

**Arkansas Local Fire and Police
Pension and Relief Funds**

Summary of
Actuarial Valuation Data and Results
As of December 31, 2013

Prepared by:
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August 18, 2014
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August 18, 2014

Arkansas Fire & Police Pension Review Board
620 West Third
Suite 200
Little Rock, AR 72201

Ladies and Gentlemen:

We have completed the actuarial valuations of the 132 Fire and Police Pension Funds as of December 31, 2013. This report contains summary information from those valuations, as well as comparable information from the December 31, 2010, 2011 and 2012 valuations.

The following table shows the progress of the funds over the last several years:

	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>	<u>12/31/2013</u>
Plans Valued	150	144	139	132
Number of Active Members	79	63	54	47
Number on DROP	64	52	30	21
Number of Recipients	3,102	2,999	2,878	2,381
Assets	354,638,783	332,273,115	301,321,223	243,407,142
Unfunded Actuarial Accrued Liability	301,432,808	301,641,466	297,457,965	189,793,222
Market Value of Assets	346,508,810	322,028,740	314,999,370	266,042,854
Unfunded AL on Market Value	309,562,781	311,885,841	283,779,818	167,157,510
Percent of Liability Funded:				
Police	52%	50%	47%	57%
Full Paid Fire	53%	51%	49%	52%
Volunteer & Part-Paid Fire	76%	79%	79%	89%
Reported Employer Contribution as a Percent of Actuarially Determined Contributions				
Police	33%	34%	38%	37%
Full Paid Fire	30%	31%	34%	35%
Volunteer & Part-Paid Fire	99%	103%	41%	59%

FORMAT OF REPORT

Following this cover letter, our report contains the following exhibits:

- EXHIBIT 1 – Summarizes various information as of December 31, 2013, broken out by Police, Full Paid Fire, and Volunteer Fire.
- EXHIBIT 2 – Compares the December 31, 2013 valuation results with those of December 31, 2012, 2011 and 2010.
- EXHIBIT 3 – Develops a "funded status", and summarizes information for each "funded status".
- EXHIBIT 4 – Summarizes the number of plans by various funding criteria.
- EXHIBIT 5 – Summary of the Rates of Return.
- EXHIBIT 6 – Lists certain financial values for all of the plans valued at December 31, 2013.

PROGRESS OF FUNDING

The percentage of actuarial accrued liabilities that are covered by assets had generally increased over the ten years before 2008 for police and full-paid fire funds, even after benefit increases. The market changes of 2008-2009 had a significant negative impact on the plans.

The following table shows how many plans improved/reduced their percentage of valuation assets to actuarial accrued liabilities since December 31, 2012:

	Number of Plans That <u>Improved</u>	Number of Plans That <u>Declined</u>
Police	11	2
Full Paid Fire	21	14
Volunteer/Part Paid Fire	85	31

Overall, the actual employer contributions to the plans are still less than the actuarially required amounts for police and paid firefighter funds. Of course, some plans receive more contributions than required, while others receive less than required.

In general, the Police and Full Paid Fire plans saw improvement because of the returns greater than assumed in 2013. Most of the changes in the Volunteer Fire plans is the result of the assumption changes that were made in 2013. Overall, the funds have a stronger funded percentage than a year ago.

FUNDED STATUS

Exhibit 3 (pages 6 to 9) develops six categories of "funded status" and shows how many plans fall into each group.

Funded status A and B currently meet the Board's definition of "actuarially sound". Funded status C plans do not currently meet the definition of "actuarially sound", but are projected to be "actuarially sound" at some point in the future. Funded status D plans are not making the required contributions. Funded status E plans have enough assets to last about three years, while funded status F plans don't have enough assets for one year's benefit payments.

The following table shows how many plans improved/reduced their funded status since December 31, 2012:

	Number of Plans That <u>Improved</u>	Number of Plans That <u>Declined</u>
Police	2	0
Full Paid Fire	4	1
Volunteer/Part Paid Fire	29	7

A review of Exhibit 3, and the graph on page 9, shows that the majority of the plans are in funded status D. These plans with a status of D have a total shortfall of \$29.8 million in contributions. In other words, the employer contributions to these plans are \$29.8 million less than the actuarially computed contributions. This number favorably compares with the \$45.0 million from last year due to the consolidation of two poorly funded plans.

INVESTMENT RETURNS

After much discussion, the PRB decided to return to a single valuation discount rate for the 2013 valuations. That rate is 5%. This resulted in 72 plans increasing the assumption from 3% to 5%, improving the funded percentage in their valuation. There were also 12 plans that were decreased from 7% to 5%, which reduced their funded percentage. The other 48 plans did not have a change in assumptions this year. These 48 plan included most of the larger plans.

Exhibit 5 shows the 2013 (market value) investment returns as well as the five year and ten year average returns. In general, the smallest plans had the worst history of investment earnings and most did not have professional investment advice. If plans do not achieve a long term average investment return of 5% or more, the ultimate cost of the plan will be greater than the value of the liabilities shown in the valuation report. We noted this information in the valuation reports this year.

OUTLOOK FOR INSOLVENT PLANS

Exhibit 6 lists some financial and actuarial information for each plan. We have disclosed both the Valuation Assets and the Market Value of Assets. You can see in detail the large number of plans in Status D and the amount of unfunded liability associated with those plans. This is an area we have discussed with the board in detail. This continues to deserve much attention since 86% of the total liability of these plans are those with status D or lower.

We will provide the “early indicator” information in a report to the board in December with a discussion of projected insolvent plans and at risk plans. We will also discuss our communications with the “at risk” and “projected insolvent” plans at that time.

DATA RECEIVED FROM PLANS

The results of these valuations are based on the financial and participant data supplied by each plan. We did not audit this data, although we did review it for reasonableness and consistency.

In total, we returned more than 13 plan reports because of missing or incorrect data. The PRB staff did tremendous work this year in verifying the demographic information. The majority of issues that made it to us were in the financial statements and categorization of assets.

We did have to footnote two reports because of data quality issues based on our professional standards.

We continue to make improvements to the reports this valuation cycle. First, we improved on the Excel spreadsheet with the data collection information including expanded data checks. We increased the amount of financial history data to ten years of data and included more indicators to assist pension boards in determining the health of their plans.

If you have any questions or comments, please feel free to contact us.

Sincerely,



Jody Carreiro, ASA, MAAA, FCA, EA
Actuary

EXHIBIT 1

Arkansas Municipal Police and Fire Pension and Relief Funds

Summary of Valuation Data and Results
December 31, 2013

	Police	Fire*	Volunteer Fire*	Total
Plans Valued	13	35	116	132
Active Members	1	8	38	47
Active Payroll	\$ 53,024	\$ 319,831	\$ 0	\$ 372,855
DROP Members	4	17	0	21
DROP Annual Benefits	\$ 84,225	\$ 603,635	\$ 0	\$ 687,860
Retired Members and Beneficiaries	340	770	1,271	2,381
Annual Benefits	\$ 8,880,626	\$ 18,736,756	\$ 2,650,685	\$ 30,268,067
Retirant, Beneficiary & DROP Accrued Liability	\$ 131,049,314	\$ 266,440,227	\$ 31,338,556	\$ 428,828,097
Assets Applied	\$ 71,643,511	\$ 137,371,304	\$ 26,600,601	\$ 235,615,416
% Funded	55%	52%	85%	55%
Active Member Accrued Liability	\$ 389,983	\$ 2,366,814	\$ 1,615,470	\$ 4,372,267
Assets Applied	\$ 2,889,873	\$ 2,253,793	\$ 2,648,060	\$ 7,791,726
% Funded	741%	95%	164%	178%
Total Actuarial Accrued Liability	\$ 131,439,297	\$ 268,807,041	\$ 32,954,026	\$ 433,200,364
Assets Applied	74,533,384	139,625,097	29,248,661	243,407,142
Unfunded Actuarial Accrued Liab	\$ 56,905,913	\$ 129,181,944	\$ 3,705,365	\$ 189,793,222
% Funded	57%	52%	89%	56%
Based on the Market Value of Assets				
Total Actuarial Accrued Liability	\$ 131,439,297	\$ 268,807,041	\$ 32,954,026	\$ 433,200,364
Assets Applied	84,686,273	150,346,026	31,010,555	266,042,854
Unfunded Actuarial Accrued Liab	\$ 46,753,024	\$ 118,461,015	\$ 1,943,471	\$ 167,157,510
% Funded	64%	56%	94%	61%
Employer Contributions				
Computed	\$ 13,498,733	\$ 29,392,639	\$ 1,219,015	\$ 44,110,387
Reported	\$ 5,003,903	\$ 10,298,082	\$ 716,334	\$ 16,018,318
% Covered	37%	35%	59%	36%

* 32 fire plans covering both paid and volunteer are included in the number of plans valued for both paid and volunteer. The summary data in this report was prepared treating each such fund as two separate funds.

EXHIBIT 2

Arkansas Municipal Police and Fire Pension and Relief Funds

Comparison of Valuation Results

POLICE FUNDS

	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>	<u>12/31/2013</u>	<u>2013 % Change</u>
Plans Valued	16	15	14	13	-7%
Active Members	6	4	3	1	-67%
Active Payroll	\$ 275,544	\$ 180,316	\$ 155,194	\$ 53,024	-66%
DROP Members	13	9	3	4	33%
Retired Members and Beneficiaries	731	711	661	340	-49%
Retirant, Beneficiary & DROP Accrued Liability	\$ 274,510,224	\$ 267,374,205	\$ 243,764,404	\$ 131,049,314	-46%
Assets Applied	\$ 142,459,321	\$ 132,300,385	\$ 113,684,227	\$ 71,643,511	-37%
% Funded	52%	49%	47%	55%	
Active Member Accrued Liability	\$ 2,305,472	\$ 1,485,622	\$ 1,286,393	\$ 389,983	-70%
Assets Applied	\$ 2,368,041	\$ 3,062,648	\$ 1,551,507	\$ 2,889,873	86%
% Funded	103%	206%	121%	741%	
Total Actuarial Accrued Liability	\$ 276,815,696	\$ 268,859,827	\$ 245,050,797	\$ 131,439,297	-46%
Assets Applied	\$ 144,827,362	\$ 135,363,033	\$ 115,235,734	\$ 74,533,384	-35%
% Funded	52%	50%	47%	57%	
Unfunded Actuarial Accrued Liability	\$ 131,988,334	\$ 133,496,794	\$ 129,815,063	\$ 56,905,913	-56%
Employer Contributions Computed	\$ 30,304,938	\$ 30,784,731	\$ 29,638,697	\$ 13,498,733	-54%
Reported	\$ 9,900,691	\$ 10,497,343	\$ 11,198,789	\$ 5,003,903	-55%
% Covered	33%	34%	38%	37%	

EXHIBIT 2

Arkansas Municipal Police and Fire Pension and Relief Funds

Comparison of Valuation Results

FULL PAID FIRE FUNDS

	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>	<u>12/31/2013</u>	<u>2013 % Change</u>
Plans Valued	39	37	37	35	-5%
Active Members	14	8	7	8	14%
Active Payroll	\$ 611,526	\$ 315,157	\$ 276,919	\$ 319,831	15%
DROP Members	51	43	27	17	-37%
Retired Members and Beneficiaries	876	858	860	770	-10%
Retirant, Beneficiary & DROP Accrued Liability	\$ 332,594,234	\$ 322,383,481	\$ 313,153,363	\$ 266,440,227	-15%
Assets Applied	\$ 176,503,948	\$ 163,953,754	\$ 154,644,233	\$ 137,371,304	-11%
% Funded	53%	51%	49%	52%	
Active Member Accrued Liability	\$ 5,312,294	\$ 2,369,434	\$ 2,214,315	\$ 2,366,814	7%
Assets Applied	\$ 1,722,719	\$ 1,229,058	\$ 1,246,080	\$ 2,253,793	81%
% Funded	32%	52%	56%	95%	
Total Actuarial Accrued Liability	\$ 337,906,528	\$ 324,752,915	\$ 315,367,678	\$ 268,807,041	-15%
Assets Applied	\$ 178,226,667	\$ 165,182,812	\$ 155,890,313	\$ 139,625,097	-10%
% Funded	53%	51%	49%	52%	
Unfunded Actuarial Accrued Liability	\$ 159,679,861	\$ 159,570,103	\$ 159,477,365	\$ 129,181,944	-19%
Employer Contributions Computed	\$ 35,921,050	\$ 35,848,289	\$ 35,820,446	\$ 29,392,639	-18%
Reported	\$ 10,833,506	\$ 11,266,760	\$ 12,156,614	\$ 10,298,082	-15%
% Covered	30%	31%	34%	35%	

EXHIBIT 2

Arkansas Municipal Police and Fire Pension and Relief Funds

Comparison of Valuation Results

VOLUNTEER FIRE FUNDS

	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>	<u>12/31/2013</u>	<u>2013 % Change</u>
Plans Valued	130	125	121	116	-4%
Active Members	59	51	44	38	-14%
Active Payroll	\$ 0	\$ 0	\$ 0	\$ 0	
DROP Members	0	0	0	0	0%
Retired Members and Beneficiaries	1495	1430	1357	1271	-6%
Retirant & Beneficiary Accrued Liability	\$ 38,288,645	\$ 37,782,670	\$ 36,087,970	\$ 31,338,556	-13%
Assets Applied	\$ 29,168,410	\$ 29,717,453	\$ 28,357,995	\$ 26,600,601	-6%
% Funded	76%	79%	79%	85%	
Active Member Accrued Liability	\$ 3,060,722	\$ 2,519,169	\$ 2,272,743	\$ 1,615,470	-29%
Assets Applied	\$ 2,416,344	\$ 2,009,817	\$ 1,837,181	\$ 2,648,060	44%
% Funded	79%	80%	81%	164%	
Total Actuarial Accrued Liability	\$ 41,349,367	\$ 40,301,839	\$ 38,360,713	\$ 32,954,026	-14%
Assets Applied	\$ 31,584,754	\$ 31,727,270	\$ 30,195,176	\$ 29,248,661	-3%
% Funded	76%	79%	79%	89%	
Unfunded Actuarial Accrued Liability	\$ 9,764,613	\$ 8,574,569	\$ 8,165,537	\$ 3,705,365	-55%
Employer Contributions Computed	\$ 2,457,427	\$ 2,122,757	\$ 2,020,560	\$ 1,219,015	-40%
Reported	\$ 2,434,698	\$ 2,195,031	\$ 834,259	\$ 716,334	-14%
% Covered	99%	103%	41%	59%	

Exhibit 2 (Continued)

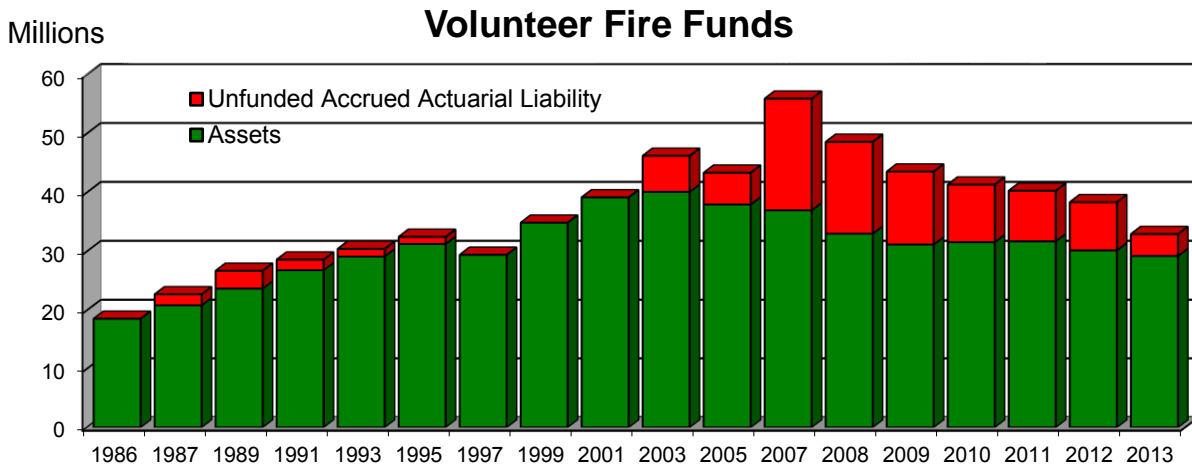
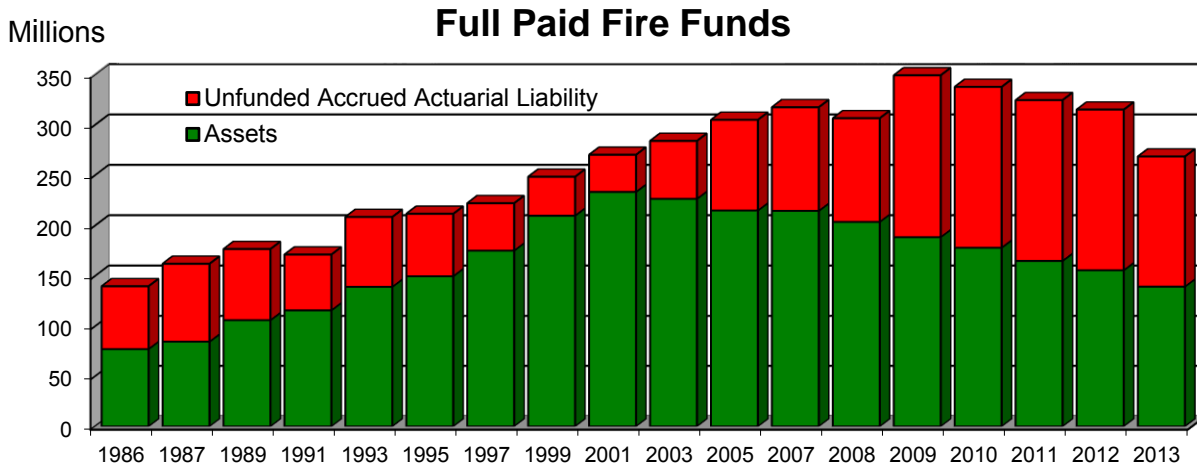
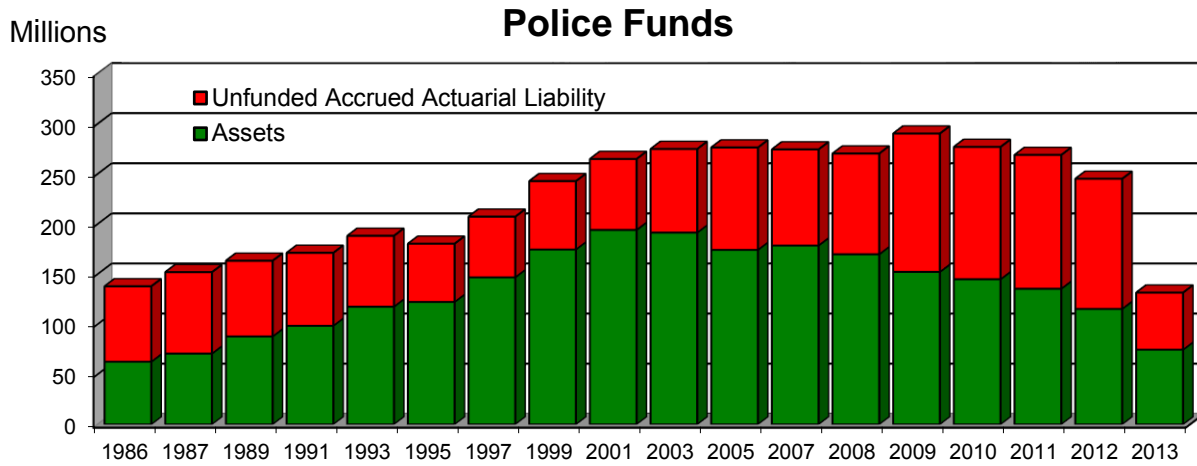


EXHIBIT 3

Arkansas Municipal Police and Fire Pension and Relief Funds

Summary by Funding Status

This exhibit gives a summary of certain plan information classified by a funding status which is based on standards of actuarial soundness.

The Board has adopted a definition of actuarial soundness, which is based on the following two tests:

1. Contribution Test: The actual contributions for the previous year exceeded the calculated contribution.
2. Ratio Tests: The assets allocated to cover accrued actuarial liabilities for active participants (i.e. the "short condition test" for category (3)) must be greater than 100% OR the "funded percentage" (total assets divided by total Actuarial Accrued Liabilities) must be at least 97%.

In order to further evaluate potential funding problems, we assigned a "Funding Status" to each plan. The "Funding Status" for each plan was determined as follows:

- A. The calculated contribution amount is \$0. A plan in this classification should remain adequately funded even with no further contributions.
- B. A plan in this classification meets both the contribution test and the ratio test of the definition of actuarial soundness. These plans meet the Boards' definition of actuarial soundness.
- C. The plans in this classification pass the contribution test, but do NOT pass the ratio tests, which are defined above. A plan in this classification should eventually meet both standards of actuarial soundness.
- D. The plans in this category did NOT pass the contribution test. (They may or may not have passed the ratio tests.) These plans will likely require more contributions in order to pay promised benefits.
- E. These plans have assets less than the benefit payments expected for the next three years. In other words, their assets are less than three years worth of benefits. (A plan should have assets to cover 7 to 10 years worth of benefits.)
- F. These plans lacked the assets to cover their benefit payments due in 2013. (Note that benefits may have been fully covered by the assets plus the contributions made during the year.)

The Board Rule which defines actuarial soundness has an alternative definition for some plans. The plan may prove actuarial soundness through a cash flow or alternate cash flow study defined in the Rule.

Summary of Funding Status**POLICE FUNDS**

<u>Funding Status</u>	<u>Number of Plans</u>	<u>Total Actives & Retirees</u>	<u>Actuarial Accrued Liability</u>	<u>Assets</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Contribution Shortfall</u>
A	1	22	13,994,051	16,845,940	(2,851,889)	0
B or B*	0	0	0	0	0	0
C	2	30	11,661,236	9,853,446	1,807,790	0
D	10	293	105,784,010	47,833,998	57,950,013	9,297,567
E	0	0	0	0	0	0
F	0	0	0	0	0	0
Total	13	345	131,439,297	74,533,384	56,905,914	9,297,567

FULL PAID FIRE FUNDS

<u>Funding Status</u>	<u>Number of Plans</u>	<u>Total Actives & Retirees</u>	<u>Actuarial Accrued Liability</u>	<u>Assets</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Contribution Shortfall</u>
A	5	30	7,133,658	7,974,273	(840,615)	0
B or B*	0	0	0	0	0	0
C	3	71	10,840,564	9,170,914	1,669,650	0
D	27	694	250,832,819	122,479,910	128,352,909	19,654,667
E	0	0	0	0	0	0
F	0	0	0	0	0	0
Total	35	795	268,807,041	139,625,097	129,181,944	19,654,667

Summary of Funding Status**VOLUNTEER FIRE FUNDS**

<u>Funding Status</u>	<u>Number of Plans</u>	<u>Total Actives & Retirees</u>	<u>Actuarial Accrued Liability</u>	<u>Assets</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Contribution Shortfall</u>
A	33	395	10,415,186	12,071,795	(1,656,609)	0
B	2	31	1,117,329	1,107,754	9,575	0
C	13	146	2,924,316	2,590,592	333,724	0
D	68	737	18,497,195	13,478,520	5,018,675	867,021
E	0	0	0	0	0	0
F	0	0	0	0	0	0
Total	116	1,309	32,954,026	29,248,661	3,705,365	867,021

ALL FUNDS

<u>Funding Status</u>	<u>Number of Plans</u>	<u>Total Actives & Retirees</u>	<u>Actuarial Accrued Liability</u>	<u>Assets</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Contribution Shortfall</u>
A	39	447	31,542,895	36,892,008	(5,349,113)	0
B	2	31	1,117,329	1,107,754	9,575	0
C	18	247	25,426,116	21,614,952	3,811,164	0
D	105	1,724	375,114,024	183,792,428	191,321,597	29,819,255
E	0	0	0	0	0	0
F	0	0	0	0	0	0
Total	164	2,449	433,200,364	243,407,142	189,793,223	29,819,255

Arkansas Municipal Police and Fire Pension Funds
Summary of Funded Status
December 31, 2013 Valuations

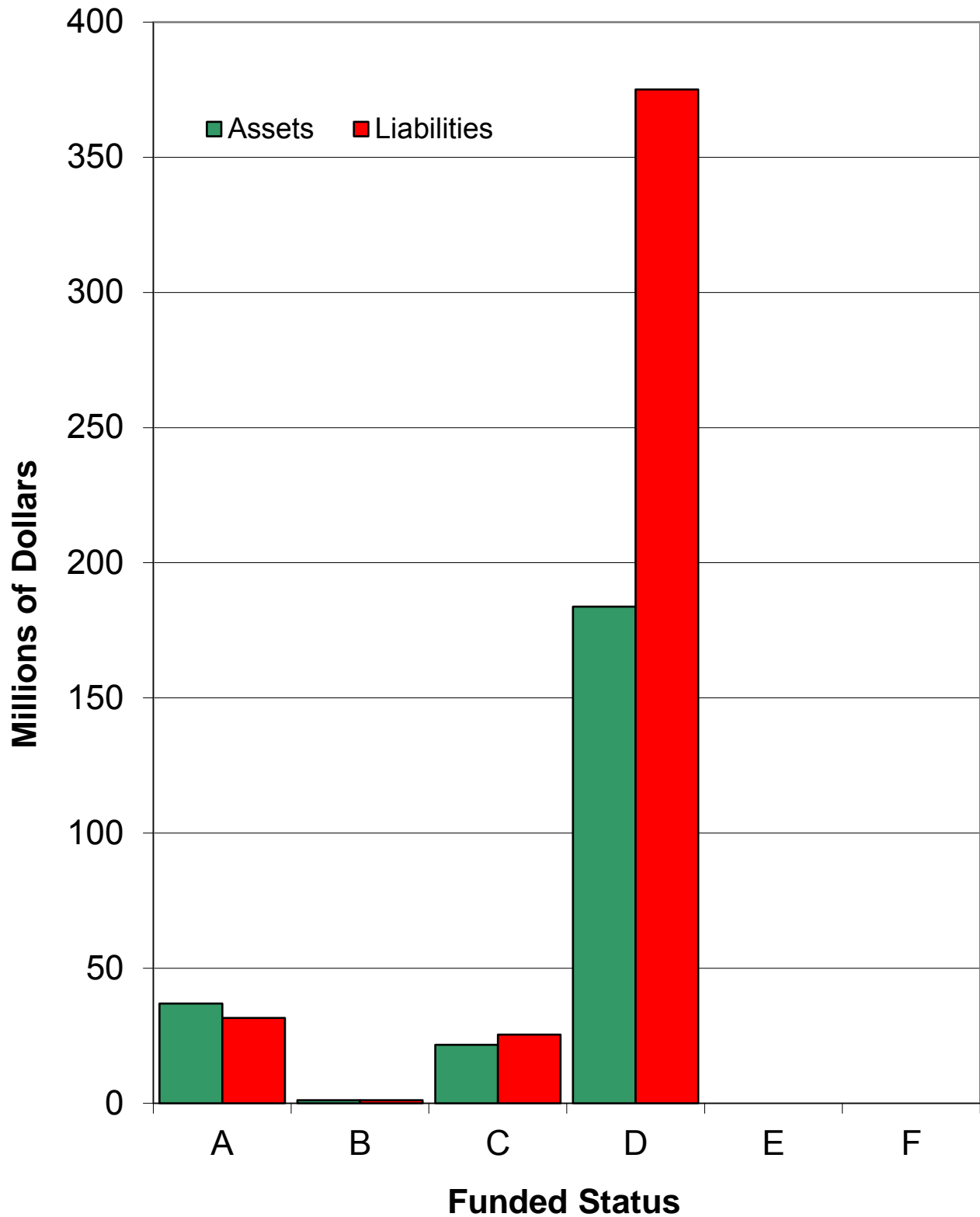


Exhibit 4

Arkansas Municipal Police and Fire Pension and Relief Funds December 31, 2013

Percentage of Actuarial Accrued Liabilities Covered by Reported Allocated Assets (Funded Percentage)

Number of Plans

<u>Type of Plan</u>	<u>0%-25%</u>	<u>26%-50%</u>	<u>51%-75%</u>	<u>76%-100%</u>	<u>Over 100%</u>
Police	0	5	2	5	1
Fire (Paid)	2	7	8	13	5
Fire (Volunteer)	2	10	25	45	34

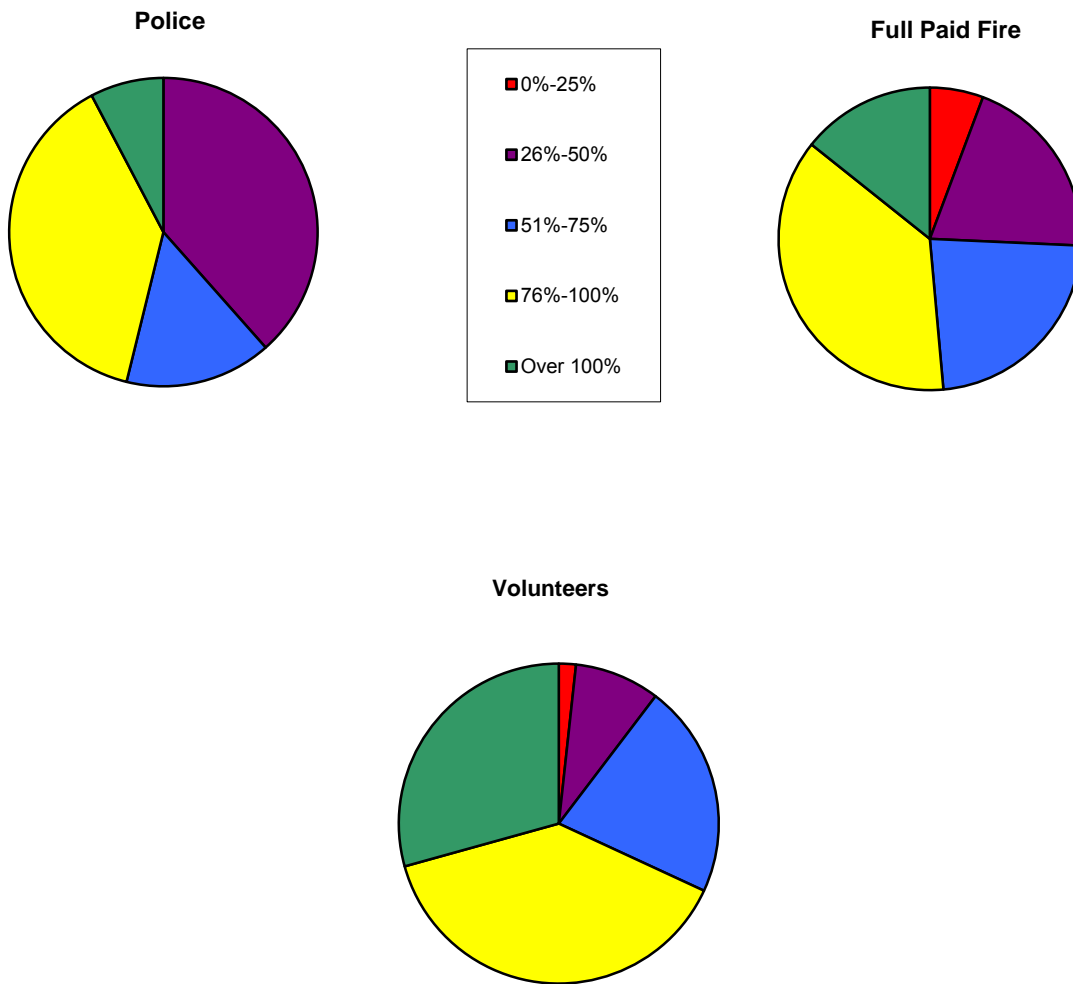


Exhibit 4

Arkansas Municipal Police and Fire Pension and Relief Funds December 31, 2013

2013 Reported Contributions as Percentages of Computed Contributions

Number of Plans

<u>Type of Plan</u>	<u>0%-25%</u>	<u>26%-50%</u>	<u>51%-75%</u>	<u>76%-100%</u>	<u>Over 100%</u>
Police	4	3	1	2	3
Fire (Paid)	11	11	3	2	8
Fire (Volunteer)	40	16	7	5	48

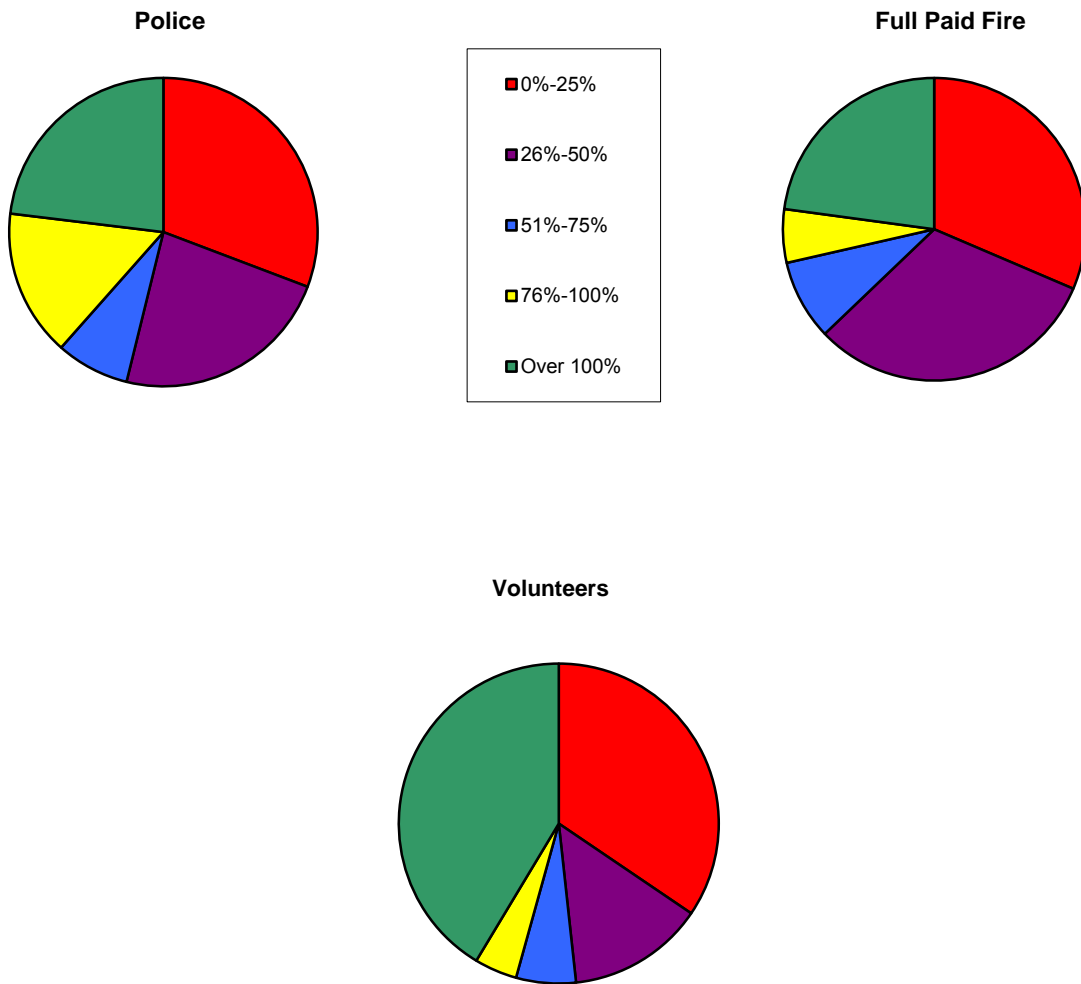


EXHIBIT 4 (continued)

Comparison of Percents of Accrued Liabilities Covered by Assets and
2013 Reported Contributions as Percent of Computed Contributions

Total of All Plans

Number of Plans

Funded Percentage

<u>Contribution Ratio</u>	<u>0%-25%</u>	<u>26%-50%</u>	<u>51%-75%</u>	<u>76%-100%</u>	<u>Over 100%</u>
0%-25%	2	14	17	22	0
26%-50%	0	10	10	10	0
51%-75%	0	1	5	5	0
76%-100%	0	0	3	6	0
Over 100%	0	0	0	20	39

Exhibit 5

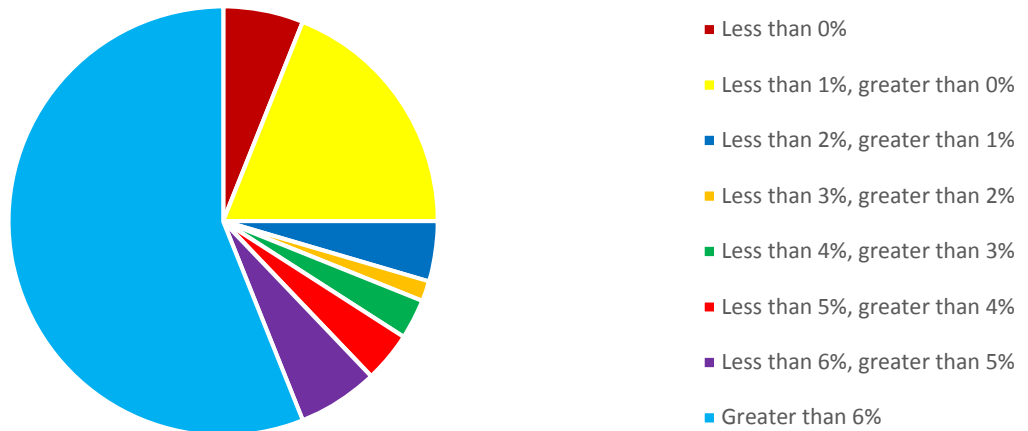
Arkansas Municipal Police and Fire Funds

Average Market Rates of Returns 2004-2013

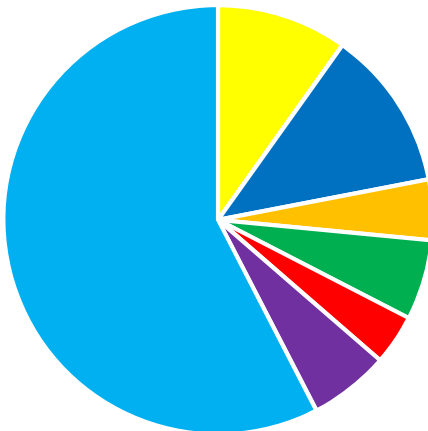
Based on Summary Results of the
December 31, 2013 Actuarial Valuations

	2013 Rate of Return	5-year Average	10-year Average
Less than 0%	8	0	0
Less than 1%, greater than 0%	25	13	3
Less than 2%, greater than 1%	6	16	21
Less than 3%, greater than 2%	2	6	25
Less than 4%, greater than 3%	4	8	26
Less than 5%, greater than 4%	5	5	22
Less than 6%, greater than 5%	8	8	22
Greater than 6%	74	76	13

2013 Market Investment Returns



Five Year Average Return



Ten Year Average Return



EXHIBIT 6

Arkansas Municipal Police and Fire Pension and Relief Funds December 31, 2013

Selected Financial Information by Plan

This exhibit contains selected financial and actuarial information for each plan that reported for December 31, 2013.

The information shown in this exhibit is:

- (1) City or fire protection district.
- (2) Type of plan - i.e., police officers, full-paid firefighters, or volunteer/part paid firefighters.
- (3) Valuation Interest Rate. Since this can vary by plan we added the most recent valuation interest rate to this table.
- (4) Assets. We have shown both the Valuation Assets and the Market Value of Assets.
- (5) Unfunded Actuarial Accrued Liability, which is based on the Valuation Assets.
- (6) Number of individuals included. This number includes active members as well as retirees, beneficiaries, and people on DROP.
- (7) Funded Status. See Exhibit 3 for a description of the five "grades".
- (8) Actuarially Computed Contribution. This is the calculated contribution amount from each valuation report.
- (9) Actual 2013 Contribution. These are the actual amounts contributed by the city from its sources, generally, millage, premium tax, employer match, and percentage of fines for police plans.

The projection of the early indicator, number of years remaining before assets are exhausted, will be reported to the board in a separate report. We no longer are including the Guarantee Fund category since Act 979 of 2011 has superseded the old definitions of Guarantee Fund.

Exhibit 6 (Continued)

Arkansas Municipal Police and Fire Pension and Relief Funds

Based on the December 31, 2013 Actuarial Valuation

	Type of Plan	Valuation Rate	Market Value Assets as of 12/31/2013	Valuation Assets as of 12/31/2013	Unfunded Actuarial Liability	Number of Individuals Covered	Funded Status	Actuarially Computed Contribution	Actual 2013 Contribution
Alma	Volunteer Fire	5%	794,958	697,569	375,791	16	D	84,732	24,917
Altus	Volunteer Fire	5%	56,737	56,737	50,351	5	D	11,353	1,130
Amity	Volunteer Fire	5%	206,248	169,238	44,372	11	D	10,005	0
Arkadelphia	Paid Fire	5%	450,068	360,402	728,432	8	D	172,845	23,869
Arkadelphia	Volunteer Fire	5%	103,152	94,803	154,749	16	D	35,109	4,848
Ashdown	Volunteer Fire	5%	707,943	683,094	(141,464)	13	A	0	0
Augusta	Volunteer Fire	5%	201,210	199,121	3,115	13	D	702	583
Batesville	Paid Fire	5%	1,501,780	1,349,548	2,503,357	15	D	564,445	88,866
Batesville	Volunteer Fire	5%	10,817	9,721	18,031	3	D	4,066	640
Beebe	Paid Fire	5%	255,914	228,305	68,725	1	D	22,330	4,550
Beebe	Volunteer Fire	5%	161,447	187,386	0	8	D	0	0
Benton	Paid Fire	5%	1,835,774	1,829,890	5,423,359	32	D	1,222,834	327,949
Benton	Volunteer Fire	5%	2,300	2,293	6,796	1	D	1,532	411
Berryville	Volunteer Fire	5%	412,492	385,965	(28,878)	18	A	0	48
Blytheville	Paid Fire	5%	2,833,044	2,556,885	3,399,557	26	D	766,516	111,287
Blytheville	Volunteer Fire	5%	23,703	21,392	28,443	3	D	6,413	931
Booneville	Volunteer Fire	5%	324,135	324,135	79,473	12	D	17,919	12,866
Bradford	Volunteer Fire	5%	135,233	102,631	172,515	15	D	39,044	5,808
Bradley	Volunteer Fire	5%	119,142	125,197	48,425	7	D	10,919	955
Brinkley	Paid Fire	5%	320,944	299,203	62,162	1	D	14,016	4,997
Brinkley	Volunteer Fire	5%	372,540	347,305	72,155	12	D	16,269	5,801
Bryant	Volunteer Fire	5%	104,259	92,947	94,500	11	D	21,307	2,277
Bull Shoals	Volunteer Fire	5%	136,949	121,824	65,570	9	D	14,784	1,249
Cabot	Paid Fire	5%	2,526,820	2,340,523	(420,228)	2	A	0	124,528

Exhibit 6 (Continued)

Arkansas Municipal Police and Fire Pension and Relief Funds

Based on the December 31, 2013 Actuarial Valuation

Type of Plan	Valuation Rate	Market Value Assets as of 12/31/2013	Valuation Assets as of 12/31/2013	Unfunded Actuarial Liability	Number of Individuals Covered	Funded Status	Actuarially Computed Contribution	Actual 2013 Contribution	
Cabot	Volunteer Fire	5%	281,880	261,098	(46,879)	7	A	0	13,892
Camden	Paid Fire	5%	2,599,339	2,250,730	3,095,631	27	D	697,989	165,260
Camden	Paid Police	5%	3,769,762	3,154,168	2,654,844	21	D	623,422	152,412
Camden	Volunteer Fire	5%	125,407	84,873	173,066	15	D	39,668	9,392
Carlisle	Volunteer Fire	5%	251,412	256,092	41,474	17	C	9,351	9,744
Centerton	Paid Fire	5%	514,818	447,661	251,886	2	D	63,454	40,879
Centerton	Volunteer Fire	5%	247,954	295,385	41,540	9	D	9,366	6,034
Charleston	Volunteer Fire	5%	393,736	290,707	(51,153)	16	A	0	13,283
Clarendon	Volunteer Fire	5%	338,388	327,175	56,719	8	D	13,210	3,896
Clarksville	Volunteer Fire	5%	1,240,055	1,240,055	(269,830)	19	A	0	43,640
Corning	Volunteer Fire	5%	249,322	249,322	5,322	16	D	1,200	0
Crawfordsville	Volunteer Fire	5%	201,715	194,889	(6,841)	10	A	0	0
Crossett	Paid Fire	5%	3,092,184	3,112,985	525,220	13	D	118,425	47,475
Crossett	Paid Police	5%	1,428,777	1,267,474	253,320	5	D	57,117	0
Crossett	Volunteer Fire	5%	173,214	174,379	29,421	12	D	6,634	2,660
Dardanelle	Volunteer Fire	5%	586,482	477,690	(60,443)	13	A	0	32,450
De Queen	Volunteer Fire	5%	409,362	343,420	92,239	13	C	20,798	22,945
Decatur	Volunteer Fire	5%	184,386	164,788	14,609	5	D	3,294	0
Dermott	Volunteer Fire	5%	387,820	328,133	55,791	17	D	13,708	10,436
Des Arc	Volunteer Fire	5%	336,596	272,428	376	15	B	85	9,504
DeWitt	Paid Fire	5%	0	0	0	0	D	0	0
DeWitt	Volunteer Fire	5%	340,415	341,964	80,171	13	D	18,077	0
Dumas	Volunteer Fire	5%	595,016	596,078	124,790	14	D	30,506	36
Earle	Volunteer Fire	5%	363,414	353,853	(57,405)	13	A	0	24

Exhibit 6 (Continued)

Arkansas Municipal Police and Fire Pension and Relief Funds

Based on the December 31, 2013 Actuarial Valuation

Type of Plan	Valuation Rate	Market Value Assets as of 12/31/2013	Valuation Assets as of 12/31/2013	Unfunded Actuarial Liability	Number of Individuals Covered	Funded Status	Actuarially Computed Contribution	Actual 2013 Contribution	
Elaine	Volunteer Fire	5%	276,674	268,307	10,579	12	C	2,385	2,708
Elkins	Volunteer Fire	5%	385,557	350,783	33,257	15	C	7,499	14,463
Emmet	Volunteer Fire	5%	88,764	88,764	(6,953)	5	A	0	180
England	Volunteer Fire	5%	276,668	276,459	75,997	20	D	17,135	11,344
Eudora	Volunteer Fire	5%	133,433	133,433	36,731	12	D	8,282	384
Eureka Springs	Paid Fire	5%	209,662	186,563	95,978	1	D	21,641	8,247
Eureka Springs	Volunteer Fire	5%	612,637	545,139	280,451	24	D	63,235	24,097
Fayetteville	Paid Fire	5%	4,603,275	4,260,290	14,416,985	45	D	3,250,675	744,023
Fayetteville	Paid Police	5%	7,538,314	6,897,517	13,381,097	46	D	3,017,108	796,675
Fayetteville	Volunteer Fire	5%	21,582	19,974	67,593	9	D	15,241	3,488
Flippin	Volunteer Fire	5%	245,883	225,053	17,402	15	C	3,924	4,158
Fordyce	Volunteer Fire	5%	610,998	556,020	(83,556)	16	A	0	12,323
Foreman	Volunteer Fire	5%	202,745	172,900	33,824	9	D	7,856	817
Gentry	Paid Fire	5%	334,687	280,102	75,579	1	D	27,569	19,006
Gentry	Volunteer Fire	5%	445,081	472,999	0	11	D	0	0
Gillett	Volunteer Fire	5%	267,972	267,972	29,063	15	D	7,784	867
Glenwood	Volunteer Fire	5%	244,809	236,929	30,530	10	D	6,884	337
Grady	Volunteer Fire	5%	135,347	127,837	24,226	8	C	5,462	5,499
Gravette	Volunteer Fire	5%	137,503	130,143	76,905	9	D	17,340	13,142
Greenwood	Volunteer Fire	5%	220,137	190,772	79,839	14	D	18,002	2,155
Greers Ferry	Volunteer Fire	5%	189,719	184,737	(43,329)	8	A	0	0
Gurdon	Volunteer Fire	5%	281,558	277,823	(20,716)	10	A	0	3,358
Hamburg	Volunteer Fire	5%	300,201	275,767	(12,012)	15	A	0	290
Harrison	Paid Fire	5%	2,971,663	2,622,644	2,338,958	20	D	527,377	270,220

Exhibit 6 (Continued)

Arkansas Municipal Police and Fire Pension and Relief Funds

Based on the December 31, 2013 Actuarial Valuation

	Type of Plan	Valuation Rate	Market Value Assets as of 12/31/2013	Valuation Assets as of 12/31/2013	Unfunded Actuarial Liability	Number of Individuals Covered	Funded Status	Actuarially Computed Contribution	Actual 2013 Contribution
Harrison	Paid Police	5%	2,621,884	2,340,274	699,728	11	D	157,771	128,317
Harrison	Volunteer Fire	5%	5,659	4,995	4,454	1	D	1,004	514
Hazen	Volunteer Fire	5%	267,561	267,561	(14,258)	15	A	0	12,124
Heber Springs	Paid Fire	5%	327,915	280,934	86,258	1	D	19,449	0
Heber Springs	Volunteer Fire	5%	418,608	358,633	110,114	14	D	24,828	0
Hickory Ridge	Volunteer Fire	5%	396,020	393,204	(60,897)	8	A	0	2,778
Hope	Paid Fire	5%	2,171,861	2,183,930	(50,246)	12	A	0	85,331
Hope	Volunteer Fire	5%	61,338	61,679	(1,419)	5	A	0	2,410
Horatio	Volunteer Fire	5%	160,926	160,926	(13,640)	6	A	0	0
Hughes	Volunteer Fire	5%	214,806	185,856	49,381	11	D	11,134	877
Huntington	Volunteer Fire	5%	83,530	83,530	35,640	5	D	8,426	2,032
Huntsville	Volunteer Fire	5%	202,333	202,333	(61,075)	7	A	0	13,824
Huttig	Volunteer Fire	5%	214,249	214,249	(14,595)	13	A	0	6,925
Jacksonville	Paid Fire	5%	7,784,644	6,943,389	4,140,107	37	D	933,492	395,611
Jacksonville	Paid Police	5%	6,037,838	5,970,687	1,055,057	21	C	237,889	342,309
Jacksonville	Volunteer Fire	5%	15,670	13,977	8,334	2	D	1,879	796
Judsonia	Volunteer Fire	5%	231,621	227,630	12,556	12	D	3,231	1,536
Keiser	Volunteer Fire	5%	78,049	78,049	56,445	10	D	12,727	3,867
Kensett	Volunteer Fire	5%	104,096	104,096	14,365	10	C	3,239	4,970
Lewisville	Volunteer Fire	5%	103,536	103,536	(914)	5	A	0	0
Lincoln	Paid Fire	5%	128,291	133,682	29,359	1	D	6,620	785
Lincoln	Volunteer Fire	5%	126,093	107,114	53,134	7	D	12,349	1,464
Little Rock	Paid Fire	5%	70,004,770	65,598,286	72,599,814	309	D	16,369,471	5,075,276
Lonoke	Volunteer Fire	5%	555,931	509,192	(93,934)	16	A	0	17,641

Exhibit 6 (Continued)

Arkansas Municipal Police and Fire Pension and Relief Funds

Based on the December 31, 2013 Actuarial Valuation

Type of Plan	Valuation Rate	Market Value Assets as of 12/31/2013	Valuation Assets as of 12/31/2013	Unfunded Actuarial Liability	Number of Individuals Covered	Funded Status	Actuarially Computed Contribution	Actual 2013 Contribution
Malvern Paid Fire	5%	1,979,645	1,830,638	461,365	15	C	104,026	125,520
Malvern Volunteer Fire	5%	52,575	48,617	12,253	3	C	2,763	3,334
Mammoth Spring Volunteer Fire	5%	113,325	113,325	38,180	6	D	8,609	713
Manila Volunteer Fire	5%	354,401	336,359	96,135	16	D	21,964	12,462
Mansfield Volunteer Fire	5%	95,770	95,770	38,699	10	D	8,726	3,439
Marianna Paid Fire	5%	631,355	620,709	133,776	4	D	39,464	9,975
Marianna Volunteer Fire	5%	250,498	263,393	35,959	14	D	9,082	2,295
Marion Volunteer Fire	5%	339,603	347,649	140,248	11	D	31,622	0
Marmaduke Volunteer Fire	5%	56,682	56,682	60,635	8	D	13,672	7,179
Mc Crory Volunteer Fire	5%	261,590	261,590	(58,557)	9	A	0	4,592
Mc Gehee Paid Fire	5%	453,763	391,818	140,218	2	D	46,722	10,623
Mc Gehee Volunteer Fire	5%	96,284	112,893	0	10	D	0	0
Mena Paid Fire	5%	598,228	542,004	4,150	4	D	12,433	4,827
Mena Volunteer Fire	5%	160,391	146,429	0	8	D	0	0
Monticello Paid Fire	5%	962,549	891,021	(54,951)	4	A	0	43,305
Monticello Volunteer Fire	5%	254,090	235,209	(14,506)	12	A	0	11,431
Morrilton Volunteer Fire	5%	1,578,189	1,356,899	(87,421)	23	A	0	19,661
Mount Ida Volunteer Fire	5%	536,191	557,762	(60,630)	12	A	0	4,713
Mountainburg Volunteer Fire	5%	172,440	172,440	(4,611)	10	A	0	1,691
Mulberry Volunteer Fire	5%	237,700	237,700	37,325	8	D	8,416	0
Nashville Volunteer Fire	5%	539,134	527,247	55,099	17	D	12,423	0
Newark Volunteer Fire	5%	124,002	124,002	4,629	8	C	1,044	3,595
Newport Paid Fire	5%	1,355,633	1,300,439	128,825	10	C	29,047	54,935
Newport Paid Police	5%	893,272	640,675	1,516,150	9	D	341,854	19,524

Exhibit 6 (Continued)

Arkansas Municipal Police and Fire Pension and Relief Funds

Based on the December 31, 2013 Actuarial Valuation

Type of Plan	Valuation Rate	Market Value Assets as of 12/31/2013	Valuation Assets as of 12/31/2013	Unfunded Actuarial Liability	Number of Individuals Covered	Funded Status	Actuarially Computed Contribution	Actual 2013 Contribution	
Newport	Volunteer Fire	5%	130,943	125,612	12,443	9	C	2,806	5,307
Ola	Volunteer Fire	5%	277,927	267,093	(30,724)	16	A	0	16,903
Oppelo	Volunteer Fire	5%	115,757	115,757	14,081	8	C	3,175	4,530
Osceola	Paid Fire	5%	2,451,279	2,312,662	(298,897)	9	A	0	146,546
Osceola	Paid Police	5%	2,912,443	2,289,209	378,329	11	D	85,304	79,559
Osceola	Volunteer Fire	5%	151,237	142,685	(18,441)	10	A	0	9,042
Ozark	Volunteer Fire	5%	884,001	835,326	9,199	16	B	2,074	46,128
Pangburn	Volunteer Fire	5%	231,008	215,084	16,245	12	C	3,663	14,663
Paris	Volunteer Fire	5%	250,834	236,396	115,032	15	D	26,895	12,989
Piggott	Volunteer Fire	5%	419,632	419,632	(33,919)	20	A	0	13,645
Pine Bluff	Paid Police	5%	16,909,707	13,751,237	15,285,853	77	D	3,446,584	622,402
Prairie Grove	Volunteer Fire	5%	354,168	328,638	(34,144)	8	A	0	0
Pulaski F P Dist 5	Volunteer Fire	5%	103,866	102,650	133,245	13	D	30,043	1,489
Rector	Volunteer Fire	5%	177,255	175,268	71,530	16	D	16,128	1,539
Rogers	Paid Fire	5%	8,727,969	8,592,615	3,475,555	33	D	783,652	692,976
Rogers	Paid Police	5%	18,619,361	16,845,940	(2,851,889)	22	A	0	644,379
Rogers	Volunteer Fire	5%	80,895	79,640	32,213	7	D	7,263	6,423
Russellville	Paid Fire	5%	2,284,605	1,876,969	2,994,824	16	D	675,259	211,205
Russellville	Paid Police	5%	4,155,763	3,882,759	752,733	9	C	169,723	223,661
Russellville	Volunteer Fire	5%	380,257	312,409	498,468	14	D	112,392	35,154
Salem	Volunteer Fire	5%	163,257	163,257	74,039	8	D	16,694	0
Siloam Springs	Paid Fire	5%	3,549,366	3,124,781	1,201,334	17	D	270,871	123,793
Siloam Springs	Volunteer Fire	5%	92,744	81,650	31,390	5	D	7,078	3,235
Smackover	Volunteer Fire	5%	405,978	405,978	(40,267)	11	A	0	24

Exhibit 6 (Continued)

Arkansas Municipal Police and Fire Pension and Relief Funds

Based on the December 31, 2013 Actuarial Valuation

Type of Plan	Valuation Rate	Market Value Assets as of 12/31/2013	Valuation Assets as of 12/31/2013	Unfunded Actuarial Liability	Number of Individuals Covered	Funded Status	Actuarially Computed Contribution	Actual 2013 Contribution
Springdale Paid Fire	5%	9,184,190	8,402,252	8,756,911	41	D	1,974,468	602,726
Springdale Paid Police	5%	8,850,048	8,344,242	8,672,631	34	D	1,955,465	684,637
Springdale Volunteer Fire	5%	58,108	53,161	55,405	5	D	12,492	3,813
Stamps Paid Fire	5%	32,385	32,460	14,086	1	D	3,176	714
Stamps Volunteer Fire	5%	273,475	274,104	118,952	20	D	26,821	6,033
Star City Volunteer Fire	5%	348,328	285,932	40,531	16	C	9,139	20,767
Texarkana Paid Fire	5%	6,584,511	6,154,803	1,790,688	36	D	403,756	369,143
Texarkana Paid Police	5%	5,462,840	5,226,008	11,752,549	46	D	2,649,911	859,773
Waldron Volunteer Fire	5%	197,655	178,014	51,590	13	D	11,632	1,250
Warren Paid Fire	5%	257,874	246,137	(16,293)	3	A	0	901
Warren Volunteer Fire	5%	215,455	205,648	(13,612)	13	A	0	753
Weiner Volunteer Fire	5%	253,458	241,404	116,550	11	D	26,279	3,955
West Memphis Paid Fire	5%	6,825,222	6,039,837	1,079,460	46	C	250,617	362,734
West Memphis Paid Police	5%	5,486,264	3,923,194	3,355,512	33	D	756,585	450,254
White Hall Volunteer Fire	5%	136,030	136,509	98,193	14	D	22,395	2,332
Lepanto Volunteer Fire	5%	197,048	202,422	28,680	15	D	6,467	5,797
Lake Village Volunteer Fire	5%	178,673	177,287	40,707	13	D	9,178	1,027
Yellville Volunteer Fire	5%	594,158	535,079	(169,586)	13	A	0	11,787
Gassville Volunteer Fire	5%	150,058	137,649	147,983	8	D	33,367	270
Norman Volunteer Fire	5%	68,353	68,353	65,712	6	D	14,816	607
		266,042,856	243,407,142	189,793,223	2,449		44,110,387	16,018,319