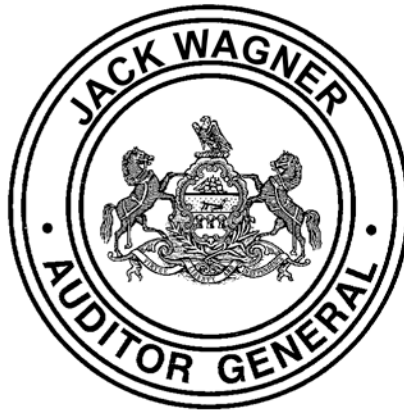


**PENNSYLVANIA DEPARTMENT OF THE
AUDITOR GENERAL**

JACK WAGNER, AUDITOR GENERAL

BUREAU OF MUNICIPAL PENSION AUDITS



**ANALYSIS OF LOCAL GOVERNMENT
PENSION PLANS
JULY 1, 2009, TO JUNE 30, 2011**

Department of the Auditor General
Room 229 Finance Building
Harrisburg, PA 17120-0018

September 19, 2012

The Honorable Tom Corbett
Governor
COMMONWEALTH OF PENNSYLVANIA
Harrisburg, PA 17120

Dear Governor Corbett:

I am pleased to provide the Department of the Auditor General's analysis of local government pension plans with an emphasis on data collected from audit reports released from the period July 1, 2009, to June 30, 2011. This report provides an analysis of common audit findings contained in audit reports released during this period, as well as a discussion of the Financially Distressed Municipal Pension System Recovery Program established by Act 44 of 2009 and a summary of the funding status of individual pension plans pursuant to the distress recovery parameters as of January 1, 2011. It is my intention that this report can be used for educational purposes and for initiating discussions about reforming the administration of local government pension plans in the Commonwealth. This report also seeks to promote a greater understanding of the many issues and challenges that Pennsylvania's cities, boroughs, and townships confront as they seek to balance the need to provide pension benefits to their hard-working police officers, firefighters, and nonuniformed employees with their fiduciary duties to the taxpayers of their respective municipalities in this difficult economic environment.

The Department of the Auditor General annually distributes the two-percent foreign fire and casualty insurance tax in accordance with the provisions of Act 205 of 1984, as amended. In addition, the Department also distributes reimbursements for ad hoc postretirement adjustments granted pursuant to the provisions of Act 147 of 1988, as amended. In 2011, over \$361.6 million in allocations were distributed to benefit municipal pension plans statewide pursuant to these acts. These state laws also provide statutory authority for this Department to audit pension plans that have received state aid allocations.

The Department's Bureau of Municipal Pension Audits conducts audits of local government pension plans with the objective of determining if pension plans were administered in compliance with applicable state laws, contracts, administrative procedures, and local ordinances and policies, and if municipal officials took appropriate corrective action to address the finding(s) contained in our prior audit reports.

As noted in the Introduction to this report, the Department's Bureau of Municipal Pension Audits is responsible for auditing over 2,600 Pennsylvania local government pension plans. Including county and municipal authority plans (which the Department does not audit because these plans do not receive funding pursuant to Act 205), the Commonwealth of Pennsylvania now has over 3,200 local government pension plans, which now comprise over 25 percent of the public employee pension plans in the United States. Pennsylvania's proliferation of local government pension plans stands in stark contrast to the number of local government plans maintained by the states bordering the Commonwealth and throughout the country, which is further illustrated later in the report.

Given the current economic conditions in the Commonwealth and the ever increasing strain that the funding of municipal pension plans is placing on Pennsylvania local governments, the time has come to discuss changes to Pennsylvania's system of maintaining thousands of local government pension plans.

Proposed reforms to the local government pension system that should be considered by you and the General Assembly include:

- Consolidating local government pension plans into a statewide system for different classes of employees such as police officers, firefighters, and nonuniformed employees that would apply to current and/or future municipal employees. Alternatively, maintaining the existing system of individual pension plans and consolidating the administration of all municipal pension plans into one entity such as the Pennsylvania Municipal Retirement System (PMRS) or the State Employees' Retirement System (SERS). Both of these reforms would serve to facilitate plan administration, reduce administrative expenses and provide for greater investment returns;
- Amending the formula for the allocation of General Municipal Pension System State Aid (Act 205 of 1984, as amended) funding to ensure that distressed pension plans receive additional funding;
- Implementing continuing education programs for local government officials charged with the responsibility of pension plan administration; and

- Due to demographic changes such as increasing life expectancies, pension plans' normal retirement provisions should contain a balanced age and service component and not rely solely on a years of service formula which can dramatically increase a pension plan's actuarial accrued liability.

In addition, there needs to be a full debate in the General Assembly regarding benefit structures to be maintained by local government pension plans. These possible structures include defined benefit plans, defined contribution plans, and hybrid plans that incorporate features of both defined benefit and defined contribution formulas.

Additional sources of information regarding local government municipal pension plan reform can be found in the References section of this report.

Furthermore, based on our audit procedures and findings and considering that approximately 67 percent of local government pension plans have 10 or fewer members, we recommend that plan officials consider the following practical guidelines to improve their administration of local government pension plans:

- In their capacity as pension plan fiduciaries, elected and administrative municipal officials should view the benefit structure and the funding of a defined benefit pension plan from a long-term perspective. Plan officials should not let temporary market fluctuations influence their decisions regarding investment policy and benefit modifications.
- Plan officials should consider consultation with legal counsel, plan consultants and actuaries prior to making decisions regarding amending the plan's benefit structure and/or funding levels that could have long-term cost ramifications to the municipality. Municipal solicitors can provide guidance regarding compliance with applicable state statutes and the plan's governing document provisions. Actuaries can perform cost studies (which are mandated by Act 205 prior to the modification of plan provisions) that document the financial effect of benefit enhancements.
- Plan officials should consult available reference sources, when possible, when making investment decisions or in the consideration of changing plan custodians. For example, plan officials can refer to A.M. Best's Key Rating Guide to obtain rating information for insurance companies. Other municipalities and organizations such as the Pennsylvania State Association of Township Supervisors and the Pennsylvania State Association of Boroughs can also be consulted to obtain guidance regarding plan administration. Furthermore, municipal officials should adhere to the requirements of Act 44 of 2009 regarding the procurement of professional services. The municipality should develop written procedures to be followed in selecting the most qualified person to enter into a professional services contract, pursuant to Act 44 provisions.

- Plan officials should maintain a permanent record of all pension board meetings. The minutes should include an adequate record of all financial-related business conducted by the pension board. The failure to maintain adequate minutes of pension board meetings could lead to undetected errors or improprieties in plan transactions as well as deficiencies in authorizing and implementing pension plan policies.
- To assist in meeting actuarial valuation report filing deadlines, to facilitate the timely preparation and submission of minimum municipal obligation calculations and to improve overall pension plan administration, we recommend that plan officials consider the development and implementation of internal control procedures, such as a calendar listing the various reporting and filing deadlines required by Act 205.
- To assist in the proper determination of pension benefits, plan officials should establish adequate internal control procedures such as having a person, other than the person who prepared the pension benefit determination, review the pension benefit calculation for accuracy and compliance with applicable state laws and plan governing document provisions.
- Plan officials should consider the preparation of written management guidelines which describe the duties and responsibilities of municipal and plan officials in the operation of the pension plan. This manual should be kept on file with other important plan documents. Such measures are important to ensure an acceptable transition of duties in the event of changes in management personnel. Without such measures, the risk exists that important filing deadlines may be overlooked, fundamental plan obligations to active or retired members may not be correctly fulfilled, state aid may be adversely affected and/or delayed and investment opportunities may be lost.
- Plan officials should monitor custodial account statements to review the accuracy and propriety of transactions and to verify that all state aid received is deposited appropriately into eligible pension plans to properly fund authorized pension plan costs.

Consideration of these suggestions could alleviate the conditions which can result in a finding in a pension plan audit report, the most common of which are outlined in the Common Audit Findings section of this report.

We would like to acknowledge the contributions of the Public Employee Retirement Commission (PERC) in the development of this report. The Department continues to benefit from a productive working relationship with PERC and its staff, who are an invaluable source of information regarding the administration of local government pension plans. We encourage you and the General Assembly to maintain PERC's status as an independent commission to enable it to continue its oversight responsibilities, which will benefit not only our Department, but also state and municipal government officials, public employee unions, local government plan members and the taxpayers of the Commonwealth of Pennsylvania.

I hope that you will find the information contained in this report useful and informative. Copies of this report will be distributed to local government officials and made available on the Department of the Auditor General's website at www.auditorgen.state.pa.us. The Department stands ready to work with you, the General Assembly, municipal officials, public employee unions, and other interested parties to implement local government pension reform that will benefit the Commonwealth and its taxpayers and ensure the plans' long-term financial stability.

Sincerely,

JACK WAGNER
Auditor General

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INTRODUCTION

The Department of the Auditor General's Bureau of Municipal Pension Audits (bureau) audits pension plans established by municipalities and regional entities for police officers, paid firefighters, and nonuniformed employees. The bureau's audits determine whether the local government pension plans are administered in compliance with applicable state laws, contracts, administrative procedures, and local ordinances and policies.

The bureau is responsible for auditing the 2,642¹ Pennsylvania local government pension plans that participate in the General Municipal Pension System State Aid Program. Of these plans, 963 cover police officers, 81 cover paid firefighters and 1,598 cover other (nonuniformed) municipal employees. The bureau generally audits each plan every two or three years, depending on various factors, such as municipal class and available resources. Each year, the bureau audits between 950 and 1,000 of these plans.

Act 205 of 1984, as amended, the Municipal Pension Plan Funding Standard and Recovery Act, specifies the parameters of the General Municipal Pension System State Aid Program and empowers the Auditor General to audit municipalities receiving General Municipal Pension System State Aid (state aid). Section 402(j) of Act 205 provides:

The Auditor General, as deemed necessary, shall make an audit of every municipality which receives general municipal pension system State aid and of every municipal pension plan and fund in which general municipal pension system State aid is deposited.²

Furthermore, Act 147 of 1988, as amended, the Special Ad Hoc Municipal Police and Firefighter Postretirement Adjustment Act, specifies the parameters of special ad hoc municipal police and firefighter postretirement adjustment reimbursement payments and requires the Auditor General to audit municipalities receiving these reimbursements (ad hoc payments). Section 904 of Act 147 provides:

The Auditor General, as deemed necessary, shall make an audit in accordance with generally accepted governmental auditing standards of every municipality that receives a reimbursement payment under this act and of every municipal retirement system that pays a special ad hoc adjustment under this act.³

INTRODUCTION

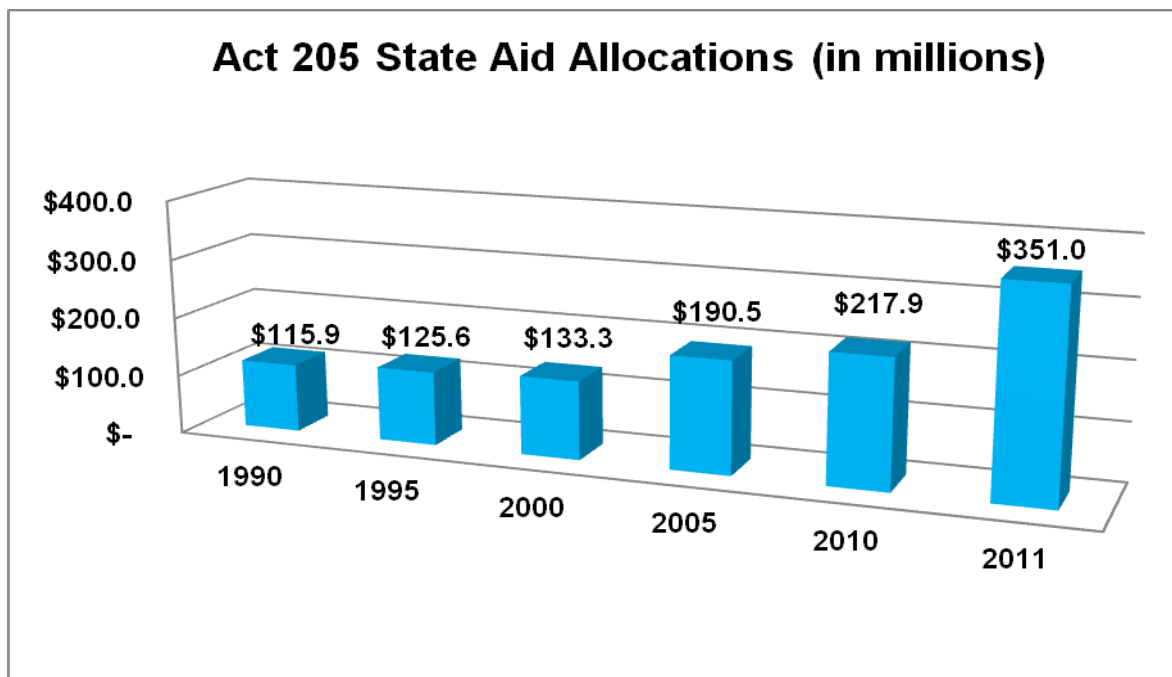
In addition to Acts 205 and 147 and the Public Employee Retirement Commission's (PERC) regulations, various other state statutes govern Pennsylvania's local government pension plans,⁴ including:

- Act 14 - Second Class City Code, Act of March 7, 1901 (P.L. 20, No. 14), as amended, 53 P.S. § 22101 et seq.
- Act 15 - Pennsylvania Municipal Retirement Law, Act of February 1, 1974 (P.L. 34, No. 15), as amended, 53 P.S. § 881.101 et seq.
- Act 69 - The Second Class Township Code, Act of May 1, 1933 (P.L. 103, No. 69), as reenacted and amended, 53 P.S. § 65101 et seq.
- Act 120 - Foreign Casualty Insurance Premium Tax Allocation Law, Act of May 12, 1943 (P.L. 259, No. 120), as amended, 72 P.S. § 2263.1 et seq.
- Act 155 - First Class City Home Rule Act, Act of April 21, 1949 (P.L. 665, No. 155), as amended, 53 P.S. § 13101 et seq.
- Act 177 - General Local Government Code, Act of December 19, 1996 (P.L. 1178, No. 177), as amended, 53 Pa.C.S. § 101 et seq.
- Act 317 - The Third Class City Code, Act of June 23, 1931 (P.L. 932, No. 317), as amended, 53 P.S. § 35101 et seq.
- Act 331 - The First Class Township Code, Act of June 24, 1931 (P.L. 1206, No. 331), as amended, 53 P.S. § 55101 et seq.
- Act 362 - The Third Class City Code, Act of May 23, 1945 (P.L. 903, No. 362), Article XLIII-A, Optional Retirement System for Officers and Employees, as amended, 53 P.S. § 39371 et seq.
- Act 399 - Optional Third Class City Charter Law, Act of July 15, 1957 (P.L. 901, No. 399), as amended, 53 P.S. § 41101 et seq.
- Act 400 - Second Class A Cities Pension Act, Act of September 23, 1959 (P.L. 970, No. 400), as amended, 53 P.S. § 30551 et seq.
- Act 581 - The Borough Code, Act of February 1, 1966 (P.L. 1656, No. 581), Article XI(f), Police Pension Fund in Boroughs Having a Police Force of Less Than Three Members, as amended, 53 P.S. § 46131 et seq.
- Act 600 - Police Pension Fund Act, Act of May 29, 1956 (P.L. 1804, No. 600), as amended, 53 P.S. § 767 et seq.

STATE AID DISTRIBUTION – TREND ANALYSIS

Pension plan aid is provided from a two-percent foreign casualty insurance premium tax, a portion of the foreign fire insurance tax designated for paid firefighters, and any investment income earned on the collection of these taxes. Generally, municipal pension plans established prior to December 18, 1984, are eligible for state aid. For municipal pension plans established after that date, the sponsoring municipality must fund the plan for three plan years before it becomes eligible for state aid. In accordance with Act 205, a municipality's annual state aid allocation cannot exceed its actual pension costs.

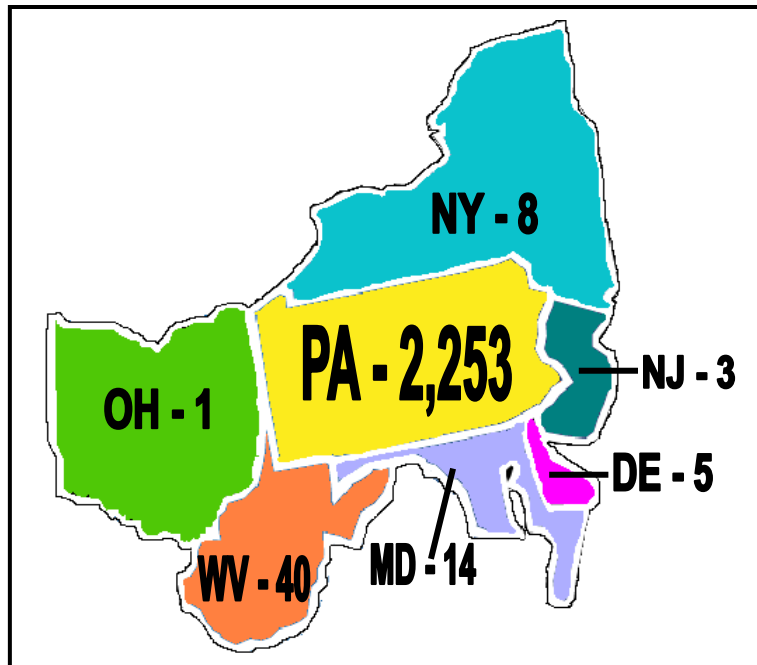
The chart below illustrates the trend in the total amount of state aid allocated over the past 20 years:⁵



The inflated 2011 state aid allocation is a result of the Pennsylvania Department of Revenue's enhanced efforts in collecting the Gross Premium Tax that makes up the Act 205 fund in accordance with Act 7 of 1997. Because of this change, a spike in collections of revenues that comprise the fund occurred, significantly increasing the amount of individual unit values for distribution. The Department of the Auditor General anticipates that this is a one-time event that will not re-occur in the future. The Act 205 state aid allocation for 2012 is anticipated to be \$232.8 million.

ANALYSIS OF LOCAL GOVERNMENT DEFINED BENEFIT PENSION PLANS MAINTAINED BY PENNSYLVANIA AND ITS NEIGHBORING STATES

The Commonwealth of Pennsylvania now has over 3,200 local government pension plans (2,253 of which are defined benefit plans), comprising over 25 percent of the public employee pension plans in the United States.⁶ Pennsylvania's number of defined benefit pension plans stands in stark contrast to the number of defined benefit local government plans maintained by the states bordering the Commonwealth,⁷ as illustrated below:



The number of local government defined benefit pension plans maintained in Pennsylvania is also much higher than any other state in the country. According to the United States Census Bureau, only four other states have more than 100 local government defined benefit pension plans. The five states with the highest number of defined benefit pension plans behind Pennsylvania are listed below:⁸

State	# of Defined Benefit Pension Plans
Illinois	451
Florida	302
Minnesota	137
Michigan	132
Massachusetts	87

MONETARY FINDING ANALYSIS

During the period July 1, 2009, to June 30, 2011, the Bureau of Municipal Pension Audits released 2,023 audit reports of local government pension plans. Those reports contained 935 findings in 648 reports (32 percent of the reports released); the remaining 1,375 reports did not contain any findings. The findings reported a total of \$2,074,829 due to the Commonwealth and other monetary effects that were able to be quantified at \$5,022,549.

Of the \$2,074,829 due to the Commonwealth, \$1,155,274 was identified in findings citing incorrect data on Certification Forms AG 385, AG 490, and AG 64 (\$1,106,981, \$24,762 and \$23,531, respectively) prepared by municipalities, resulting in overpayments of state aid. An additional \$701,388 of the \$2,074,829 was attributable to findings in which the recommendation was to return unused monies because the pension plan had no members or liabilities, while \$146,868 was identified in findings as receipt of state aid in excess of a defined contribution plan's pension costs. Findings for the provision of excess benefits resulting in the receipt of excess state aid comprised \$48,780 of the total due to the Commonwealth, and findings for overpayments of state aid due to incorrect data on actuarial valuation reports comprised the remaining \$22,519 of the total due.

Of the \$2,074,829 due to the Commonwealth, \$850,182, or 41 percent, plus interest, has been returned to the Commonwealth as of June 30, 2011. The table beginning on page 6 lists the pension plans to which findings were issued comprising the \$2,074,829 due to the Commonwealth.

Findings issued for failure to pay (or fully pay) the Minimum Municipal Obligation (MMO) of the pension plan in accordance with Sections 302(b)⁹ and 303(c)¹⁰ of Act 205 accounted for \$4,455,576 of the "other monetary effects" of \$5,022,549 cited above. The majority of the remaining \$566,973 is comprised of such findings as failure to deposit the full amount of state aid to the pension plan, failure to fully fund members' accounts (in defined contribution plans), unauthorized pension benefits granted, improper loans made to members, and the improper disposition of the proceeds of cash surrendered insurance policies.

In July 2008, the Department of the Auditor General concluded that errors on Certification Form AG 385 that result in an underpayment of state aid to a municipality may, under certain circumstances, be rectified by the distribution of additional state aid to those municipalities. Pursuant to this change in policy, from July 1, 2008, to June 30, 2011, payments totaling \$687,623 were issued to the pension plans noted in the table beginning on page 11.

Note: In the following tables, "NUPP" indicates nonuniformed pension plan, "PPP" indicates police pension plan, "FPP" indicates firefighters' pension plan, "O&E" indicates officers' and employees' pension plan, and "DC" indicates defined contribution. Municipalities with "aggregate" plans have combined their multiple pension plans into one fund.

AUDIT FINDINGS FOR MONEY DUE TO COMMONWEALTH

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Adams	Bonneauville Borough	NUPP	\$3,186
Adams	East Berlin Borough	NUPP	\$3,128
Adams	Littlestown Borough	PPP	\$6,372
Adams	New Oxford Borough	NUPP	\$1,808
Allegheny	Municipality of Bethel Park	PPP	\$6,412
Allegheny	Carnegie Borough	PPP	\$172
Allegheny	Collier Township	NUPP	\$12,744
Allegheny	Dravosburg Borough	NUPP-Union	\$313
Allegheny	City of Duquesne	Aggregate	\$4,200
Allegheny	Liberty Borough	NUPP/PPP	\$4,365
Allegheny	McKees Rocks Borough	NUPP-Union	\$2,373
Allegheny	City of McKeesport	Combined	\$3,128
Allegheny	Municipality of Penn Hills	PPP	\$6,372
Allegheny	City of Pittsburgh	Aggregate	\$6,216
Allegheny	Wilkins Township	PPP	\$6,372
Armstrong	Dayton Borough	NUPP	\$2,689
Armstrong	Plumcreek Township	NUPP	\$783
Armstrong	South Buffalo Township	NUPP	\$658
Beaver	City of Aliquippa	FPP	\$6,256
Beaver	Ambridge Borough	NUPP	\$3,128
Beaver	City of Beaver Falls	NUPP	\$3,128
Beaver	Center Township	NUPP	\$3,186
Beaver	Chippewa Township	NUPP	\$1,604
Beaver	Darlington Township	NUPP	\$575
Berks	Birdsboro Borough	NUPP	\$5,153
Berks	Cumru Township	NUPP	\$16,019
Berks	Kutztown Borough	NUPP	\$1,353
Berks	City of Reading	O&E/PPP/FPP	\$377,041
Berks	City of Reading	PPP/FPP	\$12,600
Berks	Tilden Township	NUPP	\$4,769
Berks	Upper Tulpehocken Township	NUPP	\$5,647
Berks	West Reading Borough	NUPP	\$19,077
Bradford	Asylum Township	NUPP	\$145
Bucks	Hilltown Township	PPP	\$6,372
Bucks	Lower Makefield Township	NUPP/PPP	\$3,246
Bucks	New Britain Township	NUPP	\$9,384
Bucks	Yardley Borough	NUPP	\$123
Butler	City of Butler	FPP	\$34,110
Cambria	Richland Township	PPP	\$600
Carbon	Lehighton Borough	NUPP	\$3,235
Carbon	Nesquehoning Borough	NUPP/PPP	\$12,619
Centre	College Township	NUPP	\$8,449
Centre	Milesburg Borough	NUPP	\$120
Centre	Philipsburg Borough	NUPP	\$3,186
Chester	Caln Township	NUPP/PPP	\$9,598

AUDIT FINDINGS FOR MONEY DUE TO COMMONWEALTH

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Chester	City of Coatesville	NUPP/PPP	\$21,965
Chester	East Fallowfield Township	NUPP	\$6,363
Chester	Phoenixville Borough	NUPP	\$3,235
Chester	Valley Township	NUPP	\$3,089
Chester	West Caln Township	NUPP	\$4,363
Chester	West Vincent Township	NUPP/PPP	\$8,244
Clarion	Clarion Township	NUPP	\$483
Clarion	Paint Township	NUPP	\$1,291
Clearfield	Beccaria Township	NUPP	\$3,453
Clearfield	Clearfield Borough	PPP	\$150
Clearfield	Decatur Township	NUPP	\$1,032
Clearfield	City of Dubois	PPP	\$6,256
Clearfield	Gulich Township	NUPP	\$8,837
Columbia	Benton Borough	PPP	\$107,971
Columbia	Berwick Borough	NUPP	\$3,186
Crawford	Bloomfield Township	NUPP	\$265
Columbia	Town of Bloomsburg	NUPP	\$9,520
Columbia	Conyngham Township	PPP	\$73,629
Columbia	Greenwood Township	NUPP	\$13,129
Crawford	Cambridge Township	NUPP	\$753
Crawford	Hayfield Township	NUPP	\$108
Crawford	Oilcreek Township	NUPP	\$1,080
Cumberland	East Pennsboro Township	NUPP/PPP	\$9,558
Cumberland	Lower Allen Township	NUPP	\$1,365
Cumberland	Mount Holly Springs Borough	PPP	\$6,372
Cumberland	West Shore Regional	PPP	\$6,372
Dauphin	City of Harrisburg	NUPP	\$22,302
Dauphin	Lower Paxton Township	NUPP	\$9,384
Dauphin	Susquehanna Township	PPP	\$6,734
Delaware	City of Chester	PPP	\$1,060
Delaware	Colwyn Borough	NUPP	\$3,235
Delaware	Springfield Township	PPP	\$15,319
Elk	Fox Township	NUPP	\$1,833
Erie	Amity Township	NUPP	\$1,298
Erie	City of Erie	Aggregate	\$1,919
Erie	Girard Township	NUPP	\$3,816
Erie	Springfield Township	NUPP	\$1,354
Erie	Union Township	NUPP	\$1,944
Erie	Washington Township	NUPP	\$283
Erie	Wayne Township	NUPP	\$330
Fayette	Brownsville Borough	NUPP	\$3,128
Fayette	Nicholson Township	NUPP - DC	\$3,186
Fayette	Washington Township	NUPP/PPP	\$589
Forest	Jenks Township	NUPP	\$659
Franklin	Chambersburg Borough	NUPP/FPP	\$63,492
Franklin	Greene Township	NUPP	\$6,256

AUDIT FINDINGS FOR MONEY DUE TO COMMONWEALTH

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Franklin	Letterkenny Township	NUPP	\$756
Franklin	Lurgan Township	NUPP	\$2,278
Franklin	Southampton Township	NUPP	\$6,780
Franklin	Waynesboro Borough	PPP	\$8,120
Greene	Jackson Township	NUPP	\$875
Greene	Morris Township	NUPP	\$398
Greene	Perry Township	NUPP	\$260
Indiana	Blairsville Borough	NUPP-Union	\$5,289
Indiana	Brush Valley Township	NUPP	\$1,111
Indiana	South Mahoning Township	NUPP	\$771
Jefferson	Snyder Township	PPP	\$287,058
Lackawanna	City of Carbondale	Aggregate	\$3,472
Lackawanna	Clarks Summit Borough	NUPP	\$604
Lackawanna	Mayfield Borough	NUPP	\$156
Lackawanna	Mayfield Borough	PPP	\$442
Lackawanna	Old Forge Borough	NUPP	\$38,500
Lancaster	Adamstown Borough	NUPP	\$4,461
Lancaster	Drumore Township	NUPP	\$1,248
Lancaster	East Drumore Township	NUPP	\$525
Lancaster	City of Lancaster	NUPP	\$3,128
Lancaster	Lancaster Township	NUPP	\$3,186
Lancaster	Manheim Township	NUPP	\$3,186
Lancaster	Manor Township	NUPP	\$3,128
Lancaster	Pequea Township	NUPP	\$8,620
Lancaster	West Donegal Township	NUPP	\$12,106
Lawrence	Hickory Township	NUPP	\$1,583
Lawrence	City of New Castle	Aggregate	\$1,000
Lawrence	Taylor Township	NUPP	\$1,629
Lebanon	Mount Gretna Borough	NUPP	\$3,186
Lehigh	Heidelberg Township	NUPP	\$1,019
Lehigh	Lowhill Township	NUPP	\$232
Lehigh	Washington Township	NUPP	\$3,207
Luzerne	Butler Township	NUPP	\$1,919
Luzerne	Butler Township	PPP	\$20,146
Luzerne	Exeter Borough	NUPP	\$411
Luzerne	Foster Township	NUPP	\$3,842
Luzerne	Hazle Township	NUPP-Union	\$3,186
Luzerne	City of Hazleton	NUPP	\$3,186
Luzerne	Hughestown Borough	PPP	\$14,670
Luzerne	Pittston Township	NUPP	\$2,927
Luzerne	Swoyersville Borough	NUPP	\$596
Luzerne	City of Wilkes-Barre	PPP/FPP	\$13,123
Luzerne	City of Wilkes-Barre	PPP Relief	\$12,744
Lycoming	Jersey Shore Borough	NUPP/PPP	\$12,590
McKean	Annin Township	NUPP	\$644
Mercer	Coolspring Township	NUPP	\$2,946

AUDIT FINDINGS FOR MONEY DUE TO COMMONWEALTH

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Mercer	Pine Township	NUPP	\$8,348
Mercer	Shenango Township	PPP	\$232,730
Mercer	West Middlesex Borough	NUPP	\$3,360
Montgomery	Bridgeport Borough	NUPP/PPP	\$2,315
Montgomery	Bryn Athyn Borough	PPP	\$6,256
Montgomery	Hatboro Borough	NUPP	\$3,186
Montgomery	Lansdale Borough	NUPP-Primary Union	\$9,598
Montgomery	Lower Frederick Township	PPP	\$21,896
Montgomery	Lower Moreland Township	NUPP	\$11,315
Montgomery	Lower Pottsgrove Township	NUPP	\$3,128
Montgomery	Lower Providence Township	NUPP	\$9,481
Montgomery	Lower Salford Township	NUPP/PPP	\$9,705
Montgomery	Pottstown Borough	NUPP/PPP	\$8,698
Montgomery	Upper Pottsgrove Township	NUPP/PPP	\$20,222
Montgomery	West Pottsgrove Township	NUPP	\$1,622
Montgomery	Whitemarsh Township	PPP	\$6,256
Montgomery	Whitpain Township	NUPP	\$9,520
Northampton	City of Bethlehem	Aggregate	\$6,256
Northampton	East Allen Township	NUPP	\$12,824
Northampton	City of Easton	Aggregate	\$6,551
Northampton	Hellertown Borough	NUPP	\$1,447
Northampton	Lower Mount Bethel Township	NUPP	\$1,634
Northampton	Moore Township	NUPP/PPP	\$15,756
Northumberland	Delaware Township	NUPP	\$3,186
Northumberland	Zerbe Township	NUPP	\$2,452
Pike	Blooming Grove Township	NUPP	\$933
Pike	Lehman Township	NUPP	\$10,276
Schuylkill	Hegins Township	NUPP	\$3,235
Schuylkill	Mahanoy City Borough	NUPP	\$929
Schuylkill	Rush Township	NUPP	\$3,186
Somerset	Brothersvalley Township	NUPP	\$756
Somerset	Quemahoning Township	NUPP	\$1,883
Somerset	Summit Township	NUPP	\$1,517
Somerset	Summit Township	PPP	\$879
Susquehanna	Bridgewater Township	NUPP	\$6,372
Susquehanna	Jackson Township	NUPP	\$1,426
Tioga	Charleston Township	NUPP	\$179
Tioga	Sullivan Township	NUPP	\$334
Tioga	Wellsboro Borough	PPP	\$6,256
Venango	Cranberry Township	NUPP	\$1,019
Venango	Emlenton Borough	PPP	\$419
Venango	Sugarcreek Borough	Admin. Employees	\$533
Warren	Elk Township	NUPP	\$175
Warren	Pine Grove Township	NUPP	\$911
Warren	Southwest Township	NUPP	\$194
Warren	Spring Creek Township	NUPP	\$490

AUDIT FINDINGS FOR MONEY DUE TO COMMONWEALTH

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Washington	Amwell Township	NUPP	\$203
Washington	Canonsburg Borough	NUPP	\$3,235
Washington	Claysville Borough	NUPP	\$1,620
Washington	Houston Borough	NUPP	\$267
Washington	Morris Township	NUPP	\$665
Washington	City of Washington	Aggregate	\$6,212
Wayne	Berlin Township	NUPP	\$600
Westmoreland	City of Arnold	Aggregate	\$3,206
Westmoreland	Cook Township	NUPP	\$286
Westmoreland	East Huntingdon Township	NUPP	\$511
Westmoreland	Scottsdale Borough	NUPP	\$1,273
Wyoming	Factoryville Borough	PPP	\$925
Wyoming	Monroe Township	NUPP	\$292
York	North York Borough	FPP	\$2,742
York	Spring Garden Township	NUPP	\$15,756
York	Stewartstown Borough	PPP	\$690
York	Washington Township	NUPP	\$126
York	City of York	Aggregate	<u>\$3,128</u>
Total			<u>\$2,074,829</u>

**ADDITIONAL STATE AID ALLOCATIONS DISTRIBUTED PURSUANT TO AUDIT
FINDINGS FOR UNDERPAYMENTS OF STATE AID**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Adams	Arendtsville Borough	NUPP	\$2,264
Adams	Conewago Township	NUPP/PPP	\$2,813
Allegheny	Bellevue Borough	NUPP/PPP	\$1,183
Allegheny	Brackenridge Borough	PPP	\$1,589
Allegheny	Brentwood Borough	PPP/NUPP	\$8,237
Allegheny	City of Duquesne	Aggregate	\$9,442
Allegheny	Etna Borough	NUPP/PPP	\$2,291
Allegheny	Franklin Park Borough	NUPP/PPP	\$1,906
Allegheny	Green Tree Borough	NUPP	\$2,076
Allegheny	Kennedy Township	NUPP	\$3,089
Allegheny	McKees Rocks Borough	NUPP-Union	\$4,468
Allegheny	Municipality of Monroeville	NUPP	\$3,186
Allegheny	North Versailles Township	NUPP	\$3,206
Allegheny	Pleasant Hills Borough	NUPP	\$3,089
Allegheny	Scott Township	NUPP	\$416
Allegheny	Sewickley Heights Borough	NUPP	\$3,089
Allegheny	Shaler Township	NUPP/Union	\$1,386
Allegheny	South Fayette Township	NUPP-Mgmt/Union	\$38,256
Allegheny	Swissvale Borough	NUPP-union	\$3,235
Armstrong	Rural Valley Borough	NUPP	\$1,047
Beaver	City of Beaver Falls	FPP	\$6,373
Beaver	Franklin Township	PPP	\$6,256
Beaver	Hanover Township	NUPP-Union	\$31,475
Beaver	Hopewell Township	NUPP	\$815
Bedford	Hyndman Borough	NUPP	\$3,089
Berks	Alsace Township	NUPP	\$903
Berks	Bern Township	PPP	\$6,413
Berks	Leesport Borough	NUPP	\$3,186
Berks	Oley Township	PPP	\$708
Berks	South Heidelberg Township	PPP	\$2,548
Berks	Upper Tulpehocken Township	NUPP	\$1,855
Berks	Wyomissing Borough	NUPP	\$9,559
Blair	Duncansville Borough	NUPP	\$955
Blair	Logan Township	NUPP	\$3,089
Bucks	Falls Township	NUPP	\$3,186
Bucks	Pennridge Regional	PPP	\$6,441
Bucks	Perkasie Borough	NUPP	\$14,579
Bucks	Perkasie Borough	PPP	\$4,770
Bucks	Quakertown Borough	NUPP	\$3,128
Bucks	Tinicum Township	PPP	\$655
Butler	City of Butler	FPP	\$1,051
Butler	Jackson Township	NUPP/PPP	\$455
Butler	Seven Fields Borough	NUPP	\$6,441
Cambria	Barr Township	NUPP	\$674
Cambria	Ebensburg Borough	NUPP	\$6,256

**ADDITIONAL STATE AID ALLOCATIONS DISTRIBUTED PURSUANT TO AUDIT
FINDINGS FOR UNDERPAYMENTS OF STATE AID**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Cambria	Upper Yoder Township	NUPP	\$2,927
Carbon	East Penn Township	NUPP	\$9,331
Carbon	East Penn Township	PPP	\$4,959
Carbon	Lehighton Borough	NUPP	\$9,267
Carbon	Towamensing Township	NUPP	\$829
Carbon	Weatherly Borough	NUPP	\$5,205
Centre	Rush Township	NUPP	\$692
Chester	Honey Brook Township	NUPP	\$3,235
Chester	Newlin Township	NUPP	\$11,821
Chester	Uwchlan Township	NUPP	\$6,256
Chester	West Chester Borough	NUPP/PPP	\$15,854
Chester	West Whiteland Township	PPP	\$6,256
Clarion	Clarion Borough	NUPP	\$6,305
Clarion	Clarion Township	NUPP	\$134
Clarion	Knox Borough	NUPP/PPP	\$2,560
Clarion	Washington Township	NUPP	\$209
Clearfield	Burnside Township	NUPP	\$661
Clearfield	Pike Township	NUPP	\$1,024
Crawford	Rome Township	NUPP	\$2,564
Cumberland	Hampden Township	NUPP	\$3,128
Cumberland	Middlesex Township	PPP	\$3,798
Cumberland	Newville Borough	PPP	\$6,184
Dauphin	Lower Swatara Township	PPP	\$1,361
Dauphin	Steelton Borough	NUPP	\$3,235
Dauphin	West Hanover Township	NUPP	\$6,363
Delaware	Nether Providence Township	NUPP	\$3,128
Erie	City of Corry	FPP	\$1,991
Erie	City of Erie	Aggregate	\$7,930
Erie	McKean Township	NUPP	\$852
Erie	Millcreek Township	PPP/NUPP	\$22,053
Erie	Venango Township	NUPP	\$2,337
Erie	Washington Township	NUPP	\$1,972
Erie	Wesleyville Borough	NUPP	\$1,110
Fayette	Redstone Township	NUPP	\$3,206
Fayette	City of Uniontown	PPP/FPP	\$15,392
Franklin	Antrim Township	NUPP	\$2,029
Franklin	Mercersburg Borough	NUPP	\$3,186
Greene	Washington Township	NUPP	\$5,450
Greene	Waynesburg Borough	NUPP-Union/PPP	\$604
Jefferson	Falls Creek Borough	NUPP	\$2,227
Jefferson	Sykesville Borough	PPP	\$1,496
Lackawanna	Dunmore Borough-Public Works	NUPP	\$3,128
Lackawanna	Olyphant Borough	NUPP	\$1,499
Lancaster	Conoy Township	NUPP	\$2,957
Lancaster	Denver Borough	NUPP	\$1,876
Lancaster	Ephrata Borough	PPP	\$12,512

**ADDITIONAL STATE AID ALLOCATIONS DISTRIBUTED PURSUANT TO AUDIT
FINDINGS FOR UNDERPAYMENTS OF STATE AID**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Lancaster	Martic Township	NUPP	\$1,481
Lancaster	Mount Joy Township	NUPP	\$3,186
Lancaster	Upper Leacock Township	NUPP	\$3,128
Lancaster	West Earl Township	NUPP	\$3,186
Lancaster	West Hempfield Township	NUPP	\$9,618
Lawrence	Borough of Ellwood City	NUPP/PPP	\$3,186
Lawrence	New Wilmington Borough	NUPP	\$3,206
Lehigh	City of Allentown	O&E/PPP	\$9,559
Lehigh	Coopersburg Borough	NUPP	\$1,596
Lehigh	Coplay Borough	NUPP	\$274
Lehigh	Fountain Hill Borough	NUPP/PPP	\$12,784
Lehigh	North Whitehall Township	NUPP	\$3,186
Lehigh	Upper Macungie Township	NUPP	\$9,598
Lehigh	Whitehall Township	NUPP/PPP	\$12,512
Luzerne	Foster Township	NUPP	\$7,050
Luzerne	Hughestown Borough	NUPP	\$1,266
Luzerne	Jackson Township	NUPP	\$789
Lycoming	Fairfield Township	NUPP	\$3,128
Lycoming	Hepburn Township	NUPP	\$5,311
Lycoming	Montgomery Borough	PPP	\$6,178
Mercer	Greenville Borough	NUPP	\$1,635
Mercer	Sharpsville Borough	NUPP	\$3,089
Mifflin	Lewistown Borough	NUPP	\$2,894
Monroe	Barrett Township	NUPP/PPP	\$9,598
Montgomery	East Greenville Borough	NUPP	\$1,918
Montgomery	Montgomery Township	PPP	\$6,470
Montgomery	Norristown Borough	NUPP	\$6,256
Montgomery	Towamencin Township	PPP	\$6,256
Montgomery	Upper Dublin Township	NUPP	\$1,189
Northampton	Allen Township	NUPP	\$741
Northampton	Hanover Township	NUPP-Money Purch.	\$6,373
Northampton	Hellertown Borough	NUPP	\$1,059
Northampton	Lower Saucon Township	NUPP	\$3,089
Northampton	Northampton Borough	NUPP	\$3,235
Northampton	Williams Township	NUPP	\$9,202
Northumberland	City of Shamokin	PPP	\$6,256
Northumberland	Watsonstown Borough	NUPP	\$3,128
Pike	Palmyra Township	NUPP	\$642
Schuylkill	Frackville Borough	NUPP	\$3,128
Schuylkill	Pine Grove Borough	NUPP	\$2,329
Schuylkill	West Brunswick Township	NUPP	\$1,842
Snyder	Monroe Township	NUPP	\$2,332
Somerset	Shade Township	PPP	\$4,752
Venango	City of Franklin	PPP	\$9,761
Venango	City of Oil City	NUPP/PPP	\$7,101
Venango	Oil Creek Township	NUPP	\$5,802

**ADDITIONAL STATE AID ALLOCATIONS DISTRIBUTED PURSUANT TO AUDIT
FINDINGS FOR UNDERPAYMENTS OF STATE AID**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Amount</u>
Washington	Bentleyville Borough	PPP	\$1,126
Washington	Centerville Borough	NUPP	\$3,206
Washington	North Strabane Township	PPP	\$6,372
Washington	Union Township	NUPP-Union	\$1,396
Washington	City of Washington	Aggregate	\$6,256
Westmoreland	Derry Township	NUPP	\$3,186
Westmoreland	Ligonier Borough	NUPP-Union	\$3,103
Westmoreland	Loyalhanna Township	NUPP	\$1,998
York	Hellam Township	NUPP	\$2,605
York	Newberry Township	NUPP/PPP	\$9,442
York	Southwestern Regional	PPP	\$6,413
Total			<u>\$687,623</u>

To reiterate, additional state aid totaling \$687,623 was distributed to the municipalities listed above from July 1, 2008, through June 30, 2011, pursuant to the Department of the Auditor General's change in policy with regard to errors on Certification Form AG 385. The additional state aid allocations were available to the municipalities to pay plan operating expenses or for investment.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

The objectives of the Department of the Auditor General's audits of local government pension plans are:

1. To determine if municipal officials took appropriate corrective action to address the finding(s) contained in prior audit reports; and
2. To determine if the pension plan was administered in compliance with applicable state laws, contracts, administrative procedures, and local ordinances and policies.

Pursuant to *Government Auditing Standards* issued by the Comptroller General of the United States, auditors should plan and perform procedures to develop the elements of a finding necessary to address the audit objectives. In addition, if auditors are able to sufficiently develop the elements of an audit finding, they should develop recommendations for corrective action if they are significant within the context of the audit objectives.

The five elements of an audit finding are:

Condition – What is?

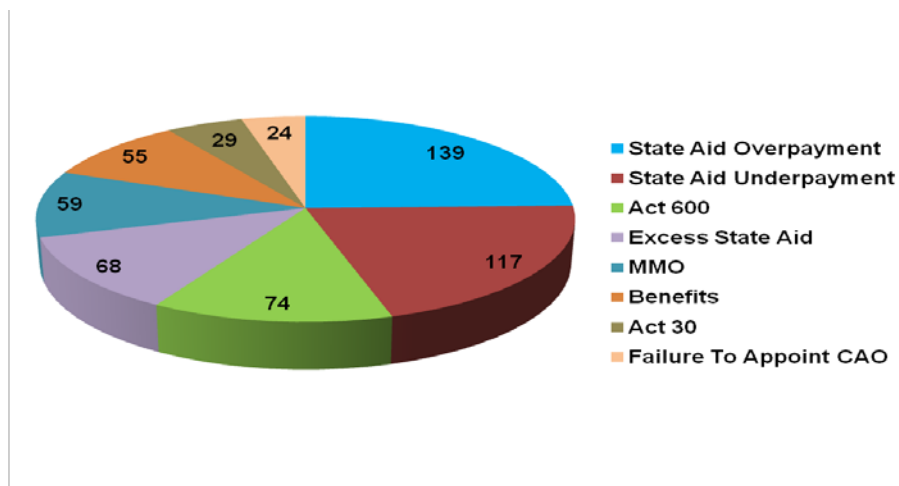
Criteria – What should be?

Cause – Why did it happen?

Effect – What's the impact to the pension plan and municipal taxpayers?

Recommendation – How can it be corrected?

During the period from July 1, 2009, to June 30, 2011, the Department of the Auditor General issued 935 audit findings to 648 pension plans. Of those 935 findings, 565, or 60.4 percent, represent the 8 most common audit findings contained in the audit reports released during the period. This section of the report details the 8 most common audit findings, and the frequency of those findings is illustrated in the chart below:



**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Incorrect Data On Certification Form AG 385 Resulting In An Overpayment Of State Aid

This finding represented 14.9 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

Municipal officials annually submit Certification Form AG 385 to the Department of the Auditor General. The data submitted on this certification form is used, in part, to calculate the state aid due to the municipality for distribution to its pension plan(s). The Department's audits determine whether the payroll and employment data submitted by the municipality is accurate.

Pursuant to Section 402(e)(2) of Act 205, in order to be eligible for certification, an employee must have been employed on a full-time basis for at least six consecutive months and must have been participating in a pension plan during the certification year.¹¹

When municipal officials certify ineligible police officers, firefighters, or nonuniformed employees and their corresponding payroll on Certification Form AG 385, they typically were unaware of the applicable Act 205 guidelines for the certification of eligible employees.

The effect of the incorrect certification of pension data on a municipality's state aid allocation is determined and it is recommended that the municipality reimburse the overpayment of state aid to the Commonwealth, with interest compounded annually from date of receipt to date of repayment, at a rate earned by the pension plan. A copy of the interest calculation must be submitted along with the check. It is also recommended that, in the future, plan officials comply with the instructions that accompany Certification Form AG 385 to assist them in accurately reporting the required pension data.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Incorrect Data On Certification Form AG 385 Resulting In An Underpayment Of State Aid

This finding represented 12.5 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

Municipal officials annually submit Certification Form AG 385 to the Department of the Auditor General. The data submitted on this certification form is used, in part, to calculate the state aid due to the municipality for distribution to its pension plan(s). The Department's audits determine whether the payroll and employment data submitted by the municipality is accurate.

Pursuant to Section 402(e)(2) of Act 205, in order to be eligible for certification, an employee must have been employed on a full-time basis for at least six consecutive months and must have been participating in a pension plan during the certification year.¹²

When municipal officials fail to certify eligible police officers, firefighters, or nonuniformed employees and their corresponding payroll on Certification Form AG 385, they typically were unaware of the applicable Act 205 guidelines for the certification of eligible employees.

The effect of the failure to certify eligible employees on a municipality's state aid allocation is determined and the underpayment of state aid is reimbursed to the municipality. A listing of municipalities that have received reimbursements totaling \$687,623 for underpayments of state aid due to the failure to certify eligible employees on Certification Form AG 385 is included in the Monetary Findings Section of this report.

Although the municipality will be reimbursed for the underpayment of state aid due to the municipality's certification error(s), the full amount of the state aid allocation was not available to be deposited timely and, therefore, was not available to pay operating expenses or for investment.

It is recommended that, in the future, plan officials comply with the instructions that accompany Certification Form AG 385 to assist them in accurately reporting the required pension plan data.

Refer to the chart of pension plans with underpayment findings on page 11 listing municipalities that received additional state aid pursuant to the Department of the Auditor General's policy change in 2008.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Pension Benefits Not Authorized Or In Compliance With Act 600 Provisions

This finding represented 7.9 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

Act 600 of 1956, referred to as the Municipal Police Pension Law, provides for mandatory and optional pension benefit provisions for boroughs, towns, and townships that maintain a police force of at least three officers, and all regional police departments. In addition, municipalities with fewer than three police officers may elect to operate their pension plans pursuant to Act 600 provisions. Our audits determine whether municipalities are maintaining their pension plans in accordance with Act 600 provisions.

Act 600 contains the following provisions:

- Normal retirement benefit at age 55, with 25 years of service. The age may be reduced to age 50 if actuarially feasible.
- Optional early retirement benefit with 20 years of service regardless of age. The pension benefit will be actuarially reduced pursuant to a formula outlined in the act.
- Mandatory service-related disability benefits
- Optional 12-year vesting
- Member contribution requirements
- Length of service increment benefits for completed years of service over 25
- Credit for intervening and non-intervening military service
- Cost-of-living adjustments

Typically, when our audits determine that a municipality is not maintaining its pension plan in accordance with Act 600 provisions, it is because municipal officials failed to update the plan's governing document to reflect updates to Act 600 or negotiated pension benefits in excess of Act 600 provisions through collective bargaining, if applicable.

Maintaining a benefit structure which is not in compliance with Act 600 could result in plan members or their beneficiaries receiving incorrect benefit amounts or being denied benefits to which they are statutorily entitled.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Pension Benefits Not Authorized Or In Compliance With Act 600 Provisions – (Continued)

In addition, the provision of unauthorized pension benefits may result in the receipt of excess state aid and could also increase the municipal contributions necessary to fund the plan in accordance with Act 205 funding standards.

The Department seeks neither to question a municipality's judgment in agreeing to provide benefits in excess of statutory constraints nor to recommend noncompliance with such an agreement. It is recommended that municipal officials, after consulting with their solicitors, take whatever action is necessary to bring the pension plan's benefit structure into compliance with Act 600, as amended, at their earliest opportunity to do so. To the extent that a municipality is not in compliance with Act 600 and/or is contractually obligated to pay benefits to existing retirees in excess of those authorized by Act 600, the excess benefits must be reflected in the Act 205 actuarial valuation reports for the plan and funded in accordance with Act 205 funding standards. Furthermore, such benefits will be deemed ineligible for funding with state pension aid. In such case, the plan's actuary may be required to determine the impact, if any, of the excess benefits on the plan's future state aid allocations and submit this information to the department.

During the period from July 1, 2009, to June 30, 2010, 24 of the 50 excess benefit findings were issued to pension plans governed by Act 600.

During the period from July 1, 2010, to June 30, 2011, 15 of the 28 excess benefit findings were issued to pension plans governed by Act 600.

Refer to the charts on pages 28 through 30 for further information regarding excess benefit findings.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Receipt Of State Aid In Excess Of Entitlement

This finding represented 7.3 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

Act 205 established mandatory actuarial reporting and funding requirements and a uniform basis for the distribution of state aid to Pennsylvania's public pension plans. Section 402(j) of Act 205 requires the Auditor General, as deemed necessary, to conduct an audit of every municipality which receives general municipal pension system state aid and of every municipal pension plan and fund in which such aid is deposited.¹³

Pension plan aid is provided from a two-percent foreign casualty insurance premium tax, a portion of the foreign fire insurance tax designated for paid firefighters, and any investment income earned on the collection of these taxes. The General Assembly allocates these funds to the Department of the Auditor General each year for distribution to municipal pension plans throughout the Commonwealth. When conducting audits of defined contribution pension plans, the Department's audits determine whether municipalities receive a state aid allocation in excess of the plan's annual defined contribution pension costs.

Section 402(f)(2) of Act 205 states:

No municipality shall be entitled to receive an allocation of general municipal pension system State aid in an amount which exceeds the aggregate actual financial requirements of any municipal pension plans for police officers, paid firefighters or employees other than police officers or paid firefighters maintained by the municipality, less the amount of any aggregate annual member or employee contributions during the next succeeding plan year, as reported in the most recent complete actuarial report filed with [PERC].¹⁴

When a municipality receives state aid in excess of the pension plan's defined contribution pension costs, plan officials typically were unaware of the need to annually reconcile the amount of state aid allocated to the pension plan with the plan's defined contribution pension costs.

Because the entire proceeds of the insurance premium tax on foreign casualty insurance companies are distributed annually to each eligible recipient municipality, it is inappropriate to use state aid in one year to offset pension costs in other years. Consequently, overpayments of state aid must be returned to the Commonwealth for redistribution.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Receipt Of State Aid In Excess Of Entitlement – (Continued)

It is recommended that the municipality reimburse the excess state aid received to the Commonwealth, with interest compounded annually from date of receipt to date of repayment, at a rate earned by the plan. A copy of the interest calculation must be submitted along with evidence of payment. Furthermore, it is also recommended that, in the future, plan officials reconcile the amount of state aid allocated to the pension plan and municipal contributions made to the pension plan with the plan's annual defined contribution pension costs.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Failure To Properly Determine/Fully Pay The Minimum Municipal Obligation Of The Plan

This finding represented 6.3 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

The minimum municipal obligation (MMO) represents a municipality's annual funding requirement for its pension plan(s). The Department's audits determine whether a municipality has funded its pension plan(s) in accordance with Act 205 provisions.

Act 205 contains the following provisions regarding the determination, budgeting, and payment of the MMO:

- The chief administrative officer of the pension plan shall annually determine the MMO of the municipality with respect to the pension plan for the following plan year.
- The chief administrative officer of each pension plan shall submit the financial requirements of the pension plan and the MMO with respect to the pension plan, with appropriate documenting detail, to the governing body of the municipality on or before the last business day in September of each year.
- Annually, the municipality shall provide for the full amount of the MMO in the budget of the municipality. The MMO shall be payable to the pension plan from the revenue of the municipality.
- Any amount of the MMO which remains unpaid as of December 31 of the year in which the MMO is due shall be added to the MMO for the following year, with interest from January 1 of the year in which the MMO was first due until the date the payment is paid.

Typical examples of why a municipality did not comply with the Act 205 requirements include:

- A Chief Administrative Officer was not formally appointed for the pension plan, by ordinance, resolution, or a motion recorded in the minutes of a council meeting, to assume the responsibility for compliance with these requirements.
- Plan officials anticipated that the MMO calculation would not result in a MMO payable to the plan.
- There was a recent turnover of plan officials.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Failure To Properly Determine/Fully Pay The Minimum Municipal Obligation Of The Plan –
(Continued)

- Incorrect actuarial data used in the MMO calculation.
- Lack of municipal funds.

The failure to properly determine, budget, and pay the MMO could result in the plan not having adequate resources to meet current and future benefit obligations to its members.

Furthermore, if a municipality fails to pay the MMO by the December 31 deadline, the municipality must add the delinquent MMO due to the current year's MMO and include interest from January 1 of the year in which the MMO was first due until the date the payment is paid as required by Act 205.

Our audit reports recommend that the municipality pay the MMO due to the pension plan, with interest, in accordance with Act 205 requirements. A copy of the interest calculation must be maintained by the municipality for examination during our next audit of the plan. Furthermore, it is also recommended that, in the future, plan officials properly determine, budget, and pay the MMO due to the plan in accordance with Act 205 requirements.

During the period July 1, 2009, to June 30, 2011, it was determined that over \$100,000 was owed to each of the following pension plans:

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Year MMO Due</u>	<u>Amount</u>
Berks	City of Reading	PPP	2007	\$1,054,474
Berks	City of Reading	FPP	2007	\$537,686
Bucks	Northampton Borough	PPP	2008	\$136,009
Chester	City of Coatesville	PPP	2008 & 2010	\$528,271
Delaware	Darby Borough	PPP	2008 & 2009	\$396,179
Delaware	City of Chester	PPP	2006	\$678,572
Lackawanna	Dunmore Borough	PPP	2009	\$375,583

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Inconsistent And Unauthorized Pension Benefit Provisions

This finding represented 5.9 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

Local government pension plans are typically established through the adoption of a municipal ordinance or resolution. In addition, benefit provisions of a municipal pension plan can also be detailed in a collective bargaining agreement between a municipality and its police officers, firefighters, or nonuniformed employees.

The Department's audits determine whether the benefit provisions in the municipality's governing ordinances or resolutions are consistent with each other and/or collective bargaining agreements and in compliance with applicable state laws.

Typically, when findings are issued for inconsistent and unauthorized pension benefit provisions, the municipality has failed to ensure that benefit provisions that have been included in an updated collective bargaining agreement are authorized by state law and consistent with the provisions contained in the existing governing ordinance or resolution.

Inconsistent plan documents could result in inconsistent or improper benefit calculations and incorrect benefit payments from the pension plan.

We recommend that municipalities take appropriate action to ensure that benefit provisions contained in the various plan documents be consistent and in compliance with applicable state laws at their earliest opportunity to do so.

We also recommend that, to the extent that the municipality is not in compliance with applicable laws and/or is contractually obligated to pay benefits to existing retirees in excess of those authorized, the excess benefits must be reflected in the Act 205 actuarial valuation reports for the plan and funded in accordance with Act 205 funding standards. Furthermore, such benefits will be deemed ineligible for funding with state pension aid. In such case, the plan's actuary may be required to determine the impact, if any, of the excess benefits on the plan's future state aid allocations and submit this information to the Department.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Failure To Adopt Benefit Provisions Mandated By Act 30

This finding represented 3.1 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

On April 17, 2002, Act 600 was amended by Act 30, which made significant changes to the statutorily prescribed benefit structure of police pension plans subject to Act 600. The Department's audits determine whether municipal officials have ensured that the police pension plan's benefit structure includes all of the changes mandated by Act 30.

The major benefit provisions mandated by Act 30 are as follows:

Survivor's benefit - A lifetime survivor's benefit must be provided to the surviving spouse (or if no spouse survives or if he or she subsequently dies, the child or children under 18 years of age or, if attending college, under or attaining the age of 23) of no less than 50% of the pension that the member was receiving or would have been entitled to receive had he been retired at the time of death. ("Attending college" shall mean the eligible children are registered at an accredited institution of higher learning and are carrying a minimum course load of seven credit hours per semester.)

Service-related disability benefit - The benefit must be in conformity with a uniform scale and fixed by the plan's governing document at no less than 50% of the member's salary at the time when the disability was incurred, reduced by the amount of Social Security disability benefits received for the same injury.

Typically, when a municipality has not amended its police pension plan to comply with Act 30, municipal officials were not aware of the 2002 amendment to Act 600 or their responsibility to update the plan's benefit structure, as necessary, to comply with the law.

Maintaining a benefit structure which is not in compliance with Act 600, as amended by Act 30, could result in plan members or their beneficiaries receiving incorrect benefit amounts or being denied benefits to which they are statutorily entitled.

It is recommended that municipal officials, after consulting with their solicitors, take whatever action is necessary to bring the police pension plan's benefit structure into compliance with Act 600, as amended by Act 30, at their earliest opportunity to do so.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Failure To Appoint A Chief Administrative Officer

This finding represented 2.6 percent of the 935 findings issued by the Department of the Auditor General during the period July 1, 2009, to June 30, 2011.

Act 205 mandates that municipalities appoint a Chief Administrative Officer (CAO) for each municipal pension plan. Section 102 of Act 205 defines the CAO as “[t]he person who has primary responsibility for the execution of the administrative affairs of the municipality in the case of the municipality, or of the pension plan in the case of the pension plan, or the designee of that person.”¹⁵

Municipal officials may appoint two CAOs – one for the pension plan and one for the municipality – or appoint one person to fill both positions. Act 205 identifies specific duties for each position, as follows:

CAO of the Municipality

- Supervise and direct the preparation of actuarial reports;
- Certify and file actuarial valuation reports with the Public Employee Retirement Commission; and
- Make actuarial report information available to plan members.

CAO of the Pension Plan

- Annually determine and submit to the governing body of the municipality the financial requirements of the pension plan and minimum municipal obligation; and
- Provide the governing body of the municipality with a cost estimate of the effect of any proposed benefit plan modification.

The Department’s audits determine whether a municipality has appointed a CAO for the pension plan in accordance with Act 205 provisions. The failure to appoint a CAO for the pension plan by ordinance, resolution, or by a motion recorded in the minutes of a council meeting will result in the issuance of an audit finding.

The failure to formally appoint a CAO could result in important filing deadlines being overlooked, state aid being adversely affected and/or delayed, and investment opportunities being lost.

**THE 8 MOST COMMON AUDIT FINDINGS
ISSUED BY THE DEPARTMENT OF THE AUDITOR GENERAL
FOR AUDITS RELEASED JULY 1, 2009, TO JUNE 30, 2011**

Failure To Appoint A Chief Administrative Officer – (Continued)

Because of the significance of the CAO's responsibilities to the pension plan, we recommend that the CAO be formally appointed by ordinance, resolution, or motion recorded in the minutes of a council meeting. Such ordinance, resolution, or motion should detail the CAO's responsibilities and be filed with other plan documents.

EXCESS BENEFITS

Providing excess pension benefits increases the plan's pension costs and reduces the amount of funds available for investment purposes or for the payment of authorized benefits or administrative expenses. The provision of excess pension benefits may also result in the receipt of excess state aid and could increase the municipal contributions necessary to fund the plan in accordance with Act 205 funding standards.

During the period from July 1, 2009, to June 30, 2010, 50 excess benefit audit findings were issued to 47 municipal pension plans for maintaining benefits in excess of applicable state statutes. The funding status of these pension plans is detailed below.¹⁶

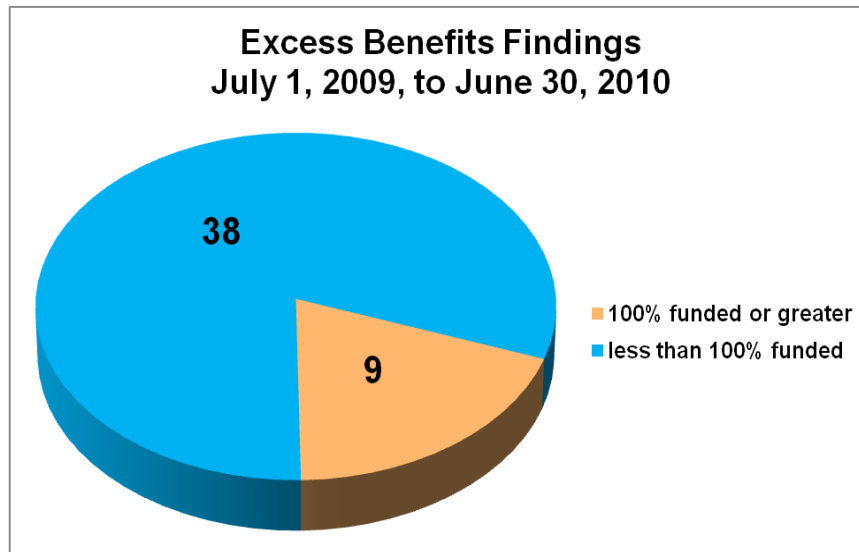
To indicate the type of employee covered by the pension plan, the "Plan" column uses "P" for police officers, "F" for firefighters and "N" for nonuniformed employees. In instances where more than one pension plan is maintained for an employee type, a numeric code is appended to the letter code for the employee type to identify the individual pension plan.

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Allegheny	Elizabeth Borough	P	2	\$266,230	\$354,120	133%
Allegheny	Ingram Borough	P	4	\$2,132,343	\$1,916,446	90%
Allegheny	Mount Oliver Borough	P	10	\$946,455	\$983,628	104%
Allegheny	Wilkins Township	P	12	\$5,463,435	\$3,713,017	68%
Allegheny	Wilkesburg Borough	P	22	\$11,332,557	\$10,612,328	94%
Beaver	City of Aliquippa	N	10	\$1,371,013	\$740,898	54%
Beaver	City of Beaver Falls	N	25	\$5,467,782	\$3,760,399	69%
Berks	Wyomissing Borough	P	23	\$10,482,334	\$7,548,034	72%
Bucks	Bristol Borough	P	15	\$5,194,666	\$3,459,871	67%
Bucks	Doylestown Borough	P	15	\$7,372,863	\$5,719,228	78%
Bucks	Quakertown Borough	P	17	\$6,506,558	\$3,883,347	60%
Bucks	Warrington Township	P	28	\$10,856,399	\$8,178,813	75%
Butler	Mars Borough ¹⁷	P	1	\$88,451	\$123,424	140%
Cambria	City of Johnstown	P	36	\$17,128,946	\$8,932,609	52%
Cambria	City of Johnstown	F	38	\$15,686,268	\$5,283,656	34%
Chester	Oxford Borough	P	9	\$1,430,166	\$1,074,241	75%
Chester	Tredyffrin Township	P	47	\$26,677,149	\$23,485,030	88%
Clearfield	City of Dubois	P	14	\$6,060,700	\$5,496,241	91%
Cumberland	Newville Borough	P	2	\$600,041	\$525,387	88%
Delaware	City of Chester	N	123	\$9,066,136	\$1,428,535	16%
Jefferson	Punxsutawney Borough	P	7	\$2,128,048	\$1,576,926	74%
Lackawanna	City of Carbondale	F	7	\$2,897,075	\$2,729,772	94%
Lawrence	Shenango Township	P	6	\$730,440	\$944,392	129%
Lawrence	Union Township	P	4	\$296,313	\$155,016	52%
Lehigh	City of Allentown	P	175	\$142,839,885	\$62,355,723	44%
Lehigh	City of Allentown	F	134	\$90,866,138	\$43,052,580	47%

EXCESS BENEFITS

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Luzerne	Swoyersville Borough	P	6	\$1,019,194	\$1,577,878	155%
Luzerne	West Hazleton Borough	P	3	\$1,511,579	\$833,953	55%
Luzerne	City of Wilkes-Barre	N	125	\$39,198,215	\$25,163,729	64%
Luzerne	City of Wilkes-Barre	P2	85	\$17,501,919	\$15,896,581	91%
Luzerne	City of Wilkes-Barre	F2	70	\$19,776,849	\$18,503,485	94%
Montgomery	Abington Township	P	79	\$54,653,803	\$54,459,563	100%
Montgomery	Cheltenham Township	P	77	\$36,503,644	\$25,852,835	71%
Montgomery	Pottstown Borough	P	43	\$18,806,007	\$16,017,706	85%
Montgomery	Whitemarsh Township	P	36	\$16,356,785	\$13,088,451	80%
Northampton	Palmer Township	P	30	\$9,228,756	\$7,271,640	79%
Northumberland	City of Shamokin	P	12	\$7,176,414	\$5,433,029	76%
Perry	Penn Township	P	0	\$31,078	\$41,911	135%
Schuylkill	Butler Township	P	4	\$624,279	\$360,332	58%
Schuylkill	Palo Alto Borough	P	1	\$7,058	\$219,953	3,116%
Schuylkill	Shenandoah Borough	P	3	\$2,441,763	\$1,541,484	63%
Warren	City of Warren	N	29	\$4,151,305	\$3,510,531	85%
Warren	City of Warren	F	17	\$2,027,225	\$729,441	36%
Warren	City of Warren	P	15	\$6,346,882	\$6,152,280	97%
Washington	North Franklin Township	P	6	\$2,830,476	\$2,023,739	71%
Westmoreland	City of Arnold	N	23	\$2,920,205	\$2,175,186	74%
Westmoreland	Southwest Greensburg Borough	P	2	\$385,242	\$399,335	104%

The following chart illustrates the number of pension plans identified above that were less than 100% funded, and those that were greater than or equal to 100% funded:

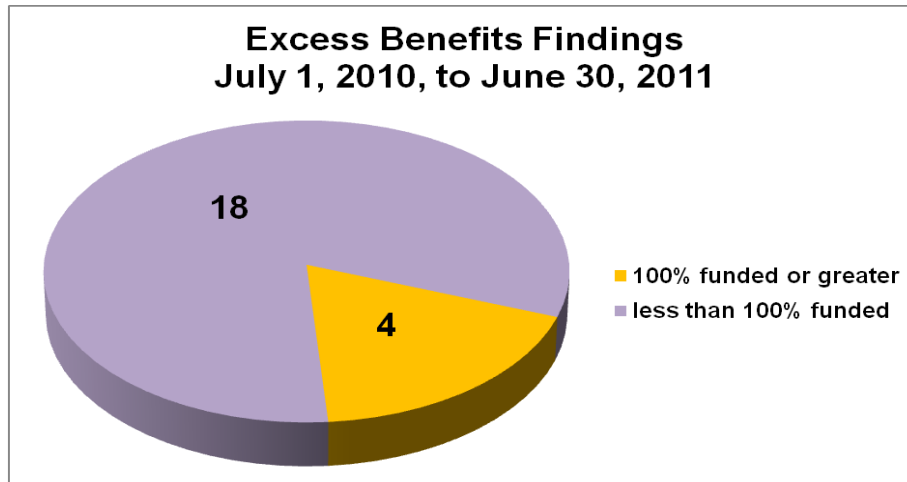


EXCESS BENEFITS

During the period from July 1, 2010, to June 30, 2011, 28 excess benefit audit findings were issued to 22 municipal pension plans for maintaining benefits in excess of applicable state statutes. The funding status of these pension plans is detailed below.¹⁸

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Berks	Spring Township	P	27	\$10,649,828	\$7,530,786	71%
Bucks	Upper Southampton Township	P	21	\$11,635,722	\$10,941,553	94%
Butler	City of Butler	F	19	\$13,784,766	\$14,692,288	107%
Chester	City of Coatesville	N	32	\$1,512,716	\$1,333,136	88%
Delaware	Aston Township	P	20	\$13,737,110	\$9,329,433	68%
Delaware	Darby Borough	P	14	\$8,246,684	\$5,572,753	68%
Delaware	Radnor Township	P	40	\$30,370,789	\$20,232,840	67%
Delaware	Tinicum Township	P	15	\$5,388,920	\$4,621,844	86%
Delaware	Upper Darby Township	P	133	\$66,616,427	\$44,364,642	67%
Erie	Albion Borough	P	2	\$223,800	\$132,071	59%
Indiana	Blairsville Borough	P	2	\$784,200	\$2,271,547	290%
Lackawanna	Dunmore Borough	P	14	\$6,684,947	\$3,192,255	48%
Lancaster	Elizabethtown Borough	P	17	\$6,761,974	\$6,036,515	89%
Lawrence	Ellwood City Borough	P	9	\$6,903,443	\$5,888,028	85%
Luzerne	Dallas Borough	P	4	\$972,287	\$1,049,031	108%
Luzerne	Hughestown Borough	P	1	\$222,230	\$183,375	83%
Montgomery	Norristown Borough	P	67	\$31,749,111	\$21,549,200	68%
Northampton	City of Easton	P	60	\$31,235,456	\$17,198,135	55%
Northampton	City of Easton	F	41	\$22,975,675	\$15,393,967	67%
Schuylkill	Schuylkill Haven Borough	P	8	\$3,440,353	\$2,373,720	69%
Somerset	Windber Borough	P	0	\$691,082	\$810,777	117%
York	Penn Township	P	23	\$9,189,122	\$5,648,205	61%

The following chart illustrates the number of pension plans identified above that were less than 100% funded, and those that were greater than or equal to 100% funded:



DISTRESS RECOVERY PROGRAM IMPLEMENTATION

On September 18, 2009, Governor Rendell signed House Bill 1828 into law. Act 44 of 2009 amends Act 205 of 1984, as amended, the Municipal Pension Plan Funding Standard and Recovery Act. Among several provisions relating to municipal pension plans, the option of utilizing an increased smoothing corridor on the plans' January 1, 2009, actuarial valuation reports is provided. Asset smoothing methods are designed to lower contributions in years of less than expected returns and increase contributions in years of greater than expected returns. The net effect over long periods of time is to have less variance in contribution levels from year to year. The allowable smoothing rate has been increased from 20 percent to 30 percent of a plan's fair market value of assets. Consequently, the valuation of a plan's assets cannot produce a result greater than 130 percent of their fair market value, or less than 70 percent of their fair market value. In addition, the bill provides for the implementation of a distress recovery program.¹⁹

Three levels of distress have been established:

<u>Level</u>	<u>Indication</u>	<u>Funding Criteria</u>
I	Minimal distress	70-89%
II	Moderate distress	50-69%
III	Severe distress	Less than 50%

Each municipality, as defined by Act 205, received a separate distress score based on the aggregate funded ratio of its pension plans, as reported in its January 1, 2009, actuarial valuation report, and received a new distress score based on the aggregate funded ratio of its pension plans, as reported in its January 1, 2011, actuarial valuation report, which is the most current actuarial valuation report filed with the Public Employee Retirement Commission (PERC). The January 1, 2011, actuarial valuation reports were due to be filed with PERC by March 31, 2012. A summary and analysis of the data submitted on the January 1, 2011, actuarial valuation reports will be published later this year by PERC.

Level I (Minimal Distress)

Voluntary remedies -

- Aggregation of pension funds for administration and investment
- Establishment of total member contribution
- Deviation from municipal contribution limitations
- May pay 75% of the amortization contribution requirement for 2 years
- Increase in the asset smoothing corridor from 20% to 30% for an additional 2 years (total of 4 years)

DISTRESS RECOVERY PROGRAM IMPLEMENTATION

Level II (Moderate Distress)

Voluntary remedies -

- Establishment of total member contribution
- Deviation from municipal contribution limitations
- Utilization of the special taxing authority under Act 205
- Establishment of a revised benefit plan for newly hired employees
- May pay 75% of the amortization contribution requirements for 4 years
- Increase in the asset smoothing corridor from 20% to 30% for an additional 4 years (total of 6 years)

Mandatory remedies -

- Aggregation of pension funds for administration and investment
- Submission of a plan (to PERC) for administrative improvement

Level III (Severe Distress)

Voluntary remedies -

- Establishment of total member contribution
- Deviation from municipal contribution limitations
- Utilization of the special taxing authority under Act 205
- May pay 75% of the amortization contribution requirements for 6 years
- Increase in the asset smoothing corridor from 20% to 30% for an additional 4 years (total of 6 years)

Mandatory remedies -

- Aggregation of pension funds for administration and investment
- Establishment of a revised benefit plan for newly hired employees
- Submission of a plan (to PERC) for administrative improvement

In addition, Act 44:

- Exempts the city of Philadelphia from the mandatory provisions of the new Act 205 recovery program until January 1, 2016; and
- Mandates the transfer of administration of the City of Pittsburgh's pension plans to the Pennsylvania Municipal Retirement System (PMRS) if the city is determined to be Level III distress as of January 1, 2011.

ACTUARIAL VALUATION REPORT FUNDING STATUS DATA LEVEL III - SEVERELY DISTRESSED PENSION PLANS

As previously noted, Act 44 of 2009 establishes a distress recovery program. Distress levels were determined by the Public Employee Retirement Commission (PERC) based on data included in the January 1, 2009, actuarial valuation report and then again based on data included in the January 1, 2011, actuarial valuation report. Each municipality, as defined by Act 205, received a separate distress score based on the aggregate funded ratio of its pension plans. These distress scores were posted to PERC's website, www.perc.state.pa.us.

The following data from actuarial valuation reports dated January 1, 2011, submitted to PERC indicate 52 plans that have a funded ratio of less than 50 percent.²⁰ Because distress scores were determined based on the aggregate funded ratio of a municipality's pension plans, the inclusion of an individual pension plan on this list, or on the two subsequent lists, is not necessarily indicative of the municipality's distress score.

In the aggregate, as of January 1, 2011, the assets of these 52 plans totaled \$760,619,793, while liabilities totaled \$1,699,229,801. The aggregate funded ratio was 45%.

An "E" in the "E/M" column indicates the plan received an excess benefits finding during the period July 1, 2009, to June 30, 2011, similar to that described on page 24 of this report and is also found on the Excess Benefits listings beginning on page 28. An "M" indicates the plan received an MMO finding during the period July 1, 2009, to June 30, 2011, similar to that described on page 22 of this report.

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Funded Assets</u>	<u>Ratio</u>	<u>E/M</u>
Allegheny	Braddock Hills Borough	P	2	\$573,598	\$222,381	39%	
Allegheny	City of Clairton	P	9	\$1,750,498	\$541,479	31%	
Beaver	Bridgewater Borough	P	3	\$103,463	\$45,951	44%	
Beaver	Raccoon Township	P	3	\$552,759	\$252,632	46%	
Beaver	White Township	P	3	\$205,627	\$80,289	39%	
Bedford	East St. Clair Township	N	3	\$39,217	\$12,650	32%	
Berks	Spring Township	F	9	\$301,859	\$117,144	39%	
Bradford	North Towanda Township	N	3	\$115,444	\$24,711	21%	
Bucks	New Britain Borough	N	3	\$61,793	\$27,960	45%	
Cambria	East Carroll Township	N	2	\$30,508	\$8,738	29%	
Cambria	City of Johnstown	F	38	\$15,686,268	\$5,283,656	34%	E
Chester	East Marlborough Township	P	1	\$83,581	\$37,850	45%	
Chester	Thornbury Township	N	1	\$32,588	\$7,645	23%	
Clinton	Lamar Township	N	2	\$56,453	\$13,782	24%	
Crawford	Summit Township	N	3	\$79,705	\$13,573	17%	
Delaware	City of Chester	N	123	\$9,066,136	\$1,428,535	16%	E,M
Delaware	City of Chester	P	92	\$52,960,297	\$23,542,691	44%	M
Greene	Aleppo Township	N	1	\$29,747	\$8,001	27%	
Indiana	Young Township	N	3	\$363,251	\$76,561	21%	

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL III - SEVERELY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>	<u>E/M</u>
Jefferson	Pine Creek Township	N	3	\$69,048	\$31,119	45%	
Jefferson	Rose Township	N	4	\$148,391	\$58,466	39%	
Jefferson	Winslow Township	N	4	\$182,530	\$54,286	30%	
Lackawanna	Dunmore Borough	P	14	\$6,684,947	\$3,192,255	48%	E,M
Lackawanna	Roaring Brook Township	P	2	\$500,663	\$245,330	49%	
Lackawanna	City of Scranton	F	137	\$86,648,557	\$24,750,951	29%	
Lackawanna	City of Scranton	N1	169	\$12,192,578	\$3,230,235	26%	
Lackawanna	City of Scranton	P	150	\$74,540,015	\$31,766,013	43%	
Lancaster	Lititz Borough	N	18	\$2,409,283	\$1,025,689	43%	
Lebanon	Swatara Township	N	3	\$181,995	\$76,839	42%	
Lehigh	City of Allentown	F	134	\$90,866,138	\$43,052,580	47%	E
Lehigh	City of Allentown	P	175	\$142,839,885	\$62,355,723	44%	E
Luzerne	City of Hazleton	F	21	\$19,246,376	\$8,103,199	42%	
Luzerne	City of Hazleton	P	37	\$30,695,169	\$14,421,603	47%	
Lycoming	Montoursville Borough	N	13	\$302,823	\$84,445	28%	
Mercer	City of Farrell	F	2	\$2,100,541	\$1,018,488	48%	
Mifflin	Lewistown Borough	P	10	\$10,108	\$0	0%	
Perry	Miller Township	N	1	\$28,040	\$7,777	28%	
Philadelphia	City of Philadelphia	F	1,800	\$1,129,218,000	\$526,863,000	47%	
Pike	Shohola Township	P	1	\$71,256	\$14,774	21%	
Potter	Galeton Borough	P	2	\$316,881	\$140,778	44%	
Schuylkill	East Norwegian Township	N	1	\$69,217	\$27,970	40%	
Schuylkill	Foster Township	N	1	\$58,029	\$22,263	38%	
Somerset	Addison Township	N	2	\$214,911	\$73,984	34%	
Susquehanna	Forest Lake Township	N	2	\$23,620	\$5,081	22%	
Susquehanna	Liberty Township	N	1	\$16,307	\$4,206	26%	
Susquehanna	Susquehanna Depot Borough	P	0	\$189,709	\$86,661	46%	
Union	White Deer Township	N1	0	\$80,842	\$36,750	45%	
Warren	Columbus Township	N	3	\$228,705	\$91,002	40%	
Warren	City of Warren	F	17	\$2,027,225	\$729,441	36%	E
Washington	Hanover Township	N	4	\$214,870	\$79,827	37%	
Washington	City of Washington	F	22	\$14,586,714	\$7,145,254	49%	
Wayne	Salem Township	N	3	\$173,636	\$77,575	45%	
Totals				<u>\$1,699,229,801</u>	<u>\$760,619,793</u>	45%	

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL II - MODERATELY DISTRESSED PENSION PLANS**

The following data from actuarial valuation reports dated January 1, 2011, submitted to PERC indicate 234 plans that have a funded ratio of 50-69 percent.²¹

In the aggregate, as of January 1, 2011, the assets of these 234 plans totaled \$5,631,166,905, while liabilities totaled \$10,660,354,830. The aggregate funded ratio was 53%.

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Adams	Biglerville Borough	N1	3	\$332,004	\$209,907	63%
Adams	Biglerville Borough	P	2	\$221,424	\$152,469	69%
Adams	Carroll Valley Borough	N	12	\$1,562,210	\$895,195	57%
Adams	East Berlin Borough	N	2	\$479,418	\$321,958	67%
Allegheny	Bell Acres Borough	N	5	\$364,065	\$220,933	61%
Allegheny	Ben Avon Borough	N	2	\$294,854	\$165,123	56%
Allegheny	Cheswick Borough	N	3	\$898,413	\$601,691	67%
Allegheny	Crafton Borough	N	9	\$1,128,158	\$723,730	64%
Allegheny	City of Duquesne	P2	12	\$1,712,865	\$1,061,234	62%
Allegheny	Frazer Township	N	2	\$271,940	\$184,468	68%
Allegheny	Frazer Township	P	3	\$56,811	\$36,571	64%
Allegheny	Harmar Township	N	7	\$1,038,991	\$689,652	66%
Allegheny	Harmar Township	P	7	\$1,680,137	\$1,069,205	64%
Allegheny	Homestead Borough	P	12	\$2,505,174	\$1,487,308	59%
Allegheny	Indiana Township	N	13	\$971,655	\$606,301	62%
Allegheny	Kennedy Township	P	10	\$3,589,085	\$2,265,807	63%
Allegheny	Leetsdale Borough	P	5	\$1,041,410	\$703,905	68%
Allegheny	McCandless Township	N1	0	\$305,115	\$193,738	63%
Allegheny	North Fayette Township	P	19	\$8,332,028	\$5,286,173	63%
Allegheny	Oakdale Borough	N	3	\$180,226	\$117,156	65%
Allegheny	Ohio Township	N	15	\$2,960,649	\$1,538,403	52%
Allegheny	Penn Hills Township	P	45	\$42,340,778	\$26,353,115	62%
Allegheny	City of Pittsburgh	F	611	\$339,135,347	\$209,936,926	62%
Allegheny	City of Pittsburgh	N1	1,829	\$282,683,095	\$187,041,985	66%
Allegheny	City of Pittsburgh	P	880	\$390,253,799	\$235,012,542	60%
Allegheny	Plum Borough	P	24	\$11,033,718	\$7,181,225	65%
Allegheny	Sharpsburg Borough	P	6	\$1,767,236	\$1,223,557	69%
Allegheny	Swissvale Borough	F	3	\$1,352,037	\$885,714	66%
Allegheny	Upper St. Clair Township	N1	29	\$4,422,501	\$2,953,097	67%
Allegheny	West Mifflin Borough	N	94	\$8,252,716	\$4,568,468	55%
Allegheny	Whitehall Borough	N	22	\$3,652,824	\$2,511,856	69%
Allegheny	Wilkins Township	P	12	\$5,463,435	\$3,713,017	68%
Armstrong	Bethel Township	N	3	\$158,646	\$98,686	62%
Armstrong	Madison Township	N	2	\$95,903	\$63,426	66%
Armstrong	Valley Township	N	0	\$64,196	\$41,385	64%
Beaver	City of Aliquippa	N	10	\$1,371,013	\$740,898	54%
Beaver	City of Aliquippa	P	15	\$7,836,378	\$4,706,640	60%
Beaver	Ambridge Borough	N	3	\$1,088,175	\$681,038	63%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL II - MODERATELY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Beaver	City of Beaver Falls	F	7	\$3,929,540	\$2,323,228	59%
Beaver	City of Beaver Falls	N	25	\$5,467,782	\$3,760,399	69%
Beaver	City of Beaver Falls	P	18	\$7,764,066	\$5,013,659	65%
Beaver	Center Township	P	13	\$5,079,621	\$3,371,361	66%
Beaver	Daugherty Township	N	3	\$215,726	\$144,486	67%
Beaver	Midland Borough	N	3	\$400,749	\$264,297	66%
Beaver	North Sewickley Township	P	1	\$438,561	\$222,186	51%
Beaver	Rochester Borough	P	8	\$3,621,086	\$2,055,197	57%
Bedford	Bedford Township	N	6	\$948,542	\$574,253	61%
Berks	Bern Township	N	8	\$871,823	\$604,787	69%
Berks	Brecknock Township	P	6	\$1,240,302	\$826,908	67%
Berks	Exeter Township	N1	8	\$1,320,042	\$787,611	60%
Berks	South Heidelberg Township	P	7	\$648,009	\$429,096	66%
Berks	Tilden Township	N	3	\$116,901	\$61,873	53%
Berks	Wyomissing Borough	F	7	\$500,927	\$325,142	65%
Blair	City of Altoona	F	62	\$39,321,731	\$26,030,615	66%
Bradford	Albany Township	N	2	\$259,881	\$166,505	64%
Bradford	Troy Borough	P	3	\$269,928	\$139,939	52%
Bucks	Bristol Borough	N	22	\$4,742,134	\$2,595,721	55%
Bucks	Bristol Borough	P	15	\$5,194,666	\$3,459,871	67%
Bucks	Falls Township	P	44	\$34,284,190	\$22,390,328	65%
Bucks	Lower Southampton Township	P	29	\$14,975,246	\$8,600,052	57%
Bucks	Newtown Borough	P	5	\$1,407,380	\$945,912	67%
Bucks	Newtown Township	F	9	\$1,370,894	\$902,038	66%
Bucks	Newtown Township	P	27	\$10,941,104	\$7,437,536	68%
Bucks	Northampton Township	N	61	\$10,546,639	\$7,117,057	67%
Bucks	Quakertown Borough	P	17	\$6,506,558	\$3,883,347	60%
Bucks	Tullytown Borough	P	7	\$3,134,928	\$1,715,899	55%
Butler	Lancaster Township	P	1	\$367,795	\$203,156	55%
Cambria	City of Johnstown	N1	49	\$11,266,453	\$6,415,222	57%
Cambria	City of Johnstown	N2	16	\$2,227,223	\$1,282,825	58%
Cambria	City of Johnstown	P	36	\$17,128,946	\$8,932,609	52%
Cambria	Richland Township	N	13	\$3,246,293	\$1,881,081	58%
Carbon	Kidder Township	N	6	\$344,809	\$197,433	57%
Carbon	Kidder Township	P	7	\$1,579,746	\$940,549	60%
Carbon	Lansford Borough	P	6	\$1,070,799	\$732,520	68%
Carbon	Lower Towamensing Township	N	1	\$66,329	\$39,622	60%
Carbon	Nesquehoning Borough	P	4	\$1,256,735	\$708,757	56%
Centre	Half Moon Township	N	4	\$238,487	\$129,260	54%
Centre	Penn Township	N	3	\$172,460	\$86,833	50%
Centre	Snow Shoe Township	N	3	\$111,144	\$71,266	64%
Centre	Spring Township	N	9	\$1,138,382	\$644,076	57%
Chester	Caln Township	P	18	\$6,253,446	\$4,064,598	65%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL II - MODERATELY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Chester	East Whiteland Township	F	9	\$884,338	\$493,991	56%
Chester	East Whiteland Township	N	23	\$4,145,626	\$2,758,568	67%
Chester	London Grove Township	N	13	\$953,461	\$570,593	60%
Chester	Newlin Township	N	1	\$124,986	\$72,983	58%
Chester	West Caln Township	P	2	\$114,491	\$76,086	66%
Chester	West Chester Borough	N	98	\$13,501,829	\$8,255,452	61%
Chester	West Nottingham Township	N	2	\$163,375	\$112,596	69%
Chester	West Pikeland Township	P	4	\$550,739	\$379,489	69%
Chester	Westtown Twp/E. Goshen Jt. Pol.	P	27	\$10,922,714	\$6,590,448	60%
Clarion	Ashland Township	N	1	\$74,257	\$50,606	68%
Crawford	Rome Township	N	2	\$89,392	\$56,589	63%
Crawford	City of Titusville	F	9	\$4,440,261	\$2,697,860	61%
Crawford	City of Titusville	P	10	\$7,343,375	\$4,714,421	64%
Crawford	Vernon Township	N	8	\$1,783,590	\$1,180,492	66%
Cumberland	East Pennsboro Township	N	47	\$9,274,170	\$6,418,336	69%
Cumberland	Mt Holly Springs Borough	N	6	\$658,521	\$404,411	61%
Dauphin	Susquehanna Township	N	30	\$7,106,536	\$4,924,983	69%
Dauphin	Susquehanna Township	P	39	\$18,855,498	\$10,896,706	58%
Delaware	Aston Township	P	20	\$13,737,110	\$9,329,433	68%
Delaware	Brookhaven Borough	P	8	\$5,151,355	\$3,161,278	61%
Delaware	Collingdale Borough	P	8	\$5,020,009	\$3,174,726	63%
Delaware	Colwyn Borough	N	1	\$159,874	\$109,004	68%
Delaware	Colwyn Borough	P	0	\$1,074,131	\$590,335	55%
Delaware	Darby Borough	P	14	\$8,246,684	\$5,572,753	68%
Delaware	East Lansdowne Borough	P	3	\$1,630,088	\$992,626	61%
Delaware	Glenolden Borough	P	9	\$5,354,472	\$3,661,928	68%
Delaware	Haverford Township	P	66	\$35,017,855	\$21,181,465	60%
Delaware	Marcus Hook Borough	P	4	\$3,892,199	\$2,392,846	61%
Delaware	Marple Township	P	28	\$17,420,642	\$10,840,828	62%
Delaware	Millbourne Borough	P	0	\$786,991	\$392,076	50%
Delaware	Nether Providence Township	P	15	\$7,478,509	\$3,835,452	51%
Delaware	Parkside Borough	P	3	\$761,197	\$469,288	62%
Delaware	Prospect Park Borough	P	8	\$4,057,318	\$2,684,987	66%
Delaware	Radnor Township	N	90	\$27,881,734	\$15,897,286	57%
Delaware	Radnor Township	P	40	\$30,370,789	\$20,232,840	67%
Delaware	Springfield Township	P	31	\$19,932,744	\$12,036,447	60%
Delaware	Swarthmore Borough	P	9	\$4,131,669	\$2,756,653	67%
Delaware	Upper Darby Township	P	133	\$66,616,427	\$44,364,642	67%
Erie	Albion Borough	P	2	\$223,800	\$132,071	59%
Erie	McKean Township	N	8	\$538,013	\$364,679	68%
Greene	Wayne Township	N	6	\$716,103	\$388,257	54%
Lackawanna	Blakely Borough	P	5	\$1,632,384	\$1,112,016	68%
Lackawanna	Dalton Borough	P	2	\$341,322	\$213,647	63%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL II - MODERATELY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Lackawanna	Dickson City Borough	N	17	\$1,688,720	\$1,124,206	67%
Lackawanna	Dickson City Borough	P	7	\$3,800,855	\$2,493,103	66%
Lackawanna	Dunmore Borough	F	16	\$4,535,753	\$2,975,643	66%
Lackawanna	Dunmore Borough	N1	7	\$1,748,943	\$1,153,695	66%
Lackawanna	Glenburn Township	N	2	\$90,366	\$56,466	62%
Lackawanna	Moosic Borough	N	12	\$1,896,622	\$1,109,706	59%
Lackawanna	Newton Township	N	2	\$328,452	\$209,085	64%
Lackawanna	Newton Township	P	0	\$476,164	\$324,637	68%
Lackawanna	Throop Borough	P	3	\$2,144,046	\$1,360,414	63%
Lancaster	Quarryville Borough	P	4	\$409,656	\$205,810	50%
Lancaster	Strasburg Borough	P	4	\$1,245,539	\$852,482	68%
Lawrence	Neshannock Township	N1	13	\$1,272,883	\$839,574	66%
Lawrence	City of New Castle	F	25	\$15,272,308	\$9,875,123	65%
Lawrence	City of New Castle	P	36	\$18,019,078	\$10,613,100	59%
Lawrence	Union Township	P	4	\$296,313	\$155,016	52%
Lebanon	Annville Township	P	5	\$1,029,891	\$588,119	57%
Lebanon	City of Lebanon	P	39	\$17,977,486	\$12,029,346	67%
Lebanon	Palmyra Borough	N	27	\$3,426,615	\$2,045,072	60%
Lebanon	West Cornwall Township	N	1	\$105,245	\$71,153	68%
Lehigh	Emmaus Borough	N	38	\$5,465,059	\$3,163,304	58%
Lehigh	Fountain Hill Borough	P	10	\$3,283,144	\$2,070,827	63%
Luzerne	Fairview Township	P	5	\$1,242,392	\$802,714	65%
Luzerne	Forty Fort Borough	P	2	\$2,181,083	\$1,447,148	66%
Luzerne	Hanover Township	P	14	\$7,585,618	\$4,406,587	58%
Luzerne	Jackson Township	P	4	\$493,555	\$334,879	68%
Luzerne	Kingston Borough	F	26	\$5,554,623	\$3,710,011	67%
Luzerne	Laflin Borough	N	1	\$75,472	\$48,496	64%
Luzerne	City of Pittston	P	7	\$4,625,273	\$2,476,895	54%
Luzerne	Plains Township	N	15	\$2,378,879	\$1,595,816	67%
Luzerne	Plains Township	P	19	\$4,817,381	\$3,095,453	64%
Luzerne	Ross Township	N	3	\$458,228	\$297,287	65%
Luzerne	West Hazleton Borough	P	3	\$1,511,579	\$833,953	55%
Luzerne	City of Wilkes Barre	F1	1	\$19,739,660	\$11,545,432	58%
Luzerne	City of Wilkes Barre	N	125	\$39,198,215	\$25,163,729	64%
Luzerne	City of Wilkes Barre	P1	1	\$19,173,314	\$12,595,415	66%
Lycoming	Fairfield Township	N	1	\$158,106	\$86,851	55%
Lycoming	Woodward Township	N	1	\$108,515	\$55,788	51%
McKean	City of Bradford	F	21	\$8,446,467	\$5,666,284	67%
McKean	City of Bradford	P	18	\$6,652,786	\$4,322,039	65%
McKean	Bradford Township	N	11	\$2,169,170	\$1,496,773	69%
McKean	Foster Township	P	3	\$1,012,288	\$663,071	66%
McKean	Lafayette Township	N	3	\$545,762	\$372,174	68%
Mercer	City of Farrell	P	0	\$951,906	\$537,367	56%
Mercer	Grove City Borough	N	34	\$6,533,095	\$4,435,176	68%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL II - MODERATELY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Mercer	Pine Township	N	5	\$373,878	\$193,676	52%
Mercer	West Salem Township	N	3	\$576,217	\$382,474	66%
Montgomery	Bridgeport Borough	N	11	\$1,079,160	\$664,131	62%
Montgomery	Bryn Athyn Borough	P	5	\$1,230,894	\$773,210	63%
Montgomery	Cheltenham Township	N2	84	\$16,539,119	\$11,376,185	69%
Montgomery	East Greenville Borough	N	4	\$230,694	\$156,822	68%
Montgomery	Hatfield Borough	N1	8	\$1,386,282	\$929,081	67%
Montgomery	Jenkintown Borough	N	10	\$559,910	\$349,074	62%
Montgomery	Lower Gwynedd Township	P	16	\$9,784,606	\$6,363,039	65%
Montgomery	Lower Pottsgrove Township	N	17	\$2,321,961	\$1,341,447	58%
Montgomery	Norristown Borough	P	67	\$31,749,111	\$21,549,200	68%
Montgomery	Towamencin Township	P	22	\$9,462,402	\$5,765,660	61%
Montgomery	Upper Providence Township	N	30	\$4,226,498	\$2,929,196	69%
Montgomery	West Norriton Township	N	30	\$4,209,736	\$2,798,492	66%
Northampton	Bethlehem Township	N1	26	\$2,831,099	\$1,664,450	59%
Northampton	Bethlehem Township	N2	16	\$1,997,557	\$1,111,607	56%
Northampton	Bethlehem Township	P	32	\$12,704,636	\$8,791,860	69%
Northampton	City of Easton	F	41	\$22,975,675	\$15,393,967	67%
Northampton	City of Easton	N1	6	\$11,281,826	\$7,266,589	64%
Northampton	City of Easton	P	60	\$31,235,456	\$17,198,135	55%
Northumberland	Shamokin Township	N	2	\$13,002	\$8,481	65%
Northumberland	Watson Township	N	8	\$1,231,464	\$735,970	60%
Philadelphia	City of Philadelphia	N	18,768	\$5,330,862,000	\$2,678,141,000	50%
Philadelphia	City of Philadelphia	P	6,103	\$3,027,399,000	\$1,514,116,000	50%
Pike	Delaware Township	N	8	\$737,442	\$400,441	54%
Pike	Lackawaxen Township	N	10	\$470,917	\$294,902	63%
Pike	Milford Borough	N	3	\$170,677	\$101,035	59%
Schuylkill	Butler Township	P	4	\$624,279	\$360,332	58%
Schuylkill	Frackville Borough	P	4	\$2,178,248	\$1,275,899	59%
Schuylkill	Kline Township	P	1	\$192,868	\$122,434	63%
Schuylkill	Minersville Borough	P	5	\$1,996,272	\$1,157,129	58%
Schuylkill	New Castle Township	P	1	\$75,966	\$49,951	66%
Schuylkill	Rush Township	P	2	\$387,146	\$232,591	60%
Schuylkill	Schuylkill Haven Borough	P	8	\$3,440,353	\$2,373,720	69%
Schuylkill	Shenandoah Borough	P	3	\$2,441,763	\$1,541,484	63%
Schuylkill	Tamaqua Borough	P	9	\$3,406,518	\$2,009,860	59%
Schuylkill	West Mahanoy Township	P	3	\$645,097	\$423,777	66%
Somerset	Elk Lick Township	N	4	\$294,509	\$173,059	59%
Somerset	Hooversville Borough	P	1	\$162,302	\$103,422	64%
Somerset	Somerset Borough	P	8	\$2,087,039	\$1,400,810	67%
Tioga	Mansfield Borough	N1	5	\$983,809	\$652,717	66%
Tioga	Tioga Township	N	1	\$100,902	\$62,201	62%
Tioga	Wellsboro Borough	N1	3	\$892,129	\$502,188	56%
Union	Limestone Township	N	4	\$189,908	\$110,630	58%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL II - MODERATELY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Venango	Oilcreek Township	N	1	\$25,597	\$15,948	62%
Washington	Carroll Township	N	6	\$1,027,900	\$682,500	66%
Washington	Cecil Township	N	17	\$1,970,999	\$1,317,090	67%
Washington	Cecil Township	P	12	\$5,045,376	\$3,341,696	66%
Washington	Mt Pleasant Township	P	3	\$65,969	\$33,460	51%
Washington	City of Washington	P	28	\$14,783,415	\$9,803,517	66%
Wayne	Lake Township	N	5	\$203,695	\$139,788	69%
Westmoreland	City of Arnold	P	10	\$4,274,586	\$2,437,534	57%
Westmoreland	Delmont Borough	N	3	\$319,395	\$202,528	63%
Westmoreland	City of Jeannette	F	3	\$1,166,618	\$678,227	58%
Westmoreland	City of Jeannette	P	13	\$9,847,386	\$5,796,039	59%
Westmoreland	City of Latrobe	P	11	\$4,933,765	\$3,384,657	69%
Westmoreland	City of Lower Burrell	P	16	\$8,344,700	\$5,393,454	65%
Westmoreland	City of New Kensington	F	0	\$740,607	\$430,494	58%
Westmoreland	City of New Kensington	P	21	\$12,552,574	\$8,548,607	68%
Westmoreland	Penn Township	P	19	\$7,684,213	\$4,715,192	61%
Westmoreland	Salem Township	N	10	\$1,394,554	\$723,490	52%
York	Penn Township	P	23	\$9,189,122	\$5,648,205	61%
York	West Manheim Township	N	14	\$1,866,239	\$1,031,690	55%
York	York Area Regional Police	N	5	\$1,010,179	\$690,627	68%
York	City of York	F	67	\$43,362,544	\$26,159,700	60%
York	City of York	P	99	\$76,631,555	\$42,073,130	55%
			Totals	<u>\$10,660,354,830</u>	<u>\$5,631,166,905</u>	53%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

The following data from actuarial valuation reports dated January 1, 2011, submitted to PERC indicate 663 plans that have a funded ratio of 70-89 percent.²²

In the aggregate, as of January 1, 2011, the assets of these 663 plans totaled \$3,094,288,494, while liabilities totaled \$3,919,987,020. The aggregate funded ratio was 79%.

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Adams	Butler Township	N	3	\$231,169	\$160,834	70%
Adams	Conewago Township	P	9	\$1,928,231	\$1,641,538	85%
Adams	Cumberland Township	P	9	\$1,709,609	\$1,527,771	89%
Adams	McSherrystown Borough	N	4	\$723,370	\$536,011	74%
Adams	McSherrystown Borough	P	4	\$1,027,378	\$859,982	84%
Adams	Menallen Township	N	2	\$230,800	\$163,757	71%
Adams	Reading Township	P	3	\$242,884	\$171,113	70%
Allegheny	Aspinwall Borough	N	8	\$2,157,922	\$1,764,893	82%
Allegheny	Aspinwall Borough	P	6	\$2,137,718	\$1,823,788	85%
Allegheny	Avalon Borough	P	6	\$1,874,734	\$1,619,506	86%
Allegheny	Baldwin Borough	N	17	\$2,513,344	\$2,243,115	89%
Allegheny	Baldwin Borough	P	23	\$14,416,277	\$10,272,359	71%
Allegheny	Bell Acres Borough	P	3	\$472,776	\$385,285	81%
Allegheny	Bellevue Borough	P	13	\$5,437,977	\$4,357,573	80%
Allegheny	Bethel Park Borough	N	63	\$12,047,421	\$8,832,311	73%
Allegheny	Bethel Park Borough	P	34	\$20,415,404	\$14,635,195	72%
Allegheny	Brackenridge Borough	P	4	\$2,001,907	\$1,703,158	85%
Allegheny	Brentwood Borough	N	17	\$1,598,749	\$1,302,060	81%
Allegheny	Brentwood Borough	P	15	\$5,246,753	\$4,334,319	83%
Allegheny	Carnegie Borough	P	11	\$3,288,797	\$2,586,841	79%
Allegheny	Castle Shannon Borough	P	11	\$5,063,874	\$3,910,665	77%
Allegheny	Cheswick Borough	P	2	\$1,657,219	\$1,443,793	87%
Allegheny	Churchill Borough	P	10	\$4,364,576	\$3,522,506	81%
Allegheny	City of Clairton	F	0	\$2,721,067	\$2,329,004	86%
Allegheny	Collier Township	P	14	\$4,238,188	\$3,788,748	89%
Allegheny	Coraopolis Borough	N	9	\$1,450,328	\$1,263,616	87%
Allegheny	Coraopolis Borough	P	10	\$3,467,473	\$3,011,297	87%
Allegheny	Dormont Borough	P	11	\$8,636,284	\$7,431,157	86%
Allegheny	Dravosburg Borough	N2	2	\$284,566	\$238,459	84%
Allegheny	City of Duquesne	N	20	\$3,276,007	\$2,660,321	81%
Allegheny	East Pittsburgh Borough	N	0	\$56,243	\$45,529	81%
Allegheny	Edgewood Borough	P	9	\$1,919,926	\$1,523,192	79%
Allegheny	Edgeworth Borough	N	8	\$1,330,827	\$1,063,421	80%
Allegheny	Etna Borough	P	6	\$2,078,290	\$1,676,664	81%
Allegheny	Findlay Township	N2	20	\$1,981,364	\$1,682,504	85%
Allegheny	Findlay Township	P	16	\$9,323,228	\$6,787,905	73%
Allegheny	Forest Hills Borough	N1	12	\$2,618,848	\$2,065,958	79%
Allegheny	Forest Hills Borough	P	10	\$6,352,695	\$5,069,490	80%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Allegheny	Franklin Park Borough	N	27	\$2,047,909	\$1,588,143	78%
Allegheny	Franklin Park Borough	P	12	\$3,245,080	\$2,801,687	86%
Allegheny	Glassport Borough	P	6	\$1,427,493	\$1,151,600	81%
Allegheny	Hampton Township	N	43	\$6,463,345	\$4,788,347	74%
Allegheny	Hampton Township	P	17	\$10,913,075	\$8,533,725	78%
Allegheny	Indiana Township	P	10	\$4,845,389	\$3,990,499	82%
Allegheny	Jefferson Hills Borough	N1	0	\$110,425	\$86,687	79%
Allegheny	Jefferson Hills Borough	P	16	\$6,302,468	\$5,277,593	84%
Allegheny	Kilbuck Township	P	0	\$566,377	\$409,395	72%
Allegheny	Leet Township	N	4	\$354,427	\$297,036	84%
Allegheny	Leetsdale Borough	N	7	\$397,818	\$296,471	75%
Allegheny	Marshall Township	N	21	\$2,304,330	\$1,752,971	76%
Allegheny	City of McKeesport	F	22	\$10,990,432	\$7,954,375	72%
Allegheny	City of McKeesport	N1	14	\$7,160,766	\$5,733,107	80%
Allegheny	City of McKeesport	P	50	\$14,654,770	\$10,309,044	70%
Allegheny	Millvale Borough	N	8	\$800,600	\$696,695	87%
Allegheny	Monroeville Borough	N	98	\$34,127,450	\$29,536,096	87%
Allegheny	Monroeville Borough	P	46	\$40,212,330	\$28,015,162	70%
Allegheny	Moon Township	P	30	\$14,834,174	\$12,283,391	83%
Allegheny	Mt Lebanon Township	P	42	\$39,289,309	\$31,775,025	81%
Allegheny	Munhall Borough	N	24	\$4,089,886	\$3,177,002	78%
Allegheny	Neville Township	N	6	\$515,479	\$445,616	86%
Allegheny	Neville Township	P	0	\$1,365,614	\$1,049,117	77%
Allegheny	North Braddock Borough	P	0	\$1,321,162	\$1,092,524	83%
Allegheny	North Versailles Township	P	20	\$6,379,562	\$4,815,273	75%
Allegheny	Northern Regional Police	P	30	\$12,797,232	\$10,755,868	84%
Allegheny	Oakmont Borough	N	7	\$1,720,484	\$1,425,333	83%
Allegheny	Oakmont Borough	P	7	\$2,891,173	\$2,563,197	89%
Allegheny	Penn Hills Township	N	55	\$12,150,469	\$10,782,100	89%
Allegheny	Pitcairn Borough	N	11	\$670,825	\$590,947	88%
Allegheny	Pitcairn Borough	P	3	\$857,246	\$716,953	84%
Allegheny	Reserve Township	N	6	\$1,191,254	\$938,755	79%
Allegheny	Robinson Township	P	27	\$10,957,852	\$9,133,006	83%
Allegheny	Sewickley Borough	N	17	\$2,994,762	\$2,276,947	76%
Allegheny	Sewickley Borough	P	9	\$3,667,830	\$3,270,706	89%
Allegheny	Sewickley Heights Borough	P	3	\$1,799,934	\$1,276,166	71%
Allegheny	South Fayette Township	P	16	\$7,978,091	\$5,833,854	73%
Allegheny	Springdale Borough	N	8	\$2,270,586	\$1,675,238	74%
Allegheny	Springdale Borough	P	4	\$423,891	\$345,851	82%
Allegheny	Swissvale Borough	P	14	\$2,986,696	\$2,409,889	81%
Allegheny	Turtle Creek Borough	P	6	\$1,483,904	\$1,238,060	83%
Allegheny	Upper St Clair Township	P	27	\$14,721,506	\$12,664,006	86%
Allegheny	West Deer Township	N	11	\$2,707,642	\$1,999,449	74%
Allegheny	West Deer Township	P	12	\$4,689,127	\$3,611,708	77%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Allegheny	West Mifflin Borough	P	36	\$16,605,552	\$11,610,642	70%
Allegheny	West View Borough	N	11	\$2,122,584	\$1,860,738	88%
Allegheny	White Oak Borough	N	12	\$2,024,950	\$1,514,772	75%
Allegheny	Whitehall Borough	P	21	\$12,885,107	\$10,093,037	78%
Allegheny	Wilkinsburg Borough	F	26	\$4,129,451	\$2,875,033	70%
Allegheny	Wilkinsburg Borough	N	33	\$2,926,334	\$2,296,466	78%
Armstrong	Ford City Borough	N	10	\$632,642	\$534,576	84%
Armstrong	Ford City Borough	P	3	\$1,368,882	\$1,054,742	77%
Armstrong	Kittanning Borough	P	8	\$3,250,144	\$2,317,719	71%
Armstrong	Leechburg Borough	P	3	\$786,986	\$575,170	73%
Armstrong	Parks Township	P	2	\$782,988	\$669,301	85%
Armstrong	Plumcreek Township	N	4	\$361,555	\$305,033	84%
Beaver	City of Aliquippa	F	10	\$3,256,212	\$2,268,588	70%
Beaver	Ambridge Borough	F	3	\$1,933,919	\$1,440,250	74%
Beaver	Ambridge Borough	P	7	\$4,725,145	\$4,173,269	88%
Beaver	Beaver Borough	N	11	\$3,372,941	\$2,999,547	89%
Beaver	Beaver Borough	P	9	\$3,108,501	\$2,447,844	79%
Beaver	Brighton Township	P	6	\$1,485,576	\$1,184,900	80%
Beaver	Chippewa Township	N	10	\$775,075	\$617,745	80%
Beaver	Chippewa Township	P	8	\$2,205,697	\$1,665,799	76%
Beaver	East Rochester Borough	N	2	\$277,248	\$227,440	82%
Beaver	Economy Borough	N	11	\$1,255,940	\$1,049,098	84%
Beaver	Economy Borough	P	11	\$4,618,221	\$3,824,829	83%
Beaver	Franklin Township	N	5	\$1,301,747	\$1,008,503	77%
Beaver	Harmony Township	P	3	\$2,046,296	\$1,797,357	88%
Beaver	Midland Borough	P	4	\$1,830,189	\$1,606,085	88%
Beaver	New Brighton Borough	N	12	\$2,117,427	\$1,671,326	79%
Beaver	Patterson Township	N	4	\$347,136	\$276,308	80%
Beaver	Patterson Township	P	4	\$998,415	\$862,743	86%
Beaver	Pulaski Township	N	1	\$81,694	\$66,078	81%
Beaver	Raccoon Township	N	4	\$630,427	\$516,259	82%
Bedford	Bedford Borough	P	5	\$1,609,013	\$1,217,683	76%
Berks	Amity Township	N	19	\$1,320,815	\$1,032,500	78%
Berks	Amity Township	P	13	\$2,788,014	\$2,104,094	75%
Berks	Berks-Lehigh Regional Police	N	1	\$29,893	\$26,010	87%
Berks	Berks-Lehigh Regional Police	P	30	\$5,563,084	\$4,835,592	87%
Berks	Bern Township	P	11	\$3,399,924	\$2,516,800	74%
Berks	Boyertown Borough	P	7	\$1,927,984	\$1,607,493	83%
Berks	Caernarvon Township	P	8	\$1,586,331	\$1,377,280	87%
Berks	Central Berks Regional Police	P	14	\$3,859,981	\$3,380,483	88%
Berks	Centre Township	N	3	\$304,728	\$256,472	84%
Berks	Cumru Township	N	33	\$2,633,893	\$1,937,144	74%
Berks	Cumru Township	P	23	\$10,492,911	\$8,160,227	78%
Berks	Exeter Township	P	29	\$11,371,131	\$9,759,266	86%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Berks	Fleetwood Borough	N	8	\$1,805,512	\$1,407,680	78%
Berks	Fleetwood Borough	P	6	\$2,284,801	\$1,902,817	83%
Berks	Greenwich Township	N	5	\$564,575	\$497,463	88%
Berks	Hamburg Borough	N	16	\$1,309,340	\$1,012,725	77%
Berks	Heidelberg Township	P	1	\$302,454	\$237,504	79%
Berks	Laureldale Borough	N	8	\$794,844	\$669,534	84%
Berks	Leesport Borough	N	2	\$141,145	\$120,178	85%
Berks	Longswamp Township	N	6	\$733,916	\$514,607	70%
Berks	Lower Alsace Township	N	6	\$1,566,305	\$1,125,084	72%
Berks	Muhlenberg Township	N	37	\$4,821,062	\$3,615,793	75%
Berks	Muhlenberg Township	P	30	\$12,211,091	\$8,703,639	71%
Berks	Oley Township	P	5	\$654,594	\$573,990	88%
Berks	Pike Township	N	5	\$234,792	\$172,126	73%
Berks	City of Reading	F	107	\$64,823,775	\$55,815,180	86%
Berks	City of Reading	N	298	\$67,774,877	\$50,403,778	74%
Berks	City of Reading	P	121	\$130,699,482	\$91,040,541	70%
Berks	Shillington Borough	N	24	\$3,365,344	\$2,982,682	89%
Berks	Shillington Borough	P	8	\$2,137,878	\$1,800,996	84%
Berks	South Heidelberg Township	N	8	\$205,624	\$174,833	85%
Berks	Spring Township	N	41	\$7,922,515	\$5,558,122	70%
Berks	Spring Township	P	27	\$10,649,828	\$7,530,786	71%
Berks	West Reading Borough	P	15	\$3,420,438	\$2,463,504	72%
Berks	Womelsdorf Borough	N	6	\$1,097,070	\$891,051	81%
Berks	Wyomissing Borough	N	26	\$3,983,972	\$3,357,108	84%
Berks	Wyomissing Borough	P	23	\$10,482,334	\$7,548,034	72%
Blair	Allegheny Township	P	6	\$1,579,699	\$1,357,019	86%
Blair	City of Altoona	P	66	\$37,273,091	\$29,352,966	79%
Blair	Blair Township	N	9	\$598,861	\$447,422	75%
Blair	Freedom Township	N	5	\$280,072	\$225,511	81%
Blair	Logan Township	N	27	\$1,980,562	\$1,625,648	82%
Blair	Tyrone Borough	P	2	\$1,391,079	\$1,109,177	80%
Blair	Woodbury Township	N	1	\$38,823	\$28,988	75%
Bradford	Asylum Township	N	1	\$20,926	\$18,111	87%
Bradford	Athens Township	N	10	\$1,115,040	\$896,066	80%
Bradford	Athens Township	P	9	\$2,094,201	\$1,773,384	85%
Bradford	Sayre Borough	N	13	\$1,608,898	\$1,292,934	80%
Bradford	Towanda Borough	P	6	\$1,378,596	\$1,026,123	74%
Bucks	Bedminster Township	N	8	\$803,864	\$698,095	87%
Bucks	Bensalem Township	N1	86	\$15,056,956	\$12,079,836	80%
Bucks	Bristol Township	P	76	\$45,806,594	\$40,282,763	88%
Bucks	Chalfont Borough	P	6	\$927,762	\$731,105	79%
Bucks	Doylestown Borough	P	15	\$7,372,863	\$5,719,228	78%
Bucks	Doylestown Township	N	32	\$6,008,631	\$4,450,749	74%
Bucks	Doylestown Township	P	19	\$8,471,590	\$6,923,998	82%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Bucks	East Rockhill Township	N	6	\$2,130,965	\$1,651,195	77%
Bucks	Haycock Township	N	4	\$520,701	\$442,042	85%
Bucks	Lower Makefield Township	N	37	\$6,153,975	\$4,865,807	79%
Bucks	Lower Makefield Township	P	36	\$11,223,302	\$8,184,092	73%
Bucks	Middletown Township	N	44	\$5,198,296	\$4,553,759	88%
Bucks	Middletown Township	P	46	\$39,696,425	\$29,472,824	74%
Bucks	New Britain Township	P	12	\$4,449,945	\$3,833,585	86%
Bucks	New Hope Borough	P	8	\$2,143,313	\$1,727,970	81%
Bucks	Newtown Township	N	30	\$3,298,697	\$2,708,185	82%
Bucks	Northampton Township	P	43	\$20,153,835	\$15,989,787	79%
Bucks	Penndel Borough	N	2	\$176,646	\$127,793	72%
Bucks	Penndel Borough	P	0	\$218,151	\$152,576	70%
Bucks	Plumstead Township	P	15	\$5,246,309	\$4,055,503	77%
Bucks	Quakertown Borough	N1	39	\$7,886,686	\$6,078,785	77%
Bucks	Richland Township	P	12	\$1,808,910	\$1,559,292	86%
Bucks	Solebury Township	P	13	\$3,686,182	\$3,288,971	89%
Bucks	Springfield Township	N	6	\$400,852	\$337,234	84%
Bucks	Upper Makefield Township	N	14	\$1,837,587	\$1,414,452	77%
Bucks	Upper Makefield Township	P	16	\$4,281,491	\$3,548,132	83%
Bucks	Upper Southampton Township	N	26	\$3,624,803	\$2,972,280	82%
Bucks	Warminster Township	N	54	\$12,244,973	\$10,004,308	82%
Bucks	Warminster Township	P	48	\$26,913,137	\$23,335,615	87%
Bucks	Warrington Township	P	28	\$10,856,399	\$8,178,813	75%
Bucks	Warwick Township	P	18	\$5,467,622	\$4,150,565	76%
Butler	Adams Township	P	6	\$491,643	\$376,501	77%
Butler	Buffalo Township	N	6	\$403,755	\$356,057	88%
Butler	Butler Township	N	24	\$6,009,751	\$4,662,170	78%
Butler	Cranberry Township	P	27	\$8,993,143	\$7,461,902	83%
Butler	Harmony Borough	N	5	\$552,371	\$483,937	88%
Butler	Jackson Township	P	8	\$924,183	\$700,914	76%
Butler	Lancaster Township	N	4	\$292,300	\$230,238	79%
Butler	Marion Township	N	1	\$83,576	\$73,511	88%
Butler	Middlesex Township	N	4	\$444,696	\$357,781	80%
Butler	Penn Township	N	5	\$355,935	\$254,305	71%
Butler	Slippery Rock Township	N	7	\$538,100	\$391,107	73%
Butler	Winfield Township	N	3	\$99,908	\$86,221	86%
Butler	Zelienople Borough	N	13	\$1,470,118	\$1,118,204	76%
Butler	Zelienople Borough	P	8	\$3,152,048	\$2,237,702	71%
Cambria	Cambria Township	N	10	\$3,006,881	\$2,676,900	89%
Cambria	Dale Borough	N	3	\$57,358	\$47,990	84%
Cambria	Ebensburg Borough	N	11	\$1,272,326	\$953,178	75%
Cambria	Ebensburg Borough	P	3	\$937,995	\$666,617	71%
Cambria	Ferndale Borough	P	1	\$306,565	\$239,768	78%
Cambria	Gallitzin Borough	N	2	\$492,743	\$403,691	82%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Cambria	Geistown Borough	P	1	\$187,349	\$146,193	78%
Cambria	Nanty Glo Borough	P	2	\$281,917	\$229,720	81%
Cambria	Patton Borough	N	8	\$758,181	\$572,040	75%
Cambria	Richland Township	P	19	\$6,866,892	\$5,861,546	85%
Cambria	Stonycreek Township	N	5	\$795,911	\$709,418	89%
Cambria	Westmont Borough	N	15	\$2,200,221	\$1,936,352	88%
Carbon	Franklin Township	P	4	\$836,588	\$690,143	82%
Carbon	Jim Thorpe Borough	P	6	\$1,467,807	\$1,230,673	84%
Carbon	Mahoning Township	N	5	\$508,638	\$444,243	87%
Carbon	Palmerton Borough	P	8	\$2,147,376	\$1,698,843	79%
Centre	Bellefonte Borough	N1	35	\$10,638,333	\$9,503,601	89%
Centre	Bellefonte Borough	P	10	\$3,252,895	\$2,797,790	86%
Centre	Benner Township	N	6	\$635,709	\$466,203	73%
Centre	Ferguson Township	P	20	\$3,737,017	\$3,220,444	86%
Centre	Patton Township	P	18	\$4,032,182	\$3,584,001	89%
Centre	State College Borough	N	149	\$27,149,866	\$19,668,041	72%
Centre	State College Borough	P	61	\$26,622,662	\$22,708,429	85%
Chester	Atglen Borough	N1	4	\$666,354	\$533,199	80%
Chester	Birmingham Township	N	2	\$367,575	\$305,213	83%
Chester	City of Coatesville	F	4	\$645,975	\$492,184	76%
Chester	City of Coatesville	N	32	\$1,512,716	\$1,333,136	88%
Chester	East Brandywine Township	N	7	\$589,454	\$493,789	84%
Chester	East Coventry Township	P	7	\$1,340,610	\$1,132,320	84%
Chester	East Fallowfield Township	P	7	\$1,009,859	\$859,876	85%
Chester	East Goshen Township	F	8	\$687,428	\$597,042	87%
Chester	East Whiteland Township	P	17	\$7,204,796	\$6,395,715	89%
Chester	Easttown Township	P	13	\$7,296,393	\$5,223,326	72%
Chester	Honey Brook Borough	P	1	\$32,180	\$26,312	82%
Chester	Kennett Township	N	7	\$802,018	\$662,872	83%
Chester	Lower Oxford Township	N	2	\$100,621	\$71,948	72%
Chester	New Garden Township	N	16	\$1,894,897	\$1,550,938	82%
Chester	New Garden Township	P	11	\$2,583,623	\$2,295,110	89%
Chester	Oxford Borough	P	9	\$1,430,166	\$1,074,241	75%
Chester	Schuylkill Township	N	8	\$1,361,393	\$1,057,240	78%
Chester	Schuylkill Township	P	13	\$4,033,009	\$3,225,386	80%
Chester	Spring City Borough	N	5	\$716,605	\$515,330	72%
Chester	Tredyffrin Township	P	47	\$26,677,149	\$23,485,030	88%
Chester	Upper Uwchlan Township	N	11	\$726,501	\$570,834	79%
Chester	Upper Uwchlan Township	P	10	\$2,201,468	\$1,945,516	88%
Chester	Uwchlan Township	P	22	\$9,397,923	\$7,666,055	82%
Chester	Valley Township	N	13	\$1,002,912	\$893,471	89%
Chester	Warwick Township	N	0	\$35,357	\$28,497	81%
Chester	West Bradford Township	N	19	\$2,131,034	\$1,798,682	84%
Chester	West Brandywine Township	P	4	\$2,792,443	\$1,996,016	71%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Chester	West Chester Borough	P	46	\$22,554,277	\$15,680,472	70%
Chester	West Goshen Township	N1	43	\$4,878,524	\$4,258,131	87%
Chester	West Goshen Township	N2	23	\$3,260,760	\$2,851,190	87%
Chester	West Sadsbury Township	P	4	\$541,601	\$449,340	83%
Chester	West Whiteland Township	P	25	\$10,460,837	\$8,429,850	81%
Chester	Willistown Township	P	16	\$10,368,453	\$7,768,466	75%
Clarion	Clarion Borough	N	7	\$1,416,625	\$1,179,775	83%
Clarion	Porter Township	N	3	\$35,511	\$28,828	81%
Clearfield	Boggs Township	N	4	\$243,316	\$212,755	87%
Clearfield	Curwensville Borough	N	4	\$357,505	\$299,787	84%
Clearfield	Lawrence Township	P	9	\$2,321,766	\$1,696,157	73%
Clearfield	Morris Township	N	4	\$99,506	\$84,113	85%
Clearfield	Morris-Cooper Regional Police	P	1	\$312,173	\$251,966	81%
Columbia	Benton Township	N	2	\$152,323	\$132,845	87%
Columbia	Bloomsburg Borough	N	28	\$2,885,299	\$2,502,421	87%
Columbia	Bloomsburg Borough	P	14	\$4,375,050	\$3,592,804	82%
Columbia	Briar Creek Township	P	5	\$511,959	\$400,292	78%
Columbia	Greenwood Township	P	1	\$34,470	\$28,146	82%
Crawford	North Shenango Township	N	3	\$113,654	\$98,650	87%
Crawford	South Shenango Township	N	2	\$136,698	\$110,676	81%
Cumberland	Hampden Township	N	80	\$15,289,875	\$12,414,996	81%
Cumberland	Hampden Township	P	23	\$10,649,519	\$8,298,433	78%
Cumberland	Lower Allen Township	N	44	\$3,876,102	\$3,270,607	84%
Cumberland	Lower Allen Township	P	19	\$7,493,936	\$5,999,176	80%
Cumberland	Mt Holly Springs Borough	P	3	\$606,781	\$446,339	74%
Cumberland	Newville Borough	P	2	\$600,041	\$525,387	88%
Cumberland	North Middleton Township	N	12	\$1,775,864	\$1,440,423	81%
Cumberland	Shippensburg Borough	N	35	\$4,222,979	\$3,166,385	75%
Cumberland	Shippensburg Borough	P	9	\$3,233,280	\$2,658,158	82%
Cumberland	Upper Allen Township	N	30	\$4,572,030	\$3,717,473	81%
Cumberland	Upper Allen Township	P	20	\$6,646,611	\$5,250,311	79%
Cumberland	West Shore Regional Police	P	10	\$4,490,822	\$3,267,686	73%
Cumberland	Wormleysburg Borough	N	5	\$421,327	\$353,036	84%
Dauphin	Derry Township	P	37	\$14,657,271	\$10,418,005	71%
Dauphin	City of Harrisburg	P	165	\$72,302,610	\$63,759,040	88%
Dauphin	Highspire Borough	N	11	\$683,725	\$538,718	79%
Dauphin	Highspire Borough	P	6	\$2,003,239	\$1,579,760	79%
Dauphin	Lower Paxton Township	N	83	\$12,825,072	\$9,297,867	72%
Dauphin	Lower Paxton Township	P	55	\$21,518,426	\$15,816,703	74%
Dauphin	Lower Swatara Township	N	22	\$5,783,591	\$4,611,322	80%
Dauphin	Middletown Borough	N	47	\$11,198,544	\$8,285,342	74%
Dauphin	Middletown Borough	P	15	\$5,580,634	\$4,283,893	77%
Dauphin	Steelton Borough	N	26	\$3,755,971	\$2,989,409	80%
Dauphin	Swatara Township	P	43	\$15,274,844	\$13,533,145	89%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Delaware	Aldan Borough	P	6	\$2,642,301	\$1,954,893	74%
Delaware	Clifton Heights Borough	P	9	\$5,078,577	\$3,796,394	75%
Delaware	Concord Township	N	15	\$2,290,071	\$1,933,569	84%
Delaware	Darby Township	P	14	\$6,213,931	\$4,817,906	78%
Delaware	Eddystone Borough	P	8	\$2,427,994	\$1,786,924	74%
Delaware	Folcroft Borough	P	10	\$5,388,490	\$4,265,386	79%
Delaware	Glenolden Borough	N	7	\$526,273	\$452,524	86%
Delaware	Haverford Township	N1	137	\$26,527,729	\$19,327,757	73%
Delaware	Lansdowne Borough	P	16	\$9,300,931	\$6,757,898	73%
Delaware	Marcus Hook Borough	N	9	\$2,022,223	\$1,612,091	80%
Delaware	Marple Township	N	67	\$5,121,630	\$4,029,611	79%
Delaware	Media Borough	N	20	\$5,373,916	\$4,730,306	88%
Delaware	Media Borough	P	16	\$9,262,969	\$6,746,942	73%
Delaware	Morton Borough	P	4	\$1,833,093	\$1,346,849	73%
Delaware	Nether Providence Township	N	12	\$1,596,242	\$1,269,474	80%
Delaware	Newtown Township	P	16	\$8,643,032	\$7,716,941	89%
Delaware	Norwood Borough	P	6	\$2,706,154	\$2,391,408	88%
Delaware	Ridley Township	P	35	\$18,335,668	\$15,851,665	86%
Delaware	Sharon Hill Borough	N	6	\$858,947	\$616,283	72%
Delaware	Sharon Hill Borough	P	9	\$4,333,686	\$3,277,167	76%
Delaware	Swarthmore Borough	N	7	\$1,534,669	\$1,106,525	72%
Delaware	Tinicum Township	P	15	\$5,388,920	\$4,621,844	86%
Delaware	Trainer Borough	P	6	\$2,896,156	\$2,291,434	79%
Delaware	Upper Chichester Township	N1	23	\$2,534,049	\$2,150,977	85%
Delaware	Upper Chichester Township	P	22	\$13,351,688	\$10,471,185	78%
Delaware	Upper Darby Township	F	51	\$20,528,281	\$15,755,476	77%
Delaware	Upper Providence Township	P	13	\$4,607,010	\$3,927,163	85%
Delaware	Yeadon Borough	P	14	\$6,210,195	\$4,556,709	73%
Elk	Highland Township	N	1	\$94,998	\$76,185	80%
Elk	Johnsonburg Borough	P	3	\$1,499,426	\$1,227,021	82%
Elk	Ridgway Borough	P	5	\$1,961,954	\$1,595,528	81%
Erie	City of Corry	F	6	\$2,516,896	\$1,993,661	79%
Erie	Edinboro Borough	P	8	\$3,425,355	\$2,580,608	75%
Erie	City of Erie	F	132	\$84,758,266	\$59,916,715	71%
Erie	City of Erie	N	335	\$93,663,027	\$76,533,767	82%
Erie	City of Erie	P	170	\$107,811,043	\$78,366,780	73%
Erie	Fairview Township	N	12	\$3,008,707	\$2,532,857	84%
Erie	Girard Borough	P	4	\$1,598,163	\$1,287,603	81%
Erie	Harborcreek Township	N	28	\$4,800,980	\$3,555,570	74%
Erie	Millcreek Township	N	117	\$23,788,708	\$18,841,476	79%
Erie	Millcreek Township	P	57	\$29,284,056	\$23,585,452	81%
Erie	North East Borough	P	7	\$2,948,936	\$2,495,906	85%
Erie	Union City Borough	N	3	\$308,118	\$239,974	78%
Fayette	Belle Vernon Borough	N	1	\$100,270	\$71,476	71%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Fayette	City of Connellsville	F	3	\$1,680,691	\$1,204,275	72%
Fayette	City of Connellsville	P	15	\$6,200,637	\$4,614,155	74%
Fayette	Nicholson Township	N1	1	\$200,105	\$154,950	77%
Fayette	Perryopolis Borough	P	2	\$167,077	\$123,664	74%
Fayette	Springhill Township	N	4	\$582,184	\$503,284	86%
Franklin	Chambersburg Borough	F	23	\$5,221,325	\$3,946,197	76%
Franklin	Chambersburg Borough	N	144	\$20,391,819	\$17,085,584	84%
Franklin	Chambersburg Borough	P	33	\$10,583,842	\$9,081,804	86%
Franklin	Mercersburg Borough	N	7	\$496,956	\$349,793	70%
Franklin	Washington Township	P	14	\$3,147,255	\$2,708,950	86%
Greene	Waynesburg Borough	P	8	\$2,040,795	\$1,614,818	79%
Huntingdon	Shirley Township	N	4	\$72,081	\$54,635	76%
Indiana	Armstrong Township	N	3	\$245,905	\$206,011	84%
Indiana	Conemaugh Township	N	3	\$377,839	\$285,517	76%
Indiana	Green Township	N	4	\$168,849	\$122,020	72%
Indiana	Indiana Borough	N2	9	\$2,232,918	\$1,601,858	72%
Jefferson	Eldred Township	N	3	\$168,941	\$128,852	76%
Jefferson	Punxsutawney Borough	P	7	\$2,128,048	\$1,576,926	74%
Juniata	Mifflintown Borough	P	0	\$154,455	\$115,347	75%
Lackawanna	Blakely Borough	N	14	\$1,995,954	\$1,684,362	84%
Lackawanna	City of Carbondale	P	12	\$5,244,892	\$4,414,627	84%
Lackawanna	Clarks Summit Borough	P	4	\$1,792,476	\$1,423,889	79%
Lackawanna	Covington Township	N	5	\$249,672	\$206,933	83%
Lackawanna	Jessup Borough	P	2	\$637,097	\$454,516	71%
Lackawanna	Moscow Borough	N	4	\$23,674	\$17,091	72%
Lackawanna	Olyphant Borough	N	13	\$842,964	\$723,604	86%
Lackawanna	Olyphant Borough	P	5	\$1,577,125	\$1,212,612	77%
Lackawanna	Ransom Township	N	3	\$230,583	\$191,172	83%
Lackawanna	Roaring Brook Township	N	2	\$111,857	\$95,767	86%
Lackawanna	Scott Township	P	5	\$1,302,382	\$1,138,349	87%
Lackawanna	South Abington Township	P	11	\$4,347,133	\$3,302,474	76%
Lancaster	Clay Township	P	4	\$684,377	\$516,971	76%
Lancaster	Columbia Borough	P	17	\$5,494,348	\$4,832,600	88%
Lancaster	Conestoga Township	N	3	\$384,149	\$325,320	85%
Lancaster	East Cocalico Township	P	23	\$7,988,680	\$5,728,621	72%
Lancaster	East Donegal Township	N	8	\$2,060,733	\$1,493,243	72%
Lancaster	East Hempfield Township	N	33	\$3,999,534	\$3,378,404	84%
Lancaster	East Hempfield Township	P	32	\$8,642,385	\$6,751,025	78%
Lancaster	Elizabeth Township	N	3	\$391,827	\$278,782	71%
Lancaster	Elizabethtown Borough	P	17	\$6,761,974	\$6,036,515	89%
Lancaster	Ephrata Borough	P	29	\$12,720,679	\$11,055,018	87%
Lancaster	City of Lancaster	F	66	\$46,785,075	\$37,934,781	81%
Lancaster	City of Lancaster	N1	296	\$10,432,429	\$8,974,375	86%
Lancaster	City of Lancaster	P	143	\$66,275,125	\$55,593,841	84%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Lancaster	Lititz Borough	P	13	\$4,763,137	\$4,063,446	85%
Lancaster	Manheim Township	N	84	\$12,155,864	\$9,879,044	81%
Lancaster	Manheim Township	P	63	\$24,483,995	\$20,749,464	85%
Lancaster	Manor Township	N	16	\$4,075,057	\$3,365,721	83%
Lancaster	Millersville Borough	N	17	\$1,953,878	\$1,660,996	85%
Lancaster	Mt Joy Borough	P	12	\$3,778,200	\$3,005,419	80%
Lancaster	Northwest Regional Police	P	15	\$4,541,081	\$3,800,686	84%
Lancaster	Paradise Township	N	4	\$515,261	\$421,372	82%
Lancaster	Providence Township	N	7	\$523,284	\$466,065	89%
Lancaster	Strasburg Borough	N	6	\$836,195	\$614,988	74%
Lancaster	Terre Hill Borough	N	3	\$443,369	\$380,730	86%
Lancaster	Warwick Township	P	14	\$3,935,582	\$3,521,733	89%
Lancaster	West Earl Township	N	10	\$834,323	\$705,971	85%
Lancaster	West Hempfield Township	N	16	\$1,426,355	\$1,111,957	78%
Lancaster	West Hempfield Township	P	20	\$4,785,267	\$3,949,125	83%
Lawrence	Ellwood City Borough	F	0	\$757,385	\$611,456	81%
Lawrence	Ellwood City Borough	P	9	\$6,903,443	\$5,888,028	85%
Lawrence	Mahoning Township	P	2	\$179,131	\$151,204	84%
Lawrence	City of New Castle	N	54	\$10,187,209	\$7,101,056	70%
Lawrence	Wilmington Township	N	4	\$478,407	\$417,384	87%
Lebanon	Annvile Township	N	9	\$1,257,214	\$978,979	78%
Lebanon	Cornwall Borough	N	10	\$1,325,420	\$1,040,164	78%
Lebanon	Millcreek Township	P	3	\$256,431	\$199,867	78%
Lebanon	North Cornwall Township	N	9	\$359,333	\$283,781	79%
Lebanon	North Cornwall Township	P	9	\$2,879,527	\$2,260,482	79%
Lebanon	North Lebanon Township	N	17	\$1,863,569	\$1,484,336	80%
Lebanon	North Londonderry Township	N	14	\$1,607,597	\$1,204,887	75%
Lebanon	Richland Borough	N	2	\$189,849	\$154,576	81%
Lebanon	South Lebanon Township	N	8	\$2,778,917	\$2,059,905	74%
Lebanon	South Lebanon Township	P	6	\$2,638,916	\$2,248,193	85%
Lebanon	South Londonderry Township	N	14	\$1,365,258	\$1,117,722	82%
Lebanon	South Londonderry Township	P	6	\$1,708,603	\$1,276,761	75%
Lebanon	Union Township	N	5	\$198,403	\$173,568	87%
Lehigh	Alburtis Borough	P	4	\$831,590	\$662,367	80%
Lehigh	City of Allentown	N1	5	\$20,896,120	\$16,902,051	81%
Lehigh	Catasauqua Borough	P	8	\$3,534,061	\$2,942,688	83%
Lehigh	Emmaus Borough	P	17	\$5,754,755	\$4,635,111	81%
Lehigh	Fountain Hill Borough	N	10	\$622,053	\$531,270	85%
Lehigh	Lynn Township	N	7	\$446,683	\$347,165	78%
Lehigh	Macungie Borough	P	5	\$755,016	\$632,309	84%
Lehigh	Salisbury Township	P	17	\$4,255,533	\$3,510,408	82%
Lehigh	Slatington Borough	P	7	\$1,772,143	\$1,275,360	72%
Lehigh	South Whitehall Township	N1	31	\$8,676,082	\$6,185,023	71%
Lehigh	South Whitehall Township	N2	41	\$7,075,889	\$5,039,865	71%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Lehigh	South Whitehall Township	P	30	\$13,277,993	\$10,926,081	82%
Lehigh	Upper Macungie Township	N	38	\$5,054,262	\$3,970,860	79%
Lehigh	Upper Milford Township	N	12	\$779,417	\$672,409	86%
Lehigh	Upper Saucon Township	N	39	\$5,357,711	\$3,804,536	71%
Lehigh	Upper Saucon Township	P	20	\$4,915,065	\$3,661,297	74%
Lehigh	Washington Township	N	8	\$1,066,133	\$759,324	71%
Lehigh	Whitehall Township	P	46	\$21,805,219	\$17,916,129	82%
Luzerne	Dallas Township	N	9	\$1,494,939	\$1,331,206	89%
Luzerne	Forty Fort Borough	F	4	\$1,275,087	\$1,123,946	88%
Luzerne	Hanover Township	N	28	\$4,624,093	\$3,227,504	70%
Luzerne	City of Hazleton	N	37	\$5,978,357	\$4,990,664	83%
Luzerne	Hughestown Borough	P	1	\$222,230	\$183,375	83%
Luzerne	Kingston Borough	N	26	\$5,100,880	\$3,643,679	71%
Luzerne	Kingston Borough	P	19	\$7,797,578	\$6,580,296	84%
Luzerne	Lake Township	N	3	\$203,161	\$157,522	78%
Luzerne	City of Nanticoke	F	9	\$2,953,315	\$2,300,991	78%
Luzerne	City of Nanticoke	P	12	\$5,004,086	\$4,197,164	84%
Luzerne	Newport Township	F	2	\$560,761	\$476,474	85%
Luzerne	City of Pittston	F	7	\$2,434,230	\$2,149,464	88%
Luzerne	Rice Township	N	3	\$222,745	\$173,153	78%
Luzerne	Rice Township	P	5	\$568,343	\$507,584	89%
Luzerne	Salem Township	N	5	\$150,486	\$123,280	82%
Luzerne	West Hazleton Borough	F	2	\$488,040	\$390,814	80%
Luzerne	West Hazleton Borough	N	5	\$407,695	\$294,143	72%
Luzerne	West Pittston Borough	N	6	\$699,796	\$576,360	82%
Luzerne	West Wyoming Borough	P	1	\$663,686	\$474,345	71%
Luzerne	Wilkes Barre Township	P	15	\$3,919,336	\$2,899,736	74%
Luzerne	Wright Township	P	7	\$2,159,979	\$1,640,857	76%
Lycoming	Hughesville Borough	N	4	\$524,133	\$401,894	77%
Lycoming	Jersey Shore Borough	N	12	\$1,151,120	\$820,077	71%
Lycoming	Muncy Borough	N	7	\$1,002,967	\$869,979	87%
Lycoming	Old Lycoming Township	N	17	\$2,242,791	\$1,894,185	84%
Lycoming	City of Williamsport	F	32	\$26,980,301	\$19,061,137	71%
Lycoming	City of Williamsport	N	116	\$17,046,371	\$13,194,793	77%
Lycoming	City of Williamsport	P	40	\$34,388,866	\$27,344,895	80%
McKean	City of Bradford	N	57	\$8,843,395	\$7,011,737	79%
McKean	Kane Borough	N	10	\$1,092,062	\$943,022	86%
McKean	Port Allegany Borough	N	11	\$1,472,420	\$1,031,673	70%
Mercer	Coolspring Township	N	2	\$53,177	\$39,766	75%
Mercer	Greene Township	N	1	\$165,552	\$128,594	78%
Mercer	Hempfield Township	N	6	\$494,924	\$401,336	81%
Mercer	Mercer Borough	N	7	\$1,791,595	\$1,508,703	84%
Mercer	City of Sharon	F	17	\$8,341,833	\$6,095,050	73%
Mercer	City of Sharon	P	27	\$10,495,978	\$8,493,783	81%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Mercer	Sharpsville Borough	N	11	\$5,266,275	\$4,438,138	84%
Mercer	Springfield Township	N	4	\$293,480	\$231,108	79%
Mercer	West Middlesex Borough	N	2	\$132,162	\$96,727	73%
Mercer	Wheatland Borough	N	3	\$361,000	\$299,711	83%
Mifflin	Brown Township	N	7	\$1,374,546	\$1,186,489	86%
Mifflin	Burnham Borough	N	6	\$591,634	\$515,818	87%
Mifflin	Granville Township	N	12	\$1,495,997	\$1,164,662	78%
Mifflin	Granville Township	P	7	\$1,736,007	\$1,423,525	82%
Mifflin	Wayne Township	N	3	\$263,581	\$185,604	70%
Monroe	Barrett Township	N	7	\$942,811	\$808,652	86%
Monroe	East Stroudsburg Borough	N	25	\$5,157,859	\$4,453,660	86%
Monroe	Pocono Mountain Regional Police	P	43	\$10,546,009	\$8,986,308	85%
Monroe	Stroud Area Regional Police	P	52	\$14,300,425	\$11,779,369	82%
Monroe	Stroudsburg Borough	N	23	\$3,234,750	\$2,463,414	76%
Montgomery	Bridgeport Borough	P	7	\$4,398,963	\$3,639,493	83%
Montgomery	Cheltenham Township	N1	60	\$11,055,797	\$8,112,474	73%
Montgomery	Cheltenham Township	N3	7	\$307,007	\$229,355	75%
Montgomery	Cheltenham Township	P	77	\$36,503,644	\$25,852,835	71%
Montgomery	Collegeville Borough	N	9	\$2,416,322	\$2,070,441	86%
Montgomery	Collegeville Borough	P	8	\$2,961,471	\$2,587,609	87%
Montgomery	Conshohocken Borough	P	18	\$6,181,206	\$4,838,182	78%
Montgomery	Douglass Township	N	8	\$1,698,840	\$1,428,161	84%
Montgomery	East Norriton Township	N	30	\$5,751,179	\$4,158,958	72%
Montgomery	East Norriton Township	P	26	\$11,109,974	\$8,059,398	73%
Montgomery	Franconia Township	N	17	\$1,426,138	\$1,202,289	84%
Montgomery	Franconia Township	P	15	\$4,611,990	\$3,276,209	71%
Montgomery	Hatboro Borough	P	12	\$7,684,457	\$5,612,643	73%
Montgomery	Hatfield Township	P	25	\$13,226,698	\$9,790,646	74%
Montgomery	Horsham Township	P	39	\$17,207,906	\$12,389,918	72%
Montgomery	Lansdale Borough	P	20	\$15,115,314	\$11,561,881	76%
Montgomery	Limerick Township	P	21	\$3,566,460	\$2,912,302	82%
Montgomery	Lower Gwynedd Township	N	23	\$3,061,296	\$2,205,569	72%
Montgomery	Lower Pottsgrove Township	P	17	\$3,417,949	\$2,704,346	79%
Montgomery	Lower Providence Township	N1	10	\$3,823,662	\$2,700,021	71%
Montgomery	Lower Providence Township	P	30	\$12,210,611	\$10,364,749	85%
Montgomery	Lower Salford Township	N	29	\$3,402,146	\$2,606,754	77%
Montgomery	Lower Salford Township	P	14	\$6,254,161	\$4,858,833	78%
Montgomery	Marlborough Township	P	3	\$1,108,853	\$966,463	87%
Montgomery	Montgomery Township	P	30	\$12,430,702	\$10,204,805	82%
Montgomery	Narberth Borough	P	6	\$2,943,602	\$2,565,074	87%
Montgomery	New Hanover Township	P	8	\$1,964,518	\$1,547,144	79%
Montgomery	Norristown Borough	F	18	\$8,410,955	\$6,324,975	75%
Montgomery	Plymouth Township	P	43	\$24,697,151	\$21,872,813	89%
Montgomery	Pottstown Borough	P	43	\$18,806,007	\$16,017,706	85%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Montgomery	Rockledge Borough	P	4	\$1,775,269	\$1,350,385	76%
Montgomery	Springfield Township	N1	23	\$6,433,666	\$5,112,496	79%
Montgomery	Springfield Township	N2	24	\$3,497,271	\$3,021,363	86%
Montgomery	Springfield Township	P	28	\$13,830,161	\$11,919,417	86%
Montgomery	Towamencin Township	N	23	\$2,237,759	\$1,742,276	78%
Montgomery	Upper Dublin Township	N	86	\$9,583,544	\$7,039,021	73%
Montgomery	Upper Dublin Township	P	38	\$21,352,932	\$16,805,876	79%
Montgomery	Upper Gwynedd Township	P	21	\$10,126,366	\$8,033,935	79%
Montgomery	Upper Moreland Township	P	31	\$24,559,613	\$17,432,405	71%
Montgomery	Upper Pottsgrove Township	N	9	\$529,226	\$431,802	82%
Montgomery	West Norriton Township	P	25	\$12,230,960	\$8,687,177	71%
Montgomery	West Pottsgrove Township	N	6	\$989,357	\$836,218	85%
Montgomery	Whitemarsh Township	P	36	\$16,356,785	\$13,088,451	80%
Montgomery	Whitpain Township	N1	58	\$9,721,509	\$7,847,709	81%
Montour	Danville Borough	N	26	\$5,122,664	\$4,001,869	78%
Montour	Mahoning Township	N	6	\$1,539,038	\$1,186,318	77%
Northampton	Bangor Borough	N	8	\$1,053,437	\$822,909	78%
Northampton	City of Bethlehem	F	102	\$62,441,284	\$48,626,861	78%
Northampton	City of Bethlehem	N1	2	\$8,530,589	\$7,120,687	83%
Northampton	City of Bethlehem	N2	398	\$111,163,252	\$88,255,172	79%
Northampton	City of Bethlehem	P	159	\$83,930,276	\$63,718,342	76%
Northampton	Bethlehem Township	N3	14	\$963,840	\$722,270	75%
Northampton	Bushkill Township	N	8	\$830,812	\$613,514	74%
Northampton	Bushkill Township	P	14	\$2,182,326	\$1,935,273	89%
Northampton	East Allen Township	N	11	\$1,022,959	\$903,226	88%
Northampton	Forks Township	P	23	\$4,377,194	\$3,194,386	73%
Northampton	Hanover Township	N1	18	\$6,815,169	\$5,148,990	76%
Northampton	Lehigh Township	P	11	\$3,281,903	\$2,813,985	86%
Northampton	Lower Nazareth Township	N	11	\$1,200,399	\$930,605	78%
Northampton	Lower Saucon Township	P	14	\$5,035,073	\$4,127,761	82%
Northampton	Northampton Borough	N	23	\$3,740,353	\$3,103,578	83%
Northampton	Palmer Township	N	42	\$4,785,357	\$4,115,611	86%
Northampton	Palmer Township	P	30	\$9,228,756	\$7,271,640	79%
Northampton	Plainfield Township	N	7	\$703,734	\$589,188	84%
Northampton	Washington Township	P	5	\$945,957	\$783,285	83%
Northumberland	Coal Township	P	12	\$4,431,821	\$3,877,960	88%
Northumberland	Milton Borough	N1	7	\$1,606,715	\$1,255,145	78%
Northumberland	Milton Borough	P	8	\$3,389,032	\$2,722,769	80%
Northumberland	Mt Carmel Borough	N	12	\$1,368,845	\$1,121,297	82%
Northumberland	Mt Carmel Borough	P	9	\$3,398,136	\$2,638,251	78%
Northumberland	Mt Carmel Township	P	6	\$832,975	\$605,864	73%
Northumberland	Ralpho Township	P	6	\$825,554	\$618,506	75%
Northumberland	Riverside Borough	N	2	\$596,346	\$505,570	85%
Northumberland	City of Shamokin	P	12	\$7,176,414	\$5,433,029	76%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Northumberland	City of Sunbury	N	19	\$2,803,461	\$2,338,338	83%
Northumberland	City of Sunbury	P	11	\$8,868,899	\$6,726,104	76%
Perry	Wheatfield Township	N	3	\$262,142	\$231,226	88%
Potter	Coudersport Borough	N	12	\$1,505,834	\$1,302,979	87%
Schuylkill	Ashland Borough	P	3	\$2,277,045	\$2,001,594	88%
Schuylkill	Butler Township	N	5	\$405,399	\$286,910	71%
Schuylkill	East Brunswick Township	N	4	\$219,329	\$181,247	83%
Schuylkill	Hegins Township	P	2	\$678,770	\$485,759	72%
Schuylkill	Mahanoy City Borough	P	4	\$1,564,869	\$1,189,996	76%
Schuylkill	Norwegian Township	P	0	\$299,060	\$263,736	88%
Schuylkill	Orwigsburg Borough	N	8	\$1,465,477	\$1,172,215	80%
Schuylkill	Port Carbon Borough	P	2	\$703,028	\$574,409	82%
Schuylkill	City of Pottsville	N	36	\$3,629,097	\$3,117,577	86%
Schuylkill	City of Pottsville	P	27	\$11,654,396	\$8,586,334	74%
Schuylkill	Shenandoah Borough	N	14	\$3,658,857	\$3,095,380	85%
Schuylkill	St Clair Borough	P	6	\$1,823,769	\$1,578,478	87%
Somerset	Conemaugh Township	N	14	\$1,670,168	\$1,482,994	89%
Somerset	Hooversville Borough	N	3	\$212,395	\$179,170	84%
Somerset	Indian Lake Borough	N	7	\$241,488	\$202,615	84%
Somerset	Jenner Township	N	8	\$1,052,752	\$903,718	86%
Somerset	Lincoln Township	N	4	\$277,670	\$243,580	88%
Somerset	Paint Township	P	3	\$107,948	\$85,741	79%
Somerset	Somerset Borough	N1	9	\$2,372,118	\$1,808,184	76%
Somerset	Somerset Borough	N2	24	\$1,437,950	\$1,050,340	73%
Susquehanna	Franklin Township	N	2	\$137,823	\$96,686	70%
Tioga	Charleston Township	N	3	\$405,631	\$354,255	87%
Tioga	Farmington Township	N	2	\$135,293	\$100,967	75%
Tioga	Mansfield Borough	P	5	\$888,170	\$699,876	79%
Tioga	Rutland Township	N	3	\$81,006	\$66,106	82%
Tioga	Westfield Borough	P	1	\$543,373	\$485,237	89%
Union	Buffalo Township	N	2	\$256,368	\$191,610	75%
Union	Lewisburg Borough	N	14	\$2,084,175	\$1,725,146	83%
Union	Lewisburg Borough	P	8	\$2,763,857	\$2,406,901	87%
Union	Mifflinburg Borough	N	15	\$1,832,068	\$1,415,194	77%
Union	Mifflinburg Borough	P	7	\$1,492,805	\$1,285,509	86%
Venango	Cherrytree Township	N	4	\$347,148	\$259,589	75%
Venango	City of Franklin	F	7	\$3,596,735	\$3,131,511	87%
Venango	Frenchcreek Township	N	7	\$223,010	\$185,808	83%
Venango	City of Oil City	F	16	\$6,045,979	\$4,665,793	77%
Warren	Conewango Township	N	4	\$735,506	\$537,722	73%
Warren	City of Warren	N	29	\$4,151,305	\$3,510,531	85%
Warren	Youngsville Borough	P	2	\$452,864	\$367,306	81%
Washington	Amwell Township	N	7	\$369,479	\$267,518	72%
Washington	Bentleyville Borough	P1	0	\$376,241	\$336,655	89%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
Washington	Buffalo Township	N	3	\$172,285	\$142,903	83%
Washington	Canonsburg Borough	N	26	\$4,151,047	\$3,024,326	73%
Washington	Canonsburg Borough	P	15	\$4,745,286	\$4,150,529	87%
Washington	Centerville Borough	P	3	\$804,130	\$694,196	86%
Washington	Charleroi Borough	N	9	\$1,058,009	\$940,837	89%
Washington	Chartiers Township	P	12	\$2,386,330	\$1,818,299	76%
Washington	East Finley Township	N	4	\$301,311	\$212,056	70%
Washington	Ellsworth Borough	N	2	\$68,181	\$52,309	77%
Washington	Jefferson Township	N	2	\$42,188	\$32,584	77%
Washington	North Bethlehem Township	N	4	\$251,983	\$182,376	72%
Washington	North Franklin Township	P	6	\$2,830,476	\$2,023,739	71%
Washington	North Strabane Township	N2	17	\$2,496,003	\$2,162,109	87%
Washington	Peters Township	P	22	\$8,628,934	\$6,850,868	79%
Washington	South Strabane Township	F	9	\$300,038	\$265,760	89%
Washington	South Strabane Township	N	11	\$1,035,967	\$832,209	80%
Washington	South Strabane Township	P	15	\$3,668,802	\$3,132,770	85%
Wayne	Honesdale Borough	P	9	\$3,000,089	\$2,404,183	80%
Westmoreland	City of Arnold	N	23	\$2,920,205	\$2,175,186	74%
Westmoreland	City of Greensburg	P	26	\$17,245,026	\$13,182,329	76%
Westmoreland	Hempfield Township	N	50	\$9,903,096	\$8,125,727	82%
Westmoreland	Irwin Borough	N	4	\$503,940	\$444,235	88%
Westmoreland	City of Jeannette	N	21	\$3,547,169	\$2,647,624	75%
Westmoreland	Ligonier Borough	P	3	\$527,573	\$380,522	72%
Westmoreland	City of Monessen	P	11	\$4,693,620	\$3,353,874	71%
Westmoreland	Murrysville Borough	N	40	\$5,946,102	\$4,669,420	79%
Westmoreland	Murrysville Borough	P	19	\$8,960,286	\$7,301,526	81%
Westmoreland	North Belle Vernon Borough	P	2	\$444,103	\$378,559	85%
Westmoreland	Trafford Borough	P	3	\$623,103	\$490,022	79%
Wyoming	Tunkhannock Borough	P	4	\$959,261	\$801,302	84%
Wyoming	Washington Township	N	5	\$132,829	\$110,563	83%
York	East Hopewell Township	N	3	\$370,378	\$326,410	88%
York	Fairview Township	N	28	\$5,924,371	\$4,649,686	78%
York	Jackson Township	P	0	\$1,162,063	\$821,119	71%
York	Manchester Township	F	24	\$3,158,942	\$2,316,806	73%
York	Manchester Township	N	23	\$3,779,975	\$3,382,624	89%
York	Manheim Township	N	5	\$461,303	\$321,674	70%
York	Newberry Township	N	19	\$1,403,865	\$1,175,303	84%
York	Newberry Township	P	17	\$5,211,496	\$3,982,799	76%
York	North Codorus Township	N	7	\$715,827	\$526,836	74%
York	Northern York Co. Reg. Police	N	5	\$655,930	\$544,801	83%
York	Northern York Co. Reg. Police	P	43	\$19,089,231	\$14,061,118	74%
York	Penn Township	F	15	\$450,250	\$364,968	81%
York	Shrewsbury Borough	N	8	\$499,194	\$417,126	84%
York	Spring Garden Township	P	18	\$5,304,680	\$4,576,618	86%

**ACTUARIAL VALUATION REPORT FUNDING STATUS DATA
LEVEL I - MINIMALLY DISTRESSED PENSION PLANS**

<u>County</u>	<u>Municipality</u>	<u>Plan</u>	<u>Active Members</u>	<u>Accrued Liability</u>	<u>Assets</u>	<u>Funded Ratio</u>
York	Springettsbury Township	P	32	\$12,474,307	\$10,385,336	83%
York	Springfield Township	N	5	\$924,943	\$748,507	81%
York	West Manheim Township	P	8	\$2,005,585	\$1,623,119	81%
York	West York Borough	F	3	\$165,295	\$127,139	77%
York	West York Borough	N	5	\$456,596	\$359,932	79%
York	West York Borough	P	9	\$2,531,033	\$1,773,539	70%
York	York Area United Fire and Rescue	F2	17	\$4,002,356	\$3,309,137	83%
York	City of York	N	191	\$24,567,150	\$21,366,032	87%
York	York Township	N	45	\$6,277,154	\$5,375,978	86%
			Totals	<u>\$3,919,987,020</u>	<u>\$3,094,288,494</u>	79%

REFERENCES

Additional sources of information pertaining to Pennsylvania municipal pension plan administration:

Public Employee Retirement Commission, Special Report: Study of the Current Structure of Local Government Retirement Systems and Recommended Establishment of a Statewide Retirement System, December 1992.

Public Employee Retirement Commission, Status Report on Local Government Pension Plans: A summary and analysis of 2009 Municipal Pension Plan Data submitted pursuant to Act 205 of 1984 and 2008 County Pension Plan Data submitted pursuant to Act 293 of 1972, January 2011.

U.S. Census Bureau, Public-Employee Retirement Systems State- and Locally-Administered Pensions Summary Report: 2010, April 2012.

University of Pittsburgh Institute of Politics, Pensions Subcommittee, What to Do about Municipal Pensions, April 2009.

NOTES

¹ Data regarding the number of participating plans is from Part II of the *Status Report on Local Government Pension Plans: A summary and analysis of 2009 Municipal Pension Plan Data submitted pursuant to Act 205 of 1984 and 2008 County Pension Plan Data submitted pursuant to Act 293 of 1972*, published in January 2011 by the Public Employee Retirement Commission of the Commonwealth of Pennsylvania. County and municipal authority plans are excluded because they do not participate in the General Municipal Pension System State Aid Program.

² 53 P.S. § 895.402(j).

³ 53 P.S. § 896.904.

⁴ PERC regulations are published at Title 16, Part IV of the Pennsylvania Code.

⁵ Allocations were obtained from the Department of the Auditor General's Office of the Comptroller and/or the *Status Report on Local Government Pension Plans: A summary and analysis of 2009 Municipal Pension Plan Data submitted pursuant to Act 205 of 1984 and 2008 County Pension Plan Data submitted pursuant to Act 293 of 1972*, published in January 2011 by the Public Employee Retirement Commission of the Commonwealth of Pennsylvania.

⁶ Data regarding the total number of local government pension plans in the Commonwealth of Pennsylvania is from Part II of the *Status Report on Local Government Pension Plans: A summary and analysis of 2009 Municipal Pension Plan Data submitted pursuant to Act 205 of 1984 and 2008 County Pension Plan Data submitted pursuant to Act 293 of 1972*, published in January 2011 by the Public Employee Retirement Commission of the Commonwealth of Pennsylvania.

⁷ The number of local government pension plans for the states bordering the Commonwealth of Pennsylvania as reported in the Public-Employee Retirement Systems State- and Locally-Administered Pensions Summary Report: 2010 published by the U.S. Census Bureau. The data collected for this report was for defined benefit plans only and does not include data for defined contribution plans or other postemployment benefit plans.

⁸ The number of local government pension plans for the five states with the highest number of defined benefit pension plans behind Pennsylvania as reported in the Public-Employee Retirement Systems State- and Locally-Administered Pensions Summary Report: 2010 published by the U.S. Census Bureau. The data collected for this report was for defined benefit plans only and does not include data for defined contribution plans or other postemployment benefit plans.

⁹ 53 P.S. § 895.302(b).

¹⁰ 53 P.S. § 895.303(c).

¹¹ 53 P.S. § 895.402(e)(2).

¹² 53 P.S. § 895.402(e)(2).

¹³ 53 P.S. § 895.402(j).

¹⁴ 53 P.S. § 895.402(f)(2).

¹⁵ 53 P.S. § 895.102.

¹⁶ This information was obtained from the Public Employee Retirement Commission (PERC) of the Commonwealth of Pennsylvania, based on actuarial data provided by municipalities to PERC for the valuation date January 1, 2011.

NOTES

¹⁷ Actuarial data for the Mars Borough Police Pension Plan as of valuation date January 1, 2011, had not been reported to PERC as of the preparation of this report. The actuarial data for the Mars Borough Police Pension Plan reported on page 27 is as of valuation date January 1, 2009.

¹⁸ See Note 16.

¹⁹ The summary of Act 44 of 2009 (House Bill 1828) was obtained from the Public Employee Retirement Commission.

²⁰ See Note 16.

²¹ See Note 16.

²² See Note 16.