

(The following is not a verbatim transcript of comments or discussion that occurred during the meeting, but rather a summarization intended for general informational purposes. All motions and votes are the official records).

REGULAR MEETING – CITY COUNCIL

-APRIL 22, 2013-

Regular meeting of the City Council was held on Monday, April 22, 2013 in the Council Chambers, City Hall, Cranston, Rhode Island.

The meeting was called to order at 7:00 P.M. by the Council President.

Roll call showed the following members present: Councilwoman Lee, Councilmen Stycos, Botts, Archetto, Aceto, Santamaria, Favicchio (arrived at 7:05 P.M.), Council Vice-President Farina and Council President Lanni -9.

Also Present: Gerald Cordy, Director of Administration; Carlos Lopez, Chief of Staff; Robert Strom, Director of Finance; Evan Kirshenbaum, Assistant City Solicitor; Patrick Quinlan, City Council Legal Counsel; Roy Damiano, City Council Internal Auditor.

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to dispense with the reading of the minutes of the last meeting and they stand approved as recorded. Motion passed on a vote of 8-0. The following being recorded as voting "aye": Councilwoman Lee, Councilmen Stycos, Botts, Archetto, Aceto, Santamaria, Council Vice-President Farina and Council President Lanni -8. Councilman Favicchio was not present for roll call vote.

Council President Lanni asked for a moment of silence for the victims of the Boston Marathon Bombings.

I. PUBLIC ACKNOWLEDGEMENTS AND COMMENDATIONS

TROOP 6 CRANSTON BOY SCOUTS OF AMERICA EAGLE SCOUT ACHIEVEMENT: Richard Lisi, Luke Saccoccio, Alex Knight, Matthew Chilvers, Nicholas DeLuca, Axel Halvarson, Joseph Fogue, Gabriel D'Antonio, Curtis Agronick

Councilman Botts presented Citations.

2013 ST. MARY'S BOYS' MIDGET BASKETBALL CHAMPIONS

Councilmen Santamaria and Aceto presented Citations.

2013 ST. MARY'S SCHOOL BASKETBALL 2ND PLACE GRAMMAR FINALS

Councilmen Santamaria and Aceto presented Citations.

3-13-04 ORDINANCE IN AMENDMENT OF TITLE 2.20.050 OF THE CODE OF THE CITY OF CRANSTON, 2005, ENTITLED 'POLICE PENSION FUND-RETIREMENT FROM SERVICE' (Officers or Members Hired Prior to July 1, 1995) [[click to view](#)]

On motion by Councilman Aceto, seconded by Council Vice-President Farina, the above Ordinance was adopted on a vote of 9-0. The following being recorded as voting "aye": Councilwoman Lee, Councilmen Stycos, Botts, Archetto, Aceto, Santamaria, Favicchio, Council Vice-President Farina and Council President Lanni -9.

3-13-05 ORDINANCE IN AMENDMENT OF TITLE 2.28.050 OF THE CODE OF THE CITY OF CRANSTON, 2005, ENTITLED 'FIREMEN'S PENSION FUND-RETIREMENT FROM SERVICE' (Members Hired Prior to July 1, 1995) [[click to view](#)]

On motion by Councilman Stycos, seconded by Councilman Aceto, the above Ordinance was adopted on a vote of 9-0. The following being recorded as voting "aye": Councilwoman Lee, Councilmen Stycos, Botts, Archetto, Aceto, Santamaria, Favicchio, Council Vice-President Farina and Council President Lanni -9.

3-13-07 ORDINANCE IN AMENDMENT OF TITLE 3.68 OF THE CODE OF THE CITY OF CRANSTON, 2005, ENTITLED 'REVENUE AND FINANCE' (Tax Incentive Repeal-Katherine Gibbs) [[click to view](#)]

On motion by Councilman Aceto, seconded by Councilman Stycos, the above Ordinance was adopted on a vote of 9-0. The following being recorded as voting "aye": Councilwoman Lee, Councilmen Stycos, Botts, Archetto, Aceto, Santamaria, Favicchio, Council Vice-President Farina and Council President Lanni -9.

RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AND APPROVING A MEMORANDUM OF AGREEMENT WITH THE RHODE ISLAND DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT FOR POLICE DETAILS [[click to view](#)]

On motion by Councilman Stycos, seconded by Councilman Aceto, it was voted to adopt the above Resolution.

Under Discussion:

Councilman Santamaria asked if Fletcher Ave. closes due to flooding, will the State reimburse the City for Police detail. Solicitor Kirshenbaum stated that he will have to check into this, but he believes this is only for routine projects.

Roll call was taken on motion to adopt the above Resolution and motion passed on a vote of 9-0. The following being recorded as voting "aye": Councilwoman Lee, Councilmen Stycos, Botts, Archetto, Aceto, Santamaria, Favicchio, Council Vice-President Farina and Council President Lanni -9.

PUBLIC WORKS COMMITTEE
(Councilman Mario Aceto, Chair)

3-13-2 ORDINANCE IN AMENDMENT OF TITLE 12 OF THE CODE OF THE CITY OF CRANSTON, 2005, ENTITLED 'STREETS, SIDEWALKS AND PUBLIC PLACES' (Snow Removal-Residential) [[click to view](#)]

On motion by Councilman Aceto, seconded by Councilman Botts, the above Ordinance was adopted on a vote of 9-0. The following being recorded as voting "aye": Councilwoman Lee, Councilmen Stycos, Botts, Archetto, Aceto, Santamaria, Favicchio, Council Vice-President Farina and Council President Lanni -9.

THE CITY OF CRANSTON

ORDINANCE OF THE CITY COUNCIL
IN AMENDMENT OF TITLE 2.20.050 OF THE CODE OF THE CITY OF CRANSTON,
2005, ENTITLED "POLICE PENSION FUND - RETIREMENT FROM SERVICE"
(Officers or Members Hired Prior to July 1, 1995)

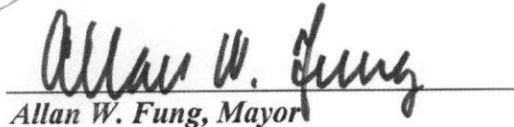
No. 2013-5

**Scrivener's error line 411 Corrected June 30, 2013 to July 1, 2013*

Passed:
 April 22, 2013


 John Lanni, Council President

Approved:
 April 23, 2013


 Allan W. Fung, Mayor

Purpose

The purpose of this ordinance is to provide retirement security to current and retired officers or members of the city's permanent police department who have been in active service with such department and are members of the local police and fire pension plan that is severely underfunded by codifying a reasonable alternative funding improvement plan in accordance with the mandates of Rhode Island General Laws section 45-65-1 et seq.

Legislative Findings

It is the intention of the City of Cranston, by and through its City Council, upon the recommendation of the Mayor, to begin the process of ensuring the sustainability of the City of Cranston's locally administered police and fire pension plan and to advance and maintain the long-term stability of said plan. We find and declare that:

1. The City of Cranston administers a local pension plan for police and fire members who were hired prior to 1995 ("plan"). As of the city's actuarial report of December 2012, there were 483 plan participants, of which only 48 were active employees. At that time, the total accrued liability was \$312.9 million and our unfunded liability was \$290.2 million. Our annually required contribution for FY 2013-2014 will be \$28.5 million. Our plan is only funded at approximately 16%.
2. For the FY 2012-13 budget year, the City of Cranston could only afford to fund approximately \$22 million of its \$25.7 million annually required contribution, which is approximately 85.5% of its obligation. While this was an increase over prior years, the City of Cranston has had a long and troubling history of underfunding its annually required contributions.

3. According to a September 2011 report by the Office of the Auditor General entitled *Pension and OPEB Plans Administered by Rhode Island Municipalities* (“Auditor General report”): “Many municipal pension plans are severely underfunded which presents the risk that sufficient funds will not be available to meet promised benefits to retirees. It also undermines the overall fiscal health of the plan’s sponsor.”
4. The Auditor General report specifically noted as an example that the “assets available within the City of Cranston Police and Fire Employees Retirement System are only sufficient to make pension benefit payments to retirees for approximately two years.”
5. In 2012, the State of Rhode Island, pursuant to Rhode Island General Law section 45-13-12, designated the City of Cranston a “Distressed Community” which indicates our community has a high property tax burden relative to the wealth of our taxpayers. In 2013, the Governor’s proposed budget introduced to the General Assembly continued to designate the City of Cranston as “Distressed Community.”
6. In accordance with Rhode Island General Law section 45-65-6, the city hired Buck Consultants, our actuary, to perform an initial actuarial experience study (“study”). That study made several recommendations to our assumptions for our actuarial valuation of our local police and fire pension plan. The city’s Board of Investment Commissioners, which is authorized by our city charter to manage the assets of the pension fund, accepted those recommendations for use in the next actuarial valuation of the plan.
7. Based upon the experience study results, our plan actuary certified in April 2012 that our plan was in “critical status” as defined by Rhode Island General Law section 45-65-6.
8. Following said certification, Mayor Fung provided the mandated notice of “critical status” determination to all plan participants and required statutory entities.
9. We find that it is in the best interests of all residents, individual employees, retirees and beneficiaries of the City of Cranston to maintain a viable and sustainable local police and fire pension plan and to develop a reasonable alternative funding improvement plan to emerge from “critical status” as required by Rhode Island General Laws section 45-65-6.

1
2 *It is ordained by the City Council of the City of Cranston as follows:*
3

4 **SECTION 1.** Title 2.20.050 of the Code of the City of Cranston, 2005, entitled "Police
5 Pension Fund – Retirement from Service" Section A only pertaining to Officers or Members
6 Hired Prior to July 1, 1995 is hereby amended by adding the following:

7 **2.20.050 - Retirement from service.**

8 Any officer or member of the permanent police department who has been in active
9 service in such department may retire pursuant to this section upon his or her written application
10 to either the Cranston city council if said member is a member of the police pension fund of the
11 city of Cranston as hereinafter described in subsection (A) of this section or to the state of Rhode
12 Island retirement board if said member is a member of the state of Rhode Island's optional
13 twenty (20) year on service allowance Rhode Island General Laws Section 45-21.2-22, as
14 modified, and hereafter defined in subsections (B) and (C) of this section. Upon said member
15 qualifying for a pension either under subsections (A), (B), or (C) of this section, the city council
16 by a majority vote or the state of retirement board shall approve said pension and the member so
17 retired shall be entitled to the respective benefits as follows:

18 A. Police Pension Fund of the City of Cranston (Officers or Members Hired Prior to July
19 1, 1995).
20

21 1. Any officer or member of the permanent police department who has been in active
22 service in such department for twenty (20) years or more may apply in writing to the city council
23 to be placed on the pension list and the city council shall thereupon place such officer or member
24 so applying on the pension list and such officer or member so retired shall then become entitled
25 to the following benefits to be paid from the police pension fund:
26

27 a. If such officer or member so retired has attained the age of fifty-five (55) years,
28 he or she shall be paid annually for the remainder of his or her life in equal
29 monthly installments, a sum equal to fifty-five (55) percent of his or her annual
30 salary, except as noted below.
31

32 b. If such officer or member so retired has not attained the age of fifty-five (55)
33 years, he or she shall be paid annually until his or her fifty-fifth (55th) birthday in
34 equal monthly installments a sum equal to one-half of his or her annual salary,
35 and upon attaining his or her fifty-fifth (55th) birthday for the remainder of his or
36 her life, in equal monthly installments a sum equal to fifty-five (55) percent of his
37 or her annual salary, except as noted below.
38
39
40

41

42 2. Any officer or member of the permanent police department who has been in active
43 service in said department for a period of at least fifteen (15) full years, but less than twenty (20)
44 full years, may apply in writing to the city council to be placed on the pension list; however, said
45 member will not be eligible to receive any pension benefits until the date which would represent
46 his or her twentieth (20th) anniversary on the police department. Such member so retiring shall
47 receive two percent of his or her annual pay for each full year of service, such officer shall not be
48 entitled to the escalator clause nor shall he or she be entitled to an additional five percent of his
49 or her annual salary upon attaining the age of fifty-five (55). The pension benefit paid under this
50 section will always be figured on the pay the officer was receiving when he or she terminated
51 and said officer shall receive no other benefits in addition to the said two percent for each full
52 year of service.

53

54 3. With respect to officers or members who retire on or before August 31, 2006, the term
55 "annual salary" shall mean the prevailing annual salary of active officers or members of the
56 permanent police department at the rank which corresponds to the rank which such retired officer
57 or member held on the date of his or her retirement. If no corresponding rank exists in the
58 permanent police department, the mayor and finance director shall, with the approval of the city
59 council, determine an annual salary at the prevailing salary scale which is equivalent to the rank
60 which such retired officer or member held on the date of his or her retirement.

61

62 With respect to officers or members who retire on or after September 1, 2006, the term
63 "annual salary" as used in this section shall mean the prevailing annual salary of active officers
64 or members of the permanent police department at the rank which corresponds to the rank which
65 such retired officer or member held on the date of his or her retirement. If no corresponding rank
66 exists in the permanent police department, the mayor and finance director shall, with the
67 approval of the city council, determine an annual salary at the prevailing salary scale which is
68 equivalent to the rank which such retired officer or member held on the date of his or her
69 retirement. Notwithstanding the foregoing, the pension cost-of-living adjustment (COLA) paid to
70 such offer or member shall be fixed at three percent per annum, compounded, without any
71 escalation based on raises granted to active employees.

72 4. The provisions of this section with respect to the definition of "annual salary" and the
73 payment of pension benefits prior and subsequent to the attainment of fifty-five (55) years of age
74 shall apply to all officers or members of the permanent police department who remain in the
75 police pension fund of the city of Cranston.

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81

82 5. Any officer or member of the permanent police department who has been in active
83 service in such department for more than twenty (20) full years shall be entitled to receive a
84 pension in an amount equal to two percent of his or her annual salary for each full year of service
85 up to and including thirty (30) full years. No pension credit shall be awarded any member of the
86 police department for any partial years of service when computing the pension benefits. All
87 members who have attained thirty (30) years of service and choose to continue in service shall
88 not be entitled to receive an additional two percent for years served beyond thirty (30) full years
89 of service but shall be required to continue to make the contributions to the pension fund
90 required by this section.

91

92 6. In addition to the above pension benefits, a member shall receive the retirees'
93 longevity benefit as presently being paid. The foregoing shall not apply to those employees
94 retiring prior to July 1, 1978.

95

96 7. During the period of July 1, 1982 to June 30, 1983, no member who retires shall
97 receive any other pension benefits other than those set forth in subsections (A)(1)(a) and (b) of
98 this section.

99

100 8 a. Commencing July 1, 1983, any officer or member with thirty (30) full years of
101 service or more shall be able to retire with an increased pension benefit of two
102 percent of his or her annual salary for each full year of service in excess of twenty
103 (20) years up to and including thirty (30) full years of service (maximum of an
104 additional twenty (20) percent).

105

106 b. Commencing July 1, 1985, any officer or member of the police department
107 who shall have twenty-five (25) full years of service or more shall receive an
108 additional pension benefit of one percent of his or her annual salary for every full
109 year in excess of twenty (20) years.

110

111 c. Commencing July 1, 1985, any officer or member of the police department
112 shall be able to retire with an increased benefit of two percent for every full year
113 of service above twenty (20) full years up to thirty (30) full years of service
114 (maximum of an additional twenty (20) percent).

115

116 d. Benefits paid under this section shall be in addition to those benefits set forth
117 in subsections (A)(1)(a) and (b) of this section.

118

- 119 9 a. Whenever an officer or member of the permanent police department who has
120 not attained fifty-five (55) years of age shall become unfit to perform active duty
121 by reason of physical infirmity or other causes, such officer or member, upon
122 recommendation in writing of the mayor, based upon the medical decision of the
123 board of three physicians, shall be retired from active service and placed on the
124 pension list by the city council, and so retired he or she shall be paid annually
125 from the police pension fund a sum equal to one-half of his or her annual salary as
126 defined in subsection (A)(3) of this section.
127
- 128 b. Upon attaining fifty-five (55) years of age, such officer or member so retired
129 shall be paid annually for the remainder of his or her life in equal monthly
130 installments, a sum equal to fifty-five (55) percent of his or her annual salary. No
131 officer or member of the permanent police department shall be placed upon the
132 pension list unless and until that officer or member has been examined by a board
133 of three physicians certified in, or specializing in, the area of medicine that deals
134 with the alleged infirmity and after said physical examination the officer or
135 member has obtained a majority vote of the board of three physicians that the
136 physical infirmity incapacitates the officer or member from performing his or her
137 duties as a police officer. The examining board of physicians shall consist of one
138 physician selected by the union, one physician selected by the city and the third
139 selected by the above-mentioned physicians.
140
- 141 10 a. Whenever an officer or member of the permanent police department shall
142 become unfit to perform active duty by reason of age, such officer or member,
143 upon the recommendation in writing of the mayor, shall be retired from active
144 service and placed on the pension list by the city council, and when so retired he
145 or she shall be paid annually during the remainder of his or her life from the
146 police pension fund in equal monthly payments, a sum equal to fifty-five (55)
147 percent of his or her annual salary as hereinbefore defined.
148
- 149 b. For the purpose of this section, retirement by reason of age shall mean the
150 attainment of the age of fifty-five (55) years by an officer or member, provided,
151 however, that any such officer or member who is fifty-five (55) years of age or
152 older as of the date of the adoption of the ordinance codified in this chapter, and
153 thereafter, any other officer or member within not more than ninety (90) days nor
154 less than seventy (70) days prior to attaining fifty-five (55) years of age, may
155 request in writing of the mayor that he or she be continued in active service for
156 one year. Any such officer or member shall be continued in active service upon
157 the recommendation of the mayor with the advice and consent of the city council,
158 if, prior to the mayor making such recommendation for continuation in active

159 service of such on officer or member, the officer or member shall undergo and
160 satisfactorily complete a comprehensive medical examination that includes, but is
161 not limited to, cardiovascular, neurological, urinalysis, blood tests, chest x-rays,
162 and vision/hearing, and in addition thereto, the officer or member shall pass a
163 physical stress test which shall be commensurate with his or her job
164 responsibilities as established by the chief of police or the personnel director. This
165 examination must take place not more than ninety (90) days nor less than seventy
166 (70) days prior to the officer or member attaining the age of fifty-five (55) years.
167

168 c. The results of the examination shall be forwarded to the mayor and the city
169 council by the physician or physicians, person or persons, administering such tests
170 certifying that the officer or member is capable of performing his or her
171 prescribed duties.
172

173 d. Further annual extensions up to sixty-five (65) years of age may be granted
174 from year to year in the same manner as set forth above, provided, however, that
175 every officer or member of the permanent police department who has attained
176 sixty-five (65) years of age as of the date of the adoption of the ordinance codified
177 in this chapter, or thereafter, shall be placed on the pension list by the city council,
178 and such officer or member so retired shall be paid annually during the remainder
179 of his or her life from the police pension fund in equal monthly payments, a sum
180 equal to fifty-five (55) percent of his or her annual salary as defined in subsection
181 (A)(3) of this section.
182

183 11. In computing the length of time spent in active service in the police department there
184 shall be included any period of time spent in active service (herein called "nonpermanent
185 service"), as a probationary officer, a member of the reserve police list, a special police officer
186 regularly employed, a civilian employee attached to the department and periods of time served in
187 the Armed Forces of the United States, subject, however to the provisions of subsection (A)(15)
188 of this section, subsequent to service in any of the foregoing categories or service as a member of
189 the police department on January 28, 1952, unless such person shall on or before March 1, 1952
190 file in the office of the city treasurer written notice that he or she accepts the provisions of this
191 sentence and either (a) pays therewith to the city treasurer the amount which would have been
192 deductible from his or her compensation pursuant to Section 2.20.020 and the corresponding
193 provisions of prior ordinances, had he or she been a member of the police department during the
194 period of his or her nonpermanent service, or (b) authorizes the city treasurer to deduct such
195 amounts in equal installments from the compensation payable to him or her over a period of one
196 year from the date of filing of such notice, and provided, further, that in the case of any person
197 who shall become a member of the police department after January 28, 1952, there shall be
198 deducted in equal installments from the compensation payable to him or her over a period of one
199 year from the effective date of his or her appointment to the department, the amount which

200 would have been deductible from his or her compensation pursuant to Section 2.20.020 had he or
201 she been a member of the police department during the period of his or her nonpermanent
202 service. Any officer or member who shall resign, or who is discharged from the police
203 department, shall forfeit all claims upon the police pension fund, except that he or she shall be
204 entitled to receive, and the custodian is authorized to pay to him or her from the fund, the total
205 amount of the deductions made from his or her salary pursuant to the provisions of this chapter.
206 In the event of the death of any officer or member of the police department on or after January 1,
207 1951, the persons referred to below shall be entitled to receive, and the custodian is authorized to
208 pay to them from the fund, as a death benefit an amount equal to the total amount of the
209 deductions made from the salary of the deceased pursuant to the provisions of this chapter,
210 provided, however, that if such deceased officer or member shall have been placed upon the
211 pension list prior to his or her death, the amount payable to such persons shall be limited to the
212 excess, if any, of the total amount of such deductions over the total amount which the deceased
213 shall have received as benefits from the pension fund during his or her lifetime, the persons
214 above referred to being the widow or widower of the deceased, or if there is no such widow or
215 widower then the minor child or children of the deceased in equal shares, or if there is no such
216 widow or widower or minor child then the dependent father of the deceased, then the dependent
217 mother of the deceased, if any.

218

219 12. No officer or member of the police department shall be required to make any
220 payment to the police pension fund after the date when his or her name was placed upon the
221 pension list.

222

223 13. The benefits payable hereunder to any officer or member placed upon the police
224 pension list shall not be transferable nor subject to attachment.

225

226 14. Disability Pension: Job-Related.

227

228 a. Whenever an officer or member of the permanent police department shall
229 become unfit to perform active duty, by reason of a job-related physical and/or
230 psychological infirmity, such officer or member upon the recommendation in
231 writing of the mayor, based on the medical decision of the board of three
232 physicians, shall be retired from active service and placed on the disability
233 pension list by the city council, and when so retired, he or she shall be paid
234 annually from the police pension fund in equal monthly payments a sum equal to
235 sixty-six and two-thirds ($66 \frac{2}{3}$) percent of his or her annual salary as defined in
236 subsection (A)(3) of this section.

237

238

239

240 b. No officer or member of the permanent police department shall be placed upon
241 the pension list unless and until that officer or member has been examined by a
242 board of three physicians certified in, or specializing in, the area of medicine that
243 deals with the alleged infirmity and after said physical examination the officer or
244 member has attained a majority vote of the board of three physicians that the
245 physical infirmity is job related and further that the physical infirmity
246 incapacitates the officer or member from performing his or her duties as a police
247 officer. The examining board of physicians shall consist of one physician selected
248 by the union, one physician selected by the city and a third selected by the above-
249 mentioned physicians.

251 c. Pension benefits relating to longevity, holiday pay and medical insurance for
252 retirees as defined in the collective bargaining agreement with the city of
253 Cranston shall apply to employees retiring under this section.

255 d. Any officer who becomes disabled from duty and retires pursuant to this
256 section shall be paid an additional two percent of his or her annual salary per year
257 for each year of service in excess of twenty-five (25) years, up to a maximum of
258 seventy (70) percent.

260 15, Pension Credit for Military and Municipal Service.

261
262 a. As of July, 1986, any officer or member of the bargaining unit who has served
263 in the armed forces, a reserve unit, a national guard unit or has prior municipal
264 city time with the city of Cranston shall be allowed to buy back said time from
265 the city of Cranston. Said time shall be bought back at the rate of ten (10)
266 percent of his or her annual salary in his or her first year of service with the
267 city of Cranston multiplied by the number of years in said armed forces,
268 reserve unit, guard unit or prior municipal service up to a maximum of four
269 years. Upon such payment being made to the city of Cranston by the officer or
270 member, the number of years purchased shall be added to the member's
271 service time within the department immediately. The crediting of said time
272 shall be for pension purposes only and shall not affect a member's seniority or
273 benefits in any other way while an active member. A member's seniority,
274 longevity and vacation entitlements would not be affected by the purchase of
275 said time prior to retirement. At the time of retirement a member will receive
276 credit for all years worked and purchased and will be entitled to benefits
277 accordingly.

278

279 b. Any officer or member who was a member of the active armed forces shall
280 be allowed to purchase back the amount of time spent in the active service up
281 to a maximum of four years. Any officer or member who was a member of a
282 reserve unit or guard unit shall be allowed to purchase back an amount of time
283 equal to the amount of active duty points accumulated by the member while
284 serving in the unit. Any officer or member who has prior full-time municipal
285 time with the city of Cranston shall be allowed to purchase back said time up
286 to a maximum of four years. It is clearly understood that the maximum
287 amount of time whether military, municipal, or a combination of both will be
288 four years maximum.

289
290 c. When submitting a request to purchase said time, proof of said time shall
291 also be submitted. For example: a DD-214, reserve or guard duty certificate or
292 prior city records for municipal time.
293

294 16. Widow's and Widower's Benefit.

295
296 a. Minimum One Year of Service. The city of Cranston agrees to pay a death
297 benefit to the widow or widower of an officer or member with at least one
298 credited year of service in the department and a death benefit payment of
299 thirty-three and one-third ($33 \frac{1}{3}$) percent of the member's salary which shall
300 be fully escalated from year to year. This benefit shall be paid to a widow or
301 widower until his or her death or until he or she remarries. A credited year of
302 service for these members will be any year with over six months completed.
303

304 b. Twenty (20) Years or More of Service. The city of Cranston agrees to pay
305 (per 1989 agreement), widow or widower of deceased Cranston police officers
306 the following benefit in addition to any other benefits to which they have been
307 entitled:
308

309 i. Longevity and holiday pay shall be included in the widow or
310 widower pension base for those widows or widowers, whose
311 husbands or wives, were entitled to longevity and holiday pay in
312 their pensions.
313

314 ii. Effective July 1, 1990, each widow or widower will receive a
315 pension increase based upon sixty-seven and one-half ($67 \frac{1}{2}$)
316 percent of what the decedent's percentage increase would have
317 been.
318

319 iii. In the event the city and union negotiate across-the-board
320 increase in any given year, the widows or widowers shall receive
321 sixty-seven and one-half (67 ½) percent of the percentage increases
322 represented by said across-the-board increase.
323

324 17. Officers or members who have completed over twenty (20) credited years of
325 service between July 1, 1995 and June 30, 1996, and retire during said period July 1,
326 1995 through June 30, 1996 shall have the option of buying additional credited years of
327 service as defined in subsection (A)(17)(a) of this section or being paid for said additional
328 credited years of service as defined in subsection (A)(17)(b), or a combination of same as
329 defined in subsection (A)(17)(c) as follows:
330

331 a. Officers or members who have completed over twenty (20) credited
332 years of service between July 1, 1995 and June 30, 1996 and retire during
333 said period July 1, 1995 through June 30, 1996 can purchase the number
334 of credited years of service over (20) credited years as of July 1, 1995 and
335 June 30, 1996 up to a maximum of ten (10) years. A credited year of
336 service for these members will be any year of service with over six months
337 completed. The purchase rate for all credited years of service will be five
338 of the weekly salary rates in effect for the corresponding credited years of
339 service. Each credited year of service purchased will increase the pension
340 payment received at retirement by two percent up to a maximum of twenty
341 (20) percent for ten (10) years. These additional pension payments will be
342 added to the fifty (50) percent pension payment after the completion of
343 twenty (20) credited years of service to a maximum of seventy (70)
344 percent pension payment. These members' pension payments will be
345 escalated by the same method as found in the above listed subsection
346 (A)(1)(b) (reaching age fifty-five (55)) and subsection (A)(20) (escalation)
347 of this section.
348

349 b. Officers or members who have completed over twenty (20) credited
350 years of service between July 1, 1995 and June 30, 1996, and retire during
351 said period July 1, 1995 through June 30, 1996, can be paid at retirement
352 for the number of credited years of service over twenty (20) at the rate of
353 one thousand two hundred dollars (\$1,200.00) per year to a maximum of
354 twelve thousand dollars (\$12,000.00) for all credited years of service over
355 twenty (20) credited years to a maximum of thirty (30) credited years of
356 service. A credited year of service for these members will be any year of
357 service with over six months completed.
358

359 c. Officers or members who have completed over twenty (20) credited
360 years of service between July 1, 1995 and June 30, 1996, and retire during
361 said period July 1, 1995 through June 30, 1996 shall have the option of
362 either buying additional credited years of service or being paid for said
363 additional credited years of service. Said members shall have the option of
364 buying back all or a portion of their credited years of service or being paid
365 for all or a portion of their credited years of service or receive a
366 combination of both of the above for said additional credited years of
367 service over twenty (20). Under no circumstance shall the number of
368 credited years bought back by the member, or paid to the member on
369 retirement, exceed the total number of credited years of service a member
370 has served over twenty (20) years as determined between July 1, 1995 and
371 June 30, 1996.
372

373 18. Officers or members who have or will have completed twenty (20) credited years of
374 service and retire between July 1, 1995 through June 30, 1996 shall, upon retirement, receive a
375 severance payment of five hundred dollars (\$500.00) for each credited year of service up to a
376 maximum of thirty (30) credited years of service. These members shall retire under the present
377 pension plan with no additional accrual of pension payments or benefits. This severance payment
378 shall be paid at the time of the member's retirement. For these members, their credited years of
379 service will be determined as of July 1, 1995. A credited year of service for these members will
380 be any year of service with over six months completed.
381

382 19. Officers or members who have completed over five credited years of service between
383 July 1, 1995 and June 30, 1996 shall receive upon placement on service retirement (at least
384 twenty (20) credited years of service), placement on occupational disability retirement,
385 placement on non-occupational retirement, or in case of death, their widow or children (up to age
386 twenty-one (21) years) a payment of five hundred dollars (\$500.00) per year for each credited
387 year of service up to a maximum of twenty (20) years effective June 30, 1997.
388

389 20. With respect to officers or members who retire on or before August 31, 2006 only,
390 retired members' pension payments will automatically escalate in an amount equal to all
391 contractual increases received by active duty members of similar rank or position and similar
392 credited years with regard to annual salary. In any contractual year in which the annual salary for
393 active members with over three years of service does not increase by three percent, then said
394 retired members shall receive a three percent escalation of said pension payment on June 30th of
395 that year.

396 With respect to officers or members who retire on or after September 1, 2006, retired
397 members' pension payments will automatically escalate in an amount fixed at three percent per
398 annum, compounded, without any escalation based on raises granted to active employees.

399 21. Effective July 1, 1995, all members shall contribute an amount equal to eight percent
400 of their annual salary, earned or accruing to said member, to the pension fund.

401

402 22. Notwithstanding any language in Chapter 2.20 entitled Policeman's Pension fund or
403 any other law or statute or ordinance or memorandum of agreement or settlement agreement or
404 binding arbitration award or collective bargaining agreement provision or any other statutory or
405 contractual provision or legislative enactment to the contrary, for any officer or member of the
406 permanent police department who was hired prior to July 1, 1995 and in said plan who is still an
407 active employee and for any such member so retired and for any beneficiaries receiving any
408 retirement, disability or widow/widower benefit or any other benefit of any kind in said plan, any
409 automatic annual escalation or pension cost-of-living adjustment (COLA) of the pension
410 payment of the member or beneficiary in accordance with these sections shall be suspended for a
411 period of ten (10) years beginning ~~June 30, 2013.~~ July 1, 2013

412

413 23. Notwithstanding any language in Chapter 2.20 entitled Policeman's Pension fund or
414 any other law or statute or ordinance or memorandum of agreement or settlement agreement or
415 binding arbitration award or collective bargaining agreement provision or any other statutory or
416 contractual provision or legislative enactment to the contrary, upon the expiration of the ten year
417 period provided for above, for any officer or member of the permanent police department who
418 was hired prior to July 1, 1995 and in said plan who is still an active employee and for any such
419 member so retired and for any beneficiaries receiving any retirement, disability or
420 widow/widower benefit or any other benefit of any kind in said plan the automatic annual
421 escalation or pension cost-of-living adjustment (COLA) of the pension payment of the member
422 or beneficiary shall automatically escalate in an amount fixed at three percent per annum,
423 compounded, without any further escalation based on raises granted to active employees.

424

425 24. The determination of the employer contribution rate for fiscal year 2014 and
426 thereafter shall include a re-amortization of the Unfunded Actuarial Accrued Liability over a
427 twenty-six (26) year period.

428

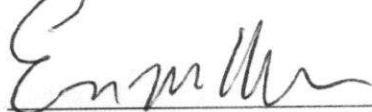
429 Section 2. This Ordinance shall take effect upon its final adoption.

430

431 Positive Endorsement

Negative Endorsement (attach reasons)

432

433  4/22/13

434

435 Christopher Rawson, City Solicitor Date

Christopher Rawson, City Solicitor Date

436

437 Sponsored by: Mayor Fung

438

439 Referred to Finance Committee April 11, 2013

440

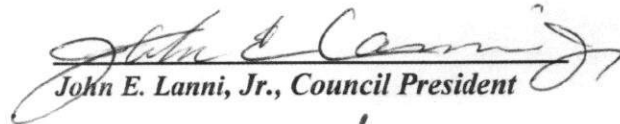
THE CITY OF CRANSTON

ORDINANCE OF THE CITY COUNCIL
IN AMENDMENT OF TITLE 2.28.050 OF THE CODE OF THE CITY OF
CRANSTON, 2005, ENTITLED "FIREMEN'S PENSION FUND - RETIREMENT
FROM SERVICE"
(Members Hired Prior to July 1, 1995)

No. 2013-6

**Scrivener's error line 131 Corrected June 30, 2013 to July 1, 2013*

Passed:
 April 22, 2013


 John E. Lanni, Jr., Council President

Approved:
 April 23, 2013


 Allan W. Fung, Mayor

Purpose – The purpose of this ordinance is to provide retirement security to current and retired officers or members of the city's permanent fire department who have been in active service with such department and are members of the local police and fire pension plan that is severely underfunded by codifying a reasonable alternative funding improvement plan in accordance with the mandates of Rhode Island General Laws section 45-65-1 et seq.

Legislative Findings – It is the intention of the City of Cranston, by and through its City Council, upon the recommendation of the Mayor, to begin the process of ensuring the sustainability of the City of Cranston's locally administered police and fire pension plan and to advance and maintain the long-term stability of said plan. We find and declare that:

1. The City of Cranston administers a local pension plan for police and fire members who were hired prior to 1995 ("plan"). As of the city's actuarial report of December 2012, there were 483 plan participants, of which only 48 were active employees. At that time, the total accrued liability was \$312.9 million and our unfunded liability was \$290.2 million. Our annually required contribution for FY 2013-2014 will be \$28.5 million. Our plan is only funded at approximately 16%.
2. For the FY 2012-13 budget year, the City of Cranston could only afford to fund approximately \$22 million of its \$25.7 million annually required contribution, which is approximately 85.5% of its obligation. While this is an increase over prior years, the City of Cranston has had a long and troubling history of underfunding its annually required contributions.

3. According to a September 2011 report by the Office of the Auditor General entitled Pension and OPEB Plans Administered by Rhode Island Municipalities (“Auditor General report”): “Many municipal pension plans are severely underfunded which presents the risk that sufficient funds will not be available to meet promised benefits to retirees. It also undermines the overall fiscal health of the plan’s sponsor.”
4. The Auditor General report specifically noted as an example that the “assets available within the City of Cranston Police and Fire Employees Retirement System are only sufficient to make pension benefit payments to retirees for approximately two years.”
5. In 2012, the State of Rhode Island, pursuant to Rhode Island General Law section 45-13-12, designated the City of Cranston a “Distressed Community” which indicates our community has a high property tax burden relative to the wealth of our taxpayers.
6. In accordance with Rhode Island General Law section 45-65-6, the city hired Buck Consultants, our actuary, to perform an initial actuarial experience study (“study”). That study made several recommendations to our assumptions for our actuarial valuation of our local police and fire pension plan. The city’s Board of Investment Commissioners, which is authorized by our city charter to manage the assets of the pension fund, accepted those recommendations for use in the next actuarial valuation of the plan.
7. Based upon the experience study results, our plan actuary certified in April 2012 that our plan was in “critical status” as defined by Rhode Island General Law section 45-65-6.
8. Following said certification, Mayor Fung provided the mandated notice of “critical status” determination to all plan participants and required statutory entities.
9. It is in the best interests of residents, individual employees, retirees and beneficiaries of the City of Cranston to maintain a viable and sustainable local police and fire pension plan and to develop a reasonable alternative funding improvement plan to emerge from “critical status” as required by Rhode Island General Laws section 45-65-6.

1 *It is ordained by the City Council of the City of Cranston as follows:*

2
3 **Section 1.** Title 2.28.050 entitled "Firemen's Pension Fund – Retirement from
4 Service" Section A only pertaining to Members Hired Prior to July 1, 1995 is hereby
5 amended by adding the following:
6

7 **2.28.050 - Retirement from service.**

8 Any officer or sworn member of the permanent fire department who has been in
9 active service in such department may retire pursuant to this section upon his or her
10 written application to either the Cranston city council if said member is a member of the
11 city of Cranston firefighter's pension as hereinafter defined in subsection (A) of this
12 section or to the state of Rhode Island retirement board if said member is a member of the
13 state of Rhode Island's optional twenty (20) year on service allowance Rhode Island
14 General Laws Section 45-21.2-22, as modified, and hereafter defined in subsections (B)
15 and (C) of this section. Upon said member qualifying for a pension either under
16 subsections (A), (B) or (C), the city council by a majority vote or the state of retirement
17 board shall approve said pension and the member so retired shall be entitled to the
18 respective benefits as follows:

19 A. City of Cranston Firefighters' Pension (Members Hired Prior to July 1, 1995).
20

21 1. The pension contributed to and received by all members hired prior to July 1,
22 1995, shall be paid from the city of Cranston firefighters' pension. All members will
23 accrue a pension in an amount equal to two and one-half percent of their salary per
24 credited year of service. Upon the completion of twenty (20) credited years of service a
25 member who has attained the age of fifty-five (55) years may retire a pension payment of
26 fifty-five (55) percent of the member's weekly salary at the time of the member's
27 retirement. A member who has not attained the age of fifty-five (55) years may retire
28 with a pension payment of fifty (50) percent of the member's weekly salary at the time of
29 the member's retirement.
30

31 2. Members will be able to accrue an additional two percent per year in pension
32 payments to a maximum of twenty (20) percent for a maximum of thirty (30) credited
33 years of service, subject to the provisions of subsections (A)(3)(a), (b) and (c). These
34 additional pension payments will be added to the fifty (50) percent pension payment if
35 the member retires prior to age fifty-five (55), or the fifty-five (55) percent pension
36 payment if the member retires after reaching age fifty-five (55), after the completion of
37 twenty (20) credited years of service to a maximum pension payment of seventy (70)
38 percent of the member's weekly salary at the time of the member's retirement.
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3. Members who have completed over twenty (20) credited years of service as of July 1, 1995, shall have the option of buying additional credited years of service as defined in subsection (A)(3)(a) or being paid for said additional credited years of service as defined in subsection (A)(3)(b), or a combination of same as defined in subsection (A)(3)(c) as follows:

a. Members who have completed over twenty (20) credited years of service as of July 1, 1995, can purchase the number of credited years of service over twenty (20) credited years as of July 1, 1995, up to a maximum of ten (10) years. The purchase rate for all credited years of service will be five percent of the weekly salary rates in effect for the corresponding credited years of service. Each credited year of service purchased will increase the pension payment received at retirement by two percent up to a maximum of twenty (20) percent for ten (10) years. These additional pension payments will be added to the fifty (50) percent pension payment if the member retires prior to age fifty-five (55), or the fifty-five (55) percent pension payment if the member retires after reaching age fifty-five (55), after the completion of twenty (20) credited years of service to a maximum pension payment of seventy (70) percent of the member's weekly salary at the time of the member's retirement.

b. Members who have completed over twenty (20) credited years of service as of July 1, 1995, can be paid at retirement for the number of credited years of service over twenty (20) at the rate of one thousand two hundred dollars (\$1,200.00) for all credited years of service over twenty (20) credited years to a maximum of thirty (30) credited years of service.

c. Members who have completed over twenty (20) credited years of service as of July 1, 1995, shall have the option of either buying additional credited years of service or being paid for said additional credited years of service. Said members shall have the option of buying back all or a portion of their credited years of service or being paid for all or a portion of their credited years of service or receive a combination of both of the above for said additional credited years of service over twenty (20). Under no circumstance shall the number of credited years bought back by the member, or paid to the member on retirement exceed the total number of credited years of service a member has served over twenty (20) years, as determined on July 1, 1995.

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4. Members who have served in the Armed Forces of the United States, in an active duty capacity will be eligible to purchase up to a maximum four years of military service at the rate of five percent of the weekly salary of six hundred fifty-four dollars and forty cents (\$654.40) effective July 1, 1995. The purchase price for each credited year purchased shall be one thousand seven hundred one dollars and forty-four cents (\$1,701.44). These purchased active military service years will be in addition to a member's credited years of service for pension payment up to a maximum of thirty (30) credited years of service. However, these purchased military service years shall only be applied for pension purposes after the member has completed twenty (20) years of service. Purchased active military service years shall only be added after any and all other optional purchased credited years of service have been applied.

5. Members who have served in the Armed Forces Reserve of the United States, will be eligible to purchase up to a maximum four years of military service at the rate of five percent of the weekly salary of six hundred fifty-four dollars and forty cents (\$654.40) effective July 1, 1995. The purchase price for each credited year purchased shall be one thousand seven hundred one dollars and forty-four cents (\$1,701.44). For the purposes of this section, four years of service as a reservist in the Armed Forces of the United States shall equal one year of military service (one credited year). These purchased reserve military service years will be added to a member's credited years of service for a pension payment up to a maximum of thirty (30) credited years of service. However, these purchased reserve military service years shall only be applied for pension purposes after the member has completed twenty (20) credited years of service. Purchased reserve military service years shall be used for pension purposes only. Credit for military service years shall only be added after any and all optional purchased credited years of service have been applied.

6. Effective July 1, 2002, members shall contribute an amount equal to nine and one-half percent of the weekly salary, earned or accruing, to said member. Effective July 1, 2003, members shall contribute an amount equal to ten (10) percent of the weekly salary, earned or accruing, to said member. Effective July 1, 2004, members shall contribute an amount equal to ten and one-half (10 ½) percent of the weekly salary, earned or accruing, to said member.

120

121 7. Notwithstanding any language in Chapter 2.28 entitled Fireman's Pension fund
122 or any other law or statute or ordinance or memorandum of agreement or settlement
123 agreement or binding arbitration award or collective bargaining agreement provision or
124 any other statutory or contractual provision or legislative enactment to the contrary, for
125 any officer or member of the permanent fire department who was hired prior to July 1,
126 1995 and in said plan who is still an active employee and for any such member so retired
127 and for any beneficiaries receiving any retirement, disability or widow/widower benefit
128 or any other benefit of any kind in said plan, any automatic annual escalation or pension
129 cost-of-living adjustment (COLA) of the pension payment of the member or beneficiary
130 in accordance with these sections shall be suspended for a period of ten (10) years
131 beginning ~~*June 30, 2013.~~ July 1, 2013.

132

133 8. Notwithstanding any language in Chapter 2.28 entitled Fireman's Pension fund
134 or any other law or statute or ordinance or memorandum of agreement or settlement
135 agreement or binding arbitration award or collective bargaining agreement provision or
136 any other statutory or contractual provision or legislative enactment to the contrary, upon
137 the expiration of the ten year period provided for above, for any officer or member of the
138 permanent fire department who was hired prior to July 1, 1995 and in said plan who is
139 still an active employee and for any such member so retired and for any beneficiaries
140 receiving any retirement, disability or widow/widower benefit or any other benefit of any
141 kind in said plan the automatic annual escalation or pension cost-of-living adjustment
142 (COLA) of the pension payment of the member or beneficiary shall automatically
143 escalate in an amount fixed at three percent per annum, compounded, without any further
144 escalation based on raises granted to active employees.

145

146

147 9. The determination of the employer contribution rate for fiscal year 2014 and
148 thereafter shall include a re-amortization of the Unfunded Actuarial Accrued Liability
149 over a twenty-six (26) year period.

150

151 Section 2. This Ordinance shall take effect upon its final adoption.

152

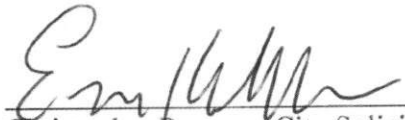
153 Positive Endorsement

Negative Endorsement (attach reasons)

154

155

156

 4/22/13
Christopher Rawson, City Solicitor / Date

Christopher Rawson, City Solicitor Date

157

158

159 Sponsored by: Mayor Fung

160

161 Referred to Finance Committee April 11, 2013



Cranston City Hall
869 Park Avenue
Cranston, Rhode Island 02910
401-461-1000

Allan W. Fung
Mayor

VIA HAND DELIVERY

November 11, 2012

Pension Study Commission
c/o Ms. Rosemary Booth Gallogly
Director of Revenue
Rhode Island Department of Revenue
One Capitol Hill
Providence, RI 02908

Re: Critical Status Emergence Plan

Dear Ms. Gallogly:

Enclosed is the City of Cranston's Critical Status Emergence Plan. Please note that this plan has not been approved by the other governing half of our corporate body, the Cranston City Council. The Council has held one meeting on the plan and has scheduled two more dates, November 19, 2012 and November 26, 2012, for later this month. I am hoping that they will adopt the plan on November 26, which is the date of the regular meeting of the full council.

Please contact me if you need additional information. Thank you.

Sincerely,

Allan W. Fung
Mayor

CRITICAL STATUS EMERGENCY PLAN

**CITY OF CRANSTON
FIRE AND POLICE DEPARTMENT
PENSION PLANS**

November 2012

Executive Summary

In accordance with Rhode Island General Laws Section 45-65-6, the City is submitting this Funding Improvement Plan (Plan) to the Locally-Administered Pension Plans Study Commission. The City had completed an actuarial valuation as of December 9, 2011 and a subsequent experience study as of March 29, 2012. Based on the results of the experience study, the funded status of the pension system is 16.9% and therefore, considered in critical status.

In the pages that follow, we will describe our plans for increasing this ratio to the point that the plan is no longer considered in critical status. The local governing body for the City has been presented with option number 1, in order to emerge from critical status, but has not yet accepted the option. The other options are also described below. Emerging from Critical Status will be accomplished through increased funding, implementing a COLA freeze with the members of the retirement system, and extending the amortization schedule to make the ARC more affordable. We expect to achieve this goal in about 20 years.

Current Funding

The City has accepted the recommendations of our actuary for modifications to the actuarial assumptions. Based on these results, the actuary is recommending a Fiscal Year Ending (FYE) 2013 pension contribution of \$26,474,182 to the trust based on a level amortization schedule to FYE 2032. For FYE 2013, the City contributed 85.6% of its 2012 recommended ARC. This also represents 8.8% of our revenue. For FYE 2012, the City contributed 84% of the recommended ARC.

Future Funding - Option 1

Exhibit A shows the forecast of key values assuming that 100% of the ARC is contributed starting in FYE 2014.

The City is considering making the following changes:

- implement a 10-year COLA freeze commencing in FYE 2014
- extend the amortization schedule from FYE 2032 to FYE 2036
- make one-time contributions of \$2,149,619 in excess of the ARC for FYE 2013 and \$2,473,336 in excess of the ARC for FYE 2014

Our actuary has estimated that these modifications will substantially reduce the costs and liabilities of the plan. The estimates are as follows for FYE 6/30/2013:

	Current Plan Provisions	Proposed Plan Provisions
Employer Normal Cost	1,317,054	1,129,140
Employee Normal Cost	508,701	508,701
Total Normal Cost	1,825,755	1,637,841
Accrued Liability	333,935,476	273,815,791
Unfunded Accrued Liability	271,012,438	210,892,754
Funded Ratio	18.8%	23.0%
ARC	26,513,813	19,844,725

Exhibit B shows the key values forecasted for the next 30 years based on these revised provisions and the new Funding Policy. Exhibit C is the same forecast as Exhibit B, except the actual return on investments is 0.5% less than the 7.5% assumption.

Exhibits D and E describe the actuarial assumptions and plan provisions, respectively.

Future Funding - Option 2

Exhibit A shows the forecast of key values assuming that 100% of the ARC is contributed starting in FYE 2014.

Option 2 considers the following changes:

- implement a 15-year COLA freeze commencing in FYE 2014
- make one-time contributions of \$2,077,232 in excess of the ARC for FYE 2013 and \$2,394,773 in excess of the ARC for FYE 2014

Our actuary has estimated that these modifications will substantially reduce the costs and liabilities of the plan. The estimates are as follows for FYE 6/30/2013:

	Current Plan Provisions	Proposed Plan Provisions
Employer Normal Cost	1,317,054	1,003,759
Employee Normal Cost	508,701	508,701
Total Normal Cost	1,825,755	1,512,460
Accrued Liability	333,935,476	260,681,068
Unfunded Accrued Liability	271,012,438	197,758,031
Funded Ratio	18.8%	24.1%
ARC	26,513,813	19,917,112

Exhibit B shows the key values forecasted for the next 30 years based on these revised provisions and the new Funding Policy. Exhibit C is the same forecast as Exhibit B, except the actual return on investments is 0.5% less than the 7.5% assumption.

Exhibits D and E describe the actuarial assumptions and plan provisions, respectively.

Future Funding - Option 3

Exhibit A shows the forecast of key values assuming that 100% of the ARC is contributed starting in FYE 2014.

The City is considering making the following changes:

- implement a permanent COLA freeze commencing in FYE 2014
- make one-time contributions of \$3,312,638 in excess of the ARC for FYE 2013 and \$3,732,236 in excess of the ARC for FYE 2014

Our actuary has estimated that these modifications will substantially reduce the costs and liabilities of the plan. The estimates are as follows for FYE 6/30/2013:

	Current Plan Provisions	Proposed Plan Provisions
Employer Normal Cost	1,317,054	835,020
Employee Normal Cost	508,701	508,701
Total Normal Cost	1,825,755	1,343,721
Accrued Liability	333,935,476	248,125,634
Unfunded Accrued Liability	271,012,438	185,202,597
Funded Ratio	18.8%	25.4%
ARC	26,513,813	19,844,725

Exhibit B shows the key values forecasted for the next 30 years based on these revised provisions and the new Funding Policy. Exhibit C is the same forecast as Exhibit B, except the actual return on investments is 0.5% less than the 7.5% assumption.

Exhibits D and E describe the actuarial assumptions and plan provisions, respectively.

Future Funding - Option 4

Exhibit A shows the forecast of key values assuming that 100% of the ARC is contributed starting in FYE 2014.

The City is considering making the following changes:

- implement a permanent COLA freeze commencing in FYE 2014
- shorten the amortization schedule from FYE 2032 to FYE 2029
- make one-time contributions of \$2,011,793 in excess of the ARC for FYE 2013 and \$2,319,697 in excess of the ARC for FYE 2014

Our actuary has estimated that these modifications will substantially reduce the costs and liabilities of the plan. The estimates are as follows for FYE 6/30/2013:

	Current Plan Provisions	Proposed Plan Provisions
Employer Normal Cost	1,317,054	835,020
Employee Normal Cost	508,701	508,701
Total Normal Cost	1,825,755	1,343,721
Accrued Liability	333,935,476	248,125,634
Unfunded Accrued Liability	271,012,438	185,202,597
Funded Ratio	18.8%	25.4%
ARC	26,513,813	19,982,551

Exhibit B shows the key values forecasted for the next 30 years based on these revised provisions and the new Funding Policy. Exhibit C is the same forecast as Exhibit B, except the actual return on investments is 0.5% less than the 7.5% assumption.

Exhibits D and E describe the actuarial assumptions and plan provisions, respectively.

Exhibit A

Forecast of Actuarial Experience Study results, adopted Actuarial Assumptions, prior to Benefit Changes

FYE	Payment against the ARC	Employer Normal Cost	Amortization of the Unfunded Liability		Increase	Payroll	Contribution as a % of Payroll		Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
			ARC	Contribution			Payroll	Benefit Payments							
6/30/2013	100%	1,317,054	25,196,759	26,513,813	21,994,344	8.0%	3,176,568	692%	22,586,717	62,923,037	333,935,476	271,012,438	18.8%	248,574,059	8.8%
6/30/2014	100%	1,167,759	25,640,083	26,807,842	26,807,842	21.9%	2,816,488	952%	23,283,841	71,763,673	336,517,840	264,754,167	21.3%	253,359,647	10.6%
6/30/2015	100%	944,276	25,640,083	26,584,359	26,584,359	-0.8%	2,277,476	1167%	24,106,018	80,093,695	338,120,221	258,026,526	23.7%	256,715,385	10.4%
6/30/2016	100%	803,085	25,640,083	26,443,168	26,443,168	-0.5%	1,936,940	1365%	24,888,079	88,034,680	338,828,991	250,794,311	26.0%	261,623,717	10.1%
6/30/2017	100%	671,049	25,640,083	26,311,132	26,311,132	-0.5%	1,618,485	1626%	25,553,503	95,691,539	338,711,219	243,019,680	28.3%	267,070,782	9.9%
6/30/2018	100%	543,241	25,640,083	26,183,324	26,183,324	-0.5%	1,310,229	1998%	26,205,365	103,063,100	337,725,053	234,661,952	30.5%		
6/30/2019	100%	417,122	25,640,083	26,057,205	26,057,205	-0.5%	1,006,045	2590%	26,785,918	110,204,329	335,881,724	225,677,395	32.8%		
6/30/2020	100%	319,610	25,640,083	25,959,693	25,959,693	-0.4%	770,859	3368%	27,307,514	117,200,196	333,219,191	216,018,995	35.2%		
6/30/2021	100%	246,917	25,640,083	25,887,000	25,887,000	-0.3%	595,532	4347%	27,727,509	124,180,812	329,817,028	205,636,216	37.7%		
6/30/2022	100%	194,586	25,640,083	25,834,669	25,834,669	-0.2%	469,317	5505%	28,066,774	131,258,002	325,732,730	194,474,728	40.3%		
6/30/2023	100%	144,226	25,640,083	25,784,309	25,784,309	-0.2%	347,855	7412%	28,353,231	138,496,595	320,972,724	182,476,129	43.1%		
6/30/2024	100%	110,939	25,640,083	25,751,022	25,751,022	-0.1%	267,570	9624%	28,561,452	146,014,351	315,591,985	169,577,634	46.3%		
6/30/2025	100%	72,012	25,640,083	25,712,095	25,712,095	-0.2%	173,684	14804%	28,735,943	153,859,073	309,570,826	155,711,753	49.7%		
6/30/2026	100%	48,866	25,640,083	25,688,949	25,688,949	-0.1%	117,859	21796%	28,836,441	162,154,683	302,960,614	140,805,930	53.5%		
6/30/2027	100%	32,535	25,640,083	25,672,618	25,672,618	-0.1%	78,471	32716%	28,884,724	170,998,932	295,781,103	124,782,171	57.8%		
6/30/2028	100%	21,736	25,640,083	25,661,819	25,661,819	0.0%	52,426	48949%	28,868,379	180,507,924	288,064,554	107,556,630	62.7%		
6/30/2029	100%	12,279	25,640,083	25,652,362	25,652,362	0.0%	29,615	86619%	28,798,407	190,789,047	279,828,220	89,039,173	68.2%		
6/30/2030	100%	6,285	25,640,083	25,646,368	25,646,368	0.0%	15,159	169181%	28,666,483	201,969,421	271,102,328	69,132,907	74.5%		
6/30/2031	100%	4,247	25,640,083	25,644,330	25,644,330	0.0%	10,242	250372%	28,465,507	214,193,770	261,927,441	47,733,671	81.8%		
6/30/2032	100%	3,411	25,640,083	25,643,494	25,643,494	0.0%	8,225	311764%	28,197,301	227,611,826	252,341,318	24,729,492	90.2%		
6/30/2033	100%	452	25,640,083	25,640,535	25,640,535	0.0%	1,090	2351329%	27,866,274	242,375,198	242,375,198	0	100.0%		
6/30/2034	100%	0	0	0	0	N/A	0	N/A	27,458,872	232,083,374	232,083,374	0	100.0%		
6/30/2035	100%	0	0	0	0	N/A	0	N/A	26,975,372	221,520,966	221,520,966	0	100.0%		
6/30/2036	100%	0	0	0	0	N/A	0	N/A	26,414,245	210,748,166	210,748,166	0	100.0%		
6/30/2037	100%	0	0	0	0	N/A	0	N/A	25,774,674	199,830,528	199,830,528	0	100.0%		
6/30/2038	100%	0	0	0	0	N/A	0	N/A	25,055,249	188,839,983	188,839,983	0	100.0%		
6/30/2039	100%	0	0	0	0	N/A	0	N/A	24,257,376	177,852,399	177,852,399	0	100.0%		
6/30/2040	100%	0	0	0	0	N/A	0	N/A	23,384,256	166,946,016	166,946,016	0	100.0%		
6/30/2041	100%	0	0	0	0	N/A	0	N/A	22,439,301	156,201,405	156,201,405	0	100.0%		

Exhibit B - Option 1

Forecast of Actuarial Experience Study results - Funding Improvement plan #1

FYE	Payment against the ARC	Employer Normal Cost	Amortization of the Unfunded Liability		ARC	Contribution	Increase	Contribution as a % of Payroll		Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
			ARC	Liability				Payroll	Payroll							
6/30/2013	100%	1,129,140	18,715,585	19,844,725	21,994,344	8.0%	3,176,568	692%	22,586,717	62,923,037	273,815,791	210,892,754	23.0%	248,574,059	8.8%	
6/30/2014	100%	1,001,146	18,519,862	19,521,008	21,994,344	0.0%	2,816,488	781%	22,608,880	67,472,745	272,416,245	204,943,499	24.8%	253,359,647	8.7%	
6/30/2015	100%	809,549	18,290,992	19,100,541	19,100,541	-13.2%	2,277,476	839%	22,744,114	69,133,613	270,483,371	201,349,758	25.6%	256,715,385	7.4%	
6/30/2016	100%	688,503	18,290,992	18,979,495	18,979,495	-0.6%	1,936,940	980%	22,826,289	70,651,799	268,138,285	197,486,486	26.3%	261,623,717	7.3%	
6/30/2017	100%	575,305	18,290,992	18,866,297	18,866,297	-0.6%	1,618,485	1166%	22,785,265	72,156,142	265,489,611	193,333,469	27.2%	267,070,782	7.1%	
6/30/2018	100%	465,733	18,290,992	18,756,725	18,756,725	-0.6%	1,310,229	1432%	22,723,412	73,672,652	262,541,627	188,868,976	28.1%			
6/30/2019	100%	357,608	18,290,992	18,648,600	18,648,600	-0.6%	1,006,045	1854%	22,596,817	75,271,544	259,341,189	184,069,645	29.0%			
6/30/2020	100%	274,009	18,290,992	18,565,001	18,565,001	-0.4%	770,859	2408%	22,412,266	77,055,972	255,966,337	178,910,365	30.1%			
6/30/2021	100%	211,687	18,290,992	18,502,679	18,502,679	-0.3%	595,532	3107%	22,134,243	79,168,765	252,532,904	173,364,138	31.3%			
6/30/2022	100%	166,823	18,290,992	18,457,815	18,457,815	-0.2%	469,317	3933%	21,789,942	81,729,524	249,131,469	167,401,945	32.8%			
6/30/2023	100%	123,648	18,290,992	18,414,640	18,414,640	-0.2%	347,855	5294%	21,406,816	84,814,641	245,807,228	160,992,587	34.5%			
6/30/2024	100%	95,110	18,290,992	18,386,102	18,386,102	-0.2%	267,570	6872%	21,591,967	87,896,254	241,998,782	154,102,528	36.3%			
6/30/2025	100%	61,737	18,290,992	18,352,729	18,352,729	-0.2%	173,684	10567%	21,753,593	90,991,220	237,686,933	146,695,714	38.3%			
6/30/2026	100%	41,894	18,290,992	18,332,886	18,332,886	-0.1%	117,859	15555%	21,851,593	94,186,857	232,920,246	138,733,388	40.4%			
6/30/2027	100%	27,893	18,290,992	18,318,885	18,318,885	-0.1%	78,471	23345%	21,908,348	97,542,266	227,716,154	130,173,889	42.8%			
6/30/2028	100%	18,635	18,290,992	18,309,627	18,309,627	-0.1%	52,426	34925%	21,912,209	101,131,404	222,103,831	120,972,427	45.5%			
6/30/2029	100%	10,527	18,290,992	18,301,519	18,301,519	0.0%	29,615	61798%	21,875,085	105,016,024	216,096,879	111,080,855	48.6%			
6/30/2030	100%	5,388	18,290,992	18,296,380	18,296,380	0.0%	15,159	120695%	21,789,668	109,272,824	209,720,239	100,447,415	52.1%			
6/30/2031	100%	3,640	18,290,992	18,294,632	18,294,632	0.0%	10,242	178615%	21,650,157	113,990,903	203,007,371	89,016,468	56.2%			
6/30/2032	100%	2,923	18,290,992	18,293,915	18,293,915	0.0%	8,225	222411%	21,459,463	119,259,476	195,987,675	76,728,199	60.9%			
6/30/2033	100%	388	18,290,992	18,291,380	18,291,380	0.0%	1,090	1677385%	21,222,706	125,164,854	188,683,165	63,518,310	66.3%			
6/30/2034	100%	0	18,290,992	18,290,992	18,290,992	0.0%	0	N/A	20,927,108	131,819,035	181,136,715	49,317,680	72.8%			
6/30/2035	100%	0	18,290,992	18,290,992	18,290,992	0.0%	0	N/A	20,573,840	139,338,554	173,390,557	34,052,002	80.4%			
6/30/2036	100%	0	18,290,992	18,290,992	18,290,992	0.0%	0	N/A	20,161,898	147,849,149	165,490,547	17,641,399	89.3%			
6/30/2037	100%	0	18,290,992	18,290,992	18,290,992	0.0%	0	N/A	19,690,509	157,486,784	157,486,784	0	100.0%			
6/30/2038	100%	0	0	0	0	N/A	0	N/A	19,158,428	149,434,413	149,434,413	0	100.0%			
6/30/2039	100%	0	0	0	0	N/A	0	N/A	18,566,498	141,391,839	141,391,839	0	100.0%			
6/30/2040	100%	0	0	0	0	N/A	0	N/A	17,916,891	133,419,598	133,419,598	0	100.0%			
6/30/2041	100%	0	0	0	0	N/A	0	N/A	17,211,944	125,580,345	125,580,345	0	100.0%			

Exhibit B - Option 2

Forecast of Actuarial Experience Study results - Funding Improvement plan #2

FYE	Payment against the ARC	Amortization of the			Contribution Increase	Contribution as a % of			Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
		Employer Normal Cost	Unfunded Liability	ARC		Contribution	Payroll	Payroll							
6/30/2013	100%	1,003,759	18,913,353	19,917,112	21,994,344	8.0%	3,176,568	692%	22,586,717	62,923,037	260,681,068	197,758,031	24.1%	248,574,059	8.8%
6/30/2014	100%	889,978	18,709,593	19,599,571	21,994,344	0.0%	2,816,488	781%	22,608,880	67,472,746	258,181,157	190,708,411	26.1%	253,359,647	8.7%
6/30/2015	100%	719,656	18,469,131	19,188,787	19,188,787	-12.8%	2,277,476	843%	22,744,114	69,225,110	255,087,448	185,862,339	27.1%	256,715,385	7.5%
6/30/2016	100%	612,051	18,469,131	19,081,182	19,081,182	-0.6%	1,936,940	985%	22,826,289	70,855,590	251,508,401	180,652,811	28.2%	261,623,717	7.3%
6/30/2017	100%	511,423	18,469,131	18,980,554	18,980,554	-0.5%	1,618,485	1173%	22,785,265	72,493,683	247,546,252	175,052,569	29.3%	267,070,782	7.1%
6/30/2018	100%	414,018	18,469,131	18,883,149	18,883,149	-0.5%	1,310,229	1441%	22,723,412	74,166,589	243,198,897	169,032,308	30.5%		
6/30/2019	100%	317,899	18,469,131	18,787,030	18,787,030	-0.5%	1,006,045	1867%	22,596,817	75,946,055	238,506,583	162,560,528	31.8%		
6/30/2020	100%	243,583	18,469,131	18,712,714	18,712,714	-0.4%	770,859	2428%	22,412,266	77,934,224	233,537,589	155,603,365	33.4%		
6/30/2021	100%	188,182	18,469,131	18,657,313	18,657,313	-0.3%	595,532	3133%	22,134,243	80,273,216	228,397,630	148,124,414	35.1%		
6/30/2022	100%	148,300	18,469,131	18,617,431	18,617,431	-0.2%	469,317	3967%	21,789,942	83,082,303	223,166,846	140,084,542	37.2%		
6/30/2023	100%	109,919	18,469,131	18,579,050	18,579,050	-0.2%	347,855	5341%	21,406,816	86,439,344	217,881,024	131,441,680	39.7%		
6/30/2024	100%	84,550	18,469,131	18,553,681	18,553,681	-0.1%	267,570	6934%	20,964,574	90,467,056	212,617,659	122,150,603	42.5%		
6/30/2025	100%	54,883	18,469,131	18,524,014	18,524,014	-0.2%	173,684	10665%	20,510,787	95,220,994	207,383,689	112,162,695	45.9%		
6/30/2026	100%	37,243	18,469,131	18,506,374	18,506,374	-0.1%	117,859	15702%	20,007,330	100,825,915	202,251,609	101,425,694	49.9%		
6/30/2027	100%	24,797	18,469,131	18,493,928	18,493,928	-0.1%	78,471	23568%	19,479,860	107,378,652	197,262,070	89,883,418	54.4%		
6/30/2028	100%	16,567	18,469,131	18,485,698	18,485,698	0.0%	52,426	35261%	18,919,580	114,990,899	192,466,370	77,475,471	59.7%		
6/30/2029	100%	9,359	18,469,131	18,478,490	18,478,490	0.0%	29,615	62395%	18,891,111	123,192,321	187,329,249	64,136,929	65.8%		
6/30/2030	100%	4,791	18,469,131	18,473,922	18,473,922	0.0%	15,159	121866%	18,819,938	132,075,505	181,873,501	49,797,995	72.6%		
6/30/2031	100%	3,237	18,469,131	18,472,368	18,472,368	0.0%	10,242	180351%	18,700,816	141,746,009	176,129,651	34,383,642	80.5%		
6/30/2032	100%	2,599	18,469,131	18,471,730	18,471,730	0.0%	8,225	224572%	18,537,131	152,310,517	170,123,729	17,813,212	89.5%		
6/30/2033	100%	345	18,469,131	18,469,476	18,469,476	0.0%	1,090	1693717%	18,334,332	163,874,107	163,874,107	0	100.0%		
6/30/2034	100%	0	0	0	0	N/A	0	N/A	18,080,009	157,418,913	157,418,913	0	100.0%		
6/30/2035	100%	0	0	0	0	N/A	0	N/A	17,775,759	150,795,033	150,795,033	0	100.0%		
6/30/2036	100%	0	0	0	0	N/A	0	N/A	17,420,863	144,042,325	144,042,325	0	100.0%		
6/30/2037	100%	0	0	0	0	N/A	0	N/A	17,014,647	137,204,338	137,204,338	0	100.0%		
6/30/2038	100%	0	0	0	0	N/A	0	N/A	16,556,029	130,329,007	130,329,007	0	100.0%		
6/30/2039	100%	0	0	0	0	N/A	0	N/A	16,045,725	123,467,121	123,467,121	0	100.0%		
6/30/2040	100%	0	0	0	0	N/A	0	N/A	15,485,598	116,671,346	116,671,346	0	100.0%		
6/30/2041	100%	0	0	0	0	N/A	0	N/A	14,877,649	109,996,222	109,996,222	0	100.0%		

Exhibit B - Option 3

Forecast of Actuarial Experience Study results - Funding Improvement plan #3

FYE	Payment against the ARC	Employer Normal Cost	Amortization of the Unfunded Liability		Contribution ARC	Increase	Payroll	Contribution as a % of Payroll	Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
			ARC	ARC											
6/30/2013	100%	835,020	17,846,686	18,681,706	21,994,344	8.0%	3,176,568	692%	22,586,717	62,923,037	248,125,634	185,202,597	25.4%	248,574,059	8.8%
6/30/2014	100%	740,366	17,521,742	18,262,108	21,994,344	0.0%	2,816,488	781%	22,608,880	67,472,746	244,528,944	177,056,198	27.6%	253,359,647	8.7%
6/30/2015	100%	598,677	17,146,985	17,745,662	17,745,662	-19.3%	2,277,476	779%	22,744,114	67,728,845	240,285,886	172,557,041	28.2%	256,715,385	6.9%
6/30/2016	100%	509,161	17,146,985	17,656,146	17,656,146	-0.5%	1,936,940	912%	22,826,289	67,769,596	235,490,044	167,720,447	28.8%	261,623,717	6.7%
6/30/2017	100%	425,449	17,146,985	17,572,434	17,572,434	-0.5%	1,618,485	1086%	22,785,265	67,716,269	230,237,378	162,521,109	29.4%	267,070,782	6.6%
6/30/2018	100%	344,418	17,146,985	17,491,403	17,491,403	-0.5%	1,310,229	1335%	22,723,412	67,587,875	224,519,694	156,931,820	30.1%		
6/30/2019	100%	264,458	17,146,985	17,411,443	17,411,443	-0.5%	1,006,045	1731%	22,596,817	67,447,697	218,371,031	150,923,334	30.9%		
6/30/2020	100%	202,635	17,146,985	17,349,620	17,349,620	-0.4%	770,859	2251%	22,412,266	67,385,203	211,849,415	144,464,212	31.8%		
6/30/2021	100%	156,547	17,146,985	17,303,532	17,303,532	-0.3%	595,532	2906%	22,134,243	67,529,387	205,050,042	137,520,656	32.9%		
6/30/2022	100%	123,369	17,146,985	17,270,354	17,270,354	-0.2%	469,317	3680%	21,789,942	67,986,007	198,042,339	130,056,333	34.3%		
6/30/2023	100%	91,440	17,146,985	17,238,425	17,238,425	-0.2%	347,855	4956%	21,406,816	68,820,834	190,853,020	122,032,185	36.1%		
6/30/2024	100%	70,336	17,146,985	17,217,321	17,217,321	-0.1%	267,570	6435%	20,964,574	70,141,590	183,547,817	113,406,227	38.2%		
6/30/2025	100%	45,656	17,146,985	17,192,641	17,192,641	-0.1%	173,684	9899%	20,510,787	71,990,719	176,124,042	104,133,322	40.9%		
6/30/2026	100%	30,981	17,146,985	17,177,966	17,177,966	-0.1%	117,859	14575%	20,007,330	74,476,045	168,640,995	94,164,949	44.2%		
6/30/2027	100%	20,627	17,146,985	17,167,612	17,167,612	-0.1%	78,471	21878%	19,479,860	77,677,387	161,126,336	83,448,948	48.2%		
6/30/2028	100%	13,781	17,146,985	17,160,766	17,160,766	0.0%	52,426	32733%	18,919,580	81,688,319	153,617,566	71,929,247	53.2%		
6/30/2029	100%	7,785	17,146,985	17,154,770	17,154,770	0.0%	29,615	57925%	18,341,368	86,589,569	146,135,137	59,545,569	59.3%		
6/30/2030	100%	3,985	17,146,985	17,150,970	17,150,970	0.0%	15,159	113139%	17,740,824	92,474,730	138,707,844	46,233,114	66.7%		
6/30/2031	100%	2,693	17,146,985	17,149,678	17,149,678	0.0%	10,242	167437%	17,115,500	99,447,471	131,369,697	31,922,226	75.7%		
6/30/2032	100%	2,163	17,146,985	17,149,148	17,149,148	0.0%	8,225	208493%	16,471,797	107,609,690	124,147,710	16,538,021	86.7%		
6/30/2033	100%	287	17,146,985	17,147,272	17,147,272	0.0%	1,090	1572466%	15,818,033	117,058,782	117,058,782	0	100.0%		
6/30/2034	100%	0	0	0	0	N/A	0	N/A	15,144,556	110,135,980	110,135,980	0	100.0%		
6/30/2035	100%	0	0	0	0	N/A	0	N/A	14,456,126	103,407,749	103,407,749	0	100.0%		
6/30/2036	100%	0	0	0	0	N/A	0	N/A	13,754,969	96,901,875	96,901,875	0	100.0%		
6/30/2037	100%	0	0	0	0	N/A	0	N/A	13,043,058	90,646,185	90,646,185	0	100.0%		
6/30/2038	100%	0	0	0	0	N/A	0	N/A	12,321,953	84,668,976	84,668,976	0	100.0%		
6/30/2039	100%	0	0	0	0	N/A	0	N/A	11,594,448	78,997,769	78,997,769	0	100.0%		
6/30/2040	100%	0	0	0	0	N/A	0	N/A	10,863,920	73,658,650	73,658,650	0	100.0%		
6/30/2041	100%	0	0	0	0	N/A	0	N/A	10,133,543	68,676,368	68,676,368	0	100.0%		

Exhibit B - Option 4

Forecast of Actuarial Experience Study results - Funding Improvement plan #4

FYE	Payment against the ARC	Employer Normal Cost	Amortization of the Unfunded Liability		Contribution Increase	Payroll	Contribution as a % of Payroll		Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
			ARC	ARC			Payroll	Payroll							
6/30/2013	100%	835,020	19,147,531	19,982,551	21,994,344	8.0%	3,176,568	692%	22,586,717	62,923,037	248,125,634	185,202,597	25.4%	248,574,059	8.8%
6/30/2014	100%	740,366	18,934,281	19,674,647	21,994,344	0.0%	2,816,488	781%	22,608,880	67,472,746	244,528,944	177,056,198	27.6%	253,359,647	8.7%
6/30/2015	100%	598,677	18,680,527	19,279,204	19,279,204	-12.3%	2,277,476	847%	22,744,114	69,318,855	240,285,886	170,967,031	28.8%	256,715,385	7.5%
6/30/2016	100%	509,161	18,680,527	19,189,688	19,189,688	-0.5%	1,936,940	991%	22,826,289	71,068,868	235,490,044	164,421,176	30.2%	261,623,717	7.3%
6/30/2017	100%	425,449	18,680,527	19,105,976	19,105,976	-0.4%	1,618,485	1180%	22,785,265	72,852,996	230,237,378	157,384,382	31.6%	267,070,782	7.2%
6/30/2018	100%	344,418	18,680,527	19,024,945	19,024,945	-0.4%	1,310,229	1452%	22,723,412	74,699,866	224,519,694	149,819,828	33.3%		
6/30/2019	100%	264,458	18,680,527	18,944,985	18,944,985	-0.4%	1,006,045	1883%	22,596,817	76,683,098	218,371,031	141,687,932	35.1%		
6/30/2020	100%	202,635	18,680,527	18,883,162	18,883,162	-0.3%	770,859	2450%	22,412,266	78,903,270	211,849,415	132,946,145	37.2%		
6/30/2021	100%	156,547	18,680,527	18,837,074	18,837,074	-0.2%	595,532	3163%	22,134,243	81,501,319	205,050,042	123,548,723	39.7%		
6/30/2022	100%	123,369	18,680,527	18,803,896	18,803,896	-0.2%	469,317	4007%	21,789,942	84,595,844	198,042,339	113,446,495	42.7%		
6/30/2023	100%	91,440	18,680,527	18,771,967	18,771,967	-0.2%	347,855	5396%	21,406,816	88,266,420	190,853,020	102,586,600	46.2%		
6/30/2024	100%	70,336	18,680,527	18,750,863	18,750,863	-0.1%	267,570	7008%	20,964,574	92,635,604	183,547,817	90,912,212	50.5%		
6/30/2025	100%	45,656	18,680,527	18,726,183	18,726,183	-0.1%	173,684	10782%	20,510,787	97,761,796	176,124,042	78,362,246	55.5%		
6/30/2026	100%	30,981	18,680,527	18,711,508	18,711,508	-0.1%	117,859	15876%	20,007,330	103,769,963	168,640,995	64,871,032	61.5%		
6/30/2027	100%	20,627	18,680,527	18,701,154	18,701,154	-0.1%	78,471	23832%	19,479,860	110,758,359	161,126,336	50,367,977	68.7%		
6/30/2028	100%	13,781	18,680,527	18,694,308	18,694,308	0.0%	52,426	35659%	18,919,580	118,840,373	153,617,566	34,777,193	77.4%		
6/30/2029	100%	7,785	18,680,527	18,688,312	18,688,312	0.0%	29,615	63104%	18,341,368	128,118,038	146,135,137	18,017,100	87.7%		
6/30/2030	100%	3,985	18,680,527	18,684,512	18,684,512	0.0%	15,159	123256%	17,740,824	138,707,844	138,707,844	0	100.0%		
6/30/2031	100%	2,693	0	2,693	2,693	-100.0%	10,242	26%	17,115,500	131,369,697	131,369,697	0	100.0%		
6/30/2032	100%	2,163	0	2,163	2,163	-19.7%	8,225	26%	16,471,797	124,147,710	124,147,710	0	100.0%		
6/30/2033	100%	287	0	287	287	-86.7%	1,090	26%	15,818,033	117,058,782	117,058,782	0	100.0%		
6/30/2034	100%	0	0	0	0	N/A	0	N/A	15,144,556	110,135,980	110,135,980	0	100.0%		
6/30/2035	100%	0	0	0	0	N/A	0	N/A	14,456,126	103,407,749	103,407,749	0	100.0%		
6/30/2036	100%	0	0	0	0	N/A	0	N/A	13,754,969	96,901,875	96,901,875	0	100.0%		
6/30/2037	100%	0	0	0	0	N/A	0	N/A	13,043,058	90,646,185	90,646,185	0	100.0%		
6/30/2038	100%	0	0	0	0	N/A	0	N/A	12,321,953	84,668,976	84,668,976	0	100.0%		
6/30/2039	100%	0	0	0	0	N/A	0	N/A	11,594,448	78,997,769	78,997,769	0	100.0%		
6/30/2040	100%	0	0	0	0	N/A	0	N/A	10,863,920	73,658,650	73,658,650	0	100.0%		
6/30/2041	100%	0	0	0	0	N/A	0	N/A	10,133,543	68,676,368	68,676,368	0	100.0%		

Exhibit C - Option 1

Forecast of Actuarial Experience Study results - Funding Improvement plan #1 with .5% lower investment return until 6/30/2036

FYE	Payment against the ARC	Amortization of the Unfunded Liability				Increase	Contribution as a % of Payroll		Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
		Employer Normal Cost	ARC	Contribution	Payroll		Payroll	Payroll							
6/30/2013	100%	1,129,140	18,739,354	19,868,494	21,994,344	8.0%	3,176,568	692%	22,586,717	62,336,240	273,815,791	211,479,551	22.8%	248,574,059	8.8%
6/30/2014	100%	1,001,146	18,571,393	19,572,539	21,994,344	0.0%	2,816,488	781%	22,608,880	66,530,652	272,416,245	205,885,593	24.4%	253,359,647	8.7%
6/30/2015	100%	809,549	18,375,072	19,184,621	19,184,621	-12.8%	2,277,476	842%	22,744,114	67,883,098	270,483,371	202,600,272	25.1%	256,715,385	7.5%
6/30/2016	100%	688,503	18,404,591	19,093,094	19,093,094	-0.5%	1,936,940	986%	22,826,289	69,094,126	268,138,285	199,044,159	25.8%	261,623,717	7.3%
6/30/2017	100%	575,305	18,435,262	19,010,567	19,010,567	-0.4%	1,618,485	1175%	22,785,265	70,294,242	265,489,611	195,195,369	26.5%	267,070,782	7.1%
6/30/2018	100%	465,733	18,467,143	18,932,876	18,932,876	-0.4%	1,310,229	1445%	22,723,412	71,510,920	262,541,627	191,030,708	27.2%		
6/30/2019	100%	357,608	18,500,344	18,857,952	18,857,952	-0.4%	1,006,045	1874%	22,596,817	72,815,825	259,341,189	186,525,364	28.1%		
6/30/2020	100%	274,009	18,535,016	18,809,025	18,809,025	-0.3%	770,859	2440%	22,412,266	74,313,406	255,966,337	181,652,931	29.0%		
6/30/2021	100%	211,687	18,571,379	18,783,066	18,783,066	-0.1%	595,532	3154%	22,134,243	76,147,511	252,532,904	176,385,392	30.2%		
6/30/2022	100%	166,823	18,609,753	18,776,576	18,776,576	0.0%	469,317	4001%	21,789,942	78,438,530	249,131,469	170,692,939	31.5%		
6/30/2023	100%	123,648	18,650,578	18,774,226	18,774,226	0.0%	347,855	5397%	21,406,816	81,263,678	245,807,228	164,543,550	33.1%		
6/30/2024	100%	95,110	18,694,430	18,789,540	18,789,540	0.1%	267,570	7022%	21,591,967	84,097,606	241,998,782	157,901,175	34.8%		
6/30/2025	100%	61,737	18,741,867	18,803,604	18,803,604	0.1%	173,684	10826%	21,753,593	86,961,717	237,686,933	150,725,216	36.6%		
6/30/2026	100%	41,894	18,793,417	18,835,311	18,835,311	0.2%	117,859	15981%	21,851,593	89,948,494	232,920,246	142,971,751	38.6%		
6/30/2027	100%	27,893	18,849,789	18,877,682	18,877,682	0.2%	78,471	24057%	21,908,348	93,122,943	227,716,154	134,593,212	40.9%		
6/30/2028	100%	18,635	18,911,959	18,930,594	18,930,594	0.3%	52,426	36109%	21,912,209	96,566,027	222,103,831	125,537,803	43.5%		
6/30/2029	100%	10,527	18,981,275	18,991,802	18,991,802	0.3%	29,615	64128%	21,875,085	100,348,064	216,096,879	115,748,815	46.4%		
6/30/2030	100%	5,388	19,059,635	19,065,023	19,065,023	0.4%	15,159	125766%	21,789,668	104,556,545	209,720,239	105,163,694	49.9%		
6/30/2031	100%	3,640	19,149,803	19,153,443	19,153,443	0.5%	10,242	187000%	21,650,157	109,294,579	203,007,371	93,712,792	53.8%		
6/30/2032	100%	2,923	19,255,986	19,258,909	19,258,909	0.6%	8,225	234143%	21,459,463	114,670,291	195,987,675	81,317,384	58.5%		
6/30/2033	100%	388	19,384,993	19,385,381	19,385,381	0.7%	1,090	1777709%	21,222,706	120,796,849	188,683,165	67,886,316	64.0%		
6/30/2034	100%	0	19,548,820	19,548,820	19,548,820	0.8%	0	N/A	20,927,108	127,826,916	181,136,715	53,309,798	70.6%		
6/30/2035	100%	0	19,771,593	19,771,593	19,771,593	1.1%	0	N/A	20,573,840	135,944,949	173,390,557	37,445,608	78.4%		
6/30/2036	100%	0	20,113,863	20,113,863	20,113,863	1.7%	0	N/A	20,161,898	145,411,407	165,490,547	20,079,141	87.9%		
6/30/2037	100%	0	20,818,496	20,818,496	20,818,496	3.5%	0	N/A	19,690,509	157,486,784	157,486,784	0	100.0%		
6/30/2038	100%	0	0	0	0	N/A	0	N/A	19,158,428	149,434,413	149,434,413	0	100.0%		
6/30/2039	100%	0	0	0	0	N/A	0	N/A	18,566,498	141,391,839	141,391,839	0	100.0%		
6/30/2040	100%	0	0	0	0	N/A	0	N/A	17,916,891	133,419,598	133,419,598	0	100.0%		
6/30/2041	100%	0	0	0	0	N/A	0	N/A	17,211,944	125,580,345	125,580,345	0	100.0%		

Exhibit C - Option 2

Forecast of Actuarial Experience Study results - Funding Improvement plan #2 with .5% lower investment return until 6/30/2032

FYE	Payment against the ARC	Employer Normal Cost	Amortization of the Unfunded Liability		ARC	Contribution	Increase	Payroll	Contribution as a % of Payroll	Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
			ARC	ARC												
6/30/2013	100%	1,003,759	18,938,796	19,942,555	21,994,344	8.0%	3,176,568	692%	22,586,717	62,336,240	260,681,068	198,344,828	23.9%	248,574,059	8.8%	
6/30/2014	100%	889,978	18,765,109	19,655,087	21,994,344	0.0%	2,816,488	781%	22,608,880	66,530,653	258,181,157	191,650,504	25.8%	253,359,647	8.7%	
6/30/2015	100%	719,656	18,560,368	19,280,024	19,280,024	-12.3%	2,277,476	847%	22,744,114	67,981,785	255,087,448	187,105,664	26.7%	256,715,385	7.5%	
6/30/2016	100%	612,051	18,592,681	19,204,732	19,204,732	-0.4%	1,936,940	991%	22,826,289	69,315,199	251,508,401	182,193,202	27.6%	261,623,717	7.3%	
6/30/2017	100%	511,423	18,626,614	19,138,037	19,138,037	-0.3%	1,618,485	1182%	22,785,265	70,662,647	247,546,252	176,883,605	28.5%	267,070,782	7.2%	
6/30/2018	100%	414,018	18,662,317	19,076,335	19,076,335	-0.3%	1,310,229	1456%	22,723,412	72,053,509	243,198,897	171,145,389	29.6%			
6/30/2019	100%	317,899	18,700,015	19,017,914	19,017,914	-0.3%	1,006,045	1890%	22,596,817	73,561,861	238,506,583	164,944,721	30.8%			
6/30/2020	100%	243,583	18,740,009	18,983,592	18,983,592	-0.2%	770,859	2463%	22,412,266	75,292,238	233,537,589	158,245,351	32.2%			
6/30/2021	100%	188,182	18,782,718	18,970,900	18,970,900	-0.1%	595,532	3186%	22,134,243	77,389,159	228,397,630	151,008,471	33.9%			
6/30/2022	100%	148,300	18,828,735	18,977,035	18,977,035	0.0%	469,317	4044%	21,789,942	79,974,450	223,166,846	143,192,395	35.8%			
6/30/2023	100%	109,919	18,878,879	18,988,798	18,988,798	0.1%	347,855	5459%	21,406,816	83,129,068	217,881,024	134,751,956	38.2%			
6/30/2024	100%	84,550	18,934,265	19,018,815	19,018,815	0.2%	267,570	7108%	20,964,574	86,979,718	212,617,659	125,637,940	40.9%			
6/30/2025	100%	54,883	18,996,416	19,051,299	19,051,299	0.2%	173,684	10969%	20,510,787	91,587,364	207,383,689	115,796,325	44.2%			
6/30/2026	100%	37,243	19,067,459	19,104,702	19,104,702	0.3%	117,859	16210%	20,007,330	97,084,318	202,251,609	105,167,291	48.0%			
6/30/2027	100%	24,797	19,150,458	19,175,255	19,175,255	0.4%	78,471	24436%	19,479,860	103,578,134	197,262,070	93,683,937	52.5%			
6/30/2028	100%	16,567	19,250,057	19,266,624	19,266,624	0.5%	52,426	36750%	18,919,580	111,196,274	192,466,370	81,270,097	57.8%			
6/30/2029	100%	9,359	19,373,720	19,383,079	19,383,079	0.6%	29,615	65450%	18,891,111	119,493,815	187,329,249	67,835,434	63.8%			
6/30/2030	100%	4,791	19,534,168	19,538,959	19,538,959	0.8%	15,159	128892%	18,819,938	128,604,655	181,873,501	53,268,846	70.7%			
6/30/2031	100%	3,237	19,756,404	19,759,641	19,759,641	1.1%	10,242	192919%	18,700,816	138,703,934	176,129,651	37,425,717	78.8%			
6/30/2032	100%	2,599	20,103,178	20,105,777	20,105,777	1.8%	8,225	244439%	18,537,131	150,037,192	170,123,729	20,086,536	88.2%			
6/30/2033	100%	345	20,826,164	20,826,509	20,826,509	3.6%	1,090	1909865%	18,334,332	163,874,107	163,874,107	0	100.0%			
6/30/2034	100%	0	0	0	0	N/A	0	N/A	18,080,009	157,418,913	157,418,913	0	100.0%			
6/30/2035	100%	0	0	0	0	N/A	0	N/A	17,775,759	150,795,033	150,795,033	0	100.0%			
6/30/2036	100%	0	0	0	0	N/A	0	N/A	17,420,863	144,042,325	144,042,325	0	100.0%			
6/30/2037	100%	0	0	0	0	N/A	0	N/A	17,014,647	137,204,338	137,204,338	0	100.0%			
6/30/2038	100%	0	0	0	0	N/A	0	N/A	16,556,029	130,329,007	130,329,007	0	100.0%			
6/30/2039	100%	0	0	0	0	N/A	0	N/A	16,045,725	123,467,121	123,467,121	0	100.0%			
6/30/2040	100%	0	0	0	0	N/A	0	N/A	15,485,598	116,671,346	116,671,346	0	100.0%			
6/30/2041	100%	0	0	0	0	N/A	0	N/A	14,877,649	109,996,222	109,996,222	0	100.0%			

Exhibit C - Option 3

Forecast of Actuarial Experience Study results - Funding Improvement plan #3 with .5% lower investment return until 6/30/2032

FYE	Payment against the ARC	Employer Normal Cost	Amortization of the Unfunded Liability		ARC	Contribution	Increase	Payroll	Contribution as a % of Payroll	Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
			ARC	ARC												
6/30/2013	100%	835,020	17,872,128	18,707,148	21,994,344	8.0%	3,176,568	692%	22,586,717	62,336,240	248,125,634	185,789,394	25.1%	248,574,059	8.8%	
6/30/2014	100%	740,366	17,577,258	18,317,624	21,994,344	0.0%	2,816,488	781%	22,608,880	66,530,653	244,528,944	177,998,291	27.2%	253,359,647	8.7%	
6/30/2015	100%	598,677	17,238,222	17,836,899	17,836,899	-18.9%	2,277,476	783%	22,744,114	66,489,004	240,285,886	173,796,882	27.7%	256,715,385	6.9%	
6/30/2016	100%	509,161	17,270,188	17,779,349	17,779,349	-0.3%	1,936,940	918%	22,826,289	66,243,496	235,490,044	169,246,547	28.1%	261,623,717	6.8%	
6/30/2017	100%	425,449	17,303,006	17,728,455	17,728,455	-0.3%	1,618,485	1095%	22,785,265	65,917,842	230,237,378	164,319,535	28.6%	267,070,782	6.6%	
6/30/2018	100%	344,418	17,336,730	17,681,148	17,681,148	-0.3%	1,310,229	1349%	22,723,412	65,533,374	224,519,694	158,986,320	29.2%			
6/30/2019	100%	264,458	17,371,467	17,635,925	17,635,925	-0.3%	1,006,045	1753%	22,596,817	65,155,777	218,371,031	153,215,253	29.8%			
6/30/2020	100%	202,635	17,407,379	17,610,014	17,610,014	-0.1%	770,859	2284%	22,412,266	64,876,888	211,849,415	146,972,527	30.6%			
6/30/2021	100%	156,547	17,444,706	17,601,253	17,601,253	0.0%	595,532	2956%	22,134,243	64,827,960	205,050,042	140,222,083	31.6%			
6/30/2022	100%	123,369	17,483,816	17,607,185	17,607,185	0.0%	469,317	3752%	21,789,942	65,116,983	198,042,339	132,925,356	32.9%			
6/30/2023	100%	91,440	17,525,245	17,616,685	17,616,685	0.1%	347,855	5064%	21,406,816	65,812,252	190,853,020	125,040,767	34.5%			
6/30/2024	100%	70,336	17,569,727	17,640,063	17,640,063	0.1%	267,570	6593%	20,964,574	67,024,533	183,547,817	116,523,284	36.5%			
6/30/2025	100%	45,656	17,618,283	17,663,939	17,663,939	0.1%	173,684	10170%	20,510,787	68,800,218	176,124,042	107,323,824	39.1%			
6/30/2026	100%	30,981	17,672,345	17,703,326	17,703,326	0.2%	117,859	15021%	20,007,330	71,252,476	168,640,995	97,388,518	42.3%			
6/30/2027	100%	20,627	17,733,981	17,754,608	17,754,608	0.3%	78,471	22626%	19,479,860	74,468,534	161,126,336	86,657,802	46.2%			
6/30/2028	100%	13,781	17,806,336	17,820,117	17,820,117	0.4%	52,426	33991%	18,919,580	78,552,722	153,617,566	75,064,844	51.1%			
6/30/2029	100%	7,785	17,894,470	17,902,255	17,902,255	0.5%	29,615	60449%	18,341,368	83,602,096	146,135,137	62,533,041	57.2%			
6/30/2030	100%	3,985	18,007,269	18,011,254	18,011,254	0.6%	15,159	118814%	17,740,824	89,736,490	138,707,844	48,971,354	64.7%			
6/30/2031	100%	2,693	18,162,546	18,165,239	18,165,239	0.9%	10,242	177352%	17,115,500	97,105,599	131,369,697	34,264,098	73.9%			
6/30/2032	100%	2,163	18,404,918	18,407,081	18,407,081	1.3%	8,225	223786%	16,471,797	105,906,228	124,147,710	18,241,483	85.3%			
6/30/2033	100%	287	18,913,172	18,913,459	18,913,459	2.8%	1,090	1734432%	15,818,033	117,058,782	117,058,782	0	100.0%			
6/30/2034	100%	0	0	0	0	N/A	0	N/A	15,144,556	110,135,980	110,135,980	0	100.0%			
6/30/2035	100%	0	0	0	0	N/A	0	N/A	14,456,126	103,407,749	103,407,749	0	100.0%			
6/30/2036	100%	0	0	0	0	N/A	0	N/A	13,754,969	96,901,875	96,901,875	0	100.0%			
6/30/2037	100%	0	0	0	0	N/A	0	N/A	13,043,058	90,646,185	90,646,185	0	100.0%			
6/30/2038	100%	0	0	0	0	N/A	0	N/A	12,321,953	84,668,976	84,668,976	0	100.0%			
6/30/2039	100%	0	0	0	0	N/A	0	N/A	11,594,448	78,997,769	78,997,769	0	100.0%			
6/30/2040	100%	0	0	0	0	N/A	0	N/A	10,863,920	73,658,650	73,658,650	0	100.0%			
6/30/2041	100%	0	0	0	0	N/A	0	N/A	10,133,543	68,676,368	68,676,368	0	100.0%			

Exhibit C - Option 4

Forecast of Actuarial Experience Study results - Funding Improvement plan #4 with .5% lower investment return until 6/30/2029

FYE	Payment against the ARC	Employer Normal Cost	Amortization of the Unfunded Liability		ARC	Contribution	Increase	Payroll	Contribution as a % of Payroll	Benefit Payments	Assets	Accrued Liability	Unfunded Liability	Funded Ratio	Revenue Forecast	Contribution as a % of Revenue
			ARC	Liability												
6/30/2013	100%	835,020	19,174,828	20,009,848	21,994,344	8.0%	3,176,568	692%	22,586,717	62,336,240	248,125,634	185,789,394	25.1%	248,574,059	8.8%	
6/30/2014	100%	740,366	18,994,273	19,734,639	21,994,344	0.0%	2,816,488	781%	22,608,880	66,530,653	244,528,944	177,998,291	27.2%	253,359,647	8.7%	
6/30/2015	100%	598,677	18,779,923	19,378,600	19,378,600	-11.9%	2,277,476	851%	22,744,114	68,083,753	240,285,886	172,202,134	28.3%	256,715,385	7.5%	
6/30/2016	100%	509,161	18,815,479	19,324,640	19,324,640	-0.3%	1,936,940	998%	22,826,289	69,548,339	235,490,044	165,941,704	29.5%	261,623,717	7.4%	
6/30/2017	100%	425,449	18,853,280	19,278,729	19,278,729	-0.2%	1,618,485	1191%	22,785,265	71,057,640	230,237,378	159,179,738	30.9%	267,070,782	7.2%	
6/30/2018	100%	344,418	18,893,624	19,238,042	19,238,042	-0.2%	1,310,229	1468%	22,723,412	72,643,421	224,519,694	151,876,273	32.4%			
6/30/2019	100%	264,458	18,936,938	19,201,396	19,201,396	-0.2%	1,006,045	1909%	22,596,817	74,382,863	218,371,031	143,988,167	34.1%			
6/30/2020	100%	202,635	18,983,796	19,186,431	19,186,431	-0.1%	770,859	2489%	22,412,266	76,380,529	211,849,415	135,468,886	36.1%			
6/30/2021	100%	156,547	19,035,002	19,191,549	19,191,549	0.0%	595,532	3223%	22,134,243	78,781,871	205,050,042	126,268,172	38.4%			
6/30/2022	100%	123,369	19,091,706	19,215,075	19,215,075	0.1%	469,317	4094%	21,789,942	81,710,883	198,042,339	116,331,457	41.3%			
6/30/2023	100%	91,440	19,155,575	19,247,015	19,247,015	0.2%	347,855	5533%	21,406,816	85,254,152	190,853,020	105,598,868	44.7%			
6/30/2024	100%	70,336	19,229,046	19,299,382	19,299,382	0.3%	267,570	7213%	20,964,574	89,543,779	183,547,817	94,004,038	48.8%			
6/30/2025	100%	45,656	19,315,831	19,361,487	19,361,487	0.3%	173,684	11148%	20,510,787	94,651,769	176,124,042	81,472,272	53.7%			
6/30/2026	100%	30,981	19,421,916	19,452,897	19,452,897	0.5%	117,859	16505%	20,007,330	100,723,407	168,640,995	67,917,587	59.7%			
6/30/2027	100%	20,627	19,557,825	19,578,452	19,578,452	0.6%	78,471	24950%	19,479,860	107,889,029	161,126,336	53,237,307	67.0%			
6/30/2028	100%	13,781	19,744,707	19,758,488	19,758,488	0.9%	52,426	37688%	18,919,580	116,317,718	153,617,566	37,299,848	75.7%			
6/30/2029	100%	7,785	20,035,568	20,043,353	20,043,353	1.4%	29,615	67679%	18,341,368	126,225,411	146,135,137	19,909,726	86.4%			
6/30/2030	100%	3,985	20,642,844	20,646,829	20,646,829	3.0%	15,159	136200%	17,740,824	138,707,844	138,707,844	0	100.0%			
6/30/2031	100%	2,693	0	2,693	2,693	-100.0%	10,242	26%	17,115,500	131,369,697	131,369,697	0	100.0%			
6/30/2032	100%	2,163	0	2,163	2,163	-19.7%	8,225	26%	16,471,797	124,147,710	124,147,710	0	100.0%			
6/30/2033	100%	287	0	287	287	-86.7%	1,090	26%	15,818,033	117,058,782	117,058,782	0	100.0%			
6/30/2034	100%	0	0	0	0	N/A	0	N/A	15,144,556	110,135,980	110,135,980	0	100.0%			
6/30/2035	100%	0	0	0	0	N/A	0	N/A	14,456,126	103,407,749	103,407,749	0	100.0%			
6/30/2036	100%	0	0	0	0	N/A	0	N/A	13,754,969	96,901,875	96,901,875	0	100.0%			
6/30/2037	100%	0	0	0	0	N/A	0	N/A	13,043,058	90,646,185	90,646,185	0	100.0%			
6/30/2038	100%	0	0	0	0	N/A	0	N/A	12,321,953	84,668,976	84,668,976	0	100.0%			
6/30/2039	100%	0	0	0	0	N/A	0	N/A	11,594,448	78,997,769	78,997,769	0	100.0%			
6/30/2040	100%	0	0	0	0	N/A	0	N/A	10,863,920	73,658,650	73,658,650	0	100.0%			
6/30/2041	100%	0	0	0	0	N/A	0	N/A	10,133,543	68,676,368	68,676,368	0	100.0%			

EXHIBIT D - ACTUARIAL ASSUMPTIONS

Discount Rate	7.5% per annum.																			
Investment Return	Exhibit A: 7.5% per annum. Exhibit B: 7.5% per annum. Exhibit C: 7.0% per annum until FYE 2036; 7.5% thereafter.																			
Post-retirement mortality	Pensioners: RP-2000 healthy male and female tables with Blue Collar Adjustment and mortality improvements projected to 2021 with Scale AA. Disabled Pensioners: RP-2000 healthy male and female tables with Blue Collar Adjustment, 3 year set forward and mortality improvements projected to 2021 with Scale AA. Beneficiaries: The RP-2000 healthy male and female tables with mortality improvements projected to 2021 with Scale AA.																			
Pre-retirement mortality	The RP-2000 healthy male and female tables with mortality improvements projected to 2021 with Scale AA. A special table is used for disability. (7.5% of deaths are assumed to be service related.)																			
Disability	<table border="0"> <thead> <tr> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>Rate</u></th> </tr> </thead> <tbody> <tr><td>20</td><td>0.12%</td></tr> <tr><td>25</td><td>0.17%</td></tr> <tr><td>30</td><td>0.22%</td></tr> <tr><td>35</td><td>0.29%</td></tr> <tr><td>40</td><td>0.44%</td></tr> <tr><td>45</td><td>0.72%</td></tr> <tr><td>50</td><td>1.21%</td></tr> <tr><td>55</td><td>1.21%</td></tr> </tbody> </table>	<u>Age</u>	<u>Rate</u>	20	0.12%	25	0.17%	30	0.22%	35	0.29%	40	0.44%	45	0.72%	50	1.21%	55	1.21%	92.5% assumed to be ordinary disabilities 7.5% assumed to be accidental disabilities
<u>Age</u>	<u>Rate</u>																			
20	0.12%																			
25	0.17%																			
30	0.22%																			
35	0.29%																			
40	0.44%																			
45	0.72%																			
50	1.21%																			
55	1.21%																			
Withdrawals before service retirement	None except death and disability																			

EXHIBIT D - ACTUARIAL ASSUMPTIONS (continued)

Future salary increases 3.0% annually

Assumed retirement Rates of retirement are based on an employee's length of service, as follows:

<u>Completed Years of Service</u>	<u>Rate</u>
20	20%
21	4%
22	4%
23	4%
24	4%
25	15%
26	10%
27	10%
28	10%
29	10%
30	50%
31 and greater	20%

100% probability of retirement is assumed at age 65.

Cost-of-living increases after retirement Exhibit A: 3.0% annually
 Exhibits B and C:
 Option 1: 3.0% annually, except 10 Year COLA Freeze starting FYE 2014
 Option 2: 3.0% annually, except 15 Year COLA Freeze starting FYE 2014
 Option 3: 3.0% in FYE 2013, followed by permanent COLA Freeze
 Option 4: 3.0% in FYE 2013, followed by permanent COLA Freeze

Actuarial Funding Method Attained Age Normal method with the UAAL funded on a level dollar basis over a closed period

Actuarial Value of Assets Equal to Market Value of Assets

Expenses Paid by the City

EXHIBIT D - ACTUARIAL ASSUMPTIONS (continued)

Definition of pay	Base pay plus a 20.04% holiday/longevity load.
Percent Married	80% of active employees are assumed to be married with the husband assumed to be 3 years older than the wife.

EXHIBIT E - PLAN PROVISIONS

FIRE AND POLICE

The plan is closed to employees hired on or after July 1, 1995.

Final compensation is the member's base compensation rate, including longevity and holiday pay for Fire and holiday pay for Police, at retirement.

Service is total employment by the City plus any purchased service.

Service Pension

Eligibility	20 years of service.
Amount	A pension equal to 2½% of the member's final compensation for each year of service up to 20 years plus 2% of final compensation for each year of service, up to 10 years, in excess of 20 years. An additional 5% of final compensation is added to the pension at age 55.

Deferred Pension

Eligibility	10 years of service.
Amount	A deferred pension commencing at age 55, equal to 2½% of final compensation for each year of total service.

Ordinary Disability Pension

Eligibility	Total and permanent disability at any age.
Amount	A pension equal to 50% of final compensation.

EXHIBIT E - PLAN PROVISIONS (continued)

Work Related Disability Pension

Eligibility	Work related total and permanent disability at any age. Impairment due to heart condition or hypertension presumed to be work related.
Amount	A pension of $66\frac{2}{3}\%$ of final compensation, but not less than the service pension.

Death Benefit

Eligibility	Death in active service after 1 year of service or after termination with a deferred pension. (No service requirement if death is work related).
Amount	A pension of $33\frac{1}{3}\%$ of the member's final compensation is paid to his widow until she dies or remarries. The benefit increases to $67\frac{1}{2}\%$ of final compensation if the member has 20 years of service. (The pension is 50% if death is work related). In the event of death after termination with a deferred pension, the widow receives $67\frac{1}{2}\%$ of the deferred pension starting when the member would have been age 55.

Benefit upon Death after Retirement

Upon death of a retired member, $67\frac{1}{2}\%$ of his pension is paid to his widow. No benefits are payable upon the death of unmarried members.

EXHIBIT E - PLAN PROVISIONS (continued)

Cost of Living Adjustment

Pensions are increased each year by the percentage increase in pay granted to active members. This provision does not apply to deferred pensions payable to the member or survivor. COLAs are granted in all years for Exhibit A. COLAs are granted in all years for Exhibits B and C, except as indicated below:

Option 1: 10 Year COLA Freeze starting FYE 2014

Option 2: 15 Year COLA Freeze starting FYE 2014

Option 3: Permanent COLA Freeze starting FYE 2014

Option 4: Permanent COLA Freeze starting FYE 2014

Contributions by Members

Firefighters

10.5% of base compensation plus longevity and/or holiday pay

Police

10% of base compensation plus longevity and/or holiday pay