City of Moline
619 16 Street, Moline – 2nd Floor
Council Chambers

Committee-of-the-Whole Agenda

6:30 p.m.

Tuesday, August 7, 2012

Presentation

August 2012 Neighbor of the Month Winners: Residential – Dennis Norling, 4711 8th Ave, Commercial – Verizon Wireless, 5200 Avenue of the Cities.

Questions on the Agenda

Agenda Items

1. **Final Plat – Genesis 41st Street Addition** (Shawn Christ, Land Development Manager)

2. **Vacation and replat of Valley View Second Subdivision Phase I** (Shawn Christ, Land Development Manager)

3. **Accepting the actuarial valuation reports for Police and Firefighters' Pension Funds.** (Kathy Carr, Finance Director)

4. **A Special Ordinance authorizing Execution of a Quit Claim Deed to Autumn Trails L.L.C.** (Maureen Riggs, City Attorney)

5. **Agreement for Sale of Real Estate for property at 2426 5th Avenue, Moline, to Darrell K. McColl.** (Maureen Riggs, City Attorney)

6. **Request to begin exclusive negotiations on a Term Sheet/Development Agreement with a private developer at the City owned property known as RiverTech/Hendricks Property 2500 & 2600 River Drive.** (Ray Forsythe, Planning & Development Director)

7. **Approval of a Contract with Davenport Electric Contracting Company for Project #1155, River Drive Street Light Replacement** (Scott Hinton, City Engineer)

8. **Other**

Informational

Stormwater Utility (Scott Hinton, City Engineer)

Explanation

1. **Final Plat – Genesis 41st Street Addition** (Shawn Christ, Land Development Manager)

Explanation: Genesis Health System is preparing their 24-acre property in the 2800 block of 41st Street for development. Approval of this minor subdivision plat is requested to combine several smaller lots into a single, developable tract of land.

Staff Recommendation: Approve
Fiscal Impact: None
Public Notice/Recording: Record by owner/developer
Goals Impacted: Strong Local Economy; Quality Neighborhoods

2. **Vacation and replat of Valley View Second Subdivision Phase I** (Shawn Christ, Land Development Manager)

Explanation: The Illinois Department of Transportation requires additional right-of-way "triangles" at the ends of the deceleration and acceleration lanes to be constructed at the intersection of 65th Street and John Deere Road near Valley View Village. The developer and City staff have determined that vacating the original recorded plat for Valley View Second Subdivision Phase I and recording a new, revised subdivision plat will accommodate IDOT's request. The proposed vacation document, original plat, and revised plat are attached.

Staff Recommendation: Authorize staff to proceed accordingly.
Fiscal Impact: None
Public Notice/Recording: Record by developer.
Goals Impacted: Strong Local Economy, Desirable Place to Live, Quality Neighborhoods

3. **Accepting the actuarial valuation reports submitted by Arthur Tepfer, Actuary, for the year beginning January 1, 2012 and ending December 31, 2012 for the City of Moline Police and Firefighters' Pension Funds.** (Kathy Carr, Finance Director)

Explanation: The sworn Police and Fire personnel of the City of Moline are covered by two pension plans that are defined-benefit, single-employer pension plans. The purpose of the annual actuarial valuation reports is to provide property tax levy requirements for the City's employer contributions. Since 1988, the city has not used the actuarial calculations provided by the State of Illinois Department of Insurance but rather has hired an actuary to use Moline's specific financial information and related actuarial information for the calculation. The City's recommended tax levy will be an increase of $159,250. This amount will be levied for 2013 as part of the property tax levy considered in November. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: Determines 2012 Property Tax Levy Collectible 2013.
Public Notice/Recording: Finance will file with Illinois Department of Insurance, Public Pension Division
Goal Impacted: Financially Strong City

4. **A Special Ordinance authorizing Execution of a Quit Claim Deed to Autumn Trails L.L.C.** (Maureen Riggs, City Attorney)

Explanation: As part of the closing between Autumn Trails L.L.C. and the new purchaser of the memory care facility, there was some question raised as to whether the drives in the development were public or private. All parties agree that the drives, labeled as Outlots A and D on the final plat, were intended to be and are private, but as an assurance that the new owners have legal access to the memory care facility, the parties to the sale requested that the City dedicate any ownership interest in the drives via a quit claim deed to Autumn Trails L.L.C. The dedication will clarify the issue that the drives are private, and the City will retain all existing interest in easements and utilities.

Staff Recommendation:	Approve
Fiscal Impact:	None
Public Notice/Recording:	To be recorded by purchaser
Goals Impacted:	Desirable Place to Live & Quality Neighborhoods

5. **A Special Ordinance authorizing the Mayor and City Clerk to declare property as surplus, execute an Agreement for Sale of Real Estate and do all things necessary to convey the City-owned property at 2426 5th Avenue, Moline, to Darrell K. McColl.** (Maureen Riggs, City Attorney)

Explanation: The City acquired the property at 2426 5th Avenue via quit claim deed and anticipated using abatement funds to demolish the home. However, contractors expressed interest in rehabilitating and purchasing this home. As such, the City published a request for proposals for the purchase and rehabilitation of 2426 5th Avenue on June 19, 2012, and Darrell K. McColl was the only responsive bidder. Darrell K. McColl has offered to purchase 2426 5th Avenue for $100.00 and promises to complete interior and exterior repair and restoration of the building on said property within five (5) months of the date of possession of said property, with possible extension of the completion date as may be agreed to in writing by the parties. Staff recommends accepting this proposal so this project can begin as soon as possible and result in the repair and restoration of a blighted property. This property was in arrears for taxes in the amount of $38,070.34. Those taxes have been deemed null and void against the property by the County Treasurer, and the only taxes that remain are the taxes for 2011 currently due and owing in the amount of $1,708.24. The City recommends paying half of the taxes, and Darrell K. McColl shall pay the other half. The total payments by the City will be $854.12. Additional documentation attached.

Staff Recommendation:	Approve
Fiscal Impact:	N/A
Public Notice/Recording:	Law Department to Record Quit Claim Deed
Goals Impacted:	Desirable Place to Live & Quality Neighborhoods

6. **Request to begin exclusive negotiations on a Term Sheet/Development Agreement with a private developer at the City owned property known as RiverTech/Hendricks Property 2500 & 2600 River Drive.** (Ray Forsythe, Planning & Development Director)

Explanation: At the April 17, 2012, Committee-of-the-Whole meeting, City Council authorized staff to work with Renew Moline on the issuance of a Request For Proposals from private developers to master plan and develop the 15.5 acre green space area located along the Mississippi Riverfront on the east end of downtown Moline. The RFP was released by Renew Moline on June 11, 2012, and proposals were due and submitted on July 23, 2012. City and Renew Staff have reviewed the proposals and made recommendations to the Project Management Team which will hold a public meeting on Monday, August 6, 2012, and make a recommendation as to the preferred developer to Council. Staff is seeking approval to begin to exclusively negotiate the terms of an agreement which would include the terms of the development including types of uses, schedule and purchase/lease of the property with the recommended developer.

Staff Recommendation:	Approval
Fiscal Impact:	Increased Property, Sales, Utility and Use Taxes; potential sale or lease of the City-owned property
Public Notice/Recording:	N/A
Goals Impacted:	Strong Local Economy; Quality Neighborhoods & Vibrant Downtown; Desirable Place to Live

7. **Approval of a Contract with Davenport Electric Contracting Company for Project #1155, River Drive Street Light Replacement** (Scott Hinton, City Engineer)

Explanation: Bids were opened and publicly read on July 17, 2012 for Project #1155 with the following results:

$120,371.00	Davenport Electric
$357,044.20	Tri-City Electric
Non-Responsive	GPE, Inc.

This contract is for the installation of the LED street lights only. The direct purchase of the lights for $234,794.00 was approved by Council at the April 17, 2012 meeting.

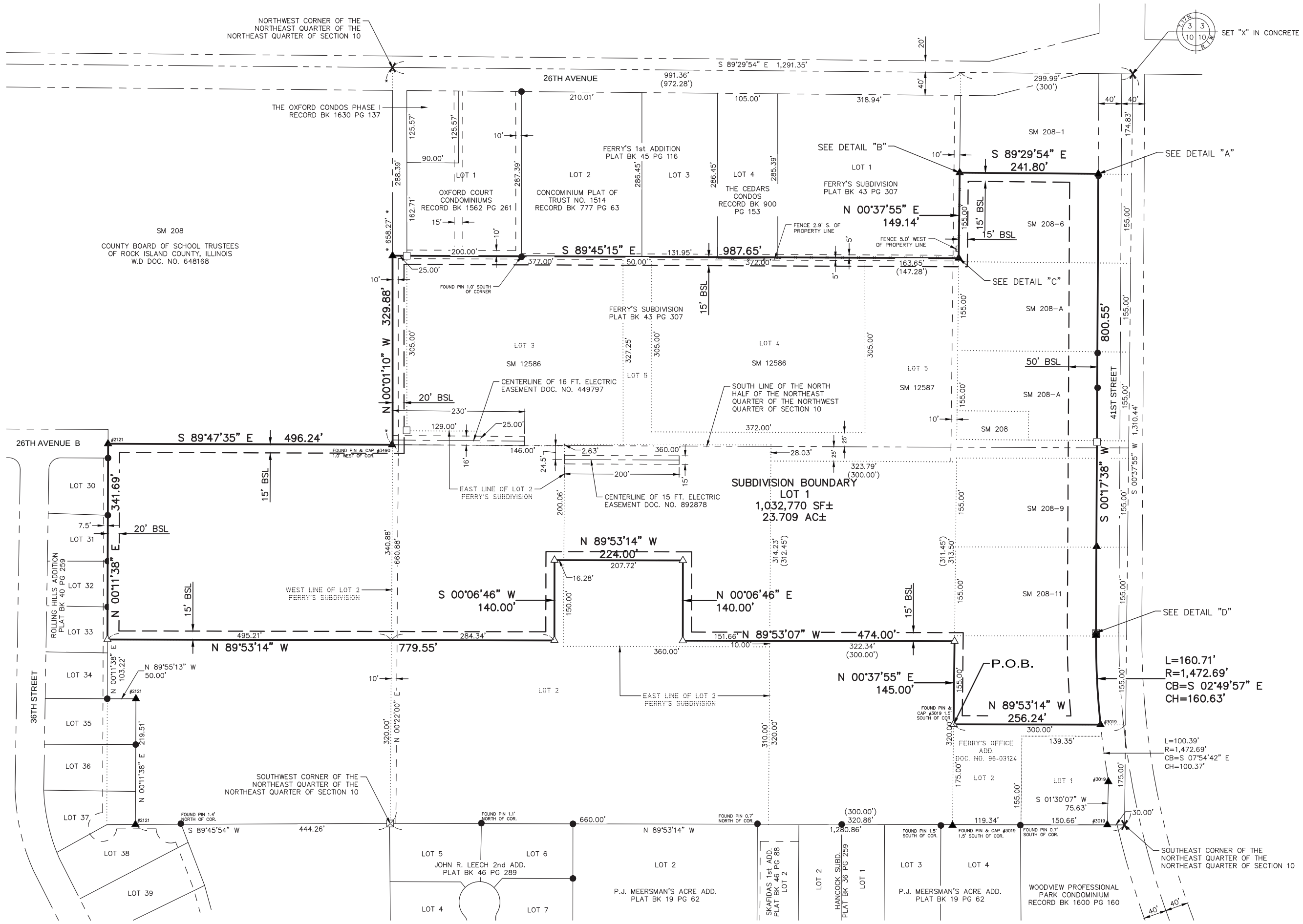
Staff Recommendation: Staff recommends approval of a contact with the lowest responsive and responsible bidder, Davenport Electric Contracting Company.

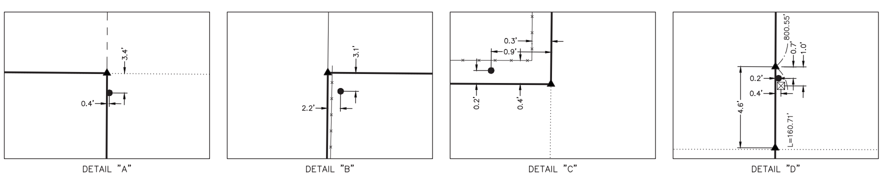
Fiscal Impact: $215,000.00 in Utility Tax Funds and $190,000.00 in Legislator Discretionary Funding from Representative Pat Vershoore are budgeted for this project. After purchasing the lights, $170,206.00 remains available for installation.

Goals Impacted: Strong Local Economy; Quality Neighborhoods & Vibrant Downtown; Desirable Place to Live

FINAL PLAT
GENESIS 41st STREET ADDITION

Part of Lot 2, all of Lots 3, 4 and 5 of Ferry's Subdivision, part of the South Half of the Northwest Quarter of the Northwest Quarter and Part of the Northeast Quarter of the Northwest Quarter, all in Section 10, Township 17 North, Range 1 West of the Fourth Principal Meridian, City of Moline, Rock Island County, Illinois





NORTH IS BASED ON THE ILLINOIS STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983 (1997 ADJUSTMENT)

100' 0 100' 200'

SCALE: 1" = 100'

THIS PLAT PRESENTED BY:
OWNER
GENESIS HEALTH SYSTEM
AN ILLINOIS NOT FOR PROFIT CORPORATION
DOUGLAS P. CROPPER - PRESIDENT & C.E.O.
801 ILLINI DRIVE
SILVIS, ILLINOIS 61282

SUBDIVISION BOUNDARY = 23.709 AC.±

LEGEND

- R.O.W. MARKER, FOUND
- 5/8" DIA. REBAR, FOUND
- X CHISELED "X" IN CONCRETE, FOUND
- 1/2" REBAR WITH CAP #______, FOUND
- 1/2" REBAR WITH CAP #35-_____, SET
- 1/2" SQ. PIN, FOUND
- PIPE, FOUND
- SECTION CORNER
- 100.00' MEASURED DIMENSION
- (100.00') RECORDED DIMENSION
- LINE CONTINUATION
- SUBDIVISION BOUNDARY
- LOT LINE
- CENTERLINE
- UNDERLYING LOT LINE
- EASEMENT LINE
- SECTION LINE
- R.O.W. LINE
- SETBACK LINE
- FENCE LINE

REVISIONS		
No.	DESCRIPTION	DATE
1	CITY REVIEW COMMENTS	7/31/12

Missman, Inc.
Professional Engineers & Land Surveyors
Rock Island, IL (309) 788-7644 • Bettendorf, IA (563) 344-0260 • Rockford, IL (815) 965-6400 • Sycamore, IL (815) 895-3825
www.missman.com

ENGINEER'S CERTIFICATE

LICENSED PROFESSIONAL ENGINEER JASON L. HOLDORF 062-062975 OF ILLINOIS

TO THE BEST OF OUR KNOWLEDGE AND BELIEF THE DRAINAGE OF SURFACE WATERS EITHER WITHIN OR AROUND THIS SUBDIVISION WILL BE CHANGED BY THE CONSTRUCTION OF SAME OR PARTS THEREOF BUT ADEQUATE PROVISION HAS BEEN MADE TO COLLECT AND DIVERT SAID SURFACE WATERS TO PUBLIC DRAINS OR PRIVATE DRAINS TO WHICH THE OWNER HAS LEGAL ACCESS AND SAID PROVISIONS ARE SUCH THAT THE CAPACITY OF NO NATURAL OR MAN-MADE DRAIN WILL BE EXCEEDED AND NO DAMAGE TO ADJOINING PROPERTIES WILL INCUR BECAUSE OF SAID PROVISIONS.

JASON L. HOLDORF DATE: ________________
REGISTRATION NO. 062-062975 RENEWAL DATE 11/30/2013

GENESIS HEALTH SYSTEM DATE: ________________
AN ILLINOIS NOT FOR PROFIT CORPORATION
DOUGLAS P. CROPPER
PRESIDENT & C.E.O.

OWNER'S CERTIFICATE REGARDING SCHOOL DISTRICT

STATE OF ILLINOIS)
) SS.
COUNTY OF ROCK ISLAND)

THIS IS TO CERTIFY THAT TO THE BEST OF MY KNOWLEDGE, ALL OF GENESIS 41st STREET ADDITION IN THE CITY OF MOLINE, ILLINOIS LIES WITHIN THE MOLINE SCHOOL DISTRICT NO. 40, ROCK ISLAND COUNTY, ILLINOIS.

DATED: THIS _____ DAY OF ____________, 2012

OWNER: GENESIS HEALTH SYSTEM
AN ILLINOIS NOT FOR PROFIT CORPORATION

BY: ______________________________
DOUGLAS P. CROPPER
PRESIDENT & C.E.O.

____
NOTARY PUBLIC

GENERAL NOTES

THIS PROPERTY IS CURRENTLY ZONED: ORT - OFFICE / RESEARCH PARK AND TECHNOLOGY DISTRICT.

BASED UPON THE REVIEW OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP NUMBER #17161C0330F, EFFECTIVE DATE: APRIL 5, 2010; NO PART OF THIS SUBDIVISION IS REPORTEDLY LOCATED WITHIN A SPECIAL FLOOD HAZARD AREA; BASED UPON SCALED MAP LOCATIONS AND GRAPHIC PLOTTING ONLY.

IT SHOULD BE NOTED THAT IN THE PERFORMANCE OF THIS RE-SURVEY, THE COURSES AND DISTANCES OF THE RE-SURVEY MAY VARY FROM RECORDED CALLS, BASED ON THE EXISTENCE OF FOUND MONUMENTATION, OCCUPATION, OR OTHER CONTROLLING CALLS OR CONDITIONS THAT HAVE OCCURRED IN THE RE-SURVEY OF THIS PROPERTY.

THIS PROPERTY IS SUBJECT TO ANY AND ALL EASEMENTS, DRAINAGE WAYS AND ROADWAYS THAT A COMPLETE TITLE SEARCH WOULD DISCLOSE.

NO NEW EASEMENTS ARE DEDICATED AS PART OF THIS SUBDIVISION PLAT. EXISTING EASEMENTS FROM FERRY'S SUBDIVISION AND THE TWO ELECTRIC EASEMENTS ESTABLISHED BY THE RECORD DOCUMENTS NOTED ON THE PLAT REMAIN IN EFFECT.

DISTANCES ARE LISTED IN FEET AND DECIMAL PART OF A FOOT.

FIELDWORK COMPLETED 7/30/2012.
ALL MONUMENTS HAVE BEEN FOUND OR SET AS SHOWN ON THIS PLAT.

DARYL A. BRICKNER 35-3125 ILLINOIS PROFESSIONAL LAND SURVEYOR ROCK ISLAND ILLINOIS

I hereby certify that this land surveying document was prepared and the related survey work was performed by me or under my direct personal supervision and that it conforms to the current Illinois Minimum Standards for a boundary survey.

Daryl A. Brickner, PLS No. 35-3125 Date
My license expires on November 30, 2012
No. of sheets covered by this seal: ____
IL DESIGN FIRM NO. 184-000843

GENESIS 41st STREET ADDITION
MOLINE, ILLINOIS
FINAL PLAT

Missman Project No: C12L033
File Name: C12L033-FINAL PLAT.dwg

Field Book No:
Drawn By: DAB
Checked By: DAB
Date: 7/17/2012
Sheet 1 of 1

Surveyor's Certificate

State of Illinois)
) ss.
County of Rock Island)

I, Daryl A. Brickner, an Illinois professional land surveyor, hereby state that the annexed plat is a true and correct representation of a survey made by me or under my direction according to the surveying laws of the State of Illinois and the City of Moline's Subdivision Ordinance, of the following described property to wit:

Part of Lot 2, all of Lots 3, 4 and 5 of Ferry's Subdivision, recorded in Plat Book 43 at Page 307 in the Rock Island County Recorder's Office, part of the South Half of the Northwest Quarter of the Northwest Quarter and part of the Northeast Quarter of the Northwest Quarter, all in Section 10, Township 17 North, Range 1 West of the 4th Principal Meridian, City of Moline, County of Rock Island, State of Illinois, more particularly described as follows:

Beginning at the northwest corner of Ferry's Office Addition, recorded as Document Number 96-03124 in the Rock Island County Recorder's Office;

Thence North 00 degrees 37 minutes 55 seconds East, a distance of 145.00 feet;

Thence North 89 degrees 53 minutes 07 seconds West, a distance of 474.00 feet;

Thence North 00 degrees 06 minutes 46 seconds East, a distance of 140.00 feet;

Thence North 89 degrees 53 minutes 14 seconds West, a distance of 224.00 feet;

Thence South 00 degrees 06 minutes 46 seconds West, a distance of 140.00 feet;

Thence North 89 degrees 53 minutes 14 seconds West, a distance of 779.55 feet to the east line of Rolling Hills Addition, recorded in Plat Book 40 at Page 259 in said Recorder's Office;

Thence North 00 degrees 11 minutes 38 seconds East along said east line, a distance of 341.69 feet to the south line of the Real Estate conveyed to the County Board of School Trustees of Rock Island County, Illinois recorded as Document No. 648168 in said Recorder's Office;

Thence South 89 degrees 47 minutes 35 seconds East along said south line, a distance of 496.24 feet to the west line of Lot 2 in said Ferry's Subdivision;

Thence North 00 degrees 01 minutes 10 seconds West along said west line, a distance of 329.88 feet to the southwest corner of Ferry's 1st Addition, recorded in Plat Book 45 at Page 116 in said Recorder's Office;

Thence South 89 degrees 45 minutes 15 seconds East along the south line of said Ferry's 1st Addition and the south line of Lot 1 in said Ferry's Subdivision, a distance of 987.65 feet to the southeast corner of Lot 1 in said Ferry's Subdivision;

Thence North 00 degrees 37 minutes 55 seconds East along the east line of said Lot 1, a distance of 149.14 feet to the southwest corner of the Real Estate conveyed to Kent D. Lundt & Connie A. Lundt, recorded as Document Number 96-02560 in said Recorder's Office;

Thence South 89 degrees 29 minutes 54 seconds East along the south line of said Real Estate so conveyed, a distance of 241.80 feet to the west right of way line of 41st Street;

Thence South 00 degrees 17 minutes 38 seconds West along said west right of way line, a distance of 800.55 feet;

Thence southerly 160.71 feet along said west right of way line and the arc of a curve to the left having a radius of 1,472.69 feet, a chord bearing of South 02 degrees 49 minutes 57 seconds East, and a chord distance of 160.63 feet to the northeast corner of said Ferry's Office Addition;

Thence North 89 degrees 53 minutes 14 seconds West along the north line of said Ferry's Office Addition, a distance of 256.24 feet to the Point of Beginning.

The above described parcel contains 1,032,770 square feet or 23.709 acres, more or less as shown by the attached Final Plat.

For the purpose of this description North is based on the Illinois State Plane Coordinate System, West Zone, North American Datum of 1983 (1997 Adjustment).

This professional service conforms with the current Illinois minimum standards for a boundary survey.

Monuments as shown on the plat are set or will be set within thirty (30) days after the completion of the required improvements and their acceptance by the City, and such monuments are or will be sufficient to enable the survey to be retraced and will occupy the positions shown thereon.

No part of the property covered by this plat of subdivision is located within a Special Flood Hazard Area as identified by the Federal Emergency Management Agency.

In witness I hereunto set by hand and seal this 31st day of July, A.D. 2012.

____
Daryl A. Brickner
Pages covered by this seal: _______
License No. 35-3125
My License Expiration Date is November 30, 2012
Illinois Professional Design Firm # 184-000843

Owner’s Certificate

State of Illinois)
Rock Island County) SS.
City of Moline)

Know all men by these presents, that **Genesis Health System an Illinois Not For Profit Corporation**, the Owners of the land shown on the accompanying plat and described in the accompanying statement of the surveyor do hereby certify that we has caused said survey to be made and acknowledge the said plat as correct, and do hereby adopt and accept the same and cause it to be known as **GENESIS 41ST STREET ADDITION**.

Easements are hereby dedicated for the use of the City of Moline and Rock Island County, and public facilities franchise to do business within the City of Moline and Rock Island County, as indicated on the plat and marked utility easement to install, lay, construct, renew, operate and maintain gas, water conduits, cable, poles and wires, overhead and underground, with all necessary braces, guys, anchors and other appliances for the purpose of serving the subdivision and other property with gas, water, electric and telephone service and to overhang all lots with aerial service wires to serve adjacent lots, together with the right to enter upon lots at all times to install, lay, construct, renew, operate and maintain said gas, and water pipes, conduits, cables, poles, wire, braces, guys, anchors and other appliances, and to trim and keep trimmed any trees, shrubs or saplings that interfere or threaten to interfere with said public utility equipment, but same may be used for gardens, shrubs, landscaping and other purposes that do not interfere with the use of said easement for public utility purposes.

All streets, alleys, public open spaces and easements shown and not heretofore dedicated, are hereby dedicated to the public.

Building setback lines are hereby established as shown on this plat, between which lines and the property lines of the streets there shall be erected or maintained no building structure.

In witness whereof, we hereunto affix our hands and seals this _____ day of __________, A.D. 2011.

Owner: Genesis Health System an Illinois Not For Profit Corporation

By: ______________________________________
Douglas P. Cropper - President & C.E.O.

Notary Public's Certificate

State of Illinois)
City of Moline) SS.
Rock Island County)

I, __________________________, a Notary Public in and for the County aforesaid, do hereby certify that **Genesis Health System an Illinois Not For Profit Corporation**, the Owners who are personally know to me to be the same persons whose names are subscribed to the foregoing instrument, and that they appeared before me this day in person and acknowledge that they signed and sealed the same as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this _____ day of _______________, 2011.

____
Notary Public

County Clerk’s Certificate

I, ________________________, representative for the Office of County Clerk of Rock Island County, Illinois, do hereby certify that I find no unpaid or forfeited taxes against any of the real estate included within this plat.

____
Office of County Clerk

____
Date

Certificate of City Council

I, Don Welvaert, Mayor of the City of Moline, do hereby certify that the plat shown hereon was duly presented to the City Council and approved at a meeting of same held on the ____ day of _____________, 2012.

____
Don Welvaert – Mayor

Attest: __________________________
Tracy A. Koranda – City Clerk

City Clerk's Certificate

I, Tracy A. Koranda, City Clerk in and for the said City of Moline, do hereby certify that all due assessments have been paid upon the real estate described on the accompanying plat.

In witness whereof, I hereunto set my hand and official seal this _______ day of ____________________, 2003.

____
Tracy A. Koranda – City Clerk

City Engineer's Certificate

The design of the accompanying plat has been examined and found to meet the requirements of the Subdivision Ordinance.

____
Scott Hinton – City Engineer

VACATION
Of Valley View Second Subdivision
Phase One recorded as Document 2011-19383
in Book 48 of Plats at Page 112

State of Wisconsin)
County of Menominee) S.S.

This is to certify that Menard, Inc. is the owner of the lands shown and described on the annexed Plat and by its duly authorized officers has as such owner caused the same to be surveyed, subdivided and platted as shown thereon for the uses and purposes therein set forth and has caused said plat to be executed and placed of record as shown.

It is further certified that public rights-of-way were dedicated by the annexed Plat, that rights for or need for vehicular access to any public right-of-way was created by said Plat and that easement rights were granted by said Plat.

It is the express desire of said owner that, by the execution and placement of record of this instrument, said plat be VACATED and that the effect of said Document 2011-19383 be deemed to have been destroyed as provided by 765 ILCS 205/6, said Vacation being hereby acknowledged and adopted under the style and title thereon shown. The City of Moline, Illinois approves this action as certified herein and reserves to the public body or public utility owning such facilities, the property, rights of way, and easements necessary for continuing public service by means of those facilities and for the maintenance, renewal and reconstruction of the same.

Given this____day of__________, A.D.2012.

Menard, Inc.

By:____
Title

Attest:_____________________________________
Title

State of Wisconsin)
County of Menominee) S.S.

I,____________________, a notary public in and for the County and State aforesaid do hereby certify that________________and________________,as ________________and_________________of Menard, Inc., who are personally known to me to be the same persons whose names are subscribed to the foregoing certificate, appeared before me this day in person and acknowledged the execution of the annexed instrument as being pursuant to authority given and as their free and voluntary act and as the free and voluntary act of Menard, Inc.

Given under my hand and notarial seal this____day of__________ ,
A.D.2012.

____
notary public

State of Illinois)
County of Rock Island) S.S.

This is to certify that The City of Moline, a body politic and corporate in the County and State aforesaid does, after consultation with all appropriate municipal entities, hereby approve the annexed VACATION of the herein cited Plat as provided by 765 ILCS 205/6 this____day of____________, A.D.2012.

City of Moline

By:______________________________
Mayor

Attest:______________________________
City Clerk

2011-19383
PATRICIA "PAT" VERONDA
ROCK ISLAND COUNTY RECORDER
ROCK ISLAND, IL
RECORDED ON
09/19/2011 02:47PM
PLAT FEE: 70.50
RHSP FEE: 10.00
BOOK: 48
PAGE: 112
PAGES: 1

Notes:

3/4"x24" Iron Pipes at all Lot corners except as noted. All monuments placed pursuant to Title 68 Section 1270.56 paragraph b 5, Illinois Administrative Code and 765 ILCS 205/1.

The platted lands are zoned "B-3" and the zoning authority is the City of Moline. Building setback lines and other restrictions are established by Moline City Code Section 35-3310.

The platted lands are subject to the terms and conditions contained in a Grant of Easement recorded concurrently herewith and providing for utility easement on the platted lands as well as other lands.

A permanent, non-exclusive easement over, under, upon and across the areas shown and labeled on the annexed plat as "Easement for Ingress & Egress" for pedestrian and vehicular ingress and egress to and from the platted lands as well as other lands is hereby reserved and granted by any entity holding fee title to the lands platted hereby or any portion thereof, together with their successors and assigns as grantors, for and to the City of Moline, Illinois as trustee for the public.

State of Illinois
County of Rock Island } S.S.

I, Tracy A. Koranda City Clerk in and for the said City of Moline, do hereby certify that all due assessments have been paid upon the real estate described on the accompanying plat.

In witness whereof, I hereunto set my hand and official seal this 24th day of August, A.D. 2011.

Tracy A Koranda
City Clerk

State of Illinois
County of Rock Island } S.S.

I, Donald P. Welvaert, Mayor of the City of Moline, do hereby certify that the plat shown hereon was duly presented to the City Council and approved at a meeting of same held on the 1st day of August, A.D. 2011.

Donald P. Welvaert
Mayor

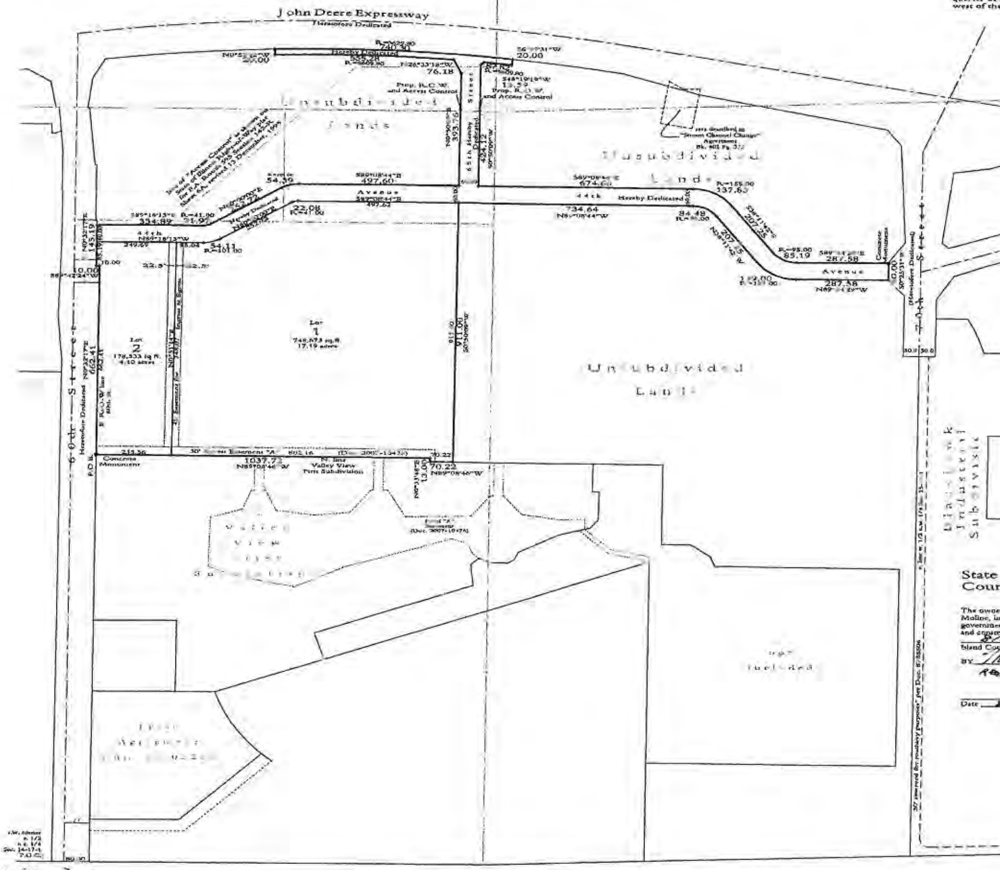
Attest: Tracy A Koranda
City Clerk

Scale 1"=200'
NAD 83

Plat of Subdivision
Valley View Second Subdivision Phase I

Being a subdivision of part of the southeast quarter of the southeast quarter of Section 11, the southwest quarter of the southwest quarter of Section 12, the northwest quarter of the northwest quarter of Section 13 and the northeast quarter of the northeast corner of Section 14, Township 17 North, Range 1 west of the Fourth Principal Meridian in Rock Island County, Illinois.

Area: 1,125,626 sq.ft. 25.84 acres



State of Wisconsin
County of Eau Claire } S.S.

The owner, or owner's representative, hereby irrevocably offers for dedication to the City of Moline, in fee simple absolute unless otherwise called for on the plat all the streets, local government uses, easements, parks, and required utilities shown within the subdivision plat and construction plans in accordance with an irrevocable offer of dedication dated 8/29/11 and recorded in the Office of the Recorder of Deeds of Rock Island County, Illinois.

BY Theron Berg
Real Estate Manager

Date 8/29/11

State of Wisconsin
County of Eau Claire } S.S.

This is to certify that Menard, Inc. is the owner of the lands shown and described on the annexed plat and by its duly elected officers has as such owner caused the same to be surveyed, subdivided and platted as shown thereon for the uses and purposes therein set forth and does hereby acknowledge and adopt the same under the style and title thereon shown. Sidewalks shall be constructed at the time the structure is constructed or at the direction of the board of local improvements recommended to the City Council of the City of Moline. All streets, alleys, and public open spaces shown and not heretofore dedicated are hereby dedicated to the public.

It is further certified that the lands platted herein fall within the boundaries of Moline School District No. 40.

Given this 29 day of August, A.D.2011.

by: Theron Berg
(title) Real Estate Manager

attest: Scott Anttelman
(title) Real Estate Representative

State of Wisconsin
County of Eau Claire } S.S.

I, Timothy Engard, a notary public in and for the County and State aforesaid do hereby certify that Theron Berg and Scott Anttelman as Real Estate Manager and Real Estate Rep. of Menard, Inc., who are personally known to me to be the same persons whose names are subscribed to the foregoing certificate, appeared before me this day in person and acknowledged the execution of the annexed plat and accompanying instrument as being pursuant to authority given and as their free and voluntary act and as the free and voluntary act of Menard, Inc.

Given under my hand and notarial seal this 29 day of August, A.D.2011.

Timothy Engard
notary public
My Commission is permanent.

NOTARY PUBLIC
STATE OF WISCONSIN

State of Illinois
County of Rock Island } S.S.

We, the undersigned Director of Public Works and Director of Planning and Development, do hereby certify that the accompanying plat has been examined and found to be in compliance with the requirements of the Subdivision Ordinance and recommend approval of this plat by the City of Moline.

Scott Hinton
Director of Public Works

Ray Forsythe
Director of Planning and Development

State of Illinois
County of Rock Island } S.S.

The design of the accompanying plat has been examined and found to meet the requirements of the Subdivision Ordinance.

Scott Hinton
Director of Public Works

State of Illinois
County of Rock Island } S.S.

I, Karen Kinney, County Clerk of Rock Island County, Illinois, do hereby certify that I find no unpaid or forfeited taxes against any of the real estate included within this plat.

Karen Kinney
County Clerk

09-15-2011
Date

ROCK ISLAND COUNTY
COUNTY CLERK
STATE OF ILLINOIS

State of Illinois
County of Rock Island } S.S.

We, the undersigned officers of the Plan Commission of the City of Moline, Illinois, do certify that the accompanying plat of Valley view Second Subdivision Phase I, an addition to the City of Moline, Illinois, was recommended to the City Council of the City of Moline, Illinois, at a meeting held on the 25 day of May A.D. 2011.

MOLINE PLAN COMMISSION

Chairman

Secretary

State of Illinois
County of DuPage } S.S.

This is to certify that I, John Cole Helfrich, an Illinois Professional Land Surveyor, have surveyed and subdivided and platted that part of the southeast quarter of the southeast quarter of Section 11, the southwest quarter of the southwest quarter of Section 12, the northwest corner of the northwest corner of Section 13 and the northeast corner of the northeast corner of Section 14, Township 17 North, Range 1 west of the Fourth Principal Meridian described as follows:

beginning at the northwest corner of Valley View First Subdivision as platted by Document 2007-26801; thence N0°32'17"E along the east right-of-way line of 60th Street, 662.41 feet; thence S88°47'24"W along said east right-of-way line, 10.00 feet; thence N0°32'17"E along said east right-of-way line, 145.19 feet; thence S89°18'13"E, 334.89 feet; thence northeasterly along a circular curve having a radius of 41.00 feet concave to the northwest, the chord of which bears N75°20'54"E, 21.97 feet; thence N60°00'00"E, 252.72 feet; thence northeasterly along a circular curve having a radius of 101.00 feet concave to the southeast, the chord of which bears N75°25'38"E, 54.39 feet; thence S89°08'44"E, 497.60 feet; thence N0°50'09"E, 393.76 feet; thence N26°33'18"W, 52.77 feet to a line 20 feet south of and parallel with the south right-of-way line of F.A. Route 695 (John Deere Road); thence westerly along said parallel line, being a circular curve having a radius of 5609.80 feet concave to the south, the chord of which bears N88°0[illegible]'04"W, 555.28 feet; thence N0°5[illegible]'32"W, 20.00 feet to said south right-of-way line; thence easterly along said south right-of-way line, being a circular curve having a radius of 5629.80 feet concave to the south, the chord of which bears S87°06'31"E, 740.30 feet; thence S6°39'31"W, 20.00 feet to said parallel line; thence westerly along said parallel line, being a circular curve having a radius of 5609.80 feet concave to the south, the chord of which bears N83°47'24"W, 87.82 feet; thence S48°19'19"W, 13.59 feet; thence S0°50'09"W, 424.12 feet; thence S89°08'44"E, 674.66 feet; thence southeasterly along a circular curve having a radius of 155.00 feet concave to the southwest, the chord of which bears S63°40'13"E 137.83 feet; thence S38°11'42"E, 207.25 feet; thence hence southeasterly along a circular curve having a radius of 95.00 feet concave to the northeast, the chord of which bears S63°53'06"E, 85.19 feet; thence S89°14'29"E, 287.58 feet to the west line of 70th Street; thence S0°25'31"W along said west line of 70th Street, 60.00 feet; thence N89°34'29"W, 287.58 feet; thence northwesterly along a circular curve having a radius of 155.00 feet concave to the northeast, the chord of which bears N63°53'06"W, 139.00 feet; thence N38°11'42"W, 207.25 feet; thence northwesterly along a circular curve having a radius of 95.00 feet concave to the southwest, the chord of which bears N63°40'13"W, 84.48 feet; thence N89°08'44"W, 734.64 feet; thence S0°50'09"W, 911.00 feet to the north line of said Valley View First Subdivision; thence N89°08'46"W along said north line, 70.22 feet; thence N0°33'48"E along said north line, 13.00 feet; thence N89°08'46"W along said north line, 1037.72 feet to the point of beginning in the City of Moline, Rock Island County, Illinois.

I further certify that the lands described above do not fall in a designated Flood Hazard Area as defined by the Federal Emergency Management Agency

I further certify that the lands described above lie within the corporate limits of the City of Moline, which has authorized a comprehensive plan and is exercising the special powers granted by the State of Illinois according to 65 ILCS 5/11-12-6 as heretofore and hereafter amended.

All dimensions are given in feet and decimal parts thereof and are correct at 62° Fahrenheit. Dimensions of curved lines represent arc lengths.

Given under my Hand and Seal at Wheaton, Illinois this 15th day of August A.D.2011.

Illinois Professional Land Surveyor 29[illegible]
exp 11-30-12

This professional service conforms to the current Illinois minimum standards for a boundary survey.

Field work completed 6-25-11

John Cole Helfrich
Professional Land Surveyor 2967
State of Illinois

Final Plat of Subdivision	Prepared for: Menard, Inc.	Craig R. Knoche & Associates Civil Engineers, P.C. • Civil Engineers • Surveyors • Land Planners Registered Design Firm 3[illegible] 22 North Bennett Street • Geneva, Illinois 60134 • phone (630) 845-1270 • fax (630) 845-1275	Date: 7-12-11 File: 10-00RP1 Job: 10-001	Sheet 1 of 1

Notes:

Lot 3 as platted herein is intended to be conveyed by Warranty Deed to the Illinois Department of Transportation for use as public right-of-way.

There shall be no direct vehicular access between the platted Lots and 60th Street. Vehicular access to 65th Street is controlled by the Illinois Department of Transportation north of the points shown herein.

3/4"x24" iron Pipes at all Lot corners except as noted. All monuments placed pursuant to Title 68 **Section 1270.56 paragraph b 5**, Illinois Administrative Code and 765 ILCS 205/1.

The platted lands are zoned "B-3" and the zoning authority is the City of Moline. Building setback lines and other restrictions are established by Moline City Code Section 35-3310.

The platted lands are subject to the terms and conditions contained in a Grant of Easement recorded concurrently herewith and providing for utility easements on the platted lands as well as other lands.

A permanent, non-exclusive easement over, under, upon and across the areas shown and labeled on the annexed plat as "Easement for Ingress & Egress" for pedestrian and vehicular ingress and egress to and from the platted lands as well as other lands is hereby reserved and granted by any entity holding fee title to the lands platted hereby or any portions thereof, together with their successors and assigns as grantors, for and to the City of Moline, Illinois as trustee for the public.

State of Illinois
County of Rock Island } S.S.

I, ______________________, City Clerk in and for the said City of Moline, do hereby certify that all due assessments have been paid upon the real estate described on the accompanying plat.

In witness whereof, I hereunto set my hand and official seal this ________ day of______________________, A.D. 2012.

____
City Clerk

State of Illinois
County of Rock Island } S.S.

I, ____________________________, Mayor of the City of Moline, do hereby certify that the plat shown hereon was duly presented to the City Council and approved at a meeting of same held on the ___day of________________, A.D. 2012.

____
Mayor

Attest: ______________________________
City Clerk

This plat has been approved by the Illinois Department of Transportation with respect to roadway access pursuant to Par. 2 of "An Act to Revise the Law in Relation to Plats," as amended. A plan that meets the requirements contained in the Department's "Policy on Permits for Access Driveways to State Highways" will be required by the Department.

____
Eric Therkildsen, P.E.
Region Two Engineer
Deputy Director of Highways

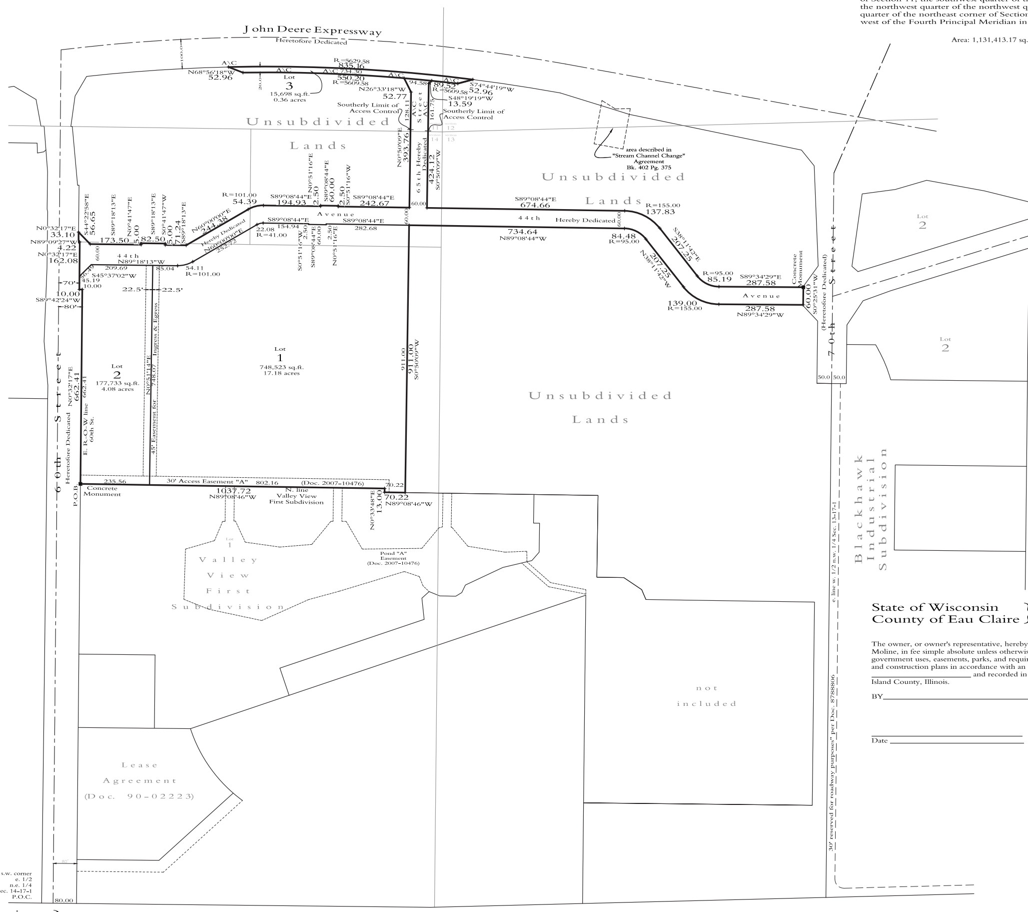
Scale 1"=200'
NAD '83

Plat of Subdivision

Valley View Second Subdivision Phase I

Being a subdivision of part of the southeast quarter of the southeast quarter of Section 11, the southwest quarter of the southwest quarter of Section 12, the northwest quarter of the northwest quarter of Section 13 and the northeast quarter of the northeast corner of Section 14, Township 17 North, Range 1 west of the Fourth Principal Meridian in Rock Island County, Illinois.

Area: 1,131,413.17 sq.ft. 25.97 acres



State of Wisconsin
County of Eau Claire } S.S.

The owner, or owner's representative, hereby irrevocably offers for dedication to the City of Moline, in fee simple absolute unless otherwise called for on the plat all the streets, local government uses, easements, parks, and required utilities shown within the subdivision plat and construction plans in accordance with an irrevocable offer of dedication dated ______________________ and recorded in the Office of the Recorder of Deeds of Rock Island County, Illinois.

BY______________________________

____
Date ______________________________

State of Wisconsin
County of Eau Claire } S.S.

This is to certify that Menard, Inc. is the owner of the lands shown and described on the annexed plat and by its duly elected officers has as such owner caused the same to be surveyed, subdivided and platted as shown thereon for the uses and purposes therein set forth and does hereby acknowledge and adopt the same under the style and title thereon shown. Sidewalks shall be constructed at the time the structure is constructed or at the direction of the board of local improvements recommended to the City Council of the City of Moline. All streets, alleys, and public open spaces shown and not heretofore dedicated are hereby dedicated to the public.

It is further certified that the lands platted herein fall within the boundaries of Moline School District No. 40.

Given this____day of__________, A.D.2012.

by:______________________________
(title)

attest:______________________________
(title)

State of Wisconsin
County of Eau Claire } S.S.

I,______________________, a notary public in and for the County and State aforesaid do hereby certify that__________________and__________________, as__________________and__________________of Menard, Inc., who are personally known to me to be the same persons whose names are subscribed to the foregoing certificate, appeared before me this day in person and acknowledged the execution of the annexed plat and accompanying instrument as being pursuant to authority given and as their free and voluntary act and as the free and voluntary act of Menard, Inc.

Given under my hand and notarial seal this____day of__________ , A.D.2012.

____
notary public

State of Illinois
County of Rock Island } S.S.

We, the undersigned Director of Public Works and Director of Planning and Development, do hereby certify that the accompanying plat has been examined and found to be in compliance with the requirements of the Subdivision Ordinance and recommend approval of this plat by the City of Moline.

____
Director of Public Works

____
Director of Planning and Development

State of Illinois
County of Rock Island } S.S.

The design of the accompanying plat has been examined and found to meet the requirements of the Subdivision Ordinance.

____
Director of Public Works

State of Illinois
County of Rock Island } S.S.

I, ________________________, County Clerk of Rock Island County, Illinois, do hereby certify that I find no unpaid or forfeited taxes against any of the real estate included within this plat.

____
County Clerk

____
Date

State of Illinois
County of Rock Island } S.S.

We, the undersigned officers of the Plan Commission of the City of Moline, Illinois, do certify that the accompanying plat of Valley view Second Subdivision Phase I, an addition to the City of Moline, Illinois, was recommended to the City Council of the City of Moline, Illinois, at a meeting held on the _________ day of _________, A.D. 2012.

MOLINE PLAN COMMISSION

____
Chairman

____
Secretary

State of Illinois
County of DuPage } S.S.

This is to certify that I, John Cole Helfrich, an Illinois Professional Land Surveyor, have surveyed and subdivided and platted that part of the southeast quarter of the southeast quarter of Section 11, the southwest quarter of the southwest quarter of Section 12, the northwest quarter of the northwest quarter of Section 13 and the northeast quarter of the northeast quarter of Section 14, Township 17 North, Range 1 west of the Fourth Principal Meridian described as follows:

beginning at the northwest corner of Valley View First Subdivision as platted by Document 2007-26801, thence N0°32'17"E along the east right-of-way line of 60th Street, 662.41 feet; thence S89°42'24"W along said east right-of-way line, 10.00 feet; thence N0°32'17"E along said east right-of-way line, 162.08 feet; thence N89°09'27"W along said east right-of-way line, 4.22 feet; thence N0°32'17"E along said east right-of-way line, 33.10 feet; thence S44°22'58"E, 56.65 feet; thence S89°18'13"E, 173.50 feet; thence N0°41'47"E, 5.00 feet; thence S89°18'13 E, 82.50 feet; thence S0°41'47"W, 5.00 feet; thence S89°18'13" E, 71.24 feet; thence N60°00'00"E, 244.38 feet; thence northeasterly along a circular curve having a radius of 101.00 feet concave to the southeast, the chord of which bears N75°25'38"E, 54.39 feet; thence S89°08'44"E, 197.93 feet; thence N0°51'16"E, 2.50 feet; thence S89°08'44"E, 60.00 feet; thence S0°51'16"W, 2.50 feet; thence S89°08'44"E, 242.67 feet; thence N0°50'09"E, 393.76 feet; thence N26°33'18"W, 52.77 feet to a line 20 feet south of and parallel with the south right-of-way line of F.A. Route 595 (John Deere Road); thence westerly along said parallel line, being a circular curve having a radius of 5609.58 feet concave to the south, the chord of which bears N88°00'51"W, 550.20 feet; thence N68°56'18"W, 52.96 feet to said south right-of-way line; thence easterly along said south right-of-way line, being a circular curve having a radius of 5629.58 feet concave to the south, the chord of which bears S87°04'26"E, 835.16 feet; thence S74°44'19"W, 52.96 feet to said parallel line; thence westerly along said parallel line, being a circular curve having a radius of 5609.58 feet concave to the south, the chord of which bears N83°46'52"W, 89.52 feet; thence S48°19'19"W, 13.59 feet; thence S0°50'09"W, 424.12 feet; thence S89°08'44"E, 674.66 feet; thence southeasterly along a circular curve having a radius of 155.00 feet concave to the southwest, the chord of which bears S63°40'13"E, 137.83 feet; thence S38°11'42"E, 207.25 feet; thence hence southeasterly along a circular curve having a radius of 95.00 feet concave to the northeast, the chord of which bears S63°53'06"E, 85.19 feet; thence S89°34'29"E, 287.58 feet to the west line of 70th Street; thence S0°25'31"W along said west line of 70th Street, 60.00 feet; thence N89°34'29"W, 287.58 feet; thence northwesterly along a circular curve having a radius of 155.00 feet concave to the northeast, the chord of which bears N63°53'06"W, 139.00 feet; thence N38°11'42"W, 207.25 feet; thence northwesterly along a circular curve having a radius of 95.00 feet concave to the southwest, the chord of which bears N63°40'13"W, 84.48 feet; thence N89°08'44"W, 734.64 feet; thence S0°50'09"W, 911.00 feet to the north line of said Valley View First Subdivision; thence N89°08'46"W along said north line, 70.22 feet; thence N0°33'48"E along said north line, 13.00 feet; thence N89°08'46"W along said north line, 1037.72 feet to the point of beginning in the City of Moline, Rock Island County, Illinois.

I further certify that the lands described above do not fall in a designated Flood Hazard Area as defined by the Federal Emergency Management Agency

I further certify that the lands described above lie within the corporate limits of the City of Moline, which has authorized a comprehensive plan and is exercising the special powers granted by the State of Illinois according to 65 ILCS 5/11-12-6 as heretofore and hereafter amended.

All dimensions are given in feet and decimal parts thereof and are correct at 62° Fahrenheit. Dimensions of curved lines represent arc lengths.

Given under my Hand and Seal at Wheaton, Illinois this____day of__________, A.D.2012.

____
Illinois Professional Land Surveyor 2967
exp 11-30-12

This professional service conforms to the current llinois minimum standards for a boundary survey.

Field work completed 6-25-11

John Cole Helfrich
Professional Land Surveyor 2967
State of Illinois

Final Plat of Subdivision

Prepared for:
Menard, Inc.

Craig R. Knoche & Associates
Civil Engineers, P.C.
Registered Design Firm 3763
24 North Bennett Street • Geneva, Illinois 60134 • phone (630) 845-1270 • fax (630) 845-1275
• Civil Engineers • Surveyors • Land Planners

Date:	6-12-12
File:	10-00RP5
Job:	10-001

Sheet 1 of 1

CITY OF MOLINE
POLICE PENSION FUND

ACTUARIAL VALUATION
AS OF JANUARY 1, 2012 FOR THE
FISCAL YEAR ENDING DECEMBER 31, 2012

July 19, 2012

Tepfer Consulting Group, Ltd.
Actuaries and Administrators
145 Revere Drive
Northbrook, Illinois 60062-1555
847-509-7740 Fax: 847-509-7745
www.TepferConsulting.com

July 19, 2012

Ms. Kathleen Carr
Finance Director
City of Moline
1630 8th Avenue
Moline, IL 61265-2121

RE: Moline Police Pension Fund

Dear Kathy:

Enclosed is our actuarial valuation report for the **Moline Police Pension Fund** for the fiscal year January 1, 2012 through December 31, 2012.

The results of our valuation indicate that the recommended minimum contribution from the City for the next tax year is **$2,964,364 or 53.21%** of current payroll. This contribution coupled with the anticipated $530,854 or 9.91% of current payroll to be collected from participating police officers will be sufficient to meet the State statutory requirements described in 40 ILCS 5/3. Further information is provided within our report.

Alternatively, under the current statute, our valuation results indicate the statutory minimum contribution from the City for the next tax year to be $2,334,881 or 41.91% of current payroll.

With the publication of Statement No. 25 of the Governmental Accounting Standards Board, we have revised our report to include the calculation of the unadjusted Annual Required Contribution. (ARC) We have chosen to calculate this contribution as a level percentage of payroll funded amortization of the unfunded liability over a closed 40-year period beginning with the date of adoption of GASB 25. This amount is $2,998,141 or 53.82% of participating payroll.

Factors Influencing the Choice of Actuarial Assumptions

As part of the consulting process, it is our policy to talk with selected members of the Board of Trustees and the Sponsor's representatives for the **City of Moline Police Pension Fund** in order to obtain information which will enable the Actuary to properly choose the actuarial assumptions which are most appropriate for the current cost determination for the pension fund.

Prior to the meeting, statistics are compiled concerning historical investment returns, salary increases, retirement incidence and other factors which are influential in the actuarial assumption setting process. Based upon an analysis of the specifics as they relate to the **City of Moline Police Pension Fund** and a general understanding of the inter-relationships of the actuarial assumptions, the Board, the Sponsor and the Actuary reach a mutual agreement as to the assumptions which will be used in the current actuarial valuation.

Published statistics regarding experience for police and firefighters are available from the State of Illinois Department of Insurance. These statistics form the basis of the actuarial assumptions selected by the State Actuary in the valuation of pension funds covered under the Downstate Pension System. We have found in our consulting, that whenever appropriate, the actuarial assumptions used by the State Actuary are relied upon as a starting point. However, in order to make the calculations more "***Moline-sensitive***", the analysis of the actual historical performance is carefully examined.

Experience Analysis

Each year the actuarial process examines the experience of the fund. General parameters indicate that a variance of less than 3% of the unfunded liability is acceptable to assure that the assumptions used remain suitable. The measurement compares the actual unfunded liability to the expected unfunded liability. The total gain and loss developed is then analyzed by individual assumption to assure appropriateness. Based upon the results of this year's analysis, both in aggregate and individually, we have determined that the chosen assumptions generally remain suitable for continued use. However, we would be remiss if we did not advise that the assumed investment return assumption of 7.5% is only marginally acceptable for continued funding.

*TCG Public Consulting, Ltd. is affiliated with Tepfer Consulting Group, Ltd.

Ms. Kathleen Carr
Finance Director
City of Moline
1630 8th Avenue
Moline, IL 61265-2121

Demographic considerations

For this valuation, it was noted that the force continues to remain stable as to its size and demographic composition. In the current valuation, it was observed that the number of inactive participants (77, exclusive of terminated employees who are due a refund of their contributions) as compared to active participants (81) in the Fund is higher than the State average (49% of the total participants are inactive as compared to a State average of 39%) and, the average age and service of the active participating group is slightly higher than the State average. As a percentage of the total pension liabilities, the liabilities for inactive participants are well above the State average.

As of January 1, 2012, there are 10 active officers who are eligible to retire and 13 additional officers who will become eligible within the next five years.

Financial considerations

In these uncertain times, the fund continues to experience very limited short-term investment growth.. Furthermore, the fund continues to maintain less than adequate funded ratios. The fund has earned marginal rates of return over the short term. As shown in Exhibit 5-C of our report, the composite rate of return for the fund since 2004 is 3.34%. The investment smoothing method adopted initially by the fund and now mandated by statute serves to level the contribution and shield against annual investment volatility. However, it is not unnoticed that annual pension payments far exceeded the investment income during 2011 and an annual investment return of 11.75% would be needed to cover the outgoing benefit expenses. The Trustees should be advised that this is a potentially dangerous situation regarding the fund.

We ask that you review the section entitled "Actuarial experience since the last actuarial valuation" beginning on page 2 for a further explanation of what has occurred since the last actuarial valuation.

Please do not hesitate to contact us if you have any questions concerning our report.

Sincerely,

TEPFER CONSULTING GROUP, LTD.*

Arthur H. Tepfer, A.S.A., M.A.A.A.
Consulting Actuary

AHT/lf
Encl.

*TCG Public Consulting, Ltd. is affiliated with Tepfer Consulting Group, Ltd.

Tepfer Consulting Group, Ltd. was retained by the **City of Moline and the City of Moline Police Pension Fund** to perform an independent actuarial valuation for the Police Pension Fund. This valuation is permitted under 40 ILCS 5/22, Section 503.2.

The actuarial valuation was performed for the year ended December 31, 2012 and indicates a **statutorily required contribution in accordance with 40 ILCS 5/3, Section 125 of $2,334,881 or 41.91% of member payroll, a recommended minimum contribution of $2,964,364 or 53.21% of payroll, and an Annual Required Contribution in accordance with paragraph 36f of Statement No. 25 of the Governmental Accounting Standards Board of $2,998,141 or 53.82% of payroll.** These contributions are net of contributions made by active member police officers during the fiscal year.

The results shown in this report have been calculated under the supervision of a qualified Actuary as defined in appropriate State statutes. All results are based upon demographic data submitted by the Police Pension Fund, financial data submitted by the Police Pension Fund, applications of actuarial assumptions, and generally accepted actuarial methods.

In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirements of the applicable State statute, Actuarial Standards Board, or Statements of Governmental Accounting Standards, as applicable.

In our opinion, the actuarial assumptions used are reasonable, taking into account the experience of the plan and future expectations, and represent a reasonable and adequate approach to the financing of the retirement program. The costs, actuarial liabilities and other infomation presented in this report, in our opinion, fully and fairly disclose the actuarial position of the plan.

I, Arthur H. Tepfer, am an Enrolled Actuary in good standing under the Employee Retirement Income Security Act of 1974. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. I certify that the results presented in this report are accurate and correct to the best of my knowledge.

TCG PUBLIC CONSULTING, LTD.

Arthur H. Tepfer, A.S.A., M.A.A.A.
Enrolled Actuary #11-02352

July 19, 2012

VALUATION OBJECTIVES

The **City of Moline Police Pension Fund** provides benefits to members when they retire, die, become disabled or terminate employment. For plans providing these types of benefits, an appropriate budgeting pattern must be established to enable appropriate funds to be accumulated to meet all payments when due. The actual cost of the plan can best be expressed in the following simplistic manner:

ACTUAL COST EQUALS

Benefits Paid

Plus

Expenses Paid

Less

Investment Income Earned

If the actual cost is incurred on a "pay as you go" basis, then the future generations of members will be paying for the benefits of current plan participants. Proper financial planning calls for budgeting the actual cost of the plan over the working lifetime of current plan membership in order to establish an equitable allocation. An actuarial valuation is the procedure used to determine an appropriate amount to be contributed to the pension plan each year in order to attain this equity.

An actuarial valuation is an estimate at a particular point in time of the predicted incidence of the future benefit costs. Since the total actual cost of the plan is essentially unknown, pre-funding (budgeting for future benefit costs) requires certain assumptions about future events. Assumptions are made for such things as salary increases, terminations of participants, disablement of participants, death of participants and anticipated investment earnings. These assumptions, although not affecting the actual costs of the plan, will affect the incidence of predicted future costs. For proper funding, it is required that the Actuary select assumptions which are appropriate in light of the economic, demographic, and legislative environment as they relate to the pension program. The assumptions we have made concerning these future events are described more fully in Appendix 2 of this report. Based on these assumptions, a projection of future benefits was made and a current contribution level sufficient to provide the anticipated benefit payments was determined through the use of an actuarial cost method.

<u>Selection of the Actuarial Cost Method</u>

An actuarial cost method, sometimes called a "funding method", therefore, is essentially an approach to budgeting the estimated future costs. There are many actuarial cost methods which are available to the actuary and each method operates differently. However, all funding methods accomplish the same objective—to assign to each fiscal year of the employer the portion assumed to have accrued in that year. The portion of the actuarial value of benefits assigned to a particular year in respect of an individual participant or the fund as a whole is called the ***normal cost.*** All funding methods are described by how the normal cost is calculated.

The actuarial cost method prescribed by the State statutes to determine the ***statutorily minimum required contribution*** for periods on or after January 1, 2011 is the <u>Projected Unit Credit Cost Method</u>. Under this actuarial cost method, the ongoing cost as a percentage of total payroll will increase. In this method, the normal cost is determined by first calculating the projected dollar amount of each participant's accumulated benefit under the plan as of both the first day of the fiscal year and as of the last day of the fiscal year and then determining the difference between these two amounts. The second step in deriving the normal cost for a given participant is to multiply the dollar amount of this difference by the actuarial present value of $1 of benefit.

The actuarial cost method selected by our firm to determine the ***recommended plan contribution*** is the <u>Entry Age Normal Cost Method</u>. Under this actuarial cost method, ideally, the ongoing cost as a percentage of total payroll should remain fairly stable. In this method, the normal cost is determined by assuming each participant covered by the plan entered the plan under the same conditions that will apply to future plan entrants. The annual normal cost assigned to each year of an employee's career is calculated as a level percentage of the employees assumed earnings each year. These normal costs accumulate to the present value of the employee's benefit at retirement age.

VALUATION OBJECTIVES
(Continued)

Under both the Entry Age Normal Cost Method and the Projected Unit Credit Cost Method, the total funding of projected benefit costs is allocated between an ***unfunded liability***, representing past benefit history, and future normal costs. This allocation is based on the assumption that the municipality will pay the normal cost for each plan year on a regular basis. It should be noted that although the term "unfunded liability" is applied to both funding methods, the resulting amount is different because of the method of calculation. Another feature of these methods is that only the unfunded liability is affected by the experience of the plan, and therefore any adjustments are made in the future amortization payments.

In addition to the methodology changes described above, P.L. 96-1495 also addressed the valuation of pension fund assets—the second component in the determination of the unfunded liability. The statute now provides that the actuarial value of a pension fund's assets be set equal to the market value of the assets on March 30, 2011 and that, in determining the actuarial value of assets after that date, any actuarial gains or losses from investment returns incurred in a fiscal year be recognized in equal amounts over the 5-year period following that fiscal year.

The actuarial valuation process is usually repeated each year and is to a certain extent self-correcting. As part of these actuarial cost methods, any deviation of actual experience from the chosen actuarial assumptions will be reflected in future contributions. A complete description of these actuarial cost methods is explained in Appendix 4 of this report.

Despite the statutory language which requires an application of the Projected Unit Credit method, we feel that funding under this method as a *level percentage of payroll* severely undermines the benefit security of the retirement system and transfers the payment for currently earned pensions to future generations of taxpayers. For these reasons, our valuation report also presents a recommended minimum contribution that will operate to maintain the fundamental fiscal soundness of the retirement program, although a statutorily required contribution has also been calculated. The calculation of the recommended minimum contribution is based upon an amortization payment of 90% of any unfunded accrued liabilities as a *level dollar amount* over 30 years from January 1, 2011, the effective date of P.A. 96-1495. The calculation of the statutorily required contribution is based upon an amortization payment of 90% of any unfunded accrued liabilities as a "*level percentage of payroll*" over 30 years from January 1, 2011, the effective date of P.L. 96-1495.

Although, I do not agree with the statutorily required level percentage of payroll methodology of determining the amortization of the unfunded accrued liability, I would be remiss if I did not advise my funds as to a "statutorily" acceptable calculation under the State law..

Effective for periods beginning after June 15, 1996, the Governmental Accounting Standards Board has issued Statement No. 25 "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans". This Statement establishes a financial reporting framework for defined benefit pension plans that distinguishes between two categories of information: (a) current financial information about plan assets and financial activities and (b) actuarially determined information, from a long-term perspective, about the funded status of the plan and the progress being made in accumulating sufficient assets to pay benefits when due. The calculation of the Annual Required Contribution (ARC) is described in paragraph 36f of the Statement and is based upon an amortization payment of any unfunded accrued liabilities as either a level dollar amount or a level percentage of total payroll over a maximum of 40 years from the effective date of the Statement. Any significant increase in the total unfunded actuarial liability resulting from a change in actuarial methodology should be amortized over a period not less than 10 years.

Actuarial experience since the last actuarial valuation

As part of the actuarial valuation process, it is helpful to examine the actual experience of the fund as compared to the experience that is expected by the actuarial assumptions. The measurement of any deviations of actual to expected experience is commonly referred to as a "Gain and Loss Analysis". In performing this analysis, the actuary analyzes each actuarial assumption used in the valuation process. It is highly unlikely that actual experience will follow expected experience on a year-by-year basis. It is hoped that over the long term, if the actuarial assumptions are "reasonable", the total gains and losses will offset each other.

A "gain and loss analysis" is a useful tool to examine whether the actuarial assumptions used to determine the municipal tax levy are suitable. Care must be taken in placing too much credibility in a short-term analysis as the assumptions are more appropriately measured over the long term. Nonetheless, an annual evaluation of the actuarial assumptions will assist in identifying trends that, if unnoticed, can lead to inappropriate conclusions. When these trends are recognized, it is the actuary's responsibility to modify one or more of the assumptions to better anticipate future experience.

VALUATION OBJECTIVES
(Continued)

Some assumptions are easier to measure than others. In small plans, credible analysis can generally be made regarding the economic (financial) assumptions. These primarily include investment and salary increase assumptions. Unfortunately, it is often impossible to establish credible long term analysis of demographic assumptions (rates of termination, disability, retirement and mortality). Therefore, in choosing demographic assumptions, the actuary generally relies upon standardized tabular assumptions modified only by fund-specific characteristics.

The actuarial gain and loss analysis for the current year is presented in Exhibit 3-C and 3-D of the report. Exhibit 3-C shows the impact of the actuarial gains or losses on the recommended minimum contribution through a reconciliation of this contribution from the end of the prior valuation year to the end of the current valuation year. Exhibit 3-D derives the actuarial gain or loss in total as well as separating the individual financial and demographic components.

The overall experience gain (loss) for the year was $ (2,136,257) or 3.33% of the accrued liability at the beginning of the plan year. The dollar amount for the plan's recommended minimum contribution is 96.34% of the prior year's contribution. When measured as a percentage of payroll the contribution level has changed from 54.88% to 53.21%.

Thirty-year Projection of Liabilities

The final section of our report illustrates projected payments from the Trust Fund for a 30-year period commencing with the valuation date. These projections are based upon the actuarial assumptions selected for the fund concerning death, disability and retirement actually occurring. Care should be taken in interpreting or relying on these results-- particularly for Funds with fewer than 200 participants. The credibility of this type of projection is rarely realized beyond 10 years. Exhibit 5D presents this projection.

RESULTS OF VALUATION

The following exhibits present the results of our actuarial valuation of the **City of Moline Police Pension Fund** for the fiscal year January 1, 2012 through December 31, 2012.

Exhibit 1 indicates that the recommended minimum contribution, calculated using the Entry Age Normal Cost method (EANC), from the City is $2,964,364 or 53.21% of total participating payroll. **Under the Entry Age Normal actuarial cost method selected, this percentage of payroll should remain reasonably level over the lifetime of the plan.**

Exhibit 1 also indicates that the statutory minimum contribution, calculated using the Projected Unit Credit method (PUC), from the City is $2,334,881 or 41.91% of total participating payroll. **Under the Projected Unit Credit actuarial cost method selected, this percentage of payroll should increase over the lifetime of the plan.**

Exhibits 2 and 3 provide specific information used to develop the recommended minimum and statutorily required City contribution and GASB Annual Required Contribution (ARC).. The Annual Required Contribution as of January 1, 2012 has been determined under the Governmental Accounting Standards Board Statement No. 25 and is required disclosure for the fiscal year ending December 31, 2012. The Entry Age Normal Cost and the Actuarial Accrued Liability were determined using the Entry Age Normal Cost Actuarial Cost Method.

The Entry Age Normal Cost has been determined as a level percentage of projected payroll of the active members of the group. The amortization method for the Unfunded Actuarial Accrued Liability is determined as a level percentage of payroll amount over a closed Amortization Period as permitted in Governmental Accounting Standards Board Statement No. 25.

Contribution amounts presented in this report have not been adjusted for interest to the date of payment. All values were determined on the basis of the actuarial assumptions and methods as more fully described in Appendix1 of this report.

Exhibit 4 presents a brief description of the demographic characteristics of the current member group.

Exhibit 5 shows information relating to the pension assets.

GENERAL VALUATION RESULTS FOR FISCAL YEAR
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Recommended Minimum Contribution

1.	Entry Age Normal Cost:	$ 1,170,726
2.	Unfunded Actuarial Accrued Liability (or Surplus):	32,579,825
3.	Actuarial Value of Assets:	31,613,555
4.	Annual Salaries of Active Police Officers:	5,356,751
5.	Recommended Minimum Contribution from the City:	2,964,364
	Contribution Percentage:	53.21%*

Statutory Minimum Contribution

1.	Projected Unit Credit Normal Cost:	$ 1,448,535
2.	Unfunded Actuarial Accrued Liability (or Surplus):	29,146,252
3.	Actuarial Value of Assets:	31,613,555
4.	Annual Salaries of Active Police Officers:	5,356,751
5.	Statutory Minimum Contribution from the City:	2,334,881
	Contribution Percentage:	41.91%*

* Projected for the fiscal year ending December 31, 2012.

SUMMARY OF SPECIFIC VALUATION RESULTS

	Number	Actuarial Present Value of Projected Benefits	Entry Age Normal Cost	Projected Unit Credit Normal Cost
1. Active Police Officers:	81			
Retirement Pension:		$28,899,410	$807,429	$1,184,607
Survivors Pension:		918,823	50,041	43,117
Disability Pension:		3,292,705	226,621	168,471
Withdrawal Pension:		881,958	86,635	52,340
TOTAL	81	$33,992,896	$1,170,726	$1,448,535
2. Inactive Police Officers and Survivors:				
Normal Retirees:	58	$35,062,775		
Alternate Payees:	0	0		
Widows (Survivors):	12	2,146,103		
Children (Survivors):	0	0		
Disabled Retirees:	5	2,186,512		
Deferred Vested:	2	305,002		
Terminated/Separated:	2	59,021		
TOTAL	79	$39,759,413		

SUMMARY OF SPECIFIC VALUATION RESULTS
(Continued)

		Entry Age Normal (EAN)	Projected Unit Credit (PUC)
3.	Total Actuarial Present Value of Projected Benefits:	$73,752,309	N/A
4.	Actuarial Present Value of Future Normal Costs:	9,558,929	N/A
5.	Actuarial Accrued Liability: [(3) - (4)]	64,193,380	60,759,807
6.	Actuarial Value of Assets:	31,613,555	31,613,555
7.	Unfunded Actuarial Accrued Liability (or Surplus) [(5) - (6)]	32,579,825	29,146,252
8.	Funded Ratio Percentage: [(6) ÷ (5)] x 100	49.25%	52.03%

HISTORY OF FUNDED PERCENTAGES

For the Year beginning January 1	Valuation Assets	EAN Accrued Liabilities	EAN Funded Percentage	PUC Accrued Liabilities	PUC Funded Percentage
2012	$31,613,555	$64,193,380	49.25%	$60,759,807	52.03%
2011	30,638,486	61,190,730	49.93	57,859,699	52.80

DEVELOPMENT OF RECOMMENDED MINIMUM CITY CONTRIBUTION

		Fiscal Year January 1, 2012 through December 31, 2012
1.	Entry Age Normal Cost:	$1,170,726
2.	Recommended Minimum Payment to Amortize 90 % of the Entry Age Normal Unfunded Accrued Liability as a level dollar amount over 28.99932 Years from January 1, 2012:	2,080,640
3.	Interest on (1) and (2):	243,852
4.	Credit for Surplus:	0
5.	Total Recommended Minimum Contribution for Fiscal Year 2012: [(1) + (2) + (3) + (4)]	3,495,218
6.	Active Member Contributions (9.91% of Salaries):	530,854
7.	Net Recommended Minimum City Contribution: [(5) - (6)]	2,964,364

DEVELOPMENT OF STATUTORILY REQUIRED CITY CONTRIBUTION
(NOTE THAT THIS CONTRIBUTION CALCULATION IS NOT RECOMMENDED)

		Fiscal Year January 1, 2012 through December 31, 2012
1.	Projected Unit Credit Normal Cost:	$1,448,535
2.	Minimum Payment to Amortize 90% of the Projected Unit Credit Unfunded Accrued Liability as a level percentage of payroll over 28.99932 Years from January 1, 2012:	1,217,265
3.	Interest on (1) and (2):	199,935
4.	Credit for Surplus:	0
5.	Total Statutorily Required Contribution for Fiscal Year 2012: [(1) + (2) + (3) + (4)]	2,865,735
6.	Active Member Contributions (9.91% of Salaries):	530,854
7.	Net Statutorily Required City Contribution: [(5) - (6)]	2,334,881

GASB STATEMENT NO. 25 DISCLOSURE INFORMATION

DEVELOPMENT OF THE ANNUAL REQUIRED CONTRIBUTION OF THE MUNICIPALITY

		Fiscal Year January 1, 2012 through December 31, 2012
1.	Entry Age Normal Cost	$1,170,726
2.	Actuarial Accrued Liability	64,193,380
3.	Actuarial Value of Assets	28,536,726
4.	Unfunded Actuarial Accrued Liability	35,656,654
5.	Payment to Amortize Unfunded Actuarial Accrued Liability Over 40 Years from Effective Date of Application of GASB 25 (21 years remaining)	2,358,269
6.	Total Annual Required Contribution for Fiscal Year December 31, 2012: [(1) + (5)]	3,528,995
7.	Active Member Contributions (9.91% of Salaries):	530,854
8.	Annual Required Contribution (ARC) payable at the beginning of the current fiscal year: [(6) - (7)]	2,998,141

RECONCILIATION OF THE CHANGE IN THE RECOMMENDED MINIMUM CITY CONTRIBUTION

1.	Recommended Minimum Contribution for Year ending 12/31/2011:	$3,076,829
2.	Increase in Normal Cost and Amortization Payment due to anticipated pay changes:	115,508
3.	Increase/(Decrease) in Normal Cost resulting from actual pay changes:	(60,663)
4.	Effect of Asset Smoothing:	2,922
5.	Increase/(Decrease) resulting from changes in assumptions:	0
6.	Increase/(Decrease) resulting from other demographic and financial sources (retirements, deaths, new entrants, salary changes, etc.):	(799,715)
7.	Recommended Minimum Contribution for Year ending December 31, 2012:	$2,964,364

DERIVATION OF EXPERIENCE GAIN(LOSS) AND COST METHOD CHANGE
AS OF JANUARY 1, 2012

1.	EANC Unfunded Actuarial Accrued Liability at 1/1/2011:	$30,638,486
2.	Entry Age Normal Cost Due at 1/1/2011:	1,188,449
3.	Interest on (1) and (2) to January 1, 2012 (at 7.50% per year):	2,387,020
4.	Contributions made for the prior year with interest to January 1, 2012:	3,770,387
5.	Expected EANC Unfunded Actuarial Accrued Liability at January 1, 2012 Before Assumption Changes [(1) + (2) + (3) - (4)]:	30,443,568
6.	Change in EANC Unfunded Actuarial Accrued Liability due to Assumptions Change at January 1, 2012:	0
7.	Expected EANC Unfunded Actuarial Accrued Liability at January 1, 2012 [(5) + (6)]:	30,443,568
8.	Actual EANC Unfunded Actuarial Accrued Liability at January 1, 2012:	32,579,825
9.	Gain (Loss) for the prior Plan Year [(7) – (8)]:	$ (2,136,257)

The experience gain (loss) reported above is the net result of the following:

1.	FINANCIAL SOURCES	
a)	Investment experience (based upon market value of assets):	$ (1,459,829)
b)	Contribution experience:	13,088
c)	Benefit Payments experience:	(17,783)
d)	Salary increases (greater)/lower than expected:	249,760
	Total from Financial Sources:	(1,214,764)
2.	DEMOGRAPHIC SOURCES	
	Mortality, retirement, disability, termination, etc.:	(843,293)
3.	ACTUARIAL ADJUSTMENTS	
	Market value adjustment for asset smoothing, including expenses	(78,200)
4.	GAIN (LOSS) ALL SOURCES	
	Total Gain (Loss) for the prior Plan Year [(1) + (2) + (3)]	$ (2,136,257)

SUMMARY OF DEMOGRAPHIC INFORMATION AS OF JANUARY 1, 2012

	Number	Projected Annual Salaries (Fiscal Year 2012)
Active Police Officers:	81	$5,356,751

	Number	Total Monthly Benefits
Normal Retirees:	58	$233,443
Survivors (Widows):	12	24,139
Survivors (Children):	0	0
Disabled Retirees:	5	10,791
Deferred Vested:	2	0
Terminated/Separated:	2	59,021 *

* Return of Contributions

The actuarial valuation was performed as of January 1, 2012 to determine contribution requirements for fiscal year 2012.

AGE AND SERVICE DISTRIBUTION

Attained Age	COMPLETED YEARS OF SERVICE											Average Salaries
	0-1	2-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total	
15-19											0	-
20-24	2	1									3	46,074
25-29		12	1								13	48,842
30-34		4	4	2							10	50,628
35-39		2	2	4							8	61,748
40-44			4	8	5	1					18	72,175
45-49				4	5	2	1				12	79,226
50-54				2	4	4	1				11	71,728
55-59					1		4	1			6	90,736
60-64											0	-
65+											0	-
TOTAL	2	19	11	20	15	7	6	1	0	0	81	66,133

Age = 40.17 Years

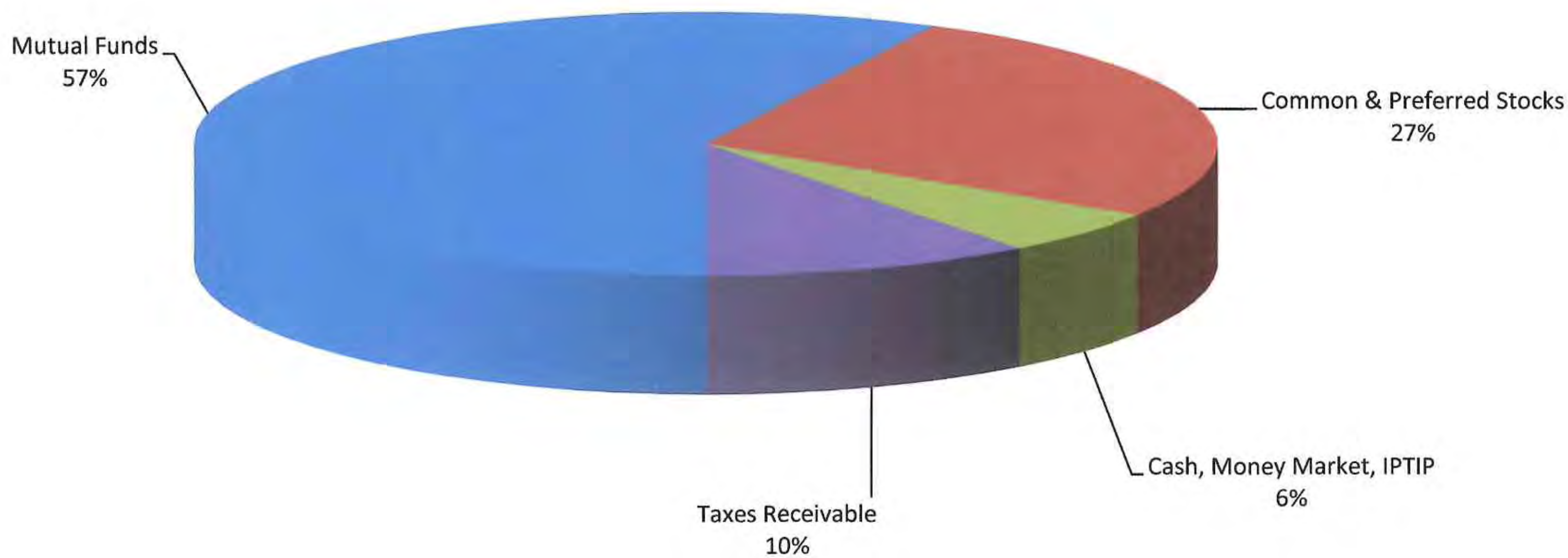
Service = 12.82 Years

ASSET INFORMATION

Cash, Money Market, IPTIP	$1,612,463
Certificates of Deposit	0
State and Local Obligations	0
U.S. Government Obligations	0
Insurance Company Contracts	0
Pooled Investment Accounts	0
Mutual Funds	16,874,791
Common & Preferred Stocks	7,867,858
Taxes Receivable	3,076,829
Accrued Interest	13
Other Receivables	0
Net Liabilities	0
Net Present Assets at Market Value	$29,431,954

The chart on the following page shows the percentage of invested assets.

ASSET INFORMATION



DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

1. Market Value of Assets, January 1, 2011 — 28,448,843

2. Actual Income and Disbursements in prior year weighted for timing

Item	Amount	Weight for Timing	Weighted Amount
Contributions Received During 2011	3,645,087	50.00%	1,822,544
Miscellaneous Revenue	1	50.00%	1
Benefit Payments and Expenses Made During 2011	3,346,990	(50.00)%	(1,673,495)
Total			149,049

3.	Market Value of assets adjusted for actual income disbursements [(1) + 2(d)]	28,597,892
4.	Assumed rate of return on plan assets for the year	7.50%
5.	Expected return on assets [(3) x (4)]	2,144,842
6.	Market Value of Assets, January 1, 2011	28,448,843
7.	Income (less investment income) for prior year	3,645,087
8.	Disbursements paid in prior year	3,346,990
9.	Market Value of Assets, January 1, 2012	$29,431,954
10.	Actual Return [(9) + (8) – (7) – (6)]	685,013
11.	Investment Gain/(Loss) for Prior Year [(10) – (5)]	(1,459,829)

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS
(Continued)

12. Market Value of Assets, January 1, 2012: $29,431,954

13. Deferred investment gains and (losses) for last 4 years:

	Plan Year Beginning	Gain/(Loss)	Percent Deferred	Deferred Amount
a)	2012**	$ (1,459,829)	80%	$ (1,167,863)
b)	2011	$ 581,084	60%	$ 348,650
c)	2010	$ (702,137)	40%	$ (280,855)
d)	2009	$ (5,407,665)	20%	$ (1,081,533)
e)	Total	$ (6,988,547)		$ (2,181,601)

14. Actuarial value of plan assets for funding,, January 1, 2012: Item (12) less item 13(e): 31,613,555

15. Taxes receivable: 3,076,829

16. Actuarial value of plan assets for GASB reporting January 1, 2012 item (14) less item (15)*: 28,536,726

Notes: * excluding taxes receivable

* *The calculated value is determined by adjusting the market value of assets to reflect investment gains and losses (the difference between the actual investment return and the expected investment return) during each of the last five years at the rate of 20% per year. For the actuarial value of plan assets as of March 31, 2011, the actuarial value of assets was set to the market value of assets.

ANALYSIS OF INVESTMENT RETURN

Fiscal Year Ending December 31	Annual Rate of Return
2011	2.40%
2010	9.23
2009	4.30
2008	-11.54
2007	7.46
2006	7.30
2005	4.55
Composite	
2005-2011	3.34%

THIRTY - YEAR PROJECTION OF PAYMENTS

	Payouts from Active Group Upon					Payouts from		Total
	Termination		Death	Retirement	Disability	Retired Group	Deferred Pensioners	
Year	Lump Sum	Deferred Pension						
2012	16,439	0	18,016	129,784	22,322	3,220,609	59,021	3,466,191
2013	13,532	0	25,977	259,842	44,479	3,197,409	0	3,541,239
2014	13,825	0	25,984	427,431	66,871	3,168,315	0	3,702,426
2015	8,638	0	33,552	583,010	88,242	3,139,775	0	3,853,217
2016	6,753	0	40,495	739,046	109,848	3,107,458	0	4,003,600
2017	1,933	0	47,278	937,467	131,092	3,072,661	0	4,190,431
2018	0	0	54,128	1,145,031	151,208	3,051,625	0	4,401,992
2019	0	0	59,457	1,368,721	170,986	3,024,957	24,912	4,649,033
2020	0	0	66,272	1,597,416	190,932	2,981,224	25,424	4,861,268
2021	0	0	70,887	1,816,607	209,541	2,933,513	25,915	5,056,463
2022	0	0	77,354	2,003,093	227,986	2,881,391	26,381	5,216,205
2023	0	0	81,651	2,169,599	245,566	2,824,430	26,814	5,348,060
2024	0	0	87,209	2,355,503	262,093	2,775,636	27,211	5,507,652
2025	0	0	90,698	2,509,558	277,702	2,723,261	45,136	5,646,355
2026	0	0	95,408	2,664,301	293,160	2,649,785	45,799	5,748,453
2027	0	0	98,103	2,830,510	308,665	2,569,010	46,395	5,852,683
2028	0	0	102,039	3,009,333	327,174	2,480,572	46,913	5,966,031
2029	0	0	104,175	3,179,559	343,581	2,384,044	47,341	6,058,700
2030	0	0	107,435	3,301,350	360,317	2,279,284	47,662	6,096,048
2031	0	0	108,686	3,414,147	378,155	2,166,398	47,875	6,115,261
2032	0	0	110,979	3,534,515	393,680	2,045,925	47,943	6,133,042
2033	0	0	111,236	3,664,541	405,250	1,937,533	47,860	6,166,420
2034	0	0	112,788	3,819,538	418,172	1,805,263	47,611	6,203,372
2035	0	0	112,119	3,920,646	426,179	1,668,903	47,181	6,175,028
2036	0	0	112,946	4,024,775	435,127	1,530,252	46,550	6,149,650
2037	0	0	111,571	4,110,012	448,008	1,391,149	45,712	6,106,452
2038	0	0	111,351	4,184,794	458,079	1,253,462	44,657	6,052,343
2039	0	0	108,511	4,229,340	464,433	1,119,195	43,373	5,964,852
2040	0	0	107,378	4,244,066	464,497	990,010	41,855	5,847,806
2041	0	0	104,221	4,241,769	464,400	867,474	40,087	5,717,951

ACTUARIAL ASSUMPTIONS

(Economic)

Investment Return
7.50% per annum, compounded annually (net of expenses).

Salary Increases
Representative values of assumed salary increases are as follows:

Age	Increase %
25	4.8611
30	2.9848
35	2.0341
40	1.5239
45	1.3083
50	1.1846
55	1.1220

An additional inflation allowance of 2.00% per year is added to the above.

Payroll Growth
It was assumed that payroll will grow 4.00% per year.

Actuarial Asset Basis
The Pension Fund previously used an actuarial value of assets for both government accounting and funding purposes. Starting with the actuarial valuation as of January 1, 2012, the actuarial value of assets recognizes future gains and losses based on a 5-year smoothed market method as prescribed by Statute.

In a 5-year smoothed market method, the current market value of assets is reduced (increased) for the current year and each of three succeeding years, by a portion of the gain/(loss) in market value during the prior year. Such gain/(loss) is determined as the excess/(deficit) of the current market value of assets over the market value of assets as of the prior year, increased to reflect interest at the actuarial rate and adjusted to reflect contributions and benefit payments during the prior year. The portion of such gain/(loss) by which the current market value of assets is reduced (increased) shall be 80% in the current year, 60% in the first succeeding year. 40% in the second succeeding year and 20% in the third succeeding year.

Additionally, in accordance with government accounting standards, the actuarial value of assets is adjusted to remove any contributions receivable on the reporting date.

Expenses
None assumed.

(Demographic)

Mortality
Active Lives
RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over. Five percent (5%) of deaths amongst active police officers are assumed to be in the performance of their duty.

Non-Active Lives
RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over.

Termination
Illustrative rates of withdrawal from the plan for reasons other than death or disability are as follows:

Age	Rate of Withdrawal
25	.0734
30	.0416
35	.0223
40	.0119
45	.0102

It is assumed that terminated police officers will not be rehired.

Disability Rates
Incidence of disability amongst police officers eligible for disability benefits:

Age	Rate
25	.0013
30	.0026
35	.0044
40	.0071
45	.0108
50	.0159

15% of disabilities amongst active police officers are assumed to be in the performance of their duty.

Retirement Rates
Retirements are assumed to occur between the ages of 50 and 69 in accordance with the following table:

Age	Rate of Retirement	Age	Rate of Retirement
50	.36	60	.22
51	.22	61	.30
52	.18	62	.39
53	.19	63	.48
54	.19	64	.57
55	.20	65	.65
56	.20	66	.74
57	.20	67	.83
58	.21	68	.91
59	.21	69	1.00

(Additional)

Marital Status
85% of police officers are assumed to be married.

Spouse's Age
Wives are assumed to be 3 years younger than their husbands.

Actuarial Cost Method:
Projected Unit Credit for statutory minimum
Entry Age Normal for recommended and GASB reporting

SUMMARY OF PRINCIPAL PLAN PROVISIONS

Definitions

Tier 1 – For Police Officers first entering Article 3 prior to January 1, 2011

Tier 2 – For Police Officers first entering Article 3 after December 31, 2010

Police Officer (3-106): Any person appointed to the police force and sworn and commissioned to perform police duties.

Persons excluded from Fund (3-109): Part-time officers, special police officer, night watchmen, traffic guards, clerks and civilian employees of the department. Also, police officers who fail to pay the required fund contributions or who elect the Self-Managed Plan option.

Creditable Service (3-110): Time served by a police officer, excluding furloughs in excess of 30 days, but including leaves of absences for illness or accident and periods of disability where no disability pension payments have been received and also including up to 3 years during which disability payments have been received provided contributions are made.

Pension (3-111)

Normal Pension Age
Tier 1 - Age 50 with 20 or more years of creditable service.

Tier 2 - Age 55 with 10 or more years of creditable service.

Normal Pension Amount
Tier 1 - 50% of the greater of the annual salary held in the year preceding retirement or the annual salary held on the last day of service, plus 2½% of such annual salary for service from 20 to 30 year (maximum 25%)].

Tier 2 - 2½% of Final Average salary for each year of service. Final Average Salary is the highest salary based on the highest consecutive 96 months of the final 120 months of service

Early Retirement at age 50 with 10 or more years of service but with a penalty of ½% for each month prior to age 55.

Annual Salary capped at $106,800 increased yearly by the lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3%.

Minimum Monthly Benefit: $1,000

Maximum Benefit Percentage: 75% of salary

Termination Retirement Pension Date
Separation of service after completion of between 8 and 20 years of creditable service.

Termination Pension Amount
Commencing at age 60, 2½% of annual salary held in the year preceding termination times years of creditable service or refund of contributions, or for persons terminating on or after July 1, 1987, 2½% of annual salary held on the last day of service times years of credible service, whichever is greater.

Pension Increase

Non-Disabled
Tier 1 - 3% increase of the original pension amount after attainment of age 55 for each year elapsed since retirement, followed by an additional 3% of the original pension amount on each January thereafter. Effective July 1, 1993, 3% of the amount of pension payable at the time of the increase including increases previously granted, rather than 3% of the originally granted pension amount.

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

ier 2 - The lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3% increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount on each January 1 thereafter.

Disabled
3% increase of the original pension amount after attainment of age 60 for each year he or she received pension payments, followed by an additional 3% of the original pension amount in each January 1 thereafter.

Pension to Survivors (3-112)

Death of Retired Member
Tier 1 - 100% of pension amount to surviving spouse (or dependent children).

Tier 2 – 66 2/3% of pension amount to surviving spouse (or dependent children), subject to the following increase: the lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3%.increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount on each January 1 thereafter.

Death While in Service (Not in line of duty)
With 20 years of creditable service, the pension amount earned as of the date of death.

With between 10 and 20 years of creditable service, 50% of the salary attached to the rank for the year prior to the date of death.

Death in Line of Duty
100% of the salary attached to the rank for the last day of service year prior to date of death.

Minimum Survivor Pension
$1,000 per month to all surviving spouses.

Disability Pension - Line of Duty (3-114.1)

Eligibility
Suspension or retirement from police service due to sickness, accident or injury while on duty.

Pension
Greater of 65% of salary attached to rank at date of suspension or retirement and the retirement pension available. Minimum $1,000 per month.

Disability Pension - Not on Duty (3-114.2)

Eligibility
Suspension or retirement from police service for any cause other than while on duty.

Pension
50% of salary attached to rank at date of suspension or retirement. Minimum $1,000 per month.

Other Provisions

Marriage After Retirement (3-120)
No surviving spouse benefit available.

Refund (3-124)
At death prior to completion of 10 years of service, contributions are returned without interest to widow.

At termination with less than 20 years of service, contributions are refunded upon request.

Contributions by Police Officers (3-125.1)
Beginning January 1, 2001, 9.91% of salary including longevity, but excluding overtime pay, holiday pay, bonus pay, merit pay or other cash benefit.

GLOSSARY

Actuarial Accrued Liability
See ***Entry Age Normal Cost*** *Method and* ***Projected Unit Credit Cost*** *Method.*

Actuarial Assumptions
The economic and demographic predictions used to estimate the present value of the plan's future obligations. They include estimates of investment earnings, salary increases, mortality, withdrawal and other related items. The *Actuarial Assumptions* are used in connection with the *Actuarial Cost Method* to allocate plan costs over the working lifetimes of plan participants.

Actuarial Cost Method
The method used to allocate the projected obligations of the plan over the working lifetimes of the plan participants. Also referred to as an *Actuarial Funding Method.*

Actuarial Funding Method
See *Actuarial Cost Method*

Actuarial Gain (Loss)
The excess of the actual *Unfunded Actuarial Accrued Liability* over the expected *Unfunded Actuarial Accrued Liability* represents an *Actuarial Loss.* If the expected *Unfunded Actuarial Accrued Liability* is greater, an *Actuarial Gain* has occurred.

Actuarial Present Value
The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of *Actuarial Assumptions*.

Actuarial Value of Assets
The asset value derived by using the plan's *Asset Valuation Method.*

Asset Valuation Method
A valuation method designed to smooth random fluctuations in asset values. The objective underlying the use of an asset valuation method is to provide for the long-term stability of employer contributions.

Employee Retirement Income Security Act of 1974 (ERISA)
The primary federal legislative act establishing funding, participation, vesting, benefit accrual, reporting, and disclosure standards for pension and welfare plans.

Entry Age Normal Cost Method
One of the standard actuarial funding methods in which the *Present Value of Projected Plan Benefits* of each individual included in the *Actuarial Valuation* is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The portion of this *Actuarial Present Value* allocated to a valuation year is called the *Normal Cost*. The portion of this *Actuarial Present Value* not provided for at a valuation date by the *Actuarial Present Value* of future *Normal Costs* is called the *Actuarial Accrued Liability.*

Normal Cost
The portion of the *Present Value of Projected Plan Benefits* that is allocated to a particular plan year by the *Actuarial Cost Method.* See *Entry Age Normal Cost Method* for a description of the Normal Cost under the *Entry Age Normal Cost Method.* See *Projected Unit Credit Cost Method* for a description of the Normal Cost under the *Projected Unit Credit Cost Method.*

Present Value of Future Normal Costs
The present value of future normal costs determined based on the *Actuarial Cost Method* for the plan. Under the *Entry Age Normal Cost Method*, this amount is equal to the excess of the *Present Value of Projected Plan Benefits* over the sum of the *Actuarial Value of Assets* and *Unfunded Actuarial Accrued Liability.*

Present Value of Projected Plan Benefits
The present value of future plan benefits reflecting projected credited service and salaries. The present value is determined based on the plan's actuarial assumptions.

GLOSSARY
(Continued)

Projected Unit Credit Cost Method
One of the standard actuarial funding methods in which the *Present Value of Projected Plan Benefits* of each individual included in the *Actuarial Valuation* is allocated by a consistent formula to valuation years. The *Actuarial Present Value* allocated to a valuation year is called the *Normal Cost*. The *Actuarial Present Value* of benefits allocated to all periods prior to a valuation year is called the *Actuarial Accrued Liability*.

Statement No. 25 of the Governmental Accounting Standards Board (GASB No. 25)
The accounting statement that established the standards of financial accounting and reporting for the financial statements of defined benefit pension plans.

Unfunded Actuarial Accrued Liability
The excess of the *Actuarial Accrued Liability* over the *Actuarial Value of Assets*.

CITY OF MOLINE
FIREFIGHTERS' PENSION FUND

ACTUARIAL VALUATION
AS OF JANUARY 1, 2012 FOR THE
FISCAL YEAR ENDING DECEMBER 31, 2012

July 19, 2012

Tepfer Consulting Group, Ltd.
Actuaries and Administrators
145 Revere Drive
Northbrook, Illinois 60062-1555
847-509-7740 Fax: 847-509-7745
www.TepferConsulting.com

July 19, 2012

Ms. Kathleen Carr
Finance Director
City of Moline
1630 8th Avenue
Moline, IL 61265-2121

RE: Moline Firefighters' Pension Fund

Dear Kathy:

Enclosed is our actuarial valuation report for the **Moline Firefighters' Pension Fund** for the fiscal year January 1, 2012 through December 31, 2012.

The results of our valuation indicate that the recommended minimum contribution from the City for the next tax year is **$3,279,523** or **70.58%** of current payroll. This contribution coupled with the anticipated $420,383 or 9.455% of current payroll to be collected from participating firefighters will be sufficient to meet the State statutory requirements described in 40 ILCS 5/4. Further information is provided within our report.

Alternatively, under the current statute, our valuation results indicate the statutory minimum contribution for the City for the next tax year to be $2,249,257 or 48.41%.

With the publication of Statement No. 25 of the Governmental Accounting Standards Board, we our report includes the calculation of the unadjusted Annual Required Contribution. (ARC) We have chosen to calculate this contribution as a level percentage of payroll funded amortization of the unfunded liability over a closed 40 year period beginning with the date of adoption of GASB 25. This amount is $3,115,083 or 67.05% of participating payroll.

The increase in employer pension contributions resulting from the implementation of P.A. 93-0689 has been estimated to be **$ 50,878.**

Factors Influencing the Choice of Actuarial Assumptions

As part of the consulting process, it is our policy to talk with selected members of the Board of Trustees and the Sponsor's representatives for the **City of Moline Firefighters' Pension Fund** in order to obtain information which will enable the Actuary to properly choose the actuarial assumptions which are most appropriate for the current cost determination for the pension fund.

Prior to the meeting, statistics are compiled concerning historical investment returns, salary increases, retirement incidence and other factors which are influential in the actuarial assumption setting process. Based upon an analysis of the specifics as they relate to the **City of Moline Firefighters' Pension Fund** and a general understanding of the inter-relationships of the actuarial assumptions, the Board, the Sponsor and the Actuary reach a mutual agreement as to the assumptions which will be used in the current actuarial valuation.

Published statistics regarding experience for police and firefighters are available from the State of Illinois Department of Insurance. These statistics form the basis of the actuarial assumptions selected by the State Actuary in the valuation of pension funds covered under the Downstate Pension System. We have found in our consulting, that whenever appropriate, the actuarial assumptions used by the State Actuary are relied upon as a starting point. However, in order to make the calculations more "***Moline-sensitive***", the analysis of the actual historical performance is carefully examined.

Experience Analysis

As discussed earlier, each year the actuarial process examines the experience of the fund. General parameters indicate that a variance of less than 3% of the unfunded liability is acceptable to assure that the assumptions used remain suitable. The measurement compares the actual unfunded liability to the expected unfunded liability. The total gain and loss developed is then analyzed by individual assumption to assure appropriateness. Based upon the results of this year's analysis, both in aggregate and individually, we have determined that the chosen assumptions remain suitable for continued use. However, we would be remiss if we did not advise that the assumed investment return assumption of 7.5% is only marginally acceptable for continued funding.

Ms. Kathleen Carr
Finance Director
City of Moline
1630 8th Avenue
Moline, IL 61265-2121

Demographic considerations

For this valuation, it was noted that the force continues to remain stable as to its size and demographic composition. In the current valuation, it was observed that the number of inactive participants (100, exclusive of terminated employees who are due a refund of their contributions) as compared to active participants (66) in the Fund is substantially higher than the State average (60% of the total participants are inactive as compared to a State average of 38%) and, the average age and service of the active participating group is slightly higher than the State average. As a percentage of the total pension liabilities, the liabilities for inactive participants are well above the State average.

Of further concern, is the fact that there are currently 12 firefighters who are eligible to retire and 8 firefighters who will become eligible in the next 5 years. This represents about 30% of the current active group. Additionally, pension payments have been escalating. Nonetheless, absent a large growth in the active force, with proper funding, the fund's position should become more favorable for the foreseeable future and although improving the fund is still not in a strong financial condition.

As would be expected in this situation, a very large portion of the assets available for investment has been committed to provide benefits for existing pensioners and beneficiaries. Essentially then, all of the assets in the plan are already dedicated to cover the liabilities for the currently retired participants. Additionally, pension disbursements on an annual basis total approximately $4.1 million and investment earnings are currently insufficient to provide for these payments on an ongoing basis and generally have been for the past few years.

As indicated last year, municipal contributions and contributions by active firefighters are being used to pay current expenses. These funds are generally the major source of new funds for investment purposes to accumulate reserves. Even with improved investment returns, the maturing of the employee group requires that the fund be carefully monitored during the next few years to assure that an orderly funding progress is maintained. If investment income remains insufficient to pay the existing pensioners, then municipal and participant contributions will continue to be used.

Financial considerations

In these uncertain times, the fund continues to experience very limited short-term investment growth. Furthermore, the fund continues to maintain less than adequate funded ratios. The fund has earned marginal rates of return over the short term. As shown in Exhibit 5-C of our report, the composite rate of return for the fund since 2005 is 2.56%. The investment smoothing method adopted initially by the fund and now mandated by statute serves to level the contribution and shield against annual investment volatility. However, it is not unnoticed that annual pension payments far exceeded the investment income during 2011, and an annual investment return of 15.52% would be needed to cover the outgoing benefit expenses. The Trustees should be advised that this is a potentially dangerous situation regarding the fund. Clearly municipal contributions will remain at high levels until the fund can annually increase its investment return.

We ask that you review the section entitled "Actuarial experience since the last actuarial valuation" beginning on page 2 for a further explanation of what has occurred since the last actuarial valuation.

Please do not hesitate to contact us if you have any questions concerning our report.

Sincerely,

TEPFER CONSULTING GROUP, LTD.

Arthur H. Tepfer, A.S.A., M.A.A.A.
Consulting Actuary

AHT/lf
Encl.

TABLE OF CONTENTS

ACTUARIAL STATEMENT

Tepfer Consulting Group, Ltd. was retained by the **City of Moline and City of Moline Firefighters' Pension Fund** to perform an independent actuarial valuation for the Firefighters' Pension Fund. This valuation is permitted under 40 ILCS 5/22, Section 503.2.

The actuarial valuation was performed for the year ended December 31, 2012 and indicates a **statutorily required contribution in accordance with 40 ILCS 5/4, Section 118 of $2,249,257 or 48.41% of member payroll, a recommended minimum contribution of $3,279,523 or 70.58% of payroll, and an Annual Required Contribution in accordance with paragraph 36f of Statement No. 25 of the Governmental Accounting Standards Board of $3,115,083 or 67.05% of payroll.** These contributions are net of contributions made by active member firefighters during the fiscal year.

The results shown in this report have been calculated under the supervision of a qualified Actuary as defined in appropriate State statutes. All results are based upon demographic data submitted by the Firefighters' Pension Fund, financial data submitted by the Firefighters' Pension Fund, applications of actuarial assumptions, and generally accepted actuarial methods.

In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirements of the applicable State statute, Actuarial Standards Board, or Statements of Governmental Accounting Standards, as applicable.

In our opinion, the actuarial assumptions used are reasonable, taking into account the experience of the plan and future expectations, and represent a reasonable and adequate approach to the financing of the retirement program. The costs, actuarial liabilities and other information presented in this report, in our opinion, fully and fairly disclose the actuarial position of the plan.

I, Arthur H. Tepfer, am an Enrolled Actuary in good standing under the Employee Retirement Income Security Act of 1974. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. I certify that the results presented in this report are accurate and correct to the best of my knowledge.

TCG PUBLIC CONSULTING, LTD.

Arthur H. Tepfer, A.S.A., M.A.A.A.
Enrolled Actuary #11-02352

July 19, 2012

VALUATION OBJECTIVES

The **City of Moline Firefighters' Pension Fund** provides benefits to members when they retire, die, become disabled or terminate employment. As with any plan providing these types of benefits, an appropriate budgeting pattern must be established to enable appropriate funds to be accumulated to meet all payments when due. The actual cost of the plan can best be expressed in the following simplistic manner:

ACTUAL COST EQUALS Benefits Paid

Plus

Expenses Paid

Less

Investment Income Earned

If the actual cost is incurred on a "pay as you go" basis, then the future generations of members will be paying for the benefits of current plan participants. Proper financial planning calls for budgeting the actual cost of the plan over the working lifetime of current plan membership in order to establish an equitable allocation. An actuarial valuation is the procedure used to determine an appropriate amount to be contributed to the pension plan each year in order to attain this equity.

An actuarial valuation is an estimate at a particular point in time of the predicted incidence of the future benefit costs. Since the actual cost of the plan is essentially unknown, pre-funding (budgeting for future benefit costs) requires certain assumptions about future events. Assumptions are made for such things as salary increases, terminations of participants, disablement of participants, death of participants and anticipated investment earnings. These assumptions although not affecting the actual costs of the plan will affect the incidence of predicted future costs. For proper funding, it is required that the Actuary select assumptions which are appropriate in light of the economic, demographic, and legislative environment as they relate to the pension program. The assumptions we have made concerning these future events are described more fully in Appendix 2 of this report. Based on these assumptions, a projection of future benefits was made and a current contribution level sufficient to provide the anticipated benefit payments was determined through the use of an actuarial cost method.

Selection of the Actuarial Cost Method

An actuarial cost method, sometimes called a "funding method", therefore, is essentially an approach to budgeting the estimated future costs. There are many actuarial cost methods which are available to the actuary and each method operates differently. However, all funding methods accomplish the same objective—to assign to each fiscal year of the employer the portion assumed to have accrued in that year. The portion of the actuarial value of benefits assigned to a particular year in respect of an individual participant or the fund as a whole is called the ***normal cost.*** All funding methods are described by how the normal cost is calculated.

The actuarial cost method prescribed by the State statutes to determine the ***statutorily minimum required contribution*** for periods on or after January 1, 2011 is the Projected Unit Credit Cost Method. Under this actuarial cost method, the ongoing cost as a percentage of total payroll will increase. In this method, the normal cost is determined by first calculating the projected dollar amount of each participant's accumulated benefit under the plan as of both the first day of the fiscal year and as of the last day of the fiscal year and then determining the difference between these two amounts. The second step in deriving the normal cost for a given participant is to multiply the dollar amount of this difference by the actuarial present value of $1 of benefit.

The actuarial cost method selected by our firm to determine the ***recommended plan contribution*** is the Entry Age Normal Cost Method. Under this actuarial cost method, ideally, the ongoing cost as a percentage of total payroll should remain fairly stable. In this method, the normal cost is determined by assuming each participant covered by the plan entered the plan under the same conditions that will apply to future plan entrants. The annual normal cost assigned to each year of an employee's career is calculated as a level percentage of the employees assumed earnings each year. These normal costs accumulate to the present value of the employee's benefit at retirement age.

VALUATION OBJECTIVES

Under both the Entry Age Normal Cost Method and the Projected Unit Credit Cost Method, the total funding of projected benefit costs is allocated between an ***unfunded liability***, representing past benefit history, and future normal costs. This allocation is based on the assumption that the municipality will pay the normal cost for each plan year on a regular basis. It should be noted that although the term "unfunded liability" is applied to both funding methods, the resulting amount is different because of the method of calculation. Another feature of these methods is that only the unfunded liability is affected by the experience of the plan, and therefore any adjustments are made in the future amortization payments.

In addition to the methodology changes described above, P.A. 96-1495 also addressed the valuation of pension fund assets—the second component in the determination of the unfunded liability. The statute now provides that the actuarial value of a pension fund's assets be set equal to the market value of the assets on March 30, 2011 and that, in determining the actuarial value of assets after that date, any actuarial gains or losses from investment returns incurred in a fiscal year be recognized in equal amounts over the 5-year period following that fiscal year.

The actuarial valuation process is usually repeated each year and is to a certain extent self-correcting. As part of these actuarial cost methods, any deviation of actual experience from the chosen actuarial assumptions will be reflected in future contributions. A complete description of these actuarial cost methods is explained in Appendix 4 of this report.

Despite the statutory language which requires an application of the Projected Unit Credit method, we feel that funding under this method as a *level percentage of payroll* severely undermines the benefit security of the retirement system and transfers the payment for currently earned pensions to future generations of taxpayers. For these reasons, our valuation report also presents a recommended minimum contribution that will operate to maintain the fundamental fiscal soundness of the retirement program, although a statutorily required contribution has also been calculated. The calculation of the recommended minimum contribution is based upon an amortization payment of 90% of any unfunded accrued liabilities as a *level dollar amount* over 30 years from January 1, 2011, the effective date of P.A. 96-1495. The calculation of the statutorily required contribution is based upon an amortization payment of 90% of any unfunded accrued liabilities as a "*level percentage of payroll*" over 30 years from January 1, 2011, the effective date of P.L. 96-1495.

Although, I do not agree with the statutorily required level percentage of payroll methodology of determining the amortization of the unfunded accrued liability, I would be remiss if I did not advise my funds as to a "statutorily" acceptable calculation under the State law.

Effective for periods beginning after June 15, 1996, the Governmental Accounting Standards Board has issued Statement No. 25 "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans". This Statement establishes a financial reporting framework for defined benefit pension plans that distinguishes between two categories of information: (a) current financial information about plan assets and financial activities and (b) actuarially determined information, from a long-term perspective, about the funded status of the plan and the progress being made in accumulating sufficient assets to pay benefits when due. The calculation of the Annual Required Contribution (ARC) is described in paragraph 36f of the Statement and is based upon an amortization payment of any unfunded accrued liabilities as either a level dollar amount or a level percentage of total payroll over a maximum of 40 years from the effective date of the Statement. Any significant increase in the total unfunded actuarial liability resulting from a change in actuarial methodology should be amortized over a period not less than 10 years.

Actuarial experience since the last actuarial valuation

As part of the actuarial valuation process, it is helpful to examine the actual experience of the fund as compared to the experience which is expected by the actuarial assumptions. The measurement of any deviations of actual to expected experience is commonly referred to as a "Gain and Loss Analysis". In performing this analysis, the actuary analyzes each actuarial assumption used in the valuation process. It is highly unlikely that actual experience will follow expected experience on a year-by-year basis. It is hoped that over the long term, if the actuarial assumptions are "reasonable", the total gains and losses will offset each other.

A "gain and loss analysis' is a useful tool to examine whether the actuarial assumptions used to determine the municipal tax levy are suitable. Care must be taken in placing too much credibility in a short-term analysis as the assumptions are more appropriately measured over the long term. Nonetheless, an annual evaluation of the actuarial assumptions will assist in identifying trends which, if unnoticed, can lead to inappropriate conclusions. When these trends are recognized, it is the actuary's responsibility to modify one or more of the assumptions to better anticipate future experience.

VALUATION OBJECTIVES

Some assumptions are easier to measure than others. In small plans, credible analysis can generally be made regarding the economic (financial) assumptions. These primarily include investment and salary increase assumptions. Unfortunately, it is often impossible to establish credible long term analysis of demographic assumptions (rates of termination, disability, retirement and mortality). Therefore, in choosing demographic assumptions, the actuary generally relies upon standardized tabular assumptions modified only by fund-specific characteristics.

The actuarial gain and loss analysis for the current year is presented in Exhibit 3-C and 3-D of the report. Exhibit 3-C shows the impact of the actuarial gains or losses on the recommended minimum contribution through a reconciliation of this contribution from the end of the prior valuation year to the end of the current valuation year. Exhibit 3-D derives the actuarial gain or loss in total as well as separating the individual financial and demographic components.

The overall experience gain (loss) for the year was $ (1,669,648) or 2.58% of the accrued liability at the beginning of the plan year. The dollar amount for the plan's recommended minimum contribution is 109.03% of the prior year's contribution. When measured as a percentage of payroll, the contribution level has changed from 64.54% to 70.58%*.

Thirty-year Projection of Liabilities

The final section of our report illustrates projected payments from the Trust Fund for a 30-year period commencing with the valuation date. These projections are based upon the actuarial assumptions selected for the fund concerning death, disability and retirement actually occurring. Care should be taken in interpreting or relying on these results-- particularly for Funds with fewer than 200 participants. The credibility of this type of projection is rarely realized beyond 10 years. Exhibit 5D presents this projection.

RESULTS OF VALUATION

The following exhibits present the results of our actuarial valuation of the **City of Moline Firefighters' Pension Fund** for the fiscal year January 1, 2012 through December 31, 2012.

Exhibit 1 indicates that the recommended minimum contribution, calculated using the Entry Age Normal Cost method (EANC), from the City is $3,279,523 or 70.58% of total participating payroll. **Under the Entry Age Normal actuarial cost method selected, this percentage of payroll should remain reasonably level over the lifetime of the plan.**

Exhibit 1 also indicates that the statutory minimum contribution, calculated using the Projected Unit Credit method (PUC), from the City is $2,249,257 or 48.41% of total participating payroll. **Under the Projected Unit Credit actuarial cost method selected, this percentage of payroll should increase over the lifetime of the plan.**

Exhibits 2 and 3 provide specific information used to develop the recommended minimum and statutorily required City contribution and GASB Annual Required Contribution (ARC).. The Annual Required Contribution as of January 1, 2012 has been determined under the Governmental Accounting Standards Board Statement No. 25 and is required disclosure for the fiscal year ending December 31, 2012. The Entry Age Normal Cost and the Actuarial Accrued Liability were determined using the Entry Age Normal Cost Actuarial Cost Method.

The Entry Age Normal Cost has been determined as a level percentage of projected payroll of the active members of the group. The amortization method for the Unfunded Actuarial Accrued Liability is determined as a level percentage of payroll amount over a closed Amortization Period as permitted in Governmental Accounting Standards Board Statement No. 25.

Contribution amounts presented in this report have not been adjusted for interest to the date of payment. All values were determined on the basis of the actuarial assumptions and methods as more fully described in Appendix1 of this report.

Exhibit 4 presents a brief description of the demographic characteristics of the current member group.

Exhibit 5 shows information relating to the pension assets.

GENERAL VALUATION RESULTS FOR FISCAL YEAR JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Recommended Minimum Contribution

1.	Entry Age Normal Cost:	$ 1,017,556
2.	Unfunded Actuarial Accrued Liability (or Surplus):	36,946,538
3.	Actuarial Value of Assets:	27,715,000
4.	Annual Salaries of Active Firefighters:	4,446,145
5.	Recommended Minimum Contribution from the City:	3,279,523
	Contribution Percentage:	70.58%*

Statutory Minimum Contribution

1.	Projected Unit Credit Normal Cost:	$ 1,072,816
2.	Unfunded Actuarial Accrued Liability (or Surplus):	34,525,237
3.	Actuarial Value of Assets:	27,715,000
4.	Annual Salaries of Active Firefighters:	4,446,145
5.	Statutory Minimum Contribution from the City:	2,249,257
	Contribution Percentage:	48.41%*

* Projected for the fiscal year ending December 31, 2012.

SUMMARY OF SPECIFIC VALUATION RESULTS

		Number	Actuarial Present Value of Projected Benefits	Entry Age Normal Cost	Projected Unit Credit Normal Cost
1.	Active Firefighters:	66			
	Retirement Pension:		$21,748,996	$655,354	$831,539
	Survivors Pension:		994,676	54,520	49,225
	Disability Pension:		5,774,541	287,028	178,086
	Withdrawal Pension:		206,579	20,654	13,966
	TOTAL	66	$28,724,792	$1,017,556	$1,072,816
2.	Inactive Firefighters and Survivors:				
	Normal Retirees:	62	$35,712,010		
	Widows (Survivors):	22	2,781,752		
	Children (Survivors):	0	0		
	Disabled Retirees:	15	6,764,313		
	Deferred Vested:	1	54,329		
	Terminated/Separated:	1	2,312		
TOTAL		101	$45,314,716		

SUMMARY OF SPECIFIC VALUATION RESULTS
(Continued)

		Entry Age Normal (EAN)	Projected Unit Credit (PUC)
3.	Total Actuarial Present Value of Projected Benefits:	$74,039,508	N/A
4.	Actuarial Present Value of Future Normal Costs:	9,377,970	N/A
5.	Actuarial Accrued Liability: [(3) - (4)]	64,661,538	62,240,237
6.	Actuarial Value of Assets:	27,715,000	27,715,000
7.	Unfunded Actuarial Accrued Liability (or Surplus): [(5) - (6)]	36,946,538	34,525,237
8.	Funded Ratio Percentage: [(6) ÷ (5)] x 100	42.86%	44.53%

HISTORY OF FUNDED PERCENTAGES

For the Year beginning January 1	Valuation Assets	EAN Accrued Liabilities	EAN Funded Percentage	PUC Accrued Liabilities	PUC Funded Percentage
2012	$27,715,000	$64,661,538	42.86%	$62,240,237	44.53%
2011	29,183,658	62,032,976	47.05	59,678,809	48.90

DEVELOPMENT OF RECOMMENDED MINIMUM CITY CONTRIBUTION

		Fiscal Year January 1, 2012 through December 31, 2012
1.	Entry Age Normal Cost:	$1,017,556
	Interest to December 31, 2012:	76,317
	(a) Total	$1,093,873
	(b) 17½% of Projected Payroll	778,075
	(c) Minimum Cost Payable, greater of (a) and (b):	$1,093,873
2.	Recommended Minimum Payment to Amortize 90 % of the Entry Age Normal Unfunded Accrued Liability as a level dollar amount over 28.99932 Years from January 1, 2012 with interest to December 31, 2012 :	2,606,033
3.	Credit for Surplus:	0
4.	Initial Recommended Minimum Contribution for Fiscal Year 2012: [(1) + (2) + (3)]	3,699,906
5.	Statutory Minimum Contribution (Exhibit 3B line 5)	2,669,640
6.	Total Recommended Minimum Contribution for Fiscal Year 2012: [Greater of Line 4 and Line 5]	3,699,906
7.	Active Member Contributions (9.91% of Salaries):	420,383
8.	Net Recommended Minimum City Contribution: [(6) - (7)]	3,279,523

DEVELOPMENT OF STATUTORILY REQUIRED CITY CONTRIBUTION
(NOTE THAT THIS CONTRIBUTION CALCULATION IS NOT RECOMMENDED)

		Fiscal Year January 1, 2012 through December 31, 2012
1.	Projected Unit Credit Normal Cost:	$1,072,816
	Interest to December 31, 2012:	80,461
	(a) Total	$1,153,277
	(b) 17½% of Projected Payroll	778,075
	(c) Minimum Cost Payable, greater of (a) and (b):	$1,153,277
2.	Minimum Payment to Amortize 90% of the Projected Unit Credit Unfunded Accrued Liability as a level percentage of payroll over 28.99932 Years from January 1, 2012 with interest to December 31, 2012:	1,516,363
3.	Credit for Surplus:	0
4.	Total Statutorily Required Contribution for Fiscal Year December 31, 2012: [(1) + (2) + (3)]	2,669,640
5.	Active Member Contributions (9.455% of Salaries):	420,383
6.	Statutorily Required City Contribution: [(4) - (5)]	2,249,257

RECONCILIATION OF THE CHANGE IN THE RECOMMENDED MINIMUM CITY CONTRIBUTION

1.	Recommended Minimum Contribution for Year ending 12/31/2011:	$3,007,810
2.	Increase in Normal Cost and Amortization Payment due to anticipated pay changes:	110,264
3.	Increase/(Decrease) in Normal Cost resulting from actual pay changes:	(56,760)
4.	Effect of Asset Smoothing:	(59,373)
5.	Increase/(Decrease) resulting from changes in assumptions:	0
6.	Increase/(Decrease) resulting from other demographic and financial sources (retirements, deaths, new entrants, salary changes, etc.):	(752,684)
7.	Recommended Minimum Contribution for Year ending December 31, 2012:	$3,279,523

GASB STATEMENT NO. 25 DISCLOSURE INFORMATION

DEVELOPMENT OF THE ANNUAL REQUIRED CONTRIBUTION OF THE MUNICIPALITY

		Fiscal Year January 1, 2012 through December 31, 2012
1.	Entry Age Normal Cost	$1,017,556
2.	Actuarial Accrued Liability	64,661,538
3.	Actuarial Value of Assets*	24,707,190
4.	Unfunded Actuarial Accrued Liability	39,954,348
5.	Payment to Amortize Unfunded Actuarial Accrued Liability Over 40 Years from the Effective Date of Application of GASB 25 (21 years remaining)	2,517,910
6.	Total Annual Required Contribution for Fiscal Year December 31, 2012: [(1) + (5)]	3,535,466
7.	Active Member Contributions (9.455% of Salaries):	420,383
8.	**Annual Required Contribution (ARC) payable at the beginning of the current fiscal year: [(6) - (7)]**	**3,115,083**

*Excluding Contributions Receivable

DERIVATION OF EXPERIENCE GAIN(LOSS) AND COST METHOD CHANGE AS OF JANUARY 1, 2012

1.	EANC Unfunded Actuarial Accrued Liability at 1/1/2011:	$32,849,218
2.	Entry Age Normal Cost Due at 1/1/2011:	1,027,232
3.	Interest on (1) and (2) to January 1, 2012 (at 7.50% per year):	2,540,734
4.	Contributions made for the prior year with interest to January 1, 2012:	3,561,595
5.	Expected EANC Unfunded Actuarial Accrued Liability at January 1, 2012 Before Assumption Changes [(1) + (2) + (3) - (4)]:	32,855,589
6.	Change in EANC Unfunded Actuarial Accrued Liability due to Assumptions Change at January 1, 2012:	0
7.	Expected Unfunded Actuarial Accrued Liability at January 1, 2012 [(5) + (6)]:	32,855,589
8.	Actual EANC Unfunded Actuarial Accrued Liability at January 1, 2012:	36,946,538
9.	Gain (Loss) for the prior Plan Year [(7) – (8)]:	**$ (1,669,648)**

The experience gain (loss) reported above is the net result of the following:

1.		FINANCIAL SOURCES	
	a)	Investment experience (based upon market value of assets):	$ (1,544,234)
	b)	Contribution experience:	(5,195)
	c)	Benefit Payments experience:	(108,501)
	d)	Salary increases (greater)/lower than expected:	214,022
		Total from Financial Sources:	(1,443,908)
2.		DEMOGRAPHIC SOURCES	
		Mortality, retirement, disability, termination, etc.:	(1,672,375)
3.		ACTUARIAL ADJUSTMENTS	
		Market value adjustment for asset smoothing, including expenses	1,446,635
4.		GAIN (LOSS) ALL SOURCES	
		Total Gain (Loss) for the prior Plan Year [(1) + (2) + (3)]	$ (1,669,648)

SUMMARY OF DEMOGRAPHIC INFORMATION AS OF JANUARY 1, 2012

	Number	Projected Annual Salaries (Fiscal Year 2012)
Active Firefighters:	66	$4,446,145

	Number	Total Monthly Benefits
Normal Retirees:	62	$256,068
Survivors (Widows):	22	41,513
Survivors (Children):	0	0
Disabled Retirees:	15	40,971
Deferred Vested:	1	0
Terminated/Separated:	1	2,312 *

* Return of Contributions

The actuarial valuation was performed as of January 1, 2012 to determine contribution requirements for fiscal year 2012.

AGE AND SERVICE DISTRIBUTION

Attained Age	COMPLETED YEARS OF SERVICE											Average Salaries
	0-1	2-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total	
15-19												0
20-24												0
25-29	1	8									9	47,279
30-34	1	4	4								9	48,641
35-39		5	2	5							12	61,631
40-44		1	4	3	4						12	69,876
45-49			1	2	2	4					9	78,158
50-54				1	2	8	2				13	84,783
55-59						2					2	99,576
60-64											0	-
65+											0	-
TOTAL	2	18	11	11	8	14	2	0	0	0	66	67,366

Age = 40.71 Years

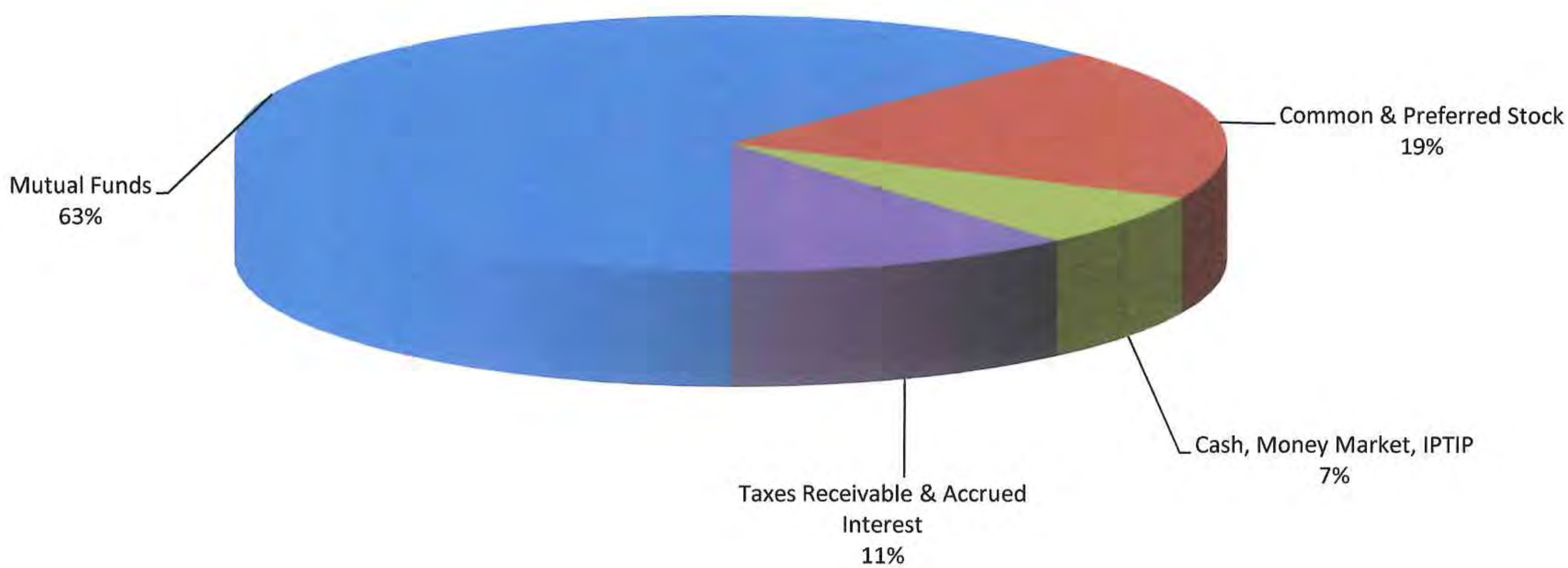
Service = 12.01 Years

ASSET INFORMATION

Cash, Money Market, IPTIP	$1,779,401
Certificates of Deposit	0
State and Local Obligations	0
U.S. Government Obligations	0
Insurance Company Contracts	0
Pooled Investment Accounts	0
Mutual Funds	16,482,108
Common & Preferred Stock	5,126,989
Taxes Receivable	3,007,811
Accrued Interest	13
Other Receivables	0
Net Liabilities	0
Net Present Assets at Market Value	$26,396,322

The chart on the following page shows a percentage of invested assets.

ASSET INFORMATION



DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

1. Market Value of Assets, January 1, 2011 — 24,987,381

2. Actual Income and Disbursements in prior year weighted for timing

Item	Amount	Weight for Timing	Weighted Amount
Contributions Received During 2011	3,443,234	50.00%	1,721,617
Miscellaneous Revenue	0	50.00%	0
Benefit Payments and Expenses Made During 2011	4,012,460	(50.00)%	(2,006,230)
Total			(284,613)

3.	Market Value of assets adjusted for actual income disbursements [(1) + 2(d)]	24,702,768
4.	Assumed rate of return on plan assets for the year	7.50%
5.	Expected return on assets [(3) x (4)]	1,852,708
6.	Market Value of Assets, January 1, 2011	24,987,381
7.	Income (less investment income) for prior year	3,443,234
8.	Disbursements paid in prior year	4,012,460
9.	Market Value of Assets, January 1, 2012	$26,396,321
10.	Actual Return [(9) + (8) – (7) – (6)]	1,978,166
11.	Investment Gain/(Loss) for Prior Year [(10) – (5)]	125,458

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS
(Continued)

12. Market Value of Assets, January 1, 2012: $26,396,321

13. Deferred investment gains and (losses) for last 4 years:

	Plan Year Beginning	Gain/(Loss)	Percent Deferred	Deferred Amount
a)	2012**	$ 125,458	80%	$ 100,367
b)	2011	$ 261,109	60%	$ 156,665
c)	2010	$ (1,290,062)	40%	$ (516,025)
d)	2009	$ (5,298,433)	20%	$ (1,059,687)
e)	Total	$ (6,201,928)		$ (1,318,679)

14. Actuarial value of plan assets for funding,, January 1, 2012: Item (12) less item 13(e): 27,715,000

15. Taxes receivable: 3,004,090

16. Actuarial value of plan assets for GASB reporting January 1, 2012 item (14) less item (15)*: 24,710,910

Notes: * excluding taxes receivable

* *The calculated value is determined by adjusting the market value of assets to reflect investment gains and losses (the difference between the actual investment return and the expected investment return) during each of the last five years at the rate of 20% per year. For the actuarial value of plan assets as of March 31, 2011, the actuarial value of assets was set to the market value of assets.

ANALYSIS OF INVESTMENT RETURN

Fiscal Year Ending December 31	Annual Rate of Return
2011	2.43%
2010	8.16
2009	1.91
2008	-11.28
2007	5.75
2006	8.41
2005	3.93
Composite	
2005-2011	2.56%

THIRTY - YEAR PROJECTION OF PAYMENTS

	Payouts from Active Group Upon					Payouts from		Total
	Termination							
Year	Lump Sum	Deferred Pension	Death	Retirement	Disability	Retired Group	Deferred Pensioners	
2012	4,218	0	14,470	89,529	31,921	4,058,909	2,312	4,201,359
2013	3,095	0	22,255	193,667	62,316	4,018,597	0	4,299,930
2014	2,931	0	22,114	295,899	95,524	3,977,973	0	4,394,441
2015	2,517	0	30,364	404,927	129,900	3,913,260	0	4,480,968
2016	1,986	0	36,508	521,755	166,794	3,849,273	0	4,576,316
2017	952	0	44,186	646,921	202,753	3,775,553	0	4,670,365
2018	0	0	50,941	780,764	239,489	3,696,872	0	4,768,066
2019	0	0	58,008	926,555	274,554	3,613,579	0	4,872,696
2020	0	0	65,130	1,060,435	307,191	3,525,870	0	4,958,626
2021	0	0	71,480	1,203,096	339,512	3,434,203	0	5,048,291
2022	0	0	78,736	1,334,814	371,291	3,339,014	0	5,123,855
2023	0	0	84,677	1,453,571	402,809	3,240,233	0	5,181,290
2024	0	0	91,746	1,578,007	435,077	3,138,184	0	5,243,014
2025	0	0	97,167	1,707,970	466,492	3,032,698	0	5,304,327
2026	0	0	103,425	1,857,837	499,060	2,923,995	0	5,384,317
2027	0	0	108,255	1,990,955	531,899	2,811,890	0	5,442,999
2028	0	0	113,914	2,110,063	564,653	2,696,211	0	5,484,841
2029	0	0	117,760	2,219,640	599,658	2,576,571	0	5,513,629
2030	0	0	122,609	2,366,635	629,999	2,452,791	0	5,572,034
2031	0	0	125,450	2,513,156	662,524	2,324,674	0	5,625,804
2032	0	0	129,837	2,651,588	693,408	2,192,164	0	5,666,997
2033	0	0	131,527	2,768,770	718,462	2,055,361	14,987	5,689,107
2034	0	0	134,916	2,882,017	742,151	1,914,534	15,294	5,688,912
2035	0	0	135,643	2,994,848	767,461	1,770,176	15,590	5,683,718
2036	0	0	137,953	3,103,017	790,420	1,623,158	15,870	5,670,418
2037	0	0	137,628	3,188,569	808,751	1,474,683	16,131	5,625,762
2038	0	0	138,716	3,254,108	823,110	1,326,102	16,370	5,558,406
2039	0	0	135,453	3,310,161	833,770	1,179,208	16,591	5,475,183
2040	0	0	135,378	3,351,867	848,197	1,035,798	16,774	5,388,014
2041	0	0	131,677	3,380,364	855,559	897,847	16,923	5,282,370

ACTUARIAL ASSUMPTIONS

(Economic)

Investment Return
7.50% per annum, compounded annually (net of expenses).

Salary Increases
Representative values of assumed salary increases are as follows:

Age	Increase %
25	4.8611
30	2.9848
35	2.0341
40	1.5239
45	1.3083
50	1.1846
55	1.1220

An additional inflation allowance of 2.00% per year is added to the above.

Payroll Growth
It was assumed that payroll will grow 4.50% per year.

Actuarial Asset Basis
The Pension Fund previously used an actuarial value of assets for both government accounting and funding purposes. Starting with the actuarial valuation as of January 1, 2012, the actuarial value of assets recognizes future gains and losses based on a 5-year smoothed market method as prescribed by Statute.

In a 5-year smoothed market method, the current market value of assets is reduced (increased) for the current year and each of three succeeding years, by a portion of the gain/(loss) in market value during the prior year. Such gain/(loss) is determined as the excess/(deficit) of the current market value of assets over the market value of assets as of the prior year, increased to reflect interest at the actuarial rate and adjusted to reflect contributions and benefit payments during the prior year. The portion of such gain/(loss) by which the current market value of assets is reduced (increased) shall be 80% in the current year, 60% in the first succeeding year. 40% in the second succeeding year and 20% in the third succeeding year.

In the first year of application of this statutory smoothing method, the actuarial value of assets on 1/1/2011 was substituted for the market value of assets as of the same date

Additionally, in accordance with government accounting standards, the actuarial value of assets is adjusted to remove any contributions receivable on the reporting date.

Expenses
None assumed.

(Demographic)

Mortality

Active Lives

RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over. Five percent (5%) of deaths amongst active firefighters are assumed to be in the performance of their duty.

Non-Active Lives

RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over.

Termination

Illustrative rates of withdrawal from the plan for reasons other than death or disability are as follows:

Age	Rate of Withdrawal
20	.0397
25	.0250
30	.0146
35	.0079
40	.0042
45	.0029

It is assumed that terminated firefighters will not be rehired

Disability Rates

Incidence of disability amongst firefighters eligible for disability benefits:

Age	Rate
25	.0009
30	.0025
35	.0046
40	.0065
45	.0097
50	.0166
55	.0314

15% of disabilities amongst active firefighters are assumed to be in the performance of their duty.

Retirement Rates

Retirements are assumed to occur between the ages of 50 and 69 in accordance with the following table:

Age	Rate of Retirement	Age	Rate of Retirement
50	.19	60	.28
51	.12	61	.36
52	.04	62	.44
53	.06	63	.52
54	.09	64	.60
55	.12	65	.68
56	.15	66	.76
57	.19	67	.84
58	.22	68	.92
59	.25	69	1.00

(Additional)

Marital Status

85% of firefighters are assumed to be married.

Spouse's Age

Wives are assumed to be 3 years younger than their husbands.

Actuarial Cost Method

Projected Unit Credit for statutory minimum

Entry Age Normal for recommended and GASB reporting

SUMMARY OF PRINCIPAL PLAN PROVISIONS

Definitions

Tier 1 – For Firefighters first entering Article 4 prior to January 1, 2011

Tier 2 – For Firefighters first entering Article 4 after December 31, 2010

Firefighter (4-106): Any person employed in the municipality's fire service as a firefighter, fire engineer, marine engineer, fire pilot, bomb technician or scuba diver.

Creditable Service (4-108): Time served by a firefighter, excluding furloughs and leaves of absence in excess of 30 days, but including leaves of absence for illness or accident and periods of disability where no disability pension payments are received and also including up to 3 years during which disability payments have been received provided contributions are made.

Creditable Service from other specified agencies is also included. Combined service credit option is available on a voluntary basis.

Pension (4-109)

Normal Pension Age
Tier 1 - Age 50 with 20 or more years of creditable service.

Tier 2 - Age 55 with 10 or more years of creditable service.

Normal Pension Amount
Tier 1 - 50% of the greater of the annual salary held in the year preceding retirement or the annual salary held on the last day of service, plus 2½% of such annual salary for service from 20 to 30 year (maximum 25%)].

Tier 2 - 2½% of Final Average salary for each year of service. Final Average Salary is the highest salary based on the highest consecutive 96 months of the final 120 months of service

Early Retirement at age 50 with 10 or more years of service but with a penalty of ½% for each month prior to age 55.

Annual Salary capped at $106,800 increased yearly by the lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3%.

Minimum Monthly Benefit: $1,000
Maximum Benefit Percentage: 75% of salary
Minimum Monthly Benefit: Annual step rate increases from $1,030.00 to $1,159.27.

Maximum Benefit Percentage: 75% of salary except line of duty.

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

Termination Pension Amount
Any firefighter who retires or is separated from service with at least 10, but less than 20 years of credited service, shall be entitled to a monthly pension commencing at age 60 equal to the monthly rate of compensation based on rank at separation multiplied by the applicable percentage below:

Years of Credited Service	Applicable Percentage
10	15.0 %
11	17.6
12	20.4
13	23.4
14	26.6
15	30.0
16	33.6
17	37.4
18	41.4
19	45.6

Pension Increase

<u>Non-Disabled</u>
Tier 1 - 3% increase of the original pension amount after attainment of age 55 for each year elapsed since retirement, followed by an additional 3% of the original pension amount on each January thereafter. Effective July 1, 1993, 3% of the amount of pension payable at the time of the increase including increases previously granted, rather than 3% of the originally granted pension amount.

Tier 2 - The lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3% increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount on each January 1 thereafter. For firefighters who retire after January 1, 1986, 3% increase of the original pension amount after attainment of age 55 for each year elapsed since retirement, followed by an additional 3% in each January thereafter.

For firefighters who retire prior to January 1, 1986, but after July 1, 1971, the 3% increase commences at age 60, and for firefighters who retire before July 1, 1971, the 3% increase commences at age 65.

<u>Disabled</u>
3% increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount in each January thereafter.

<u>Pension to Survivors (4-114)</u>

Eligibility
Death of a firefighter:

(1) on active duty as a result of any illness or accident;

(2) on disability retirement;

(3) on retirement with 20 years of service;

(4) as a terminated member who has rights to a benefit at age 60; and

(5) as a deferred pensioner.

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

Death Benefit
Tier 1 - 54% of annual salary based on attained rank at date of separation of service to surviving spouse, plus 12% of such salary to dependent children under 18.

100% of annual salary if death occurs in the line of duty.

Depending upon the survival of the spouse, dependent children benefits may increase to a level of 20% of firefighter's salary.

Greater of 100% of monthly retirement benefit or 54% of annual salary if completed 20 years of service or on disability retirement.

Tier 2 – 66 2/3% of pension amount to surviving spouse (or dependent children), subject to the following increase: the lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3%.increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount on each January 1 thereafter.

Minimum Monthly Survivor Pension
Annual step rate increases from $1,030.00 to $1,159.27.

Maximum Survivor Pension
75% of such firefighter's salary.

<u>Disability Pension - Line of Duty (4-110)</u>

Eligibility
Suspension or retirement from fire service due to sickness, accident or injury while on duty.

Pension
Greater of 65% of salary attached to rank at date of suspension or retirement and the retirement pension available.

Minimum Monthly Benefit: Annual step rate increases from $1,030.00 to $1,159.27.

For each dependent child under 18, an additional $20 per month increased annually is granted each disabled member. Maximum total benefit is 75% of salary.

<u>Disability Pension - Not on Duty (4-111)</u>

Eligibility
Suspension or retirement from fire service for any cause other than while on duty. Member must have at least 7 years of credited service.

Pension
50% of salary attached to rank at date of suspension or retirement.

<u>Disability Pension - Occupational Disease (4-110.1)</u>

Eligibility
Suspension or retirement from service after 5 years of service from causes of heart disease, cancer, tuberculosis or other lung disease.

Pension
Same pension as in line of duty.

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

Disability Pension Option A (4-113(a))

Eligibility
Member receiving a disabled pension who attains age 50 and whose years of creditable service and years of disablement total 20 years.

Pension Option
Eligible for pension increase upon conversion to retirement. Pension amount remains the same at date of conversion but subject to annual pension increases.

Disability Pension Option B (4-113(b))

Eligibility
Member receiving disability pension who attains age 50 and who had 20 years of creditable service at date of disablement.

Pension Option
Convert to normal pension based upon years of service at disablement and salary attached to rank on date of election.

Other Provisions

Refund (4-116)
At death with no survivors, contributions are returned to estate.

At termination with less than 20 years of service, contributions are refunded upon request.

Contributions by Firefighters (4.118.1)
9.455% of salary, including longevity, but excluding overtime pay, holiday pay, bonus pay, merit pay or other cash benefit. Additional 1% of salary if combined service credit option is selected.

GLOSSARY

Actuarial Accrued Liability
See ***Entry Age Normal Cost*** *Method and* ***Projected Unit Credit Cost*** *Method.*

Actuarial Assumptions
The economic and demographic predictions used to estimate the present value of the plan's future obligations. They include estimates of investment earnings, salary increases, mortality, withdrawal and other related items. The *Actuarial Assumptions* are used in connection with the *Actuarial Cost Method* to allocate plan costs over the working lifetimes of plan participants.

Actuarial Cost Method
The method used to allocate the projected obligations of the plan over the working lifetimes of the plan participants. Also referred to as an *Actuarial Funding Method.*

Actuarial Funding Method
See *Actuarial Cost Method*

Actuarial Gain (Loss)
The excess of the actual *Unfunded Actuarial Accrued Liability* over the expected *Unfunded Actuarial Accrued Liability* represents an *Actuarial Loss.* If the expected *Unfunded Actuarial Accrued Liability* is greater, an *Actuarial Gain* has occurred.

Actuarial Present Value
The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of *Actuarial Assumptions.*

Actuarial Value of Assets
The asset value derived by using the plan's *Asset Valuation Method.*

Asset Valuation Method
A valuation method designed to smooth random fluctuations in asset values. The objective underlying the use of an asset valuation method is to provide for the long-term stability of employer contributions.

Employee Retirement Income Security Act of 1974 (ERISA)
The primary federal legislative act establishing funding, participation, vesting, benefit accrual, reporting, and disclosure standards for pension and welfare plans.

GLOSSARY
(Continued)

Entry Age Normal Cost Method
One of the standard actuarial funding methods in which the *Present Value of Projected Plan Benefits* of each individual included in the *Actuarial Valuation* is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The portion of this *Actuarial Present Value* allocated to a valuation year is called the *Normal Cost*. The portion of this *Actuarial Present Value* not provided for at a valuation date by the *Actuarial Present Value* of future *Normal Costs* is called the *Actuarial Accrued Liability*.

Normal Cost
The portion of the *Present Value of Projected Plan Benefits* that is allocated to a particular plan year by the *Actuarial Cost Method*. See *Entry Age Normal Cost Method* for a description of the Normal Cost under the *Entry Age Normal Cost Method*. See *Projected Unit Credit Cost Method* for a description of the Normal Cost under the *Projected Unit Credit Cost Method*.

Present Value of Future Normal Costs
The present value of future normal costs determined based on the *Actuarial Cost Method* for the plan. Under the *Entry Age Normal Cost Method*, this amount is equal to the excess of the *Present Value of Projected Plan Benefits* over the sum of the *Actuarial Value of Assets* and *Unfunded Actuarial Accrued Liability*.

Present Value of Projected Plan Benefits
The present value of future plan benefits reflecting projected credited service and salaries. The present value is determined based on the plan's actuarial assumptions.

Projected Unit Credit Cost Method
One of the standard actuarial funding methods in which the *Present Value of Projected Plan Benefits* of each individual included in the *Actuarial Valuation* is allocated by a consistent formula to valuation years. The *Actuarial Present Value* allocated to a valuation year is called the *Normal Cost*. The *Actuarial Present Value* of benefits allocated to all periods prior to a valuation year is called the *Actuarial Accrued Liability*.

Statement No. 25 of the Governmental Accounting Standards Board (GASB No. 25)
The accounting statement that established the standards of financial accounting and reporting for the financial statements of defined benefit pension plans.

Unfunded Actuarial Accrued Liability
The excess of the *Actuarial Accrued Liability* over the *Actuarial Value of Assets*.

MEMORANDUM

To: Lew Steinbrecher, City Administrator
From: Kathleen A. Carr, Finance Director
Subject: Actuarial Valuation for Police and Fire Pension Funds
Date: July 23, 2012

The sworn Police and Fire personnel of the City of Moline are covered by two pension plans that are defined-benefit, single-employer pension plans. The purpose of the actuarial valuation reports included with this agenda packet will provide 2012 property tax levy requirements for the City's 2013 employer contributions.

Since 1988, the city has not used the actuarial calculations provided by the State of Illinois Department of Insurance but rather has hired an actuary to use Moline's specific financial information and related actuarial information for the calculation. The City's employer contribution for 2013 will increase by $159,248.

Highlights:	**Police**	**Fire**
Investment Returns	2.40%	2.43%
Valuation Assets	$31,613,555	$27,715,000
Accrued Liabilities	$64,193,380	$64,661,538
Active Members	81	66
Beneficiaries	79	101
Disabilities	5	15
% funded	49.25%, down from 49.93%	42.86%, down from 47.05%
2013 Employer Contribution	$2,964,364	$3,279,523
	3.7% decrease	9.03% increase

Employer Contribution History:

Year	Police	Fire	Total
2000	$452,846	$561,447	$1,014,293
2001	$416,469	$629,020	$1,045,489
2002	$520,355	$680,576	$1,200,931
2003	$546,988	$658,216	$1,606,938
2004	$965,413	$1,185,410	$2,150,823
2005	$955,823	$1,162,068	$2,117,891
2006	$1,044,899	$1,229,564	$2,274,463
2007	$1,171,109	$1,337,039	$2,508,148
2008	$1,291,059	$1,528,017	$2,819,076
2009	$1,448,891	$1,718,452	$3,167,343
2010	$2,094,552	$2,328,594	$4,423,146
2011	$2,280,805	$2,679,017	$4,959,822
2012	$3,076,829	$3,007,810	$6,084,639
2013	$2,964,364	$3,279,523	$6,243,887

■

AGREEMENT FOR SALE OF REAL ESTATE

CITY OF MOLINE A MUNICIPAL CORPORATION **SELLER**	DARRELL K. MCCOLL **PURCHASER**
Address: 619 16th Street Moline, IL 61265	Address: 2505 46th Street Moline, IL 61265
Telephone: (309) 524-2012	Telephone: (309) 781-8084

THIS AGREEMENT IS DATED ________________________.

The Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate located at 2426 5th Avenue, Moline, Illinois (Parcel Number 08-2902), consisting of 5,730 square feet, more or less, legally described as:

> The West 38.4 feet of Lot Number Three (3) in Block Number One (1) in that part of the City of Moline known as and called H.R. Edwards' Addition to the City of Moline; situated in the County of Rock Island and State of Illinois.

Hereinafter referred to as the "Property," for the total sum of ONE HUNDRED and No/100 DOLLARS ($100.00) plus a right of reverter requiring Purchaser to complete interior and exterior renovations of 2426 5th Avenue within five (5) months from the date of possession of the Property, or the Property will automatically revert to the City; and adjusted for the special restrictions and covenants as set forth in the sections related to special restrictions and covenants herein, and payable in cash or other immediately available funds, at Closing, as defined herein. Purchaser understands that Seller's City Council must approve this Agreement before it becomes effective. Therefore, the Purchaser agrees that Purchaser's offer to buy hereunder shall be irrevocable until September 4, 2012, to allow Seller's City Council to consider and approve this Agreement at its August 28, 2012 City Council meeting all as described herein below.

SPECIAL RESTRICTIONS AND COVENANTS

Each and every item listed in this Section shall be construed as a material condition of this Agreement for Sale of Real Estate and shall be controlling over any portion in conflict therewith and any provision of any deed created pursuant hereto. If Purchaser or its successors in interest, if any, are at any time in breach or other violation of any provision of this Section and so remain for a period of fourteen (14) days after notice from Seller of the breach or other violation, then the Seller may reclaim and repossess the real estate interests transferred pursuant hereto; the Seller shall retain any and all amount paid to it for purposes of the transfer and/or sale contemplated herein as consideration for this Agreement and as payment for Seller's costs in preparing and conducting the sale herein contemplated. The special restrictions and covenants shall be as follows:

1. The purchase price for the Property is One Hundred and No/100 Dollars ($100.00). Purchaser shall pay Fifty and No/100 Dollars ($50.00) upon execution of this Agreement. The remaining Fifty and No/100 Dollars ($50.00) shall be paid by Purchaser at Closing. All 2011 taxes due and payable in 2012 shall be borne and paid one half by Purchaser and one half by Seller. Future taxes not otherwise provided for herein shall be paid by Purchaser.

2. Purchaser acknowledges and agrees to the following construction schedule:

   Clean out house; replace two window units; new roofing, windows and siding; new kitchen cabinets; new floors throughout; new fixtures throughout; gable over flat roof in rear; clean yard; landscape around house; repair fence; rewire and plumbing; and update mechanical where necessary.

   The deadline to complete all renovations is February 4, 2013. Seller may in its sole discretion agree to extend the date of completion. Any extension shall be by a written amendment signed by both parties. In no event shall the completion date be extended beyond May 15, 2013.

   Purchaser further acknowledges and agrees that Purchaser's failure to abide by any of the above conditions will result in reverter of the Property to the Seller without further action by or notice from the Seller, and Purchaser will voluntarily relinquish all interests in the Property to the Seller. In the case of reverter, any improvements done to the Property by the Purchaser shall become the property of the Seller and Purchaser has no right to said improvements or reimbursement therefor.

CONVEYANCE OF TITLE AND DOCUMENTS OF SALE

At Closing, Seller shall deliver a Quit Claim Deed to Purchaser or his/her licensed attorney practicing in Rock Island County, in the name of the Purchaser conveying Seller's interests and title together with such other documents that may be required to record the deed and transfer personal property. If the above conditions are met on February 4, 2013, at this time the deed shall be delivered to Purchaser provided that all conditions of this Agreement have been met by the parties.

POSSESSION AND CLOSING

(a) The Closing of this transaction shall be held on or about February 4, 2013 ("Closing"), with possession of the Property to be delivered to Purchaser on or before September 4, 2012, free and clear of all possessory interests, including, without limitation, squatters;

(b) Possession shall be deemed delivered when Seller has vacated the Property.

ASSIGNMENTS AND TRANSFERS PROHIBITED

The parties covenant not to suffer or permit without the written permission or consent of the other being first had and obtained, a sale, assignment, or transfer of any right, title or interest of any sort in and to said Property, or any portion thereof, or any of the improvements, apparatus, fixtures or equipment that may be found in or on said Property prior to Closing.

BUILDINGS, FIXTURES AND PERSONAL PROPERTY

All buildings or fixtures presently installed on the Property shall be left by Seller in or upon said Property as they are as of the date of this Agreement and shall be deemed a part of the real estate and title thereto and shall pass to Purchaser at delivery of the Quit Claim Deed.

CONDITION OF THE PROPERTY

Sale of the property shall be "as is without representation or warranty as to fitness or condition."

CASUALTY CLAUSE

This Agreement shall be subject to the Illinois Uniform Vendor and Purchaser Act as currently in effect. Seller shall keep adequate insurance, including fire and other extended coverage, on improvements on the above Property until the deed is delivered to the Purchaser. Purchaser shall be responsible for insurance coverage, including liability coverage upon taking title to or possession of the above Property, whichever occurs first. Any monies paid as a result of damage to the Property shall be paid to the Seller to reduce the monies due hereunder; provided, however, that should monies paid as a result of said damage exceed any monies due hereunder, then such excess amount shall be retained by Purchaser.

EXPENSES OF TRANSFER

PURCHASER shall pay:

(a) Recording fee for deed;
(b) Costs of any additional appraisal for the Property obtained by Purchaser;
(c) Revenue stamps and recording of any releases, if any;
(d) Broker commission, if any;

EACH PARTY shall be responsible for its own attorney fees and customary Closing costs.

ENTIRE AGREEMENT

This Agreement, executed by the parties, constitutes the entire agreement between the parties and there are no oral representations, warranties, or covenants other than those set forth herein and this Agreement shall extend to and be binding upon the executors, administrators, and assigns of the parties hereto.

LEGAL ASSISTANCE

The Seller and Purchaser are aware that when fully signed, this is a legally binding agreement for the sale and purchase of real estate and that in order to protect their interests in connection with contractual, title and other aspects of this transaction, they have had the right and opportunity to consult legal counsel before this Agreement is signed.

ACCEPTANCE BY SELLER

Until accepted by Seller, this document constitutes an irrevocable offer to buy by Purchaser on the terms stated above. This Agreement must be accepted by Seller on or before September 4, 2012, and Purchaser's offer to buy herein shall be irrevocable to and including September 4, 2012, to allow Seller's City Council opportunity to review and approve this Agreement. Within twenty-four (24) hours of acceptance by Seller's City Council, Fifty and No/100 Dollars ($50.00) earnest money shall be provided to Seller in the form of cash or check. Purchaser acknowledges and agrees that this Agreement is subject to Seller's right and legal responsibility to formally submit this Agreement to the Seller's City Council for review, approval and authorization to execute. If not so approved by the Council by August 28, 2012, this offer and Agreement shall be void. The parties understand that Seller's City Council may not approve this Agreement and that until approved by the City Council, it is not and shall not be binding upon Seller, its officers, employees or agents.

This Agreement has been read and executed in duplicate on the dates beside the parties' authorized agents' signatures.

Executed by SELLER:	Executed by PURCHASER:
CITY OF MOLINE, ILLINOIS	DARRELL K. MCCOLL
By:____________________ Donald P. Welvaert, Mayor	By:____________________
Date:____________________	Date:____________________

ATTEST:

By:________________________________
Tracy A. Koranda, City Clerk

Date:________________________________

FOR INFORMATION ONLY:
Seller's Attorney:
Amy L. Keys
(309) 524-2012

CITY OF MOLINE, IL BID TABULATION

Bid Date and Time: July 17, 2012 11:00 a.m.

Project: 1155 - River Drive Lighting Replacement

				Davenport Electric Contract Co.		Tri-City Electric Company of Iowa		GPE, Inc.	
ITEM NO.	ITEM	APPROX QUANTITY	UNIT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
1	LIGHT REMOVAL TYPE 1	44	EA	$475.00	$20,900.00	$741.80	$32,639.20		
2	LIGHT REMOVAL TYPE 2	24	EA	$960.00	$23,040.00	$4,751.00	$114,024.00		
3	COBRA H EAD REMOVAL	10	EA	$47.50	$475.00	$245.00	$2,450.00		
4	COBRA H EAD AND POLE REMOVAL	4	EA	$677.00	$2,708.00	$1,563.00	$6,252.00		
5	LIGHTING CONTROLLER COMPLETE	5	EA	$3,286.00	$16,430.00	$5,209.00	$26,045.00		
6	COBRA HEAD LUMINAIRE	10	EA	$105.00	$1,050.00	$245.00	$2,450.00		
7	SINGLE GLOBE LUMINAIRE	6	EA	$538.00	$3,228.00	$2,210.00	$13,260.00		
8	DOUBLE GLOBE LUMINAIRE	42	EA	$694.00	$29,148.00	$2,210.00	$92,820.00		
9	FIVE GLOBE LUMINAIRE	1	EA	$955.00	$955.00	$2,380.00	$2,380.00		
10	BOLLARD FIXTURE	4	EA	$158.00	$632.00	$2,210.00	$8,840.00		
11	POLE FOUNDATION	4	EA	$4,343.00	$17,372.00	$3,491.00	$13,964.00		
12	WALL MOUNTED LIGHT FIXTURE	4	EA	$95.00	$380.00	$492.00	$1,968.00		
13	PULLBOX	10	EA	$284.00	$2,840.00	$1,365.00	$13,650.00		
14	TRAFFIC CONTROL COMPLETE	1	L.SUM	$1,213.00	$1,213.00	$26,302.00	$26,302.00		
	TOTAL				**$120,371.00**		**$357,044.20**	**Non-Responsive**	