

### ***REQUIRED SUPPLEMENTARY FINANCIAL DATA***

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

- Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance.
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Funding Progress for Other Postemployment Benefits.
- Schedule of Employer Contributions for Other Postemployment Benefits.
- Notes to the Required Schedules for Other Postemployment Benefits.

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**TOWN OF CARRBORO, NORTH CAROLINA  
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS**

Exhibit A-1

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) ÷ (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b) - (a)) ÷ (c)
12/31/02	\$ -	\$ 403,085	\$ 403,085	0.00%	\$ 1,311,158	30.74%
12/31/03	-	423,271	423,271	0.00%	1,375,349	30.78%
12/31/04	-	460,887	460,887	0.00%	1,523,125	30.26%
12/31/05	-	412,323	412,323	0.00%	1,560,379	26.42%
12/31/06	-	534,900	534,900	0.00%	1,752,714	30.52%
12/31/07	-	557,745	557,745	0.00%	1,718,362	32.46%
12/31/08	-	654,656	654,656	0.00%	1,848,527	35.42%
12/31/09	-	889,339	889,339	0.00%	1,965,368	45.25%
12/31/10	-	901,763	901,763	0.00%	1,893,173	47.63%
12/31/11	-	1,117,731	1,117,731	0.00%	1,764,435	63.35%

**TOWN OF CARRBORO, NORTH CAROLINA  
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

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Exhibit A-2

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Annual Percentage Contributed</u>
2003	\$ 40,896	50.83%
2004	44,347	48.60%
2005	47,919	44.98%
2006	53,533	40.26%
2007	48,581	44.37%
2008	58,804	61.64%
2009	61,335	75.28%
2010	73,193	64.09%
2011	90,934	57.66%
2012	95,280	82.48%

**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, 2011
Actuarial cost method:	Projected unit credit
Amortization method:	Level percent of pay closed
Remaining amortization period:	19 years
Asset valuation method:	Market value
Actuarial assumptions	
Investment rate of return:	5.00%
Projected salary increases:	4.25% - 7.85%
Includes inflation at:	3.00%
Cost of living adjustments:	None

**TOWN OF CARRBORO, NORTH CAROLINA  
OTHER POSTEMPLOYMENT BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS**

Exhibit B-1

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) ÷ (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b) - (a)) ÷ (c)
12/31/2008	\$ -	\$ 13,138,991	\$ 13,138,991	0.00%	\$ 7,108,351	184.84%
12/31/2011	-	13,603,239	13,603,239	0.00%	7,223,608	188.32%

**TOWN OF CARRBORO, NORTH CAROLINA  
OTHER POSTEMPLOYMENT BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

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Exhibit B-2

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Annual Percentage Contributed</u>
2010	\$ 1,324,183	6.79%
2011	1,324,183	6.42%
2012	1,425,359	14.81%

**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, 2011
Actuarial cost method:	Projected unit credit
Amortization method:	Level percent of pay open
Remaining amortization period:	30 years
Asset valuation method:	Market value
Actuarial assumptions	
Investment rate of return:	4.00%
Medical cost trend rate	
Pre-Medicare trend rate:	9.5% - 5.0%
Post-Medicare trend rate:	7.0% - 5.0%
Year of ultimate trend rate:	2018
Includes inflation at:	3.00%