

Mark
DuLaney & Company, Inc.

Actuarial Services

September 19, 2012

Mr. Roger D. Wittenberg
Finance Director
City of Key West
626 Josephine Parker Drive, Ste. 201
Key West, FL 33040

RECEIVED

SEP 20 2012

ASSISTANT CITY MANAGER

10691 N. Kendall Drive
Suite 310
Miami, Florida 33176

Office: (305) 274-9970
Toll Free: 1-866-322-9970
Fax: (305) 274-9946

**Subject: City of Key West Police Officers' and Firefighters' Retirement Plan
Updated Funding Requirement for Plan Year Ending September 30, 2012**

Dear Roger:

We have previously presented the minimum required City contribution for plan/fiscal year October 1, 2011 through September 30, 2012 in our October 1, 2011 Actuarial Valuation, at the June 2012 trustees meeting. The original amount was computed as follows:

a) Minimum required City and State Contributions:	\$ 3,214,291
b) Assumed Total State Contributions (Assumed Chapter 185 Contribution of \$141,975* + Assumed Chapter 175 Contribution of \$271,783* + Assumed Chapter 175 Supplemental Contribution of \$54,557**)	468,315
c) Minimum City Contribution a) – b)	<u>\$ 2,745,976</u>

The actual Chapter 185 and Chapter 175 Contributions were released by the Division of Retirement in August 2012 and have been received by the Pension Fund. The updated minimum required City contribution for the fiscal year ending September 30, 2012, is computed as follows:

d) Minimum required City and State Contributions:	\$ 3,214,291
e) Total State Contributions (Actual Chapter 185 Contribution of \$153,154 + Actual Chapter 175 Contribution of \$316,573, with the sum limited to the Adjusted Base Amount of \$466,604 + Assumed Chapter 175 Supplemental Contribution of \$54,557**)	521,161
f) Updated Minimum City Contribution d) – e)	<u>\$ 2,693,130</u>

* Equal to the actual Chapter 185 or 175 Contribution received for the prior plan/fiscal year, limited by the Adjusted Base Amounts.

** Equal to the actual Chapter 175 Supplemental Contribution received for the prior plan/fiscal year, limited by the Adjusted Base Amount of \$54,557.

The Updated Minimum City Contribution is a reduction of \$52,846 from the original calculated amount (\$2,745,976 - 2,693,130).

Ms. Roger Wittenberg
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If you should have any questions, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Don DuLaney, Jr.", with a stylized flourish at the end.

Donald A. DuLaney, Jr., A.S.A.
Senior Consulting Actuary

cc: Mr. Tim Fahey
Mr. William Fortune
Mr. Omar Garcia
Mr. Terry Garcia
Mr. Alfredo Vazquez
Stu Kaufman, Esq.
Mr. Clement Johns
Ms. Susy Pita
Mr. Mark Finigan

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