

COMPLIANCE AUDIT

City of Duquesne Comprehensive Municipal Pension Trust Fund Allegheny County, Pennsylvania For the Period January 1, 2018 to December 31, 2020

March 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable Mayor and City Council
City of Duquesne
Allegheny County
Duquesne, PA 15110

We have conducted a compliance audit of the City of Duquesne Comprehensive Municipal Pension Trust Fund for the period January 1, 2018 to December 31, 2020. We also evaluated compliance with some requirements subsequent to that period when possible. The audit was conducted pursuant to authority derived from the Municipal Pension Plan Funding Standard and Recovery Act (Act 205 of 1984, as amended, 53 P.S. § 895.402(j)), which requires the Auditor General, as deemed necessary, to audit every municipality which receives general municipal pension system state aid and every municipal pension plan and fund in which general municipal pension system state aid is deposited. The audit was not conducted, nor was it required to be, in accordance with Government Auditing Standards issued by the Comptroller General of the United States. We planned and performed the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of the audit were:

1. To determine if municipal officials took appropriate corrective action to address the findings contained in our prior report; and
2. To determine if the pension trust fund was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies.

Our audit was limited to the areas related to the objectives identified above. To determine if municipal officials took appropriate corrective action to address the findings contained in our prior report, we inquired of plan officials and evaluated supporting documentation provided by officials evidencing that the suggested corrective action has been appropriately taken. To determine whether the pension trust fund was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies, our methodology included the following:

- We determined whether state aid was properly determined and deposited in accordance with Act 205 requirements by verifying the annual deposit date of state aid and determining whether deposits were made within 30 days of receipt for all years within the period under audit.
- We determined whether annual employer contributions were calculated and deposited in accordance with the plans' governing documents and applicable laws and regulations by examining the municipality's calculation of the plans' annual financial requirements and minimum municipal obligation (MMO) and comparing these calculated amounts to amounts actually budgeted and deposited into the pension plans as evidenced by supporting documentation.
- We determined whether annual employee contributions were calculated, deducted, and deposited into the pension plans in accordance with the plans' governing documents and applicable laws and regulations by testing total members' contributions on an annual basis using the rates obtained from the plans' governing documents in effect for all years within the period under audit and examining documents evidencing the deposit of these employee contributions into the pension plans.
- We determined that there were no benefit calculations prepared for the years covered by our audit period. (See Finding No. 2.)
- We determined whether the January 1, 2019 actuarial valuation reports were prepared and submitted by March 31, 2020, in accordance with Act 205 and whether selected information provided on these reports is accurate, complete, and in accordance with plan provisions to ensure compliance for participation in the state aid program by comparing selected information to supporting source documentation.
- We determined whether all annual special ad hoc postretirement reimbursements received by the municipality were authorized and appropriately deposited in accordance with Act 147 by tracing information to supporting documentation maintained by plan officials.
- We determined whether the pension trust fund is in compliance with Act 205 for distressed municipalities through inquiry of plan officials and evaluation of the recovery remedies implemented during the audit period and through the completion of our fieldwork procedures.
- We determined whether the terms and methodologies of the issuance of pension obligation bonds by the municipality, and any restrictions, were in compliance with plan provisions and Act 205 through inquiry of plan officials and examination of supporting documentation.

The City of Duquesne contracted with an independent certified public accounting firm for annual audits of its basic financial statements which are available at the city's offices. Those financial statements were not audited by us and, accordingly, we express no opinion or other form of assurance on them.

City officials are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the City of Duquesne Comprehensive Municipal Pension Trust Fund is administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies. As previously described, we tested transactions, interviewed selected officials, and performed procedures to the extent necessary to provide reasonable assurance of detecting instances of noncompliance with legal and regulatory requirements or noncompliance with provisions of contracts, administrative procedures, and local ordinances and policies that are significant within the context of the audit objectives.

The results of our procedures indicated that, in all significant respects, the City of Duquesne Comprehensive Municipal Pension Trust Fund was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies, except as noted in the following findings further discussed later in this report:

New Uniformed Employees' and Officers' and Employees' Pension Plans:

Finding No. 1 – Noncompliance With Prior Recommendation - Incorrect Data On Certification Form AG 385 Resulting In A Net Overpayment Of State Aid

Finding No. 2 – Failure To Maintain Pension Benefit Calculations

New Uniformed Employees' Pension Plan:

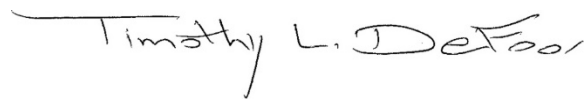
Finding No. 3 – Inconsistent Service Increment Benefit Provision

Police Pension Plan:

Finding No. 4 – Incorrect Data On Certification Form AG 490 Resulting In An Excess Reimbursement For Special 1989 Ad Hoc Postretirement Adjustments

The accompanying supplementary information is presented for purposes of additional analysis. We did not audit the information or conclude on it and, accordingly, express no form of assurance on it.

The contents of this report were discussed with officials of the City of Duquesne and, where appropriate, their responses have been included in the report. We would like to thank city officials for the cooperation extended to us during the conduct of the audit.



Timothy L. DeFoor
Auditor General
March 14, 2022

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BACKGROUND

On December 18, 1984, the Pennsylvania Legislature adopted the Municipal Pension Plan Funding Standard and Recovery Act (P.L. 1005, No. 205, as amended, 53 P.S. § 895.101 et seq.). The Act established mandatory actuarial reporting and funding requirements and a uniform basis for the distribution of state aid to Pennsylvania's public pension plans.

Annual state aid allocations are provided from a 2 percent foreign (out-of-state) casualty insurance premium tax, a portion of the foreign (out-of-state) 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.

In addition to Act 205, the City of Duquesne Comprehensive Municipal Pension Trust Fund is also governed by implementing regulations published at Title 16, Part IV of the Pennsylvania Code and applicable provisions of various other state statutes including, but not limited to, the following:

- Act 67 - The Third Class City Code, Act of November 24, 2015 (P.L. 242, No. 67), as amended, 11 Pa. C.S. § 10101 et seq.
- Act 147 - Special Ad Hoc Municipal Police and Firefighter Postretirement Adjustment Act, Act of December 14, 1988 (P.L. 1192, No. 147), as amended, 53 P.S. § 896.101 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. § 42001 et seq.

The City of Duquesne Comprehensive Municipal Pension Trust Fund acts as a common investment and administrative agent for the city's police, new uniformed employees', firemen's, and officers' and employees' defined benefit pension plans.

The City of Duquesne Police Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 3 of 2015, adopted pursuant to Act 67 (formerly Act 317). The plan was established February 25, 1944. Active members are required to contribute 4 percent of compensation to the plan, plus \$1 per month until age 65. As of December 31, 2020, the plan had no active members, no terminated members eligible for vested benefits in the future, and 18 retirees receiving pension benefits from the plan.

BACKGROUND

The City of Duquesne New Uniformed Employees' Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 5 of 2015, adopted pursuant to Act 67. The plan is also affected by the provisions of collective bargaining agreements between the city and its police officers. The plan was established for police officers and paid firefighters hired on or after September 1, 1987. Active members are required to contribute 4.5 percent of compensation to the plan. As of December 31, 2020, the plan had 16 active members, 1 terminated member eligible for vested benefits in the future, and 7 retirees receiving pension benefits from the plan.

The City of Duquesne Firemen's Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 4 of 2015, adopted pursuant to Act 67. The plan was established October 14, 1930. Active members are required to contribute 5 percent of compensation, plus \$1 per month, to the plan. As of December 31, 2020, the plan had no active members, no terminated members eligible for vested benefits in the future, and 8 retirees receiving pension benefits from the plan.

The City of Duquesne Officers' and Employees' Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 2 of 2015, adopted pursuant to Act 67. The plan is also affected by the provisions of collective bargaining agreements between the city and its non-uniformed employees. The plan was established August 20, 1956. Active members are required to contribute 6 percent of compensation for members hired prior to September 1, 1987 and 5.5 percent of compensation for members hired on or after September 1, 1987. As of December 31, 2020, the plan had 14 active members, 1 terminated member eligible for vested benefits in the future, and 16 retirees receiving pension benefits from the plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
STATUS OF PRIOR FINDINGS

Compliance With Prior Recommendations

The City of Duquesne has complied with the prior recommendations concerning the following:

- Failure To Deduct and Deposit Member Contributions

City officials deposited the member contributions due to the new uniformed employees' and officers' and employees' pension plans for the year 2018, on February 19, 2019. The city continued to make regular deposits of member contributions into the plan during the current audit period, and through the completion of our fieldwork procedures.

- Failure To Timely Pay The Minimum Municipal Obligation Of The Plans

City officials deposited \$184,028 into the plans on January 10, 2019 to pay the balance due for the 2018 minimum municipal obligation (MMO). On July 16, 2019, the city deposited \$13,794 into the plans to pay interest on the late MMO payments.

Noncompliance With Prior Recommendation

The City of Duquesne has not complied with the prior recommendation concerning the following:

- Incorrect Data On Certification Form AG 385 Resulting In A Net Underpayment Of State Aid

City officials failed to comply with the recommendation in the prior audit report to comply with the instructions that accompany Certification Form AG 385 to assist them in accurately reporting the required pension data, as further discussed in Finding No. 1 in the Findings and Recommendations section of this report.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

New Uniformed Employees’ and Officers’ and Employees’ Pension Plans

Finding No. 1 – Noncompliance With Prior Recommendation – Incorrect Data On Certification Form AG 385 Resulting In A Net Overpayment Of State Aid

Condition: As disclosed in the prior audit report, the city failed to comply with the instructions that accompany Certification Form AG 385, resulting in a net underpayment of state aid for the years 2017 and 2018. During and subsequent to the current audit period, the city again failed to comply with the instructions that accompany Certification Form AG 385. The city certified two ineligible police officers (four units) and one non-uniformed employee (one unit) on the Certification Form AG 385 filed in 2019. In addition, the city failed to certify one police officer (two units) on the Certification Form AG 385 filed in 2020, and one police officer (two units) on the Certification Form AG 385 filed in 2021. The data contained on these certification forms is based on prior calendar year information.

Criteria: Pursuant to Act 205, at Section 402(e)(2), 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.

Cause: Plan officials failed to establish adequate internal control procedures to ensure the accuracy of the data certified. Furthermore, due to the turnover of municipal officials tasked with the administration of the pension plan, municipal officials were unaware of the certification eligibility criteria.

Effect: The data submitted on these certification forms is used, in part, to calculate the state aid due to the municipality for distribution to its pension plans. Because the city’s state aid allocations were based on unit value, the incorrect certification of pension data affected the city’s state aid allocations, as identified below:

<u>Year</u>	<u>Type of Plan</u>	<u>Units Overstated (Understated)</u>	<u>Unit Value</u>	<u>State Aid Overpayment (Underpayment)</u>
2019	New Uniformed Employees’	4	\$ 5,120	\$ 20,480
	Officers’ & Employees’	1	\$ 5,120	5,120
2020	New Uniformed Employees’	(2)	\$ 4,924	(9,848)
2021	New Uniformed Employees’	(2)	\$ 4,797	(9,594)
Net Overpayment of State Aid				\$ 6,158

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

New Uniformed Employees' and Officers' and Employees' Pension Plans – (Continued)

Finding No. 1 – (Continued)

In addition, the city used the overpayment of state aid to pay the minimum municipal obligations (MMOs) due to the police, new uniformed employees', and officers' and employees' pension plans; therefore, if the reimbursement to the Commonwealth is made from the pension plans, the plans' MMOs will not be fully paid.

Recommendation: We recommend that the net overpayment of state aid, in the amount of \$6,158 plus interest, be returned to the Commonwealth. A check in this amount, with interest compounded annually from date of receipt to date of repayment, at a rate earned by the pension plan, should be made payable to: Commonwealth of Pennsylvania and mailed to: Department of the Auditor General, Municipal Pension & Fire Relief Programs Unit, 321 Finance Building, Harrisburg, PA 17120. A copy of the interest calculation must be submitted along with the check.

We also again recommend that plan officials establish adequate internal control procedures, such as having at least two people review the data certified, to ensure compliance with the instructions that accompany Certification Form AG 385 to assist them in accurately reporting the required pension data.

In addition, if the reimbursement to the Commonwealth is made from police, new uniformed employees', or officers' and employees' pension plan funds, we recommend that any resulting MMO deficiencies be paid to the pension plan with interest, at a rate earned by the pension plan.

Management's Response: Municipal officials agreed with the finding without exception.

Auditor's Conclusion: The city's compliance with the finding recommendation will be monitored subsequent to the release of the audit report and through our next audit of the pension plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

New Uniformed Employees’ and Officers’ and Employees’ Pension Plans – (Continued)

Finding No. 2 – Failure To Maintain Pension Benefit Calculations

Condition: The city failed to maintain pension benefit calculations for three members of the officers’ and employees’ pension plan who retired during or subsequent to the current audit period. City officials also failed to maintain pension benefit calculations for a police officer who received a disability pension in 2020 and an officer who vested his pension in 2018 in the new uniformed employees’ pension plan.

Criteria: The municipality should maintain adequate supporting documentation to substantiate the accuracy of pension benefit determinations to avoid discrepancies occurring in the future when the former employee is eligible to begin receiving a pension benefit.

Cause: Plan officials failed to establish adequate internal control procedures to ensure the maintenance of adequate pension plan records. Furthermore, due to the turnover of municipal officials tasked with the administration of the pension plan, municipal officials were unaware of their various record-keeping responsibilities.

Effect: The failure of plan officials to maintain retired and vested pension benefit calculations could result in inconsistent or improper benefit calculations and incorrect benefit payments from the pension plan.

Recommendation: We recommend that plan officials obtain adequate supporting documentation to verify the accuracy of refunds and retired and vested pension benefits to be paid from the plan. Furthermore, recommend that municipal officials establish adequate internal control procedures to ensure that all pension benefit calculations are properly determined and maintained by the city.

Management’s Response: Municipal officials agreed with the finding without exception.

Auditor’s Conclusion: Compliance will be evaluated during our next audit of the plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

Officers' and Employees' Pension Plan

Finding No. 3 – Inconsistent Service Increment Benefit Provision

Condition: The collective bargaining agreement between the police officers and the city contains benefit provisions that conflict with the plan's governing document.

Section 4.04 of the new uniformed employees' pension plan's governing document, Ordinance No. 5 of 2015, states that a participant who retires after the completion of 25 years will receive a service increment.

Section 9 of Article XIV, of the collective bargaining agreement, in effect for the period January 1, 2020 to December 31, 2023, states that an employee who has greater than 20 years of service is entitled to a service increment.

Criteria: The plan's governing document and the collective bargaining agreement should contain consistent benefit provisions to ensure the sound administration of retirement benefits. In addition, the pension plan's benefit structure should be in compliance with the provisions of Act 67 (formerly Act 317.)

Cause: Municipal officials failed to update the plan's governing document. In addition, plan officials failed to establish adequate internal control procedures to ensure the plan's governing document and the collective bargaining agreement contained consistent benefit provisions. Furthermore, due to the turnover of municipal officials tasked with the administration of the pension plan, municipal officials were unaware of the inconsistent benefit provisions.

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

Recommendation: We recommend that municipal officials take appropriate action to ensure the plan's governing document and the collective bargaining agreement contain consistent service increment benefit provision at their earliest opportunity to do so.

Management's Response: Municipal officials agreed with the finding without exception.

Auditor's Conclusion: Compliance will be evaluated during our next audit of the plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

Police Pension Plan

Finding No. 4 – Incorrect Data On Certification Form AG 490 Resulting In An Excess Reimbursement For Special 1989 Ad Hoc Postretirement Adjustments

Condition: The city improperly certified \$450 of special ad hoc postretirement adjustments for the surviving spouse of a police officer on the Certification Form AG 490 filed in 2019. The data contained on this certification form is based on prior calendar year information.

Criteria: Pursuant to Act 147, Certification Form 490 should report only the amount of special ad hoc postretirement adjustments paid in the previous year to eligible retirees and/or their surviving spouses.

Cause: Plan officials failed to establish adequate internal control procedures to ensure the accuracy of the data certified. Furthermore, due to the turnover of municipal officials tasked with the administration of the pension plan, municipal officials were unaware of the certification eligibility criteria.

Effect: Because the city’s reimbursement is determined based on amounts reported on Certification Form AG 490, the city received excess reimbursements in 2019, as follows:

<u>Year</u>	<u>Reimbursement Certified</u>	<u>Reimbursement Due</u>	<u>Excess Reimbursement</u>
2019	\$ 3,375	\$ 2,925	\$ 450

Recommendation: We recommend that the total excess reimbursement, in the amount of \$450, be returned to the Commonwealth. A check in this amount, with interest compounded annually from date of receipt to date of repayment, at a rate earned by the pension plan, should be made payable to: Commonwealth of Pennsylvania and mailed to: Department of the Auditor General, Municipal Pension & Fire Relief Programs Unit, 321 Finance Building, Harrisburg, PA 17120. A copy of the interest calculation must be submitted along with the check.

We also recommend that in the future, plan officials establish adequate internal control procedures, such as having at least two people review the data certified, to ensure compliance with the instructions that accompany Certification Form AG 490 to assist them in accurately reporting the required pension data.

Management’s Response: Municipal officials agreed with the finding without exception.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

Police Pension Plan – (Continued)

Finding No. 4 – (Continued)

Auditor's Conclusion: The city's compliance with the finding recommendation will be monitored subsequent to the release of the audit report and through our next audit of the pension plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS

Historical trend information about the plan is presented herewith as supplementary information. It is intended to help users assess the plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other state and local government retirement systems.

The actuarial information is required by Act 205 biennially. The historical information, beginning as of January 1, 2015, is as follows:

POLICE PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-15	\$ 2,060,985	\$ 2,574,441	\$ 513,456	80.1%
01-01-17	1,904,571	2,376,397	471,826	80.1%
01-01-19	1,604,972	2,065,428	460,456	77.7%

Note: The market value of the plan's assets at 01-01-15, 01-01-17, and 01-01-19 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will 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.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS – (Continued)

NEW UNIFORMED EMPLOYEES’ PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-15	\$ 1,627,742	\$ 2,203,725	\$ 575,983	73.9%
01-01-17	2,007,734	2,661,422	653,688	75.4%
01-01-19	2,212,191	2,722,755	510,564	81.2%

Note: The market value of the plan’s assets at 01-01-15, 01-01-17, and 01-01-19 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will 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.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS – (Continued)

FIREMEN’S PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-15	\$ 1,173,347	\$ 1,418,428	\$ 245,081	82.7%
01-01-17	1,009,614	1,290,467	280,853	78.2%
01-01-19	801,613	934,460	132,847	85.8%

Note: The market values of the plan’s assets at 01-01-15, 01-01-17, and 01-01-19 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will 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.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS – (Continued)

OFFICERS’ AND EMPLOYEES’ PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-15	\$ 3,072,038	\$ 3,354,832	\$ 282,794	91.6%
01-01-17	3,233,112	3,806,721	573,609	84.9%
01-01-19	3,177,050	3,875,011	697,961	82.0%

Note: The market value of the plan’s assets at 01-01-15, 01-01-17, and 01-01-19 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will 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.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
SUPPLEMENTARY INFORMATION
(UNAUDITED)

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the actuarial accrued liability as a factor.

Analysis of the dollar amount of the actuarial value of assets, actuarial accrued liability, and unfunded (assets in excess of) actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability (Column 4) provides one indication of the plan's funding status on a going-concern basis. Analysis of this percentage, over time, indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

POLICE PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)*</u>	<u>Covered- Employee Payroll**</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2011	\$ -	\$ -	\$ -		N/A
2012	-	-	-	\$ 58,959	N/A
2013	67,119	67,119	-	-	N/A
2014	67,119	67,119	-	58,932	113.89%
2015	111,864	111,864	-	59,466	188.11%
2016	93,258	93,258	-	-	N/A
2017	97,396	97,396	-	-	N/A
2018	97,396	97,396	-	-	N/A
2019	93,008	-	93,008	-	N/A
2020	93,008	-	93,008	-	N/A

N/A – Not applicable

* The Contribution Deficiencies of \$93,008 for the years 2019 and 2020 were deposited, with interest, on June 1, 2020 and March 31, 2021, respectively.

** This schedule is presented pursuant to the implementation of GASB Statement No. 67, Financial Reporting for Pension Plans by reporting entities responsible for administering the pension plan to improve financial reporting by state and local governmental pension plans. Due to the statement being implemented only recently, the amount of Covered-Employee Payroll was not provided for odd years prior to 2014.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

NEW UNIFORMED EMPLOYEES' PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)*</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2011	\$ 82,650	\$ 82,650	\$ -	\$ 653,953	12.64%
2012	81,067	81,067	-	706,605	11.47%
2013	133,086	133,086	-	706,605	18.83%
2014	142,135	142,135	-	698,736	20.34%
2015	182,968	182,968	-	725,937	25.20%
2016	156,269	156,269	-	683,407	22.87%
2017	155,543	155,543	-	682,272	22.80%
2018	142,506	106,226	36,280	805,474	13.20%
2019	157,916	-	157,916	1,053,456	N/A
2020	176,195	176,195	-	984,700	17.90%

N/A – Not applicable

* The Contribution Deficiencies of \$36,280 and \$157,916 for the years 2018 and 2019 were deposited, with interest, on January 1, 2019 and June 1, 2020, respectively.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

FIREMEN'S PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)*</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2011	\$ -	\$ -	\$ -	\$ -	N/A
2012	-	-	-	-	N/A
2013	40,801	40,801	-	-	N/A
2014	40,801	40,801	-	-	N/A
2015	50,901	50,901	-	-	N/A
2016	50,353	50,352	-	-	N/A
2017	50,352	25,712	24,640	-	N/A
2018	50,352	-	50,352	-	N/A
2019	56,087	-	56,087	-	N/A
2020	56,087	-	56,087	-	N/A

N/A – Not applicable

* The Contribution Deficiencies of \$50,352, \$56,087 and \$56,087 for the years 2018, 2019, and 2020 were deposited, with interest, on January 1, 2019, June 1, 2020, and March 31, 2021, respectively.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

OFFICERS' AND EMPLOYEES' PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)*</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2011	\$ 88,255	\$ 88,255		\$ 626,951	14.10%
2012	82,368	82,368		616,409	13.40%
2013	107,639	107,639		616,409	17.50%
2014	105,306	105,306		605,107	17.40%
2015	96,579	96,579		615,960	15.70%
2016	79,080	79,080		580,301	13.60%
2017	81,483	81,483		525,563	15.50%
2018	76,465	76,465		482,309	15.90%
2019	87,548	-	\$ 87,548	639,063	N/A
2020	87,039	-	87,039	581,673	N/A

N/A – Not applicable

* The Contribution Deficiencies of \$87,548 and \$87,039 for the years 2019 and 2020 were deposited, with interest, on June 1, 2020 and March 8, 2021, respectively.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
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(UNAUDITED)

POLICE PENSION PLAN

The information presented in the supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation date follows:

Actuarial valuation date	January 1, 2019
Actuarial cost method	Entry age normal
Amortization method	Level dollar, open
Remaining amortization period	1 year
Asset valuation method	Fair value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	7.25%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
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(UNAUDITED)

NEW UNIFORMED EMPLOYEES' PENSION PLAN

The information presented in the supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation date follows:

Actuarial valuation date	January 1, 2019
Actuarial cost method	Entry age normal
Amortization method	Level dollar, open
Remaining amortization period	8 years
Asset valuation method	Fair value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases *	5.00%

* Includes inflation at 2.75%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
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FIREMEN'S PENSION PLAN

The information presented in the supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation date follows:

Actuarial valuation date	January 1, 2019
Actuarial cost method	Entry age normal
Amortization method	Level dollar, open
Remaining amortization period	1 Year
Asset valuation method	Fair value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	7.25%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
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(UNAUDITED)

OFFICERS' AND EMPLOYEES' PENSION PLAN

The information presented in the supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation date follows:

Actuarial valuation date	January 1, 2019
Actuarial cost method	Entry age normal
Amortization method	Level dollar, open
Remaining amortization period	15 years
Asset valuation method	Fair value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases *	4.25%

* Includes inflation at 2.75%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

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