

COMPLIANCE AUDIT

City of Duquesne Comprehensive Municipal Pension Trust Fund

Allegheny County, Pennsylvania

For the Period

January 1, 2021 to December 31, 2023

March 2025



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable Mayor and City Council
City of Duquesne
Allegheny County
Duquesne, PA 15110

We have conducted a compliance audit of the City of Duquesne Comprehensive Municipal Pension Trust Fund for the period January 1, 2021 to December 31, 2023. We also evaluated compliance with some requirements subsequent to that period when possible. The audit was conducted pursuant to authority derived from the Municipal Pension Plan Funding Standard and Recovery Act (Act 205 of 1984, as amended, 53 P.S. § 895.402(j)), which requires the Auditor General, as deemed necessary, to audit every municipality which receives general municipal pension system state aid and every municipal pension plan and fund in which general municipal pension system state aid is deposited. The audit was not conducted, nor was it required to be, in accordance with Government Auditing Standards issued by the Comptroller General of the United States. We planned and performed the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of the audit were:

1. To determine if municipal officials took appropriate corrective action to address the findings contained in our prior report; and
2. To determine if the pension trust fund was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies.

Our audit was limited to the areas related to the objectives identified above. To determine if municipal officials took appropriate corrective action to address the findings contained in our prior report, we inquired of plan officials and evaluated supporting documentation provided by officials evidencing that the suggested corrective action has been appropriately taken. To determine whether the pension trust fund was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies, our methodology included the following:

- We determined whether state aid was properly determined and deposited in accordance with Act 205 requirements by verifying the annual deposit date of state aid and determining whether deposits were made within 30 days of receipt for all years within the period under audit.
- We determined whether annual employer contributions were calculated and deposited in accordance with the plans' governing document and applicable laws and regulations by examining the municipality's calculation of the plans' annual financial requirements and minimum municipal obligation (MMO) and comparing these calculated amounts to amounts actually budgeted and deposited into the pension plans as evidenced by supporting documentation.
- We determined whether annual employee contributions were calculated, deducted, and deposited into the pension plans in accordance with the plans' governing document and applicable laws and regulations by testing total members' contributions on an annual basis using the rates obtained from the plans' governing document in effect for all years within the period under audit and examining documents evidencing the deposit of these employee contributions into the pension plans.
- We determined whether retirement benefits calculated for plan members who retired and elected to vest during the current audit period represent payments to all (and only) those entitled to receive them and were properly determined and disbursed in accordance with the plans' governing document, applicable laws, and regulations by recalculating the amount of the monthly pension benefits due to the retired individuals and comparing these amounts to supporting documentation evidencing amounts determined and actually paid and payable to the recipients.
- We determined whether the January 1, 2021 and January 1, 2023 actuarial valuation reports were prepared and submitted by March 31, 2022 and 2024, respectively, in accordance with Act 205 and whether selected information provided on these reports is accurate, complete, and in accordance with plan provisions to ensure compliance for participation in the state aid program by comparing selected information to supporting source documentation.
- We determined whether all annual special ad hoc postretirement reimbursements received by the municipality were authorized and appropriately deposited in accordance with Act 147 by tracing information to supporting documentation maintained by plan officials.
- We determined whether the pension trust fund is in compliance with the Act 205 distressed municipalities through inquiry of plan officials and evaluation of the recovery remedies implemented during the audit period.

- We determined whether the terms and methodologies of the issuance of pension obligation bonds by the municipality, and any restrictions, were in compliance with plan provisions and Act 205 through inquiry of plan officials and examination of supporting documentation.

The City of Duquesne contracted with an independent certified public accounting firm for annual audits of its basic financial statements for the years ended December 31, 2021 and 2022, which are available at the city's offices. Those financial statements were not audited by us and, accordingly, we express no opinion or other form of assurance on them.

City officials are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the City of Duquesne Comprehensive Municipal Pension Trust Fund is administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies. As previously described, we tested transactions, interviewed selected officials, and performed procedures to the extent necessary to provide reasonable assurance of detecting instances of noncompliance with legal and regulatory requirements or noncompliance with provisions of contracts, administrative procedures, and local ordinances and policies that are significant within the context of the audit objectives.

The results of our procedures indicated that, in all significant respects, the City of Duquesne Comprehensive Municipal Pension Trust Fund was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies, except as noted in the following findings further discussed later in this report:

New Uniformed Employees' and Officers' and Employees' Pension Plans:

- Finding No. 1 – Partial Compliance With Prior Recommendation – Incorrect Data On Certification Form AG 385 Resulting In An Overpayment Of State Aid

New Uniformed Employees' Pension Plan:

- Finding No. 2 – Noncompliance With Prior Recommendation – Inconsistent Service Increment Benefit Provision

New Uniformed Employees', Officers' and Employees', Firemen's, and Police Pension Plans:

- Finding No. 3 – Untimely Deposit Of State Aid

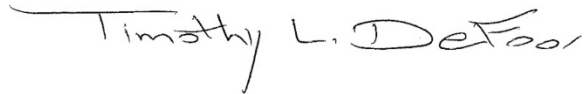
Police Pension Plan:

- Finding No. 4 – Incorrect Survivor Benefit Paid

Finding Nos. 1 and 2 contained in this audit report repeat conditions that were cited in our previous report that have not been corrected by city officials. We are concerned by the city's failure to correct these previously reported findings and strongly encourage timely implementation of the recommendations noted in this audit report.

The accompanying supplementary information is presented for purposes of additional analysis. We did not audit the information or conclude on it and, accordingly, express no form of assurance on it.

The contents of this report were discussed with officials of the City of Duquesne and, where appropriate, their responses have been included in the report. We would like to thank city officials for the cooperation extended to us during the conduct of the audit.

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General
February 14, 2025

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BACKGROUND

On December 18, 1984, the Pennsylvania Legislature adopted the Municipal Pension Plan Funding Standard and Recovery Act (P.L. 1005, No. 205, as amended, 53 P.S. § 895.101 et seq.). The Act established mandatory actuarial reporting and funding requirements and a uniform basis for the distribution of state aid to Pennsylvania's public pension plans.

Annual state aid allocations are provided from a two percent foreign (out-of-state) casualty insurance premium tax, a portion of the foreign (out-of-state) fire insurance tax designated for paid firefighters and any investment income earned on the collection of these taxes. Generally, municipal pension plans established prior to December 18, 1984, are eligible for state aid. For municipal pension plans established after that date, the sponsoring municipality must fund the plan for three plan years before it becomes eligible for state aid. In accordance with Act 205, a municipality's annual state aid allocation cannot exceed its actual pension costs.

In addition to Act 205, the City of Duquesne Comprehensive Municipal Pension Trust Fund is also governed by implementing regulations published at Title 16, Part IV of the Pennsylvania Code and applicable provisions of various other state statutes including, but not limited to, the following:

- Act 67 - The Third Class City Code, Act of November 24, 2015 (P.L. 242, No. 67), as amended, 11 Pa. C.S. § 10101 et seq.
- Act 147 - Special Ad Hoc Municipal Police and Firefighter Postretirement Adjustment Act, Act of December 14, 1988 (P.L. 1192, No. 147), as amended, 53 P.S. § 896.101 et seq.
- Act 362 - The Third Class City Code, Act of May 23, 1945 (P.L. 903, No. 362), Article XLIII-A, Optional Retirement System for Officers and Employees, as amended, 53 P.S. § 42001 et seq.

The City of Duquesne Comprehensive Municipal Pension Trust Fund acts as a common investment and administrative agent for the city's police, new uniformed employees', firemen's, and officers' and employees' defined benefit pension plans.

The City of Duquesne Police Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 3 of 2015, adopted pursuant to Act 67. The plan was established February 25, 1944. Active members are required to contribute 4 percent of compensation to the plan, plus \$1 per month until age 65. As of December 31, 2023, the plan had no active members, no terminated members eligible for vested benefits in the future, and 15 retirees receiving pension benefits from the plan.

BACKGROUND - (Continued)

The City of Duquesne New Uniformed Employees' Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 5 of 2015, adopted pursuant to Act 67. The plan is also affected by the provisions of collective bargaining agreements between the city and its police officers. The plan was established for police officers and paid firefighters hired on or after September 1, 1987. Active members are required to contribute 4.5 percent of compensation to the plan. As of December 31, 2023, the plan had 14 active members, 3 terminated members eligible for vested benefits in the future, and 7 retirees receiving pension benefits from the plan.

The City of Duquesne Firemen's Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 4 of 2015, adopted pursuant to Act 67. The plan was established October 14, 1930. Active members are required to contribute 5 percent of compensation, plus \$1 per month, to the plan. As of December 31, 2023, the plan had no active members, no terminated members eligible for vested benefits in the future, and 7 retirees receiving pension benefits from the plan.

The City of Duquesne Officers' and Employees' Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 2 of 2015, adopted pursuant to Act 67. The plan is also affected by the provisions of collective bargaining agreements between the city and its non-uniformed employees. The plan was established August 20, 1956. Active members are required to contribute 6 percent of compensation for members hired prior to September 1, 1987 and 5.5 percent of compensation for members hired on or after September 1, 1987. As of December 31, 2023, the plan had 11 active members, 1 terminated member eligible for vested benefits in the future, and 17 retirees receiving pension benefits from the plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
STATUS OF PRIOR FINDINGS

Compliance With Prior Recommendations

The City of Duquesne has complied with the prior recommendations concerning the following:

- Incorrect Data On Certification Form AG 490 Resulting In An Excess Reimbursement For Special 1989 Ad Hoc Postretirement Adjustments

On December 23, 2024, the city reimbursed \$522 to the Commonwealth for the overpayment of the special ad hoc reimbursement received in 2019.

- Failure To Maintain Pension Benefit Calculations

During the current audit period, plan officials verified refunds to terminated members and obtained the retired and vested pension benefit calculations.

Partial Compliance With Prior Recommendation

The City of Duquesne has partially complied with the prior audit recommendation concerning the following:

- Incorrect Data On Certification Form AG 385 Resulting In A Net Overpayment Of State Aid

On December 23, 2024, the city reimbursed \$7,139 to the Commonwealth for the net overpayment of state aid received in the years 2019, 2020, and 2021; however, plan officials failed to comply with the instructions that accompany Certification Form AG 385 to assist them in accurately reporting the required pension data in the years 2022 and 2024, as further discussed in Finding No. 1 in the Findings and Recommendations section of this report.

Noncompliance With Prior Recommendation

The City of Duquesne has not complied with the prior recommendation concerning the following as further discussed in Finding No. 2 in the Findings and Recommendations section of this report:

- Inconsistent Service Increment Benefit Provision

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

New Uniformed Employees’ and Officers’ and Employees’ Pension Plans

Finding No. 1 – Partial Compliance With Prior Recommendation – Incorrect Data On Certification Form AG 385 Resulting In An Overpayment Of State Aid

Condition: As disclosed in the Status of Prior Findings section of this report, the city partially complied with the prior recommendation by reimbursing the Commonwealth for the net overpayment of state aid received in the years 2019, 2020, and 2021. However, plan officials again failed to comply with the instructions that accompany Certification Form AG 385 to assist them in accurately reporting the required pension data in the years 2022 and 2024. The city certified two ineligible police officers (4 units) on the Certification Form AG 385 filed in 2022. The city also certified an ineligible non-uniformed employee (1 unit) on the Certification Form AG 385 filed in 2024. The data contained on these certification forms is based on prior calendar year information.

Criteria: Pursuant to Act 205, at Section 402(e)(2), in order to be eligible for certification, an employee must have been employed on a full-time basis for at least six consecutive months and must have been participating in a pension plan during the certification year. The applicable number of units attributable to each eligible recipient city, borough, incorporated town, and township shall be two units for each police officer and firefighter and one unit for each employee other than police officer or firefighter.

Cause: The city again failed to establish adequate internal control procedures to ensure the accuracy of the data certified and to ensure full compliance with the prior audit recommendation.

Effect: The data submitted on these certification forms is used, in part, to calculate the state aid due to the municipality for distribution to its pension plans. Because the city’s state aid allocations were based on unit value, the incorrect certification of pension data affected the city’s state aid allocations, as identified below:

<u>Year</u>	<u>Type of Plan</u>	<u>Units Overstated</u>	<u>Unit Value</u>	<u>State Aid Overpayment</u>
2022	New Uniformed Employees	4	\$ 5,180	\$ 20,720
2024	Non-Uniformed	1	\$ 6,292	6,292
Total Overpayment of State Aid				<u>\$ 27,012</u>

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

New Uniformed Employees' and Officers' and Employees' Pension Plans – (Continued)

Finding No. 1 – (Continued)

In addition, the city used the overpayments of state aid to pay the minimum municipal obligations (MMOs) due to the police, new uniformed employees', firemen's, and officers' and employees' pension plans; therefore, if the reimbursement to the Commonwealth is made from the pension plans, the plans' MMOs will not be fully paid.

Furthermore, the city's future state aid allocations may be withheld until the finding recommendation is complied with.

Recommendation: We recommend that the total overpayment of state aid, in the amount of \$27,012 plus interest, be returned to the Commonwealth. A check in this amount, with interest compounded annually from date of receipt to date of repayment, at a rate earned by the pension plans, should be made payable to: Commonwealth of Pennsylvania and mailed to: Department of the Auditor General, Municipal Pension & Fire Relief Programs Unit, 321 Finance Building, Harrisburg, PA 17120. A copy of the interest calculation must be submitted along with the check.

We also again recommend that plan officials establish adequate internal control procedures, such as having at least two people review the data certified, to ensure compliance with the instructions that accompany Certification Form AG 385 to assist them in accurately reporting the required pension data.

In addition, if the reimbursement to the Commonwealth is made from police, new uniformed employees', firemen's, and officers' and employees' pension plan funds, we recommend that any resulting MMO deficiencies be paid to the pension plan with interest, at a rate earned by the pension plan.

Management's Response: Municipal officials agreed with the finding without exception.

Auditor's Conclusion: Due to the potential withhold of state aid, the city's compliance with the finding recommendation will be monitored subsequent to the release of the audit report and through our next audit of the pension trust fund.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

New Uniformed Employees' Pension Plan

Finding No. 2 – Noncompliance With Prior Recommendation – Inconsistent Service Increment Benefit Provision

Condition: As disclosed in our prior report, the collective bargaining agreement between the police officers and the city contains benefit provisions that conflict with the plan's governing document and Act 67.

Section 4.04 of the new uniformed employees' pension plan's governing document, Ordinance No. 5 of 2015, states that a participant who retires after the completion of 25 years will receive a service increment. This provision is in accordance with Act 67.

Section 9 of Article No. XIV, of the collective bargaining agreements, in effect for the period January 1, 2020 to December 31, 2023 and for the period January 1, 2024 to December 31, 2026, states that an employee who has greater than 20 years of service is entitled to a service increment.

Criteria: The plan's governing document and the collective bargaining agreement should contain consistent benefit provisions to ensure the sound administration of retirement benefits. In addition, the pension plan's benefit structure should be in compliance with the provisions of Act 67.

Cause: Municipal officials again failed to update the plan's governing document. In addition, plan officials again failed to establish adequate internal control procedures to ensure the plan's governing document and the collective bargaining agreement contained consistent benefit provisions.

Effect: Inconsistent plan documents could result in inconsistent or improper benefit calculations and incorrect benefit payments from the pension plan.

Recommendation: We again recommend that municipal officials take appropriate action to ensure the plan's governing document and the collective bargaining agreement contain consistent service increment benefit provisions at their earliest opportunity to do so.

Management's Response: Municipal officials agreed with the finding without exception.

Auditor's Conclusion: We are concerned that the municipality has not complied with the prior audit recommendation and encourage compliance at the earliest opportunity to do so.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

New Uniformed Employees', Officers' and Employees', Firemen's, and Police Pension Plans

Finding No. 3 – Untimely Deposit Of State Aid

Condition: The municipality did not deposit its 2021, 2022, and 2024 state aid allocations into the pension trust fund within the 30 day grace period allowed by Act 205. The municipality received its 2021, 2022 and 2024 state aid allocations in the amounts of \$191,891, \$212,399, and \$239,079 respectively, on September 28, 2021, September 28, 2022, and September 25, 2024, respectively, but did not deposit the money into the pension trust fund until December 14, 2021, November 17, 2022, and December 13, 2024, respectively.

Criteria: Section 402(g) of Act 205 states, in part:

. . . the total amount of the general municipal pension system State aid received by the municipality shall, within 30 days of receipt by the treasurer of the municipality, be deposited in the pension fund or the alternate funding mechanisms applicable to the pension trust fund.

Cause: The 2021, 2022, and 2024 state aid was not deposited timely into the municipality's pension trust fund because internal control procedures were not in effect to ensure the timely deposit of state aid.

Effect: Although the state aid was deposited into the fund, the interest earned beyond the 30 day grace period was not deposited into the fund. When state aid is not deposited into a pension plan account in a timely manner, the funds are not available to pay operating expenses or for investment and the risk of misapplication is increased.

Recommendation: We recommend that the municipality pay the pension trust fund the interest earned during the period beyond the 30 day grace period allowed by Act 205, compounded annually. A copy of the interest calculation must be maintained by the city for examination during our next audit of the plan.

We also recommend that plan officials develop and implement adequate internal control procedures to ensure that future state aid allocations are deposited timely in accordance with Act 205 requirements.

Management's Response: Municipal officials agreed with the finding without exception.

Auditor Conclusion: Compliance will be evaluated during our next audit of the pension trust fund.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
FINDINGS AND RECOMMENDATIONS

Police Pension Plan

Finding No. 4 – Incorrect Survivor Benefit Paid

Condition: Plan officials failed to timely reduce the monthly pension benefit for a surviving spouse of a retired police officer who died on November 29, 2020. The survivor continued to receive 100 percent of the monthly pension benefit that her late husband was receiving until 2022 but should have only received 50 percent of his benefit in accordance with the pension plan’s governing document. In 2022 the city did not pay the surviving spouse for six months in an effort to recoup the overpayments, however, we were unable to determine if the overpayments were fully recovered.

Criteria: Ordinance No. 3 of 2015, Article V; Section 5.02 states, in part:

If a participant dies who is receiving a benefit ... there shall be a survivor benefit payable monthly hereunder. The Survivor Benefit payable hereunder shall be in an amount equal fifty percent (50%) of the amount of benefit paid or payable to the participant....

Cause: Plan officials failed to establish adequate internal control procedures to ensure the survivor pension benefit was timely reduced in accordance with the plan’s governing document.

Effect: The municipal pension trust fund paid pension benefits to the survivor in excess of those authorized by the plan’s governing document; however, we were unable to determine the total amount of overpayments to the survivor or the amount that has been recovered.

Recommendation: We recommend that municipal officials consult with their solicitor and pension plan consultant and determine the amount of reimbursement due to the plan, plus interest, calculated at a rate earned by the pension plan. We also recommend that municipal officials implement adequate internal control proceeds to ensure that future survivor pension benefits are properly determined and paid in accordance with the plan’s governing document.

Management’s Response: Municipal officials agreed with the finding without exception.

Auditor Conclusion: Compliance will be evaluated during our next audit of the pension trust fund.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
POTENTIAL WITHHOLD OF STATE AID

Finding No. 1 contained in this audit report cites an overpayment of state aid to the city in the amount of \$27,012, plus interest. A condition of a repeat finding of this nature may lead to a total withholding of state aid in the future unless that finding is corrected. A check in this amount with interest, at a rate earned by the pension plans, should be made payable to: Commonwealth of Pennsylvania, and mailed to: Department of the Auditor General, Municipal Pension & Fire Relief Programs Unit, 321 Finance Building, Harrisburg, PA 17120.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS

Historical trend information about the plan is presented herewith as supplementary information. It is intended to help users assess the plan’s funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other state and local government retirement systems.

The actuarial information is required by Act 205 biennially. The historical information, beginning as of January 1, 2019, is as follows:

POLICE PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-19	\$ 1,604,972	\$ 2,065,428	\$ 460,456	77.7%
01-01-21	1,503,018	1,547,101	44,083	97.2%
01-01-23	1,495,448	1,360,352	(135,096)	109.9%

Note: The market values of the plan’s assets at 01-01-19, 01-01-21, and 01-01-23 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will lower contributions in years of less than expected returns and increase contributions in years of greater than expected returns. The net effect over long periods of time is to have less variance in contribution levels from year to year.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS – (Continued)

NEW UNIFORMED EMPLOYEES’ PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-19	\$ 2,212,191	\$ 2,772,755	\$ 510,564	81.2%
01-01-21	2,705,258	3,188,466	483,208	84.8%
01-01-23	3,214,937	3,185,899	(29,038)	100.9%

Note: The market values of the plan’s assets at 01-01-19, 01-01-21, and 01-01-23 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will lower contributions in years of less than expected returns and increase contributions in years of greater than expected returns. The net effect over long periods of time is to have less variance in contribution levels from year to year.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS – (Continued)

FIREMEN’S PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-19	\$ 801,613	\$ 934,460	\$ 132,847	85.8%
01-01-21	727,966	782,095	54,129	93.1%
01-01-23	645,681	606,584	(39,097)	106.4%

Note: The market values of the plan’s assets at 01-01-19, 01-01-21, and 01-01-23 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will lower contributions in years of less than expected returns and increase contributions in years of greater than expected returns. The net effect over long periods of time is to have less variance in contribution levels from year to year.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULES OF FUNDING PROGRESS – (Continued)

OFFICERS’ AND EMPLOYEES’ PENSION PLAN

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)
01-01-19	\$ 3,177,050	\$ 3,875,011	\$ 697,961	82.0%
01-01-21	3,325,907	4,016,313	690,406	82.8%
01-01-23	3,534,239	3,914,887	380,648	90.3%

Note: The market values of the plan’s assets at 01-01-19, 01-01-21, and 01-01-23 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. This method will lower contributions in years of less than expected returns and increase contributions in years of greater than expected returns. The net effect over long periods of time is to have less variance in contribution levels from year to year.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
SUPPLEMENTARY INFORMATION
(UNAUDITED)

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the actuarial accrued liability as a factor.

Analysis of the dollar amount of the actuarial value of assets, actuarial accrued liability, and unfunded (assets in excess of) actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability (Column 4) provides one indication of the plan's funding status on a going-concern basis. Analysis of this percentage, over time, indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

POLICE PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)*</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2014	\$ 67,119	\$ 67,119	\$ -	\$ 58,932	113.89%
2015	111,864	111,864	-	59,466	188.11%
2016	93,258	93,258	-	-	N/A
2017	97,396	97,396	-	-	N/A
2018	97,396	97,396	-	-	N/A
2019	93,008	-	93,008	-	N/A
2020	93,008	-	93,008	-	N/A
2021	83,751	83,751	-	-	N/A
2022	83,751	83,751	-	-	N/A
2023	27,929	27,929	-	-	N/A

N/A – Not applicable

* The Contribution Deficiencies of \$93,008 and \$93,008 for the years 2019 and 2020 were deposited, with interest, on June 1, 2020 and March 31, 2021, respectively.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

NEW UNIFORMED EMPLOYEES' PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)*</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2014	\$ 142,135	\$ 142,135	\$ -	\$ 698,736	20.34%
2015	182,968	182,968	-	725,937	25.20%
2016	156,269	156,269	-	683,407	22.87%
2017	155,543	155,543	-	682,272	22.80%
2018	142,506	106,226	36,280	805,474	13.20%
2019	157,916	-	157,916	1,053,456	N/A
2020	176,195	176,195	-	984,700	17.90%
2021	187,391	187,391	-	852,329	22.00%
2022	173,338	173,338	-	832,392	20.80%
2023	168,816	202,293	(33,477)	1,046,506	19.30%

N/A – Not applicable

* The Contribution Deficiencies of \$36,280 and \$157,916 for the years 2018 and 2019 were deposited, with interest, on January 1, 2019 and June 1, 2020, respectively.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

FIREMEN’S PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)*</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2014	\$ 40,801	\$ 40,801	\$ -	\$ -	N/A
2015	50,901	40,901	-	-	N/A
2016	50,353	50,352	-	-	N/A
2017	50,352	25,712	24,640	-	N/A
2018	50,352	-	50,352	-	N/A
2019	56,087	-	56,087	-	N/A
2020	56,087	-	56,087	-	N/A
2021	29,397	29,397	-	-	N/A
2022	29,397	29,397	-	-	N/A
2023	20,759	20,759	-	-	N/A

N/A – Not applicable

* The Contribution Deficiencies of \$50,352, \$56,087, and \$56,087 for the years 2018, 2019, and 2020, were deposited, with interest, on January 1, 2019, June 1, 2020, and March 31, 2021, respectively.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

OFFICERS' AND EMPLOYEES' PENSION PLAN

SCHEDULE OF CONTRIBUTIONS

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess) *</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2014	\$ 105,306	\$ 105,306	\$ -	\$ 605,107	17.40%
2015	96,579	96,579	-	615,960	15.70%
2016	79,080	79,080	-	580,301	13.60%
2017	81,483	81,483	-	525,563	15.50%
2018	76,465	76,465	-	482,309	15.90%
2019	87,548	-	87,548	639,063	N/A
2020	87,039	-	87,039	581,673	N/A
2021	108,581	108,581	-	552,029	19.70%
2022	124,403	124,403	-	461,062	27.00%
2023	134,489	149,881	(15,392)	543,835	27.60%

N/A – Not applicable

* The Contribution Deficiencies of \$87,548 and \$87,039 for the years 2019 and 2020 were deposited, with interest, on June 1, 2020 and March 8, 2021, respectively.

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
SUPPLEMENTARY INFORMATION
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(UNAUDITED)

POLICE PENSION PLAN

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

Actuarial valuation date	January 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Not applicable
Remaining amortization period	None
Asset valuation method	Market value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	6.75%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
SUPPLEMENTARY INFORMATION
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(UNAUDITED)

NEW UNIFORMED EMPLOYEES' PENSION PLAN

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

Actuarial valuation date	January 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Not applicable
Remaining amortization period	None
Asset valuation method	Market value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	6.75%
Projected salary increases *	5.00%

* Includes inflation at 2.75%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
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(UNAUDITED)

FIREMEN’S PENSION PLAN

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

Actuarial valuation date	January 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Not applicable
Remaining amortization period	None
Asset valuation method	Market value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	6.75%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
SUPPLEMENTARY INFORMATION
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(UNAUDITED)

OFFICERS' AND EMPLOYEES' PENSION PLAN

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

Actuarial valuation date	January 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Level dollar, open
Remaining amortization period	7 years
Asset valuation method	Market value, 4-year smoothing
Actuarial assumptions:	
Investment rate of return	6.75%
Projected salary increases *	4.00%

* Includes inflation at 2.75%

CITY OF DUQUESNE COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

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