

## **City of Lauderhill Police Officers' Deferred Retirement Option Plan (DROP)**

Dear participant of the Lauderhill Police Officers' DROP:

As actuaries for the Pension Fund, we at DuLaney and Company periodically review the actual experience (such as long term investment return, terminations, deaths and salary increases) versus the assumed values in order to ensure that the assumptions utilized in the annual actuarial valuations are reasonable and appropriate.

At the April 4, 2012 Pension Board meeting, after presenting to the Trustees our review of the Fund experience and the review by Mr. Jeff Swanson of Southeastern Advisory Services, Inc., (the Fund Asset Consultant) we recommended to the Trustees that the annual long term investment rate of return assumed to be earned by the Fund be lowered from 8.00% to 7.75%. The Trustees accepted our recommendation.

For the crediting of quarterly interest to DROP accounts, the change to 7.75% per annum would be effective with the quarter beginning April 1, 2012.