

Burlington Employees' Retirement System
Direct Rate Smoothing Scenarios
Projected Funding Policy Contributions

Scenario 1a: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Phase Down of Discount Rate from 7.50% to 7.00% Over 5 Years, Actual Return of 7.00% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.50%	193,642,000	73.2%
2021	10,343,000	409,000	2019	7.40%	203,577,000	73.6%
2022	10,753,000	410,000	2020	7.30%	213,409,000	73.7%
2023	11,162,000	409,000	2021	7.20%	223,351,000	73.9%
2024	11,572,000	410,000	2022	7.10%	233,384,000	74.1%
2025	11,981,000	409,000	2023	7.00%	243,528,000	74.3%

Scenario 2a: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Phase Down of Discount Rate from 7.50% to 7.00% Over 4 Years, Actual Return of 7.00% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.500%	193,642,000	73.2%
2021	10,351,000	417,000	2019	7.375%	203,577,000	73.4%
2022	10,767,000	416,000	2020	7.250%	213,373,000	73.3%
2023	11,184,000	417,000	2021	7.125%	223,231,000	73.3%
2024	11,601,000	417,000	2022	7.000%	233,154,000	73.2%
2025	12,017,000	416,000	2023	7.000%	243,143,000	74.1%

Scenario 3a: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Phase Down of Discount Rate from 7.50% to 7.00% Over 2 Years, Actual Return of 7.00% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.50%	193,642,000	73.2%
2021	10,363,000	429,000	2019	7.25%	203,577,000	72.4%
2022	10,793,000	430,000	2020	7.00%	213,136,000	71.3%
2023	11,222,000	429,000	2021	7.00%	222,557,000	72.1%
2024	11,652,000	430,000	2022	7.00%	232,327,000	72.9%
2025	12,081,000	429,000	2023	7.00%	242,468,000	73.9%

**100% of the traditional valuation ADEC is assumed in all subsequent years.*

***As of June 30 of the valuation year. Projections start with June 30, 2018 actuarial valuation (and reflect new assumptions).*

Note: Projected funding policy contributions have not been adjusted for any applicable City/employee allocations of the ADEC.

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Scenario 1b: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Phase Down of Discount Rate from 7.50% to 7.00% Over 5 Years, Actual Return of 6.50% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.50%	193,642,000	73.2%
2021	10,382,000	448,000	2019	7.40%	203,481,000	73.5%
2022	10,830,000	448,000	2020	7.30%	213,045,000	73.6%
2023	11,278,000	448,000	2021	7.20%	222,579,000	73.6%
2024	11,726,000	448,000	2022	7.10%	232,055,000	73.6%
2025	12,174,000	448,000	2023	7.00%	241,484,000	73.6%

Scenario 2b: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Phase Down of Discount Rate from 7.50% to 7.00% Over 4 Years, Actual Return of 6.50% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.500%	193,642,000	73.2%
2021	10,389,000	455,000	2019	7.375%	203,481,000	73.3%
2022	10,844,000	455,000	2020	7.250%	213,009,000	73.2%
2023	11,299,000	455,000	2021	7.125%	222,460,000	73.0%
2024	11,754,000	455,000	2022	7.000%	231,828,000	72.8%
2025	12,210,000	456,000	2023	7.000%	241,105,000	73.5%

Scenario 3b: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Phase Down of Discount Rate from 7.50% to 7.00% Over 2 Years, Actual Return of 6.50% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.50%	193,642,000	73.2%
2021	10,402,000	468,000	2019	7.25%	203,481,000	72.4%
2022	10,870,000	468,000	2020	7.00%	212,773,000	71.2%
2023	11,337,000	467,000	2021	7.00%	221,791,000	71.8%
2024	11,805,000	468,000	2022	7.00%	231,009,000	72.5%
2025	12,273,000	468,000	2023	7.00%	240,437,000	73.3%

**100% of the traditional valuation ADEC is assumed in all subsequent years.*

***As of June 30 of the valuation year. Projections start with June 30, 2018 actuarial valuation (and reflect new assumptions).*

Note: Projected funding policy contributions have not been adjusted for any applicable City/employee allocations of the ADEC.

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Scenario 7a: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Actual Return of 7.00% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.50%	193,642,000	73.2%
2021	9,950,000	16,000	2019	7.50%	203,577,000	74.3%
2022	9,966,000	16,000	2020	7.50%	213,591,000	75.3%
2023	9,982,000	16,000	2021	7.50%	223,472,000	76.3%
2024	9,998,000	16,000	2022	7.50%	233,166,000	77.1%
2025	10,014,000	16,000	2023	7.50%	242,657,000	77.9%

Scenario 7b: 5 Year Step Up from 97% of Traditional Valuation ADEC*, Actual Return of 6.50% Each Year

Fiscal Year Ending	Projected City Funding Policy Contribution	Increase in Contribution from Prior Year	Valuation Year	Valuation Discount Rate	Projected Actuarial Value of Assets**	Projected Funded Ratio**
2020	9,934,000		2018	7.50%	193,642,000	73.2%
2021	9,990,000	56,000	2019	7.50%	203,481,000	74.3%
2022	10,047,000	57,000	2020	7.50%	213,226,000	75.2%
2023	10,103,000	56,000	2021	7.50%	222,697,000	76.0%
2024	10,159,000	56,000	2022	7.50%	231,832,000	76.7%
2025	10,215,000	56,000	2023	7.50%	240,603,000	77.3%

**100% of the traditional valuation ADEC is assumed in all subsequent years.*

***As of June 30 of the valuation year. Projections start with June 30, 2018 actuarial valuation (and reflect new assumptions).*

Note: Projected funding policy contributions have not been adjusted for any applicable City/employee allocations of the ADEC.