



Required Supplemental Schedules

REQUIRED SUPPLEMENTAL SCHEDULES

The information presented in the supplemental schedules was determined as part of the actuarial valuations as of the dates indicated. Additional information, as of the most recent actuarial valuation date, June 30, 2010, is as follows:

1. SCHEDULE OF FUNDING PROGRESS

Historical trend information, restated in accordance with GASB 25 and designed to provide information about the System's progress made in accumulating sufficient assets to pay benefits when due, is as follows:

(Dollars in Millions)

Actuarial Valuation Date	(1) Valuation Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Percentage Funded (1) / (2)	(4) (Prefunded) / Unfunded AAL (2) - (1)	(5) Annual Covered Payroll	(6) (Prefunded) / Unfunded AAL Percentage of Covered Payroll (4) / (5)
2010	\$926	\$756	122.5%	\$(170)	\$131	(129.6)%
2009	\$958	\$715	133.9%	\$(243)	\$139	(174.3)%
2008	\$981	\$690	142.2%	\$(291)	\$133	(218.7)%
2007	\$927	\$631	146.8%	\$(295)	\$122	(241.5)%
2006	\$848	\$614	138.1%	\$(234)	\$111	(209.7)%
2005	\$791	\$566	139.8%	\$(225)	\$103	(219.7)%
2004	\$742	\$554	133.8%	\$(187)	\$100	(187.9)%
2003	\$699	\$546	128.1%	\$(153)	\$97	(157.4)%
2002	\$749	\$530	141.3%	\$(219)	\$93	(235.2)%
2001	\$782	\$501	156.2%	\$(281)	\$90	(311.9)%

2. SCHEDULE OF EMPLOYER CONTRIBUTIONS

(Dollars in
Thousands)

Year Ended June 30	Actuarially Required Contribution	Contributions as a % of ARC
2011	\$ 8,215	100%
2010	\$ 3,267	100%
2009	\$ 1,345	100%
2008	\$ 355	100%
2007	\$ 1,566	100%
2006	\$ 0	100%
2005	\$ 0	100%
2004	\$ 0	100%
2003	\$ 0	100%
2002	\$ 0	100%

NOTES TO THE REQUIRED SUPPLEMENTAL SCHEDULES
JUNE 30, 2011 AND 2010**ACTUARIAL ASSUMPTIONS**

The Segal Company, the System's actuary, performed an actuarial valuation as of June 30, 2010. The actuarial assumptions used to compute the contribution requirements and to determine funding status are as follows:

1. Annual inflation is assumed at 3.50%.
2. Annual investment return is assumed to be 8.00%.
3. The City contribution rate is set at 10.21% (normal cost of 10.70% is offset by applying prefunded actuarial accrued liability of 2.91% and the city required contribution of 10.21%, which includes 2.42% for the contribution shortfall from the prior year).
4. Average employee contribution rate is 5.53%, (basic only) although individual rates depend upon entry age.
5. Accrued benefits and costs are calculated using the projected unit credit method.
6. Withdrawal, disability and salary increase assumptions are based on actual System experience.
7. Post retirement mortality assumptions are based on the Society of Actuaries' RP-2000 Combined Healthy Mortality Table, (separate tables for males and females) set back two years.
8. Post retirement mortality assumptions for disabled are based on the Society of Actuaries' RP-2000 Combined Healthy Mortality Table (separate tables for males and females) set forward four years.
9. Actuarial valuation of assets is based upon a five-year smoothed recognition of realized and unrealized capital gains and losses which are more or less than the actuarial assumed return of 8.00%.
10. Projected salary increase assumption is assumed to be 3.50% plus 0.50% across the board salary increases, plus merit and promotion increases based on completed years of service.
11. Post retirement benefit increases are based on CPI for each year to a maximum of 3.50% per year.
12. The amortization period for Prefunded Actuarial Accrued Liability is an open non-declining 15-year period.

These actuarial assumptions were adopted by the Retirement Board on December 8, 2010 for implementation as of July 1, 2011.