



Conrad Siegel
A C T U A R I E S

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City of York
Officers and Employees Retirement Fund
Actuarial Valuation
as of January 1, 2011

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City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011

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City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Comments

The purpose of the valuation report is to determine the actuarial status of the Plan and to serve as the basis for satisfying the reporting requirements under Act 205.

The Summary of Principal Plan Benefit Provisions page provides a summary of the basic plan benefit provisions in effect as of January 1, 2011.

The Actuarial Assumptions and Methods page is a summary of actuarial assumptions and methods used in determining the actuarial status of the Plan.

Section 1 of the report provides a summary of plan assets and summary of plan membership.

The market value of the fund as of December 31, 2010, is \$19,799,155. The net dollar-weighted rates of investment return during 2009 and 2010 on a market value basis were 22.79% and 13.01%, respectively.

As of January 1, 2011, there are 191 active members with total annual payroll of \$7,600,411. There are also 65 retired members currently receiving benefits under the Plan totaling \$796,046 annually, 7 disabled members currently receiving benefits under the Plan totaling \$84,968 annually, 17 spouse beneficiaries of deceased members currently receiving benefits under the Plan totaling \$90,205 annually and 27 vested former members entitled to deferred benefits under the Plan totaling \$250,382 annually.

Section 2 of the report provides the Act 205 funding calculations.

Page 1 of Section 2 shows the calculation of the actuarial value of assets. As of December 31, 2010, the actuarial value of assets is \$21,366,032. This is equal to 108% of the market value of assets.

As of January 1, 2011, there is an unfunded actuarial accrued liability under the Plan of \$3,201,118. The normal cost of the Plan, which is the cost of benefits being accrued during the current year, is \$586,375, which is 7.7% of annual payroll.

Page 4 of Section 2 shows the analysis of the change in the unfunded actuarial accrued liability from January 1, 2009, to January 1, 2011. There was an actuarial loss during the period of \$772,250.

Page 5 of Section 2 illustrates the minimum municipal obligation for the Plan. The financial requirement of the Plan is \$975,793. This includes the normal cost, \$586,375, assumed annual administrative expenses, \$76,622, and amortization of the unfunded actuarial accrued liability, \$312,796. The financial requirement is reduced by expected member contributions to the Plan during 2011, \$152,008. This results in a minimum municipal obligation of \$823,785. This calculation of the minimum municipal obligation is for illustrative purposes only since the calculation of the minimum municipal obligation for purposes of determining the City's required contribution to the Plan is prepared through the budgeting process by September 30 each year for the upcoming calendar year.

Page 6 of Section 2 indicates the actuarial present value of accumulated plan benefits. As of January 1, 2011, the total actuarial present value of accumulated plan benefits is \$20,668,079. This compares to net assets available for benefits of \$19,799,155.

Pages 7 through 13 of Section 2 illustrate calculations of the theoretical plan assets and unfunded actuarial accrued liability excluding bond issue assets. This information will be used for purposes of State aid allocations during 2012 and 2013.

Section 3 of the report provides supplemental information for reporting under Governmental Accounting Standards Board Statements No. 25 and 27.

Section 4 of the report provides demographic data for the members of the Plan.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Actuarial Certification

In preparing this report, we have relied upon the data furnished to us. The data with respect to receipts and disbursements and assets of the Plan as well as the data with respect to participants and beneficiaries were furnished by the City of York. The data has been reviewed and has been determined to be reasonable and consistent.

The information as contained in this report is a projection of liabilities based upon stated assumptions and is not an exact statement of the Plan's ultimate benefits and liabilities. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as at the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the assignment, an analysis of the potential range of such future measurements was not performed.

I certify that all costs, liabilities, rates of interest, and other factors under the Plan in Section 2 of the report have been determined on the basis of actuarial assumptions and methods, each of which is reasonable (taking into account the experience of the Plan and reasonable expectations) or which, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption and method were reasonable, and which, in combination, offer my best estimate of anticipated experience under the Plan.

An approximation technique for the valuation of the disability benefit has been utilized. The approximation technique for the valuation of the disability benefit is a loading factor of 5.0% added to basic pension costs. This same approximation technique has been used in prior actuarial valuations of the Plan. It is my best estimate that the use of the approximation technique will cause little or no distortion in the valuation results.

I am a member of the American Academy of Actuaries, a Fellow of the Society of Actuaries, and an Enrolled Actuary under ERISA, and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

3/22/2012

Date

David H. Killick

David H. Killick, F.S.A.

Consulting Actuary

Enrolled Actuary No. 11-03880

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Summary of Principal Plan Benefit Provisions
Members Hired Before January 1, 1978

Eligibility

All officers and full-time employees, other than firemen and policemen, hired before January 1, 1978, are eligible for the following benefits. Persons paid a per diem wage are not compelled to join.

Normal Retirement

The normal retirement requirement is attainment of age 60 and completion of 20 years of service, or completion of 40 years of service, regardless of age.

The normal retirement pension is payable semi-monthly for life with payments ceasing upon death.

The amount of annual pension is equal to 50% of the higher of the final rate of compensation or compensation averaged over the highest consecutive five years of employment. Service increments of 1/40th of the annual pension per year of service in excess of 20, but not beyond age 65, are provided if the member makes extra contributions. The calculation of compensation includes base salary only.

Disability Retirement

A disability benefit is provided upon permanent disability before age 55 after completion of 15 years of service. The disability retirement pension is 50% of compensation at the time of disability.

Such disability pension is reduced by Workers' Compensation benefits received.

Death Benefits

The death benefit for a member who has been married at least one year and is eligible for normal retirement is a survivor pension for his surviving spouse equal to 50% of the pension the member would have been receiving had he retired on the day prior to the date of death and had elected to receive his pension in a joint and 50% survivor benefit option form.

Vesting

A member's benefits vest upon completion of 12 years of service. The vested benefit is a deferred pension beginning at the normal retirement date equal to the benefit accrued to the date of termination.

Accrued Benefit

The benefit accrued at any date prior to normal retirement is equal to the projected normal retirement benefit, multiplied by the ratio, not to exceed one, of the number of years of service completed to date by the member to 20.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Summary of Principal Plan Benefit Provisions
Members Hired Before January 1, 1978

Employee Contributions

Members contribute 2% of compensation. If service increments are to be provided, an additional 1/2% of compensation is contributed.

Contributions are refunded without interest on termination or death prior to becoming eligible for retirement benefits.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Summary of Principal Plan Benefit Provisions
Members Hired On or After January 1, 1978

Eligibility

All officers and full-time employees, other than firemen and policemen, hired on or after January 1, 1978, are eligible to join the Plan with the following benefits.

Normal Retirement

The normal retirement requirement is attainment of age 60 and completion of five years of service, or completion of 40 years of service, regardless of age.

The normal retirement pension is payable semi-monthly for life with payments continuing after the member's death to the surviving spouse or, if no surviving spouse, to dependent children under the age of 18 equal to 50% of the pension the member was receiving at the time of death.

The amount of annual pension is equal to 2% of average annual compensation, multiplied by the number of complete years of service at retirement, up to a maximum of 40 years. Average annual compensation is based upon compensation for the highest five consecutive years out of the last ten years of employment. The calculation of compensation includes base salary plus longevity payments.

Early Retirement

Members are eligible for early retirement upon attainment of age 55 and completion of five years of service. The early retirement benefit is the benefit accrued to the date of early retirement, reduced 1/3 of 1% for each month early.

Disability Retirement

Members are eligible for disability retirement after completion of ten or more years of service. The disability retirement benefit is the benefit accrued to the date of disability, but not less than 50% of average monthly compensation. However, the amount of benefit shall not exceed such amount as necessary to make all benefits fully or partially financed by the City equal to 80% of compensation at the time of disability.

Death Benefits

The death benefit for a member who has been married at least one year and is eligible for early retirement is a survivor pension for his surviving spouse or, if no surviving spouse, to dependent children under the age of 18 equal to 50% of the pension the member would have been receiving had he been retired on the day of his death.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Summary of Principal Plan Benefit Provisions
Members Hired On or After January 1, 1978

Vesting

A member's benefits vest upon completion of five years of service. The vested benefit is a deferred pension beginning at the normal retirement date equal to the benefit accrued to the date of termination.

Accrued Benefit

The benefit accrued at any date prior to normal retirement is equal to the normal retirement benefit formula, but based upon compensation and service to date.

Employee Contributions

Members contribute 2% of compensation. If a member terminates employment before completion of five years of service, member contributions are refunded with 5% compound interest.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Actuarial Assumptions and Methods

Interest

8.00%

Salary

5.00% Annual Increase

Withdrawal

Table C-3: Rates of withdrawal at selected ages:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	15.0000%	35	10.0000%	50	2.5000%
25	15.0000%	40	7.5000%	55	1.0000%
30	12.5000%	45	5.0000%	60	0.0000%

Mortality

UP1984 Table with 5 year postretirement age setback for females
(This table does not include projected mortality improvements.)

Disability

Loading of 5.00% added to basic pension costs.

Retirement

Normal Retirement Age, or age on valuation date, if greater.

Preretirement Death Benefit

Liabilities computed on the assumption that all participants will have spouses of the same age at the date of eligibility for the benefit.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Actuarial Assumptions and Methods

Expenses

Provision for administrative expenses added to normal cost.

Inflation

Moderate inflation based on long term historical average rates is a component of the actuarial assumptions used herein. Provision is not made for advance funding of sharply higher rates of inflation experienced in some years. The effects of such higher rates are reflected in the funding after their occurrence.

Actuarial Value of Assets

Each year the investment gain (excess of actual investment income including realized and unrealized appreciation over expected investment income) or loss is recognized over a five-year period. In no event is the actuarial value of assets allowed to be greater than 130% or less than 70% of market value.

Actuarial Cost Method

Entry Age Normal using level percentage of future payroll amortization of the initial unfunded actuarial accrued liability based upon a 4.0% annual increase in covered payroll assumption.

City of York Officers and Employees Retirement
Fund
Actuarial Valuation
as of January 1, 2011

Section 1

Summary of Plan Assets and Summary of Plan Membership

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Receipts and Disbursements - January 1, 2009 to December 31, 2009

Market Value at 1/1/2009 \$ 15,197,595.00

Receipts

Employer Contributions Received	\$ 344,088.00	
Employee Contributions		
Received	\$ 147,938.00	
Receivable at 1/1/2009	0.00	
Receivable at 12/31/2009	<u>5,772.00</u>	
Total Employee Contributions		153,710.00
Investment Income Received		352,093.00
Change in Market Value		<u>3,016,172.00</u>
Total Receipts		3,866,063.00

Disbursements

Monthly Benefit Payments	\$ (887,921.00)	
Refund of Employee Contributions	(38,334.00)	
Administrative Expenses	<u>(68,630.00)</u>	
Total Disbursements		<u>(994,885.00)</u>
Market Value at 12/31/2009		<u><u>\$ 18,068,773.00</u></u>
Approximate Net Dollar-Weighted Rate of Investment Return		<u>22.79%</u>

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Receipts and Disbursements - January 1, 2010 to December 31, 2010

Market Value at 1/1/2010 \$ 18,068,773.00

Receipts

Employer Contributions Received	\$ 376,684.00	
Employee Contributions		
Received	\$ 150,158.00	
Receivable at 1/1/2010	(5,772.00)	
Receivable at 12/31/2010	5,730.00	
Total Employee Contributions	<u>150,116.00</u>	
Investment Income Received	194,887.00	
Change in Market Value	<u>2,117,909.00</u>	
Total Receipts		2,839,596.00

Disbursements

Monthly Benefit Payments	\$ (922,339.00)	
Refund of Employee Contributions	(102,261.00)	
Administrative Expenses	<u>(84,614.00)</u>	
Total Disbursements		<u>(1,109,214.00)</u>
Market Value at 12/31/2010		<u><u>\$ 19,799,155.00</u></u>
Approximate Net Dollar-Weighted Rate of Investment Return		<u>13.01%</u>

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011

Assets and Liabilities

Assets

Cash	\$	0.00
Mutual Funds		<u>19,793,425.00</u>
Total Assets in Fund	\$	19,793,425.00
Employee Contributions Receivable		5,730.00
Accrued Income		<u>0.00</u>
Total Assets	\$	19,799,155.00

Liabilities

Total Liabilities		<u>0.00</u>
Net Assets	\$	<u><u>19,799,155.00</u></u>

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011

Summary of Plan Membership

Active Members		
	Number of Members	Annual Payroll
Active Members as of 1/1/2009	193	
New Members During the Period	42	
Returned to Active	0	
Members No Longer Active:		
Retired with Disability Benefit	0	
Retired with Service Retirement Benefit	(8)	
Separated with Deferred Benefit	(15)	
Separated with Refund of Contributions	(21)	
Separated with Neither Deferred Benefit nor Refund of Contributions	0	
Deceased	0	
Total	<u>(44)</u>	
Active Members as of 1/1/2011	<u>191</u>	<u>\$ 7,600,411</u>
Vested Former Members		
	Number of Members	Annual Benefit
Vested Former Members as of 1/1/2009	27	
Separated with Deferred Benefit	15	
Beneficiary of Deceased Participant	0	
Returned to Active	0	
Retired with Service Retirement Benefit	(6)	
Deceased or Paid in Full	<u>(9)</u>	
Vested Former Members as of 1/1/2011	<u>27</u>	<u>\$ 250,382</u>
Retired Members		
Retired Members as of 1/1/2009	59	
Retired with Service Retirement Benefit	14	
Deceased or Paid in Full	<u>(8)</u>	
Retired Members as of 1/1/2011	<u>65</u>	<u>\$ 796,046</u>
Disabled Members		
Disabled Members as of 1/1/2009	7	
Retired with Disability Benefit	0	
Deceased	<u>0</u>	
Disabled Members as of 1/1/2011	<u>7</u>	<u>\$ 84,968</u>
Spouse Beneficiaries of Deceased Members		
Spouse Beneficiaries of Deceased Members as of 1/1/2009	13	
Additional Spouse Beneficiaries of Deceased Members	4	
Deceased	<u>0</u>	
Spouse Beneficiaries of Deceased Members as of 1/1/2011	<u>17</u>	<u>\$ 90,205</u>

City of York Officers and Employees Retirement
Fund
Actuarial Valuation
as of January 1, 2011

Section 2

Act 205 Funding Calculations

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011

Actuarial Value of Assets

	2007	2008	2009	2010
Market Value at 1/1	\$ 21,302,612.96	\$ 22,986,255.00	\$ 15,197,595.00	\$ 18,068,773.00
Contributions	465,561.00	476,538.00	497,798.00	526,800.00
Benefit Payments and Expenses	(862,826.00)	(932,674.00)	(994,885.00)	(1,109,214.00)
Expected Investment Income ¹	1,688,318.44	1,820,654.96	1,195,924.12	1,422,205.28
Expected Value at 12/31	\$ 22,593,666.40	\$ 24,350,773.96	\$ 15,896,432.12	\$ 18,908,564.28
Market Value at 12/31	22,986,255.00	15,197,595.00	18,068,773.00	19,799,155.00
Gain/(Loss): (Market Value less Expected Value)	\$ 392,588.60	\$ (9,153,178.96)	\$ 2,172,340.88	\$ 890,590.72
Percentage of Gain/(Loss) to be recognized in the future	20%	40%	60%	80%
Gain/(Loss) to be recognized in the future	\$ 78,517.72	\$ (3,661,271.58)	\$ 1,303,404.53	\$ 712,472.58
Market Value at 12/31/2010				\$ 19,799,155.00
Total (Gain)/Loss for 2007-2010 to be recognized in the future				1,566,876.75
Actuarial Value of Assets at 12/31/2010				<u>\$ 21,366,031.75</u> ²

¹ 8.00% annual interest rate

² Actuarial Value of Assets cannot be greater than 130% nor be less than 70% of the Market Value.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Unfunded Actuarial Accrued Liability and Normal Cost

Unfunded Actuarial Accrued Liability

Actuarial Present Value of Future Benefits

Active Members Retirement Pension Benefits	\$ 16,709,001
Active Members Vested Withdrawal Benefits	863,339
Active Members Disability Benefits	835,464
Active Members Preretirement Death Benefits	302,396
Active Members Refund of Member Contributions	117,803 ¹
Refund of Employee Contributions to Terminated Members	41,911
Vested Former Members Benefits	1,460,493
Retired Members Benefits	6,721,870
Disabled Members Benefits	824,588
Surviving Spouses Benefits	<u>696,607</u>
Total	\$ 28,573,472
Actuarial Present Value of Future Normal Costs	<u>(4,006,322)</u>
Actuarial Accrued Liability	\$ 24,567,150
Actuarial Value of Assets	<u>(21,366,032)</u>
Unfunded Actuarial Accrued Liability	<u><u>\$ 3,201,118</u></u>

Normal Cost

Normal Cost	<u><u>\$ 586,375</u></u>
Normal Cost as a Percentage of Annual Payroll	<u>7.7%</u>

¹ Accumulated Member Contributions Without Interest as of 1/1/2011 = \$1,921,356

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011

Amortization of Unfunded Actuarial Accrued Liability

Initial Date	Initial Amount	Outstanding Balance	Amortization Amount	Remaining Amortization	Nature
January 1, 2009	\$ (4,559,279)	\$ (4,352,047)	\$ (429,975)	18 Years	Assumption Chg.
January 1, 2009	7,103,800	6,780,915	669,942	18 Years	Actuarial Loss
January 1, 2011	772,250	772,250	72,829	20 Years	Actuarial Loss
Total	<u>\$ 3,316,771</u>	<u>\$ 3,201,118</u>	<u>\$ 312,796</u>		

Projected plan year in which the unfunded accrued liability is fully amortized is 2029.

Aggregation of Changes in Unfunded Actuarial Accrued Liability

Date of Aggregation	Aggregated Target Date	Outstanding Balance	Amortization Amount	Remaining Amortization
January 1, 2011	2029	<u>\$ 3,201,118</u>	<u>\$ 312,796</u>	19 Years

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Analysis of the Change in the Unfunded Actuarial Accrued Liability

Unfunded Actuarial Accrued Liability at 1/1/2009	\$ 2,544,521
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Additions

Normal Costs	\$ 1,192,885	
Administrative Expenses	153,244	
Interest on Unfunded Actuarial Accrued Liability, Normal Costs, and Administrative Expenses	<u>580,955</u>	
Total		1,927,084

Contributions

Employer Contributions	\$ (720,772)	
Employee Contributions	(303,826)	
Interest on Contributions	<u>(70,542)</u>	
Total		(1,095,140)
Adjustment for Funding Deviation		(947,597)
Modification in the Benefit Plan		0
Change in Actuarial Assumptions		0

Actuarial Loss

Investment Loss	\$ 502,488	
Experience Gain	(677,835)	
Funding Deviation	<u>947,597</u>	
Total		<u>772,250</u>
Unfunded Actuarial Accrued Liability at 1/1/2011	<u><u>\$ 3,201,118</u></u>	

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Illustration of Minimum Municipal Obligation

Financial Requirements

Normal Cost	\$	586,375	
Administrative Expenses		76,622 ¹	
Amortization of Unfunded Actuarial Accrued Liability		<u>312,796</u>	
Total	\$		975,793
Expected Member Contributions			<u>(152,008)</u>
Minimum Municipal Obligation	\$		823,785
Estimated Allocation of General Municipal Pension System State Aid			<u>0</u>
Net Minimum Municipal Obligation	\$		<u><u>823,785</u></u>

¹ Total Administrative Expenses for Plan Year 1/1/2009 to 12/31/2009 - \$ 68,630
Total Administrative Expenses for Plan Year 1/1/2010 to 12/31/2010 - \$ 84,614

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Actuarial Present Value of Accumulated Plan Benefits

Vested Benefits		
Retired Members	\$ 8,243,065	
Other Members	<u>11,715,731</u>	
Total Vested Benefits		\$ 19,958,796
Nonvested Benefits		<u>709,283</u>
Total Actuarial Present Value of Accumulated Plan Benefits		<u>\$ 20,668,079</u>
Net Assets Available for Benefits as of 1/1/2011		<u>\$ 19,799,155</u>

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
**Receipts and Disbursements Excluding Bond Issue Assets -
January 1, 2009 to December 31, 2009**

Market Value at 1/1/2009 \$ 11,656,705.39

Receipts

Employer Contributions Received \$ 748,066.00

Employee Contributions

Received \$ 147,938.00

Receivable at 1/1/2009 0.00

Receivable at 12/31/2009 5,772.00

Total Employee Contributions Received 153,710.00

Investment Income 270,058.81

Change in Market Value 2,313,433.70

Total Receipts 3,485,268.51

Disbursements

Monthly Benefit Payments \$ (887,921.00)

Refund of Employee Contributions (38,334.00)

Administrative Expenses (68,630.00)

Total Disbursements (994,885.00)

Market Value at 12/31/2009 \$ 14,147,088.90

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
**Receipts and Disbursements Excluding Bond Issue Assets -
January 1, 2010 to December 31, 2010**

Market Value at 1/1/2010 \$ 14,147,088.90

Receipts

Employer Contributions Received \$ 798,171.00

Employee Contributions

Received \$ 150,158.00

Receivable at 1/1/2010 (5,772.00)

Receivable at 12/31/2010 5,730.00

Total Employee Contributions Received 150,116.00

Investment Income 152,588.72

Change in Market Value 1,658,233.62

Total Receipts 2,759,109.34

Disbursements

Monthly Benefit Payments \$ (922,339.00)

Refund of Employee Contributions (102,261.00)

Administrative Expenses (84,614.00)

Total Disbursements (1,109,214.00)

Market Value at 12/31/2010 \$ 15,796,984.24

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Assets and Liabilities Excluding Bond Issue Assets

Assets

Total Assets	\$ 15,796,984.24
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Liabilities

Total Liabilities	<u>0.00</u>
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Net Assets	<u><u>\$ 15,796,984.24</u></u>
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City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011

Actuarial Value of Assets

	2007	2008	2009	2010
Market Value at 1/1	\$ 15,416,085.98	\$ 17,026,352.03	\$ 11,656,705.39	\$ 14,147,088.90
Contributions	967,200.00	994,366.00	901,776.00	948,287.00
Benefit Payments and Expenses	(862,826.00)	(932,674.00)	(994,885.00)	(1,109,214.00)
Expected Investment Income ¹	1,237,461.84	1,364,575.84	928,812.07	1,125,330.03
Expected Value at 12/31	\$ 16,757,921.82	\$ 18,452,619.87	\$ 12,492,408.46	\$ 15,111,491.93
Market Value at 12/31	17,026,352.03	11,656,705.39	14,147,088.90	15,796,984.24
Gain/(Loss): (Market Value less Expected Value)	\$ 268,430.21	\$ (6,795,914.48)	\$ 1,654,680.44	\$ 685,492.31
Percentage of Gain/(Loss) to be recognized in the future	20%	40%	60%	80%
Gain/(Loss) to be recognized in the future	\$ 53,686.04	\$ (2,718,365.79)	\$ 992,808.26	\$ 548,393.85
Market Value at 12/31/2010				\$ 15,796,984.24
Total (Gain)/Loss for 2007-2010 to be recognized in the future				1,123,477.64
Actuarial Value of Assets at 12/31/2010				<u>\$ 16,920,461.88</u>
2009 Approximate Net Dollar-Weighted Rate of Investment Return				10.97%
2010 Approximate Net Dollar-Weighted Rate of Investment Return				2.18%

¹ 8.00% annual interest rate

² Actuarial Value of Assets cannot be greater than 130% nor be less than 70% of the Market Value.

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Unfunded Actuarial Accrued Liability Excluding Bond Issue Assets

Actuarial Present Value of Future Benefits	\$ 28,573,472
Actuarial Present Value of Future Normal Costs	<u>(4,006,322)</u>
Actuarial Accrued Liability	\$ 24,567,150
Reserve for Benefits Excluding Bond Issue Assets	<u>(16,920,462)</u>
Unfunded Actuarial Accrued Liability	<u><u>\$ 7,646,688</u></u>

City of York Officers and Employees Retirement Fund

Actuarial Valuation as of January 1, 2011

Amortization of Unfunded Actuarial Accrued Liability Excluding Bond Issue Assets

Initial Date	Initial Amount	Outstanding Balance	Amortization Amount	Remaining Amortization	Nature
January 1, 1985	\$ 3,626,630	\$ 5,246,808	\$ 473,468	14 Years ¹	Initial Unfunded
January 1, 1992	715,867	67,512	67,512	1 Year	Active Amendment
January 1, 1992	(509,105)	(48,012)	(48,012)	1 Year	Assumption Chg.
January 1, 1994	(620,867)	(162,987)	(58,552)	3 Years	Assumption Chg.
January 1, 1997	(769,152)	(83,203)	(83,203)	1 Year	Actuarial Gain
January 1, 1998	(714,386)	(148,838)	(77,279)	2 Years	Actuarial Gain
January 1, 1999	(440,426)	(132,608)	(47,643)	3 Years	Actuarial Gain
January 1, 2000	(348,242)	(134,759)	(37,671)	4 Years	Actuarial Gain
January 1, 2001	3,943	2,692	372	10 Years	Active Amendment
January 1, 2001	432,407	201,698	46,776	5 Years	Actuarial Loss
January 1, 2002	160,320	116,569	15,119	11 Years	Active Amendment
January 1, 2002	1,356,941	732,864	146,788	6 Years	Actuarial Loss
January 1, 2003	(1,868,133)	(1,433,915)	(176,179)	12 Years	Assumption Chg.
January 1, 2003	1,587,452	965,584	171,723	7 Years	Actuarial Loss
January 1, 2005	97,595	71,231	10,557	9 Years	Actuarial Loss
January 1, 2007	(464,858)	(378,354)	(52,209)	10 Years	Assumption Chg.
January 1, 2007	(128,735)	(104,782)	(14,458)	10 Years	Actuarial Gain
January 1, 2009	(3,497,012)	(3,338,063)	(329,795)	18 Years	Assumption Chg.
January 1, 2009	6,138,433	5,859,426	578,901	18 Years	Actuarial Loss
January 1, 2011	347,825	347,825	32,803	20 Years	Actuarial Loss
Total	<u>\$ 5,106,497</u>	<u>\$ 7,646,688</u>	<u>\$ 619,018</u>		

Projected plan year in which the unfunded accrued liability is fully amortized is 2031.

Aggregation of Changes in Unfunded Actuarial Accrued Liability

Date of Aggregation	Aggregated Target Date	Outstanding Balance	Amortization Amount	Remaining Amortization
January 1, 2011	N/A	<u>\$ 2,399,880</u>	<u>\$ 145,550</u>	N/A Years

¹ Level Percentage of Future Payroll Amortization

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Analysis of the Change in the Unfunded Actuarial Accrued Liability
Excluding Bond Issue Assets

Unfunded Actuarial Accrued Liability at 1/1/2009		\$ 7,147,678
Additions		
Normal Costs	\$ 1,192,885	
Administrative Expenses	153,244	
Interest on Unfunded Actuarial Accrued Liability, Normal Costs, and Administrative Expenses	<u>1,346,920</u>	
Total		2,693,049
Contributions		
Employer Contributions	\$ (1,546,237)	
Employee Contributions	(303,826)	
Interest on Contributions	<u>(102,860)</u>	
Total		(1,952,923)
Adjustment for Funding Deviation		(588,941)
Modification in the Benefit Plan		0
Change in Actuarial Assumptions		0
Actuarial Loss		
Investment Loss	\$ 436,719	
Experience Gain	(677,835)	
Funding Deviation	<u>588,941</u>	
Total		<u>347,825</u>
Unfunded Actuarial Accrued Liability at 1/1/2011		<u><u>\$ 7,646,688</u></u>

City of York Officers and Employees Retirement
Fund
Actuarial Valuation
as of January 1, 2011

Section 3

Supplemental Information for GASB Reporting

City of York Officers and Employees Retirement Fund
Actuarial Valuation as of January 1, 2011
Supplemental Information for GASB Statement Nos. 25 & 27 Reporting

Schedule of Funding Progress

Valuation Date	Actuarial Value of Assets (a)	Entry Age Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
1/1/2001	\$ 18,109,142	\$ 14,116,471	\$ (3,992,671)	128.3%	\$ 6,086,232	(65.6%)
1/1/2002	17,326,047	15,472,339	(1,853,708)	112.0%	6,383,990	(29.0%)
1/1/2003	17,583,625	15,879,934	(1,703,691)	110.7%	6,186,006	(27.5%)
1/1/2004	18,772,259					
1/1/2005	19,138,231	17,848,189	(1,290,042)	107.2%	6,386,560	(20.2%)
1/1/2006	19,562,547					
1/1/2007	21,302,613	19,688,657	(1,613,956)	108.2%	6,238,323	(25.9%)
1/1/2008	22,986,255					
1/1/2009	19,756,874	22,301,395	2,544,521	88.6%	7,387,463	34.4%
1/1/2010	21,554,832					
1/1/2011	21,366,032	24,567,150	3,201,118	87.0%	7,600,411	42.1%

Schedule of Contributions from the Employer and Other Contributing Entities

Year	Annual Required Contribution	Contributions ¹ From Employer	Percentage Contributed
2001	\$ 0	\$ 0	100.0%
2002	18,601	18,601	100.0%
2003	86,651	86,651	100.0%
2004	295,282	295,282	100.0%
2005	316,290	316,290	100.0%
2006	332,937	336,246	100.0%+
2007	331,360	331,360	100.0%
2008	335,270	335,270	100.0%
2009	344,088	344,088	100.0%
2010	376,684	376,684	100.0%

The above information was determined as part of the actuarial valuations at the dates listed.
Additional information as of the current actuarial valuation:

Amortization Method: Level Dollar Closed, Level Percentage of Projected Payroll for Initial Base Closed
Remaining Amortization Period: 19 Years

Other Actuarial Assumptions and Methods stated previously in report.

¹ Includes general municipal pension system State aid

City of York Officers and Employees Retirement
Fund
Actuarial Valuation
as of January 1, 2011

Section 4

Participant Information

CITY OF YORK OFFICERS AND EMPLOYEES RETIREMENT FUND

DEMOGRAPHIC DATA FOR ACTIVE MEMBERS

01/01/2011

Age	Years of Service										Total
	0-1	2	3	4-5	6-10	11-15	16-20	21-25	26-30	30+	
Under No. of 20 Payroll (\$000)	1 38	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	1 38
20-24 No. of Payroll (\$000)	6 181	1 35	1 41	1 38	0 0	0 0	0 0	0 0	0 0	0 0	9 295
25-29 No. of Payroll (\$000)	3 113	3 113	3 119	1 35	0 0	0 0	0 0	0 0	0 0	0 0	10 380
30-34 No. of Payroll (\$000)	6 187	3 120	2 72	3 156	1 43	2 99	0 0	0 0	0 0	0 0	17 677
35-39 No. of Payroll (\$000)	3 118	4 181	2 80	5 182	4 133	1 51	0 0	0 0	0 0	0 0	19 745
40-44 No. of Payroll (\$000)	2 91	4 132	2 71	2 81	1 30	2 100	4 169	6 252	0 0	0 0	23 926
45-49 No. of Payroll (\$000)	5 216	4 157	3 107	2 60	5 190	2 69	0 0	4 154	3 124	0 0	28 1,077
50-54 No. of Payroll (\$000)	4 139	1 27	1 38	1 41	5 167	5 228	4 184	4 149	4 141	3 164	32 1,278
55-59 No. of Payroll (\$000)	1 63	1 32	1 40	3 127	3 180	4 189	3 120	4 167	2 107	9 352	31 1,377
60-64 No. of Payroll (\$000)	1 10	1 10	1 35	1 41	1 37	0 0	2 96	1 38	4 164	3 146	15 577
65 & No. of Over Payroll (\$000)	0 0	1 10	1 36	1 36	0 0	2 53	0 0	1 98	0 0	0 0	6 233
Total Members	32	23	17	20	20	18	13	20	13	15	191
Total Annual Payroll	1,156	817	639	797	780	789	569	858	536	662	7,603

Average Age: 46.0 Years Average Service to Date: 11.4 Years Average Salary: \$39,793

Number of Males: 101

Number of Females: 90

Number Inactive: 0

CITY OF YORK OFFICERS AND EMPLOYEES RETIREMENT FUND

DEMOGRAPHIC DATA FOR RETIRED MEMBERS AND MEMBERS TERMINATED WITH VESTING
01/01/2011

RETIRED MEMBERS

AGE	NUMBER	ANNUAL PENSIONS PAYABLE (\$)
Under 30	0	0
30 - 34	0	0
35 - 39	0	0
40 - 44	0	0
45 - 49	0	0
50 - 54	0	0
55 - 59	13	158,637
60 - 64	16	216,188
65 - 69	19	257,568
70 - 74	15	144,132
75 - 79	14	104,108
80 - 84	8	69,004
Over 84	4	21,582
TOTALS	89	971,219

MEMBERS TERMINATED WITH VESTING

AGE	NUMBER	ANNUAL PENSIONS PAYABLE (\$)
Under 25	0	0
25 - 29	0	0
30 - 34	0	0
35 - 39	1	3,239
40 - 44	3	29,670
45 - 49	5	39,355
50 - 54	6	85,201
55 - 59	11	79,909
60 - 64	1	13,008
65 - 69	0	0
Over 69	0	0
TOTALS	27	250,382