

**TOWN OF SCITUATE RETIREMENT PLAN FOR THE POLICE DEPARTMENT EMPLOYEES**  
**EXECUTIVE SUMMARY OF RESULTS**

Actuarial Valuation Date	<u>April 1, 2018</u>	<u>April 1, 2017</u>
<b><u>Plan Assets</u></b>		
Market value of assets	\$5,839,817	\$5,288,504
Net rate of return on market value of assets, prior year	10.62%	10.92%
Benefit Payments, prior year	\$868,346	\$796,428
<b>Employer Contributions, prior year</b>	<b>\$856,215</b>	<b>\$750,786</b>
Employee Contributions, prior year	\$116,018	\$117,991
<b><u>Plan Liabilities</u></b>		
Accrued Liability - Benefits to Date		
Active Participants	\$2,381,678	\$2,740,641
Disabled Participants	\$2,135,226	\$2,136,741
Retired Participants	<u>\$9,709,725</u>	<u>\$9,018,533</u>
Total	\$14,226,629	\$13,895,915
Excess/(Shortfall)	(\$8,386,812)	(\$8,607,411)
Funding Percentage	41.0%	38.1%
Actuarial Accrued Liability - Entry Age	\$15,542,056	\$14,901,307
Excess/(Shortfall)	(\$9,702,239)	(\$9,612,803)
<b>Funding Percentage</b>	<b>37.6%</b>	<b>35.5%</b>
<b><u>Actuarial Determined Contribution</u></b>		
Normal Cost	\$201,808	\$183,866
Years of Amortization	19	20
Unfunded Liability Amortization	\$703,080	\$672,876
Total Contribution with Interest	\$938,821	\$888,870
Expected Employee Contributions	\$115,211	\$115,089
<b>Expected Employer Contributions</b>	<b>\$823,610</b>	<b>\$773,781</b>
Actual Employer Contribution	TBD	\$856,215
<b><u>GASB 67/68 Results</u></b>		
Fiscal Year Ending	3/31/2018	3/31/2017
<b>Pension Expense</b>	<b>\$902,976</b>	<b>\$856,507</b>
Total Net Deferred Outflows/(Inflows)	\$277,841	\$235,166
<b><u>Plan Assumptions (Valuation &amp; GASB 67/68)</u></b>		
Valuation interest rate	7.50%	7.50%
Salary Growth	3.50%	3.50%
Mortality Assumption	RP-2014 Blue Collar / Scale MP-2017	RP-2014 Blue Collar / Scale MP-2015
Plan Participants		
Active Participants	12	13
Disabled Participants	4	4
Retired Participants	<u>20</u>	<u>19</u>
Total	36	36

**Town of Scituate Retirement Plan for the Police Department Employees**

**Current Plan Provisions - 25 Year Closed Amortization - 3.50% Growth**

Year	Expected Benefit Payments	Covered Compensation	Accrued Liability (AAL)	Market Value of Assets	Unfunded Liability (UAL)	Amortization of UAL	Normal Cost	Annual Required Contrib. (ARC)	ARC as Share of Payroll	Employee Contribution	Town Payroll Contribution	Town Supplemental Contribution	Increase in Town Contribution	Contribution as Share of ARC	Funded Ratio
2015	718,361	821,754	13,220,333	4,771,187	8,449,146	551,802	198,687	750,489	91.3%	144,719	160,315	631,513	N/A	124.8%	36.1%
2016	796,428	1,111,367	14,015,792	4,795,331	9,220,461	648,357	211,509	859,866	77.4%	117,991	102,307	604,418	-11%	95.9%	34.2%
2017	868,346	934,546	14,901,307	5,288,504	9,612,803	698,109	190,761	888,870	95.1%	116,018	96,682	759,533	21%	109.4%	35.5%
2018	860,091	935,534	15,542,056	5,839,817	9,702,239	729,456	209,375	938,821	100.4%	115,211	96,009	750,000	-1%	102.4%	37.6%
2019	868,158	891,540	16,029,622	6,343,991	9,685,631	755,877	200,308	956,185	107.3%	109,793	91,494	754,898	0%	100.0%	39.6%
2020	876,020	917,769	16,535,964	6,872,548	9,663,416	785,141	206,195	991,336	108.0%	113,023	94,186	784,126	4%	100.0%	41.6%
2021	885,186	944,179	17,078,201	7,467,716	9,610,485	815,661	212,128	1,027,789	108.9%	116,276	96,896	814,617	4%	100.0%	43.7%
2022	963,486	847,221	17,657,715	8,134,437	9,523,278	847,515	190,854	1,038,369	122.6%	104,335	86,946	847,088	2%	100.0%	46.1%
2023	974,831	870,238	18,177,169	8,780,261	9,396,908	880,695	196,035	1,076,730	123.7%	107,170	89,308	880,252	4%	100.0%	48.3%
2024	1,045,384	782,741	18,729,143	9,501,077	9,228,066	915,381	176,672	1,092,053	139.5%	96,395	80,329	915,329	3%	100.0%	50.7%
2025	1,055,932	802,483	19,229,034	10,217,858	9,011,176	951,587	181,119	1,132,706	141.2%	98,826	82,355	951,525	4%	100.0%	53.1%
2026	1,216,786	542,863	19,760,048	11,018,074	8,741,974	1,029,083	123,562	1,113,089	205.0%	66,854	55,711	990,524	1%	100.0%	55.8%
2027	1,225,428	556,782	20,467,724	12,448,724	8,412,561	1,210,556	126,704	1,200,464	210.4%	70,254	57,140	1,030,078	4%	100.0%	58.2%
2028	1,233,614	570,477	20,853,550	13,299,113	8,019,000	1,070,678	129,786	1,247,348	213.6%	71,905	59,920	1,115,523	4%	100.0%	60.8%
2029	1,243,099	583,878	21,261,561	14,250,295	7,554,437	1,114,553	132,795	1,296,745	217.2%	73,510	61,259	1,161,976	4%	100.0%	63.8%
2030	1,255,194	596,917	21,690,615	15,309,626	7,011,266	1,161,028	87,538	1,298,094	330.2%	48,417	40,348	1,209,329	2%	100.0%	67.0%
2031	1,383,615	393,158	21,968,289	16,316,118	5,652,171	1,263,413	89,854	1,353,267	335.3%	49,709	41,424	1,262,133	4%	100.0%	70.6%
2032	1,390,582	403,649	22,387,865	17,446,018	4,815,920	1,321,051	38,403	1,359,454	723.0%	23,156	19,297	1,317,001	2%	100.0%	74.3%
2033	1,521,690	188,030	22,261,938	18,530,415	3,857,450	1,384,927	39,405	1,424,332	737.8%	23,773	19,811	1,380,748	3%	100.0%	78.4%
2034	1,524,403	193,044	22,521,453	19,758,196	2,763,257	1,460,614	39,405	1,501,019	757.9%	24,390	20,325	1,456,305	5%	100.0%	82.8%
2035	1,527,463	198,052	22,662,912	21,151,565	1,511,347	1,568,023	41,387	1,609,410	792.9%	24,997	20,831	1,563,581	5%	100.0%	87.7%
2036	1,528,902	202,979	22,814,499	22,756,328	58,171	60,352	0	60,352	N/A	0	0	60,352	7%	100.0%	93.3%
2037	1,643,928	0	22,814,874	22,812,692	2,182	2,264	0	2,264	N/A	0	0	2,264	-96%	100.0%	99.7%
2038	1,644,787	0	22,814,383	22,814,301	82	85	0	2,264	N/A	0	0	2,264	-96%	100.0%	100.0%
2039	1,643,434	0	22,815,264	22,815,260	4	4	0	85	N/A	0	0	85	-96%	100.0%	100.0%
2040	1,657,353	0	22,801,726	22,801,726	0	0	0	4	N/A	0	0	4	-95%	100.0%	100.0%
2041	1,651,296	0	22,793,476	22,793,476	0	0	0	0	N/A	0	0	0	-100%	N/A	100.0%
2042	1,642,667	0	22,793,586	22,793,586	0	0	0	0	N/A	0	0	0	N/A	N/A	100.0%
2043	1,631,381	0	22,805,449	22,805,449	0	0	0	0	N/A	0	0	0	N/A	N/A	100.0%
2044	1,617,393	0	22,832,758	22,832,758	0	0	0	0	N/A	0	0	0	N/A	N/A	100.0%
2045	1,600,680	0	22,832,758	22,832,758	0	0	0	0	N/A	0	0	0	N/A	N/A	100.0%
										<b>Contribution Total 2015-2045:</b>	<b>1,785,290</b>	<b>1,531,439</b>	<b>22,314,867</b>		
											<b>7.0%</b>	<b>6.0%</b>	<b>87.1%</b>		

The above forecast is based on the April 1, 2018 actuarial valuation results and census, adjusted for one terminated participant in April 2018.  
The above forecast is also based on terms of the collective bargaining agreements effective for the period July 1, 2018 through June 30, 2021.

The funding policy assumes:

Employee Share:  
Town Share:

12% of Compensation, effective July 1, 2015  
Annual Recommended Contribution (ARC) based on 25 year closed amortization beginning in April 2018, with 3.50% growth  
As of July 1, 2018, the closed amortization period remaining is 19 years.

Rate of return and discount rate assumed to be 7.50%.

The above forecast assumes the Town's supplemental contribution for the 2018 Plan Year is \$750,000 (i.e., \$187,500 per quarter).