

City of Marysville General City Employees Retirement System

Summary Annual Report

June 30, 2013

Dear Member:

The following is a summary of your Retirement System. Each year, an actuarial valuation is prepared to compare assets to liabilities. Assets are held and invested in a trust separate from other City assets. The only disbursements from this trust are to members who are retired or disabled, beneficiaries of members, members who receive contribution refunds, and for Retirement System expenses.

As Retirement Board Members, our tasks include making sure trust assets are invested prudently, required City and member contributions are received and that benefits are paid in accordance with the Retirement System's provisions.

Various professionals are hired to help in the administration of the System. They are listed in the column to the right.

The City is funding Retirement System benefits as they accrue in accordance with a sound level percent of payroll funding objective.

Respectfully submitted,

Board of Trustees
City of Marysville General City Employees Retirement System

Board Members

Bari Wrubel,
Chairman

Randy Fernandez,
Vice Chair

Dave Barber,
Trustee

Daniel Damman,
Trustee

Barry Kreiner,
Trustee

Renaë Warnke
Secretary/Administrator

Professional Advisors

Investment Fiduciaries
 Hamlin Capital Mgt, LLC
 Reinhart Partners
 Seizert Capital Partners

Service Providers

Custodial Services
 PNC

Investment Consultant
 Fund Evaluation Group

Attorney
 Sullivan, Ward, Asher & Patton, P.C.

Actuary
 Rodwan Consulting Company, *Actuary*

Actuarial Information Used for this Report:

1. 34 active members
2. 50 retirees/beneficiaries
3. Plan is open to new hires
4. \$29,792 average annual pension benefit
5. \$1,519,409 annual pension benefits being paid
6. \$1,828,337 valuation payroll
7. Employer's normal cost of benefits: 10.79%
8. Employer's total contribution rate: 24.82%
9. Member contribution rate: 8.00%
10. The required employer contribution for the fiscal year was received
11. 8.0% assumed rate of investment return
12. 4% assumed rate of long-term wage inflation
13. 5 year asset smoothing method used
14. 20 years amortization period used
15. Level percent of payroll amortization
16. Cost method is individual entry-age
17. Current valuation assets are 75.9% of accrued liability.

Investment Performance*

	1	3	5	7	10
Combined	Year	Year	Year	Year	Year
Account	9.8%	8.1%	4.2%	4.3%	5.7%

*Calendar year ending December 31, 2013 (net of fees)

2013-2014 Projected Expenditures

Pension Payments: \$1,511,000.
 Audit Fees/Liability Insurance: \$6,750.
 Investment Fees: \$71,100.
 Memberships/Training/Education/Travel: \$2,000.
 Administrative Expenses: \$39,850.

City of Marysville General City Employees Retirement System

Summary Annual Report (cont.)

Actuarial Valuation Summary

Rodwan Consulting Company was hired to prepare the June 30, 2013 Actuarial Valuation. The funding objective of the System is to contribute a contribution that remains level from year to year as a percent of payroll. The actual level of contribution is dependent on past and assumed future experience, including investment performance, and benefit provisions. Below is a summary of the results:

Contribution Requirements

Normal Cost of Benefits	
Total	10.79%
Member portion	8.00
Employer portion	2.79
Amortization of unfunded liability (20 years)	22.03
Computed Employer Rate	24.82%

Contribution rates are expressed as percents of eligible member payroll.

Assets & Liabilities

Funded Status

Market Value of Assets	\$17,306,549
Valuation Assets	17,805,313
Actuarial Accrued Liability	23,461,641
Funded Ratio	75.9%

The valuation reflects Retirement System changes made prior to June 30, 2013. The assumptions and methods are consistent with those used in the June 30, 2012 valuation.

Actuary's Statement – The System is being funded based on sound actuarial assumptions, methods and level percent of payroll funding objective. For a complete analysis, please review the June 30, 2013 actuarial valuation.

Revenues & Expenditures

Beginning Balance (Market Value) – July 1, 2012	\$16,806,696
Revenues	
Employees' contributions	140,971
Employer contribution	373,304
Investment income	1,594,280
Other	0
Total	2,108,555
Expenditures	
Pension payments	1,570,259
Health Insurance	0
Administrative Expenses	38,443
Miscellaneous	0
Total	1,608,702
Ending Balance (Market Value) – June 30, 2013	\$17,306,549
Recognized Return on Smoothed Funding Value of Assets	1.3%