A Xerox Company

buckconsultants

City Pension Fund for Firefighters and Police Officers in the City of Miami Beach

Actuarial Valuation Report as of October 1, 2010

TABLE OF CONTENTS

		Page Number
Discussion		1
Liabilities		
Table I	Summary of Valuation Results	4
Table II	Gain and Loss Analysis	6
Table III	Accounting Disclosures (GASB 25/27)	8
Table IV	Present Value of Accrued Benefits	10
Table V	Information Req. by Florida Statute Chapter 112	11
Table Va	Unfunded Liability Bases	20
Assets		
Table VI	Assets	21
Table VIa	Asset Reconciliation	22
Table VII	Historical Asset Information	24
Table VIIa	Revenues by Source and Expenses by Type	25
Table VIII	Contributions vs. Fund Payouts	26
Data		
Table IX	Summary of Member Data	27
Table IXa	Active Data	28
Table IXb	Retiree Data	29
Table IXc	Data Reconciliation	30
Table IXd	Age-Service-Salary Table (All Active Members)	31
Table IXe	Age-Service-Salary Table (Active Police Officers)	32
Table IXf	Age-Service-Salary Table (Active Firefighters)	33
Table IXg	Inactive - Benefit-Distribution Table (Retirees)	34
Table IXh	Inactive - Benefit-Distribution Table (Disableds)	35
Table IXi	Inactive - Benefit-Distribution Table (Beneficiary)	36
Table IXj	Inactive - Benefit-Distribution Table (Vested)	37
Table X	Historical Contribution Rate	38
Assumptions		
Table XI	Actuarial Assumptions and Methods	39
Table XIa	Assumption Changes	42
Plan Provisions		
Table XII	Plan Provisions	44
Table XIIa	Plan Amendments	48

September 13, 2011

Board of Trustees
City Pension Fund for Firefighters and Police Officers
in the City of Miami Beach
1691 Michigan Avenue, Suite 355
Miami Beach, FL 33139-2557

Dear Members of the Board:

This report presents the results of the October 1, 2010 actuarial valuation of the City Pension Fund for Firefighters and Police Officers in the City of Miami Beach. This valuation will be used to determine the contributions for the City's fiscal year beginning October 1, 2011.

Plan Amendments and Other Changes Affecting the Financial Status of the Fund

The assumptions used in the valuation are outlined in Table XI. Provisions of the plan are set forth in Table XII. The valuation assumptions were updated as of October 1, 2010 and reflect changes to the discount rate, and the salary scale.

Summary of Valuation Results

The City contribution requirement for the fiscal year beginning October 1, 2011 is summarized below, payable at October 1, 2011.

Required City contribution for plan year beginning 10/1/2011	$36,175,910

The City's contribution increased from $34,416,519 for the 2010/2011 fiscal year to $36,175,910 for the 2011/2012 fiscal year. The increase in the contribution requirement is due primarily to the following factors: (1) asset losses (Actuarial Value of Assets AVA return of 4.25% vs. expected return of 8.30%) and (2) reduction of the discount rate by 10 b.p. to 8.20%. The Market Value of Assets (MVA) had a better than expected return of 10.85% but the AVA return was depressed to 4.25% due to the continuing recognition of prior investment losses which are being smoothed over a 5-year period.

200 Galleria Parkway NW, Suite 1900 • Atlanta, GA 30339-5945
770.955.2488 • 770.933.8336 (fax)

In addition to the City Contributions, there are expected member contributions of $4,971,897 and contributions from the Share Plans of $120,549 to fund the ten year certain and life form of benefit payment.

The City contribution requirements presented above for the 2011/2012 fiscal year reflect an annual payment at the beginning of the fiscal year, which is our understanding of the City's payment schedule. Below we present a breakdown of the interest adjustment to reflect the annual payment for the period October 1, 2011 through September 30, 2012 with the payment due on October 1, 2011.

Normal Cost at October 1, 2010	$16,106,381
Payment to Amortize Unfunded Liability at October 1, 2010	$18,456,844
Total	$34,563,225
Interest at 8.20% per year to October 1, 2011	$ 2,834,184
Interest adjustment for bi-weekly payment of Expected Member Contributions	$ 190,668
Preliminary Minimum Required Contribution	$37,588,077
Estimated Service Buybacks at October 1, 2011	$ 2,983,138
Estimated Administrative Expenses at October 1, 2011	$ 697,141
Total Minimum Required Contribution payable October 1, 2011	$41,268,356
Expected Member Contributions	$ (4,971,897)
Expected Share Plan Contributions	$ (120,549)
Estimated City Contribution payable on October 1, 2011	**$36,175,910**

GASB 25/27 Information

Governmental Accounting Standards Board Statement Nos. 25 and 27 (GASB 25/27) require the disclosure of certain information. GASB 25 requires disclosure of funding progress and GASB 27 requires the calculation of the net pension obligation and annual pension cost. Results for the 2009/2010 and 2010/2011 fiscal years are shown in Table III.

Contents of the Report

A summary of the results of the valuation is presented in Table I. Information for the auditors can be found in Tables III and IV. Information required by the State of Florida to be disclosed under Chapter 112 is presented in Tables V and Va. Finally, Tables VI through VIII provide information about the fund's assets, while Tables IX through IXj provide information about the membership data. Table X is the Historical Contribution Rates.

Board of Trustees
September 13, 2011

Certification

This actuarial valuation and/or cost determination was prepared and completed by us or under our direct supervision and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate and, in our opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

In addition, we certify that we have experience in performing actuarial valuations for public sector retirement systems, that the valuation was prepared in accordance with the standards of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the Pension Fund and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the Fund.

The first signatory below is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Very truly yours,

Kerry Schmidt

Kerry Schmidt, FSA, MAAA
Principal
Enrollment No. 11-2628

David P. Campbell
Consultant

P:\Retirement\Miami Beach Fire and Police\2010\Valuation\Report\2010 Val Ltr.doc

SUMMARY OF VALUATION RESULTS — TABLE I

	As of October 1, 2009	As of October 1, 2010
1. Number of Members		
a. Active Members	**478**	**468**
b. Deferred Vested Members	**12**	**13**
c. Retired Members:		
i. Non-disabled(excluding DROP)	407	417
ii. DROP	66	67
iii. Disabled	62	59
iv. Beneficiaries	99	88
v. Sub-total	**634**	**631**
d. Total Members	**1,124**	**1,112**
2. Total Annual Compensation [1]		
a. Base Pay at Valuation Date	**$41,574,935**	**$40,031,374**
b. Projected Payroll (Base Pay) EOY	**$43,030,058**	**$41,432,472**
c. Projected Payroll (Pensionable Pay) EOY	**$51,636,070**	**$49,718,966**
d. Projected Payroll (Pensionable Pay plus DROP) EOY[2]	**$58,473,354**	**$59,432,510**
3. Total Retired Member Benefits	**$41,838,341**	**$44,077,310**
4. Annual Minimum Required Contribution		
a. Present Value of Future Benefits	$932,080,072	$957,920,053
b. Present Value of Future Normal Cost	$147,684,250	$140,279,140
City Portion	*$98,380,210*	*$93,122,711*
Member Portion	*$49,304,040*	*$47,156,429*
c. Actuarial Accrued Liability (AAL)	$784,395,822	$817,640,913
d. Actuarial Value of Assets	($517,602,834)	($525,709,407)
e. Unfunded AAL (UAAL)	**$266,792,988**	**$291,931,506**
f. BOY Normal Cost at Valuation Date	$16,599,835	$16,106,381
g. BOY Payment to Amortize Unfunded Liability	$16,780,608	$18,456,844
h. Interest Adjustment	$2,970,945	$3,024,852
i. Expected Service Buyback	$2,581,803	$2,983,138
j. Expected Administrative Expenses	$767,484	$697,141
k. Total Minimum Required Contribution	$39,700,675	$41,268,356
l. Expected Member Contributions	$5,163,607	$4,971,897
m. Expected Share Plans Contributions	$120,549	$120,549
n. Estimated City Contributions	$34,416,519	$36,175,910
o. Total Minimum Required Contribution	$39,700,675	$41,268,356

[1] *Description of Total Annual Compensation provided on page 5.*

[2] *Not used to generate valuation liabilities. Shown for comparison purposes only.*

	As of October 1, 2009	As of October 1, 2010
5. Annual Cost (as a % of Projected Base Pay, Projected Pensionable Pay, and Projected Pensionable Pay plus DROP)		
a. Total Required Contribution	76.89%	83.00%
b. Estimated Share Plans Contribution	0.23%	0.24%
c. Expected Member Contribution	10.00%	10.00%
d. Estimated City Contribution (4n./2c.)	66.66%	72.76%
e. Estimated City Contribution (4n./2d.)	*58.86%*	*60.87%*

[1] Description of Total Annual Compensation (Item 2 of Table I)

a. Base Pay at Valuation Date:

Participant's base pay (including salary, premiums and longevity) at snapshot date of September 30th increased by assumed salary scale to reflect pay increases that are usually granted in October. Premiums are any salary or pay on which longevity is calculated.

b. Projected Payroll (Base Pay) EOY:

Base pay at valuation date projected to the end of year (and beginning of fiscal year for which the city contributions are determined) by assuming an aggregate increase in payroll of 3.50%.

c. Projected Payroll (Pensionable Pay) EOY:

Projected EOY Base Pay loaded by 20% to reflected estimated other pays included in pensionable pay as of October 1, 2009. In prior years the projected pensionable pay was calculated as the Pensionable pay (includes base pay, overtime, holiday pay, allowances, etc.) at snapshot date of September 30th increased by assumed salary scale to reflect pay increases that are usually granted in October. The resulting figure was then projected to the end of year assuming an aggregate increase in payroll of 3.50%.

d. Projected Payroll (Pensionable Pay plus DROP) EOY:

Projected Pensionable Pay plus DROP participants pay at snapshot date of September 30th increased by assumed salary scale to reflect pay increases that are usually granted in October and then projected to the end of the year assuming an aggregate increase in payroll of 3.50%.

1. Actual Unfunded Accrued Liability as of October 1, 2009	$266,792,988
2. Expected Change in Unfunded Liability During the 2009/2010 Plan Year	
a. Due to Employer Normal Cost for Benefits	$16,363,670
b. Due to Interest on the Unfunded Liability	$22,143,818
c. Expected City and State Contributions	($34,537,068)
d. Total Expected Change	$3,970,420
3. Expected Unfunded Accrued Liability as of October 1, 2010	$270,763,408
4. Change in Unfunded Liability During the 2009/2010 Plan Year Due to:	
a. Method changes	$0
b. Assumption changes	$4,429,434
c. Plan amendments	$0
d. Experience*	$16,738,664
e. Total change	$21,168,098
5. Actual Unfunded Accrued Liability as of October 1, 2010	$291,931,506

6. Items Affecting Calculation of Accrued Liability

a. Plan provisions reflected in the accrued liability (see Table XII on page 44)
b. Plan amendments reflected in item 4.c. above (see on page 48)
c. Actuarial assumptions and methods used to determine accrued liability (see Table XI on page 39)
d. Changes in actuarial assumptions and methods reflected in items 4.a. and 4.b. above (see on page 42)

* The experience for the 2009/2010 plan year is comprised of $20,670,867 in asset losses and $3,932,203 in liability gains.

7.	**Expected Unfunded Accrued Liability Contribution Rate as of October 1, 2009**		35.21%
8.	**Net Actuarial (Gains)/Losses During the 2009/2010 Plan Year**		
a.	Due to Salary/Service/Data	(1.21%)	
b.	Due to Investment Performance	2.65%	
c.	Due to Turnover/Mortality	(1.19%)	
d.	Due to New Retirements and Retirement Benefits	1.58%	
e.	Due to New Members	0.09%	
f.	Total		1.92%
9.	**Change in Unfunded Accrued Liability Rate During the 2009/2010 Plan Year Due to:**		
a.	Assumption changes	0.57%	
b.	Method changes	0.00%	
c.	System benefit changes	0.00%	
d.	Total Change		0.57%
10.	**Other Effects**		2.47%
11.	**Unfunded Accrued Liability Contribution Rate as of October 1, 2010**		40.17%

12. Comments on Change in Unfunded Accrued Liability Contribution Rate:

Salary/Service/Data:

Actual salary increases averaged 2.71% compared to expected increase of 3.83%.

Investment Performance:

Actual return on AVA of 4.25% compared to expected 8.30% return due to smoothing of prior investment losses. The MVA return was a better than expected 10.85%.

Turnover/Mortality:

Net effect on the valuation liabilities of actual deaths, retirements, terminations of employment and disabilities different from what was anticipated in the aggregate by the assumptions related to those events.

New Retirements and Retirement Benefits:

Greater than expected number of and amount of benefits for new retirements.

Assumption Changes:

The discount rate was reduced by 10 basis points from 8.30% to 8.20% for the October 1, 2010 valuation.

Other effects:

This item captures all other effects that contributed to the overall experience loss that are not detailed in items 8 and 9 above. Effects included in this item are "pickups" of plan participants not valued in the prior year, catch-up COLAs for participants who retired more than 1 year and less than 2 years, and data corrections/adjustments from the prior year.

	Plan Year 2009/2010	Plan Year 2010/2011
A. Number of Plan Participants as of October 1		
a. Retirees and beneficiaries receiving benefits	634	631
b. Terminated plan participants entitled to but not yet receiving benefits	12	13
c. Active plan participants	478	468
d. Total	1,124	1,112
B. Development of Annual Required Contribution (ARC)		
a. Employer normal cost:		
i. Total normal cost	$14,461,326	$19,949,122
ii. Expected employee contribution	($4,208,505)	($5,163,607)
iii. Employer normal cost	$10,252,821	$14,785,515
b. Amortization of UAAL:		
i. PV of future benefits	$765,475,606	$932,080,072
i PV of future employer normal costs	($44,719,347)	($98,380,210)
i PV of future employee contributions	($37,024,315)	($49,304,040)
iv. Actuarial accrued liability (AAL)	$683,731,944	$784,395,822
v. Actuarial value of assets	($507,363,812)	($517,602,834)
vi. Unfunded AAL (UAAL)	$176,368,132	$266,792,988
vii. Amort. of UAAL	$12,202,269	$18,173,399
c. ARC (Item B.a.iii. plus item B.b.vii.)	$22,455,090	$32,958,914
C. Annual Pension Cost and Net Pension Obligation (NPO)		
a. ARC	$22,455,090	$32,958,914
b. Interest on NPO	($76,609)	($84,078)
c. Adjustment to ARC	$0	$0
d. Annual Pension Cost	$22,378,481	$32,874,836
e. Contributions made	($23,403,818)	
f. Increase(decrease) in NPO	($1,025,337)	
g. NPO (beginning of year)	$0	
h. NPO (end of year)	($1,025,337)	

D. Three Year Trend Information

Year Ended September 30	Annual Pension Cost(APC)	Percentage Contributed	Net Pension Obligation
2008	$17,618,045	100%	0
2009	$19,236,989	100%	0
2010	$22,378,481	100%	0

E. Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) – (1)	(4) Funded Ratio (1) ÷ (2)	(5) Covered Payroll	(6) UAAL as % of Covered Payroll (3) ÷ (5)
10/1/2005	$457,680,582	$551,907,648	$94,227,066	82.9%	$31,259,918	301.4%
10/1/2006	$470,603,144	$582,016,296	$111,413,152	80.9%	$35,354,776	315.1%
10/1/2007	$495,993,903	$632,992,587	$136,998,684	78.4%	$38,705,407	354.0%
10/1/2008	$507,363,812	$683,731,944	$176,368,132	74.2%	$40,661,885	433.7%
10/1/2009	$517,602,834	$784,395,822	$266,792,988	66.0%	$41,574,935	641.7%
10/1/2010	$525,709,407	$817,640,913	$291,931,506	64.3%	$40,031,374	729.3%

F. Additional Information

	October 1, 2009	October 1, 2010
Valuation date	October 1, 2009	October 1, 2010
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Percent Closed	Level Percent Closed
Remaining amortization period	23 to 30 Years	21 to 30 Years
Asset valuation method	Market Related Value	Market Related Value
Actuarial assumptions:		
Investment rate of return	8.30%	8.20%
Projected salary increases	2.87% - 9.87%	2.87% - 9.87%
Includes projected payroll	3.50%	3.50%
Cost-of-living adjustments	0.00%	0.00%

1. Actuarial Present Value of Accrued Benefits

		As of October 1, 2009	As of October 1, 2010
a.	Vested Accrued Benefits:		
	i. Participants currently receiving benefits	$543,334,066	$577,030,559
	ii. Other participants	$144,681,390	$149,300,666
	iii. Sub-total	$688,015,456	$726,331,225
b.	Non-vested Accrued Benefits	$38,840,044	$36,359,199
c.	Total Benefits	**$726,855,500**	**$762,690,424**
d.	Market Value of Assets	$494,211,874	$533,495,516
e.	Percentage Funded	68%	70%

2. Statement of Changes in Total Actuarial Present Value of All Accrued Benefits

a.	Actuarial Present Value as of October 1, 2009	**$726,855,500**
b.	Increase (Decrease) During 2009/2010 Plan Year Attributable to:	
	i. Interest	$58,572,936
	ii. Benefits accumulated	$10,951,770
	iii. Benefits paid	($42,314,959)
	iv. Method Change	$0
	v. Plan amendments	$0
	vi. Changes in actuarial assumptions or methods	$8,625,177
	vii. Net increase (decrease)	**$35,834,924**
c.	Actuarial Present Value as of October 1, 2010	**$762,690,424**

3. Items Affecting Calculation of Actuarial Present Value of Accrued Benefits

a. Plan provisions reflected in the accrued benefits (see Table XII page 44)
b. Actuarial assumptions and methods used to determine present values (see Table XI on page 39)

	October 1, 2010 (Post Assumption Changes)		
	Police	**Firefighters**	**Total**
1. Participant Data			
a. Active members:			
i. Number	318	150	468
ii. Total annual base payroll	$25,489,391	$14,541,983	$40,031,374
iii. Projected annual base payroll	$26,381,520	$15,050,952	$41,432,472
iv. Projected annual pensionable payroll	$31,657,824	$18,061,143	$49,718,967
b. Retired members and beneficiaries:			
i. Number	334	238	572
ii. Total annualized benefit	$23,479,343	$17,301,091	$40,780,434
c. Disabled members receiving benefits:			
i. Number	49	10	59
ii. Total annualized benefit	$2,787,834	$509,042	$3,296,876
d. Terminated vested members:			
i. Number	12	1	13
ii. Total annualized benefit	$208,263	$29,711	$237,974
2. Assets			
a. Actuarial value of assets	n/a	n/a	$525,709,407
b. Market value of assets	n/a	n/a	$533,495,516
3. Liabilities			
a. Present value of all future expected benefit payments:			
i. Active members:			
Retirement benefits	$215,450,148	$129,808,269	$345,258,417
Vesting benefits	$3,627,940	$2,121,877	$5,749,817
Disability benefits	$14,485,257	$7,596,836	$22,082,093
Death benefits	$2,735,680	$1,511,066	$4,246,746
Sub-total	$236,299,025	$141,038,048	$377,337,073
ii. Terminated vested members	$2,508,626	$427,162	$2,935,788
iii. Retired members and beneficiaries:			
Retired (other than disabled) and beneficiaries	$307,098,249	$231,710,777	$538,809,026
Disabled members	$33,308,604	$4,912,929	$38,221,533
Sub-total	$340,406,853	$236,623,706	$577,030,559
iv. Member contributions (annuities & refunds)	$382,549	$234,084	$616,633
v. Total present value of all future expected ben. pmts.	$579,597,053	$378,323,000	$957,920,053
b. Liabilities due and unpaid	$0	$0	$0

	October 1, 2010 (Post Assumption Changes)		
	Police	**Firefighters**	**Total**
c. Actuarial accrued liability			
i. Active members:			
Retirement benefits	$138,670,928	$87,015,304	$225,686,232
Vesting benefits	$868,391	$519,088	$1,387,479
Disability benefits	$5,759,727	$3,172,713	$8,932,440
Death benefits	$1,055,926	$612,488	$1,668,414
Sub-total	$146,354,972	$91,319,593	$237,674,565
ii. Terminated vested members	$2,508,626	$427,162	$2,935,788
iii. Retired members and beneficiaries:			
Retired (other than disabled) and beneficiaries	$307,098,249	$231,710,777	$538,809,026
Disabled members	33,308,604	4,912,929	38,221,533
Sub-total	$340,406,853	$236,623,706	$577,030,559
iv. Total	$489,270,451	$328,370,461	$817,640,912
d. Entry Age Normal Unfunded actuarial accrued liability	n/a	n/a	$291,931,505
4. Actuarial Present Value of Accrued Benefits	$453,938,902	$308,751,522	$762,690,424
(please reference Table IV for details concerning the present value of accrued benefits)			
5. Pension Cost			
a. Normal cost (including administrative expenses):			
i. Retirement benefits	$9,464,413	$5,333,089	$14,797,502
ii. Vesting benefits	$370,150	$214,271	$584,421
iii. Disability benefits	$1,107,037	$585,007	$1,692,044
iv. Death benefits	$227,628	$125,509	$353,137
v. Administrative expenses	$348,571	$348,571	$697,142
vi. Sub-total	$11,517,799	$6,606,447	$18,124,246
vii. as a percent of projected pensionable payroll (interest adjusted)	36.38%	36.58%	36.44%
b. Payment to amortize unfunded liability	n/a	n/a	$19,970,305
as a percent of projected pensionable payroll (interest adjusted)	n/a	n/a	40.17%
c. Service Buyback	$1,899,469	$1,083,669	$2,983,138
as a percent of projected base payroll	6.00%	6.00%	6.00%
d. Amount to be contributed by members	$3,165,782	$1,806,114	$4,971,896
as a percent of projected pensionable payroll	10.00%	10.00%	10.00%
e. Interest Adjustment for Expected Member Contributions	$122,845	$70,084	$192,929
as a percent of projected pensionable payroll	0.39%	0.39%	0.39%
f. Expected Share Plans Contributions	$70,669	$49,880	$120,549
as a percent of projected pensionable payroll	0.22%	0.28%	0.24%
g. Expected City Contribution	n/a	n/a	$36,178,173
as a percent of projected pensionable payroll	n/a	n/a	72.76%

	October 1, 2010 (Post Assumption Changes)		
	Police	**Firefighters**	**Total**
6. Past Contributions (For year ending September 30,2010)			
a. Required Employer and State contribution	n/a	n/a	$20,159,995
b. Actual contribution made by:			
i. Employer	n/a	n/a	$20,039,446
ii. Members	n/a	n/a	$6,542,597
iii. State (Share Plans)	n/a	n/a	$120,549
7. Net actuarial (gain)/loss	n/a	n/a	$16,738,664
8. Other disclosures			
a. Present value of active members':			
i. Future salaries:			
at attained age	$218,414,137	$123,743,743	$342,157,880
at entry age	n/a	n/a	n/a
ii. Future contributions:			
at attained age	$30,423,712	$16,732,717	$47,156,429
at entry age	n/a	n/a	n/a
b. Present value of future contributions from City and State	$59,902,890	$33,219,821	$93,122,711
c. Amount of active members' accumulated contributions	$26,793,507	$14,975,154	$41,768,661

	October 1, 2010 (Pre Assumption Changes)		
	Police	**Firefighters**	**Total**
9. Participant Data			
a. Active members:			
i. Number	318	150	468
ii. Total annual base payroll	$25,489,391	$14,541,983	$40,031,374
iii. Projected annual base payroll	$26,381,520	$15,050,952	$41,432,472
iv. Projected annual pensionable payroll	$31,657,824	$18,061,143	$49,718,967
b. Retired members and beneficiaries:			
i. Number	334	238	572
ii. Total annualized benefit	$23,479,343	$17,301,091	$40,780,434
c. Disabled members receiving benefits:			
i. Number	49	10	59
ii. Total annualized benefit	$2,677,095	$493,595	$3,170,690
d. Terminated vested members:			
i. Number	12	1	13
ii. Total annualized benefit	$208,263	$29,711	$237,974
10. Assets			
a. Actuarial value of assets	n/a	n/a	$525,709,407
b. Market value of assets	n/a	n/a	$533,495,516
11. Liabilities			
a. Present value of all future expected benefit payments:			
i. Active members:			
Retirement benefits	$217,265,921	$130,803,188	$348,069,109
Vesting benefits	$3,634,029	$2,123,471	$5,757,500
Disability benefits	$14,631,444	$7,664,806	$22,296,250
Death benefits	$2,758,448	$1,521,845	$4,280,293
Sub-total	$238,289,842	$142,113,310	$380,403,152
ii. Terminated vested members	$2,472,783	$421,787	$2,894,570
iii. Retired members and beneficiaries:			
Retired (other than disabled) and beneficiaries	$304,069,451	$229,365,495	$533,434,946
Disabled members	$32,988,957	$4,875,198	$37,864,155
Sub-total	$337,058,408	$234,240,693	$571,299,101
iv. Member contributions (annuities & refunds)	$384,088	$235,195	$619,283
v. Total present value of all future expected ben. pmts.	$578,205,121	$377,010,985	$955,216,106
b. Liabilities due and unpaid	$0	$0	$0

	October 1, 2010 (Pre Assumption Changes)		
	Police	**Firefighters**	**Total**
c. Actuarial accrued liability			
i. Active members:			
Retirement benefits	$139,460,608	$87,533,263	$226,993,871
Vesting benefits	$857,080	$512,482	$1,369,562
Disability benefits	$5,792,500	$3,188,975	$8,981,475
Death benefits	$1,059,060	$613,839	$1,672,899
Sub-total	$147,169,248	$91,848,559	$239,017,807
ii. Terminated vested members	$2,472,783	$421,787	$2,894,570
iii. Retired members and beneficiaries:			
Retired (other than disabled) and beneficiaries	$304,069,451	$229,365,495	$533,434,946
Disabled members	32,988,957	4,875,198	37,864,155
Sub-total	$337,058,408	$234,240,693	$571,299,101
iv. Total	$486,700,439	$326,511,039	$813,211,478
d. Entry Age Normal Unfunded actuarial accrued liability	n/a	n/a	$287,502,071
12. Actuarial Present Value of Accrued Benefits	$448,785,599	$305,279,648	$754,065,247
(please reference Table IV for details concerning the present value of accrued benefits)			
13. Pension Cost			
a. Normal cost (including administrative expenses):			
i. Retirement benefits	$9,420,934	$5,302,657	$14,723,591
ii. Vesting benefits	$364,857	$211,030	$575,887
iii. Disability benefits	$1,098,708	$579,988	$1,678,696
iv. Death benefits	$225,504	$124,226	$349,730
v. Administrative expenses	$348,571	$348,571	$697,142
vi. Sub-total	$11,458,574	$6,566,472	$18,025,046
vii. As a percent of projected base payroll (interest adjusted)	36.20%	36.36%	36.25%
b. Payment to amortize unfunded liability	n/a	n/a	$19,687,496
as a percent of projected base payroll (interest adjusted)	n/a	n/a	39.60%
c. Service Buyback	$1,899,469	$1,083,669	$2,983,138
as a percent of projected base payroll	6.00%	6.00%	6.00%
d. Amount to be contributed by members	$3,165,782	$1,806,114	$4,971,896
as a percent of projected base payroll	10.00%	10.00%	10.00%
e. Interest Adjustment for Expected Member Contributions	$122,845	$70,084	$192,929
as a percent of projected base payroll	0.39%	0.39%	0.39%
f. Expected Share Plans Contributions	$70,669	$49,880	$120,549
as a percent of projected base payroll	0.22%	0.28%	0.24%
g. Expected City Contribution	n/a	n/a	$35,796,164
as a percent of projected base payroll	n/a	n/a	72.00%

	October 1, 2010 (Pre Assumption Changes)		
	Police	Firefighters	Total
14. Past Contributions (For year ending September 30,2010)			
a. Required Employer and State contribution	n/a	n/a	$20,159,995
b. Actual contribution made by:			
i. Employer	n/a	n/a	$20,039,446
ii. Members	n/a	n/a	$6,542,597
iii. State (Share Plans)	n/a	n/a	$120,549
15. Net actuarial (gain)/loss	n/a	n/a	$16,738,664
16. Other disclosures			
a. Present value of active members':			
i. Future salaries:			
at attained age	$223,035,315	$126,289,120	$349,324,435
at entry age	n/a	n/a	n/a
ii. Future contributions:			
at attained age	$30,918,491	$17,008,127	$47,926,618
at entry age	n/a	n/a	n/a
b. Present value of future contributions from City and State	$60,586,191	$33,491,818	$94,078,009
c. Amount of active members' accumulated contributions	$26,793,507	$14,975,154	$41,768,661

	October 1, 2009		
	Police	**Firefighters**	**Total**
17. Participant Data			
a. Active members:			
i. Number	316	162	478
ii. Total annual payroll	$25,952,180	$15,622,755	$41,574,935
iii. Projected annual payroll	$26,860,506	$16,169,551	$43,030,058
iv. Projected annual pensionable payroll	$32,232,608	$19,403,462	$51,636,070
b. Retired members and beneficiaries:			
i. Number	339	233	572
ii. Total annualized benefit	$22,642,828	$15,849,290	$38,492,118
c. Disabled members receiving benefits:			
i. Number	51	11	62
ii. Total annualized benefit	$2,796,660	$549,563	$3,346,223
d. Terminated vested members:			
i. Number	11	1	12
ii. Total annualized benefit	$179,971	$29,711	$209,682
18. Assets			
Actuarial Value of Assets	n/a	n/a	$517,602,834
Market Value of Assets	n/a	n/a	$494,211,874
19. Liabilities			
a. Present value of all future expected benefit payments:			
i. Active members:			
Retirement benefits	$213,562,455	$139,135,829	$352,698,284
Vesting benefits	$3,739,924	$2,174,551	$5,914,475
Disability benefits	$14,710,348	$7,992,777	$22,703,125
Death benefits	$2,828,049	$1,604,418	$4,432,467
Sub-total	$234,840,776	$150,907,575	$385,748,351
ii. Terminated vested members	$1,960,193	$388,907	$2,349,100
iii. Retired members and beneficiaries:			
Retired (other than disabled) and beneficiaries	$294,165,125	$209,372,874	$503,537,999
Disabled members	$34,048,877	$5,747,190	$39,796,067
Sub-total	$328,214,002	$215,120,064	$543,334,066
iv. Member contributions (annuities & refunds)	$399,313	$249,242	$648,555
v. Total present value of all future expected ben. pmts.	$565,414,284	$366,665,788	$932,080,072
b. Liabilities due and unpaid	$0	$0	$0

	October 1, 2009		
	Police	**Firefighters**	**Total**
c. Actuarial accrued liability			
i. Active members:			
Retirement benefits	$133,282,873	$93,440,586	$226,723,459
Vesting benefits	$901,465	$482,603	$1,384,068
Disability benefits	$5,662,352	$3,259,562	$8,921,914
Death benefits	$1,052,477	$630,738	$1,683,215
Sub-total	$140,899,167	$97,813,489	$238,712,656
ii. Terminated vested members	$1,960,193	$388,907	$2,349,100
iii. Retired members and beneficiaries:			
Retired (other than disabled) and beneficiaries	$294,165,125	$209,372,874	$503,537,999
Disabled members	34,048,877	5,747,190	39,796,067
Sub-total	$328,214,002	$215,120,064	$543,334,066
iv. Total	$471,073,362	$313,322,460	$784,395,822
d. Unfunded actuarial accrued liability	n/a	n/a	$266,792,988
20. Actuarial Present Value of Accrued Benefits	$434,578,461	$292,277,039	$726,855,500
(please reference Table IV for details concerning the present value of accrued benefits)			
21. Pension Cost (as a % of payroll)			
a. Normal cost (including administrative expenses):			
i. Retirement benefits	$9,627,455	$5,659,394	$15,286,849
ii. Vesting benefits	$371,170	$224,705	$595,875
iii. Disability benefits	$1,111,233	$617,837	$1,729,070
iv. Death benefits	$231,982	$133,845	$365,827
v. Administrative expenses	$383,742	$383,742	$767,484
vi. Sub-total	$11,725,582	$7,019,523	$18,745,105
vii. As a percent of projected payroll (interest adjusted)	36.38%	36.18%	36.30%
b. Payment to amortize unfunded liability	n/a	n/a	$18,173,399
as a percent of projected payroll (interest adjusted)	n/a	n/a	35.20%
c. Service buyback	$1,611,630	$970,173	$2,581,803
as a percent of projected annual payroll	6.00%	6.00%	6.00%
d. Amount to be contributed by members	$3,223,261	$1,940,346	$5,163,607
as a percent of projected annual payroll	10.00%	10.00%	10.00%
e. Interest Adjustment for Expected Member Contributions	$125,075	$75,293	$200,368
as a percent of projected annual payroll	0.39%	0.39%	0.39%
f. Expected Share Plans Contributions	$70,669	$49,880	$120,549
as a percent of projected annual payroll	0.22%	0.26%	0.23%
g. Expected City Contribution	n/a	n/a	$34,416,519
as a percent of projected annual payroll	n/a	n/a	66.66%

	October 1, 2009		
	Police	**Firefighters**	**Total**
22. Past Contributions (For year ending September 30,2009)			
a. Required Employer and State contribution	n/a	n/a	$20,159,995
b. Actual contribution made by:			
i. Employer	n/a	n/a	$20,039,446
ii. Members	n/a	n/a	$6,542,597
iii. State (Share Plans)	n/a	n/a	$120,549
23. Net actuarial (gain)/loss	n/a	n/a	$65,168,739
24. Other disclosures			
a. Present value of active members':			
i. Future salaries:			
at attained age	$229,438,076	$133,276,621	$362,714,697
at entry age	n/a	n/a	n/a
ii. Future contributions:			
at attained age	$31,489,541	$17,814,499	$49,304,040
at entry age	n/a	n/a	n/a
b. Present value of future contributions from City and State	$62,851,381	$35,528,829	$98,380,210
c. Amount of active members' accumulated contributions	$26,793,507	$14,975,154	$41,768,661

UNFUNDED LIABILITY BASES — TABLE Va

Description	Original Amount	Outstanding Balance as of October 1, 2009	2009/2010 Actual Amortization Payment	Outstanding Balance as of October 1, 2010	2010/2011 Expected Amortization Payment	Years Remaining
Initial Unfunded Liability	$11,301,726	$12,538,561	$953,593	$12,625,669	$978,455	21
10/01/2002 Method Change	$12,519,763	$14,018,707	$1,039,243	$14,143,017	$1,065,999	22
10/01/2003 Amendment	$1,078,557	$1,191,592	$86,255	$1,204,239	$88,448	23
10/01/2003 Experience Loss	$32,473,033	$35,876,266	$2,596,938	$36,257,058	$2,662,968	23
10/01/2004 Experience Loss	$34,892,889	$37,978,001	$2,688,536	$38,441,639	$2,756,053	24
10/01/2005 Method Change	-$31,074,307	-$33,273,852	-$2,306,970	-$33,728,612	-$2,364,197	25
10/01/2005 Assumption Change	$6,250,297	$6,692,713	$464,025	$6,784,183	$475,535	25
10/01/2005 Experience Loss	$23,210,540	$24,853,461	$1,723,160	$25,193,138	$1,765,906	25
10/01/2006 Method Change	-$4,690,352	-$4,945,340	-$336,251	-$5,019,552	-$344,491	26
10/01/2006 Experience Loss	$20,303,584	$21,407,377	$1,455,562	$21,728,627	$1,491,232	26
10/01/2007 Experience Loss	$23,808,174	$24,687,901	$1,648,189	$25,088,808	$1,688,095	27
10/01/2008 Assumption Change	$5,715,022	$5,821,877	$382,056	$5,923,037	$391,196	28
10/01/2008 Experience Loss	$31,543,745	$32,133,523	$2,108,736	$32,691,869	$2,159,186	28
10/01/2009 Assumption Change	$22,643,463	$22,643,463	$1,462,164	$23,060,706	$1,496,733	29
10/01/2009 Experience Loss	$65,168,739	$65,168,739	$4,208,163	$66,369,581	$4,307,655	29
10/01/2010 Assumption Change	$4,429,434			$4,429,434	$282,809	30
10/01/2010 Experience Loss	$16,738,664			$16,738,664	$1,068,723	30
Total	**$276,312,971**	**$266,792,989**	**$18,173,399**	**$291,931,505**	**$19,970,305**	

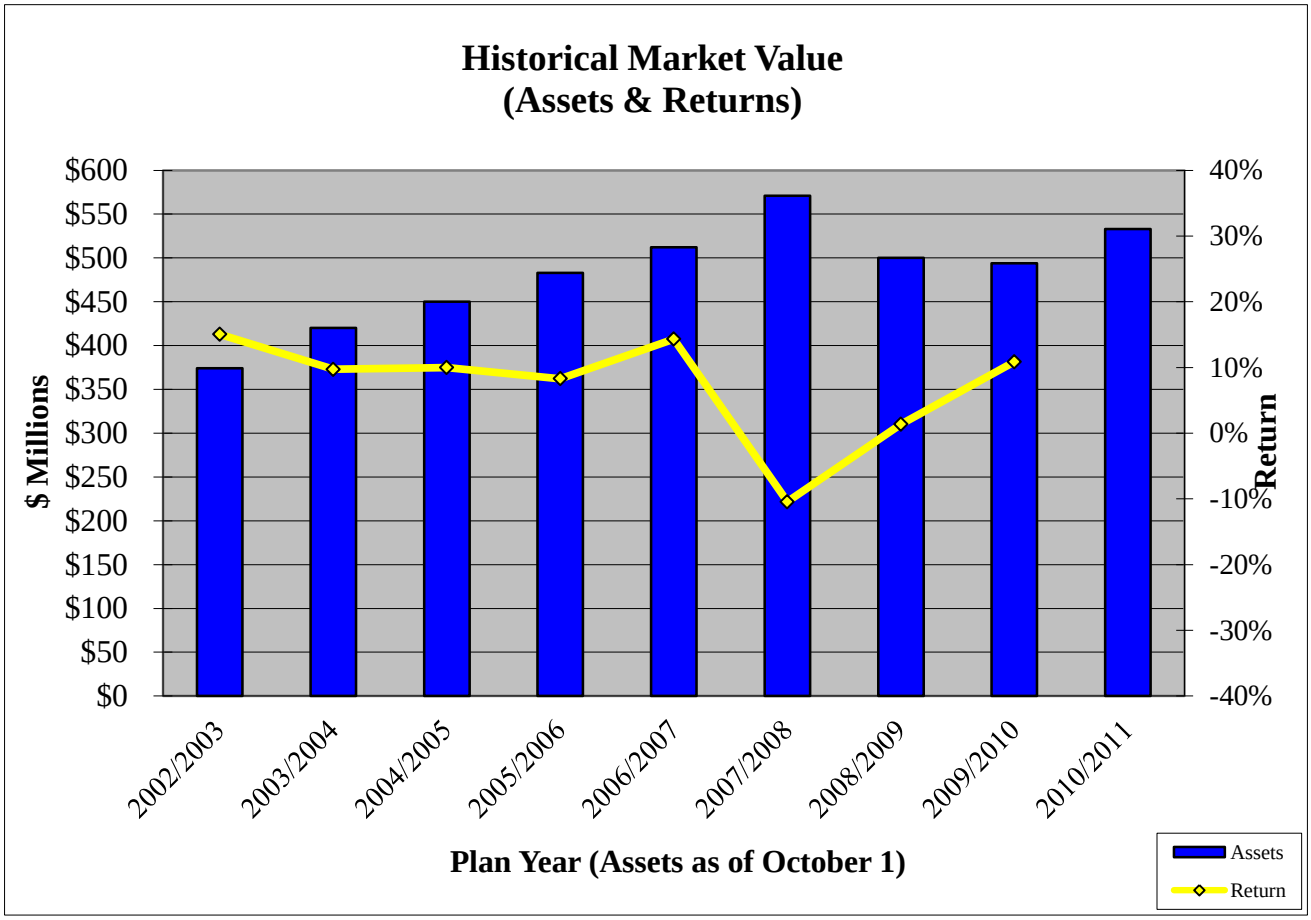
Date	Projected Unfunded Liability
October 1, 2010	$291,931,505
October 1, 2011	$295,899,583
October 1, 2012	$299,494,083
October 1, 2040	$0

	As of October 1, 2009	As of October 1, 2010
1. Market Value of Assets		
a. Cash and cash equivalents (0%)	$20,000	$20,000
b. U.S. government bonds & notes (8%)	$48,079,615	$42,640,262
c. Corporate bonds (30%)	$166,320,937	$166,762,945
d. Equities (42%)	$194,076,975	$224,698,351
e. Money Market Funds (1%)	$5,046,909	$4,970,326
f. Foreign bonds (0%)	$0	$0
g. Collective Investment Funds (17%)	$77,854,385	$91,370,076
h. Other assets (2%)	$6,427,215	$9,898,028
i. Accrued income receivable (0%)	$2,841,790	$2,653,468
j. Contributions receivable (0%)	$180,821	$621,194
k. Other receivables (0%)	$0	$0
l. Benefits payable (-2%)	($6,427,215)	($9,898,028)
m. Other payables (0%)	($209,558)	($241,106)
n. Market value of assets	**$494,211,874**	**$533,495,516**

2. Actuarial Value of Assets								
a. Market value of assets				$494,211,874				$533,495,516
b. 5-year phase-in of net investment appreciation:								
i. 2005/2006	($27,226,025)	x	20% =	($5,445,205)				
ii. 2006/2007	($57,642,643)	x	40% =	($23,057,056)	x	20%	=	($11,528,529)
iii. 2007/2008	$74,282,428	x	60% =	$44,569,457	x	40%	=	$29,712,971
iv. 2008/2009	$9,154,705	x	80% =	$7,323,764	x	60%	=	$5,492,823
v. 2009/2010	($39,329,217)				x	80%	=	($31,463,374)
vi. Total unrecognized losses(gains)				$23,390,960				($7,786,109)
c. Actuarial Value of Assets				**$517,602,834**				**$525,709,407**
(Item a. less item b., but within an 80-120% corridor of item a.)								

1. Market Value of Assets as of October 1, 2009	**$494,211,874**
2. Increases Due to:	
a. Contributions:	
i. City	$23,283,269
ii. State (Share Plans)	$120,549
iii. Member Contributions	$4,914,418
iv. Buybacks	$667,270
v. Transfers In	$408,164
vi. Total	$29,393,670
b. Investment income (interest and dividends)	$15,819,863
c. Realized gains/(losses)	$7,621,609
d. Unrealized gains/(losses)	$31,707,608
e. Total increases	$84,542,750
3. Decreases Due to:	
a. Benefit payments	($42,294,293)
b. Refund of member contributions	($20,666)
c. Investment Expenses	($2,247,008)
d. Administrative expenses	($697,141)
e. Total decreases	($45,259,108)
4. Market Value of Assets as of October 1, 2010	**$533,495,516**

1. Actuarial Value of Assets as of October 1, 2009	**$517,602,834**
2. Increases Due to:	
a. Contributions:	
i. City	$23,283,269
ii. State (Share Plans)	$120,549
iii. Member Contributions	$4,914,418
iv. Buybacks	$667,270
v. Transfers In	$408,164
vi. Total	$29,393,670
b. Investment income (interest and dividends)	$15,819,863
c. Realized gains/(losses)	$7,621,609
d. Unrealized gains/(losses)	$530,539
e. Total increases	$53,365,681
3. Decreases Due to:	
a. Benefit payments	($42,294,293)
b. Refund of member contributions	($20,666)
c. Investment Expenses	($2,247,008)
d. Administrative expenses	($697,141)
e. Total decreases	($45,259,108)
4. Actuarial Value of Assets as of October 1, 2010	**$525,709,407**



Plan Year	Market Value as of October 1	Actuarial Value as of October 1	Benefit Payments*	Administrative Expenses	City, State and Member Contributions	Market Value Return	Actuarial Value Return
2001/2002	$393,319,577	$404,340,268	$20,210,635	$498,825	$7,753,324	-1.65%	2.39%
2002/2003	$373,980,268	$400,898,095	$22,072,374	$521,173	$13,014,855	15.05%	4.82%
2003/2004	$419,972,421	$410,423,595	$24,173,338	$564,532	$14,082,481	9.72%	4.52%
2004/2005	$449,622,848	$418,089,222	$27,202,700	$581,953	$16,960,734	9.99%	12.22%
2005/2006	$483,180,441	$457,680,582	$30,109,229	$633,113	$19,517,106	8.28%	5.34%
2006/2007	$511,508,858	$470,603,144	$32,367,302	$646,588	$20,425,699	14.31%	8.18%
2007/2008	$571,193,561	$495,993,903	$35,014,659	$641,844	$23,195,343	-10.43%	4.87%
2008/2009	$499,788,831	$507,363,812	$38,195,186	$767,484	$26,702,592	1.35%	4.49%
2009/2010	$494,211,874	$517,602,834	$42,314,959	$697,141	$29,393,670	10.85%	4.25%
2010/2011	$533,495,516	$525,709,407					

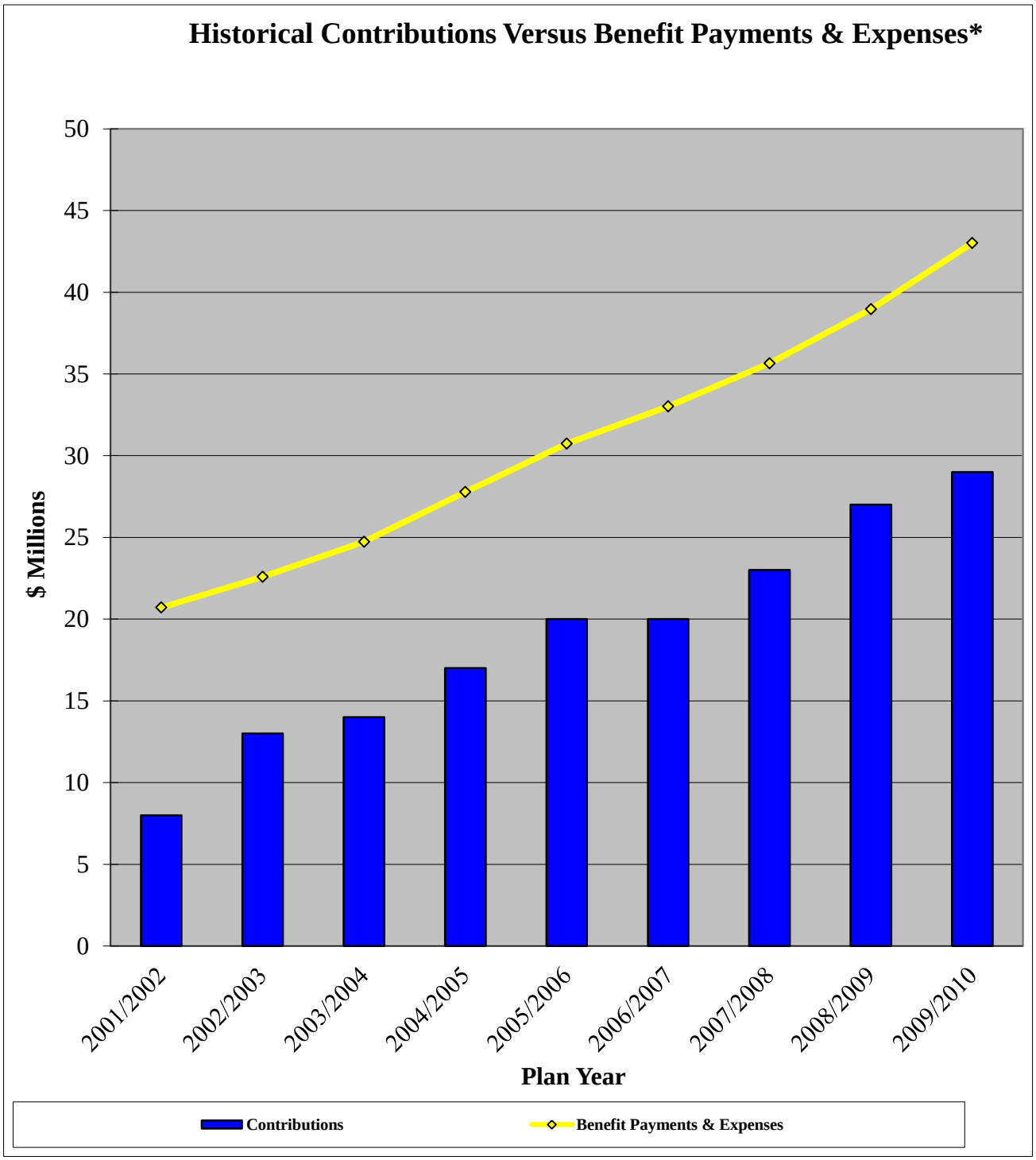
* includes contributions refunded

REVENUES

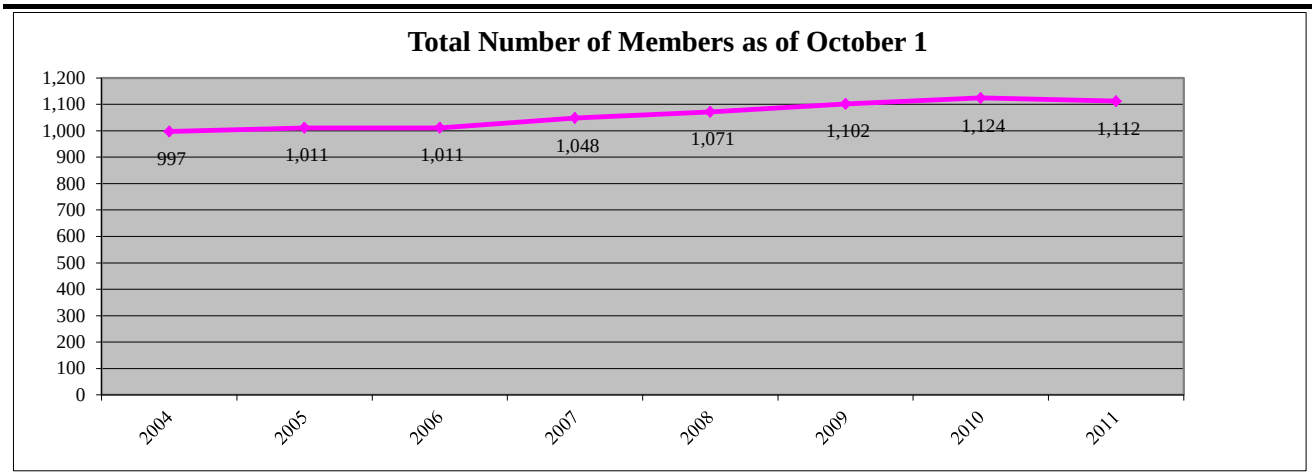
Fiscal Year	City Contrib.	Share Plans Contrib.	Member Contrib.	Total Contrib.	Net Invest. Income	Total
2000/2001	$733,425		$3,577,878	$4,311,303	($38,313,700)	($34,002,397)
2001/2002	$3,510,328		$4,242,996	$7,753,324	($1,027,634)	$6,725,690
2002/2003	$8,577,326		$4,437,529	$13,014,855	$55,570,845	$68,585,700
2003/2004	$9,387,091	$107,000	$4,588,390	$14,082,481	$40,305,816	$54,388,297
2004/2005	$11,857,606	$120,549	$4,982,579	$16,960,734	$44,381,512	$61,342,246
2005/2006	$14,481,287	$120,549	$4,915,270	$19,517,106	$39,553,653	$59,070,759
2006/2007	$15,110,868	$120,549	$5,194,282	$20,425,699	$72,272,894	$92,698,594
2007/2008	$17,497,496	$120,549	$5,577,298	$23,195,343	($58,943,570)	($35,748,227)
2008/2009	$20,039,446	$120,549	$6,542,597	$26,702,592	$24,604,707	$51,307,299
2009/2010	$23,283,269	$120,549	$5,989,852	$29,393,670	$23,972,011	$53,365,681

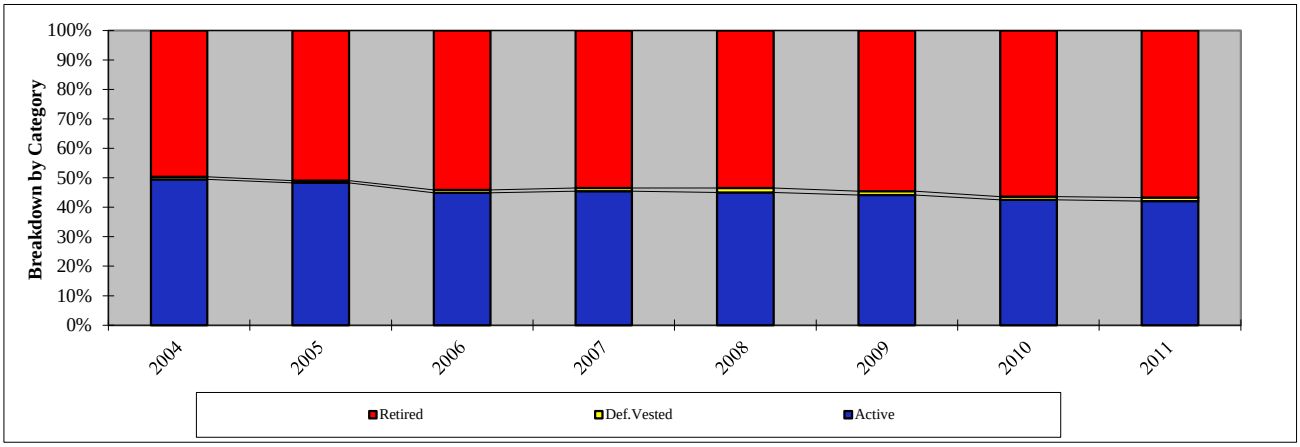
EXPENSES

Fiscal Year	Benefits Paid	Member Refunds	Administrative Expenses	Total
2000/2001	$18,999,180	$75,154	$526,157	$19,600,491
2001/2002	$20,107,750	$102,885	$498,825	$20,709,460
2002/2003	$21,919,356	$153,018	$521,173	$22,593,547
2003/2004	$24,130,299	$43,039	$564,532	$24,737,870
2004/2005	$27,168,740	$33,960	$581,953	$27,784,653
2005/2006	$30,048,732	$60,497	$633,113	$30,742,342
2006/2007	$32,241,728	$125,574	$646,588	$33,013,890
2007/2008	$34,912,004	$102,655	$641,844	$35,656,503
2008/2009	$37,986,970	$208,216	$767,484	$38,962,670
2009/2010	$42,294,293	$20,666	$697,141	$43,012,100

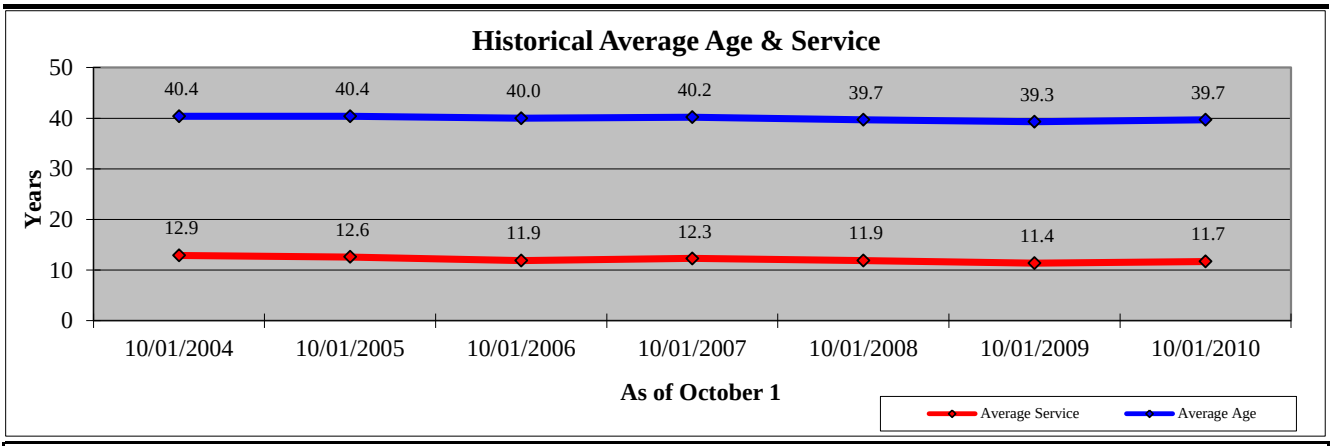


* Please reference Table VIIa on page 25 for the historical benefit payments, expenses, and contributions.

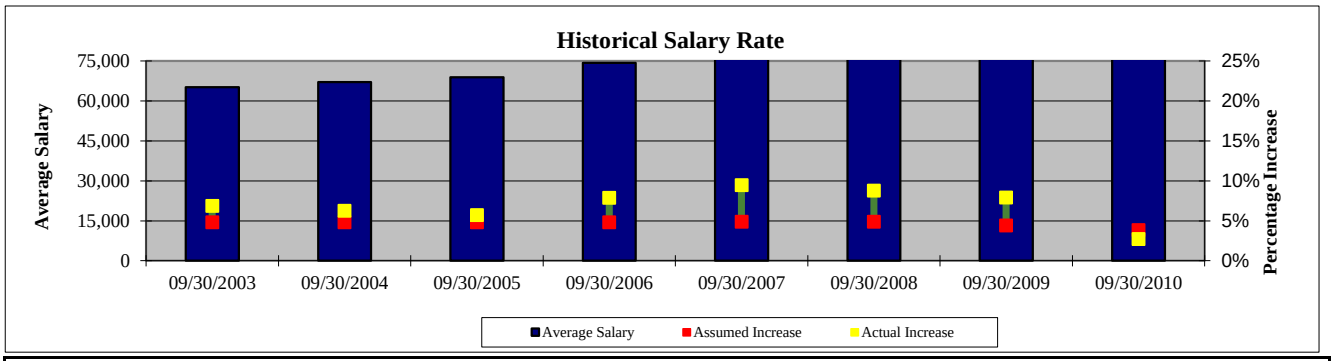




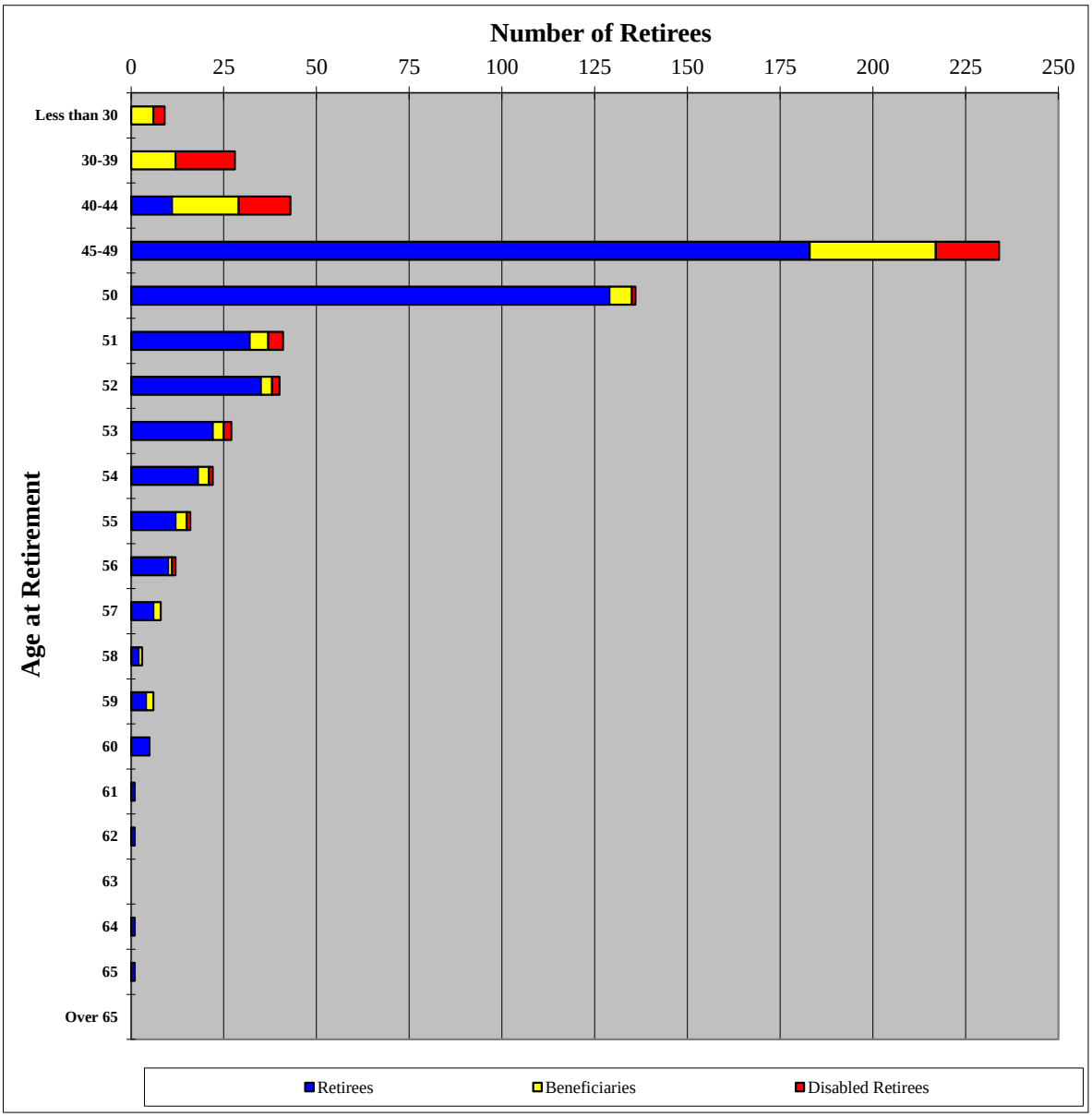
	As of October 1, 2009	As of October 1, 2010
1. Active Members		
a. Police Officers	316	318
b. Firefighters	162	150
c. Sub-total	**478**	**468**
2. Non-active, Non-retired Members		
a. Fully or partially vested	12	13
b. Beneficiaries	0	0
c. Sub-total	**12**	**13**
3. Retired Members		
a. Non-disabled(excluding DROP)	407	417
b. DROP	66	67
c. Disabled	62	59
d. Beneficiaries	99	88
e. Sub-total	**634**	**631**
4. Total Members	**1,124**	**1,112**



Date	Average Service Earned	Average Attained Age	Date	Average Service Earned	Average Attained Age
10/01/2003	12.9	40.2	10/01/2007	12.3	40.2
10/01/2004	12.9	40.4	10/01/2008	11.9	39.7
10/01/2005	12.6	40.4	10/01/2009	11.4	39.3
10/01/2006	11.9	40.0	10/01/2010	11.7	39.7



Plan Year Ending	Average Salary	Actual Salary Increase	Assumed Salary Increase	Plan Year Ending	Average Salary	Actual Salary Increase	Assumed Salary Increase
09/30/2003	$65,145	6.88%	4.82%	09/30/2007	$80,302	9.48%	4.90%
09/30/2004	$67,060	6.25%	4.82%	09/30/2008	$83,495	8.77%	4.90%
09/30/2005	$68,855	5.73%	4.80%	09/30/2009	$82,132	7.93%	4.40%
09/30/2006	$74,275	7.87%	4.80%	09/30/2010	$82,485	2.71%	3.83%



Average benefit being paid to non-disabled retirees is $6,647.50 per month.
Average benefit being paid to disabled retirees is $4,656.58 per month.
Average benefit being paid to beneficiaries is $2,056.67 per month.

	Active	Vested	Retired	DROP	Disabled	Beneficiary	Total
1. Number of members as of October 1, 2009	**478**	**12**	**407**	**66**	**62**	**99**	**1,124**
2. Change in status during the plan year:							
a. Actives who terminated	(2)	2					
b. Actives who retired	(20)		1	19			
c. Inactives who became active							
d. Inactives who retired		(1)	1				
e. DROP to Retiree			18	(18)			
f. Rehires	1	(1)					
g. Dormant							
3. No longer members due to:							
a. Death			(9)		(3)	(5)	(17)
b. Permanent break-in-service							
c. Receipt of lump sum payment	(3)						(3)
d. Expiration of certain period						(12)	(12)
e. Included in error last year							
4. New member due to:							
a. Initial membership	14						14
b. Death of another member						6	6
c. Dormant							
d. Data Correction		1	(1)				
5. Number of members as of October 1, 2010	**468**	**13**	**417**	**67**	**59**	**88**	**1,112**

(All Active Members)

Attained Age	Completed Years of Service										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	**1**	**10**									**11**
Avg.Pay	54,322	57,411									57,130
25 to 29		**40**	**12**								**52**
Avg.Pay		62,752	76,440								65,911
30 to 34		**40**	**22**	**11**							**73**
Avg.Pay		65,405	77,473	86,597							72,235
35 to 39	**2**	**12**	**30**	**38**	**6**						**88**
Avg.Pay	53,039	63,888	74,539	84,879	91,272						78,204
40 to 44	**1**	**8**	**24**	**42**	**25**	**21**					**121**
Avg.Pay	54,322	62,810	76,059	83,743	92,977	104,048					86,024
45 to 49	**1**	**2**	**3**	**25**	**14**	**46**					**91**
Avg.Pay	57,052	60,004	78,212	82,961	98,475	109,288					97,710
50 to 54			**4**	**4**	**1**	**14**					**23**
Avg.Pay			78,659	82,515	92,016	107,775					97,633
55 to 59			**1**	**1**	**3**	**2**	**1**				**8**
Avg.Pay			74,669	76,490	88,753	105,509	80,861				88,662
60 to 64						**1**					**1**
Avg.Pay						136,890					136,890
65 & up											
Avg.Pay											
70 & up											
Avg.Pay											
Total	**5**	**112**	**96**	**121**	**49**	**84**	**1**				**468**
Avg.Pay	54,355	63,299	76,117	84,097	94,061	107,964	80,861				82,485

(Police Officers)

Attained Age	Completed Years of Service										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	**1**	**6**									**7**
Avg.Pay	54,322	55,296									55,157
25 to 29		**25**	**4**								**29**
Avg.Pay		59,467	63,270								59,992
30 to 34		**27**	**10**	**6**							**43**
Avg.Pay		64,658	65,493	79,357							66,903
35 to 39	**2**	**9**	**24**	**30**	**5**						**70**
Avg.Pay	53,039	64,621	71,716	80,996	88,568						75,451
40 to 44	**1**	**7**	**19**	**37**	**14**	**14**					**92**
Avg.Pay	54,322	63,510	74,517	81,337	82,342	101,212					81,456
45 to 49	**1**	**2**	**2**	**20**	**5**	**27**					**57**
Avg.Pay	57,052	60,004	74,669	78,426	87,910	101,687					89,123
50 to 54			**3**	**4**		**8**					**15**
Avg.Pay			74,669	82,515		99,852					90,192
55 to 59			**1**	**1**	**1**	**1**	**1**				**5**
Avg.Pay			74,669	76,490	78,311	92,755	80,861				80,617
60 to 64											
Avg.Pay											
65 to 69											
Avg.Pay											
70 & up											
Avg.Pay											
Total	**5**	**76**	**63**	**98**	**25**	**50**	**1**	**0**	**0**	**0**	**318**
Avg.Pay	54,355	61,979	71,318	80,516	84,540	101,082	80,861	0	0	0	77,403

(Firefighters)

Attained Age	Completed Years of Service										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25		**4**									**4**
Avg.Pay		60,583									60,583
25 to 29		**15**	**8**								**23**
Avg.Pay		68,228	83,025								73,375
30 to 34		**13**	**12**	**5**							**30**
Avg.Pay		66,957	87,457	95,286							79,879
35 to 39		**3**	**6**	**8**	**1**						**18**
Avg.Pay		61,689	85,830	99,442	104,790						88,910
40 to 44		**1**	**5**	**5**	**11**	**7**					**29**
Avg.Pay		57,908	81,917	101,547	106,512	109,719					100,514
45 to 49			**1**	**5**	**9**	**19**					**34**
Avg.Pay			85,299	101,103	104,344	120,089					112,106
50 to 54			**1**		**1**	**6**					**8**
Avg.Pay			90,630		92,016	118,339					111,585
55 to 59					**2**	**1**					**3**
Avg.Pay					93,974	118,263					102,070
60 to 64						**1**					**1**
Avg.Pay						136,890					136,890
65 & up											
Avg.Pay											
70 & up											
Avg.Pay											
Total		**36**	**33**	**23**	**24**	**34**					**150**
Avg.Pay		66,088	85,278	99,357	103,978	118,086					93,260

(Retired Participants)

Attained Age	Years Retired									
	Under 1	1	2 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 & up	Total
Under 25										
Avg Ann Ben										
25 to 34										
Avg Ann Ben										
35 to 44										
Avg Ann Ben										
45 to 49	**15**	**17**	**16**							**48**
Avg Ann Ben	101,501	104,567	105,177							103,812
50 to 54	**4**	**14**	**35**	**45**						**98**
Avg Ann Ben	66,244	108,299	93,211	96,554						95,801
55 to 59	**2**	**7**	**15**	**54**	**28**					**106**
Avg Ann Ben	80,904	87,097	86,489	77,123	83,907					80,970
60 to 64		**1**	**1**	**13**	**47**	**9**				**71**
Avg Ann Ben		66,459	72,270	69,725	79,083	77,507				76,896
65 to 69				**2**	**8**	**32**	**1**			**43**
Avg Ann Ben				66,739	86,904	79,526	113,089			81,084
70 to 74					**1**	**12**	**27**			**40**
Avg Ann Ben					53,965	80,386	67,582			71,083
75 to 79					**1**	**2**	**11**	**19**		**33**
Avg Ann Ben					85,757	91,167	74,346	46,336		59,584
80 to 84						**1**	**7**	**9**	**18**	**35**
Avg Ann Ben						61,535	72,450	52,546	30,795	45,597
Over 85								**1**	**9**	**10**
Avg Ann Ben								81,022	24,603	30,245
Total	**21**	**39**	**67**	**114**	**85**	**56**	**46**	**29**	**27**	**484**
Avg.Pay	92,824	101,794	94,251	83,767	81,191	79,480	70,930	49,459	28,731	79,770

Disabled Participants

Attained Age	Years Retired									
	Under 1	1	2 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 & up	Total
Under 25										
Avg Ann Ben										
25 to 34										
Avg Ann Ben										
35 to 44			**1**							**1**
Avg Ann Ben			67,929							67,929
45 to 49				**1**	**1**		**1**			**3**
Avg Ann Ben				62,347	68,754		40,716			57,272
50 to 54		**1**	**3**	**4**	**2**	**1**	**2**			**13**
Avg Ann Ben		88,159	82,494	52,626	60,764	45,628	51,039			62,721
55 to 59				**3**	**4**	**3**				**10**
Avg Ann Ben				78,108	63,604	64,796				68,313
60 to 64				**2**		**4**	**2**	**1**	**1**	**10**
Avg Ann Ben				66,199		68,874	57,030	44,693	25,048	59,170
65 to 69						**3**				**3**
Avg Ann Ben						74,027				74,027
70 to 74						**1**	**4**		**1**	**6**
Avg Ann Ben						95,139	74,911		33,006	71,298
75 to 79							**1**	**1**	**6**	**8**
Avg Ann Ben							54,483	36,408	19,487	25,977
80 to 84									**5**	**5**
Avg Ann Ben									21,848	21,848
Over 85										
Avg Ann Ben										
Total		**1**	**4**	**10**	**7**	**12**	**10**	**2**	**13**	**59**
Avg.Pay		88,159	78,853	63,957	63,528	69,394	61,098	40,551	21,863	55,879

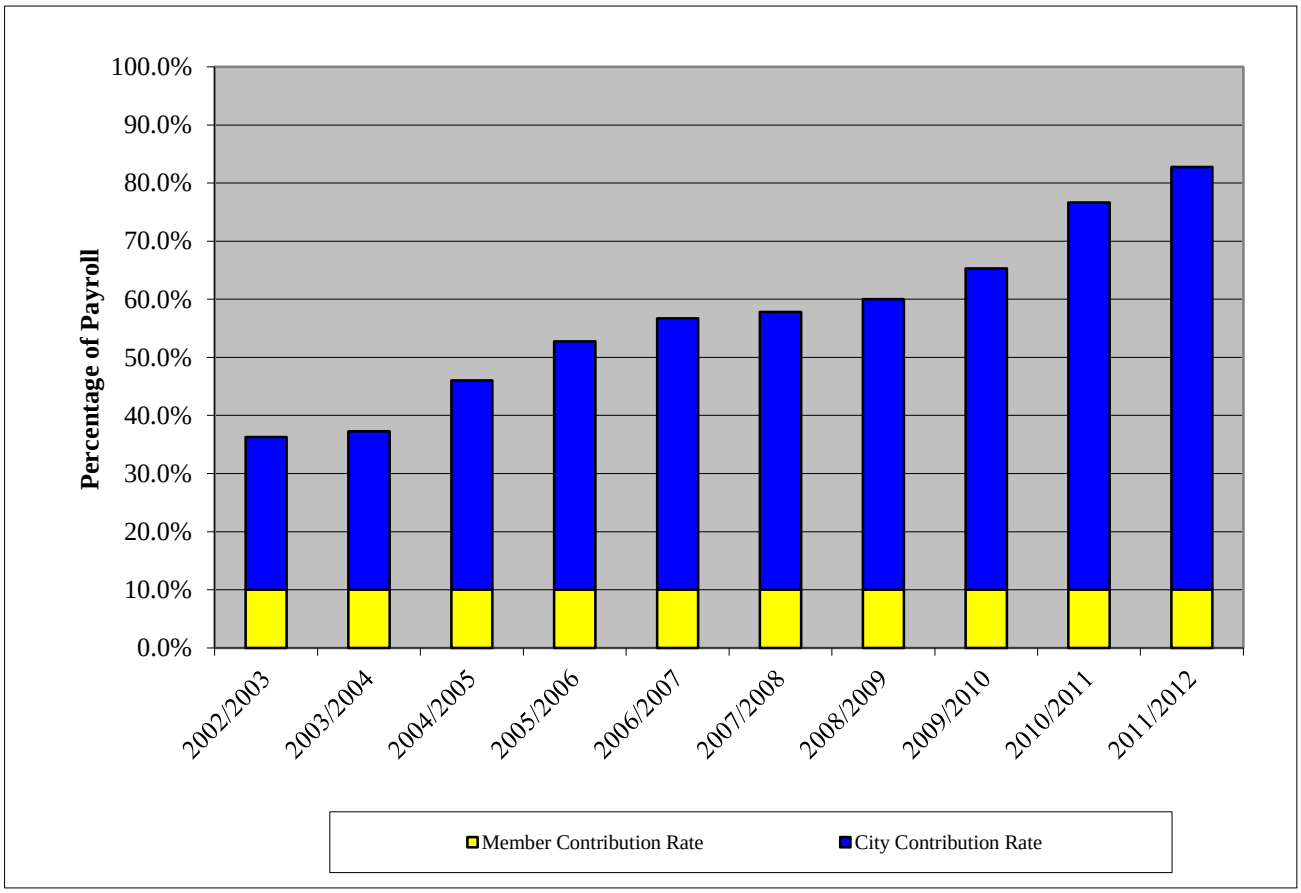
Beneficiaries

Attained Age	Years Retired									
	Under 1	1	2 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 & up	Total
Under 25										
Avg Ann Ben										
25 to 34										
Avg Ann Ben										
35 to 44		**1**			**2**					**3**
Avg Ann Ben		47,520			29,914					35,783
45 to 49							**1**			**1**
Avg Ann Ben							52,308			52,308
50 to 54				**1**			**1**			**2**
Avg Ann Ben				52,641			23,057			37,849
55 to 59			**1**		**3**	**1**	**1**	**1**		**7**
Avg Ann Ben			38,540		50,223	42,935	17,637	15,774		37,936
60 to 64					**1**	**2**	**1**	**2**		**6**
Avg Ann Ben					62,329	71,607	10,769	11,528		39,895
65 to 69				**1**		**1**	**2**	**2**	**6**	**12**
Avg Ann Ben				93,632		47,401	41,351	12,060	15,990	28,650
70 to 74						**5**	**2**	**1**	**3**	**11**
Avg Ann Ben						52,776	13,993	16,894	16,247	32,500
75 to 79						**2**		**2**	**11**	**15**
Avg Ann Ben						53,846		14,908	13,623	19,157
80 to 84			**1**					**1**	**11**	**13**
Avg Ann Ben			24,131					30,808	13,952	16,032
Over 85									**18**	**18**
Avg Ann Ben									13,030	13,030
Total		**1**	**2**	**2**	**6**	**11**	**8**	**9**	**49**	**88**
Avg.Pay		47,520	31,336	73,137	45,471	55,011	26,807	15,608	13,930	24,681

INACTIVES BENEFIT DISTRIBUTION TABLE TABLE IXj

(Non-Active, Non-Retired)

Attained Age	Count	Total Annual Benefits	Accumulated Contributions with Interest
Under 25			
25 to 34			
35 to 44	5	89,070	63,190
45 to 49	8	148,904	25,185
50 to 54			
55 to 60			
Over 60			
Total	13	237,974	88,375



Fiscal Year	Member Contribution Percentage	Expected City Contribution Percentage	Fiscal Year	Member Contribution Percentage	Expected City Contribution Percentage
2002/2003	10.00%	26.29%	2007/2008	10.00%	47.82%
2003/2004	10.00%	27.27%	2008/2009	10.00%	50.02%
2004/2005	10.00%	36.03%	2009/2010	10.00%	55.32%
2005/2006	10.00%	42.75%	2010/2011	10.00%	66.66%
2006/2007	10.00%	46.71%	2011/2012	10.00%	72.76%

1. Actuarial Cost Method

- Entry Age Normal Cost Method

2. Decrements

- **Pre-Retirement Mortality**
  RP-2000 Combined Mortality Table with a blue collar adjustment.

- **Post-Retirement Healthy Mortality**
  RP-2000 Combined Mortality Table with a blue collar adjustment.

- **Post-Retirement Disabled Mortality**
  RP-2000 Disabled Mortality Table

- **Disability**
  Representative values of the assumed annual rates of disability among members in active service are as follows:

Age	Ordinary Disability Rate	Accidental Disability Rate	Age	Ordinary Disability Rate	Accidental Disability Rate
20	.0004	.0003	45	.0032	.0026
25	.0006	.0005	50	.0055	.0044
30	.0009	.0007	55	.0079	.0063
35	.0012	.0010	60	.0110	.0090
40	.0018	.0014	64	.0143	.0126

- **Permanent Withdrawal from Active Status**
  Representative values of the assumed annual rates of withdrawal among members in active service are as follows:

Age	Rate	Age	Rate	Age	Rate	Age	Rate
20	0.50%	30	1.25%	40	0.75%	45	0.25%
25	1.00%	35	1.50%				

- **Retirement**

  All members are assumed to retire at age 50 with 26.25 years of service, but not later than age 65. Members under age 50 meeting the Rule of 70 are assumed to retire at the rate of 40% per year. Otherwise, retirement is assumed to occur in accordance with the following rates:

Service	Meeting Rule of 70	Not Meeting Rule of 70
Less than 20	20%	2%
20	30%	5%
21	50%	10%
22	30%	10%
23	30%	20%
24	45%	60%
25	65%	60%
26	100%	100%
More than 26	100%	100%

3. Interest Rates

- **Used for Calculating All Liabilities (including GASB 25/27 liabilities)**

  8.20% per annum. This interest rate is assumed to be net of investment expenses and commissions

4. Salary Increases

Representative values of the assumed annual rates of future salary increase are as follows:

Plan Year 2009

Age	Rate	Age	Rate	Age	Rate	Age	Rate
20	3.70%	35	3.70%	50	2.70%	60	1.70%
25	7.70%	40	2.70%	55	2.70%	65	0.70%
30	6.70%	45	2.70%				

All subsequent Plan Years

Age	Rate	Age	Rate	Age	Rate	Age	Rate
20	5.87%	35	5.87%	50	4.87%	60	3.87%
25	9.87%	40	4.87%	55	4.87%	65	2.87%
30	8.87%	45	4.87%				

Average assumed salary increase rate is 3.83% through March 31, 2012 and 6.00% thereafter.

5. Loadings for Contingencies

- **Compensation**
  Salary rates have been increased by 16.00% to load for overtime and other pays.

- **Pre-Employment Service**
  A City contribution of 6.00% of loaded compensation is assumed sufficient to provide for the purchase (or "buyback") of pre-employment service by the membership.

6. Loading for Projected Pensionable Payroll

The Projected Base Pay is loaded by 20.00% to estimate the projected pensionable payroll used to determine the expected member contributions.

7. Marriage Assumptions

- **Percent Married**
  77% of members are assumed married or entitled to benefits for dependents, including registered domestic partners.

- **Age Difference Between Spouses**
  Male spouses are assumed to be three years older than female spouses.

8. Expenses

Anticipated administrative expenses, *exclusive* of investment expenses and commissions, are assumed to be funded through future City normal contributions. In addition, the interest rate set forth in item 3 above is assumed to be net of investment expenses and commissions.

9. Assets

Actuarial value of assets is equal to the market value of assets adjusted to reflect a five-year phase-in of the net investment gain or loss. At October 1, 2005, the "fresh start method" using the current market value of assets and starting a new five year phase-in of realized and unrealized gains and losses was implemented, recognizing one year of asset performance in the actuarial value of assets.

10. Aggregate Compensation

The aggregate compensation used to compute the accrued liability contribution rate was assumed to increase at a rate of 3.50% per year.

The following assumptions have been changed during the past few years:

1. Effective October 1, 2002:

   The actuarial cost method was changed from frozen initial liability to entry age.

2. Effective October 1, 2002:

   The amortization of the unfunded accrued liability was changed from level dollar to level percentage of pay, with aggregate payroll assumed to increase at 3.50% per year

3. Effective October 1, 2005:

   The "fresh start" method was applied to the actuarial value of assets to begin a new five-year phase-in of realized and unrealized gains and losses.

   The retirement rates were increased to reflect retirement experience for participants meeting the age 50 and "Rule of 70" eligibility criteria.

   The loadings for contingencies and pre-employment service were increased from 5.00% to 7.00% and from 4.50% to 5.50% respectively.

4. Effective October 1, 2006:

   The actuarial valuation system used by Buck Consultants was upgraded effective October 1, 2006. The gain resulting from this upgrade was amortized over 30 years.

5. Effective October 1, 2008:

   The interest rate used to calculate all liabilities was reduced to 8.40% from 8.50%.

   The salary scale used to project future pay increases was reduced by 50 basis points at each age to reflect the current and projected economic climate.

   The loadings for contingencies were increased by 100 basis points (50 basis points for salary rates and 50 basis points for buybacks).

   The retirement assumption was updated to reflect an increase in the level of retirements starting at age 45.

6. Effective October 1, 2009:

   The interest rate used to calculate all liabilities was reduced from 8.40% to 8.30%.

   The mortality rates were changed from the 1983 Group Annuity Mortality Table to the RP-2000 Combined Mortality Table with a blue collar adjustment for healthy lives and the RP2000 Disabled Mortality Table for disabled participants.

   An experience study was performed on the plan over the 5 year period October 1, 2003 through October 1, 2008 and the following assumptions were changed to more accurately reflect the plans experience:

   - Retirement Rates: The retirement assumption was changed to reflect the results of the experience study.
   - Withdrawal Rates: The withdrawal assumption was changed to reflect the results of the experience study.
   - Salary Increase Rates: The salary increase assumption was changed to an average increase 3.83% for plan year 2009 to reflect the freeze on COLA for the plan year and to an average increase on 6.00% for all subsequent plan years.
   - Load for Overtime and Other Pays: The load for overtime and other pays was changed from 7.50% to 16.00% to reflect the results of the experience study.

   A load of 20% was added to the projected base payroll to estimate the projected pensionable payroll used to determine the expected member contributions..

7. Effective October 1, 2010:

   The interest rate used to calculate all liabilities was reduced from 8.30% to 8.20%.

   The freeze on the cost of living increase component of the salary scale was extended to March 31, 2012.

1. Monthly Accrued Benefit

3% of average monthly salary multiplied by service up to 15 years, plus 4% of average monthly salary multiplied by service in excess of 15 years, to a maximum monthly benefit of 90% of average monthly salary. If the member was employed prior to July 1, 1976, the benefit can be no less than that provided by the prior Base Plan assuming its provisions continue after its merger with the prior Supplemental Plan ("grandfathered Base Plan benefit").
Average monthly salary is based upon the highest two years of compensation. A limited portion of overtime pay is included in the average monthly salary except when calculating the grandfathered Base Plan benefit referred to above.

2. Service Retirement Age and Benefit

- **Age**
  Age 50 or, if earlier, the date when age plus service equals 70 (Rule of 70);
  Retiring members may also be eligible to enter the DROP (Deferred Retirement Option Plan).

- **Amount**
  Monthly Accrued Benefit

- **Form of Payment**
  For members except those retiring prior to November 5, 2003, the normal form of payment is a 75% joint and survivor annuity with a designated beneficiary as provided under the plan, which includes 120 guaranteed monthly payments.

  The members may also elect the actuarial equivalent of the 10 year certain and life annuity, with a designated beneficiary, any of the following optional forms of payment:
  - 75% joint and contingent survivor annuity
  - 66 2/3% joint and contingent annuity with a designated beneficiary
  - 50% joint and contingent annuity with a designated beneficiary
  - 25% joint and contingent annuity with a designated beneficiary
  - 10 year certain and life annuity with a designated beneficiary

  Members who retired prior to November 5, 2003 were subject to different normal and optional forms of payment.

3. Disability Retirement Age and Benefit

- **Condition**

  For a service connected disability benefit, the member must become totally and permanently disabled in the line of duty;

  For a non-service connected disability benefit, the member must otherwise become totally and permanently disabled and have at least five years of service.

- **Amount**

  For a service connected disability benefit:

  Monthly Accrued Benefit, with a minimum benefit of 85% of compensation.

  For a non-service connected disability benefit:

  Monthly Accrued Benefit.

4. Withdrawal Retirement Age and Benefit

- **Age**

  Any age prior to 50 with at least 10 years of service;

- **Amount**

  Monthly Accrued Benefit (payable if participant survives to Service Retirement Age);

- **Form of Payment**

  For members except those retiring prior to November 5, 2003, the normal form of payment is a 75% joint and survivor annuity with a designated beneficiary as provided under the plan, which includes 120 guaranteed monthly payments.

  The members may also elect the actuarial equivalent of the 10 year certain and life annuity, with a designated beneficiary, any of the following optional forms of payment:

  - 75% joint and contingent survivor annuity
  - 66 2/3% joint and contingent annuity with a designated beneficiary
  - 50% joint and contingent annuity with a designated beneficiary
  - 25% joint and contingent annuity with a designated beneficiary
  - 10 year certain and life annuity with a designated beneficiary

  Members who retired prior to November 5, 2003 were subject to different normal and optional forms of payment.

5. Death Benefits

- **Service connected death benefit**
  Greater of Monthly Accrued Benefit and 85% of compensation payable as a monthly benefit to the widow until death, to unmarried children in equal shares until age 18 (until age 22 if a full-time student or until recovery from disability if disabled), or to dependent parents in equal shares.

- **Non-service connected death benefit**
  For members with at least five years of service, Monthly Accrued Benefit is payable for the first 12 months after death and 75% of the Monthly Accrued Benefit is payable thereafter (with a minimum benefit of 25% of average monthly salary); benefits are payable to the widow until death or remarriage, to unmarried children in equal shares until age 18 (until age 22 if a full-time student or until recovery from disability or until marriage if disabled), or to dependent parents in equal shares. However, if the member has been married for less than ten years, benefits are payable to the spouse only for the life expectancy of the deceased member at time of death.

6. Employee Contributions

10% of salary per year (on a pre-tax basis);
If contributions are refunded to the member or to his beneficiaries, then interest is credited at the rate of 3% per annum.

7. Pre-Employment Service

Members with at least 20 years of service may purchase up to four total years of additional service credit at the 3% accrual rate for time spent on active military duty or other full-time public safety service for which no other benefit is payable. Also, such member may purchase an increase in benefit of 3% or 6% without purchasing service. Members purchasing other than military service must also be eligible to retire. The total of any combination of pre-employment benefit purchased is 12% increase in accrual.

8. Cost-of-Living Adjustment

Benefits are increased by 2.5% per year, compounded annually, each October 1 after retirement, adjusted for partial years; members whose grandfathered Base Plan benefit is greater than the benefit otherwise provided by this plan will receive the applicable cost-of-living adjustment on that basis (2% a year beginning the October three years after retirement) until such time as the benefit from this plan with 2.5% cost-of-living exceeds that comparable grandfathered Base Plan benefit.

9. Deferred Retirement Option Program (DROP)

Police Officers and Firefighters are eligible to participate in a Deferred Retirement Option Program (DROP) upon meeting any one of the following criteria:

- the attainment of age 50 or
- the sum of the member's age and creditable service equal to at least 70

Operation of the DROP

- The member's monthly retirement benefit, based on final average earnings and service, will be calculated as of the date prior to them entering the DROP.
- The member's monthly pension will be deposited into the selected investment vehicles.
- The member will cease to accrue additional pension benefits (with the exception of the COLA under the pension plan).
- The member will no longer be eligible for Disability or Service Connected Death benefits from the Pension Plan.
- Member contributions to the Pension Plan will cease upon entering the DROP.
- Upon entering the DROP, the member will select the length of the DROP period. The maximum period of participation in the DROP is 36 months. Notwithstanding, participation may not continue beyond the date when the member's combined years of creditable service and time in the DROP equals 352 months (387 months if they were a member prior to July 1, 1976).
- The member will not have access or be able to borrow against any of the funds accumulated in their DROP account.
- The member may sever his/her employment with the City at any time during the DROP period. Such separation will terminate their participation in the DROP.
- No payment will be made from the DROP account until the member severs their employment with the City
- Following severance of employment, the funds in the DROP will be paid under the options the member selected. The member will also start receiving their monthly pension which was previously being deposited in the DROP.

.

PLAN AMENDMENTS TABLE XIIa

The following amendments have been made:

1. Effective September 30, 2000, members of the post-May 18, 1993 plan were merged into the pre-May 19, 1993 benefit schedule.

2. Effective November 6, 2001, domestic partners of members registered with the City of Miami Beach are entitled to survivor benefits under the Fund.

3. Effective November 6, 2001, members with at least 20 years of service and eligible to retire may purchase certain prior public safety service or purchase an increased benefit. Total accrual from purchase of service, including military time, cannot exceed 12%.

4. Effective November 5, 2003, the normal form will include 120 guaranteed monthly payments.