

**REPORT ON THE SIXTIETH
ACTUARIAL VALUATION OF THE
BURLINGTON EMPLOYEES' RETIREMENT SYSTEM
PREPARED AS OF JUNE 30, 2013**

January 21, 2014

Retirement Board
Burlington Employees' Retirement System
Burlington, VT 05401

Members of The Board:

Article II, Division 2, Section 24-60 of the ordinance in relation to the Burlington Employees' Retirement System provides for actuarial valuations of the assets and liabilities of the System at least once every three years and more often if the Retirement Board so directs.

The sixtieth actuarial valuation of the System, prepared as of June 30, 2013, has now been completed and the results are presented in this report, together with the determination of the amount of contributions payable by the City in accordance with the Retirement Board's funding policy and the disclosure information for accounting purposes required by the Governmental Accounting Standards Board.

The actuarial assumptions and methods used in this valuation are described in Schedule B.

The results of the valuation are based on the Plan provisions in effect on June 30, 2013. A summary of the System provisions is shown in Schedule C.

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions or applicable law. An analysis of the potential range of future results is beyond the scope of this valuation.

The Table of Contents, which immediately follows, outlines the material contained in the report.

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained in this report. This report has been prepared in accordance with all applicable Actuarial Standards of Practice, and I am available to answer questions about it.

Respectfully submitted,



David L. Driscoll, F.S.A.
Principal, Consulting Actuary

DLD/em

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**REPORT ON THE SIXTIETH ACTUARIAL VALUATION OF THE
BURLINGTON EMPLOYEES' RETIREMENT SYSTEM
PREPARED AS OF JUNE 30, 2013**

SECTION I - SUMMARY OF PRINCIPAL RESULTS

For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized below.

Valuation Date	June 30, 2012	June 30, 2013
Class A:		
Number of active members	172	170
Earnable compensation for employees below maximum retirement age	\$ 10,198,729	\$ 10,151,640
Number of retirees and beneficiaries	151	154
Annual retirement benefits	\$ 5,203,793	\$ 5,517,310
Number with vested rights	13	12
Class B:		
Number of active members	672	700
Earnable compensation for employees below maximum retirement age	\$ 33,274,728	\$ 35,636,533
Number of retirees and beneficiaries	360	407
Annual retirement benefits	\$ 4,499,886	\$ 5,463,564
Number with vested rights	359	346
Actuarial Value of Assets:		
Class A	\$ 63,414,817	\$ 65,466,699
Class B	74,423,729	78,478,121
Unfunded Past Service Cost:		
Class A	\$ 25,546,956	\$ 27,668,857
Class B	33,060,479	35,925,772
Contributions for Fiscal Year		
2014		
2015		
Class A:		
Normal Contribution Rate	8.84%	9.33%
Past Service Contribution	\$ 2,369,912	\$ 2,584,590
Class B:		
Normal Contribution Rate	5.85%	5.53%
Past Service Contribution	\$ 3,068,026	\$ 3,370,523

Comments on the valuation results as of June 30, 2013, are given in Section IV and further discussion of the contribution levels is set forth in Section V. Section VI presents the referenced disclosure information for accounting purposes.

Schedule B of this report outlines the full set of actuarial assumptions and methods employed. Some assumptions have been changed from those used in the previous report on the basis of an experience study completed after the previous valuation of the System.

Schedule C presents a summary of the principal System provisions as interpreted for the valuation.

SECTION II - PARTICIPANT DATA

Participant data were furnished by the City of Burlington. Buck did not audit the data, although they were reviewed for reasonableness and consistency with prior data. The accuracy of the results of the valuation is dependent on the accuracy of the data.

Tables 1 through 4 of Schedule D show the number and annual earnable compensation of active members who were included in the valuation, while Tables 5 through 14 of Schedule D show the number and annual retirement benefits of retirees and beneficiaries included in the valuation. In addition, there are 12 Class A former members and 346 Class B former members entitled to deferred vested benefits.

SECTION III - ASSETS

The amount of assets taken into account in this valuation is based on information reported by the City of Burlington.

Assets are valued on the basis of a five-year expected average market value method. The operation of this method is described in Schedule B. Based on this method, the actuarial value of assets amount to \$143,944,820. This may be compared to current book and market values of \$128,985,551 and \$144,020,307, respectively.

As part of the valuation procedure, investment earnings for the year ending June 30, 2013, have been analyzed. Based on the procedures used and certain approximations, the yield for the year has been estimated to be 6.52% based on the market value of assets and 6.18% based on the actuarial value of assets.

Reconciliation of Market Value of Plan Assets, July 1, 2009 - June 30, 2013				
	July 1, 2009 - June 30, 2010	July 1, 2010 - June 30, 2011	July 1, 2011 - June 30, 2012	July 1, 2012 - June 30, 2013
Market value at beginning of period	94,968,798	111,790,020	134,079,722	135,532,844
Contributions during period	10,569,109	11,662,386	12,546,410	12,711,462
Total investment income	16,892,327	22,411,312	1,420,339	8,842,397
Benefit payments and expenses	(10,640,214)	(11,783,996)	(12,513,627)	(13,066,396)
Market value at end of period	111,790,020	134,079,722	135,532,844	144,020,307
Expected market value at end of period	102,492,353	120,606,747	144,840,194	146,006,340
Investment gain/(loss) for the year	9,297,667	13,472,975	(9,307,350)	(1,986,033)

<u>Year Ended</u>	<u>Investment Gain / (Loss)</u>		<u>Weight</u>		<u>Weighted Gain / (Loss)</u>
June 30, 2012	(1,986,033)	x	0.80	=	(1,588,827)
June 30, 2011	(9,307,350)	x	0.60	=	(5,584,410)
June 30, 2010	13,472,975	x	0.40	=	5,389,190
June 30, 2009	9,297,667	x	0.20	=	1,859,533
					75,487

Actuarial Value of Assets = Market Value minus weighted gain / (loss) = **\$143,944,820**

SECTION IV - COMMENTS ON VALUATION

The projected unit credit actuarial cost method was used for this valuation. Under this cost method, benefits for active participants are determined on the basis of projected compensation at the time of anticipated termination and service credited to the valuation date. The normal cost under this method is the value of the difference between the benefits accrued for service to the valuation date and the benefits based on service to one year after the valuation date.

Schedule A of this report contains the valuation balance sheet, which shows the present and prospective assets and liabilities of the Plan as of June 30, 2013. Since the Plan is valued on a unit credit cost method basis, the balance sheet does not take into account accruals after the valuation date.

The valuation balance sheet shows that as of June 30, 2013, the Plan has accrued liabilities of \$207,539,449. Of this amount, \$118,383,987 represents the present value of benefits payable on account of retired members, beneficiaries and former members entitled to deferred vested benefits and \$89,155,462 represents the accrued liability for prospective benefits payable on account of active members. Against these liabilities the Plan has actuarial assets of \$143,944,820. The difference between the total liabilities of \$207,539,449 and the assets of \$143,944,820 is \$63,594,629, which represents the unfunded past service cost as of June 30, 2013. The Plan's unfunded accrued liability increased by \$4,987,194 from its level of \$58,607,435 as of June 30, 2012. Schedule A contains a breakdown of the assets and liabilities described above by membership class.

SECTION V - APPROPRIATION TO BE MADE BY THE CITY

Article II, Division 1, Section 24-32 of the Ordinances governing the operation of the System provides that the Retirement Board shall certify to the Board of Finance the amounts payable by the City to the System, including an estimated amount required for operating expenses.

The contribution by the City, excluding operating expenses, consists of:

- (i) a normal contribution to cover the cost of benefits expected to accrue under the Plan during the fiscal year following the valuation date, reduced by required Class A member contributions equal to 10.8% of compensation and required Class B member contributions equal to 3.05% of compensation on average, plus

- (ii) a past service contribution to liquidate the unfunded past service cost over a 30-year period from the date of establishment in accordance with the policy adopted by the Retirement Board. The initial unfunded past service cost to be amortized over 30 years was that in existence as of June 30, 2004.

Based on the latest valuation results and the adopted funding policy, the following table sets forth the basis for determining the City's contributions for the fiscal year ending June 30, 2014.

**CONTRIBUTIONS PAYABLE BY THE CITY
TO THE SYSTEM**

CONTRIBUTION	AMOUNT	PERCENT OF COMPENSATION
Class A		
Normal	\$ 1,047,489*	9.33%
Past Service	<u>2,584,590</u>	23.03%*
Total	\$ 3,632,079	
Class B		
Normal	\$ 2,029,899*	5.53%
Past Service	<u>3,370,523</u>	9.19%*
Total	\$ 5,400,422	

* Estimated based on fiscal year-end 2015 budget payrolls of \$11,224,232 and \$36,694,063 for Class A and Class B, respectively.

The recommended normal contribution rates in the table above should be applied to the respective earnable compensation of Class A and Class B members of the System for the fiscal year ending 2015 in order to determine the required appropriations for currently accruing benefits. In addition, the amount estimated to be required for operating expenses of the System is to be included in the certification of the Retirement Board.

Schedule E provides a development of the past service contribution for Class A and B members of the System for the fiscal year ending 2015.

Schedule F presents historical and projected required City contributions to the Retirement System assuming all actuarial assumptions are realized. No future liability gains or losses are reflected and assets are projected to earn 8% per annum. The projected payroll is assumed to increase 3.5% per annum. The actual annual contributions required by the City will be based upon future actuarial valuations.

SECTION VI - ACCOUNTING INFORMATION

Statement Nos. 25 and 27 of the Governmental Accounting Standards Board (GASB), issued in November 1994, established standards of disclosure of pension information by public retirement systems. The Annual Pension Cost is determined as the Annual Required Contribution (ARC) under the Plan's regular funding method with adjustments made to reflect the employer's Net Pension Obligation (NPO). The NPO is the cumulative difference between the Annual Pension Cost and the actual contributions made since January 1, 1987. The Annual Pension Cost is adjusted for interest charged on the NPO at the valuation interest rate and amortization of the NPO.

The Annual Pension Cost for fiscal year 2013 was \$8,151,272. For fiscal year 2013, the City funding of \$8,175,505 was more than the Annual Pension Cost. As a result, the Net Pension Obligation decreased to \$1,909,802 as of June 30, 2013, as compared with \$1,934,035 as of June 30, 2012.

Calculation of the NPO as of June 30, 2014, and the fiscal year 2015 ARC will be possible after all fiscal year 2014 City contributions have been made.

The GASB statements also require the following supplementary information be furnished by the actuary. The Schedule of Funding Progress details the progress made over the last seven years in accumulating sufficient assets to provide for benefits when they are due. The Schedule of Employer Contributions shows the Annual Required Contribution and actual contributions over the last seven years. The Schedule of Annual Pension Cost shows the Annual Pension Cost for the last four years.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability¹ (AAL) (b)	Excess of Assets over AAL (a - b)	Funded Ratio (a / b)	Covered Payroll (c)	Excess as a percentage of Covered Payroll ((a - b) / c)
June 30, 2007	119,785,835	150,002,528	(30,216,693)	79.86%	34,256,676	-88.21%
June 30, 2008	129,101,729	156,313,830	(27,212,101)	82.59%	36,751,722	-74.04%
June 30, 2009	129,841,522	169,319,955	(39,478,433)	76.68%	39,769,493	-99.27%
June 30, 2010	130,594,539	179,323,343	(48,728,804)	72.83%	41,161,578	-118.38%
June 30, 2011	135,097,458	190,196,691	(55,099,233)	71.03%	42,971,870	-128.22%
June 30, 2012	137,838,546	196,445,981	(58,607,435)	70.17%	43,865,945	-133.61%
June 30, 2013	143,944,820	207,539,449	(63,594,629)	69.36%	45,788,173	-138.89%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed
June 30, 2007	5,514,753	6,241,147	113.17%
June 30, 2008	5,978,195	5,719,282	95.67%
June 30, 2009	5,798,294	5,875,295	101.33%
June 30, 2010	5,728,980	5,752,571	100.41%
June 30, 2011	6,778,735	6,779,226	100.01%
June 30, 2012	7,547,910	7,547,954	100.00%
June 30, 2013	8,175,461	8,175,505	100.00%

SCHEDULE OF ANNUAL PENSION COST

Year Ended	Annual Pension Cost	Percentage Contributed	Net Pension Obligation
June 30, 2010	5,705,782	100.41%	1,979,631
June 30, 2011	6,756,072	100.01%	1,956,477
June 30, 2012	7,525,512	100.00%	1,934,035
June 30, 2013	8,151,272	100.00%	1,909,802

¹ Also known as "past service liability."

SECTION VII - EXPERIENCE

Records are maintained whereby the actual experience of active and retired members is compared to that expected on the basis of the tables adopted by the Retirement Board. In this way, deviations in the experience from that anticipated will be noted and any adjustments believed necessary will be brought to the attention of the Retirement Board in the experience studies required by the Burlington Ordinances.

During the last year, the total unfunded actuarial accrued liability (UAL) was expected to decrease from \$58,607,435 to \$57,937,729. The actual UAL at the end of the year was \$63,594,629. The chart below reconciles the expected to actual UAL. The primary sources of changes were a \$324,759 liability loss and \$4,551,678 investment loss. Finally, there was an increase to the unfunded accrued liability due to provision changes and actuarial assumption changes.

The sources of the (Gains)/Losses are as follows:

Actual UAL as of June 30, 2012		\$58,607,435
Expected UAL (Prior to Changes) as of June 30, 2013		\$57,937,729
Salary Increases	(\$830,092)	
New Participants	359,339	
Active - Retirements	1,098,955	
Active - Terminations	99,561	
Active - Mortality	(273,242)	
Active - Disabilities	(564,473)	
Retiree Mortality	704,439	
Other (Data Corrections, etc.)	(269,728)	
<hr/>		
Total Liability (Gain)/Loss		\$324,759
Investment (Gain)/Loss		4,551,678
Newly Eligible Employees		0
Ordinance and Actuarial Assumption Changes		780,463
Total Change in UAL		<u>\$5,656,900</u>
Actual UAL as of June 30, 2013		<u>\$63,594,629</u>

The reconciliation of the UAL is as follows:

	Class A Members	Class B Members	Total System
Total UAL as of June 30, 2012	\$25,546,956	\$33,060,479	\$58,607,435
Interest Adjustment	(115,875)	(287,892)	(403,767)
FY 2013 Experience Base	<u>2,237,776</u>	<u>3,153,185</u>	<u>5,390,961</u>
Total UAL as of June 30, 2013	<u>\$27,668,857</u>	<u>\$35,925,772</u>	<u>\$63,594,629</u>

SCHEDULE A

**VALUATION BALANCE SHEET
SHOWING THE ASSETS AND LIABILITIES ACCRUED UNDER THE
BURLINGTON EMPLOYEES' RETIREMENT SYSTEM
AS OF JUNE 30, 2013**

ASSETS

	<u>Class A Members</u>	<u>Class B Members</u>	<u>Total System</u>
Valuation Assets	\$ 65,465,818	\$ 78,479,002	\$ 143,944,820
Unfunded past service cost	<u>27,669,738</u>	<u>35,924,891</u>	<u>63,594,629</u>
Total Assets	<u>\$ 93,135,556</u>	<u>\$ 114,403,893</u>	<u>\$ 207,539,449</u>

LIABILITIES

Present value of benefits payable on account of retired members, beneficiaries and members entitled to deferred vested benefits	\$ 61,570,175	\$ 56,813,812	\$ 118,383,987
Present value of prospective benefits accrued to date on account of present active members	<u>31,565,381</u>	<u>57,590,081</u>	<u>89,155,462</u>
Total Liabilities	<u>\$ 93,135,556</u>	<u>\$ 114,403,893</u>	<u>\$ 207,539,449</u>

SCHEDULE B**OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS
FOR DETERMINATION OF CONTRIBUTION AMOUNTS**

BASIS FOR ASSUMPTIONS: As required under Part II, Section 24-61 of the Burlington Code of Ordinances, experience studies are performed at least once in every five-year period. Schedule B of this report outlines the full set of actuarial assumptions and methods employed in the current valuation. The assumptions were based on a recent experience study covering the period from July 1, 2007, through June 30, 2012. The mortality assumptions are adopted by the Board based on the study.

INTEREST RATE: 8% per annum, compounded annually.

SEPARATIONS BEFORE NORMAL RETIREMENT: Representative values of the assumed annual rates of withdrawal and vesting, early service retirement, death and disability are as follows:

<u>Class A Members</u>				
<u>Age</u>	<u>Withdrawal and Vesting</u>	<u>Early Service Retirement</u>	<u>Death*</u>	<u>Disability*</u>
20	14.0%			
25	7.0		.1%	.2%
30	6.0		.1	.3
35	6.0		.1	.4
40	5.0		.1	.5
42	4.6		.1	.6
45	4.0	15.0%	.1	.7
50	3.0	15.0	.2	1.3
53	1.2	20.0	.3	1.8
54	0.6	20.0	.3	2.0

<u>Class B Members</u>				
<u>Age</u>	<u>Withdrawal and Vesting**</u>	<u>Early Service Retirement</u>	<u>Death*</u>	<u>Disability*</u>
25	15.0%		.1%	.1%
30	12.0		.1	.1
35	10.0		.1	.1
40	4.0		.1	.2
45	4.0		.1	.3
50	4.0		.2	.5
55	4.0	5.0%	.4	.9
60	4.0	10.0	.6	1.7
61	4.0	15.0	.7	2.1
62	4.0	20.0	.8	2.5
63	4.0	25.0	1.0	2.9
64	4.0	25.0	1.1	3.4

* Rates reflect both ordinary and accidental occurrences.

** Rates are assumed to be higher during the first three years of membership (i.e., 27.5% at age 25, 22% at ages 30 and 35, 16.5% at ages 40 - 64).

NORMAL SERVICE RETIREMENT: The representative values of the assumed rates of normal service retirement are as follows:

<u>Age</u>	<u>Class A</u>	<u>Age</u>	<u>Class B</u>
55	20.0%	65	25.0%
56	20.0	66	20.0
57	20.0	67	25.0
58	20.0	68	20.0
59	20.0	69	25.0
60	100.0	70	100.0

BENEFIT COMMENCEMENT AFTER SEPARATION: Class A vested terminations are assumed to commence benefits at age 55. Class B vested terminations prior to June 30, 2000 are assumed to commence at age 65. Class B vested retirements after June 30, 2000 are assumed to commence at age 55 with a reduced benefit.

SALARY INCREASES: Representative values of the assumed annual rates of future salary increase are as follows:

<u>Age</u>	<u>Class A&B</u>
25	8.8%
30	7.0
35	5.6
40	4.9
45	4.6
50	4.3
55	4.0
59	3.9
60	3.9
65	3.8
69	3.8

DEATHS AFTER RETIREMENT: According to the RP-2000 Combined Mortality Tables for Males and Females projected to 2017 with scale AA; RP-2000 Disability Mortality Table projected with scale AA to 2017 for the period after disability retirement, and prior to the start of the service retirement benefit.

FUTURE EXPENSES: No provisions made.

ADJUSTMENTS TO ALLOWANCES: Cost-of-living increases averaging 3% per year were assumed.

ACCRUAL RATE ELECTION: 85% of retiring members are assumed to elect the no-COLA accrual rate and 15% of retiring members are assumed to elect the full-COLA accrual rate.

FUNDING METHOD: Projected unit credit cost method. Gains (losses) as they occur, reduce (increase) the unfunded past service cost.

ASSET VALUATION METHOD: Based on a five-year expected value of assets method in which actuarial assets are set equal to the market value of assets as of the valuation date plus:

- i) four-fifths of the difference between the expected return on market assets and the actual return on market assets during the year preceding the valuation;
- ii) three-fifths of the difference between the expected return on market assets and the actual return on market assets during the second year preceding the valuation;
- iii) two-fifths of the difference between the expected return on market assets and the actual return on market assets during the third year preceding the valuation; and
- iv) one-fifth of the difference between the expected return on market assets and the actual return on market assets during the fourth year preceding the valuation.

Expected return is equal to a year of expected investment earnings (based on the valuation interest rate) on the market value of assets as of the beginning of the year and the cash flow (contributions minus benefit payments) during the year, assuming mid-year contributions and benefit payments.

REVISIONS FROM PRIOR YEAR ASSUMPTIONS: Class A and Class B withdrawal and vesting rates were revised from the prior year. Class B retirement rates were revised from the prior year.

Class A & B Post-retirement mortality for healthy participants was revised from 1995 Buck Mortality Tables for Males and Females to RP-2000 Combined Mortality for Males and Females projected to 2017. For Disabled Participants it was revised from the RP-2000 Disabled Mortality Table to the RP-2000 Disabled Mortality Table projected to 2017. More details on all the above stated assumption changes can be found in the July 1, 2007 through June 30, 2012 experience study submitted to the board on May 2, 2013.

MISCELLANEOUS: The valuation was prepared on an ongoing-plan basis. The valuation was based on members in the System as of the valuation date and did not take future members into account. No provision has been made for contingent liabilities with respect to nonvested terminated members who may be reemployed. The valuation assumptions anticipate future inflation of about 3% a year.

SCHEDULE C**BRIEF SUMMARY OF PRINCIPAL SYSTEM PROVISIONS
AS INTERPRETED FOR VALUATION PURPOSES**

System Name	Burlington Employees' Retirement System
Effective Date	July 1, 1954.
Average Final Compensation (AFC)	For Class A Police non-union employees, Class A Police employees hired after January 10, 2011, Class A Fire employees hired after October 7, 2011 or Class B AFSCME Local 1343 employees hired after June 7, 2011, or Class B IBEW Local 300 employees hired after October 30, 2012, it is the average earnable compensation during the highest 5 non-overlapping 12-month periods. For all others, it is the average earnable compensation during the highest 3 non-overlapping 12-month periods.
Membership Eligibility	Regular employees of the City of Burlington excluding elective officers other than the mayor and excluding teachers other than certain teachers employed prior to July 1, 1947.
Membership Classification	
Class A	Members of the Fire and Police Departments not including clerical employees.
Class B	All other members.
Service Retirement	
Eligibility	
Class A	For Police employees hired after January 10, 2011, age 40 and 20 years of creditable service. For Fire employees hired after October 7, 2011, age 45 and 20 years of creditable service. For all others, age 45 and 7 years of creditable service. Compulsory at age 60.
Class B	Age 55 and 7 years of creditable service.

Amount of Benefit

Class A

For Fire employees hired before January 1, 2007 and Police employees hired before July 1, 2006, 2.75% of AFC times creditable service not in excess of 25 years plus .5% of AFC times creditable service between 25 and 35 years. For Police employees hired after January 10, 2011, 2.5% of AFC times creditable service not in excess of 20 years plus 5% of AFC times creditable service between 20 and 25 years. For all others, 2.65% of AFC times creditable service not in excess of 25 years plus .5% of AFC times creditable service between 25 and 35 years. Benefit increased by Cost of Living Adjustment detailed below.

In lieu of this benefit, at the time of retirement, a member hired prior to July 1, 2006 may choose either (i) an accrual rate of 3.25% for the first 25 years of creditable service, plus an accrual of .5% for creditable service between 25 and 35 years, and a Cost of Living Adjustment equal to one half of the Cost of Living Adjustment detailed below, or (ii) an accrual rate of 3.8% for all years of service prior to June 30, 2006 for the first 25 years, an accrual rate of 3.6% for all years of service commencing July 1, 2006 for the first 25 years, plus an accrual rate of .5% for creditable service between 25 and 35 years, and no Cost of Living Adjustment.

A Fire employee hired on or after January 1, 2007 or a Police employee hired on or after July 1, 2006 may only select a benefit with a full Cost of Living Adjustment.

For Police employees hired after January 10, 2011 or Fire employees hired after October 7, 2011, the above benefits based on AFC and creditable service at retirement are reduced actuarially for the period of time by which retirement precedes age 50.

For Fire employees hired on or before October 7, 2011 who retire on July 1, 2013 or later, the above benefits based on AFC and creditable service at retirement are reduced actuarially until age 48 for the period of time by which retirement precedes age 55.

For all others, prior to age 55, the above benefit based on AFC and creditable service at retirement is reduced actuarially for the period of time by which retirement precedes the earlier of 25 years of creditable service and age 55. For employees who terminate with 20 to 25 years of creditable service the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years.

Class B

For employees hired prior to July 1, 2006: Age 65 and older, the greater of (i) 1.6% of AFC (at age 65) times creditable service not in excess of 25 years plus .5% of AFC (at age 65) times creditable service in excess of 25 years or (ii) the actuarial equivalent of the benefit determined at age 65. This benefit will be increased by the Cost of Living Adjustment detailed below.

For employees hired on or after July 1, 2006: Age 65 and older, the greater of (i) 1.4% of AFC (at age 65) times creditable service not in excess of 25 years plus .5% of AFC (at age 65) times creditable service in excess of 25 years or (ii) the actuarial equivalent of the benefit determined at age 65. This benefit will be increased by the Cost of Living Adjustment detailed below.

In lieu of this benefit, at the time of retirement, a member may choose (i) an accrual rate of 1.9% for all years of service prior to June 30, 2006 for the first 25 years, an accrual rate of 1.8% for all years of service commencing July 1, 2006 for the first 25 years, plus an accrual of .5% for creditable service in excess of 25 years, and a Cost of Living Adjustment equal to one-half of the Cost of Living Adjustment detailed below, or (ii) an accrual rate of 2.2% for all years of service prior to June 30, 2006 for the first 25 years, an accrual rate of 2.0% for all years of service commencing July 1, 2006 for the first 25 years, plus an accrual of .5% for creditable service in excess of 25 years, and no Cost of Living Adjustment.

Except for employees detailed below, prior to age 65, the above benefit based on AFC and creditable service at retirement reduced by 2% for each year that retirement precedes age 65. For Class B IBEW employees hired before May 1, 2008, who elect a contribution rate of 4% is elected the early reduction factor is 2% for each year the retirement precedes age 65. For Class B IBEW employees hired before May 1, 2008, who elect a contribution rate of 3% the benefit is reduced by a factor which varies with age. The factor equals 1 at 65 and .4 at 50.

For Class B IBEW employees hired after May 1, 2008, the benefit is reduced by a factor which varies by age. The factor equals 1 at 65 but is equal to .356 at age 55.

For Class B AFSCME Local 1343 employees hired before January 1, 2006 that meet the Rule of 82 by December 7, 2011 but retire later than December 7, 2011, the reduction is 4% per year at ages 55 to 59 for each year under age 65, and the standard 2% per year reduction for ages 60 to 65. For other Class B AFSCME Local 1343 employees retiring after December 7, 2011, there will be full actuarial reduction from ages 55 to 59 and the standard 2% per year reduction for ages 60 to 65.

Cost of Living Adjustment

Benefits increase annually by changes in the Consumer Price Index of more than 1%. The maximum annual increase is 6%. Increase is not applicable to deferred vested benefit prior to commencement, survivor income benefit, disability benefit prior to normal retirement age or members who choose to have no cost of living adjustment.

Service Adjustment

Class A service for calculation of benefits shall be adjusted such that any Class A employee shall be granted 1.07 years of credit for each year in which the employee worked prior to July 1, 1996, and 1.17 years thereafter, in a position regularly assigned a workweek consisting on average of fifty-three or more hours of work per week.

Disability Retirement

Eligibility

All Members. Permanently disabled. Class B AFSCME Local 1343 employees must have 2 years of creditable service to be eligible for disabilities that are not work-related. Class A Fire employees hired after October 7, 2011 must have 1 year of creditable service to be eligible for disabilities that are not work-related. All other employees are immediately eligible.

Amount of Benefit

A benefit payable until normal service retirement eligibility (Class A - age 55 and 7 years of creditable service, Class B - age 65 and 7 years of creditable service). For Class A Fire employees hired after October 7, 2011, it is equal to 66 2/3% of the member's earnable compensation less workmen's compensation. For Class B IBEW employees hired after October 20, 2012, it is equal to 66 2/3% of the member's earnable compensation less workmen's compensation. For Class B AFSCME employees, it is equal to 66 2/3% of the member's earnable compensation less workmen's compensation and Social Security. For all others, it is equal to 75% of the member's earnable compensation less workmen's compensation and, in the case of Class B, less Social Security.

After normal service retirement eligibility, a service retirement benefit based on AFC at retirement and creditable service at normal service retirement eligibility, including the period while permanently disabled and receiving a disability benefit from the System.

Accidental Death

Eligibility

Class A only. Death due to accident while in the performance of duty.

Amount of Benefit

A benefit to the spouse until death or remarriage of the greater of (i) 55% of AFC, and (ii) the participant's current accrued retirement benefit. Upon death or remarriage of the spouse, the benefit will be payable to children until age 21.

Survivor Income

Eligibility	All Members. Death in active service.
Amount of Benefit	
Class A	30% of compensation during the July preceding death payable to spouse until earlier of death or 2nd anniversary of remarriage. An additional 5% per unmarried child under 21 (maximum additional 10%) is payable until benefits cease or children no longer eligible. If there is no spouse or spouse dies, the benefit is payable to unmarried children under age 21 until earlier of death, marriage or age 21.
Class B	30% of compensation during the July preceding death payable to spouse until earlier of death, 2nd anniversary of remarriage or age 62. Upon the spouse's attainment of age 62 (if not remarried) a benefit based on the 50% Joint and Survivor form of payment will be paid to the spouse for life. If there is no spouse or spouse dies, the benefit is payable to unmarried children under age 21 until earlier of death, marriage or age 21.

Return of Contributions

Accumulated contributions returned upon separation with less than 3 years of service or upon death with no accidental death benefit payable.

Upon death of a retired member, the excess of his contribution at retirement over the benefits paid will be paid to his beneficiary or estate.

Vested Retirement

Eligibility	All Members. 3 years of creditable service.
Amount of Benefit	
Class A	A percentage grading from 20% after 3 years to 100% after 7 years, of the benefit calculated using AFC and creditable service at termination. The benefit is payable commencing at age 55. Member may elect early receipt with reduction as for service retirement prior to age 55.
Class B	A percentage grading from 20% after 3 years to 100% after 7 years, of the benefit calculated using AFC and creditable service at termination. The benefit is payable commencing at age 65. Member may elect early receipt with reduction as for service retirement prior to age 65.

Survivor Spouse's Pension

Eligibility	All Members. Death of a terminated member entitled to a vested retirement benefit prior to commencement of such benefit.
Amount of Benefit	50% of reduced accrued benefit reflecting the 50% Joint and Survivor form of payment (ages as of date payments commence) payable at member's early retirement date. Spouse may elect to receive payments later than member's early retirement date with no reduction for receipt at member's 65th birthday.

Offsets on Benefits

Disability and accidental death benefits are offset by workmen's compensation paid for the same disability or death.

Contributions

By Members	
Class A	10.8% of earnable compensation for the first 35 years of creditable service, none thereafter.
Class B	For IBEW employees hired before May 1, 2008, who so elect 4.0% of earnable compensation, all other 3.0% of earnable compensation.
By City	Remainder necessary to fund for the benefits of the System on an actuarial basis.

REVISIONS FROM PRIOR YEAR PLAN PROVISIONS:

For Class B IBEW participants hired before May 1, 2008 instead of a uniform 3% rate of contributions in prior years a 4% rate of contribution was implemented for those who elected to do so. Those pre May1,2008 hires who elected a 3% rate of contribution had their earlier retirement factors decreased from prior years (Ex. .8 to .4 at age 55). For those Class B IBEW participants hired after October 30,2012 a change in the number of years used in the calculation of Average Final Compensation was changed from three years to five years. Also the Disability Retirement was revised from 75% of pay to 66 2/3% of pay.

SCHEDULE D**TABLE 1****THE NUMBER AND ANNUAL EARNABLE COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED
BY AGE AS OF JUNE 30, 2013****CLASS A MEMBERS**

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
22	1	\$42,434		
23	4	182,731		
24	2	98,161		
25	5	239,823		
26	6	300,361	1	\$54,447
27	1	47,205	1	55,447
28	5	247,005	2	103,485
29	7	362,996	2	108,893
30	3	164,586	1	56,447
31	6	313,446		
32	11	597,820	1	45,260
33	8	449,985	3	161,205
34	6	277,862	1	47,205
35	3	181,262		
36	5	322,263		
37	5	322,551		
38	11	675,895		
39	5	307,794	1	55,447
40	4	260,369		
41	6	394,048	1	65,406
42	5	300,929		
43	9	631,239		
44	5	354,253	1	88,723
45	6	381,620		
46	5	349,308	1	73,027
47	5	376,498		
48	2	140,981		
49	3	211,977		
50	1	90,316		
51	1	66,258		
52	3	224,836		

TABLE 1

**THE NUMBER AND ANNUAL EARNABLE COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

**CLASS A MEMBERS
(CONTINUED)**

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
54	1	\$61,912		
56	1	62,088		
57			1	\$65,406
61	1	63,624		
66	1	66,806		
TOTAL	153	\$9,171,242	17	\$980,398

TABLE 2

**THE NUMBER AND ANNUAL EARNABLE COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

CLASS B MEMBERS

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
20	1	\$38,478		
21	1	33,954		
22			1	\$37,223
23	5	194,381	6	183,632
24	7	603,476	8	250,697
25	7	257,860	1	42,060
26	4	163,058	6	179,429
27	5	189,371	5	157,019
28	9	285,746	2	80,036
29	4	137,903	6	200,330
30	6	256,334	5	182,712
31	7	257,543	3	144,104
32	10	580,053	6	300,812
33	7	389,210	5	222,231
34	3	155,627	6	295,901
35	7	511,210	6	356,639
36	10	395,354	4	224,401
37	2	109,705	6	334,253
38	10	445,626	8	344,936
39	5	270,858	5	205,934
40	7	281,551	3	209,359
41	5	237,274	5	260,098
42	13	633,981	7	291,364
43	11	537,857	6	203,095
44	13	709,069	5	236,829
45	13	621,129	4	209,690
46	10	646,368	14	539,305
47	9	547,130	6	317,379
48	9	586,886	6	279,910
49	14	800,676	7	200,917
50	11	587,709	12	607,980
51	22	1,379,397	7	245,554

TABLE 2
THE NUMBER AND ANNUAL EARNABLE COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED
BY AGE AS OF JUNE 30, 2013

CLASS B MEMBERS
(CONTINUED)

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
52	13	\$779,081	10	\$592,238
53	16	963,682	15	660,728
54	8	467,212	12	613,502
55	14	823,940	10	448,306
56	15	816,934	6	310,435
57	11	609,783	8	444,821
58	13	828,038	6	235,792
59	12	740,393	6	282,189
60	10	702,320	8	349,687
61	19	1,212,497	8	386,840
62	8	438,000	8	398,253
63	8	436,766	4	179,165
64	6	343,624	5	224,925
65	3	187,426	1	55,761
66	3	91,211	2	77,498
67	2	88,403	2	163,117
69	2	111,560		
70			1	43,003
71	1	77,508		
72	1	47,761		
74	1	37,151		
77	1	81,796		
80	1	22,141		
81	1	45,791		
84	1	28,652		
TOTAL	417	\$22,826,444	283	\$12,810,089

TABLE 3

**THE NUMBER AND ANNUAL EARNABLE COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY YEARS
OF SERVICE* AS OF JUNE 30, 2013**

CLASS A MEMBERS

YEARS OF SERVICE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	6	\$271,700	1	\$45,260
1	11	491,257		
2	12	596,108	2	96,244
3	6	306,762		
4	7	362,445	4	217,787
5	8	421,768	3	166,340
6	5	280,139	1	56,447
7	2	113,664	1	46,869
8	5	249,351		
9	6	349,236	1	58,890
10	4	245,815		
11	13	783,417	1	73,027
12	7	424,178		
13	9	577,983		
14	9	590,459	1	65,406
15	9	587,344		
16	4	269,736		
17	4	284,705		
18	6	433,852		
19			1	65,406
20	4	326,187		
22	2	131,527	1	88,723
23	2	125,937		
24	7	591,007		
26	2	148,265		
27	1	63,624		
29	1	77,969		
35	1	66,806		
TOTAL	153	\$9,171,241	17	\$980,399

* Excludes service adjustment for employees with a regularly assigned workweek of 53 or more weeks.

TABLE 4

**THE NUMBER AND ANNUAL EARNABLE COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY YEARS
OF SERVICE AS OF JUNE 30, 2013**

CLASS B MEMBERS

YEARS OF SERVICE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	54	\$2,743,275	39	\$1,327,496
1	34	1,427,740	37	1,471,776
2	17	696,681	15	537,420
3	17	929,793	16	616,285
4	20	1,044,903	10	477,218
5	22	1,186,005	11	455,335
6	17	961,791	15	784,169
7	16	855,271	13	457,530
8	14	611,716	9	415,845
9	12	571,783	5	203,044
10	14	711,912	13	703,435
11	11	524,643	4	148,916
12	15	822,519	12	749,662
13	6	252,672	8	386,132
14	19	962,794	12	612,328
15	7	476,287	5	183,019
16	7	380,963	7	335,943
17	8	556,165	4	179,588
18	10	546,350	11	607,116
19	4	266,034	1	61,939
20	3	323,829	2	66,918
21			1	51,194
22	5	273,635	1	60,497
23	4	264,229	1	72,242
24	4	269,644	1	57,599
25	8	552,507	5	290,101
26	5	290,775	4	259,122
27	4	472,919	2	154,609
28	2	105,525	2	94,998
29	12	790,043	2	120,372
30	6	354,608	1	61,939
31	5	297,878	3	177,646
32	6	441,620	1	50,488

TABLE 4

**THE NUMBER AND ANNUAL EARNABLE COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY YEARS
OF SERVICE AS OF JUNE 30, 2013**

**CLASS B MEMBERS
(CONTINUED)**

YEARS OF SERVICE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
33	7	\$472,565		
34	9	556,823	2	\$132,801
35	5	373,597	3	141,894
36	2	88,120		
37	1	48,032	2	118,452
38	1	57,557		
39			1	55,761
40			2	129,260
41	1	72,113		
42	1	76,621		
44	1	66,746		
46	1	47,761		
TOTAL	417	\$22,862,444	283	\$12,810,089

TABLE 5

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF RETIREES DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

CLASS A MEMBERS

SERVICE RETIREMENTS

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
44	1	\$56,707		
45	1	42,722		
46	1	51,183		
47	3	127,665		
48	4	177,771	1	\$46,367
49	3	183,071		
50	5	198,299		
51	3	140,614	1	69,974
52	5	264,864		
53	4	188,046	1	30,952
54	4	150,178		
55	5	198,625		
56	5	171,341		
57	7	252,698		
58	7	378,936		
59	1	28,572		
60	5	198,368		
61	1	35,546		
62	4	152,301		
63	9	296,472	1	8,320
64	6	214,319		
65	6	179,404		
66	5	177,579		
67	6	189,769		
68	2	79,930		
69	7	266,288		
70	4	137,289		
71	1	30,493		
72	4	123,806		
73	1	19,947		
74	1	1,072		
77	1	43,668		

TABLE 5

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF RETIREES DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

CLASS A MEMBERS

**SERVICE RETIREMENTS
(CONTINUED)**

	MALE		FEMALE	
AGE	NUMBER	AMOUNT	NUMBER	AMOUNT
78	1	41,561		
79	1	34,324		
80	1	27,248		
81	1	26,694		
82	1	25,199		
83	1	22,692		
87	1	29,384		
TOTAL	129	\$4,964,644	4	\$155,613

TABLE 6

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF RETIREES DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

CLASS B MEMBERS

SERVICE RETIREMENTS

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
55	2	\$18,080	2	\$31,818
57	4	61,667	2	26,375
58	2	34,181	3	40,246
59	3	84,407	2	15,016
60	4	92,764	2	15,709
61	6	149,889	1	2,400
62	5	103,319	4	77,964
63	11	264,784	9	107,242
64	15	255,707	10	162,489
65	12	190,686	4	30,052
66	16	258,816	6	71,337
67	8	92,672	7	79,320
68	9	153,243	4	16,657
69	4	40,368	2	26,635
70	6	105,238	6	50,633
71	9	117,043	12	169,388
72	7	106,882	7	151,812
73	2	51,823	6	74,368
74	7	95,244	1	1,357
75	7	91,125	4	68,582
76	6	126,315	4	68,476
77	3	28,163	5	41,769
78	3	20,907	6	40,969
79	5	54,564	3	13,206
80	1	17,536	1	13,383
81	5	76,394	3	51,408
82	3	29,398	3	3,916
83	1	32,025	5	55,450
84	1	7,361	2	29,037
85	2	22,316	1	440
86	1	11,085		
87	1	5,023	1	12,174

TABLE 6

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF RETIREES DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

CLASS B MEMBERS

**SERVICE RETIREMENTS
(CONTINUED)**

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
88			1	2,011
89	1	3,142		
90			1	2,298
92			1	936
93			1	11,084
TOTAL	172	\$2,802,168	132	\$1,565,956

TABLE 7

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF RETIREES DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

CLASS A MEMBERS**DISABILITY RETIREMENTS**

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
45	1	\$34,800		
50	1	27,013		
54	1	35,362		
66	1	16,375		
81	2	34,682		
TOTAL	6	\$148,232		

TABLE 8

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF RETIREES DISTRIBUTED
BY AGE AS OF JUNE 30, 2013**

CLASS B MEMBERS

DISABILITY RETIREMENTS

	MALE		FEMALE	
AGE	NUMBER	AMOUNT	NUMBER	AMOUNT
48	1	\$7,007		
49			1	\$10,793
51	1	6,037		
53	2	21,190	3	59,044
54	3	63,093	1	15,509
55	1	23,099	1	872
57	1	38,866		
58	2	37,707	2	46,542
60	4	77,370	1	5,010
61	3	46,534		
62	2	35,404	3	52,214
63	3	36,784	3	36,633
64	2	17,144	1	20,004
83	1	5,814		
86	1	5,734		
TOTAL	27	\$421,784	16	\$246,620

TABLE 9

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF BENEFICIARIES OF RETIREES
DISTRIBUTED BY AGE AS OF JUNE 30, 2013**

CLASS A MEMBERS

BENEFICIARIES OF DECEASED MEMBERS

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
18	1	\$15,819		
20			1	\$7,595
49			1	47,643
55			1	6,782
57			1	8,499
60			1	6,916
69			1	26,143
70			1	19,749
71			2	30,354
72			1	11,922
78			1	18,796
81	1	18,751		
83			1	13,449
91			1	18,295
TOTAL	2	\$34,569	13	\$216,141

TABLE 10

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF BENEFICIARIES OF RETIREES
DISTRIBUTED BY AGE AS OF JUNE 30, 2013**

CLASS B MEMBERS

BENEFICIARIES OF DECEASED MEMBERS

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
28			1	\$1,074
30	1	\$1,431		
41	1	10,981		
45			1	24,911
47			2	24,114
48			2	17,379
50	1	9,480		
51			1	11,875
52			1	368
56			1	1,788
57	1	10,981		
58	1	12,774		
59			2	16,901
60			1	4,040
61			1	2,077
62	1	2,949	1	6,853
63			1	14,679
64			2	7,794
65			1	5,251
66			1	4,648
68			1	2,348
69			2	36,000
71			4	23,233
73			6	49,655
75			4	19,843
77			1	8,178
78			2	3,639
79			1	4,234
80			2	21,398
81			1	5,956
82	1	1,500	1	3,230
83			2	7,668

TABLE 10

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF BENEFICIARIES OF RETIREES
DISTRIBUTED BY AGE AS OF JUNE 30, 2013**

CLASS B MEMBERS

**BENEFICIARIES OF DECEASED MEMBERS
(CONTINUED)**

AGE	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
84			1	5,632
85			1	11,120
86			1	3,008
87	1	7,029	1	10,517
89			2	10,500
TOTAL	8	\$57,125	52	\$369,910

TABLE 11

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF SERVICE RETIREMENTS DISTRIBUTED
BY FORM OF ANNUITY AS OF JUNE 30, 2013**

CLASS A MEMBERS

FORM	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
LIFE ANNUITY	69	\$2,885,117	3	\$147,293
CERTAIN & LIFE	17	617,378		
JOINT & SURVIVOR	36	1,209,190	1	8,320
JOINT & SURVIVOR POP-UP	7	251,068		
TOTAL	129	\$4,962,753	4	\$155,613

TABLE 12

**THE NUMBER OF RETIREES, DISABLED RETIREES AND BENEFICIARIES
DISTRIBUTED BY COLA TYPE AS OF JUNE 30, 2013****CLASS A MEMBERS**

COLA TYPE	MALE	FEMALE
NO COLA	75	3
HALF COLA	12	1
FULL COLA	50	13
TOTAL	137	17

TABLE 13

**THE NUMBER AND ANNUAL RETIREMENT
BENEFITS OF SERVICE RETIREMENTS DISTRIBUTED
BY FORM OF ANNUITY AS OF JUNE 30, 2013**

CLASS B MEMBERS

FORM	MALE		FEMALE	
	NUMBER	AMOUNT	NUMBER	AMOUNT
LIFE ANNUITY	68	\$1,052,811	93	\$1,162,500
CERTAIN & LIFE	22	218,412	16	158,157
JOINT & SURVIVOR	56	973,795	17	152,049
JOINT & SURVIVOR POP-UP	26	557,151	6	93,250
TOTAL	172	\$2,802,168	132	\$1,565,956

TABLE 14

**THE NUMBER OF RETIREES, DISABLED RETIREES, AND BENEFICIARIES
DISTRIBUTED BY COLA TYPE AS OF JUNE 30, 2013****CLASS B MEMBERS**

COLA TYPE	MALE	FEMALE
NO COLA	102	88
HALF COLA	15	9
FULL COLA	90	103
TOTAL	207	200

SCHEDULE E**BURLINGTON EMPLOYEES' RETIREMENT SYSTEM****PAST SERVICE
AMORTIZATION SCHEDULE****CLASS A MEMBERS**

<u>Description</u>	<u>Date Established</u>	<u>Original Balance</u>	<u>July 1, 2013 Outstanding Balance</u>	<u>FY 2014 Past Service Contribution</u>	<u>July 1, 2014 Outstanding Balance</u>	<u>Years Remaining to Fund</u>	<u>FY 2015 Past Service Contribution</u>
Initial Amortization	July 1, 2004	\$3,698,048	\$3,399,883	\$ 333,298	\$ 3,338,576	21	\$333,298
FY 2005 Experience	July 1, 2005	6,655,535	6,621,812	638,490	6,513,068	22	638,490
FY 2006 Experience	July 1, 2006	2,588,959	2,615,012	248,368	2,575,844	23	248,368
FY 2007 Experience	July 1, 2007	(1,715,997)	(1,757,300)	(164,622)	(1,733,262)	24	(164,622)
FY 2008 Experience	July 1, 2008	713,490	739,917	68,448	730,662	25	68,448
FY 2009 Experience	July 1, 2009	3,308,275	3,470,546	317,375	3,430,815	26	317,375
FY 2010 Experience	July 1, 2010	3,969,991	4,208,864	380,856	4,164,718	27	380,856
FY 2011 Experience	July 1, 2011	3,564,353	3,765,064	337,419	3,728,849	28	337,419
FY 2012 Experience	July 1, 2012	2,191,929	2,367,283	210,280	2,346,386	29	210,280
FY 2013 Experience	July 1, 2013	2,337,776	2,337,776		2,416,798	30	214,678
Total			\$27,668,857	\$2,369,912	\$27,512,454		\$2,584,590
Equivalent Single Amortization Period			25 Years				

SCHEDULE E**BURLINGTON EMPLOYEES' RETIREMENT SYSTEM****PAST SERVICE
AMORTIZATION SCHEDULE****CLASS B MEMBERS**

<u>Description</u>	<u>Date Established</u>	<u>Original Balance</u>	<u>July 1, 2013 Outstanding Balance</u>	<u>FY 2014 Past Service Contribution</u>	<u>July 1, 2014 Outstanding Balance</u>	<u>Years Remaining to Fund</u>	<u>FY 2015 Past Service Contribution</u>
Initial Amortization	July 1, 2004	\$6,322,451	\$5,836,340	\$572,148	\$5,731,099	21	\$572,149
FY 2005 Experience	July 1, 2005	6,670,273	6,726,020	648,537	6,615,565	22	648,538
FY 2006 Experience	July 1, 2006	5,080,481	5,141,704	488,349	5,064,691	23	488,348
FY 2007 Experience	July 1, 2007	(728,430)	(745,963)	(69,881)	(735,759)	24	(69,881)
FY 2008 Experience	July 1, 2008	(3,206,229)	(3,324,990)	(307,585)	(3,283,404)	25	(307,585)
FY 2009 Experience	July 1, 2009	9,475,775	9,940,562	909,045	9,826,762	26	909,046
FY 2010 Experience	July 1, 2010	4,577,654	4,853,091	439,151	4,802,187	27	439,151
FY 2011 Experience	July 1, 2011	2,690,665	2,822,685	252,965	2,795,535	28	252,965
FY 2012 Experience	July 1, 2012	1,410,313	1,523,138	135,296	1,509,693	29	135,296
FY 2013 Experience	July 1, 2013	3,153,185	3,153,185		3,405,440	30	302,496
Total			\$35,925,772	\$3,068,025	\$35,731,809		\$3,370,523
Equivalent Single Amortization Period			25 Years				

SCHEDULE F**BURLINGTON EMPLOYEES' RETIREMENT SYSTEM****HISTORICAL AND PROJECTED CONTRIBUTIONS
CLASS A AND B EMPLOYEES**

<u>Fiscal Year Ending</u>	<u>Projected Payroll</u>	<u>Normal Contribution</u>		<u>Past Service Contribution</u>	<u>Contribution Shortfall</u>	<u>Total City Contribution</u>	
June 30, 2007	34,384,729	3,916,950	11.4%	2,259,664	683,638	6,860,252	20.0%
June 30, 2008	35,588,195	3,037,864	8.5%	2,929,190	(256,122)	5,710,932	16.0%
June 30, 2009	36,833,782	3,073,086	8.3%	2,851,003	(48,794)	5,875,295	16.0%
June 30, 2010	40,328,362	3,297,021	8.2%	2,455,550	0	5,752,571	14.3%
June 30, 2011	42,563,572	3,097,260	7.3%	3,681,967	0	6,779,227	15.9%
June 30, 2012	43,148,038	3,045,975	7.1%	4,501,979	0	7,547,954	17.5%
June 30, 2013	43,477,161	3,083,144	7.1%	5,092,361	0	8,175,505	18.8%
June 30, 2014	44,616,671	2,919,432	6.5%	5,437,938		8,357,370	18.7%
June 30, 2015	47,918,295	3,077,388	6.4%	5,955,113		9,032,501	18.8%
June 30, 2016	49,595,435	3,185,096	6.4%	5,955,113		9,140,209	18.4%
June 30, 2017	51,331,275	3,296,574	6.4%	5,955,113		9,251,687	18.0%
June 30, 2018	53,127,870	3,411,954	6.4%	5,955,113		9,367,067	17.6%

Notes:

No future liability gains or losses are assumed; assets are assumed to earn 8% per annum.

Projected payroll assumed to increase 3.5% per annum.

Unfunded liability as of June 30, 2004, was amortized over 30 years.

All future changes in unfunded liability will be amortized over 30 years.

SCHEDULE F**BURLINGTON EMPLOYEES' RETIREMENT SYSTEM****HISTORICAL AND PROJECTED CONTRIBUTIONS
CLASS A EMPLOYEES**

<u>Fiscal Year Ending</u>	<u>Projected Payroll</u>	<u>Normal Contribution</u>		<u>Past Service Contribution</u>	<u>Contribution Shortfall</u>	<u>Total City Contribution</u>	
June 30, 2007	8,932,223	1,501,507	16.8%	998,999	276,873	2,777,379	31.1%
June 30, 2008	9,244,851	1,306,993	14.1%	1,220,155	(103,729)	2,423,419	26.2%
June 30, 2009	9,568,421	1,233,492	12.9%	1,055,533	0	2,289,025	23.9%
June 30, 2010	9,412,887	1,150,199	12.2%	1,123,981	0	2,274,180	24.2%
June 30, 2011	9,478,375	955,410	10.1%	1,441,355	0	2,396,765	25.3%
June 30, 2012	9,505,863	932,642	9.8%	1,822,213	0	2,754,855	29.0%
June 30, 2013	9,440,369	991,311	10.5%	2,159,631	0	3,150,942	33.4%
June 30, 2014	10,367,799	916,997	8.8%	2,369,912		3,286,909	31.7%
June 30, 2015	11,224,232	1,047,489	9.3%	2,584,590		3,632,079	32.4%
June 30, 2016	11,617,080	1,084,151	9.3%	2,584,590		3,668,741	31.6%
June 30, 2017	12,023,678	1,122,096	9.3%	2,584,590		3,706,686	30.8%
June 30, 2018	12,444,507	1,161,369	9.3%	2,584,590		3,745,959	30.1%

Notes:

No future liability gains or losses are assumed; assets are assumed to earn 8% per annum.

Projected payroll assumed to increase 3.5% per annum.

Unfunded liability as of June 30, 2004, was amortized over 30 years.

All future changes in unfunded liability will be amortized over 30 years.

SCHEDULE F**BURLINGTON EMPLOYEES' RETIREMENT SYSTEM****HISTORICAL AND PROJECTED CONTRIBUTIONS
CLASS B EMPLOYEES**

<u>Fiscal Year Ending</u>	<u>Projected Payroll</u>	<u>Normal Contribution</u>		<u>Past Service Contribution</u>	<u>Contribution Shortfall</u>	<u>Total City Contribution</u>	
June 30, 2007	25,452,506	2,415,443	9.5%	1,260,665	406,765	4,082,873	16.0%
June 30, 2008	26,343,344	1,730,871	6.6%	1,709,035	(152,393)	3,287,513	12.5%
June 30, 2009	27,265,361	1,839,594	6.7%	1,795,470	(48,794)	3,586,270	13.2%
June 30, 2010	30,915,475	2,146,822	6.9%	1,331,569	0	3,478,391	11.3%
June 30, 2011	33,085,197	2,141,849	6.5%	2,240,612	0	4,382,461	13.2%
June 30, 2012	33,642,175	2,113,333	6.3%	2,679,766	0	4,793,099	14.2%
June 30, 2013	34,036,792	2,091,833	6.1%	2,932,730	0	5,024,563	14.8%
June 30, 2014	34,248,872	2,002,435	5.8%	3,068,026		5,070,461	14.8%
June 30, 2015	36,694,063	2,029,899	5.5%	3,370,523		5,400,422	14.7%
June 30, 2016	37,978,355	2,100,945	5.5%	3,370,523		5,471,468	14.4%
June 30, 2017	39,307,597	2,174,478	5.5%	3,370,523		5,545,001	14.1%
June 30, 2018	40,683,363	2,250,585	5.5%	3,370,523		5,621,108	13.8%

Notes:

No future liability gains or losses are assumed; assets are assumed to earn 8% per annum.

Projected payroll assumed to increase 3.5% per annum.

Unfunded liability as of June 30, 2004, was amortized over 30 years.

All future changes in unfunded liability will be amortized over 30 years.

SCHEDULE G**BURLINGTON EMPLOYEES' RETIREMENT SYSTEM****ANNUAL AMORTIZATION OF THE UNFUNDED PAST SERVICE LIABILITY**

Fiscal Year	Beginning of FY Balance of Unfunded Liability	Amortization Payment in Fiscal Year
2014	\$63,594,629	\$5,437,937
2015	\$63,244,262	\$5,955,111
2016	\$62,348,692	\$5,955,111
2017	\$61,381,476	\$5,955,111
2018	\$60,336,882	\$5,955,111
2019	\$59,208,721	\$5,955,111
2020	\$57,990,308	\$5,955,111
2021	\$56,674,421	\$5,955,111
2022	\$55,253,263	\$5,955,111
2023	\$53,718,413	\$5,955,111
2024	\$52,060,774	\$5,955,111
2025	\$50,270,525	\$5,955,111
2026	\$48,337,055	\$5,955,111
2027	\$46,248,908	\$5,955,111
2028	\$43,993,709	\$5,955,111
2029	\$41,558,095	\$5,955,111
2030	\$38,927,631	\$5,955,111
2031	\$36,086,730	\$5,955,111
2032	\$33,018,557	\$5,955,111
2033	\$29,704,930	\$5,955,111
2034	\$26,126,213	\$5,955,111
2035	\$22,261,198	\$5,955,111
2036	\$18,086,983	\$5,049,665
2037	\$14,484,276	\$3,762,638
2038	\$11,880,380	\$3,025,921
2039	\$9,804,889	\$3,260,424
2040	\$7,328,856	\$3,499,562
2041	\$4,415,602	\$2,273,141
2042	\$2,495,709	\$1,453,135
2043	\$1,242,231	\$862,751
2044	\$478,859	\$517,167
2045	\$0	