

March 25, 2009

Board of Trustees
Jacksonville Police and Fire Pension Fund
One West Adams Street, Suite 100
Jacksonville, Florida 32202-3616

Actuarial Valuation as of October 1, 2008

Ladies and Gentlemen:

We are pleased to forward our report on the 2008 Actuarial Valuation of the Jacksonville Police and Fire Pension Fund. The recommended contribution level covers the three Plan Years beginning October 1, 2009.

This report should be considered as a single document, and figures extracted from it should not be used out of context.

It should be understood that the costs and actuarial present values presented in this report depend upon forecasts of future events, and that they, therefore, depend upon elements of subjective judgment. Due regard should thus be given to the reasonableness of alternative values and conclusions.

Statement by Actuary:

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 that may require material increases in Plan costs or required contribution rates have been taken into account in the valuation.

Jarmon Welch, A.S.A.
PENSION BOARD CONSULTANTS, INC.

Date

08 - 1108
Enrollment Number

JACKSONVILLE POLICE AND FIRE PENSION FUND

Actuarial Report for the Plan Year Beginning October 1, 2008

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JACKSONVILLE POLICE AND FIRE PENSION FUND

Section I: Summary and Cost Analysis

Content of this Report

This report is divided into five sections.

Section I contains an informal commentary. It reconciles these 2008 results with the 2006 results.

Section II contains a formal statement of the actuarial position of the Plan.

Section III presents an analysis of the assets of the Plan and shows the investment performance.

Section IV presents the Plan's funded position and key statistics.

Section V presents GASB Statements No. 25 and 27 information required by the accountants.

Section VI contains additional information required by the State of Florida.

Background

The Governmental Accounting Standards Board requires that actuarial valuations be performed every several years (with annual updating of disclosure information). The prior actuarial valuation of the Jacksonville Police and Fire Pension Fund (hereafter called the "Plan") was performed as of October 1, 2006. The current review has been performed as of October 1, 2008. The valuation results were based on participant data as of July 1, 2008 provided by the City. Fund assets as of September 30, 2008, including \$12,723,482 accumulated in the two reserve accounts, were reported by the Plan Administrator. The Plan Administrator reported the Plan in effect on October 1, 2008.

Minimum Required Contribution

This valuation calls for a 62.03% (59.55% plus half-year interest adjustment) of payroll contribution from all sources to this Plan. The following table illustrates the expected contributions of non-City sources:

<u>Expected Source</u>	<u>As a Percentage of Covered Payroll</u>
Active Members	7.00%
DROP Members	0.25%
Expected Court Fines and Penalties	0.82%
State Chapter Funds Allocation	<u>4.00%</u>
TOTAL (non City)	12.07%

It should be noted State laws make the City responsible for funding any contribution shortfall. The current contribution rate of 32.11% of covered payroll by the City meets the State's requirements for the current year. However, the City should increase its contribution percentage by 17.85% (62.03%-12.07%-32.11%) for the fiscal year beginning October 1, 2009.

Accumulation of Funds in the Reserve Accounts

Pursuant to the Agreement between the City and the Police and Firefighters Pension Board, reserve accounts were set up to accumulate excess contributions as of January 1, 1992 and thereafter. This Agreement has since been amended and the reserve accounts combined. Two account balances have been derived in Table III-E of this report. The amount accumulated in the Enhanced Benefit Account as of September 30, 2008 was \$12,723,482, and the balance in the City Budget Stabilization Account was \$0.

Minimum Required Contributions for the Plan Year Commencing October 1, 2009 Based on October 1, 2008 Covered Payroll

Normal Actuarial Cost	\$40,786,654	27.51%
Amortization Payment	<u>\$51,192,245</u>	<u>34.52%</u>
Total	\$91,978,899	62.03%

It is important to note the minimum required percent of payroll for the next year is fixed but not the dollar amount. This is shown for illustration purposes only based on current valuation payroll, and includes a half year adjustment for interest. The actual dollar amount to be contributed will likely be larger and will be based on next year's City payroll.

Reconciliation with 2006 Minimum Required Contribution

The following table compares the key employment and payroll statistics and the minimum required City contributions from the October 1, 2006 and October 1, 2008 actuarial valuations.

<u>Comparison of Key Statistics and Minimum Required City Contributions</u>			
<u>Valuation Date</u>	<u>October 1, 2006</u>	<u>October 1, 2008</u>	<u>Percent Change</u>
Key Statistics			
Number of Active Participants (excluding DROP)	2,509	2,534	1.00%
Total Covered Valuation Payroll (no DROP)	\$134,694,392	\$148,276,743	10.08%
DROP Payroll	\$15,644,085	\$18,722,023	19.67%
Average Annual Pay	\$53,709	\$58,541	9.00%
Average Age	38.3	38.9	0.6 years
Minimum City Contribution (Middle of Year)			
Dollar Amount	\$45,728,746	\$74,079,061	62.00%
Percent of Covered Valuation Payroll	33.95%	49.96%	16.01%
Net Market Value of Assets*	\$827,337,661	\$780,619,952	(5.65%)
Unfunded Actuarial Accrued Liability	\$549,321,127	\$798,071,347	45.28%

* Market Value less two reserve accounts. Reserve accounts balances are derived in TABLE III-D of this report.

Our 2006 actuarial report required a minimum contribution of 44.39% of payroll. This minimum required contribution has increased 17.64% (i.e., 62.03% - 44.39%) from October 1, 2006 to October 1, 2008 primarily due to the interaction of the following factors:

1. Based on actuarial value, the fund yielded 11.96% for the plan year ending September 30, 2007, and 1.98% for the plan year ending September 30, 2008. This is less than the assumed investment return of 8.5% per year. Over the two-year period, this increased costs approximately 6.94% of covered payroll.
2. An increase in costs of approximately 2.29% of covered payroll was attributable to deviations of other experience factors from expected. This includes salaries, terminations, deaths, disabilities, retirements, buybacks, expenses and DROP's.
3. Assumption and method changes effective October 1, 2008 were required for State acceptance and cost approximately 8.41% of covered payroll.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section II: Statement of Actuarial Position as of October 1, 2008

Introduction

1. Relationships:

The Board of Trustees has retained Pension Board Consultants, Inc., represented by Jarmon Welch as the actuary to prepare this report. For purposes of this statement, we deem our client to be the Trustees acting on behalf of participants.

2. Purpose:

The purpose of the Statement of Actuarial Position is

(a) to determine the minimum required contribution level for the 2009 Plan Year recognizing the State's requirement of paying the Normal Actuarial Cost and of funding the Unfunded Actuarial Accrued Liability over an initial period of 30 years; and

(b) to compare the current assets of the Plan to the current benefit obligations.

The purpose of the funding is to ensure that in the long term there are sufficient assets on hand to provide the Plan's benefits and, in the short term, to accumulate the assets in an orderly manner to provide protection of the accrued benefits.

3. Data:

This statement is based on participant data as of July 1, 2008, asset information as of September 30, 2008 and on the terms of the Plan as of October 1, 2008. Valuation pay is the annualized sum of reported rate of pay, upgrade pay and shift pay. All of this data has been reviewed for consistency with prior data and for general reasonableness.

4. Effective Dates:

The values and data in this statement have been determined as of October 1, 2008. Costs are applicable to the year beginning October 1, 2009.

5. Liquidity and Benefit Security:

The cash flow from contributions and earnings on fund assets are not sufficient to meet current liquidity needs. This needs to be recognized in the investment strategy. It is also expected that the current funding policy should result in increasing benefit security ratios. However, it should be noted that fluctuations in asset values or surges in pay levels could cause benefit security ratios to fluctuate in the short term.

6. Trends and Assumptions:

The costs in this report anticipate that the actuarial assumptions will reflect Plan experience in future years. Because the assumptions were selected as our best estimate of future experience, these cost projections represent the most likely course of future contributions. However, it should be noted that if Plan experience deviates from the actuarial assumptions, the resulting gains or losses would create decreases or increases in the Unfunded Actuarial Accrued Liability.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section II: Statement of Actuarial Position as of October 1, 2008Derivation of Minimum Required Contribution Levels

1. Present Value of Future Benefits	
a. Active Participants	
(i) Retirement	\$943,617,820
(ii) Death	\$15,916,135
(iii) Disability	\$25,031,217
(iv) Withdrawal	\$4,284,636
(v) Return of Contributions	<u>\$786,166</u>
(vi) Total	\$989,635,974
b. Inactive Participants	
(i) Retirees and Beneficiaries	\$886,292,046
(ii) Disableds	\$20,916,131
(iii) Terminated Vested	\$5,255,417
(iv) DROP Participants	<u>\$194,178,120</u>
(iv) Total	\$1,106,641,714
c. Total (a. + b.)	\$2,096,277,688
2. Actuarial Value of Assets	
a. Gross Actuarial Value	\$907,626,818
b. Reserve Accounts	\$12,723,482
c. Net Actuarial Value (a. - b.)	\$894,903,336
3. Unfunded Actuarial Accrued Liability	\$798,071,347
4. Present Value of Future Normal Costs	\$403,303,005
5. Ratio of Present Value of Future Salaries to Current Salaries	
a. 1% of PV of Future Salaries	\$15,550,179
b. Covered Payroll (no DROP)	\$148,276,743
c. Ratio (a. / b.)	10.487268
d. DROP Payroll	\$18,722,023
6. Normal Actuarial Cost	
a. Dollar Amount (4. / 5.c.)	\$38,456,441
b. As % of Covered Payroll	25.94%
c. Normal Cost with Expense Load	\$39,156,441
d. As % of Covered Payroll	26.41%
7. Total Cost for the Year	
a. UAAL Amortization Payment	\$49,146,128
b. Total Cost BOY (6.c. + 7.a.)	\$88,302,569
c. Total Cost MOY (7.b. x 1.085 ^{0.5})	\$91,978,899
d. As % of Covered Payroll	62.03%

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section II: Statement of Actuarial Position as of October 1, 2008A. Development of Unfunded Actuarial Accrued Liability

1. Entry Age Normal Actuarial Accrued Liability on 10/01/08	\$1,692,974,683
2. Net Actuarial Value of Assets	\$894,903,336
3. Unfunded Actuarial Accrued Liability on 10/01/08 (1. - 2.)	\$798,071,347

NOTE: The UAAL is being amortized at 8.50% as a constant percentage of total payroll which is assumed to increase 5.25% per year. Thus the UAAL payment is assumed to increase 5.25% per year.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section II: Statement of Actuarial Position as of October 1, 2008

Schedule Showing Minimum Required Amortization of Unfunded Actuarial Accrued Liability

Date Established	Initial Amount	UAAL as of 10/1/2008	Remaining Period 10/1/2008	Required Amortization 10/1/2008
1-Oct-76	\$52,267,000	\$28,749,001	8.00	\$3,987,545
1-Oct-82	(\$3,089,846)	(\$854,671)	4.00	(\$223,511)
1-Oct-84	\$5,630,273	\$2,219,615	6.00	\$398,621
1-Oct-86	(\$36,179,120)	(\$18,156,765)	8.00	(\$2,518,381)
1-Oct-87	\$3,868,562	\$2,825,466	9.00	\$353,460
1-Oct-88	\$17,910,698	\$18,206,381	10.00	\$2,079,708
1-Oct-89	\$19,019,326	\$21,460,071	11.00	\$2,260,842
1-Oct-90	\$8,220,519	\$9,695,089	12.00	\$949,778
1-Oct-90	(\$7,711,899)	(\$9,095,235)	12.00	(\$891,013)
1-Jan-92	(\$15,877,911)	(\$18,313,682)	13.75	(\$1,605,199)
1-Oct-92	(\$2,735,372)	(\$3,335,535)	14.00	(\$288,157)
1-Oct-92	\$14,169,252	\$17,278,111	14.00	\$1,492,654
1-Oct-96	\$126,129,419	\$160,349,801	18.00	\$11,393,798
1-Oct-97	\$44,127,813	\$55,769,608	19.00	\$3,806,312
1-Oct-98	(\$5,280,099)	(\$6,627,385)	20.00	(\$435,640)
1-Oct-01	\$6,296,677	\$7,574,563	23.00	\$450,934
1-Oct-03	\$158,527,905	\$182,181,739	25.00	\$10,248,564
1-Oct-06	\$111,179,581	\$117,976,906	28.00	\$6,164,758
1-Oct-08	<u>\$230,168,269</u>	<u>\$230,168,269</u>	30.00	<u>\$11,521,055</u>
TOTALS	\$726,641,047	\$798,071,347		\$49,146,128

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section II: Statement of Actuarial Position as of October 1, 2008Actuarial MethodsActuarial Cost Method

Entry Age Actuarial Cost Method: The excess of the Actuarial Present Value of Projected Benefits over the Actuarial Value of Assets plus the Entry Age determined Unfunded Actuarial Accrued Liability, is allocated as a level amount over the earnings of the group as a whole. The portion of the excess Actuarial Present Value allocated to a valuation year is called the Normal Actuarial Cost. All ancillary benefits are funded under the same method as retirement benefits.

Asset Valuation Method

An actuarial value has been placed on all Fund assets. The purpose of setting an actuarial value on assets is to recognize market values, which are the only true measure of the value of these securities, without giving total credence to the current market value and without causing costs to fluctuate substantially in response to short-term market swings.

The actuarial adjustment factor applied to the market value of assets is determined as the amount by which current market prices as of the end of a period are deflated in relation to a longer range trend. The actuarial factor was developed as follows:

- (1) develop performance indices as of September 30, 2004, 2005, 2006, 2007 and 2008 using actual Fund performance during those periods;
- (2) multiply these indices by a growth factor of 8.50% (the assumed rate of return on investments) for each period up to September 30, 2008;
- (3) weight the indices by 1/15, 2/15, 3/15, 4/15 and 5/15 respectively; and
- (4) divide the total of the weighted indices by the non-weighted index for September 30, 2008.

The details of the calculations are shown in Table III-D.

Changes Since the October 1, 2006 Valuation:

The asset valuation method was changed from market value to a five year smoothing method.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section II: Statement of Actuarial Position as of October 1, 2008Actuarial Assumptions

Mortality: Pre and Postretirement for healthy lives, the 1994 Group Annuity Mortality Table for Males and Females; Post-Disablement uses the same table set forward 10 years.

<u>Age</u>	<u>Healthy Male</u>	<u>Healthy Female</u>	<u>Disabled Male</u>	<u>Disabled Female</u>
20	.000507	.000284	.000801	.000351
30	.000801	.000351	.001072	.000709
40	.001072	.000709	.002579	.001428
50	.002579	.001428	.007976	.004439
60	.007976	.004439	.023730	.013730
70	.023730	.013730	.062027	.039396

Net Investment Yield: 8.50% compounded annually, net of investment expenses.

Withdrawal: No refunds are assumed. Annual rates consistent with the following representative figures.

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	.024	28	.024	36	.006
24	.024	32	.012	40	.000

Disability: No recoveries are assumed. Rates consistent with the following representative figures:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
25	.00036	35	.00048	45	.00120
30	.00036	40	.00060	50	.00264

Salary Scale: 5.5% compounded annually applied to pay to allow for future salary increases reflecting inflation, productivity, and seniority.

COLA: 3.0% compounded annually.

Percent Married: Assume 75% of active employees married. Use tax reported status for inactives.

Retirement Ages: Rates consistent with the following representative figures

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
40	.140	50	.140	60	.800
45	.140	55	.340	61	1.000

Expense Load: Expenses net of money manager fees are estimated to be \$700,000.

Amortization of Unfunded Actuarial Accrued Liability: Assumes payroll increases at 5.25% per annum throughout the entire amortization period.

Age Differences for Spouses: Females are assumed to be 3 years younger than males.

Changes Since the October 1, 2006 Valuation:

1. Mortality was changed from 1983 GAM, separate by sex, with 10 year set forward for post disablement to 1994 GAM, separate by sex, with 10 year set forward for post disablement.
2. The salary scale was increased from 5.0% to 5.5%.
3. The retirement decrements were strengthened, at the lower ages, from approximately 6% to 14%.
4. The disability decrements were reduced by approximately 33-1/3%.
5. The withdrawal decrements were reduced by approximately 40%.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section II: Statement of Actuarial Position as of October 1, 2008Plan Outline

<u>Covered Group:</u>	All members of the Fire and Police Departments of the City not covered under another retirement system, and in the following categories: Plan 05, Plan 06, Plan 19 and Plan 41. Inactive members of the 1915 Fire Pension Fund and the 1917 Police Pension Fund.
<u>Credited Service:</u>	All employment in the Fire/Police Department. Military Service may be included. Service as a General Employee may be included.
<u>Earnings Base:</u>	Average salary of last fifty-two pay periods, as defined by Ordinance 91-1017-0605.
<u>Retirement Date:</u>	Completion of a minimum of 20 years of Credited Service.
<u>Retirement Benefits:</u>	3% of Earnings Base for each of the first 20 years of Credited Service, plus 2% for each of the next 10 years. All categories have a minimum monthly benefit of \$400 (Children's minimum is \$200).
<u>Health Subsidy:</u>	\$5 per month for each year of Credited Service with a minimum of \$25 per month and a maximum of \$150 per month.
<u>Form of Benefit:</u>	Payment is 75% continuation to spouse, plus \$200 per month to child until earlier of attainment of age 18 (22 if in college) or marriage. Overall maximum of 100%. Orphaned children receive 75% continuation until earlier of attainment of age 18 (22 if in college) or marriage.
<u>Disability Benefits:</u>	60% of Earnings Base or Retirement Benefit, if greater; minimum of \$400 per month. Form of benefit same as for active or retired employees.
<u>Pre-Retirement Death Benefits:</u>	Spouse's benefit of 75% of projected retirement benefit, assuming participant completed at least 20 years of Credited Service, plus \$200 monthly to each child until earlier attainment of age 18 (22 if in college) or marriage. Overall maximum of 100% of projected normal retirement benefit. Minimum monthly benefit of \$400 per month.

TABLE II-E
(Continued)

Orphans receive benefit applicable to spouse without children until earlier of marriage or attainment of age 18 (22 if in college). Dependent father or mother may be eligible if no spouse or children.

Otherwise, refund of 100% employee's contributions.

For future deaths among active members and retirees, including DROPS, if there is no surviving spouse, a disabled child 18 years or older receives half of the spouse's benefit for life. The Board will establish earnings and means criteria to qualify.

Termination of Service:

If terminated before 5 years of Credited Service, refund of employee contributions.

If terminated after 5 years of Credited Service, refund of employee contributions and no further benefit; or a benefit payable at normal retirement date, equal to Credited Service multiplied by 3.0% of earnings base. (2.5% until April 1, 2001)

No death or disability benefits during deferred period. Form of benefit same as for active employees. No minimum benefits.

Employee Contribution:

7% of Earnings Base.

Non-Employee Contributions:

The City contributed 18.55% of budgeted earnings prior to October 1, 2005, 26.2% for Fiscal Year Ending September 30, 2006, 28.97% for Fiscal Year Ending September 30, 2007, and is currently contributing 32.11%. The Fund also receives proceeds from court fines and a major portion of Chapter monies. The City covers any shortfall.

Cost of Living Increases:

Annual increases in the Retirement Benefit of 3% per year.

Note:

Members of the 1915 Fire Pension Fund and the 1917 Police Pension Fund receive benefit payments from the Fund. These benefits are partially subsidized by the City. The Fund provides 36.603% of the total benefit for 1915 Fire members and 100% for 1917 Police members.

Deferred Retirement
Option Plan (DROP):

Effective 1/9/99 with the current following main provisions:

Minimum service at entry: 20 years. 5 year maximum DROP

Maximum service at entry: 31 years. 2 year maximum DROP

DROP investment yield: 8.4% annually.

Withdrawal from DROP and immediate retirement at member's sole option.

Members will contribute 2% of Earnings Base during the DROP period to cover the cost of administering the DROP provision.

Percentage cost of living increases granted during DROP period. Bi-annual lump sum COLA not provided to DROP participants. DROP participants are not paid Health Insurance Subsidy until termination of employment.

Retirement Leave Account frozen upon DROP. It is deposited into the Fund by the City in equal annual installments during the DROP period, and credited with 8.4% annual interest.

Changes Since the October 1, 2006 Valuation:

None.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of Assets

Introduction

This section summarizes the Pension Fund cash flow for the period 10/01/06 to 09/30/08, the distribution of the assets of the Fund as of September 30, 2008, the investment performance for the period 10/01/06 to 09/30/08, and the derivation of the combined account as of September 30, 2008.

TABLE III-A Summary of Cash Flow

TABLE III-B Calculation of Investment Performance

TABLE III-C Asset Distribution as of September 30, 2008

TABLE III-D Determination of Actuarial Value of Assets as of September 30, 2008

TABLE III-E Reconciliation of Accounts

TABLE III-F Reconciliation of Active Member DROP Account Liability

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of AssetsSummary of Cash Flow 10/01/06 to 09/30/07

Market Value of Fund, BOY	\$839,515,351
<u>Receipts During Year</u>	
Contributions:	
Employee ¹	\$11,260,293
City ²	<u>\$45,507,990</u>
	\$56,768,283
Other Additions:	
Chapter 175/185	\$8,878,324
Court Fines and Penalties	\$1,341,955
Other Governments	\$0
Miscellaneous	<u>\$59,053</u>
	\$10,279,332
Investment Income, Realized and Unrealized Gains	\$145,043,648
Parking and Rental Revenue	<u>\$1,871,033</u>
Total Receipts	\$213,962,296
<u>Disbursements During Year</u>	
Benefit Payments	\$71,722,426
Refunds	\$124,292
DROP Payments and RLA Interest Expenses ³	\$23,987,317
Money Manager Fees	\$4,708,635
Other Administrative Expenses	\$2,398,790
Parking and Rental Expenses	<u>\$186,350</u>
Total Disbursements	\$103,127,810
Market Value of Fund, EOY	\$950,349,837

¹ Includes \$903,697 in buybacks and \$360,987 in DROP contributions.

² Includes \$2,641,975 in employer matching buybacks.

³ Includes payments to DROP accounts, 8.4% interest on DROP account balances and 8.4% interest on RLA balances.

TABLE III-A
(Continued)

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of Assets

Summary of Cash Flow 10/01/07 to 09/30/08

Market Value of Fund, BOY	\$950,349,837
<u>Receipts During Year</u>	
Contributions:	
Employee ¹	\$11,925,075
City ²	<u>\$50,596,170</u>
	\$62,521,245
Other Additions:	
Chapter 175/185	\$9,426,874
Court Fines and Penalties	\$1,218,796
Other Governments	\$0
Miscellaneous	<u>\$80,677</u>
	\$10,726,347
Investment Income, Realized and Unrealized Gains	(\$136,231,011)
Parking and Rental Revenue	<u>\$2,069,975</u>
Total Receipts	(\$60,913,444)
<u>Disbursements During Year</u>	
Benefit Payments	\$76,191,764
Refunds	\$174,486
DROP Payments and RLA Interest Expenses ³	\$25,484,960
Money Manager Fees	\$4,793,735
Other Administrative Expenses	\$1,976,453
Parking and Rental Expenses	<u>\$195,043</u>
Total Disbursements	\$108,816,441
Market Value of Fund, EOY	\$780,619,952

¹ Includes \$1,019,908 in buybacks, \$389,684 in DROP contributions, and \$253,708 in transfers from GEPP.

² Includes \$2,939,401 in employer matching buybacks and \$511,462 in transfers from GEPP.

³ Includes payments to DROP accounts, 8.4% interest on DROP account balances and 8.4% interest on RLA balances.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of AssetsCalculation of Investment Performance

The average dollar weighted investment performance of the Fund was calculated for the period 10/01/06 to 09/30/07 based on Market Value and Actuarial Value.

	<u>Market Value</u>	<u>Actuarial Value</u>
(1) Asset Value, BOY	\$839,515,351	\$829,105,361
(2) Asset Value, EOY	\$950,349,837	\$907,774,164
(3) Contributions from all Sources	\$67,047,615	\$67,047,615
(4) Benefit Payments and Expenses ¹	\$86,388,341	\$86,388,341
(5) Income, Including Realized and Unrealized Gains (2) - (1) - (3) + (4)	\$130,175,212	\$98,009,529
(6) Yield for Period 2 x (5) / ((1) + (2) - (5))	15.69%	11.96%

¹ Net of money manager fees of \$4,708,635, parking and rental expenses of \$186,350. Interest earned on RLA and DROP Liability Accounts (\$11,844,484 for PYE 09/30/07) is also deducted prior to computing the yield.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of Assets

Calculation of Investment Performance

The average dollar weighted investment performance of the Fund was calculated for the period 10/01/07 to 09/30/08 based on Market Value and Actuaarial Value.

	<u>Market Value</u>	<u>Actuarial Value</u>
(1) Asset Value, BOY	\$950,349,837	\$907,774,164
(2) Asset Value, EOY	\$780,619,952	\$907,626,818
(3) Contributions from all Sources	\$73,247,592	\$73,247,592
(4) Benefit Payments and Expenses ¹	\$91,205,943	\$91,205,943
(5) Income, Including Realized and Unrealized Gains (2) - (1) - (3) + (4)	(\$151,771,534)	\$17,811,005
(6) Yield for Period 2 x (5) / ((1) + (2) - (5))	-16.12%	1.98%

¹ Net of money manager fees of \$4,793,735, parking and rental expenses of \$195,043. Interest earned on RLA and DROP Liability Accounts (\$12,621,720 for PYE 09/30/08) is also deducted prior to computing the yield.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of AssetsAsset Distribution as of 09/30/08

<u>Type of Security</u>	<u>Market Value</u>	<u>% of Net Assets</u>	<u>Actuarial Value</u>
Fixed Income	\$269,940,486	34.6%	\$313,859,803
Equities	\$533,082,605	68.3%	\$619,815,145
Cash and Equivalents	\$21,946,132	2.8%	\$25,516,768
Real Estate	\$111,438,447	14.3%	\$129,569,482
Accruals			
From City of Jacksonville	\$387,376	0.1%	\$450,402
Interest	\$2,697,500	0.4%	\$3,136,383
Dividends	\$691,152	0.1%	\$803,603
Other	<u>\$57</u>	0.0%	<u>\$66</u>
Total Cash and Investments	\$940,183,755	120.6%	\$1,093,151,652
Property, Plant and Equipment			
Furniture and equipment	\$594,354	0.1%	\$691,055
Accumulated depreciation	<u>(\$561,712)</u>	(0.1%)	<u>(\$653,103)</u>
Total Assets	\$940,216,397		\$1,093,189,604
Total Liabilities	<u>\$159,596,445</u>	(20.6%)	<u>\$185,562,786</u>
Net assets held for benefits	\$780,619,952	100.0%	\$907,626,818
Amount Accumulated in Reserve Accounts	\$12,723,482		\$12,723,482
Net assets used for costing	\$767,896,470		\$894,903,336

NOTES:

- (1) The "Market Value" of the assets was reported by the City.
- (2) Total Liabilities refers primarily to DROP and RLA assets.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of AssetsDetermination of Actuarial Value of Assets as of September 30, 2008

1. Calculation of Indices for Actuarial Adjustment Factor.

<u>Fiscal Year Beginning</u>	<u>Index as of 10/01</u>	<u>Yield During Next Year</u>	<u>Adjustment to index (1. + Yield)</u>	<u>Index as of 9/30</u>
2004	100.00	11.15%	1.1115	111.15
2005	111.15	8.02%	1.0802	120.06
2006	120.06	15.69%	1.1569	138.90
2007	138.90	-16.12%	0.8388	116.51

2. Calculation of Actuarial Adjustment Factor (Weighted Value = Growth Factor x Index x Relative Weight / 14.5).

<u>Year Commencing 10/01</u>	<u>Index as of 10/01</u>	<u>Growth Factor</u>	<u>Relative Weight</u>	<u>Weighted Value</u>
2004	100.00	1.3859	1.0	9.24
2005	111.15	1.2773	2.0	18.93
2006	120.06	1.1772	3.0	28.27
2007	138.90	1.0850	4.0	40.19
2008	116.51	1.0000	<u>5.0</u>	<u>38.84</u>
			15.0	135.47

$$\text{Adjustment Factor} = 135.47 / 116.51 = 1.1627$$

3. Calculation of Actuarial Value of Assets

$$\text{Adjustment Factor} \times \text{Market Value} = \text{Actuarial Value}$$

$$1.1627 \times \$780,619,952 = \$907,626,818$$

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of AssetsReconciliation of Accounts October 1, 2006 through September 30, 2007A. Enhanced Benefit Account (EBA)

Account Value, 10/01/06	\$9,968,603
Additions	
Chapter Funds Allocation (received 9/7/07) (0.41% * \$143,006,154)	\$586,325
Uncommitted Chapter Funds (received 9/7/07) (residual > 4.41% * \$143,006,154)	\$2,571,752
Interest (15.69% per annum) ¹	<u>\$1,593,211</u>
Total Additions	\$4,751,288
Subtractions	
Annual Retiree Bonus (paid 12/1/05)	\$1,495,532
Interest ²	<u>\$192,342</u>
Total Subtractions	\$1,687,874
Account Value, 09/30/07	\$13,032,017

Notes

- Market rate of return from 10/01/06 to 09/30/07.
 $(0.1569 * \$9,968,603) + [(1 + 0.1569)^{(23/365)} - 1] * (\$586,325 + \$2,571,752)$
- Market rate of return from 10/01/06 to 09/30/07.
 $[(1 + 0.1569)^{(303/365)} - 1] * (\$1,495,532)$

TABLE III-E
(Continued)

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of Assets

Reconciliation of Accounts October 1, 2007 through September 30, 2008

A. Enhanced Benefit Account (EBA)

Account Value, 10/01/07	\$13,032,017
Additions	
Chapter Funds Allocation (received 9/5/08) (0.41% * \$148,276,743)	\$607,935
Uncommitted Chapter Funds (received 9/5/08) (residual > 4.41% * \$148,276,743)	\$2,887,870
Interest (-16.12% per annum) ¹	<u>(\$2,142,598)</u>
Total Additions	\$1,353,207
Subtractions	
Annual Retiree Bonus (paid 12/14/07)	\$1,577,082
Interest (-16.12% per annum) ²	(\$205,571)
Transfer to CBSA (on 9/30/08) ³	<u>\$290,231</u>
Total Subtractions	\$1,661,742
Account Value, 09/30/08	\$12,723,482

Notes

- Market rate of return from 10/01/07 to 09/30/08.
 $(-0.1612 * \$13,032,017) + [(1 - 0.1612)^{(25/365)} - 1] * (\$607,935 + \$2,887,870)$
- Market rate of return from 10/01/07 to 09/30/08.
 $[(1 - 0.1612)^{(290/365)} - 1] * (\$1,577,082)$
- Loan to CBSA to undo "fresh start".

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of Assets

Reconciliation of Accounts October 1, 2006 through September 30, 2007

B. City Budget Stabilization Account (CBSA)

Account Value, 10/01/06	\$2,209,087
Additions	
Contributions ¹	\$54,564,566
Chapter Funds deposit (9/7/07)	\$8,878,323
Interest (15.69% per annum) ²	\$4,553,210
Total Additions	\$67,996,099
Subtractions	
Required Payment for FYE 9/30/07	\$55,926,556
Transfer of Chapter Funds to EBA on 9/7/07 ³	\$3,158,077
Interest (15.69% per annum) ⁴	\$4,256,785
Total Subtractions	\$63,341,418
Account Value, 09/30/07	\$6,863,768

Notes

1. From City, Members and Court Fines. (No employee or employer buybacks included.)
(\$42,866,015+\$10,356,596+\$1,341,955)
2. Market rate of return from 10/01/06 to 09/30/07.
[(0.1569)*\$2,209,087]+[(1+0.1569)^(0.5)-1]*\$54,564,566
+[(1+0.1569)^(23/365)-1]*\$8,878,323
3. (0.41%*\$143,006,154)+(residual > 4.41%*\$143,006,154)
4. [(1+0.1569)^(0.5)-1]*\$55,926,556]+[(1+0.1569)^(23/365)-1]*(\$586,325+\$2,571,752)

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of Assets

Reconciliation of Accounts October 1, 2007 through September 30, 2008

B. City Budget Stabilization Account (CBSA)

Account Value, 10/01/07	\$6,863,768
Additions	
Contributions ¹	\$59,015,562
Chapter Funds deposit (9/5/08)	\$9,426,874
Interest (-16.12% per annum) ²	(\$6,184,812)
Transfer from EBA (on 9/30/08) ⁵	<u>\$290,231</u>
Total Additions	\$62,547,855
Subtractions	
Required Payment for FYE 9/30/08	\$65,389,407
Transfer of Chapter Funds to EBA on 9/5/08 ³	\$3,495,805
Interest (-16.12% per annum) ⁴	(\$5,543,685)
Payment to undo "fresh start" (paid on 9/30/08) ⁵	<u>\$6,070,096</u>
Total Subtractions	\$69,411,623
Account Value, 09/30/08	\$0

Notes

1. From City, Members and Court Fines. (No employee or employer buybacks included, nor any one time transfers from GEEP.) (\$47,145,307+\$10,651,459+\$1,218,796)
2. Market rate of return from 10/01/07 to 09/30/08.

$$[(-0.1612)*\$6,863,768]+[(1-0.1612)^{(0.5)}-1]*\$59,015,562$$

$$+[(1-0.1612)^{(25/365)}-1]*\$9,426,874$$
3. $(0.41\%*\$148,276,743)+(residual > 4.41\%*\$148,246,743)$
4. $[(1-0.1612)^{(0.5)}-1]*\$65,389,407+[(1-0.1612)^{(25/365)}-1]*(\$607,935+\$2,887,870)$
5. As of 9/30/08, payment of \$6,070,096 was required to cover shortfall due to fresh start being disallowed back to April 1, 2000. See Pension Board Consultants letter dated March 18, 2009 for computations. Loan from EBA was needed to make total payment.

TABLE III-E
(Continued)

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of Assets

Reconciliation of Accounts October 1, 2006 through September 30, 2008

C. Base Benefits Fund (BBF)

Actuarial Value of Assets, 09/30/07	\$950,349,837
Enhanced Benefit Account	\$13,032,017
City Budget Stabilization Account	<u>\$6,863,768</u>
Total Accounts	\$19,895,785
Account Value, 09/30/07	\$930,454,052
Actuarial Value of Assets, 09/30/08	\$907,626,818
Enhanced Benefit Account	\$12,723,482
City Budget Stabilization Account	<u>\$0</u>
Total Accounts	\$12,723,482
Account Value, 09/30/08	\$894,903,336

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section III: Valuation of AssetsReconciliation of Active Member DROP Account Liability from Inception to 9/30/2008

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Beginning Balance	\$ -	\$ 7,268,360	\$ 24,733,631	\$ 44,384,547	\$ 62,937,624	\$ 79,542,322	\$ 43,288,323	\$ 39,431,560	\$ 31,260,226	\$ 31,193,992
Bi-weekly Remittances	\$ 7,126,610	\$ 16,891,198	\$ 19,529,272	\$ 21,961,370	\$ 21,778,105	\$ 17,453,284	\$ 13,277,560	\$ 12,766,956	\$ 12,105,180	\$ 12,855,789
Partial Pay DROP Remittances	\$ 312	\$ <4,076>	\$ 11,237	\$ 13,223	\$ <91>	\$ 27,051	\$ 6,213	\$ 4,765	\$ 11,405	\$ 7,471
Monthly Interest Distributions	\$ 168,764	\$ 1,218,552	\$ 2,729,052	\$ 4,312,249	\$ 5,753,716	\$ 4,777,031	\$ 3,235,319	\$ 2,986,442	\$ 2,413,920	\$ 2,544,071
Lump Sum & Rollover Payment	\$ <27,326>	\$ <313,703>	\$ <1,111,043>	\$ <1,541,046>	\$ <990,495>	\$ <3,406,788>	\$ <1,599,293>	\$ <2,211,902>	\$ <1,662,533>	\$ <1,176,170>
Conversions to Payout Mode	\$ -	\$ <326,700>	\$ <1,507,802>	\$ <6,192,719>	\$ <9,936,531>	\$ <55,104,597>	\$ <18,776,562>	\$ <21,717,595>	\$ <12,934,206>	\$ <12,487,030>
Ending Balance	\$ 7,268,360	\$ 24,733,631	\$ 44,384,547	\$ 62,937,624	\$ 79,542,322	\$ 43,288,323	\$ 39,431,560	\$ 31,260,226	\$ 31,193,992	\$ 32,938,103

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key Statistics

Introduction

A comparison of assets and the actuarial present value of accumulated benefits are shown on the following table.

A breakdown of the data by participant group, reconciliation of participants by status, and age and service distributions of active participants are also shown in this section.

TABLE IV-A Present Value of Accumulated Benefits Based on Current Pay

TABLE IV-B Key Statistics

TABLE IV-C Reconciliation of Number of Participants by Status

TABLE IV-D Age and Service Distributions as of October 1, 2008

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key StatisticsPresent Value of Accumulated Benefits Based on Current Pay (FASB 35)

	10/01/01	10/01/03	10/01/06	10/01/08
1. Actuarial Present Value of Benefits for Inactive Members	\$724,057,747	\$828,239,240	\$973,552,516	\$1,106,641,714
2. Actuarial Present Value of Accumulated Benefits of Active Members (Based on Current Pay)	\$182,988,203	\$198,210,786	\$258,153,228	\$399,821,634
3. Total Actuarial Present Value of Accumulated Benefits (1.) + (2.)	\$907,045,950	\$1,026,450,026	\$1,231,705,744	\$1,506,463,348
4. Market Value of Assets*	\$703,252,537	\$699,645,873	\$827,337,661	\$767,896,470
5. Funded Position (4.) / (3.)	77.5%	68.2%	67.2%	51.0%
6. Excess of Actuarial Present Value of Accumulated Benefits over Assets (3.) - (4.)	\$203,793,413	\$326,804,153	\$404,368,083	\$738,566,878

*Market Value of Assets is reported net of the reserve accounts.

As of September 30, 2008 the amount accumulated in the two accounts was \$12,723,482 and active employee contributions with interest, excluding DROPs, equaled \$86,437,285.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key StatisticsKey Statistics

Class of Participant	Valuation Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Continuing Actives					
(excluding DROP)	2,094	2,258	2,384	2,394	2,430
Pay Increase %	6.0%	9.1%	5.2%	5.7%	6.0%
Active					
Number	2,347	2,450	2,509	2,541	2,534
Average Age	37.9	38.0	38.3	38.6	38.9
Average Annual Pay	\$50,494	\$53,221	\$53,709	\$56,305	\$58,541
Average Service	9.9	9.9	10.1	10.3	10.7
Retired					
Number	1,215	1,288	1,376	1,409	1,445
Average Age	63.7	63.9	63.9	64.3	64.5
Average Annual Benefit	\$37,434	\$40,796	\$42,718	\$44,356	\$45,952
Disabled					
Number	67	67	66	64	61
Average Age	57.2	57.9	58.1	58.7	59.4
Average Annual Benefit	\$23,708	\$25,643	\$26,714	\$27,101	\$28,536
Surviving Spouses					
Number	359	353	345	357	360
Average Age	72.8	73.4	73.0	72.9	73.1
Average Annual Benefit	\$15,935	\$17,886	\$19,331	\$20,342	\$21,850
Children					
Number	29	22	23	19	16
Average Age	16.8	15.8	15.6	11.2	10.1
Average Annual Benefit	\$3,673	\$3,601	\$3,662	\$3,444	\$3,054
Terminated Vested					
Number	29	35	37	38	34
Average Age	41.5	41.4	42.0	42.0	42.1
Average Annual Benefit	\$15,089	\$15,516	\$15,067	\$14,997	\$14,291
DROP					
Number	320	281	221	230	248
Average Age	52.7	52.5	51.9	51.8	51.4
Average Annual Benefit	\$44,824	\$46,645	\$48,959	\$50,589	\$49,792

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key StatisticsReconciliation of Number of Participants by Status

	<u>Actives</u>	<u>Retirees</u>	<u>Vested Terminations</u>	<u>Disabilities</u>	<u>Surviving Spouses</u>	<u>Children</u>	<u>DROP</u>
Number on 07/01/06 Used for 10/01/06 Valuation	2,509	1,376	37	66	345	23	221
New Entrants	125						
Transfers from General Plan	17						
Transfers to General Plan							
Non-Vested/Refunded Terminations	(34)						
Vested Terminations	(3)		3				
Retirees	(3)	60	(2)				(55)
Disabilities	(1)			1			
Deaths with no Survivors	(1)	(8)			(14)		
Payments Stopped (Age 18 or Remarried)						(11)	
Deaths with Survivors	(4)	(19)		(3)			
New Beneficiaries					25	7	
Former Beneficiaries/ Children Reinstated					1		
New DROP Retirees	(64)						64
Number on 07/01/07 Used for 10/01/07 Reporting	2,541	1,409	38	64	357	19	230

TABLE IV-C
(Continued)

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key Statistics

Reconciliation of Number of Participants by Status

	<u>Actives</u>	<u>Retirees</u>	<u>Vested Terminations</u>	<u>Disabilities</u>	<u>Surviving Spouses</u>	<u>Children</u>	<u>DROP</u>
Number on 07/01/07 Used for 10/01/07 Reporting	2,541	1,409	38	64	357	19	230
New Entrants	97						
Transfers from General Plan	6						
Transfers to General Plan	(4)						
Non-Vested/Refunded Terminations	(26)						
Vested Terminations	(2)		2				
Retirees	(7)	64	(5)				(52)
Disabilities							
Deaths with no Survivors		(13)		(1)	(19)		
Payments Stopped (Age 18 or Remarried)						(4)	
Deaths with Survivors	(1)	(15)		(2)			(1)
New Beneficiaries					19	1	
Former Beneficiaries/ Children Reinstated					1		
New DROP Retirees	(71)						71
Data Corrections	1		(1)		2		
Number on 07/01/08 Used for 10/01/08 Valuation	2,534	1,445	34	61	360	16	248

TABLE IV-D

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key StatisticsActive Age and Service Distribution as of October 1, 2008

FIREFIGHTERS ONLY

Age								TOTAL COUNT: AVERAGE PAY
60-64					1		1	2 \$60,839
55-59				4	5	1		10 \$66,190
50-54		3	8	16	24	9		60 \$70,883
45-49	4	13	37	37	46	2		144 \$67,189
40-44	20	40	78	66	40	1		245 \$65,897
35-39	53	68	70	30	1			222 \$60,007
30-34	92	76						181 \$51,344
25-29	113	22						135 \$46,048
20-24	42							42 \$38,921
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	
TOTAL COUNT:	324	224	208	154	117	13	1	1041
AVERAGE PAY	\$44,078	\$56,900	\$66,026	\$71,492	\$72,742	\$75,122	\$64,764	\$58,907
Years of Service								

TABLE IV-D
(Continued)

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key Statistics

Active Age and Service Distribution as of October 1, 2008

POLICE ONLY

Age								TOTAL COUNT AVERAGE PAY:
65-69					1			1 \$65,259
60-64			1		2			3 \$63,460
55-59			4	6	5			15 \$62,891
50-54	3	3	14	23	18	9	1	71 \$66,604
45-49	21	20	41	72	48	10	1	213 \$64,043
40-44	45	42	130	136	37			390 \$63,035
35-39	71	84	187	66	1			409 \$59,083
30-34	94	86	40					220 \$51,177
25-29	128	26						154 \$44,001
20-24	17							17 \$39,231
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	
TOTAL COUNT:	379	261	417	303	112	19	2	1493
AVERAGE PAY	\$43,819	\$54,246	\$62,984	\$66,688	\$72,418	\$76,833	\$106,345	\$58,285
Years of Service								

TABLE IV-D
(Continued)

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section IV: Funded Position and Key Statistics

Active Age and Service Distribution as of October 1, 2008

ALL (Police and Firefighters)

Age								TOTAL COUNT
								AVERAGE PAY
65-69					1			1 \$65,259
60-64			1		3		1	5 \$62,412
55-59			4	10	10	1		25 \$64,211
50-54	3	6	22	39	42	18	1	131 \$68,564
45-49	25	35	80	110	94	12	1	357 \$65,312
40-44	65	82	208	202	77	1		635 \$64,139
35-39	124	152	257	96	2			631 \$59,408
30-34	186	62	53					401 \$51,252
25-29	241	48						289 \$44,957
20-24	59							59 \$39,010
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	
TOTAL COUNT:	703	485	625	457	229	32	3	2534
AVERAGE PAY	\$43,938	\$55,472	\$63,996	\$68,307	\$72,584	\$76,138	\$92,485	\$58,541
Years of Service								

JACKSONVILLE POLICE AND FIRE PENSION FUND

TABLE IV-D
(Continued)

Section IV: Funded Position and Key Statistics

New Retirees and DROPs by Age

Attained Age @ Ret	Year 03-04	Year 04-05	Year 05-06	Year 06-07	Year 07-08	Total
38		1				1
39					1	1
40	1	2		1	4	8
41	1	1	1	1	4	8
42	4	1		4	5	14
43	3		2		1	6
44	2	1	3	5	6	17
45	5	7	6	3	7	28
46	1	1	4	7	4	17
47	5	7		2	4	18
48	6	3	7	8	4	28
49	6	3	4	4	9	26
50	6	2	8	8	8	32
51	4	7	3	4	5	23
52	2	3	5	1	4	15
53	4		3	8	5	20
54	1	2	2	3	1	9
55	2	6	1		2	11
56	2	1	2	2	2	9
57	1		1			2
58		1		1		2
59		1	1	3	1	6
60				1		1
61					1	1
62						0
63						0
64				2		2
Total	56	50	53	68	78	305
Average Retirement Age	48.8	49.5	49.7	49.3	47.7	48.7

JACKSONVILLE POLICE AND FIRE PENSION FUND

TABLE IV-D
(Continued)

Section IV: Funded Position and Key Statistics

New Retirees and DROPs by Service

Years of Service @ Ret	Year 03-04	Year 04-05	Year 05-06	Year 06-07	Year 07-08	Total
16	1	1				2
17			2			2
18	1	1	2	1		5
19	1	1				2
20	10	6	12	28	44	100
21	2	4	2	7	10	25
22	5		6	4	5	20
23	6	5	2	3	3	19
24	4	3	5	2	2	16
25	8	8	4	10	2	32
26	3	3	5	1	4	16
27	4	2	1	6		13
28	5	2	2	1	3	13
29	6	6	4	2	1	19
30		8	5	3	2	18
31						0
32			1		1	2
36					1	1
Total	56	50	53	68	78	305

JACKSONVILLE POLICE AND FIRE PENSION FUND

TABLE IV-D
(Continued)

Section IV: Funded Position and Key Statistics

Analysis of Active DROP Participants as of September 30, 2008

Attained Age	Average Annual Benefit (*)										Total Accumulated DROP Amount
	Number of Completed Years in DROP										
	0 Years		1 Year		2 Years		3 Years		4 Years		
40	\$ 37,229	(2)	-----	(0)	-----	(0)	-----	(0)	-----	(0)	\$ 45,351
41	\$ 43,683	(6)	\$ 49,629	(1)	-----	(0)	-----	(0)	-----	(0)	\$ 239,743
42	\$ 41,123	(3)	\$ 51,891	(1)	-----	(0)	-----	(0)	-----	(0)	\$ 126,590
43	\$ 35,826	(6)	\$ 42,887	(5)	\$ 50,785	(1)	-----	(0)	\$ 37,154	(1)	\$ 752,110
44	\$ 46,518	(4)	-----	(0)	-----	(0)	\$ 41,546	(2)	-----	(0)	\$ 410,304
45	\$ 40,417	(12)	\$ 42,063	(5)	\$ 37,238	(2)	-----	(0)	\$ 44,878	(1)	\$ 956,003
46	\$ 40,835	(9)	\$ 51,090	(2)	\$ 59,828	(4)	-----	(0)	\$ 40,434	(1)	\$ 1,128,152
47	\$ 45,985	(7)	\$ 44,418	(5)	\$ 46,793	(4)	\$ 45,585	(1)	-----	(0)	\$ 1,194,111
48	\$ 42,428	(7)	\$ 57,325	(3)	\$ 51,737	(2)	-----	(0)	-----	(0)	\$ 668,266
49	\$ 47,715	(7)	\$ 44,563	(5)	\$ 64,406	(7)	\$ 58,947	(3)	\$ 42,787	(4)	\$ 3,225,877
50	\$ 46,194	(7)	\$ 51,799	(4)	\$ 48,054	(5)	\$ 43,980	(1)	\$ 49,807	(2)	\$ 1,714,008
51	\$ 49,817	(10)	\$ 42,163	(8)	\$ 63,262	(6)	\$ 51,986	(6)	\$ 48,225	(3)	\$ 3,709,343
52	\$ 44,061	(5)	\$ 59,083	(5)	\$ 68,831	(1)	\$ 54,011	(2)	\$ 53,316	(3)	\$ 2,094,046
53	\$ 47,187	(7)	-----	(0)	\$ 59,636	(4)	\$ 68,633	(4)	\$ 51,328	(8)	\$ 3,801,998
54	\$ 37,172	(1)	\$ 44,175	(5)	\$ 68,406	(5)	\$ 57,105	(5)	\$ 53,510	(2)	\$ 2,937,693
55	\$ 38,589	(2)	\$ 44,774	(2)	\$ 53,200	(5)	\$ 64,658	(5)	\$ 51,416	(4)	\$ 3,259,789
56	\$ 41,504	(1)	\$ 37,321	(1)	\$ 56,870	(2)	\$ 57,607	(2)	\$ 50,867	(3)	\$ 1,670,309
57	\$ 42,055	(3)	\$ 40,070	(3)	\$ 31,352	(1)	-----	(0)	\$ 66,719	(1)	\$ 719,572
58	-----	(0)	-----	(0)	\$ 44,444	(2)	\$ 75,607	(1)	\$ 61,976	(2)	\$ 1,223,637
59	-----	(0)	-----	(0)	\$ 37,911	(1)	\$ 87,933	(2)	\$ 43,211	(1)	\$ 1,072,330
60	\$ 33,895	(1)	\$ 38,811	(2)	\$ 38,878	(2)	-----	(0)	\$ 46,500	(4)	\$ 1,294,156
61	\$ 36,279	(1)	\$ 65,225	(1)	-----	(0)	\$ 37,829	(1)	-----	(0)	\$ 299,179
62	-----	(0)	-----	(0)	\$ 36,697	(1)	-----	(0)	\$ 31,005	(1)	\$ 263,538
63	-----	(0)	-----	(0)	-----	(0)	34,715	(1)	-----	(0)	\$ 131,998
Total	\$ 43,472	<u>101</u>	\$ 46,483	<u>58</u>	\$ 55,048	<u>55</u>	\$ 58,111	<u>36</u>	\$ 49,381	<u>41</u>	\$ 32,938,103

(*) Each cell discloses the number of participants (Totaling 291) and the average benefit.

Note: The parenthetical notations described above indicate the count of active DROP participants used in determining the average annual DROP benefit for the indicated age group.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section V: Accounting for Pension Costs and Liabilities

Commencing after June 15, 1996, the reporting of pension plan information in the Plan's financial statements is governed by Governmental Accounting Standards Board Statement No. 25. Historical information required by this standard through September 30, 2008 is provided in this report.

The primary disclosures of actuarial information under GASB No. 25 are the Schedule of Funding Progress and the Schedule of Contributions. Asset information is displayed in the Statement of Plan Net Assets and the Statement of Changes in Plan Net Assets.

Commencing after June 15, 1997, the City's pension reporting in its financial statements is governed by GASB Statement No. 27.

Annual required contributions are determined in accordance with the parameters specified in GASB Statements No. 25 and No. 27.

GASB Statement No. 27 also requires measurement recognition, and displays standards for pension expenditures/expenses and related liabilities, assets, note disclosures, and if applicable, required supplementary information.

Information collected for this review and update consists of participant data as of July 1, 2008 (used for this September 30, 2008 reporting) and asset information as of September 30, 2008. The Plan Administrator provided the information.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Statement of Changes in Plan Net Assets
as of September 30, 2007 and 2008

	<u>2007</u>	<u>2008</u>
<u>Additions</u>		
Contributions		
Employer	\$45,507,990	\$50,596,170
Employee	<u>\$11,260,293</u>	<u>\$11,925,075</u>
	\$56,768,283	\$62,521,245
Other Additions		
Chapter 175/185	\$8,878,324	\$9,426,874
Court fines and penalties	\$1,341,955	\$1,218,796
From other governments	\$0	\$0
Miscellaneous	<u>\$59,053</u>	<u>\$80,677</u>
	\$10,279,332	\$10,726,347
Investment income		
Parking and rental revenue	\$1,871,033	\$2,069,975
Investment income & realized gains	\$31,429,526	\$30,939,324
Unrealized Gains (Losses)	<u>\$113,614,122</u>	<u>(\$167,170,335)</u>
	\$146,914,681	(\$134,161,036)
Less investment expense	\$4,708,635	\$4,793,735
Less parking and rental expense	<u>\$186,350</u>	<u>\$195,043</u>
Net investment income	\$142,019,696	(\$139,149,814)
Total additions	\$209,067,311	(\$65,902,222)
<u>Deductions</u>		
Benefits	\$95,709,743	\$101,676,724
Refund of contributions	\$124,292	\$174,486
Administrative expense	<u>\$2,398,790</u>	<u>\$1,976,453</u>
Total deductions	\$98,232,825	\$103,827,663
Net increase	\$110,834,486	(\$169,729,885)
Net assets held in trust for pension benefits		
Beginning of year	<u>\$839,515,351</u>	<u>\$950,349,837</u>
End of year	<u>\$950,349,837</u>	<u>\$780,619,952</u>

JACKSONVILLE POLICE AND FIRE PENSION FUND

Statement of Plan Net Assets
as of September 30, 2007 and 2008

	<u>2007</u>	<u>2008</u>
<u>Assets</u>		
Cash and short-term investments	\$5,433,583	\$21,946,132
Due from City of Jacksonville	\$3,072,493	\$387,376
Investments, at fair value		
Fixed Income Securities	\$299,499,307	\$269,940,486
Equities	\$672,427,479	\$533,082,605
Accrued Interest	\$2,730,319	\$2,697,500
Dividends receivable	\$816,027	\$691,152
Real Estate	\$114,314,384	\$111,438,447
Property, Plant and Equipment		
Furniture and equipment	\$586,735	\$594,354
Accumulated depreciation	(\$507,726)	(\$561,712)
Other receivables	<u>\$0</u>	<u>\$57</u>
Total assets	\$1,098,372,601	\$940,216,397
<u>Liabilities</u>		
Vouchers payable	\$0	\$5
Accounts payable	\$1,220,000	\$2,162,262
State sales tax payable	\$248	\$0
Accrued wages payable	\$12,468	\$15,445
Customer Deposits	\$1,792	\$1,840
Due to Individual DROP Accounts	\$145,529,387	\$156,434,292
Due to Individual Ret Leave Accounts	\$1,240,132	\$959,731
Current portion long term debt	\$5,621	\$6,861
Other long term liabilities	<u>\$13,116</u>	<u>\$16,009</u>
Total liabilities	\$148,022,764	\$159,596,445
Net assets held in trust for pension benefits (A schedule of funding progress is presented on page 5.)	<u>\$950,349,837</u>	<u>\$780,619,952</u>

Notes to Financial Statements, Plan Year Ended September 30, 2008

1. **Plan Description:** The Jacksonville Police and Fire Pension Fund is a single-employer defined benefit pension plan that covers all employees of the Fire and Police Department of the City in the following categories: Plan 05, Plan 06, Plan 19 and Plan 41.

At September 30, 2008, membership consisted of:

	<u>Number</u>
Retirees currently receiving benefits	1,506
DROP participants	248
Beneficiaries currently receiving benefits	376
Terminated members entitled to but not yet receiving benefits	34
Active plan members	
Vested	1,831
Nonvested	<u>703</u>
Total	4,698

The Plan provides retirement, disability and death benefits to employees and their beneficiaries. A 3.0% annual cost of living increase is granted to pensioners and their beneficiaries.

2. **Summary of Significant Accounting Policies:** The Plan's financial statements are prepared using the accrual basis of accounting. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included to the extent that they are deemed to have accrued as of September 30, 2008. Investments are reported at market value.

3. **Contributions:** Effective October 1, 2003, the City's contribution rate was 18.55% of active members' salaries. As of October 1, 2005, this contribution rate was increased to 26.2% and increased again as of October 1, 2006 to 28.97%. As of October 1, 2007 the City's contribution rate further increased to 32.11% of active members' salaries. The active members are currently contributing 7.00% of salaries and DROP members 2.00%. The remaining contribution is comprised of court fines and most State contributions. Investment costs of the Plan are financed through investment earnings. Other administrative costs are included in the annual required contribution amount.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Schedule of Funding Progress

Plan Year Ending Sept. 30	Actuarial Value of Assets (a)	Accumulated Reserve Accounts (b)	Actuarial Accrued Liability (AAL) (c)	Unfunded AAL (UAAL) (c - a)	Funded Ratio (a / c)	Covered Valuation Payroll (d)	UAAL as a Percentage of Covered Payroll [(c - a) / d]
1999	\$738,460,821	\$33,446,826	\$970,418,025	\$231,957,204	76.10%	\$97,666,003	237.50%
2000	\$814,889,039	\$29,003,489	\$939,801,566	\$124,912,527 ¹	86.71%	\$97,207,387	128.50%
2001 ²	\$766,413,563	\$24,409,050	\$1,012,576,828	\$246,163,265	75.69%	\$96,198,772	255.89%
2002	\$725,416,325	\$12,264,500	\$977,779,454	\$252,363,129	74.19%	\$101,698,016	248.15%
2003	\$732,525,878	\$4,422,747	\$1,146,459,228	\$413,933,350	63.89%	\$109,636,548	377.55%
2004	\$727,955,101	\$18,959,684	\$1,222,354,766	\$494,399,665	59.55%	\$118,510,432	417.18%
2005	\$765,179,843	\$12,609,987	\$1,314,423,639	\$549,243,796	58.21%	\$130,392,284	421.22%
2006	\$827,337,661 ⁴	\$12,177,690	\$1,376,658,788	\$549,321,127	60.10%	\$134,694,392	407.83%
2007	\$930,454,052	\$19,895,785	\$1,464,507,647	\$534,053,595	63.53%	\$143,006,154	373.45%
2008	\$894,903,336	\$12,723,482 ³	\$1,692,974,683	\$798,071,347	52.86%	\$148,276,743	538.23%

¹ Rederived as of 4/1/00.

² The values published for GASB in January, 2002 were later revised with the release of the October 1, 2001 Actuarial Report.

³ These accounts were redefined by the Restated Agreement effective 4/1/00. As of 9/30/08, the value of the City Budget Stabilization Account was \$0 and the Enhanced Benefit Account was \$12,723,482. These amounts are not included in the Actuarial Value of Assets.

⁴ For Plan Years ending 09/30/06 and 09/30/07, the Actuarial Value of Assets was changed to equal Market Value.

JACKSONVILLE POLICE AND FIRE PENSION FUND

Schedule of Contributions From All Sources

<u>Plan Year Ending Sept. 30</u>	<u>Annual Required Contribution</u>	<u>City Cash Contributions</u>	<u>Alloted from CBSA</u>	<u>Court Fines</u>	<u>Premium-Tax Refunds</u>	<u>Total Employer Contributions</u>	<u>Total Member Contributions</u>
1999	\$30,002,143						
2000	\$32,145,813	\$9,186,257	\$8,144,202	\$2,941,761	\$3,888,296	\$24,160,516	\$7,985,297
2001	\$26,874,610	\$9,058,080	\$3,169,774	\$3,033,021	\$3,847,951	\$19,108,826	\$7,765,784
2002	\$35,584,692	\$9,895,774	\$10,389,200	\$3,116,889	\$4,067,920	\$27,469,783	\$8,114,909
2003	\$36,310,748	\$9,734,277	\$10,881,681	\$3,040,897	\$4,385,461	\$28,042,316	\$8,268,432
2004	\$39,295,089	\$22,097,656	\$768,514	\$2,913,999	\$4,740,417	\$30,520,586	\$8,774,503
2005	\$50,727,035	\$25,850,929	\$8,753,301	\$1,324,890	\$5,215,691	\$41,144,811	\$9,582,224
2006	\$53,263,387	\$34,711,990	\$2,105,596	\$1,412,475	\$5,387,776	\$43,617,837	\$9,645,550
2007	\$55,926,556	\$42,866,015	(\$4,358,257)	\$1,341,955	\$5,720,247	\$45,569,960	\$10,356,596
2008	\$65,389,407	\$47,145,307	\$442,776	\$1,218,796	\$5,931,069	\$54,737,948	\$10,651,459

Notes: In all years shown, 100% of the ARC has been contributed thus producing a Net Pension Obligation of \$0 for all years.

City Cash Contributions shown above do not include employer buyback contributions.

Total Member Contributions shown above include DROP contributions, but do not include employee buyback contributions.

Additional Actuarial Information, Plan Year Ended September 30, 2008

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

Valuation date	10/01/08
Actuarial cost method	Entry Age Normal
Amortization method	Level percent; open
Remaining amortization periods	6-30 years
Asset valuation method	5-year smoothing
Actuarial assumptions:	
Net investment rate of return*	8.50%
Projected salary increases*	5.50%
*Includes inflation at	3.00%
Cost-of-living adjustments	3.00%

JACKSONVILLE POLICE AND FIRE PENSION FUND

Section VI: State of Florida Chapter 60T Information

A. Assets See Section III, Table III-C.

B. Unfunded Actuarial Accrued Liability (UAAL)

a. Development of Unfunded Actuarial Accrued Liability (UAAL)
See Section II, Table II-B.

b. Development of Minimum Required Amortization Payment
See Section II, Table II-B.

C. Actuarial Present Value of Accumulated Plan Benefits

See Section IV, Tables IV-A and Section V.

D. Past Contributions

Expected contributions for the Plan Year ending September 30, 2009 - See Section VI-N.
Actual contributions for the Plan Year ending September 30, 2008 - See Section III, Table III-A.

E. Net Actuarial Gain (Loss)

For period ending 09/30/07	N/A (no valuation)
For period ending 09/30/08	\$230,168,269

F. (i) Three Year Comparison of Actual and Assumed Salary Increases (Annualized)

<u>Plan Year Ending</u>	<u>Actual</u>	<u>Assumed</u>
09/30/06	5.2%	5.0%
09/30/07	5.7%	5.0%
09/30/08	6.0%	5.0%

(ii) Three Year Comparison of Investment Return (Market and Actuarial Values, Total Return Basis)

<u>Plan Year Ending</u>	<u>Actuarial Value</u>	<u>Market Value</u>	<u>Assumed</u>
09/30/06	9.14%	8.02%	8.50%
09/30/07	11.96%	15.69%	8.50%
09/30/08	1.98%	-16.12%	8.50%

(iii) Average Annual Growth in Valuation Payroll

<u>Valuation Date</u>	<u>Covered Payroll</u>
10/01/01	\$96,198,772
10/01/02	\$101,698,016
10/01/03	\$109,636,548
10/01/04	\$118,510,432
10/01/05	\$130,392,283
10/01/06	\$134,694,392
10/01/07	\$143,006,154
10/01/08	\$148,276,743
Total % Increase (over last seven years)	54.14%
Annual % Increase (seven year average)	6.38%

G. Benefits and Expenses of Plans not Explicitly or Implicitly Provided for in Valuation

None.

H. Trends Not Taken Into Account But Which Are Likely to Result in Future Cost Increases

None.

I. Statement by Enrolled Actuary

See Cover Letter.

J. Age/Service Distribution of Active Employees

See Section IV, Table IV-D.

K. Derivation of Costs on Current Plan and Current Assumptions

See Section II, Table II-A.

	10/01/06 <u>Report</u>	10/01/08 <u>Before Changes</u>	10/01/08 <u>Assumption Changes Only</u>	10/01/08 <u>Assumption and Method Changes</u>
L. <u>Present Value of Future Benefits</u>				
Actives				
Retirement Benefits	\$641,092,248	\$720,072,911	\$943,617,820	\$943,617,820
Death Benefits	28,800,212	31,730,444	15,916,135	15,916,135
Disability Benefits	56,836,749	63,218,002	25,031,217	25,031,217
Withdrawal Benefits	6,488,308	6,637,045	4,284,636	4,284,636
Return of Contributions	<u>1,529,233</u>	<u>1,626,409</u>	<u>786,166</u>	<u>786,166</u>
Total Actives	\$734,746,750	\$823,284,811	\$989,635,974	\$989,635,974
Inactives				
Retirees and Beneficiaries	\$778,426,066	\$866,795,856	\$886,292,046	\$886,292,046
Disabilities	21,444,758	20,540,426	20,916,131	20,916,131
Vested Terminations	5,867,094	5,199,633	5,255,417	5,255,417
DROP Participants	<u>167,814,598</u>	<u>192,004,454</u>	<u>194,178,120</u>	<u>194,178,120</u>
Total Inactives	\$973,552,516	\$1,084,540,369	\$1,106,641,714	\$1,106,641,714
Total Present Value of Future Benefits	\$1,708,299,266	\$1,907,825,180	\$2,096,277,688	\$2,096,277,688
M. <u>Entry Age Normal Actuarial Accrued Liability</u>				
Actives				
Retirement Benefits	\$369,195,038	\$427,173,925	\$573,115,736	\$573,115,736
Death Benefits	11,992,338	13,591,625	4,977,401	4,977,401
Disability Benefits	25,448,220	29,251,475	9,982,684	9,982,684
Withdrawal Benefits	-2,689,037	-3,083,673	-1,239,713	-1,239,713
Return of Contributions	<u>-840,287</u>	<u>-925,912</u>	<u>-503,139</u>	<u>-503,139</u>
Total Actives	\$403,106,272	\$466,007,440	\$586,332,969	\$586,332,969
Total Inactives	\$973,552,516	\$1,084,540,369	\$1,106,641,714	\$1,106,641,714
Total Entry Age Normal Actuarial Accrued Liability	\$1,376,658,788	\$1,550,547,809	\$1,692,974,683	\$1,692,974,683

	<u>10/1/06 Report</u>	<u>10/1/08 Before Changes</u>	<u>10/1/08 Assumption Changes Only</u>	<u>10/1/08 Assumption and Method Changes</u>
N. <u>Pension Cost</u>				
Normal Actuarial Cost	\$27,553,721	\$30,269,460	\$39,156,441	\$39,156,441
Minimum Payment to UAAL	\$32,232,793	\$49,242,900	\$58,135,155	\$49,146,128
Expected Contributions from City				
Dollar Amount	\$39,020,965	\$61,608,988	\$79,387,368	\$70,401,798
% of Covered Payroll	28.97%	41.55%	53.54%	47.48%
Expected Contributions from Active Employees				
Dollar Amount	\$9,428,607	\$10,379,372	\$10,379,372	\$10,379,372
% of Covered Payroll	7.00%	7.00%	7.00%	7.00%
Expected Contributions from DROP Employees				
Dollar Amount	\$312,882	\$374,440	\$374,440	\$374,440
% of Covered Payroll	0.23%	0.25%	0.25%	0.25%
Expected Contributions from Other Sources*				
Dollar Amount	\$11,024,060	\$7,149,865	\$7,149,865	\$7,149,865
% of Covered Payroll	8.19%	4.82%	4.82%	4.82%

* These sources include most Chapter 175/185 monies, court fines and penalties, and transfers from the CBSA before 10/01/08.

O. Present Value of

Future Salaries	\$1,663,346,800	\$1,791,575,700	\$1,555,017,900	\$1,555,017,900
Future City Contributions	\$481,871,568	\$744,399,703	\$832,556,584	\$738,322,499
Future Active Employee Contributions	\$116,434,276	\$125,410,299	\$108,851,253	\$108,851,253
Future DROP employee Contributions	\$3,825,698	\$4,478,939	\$3,887,545	\$3,887,545
Future Contributions from Other Sources	\$136,228,103	\$86,353,949	\$74,951,863	\$74,951,863

P. Other Information Relating to State Inquiries

- (i) Disclose the actuarial provision for anticipating and prefunding pensionable remuneration in excess of base salary.

The valuation payroll used is comprised of annualized base salary, based on a reported rate of pay, plus upgrade pay and shift pay for the prior fiscal year.

- (ii) Describe the real estate investments and how the market value was established.

The real estate investments are represented by tangible ownership, either as ownership in the name of the Pension Fund or through participation in a commingled pool of core real estate holdings (the institution program through JP Morgan). No real estate holdings are in the form of REIT's.

- (iii) State whether lump sums paid for unused leave time are or are not pensionable.

Such forms of payment are not pensionable.

- (iv) Eligible members may purchase military and other service subject to applicable requirements, and such option apparently may be elected at any time during active employment. Concern arises because the funding for the additional benefits may not commence until the member elects the option, which could be at retirement. It is necessary that the "refunding" provision of the Legislative intent be satisfied.

The cost of purchasing such service is 20% of pay, the actuarial cost of the time purchased.

JACKSONVILLE POLICE AND FIRE PENSION FUND

<u>Age</u>	<u>Prior RET</u>	<u>Updated RET</u>	Based on 10/1/08 <u>Data-Number Eligible to DROP or Retire in PYE 09</u>	<u>Expected Number of Retirements</u>	<u>Expected Number of Retirements Age</u>
40	0.060	0.140	11	1.540	61.600
41	0.060	0.140	9	1.260	51.660
42	0.060	0.140	11	1.540	64.680
43	0.060	0.140	19	2.660	114.380
44	0.060	0.140	20	2.800	123.200
45	0.060	0.140	24	3.360	151.200
46	0.060	0.140	18	2.520	115.920
47	0.060	0.140	27	3.780	177.660
48	0.060	0.140	20	2.800	134.400
49	0.060	0.140	25	3.500	171.500
50	0.060	0.140	11	1.540	77.000
51	0.060	0.140	21	2.940	149.940
52	0.060	0.160	10	1.600	83.200
53	0.065	0.260	12	3.120	165.360
54	0.075	0.300	8	2.400	129.600
55	0.085	0.340	6	2.040	112.200
56	0.085	0.340	4	1.360	76.160
57	0.085	0.340	3	1.020	58.140
58	0.100	0.400	1	0.400	23.200
59	0.150	0.600	0	0.000	0.000
60	0.200	0.800	1	0.800	48.000
61	0.250	1.000	2	2.000	122.000
62	0.300	1.000	0	0.000	0.000
63	0.350	1.000	0	0.000	0.000
64	0.400	1.000	0	0.000	0.000
65	1.000	1.000	<u>0</u>	<u>0.000</u>	<u>0.000</u>
			263	44.980	2211.000

Average Age = $2211.000 / 44.980$
49.155180

Change: Rates increased as shown

Retirement ages have decreased 5 years in the last decade (from age 57 to 53). This is not expected to continue due to recessions and increased longevity. Nearly all members DROP before retiring.