June 2010

Actuarial valuation report as of January 1, 2010

The City of Ladue Pension Plan for Non-Uniform Employees

MERCER

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Consulting. Outsourcing. Investments.

Contents

1

Report highlights

Mercer has prepared this report for the City of Ladue to:

- present the results of a valuation of the City of Ladue Pension Plan for Non-Uniform Employees as of January 1, 2010;
- review experience under the plan for the year ended December 31, 2009;
- provide the plan sponsor with the funding policy contribution under the plan for the year ending December 31, 2010; and
- provide the plan's accountants with information concerning the funded status of the plan.

Contributions

The following table summarizes important contribution information.

	Plan year ending	
	December 31, 2010	**December 31, 2009**
Funding policy contribution	$ 161,199	$ 203,664

The funding requirement decreased during the past year. This was primarily due to favorable asset performance.

Plan experience during prior plan year

During 2009, the plan experienced a net actuarial gain primarily due to the actuarial value of assets returning more than the 7.75% assumption. During 2009, the yield rate based on the actuarial value of assets was 16.39%. The return on a market value basis was 22.73%.

Between January 1, 2009 and January 1, 2010, the number of active participants decreased from 30 to 29. During the same period, the number of retirees and beneficiaries increased from 10 to 11 and the number of vested terminated participants remained at 2.

Accounting

This report also provides information for the plan for financial statements, governmental agencies and other interested parties, pursuant to governmental accounting standards. Because the City of Ladue Pension Plan for Non-Uniform Employees uses the aggregate funding method to calculate the funding policy contribution, Section 4 has been expanded to include a Schedule of Funding Progress. These values are calculated under the entry age funding method, however, the funding policy contribution remains calculated under the aggregate funding method.

Changes in plan provisions, actuarial assumptions and methods

There were no changes in actuarial assumptions, actuarial methods, or plan provisions since the last actuarial valuation as of January 1, 2009.

2

Certification

Mercer has prepared this report exclusively for The City of Ladue for the following purposes:

- Present the results of a valuation of The City of Ladue Pension Plan for Non-Uniform Employees as of January 1, 2010;
- Review plan experience for the year ended December 31, 2009;
- Provide the plan sponsor with the funding policy contribution for the period beginning January 1, 2010; and
- Provide reporting and disclosure information for financial statements for governmental agencies pursuant to governmental accounting standards.

This valuation report may not be relied upon for any other purpose or by any party other than the City or the Plan's auditors solely for the purpose of completing an audit related to the matters herein. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and other variables are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described in Section 8, are used to select a single scenario from a range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of changes in mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited scope of our assignment, we did not perform, nor do we present, an analysis of the potential range of future possibilities and scenarios.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit-related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

Data and plan provisions

To prepare this report, Mercer has used and relied on financial data submitted by the plan sponsor, as well as participant data supplied by plan sponsor. The data used is summarized herein. We have reviewed the financial and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. Finally, we have used and relied on the plan documents, including amendments, supplied by the plan sponsor. A summary of the plan provisions valued is presented in our report. The plan sponsor is solely responsible for the accuracy, validity and comprehensiveness of this information. If the data or plan provisions supplied are not accurate and complete the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

Actuarial calculations, methods and assumptions

To the best of our knowledge and belief, this report is complete and accurate and all costs, liabilities and other factors under the plan were determined in accordance with generally accepted actuarial principles and procedures, using an actuarial cost method approved by the City. Assumptions used are based on the last experience study, as adopted by the City. This valuation is based on assumptions, plan provisions, methods and other parameters as summarized in this report. If this information is inaccurate or incomplete or does not reflect current statutes, regulations or City directives, the reader of this report should not rely on the valuation results and should notify Mercer promptly. In our opinion, this report fully and fairly discloses the actuarial position of the plan on an ongoing basis.

Contributions

In computing the funding policy, all liabilities and other factors under the plan were determined in accordance with generally accepted actuarial principles and procedures. In our opinion, the actuarial assumptions are reasonable and represent our best estimate of the plan's anticipated experience with respect to those assumptions. This report fully and fairly discloses the actuarial position of the plan on an ongoing basis.

Professional qualifications

I am available to answer any questions on the material in this report or to provide explanations or further details as appropriate. The undersigned credentialed actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. I am not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of our work.

Ann E. Bremehr, FSA **Enrolled Actuary (No. 08-04001)** Mercer 701 Market Street, Suite 1100 St. Louis, MO 63101-1867 314 558 2500	June 29, 2010 **Date**

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

3

Development of contributions

Principal valuation results

	Actuarial Valuation as of	
	January 1, 2010	**January 1, 2009**
Funding Valuation		
Actuarial asset value	$ 3,069,929	$ 2,344,006
Present value of projected benefits	4,128,558	3,769,328
Normal cost	150,324	189,735
Funding policy contribution (end of year)	161,199	203,664
Participant Data		
Number of participants in valuation		
Active participants	29	30
Participants with deferred benefits	2	2
Participants receiving benefits	11	10
Total	42	42
Active Participant Statistics		
Average age	48.8	48.4
Average years of service	15.8	15.1

Normal Cost

The components of normal cost under the plan's funding method are:

Component	January 1, 2010	January 1, 2009
1. Present value of projected benefits		
a. Active participants	$ 3,587,411	$ 3,371,159
b. Participants with deferred benefits	65,688	60,953
c. Participants receiving benefits	475,459	337,216
d. Total	4,128,558	3,769,328
2. Actuarial value of assets	3,069,929	2,344,006
3. Present value of future employee contributions	0	0
4. Present value of future normal costs *(1.d. – 2. – 3.)*	1,058,629	1,425,322
5. Present value of future salaries	13,873,694	13,347,947
6. Normal cost rate *(4. ÷ 5.)*	7.6305%	10.6782%
7. Expected salaries of active participants under normal retirement age	1,707,938	1,589,548
8. Normal cost (6. × 7.)	130,324	169,735
9. Expected expenses	20,000	20,000
10. Total normal cost *(8. + 9., but not less than zero)*	**$ 150,324**	**$ 189,735**

Funding policy contribution

The funding policy contribution consists of the normal cost calculated under the aggregate cost method and interest to the end of the plan year.

	Plan year ending	
	December 31, 2010	**December 31, 2009**
1. Normal cost at beginning of year	$ 150,324	$ 189,735
2. Interest to end of year	10,875	13,929
3. Funding policy contribution (*1. + 2.)*	**$ 161,199**	**$ 203,664**

4

Financial reporting accounting requirements – funding progress

Provided below is the financial reporting for information for the plan.

Schedule of funding progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b) – (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b) – (a) / (c)
01/01/2008	$ 2,542,196	$ 2,897,592	$ 355,396	87.7%	$ 1,709,715	20.8%
01/01/2009	2,344,006	3,148,403	804,397	74.5%	1,727,832	46.6%
01/01/2010	3,069,929	3,492,843	422,914	87.9%	1,802,804	23.5%

While not required by the governmental accounting standards, the following schedule shows the funding progress of the plan based on the market value of assets.

Actuarial Valuation Date	Market Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b) – (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b) – (a) / (c)
01/01/2008	$ 2,524,959	$ 2,897,592	$ 372,633	87.1%	$ 1,709,715	21.8%
01/01/2009	1,953,338	3,148,403	1,195,065	62.0%	1,727,832	69.2%
01/01/2010	2,749,187	3,492,843	743,656	78.7%	1,802,804	41.2%

Schedule of employer contributions

The annual required contributions as defined in the governmental accounting standards and ratio of actual to required contributions are as follows:

Year Ended December 31	Annual Required Contribution	Percentage Contributed
2001	$ 49,067	100%
2002	50,615	100%
2003	92,402	100%
2004	99,990	100%
2005	110,188	100%
2006	120,800	100%
2007	143,662	100%
2008	148,695	118%
2009	203,664	198%
2010	161,199	*

** Cannot be determined until all 2010 contributions have been made.*

5

Financial reporting accounting requirements – net pension cost and net pension obligation

Provided below is additional information required for financial reporting by the City of Ladue.

Annual pension cost and net pension obligation

The City's annual pension cost and net pension obligation for the City's fiscal years ending December 31, 2010 and December 31, 2009 are as follows:

	December 31, 2010	December 31, 2009
1. Annual required contribution	$ 161,199	$ 203,664
2. Interest on net pension obligation	(17,538)	(2,039)
3. Adjustment to annual required contribution	(19,146)	(2,042)
4. Annual pension cost *(1. + 2. – 3.)*	162,807	203,667
5. Contributions made	*	403,664
6. Increase (decrease) in net pension obligation *(4. – 5.)*	*	(199,997)
7. Net pension obligation beginning of year	(226,302)	(26,305)
8. Net pension obligation end of year *(6. + 7.)*	**$ ***	**$ (226,302)**

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2001	$ 49,067	100.0%	$ 0
2002	50,615	100.0%	0
2003	92,402	100.0%	0
2004	99,990	100.0%	0
2005	110,188	100.0%	0
2006	120,800	100.0%	0
2007	143,662	100.0%	0
2008	148,695	117.7%	(26,305)
2009	203,667	198.2%	(226,302)
2010	161,227	*	*

* *Cannot be determined until all 2010 contributions have been made.*

6

Plan assets

Summary of assets	Market Value as of December 31, 2009	Percentage of Total
Cash or cash equivalents:	$ 84,760	3.08%
Investments:		
▪ Corporate bond funds	1,010,200	36.75%
▪ Corporate stock funds	1,650,172	60.02%
Accounts receivable (net)	4,055	0.15%
Net assets	$ 2,749,187	100.00%

	Plan year ending	
Reconciliation of assets (market value)	**December 31, 2009**	**December 31, 2008**
Net assets at beginning of year	$ 1,953,338	$ 2,524,959
Contributions received		
▪ City	403,664	175,000
▪ Employee	0	0
Investment earnings		
▪ Interest and dividends	68,625	69,993
▪ Realized and unrealized gain/(loss)	417,723	(741,812)
Other income	0	0
Disbursements		
▪ Benefit payments to participants or beneficiaries	(71,317)	(44,426)
▪ Investment expenses	(6,364)	(6,966)
▪ Administrative expenses	(16,482)	(23,410)
Net income	$ 795,849	$ (571,621)
Net assets at end of year	$ 2,749,187	$ 1,953,338
Actual investment return	22.73%	(26.32%)

Actuarial value of assets

1. Preliminary actuarial value of assets at January 1, 2009	$	2,663,121
2. Contributions		403,664
3. Benefit payments		(71,317)
4. Expenses		(16,482)
5. Expected interest at 7.75% on 1. + 2. + 3. + 4.		218,632
6. Expected actuarial value of assets at December 31, 2009 *(1. + 2. + 3. + 4. + 5.)*		3,197,618
7. Market value of assets at December 31, 2009		2,749,187
8. Adjustments to reflect market value *(see following table)*		(127,689)
9. Preliminary actuarial value at December 31, 2009 *(6. + 8.)*		3,069,929
10. 80% of market value at December 31, 2009		2,199,350
11. 120% of market value at December 31, 2009		3,299,024
12. Actuarial value of assets at December 31, 2009 *(9., but not less than 10. nor more than 11.)*	**$**	**3,069,929**

Schedule of market value adjustments

Year	Gain/(Loss) Base	Unrecognized Balance 1/1/2009	12/31/2009 Adjustment	Unrecognized Balance 1/1/2010
2005	$ (48,987)	$ (9,799)	$ (9,799)	$ 0
2006	67,570	27,028	13,514	13,514
2007	(38,410)	(23,046)	(7,682)	(15,364)
2008	(879,958)	(703,966)	(175,992)	(527,974)
2009	261,352[1]	N/A	52,270	209,082
Total	**$ (638,433)**	**$ (709,783)**	**$ (127,689)**	**$ (320,742)**

[1] 7.-6.-Unrecognized balance January 1, 2009.

7

Participant data

Statistics

	Plan year beginning	
	January 1, 2010	**January 1, 2009**
Participants included in valuation		
▪ Active participants		
- Vested	20	19
- Non-vested	9	11
- Total actives	29	30
▪ Inactive with deferred benefits	2	2
▪ Inactive with immediate benefits	11	10
▪ Total	42	42
Active participant statistics		
▪ Average age	48.8	48.4
▪ Average years of service	15.8	15.1
▪ Total compensation[1]	$ 1,802,804	$ 1,727,832
▪ Average compensation[1]	62,166	57,594
Inactive deferred statistics		
▪ Average age	50.5	49.5
▪ Total monthly benefits	$ 1,043	$ 1,043
▪ Average monthly benefits	522	522
Inactive immediate statistics		
▪ Average age	77.6	77.5
▪ Total monthly benefits	$ 4,979	$ 3,702
▪ Average monthly benefits	453	370

[1] Annualized earnings for prior calendar year increased by the salary assumption of 5%.

Participant data reconciliation

		Inactive participants		
	Active participants	With deferred benefits	Receiving benefits	Total
Beginning of the year	30	2	10	42
Retirements	(1)	0	1	0
Disabilities	0	0	0	0
Deaths without beneficiary	0	0	0	0
Deaths with beneficiary	0	0	0	0
Non-vested terminations	0	N/A	N/A	0
Vested terminations	0	0	N/A	0
Rehires	0	0	0	0
Lump sum payouts	0	0	0	0
Expiration of benefits	N/A	N/A	0	0
New entrants	0	N/A	N/A	0
Net change	(1)	0	1	0
End of the year	29	2	11	42

Distribution of active participants

	Years of service as of January 1, 2010								
Age	Under 1	1 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30+	**Total**
Under 25									0
25 – 29									0
30 – 34			1						1
35 – 39			1	5					6
40 – 44		3	2	1	2				8
45 – 49									0
50 – 54					1	1	1	1	4
55 – 59						1	2	1	4
60 – 64			1		2	1			4
65 – 69			1				1		2
70 & up									0
Total	0	3	6	6	5	3	4	2	29

In each cell, the number is the count of active employees for each age/service combination.

8

Actuarial basis

Actuarial cost method and valuation procedures

For liabilities and contributions

Actuarial cost method: Liabilities and contributions shown in this report are computed using the aggregate cost method of funding. The objective under this method is to fund all participants' benefits under the plan by annual contributions which are level as a percentage of aggregate salary, starting at the valuation date and continuing until the assumed retirement, termination, disability or death. The method does not distinguish between benefits credited for past and future service or between liabilities created before and after the introduction of the funding method.

A detailed description of this calculation follows:

- The present value of projected benefits is calculated as the present value of all benefit payments expected to be paid to the plan's current participants, including active and retired members, beneficiaries and terminated members with vested rights.

- The present value of future normal costs is the excess of the present value of projected benefits over the actuarial asset value of the fund and the present value of future employee contributions to the plan. This excess is divided by the present value of future salaries to obtain an accrual percentage. This percentage is applied to the salaries of active participants under the assumed retirement age and then adjusted for expected administrative expenses to obtain the normal cost.

The funding policy contribution is the normal cost under the aggregate method with interest to the end of the year.

For financial reporting

Actuarial cost method: Liabilities shown in this report for the financial reporting are computed using the individual entry age normal method of funding. The objective under this method is to fund each participant's benefits under the plan as payments which are level as a percentage of salary, starting at the original employment date and continuing until the assumed retirement, termination, disability or death.

A detailed description of the calculation follows:

- The normal cost for each active participant under the assumed retirement age is determined by applying to compensation the level percentage of salary which, if contributed each year from date of entry into the plan until the assumed retirement (termination, disability or death) date, is sufficient to provide the full value of the benefits expected to be payable.

- The present value of future normal costs is the total of the discounted values of all active participants' normal costs, assuming these to be paid in each case from the valuation date until retirement (termination, disability or death) date.

- The present value of projected benefits is calculated as the value of all benefit payments expected to be paid to the plan's current participants, including active and retired members, beneficiaries, and terminated members with vested rights.

- The accrued liability is the excess of the present value of projected benefits over the present value of future normal costs.

- The unfunded liability is the excess of the accrued liability over the actuarial asset value of the fund and represents that part of the accrued liability which has not been funded by accumulated past contributions.

Changes in actuarial cost method since prior valuation: There were no changes since the prior valuation.

Financial and census data: We used January 1, 2010 financial and participant data as supplied by the plan sponsor without further audit. Customarily, this information would not be verified by a plan's actuary. We have reviewed the information for internal consistency and we have no reason to doubt its substantial accuracy.

Benefits not included in liabilities: All benefits described in the summary of plan provisions were valued.

Participants included: The plan sponsor provides us with data on all employees as of the valuation date. No actuarial liability is included for participants who terminated nonvested prior to the valuation date.

Disabled participants: The liabilities for participants on long-term disability are included with the liabilities for active participants with frozen final average pay.

Valuation earnings: Annualized earnings for the prior calendar year increased by the pay increase assumption.

Attribution period: The attribution period is the period of an employee's service over which the benefit cost calculation recognized the expected benefit obligation for that employee. The beginning of the attribution period is the entry date into the plan and the ending date is the date of termination.

Method for determining actuarial valuation of assets

The actuarial asset value is based on a five-year moving average of expected and market values determined as follows:

- At the end of each plan year, an expected asset value is calculated as the sum of the previous year's preliminary actuarial value increased with a year's interest at the plan valuation rate plus net cash flow adjusted for interest (at the same rate) to the end of the plan year;
- The investment gain/(loss) is the excess of the current market value over the sum of the expected asset value plus the unrecognized balances of investment gains/(losses) for the previous five years;
- The investment gain so determined is recognized in five equal installments in the actuarial valuation immediately following the year in which such gain/(loss) incurred;
- The preliminary actuarial asset value is the sum of the expected asset value plus the installments of investment gains/(losses) during the preceding five plan years; and
- The actuarial asset value is the preliminary value but in no case more than 120% of the market value or less than 80% of the market value.

Method changes since prior valuation

No changes have been made to the asset valuation method. The last change to the asset valuation method was made January 1, 1995.

Summary of actuarial assumptions

The following assumptions were used in valuing the liabilities and benefits under the plan.

Investment return	7.75% per year compounded annually.
Salary increases	5.00% per year compounded annually.
Social Security benefits	Social Security wage base will increase at 4.00% per year and benefit amounts indexed to changes in the Consumer Price Index increase at 3.00% per year.
Expenses	$20,000
Mortality	
▪ Healthy	RP-2000 Combined White Collar Mortality table projected to 2007 by Scale AA for males and females. See table of sample rates.
▪ Disabled	Post-1994 Disability Mortality table as prescribed by IRS Revenue Ruling 96-7. See table of sample rates
Demographic assumptions	
Disability	
▪ Rates	Rates varying by age and gender. See table of sample rates.
▪ Duration of disability	Factors varying by age for active participants and age at disability for disabled participants after January 1, 2008

Age	Duration
Under 45	10 years
45 – 54	8 years
55 – 59	5 years
60 and over	2 years

Withdrawal	Rates varying by age. See table of sample rates.
Retirement	Rates varying by age for active participants.

Age	Retirement Rate
62	0.3
63	0.2
64	0.1
65	1.0

For vested terminations, age 62 or 65 depending on their normal retirement ages.

Percentage married	80% for active participants. Actual information is used for retirees.
Age difference	A married male is assumed to be four years older than his spouse. Actual spouse birth date is used for retirees.

Form of payment	For single participants, life annuity with a refund of contributions at termination. For married participants, unreduced 50% joint and survivor annuity, with refund of contributions at termination. For retirees, the form of payment is based on the form elected at retirement.
Changes since prior valuation	None.

Table of sample rates

	Rates							
Attained Age	**Mortality – Healthy**		**Mortality – Disabled**		**Disability**		**Withdrawal**	
	Male	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
20	.0002	.0002	.0246	.0097	.0000	.0000	.2000	.2250
25	.0003	.0002	.0275	.0120	.0000	.0000	.1500	.1750
30	.0003	.0003	.0307	.0148	.0000	.0000	.1000	.1250
35	.0006	.0004	.0342	.0177	.0000	.0000	.0750	.0900
40	.0008	.0006	.0384	.0206	.0005	.0010	.0500	.0650
45	.0012	.0009	.0430	.0240	.0010	.0020	.0340	.0450
50	.0017	.0014	.0480	.0280	.0020	.0030	.0200	.0300
55	.0029	.0024	.0531	.0326	.0031	.0045	.0100	.0150
60	.0050	.0045	.0581	.0380	.0045	.0063	.0000	.0000
65	.0100	.0084	.0637	.0443	.0000	.0000	.0000	.0000
70	.0173	.0147	.0733	.0513	.0000	.0000	.0000	.0000
75	.0305	.0243	.0889	.0626	.0000	.0000	.0000	.0000
80	.0554	.0410	.1071	.0805	.0000	.0000	.0000	.0000
85	.0996	.0711	.1333	.1094	.0000	.0000	.0000	.0000
90	.1733	.1235	.1734	.1535	.0000	.0000	.0000	.0000
95	.2595	.1843	.2341	.2170	.0000	.0000	.0000	.0000
100	.3422	.2358	.3192	.3034	.0000	.0000	.0000	.0000

Summary of plan provisions

Following is a brief summary of the major plan provisions used to determine the plan's financial position. It should not be used in determining plan benefits.

Effective date	January 1, 1968; last amended November 9, 2007.
Plan year	January 1 through December 31.
Sponsoring employer	The City of Ladue.
Participating employees	Employees not covered by the City's pension plan for firemen and policemen.
Administration	Trust.
Type of plan	Defined benefit.
Eligibility	The first day of the month following hire date.
Actuarial equivalence	Based on UP84 Mortality set back one year and 5% interest.
Employee contributions	Employee contributions are no longer required. The interest rate used to accumulate contributions as set by the Retirement Committee is 4%.
Compensation	Compensation paid to an employee by the City of Ladue for personal services rendered during a calendar year including vacation pay, unused sick pay, pretax contributions to deferred compensation and cafeteria plans, and LTD premiums paid on behalf of the employee.
Final average monthly salary	Average compensation during the highest 36 consecutive months of compensation within the last 120 consecutive months of credited service. For disabled employees, the average shall be determined as of the date they ceased to be actively employed due to disability.
Credited service	The period of continuous employment calculated to completed months and periods while a participant is employed or receiving LTD benefits or disability benefits under the plan (or while on an FMLA leave).
Normal retirement	
▪ Eligibility	The first day of the month coincident with or next following the participant's 62nd birthday. For terminations prior to 2000, later of the participant's 65th birthday and 10 years of service.
▪ Benefit	The annual benefit is 1.25% of Final Average Monthly Salary multiplied by the smaller of Credited Service and 35 years. In addition, a participant terminating in 2000 or later is entitled to a refund of accumulated employee contributions with interest.

Late retirement	
▪ Eligibility	The first day of the month coinciding with or next following the termination of employment with the employer after Normal Retirement Date, but on or before the first day of the month coinciding with or next following the participant's 70th birthday.
▪ Benefit	The annual benefit is 1.25% of Final Average Monthly Salary multiplied by the smaller of Credited Service and 35 years. In addition, a participant terminating in 2000 or later is entitled to a refund of accumulated employee contributions with interest.
Early retirement	
▪ Eligibility	The first day of any month after attaining age 55 and completing 10 years of service.
▪ Benefit	The normal retirement benefit, accrued to the date of early retirement and actuarially reduced for early commencement. In addition, a participant terminating in 2000 or later is entitled to a refund of accumulated employee contributions with interest.
Disability	
▪ Retirement benefit	For disabilities commencing after January 1, 2008 disability benefits prior to retirement are paid outside of the plan through an insurance company. Upon cessation of payments, the early retirement, normal retirement, late retirement or termination provisions will apply if the participant has 10 years of Credited Service when payments cease.
▪ Benefits beyond normal retirement age	For disabilities commencing after January 1, 2008 and payments from the insurance company ceasing, upon attaining normal retirement age, a disabled participant will receive a Normal Retirement Benefit based on the Final Average Monthly Salary as of the date of disability and Credited Service he would have had if he had continued working to normal retirement age.

Death benefit prior to retirement	The spouse of a participant who has completed 10 years of service or attained age 62 or died while on disability with at least 10 years of service will receive a monthly benefit for life equal to the amount that would have been payable if the participant terminated on the day prior to his death and had elected the 100% contingent annuitant option. The benefit begins at the participant's Normal Retirement Date or on an actuarially equivalent basis any time after the participant would have attained age 55. Spouses of participants who are not disabled are also entitled to a refund of accumulated employee contributions with interest. If the participant is not married or has not completed 10 years of service, no benefit will be payable, although if applicable, a refund of accumulated employee contributions with interest will be made.
Termination benefit	A participant who terminates after having completed at least 10 years of service is eligible to withdraw his accumulated employee contributions with interest and receive a deferred vested retirement benefit at Normal Retirement Date, or an actuarially reduced benefit at Early Retirement Date, based on service and pay through termination. If the participant terminates before having completed 10 years of service, he will receive his accumulated employee contributions with interest.
Forms of payment	The normal form of benefit payment is a monthly annuity with 50% continuing to the spouse, if married, when the participant dies. In lieu of monthly benefits, small benefits with a value less than $5,000 may be paid in a lump sum.
Changes since prior valuation	None.

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