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December 29, 2016

PERSONAL & CONFIDENTIAL

Mr. Robert Thibeault
Finance Director
Town of Coventry
1670 Flat River Road
Coventry, RI 02816

Re: Coventry Municipal Employees' Retirement Plan

Dear Bob:

At your request, we have performed an actuarial valuation of the Coventry Municipal Employees' Retirement Plan as of July 1, 2016 for the Fiscal Year ending June 30, 2018. The results of the valuation are contained in the following report.

Respectfully submitted,

A handwritten signature in blue ink that reads "Becky".

Rebecca A. Sielman, FSA
Consulting Actuary

RAS/dp 10 COV2016MUNValCov



COVENTRY MUNICIPAL EMPLOYEES' RETIREMENT PLAN

**Actuarial Valuation as of July 1, 2016
For Fiscal Year Ending June 30, 2018**

Prepared by
Milliman, Inc.

Rebecca A. Sielman, FSA
Consulting Actuary

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Certification

We have performed an actuarial valuation of the Plan as of July 1, 2016 for fiscal year ending June 30, 2018. This report presents the results of our valuation.

The ultimate cost of a pension plan is the total amount needed to provide benefits for plan members and beneficiaries and to pay the expenses of administering the plan. Pension costs are met by contributions and by investment return on plan assets. The principal purpose of this report is to set forth an actuarial recommendation of the contribution, or range of contributions, which will properly fund the plan, in accordance with applicable government regulations. In addition, this report provides:

- A valuation of plan assets and liabilities to review the year-to-year progress of funding.
- Information needed to meet disclosure requirements.
- Review of plan experience for the previous year to ascertain whether the assumptions and methods employed for valuation purposes are reflective of actual events and remain appropriate for prospective application.
- Assessment of the relative funded position of the plan, i.e., through a comparison of plan assets and projected plan liabilities.
- Comments on any other matters which may be of assistance in the funding and operation of the plan.

This report may not be used for purposes other than those listed above without Milliman's prior written consent. If this report is distributed to other parties, it must be copied in its entirety, including this certification section.

Milliman's work is prepared solely for the internal business use of the Town. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exception(s): (a) the Town may provide a copy of Milliman's work, in its entirety, to the Town's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the Town; and (b) the Town may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law. No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

In preparing this report, we relied on employee census data and financial information as of the valuation date, furnished by the Town. We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have found them to be reasonably consistent and comparable with data used for other purposes. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete and our calculations may need to be revised. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

Certification

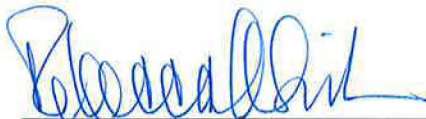
The calculations reported herein have been made on a basis consistent with our understanding of ERISA and the related sections of the tax code. Additional determinations may be needed for purposes other than meeting funding requirements, such as judging benefit security at plan termination or meeting employer accounting requirements. On the basis of the foregoing, we hereby certify that, to the best of our knowledge, this report is complete and accurate and all costs and liabilities were determined in conformance with generally accepted actuarial principles and practices.

I further certify that, in my opinion, each actuarial assumption, method and technique used is reasonable taking into account the experience of the Plan and reasonable expectations or would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption, method, or technique were reasonable. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurement.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuaries are independent of the plan sponsor. We are not aware of any relationship that would impact the objectivity of our work.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Rebecca A. Sielman, FSA
Consulting Actuary

Section I - Executive Summary

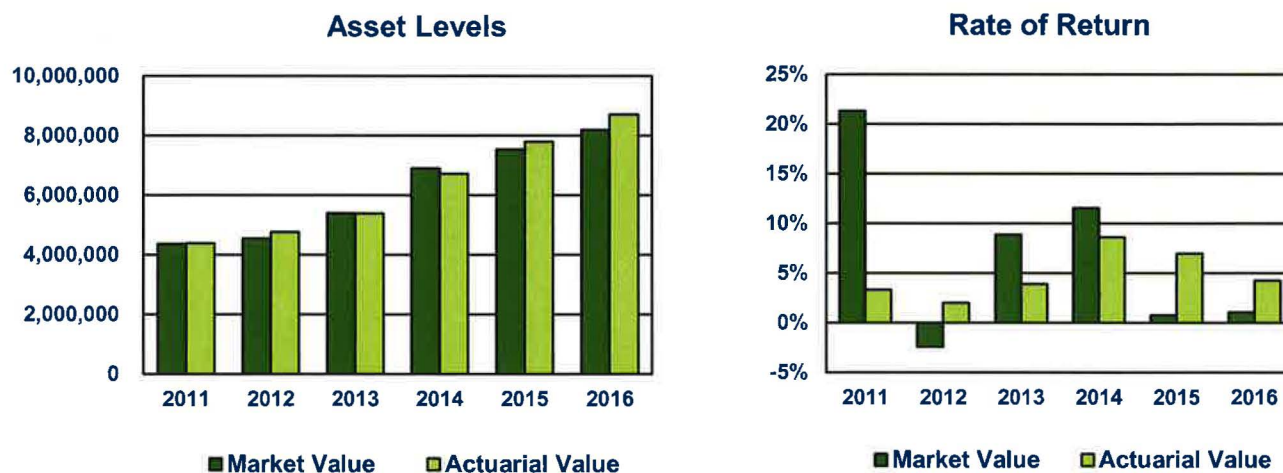
A. Highlights

Assets

There are two different measures of the plan's assets that are used throughout this report. The **Market Value** is a snapshot of the plan's investments as of the valuation date. The **Actuarial Value** is a smoothed asset value designed to temper the volatile fluctuations in the market by recognizing investment gains or losses over five years.

	Market	Actuarial
Value as of July 1, 2015	\$7,544,439	\$7,797,859
Contributions	1,379,273	1,379,273
Investment Income	81,953	345,170
Benefit Payments and Administrative Expenses	(804,953)	(804,953)
Value as of July 1, 2016	8,200,712	8,717,349

For fiscal year 2016, the plan's assets earned 1.05% on a Market Value basis and 4.27% on an Actuarial Value basis. The actuarial assumption for this period was 7.00%; the result is an asset loss of \$464,400 on a Market Value basis and a loss of \$220,700 on an Actuarial Value basis. Historical asset values are shown in the graph below to the left; historical returns are shown in the graph below to the right.



Please note that the Actuarial Value currently exceeds the Market Value by \$516,600. This figure represents investment losses that will be gradually recognized over the next five years. This process will exert upward pressure on the Town's contribution, unless there are offsetting market gains.

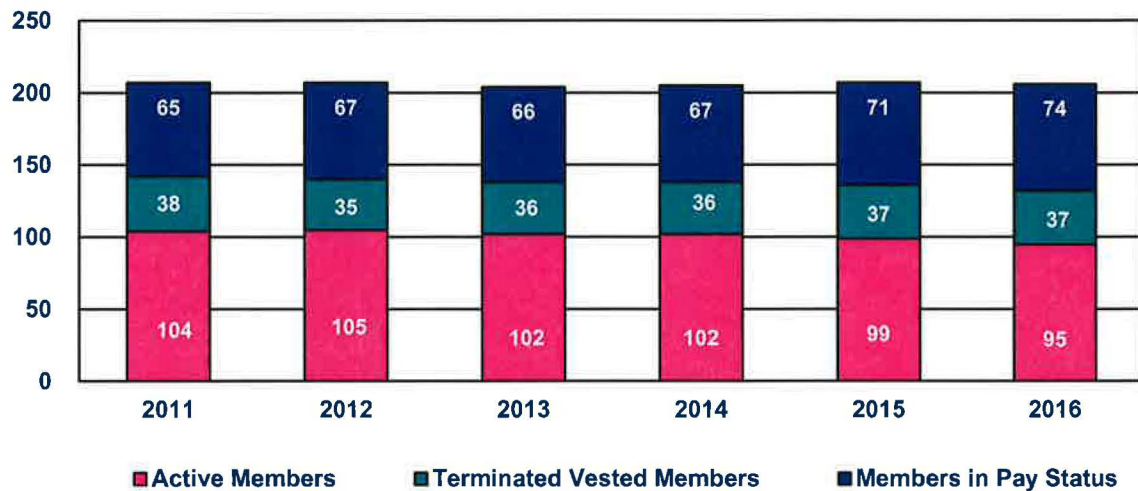
Section I - Executive Summary

A. Highlights

Membership

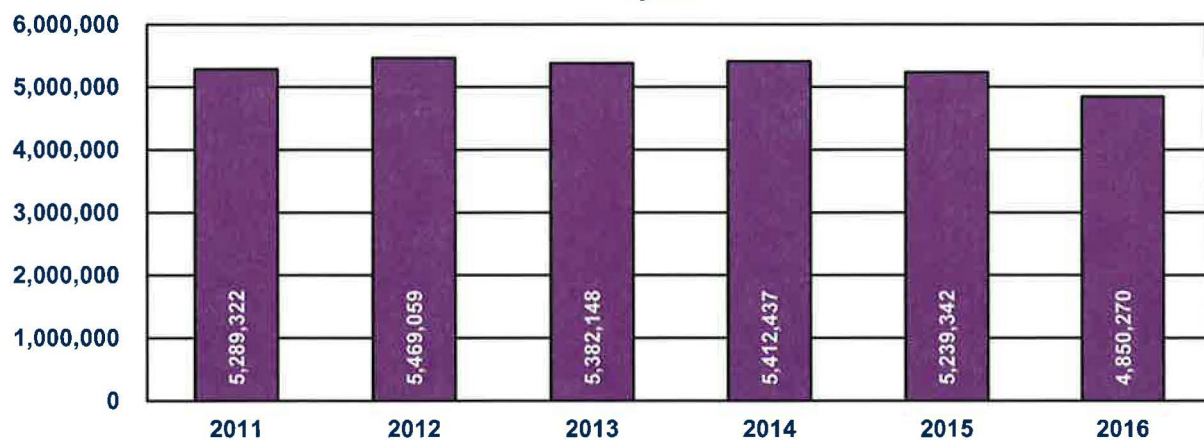
There are three basic categories of plan members included in the actuarial valuation: (1) active employees who have met the eligibility requirements for membership, (2) former employees who have a vested right to benefits but have not yet started collecting, and (3) members who are receiving monthly pension benefits.

Number of Members



From July 1, 2015 to July 1, 2016, the overall membership decreased from 207 to 206.

Payroll



From July 1, 2015 to July 1, 2016, total payroll decreased by about 6.5%.

Section I - Executive Summary

A. Highlights

Plan Changes

None.

Changes in Actuarial Methods or Assumptions

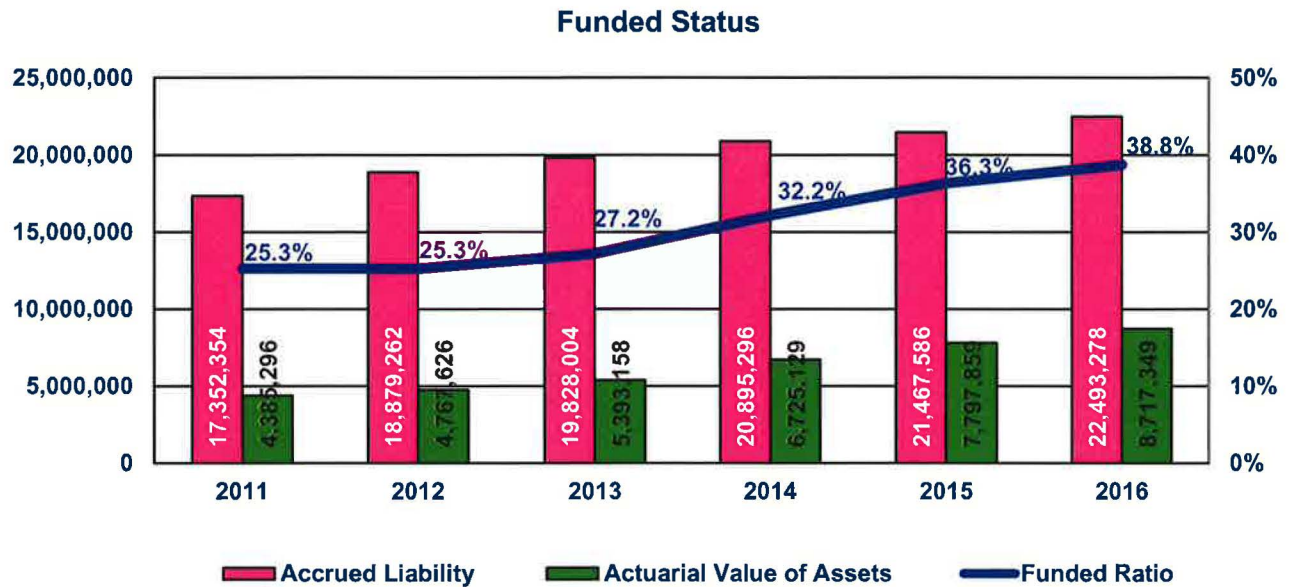
None.

Section I - Executive Summary

A. Highlights

Funded Status

The chart below shows the plan's Accrued Liability and Actuarial Value of Assets for the past several years.



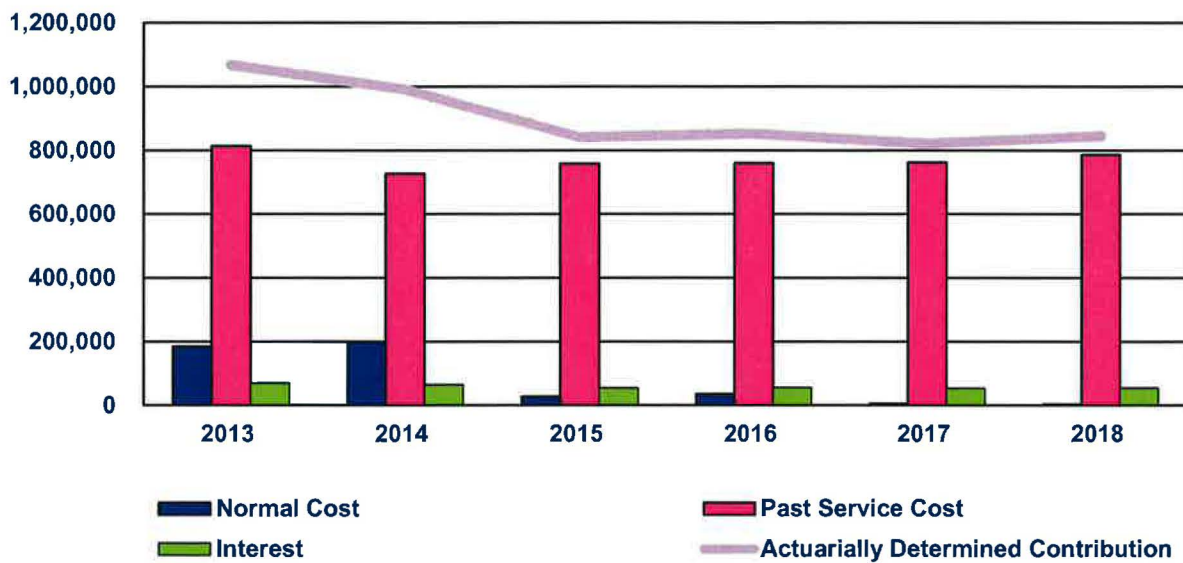
Section I - Executive Summary

A. Highlights

Actuarially Determined Contribution

The Actuarially Determined Contribution consists of three pieces: a **Normal Cost** payment to fund the benefits earned each year, a **Past Service Cost** to gradually reduce any unfunded or surplus liability, and **Interest** assuming payment is made mid-year. If the plan has a sufficiently large surplus, the Past Service Cost may be large enough to cover the Normal Cost, in which case no contribution is required.

Contribution levels for the current year and the past few fiscal years are shown below.



Section I - Executive Summary
B. Summary of Principal Results

Membership	July 1, 2015	July 1, 2016
Active Members	99	95
Terminated Vested Members	37	37
Terminated Nonvested Members Due Refund	0	0
Members in Pay Status	71	74
Payroll	\$5,239,342	\$4,850,270
Assets and Liabilities	July 1, 2015	July 1, 2016
Market Value of Assets	\$7,544,439	\$8,200,712
Actuarial Value of Assets	7,797,859	8,717,349
Accrued Liability for Active Members	\$13,133,037	\$13,060,796
Accrued Liability for Terminated Vested Members	1,286,196	1,350,206
Accrued Liability for Members in Pay Status	7,048,353	8,082,276
Total Accrued Liability	21,467,586	22,493,278
Unfunded Accrued Liability	13,669,727	13,775,929
Funded Ratio	36.3%	38.8%
Actuarially Determined Contribution for Fiscal Year	2017	2018
Normal Cost	\$5,461	\$3,818
Past Service Cost	762,600	786,547
Interest	53,764	55,326
Actuarially Determined Contribution	821,825	845,691
Contribution as a Percent of Payroll	15.69%	17.44%

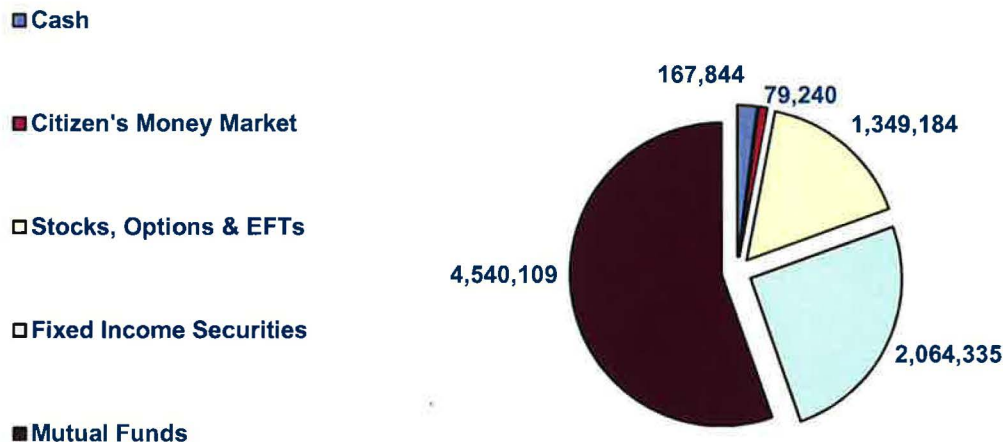
Section II - Plan Assets

A. Summary of Fund Transactions

	Trust Assets	Accrued Contributions	Total
Market Value as of July 1, 2015	\$7,544,439	\$0	\$7,544,439
Employer Contributions	864,293	0	864,293
Employee Contributions	514,980	0	514,980
Benefit Payments	(803,480)	0	(803,480)
Interest and Dividends	59,434	0	59,434
Capital Gains/(Losses)	22,519	0	22,519
Investment Expenses	0	0	0
Administrative Expenses	(1,473)	0	(1,473)
Market Value as of July 1, 2016	8,200,712	0	8,200,712
Approximate Rate of Return			1.05%

Note: The rate shown here is not the dollar or time weighted investment yield rate which measures investment performance. It is an approximate net return assuming all activity occurred on average midway through the fiscal year.

Asset Allocation



Section II - Plan Assets

B. Development of Actuarial Value of Assets

In order to minimize the impact of market fluctuations on the contribution level, we use an Actuarial Value of Assets that recognizes gains and losses over a five year period. The Actuarial Value of Assets as of July 1, 2016 is determined below.

1.	Expected Market Value of Assets:	
	a. Market Value of Assets as of July 1, 2015	\$7,544,439
	b. Employer and Employee Contributions	1,379,273
	c. Benefit Payments and Administrative Expenses	(804,953)
	d. Expected Investment Return Based on 7.00% Interest	<u>546,353</u>
	e. Expected Market Value of Assets as of July 1, 2016	8,665,112
2.	Actual Market Value of Assets as of July 1, 2016	8,200,712
3.	Delayed Recognition of Market Gains/(Losses):	
	Period Ending	Gain/(Loss)
	6/30/2016	(\$464,400)
	6/30/2015	(447,452)
	6/30/2014	264,088
	6/30/2013	88,597
		Percent Not Recognized
		80%
		60%
		40%
		20%
		Amount Not Recognized
		(\$371,520)
		(268,471)
		105,635
		17,719
		(516,637)
4.	Actuarial Value as of July 1, 2016: (2) - (3)	8,717,349
5.	Approximate Rate of Return on Actuarial Value	4.27%
7.	Actuarial Value Gain/(Loss)	220,682

Section III - Development of Contribution

A. Past Service Cost

For determining the Past Service Cost, the Unfunded Accrued Liability is amortized as a level percent over a period of 30 years starting on July 1, 2012.

	July 1, 2015	July 1, 2016
1. Accrued Liability		
Active Members	\$13,133,037	\$13,060,796
Terminated Vested Members	1,286,196	1,350,206
Terminated Non-Vested Members Due Refund	0	0
Retired Members	5,766,371	6,654,771
Disabled Members	699,405	693,238
Beneficiaries of Deceased Members	<u>582,577</u>	<u>734,267</u>
Total	21,467,586	22,493,278
2. Actuarial Value of Assets (see Section II B)	7,797,859	8,717,349
3. Unfunded Accrued Liability: (1) - (2)	13,669,727	13,775,929
4. Funded Ratio: (2) / (1)	36.3%	38.8%
5. Amortization Period	27	26
6. Amortization Growth Rate	3.40%	3.40%
7. Past Service Cost: (3) amortized over (5)	762,600	786,547

Section III - Development of Contribution
B. Actuarially Determined Contribution

	Fiscal Year 2017	Fiscal Year 2018
1. Total Normal Cost	\$519,496	\$481,938
2. Expected Employee Contributions	515,435	479,620
3. Expected Expenses	1,400	1,500
4. Net Normal Cost: (1) - (2) + (3)	5,461	3,818
5. Past Service Cost (see Section III A)	762,600	786,547
6. Interest on (4) + (5)	53,764	55,326
7. Actuarially Determined Contribution: (4) + (5) + (6)	821,825	845,691
8. Covered Payroll	5,239,342	4,850,270
9. Contribution as a Percent of Covered Payroll: (7) / (8)	15.69%	17.44%

Section IV - Accounting Information

A. Notes to Required Supplementary Information

The information presented in Section IV has been determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	July 1, 2016
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent
Amortization Period	Closed 30 years from July 1, 2012
Asset Valuation Method	5 Year Smoothed Market Value
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	Graded 6.65% to 3.40%
Amortization Growth Rate	3.40%
Inflation	2.70%
Cost-of-Living Adjustments	None

Section IV - Accounting Information
B. Historical Schedule of Funding Progress

Actuarial Valuation Date	For Fiscal Year	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1) / (2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) / (5)
7/1/2010	2012	\$4,087,545	\$14,405,245	\$10,317,700	28.4%	\$5,486,026	188.1%
7/1/2011	2013	4,385,296	17,352,354	12,967,058	25.3%	5,289,322	245.2%
7/1/2012	2014	4,767,626	18,879,262	14,111,636	25.3%	5,469,059	258.0%
7/1/2013	2015	5,393,158	19,828,004	14,434,846	27.2%	5,382,148	268.2%
7/1/2014	2016	6,725,129	20,895,296	14,170,167	32.2%	5,412,437	261.8%
7/1/2015	2017	7,797,859	21,467,586	13,669,727	36.3%	5,239,342	260.9%
7/1/2016	2018	8,717,349	22,493,278	13,775,929	38.8%	4,850,270	284.0%

Section IV - Accounting Information
C. Schedule of Employer Contributions

Fiscal Year Ending June 30	(1) Actuarially Determined Contribution	(2) Contribution in Relation to the Actuarially Determined Contribution	(3) Contribution Deficiency/ (Excess) (1) - (2)	(4) Covered Payroll	(5) Contribution as a Percentage of Covered Payroll (2) / (4)
2012	\$986,087	\$559,077	\$427,010	\$5,486,026	10%
2013	1,068,188	773,054	295,134	5,289,322	15%
2014	991,124	1,080,077	(88,953)	5,469,059	20%
2015	841,584	829,250	12,334	5,382,148	15%
2016	852,707	864,293	(11,586)	5,412,437	16%
2017	821,825	TBD	TBD	5,239,342	TBD
2018	845,691	TBD	TBD	4,850,270	TBD

Section IV - Accounting Information
D. Accrued and Vested Benefits

The actuarially computed Value of Accrued Benefits represents the present value of (a) the benefits based on earnings and service to date expected to become payable at future dates to present employees, (b) the benefits expected to become payable to former employees who have terminated service with vested rights or who have become inactive, and (c) the benefits currently payable to retired participants and beneficiaries.

	As of July 1, 2015	As of July 1, 2016
1. Value of Vested Benefits		
Active Members	\$10,141,187	\$10,268,569
Terminated Vested Members	1,286,196	1,350,206
Terminated Non-Vested Due Refund	0	0
Retired Members	5,766,371	6,654,771
Disabled Members	699,405	693,238
Beneficiaries of Deceased Members	<u>582,577</u>	<u>734,267</u>
Total Value of Vested Benefits	18,475,736	19,701,051
2. Value of Non-Vested Benefits	182,413	159,182
3. Total Value of Accrued Benefits: (1) + (2)	18,658,149	19,860,233
4. Market Value of Assets	7,544,439	8,200,712
5. Vested Funded Ratio: (4) / (1)	40.8%	41.6%
6. Accrued Funded Ratio: (4) / (3)	40.4%	41.3%

Section IV - Accounting Information
E. Statement of Changes in Accrued Plan Benefits

Increase/(Decrease) during the 2015 plan year attributable to:

Increase for interest due to the decrease in the discount period	\$1,278,424
Benefits Accumulated/(Forfeited)	727,140
Benefit Payments	(803,480)
Plan Amendments	0
Changes in Actuarial Assumptions	0
Net Increase/(Decrease)	1,202,084

Value of Accrued Plan Benefits:

July 1, 2016	\$19,860,233
July 1, 2015	18,658,149
Net Increase/(Decrease)	1,202,084

Section V - Membership Data
A. Reconciliation of Membership from Prior Valuation

Details of the changes in the Plan membership since the last valuation are shown below. Additional details on the Plan membership are provided in the remainder of Section V.

	Active	Term. Vested	Due Refund	Retirees	Disabled	Bene- ficiaries	Total
Count as of July 1, 2015	99	37	0	57	5	9	207
Terminated not vested	-	-	-	-	-	-	0
Terminated, benefits due	(1)	1	-	-	-	-	0
Retired	(2)	-	-	2	-	-	0
Died, with beneficiary	(1)	(1)	-	(2)	-	4	0
Died, no beneficiary	-	-	-	(1)	-	-	(1)
New member	-	-	-	-	-	-	0
New beneficiary	-	-	-	-	-	-	0
Lump sum paid	-	-	-	-	-	-	0
Rehired	-	-	-	-	-	-	0
New QDRO	-	-	-	-	-	-	0
Correction	-	-	-	-	-	-	0
Count as of July 1, 2016	95	37	0	56	5	13	206

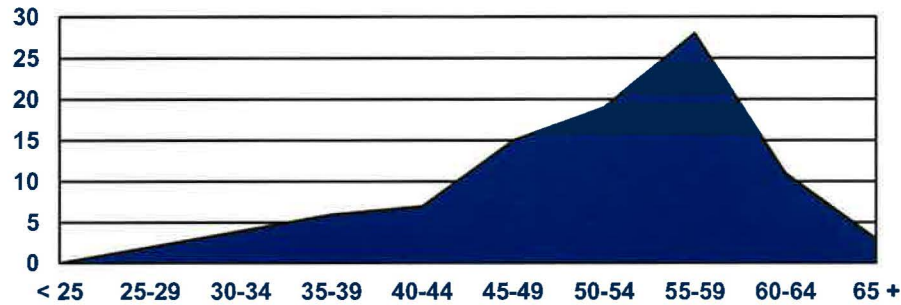
Section V - Membership Data
B. Statistics of Membership

	As of July 1, 2015	As of July 1, 2016
Number of Active Members		
Number	99	95
Average Age	50.6	51.5
Average Service	16.1	16.6
Total Payroll	\$5,239,342	\$5,069,585
Average Payroll	52,923	53,364
Terminated Vested Members		
Number	37	37
Total Annual Benefit	\$187,920	\$193,453
Average Annual Benefit	5,079	5,228
Average Age	53.5	53.7
Terminated Nonvested Members Due Refund		
Number	0	0
Retired Members		
Number	57	56
Total Annual Benefit	\$637,877	\$721,655
Average Annual Benefit	11,191	12,887
Average Age	75.0	75.3
Disabled Members		
Number	5	5
Total Annual Benefit	\$53,614	\$53,614
Average Annual Benefit	10,723	10,723
Average Age	57.0	58.0
Beneficiaries of Deceased Members		
Number	9	13
Total Annual Benefit	\$72,027	\$89,348
Average Annual Benefit	8,003	6,873
Average Age	75.0	73.0

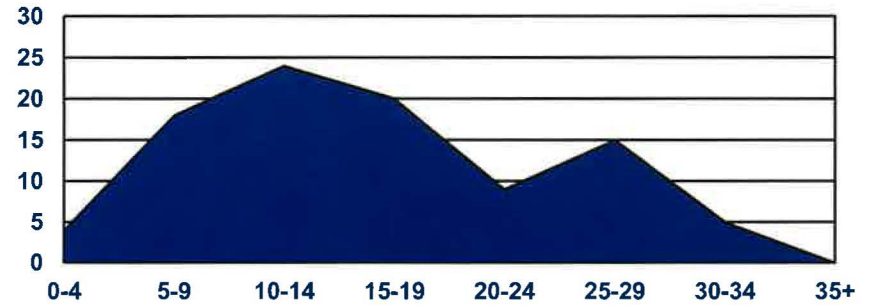
Section V - Membership Data
C. Distribution of Active Members as of July 1, 2016 - Count

Age	Years of Service								Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	
< 25	0	0	0	0	0	0	0	0	0
25-29	1	0	1	0	0	0	0	0	2
30-34	0	3	1	0	0	0	0	0	4
35-39	1	0	3	2	0	0	0	0	6
40-44	0	3	3	1	0	0	0	0	7
45-49	1	4	3	4	2	1	0	0	15
50-54	1	3	2	7	2	4	0	0	19
55-59	0	3	7	3	5	7	3	0	28
60-64	0	2	2	3	0	2	2	0	11
65 +	0	0	2	0	0	1	0	0	3
Total	4	18	24	20	9	15	5	0	95

Distribution By Age



Distribution by Years of Service

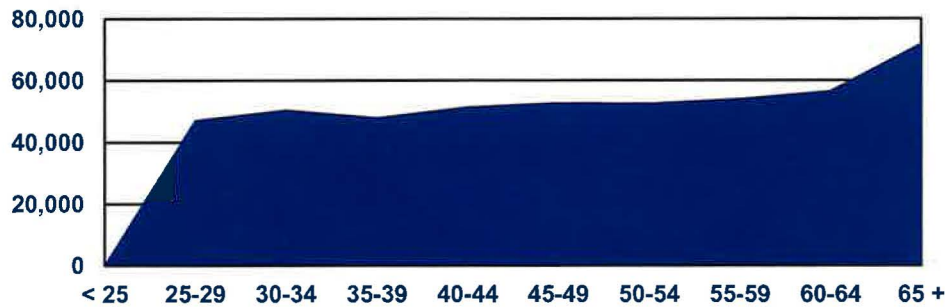


Section V - Membership Data

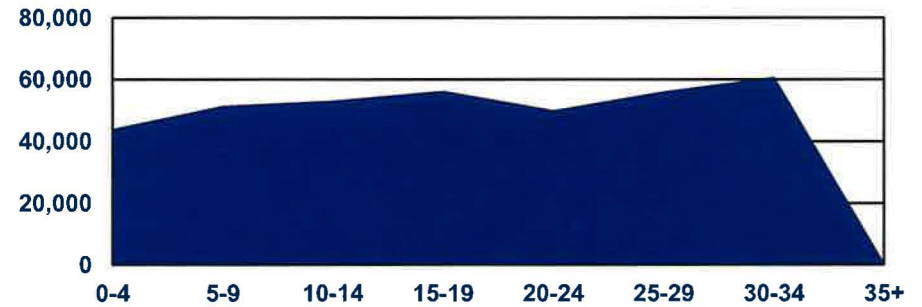
D. Distribution of Active Members as of July 1, 2016 - Average Pay

Age	Years of Service								Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	
< 25	0	0	0	0	0	0	0	0	0
25-29	47,418	0	46,563	0	0	0	0	0	46,991
30-34	0	46,991	60,146	0	0	0	0	0	50,280
35-39	41,252	0	45,975	53,824	0	0	0	0	47,804
40-44	0	45,227	53,554	62,742	0	0	0	0	51,298
45-49	43,705	54,138	48,126	58,108	45,715	61,153	0	0	52,643
50-54	42,710	54,542	48,783	56,110	50,367	49,714	0	0	52,435
55-59	0	54,262	54,518	52,498	51,102	51,643	62,807	0	53,833
60-64	0	50,553	50,314	55,510	0	68,934	56,962	0	56,368
65 +	0	0	68,876	0	0	77,527	0	0	71,759
Total	43,771	51,151	52,802	55,981	49,741	55,794	60,469	0	53,364

Distribution By Age



Distribution by Years of Service



Section V - Membership Data
E. Distribution of Inactive Members as of July 1, 2016

	Age	Number	Annual Benefits
Terminated Vested Members	< 30	0	\$0
	30 - 39	4	12,105
	40 - 49	6	36,669
	50 - 59	15	91,981
	60 - 64	4	27,814
	65 +	8	24,884
	Total	37	193,453
Retired Members	< 50	0	\$0
	50 - 59	0	0
	60 - 69	16	323,488
	70 - 79	24	276,080
	80 - 89	10	99,990
	90 +	6	22,098
	Total	56	721,656
Disabled Retirees	< 50	0	\$0
	50 - 59	4	47,268
	60 - 69	1	6,346
	70 - 79	0	0
	80 - 89	0	0
	90 +	0	0
	Total	5	53,614
Beneficiaries	< 50	0	\$0
	50 - 59	1	8,262
	60 - 69	5	19,516
	70 - 79	2	33,827
	80 - 89	4	22,096
	90 +	1	5,647
	Total	13	89,348

Appendix A - Actuarial Funding Method

The actuarial funding method used in the valuation of this Plan is known as the **Entry Age Normal Cost Method**. Recommended annual contributions until the accrued liability is completely funded will consist of two pieces: Normal Cost plus a payment towards the Unfunded Accrued Liability.

The **Normal Cost** is determined by calculating the present value of future benefits for present active Members that will become payable as the result of death, disability, retirement or termination. This cost is then spread as a level percentage of earnings from entry age to termination as an Active Member. If Normal Costs had been paid at this level for all prior years, a fund would have accumulated. Because this fund represents the portion of benefits that would have been funded to date, it is termed the **Accrued Liability**. In fact, it is calculated by adding the present value of benefits for Retired Members and Terminated Vested Members to the present value of benefits for Active Members and subtracting the present value of future Normal Cost contributions.

The funding cost of the Plan is derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the assumptions, the costs determined by the valuation must be regarded as estimates of the true costs of the Plan.

The unfunded liability for the plan is the excess of the Accrued Liability over the assets which have been accumulated for the plan. This Unfunded Accrued Liability is amortized as a level percent. Beginning on July 1, 2012, the amortization period is 30 years (closed period).

The **Actuarial Value of Assets** is based on the Market Value as of the valuation date, with future market gains and losses recognized over a five year period.

Appendix B - Actuarial Assumptions

Each of the assumptions used in this valuation was set based on a formal study of the plan's experience for the period July 1, 2010 through June 30, 2014, industry standard published tables and data, the particular characteristics of the plan, relevant information from the plan sponsor or other sources about future expectations, and our professional judgment regarding future plan experience. Please see the report dated March 23, 2015 for details concerning the information, analysis, and conclusions from the formal study of the plan's experience. We believe the assumptions are reasonable for the contingencies they are measuring, and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

Interest 7.00%

Salary Scale	<u>Service</u>	<u>Rate</u>
	1	6.65%
	2	6.65
	3	3.40
	4	3.40
	5	6.10
	6-9	3.40
	10	5.90
	11-14	3.40
	15	5.80
	16-19	3.40
	20	5.50
	21	3.40
	22	3.40
	23	3.40
	24	3.40
	25	5.20
	26 on	3.40

Amortization Growth Rate 3.40%

Expenses Prior year's actual administrative expenses increased by 3% and rounded to the nearest \$100.

Mortality RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA, with separate Male and Female tables. This assumption recognizes future mortality improvements beyond the valuation date.

Percent Married 75% of active and terminated vested members are assumed to be married.

Age of Spouse Females are assumed to be three years younger than their male spouses.

Appendix B - Actuarial Assumptions

Turnover

2003 SOA Small Plan Age Table multiplied by 0.45:

<u>Age</u>	<u>Rate</u>
20	10.94%
25	8.78
30	6.98
35	5.45
40	4.23
45	3.29
50	2.52
55	1.89

Rate of Retirement

Active members are assumed to retire as follows.

<u>Age</u>	<u>Rate</u>
55 – 58	3%
59	5
60 – 61	10
62	30
63	15
64	20
65	35
66 – 68	30
69	50
70	100

Pre-Retirement Disability

1987 Commissioner's Group Disability Table, six month elimination period, separately for males and females:

<u>Age</u>	<u>Male</u>	<u>Female</u>
22	0.080%	0.1000%
27	0.089	0.1157
32	0.105	0.1554
37	0.137	0.2315
42	0.202	0.3050
47	0.356	0.4628
52	0.662	0.7282
57	1.187	1.0683
62	1.671	1.2532

Appendix C - Summary of Plan Provisions

This exhibit summarizes the major provisions of the Plan. It is not intended to be, nor should it be interpreted as a complete statement of all plan provisions. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.

Eligibility	<p>Municipal employees working in nonuniform classifications.</p> <p>Eligible members participate on the first day of the month following date of hire.</p> <p>All employees hired after November 21, 2013 shall participate in a defined contribution plan, and will not participate in the defined benefit plan.</p>
Employee Contributions	<p>All active participants contribute 10% of compensation (effective July 1, 2015).</p> <p>Interest is credited at 5% per annum.</p>
Final Average Compensation	<p>The average of total pay received for the five consecutive years out of the ten latest years which gives the highest average.</p>
Normal Retirement Date	<p>Age 62.</p>
Normal Retirement Benefit	<p>2% of Average Compensation per year of service.</p>
Early Retirement Date	<p>Age 55 with 10 years of vesting service.</p>
Early Retirement Benefit	<p>Accrued benefit reduced by 6 2/3% for each of the first 5 years and 3 1/3% for each of the next 2 years by which the member's Early Retirement Date precedes their Normal Retirement Date.</p>
Late Retirement Date	<p>Any age beyond 62.</p>
Late Retirement Benefit	<p>The greater of (a) the accrued benefit as of the member's Late Retirement Date or (b) the accrued benefit as of the member's Normal Retirement Date increased actuarially.</p>
Disability Retirement Date	<p>10 years of service.</p>
Disability Retirement Benefit	<p>Immediate benefit equal to 25% of Average Compensation, payable until the member's Normal Retirement Date.</p> <p>Deferred benefit equal to the accrued benefit, starting on the member's Normal Retirement Date.</p>

Appendix C - Summary of Plan Provisions

Normal Form of Annuity	Life Annuity with Modified Cash Refund. Optional forms of benefit are available on an actuarially equivalent basis.
Vesting	40% after 4 years of service, increasing 5% for each of the next 2 years, then increasing 10% for each of the next 5 years to 100% after 11 years. Members are 100% vested at their Early Retirement Date, Normal Retirement Date, or Disability Retirement Date.
Pre-Retirement Spouse's Death Benefit	If the member is vested and is married at the time of death, the surviving spouse will receive a benefit equal to 50% of the benefit that would have been payable had the member terminated immediately before death, elected to retire at their earliest retirement eligibility or date of death if later, and elected a 50% joint and survivor annuity. The surviving spouse's benefit is payable starting on the date that would have been the member's earliest retirement date.
Pre-Retirement Lump Sum Death Benefit	Refund of Employee Contributions with interest to date of death.
Death Benefits After Retirement	Based on form of benefit elected at retirement.
Termination Benefit Pre-Retirement	Refund of Employee Contributions with interest to date of termination.