

Factors that contribute to Police and Fire Pension Rate Increases for FY 10-11

Factor	City Contribution Rate
Effect of assumption changes	8.26%
<i>Effect of Investment Loss (after application of modified Market Value of Assets Corridor)</i>	4.65%
Effect of higher than expected salary increases	2.19%
Effect of earlier than expected retirements	1.33%
Effect of other experience losses and other demographic changes and adjustments on normal cost	0.29%
Effect of data corrections from previously unreported retirees/beneficiaries	0.23%
Total	16.95%

Source: The Segal Group, Inc. Actuarial Valuation dated February 23, 2010, Page 16

Factors that contribute to Federated Pension Rate Increases for FY 10-11

Factor	City Contribution Rate
Effect of Economic Assumption Change	3.64%
<i>Effect of Investment Loss</i>	1.63%
Effect of Demographic Assumption Change	1.58%
Effect of Other Misc. Factors	0.94%
Effect of Contribution Timing Lag	0.41%
Effect of Post-Retirement Mortality Loss	0.19%
Effect of More Terminations than Anticipated	0.10%
Effect of More Retirements than Anticipated	0.06%
Effect of Salary Gain	-0.03%
Effect of Open Amortization Schedule	-0.48%
Total	8.04%

Source: Gabriel, Roder Smith & Company Actuarial Valuation dated March 1, 2010 , Page 8