

**CITY PENSION FUND FOR
FIREFIGHTERS AND POLICE OFFICERS
IN THE CITY OF TAMPA**

P. J. Gray
Chair

Wesley Adwell
Vice Chair



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May 27, 2011

Dear Pensioners:

The Tampa Fire & Police Pension Board of Trustees regrets to inform you that there will be no 13th check distribution in June 2011, even though the fund's investment return was above +10%. State statutes, the pension contract, and pension board policies and procedures all require that the fund demonstrate cumulative actuarial gains before a 13th check can be paid, but for fiscal year ended 9/30/2010, the fund has *cumulative actuarial losses of \$81.8 million*. Therefore, in accordance with state statutes, the pension contract, and pension board policies and procedures, the fund's actuary was not able to certify a 13th check for fiscal year ended 9/30/2010 to be paid by June 30, 2011.

As a reminder, last May the Board of Trustees cautioned:

“In an abundance of caution, the board requested that pensioners be reminded that even if the fund earns above +10% for the fiscal year ending 9/30/2010, the fiscal year we are in right now, another requirement must be met before a 13th check could be paid--the pension fund's actuary has to certify that the amount of the 13th check payment will be funded on a sound actuarial basis, and that the allocation does not exceed the amount of cumulative actuarial gains in the plan. It is possible for the fund to make the requisite investment return, but be unable to pay a 13th check for that fiscal year because there are cumulative actuarial *losses* in the plan.”

As of April 30, 2011, the pension fund's investment return is +19.7% seven months into this fiscal year, but investment return is only one component of actuarial gains and losses. The fund will have to overcome the *\$81.8 cumulative actuarial loss* position. We are unable to predict what the remainder of the fiscal year holds.

We hope to have better news for you next spring.

Sincerely,

P.J. Gray
Chair

Wesley Adwell
Vice Chair

Sharon Fox
Secretary