

Required Supplemental Financial Data

This section contains additional information required by generally accepted accounting principles.

- *Law Enforcement Officers' Special Separation Allowance – Schedule of Funding Progress*
 - *Law Enforcement Officers' Special Separation Allowance - Schedule of Employer Contributions*
 - *Law Enforcement Officers' Special Separation Allowance – Notes to the Required Schedules*
-

TOWN OF MATTHEWS, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY FINANCIAL DATA
SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) - Projected Unit Credit</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/96	\$ -	\$ 30,574	\$ 30,574	0.00%	\$ 619,165	4.94%
12/31/97	-	62,713	62,713	0.00%	1,047,594	5.99%
12/31/98	-	85,866	85,866	0.00%	1,306,273	6.57%
12/31/99	-	111,902	111,902	0.00%	1,417,783	7.89%
12/31/00	-	223,490	223,490	0.00%	1,390,892	16.07%
12/31/01	-	291,962	291,962	0.00%	1,809,609	16.13%
12/31/02	-	312,369	312,369	0.00%	1,930,834	16.18%
12/31/03	-	353,330	353,330	0.00%	2,136,249	16.54%
12/31/04	-	406,148	406,148	0.00%	2,044,552	19.86%

NOTE: Prior to 1996, the Town chose not to have an annual actuarial study performed because the unfunded net pension obligation was considered to be immaterial. However, all future years have been included.

TOWN OF MATTHEWS, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY FINANCIAL DATA
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30	Annual Required Contribution	Percentage Contributed
1997	\$ 7,213	0.00
1998	7,077	0.00
1999	14,350	0.00
2000	19,160	0.00
2001	24,265	0.00
2002	37,745	0.00
2003	49,163	8.81
2004	53,365	8.12
2005	58,915	9.93

Notes to the Required Schedules:

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

Valuation date	December 31, 2004
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	26 Years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	5.9% to 9.8%
Cost-of-living adjustments	None

*Includes inflation at 3.75%