

CITY OF WINTER PARK  
DEFINED BENEFIT PLANS STUDY

By,

Foster & Foster, Inc.

July 15, 2010

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## SECTION I

### INTRODUCTION

July 15, 2010

Mr. Randy Knight, City Manager, C.P.A.  
City of Winter Park  
401 Park Avenue South  
Winter Park, Florida  
32789-4386

RE: City of Winter Park Pension Plans Study

Dear Randy:

As requested, we have prepared an analysis which reviews various changes to the current benefit structure for both the Police Officers' and Firefighters' Retirement Systems. The purpose of this review is not to provide recommendations, but only to provide information as to the effect the proposed changes would have on the City's funding requirements.

As you are aware, the City currently sponsors defined benefit plans for both its Police Officers and Firefighters. Generally speaking, these types of plans exist to recruit and retain the very best employees.

The specific changes you asked us to review are as follows:

- 1) Ten-Year projection of the current program's funding requirements.
- 2) Ten-Year projection of eliminating interest on the return of Accumulated Contributions in the event of termination.
- 3) Ten-Year projection of eliminating the COLA for Vested Terminated members, combined with a benefit commencement date at age 55.
- 4) Ten-Year projection of reducing the COLA from 3% to 2% for future benefit accruals.
- 5) Ten-Year projection of reducing Pensionable Compensation to Base Pay with a 20% of Base Pay limitation on additional pensionable items of pay.
- 6) Ten-Year projection of a 2%-3% split multiplier structure.
- 7) Ten-Year projection of phasing in new entrants under a different benefit structure.

It is our understanding that the City is interested in cost containment strategies that will reduce its funding requirements in the range of 3%-5% of payroll. The options described on the previous page were all examined independently and separately from one another. The impact of combining more than one strategy together will likely not have the effect of just adding the individual savings together.

The balance of the study will examine a projection of the anticipated costs associated with making any one of the aforementioned changes. When reviewing the proposed numbers, please keep in mind the following:

- The projections were based upon census data provided by the City or contained in the Annual Reports to the Division of Retirement. Additionally, we relied upon actuarial assumptions, methods, asset information, and Plan provisions contained in the Actuarial Valuation Reports by Gabriel, Roeder, Smith & Company as the actuary for each Plan.
- For purposes of the projections, assets were assumed to earn 8.25% per year for the Police Officers' Plan and 7.75% for the Firefighters' Plan. These are the respective assumptions currently utilized for valuation purposes.
- While we suggest receiving input from the Division of Retirement and Boards' Attorneys, our basic understanding is that a prospective reduction in future benefit accruals for the current membership will result in a reduction in the "Frozen" Amount of State Contributions equal to the first year dollar savings. Reductions for new hires only will not have the same impact of reducing the Frozen Amount.
- For purposes of developing future costs, the population of each department was assumed to be constant, meaning that as Members are projected to terminate or retire, they will be replaced with new Members.
- For the Police Plan, future new hires are assumed to be Age 32.70, make \$39,000 per year, and are 80% male. For the Firefighters' Plan, future new hires are assumed to be Age 27.75, make \$38,453 per year, and are 97% male.
- Future mortality, disability, turnover, retirement, payroll, and wage increases will all be assumed to occur in accordance with the actuarial assumptions outlined in the October 1, 2009 Actuarial Valuation Report.
- Deviations in plan experience relative to the assumptions may have a dramatic impact upon future contribution requirements.
- Savings will not be maximized until all Members are under the new plan parameters. This is because benefits accrued to date for the existing participants must be protected by law.

### **Special Discussion Regarding State Monies**

It is important to keep in mind that any time you make a prospective reduction to benefits for current active Members in a Chapter 175 or 185 plan, you run the risk of the State lowering the Frozen Amount, and thereby not reducing the City's contribution requirement. So while the Total Required Contribution to the Fund would be reduced, the Frozen Amount may also be lowered by a similar amount, which would in turn render the City's requirement mostly unchanged as a result of the reduction. Applicable estimates of the reduction in State Contributions are reflected in our analysis.

Please also keep in mind that the effect of lowering the State Contribution for a prospective reduction in benefits for the current membership has a greater impact on the Firefighters' Plan than for the Police Plan. That is because the City has a credit of \$126,646 for future Police State Monies, but no credit for the Firefighters' Plan. So a reduction in benefits for the Police Plan will first use up some or all of this credit before reducing the current level of State Monies (currently estimated at \$282,690).

Finally, in spite of the reduction in the level of future State Monies, both plans realize a small savings for each of the options due to the 20 year amortization of the 2009 actuarial loss. Additionally, the reduction in State revenue is a one-time decrease; each option will realize a greater savings over time with new hires entering under a reduced benefit structure.

## SECTION II

### POLICE OFFICERS' AND FIREFIGHTERS' PLAN RESULTS

## POLICE OFFICERS' & FIREFIGHTERS' PLAN RESULTS

Pursuant to Chapters 175 and 185, Florida Statutes, all citizens in Florida pay a 1.85% tax on their property insurance premiums (primarily hazard insurance) and a 0.85% tax on their casualty insurance premiums (primarily auto insurance). These statutes provide that if a municipality provides a defined benefit pension program for its Police Officers and/or Firefighters that meets certain criteria, then those premium taxes will be given back to that local municipality for the purpose of providing additional benefits to the Members who protect the property of those citizens. In 2009, Winter Park received \$657,774 in premium taxes for this purpose. For the remainder of this report we will refer to this as State Monies. It is important to point out that all citizens of Winter Park will continue to pay this premium tax even if there is no qualifying defined benefit pension program. In that case, the money would simply remain with the State of Florida, rather than being used to help provide benefits to the Winter Park Police Officers and Firefighters.

There is another term that needs to be defined, and that is the Frozen Amount. The Frozen Amount is the amount of State Monies that, if received, the City can utilize to offset its funding requirements. This amount is currently \$614,939. So if the Plan were to receive \$1,000,000 in State Monies, the City could only utilize \$614,939 of it, and the remainder must be set aside to pay for a benefit improvement for the Membership. Additionally, if the State Monies received were lower than \$614,939 in any given year, the City would have to make up the difference. The Frozen Amount will not change unless the plan is improved or if the benefits are reduced. It is important to note that this amount is a frozen dollar amount, and therefore will represent a decreasing percentage of payroll as payroll increases. Naturally, then, you will see increasing costs for a plan when expressed as a percentage of payroll because the Frozen State Monies cover a smaller percentage of the cost.

As stated above, Winter Park's retirement plans for Police and Fire are Defined Benefit (DB) by design. As the name implies, the benefits are defined in this structure, as opposed to a defined contribution plan (or DC plan) where the contributions are defined. As outlined in Section IV of this report, the current benefits are defined as 3.00% of Average Final Compensation for each year of Credited Service. If a Police Officer or Firefighter works 20 years for Winter Park, then their benefit at retirement is 60% (3.00% times 20 years) of their Average Final Compensation. The Average Final Compensation period is defined as the average of the best 60 successive calendar months out of the last 120 months (all pay is included, excluding special detail pay). Therefore, if the average salary of the Police Officer or Firefighter during their last 5 years of service was \$80,000, then their retirement benefit would be \$48,000 per year



(60% of \$80,000), with each year's benefit being increased by 3% for cost of living increases beginning at age 60. This benefit would be payable for the life of the retiree, with 10 years of payments guaranteed in any event. These benefits are very comparable to other police and fire departments in the state and in the area. We, Foster & Foster, are the actuaries for a large number of Police Officer and Firefighter plans in Florida. Attached in Section V of this report is a comparison of benefits and contribution requirements for all of our Police and Fire clients for 2008.

Because the benefits are defined in a DB plan and the contributions are not, an actuary needs to calculate the required contributions to ensure that there will be enough money in the Pension Fund to pay all of the promised benefits to the current and future retirees when they are due. Each year, as of October 1<sup>st</sup>, we make projections as to all of the retirement benefits that we expect the plan will need to pay in the future. We then compare that liability to the assets in the Fund and determine required contributions for the following year. The primary assumptions used in determining these funding requirements are the expected investment return, individual salary increases, turnover rates and mortality rates.

The methodology utilized by each Board of Trustees is the Entry Age Normal Cost Method. Under this method, a Normal Cost is determined. This Normal Cost is calculated such that if this level percentage of payroll is contributed every year, and all of the assumptions are met regarding investment return, turnover, etc., then there will be enough money in the Fund to pay all promised benefits when they are due. The Normal Cost is currently 22.1% of payroll for the Police Officers' Plan and 28.6% of Payroll for the Firefighters' Plan. What happens in reality is that the investments in any given year don't earn exactly 7.75% or 8.25% (the current assumptions respectively for the Fire and Police Plans) and average salary increases are not exactly 7.9% or 6.9% (the current assumptions respectively for the Fire and Police Plans), etc. Therefore, in addition to the Normal Cost an extra positive or negative contribution will need to be made to account for the fact that the plan has had deviations from the expected. The term Unfunded Actuarial Accrued Liability is a measure of how much money needs to be contributed in addition to the annual Normal Cost in order to fund all future benefits (based upon each Plans' assumptions). The current Unfunded Actuarial Accrued Liability (UAAL) for the Police Plan is \$9,742,158 and \$7,032,692 for the Fire Plan (as of October 1, 2009).

This UAAL is amortized much like a home mortgage with annual payments. The primary difference between a home mortgage and this amortization is that in the pension plan we use increasing payments so that the annual payment stays fairly level as a percentage of payroll from year to year. In the Police and Fire Plans you are

currently using a 3.5% payroll growth assumption when amortizing this UAAL. The actual average payroll increases during the last 10 years are 6.2% for the Fire Plan and 5.1% for the Police Plan. The current amortization payments on the UAAL are \$602,552 (11.5% of payroll) for the Police Plan and \$337,632 (7.0% of payroll) for the Fire Plan.

It is important to point out that there are three events that can increase or decrease the UAAL. The first one, mentioned earlier, is that the plan experiences deviations from the expected with regard to investment return, salary increases, turnover, etc. These are what we term "experience gains or losses". Another event is when there is a change to the actuarial assumptions or methods. If the assumption regarding salary increases is increased, then the projected benefits at retirement are higher and there is an increase in the Unfunded Actuarial Accrued Liability. The last event that causes an increase or decrease in the UAAL is a benefit change; there have been no recent changes to benefits for either the Police or Fire Plan.

For purposes of the study, we first matched the valuation results developed by the current actuary within accepted industry standards. We should mention that the existing methodology for projection of costs seems overly conservative due to a large interest adjustment. A more common interest load would lower the City's costs by approximately 2.0% of payroll for the Fire Plan and 2.4% for the Police Plan. This would occur before any potential change in pay or benefits.

Additionally, we have shown the projected City contribution rates both graphically and numerically. It is important to note that both Plans will incur a spike in funding requirements within the next few years; the Fire plan will go up approximately 13% of payroll during the 2014 fiscal year, followed by a greater than 16% increase for Police during the 2016 fiscal year. These increases are the result of the elimination of the Combined Credit Bases UAAL component established in 1987 for the Fire Plan and 2007 for the Police Plan. Similarly, both plans will realize a comparable decrease in the 2021 fiscal year with the elimination of the Combined Charge Bases established in 2006 for the Fire Plan and 2007 for the Police Plan.

Finally, as a result of a mandated change in the payroll growth assumption, outlined in Chapter 112 of the Florida Statutes, there is a short-term increase in the Total Required Contribution as a result of phasing in New Entrants with pay lower than the current average. This impacts the payroll growth assumption utilized for funding the UAAL, with the result that payment for the UAAL becomes progressively more expensive until most of the existing participants have terminated or retired.

As requested, each of the Study Items discussed below (with the exception of Item #1, Current Plan) eliminates interest on the refund of contributions for termination of employment, in addition to amortizing gains/losses/benefit changes over 20 years. This includes increasing the amortization period for the 2009 loss from 15 to 20 years.

The basic results of the study are shown on pages 11-14, but are discussed briefly on the following few pages.

### **Study Item #1 Current Plan**

For comparative purposes, we thought that it would be good to develop a baseline projection, as if the current plan provisions hold and the assumptions are all met. As you can see, the costs increase dramatically in the near term as investment losses continue to flow into the Plan, in spite of assumed 7.75% and 8.25% market returns from Fiscal 2010 and beyond. It is important to note, however, that the City's costs begin to drop downward and will eventually bottom out at about 16% of payroll for the Fire Plan and 11% of payroll for the Police Plan. This will occur when the UAAL is completely paid off in 2038.

### **Study Item #2 No Interest on Refund of Contributions upon Termination**

Both plans currently provide for a refund of Accumulated Member contributions with 5% interest in the event of termination. This benefit is very generous and unusual. It essentially rewards participants for terminating employment prior to eligibility for retirement. As you can see on pages 11 and 12, the savings is greater in the Police Plan than under the Fire Plan. This is because the Police turnover rates are higher, meaning that more members are assumed to take advantage of the benefit.

### **Study Item #3: Elimination of the COLA for Vested Terminated Benefits Accrued after 2009, Combined with an Age 55 Commencement Date**

Currently, members who terminate employment prior to Early or Normal Retirement eligibility with at least 10 years of Credited Service are entitled to receive a monthly lifetime benefit beginning on the date they would have achieved 20 years of Credited Service (or age 55 if earlier). For example, a Police Officer entering the Plan at age 25 could work 10 years (earning a benefit equal to 30% of the Average Final Compensation), terminate employment, and begin receiving benefits at age 45. COLAs would also be payable on this benefit beginning at age 60.

This study item eliminates the COLA, and benefits would be payable no earlier than age 55.

#### **Study Item #4: Reduction of the COLA from 3% to 2% for Benefits Accrued After 2009**

Both Plans currently provide for payment of an automatic 3% COLA, beginning at age 60 for all types of retirement benefits. This study item reduces the COLA from 3% to 2%, but only for benefits accrued after 2009 since it is our opinion that benefits accrued to date must have the 3% COLA preserved.

For example, a member with 10 years of service as of 2009, and retiring with 20 years of service, will receive a 3% COLA on 50% of the Normal Retirement Benefit. The remaining 50% of the benefit will be subject to a 2% COLA. All participants hired after 2009 will receive only a 2% COLA on benefits. Additionally, our study also eliminates the COLA entirely for future Disability and Death Retirees since these are not considered accrued benefits.

#### **Study Item #5: Reducing Pensionable Compensation**

The State's minimum benefits requirement for Police Officers is to include all items of pay for services rendered, plus overtime up to 300 hours; Firefighters can receive Base Pay, with no additional components of pay for pensionable purposes.

The benefit of reducing pensionable pay, combined with a limitation on payouts results in less volatility in funding requirements; large increases in final year's compensation due to Members working greater than expected amounts of overtime would not happen with this limitation in place.

As discussed during our telephone conference on June 9, this study item reduces pensionable earnings from Total Pay to Base Pay plus Overtime plus Longevity, provided that Overtime plus Longevity does not exceed 20% of Base Pay. Overtime has been limited to 300 hours in any event. This revision was applied to both the Police and Fire Plans.

For those Members who are within 10 years of retirement, it is likely not possible legally to limit their overtime in years that they have already worked. The Plan's definition of Average Final Compensation includes the best 60 consecutive calendar months of the last 120 months of Compensation, and we are concerned that we may run into an "accrued benefits issue" if we were to disallow overtime in years already worked by those near retirement age. For purposes of this study, we have preserved total pay reported for the 2009 valuations for determining projected benefits.

#### **Study Item #6: Split Multiplier Plan**

As discussed earlier in this report, benefits are currently based on a 3% benefit rate. This item maintains 3% for years already accrued, but reduces the accrual to 2% for

future years. Upon the completion of 20 years of Credited Service, the multiplier increases to 3% for all years of Credited Service.

### **Study Item #7: New Entrants Benefit Structure**

This scenario combines all the elements from items 1-6, in addition to certain changes for New Entrants. Police Officers' and Firefighters' who become Members after 2009 would accrue benefits at 2%, with an upgrade to 2.5% for all years after 20 years of service. Additionally, new hires would have no COLA for this proposed Plan.

We were also asked to analyze potential cost savings associated with the following changes:

1. An 80% of Average Final Compensation cap on benefits.
2. A reduction in the interest accrual for DROP accounts from 6.5% to 3.0%.

### **Average Final Compensation Cap**

Specifically, you requested an 80% cap for members with less than 20 years of service as of October 1, 2010. An 80% accrual requires almost 27 years of Credited Service, which is about 7 years after the Normal Retirement Date for the average Firefighter. Given existing Plan assumptions, there is only about a 14% chance that this occurs. For this reason, we did not perform a formal analysis since the cost savings are expected to be minimal at best.

For the Police Plan, it is assumed that no Police Officer works beyond age 58, which provides expected new entrants with about 25 years of Credited Service at the 100% assumed full retirement age. This equates to a benefit of 75% of Average Final Compensation, falling short of the 80% threshold.

In spite of the fact that there is no immediate short term savings associated with an 80% benefits cap, there will be future cost savings for members who elect to work more than about 27 years.

### **Reduction in DROP Interest Accrual**

There are no immediate cost savings with reducing the interest accrual on future DROP accounts from 6.5% to 3.0%. In fact, the 6.5% already provides a slight gain given the 7.75% and 8.25% valuation assumptions; reducing the 6.5% will simply increase these savings assuming the Plans meet future investment expectations. Given the uncertainty of the number of future DROP participants and length of time spent in DROP, the potential savings is difficult to quantify, but is likely small.

A contrarian view to consider in reducing the DROP interest rate is that a smaller interest rate may reduce the utilization of the DROP, i.e. fewer members take

advantage of this optional form of retirement. If that is the case, and the fund realizes investment earnings in excess of the guaranteed rate, then a reduction in the guaranteed rate is not a desirable change in benefits.

## Winter Park Police Officers' Retirement System 10-Year Projections of Estimated Required Sponsor Contributions

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Current Plan</b>												
City/State Required	31.4%	34.8%	38.9%	41.3%	41.6%	58.1%	61.5%	60.0%	60.1%	60.9%	41.5%	40.4%
Estimated State Offset	5.1%	5.0%	4.9%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.2%	4.1%	4.1%
City Required	26.3%	29.8%	35.0%	36.6%	37.0%	53.6%	57.1%	55.7%	55.9%	56.7%	37.4%	36.3%
<b>Item 2</b>												
City/State Required	30.4%	33.3%	37.5%	38.6%	38.8%	55.3%	58.7%	57.0%	57.2%	57.9%	38.5%	37.9%
Estimated State Offset	5.1%	5.0%	4.9%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.2%	4.1%	4.1%
City Required	25.3%	28.3%	32.6%	33.9%	34.2%	50.8%	54.3%	52.7%	53.0%	53.7%	34.4%	33.8%
<b>Item 3</b>												
City/State Required	28.6%	31.4%	35.7%	36.8%	37.3%	53.8%	57.1%	55.6%	55.7%	56.4%	37.0%	36.3%
Estimated State Offset	5.1%	5.0%	4.9%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.2%	4.1%	4.1%
City Required	23.5%	26.4%	30.8%	32.1%	32.7%	49.3%	52.7%	51.3%	51.5%	52.2%	32.9%	32.2%
<b>Item 4</b>												
City/State Required	29.3%	32.0%	36.1%	37.1%	37.4%	53.9%	57.2%	55.5%	55.6%	56.3%	36.9%	36.2%
Estimated State Offset	5.1%	5.0%	4.9%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.2%	4.1%	4.1%
City Required	24.2%	27.0%	31.2%	32.4%	32.8%	49.4%	52.8%	51.2%	51.4%	52.1%	32.8%	32.1%
<b>Item 5*</b>												
City/State Required	27.8%	30.3%	34.3%	35.5%	36.0%	52.1%	55.0%	53.4%	53.4%	54.0%	34.5%	33.4%
Estimated State Offset	4.7%	4.5%	4.4%	4.3%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.6%	3.5%
City Required	23.1%	25.8%	29.9%	31.2%	31.9%	48.1%	51.1%	49.6%	49.7%	50.4%	30.9%	29.9%
<b>Item 6</b>												
City/State Required	28.9%	31.3%	35.4%	36.3%	36.5%	52.9%	56.1%	54.4%	54.4%	55.0%	35.5%	34.8%
Estimated State Offset	5.1%	5.0%	4.9%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.2%	4.1%	4.1%
City Required	23.8%	26.3%	30.5%	31.6%	31.9%	48.4%	51.7%	50.1%	50.2%	50.8%	31.4%	30.7%
<b>Item 7*</b>												
City/State Required	23.0%	25.0%	28.7%	29.7%	30.1%	45.9%	48.5%	46.9%	46.7%	47.0%	27.2%	25.8%
Estimated State Offset	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
City Required	23.0%	25.0%	28.7%	29.7%	30.1%	45.9%	48.5%	46.9%	46.7%	47.0%	27.2%	25.8%

\*Contribution rates have been normalized to be expressed as a percentage of the same pensionable payroll as shown in items 2-4 and 6.

**Winter Park Firefighters' Retirement System**  
**10-Year Projections of Estimated Required Sponsor Contributions**

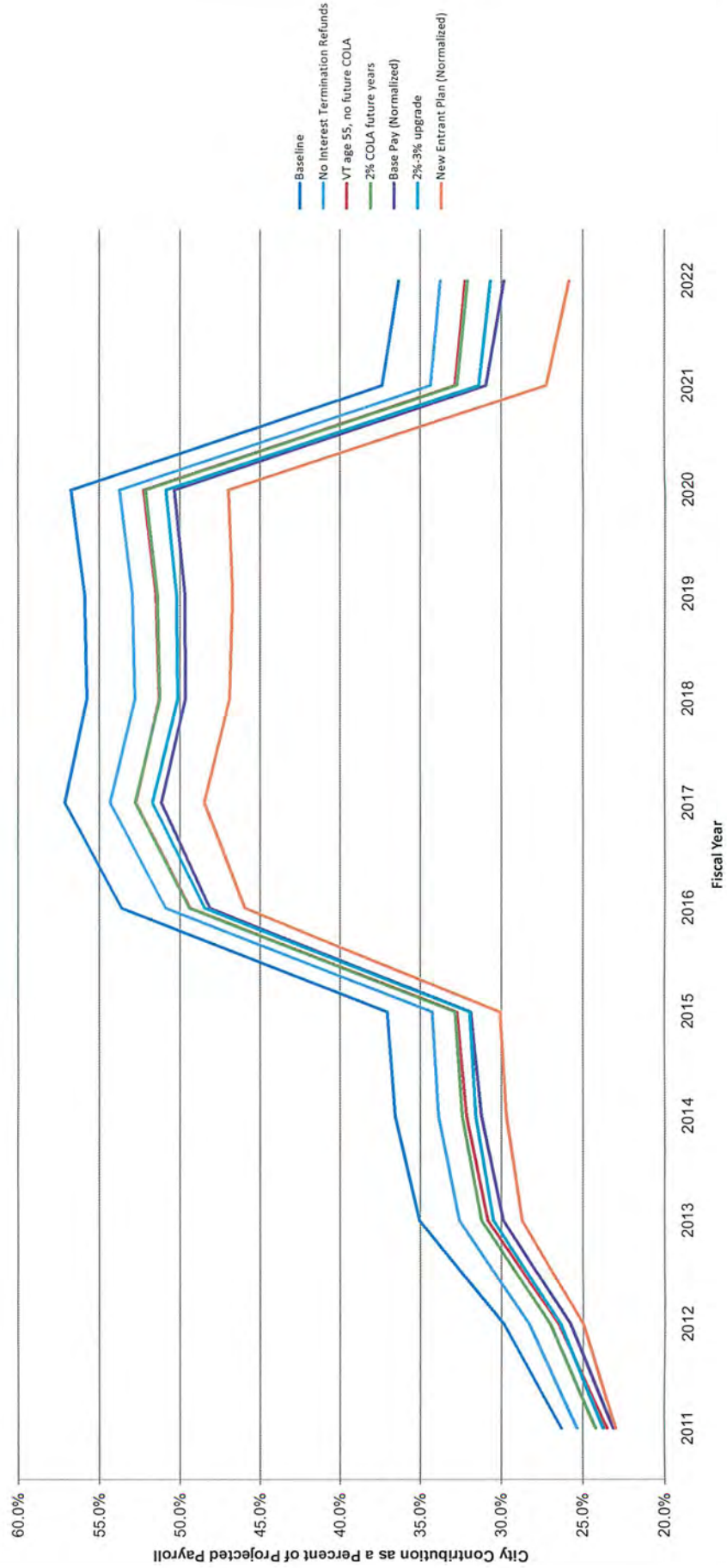
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Current Plan</b>												
City/State Required	32.7%	35.3%	38.9%	51.9%	52.8%	53.3%	53.9%	54.9%	55.1%	54.9%	37.6%	36.8%
Estimated State Offset	6.4%	6.2%	5.9%	5.7%	5.6%	5.5%	5.4%	5.3%	5.2%	5.1%	5.1%	5.1%
City Required	26.3%	29.1%	33.0%	46.2%	47.2%	47.8%	48.5%	49.6%	49.9%	49.8%	32.5%	31.7%
<b>Item 2</b>												
City/State Required	32.2%	34.8%	38.3%	51.2%	52.2%	52.7%	53.3%	54.3%	54.5%	54.3%	37.0%	36.2%
Estimated State Offset	6.3%	6.1%	5.9%	5.7%	5.5%	5.4%	5.3%	5.3%	5.2%	5.1%	5.0%	5.1%
City Required	25.9%	28.7%	32.4%	45.5%	46.7%	47.3%	48.0%	49.0%	49.3%	49.2%	32.0%	31.1%
<b>Item 3</b>												
City/State Required	29.8%	32.1%	35.3%	48.4%	49.5%	50.1%	50.6%	51.6%	51.8%	51.6%	34.2%	33.3%
Estimated State Offset	3.9%	3.8%	3.7%	3.5%	3.4%	3.4%	3.3%	3.3%	3.2%	3.2%	3.1%	3.1%
City Required	25.9%	28.3%	31.6%	44.9%	46.1%	46.7%	47.3%	48.3%	48.6%	48.4%	31.1%	30.2%
<b>Item 4</b>												
City/State Required	31.2%	33.1%	35.7%	48.3%	49.0%	49.4%	50.0%	51.0%	51.2%	50.9%	33.5%	33.0%
Estimated State Offset	5.8%	5.6%	5.4%	5.2%	5.1%	5.0%	4.9%	4.9%	4.8%	4.7%	4.6%	4.7%
City Required	25.4%	27.5%	30.3%	43.1%	43.9%	44.4%	45.1%	46.1%	46.4%	46.2%	28.9%	28.3%
<b>Item 5 *</b>												
City/State Required	27.3%	29.4%	32.4%	45.4%	46.6%	47.5%	47.8%	48.3%	48.1%	47.8%	30.8%	29.4%
Estimated State Offset	1.5%	1.5%	1.4%	1.3%	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%
City Required	25.8%	27.9%	31.0%	44.1%	45.3%	46.2%	46.5%	47.1%	46.9%	46.6%	29.6%	28.2%
<b>Item 6</b>												
City/State Required	30.1%	32.8%	36.1%	49.0%	49.9%	50.4%	51.0%	51.9%	52.1%	51.9%	34.6%	33.7%
Estimated State Offset	4.7%	4.6%	4.4%	4.2%	4.1%	4.1%	4.0%	3.9%	3.9%	3.8%	3.8%	3.8%
City Required	25.4%	28.2%	31.7%	44.8%	45.8%	46.3%	47.0%	48.0%	48.2%	48.1%	30.8%	29.9%
<b>Item 7 *</b>												
City/State Required	23.5%	22.7%	24.4%	37.0%	37.9%	38.4%	38.3%	38.5%	38.2%	37.6%	20.4%	18.7%
Estimated State Offset	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
City Required	23.5%	22.7%	24.4%	37.0%	37.9%	38.4%	38.3%	38.5%	38.2%	37.6%	20.4%	18.7%

\* Contribution rates have been normalized to be expressed as a percentage of the same pensionable payroll as shown in item 2-4 and 6.



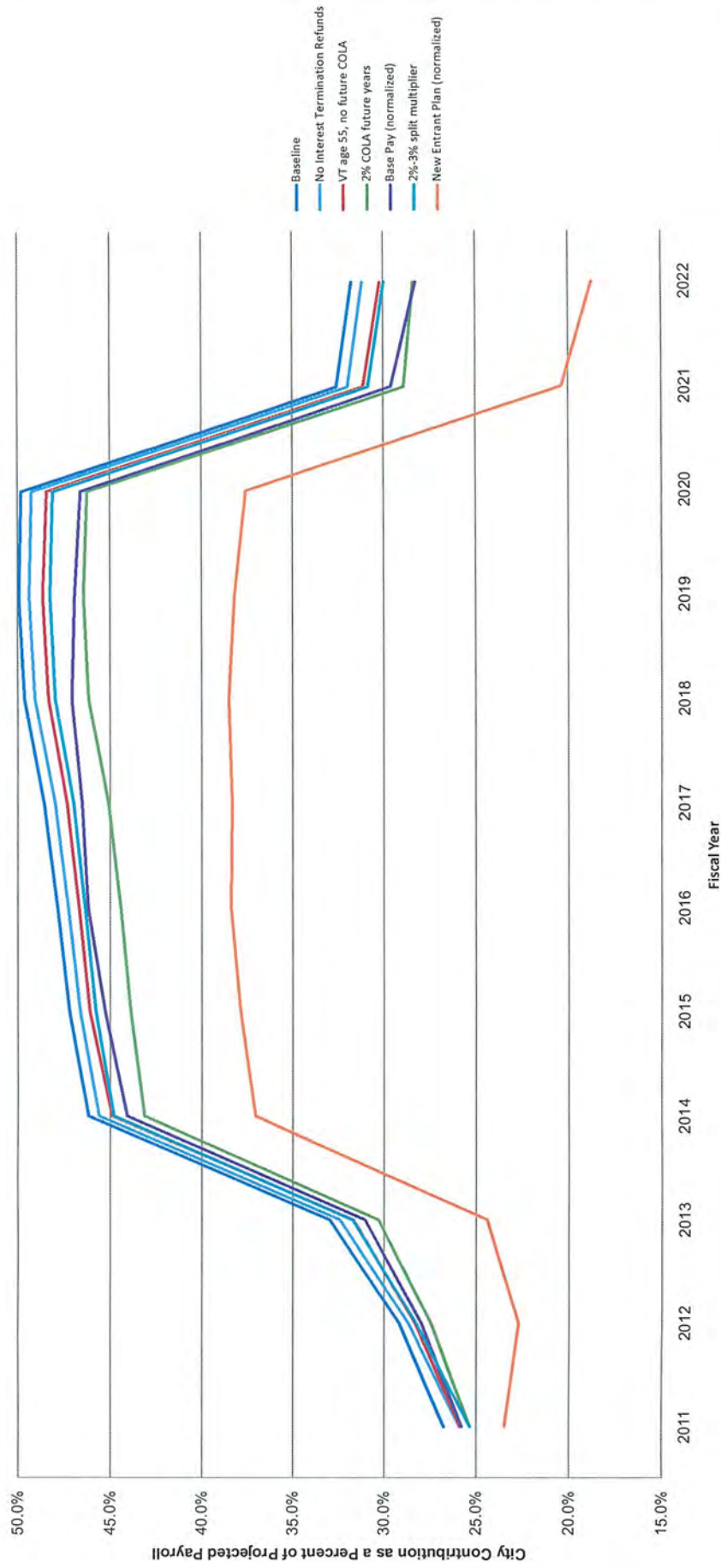
**City of Winter Park  
Police Officers' Retirement System  
Ten-Year Funding Projection**

**Comparison of Proposed Plans**



**City of Winter Park  
Firefighters' Retirement System  
Ten-Year Funding Projection**

**Comparison of Plan Designs**



**SECTION III**

**CONCLUSIONS**

## GENERAL CONCLUSIONS

As you probably expected, the projected pension costs are anticipated to continue to rise over the next several years, absent of actuarial gains due to better than expected investment performance, high turnover, low salary increases, high mortality, or late retirements. Each of the items that we provided ten-year projections for did have a favorable impact upon future City contribution requirements, although in nearly every case the contribution rates 10 years from now are anticipated to be at or above the current level.

As discussed during our telephone meetings, benefit reductions that only impact future hires take quite a long time to produce real plan savings. With that said, however, the Frozen Amount of State Monies does not require a reduction when only new hires enter under a reduced benefit structure. Doing this will likely provide the most significant long-term savings to the City with the smallest reduction in benefits to the current Membership. Variations on this theme may be worth exploring further. Either way, hopefully the results of this study will lead to good discussions and, at a minimum, a better awareness of where pension costs are likely headed.

If you have any questions, concerns, or would like to discuss any of these items in greater detail, please do not hesitate to contact me.

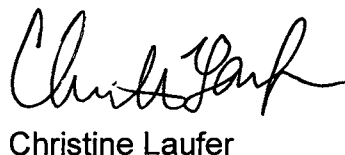
Respectfully Submitted,



Bradley R. Heinrichs, FSA, EA, MAAA



Douglas L. Lozen



Christine Laufer

## SECTION IV

### SUMMARY OF CURRENT PLAN PROVISIONS

**SUMMARY OF PLAN PROVISIONS  
POLICE OFFICERS' RETIREMENT SYSTEM  
(Through Ordinance No. 2786-09)**

Original Effective Date	October 1, 1992
Effective Date of Last Amendment	November 23, 2009
Credited Service	Years and fractional parts of years of service with the City as a Police Officer.
Compensation	Total Pay, excluding special detail pay (includes vacation and comp time accrual).
Average Final Compensation	Average of Compensation during the highest 60 months out of the last 120 months prior to termination or retirement.
<b>Normal Retirement</b>	
Date	First of the month coinciding with or following the earlier of age 55 and the completion of 10 years of Credited Service or the completion of 20 years of Credited Service regardless of age.
Benefit	3.0% of Average Final Compensation times Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<b>Early Retirement</b>	
Eligibility	Attainment of age 50 with completion of 10 years of Credited Service.
Benefit	Same as for Normal Retirement but reduced 3% for each year that the Early Retirement Date precedes the Normal Retirement Date.
<b>Vesting</b>	
Schedule	100% upon the completion of 10 years of Credited Service.

## Vesting (continued)

**Benefit** Vested accrued benefit payable at what would have been the Normal Retirement Date had employment continued.

Employees with less than 10 years of service at termination are only entitled to a refund of Accumulated Member Contributions with 5% interest.

## Disability

**Eligibility** Total and permanent (as determined by the Board). Members covered from date of hire (Service incurred) or after completion of 10 years of Credited Service (Non-Service incurred).

**Benefit** Accrued Benefit (determined as for Normal Retirement). Benefit shall not be less than 42% of Average Final Compensation for service incurred disability.

**Form of Benefit** Paid for life and ten years certain, or until recovery (as determined by the Board); optional forms of payment are available.

## Cost-of-Living Adjustment

**Eligibility** Members who terminate or retire on or after October 1, 2002.

**Benefit** 3.0% automatic lifetime COLA, beginning at age 60.

## Death Benefits

**Service Incurred** The greater of (a) the accrued benefit at the time of death, or (b) 30% of monthly salary at time of death payable to the spouse until death.

### Non-Service Incurred

#### Eligible for Normal Retirement:

Benefit determined as though retirement had occurred at the time of death.

## Death Benefits (continued)

### Non-Service Incurred

Not Eligible for Normal Retirement:	Less than 10 years of Credited Service – return of employee contributions with 5% interest. With 10 or more years of service – accrued benefit payable for 10 years.
-------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------

## Contributions

Members	6.0% of Salary.
State	Tax on premiums for casualty insurance issued to residents of the City as provided in Chapter 185, <u>Florida Statutes</u> .
City	Balance required to maintain Plan on sound actuarial basis.

## Deferred Retirement Option Plan

Eligibility	Satisfaction of Normal Retirement requirements (earlier of: 1) age 55 and 10 years of service, or 2) 20 years of service, regardless of age).
Participation	At least 12, and not more than 60 months.
Rate of Return	Net-of-fees market value rate of return, credited each fiscal quarter. A deduction is made each quarter for administrative expenses.
Form of Distribution	Cash lump sum payable at termination of employment.



**SUMMARY OF PLAN PROVISIONS  
FIREFIGHTERS' RETIREMENT SYSTEM  
(Through Ordinance No. 2787-09)**

Original Effective Date	October 1, 1992
Effective Date of Last Amendment	November 23, 2009
Credited Service	Years and fractional parts of years of service with the City as a Firefighter.
Compensation	Total Pay, excluding special detail pay (includes vacation and comp time accrual).
Average Final Compensation	Average of Compensation during the highest 60 months out of the last 120 months prior to termination or retirement.
<b>Normal Retirement</b>	
Date	First of the month coinciding with or following the earlier of age 55 and the completion of 10 years of Credited Service or the completion of 20 years of Credited Service regardless of age.
Benefit	3.0% of Average Final Compensation times Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<b>Early Retirement</b>	
Eligibility	Attainment of age 50 with completion of 10 years of Credited Service.
Benefit	Same as for Normal Retirement but reduced 3% for each year that the Early Retirement Date precedes the Normal Retirement Date.
<b>Vesting</b>	
Schedule	100% upon the completion of 10 years of Credited Service.

## Vesting (continued)

**Benefit** Vested accrued benefit payable at what would have been the Normal Retirement Date had employment continued.

Employees with less than 10 years of service at termination are only entitled to a refund of Accumulated Member Contributions with 5% interest.

## Disability

**Eligibility** Total and permanent (as determined by the Board). Members covered from date of hire (Service incurred) or after completion of 10 years of Credited Service (Non-Service incurred).

**Benefit** Accrued Benefit (determined as for Normal Retirement). Benefit shall not be less than 42% of Average Final Compensation for service incurred disability.

**Form of Benefit** Paid for life and ten years certain, or until recovery (as determined by the Board); optional forms of payment are available.

## Cost-of-Living Adjustment

**Eligibility** Members who terminate or retire on or after October 1, 2002.

**Benefit** 3.0% automatic lifetime COLA, beginning at age 60.

## Death Benefits

**Service Incurred** The greater of (a) the accrued benefit at the time of death, or (b) 30% of monthly salary at time of death payable to the spouse until death.

**Non-Service Incurred**

**Eligible for Normal Retirement:**

Benefit determined as though retirement had occurred at the time of death.

## Death Benefits (continued)

### Non-Service Incurred

Not Eligible for Normal Retirement:	Less than 10 years of Credited Service – return of employee contributions with 5% interest. With 10 or more years of service – accrued benefit payable for 10 years.
-------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------

## Contributions

Members	6.0% of Salary.
State	Tax on premiums for hazard insurance issued to residents of the City as provided in Chapter 175, <u>Florida Statutes</u> .
City	Balance required to maintain Plan on sound actuarial basis.

## Deferred Retirement Option Plan

Eligibility	Satisfaction of Normal Retirement requirements (earlier of: 1) age 55 and 10 years of service, or 2) 20 years of service, regardless of age).
Participation	At least 12, and not more than 84 months.
Rate of Return	Net-of-fees market value rate of return, credited each fiscal quarter. A deduction is made each quarter for administrative expenses.
Form of Distribution	Cash lump sum payable at termination of employment.

**SECTION V**

**COMPARISON WITH OTHER MUNICIPALITIES**

**2008 BENEFIT MULTIPLIER\*  
(Police and Fire Plans Only)**

RANK	CLIENT NAME	MULTIPLIER
1	EUSTIS FIRE	4.00%
2	NAPLES FIRE	4.00%
3	SOUTH WALTON FIRE	4.00%
4	BROOKVILLE POLICE	4.00%
5	MILTON FIRE	3.85%
6	WINTER HAVEN FIRE	3.80%
7	PLANT CITY SAFETY (P&F)	3.75%
8	ST CLOUD POLICE & FIRE	3.75%
9	ORANGE PARK POLICE	3.75%
10	ARCADIA POLICE & FIRE	3.65%
11	NAPLES POLICE	3.63%
12	BONITA SPRINGS FIRE	3.58%
13	FROSTPROOF POLICE	3.55%
14	AUBURNDALE FIRE	3.50%
15	DESTIN FIRE	3.50%
16	LONGBOAT KEY FIRE	3.50%
17	LYNN HAVEN FIRE	3.50%
18	NEW PORT RICHEY FIRE	3.50%
19	NORTH PORT FIRE	3.50%
20	PUNTA GORDA FIRE	3.50%
21	VENICE FIRE	3.50%
22	WEST MANATEE FIRE & RESCUE	3.50%
23	OCOE POLICE & FIRE	3.50%
24	BAL HARBOUR POLICE	3.50%
25	BELLEAIR POLICE	3.50%
26	DADE CITY POLICE	3.50%
27	KISSIMMEE POLICE	3.50%
28	LONGBOAT KEY POLICE	3.50%
29	LYNN HAVEN POLICE	3.50%
30	NORTH PORT POLICE	3.50%
31	PUNTA GORDA POLICE	3.50%
32	SANFORD POLICE	3.50%
33	TEMPLE TERRACE POLICE	3.50%
34	VENICE POLICE	3.50%
35	WINTER HAVEN POLICE	3.50%
36	TEMPLE TERRACE FIRE	3.50%
37	DELRAY BEACH POLICE & FIRE	3.50%
38	ST PETE BEACH FIRE	3.40%
39	PALM BAY POLICE	3.40%
40	PALM BAY FIRE	3.40%
41	ORMOND BEACH FIRE	3.37%
42	OCALA POLICE	3.33%
43	PALATKA FIRE	3.30%
44	LADY LAKE POLICE	3.30%
45	ORMOND BEACH POLICE	3.30%
46	CAPE CORAL FIRE	3.25%
47	DADE CITY FIRE	3.25%
48	ENGLEWOOD FIRE	3.25%
49	FERNANDINA BEACH POLICE & FIRE	3.25%
50	AUBURNDALE POLICE	3.25%
51	CAPE CORAL POLICE	3.25%
52	HOLMES BEACH POLICE	3.25%
53	PERRY POLICE	3.25%
54	PINELLAS PARK FIRE	3.25%
55	TARPON SPRINGS FIRE	3.25%
56	FT MYERS POLICE	3.24%
57	HAINES CITY FIRE	3.20%
58	LAKE MARY FIRE	3.20%
59	CRESTVIEW POLICE & FIRE	3.20%
60	HAINES CITY POLICE	3.20%
61	LAKE MARY POLICE	3.20%
62	ST PETE BEACH POLICE	3.20%
63	AVON PARK FIRE	3.16%
64	BARTOW FIRE	3.15%
65	BARTOW POLICE	3.15%
66	FT MYERS FIRE	3.11%

RANK	CLIENT NAME	MULTIPLIER
67	BROOKVILLE FIRE	3.10%
68	MILTON POLICE	3.10%
69	PORT ST.LUCIE POLICE	3.09%
70	SANFORD FIRE	3.08%
71	BRADENTON FIRE	3.00%
72	COCOA FIRE	3.00%
73	DeLAND FIRE	3.00%
74	DELTONA FIRE	3.00%
75	EDGEWATER FIRE	3.00%
76	HOLLY HILL FIRE	3.00%
77	LAKE WALES FIRE	3.00%
78	LEESBURG FIRE	3.00%
79	MADISON FIRE	3.00%
80	NEW SMYRNA BEACH FIRE	3.00%
81	NORTH BAY FIRE	3.00%
82	NORTH RIVER FIRE DISTRICT	3.00%
83	OCEAN CITY-WRIGHT FIRE	3.00%
84	OKALOOSA ISLAND FIRE	3.00%
85	ORANGE PARK FIRE	3.00%
86	PERRY FIRE	3.00%
87	PORT ORANGE FIRE & RESCUE	3.00%
88	SEBRING FIRE	3.00%
89	SEMINOLE FIRE	3.00%
90	SOUTH PASADENA FIRE	3.00%
91	ST AUGUSTINE FIRE	3.00%
92	CASSELBERRY POLICE & FIRE	3.00%
93	INDIALANTIC POLICE & FIRE	3.00%
94	TITUSVILLE POLICE & FIRE	3.00%
95	AVON PARK POLICE	3.00%
96	BELLEVUE POLICE	3.00%
97	BUSHNELL POLICE	3.00%
98	COCOA POLICE	3.00%
99	HOLLY HILL POLICE	3.00%
100	INDIAN HARBOUR BEACH POLICE	3.00%
101	LAKE CITY POLICE	3.00%
102	LAKE WALES POLICE	3.00%
103	MADISON POLICE	3.00%
104	MARCO ISLAND POLICE	3.00%
105	MELBOURNE BEACH POLICE	3.00%
106	MELBOURNE POLICE	3.00%
107	OVIEDO POLICE	3.00%
108	SANIBEL POLICE	3.00%
109	TARPON SPRINGS POLICE	3.00%
110	GULFPORT FIRE	3.00%
111	EDGEWATER POLICE	3.00%
112	NORTH NAPLES FIRE	3.00%
113	COCOA BEACH FIRE	3.00%
114	COCOA BEACH POLICE	3.00%
115	LAKELAND POLICE	3.00%
116	MEDLEY POLICE	2.85%
117	PANAMA CITY POLICE	2.80%
118	FT WALTON BEACH FIRE	2.75%
119	FT WALTON BEACH POLICE	2.75%
120	GULFPORT POLICE	2.75%
121	NEPTUNE BEACH POLICE	2.75%
122	EAST LAKE TARPON FIRE	2.73%
123	BELLEAIR BLUFFS FIRE	2.70%
124	PANAMA CITY FIRE	2.70%
125	BELLE GLADE PUBLIC SAFETY OFFICER	2.50%
126	LAKE ALFRED POLICE	2.50%
127	PALATKA POLICE	2.50%
128	QUINCY POLICE & FIRE	2.50%
129	MONTICELLO FIRE	2.50%
130	NORTH PALM BEACH POLICE & FIRE	2.40%
131	LEESBURG POLICE	2.00%

**AVERAGE 3.18%**

\* Information shows Foster & Foster clients only  
Multiplier based on 25 year average if hired today

**2008 MEMBER CONTRIBUTIONS\***  
**(Police and Fire Plans Only)**

RANK	CLIENT NAME	CONTRIBUTION
1	MONTICELLO FIRE	0.00%
2	BELLE GLADE PUBLIC SAFETY OFFICER	0.00%
3	MEDLEY POLICE	0.00%
4	NORTH NAPLES FIRE	0.50%
5	PORT ORANGE FIRE & RESCUE	0.50%
6	CASSELBERRY POLICE & FIRE	0.50%
7	DADE CITY FIRE	1.00%
8	NEW SMYRNA BEACH FIRE	1.00%
9	PERRY FIRE	1.00%
10	BROOKSVILLE POLICE	1.00%
11	BUSHNELL POLICE	1.00%
12	DADE CITY POLICE	1.00%
13	FROSTPROOF POLICE	1.00%
14	BARTOW FIRE	2.00%
15	NORTH PALM BEACH POLICE & FIRE	2.00%
16	PERRY POLICE	2.00%
17	AUBURNDALE POLICE	2.50%
18	BROOKSVILLE FIRE	2.90%
19	WEST MANATEE FIRE & RESCUE	2.90%
20	LAKELAND FIRE	3.00%
21	ORANGE PARK FIRE	3.00%
22	ORANGE PARK POLICE	3.00%
23	KISSIMMEE POLICE	3.70%
24	EUSTIS FIRE	4.00%
25	BARTOW POLICE	4.00%
26	NEW PORT RICHEY FIRE	4.20%
27	NORTH RIVER FIRE DISTRICT	4.50%
28	FT WALTON BEACH POLICE	4.50%
29	AVON PARK FIRE	5.00%
30	BONITA SPRINGS FIRE	5.00%
31	COCOA BEACH FIRE	5.00%
32	DeLAND FIRE	5.00%
33	EAST LAKE TARPON FIRE	5.00%
34	HOLLY HILL FIRE	5.00%
35	LAKE MARY FIRE	5.00%
36	LAKE WALES FIRE	5.00%
37	LYNN HAVEN FIRE	5.00%
38	MADISON FIRE	5.00%
39	NAPLES FIRE	5.00%
40	NORTH BAY FIRE	5.00%
41	OCEAN CITY-WRIGHT FIRE	5.00%
42	PALM COAST FIRE	5.00%
43	ST AUGUSTINE FIRE	5.00%
44	INDIALANTIC POLICE & FIRE	5.00%
45	AVON PARK POLICE	5.00%
46	BELLEVUE POLICE	5.00%
47	COCOA BEACH POLICE	5.00%
48	HOLLY HILL POLICE	5.00%
49	LADY LAKE POLICE	5.00%
50	LAKE ALFRED POLICE	5.00%
51	LAKE CITY POLICE	5.00%
52	LAKE MARY POLICE	5.00%
53	LAKE WALES POLICE	5.00%
54	LYNN HAVEN POLICE	5.00%
55	MADISON POLICE	5.00%
56	MARCO ISLAND POLICE	5.00%
57	MELBOURNE BEACH POLICE	5.00%
58	MELBOURNE POLICE	5.00%
59	NAPLES POLICE	5.00%
60	PANAMA CITY POLICE	5.00%
61	SANFORD POLICE	5.00%
62	ST CLOUD POLICE & FIRE	5.10%
63	GULFPORT FIRE	5.30%
64	INDIAN HARBOUR BEACH POLICE	5.50%
65	EDGEWATER FIRE	6.00%
66	PALATKA FIRE	6.00%
67	SOUTH PASADENA FIRE	6.00%

RANK	CLIENT NAME	CONTRIBUTION
68	DELRAY BEACH POLICE & FIRE	6.00%
69	BELLEAIR POLICE	6.00%
70	EDGEWATER POLICE	6.00%
71	HOLMES BEACH POLICE	6.00%
72	MILTON POLICE	6.00%
73	PALATKA POLICE	6.00%
74	PINELLAS PARK FIRE	6.22%
75	CRESTVIEW POLICE & FIRE	6.40%
76	BELLEAIR BLUFFS FIRE	6.50%
77	COCOA FIRE	6.50%
78	LEESBURG FIRE	6.50%
79	MILTON FIRE	6.50%
80	SEBRING FIRE	6.50%
81	TITUSVILLE POLICE & FIRE	6.50%
82	COCOA POLICE	6.50%
83	AUBURNDALE FIRE	6.60%
84	FT WALTON BEACH FIRE	6.60%
85	DESTIN FIRE	6.80%
86	BRADENTON FIRE	7.00%
87	CAPE CORAL FIRE	7.00%
88	ENGLEWOOD FIRE	7.00%
89	SANFORD FIRE	7.00%
90	SOUTH WALTON FIRE	7.00%
91	CAPE CORAL POLICE	7.00%
92	OVIDO POLICE	7.00%
93	VENICE POLICE	7.25%
94	PALM HARBOR FIRE	7.40%
95	PANAMA CITY FIRE	7.50%
96	QUINCY POLICE & FIRE	7.50%
97	OCOEE POLICE & FIRE	7.60%
98	LEESBURG POLICE	7.65%
99	FERNANDINA BEACH POLICE & FIRE	7.70%
100	SANIBEL POLICE	7.90%
101	DELTONA FIRE	8.00%
102	FT MYERS FIRE	8.00%
103	OKALOOSA ISLAND FIRE	8.00%
104	PUNTA GORDA FIRE	8.00%
105	SEMINOLE FIRE	8.00%
106	GULFPORT POLICE	8.00%
107	NEPTUNE BEACH POLICE	8.00%
108	NORTH PORT POLICE	8.00%
109	OCALA POLICE	8.00%
110	PUNTA GORDA POLICE	8.00%
111	TARPON SPRINGS POLICE	8.00%
112	WINTER HAVEN POLICE	8.20%
113	ARCADIA POLICE & FIRE	8.30%
114	ST PETE BEACH POLICE	8.30%
115	ORMOND BEACH FIRE	8.40%
116	PALM BAY FIRE	8.76%
117	PALM BAY POLICE	8.76%
118	HAINES CITY FIRE	9.00%
119	HAINES CITY POLICE	9.00%
120	ORMOND BEACH POLICE	9.00%
121	PORT ST. LUCIE POLICE	9.00%
122	TARPON SPRINGS FIRE	9.50%
123	VENICE FIRE	9.75%
124	LONGBOAT KEY FIRE	10.00%
125	WINTER HAVEN FIRE	10.00%
126	PLANT CITY SAFETY (P&F)	10.00%
127	BAL HARBOUR POLICE	10.00%
128	FT MYERS POLICE	10.00%
129	LONGBOAT KEY POLICE	10.00%
130	NORTH PORT FIRE	10.30%
131	ST PETE BEACH FIRE	10.30%
132	TEMPLE TERRACE FIRE	10.51%
133	TEMPLE TERRACE POLICE	11.20%
134	LAKELAND POLICE	12.10%

**AVERAGE 5.88%**

\* Information shows Foster & Foster clients only

**2010 SPONSOR CONTRIBUTIONS\***  
**(Police and Fire Plans Only)**

RANK	CLIENT NAME	CONTRIBUTION
1	LAKELAND FIRE	0.00%
2	MONTICELLO FIRE	0.00%
3	PALM COAST FIRE	0.00%
4	BELLE GLADE PUBLIC SAFETY OFFICER	0.00%
5	FROSTPROOF POLICE	0.00%
6	LAKELAND POLICE	0.00%
7	MADISON POLICE	2.40%
8	LAKE ALFRED POLICE	4.10%
9	GULFPORT FIRE	5.50%
10	NEW PORT RICHEY FIRE	5.90%
11	PALM BAY POLICE	6.56%
12	BELLEAIR POLICE	6.80%
13	LEESBURG POLICE	6.90%
14	OVIEDO POLICE	7.10%
15	DADE CITY POLICE	9.10%
16	HAINES CITY POLICE	9.30%
17	MILTON POLICE	9.70%
18	INDIALANTIC POLICE & FIRE	10.00%
19	ORANGE PARK FIRE	10.40%
20	BROOKSVILLE POLICE	10.60%
21	GULFPORT POLICE	11.20%
22	BELLEAIR BLUFFS FIRE	12.00%
23	EUSTIS FIRE	12.40%
24	TARPON SPRINGS POLICE	12.50%
25	LADY LAKE POLICE	12.60%
26	OCOEE POLICE & FIRE	12.80%
27	PORT ST.LUCIE POLICE	12.80%
28	SEMINOLE FIRE	13.00%
29	CRESTVIEW POLICE & FIRE	13.00%
30	ST AUGUSTINE FIRE	13.10%
31	PALM BAY FIRE	13.49%
32	TARPON SPRINGS FIRE	13.50%
33	BELLEVIEW POLICE	14.10%
34	BUSHNELL POLICE	14.30%
35	MILTON FIRE	14.50%
36	SOUTH PASADENA FIRE	14.50%
37	LAKE CITY POLICE	14.80%
38	DELTONA FIRE	14.90%
39	EDGEWATER FIRE	15.30%
40	LYNN HAVEN POLICE	15.40%
41	ARCADIA POLICE & FIRE	15.60%
42	QUINCY POLICE & FIRE	15.60%
43	AUBURNDALE POLICE	16.00%
44	AVON PARK POLICE	16.00%
45	NORTH PALM BEACH POLICE & FIRE	16.26%
46	ST CLOUD POLICE & FIRE	16.30%
47	WINTER HAVEN POLICE	16.30%
48	DADE CITY FIRE	16.40%
49	NORTH BAY FIRE	16.40%
50	AUBURNDALE FIRE	16.60%
51	ORANGE PARK POLICE	16.80%
52	PUNTA GORDA POLICE	16.80%
53	PALATKA POLICE	17.10%
54	HAINES CITY FIRE	17.20%
55	PUNTA GORDA FIRE	17.40%
56	SANFORD POLICE	17.80%
57	PERRY POLICE	18.10%
58	HOLLY HILL FIRE	18.90%
59	AVON PARK FIRE	19.10%
60	TITUSVILLE POLICE & FIRE	19.10%
61	ORMOND BEACH FIRE	19.30%
62	LAKE MARY POLICE	19.40%
63	NORTH NAPLES FIRE	19.60%
64	EAST LAKE TARPON FIRE	19.70%
65	FT WALTON BEACH POLICE	19.80%
66	BARTOW POLICE	20.00%
67	NORTH RIVER FIRE DISTRICT	20.10%

RANK	CLIENT NAME	CONTRIBUTION
68	ST PETE BEACH FIRE	20.10%
69	LAKE MARY FIRE	20.30%
70	NEPTUNE BEACH POLICE	20.40%
71	OCALA POLICE	20.40%
72	CASSELBERRY POLICE & FIRE	20.70%
73	FERNANDINA BEACH POLICE & FIRE	20.90%
74	ORMOND BEACH POLICE	20.90%
75	NORTH PORT FIRE	21.00%
76	DeLAND FIRE	21.30%
77	BRADENTON FIRE	21.50%
78	NORTH PORT POLICE	21.50%
79	LAKE WALES POLICE	21.90%
80	ENGLEWOOD FIRE	22.10%
81	COCOA POLICE	22.30%
82	PLANT CITY SAFETY (P&F)	22.40%
83	LYNN HAVEN FIRE	22.60%
84	PALATKA FIRE	22.60%
85	SANFORD FIRE	22.90%
86	TEMPLE TERRACE FIRE	23.78%
87	KISSIMMEE POLICE	23.90%
88	BROOKSVILLE FIRE	25.00%
89	FT WALTON BEACH FIRE	25.30%
90	HOLMES BEACH POLICE	25.50%
91	MARCO ISLAND POLICE	25.70%
92	WINTER HAVEN FIRE	26.30%
93	TEMPLE TERRACE POLICE	26.30%
94	NAPLES POLICE	26.44%
95	MELBOURNE POLICE	26.60%
96	LAKE WALES FIRE	26.90%
97	LEESBURG FIRE	26.90%
98	PANAMA CITY POLICE	26.90%
99	MADISON FIRE	27.30%
100	WEST MANATEE FIRE & RESCUE	27.50%
101	PANAMA CITY FIRE	27.70%
102	VENICE POLICE	27.70%
103	INDIAN HARBOUR BEACH POLICE	27.90%
104	BARTOW FIRE	28.00%
105	MELBOURNE BEACH POLICE	28.20%
106	SOUTH WALTON FIRE	28.40%
107	OCEAN CITY-WRIGHT FIRE	29.70%
108	SANIBEL POLICE	29.70%
109	VENICE FIRE	30.00%
110	BONITA SPRINGS FIRE	30.30%
111	PERRY FIRE	30.60%
112	COCOA BEACH FIRE	30.70%
113	COCOA BEACH POLICE	31.10%
114	ST PETE BEACH POLICE	31.40%
115	PINELLAS PARK FIRE	31.86%
116	NEW SMYRNA BEACH FIRE	31.90%
117	CAPE CORAL FIRE	33.00%
118	LONGBOAT KEY FIRE	35.00%
119	CAPE CORAL POLICE	35.60%
120	PALM HARBOR FIRE	36.10%
121	DESTIN FIRE	36.30%
122	HOLLY HILL POLICE	38.10%
123	OKALOOSA ISLAND FIRE	38.50%
124	DELRAY BEACH POLICE & FIRE	38.70%
125	EDGEWATER POLICE	40.80%
126	PORT ORANGE FIRE & RESCUE	43.20%
127	FT MYERS FIRE	47.20%
128	LONGBOAT KEY POLICE	48.50%
129	NAPLES FIRE	50.97%
130	FT MYERS POLICE	51.50%
131	BAL HARBOUR POLICE	53.30%
132	SEBRING FIRE	55.40%
133	COCOA FIRE	58.20%
134	MEDLEY POLICE	66.30%

**AVERAGE 21.72%**

\* Information shows Foster & Foster clients only

**2008 MARKET VALUE INVESTMENT RETURNS (NET OF FEES)\*  
(Police and Fire Plans Only)**

RANK	CLIENT NAME	RETURN
1	PALM COAST FIRE	1.67%
2	PALM BAY POLICE	-8.56%
3	PALATKA POLICE	-8.72%
4	DELTONA FIRE	-9.10%
5	LAKELAND FIRE	-9.26%
6	PALATKA FIRE	-9.35%
7	LEESBURG FIRE	-9.96%
8	WEST MANATEE FIRE & RESCUE	-9.98%
9	NORTH PALM BEACH POLICE & FIRE	-10.00%
10	LONGBOAT KEY FIRE	-10.20%
11	LYNN HAVEN POLICE	-10.38%
12	FT MYERS FIRE	-10.56%
13	MELBOURNE POLICE	-10.57%
14	PANAMA CITY FIRE	-10.59%
15	NORTH NAPLES FIRE	-10.68%
16	OKALOOSA ISLAND FIRE	-10.73%
17	VENICE FIRE	-10.75%
18	BROOKSVILLE POLICE	-10.87%
19	AUBURNDALE POLICE	-10.88%
20	PALM BAY FIRE	-11.01%
21	FT WALTON BEACH POLICE	-11.02%
22	MADISON FIRE	-11.07%
23	CASSELBERRY POLICE & FIRE	-11.09%
24	TITUSVILLE POLICE & FIRE	-11.10%
25	WINTER HAVEN POLICE	-11.13%
26	BELLEAIR BLUFFS FIRE	-11.15%
27	PERRY FIRE	-11.19%
28	ST PETE BEACH POLICE	-11.20%
29	AUBURNDALE FIRE	-11.27%
30	DADE CITY FIRE	-11.28%
31	BAL HARBOUR POLICE	-11.34%
32	TEMPLE TERRACE FIRE	-11.40%
33	NORTH RIVER FIRE DISTRICT	-11.42%
34	PERRY POLICE	-11.46%
35	LONGBOAT KEY POLICE	-11.48%
36	PUNTA GORDA POLICE	-11.49%
37	MILTON POLICE	-11.50%
38	FT WALTON BEACH FIRE	-11.60%
39	LYNN HAVEN FIRE	-11.66%
40	INDIAN HARBOUR BEACH POLICE	-11.68%
41	LAKE ALFRED POLICE	-11.69%
42	DADE CITY POLICE	-11.70%
43	TEMPLE TERRACE POLICE	-11.75%
44	PALM HARBOR FIRE	-11.80%
45	GULFPORT FIRE	-11.92%
46	SANIBEL POLICE	-12.00%
47	PANAMA CITY POLICE	-12.05%
48	ORANGE PARK FIRE	-12.06%
49	NORTH BAY FIRE	-12.10%
50	AVON PARK POLICE	-12.10%
51	CRESTVIEW POLICE & FIRE	-12.13%
52	FERNANDINA BEACH POLICE & FIRE	-12.13%
53	ORANGE PARK POLICE	-12.13%
54	BROOKSVILLE FIRE	-12.18%
55	QUINCY POLICE & FIRE	-12.19%
56	HAINES CITY POLICE	-12.21%
57	BELLEVIEW POLICE	-12.22%
58	HOLMES BEACH POLICE	-12.38%
59	COCOA BEACH POLICE	-12.39%
60	GULFPORT POLICE	-12.40%
61	TARPON SPRINGS FIRE	-12.42%
62	HAINES CITY FIRE	-12.43%
63	TARPON SPRINGS POLICE	-12.49%
64	LAKE MARY POLICE	-12.58%
65	MELBOURNE BEACH POLICE	-12.62%
66	NEW SMYRNA BEACH FIRE	-12.63%
67	PUNTA GORDA FIRE	-12.64%

RANK	CLIENT NAME	RETURN
68	HOLLY HILL POLICE	-12.65%
69	ST CLOUD POLICE & FIRE	-12.73%
70	MILTON FIRE	-12.74%
71	LAKE MARY FIRE	-12.75%
72	PORT ORANGE FIRE & RESCUE	-12.77%
73	FROSTPROOF POLICE	-12.78%
74	LAKE WALES POLICE	-12.78%
75	PLANT CITY SAFETY (P&F)	-12.81%
76	NORTH PORT FIRE	-12.83%
77	PORT ST. LUCIE POLICE	-12.83%
78	SANFORD FIRE	-12.86%
79	OCOEE POLICE & FIRE	-12.94%
80	INDIALANTIC POLICE & FIRE	-12.95%
81	COCOA POLICE	-12.99%
82	ARCADIA POLICE & FIRE	-13.08%
83	NEPTUNE BEACH POLICE	-13.08%
84	HOLLY HILL FIRE	-13.12%
85	DeLAND FIRE	-13.13%
86	EAST LAKE TARPON FIRE	-13.16%
87	NORTH PORT POLICE	-13.17%
88	COCOA BEACH FIRE	-13.28%
89	SEBRING FIRE	-13.36%
90	ENGLEWOOD FIRE	-13.42%
91	DESTIN FIRE	-13.47%
92	CAPE CORAL FIRE	-13.50%
93	SOUTH PASADENA FIRE	-13.52%
94	MADISON POLICE	-13.52%
95	CAPE CORAL POLICE	-13.56%
96	KISSIMMEE POLICE	-13.66%
97	LEESBURG POLICE	-13.70%
98	LAKE WALES FIRE	-13.72%
99	EUSTIS FIRE	-13.77%
100	MONTICELLO FIRE	-13.80%
101	NAPLES FIRE	-13.80%
102	NAPLES POLICE	-13.80%
103	MARCO ISLAND POLICE	-13.84%
104	NEW PORT RICHEY FIRE	-13.99%
105	SANFORD POLICE	-14.00%
106	BARTOW FIRE	-14.08%
107	ST PETE BEACH FIRE	-14.22%
108	ST AUGUSTINE FIRE	-14.35%
109	SEMINOLE FIRE	-14.41%
110	EDGEWATER POLICE	-14.50%
111	LAKELAND POLICE	-14.62%
112	OCALA POLICE	-14.77%
113	WINTER HAVEN FIRE	-14.83%
114	BONITA SPRINGS FIRE	-14.92%
115	LAKE CITY POLICE	-14.96%
116	ORMOND BEACH FIRE	-15.04%
117	ORMOND BEACH POLICE	-15.55%
118	BELLEAIR POLICE	-15.57%
119	BRADENTON FIRE	-15.62%
120	OVIDO POLICE	-15.65%
121	FT MYERS POLICE	-15.90%
122	BARTOW POLICE	-15.99%
123	VENICE POLICE	-16.21%
124	LADY LAKE POLICE	-16.58%
125	EDGEWATER FIRE	-16.84%
126	COCOA FIRE	-17.08%
127	BUSHNELL POLICE	-17.33%
128	DELRAY BEACH POLICE & FIRE	-17.68%
129	AVON PARK FIRE	-17.86%
130	SOUTH WALTON FIRE	-18.98%
131	PINELLAS PARK FIRE	-19.20%
132	OCEAN CITY-WRIGHT FIRE	-19.21%
133	MEDLEY POLICE	-19.58%
134	BELLE GLADE PUBLIC SAFETY OFFICER	N/A

**AVERAGE -12.80%**

\* Information shows Foster & Foster clients only