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EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

Financial Statements
As of December 31, 2015 and 2014
With Independent Certified Public Accountant's Report Thereon

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

(Required Supplementary Information)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The management's discussion and analysis of the Employees' Retirement Fund of the City of Dallas (the Plan) financial performance provides an overview of the financial activities and funding conditions for the fiscal years ended December 31, 2015, 2014, and 2013. The intent of this discussion and analysis is to give a narrative overview and analysis of the Plan's financial performance as a whole. For more detailed information regarding performance, readers should also review the financial statements, notes to the financial statements, and required supplementary information in order to enhance their understanding of the Plan's financial performance.

FINANCIAL STATEMENTS

The Plan is a defined benefit plan that provides retirement, disability, and death benefits to full time and permanent part-time civilian employees of the City of Dallas (the City). The Plan has two basic financial statements:

- A statement of fiduciary net position that provides information about the fair value and composition of plan assets, plan liabilities, and Fiduciary Net position; and

- A statement of changes in fiduciary net position that provides information about the year-to-year changes in fiduciary net position.

There are also notes to the financial statements that include a brief plan description, a summary of significant accounting policies, and information about contributions, legally required reserves, and investment concentrations. The report also contains required supplementary information in addition to the basic financial statements. Collectively, this information presents the net position restricted for pension benefits and summarizes the changes in net position for those benefits.

FINANCIAL HIGHLIGHTS

Fiscal year 2015 experienced decline in investments for the Plan year. This was preceded by the sixth consecutive year of positive returns for the Plan. Financial highlights for the Plan at fiscal year ended December 31, 2015 are as follows:

- The Plan had a return of -1.77% for the year, with a 3-year return of 6.95%, and 5-year of 7.12%.
- The net position restricted for pension benefits was $3.2 billion as of December 31, 2015. This amount reflects a decrease of $196 million from last year. This decrease is primarily the result of net decline in equities, international stocks and bond funds.
- Total contributions for fiscal year 2015 were $101 million, an increase of approximately $9 million from last fiscal year. This is attributed to an increase in the contribution rates and an increase in the number of active employees.
- Pension benefits paid to retirees and beneficiaries increased $9.5 million bringing the total benefit payments to $235 million. Refunds of contributions paid to former members upon termination of employment were $4.9 million for 2015 and $4.6 million for 2014.
- Net investment income (net depreciation in the fair value of investments, plus interest and dividend income, less investment expenses) decreased $261 million compared to last fiscal year.
- Administrative expenses of $4.6 million in 2015 were approximately $448 thousand more than 2014.

CONDENSED FINANCIAL INFORMATION

	2015 (in thousands)	2014 (in thousands)	2013 (in thousands)
Assets	$3,715,408	$4,129,664	$3,946,994
Liabilities	513,200	731,179	614,634
Fiduciary Net Position for Pension Benefits	3,202,208	3,398,485	3,332,360
Contributions	101,463	92,369	79,553
Investment & other income, net	(53,182)	208,149	494,124
Benefit payments	235,106	225,614	216,988
Refund of contributions	4,854	4,629	4,405
Administrative expenses	4,598	4,150	3,595
Change in Fiduciary Net Position for Pension Benefits	(196,277)	66,125	348,689

FINANCIAL POSITION AND RESULTS OF OPERATIONS

The Plan's total return for fiscal year 2015 was -1.77%, as compared to 6.5% in 2014 and 16.9% in 2013. The one year return was better than the policy benchmark of -3.11%. The Fund has performed well over longer time periods. The Fund's 3 year return is 6.95% and the 5 years return is 7.12%.

The best performing asset class in 2015 was private equity, returning 13.17%. The fund's real estate investments generated 9.31% for the year. The real estate investments consist of publicly traded real estate funds called real estate investment trust ("REITS") and domestic private real estate funds. The investments in domestic equity returned 0.70% for the year. Overall, the Plan's investment portfolio decreased from $3.4 billion in fiscal year 2014, a decrease of approximately $204 million.

Additions to Fiduciary Net Position consist of employer and employee contributions, investment income, and net realized and unrealized gain on investments. For fiscal year 2015, additions to Fiduciary Net position reflect a decrease of $252 million, in comparison to 2014. This decrease is primarily a result of the decrease in investment income. As experienced in 2013 and 2014, both City and employee contributions showed increases as a result of increased contribution rates. City and employee contributions for fiscal year 2015 were both approximately $51 million. Collection levels for total contributions for 2015 were $101 million compared to $92 million in 2014 and $80 million in 2013.

Net investment income/(loss) is presented net of investment expenses and is comprised of interest, dividend income, gains/(losses) from the sale of investments, net unrealized appreciation/ (depreciation) in the fair value of investments, and net income from securities lending activities. For fiscal year 2015, the Plan had net investment loss of $53 million (which does not include non-investment income of $162 thousand) vs investment income of $208 million fiscal year 2014.

Fiscal year 2015 liabilities of $513 million showed a decreased of 30% over fiscal year 2014 liabilities of $731 million. Liabilities for 2014 had an increase of 19% over the $615 million of liabilities for fiscal year 2013. The decrease in 2015 was primarily due to a decline in pending securities purchased and hedging

activities and a decrease in forward currency exchange contracts at year end (decrease of $178 million). Year end balances for securities purchased were $8 million in 2015, $28 million in 2014 and $15 million in 2013. Foreign currency exchange contracts at year end were $195 million in 2015, $373 million in 2014 and $254 million in 2013. The differences were due to investment managers' portfolio management.

Deductions from Fiduciary Net Position are largely benefit payments. During fiscal year 2015, benefits paid were $235 million, an increase of $9 million over payments made in 2014. Benefits paid in fiscal year 2014 were $226 million, an increase of $9 million over payments made in 2013. The major cause of the 2015 increase is attributable to new retirements with higher base benefits, as was the increase between 2014 and 2013.

New retirements were 287, 252 and 264 respectively for fiscal years 2015, 2014 and 2013. Cost-of-living-adjustments (which are effective on January 1 of the succeeding year) paid in each of the respective years were 1.6% in 2015 and 1.4% in 2014. A cost of living adjustment (COLA) is granted if there is an increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) either from October of the prior year to October of the current year or if the monthly changes average is greater than zero. During fiscal year 2015 refunds of contributions amounted to $4.9 million (390 refunds), compared to 2014 refunds of contributions amounted to $4.6 million (427 refunds) and $4.4 million refunded (364 refunds) during 2013. The fiscal year 2015 refund amount reflects a decrease in the number of members requesting refunds as compared to fiscal year 2014. Administrative expenses of approximately $4.6 million represent less than 2% of total deductions for the year.

CURRENT ENVIRONMENT

Plan membership for active members increased during fiscal year 2015. Active membership increased from 7,180 to 7,477 members, an increase of 4.14%. For 2015 the number of new retirements was 287 compared to 252 in 2014. The trend of benefit payments continues to increase. Similar to most mature plans, benefit payments exceed the level of contribution revenue received, and cash generated from investments is needed in order to meet benefit payments.

An actuarial valuation of the Plan's assets and benefit obligations is performed annually. For 2015, Plan was 59.66%, vs 84.68% in 2014. This decrease is due to a lower than expected rate of return on investments of 8.00%, lower than projected COLA of 3.00%, and actuarial assumption changes adopted by the Board.

EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS
Statements of Fiduciary Net Position
As of December 31, 2015 and 2014
(In thousands)

	2015	2014
ASSETS:		
Cash and short-term investments	$ 85,936	$ 128,980
Collateral on loaned securities	301,078	320,940
	387,014	449,920
Receivables:		
Currency contracts	194,708	373,004
Currency gains	606	1,601
Accrued dividends	2,528	3,497
Accrued interest	10,719	10,652
Accrued securities lending	85	97
Accrued real estate dividend income	1,970	804
Securities sold	4,220	19,535
Employer contributions	1,463	1,099
Employee contributions	1,409	1,104
Total receivables	217,708	411,393
Investments, at fair value:		
Commingled index funds	109,994	119,878
Domestic equities	935,950	980,491
United States and foreign government fixed income	213,806	227,480
Domestic corporate fixed-income securities	664,380	680,829
International equities	761,473	901,068
Investments, at estimated fair value:		
Private equities	148,135	119,000
Real estate	276,948	239,605
Total investments	3,110,686	3,268,351
Total assets	3,715,408	4,129,664
LIABILITIES:		
Accounts payable	6,193	5,243
Payable for securities purchased	8,144	28,471
Investment fees payable	3,077	3,521
Currency contracts	194,708	373,004
Securities lending collateral	301,078	320,940
Total liabilities	513,200	731,179
Net position RESTRICTED for PENSION benefits	$3,202,208	$3,398,485

(A Schedule of Net Pension Liability is presented on page 52)

The accompanying notes are an integral part of these financial statements.

EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS

Statement of Changes in Fiduciary Net Position
As of December 31, 2015 and 2014
(In thousands)

	2015	2014
ADDITIONS:		
Contributions:		
Employer	$ 50,721	$ 45,833
Employee	50,742	46,536
Total contributions	101,463	92,369
Net investment income:		
Dividends	46,287	45,303
Interest	46,990	47,861
Real estate dividend income	9,435	7,608
Net appreciation/(depreciation) in fair value of investments	(139,372)	123,347
Securities lending rebates paid by borrowers	355	1,345
Securities lending income	1,146	1,206
Total investment income/(loss)	(35,159)	226,670
Less investment expenses:		
Investment management fees	(17,407)	(17,733)
Custody fees	(138)	(150)
Consultant fees	(340)	(337)
Securities lending management fees	(300)	(458)
Total investment expenses	(18,185)	(18,678)
Net investment income/(loss)	(53,344)	207,992
Other income	162	157
Total additions	48,281	300,518
DEDUCTIONS:		
Benefit payments	235,106	225,614
Refund of contributions	4,854	4,629
Administrative expenses	4,598	4,150
Total deductions	244,558	234,393
Net increase/(decrease) in net position restricted for pension benefits	(196,277)	66,125
Net position RESTRICTED FOR PENSION benefits		
Beginning of year	3,398,485	3,332,360
End of year	$3,202,208	$3,398,485

The accompanying notes are an integral part of these financial statements.

(1) Description of the Plan

(a) General

The Employees' Retirement Fund of the City of Dallas (the "Plan") is a single-employer defined benefit pension plan that provides retirement, disability, and death benefits to its members, and is sponsored by the City of Dallas (the "City"). All employees of the City are members in the Plan, except police officers, firefighters, elected officers, non-salaried appointee members of administrative boards or commissions, part-time employees working less than one-half time, temporary employees, individuals working under contract, and individuals whose salaries are paid in part by another government agency. Members are entitled to retirement benefits after five years of service and to survivor benefits after two years of service or at the date of eligibility for retirement. The Plan was established and derives its authority to continue in operation from Chapter 40A of the Dallas City Code. The description of the Plan provisions in this report is for financial disclosure only. It is not intended to create or reduce legal rights. The rights and responsibilities of the Board of Trustees, the Plan, the members and the retirees are governed by the Plan as set forth in Chapter 40A. As of December 3l, 2015 and 2014, the Plan's membership consisted of:

	2015	2014
Retirees and beneficiaries currently receiving benefits and inactive members entitled to benefits but not yet receiving them	7,919	7,697
Current members:		
Vested	4,183	4,767
Non-vested	3,294	2,413
Total current members	7,477	7,180
Total membership	15,396	14,877

(b) Pension Benefits

Effective November 7, 1989, members of the Plan are entitled to pension benefits equal to 2.75% of the average monthly earnings of the member for each year of credited service. Average monthly earnings are determined based on the member's earnings for the three highest years. Normal retirement age is 60. Members of the Plan employed prior to May 9, 1972 are entitled to pension benefits at age 55, determined as described in this note.

A member who has completed 30 years of credited service may elect retirement at age 50 and is entitled to full pension benefits. A member who has completed 30 years of service and elects retirement before age 50 is entitled to pension benefits at a percentage of normal retirement benefits ranging from 67.0% to 93.3%, depending upon the age of the member. Effective May 1993, active members may elect to retire after the attainment of age 50 once a combination of

their age and years of service equal at least 78 ("Rule of 78"). They are then entitled to full pension benefits. The Rule of 78 has been incorporated into the actuarial calculations reflected in these notes to the financial statements.

Cost-of-living adjustments for retirees are made each year on the first of January by adjusting the pension base by the percentage change of the Consumer Price Index, not to exceed 5%. The cost-of-living adjustment effective January 2015 was 1.6% and 1.4% in January 2014.

In addition, the Plan provides retirees who have five or more years of service a flat taxable amount of $125 per month as a health premium subsidy. Payment of the health supplement will be prorated for each partial year of credited service for less than five years of credited service.

(c) Disability and Death Benefits

Members that become totally and permanently disabled may qualify for a service-connected disability with no minimum service requirement, or a non-service connected disability with five or more years of credited service. Non-service connected benefits are based on actual credited service or a minimum of 10 years. Service-connected benefits are equal to normal retirement benefits or a minimum of $500.

Upon the death of an active married member with less than 15 years of service, the joint and one-half survivor option is the automatic death benefit.

If an active member has at least 15 years of service or is eligible to retire, the member may elect the joint and full survivor option. Under this option, the member receives a reduced base pension payment which is actuarially computed based on the member's age, average monthly earnings, years of credited service at retirement, and the relative age of the spouse. Upon the death of the member, this option pays the full amount of the member's pension payment to the surviving spouse for life.

Upon the death of a member before retirement, death benefits equal to the normal retirement benefit will be paid to a qualified recipient: surviving spouse, minor child under age 18, a disabled child who became disabled before age 18, or a dependent parent. Death benefits vary depending on the beneficiary. The surviving spouse, the disabled child, or the dependent parent will receive a lifetime benefit unless the ten-year option is taken. The minor child under age 18 will receive the normal retirement benefit for ten years or until reaching age 18. If the member has less than two years of credited service, the member's contributions will be refunded.

Upon the death of a retired member, a death benefit is paid in accordance with the option selected by the member at retirement. If there are no qualified recipients at the time of death and benefits have not been paid for ten years, death benefits are paid to the designee (an estate, a person or an entity) named by the member. The designee will receive a lump-sum payment based on ten years of benefit payments when the member's death occurs before retirement. If death occurs after retirement, the designee will receive a commuted lump-sum payment representing the balance of a guaranteed ten-year period starting from the date of retirement.

If a member does not have an eligible beneficiary, death benefits will be paid to the designee or member's estate in one commuted value payment. Benefit payments will vary depending on whether death occurred before or after retirement. Upon the death of a member before retirement, the designee or member's estate will receive a lump-sum payment based on ten years of benefit payments. Upon the death of a retired member, the designee or estate will receive a commuted value lump-sum payment representing the balance of a guaranteed ten-year period starting from the date of retirement.

(d) Contributions

If employment ends before attaining five years of service and before attaining eligibility for retirement, the member's contributions will be refunded upon written request to the Plan.

If a member's employment is terminated after five years of service, the member may elect a refund of contributions upon a written request, or the member may elect to receive pension benefits at normal retirement age equal to the amount accrued to the date of termination.

Based on the authorization in the Plan, the annual actuarial valuation will establish any new contribution rates for employees and the City. The new rates which became effective October 1, 2015 are 13.32% for employees and a combined rate of 22.68% of pay for the City. The City's 22.68% is divided into 13.83% cash to the Plan and 8.85% for debt service payments on the pension obligation bonds. The former rates, effective October 1, 2014, were 13.06% of pay for employees and a combined rate of 22.23% of pay for the City. The City's 22.23% was divided into 13.02% cash to the Plan and 9.21% for debt service payments.

The percent contributed may vary from the legally required rate as the annual required contribution is based upon covered payroll as of the actuarial valuation date, January 1, whereas contributions are calculated and paid based upon actual payrolls throughout the year.

Certain factors, such as changes in benefit provisions, the size or composition of the population covered by the Plan or the actuarial assumptions used, may significantly affect the identification of trends in the amounts reported in the Schedule of Net Pension Liability and Schedule of Changes in Net Pension Liability located in the Required Supplemental Information section.

(e) Plan Administration

The Plan is governed by seven members, consisting of three members appointed by the City Council who may be Council members, three employee members of the Plan (elected by the membership) and the City Auditor (serving ex officio). The Board has general powers and duties to administer the Plan, including appointing an administrator to carry out the business of the Board, investing the assets of the Plan, making expenditures from the Plan, and determining members' eligibility for benefits.

Based on a Plan amendment passed by the voters of the City of Dallas in November 2004, the Board annually increases or decreases contribution rates in a ratio where the City pays 63% and

the employee pays 37% of the contribution rate as determined by the actuarial valuation. The Plan requires notice to the City of the contribution rates and provides procedures by which the City may review and challenge those rates; codifying the Board's policies and procedures relating to the Plan's actuarial process and the City's participation in the selection of an actuarial firm to perform a peer review/audit; increasing the Board from five members to seven by adding another employee elected representative and another council appointed representative effective March 1, 2005; increasing from three to four the number of board members required to constitute a quorum; increasing the terms of the employee elected representatives from two to three years; requiring Council approval before the Board may grant temporary or permanent discretionary adjustments to retirement benefits over and above the regular cost-of-living increases; correcting section references to the term "qualified recipient"; and authorizing either the Council or the Board to propose amendments to Chapter 40A, subject to approval by the Board, the Council, and the voters of the City.

The Plan may be terminated only by ordinance recommended by the Board, adopted by the City Council, and approved by a majority of the voters of the City voting in a general or special election. The Plan does not address allocation of the net position in the event of termination.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements are prepared on the economic resources measurement focus and accrual basis of accounting. Accordingly, interest earned but not received and dividends declared but not received as of the Plan's fiscal year end are recorded as accrued interest and dividends receivable, respectively. Contributions owed but not received as of the Plan's fiscal year end are recorded as contributions receivable. Benefits and refunds are recorded when paid. In addition, unsettled investment purchases and sales are accrued.

(b) Administrative Expenses

Administrative expenses are paid from the Plan's contributions. The contribution rates calculated by the actuary take into consideration the expected administrative expenses.

(c) Use of Estimates

The preparation of financial statements requires Plan management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(d) Investments and Investment Income

The Plan's investment policy requires that investments comply at all times with applicable local, state and federal regulations. The Plan's investment policy is based upon an asset allocation study that considers the current and expected condition of the Plan, the expected long-term capital

market outlook and the Plan's risk tolerance. Unless specifically permitted in the investment manager guidelines or other governing document, the investment policy prohibits the purchase of non-negotiable securities, short sales, selling on margin, puts, calls, straddles, options, or "letter" (restricted) stock. Also, unless specifically authorized in a manager's individual guidelines, the investment policy prohibits the use of derivatives (See derivatives disclosure in footnote 3).

Marketable securities are valued at fair value based on quoted market prices, where available. Purchases and sales of securities and any resulting gain or loss are recorded on a trade-date basis. Net (depreciation)/appreciation include the Plan's gains and losses on investments bought and sold as well as held during the year.

In July 2015 the Plan adopted a new asset allocation. The changes made to the investment policy allocations included adding Global Low Volatility Equity, Credit Opportunities Fixed Income, and increasing the allocation to Master Limited Partnerships (MLPs). The Plan's asset allocation is shown in the following table.

Asset Class	Allocation Percent
US Equity	
Domestic Equity	15.0
Real Estate	5.0
REITs	5.0
Private Equity	5.0
MLPs	10.0
Total US Equity	40.0
Non-US Equity	
International	15.0
Global	5.0
Global Low Volatility	10.0
Total Non-US Equity	30.0
Total Equity	**70.0**
Credit Opportunities	2.5
Global Investment Grade	15.0
High Yield	12.5
Total Fixed Income	**30.0**
Total Fund Allocation	**100.0**

(e) Private Equity

To enhance the potential for earning higher rates of return relative to its other asset classes and to provide for broader portfolio diversification, the Plan, in 2009, allocated 5% of its total Plan portfolio to private equity. Recognizing that private equity investments have higher risk levels, this target of 5.0% is to be allocated within an acceptable range of 0.0% to 7.0% of private equity-oriented investments. Funding of committed capital in the private equity portfolio can occur over an extended time period and may take several years before the total allocation is fully invested. In order to reach the allocation target, a "committed" allocation up to 1.5 times the allocation is authorized. The Plan currently has three private equity managers.

Investments in these funds as a limited partner are carried at estimated fair value. Estimated fair values of investments in private limited partnerships are determined by the fund managers or general partner based on the latest investee information available, including audited financial statements and other similar data necessary to the valuation process. The private equity value at December 31, 2015 and December 31, 2014 was $148 million and $119 million respectively.

(f) Real Estate

The Plan allocates 5% of its portfolio to private real estate. The Plan has two managers that manage real estate funds for a value of $277 million at December 31, 2015 and $240 million at December 31, 2014.

Estimated fair values of investments in these funds are determined by the fund managers based on their best estimates using fair value estimation techniques substantiated, in part, by their audited financial statements and supported by the due diligence of the Plan investment staff.

(g) Foreign Currency Transactions

The Plan may enter into forward foreign currency exchange contracts for the purchase or sale of a specific foreign currency at a fixed price on a future date as a hedge against specific transactions or portfolio position to protect the Plan against adverse currency movements. Entering into these arrangements involves the risk of dealing with counter parties and their ability to meet the terms of the contracts. These contracts are valued at fair value at the financial statement date, and any realized and unrealized gains and losses are recorded when they are incurred.

Investments denominated in foreign currencies at December 31, 2015 and 2014 were converted to U.S. dollars at the foreign exchange rates quoted at December 31, 2015 and 2014. These foreign exchange gains and losses are included in net (depreciation) / appreciation in fair value of investments in the accompanying Statements of Changes in Fiduciary Net Position.

(h) Securities Lending

The Board has authorized the Plan to enter into an agreement with The Northern Trust Company ("Northern") for the lending of certain of the Plan's securities (the "Securities Lending Program" or "Program") including, but not limited to, stocks and bonds to counterparty brokers and banks ("borrowers"), for a predetermined period of time and fee.

In 2009, the Board capped the securities lending exposure at $538.2 million.

(i) Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investment, net of investment fees, was -1.92%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Schedule of Money-Weighted Investment Returns
Year Ended December 31, 2015

For Year Ended December 31	Annual Investment Returns*
2014	6.52%
2015	-1.92%

*Annual money-weighted rate of return, net of investment fees and adjusted for the changing amounts actually invested. This schedule is intended to include information for ten years. Additional years will be included as they become available.

(3) Derivatives

Derivatives are generally defined as contracts whose values depend on, or are derived from, the value of an underlying asset, reference rate, or index. The Plan has classified the following as derivatives:

(a) Currency Forward Contracts

A currency forward is a contractual agreement between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency at an agreed upon exchange rate. Forward commitments are not standardized and carry credit risk due to the possible nonperformance by one of the counterparties. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened; however, the likelihood of such loss is remote. No such losses occurred during fiscal years 2015 and 2014. Currency forwards are usually traded over-the-counter. These transactions are entered into in order to hedge risks from exposure to foreign currency rate fluctuation and to facilitate trade settlement of foreign security transactions. Currency forwards carry market risk resulting from adverse fluctuations in foreign exchange rates. Recognition of realized gain or loss depends on whether

the currency exchange rate has moved favorable or unfavorable to the contract holder upon termination of the contract. Prior to termination of the contract, the Plan records the unrealized currency translation gain or loss based on the applicable forward exchange rates.

The Plan recognized a net realized gain on forward contracts of $2.2 million as of December 31, 2015 and a net realized gain of $1.7 million as of December 31, 2014. As of December 31, 2015, the Plan had a net unrealized gain on forward contracts of $611 thousand and a net unrealized gain of $1.7 million at December 31, 2014. These gains and losses are included in net (depreciation)/appreciation in fair value of investments in the accompanying Statements of Changes in Fiduciary Net Position.

Currency forward contracts outstanding at December 31, 2015 and 2014 were approximately $195 million and $373 million, respectively.

Currency	2015 Currency Forward Contracts Outstanding (in thousands)	2014 Currency Forward Contracts Outstanding (in thousands)
Australian Dollar	$ 6,615	$25,396
Brazilian Real	1,649	3,265
Canadian Dollar	4,905	9,274
Chile Peso	2,466	81
Columbian Peso	1,905	217
Czech Koruna	1,259	1,583
Denmark Krone	20	198
Euro	8,443	10,798
Hong Kong Dollars	1,496	2,949
Hungary Forint	2,279	3,229
Indonesia-Rupiahs	2,874	3,221
Indian Rupee	5,930	9,560
Israel Shekel	1,615	1,044
Japanese Yen	26,891	14,839
Korean Won	162	9,059
Malaysia Ringgit	444	4,557
Mexican Peso	1,000	2,237
New Zealand Dollar	161	17,474
Norwegian Krone	2,169	2,998
PEI	-	7
Peruvian Nuevo Sol	19	-
Philippine Peso	-	2,808
Poland Zloty	191	808
Russia Ruble	-	4,895
Singapore Dollar	3,725	11,095
Swedish Krona	6,519	3,828

Currency	2015 Currency Forward Contracts Outstanding (in thousands)	2014 Currency Forward Contracts Outstanding (in thousands)
Switzerland Franc	2,591	12,518
Thailand Baht	57	120
Turkey Lira	4,440	7,973
Taiwan New Dollar	6	2,658
UK Pound	4,872	5,291
US Dollar	98,286	194,228
South Africa Rand	1,719	4,796
Total	$194,708	$373,004

(b) Swaps

A swap is an agreement between two or more parties to exchange a sequence of cash flows over a period of time in the future. No principal is exchanged at the beginning of the swap. The cash flows that the counterparties exchange are tied to a "notional" amount. The agreements provide, at predetermined future dates, the Plan pays interest based upon a notional principal amount and receives a return based upon the underlying index. Notional amounts represent the volume of outstanding transactions and do not represent the potential gain or loss associated with market risk or credit risk of such instruments. Risk associated with swaps includes adverse movements in the underlying index. The Plan has one investment manager authorized to enter into swaps. The Plan held no open swap contracts at December 31, 2015 and December 31, 2014.

(c) Futures

Financial futures are agreements to purchase or sell a specific amount of an asset at a specified delivery or maturity date for an agreed upon price. These derivative securities are used to improve yield, adjust the duration of the fixed income portfolio, circumvent changes in interest rates, or to replicate an index. Futures contracts are standardized and traded on organized exchanges, thereby minimizing the Plan's risk. There were no outstanding futures contracts at December 31, 2015 and December 31, 2014.

(4) Deposit and Investment Risk Disclosures

Deposits and investments of state and local governments are exposed to risks that have the potential to result in losses. The common deposit and investment risks include custodial credit risk, credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. The required disclosures related to these risks and the Plan's exposures to these risks are disclosed in the following sections.

Custodial Credit Risk

Custodial credit risk is the risk, in the event of the failure of the counter party the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Plan's custodial credit risk policy is set forth in Chapter 40A of the Dallas City Code and in the master custody agreement which includes the securities lending program. All investments are registered in the name of Employees' Retirement Fund of the City of Dallas or in the name of the Plan's custodian established through a master trust custodial agreement. The securities are held by the custodian in the name of the Plan.

As of December 31, 2015 the Plan had $3.1 million or 0.09% of its approximate $3.2 billion total investments (excluding short term investments) exposed to custodial credit risk. The risk exposure at December 31, 2014 was $1.5 million or .04% of total investments (excluding short term investments) of approximately $3.3 billion. These exposures were uninsured and uncollateralized deposits held by custodian banks outside of the United States. The Plan has experienced no such losses on these deposits during the year.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. A concentration of investments in any one single issuer of debt securities presents a greater risk for loss in the event that the issuer fails on its obligations.

The Board has contracted with third party investment managers to manage the investment portfolio of the Plan, subject to the policies and guidelines established by the Board. As the Plan's custodian bank, Northern Trust has responsibility for the safekeeping of certain investments, handling of transactions based on the instructions of investment managers, and recordkeeping for the investment transactions.

Investments that individually represent 5% or more of the net position available for Plan benefits and the total of investments that individually represent less than 5% of the net position restricted for pension benefits at December 31, 2015 and December 31, 2014 are as shown below (in thousands except per share amounts). There were no individual investments that met these criteria for fiscal years 2015 and 2014. The Plan's concentration of credit risk policy is communicated to individual managers in their guidelines through limitations or restrictions to securities, sectors, debt ratings, and other factors that may be applicable to a particular manager.

	Number of Shares/Units	2015 Fair Value	Number of Shares/Units	2014 Fair Value
Investments greater than 5% of net position, at fair value:	-	$ -	-	$ -
Investments less than 5% of net position:				
At fair value		3,072,617		3,359,666

At estimated fair value	425,083	358,605
Total cash and investments	$ 3,497,700	$ 3,718,271

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality ratings for the Plan's investments in fixed income securities as of December 31, 2015 and 2014 are included in the schedule below. Securities are rated using Standard and Poor's quality ratings as presented below in the rating scale.

The Plan's strategic fixed income investment policy allocates 30% of the total assets to fixed income. The policy provides for investment of up to 15% of the fixed income allocation in investment grade assets and up to 12.50% of the fixed income allocation in high yield (below investment grade) assets. The investment grade allocation also allows selected managers to invest in non-US dollar issues on an opportunistic basis up to 20% of their portfolio assets. Long term bond ratings as of December 31, 2015 and 2014 are as follows (in thousands):

	2015		2014	
Quality Rating	Fair Value	Percentage of Bond Portfolio	Fair Value	Percentage of Bond Portfolio
AAA	$ 101,758	11.59	$ 103,748	11.42
AA+	20,000	2.28	14,514	1.60
AA	3,562	0.41	5,423	0.60
AA-	8,426	0.96	8,015	0.88
A+	905	0.10	2,709	0.30
A	16,494	1.88	20,312	2.24
A-	16,056	1.83	26,057	2.87
BBB+	22,560	2.57	21,666	2.39
BBB	34,105	3.88	23,170	2.55
BBB-	26,493	3.01	20,075	2.21
BB+	48,318	5.50	38,996	4.29
BB	60,742	6.92	54,366	5.98
BB-	85,963	9.79	80,741	8.89
B+	63,304	7.21	90,990	10.02
B	76,744	8.74	68,379	7.53
B-	55,282	6.30	65,975	7.26
CCC+	31,734	3.61	42,948	4.73
CCC	7,624	0.87	8,142	0.90
CCC-	2,773	0.32	3,091	0.34
CC	1	0.00	205	0.02
C	521	0.06		
DDD	336	0.04	435	0.05
D	1,074	0.12	1,666	0.18
Not rated (NR)*	90,484	10.30	85,433	9.40

U.S. Government fixed income securities (NR)**	102,927	11.71	121,253	13.35
	$ 878,186	100.00%	$ 908,309	100.00%

* NR-Investments that are not rated.

**NR-U.S. Treasury Bonds and Notes are obligations of the U. S government or explicitly guaranteed by the U. S. government and therefore are not considered to have a credit risk.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The Plan's foreign currency risk policy is communicated to those managers who are authorized to hedge currencies in their guidelines and sets specific parameters for each manager individually.

The Plan's investment policies limit the aggregate amount that can be invested in each class of investments. The equity investment policy sets an allocation of 15% of assets to international equity, 5% of assets to global equity and 10% to global low volatility equity.

The Plan's positions in international equity securities, directly and through commingled funds, were 24.48% and 27.56% of invested assets at December 31, 2015 and 2014 respectively. The Plan's position in global equity securities was 4.80% and 5.95% of invested assets at December 31, 2015 and 2014 respectively. The Plan's position in global low volatility equity was 10.1% at December 31, 2015 and 0% 2014. The Plan's positions in global fixed income assets were 14.1% and 13.7% of invested assets at December 31, 2015 and 2014 respectively.

Non-US Dollar denominated investments at December 31, 2015 and 2014 were as follows (in thousands):

	2015 U. S. Dollars Balance of Investments (in thousands)			2014 U. S. Dollars Balance of Investments (in thousands)		
Currency	Equities	Fixed	Currency Forward	Equities	Fixed	Currency Forward
Australian Dollar	14,219	5,760	6,615	$ 6,435	$ 4,252	$25,396
Australian Schilling				-	-	-
Belgium Franc				-	-	-
Brazil Real	4,309		1,649	7,965	3,371	3,265
British Pound Sterling	39,611			74,406	-	-
Canadian Dollar	22,171	805	4,905	43,258	-	9,274
Chile Peso			2,466	-	-	81
Columbia Peso			1,905	-	-	217
Czech Republic-Koruna	235		1,259	-	-	1,583
Denmark Krone	4,721		20	4,561	-	198
Dutch Guilder				-	-	-
Euro	78,856		8,443	91,924	3,773	10,798

	2015 U. S. Dollars Balance of Investments (in thousands)			2014 U. S. Dollars Balance of Investments (in thousands)		
Currency	Equities	Fixed	Currency Forward	Equities	Fixed	Currency Forward
Finland Markka				-	-	-
French Francs				-	-	-
German Marks				-	-	-
Hong Kong Dollars	27,256		1,496	36,432	-	2,949
Hungary-Forint	494		2,279	181	-	3,229
Indian Rupee			5,930	-	-	9,560
Indonesia-Rupiahs	2,823		2,874	4,005	-	3,221
Israel Shekel	2,932		1,615	1,306	-	1,044
Italian Lira				-	-	-
Japanese Yen	65,346		26,891	100,863	-	14,839
Korean Won			162	18,574	-	9,059
Malaysia Ringgit	4,755		444	6,437	-	4,557
Mexican Peso	4,019	2,703	1,000	3,578	4,429	2,237
New Zealand Dollar	4,381		161	76	-	17,474
Norwegian Krone	8,982		2,169	19,888	-	2,998
Peruvian Nuevo Sol			19			
Philippines-Pesos	835			434	-	2,808
PEI				-	-	7
Poland-Zloty	2,019		191	3,604	-	808
Portuguese Escudos				-	-	-
Russian Ruble				-	-	4,895
Singapore Dollar	2,050		3,725	3,583	-	11,095
South Africa Rand	5,969		1,719	7,073	-	4,796
South Korea-Won	20,721					
Spanish Pesetos				-	-	-
Swedish Krona	10,202		6,519	13,172	-	3,828
Swiss Franc	21,278		2,591	25,813	-	12,518
Taiwan New Dollar			6	-	-	2,658
Thailand Baht	7,114		57	6,218	-	120
Turkish Lira	2,040		4,440	4,012	-	7,973
UK Pound			4,872	-	-	5,291
Total	$ 357,338	$9,268	$ 96,422	$483,798	$ 15,825	$ 178,776

As of December 31, 2015 and 2014 open currency forward contracts are as follows:

Derivative Type	Total Notional Value 12/31/2015 (in thousands)	Total Fair Value 12/31/2015 (in thousands)	Total Notional Value 12/31/2014 (in thousands)	Total Fair Value 12/31/2014 (in thousands)
Currency Forward Contracts	$611	$194,708	$1,709	$373,004
Total	$611	$194,708	$1,709	$373,004

Interest Rate Risk

Interest rate risk is the risk that future changes in prevailing market rates of interest will have an adverse effect on the fair value of debt investments. The fair values of securities with long terms to maturity may be highly sensitive to interest rate changes.

As of December 31, 2015 and 2014 the weighted-average maturity of the bonds by bond type are as follows:

Bond Category	Fair Value 12/31/2015 (in thousands)	Weighted Average Maturity (years) at 12/31/2015	Fair Value 12/31/2014 (in thousands)	Weighted Average Maturity (years) at 12/31/2014
Asset Backed Securities	$ 23,289	7.81	$ 23,657	7.04
Bank Loans	12,433	4.68	21,610	4.84
Commercial Mortgage-Backed	29,514	28.35	25,882	29.14
Corporate Bonds	571,029	7.50	579,660	7.78
Government Agencies	18,216	8.40	17,045	2.50
Government Bonds	82,722	12.70	96,333	9.37
Government Mortgage-Backed Securities	107,705	20.17	103,310	19.78
Government issued Commercial Mortgage-Backed Securities	1,216	3.12	1,623	5.57
Index Linked Government Bonds	2,542	21.78	7,279	8.00
Municipal/ Provincial Bonds	19,004	16.39	19,211	16.95
Non-Government Backed CMOs	10,516	18.90	12,699	21.02
Total	$878,186		$908,309	
Portfolio weighted Average maturity		10.51		10.11

Government Mortgage Backed Securities are most sensitive to changes in interest rates as their prepayments can vary significantly with interest rate changes. This change in prepayments will generally cause the duration, or interest rate risk, of these securities to increase when interest rates rise and decrease when interest rates fall. These securities represent 12% and 11% of the total fixed income portfolio for 2015 and 2014. Their fair values at year end 2015 and 2014 were $107.7 million and $103.3 million, respectively. The Plan's interest rate risk policy is communicated to the fixed income managers through the Fixed Income Asset Policy and each manager's guidelines.

(5) Appreciation or Depreciation of Investments

In 2015 and 2014, the Plan's investments, including investments bought, sold, and held during the year, appreciated (depreciated) in value as follows (in thousands):

	2015	2014
Investments, at fair value:		
Commingled index funds	$ (9,855)	$ (13,712)
Domestic equities	(166,866)	(65,190)
United States and foreign government fixed income securities	(14,110)	8,260
Domestic corporate fixed-income securities	(46,117)	(16,735)
International equities	48,834	178,686
Short-term investments	948	(299)
Currency contracts	1,300	3,616
	(185,866)	94,626
Investments, at estimated fair value:		
Real estate	33,640	16,967
Private equity and venture capital funds	12,854	11,754
	$ (139,372)	$ 123,347

(6) Securities Lending

During the year, Northern lent, on behalf of the Plan, securities held by Northern as Plan custodian and received cash, United States government securities, agency securities, and irrevocable bank letters of credit as collateral. Northern did not have the ability to pledge or sell collateral securities absent a borrower default. Northern Trust's Core USA Collateral Section establishes requirements for participation, collateralization levels, cash and non-cash collateral guidelines, and investment guidelines for the collateral received from borrowers. Borrowers were required to put up collateral for each loan equal to: (i) in the case of loaned securities, the collateral for which is all denominated in the same currency as the loaned securities, 102% of the fair market value of the loaned securities plus any accrued but unpaid distributions thereon, and (ii) in the case of loaned securities denominated in a different currency from the loaned securities, 105% of the fair market value of the loaned securities plus any accrued but unpaid distributions thereon. Additionally, the guidelines set maturity/liquidity requirements for the collateral received from borrowers. The following table shows

for open loans at December 31, 2015 and 2014, the type of collateral held, the fair value of the securities on loan, and the fair value of the collateral held (in thousands except percentages).

Collateral Type	Fair Value 12/31/2015	Collateral Market Value 12/31/2015	Collateral Percentage	Fair Value 12/31/2014	Collateral Market Value 12/31/2014	Collateral Percentage
Cash	$ 292,623	$301,078	103%	$ 312,368	$ 320,940	103%
Non-cash	-	-	0%	-	-	0%
Total	$ 292,623	$ 301,078		$ 312,368	$ 320,940	

The following represents the balances relating to the securities lending transactions as of December 31, 2015 and 2014 (in thousands):

Securities Lent	Underlying Securities 12/31/2015	Securities Collateral Value 12/31/2015	Cash Collateral Investment Value 12/31/2015	Underlying Securities 12/31/2014	Securities Collateral Value 12/31/2014	Cash Collateral Investment Value 12/31/2014
Lent for cash collateral:						
Domestic equities	$146,228	$ -	$150,490	$159,948	$ -	$164,439
Domestic corporate fixed income	71,426	-	73,535	88,222	-	90,485
Global corporate fixed income	61		66			
International equities	9,799	-	10,397	10,214	-	10,821
US Agencies	952		978			
US government, agency & foreign securities	64,157	-	65,612	53,984	-	55,195
Subtotal	$ 292,623	$ -	$ 301,078	$ 312,368	$ -	$ 320,940

Lent for securities collateral:						
Domestic equities	-	-	-	-	-	-
International equities	-	-	-	-	-	-
US government, agency & foreign securities	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	$292,623	$ -	$301,078	$312,368	$ -	$320,940

Disclosure of securities lending income is shown gross with the associated reductions for investment expenses on the Statements of Changes in Fiduciary Net Position, and the cash collateral and associated securities lending payable is shown on the Statements of Fiduciary Net Position for December 31, 2015 and 2014. The net income from securities lending in 2015 was $1.2 million compared to $2.1 million in 2014.

(7) Federal Income Tax Status

The Internal Revenue Service issued a determination letter dated May 24, 2012, stating that the Plan was designed in accordance with applicable Internal Revenue Code requirements as of that date. The Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, the Plan was qualified and the related trust was tax-exempt as of the financial statement dates.

(8) Schedule of Net Pension Liability

(a) The components of the net pension liability of the City at December 31, 2015 and 2014 respectively were as follows:

Description	2015	2014
Total Pension Liability	$ 5,367,564	$ 4,004,055
Plan Fiduciary Net Position	3,202,208	3,398,485
Net Pension Liability	2,165,536	605,570
Plan Fiduciary Net Position Percentage of Total Pension Liability	59.66%	84.68%

(b) **Actuarial Methods and Assumptions**:

Valuation date	December 31, 2015
Actuarial cost method	Entry Age Normal
Asset valuation method	5-year smoothed market
Amortization method	The actuarially determined contribution (ADEC) is initially based on a 30-year open amortization period. As specified in City Ordinance No. 25695, the rate may not change from year to year if the calculated rate is less than 300 basis points different from the current rate.
Remaining Amortization Period	Not determined, see description of amortization method
Investment rate of return	8.00%
Salary increases	3.50% to 6.50%, including inflation
Payroll growth factor	3.00% per year
Includes inflation at	3.00% per year
Cost-of- Living Adjustment	3.00% per year
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition. Last updated for the December 31, 2014 valuation pursuant to an experience study of the 5-year period December 31, 2014.
Mortality	For Actives: Males – RP2000 Healthy Mortality Table for male employees, set forward 4 years. Females – RP2000 Healthy Mortality Table for female employees, set back 5 years. For Healthy Retirees: Males – RP2000 healthy Mortality Table for male annuitants, projected to 2007 using scale AA, set forward two years. Females – RP 2000 healthy Mortality Table for female annuitants. For Disabled Lives: RP 2000 Disabled Mortality Table for male annuitants, set forward one year.

Other Information

Notes:	There were no benefit changes during the year. The assumptions described above were for the most recent ADEC shown in the schedule of contributions. The actuarial assumptions were modified effective December 31, 2014. However, the schedule does not yet show any contribution amounts impacted by the change in assumptions. The assumptions used in determining the Net Pension Liability as

of December 31, 2015 were those used in the actuarial valuation as of December 31, 2015. Please see the actuarial valuation report for a complete description of those assumptions.

The long term rate of return on pension plan investments was estimated using a building block methodology in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real return rates by the target asset allocation percentage and by adding expected inflation. The following table shows the best estimates of arithmetic real rates of return for each of the Plan's asset classes.

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	6.50%
International Equity	6.50
Global Equity	6.70
Low Volatility Global Equity	6.70
Private Equity	9.50
REITS	5.00
Real Assets	6.40
Investment Grade Fixed Income	3.50
High Yield Fixed Income	6.35
Credit Opportunities	6.35

(c) Discount rate - A single discount rate of 8.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 8.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions and employer contributions will be made at the projected future contribution rates assuming that the ERF annually earns 8.00% on its market value of assets and that the number of active members remains constant in the future. In addition, it is assumed that the contribution smoothing will be eliminated when the Pension Obligation Bonds are retired. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(d) Sensitivity of the net pension liability to changes in the discount rate. Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability, if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

Sensitivity of the Net Pension Liability
To the Single Discount Rate Assumption
($000)

1% Decrease	Current Single Discount Rate	1% Increase
4.76%	5.76%	6.76%
$2,915,146	$2,165,356	$1,547,749

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

Schedule of Changes in Net Pension Liability and Related Ratios
($ in 000s)

Fiscal Year ending December 31,	2015	2014
Total Pension Liability		
Service Cost	$78,020	$62,065
Interest on the Total Pension Liability	313,847	290,948
Benefit Changes	-	-
Difference between Expected and Actual Experience	(26,829)	(21,967)
Assumption Changes	1,238,431	292,137
Benefit Payments	(235,106)	(225,614)
Refunds	(4,854)	(4,629)
Net Change in Total Pension Liability	**1,363,509**	**392,940**
Total Pension Liability - Beginning	4,004,055	3,611,115
Total Pension Liability – Ending (a)	**$5,367,564**	**$4,004,055**
Plan Fiduciary Net Position		
Employer Contributions	$50,721	45,833
Employee Contributions	50,742	46,536
Pension Plan Net Investment Income	(53,344)	207,992
Benefit Payments	(235,106)	(225,614)
Refunds	(4,854)	(4,629)
Pension Plan Administrative Expense	(4,598)	(4,150)
Other	162	157
Net Change in Plan Fiduciary Position	**(196,277)**	**66,125**
Plan Fiduciary Net Position - Beginning	3,398,485	3,332,360
Plan Fiduciary Net Position – Ending (b)	**3,202,208**	**3,398,485**
Net Pension Liability – Ending (a)-(b)	**$ 2,165,356**	**$ 605,570**
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	59.66%	84.68%
Covered Employee Payroll	$393,186	$363,109
Net Pension Liability as a Percentage of Covered Employee Payroll	550.72%	168.95%

Notes to Schedule:
The covered employee payroll is the sum of the active members' pay for valuation purposes as of the measurement date. An active member's valuation pay is the greater of their actual pay for the just completed calendar year or their current annual rate of pay.

Schedule of the Net Pension Liability (Historical)
Last 10 Fiscal Years
($ in 000's)

FY Ending December 31,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	4,004,055	3,398,485	605,570	84.68%	363,109	168.95%
2015	5,367,564	3,202,208	2,165,356	59.66%	393,186	550.72%

Notes to Schedule:
The covered employee payroll is the sum of the active members' pay for valuation purposes as of the measurement date. An active member's valuation pay is the greater of their actual pay for the just completed calendar year or their current annual rate of pay.

Schedule of Contributions
Last 10 Fiscal Years
($ in 000s)

FY Ending December 31,	Actuarially Determined Contribution[1,3]	Actual Contributions[2,3]	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2006	21,447	23,000	(1,553)	330,460	6.96%
2007	17,012	23,413	(6,401)	353,671	6.62%
2008	15,535	22,720	(7,185)	376,159	6.04%
2009	20,148	25,232	(5,084)	373,807	6.75%
2010	33,952	27,323	6,629	336,490	8.12%
2011	33,612	27,302	6,310	312,380	8.74%
2012	41,570	30,363	11,207	319,274	9.51%
2013	56,394	37,823	18,571	342,219	11.05%
2014	61,747	45,833	15,914	363,109	12.62%
2015	64,648	50,721	13,927	383,669	13.22%

Notes to Schedule:
1 The actuarially determined contribution (ADEC) shown is the employer contribution based on a 30-year open amortization period prior to fiscal year 2006. Beginning in fiscal year 2006 the Current Adjusted Total Obligation Rate (CATOR), as specified in City Ordinance No. 25695, reduced by the member contribution rate and the debt service on the pension obligation bonds is shown.

2 The actual contribution amount shown for the 2005 plan year includes $533.397 million in pension obligation bond proceeds.

3 Since the City's fiscal year is October 1 to September 30 and the Fund's fiscal year is the calendar year, the contribution amounts shown above are a blend of the City's two fiscal year rates that occur during the calendar year.