

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

2011 Actuarial Report

**For the Plan Year
January 1, 2011 through
December 31, 2011**

**For the City's Fiscal Year
October 1, 2011 through
September 30, 2012**

Prepared By:

**STANLEY, HOLCOMBE & ASSOCIATES, INC.
2000 RiverEdge Parkway/ Suite 540
Atlanta, GA 30328
(770) 933-1933**

June 6, 2011

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& A**

Stanley,
Holcombe
& Associates, Inc.

May 31, 2011

Board of Trustees
City of Fort Lauderdale
Police and Firefighters' Retirement System
CITY OF FORT LAUDERDALE
888 South Andrews Avenue, Suite 202
Fort Lauderdale, Florida 33316

2011 Actuarial Report

Dear Board Members:

Enclosed is our report on the actuarial valuation of the City of Fort Lauderdale Police and Firefighters' Retirement System for the year beginning January 1, 2011.

The report includes:

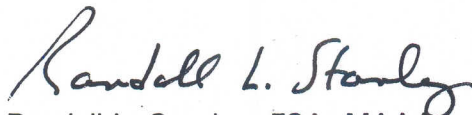
- Gain/Loss Analysis for the period January 1, 2010 through December 31, 2010;
- Cost Calculation Results;
- Asset Summary.

The rate of return on the market value of assets for the year ending December 31, 2010 was 11.8%; the rate of return on the actuarial value of assets was 6.3%. The expected rate of return on the actuarial value of assets was 7.75%, resulting in a nominal experience loss.

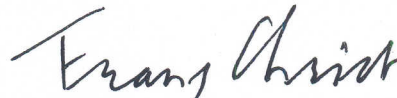
The unfavorable investment experience (smoothed basis) was more than offset by salary increases lower than expected. In total, there was a net experience gain of \$854,077 in 2010. The 17-year average rate of return on the actuarial value of assets has been 7.5%.

Respectfully Submitted,

STANLEY, HOLCOMBE & ASSOCIATES, INC.



Randall L. Stanley, FSA, MAAA
Consulting Actuary and Principal



Frans Christ, FSA, MAAA
Vice President and Consulting Actuary

RLS/FC/di
FTLAUDERDALE01B

Enclosures (12)

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

2011 ACTUARIAL REPORT

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**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Comparative Summary of Principal Valuation Results

	Actuarial Valuation	
	Prepared as of	
	<u>01/01/2011</u>	<u>01/01/2010</u>
A. <u>Participant Data</u> (Ex. 7)		
Active Members	802	804
Covered Payroll	\$62,571,391	\$61,668,621
Members in DROP	84	70
DROP Payroll	\$7,148,161	\$6,620,026
Total Annualized Benefits	\$4,968,029	\$4,021,469
Projected Total Payroll (Ex. 1, p. 2 of 4)	\$73,473,835	\$71,988,764
Retired Members and Beneficiaries	845	839
Total Annualized Benefits	\$34,167,667	\$33,750,435
Disabled Members	20	21
Total Annualized Benefits	\$708,303	\$790,771
Terminated Vested Members	16	18
Total Annualized Benefits	\$452,515	\$483,609
B. <u>Assets</u>	-\$-	-\$-
Actuarial Value (Ex. 4)	482,181,230	451,610,479
Market Value (Ex. 3)	455,378,727	405,254,377
C. <u>Liabilities</u> (Ex. 1)		
Present Value of Benefits		
Active Members – Retirement	355,607,836	346,408,220
Vesting	4,324,043	6,784,377
Disability	13,853,449	13,725,845
Death	6,811,239	4,274,613
Return of Contributions	785,725	1,499,465
Total	<u>381,382,292</u>	<u>372,692,520</u>
Inactive Members – Retired and Beneficiaries	417,060,315	405,182,845
Disabled	8,085,070	8,985,542
Terminated Vested	4,231,879	4,366,740
DROP Accounts	13,012,300	8,505,221
Total	<u>442,389,564</u>	<u>427,040,348</u>
Total	<u><u>823,771,856</u></u>	<u><u>799,732,868</u></u>
Actuarial Accrued Liability	674,229,902	648,973,423
Unfunded Actuarial Accrued Liability	192,048,672	197,362,944

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**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Comparative Summary of Principal Valuation Results
(Continued)

	Actuarial Valuation	
	Prepared as of	
	<u>01/01/2011</u>	<u>01/01/2010</u>
	-\$-	-\$-
D. <u>Pension Cost (Exhibit 1)</u>		
Normal Cost	17,220,891	16,876,287
Payment to Amortize Unfunded Liability	18,633,141	18,334,870
Administrative Expenses	471,000	489,000
Interest	2,228,692	2,190,353
Expected Member Contribution	5,162,140	4,933,490
As % of Payroll	8.25%	8.00%
Expected State Contribution	2,724,071	2,708,872
As % of Payroll	4.4%	4.4%
Expected City Contribution	30,667,513	30,248,148
As % of Covered Payroll	49.0%	49.0%
As % of Total Payroll	41.7%	42.0%
	Year Ending	Year Ending
E. <u>Past Contributions</u>	<u>12/31/2010</u>	<u>12/31/2009</u>
	-\$-	-\$-
Required Plan Sponsor and State Contribution	32,957,020	28,367,152
Required Member Contributions	5,247,391	4,264,471
Actual Contributions		
Plan Sponsor and State	33,250,882	28,091,711
Members	5,247,391	4,264,471
F. <u>Net Actuarial (Gain)/Loss</u>	(854,077)	27,303,032
G. <u>Other Disclosures</u>		
Active Members:		
Present Value Future Salaries		
(at attained age)	544,225,938	545,828,100
Present Value Future Member Contributions		
(at attained age)	43,298,905	43,381,161
Present Value Future Contributions		
(City, State)	298,291,721	304,741,228

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**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

REVIEW OF COSTS

SUMMARY DISCUSSION

This is the actuarial report for the plan year beginning January 1, 2011 for the Board of Trustees of the City of Fort Lauderdale Police and Firefighters' Retirement System. This report is intended to reflect the provisions and requirements of Ordinance No. 72-94, as amended by City ordinances through December 31, 2010. This is the ninth annual actuarial valuation report prepared by Stanley, Holcombe & Associates, Inc.

COMPARISON OF COSTS

The cost components and costs for 2011 compare to those for 2010 as follows:

	<u>2011</u>	<u>2010</u>
	-\$-	-\$-
Normal Cost	17,220,891	16,876,287
Amortization	18,633,141	18,334,870
Expenses	471,000	489,000
Interest ¹	<u>2,228,692</u>	<u>2,190,353</u>
Total	38,553,724	37,890,510
Members	5,162,140	4,933,490
State (est.)	<u>2,724,071</u> ³	<u>2,708,872</u> ²
City (est.)	30,667,513	30,248,148

As may be noted, the City contribution amount of \$30,667,513 is \$419,365 more than the \$30,248,148 for the prior year. The details of the reasons for the change in cost are summarized in Table 2.

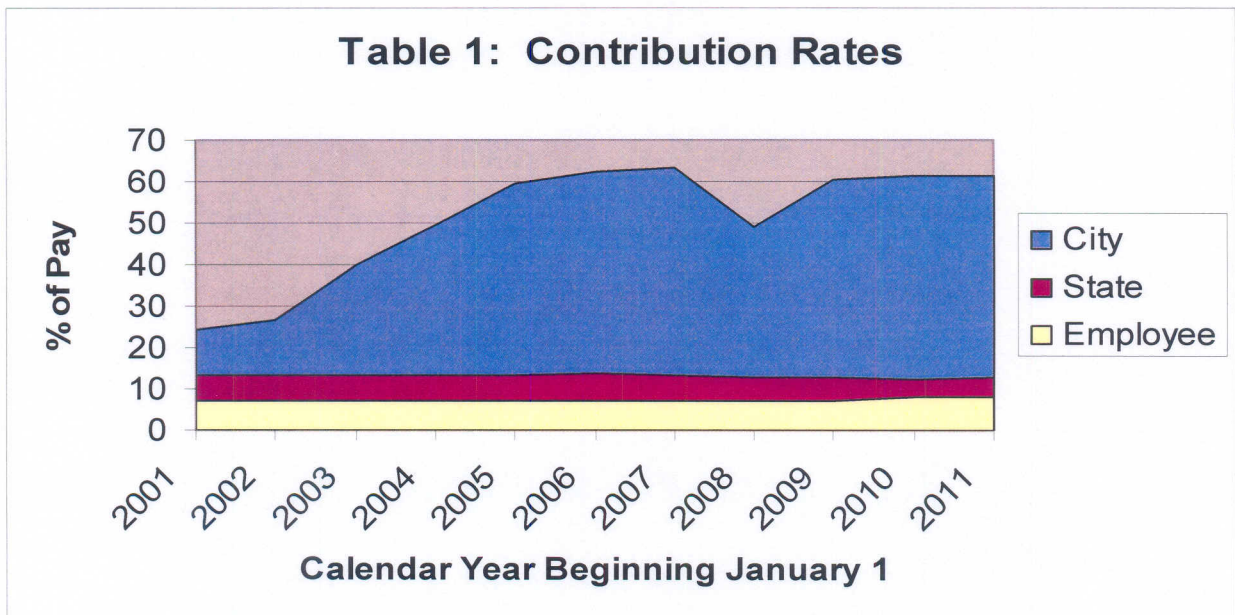
1. Interest is included to October 15.
2. Adjusted Base Amount of \$3,000,946, reduced by 175 Supplemental Fire shortfall (\$276,875) plus interest to July 1, 2010 (\$15,199).
3. Adjusted Base Amount of \$3,000,946, reduced by anticipated 175 Supplemental Fire shortfall (\$276,875).

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

REVIEW OF COSTS

SUMMARY DISCUSSION

Table 1 shows the contribution rates for the City, State, and members since 2001. The delayed recognition (due to asset smoothing) of adverse asset returns for 2000, 2001, and 2002 had driven up City costs from 2002-2007. Costs for 2008 declined due to favorable investment experience, revised actuarial assumptions, and a change to the asset valuation method. Costs for 2009 through 2011 have increased primarily due to unfavorable investment experience.



ANALYSIS OF COST CHANGES

Our detailed gain/loss analysis consists of a series of actuarial valuations, for each element of experience. This quantifies the impact on cost components and costs of the deviations of actual experience from that predicted by each actuarial assumption.

This is intended to provide insight to the Board of the relative importance of each assumption and serve as an audit of the realism of the assumption. It also is intended to provide quality control.

Quantification of the reasons for the changes is as follows:

Table 2 – Detailed Gain/Loss Analysis for January 1, 2010 through December 31, 2010

	Unfunded Actuarial Accrued Liability	Amortization	Normal Cost	City Contribution Percentage	City Contribution
	-\$-	-\$-	-\$-	-%-	
12/31/2009 Valuation	197,362,944	18,334,870	16,876,287	49.0*	30,248,148
12/31/2010 Expected (for continuing members)	192,902,749	18,701,569	16,703,331	50.8	30,445,810
<u>Element of Experience</u>					
Retirement, DROP	(3,281,979)	(262,947)	55,974	(2.1)	(374,731)
Turnover	1,640,298	131,418	170,327	(0.1)	267,639
Disability	(729,038)	(58,409)	32,635	(0.1)	(35,330)
Mortality	909,805	72,892	13,238	0.1	85,597
Salaries	(7,458,779)	(597,585)	(391,044)	0.1	(890,760)
New Members	226,895	18,178	621,180	(0.6)	526,514
Assets	6,700,626	536,843	0	0.9	569,781
Other, Data	<u>1,138,095</u>	<u>91,182</u>	<u>15,250</u>	<u>0.0</u>	<u>72,993</u>
Total Experience	(854,077)	(68,428)	517,560	(1.8)	221,703
12/31/2010 Actual	192,048,672	18,633,141	17,220,891	49.0* 41.7**	30,667,513

* Percentage of Covered Payroll

** Percentage of Total Payroll

Projected Total Payroll of \$73,473,835 is equal to 106% of Covered Payroll of \$62,571,391 plus \$7,148,161 payroll for members in DROP.

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Following is a discussion of the elements of experience:

Salary Increases – Salaries for continuing actives increased by 3.20%, compared with an expected increase of 6.47%. This salary experience decreased the Unfunded Liability by \$7,458,779 and the contribution amount by \$890,760. However, as a percentage of covered payroll the contribution rate increased 0.1%.

Mortality – There were no deaths of active members compared to 1 expected. There were 13 deaths among inactives compared to 16.0 expected. This increased the Unfunded Liability by \$909,805 and increased the annual contribution by \$85,597.

Disability – There was one disability compared with 2.3 expected. Costs decreased slightly on a dollar basis and decreased 0.1% of covered pay.

Turnover – There were 16 terminations compared with 24.2 expected. This increased the Unfunded Liability by \$1,640,298 and the annual contribution amount by \$267,639.

Retirement – There were 21 retirements and DROP entries compared to 38.9 expected. This decreased the Unfunded Liability by \$3,281,979 and decreased the annual contribution by \$374,731. The percent of covered pay cost decreased 2.1%.

Investment Return – There was a loss due to investment return in 2010, with a rate of return on the actuarial value of assets of 6.3%, compared with an expected return of 7.75%. This increased costs by \$569,781 or 1.0% of covered pay. The rate of return for the market value of assets was 11.8%.

Other – There was no State distribution of Chapter 175 supplemental funds during 2010, as expected. In addition, there was a \$208,818 shortfall in Chapter 185 contributions (\$1,831,291 expected, \$1,622,473 actually received). Administrative expenses decreased from \$489,000 to \$471,000. These items, along with data changes/corrections, increased costs by \$72,993.

MINIMUM CITY CONTRIBUTION AS A PERCENTAGE OF PAYROLL

The State Division of Retirement is now stipulating that minimum City contributions not be less than the actuarially determined contribution percentage, applied to the actual covered payroll during the year. Exhibit 12 reflects our recommendation that the City contribution be the greater of the actuarially determined dollar amount as historically funded or this contribution approach.

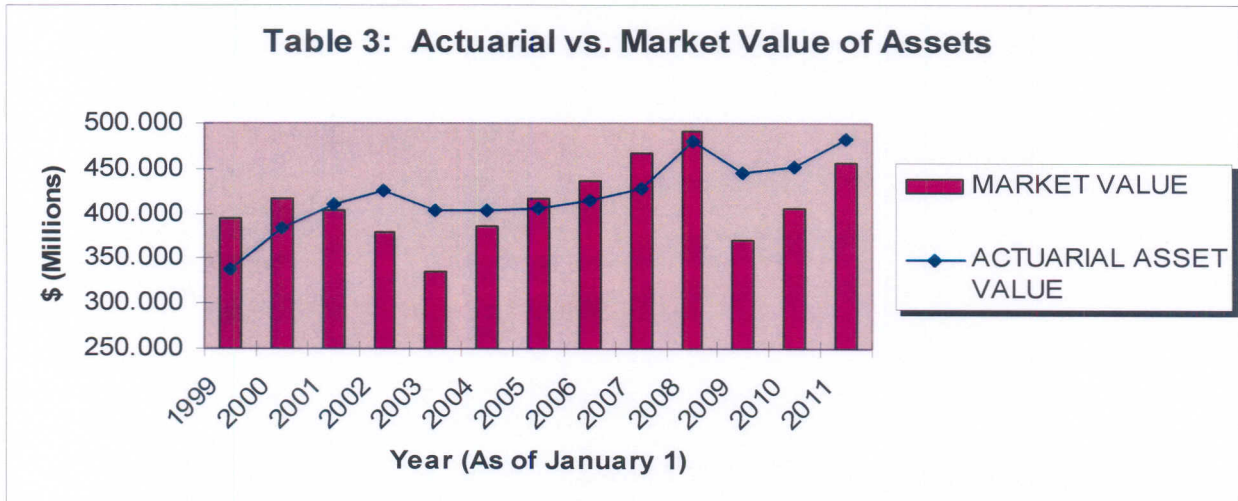
CITY CONTRIBUTION REQUIREMENTS (POLICE, FIRE SEPARATELY)

The Division of Retirement has also stipulated that Chapters 175 and 185 may be separately maintained only if costs are separately determined. Exhibit 11 reflects the initial separate cost calculations. Since System assets have not been separately maintained, the December 31, 2010 assets have been allocated based on the separately calculated Actuarial Accrued liabilities.

PLAN ASSETS

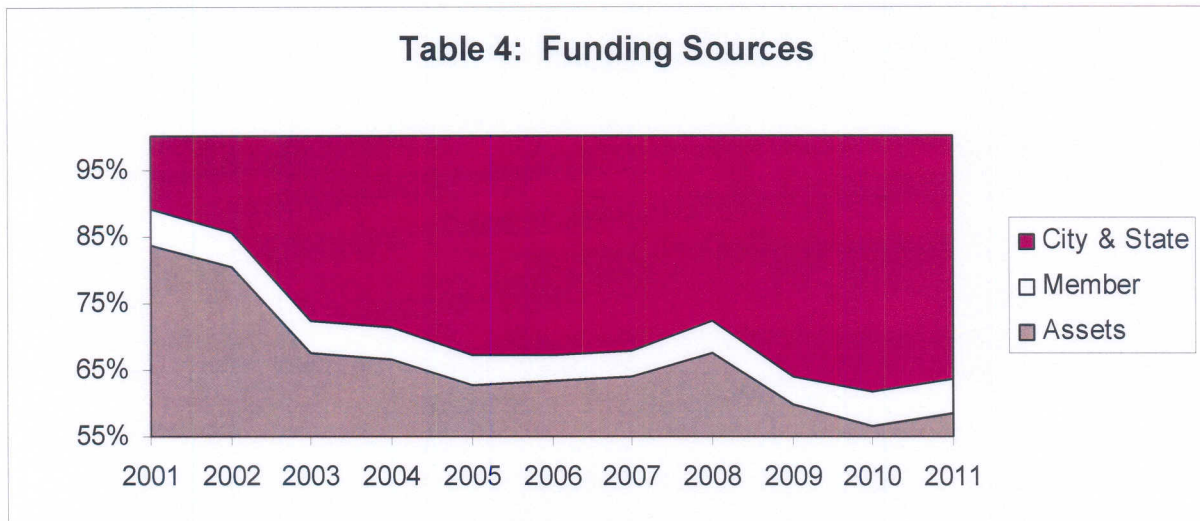
Exhibits 2 and 3 show the asset transactions and investment results during the year. The rate of return on mean market value for the period ending December 31, 2010 was 11.8%.

The actuarial asset valuation method (Exhibit 4A) is the 20% Write Up Method. Under this method the actuarial value of assets is equal to expected value (using last year's actuarial value of assets, cash flow, and valuation interest) plus or minus 20% of the difference between the expected actuarial value of assets and the market value of assets. The result cannot be greater than 120% of market value or less than 80% of market value. As of December 31, 2010, the actuarial value of assets was 106% of market value.



Sources of Benefit Funding

Table 4 compares the sources of benefit funding for the past ten actuarial valuations. The present value of all projected benefits is equal to 100% in the Table. The present value of benefits is provided by three sources; the actuarial value of assets, the present value of future member contributions, and the present value of future City and State contributions.



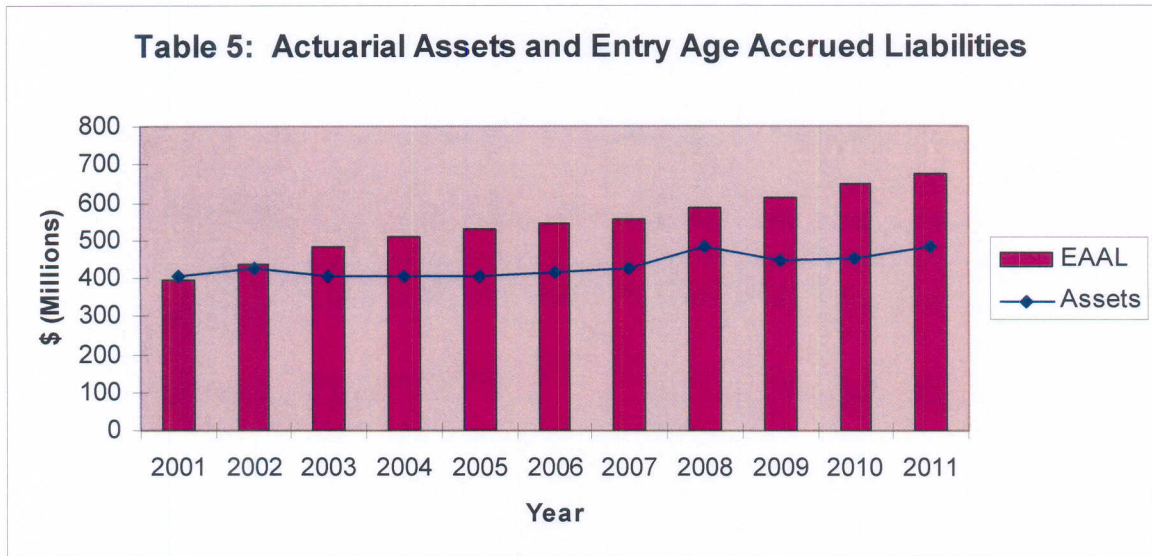
As shown in Table 4, the City and State portion of future benefit costs increased during the early part of the decade as the value of the assets decreased in relation to of the total present value of benefits. The situation had been stable for the past couple of years, as financial markets had recovered, until the large asset losses of 2008. As of January 1, 2011, the actuarial value of assets equals 58.5% of the present value of benefits, the present value of employee contributions equals 5.3%, and the present value of City and State contributions equals 36.2%. As may be seen in Table 4, this represents a small improvement over last year, when the present value of City and State contributions equaled 39%.

EXPECTED ONGOING COSTS

The expected ongoing (long term) cost of a retirement system is the Normal Cost, expressed as a percentage of payroll. This does not include the amortization of the Unfunded Actuarial Liability, which is attributable to the past. Exhibit 1 (page 2 of 4) shows that the Normal Cost percentage of Total Payroll is 24.70% as of January 1, 2011. This is the expected long-term cost (City, Members, and State) if the future aggregate System experience is the same as the actuarial assumptions.

Funding Progress

Table 5 shows the comparison of the entry age normal accrued liability with the actuarial value of assets over the past eleven actuarial valuations. The unfunded actuarial accrued liability is the difference between the entry age normal accrued liability and the actuarial value of assets. As of January 1, 2011 the ratio of the actuarial asset value to the accrued liability is 71.5%, as compared to 69.6% as of January 1, 2010.



DETERMINATION OF CITY CONTRIBUTIONS

The total (City and State) amount for the 2011 fiscal year is \$33,391,584. The State revenue expected to be credited against the required contribution is as follows:

	<u>Maximum</u>	<u>Expected</u>
Base Year Chapter 185 Revenue:	\$1,567,271	\$1,567,271
Base Year Chapter 175 Revenue:	865,800	865,800
Base Year 175 Supplemental Revenue:	276,875	0
Annual Cost of 175 Benefits Adopted:	26,980	26,980
Annual Cost of 185 Benefits Adopted:	<u>264,020</u>	<u>264,020</u>
	<u>\$3,000,946</u>	<u>\$2,724,071</u>

Except for the Chapter 175 Supplemental Revenue, the amounts above are the maximum amounts that may be credited against the required contribution. The \$2,724,071 State amount would require a downward adjustment if the amounts received in 2011 are lower than the Base Year amounts shown. This happened in 2010 with a \$208,818 shortfall of Chapter 185 revenues. The City made up the Chapter 185 shortfall during 2010. The Chapter 175 supplemental shortfall is incorporated into the City minimum contribution this year, as shown above in the Expected column.

The \$30,667,513 difference between \$33,391,584 and \$2,724,071 is calculated as of October 15, 2011.

GOVERNMENTAL ACCOUNTING STANDARDS

In November 1994 GASB issued Statement No. 25, Financial Reporting for Defined Benefit Pension Plans...and Statement No. 27, Accounting for Pensions by State and Local Governmental Employers. Statement No. 25 provides parameters for financial reporting and comparison of actual contributions to "actuarially required contributions." Statement No. 27 provides standards for the financial reports of the state and local governmental employers. Statement No. 25 is effective for periods beginning after June 15, 1996; Statement No. 27, for periods beginning after June 15, 1997.

The Statements do not directly impact funding, although they do require calculation of an "actuarially required contribution," or "ARC" and amortization of any deficiency or excess of actual contributions made in relation to the ARC.

This is the GASB standard for disclosures comparing actual funding to GASB requirements. The requirements of GASB 25 include reporting a Schedule of Funding Progress and a Schedule of Employer Contributions (Exhibit 5, pages 2 and 3).

APPLICATION OF GASB 27

The provisions of GASB 27 are virtually identical to those of GASB 25. It is our understanding that the schedules used for GASB 25 disclosure may also be used for GASB 27 purposes.

POTENTIAL COLA INCREASE

Our understanding is that the System may provide for a cost of living adjustment (COLA) payable on the July 1st following the valuation date, if certain requirements are met. The increase is equal to the lesser of:

- the change in the Consumer Price Index (CPI) for the calendar year;
- the increase that can be supported by the net experience gain for the most recent year.


Since the cumulative experience position is a loss of \$122.2 million (Exhibit 10), the amount available for an increase is \$0. The State statutes do not permit a COLA when the plan is in a cumulative loss position. The cumulative experience loss as of December 31, 2008 was \$80.6 million (Exhibit 10, Page 2).

ACTUARY'S STATEMENT

This report has been prepared in accordance with standards established by the American Academy of Actuaries. To the best of our knowledge, it reflects the actuarial condition of the City of Fort Lauderdale Police and Firefighters' Retirement System as of December 31, 2010.

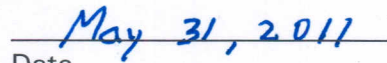
All costs and cost components are calculated on the basis of actuarial assumptions which reasonably reflect the experience of the Fund.

This actuarial valuation and/or cost determination was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my 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.



Signature

Randall L. Stanley, FSA, MAAA



Date

Copies of this Report are to be furnished to the Division of Retirement within 60 days of receipt from the actuary at the following addresses:

Ms. Patricia F. Shoemaker
Benefits Administrator
Municipal Police Officers' &
Firefighters' Trust Funds
Division of Retirement
Post Office Box 3010
Tallahassee, FL 32315-3010

Mr. Keith E. Brinkman
Bureau Chief of Local Retirement Systems
Division of Retirement
Department of Management Services
Post Office Box 9000
Tallahassee, FL 32315-9000

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

City Contribution Requirements

	<u>January 1, 2011</u>	<u>January 1, 2010</u>
	-\$-	-\$-
I. <u>Unfunded Actuarial Accrued Liability</u>		
A. Entry Age Reserve		
Active Members	231,840,338	221,933,075
Inactive Members ⁽¹⁾	<u>442,389,564</u>	<u>427,040,348</u>
Total	674,229,902	648,973,423
B. Actuarial Asset Value	482,181,230	451,610,479
C. Unfunded Actuarial Liability (UAAL)	192,048,672	197,362,944
II. <u>Normal Cost</u>		
A. Present Value of Future Benefits		
1. Active Members		
a. Retirement	355,607,836	346,408,220
b. Turnover	6,811,239	6,784,377
c. Disability	13,853,449	13,725,845
d. Death	4,324,043	4,274,613
e. Refunds	<u>785,725</u>	<u>1,499,465</u>
f. Total	381,382,292	372,692,520
2. Retired Members and Beneficiaries		
a. Service Retirements & Beneficiaries	417,060,315	405,182,845
b. Disability Retirements	8,085,070	8,985,542
c. Terminated Vested Members	4,231,879	4,366,740
d. DROP Account Balances	<u>13,012,300</u>	<u>8,505,221</u>
e. Total	442,389,564	427,040,348
3. Total	823,771,856	799,732,868

(1) Including DROP Accounts

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

City Contribution Requirements

	<u>January 1, 2011</u>	<u>January 1, 2010</u>
	-\$-	-\$-
II. <u>Normal Cost (Cont'd.)</u>		
A. Entry Age Normal Cost (net of member contributions)	17,220,891	16,876,287
B. Covered Payroll	62,571,391	61,668,621
C. Normal Cost Percentage of Covered Payroll	27.52%	27.37%
D. Total Payroll (including DROP members)	73,473,835	71,988,764
E. Normal Cost Percentage of Projected Total Payroll ⁽¹⁾	23.4%	23.4%
III. <u>City Contribution Requirements</u>		
A. Entry Age Normal Cost	17,220,891	16,876,287
B. Amortization of UAAL	18,633,141	18,334,870
C. Expenses	471,000	489,000
D. Interest	<u>2,228,692</u>	<u>2,190,353</u>
E. Total Contribution	38,553,724	37,890,510
F. Expected Member Contributions (8.25% - 2011, 8% - 2010 of II (B))	5,162,140	4,933,490
G. Expected State Contributions	<u>2,724,071</u>	<u>2,708,872</u> ⁽²⁾
H. Net Expected City Contribution Requirement	30,667,513	30,248,148

(1) Projected Total Payroll = 106% of Covered Payroll (based on 6.47% salary increase assumption) plus 100% of DROP Payroll.

(2) Adjusted Base Amount of \$3,000,946, reduced by 175 Supplemental Fire shortfall (\$276,875) plus 8.5 months of interest to July 1, 2011 (\$15,199).

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

City Contribution Requirements

IV. <u>Reconciliation of Unfunded Actuarial Accrued Liability</u>	-\$-
A. Unfunded Actuarial Accrued Liability (UAAL) as of December 31, 2009	197,362,944
B. City and State Normal Cost for 2010 (including administrative expenses)	12,431,797
C. City and State Contributions, less Reserve Account Contribution	(32,957,020)
D. Interest at 7.75%	16,065,028
E. Expected Unfunded Actuarial Accrued Liability as of December 31, 2010	192,902,749
F. 2010 (Gain)/Loss	(854,077)
G. Unfunded Actuarial Accrued Liability as of December 31, 2010	192,048,672
H. Change in Assumptions	N/A
I. Change in Asset Valuation Method	N/A
J. Unfunded Actuarial Accrued Liability as of December 31, 2010	192,048,672

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

City Contribution Requirements

V. Unfunded Actuarial Accrued Liability

<u>Date</u> <u>Established</u>	<u>Description</u>	<u>-----Initial-----</u> <u>Amount</u>	<u>Period</u>	<u>-----01/01/11-----</u> <u>Current</u> <u>Amount</u>	<u>Remaining</u> <u>Period</u>	<u>2%</u> <u>Increasing</u> <u>Payment</u>
		<u>-\$-</u>		<u>-\$-</u>		<u>-\$-</u>
01/01/2003	Re-initialized Base	78,732,560	20	62,396,826	12	6,905,910
01/01/2004	Actuarial (Gain)/Loss	28,715,070	20	24,000,941	13	2,512,367
01/01/2005	Software Change	(3,016,264)	20	(2,623,431)	14	(261,211)
01/01/2005	Actuarial (Gain)/Loss	23,810,048	20	20,709,067	14	2,061,974
01/02/2006	Share Plan Gain	(317,323)	20	(286,928)	15	(27,307)
01/01/2006	Actuarial (Gain)/Loss	8,973,681	20	8,114,156	15	772,235
01/01/2007	Actuarial (Gain)/Loss	3,123,728	20	2,924,625	16	267,171
01/01/2008	Actuarial (Gain)/Loss	(169,648)	20	(163,890)	17	(14,424)
01/01/2008	Assumption Change	2,918,826	20	2,819,773	17	248,165
01/01/2008	Asset Smoothing Change	(22,041,532)	20	(21,293,533)	17	(1,874,020)
01/01/2009	Actuarial (Gain)/Loss	66,572,825	20	65,236,995	18	5,549,185
01/01/2010	Plan Amendment	4,041,812	20	4,006,133	19	330,300
01/01/2010	Actuarial (Gain)/Loss	27,303,032	20	27,062,015	19	2,231,223
01/01/2011	Actuarial (Gain)/Loss	(854,077)	20	(854,077)	20	(68,427)
	Total			<u>192,048,672</u>		<u>18,633,141</u>

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Asset Transactions*
for Years Ending
December 31, 2010 and December 31, 2009
(Total Fund)

	<u>2010</u>	<u>2009</u>
	-\$-	-\$-
A. Market Value as of January 1	416,587,706	379,459,706
Adjustment to match Final Audit	<u>0</u>	<u>(237,427)</u>
Adjusted Market Value	416,587,706	379,222,279
 B. Additions During Year		
1. City Contributions	30,735,629	25,456,535
2. Member Contributions	5,247,391	4,264,471
3. State Contributions	4,816,576	4,409,900
4. Dividends, Interest, and other income	7,308,370	8,114,183
5. Gains (Losses)	43,570,058	44,625,838
6. Miscellaneous	<u>0</u>	<u>0</u>
7. Total	91,678,024	86,870,927
 C. Deductions During Year		
1. Benefit Payments	35,797,791	47,535,416
2. Contribution Refunds	139,800	170,406
3. Investment Expenses	1,486,530	1,279,068
4. Administrative Expenses	<u>502,271</u>	<u>520,610</u>
5. Total	37,926,392	49,505,500
 D. Market Value as of December 31 (A) + (B) - (C)	470,339,338	416,587,706

* Based on Draft of Auditor's Report

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Asset Transactions
for Year Ending
December 31, 2010*
(Total Fund)

	Regular <u>Fund</u> -\$-	Chapter 185 <u>Reserve Account</u> -\$-	FF Share <u>Plan</u> -\$-	<u>Total</u> -\$-
A. Market Value as of January 1	405,254,377	653,802	10,679,527	416,587,706
Adjustment to Match Final Audit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Adjusted Market Value	405,254,377	653,802	10,679,527	416,587,706
B. Additions During Year				
1. City Contributions	30,735,629			30,735,629
2. Member Contributions	5,247,391			5,247,391
3. State Contributions	2,515,253	0	2,301,323	4,816,576
4. Dividends and Interest	5,398,271			5,398,271
5. Gains (Losses)	42,167,095		1,402,963	43,570,058
6. Investment Return Allocation	(51,410)	51,410	0	0
7. Other Income	<u>1,910,099</u>	<u>0</u>	<u>0</u>	<u>1,910,099</u>
8. Total	87,922,328	51,410	3,704,286	91,678,024
C. Deductions During Year				
1. Benefit Payments	35,700,165		97,626	35,797,791
2. Contribution Refunds	139,800			139,800
3. Investment Expenses	1,486,530			1,486,530
4. Administrative Expenses	<u>471,483</u>	<u>0</u>	<u>30,788</u>	<u>502,271</u>
5. Total	37,797,978	0	128,414	37,926,392
D. Market Value as of December 31				
(A) + (B)-(C)	455,378,727	705,212	14,255,399	470,339,338

* Based on Draft of Auditor's Report

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Distribution of Assets *

<u>Description</u>	<u>December 31, 2010</u>	<u>December 31, 2009</u>
	-\$-	-\$-
Marketable Securities		
U.S. Government Securities	41,811,410	29,787,770
Corporate Bonds and Debentures	38,212,053	35,320,849
Equities - Common Stock	150,247,621	140,604,593
Mutual Funds	163,581,214	136,727,792
Partnerships	31,714,279	27,798,692
Real Estate Funds	<u>31,022,300</u>	<u>26,002,407</u>
A. Sub-Total	456,588,877	396,242,103
B. Cash and Equivalents	15,243,915	20,563,992
Receivables:		
City Contributions	0	0
Accounts Receivable	0	0
Member Contributions	0	0
Accrued Interest and Dividends	1,028,314	660,663
Unsettled Trades	<u>879,804</u>	<u>868,999</u>
C. Sub-Total	1,908,118	1,529,662
D. Fixed Assets, Net	1,415	2,202
Payables:		
Accounts Payable & Accrued Liabilities	407,978	305,147
Member Contribution Refunds	0	0
Due to City of Fort Lauderdale	577,121	463,001
Unsettled Trades	<u>2,417,888</u>	<u>982,105</u>
E. Sub-Total	3,402,987	1,750,253
F. Total (A + B + C + D - E)	470,339,338	416,587,706
G. State Distributions - Reserves		
Police - Ch. 185	705,212	653,802
Fire-Share Plan	<u>14,255,399</u>	<u>10,679,527</u>
	14,960,611	11,333,329
H. Net Assets Available for Benefits (F-H)	<u>455,378,727</u>	<u>405,254,377</u>

* Based on Draft of Auditor's Report

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Reserve Account For Future Benefit Improvements Under F.L. 99-1

Adjusted Base Amount for 2010 Year

Year		Ch. 185	Ch. 175	Suppl.
<u>Established</u>	<u>Description</u>	<u>Police</u>	<u>Fire</u>	<u>Fire</u>
		- \$-	- \$-	- \$-
1998	Base Year Tax Distribution	1,567,271	865,800	276,875
2000	Fire: 55, 10 NRD; minimum disability = accrued	0	26,980	0
2001	Police: 55, 10 NRD	29,665	0	0
2007	Police: 40 hours overtime	234,355	0	0
	Adjusted Base Amount	1,831,291	892,780	276,875

Reserve Account for 2010

	Ch. 185	Ch. 175	Suppl.
	<u>Police</u>	<u>Fire</u>	<u>Fire</u>
	- \$-	- \$-	- \$-
A. Reserve Account at December 31, 2009	653,802	0	0
B. Interest on (A) to September 30, 2010	37,898	0	0
C. Increase in Reserve Account			
1. Premium Tax Distribution for 2009	1,622,473	3,194,103	0
2. Date received	10/01/2010	10/01/2010	N/A
3. Adjusted Base Amount	1,831,291	892,780	276,875
Premium Tax Shortfall	208,818	0	276,875
4. Increase in Reserve Distribution	0	2,301,323	0
D. Interest on C (4) to September 30, 2010	0	0	0
E. Reserve Account at September 30, 2010 (A) + (B) + (C4) + (D)	691,700	2,301,323	0
F. Transfer to Firefighters' Share Plan	0	2,301,323	0
G. Transfer to Retirement System	0	0	0
H. Interest on (E) to December 31, 2010	13,512	0	0
I. Reserve Account at December 31, 2010 (E) - (F) + (G)	705,212	0	0

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Development of Actuarial Asset Value

I. Determination of Actuarial Asset Value as of December 31, 2010 – 20% Write Up Method

	-\$-
A. Actuarial Value of Assets December 31, 2009	451,610,479
B. Contributions and Transfers (Net of Excess Premium Taxes)	38,498,273
C. Benefits and Administrative Expenses	36,311,448
D. Expected Return at 7.75%	<u>35,084,552</u>
E. Expected Actuarial Value of Assets (A + B - C + D)	488,881,856
F. Market Value of Assets	455,378,727
G. Difference	(33,503,129)
H. 20% of Difference	(6,700,626)
I. Preliminary Actuarial Asset Value (E + H)	482,181,230
J. Application of 20% Corridor	
80% of Market Value	364,302,982
120% of Market Value	546,454,472
K. Actuarial Asset Value	482,181,230

II. Rate of Return on Actuarial Asset Value

	-\$-
A. Actuarial Asset Value at Beginning of Year	451,610,479
B. Contributions	
1. Employer	30,735,629
2. Members	5,247,391
3. State (limited to Adjusted Base)	<u>2,515,253</u>
4. Total	38,498,273
C. Benefits and Administrative Expenses	36,311,448
D. Actuarial Asset Value at End of Year	482,181,230
E. Net Return on Investment [D + C - B - A]	28,383,926
F. Rate of Return [2 x E / (A + D - E)]	6.3%

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Investment Results

I. Yield of Mean Market Value and Actuarial Value for Year Ending December 31, 2010

	<u>Actuarial</u>	<u>Market</u>
	-\$-	-\$-
A. Value at End of Year	482,181,230	455,378,727
B. Benefit Payments, Contribution Refunds, Admin. Expenses	36,311,448	36,311,448
C. Contributions by Members, City, and State	38,498,273	38,498,273
D. Value at Beginning of Year	451,610,479	405,254,377
E. Return on Investments (A + B - C - D)	28,383,926	47,937,525
F. Rate of Return [2E/(A + D-E)]	6.3%	11.8%

II. History of Investment Yield Rates

<u>Period Ending</u>	<u>Actuarial</u> <u>Asset Basis</u>	<u>Market Value</u> <u>Basis</u>
	-%-	-%-
12/31/10	6.3	11.8
12/31/09	5.1	13.9
12/31/08	(4.8)	(22.1)
12/31/07	14.8	7.2
12/31/06	6.3	9.7
12/31/05	3.5	6.4
12/31/04	2.7	9.9
12/31/03	1.5	17.1
12/31/02	(2.7)	(9.2)
12/31/01	6.4	(3.1)
12/31/00	12.2	2.1
12/31/99	15.6	7.0
12/31/98	19.9	18.8
12/31/97	15.9	23.3
12/31/96	11.9	15.0
12/31/95	10.1	26.3
12/31/94	5.8	(0.9)
<u>Averages</u>		
5 Years	5.4	3.1
10 Years	3.8	3.5
17 Years	7.5	7.2

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Accounting Information

	<u>12/31/2010</u>	<u>12/31/2009</u>
I. <u>Present Value of Vested Accrued Benefits</u>	-\$-	-\$-
A. Service Retirements and Beneficiaries	430,072,615	413,688,066
B. Disability Retirements	8,085,070	8,985,542
C. Vested Terminated Members	4,231,879	4,366,740
D. Active Members	<u>161,280,566</u>	<u>151,267,152</u>
E. Total	603,670,130	578,307,500
II. <u>Present Value of Non-Vested Accrued Benefits</u>	<u>18,995,265</u>	<u>21,272,790</u>
III. <u>Present Value of Accrued Benefits</u>	622,665,395	599,580,290
IV. The values of accumulated plan benefits were determined in accordance with the Academy of Actuaries Interpretations and FASB Statement No. 35, <u>Accounting and Reporting by Defined Benefit Pension Plans</u> .		
V. <u>Statement of Changes in Accrued Benefits</u>		
A. Present Value of Accrued Benefits at Beginning of Prior Year	599,580,290	
B. Increase (Decrease) During the Year Attributable to:		
1. Benefits Accumulated	13,846,396	
2. Benefits Paid and Contributions Refunded	(35,839,965)	
3. Assumption Changes	0	
4. Method Changes	0	
5. Plan Amendments	0	
6. Increase Due to Decrease in Discount Period	<u>45,078,674</u>	
7. Net Increase	23,085,105	
C. Present Value of Accrued Benefits at Valuation Date	622,665,395	

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Funding Progress
(\$000)

	<u>12/31/2010</u> -\$-	<u>12/31/2009</u> -\$-
I. <u>Assets</u>		
A. Actuarial Value	482,181	451,610
B. Market Value	455,379	405,254
II. <u>Liabilities</u>		
A. Retired and Vested	442,390	427,040
B. Active		
Employee Contributions	32,399	29,304
Other Vested	128,881	121,963
Non-Vested Accrued	<u>18,995</u>	<u>21,273</u>
C. Total Accrued	622,665	599,580
III. <u>Ratios</u>	%	%
IA/IIC	77.4	75.3
IB/IIC	73.1	67.6

**CITY OF FORT LAUDERDALE
 POLICE AND FIREFIGHTERS'
 RETIREMENT SYSTEM**

Disclosure Information Under GASB 25/27

I. Funding Status and Progress as of December 31, 2010 and 2009

	<u>\$(Millions)</u>	
	<u>2010</u>	<u>2009</u>
Entry Age Actuarial Accrued Liability:		
- Retirees and beneficiaries currently receiving benefits (including DROP accounts) and terminated employees not yet receiving benefits	442.4	427.1
- Current employees	<u>231.8</u>	<u>221.9</u>
Total Entry Age Actuarial Accrued Liability	674.2	649.0
Net assets available for benefits (Market Value)	455.4	405.3
Unfunded Entry Age Actuarial Accrued Liability	<u>218.8</u>	<u>243.7</u>

The Entry Age Actuarial Accrued Liability was determined as part of an actuarial valuation at December 31, 2010. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.75 percent per year compounded annually, (b) projected salary increases of 3.25 percent per year compounded annually, attributable to inflation, and (c) additional projected salary increases of 0 to 3 percent per year, attributable to seniority/merit.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Disclosure Information Under GASB 25/27 - (continued)

II. Contributions Required and Contributions Made

The funding policy provides for periodic employer contributions at actuarially determined rates that are sufficient to pay benefits when due. Contributions for normal costs are determined using the individual entry age actuarial cost method. This cost method provides for an unfunded actuarial accrued liability. Details of this UAAL are shown on Exhibit 1, pages 3 and 4.

Contributions totaling \$40,799,596 (\$30,735,629 employer, \$4,816,576 State, and \$5,247,391 employees) were made for the year ending December 31, 2010. These contributions consisted of (a) \$18,536,211 normal cost, (b) \$19,459,791 amortization of the unfunded actuarial accrued liability, (c) \$0 contribution to the Reserve Account, (d) \$2,301,323 to the Firefighters share account, and (e) \$502,271 noninvestment expenses.

Significant actuarial assumptions used to compute contribution requirements for the year ending December 31, 2010 are the same as those used to compute the Entry Age Actuarial Accrued Liability as of the beginning of the year.

III. Analysis of Funding Progress for GASB 25/27 (\$ Million)

Fiscal Year	(1) Net Assets Available for Benefits (\$)	(2) Entry Age Actuarial Liability (\$)	(3) Percent Funded (%)	(4) Unfunded AAL (2)-(1) (\$)	(5) Annual Covered Payroll (\$)	(4)/(5) (%)
1995	222.2	259.8	85.5	37.6	33.0	114
1996	247.8	282.9	87.6	35.0	35.0	100
1997	282.1	311.4	90.6	29.3	33.3	88
1998	331.6	336.4	98.6	4.8	37.1	13
1999	375.4	362.4	103.6	(13.0)	42.1	(31)
2000	405.1	394.2	102.8	(10.9)	44.7	(24)
2001	424.5	436.6	97.2	12.1	44.5	27
2002 (Prior)	403.6	467.1	86.4	63.5	45.1	141
2002 (Revised)	403.6	482.3	83.7	78.7	45.1	175
2003	403.0	508.6	79.2	105.6	44.2	239
2004	405.5	529.4	76.6	123.9	42.3	293
2005	413.8	543.2	76.2	129.4	41.1	315
2006	428.3	557.1	76.9	128.8	42.8	301
2007 (Prior)	458.1	583.6	78.5	125.5	51.3	245
2007 (Revised)	480.9	586.5	82.0	105.5	51.3	206
2008	444.4	614.0	72.4	169.6	52.8	321
2009	451.6	649.0	69.6	197.4	61.7	320
2010	482.2	674.2	71.5	192.0	62.6	307

Note: Prior to 2001, the Net Assets Available for Benefits and the Entry Age Actuarial Accrued Liability both excluded DROP account balances. For 2001 and later, DROP account balances are included in both.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

IV. Schedule of Employer Contributions

<u>Fiscal Year</u>	<u>Annual Required Contribution</u> (\$)	<u>Employer Contributed</u> (\$)	<u>State¹ Contribution</u> (\$)	<u>Percentage Contributed</u> (%)	<u>Net Pension Obligation</u> (\$)
1996	9,131,730	7,092,440	2,264,323	102.5	0
1997	9,299,136	6,653,659	2,848,818	102.2	0
1998	8,626,102	6,054,880	2,709,946	101.6	0
1999	7,493,570	4,644,825	3,177,188	104.4	0
2000	6,899,795	4,638,299	2,849,971	108.5	0
2001	8,010,665	5,481,000	3,162,812	107.9	0
2002	8,908,703	6,394,811	3,380,116	109.7	0
2003	14,823,362	12,377,564	3,801,637	109.1	0
2004	18,806,811	16,402,796	4,160,988	109.3	0
2005	22,152,995	19,824,618	4,082,836	107.9	0
2006	22,786,472	20,472,413	4,359,435	108.9	0
2007	24,099,431	21,332,840	2,766,591	100.0	0
2008	21,627,937	19,146,573	3,000,946	102.4	0
2009	28,367,152	25,456,535	2,635,176	99.0	0 ²
2010	32,957,020	30,735,629	2,515,253	100.9	0

¹ Starting in 2007, State contribution amount shown is net of reserve account accumulation and fire share plan amount.

² State contribution for Chapter 175 Fire Supplemental was not received this year; the anticipated amount of \$276,875 was increased with interest to July 1, 2011, and the resulting \$292,075 total was added to the 2011 City contribution requirement.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

V. Revenues and Expenses

Revenues by Source

<u>Fiscal Year</u>	<u>Employee Contributions</u> (\$)	<u>State Contributions</u> (\$)	<u>Employer Contributions</u> (\$)	<u>Investment Income</u> (\$)	<u>Total</u> (\$)
1995	2,341,221	1,944,969	8,011,268	9,342,093	21,639,551
1996	2,457,240	2,264,323	7,092,440	9,615,306	21,429,309
1997	2,443,703	2,848,818	6,653,659	11,235,906	23,182,086
1998	2,619,544	2,709,946	6,054,880	11,406,938	22,791,308
1999	2,752,294	3,177,188	4,644,825	12,383,761	22,958,068
2000	3,029,401	2,849,971	4,382,348	13,078,341	23,340,061
2001	2,981,342	3,158,761	5,485,051	7,960,515	19,585,669
2002	3,235,782	3,380,116	6,394,811	6,304,049	19,314,758
2003	3,421,577	3,801,637	12,377,564	6,359,805	25,960,583
2004	3,050,660	4,160,988	16,402,796	7,362,361	30,976,805
2005	3,036,448	4,082,836	19,824,618	7,764,218	34,708,120
2006	3,331,601	4,359,435	20,472,413	8,281,777	36,445,226
2007	3,596,451	5,204,949	21,332,840	7,919,695	38,053,935
2008	3,996,724	5,262,367	19,146,573	9,206,242	37,611,906
2009	4,264,471	4,409,900	25,456,535	6,092,184	40,223,090
2010	5,247,391	4,816,576	30,735,629	7,308,370	48,107,966

Expenses by Type

<u>Fiscal Year</u>	<u>Benefits</u> (\$)	<u>Administrative Expenses</u> (\$)	<u>Refunds</u> (\$)	<u>Total</u> (\$)
1995	11,405,626	245,096	32,076	11,682,798
1996	12,258,028	281,344	22,997	12,562,369
1997	13,780,854	379,590	81,384	14,241,828
1998	14,527,306	347,590	117,437	14,992,333
1999	15,643,607	358,240	74,305	16,076,152
2000	29,228,716	432,142	156,476	29,817,334
2001	22,804,945	436,958	160,313	23,402,216
2002	22,027,681	465,054	180,413	22,673,148
2003	25,561,580	468,673	73,173	26,103,426
2004	29,695,131	416,870	224,275	30,336,276
2005	31,345,660	356,565	177,733	31,879,958
2006	37,910,775	422,075	137,338	38,470,188
2007	38,961,484	540,568	299,642	39,801,694
2008	39,516,627	592,611	249,791	40,359,029
2009	47,535,416	520,610	170,406	48,226,432
2010	35,797,791	502,271	139,800	36,439,862

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Member Statistics

I. Active Members

<u>Number of</u>	<u>Valuation Date</u>			
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>
Males	707	715	669	673
Females	95	89	85	84
Total	802	804	754	757
<u>Averages</u>				
Current Age	37.5	37.1	37.3	37.4
Credited Past Service	9.5	9.1	9.3	9.6
Annual Earnings	\$78,019	\$76,702	\$70,061	\$67,770

II. Inactive Members

A. DROP Participants				
Number	84	70	N/A	N/A
Average Annual Benefit	\$59,143	\$57,450		
Average Age	51.6	50.7		
B. Retirees and Beneficiaries				
Number	845	839	894	859
Average Annual Benefit	\$40,435	\$40,227	\$41,423	\$39,973
Average Age	64.4	63.7	62.2	62.0
C. Disabled				
Number	20	21	19	17
Average Annual Benefit	\$35,415	\$37,656	\$36,473	\$35,780
Average Age	47.7	47.9	47.6	46.9
D. Vested Terminated				
Number	16	18	20	25
Average Annual Benefit	\$28,282	\$26,867	\$27,106	\$29,481
Average Age	43.0	42.8	41.8	41.4

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Age-Service Distribution - Police

Age	Completed Years of Service										Earnings	
	< 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total	Total	Avg
											-\$-	-\$-
15-24	15	15	2	-	-	-	-	-	-	32	1,709,439	53,420
25-29	9	56	14	1	-	-	-	-	-	80	4,934,947	61,687
30-34	2	36	44	9	-	-	-	-	-	91	6,550,895	71,988
35-39	3	20	26	30	8	1	-	-	-	88	6,882,104	78,206
40-44	1	9	14	16	42	12	-	-	-	94	8,175,362	86,972
45-49	-	8	8	9	11	15	-	-	-	51	4,269,921	83,724
50-54	1	1	2	3	3	11	-	-	-	21	1,792,942	85,378
55-59	-	1	-	-	1	-	1	2	-	5	541,409	108,282
60-64	-	-	1	-	-	-	-	-	1	2	160,727	80,364
65+	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	31	146	111	68	65	39	1	2	1	464	35,017,746	75,469

Average Age: 36.9

Average Service: 9.1

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Age-Service Distribution - Firefighters

Age	Completed Years of Service										Earnings	
	< 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total	Total	Avg
											-\$-	-\$-
15-24	2	11	-	-	-	-	-	-	-	13	785,595	60,430
25-29	2	33	10	-	-	-	-	-	-	45	3,003,168	66,737
30-34	-	22	14	17	-	-	-	-	-	53	4,022,122	75,889
35-39	-	17	13	49	7	1	-	-	-	87	7,383,220	84,865
40-44	-	4	8	43	21	1	-	-	-	77	6,750,758	87,672
45-49	-	2	3	14	14	6	1	-	-	40	3,520,654	88,016
50-54	-	1	1	9	6	1	-	-	-	18	1,561,494	86,750
55-59	-	-	-	2	-	-	-	1	-	3	268,879	89,626
60-64	-	-	-	-	-	-	-	1	1	2	257,755	128,878
65+	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	4	90	49	134	48	9	1	2	1	338	27,553,645	81,520

Average Age: 38.2

Average Service: 10.1

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Age-Service Distribution - Total

Age	Completed Years of Service										Earnings	
	< 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total	Total	Avg
											-\$-	-\$-
15-24	17	26	2	-	-	-	-	-	-	45	2,495,034	55,445
25-29	11	89	24	1	-	-	-	-	-	125	7,938,115	63,505
30-34	2	58	58	26	-	-	-	-	-	144	10,573,017	73,424
35-39	3	37	39	79	15	2	-	-	-	175	14,265,323	81,516
40-44	1	13	22	59	63	13	-	-	-	171	14,926,120	87,287
45-49	-	10	11	23	25	21	1	-	-	91	7,790,575	85,611
50-54	1	2	3	12	9	12	-	-	-	39	3,354,435	86,011
55-59	-	1	-	2	1	-	1	3	-	8	810,288	101,286
60-64	-	-	1	-	-	-	-	1	2	4	418,482	104,621
65+	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	35	236	160	202	113	48	2	4	2	802	62,571,391	78,019

Average Age: 37.5

Average Service: 9.5

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Member Reconciliation

A. Active lives

1. Total number prior valuation (December 31, 2009)	804
2. Terminations	
a. Vested with deferred benefits	1
b. Non-vested or received refund of employee contributions	15
3. Deaths	
a. Beneficiary receiving benefits	0
b. No future benefits payable	0
4. Disabled	1
5. Retired or entered DROP	21
6. Voluntary withdrawal	0
	<hr/>
7. Continuing participants	766
8. New entrants	35
9. Data Corrections/Rehires	<u>1</u>
10. Total active life participants in valuation (December 31, 2010)	802

B. Non-Active lives (including beneficiaries receiving benefits)

	<u>Service Retirees, Beneficiaries, and Vested Receiving Benefits</u>	<u>DROP</u>	<u>Disability</u>	<u>Vested Deferred</u>	<u>Total</u>
1. Number prior valuation	839	70	21	18	948
2. In	18	17	1	1	37
3. Out	12	3	2	3	20
4. Number current valuation	<u>845</u>	<u>84</u>	<u>20</u>	<u>16</u>	<u>965</u>

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Principal Provisions

Ordinances and Effective Date:	January 3, 1973; (Muni Code updated through C-03-34, enacted September 16, 2003; C-04-13, effective April 1, 2004; C-10-11, enacted April 6, 2010.
Plan Year:	January 1 - December 31.
Membership: [20-128(a)]	Police officers and fire fighters.
Covered Compensation: [20-127]	An employee's base pay, assignment pay, and longevity bonuses, including pick-up contributions, and up to 40 hours of overtime for police officers.
Member Contributions: [20-130(a)]	8% of Compensation increasing to 8.25% on 10/01/2011; for new members hired after April 18, 2010, 8.5%; 3% interest per annum is credited on Member Contributions.
City Contributions: [20-130(c)]	Actuarially determined, reduced by Member contributions and State Premium Tax refunds under Chapters 175 and 185 (up to the amounts received for 1998).
Credited Service: [20-127]	Continuous Service credited under Retirement System, from most recent date of employment.
Average Final Compensation: [20-127]	Average Compensation during the highest 2 years of Credited Service.
Normal Retirement Date: [20-127]	20 Years of Credited Service or age 55 with 10 Years of Credited Service.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Principal Provisions
(Continued)

Service Retirement: [20-129(b)(1)(b)]	Firefighters Plan 1: 3.38% of Average Final Compensation for each year of Credited Service, with a maximum of 81% of Average Final Compensation; a group of firefighters with 25 or more years of service on October 1, 2002 is subject to a maximum of 91.26%;
[20-129(b)(1)(c)]	Police Officers Plan 1: 3.38% of Average Final Compensation for each year of Credited Service, with a maximum of 81% of Average Final Compensation; a group of officers with 25 or more years of service on January 1, 2002 is subject to a maximum of 91.26%;
[20-129(b)(1)(a)]	Both Groups Plan 2: 3.0% of Average Final Compensation for each of the first 20 years of Credited Service, 2.0% of Average Final Compensation for each year of Credited Service over 20, with a maximum of 100%;
[20-129(b)(1.1)]	Firefighters who were employed before December 11, 1993 receive an additional 2.0% of Average Final Compensation, which is not counted towards the 81% maximum percentage for firefighters under Plan 1.
Early Service Retirement:	Age 50 with 10 years of Creditable Service (Firefighters).
Early Retirement Benefit:	Accrued retirement benefit reduced by 3% for each year member's retirement age precedes member's normal retirement date.
Disability: [20-129(c)(2)]	Non-Service Connected Disability: Immediate benefit of 50% of Average Final Compensation, offset by 100% of Social Security disability benefits and Workers' Compensation benefits, but not reduced below 25% of Average Final Compensation; benefit at the time of Normal Service Retirement, based on Credited Service, including the period of disability.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Principal Provisions
(Continued)

Disability (continued): [20-129(c)(1)]	<p>Service Connected Disability: Incurred as accident in performance of duties. Total and permanent; completely incapacitated for service to Fire or Police Department of the City, or performing offered employment within the Fire or Police Department.</p> <p>Immediate benefit of 65% of Average Final Compensation, offset by 100% of Social Security disability benefits and Workers' Compensation benefits, not reduced below 42% of Average Final Compensation; benefit terminates upon the earliest of death, recovery, or Normal Service Retirement eligibility;</p> <p>Service Retirement benefit at the time of Normal Service Retirement, based on Credited Service including the period of disability.</p>
Death [20-129(d)(2)]	<p>Non-Service Incurred Death: Death not accidentally incurred in performance of duties. Surviving spouse, or other beneficiary, or the Member's estate, would receive 50% of the Member's monthly Compensation as of date of death for eight years; for Members employed on January 1, 1973, who have made an election, a lump sum of 400% of the member's annual Compensation may be paid in lieu of the member's annual Compensation may be paid in lieu of the monthly payments. Children's benefits (to be completed).</p> <p>For a member with at least 10 years of Credited Service, not less than the benefits otherwise payable at early or normal retirement age.</p>
[20-129(d)(1)]	<p>Service Incurred Death: Incurred in performance of duties. Pension of 50% of Member's monthly Compensation to spouse until death or remarriage. Children's benefits of 10% of Member's monthly benefits per child (50% maximum) until age 18, with a maximum of 80% to spouse and children. For firefighters who are not married and have no children, a 10-year benefit will be paid to the designated beneficiary.</p>
Employment Termination: [20-129(e)]	<p>Refund of member contributions for Members with less than 10 years of Credited Service; Accrued Service Retirement benefit, deferred to time at which 20 years would have been completed and attainment of age 50, for Members with 10 or more years of Credited Service .</p>
Optional Allowances: [20-131]	<p>Normal form is 60% joint & survivor, with an additional 40% death benefit during the first year of retirement, and including children's survivor benefits, if applicable. Optional forms: 100% joint & survivor, life annuity, 10 years certain & life, 75%, 66-2/3%, and 50% joint and survivor with benefit reducing upon first death.</p>

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Principal Provisions
(Continued)

DROP:
[20-129(b)1.2(b.1)]
[20-129(b)(1.2)(a)]

Members eligible for Normal Service Retirement may elect either a Deferred Retirement Option Plan for up to 96 months or a Benefit Actuarially Calculated Deferred Retirement Option Program for up to 60 months, but not both.

COLA:
[20-129(f)]

- (1) Adjusted on July 1 ("adjustment date") to reflect increase in cost of living, if benefit is paid (to Beneficiary or deceased Member) on the adjustment date and on July 1 of preceding year.
- (2) COLA is added to each monthly benefit paid, excluding any previous COLA. Percentage amount is lesser of (a) or (b), but not more than 5%, unless approved by City Commission:
 - (a) Percentage not greater than CPI (all Urban Consumers) for calendar year preceding adjustment date; or
 - (b) Percentage increase, limited to present value of which can be funded by "excess gains" for preceding calendar year.

"Excess gains": (i) 1/3 of sum of all actuarial gains and losses for preceding three calendar years; or

(ii) if investment earnings are spread over three or more years, the sum of all actuarial gains and losses for preceding calendar year.

- (3) Excess gains are based on actuarial assumptions as of January 1, excluding changes in benefits and/or assumptions.
- (4) If cumulative COLA's in previous three adjustment years were less than cumulative CPI, additional COLA (not greater than 4%) may be granted from residual excess gains, subject to 5% overall maximum, unless approved by City Commission.
- (5) In lieu of percentage increase, Board may utilize graduated percentage based on length of time a benefit has been paid or a formula which provides an equal dollar monthly benefit.

The COLA increases may be granted only if the System remains in a net positive experience position, determined on a cumulative basis from January 1, 1987. (in GRS&C actuarial report - not in Ordinance)

**Changes Since
Prior Valuation:**

COLA provisions reinstated.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Actuarial Basis

Valuation Date: January 1, 2011 for Plan Year beginning January 1, 2011 and Fiscal Year beginning October 1, 2011.

Valuation Method: Individual Entry Age Normal Cost Method; Closed Group; Initial amortization period is 20 years; payments increase 2% per year.

Asset Valuation Method: 20% Write-Up method: Actuarial value of assets is equal to expected value (using last year actuarial value of assets, cash flow, and valuation interest) plus or minus 20% of the difference between the expected actuarial value of assets and the market value of assets. The result cannot be greater than 120% of market value or less than 80% of market value.

Actuarial Assumptions:

Investment Discount/
Investment Return: 7.75% compounded annually.

Salary Increases: 3.25% inflation plus service-based rates according to the following schedule:

<u>Service</u>	<u>-%-</u>
1-6	7.5 year
7-10	2.5 year
11-25	1.0 year
26+	0.5 year

An additional 4.5% is included in the year of retirement, primarily to reflect retirements throughout that year.

Mortality: 1994 Group Annuity Mortality Table for healthy lives and the same table set forward five years for disabled lives, producing following specimen rates:

<u>Age</u>	<u>Healthy Male</u>	<u>Healthy Female</u>	<u>Disabled Male</u>	<u>Disabled Female</u>
20	.0507%	.0284%	.0661%	.0291%
30	.0801%	.0351%	.0851%	.0478%
40	.1072%	.0709%	.1578%	.0973%
50	.2579%	.1428%	.4425%	.2294%
60	.7976%	.4439%	1.4535%	.8636%
70	2.3730%	1.3730%	3.7211%	2.2686%

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Summary of Actuarial Basis
(Continued)

Retirement: Service based rates as follows:

<u>Service</u>	<u>Police</u>	<u>Fire</u>
20-22	45%	40%
23-24	50%	30%
25-30	15%	15%
30+	100%	100%

Note that none are expected to take reduced early retirement benefits at age 50 with 10 years of service.

Turnover and
Disability:

Specimen rates are shown below:

<u>Age</u>	<u>Disability</u>	<u>Turnover*</u>
20	.0014	*
25	.0015	.047
30	.0018	.043
35	.0023	.030
40	.0030	.013
45	.0051	.006
50	.0100	.003
55	.0155	.000

* Select turnover rates apply at all ages for the first five years of employment according to the table below:

<u>Service</u>	<u>-%-</u>
0	10.00
1	6.67
2	6.00
3	5.33
4	4.67

Type of Disability: No turnover or disability assumed after 20 years of service. 75% of the disabilities are expected to be service connected disabilities, and 25% are expected to be non-service connected.

Recovery: No probabilities of recovery are used.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS
RETIREMENT SYSTEM**

Summary of Actuarial Basis
(Continued)

Disability Offsets:	It is assumed that there are no offsets for service-incurred or non-service incurred disabilities of active Members; benefits valued for disability retirees are net of all current offsets.
Type of Death:	75% of the assumed deaths are expected to be service-connected deaths and 25% are assumed to be non-service connected.
Remarriage:	No probabilities of remarriage are used.
Spouse's Ages:	Females are assumed to be 3 years younger than males.
Marital Status:	All employed Members and all retired Members are assumed to be married.
State Contributions:	Premium tax refunds under Chapters 175 and 185 are assumed to be the same as in prior year.
Administrative Expenses:	One-year term cost method, based on expected expenses for the year.
Withdrawal of Employee Contributions:	It is assumed that employees withdraw their contribution balances upon employment termination, if not vested. If vested, employees are assumed to not withdraw contributions, with monthly benefit deferred to the time at which 20 years of service would have been completed.
Sources of Data:	Draft audit reports and membership data were furnished by Plan Administrator.
DROP Participation:	No distinction is made between retirement and DROP entry.
Changes Since Prior Valuation:	None.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Information Under Florida Statutes

Year Ending

	<u>Salary Increases</u>		<u>Investment Return</u>		<u>Payroll Growth</u>	
	<u>Actual</u>	<u>Assumed</u>	<u>Actual</u> ⁽¹⁾	<u>Assumed</u>	<u>Actual</u>	<u>Assumed</u>
	-%-	-%-	-%-	-%-	-%-	-%-
12/31/10	3.2	6.5	6.3	7.75	1.5	2.0
12/31/09	13.8	6.2	5.1	7.75	16.7	2.0
12/31/08	7.7	6.3	(4.8)	7.75	3.0	2.0
12/31/07	7.5	5.8	14.8	7.75	19.7	N.A.
12/31/06	6.0	5.8	6.3	7.75	4.3	N.A.
12/31/05	2.1	4.3	3.5	7.75	(2.8)	N.A.
12/31/04	3.4	5.7	2.7	7.75	(4.4)	N.A.
12/31/03	5.7	5.7	1.5	7.75	(1.9)	N.A.
12/31/02	9.4	6.7	(2.7)	8.00	1.4	5.2
12/31/01	10.1	6.7	6.4	8.00	(0.5)	5.2
12/31/00	5.7	6.7	12.2	8.00	6.1	5.2
12/31/99	7.2	6.4	15.6	8.00	13.5	5.2
12/31/98	7.2	6.4	20.0	8.00	11.3	5.2
12/31/97	6.8	6.2	15.9	8.00	(4.9)	5.2
12/31/96	6.4	6.5	11.9	8.00	6.3	5.2
12/31/95	2.6	6.5	10.1	8.00	5.2	N.A.
12/31/94	4.5	7.0	5.8	8.00	4.2	N.A.
12/31/93	0.8	7.0	8.4	8.00	0.1	N.A.
12/31/92	3.7	7.0	8.3	8.00	(0.7)	N.A.
12/31/91	6.6	7.0	25.2	8.00	2.1	N.A.

Amortization of Unfunded Liability

<u>Valuation</u>	<u>Unfunded Liability</u>	<u>Amortization</u>
	<u>-\$-</u>	<u>-\$-</u>
01/01/2011	192,048,672	18,633,141
01/01/2012	186,855,235	19,005,804
01/01/2013	180,857,762	19,385,919

01/01/2031	0	0

⁽¹⁾Based on mean actuarial asset values for periods ending 12/31.

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Cumulative Experience Position (Revised Asset Method)

I. Calculation of Expected Unfunded Actuarial Accrued Liability at 12/31/2007

	-\$-
A. Expected Unfunded Actuarial Accrued Liability at 12/31/2006	96,142,904
B. Entry Age Normal Cot for 2007 Year Paid or Payable by Employer	11,132,203
C. Contributions for 2007 Year Paid or Payable by Employer (Required)	24,333,786
D. Interest	<u>6,680,470</u>
F. Expected Unfunded Actuarial Accrued Liability at 12/31/2007	89,621,791
G. Additional Unfunded Actuarial Accrued Liability due to Assumption and Method Changes	2,918,826
H. Additional Unfunded Actuarial Accrued Liability due to Florida Law 99-1	<u>0</u>
I. Final Expected Unfunded Actuarial Accrued Liability at 12/31/2007	92,540,617

II. Determination of Net Cumulative Experience Position at 12/31/2007

A. Expected Unfunded Actuarial Liability as of December 31, 2007	92,540,617
B. Entry Age Reserve - Actives	189,252,958
- Inactives	<u>397,279,293</u>
- Total	586,532,251
C. Actuarial Asset Value	480,944,264
D. Actual Unfunded Actuarial Liability (B)-(C)	<u>105,587,987</u>
E. Cumulative Experience Gain (Loss) (A)-(D)	(13,047,370)

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Cumulative Experience Position

I. Calculation of Expected Unfunded Actuarial Accrued Liability at 12/31/2008

	-\$-
A. Expected Unfunded Actuarial Accrued Liability at 12/31/2007	92,540,617
B. Entry Age Normal Cot for 2008 Year Paid or Payable by Employer	11,555,203
C. Contributions for 2008 Year Paid or Payable by Employer (Required)	22,147,519
D. Interest	<u>7,010,764</u>
F. Expected Unfunded Actuarial Accrued Liability at 12/31/2008	88,959,065
G. Additional Unfunded Actuarial Accrued Liability due to Assumption and Method Changes	0
H. Additional Unfunded Actuarial Accrued Liability due to Florida Law 99-1	<u>0</u>
I. Final Expected Unfunded Actuarial Accrued Liability at 12/31/2008	88,959,065

II. Determination of Net Cumulative Experience Position at 12/31/2008

A. Expected Unfunded Actuarial Liability as of December 31, 2008	88,959,065
B. Entry Age Reserve - Actives	188,445,472
- Inactives	<u>425,592,486</u>
- Total	614,037,958
C. Actuarial Asset Value	444,447,527
D. Actual Unfunded Actuarial Liability (B)-(C)	<u>169,590,431</u>
E. Cumulative Experience Gain (Loss) (A)-(D)	(80,631,366)

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Cumulative Experience Position

I. Calculation of Expected Unfunded Actuarial Accrued Liability at 12/31/2009

	-\$-
A. (i) Expected Unfunded Actuarial Accrued Liability at 12/31/2008	88,959,065
(ii) Additional Unfunded Actuarial Accrued Liability at 12/31/2008	3,751,102
B. Entry Age Normal Cot for 2009 Year Paid or Payable by Employer	11,000,251
C. Contributions for 2009 Year Paid or Payable by Employer (Required)	28,091,712
D. Interest	<u>7,560,909</u>
F. Expected Unfunded Actuarial Accrued Liability at 12/31/2009	83,179,615
G. Additional Unfunded Actuarial Accrued Liability due to Assumption and Method Changes	0
H. Additional Unfunded Actuarial Accrued Liability due to Florida Law 99-1	<u>0</u>
I. Final Expected Unfunded Actuarial Accrued Liability at 12/31/2009	83,179,615

II. Determination of Net Cumulative Experience Position at 12/31/2009

A. Expected Unfunded Actuarial Liability as of December 31, 2009	83,179,615
B. Entry Age Reserve - Actives	221,933,075
- Inactives	<u>427,040,348</u>
- Total	648,973,423
C. Actuarial Asset Value	451,610,479
D. Actual Unfunded Actuarial Liability (B)-(C)	<u>197,362,944</u>
E. Cumulative Experience Gain (Loss) (A)-(D)	(114,183,329)

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Cumulative Experience Position

I. Calculation of Expected Unfunded Actuarial Accrued Liability at 12/31/2010

	-\$-
A. Expected Unfunded Actuarial Accrued Liability at 12/31/2009	83,179,615
B. Entry Age Normal Cot for 2010 Year Paid or Payable by Employer	12,431,797
C. Contributions for 2010 Year Paid or Payable by Employer (Required)	32,957,020
D. Interest	<u>7,215,820</u>
F. Expected Unfunded Actuarial Accrued Liability at 12/31/2010	69,870,212
G. Additional Unfunded Actuarial Accrued Liability due to Assumption and Method Changes	0
H. Additional Unfunded Actuarial Accrued Liability due to Florida Law 99-1	<u>0</u>
I. Final Expected Unfunded Actuarial Accrued Liability at 12/31/2010	69,870,212

II. Determination of Net Cumulative Experience Position at 12/31/2010

A. Expected Unfunded Actuarial Liability as of December 31, 2010	69,870,212
B. Entry Age Reserve - Actives	231,840,338
- Inactives	<u>442,389,564</u>
- Total	674,229,902
C. Actuarial Asset Value	482,181,230
D. Actual Unfunded Actuarial Liability (B)-(C)	<u>192,048,672</u>
E. Cumulative Experience Gain (Loss) (A)-(D)	<u>(122,178,460)</u>

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

City Contribution Requirements
(Police, Fire Separately)

	<u>Total (1)</u>	<u>Police (2)</u>	<u>Fire (3)</u>
	-\$-	-\$-	-\$-
I. <u>Unfunded Actuarial Accrued Liability</u>			
A. Entry Age Reserve			
Active Members	231,840,338	128,214,906	103,625,432
Inactive Members	<u>442,389,564</u>	<u>264,662,068</u>	<u>177,727,496</u>
Total	674,229,902	392,876,974	281,352,928
B. Actuarial Asset Value	482,181,230	280,969,299 ⁽¹⁾	201,211,931 ⁽²⁾
C. Unfunded Actuarial Liability (UAAL)	192,048,672	111,907,675	80,140,997
II. <u>Normal Cost</u>			
A. Present Value of Future Benefits			
1. Active Members			
a. Retirement	355,607,836	198,512,315	157,095,521
b. Turnover	6,811,239	3,652,433	3,158,806
c. Disability	13,853,449	7,620,852	6,232,597
d. Death	4,324,043	2,311,007	2,013,036
e. Refunds	<u>785,725</u>	<u>504,510</u>	<u>281,215</u>
f. Total	381,382,292	212,601,117	168,781,175
2. Retired Members and Beneficiaries			
a. Service Retirements & Beneficiaries	417,060,315	250,467,509	166,592,806
b. Disability Retirements	8,085,070	5,345,469	2,739,601
c. Terminated Vested Members	4,231,879	2,753,446	1,478,433
d. DROP Account Balances	<u>13,012,300</u>	<u>6,095,644</u>	<u>6,916,656</u>
e. Total	442,389,564	264,662,068	177,727,496
3. Total	823,771,856	477,263,185	346,508,671

(1) [1 (I (B)/I (A))] X 2 (I (A))

(2) [1 (I (B)/I (A))] X 3 (I (A))

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

City Contribution Requirements
(Police, Fire Separately)

	<u>Total (1)</u> -\$-	<u>Police (2)</u> -\$-	<u>Fire (3)</u> -\$-
II. <u>Normal Cost (Cont'd.)</u>			
B. Entry Age Normal Cost	17,220,891	9,698,289	7,522,602
C. Covered Payroll	62,571,391	35,017,746	27,553,645
D. Entry Age Normal Cost Percentage	27.52%	27.70%	27.30%
III. <u>City Contribution Requirements</u>			
A. Entry Age Normal Cost	17,220,891	9,698,289	7,522,602
B. Amortization of UAAL	18,633,141	10,857,620 ⁽³⁾	7,775,521 ⁽⁴⁾
C. Expenses*	471,000	280,414	190,586
D. Interest	<u>2,228,692</u>	<u>1,278,395</u>	<u>950,297</u>
E. Total Contribution	38,553,724	22,114,718	16,439,006
F. Expected Member Contributions (8.25% - 2011, 8% - 2010 of 11 (B))	5,162,140	2,888,964	2,273,176
G. Expected State Contributions	<u>2,724,071</u>	<u>1,831,291</u>	<u>892,780</u>
H. Net Expected City Contribution Requirement	30,667,513	17,394,463	13,273,050

*Allocated based on member count.

Notes:

(3) $1(\text{III (B)}) \times (2 (\text{I (C)}) / 1 (\text{I (C)}))$

(4) $1(\text{III (B)}) \times (3 (\text{I (C)}) / 1 (\text{I (C)}))$

**CITY OF FORT LAUDERDALE
POLICE AND FIREFIGHTERS'
RETIREMENT SYSTEM**

Minimum City Contribution Schedule (2011/2012)
(Percentage of Actual Payroll)

	<u>Date</u>	<u>-\$-</u>
A. Net City Contribution	10/15/2011	30,667,513

Minimum Contribution Calculation

B. Net City Contribution at 10/15/2011	30,667,513
C. Projected Payroll (100% of \$62,571,391)	62,571,391
D. Minimum Contribution Rate ((B)/(C))	49.0%