

DALLAS POLICE AND FIRE PENSION SYSTEM

ACTUARIAL VALUATION

AS OF JANUARY 1, 2005

May 31, 2005

Mr. Richard L. Tettamant
Administrator
Dallas Police and Fire Pension System
2301 N. Akard Street, Suite 200
Dallas, TX 75201

Re: Dallas Police and Fire Pension System Actuarial Valuation as of January 1, 2005

Dear Mr. Tettamant:

We certify that the information contained in this report is accurate and fairly presents the actuarial position of the Dallas Police and Fire Pension System (the System) as of January 1, 2005.

Actuarial Valuation

The primary purpose of the valuation report is to determine the adequacy of the current City's contribution rate, to describe the current financial condition of the System, and to analyze changes in the System's condition. In addition, the report provides information required by the City of Dallas in connection with Governmental Accounting Standards Board Statements Number 25 and Number 27.

Basis for Funding

The member and City contribution rates are established by statute. The City's and the members' contributions are intended to be sufficient to pay the normal cost and to amortize the System's unfunded actuarial accrued liability.

Funding Progress

As of January 1, 2005, the employer contribution rate needed in order to pay the normal cost and fund the Unfunded Actuarial Accrued Liability over 40 years is 25.86%. This amount is slightly less than the 27.25% employer contribution calculated as of January 1, 2004. The current contribution rate covers the normal cost and the amortization of the Unfunded Actuarial Accrued Liability (UAAL) over 29 years.

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Benefit Provisions

The actuarial valuation reflects the benefit and contribution provisions set forth in the System's statutes. There are no significant benefits which were not taken into account in this valuation. The valuation is based on the same benefit provisions as the previous valuation.

Assumptions and Methods

The actuarial assumptions and methods used in the valuation are presented in Schedule C. There were changes in actuarial assumptions since the last actuarial valuation. These changes were made to better reflect recent experience and our expectations about future experience. These changes include:

1. Assuming active members currently eligible for DROP and who have not joined will not join DROP, and
2. Changing the withdrawal and retirement rates.

The assumptions used are individually reasonable and reasonable in the aggregate.

Data

Asset information and member data for retired, active, and inactive members was supplied as of January 1, 2005 by the Administrator. We have not subjected this data to any auditing procedures, but have examined the data for reasonableness and consistency with the prior year's data.

Very truly yours,

Signed (RICHARD A. MACKESEY)

Richard A. Mackesey, F.S.A.
Principal and Consulting Actuary

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Enclosures

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Summary of Principal Results

	January 1, 2005	January 1, 2004
Membership		
Active	4,597	4,606
Terminated with deferred benefits	156	152
Retired members and beneficiaries	3,034	2,947
Compensation		
Total	\$ 281,569,096	\$ 265,226,676
Average	\$ 61,251	\$ 57,583
Assets		
Market value	\$ 2,484,994,949	\$ 2,183,058,868
Actuarial value	\$ 2,484,994,949	\$ 2,285,744,890
Valuation Results		
Unfunded actuarial accrued liability	\$ 589,053,564	\$ 603,180,958
Funding period	29	38
40-year funding cost (City)	25.86%	27.25%
Margin	1.64%	0.25%
GASB No. 25		
Actuarial accrued liability (AAL)	\$ 3,074,048,513	\$ 2,888,925,848
Assets (actuarial)	\$ 2,484,994,949	\$ 2,285,744,890
GASB ratio	80.8%	79.1%
Unfunded AAL	\$ 589,053,564	\$ 603,180,958

Comments on the Valuation

Overview

The current contribution rates are sufficient to keep the System actuarially sound, based on the current membership data, the current financial data, the current benefit provisions and the actuarial assumptions and methods used to determine liabilities and costs.

The overall funding of the Plan remains sound. The funding period decreased to 29 years from 38 years. This decrease was primarily due to resetting the actuarial value of assets to be the market value of assets at January 1, 2005 and a change to the retirement and withdrawal rates offset by a loss on the actuarial value of assets.

Section 3 shows in more detail the changes to the 40-year funding cost and the funding period based on the current contribution rates.

Funding status

There are two significant measures of the funding status of the System. The first is the 40-year funding cost. This is the City contribution rate required to pay the normal cost and to amortize the UAAL over a 40-year period. This rate is currently 25.86% compared with the City's actual contribution rate of 27.50% and with the 40-year funding cost in 2004 of 27.25%. Section 3 shows a reconciliation of the changes between the 2004 and 2005 figures.

The other measure is the funding period. This is the length of time in years that will be required to amortize the current UAAL based on the current contribution rate. The current contribution rate is sufficient to pay the normal cost and amortize the UAAL over 29 years.

The UAAL is the excess of the liability assigned to prior years (the actuarial accrued liability) over the value of assets. Section 3 shows a reconciliation of this amount between 2004 and 2005.

GASB Statements

Section 4 provides the information required for reporting under GASB No. 25.

Benefit Provisions

Schedule B summarizes all the benefit provisions of the System. There are no significant benefits which were not taken into account in this valuation. The valuation is based on the same benefit provisions as the previous valuation.

Actuarial Assumptions and Methods

The actuarial assumptions and methods used in the valuation are presented in Schedule C. There were changes in actuarial assumptions since the last actuarial valuation. These changes were made to better reflect recent experience and our expectations about future experience. These changes include:

1. Assuming active members currently eligible for DROP and who have not joined will not join DROP, and
2. Changing the withdrawal and retirement rates.

The assumptions used are individually reasonable and reasonable in the aggregate.

Schedule D compares the assumptions to the recent experience of the system and describes the adequacy of the assumptions.

GASB Statement No. 27

Under GASB Statement No. 27, which is effective for fiscal years beginning after June 15, 1997, employers must determine a pension expense based on a 40-year amortization of the UAAL. The amortization can assume payroll growth due to inflation, but no membership growth. After a 10-year transition period, the required amortization period will drop to 30 years. If the actual contribution rate is less than the rate required by GASB No. 27, the excess must be expensed. This will result in the employer showing an accrued but unpaid liability for pension benefits on its financial statements.

A City Contribution rate of 25.86% will be required for the City to avoid showing an accrued pension liability on its financial statements for the fiscal year beginning in 2005 if not for the fact that previous contributions have exceeded the GASB requirements. At the current rate of contribution, and assuming no other changes, the City will not be required to show an accrued but unpaid pension liability for the System on its financial statement in the future.

Financial Data

The financial data used in this report was supplied by the System.

Section 5 reconciles the System's assets between 2004 and 2005 and shows the development of the actuarial value of assets (AVA). Rather than using the market value for cost calculations, an adjusted market value, which phases in gains and losses (compared to the assumed investment return rate) over five years, is used. For the 2005 valuation, the actuarial value of assets was reset to the market value of assets and the five-year phase in of gains and losses will begin with the asset gains and losses that occur after December 31, 2004. The estimated rate of return for 2004 is 14.00% for the market value of assets.

Membership Statistics

Data on active members and on retired members was supplied by the Administrator. Growth among active members was relatively flat and growth of the total payroll for active members was moderate during the last year. The active membership decreased from 4,606 members as of January 1, 2004 to 4,597 members as of January 1, 2005. The total active payroll increased from \$265,226,676 to \$281,569,096 over the same period, a 6.2% increase. Schedule A shows a summary of the membership data.

Experience

Schedule D compares the actual experience of the system with the actuarial expectations.

Actuarial Cost, Margin and Funding Period

	<u>January 1, 2005</u>	<u>January 1, 2004</u>
1. Covered Payroll		
a. Active members excluding DROP	\$ 206,722,304	\$ 193,154,969
b. DROP members	\$ <u>74,846,792</u>	\$ <u>72,071,707</u>
c. Total	\$ 281,569,096	\$ 265,226,676
2. Actuarial value of future pay		
a. Active members excluding DROP	\$ 1,458,889,300	\$ 1,366,799,000
b. DROP members	\$ <u>1,079,666,600</u>	\$ <u>931,192,700</u>
c. Total	\$ 2,538,555,900	\$ 2,297,991,700
3. Current contribution rates		
a. City	27.50%	27.50%
b. Member	<u>8.50%</u>	<u>8.50%</u>
c. Total	36.00%	36.00%
4. Actuarial present value of future benefits	\$ 3,659,649,234	\$ 3,430,493,676
5. Actuarial present value of future normal costs		
a. Total	\$ 585,600,721	\$ 541,567,828
b. Member (3b x 2a)	\$ 124,005,591	\$ 116,177,915
c. City (5a - 5b)	\$ 461,595,130	\$ 425,389,913
6. Actuarial accrued liability (4 - 5a)	\$ 3,074,048,513	\$ 2,888,925,848
7. Actuarial value of assets	\$ 2,484,994,949	\$ 2,285,744,890
8. Unfunded actuarial accrued liability (UAAL) (6 - 7)	\$ 589,053,564	\$ 603,180,958
9. Normal cost		
a. Normal cost percentage (5a ÷ 2c)	23.07%	23.57%
b. Total normal cost (1c x 9a)	\$ 64,957,990	\$ 62,513,928
c. Member normal cost (1a x 3b)	\$ 17,571,396	\$ 16,418,172
d. City normal cost (9b - 9c)	\$ 47,386,594	\$ 46,095,756
e. City normal rate (9d ÷ [1c x 1.07])	15.73%	16.24%

Actuarial Cost, Margin and Funding Period
(continued)

	<u>January 1, 2005</u>	<u>January 1, 2004</u>
10. 40-year funding cost*		
a. City normal cost rate	15.73%	16.24%
b. Amortization rate	<u>10.13%</u>	<u>11.01%</u>
c. Total	25.86%	27.25%
11. Margin over/(under) 40-year cost* (3a - 10c)	1.64%	0.25%
12. Funding period to amortize UAAL	29	38

* 40-year funding cost is necessary for accounting purposes only. The actual funding period is calculated each year based on level contributions and is currently 29 years.

Analysis of Change in UAAL

1. UAAL as of January 1, 2004	\$ 603,180,958
2. Changes due to:	
a. Expected increase (negative amortization)	\$ 17,271,627
b. Actual contributions greater than expected	(6,447,992)
c. Liability experience	(9,594,749)
d. Asset experience	94,349,639
e. Assumption change	(6,695,016)
f. Asset method change	<u>(103,010,903)</u>
g. Total changes	\$ (14,127,394)
3. UAAL as of January 1, 2005	\$ 589,053,564

Analysis of Change in Funding Cost

1. 40-year funding cost* as of January 1, 2004	27.25%
2. Changes due to:	
a. Actual contributions greater than expected	(0.11)
b. Liability experience	(0.50)
c. Asset experience	1.49
d. Assumption change	(0.50)
e. Asset method change	<u>(1.77)</u>
f. Total	(1.39)
3. 40-year funding cost* as of January 1, 2005	25.86%

* 40-year funding cost is necessary for accounting purposes only. The actual funding period is calculated each year based on level contributions and is currently 29 years.

Analysis of Change Funding Period

1. Funding period as of January 1, 2004	38
2. Changes due to:	
a. Passage of time	(1)
b. Actual contributions greater than expected	(1)
c. Liability experience	(3)
d. Assumption change	(3)
e. Asset method change	(15)
f. Asset experience	<u>14</u>
g. Total	(9)
3. Funding period as of January 1, 2005	29

Historical Trend Information

(As required by GASB #25 - Amounts are in millions of dollars)

	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
January 1, 2000	1,772	2,094	322	84.6%	213	151.2%
January 1, 2001	2,005	2,328	323	86.1%	224	144.2%
January 1, 2002	2,158	2,554	396	84.5%	251	157.8%
January 1, 2003	1,992	2,738	746	72.8%	270	276.3%
January 1, 2004	2,286	2,889	603	79.1%	265	227.5%
January 1, 2005	2,485	3,074	589	80.8%	282	208.9%

**GASB #25 Schedule of Employer Contributions
 for Year Ending December 31, 2004**

<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
27.50% of Pay	100.0%

Summary of Accumulated Benefits
(FASB #35)

Accumulated Benefits at January 1, 2005

Vested benefits of participants and beneficiaries currently receiving payments		\$ 1,331,143,563
Other vested benefits		1,413,978,655
Nonvested benefits		<u>140,552,226</u>
Total benefits		\$ 2,885,674,444

FASB #35 Reconciliation

Accumulated benefits at January 1, 2004		\$ 2,773,638,507
Benefits accumulated	\$ 36,322,348	
Interest	231,421,290	
Benefits paid	(104,194,947)	
Assumption change	(51,512,754)	
Plan amendments	<u>0</u>	
Total Change		<u>112,035,937</u>
Accumulated benefits at January 1, 2005		\$ 2,885,674,444

Reconciliation of Fund Assets

	<u>Year Ending December 31, 2004</u>
1. Value of fund at beginning of year	\$ 2,183,058,869
2. Contributions	
a. City	83,290,516
b. Member	<u>17,355,730</u>
c. Total	\$ 100,646,246
3. Benefit payments	(103,393,633)
4. Refunds	(801,314)
5. Earnings	318,017,152
6. Expenses	(12,532,371)
7. Value of assets at end of year	\$ 2,484,994,949
8. Estimated rate of return	14.00%

Calculation of Actuarial Value of Assets

1. Market value of assets as of January 1, 2005	\$2,484,994,949
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Membership Data

	<u>January 1, 2005</u>	<u>January 1, 2004</u>
1. Active members (excluding DROP)		
a. Police and Fire		
1. Number	3,619	3,612
2. Covered payroll	\$ 206,722,304	\$ 193,154,969
3. Average annual pay	\$ 57,121	\$ 53,476
4. Average age	38.42	38.18
5. Average service (years)	12.25	12.11
b. Police		
1. Number	2,400	2,410
2. Covered payroll	\$ 136,678,036	\$ 128,741,808
3. Average annual pay	\$ 56,949	\$ 53,420
4. Average age	38.20	37.91
5. Average service (years)	12.01	11.78
c. Fire		
1. Number	1,219	1,202
2. Covered payroll	\$ 70,044,268	\$ 64,413,161
3. Average annual pay	\$ 57,460	\$ 53,588
4. Average age	38.85	38.72
5. Average service (years)	12.72	12.76

Membership Data
 (continued)

	<u>January 1, 2005</u>	<u>January 1, 2004</u>
2. Active members (DROP only)		
a. Police and Fire		
1. Number	978	994
2. Covered payroll	\$ 74,846,792	\$ 72,071,707
3. Average annual pay	\$ 76,530	\$ 72,507
4. Average age	54.30	53.91
5. Average total service (years)	28.29	28.05
6. Average time in DROP (years)	4.17	3.80
7. DROP account balance	\$ 200,704,549	\$ 175,552,289
b. Police		
1. Number	518	523
2. Covered payroll	\$ 39,612,098	\$ 37,992,443
3. Average annual pay	\$ 76,471	\$ 72,643
4. Average age	54.22	53.92
5. Average total service (years)	27.74	27.61
6. Average time in DROP (years)	4.00	3.76
7. DROP account balance	\$ 98,218,447	\$ 88,322,408
c. Fire		
1. Number	460	471
2. Covered payroll	\$ 35,234,694	\$ 34,079,264
3. Average annual pay	\$ 76,597	\$ 72,355
4. Average age	54.40	53.90
5. Average service (years)	28.90	28.54
6. Average time in DROP (years)	4.35	3.85
7. DROP account balance	\$ 102,486,102	\$ 87,229,881

Membership Data
 (continued)

	<u>January 1, 2005</u>	<u>January 1, 2004</u>
3. Active members (including DROP)		
a. Police and Fire		
1. Number	4,597	4,606
2. Covered payroll	\$ 281,569,096	\$ 265,226,676
3. Average annual pay	\$ 61,251	\$ 57,583
4. Average age	41.80	41.57
5. Average service (years)	15.66	15.55
6. DROP account balance	\$ 200,704,549	\$ 175,552,289
b. Police		
1. Number	2,918	2,933
2. Covered payroll	\$ 176,290,134	\$ 166,734,251
3. Average annual pay	\$ 60,415	\$ 56,848
4. Average age	41.04	40.76
5. Average service (years)	14.80	14.60
6. DROP account balance	\$ 98,218,447	\$ 88,322,408
c. Fire		
1. Number	1,679	1,673
2. Covered payroll	\$ 105,278,962	\$ 98,492,425
3. Average annual pay	\$ 62,703	\$ 58,872
4. Average age	43.11	42.99
5. Average service (years)	17.15	17.20
6. DROP account balance	\$ 102,486,102	\$ 87,229,881

Membership Data
(continued)

	<u>January 1, 2005</u>	<u>January 1, 2004</u>
4. Inactive members		
a. Retired members	2,316	2,236
b. Beneficiaries	718	711
c. Number entitled to deferred benefits	<u>156</u>	<u>152</u>
d. Total number of inactive members	3,190	3,099
e. Total annual benefit	\$ 102,384,942	\$ 95,376,901
f. Average annual benefit	\$ 32,096	\$ 30,777

**Summary of Benefit Provisions
As of January 1, 2005
For Actuarial Calculations**

Group A

Definitions

Base Pay: The annualized maximum monthly civil service pay established by the City for a police officer or fire fighter exclusive of any and all other forms of compensation.

City Service Incentive Pay: Additional annualized salary granted to Member under the authority of the City Charter.

Longevity Pay (Service Pay): Additional annualized salary granted to Member under provisions of Section 141.032, Local Government Code, for each year of service completed by such Member.

Pension Service: Time in years (prorated for fractional years) that Member made contributions under the terms of the Combined Pension Plan or under any Pension Plan within the Pension System.

Pension System: The Dallas Police and Fire Pension System

Qualified Surviving Spouse: The Member's legal spouse at time of death providing the marriage occurred prior to the Member's termination of employment (entering DROP is not considered termination of employment) and continued until the member's death.

Qualified Surviving Children: All surviving unmarried children under 19 years of age (23 for a disabled child) provided they were born or adopted before Member terminated his employment.

Contribution Rates

The Member contribution rate is 6.5%. Members contribute for a maximum of 32 years.

The City's contribution rate is a function of the highest Member contribution rate of any pension plan within the Pension System (currently Group B) as follows:

<u>City</u>	<u>Member</u>
28.5%	9.0%
27.5	8.5
26.0	8.0
24.5	7.5
23.0	7.0
21.5	6.5

Service Retirement Benefits

Annual Normal Retirement Pension

Greater of I or II:

I. Condition for Retirement: Age 50 with 20 years of Pension Service.

Amount of Pension Benefit: 50% of Base Pay, plus 50% of Longevity Pay, plus 50% City Service Incentive Pay. Pension is increased annually to reflect changes in the rate of

Longevity Pay and City Service Incentive Pay based on Member's Pension Service and status at date of retirement.

Member may retire as early as age 45 with 20 years of Pension Service. Pension benefit will be reduced by 2/3 of 1% per month of retirement prior to age 50.

II. Condition for Retirement: Age 55 with 20 years of Pension Service.

Amount of Pension Benefit: 3% of Base Pay for each year of Pension Service (maximum of 32 years), plus 50% of Longevity Pay, plus 50% of City Service Incentive Pay. Pension is increased annually by 4% of the original pension benefit.

Member may retire as early as age 50 with 20 years of Pension Service. Pension benefit will be reduced by 2/3 of 1% for each month of retirement prior to age 55.

Disability Retirement Benefits

Condition for Retirement: Disability preventing Member from performing his or her duties with his or her department and lasting for a period of not less than 90 days.

Annual Amount of Pension

Greater of I or II:

I. Same as Normal Retirement Pension (I).

II. Depending on Source of Disability

- a. Service Related Disability: 3% of Base Pay for each year of Pension Service (minimum of 20 years, maximum of 32 years), plus 50% of Longevity Pay, plus 50% of City Service Incentive Pay. Benefit is increased annually by 4% of the original amount, or
- b. Non-Service Related Disability: 3% of Base Pay for each year of Pension Service (maximum 32 years), plus 50% of Longevity Pay, plus 50% of City Service Incentive Pay. Benefit is increased annually by 4% of the original amount.

Survivor Benefits

Survivor Benefits for Qualified Surviving Spouse: Death in Active Service: 50% of Service Retirement Pension calculated with a minimum of 20 years of Pension Service.

Survivor Benefits when no Qualified Surviving Spouse: Death in Active Service: 50% of Service Retirement Pension calculated with a minimum of 20 years of Pension Service. The benefit will be paid as a lump sum equal to the value of the lesser of a 10-year benefit or the remainder of the 10-year period if Qualified Surviving Children receive benefit.

Survivor Benefits After Retirement: The Qualifying Surviving Spouse shall receive 50% of any benefits paid to the Member. The percentage is increased if the Qualified Surviving Spouse has attained age 55, there are no Qualified Surviving Children who are eligible for death benefits, the member retired after age 55 with 20 years of Pension Service or the Member's age plus Pension Service at retirement was at least 78 and the Member was receiving a benefit based on the former Plan A formulas.

Survivor Benefits After Retirement or Termination for a Non-Qualifying Surviving Spouse: The Surviving Spouse shall receive 50% of any benefits paid to the Member. However, the Member's benefit will be reduced for this coverage.

Survivor Benefits for Qualified Surviving Children: An amount equal to the amount paid to the Qualified Surviving Spouse divided among the Qualified Surviving Children. Amount paid as long as one or more children continue to qualify.

Survivor Benefits After December 17, 2001: For Members leaving active service after December 17, 2001, a Member may elect to receive an actuarially reduced benefit in order to provide a greater survivor percentage to the qualified spouse. Minimum benefits do not apply.

Minimum Benefits

The minimum benefit is \$2,200 monthly for 20 years of Pension Service at retirement, and \$1,200 monthly for Qualified Surviving Spouses, if there are no Qualified Surviving Children receiving benefits. The minimum benefit is \$1,100 monthly for Qualified Surviving Children and Qualified Surviving Spouses if Qualified Surviving Children are receiving benefits. This minimum does not affect the base benefit. The benefit will not increase until the base retirement benefit with annual increases exceeds the minimum.

Benefit Supplement

If a Member retires with 20 years of Pension Service or if a Member is receiving a service related disability the Member or the Member's Qualified Surviving Spouse is entitled to receive the greater of \$75 or 3% of the monthly benefit payable to the member when the Member or the Qualified Surviving Spouse attains age 55. This supplement is also available for both the

Member or the Member's Non-Qualifying Surviving Spouse for a member who has elected a reduced benefit to obtain coverage for a Non-Qualifying Surviving Spouse.

Group B

Definitions

Computation Pay: The annualized monthly rate of pay for the highest civil service rank held by a Member plus Educational Incentive Pay plus Longevity Pay plus City Service Incentive Pay.

Average Computation Pay: Computation Pay averaged over 36 months.

City Service Incentive Pay: Additional annualized salary granted to Member under the authority of the City Charter.

Longevity Pay: Additional annualized salary granted to Members under a provision of Section 141.032, Local Government Code, for each year of service completed by such Member.

Pension Service: The period, in years, months, and days, during which the Member made contributions under the terms of the Combined Plan or any Pension Plan within the Pension System.

Qualified Surviving Spouse: The Member's legal spouse at the time of death providing the marriage occurred prior to the Member's termination of employment (entering DROP is not considered termination of employment).

Pension System: The Dallas Police and Fire Pension System.

Qualified Surviving Children: All surviving unmarried children under 19 years of age (23 for a disabled child) provided they were born or adopted before the Member terminated his employment.

Educational Incentive Pay: Additional annualized salary granted to reward completion of college credits.

Contribution Rates

The City's contribution percentage is a function of the Member's contribution percentage as shown below:

<u>City</u>	<u>Member</u>
28.5%	9.0%
27.5	8.5
26.0	8.0
24.5	7.5
23.0	7.0
21.5	6.5

The Member contribution rate is currently 8.50%. Members contribute for a maximum of 32 years.

Service Retirement Benefits

Annual Normal Retirement Pension

Condition for Retirement: Attainment of age 50 and five years of Pension Service.

Amount for Allowance: 3% of Average Computation Pay for each year of Pension Service to a maximum of 32 such years.

Early Retirement Pension

Condition for Retirement:

- a. Attainment of age 45 and five years of Pension Service.

Amount of Pension: 3% of Average Computation Pay for each year of Pension Service reduced 2/3 of 1% for each month by which retirement precedes age 50.

- b. 20 years of Pension Service

Amount of Pension: 20 & Out multiplier of Average Compensation Pay for each year of Pension Service.

<u>Age</u>	<u>20 & Out Multiplier</u>
50 & above	3.00%
49	3.00% reduced by 2/3 of 1% for each month prior to age 50
48	2.75%
47	2.50
46	2.25
45 & below	2.00

Special Rule for Members of former Old Plan or Plan A

Group B Members who formerly were Members of either the former Old Plan or Plan A may elect to receive Group A benefits and receive a reimbursement of the additional contributions paid under Group B provisions in excess of the contributions that would have been made under Group A.

Disability Retirement Benefits

Service-Related Disability

Condition for Retirement: Disability preventing the Member from performing his or her duties with his or her department and lasting for a period of not less than 90 days.

Amount of Pension: 60% plus 3% for each year of Pension Service (maximum of 32 years) over 20, of Average Computation Pay.

Non-Service Related Disability

Condition for Retirement: Disability preventing the Member from performing his or her duties with his or her department and lasting for a period of not less than 90 days.

Amount of Pension: 3% of Average Computation Pay for each year of Pension Service (maximum 32 years).

Survivor Benefits

Survivor Benefits for Qualified Surviving Spouse: Death in Active Service: 1.50% of the Member's Average Computation Pay for each year of Pension Service with a minimum of 20 such years and a maximum of 32 such years.

Survivor benefits for Qualified Surviving Spouse: Death in Active Service: 50% of Service Retirement Pension calculated with a minimum of 20 years of Pension Service. The benefit will be paid as a lump sum equal to the value of the lesser of a 10-year benefit or the remainder of the 10-year period if Qualifying Surviving Children receive benefit.

Survivor Benefits After Retirement: The Qualified Surviving Spouse shall receive 50% of any benefits paid to the Member. The percentage is increased if the Qualified Surviving Spouse has attained age 55, there are no Qualified Surviving Children who are eligible for death benefits and the Member retired after age 55 with 20 years of Pension Service or if the Member's age plus Pension Service at retirement was at least 78.

Survivor Benefits After Retirement or Termination for a Non-Qualifying Surviving Spouse: The Surviving Spouse shall receive 50% of any benefits paid to the Member. However, the Member's benefit will be reduced for this coverage.

Survivor Benefits for Qualified Surviving Children: An amount equal to the amount paid to a Qualified Surviving Spouse is divided among the Qualified Surviving Children and continues to be paid as long as one or more of the children continue to qualify.

Survivor Benefits After December 17, 2001: For Members leaving active service after December 17, 2001, a Member may elect to receive an actuarially reduced benefit in order to provide a greater survivor percentage to the qualified spouse. Minimum benefits do not apply.

Post-Retirement Cost of Living Adjustments

Annually, on the first day of October, benefits in pay status will be increased by an amount equal to 4% of the original pension amount.

Minimum Benefits

The minimum benefit for normal retirement is \$2,200 monthly (prorated if less than 20 years at retirement) and \$1,200 monthly for Qualified Surviving Spouses, if there are no Qualified Surviving Children receiving benefits. The minimum benefit is \$1,100 monthly for Qualified Surviving Children and Qualified Surviving Spouses if Qualified Surviving Children are

receiving benefits. This benefit does not affect the base benefit. The benefit will not increase until the base retirement benefit with annual increases exceeds the minimum.

Benefit Supplement

If a Member retires with 20 years of Pension Service or if a Member is receiving a service related disability the Member or the Member's Qualified Surviving Spouse is entitled to receive the greater of \$75 or 3% of the monthly benefit payable to the Member when the Member or the Qualified Surviving Spouse attains age 55. This supplement is also available for both the Member or the Member's Non-Qualifying Surviving Spouse for a member who has elected a reduced benefit to obtain coverage for a Non-Qualifying Surviving Spouse.

Deferred Retirement Option Plan

As of January 1, 1993, at normal retirement age, a member may elect to enter the Deferred Retirement Option Plan (DROP). As of January 1, 1999, a member may also elect to enter DROP after 20 years of Pension Service. Retirement benefits will be calculated as if the Member retired on that date. Employee contributions made under the Combined Pension Plan will cease as will accruals under the Combined Pension Plan. Each month, the retirement benefit will be accumulated in an account earning interest based on a ten-year weighted average of the System's actual market return. Upon termination of employment, the Member will have the balance in account in addition to the monthly benefit payable as though the Member retired at the date the Member entered DROP.

**Statement of Actuarial Methods and Assumptions
 (Effective as of January 1, 2005)**

Investment Return: 8.50% per annum, compounded annually, net all expenses including administrative expenses. This rate reflects an underlying inflation rate of 4.00% and a real rate of return of 4.50%.

DROP balances are assumed to earn 9.00% per annum.

Separations Before Normal Retirement: Representative values of the assumed annual rates of withdrawal, death, and disability are as follows:

Age	Annual Rate per 1,000 Members							
	Withdrawal		Mortality - Disableds		Mortality - Other		Disability	
	Police	Fire	Male	Female	Male	Female	Police	Fire
20	47.0	23.0	48.30	26.30	.51	.28	.35	.70
25	47.0	23.0	48.30	26.30	.66	.29	.37	.75
30	35.0	18.0	36.20	23.70	.80	.35	.42	.84
35	25.0	18.0	27.80	21.40	.85	.48	.48	.96
40	25.0	18.0	28.20	20.90	1.07	.71	.57	1.15
45	25.0	18.0	32.20	22.40	1.58	.97	.79	1.58
50	NA	NA	38.30	25.70	2.58	1.43	NA	NA
60	NA	NA	60.30	33.10	7.98	4.44	NA	NA
70	NA	NA	73.90	41.10	23.73	13.73	NA	NA
75	NA	NA	84.20	49.20	37.21	22.69	NA	NA

Salary Increases: Representative values of the assumed annual rates of future salary increase attributable to seniority and promotion are as follows:

Age	Annual Rate of Salary Increase
20	10.00%
30	5.23
40	4.57
50	4.37
60	4.33

Total payroll is assumed to increase 4.00% per year. New hires are assumed to replace terminations.

Overtime is assumed to be 7% of base pay. The city contributes on total pay including overtime. This assumption is consistent with past experience and the city's budget.

Retirement Rates: The percentage of population assumed to retire at various ages is as follows:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
38	2%	48	2%	58	20%
39	2	49	2	59	20
40	2	50	4	60	20
41	2	51	3	61	20
42	2	52	3	62	20
43	2	53	3	63	20
44	2	54	3	64	20
45	2	55	25	65	100
46	2	56	20		
47	2	57	20		

Rates are applied when a member is eligible to retire. That is, age 50 with five years or 20 years for Plan B, age 55 with 20 years for Plan A, and age 50 with 20 years for Old Plan.

Postretirement Mortality: According to the 1994 Group Annuity Mortality Table for males and females.

DROP Election: Members are assumed to elect DROP at age 50 with five years for Plan B, age 55 with 20 years for Plan A, and age 50 with 20 years for Old Plan. Any active members who satisfy this criteria and have not entered DROP are assumed to never join DROP.

Spouses: 80% of active members are assumed to be married with the male three years older than the female. The age of the youngest child is assumed to be one year.

Assumption as to Choice of Plan Provisions: Those Members eligible to elect between Plan B and the Old Plan are assumed to elect in a manner which maximizes the benefit they receive.

Assumed Post Retirement Cost of Living:

Plan A and Plan B: 4% of original pension annually

Old Plan: 4% compounded annually

Future Expenses: All expenses, investment and administration, are paid from the Fund. The 8.50% assumed rate of return is net of these expenses.

Valuation Method: The method used to determine Normal Cost and Accrued Actuarial Liability is the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, an annual Normal Cost is determined for each covered active Member which is the contribution required to provide all the projected pension benefits assuming this contribution is payable over a period ending on the date of retirement (separation from active service) and expressed as a level percentage of compensation. The Actuarial Accrued Liability is determined as the excess of the total present value of all pension benefits over the total present value of future Normal Costs. The Unfunded Actuarial Accrued Liability as of the valuation date is determined as the excess of the Actuarial Accrued Liability over the assets of the Fund.

The Normal Cost and Accrued Actuarial Liability are derived by making certain assumptions as to the rates of interest, mortality, turnover, etc., which are assumed to reflect experience for many years into the future. Since actual experience will differ from the assumptions, the costs determined must be regarded as estimates of the true costs of the Plan. The effects of any actuarial gains or losses are immediately reflected in the Unfunded Actuarial Accrued Liability and the Normal Cost.

Actuarial Value of Assets: The actuarial value of assets is calculated based on the following formula.

The actuarial value of assets is calculated based on the following formula:

$$MV - (4/5) \times G/(L)_1 - (3/5) \times G/(L)_2 \\ - (2/5) \times G/(L)_3 - (1/5) \times G/(L)_4$$

where:

MV = the market value of assets as of the valuation date

$G/(L)_i$ = the asset gain or (loss) (i.e., actual return on assets less expected return on assets) for the i-th year preceding the valuation date.

This method will be phased in beginning January 1, 2005. Asset gains or losses prior to January 1, 2005, are fully reflected in the calculation of the Actuarial Value of Assets. The Actuarial Value of Assets at January 1, 2005 is equal to the market value of assets on that date. In no event is the actuarial value of assets less than 80% nor more than 120% of the market value of assets.

**Comparison of Actual Experience
 and Actuarial Expectations**

Demographic Assumptions

The demographic assumptions used to value the liabilities of the System are used to estimate the timing and duration of the member contributions and benefit payments of the System. The main demographic assumptions used to value the liabilities of the System consist of termination prior to retirement, disability, retirement, death and DROP age. A comparison of the actual experience of the System to each of these assumptions follows.

Terminations Prior to Retirement			
This assumption was last changed as of January 1, 2005 to better reflect the actual experience of the System and to better anticipate future expectations. The ratio of actual terminations prior to retirement to the expected terminations prior to retirement for the period January 1, 2004 through December 31, 2004 shows that during this period there have been about 52% more terminations than expected.			
January 1, 2004 through December 31, 2004			
	<u>Actual</u>	<u>Expected</u>	<u>Actual/Expected</u>
Termination Prior to Retirement	117	77	152%

Disability			
This assumption was last changed as of January 1, 1999 to better reflect the actual experience of the System and to better anticipate future expectations. The ratio of actual disability retirements to the expected disability retirements for the period January 1, 2000 through December 31, 2004 shows that during this period there have been about 31% less disability retirements than expected. Since the difference in assumed disability retirements and actual disability retirements is small, we do not feel that any change in this assumption is necessary at this time.			
January 1, 2000 through December 31, 2004			
	<u>Actual</u>	<u>Expected</u>	<u>Actual/Expected</u>
Disability Retirements	9	13	69%

Retirement (Leaving Active Service)			
<p>This assumption was changed as of January 1, 2005 to better reflect the actual experience of the System and to better anticipate future expectations. The ratio of actual retirements to the expected retirements using the new retirement rates for the period January 1, 2004 through December 31, 2004 shows that during this period there have been about 1% less retirements than expected.</p>			
January 1, 2004 through December 31, 2004			
Retirement	<u>Actual</u> 123	<u>Expected</u> 124	<u>Actual/Expected</u> 99%

Death			
<p>This assumption was last changed as of January 1, 2001 to better reflect the actual experience of the System and to better anticipate future expectations. The ratio of actual deaths to the expected deaths for the period January 1, 2000 through December 31, 2004 shows that during this period there have been about 2% more deaths than expected. Since the difference in assumed deaths and actual deaths is small we do not feel that any change in this assumption is necessary at this time.</p>			
January 1, 2000 through December 31, 2004			
Death	<u>Actual</u> 422	<u>Expected</u> 413	<u>Actual/Expected</u> 102%

Age at DROP			
<p>This assumption has not changed since the implementation of DROP in 1993. The actual age at DROP is the same as the assumed age of 50. We do not feel any change in assumption is necessary at this time since there is no difference in the assumed age at DROP and the actual age at DROP.</p>			
January 1, 1996 through December 31, 2004			
Age at DROP	<u>Actual</u> 50.0	<u>Expected</u> 50.0	<u>Actual/Expected</u> 100%

Economic Assumptions

The economic assumptions used to value the liabilities of the System are used to estimate the amount and cost of the benefit payments of the System. Economic assumptions are generally based on a building block approach with the inflation rate used as the initial basis. For example, in setting the long-term rate of return, the expected inflation rate is added to the expected real-rate of return to determine the nominal rate of return. This nominal rate of return is then used to determine the present value of future benefit payment amounts. The main economic assumptions used to value the liabilities of the System consist of inflation, long-term rate of return and salary increase rate. A discussion of these assumptions follows.

Inflation			
The inflation assumption used to value the liabilities of the System is 4%. This assumption was last changed as of January 1, 1999 to better anticipate future expectations. The average annual inflation rate (as measured by CPI-U) over the 60 years ending December 31, 2004 has been 4.03%. We feel that given the history of inflation rates and reasonable expectations of the future that the 4% inflation rate assumption is reasonable.			
January 1, 1945 through December 31, 2004			
Inflation	<u>Actual</u> 4.03%	<u>Expected</u> 4.00%	<u>Actual/Expected</u> 101%

Salary Increases			
The salary increase assumption used to value the liabilities of the System varies by the age of the Member. This assumption was last changed as of January 1, 1999 to reflect the change in the inflation rate. Based on our expectations of future promotional and merit salary increases and the assumed rate of inflation, we feel that the current salary increase rates are reasonable. A summary of the actual valuation earnings to the expected valuation earnings over the period January 1, 2000 through December 31, 2004 follows.			
January 1, 2000 through December 31, 2004			
Valuation Compensation	<u>Actual</u> \$1,250,895,240	<u>Expected</u> \$1,226,188,644	<u>Actual/Expected</u> 102%

Long-Term Rate of Return on Plan Assets			
<p>The long-term rate of return on plan assets used to value the liabilities of the System is 8.5%. This assumption was last changed as of January 1, 1999 to better anticipate future expectations and to reflect the change in the inflation rate. Based on the asset allocation policy, expectations of future real rates of return and the expected administrative expenses of the System, we feel that an 8.5% long-term rate of return is reasonable. A summary of the nominal rates of return over the period October 1, 1988 through December 31, 2004 follows.</p>			
<u>Period</u>			<u>Annualized Rate of Return</u>
10/1/1988	through	9/30/1989	25.40%
10/1/1989	through	9/30/1990	(6.53)
10/1/1990	through	12/31/1991	20.73
1/1/1992	through	12/31/1992	2.94
1/1/1993	through	12/31/1993	14.06
1/1/1994	through	12/31/1994	2.78
1/1/1995	through	12/31/1995	24.33
1/1/1996	through	12/31/1996	16.69
1/1/1997	through	12/31/1997	13.84
1/1/1998	through	12/31/1998	13.68
1/1/1999	through	12/31/1999	24.39
1/1/2000	through	12/31/2000	(1.52)
1/1/2001	through	12/31/2001	(7.76)
1/1/2002	through	12/31/2002	(12.26)
1/1/2003	through	12/31/2003	31.65
1/1/2004	through	12/31/2004	13.96
10/1/1988	through	12/31/2004	10.40%

Effective for years beginning on October 1, 2002 and each October 1 thereafter, the DROP interest rate will be determined at a daily rate based on the arithmetic average of the annual market return on the System's investments for the preceding ten calendar years. However, the rate shall not be more than 25 basis points different from the prior year and shall not be less than 8% nor more than 10%. The ten-year arithmetic average of the annual market return on the System's investments for the preceding ten calendar years is 11.70%. Last year's DROP interest rate was 9.25%. Therefore, the annual DROP interest rate for October 1, 2005 is 9.50%.

TABLE 1

THE NUMBER AND ANNUAL AVERAGE COMPENSATION OF ACTIVE
(excluding DROP) MEMBERS DISTRIBUTED BY FIFTH AGE AND SERVICE
AS OF JANUARY 1, 2005

POLICE

ATTAINED AGE	YEARS OF SERVICE																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp
Under 25	47	39,648	38	40,903	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	28	39,615	177	43,656	68	48,220	1	41,913	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	29	39,612	155	44,035	206	50,537	48	56,891	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	9	39,619	67	44,403	96	51,476	279	58,470	100	63,036	0	0	0	0	0	0	0	0	0	0
40 to 44	9	39,642	19	45,754	39	53,158	145	59,069	250	66,695	109	71,259	0	0	0	0	0	0	0	0
45 to 49	2	39,606	8	44,372	7	52,993	29	58,652	110	66,361	184	71,546	78	72,058	0	0	0	0	0	0
50 to 54	1	155,934	3	60,072	3	57,364	9	59,932	20	68,167	7	67,150	12	68,489	0	0	0	0	0	0
55 to 59	0	0	1	43,058	0	0	2	60,355	2	65,501	1	62,632	1	65,544	0	0	0	0	0	0
60 to 64	0	0	0	0	0	0	0	0	1	75,634	0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 1

THE NUMBER AND ANNUAL AVERAGE COMPENSATION OF ACTIVE
(excluding DROP) MEMBERS DISTRIBUTED BY FIFTH AGE AND SERVICE
AS OF JANUARY 1, 2005

FIRE

ATTAINED AGE	YEARS OF SERVICE																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp
Under 25	9	41,893	6	40,347	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	41	40,669	94	43,481	40	48,439	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	11	41,532	79	43,407	122	50,573	23	57,115	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	5	39,648	28	43,686	51	50,928	62	57,804	42	64,746	0	0	0	0	0	0	0	0	0	0
40 to 44	7	45,077	9	45,420	15	52,300	53	58,781	153	67,066	63	70,481	0	0	0	0	0	0	0	0
45 to 49	0	0	1	39,802	3	51,854	19	57,994	75	66,580	114	69,395	65	70,055	0	0	0	0	0	0
50 to 54	0	0	1	141,170	0	0	5	61,519	7	63,425	5	68,054	7	71,320	2	47,659	0	0	0	0
55 to 59	0	0	0	0	0	0	0	0	1	63,265	0	0	1	69,549	0	0	0	0	0	0
60 to 64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 1

THE NUMBER AND ANNUAL AVERAGE COMPENSATION OF ACTIVE
(excluding DROP) MEMBERS DISTRIBUTED BY FIFTH AGE AND SERVICE
AS OF JANUARY 1, 2005

POLICE AND FIRE

ATTAINED AGE	YEARS OF SERVICE																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp
Under 25	56	40,009	44	40,827	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	69	40,241	271	43,595	108	48,301	1	41,913	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	40	40,140	234	43,823	328	50,550	71	56,964	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	14	39,629	95	44,191	147	51,286	341	58,349	142	63,542	0	0	0	0	0	0	0	0	0	0
40 to 44	16	42,020	28	45,647	54	52,920	198	58,992	403	66,836	172	70,974	0	0	0	0	0	0	0	0
45 to 49	2	39,606	9	43,864	10	52,651	48	58,391	185	66,450	298	70,723	143	71,148	0	0	0	0	0	0
50 to 54	1	155,934	4	80,347	3	57,364	14	60,499	27	66,937	12	67,526	19	69,532	2	47,659	0	0	0	0
55 to 59	0	0	1	43,058	0	0	2	60,355	3	64,756	1	62,632	2	67,547	0	0	0	0	0	0
60 to 64	0	0	0	0	0	0	0	0	1	75,634	0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 2

THE NUMBER AND ANNUAL AVERAGE COMPENSATION OF ACTIVE
(including DROP) MEMBERS DISTRIBUTED BY FIFTH AGE AND SERVICE
AS OF JANUARY 1, 2005

POLICE

ATTAINED AGE	YEARS OF SERVICE																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp
Under 25	47	39,648	38	40,903	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	28	39,615	177	43,656	68	48,220	1	41,913	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	29	39,612	155	44,035	206	50,537	48	56,891	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	9	39,619	67	44,403	96	51,476	279	58,470	100	63,036	0	0	0	0	0	0	0	0	0	0
40 to 44	9	39,642	19	45,754	39	53,158	145	59,069	250	66,695	110	71,389	0	0	0	0	0	0	0	0
45 to 49	2	39,606	8	44,372	7	52,993	30	58,779	110	66,361	201	72,204	86	72,158	0	0	0	0	0	0
50 to 54	1	155,934	3	60,072	3	57,364	15	65,617	44	70,126	62	76,468	131	77,438	95	76,168	0	0	0	0
55 to 59	0	0	1	43,058	0	0	3	63,830	14	72,097	22	76,095	40	77,085	71	76,613	22	73,930	0	0
60 to 64	0	0	0	0	0	0	1	77,354	5	68,345	1	71,048	6	70,321	5	74,706	3	73,771	2	78,871
65 to 69	0	0	0	0	0	0	0	0	1	75,636	0	0	0	0	2	74,365	0	0	1	76,350
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 2

THE NUMBER AND ANNUAL AVERAGE COMPENSATION OF ACTIVE
(including DROP) MEMBERS DISTRIBUTED BY FIFTH AGE AND SERVICE
AS OF JANUARY 1, 2005

FIRE

ATTAINED AGE	YEARS OF SERVICE																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp
Under 25	9	41,893	6	40,347	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	41	40,669	94	43,481	40	48,439	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	11	41,532	79	43,407	122	50,573	23	57,115	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	5	39,648	28	43,686	51	50,928	62	57,804	42	64,746	0	0	0	0	0	0	0	0	0	0
40 to 44	7	45,077	9	45,420	15	52,300	53	58,781	153	67,066	64	70,375	0	0	0	0	0	0	0	0
45 to 49	0	0	1	39,802	3	51,854	19	57,994	76	66,479	122	69,856	74	70,759	0	0	0	0	0	0
50 to 54	0	0	1	141,170	1	72,103	10	67,129	17	74,596	55	77,170	117	75,628	93	75,313	2	62,684	0	0
55 to 59	0	0	0	0	0	0	0	3	62,002	5	79,293	50	74,626	72	77,061	13	76,228	0	0	0
60 to 64	0	0	0	0	0	0	0	1	65,603	0	0	1	63,933	14	81,415	6	86,315	6	86,270	0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	79,630	1	86,145	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 2

THE NUMBER AND ANNUAL AVERAGE COMPENSATION OF ACTIVE
(including DROP) MEMBERS DISTRIBUTED BY FIFTH AGE AND SERVICE
AS OF JANUARY 1, 2005

POLICE AND FIRE

ATTAINED AGE	YEARS OF SERVICE																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp
Under 25	56	40,009	44	40,827	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	69	40,241	271	43,595	108	48,301	1	41,913	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	40	40,140	234	43,823	328	50,550	71	56,964	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	14	39,629	95	44,191	147	51,286	341	58,349	142	63,542	0	0	0	0	0	0	0	0	0	0
40 to 44	16	42,020	28	45,647	54	52,920	198	58,992	403	66,836	174	71,016	0	0	0	0	0	0	0	0
45 to 49	2	39,606	9	43,864	10	52,651	49	58,474	186	66,410	323	71,317	160	71,511	0	0	0	0	0	0
50 to 54	1	155,934	4	80,347	4	61,049	25	66,222	61	71,372	117	76,798	248	76,584	188	75,745	2	62,684	0	0
55 to 59	0	0	1	43,058	0	0	3	63,830	17	70,315	27	76,687	90	75,719	143	76,838	35	74,783	0	0
60 to 64	0	0	0	0	0	0	1	77,354	6	67,888	1	71,048	7	69,409	19	79,650	9	82,134	8	84,420
65 to 69	0	0	0	0	0	0	0	0	1	75,636	0	0	0	0	2	74,365	2	79,630	2	81,248
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 3

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF RETIRED MEMBERS
BY AGE AS OF JANUARY 1, 2005

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
43	1	\$ 26,004	\$ 26,004
44	2	30,674	15,337
45	7	191,872	27,410
46	5	131,131	26,226
47	5	145,652	29,130
48	2	33,295	16,648
49	8	184,405	23,051
50	14	504,115	36,008
51	14	361,982	25,856
52	16	577,927	36,120
53	30	1,200,876	40,029
54	27	968,764	35,880
55	48	1,915,585	39,908
56	73	2,814,373	38,553
57	106	4,227,975	39,887
58	117	4,896,284	41,849
59	91	3,502,941	38,494
60	77	2,970,278	38,575
61	91	3,805,274	41,816
62	105	4,268,734	40,655
63	75	3,137,717	41,836
64	104	4,116,555	39,582
65	87	3,639,637	41,835
66	89	3,893,131	43,743
67	75	3,258,480	43,446
68	63	2,505,555	39,771
69	70	2,716,944	38,813
70	70	2,584,941	36,928
71	69	2,435,772	35,301
72	64	2,512,206	39,253
73	69	2,282,939	33,086
74	63	2,179,807	34,600
75	62	2,043,760	32,964
76	53	1,772,088	33,436

TABLE 3

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF RETIRED MEMBERS
BY AGE AS OF JANUARY 1, 2005
CONTINUED

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
77	48	\$ 1,701,371	\$ 35,445
78	33	1,154,870	34,996
79	32	1,018,899	31,841
80	36	1,236,094	34,336
81	24	815,068	33,961
82	13	403,343	31,026
83	12	377,323	31,444
84	19	629,746	33,145
85	17	547,029	32,178
86	6	202,683	33,781
87	9	285,775	31,753
88	4	135,488	33,872
89	2	64,582	32,291
91	1	28,884	28,884
92	1	31,191	31,191
93	1	32,328	32,328
94	1	27,300	27,300
97	1	32,278	32,278
TOTAL	2,112	\$ 80,561,925	\$ 38,145
POLICE	1,230	\$ 44,597,638	\$ 36,258
FIRE	882	\$ 35,964,287	\$ 40,776

TABLE 4
 THE NUMBER AND ANNUAL RETIREMENT
 ALLOWANCE OF DISABLED MEMBERS
 BY AGE AS OF JANUARY 1, 2005

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
37	1	\$ 26,400	\$ 26,400
38	1	26,595	26,595
40	2	56,560	28,280
41	4	119,253	29,813
42	2	51,726	25,863
43	2	46,078	23,039
44	3	81,333	27,111
45	2	66,021	33,011
47	3	84,700	28,233
48	4	113,618	28,405
49	3	79,557	26,519
50	5	146,020	29,204
51	2	58,234	29,117
52	1	30,286	30,286
53	6	202,608	33,768
54	6	193,252	32,209
55	6	244,530	40,755
56	6	182,904	30,484
57	7	243,576	34,797
58	4	99,591	24,898
59	2	41,890	20,945
60	6	189,758	31,626
61	2	70,531	35,266
62	4	175,122	43,781
63	3	91,724	30,575
64	7	266,469	38,067
65	12	503,991	41,999
66	7	283,765	40,538
67	7	253,365	36,195
68	7	213,841	30,549
69	5	199,151	39,830
70	5	187,885	37,577
71	4	128,657	32,164
72	4	140,968	35,242

TABLE 4

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF DISABLED MEMBERS
BY AGE AS OF JANUARY 1, 2005
CONTINUED

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
73	5	\$ 173,512	\$ 34,702
74	5	208,866	41,773
75	7	228,868	32,695
76	4	135,978	33,995
77	4	128,817	32,204
78	6	192,905	32,151
79	6	192,536	32,089
80	5	169,802	33,960
81	3	91,882	30,627
82	5	149,484	29,897
83	3	86,878	28,959
84	2	64,408	32,204
85	1	32,081	32,081
87	2	62,954	31,477
92	1	32,229	32,229
TOTAL	204	\$ 6,851,159	\$ 33,584
POLICE	72	\$ 2,159,286	\$ 29,990
FIRE	132	\$ 4,691,873	\$ 35,544

TABLE 5

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF BENEFICIARIES
BY AGE AS OF JANUARY 1, 2005

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
4	2	\$ 12,603	\$ 6,301
5	3	21,483	7,161
6	1	5,027	5,027
7	2	8,283	4,141
8	4	19,930	4,982
10	3	22,968	7,656
11	2	21,427	10,713
12	3	15,984	5,328
13	3	25,083	8,361
14	2	29,796	14,898
15	6	95,677	15,946
16	3	39,421	13,140
17	7	81,299	11,614
18	2	10,382	5,191
19	4	41,791	10,448
21	1	3,300	3,300
31	2	28,761	14,381
33	2	33,503	16,752
34	1	13,990	13,990
35	2	29,315	14,658
36	1	13,906	13,906
37	1	13,200	13,200
38	2	27,600	13,800
39	1	14,400	14,400
40	2	32,497	16,249
42	1	33,589	33,589
43	2	36,383	18,192
44	3	43,520	14,507
45	4	86,045	21,511
46	3	46,752	15,584
47	4	67,852	16,963
48	3	45,389	15,130
49	4	64,295	16,074
50	6	102,278	17,046
51	8	131,724	16,466

TABLE 5

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF BENEFICIARIES
BY AGE AS OF JANUARY 1, 2005
CONTINUED

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
52	3	\$ 50,256	\$ 16,752
53	6	121,207	20,201
54	8	158,041	19,755
55	6	116,151	19,359
56	14	256,925	18,352
57	10	228,854	22,885
58	15	275,645	18,376
59	13	272,383	20,953
60	6	93,964	15,661
61	14	290,356	20,740
62	8	182,681	22,835
63	12	235,294	19,608
64	9	153,729	17,081
65	23	520,037	22,610
66	19	418,576	22,030
67	16	420,780	26,299
68	14	318,532	22,752
69	19	351,981	18,525
70	16	260,998	16,312
71	18	299,617	16,645
72	22	360,068	16,367
73	17	345,271	20,310
74	26	437,601	16,831
75	21	335,625	15,982
76	30	589,187	19,640
77	23	385,192	16,747
78	25	439,892	17,596
79	15	269,286	17,952
80	29	477,318	16,459
81	22	392,020	17,819
82	18	329,421	18,301
83	22	385,445	17,520
84	10	163,216	16,322
85	16	271,002	16,938
86	16	260,708	16,294
87	8	127,926	15,991

TABLE 5

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF BENEFICIARIES
BY AGE AS OF JANUARY 1, 2005
CONTINUED

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
88	10	\$ 160,250	\$ 16,025
89	9	186,068	20,674
90	9	147,542	16,394
91	4	66,264	16,566
92	3	48,426	16,142
93	4	66,000	16,500
94	4	65,007	16,252
95	1	16,545	16,545
96	3	48,486	16,162
97	1	15,300	15,300
104	1	16,593	16,593
TOTAL	718	\$ 12,751,118	\$ 17,759
POLICE	394	\$ 6,755,972	\$ 17,147
FIRE	324	\$ 5,995,146	\$ 18,504

TABLE 6

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF RETIRED MEMBERS,
DISABLED MEMBERS AND BENEFICIARIES
BY AGE AS OF JANUARY 1, 2005

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
4	2	\$ 12,603	\$ 6,301
5	3	21,483	7,161
6	1	5,027	5,027
7	2	8,283	4,141
8	4	19,930	4,982
10	3	22,968	7,656
11	2	21,427	10,713
12	3	15,984	5,328
13	3	25,083	8,361
14	2	29,796	14,898
15	6	95,677	15,946
16	3	39,421	13,140
17	7	81,299	11,614
18	2	10,382	5,191
19	4	41,791	10,448
21	1	3,300	3,300
31	2	28,761	14,381
33	2	33,503	16,752
34	1	13,990	13,990
35	2	29,315	14,658
36	1	13,906	13,906
37	2	39,600	19,800
38	3	54,195	18,065
39	1	14,400	14,400
40	4	89,057	22,264
41	4	119,253	29,813
42	3	85,315	28,438
43	5	108,465	21,693
44	8	155,527	19,441
45	13	343,938	26,457
46	8	177,883	22,235
47	12	298,204	24,850
48	9	192,302	21,367
49	15	328,257	21,884

TABLE 6

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF RETIRED MEMBERS,
DISABLED MEMBERS AND BENEFICIARIES
BY AGE AS OF JANUARY 1, 2005
CONTINUED

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
50	25	\$ 752,413	\$ 30,097
51	24	551,940	22,998
52	20	658,469	32,923
53	42	1,524,691	36,302
54	41	1,320,057	32,197
55	60	2,276,266	37,938
56	93	3,254,202	34,991
57	123	4,700,405	38,215
58	136	5,271,520	38,761
59	106	3,817,214	36,011
60	89	3,254,000	36,562
61	107	4,166,161	38,936
62	117	4,626,537	39,543
63	90	3,464,735	38,497
64	120	4,536,753	37,806
65	122	4,663,665	38,227
66	115	4,595,472	39,961
67	98	3,932,625	40,129
68	84	3,037,928	36,166
69	94	3,268,076	34,767
70	91	3,033,824	33,339
71	91	2,864,046	31,473
72	90	3,013,242	33,480
73	91	2,801,722	30,788
74	94	2,826,274	30,067
75	90	2,608,253	28,981
76	87	2,497,253	28,704
77	75	2,215,380	29,538
78	64	1,787,667	27,932
79	53	1,480,721	27,938
80	70	1,883,214	26,903
81	49	1,298,970	26,510
82	36	882,248	24,507
83	37	849,646	22,963
84	31	857,370	27,657

TABLE 6

THE NUMBER AND ANNUAL RETIREMENT
ALLOWANCE OF RETIRED MEMBERS,
DISABLED MEMBERS AND BENEFICIARIES
BY AGE AS OF JANUARY 1, 2005
CONTINUED

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
85	34	\$ 850,112	\$ 25,003
86	22	463,391	21,063
87	19	476,655	25,087
88	14	295,738	21,124
89	11	250,650	22,786
90	9	147,542	16,394
91	5	95,148	19,030
92	5	111,846	22,369
93	5	98,328	19,666
94	5	92,307	18,461
95	1	16,545	16,545
96	3	48,486	16,162
97	2	47,578	23,789
104	1	16,593	16,593
TOTAL	3,034	\$ 100,164,202	\$ 33,014
POLICE	1,696	\$ 53,512,896	\$ 31,552
FIRE	1,338	\$ 46,651,306	\$ 34,866

TABLE 7

THE NUMBER AND FUTURE ANNUAL
ALLOWANCE OF TERMINATED MEMBERS
ENTITLED TO A FUTURE BENEFIT
BY AGE AS OF JANUARY 1, 2005

POLICE AND FIRE

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT
28	1	\$ 7,384	\$ 7,384
30	3	18,969	6,323
31	2	12,436	6,218
32	1	7,173	7,173
33	5	48,682	9,736
34	6	53,537	8,923
35	10	93,220	9,322
36	6	70,116	11,686
37	7	100,820	14,403
38	7	69,529	9,933
39	12	150,821	12,568
40	8	135,382	16,923
41	12	168,696	14,058
42	16	286,766	17,923
43	9	113,746	12,638
44	10	175,324	17,532
45	9	193,217	21,469
46	5	71,209	14,242
47	6	75,662	12,610
48	8	88,124	11,016
49	6	144,939	24,157
50	5	93,550	18,710
51	1	21,164	21,164
57	1	20,229	20,229
TOTAL	156	\$ 2,220,695	\$ 14,235
POLICE	123	\$ 1,751,680	\$ 14,241
FIRE	33	\$ 469,015	\$ 14,213

TABLE 8

THE NUMBER, ANNUAL RETIREMENT
ALLOWANCE AND ACCOUNT BALANCE
OF DROP MEMBERS
BY AGE AS OF JANUARY 1, 2005

POLICE AND FIRE
DROP

AGE	NUMBER	BENEFIT	AVERAGE BENEFIT	ACCOUNT BALANCE	AVERAGE ACCOUNT BALANCE
44	2	\$ 49,345	\$ 24,673	\$ 111,699	\$ 55,850
45	3	72,835	24,278	140,132	46,711
47	2	70,240	35,120	59,473	29,737
48	16	684,806	42,800	396,968	24,811
49	23	912,817	39,688	1,478,926	64,301
50	73	3,643,983	49,918	3,289,991	45,068
51	108	5,345,972	49,500	8,777,767	81,276
52	133	6,642,985	49,947	16,785,110	126,204
53	131	6,056,094	46,230	22,551,179	172,146
54	123	5,581,551	45,378	26,092,516	212,134
55	95	4,378,145	46,086	23,848,072	251,032
56	85	3,664,262	43,109	25,050,732	294,714
57	67	2,690,410	40,155	21,512,750	321,086
58	43	1,755,884	40,835	15,010,413	349,079
59	17	752,273	44,251	7,167,984	421,646
60	16	640,746	40,047	7,010,842	438,178
61	21	855,013	40,715	10,159,441	483,783
62	7	282,457	40,351	4,296,357	613,765
63	2	100,240	50,120	1,319,606	659,803
64	4	129,596	32,399	1,514,368	378,592
65	2	74,394	37,197	904,584	452,292
66	1	18,731	18,731	195,949	195,949
67	2	112,115	56,058	1,868,243	934,122
68	2	130,246	65,123	1,161,448	580,724
TOTAL	978	\$ 44,645,140	\$ 45,649	\$ 200,704,550	\$ 205,219
POLICE	518	\$ 23,467,988	\$ 45,305	\$ 98,218,448	\$ 189,611
FIRE	460	\$ 21,177,152	\$ 46,037	\$ 102,486,102	\$ 222,796