

**EXCERPTED PAGES**

July 1, 2010

Actuarial Valuation Report  
For

City of Alexandria Supplemental  
Retirement Plan

**PARTICIPANT DATA**

**Lifecount and Data Reconciliation:**

Description	Actives	Vested Terms	Inactives	Disableds	Retirees	Total
<b>Participants on July 1, 2009</b>	2,068	690	66	21	259	3,104
New Participants	108	0	0	0	0	108
Transfers in Status	0	0	0	0	0	0
Vested Term	(67)	79	(12)	0	N/A	
Rehired	2	(2)	0	0	N/A	0
Non Vested Term	(1)	0	0	0	N/A	(1)
Inactive	15	0	(15)	0	0	
Disabled	0	(1)	(3)	4	0	
Retired	(16)	(6)	0	(2)	24	
Cash Out	(71)	(35)	(6)	0	0	(112)
Death	(2)	(1)	0	(3)	(6)	(12)
Data Corrections	(3)	(6)	0	0	0	(9)
<b>Participants on July 1, 2010</b>	2,033	718	30	20	277	3,078

July 1, 2009

July 1, 2010

**AVERAGE AGES for active eligible lives**

Average eligibility age for funding	35.47	35.52
Average attained age	45.83	46.45

**PAYROLL for active eligible lives (under Assumed Retirement Age)**

Average covered annual earnings	\$60,070	\$60,588
Total covered annual earnings	\$115,934,533	\$115,055,805

PAYROLL for all active eligible lives	\$125,803,615	\$124,936,457
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**PENSION BENEFIT LIABILITIES**

July 1, 2009

July 1, 2010

Present Value of Projected Plan Benefits: (at 7.5% for July 1, 2009 and 7.5% for July 1, 2010)

<b>Actives</b>		
Retirement Benefits	\$111,770,540	\$116,851,396
Withdrawal	8,355,316	8,154,713
Pre-retirement Spouse	468,978	473,382
Disability	9,791,958	9,908,192
Other	0	0
<i>Subtotal for Actives</i>	<u>\$130,386,792</u>	<u>\$135,387,683</u>
<b>Inactives</b>		
Retired Lives	\$19,610,181	\$21,721,531
Vested Terminated Participants	6,969,675	7,424,218
Disabled	937,736	1,074,323
Inactive Lives	1,015,726	458,010
<i>Subtotal for Inactives</i>	<u>\$28,533,318</u>	<u>\$30,678,082</u>
<b>Total Present Value of Benefits</b>	<b>\$158,920,110</b>	<b>\$166,065,765</b>

Actuarial Accrued Liability: (at 7.5% for July 1, 2009 and 7.5% for July 1, 2010)

<b>Actives</b>		
Retirement Benefits	\$85,941,195	\$91,822,366
Withdrawal	3,526,006	3,456,289
Pre-retirement Spouse	306,558	304,415
Disability	5,535,523	5,749,712
Other	0	0
<i>Subtotal for Actives</i>	<u>\$95,309,282</u>	<u>\$101,332,782</u>
<b>Inactives</b>		
Retired Lives	\$19,610,181	\$21,721,531
Vested Terminated Participants	6,969,675	\$7,424,218
Disabled	937,736	\$1,074,323
Inactive Lives	1,015,726	458,010
<i>Subtotal for Inactives</i>	<u>\$28,533,318</u>	<u>\$30,678,082</u>
<b>Total Actuarial Accrued Liability</b>	<b>\$123,842,600</b>	<b>\$132,010,864</b>

**PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**

**Actuarial Present Value of Accumulated Plan Benefits**

Description:	July 1, 2009		July 1, 2010	
	Lives	Present Value	Lives	Present Value
<i>Total Actives</i>	2,068	\$69,882,297	2,033	\$75,666,697
Retired Lives	259	19,610,181	277	\$21,721,531
Vested Terms	690	6,969,675	718	7,424,218
Disabled	21	937,736	20	1,074,323
Inactive	66	1,015,726	30	458,010
<i>Subtotal for Non-Actives</i>		28,533,318		30,678,082
<b>Total Present Value of Vested Benefits</b>		<b>\$98,415,615</b>		<b>\$106,344,779</b>

The actuarial assumptions used in calculating the Present Value of Accumulated Plan Benefits are described in "Plan Assumptions", with the exception that no assumption for future salary increase has been used.

The assumed rate of investment return is 7.50% for last year and 7.50% for this year.

Assets and Liabilities presented in this report are based on an "ongoing plan" assumption. Therefore, the values shown in this report should not be used to represent the plan's funded status in the event of plan termination, merger, spin-off, transfer of liabilities, or settlement of benefit obligations.

**Reconciliation of Present Value of Accumulated Plan Benefits**

Present Value as of 07/01/09	\$98,415,615
Interest at 7.50%	7,381,171
Distributions with weighted interest	(5,598,209)
Benefits Accumulated	6,146,202
Present Value as of 07/01/10	\$106,344,779
Plan and Assumption changes	0
Present Value of Accumulated Plan Benefits as of 07/01/10	\$106,344,779

**PENSION CONTRIBUTION SUMMARY**

Description	Effective Date	Initial Amount	Remaining Balance	Years Remaining	Annual Payment
Unfunded Actuarial Accrued Liability	07/01/2010	\$50,653,994	\$50,653,994	20.00	\$4,622,094

**PENSION CONTRIBUTION FOR THE PLAN YEAR BEGINNING JULY 1, 2010**

(Allocated to the Civilian and ES/ERT groups by the ratio of the Present Value of Projected Benefits for active participants.)

**City Pension Contribution**

	<u>Civilian</u>	<u>ES/ERT</u>	<u>Total</u>
Employer Normal Cost (including estimated expenses)	\$3,719,361 (3.41%)	\$851,966 (5.35%)	\$4,571,327 (3.66%)
Amortization Payment	<u>3,760,666</u> (3.45%)	<u>861,428</u> (5.41%)	<u>4,622,094</u> (3.70%)
Total Annual Required Contribution	\$7,480,027 (6.86%)	\$1,713,394 (10.76%)	\$9,193,421 (7.36%)
Payroll	\$109,018,647	\$15,917,810	\$124,936,457

**Total Pension Contribution (City and Employee)**

	<u>Civilian</u>	<u>ES/ERT</u>	<u>Total</u>
Normal Cost (including estimated expenses)	\$3,848,061 (3.53%)	\$851,966 (5.35%)	\$4,700,027 (3.76%)
Amortization Payment	<u>3,760,666</u> (3.45%)	<u>861,428</u> (5.41%)	<u>4,622,094</u> (3.70%)
Total Annual Required Contribution	\$7,608,727 (6.98%)	\$1,713,394 (10.76%)	\$9,322,121 (7.46%)
Payroll	\$109,018,647	\$15,917,810	\$124,936,457