



**Consolidated Plan
for Participating Local Districts
of the Maine Public Employees
Retirement System**

**Actuarial Valuation Report
as of June 30, 2011**

Produced by [Cheiron](#)

January 2012

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January 5, 2012

Board of Trustees
Maine Public Employees Retirement System
#46 State House Station
Augusta, Maine 04333-0046

Dear Members of the Board:

We are pleased to submit the June 30, 2011 Actuarial Valuation Report for the Consolidated Plan for Participating Local Districts of the Maine Public Employees Retirement System. This report contains information on assets, liabilities, and contributions of the System's Retirement Programs, as well as the required accounting statement disclosures under the Government Accounting Standards Board Statement #25.

The purpose of this report is to present the annual actuarial valuation of the Consolidated Plan for Participating Local Districts of the Maine Public Employees Retirement System. This report is for the use of the Board and its auditors in preparing financial reports in accordance with applicable law and accounting requirements. Any other user of this report is not an intended user and is considered a third party. This valuation report is not intended to benefit any third party, and Cheiron assumed no duty or liability to any such party.

Your attention is called to the Foreword in which we refer to the general approach employed in the preparation of this report. We also comment on the sources and reliability of both the data and the actuarial assumptions on which our findings are based. Those comments are the basis for our certification that this report is complete and accurate to the best of our knowledge and belief. The results of this report are only applicable to Participating Local District (PLD) contributions for Fiscal Year Ending 2013 and rely on future plan experience conforming to the underlying assumptions. To the extent that actual plan experience deviates from the underlying assumptions, the results would vary accordingly.

We hereby certify that, to the best of our knowledge, this report and its contents, which are based on the information and data supplied by the System, are work products of Cheiron, Inc. These work products are complete and accurate and have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Sincerely,
Cheiron



Gene Kalwarski, FSA, EA
Principal Consulting Actuary



Fiona E. Liston, FSA, EA
Principal Consulting Actuary



**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

FOREWORD

Cheiron has performed the actuarial valuation of the Consolidated Plan for Participating Local Districts (PLDs) of the Maine Public Employees Retirement System (MainePERS) as of June 30, 2011. The purpose of this report is to:

- 1) **Measure and disclose**, as of the valuation date, the financial condition of the Plan;
- 2) **Indicate trends** in the financial progress of the Plan;
- 3) **Determine the contribution rate** to be paid by the PLDs for Fiscal Year (FY) 2013; and
- 4) **Provide specific information** and documentation required by the Governmental Accounting Standards Board (GASB).

An actuarial valuation establishes and analyzes Plan assets and liabilities on a consistent basis, and traces the progress of both from one year to the next. It includes measurement of the Plan's investment performance as well as an analysis of actuarial liability gains and losses.

Section I presents a summary containing our findings and discloses important trends experienced by the Plan in recent years.

Section II contains details on various asset measures, together with pertinent performance measurements.

Section III shows similar information on Plan liabilities, measured for actuarial, accounting, and government reporting purposes.

Section IV develops the PLD contribution rates determined using actuarial techniques and compares that to the reduced rates currently in place.

Section V includes the required disclosures under GASB Statement No. 25.

The appendices to this report contain a summary of the Plan's membership at the valuation date, a summary of the major provisions of the Plan, and the actuarial methods and assumptions used in the valuations.

In preparing our report, we relied without audit, on information (some oral and some written) supplied by the MainePERS's staff. This information includes, but is not limited to, plan provisions, employee data, and financial information.

The actuarial assumptions reflect our understanding of the likely future experience of the Plan, and the assumptions as a whole represent our best estimate for the future experience of the Plan. The accuracy of the results presented in this report is dependent upon future experience conforming to these assumptions. To the extent that future experience deviates from the actuarial assumptions, the true cost of the Plan could vary from our results.

Finally, in preparing this report, we have conformed to generally accepted actuarial principles and practices which are consistent with the Code of Professional Conduct, and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board.

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**SECTION I
BOARD SUMMARY**

General Comments

Most of the Participating Local Districts (PLDs) in the State of Maine participate in this Consolidated Retirement Plan. The Plan offers a number of benefit choices from which the PLDs can choose and each benefit choice has a pre-determined normal cost associated with it to be paid by both the member and the PLD. This normal cost would only change following a change in actuarial assumptions or methods following an experience study. In addition, the PLDs' total contributions (normal cost plus unfunded cost) are set using a corridor funding method. Under this funding approach, the PLD rate is fixed as long as the Plan's funded status (the ratio of actuarial assets to actuarial accrued liability) remains within a corridor of 90% to 130%. As of this June 30, 2011 valuation, the funded ratio is 90%.

As long as the funded ratio remains within the corridor, the total PLD contribution rate is fixed at 3% of payroll. If the funded status falls outside of the corridor, the employer contribution rate will be incrementally adjusted, but will never be less than a given minimum rate. The factor for incremental adjustments when the funded status falls outside the range is 10% of the difference between the calculated rate and the rate then in effect. Even if the rate is reduced for a number of years, it will never fall below 1% of payroll.

The "calculated rate" discussed above is defined as the sum of the Plan's normal cost and a 15 year amortization of the "Pooled Unfunded Actuarial Liability" (PUAL). In addition to this payroll-based employer contribution rate, many PLDs are making additional payments (or taking additional credits) to adjust for their Individual Unpooled Unfunded Actuarial Liability (IUUAL) or to pay a "contribution surplus" amount to provide equity between those just coming into the Plan and those whose earlier contributions gave rise to the PUAL surplus and its resulting low contribution rates.

Due to projections showing that the corridor would likely be breached soon, the Trustees took action to increase the aggregate contribution to 4% of payroll for the 2010/2011 fiscal year and 5% of payroll for the 2011/2012 fiscal year. Given the magnitude of the 2008 market asset loss combined with the significant lag time between any given valuation date and the time at which the rates produced are ultimately paid, we continue to recommend that contribution rates be stepped up for the 2012/2013 fiscal year from 5% to 6%. The rates for the plans reflect the payroll-weighted normal cost and pooled UAL contributions under each plan. The resulting rates for each plan are shown in Section IV of this report.

Actuarial assumptions for interest rate, salary growth, COLA and mortality were changed this year as a result of an experience study completed for the State and Teacher program. Assets are comingled for investment purposes, assumption changes effecting economic assumption are generally changed for this plan at the same time.

The remainder of this section summarizes the Plan's trends, provides the projections, and summarizes the principal results of this year's valuation.

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**SECTION I
BOARD SUMMARY**

Trends

The financial markets produced a positive 22.11% return this year, which was above our actuarial assumption of 7.25%. On an actuarial value basis, the assets returned 6.89% compared with an assumed rate of return of 7.25%, producing an asset loss of \$0.6 million on PLD assets.

The measurement of liabilities produced a loss this year in the amount of \$2.6 million. There were a number of assumption changes since the 2010 valuation as detailed in Appendix D. The assumption changes increased the liability of the plan by \$48.7 million.

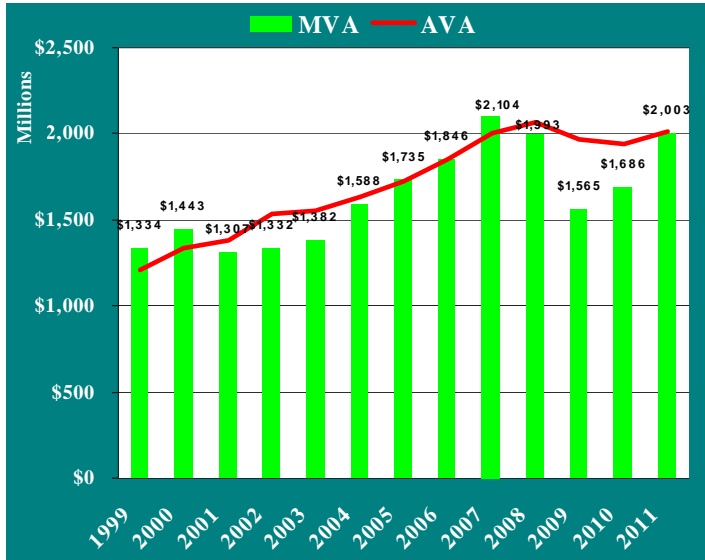
The combined effect of these components over the last year produced a net loss of \$52 million, resulting in the Plan's funding ratio (actuarial value of assets over actuarial accrued liability) decreasing from 93% as of June 30, 2010 to 90% as of June 30, 2011.

It is important to take a step back from the latest results and view them in the context of the Plan's recent history. On the next two pages we present a series of charts which display key factors in the valuations over the last 13 years. After the historical review, we present a few projection graphs, showing the probable condition of the Plan over the next 15 years under various market return scenarios.

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**SECTION I
BOARD SUMMARY**

Growth in Assets

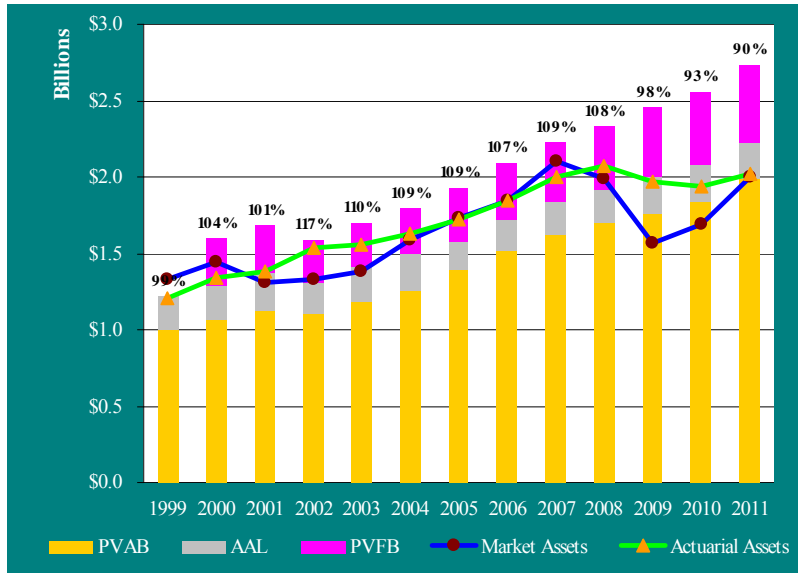


This graph illustrates how the actuarial smoothing method continues to insulate the Plan from market volatility. The market value of assets are shown in the graph labels.

While the market value of assets (MVA) declined in 2008 and 2009 it has recovered over the last two years. The actuarial, or smoothed, value of assets (AVA) is higher than MVA, but the gap is now closing.

Assets and Liabilities

In this comparison graph, the three colored bars represent the three different measures of liability mentioned in this report. For funding purposes, the target amount Actuarial Accrued Liability (the AAL) is represented by the top of the grey bar. We compare the actuarial value of assets to this measure of liability in developing the funded percentages. These are the percentages shown in the graph labels.



The chart illustrates that the Plan had its highest funded percentage (117%) at June 30, 2002, which was just after several PLDs paid off their IUUALs. The amount represented by the top of the pink bars, the Present Value of Future Benefits (PVFB), is the amount needed to provide all benefits for the current participants and their beneficiaries. If the Plan had assets equal to the PVFB, no contributions would, in theory, be needed for the current members. The yellow bars represent the Present Value of Accrued Benefits (PVAB) which is the value of all benefits accrued through the valuation date.

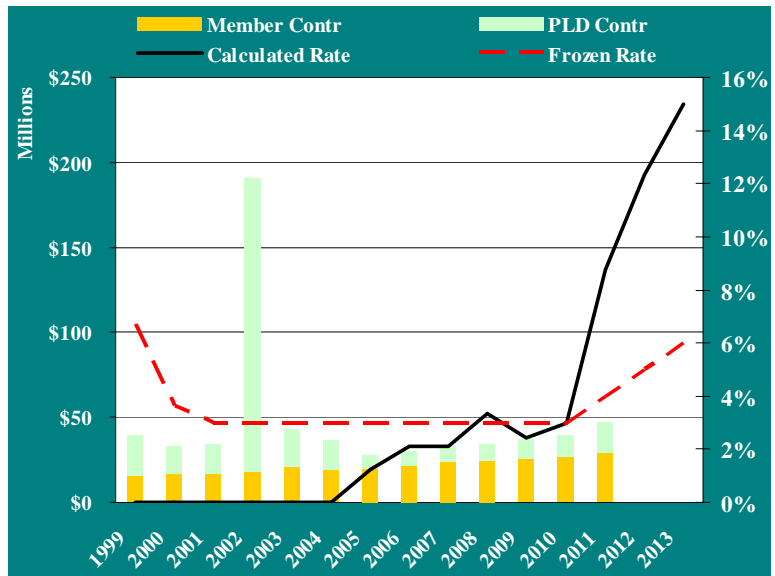
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**SECTION I
BOARD SUMMARY**

Contributions

The stacked bars in this graph show the contributions made by both the PLDs and the members in dollar terms, for the fiscal year ending as of the year shown. The black line shows the aggregate actuarially computed PLD contribution rate as a percent of payroll, and the red dotted line shows the corridor contribution rate which was actually charged. Since there is a lag between the calculation of a contribution rate and the year in which it applies, we are showing two more contribution rates than dollar amounts of contribution. This is to indicate the direction and magnitude of the change in each of these amounts over the coming fiscal years.

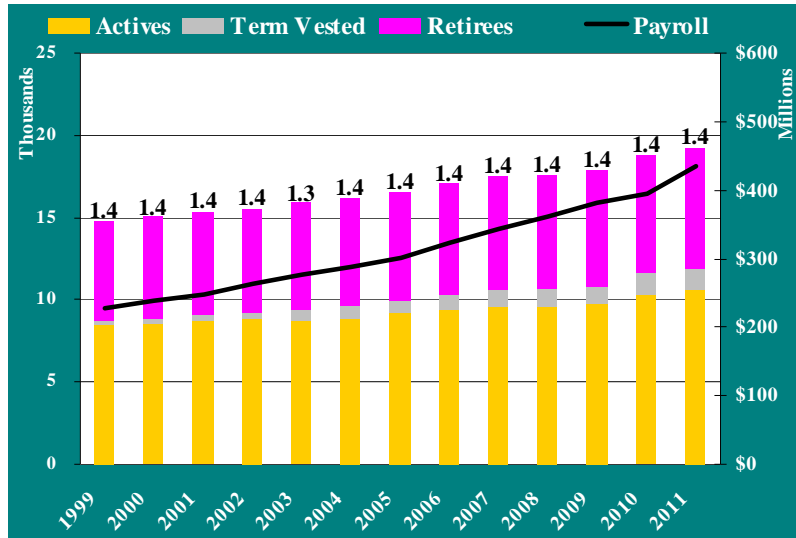
The member contribution rate is set by statute, depending on the plan in which the member participates. The employer contribution rate paid by each PLD is set by this valuation and varies according to the plan in which covered members participate. Some PLDs have an initial charge or credit in addition to the percent of payroll contribution. The large dollar amount contributed in FY 2002 was due to several PLDs paying off their IUUAL amounts.



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**SECTION I
BOARD SUMMARY**

Participant Trends



The chart to the left shows the number of actives, terminated vested and retired members covered by the Consolidated Plan. The black line indicates growth in the covered payroll of actives in this Plan.

There has been about 1.9% per year growth in the active and a 1.7% per year growth in the retired members of the Plan over the time period shown. The terminated vested group has shown the most growth, averaging 15% per year.

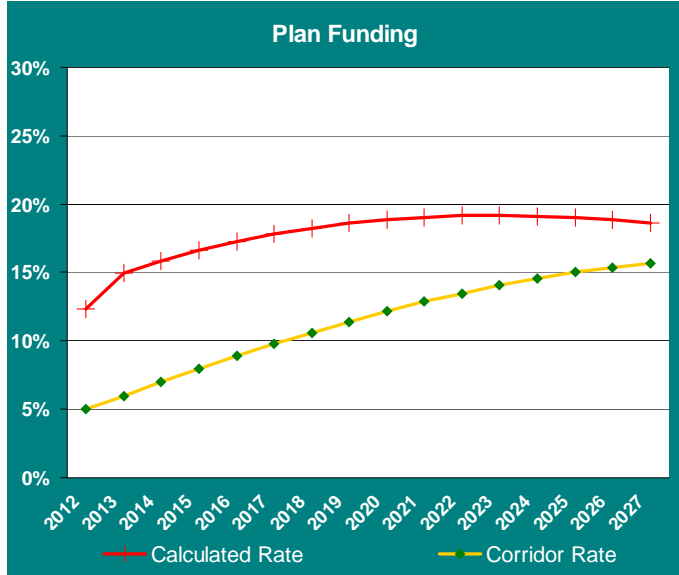
As with many funds in this country, there has been a steady growth in the number of retired members as the Plan has matured. The labels above each bar show the ratio of active members per inactive member. We anticipate that this ratio will begin to decline as the baby boom generation enters retirement. While a declining ratio would be a concern in a plan with no prefunding, in MainePERS's case, it merely indicates that on a cash flow basis, there is more money being paid for benefits than made in contributions. The more negative that a Plan's cash flows are, the more sensitive (in terms of contribution volatility) the Plan is to volatile investment markets. The valuation process takes this trend into account and the projections on the next two pages show that the assets are expected to be sufficient to meet this growing demand.

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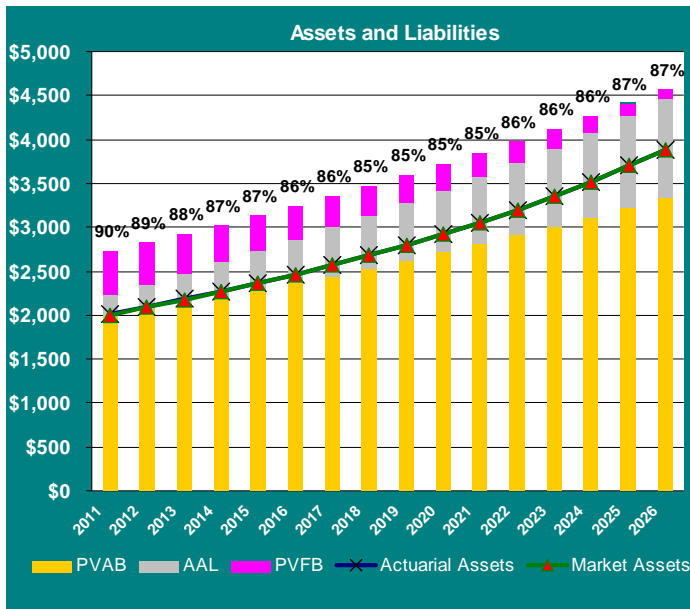
**SECTION I
BOARD SUMMARY**

Projections

Our analysis of the projected financial trends for MainePERS is an important part of this valuation. In this Section, we present a sensitivity analysis of future valuation results in terms of benefit security (assets over liabilities) and the PLDs' expected cost progression. We first present a baseline projection of these future results if the assumed 7.25% investment return were achieved each year. We then present the same projections based on earnings 1% above and 1% below the assumed 7.25% return. The primary purpose of presenting these projections is to demonstrate how sensitive future valuation results could be to positive and down investment markets.



Base Line Projections



These two charts show the expected progress of the Plan over the next 15 years assuming the Plan's assets earn 7.25% on their *market value*. The chart entitled "Plan Funding" shows that as contributions continue to lag the calculated rate, additional unfunded liability will arise. The red line shows the actuarially calculated rate if the corridor were not in place and the yellow line shows the anticipated corridor contributions. Both rates are shown as those being in effect for the fiscal year ending in the year identified.

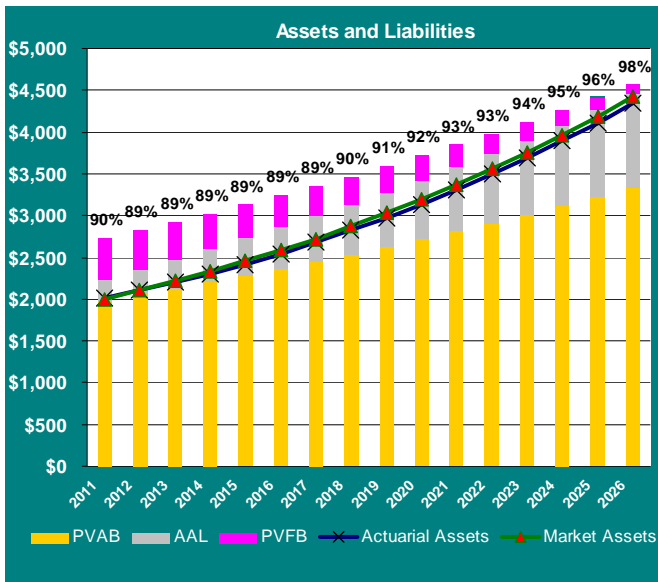
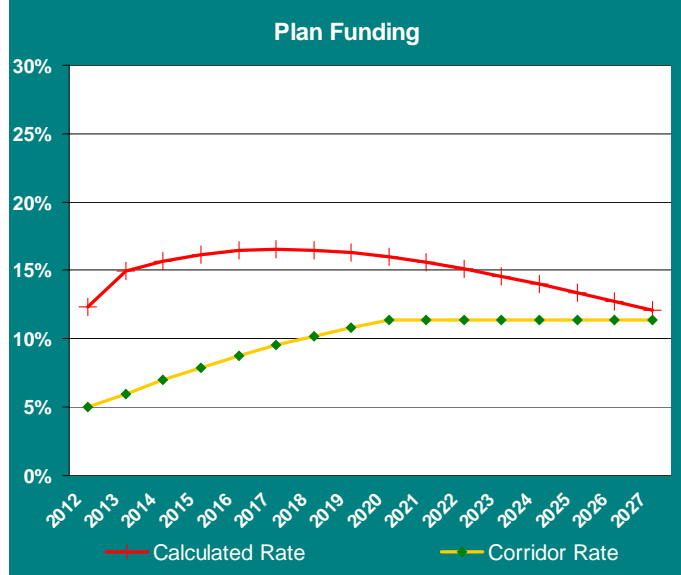
The Assets and Liabilities chart shows the projected funding status over the next 15 years. The current contribution rate structure is assumed to remain in place. The Plan's funded status is projected to decrease while contributions were ramped up, then the ratio slowly increases.

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**SECTION I
BOARD SUMMARY**

Projections with Asset Returns of 8.25%

The future funding of this Plan will be largely driven by the investment earnings. Due to the size of assets, as compared to liabilities, the Plan is in a highly leveraged position. This means that relatively minor changes in the market returns can have significant effects on the Plan's status. The next two charts show what the next 15 years would look like with an 8.25% annual return in each year.

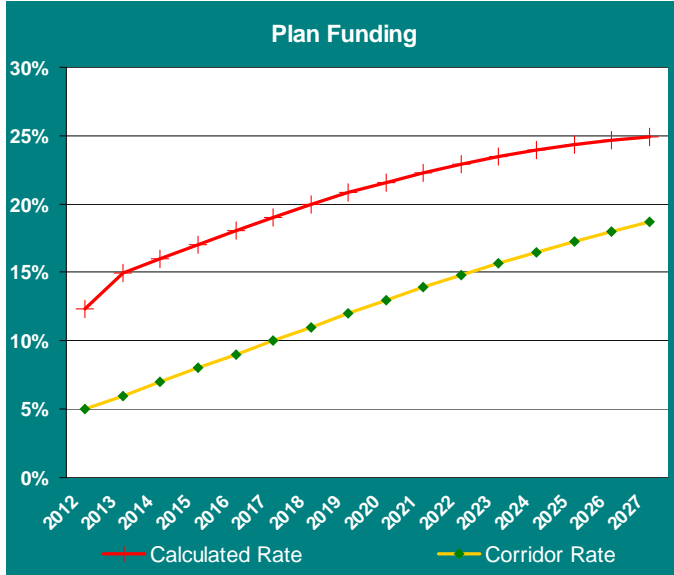


The aggregate contribution rate produced by the valuation process would increase to around 17% of payroll before starting to decrease, and the corridor method rate would increase to level out at 12%. The funded ratio decreases to 88% and then improves to reach 98% by the end of the period shown.

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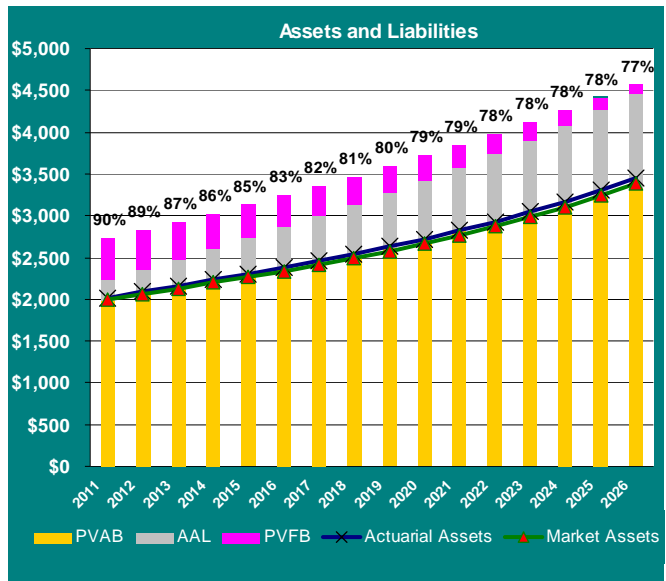
**SECTION I
BOARD SUMMARY**

Projections with Asset Returns of 6.25%



If the assets were to return an average of 6.25% per year over the next 15 years, the contribution rate escalates even more quickly throughout the period.

Under this scenario, the funded ratio would fall to 77% by the end of the period shown.



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SECTION I
BOARD SUMMARY

Table I-1			
Summary of Principal Results			
PLD Consolidated Retirement Plan			
Total			
Valuation as of:	June 30, 2010	June 30, 2011	% Change
<u>Participant Counts</u>			
Actives	10,331	10,614	2.7%
Retired Members	4,830	5,060	4.8%
Beneficiaries of Retired Members	1,824	1,827	0.2%
Survivors of Deceased Members	171	174	1.8%
Disabled Members	347	348	0.3%
Terminated Vested Members	<u>1,263</u>	<u>1,248</u>	(1.2%)
Total Membership	18,766	19,271	2.7%
Annual Salaries of Active Members	\$ 395,747,663	\$ 435,012,940	9.9%
Annual Retirement Allowances for Retired Members, Beneficiaries, Survivors and Disabled Members	\$ 96,787,246	\$ 102,681,024	6.1%
<u>Assets and Liabilities</u>			
<u>Funding Liability</u>			
Actuarial Accrued Liability	\$ 2,085,497,060	\$ 2,230,999,849	7.0%
Actuarial Value of Assets	<u>1,936,558,888</u>	<u>2,017,084,154</u>	4.2%
Unfunded Actuarial Liability	\$ 148,938,172	\$ 213,915,695	43.6%
Unpooled Portion (IUUAL)	<u>10,062,307</u>	<u>8,895,764</u>	(11.6%)
Pooled Portion (PUAL)	\$ 138,875,865	\$ 205,019,931	47.6%
Actuarial Liability Funding Ratio	92.86%	90.41%	
<u>FASB Accounting Liability</u>			
Accrued Benefit Liability	\$ 1,839,999,020	\$ 1,988,745,941	8.1%
Market Value of Assets	<u>1,686,348,793</u>	<u>2,003,477,315</u>	18.8%
Unfunded Accrued Benefit Liability	\$ 153,650,227	\$ 0	(100.0%)
Accrued Benefit Funding Ratio	91.65%	100.74%	

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SECTION I
BOARD SUMMARY

Table I-2			
Summary of Principal Results			
PLD Consolidated Retirement Plan			
Regular Plans, AC, AN & BC			
Valuation as of:	June 30, 2010	June 30, 2011	% Change
<u>Participant Counts</u>			
Actives	7,935	8,195	3.3%
Retired Members	3,508	3,685	5.0%
Beneficiaries of Retired Members	1,250	1,249	(0.1%)
Survivors of Deceased Members	151	171	13.2%
Disabled Members	270	267	(1.1%)
Terminated Vested Members	<u>1,206</u>	<u>1,192</u>	(1.2%)
Total Membership	14,320	14,759	3.1%
Annual Salaries of Active Members	\$ 271,247,845	\$ 303,291,943	11.8%
Annual Retirement Allowances for Retired Members, Beneficiaries, Survivors and Disabled Members	\$ 56,054,488	\$ 59,934,119	6.9%
<u>Assets and Liabilities</u>			
<u>Funding Liability</u>			
Actuarial Accrued Liability	\$ 1,243,936,542	\$ 1,301,054,963	4.6%
Actuarial Value of Assets	<u>1,155,114,918</u>	<u>1,176,321,303</u>	1.8%
Unfunded Actuarial Liability	\$ 88,821,624	\$ 124,733,660	40.4%
Unpooled Portion (IUUAL)	<u>6,229,413</u>	<u>5,396,902</u>	(13.4%)
Pooled Portion (PUAL)	\$ 82,592,211	\$ 119,336,758	44.5%
Actuarial Liability Funding Ratio	92.86%	90.41%	
<u>FASB Accounting Liability</u>			
Accrued Benefit Liability	\$ 1,082,267,540	\$ 1,157,937,330	7.0%
Market Value of Assets	<u>1,005,870,081</u>	<u>1,168,386,079</u>	16.2%
Unfunded Accrued Benefit Liability	\$ 76,397,459	\$ 0	(100.0%)
Accrued Benefit Funding Ratio	92.94%	100.90%	

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SECTION I
BOARD SUMMARY

Table I-3			
Summary of Principal Results			
PLD Consolidated Retirement Plan			
Special Plans 1C-4C & 1N-4N			
Valuation as of:	June 30, 2010	June 30, 2011	% Change
<u>Participant Counts</u>			
Actives	2,396	2,419	1.0%
Retired Members	1,322	1,375	4.0%
Beneficiaries of Retired Members	574	578	0.7%
Survivors of Deceased Members	20	3	(85.0%)
Disabled Members	77	81	5.2%
Terminated Vested Members	<u>57</u>	<u>56</u>	(1.8%)
Total Membership	4,446	4,512	1.5%
Annual Salaries of Active Members	\$ 124,499,818	\$ 131,720,997	5.8%
Annual Retirement Allowances for Retired Members, Beneficiaries, Survivors and Disabled Members	\$ 40,732,758	\$ 42,746,905	4.9%
<u>Assets and Liabilities</u>			
<u>Funding Liability</u>			
Actuarial Accrued Liability	\$ 841,560,518	\$ 929,944,886	10.5%
Actuarial Value of Assets	<u>781,443,970</u>	<u>840,762,849</u>	7.6%
Unfunded Actuarial Liability	\$ 60,116,548	\$ 89,182,037	48.3%
Unpooled Portion (IUUAL)	<u>3,832,894</u>	<u>3,498,862</u>	(8.7%)
Pooled Portion (PUAL)	\$ 56,283,654	\$ 85,683,175	52.2%
Actuarial Liability Funding Ratio	92.86%	90.41%	
<u>FASB Accounting Liability</u>			
Accrued Benefit Liability	\$ 757,731,480	\$ 830,808,611	9.6%
Market Value of Assets	<u>680,478,712</u>	<u>835,091,236</u>	22.7%
Unfunded Accrued Benefit Liability	\$ 77,252,768	\$ 0	(100.0%)
Accrued Benefit Funding Ratio	89.80%	100.52%	

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**SECTION II
ASSETS**

Pension program assets play a key role in the financial operation of the Program and in the decisions the Trustees make with respect to future deployment of those assets. The level of assets, the allocation of assets among asset classes, and the methodology used to measure assets will likely impact benefit levels, State contributions, and the ultimate security of participants' benefits.

The assets of the Program include amounts contributed for all programs for which the System is the Plan Sponsor, namely, the State Employee and Teacher Retirement Program, the Judicial Retirement Program, the Legislative Retirement Program, the Participating Local District Retirement Program, which includes the Consolidated Plan for Participating Local Districts (PLDs), along with several plans of PLDs who withdrew from the System, as the assets of all these programs are co-mingled for investment purposes. In performing the annual valuation, the actuarial value of assets that is developed reflects all defined benefit plan assets and subsequently it is allocated across all of the defined benefit plans included in the programs administered by MainePERS.

In this section, we present detailed information on Plan assets including:

- **Disclosure** of assets at June 30, 2010 and June 30, 2011;
- Statement of the **changes** in market values during the year;
- Development of the **actuarial value of assets**;
- **Allocation** of actuarial value to subplans;
- Assessment of **investment performance**; and
- Projection of expected **cash flows** for the next ten years.

Disclosure

The market value of assets represents a “snap-shot” or “cash-out” value which provides the principal basis for measuring financial performance from one year to the next. Market values, however, can fluctuate widely with corresponding swings in the marketplace. Because these fluctuations would result in volatility in the resulting contributions if the market value were used, unadjusted, in the valuation process, an actuarial value is developed.

The actuarial values are market values which have been smoothed and are used for evaluating the Program's ongoing liability to meet its obligations.

Current actuarial methods employed in this Program set the actuarial value equal to the expected value plus one-third of the difference between the actual market value of assets and the expected value of assets. The expected value of assets takes the prior year's actuarial value of assets and adjusts it for contributions, benefit payments, and expected interest earnings at the assumed 7.25% rate.

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**SECTION II
ASSETS**

Table II-1		
Changes in Market Value of Total Defined Benefit Plan Assets (All Programs)		
Value of Assets – June 30, 2010		\$ 9,069,441,021
<u>Additions</u>		
Contributions:		
Employer Contributions	\$ 351,705,636	
Employee Contributions	160,204,377	
Transfer	<u>(5,149)</u>	
Total Contributions		\$ 511,904,864
Investment Income:		
Net Appreciation (Depreciation) in Fair Value of Investments	\$ 2,001,829,455	
Interest on Bank Balances	<u>165,050</u>	
Total Investment Income		\$ 2,001,994,505
Investment Activity Expenses:		
Management Fees	\$ (17,985,001)	
Investment Related Expense	(1,599,106)	
Banking Fees	<u>(29,570)</u>	
Total Investment Activity Expenses		\$ (19,613,677)
Net Income from Investing Activities		\$ 1,982,380,828
Total Additions		\$ 2,494,285,692
<u>Deductions</u>		
Retirement Benefits	\$ (625,390,774)	
Disability Benefits	(36,289,226)	
Survivor Benefits	(19,289,534)	
Refunds and Other Expenses	<u>(41,669,613)</u>	
Total Deductions		\$ 722,639,147
<u>Total</u>		
Net Increase (Decrease)		\$ 1,771,646,545
Value of Assets – June 30, 2011		\$ 10,841,087,566

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ACTUARIAL VALUATION AS OF JUNE 30, 2011**

**SECTION II
ASSETS**

Table II-2 Development of Actuarial Value of Assets (All Programs) as of June 30, 2011		
1.	Actuarial Value of Assets at June 30, 2010	\$ 10,415,109,080
2.	Amount in (1) with Interest to June 30, 2011	11,170,204,488
3.	Employer and Member Contributions for the Plan Year Ended June 30, 2011	511,904,864
4.	Interest on Contributions Assuming Received Uniformly Throughout the Year to June 30, 2011	18,231,880
5.	Disbursements from Trust Except Investment Expenses, July 1, 2010 through June 30, 2011	(722,639,147)
6.	Interest on Disbursements Assuming Payments Made Uniformly throughout the Year to June 30, 2011	<u>(26,171,844)</u>
7.	Expected Value of Assets at June 30, 2011 = (2) + (3) + (4) + (5) + (6)	\$ 10,951,530,241
8.	Actual Market Value of Assets at June 30, 2011	10,841,087,566
9.	Excess of (8) Over (7)	<u>(110,442,675)</u>
10.	Actuarial Value of Assets at June 30, 2011 = (7) + 33 $\frac{1}{3}$ % of (9)	\$ 10,914,716,016

Actuarial Value of Assets

The actuarial value of assets represents a “smoothed” value developed by the actuary to reduce, or eliminate, volatile contribution rates which could develop from short-term fluctuations in the market value of assets. For this Program, the actuarial value has been calculated by adding one-third of the difference between actual market value and expected value, to the expected value. The previous table illustrates the calculation of actuarial value of assets for the June 30, 2011 valuation.

Allocation of Actuarial Value of Assets

The assets for all of the defined benefit plans in the programs administered by MainePERS are commingled for investment purposes. The actuarial smoothing methodology is applied on the market value of total assets. This produces an asset ratio which is then applied to the market value of assets attributable to each of the programs. The asset value derived in this valuation is 1.00679 (\$10,914,716,016 ÷ \$10,841,087,566). The allocation of actuarial value of assets to each of the System’s retirement programs is shown in the following chart.

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**SECTION II
ASSETS**

Table II-3 Allocation of Actuarial Value of Assets as of June 30, 2011		
	Market Value	Actuarial Value
Teachers	\$ 5,693,816,434	\$ 5,732,486,621
State (Regular & Special)	2,984,131,440	3,004,398,500
Judges	48,992,049	49,324,784
Legislators	8,979,197	9,040,180
Participating Local Districts (Consolidated & Non-Consolidated)	<u>2,105,168,446</u>	<u>2,119,465,931</u>
Total Fund	\$10,841,087,566	\$ 10,914,716,016

Investment Performance

The market value of assets returned a positive 22.11% during FY 2011. This is significantly higher than the assumed return of 7.25%. The returns in FY 2010 and FY 2009 were positive 11.28% and negative 19.00% respectively.

On an actuarial value of assets basis, the return for FY 2011 was a positive 6.89%. This return is lower than the return on a market value basis and does not meet the 7.25% assumption; therefore, this return gives rise to an investment loss this year.

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**SECTION II
ASSETS**

Table II-4 Projection of Plan's Benefit Payments and Contributions				
FY Ending June 30,	Expected Benefit Payments	Expected PLD Contributions (based on Corridor Method)	Expected Member Contributions	Total Expected Contributions
2012	\$ 112,329,000	\$ 21,751,000	\$ 28,711,000	\$ 50,462,000
2013	121,807,000	27,014,000	29,716,000	56,730,000
2014	131,387,000	27,960,000	30,756,000	58,716,000
2015	139,835,000	28,938,000	31,832,000	60,770,000
2016	148,215,000	29,951,000	32,946,000	62,897,000
2017	157,146,000	31,000,000	34,099,000	65,099,000
2018	165,936,000	32,085,000	35,293,000	67,378,000
2019	174,743,000	33,207,000	36,528,000	69,735,000
2020	183,325,000	34,370,000	37,807,000	72,177,000
2021	191,562,000	35,573,000	39,130,000	74,703,000

We provide this projection of cashflows in and out of the Plan for informational purposes. The Board may share these projections with its investment advisor for consideration of the growing gap between cash coming in from PLD and member contributions and cash being paid out to provide benefits. The chart shows this gap is expected to widen as more of the baby boom generation joins the retiree payroll.

The expected benefit payments were developed on the basis of those currently included in this valuation and on the assumption that the actuarial assumptions disclosed in Appendix D will be exactly met. Actual benefit payments will vary if members retire sooner or later than assumed and if salary increases and actual future post-retirement COLAs differ from those assumed. The projections exclude any assumption about new hires, whose experience will eventually lead to increased benefit payments. However, we do not feel this exclusion will materially impact the projections for the time period shown.

Expected contributions are based on the current covered payroll and the frozen aggregate PLD contribution rate, of 5% in FY 2012 and 6% thereafter, of payroll. We have assumed that payroll will increase by 3.50% per year in the projection period and that the rate will remain constant.

The projection of member contributions is similarly based on a 3.50% per year increase in covered payroll multiplied by the average aggregate member contribution rate of 6.60%.

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**SECTION III
LIABILITIES**

In this section, we present detailed information on Plan liabilities including:

- **Disclosure** of Plan liabilities at June 30, 2010 and June 30, 2011; and
- Statement of **changes** in these liabilities during the year.

Disclosure

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the purpose for which the figures are ultimately used.

- **Present Value of Future Benefits (PVB):** Used for analyzing the overall financial outlook of the Plan, this represents the amount of money needed today to fully pay off all future benefits of the Plan, assuming participants continue to accrue benefits under the current Plan provisions.
- **Actuarial Liability:** Used for funding calculations and GASB disclosures, this liability is calculated taking the Present Value of Future Benefits above and subtracting the obligations that are assigned to future years. This offset is equal to the present value of future Member Contributions and future Employer Normal Costs under an acceptable actuarial funding method. This method is referred to as the **Entry Age Normal** funding method.
- **Present Value of Accrued Benefits:** Used for communicating the current level of liabilities, this liability represents the total amount of money needed today to fully pay off the current accrued obligations of the Plan, assuming no future accruals of benefits. These liabilities are also required for accounting purposes (FASB ASC Topic No. 960) and used to assess whether the Plan can meet its current benefit commitments.

The following table discloses each of these liabilities for the current and prior years' valuations. With respect to the Actuarial Liability and the Present Value of Accrued Benefits, a subtraction of the appropriate value of Plan assets yields, for each respective type, a **net surplus** or an **unfunded liability**.

The Present Value of Benefits (PVB) is compared to the current market value of assets, the expected future value of member contributions and the expected future value of PLD contributions assuming the valuation rate remains constant. The difference between the PVB and these anticipated resources indicates either a shortfall or an expected surplus that may develop over time. This surplus/shortfall indicates the ability of the reduced aggregate contribution rate (4% in the 2010 valuation, increased to 5% in 2011) to fund benefits in the future.

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**SECTION III
LIABILITIES**

**Table III-1
Disclosure of Liabilities**

	June 30, 2010	June 30, 2011
Present Value of Benefits (PVB)		
Active Participant Benefits	\$ 1,473,078,616	\$ 1,552,786,140
Retiree Benefits	1,023,575,042	1,112,379,937
Terminated Vested and Inactive Members	<u>59,522,620</u>	<u>63,102,608</u>
Total PVB	\$ 2,556,176,278	\$ 2,728,268,685
Market Value of Assets (MVA)	\$ 1,686,348,793	\$ 2,003,477,315
Future Employee Contributions	208,135,662	201,225,175
Future PLD Contributions at 4% Fixed Rate '10; 5% in '11	125,631,786	151,945,258
Projected (Surplus)/Shortfall	<u>536,060,037</u>	<u>371,620,937</u>
Total Resources	\$ 2,556,176,278	\$ 2,728,268,685
Actuarial Liability		
Present Value of Benefits (PVB)	\$ 2,556,176,278	\$ 2,728,268,685
Present Value of Future Normal Costs (PVFNC)		
Employer Portion	262,543,556	296,043,661
Employee Portion	<u>208,135,662</u>	<u>201,225,175</u>
Actuarial Liability (AL = PVB – PVFNC)	\$ 2,085,497,060	\$ 2,230,999,849
Actuarial Value of Assets (AVA)	<u>1,936,558,888</u>	<u>2,017,084,154</u>
Net (Surplus)/Unfunded (AL – AVA)	\$ 148,938,172	\$ 213,915,695
Present Value of Accrued Benefits		
Present Value of Benefits (PVB)	\$ 2,556,176,278	\$ 2,728,268,685
Present Value of Future Benefit Accruals (PVFBA)	<u>716,177,258</u>	<u>739,522,744</u>
Accrued Liability (PVAB = PVB – PVFBA)	\$ 1,839,999,020	\$ 1,988,745,941
Market Value of Assets (MVA)	<u>1,686,348,793</u>	<u>2,003,477,315</u>
Net (Surplus)/Unfunded (PVAB – MVA)	\$ 153,650,227	\$ (14,731,374)

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**SECTION III
LIABILITIES**

Changes in Liabilities

Each of the liabilities disclosed in the prior table is expected to change at each subsequent valuation. The components of these changes, depending upon which liability is analyzed, can include:

- New hires since the last valuation
- Benefits accrued since the last valuation
- Plan amendments changing benefits
- Passage of time which adds interest to the prior liability
- Benefits paid to retirees since the last valuation
- Participants retiring, terminating, or dying at rates different than expected
- A change in actuarial or investment assumptions
- A change in the actuarial funding method

Unfunded liabilities will change because of all of the above, and also due to changes in Plan assets resulting from:

- PLD contributions being different than expected
- Investment earnings being different than expected
- A change in the method used to measure Plan assets

In each valuation, we report on those elements of change which are of particular significance, potentially affecting the long-term financial outlook of the Plan. Below we present key changes in liabilities since the last valuation.

	Table III-2 Present Value of Benefits	Actuarial Liability	Present Value of Accrued Benefits
Liabilities 06/30/2010	\$ 2,556,176,278	\$ 2,085,497,060	\$ 1,839,999,020
Liabilities 06/30/2011	<u>2,728,268,685</u>	<u>2,230,999,849</u>	<u>1,988,745,941</u>
Liability Increase (Decrease)	\$ 172,092,407	\$ 145,502,789	\$ 148,746,921
Change Due to:			
Plan Amendment	\$ --	\$ --	\$ --
Assumption Change	31,820,892	48,704,140	60,748,574
Actuarial (Gain)/Loss	N/C	2,603,019	N/C
Benefits Accumulated and Other Sources	\$ 140,271,515	\$ 99,401,668	\$ 87,993,347

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**SECTION IV
CONTRIBUTIONS**

General Comments

Under established procedures, employer contribution rates based on this June 30, 2011 actuarial valuation are used to determine Fiscal Year 2013 contributions. In this context, the term “employer contribution rate” means the percentage that is applied by each PLD to its active member payroll to determine the PLD’s actual employer contribution amount.

In addition to the applicable employer contribution rate, each individual PLD will make a dollar payment (or receive a dollar credit) based on its IUUAL to be added to (or subtracted from) the amount derived by applying the employer contribution rate to the participant payroll.

Employees are required to contribute to the Plans. Employee contribution rates are detailed in Appendix C.

Description of Rate Components

The Entry Age normal funding method was used to develop the employer contribution rates in this section. Under this funding method, as with most other actuarial funding methods, a total contribution rate is determined which consists of two elements: the normal cost rate and the pooled unfunded actuarial liability rate.

Normal Cost Rate

For each of the Regular and Special Plans in the Consolidated Plan, an individual entry age normal cost rate is determined for a typical new entrant. The normal cost is determined by the following steps. First, an individual normal cost rate is determined by taking the value, as of entry age into a plan, of a representative new entrant’s projected future benefits. Second, this value is then divided by the value, also at entry age, of the member’s expected future salary. Finally, the rate is reduced by the member contribution rate to produce the employer normal contribution rate.

Pooled Unfunded Actuarial Liability Rate

The unfunded actuarial liability under the Entry Age Normal method equals the present value, at time of valuation, of future benefits less the present value of future normal costs, future member contributions, future IUUAL payments and current assets. Under the Consolidated Plan, a Pooled Unfunded Actuarial Liability Rate is calculated for the Regular Plans as a group and for the Special Plans as a group. The rate for each group is then allocated to each plan within the Regular Plans and to those within the Special Plans, respectively, on the basis of total normal cost plus employee contributions for each such plan. That is, those plans which constitute a larger portion of the overall liability will pay a larger portion of the pooled UAL rate or receive a larger credit if the rate is negative. The pooled UAL rates are calculated for the Regular and Special Plans in the aggregate in Table IV-1.

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**SECTION IV
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IUUAL Payments/(Credits)

In addition to employer contributions required under the Consolidated Plan, each individual PLD in the Consolidated Plan that came into the Plan with liabilities in excess of assets will make payments on its IUUAL until it is fully paid off. Where IUUAL payments are due, each PLD makes payment of a specific dollar amount. Where a PLD had, at the time of entry into the Consolidated Plan, surplus assets, the PLD uses a portion of the surplus toward payment of its employer contributions to the Consolidated Plan. Credit transactions, also of specific dollar amounts, are accomplished by MainePERS accounting entries.

Employer Contribution Rate Summary

In Table IV-2, we present employer contribution rates applicable for determining the Fiscal Year 2013 contributions to the Plan, using the cost methods described above. These were developed using the actuarial assumptions and methods described in Appendix D.

New Entrant/Re-Entrant Rate

While the above description of the employer rate components and calculation applies to all PLDs' rates, there is an additional rate-calculation step for PLDs that join the Consolidated Plan after the three-year "window period" that was in place at the outset of the Plan and for PLDs that rejoin the Plan, having previously withdrawn from it.

An entity that becomes a PLD, having not before been one, and joins the Consolidated Plan (as all such new PLDs must) is required to pay a new entrant rate to the Plan, as is a PLD that existed when the Plan was established but did not then join the Plan (a so-called "withdrawn" PLD), and thereafter does so. The new entrant rate is calculated as the difference between the Normal Cost and the Total Rate. The Normal Cost and the Total Rate are those in effect at the time the PLD enters the Plan, for the plan or plans that the PLD adopts. The new entrant rate must be paid for a period of three years, after which the PLD henceforth pays the then-applicable Total Rate.

A PLD that joined the Consolidated Plan, subsequently becomes a "withdrawn" PLD, and later rejoins the Plan may be required to pay a "new" entrant rate (more properly called a re-entrant rate in these circumstances). The rate is calculated as stated above and is in effect for the rejoining PLD for the difference between the number of years that the PLD previously participated in the Consolidated Plan prior to withdrawal and three years. At the end of the established period, the PLD henceforth pays the then-applicable Total Rate.

The new entrant/re-entrant rate takes into account the fact that in the first three years of the Consolidated Plan's existence, then-existing PLDs who joined the Plan paid a Normal Cost rate that could only be an estimated rate until the population of Plan participants at the end of the three-year period was established. The population having been established, the Normal Cost rate

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**SECTION IV
CONTRIBUTIONS**

could actuarially be calculated. The actuarial Normal Cost rate proved to be lower than the estimated rate, which meant that those PLDs had made higher employer contributions than necessary during the three-year period, thereby increasing the Plan's assets. Later-joining PLDs benefit in terms of the employer contribution rate from the higher Plan assets that resulted from the earlier joining PLDs' larger than necessary contributions. The new entrant/re-entrant rate is intended to create equivalence, if not perfect equality, among all PLDs as to the degree to which they participate in building Plan assets.

The new entrant/re-entrant rate is in addition to any IUUAL payment required from the PLD.

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**SECTION IV
CONTRIBUTIONS**

Table IV-1			
Consolidated Plan for Participating Local Districts of the Maine Public Employees Retirement System June 30, 2011			
Development of Pooled UAL Rate			
	Regular Plans	Special Plans	Total
1. Present Value of Benefits	\$ 1,618,209,864	\$ 1,110,058,821	\$ 2,728,268,685
2. Present Value of Future Contributions			
a. Employer Normal Cost	186,162,969	109,880,692	296,043,661
b. Employee Contributions	<u>130,991,932</u>	<u>70,233,243</u>	<u>201,225,175</u>
3. Actuarial Accrued Liability (1) – (2)	\$ 1,301,054,963	\$ 929,944,886	\$ 2,230,999,849
4. Actuarial Value of Assets			
a. Total Invested Assets	\$ 1,219,690,947	\$ 863,644,021	\$ 2,083,334,968
b. IUUAL Surpluses in Individual PLD Accounts	<u>43,369,644</u>	<u>22,881,172</u>	<u>66,250,816</u>
c. Valuation Assets (a) – (b)	\$ 1,176,321,303	\$ 840,762,849	\$ 2,017,084,152
5. Unfunded Actuarial Accrued Liability			
a. Total Unfunded Liability (3) – (4c)	\$ 124,733,660	\$ 89,182,037	\$ 213,915,697
b. Individual PLD Unpooled Liability (IUUAL)	<u>5,396,902</u>	<u>3,498,862</u>	<u>8,895,764</u>
c. Pooled Unfunded Actuarial Liability (a) – (b)	\$ 119,336,758	\$ 85,683,175	\$ 205,019,933
6. Amortization over 15 Years	\$ 13,310,184	\$ 9,556,643	\$ 22,866,827
7. Payroll	\$ 303,291,943	\$ 131,720,997	\$ 435,012,940
8. Pooled Unfunded Actuarial Liability Contribution Rate	4.4%	7.3%	5.3%

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**SECTION IV
CONTRIBUTIONS**

Table IV-2				
Consolidated Plan for Participating Local Districts of the Maine Public Employees Retirement System				
Employer Contribution Rates*				
Fiscal Year 2013				
	Normal Cost**	Regular Plans	Special Plans	Total Rates
<u>Plans with COLA</u>				
Regular Employees Plan AC	9.4%	(4.1%)		5.3%
Regular Employees Plan BC	7.3%	(4.1%)		3.2%
Special Plan 1C	16.0%		(3.8%)	12.2%
Special Plan 2C	10.0%		(2.5%)	7.5%
Special Plan 3C	11.9%		(1.9%)	10.0%
Special Plan 4C	7.5%		(0.9%)	6.6%
<u>Plans with No COLA</u>				
Regular Employees Plan AN	6.7%	(3.9%)		2.8%
Special Plan 1N	10.0%		(3.2%)	6.8%
Special Plan 2N	6.1%		(2.1%)	4.0%
Special Plan 3N	6.7%		(1.2%)	5.5%
Special Plan 4N	3.0%		0.6%	3.6%

* IUUAL payments are made in addition to these costs and IUUAL credits are taken against these costs.

** Includes costs of ancillary benefits.

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**SECTION V
ACCOUNTING STATEMENT INFORMATION**

ASC Topic No. 960 of the Financial Accounting Standards Board (FASB) requires the Plan to disclose certain information regarding its funded status. Statement No. 25 of the Governmental Accounting Standards Board (GASB) establishes standards for disclosure of pension information by public employee retirement systems (PERS) and governmental employers in notes to financial statements and supplementary information.

The FASB ASC Topic No. 960 disclosures provide a quasi “snap shot” view of how the Plan’s assets compare to its liabilities if contributions stopped and accrued benefit claims had to be satisfied. However, due to potential legal requirements and the possibility that alternative interest rates would have to be used to determine the liabilities, these values may not be a good indication of the amount of money it would take to buy the benefits for all members if the Plan were to terminate.

The GASB-25 actuarial accrued liability is the same as the actuarial liability amount calculated for funding purposes.

Both the present value of accrued benefits (FASB ASC Topic No. 960) and the actuarial accrued liability (GASB-25) are determined assuming that the Plan is ongoing and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions. Liabilities are discounted at the assumed valuation interest rate of 7.25% per annum.

FASB ASC Topic No. 960 specifies that a comparison of the present value of accrued (accumulated) benefits with the market value of the assets as of the valuation date must be provided. GASB Statement No. 25 requires the actuarial accrued liability be compared with the actuarial value of assets for funding purposes. The relevant amounts as of June 30, 2010 and June 30, 2011 are exhibited in Table V-1. Table V-2 reconciles the FASB ASC Topic No. 960 liabilities determined as of the prior valuation June 30, 2010, to the liabilities as of June 30, 2011.

Tables V-3 through V-5 are exhibits required for the System’s Comprehensive Annual Financial Report. The GFOA recommends showing 6-10 years of experience in each of these exhibits. This report will continue to add years of experience to the charts and eventually build up to the recommended disclosure. Table V-3 shows the Notes to Required Supplementary Information. Table V-4 is a history of gains and losses in Accrued Liability, and Table V-5 is the Solvency Test which shows the portion of Accrued Liability covered by Assets.

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SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-1		
Accounting Statement Information		
	June 30, 2010	June 30, 2011
A. FASB ASC Topic No. 960 Basis		
1. Present Value of Benefits Accrued to Date		
a. Members Currently Receiving Payments	\$ 1,023,575,042	\$ 1,112,379,937
b. Vested Terminated and Inactive Members	59,522,620	63,102,608
c. Active Members	<u>756,901,358</u>	<u>813,263,396</u>
d. Total PVAB	\$ 1,839,999,020	\$ 1,988,745,941
2. Assets at Market Value	<u>1,686,348,793</u>	<u>2,003,477,315</u>
3. Unfunded Present Value of Accrued Benefits, But Not Less Than Zero	\$ 153,650,227	\$ (14,731,374)
4. Ratio of Assets to Value of Benefits (2) / (1)(d)	91.65%	100.74%
B. GASB No. 25 Basis		
1. Actuarial Liabilities		
a. Members Currently Receiving Payments	\$ 1,023,575,042	\$ 1,112,379,937
b. Vested Deferred and Inactive Status Members	59,522,620	63,102,608
c. Active Members	<u>1,002,399,398</u>	<u>1,055,517,304</u>
d. Total	\$ 2,085,497,060	\$ 2,230,999,849
2. Actuarial Value of Assets	<u>1,936,558,888</u>	<u>2,017,084,154</u>
3. Unfunded Actuarial Liability	\$ 148,938,172	\$ 213,915,695
4. Ratio of Actuarial Value of Assets to Actuarial Liability	92.86%	90.41%

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SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-2	
Statement of Changes in Total Actuarial Present Value of All Accrued Benefits	
	Accumulated Benefit Obligation (FASB ASC Topic No. 960)
Actuarial Present Value of Accrued Benefits as of June 30, 2010	\$ 1,839,999,020
Increase (Decrease) During Years Attributable to:	
Passage of Time	138,640,898
Benefit Paid – FY 2011	(113,928,809)
Assumption Change	60,768,564
Plan Amendment	0
Benefits Accrued, Other Gains/Losses	<u>63,286,258</u>
Net Increase (Decrease)	\$ 148,746,921
Actuarial Present Value of Accrued Benefits as of June 30, 2011	\$ 1,988,745,941

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SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-3
Note to Required Supplementary Information

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	June 30, 2011
Actuarial cost method	Entry age
Amortization method	Level Dollar Open
Remaining amortization period	15 years
Asset valuation method	3-Year smoothed market
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	3.50% – 9.50%
*Includes inflation at	3.50%
Cost-of-living adjustments	3.12%

The actuarial assumptions used have been recommended by the actuary and adopted by the Plan's Board of Trustees based on the most recent review of the Plan's experience, completed in 2011.

The rate of employer contributions to the plan is composed of the normal cost and an amortization of the unfunded actuarial accrued liability. The normal cost is a level percent of payroll cost which, along with the member contributions, will pay for projected benefits at retirement for the average plan participant. The actuarial accrued liability is that portion of the present value of projected benefits that will not be paid by future employer normal costs or member contributions. The difference between this liability and the funds accumulated as of the same date is the unfunded actuarial accrued liability.

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SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-4
Analysis of Financial Experience
Gain and Loss in Accrued Liability During Years Ended June 30
Resulting from Differences Between Assumed Experience and Actual Experience
Gain (or Loss) for Year ending June 30,

Type of Activity	2006	2007	2008	2009	2010	2011
Investment Income	\$ 0	\$ 55,166,394	\$ (34,263,890)	\$ (201,290,399)	\$ (126,894,734)	\$ (642,960)
Combined Liability Experience	<u>18,317,866</u>	<u>(20,024,675)</u>	<u>24,408,739</u>	<u>(14,959,821)</u>	<u>21,512,375</u>	<u>(2,603,019)</u>
Gain (or Loss) During Year from Financial Experience	\$ 18,317,866	\$ 35,141,719	\$ (9,855,151)	\$ (216,250,219)	\$ (105,382,359)	\$ (3,245,979)
Non-Recurring Items	<u>(61,699,141)</u>	<u>(898,782)</u>	<u>0</u>	<u>27,744,658</u>	<u>0</u>	<u>(48,704,140)</u>
Composite Gain (or Loss) During Year	\$ (43,381,275)	\$ (34,242,937)	\$ (9,855,151)	\$ (188,505,561)	\$ (105,382,359)	\$ (51,950,119)

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**SECTION V
ACCOUNTING STATEMENT INFORMATION**

Table V-5 Solvency Test Aggregate Accrued Liabilities For							
Valuation Date June 30,	(1) Active Member Contributions	(2) Retirees Vested Terms, Beneficiaries	(3) Active Members (Employer Financed Portion)	Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets		
					(1)	(2)	(3)
2011	\$379,478,840	\$ 1,175,482,545	\$ 676,038,464	\$2,017,084,154	100%	100%	68%
2010	347,801,024	1,083,097,662	654,598,374	1,936,558,888	100	100	77
2009	319,531,110	1,039,566,071	641,162,528	1,967,968,244	100	100	95
2008	294,627,592	990,913,007	628,335,716	2,069,378,042	100	100	125
2007	270,986,236	938,899,387	629,089,299	2,001,713,785	100	100	126
2006	239,876,523	884,015,065	596,238,152	1,846,304,483	100	100	121
2005	217,657,321	820,316,284	543,224,512	1,726,776,134	100	100	127

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Androscoggin County	0067	A ¹	1	2	Yes	7/1/1994	
Androscoggin Valley Council of Governments	0231	A			Yes	7/1/1996	
Aroostook County	0106	A			Yes	7/1/1994	
Auburn Housing Authority	0145	A			Yes	7/1/1994	
Auburn Lewiston Airport	0256	A			Yes	7/1/1996	
Auburn Public Library	0043	A			FO	7/1/1996	7/1/2001
Auburn Water and Sewer District	0052	A			Yes	7/1/1994	
Augusta, City of	0023	A	1	2	Yes	7/1/1994	
Baileyville, Town of	0069	A	3		Yes	7/1/1996	
Bangor Housing Authority	0288	A			Yes	7/1/1994	
Bangor Public Library	022	A			Yes	7/1/1996	
Bangor Water District	0059	B ²			Yes	7/1/1996	
Bangor, City of	0020	A	1	2	Yes	7/1/1996	
Bar Harbor, Town of	0015	A	4		Yes	7/1/1995	
Bath Water District	0019	A			Yes	7/1/1994	
Bath, City of	0073	A	2	3	Yes	7/1/1996	
Belfast Water District	0132	A			Yes	7/1/1995	
Belfast, City of	0035	A	2		Yes	7/1/1996	
Berwick Sewer District	0207	A			Yes	7/1/1994	
Berwick, Town of	0108	A	1 ³		FO	7/1/1996	7/1/2008
Bethel, Town of	0246	A			Yes	7/1/1996	
Biddeford, City of	0158	A	3 ⁴		FO	7/1/2010	
Biddeford Housing Authority	0310	A			Yes	7/1/2007	
Boothbay Harbor, Town of	0146	A	2		Yes	7/1/1996	
Boothbay Region Water District	0298	A	2		Yes	1/1/2002	

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Bowdoinham Water District	0319	A			Yes	1/1/2009	
Brewer Housing Authority	0248	A			Yes	7/1/1994	
Brewer, City of	0063	A ⁵	2		Yes	7/1/1996	
Bridgton Water District	0253	A			No	7/1/1996	
Brownville, Town of	0177	A			No	7/1/2010	
Brunswick Fire and Police	0292	A	1 ⁶	3 ⁶	FO	7/1/1997	7/1/1997
Brunswick Public Library	0273	A			FO	7/1/1995	7/1/1995
Brunswick Sewer District	0072	A			Yes	7/1/1996	
Brunswick, Town of	0042	A			FO	7/1/1995	7/1/2000
Bucksport, Town of	0130	A	4 ⁷		No	7/1/1995	
Calais, City of	0036	A			FO	7/1/1996	7/1/1996
Camden, Town of	0008	A			Yes	7/1/1994	
Cape Elizabeth Police	0317	A	2		Yes	7/1/2008	
Caribou Police and Fire	0208	A	1	2	No	7/1/1996	
Carrabasett Valley	0277	A			FO	7/1/1994	7/1/1994
Chesterville, Town of	0295	A ⁸			Yes	7/1/1999	
Cheverus High School	0203	A	2		No	7/1/1996	
China, Town of	0235	A			FO	7/1/1996	7/1/2008
Coastal Counties Workforce, Inc.	0301	A ⁹			Yes	7/1/2003	
Community School District #12	0252	A			Yes	7/1/1996	
Corinna Sewer District	0251	A			No	7/1/1996	
Corinna, Town of	0217	A			Yes	7/1/1996	
Cumberland County	0005	A	2 ¹⁰		Yes	7/1/1996	
Cumberland, Town of	0216	A	2		Yes	7/1/1995	
Damariscotta, Town of	0191	A			Yes	7/1/2011	

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Dexter, Town of	0097	A			Yes	7/1/1996	
Dover - Foxcroft Water District	0137	A			Yes	7/1/1994	
Dover Foxcroft, Town of	0167	A			No	7/1/1995	
Durham, Town of	0234	A			No	7/1/1996	
Eagle Lake Water & Sewer District	0274	A			Yes	7/1/1996	
East Millinocket, Town of	0054	A	2		Yes	7/1/1996	
Easton, Town of	0240	A			Yes	7/1/1994	
Eliot, Town of	0180	A	1 ¹¹		Yes	7/1/1994	
Ellsworth, City of	0013	A	4		Yes	7/1/1995	
Erskine Academy	0249	A			No	7/1/1994	
Fairfield, Town of	0260	A	3		Yes	7/1/1995	
Falmouth Memorial Library	0058	A			Yes	7/1/1996	
Falmouth, Town of	0087	A	2 ¹¹		Yes	7/1/1996	
Farmington Village Corp.	0118	A			No	7/1/1994	
Farmington, Town of	0100	A	1		Yes	7/1/1995	
Fayette, Town of	0296	A			Yes	7/1/1999	
Fort Fairfield Housing Authority	0275	A			FO	7/1/2002	7/1/1994
Fort Fairfield Utilities District	0131	A			Yes	7/1/1996	
Fort Fairfield, Town of	0017	A			Yes	7/1/2000	
Franklin County	0102	A			Yes	7/1/2006	
Freeport, Town of	0142	A	2 ⁹		Yes	7/1/2003	
Frenchville, Town of	0098	A			No	7/1/1996	
Fryeburg, Town of	0149	A			No	1/1/2011	
Gardiner Water District	0221	A			No	7/1/1994	
Gardiner, City of	0024	A	3		FO	7/1/1996	7/1/2009

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Glenburn, Town of	0174	A			Yes	7/1/1994	
Gorham Fire and Police	0334	A	3		Yes	7/1/2009	
Gorham, Town of	0133	A			Yes	7/1/1996	
Gould Academy	0205	A			No	7/1/1996	
Grand Isle, Town of	0312	B			Yes	7/1/2008	
Greater Augusta Utility District ¹²	0311	A			Yes	1/1/2008	
Greenville, Town of	0112	A			Yes	7/1/1996	
Hallowell, City of	0160	A			Yes	7/1/1996	
Hampden Water District	0183	A			Yes	7/1/1996	
Hampden, Town of	0151	A	3 ¹³		FO	7/1/1996	7/1/2009
Hancock County	0056	A			Yes	7/1/1994	
Harpswell, Town of	0270	A			Yes	7/1/1994	
Harrison, Town of	0280	B ¹⁴			Yes	7/1/1994	
Hermon, Town of	0150	A			No	7/1/1996	
Hodgdon, Town of	0215	A			FO	7/1/1996	7/1/2007
Holden, Town of	0338	A	4		Yes	7/1/2011	
Houlton Water District	0026	A			Yes	7/1/1995	
Houlton, Town of	0010	A	4 ⁷		Yes	7/1/1996	
Indian Township Tribal Gov't ¹⁵	0244	A			No	7/1/1996	
Jackman Utility District	0294	A			Yes	7/1/1996	
Jay, Town of	0045	A			Yes	7/1/1994	
Kennebec County	0047	A			Yes	7/1/1995	
Kennebec Sanitary Treatment District	0220	A			FO	7/1/1995	7/1/1995
Kennebec Water District	0031	A			Yes	7/1/1996	
Kennebunk Light and Power Co.	0062	A			Yes	7/1/1994	
Kennebunk Sewer District	0201	A			FO	7/1/1994	7/1/2000

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Kennebunk, Kennebunkport & Wells Water District	0255	A			FO	7/1/1996	7/1/1999
Kennebunk, Town of	0084	A	2 ¹⁶		Yes	7/1/1996	
Kennebunkport, Town of	0188	A	1		FO	7/1/1996	7/1/2006
Kittery Water District	0012	A			Yes	7/1/1994	
Kittery, Town of	0014	A	1 ¹⁷		Yes	7/1/1995	
Lebanon, Town of	0181	A			Yes	7/1/1996	
Lew Aub Water Pollution Control Authority	0163	A			FO	7/1/1996	7/1/1996
Lewiston - Auburn 9-1-1	0291	A			Yes	7/1/1994	
Lewiston Housing Authority	0154	A			Yes	7/1/1994	
Lewiston, City of	0048	A	1	2	Yes	7/1/1996	
Levant, Town of	0339	A			Yes	7/1/2011	
Limestone, Town of	0245	A			Yes	7/1/2006	
Lincoln & Sagadahoc Multi County Jail Authority	0304	A	2		Yes	7/1/2004	
Lincoln Academy	0134	A			Yes	7/1/1994	
Lincoln County	0095	A			Yes	7/1/2004	
Lincoln County Sheriffs	0302	A	2 ⁹		Yes	7/1/2003	
Lincoln Sanitary District	0219	A			Yes	7/1/1994	
Lincoln Water District	0092	A			Yes	7/1/1995	
Lincoln, Town of	0076	A	3		No	7/1/1996	
Linneus, Town of	0214	A			No	7/1/1996	
Lisbon Water Department	0243	A			FO	7/1/1996	7/1/2007
Lisbon, Town of	0103	A	2		Yes	7/1/1996	
Livermore Falls Water District	0032	A			Yes	7/1/1994	
Livermore Falls, Town of	0109	A			No	7/1/1996	
Lovell, Town of	0276	A			Yes	7/1/1996	

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Lubec Water and Electric District	0088	A			Yes	7/1/1996	
Lubec, Town of	0228	A			No	7/1/1996	
Madawaska Water District	0236	A			Yes	7/1/1994	
Madawaska, Town of	0082	A			Yes	7/1/1996	
MADSEC	0297	A			Yes	7/1/1999	
Maine County Commissioners Assoc.	0225	A			No	7/1/1996	
Maine International Trade Center	0293	A			Yes	7/1/1998	
Maine Maritime Academy	0038	A	2		Yes	7/1/1996	
Maine Municipal Association	0055	A			Yes	7/1/2009	
Maine Municipal Bond Bank	0093	A			Yes	7/1/1995	
Maine Public Employees Retirement System	0290	A			Yes	7/1/1994	
Maine School Management Association	0239	A			Yes	7/1/1994	
Maine State Housing Authority	0169	A			Yes	7/1/2005	
Maine Turnpike Authority	0049	A			Yes	7/1/1994	
Maine Veterans Home	0271	A			Yes	7/1/1994	
Mapleton, Castle Hill and Chapman, Town of	0265	A			Yes	7/1/1996	
Mars Hill Utility District	0283	A			Yes	7/1/1994	
Mars Hill, Town of	0227	A			Yes	7/1/1996	
ME Secondary School Principals Association	0105	A			Yes	7/1/1994	
Mechanic Falls Sanitary District	0282	A			FO	7/1/1994	7/1/2002
Mechanic Falls, Town of	0114	A			Yes	7/1/1994	
Medway, Town of	0194	A			Yes	7/1/1996	
Mexico, Town of	0074	A ¹⁸			Yes	7/1/1996	
Milford, Town of	0186	A			No	7/1/1996	
Millinocket, Town of	0003	A	3	4	Yes	7/1/1996	

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Milo Water District	0238	A			No	7/1/1996	
Monmouth, Town of	0316	A	3		Yes	7/1/2008	
Monson, Town of	0184	A			No	7/1/1996	
Mount Desert Island Reg. School District	0120	A			Yes	7/1/1996	
Mount Desert Water District	0300	A ⁹			Yes	7/1/2003	
Mount Desert, Town of	0016	A			Yes	7/1/1996	
New Gloucester, Town of	0210	A			FO	7/1/1995	7/1/2007
Newport, Town of	0314	A	2		Yes	7/1/2008	
Newport Water District	0313	A			Yes	7/1/2008	
North Berwick, Town of	0254	A	1		No	7/1/1996	
North Berwick Water District	0308	A			Yes	7/1/2006	
Norway Water District	0136	A			FO	7/1/1995	7/1/2000
Norway, Town of	0125	A			FO	7/1/1996	7/1/2000
Old Orchard Beach, Town of	0140	A	2	3 / 1 ¹⁹	Yes	7/1/2003	
Old Town Housing Authority	0262	A			FO	7/1/1994	7/1/1994
Old Town Water District	0079	A			No	7/1/1994	
Old Town, City of	0111	A	2		No	7/1/1995	
Oqunquit, Town of	0303	A	1		Yes	7/1/2004	
Orland, Town of	0166	A			No	7/1/1996	
Orono, Town of	0061	A	2 ²⁰		FO	7/1/1996	7/1/2002
Orrington, Town of	0209	A	3		No	7/1/1995	
Otisfield, Town of	0193	A			FO	7/1/1996	7/1/1996
Oxford County	0057	A	2 ⁴		Yes	7/1/1994	
Oxford, Town of	0200	A			No	7/1/1996	
Paris Utility District	0159	A			Yes	7/1/1995	

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Paris, Town of	0127	A			Yes	7/1/1996	
Penobscot County	0011	A			Yes	7/1/1994	
Penquis Cap Inc	0237	A			No	7/1/1995	
Phippsburg, Town of	0202	A	3 ²¹		Yes	7/1/1996	
Piscataquis County	0121	A			Yes	7/1/1994	
Pittsfield, Town of	0110	A			No	7/1/1996	
Pleasant Point Passamaquoddy	0165	A			Yes	7/1/1996	
Poland, Town of	0336	A	1		No	7/1/2010	
Portland Housing Authority	0185	A			Yes	7/1/1994	
Portland Public Library	0041	A			Yes	7/1/1995	
Portland, City of	0002	A	1	2	Yes	7/1/1995	
Princeton, Town of	0258	A			No	7/1/1996	
Regional School Unit #1	0315	A	2		Yes	7/1/2008	
Regional School Unit #2	0323	A			FO	7/1/2009	7/1/2009
Regional School Unit #4	0324	A			Yes	7/1/2009	
Regional School Unit #5	0325	A			Yes	7/1/2009	
Regional School Unit #10	0326	A			Yes	7/1/2009	
Regional School Unit #16	0327	A			Yes	7/1/2009	
Regional School Unit #20	0328	A			Yes	7/1/2009	
Regional School Unit #21	0322	A			FO	7/1/2009	7/1/2009
Regional School Unit #23	0329	A			Yes	7/1/2009	
Regional School Unit #24	0320	A			Yes	7/1/2009	
Regional School Unit #25	0321	A			No	7/1/2009	
Regional School Unit #26	0330	A			Yes	7/1/2009	
Regional School Unit #34	0331	A			No	7/1/2009	

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
Regional School Unit #39	0332	A			Yes	7/1/2009	
Regional School Unit #73	0340	A			Yes	7/1/2011	
Richmond, Town of	0213	A			Yes	7/1/2007	
Richmond Utilities District	0242	A			No	7/1/1994	
Rockland, City of	0018	A	3 ²²	2 ²³	Yes	7/1/1995	
Rockport, Town of	0161	A			No	7/1/1996	
Rumford Fire and Police	0060	A	3	4	Yes	7/1/1995	
Rumford Mexico Sewerage District	0247	A			Yes	7/1/1996	
Rumford Water District	0065	A			Yes	7/1/1995	
Rumford, Town of	0090	A			Yes	7/1/1995	
Sabattus, Town of	0175	A			FO	7/1/1996	7/1/2006
Saco, City of	0192	A	2		No	7/1/1995	
Sagadahoc County	0096	A	2	3 ²⁴	Yes	7/1/2002	
Sanford Housing Authority	0152	A			Yes	7/1/1996	
Sanford Sewerage District	0089	A			FO	7/1/1994	1/1/2009
Sanford Water District	0170	A			Yes	7/1/1996	7/1/2009
Sanford, Town of	0083	A	1 ²⁵		FO	7/1/1995	7/1/2002
Scarborough, Town of	0147	A	2	1 ²⁶	Yes	7/1/1996	
School Administrative District No. 9	0119	A			Yes	7/1/1995	
School Administrative District No. 13	0223	A			Yes	7/1/1996	
School Administrative District No. 29	0168	A			Yes	7/1/1996	
School Administrative District No. 31	0050	A			FO	7/1/1994	7/1/1994
School Administrative District No. 41	0143	A			Yes	7/1/1996	
School Administrative District No. 49	0189	A			No	7/1/1995	
School Administrative District No. 51	0198	A			No	7/1/1996	

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PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
School Administrative District No. 53	0129	A			No	7/1/1996	
School Administrative District No. 54	0115	A			Yes	7/1/1996	
School Administrative District No. 60	0187	A			No	7/1/1994	
School Administrative District No. 67	126	A			Yes	7/1/1996	
Searsport Water District	0124	A			No	7/1/1996	
Searsport, Town of	0117	A			No	7/1/1996	
Skowhegan, Town of	0080	A	3		Yes	7/1/1996	
So Portland Housing Authority	0206	A			Yes	7/1/1996	
Somerset County	0101	A			Yes	7/1/2005	
South Berwick Sewer District	0299	A ⁹			Yes	7/1/2003	
South Berwick Water	0171	A	2		Yes	7/1/1996	
South Berwick, Town of	0141	A	1		FO	7/1/1996	7/1/1996
South Portland, City of	0009	A	3 ²⁷		Yes	7/1/1995	
St. Agatha, Town of	0030	A			Yes	7/1/1996	
Thomaston, Town of	0164	A	2		Yes	1/1/2010	
Thompson Free Library	0318	A			Yes	1/1/2009	
Topsham Sewer District	0307	A ²⁸			Yes	7/1/2005	
Topsham, Town of	0081	A	2	3	Yes	7/1/1996	
Trenton, Town of	0341	A			Yes	7/1/2011	
Tri Community Sanitary Landfill	0267	A			Yes	7/1/1996	
United Technologies Center, Region 4, S. Penobscot	0269	A			FO	7/1/1996	7/1/2009
Van Buren Housing Authority	0229	A			Yes	7/1/1995	
Van Buren, Town of	0182	A			Yes	7/1/1995	
Vassalboro, Town of	0153	A			Yes	7/1/1996	
Veazie Fire and Police	0305	A	3 ²⁹		Yes	7/1/2004	

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Waldo County	0046	A	2		Yes	7/1/1994	
Waldo County Technical Center	0224	A			No	7/1/1996	
Waldoboro, Town of	0195	A	3		Yes	7/1/1995	
Washburn, Town of	0230	A			No	7/1/1994	
Washburn Water and Sewer District	0335	A			No	7/1/2009	
Washington County	0040	A			Yes	7/1/1996	
Waterville Fire and Police	0066	A	3		No	7/1/1996	
Waterville Sewerage District	0222	A			Yes	7/1/1994	
Wells Ogunquit CSD	0266	A			FO	7/1/1995	7/1/1995
Wells, Town of	0107	A	3		Yes	7/1/1995	
West Bath, Town of	0333	A			Yes	7/1/2009	
Westbrook, City of	0122	A			Yes	7/1/2006	
Westbrook Fire and Police	0070	A	1	3	Yes	7/1/2006	
Westbrook Housing Authority	0259	A			Yes	7/1/1996	
Wilton, Town of	0086	A	2		FO	1/1/2009	1/1/2009
Windham, Town of	0309	A	4	3	Yes	7/1/2006	
Winslow, Town of	0144	A ³⁰			Yes	7/1/1996	
Winter Harbor Utility District	0250	A			Yes	7/1/1995	
Winterport Water & Sewer Districts	0306	A ²⁸			Yes	7/1/2005	
Winthrop, Town of	0179	A			FO	7/1/1994	7/1/2003
Winthrop Utilities District	0337	A			Yes	1/1/2011	
Yarmouth Water District	0278	A			Yes	7/1/1994	
Yarmouth, Town of	0116	A	1 ³¹		Yes	7/1/1996	
York County	0037	A	2	1 ³²	Yes	7/1/1996	
York Sewer District	0139	A			FO	7/1/1994	7/1/2006

**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

**APPENDIX A
PARTICIPATING LOCAL DISTRICT PLAN ELECTIONS**

PLD Name	PLD #	Regular Plan	Special Plan	Special Plan	COLA	Entry Date	FO COLA Date
York Water District	0039	A			Yes	7/1/1996	
York, Town of	0028	A	2 ²⁹		Yes	7/1/1994	

**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

**APPENDIX A
PARTICIPATING LOCAL DISTRICT PLAN ELECTIONS**

Notes:

FO = Future Service COLA only, that is, for benefits attributable to service rendered after the Future Service COLA date.

¹ Employees hired prior to July 1, 1997 and who are members of the Plan are covered under Special Plan #1. Corrections Officers and Law Enforcement Officers hired on or after July 1, 1997, will be covered under Special Plan #2. All other employees hired on or after July 1, 1997, will be covered under Regular Plan A.

² Applicable to all new hires on or after July 1, 1996. All members in the PLD at July 1, 1996 elected to remain in the 1/50 Plan under Regular Plan A.

³ Applicable for future service only for Police Officers from July 1, 2008 and for future service only for Firefighters from July 1, 2010.

⁴ Applicable for future service only rendered by law enforcement from July 1, 2003. Applicable for future service only rendered by Firefighters from July 1, 2007.

⁵ Brewer Water District (P0068) ceased to exist as a separate entity on January 15, 2003 and became part of the City of Brewer (P0063). All Brewer Water District Regular Plan AN members became members of the Regular Plan AC for future service only.

⁶ Plan 1 applicable to Police for future service after January 1, 2010, and Plan 3 applicable to Firefighters for future service after January 1, 2010. Some grand-parented police and fire receive all service in Plan 1.

⁷ Applicable for future service rendered by the Town's Firefighters and Police Officers from July 1, 2001.

⁸ Applicable for future service only from July 1, 2000.

⁹ Applicable for future service only from July 1, 2003.

¹⁰ Applicable for future service rendered by the County's Police Officers from July 1, 2008.

¹¹ Applicable for future service of Police Officers, effective July 1, 2006.

¹² Greater Augusta Utility District (P0311) was formed by the merger of the Augusta Water District (former P0034) and the Augusta Sanitary District (former P0064).

¹³ Applicable for future service only for the Town's Firefighters and Police Officers, effective July 1, 2010.

¹⁴ Applicable to all new hires on or after July 1, 1994. All members in the PLD at July 1, 1994, elected to remain in the 1/50 Plan under Regular Plan A.

**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

**APPENDIX A
PARTICIPATING LOCAL DISTRICT PLAN ELECTIONS**

- ¹⁵ Indian Township Tribal Government (P0144) withdrew from participation effective February 29, 2008.
- ¹⁶ Applicable to all service for Police Officers and for future service only of Firefighters rendered from July 1, 2008.
- ¹⁷ Applicable for future service only (from July 1, 2007) for Police Officers.
- ¹⁸ Withdrew from Plan for new members, effective July 31, 2004.
- ¹⁹ Plan 3 for future service of Police Officers hired on or after October 12, 1992, after January 1, 2010. Plan 1 for future service after January 1, 2010 for Police Officers hired prior to October 1, 1992.
- ²⁰ Applicable to future service rendered by the Town's Firefighters and Police Officers from July 1, 2005. Prior service was credited under Special Plan 4C.
- ²¹ Applicable for future service rendered by the Town's Police Officers from July 1, 2007.
- ²² Applicable for Police Officers hired before July 1, 1998 for all service and for Police Officers hired after June 30, 1998, for future service only from July 1, 2003.
- ²³ Applicable to new Police Officers hired after June 30, 1998 for service through June 30, 2003.
- ²⁴ Applicable for future service only rendered by law enforcement from July 1, 2002.
- ²⁵ Applicable for future service rendered by the Town's Firefighters from July 1, 2004.
- ²⁶ Applicable for future serviced rendered by the Town's Firefighters from July 1, 2008, and by the Police Officers from July 1, 2010.
- ²⁷ Applicable for future service only of Police Officers, effective July 1, 2009, and for future service only of Firefighters, effective July 1, 2010. Prior service credited under Special Plan 2C.
- ²⁸ Applicable for future service only from July 1, 2005.
- ²⁹ Applicable for future service rendered by the Town's Firefighters from July 1, 2005.
- ³⁰ Withdrew from Plan for new members effective July 1, 2004.
- ³¹ Applicable to all future service rendered by the Town's Firefighters/EMS and Police Officers from July 1, 2010. Previous service credited under Special Plan 2.
- ³² Applicable to all future service rendered by Police Officers after January 1, 2010.

CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011

APPENDIX B
MEMBER AND BENEFITS RECIPIENTS DATA AND PROFILES

Active Member Data as of June 30, 2011	
Regular Plans Members	
Count	8,195
Average Current Age	47.87
Average Service	8.77
Average Valuation Pay	\$ 37,009
Special Plans Members	
Count	2,419
Average Current Age	41.54
Average Service	10.84
Average Valuation Pay	\$ 54,453
All Plans Members	
Count	10,614
Average Current Age	46.43
Average Service	9.24
Average Valuation Pay	\$ 40,985

**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

**APPENDIX B
MEMBER AND BENEFITS RECIPIENTS DATA AND PROFILES**

Participating Local Districts of the Maine Public Employees Retirement System Non-Active Member Data as of June 30, 2011 Regular Plan			
	Count	Total Annual Benefit	Average Annual Benefit
Retired	3,685	\$ 45,656,617	\$ 12,390
Retired- Concurrent Beneficiaries	318	1,090,297	3,429
Disabilities / 1122	47	584,290	12,432
Disabilities / 3 and 3A	220	4,087,775	18,581
Beneficiaries	931	7,544,900	8,104
Pre-Retirement Death Benefits	171	970,240	5,674
Terminated Vested	1,192	7,632,179	6,403

Participating Local Districts of the Maine Public Employees Retirement System Non-Active Member Data as of June 30, 2011 Special Plan			
	Count	Total Annual Benefit	Average Annual Benefit
Retired	1,375	\$ 36,022,185	\$ 26,198
Retired- Concurrent Beneficiaries	361	2,060,053	5,707
Disabilities / 1122	33	598,608	18,140
Disabilities / 3 and 3A	48	1,194,006	24,875
Beneficiaries	217	2,856,080	13,162
Pre-Retirement Death Benefits	3	15,973	5,324
Terminated Vested	56	353,389	6,311

**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

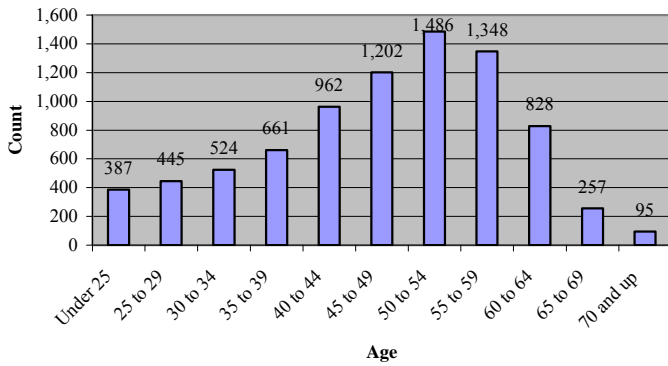
**APPENDIX B
MEMBER AND BENEFITS RECIPIENTS DATA AND PROFILES**

**Distribution of Active Members
As of June 30, 2011**

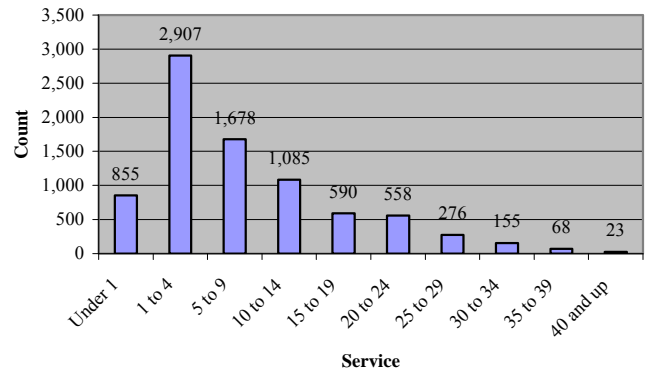
Regular Plan Participants

	Years of Service											Totals
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 and up		
Under 25	163	204	20	0	0	0	0	0	0	0	0	387
25 to 29	112	254	67	12	0	0	0	0	0	0	0	445
30 to 34	81	274	128	37	4	0	0	0	0	0	0	524
35 to 39	101	295	170	76	18	1	0	0	0	0	0	661
40 to 44	110	383	231	134	61	40	3	0	0	0	0	962
45 to 49	97	439	254	194	98	91	25	4	0	0	0	1,202
50 to 54	86	467	336	209	108	149	76	52	3	0	0	1,486
55 to 59	60	363	245	214	163	128	84	49	41	1	1	1,348
60 to 64	27	152	168	154	98	99	63	39	17	11	11	828
65 to 69	11	55	44	42	29	42	14	11	5	4	4	257
70 and up	7	21	15	13	11	8	11		2	7	7	95
Total	855	2,907	1,678	1,085	590	558	276	155	68	23		8,195

Age Distribution



Service Distribution



**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

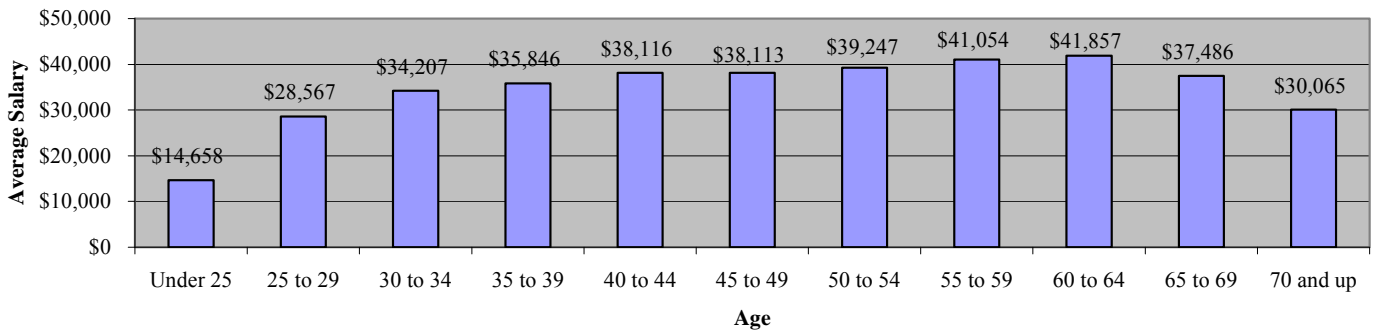
**APPENDIX B
MEMBER AND BENEFITS RECIPIENTS DATA AND PROFILES**

**Distribution of Active Members
As of June 30, 2011**

Regular Plan Participants

	Average Salary Years of Service										Average	
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 and up		
Under 25	\$ 9,636	\$ 19,123	\$ 10,041	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,658
25 to 29	15,692	33,362	31,666	29,929	0	0	0	0	0	0	0	28,567
30 to 34	20,449	35,935	38,405	37,043	33,842	0	0	0	0	0	0	34,207
35 to 39	19,118	37,687	39,069	41,981	42,824	42,182	0	0	0	0	0	35,846
40 to 44	22,999	37,252	40,320	42,797	45,537	47,335	50,090	0	0	0	0	38,116
45 to 49	22,619	36,141	36,909	42,079	47,320	47,147	44,179	45,319	0	0	0	38,113
50 to 54	18,316	37,968	37,771	38,524	41,436	46,202	51,971	53,000	69,195	0	0	39,247
55 to 59	19,152	37,436	39,843	39,751	44,013	48,947	49,733	52,631	50,541	65,832	0	41,054
60 to 64	22,486	35,744	40,856	42,239	42,494	42,916	47,143	53,968	57,818	70,739	0	41,857
65 to 69	16,267	28,255	35,266	40,899	43,328	41,510	42,065	45,752	61,631	57,802	0	37,486
70 and up	19,402	25,066	28,345	20,039	33,674	36,171	43,414	0	44,361	40,321	0	30,065
Average	\$ 17,878	\$ 35,193	\$ 38,058	\$ 40,424	\$ 43,664	\$ 45,980	\$ 48,618	\$ 52,414	\$ 53,817	\$ 59,018	\$ 59,018	\$ 37,009

Average Salary Distribution



**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

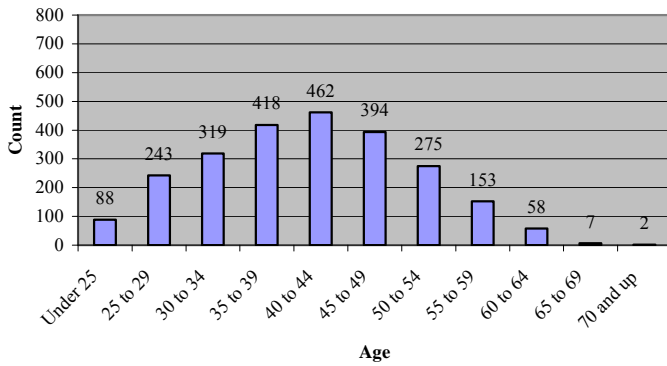
**APPENDIX B
MEMBER AND BENEFITS RECIPIENTS DATA AND PROFILES**

**Distribution of Active Members
As of June 30, 2011**

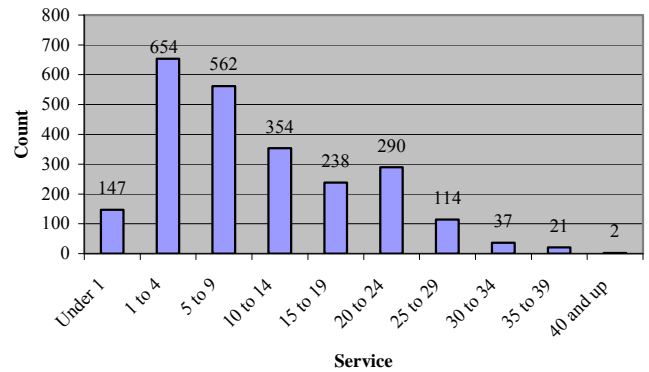
Special Plan Participants

	Years of Service										Totals
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 and up	
Under 25	36	52		0	0	0	0	0	0	0	88
25 to 29	33	164	45	1	0	0	0	0	0	0	243
30 to 34	32	128	125	34	0	0	0	0	0	0	319
35 to 39	18	99	133	117	50	1	0	0	0	0	418
40 to 44	10	81	108	112	91	59	1	0	0	0	462
45 to 49	7	52	89	44	45	128	29	0	0	0	394
50 to 54	9	35	38	25	28	67	59	14	0	0	275
55 to 59	2	28	21	12	16	25	21	19	9	0	153
60 to 64	0	14	2	8	7	8	4	4	11	0	58
65 to 69	0	1	1	1	0	2	0	0	1	1	7
70 and up	0	0	0	0	1	0	0	0	0	1	2
Total	147	654	562	354	238	290	114	37	21	2	2,419

Age Distribution



Service Distribution



**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

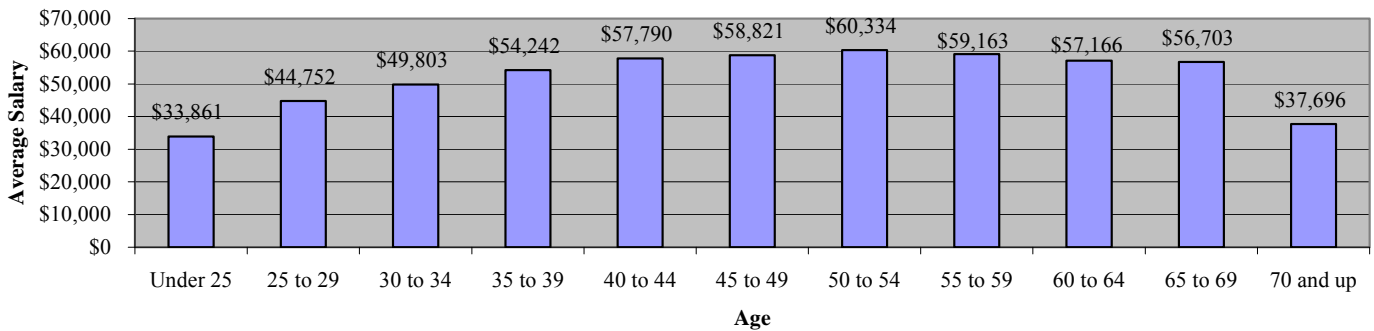
**APPENDIX B
MEMBER AND BENEFITS RECIPIENTS DATA AND PROFILES**

**Distribution of Active Members
As of June 30, 2011**

Special Plan Participants

	Average Salary Years of Service										Average	
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 and up		
Under 25	\$ 19,748	\$ 43,631	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33,861
25 to 29	20,983	47,207	53,288	42,282	0	0	0	0	0	0	0	44,752
30 to 34	29,379	49,706	53,620	55,357	0	0	0	0	0	0	0	49,803
35 to 39	23,489	50,304	54,827	59,483	59,550	41,156	0	0	0	0	0	54,242
40 to 44	29,276	51,130	57,144	57,319	62,762	66,091	62,837	0	0	0	0	57,790
45 to 49	36,529	50,972	56,132	60,159	58,926	63,656	62,996	0	0	0	0	58,821
50 to 54	37,971	51,319	57,331	59,494	55,745	63,034	68,340	69,419	0	0	0	60,334
55 to 59	32,908	54,588	52,016	56,702	56,697	59,045	63,749	70,929	68,363	0	0	59,163
60 to 64	0	35,630	48,892	63,520	67,484	63,916	51,705	62,825	69,909	0	0	57,166
65 to 69	0	56,296	63,887	54,655	0	62,433	0	0	40,224	56,990	0	56,703
70 and up	0	0	0	0	19,345	0	0	0	0	56,047	0	37,696
Average	\$ 25,322	\$ 48,968	\$ 55,147	\$ 58,422	\$ 60,085	\$ 63,531	\$ 65,503	\$ 69,482	\$ 67,833	\$ 56,519	\$ 54,453	

Average Salary Distribution



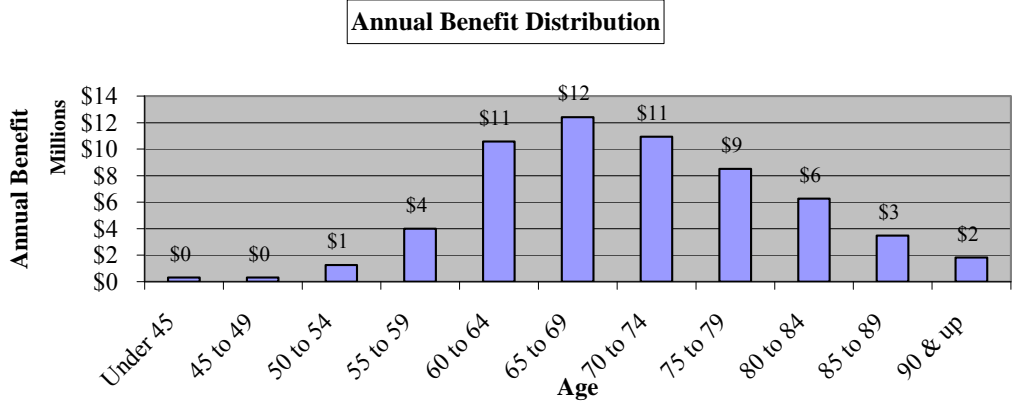
**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

**APPENDIX B
MEMBER AND BENEFITS RECIPIENTS DATA AND PROFILES**

**Distribution of Retirees, Disabled
Members, Beneficiaries, and Survivors
As of June 30, 2011**

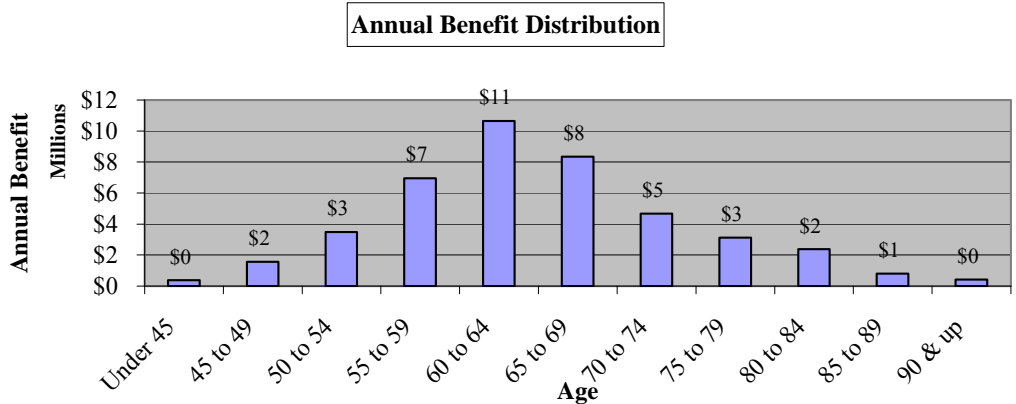
Regular Plan Participants

Age	Count	Annual Benefit
Under 45	64	\$ 319,575
45 to 49	33	322,100
50 to 54	96	1,248,476
55 to 59	238	3,994,899
60 to 64	710	10,589,118
65 to 69	927	12,418,680
70 to 74	976	10,947,102
75 to 79	822	8,505,130
80 to 84	730	6,274,019
85 to 89	491	3,480,512
90 & up	285	1,834,509
Total	5,372	\$ 59,934,119



Special Plan Participants

Age	Count	Annual Benefit
Under 45	22	\$ 366,962
45 to 49	66	1,568,866
50 to 54	139	3,481,496
55 to 59	284	6,954,762
60 to 64	460	10,633,306
65 to 69	396	8,346,011
70 to 74	244	4,665,730
75 to 79	189	3,119,028
80 to 84	142	2,386,658
85 to 89	59	795,213
90 & up	36	428,872
Total	2,037	\$ 42,746,905



CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011

APPENDIX C
SUMMARY OF PLAN PROVISIONS

1. Member Contributions:

Members are required to contribute a percent of earnable compensation which varies by Plan as follows:

Regular AC & AN	6.5%
Regular BC	3.0%
Special 1C & 1N	6.5%
Special 2C & 2N	6.5%
Special 3C & 3N	8.0% for first 25 years, 6.5% after
Special 4C & 4N	7.5% for first 25 years, 6.5% after

2. Average Final Compensation:

For purposes of determining benefits payable under the Plan, average final compensation is the average annual rate of earnable compensation for the 3 years of creditable service (not necessarily consecutive) which produce the highest such average.

3. Creditable Service:

Creditable service includes service while a member, certain service prior to the establishment of the Plan, purchased service credit of which there are several types, and service while receiving disability benefits under the Plan.

4. Service Retirement Benefits:

Regular Plan AC

Normal Retirement Age: 60

Eligibility for Member in Active Service and Inactive Members: 25 years of creditable service.

Eligibility Alternative for Members in Active Service: At least one year of creditable service immediately before retirement and at least normal retirement age.

Eligibility for Members not in Active Service at Retirement, and not in Active Service on or after October 1, 1999: At least ten years of creditable service and at least normal retirement age.

Eligibility for Members not in Active Service at Retirement, but in Active Service on or after October 1, 1999: At least five years of creditable service and at least normal retirement age.

CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011

APPENDIX C
SUMMARY OF PLAN PROVISIONS

Benefit: 1/50 of average final compensation multiplied by years of membership service under Consolidated Plan AC reduced by approximately 2¼% for each year that a member is younger than age 60 at retirement.

Form of Payment: Life annuity (“full benefit”), unless an optional method of payment is selected.

Cost-of-Living Adjustment: See item 10.

Regular Plan AN

This benefit plan is the same as Regular Benefit Plan AC, except that there is no provision for cost-of-living adjustments.

Regular Plan BC

Normal Retirement Age: 60

Eligibility for Member in Active Service and Inactive Members: 25 years of creditable service.

Eligibility Alternative for Members in Active Service: At least one year of creditable service immediately before retirement and at least normal retirement age.

Eligibility for Members not in Active Service at Retirement, and not in Active Service on or after October 1, 1999: At least 10 years of creditable service and at least normal retirement age.

Eligibility for Members not in Active Service at Retirement, but in Active Service on or after October 1, 1999: At least five years of creditable service and at least normal retirement age.

Benefit: 1/100 of average final compensation multiplied by years of membership service under Consolidated Plan BC reduced by approximately 2¼% for each year that a member is younger than age 60 at retirement.

Form of Payment: Life annuity (“full benefit”), unless an optional method of payment is selected.

Cost-of-Living Adjustment: See item 10.

**CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011**

**APPENDIX C
SUMMARY OF PLAN PROVISIONS**

Regular Plan Notes

1. Under certain circumstances, Regular Plan service can count, on a pro rata basis, toward meeting Special Plan benefit eligibility requirements.
2. The actual benefit for service earned prior to coverage under the Consolidated Plan may be based on a variable percentage of average final compensation multiplied by years of service under any previous plan(s) (the percentage depends on the previous plan(s)).

Special Plan 1C

Eligibility: 20 years of creditable service in named positions.

Benefit: One-half of average final compensation plus 2% for each year of service in excess of 20.

Form of Payment: Life annuity (“full benefit”), unless an optional method of payment is selected.

Cost-of-Living Adjustment: See item 10.

Special Plan 1N

This benefit plan is identical to Special Benefit Plan 1C, except that there is no provision for cost-of-living adjustments.

Special Plan 2C

Eligibility: 25 years of creditable service in named positions.

Benefit: One-half average final compensation plus 2% for each year of service in excess of 25.

Form of Payment: Life annuity (“full benefit”), unless an optional method of payment is selected.

Cost-of-Living Adjustment: See item 10.

Special Plan 2N

This benefit plan is identical to Special Benefit Plan 2C, except that there is no provision for cost-of-living adjustments.

CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011

APPENDIX C
SUMMARY OF PLAN PROVISIONS

Special Plan 3C

Eligibility: 25 years of creditable service in named positions.

Benefit: Two thirds of average final compensation plus 2% for each year of service in excess of 25.

Form of Payment: Life annuity (“full benefit”), unless an optional method of payment is selected.

Cost-of-Living Adjustment: See item 10.

Special Plan 3N

This benefit is identical to Regular Benefit Plan 3C, except that there is no provision for cost-of-living adjustments.

Special Plan 4C

Eligibility: Age 55 with 25 years of creditable service in named positions.

Benefit: 1/50 of average final compensation multiplied by years of membership service under Consolidated Plan 4C reduced by approximately 2¼% for each year that a member is younger than age 55 at retirement.

Form of Payment: Life annuity (“full benefit”), unless an optional method of payment is selected.

Cost-of-Living Adjustment: See item 10.

Special Plan 4N

This benefit plan is identical to Special Benefit Plan 4C, except that there is no provision for cost-of-living adjustments.

Special Plan Notes

1. If a Special Plan member fails to meet the Special Plan eligibility criteria, their service retirement benefit is that provided by the applicable underlying Regular Plan; Special Plan service credits are used toward Regular Plan eligibility requirements.
2. Service in all Special Plans counts, on a percentage basis, toward meeting the benefit eligibility requirements of any Special Plan.

CONSOLIDATED PLAN FOR PARTICIPATING LOCAL DISTRICTS
OF THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF JUNE 30, 2011

**APPENDIX C
SUMMARY OF PLAN PROVISIONS**

3. The actual benefit for service earned prior to coverage under the Consolidated Plan may be based on a variable percentage of average final compensation multiplied by years of service under any previous plan(s) (the percentage depends on the previous plan(s)).

5. Pre-Retirement Accidental Death Benefits:

Eligibility: Death while active or disabled resulting from injury received in the line of duty.

Benefit:

- If the member leaves no dependent children, two-thirds of the member's average final compensation to the surviving spouse until death.
- If the member is survived by a spouse who has the care of dependent child(ren) of the member, the surviving spouse shall receive an annual sum equal to the member's average final compensation. When there is no longer any dependent child(ren), the surviving spouse shall receive two-thirds of member's average final compensation until death.
- If the member is survived by a spouse who does not have the care of the member's dependent child(ren), the surviving spouse and dependent child(ren) shall share equally an annual sum equal to the member's average final compensation. When there is no longer any dependent child(ren), the surviving spouse shall receive two-thirds of member's average final compensation until death.
- If the member leaves no spouse, the dependent child(ren) shall be paid an annual amount equal to the member's average final compensation. Benefits will cease when the last dependent child no longer meets the definition of "dependent child."

6. Pre-Retirement Ordinary Death Benefits:

Eligibility: Death while active, inactive, eligible to retire, or disabled.

Benefit: Designated beneficiary, spouse, child(ren), or parents entitled to benefit calculated as if deceased member had retired under Option 2 (see item 12); however, beneficiary may elect survivor benefits payable to a surviving spouse, dependent child(ren), parents, or other designated beneficiaries in monthly amounts varying by status of beneficiary and number of eligible survivors. Otherwise, accumulated contributions with interest are payable to designated beneficiary, spouse, child(ren), older parent or estate.

7. Disability Retirement Benefits Other Than No Age Benefits (See Item 8):

Eligibility: Disabled as defined in the MainePERS statutes, prior to normal retirement age; employed prior to October 16, 1992 and did not elect No Age Disability Benefits.

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**APPENDIX C
SUMMARY OF PLAN PROVISIONS**

Benefit: 66⅔% of average final compensation, reduced by employment earnings over the specified statutory limit, and to the extent that the benefit, in combination with Worker's Compensation and Social Security, exceeds 80% of average final compensation.

Form of Payment: Payment begins on termination of service and ceases on cessation of disability or after five years, unless the member is unable to engage in any substantially gainful activity; in which case payments cease on the earlier of ten years following normal retirement age or date the service retirement benefit equals or exceeds the disability benefit.

Conversion to Service Retirement: During the period of disability, service is credited and average final compensation may be increased with cost-of-living adjustments (see item 10). On the date when service benefits reach a level of 66⅔% of average final compensation or ten years after the normal retirement date, if earlier, the disability converts to a service retirement benefit based on service and average final compensation at that point.

8. No-Age Disability Benefits:

Eligibility: Disabled as defined in the MainePERS statutes; employed on or after October 16, 1992 or employed prior to October 16, 1992 and elected the provisions of No Age Disability.

Benefit: 59% of average final compensation, reduced by employment earnings over the specified statutory limit, and to the extent that the benefit, in combination with Worker's Compensation and Social Security, exceeds 80% of average final compensation.

Form of Payment: Payment begins on termination of service and ceases on cessation of disability or after five years, unless the member is unable to engage in any substantially gainful activity; in which case payments cease on the date the service retirement benefit equals or exceeds the disability benefit.

Conversion to Service Retirement: During the period of disability, service is credited and average final compensation may be increased with cost-of-living adjustments (see item 10). On the date when service benefits reach a level of 59% of average final compensation, the disability benefit converts to a service retirement benefit based on service and average final compensation at that point.

9. Refund of Contributions:

Eligibility: Termination of service other than by retirement or death.

Benefit: Member's accumulated contributions with interest.

**APPENDIX C
SUMMARY OF PLAN PROVISIONS**

10. Cost-of-Living Adjustments (COLA):

All service and disability retirement (and survivor) benefits payable to (or in relation to) benefit recipients who were employed by a PLD that elected a plan which provides for a COLA are adjusted each year that there is a percentage change in the Consumer Price Index, based on the Index. If the percentage change is negative, then no adjustment is made in that year. In subsequent years the adjustment that would have been made will be adjusted downward to the extent necessary to recoup the full actuarial value of not having made the previous year's negative adjustment. This process of adjustment may occur over a multi-year period if needed to recoup the full value of the non-zero COLA.

Cost-of-living adjustments are effective September 1 and are applied to all benefits which have been in payment for six months. The maximum annual increase is 4%.

11. Methods of Payment of Service Retirement Benefits:

At retirement, a member must choose one of the following methods of payment.

Full Benefit: Unadjusted benefit paid for the life of the member only.

Option 1: Cash refund equal to the remaining employee contribution balance, if any, at the date of death (the employee contribution balance having been reduced each month by the portion of the monthly benefit deemed to be provided by employee contributions).

Option 2: 100% joint and survivor annuity.

Option 3: 50% joint and survivor annuity.

Option 4: Joint and survivor annuity at any percentage other than those available under Option 2 and Option 3.

Option 5: Designated percentage of the benefit (not less than 51%) payable to the member, with the remaining percentage (the two to equal 100%) payable to a beneficiary (may only be a sole beneficiary) while both are alive. At the death of either, the higher of the two percentages is paid to the survivor for the survivor's life, and the lower-percentage benefit ceases to be paid.

Option 6: 100% joint and survivor annuity (Option 2) with pop-up*.

Option 7: 50% joint and survivor annuity (Option 3) with pop-up*.

Option 8: Option 4 with pop-up*.

* The "pop-up" feature attached to a given Option means that in the case of a beneficiary predeceasing the member, the member's benefit will be revised prospectively to the amount that the benefit would have been had the member selected Full Benefit payment upon retirement.

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12. Changes in Plan Provision:

None.

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**APPENDIX D
ACTUARIAL ASSUMPTIONS AND METHODS**

Any changes from the assumptions found in Appendix D of the 2010 report have been highlighted below.

A. Actuarial Assumptions

1. **Annual Rate of Investment Return:** 7.25%
2. **Cost-of-Living Increases in Benefits:** 3.12% (Where Applicable)
3. **Rates of Termination at Selected Years of Service*:**

Service	Regular	Special
0	20.0%	25.0%
1	17.5	12.5
2	15.0	10.0
3	12.5	7.5
4	10.0	5.0
5	7.5	4.0
10	2.5	2.5
15	2.5	2.5

* Members with five or more years of service are assumed to elect deferred vested benefits; other terminations are assumed to elect refunds.

4. **Rates of Active Healthy Life Mortality at Selected Ages (number of deaths per 10,000 members)*:**

Age	Previous		Revised	
	Male	Female	Male	Female
50	28	15	16	13
55	48	25	27	24
60	86	48	53	47
65	156	93	103	90
70	255	148	177	155
75	400	244	306	249
80	667	424	554	413
85	1,046	728	997	708
90	1,644	1,250	1,727	1,259
95	2,512	2,002	2,596	1,888

* For Regulars, 5% of deaths are assumed to arise out of and in the course of employment; for Specials, 20% of deaths are assumed to arise out of and in the course of employment.

Rates are based on the RP 2000 Mortality Table for Males and Females projected forward for 2015 using Scale AA.

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5. Rates of Mortality for Disabled Lives at Selected Ages (number of deaths per 10,000 members):

Age	Male	Female
25	92	72
30	112	89
35	134	109
40	160	126
45	193	144
50	236	165
55	295	191
60	362	226
65	446	272
70	576	331

Rates are based on the Revenue Ruling 96-7 Disabled Mortality Table for Males and Females.

6. Rates of Retirement at Selected Ages (number retiring per 1,000 members):

Regular Plans

Age	Assumption
45	50
50	50
55	100
60	270
65	300
70	1,000

Special Plans

Service	Assumption
20	400
21-24	300
25	400
26-29	300
30	400
31-34	300
35+	1,000

Note that the rates are only applied once the member is eligible to retire, so those in 25 year plans are not assumed to retire at 20 years of service.

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7. Rates of Disability at Selected Ages (members becoming disabled per 10,000 members)*:

Age	All Plans
25	3
30	4
35	5
40	7
45	15
50	33
55	61

* 10% assumed to receive Workers Compensation benefits offsetting disability benefit.

8. Family Composition Assumptions:

80% of active members are married and have two children born when the member is 24 and 28; children are dependent until age 18; spouses are same age; member has no dependent parents; unmarried members have beneficiaries entitled to benefits worth 80% as much as those of married members' beneficiaries.

9. Salary Growth Assumption:

Rates of Increases at Selected Years	
Years of Service	Increase
0	9.5%
1	7.5
2	6.0
3	4.7
4	4.3
5	4.0
10	3.5
15	3.5
20	3.5
25	3.5
30	3.5

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10. Date of Adoption of Assumptions:

The economic assumptions and mortality tables were adopted by the Trustees as a result of the latest experience study review performed in 2011 and covering the period July 1, 2005 through June 30, 2010. The remaining assumptions were adopted by the Trustees as a result of the experience study review performed in 2008 and covering the period July 1, 2000 through June 30, 2008.

11. Assumption Changes Since Last Valuation:

See **highlighted** areas above.

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B. Actuarial Methods

1. Funding Method:

The Entry Age Normal method is used to determine costs. Under this funding method, the total employer contribution rate is determined which consists of two elements, the normal cost rate and the pooled unfunded actuarial liability (PUAL) rate. The actual contribution for a given PLD will include an IUUAL payment as well, unless the PLD came into the Plan with surplus assets or has paid off its IUUAL.

For each Regular and Special Plan, a normal cost rate is determined for the average new entrant. This rate is determined by taking the value, as of age at entry into the Plan, of the member's projected future benefits, reducing it by the value of future member contributions, and dividing it by the value, also as of the member's entry age, of the member's expected future salary.

In addition to normal cost contributions calculated per Plan, the employers in each Plan are required to make contributions to fund that plan's PUAL, if any. The actuarial liability is defined as the present value of future benefits less the present value of future normal costs, less future member contributions, and less expected IUUAL payments. The PUAL is the total of the actuarial liability for all members less the actuarial value of the Plan's assets. The actuarial liability includes projections of future member pay increases and future services credits.

The Initial Unpooled Unfunded Actuarial Liability (IUUAL) was calculated at entry into the Consolidated Plan for each PLD. For PLDs with liabilities greater than assets, these amounts are amortized by annual payments over a fixed number of years. Additional unpooled unfunded liability amounts that arise for a given PLD after its entry to the Consolidated Plan are amortized over a period of not more than 15 years.

2. Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swings in market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is in excess of the 7.25% actuarial assumption for investment return.