

PC-203C

Commonwealth of Pennsylvania
Public Employee Retirement Commission
P. O. Box 1429
Harrisburg, PA 17105-1429

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2009

**ACT 205 ACTUARIAL VALUATION REPORT:
NONUNIFORMED PENSION PLAN
WITH DEFINED BENEFITS**

FILING DEADLINE: March 31, 2010

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Special Instructions: Where a Deferred Retirement Option Plan (DROP) is operated for members of the pension plan, the participating pension plan members should be reported as retired members in Section IV and Schedule A.

Section I - Identification of Municipality

INSTRUCTIONS: Print or type requested information in the space provided.

Note: In Part A, home rule municipalities should check the box and enter the number of their previous municipal classification.

A. Type of Municipality 2 Item No. (1)
(Check appropriate box below and enter corresponding number.)

- | | |
|--|--|
| <input checked="" type="checkbox"/> City (2) | <input type="checkbox"/> Township (1 st) (4) |
| <input type="checkbox"/> Borough (3) | <input type="checkbox"/> Township (2 nd) (5) |
| <input type="checkbox"/> Town (3) | <input type="checkbox"/> Authority (6) |
| | <input type="checkbox"/> COG/Regional Entity (7) |

B. Name of Municipality CITY OF PITTSBURGH (2)

C. Name of County ALLEGHENY (3)

Section II - Identification of Pension Plan and Specification of Valuation Date

INSTRUCTIONS: Print or type requested information in space provided.

A. Name of Pension Plan CITY OF PITTSBURGH MUNICIPAL PENSION FUND (4)

B. Date on which pension plan was established 05 / 28 / 1915 (5)
Mo. Da. Yr.

C. Valuation date for demographic, financial and actuarial data 01 / 01 / 2009 (6)
(Use 1/1/2009 unless otherwise specified in plan document prior to 12/31/1982.) Mo. Da. Yr.

Section III - General Information

INSTRUCTIONS: Respond to each question by entering "yes" or "no" in the space provided.

- A. Is Social Security coverage provided for the active members of the pension plan identified in Section II? YES (8)
- B. Do any active members of the pension plan identified in Section II participate in any other pension plan or plans that receive funding from the municipality? NO (9)
- C. Do any of the active members of the pension plan identified in Section II work on average less than 35 hours per week? NO (10)
- D. Does the pension plan identified in Section II include active members who are not employees of the municipality identified in Section I? YES (11)
- E. Do retired members of the pension plan identified in Section II receive any benefit, such as insurance coverage, that is provided wholly or partially by the municipality and not funded through the pension plan identified in Section II? NO (12)

Section IV - Demographic Data as of JANUARY 1, 2009 (Valuation Date)INSTRUCTIONS: Enter valuation date specified in Section II, Part C, in the space provided above and on each page of Schedule A. Print or type information requested in Part A in the space provided. Enter zero, if applicable. Do not leave blanks or refer to the schedules or exhibits. Complete Schedule A. Then complete the certification in Part B below.**A. Summary of Demographic Data**

1. Number of active members on valuation date 1,783 (13)
2. Total annual payroll of active members as of above valuation date \$ 73,072,430 (14)
3. Number of members terminated with vested or deferred benefit on valuation date 77 (15)
4. As of valuation date, number of persons receiving:
- a. Retirement benefits
- i. As normal retired members 1,228 (16i)
- ii. As DROP participants 0 (16ii)
- iii. Total 1,228 (16iii)
- b. Disability benefits 288 (17)
- c. Surviving spouse benefits 90 (18)
- d. Surviving child benefits 0 (19)
- e. Total (a+b+c+d) 1,606 (20)
5. As of valuation date, total annual benefits payable as:
- a. Retirement benefits
- i. To normal retired members \$ 12,630,221 (21i)
- ii. To DROP participants \$ 0 (21ii)
- iii. Total \$ 12,630,221 (21iii)
- b. Disability benefits \$ 3,338,713 (22)
- c. Surviving spouse benefits \$ 461,342 (23)
- d. Surviving child benefits \$ 0 (24)
- e. Total (a+b+c+d) \$ 16,430,276 (25)

B. Certification of Demographic Data

I hereby certify that I have prepared and reviewed the demographic data entered in Part A of this section and in Schedule A; and I further certify that the information provided is to the best of my knowledge true and accurate.

Scott Kunka
(Signature)

Scott Kunka
(Name)

Director of Finance
(Title)

3-29-10
(Date)

(412) 255-2640
(Telephone)

Section V - Financial Data as of JANUARY 1, 2009 (Valuation Date)

INSTRUCTIONS: Enter valuation date specified in Section II, Part C, in the space provided above and on each page of Schedule B. Print or type the data requested in Part A, rounded to the nearest dollar, in the space provided. Enter zero, if applicable. Do not leave blanks or refer to exhibits. Complete Schedule B. Then complete the certification in Part B below.

Note: The asset values provided in Part A of this section and in Schedule B must include all the assets of the pension plan regardless of custodial arrangements involving administrative agencies.

A. Summary of Financial Data

- | | | | |
|--|----|-------------------|------|
| 1. MARKET VALUE OF ASSETS, <i>excluding the cash surrender values of individual insurance and annuity contracts</i> , on the above valuation date | \$ | <u>88,709,644</u> | (26) |
| 2. CASH SURRENDER VALUE of individual insurance and annuity contracts on the above valuation date or nearest anniversary date | \$ | <u>0</u> | (27) |
| 3. TOTAL FUND ASSETS (1 + 2) on the above valuation date | \$ | <u>88,709,644</u> | (28) |
| 4. INVESTMENT INCOME, <i>excluding individual insurance and annuity contract dividends</i> , for the year ended on the above valuation date | \$ | <u>5,059,270</u> | (29) |
| 5. REALIZED CAPITAL GAINS/LOSSES for the year ended on the above valuation date (+ or -) | \$ | <u>0</u> | (30) |
| 6. DIVIDENDS ON INSURANCE/ANNUITY CONTRACTS for the year ended on the above valuation date | \$ | <u>0</u> | (31) |
| 7. MEMBER CONTRIBUTIONS to plan for the year ended on the above valuation date (Include employee contributions treated as employer contributions pursuant to Section 414(h) of the Internal Revenue Code.) | \$ | <u>3,133,640</u> | (32) |
| 8. MUNICIPAL CONTRIBUTIONS to plan for the year ended on valuation date (8a+8b) | \$ | <u>10,445,887</u> | (33) |
| a. State Aid Portion \$ <u>5,646,176</u> b. Local Portion \$ <u>4,799,711</u> | | | |
| 9. ACTUAL MUNICIPAL DEPOSIT for the year ended on the valuation date (Item 33 + 9a - 9b) | \$ | <u>10,445,887</u> | (34) |
| a. Contributions Receivable at beginning of year \$ <u>0</u> b. Contributions Receivable at End of year \$ <u>0</u> | | | |
| 10. TOTAL MONTHLY BENEFIT PAYMENTS for the year ended on the above valuation date | \$ | <u>17,565,787</u> | (35) |
| 11. ANNUAL INSURANCE OR ANNUITY PREMIUM PAYMENTS, <i>excluding single premium annuity purchases</i> , for the year ended on the above valuation date | \$ | <u>0</u> | (36) |
| 12. ADMINISTRATIVE EXPENSES paid from the assets of the pension plan for the year ended on the above valuation date | \$ | <u>1,527,143</u> | (37) |
| 13. MINIMUM MUNICIPAL OBLIGATION to the pension plan for the year ended on the valuation date (Enter amount reported in item 34 on page 12) | \$ | <u>10,445,887</u> | (38) |

B. Certification of Financial Data

I hereby certify that I have prepared and reviewed the financial data entered in Part A of this section and in Schedule B; and I further certify that the information provided is to the best of my knowledge true and accurate.

Scott Kunka
(Signature)

3-29-10
(Date)

Scott Kunka
(Name)

Director of Finance
(Title)

(412) 255-2640
(Telephone)

Section VI - Actuarial Data as of JANUARY 1, 2009 (Valuation Date)

INSTRUCTIONS: Enter valuation date specified in Section II, Part C, in the space provided above and on each page of Schedule C. Complete Part A and Part B below in accordance with the instructions provided. Complete Schedule C. Then complete the certification in Part C below.

Note: The asset values provided in Part A of this section must include all the assets of the pension plan regardless of custodial arrangements involving administrative agencies.

A. Summary of Actuarial Data

INSTRUCTIONS: Print or type the data requested, rounded to the nearest dollar, in the space provided. Enter zero or negative values, if applicable. Do not leave blanks or refer to exhibits.

- | | |
|--|----------------------------|
| 1. ACTUARIAL PRESENT VALUE OF FUTURE BENEFITS as of valuation date | \$ <u>300,739,046</u> (40) |
| 2. ACTUARIAL PRESENT VALUE OF FUTURE NORMAL COST as of valuation date | \$ <u>33,123,335</u> (41) |
| 3. ACTUARIAL ACCRUED LIABILITY as of valuation date | \$ <u>267,615,711</u> (42) |
| 4. ACTUARIAL VALUE OF ASSETS, including aggregate insurance/annuity cash surrender value, as of valuation date | \$ <u>115,322,537</u> (43) |
| 5. UNFUNDED ACTUARIAL ACCRUED LIABILITY as of valuation date (+ or -) | \$ <u>152,293,174</u> (44) |
| 6. NORMAL COST (employer & employee), <i>excluding administrative expenses</i> , payable as of valuation date for the plan year beginning on valuation date: | |
| a. As a dollar amount | \$ <u>4,530,117</u> (45) |
| b. As a percentage of total annual payroll | <u>6.199</u> % (46) |
| 7. AVERAGE ADMINISTRATIVE EXPENSES payable from the assets of the pension plan in the prior plan year and the plan year beginning on valuation date ¹ | \$ <u>1,242,231</u> (47) |
| 8. ANNUAL COVERED PAYROLL of active members as of valuation date | \$ <u>73,072,430</u> (48) |
| 9. AMORTIZATION CONTRIBUTIONS | |
| a. For amortization of initial unfunded actuarial accrued liability established 1/1/85. ² | |
| 1) Amortization period remaining (years) | <u>29</u> (49) |
| 2) Amortization contribution calculated as a level dollar amount for the plan year beginning on valuation date | \$ <u>3,132,592</u> (50) |
| 3) Amortization contribution calculated as a level percentage of payroll for the plan year beginning on valuation date ³ | \$ <u>N/A</u> (51) |
| b. For amortization of all increases or decreases in unfunded actuarial accrued liability occurring after 1/1/85 or the initial UAL's establishment. ² | |
| 1) Aggregated amortization period (years) | <u>19</u> (52) |
| 2) Aggregated amortization contribution calculated as a level dollar amount for the plan year beginning on valuation date | \$ <u>8,035,924</u> (53) |
| c. Modified Total Amortization Requirement ⁴ | \$ <u>0</u> (54) |
| d. Total Amortization Requirement (Item 50 + 53 or Item 51 + 53 or Item 54, whichever is applicable) | \$ <u>11,168,516</u> (55) |
| 10. ACTUAL OR ESTIMATED MEMBER CONTRIBUTIONS to the pension plan for the year beginning on the valuation date | \$ <u>3,133,640</u> (56) |

Section VI - Actuarial Data (Cont'd)

INSTRUCTIONS: If insurance/annuity contracts are maintained pre-retirement to fund a portion of the benefits provided by the pension plan at retirement, enter the information requested in items 11-20 below. Otherwise, do not complete items 11-20.

Note: For item 20, include "side fund" amortization contribution for the initial UAL established 1/1/85 and the aggregated "side fund" amortization contribution for increases and decreases in the UAL occurring after 1/1/85. Attach a facsimile of Schedule C, Section II, to support the entry for item 20.

A. Summary of Actuarial Data (Cont'd)

11. ACTUARIAL PRESENT VALUE OF INSURANCE/ANNUITY CONTRACT CASH VALUES AT RETIREMENT as of valuation date	\$	(57)
12. ADJUSTED ACTUARIAL PRESENT VALUE OF FUTURE BENEFITS as of valuation date (1 - 11)	\$	(58)
13. ADJUSTED ACTUARIAL PRESENT VALUE OF FUTURE NORMAL COST as of valuation date	\$	(59)
14. ADJUSTED ACTUARIAL ACCRUED LIABILITY as of valuation date	\$	(60)
15. ACTUARIAL VALUE OF ASSETS, excluding aggregate insurance/annuity cash surrender value, as of valuation date	\$	(61)
16. ADJUSTED UNFUNDED ACTUARIAL ACCRUED LIABILITY as of valuation date (+ or -)	\$	(62)
17. ADJUSTED NORMAL COST, excluding administrative expenses, payable as of valuation date for the plan year beginning on valuation date	\$	(63)
18. ANNUAL INSURANCE/ANNUITY PREMIUM PAYMENTS for the plan year beginning on valuation date	\$	(64)
19. GROSS ADJUSTED NORMAL COST for the plan year beginning on valuation date (17 + 18):		
a. As a dollar amount	\$	(65)
b. As a percentage of payroll	%(66)
20. ADJUSTED AMORTIZATION CONTRIBUTION calculated as a level dollar amount for the plan year beginning on valuation date	\$	(67)

¹ The average of the prior year's administrative expenses and the estimated administrative expenses for the current year. If the amount entered exceeds the prior year's expenses (Section V, Part A, Item 12) by more than 10%, attach an exhibit detailing the administrative expenses for the year beginning on the valuation date.

² Initial unfunded actuarial accrued liability may be established later than 1/1/1985 if coincidental with the establishment of the pension plan or with the initiation of a new amortization schedule authorized by Act 82 of 1998.

³ Enter N/A unless municipality has been certified to use level percentage of payroll amortization pursuant to Section 607 of Act 205.

⁴ If the municipality has formally elected to apply the limit on the amortization contribution under section 202(b)(4), enter the modified total amortization requirement calculated as the amount required to amortize the unfunded actuarial accrued liability over ten years. Otherwise, enter N/A.

Section VI - Actuarial Data (Cont'd)**B. Additional Information**

INSTRUCTIONS: Print or type the information requested in the space provided. Enter "N/A" if applicable. Do not leave blanks or refer to exhibits.

1. MAJOR ECONOMIC ACTUARIAL ASSUMPTIONS

- a. Interest or investment earnings rate 8.00 %(68)
- b. Salary projection 4.00 %(69)

2. ADMINISTRATIVE ARRANGEMENT (Enter corresponding number. ⇨) 1 (70)

- | | |
|---|---|
| <input type="checkbox"/> 1 - Self administered fund | <input type="checkbox"/> 4 - Insured deposit administration contract |
| <input type="checkbox"/> 2 - Bank or other trust fund | <input type="checkbox"/> 5 - Immediate participation guarantee contract |
| <input type="checkbox"/> 3 - Split-funded plan - Insurance plus side fund | <input type="checkbox"/> 6 - Pennsylvania Municipal Retirement System |
| <input type="checkbox"/> 7 - Other (Describe) _____ | |

3. COST FOR ACTUARIAL SERVICES to be billed or charged for completing this reporting form and for preparing the associated actuarial valuation report \$ 11,000 (71)**C. Certification of Actuarial Data**

I hereby certify that I have prepared and reviewed the actuarial data and information entered in Part A and Part B of this section and in Schedule C and that the data and information provided is to the best of my knowledge true and accurate.

I further certify that I have five years of actuarial experience with public pension plans and that I am (Initial appropriate box.)

GM ☒ a member of the American Academy of Actuaries enrolled in 1979.

GM ☒ an enrolled actuary pursuant to the Employee Retirement Income Security Act of 1974, No. 08-544.

G. Herbert Loomis
(Signature)

3/29/10
(Date)

G. Herbert Loomis
(Name)

(412) 394-9660 (72)
(Telephone)

Mockenhaupt Benefits Group (73)
(Name of Firm)

Section VII - Certification of Report by the Chief Administrative Officer of the Municipality

INSTRUCTIONS: Ensure that Schedule A, Schedule B and Schedule C are completed and attached to the reporting form. Review the information entered in each section of the reporting form and the information provided in the schedules. Then complete the certification below and return the original reporting form to the Commission. ***Retain a copy of the completed reporting form for audit compliance purposes.***

Note: To be completed by the person officially designated as the Chief Administrative Officer of the municipality under Act 205 of 1984.

I hereby certify that to the best of my knowledge the information provided in this report is complete, true and accurate.

Scott Kunka
(Signature of Chief Administrative Officer)

3-29-10
(Date)

Scott Kunka
(Name of Chief Administrative Officer) (Print or type)

(412) 255-2640
(Telephone)

Inquiries regarding completion or submission of the reporting form may be directed to:

**Commonwealth of Pennsylvania
Public Employee Retirement Commission**

Mailing Address
P. O. Box 1429
Harrisburg, PA 17105-1429

Phone: (717) 783-6100
Fax: (717) 787-9531
E-mail: perc@state.pa.us

SCHEDULE A - Demographic Data as of JANUARY 1, 2009 CITY OF PITTSBURGH ALLEGHENY
 Page 1 of 2 (Valuation Date) (Municipality) (County)

INSTRUCTIONS: Print or type the requested information in the space provided. For totals, enter zero if applicable. Refer to attachments or exhibits only to explain or support data entered on the schedule.

PART I - DEMOGRAPHIC DATA FOR RETIRED MEMBERS		
AGE	NUMBER	ANNUAL PENSION PAYABLE
Under 30		
30-34		
35-39	1	14,136
40-44		
45-49	11	131,232
50-54	67	873,894
55-59	162	1,925,021
60-64	195	2,581,195
65-69	277	3,197,565
70-74	239	2,365,887
75-79	234	2,139,845
80-84	230	1,854,314
Over 84	190	1,347,188
TOTALS	1,606	16,430,276

PART II - DEMOGRAPHIC DATA FOR MEMBERS TERMINATED WITH VESTING		
AGE	NUMBER	ANNUAL PROJECTED PENSION
Under 25		
25-29		
30-34		
35-39		
40-44	1	25,500
45-49	18	309,379
50-54	38	631,278
55-59	17	281,267
60-64	3	48,600
65-69		
Over 69		
TOTALS	77	1,296,024

SCHEDULE A - Demographic Data as of JANUARY 1, **2009** CITY OF PITTSBURGH ALLEGHENY
 Page 2 of 2 (Valuation Date) (Municipality) (County)

Part III - Distribution of Active Members by Age and Service

AGE		YEARS OF SERVICE									
		1	2	3	4-5	6-10	11-15	16-20	21-25	26-30	30+
Under 20	No. of Members										
	Payroll (\$000)										
20-24	No. of Members	10	1	2	1						
	Payroll (\$000)	274	14	56	43						
25-29	No. of Members	24	28	10	17	8					
	Payroll (\$000)	688	1,047	499	719	292					
30-34	No. of Members	14	21	13	19	30	4				
	Payroll (\$000)	539	873	612	622	1,434	201				
35-39	No. of Members	15	18	7	15	47	20	2			
	Payroll (\$000)	435	778	280	490	1,970	924	75			
40-44	No. of Members	10	8	10	18	39	33	28	9	1	
	Payroll (\$000)	335	249	356	742	1,402	1,629	1,447	411	62	
45-49	No. of Members	15	16	14	12	49	31	47	50	21	
	Payroll (\$000)	526	547	632	405	1,713	1,395	2,304	2,610	1,051	
50-54	No. of Members	18	13	10	15	62	29	46	54	82	56
	Payroll (\$000)	676	505	401	480	2,200	1,140	1,859	2,474	3,461	2,604
55-59	No. of Members	6	11	10	12	42	33	60	43	48	127
	Payroll (\$000)	323	479	401	451	1,517	1,028	2,087	1,666	2,327	6,358
60-64	No. of Members	1	5	1	10	23	11	23	30	22	65
	Payroll (\$000)	30	176	29	371	741	362	758	905	904	2,896
65 & Over	No. of Members	2		1	2	17	6	8	12	7	23
	Payroll (\$000)	21		21	76	485	184	293	420	253	1,029
TOTAL MEMBERS		115	121	78	121	317	167	214	198	181	271
TOTAL ANNUAL PAYROLL		3,847	4,668	3,286	4,399	11,754	6,864	8,823	8,486	8,058	12,887

SCHEDULE B - Financial Data as of JANUARY 1, **2009** CITY OF PITTSBURGH ALLEGHENY
 Page 1 of 3 (Valuation Date) (Municipality) (County)

INSTRUCTIONS: Print or type the requested information in the space provided. Round to the nearest dollar. Enter zero, if applicable. Refer to attachments or exhibits only to explain or support data entered on the schedule.

Section I - Statement of Net Assets Available for Benefits as of the Valuation Date

	Item No.
A. Assets:	
1. Cash	\$ 0 (1)
2. Accrued Interest and Dividends Receivable	\$ 0 (2)
3. Other Receivables (Specify)	
.....	\$ 0 (3)
.....	\$ 0 (4)
.....	\$ 0 (5)
4. Investments at Market Value (Specify)	
<u>ALLOCATION OF AGGREGATE TRUST</u>	\$ 88,709,644 (6)
.....	\$ 0 (7)
.....	\$ 0 (8)
.....	\$ 0 (9)
.....	\$ 0 (10)
5. Insurance/Annuity Cash Surrender Value (Individual Policies)	\$ 0 (11)
6. Other Assets (Specify)	
.....	\$ 0 (12)
.....	\$ 0 (13)
.....	\$ 0 (14)
Total Assets	\$ 88,709,644 (15)
B. Current Liabilities:	
1. Accounts Payable and Accrued Administrative Expenses	\$ 0 (16)
2. Other Current Liabilities (Specify)	
.....	\$ 0 (17)
.....	\$ 0 (18)
.....	\$ 0 (19)
Total Current Liabilities	\$ 0 (20)
C. Net Assets Available for Benefits (Market Value) as of valuation date	\$ 88,709,644 (21)

SCHEDULE B - Financial Data as of JANUARY 1, **2009** CITY OF PITTSBURGH ALLEGHENY
Page 2 of 3 (Valuation Date) (Municipality) (County)

Section II - Statement of Revenues, Expenses and Change in Fund Assets for the Year Ended on the Valuation Date

	Item No.
A. Net Assets at Beginning of Year (Market Value)	\$ <u>125,810,037</u> (1)
B. Revenues:	
Member Contributions	\$ <u>3,133,640</u> (2)
Total Municipal Contributions	\$ <u>10,445,887</u> (3)
a. State Aid Portions \$ <u>5,646,176</u> b. Local Portion \$ <u>4,799,711</u>	
Interest Earnings	\$ <u>5,059,270</u> (4)
Dividend Income	\$ <u>0</u> (5)
Realized Capital Gains	\$ <u>0</u> (6)
Other Revenues or Credits (Specify)	
<u>PASS THROUGH CONTRIBUTIONS</u>	\$ <u>1,872,500</u> (7)
<u>MISC. INCOME</u>	\$ <u>32,906</u> (8)
.....	\$ <u>0</u> (9)
Total Revenues	\$ <u>20,544,203</u> (10)
C. Expenses:	
Total Benefit Payments (Lump Sum)	\$ <u>0</u> (11)
Total Benefit Payments (Monthly)	\$ <u>17,565,787</u> (12)
Annuity Purchases (Lump Sum)	\$ <u>0</u> (13)
Insurance Premiums	\$ <u>0</u> (14)
Refund of Member Contributions	\$ <u>436,370</u> (15)
Administrative Expenses	\$ <u>1,527,143</u> (16)
Realized Capital Losses	\$ <u>0</u> (17)
Lump Sum DROP Account Payments	\$ <u>0</u> (18)
Other Expenses or Debits (Specify)	
<u>PASS THROUGH PAYMENTS</u>	\$ <u>1,872,500</u> (19)
<u>NET DEPRECIATION</u>	\$ <u>36,242,796</u> (20)
Total Expenses	\$ <u>57,644,596</u> (21)
D. Net Change in Market Value of Assets (Unrealized Capital Gains or Losses)	\$ <u>0</u> (22)
E. Net Assets at End of Year (Market Value)	\$ <u>88,709,644</u> (23)

SCHEDULE B - Financial Data as of JANUARY 1, 2009 CITY OF PITTSBURGH ALLEGHENY
Page 3 of 3 (Valuation Date) (Municipality) (County)

Page 3 of 3

(Valuation Date)

(Municipality)

(County) _____,

Section III - Presentation of the Determination of the Minimum Municipal Obligation (MMO) for Year Ended on Valuation Date

INSTRUCTIONS: Enter data reflecting the minimum municipal obligation developed in the fall of 2007 for the plan year beginning in 2008. [Section 302(C) of Act 205 of 1984.]

Item No.

- A. DETERMINATION OF THE ACTUARIAL VALUATION REPORT (AVR) used to determine
 Funding requirement. (Enter valuation date used in 2007 or earlier year.) 01 / 01 / 2005 (23)
 Mo. Da. Yr.

B. DEVELOPMENT OF MINIMUM MUNICIPAL OBLIGATION under Section 302(c) of
 Act 205 of 1984. (Enter "N/A" if the asset value exceeded the present value of future benefits
 in the actuarial valuation report identified in Part A.)

 1. TOTAL ANNUAL PAYROLL projected for year ended on valuation date \$ 66,097,802 (24)
 2. TOTAL NORMAL COST, expressed as a percentage of total annual payroll,
 derived from actuarial valuation report identified in item 23 5.665% (25)
 3. TOTAL PROJECTED NORMAL COST for year ended on valuation date
 (Item 24 x Item 25) \$ 3,744,440 (26)
 4. TOTAL AMORTIZATION REQUIREMENT for year ended on valuation date ¹ \$ 8,816,171 (27)
 5. TOTAL ADMINISTRATIVE EXPENSES projected for year ended on valuation date \$ 727,076 (28)
 6. TOTAL FINANCIAL REQUIREMENTS (Item 26 + 27 + 28) \$ 13,287,687 (29)
 7. MEMBER CONTRIBUTIONS projected for year ended on valuation date \$ 2,841,800 (30)
 8. FUNDING ADJUSTMENT determined pursuant to Section 302(c)(2) of Act 205 of 1984
 for year ended on valuation date ² \$ 0 (31)
 9. MINIMUM MUNICIPAL OBLIGATION (MMO) for year ended on valuation date
 (Item 29 - 30 - 31) \$ 10,445,887 (32)
 10. DELINQUENT MMO PLUS INTEREST from plan year beginning in 2005 \$ 0 (33)
 11. TOTAL MMO for year ended on valuation date (Item 32 + Item 33) \$ 10,445,887 (34)

- | | | |
|--|---|---------------------------|
| B. DEVELOPMENT OF MINIMUM MUNICIPAL OBLIGATION under Section 302(c) of Act 205 of 1984. (Enter "N/A" if the asset value exceeded the present value of future benefits in the actuarial valuation report identified in Part A.) | | |
| 1. | TOTAL ANNUAL PAYROLL projected for year ended on valuation date | \$ <u>66,097,802</u> (24) |
| 2. | TOTAL NORMAL COST, expressed as a percentage of total annual payroll, derived from actuarial valuation report identified in item 23 | <u>5.665</u> % (25) |
| 3. | TOTAL PROJECTED NORMAL COST for year ended on valuation date (Item 24 x Item 25) | \$ <u>3,744,440</u> (26) |
| 4. | TOTAL AMORTIZATION REQUIREMENT for year ended on valuation date ¹ | \$ <u>8,816,171</u> (27) |
| 5. | TOTAL ADMINISTRATIVE EXPENSES projected for year ended on valuation date | \$ <u>727,076</u> (28) |
| 6. | TOTAL FINANCIAL REQUIREMENTS (Item 26 + 27 + 28) | \$ <u>13,287,687</u> (29) |
| 7. | MEMBER CONTRIBUTIONS projected for year ended on valuation date | \$ <u>2,841,800</u> (30) |
| 8. | FUNDING ADJUSTMENT determined pursuant to Section 302(c)(2) of Act 205 of 1984 for year ended on valuation date ² | \$ <u>0</u> (31) |
| 9. | MINIMUM MUNICIPAL OBLIGATION (MMO) for year ended on valuation date (Item 29 - 30 - 31) | \$ <u>10,445,887</u> (32) |
| 10. | DELINQUENT MMO PLUS INTEREST from plan year beginning in 2005 | \$ <u>0</u> (33) |
| 11. | TOTAL MMO for year ended on valuation date (Item 32 + Item 33) | \$ <u>10,445,887</u> (34) |

- ¹ If the amount entered differs from the amount reported in the actuarial valuation report identified in item 23 above due to the scheduled termination of one or more amortization bases established pursuant to Chapter 2 of Act 205, attach an exhibit reconciling the difference.

- ² Funding adjustment is applicable where assets exceed actuarial accrued liability and is equal to 10% of the amount of the excess.

SCHEDULE C - Actuarial Data as of JANUARY 1, **2009** CITY OF PITTSBURGH ALLEGHENY
Page 1 of 4 (Valuation Date) (Municipality) (County)

INSTRUCTIONS: Complete all items using the entry age normal actuarial cost method. Enter zero, if applicable, and round to the nearest dollar. Refer to attachments or exhibits only to explain or support data entered on the schedule.

Section I - Presentation of Actuarial Present Value of Future Benefits as of the Valuation Date

	Item No.
A. Actuarial Present Values for Active Members	
(Enter values for ancillary benefits only if valued using EAN.)	
1. Retirement Benefits	\$ 130,157,544 (1)
2. Disability Benefits	\$ 14,560,973 (2)
3. Survivor Benefits	\$ 0 (3)
4. Liability for the Refund of Member Contributions	\$ 1,731,751 (4)
5. Others (Specify) <u>PRE-RETIREMENT DEATH, MEDICARE PREMIUM AND VESTED BENEFITS</u>	\$ 16,878,276 (5)
Subtotal for Active Members	\$ 163,328,544 (6)
B. Actuarial Present Values for Non-Active Members and Benefit Recipients	
1. Deferred Vested Benefits	\$ 7,294,851 (7)
2. Retirement Benefits	\$ 97,974,767 (8)
3. Disability Benefits	\$ 28,728,727 (9)
4. Survivor Benefits	\$ 3,412,157 (10)
5. Total Monies Accumulated in DROP Participant Accounts	\$ 0 (11)
6. Others (Specify) _____	\$ 0 (12)
Subtotal for Non-Active Members and Benefit Recipients	\$ 137,410,502 (13)
C. Total Actuarial Present Value of Future Benefits (Without adjustments)	\$ 300,739,046 (14)
D. Total Adjustments for Ancillary Benefits Valued through Approximation Techniques ¹	\$ 0 (15)
E. Total Actuarial Present Value of Future Benefits (Item 14 + Item 15)	\$ 300,739,046 (16)

¹ A signed statement and accompanying documentation, as specified in Section 203.5 of the Act 205 regulations, must be attached if adjustments are made.

SCHEDULE C - Actuarial Data as of JANUARY 1, 2009 CITY OF PITTSBURGH ALLEGHENY
Page 2 of 4 (Valuation Date) (Municipality) (County)

Section II - Unfunded Actuarial Accrued Liability and Amortization Contributions as of Valuation Date

Part A - Initial Unfunded Actuarial Accrued Liability.

Amount of Initial Liability	Date Established	Target Date	Original Amortization Period	Remaining Balance	Level Dollar Amortization Contribution
\$ 53,226,758	1998	2037	40	\$ 70,066,359	\$ 3,132,592 ⁽¹⁶⁾

Part B - Changes in Unfunded Actuarial Accrued Liability since the last actuarial valuation report prepared and submitted under Act 205.

Source	Amount of Liability	Date Established	Target Date	Amortization Period	Amortization Contribution
Benefit Plan Modification	N/A	N/A	N/A	N/A	N/A
Actuarial Assumption Modification	(9,457,779)	2009	2028	20	(891,940)
Actuarial Losses (+) or Gains (-)	40,849,981 ²	2009	2028	20	3,852,464
Post-Retirement Adjustments	N/A	N/A	N/A	N/A	N/A
Total	\$ 31,392,202	XXXXX	XXXXX	XXXXX	\$ 2,960,524 ⁽¹⁷⁾

Part C - Aggregation of Changes in Unfunded Actuarial Accrued Liability since initially established in 1985.

Description	Remaining Balance of Aggregated Liability	Date of Aggregation	Aggregated Target Date	Aggregated Amortization Period	Aggregated Amortization Contribution
Aggregation of all prior changes (exclude changes in Section B)	\$ 50,834,613	2007	2026	18	\$ 5,075,400 ⁽¹⁸⁾
Aggregation of all changes (include changes in Section B)	\$ 82,226,815	Current Valuation Date	2027	19	\$ 8,035,924 ⁽¹⁹⁾

¹ Level percentage of future payroll amortization contribution should be entered where the municipality has previously implemented that amortization approach pursuant to Section 607 of Act 205.

² Attach exhibit of the actuarial valuation report showing development of expected unfunded actuarial accrued liability.

SCHEDULE C - Actuarial Data as of JANUARY 1, **2009** CITY OF PITTSBURGH ALLEGHENY
 Page 3 of 4 (Valuation Date) (Municipality) (County)

Section III - Presentation of Actuarial Assumptions and Methods

A. Actuarial Assumptions

SEE ATTACHED

1. Interest Rate -

2. Salary Projection -

3. Disability Rates -

4. Termination Rates -

5. Mortality -

6. Retirement Age -

7. Asset Smoothing -

8. Other (Specify) - _____

9. Other (Specify) - _____

B. Actuarial Cost Method (Specify) _____

SCHEDULE C - Actuarial Data as of**JANUARY 1****, 2009****CITY OF PITTSBURGH****ALLEGHENY**

Page 4 of 4

(Valuation Date)

(Municipality)

(County)

Section IV - Presentation of Benefit Plan Provisions**SEE ATTACHED****A. Eligibility Requirements**

Normal Retirement _____

Early Retirement _____

Vesting _____

B. Retirement Benefit (Describe fully including Social Security offsets, service increments, etc. and include period over which final average salary is determined if benefit salary related.)_____

_____**C. Survivor Benefit (Describe fully including indication of whether benefit is automatic or provided at the election of individual members.)**_____

_____**D. Disability benefit (Describe fully including offset provisions, service requirements, extent of disability, etc.)**

Service Related _____

Non-Service Related _____

_____**E. Post Retirement Adjustments (Describe fully including frequency of adjustment, basis for adjustment, minimum/maximum adjustments, etc.)**_____

_____**F. DROP Benefit (Specify and describe.)**_____

_____**G. Other Benefit (Specify and describe.)**_____

_____**H. Member Contributions**

Amount or Rate _____

Interest Rate Credited to Member Contributions _____ %

Exhibit I

Actuarial Data as of JANUARY 1, 2009. For: MUNICIPAL of CITY OF PITTSBURGH in ALLEGHENY
Page 1 of 6 (Valuation Date) (Pension Plan) (Municipality) (County)

GENERAL INSTRUCTIONS: This exhibit is to be completed only if the municipality is reporting the issuance of bonds (or notes, if applicable) to fund unfunded actuarial accrued liabilities under section 404 of Act 205 of 1984. The bond issue proceeds contributed to the pension plan are amortization contributions allocated under section 202(b)(4) of Act 205. The data requested in this exhibit is modified to reflect the funded status of the pension plan that would exist had the bond issue proceeds not been contributed to the pension plan. Print or type the data requested, rounded to the nearest dollar, in the space provided. Enter zero or negative values, if applicable. Do not leave blanks or refer to exhibits.

NOTE: Earnings on bond issue proceeds contributed to the pension fund are to be calculated proportionately, based on the ratio of borrowed assets to total assets at market value as of the valuation date occurring on or immediately following the date on which the borrowed assets were contributed.

A. Summary of Modified Actuarial Data

1. ACTUARIAL ACCRUED LIABILITY as of valuation date \$ 267,615,711 (E1)
(Enter amount reported in item 42 on page 4 of the reporting form.)
2. TOTAL FUND ASSETS
 - a. Market Value of Assets ¹ \$ 6,935,414 (E2)
 - b. Actuarial Value of Assets reported in Item 2a above \$ 9,016,038 (E3)
3. UNFUNDED ACTUARIAL ACCRUED LIABILITY as of valuation date (+ or -) ... \$ 258,599,673 (E4)
(Item 1 minus Item 2b)
4. AMORTIZATION CONTRIBUTIONS
 - a. For amortization of initial unfunded actuarial accrued liability established 1/1/85. ²
 - 1) Amortization period remaining (years) 29 (E5)
 - 2) Amortization contribution calculated as a level dollar amount for the plan year beginning on valuation date \$ 9,121,224 (E6)
 - 3) Amortization contribution calculated as a level percentage of payroll for the plan year beginning on valuation date ³ \$ N/A (E7)
 - b. For amortization of all increases or decreases in unfunded actuarial accrued liability occurring after 1/1/85 or the initial UAL's establishment. ²
 - 1) Aggregated amortization period (years) 17 (E8)
 - 2) Aggregated amortization contribution calculated as a level dollar amount for the plan year beginning on valuation date \$ 5,678,561 (E9)
 - c. Modified Total Amortization Requirement ⁴ \$ N/A (E10)
 - d. Total Amortization Requirement (Item E6 + E9 or Item E7 + E9 or Item E10, whichever is applicable) \$ 14,799,785 (E11)

¹The value must equal the Total Fund Assets that would have existed had the bond issue proceeds not been contributed to the pension fund, as developed in Schedule II of this exhibit.

²Initial unfunded actuarial accrued liability may be established later than 1/1/85 if coincidental with the establishment of the pension plan or with the initiation of a new amortization schedule authorized by Act 82 of 1998.

³Enter N/A unless municipality has been certified to use level percentage of payroll amortization pursuant to Section 607 of Act 205.

⁴If the municipality has formally elected to apply the limit on the amortization contribution under section 202(b)(4), enter the modified total amortization requirement calculated as the amount required to amortize the unfunded actuarial accrued liability over ten years. Otherwise, enter N/A.

Exhibit I

Actuarial Data as of JANUARY 1, 2009. For: MUNICIPAL of CITY OF PITTSBURGH in ALLEGHENY
 Page 2 of 6 (Valuation Date) (Pension Plan) (Municipality) (County)

INSTRUCTIONS: A modified aggregated amortization period must be developed for each contribution to the pension fund comprised of bond issue proceeds. The modified aggregated amortization period will not change once it is calculated and reported in this exhibit. The modified aggregated amortization period is not used for funding purposes.

B. Development of Modified Aggregated Amortization Period

	Contribution Comprised of Bond Issue Proceeds ¹	Date of Contribution	Modified Aggregated Amortization Contribution Target Date ² (MO/DA/YR)	Modified Aggregated Amortization Period Initially Established ² (Years)	Modified Aggregated Amortization Period Remaining (Years)
1.	\$ 36,509,996	12/15/96	12/15/2035	40	27
2.	\$ 57,041,911	03/10/98	03/10/2037	40	29
3.	\$				
4.	\$				
5.	\$				
6.	\$				
7.	\$				
8.	\$				
9.	\$				
10.	\$				

¹ Contributions to the pension plan shall consist of original bond issue proceeds used to fund unfunded actuarial accrued liability and shall not include refinancing of an amount previously borrowed.

² Determined under section 404 of Act 205 using the unfunded accrued liability and total amortization requirement shown in Part A of this exhibit and the plan's assumed rate of investment earnings. In the event that the period calculated is indeterminate or is in excess of 30 years, the amortization period initially established shall not exceed 30 years.

Commission Use Only

Total \$	_____

Exhibit I

Actuarial Data as of JANUARY 1, 2009. For: MUNICIPAL of CITY OF PITTSBURGH in ALLEGHENY
 Page 3 of 6 (Valuation Date) (Pension Plan) (Municipality) (County)

INSTRUCTIONS: Provide unfunded actuarial accrued liability and amortization contributions as of valuation date developed under section 404 of Act 205. Bond issue proceeds used to fund unfunded actuarial accrued liabilities are not reflected in the data provided. Submission of the exhibits prepared in compliance with section 202(b)(3) of Act 205 may be required.

Part C - Modified Unfunded Actuarial Accrued Liability and Amortization Contributions

Initial Unfunded Actuarial Accrued Liability					
Amount of Initial Liability	Date Established	Target Date	Original Amortization Period	Remaining Balance	Level Dollar Amortization Contribution ¹
\$ 154,981,297	1998	2037	40	\$ 204,013,456	\$ 9,121,224 (E11)

Changes in Unfunded Actuarial Accrued Liability Since the Last Actuarial Valuation Report Prepared and Submitted Under Act 205					
Source	Amount of Liability	Date Established	Target Date	Amortization Period	Amortization Contribution
Benefit Plan Modification	N/A	N/A	N/A	N/A	N/A
Actuarial Assumption Modification	15,074,490	2009	2028	20	1,421,639
Actuarial Losses (+) or Gains (-)	8,218,578	2009	2028	20	775,074
Post-Retirement Adjustments	N/A	N/A	N/A	N/A	N/A
Total	\$ 23,293,068	XXXXXX	XXXXXX	XXXXXX	\$ 2,196,713 (E12)

Aggregation of Changes in Unfunded Actuarial Accrued Liability Since Initially Established in 1985					
Description	Remaining Balance of Aggregated Liability	Date of Aggregation	Aggregated Target Date	Agg. Amortization Period	Aggregated Amortization Contribution
Aggregation of all prior changes (exclude changes in Section B)	\$ 31,293,149	2007	2023	15	3,481,848 (E13)
Aggregation of all changes (include changes in Section B)	\$ 54,586,217 ²	Current Valuation Date	2025	17	\$ 5,678,561 (E14)

¹ Level percentage of future payroll amortization contribution should be entered where the municipality has previously implemented that amortization approach pursuant to Section 607 of Act 205.

² The sum of this item (aggregated balance of all changes in UAL) and the remaining balance of the initial liability must equal the amount in Exhibit I, Part A, Item E4.

Exhibit I

Actuarial Data as of JANUARY 1, 2009. For: MUNICIPAL of CITY OF PITTSBURGH in ALLEGHENY
 Page 4 of 6 (Valuation Date) (Pension Plan) (Municipality) (County)

INSTRUCTIONS: A separate Part D for debt service requirements is required for each instance where bond issue proceeds are contributed to the pension plan. If more than one Part D is required, please submit color coded copies or request additional originals from the Commission's office.

NOTES: 1) If the bond issue proceeds contributed to an individual pension plan were less than 100% of the total bond issue proceeds contributed, the total debt service requirements must be proportionately allocated among the individual pension plans based on the ratio of the bond issue proceeds contributed to each individual pension plan to the total bond issue proceeds contributed.

2) Debt service requirements determined and reported on this exhibit are not modified if refinancing occurs.

D. Identification and Allocation of Total Debt Service Requirements for Debt Issued to Finance Pension Plan Contributions

Date of Original Borrowing	Total Principal Amount Borrowed and Contributed to Pension Plans	Amount of Total Principal Contributed to this Pension Plan	Percentage of Total Debt Service Allocated to this Pension Plan	Date of Refinancing
12/15/96	\$ 37,710,000.00	\$ 37,710,000.00	100 %	N/A
	(A)	(B)	(B÷A)	

Plan Year	Required Principal Payment	Required Interest Payment	Premium or Discount Amortized	Principal Balance at Valuation Date
1. 1997	\$ -	\$ 1,834,529.78	\$ -	\$ 37,710,000.00
2. 1998	525,000.00	2,564,976.25	-	37,710,000.00
3. 1999	560,000.00	2,533,905.00	-	37,185,000.00
4. 2000	590,000.00	2,499,965.00	-	36,625,000.00
5. 2001	630,000.00	2,463,050.00	-	36,035,000.00
6. 2002	670,000.00	2,423,065.00	-	34,405,000.00
7. 2003	715,000.00	2,379,772.50	-	34,735,000.00
8. 2004	760,000.00	2,332,930.00	-	34,020,000.00
9. 2005	810,000.00	2,282,285.00	-	33,260,000.00
10. 2006	865,000.00	2,227,631.25	-	32,450,000.00
11. 2007	925,000.00	2,169,008.75	-	31,585,000.00
12. 2008	985,000.00	2,106,210.00	-	30,660,000.00
13. 2009	1,055,000.00	2,038,890.00	-	29,675,000.00
14. 2010	1,125,000.00	1,966,950.00	-	28,620,000.00
15. 2011	1,200,000.00	1,890,225.00	-	27,495,000.00
16. 2012	1,285,000.00	1,808,220.00	-	26,295,000.00
17. 2013	1,375,000.00	1,717,690.00	-	25,010,000.00
18. 2014	1,475,000.00	1,617,940.00	-	23,635,000.00
19. 2015	1,580,000.00	1,511,015.00	-	22,160,000.00
20. 2016	1,695,000.00	1,396,390.00	-	20,580,000.00

(Continue on additional pages, if necessary.)

(CONTINUED FROM PAGE 4 OF 6)

	Plan Year	Required Principal Payment	Required Interest Payment	Premium or Discount Amortized	Principal Balance at Valuation Date
1	2017	\$ 1,820,000.00	\$ 1,273,365.00	\$ -	\$ 18,885,000.00
2	2018	1,950,000.00	1,141,415.00	-	17,065,000.00
3	2019	2,095,000.00	998,792.50	-	15,115,000.00
4	2020	2,250,000.00	844,545.00	-	13,020,000.00
5	2021	2,415,000.00	678,937.50	-	10,770,000.00
6	2022	2,590,000.00	501,260.00	-	8,355,000.00
7	2023	2,780,000.00	310,625.00	-	5,765,000.00
8	2024	2,985,000.00	105,967.50	-	2,985,000.00
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(Continue on additional pages, if necessary.)

Exhibit I

Actuarial Data as of JANUARY 1, 2009. For: MUNICIPAL of CITY OF PITTSBURGH in ALLEGHENY
 Page 4 of 6 (Valuation Date) (Pension Plan) (Municipality) (County)

INSTRUCTIONS: A separate Part D for debt service requirements is required for each instance where bond issue proceeds are contributed to the pension plan. If more than one Part D is required, please submit color coded copies or request additional originals from the Commission's office.

NOTES: 1) If the bond issue proceeds contributed to an individual pension plan were less than 100% of the total bond issue proceeds contributed, the total debt service requirements must be proportionately allocated among the individual pension plans based on the ratio of the bond issue proceeds contributed to each individual pension plan to the total bond issue proceeds contributed.

2) Debt service requirements determined and reported on this exhibit are not modified if refinancing occurs.

D. Identification and Allocation of Total Debt Service Requirements for Debt Issued to Finance Pension Plan Contributions

Date of Original Borrowing	Total Principal Amount Borrowed and Contributed to Pension Plans	Amount of Total Principal Contributed to this Pension Plan	Percentage of Total Debt Service Allocated to this Pension Plan	Date of Refinancing
03/10/98	\$ 255,865,000.00.	\$ 57,569,624.42	22.3 %	N/A
	(A)	(B)	(B÷A)	

Plan Year	Required Principal Payment	Required Interest Payment	Premium or Discount Amortized	Principal Balance at Valuation Date
1. 1998	\$ -	\$ 1,873,403.84	\$ -	\$ 57,569,624.42
2. 1999	225,000.00	3,740,451.43	-	57,569,624.42
3. 2000	225,000.00	3,727,795.18	-	57,344,624.42
4. 2001	225,000.00	3,715,071.43	-	57,119,624.42
5. 2002	225,000.00	3,702,111.43	-	56,894,624.42
6. 2003	225,000.00	3,689,050.18	-	56,669,624.42
7. 2004	225,000.00	3,675,853.93	-	56,444,624.42
8. 2005	563,624.99	3,652,273.94	-	56,219,624.42
9. 2006	521,999.99	3,619,574.69	-	55,655,999.43
10. 2007	553,499.99	3,586,902.44	-	55,133,999.44
11. 2008	577,124.99	3,552,346.23	-	54,580,499.45
12. 2009	623,249.99	3,512,858.03	-	54,003,374.46
13. 2010	677,249.99	3,469,880.22	-	53,380,124.47
14. 2011	726,749.99	3,426,005.22	-	52,702,874.48
15. 2012	1,775,249.98	3,347,373.91	-	51,976,124.49
16. 2013	2,471,624.98	3,212,979.43	-	50,200,874.51
17. 2014	2,630,249.97	3,049,022.22	-	47,729,249.53
18. 2015	2,860,874.97	2,870,560.66	-	45,098,999.56
19. 2016	3,050,999.97	2,678,424.72	-	42,238,124.59
20. 2017	4,105,124.96	2,445,850.66	-	39,187,124.62

(Continue on additional pages, if necessary.)

(CONTINUED FROM PAGE 4 OF 6)

	Plan Year	Required Principal Payment	Required Interest Payment	Premium or Discount Amortized	Principal Balance at Valuation Date
1	2018	\$ 2,977,874.97	\$ 2,215,653.17	\$ -	\$ 35,081,999.66
2	2019	4,506,749.95	1,970,149.48	-	32,104,124.69
3	2020	4,814,999.95	1,662,531.73	-	27,597,374.74
4	2021	5,143,499.95	1,333,901.23	-	22,782,374.79
5	2022	5,495,624.94	982,810.12	-	17,638,874.84
6	2023	5,871,374.95	607,699.11	-	12,143,249.90
7	2024	6,271,874.95	206,971.86	-	6,271,874.95
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(Continue on additional pages, if necessary.)

Exhibit I

Actuarial Data as of JANUARY 1, 2009. For: MUNICIPAL of CITY OF PITTSBURGH in ALLEGHENY
Page 5 of 6 (Valuation Date) (Pension Plan) (Municipality) (County)

Schedule I

STATEMENT OF RECEIPTS AND DISBURSEMENTS *INCLUDING* BOND ISSUE ASSETS FOR THE PERIOD ENDING JANUARY 1, 2009

TOTAL FUND ASSETS AT JANUARY 1, 2007¹ \$ 117,692,558

RECEIPTS:

Employer Contributions \$ 9,485,160

Employee Contributions \$ 6,144,194

State Aid \$ 11,343,933

Supplemental State Assistance \$ 0

Investment Income \$ 13,257,504

Net Change in Market Value \$ (30,958,609)

Other Receipts (Identify) PASS THROUGH
CONTRIBUTIONS AND MISC. \$ 3,877,820
INCOME

TOTAL RECEIPTS \$ 13,150,002

DISBURSEMENTS:

Monthly Benefit Payments \$ 34,802,298

Refund of Employee Contributions \$ 1,039,172

Administrative Expenses \$ 2,494,609

Other Disbursements (Identify) PASS THROUGH
PAYMENTS \$ 3,796,836

TOTAL DISBURSEMENTS \$ 42,132,915

TOTAL FUND ASSETS AT JANUARY 1, 2009² \$ 88,709,644

¹ All filers should prepare this schedule for a two-year period. Value must equal Total Fund Assets at Market Value reported in Section V of the January 1, 2007, actuarial valuation reporting form if bonds were issued on or after that date. If bonds were issued prior to that date, the assets reported should be from Exhibit I of the January 1, 2007, actuarial valuation reporting form.

² Value must equal Total Fund Assets at market value reported in Section V of the current Act 205 actuarial valuation reporting form.

Exhibit I

Actuarial Data as of JANUARY 1, 2009. For: MUNICIPAL of CITY OF PITTSBURGH in ALLEGHENY
Page 6 of 6 (Valuation Date) (Pension Plan) (Municipality) (County)

Schedule II

STATEMENT OF RECEIPTS AND DISBURSEMENTS *EXCLUDING* BOND ISSUE ASSETS FOR THE PERIOD ENDING JANUARY 1, 2009

TOTAL FUND ASSETS AT JANUARY 1, 2007¹ \$ 10,447,139

RECEIPTS:

Employer Contributions² \$ 18,069,764

Employee Contributions \$ 6,144,194

State Aid \$ 11,343,933

Supplemental State Assistance \$ 0

Investment Income³ \$ 1,194,413

Net Change in Market Value⁴ \$ (2,644,304)

Other Receipts (Identify) ^{PASS THROUGH}
CONTRIBUTIONS AND MISC. INCOME \$ 3,877,820

TOTAL RECEIPTS \$ 37,985,820

DISBURSEMENTS:

Monthly Benefit Payments \$ 34,802,298

Refund of Employee Contributions \$ 1,039,172

Administrative Expenses⁵ \$ 1,859,238

Other Disbursements (Identify) ^{PASS THROUGH}
PAYMENTS \$ 3,796,836

TOTAL DISBURSEMENTS \$ 41,497,544

TOTAL FUND ASSETS AT JANUARY 1, 2009⁶ \$ 6,935,414

¹ All filers should prepare this schedule for a two-year period. Value must equal Total Fund Assets at Market Value reported in Section V of the January 1, 2007, actuarial valuation reporting form if bonds were issued on or after that date. If bonds were issued prior to that date, the assets reported should be from Exhibit I of the January 1, 2007, actuarial valuation reporting form.

² This amount includes hypothetical amortization contributions that would have been made had bond issue proceeds not been deposited.

³ This amount does not include earnings on bond issue proceeds, but does include assumed interest earnings on hypothetical amortization contributions.

⁴ This amount represents the proportionate change in market value attributable to assets excluding bond issue proceeds.

⁵ Investment expenses attributable to bond issue proceeds should be excluded from this amount.

⁶ Value must equal Total Fund Assets at market value reported in Exhibit I, Page 1, Item E2.



PERC APR - 1 2010

COMMONWEALTH OF PENNSYLVANIA
PUBLIC EMPLOYEE RETIREMENT COMMISSION
P.O. BOX 1429, HARRISBURG, PA 17105-1429

March 2, 2010

Mr. Scott Kunka, Executive Director
City of Pittsburgh [ALL]
Room 526 City County Building
414 Grant Street
Pittsburgh, PA 15219

Dear Mr. Kunka:

We are writing to you as the Chief Administrative Officer of a municipal pension plan to follow up on a letter that was originally sent by the Public Employee Retirement Commission (Commission) on May 27, 2009. We have received your documentation and have re-examined the appropriateness of the actuarial assumptions being used by the municipal pension plan. **The Commission finds the actuarial assumptions being used to be appropriate and is hereby notifying you that the municipal pension plan may continue to utilize these economic actuarial assumptions that are outside the generally allowable ranges with the actuarial valuation report.**

Thank you for your cooperation with this review.

Sincerely,

James L. McAneny
Executive Director

cc: ~~G. Herbert Loomis~~

0001 - 5 12 000000



February 26, 2010

PERSONAL AND CONFIDENTIAL

Mr. James L. McAneny
Executive Director
Public Employee Retirement Commission
P. O. Box 1429
Harrisburg, PA 17105-1429

RE: City of Pittsburgh Municipal Pension Fund – Actuarial Assumptions for 2009 Report

Dear Mr. McAneny:

As actuaries for the City of Pittsburgh, we are responding to your request to the City for documentation supporting a choice of economic assumptions for the City of Pittsburgh Municipal Pension Fund that, in one respect, is outside the range of generally authorized assumptions pursuant to Regulation 203.3.

Specifically, the request is to use a salary scale assumption for the aforementioned plan which is outside the range specified by paragraph 203.3(b)(3). The assumed rate of investment earnings chosen for the 2009 actuarial report is 8.0% per annum. Permission is requested to use a salary scale assumption of 4.0% per annum, which is more than 3.0% lower than the assumed interest rate.

Required quadrennial experience studies undertaken pursuant to Act 205 of 1984 have regularly shown salary increases from year to year for continuing participants averaging 4.0% or lower, as illustrated by the following table:

Period	Annual Rate of Salary Change
2008	4.0%
2007	3.0%
2006	1.3%
2005	4.5%
2004	0.8%
Last 5 Years	2.7%
Last 10 Years	2.7%
Last 15 Years	2.9%
Last 20 Years	3.3%

Mr. James L. McAneny

February 26, 2010

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The historical salary increase rates for this Plan have been consistently below the other City-sponsored plans, for which no exception is needed or requested to the 3% spread. Moreover, amounts available for compensation components under the currently updated Act 47 recovery plan would restrict increases in the compensation basis on which pensions are determined well below 4.0% for the next five years. While the above evidence could possibly support a rate even below 4%, continuing the present assumption of 4.0% per annum seems more prudent over the long-term.

Note also that the selected assumed investment rate assumption for 2009, 8.0% per annum has been lowered from the 8.75% used in the 2007 and previous valuations. This change reflects economic trends which suggest the prudence of a lower long-term investment return assumption and is consistent, to our knowledge, with the assumptions applicable in other large public employer pension plans in the Commonwealth of Pennsylvania. Yet it still reflects the intent on the part of the City to maintain an investment policy capable of achieving that level of return over the long-term. Moreover, the City's investment consultant, Mercer Investment Consulting, Inc. has performed an independent asset-liability study and suggested that an 8.0% rate of return be used as a valuation assumption, a recommendation with which we agree.

To maintain a 3% reduction (or less) from the investment earnings assumption with a 4.0% salary scale would require a maximum investment earnings assumption of 7.0%. We believe that investment rate assumption would be unnecessarily and unreasonably low given the City's investment policy and investment return.

If you have any further questions, please let us know.

Sincerely,



G. Herbert Loomis, F.S.A., E.A., M.A.A.A
Consulting Actuary

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Enclosures

Mr. Scott Kunka
Dean Ross



Attachment to Schedule C, Section III

Actuarial Basis of Valuation

Actuarial Assumptions: January 1, 2009

Economic

Interest Rate	8.00 percent increase per annum
Salary Projection	4.0 percent increase per annum
	Merit Increases: 0.5 percent per annum
	Inflation: 3.5 percent increase per annum
Social Security Benefits	Actives: Offset based on social security law in 2009, projected using an annual increase in the National Average Wage of 4 percent and annual increase in the Social Security Consumer Price Index of 3 percent.
	Retirees: Offset based on: <input type="checkbox"/> Actual benefit if 65 or older <input type="checkbox"/> One third of original pension amount, if younger than 65
Medicare Premiums	For 2009, \$96.40 per month. The premium for years thereafter is assumed to increase at a rate of 6.5 percent per annum.

Employee Characteristics

Mortality:	RP-2000 Mortality Tables, with adjustments to reflect Pittsburgh Pension Plan mortality experience as confirmed by experience studies. The adjusted rates are based upon the following:
Active Participants	RP-2000 Mortality Tables – Employee Rates of Mortality
Inactive Participants	RP-2000 Mortality Tables for Healthy Annuitants, adjusted by blue collar ratios (Table 5-5 of <i>RP-2000 Mortality Tables Report</i>) and set forward 2 years in age for healthy and deferred retirees and set forward 5 years in age for disabled retirees.
Surviving Beneficiaries:	RP-2000 Rates, adjusted for healthy inactives as above, and further adjusted by ratios of female beneficiary experience to overall female RP-2000 Healthy Annuitant Mortality Rates (Appendix D of <i>RP-2000 Mortality Tables Report</i>)

Attachment to Schedule C, Section III - Continued

Sample Rates (Rounded):

Age	Active Male Participant	Male Regular Retiree	Male Disabled Retiree	Male Beneficiary
45	0.15 %	0.45 %	0.56 %	0.57 %
55	0.30 %	0.88 %	1.06 %	1.16 %
65	0.76 %	2.01 %	2.68 %	2.54 %
75	N/A	5.27 %	7.05 %	5.60 %
85	N/A	13.86 %	18.34 %	14.36 %

Age	Active Female Participant	Female Regular Retiree	Female Disabled Retiree	Female Beneficiary
45	0.11 %	0.19 %	0.23 %	0.23 %
55	0.23 %	0.44 %	0.62 %	0.62 %
65	0.58 %	1.37 %	1.86 %	1.74 %
75	N/A	3.69 %	4.90 %	3.93 %
85	N/A	10.24 %	13.67 %	10.61 %

Withdrawal

Sample rates:

Age	Rate
20	8.20%
25	7.98%
30	7.67%
35	7.18%
40	6.40%
45	5.24%
50	3.49%
55	1.28%
60	0.12%

Disablement

Sample rates:

Age	Male	Female
30	0.06%	0.07%
40	0.14%	0.27%
50	0.42%	0.53%
60	1.25%	0.96%

Attachment to Schedule C, Section III – Continued

Retirement Age

Percentage of employees eligible for retirement who retire at each age:

Age	Non-Emergency Medical Services	Emergency Medical Services EE
50	4	3
51	3	3
52	3	3
53	3	3
54	3	3
55	3.5	50
56	3.5	20
57	3.5	20
58	3.5	20
59	3.5	20
60	6.5	20
61	10	20
62	20	40
63	20	40
64	20	40
65	20	100
66	40	N/A
67	50	N/A
68	100	N/A

Exclusions

Non-participants

Percentage Married

Active: 80 percent of male participants and 65 percent of female participants

Spouse Age

Female spouse assumed to be two years younger than male spouse

Attachment to Schedule C, Section III – Continued

Actuarial Value of Assets

Description of Method

The Actuarial Value of Assets is determined by a Tabular Smoothing Method which takes the Actuarial Value of Assets from the prior valuation report and brings it forward using a specified interest rate. The Actuarial Value of assets in the prior report, contributions by year and annual disbursements are each credited with interest at a rate of one percent less than the prior valuation's interest rate assumption. The resulting value is further subject to a minimum of 70% and a maximum of 130% of the market value of assets.

Attachment to Schedule C, Section IV

Summary of Plan Provisions

Plan Year ▼ Twelve-month period beginning January 1 and ending December 31

Plan Established ▼ May 28, 1915

Principal Definitions

Employee ▼ Any full-time employee of the City of Pittsburgh other than a firefighter or police officer, and full-time employees of the Pittsburgh Water and Sewer Authority

Retirement Benefit Commencement Date ▼ Assumed to be the first day of the month coincident with or next following eligibility for and election to retire

Service Increment ▼ An additional monthly benefit of 1 percent of average compensation for each completed year of service in excess of 20 years to a maximum of \$100

Service ▼ Assumed to be completed years of service calculated from date of hire through date of retirement or severance

Normal Form of Payment ▼ Monthly pension benefit payable for life

Participation Requirements

Entry Date ▼ Following completion of 90-day probationary period

Compensation ▼ Base wages, plus "acting" or "in-grade" pay

Average Compensation ▼ Averaged over the 3-year period prior to retirement or severance

Members hired after December 31, 1987 ▼ Averaged over the 4-year period prior to retirement or severance

Normal Retirement

Eligibility

Employees other than Emergency Medical Services ▼ Later of age 60 or completion of 8 years of service

Emergency Medical Services Employees ▼ Later of age 55 or completion of 8 years of service

Monthly Benefit ▼ Equal to 50% of average compensation and service increment, if any
▼ Prorated for service less than 20 years
▼ Upon reaching age 65 reduced by 50% of social security benefit; the reduction shall not exceed 50% of the monthly benefit. This reduction shall not apply to Pittsburgh Water and Sewer Employees. City non-union employees and union employees whose union has negotiated to eliminate the reduction, who were hired on or before June 29, 2004 will not be subject to the reduction.

Attachment to Schedule C, Section IV - Continued

*Members hired prior to January 1, 1975
whose union has not negotiated the benefits level
for employees hired on or after January 1, 1975
and before January 1, 1988.*

If pay is less than \$450:

- ▼ Equal to 60% of 3-year average pay
 - ▼ Not less than \$130
 - ▼ Plus service increment, if any
- OR

If pay is greater than \$450:

- ▼ 55% of first \$650 of 3-year average pay
and 30% of excess
- ▼ Not less than \$270
- ▼ Plus service increment, if any
- ▼ Eligible retired members and spouses will
receive additional monthly payment equal
to coverage premium
- ▼ Employees hired after December 31, 1987
not eligible

Supplemental Medical

Early Retirement

Eligibility

Benefit Amount

- ▼ Later of age 50 *or* completion of 8 years of service
- ▼ Normal retirement benefit based upon
average compensation at actual retirement
- ▼ May be deferred to age 60 *or* paid
immediately in reduced amount
- ▼ Reduction will be 1/2 percent per
month for each month that payment
commences prior to age 60
- ▼ If 25 years of service, reduction applied only
on benefits attributed to earnings in excess
of \$7,800

Members hired prior to January 1, 1975

Disability

Eligibility

Benefit Amount

- ▼ Permanent disablement in line of duty *or*
- ▼ Permanent disablement (not in line of
duty) after completing 8 years of service
- ▼ Normal retirement benefit at date of
disablement
- ▼ Not prorated for service less than 20
years
- ▼ Participants hired after December 31, 1974 will have
their benefit reduced by 50% of their social security
benefit upon reaching age 65. The reduction shall
not exceed 50% of the benefit.

Attachment to Schedule C, Section IV - Continued

Members Hired After December 31, 1987

- ▼ Normal retirement benefit if at least age 60 with 8 years of service
- ▼ Upon reaching age 65, reduced by 50% of the social security benefit. The reduction shall not exceed 50 percent of the benefit
- ▼ Disabled before age 60 with at least 8 years of service calculated as of age 60 with service being greater of:
 - (a) Service at disablement or
 - (b) The lesser of 20 years and completed service (assuming work until age 60)
- ▼ Benefit is reduced so that the sum of the plan benefit and workers' compensation does not exceed member's regular salary at time of disablement

Benefit Commencement Date

- ▼ First day of calendar month following determination of disablement *and*
- ▼ Continuing for the duration of disability prior to normal retirement date and life thereafter

Vesting

- ▼ Attainment of age 40 *and*
- ▼ Completion of 8 years of service

Members hired prior to January 1, 1975

- ▼ Completion of 15 years of service/no age requirement

Vested Terminated Participants

- ▼ Normal retirement benefit if contributions continue to age 50
- ▼ Benefit deferred to age 60, a benefit reduced as for early retirement may be elected at age 50.

Death Benefits Before Retirement

Death After Early Retirement Eligibility

- ▼ Surviving spouse entitled to 50% of pension that would have been payable if member retired at date of death

Death Before Early Retirement Eligibility

- ▼ Member's beneficiary receives amount equal to member's contributions

Death Benefits After Retirement

- ▼ Member's beneficiary receives amount equal to the excess, if any, of member's contributions over retirement benefit paid on member's behalf

Members Hired Prior to 1988

- ▼ Married employee may deduct up to \$100 per month from retirement benefit to provide a \$100 per month benefit payable to surviving spouse until death or remarriage

Spouse Predeceases Retiree

- ▼ Monthly benefit restored to full level for remainder of retiree's life
- ▼ At no time shall total benefit payment on behalf of member be less than the member's contributions to the fund

Attachment to Schedule C, Section IV

Members Hired After December 31, 1987

- ▼ Married member may elect a reduced pension
- ▼ Spouse will receive 50% of the reduced pension
- ▼ Member's pension not restored to full level if spouse predeceases retiree
- ▼ Total benefit payments on behalf of member will be no less than member's contribution to fund

Employee Contributions

Members hired prior to January 1, 1988

- ▼ 4% of compensation
- ▼ 5% of compensation

Interest Credit

*For non-union employees
and members of unions that negotiated for
the interest credit, who were hired on or before June 29, 2004*

- ▼ 5% compound interest per year

SECTION V
Development of Contribution Requirements
Table 09-1
Normal Cost and Actuarial Accrued Liability

A. Normal Cost				
1.	Retirement Benefits			\$2,875,265
2.	Disability Benefits			549,249
3.	Preretirement Death Benefits			44,900
4.	Postretirement Death Benefits			-
5.	Refunds to Withdrawals			603,641
6.	Medicare Premium Benefits			76,367
7.	Vested Benefits			<u>380,695</u>
8.	Total			\$4,530,117
B. Actuarial Accrued Liability				
1.	Actuarial Present Value of Benefits at Attained Age			
		<u>Deferred</u>	<u>In Payment</u>	<u>Active</u>
				<u>All</u>
	Retirement Benefits	\$7,294,851	\$97,974,767	\$130,157,544
	Disability Benefits	-	28,728,727	14,560,973
	Survivor Benefits	-	3,412,157	-
	Preretirement Death Benefits	-	-	1,844,541
	Postretirement Death Benefits	-	-	-
	Refunds to Withdrawals	-	-	1,731,751
	Medicare Premium Benefits	-	-	10,713,454
	Vested Benefits	-	-	<u>4,320,281</u>
	Total	\$7,294,851	\$130,115,651	\$163,328,544
				\$235,427,162
				43,289,700
				3,412,157
				1,844,541
				-
				1,731,751
				10,713,454
				4,320,281
				\$300,739,046
2.	Actuarial Present Value of Future Normal Costs			
	Retirement Benefits			\$20,725,455
	Disability Benefits			4,171,540
	Preretirement Death Benefits			343,303
	Postretirement Death Benefits			-
	Refunds to Withdrawals			4,510,993
	Medicare Premium Benefits			436,537
	Vested Benefits			<u>2,935,507</u>
	Total			\$33,123,335
				(\$33,123,335)
3.	Actuarial Accrued Liability			
				\$267,615,711
C. Unfunded Actuarial Accrued Liability				
1.	Actuarial Accrued Liability			
				\$267,615,711
2.	Actuarial Value of Assets			
				<u>(115,322,537)</u>
3.	Unfunded Actuarial Accrued Liability			
				\$152,293,174

SECTION V
Development of Contribution Requirements
Table 09-2
Actuarial (Gain) Loss Determination

A. Reconciliation of Funded Status			
1. Unfunded Actuarial Accrued Liability as of 01/01/2007			\$119,621,628
	2007	2008	
2. Normal Cost and Administrative Expenses Assumed	\$ 4,776,158	\$ 4,928,071	9,704,229
3. Interest Charged at Valuation Rate			23,153,239
4. Contributions Made			
	2007	2008	
a. Municipality	\$ 4,685,449	\$ 4,799,711	
b. State Aid Allocated	5,697,757	5,646,176	
c. Employees	<u>3,010,554</u>	<u>3,133,640</u>	(26,973,287)
5. Interest Credited at Valuation Rate			(1,991,394)
6. Special Adjustment Because of Higher Act 82 Interest Rate			<u>(1,404,307)</u>
7. Expected Unfunded Actuarial Accrued Liability Before Adjustments			\$ 122,110,108
8. Experience from Investment Return			
a. Comparative Interest Rate Amortization Tabulation (Gain) Loss		\$ 19,898,172	
b. Other Investment Return (Gain) Loss		<u>19,175,076</u>	39,073,248
9. Experience (Gain) Loss from all Other Sources			567,597
10. Increase (Decrease) in Unfunded Actuarial Accrued Liability:			
a. Benefit Modifications for Actives		\$0	
b. Benefit Modifications for Retirees		0	
c. Change in Actuarial Asset Valuation Method		(26,612,893)	
d. Change in Actuarial Assumption (Interest Rate)		<u>17,155,114</u>	<u>(9,457,779)</u>
11. Actual Unfunded Actuarial Accrued Liability			<u>\$152,293,174</u>
B. Loss (Gain) to be Amortized			
1. Experience (Gain) Loss from 01/01/2007			\$ 39,640,845
2. Actuarially Required Contributions and Bond Proceeds with Interest		30,173,817	
3. Actual Contributions with Interest		<u>(28,964,681)</u>	
4. Contribution (Gain) Loss			1,209,136
5. Loss (Gain) to be Amortized			<u>\$ 40,849,981</u>
C. Comparative Interest Rate Amortization Tabulation			
1. Balance Calculated Using Actual Investment Return	2007	2008	
a. Act 82 Amortization Balance at January 1	\$ 46,792,858	\$ 55,778,211	
b. Act 82 Amortization Payment	<u>3,132,592</u>	<u>3,132,592</u>	
c. Comparative Interest Rate Balance on January 1	49,925,450	58,910,803	
d. Actual Investment Return on Balance	<u>5,852,761</u>	<u>(14,953,329)</u>	
e. Actual Act 82 Amortization Balance at December 31 (c +d)	55,778,211	43,957,474	\$ 43,957,474
2. Balance Calculated Using Ten Percent Investment Return	2007	2008	
a. Comparative Interest Rate Balance on January 1	49,925,450	58,050,587	
b. Interest at Ten Percent	<u>4,992,545</u>	<u>5,805,059</u>	
c. Comparative Act 82 Amortization Balance at December 31	54,917,995	63,855,646	\$ 63,855,646
3. Comparative Interest Rate Amortization Tabulation (Gain) Loss (2) - (1)			\$ 19,898,172

SECTION V
Development of Contribution Requirements
Table 09-3
Amortization of Unfunded Actuarial Accrued Liability

Source	Original Amount	Year Est.	Target Year	Remaining Balance	Remaining Payments	Annual Amount
Initial	\$ 53,226,758	1998	2037	\$ 70,066,359	29	\$ 3,132,592
Assumption Change	\$ (4,327,036)	1998	2017	\$ (2,828,694)	9	\$ (419,275)
Experience Loss	\$ 531,346	1999	2013	\$ 255,031	5	\$ 59,143
Experience Gain	\$ (8,518,572)	2000	2014	\$ (4,716,297)	6	\$ (944,638)
Experience Loss	\$ 15,454,485	2001	2015	\$ 9,601,519	7	\$ 1,707,580
Ben. Mod. - Actives	\$ 15,075,742	2002	2021	\$ 12,315,824	13	\$ 1,442,797
Experience Loss	\$ 1,076,675	2002	2016	\$ 735,747	8	\$ 118,547
Investment Loss	\$ 15,617,085	2002	2032	\$ 14,218,390	24	\$ 1,250,402
Assumption Change	\$ (5,300,394)	2003	2022	\$ (4,503,844)	14	\$ (505,835)
Ben. Mod. - Actives	\$ 6,262,573	2003	2022	\$ 5,321,424	14	\$ 597,659
Experience Loss	\$ 4,617,946	2003	2017	\$ 3,418,800	9	\$ 506,741
Investment Loss	\$ 20,777,261	2003	2032	\$ 19,583,399	24	\$ 1,722,214
Assumption Change	\$ (55,417)	2005	2024	\$ (50,342)	16	\$ (5,266)
Ben. Mod. - Actives	\$ 7,325,991	2005	2024	\$ 6,655,007	16	\$ 696,168
Experience Gain	\$ (7,233,308)	2005	2019	\$ (6,088,583)	11	\$ (789,691)
Experience Gain	\$ (3,323,763)	2007	2021	\$ (3,082,768)	13	\$ (361,146)
Aggregate Changes through Last Valuation	N/A	N/A	2026	\$ 50,834,613	18	\$ 5,075,400
Assumption Change	\$ (9,457,779)	2009	2028	\$ (9,457,779)	20	\$ (891,940)
Ben. Mod. - Actives	N/A			\$ -		
Ben. Mod. - Retired	N/A			\$ -		
Experience Loss	\$ 40,849,981	2009	2028	\$ 40,849,981	20	\$ 3,852,464
Aggregate Changes 2009	N/A	N/A	2028	\$ 31,392,202	20	\$ 2,960,524
Aggregate Changes	N/A	N/A	2027	\$ 82,226,815	19	\$ 8,035,924
Aggregate	N/A	N/A		\$ 152,293,174		\$ 11,168,516
Details of the Calculation of Act 82 Payment						
1. Act 82 Unfunded Actuarial Accrued Liability						\$ 53,226,758
2. Forty Year Amortization Payment						\$ 4,437,482
3. Future Value at End of 40 Year Period						\$ 1,525,108,142
4. Payment to Provide the Same Future Value With 10% Annual Earnings						\$ 3,132,592

SECTION V
Development of Contribution Requirements
Table 09-4
Required Municipal Contributions

The Financial Requirement of the Plan is based on the Normal Cost Percentage and other components shown below. The Normal Cost Percentage is applied to the payroll of the members for the applicable fiscal year.

1. Normal Cost (Table 09-1)	\$4,530,117
2. Total Annual Payroll	\$73,072,430
3. Percentages for Budget	
a. Normal Cost (1 divided by 2)	6.199%
b. Administrative Expense (as a % of Payroll)	1.700%
c. Gross Normal Cost	7.899%
4. Net Amortization Payment (Table 09-3)	\$11,168,516
5. Funding Adjustment	\$0

Alternative Amortization Payment

The city has voluntarily elected to amortize the entire unfunded liability over a thirty year period commencing January 1, 2009.

Thirty Year Amortization Payment	\$ 12,525,752
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