

The section presents the results of the July 1, 2008 valuation. The first part of this section provides a brief summary of key valuation results, and includes the actuarial certification.

The Executive Summary Detail provides a detailed development of the expenses and liabilities. Items I through V show the development of the Annual Required Contribution (ARC). Items V through IX show the calculation of the Annual OPFB Cost. Item X shows the expected benefits payable to retirees during the fiscal year.

Executive Summary

Section I

EXECUTIVE SUMMARY

Introduction

This report details the development of the Annual OPFB Cost for the Fiscal Year ending June 30, 2009. Estimated June 30, 2009 disclosures are included in Section III

The liabilities developed in this report are only valid for purposes of meeting employer accounting requirements as required by Statement of Governmental Accounting Standards Number 45 (GASB 45). Liabilities developed for other purposes could be significantly different than those shown in this report.

Summary of Results

The Actuarial Accrued Liability and Normal Cost are calculated as of the valuation date. The Annual OPFB Cost and Expected Benefit Payments are for the year beginning on the valuation date. Additional detail is developed in the exhibits included in this actuarial valuation report.

<u>Valuation Date</u>	
July 1, 2008	Present Value of Future Benefit Payments
	Unfunded Actuarial Accrued Liability (UAAL)
	Annual Required Contribution (30 year amortization)
	Expected Benefit Payment
	Net OPFB Obligation (NOO)
July 1, 2008	\$806,305
	\$461,509
	\$76,109
	\$73,966
	\$0

Economic Assumptions

The employer, with the approval of the auditor, is responsible for selecting the economic assumptions as of the disclosure date. The following table details the selected economic assumptions for the current fiscal year:

<u>Assumption Selection Date</u>	
July 1, 2008	Funding Interest Rate*
	2008 Medical Trend Rates
	Ultimate Medical Cost Trend Rate
	Year Ultimate Medical Trend Rate Reached
	Annual Salary Increases
	Projected annual increase in payroll
July 1, 2008	4.00%
	9.00%
	4.00%
	2018
	3.50%
	2.50%

* Reflects current funding policy (assumes no funding).

Changes included in current valuation

A fresh start approach was used.

Accounting for Postretirement Benefits

Government Accounting Standard No. 45 (GAS 45) addresses the accounting and financial reporting requirements by Employers for Postemployment Benefits Other than Pensions (OPFB). Employers that are required to follow Government Accounting Standards are subject to this standard. The statement does not require that the benefits be pre-funded, however, it defines a financial framework for assessing the costs, design, and sustainability of OPFBs offered by employers.

This report presents the annual expense required to be recognized by the plan sponsor for purposes of complying with the accounting requirements of Governmental Accounting Standards Board Statement No. 45. This report also provides the information needed to prepare the footnote in your financial statements related to your postretirement benefit plans.

The Annual Required Contribution (ARC) and Annual OPFB Cost are developed in the Executive Summary Detail included in this section. Section III presents the disclosure information, including the development of the Net OPFB obligation based on expected contributions / benefits to be paid during the fiscal year.

Actuarial Certification

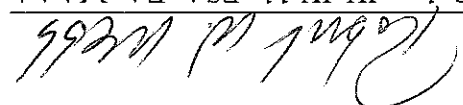
The financial results of the actuarial valuation are summarized in this report. The valuation has been prepared as of July 1, 2008. The detail charts included in this Executive Summary highlight the results of the valuation. Additional information summarizing the census, actuarial assumptions, plan provisions, and a glossary of selected terms used in this study are also included in this report.


The valuation is based on the May 1, 2009 census data and plan information as provided by the employer. We have reviewed both the census and financial data for reasonableness, but have not completed an independent audit of the information.

All costs, liabilities, and other factors under the plan were determined in accordance with generally accepted actuarial principles and procedures. The calculations are consistent and undertaken with our understanding of Statement of Governmental Accounting Standards Number 45 (GAS 45). In our opinion, the actuarial assumptions are reasonable, taking in account the experience of the plan and reasonable expectations and, individually represent our best estimate of the anticipated experience under the plan.

I have no relationship with the employer or the plan that would objectively impair, or appear to impair, my ability to perform the work detailed in this report.

I certify that I am a member of the American Academy of Actuaries and meet its Qualification Standards to provide an actuarial opinion in accordance with GASB 45.


Robert W. Webb, FSA, EA, MAAA
Vice President and Actuary


Adeniyi Olatunji, ASA, MAAA
Actuary

EXECUTIVE SUMMARY DETAIL

GASB 45 LIABILITIES, ANNUAL REQUIRED CONTRIBUTION AND ANNUAL OPEB COST

July 1, 2008 COMBINED RESULTS

(Actuarial Cost Method – Entry Age Normal)

<p>I. Present value of Future benefits</p> <p>A. Retirees/Disabled</p> <p>B. Active Employees</p> <p>C. Total</p>	<p>\$224,037</p> <p>\$582,268</p> <p>\$806,305</p>
<p>II. Actuarial Accrued Liability</p> <p>A. Retirees/Disabled</p> <p>B. Active Employees</p> <p>C. Total</p>	<p>\$224,037</p> <p>\$237,472</p> <p>\$461,509</p>
<p>III. Actuarial Assets</p>	<p>\$0</p>
<p>IV. Unfunded Actuarial Accrued Liability (UAAL)</p>	<p>\$461,509</p>
<p>V. Annual Required Contribution (ARC)</p> <p>A. Normal Cost</p> <p>B. Supplemental Cost [XI.]</p> <p>C. Compound Interest to Year End</p> <p>D. Annual Required Contribution</p> <p>[A. + B. + C.]</p>	<p>\$20,032</p> <p>\$54,572</p> <p>\$1,505</p> <p>\$76,109</p>
<p>VI. Net OPEB Obligation</p>	<p>\$0</p>
<p>VII. Interest on net OPEB Obligation</p>	<p>\$0</p>
<p>VIII. Adjustment to ARC</p>	<p>(\$0)</p>
<p>IX. Annual OPEB Cost (Expense)</p> <p>[V. + VII. - VIII.]</p>	<p>\$76,109</p>
<p>X. Expected Benefit Payments</p> <p>A. Retirees/Disabled</p> <p>B. Active Employees</p> <p>C. Total</p>	<p>\$73,615</p> <p>\$351</p> <p>\$73,966</p>
<p>XI. Supplemental Cost</p> <p>A. Unfunded Actuarial Accrued Liability [IV.]</p> <p>B. Amortization Period</p> <p>C. Supplemental Cost</p>	<p>\$461,509</p> <p>9.33</p> <p>\$54,573</p>
<p>XII. Key Actuarial Assumptions</p> <p>A. Interest Rate</p> <p>B. 2008 Medical Trend Rate</p> <p>C. Ultimate Medical Trend Rate</p> <p>D. Year Ultimate Medical Trend Rate Reached</p> <p>E. Annual Payroll Increase</p>	<p>4.00%</p> <p>9.00%</p> <p>4.00%</p> <p>2018</p> <p>2.50%</p>

GASB 45 LIABILITIES, ANNUAL REQUIRED CONTRIBUTION AND ANNUAL OPEB COST

EXECUTIVE SUMMARY DETAIL

JULY 1, 2008 RESULTS BY GROUP

(Actuarial Cost Method - Entry Age Normal)

	Board of Education	Town	Total
I. Present value of Future benefits			
A. Retirees/Disables	\$224,037	\$0	\$224,037
B. Active Employees	\$546,768	\$35,500	\$582,268
C. Total	\$770,805	\$35,500	\$806,305
II. Actuarial Accrued Liability			
A. Retirees/Disables	\$224,037	\$0	\$224,037
B. Active Employees	\$225,854	\$11,618	\$237,472
C. Total	\$449,891	\$11,618	\$461,509
III. Actuarial Assets			
	\$0	\$0	\$0
IV. Unfunded Actuarial Accrued Liability (UAAL)			
	\$449,891	\$11,618	\$461,509
V. Annual Required Contribution (ARC)			
A. Normal Cost	\$18,352	\$1,680	\$20,032
B. Supplemental Cost [XI]	\$54,098	\$474	\$54,572
C. Compound Interest to Year End	\$1,421	\$84	\$1,505
D. Annual Required Contribution	\$73,871	\$2,238	\$76,109
[A. + B. + C.]			
VI. Net OPEB Obligation	\$0	\$0	\$0
VII. Interest on net OPEB Obligation	\$0	\$0	\$0
VIII. Adjustment to ARC	(\$0)	(\$0)	(\$0)
IX. Annual OPEB Cost (Expense)			
[V. + VII. - VIII.]	\$73,871	\$2,238	\$76,109
X. Expected Benefit Payments			
A. Retirees/Disables	\$73,615	\$0	\$73,615
B. Active Employees	\$256	\$95	\$351
C. Total	\$73,871	\$95	\$73,966
XI. Supplemental Cost			
A. Unfunded Actuarial Accrued Liability [IV]	\$449,891	\$11,618	\$461,509
B. Amortization Period	8.79	30.00	8.95
C. Supplemental Cost	\$54,098	\$474	\$54,573

This section details statistics related to the participants in the postretirement benefit plan.

Census Information

Section II

CENSUS INFORMATION - A.

EMPLOYEE COUNTS

<i>As of May 1, 2009</i>			
	<i>Actives</i>	<i>Retirees</i>	<i>Total</i>
Male	32	4	36
Female	93	2	95
Total	125	6	131

COUNTS BY AGE AND ELIGIBILITY STATUS

ACTIVE EMPLOYEES :

<i>Age</i>	<i>Total</i>
29 and under	7
30 - 34	14
35 - 39	8
40 - 44	8
45 - 49	23
50 - 54	25
55 - 59	26
60 - 64	7
65 and over	7
Total	125

CURRENT RETIREES:

<i>Age</i>	<i>Retirees</i>	<i>Spouses</i>	<i>Total</i>
45 and under	0	0	0
45 - 49	0	0	0
50-54	0	1	1
55-59	1	1	2
60-64	5	0	5
65 and over	0	0	0
Total	6	2	8

CENSUS INFORMATION - B.

AVERAGE AGE AND SERVICE

As of May 1, 2009

ACTIVE EMPLOYEES:

A. Average Age at Hire

Males	37.8
Females	37.7
Total	37.7

B. Average Service

Males	8.8
Females	11.8
Total	11.0

C. Average Current Age

Males	46.6
Females	49.5
Total	48.7

CURRENT RETIREES:

D. Average Current Age

Males	62.0
Females	60.4
Total	61.5

This section provides the required information and notes to the Financial Statements for the fiscal year ending June 30, 2009.

Financial Statement Disclosure

Section III

FINANCIAL STATEMENT DISCLOSURE

The GASB standard on accounting for postretirement benefits other than pensions requires the following disclosures in the financial statements with regard to the retiree benefit liability:

1.) A BRIEF DESCRIPTION OF THE RETIREE MEDICAL PLAN:

a. Plan Types: Medical Plans offered through Blue Cross Blue Shield: Century PPO, POS and HMO. Dental Insurance is offered through Guardian Insurance.

b. Eligibility: Town: Not defined in Employee Agreements: Assumed age 55 and 10 years of service.

School: Administrators and Teachers receive subsidized benefits after 20 years of service: Assumed age 55 and 20 years of service. Not defined for other Board of Education employees: Assumed age 55 and 10 years of service.

c. Benefit/Cost Sharing: School Administrators and Teachers: Employees with 20 years of service in the Canterbury school System are eligible to receive benefits for 2 years after retirement. Employees with 30 years of service are eligible to receive benefits for 4 years and employees with 35 years are eligible for 5 years. Those who choose to participate, must pay the same percentage of premium cost as full time employees (16% for 2009-2010). Retirees may continue coverage at full cost to retiree after the period of Board subsidization ends.

All other Board of Education and Town retirees may participate at full cost to the retiree.

d. Spouse Benefit: Yes, if covered before retirement. Same cost sharing provisions apply as for retiree

e. Surviving Spouse Benefit: No

f. Annual Premiums

	Individual	EE+1	Family
Century Preferred (PPO)	\$10,050.12	\$21,286.44	\$28,311.72
Point of Service	\$9,753.24	\$20,648.64	\$27,510.72
HMO	\$9,556.92	\$20,225.52	\$26,979.84
Dental	\$459.72		\$1,256.04

7/1/2009 through 6/30/2010

FINANCIAL STATEMENT DISCLOSURE (cont.)

2.) GASB 45 DISCLOSURE REQUIREMENTS – ESTIMATED

A. Annual OPEB Cost and Net OPEB Obligation			
	07/01/2008 - 07/01/2009	06/30/2009 - 06/30/2010	06/30/2010 - 07/01/2010
1. Annual Required Contribution (ARC)	\$76,109	\$78,135	\$80,856
2. Interest on net OPEB Obligation	\$0	\$86	\$239
3. Adjustment to ARC	\$0	(\$90)	(\$484)
4. Annual OPEB Cost (Expense)	\$76,109	\$78,131	\$80,610
5. Contribution made (assumed middle of year) *	\$73,966	\$74,310	\$45,796
6. Increase in net OPEB Obligation	\$2,143	\$3,821	\$34,814
7. Net OPEB Obligation - beginning of year	\$0	\$2,143	\$5,964
8. Net OPEB Obligation - end of year	\$2,143	\$5,964	\$40,778

* Contribution made was assumed to equal Expected Benefit Payments

The annual OPEB Cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years ending 2009 / 2010 / 2011 are as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation	Covered Payroll	OPEB Cost % of Pay
06/30/2009	\$76,109	97.2%	\$2,143	\$5,310,272	1.4%
06/30/2010	\$78,131	95.1%	\$5,964	\$5,443,029	1.4%
06/30/2011	\$80,610	56.8%	\$40,778	\$5,443,029	1.5%

B. Funded Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Unfunded AAL (UAAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b-a)/c)
07/01/2008	\$ -	\$461,509	\$461,509	0.0%	\$5,310,272	8.7%

C. Methods and Assumptions

- Interest Rate 4.00%
- 2008 Medical Trend Rate 9.00%
- Ultimate Medical Trend Rate 4.00%
- Year Ultimate Medical Trend Rate Reached 2018
- Actuarial Cost Method Entry Age Normal
- The remaining amortization period at 06/30/2009 7.95 years
- Annual Payroll Increase 2.50%

The following pages detail the assumptions used in the calculations.

Actuarial Assumptions And Methodology

Section IV

ACTUARIAL ASSUMPTIONS AND METHODOLOGY – NON-POLICE EMPLOYEES

1. **Funding Interest Rate:** An interest rate of 4.00% was used. A 7.00% interest rate was used in Appendix-VI to show the potential impact of advance funding the plan in accordance with GASB 45.

2. **Mortality:** RP 2000 Combined Healthy Mortality Table projected forward 19 years using scale AA, with a two year setback for males and females was used to measure mortality after retirement. Preretirement mortality rates are equal to 75% of the postretirement rates.

3. **Retirement Rates:**

Age	Male Rates	Female Rates
60	6.0%	5.4%
61	6.0%	7.2%
62	15.0%	9.9%
63-64	10.0%	7.2%
65-67	20.0%	13.5%
68	20.0%	10.8%
69-73	35.0%	10.8%
74	35.0%	18.0%
75-79	40.0%	18.0%
80+	100.0%	100.0%

4. **Disability Rates:** None assumed

5. **Termination Rates:**

Age	Male Rates	Female Rates
25	1.20%	3.50%
30	1.20%	3.50%
35	1.20%	3.50%
40	1.20%	2.30%
45	1.26%	1.30%
50	1.96%	1.25%
55	3.36%	1.60%
60	0.00%	0.00%

ACTUARIAL ASSUMPTIONS AND METHODOLOGY (cont.)

6. **Health Care Trend Rates:** It was assumed that health care costs would increase in accordance with the trend rates in the following table:

<i>Medical Rates</i>	<i>Year</i>	<i>Medical Rates</i>	<i>Year</i>
6.0%	2014	9.0%	2008
5.5%	2015	8.5%	2009
5.0%	2016	8.0%	2010
4.5%	2017	7.5%	2011
4.0%	2018	7.0%	2012
4.0%	2019+	6.5%	2013

7. **Participation Rate:** It was assumed that 70% of the current active employees covered under the active plan on the day before retirement would enroll in the retiree medical plan upon retirement.

8. **Percent Married:** It was assumed that 50% of the male and 50% of the female employees who elect retiree health care coverage for themselves would also elect coverage for their spouse upon retirement. It was assumed that male spouses are three years older than their wives and female spouses are three years younger than the retiree. For current retirees, actual census information was used.

9. **Actuarial Value of Assets:** N/A

10. **Per Capita Claims Cost:** Per Capita Claim Costs were developed by applying morbidity aging factors to the average premium rates reflecting the demographic characteristics of the insured group. Below are the annual per capita claim costs used:

<i>Age</i>	<i>Male</i>	<i>Female</i>
60	\$12,099	\$11,598
61	\$12,545	\$11,883
62	\$13,009	\$12,180
63	\$13,257	\$12,415
64	\$13,511	\$12,650
65	\$13,777	\$12,898

11. **Administrative expenses:** Included in premiums used.

12. **Participant Salary Increases:** 3.50% annually

13. **Payroll Growth Rate:** 2.50% annually

ACTUARIAL ASSUMPTIONS AND METHODOLOGY (cont.)

ACTUARIAL COST METHOD

An Actuarial Cost Method develops an orderly allocation of the actuarial present value of benefits payments over the working lifetime of the participants in the plan. The actuarial present value of benefits allocated to a particular fiscal year is called the Normal Cost. The actuarial present value of benefits allocated to all periods prior to a valuation date is called the Actuarial Accrued Liability. The Unfunded Actuarial Accrued Liability is amortized over future years in accordance with the employer's established accounting policy.

Six Actuarial Cost Methods are acceptable for use under GASB 45: entry age, frozen entry age, attained age, frozen attained age, projected unit credit, and aggregate. The results in Sections I and III are based on the Entry Age Method. The development of the Annual Required Contribution under all acceptable methods is provided in Appendix II.

The amortization of the unfunded actuarial accrued liability may be determined in level dollar amounts or as a level percentage of projected payroll of active plan members. The total unfunded actuarial accrued liability may be amortized as one amount, or components of the total may be separately amortized. The equivalent single amortization period for all components combined may not exceed the maximum acceptable period of 30 years. The results in Sections I and III are based on a 30 year amortization of the unfunded actuarial accrued liability as a level percentage of payroll. The development of the Annual Required Contribution under alternative amortization methods is provided in Appendix II.

ADDITIONAL COMMENTS

The values in this GASB 45 valuation represent a closed group and do not reflect new entrants after the census collection date.

Appendices

Section V

APPENDIX - I.

ACTIVE EMPLOYEE BY AGE AND SERVICE

AS OF JULY 1, 2008

Age	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40+	Total
0 - 19	0	0	0	0	0	0	0	0	0	0
20 - 24	1	0	0	0	0	0	0	0	0	1
25 - 29	5	1	0	0	0	0	0	0	0	6
30 - 34	12	2	0	0	0	0	0	0	0	14
35 - 39	5	2	1	0	0	0	0	0	0	8
40 - 44	4	1	1	0	2	0	0	0	0	8
45 - 49	10	5	2	0	3	3	0	0	0	23
50 - 54	5	6	5	4	4	0	1	0	0	25
55 - 59	5	5	2	4	3	2	4	1	0	26
60 - 64	2	0	1	1	2	1	0	0	0	7
65 and Over	3	1	0	0	0	0	1	1	1	7
Total	52	23	12	9	14	6	6	2	1	125

APPENDIX - II

ALTERNATIVE ACTUARIAL COST AND AMORTIZATION METHODS

(Assumes a 4.00% Return on Supporting Assets)

	Entry Age	Frozen		Projected		Aggregate
		Entry Age	Attained Age	Attained Age	Unit Credit	
1. Projected Benefit Payments	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889
2. Present Value of Projected Benefit Payments	\$ 806,305	\$ 806,305	\$ 806,305	\$ 806,305	\$ 806,305	\$ 806,305
3. Actuarial Accrued Liability (AAL)	\$ 461,509	\$ 461,509	\$ 474,577	\$ 474,577	\$ 474,577	\$ -
4. Present Value of Future Normal Costs (2.-3.)	\$ 344,797	\$ 344,797	\$ 331,729	\$ 331,729	\$ 331,729	\$ 806,305
5. Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Unfunded UAAL	\$ 461,509	\$ 461,509	\$ 474,577	\$ 474,577	\$ 474,577	\$ -
7. Annual Required Contribution						
a. Normal Cost	\$ 20,032	\$ 21,241	\$ 20,710	\$ 20,710	\$ 21,751	\$ 48,855
b. Amortization of UAAL	\$ 54,572	\$ 54,572	\$ 56,118	\$ 56,118	\$ 56,118	\$ -
c. Interest	\$ 1,505	\$ 1,553	\$ 1,594	\$ 1,594	\$ 1,635	\$ 475
d. Total	\$ 76,109	\$ 77,366	\$ 78,422	\$ 78,422	\$ 79,504	\$ 49,330
8. Current Year Benefit Payment	\$ 73,966	\$ 73,966	\$ 73,966	\$ 73,966	\$ 73,966	\$ 73,966
9. Amortization of UAAL:						
a. 30 Yrs Level Dollar	\$ 25,663	\$ 25,663	\$ 26,389	\$ 26,389	\$ 26,389	\$ -
b. 30 Yrs Level % of Pay	\$ 18,843	\$ 18,843	\$ 19,375	\$ 19,375	\$ 19,375	\$ -
c. 15 Yrs Level Dollar	\$ 39,912	\$ 39,912	\$ 41,042	\$ 41,042	\$ 41,042	\$ -
d. 8.95 Yrs Level % of Pay	\$ 54,572	\$ 54,572	\$ 56,118	\$ 56,118	\$ 56,118	\$ -
10. Annual Required Contribution						
a. 30 Yrs Level Dollar	\$ 46,043	\$ 47,301	\$ 47,504	\$ 47,504	\$ 48,586	\$ 49,330
b. 30 Yrs Level % of Pay	\$ 38,951	\$ 40,208	\$ 40,209	\$ 40,209	\$ 41,292	\$ 49,330
c. 15 Yrs Level Dollar	\$ 60,862	\$ 62,120	\$ 62,743	\$ 62,743	\$ 63,825	\$ 49,330
d. 8.95 Yrs Level % of Pay	\$ 76,109	\$ 77,366	\$ 78,422	\$ 78,422	\$ 79,504	\$ 49,330

APPENDIX - III

ALTERNATIVE ACTUARIAL COST AND AMORTIZATION METHODS

(Assumes a 7.00% Return on Supporting Assets)

	Entry Age	Frozen Entry Age	Attained Age	Frozen Attained Age	Projected Unit Credit	Aggregate
1. Projected Benefit Payments	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889	\$ 1,583,889
2. Present Value of Projected Benefit Payments	\$ 566,622	\$ 566,622	\$ 566,622	\$ 566,622	\$ 566,622	\$ 566,622
3. Actuarial Accrued Liability (AAL)	\$ 407,831	\$ 407,831	\$ 389,238	\$ 389,238	\$ 389,238	\$ -
4. Present Value of Future Normal Costs (2.-3.)	\$ 158,791	\$ 158,791	\$ 177,384	\$ 177,384	\$ 177,384	\$ 566,622
5. Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Unfunded UAAL	\$ 407,831	\$ 407,831	\$ 389,238	\$ 389,238	\$ 389,238	\$ -
7. Annual Required Contribution						
a. Normal Cost	\$ 12,772	\$ 13,276	\$ 14,337	\$ 14,337	\$ 14,114	\$ 44,606
b. Amortization of UAAL	\$ 53,710	\$ 53,710	\$ 51,261	\$ 51,261	\$ 51,261	\$ -
c. Interest	\$ 2,065	\$ 2,100	\$ 2,003	\$ 2,003	\$ 1,987	\$ 534
d. Total	\$ 68,547	\$ 69,086	\$ 67,601	\$ 67,601	\$ 67,362	\$ 45,140
8. Current Year Benefit Payment	\$ 73,966	\$ 73,966	\$ 73,966	\$ 73,966	\$ 73,966	\$ 73,966
9. Amortization of UAAL:						
a. 30 Yrs Level Dollar	\$ 30,716	\$ 30,716	\$ 29,315	\$ 29,315	\$ 29,315	\$ -
b. 30 Yrs Level % of Pay	\$ 23,676	\$ 23,676	\$ 22,596	\$ 22,596	\$ 22,596	\$ -
c. 15 Yrs Level Dollar	\$ 41,848	\$ 41,848	\$ 39,940	\$ 39,940	\$ 39,940	\$ -
d. 8.95 Yrs Level % of Pay	\$ 53,710	\$ 53,710	\$ 51,261	\$ 51,261	\$ 51,261	\$ -
10. Annual Required Contribution						
a. 30 Yrs Level Dollar	\$ 43,943	\$ 44,483	\$ 44,119	\$ 44,119	\$ 43,880	\$ 45,140
b. 30 Yrs Level % of Pay	\$ 36,411	\$ 36,950	\$ 36,930	\$ 36,930	\$ 36,691	\$ 45,140
c. 15 Yrs Level Dollar	\$ 55,855	\$ 56,394	\$ 55,488	\$ 55,488	\$ 55,249	\$ 45,140
d. 8.95 Yrs Level % of Pay	\$ 68,547	\$ 69,086	\$ 67,601	\$ 67,601	\$ 67,362	\$ 45,140

APPENDIX - IV

PROJECTED BENEFIT PAYMENTS

2008	\$	73,966	\$	73,966	2024	\$	39,398	\$	712,588	2040	\$	56,812	\$	1,234,564
2009	\$	74,310	\$	148,276	2025	\$	35,610	\$	748,198	2041	\$	62,556	\$	1,297,120
2010	\$	45,796	\$	194,072	2026	\$	32,800	\$	780,998	2042	\$	64,394	\$	1,361,514
2011	\$	45,586	\$	239,658	2027	\$	31,847	\$	812,845	2043	\$	51,530	\$	1,413,044
2012	\$	18,172	\$	257,830	2028	\$	21,698	\$	834,543	2044	\$	45,054	\$	1,458,098
2013	\$	26,260	\$	284,090	2029	\$	9,878	\$	844,421	2045	\$	23,051	\$	1,481,149
2014	\$	32,638	\$	316,728	2030	\$	14,668	\$	859,089	2046	\$	26,286	\$	1,507,435
2015	\$	31,668	\$	348,396	2031	\$	18,182	\$	877,271	2047	\$	20,542	\$	1,527,977
2016	\$	42,094	\$	390,490	2032	\$	17,191	\$	894,462	2048	\$	9,070	\$	1,537,047
2017	\$	36,081	\$	426,571	2033	\$	24,110	\$	918,572	2049	\$	12,142	\$	1,549,189
2018	\$	35,229	\$	461,800	2034	\$	33,310	\$	951,882	2050	\$	12,735	\$	1,561,924
2019	\$	38,653	\$	500,453	2035	\$	43,319	\$	995,201	2051	\$	6,572	\$	1,568,496
2020	\$	40,535	\$	540,988	2036	\$	43,718	\$	1,038,919	2052	\$	8,068	\$	1,576,564
2021	\$	41,711	\$	582,699	2037	\$	36,470	\$	1,075,389	2053	\$	7,325	\$	1,583,889
2022	\$	46,207	\$	628,906	2038	\$	45,735	\$	1,121,124	2054	\$	-	\$	1,583,889
2023	\$	44,284	\$	673,190	2039	\$	56,628	\$	1,177,752					

Actuarial Accrued Liability. The portion, as determined by a particular Actuarial Cost Method, of the present value of benefits which is not provided for by future Normal Costs.

Actuarial Cost Method. A procedure for determining the Actuarial Present Value of Total Projected Benefits and for developing an actuarially equivalent allocation of such value to time periods, usually in the form of a Normal Cost and an Actuarial Accrued Liability.

Actuarially Equivalent. Of equal Actuarial Present Value, determined as of a given date with each value based on the same set of Actuarial Assumptions.

Actuarial Present Value of Total Projected Benefits. The present value, as of the valuation date, of the cost of future benefits to be paid to employees, retirees, and covered dependents, discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment. It is the amount that would have to be invested on the valuation date so that the amount invested plus investment earnings will provide sufficient assets to pay total projected benefits when due.

Annual OPEB Cost. The accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB Plan.

Annual Required Contributions of the Employer (ARC). The employer's periodic required contributions to a defined benefit OPEB plan, calculated in accordance with the parameters defined in GAS 45.

Investment Return Assumption (Discount Rate). The rate used to adjust a series of future benefit payments to reflect the time value of money.

Healthcare Cost Trend Rate. The rate of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services and technological developments.

Net OPEB Obligation. The cumulative difference since the effective date of GAS 45 between the annual OPEB cost and the employer's contributions to the plan.

Normal Cost. The portion of the Actuarial Present Value of plan benefits which is allocated to a valuation year by the Actuarial Cost Method.

OPEB. Postemployment benefits other than pension benefits.

Pay-As-You-Go. The amount of the benefits paid out to plan participants during the year.

Per Capita Claims Cost. The current average annual cost of providing postretirement health care benefits per individual.

Supplemental Cost. The amount of the Annual Required Contribution attributable to the amortization of the unfunded Actuarial Accrued Liability.

APPENDIX - V
GLOSSARY