

Foster & Foster INC.

Actuaries and Consultants

February 2, 2011

VIA EMAIL AND MAIL

Mr. Mike Marstaller
City of Ormond Beach
Firefighters' Pension Board
P.O. Box 277
Ormond Beach, FL 32175-0277

Re: Firefighters' Retirement Trust Fund
Impact of Assumption and Method Changes

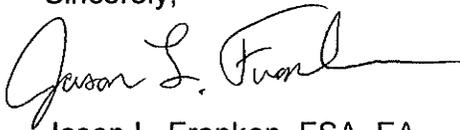
Dear Mr. Marstaller:

As requested, we are writing regarding the study you requested to see the impact on the funding requirements by re-implementing the 30 year amortization bases, re-implementing the 30 year amortizations and using a fresh start on the asset smoothing, decreasing the interest assumption from 8.0% to 7.75% and decreasing the salary scale assumption from 6.50% to 6.25%. These changes impact the funding requirements for the fiscal year ending September 30, 2012 as follows:

<u>Source of Contributions</u>	<u>Original</u>	<u>30 Year Amortizations</u>	<u>30 Year Amortizations & Fresh Start</u>	<u>7.75% Interest</u>	<u>6.25% Salary Scale</u>
Total Required	63.7%	58.3%	62.8%	66.8%	63.2%
Member	8.4%	8.4%	8.4%	8.4%	8.4%
State	12.3%	12.3%	12.3%	12.3%	12.3%
Balance from City	43.0%	37.6%	42.1%	46.1%	42.5%
Increase in Contribution	N/A	(5.4%)	(0.9%)	3.1%	(0.5%)

If you have any questions, please let me know.

Sincerely,



Jason L. Franken, FSA, EA

JLF/lsw