



**City of South Burlington  
Retirement Income Plan**

**Government Accounting Standards Board  
Statements 67 & 68 Disclosures**

Fiscal Year  
July 1, 2020 to June 30, 2021



December 3, 2021

Andrew Bolduc  
Deputy City Manager  
City of South Burlington  
180 Market Street  
South Burlington, VT 05403

*Via Email Delivery*

**Re: City of South Burlington Retirement Income Plan  
June 30, 2021 Disclosure Information (GASB 67/68)**

Dear Andrew,

We are pleased to provide you with the Fiscal 2021 disclosure information pursuant to Government Accounting Standards Board Statements 67 & 68 Disclosures ("GASB 67/68") for the City of South Burlington Retirement Income Plan ("Plan"). Determinations for purposes other than financial accounting requirements may be significantly different from the results reported herein. The use of this report for other than for financial accounting purposes may not be appropriate.

We relied upon participant data supplied by City of South Burlington as of June 30, 2021 and financial information as of June 30, 2021. We reviewed the participant data for internal consistency and reasonableness and have no reason to doubt its substantial accuracy. We also used and relied upon plan information supplied by City of South Burlington. City of South Burlington is solely responsible for the validity and completeness of the information.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board. In addition, the valuation results are based upon our understanding of GASB 67/68.

The actuarial assumptions are described in the Actuarial Assumptions exhibit of this report. City of South Burlington selected the actuarial assumptions and prescribed them for GASB 67/68 purposes. We provided guidance to City of South Burlington on the support and selection of certain actuarial assumptions. We believe that the actuarial assumptions represent reasonable expectations of future experience of the Plan.

A valuation model was used to develop the liabilities for the plan. The valuation model relies on ProVal software, which was developed by Winklevoss Technologies, LLC. Experts within Newport Group selected this software and determined it is appropriate for performing this valuation. We coded and reviewed the software for the provisions, assumptions, methods, and data of the Plan as outlined in this report.

The undersigned is a Member of the American Academy of Actuaries and other actuarial organizations and meets the Qualification Requirements of the American Academy of Actuaries to render the actuarial opinion contained herein.

We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest that would impair the objectivity of our work.

We want to thank you again for the opportunity to continue serving City of South Burlington and the Plan.

Should you have any questions regarding the information contained in this report, please contact the undersigned.

Sincerely,

Certified by:

A handwritten signature in blue ink, appearing to read "Erik Schait".

Erik Schait, ASA, EA, MAAA  
Actuarial Consultant

# CITY OF SOUTH BURLINGTON RETIREMENT INCOME PLAN

## GASB STATEMENTS 67 & 68 June 30, 2021

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CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at Beginning of Period	44,622,994	36,617,628	8,005,366
Changes for the year			
Service Cost	992,644	0	992,644
Interest	3,237,160	0	3,237,160
Actuarial (Gain)/Loss	(194,956)	0	(194,956)
Plan Amendments	0	0	0
Assumption Changes	(16,031)	0	(16,031)
Contributions - Employer	0	1,302,918	(1,302,918)
Contributions - Employee	0	373,582	(373,582)
Net investment income	0	9,685,649	(9,685,649)
Benefit payments	(2,077,646)	(2,077,646)	0
Administrative expense	0	0	0
Other	0	0	0
Net Changes	<u>1,941,171</u>	<u>9,284,503</u>	<u>(7,343,332)</u>
Balances at End of Period	46,564,165	45,902,131	662,034
Additional Reconciliation of NPL			
1 NPL at Beginning of Period			8,005,366
2 Total Deferred Outflows (Inflows) at Beginning of Period			2,318,972
3 Contributions - Employer			1,302,918
4 Total Pension Expense			394,511
5 Total Deferred Outflows (Inflows) at End of Period			(4,115,953)
6 NPL at End of Period (1 - 2 - 3 + 4 +5)			662,034
Sensitivity of Net Pension Liability			
NPL (Current Discount Rate)	46,564,165	45,902,131	662,034
NPL (Current Discount Rate + 1%)	41,717,181	45,902,131	(4,184,950)
NPL (Current Discount Rate - 1%)	52,376,444	45,902,131	6,474,313

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Pension Expense

A	Service Cost	992,644
B	Interest on Total Pension Liability	
	1 Total Pension Liability, beginning of year	44,622,994
	2 Service Cost	992,644
	3 Expected Distributions	1,930,319
	4 Net Total Pension Liability	44,650,479
	(1+ 2 - .5*3)	
	5 Interest on Total Pension Liability	3,237,160
C	Employee Contributions	(373,582)
D	Projected Earnings on pension plan investments	
	1 Assets, Beginning of Year	36,617,628
	2 Expected Distributions, weighted	965,160
	3 Expected Contributions, weighted	271,804
	4 Average Assets (1 - 2 + 3)	35,924,272
	5 Projected Earnings on pension plan investments	2,604,510
E	Amortization of Changes in fiduciary net position	
	1 Actuarial Gain/Loss in Total Pension Liability	274,322
	2 Changes in Total Pension Liability due to Assumption Changes	175,328
	3 Gain/Loss of Expected Asset Return versus Actual Earnings	(1,306,852)
	4 Total Amortization included in Pension Expense	(857,201)
F	Administrative Expense	0
G	Changes in Benefit Terms	0
H	Other changes in fiduciary net position	0
	<b>Total Pension Expense</b>	<b>394,511</b>
	<b>A + B5 + C - D5 + E4 + F + G + H</b>	

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2022

Estimated Pension Expense for Next Fiscal Year

A	Service Cost	775,869
B	Interest on Total Pension Liability	
	1 Total Pension Liability, beginning of year	46,564,165
	2 Service Cost	775,869
	3 Expected Distributions	2,497,551
	4 Net Total Pension Liability	46,091,259
	(1+ 2 - .5*3)	
	5 Interest on Total Pension Liability	3,341,616
C	Employee Contributions	(288,006)
D	Projected Earnings on pension plan investments	
	1 Assets, Beginning of Year	45,902,131
	2 Expected Distributions, weighted	1,248,776
	3 Expected Contributions, weighted	283,885
	4 Average Assets (1 - 2 + 3)	44,937,240
	5 Projected Earnings on pension plan investments	3,257,950
E	Amortization of Changes in fiduciary net position	
	1 Actuarial Gain/Loss in Total Pension Liability	131,290
	2 Changes in Total Pension Liability due to Assumption Changes	207,559
	3 Gain/Loss of Expected Asset Return versus Actual Earnings	(994,652)
	4 Total Amortization included in Pension Expense	(655,803)
F	Administrative Expense	0
G	Changes in Benefit Terms	0
H	Other changes in fiduciary net position	0
	<b>Total Pension Expense</b>	<b>(84,274)</b>
	<b>A + B5 + C - D5 + E4 + F + G + H</b>	

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Differences between Projected and Actual Earnings on Pension Investments

A.	Plan Assets at Fair Value at End of Year	\$	45,902,131
B.	Actual Disbursements		
	Participants		2,077,646
	Transfers to Other Plans		0
	Settlements/Curtailments		0
	Administrative Expenses		0
	Total Disbursements		2,077,646
C.	Actual Receipts		
	Employer Contributions		1,302,918
	Participant Contributions		373,582
	Transfers from Other Plans		0
	Total Receipts		1,676,500
D.	Plan Assets at Fair Value at Beginning of Year		36,617,628
E.	Actual Return on Assets (A + B - C - D)		9,685,649
F.	Expected Return		2,604,510
G.	Asset (Gain) or Loss (E - F)	\$	(7,081,139)

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Determination of Actuarial (Gains)/Losses

Total Pension Liability - Beginning of Period	44,622,994
Changes for the year	
Service Cost	992,644
Interest	3,237,160
Benefit payments	(2,077,646)
Other	-
Net Changes	<u>2,152,158</u>
Total Pension Liability - Expected	46,775,152
End of Period - Before Change in Assumptions	46,580,196
Difference between Expected and Actual Experience	(194,956)
Actual End of Period	46,564,165
(Gain)/Loss due to Change in Assumptions	(16,031)



CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Schedule of Differences between Expected and Actual Experience

Date	Original Base	Amortization Period	6/30/2020 Outstanding Balance	6/30/2021 Amortization	6/30/2021 Outstanding Balance
6/30/2015	558,135	7.14	120,580	106,210	14,370
6/30/2016	445,709	7.10	157,397	74,908	82,489
6/30/2017	52,789	6.84	23,823	8,386	15,437
6/30/2018	896,843	4.73	328,022	189,607	138,415
6/30/2019	(294,839)	4.40	(160,821)	(67,009)	(93,812)
6/30/2020	57,126	4.06	43,056	14,070	28,986
<b>Total Prior</b>			<b>512,056</b>	<b>326,172</b>	<b>185,884</b>

New Base Amortization Base	
Date Created	6/30/2021
Amortization Base	(194,956)
Amortization Period	3.76
Annual Amortization Amount	(51,850)
<b>Total at June 30, 2021</b>	<b>42,778</b>
Deferred Outflows at June 30, 2021	279,696
Deferred Inflows at June 30, 2021	(236,918)
Current Year Amortization	131,290

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Schedule of Differences between Projected and Actual Earnings on Pension Investments

Date	Original Base	Amortization Period	6/30/2020 Outstanding Balance	6/30/2021 Amortization	6/30/2021 Outstanding Balance
6/30/2015	1,676,859	5.00	-	-	-
6/30/2016	2,465,987	5.00	-	-	-
6/30/2017	(1,560,999)	5.00	(312,200)	(312,200)	0
6/30/2018	(153,482)	5.00	(61,394)	(30,696)	(30,698)
6/30/2019	735,966	5.00	441,580	147,193	294,387
6/30/2020	1,525,393	5.00	1,220,314	305,079	915,235

Total Prior	1,288,299	109,376	1,178,923
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New Base Amortization Base	
Date Created	6/30/2021
Amortization Base	(7,081,139)
Amortization Period	5.00
Annual Amortization Amount	(1,416,228)
Total at June 30, 2021	(4,485,988)
Deferred Outflows at June 30, 2021	1,209,621
Deferred Inflows at June 30, 2021	(5,695,609)
Current Year Amortization	(994,652)

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Schedule of Changes in Assumptions

Valuation Date	Original Base	Recognition Period	6/30/2020 Outstanding Balance	6/30/2021 Amortization	6/30/2021 Outstanding Balance
6/30/2015	(70,880)	7.14	(15,313)	(13,488)	(1,825)
6/30/2016	600,947	7.10	212,217	100,998	111,219
6/30/2017	1,047,528	6.84	472,726	166,408	306,319
6/30/2018	(360,328)	4.73	(131,791)	(76,179)	(55,612)
6/30/2019	165,987	4.40	90,539	37,724	52,815
6/30/2020	(145,632)	4.06	(109,762)	(35,870)	(73,892)
<b>Total Prior</b>			<b>518,616</b>	<b>179,592</b>	<b>339,024</b>

New Base Amortization Base	
Date Created	6/30/2021
Amortization Base	(16,031)
Amortization Period	3.76
Annual Amortization Amount	(4,264)
<b>Total at June 30, 2021</b>	<b>327,257</b>
Deferred Outflows at June 30, 2021	470,353
Deferred Inflows at June 30, 2021	(143,096)
Current Year Amortization	207,559

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Deferred Outflows and Inflows of Resources and Deferred Inflows of Resources Related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	279,696	236,918
Net difference between projected and actual earnings on pension plan investments	1,209,621	5,695,609
Changes of Assumptions	470,353	143,096
Total	1,959,670	6,075,623

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	Net Deferred Outflows
6/30/2022	(655,803)
6/30/2023	(888,820)
6/30/2024	(1,155,102)
6/30/2025	(1,416,227)
6/30/2026	-
Thereafter	-
Total	(4,115,953)

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Deferred Outflows and Inflows of Resources Related to Pensions  
Differences between expected and actual experience

Fiscal Year Ending	Experience Loss (a)	Experience Gains (b)	Amounts recognized through June 30, 2021 (c)	Balances at June 30, 2021	
				Deferred Outflows of Resources (a) -(c)	Deferred Inflows of Resources (b) -(c)
6/30/2015	558,135		543,765	14,370	
6/30/2016	445,709		363,220	82,489	
6/30/2017	52,789		37,353	15,437	
6/30/2018	896,843		758,428	138,415	
6/30/2019		294,839	201,027		93,812
6/30/2020	57,126		28,140	28,986	
6/30/2021		194,956	51,850		143,106
				<u>279,696</u>	<u>236,918</u>

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Deferred Outflows and Inflows of Resources Related to Pensions  
Net difference between projected and actual earnings on plan investments

Fiscal Year Ending	Experience Loss (a)	Experience Gains (b)	Amounts recognized through June 30, 2021 (c)	Balances at June 30, 2021	
				Deferred Outflows of Resources (a) -(c)	Deferred Inflows of Resources (b) -(c)
6/30/2015	1,676,859		1,676,859	0	
6/30/2016	2,465,987		2,465,987	0	
6/30/2017		1,560,999	1,560,999		(0)
6/30/2018		153,482	122,784		30,698
6/30/2019	735,966		441,579	294,387	
6/30/2020	1,525,393		610,158	915,235	
6/30/2021		7,081,139	1,416,228		5,664,911
				<u>1,209,621</u>	<u>5,695,609</u>

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 68  
FISCAL YEAR ENDING JUNE 30, 2021

Deferred Outflows and Inflows of Resources Related to Pensions  
Changes of Assumptions

Fiscal Year Ending	Increase in TPL (a)	Decrease in TPL (b)	Amounts recognized through June 30, 2021 (c)	Balances at June 30, 2021	
				Deferred Outflows of Resources (a) -(c)	Deferred Inflows of Resources (b) -(c)
6/30/2015		70,880	69,055		1,825
6/30/2016	600,947		489,727	111,219	
6/30/2017	1,047,528		741,210	306,319	
6/30/2018		360,328	304,716		55,612
6/30/2019	165,987		113,172	52,815	
6/30/2020		145,632	71,740		73,892
6/30/2021		16,031	4,264		11,767
				<u>470,353</u>	<u>143,096</u>

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 67  
10-YEAR DISCLOSURES

Fiscal Year End	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
<b>Changes in Net Pension Liability</b>										
Total Pension Liability (TPL)										
Beginning Value	44,622,994	42,556,891	40,503,422	37,860,319	34,692,673	31,832,464	29,651,390	26,933,969	N/A	N/A
Service Cost	992,644	992,682	1,049,187	966,711	932,286	804,013	764,636	649,470	N/A	N/A
Interest on Total Pension Liability	3,237,160	3,090,936	2,949,206	2,755,600	2,548,930	2,337,631	2,177,059	1,970,702	N/A	N/A
Change in Benefit Terms	0	0	0	0	0	0	0	0	N/A	N/A
Assumption Changes	(16,031)	(145,632)	165,987	(360,328)	1,047,528	600,947	(70,880)	(1,677,930)	N/A	N/A
Experience Gains/Losses	(194,956)	57,126	(294,839)	896,843	52,789	445,709	558,135	3,091,068	N/A	N/A
Benefit Payments	(2,077,646)	(1,929,009)	(1,816,072)	(1,615,723)	(1,413,887)	(1,328,091)	(1,247,876)	(1,315,889)	N/A	N/A
Ending Value	46,564,165	44,622,994	42,556,891	40,503,422	37,860,319	34,692,673	31,832,464	29,651,390	N/A	N/A
Plan Fiduciary Net Position (FNP)										
Beginning Value	36,617,628	35,761,506	34,137,861	31,753,222	28,358,660	28,921,888	28,228,481	25,191,130	N/A	N/A
Employer Contributions	1,302,918	1,384,798	1,394,798	1,246,468	1,037,443	765,860	1,192,750	0	N/A	N/A
Member Contributions	373,582	379,718	349,543	337,958	313,535	305,476	297,142	310,119	N/A	N/A
Net Investment Income	9,685,649	1,020,614	1,695,376	2,415,936	3,457,472	(306,473)	451,391	4,043,122	N/A	N/A
Benefit Payments	(2,077,646)	(1,929,009)	(1,816,072)	(1,615,723)	(1,413,887)	(1,328,091)	(1,247,876)	(1,315,889)	N/A	N/A
Administrative Expenses	0	0	0	0	0	0	0	0	N/A	N/A
Other	0	0	0	0	0	0	0	0	N/A	N/A
Ending Value	45,902,131	36,617,628	35,761,506	34,137,861	31,753,223	28,358,661	28,921,888	28,228,481	N/A	N/A
Net Pension Liability (NPL)	662,034	8,005,366	6,795,385	6,365,561	6,107,096	6,334,012	2,910,576	1,422,909	N/A	N/A
<b>Funding Disclosure</b>										
Total Pension Liability	46,564,165	44,622,994	42,556,891	40,503,422	37,860,319	34,692,673	31,832,464	29,651,390	N/A	N/A
Plan's Net Financial Position	45,902,131	36,617,628	35,761,506	34,137,861	31,753,223	28,358,661	28,921,888	28,228,481	N/A	N/A
Net Pension Liability	662,034	8,005,366	6,795,385	6,365,561	6,107,096	6,334,012	2,910,576	1,422,909	N/A	N/A
Plan's NFP/TPL	98.58%	82.06%	84.03%	84.28%	83.87%	81.74%	90.86%	95.20%	N/A	N/A
Covered Payroll	5,983,545	6,730,654	6,749,677	7,041,414	7,257,365	7,064,300	6,743,881	6,333,287	5,611,009	5,623,012
NPL/Covered Payroll	11.06%	118.94%	100.68%	90.40%	84.15%	89.66%	43.16%	22.47%	N/A	N/A
<b>Contribution Disclosure</b>										
Actuarially Determined Contributions	1,313,346	1,302,918	1,384,798	1,246,468	1,037,443	765,860	569,198	569,550	695,749	451,351
Actual Contributions Deposited	1,302,918	1,384,798	1,394,798	1,246,468	1,037,443	765,860	569,198	623,552	660,000	600,000
Annual Contribution Deficiency/(Excess)	10,428	(81,880)	(10,000)	0	0	0	0	(54,002)	35,749	(148,649)
Covered Payroll	5,983,545	6,730,654	6,749,677	7,041,414	7,257,365	7,064,300	6,743,881	6,333,287	5,611,009	5,623,012
Actual Contributions/Covered Payroll	21.78%	20.57%	20.66%	17.70%	14.30%	10.84%	8.44%	9.85%	11.76%	10.67%
Estimated Rate of Return	26.60%	2.86%	4.97%	7.61%	12.21%	-1.06%	1.59%	16.38%	N/A	N/A
<b>Sensitivity of Total Pension Liability to changes in the Discount Rate +/- 1%</b>										
Total Pension Liability (Discount Rate)	46,564,165	44,622,994	42,556,891	40,503,422	37,860,319	34,692,673	31,832,464	29,651,390	N/A	N/A
Total Pension Liability (Discount Rate + 1%)	41,717,181	39,880,498	37,950,655	36,106,611	33,642,067	30,983,854	28,644,473	N/A	N/A	N/A
Total Pension Liability (Discount Rate - 1%)	52,376,444	50,317,464	48,100,451	45,797,625	42,955,368	39,131,238	35,709,911	N/A	N/A	N/A



CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 67  
RECONCILIATION OF PLAN PARTICIPANTS

The City provided employee data as of July 1, 2021. An audit of the data was not made. However, a review of the data was done for reasonableness. In addition, a reconciliation of last year's data with the new data was included.

The following table reconciles the number of plan participants included in this valuation with those included in the prior valuation.

	Actives	Vested Terminations	Due Refund of EE Cont	Retirees and Beneficiaries	Total
1. Participants as of July 1, 2020	92	39	5	82	218
a. Retirements	(6)	(1)	0	7	0
b. Deaths	0	0	0	(1)	(1)
c. Disabled	0	0	0	0	0
d. Nonvested terminations	0	0	0	0	0
e. Vested terminations	(6)	6	0	0	0
f. New beneficiaries	0	0	0	1	1
g. New entrants	0	0	0	0	0
h. Rehires	0	0	0	0	0
i. Lump sum paid / annuity purchased	(2)	(2)	0	0	(4)
j. Data corrections	0	0	0	0	0
k. Benefit term expired	0	0	0	0	0
2. Participants as of June 30, 2021	78	42	5	89	214

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

ASSUMPTIONS AND METHODS  
GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS 67 & 68  
FISCAL YEAR ENDING JUNE 30, 2021

	<b>Beginning</b>	<b>Ending</b>
Measurement Date	June 30, 2020	June 30, 2021
Discount Rate	7.25%	7.25%
Investment Rate of Return	7.25%	7.25%
Salary Increases, including inflation		
Public Safety	5.00%	5.00%
Non-Public Safety	4.00%	4.00%
Mortality	Pri-2012 Total Dataset projected generationally with scale MP2020. Public Safety uses blue collar tables	Pri-2012 Total Dataset projected generationally with scale MP2021. Public Safety uses blue collar tables
Termination Rates	Crocker Sarason T-3 Table	Crocker Sarason T-3 Table
Assumed Retirement Date:		
Public Safety	Age 53	Age 53
Non-Public Safety	Age 65	Age 65
Public Safety Deferred Vested	Age 50	Age 50
Optional Forms Assumption	100% of participants will elect the normal form of payment	
Actuarial Cost Method	Entry Age Normal, Level Percent of Pay	Entry Age Normal, Level Percent of Pay
Asset Valuation Method	Market Value of Assets	Market Value of Assets
Percent Married	75%	75%
Spouse Setback:	3 year setback on females	3 year setback on females
Employee Contribution Rate:		
Police:	7.00%	7.50%
Fire	7.50%	7.50%
All Else:	0.00%	0.00%

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

ASSUMPTIONS AND METHODS  
GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS 67 & 68  
FISCAL YEAR ENDING JUNE 30, 2021

Changes in Assumptions, other than discount rate or expected long term rate of return

The mortality projection scale was changed from MP 2020 to MP 2021

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 67 AND 68  
FISCAL YEAR ENDING JUNE 30, 2021

Summary of Plan Specifications - Public Safety

<i>PLAN EFFECTIVE DATE:</i>	December 1, 1972	
<i>ELIGIBILITY:</i>	Immediate at Employment. <b>Effective July 1, 2019 no new employees shall enter the plan.</b>	
<i>EMPLOYEE CONTRIBUTION RATE:</i>	Police: 7.5% of Plan Compensation Fire: 7.5% of Plan Compensation	
<i>NORMAL RETIREMENT AGE:</i>	<u>Retirement * on or After</u>	<u>Age</u>
	Prior to July 1, 2001	60
* or other termination of service	July 1, 2001	55
	July 1, 2005	54
	July 1, 2007	53
	July 1, 2009	52
	July 1, 2010	51
	July 1, 2011	50
<i>BENEFIT FORMULA:</i>	2.5% of average annual compensation per Year of Service with Police or Fire departments up to 25 years.	
<i>POST-RETIREMENT COLA AND SOCIAL SECURITY OFFSET FOR PARTICIPANTS RETIRING ON OR AFTER NORMAL RETIREMENT DATE:</i>		
Participants who retire on or after Normal Retirement Date will receive an annual increase in their monthly benefit of 3% until Social Security benefits commence. Upon commencement of Social Security, the Plan benefit is reduced by a fraction of the Participant's Social Security Benefit based on the Participant's Years of Service at retirement.	<u>Years of Service at later of 6/30/02 or Retirement</u>	<u>PIA Offset Percentage</u>
	25 or Less	50%
	26	45%
	27	40%
	28	35%
	29	30%
	30 or more	25%
<i>AVERAGE ANNUAL COMPENSATION:</i>	Plan Compensation* is averaged over high three consecutive years of service. Compensation is annualized for years in which the Participant completes less than 2,000 Hours of Service, but at least 1,000 Hours of Service.	
* Effective July 1, 2009, Plan Compensation includes overtime up to 25% of Base Pay.		
<i>NORMAL ANNUITY FORM:</i>	Life Annuity	
<i>ACCRUED BENEFIT DEFINITION:</i>	Unit Credit Accrual, based on Years of Service	
<i>EARLY RETIREMENT:</i>	Age 50, Accrued Benefit reduced 10% per year for benefit commencement prior to Normal Retirement Date	
<i>DISABILITY:</i>	Actuarial Equivalent of Accrued Benefit	
<i>PRE-RETIREMENT DEATH BENEFIT:</i>	Actuarial Equivalent of Accrued Benefit	
<i>VESTING:</i>	7-Year Graded - 20% after 3 years, 20% per year thereafter, 100% after 7 years.	

CITY OF SOUTH BURLINGTON  
RETIREMENT INCOME PLAN

GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT 67 AND 68  
FISCAL YEAR ENDING JUNE 30, 2021

Summary of Plan Specifications - Non-Public Safety

<i>PLAN EFFECTIVE DATE:</i>	December 1, 1972
<i>ELIGIBILITY:</i>	Eligible Employees - 36 months of service, entry on July 1st of plan year in which service requirement met
<i>ELIGIBLE EMPLOYEES:</i>	Non-Public Safety Employees who meet age and service requirements <u>except the following classes of employee:</u>  (1) Employees who are members of the Water Pollution Control Employees Association (WPC) who are hired on or after 1/1/11; and  (2) Employees who are not members of either the WPC or the South Burlington City Hall & Public Works Employees' Association (SBCH&PW) unless such employee was a Participant in the Plan on 6/30/10; and  (3) Employees who are members of SBCH&PW, unless such employee was a Participant in the plan on June 30, 2013.  <b>(4) Employees hired after June 30, 2019.</b>
<i>NORMAL RETIREMENT AGE:</i>	Attainment of Age 65
<i>BENEFIT FORMULA:</i>	1.75% of Average Compensation times Years of Service completed with City Departments other than Police or Fire (NPS Departments)
<i>AVERAGE COMPENSATION:</i>	Plan Compensation is averaged over high three consecutive years that produce highest average. Compensation is annualized for years in which the Participant completes less than 2,000 Hours of Service but at least 1,000 Hours of Service.
<i>PLAN COMPENSATION:</i>	SBCH&PW Members - effective 7/1/09, total compensation WPC Members - effective 7/1/07 total compensation, including scheduled and unscheduled overtime, on-call pager pay. For all other Non-Public Safety employees - Base pay
<i>NORMAL ANNUITY FORM:</i>	Life Annuity
<i>ACCRUED BENEFIT DEFINITION:</i>	Unit Credit Accrual, based on Years of Service
<i>EARLY RETIREMENT:</i>	Age 55, Accrued Benefit reduced by 1/15 per year for benefit commencement prior to 65
<i>DISABILITY:</i>	Actuarial Equivalent of Accrued Benefit
<i>PRE-RETIREMENT DEATH BENEFIT:</i>	Actuarial Equivalent of Accrued Benefit
<i>VESTING:</i>	7-Year Graded - 20% after 3 years, 20% per year thereafter, 100% after 7 years