	222,150	11.17	24.75
03/31/1990	90/91	171,537	171,537	8.94	17.20
03/31/1995	95/96	62,443	62,443	8.68	0.00
03/31/1996	96/97	92,514	0	12.94	0.00
03/31/1997	97/98	0	0	0.00	0.00
03/31/1998	98/99	0	0	0.00	0.00
03/31/1999	99/00	0	0	0.00	0.00
03/31/2000	00/01	0	0	0.00	0.00
03/31/2001	01/02	0	0	0.00	0.00
03/31/2002	02/03	0	0	0.00	0.00
03/31/2003	03/04	101,976	100,000	4.38	4.38
03/31/2004	04/05	198,111	198,111	8.72	8.72
03/31/2005	05/06	305,767	305,767	12.96	12.96
03/31/2006	06/07	384,402	384,402	15.49	15.49
03/31/2007	07/08	397,613	397,613	16.01	16.01
03/31/2008	08/09	447,258	447,258	17.77	17.77
03/31/2009	09/10	579,300	579,300	20.11	23.43
06/30/2010	10/11	545,753	545,753	16.55	25.73
06/30/2011	11/12	505,463	505,463	16.01	26.03
06/30/2012	12/13	513,066		22.26	31.30

Note: Results prior to 2001 are based on reports provided by previous actuarial firm.

Contribution rates for General and Public Safety were combined for valuations from 1997 through 2008.

History of Assets and Accrued Liabilities (\$+000)

Valuation Date	Valuation Assets	Actuarial Accrued Liabilities	Post Retirement Health Insurance	Funded Ratio	Unfunded Actuarial Accrued Liabilities
12/31/1975	\$1,256	\$1,859		67.6%	\$ 603
12/31/1979	2,218	2,835		78.2	617
03/31/1985	4,465	5,001		89.3	536
03/31/1990	6,446	6,232		103.4	-
03/31/1995(a)	10,465	8,265		126.6	(2,200)
(b)	10,979	8,265	2,857	98.7	143
03/31/1996(a)	10,879	8,790		123.8	(2,089)
(b)	11,393	8,790	3,144	95.5	541
03/31/1997(a)	11,841	9,596		123.4	(2,245)
(b)	12,393	9,596	3,274	96.3	477
03/31/1998(a)	13,427	9,776		137.3	(3,651)
(b)	13,980	9,776	3,285	107.0	(919)
03/31/1999(a)	15,060	10,582		142.3	(4,478)
(b)	15,747	10,582	3,342	113.1	(1,823)
03/31/2000(a)	16,633	11,705		142.1	(4,928)
(b)	17,319	11,705	3,530	113.7	(2,084)
03/31/2001	17,378	12,565	0**	138.3	(4,813)
03/31/2002	17,453	13,448	0**	129.8	(4,005)
03/31/2003	16,399	13,997	0**	117.2	(2,402)
03/31/2004	15,988	14,685	0**	108.9	(1,303)
03/31/2005	15,757	15,287	0**	103.1	(470)
03/31/2006	16,320	16,025	0**	101.8	(295)
03/31/2007	16,965	16,792	0**	101.0	(173)
03/31/2008	17,261	17,551	0**	98.3	290
03/31/2009	16,305	18,845	0**	86.5	2,540
06/30/2010	16,485	19,166	0**	86.0	2,682
06/30/2011	16,647	18,994	0**	87.6	2,347
06/30/2012	16,771	20,038	0**	83.7	3,267

Results shown throughout this report, for years prior to 2001, were prepared by the previous actuarial firm.

(a) Excluding Post Retirement Health Insurance.

(b) Including Post-Retirement Health Insurance.

* Valuation date was December 31 prior to the March 31, 1981 valuation.

** Post-retirement health insurance is financed through a Health Care Benefits Trust established under P.A. 149 of 1999.

Comments and Conclusion

Comment: The overall experience of the Retirement System was largely offsetting during the period since the last actuarial valuation as of June 30, 2012. The recognized rate of return on the smoothed valuation assets of 3.20% vs. the 7.5% long-term assumed rate. This unfavorable experience was offset by salary increases which were less than the long-term assumed rate.

Conclusion: The accrued funding condition of the Retirement System is good. Maintenance of this condition is dependent upon continued receipt of future contributions as recommended. In the absence of otherwise favorable experience, contribution rates are likely to increase in the future as carry forwards of negative experience from prior years are recognized in the funding value of assets.

Section Three:

***Retirement System
Benefit Provisions***



Benefit Provision Summary

Regular Retirement

Eligibility:

General, Public Safety Clerks hired prior to July 1, 2010 and DPW: Age 50 with 25 or more years of service or age 55 with 10 or more years of service.

Public Safety: Age 50 with 25 or more years of service.

Final Average Salary (FAS):

All members: average of highest 3 salaries in last 10 years of service

Annual Benefit:

General and DPW – Final average salary times 2.5% for each year of service. Maximum is 75% of final average salary for Public Safety Clerks and DPW and 85% of final average salary for General.

General non-union employees and department heads retiring after September 30, 2010:

(1) the sum of (a) 2.5% of final average salary as of September 30, 2010 multiplied by credited service through September 30, 2010 plus (b) 2% of final average salary multiplied by credited service earned after September 20, 2010, up to a maximum of 25 years of credited service, plus

(2) 1.5% of final average salary multiplied by credited service, if any, up to a maximum 15 years in excess of the initial 25 years taken into account above.

Maximum is 85% of final average salary.

Public Safety – Final average salary times 2.5% for each year of service. Maximum is 75% of final average salary.

Command Officers – Final average salary times 2.5% for each year of service. Maximum is 80% of the final average salary and 85% of the final average salary for the Chief.

Public Safety Officers, Command Officers and DPW hired after 7/1/2007 – Final average salary times 2.25% for the first 25 years of service and 1.5% for each year over 25 years. Maximum pension is 75% of final average salary.

Public Safety Clerks retiring after 1/18/2011:

(1) the sum of (a) 2.5% of final average salary as of January 18, 2011 multiplied by credited service through January 18, 2011 plus (b) 2% of final average salary multiplied by credited service earned after January 18, 2011, up to a maximum of 25 years of credited service, plus

(2) 1.5% of final average salary multiplied by credited service, if any, up to a maximum 15 years in excess of the initial 25 years taken into account above.

Deferred Retirement

Eligibility:

10 or more years of service regardless of age. Benefit begins at regular retirement age. Public Safety Clerks: If dispatch operations are subcontracted all full time employees hired prior to July 1, 2010 shall be vested after 7 years.

Annual Benefit:

Computed as regular retirement but based on service and final average salary at time of termination.

Duty Disability Retirement

Eligibility:

No age or service requirements. Must also be in receipt of Workers Compensation.

Annual Benefit:

62-1/2% of base pay at the time of disability with a recomputation at age 50. At age 50 the disability pension is increased by 1.5% of the member's base pay, multiplied by the number of years he received the disability pension to a maximum of 5 years. Maximum disability pension is 70% of base pay

Non-Duty Disability

Eligibility:

10 years of credited service.

Annual Benefit:

Accrued regular retirement amount.

Duty Death

Eligibility:

No age or service requirement.

Annual Benefit:

General, Public Safety Clerks – 70% of final average salary to surviving spouse;
DPW, Public Safety – 75% of final average salary to surviving spouse and Command –
80% of final average salary to surviving spouse.

Non-Duty Death Before Retirement

Eligibility:

20 or more years of service or age 50 with 10 years of service.

Annual Benefit:

Regular retirement amount reduced actuarially in accordance with a 100% joint and survivor election.

Member Contributions

General Members – 3% of the first \$4,200 of annual salary plus 5% of annual salary in excess of \$4,200.

Public Safety – 6.0% of annual salary.

Members contribute .5% for medical.

Post-Retirement Cost-of-Living Adjustments

Pensions of Public Safety Clerks are increased 2.5% per year, compounded, for 10 years following retirement.

As an alternative, a member may elect at the time of retirement to defer any cost-of living for the first 10 years of retirement and thereafter beginning in the eleventh year, receive 2.5% per year compounded for life.

Pensions of General and DPW members retiring after July 1, 2004 and Public Safety members retiring after July 1, 2003 are increased by 2½% per year compounded for life, commencing with the 37th monthly pension payment.

Section Four:

***Actuarial Assumptions
And Methods***



Actuarial Assumptions

Economic Assumptions

- (i) Interest Rate 7.5% (net of expenses)

- (ii) Salary Increases
 - Across-the-Board 4.0%
 - Merit and Longevity Age-related rates

Sample Annual Rates of Salary Increase

Age	Across-the-Board	Merit and Longevity	Total
20	4.0%	3.8%	7.3%
25	4.0	3.1	7.1
30	4.0	2.7	6.7
35	4.0	2.4	6.4
40	4.0	2.1	6.1
45	4.0	1.7	5.7
50	4.0	1.1	6.1
55	4.0	0.7	4.7
60	4.0	0.2	4.2
65	4.0	-	4.0

Demographic Assumptions

(i) Mortality

RP 2000 Combined Healthy
Mortality Table

Sample Ages	Value of \$1 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
50	\$142.46	\$146.09	30.84	33.64
55	134.18	138.92	26.22	28.95
60	123.71	129.70	21.78	24.42
65	111.23	118.62	17.65	20.16
70	97.16	105.91	13.92	16.27
75	81.72	91.79	10.61	12.78
80	65.79	76.64	7.79	9.72

(ii) Rates of Disability

Sample Ages	Percent Becoming Disabled Within Next Year		
	General		Public Safety
	Men	Women	
20	0.07%	0.03%	0.10%
25	0.09	0.05	0.15
30	0.10	0.07	0.20
35	0.14	0.13	0.25
40	0.21	0.19	0.50
45	0.32	0.28	0.65
50	0.52	0.45	0.80
55	0.92	0.76	0.95

(iii) Termination of Employment

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

Sample Ages	Years of Service	Percent Terminating	
		General	Public Safety
All	0	20.00%	12.00%
	1	15.00	9.00
	2	10.00	7.00
	3	8.00	5.00
	4	7.00	4.50
20	5 & Over	6.00	4.50
25		6.00	4.50
30		5.50	3.90
35		4.40	2.30
40		1.85	0.90
45		1.25	0.50
50		1.25	0.50
55		1.25	0.50
60		1.25	0.50
65		1.25	0.50

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

Financing of Unfunded Actuarial Accrued Liability. Unfunded actuarial accrued liabilities were amortized as a level percent of payroll over 20 years and added to the computed normal cost to determine the total contribution rate. The 20 year period is the same period used in last year's valuation.



Section Five:
Valuation Data



Summary of Asset Information Submitted for the Valuation

Statement of Assets

As of June 30, 2012, the net market value of Retirement System assets was reported to be \$17,258,775.

Revenues and Expenses for the Year Ended June 30, 2012

a. Revenues		
(i) Member Contributions		\$124,410
(ii) Employer Contributions		505,463
(iii) Investment Income (Net of Expenses)		<u>539,498</u>
(iv) Total Income		1,169,371
b. Expenses		
(i) Pensions		971,815
(ii) Refunds		0
(iii) Post-Retirement Health Insurance		0
(iv) Non-Investment Expense		<u>60,310</u>
(v) Total Expenses		\$1,032,125

Investment Allocation

The reported asset allocation at market value was as follows:

a. Cash and Short Term		
(i) Cash (incl. Checking/Savings Accounts)		\$145,523
(ii) Cash Equivalents		706,771
b. Fixed Income		
(i) U.S. Government/Agency Bond		623,785
(ii) Corporate Bonds		8,267,716
c. Equities		9,464,963
d. Other		85,266
e. Total Market Value of Assets as of June 30, 2012		19,294,024
f. Minus: Accounts Payable		1,722
g. Minus: Amount Due to Health Care Act 149 Trust		2,142,253
h. Plus: Amounts Due from City		108,726
i. Net Market Value of Assets		\$17,258,775

Funding Value of Assets

As of June 30, 2012, the net market value of assets was reported to be \$17,258,775. The smoothed funding value was \$16,770,946.

	<u>June 30, 2011</u>	<u>June 30, 2012</u>
A. Funding Value Beginning of Year	\$16,484,497	\$16,647,448
B. Market Value End of Year	17,353,934	17,258,775
C. Market Value Beginning of Year	14,796,544	17,353,934
D. Non-Investment Net Cash Flow	(370,376)	(402,253)
E. Investment Income		
E1. Market Total B-C-D	2,927,766	307,094
E2. Amount for Immediate Recognition 7.5%	1,222,448	1,233,474
E3. Amount for Phased-In Recognition: E1 -E2	1,705,318	(926,380)
F. Phased-In Recognition of Investment Income		
F1. Current Year: 0.25 x E3	426,330	(213,595)
F2. First Prior Year	329,953	426,330
F3. Second Prior Year	(1,232,412)	329,953
F4. Third Prior Year	(212,992)	(1,232,412)
F5. Total Phased-In Amount	(689,121)	(707,724)
H. Initial Adjustment	0	0
I. Funding Value End of Year: A+D+E2+F5+H	16,647,448	16,770,946
J. Difference Between Market and Funding Value	706,486	487,830
K. Nominal Rate of Return on Funding Value of Assets	3.27%	3.20%

Participant Summary

Retirees and Beneficiaries Included in the Valuation

There were 34 retirees and beneficiaries included in the valuation, with annual pensions totaling \$1,138,835. Two new General and 4 new Public Safety retirees and beneficiaries were added. One General and one Public Safety retiree were removed during the year ended June 30, 2012.

Pensions Being Paid

Valuation Date	No.	Annual Pensions	% of Active Payroll	Average Pension	Discounted Value of Pensions	
					Total	Average
03/31/1985	25	\$194,023	21.5	\$7,761	\$2,329,174	\$93,167
03/31/1990	29	307,362	25.2	10,599	3,208,432	110,636
03/31/1991	27	298,601	22.7	11,059	3,079,504	114,056
03/31/1992*	27	304,355	21.7	11,272	3,116,510	115,426
03/31/1995	26	338,996	21.6	13,038	3,313,754	127,452
03/31/1996	28	378,396	23.7	13,514	3,746,285	133,796
03/31/1997	31	502,180	29.6	16,199	5,417,793	174,768
03/31/1998	29	479,362	27.7	16,530	5,146,194	177,455
03/31/1999	29	493,191	26.8	17,007	5,313,677	183,230
03/31/2000	28	477,138	24.1	17,041	4,953,916	176,926
03/31/2001	31	593,036	27.1	19,130	6,332,921	204,288
03/31/2002	31	632,708	28.2	20,410	6,677,201	215,394
03/31/2003	30	641,252	27.5	21,375	6,546,284	218,209
03/31/2004	30	707,459	31.1	23,582	7,365,880	245,529
03/31/2005	30	728,457	30.9	24,282	7,291,235	243,041
03/31/2006	30	748,446	30.2	24,948	7,481,008	249,367
03/31/2007	30	783,399	31.5	26,113	7,669,457	255,649
03/31/2008	30	789,813	31.4	26,327	7,575,671	252,522
03/31/2009	32	936,012	35.3	29,250	9,270,299	289,697
06/30/2010	32	969,330	38.5	30,292	9,864,495	308,265
06/30/2011	30	957,651	41.1	31,922	9,598,905	319,964
06/30/2012	34	1,138,835	61.8	33,495	12,032,773	353,905

* Ad hoc increase in pension amounts

Retirees and Beneficiaries - June 30, 2012 - Age Distribution

Attained Age	Service		Casualty		Total	
	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions
49		\$ -	1	\$1,359	1	\$1,359
50	1	59,636	1	30,300	2	89,936
52	1	45,322			1	45,322
54	2	86,063			2	86,063
55	1	29,541			1	29,541
60	1	49,677			1	49,677
64	1	88,052			1	88,052
67	2	97,349			2	97,349
68	2	77,094			2	77,094
69	4	148,912			4	148,912
70	1	62,984			1	62,984
71	1	43,207			1	43,207
72	1	49,484			1	49,484
73	1	71,687			1	71,687
76	1	14,682			1	14,682
80	1	20,576			1	20,576
81	2	41,111			2	41,111
83	2	25,482			2	25,482
84	2	40,129			2	40,129
85	1	2,855			1	2,855
86	1	22,534			1	22,534
87	1	23,491			1	23,491
93	1	4,913			1	4,913
97	1	2,395			1	2,395
Totals	32	\$1,107,176	2	\$31,659	34	\$1,138,835

**Active Members - General, PS Clerks and DPW - June 30, 2012
Age and Service Distribution**

Attained Age	Service					No.	Totals Payroll
	0-4	5-9	10-14	15-19	20-24		
30-34		1				1	\$46,134
40-44		2		1		3	136,883
45-49			2		3	5	236,621
50-54	1		1	1	1	4	235,448
55-59				1		1	46,323
Totals	1	3	3	3	4	14	\$701,409

Group Averages:

Age: 47.3 years
 Service: 14.8 years
 Annual Pay: \$50,101

	2012	2011	2010
Active Members	14	19	21
Average Age (yrs.)	47.3	46.7	44.9
Average Service (yrs.)	14.8	13.7	12.7

**Active Members - Public Safety - June 30, 2012
Age and Service Distribution**

Attained Age	Service						No.	Totals Payroll
	0-4	5-9	10-14	15-19	20-24	25-29		
30-34	1						1	\$55,154
35-39			2				2	147,945
40-44		1	1	2	1		5	418,032
45-49				2	1	1	4	350,381
50-54				1		1	2	168,846
Totals	1	1	3	5	2	2	14	\$1,140,358

Group Averages:

Age: 44.0 years
 Service: 16.2 years
 Annual Pay: \$81,454

	2012	2011	2010
Active Members	14	17	18
Average Age (yrs.)	44.0	44.2	42.5
Average Service (yrs.)	16.2	16.9	15.2



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, 2012
Actuarial Cost Method:	Individual Entry Age
Amortization method:	Level percent of payroll, open
Remaining amortization period:	20 years
Asset valuation method:	4-year smoothed market value
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases*	4.0% - 9.3%
* Includes inflation at	4.0%

Membership data as of June 30, 2012, is indicated in Section Five of this report.

Analysis of Funding Progress

Valuation Date	(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
03/31/1997	\$11,840,675	\$9,595,938	123.4%	\$(2,244,737)	\$1,696,603	- %
03/31/1998	13,427,355	9,776,490	137.3	(3,650,865)	1,733,294	-
03/31/1999	15,060,632	10,582,824	142.3	(4,477,808)	1,842,882	-
03/31/2000	16,633,164	11,705,010	142.1	(4,928,154)	2,171,026	-
03/31/2001	17,378,211	12,564,575	138.3	(4,813,636)	2,185,268	-
03/31/2002	17,453,207	13,447,907	129.8	(4,005,300)	2,240,075	-
03/31/2003	16,398,658	13,997,185	117.2	(2,401,483)	2,328,221	-
03/31/2004	15,987,977	14,685,220	108.9	(1,302,757)	2,271,915	-
03/31/2005	15,757,277	15,286,827	103.1	(470,450)	2,359,314	-
03/31/2006	16,320,244	16,024,922	101.8	(295,322)	2,481,921	-
03/31/2007	16,964,753	16,792,449	101.0	(172,304)	2,483,532	-
03/31/2008	17,260,899	17,551,340	98.3	290,441	2,516,931	11.5
03/31/2009	16,305,054	18,845,443	86.5	2,540,389	2,649,837	95.9
06/30/2010	16,484,497	19,166,129	86.0	2,681,632	2,517,597	106.5
06/30/2011	16,647,448	18,994,231	87.6	2,346,783	2,330,936	99.3
06/30/2012	16,770,946	20,038,036	83.7	3,267,090	1,841,767	177.4

* Based on entry age method beginning in 2000 and attained age in prior years.

Required Supplementary Information
Schedule of Employer Contributions

Year Ended	Annual Required Contribution*	Percent Contributed
03/31/1993	\$52,533	100.0%
03/31/1994	51,971	100.0
03/31/1995	62,443	100.0
03/31/1996	0	100.0
03/31/1997	0	100.0
03/31/1998	0	100.0
03/31/1999	0	100.0
03/31/2000	0	100.0
03/31/2001	0	100.0
03/31/2002	0	100.0
03/31/2003	0	100.0
03/31/2004	101,976	100.0
03/31/2005	198,111	100.0
03/31/2006	305,767	100.0
03/31/2007	384,402	100.0
03/31/2008	397,613	100.0
03/31/2009	447,258	100.0
03/31/2010	579,300	100.0
06/30/2011	545,753	100.0
06/30/2012	505,463	100.0
06/30/2013	513,066	

* Based on valuation payroll. Actual required contribution dollar amount will be based on the recommended contribution rate and the actual pensionable payroll for the period.