PA Department of the Auditor General Municipal Pension Reporting Program (MPRP)

ACT 205 ONLINE FILING USER GUIDE FOR ACTUARIES FORM TYPE C

If a municipality's **Plan Declaration** has been Submitted & Approved by MPRP *and* the municipality has assigned your firm to complete its Actuarial Valuation Report for a pension plan <u>with</u> defined benefits (Type C), you may now proceed to **Step 2. Form Links** to complete the report(s). For the 2019 filing period, the actuarial valuation reporting forms are required to be submitted to the Municipal Pension Reporting Program (MPRP) by March 31, 2020.

Logging In

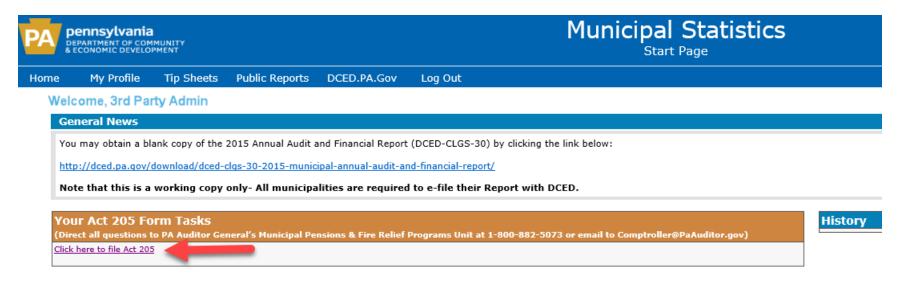
Begin by logging in to DCED's Municipal Statistics website at https://munstats.pa.gov/forms/LogIn.aspx.

Municipal Statistics



Log in to M	unicipal Statistics	
User Name:*		
Password:		
	Forgot your user name or password?	
Register	Log In	

* If you have registered with PA PowerPort, you should use the same user name and password to access Municipal Statistics. After logging in you will come to the Start Page, which lists your Act 205 Form Tasks. You can go to the Act 205 forms by clicking on "Click here to file Act 205" on the page.



2. Form Links

Once on the Act 205 Home Page, click on **Step 2. Form Links** to be able to enter your clients' Actuarial Valuation Reports.

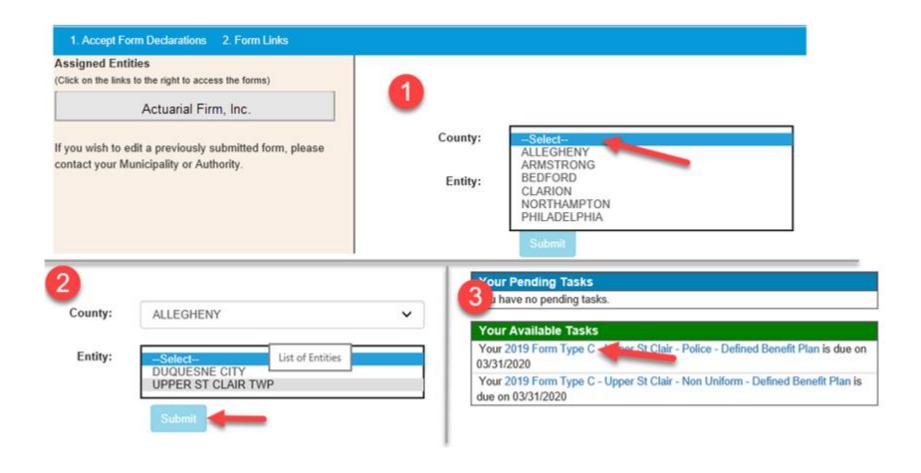


Hello Actuary !

Act 205 of 1984.

Act 205, known as the Municipal Pension Plan Funding Standard and Recovery Act (53 P.S. governments.

Any pension plan(s) for which your firm has been assigned as the <u>Responsible Party</u> (as selected under the Plan Declaration) and has been approved by MPRP will be listed here to be completed. Begin by 1) selecting a County from the drop-down box as shown below. You can then 2) click an Entity from the selected county and 3) hit 'Submit.' Click on the <u>highlighted portion</u> under Your Available Tasks to open the Form Type C.



NOTES ON THE E-FILING OF C FORMS

<u>Demographic Detail</u> (Steps 3 & 4)

For the online reporting form, MPRP has returned to the way demographic data was collected on the Actuarial Valuation Reports prior to 2011. Active members, retired members and vested members are grouped by Age and Years of Service.

Revenues & Expenses (Step 6)

State Aid contributions will now be included under Municipal Contributions. This will no longer be broken out separately.

UAAL & Amortization Contributions (Step 13)

This page will now show the <u>full</u> amortization of UAAL history, not just the current year. The Aggregated Amortization Contribution in Part B is looking for the total amortization contribution amount, which should match the amount on Step 9.

Actuarial Assumptions (Step 14)

'Average Future Service' is a newly required field. Since the form is no longer requesting detailed demographic data for individual members, we are requesting this calculation to be provided by the actuary.

Benefit Plan Provisions (Step 15)

For the normal retirement eligibility, we are looking for the current new hire eligibility provision. For example: a city's Fire plan has a normal retirement eligibility of age 50 & 20 years of service if hired before July 1, 1999. For those hired *after* that date, the requirement is age 50 & 25 years of service. You would list the **50** & **25** requirement.

In instances where there is no cutoff date for using one eligibility requirement versus another, enter the more *common* provision for the members.

Required Exhibits and Data

For the online reporting form, MPRP will no longer be requiring the exhibits to be attached. Instead, it will be expected that the municipalities will have the exhibits on file in the event that an auditor would need to review them.

Bond Exhibits

For the 2019 filing period, Bond Exhibits will <u>still</u> be required to be **mailed to MPRP in paper format**. The Bond Exhibit will be included with the online reporting forms starting with the 2021 filing period.

(NOTE: This form is set up differently than the paper version that was filed in past reporting periods (Forms PC-201C, PC-202C, and PC-203C). Throughout this user guide there will be pages and sections mentioned from the paper form to help you cross-reference where the data should now be reported.)

1. General Information (This step is the same as Section III from page 2 of the paper form.)

Respond to each question by clicking 'Yes' or 'No'. A new question that has been added for this reporting period is "What is the Administrative Arrangement?" After answering each question, click 'Next' at the bottom of the page.

GENERAL INFORMATION

					,	Yes	No
A. Is Social Security coverage provided for the active members of the pension plan?					0	0	
B. Do any active members of this pension plan participate in any other pension plan or plans that receive funding from the municipality?					0	\circ	
C. Do any of the active members of this pen	sion plan	work on a	verage less thar	1 35 hours per week?		0	0
D. Does the pension plan include active members who are not employees of the municipality?					0	0	
E. Do retired members of the pension plan receive any benefit, such as insurance coverage, that is provided wholly or partially by the municipality and not funded through the pension plan?				0	0		
F. What is the Administrative Arrangement?					Sp PN	ielect lit-Funded IRS her	
	Next	Save	Save & Exit	Add/View EFiler Notes - 0 Note(s)			

2. Demographic Data Summary (This step is the same as Section IV from page 2 of the paper form.)

The demographic data is separated by active, vested, retired and benefit members. Greyed-out boxes are <u>calculated</u> fields. After filling in each section, click 'Next' at the bottom of the page.

DEMOGRAPHIC DATA SUMMARY

ACTIVE MEMBERS

Total Number of Active Members	17
Total Payroll for Active Members	\$1,044,259
Average Payroll for Active Members	\$61,427
VESTED MEMBERS	
Number of Vested Members	0
RETIRED MEMBERS	
RETIRED MEMBERS	
Number of Normal Retired members	8
Number of DROP Members	
Total Number of Retired Members	8
Benefits for Normal Retired Members	\$252,849
Benefits for DROP Members	
Total Benefits for Retired Members	\$252,849

BENEFIT MEMBERS					
Number of Disability Benefit Members	0				
Number of Surviving Spouse Benefit Members	3				
Number of Surviving Child Benefit Members	0				
Total Number of Benefit Members	3				
Benefits for Disability Benefit Members	0				
Benefits for Surviving Spouse Benefit Members	\$63,718				
Benefits for Surviving Child Benefit Members					
Total Benefits for Benefit Members	\$63,718				

3. Demographic Detail – Active (This step replaces Schedule A Part III on page 9 of the paper form.)

Enter the distribution of <u>all</u> active members by age and service (including part-time members). The total # of members and total annual payroll should match the totals that were entered on Step 2. (*Note that the payroll amounts are to be entered in thousands (\$000)*). Once completed, click 'Next' at the bottom of the page.

DISTRIBUTION OF ACTIVE MEMBERS BY AGE AND SERVICE Age 3 4 - 5 6 - 10 11 - 15 16 - 20 21 - 25 30 - 34 # of Members Payroll (\$000) \$10 \$65 \$67 35 - 39 2 # of Members 3 Payroll (\$000) \$125 \$208 40 - 44 2 # of Members 1 Payroll (\$000) \$10 \$65 \$134 Payroll (\$000, \$75 Total Members 0 3 7 2 1 Total Annual \$20 \$65 \$65 \$0 \$192 \$471 \$151 \$81 Payroll **GRAND TOTAL** Members 17 Annual Payroll \$1,045,000

DEMOGRAPHIC DETAIL - ACTIVE

4. Demographic Detail – Retired & Vested (This step replaces Schedule A Parts I & II on page 8 of the paper form.)

Enter the distribution of <u>all</u> retired members and members terminated with vesting by age. The total # of members and total annual pension should match the totals that were entered on Step 2. Once completed, click 'Next' at the bottom of the page.

DEMOGRAPHIC DATA FOR RETIRED MEMBERS					
Age	Number	Annual Pension Payable			
Under 30					
30 - 34					
35 - 39					
40 - 44					
45 - 49					
50 - 54	1	\$50,856			
55 - 59	2	\$79,956			
60 - 64	1	\$25,368			
65 - 69	2	\$51,744			
70 - 74	2	\$47,220			
75 - 79	1	\$17,316			
80 - 84	2	\$44,100			
Over 84					
Totals	11	\$316,560			

DEMOGRAPHIC DATA FOR MEMBERS TERMINATED WITH VESTING						
Age	Number	Annual Projected Pension				
Under 25						
25 - 29						
30 - 34						
35 - 39						
40 - 44						
45 - 49						
50 - 54						
55 - 59						
60 - 64						
65 - 69						
Over 69						
Totals	0	\$0				

5. Assets and Liabilities (This step is the same as Schedule B Section I on page 10 of the paper form.)

Click 'Add New' to add a type of Asset. Click on the Type and select the appropriate type of asset to report. You can only enter a Description if "Other Receivables" or "Other Assets" is selected. Enter the *Amount as of Valuation Date* and *Amount as of Previous Year* then hit 'Add.' Repeat for all Asset Types.

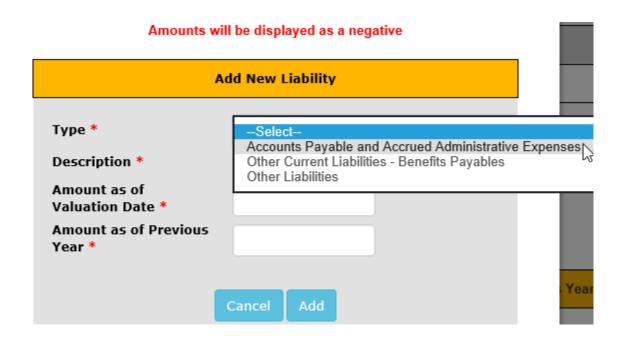
STATEMENT OF ASSETS AVAILABLE FOR BENEFITS AS OF THE VALUATION DATE

Add New Type Description Amount as of Valuation Date Total Assets



Click 'Add New' to add a type of Liability. Click on the Type and select the appropriate type of liability to report. You can only enter a Description if "Other Liabilities" is selected. Enter the *Amount as of Valuation Date* and *Amount as of Previous Year* then hit 'Add.' Repeat for all Liability Types.





After entering the assets and liabilities (if applicable), the Net Assets Available for Benefits will be calculated based on the Total Assets and Total Liabilities entered as of Valuation Date and Previous Year. Once completed, click 'Next' at the bottom of the page.

STATEMENT OF ASSETS AVAILABLE FOR BENEFITS AS OF THE VALUATION DATE

Assets

Туре	Description	Amount as of Valuation Date	Amount as of Previous Year		
Cash		\$2,903.00	\$955.00	Edit	Delete
Accrued Interest and Dividends Receivable		\$8,829.00	\$7,272.00	Edit	Delete
Investments at Market Value - Money Markets and other Cash Investments		\$457,015.00	\$350,603.00	Edit	Delete
Investments at Market Value - Stocks and other Equities		\$1,161,628.00	\$1,194,269.00	Edit	Delete
Investments at Market Value - Bonds and other Fixed Income		\$972,453.00	\$846,754.00	Edit	Delete
Investments at Market Value - Mutual Funds		\$896,666.00	\$914,356.00	Edit	Delete
	Total Assets	\$3,499,494.00	\$3,314,209.00		

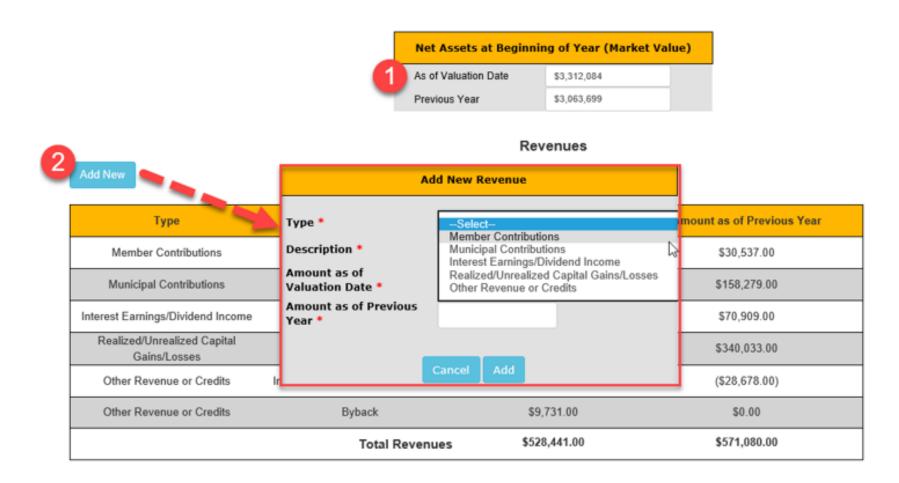
Current Liabilities

Туре	Description	Amount as of Valuation Date	Amount as of Previous Year		
Accounts Payable and Accrued Administrative Expenses		\$0.00	(\$6,293.00)	Edit	Delete
	Total Liabilities	\$0.00	(\$6,293.00)		

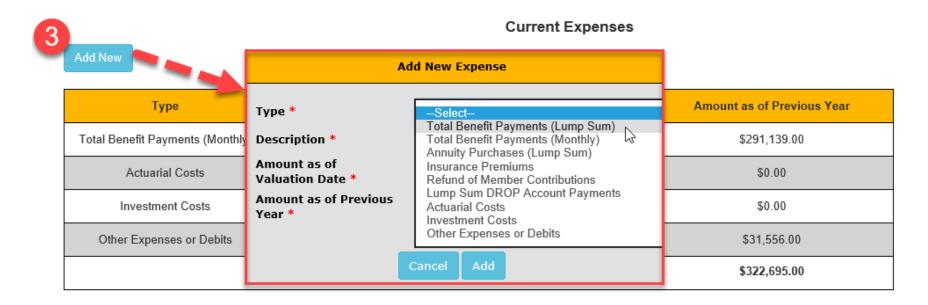


6. Revenues and Expenses (This step is the same as Schedule B Section II on page 11 of the paper form.)

Be sure to enter the 1) Net Assets at Beginning of Year, 2) Revenues and 3) Expenses (if applicable). Enter the Type of Revenue or Expenses by clicking on 'Add New.'



The Net Assets at End of Year is a calculated field based on the Net Assets at Beginning of Year, the Total Revenues and Total Expenses entered. Once completed, click 'Next' at the bottom of the page.



As of Valuation Date Previous Year Net Assets at End of Year (Market Value) \$3,499,494 Calculated \$3,312,084

7. Additional Financial Data (*This step includes three lines from page 3 of the paper form.*)

If the plan had any Contributions Receivable at the beginning or the end of the year, that information can be entered here. Administrative Expenses paid from the assets of the pension plan can also be entered. Once completed, click 'Next' at the bottom of the page.

ADDITIONAL FINANCIAL DATA

Description					Amount
Actual Municipal Deposit					
a. Contributions Receivable at beginning of year					
b. Contributions Receivable at end of year					
Administra	tive Exper	nses			
Back	Next	Save	Save & Exit	Add/View EFile	er Notes - 0 Note(s)

8. Presentation of Actuarial Present Value of Future Benefits (This step is the same as Schedule C Section I on page 15 of the paper form).

Complete all items using the entry age normal actuarial cost method. The Totals for Active Members, Non-Active Members and Benefit Recipients and Total Actuarial Present Value of Future Benefits are calculated fields. Once completed, click 'Next' at the bottom of the page.

ACTUARIAL PRE						
Туре	Description	Amount				
Retirement Benefits						
Disability Benefits	ACTUARIAL PRESENT VALUE	S FOR NON- ACTIVE ME	MBERS AND BENEFIT RE	ECIPIENTS		
Survivor Benefits	Туре		Description	Amount		
Liability for the Refund of Member Contributions	Deferred Vested Benefits					
Vested Withdrawal Benefits	Retirement Benefits					
Other Active Benefits	Disability Benefits					
Total Active Benefits	Survivor Benefits					
	Total Monies Accumulated in DROP Participation	on Accounts				
	Other Non-Active Benefits					
	Total Non-Active Benefits		Calculated	\$0		
Туре	9	Amount				
Total Actuarial Present Value of Future Benefits (Wi	thout Adjustments)	\$0				
Total Adjustments for Ancillary Benefits Valued Thro	ough Approximation Techniques					
Total Actuarial Present Value of Future Benefits	Calculated	\$0				

9. Actuarial Data Summary (*This step is the same as Section VI A. on page 4 of the paper form*).

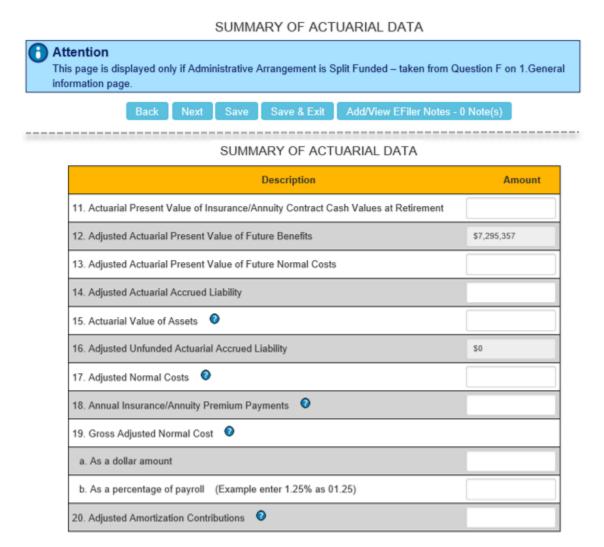
Enter the data requested. Note: The asset values provided below must include all the assets of the pension plan regardless of custodial arrangements involving administrative agencies. Once completed, click 'Next' at the bottom of the page.

Description **Amount** Calculated 1. Actuarial Present Value of Future Benefits 2. Actuarial Present Value of Future Normal Costs 3. Actuarial Accrued Liability 4. Actuarial Value of Assets Calculated 5. Unfunded Actuarial Accrued Liability 6. Normal Cost 0 9. Amortization Contributions a. As a dollar amount a. For amortization of initial unfunded actuarial accrued liability established 1/1/85 b. As a percentage of total annual payroll 1. Amortization period remaining (years) 7. Average Administrative Expenses 2. Amortization contribution calculated as a level dollar amount for the plan year beginning on valuation date 8. Annual Covered Payroll 3. Amortization contribution calculated as a level percentage of payroll for the plan year beginning on valuation date b. For amortization of all increases or decreases in unfunded actuarial accrued liability occurring after 1/1/85 or the initial UAL's establishment 0 1. Aggregated Amortization period (years) 2. Aggregated Amortization contribution calculated as a level dollar amount for the plan year beginning on valuation date c. Modified Total Amortization Requirement d. Total Amortization Requirement 10. Actual or Estimated Member Contributions

SUMMARY OF ACTUARIAL DATA

10. Actuarial Data Summary (*This step is the same as Section VI A. on page 5 of the paper form*).

If insurance/annuity contracts are maintained pre-retirement to fund a portion of the benefits provided by the pension plan at retirement AND the Administrative Arrangement selected was "Split-Funded," the information on this step must be completed. Otherwise, the page will not be displayed. Click 'Next' at the bottom of the page to continue.



11. MMO EVEN (*This step is the same as Schedule B Section III on page 12 of the paper form).*

Enter data reflecting the minimum municipal obligation developed in the fall of 2017 for the plan year beginning in 2018. [Section 302(c) of Act 205 of 1984.] Once completed, click 'Next' at the bottom of the page.

A. Identification of the Actuarial Valuation Report					
DEVELOPMENT OF MINIMUM MUNICIPAL OBLIGATION					
Description	Amount				
B. Development of Minimum Municipal Obligation					
1. Total Annual Payroll	\$916,480				
2. Total Normal Cost	11.02580				
3. Total Projected Normal Cost	\$101,049				
4. Total Amortization Requirement	\$84,661				
5. Total Administrative Expenses	\$21,934				
6. Total Financial Requirements	\$207,644				
7. Member Contributions	\$28,594				
8. Funding Adjustment					
9. Minimum Municipal Obligation (MMO)	\$179,050				
10. Delinquent MMO Plus Interest					
11. Total MMO	\$179,050				
AMORTIZATION CONTRIBUTION RED	UCTION				
Description	Amount				
C. Amortization Contribution Reduction					
Reduction of Amortization Contribution					
2. Re-Calculated MMO	\$179,050				

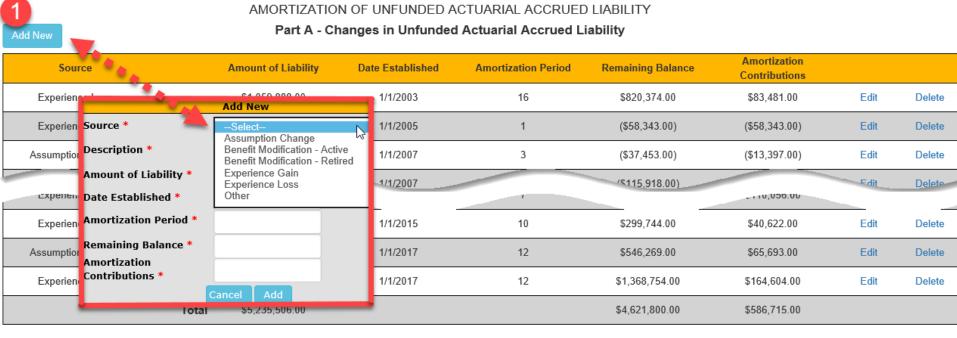
12. MMO ODD (*This step is the same as Schedule B Section IV on page 13 of the paper form*).

Enter data reflecting the minimum municipal obligation developed in the fall of 2016 for the plan year beginning in 2017. [Section 302(c) of Act 205 of 1984.] Once completed, click 'Next' at the bottom of the page.

A. Identification of the Actuarial Valuation Report	/01/2015					
DEVELOPMENT OF MINIMUM MUNICIPAL OBLIGATION						
Description	Amount					
B. Development of Minimum Municipal Obligation						
1. Total Annual Payroll	\$895,693					
2. Total Normal Cost (Example enter 1.25% as 01.25)	11.02580					
3. Total Projected Normal Cost	\$98,757					
4. Total Amortization Requirement	\$84,661					
5. Total Administrative Expenses	\$21,437					
6. Total Financial Requirements	\$204,855					
7. Member Contributions	\$46,576					
8. Funding Adjustment						
9. Minimum Municipal Obligation (MMO)	\$158,279					
10. Delinquent MMO Plus Interest						
11. Total MMO	\$158,279					
AMORTIZATION CONTRIBUTION REDUCTION						
Description	Amount					
C. Amortization Contribution Reduction						
Reduction of Amortization Contribution						
2. Re-Calculated MMO	\$158,279					

13. UAAL & Amortization Contributions (This step replaces Schedule C Section II on page 16 of the paper form).

This page has been updated to simply show the <u>full</u> amortization of UAAL history. To add a new liability 1) select 'Add New' and choose the appropriate source. After you have entered all of the amortization bases, 2) enter the Aggregated Target Date and 3) the Aggregated Amortization Period. Once completed, click 'Next' at the bottom of the page.



Part B - Aggregation of Changes in Unfunded Actuarial Accrued Liability

Remaining Balance of Aggregated Liability	Date of Aggregation 2	Aggregated Target Date	3) 4	Aggregated Amortization Period	Aggregated A	mortization Contribution
\$4,621,800 Calculated 01/01/2019	01/0	1/2028	12		\$586,715	Calculated

14. Actuarial Assumptions (This step is the same as Schedule C Section III on page 17 of the paper form).

Enter the actuarial assumptions of the plan. Once entered, this information will be saved so you will not need to re-type it for the following filing period. A new required field for this filing period is "Average Future Service." Once completed, click 'Next' at the bottom of the page.

	ACTUARIAL ASSUMPTIONS			
Actuarial Assumptions				
1. Interest Rate	7.50%			
2. Salary Projections	5.00%			
3. Disability Rate	None Assumed			
4. Termination Rate	None			
5. Mortality	RP2000 Mortality Table with built-in project and Blue Collar Adjustment			
6. Retirement Age	100% at age 65 or 22 years of service			
7. Asset Smoothing	The greater of: actuarial value of assets from the prior valuation increased by contributions and other deposits except investment income; decrased by benefit payments and other administrative expenses or other payments; and credited with interest at 1% less than the plan's assumed rate to the current valuate date, or the market value of assets. Subject to a maximum of 120% of the			
8. Other (Specify)	87% of active are married with females 4 years younger than males			
9. Other (Specify)				
Actuarial Cost Method	Entry Age Normal			
		J		

15. Benefit Plan Provisions (This step is the same as Schedule C Section IV on page 18 of the paper form).

Enter the benefit provisions of the plan. Once entered, this information will be saved so you will not need to re-type it for the following filing period. Once completed, click 'Next' at the bottom of the page.

PRESENTATION OF BENEFIT PLAN PROVISIONS								
A. Eligibility Requirement								
Normal Retirement (Enter your most current new hire	Retirement Age Years of Service Relational Selection							
requirement)	50	25	And	~				
Early Retirement	None.							
Vesting	10 years of service.							
B. Retirement Benefit	50% of final 36 months average compensation at retirement. Percentage is 65% for retirees between January 1, 1998 and January 2, 2000.							
C. Survivor Benefit	50% of pension participant was receiving had he been retired at death, payable to widow until death or remarriage. Any benefits to children will be paid for a maximum of 96 months.							
D. Disability Benefits								
Service Related	Total and permanent: 50% of final 36 months average.							
Non-Service Related	None.							
E. Post Retirement Adjustments	None.							
F. DROP Benefit	None.							
G. Other Benefit								
H. Member Contributions								
Amount or Rate	5.00%							
Interest Rate Credited to Member Contributions	6.00%							

16. Certification (This step replaces Section VI. C on page 6 and Section VII on page 7 of the paper form).

Once you have reviewed the form for accuracy, you can complete the Certification section. Begin by 1) checking the box to certify and 2) filling out your name and firm name. You can then 3) click 'Notify' to send the form to the municipality for review. An email will be sent to the municipality informing them that the actuary has completed the form and it is ready for review.

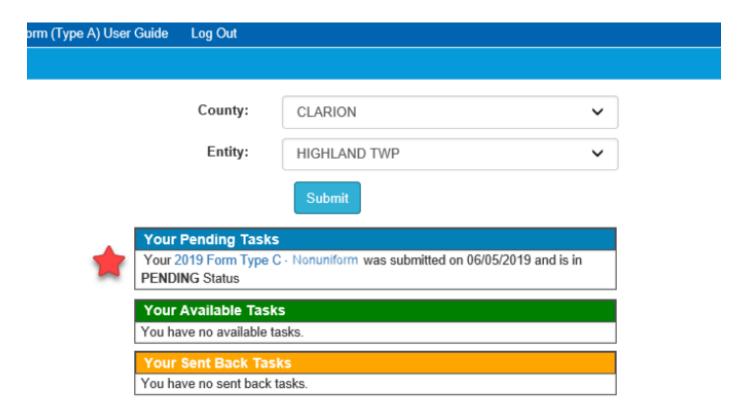
Please review the information you have provided for UPPER ST CLAIR TWP below. If necessary, you may need to go back to a previous step by clicking the appropriate step above. When you are satisfied with the information provided, enter your name, title check the certification box to the left, and then click the "Submit" button below. Your filing is complete when you see your Submission Details. Actuary/3rd Party Admin Signature: By checking this box and typing my name in the text box, I hereby certify that I have prepared and reviewed the actuarial data and information entered on this form and that the data and information provided is to the best of my knowledge true and accurate. Back Save Save & Exit Notify UPPER ST CLAIR TWP Add/View EFiler Notes - 0 Note(s)

CERTIFICATION

A box will appear after clicking Notify stating that the "Form was submitted successfully and the municipality has been notified via email."

After the municipality has reviewed the form, certified it and submitted it to MPRP, the status will show up as "PENDING" until MPRP has reviewed and approved the form. You can review the status of the submitted forms under **2. Form Links.**

Once MPRP has reviewed and approved a form, it will show up under **History**. You will be able to print out a copy of the form for your records.



If MPRP finds an issue when reviewing a Submission, an email notice will be sent with the discrepancies found and the form will appear under Your Sent Back Tasks. You will have to go back in and correct any issues that MPRP has found. You must submit the form again through the same process once the corrections have been made.

Direct all questions to the Municipal Pension Reporting Program at:

Phone: (717) 787-3637 or 1-833-852-4335

E-mail: MPRP@PAAuditor.gov

Mail: Department of the Auditor General

Municipal Pension Reporting Program

321 Finance Building Harrisburg, PA 17120