

**PENSION PLAN INFORMATION**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

Defined benefit pension plans are required to provide two schedules of long-term actuarial data, Schedule of Funding Progress and Schedule of Employer Contributions as of the plans' reporting dates for the past six consecutive fiscal years. The information presented in these schedules was part of the latest actuarial valuations at the dates indicated in Note 9, Table 9-1.

**PENSION PLAN INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS**  
**December 31, 2006**  
*(In Thousands)*

Retirement System	Actuarial Valuation Date December 31	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL) <sup>a</sup>	Unfunded Actuarial Accrued Liabilities (UAAL) <sup>b</sup>	Funded Ratio	Covered Payroll <sup>c</sup>	UAAL as a Percentage of Covered Payroll
<b>Seattle City Employees' Retirement System (SCERS)</b>	1997 <sup>d</sup>	\$ 1,224,600	\$ 1,266,700	\$ 42,100	96.7 %	\$ 341,500	12.3 %
	1998	1,375,000	1,326,600	(48,400)	103.6	370,400	(13.1)
	1999	1,582,700	1,403,100	(179,600)	112.8	383,600	(46.5)
	2001	1,383,700	1,581,400	197,700	87.5	405,100	48.8
	2003	1,527,500	1,778,900	251,400	85.9	424,700	59.2
	2005 <sup>e</sup>	1,791,800	2,017,500	225,800	88.8	447,000	50.5
<b>Firemen's Pension Fund</b>	2001	2,354	99,330	96,976	2.4	N/A	N/A
	2002	3,573	98,471	94,898	3.6	N/A	N/A
	2003	4,803	89,071	84,268	5.4	N/A	N/A
	2004	6,221	88,705	82,484	7.0	N/A	N/A
	2005 <sup>f</sup>	8,717	107,295	98,578	8.1	N/A	N/A
	2006	10,045	154,518	144,473	6.5	N/A	N/A
<b>Police Relief and Pension Fund</b>	2001	642	89,332	88,690	0.7	N/A	N/A
	2002	-	88,989	89,211	N/A	N/A	N/A
	2003	801	65,418	64,617	1.2	N/A	N/A
	2004	1,752	65,693	63,941	2.7	N/A	N/A
	2005 <sup>f</sup>	1,967	69,935	67,968	2.8	N/A	N/A
	2006	1,327	119,280	117,953	1.1	N/A	N/A

<sup>a</sup> Actuarial present value of benefits less actuarial present value of future normal costs based on Entry Age Actuarial Cost Method for SCERS and Projected Unit Credit Actuarial Cost Method for Firemen's Pension and Police Relief and Pension.

<sup>b</sup> Actuarial accrued liabilities less actuarial value of assets, funding excess if negative.

<sup>c</sup> Covered payroll includes compensation paid to all active employees on which contributions are calculated. Not applicable for Firemen's Pension and Police Relief and Pension plans. These plans primarily cover inactive participants and there are no current member contributions.

<sup>d</sup> Reflects increased COLA benefits adopted by the City Council after the valuation was completed.

<sup>e</sup> Actuarial data for SCERS are determined through biannual actuarial valuations. The latest actuarial valuation was completed as of January 1, 2006.

<sup>f</sup> The results of revised actuarial accrued liabilities and unfunded actuarial accrued liabilities as of December 31, 2005, are reflected in the current schedule.

## Required Supplementary Information

C-5

### PENSION PLAN INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2006

(In Thousands)

Retirement System	Fiscal Year Ending December 31	Covered Employee Payroll <sup>a</sup>	Actual Employer Contribution <sup>b</sup>	Actual Employer Contribution % <sup>b</sup>	Annual Required Contribution (ARC) <sup>c</sup>	Percentage of ARC Contributed
<b>Seattle City Employees' Retirement System (SCERS)</b>	2000	\$ 383,600	\$ 30,800	8.03 %	4.50 %	178 %
	2001	405,100	32,700	8.03	3.04	264
	2002	454,500	36,600	8.03	3.04	264
	2003	424,700	34,200	8.03	8.03	100
	2004	456,800	36,700	8.03	8.03	100
	2005	447,000	35,900	8.03	8.03	100
	2006 <sup>d</sup>	474,200	38,100	8.03	8.03	100
<b>Firemen's Pension Fund</b>	2001	N/A	8,252	100	8,252	100
	2002	N/A	9,480	100	9,480	100
	2003	N/A	9,167	100	9,167	100
	2004	N/A	9,315	100	9,315	100
	2005	N/A	9,704	100	9,704	100
	2006	N/A	9,385	100	9,385	100
<b>Police Relief and Pension Fund</b>	2001	N/A	7,415	100	7,415	100
	2002	N/A	5,955	100	5,955	100
	2003	N/A	7,403	100	7,403	100
	2004	N/A	8,244	100	8,244	100
	2005	N/A	7,187	100	7,187	100
	2006	N/A	6,056	100	6,056	100

<sup>a</sup> Computed as the dollar amount of the actual employer contribution made as a percentage of payroll divided by the contribution rate, expressed as a percentage of payroll for SCERS. Not applicable to the Firemen's Pension and Police Relief and Pension because these plans primarily cover inactive participants and there are no current member contributions.

<sup>b</sup> The actual and required employer contributions for the SCERS are expressed as a percentage of payroll, after first recognizing \$12 per employee assessment made for the death benefits. This assessment per employee is included in the actual employer contributions reported and has been previously recognized by the actuary in determining the ARC.

<sup>c</sup> The City makes employer contributions as a percentage of actual payroll for SCERS as set in City ordinance. Thus, as long as the percentage equals the percentage required by the most recent actuarial valuation, the dollar amount of the ARC is equal to the actual dollar amount of the employer contributions. The City ordinance does not permit a reduction in the employer contribution rate less than the employee contribution rate. Thus, the City's SCERS contributions exceeded the ARC for 1999 through 2001 and resulted in a negative net pension obligation (NPO) amount.

<sup>d</sup> Actuarial data for SCERS are determined through biennial actuarial valuations. The latest actuarial valuation was completed as of January 1, 2006.

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