City of Venice
Police Officers' Retirement System
February 25, 2014 Workshop

A. Unfunded Actuarial Accrued Liability (UAAL)

- 11% decrease from fiscal 2012 to 2013.

- Conservative funding methods adopted by the Board combined with recent favorable experience will accelerate pay-down of UAAL.

- Conservative funding methods adopted by the Board include:

  1. Dollar Funding.
  2. Ten-Year amortization of experience gains and losses.
  3. Level dollar amortization of the UAAL.

- When the UAAL is paid off, the City's contribution requirement is approximately 12% of payroll.

B. Investment Return Experience

- Historically favorable investment return experience, relative to the current 7.9% assumption.

- Deferred investment gains for fiscal 2014, 2015, 2016 assuming 7.9% future returns as follows:

Valuation Date	Four-Year Smooth Average [1]
10/1/2014	9.1%
10/1/2015	11.3%
10/1/2016	8.7%
10/1/2017 and later	7.9%

[1] assumes 7.9% net-of-fees future returns

City of Venice
Municipal Police Officers' Pension Trust Fund

Investment Return History (Net-of-Fees)
October 1, 1991 through September 30, 2013

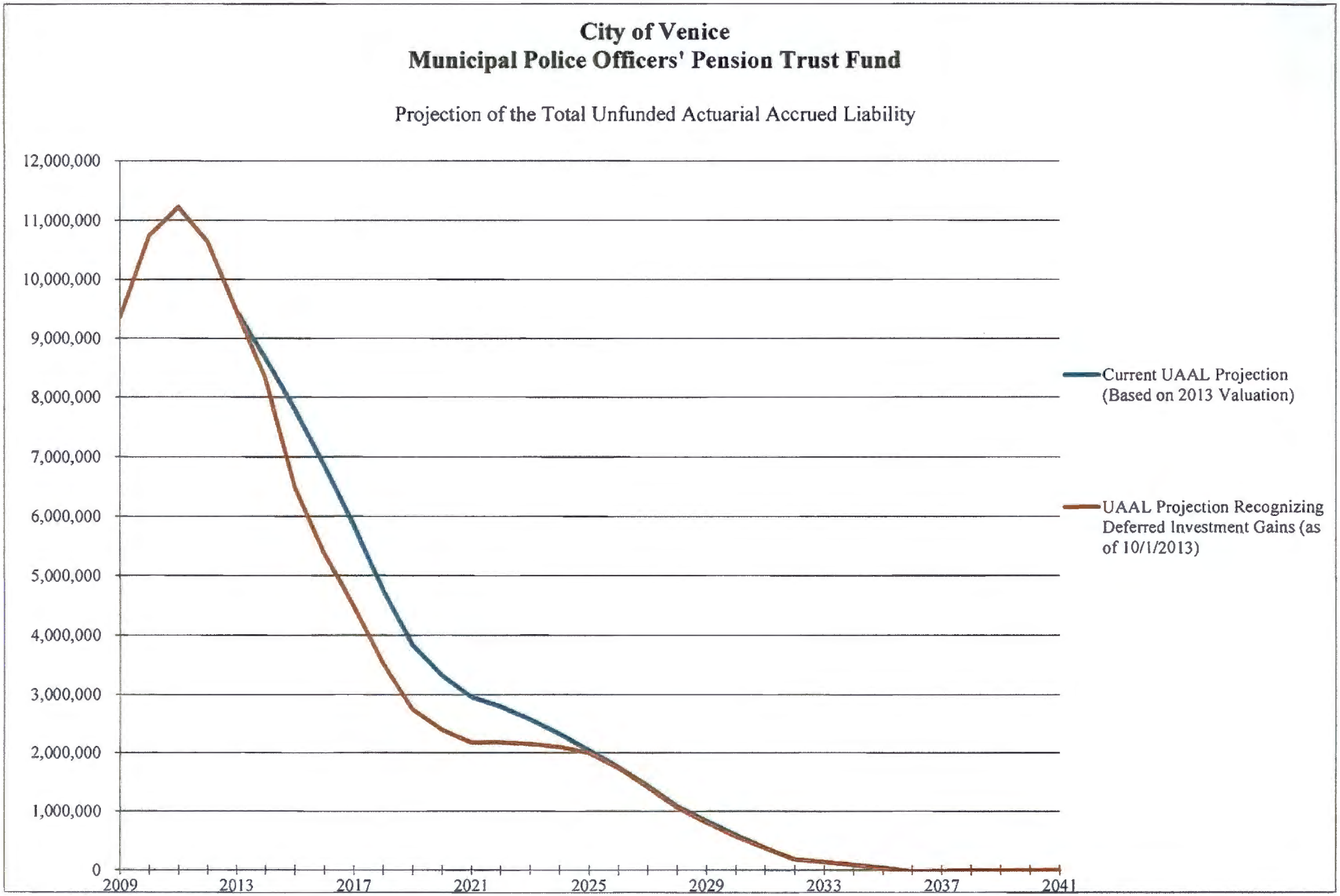
Year Ending	Market Investment Return *	Investment Return Assumption
9/30/2013	11.29%	7.9%
9/30/2012	18.24%	7.9%
9/30/2011	-0.08%	8.0%
9/30/2010	12.61%	8.0%
9/30/2009	-4.31%	8.0%
9/30/2008	-16.21%	8.0%
9/30/2007	20.63%	8.0%
9/30/2006	9.12%	8.0%
9/30/2005	14.69%	8.0%
9/30/2004	15.16%	8.0%
9/30/2003	17.05%	8.0%
9/30/2002	-9.04%	8.0%
9/30/2001	-19.91%	8.0%
9/30/2000	33.17%	8.0%
9/30/1999	21.48%	8.0%
9/30/1998	4.24%	8.0%
9/30/1997	22.71%	8.0%
9/30/1996	13.93%	8.0%
9/30/1995	14.95%	8.0%
9/30/1994	4.61%	8.0%

City of Venice
Municipal Police Officers' Pension Trust Fund

Investment Return History (Net-of-Fees)
October 1, 1991 through September 30, 2013

Year Ending	Market Investment Return *	Investment Return Assumption
9/30/1993	5.36%	8.0%
9/30/1992	9.75%	8.0%
Averages		
3 Years	9.55%	
5 Years	7.22%	
10 Years	7.52%	
22 Years	8.29%	

* Market Return, net of investment related expenses.


City of Venice
Municipal Police Officers' Pension Trust Fund
Projection of the Total Unfunded Actuarial Accrued Liability
12,000,000
11,000,000
10,000,000
9,000,000
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
0
2009
2013
2017
2021
2025
2029
2033
2037
2041
Current UAAL Projection (Based on 2013 Valuation)
UAAL Projection Recognizing Deferred Investment Gains (as of 10/1/2013)